SOHU.COM INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited, In thousands, except per share data)

March 31, 2005March 31, 2005Revenues: Advertising: Brand advertising (including \$0 and \$124 from related parties, respectively)\$ 12,124\$ 8,993Sponsored search $2,731$ 2.021 Subtotal of advertising revenues $14,855$ $11,014$ Non-advertising: Wireless $12,265$ $1,319$ Others $1,646$ $1,357$ Subtotal of non-advertising revenues $8,870$ $14,221$ Total revenues $23,725$ $25,935$ Cost of revenues: $23,229$ $2,660$ Sponsored search 2332 2.788 Non-advertising: Brand advertising: Brand advertising: $3,229$ $2,660$ Sponsored search 2332 2.788 Non-advertising: Wireless $2,205$ $4,181$ E-commerce (including \$31 and \$35 from related parties, respectively) 572 368 Others (including \$284 and \$0 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues $4,008$ $5,835$ Total cost of revenues $2,530$ $8,623$ Cross profit $61,95$ $17,312$ Operating expenses: Product development $3,142$ $1,880$ Sales and marketing total operating expenses $4,074$ $4,121$ Operating profit $5,451$ $10,562$ Other sepense 622 (248) (208) Income tax expense $5,776$ $10,984$ Income tax expense $5,776$ $10,984$ Income tax expense 622 (54) <		Three Months Ended	
Advertising: Brand advertising (including \$0 and \$124 from related parties, respectively)\$ 12,124\$ 8,993Sponsored search2.7312.021Subtotal of advertising revenues14,85511,014Non-advertising:14,85511,014Wireless5,95912,245E-commerce1,2651,319Others1,6461,357Subtotal of non-advertising revenues $8,870$ 14,921Total revenues:23,72525,935Cost of revenues:23,72525,935Cost of revenues:3,2292,660Sponsored search293128Subtotal of advertising cost of revenues3,5222,788Non-advertising:"""""""""""""""""""""""""""""""""			March 31, 2004
Brand advertising (including \$0 and \$124 from related parties, respectively)\$ 12,124\$ 8,993Sponsored search Subtotal of advertising revenues $2,731$ $2,021$ Subtotal of advertising revenues $14,855$ $11,014$ Non-advertising: $14,855$ $11,014$ Wireless $5,959$ $12,245$ E-commerce $1,265$ $1,319$ Others $1,646$ $1,357$ Subtotal of non-advertising revenues $8,870$ $14,921$ Total revenues $23,725$ $25,935$ Cost of revenues: $23,725$ $25,935$ Cost of revenues: $3,229$ $2,660$ Sponsored search 293 128 Subtotal of advertising cost of revenues $3,522$ $2,788$ Non-advertising: $2,205$ $4,181$ E-commerce (including \$31 and \$35 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues $4,008$ 5.835 Total cost of revenues $4,008$ 5.835 Total cost of revenues $4,008$ 5.835 Total cost of revenues $7,530$ $8,623$ Gross profit $10,174$ $6,750$ Operating expenses: $10,744$ $6,750$ Product development $5,451$ $10,562$ Other expense $6(2)$ 64 Income tax expense $5,776$ $10,984$ Income tax expense $5,714$ \$ 10,930Income before income tax expense $5,714$ \$ 10,930Basic net income per share $50,16$ 5	Revenues:		
parties, respectively)\$12,124\$8,993Sponsored search2,7312,021Subtotal of advertising revenues11,014Non-advertising:11,014Wireless5,95912,245E-commerce1,2651,319Others1,6461,357Subtotal of non-advertising revenues $2,3,725$ 25,935Cost of revenues23,72525,935Cost of revenues293128Subtotal of advertising cost of revenues $3,522$ 2,788Non-advertising:93128Subtotal of advertising cost of revenues $3,522$ 2,788Non-advertising:931,2311,286Others (including \$31 and \$35 from related parties, respectively)572368Subtotal of non-advertising cost of revenues $4,008$ 5,835Total cost of revenues $4,008$ 5,835Total cost of revenues $7,530$ 8,623Gross profit16,19517,312Operating expenses: $10,744$ 6,750Product development $3,142$ 1,880Sales and marketing $4,734$ 3,121General and administrative $2,412$ 1,572Amorization of intangibles 456 177Total operating expenses $10,744$ 6,750Operating profit $5,451$ 10,562Other expense $6(2)$ (54) Income tax expense $6(2)$ (54) Income before income tax expense $5,776$ 10,984 <tr< td=""><td></td><td></td><td></td></tr<>			
Subtotal of advertising revenues 14.855 11.014 Non-advertising: 14.855 11.014 Non-advertising: 1.265 1.319 Others 1.646 1.357 Subtotal of non-advertising revenues 8.870 14.921 Total revenues 23.725 22.935 Cost of revenues: 23.725 22.935 Advertising: $3,229$ 2.660 Sponsored search 293 128 Subtotal of advertising cost of revenues 3.522 2.788 Non-advertising: 2.205 4.181 E-commerce (including \$31 and \$35 from related parties, respectively) 1.231 1.286 Others: (including \$284 and \$0 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues 4.008 5.835 Total cost of revenues 7.530 8.623 Gross profit 16.195 17.312 Operating expenses: 10.744 6.750 Product development 3.142 1.880 Sales and marketing 4.56 177 Total operating expenses 10.744 6.750 Operating profit 5.451 10.562 Others (income 5.776 10.984 Income tax expense $6(2)$ (54) Income tax expense 5.7714 $$10.930$ Basic net income per share $$6.171$ 36.255 Shares used in computing basic net income per share $$6.171$ 36.255		\$ 12,124	\$ 8,993
Subtotal of advertising revenues 14.855 11.014 Non-advertising: 5.959 12.245 Wireless 5.959 12.245 E-commerce 1.646 1.357 Others 1.646 1.357 Subtotal of non-advertising revenues $23,725$ 25.935 Cost of revenues: $23,725$ 25.935 Advertising: 3.229 2.660 Sponsored search 293 128 Subtotal of advertising cost of revenues 3.522 2.788 Non-advertising: 2.205 4.181 E-commerce (including \$31 and \$35 from related parties, respectively) 1.231 1.286 Others (including \$284 and \$0 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues 7.530 8.623 Total cost of revenues 7.530 8.623 Operating expenses: 7.530 8.623 Total operating expenses 10.744 6.750 Operat	Sponsored search	2,731	2,021
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Lecommerce 1.265 1.319 Others 1.646 1.357 Subtotal of non-advertising revenues $23,725$ $25,935$ Cost of revenues: $23,725$ $25,935$ Cost of revenues: $23,725$ $25,935$ Advertising: 3.229 2.660 Sponsored search 293 128 Subtotal of advertising cost of revenues 3.522 2.788 Non-advertising: $2,205$ $4,181$ E-commerce (including \$31 and \$35 from related parties, respectively) 572 368 Others (including \$284 and \$0 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues 4.008 5.835 Total cost of revenues 4.008 5.835 Total cost of revenues 4.038 5.835 Total cost of revenues 2.412 1.572 Amortization of intangibles 4.56 177 Total operating expenses: 10.744 6.750 Operating profit 5.451 10.562 Other expense (248) (208) Income before income tax expense 5.776 10.984 Income before income tax expense 5.776 10.984 Income before income tax expense 5.714 $$0.303$ Basic net income per share $$5.714$ $$0.303$ Shares used in computing basic net income per share $$0.616$ $$0.303$ Shares used in computing basic net income per share $$0.616$ $$0.303$ Shares used in computing basic net income per share <t< td=""><td>Non-advertising:</td><td></td><td></td></t<>	Non-advertising:		
Others 1.646 1.357 Subtotal of non-advertising revenues 8.870 14.921 Total revenues $23,725$ $25,935$ Cost of revenues: $23,725$ $25,935$ Advertising: $3,229$ $2,660$ Sponsored search 293 128 Subtotal of advertising cost of revenues $3,522$ 2.788 Non-advertising: $2,205$ $4,181$ E-commerce (including \$31 and \$35 from related parties, respectively) $1,231$ 1.236 Others (including \$284 and \$0 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues $4,008$ 5.835 Total cost of revenues $7,530$ 8.623 Gross profit $16,195$ $17,312$ Operating expenses: 456 177 Product development $3,142$ 1.880 Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ 1.572 Amortization of intangibles 456 177 Total operating expenses 573 630 Income before income tax expense $5,776$ 10.984 Income before income tax expense $6(2)$ (54) Income before income tax expense $6(2)$ (54) Nortizet oncome tax expense $6(2)$ (54) Nortizet oncome tax expense $5,7714$ $$10.930$ Basic net income per share $$0,16$ $$0,300$ Shares used in computing basic net income per share $$3,161$ $$0,255$	Wireless	5,959	12,245
Subtotal of non-advertising revenues $8,870$ 14.921 Total revenues: $23,725$ $25,935$ Cost of revenues: $3,229$ $2,660$ Advertising: 233 128 Brand advertising cost of revenues $3,522$ $2,788$ Non-advertising: $3,522$ $2,788$ Non-advertising: $2,205$ $4,181$ E-commerce (including \$31 and \$35 from related parties, respectively) $1,231$ $1,236$ Others (including \$284 and \$0 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues $4,008$ 5.835 Total cost of revenues $4,008$ 5.835 Total cost of revenues $3,142$ 1.880 Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 1777 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Income before income tax expense $5,776$ 10.984 Income before income tax expense $5,776$ 10.984 Net income $$5,714$ $$10.930$ Basic net income per share $$0,16$ $$0,300$ Shares used in computing basic net income per share $$622$ (54)	E-commerce	1,265	1,319
Total revenues $23,725$ $25,935$ Cost of revenues:Advertising:Advertising: $3,229$ Brand advertising cost of revenues 293 Subtotal of advertising cost of revenues $3,522$ Non-advertising: $3,522$ Wireless $2,205$ Antil E-commerce (including \$31 and \$35 from related parties, respectively) $1,231$ Others (including \$284 and \$0 from related parties, respectively) 572 Subtotal of non-advertising cost of revenues $4,008$ Total cost of revenues $4,008$ Total cost of revenues $7,530$ Basic and marketing $4,734$ Sales and marketing $4,734$ Sales and marketing $4,734$ Goperating expenses: $10,744$ Product development $3,142$ Income tax expense 623 Operating profit $5,451$ Income tax expense $5,776$ Income tax expense $6(22)$ Income tax expense $5,776$ Income per share $$0,16$ Shares used in computing basic net income per share $$0,6171$ Shares used in computing basic net income per share $3,6171$	Others	1,646	1,357
Total revenues $23,725$ $25,935$ Cost of revenues:Advertising:Advertising: $3,229$ Brand advertising cost of revenues 293 Subtotal of advertising cost of revenues $3,522$ Non-advertising: $3,522$ Wireless $2,205$ Antil E-commerce (including \$31 and \$35 from related parties, respectively) $1,231$ Others (including \$284 and \$0 from related parties, respectively) 572 Subtotal of non-advertising cost of revenues $4,008$ Total cost of revenues $4,008$ Total cost of revenues $7,530$ Basic and marketing $4,734$ Sales and marketing $4,734$ Sales and marketing $4,734$ Goperating expenses: $10,744$ Product development $3,142$ Income tax expense 623 Operating profit $5,451$ Income tax expense $5,776$ Income tax expense $6(22)$ Income tax expense $5,776$ Income per share $$0,16$ Shares used in computing basic net income per share $$0,6171$ Shares used in computing basic net income per share $3,6171$	Subtotal of non-advertising revenues	8,870	14,921
Advertising:Brand advertising $3,229$ $2,660$ Sponsored search 293 128 Subtotal of advertising cost of revenues $3,522$ $2,788$ Non-advertising: $3,522$ $2,788$ Wireless $2,205$ $4,181$ E-commerce (including \$31 and \$35 from related parties, respectively) $1,231$ $1,286$ Others (including \$284 and \$0 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues $4,008$ $5,835$ Total cost of revenues $7,530$ $8,623$ Gross profit $16,195$ $17,312$ Operating expenses: $16,195$ $17,312$ Product development $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income $5,776$ $10,984$ Income before income tax expense $5,776$ $10,984$ Income per share $6(2)$ (54) Nortization of per share $$0,16$ $$0,300$ Shares used in computing basic net income per share $$6,1711$ $$36,255$	-		25,935
Brand advertising $3,229$ $2,660$ Sponsored search 293 128 Subtotal of advertising cost of revenues $3,522$ $2,788$ Non-advertising:Wireless $2,205$ $4,181$ E-commerce (including \$31 and \$35 from related parties, respectively) $1,231$ $1,286$ Others (including \$284 and \$0 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues $4,008$ $5,835$ Total cost of revenues $7,530$ $8,623$ Gross profit $16,195$ $17,312$ Operating expenses: $4,734$ $3,121$ Product development $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 1777 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income $5,776$ $10,984$ Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $$5,714$ $$10,930$ Basic net income per share $$0,16$ $$0,303$ Shares used in computing basic net income per share $$0,16$ $$0,303$ Shares used in computing basic net income per share $$0,16$ $$0,303$	Cost of revenues:		
Brand advertising $3,229$ $2,660$ Sponsored search 293 128 Subtotal of advertising cost of revenues $3,522$ $2,788$ Non-advertising:Wireless $2,205$ $4,181$ E-commerce (including \$31 and \$35 from related parties, respectively) $1,231$ $1,286$ Others (including \$284 and \$0 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues $4,008$ $5,835$ Total cost of revenues $7,530$ $8,623$ Gross profit $16,195$ $17,312$ Operating expenses: $4,734$ $3,121$ Product development $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 1777 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income $5,776$ $10,984$ Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $$5,714$ $$10,930$ Basic net income per share $$0,16$ $$0,303$ Shares used in computing basic net income per share $$0,16$ $$0,303$ Shares used in computing basic net income per share $$0,16$ $$0,303$	Advertising:		
Subtotal of advertising cost of revenues 3.522 2.788 Non-advertising: Wireless 2.205 4.181 E-commerce (including \$31 and \$35 from related parties, respectively) 1.231 1.286 Others (including \$284 and \$0 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues 4.008 5.835 Total cost of revenues 7.530 8.623 Gross profit $16,195$ $17,312$ Operating expenses: Product development 3.142 1.880 Sales and marketing 4.734 3.121 General and administrative 2.412 1.572 Amortization of intangibles 456 1177 Total operating expenses 10.744 6.750 Operating profit 5.451 10.562 Other expense (248) (208) Income before income tax expense 5.776 10.984 Income tax expense (62) (54) Nortization of intangibles 5.776 10.984 Income tax expense (62) (54) Net income $$5.714$ $$10.930$ Basic net income per share $$0.16$ $$0.30$ Shares used in computing basic net income per share $$6.171$ 36.255	-	3,229	2,660
Non-advertising: Wireless2,2054,181E-commerce (including \$31 and \$35 from related parties, respectively)1,2311,286Others (including \$284 and \$0 from related parties, respectively)572368Subtotal of non-advertising cost of revenues $4,008$ $5,835$ Total cost of revenues $4,008$ $5,835$ Total cost of revenues $7,530$ $8,623$ Gross profit $16,195$ $17,312$ Operating expenses: $16,195$ $17,312$ Operating expenses: $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $\$$ $5,714$ $\$$ Basic net income per share $$0,16$ $$0,30$ Shares used in computing basic net income per share $$6,171$ $$36,255$	Sponsored search	293	128
Non-advertising:2,2054,181E-commerce (including \$31 and \$35 from related parties, respectively)1,2311,286Others (including \$284 and \$0 from related parties, respectively)572368Subtotal of non-advertising cost of revenues $4,008$ $5,835$ Total cost of revenues $4,008$ $5,835$ Total cost of revenues $7,530$ $8,623$ Gross profit16,19517,312Operating expenses: $16,195$ $17,312$ Product development $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 455 1177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $\$$ $5,714$ $\$$ Basic net income per share $\$$ 0.16 $$0.30$ Shares used in computing basic net income per share $$6,171$ $36,255$	Subtotal of advertising cost of revenues	3,522	2,788
E-commerce (including \$31 and \$35 from related parties, respectively)1,2311,286Others (including \$284 and \$0 from related parties, respectively) 572 368Subtotal of non-advertising cost of revenues $4,008$ $5,835$ Total cost of revenues $7,530$ $8,623$ Gross profit $16,195$ $17,312$ Operating expenses: $7,530$ $8,623$ Product development $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense (62) (54) Net income $$5,776$ $10,984$ Income per share $$0,16$ $$0,300$ Basic net income per share $$0,16$ $$0,300$ Shares used in computing basic net income per share $$36,171$ $36,255$	Non-advertising:		
parties, respectively)1,2311,286Others (including \$284 and \$0 from related parties, respectively) 572 368 Subtotal of non-advertising cost of revenues $4,008$ $5,835$ Total cost of revenues $7,530$ $8,623$ Gross profit $16,195$ $17,312$ Operating expenses: $16,195$ $17,312$ Product development $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $$ 5,714$ $$ 10,930$ Basic net income per share $$ 0,16$ $$ 0,30$ Shares used in computing basic net income per share $$ 36,171$ $$ 36,255$	Wireless	2,205	4,181
respectively) 572 368 Subtotal of non-advertising cost of revenues $4,008$ $5,835$ Total cost of revenues $7,530$ $8,623$ Gross profit $16,195$ $17,312$ Operating expenses: $16,195$ $17,312$ Product development $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $\$,5,714$ $\$,0,930$ Basic net income per share $\$,0.16$ $\$,0.30$ Shares used in computing basic net income per share $36,171$ $36,255$	parties, respectively)	1,231	1,286
Total cost of revenues $7,530$ $8,623$ Gross profit $16,195$ $17,312$ Operating expenses: $16,195$ $17,312$ Product development $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $\$$ $5,714$ $\$$ Basic net income per share $\$$ 0.16 $\$$ Shares used in computing basic net income per share $36,171$ $36,255$		572	368
Gross profit 16195 $17,312$ Operating expenses: $16,195$ $17,312$ Product development $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $$5,714$ $$10,930$ Basic net income per share $$0,16$ $$0,30$ Shares used in computing basic net income per share $36,171$ $36,255$	Subtotal of non-advertising cost of revenues	4,008	5,835
Operating expenses: $3,142$ $1,880$ Product development $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $\$,5,714$ $\$,10,930$ Basic net income per share $\$,0.16$ $\$,0.30$ Shares used in computing basic net income per share $36,171$ $36,255$	Total cost of revenues	7,530	8,623
Product development $3,142$ $1,880$ Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $$5,714$ $$10,930$ Basic net income per share $$0,16$ $$0,300$ Shares used in computing basic net income per share $$6,171$ $36,255$	Gross profit	16,195	17,312
Sales and marketing $4,734$ $3,121$ General and administrative $2,412$ $1,572$ Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $$5,714$ $$10,930$ Basic net income per share $$0.16$ $$0.30$ Shares used in computing basic net income per share $36,171$ $36,255$	Operating expenses:		
General and administrative $2,412$ $1,572$ Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $\$$ $5,714$ $\$$ Basic net income per share $\$$ 0.16 $\$$ Shares used in computing basic net income per share $36,171$ $36,255$	-	3,142	1,880
Amortization of intangibles 456 177 Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $$5,714$ $$10,930$ Basic net income per share $$0.16$ $$0.30$ Shares used in computing basic net income per share $36,171$ $36,255$	Sales and marketing	4,734	3,121
Total operating expenses $10,744$ $6,750$ Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $\$$ $5,714$ $\$$ Basic net income per share $\$$ 0.16 $\$$ Shares used in computing basic net income per share $36,171$ $36,255$			1,572
Operating profit $5,451$ $10,562$ Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $$5,714$ $$10,930$ Basic net income per share $$0.16$ $$0.30$ Shares used in computing basic net income per share $36,171$ $36,255$	Amortization of intangibles	456	177
Other expense (248) (208) Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $$5,714$ $$10,930$ Basic net income per share $$0.16$ $$0.30$ Shares used in computing basic net income per share $36,171$ $36,255$	Total operating expenses	10,744	6,750
Interest income 573 630 Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $\$$ $5,714$ $\$$ Basic net income per share $\$$ 0.16 $\$$ Shares used in computing basic net income per share $36,171$ $36,255$	Operating profit	5,451	10,562
Income before income tax expense $5,776$ $10,984$ Income tax expense (62) (54) Net income $\$$ $5,714$ $\$$ Basic net income per share $\$$ 0.16 $\$$ Shares used in computing basic net income per share $36,171$ $36,255$	Other expense	(248)	(208)
Income tax expense (62) (54) Net income\$ 5,714\$ 10,930Basic net income per share\$ 0.16\$ 0.30Shares used in computing basic net income per share36,17136,25511<115	Interest income	573	630
Net income\$5,714\$10,930Basic net income per share\$0.16\$0.30Shares used in computing basic net income per share36,17136,255	Income before income tax expense	5,776	10,984
Net income\$5,714\$10,930Basic net income per share\$0.16\$0.30Shares used in computing basic net income per share36,17136,255	Income tax expense	(62)	(54)
Shares used in computing basic net income per share 36,171 36,255	-		
Shares used in computing basic net income per share 36,171 36,255	Basic net income per share	\$ 0.16	\$ 0.30
		36,171	36,255
r			
Shares used in computing diluted net income per share39,93141,920	-		41,920