

Unify Completes Acquisition of AXS-One

On June 30, 2009, Unify Corporation completed its acquisition of AXS-One, an integrated content archiving and records compliance provider based in Rutherford, New Jersey.

Who is AXS-One?

AXS-One is a leading provider of content archive and records compliance management software solutions. They serve the Integrated Content Archiving, Records Management, Compliance Management, E-Discovery, Litigation Readiness, Knowledge Management, and Information Management markets. Founded in 1978, AXS-One has more than 400 customers worldwide, approximately 64 employees and Fiscal year 2008 total revenues of \$13.4 million.

Why did Unify acquire AXS-One?

The acquisition extends Unify's technology portfolio with the addition of industry leading integrated content archiving and records management solutions. It enables Unify to grow its revenue, customer and partner base and capitalize on a new and rapidly growing market. Additionally, with 400 customers, 64 employees and over \$6.4 million in maintenance and recurring revenue, the acquisition advances Unify's growth strategy to acquire superior technology companies that leverage its innovation, extensive customer base and financial stability.

Why are the companies joining now?

Both companies have experienced recent fiscal year revenue growth, new customer acquisition and technology innovations, making them poised for growth ahead. By combining, Unify and AXS-One will be able to capitalize on their respective strengths and expertise to more effectively take advantage of the \$1.7 billion market opportunity for e-mail active archiving. ("Dataquest Insight: E-Mail Archiving Software Market, Worldwide, 2008")

How is Unify's acquisition of AXS-One expected to benefit AXS-One customers?

The acquisition represents a tremendous opportunity for AXS-One customers. Together the companies create a stronger, profitable, financially stable and customer-centric organization that can better address growing business opportunities worldwide. Unify's financial stability, innovative technology expertise and worldwide customer and partner base become an asset to AXS-One as it accelerates its vision and leadership in the market.



What are the opportunities for AXS-One now?

AXS-One becomes a wholly-owned subsidiary of Unify. Leveraging the strength, stability and innovation of the combined companies, AXS-One has a tremendous opportunity to accelerate its vision, strategic direction and technology innovation in the content archiving and email migration markets.

How will the acquisition affect Unify customers?

The acquisition will have no direct impact to Unify's customers as the Company will continue to provide the products and service its customers need and have come to expect. Additionally, Unify will now offer a market leading content archive and records compliance management software solution to its customers. It becomes a stronger, growing technology provider, which will benefit all of its customers.

How is this acquisition expected to benefit partners?

Unify and AXS-One partners are expected to benefit by working with a growing, global and profitable enterprise software vendor that address customer needs for tools, data management, migration, content archiving and e-mail migration solutions. Unify partners are expected to benefit from Unify's increased size and strength, and access to an industry leading technology. AXS-One partners are expected to benefit from Unify's increased global sales support, an expanded product portfolio and improved synergies from the combined companies' worldwide sales, marketing and technical resources.

What were the terms of the agreement?

The AXS-One shareholders received Unify common stock in a tax free reorganization. AXS-One common stock and convertible debt was converted into 3.1 million shares of Unify common stock. AXS-One stockholders now own approximately 27% and current Unify stockholders now own approximately 73% of the combined company. The AXS-One convertible debt holders also have a revenue based earn-out to receive additional Unify shares.

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