

UNIFY CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Three Months Ended	
	July 31,	
	2009	2008
Revenues:		
Software licenses	\$ 1,402	\$ 1,562
Services	2,856	2,946
Migration solutions	253	519
Total revenues	<u>4,511</u>	<u>5,027</u>
Cost of Revenues:		
Software licenses	38	50
Services	419	251
Migration solutions	137	160
Total cost of revenues	<u>594</u>	<u>461</u>
Gross profit	<u>3,917</u>	<u>4,566</u>
Operating Expenses:		
Product development	1,403	748
Selling, general and administrative	4,816	3,381
Total operating expenses	<u>6,219</u>	<u>4,129</u>
Income (loss) from operations	<u>(2,302)</u>	437
Other income (expense), net	81	(14)
Income (loss) before income taxes	<u>(2,221)</u>	423
Provision for income taxes	8	32
Net income (loss)	<u>\$ (2,229)</u>	<u>\$ 391</u>
Net income (loss) per share:		
Basic	\$ (0.27)	\$ 0.06
Dilutive	\$ (0.27)	\$ 0.05
Shares used in computing net income (loss) per share:		
Basic	8,367	6,981
Dilutive	8,367	7,821

RECONCILIATION OF GAAP TO NON-GAAP
(In thousands, except per share data)

	Three Months Ended	
	July 31,	
	2009	2008
GAAP Net income (loss)	\$ (2,229)	\$ 391
Amortization of intangible assets	544	180
Stock based compensation expenses	151	142
Acquisition related costs	660	-
Total adjustments to GAAP net income	<u>1,355</u>	<u>322</u>
Non-GAAP net income (loss)	<u>\$ (874)</u>	<u>\$ 713</u>
Non-GAAP diluted earnings (loss) per share	<u>\$ (0.10)</u>	<u>\$ 0.09</u>