

BOINGO WIRELESS INC  
Form 424B4  
May 05, 2011

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[TABLE OF CONTENTS](#)

[INDEX TO CONSOLIDATED FINANCIAL STATEMENTS](#)

[Table of Contents](#)

Filed pursuant to Rule 424(b)(4)  
Registration No. 333-171719

5,770,000 Shares

## Boingo Wireless, Inc.

### Common Stock

This is the initial public offering of our common stock. We are selling 3,846,800 shares of common stock and the selling stockholders identified in this prospectus are selling 1,923,200 shares of common stock. We will not receive any proceeds from the sale of shares of common stock by the selling stockholders.

Prior to this offering, there has been no public market for our common stock. The initial public offering price of our common stock is \$13.50 per share. Our common stock has been approved for listing on the NASDAQ Global Market under the symbol "WIFI".

The underwriters have the option to purchase a maximum of 865,500 additional shares from us to cover over-allotments, if any.

**Investing in our common stock involves risks. See "Risk Factors" beginning on page 10.**

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Boingo	Proceeds to Selling Stockholders
Per share	\$ 13.50	\$ 0.945	\$ 12.555	\$ 12.555
Total	\$ 77,895,000	\$ 5,452,650	\$ 48,296,574	\$ 24,145,776

Delivery of the shares of common stock will be made on or about May 9, 2011.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

**Credit Suisse**

**Deutsche Bank Securities**

**Pacific Crest Securities**

**William Blair & Company**

The date of this prospectus is May 3, 2011.

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Table of Contents





Table of Contents

**TABLE OF CONTENTS**

	<b>Page</b>
<u>PROSPECTUS SUMMARY</u>	<u>1</u>
<u>RISK FACTORS</u>	<u>10</u>
<u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INDUSTRY DATA</u>	<u>24</u>
<u>USE OF PROCEEDS</u>	<u>25</u>
<u>DIVIDEND POLICY</u>	<u>25</u>
<u>CAPITALIZATION</u>	<u>26</u>
<u>DILUTION</u>	<u>28</u>
<u>SELECTED CONSOLIDATED FINANCIAL DATA</u>	<u>30</u>
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	<u>33</u>
<u>BUSINESS</u>	<u>58</u>
<u>MANAGEMENT</u>	<u>69</u>
<u>EXECUTIVE COMPENSATION</u>	<u>76</u>
<u>CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS</u>	<u>95</u>
<u>PRINCIPAL AND SELLING STOCKHOLDERS</u>	<u>96</u>
<u>DESCRIPTION OF CAPITAL STOCK</u>	<u>100</u>
<u>SHARES ELIGIBLE FOR FUTURE SALE</u>	<u>105</u>
<u>MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES TO NON-UNITED STATES HOLDERS</u>	<u>107</u>
<u>UNDERWRITING</u>	<u>111</u>
<u>NOTICE TO CANADIAN RESIDENTS</u>	<u>117</u>
<u>LEGAL MATTERS</u>	<u>119</u>
<u>EXPERTS</u>	<u>119</u>
<u>WHERE YOU CAN FIND ADDITIONAL INFORMATION</u>	<u>119</u>
<u>INDEX TO CONSOLIDATED FINANCIAL STATEMENTS</u>	<u>F-1</u>

You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

**Dealer Prospectus Delivery Obligation**

Until May 28, 2011 (25 days after the commencement of this offering), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to unsold allotments or subscriptions.

Table of Contents

**PROSPECTUS SUMMARY**

*This summary highlights information contained elsewhere in this prospectus and does not contain all of the information you should consider in making your investment decision. You should read this entire prospectus carefully, especially the risks of investing in our common stock discussed under "Risk Factors" and the consolidated financial statements and the related notes included elsewhere in this prospectus, before making an investment decision. Unless the context otherwise requires, we use the terms "Boingo," "company," "we," "us" and "our" in this prospectus to refer to Boingo Wireless, Inc. and, where appropriate, its subsidiaries.*

**Company Overview**

Boingo makes it simple to connect to the mobile Internet.

We make it easy, convenient and cost effective for individuals to find and gain access to the mobile Internet through high-speed, high-bandwidth Wi-Fi networks globally. Our solution includes easy-to-use software for Wi-Fi enabled devices, such as smartphones, laptops and tablet computers, and our sophisticated back-end system infrastructure that detects and enables one-click access to our extensive global Wi-Fi network. Individuals use our solutions to access what we believe is the world's largest commercial Wi-Fi network, consisting of over 325,000 Wi-Fi locations, or hotspots, in over 100 countries at venues such as airports, hotels, coffee shops, shopping malls, arenas, stadiums and quick service restaurants.

With the proliferation of smartphones, laptops, tablet computers and other mobile devices, individuals increasingly demand Internet access to facilitate their use, while on-the-go, of data-intensive applications, such as streaming media, online games, social networking and video calling. We believe this demand creates a significant market opportunity that we are uniquely positioned to capture. We have direct customer relationships with over 1.3 million users who have purchased our mobile Internet services in the past 12 months. We also provide solutions to our partners, which include telecom operators, cable companies, technology companies, enterprise software and services companies, and communications companies, allowing their millions of users to connect to the mobile Internet through Wi-Fi hotspots in our network.

Our primary source of revenue is from individuals who purchase month-to-month subscription plans, which automatically renew, or hotspot specific, single-use access to our network. Our partners pay us usage-based network access and software licensing fees to allow their customers access to our network. We also generate revenue from telecom operators that pay us build-out fees and access fees so that their cellular customers may use our distributed antenna system, or DAS, at locations where we manage and operate the Wi-Fi network. In addition, we generate revenue from advertisers that seek to reach visitors to our landing pages with display advertising, sponsored access and other promotional programs.

We install, manage and operate wireless network infrastructure to provide Wi-Fi services at Boingo managed and operated hotspots, where we have exclusive multi-year agreements. In 2009, these locations had more than 800 million visitors. We extend our network footprint through partnerships with over 125 network operators, such as British Telecommunications, China Telecom, KT Corp. (formerly Korea Telecom Corp.), France Telecom SA and T-Mobile USA Inc. The breadth of our network and functionality of our software provide individuals with a seamless user experience whether they access the mobile Internet through hotspots managed and operated by us or by our global partners.

We grew revenue from \$56.7 million in 2008 to \$65.7 million in 2009, an increase of 16%, we grew the corresponding Adjusted EBITDA from \$6.9 million to \$13.5 million, an increase of 95%, and we reduced the corresponding net loss attributable to common stockholders from \$11.2 million to \$4.2 million. We grew revenue from \$65.7 million in 2009 to \$80.4 million in 2010, an increase of 22%,

Table of Contents

we grew the corresponding Adjusted EBITDA from \$13.5 million to \$18.2 million, an increase of 35%, and we improved the corresponding net loss attributable to common stockholders from \$4.2 million to net income attributable to common stockholders of \$10.7 million. For a discussion of Adjusted EBITDA and a reconciliation of net income (loss) to Adjusted EBITDA, see footnote 1 to "Selected Consolidated Financial Data."

**Industry Overview**

Data-intensive applications are driving the escalation of Internet data traffic. With the proliferation of smartphones, laptops, tablet computers and other Wi-Fi enabled devices, users expect access on-the-go to the same data-intensive applications that they use in the home and office, at similarly high performance levels. The adoption, growth and advancement of Wi-Fi enabled smartphones, tablet computers and application content are key catalysts for the acceleration of high-speed, high-bandwidth mobile Internet usage. The improved computing power, rich graphical user interfaces and Internet capabilities of these devices enable mobile users to make video calls or stream full-length movies, contributing to the vast expansion of the wireless consumption of data.

To cope with the expected significant increase in mobile Internet data traffic, telecom operators are investing billions of dollars in technologies such as 3G and 4G cellular networks, but these investments are not anticipated to be sufficient to relieve the strain on networks. Verizon has reported that its Long Term Evolution, or LTE, upgrade will increase capacity four times; however, mobile data consumption is expected to increase by 27 times as projected by Cisco's Visual Networking Index.

Cellular users face service quality issues and high cost of mobile data services. To relieve the network congestion that contributes to these problems, telecom operators offer Wi-Fi solutions to off-load data. Wi-Fi provides higher speed and higher bandwidth per user in high density locations, and is simpler and less expensive to deploy than additional cellular network capacity. Hardware manufacturers have responded to demand for Wi-Fi capability by including Wi-Fi as a standard feature on laptops and tablet computers, and increasingly, smartphones, digital cameras and handheld media devices. Wi-Fi has become the standard protocol for residential and office wireless networks and is increasingly prevalent in public venues, such as airports, hotels, coffee shops, shopping malls, arenas, stadiums and quick service restaurants.

The mobile Internet is a complex and constantly evolving ecosystem, comprised of over a billion mobile Internet enabled devices, from dozens of manufacturers, powered by many different operating systems. Devices use different network technologies and must be configured with the appropriate software to detect and optimize a connection to the mobile Internet. This complexity is amplified as new device models and operating systems are released, new categories of devices become Internet enabled and new network technologies emerge.

**The Boingo Solution**

We make it simple to connect to the mobile Internet. Our proprietary software, wholesale and retail billing system, extensive network and customer support services provide an easy, convenient and cost effective way for individuals to find and gain access to the mobile Internet. We are able to deliver highly reliable, high-speed mobile Internet access with minimal capital investment.

Key elements of our solution include:

*Simple connectivity.* We have developed a robust software client with an easy-to-use, intuitive interface that allows individuals to connect to any of our over 325,000 hotspots using Wi-Fi enabled devices. Our software client continuously monitors Wi-Fi network availability and notifies users when a Boingo hotspot is in range, allowing them to connect with one-click confirmation.



Table of Contents

*Global reach.* We provide our customers and partners with access to what we believe is the largest commercial Wi-Fi network in the world, with hotspots located at airports, hotels, coffee shops, shopping malls, arenas, stadiums and quick service restaurants.

*Fast and reliable services.* We provide individuals with reliable, high-speed and high-bandwidth mobile Internet services, enabling users to access streaming media, play online games and use social networking sites while on-the-go at speeds faster than 4G in high density locations. A Boingo user at venues with many simultaneous users running high-bandwidth applications, such as Chicago O'Hare International Airport, could realize speeds that are up to six times faster than 4G. As a result, a Boingo user at O'Hare can stream high definition video, whereas on 4G, streaming even standard definition video could be problematic.

*Scalable and adaptable.* We have designed our mobile Internet platform to enable flexible and rapid expansion of our network infrastructure and real-time configuration updates. This allows our wholesale partners to easily deploy Wi-Fi enabled devices and offer services such as streaming video and VoIP on our network, and allows their users to access new hotspots as soon as they are deployed.

*Turn-key solution.* We install, manage and operate wireless network infrastructure to provide Wi-Fi services at Boingo managed and operated hotspots. As a result, venue operators can easily implement a turn-key Wi-Fi solution with no initial investment or ongoing cost.

*Online marketing platform.* We provide an online marketing platform to our partners. Individuals who visit our landing page at Boingo managed and operated hotspots receive promotions from our partners or advertisers.

*Flexible and affordable payment options.* We offer individuals a number of monthly plans tailored to fit their needs. Individuals are also able to purchase a variety of hotspot specific, single-use mobile Internet services.

**Our Strategy**

We believe we are the leading global provider of commercial mobile Wi-Fi Internet solutions. Key elements of our strategy to extend that lead are to:

*Grow the installed base of our software.* We intend to acquire new software users through the growing number of Boingo managed and operated hotspots worldwide and by partnering with leading manufacturers of smartphones, laptops, tablet computers and eReaders to make our software client available in online application marketplaces, or app stores, and preloaded on their devices.

*Leverage our neutral-host business model.* Our neutral-host model enables us to partner with venue operators because we allow their customers to access the venue's network regardless of the customers' Wi-Fi provider. We also partner with telecom operators that are attracted to Boingo because we do not compete for cellular subscribers. We intend to increase the value of our network by partnering with additional venues, network operators, telecom operators and technology companies.

*Invest in our software to enhance the customer experience.* We will continue to extend our platform by adding new features such as the ability to locate and connect to free and open networks, integration with leading social networking sites and support for foreign languages. We also plan to improve the monetization capabilities of our business model through location-based services, in-client advertising and e-commerce.

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*Expand our network.* We intend to continue to grow our global network by increasing our managed and operated presence at airports and other venues such as shopping malls, arenas,

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### Table of Contents

stadiums and quick service restaurants. We also plan to enter into new roaming agreements with other network and hotspot operators.

*Grow our business internationally.* We believe that the market for Wi-Fi mobile Internet services will grow rapidly in Europe and Asia as the penetration of smartphones and other Wi-Fi enabled devices increases. We plan to leverage our recent successes with the British Airports Authority, China Telecom and KT Corp. to increase our presence throughout Europe and Asia.

*Increase our brand awareness.* We will continue to seek new ways to promote the Boingo brand through Boingo managed and operated hotspots. We intend to enhance our brand through low-cost co-marketing arrangements with our partners and through periodic promotional and sponsorship activities, and by continuing to leverage the reach of social media to interact with our customers.

### **Risks Affecting Us**

Our business is subject to many risks that you should understand before making an investment decision. These risks are discussed more fully in "Risk Factors" following this prospectus summary. Some of these risks are:

A significant portion of our revenue is dependent on our relationships with our venue and network partners, and if these relationships are impaired or terminated, or if our partners do not perform as expected, our business and results of operations could be materially and adversely affected;

Worldwide economic conditions, and their impact on travel and consumer spending, may adversely affect our business, operating results and financial condition;

Our business depends upon demand for mobile Internet services on Wi-Fi networks, market adoption of new technologies and our ability to adapt to such changes;

Negotiations with prospective wholesale partners can be lengthy and unpredictable, which may cause our operating results to vary;

We may be unsuccessful in expanding into new venue types, which could harm the growth of our business, operating results and financial condition;

We have a limited operating history and a relatively new business in an emerging market, so an investment in our company involves more risk than an investment in a more mature company in an established industry; and

Our operating results may fluctuate unexpectedly, which makes them difficult to predict and may cause us to fail to meet the expectations of investors, adversely affecting our stock price.

### **Corporate History and Information**

We were incorporated in the State of Delaware in April 2001 under the name Project Mammoth, Inc. and changed our name to Boingo Wireless, Inc. in October 2001. Our principal executive offices are located at 10960 Wilshire Blvd., Suite 800, Los Angeles, California 90024 and our telephone number is (310) 586-5180. Our website address is [www.boingo.com](http://www.boingo.com). The information on, or that can be accessed through, our website is not incorporated by reference into this prospectus and should not be considered to be a part of this prospectus.

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"Boingo Wireless", "Boingo", "Don't just go. Boingo.", our logo and other trademarks or service marks of Boingo appearing in this prospectus are the property of Boingo. This prospectus contains additional trade names, trademarks, and service marks of ours and of other companies. We do not intend our use or display of other companies' trade names, trademarks, or service marks to imply a relationship with these other companies, or endorsement or sponsorship of us by these other companies.

Table of Contents

**The Offering**

Common stock offered by us	3,846,800 shares
Common stock offered by the selling stockholders	1,923,200 shares
Total common stock offered	5,770,000 shares
Common stock to be outstanding after this offering	32,528,097 shares
Use of proceeds	We intend to use the net proceeds from this offering for working capital and other general corporate purposes. In addition, we may choose to expand our current business through acquisitions of other businesses, products or technologies. We will not receive any proceeds from the sale of shares by the selling stockholders. See "Use of Proceeds."
Risk factors	You should read the "Risk Factors" section of this prospectus for a discussion of factors that you should consider carefully before deciding to invest in shares of our common stock.
NASDAQ Global Market trading symbol	"WIFI"

The number of shares of our common stock to be outstanding following this offering is based on 28,681,297 shares of our common stock outstanding as of December 31, 2010, and excludes:

5,287,503 shares of common stock issuable upon exercise of options outstanding as of December 31, 2010 (including 216,595 shares of our common stock that will be sold in this offering by certain selling stockholders upon the exercise of vested options prior to the closing of this offering) with a weighted average exercise price of \$1.26 per share;

26,322 shares of common stock issuable upon the exercise of warrants outstanding as of December 31, 2010 with a weighted average exercise price of \$1.67 per share;

25,936 shares of common stock to be issued upon the exercise and conversion of preferred stock warrants outstanding as of December 31, 2010 with a weighted average exercise price of \$3.00 per share;

209,692 shares of common stock reserved for future issuance under our Amended and Restated 2001 Stock Incentive Plan, which will be terminated following the completion of this offering; and

4,000,000 shares of common stock reserved for future issuance under our 2011 Equity Incentive Plan, which will become effective upon completion of this offering and contains provisions that will automatically increase its share reserve each year, and pursuant to which our board of directors anticipates granting an aggregate of 2,163,809 options upon completion of this offering.

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Except as otherwise indicated, this prospectus reflects and assumes the following:

a 5-for-1 reverse stock split of our outstanding capital stock prior to the completion of this offering;

the conversion of all outstanding shares of our preferred stock into 22,845,764 shares of our common stock immediately prior to the completion of this offering;

the filing of our amended and restated certificate of incorporation and the effectiveness of our amended and restated bylaws, which will occur immediately upon the completion of this offering; and

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no exercise by the underwriters of their option to purchase an additional 865,500 shares of our common stock to cover over-allotments, if any.

Table of Contents**Summary Consolidated Financial Data**

The following tables present summary historical financial data for our business. You should read this information together with "Selected Consolidated Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes, which are included elsewhere in this prospectus.

We derived the consolidated statement of operations data for the years ended December 31, 2008, 2009 and 2010, and the consolidated balance sheet data as of December 31, 2010, from our audited consolidated financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of our results to be expected in any future period.

The unaudited pro forma per share data give effect to the conversion of all currently outstanding shares of our convertible preferred stock into shares of our common stock upon the closing of this offering, as though the conversion had occurred at the beginning of the indicated fiscal period. For further information concerning the calculation of unaudited pro forma per share information, please refer to notes 2 and 18 of our notes to consolidated financial statements.

	Year Ended December 31,		
	2008	2009	2010
	(in thousands, except per share amounts)		
<b>Consolidated Statement of Operations Data:</b>			
Revenue	\$ 56,711	\$ 65,715	\$ 80,420
Costs and operating expenses:			
Network access	22,979	26,430	31,961
Network operations	11,010	11,667	13,508
Development and technology	6,763	7,374	8,475
Selling and marketing	7,549	5,901	5,985
General and administrative	7,945	8,214	10,645
Amortization of intangible assets	5,972	3,848	2,491
Total costs and operating expenses	62,218	63,434	73,065
Income (loss) from operations	(5,507)	2,281	7,355
Interest and other income (expense), net	200	(154)	(137)
Income (loss) before income taxes	(5,307)	2,127	7,218
Income taxes	272	706	(9,063)
Net income (loss)	(5,579)	1,421	16,281
Net income attributable to non-controlling interests	332	394	547
Net income (loss) attributable to Boingo Wireless, Inc.	(5,911)	1,027	15,734

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Accretion on convertible and redeemable stock	(5,256)	(5,259)	(5,020)
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Net income (loss) attributable to common stockholders	\$ (11,167)	\$ (4,232)	\$ 10,714
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Net income (loss) per share attributable to common stockholders:

Basic	\$ (1.96)	\$ (0.73)	\$ 1.84
Diluted	\$ (1.96)	\$ (0.73)	\$ 0.49

Weighted average shares used in computing net income (loss) per share attributable to common stockholders:

Basic	5,696	5,801	5,834
Diluted	5,696	5,801	31,899



Table of Contents

**Year Ended December 31, 2010**  
(in thousands, except  
per share amounts)

Unaudited pro forma net income per share attributable to common stockholders:	
Basic	\$ 0.55
Diluted	\$ 0.50
Unaudited weighted average shares used in computing pro forma net income per share attributable to common stockholders:	
Basic	28,680
Diluted	31,899

**Year Ended December 31,**  
**2008                      2009                      2010**  
(in thousands)

<b>Other Financial Data:</b>			
Adjusted EBITDA(1)	\$ 6,942	\$ 13,527	\$ 18,224
Operating cash flows	10,922	14,522	24,160
Investing cash flows	(2,065)	(3,659)	(19,934)
Financing cash flows	(1,287)	(974)	(1,134)

**As of December 31, 2010**

	Actual	Pro Forma (unaudited)	Pro Forma As Adjusted
	(in thousands)		
<b>Consolidated Balance Sheet Data:</b>			
Cash and cash equivalents	\$ 25,721	\$ 25,721	\$ 71,618
Working capital	19,543	19,543	65,440
Total assets	133,035	133,035	178,932
Deferred revenue	38,978	38,978	38,978
Total liabilities	59,706	59,706	59,706
Convertible preferred stock	122,969		
Total stockholders' equity (deficit)	(49,640)	73,329	119,226

- (1) We define Adjusted EBITDA as net income (loss) attributable to common stockholders plus accretion of convertible and redeemable stock, depreciation, amortization of intangible assets, interest and other income (expense), net, income taxes, stock-based compensation expense and non-controlling interests expense. For a discussion of Adjusted EBITDA and a reconciliation of net income (loss) to Adjusted EBITDA, see footnote 1 to "Selected Consolidated Financial Data."

Table of Contents**Recent Developments**

Our consolidated financial data for the quarter ended March 31, 2011 discussed below are preliminary, based upon information available to date and management estimates, and subject to completion of our financial closing procedures. Accordingly, these results may change and those changes may be material. Our independent registered public accounting firm, PricewaterhouseCoopers LLP, has not audited, reviewed, compiled or performed any procedures on this preliminary financial data, and accordingly, does not express an opinion or other form of assurance with respect to these data.

**Revenue**

We expect revenue for the quarter ended March 31, 2011 to be between \$20.5 million and \$21.0 million as compared to \$18.5 million for the quarter ended March 31, 2010. Excluding the one-time sponsorship revenue of \$0.9 million in the prior year first quarter, revenue would have been \$17.6 million. The increase in revenue was primarily due to wholesale and to retail subscription growth.

**Income from operations**

We expect income from operations for the quarter ended March 31, 2011 to be between \$1.7 million and \$1.9 million as compared to \$1.5 million for the quarter ended March 31, 2010. The increase was primarily due to the revenue growth.

**Net income**

We expect net income for the quarter ended March 31, 2011 to be between \$0.9 million and \$1.0 million as compared to \$1.2 million for the quarter ended March 31, 2010. This decline was due to the significant increase in our effective tax rate as a result of the reversal of our valuation allowance in the quarter ended December 31, 2010.

**Adjusted EBITDA**

We expect Adjusted EBITDA for the quarter ended March 31, 2011 to be between \$5.0 million and \$5.2 million as compared to \$4.2 million for the quarter ended March 31, 2010. Our Adjusted EBITDA estimate for the quarter ended March 31, 2011 reflects our estimated net income of between \$0.9 million and \$1.0 million, plus estimated depreciation and amortization of \$3.1 million to \$3.2 million, income tax expense of \$0.7 million, estimated stock-based compensation of \$0.2 million, and non-controlling interests of \$0.1 million. Our Adjusted EBITDA for the quarter ended March 31, 2010 reflects our net income for the quarter ended March 31, 2010 of \$1.2 million plus depreciation and amortization of \$2.5 million, stock-based compensation of \$0.2 million, income tax expense of \$0.2 million, and non-controlling interests of \$0.1 million. Adjusted EBITDA is a non-GAAP financial measure, for a definition of Adjusted EBITDA, see footnote 1 to "Selected Consolidated Financial Data."

**Operating Metrics**

	<b>Three Months Ended</b>		
	<b>Mar. 31, 2011</b>	<b>Dec. 31, 2010</b>	<b>Mar. 31, 2010</b>
Connects (in thousands)	1,914	1,958	1,636
Subscribers (in thousands)	214	200	158
Monthly Churn	9.4%	9.2%	9.2%

Table of Contents

Our connects declined as expected from the seasonally stronger quarter ended December 31, 2010, and grew 17% compared to the quarter ended March 31, 2010 due to connects in our managed and operated locations and in other worldwide hotspots in our network.

We added subscribers compared to the quarter ended December 31, 2010 due to growth in smartphone and laptop subscriptions. This represents net subscriber growth of 35% from March 31, 2010.

Table of Contents

**RISK FACTORS**

*Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with all of the other information in this prospectus, including our consolidated financial statements and the related notes, before deciding whether to purchase shares of our common stock. If any of the following risks actually occur, our business, financial condition, results of operations and prospects could be materially and adversely affected. The price of our common stock could decline and you could lose part or all of your investment.*

**Risks Related to Our Business**

*A significant portion of our revenue is dependent on our relationships with our venue and network partners, and if these relationships are impaired or terminated, or if our partners do not perform as expected, our business and results of operations could be materially and adversely affected.*

We depend on our relationships with venue partners, particularly key airport venue partners, in order to manage and operate Wi-Fi hotspots. These relationships generate a significant portion of our revenue and allow us to generate new retail customers. Our agreements with our venue partners are for defined periods and of varying durations. If our venue partners terminate or fail to renew these agreements, our ability to generate and retain retail customers would be diminished and our network of Wi-Fi hotspots would be reduced, which might result in a significant disruption of our business and adversely affect our operating results.

We depend on our relationships with network partners to allow users to roam across Wi-Fi networks that we do not manage or operate. A significant portion of our revenue depends on maintaining these relationships with network partners. Some network partners may compete with us for retail customers and may decide to terminate our partnerships and instead develop competing retail products and services. Our network partner agreements are for defined periods and of varying durations. If our network partners terminate these agreements, or fail to renew these agreements, our ability to retain retail customers could be diminished and our network of Wi-Fi hotspots could be reduced, which could result in a significant disruption of our business and adversely affect our operating results.

*Worldwide economic conditions, and their impact on travel and consumer spending, may adversely affect our business, operating results and financial condition.*

Global economic conditions have been weak for a prolonged period of time, and levels of travel and consumer spending have been particularly depressed. Our business is impacted by travel and consumer spending, because users seek to access the mobile Internet while they are on-the-go, and because spending on Internet access is often a consumer discretionary spending decision. Factors that tend to negatively impact levels of travel include high unemployment, high energy prices, low business and consumer confidence, the fear of terrorist attacks, war and other macroeconomic factors. Economic conditions that tend to negatively impact levels of discretionary consumer spending include high unemployment, high consumer debt, reductions in net worth, depressed real estate markets, increased taxation, high energy prices, high interest rates, low consumer confidence and other macroeconomic factors. If the global economic recovery is slower than expected, or if it weakens, our retail customer base, new retail customer acquisition and usage-based revenue could be materially harmed, and our results of operations would be adversely affected.

*Our business depends upon demand for mobile Internet services on Wi-Fi networks, market adoption of new technologies and our ability to adapt to such changes.*

Our future success depends upon growing demand for mobile Internet services, which is inherently uncertain. The demand for mobile Internet services may decrease or may grow more slowly than

Table of Contents

expected. Any such decrease in the demand or slowing rate of growth could have a material adverse effect on our business. The continued demand for mobile Internet services depends on the continued proliferation of smartphones, tablet computers and other Wi-Fi enabled devices and the rate of evolution of data-intensive applications on the mobile Internet. Historically, we have derived substantially all our retail revenue from laptop users who purchased month-to-month subscriptions or single-use access. We may face challenges as we seek to increase the revenue generated from the usage on smartphones, tablet computers and other mobile devices.

Our business depends on the continued integration of Wi-Fi as a standard feature in mobile devices. If Wi-Fi ceases to be a standard feature in mobile devices, or if the rate of integration of Wi-Fi on mobile devices decreases or is slower than expected, the market for our services may be substantially diminished.

Competing technologies pose a risk to the continued use of Wi-Fi as a mobile Internet technology. The introduction and market acceptance of emerging wireless technologies such as 4G, WiMAX and Super Wi-Fi, could cause significant disruption to our business, which may result in a loss of customers, users and revenue. If users find emerging wireless technologies to be sufficiently fast, convenient or cost effective, we may not be able to compete effectively, and our ability to attract or retain users will be impaired. Additionally, one or more of our partners may deploy emerging wireless technologies that could reduce the partner's need to work with us, and may result in significant loss of revenue and reduction of the hotspots in our network.

We deliver value to our users by providing simple access to Wi-Fi hotspots, regardless of whether we manage and operate the hotspot, or the hotspot is operated by a partner. As a result, our business depends on our ability to anticipate and quickly adapt to changing technological standards and advances. If technological standards change and we fail to adapt accordingly, our business and revenue may be adversely affected. Furthermore, the proliferation of new mobile devices and operating platforms poses challenges for our research and development efforts. If we are unable to create simple solutions for a particular device or operating platform, we will be unable to effectively attract users of these devices or operating platforms and our business will be adversely affected.

***Negotiations with prospective wholesale partners can be lengthy and unpredictable, which may cause our operating results to vary.***

Our negotiations with prospective partners to acquire Wi-Fi hotspots to operate, to acquire roaming rights on partners' networks, or for new partners to implement our solutions, can be lengthy, and in some cases can last over 12 months. Because of the lengthy negotiation cycle, the time required to reach a final agreement with a partner is unpredictable and may lead to variances in our operating results from quarter to quarter. Negotiations with prospective partners also require substantial time, effort and resources. We may ultimately fail in our negotiations, resulting in costs to our business without any associated benefits.

***We may be unsuccessful in expanding into new venue types, which could harm the growth of our business, operating results and financial condition.***

We are negotiating with existing and prospective partners to expand our managed and operated Wi-Fi network footprint in venue types where we historically have had only a limited presence. Expansion into these venue types, and in particular shopping malls, stadiums and quick service restaurants, may require significantly higher initial capital expenditures than we have historically incurred. In contrast to Wi-Fi network build-outs at venues such as airports, where telecom operators typically pay the substantial expense of laying cable or fiber, we may be required to incur the initial capital expense of access points and related hardware and cabling at tens of thousands of quick serve restaurant locations and hundreds of shopping malls and stadium locations. We may not be able to

Table of Contents

execute on our strategy or there may not be returns on these investments in the near future or at all. As a result, our business, financial condition and results of operations could be materially and adversely affected.

***We have a limited operating history and a relatively new business in an emerging market, so an investment in our company involves more risk than an investment in a more mature company in an established industry.***

We have a limited operating history with the mobile Wi-Fi Internet solutions that we provide, which were developed in 2001. We currently attract the majority of our retail customers at Boingo managed and operated hotspots that we acquired in 2006. As a result, we have a limited operating history for you to evaluate in assessing our future prospects and it is difficult to forecast our prospects. Also, we derive nearly all of our revenue from mobile Internet services, which are new and highly dynamic businesses, which face significant challenges. You should consider our business and prospects in light of the risks, uncertainties and difficulties we will encounter as an emerging company in a new and rapidly evolving market. We may not be able to address these risks, uncertainties and difficulties successfully, which could materially harm our business and operating results.

***Our operating results may fluctuate unexpectedly, which makes them difficult to predict and may cause us to fail to meet the expectations of investors, adversely affecting our stock price.***

We operate in a highly dynamic industry and our future quarterly operating results may fluctuate significantly. Our revenue and operating results may vary from quarter to quarter due to many factors, many of which are not within our control. As a result, comparing our operating results on a period-to-period basis may not be meaningful. Further, it is difficult to accurately forecast our revenue, margin and operating results, and if we fail to match our expected results or the results expected by financial analysts, the trading price of our common stock may be adversely affected.

Factors that contribute to fluctuations in our operating results from quarter-to-quarter include:

the rate at which individuals adopt our solutions;

the timing and success of new technology introductions by us or our competitors;

our gain or loss of a key venue partner, roaming partner or platform services partner;

the number of air travel passengers, particularly business travelers;

intellectual property disputes; and

general economic conditions in our domestic and foreign markets.

Due to these and other factors, quarter-to-quarter comparisons of our historical operating results should not be relied upon as accurate indicators of our future performance.

***The growth of free Wi-Fi networks may compete with our paid mobile Wi-Fi Internet solutions.***

Some venues, including coffee shops and hotels, offer free mobile Wi-Fi as an incentive or value-added benefit to their customers. Free Wi-Fi may reduce retail customer demand for our services, and put downward pressure on the prices we charge our retail customers. In addition, telecom operators may offer free mobile Wi-Fi as part of a home broadband or other service contract, which also may force down the prices we charge our retail customers. If we are unable to effectively offset this downward pressure on our prices by being a Wi-Fi service provider, or if we are unable to acquire and retain retail customers, we will have lower profit margins and our operating results and financial condition may be adversely impacted.



Table of Contents

***We may not maintain recent rates of revenue growth.***

Although our revenue has increased substantially over the last few years, we may not be able to maintain historical rates of revenue growth. We believe that our continued growth will depend, among other factors, on successfully implementing our business strategies, including our ability to:

attract new users, convert users of our single-use services into subscribers and keep existing subscribers actively using our services;

develop new sources of revenue from our users and partners;

react to changes in the way individuals access and use the mobile Internet;

expand into new markets;

increase the awareness of the Boingo brand;

retain our existing partners and attract new partners; and

provide our users with a superior experience, including customer support and payment experiences.

However, we cannot guarantee that we will successfully implement any of these business strategies.

***System failures could harm our business.***

Although we seek to reduce the possibility of disruptions or other outages, our business may be disrupted by problems with our technology and systems, such as an access point failure at one of our managed and operated hotspots, or a backhaul disruption. We have experienced system failures from time to time, and any interruption in the ability of users to access our solution could harm our business and reputation.

Our systems may be vulnerable to damage or interruption from telecommunications failures, computer denial-of-service attacks, power loss, computer viruses, earthquakes, floods, fires, terrorist attacks and similar events. Some of our systems are not fully redundant, and our disaster recovery planning is not sufficient for all eventualities. Our systems may also be damaged by break-ins, sabotage, and acts of vandalism. Despite any precautions we may take, the occurrence of a natural disaster or other unanticipated problems could result in lengthy interruptions in the availability of the Boingo solution. We do not carry business interruption insurance to compensate us for all losses that may result from service interruptions caused by system failures. If we are unable to resolve service interruptions quickly, our ability to acquire and retain customers will be impaired and our operating results and business could be adversely affected.

***We may be unsuccessful in expanding our international operations, which could harm the growth of our business, operating results and financial condition.***

Our ability to expand internationally involves various risks, including the need to invest significant resources in unfamiliar markets, and the possibility that there may not be returns on these investments in the near future or at all. In addition, we have incurred and expect to continue to incur expenses before we generate any material revenue in these new markets. Our expansion plans will require significant management attention and resources. We have limited experience in selling our solutions in international markets or in conforming to local cultures, standards or policies. We may not be able to compete successfully in these international markets. Our ability to expand will also be limited by the demand for mobile Internet in international markets. Different privacy, censorship and liability standards and regulations and different intellectual property laws in foreign countries may cause our business and operating results to suffer.





Table of Contents

Any future international operations may fail to succeed due to risks inherent in foreign operations, including:

different technological solutions for mobile Internet than those used in North America;

varied, unfamiliar and unclear legal and regulatory restrictions;

unexpected changes in international regulatory requirements and tariffs;

legal, political or systemic restrictions on the ability of U.S. companies to do business in foreign countries;

Foreign Corrupt Practices Act compliance and related risks;

difficulties in staffing and managing foreign operations;

currency fluctuations; and

potential adverse tax consequences.

As a result of these obstacles, we may find it difficult or prohibitively expensive to expand internationally or we may be unsuccessful in our attempt to do so, which could harm our business, operating results and financial condition.

***Our industry is competitive and if we do not compete successfully, we could lose market share, experience reduced revenue or suffer losses.***

The market for commercial mobile Wi-Fi solutions is competitive and impacted by technological change, and we expect competition with our current and potential competitors to intensify in the future. In particular, some of our competitors have taken steps or may decide to more aggressively compete against us, particularly in the market for venue build-outs of Wi-Fi and distributed antenna system, or DAS, solutions.

Our competitors, many of whom are also our partners, include a variety of telecom operators and network operators, including T-Mobile, Cablevision, Comcast and local operators. These and other competitors have developed or may develop technologies that compete directly with our solutions. Many of our competitors are substantially larger than we are and have substantially longer operating histories. We may not be able to fund or invest in certain areas of our business to the same degree as our competitors. Many have substantially greater product development and marketing budgets and other financial and personnel resources than we do. Some also have greater name and brand recognition and a larger base of subscribers or users than we have. In addition, our competitors may provide services that we do not, such as local exchange and long distance services, voicemail, digital subscriber line and subscription television services. Users that desire these services may choose to also obtain mobile Wi-Fi Internet services from a competitor that provides these additional services rather than from us.

Furthermore, we rely on several of our competitors as partners in roaming agreements. The roaming agreements provide that our retail customers and our wholesale partners' customers may use the Wi-Fi networks of our partners. One or more of our partners may deploy competing technologies that could reduce the partner's need to work with us under a roaming agreement. If our partners decide to terminate our roaming agreements, our network of Wi-Fi hotspots may be reduced, which may result in a significant disruption to our business.

Competition could increase our selling and marketing expenses and related customer acquisition costs. We may not have the financial resources, technical expertise or marketing and support capabilities to continue to compete successfully. A failure to respond to established and new competitors may adversely impact our business and operating results.

Table of Contents

***The regulation of Internet communications, products and services is currently uncertain, which poses risks for our business from changes in laws, regulations, and interpretation or enforcement of existing laws or regulations.***

The current regulatory environment for Internet communications, products and services is uncertain. Many laws and regulations were adopted prior to the advent of the Internet and related technologies and often do not contemplate or address the specific issues associated with the Internet and related technologies. The scope of laws and regulations applicable to the Internet remains uncertain and is subject to statutory or interpretive change. We cannot be certain that we, our partners or our users are currently in compliance with regulatory or other legal requirements in the numerous countries in which our service is used. Our failure, or the failure of our partners, users and others with whom we transact business, or to whom we license the Boingo solution, to comply with existing or future regulatory or other legal requirements could materially adversely affect our business, financial condition and results of operations. Regulators may disagree with our interpretations of existing laws or regulations or the applicability of existing laws or regulations to our business, and existing laws, regulations and interpretations may change in unexpected ways.

We believe that the Boingo solution is on the forefront of mobile Internet technology, and therefore it may face greater regulatory scrutiny than other communications products and services. We cannot be certain what positions regulators may take regarding our compliance with, or lack of compliance with, current and future legal and regulatory requirements or what positions regulators may take regarding any past or future actions we have taken or may take in any jurisdiction. Regulators may determine that we are not in compliance with legal and regulatory requirements, and impose penalties, or we may need to make changes to the Boingo solution, which could be costly and difficult. Any of these events would adversely affect our operating results and business.

***If we lose key personnel or are unable to attract and retain personnel on a cost effective basis, our business could be harmed.***

Our performance is substantially dependent on the continued services and performance of our senior management and our highly qualified team of engineers, many of whom have numerous years of experience and specialized expertise in our business. If we are not successful in hiring and retaining highly qualified engineers, we may not be able to extend or maintain our engineering and technological expertise, and our future product and service development efforts could be adversely affected. If we lose members of our senior management, this may significantly delay or prevent the achievement of our strategic objectives and adversely affect our operating results.

Our future success also depends on our ability to identify, attract, hire, train, retain and motivate highly skilled managerial, operations, business development and marketing personnel. We have in the past maintained a rigorous, highly selective and time-consuming hiring process. We believe that our approach to hiring has significantly contributed to our success to date. However, our highly selective hiring process has made it more difficult for us to hire a sufficient number of qualified employees, and, as we grow, our hiring process may prevent us from hiring the personnel we need in a timely manner. Moreover, the cost of living in the Los Angeles area, where our corporate headquarters is located, has been an impediment to attracting new employees in the past, and we expect that this will continue to impair our ability to attract and retain employees in the future. If we fail to attract, integrate and retain the necessary personnel, we may not be able to grow effectively and our business could suffer significantly.

Table of Contents

***Our failure to properly maintain our customers' confidential information and protect our network against security breaches could harm our business and operating results.***

Advances in computer capabilities, new discoveries in the field of cryptography or other developments may result in a compromise or breach of the technology we use to protect user transaction data. Any compromises of our security could damage our reputation and brand and expose us to possible liability such as litigation claims, which would substantially harm our business and operating results. We may need to expend significant resources to protect against security breaches or to address problems caused by breaches.

Many countries, such as European Union member states as a result of the 2006 E.U. Data Retention Directive, are introducing, or have already introduced into local law some form of traffic and user data retention requirements, which are generally applicable to providers of electronic communications services. Retention periods and data types vary from country to country, and the various local data protection and other authorities may implement traffic and user retention requirements regarding certain data in different and potentially overlapping ways. Although the constitutionality of the 2006 E.U. Data Retention Directive has been questioned, we may be required to comply with data retention requirements in one or more jurisdictions, or we may be required to comply with these requirements in the future as a result of changes or modifications to the Boingo solution or changes or modifications to the technological infrastructure on which the Boingo solution is based. Failure to comply with these retention requirements may result in the imposition of costly penalties. Compliance with these retention requirements can be difficult and costly from a legal, operational and technical perspective and could harm our business and operational results.

***We rely on a third-party customer support service provider for the majority of our customer support calls. If this service provider experiences operational difficulties or disruptions, our business could be adversely affected.***

We depend on a third-party customer support service provider to handle most of our routine retail customer support cases. While we maintain limited customer support operations in our Los Angeles headquarters, if our relationship with our customer support service provider terminates unexpectedly, or if our customer service provider experiences operational difficulties, we may not be able to respond to customer support calls in a timely manner and the quality of our customer service would be adversely affected. This could harm our reputation and brand image and make it difficult for us to attract and retain users. In addition, the loss of the customer support service provider would require us to identify and contract with alternative sources, which could prove time-consuming and expensive.

***Material defects or errors in our software could harm our reputation, result in significant costs to us and impair our ability to sell the Boingo solution.***

The software underlying the Boingo solution is inherently complex and may contain material defects or errors, particularly when the software is first introduced or when new versions or enhancements are released. We have from time to time found defects or errors in our software, and defects or errors in our existing software may be detected in the future. Any defects or errors that cause interruptions to the availability of our services could result in:

a reduction in sales or delay in market acceptance of the Boingo solution;

sales credits or refunds to our users and wholesale partners;

loss of existing users and difficulty in attracting new users;

diversion of development resources;

harm to our reputation and brand image; and

increased insurance costs.



Table of Contents

The costs incurred in correcting any material defects or errors in our software may be substantial and could harm our operating results.

*If we fail to cost effectively develop our brand, our financial condition and operating results could be harmed.*

We market our solution under the Boingo brand. We believe that developing and maintaining awareness of our brand is important to achieving widespread acceptance of the Boingo solution, and is an important element in attracting and retaining customers and partners. Additionally, we believe that developing this brand in a cost effective manner is important in meeting our expected margins. Brand promotion activities may not result in increased revenue, and any increased revenue resulting from these promotion activities may not offset the expenses we incurred in building our brand. If we fail to cost effectively build and maintain our brand, we may fail to attract or retain customers or partners, and our financial condition and results of operations could be harmed.

**Risks Related to Our Intellectual Property**

*Claims by others that we infringe their proprietary technology could harm our business.*

In recent years there has been significant litigation involving intellectual property rights in many technology-based industries, including the wireless communications industry. While we have not been specifically targeted, companies similar to us have been subject to patent lawsuits. As we face increasing competition and gain an increasingly high profile, the possibility of intellectual property rights claims against us grows. We may be subject to third-party claims in the future. The costs of supporting these litigations and disputes are considerable, and there can be no assurance that a favorable outcome will be obtained. We may be required to settle these litigations and disputes on terms that are unfavorable to us, given the complex technical issues and inherent uncertainties in intellectual property litigation. Claims that the Boingo solution infringes third-party intellectual property rights, regardless of their merit or resolution, could also divert the efforts and attention of our management and technical personnel. The terms of any settlements or judgments may require us to:

cease distribution and back-end operation of the Boingo solution;

pay substantial damages for infringement;

expend significant resources to develop non-infringing solutions;

license technology from the third-party claiming infringement, which may not be available on commercially reasonable terms, or at all;

cross-license our technology to a competitor to resolve an infringement claim, which could weaken our ability to compete with that competitor; or

pay substantial damages to our partners to discontinue their use of or to replace infringing solutions sold to them with non-infringing solutions.

Any of these unfavorable outcomes could have a material adverse effect on our business, financial condition and results of operations.

*If we are unable to protect our intellectual property rights, our competitive position could be harmed, or we could be required to incur significant expenses to enforce our rights.*

Our business depends on our ability to protect our proprietary technology. We rely on trade secret, patent, copyright and trademark laws and confidentiality agreements with employees and third parties, all of which offer only limited protection. We own one patent and have applications for four additional patents pending. Despite our efforts, the steps we have taken to protect our proprietary rights may not be adequate to prevent the use or misappropriation of our proprietary information or infringement of



Table of Contents

our intellectual property rights. Our ability to police the use, misappropriation or infringement of our intellectual property is uncertain, particularly in countries other than the United States. Further, we do not know whether any of our pending patent applications will result in the issuance of patents or whether the examination process will require us to narrow our claims. Even if patents are issued, they may be contested, circumvented, or invalidated in the future. Moreover, the rights granted under any issued patents may not provide us with complete proprietary protection or any competitive advantages, and, as with any technology, competitors may be able to develop similar or superior technologies on their own now or in the future. Protecting against the unauthorized use of our solutions, trademarks, and other proprietary rights is expensive, difficult and, in some cases, impossible. Litigation may be necessary in the future to enforce or defend our intellectual property rights, to protect our trade secrets, or to determine the validity and scope of the proprietary rights of others. Litigation could result in substantial costs and diversion of management resources, either of which could harm our business. Furthermore, many of our current and potential competitors have the ability to dedicate substantially greater resources to enforce their intellectual property rights than we do. Accordingly, despite our efforts, if the protection of our proprietary rights is inadequate to prevent use or misappropriation by third parties, the value of our brand and other intangible assets may be diminished and competitors may be able to more effectively mimic our service and methods of operations. Any of these events would have a material adverse effect on our business, financial condition and results of operations.

***Our use of open source software could limit our ability to commercialize the Boingo solution.***

We have incorporated open source software into the Boingo solution. Although we closely monitor our use of open source software, we are subject to the terms of open source licenses that have not been interpreted by U.S. or foreign courts, and there is a risk that in the future these licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to commercialize the Boingo solution. In that event, we could be required to seek licenses from third parties or to re-engineer our software in order to continue offering the Boingo solution, or to discontinue operations, any of which could materially adversely affect our business.

**Risks Related to This Offering and Ownership of Our Common Stock**

***The market price of our common stock may be volatile, which could result in substantial losses for investors purchasing shares in this offering.***

Prior to this offering, there has not been a public market for our common stock, and an active market for our common stock may not develop or be sustained after this offering. The market price of our common stock after this offering will vary from its initial public offering price. Fluctuations in market price and volume are particularly common among securities of technology companies. As a result, you may be unable to sell your shares of common stock at or above the initial offering price. The market price of our common stock may fluctuate significantly in response to the following factors, among others, many of which are beyond our control:

general market conditions;

domestic and international economic factors unrelated to our performance;

actual or anticipated fluctuations in our quarterly operating results;

changes in or failure to meet publicly disclosed expectations as to our future financial performance;

changes in securities analysts' estimates of our financial performance or lack of research and reports by industry analysts;

changes in market valuations or earnings of similar companies;



Table of Contents

announcements by us or our competitors of significant products, contracts, acquisitions, or strategic partnerships;

developments or disputes concerning patents or proprietary rights, including increases or decreases in litigation expenses associated with intellectual property lawsuits we may initiate, or in which we may be named as defendants;

failure to complete significant sales;

any future sales of our common stock or other securities; and

additions or departures of key personnel.

***Future sales of shares by existing stockholders could cause our stock price to decline.***

Sales of substantial amounts of our common stock in the public market following this offering, or the perception that these sales could occur, could cause the market price of our common stock to decline. Based on shares outstanding as of December 31, 2010, upon completion of this offering, we will have 32,528,097 outstanding shares of common stock (or 33,393,597 outstanding shares of common stock assuming exercise of the underwriters' overallotment option in full). All of the shares sold pursuant to this offering will be immediately tradeable without restriction under the Securities Act unless held by "affiliates", as that term is defined in Rule 144 under the Securities Act. The representatives of the underwriters may, in their sole discretion and at any time without notice, release all or any portion of the securities subject to lock-up agreements entered into in connection with this offering. See "Underwriting."

After the lock-up agreements pertaining to this offering or market standoffs entered into between us and certain of our stockholders expire, and based on shares outstanding as of December 31, 2010, an additional 26,974,692 shares will be eligible for sale in the public market. In addition, shares underlying options that are either subject to the terms of our equity compensation plans or reserved for future issuance under our equity compensation plans will become eligible for sale in the public market to the extent permitted by the provisions of various option agreements, the lock-up agreements and Rules 144 and 701 under the Securities Act. As resale restrictions end, the market price of our common stock could decline if the holders of those shares sell them or are perceived by the market as intending to sell them.

Holders of approximately 22,845,764 shares, or 70%, of our common stock outstanding after this offering (assuming no exercise of the underwriters' over-allotment option), and the holders of preferred stock warrants to purchase shares convertible into 25,936 shares of our common stock, will have rights, subject to some conditions, to require us to file registration statements covering the sale of their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. We also intend to register the offer and sale of all 9,070,908 shares of common stock that we have issued or that we may issue under our equity compensation plans. Once we register the shares for the holders of registration rights and option holders, they can be freely sold in the public market upon issuance, subject to the restrictions contained in the lock-up agreements.

In addition, in the future, we may issue additional shares of common stock or other equity or debt securities convertible into common stock in connection with a financing, acquisition, litigation settlement, employee arrangement or otherwise. Any of these issuances could result in substantial dilution to our existing stockholders and could cause the trading price of our common stock to decline.

***If securities or industry analysts do not publish research or publish misleading or unfavorable research about our business, our stock price and trading volume could decline.***

The trading market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business. We do not currently have and may

Table of Contents

never obtain research coverage by securities and industry analysts. If there is no coverage of our company by securities or industry analysts, the trading price for our stock would be negatively impacted. In the event we obtain securities or industry analyst coverage, if one or more of these analysts downgrades our stock or publishes misleading or unfavorable research about our business, our stock price would likely decline. If one or more of these analysts ceases coverage of our company or fails to publish reports on us regularly, demand for our stock could decrease, which could cause our stock price or trading volume to decline.

***Insiders will continue to have substantial control over us after this offering and will be able to influence corporate matters.***

Upon completion of this offering, our directors and executive officers and their affiliates will be able to exercise significant influence over all matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions, such as a merger or other sale of our company or its assets. This concentration of ownership could limit your ability to influence corporate matters and may have the effect of delaying or preventing a third party from acquiring control over us. For information regarding the ownership of our outstanding stock by our executive officers and directors and their affiliates, see "Principal and Selling Stockholders."

***As a public company, we will be subject to financial and other reporting and corporate governance requirements that may be difficult for us to satisfy, will raise our costs and may divert resources and management attention from operating our business.***

We have historically operated as a private company and have not been subject to the same financial and other reporting and corporate governance requirements as a public company. After this offering, we will be required to file annual, quarterly and other reports with the Securities and Exchange Commission, or SEC. We will need to prepare and timely file financial statements that comply with SEC reporting requirements. We will also be subject to other reporting and corporate governance requirements, under the listing standards of the NASDAQ Stock Market, or NASDAQ, which will impose significant new compliance obligations upon us. As a public company we will be required, among other things, to:

prepare and file periodic reports, and distribute other stockholder communications, in compliance with the federal securities laws and NASDAQ rules;

define and expand the roles and the duties of our board of directors and its committees;

institute more comprehensive compliance, investor relations and internal audit functions; and

evaluate and maintain our system of internal control over financial reporting, and report on management's assessment thereof, in compliance with rules and regulations of the SEC and the Public Company Accounting Oversight Board.

Our management must periodically evaluate the adequacy of our internal control over financial reporting commencing with the year ending December 31, 2012. In connection with our preparation for our initial public offering, our independent registered public accounting firm recently completed the audits of our financial statements for the years ended December 31, 2007, 2008, 2009 and 2010. In connection with the completion of these audits, adjustments were identified in 2007, which caused us to conclude that there was a material weakness in our internal controls. A 2007 adjustment, which continued through 2009, caused us to conclude that there was a material weakness in 2008 and 2009 as well. If we are unable to appropriately maintain the remediation plan we have recently implemented and maintain any other necessary controls we implement in the future, our management might not be able to certify, and our independent registered public accounting firm might not be able to report on, the adequacy of our internal controls over financial reporting. Any such failure to maintain adequate

Table of Contents

internal controls could lead to adverse regulatory consequences, violate NASDAQ listing standards and could cause the trading price of our common stock to decline.

The changes necessitated by becoming a public company will require a significant commitment of additional resources and management oversight that will increase our costs.

***If we need additional capital in the future, it may not be available on favorable terms, or at all.***

We have historically relied on private placements of our equity securities and cash flow from operations to fund our operations, capital expenditures and expansion. However, we may require additional capital from equity or debt financing in the future to fund our operations, or respond to competitive pressures or strategic opportunities. We may not be able to secure timely additional financing on favorable terms, or at all. The terms of additional financing may place limits on our financial and operating flexibility. If we raise additional funds through further issuances of equity, convertible debt securities or other securities convertible into equity, our existing stockholders could suffer significant dilution in their percentage ownership of our company, and any new securities we issue could have rights, preferences and privileges senior to those of holders of our common stock, including shares of common stock sold in this offering. If we are unable to obtain adequate financing or financing on terms satisfactory to us, if and when we require it, our ability to grow or support our business and to respond to business challenges could be significantly limited.

***We could be the subject of securities class action litigation due to future stock price volatility, which could divert management's attention and adversely affect our results of operations.***

The stock market in general, and market prices for the securities of technology companies like ours in particular, have from time to time experienced volatility that often has been unrelated to the operating performance of the underlying companies. A certain degree of stock price volatility can be attributed to being a newly public company. These broad market and industry fluctuations may adversely affect the market price of our common stock, regardless of our operating performance. In several recent situations where the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our stockholders were to bring a lawsuit against us, the defense and disposition of the lawsuit could be costly and divert the time and attention of our management and harm our operating results.

***Anti-takeover provisions in our charter documents and Delaware law could discourage, delay, or prevent a change in control of our company and may affect the trading price of our common stock.***

We are a Delaware corporation and the anti-takeover provisions of the Delaware General Corporation Law may discourage, delay, or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the person becomes an interested stockholder, even if a change of control would be beneficial to our existing stockholders. See "Description of Capital Stock Anti-Takeover Effects of Our Charter and Bylaws and Delaware Law." In addition, our amended and restated certificate of incorporation and amended and restated bylaws may discourage, delay, or prevent a change in our management or control over us that stockholders may consider favorable. For example, we anticipate that prior to the completion of this offering our amended and restated certificate of incorporation and amended and restated bylaws will:

authorize the issuance of "blank check" preferred stock that could be issued by our board of directors to thwart a takeover attempt;

establish a classified board of directors, as a result of which the successors to the directors whose terms have expired will be elected to serve from the time of election and qualification until the third annual meeting following their election;

Table of Contents

require that directors only be removed from office for cause and only upon a majority stockholder vote;

provide that vacancies on the board of directors, including newly-created directorships, may be filled only by a majority vote of directors then in office;

limit who may call special meetings of stockholders;

prohibit stockholder action by written consent, thereby requiring all actions to be taken at a meeting of the stockholders; and

require supermajority stockholder voting to effect certain amendments to our amended and restated certificate of incorporation and amended and restated bylaws.

***Our management will have broad discretion over the use of the proceeds we receive in this offering and might not apply the proceeds in ways that increase the value of your investment.***

Our management will have broad discretion to use the net proceeds we receive from this offering, and you will be relying on the judgment of our management regarding the application of these proceeds. Our management might not apply the net proceeds of this offering in ways that increase the value of your investment. We expect to use the net proceeds from this offering for general corporate purposes, including working capital and capital expenditures, which may in the future include investments in, or acquisitions of, complementary businesses, products, services or technologies. We have not allocated these net proceeds for any specific purposes. Our management might not be able to yield a significant return, if any, on any investment of these net proceeds. You will not have the opportunity to influence our decisions on how to use the net proceeds from this offering.

***Investors purchasing common stock in this offering will experience substantial dilution as a result of this offering and future equity issuances.***

The initial public offering price per share is substantially higher than the pro forma net tangible book value per share of our common stock outstanding prior to this offering. As a result, investors purchasing common stock in this offering will experience immediate substantial dilution of \$10.96 a share. This dilution is due in large part to the fact that our earlier investors paid substantially less than the initial public offering price when they purchased their shares of common stock. Investors purchasing shares of common stock in this offering will contribute approximately 35% of the total amount we have raised since our inception, but will own only approximately 12% of our total common stock immediately following the completion of this offering, excluding shares purchased from the selling stockholders and assuming no exercise by the underwriters of their option to purchase additional shares of our common stock to cover over-allotments. In addition, we have issued options to acquire common stock at prices significantly below the initial public offering price. To the extent outstanding options are ultimately exercised, there will be further dilution to investors in this offering. In addition, if the underwriters exercise their over-allotment option, if outstanding warrants to purchase our common stock are exercised, or if we issue additional equity securities, investors purchasing common stock in this offering will experience additional dilution.

***We do not intend to pay dividends on our common stock and, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of our common stock.***

We do not intend to declare and pay dividends on our capital stock for the foreseeable future. We currently intend to invest our future earnings, if any, to fund our growth. Therefore, you are not likely to receive any dividends on your common stock for the foreseeable future and the success of an investment in shares of our common stock will depend upon any future appreciation in their value.

Table of Contents

There is no guarantee that shares of our common stock will appreciate in value or even maintain the price at which our stockholders have purchased their shares.

***Certain purchasers of our common stock in this offering may have claims as a result of an unauthorized e-mail sent by an employee of one of our underwriters that may have constituted a prospectus that does not meet the requirements of the Securities Act of 1933.***

Prior to the effectiveness of the registration statement of which this prospectus forms a part, an employee of Deutsche Bank Securities Inc., one of our underwriters, distributed an unauthorized e-mail message containing evaluation material and projections to approximately 200 potential institutional investors. The unauthorized e-mail message did not contain the required legends and a link to our prospectus in order to make the email a conforming underwriter free writing prospectus. Deutsche Bank Securities Inc. has informed us that all of the recipients of the e-mail have been notified that it was distributed in error and should be disregarded. Subsequently, Deutsche Bank Securities Inc. re-sent the information contained in the e-mail to the same distribution list with the required legends and links to our prospectus and our free writing prospectus in order to make the e-mail a conforming underwriter free writing prospectus.

Neither we nor any of the other underwriters were involved in any way in the preparation or distribution of the information contained in the e-mail, and the information does not reflect our views, or the views of the other underwriters, as to matters addressed in the e-mails. No person who received the e-mails should rely upon them in any manner in making a decision whether to purchase our common stock in this offering. We urge all potential investors to base their investment decisions solely on our prospectus. If the e-mails did constitute a violation of the Securities Act of 1933, the recipients who purchase our common stock in this offering may have claims for damages resulting from their purchase. Any liability would depend upon the number of shares purchased by recipients of the e-mail. If any liability is asserted, we intend to contest the matter. In addition, Deutsche Bank Securities Inc. has agreed to indemnify us, the selling stockholders and the other underwriters in this offering for losses that we or they may incur as a result of the e-mails, and therefore, we do not believe the distribution of the e-mails will have a material financial impact on us.

Table of Contents

**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INDUSTRY DATA**

This prospectus contains forward-looking statements that are based on our management's beliefs and assumptions and on information currently available to our management. The forward-looking statements are contained principally in "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business" and "Executive Compensation." Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, potential market opportunities and the effects of competition. Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "estimates," "expects," "intends," "may," "might," "plans," "possibly," "potential," "predicts," "projects," "seeks," "should," "will," "would" or similar expressions and the negatives of those terms.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. We discuss these risks in greater detail in "Risk Factors" and elsewhere in this prospectus. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, forward-looking statements represent our management's beliefs and assumptions only as of the date of this prospectus. You should read this prospectus and the documents that we have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect.

Any forward-looking statement made by us in this prospectus speaks only as of the date on which it is made. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

This prospectus also contains estimates and other information concerning our industry, including market opportunity, size and growth rates, that are based on industry and government publications, reports, surveys and forecasts, including those generated by Cisco Systems, Inc., or Cisco, Infonetics Research, Inc., or Infonetics Research, International Data Corporation, or IDC, and The Nielsen Company, or Nielsen, and on assumptions that we have made that are based on that data, our review of the purchasing patterns of our existing customers with respect to our current solutions and customer demand for our solutions. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to these estimates. With respect to information contained in industry and government publications, surveys and forecasts, we have assessed the information in the publications and found it to be reasonable and believe the publications are reliable. While we believe the market opportunity and market size information included in this prospectus is based on reasonable assumptions, such information is inherently imprecise. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and the markets we serve are necessarily subject to a high degree of uncertainty and risk, including those described in "Risk Factors."

Table of Contents

**USE OF PROCEEDS**

We estimate that the net proceeds from our sale of 3,846,800 shares of common stock in this offering, after deducting underwriting discounts and commissions and estimated offering expenses that we must pay, will be approximately \$45.9 million. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders.

We intend to use the net proceeds to us from this offering for working capital and other general corporate purposes. In addition, we may choose to expand our current business through acquisitions of other businesses, products, services or technologies. However, we do not have agreements or commitments for any specific acquisitions at this time.

Pending use of proceeds from this offering, we intend to invest the proceeds in short-term, interest-bearing, investment-grade instruments.

**DIVIDEND POLICY**

We have never declared or paid cash dividends on our common or preferred equity. We currently intend to retain all available funds and any future earnings for use in the operation of our business and do not anticipate paying any cash dividends in the foreseeable future. Any future determination to declare dividends will be made at the discretion of our board of directors, and will depend on our financial condition, results of operations, capital requirements, general business conditions and other factors that our board of directors may deem relevant.

Table of Contents

**CAPITALIZATION**

The following table sets forth our consolidated cash and cash equivalents and capitalization as of December 31, 2010 on:

an actual basis;

a pro forma basis to reflect the conversion of all outstanding shares of our convertible preferred stock into 22,845,764 shares of our common stock upon the closing of this offering; and

a pro forma as adjusted basis to reflect our receipt of the net proceeds from our sale of shares of common stock in this offering at the initial public offering price of \$13.50 per share, after deducting underwriting discounts and commissions and estimated offering expenses.

The information below is illustrative only and our capitalization following the completion of this offering will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing. You should read this table in conjunction with "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes included elsewhere in this prospectus.

**As of December 31, 2010**

<b>Actual</b>	<b>Pro Forma</b>	<b>Pro Forma</b>
	<b>(unaudited)</b>	<b>As Adjusted</b>

(in thousands, except for share numbers)

Cash and cash equivalents	\$ 25,721	\$ 25,721	\$ 71,618
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Convertible preferred stock, \$0.0001 par value:

Series A convertible preferred stock, 5,052,566 shares authorized, 5,052,521 shares issued and outstanding, liquidation preference of \$22,263, actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	22,263
Series A-2 convertible preferred stock, 1,104,969 shares authorized, 1,104,968 shares issued and outstanding, liquidation	6,868



preference of  
\$6,868, actual; no  
shares authorized,  
issued and  
outstanding, pro  
forma and pro  
forma as adjusted

Series B

convertible  
preferred stock,  
3,500,000 shares  
authorized,  
3,433,326 shares  
issued and  
outstanding,  
liquidation  
preference of  
\$13,948, actual;  
no shares  
authorized, issued  
and outstanding,  
pro forma and pro  
forma as adjusted

13,948

Series C

convertible  
preferred stock,  
10,991,596 shares  
authorized,  
10,983,188 shares  
issued and  
outstanding,  
liquidation  
preference of  
\$79,890, actual;  
no shares  
authorized, issued  
and outstanding,  
pro forma and pro  
forma as adjusted

79,890

Stockholders' equity  
(deficit):

Preferred stock,  
\$0.0001 par value,  
no shares  
authorized, issued  
and outstanding,  
actual; 5,000,000  
shares authorized,  
no shares issued  
and outstanding,  
pro forma and pro  
forma as adjusted

Table of Contents

As of December 31, 2010			
	Actual	Pro Forma (unaudited)	Pro Forma As Adjusted
(in thousands, except for share numbers)			
Common stock, \$0.0001 par value: 34,900,000 shares authorized, 5,835,533 shares outstanding actual; 34,900,000 shares authorized, 28,681,297 shares issued and outstanding pro forma; 34,900,000 shares authorized, 32,528,097 shares issued and outstanding pro forma as adjusted		3	3
Additional paid-in capital		122,966	168,863
Treasury stock	(4,575)	(4,575)	(4,575)
Note receivable from stockholder	(103)	(103)	(103)
Accumulated deficit	(45,159)	(45,159)	(45,159)
 Total stockholders' equity (deficit)	 (49,837)	 73,132	 119,029
Accumulated deficit attributed to non-controlling interests	197	197	197
 Total stockholders' equity (deficit)	 (49,640)	 73,329	 119,226
 Total capitalization	 \$ 73,329	 \$ 73,329	 \$ 119,226

The outstanding share information in the table above is based on 28,681,297 shares of our common stock outstanding as of December 31, 2010, and excludes the following shares:

5,287,503 shares of common stock issuable upon exercise of options outstanding as of December 31, 2010 (including 216,595 shares of our common stock that will be sold in this offering by certain selling stockholders upon the exercise of vested options prior to the closing of this offering) with a weighted average exercise price of \$1.26 per share;

26,322 shares of common stock issuable upon the exercise of warrants outstanding as of December 31, 2010 with a weighted average exercise price of \$1.67 per share;

25,936 shares of common stock to be issued upon the exercise and conversion of preferred stock warrants outstanding as of December 31, 2010 with a weighted average exercise price of \$3.00 per share;

209,692 shares of common stock reserved for future issuance under our Amended and Restated 2001 Stock Incentive Plan, which will be terminated following the completion of this offering; and

4,000,000 shares of common stock reserved for future issuance under our 2011 Equity Incentive Plan, which will become effective upon completion of this offering and contains provisions that will automatically increase its share reserve each year, and pursuant to which our board of directors anticipates granting 2,163,809 options upon completion of this offering.

Table of Contents**DILUTION**

If you invest in our common stock, your interest will be diluted to the extent of the difference between the public offering price per share of our common stock and the pro forma as adjusted net tangible book value per share of our common stock after this offering.

Our pro forma net tangible book value at December 31, 2010 was \$36.8 million, or \$1.28 per share of common stock. Unaudited pro forma net tangible book value per share represents total tangible assets less total liabilities, divided by the number of outstanding shares of common stock on December 31, 2010, after giving effect to the conversion of all outstanding shares of preferred stock into shares of common stock as if the conversion occurred on December 31, 2010. Our pro forma as adjusted net tangible book value at December 31, 2010, after giving effect to the sale by us of 3,846,800 shares of common stock in this offering at the initial public offering price of \$13.50 per share and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us, would have been approximately \$82.7 million, or \$2.54 per share. This represents an immediate increase in pro forma as adjusted net tangible book value of \$1.26 per share to existing stockholders and an immediate dilution of \$10.96 per share to new investors, or approximately 81.2% of the initial public offering price of \$13.50 per share. The following table illustrates this per share dilution:

Initial public offering price per share	\$ 13.50
Pro forma net tangible book value per share at December 31, 2010	\$ 1.28
Increase in pro forma net tangible book value per share attributable to this offering	1.26
Pro forma as adjusted net tangible book value per share after this offering	2.54
Dilution per share to new investors	\$ 10.96

The following table shows, as of December 31, 2010, the number of shares of common stock purchased from us, the total consideration paid to us and the average price paid per share by existing stockholders and by new investors purchasing common stock in this offering at the initial public offering price of \$13.50 per share before deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration (in thousands)		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders	28,681,297	88.2%	\$ 95,825	64.9%	\$ 3.34
New investors	3,846,800	11.8	51,932	35.1	13.50
<b>Total</b>	<b>32,528,097</b>	<b>100.0%</b>	<b>\$ 147,757</b>	<b>100.0%</b>	<b>4.54</b>

The discussion and tables in this section regarding dilution are based on 28,681,297 shares of common stock issued and outstanding as of December 31, 2010, which reflects the conversion of all of our preferred stock into an aggregate of 22,845,764 shares of our common stock, and excludes:

5,287,503 shares of common stock issuable upon exercise of options outstanding as of December 31, 2010 (including 216,595 shares of our common stock that will be sold in this offering by certain selling stockholders upon the exercise of vested options prior to the closing of this offering) with a weighted average exercise price of \$1.26 per share;

26,322 shares of common stock issuable upon the exercise of warrants outstanding as of December 31, 2010 with a weighted average exercise price of \$1.67 per share;

25,936 shares of common stock to be issued upon the exercise and conversion of preferred stock warrants outstanding as of December 31, 2010 with a weighted average exercise price of \$3.00 per share;



Table of Contents

209,692 shares of common stock reserved for future issuance under our Amended and Restated 2001 Stock Incentive Plan, which will be terminated following the completion of this offering; and

4,000,000 shares of common stock reserved for future issuance under our 2011 Equity Incentive Plan, which will become effective upon completion of this offering and contains provisions that will automatically increase its share reserve each year, and pursuant to which our board of directors anticipates granting 2,163,809 options upon completion of this offering.

To the extent that outstanding options or warrants are exercised, you will experience further dilution. If all of our outstanding options and warrants were exercised, our pro forma net tangible book value as of December 31, 2010 would have been \$43.6 million, or \$1.28 per share, and the pro forma, as adjusted net tangible book value after this offering would have been \$89.5 million, or \$2.36 per share, causing dilution to new investors of \$11.14 per share.

In addition, we may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our stockholders.

Table of Contents**SELECTED CONSOLIDATED FINANCIAL DATA**

The following tables present selected historical financial data for our business. You should read this information together with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements, the related notes and other financial information included elsewhere in this prospectus. The selected consolidated financial data in this section are not intended to replace the financial statements and are qualified in their entirety by the financial statements and the related notes included elsewhere in this prospectus.

We derived the consolidated statement of operations data for the years ended December 31, 2008, 2009 and 2010, and the consolidated balance sheet data as of December 31, 2009 and 2010, from our audited consolidated financial statements included elsewhere in this prospectus. We derived the consolidated statement of operations data for the years ended December 31, 2006 and 2007, and the consolidated balance sheet data as of December 31, 2006, 2007 and 2008 from our audited consolidated financial statements not included in this prospectus. Our historical results are not necessarily indicative of our results to be expected in any future period.

The unaudited pro forma per share data give effect to the conversion of all currently outstanding shares of our convertible preferred stock into shares of our common stock upon the closing of this offering, as though the conversion had occurred at the beginning of the indicated fiscal period. For further information concerning the calculation of unaudited pro forma per share information, please refer to notes 2 and 18 of our notes to consolidated financial statements.

	Year Ended December 31,				
	2006	2007	2008	2009	2010
	(in thousands, except per share amounts)				
<b>Consolidated Statement of Operations Data:</b>					
Revenue	\$ 19,590	\$ 41,240	\$ 56,711	\$ 65,715	\$ 80,420
Costs and operating expenses:					
Network access	6,216	15,439	22,979	26,430	31,961
Network operations	4,004	9,431	11,010	11,667	13,508
Development and technology	6,711	6,333	6,763	7,374	8,475
Selling and marketing	3,314	4,371	7,549	5,901	5,985
General and administrative	3,331	6,091	7,945	8,214	10,645
Amortization of intangible assets	1,109	2,846	5,972	3,848	2,491
Total costs and operating expenses	24,685	44,511	62,218	63,434	73,065
Income (loss) from operations	(5,095)	(3,271)	(5,507)	2,281	7,355
Interest and other income (expense), net	284	814	200	(154)	(137)
Income (loss) before income taxes	(4,811)	(2,457)	(5,307)	2,127	7,218
Income taxes	51	128	272	706	(9,063)
Net income (loss)	\$ (4,862)	\$ (2,585)	\$ (5,579)	\$ 1,421	\$ 16,281
Net income (loss) attributable to non-controlling interests	27	313	332	394	547
Net income (loss) attributable to Boingo Wireless, Inc.	\$ (4,889)	\$ (2,898)	\$ (5,911)	\$ 1,027	\$ 15,734
Accretion of convertible and redeemable stock	(3,338)	(5,193)	(5,256)	(5,259)	(5,020)
Net income (loss) attributable to common stockholders	\$ (8,227)	\$ (8,091)	\$ (11,167)	\$ (4,232)	\$ 10,714



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Table of Contents

	Year Ended December 31,				
	2006	2007	2008	2009	2010
(in thousands, except per share amounts)					
Net income (loss) per share attributable to common stockholders:					
Basic	\$ (1.51)	\$ (1.46)	\$ (1.96)	\$ (0.73)	\$ 1.84
Diluted	\$ (1.51)	\$ (1.46)	\$ (1.96)	\$ (0.73)	\$ 0.49
Weighted average shares used in computing net income (loss) per share attributable to common stockholders:					
Basic	5,451	5,552	5,696	5,801	5,834
Diluted	5,451	5,552	5,696	5,801	31,899
Unaudited pro forma net income per share attributable to common stockholders:					
Basic				\$	0.55
Diluted				\$	0.50
Unaudited weighted average shares used in computing pro forma net income per share attributable to common stockholders:					
Basic					28,680
Diluted					31,899
<b>Other Financial Data:</b>					
Adjusted EBITDA(1)	\$ (2,264)	\$ 4,332	\$ 6,942	\$ 13,527	\$ 18,224
Operating cash flows	5,260	11,518	10,922	14,522	24,160
Investing cash flows	(57,270)	(14,847)	(2,065)	(3,659)	(19,934)
Financing cash flows	62,813	(5,389)	(1,287)	(974)	(1,134)

	As of December 31,				
	2006	2007	2008	2009	2010
(in thousands)					
<b>Consolidated Balance Sheet Data:</b>					
Cash and cash equivalents	\$ 13,888	\$ 5,170	\$ 12,740	\$ 22,629	\$ 25,721



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Working capital	13,915	2,310	1,519	4,656	19,543
Total assets	94,539	100,472	100,859	104,401	133,035
Long-term capital leases	103	136	183	389	
Deferred revenue	16,322	25,286	27,351	29,739	38,978
Total liabilities	27,639	40,286	45,932	47,675	59,706
Convertible and redeemable stock	106,815	107,434	112,690	117,949	122,969
Total stockholders' deficit	(39,915)	(47,248)	(57,763)	(61,223)	(49,640)

(1)

We define Adjusted EBITDA as net income (loss) attributable to common stockholders plus accretion of convertible and redeemable stock, depreciation, amortization of intangible assets, interest expense, net, income taxes, stock-based compensation expense and non-controlling interests expense.

We believe that Adjusted EBITDA is useful to investors and other users of our financial statements in evaluating our operating performance because it provides them with an additional tool to compare business performance across companies and across periods. We believe that:

Adjusted EBITDA provides investors and other users of our financial information consistency and comparability with our past financial performance, facilitates period-to-period comparisons of operations and facilitates comparisons with other companies, many of which use similar non-GAAP financial measures to supplement their GAAP results; and

it is useful to exclude non-cash charges, such as accretion of convertible and redeemable stock, depreciation and asset impairment, amortization of intangible assets and stock-based compensation, and non-core operational charges such as acquisition-related expense, from

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### Table of Contents

Adjusted EBITDA because the amount of such expenses in any specific period may not directly correlate to the underlying performance of our business operations and these expenses can vary significantly between periods as a result of acquisitions, full amortization of previously acquired tangible and intangible assets or the timing of new stock-based awards.

We use Adjusted EBITDA in conjunction with traditional GAAP measures as part of our overall assessment of our performance, for planning purposes, including the preparation of our annual operating budget and quarterly forecasts, to evaluate the effectiveness of our business strategies and to communicate with our board of directors concerning our financial performance.

We do not place undue reliance on Adjusted EBITDA as our only measure of operating performance. Adjusted EBITDA should not be considered as a substitute for other measures of financial performance reported in accordance with GAAP. There are limitations to using non-GAAP financial measures, including that other companies may calculate these measures differently than we do. We compensate for the inherent limitations associated with using Adjusted EBITDA through disclosure of these limitations, presentation of our financial statements in accordance with GAAP and reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure, net income (loss) attributable to common stockholders.

The following provides a reconciliation of net income (loss) attributable to common stockholders to Adjusted EBITDA:

	<b>Year Ended December 31,</b>				
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>(in thousands)</b>				
Net income (loss) attributable to common stockholders	\$ (8,227)	\$ (8,091)	\$ (11,167)	\$ (4,232)	\$ 10,714
Accretion of convertible and redeemable stock	3,338	5,193	5,256	5,259	5,020
Depreciation	1,709	4,139	5,811	6,658	7,511
Amortization of intangible assets	1,109	2,846	5,972	3,848	2,491
Interest (income) expense, net	(284)	(814)	(200)	154	137
Income taxes	51	128	272	706	(9,063)
Stock-based compensation expense	13	618	666	740	867
Non-controlling interests	27	313	332	394	547
<b>Adjusted EBITDA</b>	<b>\$ (2,264)</b>	<b>\$ 4,332</b>	<b>\$ 6,942</b>	<b>\$ 13,527</b>	<b>\$ 18,224</b>

Table of Contents

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL  
CONDITION AND RESULTS OF OPERATIONS**

*The following discussion and analysis of our financial condition and results of operations should be read together with "Selected Consolidated Financial Data" and our financial statements and accompanying notes included elsewhere in this prospectus. This discussion contains forward-looking statements, based on current expectations, related to our plans, estimates, beliefs and anticipated future financial performance. These statements involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those set forth in this section and under "Risk Factors," "Special Note Regarding Forward-Looking Statements and Industry Data" and elsewhere in this prospectus.*

**Overview**

We believe we are the leading global provider of commercial mobile Wi-Fi Internet solutions. Our software applications and solutions enable individuals to access our extensive global Wi-Fi network of over 325,000 hotspots with devices such as smartphones, laptops and tablet computers. Our offerings provide compelling cost and performance advantages to our customers and partners.

Our company was formed in 2001 with the vision of making it easy to connect to the mobile Internet. We initially built our roaming network through agreements with Wi-Fi venue operators and other Wi-Fi networks, enabling individuals to roam across a larger Wi-Fi network. We developed our software client and retail customer offering, which included subscription and single-use access. In 2006, we acquired Concourse Communications, which managed and operated Wi-Fi services at 12 airports, including Chicago O'Hare International Airport and John F. Kennedy International Airport. By leveraging these strategic locations, we were able to rapidly expand our network footprint to other locations because other network operators wanted to establish roaming agreements to access our network. These developments allowed us to build both a consumer retail business and a wholesale business, which has grown to over 125 partners, enabling our customers to access their networks and enabling other companies to provide our services to their customers. In 2007 we acquired Sprint Spectrum's Wi-Fi network of seven managed and operated airports and one non-exclusive airport, and in 2008 we acquired Opti-Fi Networks' Wi-Fi network of 25 managed and operated airports and the Washington State Ferries. We continue to enhance our software client and expand our network and global reach.

We generate revenue primarily from our retail customers and wholesale partners. Our retail customers purchase month-to-month subscription plans that automatically renew, or single-use access to our network. We acquire our retail customers primarily from mobile Internet users passing through our managed and operated locations, where we generally have exclusive multi-year agreements. Some of our wholesale partners license our software and pay usage-based network access fees to allow their customers access to our global Wi-Fi network. Other wholesale partners, that are telecom operators, pay us build-out fees and access fees for our distributed antenna system, or DAS, enabling their cellular customers to access these networks. Some of our wholesale partners pay us to provide Wi-Fi services in their venue locations under a service provider arrangement. Our wholesale partner relationships are generally governed by multi-year contracts. We acquire our wholesale partners through our business development efforts. We also generate revenue from advertisers that seek to reach visitors to the landing pages at our managed and operated network locations with online advertising, promotional and sponsored programs.

We grew revenue from \$56.7 million in 2008 to \$65.7 million in 2009, an increase of 16%, or excluding the impact of the Opti-Fi acquisition, to \$64.1 million, an increase of 13%. We grew revenue from \$65.7 million in 2009 to \$80.4 million in 2010, an increase of 22%. The Opti-Fi acquisition had no material impact on this revenue growth rate. We grew Adjusted EBITDA from \$6.9 million in 2008 to

Table of Contents

\$13.5 million in 2009, an increase of 95%. We grew Adjusted EBITDA from \$13.5 million in 2009, to \$18.2 million in 2010, an increase of 35%. We decreased net loss attributable to common stockholders from \$11.2 million in 2008 to \$4.2 million in 2009. We improved net loss attributable to common stockholders to net income attributable to common stockholders of \$10.7 million in 2010. For a discussion of Adjusted EBITDA and a reconciliation of net income (loss) to adjusted EBITDA, see footnote 1 to "Selected Consolidated Financial Data."

Many online consumer and business activities, such as streaming media, social networking, downloading large email attachments and video calling, require high-speed, high-bandwidth Internet access. In addition, the proliferation of smartphones, laptops, tablet computers and other Wi-Fi enabled devices has led users to expect access to the same content and information while on-the-go, with the same performance quality they are accustomed to in the home or office setting. These data intensive activities are driving a global surge in mobile Internet data traffic that is expected to increase 27 times between 2010 and 2015, according to Cisco's Visual Networking Index. We believe these trends present us with opportunities to generate significant growth in revenue and profitability.

**Key Business Metrics**

In addition to monitoring traditional financial measures, we also monitor our operating performance using the following key performance indicators:

	Year Ended December 31,		
	2008	2009	2010
	(in thousands, except churn data)		
Subscribers	74	140	200
Monthly churn	10.7%	9.7%	9.5%
Connects	4,854	5,397	7,762

*Subscribers.* This metric represents the number of paying retail customers who are on a month-to-month subscription plan at a given period end.

*Monthly churn.* This metric shows the number of subscribers who canceled their subscriptions in a given month, expressed as a percentage of the average subscribers in that month. The churn in a given period is the average monthly churn in that period. This measure is one indicator of the longevity of our subscribers. Some of our customers who cancel subscriptions maintain accounts for single-use access.

*Connects.* This metric shows how often individuals connect to the Boingo global Wi-Fi network in a given period. These are paid connects from our retail customers and wholesale partners, with which we have usage-based agreements. We count each individual as a single connect regardless of how many times that individual accesses the network at a given venue during their 24 hour period. This measure is an indicator of paid activity throughout the Boingo network.

**Key Components of our Results of Operations****Revenue**

Our revenue consists of retail revenue, wholesale revenue, and advertising and other revenue.

*Retail subscription.* We generate revenue from sales to individuals of month-to-month network access subscriptions that automatically renew, primarily through charge card transactions.

*Retail single-use.* We generate revenue from sales of hourly, daily or other single-use access to individuals primarily through charge card transactions.

Table of Contents

*Wholesale.* We generate revenue from wholesale partners that license our software and pay usage-based monthly network access fees to allow their customers to access our global Wi-Fi network, and telecom operator partners that pay us build-out fees and access fees for our DAS networks. Usage-based network access fees may be measured in minutes, connects or megabytes, and in most cases are subject to monthly minimums. Other wholesale partners pay us monthly fees to provide a Wi-Fi infrastructure that we install, manage and operate at their venues for their customers under a service provider arrangement.

*Advertising and other.* We generate revenue from advertisers that seek to reach visitors to our landing pages at our managed and operated network locations with online advertising, promotional and sponsored programs. In addition, we receive revenue from kiosk users in some of the airports where we manage and operate the Wi-Fi network.

***Costs and Operating Expenses***

We classify our costs and operating expenses as network access, network operations, development and technology, selling and marketing, general and administrative, and amortization of intangible assets. Network access costs consist primarily of payments to venues and network partners in the Boingo network. Other costs and operating expenses primarily consist of personnel costs, costs for contracted labor and development, marketing, legal, accounting and consulting services, and other professional service fees. Personnel costs include salaries, bonuses, stock-based compensation and employee benefits. Facilities costs and depreciation expenses are generally allocated based on headcount. Depreciation expenses associated with specifically identifiable assets are allocated to the appropriate expense categories.

*Network access.* Network access costs consist of revenue share payments to venues where our managed and operated hotspots are located, usage-based fees to our roaming network partners for access to their networks, costs of equipment related to network build-out projects in our managed and operated locations, and bandwidth and other Internet connectivity expenses in our managed and operated locations.

*Network operations.* Network operations expenses consist of costs for our customer service department and for our operations staff that designs, builds, monitors and maintains the network. Also included are expenses for our customer service provider that handles customer care inquiries and expenses for network operations contractors, equipment depreciation and software and hardware maintenance fees.

*Development and technology.* Development and technology expenses consist of costs for our product development and engineering departments, developers and our information systems services staff, equipment depreciation and software and hardware maintenance fees.

*Selling and marketing.* Selling and marketing expenses consist of costs for our business development and marketing employees and executives, travel and entertainment and marketing programs.

*General and administrative.* General and administrative expenses consist of costs for our executive, finance and accounting, legal and human resources personnel, as well as, legal, accounting, tax and other professional service fees. Also included are other corporate expenses such as charge card processing fees and bad debt expense.

*Amortization of intangible assets.* Amortization of intangible assets consists primarily of acquired network contracts.

Table of Contents

***Interest and Other Income (Expense), Net***

Interest and other income (expense), net, consists of interest income and capital lease obligations.

***Income Taxes***

As a result of the utilization of our federal net operating loss carryforwards, our income taxes include only state income taxes and federal alternative minimum tax. In 2010, income taxes also included the tax benefits associated with the release of a portion of our valuation allowance.

***Non-controlling Interests***

Non-controlling interests are comprised of minority holdings by third parties in our subsidiaries Concourse Communications Detroit, LLC, or CCG Detroit, and Chicago Concourse Development Group, LLC, or CCDG.

We attributed profits and losses to the non-controlling interest in CCG Detroit under the terms of the limited liability company agreement. CCG Detroit has generated losses over the last several years which has reduced the non-controlling owners capital account to zero in 2009 resulting in an allocation to the controlling interest holder of all operating losses and deficits created by the annual \$85,000 fixed distributions to the non-controlling interest holder.

We are required to pay a portion of allocated net profits less capital expenditures of the preceding year to the minority interest holders of CCDG. The limited liability company agreement for CCDG does not have a term. CCDG can be dissolved upon the unanimous agreement of the members, upon the sale of CCDG, upon declaration of bankruptcy, or upon the termination of the license agreement between CCDG and the City of Chicago.

Table of Contents**Results of Operations**

The following tables set forth our results of operations for the specified periods.

	Year Ended December 31,		
	2008	2009	2010
(in thousands)			
<b>Consolidated Statements of Operations</b>			
<b>Data:</b>			
Revenue	\$ 56,711	\$ 65,715	\$ 80,420
Costs and operating expenses:			
Network access	22,979	26,430	31,961
Network operations	11,010	11,667	13,508
Development and technology	6,763	7,374	8,475
Selling and marketing	7,549	5,901	5,985
General and administrative	7,945	8,214	10,645
Amortization of intangible assets	5,972	3,848	2,491
Total costs and operating expenses	62,218	63,434	73,065
Income (loss) from operations	(5,507)	2,281	7,355
Interest and other income (expense), net	200	(154)	(137)
Income (loss) before income taxes	(5,307)	2,127	7,218
Income taxes	272	706	(9,063)
Net income (loss)	(5,579)	1,421	16,281
Net income (loss) attributable to non-controlling interests	332	394	547
Net income (loss) attributable to Boingo Wireless, Inc.	\$ (5,911)	\$ 1,027	\$ 15,734

Depreciation expense included in the above line items:

Network access	\$ 3,374	\$ 4,176	\$ 4,392
Network operations	1,428	1,058	1,747
Development and technology	814	1,148	1,024
Selling and marketing	27	17	18
General and administrative	168	259	330
	\$ 5,811	\$ 6,658	\$ 7,511

Stock-based compensation expense included in the above line items:

Network operations	\$ 91	\$ 127	\$ 131
Development and technology	79	84	115
Selling and marketing	121	114	171
General and administrative	375	415	450
	\$ 666	\$ 740	\$ 867





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Table of Contents

The following table sets forth our results of operations for the specified periods as a percentage of our revenue for those periods.

	Year Ended December 31		
	2008	2009	2010
(as a percentage of revenue)			
<b>Consolidated Statements of Operations Data:</b>			
Revenue	100.0%	100.0%	100.0%
Costs and operating expenses:			
Network access	40.5	40.2	39.7
Network operations	19.4	17.8	16.8
Development and technology	11.9	11.2	10.5
Selling and marketing	13.3	9.0	7.4
General and administrative	14.0	12.5	13.2
Amortization of intangible assets	10.5	5.9	3.1
Total costs and operating expenses	109.6	96.6	90.7
Income (loss) from operations	(9.6)	3.4	9.3
Interest and other income (expense), net	0.4	(0.2)	(0.2)
Income (loss) before income taxes	(9.2)	3.2	9.1
Income taxes	0.5	1.1	(11.3)
Net income (loss)	(9.7)	2.1	20.4
Net income attributable to non-controlling interests	0.6	0.6	0.7
Net income (loss) attributable to Boingo Wireless, Inc.	(10.3)%	1.5%	19.7%

**Years ended December 31, 2009 and 2010**

**Revenue**

	Year Ended December 31,			
	2009	2010	Change	% Change
(in thousands, except churn data and percentages)				
<b>Revenue:</b>				
Retail subscription	\$ 18,331	\$ 23,561	\$ 5,230	28.5
Retail single-use	18,060	17,460	(600)	(3.3)
Wholesale	23,955	35,134	11,179	46.7
Advertising and other	5,369	4,265	(1,104)	(20.6)
Total revenue	\$ 65,715	\$ 80,420	\$ 14,705	22.4

**Key business metrics:**

Subscribers	140	200	60	42.9
Monthly churn	9.7%	9.5%	0.2%	2.1
Connects	5,397	7,762	2,365	43.8

*Total revenue.* Total revenue increased \$14.7 million, or 22.4%, in 2010, as compared to 2009.

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*Retail subscription.* Retail subscription revenue increased \$5.2 million, or 28.5%, in 2010, as compared to 2009, due to a 42.9% increase in subscribers. This increase was partially offset by a reduction in average monthly subscriber revenue of 17.2%, due to a declining number of subscribers continuing to pay the historically higher monthly rates in effect prior to our 2008 price reduction and the greater mix of lower priced smartphone subscriptions.

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### Table of Contents

*Retail single-use.* Retail single-use revenue decreased \$0.6 million, or 3.3%, in 2010, as compared to 2009, due to a 3.6% decrease in single-use connects. We believe that the decrease in single-use connects was due primarily to the increase in new customers that opted for subscriptions. The decrease in single-use connect revenue was partially offset by increased single-use connects in Europe at higher revenue per connect.

*Wholesale.* Wholesale revenue increased \$11.2 million, or 46.7%, in 2010, as compared to 2009, due to \$8.8 million from increased usage-based fees, \$1.6 million from new DAS build-out projects in our managed and operated locations, and \$0.8 million from DAS access and usage fees.

*Advertising and other.* Advertising and other revenue decreased \$1.1 million, or 20.6%, in 2010, as compared to 2009, due to decreases in promotional sponsorships of \$1.4 million, and a \$0.1 million decrease in kiosk revenue, partially offset by a \$0.4 million increase in one-time professional services revenue.

### **Costs and Operating Expenses**

	Year Ended December 31,			
	2009	2010	Change	% Change
(in thousands, except percentages)				
<b>Costs and operating expenses:</b>				
Network access	\$ 26,430	\$ 31,961	\$ 5,531	20.9
Network operations	11,667	13,508	1,841	15.8
Development and technology	7,374	8,475	1,101	14.9
Selling and marketing	5,901	5,985	84	1.4
General and administrative	8,214	10,645	2,431	29.6
Amortization of intangible assets	3,848	2,491	(1,357)	(35.3)
<b>Total costs and operating expenses</b>	<b>\$ 63,434</b>	<b>\$ 73,065</b>	<b>\$ 9,631</b>	<b>15.2</b>

*Network access.* Network access costs increased \$5.5 million, or 20.9%, in 2010, as compared to 2009. The change reflects increases of \$2.7 million from revenue share paid to venues in our managed and operated locations, \$2.6 million from customer usage at partner venues, \$0.3 million from bandwidth and other Internet connectivity expenses and \$0.2 million from equipment depreciation expense from DAS build-out projects. The increase was partially offset by \$0.3 million of credits not used by a wholesale customer for network access.

*Network operations.* Network operations expenses increased \$1.8 million, or 15.8%, in 2010, as compared to 2009, due to a \$0.9 million increase in hardware depreciation and software maintenance expenses, a \$0.3 million increase in personnel related expenses and a \$0.6 million increase in consulting, internet connectivity and travel expenses.

*Development and technology.* Development and technology expenses increased \$1.1 million, or 14.9%, in 2010, as compared to 2009, due to a \$0.9 million increase in personnel related expenses and a \$0.2 million increase in consulting and software maintenance expenses.

*Selling and marketing.* Selling and marketing expenses increased \$0.1 million, or 1.4%, in 2010, as compared to 2009, due to a \$0.4 million increase in personnel costs and a \$0.2 million increase in consulting and travel expenses, partially offset by a \$0.5 million decrease in brand marketing program expenses.

*General and administrative.* General and administrative expenses increased \$2.4 million, or 29.6%, in 2010, as compared to 2009, due to \$1.1 million in legal and accounting fees, \$1.0 million in

Table of Contents

consultant fees, \$0.6 million in personnel related expenses and \$0.6 million in lease, rent and other expenses. The increase was partially offset by a \$0.9 million decrease in bad debt expenses.

*Amortization of intangible assets.* Amortization of intangible assets expense decreased \$1.4 million, or 35.3%, in 2010, as compared to 2009. The decrease was due to certain acquired assets being fully amortized during 2010. For future years, amortization expense is expected to be \$1.5 million for 2011, \$0.9 million for 2012, \$0.9 million for 2013 and \$7.7 million for 2014 and thereafter.

**Interest and Other Income (Expense), Net**

Interest and other income (expense), net, remained essentially unchanged in 2010, as compared to 2009.

**Income Taxes**

Income taxes decreased \$9.8 million in 2010, as compared to 2009. In December 2010, based on current year income and our projections of future income, we concluded it was more likely than not that certain of our deferred tax assets would be realizable, and therefore the valuation allowance was reduced by \$12.3 million.

**Non-controlling Interests**

Non-controlling interests payments increased \$0.2 million in 2010, as compared to 2009, due to increased profits at the two applicable managed and operated locations.

**Years Ended December 31, 2008 and 2009****Revenue**

	Year Ended December 31,			
	2008	2009	Change	% Change
(in thousands, except churn data and percentages)				
<b>Revenue:</b>				
Retail subscription	\$ 14,179	\$ 18,331	\$ 4,152	29.3
Retail single-use	19,565	18,060	(1,505)	(7.7)
Wholesale	19,931	23,955	4,024	20.2
Advertising and other	3,036	5,369	2,333	76.8
Total revenue	\$ 56,711	\$ 65,715	\$ 9,004	15.9

**Key business metrics:**

Subscribers	74	140	66	89.2
Monthly churn	10.7%	9.7%	(1.0)%	(9.4)
Connects	4,854	5,397	543	11.2

*Total revenue.* Our total revenue increased \$9.0 million, or 15.9%, in 2009 as compared to 2008. Excluding the impact of the Opti-Fi acquisition in 2008, revenue increased \$7.6 million, or 13.4%, in 2009 as compared to 2008.

*Retail subscription.* Retail subscription revenue increased \$4.2 million, or 29.3%, in 2009 as compared to 2008, due to an 89.2% increase in subscribers, which includes 3,000 subscribers, or 2.9 points of the increase, due to the Opti-Fi acquisition. This increase was partially offset by a reduction in average monthly subscriber revenue of 28.0%, due to the reduction of the monthly subscription price for new laptop customers in 2008.

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### Table of Contents

*Retail single-use.* Retail single-use revenue decreased \$1.5 million, or 7.7%, in 2009 as compared to 2008, due to a 19.1% decrease in single-use connects. We believe that the decrease in single-use connects was due primarily to the increase in new customers that opted for subscriptions. The decrease in single-use connect revenue was partially offset by increased single-use connects in Europe at higher revenue per connect.

*Wholesale.* Wholesale revenue increased \$4.0 million, or 20.2%, in 2009 as compared to 2008, due to \$3.7 million of greater usage-based fees, of which \$3.0 million were from a new Wi-Fi wholesale customer, and \$0.5 million of new DAS build-out fees. The revenue increase was partially offset by reduced DAS usage fees.

*Advertising and other.* Advertising and other revenue increased \$2.3 million, or 76.8%, in 2009 as compared to 2008, due to a new promotional sponsorship of \$2.8 million. The increase was partially offset by \$0.5 million of reduced revenue from other advertising customers due to this promotional sponsorship and decreased kiosk revenue.

### **Costs and Operating Expenses**

	Year Ended December 31,			
	2008	2009	Change	% Change
(in thousands, except percentages)				
<b>Costs and operating expenses:</b>				
Network access	\$ 22,979	\$ 26,430	\$ 3,451	15.0
Network operations	11,010	11,667	657	6.0
Development and technology	6,763	7,374	611	9.0
Selling and marketing	7,549	5,901	(1,648)	(21.8)
General and administrative	7,945	8,214	269	3.4
Amortization of intangible assets	5,972	3,848	(2,124)	(35.6)
Total costs and operating expenses	\$ 62,218	\$ 63,434	\$ 1,216	2.0

*Network access.* Network access costs increased \$3.5 million, or 15.0%, in 2009 as compared to 2008. The change reflects increases of \$2.7 million from customer usage at partner venues, \$0.8 million from equipment depreciation expense from DAS build-out projects, \$0.4 million from bandwidth and other Internet connectivity expenses and \$0.1 million from revenue share to venues in our managed and operated locations. The increase was partially offset by \$0.5 million of credits not used by a wholesale customer for network access.

*Network operations.* Network operations expenses increased \$0.7 million, or 6.0%, in 2009 as compared to 2008, due to a \$0.5 million increase in personnel related expenses, a \$0.2 million increase in consulting expenses, and a \$0.2 million increase in data center expenses. The increase was partially offset by decreases in consulting, travel, depreciation for equipment and hardware and software maintenance expenses.

*Development and technology.* Development and technology expenses increased \$0.6 million, or 9.0%, in 2009 as compared to 2008, due to a \$0.5 million increase in personnel related expenses and a \$0.1 million increase in depreciation for equipment and hardware and software maintenance expenses.

*Selling and marketing.* Selling and marketing expenses decreased \$1.6 million, or 21.8%, in 2009 as compared to 2008, due to a \$1.9 million decrease in brand marketing program expenses. The decrease was partially offset by a \$0.3 million increase in personnel expenses and related facilities costs.

*General and administrative.* General and administrative expenses increased \$0.3 million, or 3.4%, in 2009 as compared to 2008, due to a \$0.6 million increase in bad debt expenses, a \$0.4 million

Table of Contents

increase in personnel related expenses and a \$0.2 million increase in rent and facilities expenses. The increase was partially offset by a \$0.4 million decrease on fees paid on charge card sales, and a \$0.5 million decrease in property and use tax expenses, legal and professional expenses, telecommunications and other expenses.

*Amortization of intangible assets.* Amortization of intangible assets expense decreased \$2.1 million, or 35.6%, in 2009 as compared to 2008, due to a \$2.4 million decrease in the amortization of intangible assets from acquired assets that were fully amortized in 2008. The decrease was partially offset by a \$0.2 million increase in amortization of intangible assets from assets acquired in 2009.

***Interest and Other Income (Expense), Net***

Interest and other income (expense), net, decreased \$0.4 million in 2009 as compared to 2008. The decrease was due to a decrease in the average yield of our invested assets in 2009 as compared to 2008 and increased interest expenses of \$0.1 million.

***Income Taxes***

Income taxes increased \$0.4 million in 2009 as compared to 2008. The increase was due to increased taxable income in certain states. As a result of our net operating losses, our income taxes include only state income taxes and federal alternative minimum tax.

***Non-controlling Interests***

Non-controlling interests payments increased \$0.1 million in 2009 as compared to 2008, due to increased profits at the two applicable managed and operated locations.

Table of Contents

**Unaudited Quarterly Results of Operations**

The following table presents our unaudited consolidated quarterly results of operations for the eight fiscal quarters ended December 31, 2010. This information is derived from our unaudited consolidated financial statements, and includes all normal recurring adjustments. This data should be read together with our consolidated financial statements and the related notes to these financial statements included elsewhere in this prospectus.

	Three Months Ended							
	Mar. 31, 2009	Jun. 30, 2009	Sep. 30, 2009	Dec. 31, 2009	Mar. 31, 2010	Jun. 30, 2010	Sep. 30, 2010	Dec. 31, 2010
	(in thousands, unaudited)							
Revenue	\$ 14,116	\$ 15,329	\$ 16,464	\$ 19,806	\$ 18,499	\$ 20,298	\$ 20,214	\$ 21,409
Costs and operating expenses:								
Network access	5,981	6,401	6,608	7,440	7,189	8,347	7,742	8,683
Network operations	3,084	2,844	2,827	2,912	3,317	3,172	3,236	3,783
Development and technology	1,970	1,706	1,666	2,032	2,169	2,047	1,978	2,281
Selling and marketing	1,585	1,362	1,482	1,472	1,398	1,381	1,509	1,697
General and administrative	1,724	2,060	1,819	2,611	2,239	2,344	2,554	3,508
Amortization of intangible assets	1,073	1,052	853	870	731	618	573	569
Total costs and operating expenses	15,417	15,425	15,255	17,337	17,043	17,909	17,592	20,521
Income (loss) from operations	(1,301)	(96)	1,209	2,469	1,456	2,389	2,622	888
Interest and other income (expense), net	4	(38)	(52)	(68)	24	68	(75)	(154)
Income (loss) before income taxes	(1,297)	(134)	1,157	2,401	1,480	2,457	2,547	734
Income taxes	(543)	(30)	444	835	181	306	319	(9,869)
Net income (loss)	(754)	(104)	713	1,566	1,299	2,151	2,228	10,603
Net income (loss) attributable to non-controlling interests	90	108	87	109	111	121	118	197
Net income (loss) attributable to Boingo Wireless, Inc.	\$ (844)	\$ (212)	\$ 626	\$ 1,457	\$ 1,188	\$ 2,030	\$ 2,110	\$ 10,406

Depreciation expense included in the above line items:

	Three Months Ended							
	Mar. 31, 2009	Jun. 30, 2009	Sep. 30, 2009	Dec. 31, 2009	Mar. 31, 2010	Jun. 30, 2010	Sep. 30, 2010	Dec. 31, 2010
	(in thousands, unaudited)							
Network access	\$ 994	\$ 1,025	\$ 1,057	\$ 1,100	\$ 1,103	\$ 1,103	\$ 1,103	\$ 1,083
Network operations	252	274	265	267	324	325	395	703
Development and technology	277	226	222	423	303	241	242	238
Selling and marketing	4	5	4	4	4	5	5	4

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General and administrative	72	65	64	58	71	89	88	82
Total	\$ 1,599	\$ 1,595	\$ 1,612	\$ 1,852	\$ 1,805	\$ 1,763	\$ 1,833	\$ 2,110



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Table of Contents

Stock-based compensation expense included in the above line items:

	Three Months Ended							
	Mar. 31, 2009	Jun. 30, 2009	Sep. 30, 2009	Dec. 31, 2009	Mar. 31, 2010	Jun. 30, 2010	Sep. 30, 2010	Dec. 31, 2010
	(in thousands, unaudited)							
Network operations	\$ 31	\$ 33	\$ 33	\$ 30	\$ 42	\$ 42	\$ 22	\$ 25
Development and technology	17	20	22	25	31	32	28	24
Selling and marketing	21	27	29	37	44	45	41	41
General and administrative	94	98	99	124	120	122	115	93
<b>Total</b>	<b>\$ 163</b>	<b>\$ 178</b>	<b>\$ 183</b>	<b>\$ 216</b>	<b>\$ 237</b>	<b>\$ 241</b>	<b>\$ 206</b>	<b>\$ 183</b>

The following table sets forth our unaudited results of operations for the specified periods as a percentage of our revenue for those periods.

	Three Months Ended							
	Mar. 31, 2009	Jun. 30, 2009	Sep. 30, 2009	Dec. 31, 2009	Mar. 31, 2010	Jun. 30, 2010	Sep. 30, 2010	Dec. 31, 2010
	(unaudited)							
Revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Costs and operating expenses:								
Network access	42.4	41.8	40.1	37.6				