



Reconciliation of Non-GAAP Measures

Earnings before interest, taxes, depreciation and amortization (EBITDA) and Adjusted EBITDA for the three and twelve months ended July 31, 2015 and 2014, respectively:

Adjusted EBITDA:	FY2015	FY2014	FY2015	FY2014
	Q4	Q4	YTD	YTD
Net Income (loss)	\$ 368	\$ 174	\$ 1,071	\$ (102)
Interest	113	70	465	286
Amortization of software products	463	558	2,023	2,052
Other depreciation and amortization	511	308	1,756	1,322
Loss on FMV of Warrant Derivatives	-	-	-	28
Loss on impairment of long-lived assets	-	35	-	35
Income taxes	205	230	811	241
EBITDA	\$ 1,660	\$ 1,375	\$ 6,126	\$ 3,862
Stock-based compensation	141	231	446	560
Adjusted EBITDA	\$ 1,801	\$ 1,606	\$ 6,572	\$ 4,422

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

Quarterly	7/31/15	4/30/15	1/31/15	10/31/14	7/31/14	04/30/14	01/31/14	10/31/13
	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Net Income (loss)	\$ 368	\$ 339	\$ 260	\$ 104	\$ 174	\$ 160	\$ (461)	\$ 25
Interest	113	123	140	89	70	68	78	70
Amortization of software products	463	458	553	549	558	532	518	444
Other depreciation and amortization	511	465	408	372	308	354	339	321
Loss on debt extinguishment	0	0	0	0	0	0	0	0
Loss on FMV of Warrant Derivatives	0	0	0	0	0	(4)	10	22
Loss on impairment of long-lived assets	0	0	0	0	35	0	0	0
Income taxes	205	243	274	89	230	153	(226)	84
EBITDA	\$ 1,660	\$ 1,628	\$ 1,635	\$ 1,203	\$ 1,375	\$ 1,263	\$ 258	\$ 966
Stock-based compensation	141	95	107	103	231	168	125	36
Adjusted EBITDA	\$ 1,801	\$ 1,723	\$ 1,742	\$ 1,306	\$ 1,606	\$ 1,431	\$ 383	\$ 1,002

Trailing 12 months (TTM)								
Net Income (loss)	\$ 1,071	\$ 877	\$ 698	\$ (23)	\$ (102)	\$ 265	\$ 361	\$ 1,200
Interest	465	422	367	305	286	408	368	314
Amortization of software products	2,023	2,118	2,192	2,157	2,052	1,785	1,468	1,146
Other depreciation and amortization	1,756	1,553	1,442	1,373	1,322	1,456	1,331	1,158
Loss on debt extinguishment	0	0	0	0	0	0	0	0
Loss on FMV of Warrant Derivatives	0	0	(4)	6	28	28	32	22
Loss on impairment of long-lived assets	0	35	35	35	35	0	0	0
Income taxes	811	836	746	246	241	413	260	(96)
EBITDA	\$ 6,126	\$ 5,841	\$ 5,476	\$ 4,099	\$ 3,862	\$ 4,355	\$ 3,820	\$ 3,744
Stock-based compensation	446	536	609	627	560	329	161	36
Adjusted EBITDA	\$ 6,572	\$ 6,377	\$ 6,085	\$ 4,726	\$ 4,422	\$ 4,684	\$ 3,981	\$ 3,780

Management believes Adjusted 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 Adjusted EBITDA as a factor in evaluating potential acquisition targets and analyzing the pro forma impact of the acquisition on the Company. However, Adjusted 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.

The Company began using EBITDA, adjusted to add back non-cash, stock-based compensation, as a performance measure during the fourth quarter of fiscal 2015. All prior periods have been updated to reflect this presentation.