



## Non-GAAP Reconciliations

In Thousands

| Reconciliation to Adjusted EBITDA   |                 |                 |                 |                   |                   |                   |                   |                   |                   |
|-------------------------------------|-----------------|-----------------|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                     | Quarter Ended   |                 |                 |                   |                   |                   |                   |                   | Year Ended        |
|                                     | <u>3/31/16</u>  | <u>6/30/16</u>  | <u>9/30/16</u>  | <u>12/31/16</u>   | <u>3/31/17</u>    | <u>6/30/17</u>    | <u>9/30/17</u>    | <u>12/31/17</u>   | <u>12/31/17</u>   |
| Net loss from continuing operations | \$ (1,176)      | \$ (1,128)      | \$ (1,224)      | \$ (2,188)        | \$ (1,475)        | \$ (1,315)        | \$ (1,682)        | \$ (504)          | \$ (4,975)        |
| Provision (benefit) for income tax  | (191)           | (145)           | (519)           | (1,014)           | (500)             | (394)             | (111)             | (1,099)           | (2,104)           |
| Other (income) expense, net         | (331)           | (38)            | (32)            | (40)              | (67)              | (12)              | 3                 | (133)             | (209)             |
| Depreciation & amortization         | 513             | 299             | 355             | 350               | 197               | 202               | 204               | 205               | 808               |
| Non-cash stock compensation         | 176             | 160             | 164             | 206               | 184               | 175               | 200               | 209               | 769               |
| Acquisition related charges         | 120             | 99              | -               | -                 | -                 | 30                | 38                | 2                 | 69                |
| Restructuring charges               | -               | 100             | 294             | -                 | -                 | -                 | -                 | -                 | -                 |
| Impairment of intangible assets     | -               | -               | -               | 1,460             | -                 | -                 | -                 | -                 | -                 |
| <b>Adjusted EBITDA</b>              | <b>\$ (889)</b> | <b>\$ (653)</b> | <b>\$ (962)</b> | <b>\$ (1,226)</b> | <b>\$ (1,661)</b> | <b>\$ (1,314)</b> | <b>\$ (1,348)</b> | <b>\$ (1,320)</b> | <b>\$ (5,642)</b> |

  

| Reconciliation to Core Net Loss and Core Net Loss Per Share |                  |                  |                  |                  |                   |                   |                   |                  |                   |
|---|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|------------------|-------------------|
|   | Quarter Ended    |                  |                  |                  |                   |                   |                   |                  | Year Ended        |
|   | <u>3/31/16</u>   | <u>6/30/16</u>   | <u>9/30/16</u>   | <u>12/31/16</u>  | <u>3/31/17</u>    | <u>6/30/17</u>    | <u>9/30/17</u>    | <u>12/31/17</u>  | <u>12/31/17</u>   |
| Net loss from continuing operations                         | \$ (1,176)       | \$ (1,128)       | \$ (1,224)       | \$ (2,188)       | \$ (1,475)        | \$ (1,315)        | \$ (1,682)        | \$ (504)         | \$ (4,975)        |
| Amortization of intangible assets                           | 483              | 287              | 299              | 291              | 132               | 132               | 132               | 132              | 527               |
| Non-cash stock compensation                                 | 176              | 160              | 164              | 206              | 184               | 175               | 200               | 209              | 769               |
| Acquisition related charges                                 | 120              | 99               | -                | -                | -                 | 30                | 38                | 2                | 69                |
| Restructuring charges                                       | -                | 100              | 294              | -                | -                 | -                 | -                 | -                | -                 |
| Gain from escrow claim                                      | (260)            | -                | -                | -                | -                 | -                 | -                 | -                | -                 |
| Impairment of intangible assets                             | -                | -                | -                | 1,460            | -                 | -                 | -                 | -                | -                 |
| Tax adjustment  | -                | 167              | (226)            | (620)            | (80)              | (78)              | (23)              | (225)            | (406)             |
| <b>Core net loss from continuing operations</b>             | <b>\$ (657)</b>  | <b>\$ (315)</b>  | <b>\$ (693)</b>  | <b>\$ (851)</b>  | <b>\$ (1,239)</b> | <b>\$ (1,056)</b> | <b>\$ (1,335)</b> | <b>\$ (386)</b>  | <b>\$ (4,016)</b> |
| <b>Core net loss per share</b>                              | <b>\$ (0.09)</b> | <b>\$ (0.04)</b> | <b>\$ (0.08)</b> | <b>\$ (0.10)</b> | <b>\$ (0.15)</b>  | <b>\$ (0.13)</b>  | <b>\$ (0.16)</b>  | <b>\$ (0.05)</b> | <b>\$ (0.48)</b>  |
| Weighted average common shares outstanding                  | 7,252            | 7,626            | 8,346            | 8,357            | 8,369             | 8,382             | 8,400             | 8,430            | 8,395             |

Note: the above information has been adjusted to remove the SMTP email relay business discontinued operations.