

LINKEDIN CORPORATION
TRENDED CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

	As of				
	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 450,991	\$ 631,725	\$ 546,237	\$ 759,451	\$ 719,807
Marketable securities	2,582,435	2,457,607	2,573,145	2,400,187	2,591,709
Accounts receivable	449,500	457,975	603,060	582,726	560,440
Deferred commissions	58,585	56,453	87,706	80,783	78,353
Prepaid expenses	75,669	72,752	62,992	76,414	76,478
Other current assets	118,718	136,225	61,949	68,835	78,046
Total current assets	3,735,898	3,812,737	3,935,089	3,968,396	4,104,833
Property and equipment, net	793,034	906,189	1,047,005	1,139,032	1,228,402
Goodwill	1,492,972	1,508,946	1,507,093	1,597,268	1,597,423
Intangible assets, net	456,233	418,050	373,087	334,048	295,942
Other assets	78,645	70,788	148,925	170,623	84,840
TOTAL ASSETS	\$ 6,556,782	\$ 6,716,710	\$ 7,011,199	\$ 7,209,367	\$ 7,311,440
LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST, AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Accounts payable	\$ 109,715	\$ 123,329	\$ 162,176	\$ 161,523	\$ 147,934
Accrued liabilities	256,958	296,794	316,792	257,371	253,778
Deferred revenue	629,671	621,411	709,116	787,621	785,680
Total current liabilities	996,344	1,041,534	1,188,084	1,206,515	1,187,392
CONVERTIBLE SENIOR NOTES, NET	1,104,010	1,115,439	1,126,534	1,138,264	1,150,132
OTHER LONG-TERM LIABILITIES	238,001	241,532	201,128	225,023	228,434
Total liabilities	2,338,355	2,398,505	2,515,746	2,569,802	2,565,958
COMMITMENTS AND CONTINGENCIES					
REDEEMABLE NONCONTROLLING INTEREST	25,784	26,296	26,810	27,321	27,846
STOCKHOLDERS' EQUITY:					
Class A and Class B common stock	13	13	13	13	13
Additional paid-in capital	4,268,731	4,405,911	4,588,578	4,779,628	4,989,710
Accumulated other comprehensive income (loss)	(2,877)	6,632	9,124	7,502	22,077
Accumulated deficit	(73,224)	(120,647)	(129,072)	(174,899)	(294,164)
Total stockholders' equity	4,192,643	4,291,909	4,468,643	4,612,244	4,717,636
TOTAL LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST, AND STOCKHOLDERS' EQUITY	\$ 6,556,782	\$ 6,716,710	\$ 7,011,199	\$ 7,209,367	\$ 7,311,440

LINKEDIN CORPORATION
TRENDED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)
(Unaudited)

	Three Months Ended				
	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016
Net revenue	\$ 711,735	\$ 779,595	\$ 861,894	\$ 860,650	\$ 932,714
Costs and expenses:					
Cost of revenue (exclusive of depreciation and amortization shown separately below)	100,086	111,368	118,998	117,528	120,526
Sales and marketing	261,271	265,454	291,768	301,786	308,466
Product development	190,133	202,682	217,265	237,620	235,932
General and administrative	142,389	118,871	120,161	127,650	133,940
Depreciation and amortization	99,004	117,901	129,595	142,285	139,401
Total costs and expenses	<u>792,883</u>	<u>816,276</u>	<u>877,787</u>	<u>926,869</u>	<u>938,265</u>
Loss from operations	(81,148)	(36,681)	(15,893)	(66,219)	(5,551)
Other expense, net:					
Interest income	2,017	2,798	3,771	4,973	5,974
Interest expense	(12,694)	(12,773)	(12,818)	(12,841)	(12,916)
Other, net	(1,723)	(10,684)	(7,035)	(4,190)	(5,601)
Other expense, net	<u>(12,400)</u>	<u>(20,659)</u>	<u>(16,082)</u>	<u>(12,058)</u>	<u>(12,543)</u>
Loss before income taxes	(93,548)	(57,340)	(31,975)	(78,277)	(18,094)
Provision (benefit) for income taxes	<u>(26,048)</u>	<u>(10,429)</u>	<u>(24,064)</u>	<u>(32,961)</u>	<u>100,646</u>
Net loss	(67,500)	(46,911)	(7,911)	(45,316)	(118,740)
Accretion of redeemable noncontrolling interest	<u>(248)</u>	<u>(512)</u>	<u>(514)</u>	<u>(511)</u>	<u>(525)</u>
Net loss attributable to common stockholders	<u>\$ (67,748)</u>	<u>\$ (47,423)</u>	<u>\$ (8,425)</u>	<u>\$ (45,827)</u>	<u>\$ (119,265)</u>
Net loss per share attributable to common stockholders:					
Basic	<u>\$ (0.53)</u>	<u>\$ (0.36)</u>	<u>\$ (0.06)</u>	<u>\$ (0.35)</u>	<u>\$ (0.89)</u>
Diluted	<u>\$ (0.53)</u>	<u>\$ (0.36)</u>	<u>\$ (0.06)</u>	<u>\$ (0.35)</u>	<u>\$ (0.89)</u>
Weighted-average shares used to compute net loss per share attributable to common stockholders:					
Basic	<u>128,241</u>	<u>130,716</u>	<u>131,583</u>	<u>132,779</u>	<u>134,132</u>
Diluted	<u>128,241</u>	<u>130,716</u>	<u>131,583</u>	<u>132,779</u>	<u>134,132</u>

LINKEDIN CORPORATION
TRENDED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended				
	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016
OPERATING ACTIVITIES:					
Net loss	\$ (67,500)	\$ (46,911)	\$ (7,911)	\$ (45,316)	\$ (118,740)
Adjustments to reconcile net loss to net cash provided by operating activities:					
Depreciation and amortization	99,004	117,901	129,595	142,285	139,401
Provision for doubtful accounts and sales returns	3,280	3,373	4,269	7,746	3,608
Amortization of investment premiums, net	5,001	5,362	4,457	4,160	3,647
Amortization of debt discount and transaction costs	11,322	11,456	11,592	11,730	10,721
Stock-based compensation	145,491	126,874	134,800	146,104	144,943
Excess income tax benefit from stock-based compensation	18,198	1,726	(13,965)	(1,698)	1,618
Changes in operating assets and liabilities:					
Accounts receivable	(21,887)	(9,168)	(147,895)	11,932	20,321
Deferred commissions	1,535	3,094	(38,204)	8,844	2,927
Prepaid expenses and other assets	(1,957)	(9,568)	(11,865)	(29,495)	(2,113)
Accounts payable and other liabilities	55,959	58,854	26,838	(45,086)	33,599
Income taxes, net	(22,876)	(15,659)	(3,373)	(34,998)	95,077
Deferred revenue	72	(7,739)	88,268	75,979	(2,586)
Net cash provided by operating activities	225,642	239,595	176,606	252,187	332,423
INVESTING ACTIVITIES:					
Purchases of property and equipment	(72,462)	(166,653)	(178,010)	(177,480)	(208,479)
Purchases of investments	(632,774)	(809,448)	(915,977)	(465,424)	(951,735)
Sales of investments	141,452	391,914	268,727	168,434	226,526
Maturities of investments	417,115	536,891	521,548	470,456	532,613
Payments for intangible assets and acquisitions, net of cash acquired	(650,681)	(20,030)	(2,975)	(40,430)	(6,654)
Changes in deposits and restricted cash	(1,877)	10,461	(602)	3,025	(451)
Net cash used in investing activities	(799,227)	(56,865)	(307,289)	(41,419)	(408,180)
FINANCING ACTIVITIES:					
Net cash provided by financing activities	3,364	1,255	46,456	125	37,475
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	3,925	(3,251)	(1,261)	2,321	(1,362)
CHANGE IN CASH AND CASH EQUIVALENTS	(566,296)	180,734	(85,488)	213,214	(39,644)
CASH AND CASH EQUIVALENTS—Beginning of period	1,017,287	450,991	631,725	546,237	759,451
CASH AND CASH EQUIVALENTS—End of period	\$ 450,991	\$ 631,725	\$ 546,237	\$ 759,451	\$ 719,807

LINKEDIN CORPORATION
TRENDED SUPPLEMENTAL REVENUE INFORMATION
(In thousands)
(Unaudited)

	Three Months Ended				
	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016
Revenue by product:					
<i>Talent Solutions</i>					
Hiring	\$ 425,812	\$ 460,838	\$ 486,746	\$ 502,391	\$ 534,569
Learning & Development	17,558	41,273	48,593	55,256	62,105
Total Talent Solutions	443,370	502,111	535,339	557,647	596,674
<i>Marketing Solutions</i>					
Premium Subscriptions	140,037	139,549	182,550	154,147	181,119
Total	\$ 711,735	\$ 779,595	\$ 861,894	\$ 860,650	\$ 932,714
Revenue by geographic region:					
<i>United States</i>					
Other Americas ⁽¹⁾	\$ 444,531	\$ 484,300	\$ 527,719	\$ 526,416	\$ 568,157
<i>International</i>					
EMEA ⁽²⁾	39,904	43,505	46,500	45,362	47,631
APAC ⁽³⁾	168,771	187,286	217,624	217,601	239,267
Total International revenue	58,529	64,504	70,051	71,271	77,659
Total revenue	\$ 711,735	\$ 779,595	\$ 861,894	\$ 860,650	\$ 932,714
Revenue by geography, by product:					
<i>United States</i>					
Talent Solutions	\$ 277,772	\$ 309,935	\$ 328,772	\$ 341,534	\$ 364,948
Marketing Solutions	91,761	93,362	114,955	98,361	113,904
Premium Subscriptions	74,998	81,003	83,992	86,521	89,305
Total United States revenue	\$ 444,531	\$ 484,300	\$ 527,719	\$ 526,416	\$ 568,157
<i>International</i>					
Talent Solutions	165,598	192,176	206,567	216,113	231,726
Marketing Solutions	48,276	46,187	67,595	55,786	67,215
Premium Subscriptions	53,330	56,932	60,013	62,335	65,616
Total International revenue	\$ 267,204	\$ 295,295	\$ 334,175	\$ 334,234	\$ 364,557
Total revenue	\$ 711,735	\$ 779,595	\$ 861,894	\$ 860,650	\$ 932,714
Revenue by channel:					
Field sales	\$ 440,476	\$ 479,547	\$ 551,279	\$ 535,957	\$ 591,571
Online sales	271,259	300,048	310,615	324,693	341,143
Total	\$ 711,735	\$ 779,595	\$ 861,894	\$ 860,650	\$ 932,714

(1) Canada, Latin America and South America

(2) Europe, the Middle East and Africa ("EMEA")

(3) Asia-Pacific ("APAC")

LINKEDIN CORPORATION
TRENDED RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In thousands, except per share data)
(Unaudited)

	Three Months Ended				
	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016
Non-GAAP net income and net income per share:					
GAAP net loss attributable to common stockholders	\$ (67,748)	\$ (47,423)	\$ (8,425)	\$ (45,827)	\$ (119,265)
Add back: stock-based compensation	145,491	126,874	134,800	146,104	144,943
Add back: non-cash interest expense related to convertible senior notes	11,322	11,456	11,592	11,730	11,868
Add back: amortization of intangible assets	29,474	46,466	46,989	47,323	44,433
Add back: accretion of redeemable noncontrolling interest	248	512	514	511	525
Add back: fair value adjustment on other derivative	—	6,900	1,900	2,300	2,200
Add back: merger-related transaction costs ⁽¹⁾	—	—	—	—	13,502
Income tax effects and adjustments ⁽²⁾	(47,378)	(41,331)	(61,624)	(62,672)	54,910
NON-GAAP NET INCOME	\$ 71,409	\$ 103,454	\$ 125,746	\$ 99,469	\$ 153,116
GAAP diluted shares	128,241	130,716	131,583	132,779	134,132
Add back: dilutive shares under the treasury stock method	2,224	1,825	2,020	1,259	1,405
NON-GAAP DILUTED SHARES	130,465	132,541	133,603	134,038	135,537
NON-GAAP DILUTED NET INCOME PER SHARE	\$ 0.55	\$ 0.78	\$ 0.94	\$ 0.74	\$ 1.13
Adjusted EBITDA:					
Net loss	\$ (67,500)	\$ (46,911)	\$ (7,911)	\$ (45,316)	\$ (118,740)
Provision (benefit) for income taxes	(26,048)	(10,429)	(24,064)	(32,961)	100,646
Other expense, net	12,400	20,659	16,082	12,058	12,543
Depreciation and amortization	99,004	117,901	129,595	142,285	139,401
Stock-based compensation	145,491	126,874	134,800	146,104	144,943
Merger-related transaction costs	—	—	—	—	13,502
ADJUSTED EBITDA	\$ 163,347	\$ 208,094	\$ 248,502	\$ 222,170	\$ 292,295

(1) Represents transaction costs associated with our merger agreement with Microsoft entered into on June 11, 2016.

(2) Excludes accretion of redeemable noncontrolling interest.