

**Vocera Communications, Inc.**  
**Condensed consolidated statements of operations**  
(In thousand, except per share amounts)  
(Unaudited)

	<b>Three months ended September 30,</b>		<b>Nine months ended September 30,</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>Revenue</b>				
Product	\$ 14,144	\$ 12,020	\$ 39,926	\$ 38,059
Service	12,310	11,104	35,795	32,760
Total revenue	<u>26,454</u>	<u>23,124</u>	<u>75,721</u>	<u>70,819</u>
<b>Cost of revenue</b>				
Product	5,248	4,706	14,403	14,117
Service	4,968	4,883	14,733	14,225
Total cost of revenue	<u>10,216</u>	<u>9,589</u>	<u>29,136</u>	<u>28,342</u>
<b>Gross profit</b>	<u>16,238</u>	<u>13,535</u>	<u>46,585</u>	<u>42,477</u>
<b>Operating expenses</b>				
Research and development	4,252	5,113	12,977	13,541
Sales and marketing	12,178	11,942	34,694	37,299
General and administrative	4,146	4,237	12,714	12,790
Total operating expenses	<u>20,576</u>	<u>21,292</u>	<u>60,385</u>	<u>63,630</u>
<b>Loss from operations</b>	<u>(4,338)</u>	<u>(7,757)</u>	<u>(13,800)</u>	<u>(21,153)</u>
Interest income	139	83	366	268
Other expense, net	(149)	(132)	(314)	(178)
<b>Loss before income taxes</b>	<u>(4,348)</u>	<u>(7,806)</u>	<u>(13,748)</u>	<u>(21,063)</u>
Provision for income taxes	(116)	(85)	(374)	(225)
<b>Net loss</b>	<u>\$ (4,464)</u>	<u>\$ (7,891)</u>	<u>\$ (14,122)</u>	<u>\$ (21,288)</u>
<b>Net loss per share:</b>				
Basic and diluted	<u>\$ (0.17)</u>	<u>\$ (0.31)</u>	<u>\$ (0.55)</u>	<u>\$ (0.84)</u>
<b>Weighted average shares used to compute net loss per share:</b>				
Basic and diluted	<u>26,131</u>	<u>25,432</u>	<u>25,878</u>	<u>25,243</u>

**Vocera Communications, Inc.**  
**Condensed consolidated balance sheets**  
(In thousand)  
(Unaudited)

	As of	
	September 30, 2015	December 31, 2014
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 16,448	\$ 22,615
Short-term investments	99,603	93,646
Accounts receivable, net	15,461	18,008
Other receivables	1,149	694
Inventories	1,921	3,462
Prepaid expenses and other current assets	2,252	2,017
Total current assets	136,834	140,442
Property and equipment, net	3,987	5,122
Intangible assets, net	2,593	3,171
Goodwill	9,988	9,988
Other long-term assets	898	905
Total assets	\$ 154,300	\$ 159,628
<b>Liabilities and stockholders' equity</b>		
Current liabilities		
Accounts payable	\$ 3,086	\$ 1,913
Accrued payroll and other current liabilities	10,738	10,863
Deferred revenue, current	27,195	28,474
Total current liabilities	41,019	41,250
Deferred revenue, long-term	6,875	6,974
Other long-term liabilities	2,028	1,692
Total liabilities	49,922	49,916
Stockholders' equity	104,378	109,712
Total liabilities and stockholders' equity	\$ 154,300	\$ 159,628

**Vocera Communications, Inc.**  
**Reconciliation of GAAP to Non-GAAP**  
(In thousand, except per share amounts)  
(Unaudited)

	<b>Three months ended September 30,</b>					
	<b>2015</b>			<b>2014</b>		
	<b>Net loss</b>	<b>Diluted shares</b>	<b>Loss per share - diluted</b>	<b>Net loss</b>	<b>Diluted shares</b>	<b>Loss per share - diluted</b>
<b>GAAP</b>	\$ (4,464)	26,131	\$ (0.17)	\$ (7,891)	25,432	\$ (0.31)
Non-GAAP adjustments:						
Stock compensation (a)						
Gross margin	304			319		
Operating expenses	2,887			2,465		
Intangible amortization (b)						
Gross margin	81			110		
Operating expenses	137			99		
Acquisition expense (c)						
Gross margin	-			-		
Operating expenses	-			632		
Litigation expense (d)						
Gross margin	-			-		
Operating expenses	-			204		
<b>Total adjustments</b>	<b>3,409</b>	<b>-</b>	<b>0.13</b>	<b>3,829</b>	<b>-</b>	<b>0.15</b>
<b>Non-GAAP</b>	<b>\$ (1,055)</b>	<b>26,131</b>	<b>\$ (0.04)</b>	<b>\$ (4,062)</b>	<b>25,432</b>	<b>\$ (0.16)</b>

- (a) This adjustment reflects the accounting impact of non-cash stock-based compensation expense.  
(b) This adjustment reflects the accounting impact of acquisitions in 2010 and 2014 in non-cash expense.  
(c) This adjustment reflects the accounting impact of acquisitions, including \$533k in Q3 2014 of consideration deemed to be compensation.  
(d) This adjustment reflects class action litigation expenses from the August 2013 lawsuit.

	<b>Nine months ended September 30,</b>					
	<b>2015</b>			<b>2014</b>		
	<b>Net loss</b>	<b>Diluted shares</b>	<b>Loss per share - diluted</b>	<b>Net loss</b>	<b>Diluted shares</b>	<b>Loss per share - diluted</b>
<b>GAAP</b>	\$ (14,122)	25,878	\$ (0.55)	\$ (21,288)	25,243	\$ (0.84)
Non-GAAP adjustments:						
Stock compensation (a)						
Gross margin	954			857		
Operating expenses	7,575			7,303		
Intangible amortization (b)						
Gross margin	243			319		
Operating expenses	335			270		
Acquisition expense (c)						
Gross margin	-			-		
Operating expenses	-			632		
Litigation expense (d)						
Gross margin	-			-		
Operating expenses	9			204		
<b>Total adjustments</b>	<b>9,116</b>	<b>-</b>	<b>0.36</b>	<b>9,585</b>	<b>-</b>	<b>0.38</b>
<b>Non-GAAP</b>	<b>\$ (5,006)</b>	<b>25,878</b>	<b>\$ (0.19)</b>	<b>\$ (11,703)</b>	<b>25,243</b>	<b>\$ (0.46)</b>

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(c) This adjustment reflects the accounting impact of acquisitions, including \$533k in Q3 2014 of consideration deemed to be compensation.  
(d) This adjustment reflects class action litigation expenses from the August 2013 lawsuit.

Vocera Communications, Inc.  
Non-GAAP income adjustments  
(In thousands)  
(Unaudited)

Three months ended September 30,

	2015					2014				
	Stock compensation expense	Intangible amortization	Acquisition expense	Litigation expense	Total adjustments	Stock compensation expense	Intangible amortization	Acquisition expense	Litigation expense	Total adjustments
Gross margin:										
Product	\$ 56	\$ 81	\$ -	\$ -	\$ 137	\$ 68	\$ 110	\$ -	\$ -	\$ 178
Service	248	-	-	-	248	251	-	-	-	251
Operating expenses:										
Research and development	375	-	-	-	375	266	-	11	-	277
Sales and marketing	1,388	56	-	-	1,444	1,123	74	-	-	1,197
General and administrative	1,124	81	-	-	1,205	1,076	25	621	204	1,926
Other expense, net	-	-	-	-	-	-	-	-	-	-
Non-GAAP income adjustments	\$ 3,191	\$ 218	\$ -	\$ -	\$ 3,409	\$ 2,784	\$ 209	\$ 632	\$ 204	\$ 3,829

Nine months ended September 30,

	2015					2014				
	Stock compensation expense	Intangible amortization	Acquisition expense	Litigation expense	Total adjustments	Stock compensation expense	Intangible amortization	Acquisition expense	Litigation expense	Total adjustments
Gross margin:										
Product	\$ 190	\$ 243	\$ -	\$ -	\$ 433	\$ 192	\$ 319	\$ -	\$ -	\$ 511
Service	764	-	-	-	764	665	-	-	-	665
Operating expenses:										
Research and development	918	-	-	-	918	725	-	11	-	736
Sales and marketing	3,483	172	-	-	3,655	3,158	218	-	-	3,376
General and administrative	3,174	163	-	9	3,346	3,420	52	621	204	4,297
Other expense, net	-	-	-	-	-	-	-	-	-	-
Non-GAAP income adjustments	\$ 8,529	\$ 578	\$ -	\$ 9	\$ 9,116	\$ 8,160	\$ 589	\$ 632	\$ 204	\$ 9,585

**Vocera Communications, Inc.**  
**Non-GAAP Adjusted EBITDA**  
(In thousands)  
(Unaudited)

	<u>Three months ended September 30,</u>		<u>Nine months ended September 30,</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
GAAP net loss	\$ (4,464)	\$ (7,891)	\$ (14,122)	\$ (21,288)
Add back:				
Stock compensation expense	3,191	2,784	8,529	8,160
Acquisition expense	-	632	-	632
Litigation expense	-	204	9	204
Interest income	(123)	(60)	(316)	(199)
Depreciation and amortization expense	831	737	2,485	2,233
Provision for income taxes	116	85	374	225
Non-GAAP adjusted EBITDA	<u>\$ (449)</u>	<u>\$ (3,509)</u>	<u>\$ (3,041)</u>	<u>\$ (10,033)</u>

**Vocera Communications, Inc.**  
**Reconciliation of GAAP to Non-GAAP operating expenses**  
(In thousands)  
(Unaudited)

	<b>Three months ended</b>		
	<b>September 30,</b> <b>2015</b>	<b>June 30,</b> <b>2015</b>	<b>September 30,</b> <b>2014</b>
GAAP operating expenses	\$ 20,576	\$ 20,912	\$ 21,292
Stock compensation expense	2,887	2,403	2,465
Intangible amortization expense	137	99	99
Acquisition expense	-	-	632
Litigation expense	-	5	204
Non-GAAP operating expenses	<u>\$ 17,552</u>	<u>\$ 18,405</u>	<u>\$ 17,892</u>

**Vocera Communications, Inc.**  
**Future guidance for operating results**  
(In millions, except per share amounts)

**Reconciliation for GAAP to Non-GAAP for net loss and net loss per share**

	Q4-15		FY-15	
	Low	High	Low	High
Revenue	\$ 25.3	\$ 27.3	\$ 101.0	\$ 103.0
GAAP net loss	(5.9)	(3.7)	(20.0)	(17.9)
Stock compensation expense	3.0	3.0	11.5	11.5
Intangible amortization expense	0.2	0.2	0.8	0.8
Litigation expense	0.1	0.1	0.1	0.1
Total adjustments	3.3	3.3	12.4	12.4
Non-GAAP net loss	<u>\$ (2.6)</u>	<u>\$ (0.4)</u>	<u>\$ (7.6)</u>	<u>\$ (5.5)</u>
Weighted average shares, basic and diluted (in thousands)	26,250	26,250	26,000	26,000
GAAP net loss per share	\$ (0.22)	\$ (0.14)	\$ (0.77)	\$ (0.69)
Non-GAAP net loss per share	\$ (0.10)	\$ (0.01)	\$ (0.29)	\$ (0.21)

**Reconciliation of Non-GAAP net loss to adjusted EBITDA**

	Q4-15		FY-15	
	Low	High	Low	High
Non-GAAP net loss	\$ (2.6)	\$ (0.4)	\$ (7.6)	\$ (5.5)
Interest expense, net	(0.1)	(0.1)	(0.4)	(0.4)
Depreciation expense	0.7	0.7	2.6	2.6
Provision for income taxes	0.1	0.1	0.5	0.5
Total adjustments	0.7	0.7	2.7	2.7
Adjusted EBITDA	<u>\$ (1.9)</u>	<u>\$ 0.3</u>	<u>\$ (4.9)</u>	<u>\$ (2.8)</u>

Amounts may not recompute due to rounding.