

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

	<b>Three months ended June 30,</b>		<b>Six months ended June 30,</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>				
Product	\$ 17,702	\$ 13,320	\$ 31,504	\$ 25,782
Service	13,450	12,129	26,425	23,485
Total revenue	<u>31,152</u>	<u>25,449</u>	<u>57,929</u>	<u>49,267</u>
<b>Cost of revenue</b>				
Product	5,944	4,723	10,393	9,155
Service	6,134	4,914	11,784	9,765
Total cost of revenue	<u>12,078</u>	<u>9,637</u>	<u>22,177</u>	<u>18,920</u>
<b>Gross profit</b>	<u>19,074</u>	<u>15,812</u>	<u>35,752</u>	<u>30,347</u>
<b>Operating expenses</b>				
Research and development	4,428	4,242	8,400	8,725
Sales and marketing	12,747	12,102	24,773	22,516
General and administrative	4,625	4,568	8,961	8,568
Total operating expenses	<u>21,800</u>	<u>20,912</u>	<u>42,134</u>	<u>39,809</u>
<b>Loss from operations</b>	<u>(2,726)</u>	<u>(5,100)</u>	<u>(6,382)</u>	<u>(9,462)</u>
Interest income	199	117	377	227
Other expense, net	(137)	(33)	(151)	(165)
<b>Loss before income taxes</b>	<u>(2,664)</u>	<u>(5,016)</u>	<u>(6,156)</u>	<u>(9,400)</u>
Provision for income taxes	(42)	(155)	(134)	(258)
<b>Net loss</b>	<u>\$ (2,706)</u>	<u>\$ (5,171)</u>	<u>\$ (6,290)</u>	<u>\$ (9,658)</u>
<b>Net loss per share:</b>				
Basic and diluted	<u>\$ (0.10)</u>	<u>\$ (0.20)</u>	<u>\$ (0.24)</u>	<u>\$ (0.38)</u>
<b>Weighted average shares used to compute net loss per share:</b>				
Basic and diluted	<u>26,624</u>	<u>25,832</u>	<u>26,501</u>	<u>25,749</u>

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

	As of	
	June 30, 2016	December 31, 2015
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 26,367	\$ 20,572
Short-term investments	92,409	96,202
Accounts receivable, net	19,121	22,605
Other receivables	886	1,009
Inventories	4,367	2,713
Prepaid expenses and other current assets	2,303	2,165
Total current assets	145,453	145,266
Property and equipment, net	5,881	3,620
Intangible assets, net	2,003	2,375
Goodwill	9,988	9,988
Other long-term assets	779	1,012
Total assets	<u>\$ 164,104</u>	<u>\$ 162,261</u>
<b>Liabilities and stockholders' equity</b>		
Current liabilities		
Accounts payable	\$ 3,817	\$ 2,932
Accrued payroll and other current liabilities	12,383	13,339
Deferred revenue, current	32,837	31,495
Total current liabilities	49,037	47,766
Deferred revenue, long-term	7,957	8,097
Other long-term liabilities	3,554	1,967
Total liabilities	60,548	57,830
Stockholders' equity	103,556	104,431
Total liabilities and stockholders' equity	<u>\$ 164,104</u>	<u>\$ 162,261</u>

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

	Three months ended June 30,					
	GAAP 2016	Stock compensation expense (a)	Intangible amortization (b)	Litigation expense (c)	Total adjustments	Non-GAAP 2016
Revenue						
Product	\$ 17,702					\$ 17,702
Service	13,450					13,450
Total revenue	31,152	-	-	-	-	31,152
Cost of revenue						
Product	5,944	66	59		125	5,819
Service	6,134	258			258	5,876
Total cost of revenue	12,078	324	59	-	383	11,695
Gross profit	19,074	(324)	(59)	-	(383)	19,457
Operating expenses						
Research and development	4,428	304			304	4,124
Sales and marketing	12,747	1,278	46		1,324	11,423
General and administrative	4,625	1,239	81		1,320	3,305
Total operating expenses	21,800	2,821	127	-	2,948	18,852
Income (loss) from operations	(2,726)	(3,145)	(186)	-	(3,331)	605
Interest income	199					199
Other expense, net	(137)					(137)
Income (loss) before income tax	(2,664)	(3,145)	(186)	-	(3,331)	667
Provision for income taxes	(42)					(42)
Net Income (loss)	\$ (2,706)	\$ (3,145)	\$ (186)	\$ -	\$ (3,331)	\$ 625
Net income (loss) per share:						
Basic	\$ (0.10)					\$ 0.02
Diluted	\$ (0.10)					\$ 0.02
Weighted average shares used to compute net income (loss) per share:						
Basic	26,624					26,624
Diluted	26,624					28,002

	Three months ended June 30,					
	GAAP 2015	Stock compensation expense (a)	Intangible amortization (b)	Litigation expense (c)	Total adjustments	Non-GAAP 2015
Revenue						
Product	\$ 13,320				-	\$ 13,320
Service	12,129				-	12,129
Total revenue	25,449	-	-	-	-	25,449
Cost of revenue						
Product	4,723	70	81		151	4,572
Service	4,914	271			271	4,643
Total cost of revenue	9,637	341	81	-	422	9,215
Gross profit	15,812	(341)	(81)	-	(422)	16,234
Operating expenses						
Research and development	4,242	283			283	3,959
Sales and marketing	12,102	1,061	58		1,119	10,983
General and administrative	4,568	1,059	41	5	1,105	3,463
Total operating expenses	20,912	2,403	99	5	2,507	18,405
Loss from operations	(5,100)	(2,744)	(180)	(5)	(2,929)	(2,171)
Interest income	117					117
Other expense, net	(33)					(33)
Loss before income taxes	(5,016)	(2,744)	(180)	(5)	(2,929)	(2,087)
Provision for income taxes	(155)					(155)
Net loss	\$ (5,171)	\$ (2,744)	\$ (180)	\$ (5)	\$ (2,929)	\$ (2,242)
Net loss per share:						
Basic and diluted	\$ (0.20)					\$ (0.09)
Weighted average shares used to compute net loss per share:						
Basic and diluted	25,832					25,832

- (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 operating expense adjustment reflects class action litigation expenses from the August 2013 lawsuit.

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

	Six months ended June 30,					Non-GAAP 2016
	GAAP 2016	Stock compensation expense (a)	Intangible amortization (b)	Litigation expense (c)	Total adjustments	
Revenue						
Product	\$ 31,504					\$ 31,504
Service	26,425					26,425
Total revenue	57,929	-	-	-	-	57,929
Cost of revenue						
Product	10,393	106	119		225	10,168
Service	11,784	487			487	11,297
Total cost of revenue	22,177	593	119	-	712	21,465
Gross profit	35,752	(593)	(119)	-	(712)	36,464
Operating expenses						
Research and development	8,400	530			530	7,870
Sales and marketing	24,773	2,288	92		2,380	22,393
General and administrative	8,961	2,280	161		2,441	6,520
Total operating expenses	42,134	5,098	253	-	5,351	36,783
Loss from operations	(6,382)	(5,691)	(372)	-	(6,063)	(319)
Interest income	377					377
Other expense, net	(151)					(151)
Loss before income taxes	(6,156)	(5,691)	(372)	-	(6,063)	(93)
Provision for income taxes	(134)					(134)
Net loss	\$ (6,290)	\$ (5,691)	\$ (372)	\$ -	\$ (6,063)	\$ (227)
Net loss per share:						
Basic and diluted	\$ (0.24)					\$ (0.01)
Weighted average shares used to compute net loss per share:						
Basic and diluted	26,501					26,501

	Six months ended June 30,					Non-GAAP 2015
	GAAP 2015	Stock compensation expense (a)	Intangible amortization (b)	Litigation expense (c)	Total adjustments	
Revenue						
Product	\$ 25,782					\$ 25,782
Service	23,485					23,485
Total revenue	49,267	-	-	-	-	49,267
Cost of revenue						
Product	9,155	134	162	-	296	8,859
Service	9,765	516			516	9,249
Total cost of revenue	18,920	650	162	-	812	18,108
Gross profit	30,347	(650)	(162)	-	(812)	31,159
Operating expenses						
Research and development	8,725	543			543	8,182
Sales and marketing	22,516	2,095	116		2,211	20,305
General and administrative	8,568	2,050	82	9	2,141	6,427
Total operating expenses	39,809	4,688	198	9	4,895	34,914
Loss from operations	(9,462)	(5,338)	(360)	(9)	(5,707)	(3,755)
Interest income	227					227
Other expense, net	(165)					(165)
Loss before income taxes	(9,400)	(5,338)	(360)	(9)	(5,707)	(3,693)
Provision for income taxes	(258)					(258)
Net loss	\$ (9,658)	\$ (5,338)	\$ (360)	\$ (9)	\$ (5,707)	\$ (3,951)
Net loss per share:						
Basic and diluted	\$ (0.38)					\$ (0.15)
Weighted average shares used to compute net loss per share:						
Basic and diluted	25,749					25,749

- (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 operating expense adjustment reflects class action litigation expenses from the August 2013 lawsuit.

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

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
GAAP net loss	\$ (2,706)	\$ (5,171)	\$ (6,290)	\$ (9,658)
Add back:				
Stock compensation expense	3,145	2,744	5,691	5,338
Litigation expense	-	5	-	9
Interest income	(185)	(101)	(350)	(193)
Depreciation and amortization expense	730	809	1,456	1,654
Provision for income taxes	42	155	134	258
Non-GAAP adjusted EBITDA	\$ 1,026	\$ (1,559)	\$ 641	\$ (2,592)

**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**

	Q3-16		FY-16	
	Low	High	Low	High
Revenue	\$ 29.5	\$ 31.5	\$ 116.0	\$ 121.0
GAAP net loss	(3.8)	(2.2)	(12.7)	(10.2)
Stock compensation expense	3.2	3.2	12.1	12.1
Intangible amortization expense	0.1	0.1	0.7	0.7
Total adjustments	3.3	3.3	12.7	12.7
Non-GAAP net income (loss)	\$ (0.5)	\$ 1.1	\$ 0.1	\$ 2.5
Weighted average shares (in thousands)				
Basic	27,100	27,100	26,300	26,300
Diluted	27,100	28,500	27,200	27,200
GAAP net loss per share, basic and diluted	\$ (0.14)	\$ (0.08)	\$ (0.48)	\$ (0.39)
Non-GAAP net income (loss) per share:				
Basic	\$ (0.02)	\$ 0.04	\$ 0.00	\$ 0.10
Diluted	\$ (0.02)	\$ 0.04	\$ 0.00	\$ 0.09

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

	Q3-16		FY-16	
	Low	High	Low	High
Non-GAAP net loss	\$ (0.5)	\$ 1.1	\$ 0.1	\$ 2.5
Interest income, net	(0.1)	(0.1)	(0.5)	(0.5)
Depreciation expense	0.5	0.5	2.1	2.1
Provision for income taxes	0.1	0.1	0.3	0.3
Total adjustments	0.5	0.5	2.0	2.0
Adjusted EBITDA	\$ 0.0	\$ 1.7	\$ 2.0	\$ 4.5

Amounts may not recompute due to rounding.