



Reconciliation of Non-GAAP Measures

Earnings before interest, taxes, depreciation and amortization (EBITDA) for the three, six and twelve months ended January 31, 2014 and 2013, respectively:

EBITDA:	FY2014	FY2013	FY2014	FY2013	FY2014	FY2013
	Q2	Q2	Q2 YTD	Q2 YTD	TTM	TTM
Net Income	\$ (461)	\$ 4	\$ (436)	\$ 117	\$ (1,306)	\$ 839
Interest	78	269	148	337	437	451
Amortization of software products	518	464	962	860	1,843	1,595
Other depreciation and amortization	339	339	660	619	1,322	1,226
Loss on debt extinguishment	-	-	-	-	682	-
Loss on FMV of Warrant Derivatives	10	-	32	-	667	-
Loss on impairment of long-lived assets	-	-	-	-	420	-
Income taxes	(226)	(835)	(142)	(709)	(566)	(711)
EBITDA	\$ 258	\$ 241	\$ 1,224	\$ 1,224	\$ 3,499	\$ 3,400

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

Quarterly	01/31/14	10/31/13	07/31/13	04/30/13	1/31/13	10/31/12	07/31/12	04/30/12
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
	2014	2014	2013	2013	2013	2013	2012	2012
Net Income	\$ (461)	\$ 25	\$ (299)	\$ (571)	\$ 4	\$ 113	\$ 512	\$ 210
Interest	78	70	92	197	269	68	74	40
Amortization of software products	518	444	429	452	464	396	381	354
Other depreciation and amortization	339	321	328	334	339	280	292	315
Loss on debt extinguishment	0	0	0	682	0	0	0	0
Loss on FMV of Warrant Derivatives	10	22	635	0	0	0	0	0
Loss on impairment of long-lived assets	0	0	0	420	0	0	0	0
Income taxes	(226)	84	314	(738)	(835)	126	(158)	156
EBITDA	\$ 258	\$ 966	\$ 1,499	\$ 776	\$ 241	\$ 983	\$ 1,101	\$ 1,075

Trailing 12 months (TTM)

Net Income	\$ (1,306)	\$ (841)	\$ (753)	\$ 58	\$ 839	\$ 896	\$ 1,055	\$ 2,223
Interest	437	628	626	608	451	241	235	355
Amortization of software products	1,843	1,789	1,741	1,693	1,595	1,481	1,420	1,351
Other depreciation and amortization	1,322	1,322	1,281	1,245	1,226	1,291	1,414	1,551
Loss on debt extinguishment	682	682	682	682	0	0	0	0
Loss on FMV of Warrant Derivatives	667	657	635	0	0	0	0	0
Loss on impairment of long-lived assets	420	420	420	420	0	0	0	0
Income taxes	(566)	(1,175)	(1,133)	(1,605)	(711)	185	227	(1,113)
EBITDA	\$ 3,499	\$ 3,482	\$ 3,499	\$ 3,101	\$ 3,400	\$ 4,094	\$ 4,351	\$ 4,367

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.