
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 or 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): October 28, 2014

Facebook, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware

001- 35551

20-1665019

**(State or Other Jurisdiction
of Incorporation)**

**(Commission
File Number)**

**(IRS Employer
Identification No.)**

**1601 Willow Road
Menlo Park, California**

94025

(Address of Principal Executive Offices)

(Zip Code)

(650) 543-4800

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On October 28, 2014, Facebook, Inc. ("Facebook") issued a press release and will hold a conference call regarding its financial results for the quarter ended September 30, 2014. A copy of the press release is furnished as Exhibit 99.1 to this report.

The information furnished with this Item 2.02, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Facebook is making reference to non-GAAP financial information in both the press release and the conference call. A reconciliation of these non-GAAP financial measures to the nearest comparable GAAP financial measures is contained in the attached Exhibit 99.1 press release.

Facebook uses the investor.fb.com website and Mark Zuckerberg's Facebook Page (<https://www.facebook.com/zuck>), as means of disclosing material non-public information and for complying with its disclosure obligations under Regulation FD.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Exhibit Title or Description
99.1	Press release dated October 28, 2014

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FACEBOOK, INC.

Date: October 28, 2014

By: /s/ Colin S. Stretch

Name: Colin S. Stretch

Title: Vice President, General Counsel, and Secretary

Exhibit Index

Exhibit Number	Exhibit Title or Description
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99.1	Press release dated October 28, 2014
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Facebook Reports Third Quarter 2014 Results

MENLO PARK, Calif. – October 28, 2014 – Facebook, Inc. (NASDAQ: FB) today reported financial results for the quarter ended September 30, 2014 .

"This has been a good quarter with strong results," said Mark Zuckerberg, Facebook founder and CEO. "We continue to focus on serving our community well and continue to invest in connecting the world over the next decade."

Third Quarter 2014 Financial Summary

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
<i>In millions, except percentages and per share amounts</i>				
Revenue	\$ 3,203	\$ 2,016	\$ 8,615	\$ 5,286
Income from Operations				
GAAP	\$ 1,397	\$ 736	\$ 3,861	\$ 1,672
Non-GAAP*	\$ 1,820	\$ 1,024	\$ 4,987	\$ 2,451
Operating Margin				
GAAP	44%	37%	45%	32%
Non-GAAP*	57%	51%	58%	46%
Net Income				
GAAP	\$ 806	\$ 425	\$ 2,239	\$ 977
Non-GAAP*	\$ 1,149	\$ 666	\$ 3,194	\$ 1,520
Diluted Earnings per Share (EPS)				
GAAP	\$ 0.30	\$ 0.17	\$ 0.86	\$ 0.39
Non-GAAP*	\$ 0.43	\$ 0.27	\$ 1.22	\$ 0.61

* Non-GAAP information for the three and nine months ended September 30, 2013 has been updated to exclude amortization of intangible assets to conform to our current period presentation. See the table below titled "Reconciliation of Non-GAAP Results to Nearest GAAP Measures."

Third Quarter 2014 Operational Highlights

- Daily active users (DAUs) were 864 million on average for September 2014 , an increase of 19% year-over-year.
- Mobile DAUs were 703 million on average for September 2014 , an increase of 39% year-over-year.
- Monthly active users (MAUs) were 1.35 billion as of September 30, 2014 , an increase of 14% year-over-year.
- Mobile MAUs were 1.12 billion as of September 30, 2014 , an increase of 29% year-over-year.

Third Quarter 2014 Financial Highlights

Revenue – Revenue for the third quarter of 2014 totaled \$3.20 billion , an increase of 59% , compared with \$2.02 billion in the third quarter of 2013 . Excluding the impact of year-over-year changes in foreign exchange rates, revenue would have increased by 58% .

- Revenue from advertising was \$2.96 billion , a 64% increase from the same quarter last year. Excluding the impact of year-over-year changes in foreign exchange rates, revenue from advertising would have increased by 63% .

- Mobile advertising revenue represented approximately 66% of advertising revenue for the third quarter of 2014 , up from approximately 49% of advertising revenue in the third quarter of 2013 .
- Payments and other fees revenue was \$246 million , a 13% increase from the same quarter last year.

Costs and expenses – GAAP costs and expenses for the third quarter of 2014 were \$1.81 billion , an increase of 41% from the third quarter of 2013 . Non-GAAP information for 2013 has been updated to exclude amortization of intangible assets to conform to our current period presentation. Excluding amortization of intangible assets, share-based compensation and related payroll tax expenses, non-GAAP costs and expenses were \$1.38 billion in the third quarter of 2014 , up 39% compared to \$992 million for the third quarter of 2013 .

Income from operations – GAAP income from operations for the third quarter of 2014 was \$1.40 billion , up 90% compared to \$736 million in the third quarter of 2013 . Excluding amortization of intangible assets, share-based compensation and related payroll tax expenses, non-GAAP income from operations for the third quarter of 2014 was \$1.82 billion , up 78% compared to \$1.02 billion for the third quarter of 2013 .

Operating margin – GAAP operating margin was 44% for the third quarter of 2014 , compared to 37% in the third quarter of 2013 . Excluding amortization of intangible assets, share-based compensation and related payroll tax expenses, non-GAAP operating margin was 57% for the third quarter of 2014 , compared to 51% for the third quarter of 2013 .

Provision for income taxes – GAAP income tax expense for the third quarter of 2014 was \$530 million , representing a 40% effective tax rate. Excluding amortization of intangible assets, share-based compensation and related payroll tax expenses, the non-GAAP effective tax rate would have been approximately 35% .

Net income and EPS – GAAP net income for the third quarter of 2014 was \$806 million , up 90% compared to \$425 million for the third quarter of 2013 . Excluding amortization of intangible assets, share-based compensation and related payroll tax expenses, and income tax adjustments, non-GAAP net income for the third quarter of 2014 was \$1.15 billion , up 73% compared to \$666 million for the third quarter of 2013 . GAAP diluted EPS was \$0.30 in the third quarter of 2014 , up 76% compared to \$0.17 in the third quarter of 2013 . Excluding amortization of intangible assets, share-based compensation and related payroll tax expenses, and income tax adjustments, non-GAAP diluted EPS for the third quarter of 2014 was \$0.43 , up 59% compared to \$0.27 in the third quarter of 2013 .

Capital expenditures – Capital expenditures for the third quarter of 2014 were \$ 482 million .

Cash and cash equivalents and marketable securities – Cash and cash equivalents and marketable securities were \$14.25 billion at the end of the third quarter of 2014 .

Free cash flow – Free cash flow for the third quarter of 2014 was \$ 766 million .

Webcast and Conference Call Information

Facebook will host a conference call to discuss the results at 2 p.m. PT / 5 p.m. ET today. The live webcast of Facebook's earnings release call can be accessed at investor.fb.com, along with the earnings press release, financial tables and slide presentation. Facebook uses the investor.fb.com website and Mark Zuckerberg's Facebook Page (<https://www.facebook.com/zuck>) as means of disclosing material non-public information and for complying with its disclosure obligations under Regulation FD.

Following the call, a replay will be available at the same website. A telephonic replay will be available for one week following the conference call at +1 (404) 537-3406 or +1 (855) 859-2056, conference ID 11108302.

About Facebook

Founded in 2004, Facebook's mission is to give people the power to share and make the world more open and connected. People use Facebook to stay connected with friends and family, to discover what's going on in the world, and to share and express what matters to them.

Contacts

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Forward Looking Statements

This press release contains forward-looking statements regarding our future business expectations, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are only predictions and may differ materially from actual results due to a variety of factors including: our ability to retain or increase users and engagement levels; our reliance on advertising revenue; our ability to continue to monetize our mobile products; risks associated with new product development and their introduction as well as other new business initiatives; our emphasis on user growth and engagement and the user experience over short-term financial results; competition; litigation; privacy and regulatory concerns; risks associated with acquisitions; security breaches; and our ability to manage growth and geographically-dispersed operations. These and other potential risks and uncertainties that could cause actual results to differ from the results predicted are more fully detailed under the caption "Risk Factors" in our Quarterly Report on Form 10-Q filed with the SEC on July 24, 2014, which is available on our Investor Relations website at investor.fb.com and on the SEC website at www.sec.gov. Additional information will also be set forth in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2014. In addition, please note that the date of this press release is October 28, 2014, and any forward-looking statements contained herein are based on assumptions that we believe to be reasonable as of this date. We undertake no obligation to update these statements as a result of new information or future events.

Non-GAAP Financial Measures

To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, we use the following non-GAAP financial measures: revenue excluding foreign exchange effect and advertising revenue excluding foreign exchange effect; non-GAAP costs and expenses; non-GAAP income from operations; non-GAAP net income; non-GAAP diluted shares; non-GAAP diluted earnings per share; non-GAAP operating margin; non-GAAP effective tax rate; and free cash flow. The presentation of these financial measures is not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP. Investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures as an analytical tool. In particular, many of the adjustments to our GAAP financial measures reflect the exclusion of items, specifically amortization of intangible assets, share-based compensation expense, and payroll tax related to share-based compensation expense, and the related income tax effects of the aforementioned exclusions, that are recurring and will be reflected in our financial results for the foreseeable future. In addition, these measures may be different from non-GAAP financial measures used by other companies, limiting their usefulness for comparison purposes. We compensate for these limitations by providing specific information regarding the GAAP amounts excluded from these non-GAAP financial measures.

We believe these non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating our business.

We exclude the following items from one or more of our non-GAAP financial measures:

Amortization of intangible assets. We amortize intangible assets acquired in connection with acquisitions. We exclude these amortization expenses because we do not believe these expenses are reflective of ongoing operating results in the period. These amounts arise from our prior acquisitions and have no direct correlation to the operation of our business.

Share-based compensation expense . We exclude share-based compensation expense because we believe that the non-GAAP financial measures excluding this item provide meaningful supplemental information regarding operational performance. In particular, because of varying available valuation methodologies, subjective assumptions and the variety of award types that companies can use under FASB ASC 718, we believe that providing non-GAAP financial measures that exclude this expense allows investors the ability to make more meaningful comparisons between our operating results and those of other companies. Accordingly, we believe that excluding this expense provides investors and management with greater visibility to the underlying performance of our business operations, facilitates comparison of our results with other periods, and may also facilitate comparison with the results of other companies in our industry.

Payroll tax expense related to share-based compensation . We exclude payroll tax expense related to share-based compensation expense because, without excluding these tax expenses, investors would not see the full effect that excluding share-based compensation expense had on our operating results. These expenses are tied to the exercise or vesting of underlying equity awards and the price of our common stock at the time of vesting or exercise, which factors may vary from period to period independent of the operating performance of our business. Similar to share-based compensation expense, we believe that excluding this payroll tax expense provides investors and management with greater visibility to the underlying performance of our business operations and facilitates comparison with other periods as well as the results of other companies.

Income tax effect of amortization of intangible assets, share-based compensation and related payroll tax expenses . We believe excluding the income tax effect of non-GAAP adjustments assists investors and management in understanding the tax provision related to those adjustments and provides useful supplemental information regarding the underlying performance of our business operations.

Foreign exchange effect on revenue . We translate revenue for the three and nine months ended September 30, 2014 using prior year exchange rates for our settlement currencies, which we believe is a useful metric that facilitates comparison to our historical performance.

Purchases of property and equipment; Property and equipment acquired under capital leases. We subtract both purchases of property and equipment and property and equipment acquired under capital leases in our calculation of free cash flow because we believe that these two items collectively represent the amount of property and equipment we need to procure to support our business, regardless of whether we finance such property or equipment with a capital lease. We believe that this methodology can provide useful supplemental information to help investors better understand underlying trends in our business.

For more information on our non-GAAP financial measures and a reconciliation of such measures to the nearest GAAP measure, please see the "Reconciliation of Non-GAAP Results to Nearest GAAP Measures" table in this press release.

FACEBOOK, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In millions, except for per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Revenue	\$ 3,203	\$ 2,016	\$ 8,615	\$ 5,286
Costs and expenses:				
Cost of revenue	565	507	1,501	1,384
Research and development	608	369	1,555	1,006
Marketing and sales	374	233	1,055	704
General and administrative	259	171	643	520
Total costs and expenses	1,806	1,280	4,754	3,614
Income from operations	1,397	736	3,861	1,672
Interest and other income/(expense), net	(61)	(10)	(65)	(48)
Income before provision for income taxes	1,336	726	3,796	1,624
Provision for income taxes	530	301	1,557	647
Net income	\$ 806	\$ 425	\$ 2,239	\$ 977
Less: Net income attributable to participating securities	4	3	10	6
Net income attributable to Class A and Class B common stockholders	\$ 802	\$ 422	\$ 2,229	\$ 971
Earnings per share attributable to Class A and Class B common stockholders:				
Basic	\$ 0.31	\$ 0.17	\$ 0.87	\$ 0.40
Diluted	\$ 0.30	\$ 0.17	\$ 0.86	\$ 0.39
Weighted average shares used to compute earnings per share attributable to Class A and Class B common stockholders:				
Basic	2,587	2,430	2,565	2,408
Diluted	2,644	2,528	2,616	2,504
Share-based compensation expense included in costs and expenses:				
Cost of revenue	\$ 16	\$ 12	\$ 44	\$ 31
Research and development	243	164	643	432
Marketing and sales	53	34	146	91
General and administrative	41	29	108	79
Total share-based compensation expense	\$ 353	\$ 239	\$ 941	\$ 633
Payroll tax expenses related to share-based compensation included in costs and expenses:				
Cost of revenue	\$ 1	\$ —	\$ 3	\$ 1
Research and development	6	8	27	26
Marketing and sales	1	2	7	7
General and administrative	3	2	7	6
Total payroll tax expenses related to share-based compensation	\$ 11	\$ 12	\$ 44	\$ 40
Amortization of intangible assets included in costs and expenses:				
Cost of revenue	\$ 26	\$ 5	\$ 42	\$ 9
Research and development	9	9	25	28
Marketing and sales	1	1	3	3
General and administrative	23	22	71	66
Total amortization of intangible assets	\$ 59	\$ 37	\$ 141	\$ 106

FACEBOOK, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)
(Unaudited)

	September 30, 2014	December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	\$ 8,999	\$ 3,323
Marketable securities	5,251	8,126
Accounts receivable	1,363	1,109
Prepaid expenses and other current assets	502	512
Total current assets	16,115	13,070
Property and equipment, net	3,703	2,882
Intangible assets, net	1,317	883
Goodwill	2,612	839
Other assets	441	221
Total assets	\$ 24,188	\$ 17,895
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 120	\$ 87
Partners payable	208	181
Accrued expenses and other current liabilities	709	555
Deferred revenue and deposits	48	38
Current portion of capital lease obligations	149	239
Total current liabilities	1,234	1,100
Capital lease obligations, less current portion	129	237
Other liabilities	1,587	1,088
Total liabilities	2,950	2,425
Stockholders' equity		
Common stock and additional paid-in capital	15,949	12,297
Accumulated other comprehensive (loss) income	(109)	14
Retained earnings	5,398	3,159
Total stockholders' equity	21,238	15,470
Total liabilities and stockholders' equity	\$ 24,188	\$ 17,895

FACEBOOK, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Cash flows from operating activities				
Net income	\$ 806	\$ 425	\$ 2,239	\$ 977
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	289	274	810	737
Lease abandonment	(5)	43	(31)	108
Share-based compensation	353	239	941	633
Deferred income taxes	4	2	(30)	21
Tax benefit from share-based award activity	479	129	1,354	277
Excess tax benefit from share-based award activity	(482)	(130)	(1,365)	(285)
Other	2	19	5	39
Changes in assets and liabilities:				
Accounts receivable	(182)	(83)	(264)	(145)
Prepaid expenses and other current assets	(55)	5	(45)	433
Other assets	(176)	9	(158)	(35)
Accounts payable	(57)	(19)	12	(17)
Partners payable	(17)	(1)	(22)	2
Accrued expenses and other current liabilities	123	(114)	198	(105)
Deferred revenue and deposits	(12)	4	3	6
Other liabilities	178	148	227	345
Net cash provided by operating activities	1,248	950	3,874	2,991
Cash flows from investing activities				
Purchases of property and equipment	(482)	(284)	(1,314)	(879)
Purchases of marketable securities	(1,733)	(904)	(6,215)	(4,364)
Sales of marketable securities	5,423	1,158	7,391	2,433
Maturities of marketable securities	636	780	1,710	2,954
Acquisitions of businesses, net of cash acquired, and purchases of intangible assets	(735)	(16)	(754)	(237)
Change in restricted cash and deposits	(111)	—	(113)	4
Other investing activities, net	(1)	—	(2)	(1)
Net cash provided by (used in) investing activities	2,997	734	703	(90)
Cash flows from financing activities				
Taxes paid related to net share settlement of equity awards	—	(148)	(3)	(706)
Proceeds from exercise of stock options	5	10	7	20
Repayment of long-term debt	—	(1,500)	—	(1,500)
Principal payments on capital lease obligations	(49)	(91)	(199)	(291)
Excess tax benefit from share-based award activity	482	130	1,365	285
Net cash provided by (used in) financing activities	438	(1,599)	1,170	(2,192)
Effect of exchange rate changes on cash and cash equivalents	(68)	14	(71)	7
Net increase in cash and cash equivalents	4,615	99	5,676	716
Cash and cash equivalents at beginning of period	4,384	3,001	3,323	2,384
Cash and cash equivalents at end of period	\$ 8,999	\$ 3,100	\$ 8,999	\$ 3,100
Supplemental cash flow data				

Cash paid during the period for:

Interest	\$ 3	\$ 7	\$ 11	\$ 33
Income taxes	\$ 46	\$ 43	\$ 107	\$ 61
Cash received during the period for:				
Income taxes	\$ 4	\$ —	\$ 6	\$ 419

Non-cash investing and financing activities:

Net change in accounts payable and accrued expenses and other current liabilities related to property and equipment additions	\$ 20	\$ 36	\$ 38	\$ 31
Property and equipment acquired under capital leases	\$ —	\$ —	\$ —	\$ 11
Fair value of shares issued related to acquisitions of businesses	\$ 1,368	\$ —	\$ 1,368	\$ 77

Reconciliation of Non-GAAP Results to Nearest GAAP Measures*

(In millions, except percentages and per share amounts)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
GAAP revenue	\$ 3,203	\$ 2,016	\$ 8,615	\$ 5,286
Foreign exchange effect on 2014 revenue using 2013 rates	21		42	
Revenue excluding foreign exchange effect	\$ 3,182		\$ 8,573	
GAAP revenue year-over-year change %	59%		63%	
Revenue excluding foreign exchange effect year-over-year change %	58%		62%	
GAAP advertising revenue	\$ 2,957	\$ 1,798	\$ 7,898	\$ 4,641
Foreign exchange effect on 2014 advertising revenue using 2013 rates	21		42	
Advertising revenue excluding foreign exchange effect	\$ 2,936		\$ 7,856	
GAAP advertising revenue year-over-year change %	64%		70%	
Advertising revenue excluding foreign exchange effect year-over-year change %	63%		69%	
GAAP costs and expenses	\$ 1,806	\$ 1,280	\$ 4,754	\$ 3,614
Share-based compensation expense	(353)	(239)	(941)	(633)
Payroll tax expenses related to share-based compensation	(11)	(12)	(44)	(40)
Amortization of intangible assets	(59)	(37)	(141)	(106)
Non-GAAP costs and expenses	\$ 1,383	\$ 992	\$ 3,628	\$ 2,835
GAAP income from operations	\$ 1,397	\$ 736	\$ 3,861	\$ 1,672
Share-based compensation expense	353	239	941	633
Payroll tax expenses related to share-based compensation	11	12	44	40
Amortization of intangible assets	59	37	141	106
Non-GAAP income from operations	\$ 1,820	\$ 1,024	\$ 4,987	\$ 2,451
GAAP net income	\$ 806	\$ 425	\$ 2,239	\$ 977
Share-based compensation expense	353	239	941	633
Payroll tax expenses related to share-based compensation	11	12	44	40
Amortization of intangible assets	59	37	141	106
Income tax adjustments	(80)	(47)	(171)	(236)
Non-GAAP net income	\$ 1,149	\$ 666	\$ 3,194	\$ 1,520
GAAP and Non-GAAP diluted shares	2,644	2,528	2,616	2,504
GAAP diluted earnings per share	\$ 0.30	\$ 0.17	\$ 0.86	\$ 0.39
Net income attributable to participating securities	—	—	(0.01)	—
Non-GAAP adjustments to net income	0.13	0.10	0.37	0.22
Non-GAAP diluted earnings per share	\$ 0.43	\$ 0.27	\$ 1.22	\$ 0.61
GAAP operating margin	44%	37%	45%	32%
Share-based compensation expense	11%	12%	11%	12%
Payroll tax expenses related to share-based compensation	—%	1%	1%	1%
Amortization of intangible assets	2%	2%	2%	2%
Non-GAAP operating margin	57%	51%	58%	46%
GAAP income before provision for income taxes	\$ 1,336	\$ 726	\$ 3,796	\$ 1,624
GAAP provision for income taxes	530	301	1,557	647
GAAP effective tax rate	40%	41%	41%	40%
GAAP income before provision for income taxes	\$ 1,336	\$ 726	\$ 3,796	\$ 1,624
Share-based compensation and related payroll tax expenses	364	251	985	673
Amortization of intangible assets	59	37	141	106
Non-GAAP income before provision for income taxes	\$ 1,759	\$ 1,014	\$ 4,922	\$ 2,403

Non-GAAP provision for income taxes	610	348	1,728	883
Non-GAAP effective tax rate	35%	34%	35%	37%
Net cash provided by operating activities	\$ 1,248	\$ 950	\$ 3,874	\$ 2,991
Purchases of property and equipment	(482)	(284)	(1,314)	(879)
Property and equipment acquired under capital leases	—	—	—	(11)
Free cash flow	\$ 766	\$ 666	\$ 2,560	\$ 2,101

* Non-GAAP information for the three and nine months ended September 30, 2013 has been updated to exclude amortization of intangible assets to conform to our current period presentation.