Spark Networks(R) Reports Fourth Quarter and Fiscal Year 2015 Financial Results

March 3, 2016 4:01 PM ET

LOS ANGELES, CA -- (Marketwired) -- 03/03/16 -- Spark Networks, Inc. (NYSE MKT: LOV)

Quarterly Highlights

- ***Second consecutive quarter of growth in period ending subscribers; average subscribers grew for first time in over two years***
- ***318,000+ mobile MAUs at period end***
- ***Record Christian Networks contribution margin of 48%***
- ***Strengthened mobile portfolio and extended reach into millennial demo through acquisition of JSwipe and launch of CrossPaths***
- ***Launched Church Partnership Program (Q1 2016); first two partners represent approximately 10,000 singles***
- ***Introducing three key growth initiatives for 2016***

Spark Networks, Inc. (NYSE MKT: LOV), a leader in creating communities that help individuals form life-long relationships, today reported financial results for the fourth quarter and full year ended December 31, 2015.

Commentary and Outlook

"We are extremely proud of our accomplishments in 2015," commented Michael Egan, Chief Executive Officer. "Not only did we finish the year with the launch of the first re-designs of both JDate and ChristianMingle in over 8 years, but more importantly, we successfully executed on all of our core 2015 goals.

"We exited 2015 with an improved portfolio of assets including two new mobile applications, a growing subscriber base, improving unit economics, and a unique and advantaged position in the market.

"As we entered 2015, our focus was on maintaining profitability and returning our subscriber base to growth. We accomplished this. Q4 was our second consecutive quarter of subscriber growth and we ended the year with improving contribution margins and positive EBITDA.

"2015 represented our 11th consecutive year of exceptional unit economics for our JDate brand, with contribution margins in excess of 85%. More significantly, we have completely transformed the unit economics of our Christian Networks business, ending the year with a 48% contribution margin in Q4. We believe we have only scratched the surface of the profitability potential of our Christian Networks.

"We also fulfilled our goal of transforming our technology and product set from one-dimensional to multi-dimensional with a full suite of mobile applications. Through our own development initiatives and with the acquisition of JSwipe, our mobile monthly active users have grown to over 318,000 at year end, the majority of which are associated with our core JDate and ChristianMingle brands.

"Finally, we aggressively entered the millennial dating market in Q4. Our portfolio now includes the newly acquired JSwipe application and our recently launched CrossPaths application, which is targeted at younger Christian members.

"Though our subscriber base grew in Q4, ARPU was lower as we made the strategic decision to increase longer-duration, lower ARPU subscriptions heading into the relaunch of our core brands. We have consistently seen the highest lifetime values from customers in these longer duration plans. We anticipate seeing a stabilization in the proportion of longer-term subscriptions, and thus ARPU, through the early part of 2016, setting us up for revenue growth midway through the year. We are committed to driving the right balance between network size, subscription duration, customer lifetime value and ARPU.

"With our stabilized customer base, revamped product platform and our unique strategic position in the market, we are poised to grow revenue and we are aggressively pursuing this in 2016 through three key priorities.

"The first is our recently announced Church Program. Throughout the course of 2015 we worked with church leaders to help reshape ChristianMingle, enabling it to become the preferred, faith-based alternative to other platforms in the market. In January of this year we launched a partnership program whereby churches receive discounted ChristianMingle subscriptions as well as brand exposure amongst our broader community in exchange for marketing ChristianMingle as the preferred online dating community to their congregation. We have already partnered with two churches, representing over 10,000 single adults, and are deep in conversations with many others. We look forward to working with our church partners to develop programing that helps meet the needs of their congregants. We believe that these partnerships will simultaneously allow us to reach Christian singles cost efficiently, to offer a superior user experience to our members, and to fulfill our mission of strengthening the community we aim to serve.

"Our second focus is growing and monetizing our millennial audiences. With the acquisition of JSwipe and the launch of the CrossPaths mobile application, we have immediately become the leader for millennials within our two core communities and have significantly expanded our ecosystem. The integration of the JSwipe team has been seamless and they have launched their first premium feature in Q1. The largest growth in the dating market over the last two years has been in the under-30 demographic, and with our two brands, we are uniquely positioned to take advantage of this growth.

"Thirdly, towards the latter half of the year, we will grow our Christian subscriber base by moving beyond the United States into other countries with large Christian communities, specifically in Latin America. With our nimble mobile technology now in place, we are able to capture this opportunity with very little incremental investment.

"Lastly, as alluded to in November, we have retained a financial advisor to explore all options to maximize shareholder value given the tremendous transformation of Spark in 2015 and current industry dynamics.

"We accomplished a significant amount in 2015 and have re-solidified our position as the leader in our communities. We look forward to a strong 2016."

Summary Quarterly Metrics

	Q4 2015	***Q3 2015***	***Q4 2014***
Revenue	$10.7 Million	$11.7 Million	$14.3 Million
Contribution[1]	$6.8 Million	$7.3 Million	$9.1 Million
Net (Loss) Income	$(1.2) Million	$(822) Thousand	$3.9 Million
Adjusted EBITDA[2]	$116 Thousand	$309 Thousand	$4.1 Million
Cash Balance	$6.6 Million	$14.4 Million	$11.7 Million
Period Ending Subs[3]	200,023	197,832	215,517
Avg. Paying Subs[3]	199,781	197,109	227,874
ARPU	$17.26	$19.04	$19.47

Fourth Quarter 2015 Financial Results

Revenue: For the fourth quarter of 2015, total revenue was $10.7 million, a decrease of 25% compared to the year ago period, and an 8% decrease from the prior quarter. The year over year decrease was primarily driven by a decrease in average paying subscribers as well as a decrease in our Q4 ARPU. The sequential decrease was driven exclusively by a quarterly decline in ARPU. The declines in ARPU were driven by a significant increase in the proportion of six month subscriptions sold during the third and fourth quarters of 2015 within the Jewish and Christian Networks, and increases in promotional activity during those periods.

Contribution: For the fourth quarter of 2015, contribution was $6.8 million, a decrease of 25% compared to the year ago period and a 6% decrease from the prior quarter. Our contribution margin increased to 64% from 62% in the previous quarter and 64% in the year ago period. The margin expansion was primarily driven by our Christian Networks, which increased contribution margin to 48% from 44% in the previous quarter and 47% in the year ago period. Christian Networks contribution margins benefitted from both efficiency gains within television marketing campaigns and our decision to reduce marketing spend given seasonally high advertising rates in the fourth quarter.

Adjusted EBITDA: For the fourth quarter of 2015, Adjusted EBITDA was $116 thousand, a decrease from $4.1 million in the year ago period and $309 thousand in the prior quarter. Excluding the operating impact of Smooch Labs, Adjusted EBITDA for the fourth quarter was $341 thousand. Current period Adjusted EBITDA does not include $79 thousand of expense related to executive severance payments and $275 thousand of expense related to transaction fees related to the acquisition of Smooch Labs, which closed early in the fourth quarter of 2015. Our fourth quarter 2015 operating expenses do include a $520,000 reserve for the settlement of two class action law suits, though we do not expect future expenses for this matter.

Liquidity: For the fourth quarter of 2015, the Company ended with $6.6 million in cash and cash equivalents, compared to $14.4 million at the end of the prior quarter. The Company paid $6.0 million for the Smooch Labs acquisition, which closed in October 2015. As of December 31, 2015, the Company had no outstanding debt.

Summary Annual Metrics

	2015	***2014***
Revenue	$48.1 Million	$61.6 Million
Contribution[1]	$28.4 Million	$31.2 Million
Net (Loss) Income	$(1.4) Million	$(1.1) Million
Adjusted EBITDA[2]	$2.8 Million	$5.5 Million
Cash Balance	$6.6 Million	$11.7 Million
Period Ending Subs[3]	200,023	215,517
Avg. Paying Subs[3]	203,557	261,735
ARPU	$18.92	$18.54

Full Year 2015 Financial Results

Revenue: For the full year 2015, total revenue was $48.1 million, a decrease of 22% compared to the year ago period. The year over year decrease was primarily driven by a 22% decrease in average paying subscribers, reflecting a 26% and 15% decrease in average paying subscribers for the Christian and Jewish Networks segments, respectively. 2015 ARPU increased 2% compared to the year ago period.

Contribution: For the full year 2015, contribution was $28.4 million, a decrease of 9% compared to the year ago period. Our contribution margin increased to 59% from 51% in the year ago period. The margin expansion was primarily driven by our Christian Networks, which increased contribution margin to 39% from 25% in the year ago period.

Adjusted EBITDA: For the full year 2015, Adjusted EBITDA was $2.8 million, a decrease from $5.5 million in the year ago period. Excluding the operating impact of Smooch Labs, Adjusted EBITDA for the full year 2015 was $3.1 million. Current period Adjusted EBITDA does not include $240 thousand of expense related to executive severance payments and $404 thousand of expense related to transaction fees related to the acquisition of Smooch Labs, which closed early in the fourth quarter of 2015. Our full year 2015 operating expenses do include the aforementioned reserve of approximately $520,000 for the settlement of two class action law suits, as well as legal expenses of approximately $1.2 million related to the defense of the Company's intellectual property, though we do not expect future expenses for either matter.

SPARK NETWORKS, INC.

SEGMENT[4] RESULTS FROM OPERATIONS

(in thousands except subscriber and ARPU information)

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q4 '15 v. Q4 '14	Q4 '15 v. Q3 '15
Revenue							
Jewish Networks	$ 4,299	$ 4,613	$ 4,846	$ 5,180	$ 5,502	-21.9 %	-6.8 %
Christian Networks	5,940	6,581	6,921	7,792	8,215	-27.7 %	-9.7 %
Other Networks	446	466	470	487	504	-11.6 %	-4.4 %
Offline & Other Businesses	20	22	25	27	43	-53.6 %	-9.3 %
Total Revenue	***$ 10,705***	***$ 11,682***	***$ 12,262***	***$ 13,486***	***$ 14,264***	***-25.0 %***	***-8.4 %***
Direct Mktg. Exp.							
Jewish Networks	$ 648	$ 619	$ 745	$ 599	$ 684	-5.3 %	4.6 %
Christian Networks	3,111	3,664	4,450	5,338	4,325	-28.1 %	-15.1 %
Other Networks	129	141	133	115	116	11.6 %	-8.2 %
Offline & Other Businesses	-	-	-	-	4	-100.0 %	NM
Total Direct Mktg. Exp.	***$ 3,888***	***$ 4,424***	***$ 5,328***	***$ 6,052***	***$ 5,129***	***-24.2 %***	***-12.1 %***
Contribution							
Jewish Networks	$ 3,652	$ 3,994	$ 4,101	$ 4,581	$ 4,818	-24.2 %	-8.6 %
Christian Networks	2,829	2,917	2,471	2,454	3,890	-27.3 %	-3.0 %
Other Networks	316	325	337	372	388	-18.5 %	-2.7 %
Offline & Other Businesses	20	22	25	27	39	-48.8 %	-9.3 %
Total Contribution	***$ 6,817***	***$ 7,258***	***$ 6,934***	***$ 7,434***	***$ 9,135***	***-25.4 %***	***-6.1 %***
Period Ending Subs							
Jewish Networks	65,004	64,144	62,991	67,703	71,251	-8.8 %	1.3 %
Christian Networks	123,800	122,068	121,561	129,964	131,479	-5.8 %	1.4 %
Other Networks	11,219	11,620	12,267	12,879	12,787	-12.3 %	-3.5 %
Total Period Ending Subs.	***200,023***	***197,832***	***196,819***	***210,546***	***215,517***	***-7.2 %***	***1.1 %***

Average Paying Subs.							
Jewish Networks	64,627	63,538	65,087	69,632	73,429	-12.0 %	1.7 %
Christian Networks	123,888	121,597	126,214	130,860	141,188	-12.3 %	1.9 %
Other Networks	11,266	11,974	12,594	12,953	13,257	-15.0 %	-5.9 %
Total Avg. Paying Subs.	***199,781***	***197,109***	***203,895***	***213,445***	***227,874***	***-12.3 %***	***1.4 %***
ARPU							
Jewish Networks	$ 21.82	$ 23.80	$ 24.46	$ 24.48	$ 24.44	-10.7 %	-8.3 %
Christian Networks	15.25	17.19	17.57	18.01	17.57	-13.2 %	-11.3 %
Other Networks	12.72	12.58	12.08	12.22	12.27	3.7 %	1.2 %
Total ARPU[5]	***$ 17.26***	***$ 19.04***	***$ 19.43***	***$ 19.77***	***$ 19.47***	***-11.3 %***	***-9.3 %***

Distribution of New Subscription Purchases[6]

	Q4 2015	***Q3 2015***	***Q2 2015***	***Q1 2015***	***Q4 2014***
Jewish Networks					
1 month plans	32.8 %	35.6 %	45.4 %	42.7 %	41.4 %
3 month plans	19.8 %	19.9 %	21.8 %	25.2 %	24.3 %
6 month plans	47.3 %	44.5 %	32.8 %	32.1 %	34.3 %
	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Christian Networks					
1 month plans	38.5 %	39.6 %	54.4 %	50.5 %	53.7 %
3 month plans	21.6 %	18.4 %	19.4 %	17.8 %	20.7 %
6 month plans	39.9 %	42.0 %	26.2 %	31.7 %	25.6 %
	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Other Networks					
1 month plans	59.9 %	62.0 %	58.3 %	56.0 %	59.2 %
3 month plans	10.6 %	11.4 %	11.9 %	12.2 %	11.0 %
6 month plans	29.6 %	26.6 %	29.8 %	31.8 %	29.8 %
	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Composition of Average Paying Subscriber Base[7]

	Q4 2015	***Q3 2015***	***Q2 2015***	***Q1 2015***	***Q4 2014***
Jewish Networks					
First Time Subscribers	23.1 %	21.7 %	21.5 %	22.4 %	22.4 %
Winback Subscribers	32.0 %	30.5 %	29.1 %	28.8 %	29.2 %
Renewal Subscribers	44.9 %	47.8 %	49.4 %	48.8 %	48.4 %
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Christian Networks					
First Time Subscribers	41.3 %	39.1 %	38.3 %	37.1 %	38.0 %
Winback Subscribers	23.7 %	23.3 %	22.6 %	20.3 %	19.7 %

Renewal Subscribers	35.0 %	37.6 %	39.1 %	42.6 %	42.3 %
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Other Networks					
First Time Subscribers	30.0 %	31.2 %	33.2 %	20.3 %	30.6 %
Winback Subscribers	21.0 %	22.0 %	21.9 %	26.9 %	21.8 %
Renewal Subscribers	49.1 %	46.8 %	44.9 %	52.8 %	47.6 %
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Investor Conference Call

The Company will discuss its financial results during a live teleconference today at 1:30 p.m. Pacific time.

Toll-Free (United States): *1-877-705-6003*
International: *1-201-493-6725*

In addition, the Company will host a webcast of the call which will be accessible in the Investor Relations section of the Company's website at www.spark.net or by clicking http://investor.spark.net.

A replay will begin approximately three hours after completion of the call and run until March 17, 2016.

Replay
Toll-Free (United States): *1-877-870-5176*
International: *1-858-384-5517*
Passcode: 13629849

Safe Harbor Statement:

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding improving Christian Networks unit economics, statements regarding the growth of our topline with minimal incremental investment and our expectation to aggressively pursue this in 2016 through three key priorities, and statements regarding working with church partners to development programing that helps the needs of their congregants and the benefits to our company of these partnerships. Any statements in this press release that are not statements of historical fact may be considered to be forward-looking statements. Written words, such as "may," "will," "expect," "believe," "anticipate," "estimate," "intends," "goal," "objective," "seek," "attempt," or variations of these or similar words, identify forward-looking statements. By their nature, forward-looking statements and forecasts involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the near future. There are a number of factors that could cause actual results and developments to differ materially, including, but not limited to our ability to: successfully implement our strategy to stabilize our subscriber base and grow; avoid significant subscriber declines; attract and retain members; convert members into paying subscribers and retain our paying subscribers; retain and enhance the new marketing team; develop or acquire new product offerings and successfully implement and expand those offerings; keep pace with rapid technological changes, including making the technology stack more nimble; drive use of newly-updated mobile applications; maintain the strength of our existing brands and maintain and enhance those brands; continue to depend upon the telecommunications infrastructure and our networking hardware and software infrastructure; estimate on-going general and administrative costs, and obtain financing on acceptable terms. Additional factors that could cause actual results to differ are discussed under the heading "Risk Factors" and in other sections of the Company's filings with the Securities and Exchange Commission ("SEC"), and in the Company's other current and periodic reports filed or furnished from time to time with the SEC. All forward-looking statements in this press release are made as of the date hereof, based on information available to the Company as of the date hereof, and the Company assumes no obligation to update any forward-looking statement.

About Spark Networks, Inc.:
The Spark Networks portfolio of consumer Web sites includes, among others, JDate®.com (www.jdate.com), ChristianMingle®.com (www.christianmingle.com), Spark®.com (www.spark.com), BlackSingles.com® (www.blacksingles.com), and SilverSingles®.com (www.silversingles.com).

[1] "Contribution" is defined as revenue, net of credits and credit card chargebacks, less direct marketing.

[2] The Company reports Adjusted EBITDA as a supplemental measure to generally accepted accounting principles ("GAAP"). This non-GAAP measure is one of the primary metrics by which we evaluate the performance of our businesses, budget, forecast and compensate management. We believe this measure provides management and investors with a consistent view, period to period, of the core earnings generated from on-going operations and excludes the impact of: (i) non-cash items such as stock-based compensation, asset impairments, non-cash currency translation adjustments related to an inter-company loan and (ii) one-time items that have not occurred in the past two years and are not expected to recur in the next two years. Adjusted EBITDA should not be construed as a substitute for net income (loss) (as determined in accordance with GAAP) for the purpose of analyzing our operating performance or financial position, as Adjusted EBITDA is not defined by GAAP. A reconciliation of the Adjusted EBITDA for the three and twelve months ended December 31, 2015 and December 31, 2014 can be found in the table below.

"Adjusted EBITDA" is defined as earnings before interest, taxes, depreciation, amortization, stock-based compensation, impairment of long-lived assets, non-cash currency translation adjustments for an inter-company loan and non-recurring proxy, executive severance and acquisition costs.

[3] "Paying Subscribers" are defined as individuals who have paid a monthly fee for access to communication and website features beyond those provided to our members. Period ending subscribers for each quarter represent the paying subscriber count as of the last day of the period. Average paying subscribers for each month are calculated as the sum of the paying subscribers at the beginning and end of the month, divided by two. Average paying subscribers for periods longer than one month are calculated as the sum of the average paying subscribers for each month, divided by the number of months in such period. The calculation excludes results from the Company's HurryDate business due to its relative size.

[4] In accordance with Segment Reporting guidance, the Company's financial reporting includes detailed data on four separate operating segments. The Jewish Networks segment consists of JDate, JDate.co.il, JDate.fr, JDate.co.uk, Cupid.co.il, and JSwipe. The Christian Networks segment consists of ChristianMingle, CrossPaths, ChristianMingle.co.uk, ChristianMingle.com.au, Believe.com, ChristianCards.net, ChristianDating.com, DailyBibleVerse.com and Faith.com. The Other Networks segment consists of Spark.com and related other general market websites as well as other properties which are primarily composed of sites targeted towards various religious, ethnic, geographic and special interest groups. The Offline & Other Businesses segment consists of revenue generated from offline activities and HurryDate events and subscriptions.

[5] ARPU is defined as average revenue per user per month. Total ARPU excludes results from the Company's HurryDate business due to its relative size.

[6] One month plans may also include a small amount of two month plans. Three month plans may include a small amount of four month plans. Six month plans may include a small amount of twelve month plans.

[7] Represents the type of subscriber comprising the average paying subscribers in that period. First Time Subscribers are defined as those subscribers that have never purchased a subscription from the Company for that reporting segment. Winback Subscribers are defined as those individuals who have purchased a subscription from the Company for that reporting segment, allowed their subscription to lapse, and subsequently purchased a subscription from the Company for

that reporting segment. Renewal Subscribers are defined as those subscribers that have auto-renewed a subscription from the Company for that reporting segment.

SPARK NETWORKS, INC.

CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	December 31, 2015	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	$ 6,565	$ 11,696
Restricted cash	747	1,056
Accounts receivable (net of allowance for doubtful accounts of $99 and $0 at December 31, 2015 and 2014, respectively)	790	1,308
Deferred tax asset - current	-	11
Prepaid expenses and other	1,341	1,516
Total current assets	9,443	15,587
Property and equipment, net	5,584	4,072
Goodwill	14,450	8,575
Intangible assets, net	3,451	2,469
Deferred tax asset - non-current	-	68
Deposits and other assets	148	234
Total assets	$ 33,076	$ 31,005
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	1,749	1,300
Accrued liabilities	3,854	3,948
Deferred revenue	5,834	7,092
Deferred tax liability - current	-	496
Total current liabilities	11,437	12,836
Deferred tax liability - non-current	2,136	1,607
Other liabilities	537	807
Total liabilities	14,110	15,250
Commitments and Contingencies		
Stockholders' equity:		
10,000,000 shares of Preferred Stock, $0.001 par value, 450,000 of which are designated as Series C Junior Participating Cumulative Preferred Stock, with no shares of Preferred Stock issued or outstanding	-	-
100,000,000 shares of Common Stock, $0.001 par value, with 25,845,879 and 24,556,182 shares of Common Stock issued and outstanding at December 31, 2015 and 2014, respectively:	27	25

Additional paid-in-capital	77,188	72,522
Accumulated other comprehensive income	739	759
Accumulated deficit	(58,988)	(57,551)
Total stockholders' equity	18,966	15,755
Total liabilities and stockholders' equity	$ 33,076	$ 31,005

SPARK NETWORKS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited, in thousands, except per share data)

	Three Months Ended December 31,		Years Ended December 31,	
	2015	***2014***	***2015***	***2014***
Revenue	$ 10,705	$ 14,264	$ 48,135	$ 61,645
Cost and expenses:			-	-
Cost of revenue (exclusive of depreciation shown separately below)	5,017	6,087	24,075	34,321
Sales and marketing	1,242	828	4,137	5,127
Customer service	826	749	3,065	3,038
Technical operations	388	213	1,024	1,130
Development	1,059	801	4,037	3,446
General and administrative	2,675	1,828	10,379	13,300
Depreciation	604	495	2,211	2,053
Amortization of intangible assets	78	10	108	40
Impairment of long-lived assets	65	25	197	128
Total cost and expenses	11,954	11,036	49,233	62,583
Operating loss	(1,249)	3,228	(1,098)	(938)
Interest expense (income) and other, net	16	241	96	564
Loss before provision for income taxes	(1,265)	2,987	(1,194)	(1,502)
Income tax (benefit) provision	(23)	(882)	243	(375)
Net loss	(1,242)	3,869	(1,437)	(1,127)
Net loss per share - basic and diluted	$ (0.05)	$ 0.16	$ (0.06)	$ (0.05)
Weighted average shares outstanding - basic	25,675	24,425	25,170	24,064
Weighted average shares outstanding - diluted	25,675	24,634	25,170	24,064

Stock-based compensation:

	Three Months Ended December 31,		Years Ended December 31,	
(in thousands)	***2015***	***2014***	***2015***	***2014***
Cost of revenue	-	-	-	3
Sales and marketing	28	11	47	110

Technical operations	-	-	-	-
Development	4	-	12	-
General and administrative	238	322	723	833

Reconciliation of Net (Loss) Income to Adjusted EBITDA:

	Three Months Ended December 31,		Years Ended December 31,	
(in thousands)	***2015***	***2014***	***2015***	***2014***
Net (loss) income	$ (1,242)	$ 3,869	$ (1,437)	$ (1,127)
Interest expense	33	12	68	48
Income tax (benefit) provision	(23)	(882)	243	(375)
Depreciation	605	495	2,211	2,053
Impairment of long-lived assets	65	25	197	128
Amortization of intangible assets	78	10	108	40
Non-cash currency translation adjustments	(24)	234	15	518
Stock-based compensation	270	333	782	946
Non-recurring proxy, executive severance, and acquisition costs	354	-	644	3,308
Adjusted EBITDA	***$ 116***	***$ 4,096***	***$ 2,831***	***$ 5,539***

Source: Spark Networks, Inc.