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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): May 4, 2016



**GOPRO, INC.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

001-36514  
(Commission File No.)

77-0629474  
(I.R.S. Employer  
Identification No.)

3000 Clearview Way, San Mateo, California 94402  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (650) 332-7600

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 ( see General Instruction A.2. below):

- 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 May 5, 2016, GoPro, Inc. (the "Company") issued a press release to report its financial results for its first quarter ended March 31, 2016.

A copy of the press release is furnished as Exhibit 99.1 to this report.

The information contained herein and in the accompanying exhibit shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference to this or such filing. The information in this report, including the exhibit hereto, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended.

## Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e)

On February 11, 2016, the Compensation and Leadership Committee of the Board of Directors (the "Compensation Committee") of the Company approved, as part of its annual compensation review process, a grant of 329,525 restricted stock units (the "Original RSU Award") and a stock option covering 715,649 shares of the Company's Class A common stock, with an exercise price of \$10.17 per share (such exercise price, "Original Strike Price," and such award, the "Original Stock Option Award" and together with the Original RSU Award, the "Original Awards") to Anthony J. Bates, President and member of the Board of the Directors of the Company. The Original Awards were made pursuant to the Company's 2014 Equity Incentive Plan (the "2014 Stock Plan"). In granting the Original Awards, the Company erroneously exceeded the 500,000 shares per calendar year per person award limit set forth in the 2014 Stock Plan. As a result, it has been determined that the Original Awards were not validly granted, and on May 4, 2016, the Compensation Committee voided all of the Original Awards.

The Original Awards were deemed to be an integral part of Mr. Bates' compensation package, which the Compensation Committee determined was, and is, appropriate and aligned with stockholders' interests. After reaffirming that the equity compensation it intended to grant Mr. Bates in February 2016 was appropriate, in accordance with the Company's compensation philosophy, and aligned with stockholders' interests, the Committee determined, in its business judgment, that Mr. Bates's equity compensation should be returned to the approximate level it should have been prior to the May 4, 2016 Committee action. Therefore, on May 4, 2016, the Compensation Committee approved the following equity awards to Mr. Bates:

- 329,525 restricted stock units, which shall vest over a 44 month period, with 4.55% of the underlying shares to vest on August 15, 2016, and 6.82% of the underlying shares vesting on each three-month anniversary thereafter, subject to Mr. Bates's Continuous Service (as defined in the 2014 Stock Plan) (such award, "New RSU Award No. 1");
- A stock option to purchase 715,649 shares of Class A common stock, which shall vest over a 44 month period, with 1/44<sup>th</sup> of the underlying shares vesting on July 6, 2016 and 1/44<sup>th</sup> of the underlying shares vesting monthly thereafter, subject to Mr. Bates's Continuous Service, with the grant date of such option to be June 6, 2016 (such stock option, the "New Stock Option"); and
- A number of restricted stock units equal to the quotient of (i) the True Up Value (as defined below), divided by (ii) the closing price of the Company's Class A Common Stock on June 6, 2016 (such price, the "Closing Price"), which shall vest on the same schedule as New RSU Award No. 1 (such award, "New RSU Award No. 2" and together with New RSU Award No.1 and the New Stock Option, the "New Awards").

For purposes of New RSU Award No. 2, the "True Up Value" shall mean the sum of (i) 6.25% of the shares underlying the Original RSU Award multiplied by the Closing Price; (ii) 8 1/3% of the shares underlying the Original Stock Option Award multiplied by the difference, if positive, of the (a) the Closing Price less (b) the Original Strike Price; and (iii) 9 2/3% of the shares underlying the Original Stock Option Award, multiplied by (a) the difference, if positive, of (x) the Closing Price less (y) the Original Strike Price, and multiplied by (b) 44.9%; *provided, that* if any of the factors in (i), (ii) or (iii) results in a negative number, that factor (i), (ii) or (iii) shall not reduce the True Up Value, but shall instead count as "zero" in the formula.

The New Awards shall also be subject to vesting acceleration pursuant to the Change in Control Severance Agreement entered into between Mr. Bates and the Company, a form of which was filed as Exhibit 10.09 to Form S-1 filed with the Securities and Exchange Commission on May 19, 2014.

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The New Awards are subject to and conditioned upon the approval by the Company's stockholders at the Company's Annual Meeting to be held on June 6, 2016 (the "Annual Meeting") of an amendment to the 2014 Stock Plan to increase the limits on the aggregate number of shares that may be granted to an individual in a single calendar year under the Plan. If the majority of the voting power of the Company's stockholders does not approve the increase to the award limits set forth in the 2014 Stock Plan, the New Awards will be void.

The Company intends to issue an amendment to the proxy materials for the Annual Meeting that were originally made available to stockholders on or about April 22, 2016 to request stockholder approval of an increase to the award limits set forth in the 2014 Stock Plan.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

<b>Exhibit Number</b>	<b>Description of Document</b>
99.1	Press Release of GoPro, Inc. dated May 5, 2016 to report its financial results for its first quarter ended March 31, 2016

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## SIGNATURE

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, thereunto duly authorized.

**GoPro, Inc.**  
(Registrant)

Dated: May 5, 2016

By: /s/ Brian McGee

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Brian McGee  
Chief Financial Officer  
(Principal Financial Officer)

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## EXHIBIT INDEX

<b><u>Exhibit Number</u></b>	<b><u>Description of Document</u></b>
99.1	Press Release of GoPro, Inc. dated May 5, 2016 to report its financial results for its first quarter ended March 31, 2016



### GoPro Announces First Quarter 2016 Results

*Sell-Thru Outpaced Sell-in, Channel and GoPro Inventory Down Sequentially  
HERO4 Session Now The #2 Best Selling Digital Image Device in The U.S. Behind HERO4 Silver  
Reaffirming Full-Year Revenue Guidance*

**SAN MATEO, Calif., May 5, 2016** - GoPro, Inc. (NASDAQ: GPRO) announced financial results for its first quarter ended March 31, 2016 .

(\$ in thousands, except per share amounts)	Three Months Ended March 31,		
	2016	2015	% Change
<b>Revenue</b>	\$ 183,536	\$ 363,109	(49.5)%
<b>Gross margin</b>			
GAAP	32.5%	45.1%	(1,260) bps
Non-GAAP	33.0%	45.2%	(1,220) bps
<b>Operating income (loss)</b>			
GAAP	\$ (121,435)	\$ 22,268	(645.3)%
Non-GAAP	\$ (96,798)	\$ 49,111	(297.1)%
<b>Net income (loss)</b>			
GAAP	\$ (107,459)	\$ 16,752	(741.5)%
Non-GAAP	\$ (86,740)	\$ 35,619	(343.5)%
<b>Diluted net income (loss) per share</b>			
GAAP	\$ (0.78)	\$ 0.11	(809.1)%
Non-GAAP	\$ (0.63)	\$ 0.24	(362.5)%
<b>Adjusted EBITDA</b>	\$ (86,771)	\$ 56,507	(253.6)%

"Consumer demand for GoPro remains solid," said Nicholas Woodman, GoPro Founder and CEO. "Unit sell-thru was close to first quarter 2015 levels, a quarter which benefited from the launch of HERO4. Revenue exceeded our guide and, importantly, unit sell-thru rates were approximately 50% higher than sell-in which drove global inventory levels down. And while we had to make the difficult decision to delay our drone, Karma, the upside is that Karma's launch should now benefit from the holidays."

First quarter non-GAAP gross margin was impacted by charges of approximately \$8 million related to legacy products for excess purchase commitments, inventory write-downs and marketing development funds. These charges were due to lower sales estimates for end-of-life HERO products. GoPro has no further financial exposure remaining from purchase commitments and inventory related to our end-of-life HERO camera line. Excluding the charge, our non-GAAP gross margin would have been 36.8% .

GoPro reports gross profit, operating expenses, operating income (loss), net income (loss) and diluted net income (loss) per share in accordance with U.S. generally accepted accounting principles (GAAP) and on a non-GAAP basis. Non-GAAP items exclude, where applicable, the effects of stock-based compensation, acquisition-related costs, restructuring costs and the tax impact of these items. Additionally, GoPro reports non-GAAP adjusted EBITDA. A reconciliation of preliminary GAAP financial measures to non-GAAP financial measures, as well as a description of items excluded from the calculation of non-GAAP financial measures, is presented in the financial statement portion of this release.

**Recent GoPro Highlights Include:**

- According to The NPD Group's Retail Tracking Service, GoPro accounted for 4 of the top 5 products on a unit basis in the combined digital camera/camcorder category in the U.S. HERO4 Silver remains the best-selling digital image camera on a unit and dollar basis. HERO4 Session moved to the #2 spot from #8 in the fourth quarter of 2015 on a unit basis in the combined digital camera/camcorder category in the U.S.
- According to NPD, GoPro's first quarter combined digital camera/camcorder unit share in the U.S. increased 150 basis points year-over-year to 20.9%.
- According to GfK, GoPro's first quarter digital imaging unit share in Europe increased 200 basis points year-over-year to 10.5%. In the first quarter, GoPro accounted for 6 of the top 10 camcorders in Europe on a unit basis.
- International sales totaled more than 50% of total GoPro revenue in Q1 2016.
- China remained a top ten market for GoPro in the first quarter. GoPro opened its first retail shop in Tianjin China. GoPro's shop is situated in one of the city's most popular shopping streets.
- The GoPro Developer Program is an initiative that provides GoPro toolkits for developers creating mobile apps that connect directly to GoPro products. The program launched in April with 100 partners including BMW, Fisher-Price, Polar, Telefonica, and Toyota.
- The GoPro Mobile App was downloaded 2.8 million times in the first quarter, totaling almost 27 million cumulative downloads; Q1 installs of GoPro Studio totaled almost 1.5 million, totaling nearly 16.5 million cumulative installs, with average daily video exports up 33.5% year-over-year to over 52,000 in the first quarter.
- Launched GoPro Director's Program which invites external video directors to help expand the notion of what is possible with GoPro technology.
- Introduced Custom Solutions that integrate GoPro's camera technology and HEROCast™, GoPro's wireless HD micro transmitter, into products and systems used in professional productions, enabling unique, never- before-seen perspectives. Over the past year GoPro Custom Solutions have been used in professional productions including: MotoAmerica, MotoGP™, NHL, PGA TOUR and the GRAMMY Awards.
- Introduced GoPro VR, a platform to view and share immersive content. The platform allows users to experience the immersive world of 360° video and transforms users' screens into a virtual portal, showcasing original content from GoPro and a global community of artists.
- Omni™, a six-camera spherical array, named Best 360-degree Video Rig at NAB 2016 by Videomaker. GoPro started taking pre-orders for Omni™ for August delivery.
- Odyssey™ rigs ship to artists and professional film makers. Odyssey™ is GoPro's panoramic stereoscopic 16-camera rig optimized to work with Google's Jump.
- GoPro extended an agreement with the world's premiere cycling event, Tour de France.

**Business Outlook:**

We continue to estimate our full year 2016 revenue to be in the range of \$1.35 billion to \$1.5 billion, in line with the guidance we provided on February 3, 2016.

**Upcoming Events**

Management will participate in upcoming investor conferences on May 24 and June 14 of 2016. GoPro will furnish a link to these events on its investor relations website, <http://investor.gopro.com/> for both the live and archived webcasts.

**Conference Call:**

GoPro management will host a conference call and live webcast for analysts and investors today at 2 p.m. Pacific Time (5 p.m. Eastern Time) to discuss the Company's financial results.

To listen to the live conference call, please dial toll free (888) 791-4322 or (913) 312-0652, access code 1741031, approximately 10 minutes prior to the start of the call. A live webcast of the conference call will be accessible on the "Events & Presentations" section of the Company's website at <http://investor.gopro.com>. The webcast will be recorded and the recording will be available on GoPro's website, <http://investor.gopro.com>, approximately two hours after the call and for 90 days thereafter.

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**About GoPro, Inc. (NASDAQ: GPRO):**

GoPro, Inc. is transforming the way people visually capture and share their lives. What began as an idea to help athletes self-document themselves engaged in their sport, GoPro has become a standard for how people capture themselves engaged in their interests, whatever they may be. From extreme to mainstream, professional to consumer, GoPro enables the world to capture and share its passion in the form of immersive and engaging content.

GOPRO, HERO, other GoPro Marks, and their respective logos are trademarks or registered trademarks of GoPro Inc. in the United States and other countries. All other trademarks are the property of their respective owners.

For more information, visit [www.gopro.com](http://www.gopro.com) or connect with GoPro on [YouTube](#), [Twitter](#), [Facebook](#), [Pinterest](#), [Instagram](#) and [LinkedIn](#).

**GoPro's Use of Social Media**

GoPro announces material financial information using the Company's investor relations website, SEC filings, press releases, public conference calls and webcasts. GoPro may also use social media channels to communicate about the Company, its brand and other matters; these communications could be deemed material information. Investors and others are encouraged to review posts on GoPro's investor relations and The Inside Line website, and GoPro's pages on YouTube, Twitter, Facebook, Pinterest, Instagram, and LinkedIn.

**Note on Forward-looking Statements**

This press release may contain projections or other forward-looking statements regarding future events, including but not limited to, those regarding our business outlook for 2016. These statements involve risks and uncertainties, and actual events or results may differ materially. Among the important factors that could cause actual results to differ materially from those in the forward-looking statements are our dependence on sales of cameras and accessories for substantially all of our revenue and the effect of a fall in sales during the holiday season; the fact that we do not expect to continue to grow in the future at the same rate as we have in the past, that we may fail to manage our growth, and profitability in recent periods might not be indicative of future performance; any inability to successfully manage frequent product introductions and transitions or to anticipate consumer preferences and successfully develop desirable products; the risks associated with our expected entrance into the consumer drone market; the effects of the highly competitive market in which we operate; the risks related to inventory, purchase commitments and long-lived assets; difficulty in accurately predicting our future customer demand; the importance of maintaining the value and reputation of our brand; and other factors detailed in the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2015, which is on file with the Securities and Exchange Commission. These forward-looking statements speak only as of the date hereof or as of the date otherwise stated herein. GoPro disclaims any obligation to update these forward-looking statements.

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**Investor Contact:**

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investor@gopro.com

**Media Contact:**

Jeff Brown (650) 332-7600 x 9997

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**GoPro, Inc.**  
**Preliminary Condensed Consolidated Statement of Operations**  
(unaudited)

(in thousands, except per share data)	Three months ended	
	March 31, 2016	March 31, 2015
Revenue	\$ 183,536	\$ 363,109
Cost of revenue	123,822	199,376
Gross profit	59,714	163,733
Operating expenses:		
Research and development	76,979	49,437
Sales and marketing	79,449	56,369
General and administrative	24,721	35,659
Total operating expenses	181,149	141,465
Operating income (loss)	(121,435)	22,268
Other expense, net	(307)	(2,244)
Income (loss) before income taxes	(121,742)	20,024
Income tax expense (benefit)	(14,283)	3,272
Net income (loss)	\$ (107,459)	\$ 16,752
Net income (loss) per share:		
Basic	\$ (0.78)	\$ 0.13
Diluted	\$ (0.78)	\$ 0.11
Weighted-average shares used to compute net income (loss) per share:		
Basic	137,543	132,278
Diluted	137,543	148,573

**GoPro, Inc.**  
**Preliminary Condensed Consolidated Balance Sheets**  
(unaudited)

(in thousands)	March 31, 2016	December 31, 2015
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 248,717	\$ 279,672
Marketable securities	139,951	194,386
Accounts receivable, net	46,519	145,692
Inventory	139,736	188,232
Prepaid expenses and other current assets	27,452	25,261
Total current assets	602,375	833,243
Property and equipment, net	67,725	70,050
Intangible assets, net and goodwill	131,364	88,122
Other long-term assets	127,465	111,561
Total assets	\$ 928,929	\$ 1,102,976
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 50,989	\$ 89,989
Accrued liabilities	148,309	192,446
Deferred revenue	13,847	12,742
Total current liabilities	213,145	295,177
Long-term liabilities	36,389	35,766
Total liabilities	249,534	330,943
Stockholders' equity:		
Common stock and additional paid-in capital	678,132	663,311
Treasury stock, at cost	(35,613)	(35,613)
Retained earnings	36,876	144,335
Total stockholders' equity	679,395	772,033
Total liabilities and stockholders' equity	\$ 928,929	\$ 1,102,976

**GoPro, Inc.**  
**Preliminary Condensed Consolidated Statement of Cash Flows**  
(unaudited)

(in thousands)	Three months ended	
	March 31, 2016	March 31, 2015
<b>Operating activities:</b>		
Net income (loss)	\$ (107,459)	\$ 16,752
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	8,322	5,369
Stock-based compensation	15,731	26,501
Excess tax benefit from stock-based compensation	(690)	(6,067)
Deferred income taxes	(10,328)	(1,590)
Other	765	2,829
Net changes in operating assets and liabilities	60,394	22,473
Net cash provided by (used in) operating activities	(33,265)	66,267
<b>Investing activities:</b>		
Purchases of property and equipment, net	(8,219)	(5,207)
Purchases of marketable securities	—	(79,368)
Maturities and sales of marketable securities	54,229	12,503
Acquisitions, net of cash acquired	(45,040)	(5,100)
Net cash provided by (used) in investing activities	970	(77,172)
<b>Financing activities:</b>		
Proceeds from issuance of common stock, net	4,103	11,004
Excess tax benefit from stock-based compensation	690	6,067
Payment of deferred acquisition-related consideration	(356)	—
Payment of credit facility issuance costs	(3,085)	—
Payment of deferred public offering costs	—	(903)
Net cash provided by (used in) financing activities	1,352	16,168
Effect of exchange rate changes on cash and cash equivalents	(12)	(2,027)
Net increase (decrease) in cash and cash equivalents	(30,955)	3,236
Cash and cash equivalents at beginning of period	279,672	319,929
Cash and cash equivalents at end of period	\$ 248,717	\$ 323,165

**GoPro, Inc.**  
**Reconciliation of Preliminary GAAP to Non-GAAP Financial Measures**  
(unaudited)

(in thousands, except per share data)	Three months ended	
	March 31, 2016	March 31, 2015
<b>GAAP net income (loss)</b>	\$ (107,459)	\$ 16,752
Stock-based compensation:		
Cost of revenue	357	283
Research and development	6,010	3,535
Sales and marketing	3,204	3,066
General and administrative	6,160	19,617
Total stock-based compensation	15,731	26,501
Acquisition-related costs:		
Cost of revenue	222	222
Research and development	1,285	87
Sales and marketing	22	33
General and administrative	869	—
Total acquisition-related costs	2,398	342
Restructuring costs:		
Cost of revenue	364	—
Research and development	2,655	—
Sales and marketing	2,678	—
General and administrative	811	—
Total restructuring costs	6,508	—
Income tax adjustments	(3,918)	(7,976)
<b>Non-GAAP net income (loss)</b>	<b>\$ (86,740)</b>	<b>\$ 35,619</b>
<b>Non-GAAP diluted net income (loss) per share</b>	<b>\$ (0.63)</b>	<b>\$ 0.24</b>

**GoPro, Inc.**  
**Reconciliation of GAAP to Non-GAAP Financial Measures**

To supplement our unaudited selected financial data presented on a basis consistent with GAAP, we disclose certain non-GAAP financial measures, including non-GAAP gross profit, gross margin, operating expenses, operating income (loss), net income (loss), earnings (loss) per share and adjusted EBITDA. These non-GAAP measures are not in accordance with, nor serve as an alternative for GAAP. We believe that these non-GAAP measures have limitations in that they do not reflect all of the amounts associated with our GAAP results of operations. These non-GAAP measures should only be viewed in conjunction with corresponding GAAP measures.

In calculating non-GAAP financial measures, we exclude certain items to facilitate a review of the comparability of our core operating performance on a period-to-period basis. The excluded items represent stock-based compensation and charges that are primarily driven by discrete events that we do not consider to be directly related to core operating performance. We use non-GAAP measures to evaluate the core operating performance of our business, for comparison with forecasts and strategic plans and for calculating return on investment. In addition, management's incentive compensation is determined using non-GAAP measures. Since we find these measures to be useful, we believe that investors benefit from seeing results reviewed by management in addition to seeing GAAP results. We believe that these non-GAAP measures, when read in conjunction with our GAAP financials, provide useful information to investors by facilitating:

- the comparability of our on-going operating results over the periods presented;
- the ability to identify trends in our underlying business; and
- the comparison of our operating results against analyst financial models and operating results of other public companies that supplement their GAAP results with non-GAAP financial measures.

The following are explanations of each type of adjustment that we incorporate into non-GAAP financial measures:

- *Stock-based compensation expense* relates to equity awards granted primarily to our workforce. We exclude stock-based compensation expense because we believe that the non-GAAP financial measures excluding this item provide meaningful supplemental information regarding operational performance. In particular, we note that companies calculate stock-based compensation expense for the variety of award types that they employ using different valuation methodologies and subjective assumptions. These non-cash charges are not factored into our internal evaluation of net income as we believe their inclusion would hinder our ability to assess core operational performance. We believe that excluding this expense provides 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.
  - *Acquisition-related costs* include the amortization of acquired intangible assets (primarily consisting of acquired technology), as well as third-party transaction costs incurred for legal and other professional services. These costs are not factored into our evaluation of potential acquisitions, or of our performance after completion of the acquisitions, because they are not related to our core operating performance, and the frequency and amount of such costs vary significantly based on the timing and magnitude of our acquisition transactions and the maturities of the businesses being acquired.
  - *Restructuring costs* primarily include severance-related costs recorded in connection with our global workforce reduction in January 2016. We believe that excluding this expense provides 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.
  - *Income tax adjustments* relate to the tax effect of the adjustments that we incorporate into non-GAAP measures in order to provide a more meaningful measure of non-GAAP net income (loss). We believe that these adjustments provide us with the ability to more clearly view trends in our core operating performance.
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Reconciliations of non-GAAP financial measures are set forth below:

(dollars in thousands)	Three months ended	
	March 31, 2016	March 31, 2015
<b>GAAP gross profit</b>	\$ 59,714	\$ 163,733
Stock-based compensation	357	283
Acquisition-related costs	222	222
Restructuring costs	364	—
<b>Non-GAAP gross profit</b>	<u>\$ 60,657</u>	<u>\$ 164,238</u>
<b>GAAP gross profit as a % of revenue</b>	32.5 %	45.1 %
Stock-based compensation	0.2	0.1
Acquisition-related costs	0.1	—
Restructuring costs	0.2	—
<b>Non-GAAP gross profit as a % of revenue</b>	<u>33.0 %</u>	<u>45.2 %</u>
<b>GAAP operating expenses</b>	\$ 181,149	\$ 141,465
Stock-based compensation	(15,374)	(26,218)
Acquisition-related costs	(2,176)	(120)
Restructuring costs	(6,144)	—
<b>Non-GAAP operating expenses</b>	<u>\$ 157,455</u>	<u>\$ 115,127</u>
<b>GAAP operating income (loss)</b>	\$ (121,435)	\$ 22,268
Stock-based compensation	15,731	26,501
Acquisition-related costs	2,398	342
Restructuring costs	6,508	—
<b>Non-GAAP operating income (loss)</b>	<u>\$ (96,798)</u>	<u>\$ 49,111</u>
<b>GAAP operating income (loss) as a % of revenue</b>	(66.2)%	6.1 %
Stock-based compensation	8.6	7.3
Acquisition-related costs	1.3	0.1
Restructuring costs	3.5	—
<b>Non-GAAP operating income (loss) as a % of revenue</b>	<u>(52.8)%</u>	<u>13.5 %</u>

(in thousands)	Three months ended	
	March 31, 2016	March 31, 2015
GAAP net income (loss)	\$ (107,459)	\$ 16,752
Income tax expense (benefit)	(14,283)	3,272
Interest (income) expense, net	(334)	65
Depreciation and amortization	8,323	5,369
POP display amortization	4,743	4,548
Stock-based compensation	15,731	26,501
Restructuring costs	6,508	—
<b>Adjusted EBITDA</b>	<b>\$ (86,771)</b>	<b>\$ 56,507</b>