

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

	As of				
	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 631,725	\$ 546,237	\$ 759,451	\$ 719,807	\$ 697,113
Marketable securities	2,457,607	2,573,145	2,400,187	2,591,709	2,667,883
Accounts receivable	457,975	603,060	582,726	560,440	541,325
Deferred commissions	56,453	87,706	80,783	78,353	72,290
Prepaid expenses	72,752	62,992	76,414	76,478	79,104
Other current assets	136,225	61,949	68,835	78,046	45,298
Total current assets	3,812,737	3,935,089	3,968,396	4,104,833	4,103,013
Property and equipment, net	906,189	1,047,005	1,139,032	1,228,402	1,508,480
Goodwill	1,508,946	1,507,093	1,597,268	1,597,423	1,609,492
Intangible assets, net	418,050	373,087	334,048	295,942	262,986
Other assets	70,788	148,925	170,623	84,840	72,441
TOTAL ASSETS	\$ 6,716,710	\$ 7,011,199	\$ 7,209,367	\$ 7,311,440	\$ 7,556,412
LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST, AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Accounts payable	\$ 123,329	\$ 162,176	\$ 161,523	\$ 147,934	\$ 189,073
Accrued liabilities	296,794	316,792	257,371	253,778	321,507
Deferred revenue	621,411	709,116	787,621	785,680	749,491
Total current liabilities	1,041,534	1,188,084	1,206,515	1,187,392	1,260,071
CONVERTIBLE SENIOR NOTES, NET	1,115,439	1,126,534	1,138,264	1,150,132	1,162,141
OTHER LONG-TERM LIABILITIES	241,532	201,128	225,023	228,434	231,981
Total liabilities	2,398,505	2,515,746	2,569,802	2,565,958	2,654,193
COMMITMENTS AND CONTINGENCIES					
REDEEMABLE NONCONTROLLING INTEREST	26,296	26,810	27,321	27,846	28,400
STOCKHOLDERS' EQUITY:					
Class A and Class B common stock	13	13	13	13	14
Additional paid-in capital	4,405,911	4,588,578	4,779,628	4,989,710	5,141,257
Accumulated other comprehensive income	6,632	9,124	7,502	22,077	18,153
Accumulated deficit	(120,647)	(129,072)	(174,899)	(294,164)	(285,605)
Total stockholders' equity	4,291,909	4,468,643	4,612,244	4,717,636	4,873,819
TOTAL LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST, AND STOCKHOLDERS' EQUITY	\$ 6,716,710	\$ 7,011,199	\$ 7,209,367	\$ 7,311,440	\$ 7,556,412

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

	Three Months Ended				
	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016
Net revenue	\$ 779,595	\$ 861,894	\$ 860,650	\$ 932,714	\$ 959,787
Costs and expenses:					
Cost of revenue (exclusive of depreciation and amortization shown separately below)	111,368	118,998	117,528	120,526	119,772
Sales and marketing	265,454	291,768	301,786	308,466	311,222
Product development	202,682	217,265	237,620	235,932	246,423
General and administrative	118,871	120,161	127,650	133,940	121,391
Depreciation and amortization	117,901	129,595	142,285	139,401	137,934
Total costs and expenses	<u>816,276</u>	<u>877,787</u>	<u>926,869</u>	<u>938,265</u>	<u>936,742</u>
Income (loss) from operations	(36,681)	(15,893)	(66,219)	(5,551)	23,045
Other expense, net:					
Interest income	2,798	3,771	4,973	5,974	6,422
Interest expense	(12,773)	(12,818)	(12,841)	(12,916)	(13,110)
Other, net	(10,684)	(7,035)	(4,190)	(5,601)	(3,550)
Other expense, net	<u>(20,659)</u>	<u>(16,082)</u>	<u>(12,058)</u>	<u>(12,543)</u>	<u>(10,238)</u>
Income (loss) before income taxes	(57,340)	(31,975)	(78,277)	(18,094)	12,807
Provision (benefit) for income taxes	(10,429)	(24,064)	(32,961)	100,646	3,694
Net income (loss)	(46,911)	(7,911)	(45,316)	(118,740)	9,113
Accretion of redeemable noncontrolling interest	(512)	(514)	(511)	(525)	(554)
Net income (loss) attributable to common stockholders	<u>\$ (47,423)</u>	<u>\$ (8,425)</u>	<u>\$ (45,827)</u>	<u>\$ (119,265)</u>	<u>\$ 8,559</u>
Net income (loss) per share attributable to common stockholders:					
Basic	\$ (0.36)	\$ (0.06)	\$ (0.35)	\$ (0.89)	\$ 0.06
Diluted	<u>\$ (0.36)</u>	<u>\$ (0.06)</u>	<u>\$ (0.35)</u>	<u>\$ (0.89)</u>	<u>\$ 0.06</u>
Weighted-average shares used to compute net income (loss) per share attributable to common stockholders:					
Basic	130,716	131,583	132,779	134,132	135,141
Diluted	<u>130,716</u>	<u>131,583</u>	<u>132,779</u>	<u>134,132</u>	<u>138,200</u>

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

	Three Months Ended				
	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016
OPERATING ACTIVITIES:					
Net income (loss)	\$ (46,911)	\$ (7,911)	\$ (45,316)	\$ (118,740)	\$ 9,113
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Depreciation and amortization	117,901	129,595	142,285	139,401	137,934
Provision for doubtful accounts and sales returns	3,373	4,269	7,746	3,608	1,232
Amortization of investment premiums, net	5,362	4,457	4,160	3,647	2,909
Amortization of debt discount and transaction costs	11,456	11,592	11,730	10,721	13,156
Stock-based compensation	126,874	134,800	146,104	144,943	140,967
Excess income tax benefit from stock-based compensation	1,726	(13,965)	(1,698)	1,618	(157)
Changes in operating assets and liabilities:					
Accounts receivable	(9,168)	(147,895)	11,932	20,321	18,211
Deferred commissions	3,094	(38,204)	8,844	2,927	7,330
Prepaid expenses and other assets	(9,568)	(11,865)	(29,495)	(2,113)	22,405
Accounts payable and other liabilities	58,854	26,838	(45,086)	33,599	55,931
Income taxes, net	(15,659)	(3,373)	(34,998)	95,077	(222)
Deferred revenue	(7,739)	88,268	75,979	(2,586)	(35,532)
Net cash provided by operating activities	<u>239,595</u>	<u>176,606</u>	<u>252,187</u>	<u>332,423</u>	<u>373,277</u>
INVESTING ACTIVITIES:					
Purchases of property and equipment	(166,653)	(178,010)	(177,480)	(208,479)	(300,617)
Purchases of investments	(809,448)	(915,977)	(465,424)	(951,735)	(681,436)
Sales of investments	391,914	268,727	168,434	226,526	160,672
Maturities of investments	536,891	521,548	470,456	532,613	439,176
Payments for intangible assets and acquisitions, net of cash acquired	(20,030)	(2,975)	(40,430)	(6,654)	(15,782)
Changes in deposits and restricted cash	10,461	(602)	3,025	(451)	(182)
Net cash used in investing activities	<u>(56,865)</u>	<u>(307,289)</u>	<u>(41,419)</u>	<u>(408,180)</u>	<u>(398,169)</u>
FINANCING ACTIVITIES:					
Net cash provided by financing activities	1,255	46,456	125	37,475	2,406
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(3,251)	(1,261)	2,321	(1,362)	(208)
CHANGE IN CASH AND CASH EQUIVALENTS	180,734	(85,488)	213,214	(39,644)	(22,694)
CASH AND CASH EQUIVALENTS—Beginning of period	450,991	631,725	546,237	759,451	719,807
CASH AND CASH EQUIVALENTS—End of period	<u>\$ 631,725</u>	<u>\$ 546,237</u>	<u>\$ 759,451</u>	<u>\$ 719,807</u>	<u>\$ 697,113</u>

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

	Three Months Ended				
	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016
Revenue by product:					
<i>Talent Solutions</i>					
Hiring	\$ 460,838	\$ 486,746	\$ 502,391	\$ 534,569	\$ 556,009
Learning & Development	41,273	48,593	55,256	62,105	66,684
Total Talent Solutions	502,111	535,339	557,647	596,674	622,693
<i>Marketing Solutions</i>					
Premium Subscriptions	139,549	182,550	154,147	181,119	175,477
Total	\$ 779,595	\$ 861,894	\$ 860,650	\$ 932,714	\$ 959,787
Revenue by geographic region:					
<i>United States</i>					
Other Americas ⁽¹⁾	43,505	46,500	45,362	47,631	50,598
EMEA ⁽²⁾	187,286	217,624	217,601	239,267	235,230
APAC ⁽³⁾	64,504	70,051	71,271	77,659	85,794
Total International revenue	295,295	334,175	334,234	364,557	371,622
Total revenue	\$ 779,595	\$ 861,894	\$ 860,650	\$ 932,714	\$ 959,787
Revenue by geography, by product:					
<i>United States</i>					
Talent Solutions	\$ 309,935	\$ 328,772	\$ 341,534	\$ 364,948	\$ 380,906
Marketing Solutions	93,362	114,955	98,361	113,904	113,346
Premium Subscriptions	81,003	83,992	86,521	89,305	93,913
Total United States revenue	\$ 484,300	\$ 527,719	\$ 526,416	\$ 568,157	\$ 588,165
<i>International</i>					
Talent Solutions	192,176	206,567	216,113	231,726	241,787
Marketing Solutions	46,187	67,595	55,786	67,215	62,131
Premium Subscriptions	56,932	60,013	62,335	65,616	67,704
Total International revenue	\$ 295,295	\$ 334,175	\$ 334,234	\$ 364,557	\$ 371,622
Total revenue	\$ 779,595	\$ 861,894	\$ 860,650	\$ 932,714	\$ 959,787
Revenue by channel:					
Field sales	\$ 479,547	\$ 551,279	\$ 535,957	\$ 591,571	\$ 614,478
Online sales	300,048	310,615	324,693	341,143	345,309
Total	\$ 779,595	\$ 861,894	\$ 860,650	\$ 932,714	\$ 959,787

(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				
	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016
Non-GAAP net income and net income per share:					
GAAP net income (loss) attributable to common stockholders	\$ (47,423)	\$ (8,425)	\$ (45,827)	\$ (119,265)	\$ 8,559
Add back: stock-based compensation	126,874	134,800	146,104	144,943	140,967
Add back: non-cash interest expense related to convertible senior notes	11,456	11,592	11,730	11,868	12,009
Add back: amortization of intangible assets	46,466	46,989	47,323	44,433	41,233
Add back: accretion of redeemable noncontrolling interest	512	514	511	525	554
Add back: fair value adjustment on other derivative	6,900	1,900	2,300	2,200	3,100
Add back: merger-related transaction costs ⁽¹⁾	—	—	—	13,502	1,951
Income tax effects and adjustments ⁽²⁾	(41,331)	(61,624)	(62,672)	54,910	(45,082)
NON-GAAP NET INCOME	\$ 103,454	\$ 125,746	\$ 99,469	\$ 153,116	\$ 163,291
GAAP diluted shares	130,716	131,583	132,779	134,132	138,200
Add back: dilutive shares under the treasury stock method	1,825	2,020	1,259	1,405	—
NON-GAAP DILUTED SHARES	132,541	133,603	134,038	135,537	138,200
NON-GAAP DILUTED NET INCOME PER SHARE	\$ 0.78	\$ 0.94	\$ 0.74	\$ 1.13	\$ 1.18
Adjusted EBITDA:					
Net income (loss)	\$ (46,911)	\$ (7,911)	\$ (45,316)	\$ (118,740)	\$ 9,113
Provision (benefit) for income taxes	(10,429)	(24,064)	(32,961)	100,646	3,694
Other expense, net	20,659	16,082	12,058	12,543	10,238
Depreciation and amortization	117,901	129,595	142,285	139,401	137,934
Stock-based compensation	126,874	134,800	146,104	144,943	140,967
Merger-related transaction costs	—	—	—	13,502	1,951
ADJUSTED EBITDA	\$ 208,094	\$ 248,502	\$ 222,170	\$ 292,295	\$ 303,897

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

(2) Excludes accretion of redeemable noncontrolling interest.