

## Regulation G - Reconciliation of GAAP to Non-GAAP Financial Measures

(in thousands, except per share data)  
(unaudited)

	FY 2007	Q407	Q307	Q207	Q107	FY 2006	Q406	Q306	Q206	Q106
<b>GAAP net income (loss)</b>	\$ (25,580)	\$ (11,970)	\$ (1,895)	\$ (5,628)	\$ (6,087)	\$ 4,904	\$ 894	\$ 301	\$ (805)	\$ 4,514
Stock-based compensation from equity based- awards	11,770	2,879	2,737	2,908	3,246	13,311	3,891	3,827	2,859	2,734
Stock-based compensation from acquisitions	88	22	22	22	22	484	192	94	96	102
Amortization of purchased intangible assets	3,803	949	951	951	952	2,941	952	951	644	394
In-process research & development	-	-	-	-	-	1,800	-	-	1,800	-
Tax impact of above	(4,610)	(1,092)	(1,133)	(1,121)	(1,264)	(2,170)	(1,204)	(204)	(245)	(517)
Tax impact of IRS Settlement	9,728	9,728	-	-	-	-	-	-	-	-
<b>Non-GAAP net income (loss)</b>	<b>\$ (4,801)</b>	<b>\$ 516</b>	<b>\$ 682</b>	<b>\$ (2,868)</b>	<b>\$ (3,132)</b>	<b>\$ 21,270</b>	<b>\$ 4,725</b>	<b>\$ 4,969</b>	<b>\$ 4,349</b>	<b>\$ 7,227</b>
<b>Basic non-GAAP net income(loss) per share</b>	<b>\$ (0.13)</b>	<b>\$ 0.01</b>	<b>\$ 0.02</b>	<b>\$ (0.08)</b>	<b>\$ (0.09)</b>	<b>\$ 0.61</b>	<b>\$ 0.13</b>	<b>\$ 0.14</b>	<b>\$ 0.13</b>	<b>\$ 0.21</b>
<b>Shares used in computing basic non-GAAP net income (loss) per share</b>	<b>36,007</b>	<b>36,202</b>	<b>36,115</b>	<b>35,967</b>	<b>35,740</b>	<b>34,848</b>	<b>35,725</b>	<b>34,990</b>	<b>34,701</b>	<b>34,416</b>
<b>Diluted non-GAAP net income(loss) per share</b>	<b>\$ (0.13)</b>	<b>\$ 0.01</b>	<b>\$ 0.02</b>	<b>\$ (0.08)</b>	<b>\$ (0.09)</b>	<b>\$ 0.60</b>	<b>\$ 0.13</b>	<b>\$ 0.14</b>	<b>\$ 0.12</b>	<b>\$ 0.20</b>
<b>Shares used in computing diluted non-GAAP net income per share</b>	<b>36,007</b>	<b>36,586</b>	<b>36,444</b>	<b>35,967</b>	<b>35,740</b>	<b>35,740</b>	<b>36,215</b>	<b>35,814</b>	<b>35,706</b>	<b>35,377</b>
<b>GAAP cost of revenues</b>	<b>\$ 45,300</b>	<b>\$ 11,865</b>	<b>\$ 11,574</b>	<b>\$ 9,921</b>	<b>\$ 11,940</b>	<b>\$ 39,085</b>	<b>\$ 12,753</b>	<b>\$ 9,924</b>	<b>\$ 8,589</b>	<b>\$ 7,819</b>
Stock-based compensation from equity-based award programs	1,054	239	217	272	325	1,146	318	316	247	265
Amortization of purchased intangible assets	2,538	633	635	635	635	2,150	635	635	486	394
<b>Non-GAAP cost of revenues</b>	<b>\$ 41,709</b>	<b>\$ 10,993</b>	<b>\$ 10,722</b>	<b>\$ 9,014</b>	<b>\$ 10,980</b>	<b>\$ 35,789</b>	<b>\$ 11,800</b>	<b>\$ 8,973</b>	<b>\$ 7,856</b>	<b>\$ 7,160</b>
<b>GAAP research &amp; development expenses</b>	<b>\$ 37,542</b>	<b>\$ 9,792</b>	<b>\$ 8,960</b>	<b>\$ 9,563</b>	<b>\$ 9,227</b>	<b>\$ 30,646</b>	<b>\$ 8,594</b>	<b>\$ 8,322</b>	<b>\$ 7,274</b>	<b>\$ 6,456</b>
Stock-based compensation from equity-based award programs	3,583	796	794	895	1,098	3,900	1,194	1,159	829	718
Stock-based compensation from acquisitions	88	22	22	22	22	471	172	100	100	99
<b>Non-GAAP research &amp; development expenses</b>	<b>\$ 33,871</b>	<b>\$ 8,974</b>	<b>\$ 8,144</b>	<b>\$ 8,646</b>	<b>\$ 8,107</b>	<b>\$ 26,275</b>	<b>\$ 7,228</b>	<b>\$ 7,063</b>	<b>\$ 6,345</b>	<b>\$ 5,639</b>
<b>GAAP sales &amp; marketing expenses</b>	<b>\$ 67,906</b>	<b>\$ 17,984</b>	<b>\$ 15,879</b>	<b>\$ 16,695</b>	<b>\$ 17,348</b>	<b>\$ 57,889</b>	<b>\$ 17,872</b>	<b>\$ 15,327</b>	<b>\$ 13,736</b>	<b>\$ 10,954</b>
Stock-based compensation from equity-based award programs	4,279	1,186	1,033	1,018	1,042	5,233	1,451	1,590	1,135	1,057
Stock-based compensation from acquisitions	-	-	-	-	-	8	11	-	(5)	2
Amortization of purchased intangible assets	1,265	316	316	316	317	791	316	317	158	-
<b>Non-GAAP sales &amp; marketing expenses</b>	<b>\$ 62,362</b>	<b>\$ 16,482</b>	<b>\$ 14,530</b>	<b>\$ 15,361</b>	<b>\$ 15,989</b>	<b>\$ 51,857</b>	<b>\$ 16,094</b>	<b>\$ 13,420</b>	<b>\$ 12,448</b>	<b>\$ 9,895</b>
<b>GAAP general &amp; administrative expenses</b>	<b>\$ 16,988</b>	<b>\$ 4,594</b>	<b>\$ 3,922</b>	<b>\$ 4,392</b>	<b>\$ 4,080</b>	<b>\$ 13,949</b>	<b>\$ 4,101</b>	<b>\$ 3,770</b>	<b>\$ 3,156</b>	<b>\$ 2,922</b>
Stock-based compensation from equity-based award programs	2,855	658	694	723	780	3,031	927	762	648	694
Stock-based compensation from acquisitions	-	-	-	-	-	6	10	(6)	1	1
<b>Non-GAAP general &amp; administrative expenses</b>	<b>\$ 14,133</b>	<b>\$ 3,936</b>	<b>\$ 3,228</b>	<b>\$ 3,669</b>	<b>\$ 3,300</b>	<b>\$ 10,912</b>	<b>\$ 3,164</b>	<b>\$ 3,014</b>	<b>\$ 2,507</b>	<b>\$ 2,227</b>
<b>GAAP in-process research &amp; development</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,800</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,800</b>	<b>\$ -</b>
In-process research & development	-	-	-	-	-	1,800	-	-	1,800	-
<b>Non-GAAP in-process research &amp; development</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>GAAP operating income (loss)</b>	<b>\$ (23,275)</b>	<b>\$ (3,329)</b>	<b>\$ (3,950)</b>	<b>\$ (8,129)</b>	<b>\$ (7,867)</b>	<b>\$ 1,754</b>	<b>\$ (637)</b>	<b>\$ (1,357)</b>	<b>\$ (386)</b>	<b>\$ 4,134</b>
Stock-based compensation from equity-based award programs	11,770	2,879	2,737	2,908	3,246	13,311	3,891	3,827	2,859	2,734
Stock-based compensation from acquisitions	88	22	22	22	22	484	192	94	96	102
Amortization of purchased intangible assets	3,803	949	951	951	952	2,941	952	951	644	394
In-process research & development	-	-	-	-	-	1,800	-	-	1,800	-
<b>Non-GAAP operating income (loss)</b>	<b>\$ (7,614)</b>	<b>\$ 521</b>	<b>\$ (240)</b>	<b>\$ (4,248)</b>	<b>\$ (3,648)</b>	<b>\$ 20,289</b>	<b>\$ 4,398</b>	<b>\$ 3,514</b>	<b>\$ 5,013</b>	<b>\$ 7,364</b>