

SPOK HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (a)

(Unaudited and in thousands except share, per share amounts and ARPU)

	For the three months ended		For the twelve months ended	
	12/31/2014	12/31/2013	12/31/2014	12/31/2013
Revenue:				
Wireless	\$ 31,678	\$ 35,831	\$ 132,402	\$ 149,448
Software	19,591	18,854	67,871	60,304
Total revenue	51,269	54,685	200,273	209,752
Operating expenses:				
Cost of revenue	10,571	7,500	32,556	27,915
Service, rental and maintenance	11,285	11,442	45,485	47,471
Selling and marketing	7,915	7,297	30,013	26,617
General and administrative	11,905	11,470	45,896	46,105
Severance and restructuring	926	981	1,495	983
Depreciation, amortization and accretion	4,049	3,680	16,677	15,167
Total operating expenses	46,651	42,370	172,122	164,258
% of total revenue	91.0 %	77.5 %	85.9 %	78.3 %
Operating income	4,618	12,315	28,151	45,494
% of total revenue	9.0 %	22.5 %	14.1 %	21.7 %
Interest expense, net	(262)	(64)	(456)	(260)
Other (expense) income, net	(188)	15	(368)	105
Income before income tax expense	4,168	12,266	27,327	45,339
Income tax benefit (expense)	2,744	(4,251)	(6,582)	(17,809)
Net income	\$ 6,912	\$ 8,015	\$ 20,745	\$ 27,530
Basic net income per common share	\$ 0.32	\$ 0.37	\$ 0.96	\$ 1.27
Diluted net income per common share	\$ 0.31	\$ 0.36	\$ 0.94	\$ 1.25
Basic weighted average common shares outstanding	21,554,746	21,633,706	21,621,466	21,648,654
Diluted weighted average common shares outstanding	22,101,600	21,969,756	22,090,770	22,010,523
Reconciliation of operating income to EBITDA (b):				
Operating income	\$ 4,618	\$ 12,315	\$ 28,151	\$ 45,494
Add back: depreciation, amortization and accretion	4,049	3,680	16,677	15,167
EBITDA	\$ 8,667	\$ 15,995	\$ 44,828	\$ 60,661
% of total revenue	16.9 %	29.2 %	22.4 %	28.9 %
Key statistics:				
Units in service	1,256	1,376	1,256	1,376
Average revenue per unit (ARPU)	\$ 7.92	\$ 8.15	\$ 7.93	\$ 8.20
Bookings	\$ 22,272	\$ 16,271	\$ 78,514	\$ 63,452
Backlog	\$ 42,391	\$ 40,211	\$ 42,391	\$ 40,211

(a) Slight variations in totals are due to rounding.

(b) EBITDA or earnings before interest, taxes, depreciation, amortization and accretion is a non-GAAP measure and is presented for analytical purposes only.

SPOK HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (a)

(Unaudited and in thousands except share, per share amounts and ARPU)

	For the three months ended							
	<u>12/31/2014</u>	<u>9/30/2014</u>	<u>6/30/2014</u>	<u>3/31/2014</u>	<u>12/31/2013</u>	<u>9/30/2013</u>	<u>6/30/2013</u>	<u>3/31/2013</u>
Revenue:								
Wireless	\$ 31,678	\$ 32,855	\$ 33,518	\$ 34,351	\$ 35,831	\$ 37,067	\$ 37,771	\$ 38,779
Software	19,591	16,936	15,576	15,768	18,854	12,602	14,497	14,351
Total revenue	51,269	49,791	49,094	50,119	54,685	49,669	52,268	53,130
Operating expenses:								
Cost of revenue	10,571	8,000	7,180	6,805	7,500	6,787	6,961	6,667
Service, rental and maintenance	11,285	10,988	11,420	11,792	11,442	11,820	12,018	12,191
Selling and marketing	7,915	7,072	7,780	7,246	7,297	6,388	6,538	6,394
General and administrative	11,905	10,866	10,990	12,135	11,470	11,282	11,022	12,331
Severance and restructuring	926	545	4	20	981	—	2	—
Depreciation, amortization and accretion	4,049	4,247	4,352	4,029	3,680	3,858	3,822	3,807
Total operating expenses	46,651	41,718	41,726	42,027	42,370	40,135	40,363	41,390
% of total revenue	91.0 %	83.8 %	85.0 %	83.9 %	77.5 %	80.8 %	77.2 %	77.9 %
Operating income	4,618	8,073	7,368	8,092	12,315	9,534	11,905	11,740
% of total revenue	9.0 %	16.2 %	15.0 %	16.1 %	22.5 %	19.2 %	22.8 %	22.1 %
Interest expense, net	(262)	(63)	(64)	(67)	(64)	(68)	(64)	(64)
Other (expense) income, net	(188)	(2)	(194)	16	15	84	(75)	81
Income before income tax expense	4,168	8,008	7,110	8,041	12,266	9,550	11,766	11,757
Income tax benefit (expense)	2,744	(3,356)	(2,819)	(3,151)	(4,251)	(3,788)	(4,938)	(4,832)
Net income	\$ 6,912	\$ 4,652	\$ 4,291	\$ 4,890	\$ 8,015	\$ 5,762	\$ 6,828	\$ 6,925
Basic net income per common share	\$ 0.32	\$ 0.21	\$ 0.20	\$ 0.23	\$ 0.37	\$ 0.27	\$ 0.32	\$ 0.32
Diluted net income per common share	\$ 0.31	\$ 0.21	\$ 0.19	\$ 0.22	\$ 0.36	\$ 0.26	\$ 0.31	\$ 0.32
Basic weighted average common shares outstanding	21,554,746	21,651,347	21,642,163	21,638,198	21,633,706	21,629,289	21,644,281	21,688,153
Diluted weighted average common shares outstanding	22,101,600	22,135,554	22,099,791	22,037,796	21,969,756	21,919,238	21,827,149	21,904,862
Reconciliation of operating income to EBITDA (b):								
Operating income	\$ 4,618	\$ 8,073	\$ 7,368	\$ 8,092	\$ 12,315	\$ 9,534	\$ 11,905	\$ 11,740
Add back: depreciation, amortization and accretion	4,049	4,247	4,352	4,029	3,680	3,858	3,822	3,807
EBITDA	\$ 8,667	\$ 12,320	\$ 11,720	\$ 12,121	\$ 15,995	\$ 13,392	\$ 15,727	\$ 15,547
% of total revenue	16.9 %	24.7 %	23.9 %	24.2 %	29.2 %	27. %	30.1 %	29.3 %
Key statistics:								
Units in service	1,256	1,274	1,299	1,327	1,376	1,408	1,445	1,480
Average revenue per unit (ARPU)	\$ 7.92	\$ 7.97	\$ 7.98	\$ 8.11	\$ 8.15	\$ 8.22	\$ 8.22	\$ 8.25
Bookings	\$ 22,272	\$ 20,362	\$ 18,959	\$ 16,921	\$ 16,271	\$ 17,302	\$ 15,626	\$ 14,253
Backlog	\$ 42,391	\$ 42,117	\$ 40,182	\$ 41,396	\$ 40,211	\$ 43,831	\$ 39,576	\$ 40,183

(a) Slight variations in totals are due to rounding.

(b) EBITDA or earnings before interest, taxes, depreciation, amortization and accretion is a non-GAAP measure and is presented for analytical purposes only.

SPOK HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (a)

(In thousands)

	<u>12/31/2014</u>	<u>12/31/2013</u>
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 107,869	\$ 89,075
Accounts receivable, net	24,969	18,084
Prepaid expenses and other	7,250	7,399
Inventory	2,673	2,221
Deferred income tax assets, net	2,194	3,389
Total current assets	144,955	120,168
Property and equipment, net	17,395	21,122
Goodwill	133,031	133,031
Other intangible assets, net	19,698	25,368
Deferred income tax assets, net	21,949	25,494
Other assets	862	1,715
Total assets	\$ 337,890	\$ 326,898
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 11,688	\$ 9,885
Accrued compensation and benefits	14,041	13,919
Deferred revenue	24,034	23,023
Total current liabilities	49,763	46,827
Deferred revenue	937	862
Other long-term liabilities	8,131	9,259
Total liabilities	58,831	56,948
Commitments and contingencies		
Stockholders' equity:		
Preferred stock	—	—
Common stock	2	2
Additional paid-in capital	126,678	127,264
Retained earnings	152,379	142,684
Total stockholders' equity	279,059	269,950
Total liabilities and stockholders' equity	\$ 337,890	\$ 326,898

(a) Slight variations in totals are due to rounding.

SPOK HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (a)

(Unaudited and in thousands)

	For the twelve months ended	
	<u>12/31/2014</u>	<u>12/31/2013</u>
Cash flows from operating activities:		
Net income	\$ 20,745	\$ 27,530
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and accretion	16,677	15,167
Amortization of deferred financing costs	456	258
Deferred income tax expense	4,740	16,276
Stock based compensation	3,838	3,045
Provisions for doubtful accounts, service credits and other	1,128	1,955
Adjustments of non-cash transaction taxes	(310)	(474)
Loss on disposals of property and equipment	3	21
Changes in assets and liabilities:		
Accounts receivable	(8,013)	1,542
Prepaid expenses and other assets	17	(1,215)
Accounts payable, accrued liabilities and accrued compensation and benefits	1,192	(6,855)
Customer deposits and deferred revenue	1,086	(6,794)
Net cash provided by operating activities	<u>41,559</u>	<u>50,456</u>
Cash flows from investing activities:		
Purchases of property and equipment	(7,679)	(10,408)
Proceeds from disposals of property and equipment	65	293
Net cash used in investing activities	<u>(7,614)</u>	<u>(10,115)</u>
Cash flows from financing activities:		
Cash dividends to stockholders	(10,826)	(12,312)
Purchase of common stock (including commissions)	(4,325)	—
Net cash used in financing activities	<u>(15,151)</u>	<u>(12,312)</u>
Net increase in cash and cash equivalents	18,794	28,029
Cash and cash equivalents, beginning of period	89,075	61,046
Cash and cash equivalents, end of period	<u>\$ 107,869</u>	<u>\$ 89,075</u>
Supplemental disclosure:		
Interest paid	<u>\$ 8</u>	<u>\$ 10</u>
Income taxes paid	<u>\$ 1,448</u>	<u>\$ 1,474</u>

(a) Slight variations in totals are due to rounding.

SPOK HOLDINGS, INC.
CONSOLIDATED REVENUE
SUPPLEMENTAL INFORMATION (a)

(Unaudited and in thousands)

	For the three months ended							
	<u>12/31/2014</u>	<u>9/30/2014</u>	<u>6/30/2014</u>	<u>3/31/2014</u>	<u>12/31/2013</u>	<u>9/30/2013</u>	<u>6/30/2013</u>	<u>3/31/2013</u>
Revenue								
Paging	\$ 30,071	\$ 30,776	\$ 31,458	\$ 32,896	\$ 34,015	\$ 35,141	\$ 36,064	\$ 37,051
Non-paging	1,607	2,079	2,060	1,455	1,816	1,926	1,707	1,728
Wireless	31,678	32,855	33,518	34,351	35,831	37,067	37,771	38,779
Subscription	365	458	377	283	248	220	178	175
License	3,474	2,374	2,497	2,929	4,138	2,000	2,458	2,640
Services	5,579	4,305	3,558	3,930	5,493	2,080	3,327	2,780
Equipment	2,145	1,930	1,614	1,250	1,875	1,251	1,589	1,994
Operations revenue	11,563	9,067	8,046	8,392	11,754	5,551	7,552	7,589
Maintenance revenue	8,028	7,869	7,530	7,376	7,100	7,051	6,945	6,762
Software	19,591	16,936	15,576	15,768	18,854	12,602	14,497	14,351
Total revenue	\$ 51,269	\$ 49,791	\$ 49,094	\$ 50,119	\$ 54,685	\$ 49,669	\$ 52,268	\$ 53,130

(a) Slight variations in totals are due to rounding.

SPOK HOLDINGS, INC.
CONSOLIDATED OPERATING EXPENSES
SUPPLEMENTAL INFORMATION (a)

(Unaudited and in thousands)

	For the three months ended							
	<u>12/31/2014</u>	<u>9/30/2014</u>	<u>6/30/2014</u>	<u>3/31/2014</u>	<u>12/31/2013</u>	<u>9/30/2013</u>	<u>6/30/2013</u>	<u>3/31/2013</u>
Cost of revenue								
Payroll and related	\$ 4,222	\$ 3,743	\$ 3,827	\$ 3,959	\$ 3,609	\$ 3,744	\$ 3,743	\$ 3,709
Cost of sales	5,225	3,098	2,232	1,917	2,726	1,992	2,133	1,890
Stock based compensation	81	108	81	81	74	64	49	49
Other	1,043	1,051	1,040	848	1,091	987	1,036	1,019
Total cost of revenue	10,571	8,000	7,180	6,805	7,500	6,787	6,961	6,667
Service, rental and maintenance								
Site rent	3,834	3,914	3,981	4,015	3,972	4,142	4,237	4,235
Telecommunications	1,487	1,548	1,669	1,736	1,751	1,832	1,885	1,889
Payroll and related	4,533	4,106	4,434	4,594	4,296	4,577	4,589	4,698
Stock based compensation	30	56	(17)	39	32	59	20	20
Repairs and maintenance	467	489	436	508	482	484	480	575
Other	934	875	917	900	909	726	807	774
Total service, rental and maintenance	11,285	10,988	11,420	11,792	11,442	11,820	12,018	12,191
Selling and marketing								
Payroll and related	3,945	3,859	4,099	4,098	3,717	3,917	3,919	3,840
Commissions	2,481	1,949	2,087	1,952	2,162	1,310	1,519	1,387
Stock based compensation	131	151	131	131	(24)	122	119	119
Other	1,358	1,113	1,463	1,065	1,442	1,039	981	1,048
Total selling and marketing	7,915	7,072	7,780	7,246	7,297	6,388	6,538	6,394
General and administrative								
Payroll and related	4,737	4,217	4,440	4,796	4,802	4,696	5,074	5,414
Stock based compensation	780	791	429	835	763	701	440	438
Bad debt	127	136	134	86	262	274	265	275
Facility rent	830	863	899	922	719	883	839	844
Telecommunications	381	427	399	395	420	388	343	375
Outside services	1,786	1,698	1,719	1,762	1,811	1,927	1,606	2,560
Taxes, licenses and permits	1,283	1,225	1,383	1,064	1,358	1,106	1,166	1,233
Repairs and maintenance	506	510	421	374	314	333	278	261
Financial services	346	336	379	363	357	350	349	313
Other	1,129	663	787	1,538	664	624	662	618
Total general and administrative	11,905	10,866	10,990	12,135	11,470	11,282	11,022	12,331
Severance and restructuring	926	545	4	20	981	—	2	—
Depreciation, amortization and accretion	4,049	4,247	4,352	4,029	3,680	3,858	3,822	3,807
Operating expenses	\$ 46,651	\$ 41,718	\$ 41,726	\$ 42,027	\$ 42,370	\$ 40,135	\$ 40,363	\$ 41,390
Capital expenditures	\$ 1,352	\$ 1,291	\$ 2,393	\$ 2,643	\$ 2,636	\$ 2,504	\$ 2,927	\$ 2,341

(a) Slight variations in totals are due to rounding.

SPOK HOLDINGS, INC.
UNITS IN SERVICE ACTIVITY (a)
(Unaudited and in thousands)

	For the three months ended							
	12/31/2014	9/30/2014	6/30/2014	3/31/2014	12/31/2013	9/30/2013	6/30/2013	3/31/2013
Paging units in service								
Beginning units in service								
Direct one-way	1,157	1,179	1,200	1,246	1,275	1,307	1,324	1,346
Direct two-way	63	64	69	69	70	73	73	75
Total direct	1,220	1,243	1,269	1,315	1,345	1,380	1,397	1,421
Indirect one-way	28	29	30	34	35	36	38	48
Indirect two-way	26	27	28	27	28	29	45	46
Total indirect	54	56	58	61	63	65	83	94
Total beginning units in service	1,274	1,299	1,327	1,376	1,408	1,445	1,480	1,515
Gross placements								
Direct one-way	31	40	48	34	32	40	49	39
Direct two-way	3	4	2	4	3	3	5	3
Total direct	34	44	50	38	35	43	54	42
Indirect one-way	1	1	1	—	1	1	1	1
Indirect two-way	—	—	—	1	—	—	—	—
Total indirect	1	1	1	1	1	1	1	1
Total gross placements	35	45	51	39	36	44	55	43
Gross disconnects								
Direct one-way	(47)	(62)	(69)	(80)	(61)	(72)	(66)	(61)
Direct two-way	(3)	(5)	(7)	(4)	(4)	(6)	(5)	(5)
Total direct	(50)	(67)	(76)	(84)	(65)	(78)	(71)	(66)
Indirect one-way	(2)	(2)	(2)	(4)	(2)	(2)	(3)	(11)
Indirect two-way	(1)	(1)	(1)	—	(1)	(1)	(16)	(1)
Total indirect	(3)	(3)	(3)	(4)	(3)	(3)	(19)	(12)
Total gross disconnects	(53)	(70)	(79)	(88)	(68)	(81)	(90)	(78)
Net loss								
Direct one-way	(16)	(22)	(21)	(46)	(29)	(32)	(17)	(22)
Direct two-way	—	(1)	(5)	—	(1)	(3)	—	(2)
Total direct	(16)	(23)	(26)	(46)	(30)	(35)	(17)	(24)
Indirect one-way	(1)	(1)	(1)	(4)	(1)	(1)	(2)	(10)
Indirect two-way	(1)	(1)	(1)	1	(1)	(1)	(16)	(1)
Total indirect	(2)	(2)	(2)	(3)	(2)	(2)	(18)	(11)
Total net change	(18)	(25)	(28)	(49)	(32)	(37)	(35)	(35)
Ending units in service								
Direct one-way	1,141	1,157	1,179	1,200	1,246	1,275	1,307	1,324
Direct two-way	63	63	64	69	69	70	73	73
Total direct	1,204	1,220	1,243	1,269	1,315	1,345	1,380	1,397
Indirect one-way	27	28	29	30	34	35	36	38
Indirect two-way	25	26	27	28	27	28	29	45
Total indirect	52	54	56	58	61	63	65	83
Total ending units in service	1,256	1,274	1,299	1,327	1,376	1,408	1,445	1,480

(a) Slight variations in totals are due to rounding.

SPOK HOLDINGS, INC.
AVERAGE REVENUE PER UNIT (ARPU) AND CHURN (a)

(Unaudited)

	For the three months ended							
	<u>12/31/2014</u>	<u>9/30/2014</u>	<u>6/30/2014</u>	<u>3/31/2014</u>	<u>12/31/2013</u>	<u>9/30/2013</u>	<u>6/30/2013</u>	<u>3/31/2013</u>
<u>Paging ARPU</u>								
Direct one-way	\$ 7.45	\$ 7.48	\$ 7.48	\$ 7.59	\$ 7.60	\$ 7.64	\$ 7.67	\$ 7.73
Direct two-way	17.95	18.17	18.21	18.91	19.43	19.93	19.95	20.41
Total direct	8.00	8.05	8.06	8.19	8.23	8.29	8.33	8.40
Indirect one-way	8.13	8.24	8.18	8.22	8.68	8.90	8.97	8.22
Indirect two-way	4.06	4.31	4.45	4.32	3.97	3.97	3.89	3.76
Total indirect	6.12	6.32	6.39	6.37	6.47	6.57	6.31	5.85
Total one-way	7.46	7.50	7.50	7.60	7.63	7.68	7.71	7.74
Total two-way	13.87	14.10	14.22	14.70	14.90	15.20	14.40	13.96
Total paging ARPU	\$ 7.92	\$ 7.97	\$ 7.98	\$ 8.11	\$ 8.15	\$ 8.22	\$ 8.22	\$ 8.25
<u>Gross disconnect rate (b)</u>								
Direct one-way	(4.1)%	(5.5)%	(5.7)%	(6.4)%	(4.7)%	(5.6)%	(5.0)%	(4.6)%
Direct two-way	(4.5)%	(7.3)%	(10.5)%	(5.6)%	(6.4)%	(7.9)%	(6.7)%	(6.6)%
Total direct	(4.1)%	(5.4)%	(6.0)%	(6.4)%	(4.8)%	(5.7)%	(5.1)%	(4.7)%
Indirect one-way	(6.5)%	(6.4)%	(6.8)%	(8.2)%	(6.1)%	(6.3)%	(7.4)%	(23.6)%
Indirect two-way	(2.3)%	(1.9)%	(2.7)%	(2.3)%	(5.7)%	(4.8)%	(34.0)%	(1.6)%
Total indirect	(4.4)%	(4.2)%	(4.8)%	(5.5)%	(5.9)%	(5.6)%	(22.3)%	(12.5)%
Total one-way	(4.2)%	(5.3)%	(5.8)%	(6.5)%	(4.8)%	(5.6)%	(5.1)%	(5.2)%
Total two-way	(3.9)%	(5.7)%	(8.3)%	(4.7)%	(6.2)%	(7.0)%	(17.3)%	(4.7)%
Total paging gross disconnect rate	(4.1)%	(5.3)%	(5.9)%	(6.3)%	(4.9)%	(5.7)%	(6.1)%	(5.2)%
<u>Net loss rate (c)</u>								
Direct one-way	(1.4)%	(1.8)%	(1.9)%	(3.7)%	(2.1)%	(2.5)%	(1.3)%	(1.7)%
Direct two-way	(0.1)%	(3.0)%	(4.5)%	(0.6)%	(2.2)%	(3.6)%	(0.4)%	(1.9)%
Total direct	(1.4)%	(1.9)%	(2.0)%	(3.5)%	(2.1)%	(2.5)%	(1.3)%	(1.7)%
Indirect one-way	(4.3)%	(4.1)%	(4.8)%	(6.3)%	(3.9)%	(3.3)%	(4.7)%	(21.8)%
Indirect two-way	(2.0)%	(1.5)%	(2.2)%	(1.9)%	(4.9)%	(4.1)%	(33.7)%	(1.3)%
Total indirect	(3.1)%	(2.8)%	(3.5)%	(4.2)%	(4.4)%	(3.6)%	(21.0)%	(11.5)%
Total one-way	(1.5)%	(1.9)%	(2.0)%	(3.7)%	(2.2)%	(2.5)%	(1.4)%	(2.4)%
Total two-way	(0.6)%	(2.5)%	(3.8)%	(1.0)%	(3.0)%	(3.8)%	(13.3)%	(1.6)%
Total paging net loss rate	(1.4)%	(1.9)%	(2.1)%	(3.5)%	(2.2)%	(2.6)%	(2.4)%	(2.3)%

(a) Slight variations in totals are due to rounding.

(b) Gross disconnect rate is current period disconnected units divided by prior period ending units in service.

(c) Net loss rate is net current period placements and disconnected units in service divided by prior period ending units in service.

SPOK HOLDINGS, INC.
SUPPLEMENTAL INFORMATION BY MARKET SEGMENT (a)

(Unaudited)

	For the three months ended							
	<u>12/31/2014</u>	<u>9/30/2014</u>	<u>6/30/2014</u>	<u>3/31/2014</u>	<u>12/31/2013</u>	<u>9/30/2013</u>	<u>6/30/2013</u>	<u>3/31/2013</u>
Gross placement rate (b)								
Healthcare	3.0 %	3.8 %	4.5 %	3.1 %	2.9 %	3.3 %	4.5 %	3.4 %
Government	1.2 %	1.5 %	2.6 %	1.9 %	1.5 %	1.7 %	2.3 %	1.6 %
Large enterprise	2.3 %	2.7 %	2.0 %	2.9 %	3.0 %	4.3 %	2.4 %	2.1 %
Other	2.1 %	4.3 %	2.2 %	2.1 %	1.7 %	2.0 %	1.5 %	1.8 %
Total direct	2.8 %	3.5 %	4.0 %	2.9 %	2.7 %	3.1 %	3.8 %	3.0 %
Total indirect	1.3 %	1.4 %	1.3 %	1.2 %	1.5 %	1.9 %	1.4 %	1.0 %
Total	2.7 %	3.4 %	3.9 %	2.8 %	2.7 %	3.1 %	3.7 %	2.9 %
Gross disconnect rate (b)								
Healthcare	(3.8)%	(5.1)%	(5.3)%	(6.5)%	(4.5)%	(5.2)%	(4.4)%	(3.9)%
Government	(4.7)%	(7.5)%	(7.6)%	(5.6)%	(4.7)%	(7.9)%	(7.1)%	(5.9)%
Large enterprise	(4.7)%	(4.8)%	(8.9)%	(5.4)%	(6.4)%	(6.0)%	(6.7)%	(7.0)%
Other	(6.4)%	(6.9)%	(7.7)%	(6.5)%	(6.5)%	(6.5)%	(7.4)%	(7.3)%
Total direct	(4.1)%	(5.4)%	(6.0)%	(6.4)%	(4.8)%	(5.7)%	(5.1)%	(4.7)%
Total indirect	(4.4)%	(4.2)%	(4.8)%	(5.5)%	(5.9)%	(5.6)%	(22.3)%	(12.5)%
Total	(4.1)%	(5.3)%	(5.9)%	(6.3)%	(4.9)%	(5.7)%	(6.1)%	(5.2)%
Net loss rate (b)								
Healthcare	(0.7)%	(1.3)%	(0.8)%	(3.5)%	(1.5)%	(1.9)%	—%	(0.5)%
Government	(3.5)%	(6.0)%	(5.0)%	(3.6)%	(3.2)%	(6.3)%	(4.6)%	(4.3)%
Large enterprise	(2.4)%	(2.1)%	(6.9)%	(2.5)%	(3.3)%	(1.6)%	(4.2)%	(4.9)%
Other	(4.4)%	(2.5)%	(5.5)%	(4.4)%	(4.8)%	(4.5)%	(5.9)%	(5.5)%
Total direct	(1.4)%	(1.9)%	(2.0)%	(3.5)%	(2.1)%	(2.5)%	(1.3)%	(1.7)%
Total indirect	(3.1)%	(2.8)%	(3.5)%	(4.2)%	(4.4)%	(3.6)%	(21.0)%	(11.5)%
Total	(1.4)%	(1.9)%	(2.1)%	(3.5)%	(2.2)%	(2.6)%	(2.4)%	(2.3)%
End of period units in service % of total (b)								
Healthcare	74.1 %	73.6 %	73.0 %	72.0 %	71.9 %	71.4 %	70.9 %	68.4 %
Government	7.8 %	7.9 %	8.3 %	8.6 %	8.6 %	8.8 %	9.1 %	10.1 %
Large enterprise	7.7 %	7.8 %	7.8 %	8.2 %	8.1 %	8.2 %	8.1 %	8.3 %
Other	6.2 %	6.4 %	6.6 %	6.8 %	7.0 %	7.1 %	7.3 %	7.6 %
Total direct	95.8 %	95.7 %	95.7 %	95.6 %	95.6 %	95.5 %	95.4 %	94.4 %
Total indirect	4.2 %	4.3 %	4.3 %	4.4 %	4.4 %	4.5 %	4.6 %	5.6 %
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

(a) Slight variations in totals are due to rounding.

(b) Changes in the classification of units in service are reflected in the quarter when such changes are identified. Such changes are then appropriately reflected in calculating the gross placement, gross disconnect and net loss rates.

SPOK HOLDINGS, INC.
SUPPLEMENTAL INFORMATION - DIRECT PAGING UNITS IN SERVICE AND
CELLULAR ACTIVATIONS (a)

(Unaudited)

	For the three months ended							
	<u>12/31/2014</u>	<u>9/30/2014</u>	<u>6/30/2014</u>	<u>3/31/2014</u>	<u>12/31/2013</u>	<u>9/30/2013</u>	<u>6/30/2013</u>	<u>3/31/2013</u>
Account size ending units in service (000's)								
1 to 3 units	35	37	39	41	43	45	47	49
4 to 10 units	21	22	23	24	25	26	28	29
11 to 50 units	51	53	56	57	61	64	67	71
51 to 100 units	34	36	38	41	42	43	45	47
101 to 1,000 units	262	267	275	282	287	293	305	321
>1,000 units	801	805	812	824	857	874	888	880
Total	<u>1,204</u>	<u>1,220</u>	<u>1,243</u>	<u>1,269</u>	<u>1,315</u>	<u>1,345</u>	<u>1,380</u>	<u>1,397</u>
End of period units in service % of total direct								
1 to 3 units	2.9 %	3.0 %	3.1 %	3.2 %	3.2 %	3.3 %	3.4 %	3.5 %
4 to 10 units	1.7 %	1.8 %	1.8 %	1.9 %	1.9 %	2.0 %	2.0 %	2.1 %
11 to 50 units	4.2 %	4.3 %	4.5 %	4.5 %	4.6 %	4.8 %	4.8 %	5.1 %
51 to 100 units	2.8 %	3.0 %	3.1 %	3.2 %	3.2 %	3.2 %	3.2 %	3.4 %
101 to 1,000 units	21.8 %	21.9 %	22.1 %	22.3 %	21.9 %	21.8 %	22.1 %	23.0 %
>1,000 units	66.6 %	66.0 %	65.4 %	64.9 %	65.2 %	64.9 %	64.5 %	62.9 %
Total	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
Account size net loss rate								
1 to 3 units	(4.4)%	(4.8)%	(4.1)%	(4.9)%	(4.4)%	(4.6)%	(5.1)%	(4.8)%
4 to 10 units	(5.5)%	(4.0)%	(5.4)%	(4.1)%	(3.8)%	(5.3)%	(5.3)%	(6.0)%
11 to 50 units	(3.8)%	(5.2)%	(3.2)%	(5.3)%	(4.4)%	(3.9)%	(6.4)%	(4.8)%
51 to 100 units	(5.4)%	(5.2)%	(8.7)%	(1.2)%	(3.5)%	(2.8)%	(5.3)%	(4.0)%
101 to 1,000 units	(2.0)%	(2.9)%	(2.5)%	(1.7)%	(1.7)%	(4.0)%	(5.0)%	(3.9)%
>1,000 units	(0.5)%	(1.0)%	(1.2)%	(4.0)%	(1.8)%	(1.7)%	1.1 %	(0.2)%
Total	<u>(1.4)%</u>	<u>(1.9)%</u>	<u>(2.0)%</u>	<u>(3.5)%</u>	<u>(2.1)%</u>	<u>(2.5)%</u>	<u>(1.3)%</u>	<u>(1.7)%</u>
Account size ARPU								
1 to 3 units	\$ 14.53	\$ 14.65	\$ 14.86	\$ 14.96	\$ 14.98	\$ 15.13	\$ 15.12	\$ 15.22
4 to 10 units	14.09	14.04	14.12	14.22	14.29	14.38	14.29	14.33
11 to 50 units	12.00	11.95	12.00	12.07	11.96	12.06	11.96	12.06
51 to 100 units	10.15	10.16	10.18	10.27	10.34	10.66	10.42	10.47
101 to 1,000 units	8.79	8.69	8.58	8.76	8.89	8.85	8.84	8.84
>1,000 units	6.93	6.99	7.00	7.11	7.11	7.17	7.19	7.23
Total	<u>\$ 8.00</u>	<u>\$ 8.05</u>	<u>\$ 8.06</u>	<u>\$ 8.19</u>	<u>\$ 8.23</u>	<u>\$ 8.29</u>	<u>\$ 8.33</u>	<u>\$ 8.40</u>
Cellular:								
Number of activations	264	2,198	1,679	281	690	970	799	925
Revenue from cellular services (000's)	\$ 77	\$ 395	\$ 278	\$ 108	\$ 129	\$ 235	\$ 163	\$ 195

(a) Slight variations in totals are due to rounding.

SPOK HOLDINGS, INC.
2015 FINANCIAL GUIDANCE

		(In millions)	
		Guidance Range	
		From	To
Revenues			
	Wireless	\$ 112	\$ 122
	Software	71	79
		\$ 183	\$ 201
	Operating Expenses (a)	\$ 145	\$ 154
	Capital Expenses	\$ 5.5	\$ 7.5

(a) Operating expenses exclude depreciation, amortization and accretion.