



Non-GAAP Reconciliations

In Thousands

	Reconciliation to Adjusted EBITDA							Year-to-Date 9/30/16
	Quarter Ended:							
	3/31/15	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	
Net income (loss)	\$ (1,170)	\$ (1,867)	\$ (1,289)	\$ (3,919)	\$ (710)	\$ 9,073	\$ (1,224)	\$ 7,139
Provision (benefit) for income tax	(396)	(456)	(379)	1,693	54	5,212	(519)	4,747
Other (income) expense, net	50	16	65	101	(331)	(15,007)	(105)	(15,443)
Depreciation & amortization	426	428	429	426	550	332	355	1,237
Non-cash stock compensation	202	233	222	233	188	172	164	524
Acquisition related charges	752	1,667	270	(86)	120	99	-	219
Restructuring charges	30	15	459	24	-	100	294	394
Impairment of intangible assets	-	-	-	1,310	-	-	-	-
Adjusted EBITDA	\$ (106)	\$ 36	\$ (223)	\$ (218)	\$ (129)	\$ (19)	\$ (1,035)	\$ (1,183)

	Reconciliation to Core Net Income (Loss) and Core Net Income (Loss) Per Share							Year-to-Date 9/30/16
	Quarter Ended:							
	3/31/15	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	
Net income (loss)	\$ (1,170)	\$ (1,867)	\$ (1,289)	\$ (3,919)	\$ (710)	\$ 9,073	\$ (1,224)	\$ 7,139
Amortization of intangible assets	379	383	379	368	483	287	299	1,069
Non-cash stock compensation	202	233	222	233	188	172	164	524
Acquisition related charges	752	1,667	270	(86)	120	99	-	219
Restructuring charges	30	15	459	24	-	100	294	394
Gain on sale of SMTP business	-	-	-	-	-	(14,969)	-	(14,969)
Gain from escrow claim	-	-	-	-	(260)	-	-	(260)
Impairment of intangible assets	-	-	-	1,310	-	-	-	-
Tax adjustment	(345)	(451)	(302)	1,739	-	5,317	(226)	5,091
Core net income (loss)	\$ (152)	\$ (20)	\$ (261)	\$ (331)	\$ (179)	\$ 79	\$ (693)	\$ (793)
Core net income (loss) per share	\$ (0.03)	\$ -	\$ (0.04)	\$ (0.05)	\$ (0.02)	\$ 0.01	\$ (0.08)	\$ (0.10)
Weighted average common shares outstanding	5,457	5,871	6,858	7,230	7,252	7,637	8,346	7,741

Note: the above information has not been adjusted to remove the SMTP email relay business discontinued operations.