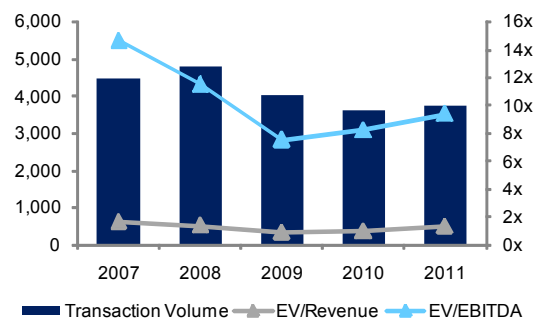


Overall M&A activity within the Software sector rebounded marginally by 2.9% over the last twelve months ending June 30, 2011 with 3732 deals reported compared to 3626 deals completed during the same period last year. Median Enterprise Value ("EV") multiples were at 1.3X Revenue and 9.4X EBITDA.

QUARTERLY TRANSACTION METRICS

| Aggregate Industry Metrics | Q3 '10 | Q4 '10 | Q1 '11 | Q2 '11 |
|--------------------------------------|--------|--------|--------|--------|
| M&A - United States Domestic | 281 | 301 | 319 | 279 |
| M&A - Cross Border Global | 567 | 619 | 683 | 683 |
| Median EV/EBITDA | 10.8x | 9.0x | 8.3x | 11.2x |
| Median EV/Revenue | 1.3x | 1.2x | 1.3x | 1.6x |
| Median Value (\$MM) | \$7.6 | \$7.7 | \$7.6 | \$9.6 |
| Sub-Sector Transaction Totals | | | | |
| Application Software | 357 | 436 | 455 | 438 |
| Healthcare Industry Software | 23 | 10 | 27 | 17 |
| Home Entertainment Software | 4 | 14 | 6 | 9 |
| Internet Software | 351 | 352 | 417 | 394 |
| Online Services | 23 | 10 | 14 | 15 |
| Systems Software | 90 | 98 | 83 | 89 |

LTM TRANSACTION METRICS AS OF 06/30



Based upon Mosaic Capital research. Includes all companies with operations in a particular subsector. Valuation multiples include public transactions and premiums for control, which can vary significantly between public and private companies. Private company transactions also typically include valuation discounts for limited liquidity due to a lack of a public market.

About Mosaic Capital

Since 1989 Mosaic Capital LLC has assisted owners and managers of private and public middle market companies with the institutional private placement of debt and equity, mergers and acquisitions, valuations and strategic advisory services. Mosaic Capital is the California representative office of IMAP, a global organization of leading merger and acquisition advisory firms located in 30 countries. IMAP firms have completed more than 2,000 transactions exceeding \$60 billion in transaction value since 2000, and are ranked 4th worldwide in the Thomson Reuters league tables for 2010. The private placement of debt and equity is provided through our affiliate Mosaic Capital Securities LLC (member FINRA/SIPC).

Mosaic Capital is active in the following sub-sectors within the Software sector. We are available to discuss trends within these sub-sectors with owners and management teams, as well as their advisors.

Application Software, including:

- Drawing and Imaging Software
- Math and Science Software
- Office and Home Productivity Software
- Multimedia Software

Systems Software, including:

- Automation Products and Services
- Operating Systems
- Analysis Software

Online Services, including:

- Business to Business
- Content Delivery
- Web Hosting and Data Streaming

Internet Software, including:

- Browser Software
- Search Engine Software
- Website Management/Infrastructure Software
- Content Management Software
- VOIP Software
- Performance and User Tracking Software
- Plug-in Software

Home Entertainment Software, including:

- Educational and Training Software
- Computer Games
- Console Platforms

Healthcare Industry Software

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For more information contact Gordon Gregory, Garry Michael Kann or Stan Deakin at 310.432.6777

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