

Reconciliation of Non-GAAP Measures

Earnings before interest, taxes, depreciation and amortization (EBITDA) for the three and twelve months ended July 31, 2013 and 2012, respectively:

EBITDA:	FY2013	FY2012	FY2013	FY2012
	Q4	Q4	Q4YTD	Q4YTD
Net Income	\$ (299)	\$ 512	\$ (753)	\$ 1,055
Interest	92	74	626	235
Amortization of software products	429	381	1,741	1,420
Other depreciation and amortization	328	292	1,281	1,414
Loss on debt extinguishment	-	-	682	-
Loss on FMV of Warrant Derivatives	635	-	635	-
Loss on impairment of long-lived assets	-	-	420	-
Income taxes	314	(158)	(1,133)	227
EBITDA	<u>\$ 1,499</u>	<u>\$ 1,101</u>	<u>\$ 3,499</u>	<u>\$ 4,351</u>

Earnings before interest, taxes, depreciation and amortization (EBITDA) for the following fiscal quarters:

	07/31/13	04/30/13	1/31/13	10/31/12	07/31/12	04/30/12	01/31/12	10/31/11
Quarterly	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	2013	2013	2013	2013	2012	2012	2012	2012
Net Income	\$ (299)	\$ (571)	\$ 4	\$ 113	\$ 512	\$ 210	\$ 61	\$ 272
Interest	92	197	269	68	74	40	59	62
Amortization of software products	429	452	464	396	381	354	350	335
Other depreciation and amortization	328	334	339	280	292	315	404	403
Loss on debt extinguishment	0	682	0	0	0	0	0	0
Loss on FMV of Warrant Derivatives	635	0	0	0	0	0	0	0
Loss on impairment of long-lived assets	0	420	0	0	0	0	0	0
Income taxes	314	(738)	(835)	126	(158)	156	61	168
EBITDA	<u>\$ 1,499</u>	<u>\$ 776</u>	<u>\$ 241</u>	<u>\$ 983</u>	<u>\$ 1,101</u>	<u>\$ 1,075</u>	<u>\$ 935</u>	<u>\$ 1,240</u>

Trailing 12 months (TTM)								
Net Income	\$ (753)	\$ 58	\$ 839	\$ 896	\$ 1,055	\$ 2,223	\$ 2,554	\$ 2,616
Interest	626	608	451	241	235	355	507	651
Amortization of software products	1,741	1,693	1,595	1,481	1,420	1,351	1,288	1,211
Other depreciation and amortization	1,281	1,245	1,226	1,291	1,414	1,551	1,678	1,684
Loss on debt extinguishment	682	682	0	0	0	0	0	0
Loss on FMV of Warrant Derivatives	635	0	0	0	0	0	0	0
Loss on impairment of long-lived assets	420	420	0	0	0	0	0	0
Income taxes	(1,133)	(1,605)	(711)	185	227	(1,113)	(867)	(994)
EBITDA	<u>\$ 3,499</u>	<u>\$ 3,101</u>	<u>\$ 3,400</u>	<u>\$ 4,094</u>	<u>\$ 4,351</u>	<u>\$ 4,367</u>	<u>\$ 5,160</u>	<u>\$ 5,168</u>

Management believes EBITDA is helpful in understanding period-over-period operating results separate and apart from non-operating expenses and expenses pertaining to prior period investing activities, particularly given the Company's significant investments in capitalized software and its continuing efforts in completing acquisitions, which typically result in significant depreciation and amortization expense in subsequent periods. The Company uses EBITDA as a factor in evaluating potential acquisition targets and analyzing the pro forma impact of the acquisition on the Company. However, EBITDA has significant limitations as an analytical tool and should only be used cautiously in addition to, and never as a substitute for, operating income, cash flows or other measures of financial performance prepared in accordance with generally accepted accounting principles and may not necessarily be comparable to similarly titled measures of other companies.