



## Reconciliation of Non-GAAP Measures

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

EBITDA:	FY2014	FY2013	FY2014	FY2013
	Q4	Q4	Q4 YTD	Q4 YTD
Net Income (loss)	\$ 174	\$ (299)	\$ (102)	\$ (753)
Interest	70	92	286	626
Amortization of software products	558	429	2,052	1,741
Other depreciation and amortization	308	328	1,322	1,281
Loss on debt extinguishment	-	-	-	682
Loss on FMV of Warrant Derivatives	-	635	28	635
Loss on impairment of long-lived assets	35	-	35	420
Income taxes	230	314	241	(1,133)
EBITDA	\$ 1,375	\$ 1,499	\$ 3,862	\$ 3,499

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

Quarterly	7/31/14	04/30/14	01/31/14	10/31/13	07/31/13	04/30/13	1/31/13	10/31/12
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	2014	2014	2014	2014	2013	2013	2013	2013
Net Income (loss)	\$ 174	\$ 160	\$ (461)	\$ 25	\$ (299)	\$ (571)	\$ 4	\$ 113
Interest	70	68	78	70	92	197	269	68
Amortization of software products	558	532	518	444	429	452	464	396
Other depreciation and amortization	308	354	339	321	328	334	339	280
Loss on debt extinguishment	0	0	0	0	0	682	0	0
Loss on FMV of Warrant Derivatives	0	(4)	10	22	635	0	0	0
Loss on impairment of long-lived assets	35	0	0	0	0	420	0	0
Income taxes	230	153	(226)	84	314	(738)	(835)	126
EBITDA	\$ 1,375	\$ 1,263	\$ 258	\$ 966	\$ 1,499	\$ 776	\$ 241	\$ 983

### Trailing 12 months (TTM)

Net Income (loss)	\$ (102)	\$ (575)	\$ (1,306)	\$ (841)	\$ (753)	\$ 58	\$ 839	\$ 896
Interest	286	308	437	628	626	608	451	241
Amortization of software products	2,052	1,923	1,843	1,789	1,741	1,693	1,595	1,481
Other depreciation and amortization	1,322	1,342	1,322	1,322	1,281	1,245	1,226	1,291
Loss on debt extinguishment	0	0	682	682	682	682	0	0
Loss on FMV of Warrant Derivatives	28	663	667	657	635	0	0	0
Loss on impairment of long-lived assets	35	0	420	420	420	420	0	0
Income taxes	241	325	(566)	(1,175)	(1,133)	(1,605)	(711)	185
EBITDA	\$ 3,862	\$ 3,986	\$ 3,499	\$ 3,482	\$ 3,499	\$ 3,101	\$ 3,400	\$ 4,094

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.