

#### Non-GAAP Financial Measures

This supplemental financial information contains financial measures that have not been prepared in accordance with generally accepted accounting principles in the United States (GAAP). We use the following non-GAAP financial measures: non-GAAP gross profit; non-GAAP gross margin; non-GAAP operating expenses; non-GAAP operating income (loss); non-GAAP income (loss) before income taxes; non-GAAP net income (loss); non-GAAP diluted shares; non-GAAP net income (loss) per share; free cash flow; non-GAAP research and development expenses, non-GAAP sales and marketing expenses, non-GAAP general and administrative expenses, adjusted EBITDA and non-GAAP effective tax rate. 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.

We use non-GAAP measures to internally evaluate and analyze financial results. 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 enable comparison of our financial results with other public companies, many of which present similar non-GAAP financial measures.

There are 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 certain items, specifically stock-based compensation expense, acquisition-related costs, depreciation, amortization of intangible assets, impairment of equity investment, interest income, net, and the related income tax effects of the aforementioned exclusions, that may be 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.

The following are explanations of the adjustments that are reflected in one or more of our non-GAAP financial measures:

- Stock-based compensation expense relates to equity awards granted primarily to our employees. 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, companies calculate stock-based compensation expense using a variety of valuation methodologies and subjective assumptions.
- Acquisition-related costs relates to bonuses in connection with the Merger, integration costs, advisory and consulting, legal, accounting, tax, other professional service fees, and SEC filing fees to the extent associated with the pending Merger Agreement with Google or our acquisition of other companies.
- Restructuring costs primarily included severance-related costs. 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.
- Litigation expense relates to legal costs incurred due to litigation with Alpbacom, Inc. d/b/a Jawbone, or Jawbone. We exclude these expenses because we do not believe they have a direct correlation to the operations of our business and because of the singular nature of the claims underlying the Jawbone litigation matters. We began excluding Jawbone litigation costs in the second quarter of 2016 as these costs significantly increased in 2016.
- In March 2014, we recalled the Fitbit Force after some of our users experienced allergic reactions to adhesives in the wristband. This recall primarily impacted our results for the fourth quarter of 2013, the first quarter of 2014, and the fourth quarter of 2015.
- Revaluation of redeemable convertible preferred stock warrant liability is a non-cash charge that will not recur in the periods following our initial public offering.
- Amortization of intangible assets relates to our acquisitions of FitStar, Pebble, Vector and Twine Health. We exclude these amortization expenses because we do not believe they have a direct correlation to the operation of our business.
- A non-recurring impairment charge of \$6 million to reflect the write-down of an equity investment.
- The change in contingent consideration relates to our acquisition of FitStar. This is a non-recurring benefit that has no direct correlation to our business performance.
- Income tax effect of non-GAAP adjustments relates to the tax effect of the adjustments that we incorporate into non-GAAP financial measures such as stock-based compensation, amortization of intangibles, restructuring and valuation allowance, in order to provide a more meaningful measure of non-GAAP net income (loss).
- Adjustment to shares includes the conversion of the redeemable convertible preferred stock into shares of common stock as though the conversion had occurred at the beginning of all periods presented, and the shares issued in our initial public offering in June 2015, as if they had been outstanding since the beginning of the second quarter of 2015, and the shares issued in our follow-on offering in November 2015, as if they had been outstanding since the beginning of the fourth quarter of 2015.
- We define free cash flow as net cash provided by (used in) operating activities less purchase of property and equipment. We consider free cash flow to be a liquidity measure that provides useful information to management and investors about the amount of cash generated by the business that can possibly be used for investing in our business and strengthening the balance sheet, but it is not intended to represent the residual cash flow available for discretionary expenditures.

**Fibit, Inc.**  
**Condensed Consolidated Balance Sheets - Fiscal Quarters**

	As of																														
	Mar 31 2013	Jun 30 2013	Sep 30 2013	Dec 31 2013	Mar 31 2014	Jun 30 2014	Sep 30 2014	Dec 31 2014	Mar 31 2015	Jun 30 2015	Sep 30 2015	Dec 31 2015	Apr 2 2016	Jul 2 2016	Oct 1 2016	Dec 31 2016	Apr 1 2017	July 1 2017	Sep 30 2017	Dec 31 2017	Mar 31 2018	Jun 30 2018	Sep 29 2018	Dec 31 2018	Mar 30 2019	Jun 29 2019	Sep 28 2019	Dec 31 2019	Apr 4 2020	July 4 2020	
<b>Assets</b>																															
<b>Current assets:</b>																															
Cash and cash equivalents	\$ 15,119	\$ 36,535	\$ 57,231	\$ 81,728	\$ 98,703	\$ 103,990	\$ 63,957	\$ 195,626	\$ 237,849	\$ 461,276	\$ 462,280	\$ 535,846	\$ 722,062	\$ 416,142	\$ 284,220	\$ 301,320	\$ 374,279	\$ 318,708	\$ 280,681	\$ 341,966	\$ 378,360	\$ 328,116	\$ 402,237	\$ 473,956	\$ 410,813	\$ 335,229	\$ 287,431	\$ 334,479	\$ 251,997	\$ 343,476	
Marketable securities	-	-	-	-	-	-	-	-	-	-	113,198	128,832	69,652	343,554	87,882	404,693	351,837	357,090	378,548	337,334	279,994	252,347	221,083	249,493	233,383	229,708	214,817	184,023	175,699	104,555	
Accounts receivable, net	14,982	28,146	45,527	60,624	49,683	51,126	77,933	238,859	161,736	252,023	244,921	469,260	339,669	377,545	461,351	477,825	194,834	216,346	260,990	406,019	214,355	242,038	325,964	414,209	250,582	258,599	345,562	435,269	182,284	215,394	
Inventories	15,202	16,938	23,952	56,441	53,051	54,235	60,641	115,072	137,509	186,870	276,083	178,146	212,092	190,644	214,955	230,387	200,331	141,504	138,781	123,895	145,373	140,430	195,112	124,871	174,478	161,931	245,096	136,752	105,745	65,371	
Income tax receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	77,882	77,746	78,385	8,862	6,957	6,917	7,365	965	573	139,827	26,753	
Prepaid expenses and other current assets	492	1,016	3,554	3,185	5,763	6,492	7,165	13,614	22,012	18,163	21,199	43,530	60,006	59,782	86,372	66,346	58,775	97,717	173,654	97,269	63,227	45,541	42,325	26,481	24,124	33,376	28,656	56,694	31,829	-	
Restricted cash	-	-	-	2,110	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total current assets</b>	45,795	82,635	130,264	224,288	207,200	218,843	209,697	563,171	559,106	918,332	1,117,681	1,355,414	1,403,481	1,387,647	1,434,780	1,480,571	1,180,056	1,311,365	1,232,654	1,384,365	1,154,937	1,104,543	1,198,899	1,311,811	1,102,654	1,016,956	1,127,247	1,119,752	912,246	787,578	
Property and equipment, net	2,527	4,809	5,619	6,486	7,162	15,278	24,376	26,435	28,022	90,945	35,728	44,501	51,579	74,181	94,311	76,553	85,039	80,135	90,823	104,908	104,530	110,185	106,520	106,286	95,275	91,718	88,232	82,756	76,218	78,552	
Operating right-of-use assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-	-	-	22,562	22,157	22,157	22,157	22,157	25,217	25,217	51,036	51,036	51,036	51,036	51,036	60,929	61,058	60,979	60,979	60,979	64,812	64,812	64,812	64,812	-
Intangible assets, net	-	-	-	-	-	-	-	-	-	13,812	13,263	12,749	12,216	11,683	15,090	14,578	21,415	24,768	23,943	22,356	29,797	27,740	25,680	22,620	21,559	19,499	17,519	16,746	12,717	9,668	
Deferred tax assets	-	-	-	-	-	-	26,693	42,001	44,457	60,693	72,870	83,020	87,601	119,472	110,814	175,797	184,040	162,899	46,221	3,990	4,158	3,528	3,920	4,489	4,436	4,222	3,925	4,111	4,066	26,017	
Other assets	-	-	-	483	442	1,586	1,444	1,590	1,240	1,272	1,728	1,773	1,594	10,526	10,448	12,340	10,886	9,080	15,420	14,750	16,147	10,003	8,262	10,423	9,278	7,170	9,684	9,458	10,340	-	
<b>Total assets</b>	\$ 48,322	\$ 87,444	\$ 135,833	\$ 230,774	\$ 214,845	\$ 231,563	\$ 269,351	\$ 633,051	\$ 669,349	\$ 1,046,630	\$ 1,262,457	\$ 1,519,066	\$ 1,579,374	\$ 1,623,111	\$ 1,690,226	\$ 1,821,926	\$ 1,538,656	\$ 1,461,089	\$ 1,454,577	\$ 1,582,075	\$ 1,369,101	\$ 1,323,201	\$ 1,406,080	\$ 1,515,547	\$ 1,394,470	\$ 1,278,180	\$ 1,376,601	\$ 1,368,086	\$ 1,149,654	\$ 1,042,475	
<b>Liabilities, Convertible Preferred Stock, and Stockholders' Equity (Deficit)</b>																															
<b>Current liabilities:</b>																															
Accounts payable	\$ 14,040	\$ 15,881	\$ 22,058	\$ 70,896	\$ 29,798	\$ 47,597	\$ 57,401	\$ 195,666	\$ 136,425	\$ 193,594	\$ 320,195	\$ 260,842	\$ 238,696	\$ 226,418	\$ 253,138	\$ 313,773	\$ 127,542	\$ 83,966	\$ 178,476	\$ 212,731	\$ 132,910	\$ 155,970	\$ 232,991	\$ 251,657	\$ 165,551	\$ 157,204	\$ 263,181	\$ 194,626	\$ 90,801	\$ 79,726	
Accrued liabilities	6,158	10,021	14,316	28,565	21,773	20,173	27,752	70,940	73,860	79,618	98,258	194,977	232,427	231,921	218,526	380,308	338,940	346,764	345,572	451,673	382,052	376,884	386,315	437,214	363,751	332,857	365,812	513,530	376,530	338,288	
Operating lease liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred revenue	1,337	2,031	2,693	5,606	5,756	7,250	8,204	9,009	17,024	21,346	27,077	44,448	50,929	46,420	45,001	42,612	46,904	44,427	40,058	35,504	31,272	28,116	27,350	29,400	28,655	28,076	28,076	32,307	32,466	32,589	
Fiber Force Recall reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income taxes payable	1,606	4,274	10,366	17,841	9,541	16,375	10,264	30,631	17,723	795	2,472	2,868	1,671	2,074	1,231	9,394	2,466	599	293	928	755	22,729	6,580	1,092	1,349	578	986	636	1,700	1,448	
Long-term debt, current portion	778	1,713	2,849	3,985	38,523	37,789	7,548	132,589	159,611	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>	23,919	33,920	52,282	209,831	189,630	186,528	142,198	461,311	419,747	308,247	459,461	508,257	528,062	508,981	519,390	756,340	516,808	476,509	564,984	701,300	547,321	583,473	653,308	719,383	589,515	542,622	681,268	764,610	523,329	493,738	
Long-term operating lease liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	585	1,221	3,579	7,420	7,870	8,421	10,418	12,667	13,750	15,031	18,424	29,258	36,886	47,473	53,732	59,762	56,280	59,244	57,958	49,884	54,345	55,650	52,596	52,790	29,001	29,420	29,883	39,776	32,860	52,385	
Long-term debt, less current portion	10,448	9,475	8,124	6,725	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Redeemable convertible preferred stock warrant liability	834	1,329	2,453	4,028	5,381	9,222	9,346	15,797	26,132	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	35,786	45,945	66,538	228,004	202,881	204,171	161,962	489,975	459,629	323,278	478,285	537,615	564,948	556,454	573,122	823,394	573,088	535,753	622,942	758,112	606,842	644,242	711,359	779,609	722,657	652,636	787,627	880,823	628,599	612,159	
Convertible preferred stock	23,425	49,248	66,236	66,236	66,236	66,236	67,814	67,814	67,814	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total stockholders' equity (deficit)	(10,889)	(7,749)	3,109	(63,466)	(54,272)	(38,844)	32,575	75,262	141,966	723,352	784,172	981,451	1,013,326	1,066,657	1,117,104	998,532	965,568	925,336	831,635	823,963	762,259	678,959	694,721	735,938	671,813	625,544	588,974	487,263	521,055	430,316	
<b>Total liabilities, convertible preferred stock, and stockholders' equity (deficit)</b>	\$ 48,322	\$ 87,444	\$ 135,833	\$ 230,774	\$ 214,845	\$ 231,563	\$ 269,351	\$ 633,051	\$ 669,349	\$ 1,046,630	\$ 1,262,457	\$ 1,519,066	\$ 1,579,374	\$ 1,623,111	\$ 1,690,226	\$ 1,821,926	\$ 1,538,656	\$ 1,461,089	\$ 1,454,577	\$ 1,582,075	\$ 1,369,101	\$ 1,323,201	\$ 1,406,080	\$ 1,515,547	\$ 1,394,470	\$ 1,278,180	\$ 1,376,601	\$ 1,368,086	\$ 1,149,654	\$ 1,042,475	

**Fibit, Inc.**

**Condensed Consolidated Statements of Operations - Fiscal Quarters**

(in thousands)

	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	
<b>Revenue (GAAP)</b>	\$ 33,121	\$ 47,169	\$ 83,667	\$ 107,130	\$ 108,815	\$ 115,572	\$ 152,862	\$ 370,184	\$ 336,754	\$ 400,412	\$ 409,262	\$ 711,570	\$ 505,356	\$ 586,528	\$ 503,802	\$ 573,775	\$ 298,942	\$ 353,299	\$ 392,522	\$ 570,756	\$ 247,865	\$ 299,344	\$ 393,575	\$ 571,199	\$ 271,890	\$ 313,556	\$ 347,200	\$ 502,142	\$ 188,158	\$ 261,272	
<b>Plus:</b>																															
Impact of Fibit Force recall	\$ 33,121	\$ 47,169	\$ 83,667	\$ 107,130	\$ 108,815	\$ 115,572	\$ 152,862	\$ 370,184	\$ 336,754	\$ 400,412	\$ 409,262	\$ 711,570	\$ 505,356	\$ 586,528	\$ 503,802	\$ 573,775	\$ 298,942	\$ 353,299	\$ 392,522	\$ 570,756	\$ 247,865	\$ 299,344	\$ 393,575	\$ 571,199	\$ 271,890	\$ 313,556	\$ 347,200	\$ 502,142	\$ 188,158	\$ 261,272	
<b>Revenue (Non-GAAP)</b>	\$ 33,121	\$ 47,169	\$ 83,667	\$ 107,130	\$ 108,815	\$ 115,572	\$ 152,862	\$ 370,184	\$ 336,754	\$ 400,412	\$ 409,262	\$ 711,570	\$ 505,356	\$ 586,528	\$ 503,802	\$ 573,775	\$ 298,942	\$ 353,299	\$ 392,522	\$ 570,756	\$ 247,865	\$ 299,344	\$ 393,575	\$ 571,199	\$ 271,890	\$ 313,556	\$ 347,200	\$ 502,142	\$ 188,158	\$ 261,272	
<b>Cost of revenue</b>	18,132	25,847	42,412	124,345	64,046	55,183	69,257	199,200	167,545	212,870	213,249	363,271	271,601	341,559	263,144	447,273	180,645	204,054	217,262	322,159	133,742	180,329	240,061	354,272	182,437	205,342	239,248	380,089	133,236	168,210	
<b>Gross profit (GAAP)</b>	14,989	21,322	41,255	(17,215)	44,769	58,389	83,605	170,884	169,209	187,542	196,013	348,299	233,755	244,969	240,658	126,502	118,299	149,245	174,760	248,597	114,113	119,015	153,514	216,927	89,453	108,214	107,952	122,053	54,922	93,042	
<b>Gross margin (GAAP)</b>	45.3%	45.0%	49.3%	(16.1)%	41.1%	51.4%	54.7%	46.2%	50.2%	46.8%	47.9%	48.9%	46.3%	41.8%	47.8%	22.1%	39.6%	42.2%	44.5%	43.6%	46.0%	39.8%	39.0%	38.0%	32.9%	34.5%	31.1%	24.3%	29.2%	35.6%	
<b>Plus:</b>																															
Stock-based compensation expense	2	4	8	23	59	129	346	356	446	825	1,351	2,117	1,309	1,084	1,014	1,390	18	1,492	1,379	2,423	1,098	2,032	1,999	2,183	1,430	1,521	1,446	2,006	2,179	2,033	
Acquisition-related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of restructuring	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of Fibit Force recall	-	-	-	81,812	22,163	(1,485)	(1,227)	(2,040)	-	-	-	(3,715)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Intangible assets amortization</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Gross profit (Non-GAAP)</b>	14,991	21,326	41,263	64,620	66,991	58,518	82,466	170,033	167,615	188,834	197,796	347,152	235,515	246,504	242,123	128,345	119,673	152,056	177,520	252,536	116,737	122,563	157,817	220,963	92,927	111,588	111,121	132,089	60,258	98,120	
<b>Gross margin (Non-GAAP)</b>	45.3%	45.0%	49.3%	46.9%	55.7%	51.5%	53.9%	46.4%	49.8%	47.2%	48.3%	48.8%	46.6%	42.0%	48.1%	22.4%	40.0%	43.0%	45.2%	44.2%	47.1%	40.9%	40.1%	38.7%	34.2%	35.6%	32.0%	26.3%	32.0%	37.6%	
<b>Research and development (GAAP)</b>	5,346	6,507	7,766	8,254	9,088	11,809	14,945	18,325	22,426	30,492	42,890	54,227	72,248	79,909	82,972	85,062	87,758	80,543	84,170	90,541	89,336	87,047	79,840	75,946	77,039	70,919	65,693	86,703	81,589	83,733	
<b>Less:</b>																															
Stock-based compensation expense	(40)	(55)	(75)	(118)	(92)	(192)	(873)	(1,192)	(1,879)	(3,138)	(5,893)	(7,341)	(10,393)	(12,725)	(12,314)	(12,775)	(14,344)	(12,448)	(12,947)	(13,842)	(14,671)	(15,090)	(14,097)	(13,330)	(11,988)	(11,892)	(10,557)	(10,418)	(11,119)	(11,442)	
Acquisition-related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of restructuring	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Research and development (Non-GAAP)</b>	5,306	6,452	7,691	8,136	8,996	11,617	14,072	17,133	20,547	27,354	36,997	46,886	61,855	68,184	70,658	72,287	70,670	67,895	71,223	76,699	74,665	71,957	65,743	62,616	63,501	59,027	55,136	57,874	64,759	62,638	
<b>Sales and marketing (GAAP)</b>	4,217	5,433	6,159	11,038	11,273	13,311	17,539	69,882	43,867	69,690	65,115	154,069	107,051	118,138	79,872	186,194	91,174	100,732	77,536	145,600	72,052	100,845	66,676	104,518	68,616	83,060	71,296	106,828	56,961	65,470	
<b>Less:</b>																															
Stock-based compensation expense	(14)	(42)	(64)	(84)	(63)	(120)	(466)	(645)	(1,307)	(1,322)	(2,451)	(2,339)	(2,535)	(2,927)	(3,030)	(3,083)	(3,248)	(3,987)	(3,679)	(3,658)	(3,447)	(3,911)	(3,638)	(3,730)	(3,138)	(3,175)	(2,587)	(2,685)	(2,775)	(2,899)	
Acquisition-related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of restructuring	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Intangible assets amortization</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sales and marketing (Non-GAAP)</b>	4,203	5,391	6,095	10,954	11,210	13,191	17,073	69,237	42,560	68,368	62,664	151,730	104,516	115,211	76,842	183,111	85,926	96,745	73,857	141,942	68,444	96,464	63,333	100,651	64,754	79,749	68,474	99,786	50,338	59,381	
<b>General and administrative (GAAP)</b>	1,338	2,154	2,853	8,140	8,617	7,443	7,849	9,647	12,981	14,648	20,698	29,466	35,702	37,262	33,333	40,606	30,746	31,379	40,690	31,119	36,088	30,211	24,812	25,516	26,692	24,865	23,083	43,591	42,041	35,049	
<b>Less:</b>																															
Stock-based compensation expense	(8)	(15)	(18)	(50)	(100)	(220)	(785)	(1,166)	(1,271)	(2,462)	(3,339)	(3,543)	(3,533)	(4,664)	(3,647)	(4,009)	(4,155)	(3,839)	(4,792)	(4,402)	(4,425)	(4,824)	(4,381)	(4,153)	(3,988)	(3,959)	(3,494)	(3,455)	(3,454)	(3,396)	
Acquisition-related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of restructuring	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Litigation expense— Jawbone	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11,558)	(6,062)	(7,225)	-	114	(1,533)	(874)	(919)	(765)	-	-	-	-	-	-	-	
Impact of Fibit Force recall	-	-	-	(2,838)	(2,876)	(1,483)	(2)	972	142	(69)	(20)	4,363	(11)	11	-	(26)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Intangible assets amortization</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>General and administrative (Non-GAAP)</b>	1,330	2,139	2,835	5,282	5,641	5,740	7,062	9,453	11,852	13,035	17,257	26,204	32,076	20,969	23,563	29,290	25,053	25,849	34,962	25,727	30,927	25,316	20,360	21,290	22,504	20,834	19,518	20,346	31,301	20,572	
<b>Operating expenses:</b>																															
Research and development	5,346	6,507	7,766	8,254	9,088	11,809	14,945	18,325	22,426	30,492	42,890	54,227	72,248	79,909	82,972	85,062	87,758	80,543	84,170	90,541	89,336	87,047	79,840	75,946	77,039	70,919	65,693	86,703	81,589	83,733	
Sales and marketing	4,217	5,433	6,159	11,038	11,273	13,311	17,539	69,882	43,867	69,690	65,115	154,069	107,051	118,138	79,872	186,194	91,174	100,732	77,536	145,600	72,052	100,845	66,676	104,518	68,616	83,060	71,296	106,828	56,961	65,470	
General and administrative	1,338	2,154	2,853	8,140	8,617	7,443	7,849	9,647	12,981	14,648	20,698	29,466	35,702	37,262	33,333	40,606	30,746	31,379	40,690	31,119	36,088	30,211	24,812	25,5							



