



Stamps.com Reports First Quarter 2018 Results

May 3, 2018

EL SEGUNDO, Calif.--(BUSINESS WIRE)--May 3, 2018-- Stamps.com® (Nasdaq: STMP), the leading provider of [postage online](#) and [shipping software](#) solutions to over 725 thousand customers, today announced results for the quarter ended March 31, 2018.

First Quarter 2018 Financial Highlights

- Total revenue was \$133.6 million, up 27% compared to \$105.0 million in the first quarter of 2017.
- GAAP net income was \$47.0 million, up 42% compared to \$33.1 million in the first quarter of 2017.
- GAAP net income per fully diluted share was \$2.54, up 39% compared to \$1.82 in the first quarter of 2017.
- Non-GAAP adjusted EBITDA was \$62.1 million, up 21% compared to \$51.2 million in the first quarter of 2017.
- Non-GAAP adjusted income per fully diluted share was \$2.54, up 39% compared to \$1.83 in the first quarter of 2017.

"We were very pleased with our first quarter performance," said Ken McBride, Stamps.com's Chairman and CEO. "We achieved strong growth driven by continued success in the shipping area of our business. We are continuing to execute on our 2018 strategic plans and we remain excited about our long-term business opportunities."

First Quarter 2018 Detailed Results

First quarter 2018 total revenue was \$133.6 million, up 27% compared to the first quarter of 2017. First quarter 2018 Mailing and Shipping revenue (which includes service, product and insurance revenue but excludes Customized Postage and Other revenue) was \$131.0 million, up 28% versus the first quarter of 2017. First quarter 2018 Customized Postage revenue was \$2.6 million, up 6% versus the first quarter of 2017.

First quarter 2018 GAAP income from operations was \$49.2 million, GAAP net income was \$47.0 million and GAAP net income per share was \$2.54 based on 18.5 million fully diluted shares outstanding. This compares to first quarter 2017 GAAP income from operations of \$34.6 million, GAAP net income of \$33.1 million and GAAP net income per share of \$1.82 based on 18.2 million fully diluted shares outstanding. First quarter 2018 GAAP income from operations, GAAP net income, and GAAP income per fully diluted share increased by 42%, 42% and 39% year-over-year, respectively.

First quarter 2018 GAAP income from operations included \$7.5 million of non-cash stock-based compensation expense and \$4.0 million of non-cash amortization of acquired intangibles. First quarter 2018 GAAP net income also included \$93 thousand of non-cash amortization of debt issuance costs. First quarter 2018 GAAP income tax expense was \$1.6 million and non-GAAP income tax expense was \$13.3 million, resulting in an \$11.7 million non-GAAP tax expense adjustment. The higher non-GAAP tax expense reflects the tax impact on the non-GAAP pre-tax income at a non-GAAP effective tax rate of 22.0%. See the section later in this press release entitled "About Non-GAAP Financial Measures" for more information on how non-GAAP taxes are calculated. Excluding the non-cash stock-based compensation expense and non-cash amortization of acquired intangibles, first quarter 2018 non-GAAP income from operations was \$60.7 million. Also excluding non-cash amortization of debt issuance costs and including the non-GAAP tax expense adjustment, first quarter 2018 non-GAAP adjusted income was \$47.0 million or \$2.54 per share based on 18.5 million fully diluted shares outstanding.

First quarter 2017 GAAP income from operations included \$11.4 million of non-cash stock-based compensation expense and \$4.0 million of non-cash amortization of acquired intangibles. First quarter 2017 GAAP net income also included \$93 thousand of non-cash amortization of debt issuance costs. First quarter 2017 GAAP income tax expense was \$660 thousand and non-GAAP income tax expense was \$16.0 million, resulting in a \$15.3 million non-GAAP tax expense adjustment. The higher non-GAAP tax expense reflected the tax impact on the non-GAAP pre-tax income at a non-GAAP effective tax rate of 32.5%. Excluding the non-cash stock-based compensation expense and non-cash amortization of acquired intangibles, first quarter 2017 non-GAAP income from operations was \$50.0 million. Also excluding non-cash amortization of debt issuance costs and including the non-GAAP tax expense adjustment, first quarter 2017 non-GAAP adjusted income was \$33.2 million or \$1.83 per share based on 18.2 million fully diluted shares outstanding.

Therefore, first quarter 2018 non-GAAP income from operations, non-GAAP adjusted income, and non-GAAP adjusted income per fully diluted share increased by 21%, 41% and 39% year-over-year, respectively.

Non-GAAP income from operations, non-GAAP adjusted income, and non-GAAP adjusted income per share are described further in the "About Non-GAAP Financial Measures" section of this press release and are reconciled to the corresponding GAAP measures in the following tables (unaudited):

Reconciliation of GAAP to Non-GAAP Financial Measures (First Quarter 2018)

First Quarter Fiscal 2018	GAAP	Stock-Based Compensation Expense	Intangible Amortization Expense	Debt Amortization Expense	Income Tax Adjustments	Non-GAAP
All amounts in millions except per share data:	Amounts	Expense	Expense	Expense	Adjustments	Amounts
Cost of Revenues	\$ 25.53	0.48	\$ -	\$ -	\$ -	\$ 25.05
Research & Development	12.07	1.93	-	-	-	10.15
Sales & Marketing	25.75	1.52	-	-	-	24.23

General & Administrative	21.02	3.62	4.00	-	-	13.40
Total Expenses	84.37	7.55	4.00	-	-	72.82
Income (Loss) from Operations	49.20	(7.55)	(4.00)	-	-	60.75
Interest and Other Income (Loss)	(0.54)	-	-	(0.09)	-	(0.45)
Benefit (Expense) for Income Taxes	(1.62)	-	-	-	11.65	(13.27)
Adjusted Income (Loss)	47.04	(7.55)	(4.00)	(0.09)	11.65	47.03
On a diluted per share basis	\$ 2.54	\$ (0.41)	\$ (0.22)	\$ (0.01)	\$ 0.63	\$ 2.54
Shares used in per share calculation	18.51	18.51	18.51	18.51	18.51	18.51

Reconciliation of GAAP to Non-GAAP Financial Measures (First Quarter 2017)

First Quarter Fiscal 2017 All amounts in millions except per share data:	GAAP Amounts	Stock-Based Compensation Expense	Intangible Amortization Expense	Debt Amortization Expense	Income Tax Adjustments	Non-GAAP Amounts
Cost of Revenues	\$ 17.74	\$ 0.55	\$ -	\$ -	\$ -	\$ 17.19
Research & Development	10.52	2.50	-	-	-	8.03
Sales & Marketing	23.15	2.31	-	-	-	20.84
General & Administrative	18.98	6.02	4.00	-	-	8.97
Total Expenses	70.39	11.37	4.00	-	-	55.03
Income (Loss) from Operations	34.65	(11.37)	(4.00)	-	-	50.01
Interest and Other Income (Loss)	(0.85)	-	-	(0.09)	-	(0.76)
Benefit (Expense) for Income Taxes	(0.66)	-	-	-	15.35	(16.01)
Adjusted Income (Loss)	33.14	(11.37)	(4.00)	(0.09)	15.35	33.25
On a diluted per share basis	\$ 1.82	\$ (0.63)	\$ (0.22)	\$ (0.01)	\$ 0.84	\$ 1.83
Shares used in per share calculation	18.17	18.17	18.17	18.17	18.17	18.17

First Quarter GAAP Net Income and Non-GAAP Adjusted EBITDA

First quarter 2018 GAAP net income was \$47.0 million, up 42% compared to \$33.1 million in the first quarter of 2017.

First quarter 2018 non-GAAP adjusted EBITDA was \$62.1 million, up 21% compared to \$51.2 million in the first quarter of 2017.

Adjusted EBITDA is a non-GAAP financial measure which is described further in the "About Non-GAAP Financial Measures" section of this press release and is reconciled to GAAP net income in the following table (unaudited):

Reconciliation of GAAP Net Income to Non-GAAP Adjusted EBITDA

First Quarter All amounts in millions	Three Months ended March 31, 2018 2017	
GAAP Net Income (Loss)	\$ 47.04	\$ 33.14
Depreciation and Amortization expense	\$ 5.34	\$ 5.23
Interest & Other Expense (Income), net	\$ 0.54	\$ 0.85
Income Tax Expense (Benefit), net	\$ 1.62	\$ 0.66
Stock-based Compensation Expense	\$ 7.55	\$ 11.37
Adjusted EBITDA	\$ 62.08	\$ 51.24

Taxes

For the first quarter of 2018, the Company reported a GAAP income tax expense of \$1.6 million representing an effective tax rate of 3.3%. As discussed below under the heading "About Non-GAAP Financial Measures," we believe our effective tax rate for 2018 will be approximately 22%. Accordingly, the first quarter 2018 effective rate of 3.3% should not be assumed to apply for 2018 as a whole, and our after tax income during the remainder of 2018 will likely reflect a materially higher rate than is reflected in our after tax results for the first quarter of 2018. Our first quarter 2018 GAAP net income should also be understood to have been positively impacted by the lower effective tax rate applicable specifically to the quarter resulting primarily from employee stock option exercises.

Share Repurchase and Debt Repayment

During the first quarter of 2018, the Company repurchased approximately 120 thousand shares at a total cost of approximately \$23.2 million.

On April 25, 2018, the Board of Directors approved a new share repurchase plan that will take effect upon expiration of the current plan on May 11, 2018 and authorizes the Company to repurchase up to \$90 million of stock over the six months following its effective date.

During the first quarter of 2018, the Company made a required principal repayment of \$2.1 million against the borrowings under the Company's existing credit agreement related to the Endicia acquisition. As of March 31, 2018, total debt under the credit agreement excluding debt issuance costs was \$68.1 million.

Summary of our Updated Business Outlook

For fiscal year 2018, the Company currently expects its GAAP financial outlook to be as follows:

- We expect total revenue to be in a range of approximately \$530 million to \$560 million; this is unchanged from our previous guidance.
- We expect GAAP net income to be in a range of approximately \$150 million to \$165 million; this compares to previous guidance of \$138 million to \$153 million.
- We expect GAAP net income per fully diluted share to be in a range of approximately \$7.73 to \$8.70; this compares to previous guidance of \$7.09 to \$8.04.
- We expect our 2018 effective tax rate to be 22.0%; this compares to our previous guidance of 28.0%.

The above GAAP amounts, adjusted as detailed below, result in the following non-GAAP financial outlook:

- We expect non-GAAP adjusted EBITDA to be in a range of approximately \$245 million to \$265 million; this is unchanged from our previous guidance.
- We expect non-GAAP adjusted income per fully diluted share to be in a range of \$9.60 to \$10.60; this compares to previous guidance of \$8.80 to \$9.80.

Detailed Discussion of our Business Outlook

As noted above, for 2018, the Company currently expects total revenue to be in a range of approximately \$530 million to \$560 million; this is unchanged from our previous guidance.

Also, for 2018, the Company currently expects GAAP net income to be in a range of approximately \$150 million to \$165 million; this compares to previous guidance of \$138 million to \$153 million.

The expected GAAP net income range includes depreciation and amortization expense of approximately \$21 million, stock-based compensation expense of approximately \$30 million, interest expense and other income, net of approximately \$2 million and income tax expense of approximately \$42 million to \$47 million. Excluding the depreciation and amortization expense, stock-based compensation expense, interest expense and other income, net and income tax expense, we expect non-GAAP adjusted EBITDA to be in a range of approximately \$245 million to \$265 million.

The following table is provided to facilitate a reconciliation of 2018 expected non-GAAP adjusted EBITDA to expected GAAP net income:

All amounts in millions	Fiscal Year 2018 Guidance	
	Low End of Range	High End of Range
GAAP net income	\$149.8	\$165.4
Adjustments to reconcile adjusted EBITDA to GAAP net income:		
Depreciation and amortization expense	\$21.0	\$21.0
Stock-based compensation expense	\$30.0	\$30.0
Interest expense and other income, net	\$1.9	\$1.9
Income tax expense	\$42.3	\$46.7
Total adjustments excluded from adjusted EBITDA	\$95.2	\$99.6
Adjusted EBITDA	\$245.0	\$265.0

As noted above, for 2018, the Company currently expects GAAP net income per fully diluted share to be in a range of approximately \$7.73 to \$8.70; this compares to previous guidance of \$7.09 to \$8.04. The expected GAAP net income per fully diluted share range includes non-cash stock-based compensation expense of approximately \$30 million, non-cash amortization of acquired intangibles expense of approximately \$16 million, and non-cash amortization of debt issuance costs of approximately \$0.4 million. Excluding the stock-based compensation expense, amortization of acquired intangibles expense, and amortization of debt issuance costs, and including higher expected non-GAAP income taxes of approximately \$10 million from the expected tax effects of these adjustments at an assumed 22.0% effective tax rate, non-GAAP adjusted income per fully diluted share is expected to be in a range of \$9.60 to \$10.60; this compares to previous guidance of \$8.80 to \$9.80.

The following table is provided to facilitate a reconciliation of 2018 expected non-GAAP adjusted income per fully diluted share to expected GAAP net income per fully diluted share:

All amounts in millions except percentages and per share data	Fiscal Year 2018 Guidance	
	Low End of Range	High End of Range
GAAP net income per fully diluted share	\$7.73	\$8.70
Adjustments to reconcile non-GAAP to GAAP:		
Stock-based compensation expense	\$30.0	\$30.0
Amortization of acquired intangibles	\$16.0	\$16.0
Amortization of debt issuance costs	\$0.4	\$0.4
Total adjustments excluded from non-GAAP	\$46.4	\$46.4
Projected effective tax rate	22%	22%
Increased tax expense from non-GAAP adjustments	\$10.2	\$10.2
Total tax affected adjustments excluded from non-GAAP	\$36.2	\$36.2
Fully diluted shares	19.4	19.0
Total adjustments excluded from non-GAAP adjusted income per fully diluted share	\$1.87	\$1.90
Non-GAAP adjusted income per fully diluted share	\$9.60	\$10.60

This business outlook does not include the impact from potential future acquisitions, including acquisition costs or related financings, or unanticipated events. This business outlook and the related assumptions are forward-looking statements subject to the safe harbor statement contained at the end of this press release, and reflect our views of current and future market conditions as of the date of this press release. Ranges reflect our business assumptions, but actual results could fall outside the range presented. Only a few of our assumptions underlying our guidance are disclosed above, and our actual results will be affected by known and unknown risks, trends, uncertainties and other factors, some of which are beyond our control or ability to predict. Although we believe that the assumptions underlying our guidance are reasonable, they are not guarantees of future performance and some of them will inevitably prove to be incorrect. As a result, our actual future results can be expected to differ from our expectations, and those differences could be material. We do not undertake any obligation to release publicly any revisions to our business outlook or other forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Company Metrics and Conference Call

2018 Company metrics, updated to include the first quarter, is available at <http://investor.stamps.com> (under a tab on the left side called Company Information, Metrics). These metrics are not incorporated into this press release.

The Stamps.com financial results conference call will be webcast today at 5:00 p.m. Eastern Time and may be accessed at <http://investor.stamps.com>. The Company plans to discuss its business outlook during the conference call. Following the conclusion of the webcast, a replay of the call will be available at the same website.

About Stamps.com, Endicia, ShipStation, ShipWorks and ShippingEasy

[Stamps.com](http://stamps.com) (Nasdaq: STMP) is the leading provider of [postage online](#) and [shipping software](#) solutions to over 725 thousand customers, including consumers, small businesses, e-commerce shippers, enterprises, and high volume shippers. Stamps.com offers solutions that help businesses run their shipping operations more smoothly and function more successfully under the brand names Stamps.com, [Endicia](#), [ShipStation](#), [ShipWorks](#) and [ShippingEasy](#). Stamps.com's family of brands provides seamless access to mailing and shipping services through integrations with more than 500 unique partner applications.

[Endicia](#) is a leading brand for high volume shipping technologies and services for U.S. Postal Service shipping. Under this brand we offer solutions that help businesses run their shipping operations more smoothly and function more successfully. Our Endicia branded solutions also provide seamless access to USPS shipping services through integrations with partner applications.

[ShipStation](#) is a leading web-based shipping solution that helps e-commerce retailers import, organize, process, package, and ship their orders quickly and easily from any web browser. ShipStation features the most integrations of any e-commerce web-based solution with more than 175 shopping carts, marketplaces, package carriers, and fulfillment services. Integration partners include eBay, PayPal, Amazon, Etsy, Square, Shopify, BigCommerce, Volusion, Magento, Squarespace, and carriers such as USPS, UPS, FedEx and DHL. ShipStation has sophisticated automation features such as automated order importing, custom hierarchical rules, product profiles, and fulfillment solutions that enable its customers to complete

their orders, wherever they sell, and however they ship.

[ShipWorks](#) is a leading brand for client-based shipping solutions that help high volume shippers import, organize, process, fulfill, and ship their orders quickly and easily from any standard PC. With integrations to more than 100 shopping carts, marketplaces, package carriers, and fulfillment services, ShipWorks has the most integrations of any high-volume client shipping solution. Package carriers include USPS, UPS, FedEx, DHL, OnTrac and many more. Marketplace and shopping cart integrations include eBay, PayPal, Amazon, Etsy, Shopify, BigCommerce, Volusion, ChannelAdvisor, Magento, and many more. ShipWorks has sophisticated automation features such as a custom rules engine, automated order importing, automatic product profile detection, and fulfillment automation, which enable high volume shippers to complete their orders quickly and efficiently.

[ShippingEasy](#) is a leading web-based shipping software solution that allows online retailers and e-commerce merchants to organize, process, fulfill and ship their orders quickly and easily. ShippingEasy integrates with leading marketplaces, shopping carts, and e-commerce platforms to allow order fulfillment and tracking data to populate in real time across all systems. The ShippingEasy software downloads orders from selling channels and automatically maps custom shipping preferences, rates and delivery options across all supported carriers.

About Non-GAAP Financial Measures

To supplement the Company's condensed consolidated balance sheet and consolidated statement of income presented in accordance with GAAP, the Company uses non-GAAP measures of certain components of financial performance. These non-GAAP measures include non-GAAP income from operations, non-GAAP adjusted income, non-GAAP adjusted income per fully diluted share and adjusted EBITDA.

Non-GAAP financial measures are provided to enhance investors' overall understanding of the Company's financial performance and prospects for the future and as a means to evaluate period-to-period comparisons. The Company believes the non-GAAP measures that: (1) exclude certain non-cash items including stock-based compensation expense, amortization of acquired intangibles, amortization of debt issuance costs, contingent consideration charges; (2) exclude certain expenses and gains such as acquisition related expenses, litigation settlement expenses, executive consulting expenses, insurance proceeds; and (3) includes income tax adjustments provide meaningful supplemental information regarding financial performance by excluding certain expenses and benefits that may not be reflective of our underlying operating performance.

Non-GAAP adjusted income is calculated as GAAP net income plus the cumulative impact of the adjustments outlined in the paragraph immediately above.

Non-GAAP adjusted income per fully diluted share is calculated as non-GAAP adjusted income divided by fully diluted shares. Prior to the third quarter 2016, the Company referred to non-GAAP adjusted income as non-GAAP net income.

Non-GAAP income tax expense for the first, second and third quarters of our fiscal year are calculated by multiplying the projected annual effective tax rate in that quarter by the non-GAAP adjusted income before taxes for the quarter. The projected annual effective tax rate does not reflect potential future employee option exercises in the remaining quarters of the fiscal year due to the inherent difficulty in forecasting employee option exercises. The projected annual effective tax rate also considers other factors including the Company's tax structure and its tax positions in various jurisdictions where the Company operates. The actual annual effective tax rate realized for the fiscal year could differ materially from our projected annual effective tax rate used in the first, second and third quarters.

Non-GAAP income tax expense for the fourth quarter of the fiscal year is calculated by multiplying the actual effective tax rate for the fiscal year by the non-GAAP adjusted income before taxes for the fiscal year and subtracting the non-GAAP income tax expense or benefit reported in the first, second and third quarters. As a result, the fourth quarter reflects the tax impact of reconciling the first, second and third quarter projected annual effective rates to the actual effective tax rate for the fiscal year.

The calculations described above reflect the methodology used for calculating non-GAAP income tax expenses in reported results for 2017 and 2018. For 2016 reported results, the Company used a different methodology for calculating non-GAAP income tax expense that reflected the Company's ability to use its remaining tax assets such as net operating losses and other tax credits. The reason for the change in methodology was that the Company had utilized substantially all of its net operating losses and other tax credits by the end of 2016. In order to help investors better understand the impact of the change in methodology, the Company previously provided recast non-GAAP income tax expense for 2016 showing what the non-GAAP income tax expense would have been under the 2017 methodology. The Company expects that the non-GAAP income tax expense methodology for 2018 will be consistent with the 2017 methodology. As a result, the Company believes it is no longer necessary to provide recast non-GAAP income tax expenses.

The projected non-GAAP tax rate for 2018 is 22.0%.

Adjusted EBITDA as calculated in this press release represents earnings before interest and other expense, net, interest and other income, net, income tax expense or benefit, depreciation and amortization and excludes certain items, such as stock-based compensation expense.

The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. These non-GAAP financial measures may differ from similarly titled measures used by other companies. Reconciliation of non-GAAP financial measures included in this press release to the corresponding GAAP measures can be found in the financial tables of this press release.

The Company believes that non-GAAP financial measures, when viewed with GAAP results and the accompanying reconciliation, enhance the comparability of operating results against prior periods and allow for greater transparency of operating results. Management uses non-GAAP financial measures in making financial, operating, compensation and planning decisions. The Company believes non-GAAP financial measures facilitate management and investors in comparing the Company's financial performance to that of prior periods as well as in performing trend analysis over time.

Share Repurchase Timing

The timing of share repurchases, if any, and the number of shares to be bought at any one time will depend on factors including market conditions and the Company's compliance with the covenants in its Credit Agreement. Share repurchases may be made from time to time on the open market or in negotiated transactions at the Company's discretion in compliance with Rule 10b-18 of the United States Securities and Exchange Commission. The Company's purchase of any of its shares may be subject to limitations imposed on such purchases by applicable securities laws and regulations and

the rules of the Nasdaq Stock Market.

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995

This release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements that are not historical facts, and may relate to future events or the company's anticipated results, business strategies or capital requirements, among other things, all of which involve risks and uncertainties. You can identify many (but not all) such forward-looking statements by looking for words such as "assumes," "approximates," "believes," "expects," "anticipates," "estimates," "projects," "seeks," "intends," "plans," "could," "would," "may" or other similar expressions. Important factors which could cause actual results to differ materially from those in the forward-looking statements, include the Company's ability to successfully integrate and realize the benefits of its past or future strategic acquisitions or investments, and other important factors that are detailed in filings with the Securities and Exchange Commission made from time to time by Stamps.com, including its Annual Report on Form 10-K for the year ended December 31, 2017, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. Matters described in forward-looking statements may also be affected by other known and unknown risks, trends, uncertainties and factors, many of which are beyond the company's ability to control or predict. Stamps.com undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Trademarks

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STAMPS.COM INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share data: unaudited)

	Three Months ended March 31,	
	2018	2017
Revenues:		
Service	\$ 120,916	\$ 92,420
Product	5,679	5,714
Insurance	4,368	4,440
Customized postage	2,580	2,442
Other	22	24
Total revenues	133,565	105,040
Cost of revenues:		
Service	20,649	12,676
Product	1,751	1,802
Insurance	998	1,368
Customized postage	2,129	1,892
Total cost of revenues	25,527	17,738
Gross profit	108,038	87,302
Operating expenses:		
Sales and marketing	25,748	23,150
Research and development	12,073	10,522
General and administrative	21,016	18,982
Total operating expenses	58,837	52,654
Income from operations	49,201	34,648
Interest expense	(590)	(880)
Interest income and other income, net	49	30
Income before income taxes	48,660	33,798
Income tax expense	1,616	660
Net income	\$ 47,044	\$ 33,138
Net income per share:		
Basic	\$ 2.67	\$ 1.96
Diluted	\$ 2.54	\$ 1.82
Weighted average shares outstanding:		
Basic	17,644	16,902
Diluted	18,511	18,170

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, unaudited)

	March 31, 2018	December 31, 2017
ASSETS		
Cash and cash equivalents	\$ 195,848	\$ 153,903
Accounts receivable, net	92,064	80,797
Current income taxes	21,648	22,344
Other current assets	16,052	14,449
Property and equipment, net	36,598	37,507
Goodwill and intangible assets, net	316,686	320,695
Deferred income taxes, net	42,276	43,148
Other assets	6,224	6,261
Total assets	\$ 727,396	\$ 679,104

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities:

Accounts payable, accrued expenses and other liabilities	\$ 109,835	\$ 108,386
Debt, net of debt issuance costs	67,065	69,034
Deferred revenue	3,842	3,871
Total liabilities	180,742	181,291

Stockholders' equity:

Common stock	55	55
Additional paid-in capital	991,388	962,227
Treasury stock	(414,910)	(387,545)
Accumulated deficit	(29,886)	(76,930)
Accumulated other comprehensive income	7	6
Total stockholders' equity	546,654	497,813
Total liabilities and stockholders' equity	\$ 727,396	\$ 679,104

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