

Fourth Quarter 2015

Regulation G – Non-GAAP Financial Measures

The Company uses financial measures which are not calculated and presented in accordance with U.S. generally accepted accounting principles ("GAAP") in evaluating its financial and operational decision making and as a means to evaluate period-to-period comparison. The Company uses these non-GAAP financial measures for financial and operational decision making and as a means to evaluate period-to-period comparisons. The Company presents these non-GAAP financial measures because it believes them to be an important supplemental measure of performance that is commonly used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. We refer you to the reconciliations below.

The Company defines Adjusted EBITDA as earnings (or loss) from continuing operations before interest expense, change in warrant liability, income taxes, depreciation and amortization, non-cash stock-based compensation, non-recurring acquisition and restructuring expenses, loss on cumulative effect of foreign currency translation adjustment, gain on sale of asset, bad debt expense outside the normal range, and the goodwill impairment charges. The Company excludes stock-based compensation because it is non-cash in nature.

Non-GAAP financial measures should not be considered as an alternative to net income, operating income, cash flow from operating activities, as a measure of liquidity or any other financial measure. They may not be indicative of the historical operating results of the Company nor is it intended to be predictive of potential future results. Investors should not consider non-GAAP financial measures in isolation or as a substitute for performance measures calculated in accordance with GAAP.

MEETME, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP NET INCOME (LOSS) ALLOCABLE TO COMMON STOCKHOLDERS TO ADJUSTED EBITDA
(UNAUDITED)

	Three Months Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
Net income (loss) allocable to Common Stockholders	\$ 6,073,267	\$ 846,924	\$ 5,969,628	\$ (3,962,165)
Interest expense	84,723	183,754	459,962	1,052,620
Depreciation and amortization	760,201	922,852	3,140,206	4,223,507
Stock-based compensation expense	1,332,223	787,738	3,341,965	3,810,209
Change in warrant liability	622,819	(144,087)	616,607	(226,508)
Income taxes	149,500	-	276,301	-
Acquisition and restructuring costs	-	-	-	120,202
Bad debt expense outside normal range	-	-	5,735,204	-
Loss on cumulative effect of foreign currency translation adjustment	(5,640)	-	856,438	-
Gain on sale of asset	-	-	(163,333)	-
Adjusted EBITDA	<u>\$ 9,017,093</u>	<u>\$ 2,597,231</u>	<u>\$ 20,232,977</u>	<u>\$ 5,017,865</u>
GAAP basic and diluted net income (loss) per common stockholders	<u>\$ 0.13</u>	<u>\$ 0.02</u>	<u>\$ 0.13</u>	<u>\$ (0.10)</u>
Basic adjusted EBITDA per common stockholders	<u>\$ 0.20</u>	<u>\$ 0.06</u>	<u>\$ 0.45</u>	<u>\$ 0.12</u>
Diluted adjusted EBITDA per common stockholders	<u>\$ 0.17</u>	<u>\$ 0.05</u>	<u>\$ 0.41</u>	<u>\$ 0.11</u>
Weighted average number of shares outstanding, Basic	46,090,961	44,879,982	45,419,175	41,328,699
Weighted average number of shares outstanding, Diluted	<u>51,735,136</u>	<u>48,181,596</u>	<u>49,535,826</u>	<u>45,563,736</u>