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October 6, 1999

Mr. Logan Wray
Sterling Software, Inc.
300 Crescent Court
Suite 1200
Dallas, Texas 75201-1000

Dear Logan:

At the request of Sterling Software, Inc. (SSI), Burton Grad Associates, Inc. (BGAI) has conducted a valuation study of the intangible assets acquired as part of its formerly named Information Management Group's (IMG) purchase of Information Advantage, Inc. (IA) as of the acquisition date of August 30, 1999, using the applicable SEC, AICPA and FASB valuation rules as of that date.

This study provides an assessment of the capitalizable values for the current Information Advantage products, each of which must be amortized over the expected economic life of the product.

The study also provides an assessment of the value of the acquired in-process research and development technologies from IA as they are planned to be used in new IMG products. Based on FAS2 rules regarding in process research and development work, this technology value must be expensed (written off), as of the date of the acquisition, if the technologies cannot pass FAS86 technical feasibility or meet achievable market value tests at that date.

After adjusting the total cost of acquisition for the net tangible assets less liabilities, and for the product and technologies values, the remaining purchase and acquisition costs are considered as other intangibles. These have been individually valued and their life expectancy determined so that these other intangibles can be capitalized and amortized over their appropriate economic lives.

The enclosed report provides the information and logic used in valuing the products, technologies and other intangibles. The appendices provide detailed back-up materials as well as including the spreadsheets used in performing the various calculations.

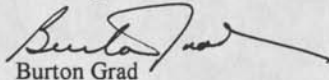
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BURTON GRAD ASSOCIATES, INC.

Certain Information Management Group (IMG) managers and other personnel have contributed by describing the planned new products and analyzing IMG's plans for the use of the acquired Information Advantage technologies; they have also assisted BGAI in understanding the current and new IMG products and their market potential, along with IMG's strategic plans. However, all projections of revenues and costs are the sole responsibility of BGAI and do not necessarily correspond with IMG's own projections.

Sid Dunayer, a BGAI Associate, also contributed to this analysis.

Sincerely,



Burton Grad

Enclosure

5077

cc: Paul Baker
Caroline Rook
Steve Wilkinson

**Valuation Report on Intangible Assets of
Information Advantage, Inc.
Acquired by Sterling Software, Inc.
Valued as of August 20, 1999**

Prepared for:

Sterling Software, Inc.
300 Crescent Court
Suite 1200
Dallas, Texas 75201-1000

Prepared by:

Burton Grad Associates, Inc.
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Burton Grad
Sidney J. Dunayer

Date:

October 6, 1999

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EXECUTIVE SUMMARY

At the request of Sterling Software, Inc. (SSI) and its previously named Information Management Group (IMG), Burton Grad Associates, Inc. (BGAI) has conducted a valuation study of the intangible assets acquired as part of the purchase of the assets and liabilities of Information Advantage, Inc. as of August 30, 1999 (the acquisition date), using the applicable SEC, AICPA and FASB valuation rules as of that date.

This study provides an assessment of the capitalizable values for the then current Information Advantage products. It provides an assessment of the value of the in-process research and development technologies acquired from Information Advantage as they were planned to be used by SSI in IMG's future products. It also assesses the value of the other intangibles acquired from Information Advantage.

To perform the study, BGAI worked with the information requested from and provided by Information Advantage and IMG. A number of people at IMG were interviewed in order to gather additional information and to understand IMG's planned strategies and directions.

In allocating the total intangibles acquisition costs, BGAI has examined all of the products and technologies which Information Advantage was marketing or had under development as of the date of acquisition. BGAI then valued each of these intangible assets in terms of the strategic and tactical plans which IMG had formulated for future sales of the existing Information Advantage products and for incorporating the available and in-process Information Advantage technologies into new products to be marketed by IMG. BGAI also examined the nature and size of the other intangible assets obtained through the acquisition. The sum of these values must equal the total intangibles acquisition costs.

The current Information Advantage products have been valued. Product valuations are based on a projection of revenues and operating costs for each Information Advantage product which IMG will continue to market and support.

The assumptions for and results of these calculations for the Information Advantage products are shown in Section V. The results are summarized here:

Current Products	Capitalizable Value (\$000)	Amortization Life
Portal (Content Server)	1,027	3 years
Report Server	3,793	3 years
Cube Server (Eureka:Analyst)	2,604	5 years
ROLAP	5,375	3 years
Q&E	693	5 years
IQ Classic	3,733	5 years
Total	17,226	

The total value of these products is \$17,226,000; each should be capitalized individually and amortized over the stated number of years starting with the date of acquisition, on a straight line basis.

There were four significant in-process development projects at Information Advantage; they will become the basis for four corresponding new products, each of which will depend significantly on the in-process technologies acquired from Information Advantage. BGAI has determined the value of the total Information Advantage technology contributions by preparing revenue and operating cost projections for these new products and has then allocated the NPV of the operating income appropriately to the contributions from the Information Advantage and IMG core technologies and the contribution of the Information Advantage in-process technologies. A further reduction in value was made to reflect the percent not yet completed of these new products as of the acquisition date.

The assumptions for and results of the calculations for the value of the acquired Information Advantage in-process research and development technologies as incorporated into the intended new products are shown in Section VI. The results are summarized here:

New Products (\$000)	Total Product Value	IA Core Technologies Value	% Non-Complete Value	Information Advantage In-Process Technology Value
Eureka:Portal	18,604	4,465	5,373	8,766
Eureka:Reporter	9,331	3,173	1,724	4,434
Eureka:Strategy	37,194	3,719	3,348	30,127
Eureka:Intelligence	19,064	14,298*	1,048	3,717
Total	84,192	11,357	11,493	47,044

* IMG Core Technology Value, not included in IA Core Technologies total

The in-process technology value of \$47,044,000 must be expensed per FAS2 rules on research and development expenses, as of the date of acquisition, since the products which will incorporate these technologies did not yet meet FAS86 qualifications for development capitalization as of the date of acquisition.

The total measured value from products and technologies is \$64,270,000. To determine the residual value to be capitalized as other intangibles, this figure was deducted from the net intangible asset purchase value; this was computed by adding the acquisition costs to the purchase price and then adjusting for the net value of the tangible assets (tangible assets less tangible liabilities). SSI has determined the total value is \$198,332,000 after computing the total acquisition costs on a preliminary basis. The intangibles value is \$182,495,000 after deducting \$15,837,000 for the net tangible value.

The residual value of the other intangibles is \$118,225,000 consisting primarily of avoided employee costs, customer relations, core technologies and going concern/goodwill. These values are determined in Section VII.

Other Intangibles	Value of Intangibles (\$000)	Amortization Period
Retained Employees	11,070	8 years
Customer Base Value for other IMG Products	0	--
Other Technologies	11,357	10 years
Going Concern/Goodwill	95,798	10 years
Total	118,225	

The total value of other intangibles is \$118,225,00. We recommend that these individual values be amortized on a straight line basis over the periods noted above.

These values and amortization periods represent BGAI recommendations to SSI for its allocation of the Information Advantage intangible asset purchase value among products, in-process R&D technologies and other intangibles.

SECTION I. Objectives and Work Process

As requested, Burton Grad Associates, Inc. (BGAI) performed a valuation of the intangible assets obtained by Sterling Software, Inc. (SSI) and its Information Management Group (IMG) in the acquisition of Information Advantage, Inc. (Information Advantage), a Minnesota-based provider of software products and related services used for business intelligence and enterprise scalable on-line analytical processing tools.

The Information Advantage intangible assets consist of software products and in-process R&D technologies related to business intelligence systems and of other intangibles like an assembled work force, an active customer base, etc.

The technologies incorporated in the existing Information Advantage products and the other technologies under development by Information Advantage will be of significant value to SSI/IMG in its future technical product plans for worldwide markets. This is in addition to the value of the current Information Advantage software products.

BGAI has been requested to determine the value of the products, technologies and other intangibles acquired by SSI/IMG from Information Advantage. These assets may then be capitalized or written off as of the acquisition date according to appropriate SEC, FASB and other relevant accounting rules for the allocation of acquired intangible assets.

SSI retained BGAI because of BGAI's extensive experience over the last 18 years in valuing software companies and their assets. BGAI will perform this independent valuation using generally accepted valuation techniques. These valuations may be used by SSI to support financial (book) capitalization/amortization for software products, in-process technology write-offs and for capitalization/amortization of other intangibles.

The work was performed by Burton Grad, president of BGAI, and with assistance from Sidney Dunayer, a BGAI Associate. Their profiles are enclosed as Appendices A-1 and A-2.

Work Plan

BGAI performed the valuation study following these steps:

1. SSI/IMG collected materials related to Information Advantage and IMG as specified by BGAI which provided the basis for the valuation study. The list of materials requested and provided is shown in Appendix B-1.
2. BGAI examined these materials and conducted telephone interviews with selected IMG personnel (Appendix B-2) to obtain information not available from the source materials or to amplify or clarify these materials.
3. BGAI used selected valuation methodologies (principally net present value of projected cash flow; replacement costs of work force, etc.) and analyzed materials and interview notes so as to construct the valuation models needed.

4. For these models, key valuation factors were determined including historic customer revenues, operating costs, maintenance renewal rates, NPV factors, projected tax rates, etc. Using these factors, the recommended product and technology values were determined.
5. For the other intangibles, appropriate models were constructed using information on personnel, customers, etc. These provided the means for valuing these other intangible assets.
6. A valuation report was first delivered in draft form to ensure that all information was accurate and complete and that the logic and calculations used were clear. Then the final report was prepared and submitted, including appropriate appendices.

SECTION II. Description of the Acquired Information Advantage Business

Information Advantage, Inc. (Information Advantage) was a software products and professional custom services company, headquartered in Minneapolis, Minnesota, which specialized in developing and marketing software products and related services to provide customers with business intelligence and enterprise scalable on-line analytical processing tools.

A. Products

As of the acquisition date, Information Advantage had the following principal products: Portal, Report Server, Cube Server, ROLAP, Q&E and IQ Classic.

Appendix C-1 provides a more detailed description of the current Information Advantage products.

B. Technologies

Information Advantage had four principal new products in active development prior to the acquisition date: Wolf, Raptor, Tahoe and Pangaea were the code names.

Appendix C-2 provides a more detailed description of the in-process technologies and products which Information Advantage was developing prior to the acquisition.

C. Customer Base

As of the acquisition date, Information Advantage had approximately 3,000 customers who were active users of Information Advantage software products.

D. Operations

Information Advantage had its principal headquarters in Minneapolis, Minnesota with sales, services and support operations throughout the world, primarily using representatives outside North America. Organization charts are shown in Appendix C-3.

E. Financials

Information Advantage had previously been a growing but only marginally profitable organization. Appendix D provides the financial results from Information Advantage for IA's fiscal years 1997 through 1999 (ending January 31).

SECTION III. SSI Strategic Plans for Use of Acquired Information Advantage Assets

A. Related IMG Products and Services

None of the currently available IMG products directly relate to the business intelligence and analytical processing software market. One product, Kaleidoscope, is under development. This will tie in with the business intelligence marketplace.

B. IMG Strategies for Information Advantage Current Products

IMG reviewed each of the current Information Advantage products and had determined, as of the acquisition date, its strategic plan for each of these products: Portal, Report Server, Cube Server, Rolap, Q&E and IQ Classic.

C. IMG Strategies for Information Advantage In-Process Research and Development Projects

IMG reviewed each of the Information Advantage in-process development projects and had determined, as of the acquisition date, its strategic plan for incorporating these technologies in new or extended IMG products: Portal, Reporter, Strategy and Intelligence. The in-process work on Forecasting will be abandoned.

D. IMG Strategies for Information Advantage Customers

IMG plans to try to support and retain the customers for Cube Server (to be called Analyst), Q&E and IQ Classic. The customers for the other products (Portal, Report Server and Rolap) are to be migrated seamlessly to the new advanced versions of these products (Portal, Reporter and Strategy). The new product, Intelligence, will be sold to existing IA customers and to SSI customers and new prospects.

E. SSI Reorganization of IMG

To get most effective use of the previous IMG products and technologies and the new Information Advantage products and technologies, SSI will reorganize the former Information Management Group as follows:

- The new group will be called the Business Intelligence Group (BIG).
- There will be an Information Management Division retaining most of the previous IMG products, plus acquiring Q&E and IQ Classic from Information Advantage.
- There will be a new Business Intelligence Division which will be principally comprised of the former Information Advantage organization in North America and will pick up all of the remaining Information Advantage product; it will all use the Eureka family name: Portal, Reporter, Strategy, Intelligence and Analyst will be the product names.

SECTION IV. Valuation Methodologies

The general asset valuation process for acquired intangible assets (after deducting the value of the tangible assets less liabilities) is:

1. Determine valuation of those specific intangible assets (current products, non-compete agreements) to be capitalized and amortized over their economic life
2. Determine the proper value of in-process research and development projects which are to be written off at acquisition
3. Subtract the sum of the results contained in steps 1 and 2 from the total intangible asset value and allocate the remainder over the other intangible assets to be capitalized and amortized over their appropriate economic life.

There are three principal valuation techniques which can be used for valuing the intangible assets (products and technologies) of computer software and services companies:

- **Valuation of Projected Operating Profit Stream**

What would an independent buyer pay for the projected profit stream from the assets to produce a fair rate of return on the investment, considering the risk involved? Valuation is based on revenue, cost and profit projections using revenue history, competitive position, market opportunities and realistic profitability expectations.

- **Resale Value of the Assets**

What would an independent buyer pay for similar products and other assets based on current market values and recent acquisitions? Valuation is based on: comparable private and public asset acquisitions; price/earnings and price/revenue ratios of public companies in comparable businesses. These values need to have appropriate adjustments for special circumstances and balance sheet tangible values.

- **Reconstruction Costs**

What would a third-party have to pay to reconstruct equivalent products or technologies given reasonable technical skills and market knowledge? Valuation is based on design concept, number and size of programs, complexity of programs, languages and operating systems used. The actual costs incurred to acquire or develop the products and technologies is considered along with estimated reconstruction costs. Other implied costs due to market timing, product quality, etc. are also considered.

Each of these methods has to be used with appropriate consideration of business history, future risk, market direction, product and service quality and balance sheet elements. In each case, there are specific procedures to be followed so as to produce consistent valuations.

Statements regarding SEC rules (late 1998 and 1999) have significantly revised the intangible asset valuation procedures. Below is listed a summary of the current SEC rules as analyzed by BGAI with concurrence from SSI's auditors:

- **Product Valuation**

- ▶ All currently available products or products which have passed FAS86 tests at seller should be capitalized unless they are not going to be supported after acquisition.
- ▶ No future planned enhancements to capitalizable products can be included in the product valuation.
- ▶ Any enhancement work in process can be used for R&D writeoff as for other IPR&D technologies.
- ▶ Product life, without enhancements, must be determined for amortization purposes

- **In-Process R&D Valuation**

- ▶ Only current IPR&D projects at seller, which have not yet passed FAS86, may be considered for technology writeoff.
- ▶ Must assign percentage of value to core technologies used in these IPR&D projects (i.e., reuse of previously delivered technologies, beyond use of their functional specifications).
- ▶ Can only allocate percentage of project completed (per \$ of development) as in-process technology suitable for writeoff.
 - Percentage completion relates to whether the project is still qualified as in-process R&D. Therefore, the ability to pass FAS86 (technical feasibility and sufficient market value) is considered the completion point.
 - All expected development costs after FAS86 qualification until completion should be explicitly charged as part of the product cost projections. These development costs after FAS86 will be treated as cash flow operating costs until delivery, even though they will be capitalized and must be explicitly deducted from the projected revenues.
- ▶ Must explicitly consider various development and marketing risk factors (complexity, schedule, resources, etc.) in projecting revenues and costs and in selecting the discount rate.
- ▶ Discount rate should consider company and industry historic rate of return on capital and cost of obtaining capital, and must reflect the risk of not achieving projecting operating income.

- ▶ Should show completion percentage reduction explicitly in NPV calculations on a year-by-year basis.
- ▶ The life of each product qualified for technology writeoff must be determined, without consideration of future enhancements.
- **Other Intangible Assets**
 - ▶ Must be explicitly valued where possible
 - ▶ Include customer relations, assembled work force, developed technologies
 - ▶ Infrastructure, trade names, patents, copyrights, etc. should also be valued
 - ▶ The economic life needs to be projected for each of these other intangibles to determine its amortization period.
 - ▶ All valuations need to be on a fair value basis: would any qualified, competent buyer put a similar value on the acquired intangibles? This means that any price paid by the buyer beyond that which would have been paid by any other qualified, competent buyer may have to be capitalized as goodwill.

The specific valuation procedures used in this project are described in the following subsections.

A. Software Products Valuation

Usually, neither reconstruction cost nor comparable company market value provides an appropriate valuation methodology for the value of the current products acquired.

Therefore, for software products, BGAI computes the net present value of the projected operating income stream over the expected economic life of the specific products which the seller was marketing as of the acquisition date and which the buyer expects to continue to market and support.

There are four primary steps in determining the net present value of the projected profit to be earned by sales and recurring revenues from the current products to be marketed.

1. Establish the Available Market Opportunity

Information is collected regarding the market opportunities for these types of products with consideration of prospective growth and competition on different platforms for various functions and markets. Competitive and technology factors are also considered.

2. Prepare Product Unit Forecasts and Estimate Revenue

Using management information and financial records as a basis, the sales history for the available products is examined. From this work, a profile of each product is built and used as a basis for BGAI forecasting. To produce realistic future sales projections, this is overlaid with the data derived from the market opportunity analysis and specific Buyer marketing plans.

3. Project Operating Costs and Pre-Tax Operating Profits

Seller, buyer and industry historic operating costs are analyzed to project future costs. This yields a projected operating profit stream.

4. Determine Economic Life and Compute Net Present Value

The NPV calculations are based on the use of a selected discount rate, adjusted to the investment being made at the midpoint of each year. The figure selected is based on the level of risk in the BGAI forecasts; it considers, but does not necessarily match, the company's historic/projected rate of return on investment.

The marketable economic life for each product is determined, based on the market opportunity, sales history and experience, product currency, competition, expected technological developments and buyer strategy. We believe that a five-year life is realistic for the principal acquired Information Advantage product, as shown in Section V.

The effective tax rates for North American profits (Federal and state) and for international profits have been projected by the Buyer's financial management.

The NPV calculations are made based on projected cash flow after tax adjustment over the economic life of the products. A straight line (or revenue-ratio) amortization method can be used for each product, based on its marketable economic life and its operating income pattern. Section V and its related Appendices shows this product valuation process in detail.

B. Acquired Technologies Valuation

Whether particular acquired technologies which are included in the new products can be expensed as in-process research and development depends on the intended use by the acquirer and whether technological feasibility has already been demonstrated for the future products which will incorporate these technologies per FAS86 rules. The technology values are not limited to the actual cost of development to date, but should reflect the value to the acquirer for the acquirer's intended uses.

BGAI analyzes each of the planned future products to determine if it has already met the FAS86 technology feasibility rules for capitalization. If not, the value, adjusted for percent completed as of the acquisition date and for any reuse of previous core technologies, must be written off at the acquisition date because of FAS2 rules on not capitalizing in-process research and development costs.

The primary method used for valuing acquired technologies intended for future use is a projected cash flow-based valuation using the projected operating income for the new products. Comparable market value is not particularly useful in this situation. Reconstruction costs can be considered by examining the money spent on the technologies, as of the acquisition date to determine if this is a reasonable amount compared to the work performed and market timeliness.

The projected operating income stream approach requires analyzing the specific future product to be produced and marketed using the acquired technologies; a projection is then made of the revenues, costs and operating income from this future product. The net present value of the resulting operating income stream is calculated over a realistic economic life to produce the valuation figures.

There are four primary steps in determining the net present value of the projected operating income to be earned by sales and recurring revenues from the new products to be completely marketed.

1. **Establish the Available Market Opportunity**

Information is collected regarding the market opportunities for these new products with consideration of prospective growth and competition on different platforms for various functions and markets. Competitive and technology factors are also considered.

2. **Prepare Product Forecasts and Estimate Revenue**

Using management and market studies and market knowledge, a profile of each product is built and used as a basis for BGAI forecasting. To produce realistic future sales projections, this is overlaid with the data derived from the market opportunity analysis and specific acquirer marketing plans.

3. **Project Operating Costs and Pre-Tax Operating Income**

Seller, Buyer and industry historic operating costs are analyzed to project future costs. This yields a projected operating income stream.

4. **Determine Economic Life and Compute Net Present Value**

The NPV calculations are based on the use of a selected discount rate, adjusted to the investment being made at the midpoint of each year. The figure selected is based on the level of risk in the BGAI forecasts; it considers, but does not necessarily match, the company's historic/projected rate of return on investment.

The figures for the NPV discount rate are determined for the technologies, considering in each case the special business risks. The effective tax rates are provided by the acquiring company. We have used ten years as the marketable economic life for the planned new products using the acquired technologies, including the sunset maintenance period.

Section VI and its associated appendices show the process and calculations for the new products which will use the acquired Information Advantage IPR&D technologies.

C. Risk Levels in BGAI Forecasts for Acquired Products and Technologies

BGAI's practice is to prepare its own revenue forecasts and cost projections for each qualified in-process and planned product, rather than use the assumptions and projections prepared by the acquirer of the assets (buyer).

In general, BGAI sets a blended discount rate considering the cost of borrowing money for the acquirer, the historic and planned rate of return on investment for the acquiring company and for similar companies in this marketplace and the anticipated technical and market risk.

The BGAI forecasted revenue and operations costs were consistent with the identified level of risk, using conservative business assumptions. In preparing its revenue forecast and projected operating costs, BGAI has carefully considered, for each in-process product, its stage of completion, complexity of work completed, difficulty of completing the work in a timely fashion, technological uncertainties, and any other relevant factors which would increase the risk to timely, successful technical completion and market success.

D. Core Technologies and Percent Completion Adjustments

The SEC states that the value of core technologies is reflected in those products which currently contain those technologies. If a new product will directly reuse previously released programs and there are no significant technical risks in this reuse, then the value of the contributions of this core technology has to be excluded from the value of the acquired technologies.

If a new product just uses similar functionality to that in an existing released product, but it has to be rearchitected, restructured, redesigned, reprogrammed and retested, then this does not constitute reuse of core technology, but rather should be considered part of in-process R&D work and treated accordingly for valuation and FAS2 write off.

In this situation, Information Advantage had significant predecessor products and, hence, substantial core technologies. These have to be taken into consideration.

The new products which were under development at Information Advantage as of the date of acquisition contain IPR&D technologies which Information Advantage had designed and was implementing. The SEC rules require that the only value which can be assigned to these IPR&D technologies must be based on the percent of the work completed as of the acquisition date. BGAI examined the cost to the acquisition date incurred by Information Advantage for each new product and the remaining cost to SSI to complete detailed design or operational prototypes to an acceptable FAS86 technical level. The ratio of costs to the acquisition date versus the total projected costs to the FAS86 date was used to compute the adjusted NPV for the new product. The further development costs required to prepare the new products for general release were explicitly considered in the cost projections.

E. Other Intangible Assets

The principal other intangible assets acquired from Information Advantage are:

- trained personnel
- established customer base as a source for current IMG product revenue
- other technologies as a source for future IMG product revenue, including the value of core technologies for future products
- effective infrastructure and operational procedures (going concern and goodwill)

The elements of infrastructure, name recognition, channel relationships, business procedures, etc. are of value to SSI, although SSI already has many of these capabilities in most locations. SSI will integrate the retained Information Advantage organization into a new Business Intelligence Division, into a reconstituted Information Management Division and into a new International Business Intelligence Division business.

The valuation procedures used for the other intangible assets are described in detail in Section VII.

SECTION V. Valuation of Acquired Information Advantage Products

The valuation methodologies and principles as described in Section IV A are applied in this section to the products acquired from Information Advantage.

A. SSI Plans for Acquired Information Advantage Products

As described in Section III, IMG intends to actively market the following current Information Advantage products: Portal, Report Server, Cube Server, Rolap, Q&E and IQ Classic. These software products will be valued in this section.

B. Valuation Procedure

The valuation for the Information Advantage products (we have continued to use the old names) follows the methodology described in Section IV A:

- Market Opportunity
- Revenue Forecasts
- Cost and Operating Income Projections
- NPV over Economic Life

C. General Assumptions Used in the Valuation

In producing the revenue forecasts, operating cost estimates, operating income and net present values, a number of business assumptions have been made by BGAI. The general assumptions are listed below:

1. The market for high function business and enterprise intelligence software products will grow to far more significant levels during the next few years, and IMG will get a meaningful share of this marketplace.
2. International and North America may grow in a somewhat different fashion for each product because of Information Advantage's different installed positions.
3. Professional Services will be a substantial revenue source for some of these products, but will tend to be used principally when the products are originally installed.
4. BGAI has used a three-year or five-year projection for each product starting October 1, 1999.
5. Operating income ratios will improve for the products over the first few years of the three or five-year planning horizon, reaching and holding levels well above industry averages. This is because IMG has successfully run a high margin business and will not spend a large amount of money on marketing or development of these older products.
6. No inflation or deflation factors will be used for costs or for product or service prices.

7. The product users will be charged for maintenance and support; since many customers will continue to use these offerings for at least some of the forecast years, the maintenance revenue will be significant in spite of migration to the identified new products.
8. A tax rate of 38% will be applied against all North American operating income and 30% against International operating income.
9. A discount rate of 15% will be used and applied to the after-tax operating income to compute the net present value. We consider the product forecasts to be relatively low risk.

D. Market Plans for Current Information Advantage Products

1. Portal was a recently developed product based on Content Server which was only sold in North America during SSI FY99. With a relatively small installed base of only 150 customers, migration to the new version will occur fairly rapidly after general delivery of Eureka:Portal in December 1999, and new sales will be limited to FY00.
2. Report Server was a very well-established older product (1,200 customers) which will migrate to the new version (Eureka:Reporter) which has a 3/00 general delivery. New sales will continue only through FY00.
3. Cube Server (Eureka:Analyst) is to be little changed so customers will not need to migrate to a new version.
4. Rolap was a well-established (140 customers), high-priced product which will migrate to the new Eureka:Strategy. This product has a general delivery date of 3/00. New sales will only continue through FY00.
5. Both Q&E and IQ Classic will be retained as essentially maintain-only product; there are no planned follow-on products.

The current products fall into two categories: those that will be replaced within the next 3-9 months by new products and those that will continue to be sold as a primary functional offering. Portal, Report Server and Rolap will be replaced by new Eureka products and, hence, will have a relatively short economic life (three years). Cube Server, Q&E and IQ Classic will not be replaced and are expected to have a five-year economic life.

The specific revenue forecasting assumptions for each product are identified in detail, and the revenue forecasts for the six current Information Advantage products which will continue to be supported are shown in Appendix F in Tables 11-14, 21-24, 31-34, 41-44, 51-54 and 61-64.

E. Revenue Forecasts for Information Advantage Products

Based on historic financial information provided by Information Advantage, BGAI established IA fiscal year 1998 and 1999 revenues for the Information Advantage products and projected SSI FY99 revenues (see Appendix E).

Next, BGAI took the SSI FY99 revenues for each product and broke down the North American and International figures between direct sales and indirect (channel) sales for new licenses, add-ons, services and maintenance. This provided us with a foundation for projecting new sales and ongoing revenues.

The results of these calculations for the Information Advantage products show revenues as follows:

(S000)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	Total
Portal						
North America	3,318	1,478	887	0	0	5,682
International	439	94	56	0	0	589
Total	3,757	1,571	943	0	0	6,271
Report Server						
North America	10,136	6,154	3,382	0	0	19,672
International	2,202	885	486	0	0	3,573
Total	12,338	7,039	3,868	0	0	23,246
Cube Server						
North America	2,667	3,064	2,865	2,112	1,280	11,988
International	1,064	1,237	1,152	836	494	4,784
Total	3,731	4,302	4,017	2,948	1,774	16,772
ROLAP						
North America	14,903	8,077	4,438	0	0	27,418
International	3,733	991	522	0	0	1,574
Total	18,636	9,068	4,961	0	0	32,665
Q&E						
North America	778	759	705	648	535	3,424
International	244	238	221	202	167	1,072
Total	1,021	997	926	851	701	4,496
IQ Classic						
North America	3,857	3,767	3,583	3,368	2,788	17,363
International	1,500	1,465	1,393	1,310	1,084	6,752
Total	5,357	5,232	4,976	4,678	3,873	24,115
Total	44,840	28,210	19,690	8,477	6,348	107,565

F. Costs and Operating Income Projections

Information Advantage's operating costs for 1998 and 1999 do not necessarily provide a useful guide as to the costs which SSI/IMG will incur in marketing and supporting the Information Advantage products. IMG's own experience provides a somewhat better starting point. BGAI has used IMG as a partial model for both North America and International cost projections.

In projecting the operating income for Information Advantage products, BGAI has used the cost to revenue ratios which is shown in Tables 15-16, 25-26, 35-36, 45-46, 55-56 and 65-66 of Appendix F for each product.

G. Net Present Value Calculations – Information Advantage Products

The figures from the revenue and cost tables have been used in Appendix F, Tables 17, 27, 37, 47, 57 and 67 to calculate the net present value of each of the current Information Advantage products. A tax rate of 38% has been used for the North American operating income and 30% for the International operating income. An after-tax discount rate of 15% has been used to recognize cost of money and rate of return for SSI and the expected risk in this forecast of revenues and costs. Table 18 provides an overall summary of the net present values for all of the products.

Net Present Value (\$000)	North America	International	Total
Portal	917	110	1,027
Report Server	3,137	656	3,793
Cube Server	1,795	809	2,604
ROLAP	4,396	980	5,375
Q&E	512	181	693
IQ Classic	2,594	1,139	3,733
Total	13,351	3,875	17,226

The value of \$7,030,000 should be capitalized and amortized over five years on a straight line basis for Cube Server, Q&E and IQ Classic. The value of \$10,195,000 should be capitalized and amortized over three years on a straight-line basis for Portal, Report Server and Rolap.

The total net present value of the six current Information Advantage products which will be actively marketed by IMG is \$17,226,000.

SECTION VI. Valuation of Information Advantage Technologies

The technologies valuation methodology and principles as described in Section IV B, C and D are applied in this section to the value of the new products which were being constructed by Information Advantage using technologies which are still considered in-process research and development.

A. Technologies Assessment Principles

Information Advantage was developing certain new technologies which are of substantial value; they will enable IMG to complete and deliver key new enterprise networking products in a much more timely fashion than if IMG had to specify, design, build and test the comparable technologies needed to construct these new products.

SSI determined the price it was willing to pay for the Information Advantage assets not just by considering the value of the current product business, and the trained employees and customer base, but also by what it believed would be the value of the in-process Information Advantage technologies, giving significant weight to the new enterprise networking technologies which Information Advantage had under development.

Therefore, to assist in the allocation of the acquisition purchase price, BGAI has assessed the value of the in-process technologies based on IMG's specific plans, as of the acquisition date, for development and marketing of new products and related services using the acquired Information Advantage technologies. BGAI has projected the revenues, costs and operating income for the new products and related services to determine the net present value for the IPR&D.

Based on the rules of FAS2, any acquired in-process research and development work which cannot yet meet appropriate technical and market tests (as stated in FAS86) must be expensed on a current basis. Since the new IMG products using the acquired new Information Advantage technologies have not yet been detail designed or prototyped, they cannot meet the FAS86 technical tests at this time and, therefore, the acquired technology values must be expensed (written off) as of the date of acquisition. However, these NPV assessments must be reduced to reflect the percentage of work not yet completed for the products as of the date of acquisition and the degree to which they incorporate core technologies from predecessor Information Advantage and IMG products.

B. Specific Information Advantage Technologies Assessment

There are four new in-process Information Advantage products which will be produced, marketed and supported by IMG. These new products will all use acquired Information Advantage technologies; one will also use a predecessor IMG technology.

The total value of the acquired Information Advantage technologies is determined by calculating the net present value of each new product and then reducing this value for the core technologies contribution and then further reducing the remaining value for the percent not yet completed by Information Advantage as of the date of acquisition.

BGAI worked with materials provided by IMG and Information Advantage as well as communicating extensively with representatives from IMG and Information Advantage to understand the use of the in-process Information Advantage technologies for the new IMG product.

C. IMG Information Supplied

Information on market opportunities was obtained from Information Advantage materials and from IMG for the new products. Consideration of these and other technical, market, competitive and business factors were used by BGAI in setting its own assumptions to determine the BGAI projected operating income for the new product and related services. IMG provided:

1. Schedules for when the new products will be able to pass FAS86 tests and when they will be generally released (available for delivery).
2. Pricing plans for new licenses, upgrades/add-ons, maintenance and related professional services.
3. Estimates of the number of new customers and license revenues during the first and subsequent years after release.
4. Projections of the ratio between upgrades/add-ons and the installed base.
5. Projections of the ratio of professional services revenue to new license revenues.
6. Projections of the initial acceptance rate of maintenance on both new licenses and on upgrades/add-ons and projections on maintenance erosion rates after the first license year.
7. Views on marketable product life for new customers and continued support of those customers. Views on migration of customers from current products to new, replacement products.
8. Separate plans and projections for both North American and International markets for all of the above questions to identify any differences between the North American markets and projections and International markets and projections.
9. Estimates of expected costs for North America and International. The classification of costs is:
 - Cost of revenues (for new licenses, maintenance, services)
 - Marketing, sales and support
 - Research and development
 - General and administrative

All of the information supplied by IMG for the new product valuation in this Section has been carefully reviewed and used by BGAI as a reference for BGAI's own assumptions.

D. BGAI General Assumptions

In producing the revenue forecasts, operating cost estimates, operating income and net present values, a number of business assumptions have been made by BGAI. The general assumptions are listed below:

1. The market for business and enterprise intelligence software products and services will grow substantially, and IMG will get a reasonable share of this marketplace.
2. International and North America will vary somewhat in size in adopting business intelligence products.
3. Installation, training and usage assistance services will be a substantial revenue source for this market; these services will be used principally when the products are originally installed.
4. BGAI plans to use a ten-year projection starting 10/1/99 for new products; new customers for the new products will decline during the latter part of the period as the market becomes saturated and/or replacement technologies obsolete these products.
5. Operating income ratios will generally increase for the new products and services over the first few years of the ten-year planning horizon, reaching levels well above industry averages, but similar to the ratios for other IMG products.
6. No inflation or deflation factors will be used for costs or for product or service prices.
7. The new IMG products will be priced, at least partly, on a per-server and per-client basis so that upgrades and add-ons will constitute significant additional revenues.
8. Customers for these products will be charged for maintenance and support; since most customers will continue to use these offerings for many years, the maintenance revenue will be very significant.
9. A tax rate of 38% will be applied against all North American operating income and 30% against all International operating income.
10. A discount rate of 20% will be used and applied to the after-tax operating income to compute the net present value. BGAI has prepared all of the forecasts, and believes that these forecasts are consistent with this level of risk.

E. Market Opportunities

The market opportunities for each of the new products are described in more detail in Appendix C-2. Business and enterprise intelligence products will become an even more significant business opportunity over the next few years. By being timely to market with high function, high performance products, IMG should be able to obtain a reasonable share of the market, even against tough competition.

F. Revenue Forecast

The revenue forecasts for the four new products are constructed in Appendix H, Tables 11-12, 21-22, 31-32 and 41-42 (North America) and Tables 13-14, 23-24, 33-34 and 43-44 (International). BGAI has assumed a relatively slow start for each product in FY00, primarily from customers who are already users of other IA products. Growth in 2001-2004 will be quite strong, and then slow down and in 2005 and 2006. After 2006, there will be few new sales.

Services will vary significantly, product to product, and for direct versus indirect (channel) sales.

Add-ons/upgrades will be significant for all products, but will be much stronger for certain products, accounting for as much as 50% of the new license value of the installed base each year. For example, this is computed as 280% of the remaining maintenance each year (50% divided by the 18% maintenance fee equals 280%). Other products and categories will grow much more slowly from add-ons, at the 10% per year level. This would show up as a 56% figure (10% divided by 18% is 56%).

Maintenance/support revenues will be very significant, particularly in the latter years of the forecast. BGAI has assumed 95% or somewhat similar values for all four new products:

- Retention rates of 95% or 90% each year for five or six years and then dropping gradually to 60% for the last year
- 18% maintenance/support fee based on the then current new license charge
- 100% acceptance of maintenance/support agreements by new customers

The results of these revenue calculations are summarized below:

Eureka:Portal											
(\$000)	FY00	FY01	FY 02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	Total
North America	2,079	5,423	8,525	12,957	18,715	24,524	30,723	35,466	37,339	33,694	209,447
International	1,106	2,258	3,625	4,908	6,606	8,748	10,972	12,683	13,353	12,050	76,309
Total	3,185	7,682	12,150	17,866	25,322	33,273	41,695	48,149	50,691	45,744	285,756

The total worldwide revenues for Eureka:Portal are forecast by BGAI to be \$285,756,000.

Eureka:Reporter											
(\$000)	FY00	FY01	FY 02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	Total
North America	3,005	6,048	8,357	11,452	12,188	11,107	10,486	8,091	6,235	4,118	81,088
International	1,404	2,044	2,794	2,928	2,741	2,045	1,814	1,233	950	627	18,581
Total	4,409	8,092	11,151	14,380	14,930	13,152	12,300	9,324	7,185	4,745	99,669

The total revenues for Eureka:Reporter are forecast to be \$99,669,000.

Eureka:Strategy											
(\$000)	FY00	FY01	FY 02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	Total
North America	7,300	16,657	26,908	37,757	48,010	53,570	56,542	50,130	43,934	33,003	373,811
International	1,756	4,056	6,728	8,598	10,823	11,267	10,920	9,837	8,621	6,476	79,081
Total	9,056	20,713	33,636	46,355	58,833	64,838	67,461	59,966	52,554	39,479	452,892

The total revenues for Eureka:Strategy are forecast to be \$452,892,000.

Eureka:Intelligence											
(\$000)	FY00	FY01	FY 02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	Total
North America	2,756	8,578	14,983	19,877	24,268	26,506	24,535	19,556	14,075	9,707	164,839
International	1,362	3,327	5,302	7,011	8,255	8,790	7,805	6,632	4,773	3,292	56,549
Total	4,118	11,905	20,285	26,888	32,523	35,296	32,340	26,187	18,848	12,998	221,388

The total revenues for Eureka:Intelligence are forecast to be \$221,388,000.

The total revenues for all of the new IA technology-based products are forecast to be \$1,059,704 over the ten-year forecast period.

G. Cost and Operating Income Projections

Appendix H, Tables 15-16, 25-26, 35-36 and 45-46 show the assumptions made in calculating the operating costs for the new products. The cost models used were based on IMG's experience with other information management products. From relatively high cost ratios in FY00-FY02 (primarily because of small initial sales), BGAI believes that the cost ratios will drop to come close to the usual IMG levels and hold at these levels throughout the ten-year forecast period. For consistency, BGAI has used relatively similar cost ratios for all four new products for both North America and International, but has used somewhat different cost ratios for direct and channel sales.

H. NPV Calculations

Appendix H, Tables 17, 27, 37 and 47 show the NPV calculations for the new products. Using a 38% tax rate for North America and a 30% tax rate for International and a 20% discount rate to reflect the cost of money, the return on investment plus an appropriate risk factor, the worldwide NPV prior to adjustments is:

(S000)	North America NPV	International NPV	Worldwide NPV
Eureka:Portal	13,104	5,499	18,604
Eureka:Reporter	7,275	2,055	9,331
Eureka:Strategy	29,895	7,299	37,194
Eureka:Intelligence	14,062	5,002	19,064
Total	64,336	19,855	84,192

The total net present value of the new products was \$84,192,000.

I. Core Technologies Adjustment

In constructing three of these new products, IMG has planned to use substantial current program materials from previously released Information Advantage products. This re-use varies from simply utilizing requirements or functional specifications to actually incorporating the design and, in some cases, the program source code. Section IV D spells out the criteria used for determining whether the use of previously released programs constitutes re-use of core technologies. The definition used is:

- If the new product only uses requirements and functional specifications, then it does not constitute significant re-use of core technologies.
- If the new product uses design or code from a previously released program, then it is considered to be using an appropriate percentage of core technologies.

In the case of three of these new products, there were predecessor products to be considered: Portal, Report Server and Rolap.

For the other new product (Eureka:Intelligence), the predecessor product core technologies came from an IMG product (Kaleidoscope) which was not yet ready for release.

In conjunction with the IMG and Information Advantage development directors and the IMG and Information Advantage product development managers, BGAI reviewed all of the planned functional/technology elements of the new products and the corresponding elements for each of the current products as appropriate. Appendix G-1 provides definitions for the factors used.

Appendix G-2 shows the factors determined through the technical and marketing discussions and constructs a model to compute the significance of the contributions of the core technologies versus the new technologies. The results of these analyses are:

	Eureka: Portal	Eureka: Reporter	Eureka: Strategy	Eureka: Intelligence
% Core Technologies	24.0	34.4	10.7	75.0*
% New Technologies	76.0	65.6	89.3	25.0
Total %	100.0	100.0	100.0	100.0

* IMG Core Technologies

As shown in Tables 17, 27, 37 and 47 of Appendix H, the % core technologies factors are applied to the new product net present values to establish the values of the core technologies.

The value of the Information Advantage core technologies was determined to be \$11,357,000 which was deducted from the total net present value of the new products. This Information Advantage core technologies value should be considered as part of other intangibles and has been included in Section VII.

In addition, the core technologies value of the one related IMG product was \$14,298,000 which was also deducted from the net present value of the new products.

J. Percent Completion Adjustment

In addition to the core technologies adjustment, it is also necessary to reduce the value of the acquired IPR&D technologies to reflect the degree to which the development work had not yet been completed as of the acquisition date.

The new products which were under development at Information Advantage as of the date of acquisition contain IPR&D technologies which Information Advantage had designed and was implementing. The SEC rules require that the only value which can be assigned to these IPR&D technologies must be based on the percent of the work completed as of the acquisition date. BGAI examined the research and development cost incurred by Information Advantage to the acquisition date for each new product and the remaining cost to IMG to complete detailed design or operational prototypes to an acceptable FAS86 technical validation level. The ratio of the costs to the acquisition date versus the total projected costs to the FAS86 date was used to determine the % completed and to compute the adjusted NPV for the new products. The further development cost required to prepare the new products for general release had been explicitly considered in preparing the cost projections. Appendix G-3 shows these development plan calculations for each of the new products.

Using these values, BGAI determined that the products were completed to the degree shown as of the acquisition date. These percentage factors were used in Appendix H, Tables 17, 27, 37 and 47 to determine the NPV for the products after deducting the percent not yet completed:

	% Complete	Value of % Not Complete (\$000)
Eureka:Portal	61.9	5,373
Eureka:Reporter	71.7	1,724
Eureka:Strategy	90.0	3,348
Eureka:Intelligence	78.0	1,048
Total	—	11,493

As a result of this analysis and calculation, BGAI recommends that SSI use the following values for the acquired Information Advantage technologies to be used in the four new Eureka products:

(\$000)	Adjusted NPV North America	Adjusted NPV International	Adjusted NPV Total
Eureka:Portal	6,175	2,591	8,766
Eureka:Reporter	3,457	977	4,434
Eureka:Strategy	24,215	5,912	30,127
Eureka:Intelligence	2,742	975	3,717
Total	36,589	10,455	47,044

This total value of \$47,044,000 should be written off as of the date of acquisition as In-Process Research and Development under FAS2 rules. Table 18 provides a summary of all of these values by product.

SECTION VII. Valuation of Other Intangible Assets

In acquiring Information Advantage, SSI/IMG had six principal business goals:

1. Acquiring the current Information Advantage products to pick up their new sales and maintenance revenues
2. Acquiring the Information Advantage technologies specifically related to business and enterprise intelligence so that IMG could enhance its position as a major provider of information-related software products.
5. Acquiring trained technical staff and sales/marketing people to enable IMG to extend its entry into this market more rapidly, effectively and efficiently
6. Acquiring the customer base which will provide buyers for current and future IMG product offerings
7. Acquiring other Information Advantage technical knowledge and experience from previous products which should assist in other IMG products (e.g., developed technologies)
8. Acquiring the going concern practices and procedures and goodwill

In valuing each of these primary intangible assets one must be especially careful to identify the value as of the acquisition date and to avoid double counting the same benefit:

- Item 1 refers to the value of the existing products as of the acquisition date. The Information Advantage products were valued in Section V.
- Item 2 (IPR&D Technologies) has been valued in Section VI; it only includes the percent already completed of the in-process R&D efforts and excludes the core technologies contributions.
- Item 3 (assembled work force) refers to the costs avoided by IMG by acquiring the trained staff. All retained employees will be considered. These cost savings do not overlap other benefits.
- Item 4 (Customer Base) has its principal value in providing increased potential for these customers to purchase other IMG products.
- Item 5 refers to all acquired technologies which were available, but have not been valued in a specific marketable future product. This principally includes the value of the other uses for the ROLAP core technologies.

- Item 6 is a potpourri of all of the other intangible assets acquired by IMG from Information Advantage. This category includes name recognition, going concern practices and procedures, operational locations, channel and partnership relations, etc. The value of these will be the residual value from the purchase payments made and acquisition costs incurred less all other tangible and intangible assets.

A. Trained Personnel

Acquisition of trained personnel provides a direct benefit to the acquiring company since it avoids the costs of recruiting, training and bringing new employees to their full level of productivity.

IMG expected to retain 376 of Information Advantage's 480 employees. BGAI's determination of the value of these avoided employee costs is \$17,437,000. This saving occurs principally because IMG does not have to recruit and train personnel to maintain, develop, support and sell the old and new acquired products. The savings, after-tax adjustment, is \$11,070,000 which should be amortized over an eight-year period representing the useful life of the acquired staff. Appendix I-1 provides the details of these calculations.

B. Customer Base and Professional Services

The acquired Information Advantage customer base was expected to be of direct benefit to IMG. Acquiring a new customer is an expensive marketing and sales process, but once a company has served a customer, the customer is far more apt to buy additional products than a non-customer.

Appendix I-2 analyzes the acquired Information Advantage customer base and concludes that there are no current IMG products which the Information Advantage are particularly likely to acquire.

Therefore, the incremental value of the Information Advantage customer base, beyond the value for the Information Advantage products, is zero.

C. Other Technologies

Information Advantage has been developing advanced technologies for its key products and markets for a number of years. However, at the time of the acquisition, IMG could not identify any technologies of future value to IMG other than those to be used for the new products.

Appendix I-3 identifies the value of the Information Advantage core technologies. The resulting valuation of the acquired Information Advantage core technologies is \$11,357,000 and should be amortized over a ten-year period, the same period as the new products forecast. See Appendix I-3 for further information.

D. Going Concern and Goodwill Valuation

In addition to the other intangibles itemized in this Section, there are some other going concern and goodwill values which need to be considered in the total valuation process. These items cannot be valued individually so are only assessed as a group. Appendix I-4 provides the reasoning for the going concern and goodwill values. The result is a valuation of \$95,798,000 which should be amortized over a ten-year period.

E. Summary of Other Intangibles Valuation

These four elements constitute the whole of the value of the other intangibles. The life expectancy of each is shown below:

Other Intangibles	Value (\$000)	Amortizable Life
Retained Employees	11,070	8 Years
Customer Base for other IMG products	0	--
Core Technologies	11,357	10 years
Going Concern and Goodwill	95,798	10 years
Total	118,225	

BGAI believes that the other intangibles value of \$118,225,000 realistically represents the value of all of these acquired elements and that it should be allocated and amortized as shown above.

SECTION VIII. Summary of Valuations and Financial Recommendations

SSI has determined that the preliminary acquisition cost for all of the intangible assets obtained from Information Advantage is \$182,495,000 (see Appendix I-5).

In Section V, we determined that the net present value of the carryover Information Advantage products was \$17,226,000. This total value should be capitalized and \$10,195,000 should be amortized on a straight line basis over three years while the remaining \$7,030,000 should be amortized over five years.

In Section VI, we determined that the net present value of the Information Advantage-based new products was \$84,192,000. After deductions to recognize the reuse of core technologies and the percent not completed as of the acquisition date, BGAI recommends that SSI use \$47,044,000 as the value of the acquired new technologies assets from Information Advantage as of the date of the acquisition. This value should be written off as IPR&D at the acquisition date under FAS2 rules.

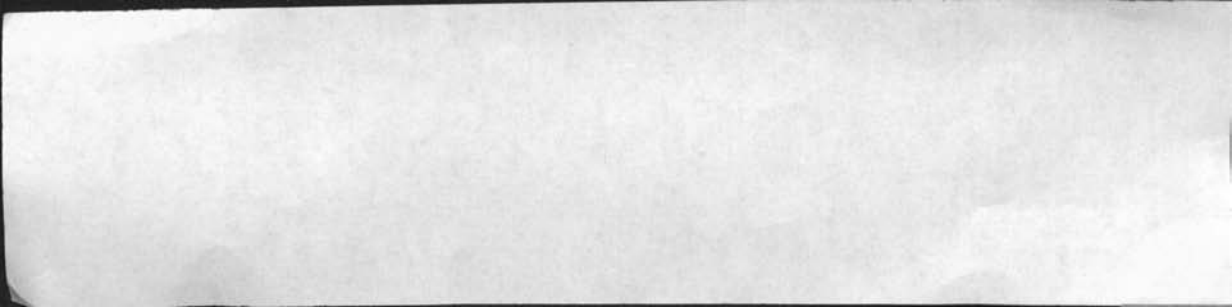
The following calculations were used to determine the total purchase price and the value remaining for the other intangible assets:

	(\$000)
Asset Purchase Price	168,286
Acquisition Costs – Preliminary	30,040
Total Purchase Price	198,332
Less: Adjusted Total Tangible Assets minus Liabilities	15,837
Total Value of Acquired Intangible Assets	182,495
Less: Products	17,226
Less: Technologies	47,044
Value of Other Intangibles	118,225

In Section VII the total valuation of the other Information Advantage intangible assets to be allocated was computed as \$118,225,000, principally comprised of trained personnel, customer base for other IMG products, other technologies and going concern/goodwill value. These other intangibles should be amortized as shown below:

Other Intangibles	Value (\$000)	Amortizable Life
Retained Employees	11,070	8 Years
Customer Base	0	10 years
Core Technologies	11,357	10 years
Going Concern and Goodwill	95,798	10 years
Total	118,225	

The sum of all of these intangible assets matches the purchase price plus other acquisition costs less the adjusted net value of tangible assets and tangible liabilities.



Professional Summary

Burton Grad, President of Burton Grad Associates, Inc. (BGAI), has a long record of significant contributions to the computer software and services industry. He has experience both as a user and developer of application and systems products and as consultant, innovator, businessman and leader in the computer software and services industry.

Since 1978 he has been a consultant to companies providing software products, software professional services, processing services and other computer software and services offerings:

- ❖ Strategic planning, management and organizational consulting, and product analysis, evaluation and review
- ❖ Company and product acquisition studies including due diligence and valuation for financial capitalization and write-off purposes
- ❖ Planning, assessment and analysis of business operations including quality and productivity measurements

Work is performed personally or with the assistance of experienced specialists in market analysis, customer services, systems programs and industry applications on mainframe and departmental computers as well as on client/server and personal computer systems.

This is a partial list from the more than 175 BGAI clients:

Broadview Associates	i2 Technologies, Inc
Budgeting Technology, Inc.	Infosafe
CIBER, Inc.	Keane, Inc.
DA Consulting Group	Mediware, Inc.
Decision Consultants, Inc.	Platinum Technology
Discount Investment Corporation	SPSS, Inc.
Elron Software, Inc.	Sterling Commerce, Inc.
Geocapital Partners	Sterling Software, Inc.
Grace Consulting and Technologies	TSI International

Work Achievements**Burton Grad Associates, Inc. (1978 - Present)**

- * Strategic planning, management and organizational consulting, and product analysis, assessment and review
- * Company, product and technology valuation studies for financial, tax, capitalization and acquisition purposes
- * Due diligence studies on acquisitions of computer software/services companies
- * Business assessment studies and implementation projects for product strategy, development, quality management and customer service

Customer Care, Inc. (1992 - 1996)

- * Published *CustomerCare Newsletter* and *CustomerCare Survey* directed at software companies' customer services activities: support, documentation, training and product-related consulting
- * Provided consulting on customer service processes, and training for customer service personnel

Heights Information Technology Service (1979 - 1983)

- * Performed professional services for applications and systems development
- * Used professionals on a remote, work at home basis with effective project management

International Business Machines Corporation (1960 - 1978)

- * Definition, design and implementation of application development systems strategy resulting in release of IBM's development management systems
- * Development of application programs for every major industry
- * Establishment of joint planning and programming development with European operations
- * Announcement, development and initial support of CICS
- * Management of application development for small business and process control systems
- * Responsibility for the production, release and maintenance of almost 200 programs
- * Conception of approach to and programs for text processing and office automation systems
- * Development and expansion of computer based training systems
- * Development of management science and scientific programs
- * Participation in the structuring and unbundling of IBM program products
- * Creation of the Study Organization Plan for specifying and designing application systems

General Electric Company (1949 - 1960)

- * Programming of the first commercial computer (Univac I in Louisville)
- * Development of discrete simulation techniques for manufacturing planning and control
- * Invention of decision tables

- * Study of automated factory design and implementation
- * Initiation and use of advanced techniques for production, inventory and quality control

Other Professional Activities**1972-1996****ITAA**

- * Computer Software and Services Trade Association
- * President, Treasurer and Board member of American Software Association Division of ITAA
- * Member of ITAA Board
- * Chair and member of various committees (Industry Relations, Software Capitalization, Software Openness, Technology Information Services, Quality Management)
- * Executive Committee of Information Technology Foundation (Project Office)

1968 and 1979

Principal author of *Management Systems*, published by Holt, Rinehart and Winston. Used for colleges and businesses for computer application system methodology and design.

1950-Present

Speaker and chair at conferences and workshops and contributor to professional journals on various information technology subjects including decision tables, quality control, systems engineering and software capitalization.

Burton Grad

Burton Grad Associates, Inc.

101 Post Road East
Westport, Connecticut 06880
(203)222-8718
(203) 222-8728 FAX

EDUCATION

1949 Bachelor of Management Engineering
Rensselaer Polytechnic Institute
Troy, New York

POSITION HISTORY

1978-Present **Burton Grad Associates, Inc.,**
Founder and President
Consultants to computer software and services companies

1992-1996 **CustomerCare, Inc.**
Chairman
Publisher and Consultants for software company customer services

1978-1984 **Heights Information Technology Services, Inc.,**
Founder and President
Professional software services

1960-1978 **International Business Machines Corporation**
Consultant - IBM Research Lab
Director of Development - Data Processing Division (DPD)
Manager - Development Services and Scientific
Application Programs (DPD)
Manager - Technical and Scientific Development (DPD)

1949-1960 **General Electric Company**
Consultant - Advanced Application and Systems Development,
Production Control Services
Manager - Production Control Operation - Large Steam Turbine Division
Manufacturing Training Program

Professional Profile - Sid Dunayer

Communications and Network Related Projects

Major International Chemical Manufacturer

Requirements analysis and design of the global network connecting the various product design centers worldwide. The network is currently implemented using Token-Ring and Ethernet local area networks connected via private T1/T3 service, Fiber links, Asynchronous and Synchronous dial connections, X.25 packet connections and SAA connections to the mainframes. Through this network, the chemists worldwide can share data and work together on new creations. The actual mechanism used to route any given "transaction" is dependent on the required response time for that transaction. Those that are "urgent" or require a timely response are routed via an appropriate network connection. The lower priority data replication messages are batched and sent using a cheaper network route.

Software Products Company

As part of a strategic planning study, analyzed various current and proposed message/document interchange models to establish requirements for an integrated messaging system, including analysis of transport mechanisms and use of available communications software packages.

Major Software Products and Services Company

As part of a study to determine whether to centralize company development and processing services, prepared requirements statement for installing an integrated communications network to cover development, processing services and corporate administration as well as telephone and fax services.

Network Services Provider

As part of a technical due diligence for an acquisition, performed an analysis to determine possible methods for connecting the newly acquired customers to the client's VAN. Analysis included the possibility of connecting the VAN to the packet network used by these customers. In this way, the packet service could reroute the customer transactions to the VAN. As customers were migrated from the packet network to the VAN, service on the packet network would decrease and eventually would cease, at which time the connection to the packet network would no longer be required.

Major Financial Institution

Designed and implemented a corporate-wide customer service network including the use of small computers (replacing mainframes), leased lines, dial-in backup units and other interconnect facilities for regional processing centers.

**Information Required for Product,
Technologies and Other Intangibles Valuation**

1. List of principal Information Advantage customers for preceding three years and the revenues from each of these accounts for each year
2. Analysis of Information Advantage installed base including installation dates, maintenance status, platforms
3. Financial statements for Information Advantage and SSI/IMG for the preceding three years
4. Effective SSI tax rates (U.S. federal and state and international) for budget purposes as of the acquisition date
5. Organization chart for Information Advantage, with number of employees by function
6. Marketing materials for Information Advantage offerings and services
7. List, description, size and market share of principal competitors to Information Advantage and IMG
8. SSI/IMG acquisition analysis materials for Information Advantage
9. SSI/IMG business and strategic plans for Information Advantage products and technologies including planned products, types of services, pricing, development projects, etc.
10. SSI/IMG sales, marketing and support plan for acquired Information Advantage products and customers
11. Technical analysis of Information Advantage and relevant SSI/IMG products and Information Advantage in-process development activities in terms of platforms and system functionality
12. SSI/IMG technical plans for utilizing and incorporating acquired Information Advantage technologies in future or in enhanced SSI/IMG products and services

Interviews Conducted

IMG

Hats Iwata
Caroline Rook
Steve Wilkinson

IA

Dave Alampi
Kurt Betcher
Jim Frome
Teresa Greenmayer
Butch Terrien
Mary Trick
Audra Wendt

Figure 2-A.d ROLAP

MyEureka! ROLAP Supported Platforms -- Release 5.7.6

		HP UX				IBM AIX			Sun Solaris (for SPARC)			NCR MP-RAS	SGI IRIX	Sequent EVMX/ptx	Unisys SVR4	Siemens Rohent Unit	Digital UNIX (for Alpha)	Data General DG-UX
		10.01	10.10	10.20	11.0	4.1	4.2	4.3	2.1	2.2	2.3	3.0	6.0	6.4	4.4	4.0.7	6.4.0	1.0
Oracle	7.2	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙
	7.3	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
	8.0	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
	8.1	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
Red Brick	5.0.12 ODBC	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
	5.0.14 ODBC	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
	5.1	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
	5.1.3	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
	5.1.5	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
Informix	7.2	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
	7.3	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
	8.0(3)	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
	8.2	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
Sybase	11.0.3 IQ	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
	11.5	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
DB2	2 x CS	⊙	⊙	⊙	●	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙
	5 x UDB	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
Teradata	ODBC										●							
Tandem	Open Server	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●
Information Connect	Open Server	⊙	●	●	●	⊙	●	●	●	●	●	●	●	●	●	●	●	●

Key: ● = This database link is supported running on this platform.
 ⊙ = Support for this combination will be dropped in the next release.

MyEureka! Provides Comprehensive Business Intelligence Capabilities

As today's business environment becomes more intense and competition becomes more fierce, an important asset is Business Intelligence. By implementing a comprehensive Business Intelligence solution, a company can evaluate the competition in relation to the market environment rather than only accessing a limited amount of information. Rather than forcing a decision based on limited knowledge, comprehensive Business Intelligence enables smarter decisions, faster.

MyEureka! gives users the answers to any business question through its ability to produce all forms of query and analysis:

- Query Engine
- OLAP Engines
 - MOLAP
 - DOLAP
 - ROLAP

Point-in-Time Intelligence

For answering questions that require a look at the business at a certain point in time. For example, providing a user the names of clients who filed claims last week, sorted by amount. Whether used by analysts for ad-hoc query sessions, or used to design multiple queries that are to be blended together into high quality Report Documents for other users to consume, MyEureka! Query Engine is a vital Business Intelligence Portal component for generating SQL.

Instant Database Connectivity

For creating new insights into your business in a matter of hours. MyEureka!'s Query Engine can be quickly connected to any relational database. Transaction databases, operational databases, data marts or data warehouses can start delivering answers without modification of existing data models.

Powerful Data Manipulation

For answering the toughest questions in the most efficient manner. The Query Engine lets users easily select database columns, search, sort, summarize, create IF-THEN-ELSE conditional logic, value translation, user-defined functions and edit SQL syntax. MyEureka! also uses intelligent data caching to minimize redundant database interaction and optimize run-time performance.

Multi-Database Access

For consolidating data across your entire business. Unlike many Query Engines, MyEureka! generates SQL that is able to merge data from multiple - even heterogeneous - data sources into a single report.

ERP Extensions

For effortless connections to your most popular operational systems. MyEureka! provides several "out-of-the-box" solutions for installation with popular ERP databases. Each solution is specifically designed with an intimate knowledge of SAP, PeopleSoft, Baan and JBA's transaction data model. That knowledge is used to automate the creation and population of the MyEureka! Query Engine's metadata model.

Time Series Intelligence

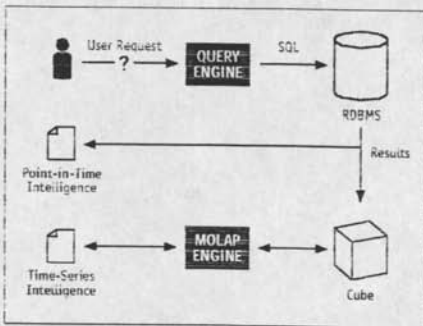
For answering questions about your business over time. For example, providing a user with a comparison of number, amount and average amount of claims filed last week versus a month, quarter and year ago. MyEureka! provides the industry's broadest range of OLAP capability for analyzing all aspects of their business with the right technology. Unlike Query, time-series intelligence requires that data be staged in a way that is optimized for multi-dimensional analysis. With multiple approaches, MyEureka! uniquely provides organizations with the best of both worlds by combining the benefits of high speed, interactive analysis with unlimited scalability of data size and application complexity.

Specialized Multi-dimensional Storage

For high speed interactive analysis of financial and product data. With MyEureka!, relational data can be moved into a highly specialized data structure for high speed analysis, commonly referred to as MOLAP. These structures, also called cubes, are tailor made for supporting time-series, top-down analysis, and synthesis of summarized data which always provide the end-users with sub-second response time. In addition, MyEureka! cubes support "drill through" to give users access to data outside of the cube held back in the relational database.

Simple, Automated Cube Building

For turning the staging of data into a simple, automated process. MyEureka! Query Engine doubles as a cube builder providing dimension definition and relational data access. Setup is seamless since it uses the Query Engine and Metadata already in place. Once initial setup is complete, MyEureka! can automatically refresh cubes on a predefined schedule.



MyEureka! Query Engine also doubles as cube builder for easily moving operational relational data into structures optimized for high-speed, interactive analysis.

Distributed Cube Processing

For the most efficient handling of multi-dimensional data. Unlike many MOLAP solutions which perform the majority of calculations in advance during batch loads, MyEureka! compresses and loads only the base data into memory. Because the data is in memory, summaries and calculations can be performed "on-the-fly" and returned instantly.

User Defined Calculations

Allows users to finish answering their questions by expanding the amount of information available. In many cases, the insights gleaned from the analysis of unsuspected relationships between different aspects of the business drives the users to create a new way of measuring the business in real time. Unlike many MOLAP solutions, MyEureka! enables users to both:

- Select predefined calculations from an existing library.
- Create ad-hoc calculations "on the fly."

Desktop Distribution (DOLAP)

For users that require high-speed analysis when disconnected from the network. Desktop OLAP (DOLAP) enables users to download or receive cubes on their own desktop when they are unable to connect to a server-based cube. MyEureka! DOLAP enables users to:

- Request one or more individual "slices" of a cube to be downloaded and/or saved on their desktop.
- Request a full cube to be downloaded and/or saved on their desktop.
- Receive cubes via their e-mail from other users, administrators, or production jobs.

This technology fills a vital niche for many users, such as field sales organizations, who are often remote and can't always rely on having an accessible network connection.

Dimensional Relational Storage

For highly granular analysis of customers, transactions, and large amounts of product data. A second approach to OLAP, commonly referred to as ROLAP, structures relational data into a multi-dimensional schema within an RDBMS. By leveraging the inherent scalability and flexibility of relational database technology, MyEureka! ROLAP provides users with the freedom and power to perform analysis, regardless of data size, number of dimensions and/or number of attributes.

Flexible, Virtual Cube Definition

Eliminates extensive planning and load procedures to provide users with new multi-dimensional views of data. MyEureka!'s ROLAP engine processes new cube definitions at run-time, enabling users to redefine hierarchies such as sales territories, products on promotion, or customer segments without waiting for time-consuming re-loads of the physical database.

Powerful Calculations

Gives organizations unrestricted power to measure their business performance. MyEureka!'s ROLAP engine extends the RDBMS and SQL environment with a high performance calculation processor. Unlike many ROLAP engines, MyEureka! supports advanced calculations such as:

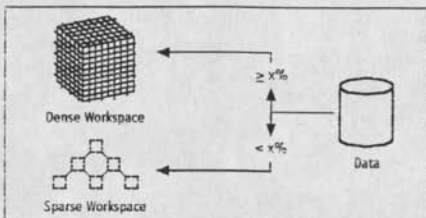
- Nested formula-based calculations.
- Logarithmic, trigonometric, exponential and factorial functions.
- Time-series changes.
- Top and bottom ranking, indexes, moving averages and rolling sums.
- Percent-to-total share analyses and cross-dimensional analyses.
- Advanced totaling and aggregations.
- Character string functions.
- Procedural functions (if-then-else, while.)

Dense and Sparse Data Workspaces

Guarantee fast end-user response time regardless of user request or data source. MyEureka!'s ROLAP engine

utilizes two analytic workspaces to efficiently process dense and sparse data returned from the RDBMS.

MyEureka! automatically routes data to the appropriate workspace at run-time based on its sparsity percentage.



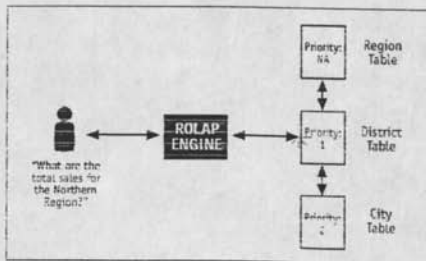
The ROLAP engine intelligently routes data to the optimal processing workspace based on the density percentage of data returned from the database.

Setting a value between 0 and 100 percent is all it takes to:

- Optimize the processing of dense data returned from the RDBMS (commonly found in product-centric analysis).
- Optimize the processing of sparse data returned from the RDBMS (commonly found in customer and/or transaction-centric analysis).

Aggregate Aware

Accesses the closest aggregate tables for the fastest possible end-user response time. MyEureka!'s ROLAP engine calculates the cartesian cross-product of dimensional data models to select the closest available aggregate table for processing each ROLAP request.



MyEureka! automatically accesses the highest available aggregate tables to fulfill a ROLAP request and minimize response time.

Content Orientation

Provides a content-rich working environment preferred by the majority of users, rather than the spreadsheet-oriented environment preferred by analysts. Like Internet Web pages, MyEureka's Report Engine converts complex information traditionally geared towards power users into easy-to-understand documents. MyEureka's object technology enables development of Report Documents featuring:

- Report content generated by multiple Business Intelligence systems combined into a single document.
- Integration of report content and unstructured information with graphics and multimedia.
- Complex elements such as portions of other report content, report definition, and custom application logic.

Hot Objects

Give users a clear understanding of the circumstances surrounding each business issue. MyEureka's Hot Object technology is what makes Report Documents act like web pages. Hot Object technology empowers users with the familiar hypertext linking environment of the Web to gain insight from the assumptions, related information and details associated with each report document. Since a single report document rarely provides users with complete information, Report Documents are crucial for giving users the

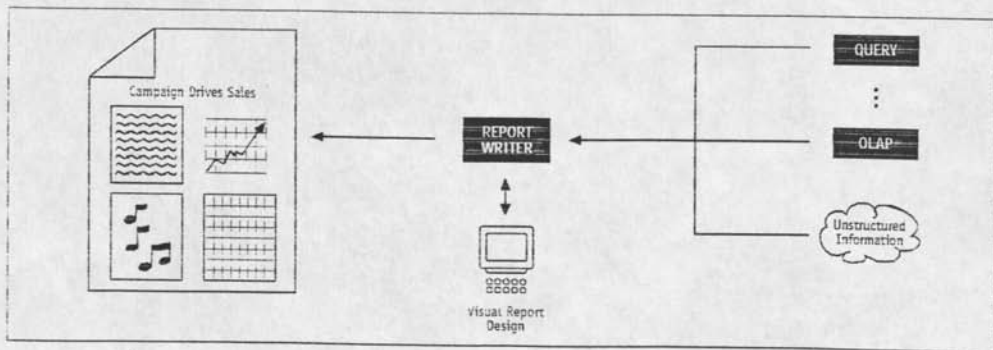
additional information they need to make strategic decisions with confidence.

Adding Hot Objects to Report Documents enables users to:

- Link from one Report Document to another.
- Link from one Report Document to any report file, document or Web page.
- Page through a Briefing Book of related documents.
- Link to a different level of detail by submitting an on-demand data request based on the context of the selected Hot Object.
- Drill to a different level of detail by summoning a Business Intelligence engine with a new request based on the context parameters of the selected link.

Visual Report Document Design

Reduces Report Document development time to mere minutes by eliminating the need for 3GL and 4GL tools. Creating Report Documents that transform complex analyst results into colorful, polished, easy-to-interpret Business Intelligence information requires no programming with MyEureka! Instead, designers simply use an object-based publishing tool to easily arrange Report Objects in tabular, free-form, chart, cross-tab, multiple-up, and newspaper-style documents.



Designers easily create new Report Documents using an intuitive visual interface versus a 3GL or 4GL programming language.

Business Intelligence Repository

Manages the storage of Report Documents, Report Objects, Briefing Books, Agents, Channels, Events, and User Profiles. Repositories are an essential infrastructure component for expanding the accessibility and usage of Business Intelligence information. Business Intelligence Repositories enable you to:

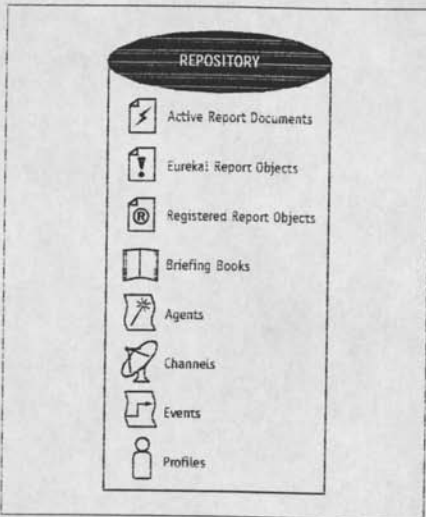
- Expand user numbers by encouraging the packaging of information that is "ready to use" with no assembly required.
- Improve system performance by using inventory to reduce the number of on-demand database requests.
- Increase user productivity by providing a "one-stop-shopping" environment for all of their Business Intelligence information.

Active Connections

Supports the unique requirements of the decision-making process. Passive Business Intelligence repositories used to support many Business Intelligence Portals are limited to publishing content generated by information technology personnel, and offer only slight improvements over legacy mainframe/printer reporting systems.

This difference enables MyEureka! users to:

- Explore data using context-sensitive drilling to submit requests without information technology assistance.
- Collaborate with colleagues through seamless and secure connections.



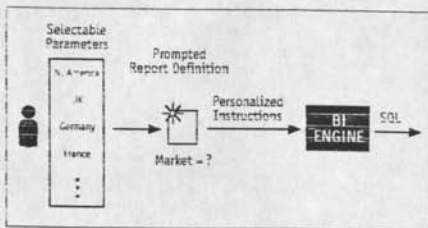
The Business Intelligence Repository manages the Active Connections to Business Intelligence engines for exploration and collaboration.

Active Report Documents

Transform complex report content into colorful, highly polished Web-like pages that make it easy to interpret Business Intelligence information. Active Report Documents blend information from multiple Report Objects and multimedia sources into a single document. Content from each Report Object can be individually arranged in virtually any manner, including tabular, free-form, chart, cross-tab, multiple-up, and newspaper-style documents.

MyEureka! Report Objects

Serve as the primary source of Business Intelligence Information contained within Active Report Documents.



Prompted Report Definitions let users select one or more parameters to instruct a Business Intelligence engine how to generate personalized Report Content for a given user request.

MyEureka! Report Objects include:

- Report Content Objects for describing the content generated by MyEureka! Query and OLAP Engines.
- Report Definition Objects for summoning MyEureka! Query and OLAP Engines with a new request for data.
- Prompted Report Definition Objects for summoning MyEureka! Query and OLAP Engines with a new request for data based on a personalized set of user-selected parameters.
- Report Cube Objects for stream-of-consciousness, ad-hoc analyses through highly organized, memory-based data structures.

Registered Report Objects

Extend the library of Report Objects that can be recognized by the Business Intelligence Repository. By definition, a Business Intelligence Portal must provide a user with a single destination for all their business information. MyEureka! is not limited to supporting only Report Objects from Information Advantage, rather any type of file can be accessed and organized by using MyEureka!'s XML publishing interface.

Examples of Registered Report Objects include, but are not limited to:

- Report Objects created by legacy query and reporting tools (e.g. Focus) or custom Visual Basic and PowerBuilder programs.
- Report Objects and/or cubes from other MOLAP, ROLAP and DOLAP tools.
- Report Objects generated from Enterprise Resource Planning (ERP) system data.
- Supporting Objects such as Microsoft Word documents and spreadsheets.

Briefing Books

Organize related Report Documents by grouping them as a single object. Briefing Books enable users to page from one Report Document to another with "point-and-click" simplicity.

Messenger Agents

Eliminate the need to manually access commonly requested information. Messenger Agents work behind the scenes to automatically update e-mail, e-mail devices, and channels by broadcasting "headline" text messages with links to associated MyEureka! or Registered Report Objects.

Channels

Help users track information on a specific subject of interest. Channels organize the headlines broadcast by Messenger Agents or other Internet channel agents into intuitive folders. Like television, users can subscribe to workgroup or public channels to receive broadcast information on a specific subject. Once users are subscribed to a channel, they can "tune in" to browse its headlines and determine whether to link to an attached Report Object for more detail. Users can also create their own channels to organize headlines generated by their own personal Messenger Agents.

NewsPage Agents

Help users track late-breaking information across all areas of interest. NewsPage Agents work behind the scenes to automatically generate a personalized electronic newspaper exposing the most time-sensitive headlines from a user's channels. NewsPage Agents automatically search for headlines that have been broadcast across your organization's "Business Intelligence news wire" within the user's specified time filter. Once the headlines are found, the agent populates the user's electronic newspaper based on channel priority.

Events

Initiate the execution of Messenger and NewsPage Agents based on scheduled intervals or special occurrences, such as an update to the database or a change in report content.

Open Business Intelligence Report Caster

Automates user notification of new Business Intelligence information. Report Caster broadcasts text headlines and Report Object attachments to users regardless of their location or workstation device.

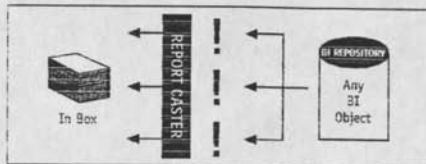
Both online users and Messenger Agents use Report Caster to:

- Update Channels, e-mail or any e-mail addressable devices such as digital phones, pagers and fax machines with new Business Intelligence information.
- Transmit Business Intelligence information to workgroup or public distribution lists with a single broadcast.

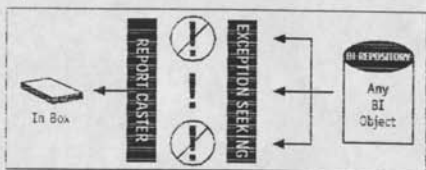
- Page the report documents to the desktop upon user access instead of during the broadcast. This eliminates network "bottlenecks" common with other broadcasting technologies.

Narrowcasting

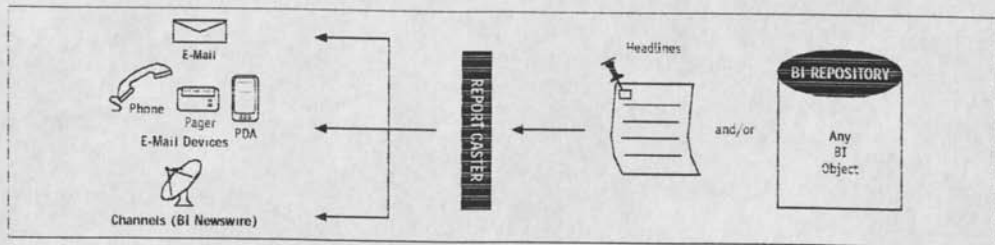
Limits broadcasting to only the highest priority information based on each end-user's personal or workgroup exceptions. Outliers in report content discovered by exception seeking agents are used to regulate excessive information broadcasting. When an outlier is found, the message and attachment are broadcast to specified users. When outliers are not found, the broadcast is cancelled to reduce the amount of low-priority information distributed to end-users.



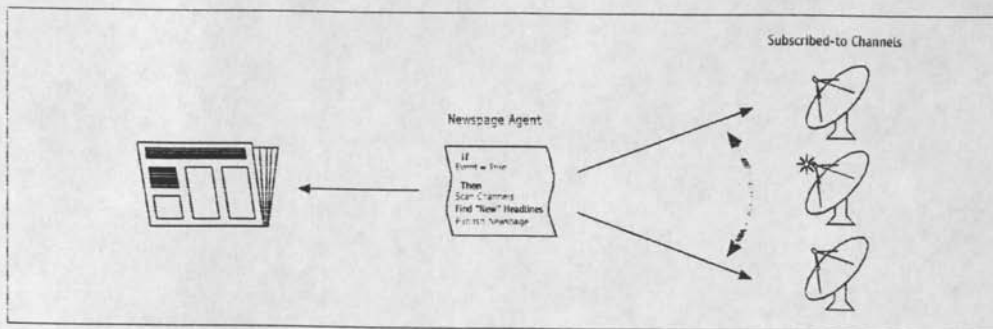
Unregulated broadcasting can overload end-users with too much information.



Narrowcasting limits distribution of information to only the highest priority level of information, increasing productivity.



Report Caster distributes headlines and/or attachments to any business intelligence object managed by the repository to e-mail, e-mail addressable devices and channels.



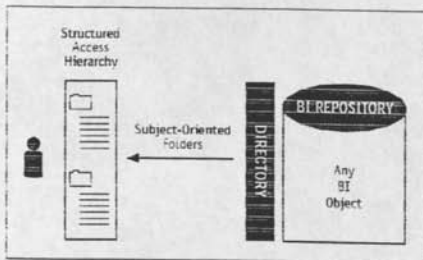
Newspaper Agents automatically publish a personalized newspaper based on each user's information needs by scanning their subscribed-to channels for the most recent headlines.

User Profiles

Match each user's connection to MyEureka! based on interest and information needs. User Profiles configure the way MyEureka! looks and organizes information on a user-by-user basis. Responsibility for selecting each user's profile attributes is divided between users and the information technology department.

Open Business Intelligence Directory

Simplifies the process of browsing for Business Intelligence objects in the Business Intelligence Repository.



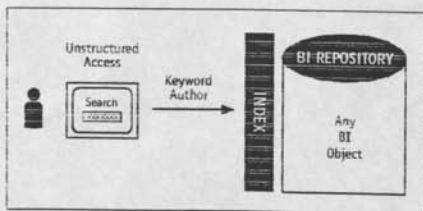
The directory enables users to browse and select Business Intelligence objects from the repository using a structured folder hierarchy.

The Directory provides a mechanism for:

- Defining an object hierarchy that organizes objects by user and/or subject.
- Navigating objects in a structured manner.
- Publishing and deleting objects in the Business Intelligence Repository.

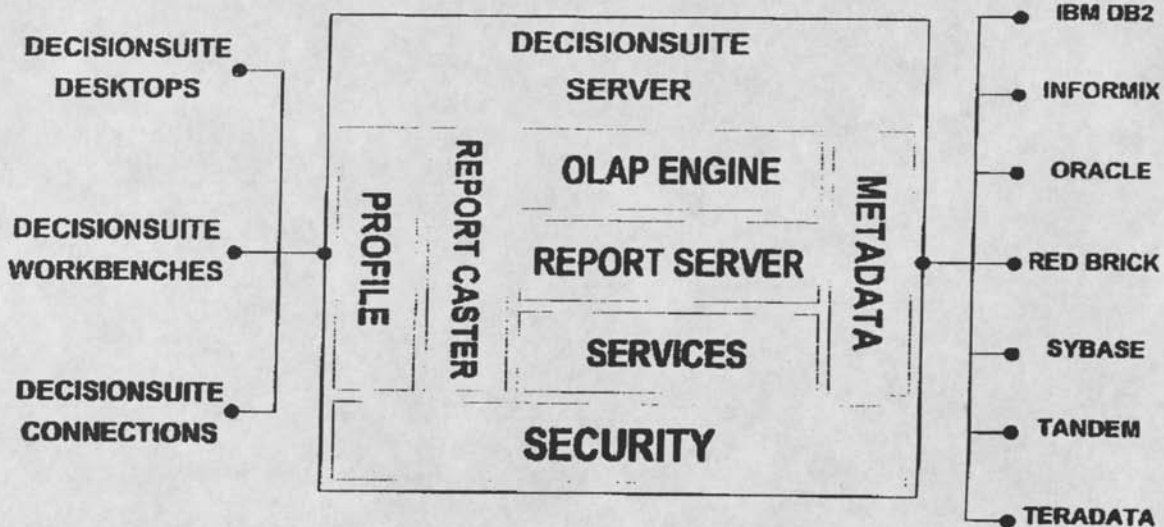
Open Business Intelligence Index

Simplifies the process of finding Business Intelligence objects in the Business Intelligence Repository using familiar Internet search techniques. The Index enables users to find objects using keywords, including name, description, headline, content type, author, and date, and filters to quickly reduce the search to a small list of candidates.



The index enables end-users to search for selectable Business Intelligence objects from the repository using keywords.

DecisionSuite Product Line



INFORMATION ADVANTAGE®

Figure 2. – MyEureka! Product Components

	QUERY	MCLAP/DOLAP	ROLAP
a. Genealogy	SKRIBE acquired by IQ in June 1994. IQ/OBJECTS, was released in September 1995.	Soft Systems acquired by IQ in September 1995. IQ/VISION was released in December 1995.	Evolved from Metaphor and Acustar. Original IA product line.
b. Current Product Status	Release 6.1.3 recently shipped.	Release 4.5 shipped in December 1998.	Release 5.7.6 recently shipped.
c. Revenue	deferred	deferred	deferred
d. Platforms	Server: NT 4.0 HP 10.2/11 AIX 4.2/4.3 Sun Solaris (SPARC) 2.5/2.6/2.7 Client: Windows 95/98/NT 4.0	Server (TM/1): NT 4.0 HP 10.2/11 AIX 4.1/4.2/4.3 Sun Solaris (SPARC) 2.6 Client: Windows 95/98/NT 4.0	Server: See Figure 2-A.d ROLAP Client: Windows 3.1 Windows for Workgroups Windows 95/98/NT 4.0
e. Technical Limitations	32 bit. Developed in C++.	32 bit. Developed in Borland Delphi.	16 bit (support for Windows 3.1 will be dropped in next release). Developed in Visual Basic and C++.
f. National Language Support	English, French, German, Korean	English, French, German	English, French, German, Korean
g. Development Plans and Projects	Release 7.0 (code name Raptor) is under development. Target is Q4 1998 Release.	Product is in maintenance mode. Resources shifted to the Pangaea 1.0 Java-based GUI integration project.	Release 6.0 (code name Tahoe) is under development. Target is Q4 1999 Release.
h. Development and Support Staff	8.5 Engineers 2 QA 2 Doc 1 Release 7 Phone Support	0.3 Engineers for VISION 1 QA 1 Phone Support 5 Engineers for Pangaea	38 Engineers 11 Core 8 Server 13 Windows 6 Web (includes Content Server) 8 QA 6 Doc 2 Release 7 Phone Support
<p>Note: IQ Classic is in maintenance with 3 Engineers, 3 Phone Support and Q+E is in maintenance with 1 Engineer and 1 Phone Support</p>			

New Technologies Descriptions

Current Development Status for In-Process Projects (per Hats Iwata)

MyEureka! Product Components:

1. Tahoe - MyEureka! - Rolap Server 6.0

- * Features:
 - All new GUI for authoring ROLAP reports and analysis
 - New Analytical Application Platform API
 - IDL Generated Interface for CORBA, JAVA, C++, ActiveX
 - Higher Performance
 - Database and Metadata Caching
- * Planned GA - 12/31/99
- * Development is currently (7/13/99) approximately 80% to 90% complete. QA, TCOM, and Beta will take up the remaining time

2. Raptor - MyEureka! - Report Server 7.0

- * Features:
 - Automated loading of the Content Server
 - Report Bursting
 - Automatically adapts reports to individual users
 - Dynamic filtering
 - Event based scheduling
 - Advanced initiation of Agents/Messages
- * Planned GA - 12/31/99
- * Development is currently (7/13/99) approximately 70% to 75% complete. QA, TCOM, and Beta will take up the remaining time

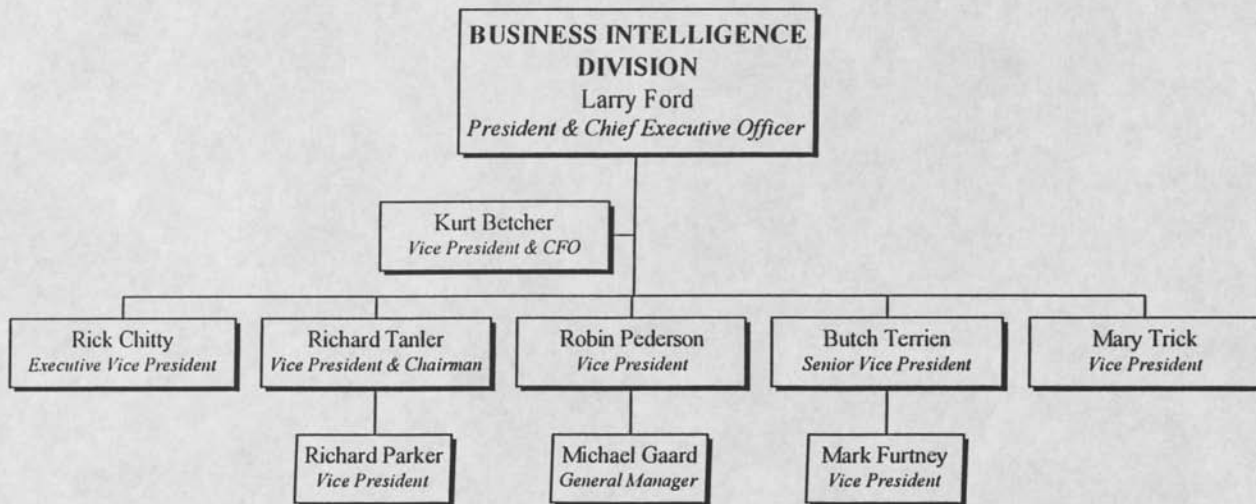
3. Wolf - MyEureka! - Content Server 2.0

- * Features:
 - Personalization
 - Advanced profiling and search
 - Allows users to customize the News Page
 - Portal Interoperability
 - XML enhancements allow portal to portal communication
 - Content Management
 - Versioning, Email publishing
- * Planned GA - 12/31/99 - To make this date, the project needs more staffing (per Terrien):
 - 2 Java Developers
 - 1 TCOM
 - 1 QA
- * Development is currently (7/13/99) approximately 70% to 75% complete. QA, TCOM, and Beta will take up the remaining time

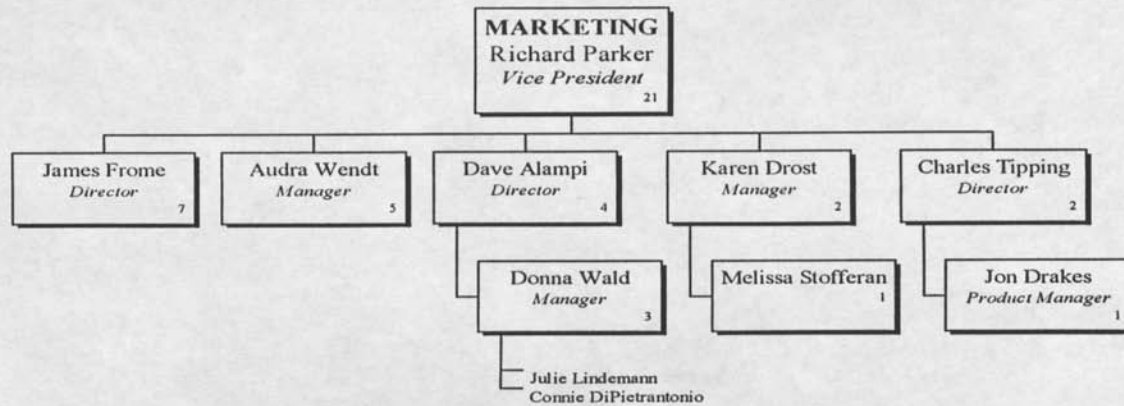
4. Pangaea - MyEureka! - New Web-Based Product

- * Features:
 - Provides Integrated Access to the IA Query, MOLAP, ROLAP, and DOLAP engines
 - Common user interface model
 - The same UI drives different server engines
 - Server layer simplifies UI coding
 - Built Entirely in Java
- * Planned GA - 3/31/00
- * Development is currently (7/13/99) approximately 65% complete.

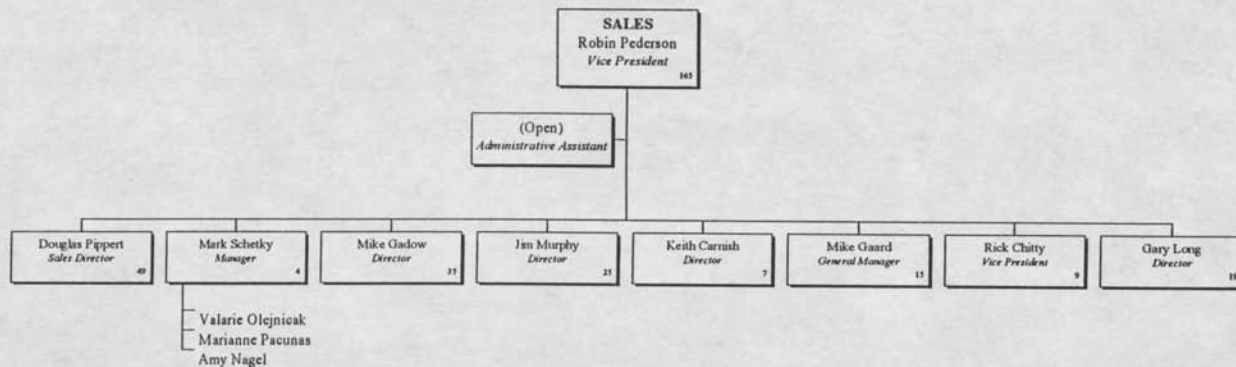
BUSINESS INTELLIGENCE DIVISION



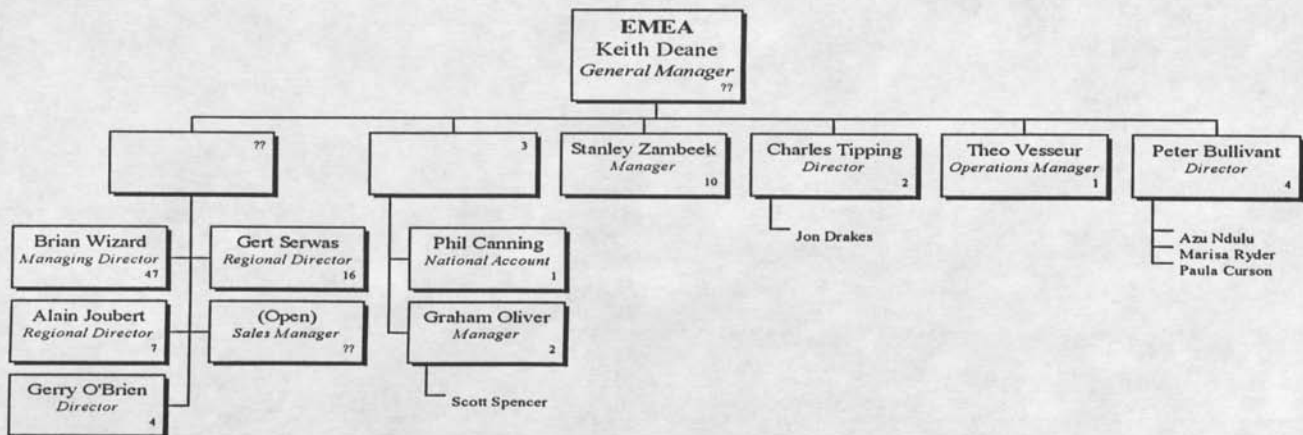
BUSINESS INTELLIGENCE DIVISION



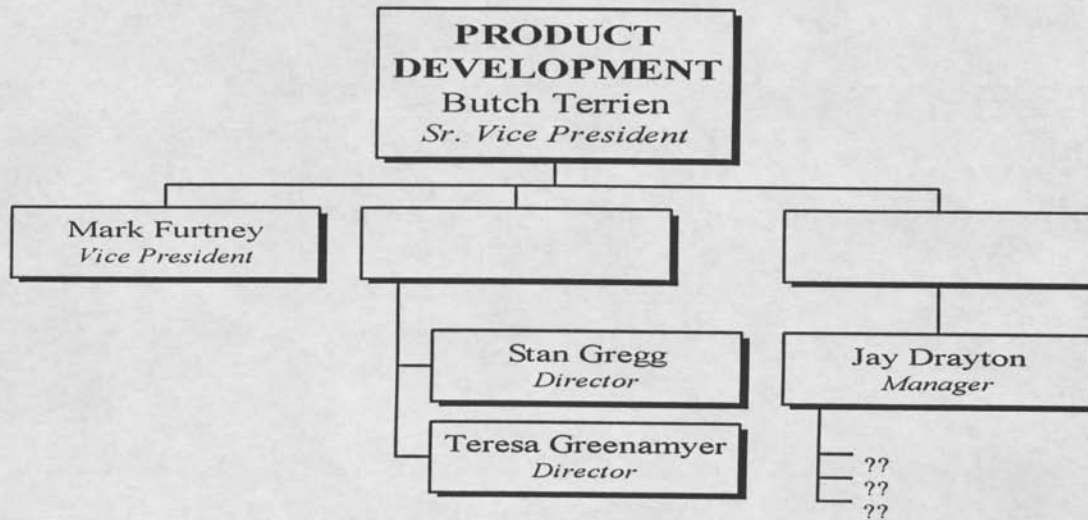
BUSINESS INTELLIGENCE DIVISION



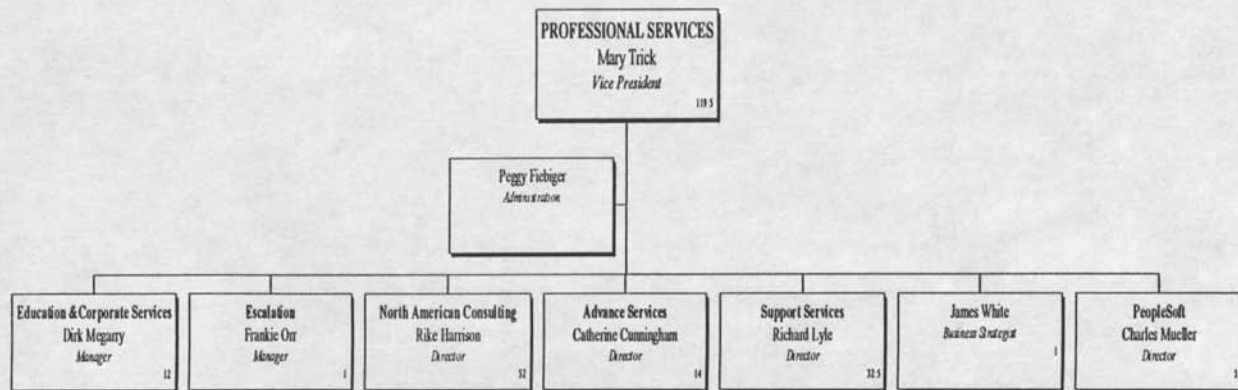
BUSINESS INTELLIGENCE DIVISION



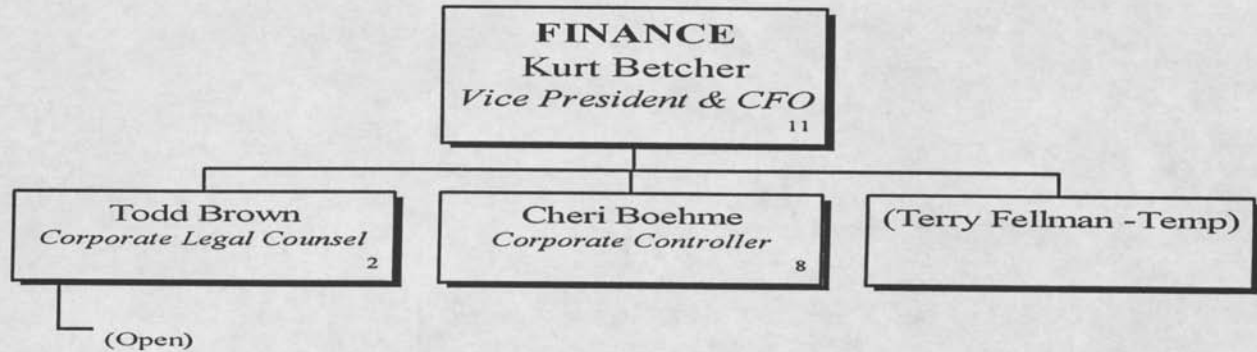
BUSINESS INTELLIGENCE DIVISION



BUSINESS INTELLIGENCE DIVISION



BUSINESS INTELLIGENCE DIVISION



INFORMATION ADVANTAGE, INC.
 CONSOLIDATED STATEMENT OF OPERATIONS
 (in thousands, except per share amounts)

	Years Ended January 31		
	1999	1998	1997
Revenues:			
License	\$ 42,283	\$ 28,970	\$ 23,676
Service	28,407	21,325	12,749
Total revenues	<u>70,690</u>	<u>50,295</u>	<u>36,425</u>
Cost of revenues:			
License	1,601	1,564	1,446
Service	12,854	11,113	6,724
Total cost of revenues	<u>14,455</u>	<u>12,677</u>	<u>8,170</u>
Gross margin	<u>56,235</u>	<u>37,618</u>	<u>28,255</u>
Operating expenses:			
Sales and marketing	34,636	28,497	23,198
Research and development	9,065	7,582	5,333
General and administrative	6,500	6,083	5,764
Merger-related expenses	6,502	—	—
Total operating expenses	<u>56,703</u>	<u>42,162</u>	<u>34,295</u>
Loss from operations	(468)	(4,544)	(6,040)
Other income, primarily investment earnings	1,522	753	642
Interest expense	(31)	(247)	(244)
Income (loss) before income taxes	<u>1,023</u>	<u>(4,038)</u>	<u>(5,642)</u>
(Benefit from) provision for income taxes	(5,644)	506	669
Net income (loss)	<u>\$ 6,667</u>	<u>\$ (4,544)</u>	<u>\$ (6,311)</u>
Income (loss) per share:			
Basic	<u>\$ 0.27</u>	<u>\$ (0.38)</u>	<u>\$ (0.63)</u>
Diluted	<u>\$ 0.25</u>	<u>\$ (0.38)</u>	<u>\$ (0.63)</u>
Shares used in computing income (loss) per share:			
Basic	<u>24,776</u>	<u>12,030</u>	<u>10,011</u>
Diluted	<u>26,880</u>	<u>12,030</u>	<u>10,011</u>

The accompanying notes are an integral part of these consolidated financial statements.

INFORMATION ADVANTAGE, INC.

CONSOLIDATED BALANCE SHEET

(in thousands, except share and per share amounts)

	January 31	
	1999	1998
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 20,041	\$ 27,765
Available-for-sale securities	12,725	9,177
Accounts receivable, net	23,534	13,176
Prepaid expenses and other current assets	1,363	1,572
Current deferred tax assets, net	5,812	—
Total current assets	63,475	51,690
Computers, furniture and office equipment, net	4,111	3,856
Long-term deferred taxes and other assets	3,621	3,700
	\$ 71,207	\$ 59,246
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion — long-term debt	\$ 187	\$ 349
Accounts payable	1,918	2,200
Accrued expenses	9,752	4,178
Deferred revenue	6,910	7,707
Total current liabilities	18,767	14,434
Long-term liabilities, less current portion	583	743
Total liabilities	19,350	15,177
COMMITMENTS AND CONTINGENCIES (NOTES 6 and 8)		
Stockholders' equity:		
Common stock, \$0.01 par value; 60,000,000 shares authorized; 24,992,809 and 24,654,370 shares issued and outstanding, respectively	250	247
Additional paid-in-capital	60,962	59,788
Accumulated other comprehensive income	(43)	13
Accumulated deficit	(9,312)	(15,979)
Total stockholders' equity	51,857	44,069
	\$ 71,207	\$ 59,246

The accompanying notes are an integral part of these consolidated financial statements.

Information Advantage – Sales History

Products	North America (\$000)*			International (\$000)*		
	ACT IAFY98	ACT IAFY99	FCST SSIFY99	ACT IAFY98	ACT IAFY99	FCST SSIFY99
NSS:						
Strategy (ROLAP)	5,702	11,975	12,359	927	1,686	4,049
Analyst (Cube Server)	1,989	1,705	1,100	568	592	514
Reporter (Report Server)	11,256	10,211	9,217	2,842	2,959	3,319
Portal (Content Server)			3,000			
IQ Classic & Q&E	<u>1,326</u>	<u>1,136</u>	<u>1,900</u>	<u>378</u>	<u>394</u>	<u>1,600</u>
Total NSS	20,273	25,027	27,576	4,715	5,631	9,482
Maintenance:						
Strategy (ROLAP)	1,271	2,823	5,802	126	301	603
Analyst (Cube Server)	502	537	200	167	186	25
Reporter (Report Server)	2,972	3,019	4,667	834	929	578
Portal (Content Server)			200			
IQ Classic & Q&E	<u>334</u>	<u>358</u>	<u>1,300</u>	<u>112</u>	<u>124</u>	<u>515</u>
Total Maintenance	5,079	6,737	12,169	1,239	1,540	1,721
Services						
Implementation & Education	5,639	8,573	10,807	1,652	2,008	3,142
Advanced	--	3,000	4,000	--	200	400
Total Operating Revenue	30,991	43,337	54,552	7,606	9,379	14,745

* North America: IA FY ends 1/31
 SSI FY ends 9/30

	A	B	C	D	E	F	G
351	Information Advantage: Current Products Valuation						18
352							
353		Projected					Total
354	(\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04
355	Worldwide Summary - Portal						
356	Revenue	3757	1571	943	0	0	6271
357	Operating income	1127	471	283	0	0	1881
358	Operating Income after tax	709	295	177	0	0	1180
359	NPV	663	239	125	0	0	1027
360							
361	Worldwide Summary - Report Server						
362	Revenue	12338	7039	3868	0	0	23246
363	Operating income	3701	2112	1160	0	0	6974
364	Operating Income after tax	2348	1331	731	0	0	4409
365	NPV	2195	1082	517	0	0	3793
366							
367	Worldwide Sum - Cube Server						
368	Revenue	3731	4302	4017	2948	1774	16772
369	Operating income	1119	1290	1205	1179	710	5504
370	Operating Income after tax	719	830	775	758	456	3538
371	NPV	673	675	548	466	244	2604
372							
373	Worldwide Summary - Rolap						
374	Revenue	18636	9068	4961	0	0	32665
375	Operating income	5591	2720	1488	0	0	9799
376	Operating Income after tax	3556	1710	935	0	0	6202
377	NPV	3324	1390	661	0	0	5375
378							
379	Worldwide Summary - Q&E						
380	Revenue	1021	997	926	851	701	4496
381	Operating income	306	299	278	340	281	1504
382	Operating Income after tax	196	191	177	217	179	961
383	NPV	183	155	125	134	96	693
384							
385	Worldwide Summary - IQ Classic						
386	Revenue	5357	5232	4976	4678	3873	24115
387	Operating income	1607	1570	1493	1871	1549	8090
388	Operating Income after tax	1032	1008	959	1202	995	5197
389	NPV	965	820	678	739	532	3733
390							
391	Worldwide Summary - IA Current Products						
392	Revenue	44840	28210	19690	8477	6348	107565
393	Operating income	13452	8463	5907	3391	2539	33752
394	Operating Income after tax	8561	5365	3754	2177	1630	21487
395	NPV	8002	4361	2654	1338	871	17226
396							
397							
398							
399							
400							

	A	B	C	D	E	F	G
1	Revenues - Portal (North America - Direct)						11
2							
3	Projected						
4	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
5							
6	New Product Licenses						
7	New license rate		0	0	0	0	
8	New license revenue	1000	0	0	0	0	1000
9							
10	Add-ons/Upgrades						
11	Add-on rate	1.11	1.11	1.11	0	0	
12	Add-on revenue	360	473	284	0	0	1117
13							
14	Services						
15	Services rate	.30	.30	.30	.30	.30	
16	Services revenue	300	0	0	0	0	300
17							
18	Maintenance Revenue	569	512	307	0	0	1388
19							
20	Total Revenue	2228	985	591	0	0	3805
21							
22	Maintenance Calculations						
23	Previous year maintenance	360	569	512	307	0	
24	Retention rate	.90	.75	.50	0	0	
25	Remaining maintenance	324	427	256	0	0	1006
26	New + add-on license revenue	1360	473	284	0	0	
27	Maint./license rate	.18	.18	.18	.18	.18	
28	Conversion rate	1.0	1.0	1.0	1.0	1.0	
29	New license maintenance revenue	245	85	51	0	0	381
30	Total Maintenance	569	512	307	0	0	1388
31							
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33							
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	A	B	C	D	E	F	G
51	Revenues - Portal (North America - Channel)						12
52							
53	Projected						
54	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
55							
56	New Product Licenses						
57	New license rate		0	0	0	0	
58	New license revenue	500	0	0	0	0	500
59							
60	Add-ons/Upgrades						
61	Add-on rate	1.11	1.11	1.11	1.11	1.11	
62	Add-on revenue	180	237	142	0	0	559
63							
64	Services						
65	Services rate	.25	.25	.25	.25	.25	
66	Services revenue	125	0	0	0	0	125
67							
68	Maintenance Revenue	284	256	154	0	0	694
69							
70	Total Revenue	1089	493	296	0	0	1877
71							
72	Maintenance Calculations						
73	Previous year maintenance	180	284	256	154	0	
74	Retention rate	.90	.75	.50	0	0	
75	Remaining maintenance	162	213	128	0	0	503
76	New + add-on license revenue	680	237	142	0	0	
77	Maint./license rate	.18	.18	.18	.18	.18	
78	Conversion rate	1.0	1.0	1.0	1.0	1.0	
79	New license maintenance revenue	122	43	26	0	0	191
80	Total Maintenance	284	256	154	0	0	694
81							
82							
83							
84							
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	A	B	C	D	E	F	G
101	Revenues - Portal (International - Direct)						13
102							
103	Projected						
104	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
105							
106	New Product Licenses						
107	New license rate		0	0	0	0	
108	New license revenue	200	0	0	0	0	200
109							
110	Add-ons/Upgrades						
111	Add-on rate	1.11	1.11	1.11	1.11	1.11	
112	Add-on revenue	0	30	18	0	0	48
113							
114	Services						
115	Services rate	.30	.30	.30	.30	.30	
116	Services revenue	60	0	0	0	0	60
117							
118	Maintenance Revenue	36	32	19	0	0	88
119							
120	Total Revenue	296	62	37	0	0	396
121							
122	Maintenance Calculations						
123	Previous year maintenance	0	36	32	19	0	
124	Retention rate	.90	.75	.50	0	0	
125	Remaining maintenance	0	27	16	0	0	43
126	New + add-on license revenue	200	30	18	0	0	
127	Maint./license rate	.18	.18	.18	.18	.18	
128	Conversion rate	1.0	1.0	1.0	1.0	1.0	
129	New license maintenance revenue	36	5	3	0	0	45
130	Total Maintenance	36	32	19	0	0	88
131							
132							
133							
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150							

	A	B	C	D	E	F	G
151	Revenues - Portal (International - Channel)						14
152							
153	Projected					Total	
154	(\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04
155							
156	New Product Licenses						
157	New license rate		0	0	0	0	
158	New license revenue	100	0	0	0	0	100
159							
160	Add-ons/Upgrades						
161	Add-on rate	1.11	1.11	1.11	1.11	1.11	
162	Add-on revenue	0	15	9	0	0	24
163							
164	Services						
165	Services rate	.25	.25	.25	.25	.25	
166	Services revenue	25	0	0	0	0	25
167							
168	Maintenance Revenue	18	16	10	0	0	44
169							
170	Total Revenue	143	31	19	0	0	193
171							
172	Maintenance Calculations						
173	Previous year maintenance	0	18	16	10	0	
174	Retention rate	.90	.75	.50	0	0	
175	Remaining maintenance	0	14	8	0	0	22
176	New + add-on license revenue	100	15	9	0	0	
177	Maint./license rate	.18	.18	.18	.18	.18	
178	Conversion rate	1.0	1.0	1.0	1.0	1.0	
179	New license maintenance revenue	18	3	2	0	0	22
180	Total Maintenance	18	16	10	0	0	44
181							
182							
183							
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185							
186							
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196							
197							
198							
199							
200							

	A	B	C	D	E	F	G
201	Costs - Portal (North America)						15
202							
203	Projected						
204							
205	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
206							
207	Direct						
208	Revenues	2228	985	591	0	0	3805
209							
210	Cost of revenues rate	.10	.10	.10	.10	.10	
211	cost	223	99	59	0	0	380
212	Marketing and sales rate	.30	.30	.30	.25	.25	
213	cost	669	296	177	0	0	1141
214	R and D rate	.15	.15	.15	.10	.10	
215	cost	334	148	89	0	0	571
216	G and A rate	.15	.15	.15	.15	.15	
217	cost	334	148	89	0	0	571
218	Total Costs- Direct	1560	690	414	0	0	2663
219	Cost/Revenue Ratio - Direct	.70	.70	.70	1.00	1.00	
220							
221	Channel						
222	Revenues	1089	493	296	0	0	1877
223							
224	Cost of revenues rate	.10	.10	.10	.10	.10	
225	cost	109	49	30	0	0	188
226	Marketing and sales rate	.30	.30	.30	.25	.25	
227	cost	327	148	89	0	0	563
228	R and D rate	.15	.15	.15	.10	.10	
229	cost	163	74	44	0	0	282
230	G and A rate	.15	.15	.15	.15	.15	
231	cost	163	74	44	0	0	282
232	Total Costs - Channel	762	345	207	0	0	1314
233							
234	Cost/Revenue Ratio - Channel	.70	.70	.70	1.00	1.00	
235							
236	Total Costs - North America	2322	1035	621	0	0	3977
237							
238	Total Revenue - North America	3318	1478	887	0	0	5682
239							
240	Revenue-Costs - North America	995	443	266	0	0	1705
241							
242							
243							
244							
245							
246							
247							
248							
249							
250							

	A	B	C	D	E	F	G
251	Costs - Portal (International)						16
252							
253	Projected						
254							
255	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
256							
257	Direct						
258	Revenues	296	62	37	0	0	396
259							
260	Cost of revenues rate	.10	.10	.10	.10	.10	
261	cost	30	6	4	0	0	40
262	Marketing and sales rate	.30	.30	.30	.25	.25	
263	cost	89	19	11	0	0	119
264	R and D rate	.15	.15	.15	.10	.10	
265	cost	44	9	6	0	0	59
266	G and A rate	.15	.15	.15	.15	.15	
267	cost	44	9	6	0	0	59
268	Total Costs- Direct	207	44	26	0	0	277
269	Cost/Revenue Ratio - Direct	.70	.70	.70	1.00	1.00	
270							
271	Channel						
272	Revenues	143	31	19	0	0	193
273							
274	Cost of revenues rate	.10	.10	.10	.10	.10	
275	cost	14	3	2	0	0	19
276	Marketing and sales rate	.30	.30	.30	.25	.25	
277	cost	43	9	6	0	0	58
278	R and D rate	.15	.15	.15	.10	.10	
279	cost	21	5	3	0	0	29
280	G and A rate	.15	.15	.15	.15	.15	
281	cost	21	5	3	0	0	29
282	Total Costs - Channel	100	22	13	0	0	135
283							
284	Cost/Revenue Ratio - Channel	.70	.70	.70	1.00	1.00	
285							
286	Total Costs - International	307	65	39	0	0	412
287							
288	Total Revenue - International	439	94	56	0	0	589
289							
290	Revenue-Costs -International	132	28	17	0	0	177
291							
292							
293							
294							
295							
296							
297							
298							
299							
300							

	A	B	C	D	E	F	G
301	Net Present Value - Portal (Worldwide)						17
302							
303	Projected						
304 (\$000)	FY00	FY01	FY02	FY03	FY04	Total	
305							FY00-FY04
306	Portal (North America)						
307	Revenue	3318	1478	887	0	0	5682
308	Operating Income Ratio	.30	.30	.30	0	0	
309	Operating Income	995	443	266	0	0	1705
310	Tax Rate	.38	.38	.38	.38	0.38	
311	Operating Income After Tax	617	275	165	0	0	1057
312	NPV Factors	.935	.813	.707	.615	.534	
313	NPV	577	223	117	0	0	917
314							
315	Discount Rate - Americas	0.15					
316							
317							
318							
319							
320							
321							
322							
323							
324							
325							
326	Portal (International)						
327	Revenue	439	94	56	0	0	589
328	Operating Income Ratio	.30	.30	.30	.00	.00	
329	Operating Income	132	28	17	0	0	177
330	Tax Rate	.30	.30	.30	.30	.30	
331	Operating Income After Tax	92	20	12	0	0	124
332	NPV Factors	.935	.813	.707	.615	.534	
333	NPV	86	16	8	0	0	110
334							
335	Discount Rate - International	0.15					
336							
337							
338							
339							
340							
341							
342	Worldwide Summary--Portal						
343	Revenue	3757	1571	943	0	0	6271
344	Operating income	1127	471	283	0	0	1881
345	Operating Income after tax	709	295	177	0	0	1180
346	NPV	663	239	125	0	0	1027
347							
348							
349							
350							

	H	I	J	K	L	M	N
1	Revenues - Report Server (North America - Direct)						21
2							
3	Projected						
4	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
5							
6	New Product Licenses						
7	New license rate		0	0	0	0	
8	New license revenue	1500	0	0	0	0	1500
9							
10	Add-ons/Upgrades						
11	Add-on rate	.55	.55	.55	.55	.55	
12	Add-on revenue	1815	1608	883	0	0	4306
13							
14	Services						
15	Services rate	.50	.50	.50	.50	.50	
16	Services revenue	750	0	0	0	0	750
17							
18	Maintenance Revenue	3897	3212	1765	0	0	8874
19							
20	Total Revenue	7962	4820	2648	0	0	15430
21							
22	Maintenance Calculations						
23	Previous year maintenance	3667	3897	3212	1765	0	
24	Retention rate	.90	.75	.50	0	0	
25	Remaining maintenance	3300	2923	1606	0	0	7829
26	New + add-on license revenue	3315	1608	883	0	0	
27	Maint./license rate	.18	.18	.18	.18	.18	
28	Conversion rate	1.0	1.0	1.0	1.0	1.0	
29	New license maintenance revenue	597	289	159	0	0	1045
30	Total Maintenance	3897	3212	1765	0	0	8874
31							
32							
33							
34							
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	H	I	J	K	L	M	N
51	Revenues - Report Server (North America - Channel)						22
52							
53	Projected						
54 (\$000)	FY00	FY01	FY02	FY03	FY04	Total	FY00-FY04
55							
56	New Product Licenses						
57	New license rate		0	0	0	0	
58	New license revenue	500	0	0	0	0	500
59							
60	Add-ons/Upgrades						
61	Add-on rate	0.55	.55	.55	.55	.55	
62	Add-on revenue	495	445	245	0	0	1185
63							
64	Services						
65	Services rate	.50	.50	.50	.50	.50	
66	Services revenue	100	0	0	0	0	100
67							
68	Maintenance Revenue	1079	889	489	0	0	2457
69							
70	Total Revenue	2174	1335	733	0	0	4242
71							
72	Maintenance Calculations						
73	Previous year maintenance	1000	1079	889	489	0	
74	Retention rate	.90	.75	.50	0	0	
75	Remaining maintenance	900	809	445	0	0	2154
76	New + add-on license revenue	995	445	245	0	0	
77	Maint./license rate	.18	.18	.18	.18	.18	
78	Conversion rate	1.0	1.0	1.0	1.0	1.0	
79	New license maintenance revenue	179	80	44	0	0	303
80	Total Maintenance	1079	889	489	0	0	2457
81							
82							
83							
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97							
98							
99							
100							

	H	I	J	K	L	M	N
101	Revenues - Report Server (International - Direct)						23
102							
103	Projected						
104	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
105							
106	New Product Licenses						
107	New license rate		0	0	0	0	
108	New license revenue	600	0	0	0	0	600
109							
110	Add-ons/Upgrades						
111	Add-on rate	.55	.55	.55	.55	.55	
112	Add-on revenue	214	221	122	0	0	557
113							
114	Services						
115	Services rate	.50	.50	.50	.50	.50	
116	Services revenue	300	0	0	0	0	300
117							
118	Maintenance Revenue	536	442	243	0	0	1221
119							
120	Total Revenue	1651	663	364	0	0	2678
121							
122	Maintenance Calculations						
123	Previous year maintenance	433	536	442	243	0	
124	Retention rate	.90	.75	.50	0	0	
125	Remaining maintenance	390	402	221	0	0	1013
126	New + add-on license revenue	814	221	122	0	0	
127	Maint./license rate	.18	.18	.18	.18	.18	
128	Conversion rate	1.0	1.0	1.0	1.0	1.0	
129	New license maintenance revenue	147	40	22	0	0	208
130	Total Maintenance	536	442	243	0	0	1221
131							
132							
133							
134							
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	H	I	J	K	L	M	N
151	Revenues - Report Server (International - Channel)						24
152							
153	Projected						
154	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
155							
156	New Product Licenses						
157	New license rate		0	0	0	0	
158	New license revenue	200	0	0	0	0	200
159							
160	Add-ons/Upgrades						
161	Add-on rate	.55	.55	.55	.55	.55	
162	Add-on revenue	72	74	41	0	0	186
163							
164	Services						
165	Services rate	.50	.50	.50	.50	.50	
166	Services revenue	100	0	0	0	0	100
167							
168	Maintenance Revenue	179	148	81	0	0	409
169							
170	Total Revenue	551	222	122	0	0	895
171							
172	Maintenance Calculations						
173	Previous year maintenance	145	179	148	81	0	
174	Retention rate	.90	.75	.50	0	0	
175	Remaining maintenance	131	135	74	0	0	339
176	New + add-on license revenue	272	74	41	0	0	
177	Maint./license rate	.18	.18	.18	.18	.18	
178	Conversion rate	1.0	1.0	1.0	1.0	1.0	
179	New license maintenance revenue	49	13	7	0	0	70
180	Total Maintenance	179	148	81	0	0	409
181							
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183							
184							
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197							
198							
199							
200							

	H	I	J	K	L	M	N
201	Costs - Report Server (North America)						25
202							
203	Projected						Total
204							Total
205	(\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04
206							
207	Direct						
208	Revenues	7962	4820	2648	0	0	15430
209							
210	Cost of revenues rate	.10	.10	.10	.10	.10	
211	cost	796	482	265	0	0	1543
212	Marketing and sales rate	.30	.30	.30	.25	.25	
213	cost	2389	1446	795	0	0	4629
214	R and D rate	.15	.15	.15	.10	.10	
215	cost	1194	723	397	0	0	2315
216	G and A rate	.15	.15	.15	.15	.15	
217	cost	1194	723	397	0	0	2315
218	Total Costs - Direct	5574	3374	1854	0	0	10801
219	Cost/Revenue Ratio - Direct	.70	.70	.70	1.00	1.00	
220							
221	Channel						
222	Revenues	2174	1335	733	0	0	4242
223							
224	Cost of revenues rate	.10	.10	.10	.10	.10	
225	cost	217	133	73	0	0	424
226	Marketing and sales rate	.30	.30	.30	.25	.25	
227	cost	652	400	220	0	0	1273
228	R and D rate	.15	.15	.15	.10	.10	
229	cost	326	200	110	0	0	636
230	G and A rate	.15	.15	.15	.15	.15	
231	cost	326	200	110	0	0	636
232	Total Costs - Channel	1522	934	513	0	0	2969
233							
234	Cost/Revenue Ratio - Channel	.70	.70	.70	1.00	1.00	
235							
236	Total Costs - North America	7095	4308	2367	0	0	13771
237							
238	Total Revenue - North America	10136	6154	3382	0	0	19672
239							
240	Revenue-Costs - North America	3041	1846	1015	0	0	5902
241							
242							
243							
244							
245							
246							
247							
248							
249							
250							

	H	I	J	K	L	M	N
251	Costs - Report Server (International)						26
252							
253							
254	Projected						
255	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
256							
257	Direct						
258	Revenues	1651	663	364	0	0	2678
259							
260	Cost of revenues rate	.10	.10	.10	.10	.10	
261	cost	165	66	36	0	0	268
262	Marketing and sales rate	.30	.30	.30	.25	.25	
263	cost	495	199	109	0	0	803
264	R and D rate	.15	.15	.15	.10	.10	
265	cost	248	99	55	0	0	402
266	G and A rate	.15	.15	.15	.15	.15	
267	cost	248	99	55	0	0	402
268	Total Costs - Direct	1155	464	255	0	0	1875
269	Cost/Revenue Ratio - Direct	.70	.70	.70	1.00	1.00	
270							
271	Channel						
272	Revenues	551	222	122	0	0	895
273							
274	Cost of revenues rate	.10	.10	.10	.10	.10	
275	cost	55	22	12	0	0	90
276	Marketing and sales rate	.30	.30	.30	.25	.25	
277	cost	165	67	37	0	0	269
278	R and D rate	.15	.15	.15	.10	.10	
279	cost	83	33	18	0	0	134
280	G and A rate	.15	.15	.15	.15	.15	
281	cost	83	33	18	0	0	134
282	Total Costs - Channel	386	155	85	0	0	627
283							
284	Cost/Revenue Ratio - Channel	.70	.70	.70	1.00	1.00	
285							
286	Total Costs - International	1541	620	340	0	0	2501
287							
288	Total Revenue - International	2202	885	486	0	0	3573
289							
290	Revenue-Costs -International	661	266	146	0	0	1072
291							
292							
293							
294							
295							
296							
297							
298							
299							
300							

	H	I	J	K	L	M	N
301	Net Present Value - Report Server (Worldwide)						27
302							
303	Projected						
304 (\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04	
305							
306	Report Server (North America)						
307	Revenue	10136	6154	3382	0	0	19672
308	Operating Income Ratio	.30	.30	.30	0	0	
309	Operating Income	3041	1846	1015	0	0	5902
310	Tax Rate	.38	.38	.38	.38	.38	
311	Operating Income After Tax	1885	1145	629	0	0	3659
312	NPV Factors	.935	.813	.707	.615	.534	
313	NPV	1762	930	445	0	0	3137
314							
315	Discount Rate - Americas	0.15					
316							
317							
318							
319							
320							
321							
322							
323							
324							
325							
326	Report Server (International)						
327	Revenue	2202	885	486	0	0	3573
328	Operating Income Ratio	.30	.30	.30	0	0	
329	Operating Income	661	266	146	0	0	1072
330	Tax Rate	.30	.30	.30	.30	.30	
331	Operating Income After Tax	462	186	102	0	0	750
332	NPV Factors	.935	.813	.707	.615	.534	
333	NPV	432	151	72	0	0	656
334							
335	Discount Rate - International	0.15					
336							
337							
338							
339							
340							
341							
342	Worldwide Summary--Report Server						
343	Revenue	12338	7039	3868	0	0	23246
344	Operating income	3701	2112	1160	0	0	6974
345	Operating Income after tax	2348	1331	731	0	0	4409
346	NPV	2195	1082	517	0	0	3793
347							
348							
349							
350							

	O	P	Q	R	S	T	U
1	Revenues - Cube Server (North America - Direct)						31
2							
3	Projected						Total
4	(\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04
5							
6	New Product Licenses						
7	New license rate		1.00	.75	.50	.25	
8	New license revenue	1500	1500	1125	563	141	4828
9							
10	Add-ons/Upgrades						
11	Add-on rate	.55	.55	.55	.55	.55	
12	Add-on revenue	99	232	363	408	353	1454
13							
14	Services						
15	Services rate	.40	.40	.40	.40	.40	
16	Services revenue	600	600	450	225	56	1931
17							
18	Maintenance Revenue	468	733	927	916	730	3775
19							
20	Total Revenue	2667	3064	2865	2112	1280	11988
21							
22	Maintenance Calculations						
23	Previous year maintenance	200	468	733	927	916	
24	Retention rate	.90	.90	.90	.80	.70	
25	Remaining maintenance	180	421	659	742	642	2644
26	New + add-on license revenue	1599	1732	1488	970	493	
27	Maint./license rate	.18	.18	.18	.18	.18	
28	Conversion rate	1.0	1.0	1.0	1.0	1.0	
29	New license maintenance revenue	288	312	268	175	89	1131
30	Total Maintenance	468	733	927	916	730	3775
31							
32							
33							
34							
35							
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	O	P	Q	R	S	T	U
51	Revenues - Cube Server (North America - Channel)						32
52							
53	Projected						
54	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
55							
56	New Product Licenses						
57	New license rate	0	0	0	0	0	0
58	New license revenue	0	0	0	0	0	0
59							
60	Add-ons/Upgrades						
61	Add-on rate	0	0	0	0	0	0
62	Add-on revenue	0	0	0	0	0	0
63							
64	Services						
65	Services rate	0	0	0	0	0	0
66	Services revenue	0	0	0	0	0	0
67		0	0	0	0	0	0
68	Maintenance Revenue	0	0	0	0	0	0
69		0	0	0	0	0	0
70	Total Revenue	0	0	0	0	0	0
71							
72	Maintenance Calculations						
73	Previous year maintenance	0	0	0	0	0	0
74	Retention rate	0	0	0	0	0	0
75	Remaining maintenance	0	0	0	0	0	0
76	New + add-on license revenue	0	0	0	0	0	0
77	Maint./license rate	0	0	0	0	0	0
78	Conversion rate	0	0	0	0	0	0
79	New license maintenance revenue	0	0	0	0	0	0
80	Total Maintenance	0	0	0	0	0	0
81							
82							
83							
84							
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98							
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	O	P	Q	R	S	T	U
101	Revenues - Cube Server (International - Direct)						33
102							
103	Projected						
104	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
105							
106	New Product Licenses						
107	New license rate		1.00	.75	.50	.25	
108	New license revenue	650	650	488	244	61	2092
109							
110	Add-ons/Upgrades						
111	Add-on rate	.55	.55	.55	.55	.55	
112	Add-on revenue	12	70	127	151	133	493
113							
114	Services						
115	Services rate	.40	.40	.40	.40	.40	
116	Services revenue	260	260	195	98	24	837
117							
118	Maintenance Revenue	142	257	342	345	276	1362
119							
120	Total Revenue	1064	1237	1152	836	494	4784
121							
122	Maintenance Calculations						
123	Previous year maintenance	25	142	257	342	345	
124	Retention rate	.90	.90	.90	.80	.70	
125	Remaining maintenance	23	128	231	274	241	896
126	New + add-on license revenue	662	720	615	394	194	
127	Maint./license rate	.18	.18	.18	.18	.18	
128	Conversion rate	1.0	1.0	1.0	1.0	1.0	
129	New license maintenance revenue	119	130	111	71	35	465
130	Total Maintenance	142	257	342	345	276	1362
131							
132							
133							
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	O	P	Q	R	S	T	U
151	Revenues - Cube Server (International - Channel)						34
152							
153	Projected						
154	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
155							
156	New Product Licenses						
157	New license rate	0	0	0	0	0	0
158	New license revenue	0	0	0	0	0	0
159							
160	Add-ons/Upgrades						
161	Add-on rate	0	0	0	0	0	0
162	Add-on revenue	0	0	0	0	0	0
163							
164	Services						
165	Services rate	0	0	0	0	0	0
166	Services revenue	0	0	0	0	0	0
167		0	0	0	0	0	0
168	Maintenance Revenue	0	0	0	0	0	0
169		0	0	0	0	0	0
170	Total Revenue	0	0	0	0	0	0
171							
172	Maintenance Calculations						
173	Previous year maintenance	0	0	0	0	0	0
174	Retention rate	0	0	0	0	0	0
175	Remaining maintenance	0	0	0	0	0	0
176	New + add-on license revenue	0	0	0	0	0	0
177	Maint./license rate	0	0	0	0	0	0
178	Conversion rate	0	0	0	0	0	0
179	New license maintenance revenue	0	0	0	0	0	0
180	Total Maintenance	0	0	0	0	0	0
181							
182							
183							
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	O	P	Q	R	S	T	U
201	Costs - Cube Server (North America)						35
202							
203	Projected						Total
204							
205	(\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04
206							
207	Direct						
208	Revenues	2667	3064	2865	2112	1280	11988
209							
210	Cost of revenues rate	.10	.10	.10	.10	.10	
211	cost	267	306	286	211	128	1199
212	Marketing and sales rate	.30	.30	.30	.25	.25	
213	cost	800	919	859	528	320	3427
214	R and D rate	.15	.15	.15	.10	.10	
215	cost	400	460	430	211	128	1629
216	G and A rate	.15	.15	.15	.15	.15	
217	cost	400	460	430	317	192	1798
218	Total Costs- Direct	1867	2145	2005	1267	768	8052
219	Cost/Revenue Ratio - Direct	.70	.70	.70	.60	.60	
220							
221	Channel						
222	Revenues	0	0	0	0	0	0
223							
224	Cost of revenues rate	.10	.10	.10	.10	.10	
225	cost	0	0	0	0	0	0
226	Marketing and sales rate	.30	.30	.30	.25	.25	
227	cost	0	0	0	0	0	0
228	R and D rate	.15	.15	.15	.10	.10	
229	cost	0	0	0	0	0	0
230	G and A rate	.15	.15	.15	.15	.15	
231	cost	0	0	0	0	0	0
232	Total Costs - Channel	0	0	0	0	0	0
233							
234	Cost/Revenue Ratio - Channel	1.00	1.00	1.00	1.00	1.00	
235							
236	Total Costs - North America	1867	2145	2005	1267	768	8052
237							
238	Total Revenue - North America	2667	3064	2865	2112	1280	11988
239							
240	Revenue-Costs - North America	800	919	859	845	512	3936
241							
242							
243							
244							
245							
246							
247							
248							
249							
250							

	O	P	Q	R	S	T	U
251	Costs - Cube Server (International)						36
252							
253							
254	Projected					Total	
255	(\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04
256							
257	Direct						
258	Revenues	1064	1237	1152	836	494	4784
259							
260	Cost of revenues rate	.10	.10	.10	.10	.10	
261	cost	106	124	115	84	49	478
262	Marketing and sales rate	.30	.30	.30	.25	.25	
263	cost	319	371	346	209	124	1369
264	R and D rate	.15	.15	.15	.10	.10	
265	cost	160	186	173	84	49	651
266	G and A rate	.15	.15	.15	.15	.15	
267	cost	160	186	173	125	74	718
268	Total Costs - Direct	745	866	806	502	296	3216
269	Cost/Revenue Ratio - Direct	.70	.70	.70	.60	.60	
270							
271	Channel						
272	Revenues	0	0	0	0	0	0
273							
274	Cost of revenues rate	.10	.10	.10	.10	.10	
275	cost	0	0	0	0	0	0
276	Marketing and sales rate	.30	.30	.30	.25	.25	
277	cost	0	0	0	0	0	0
278	R and D rate	.15	.15	.15	.10	.10	
279	cost	0	0	0	0	0	0
280	G and A rate	.15	.15	.15	.15	.15	
281	cost	0	0	0	0	0	0
282	Total Costs - Channel	0	0	0	0	0	0
283							
284	Cost/Revenue Ratio - Channel	1.00	1.00	1.00	1.00	1.00	
285							
286	Total Costs - International	745	866	806	502	296	3216
287							
288	Total Revenue - International	1064	1237	1152	836	494	4784
289							
290	Revenue-Costs -International	319	371	346	335	198	1568
291							
292							
293							
294							
295							
296							
297							
298							
299							
300							

	O	P	Q	R	S	T	U
301	Net Present Value - Cube Server (Worldwide)						37
302							
303	Projected					Total	
304	(\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04
305							
306	CubeServer (North America)						
307	Revenue	2667	3064	2865	2112	1280	11988
308	Operating Income Ratio	.30	.30	.30	.40	.40	
309	Operating Income	800	919	859	845	512	3936
310	Tax Rate	.38	.38	.38	.38	.38	
311	Operating Income After Tax	496	570	533	524	317	2440
312	NPV Factors	.935	.813	.707	.615	.534	
313	NPV	464	463	377	322	170	1795
314							
315	Discount Rate - Americas	0.15					
316							
317							
318							
319							
320							
321							
322							
323							
324							
325							
326	CubeServer (International)						
327	Revenue	1064	1237	1152	836	494	4784
328	Operating Income Ratio	.30	.30	.30	.40	.40	
329	Operating Income	319	371	346	335	198	1568
330	Tax Rate	.30	.30	.30	.30	.30	
331	Operating Income After Tax	223	260	242	234	138	1098
332	NPV Factors	.935	.813	.707	.615	.534	
333	NPV	209	211	171	144	74	809
334							
335	Discount Rate - International	0.15					
336							
337							
338							
339							
340							
341							
342	Worldwide Summary--CubeServer						
343	Revenue	3731	4302	4017	2948	1774	16772
344	Operating income	1119	1290	1205	1179	710	5504
345	Operating Income after tax	719	830	775	758	456	3538
346	NPV	673	675	548	466	244	2604
347							
348							
349							
350							

	V	W	X	Y	Z	AA	AB
1	Revenues - Rolap (North America - Direct)						41
2							
3	Projected						
4	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
5							
6	New Product Licenses						
7	New license rate		0	0	0	0	
8	New license revenue	4000	0	0	0	0	4000
9							
10	Add-ons/Upgrades						
11	Add-on rate	.55	.55	.55	.55	.55	
12	Add-on revenue	2575	2419	1329	0	0	6324
13							
14	Services						
15	Services rate	.25	.25	.25	.25	.25	
16	Services revenue	1000	0	0	0	0	1000
17							
18	Maintenance Revenue	5865	4834	2657	0	0	13356
19							
20	Total Revenue	13440	7254	3986	0	0	24680
21							
22	Maintenance Calculations						
23	Previous year maintenance	5202	5865	4834	2657	0	
24	Retention rate	.90	.75	.50	0	0	
25	Remaining maintenance	4682	4399	2417	0	0	11498
26	New + add-on license revenue	6575	2419	1329	0	0	
27	Maint./license rate	.18	.18	.18	.18	.18	
28	Conversion rate	1.0	1.0	1.0	1.0	1.0	
29	New license maintenance revenue	1183	435	239	0	0	1858
30	Total Maintenance	5865	4834	2657	0	0	13356
31							
32							
33							
34							
35							
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	V	W	X	Y	Z	AA	AB
51	Revenues - Rolap (North America - Channel)						42
52							
53	Projected						
54	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
55							
56	New Product Licenses						
57	New license rate		0	0	0	0	
58	New license revenue	400	0	0	0	0	400
59							
60	Add-ons/Upgrades						
61	Add-on rate	.55	.55	.55	.55	.55	
62	Add-on revenue	297	275	151	0	0	722
63							
64	Services						
65	Services rate	.25	.25	.25	.25	.25	
66	Services revenue	100	0	0	0	0	100
67							
68	Maintenance Revenue	665	549	301	0	0	1515
69							
70	Total Revenue	1462	823	452	0	0	2738
71							
72	Maintenance Calculations						
73	Previous year maintenance	600	665	549	301	0	
74	Retention rate	.90	.75	.50	0	0	
75	Remaining maintenance	540	499	274	0	0	1313
76	New + add-on license revenue	697	275	151	0	0	
77	Maint./license rate	.18	.18	.18	.18	.18	
78	Conversion rate	1.0	1.0	1.0	1.0	1.0	
79	New license maintenance revenue	125	49	27	0	0	202
80	Total Maintenance	665	549	301	0	0	1515
81							
82							
83							
84							
85							
86							
87							
88							
89							
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95							
96							
97							
98							
99							
100							

	V	W	X	Y	Z	AA	AB
101	Revenues - Rolap (International - Direct)						43
102							
103	Projected						
104	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
105							
106	New Product Licenses						
107	New license rate		0	0	0	0	
108	New license revenue	1000	0	0	0	0	1000
109							
110	Add-ons/Upgrades						
111	Add-on rate	.55	.55	.55	.55	.55	
112	Add-on revenue	1200	159	83	0	0	1442
113							
114	Services						
115	Services rate	.25	.25	.25	.25	.25	
116	Services revenue	250	0	0	0	0	0
117							
118	Maintenance Revenue	849	665	348	0	0	1861
119							
120	Total Revenue	3299	824	431	0	0	4554
121							
122	Maintenance Calculations						
123	Previous year maintenance	503	849	665	348	0	
124	Retention rate	.90	.75	.50	0	0	
125	Remaining maintenance	453	637	333	0	0	1422
126	New + add-on license revenue	2200	159	83	0	0	
127	Maint./license rate	.18	.18	.18	.18	.18	
128	Conversion rate	1.0	1.0	1.0	1.0	1.0	
129	New license maintenance revenue	396	29	15	0	0	440
130	Total Maintenance	849	665	348	0	0	1861
131							
132							
133							
134							
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147							
148							
149							
150							

	V	W	X	Y	Z	AA	AB
151	Revenues - Rolap (International - Channel)						44
152							
153	Projected						
154	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
155							
156	New Product Licenses						
157	New license rate		0	0	0	0	
158	New license revenue	200	0	0	0	0	200
159							
160	Add-ons/Upgrades						
161	Add-on rate	.55	.55	.55	.55	.55	
162	Add-on revenue	50	56	31	0	0	136
163							
164	Services						
165	Services rate	.25	.25	.25	.25	.25	
166	Services revenue	50	0	0	0	0	50
167							
168	Maintenance Revenue	135	111	61	0	0	307
169							
170	Total Revenue	434	167	92	0	0	693
171							
172	Maintenance Calculations						
173	Previous year maintenance	100	135	111	61	0	
174	Retention rate	.90	.75	.50	0	0	
175	Remaining maintenance	90	101	56	0	0	247
176	New + add-on license revenue	250	56	31	0	0	
177	Maint./license rate	.18	.18	.18	.18	.18	
178	Conversion rate	1.0	1.0	1.0	1.0	1.0	
179	New license maintenance revenue	45	10	6	0	0	60
180	Total Maintenance	135	111	61	0	0	307
181							
182							
183							
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195							
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197							
198							
199							
200							

	V	W	X	Y	Z	AA	AB
201	Costs - Rolap (North America)						45
202							
203	Projected						
204							
205	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
206							
207	Direct						
208	Revenues	13440	7254	3986	0	0	24680
209							
210	Cost of revenues rate	.10	.10	.10	.10	.10	
211	cost	1344	725	399	0	0	2468
212	Marketing and sales rate	.30	.30	.30	.25	.25	
213	cost	4032	2176	1196	0	0	7404
214	R and D rate	.15	.15	.15	.10	.10	
215	cost	2016	1088	598	0	0	3702
216	G and A rate	.15	.15	.15	.15	.15	
217	cost	2016	1088	598	0	0	3702
218	Total Costs - Direct	9408	5078	2790	0	0	17276
219	Cost/Revenue Ratio - Direct	.70	.70	.70	1.00	1.00	
220							
221	Channel						
222	Revenues	1462	823	452	0	0	2738
223							
224	Cost of revenues rate	.10	.10	.10	.10	.10	
225	cost	146	82	45	0	0	274
226	Marketing and sales rate	.30	.30	.30	.25	.25	
227	cost	439	247	136	0	0	821
228	R and D rate	.15	.15	.15	.10	.10	
229	cost	219	123	68	0	0	411
230	G and A rate	.15	.15	.15	.15	.15	
231	cost	219	123	68	0	0	411
232	Total Costs - Channel	1024	576	317	0	0	1916
233							
234	Cost/Revenue Ratio - Channel	.70	.70	.70	1.00	1.00	
235							
236	Total Costs - North America	10432	5654	3107	0	0	19193
237							
238	Total Revenue - North America	14903	8077	4438	0	0	27418
239							
240	Revenue-Costs - North America	4471	2423	1331	0	0	8225
241							
242							
243							
244							
245							
246							
247							
248							
249							
250							

	V	W	X	Y	Z	AA	AB
251	Costs - Rolap (International)						46
252							
253							
254	Projected						
255	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
256							
257	Direct						
258	Revenues	3299	824	431	0	0	4554
259							
260	Cost of revenues rate	.10	.10	.10	.10	.10	
261	cost	330	82	43	0	0	455
262	Marketing and sales rate	.30	.30	.30	.25	.25	
263	cost	990	247	129	0	0	1366
264	R and D rate	.15	.15	.15	.10	.10	
265	cost	495	124	65	0	0	683
266	G and A rate	.15	.15	.15	.15	.15	
267	cost	495	124	65	0	0	683
268	Total Costs - Direct	2309	577	301	0	0	3188
269	Cost/Revenue Ratio - Direct	.70	.70	.70	1.00	1.00	
270							
271	Channel						
272	Revenues	434	167	92	0	0	693
273							
274	Cost of revenues rate	.10	.10	.10	.10	.10	
275	cost	43	17	9	0	0	69
276	Marketing and sales rate	.30	.30	.30	.25	.25	
277	cost	130	50	28	0	0	208
278	R and D rate	.15	.15	.15	.10	.10	
279	cost	65	25	14	0	0	104
280	G and A rate	.15	.15	.15	.15	.15	
281	cost	65	25	14	0	0	104
282	Total Costs - Channel	304	117	64	0	0	485
283							
284	Cost/Revenue Ratio - Channel	.70	.70	.70	1.00	1.00	
285							
286	Total Costs - International	2613	694	366	0	0	3673
287							
288	Total Revenue - International	3733	991	522	0	0	5247
289							
290	Revenue-Costs -International	1120	297	157	0	0	1574
291							
292							
293							
294							
295							
296							
297							
298							
299							
300							

	V	W	X	Y	Z	AA	AB
301	Net Present Value - Rolap (Worldwide)						47
302							
303	Projected					Total	
304 (\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04	
305							
306	Rolap (North America)						
307	Revenue	14903	8077	4438	0	0	27418
308	Operating Income Ratio	.30	.30	.30	0	0	
309	Operating Income	4471	2423	1331	0	0	8225
310	Tax Rate	.38	.38	.38	.38	.38	
311	Operating Income After Tax	2772	1502	826	0	0	5100
312	NPV Factors	.935	.813	.707	.615	.534	
313	NPV	2591	1221	584	0	0	4396
314							
315	Discount Rate - Americas	0.15					
316							
317							
318							
319							
320							
321							
322							
323							
324							
325							
326	Rolap (International)						
327	Revenue	3733	991	522	0	0	5247
328	Operating Income Ratio	.30	.30	.30	0	0	
329	Operating Income	1120	297	157	0	0	1574
330	Tax Rate	.30	.30	.30	.30	.30	
331	Operating Income After Tax	784	208	110	0	0	1102
332	NPV Factors	.935	.813	.707	.615	.534	
333	NPV	733	169	78	0	0	980
334							
335	Discount Rate - International	0.15					
336							
337							
338							
339							
340							
341							
342	Worldwide Summary--Rolap						
343	Revenue	18636	9068	4961	0	0	32665
344	Operating income	5591	2720	1488	0	0	9799
345	Operating Income after tax	3556	1710	935	0	0	6202
346	NPV	3324	1390	661	0	0	5375
347							
348							
349							
350							

	AC	AD	AE	AF	AG	AH	AI
1	Revenues - Q&E (North America - Direct)						51
2							
3	Projected						
4	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
5							
6	New Product Licenses						
7	New license rate		.75	.50	.25	0	
8	New license revenue	150	113	56	14	0	333
9							
10	Add-ons/Upgrades						
11	Add-on rate	1.11	1.11	1.11	1.11	1.11	
12	Add-on revenue	289	301	307	304	257	1457
13							
14	Services						
15	Services rate	0	0	0	0	0	
16	Services revenue	0	0	0	0	0	0
17							
18	Maintenance Revenue	339	346	342	331	278	1635
19							
20	Total Revenue	778	759	705	648	535	3424
21							
22	Maintenance Calculations						
23	Previous year maintenance	325	339	346	342	331	
24	Retention rate	.80	.80	.80	.80	.70	
25	Remaining maintenance	260	271	276	273	231	1313
26	New + add-on license revenue	439	413	363	318	257	
27	Maint./license rate	.18	.18	.18	.18	.18	
28	Conversion rate	1.0	1.0	1.0	1.0	1.0	
29	New license maintenance revenue	79	74	65	57	46	322
30	Total Maintenance	339	346	342	331	278	1635
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
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45							
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47							
48							
49							
50							

	AC	AD	AE	AF	AG	AH	AI
51	Revenues - Q&E (North America - Channel)						52
52							
53	Projected						
54	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
55							
56	New Product Licenses						
57	New license rate	0	0	0	0	0	0
58	New license revenue	0	0	0	0	0	0
59							
60	Add-ons/Upgrades						
61	Add-on rate	0	0	0	0	0	0
62	Add-on revenue	0	0	0	0	0	0
63							
64	Services						
65	Services rate	0	0	0	0	0	0
66	Services revenue	0	0	0	0	0	0
67		0	0	0	0	0	0
68	Maintenance Revenue	0	0	0	0	0	0
69		0	0	0	0	0	0
70	Total Revenue	0	0	0	0	0	0
71							
72	Maintenance Calculations						
73	Previous year maintenance	0	0	0	0	0	0
74	Retention rate	0	0	0	0	0	0
75	Remaining maintenance	0	0	0	0	0	0
76	New + add-on license revenue	0	0	0	0	0	0
77	Maint./license rate	0	0	0	0	0	0
78	Conversion rate	0	0	0	0	0	0
79	New license maintenance revenue	0	0	0	0	0	0
80	Total Maintenance	0	0	0	0	0	0
81							
82							
83							
84							
85							
86							
87							
88							
89							
90							
91							
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95							
96							
97							
98							
99							
100							

	AC	AD	AE	AF	AG	AH	AI
101	Revenues - Q&E (International - Direct)						53
102							
103	Projected						
104	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00 FY04
105							
106	New Product Licenses						
107	New license rate		0.75	.50	.25	0	
108	New license revenue	50	37.5	19	5	0	111
109							
110	Add-ons/Upgrades						
111	Add-on rate	1.11	1.11	1.11	1.11	1.11	
112	Add-on revenue	89	93	95	95	80	452
113							
114	Services						
115	Services rate	0	0	0	0	0	
116	Services revenue	0	0	0	0	0	0
117							
118	Maintenance Revenue	105	108	107	103	87	509
119							
120	Total Revenue	244	238	221	202	167	1072
121							
122	Maintenance Calculations						
123	Previous year maintenance	100	105	108	107	103	
124	Retention rate	.80	.80	.80	.80	.70	
125	Remaining maintenance	80	84	86	85	72	407
126	New + add-on license revenue	139	131	114	99	80	
127	Maint./license rate	.18	.18	.18	.18	.18	
128	Conversion rate	1.0	1.0	1.0	1.0	1.0	
129	New license maintenance revenue	25	24	21	18	14	101
130	Total Maintenance	105	108	107	103	87	509
131							
132							
133							
134							
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148							
149							
150							

	AC	AD	AE	AF	AG	AH	AI
151	Revenues - Q&E (International - Channel)						54
152							
153	Projected						
154	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00 FY04
155							
156	New Product Licenses						
157	New license rate	0	0	0	0	0	0
158	New license revenue	0	0	0	0	0	0
159							
160	Add-ons/Upgrades						
161	Add-on rate	0	0	0	0	0	0
162	Add-on revenue	0	0	0	0	0	0
163							
164	Services						
165	Services rate	0	0	0	0	0	0
166	Services revenue	0	0	0	0	0	0
167		0	0	0	0	0	0
168	Maintenance Revenue	0	0	0	0	0	0
169		0	0	0	0	0	0
170	Total Revenue	0	0	0	0	0	0
171							
172	Maintenance Calculations						
173	Previous year maintenance	0	0	0	0	0	0
174	Retention rate	0	0	0	0	0	0
175	Remaining maintenance	0	0	0	0	0	0
176	New + add-on license revenue	0	0	0	0	0	0
177	Maint./license rate	0	0	0	0	0	0
178	Conversion rate	0	0	0	0	0	0
179	New license maintenance revenue	0	0	0	0	0	0
180	Total Maintenance	0	0	0	0	0	0
181							
182							
183							
184							
185							
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198							
199							
200							

	AC	AD	AE	AF	AG	AH	AI
201	Costs - Q&E (North America)						55
202							
203	Projected						
204							
205	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
206							
207	Direct						
208	Revenues	778	759	705	648	535	3424
209							
210	Cost of revenues rate	.10	.10	.10	.10	.10	
211	cost	78	76	70	65	53	342
212	Marketing and sales rate	.30	.30	.30	.25	.25	
213	cost	233	228	211	162	134	968
214	R and D rate	.15	.15	.15	.10	.10	
215	cost	117	114	106	65	53	455
216	G and A rate	.15	.15	.15	.15	.15	
217	cost	117	114	106	97	80	514
218	Total Costs - Direct	544	531	493	389	321	2279
219	Cost/Revenue Ratio - Direct	.70	.70	.70	.60	.60	
220							
221	Channel						
222	Revenues	0	0	0	0	0	0
223							
224	Cost of revenues rate	.10	.10	.10	.10	.10	
225	cost	0	0	0	0	0	0
226	Marketing and sales rate	.30	.30	.30	.25	.25	
227	cost	0	0	0	0	0	0
228	R and D rate	.15	.15	.15	.10	.10	
229	cost	0	0	0	0	0	0
230	G and A rate	.15	.15	.15	.15	.15	
231	cost	0	0	0	0	0	0
232	Total Costs - Channel	0	0	0	0	0	0
233							
234	Cost/Revenue Ratio - Channel	1.00	1.00	1.00	1.00	1.00	
235							
236	Total Costs - North America	544	531	493	389	321	2279
237							
238	Total Revenue - North America	778	759	705	648	535	3424
239							
240	Revenue-Costs - North America	233	228	211	259	214	1146
241							
242							
243							
244							
245							
246							
247							
248							
249							
250							

	AC	AD	AE	AF	AG	AH	AI
251	Costs - Q&E (International)						56
252							
253	Projected						Total
254							
255	(\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04
256							
257	Direct						
258	Revenues	244	238	221	202	167	1072
259							
260	Cost of revenues rate	.10	.10	.10	.10	.10	
261	cost	24	24	22	20	17	107
262	Marketing and sales rate	.30	.30	.30	.25	.25	
263	cost	73	71	66	51	42	303
264	R and D rate	.15	.15	.15	.10	.10	
265	cost	37	36	33	20	17	142
266	G and A rate	.15	.15	.15	.15	.15	
267	cost	37	36	33	30	25	161
268	Total Costs - Direct	171	167	155	121	100	714
269	Cost/Revenue Ratio - Direct	.70	.70	.70	.60	.60	
270							
271	Channel						
272	Revenues	0	0	0	0	0	0
273							
274	Cost of revenues rate	.10	.10	.10	.10	.10	
275	cost	0	0	0	0	0	0
276	Marketing and sales rate	.30	.30	.30	.25	.25	
277	cost	0	0	0	0	0	0
278	R and D rate	.15	.15	.15	.10	.10	
279	cost	0	0	0	0	0	0
280	G and A rate	.15	.15	.15	.15	.15	
281	cost	0	0	0	0	0	0
282	Total Costs - Channel	0	0	0	0	0	0
283							
284	Cost/Revenue Ratio - Channel	1.00	1.00	1.00	1.00	1.00	
285							
286	Total Costs - International	171	167	155	121	100	714
287							
288	Total Revenue - International	244	238	221	202	167	1072
289							
290	Revenue-Costs -International	73	71	66	81	67	359
291							
292							
293							
294							
295							
296							
297							
298							
299							
300							

	AC	AD	AE	AF	AG	AH	AI
301	Net Present Value - Q&E (Worldwide)						57
302							
303	Projected					Total	
304 (\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04	
305							
306	Q&E (North America)						
307	Revenue	778	759	705	648	535	3424
308	Operating Income Ratio	.30	.30	.30	.40	.40	
309	Operating Income	233	228	211	259	214	1146
310	Tax Rate	.38	.38	.38	.38	.38	
311	Operating Income After Tax	145	141	131	161	133	710
312	NPV Factors	.935	.813	.707	.615	.534	
313	NPV	135	115	93	99	71	512
314							
315	Discount Rate - Americas	0.15					
316							
317							
318							
319							
320							
321							
322							
323							
324							
325							
326	Q&E (International)						
327	Revenue	244	238	221	202	167	1072
328	Operating Income Ratio	.30	.30	.30	.40	.40	
329	Operating Income	73	71	66	81	67	359
330	Tax Rate	.30	.30	.30	.30	.30	
331	Operating Income After Tax	51	50	46	57	47	251
332	NPV Factors	.935	.813	.707	.615	.534	
333	NPV	48	41	33	35	25	181
334							
335	Discount Rate - International	0.15					
336							
337							
338							
339							
340							
341							
342	Worldwide Summary--Q&E						
343	Revenue	1021	997	926	851	701	4496
344	Operating income	306	299	278	340	281	1504
345	Operating Income after tax	196	191	177	217	179	961
346	NPV	183	155	125	134	96	693
347							
348							
349							
350							

	AJ	AK	AL	AM	AN	AO	AP
1	Revenues - IQ Classic (North America - Direct)						61
2							
3	Projected						
4	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
5							
6	New Product Licenses						
7	New license rate		0.80	.60	.40	.20	
8	New license revenue	100	80	48	19	4	251
9							
10	Add-ons/Upgrades						
11	Add-on rate	1.11	1.11	1.11	1.11	1.11	
12	Add-on revenue	622	613	601	584	493	2913
13							
14	Services						
15	Services rate	0	0	0	0	0	0
16	Services revenue	0	0	0	0	0	0
17							
18	Maintenance Revenue	690	677	658	635	534	3194
19							
20	Total Revenue	1411	1369	1307	1239	1031	6358
21							
22	Maintenance Calculations						
23	Previous year maintenance	700	690	677	658	635	
24	Retention rate	.80	.80	.80	.80	.70	
25	Remaining maintenance	560	552	541	526	445	2624
26	New + add-on license revenue	722	693	649	604	497	
27	Maint./license rate	.18	.18	.18	.18	.18	
28	Conversion rate	1.0	1.0	1.0	1.0	1.0	
29	New license maintenance revenue	130	125	117	109	90	569
30	Total Maintenance	690	677	658	635	534	3194
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							
45							
46							
47							
48							
49							
50							

	AJ	AK	AL	AM	AN	AO	AP
51	Revenues - IQ Classic (North America - Channel)						62
52							
53	Projected						
54	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
55							
56	New Product Licenses						
57	New license rate		.80	.60	.40	.20	
58	New license revenue	350	280	168	67	13	879
59							
60	Add-ons/Upgrades						
61	Add-on rate	1.11	1.11	1.11	1.11	1.11	
62	Add-on revenue	977	994	998	985	837	4791
63							
64	Services						
65	Services rate	0	0	0	0	0	0
66	Services revenue	0	0	0	0	0	0
67							
68	Maintenance Revenue	1119	1124	1109	1077	907	5336
69							
70	Total Revenue	2446	2398	2276	2129	1757	11006
71							
72	Maintenance Calculations						
73	Previous year maintenance	1100	1119	1124	1109	1077	
74	Retention rate	.80	.80	.80	.80	.70	
75	Remaining maintenance	880	895	899	888	754	4316
76	New + add-on license revenue	1327	1274	1166	1052	850	
77	Maint./license rate	.18	.18	.18	.18	.18	
78	Conversion rate	1.0	1.0	1.0	1.0	1.0	
79	New license maintenance revenue	239	229	210	189	153	1020
80	Total Maintenance	1119	1124	1109	1077	907	5336
81							
82							
83							
84							
85							
86							
87							
88							
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90							
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95							
96							
97							
98							
99							
100							

	AJ	AK	AL	AM	AN	AO	AP
101	Revenues - IQ Classic (International - Direct)						63
102							
103	Projected						
104	(\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04
105							
106	New Product Licenses						
107	New license rate		.80	.60	.40	.20	
108	New license revenue	75	60	36	14	3	188
109							
110	Add-ons/Upgrades						
111	Add-on rate	1.11	1.11	1.11	1.11	1.11	
112	Add-on revenue	266	268	267	262	222	1284
113							
114	Services						
115	Services rate	0	0	0	0	0	0
116	Services revenue	0	0	0	0	0	0
117							
118	Maintenance Revenue	301	300	295	285	240	1422
119							
120	Total Revenue	643	628	597	561	465	2894
121							
122	Maintenance Calculations						
123	Previous year maintenance	300	301	300	295	285	
124	Retention rate	.80	.80	.80	.80	.70	
125	Remaining maintenance	240	241	240	236	200	1157
126	New + add-on license revenue	341	328	303	276	225	
127	Maint./license rate	.18	.18	.18	.18	.18	
128	Conversion rate	1.0	1.0	1.0	1.0	1.0	
129	New license maintenance revenue	61	59	54	50	40	265
130	Total Maintenance	301	300	295	285	240	1422
131							
132							
133							
134							
135							
136							
137							
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143							
144							
145							
146							
147							
148							
149							
150							

	AJ	AK	AL	AM	AN	AO	AP
151	Revenues - IQ Classic (International - Channel)						64
152							
153	Projected						Total
154	(\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04
155							
156	New Product Licenses						
157	New license rate		.80	.60	.40	.20	
158	New license revenue	100	80	48	19	4	251
159							
160	Add-ons/Upgrades						
161	Add-on rate	1.11	1.11	1.11	1.11	1.11	
162	Add-on revenue	355	357	355	349	296	1712
163							
164	Services						
165	Services rate	0	0	0	0	0	0
166	Services revenue	0	0	0	0	0	0
167							
168	Maintenance Revenue	402	400	393	380	320	1896
169							
170	Total Revenue	857	837	796	748	620	3858
171							
172	Maintenance Calculations						
173	Previous year maintenance	400	402	400	393	380	
174	Retention rate	.80	.80	.80	.80	.70	
175	Remaining maintenance	320	322	320	314	266	1542
176	New + add-on license revenue	455	437	403	368	299	
177	Maint./license rate	.18	.18	.18	.18	.18	
178	Conversion rate	1.0	1.0	1.0	1.0	1.0	
179	New license maintenance revenue	82	79	73	66	54	353
180	Total Maintenance	402	400	393	380	320	1896
181							
182							
183							
184							
185							
186							
187							
188							
189							
190							
191							
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193							
194							
195							
196							
197							
198							
199							
200							

	AJ	AK	AL	AM	AN	AO	AP
201	Costs - IQ Classic (North America)						85
202							
203	Projected						
204							
205 (\$000)	FY00	FY01	FY02	FY03	FY04	Total FY00-FY04	
206							
207	Direct						
208	Revenues	1411	1369	1307	1239	1031	6358
209							
210	Cost of revenues rate	.10	.10	.10	.10	.10	
211	cost	141	137	131	124	103	636
212	Marketing and sales rate	.30	.30	.30	.25	.25	
213	cost	423	411	392	310	258	1794
214	R and D rate	.15	.15	.15	.10	.10	
215	cost	212	205	196	124	103	840
216	G and A rate	.15	.15	.15	.15	.15	
217	cost	212	205	196	186	155	954
218	Total Costs - Direct	988	958	915	743	619	4223
219	Cost/Revenue Ratio - Direct	.70	.70	.70	.60	.60	
220							
221	Channel						
222	Revenues	2446	2398	2276	2129	1757	11006
223							
224	Cost of revenues rate	.10	.10	.10	.10	.10	
225	cost	245	240	228	213	176	1101
226	Marketing and sales rate	.30	.30	.30	.25	.25	
227	cost	734	719	683	532	439	3107
228	R and D rate	.15	.15	.15	.10	.10	
229	cost	367	360	341	213	176	1457
230	G and A rate	.15	.15	.15	.15	.15	
231	cost	367	360	341	319	264	1651
232	Total Costs - Channel	1712	1678	1593	1278	1054	7315
233							
234	Cost/Revenue Ratio - Channel	.70	.70	.70	.60	.60	
235							
236	Total Costs - North America	2700	2637	2508	2021	1673	11539
237							
238	Total Revenue - North America	3857	3767	3583	3368	2788	17363
239							
240	Revenue-Costs - North America	1157	1130	1075	1347	1115	5825
241							
242							
243							
244							
245							
246							
247							
248							
249							
250							

	AJ	AK	AL	AM	AN	AO	AP
251	Costs - IQ Classic (International)						66
252							
253							
254	Projected						Total
255	(\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04
256							
257	Direct						
258	Revenues	643	628	597	561	465	2894
259							
260	Cost of revenues rate	.10	.10	.10	.10	.10	
261	cost	64	63	60	56	46	289
262	Marketing and sales rate	.30	.30	.30	.25	.25	
263	cost	193	188	179	140	116	817
264	R and D rate	.15	.15	.15	.10	.10	
265	cost	96	94	90	56	46	383
266	G and A rate	.15	.15	.15	.15	.15	
267	cost	96	94	90	84	70	434
268	Total Costs- Direct	450	439	418	337	279	1923
269	Cost/Revenue Ratio - Direct	.70	.70	.70	.60	.60	
270							
271	Channel						
272	Revenues	857	837	796	748	620	3858
273							
274	Cost of revenues rate	.10	.10	.10	.10	.10	
275	cost	86	84	80	75	62	386
276	Marketing and sales rate	.30	.30	.30	.25	.25	
277	cost	257	251	239	187	155	1089
278	R and D rate	.15	.15	.15	.10	.10	
279	cost	129	126	119	75	62	510
280	G and A rate	.15	.15	.15	.15	.15	
281	cost	129	126	119	112	93	579
282	Total Costs - Channel	600	586	557	449	372	2564
283							
284	Cost/Revenue Ratio - Channel	.70	.70	.70	.60	.60	
285							
286	Total Costs - International	1050	1025	975	786	651	4487
287							
288	Total Revenue - International	1500	1465	1393	1310	1084	6752
289							
290	Revenue-Costs -International	450	439	418	524	434	2265
291							
292							
293							
294							
295							
296							
297							
298							
299							
300							

	AJ	AK	AL	AM	AN	AO	AP
301	Net Present Value - IQ Classic (Worldwide)						67
302							
303	Projected						Total
304 (\$000)	FY00	FY01	FY02	FY03	FY04	FY00-FY04	
305							
306	IQ Classic (North America)						
307	Revenue	3857	3767	3583	3368	2788	17363
308	Operating Income Ratio	.30	.30	.30	.40	.40	
309	Operating Income	1157	1130	1075	1347	1115	5825
310	Tax Rate	.38	.38	.38	.38	.38	
311	Operating Income After Tax	717	701	666	835	692	3611
312	NPV Factors	.935	.813	.707	.615	.534	
313	NPV	671	570	471	513	370	2594
314							
315	Discount Rate - Americas	0.15					
316							
317							
318							
319							
320							
321							
322							
323							
324							
325							
326	IQ Classic (International)						
327	Revenue	1500	1465	1393	1310	1084	6752
328	Operating Income Ratio	.30	.30	.30	.40	.40	
329	Operating Income	450	439	418	524	434	2265
330	Tax Rate	.30	.30	.30	.30	.30	
331	Operating Income After Tax	315	308	293	367	304	1586
332	NPV Factors	.935	.813	.707	.615	.534	
333	NPV	294	250	207	225	162	1139
334							
335	Discount Rate - International	0.15					
336							
337							
338							
339							
340							
341							
342	Worldwide Summary-IQ Classic						
343	Revenue	5357	5232	4976	4678	3873	24115
344	Operating income	1607	1570	1493	1871	1549	8090
345	Operating Income after tax	1032	1008	959	1202	995	5197
346	NPV	965	820	678	739	532	3733
347							
348							
349							
350							

Function and Technology Mapping Definitions	
Function	
Full	Product feature is available in the specified release to the extent needed to satisfy market requirements for new product
Partial	Product feature is available but does not fully satisfy market requirements for new product
N/A	Product feature has essentially not been implemented
Reuse in New Product*	
None	Substantially no reuse of any existing technology
Requirements	Existing product provides a requirements definition of product features/functionality
Specifications	Existing product provides a functional specification for product usage
Design	Existing product's technical design is being used substantially in the future product
Code	Existing software source code is being used substantially in the future product
Market Value	
High	Critical to customer buying the product; would not buy without it
Medium	Valuable to customer buying the product, but lack of it would not, by itself, preclude the purchase, though in combination with other factors, could be a purchase stopper
Low	Limited significance to most prospects; nice to have, but would not pay extra for it

- * If none or only requirements or specifications are reused in new product, then core technologies contribution is considered to be low. If design or code is reused, then core technologies contribution is considered to be an appropriate percentage for that function.

Eureka:Portal
Content Server and Content Administrator
IPR&D Code Name: "Wolf"

Functions/Technologies	Exist in Current Product	Type of Reuse	Reuse (%)	Market Significance	Core Technology Contribution (%)	Market Weighting Factor
Content Server						
Newspage	P	R, S	20	H	6.5	.013
Messengers	P	C	75	H	6.5	.049
Channels	P	C	95	M	2.0	.019
Profile	F	C	100	H	6.5	.065
Library	P	C	50	H	6.5	.033
Multimedia Newspaper	N	none	0	M	2.0	0
XML Interface	N	none	0	H	15.0	0
Message Boards	N	none	0	M	1.5	0
Security Model	N	none	0	H	4.5	0
Subgroups	N	none	0	H	4.5	0
Pangaea Support	N	none	0	H	4.5	0
Raptor Support	N	none	0	M	1.0	0
Unix Install	P	C	40	L	1.0	.004
NT Install	P	C	40	L	1.0	.004
XML APT	N	none	0	H	15.0	0
Content Administrator						
Add Users	P	C	50	M	.75	.004
Delete Users	P	C	50	M	.75	.004
Add Groups	P	C	75	M	.75	.006
Modify Groups	P	C	75	M	.75	.006
Display Logs	P	R, S	20	L	.25	.001
Tree Framework	N	none	0	L	.25	0
Pluggable Module	N	none	0	H	2.5	0
Search Engine	P	R, S	20	H	16.0	.032
Core Technologies Value						.240
New Technologies Value						.760
Total						1.000

**Eureka:Reporter
Report Designer and Report Server
IPR&D Code Name: "Raptor"**

Functions/Technologies	Exist in Current Product	Type of Reuse	Reuse (%)	Market Significance	Core Technology Contribution (%)	Market Weighting Factor
Report Designer						
Query Generator	P	Code	80	H	6.25	.050
Crosstabs Reports	F	Code	90	M	.94	.008
Child Reports	F	Code	80	M	.94	.008
Hot Object Reports	F	Code	90	H	6.25	.056
Query Wizard	F	Code	90	M	.94	.008
QuickQuery Interface	F	Code	100	M	.94	.009
FreeForm Interface	F	Code	90	H	6.25	.056
Export to TM1	F	Code	90	L	.31	.003
Export to Other Formats	P	Code	100	L	.31	.003
Conditional Output Control	P	Code	90	L	.31	.003
Value Translation	P	Code	90	L	.31	.003
Charting	P	None	0	H	6.25	0
Report Bursting	P	Code	30	H	12.5	.038
XML API	N	None	0	H	12.5	0
Report Viewer (Client)	P	Code	80	M	2.3	.018
Report Viewer (Active X)	P	Spec	10	H	7.7	.008
Metadata File Manager						
Import from other databases	F	Code	80	M	4.3	.034
Automatic label importing	F	Code	90	L	1.4	.013
Report Server Manager	P	Code	60	M	4.3	.026
Cross Platform Report Server						
Scheduler	P	None	0	H	15.6	0
Load Balancing	N	None	0	M	4.7	0
Open API	N	None	0	M	4.7	0
Core Technologies Value						.344
New Technologies Value						.656
Total						1.000

Eureka:Strategy
ROLAP
IPR&D Code Name: "Tahoe"

Functions/Technologies	Exist in Current Product	Type of Reuse	Reuse (%)	Market Significance	Core Technology Contribution (%)	Market Weighting Factor
User Interface						
Report Definition	P	None	0	H	2.5	0
Report Display	P	None	0	H	2.5	0
Charting	P	None	0	H	2.5	0
Drill (shared with Web)	P	None	0	H	2.5	0
Add-ins (shared)	P	None	0	M	1.0	0
Agents/Schedule	P	None	0	M	1.0	0
Batch Reports	P	None	0	M	1.0	0
Profile Editor	P	Req.	10	M	1.0	.001
Filters	P	Non	0	H	2.5	0
Limits	P	None	0	H	2.5	0
Calculations	P	None	0	H	2.5	0
Category	P	Req.	10	M	1.0	.001
Prompting	N	None	0	H	2.5	0
Report Wizard	N	None	0	M	1.0	0
Metadata Editors	N	None	0	M	1.0	0
Web Interface						
Report Display	P	Req	10	H	6.1	.006
Directory Display	P	Req	10	M	1.8	.002
Prompting	P	Req	10	H	6.1	.006
Server						
Olap Engine	P	Code	40	H	10.0	.040
Report Writer	P	Code	40	H	2.2	.009
Database Manager	P	None	0	H	2.2	0
Database Cache	N	None	0	H	2.2	0
ODBC	N	None	0	M	.6	0
Driller	P	Code	50	H	2.2	.011
Mime	P	Code	60	L	.2	.001
Locale	N	None	0	L	.2	0
Location Server	N	None	0	M	.6	0
File	N	None	0	M	.6	0
Font Server	N	None	0	L	.2	0
Result Server	N	None	0	L	.2	0
Calculation Engine	P	Req	10	H	10.0	.010
Pivoter	N	None	0	M	.6	0
Security	N	None	0	H	2.7	0
Scheduler	P	None	0	H	2.7	0
Metadata	N	None	0	H	10.0	0
API	N	None	0	M	.8	0
Scripting Language	P	None	0	M	.8	0

Eureka:Strategy
(continued)

Functions/Technologies	Exist in Current Product	Type of Reuse	Reuse (%)	Market Significance	Core Technology Contribution (%)	Market Weighting Factor
Converters						
Text	P	Code	50	L	.4	.002
HTML	P	Code	30	H	6.0	.018
Excel	P	None	0	M	1.2	0
Alberta Stream	N	None	0	L	.4	0
Migration Tools	N	None	0	M	2.0	0
Core Technologies Value						.107
New Technologies Value						.893
Total						1.000

Eureka: Intelligence
IPR&D Code Names: "Pangaea" and "IMG Kaleidoscope"

Functions/Technologies	Exist in Current Product	Type of Reuse	Reuse (%)	Market Significance Kaleidoscope and IMG	Core Technology Contribution (%)	Market Weighting Factor
Kaleidoscope (IMG)			100	60%	66.7	.750
Server						
Platforms						
DB Connections						
License Administration						
Client						
Platforms						
Code Distribution						
Multi-level Security Administration						
Catalog						
Channels						
MIME Readers						
Query Model						
SQL Generation						
Data Cuber						
API to MDDBS						
Monitoring						
Scheduling						
Notification (Alerts)						
MDI Client Interface						
Multi-level Data Caching						
Off-line Work						
Views						
Admin						
Query Model						
Query Composer						
Table						
Report						
Graph						
Pivot						
HTML						
Data Export						
Portfolios						
Property Inspector						
Wizards						

Eureka: Intelligence
(continued)

Functions/Technologies	Exist in Current Product	Type of Reuse	Reuse (%)	Market Significance	Technology Contribution (%)	Market Weighting Factor
Pangaea			0	40%	33.3	0
OLE DB for OLAP Connection	N	None				
TMI Connection	N	None				
ROLAP Connection	N	None				
Query Engine	N	None				
RDBMS Design	N	None				
Administration Tools	N	None				
XML Query API	N	None				
XML Cube Persistence	N	None				
Data Sources Editor	N	None				
Data Filtering	N	None				
Universal Data Source Gateway	N	None				
Content Server Integration	N	None				
HTML Viewer	N	None				
UI Framework	N	None				
Core Technologies Value						.750
New Technologies Value						.250
Total						1.000

Eureka:Portal – % Completion Analysis

People	P-months	Cost/Month	Cost	% Complete
Start to Acquisition Date (5/98 – 8/99)				
Development	24	\$5,500	\$132,000	
test	5	4,250	21,250	
Documentation	4	4,500	<u>18,000</u>	
Subtotal	33		\$171,250	61.9%
Acquisition Date to FAS86 Date (9/99 – 10/99)				
Development	12	\$5,500	\$66,000	
Test	5	4,250	21,250	
Documentation	4	4,500	<u>18,000</u>	
Subtotal	21		\$105,250	38.1%
Total for Phases I and II			\$276,500	100%
FAS86 Date to General Release Date (11/99 – 1/00)				
Development	6	\$5,500	\$33,000	
Test	5	4,250	21,250	
Documentation	3	4,500	<u>13,500</u>	
Subtotal	14		\$67,750	
Grand Total			\$344,250	

Eureka:Reporter – % Completion Analysis

People	P-months	Cost/Month	Cost	% Complete
Start to Acquisition Date (5/98 – 8/99)				
Development	43	\$5,500	\$236,500	
Test	7	4,250	29,750	
Documentation	1	4,500	4,500	
Subtotal	51		\$270,750	71.7%
Acquisition Date to FAS86 Date (9/99 – 10/99)				
Development	10	\$5,500	\$55,000	
Test	9	4,250	38,250	
Documentation	3	4,500	13,500	
Subtotal	22		\$377,500 106,750	28.3%
Total for Phases I and II			\$377,500	100%
FAS86 Date to General Release Date (11/99 – 1/00)				
Development	13	\$5,500	\$71,500	
Test	11	4,250	46,750	
Documentation	2	4,500	9,000	
Subtotal	26		\$127,250	
Grand Total			\$504,750	

Eureka:Strategy – % Completion Analysis

People	P-months	Cost/Month	Cost	% Complete
Start to Acquisition Date (1/96 – 8/99)				
Development	763	\$5,500	\$4,196,500	
Test	89	4,250	378,250	
Documentation	<u>69</u>	4,500	<u>310,500</u>	
Subtotal	921		\$4,885,250	90.0%
Acquisition Date to FAS86 Date (9/99 – 12/99)				
Development	74	\$5,500	\$407,000	
Test	21	4,250	89,250	
Documentation	<u>11</u>	4,500	<u>49,500</u>	
Subtotal	106		\$545,750	10.0%
Total for Phases I and II			\$5,431,000	100%
FAS86 Date to General Release Date (1/00 – 3/00)				
Development	124	\$5,500	\$682,000	
Test	26	4,250	110,500	
Documentation	<u>18</u>	4,500	<u>81,000</u>	
Subtotal	168		\$873,500	
Grand Total			\$6,304,500	

Eureka: Intelligence – % Completion Analysis

People	P-months	Cost/Month	Cost	% Complete
Start to Acquisition Date (9/98–8/99)				
Development	56	\$5,500	\$308,000	
Test	<u>5</u>	4,250	<u>21,250</u>	
Subtotal	61		329,250	78.0%
Acquisition Date to FAS86 Date (9/99 – 12/99)				
Development	13	\$5,500	\$71,500	
Test	<u>5</u>	4,250	<u>21,250</u>	
Subtotal	18		\$92,750	22.0%
Total for Phases I and II			\$422,000	100%
FAS86 Date to General Release Date (1/00 – 3/00)				
Development	9	\$5,500	\$49,500	
Test	<u>6</u>	4,250	<u>25,500</u>	
Subtotal	15		\$75,000	
Grand Total			\$497,000	

	A	B	C	D	E	F	G	H	I	J	K	L
351	Information Advantage: IPR&D Technologies Valuation											18
352	Projected Fiscal Year											
353	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
354	Worldwide Summary – Eureka:Portal											
355	Revenue	3185	7682	12150	17866	25322	33273	41695	48149	50691	45744	285756
356	Operating income	704	1680	3146	4629	6556	11645	14593	16852	17742	16010	93557
357	Operating Income after tax	456	1082	2027	2973	4203	7465	9355	10803	11374	10264	60002
358	NPV	418	826	1290	1577	1858	2750	2872	2764	2425	1823	18604
359	NPV after adjustment	197	389	608	743	876	1296	1353	1302	1143	859	8766
360												
361												
362	Worldwide Summary – Eureka:Reporter											
363	Revenue	4409	8092	11151	14380	14930	13152	12300	9324	7185	4745	99669
364	Operating income	1181	2195	3444	4417	4577	5261	4920	3730	2674	1898	34496
365	Operating Income after tax	762	1405	2205	2810	2905	3327	3109	2352	1812	1197	21883
366	NPV	698	1073	1403	1491	1284	1226	954	602	386	213	9331
367	NPV after adjustment	332	510	667	708	610	582	453	286	184	101	4434
368												
369												
370	Worldwide Summary – Eureka:Strategy											
371	Revenue	9056	20713	33636	46355	58833	64838	67461	59966	52554	39479	452892
372	Operating income	2347	5371	10091	13907	17650	25550	26569	23620	20701	15551	161356
373	Operating Income after tax	1491	3414	6418	8828	11203	16196	16817	14954	13106	9845	102273
374	NPV	1367	2608	4085	4683	4952	5966	5163	3826	2794	1749	37194
375	NPV after adjustment	1107	2112	3309	3793	4011	4833	4182	3099	2263	1417	30127
376												
377												
378	Worldwide Summary – Eureka:Intelligence											
379	Revenue	4118	11905	20285	26888	32523	35296	32340	26187	18848	12998	221388
380	Operating income	1069	3076	6076	8057	9734	13789	12647	10231	7364	5078	77121
381	Operating Income after tax	690	1973	3884	5150	6216	8804	8068	6536	4704	3244	49270
382	NPV	633	1507	2473	2732	2748	3243	2477	1672	1003	576	19064
383	NPV after adjustment	123	294	482	533	536	632	483	326	196	112	3717
384												
385												
386												
387												
388												
389												
390												
391												
392												
393												
394	Worldwide Summary – IA IPR&D New Products											
395	Revenue	20768	48392	77221	105489	131608	146559	153796	143627	129278	102966	1059704
396	Operating income	5301	12322	22757	31009	38517	56245	58729	54433	48680	38537	366530
397	Operating Income after tax	3399	7874	14533	19762	24528	35792	37349	34646	30996	24550	233429
398	NPV	3116	6015	9251	10483	10843	13185	11466	8863	6608	4361	84192
399	NPV after adjustment	1759	3306	5066	5778	6033	7343	6471	5013	3785	2489	47044
400												

	A	B	C	D	E	F	G	H	I	J	K	L
1	Revenues for Eureka:Portal (North America) – Direct											11
2	Projected Fiscal Year											
3												
4	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000- 2009
5												
6	New Customer Sales											
7	New Sales Units	50	100	100	100	100	75	50	0	0	0	575
8	Price/Unit	20	20	20	20	20	20	20	20	20	20	
9	New License Revenue	1000	2000	2000	2000	2000	1500	1000	0	0	0	11500
10												
11	Add-on Sales											
12	Add-on Growth Rate	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	
13	Add-on Revenue	0	766	2483	4936	8154	11945	15913	19550	20582	18573	102902
14												
15	Services											
16	Services Rate	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	
17	Services Revenue	500	1000	1000	1000	1000	750	500	0	0	0	5750
18												
19	Maintenance Revenue	180	771	1694	3012	4740	6686	8728	10501	11055	9976	57343
20												
21	Maintenance Calculations											
22	Previous Year Maintenance	0	288	933	1856	3066	4740	6686	8728	10501	11055	
23	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
24	Remaining Maintenance	0	274	887	1763	2912	4266	5683	6982	7351	6633	36751
25	New License + Add-on Revenue	1000	2766	4483	6936	10154	13445	16913	19550	20582	18573	
26	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
27	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
28	New Maintenance Revenue	180	498	807	1249	1828	2420	3044	3519	3705	3343	20592
29	Total Maintenance	180	771	1694	3012	4740	6686	8728	10501	11055	9976	57343
30												
31	Total Revenue	1680	4538	7177	10948	15894	20881	26140	30051	31637	28549	177496
32												
33												
34	Migration Calculations											
35	Installed base (units)	150										
36	Migration rate	.20	.30	.30	.10							
37	Migration maintenance value	108	162	162	54	0	0	0	0	0	0	486
38												
39												
40												
41												
42												
43												
44												
45												
46												
47												
48												
49												
50												

	A	B	C	D	E	F	G	H	I	J	K	L
51	Revenues for Eureka:Portal (North America) -- Channel											12
52	Projected Fiscal Year											
53	Projected Fiscal Year											
54	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000- 2009
55												
56	New Customer Sales											
57	New Sales Units	15	25	25	25	20	10	5	0	0	0	125
58	Price/Unit	20	20	20	20	20	20	20	20	20	20	
59	New License Revenue	300	500	500	500	400	200	100	0	0	0	2500
60												
61	Add-on Sales											
62	Add-on Growth Rate	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	
63	Add-on Revenue	0	144	445	875	1489	2197	2895	3523	3709	3347	18623
64												
65	Services											
66	Services Rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
67	Services Revenue	45	75	75	75	60	30	15	0	0	0	375
68												
69	Maintenance Revenue	54	167	329	560	872	1216	1573	1892	1992	1798	10453
70												
71	Maintenance Calculations											
72	Previous Year Maintenance	0	54	167	329	560	872	1216	1573	1892	1992	
73	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
74	Remaining Maintenance	0	51	159	312	532	785	1034	1258	1325	1195	6651
75	New License + Add-on Revenue	300	644	945	1375	1889	2397	2995	3523	3709	3347	
76	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
77	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
78	New Maintenance Revenue	54	116	170	247	340	431	539	634	668	602	3802
79	Total Maintenance	54	167	329	560	872	1216	1573	1892	1992	1798	10453
80												
81	Total Revenue	399	886	1348	2010	2821	3643	4582	5415	5701	5145	31951
82												
83												
84												
85												
86												
87												
88												
89												
90												
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92												
93												
94												
95												
96												
97												
98												
99												
100												

	A	B	C	D	E	F	G	H	I	J	K	L
101	Revenues for Eureka:Portal (International) – Direct											13
102	Projected Fiscal Year											
103												
104	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-
105												
106	New Customer Sales											
107	New Sales Units	25	40	50	40	30	25	15	0	0	0	225
108	Price/Unit	20	20	20	20	20	20	20	20	20	20	
109	New License Revenue	500	800	1000	800	600	500	300	0	0	0	4500
110												
111	Add-on Sales											
112	Add-on Growth Rate	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	
113	Add-on Revenue	0	239	725	1515	2547	3720	4970	6101	6423	5796	32038
114												
115	Services											
116	Services Rate	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	
117	Services Revenue	250	400	500	400	300	250	150	0	0	0	2250
118												
119	Maintenance Revenue	90	273	569	958	1476	2088	2724	3277	3450	3114	18019
120												
121	Maintenance Calculations											
122	Previous Year Maintenance	0	90	273	569	958	1476	2088	2724	3277	3450	
123	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
124	Remaining Maintenance	0	86	259	541	910	1329	1775	2179	2294	2070	11442
125	New License + Add-on Revenue	500	1039	1725	2315	3147	4220	5270	6101	6423	5796	
126	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
127	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
128	New Maintenance Revenue	90	187	311	417	567	760	949	1098	1156	1043	6577
129	Total Maintenance	90	273	569	958	1476	2088	2724	3277	3450	3114	18019
130												
131	Total Revenue	840	1712	2795	3672	4924	6559	8144	9378	9874	8910	56807
132												
133												
134												
135												
136												
137												
138												
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141												
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143												
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145												
146												
147												
148												
149												
150												

	A	B	C	D	E	F	G	H	I	J	K	L
151	Revenues for Eureka:Portal (International) -- Channel											14
152	Projected Fiscal Year											
153												
154 (\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009		Total 2000- 2009
155												
156	New Customer Sales											
157	New Sales Units	10	15	15	15	10	5	5	0	0	0	75
158	Price/Unit	20	20	20	20	20	20	20	20	20	20	
159	New License Revenue	200	300	300	300	200	100	100	0	0	0	1500
160												
161	Add-on Sales											
162	Add-on Growth Rate	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	
163	Add-on Revenue	0	96	280	544	921	1338	1753	2150	2263	2042	11389
164												
165	Services											
166	Services Rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
167	Services Revenue	30	45	45	45	30	15	15	0	0	0	225
168												
169	Maintenance Revenue	36	105	205	346	531	737	960	1155	1216	1097	6388
170												
171	Maintenance Calculations											
172	Previous Year Maintenance	0	36	105	205	346	531	737	960	1155	1216	
173	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
174	Remaining Maintenance	0	34	100	194	329	478	626	768	808	729	4068
175	New License + Add-on Revenue	200	396	580	844	1121	1438	1853	2150	2263	2042	
176	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
177	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
178	New Maintenance Revenue	36	71	104	152	202	259	334	387	407	368	2320
179	Total Maintenance	36	105	205	346	531	737	960	1155	1216	1097	6388
180												
181	Total Revenue	266	546	830	1236	1682	2190	2828	3305	3479	3140	19502
182												
183												
184												
185												
186												
187												
188												
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193												
194												
195												
196												
197												
198												
199												
200												

	A	B	C	D	E	F	G	H	I	J	K	L
	Costs for Eureka:Portal (North America)											15
201												
202												
203												
204	Projected Fiscal Year											
205	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
206												
207	Direct											
208	Revenue	1680	4538	7177	10948	15894	20881	26140	30051	31637	28549	177496
209												
210	Cost of revenues rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
211	cost	252	681	1077	1642	2384	3132	3921	4508	4746	4282	26624
212	Marketing and sales rate	.30	.30	.30	.30	.30	.25	.25	.25	.25	.25	
213	cost	504	1361	2153	3284	4768	5220	6535	7513	7909	7137	46386
214	R and D rate	.20	.20	.15	.15	.15	.10	.10	.10	.10	.10	
215	cost	336	908	1077	1642	2384	2088	2614	3005	3164	2655	20072
216	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
217	cost	252	681	1077	1642	2384	3132	3921	4508	4746	4282	26624
218	Total Costs: Direct	1344	3630	5383	8211	11921	13573	16991	19533	20564	18557	119707
219												
220	Cost/Revenue Ratio: Direct	.80	.80	.75	.75	.75	.65	.65	.65	.65	.65	
221												
222	Channel											
223	Revenue	399	886	1348	2010	2821	3643	4582	5415	5701	5145	31951
224												
225	Cost of revenues rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
226	cost	60	133	202	301	423	547	687	812	855	772	4793
227	Marketing and sales rate	.20	.20	.20	.20	.20	.20	.20	.20	.20	.20	
228	cost	80	177	270	402	564	729	916	1083	1140	1029	6390
229	R and D rate	.20	.20	.20	.20	.20	.15	.15	.15	.15	.15	
230	cost	80	177	270	402	564	547	687	812	855	772	5166
231	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
232	cost	60	133	202	301	423	547	687	812	855	772	4793
233												
234	Total Costs: Channel	279	620	944	1407	1975	2368	2979	3520	3706	3344	21141
235												
236	Cost/Revenue Ratio: Channel	.70	.70	.70	.70	.70	.65	.65	.65	.65	.65	
237												
238												
239												
240												
241												
242												
243												
244												
245												
246												
247												
248												
249												
250												

	A	B	C	D	E	F	G	H	I	J	K	L
251	Costs for Eureka:Portal (International)											16
252	Projected Fiscal Year											
253												
254												
255	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
256	Direct											
257	Direct											
258	Revenue	840	1712	2795	3672	4924	6559	8144	9378	9874	8910	56807
259												
260	Cost of revenues	rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	
261		cost	126	257	419	551	739	984	1222	1407	1481	8521
262	Marketing and sales	rate	.30	.30	.30	.30	.30	.25	.25	.25	.25	
263		cost	252	514	838	1102	1477	1640	2036	2345	2468	14899
264	R and D	rate	.20	.20	.15	.15	.15	.10	.10	.10	.10	
265		cost	168	342	419	551	739	656	814	938	987	6505
266	G and A	rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	
267		cost	126	257	419	551	739	984	1222	1407	1481	8521
268	Total Costs: Direct		672	1370	2096	2754	3693	4263	5294	6096	6418	38447
269												
270	Cost/Revenue Ratio: Direct		.80	.80	.75	.75	.75	.65	.65	.65	.65	
271												
272	Channel											
273	Revenue	266	546	830	1236	1682	2190	2828	3305	3479	3140	19502
274												
275	Cost of revenues	rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	
276		cost	40	82	125	185	252	328	424	496	522	2925
277	Marketing and sales	rate	.20	.20	.20	.20	.20	.20	.20	.20	.20	
278		cost	53	109	166	247	336	438	566	661	696	3900
279	R and D	rate	.20	.20	.20	.20	.20	.15	.15	.15	.15	
280		cost	53	109	166	247	336	328	424	496	522	3153
281	G and A	rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	
282		cost	40	82	125	185	252	328	424	496	522	2925
283												
284	Total Costs: Channel		186	382	581	865	1178	1423	1838	2148	2261	12904
285												
286	Cost/Revenue Ratio: Channel		.70	.70	.70	.70	.70	.65	.65	.65	.65	
287												
288												
289												
290												
291												
292												
293												
294												
295												
296												
297												
298												
299												
300												

	A	B	C	D	E	F	G	H	I	J	K	L
301	Net Present Value -- Eureka:Portal (Worldwide)											17
302	Projected Fiscal Year											
303	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
304	Eureka:Portal (North America)											
305	Revenue	2079	5423	8525	12957	18715	24524	30723	35466	37339	33694	209447
306	Operating Costs	1623	4250	6327	9618	13896	15941	19970	23053	24270	21901	140848
307	Operating Income	456	1173	2199	3340	4820	8584	10753	12413	13069	11793	68599
308	Tax Rate	.38	.38	.38	.38	.38	.38	.38	.38	.38	.38	
309	Operating Income After Tax	283	727	1363	2071	2988	5322	6667	7696	8102	7312	42531
310	NPV Factors	.917	.764	.637	.530	.442	.368	.307	.256	.213	.178	
311	NPV	259	556	868	1098	1321	1960	2047	1969	1727	1299	13104
312												
313	Discount Rate - Americas	0.2										
314												
315	Core Technologies rate	.24	.24	.24	.24	.24	.24	.24	.24	.24	.24	
316	Core Technologies value	62	133	208	264	317	471	491	473	415	312	3145
317	Percent completion rate	.62	.62	.62	.62	.62	.62	.62	.62	.62	.62	
318	Percent not-completed value	75	160	251	317	382	566	591	569	499	375	3785
319	NPV after adjustment	122	262	409	518	622	924	964	928	814	612	6175
320												
321												
322												
323												
324	Eureka:Portal (International)											
325	Revenue	1106	2258	3625	4908	6606	8748	10972	12683	13353	12050	76309
326	Operating Costs	858	1752	2677	3619	4870	5686	7132	8244	8679	7832	51351
327	Operating Income	248	506	948	1289	1736	3062	3840	4439	4673	4217	24958
328	Tax Rate	.30	.30	.30	.30	.30	.30	.30	.30	.30	.30	
329	Operating Income After Tax	173	354	663	902	1215	2143	2688	3107	3271	2952	17471
330	NPV Factors	.917	.764	.637	.530	.442	.368	.307	.256	.213	.178	
331	NPV	159	271	422	479	537	790	825	795	697	524	5499
332												
333	Discount Rate - Americas	0.2										
334												
335	Core Technologies rate	.24	.24	.24	.24	.24	.24	.24	.24	.24	.24	
336	Core Technologies value	38	65	101	115	129	189	198	191	167	126	1320
337	Percent completion rate	.62	.62	.62	.62	.62	.62	.62	.62	.62	.62	
338	Percent not-completed value	46	78	122	138	155	228	238	230	201	151	1588
339	NPV after adjustment	75	128	199	226	253	372	389	375	329	247	2591
340												
341												
342												
343	Worldwide Summary											
344	Revenue	3185	7682	12150	17866	25322	33273	41695	48149	50691	45744	285756
345	Operating income	704	1680	3146	4629	6556	11645	14593	16852	17742	16010	93557
346	Operating income after tax	456	1082	2027	2973	4203	7465	9355	10803	11374	10264	60002
347	NPV	418	826	1290	1577	1858	2750	2872	2764	2425	1823	18604
348	NPV after adjustment	197	389	608	743	876	1296	1353	1302	1143	859	8766
349												
350												

	M	N	O	P	Q	R	S	T	U	V	W	X
1	Revenues for Eureka:Reporter (North America) -- Direct											21
2	Projected Fiscal Year											
3												
4	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
5												
6	New Customer Sales											
7	New Sales Units	50	75	75	75	50	25	25	0	0	0	375
8	Price/Unit	25	25	25	25	25	25	25	25	25	25	25
9	New License Revenue	1250	1875	1875	1875	1250	625	625	0	0	0	9375
10												
11	Add-on Sales											
12	Add-on Growth Rate	.56	.56	.56	.56	.56	.56	.56	.56	.56	.56	
13	Add-on Revenue	0	386	1096	2073	2768	2856	2726	2451	1888	1247	17490
14												
15	Services											
16	Services Rate	.75	.75	.75	.75	.75	.75	.75	.75	.75	.75	
17	Services Revenue	938	1406	1406	1406	938	469	469	0	0	0	7031
18												
19	Maintenance Revenue	225	1095	2493	4412	5666	5726	5470	4817	3712	2452	36068
20												
21	Maintenance Calculations											
22	Previous Year Maintenance	0	765	2175	4113	5492	5666	5726	5470	4817	3712	
23	Retention Rate	.90	.90	.90	.90	.90	.90	.85	.80	.70	.60	
24	Remaining Maintenance	0	689	1958	3701	4943	5099	4867	4376	3372	2227	31233
25	New License + Add-on Revenue	1250	2261	2971	3948	4018	3481	3351	2451	1888	1247	
26	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
27	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
28	New Maintenance Revenue	225	407	535	711	723	627	603	441	340	225	4836
29	Total Maintenance	225	1095	2493	4412	5666	5726	5470	4817	3712	2452	36068
30												
31	Total Revenue	2413	4762	6870	9766	10622	9675	9290	7268	5600	3699	69965
32												
33												
34	Migration Calculations											
35	Installed base (units)	1200										
36	Migration rate	.10	.20	.30	.20							
37	Migration maintenance value	540	1080	1620	1080	0	0	0	0	0	0	4320
38												
39												
40												
41												
42												
43												
44												
45												
46												
47												
48												
49												
50												

	M	N	O	P	Q	R	S	T	U	V	W	X
51	Revenues for Eureka:Reporter (North America) -- Channel											22
52	Projected Fiscal Year											
53												
54 (\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009	
55												
56	New Customer Sales											
57	New Sales Units	15	30	30	30	22	15	8	0	0	0	150
58	Price/Unit	25	25	25	25	25	25	25	25	25	25	
59	New License Revenue	375	750	750	750	550	375	200	0	0	0	3750
60												
61	Add-on Sales											
62	Add-on Growth Rate	.56	.56	.56	.56	.56	.56	.56	.56	.56	.56	
63	Add-on Revenue	0	34	102	169	235	283	297	278	214	141	1753
64												
65	Services											
66	Services Rate	.40	.40	.40	.40	.40	.40	.40	.40	.40	.40	
67	Services Revenue	150	300	300	300	220	150	80	0	0	0	1500
68												
69	Maintenance Revenue	68	202	335	467	562	624	620	546	421	278	4120
70												
71	Maintenance Calculations											
72	Previous Year Maintenance	0	68	202	335	467	562	624	620	546	421	
73	Retention Rate	.90	.90	.90	.90	.90	.90	.85	.80	.70	.60	
74	Remaining Maintenance	0	61	182	302	420	505	530	496	382	252	3130
75	New License + Add-on Revenue	375	784	852	919	785	658	497	278	214	141	
76	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
77	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
78	New Maintenance Revenue	68	141	153	165	141	118	89	50	39	25	990
79	Total Maintenance	68	202	335	467	562	624	620	546	421	278	4120
80												
81	Total Revenue	593	1286	1487	1686	1567	1432	1197	823	634	419	11123
82												
83												
84												
85												
86												
87												
88												
89												
90												
91												
92												
93												
94												
95												
96												
97												
98												
99												
100												

	M	N	O	P	Q	R	S	T	U	V	W	X
101	Revenues for Eureka:Reporter (International) -- Direct											23
102	Projected Fiscal Year											
103												
104	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
105												
106	New Customer Sales											
107	New Sales Units	25	30	40	40	30	15	10	0	0	0	190
108	Price/Unit	25	25	25	25	25	25	25	25	25	25	
109	New License Revenue	625	750	1000	1000	750	375	250	0	0	0	4750
110												
111	Add-on Sales											
112	Add-on Growth Rate	.56	.56	.56	.56	.56	.56	.56	.56	.56	.56	
113	Add-on Revenue	0	57	124	214	303	368	376	351	271	179	2242
114												
115	Services											
116	Services Rate	.75	.75	.75	.75	.75	.75	.75	.75	.75	.75	
117	Services Revenue	469	563	750	750	563	281	188	0	0	0	3563
118												
119	Maintenance Revenue	113	246	424	600	730	790	785	691	532	352	5263
120												
121	Maintenance Calculations											
122	Previous Year Maintenance	0	113	246	424	600	730	790	785	691	532	
123	Retention Rate	.90	.90	.90	.90	.90	.90	.85	.80	.70	.60	
124	Remaining Maintenance	0	101	222	382	540	657	672	628	484	319	4004
125	New License + Add-on Revenue	625	807	1124	1214	1053	743	626	351	271	179	
126	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
127	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
128	New Maintenance Revenue	113	145	202	218	189	134	113	63	49	32	1259
129	Total Maintenance	113	246	424	600	730	790	785	691	532	352	5263
130												
131	Total Revenue	1206	1616	2298	2564	2345	1814	1598	1042	803	531	15818
132												
133												
134												
135												
136												
137												
138												
139												
140												
141												
142												
143												
144												
145												
146												
147												
148												
149												
150												

	M	N	O	P	Q	R	S	T	U	V	W	X
151	Revenues for Eureka:Reporter (International) – Channel											24
152	Projected Fiscal Year											
153												
154 (\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009	
155												
156	New Customer Sales											
157	New Sales Units	5	10	10	5	5	0	0	0	0	0	35
158	Price/Unit	25	25	25	25	25	25	25	25	25	25	
159	New License Revenue	125	250	250	125	125	0	0	0	0	0	875
160												
161	Add-on Sales											
162	Add-on Growth Rate	.56	.56	.56	.56	.56	.56	.56	.56	.56	.56	
163	Add-on Revenue	0	11	34	56	67	78	73	64	49	33	465
164												
165	Services											
166	Services Rate	.40	.40	.40	.40	.40	.40	.40	.40	.40	.40	
167	Services Revenue	50	100	100	50	50	0	0	0	0	0	350
168												
169	Maintenance Revenue	23	67	112	133	154	153	143	126	97	64	1072
170												
171	Maintenance Calculations											
172	Previous Year Maintenance	0	23	67	112	133	154	153	143	126	97	
173	Retention Rate	.90	.90	.90	.90	.90	.85	.80	.70	.60		
174	Remaining Maintenance	0	20	61	101	120	139	130	114	88	58	831
175	New License + Add-on Revenue	125	261	284	181	192	78	73	64	49	33	
176	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
177	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
178	New Maintenance Revenue	23	47	51	33	35	14	13	12	9	6	241
179	Total Maintenance	23	67	112	133	154	153	143	126	97	64	1072
180												
181	Total Revenue	198	429	496	364	396	231	216	190	147	97	2763
182												
183												
184												
185												
186												
187												
188												
189												
190												
191												
192												
193												
194												
195												
196												
197												
198												
199												
200												

	M	N	O	P	Q	R	S	T	U	V	W	X
201	Costs for Eureka:Reporter (North America)											26
202												
203	Projected Fiscal Year											
204												
205	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
206												
207	Direct											
208	Revenue	2413	4762	6870	9766	10622	9675	9290	7268	5600	3699	69965
209												
210	Cost of revenues rate	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	
211	cost	241	476	687	977	1062	968	929	727	560	370	6996
212	Marketing and sales rate	.30	.30	.30	.30	.30	.25	.25	.25	.25	.25	
213	cost	724	1429	2061	2930	3186	2419	2322	1817	1400	925	19213
214	R and D rate	.20	.20	.15	.15	.15	.10	.10	.10	.10	.10	
215	cost	483	952	1031	1465	1593	968	929	727	560	370	9077
216	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
217	cost	362	714	1031	1465	1593	1451	1393	1090	840	555	10495
218	Total Costs: Direct	1809	3572	4809	6836	7435	5805	5574	4361	3360	2219	45781
219												
220	Cost/Revenue Ratio: Direct	.75	.75	.70	.70	.70	.60	.60	.60	.60	.60	
221												
222	Channel											
223	Revenue	593	1286	1487	1686	1567	1432	1197	823	634	419	11123
224												
225	Cost of revenues rate	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	
226	cost	59	129	149	169	157	143	120	82	63	42	1112
227	Marketing and sales rate	.20	.20	.20	.20	.20	.20	.20	.20	.20	.20	
228	cost	119	257	297	337	313	286	239	165	127	84	2225
229	R and D rate	.20	.20	.20	.20	.20	.15	.15	.15	.15	.15	
230	cost	119	257	297	337	313	215	180	124	95	63	1999
231	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
232	cost	89	193	223	253	235	215	180	124	95	63	1668
233												
234	Total Costs: Channel	385	836	966	1096	1018	859	718	494	381	251	7005
235												
236	Cost/Revenue Ratio: Channel	.65	.65	.65	.65	.65	.60	.60	.60	.60	.60	
237												
238												
239												
240												
241												
242												
243												
244												
245												
246												
247												
248												
249												
250												

	M	N	O	P	Q	R	S	T	U	V	W	X
251	Costs for Eureka:Reporter (International)											26
252												
253	Projected Fiscal Year											
254												
255	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
256												
257	Direct											
258	Revenue	1206	1616	2298	2564	2345	1814	1598	1042	803	531	15818
259												
260	Cost of revenues rate	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	
261	cost	121	162	230	256	234	181	160	104	80	53	1582
262	Marketing and sales rate	.30	.30	.30	.30	.30	.25	.25	.25	.25	.25	
263	cost	362	485	690	769	703	454	400	261	201	133	4456
264	R and D rate	.20	.20	.15	.15	.15	.10	.10	.10	.10	.10	
265	cost	241	323	345	385	352	181	160	104	80	53	2224
266	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
267	cost	181	242	345	385	352	272	240	156	120	80	2373
268	Total Costs: Direct	905	1212	1609	1795	1641	1089	959	625	482	318	10635
269												
270	Cost/Revenue Ratio: Direct	.75	.75	.70	.70	.70	.60	.60	.60	.60	.60	
271												
272	Channel											
273	Revenue	198	429	496	364	396	231	216	190	147	97	2763
274												
275	Cost of revenues rate	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	
276	cost	20	43	50	36	40	23	22	19	15	10	276
277	Marketing and sales rate	.20	.20	.20	.20	.20	.20	.20	.20	.20	.20	
278	cost	40	86	99	73	79	46	43	38	29	19	553
279	R and D rate	.20	.20	.20	.20	.20	.15	.15	.15	.15	.15	
280	cost	40	86	99	73	79	35	32	29	22	15	509
281	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
282	cost	30	64	74	55	59	35	32	29	22	15	414
283												
284	Total Costs: Channel	128	279	322	237	258	138	130	114	88	58	1752
285												
286	Cost/Revenue Ratio: Channel	.65	.65	.65	.65	.65	.60	.60	.60	.60	.60	
287												
288												
289												
290												
291												
292												
293												
294												
295												
296												
297												
298												
299												
300												

	M	N	O	P	Q	R	S	T	U	V	W	X
301	Net Present Value -- Eureka:Reporter (Worldwide)											27
302	Projected Fiscal Year											
303 (\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009	
304	Eureka:Reporter (North America)											
305	Revenue	3005	6048	8357	11452	12188	11107	10486	8091	6235	4118	81088
306	Operating Costs	2195	4407	5776	7932	8454	6664	6292	4855	3741	2471	52786
307	Operating Income	811	1641	2581	3520	3735	4443	4194	3237	2494	1647	28302
308	Tax Rate	.38	.38	.38	.38	.38	.38	.38	.38	.38	.38	
309	Operating Income After Tax	503	1017	1601	2182	2316	2755	2601	2007	1546	1021	17547
310	NPV Factors	.917	.764	.637	.530	.442	.368	.307	.256	.213	.178	
311	NPV	461	777	1019	1158	1024	1015	798	513	330	181	7275
312												
313	Discount Rate - Americas	0.2										
314												
315	Core Technologies rate	.34	.34	.34	.34	.34	.34	.34	.34	.34	.34	
316	Core Technologies value	157	264	346	394	348	345	271	175	112	62	2474
317	Percent completion rate	.72	.72	.72	.72	.72	.72	.72	.72	.72	.72	
318	Percent not-completed value	85	144	188	214	189	188	148	95	61	34	1344
319	NPV after adjustment	219	369	484	550	486	482	379	244	157	86	3457
320												
321												
322												
323												
324	Eureka:Reporter (International)											
325	Revenue	1404	2044	2794	2928	2741	2045	1814	1233	950	627	18581
326	Operating Costs	1033	1490	1931	2032	1899	1227	1089	740	570	376	12386
327	Operating Income	371	554	863	897	842	818	726	493	380	251	6194
328	Tax Rate	.30	.30	.30	.30	.30	.30	.30	.30	.30	.30	
329	Operating Income After Tax	259	388	604	628	590	573	508	345	266	176	4336
330	NPV Factors	.917	.764	.637	.530	.442	.368	.307	.256	.213	.178	
331	NPV	238	296	385	333	261	211	156	88	57	31	2055
332												
333	Discount Rate - Americas	0.2										
334												
335	Core Technologies rate	.34	.34	.34	.34	.34	.34	.34	.34	.34	.34	
336	Core Technologies value	81	101	131	113	89	72	53	30	19	11	699
337	Percent completion rate	.72	.72	.72	.72	.72	.72	.72	.72	.72	.72	
338	Percent not-completed value	44	55	71	62	48	39	29	16	10	6	380
339	NPV after adjustment	113	141	183	158	124	100	74	42	27	15	977
340												
341												
342												
343	Worldwide Summary											
344	Revenue	4409	8092	11151	14380	14930	13152	12300	9324	7185	4745	99669
345	Operating income	1181	2195	3444	4417	4577	5261	4920	3730	2874	1898	34496
346	Operating Income after tax	762	1405	2205	2810	2905	3327	3109	2352	1812	1197	21883
347	NPV	698	1073	1403	1491	1284	1226	954	602	386	213	9331
348	NPV after adjustment	332	510	667	708	610	582	453	286	184	101	4434
349												
350												

	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ
1	Revenues for Eureka:Strategy (North America) -- Direct											31
2	Projected Fiscal Year											
3												
4	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
5												
6	New Customer Sales											
7	New Sales Units	20	35	45	45	45	35	25	0	0	0	250
8	Price/Unit	200	200	200	200	200	200	200	200	200	200	
9	New License Revenue	4000	7000	9000	9000	9000	7000	5000	0	0	0	50000
10												
11	Add-on Sales											
12	Add-on Growth Rate	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	
13	Add-on Revenue	0	1628	4953	10056	15456	19457	22206	23249	20376	15306	132687
14												
15	Services											
16	Services Rate	.30	.30	.30	.30	.30	.30	.30	.30	.30	.30	
17	Services Revenue	1200	2100	2700	2700	2700	2100	1500	0	0	0	15000
18												
19	Maintenance Revenue	720	2716	6049	10613	15442	18660	20758	20792	18222	13688	127660
20												
21	Maintenance Calculations											
22	Previous Year Maintenance	0	1224	3724	7561	11621	15442	18660	20758	20792	18222	
23	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
24	Remaining Maintenance	0	1163	3538	7183	11040	13898	15861	16807	14554	10933	94777
25	New License + Add-on Revenue	4000	8628	13953	19056	24456	26457	27206	23249	20376	15306	
26	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
27	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
28	New Maintenance Revenue	720	1553	2511	3430	4402	4762	4897	4185	3668	2755	32884
29	Total Maintenance	720	2716	6049	10613	15442	18660	20758	20792	18222	13688	127660
30												
31	Total Revenue	5920	13444	22702	32369	42598	47218	49464	44041	38597	28994	325348
32												
33												
34	Migration Calculations											
35	Installed base (units)	140										
36	Migration rate	.10	.20	.30	.20							
37	Migration maintenance value	504	1008	1512	1008	0	0	0	0	0	0	4032
38												
39												
40												
41												
42												
43												
44												
45												
46												
47												
48												
49												
50												

	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ
51	Revenues for Eureka:Strategy (North America) -- Channel											32
52												
53	Projected Fiscal Year											
54	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
55												
56	New Customer Sales											
57	New Sales Units	5	10	10	10	5	5	5	0	0	0	50
58	Price/Unit	200	200	200	200	200	200	200	200	200	200	
59	New License Revenue	1000	2000	2000	2000	1000	1000	1000	0	0	0	10000
60												
61	Add-on Sales											
62	Add-on Growth Rate	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	
63	Add-on Revenue	0	239	764	1387	2128	2625	3008	3214	2817	2116	18299
64												
65	Services											
66	Services Rate	.20	.20	.20	.20	.20	.20	.20	.20	.20	.20	
67	Services Revenue	200	400	400	400	200	200	200	0	0	0	2000
68												
69	Maintenance Revenue	180	574	1043	1600	2083	2528	2870	2874	2519	1892	18164
70												
71	Maintenance Calculations											
72	Previous Year Maintenance	0	180	574	1043	1600	2083	2528	2870	2874	2519	
73	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
74	Remaining Maintenance	0	171	545	991	1520	1875	2148	2296	2012	1512	13071
75	New License + Add-on Revenue	1000	2239	2764	3387	3128	3625	4008	3214	2817	2116	
76	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
77	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
78	New Maintenance Revenue	180	403	497	610	563	653	721	579	507	381	5094
79	Total Maintenance	180	574	1043	1600	2083	2528	2870	2874	2519	1892	18164
80												
81	Total Revenue	1380	3213	4206	5387	5412	6353	7078	6089	5336	4009	48463
82												
83												
84												
85												
86												
87												
88												
89												
90												
91												
92												
93												
94												
95												
96												
97												
98												
99												
100												

	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ
101	Revenues for Eureka:Strategy (International) – Direct											33
102	Projected Fiscal Year											
103												
104	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
105												
106	New Customer Sales											
107	New Sales Units	5	10	15	15	15	10	5	0	0	0	75
108	Price/Unit	200	200	200	200	200	200	200	200	200	200	
109	New License Revenue	1000	2000	3000	3000	3000	2000	1000	0	0	0	15000
110												
111	Add-on Sales											
112	Add-on Growth Rate	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	
113	Add-on Revenue	0	239	764	1626	2653	3669	4333	4542	3980	2990	24797
114												
115	Services											
116	Services Rate	.30	.30	.30	.30	.30	.30	.30	.30	.30	.30	
117	Services Revenue	300	600	900	900	900	600	300	0	0	0	4500
118												
119	Maintenance Revenue	180	574	1223	1994	2912	3641	4055	4062	3560	2674	24876
120												
121	Maintenance Calculations											
122	Previous Year Maintenance	0	180	574	1223	1994	2912	3641	4055	4062	3560	
123	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
124	Remaining Maintenance	0	171	545	1162	1895	2621	3095	3244	2843	2136	17712
125	New License + Add-on Revenue	1000	2239	3764	4626	5653	5669	5333	4542	3980	2990	
126	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
127	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
128	New Maintenance Revenue	180	403	677	833	1017	1020	960	818	716	538	7163
129	Total Maintenance	180	574	1223	1994	2912	3641	4055	4062	3560	2674	24876
130												
131	Total Revenue	1480	3413	5886	7521	9465	9911	9689	8604	7540	5664	69173
132												
133												
134												
135												
136												
137												
138												
139												
140												
141												
142												
143												
144												
145												
146												
147												
148												
149												
150												

	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ
151	Revenues for Eureka:Strategy (International) -- Channel											34
152	Projected Fiscal Year											
153												
154	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
155												
156	New Customer Sales											
157	New Sales Units	1	2	2	2	2	1	0	0	0	0	10
158	Price/Unit	200	200	200	200	200	200	200	200	200	200	
159	New License Revenue	200	400	400	400	400	200	0	0	0	0	2000
160												
161	Add-on Sales											
162	Add-on Growth Rate	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	
163	Add-on Revenue	0	48	153	277	426	570	650	651	570	429	3774
164												
165	Services											
166	Services Rate	.20	.20	.20	.20	.20	.20	.20	.20	.20	.20	
167	Services Revenue	40	80	80	80	80	40	0	0	0	0	400
168												
169	Maintenance Revenue	36	115	209	320	453	546	581	582	510	383	3735
170												
171	Maintenance Calculations											
172	Previous Year Maintenance	0	36	115	209	320	453	546	581	582	510	
173	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
174	Remaining Maintenance	0	34	109	198	304	407	464	465	407	306	2696
175	New License + Add-on Revenue	200	448	553	677	826	770	650	651	570	429	
176	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
177	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
178	New Maintenance Revenue	36	81	99	122	149	139	117	117	103	77	1039
179	Total Maintenance	36	115	209	320	453	546	581	582	510	383	3735
180												
181	Total Revenue	276	643	841	1077	1358	1356	1231	1233	1081	812	9909
182												
183												
184												
185												
186												
187												
188												
189												
190												
191												
192												
193												
194												
195												
196												
197												
198												
199												
200												

	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ
201	Costs for Eureka:Strategy (North America)											35
202	Projected Fiscal Year											
203												
204												
205	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
206												
207	Direct											
208	Revenue	5920	13444	22702	32369	42598	47218	49464	44041	38597	28994	325348
209												
210	Cost of revenues rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
211	cost	888	2017	3405	4855	6390	7083	7420	6606	5790	4349	48802
212	Marketing and sales rate	.25	.25	.25	.25	.25	.20	.20	.20	.20	.20	
213	cost	1480	3361	5675	8092	10650	9444	9893	8808	7719	5799	70921
214	R and D rate	.20	.20	.15	.15	.15	.10	.10	.10	.10	.10	
215	cost	1184	2689	3405	4855	6390	4722	4946	4404	3860	2899	39355
216	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
217	cost	888	2017	3405	4855	6390	7083	7420	6606	5790	4349	48802
218	Total Costs: Direct	4440	10083	15891	22659	29819	28331	29678	26425	23158	17397	207880
219												
220	Cost/Revenue Ratio: Direct	.75	.75	.70	.70	.70	.60	.60	.60	.60	.60	
221												
222	Channel											
223	Revenue	1380	3213	4206	5387	5412	6353	7078	6089	5336	4009	48463
224												
225	Cost of revenues rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
226	cost	207	482	631	808	812	953	1062	913	800	601	7269
227	Marketing and sales rate	.20	.20	.20	.20	.20	.20	.20	.20	.20	.20	
228	cost	276	643	841	1077	1082	1271	1416	1218	1067	802	9693
229	R and D rate	.20	.20	.20	.20	.20	.15	.15	.15	.15	.15	
230	cost	276	643	841	1077	1082	953	1062	913	800	601	8249
231	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
232	cost	207	482	631	808	812	953	1062	913	800	601	7269
233												
234	Total Costs: Channel	966	2249	2944	3771	3788	4129	4601	3958	3469	2606	32481
235												
236	Cost/Revenue Ratio: Channel	.70	.70	.70	.70	.70	.65	.65	.65	.65	.65	
237												
238												
239												
240												
241												
242												
243												
244												
245												
246												
247												
248												
249												
250												

	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ
251	Costs for Eureka:Strategy (International)											36
252	Projected Fiscal Year											
253												
254												
255 (\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009	
256												
257	Direct											
258	Revenue	1480	3413	5886	7521	9465	9911	9689	8604	7540	5664	69173
259												
260	Cost of revenues rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
261	cost	222	512	883	1128	1420	1487	1453	1291	1131	850	10376
262	Marketing and sales rate	.25	.25	.25	.25	.25	.20	.20	.20	.20	.20	
263	cost	370	853	1472	1880	2366	1982	1938	1721	1508	1133	15223
264	R and D rate	.20	.20	.15	.15	.15	.10	.10	.10	.10	.10	
265	cost	296	683	883	1128	1420	991	969	860	754	566	8550
266	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
267	cost	222	512	883	1128	1420	1487	1453	1291	1131	850	10376
268	Total Costs: Direct	1110	2560	4120	5265	6625	5946	5813	5162	4524	3398	44525
269												
270	Cost/Revenue Ratio: Direct	.75	.75	.70	.70	.70	.60	.60	.60	.60	.60	
271												
272	Channel											
273	Revenue	276	643	841	1077	1358	1356	1231	1233	1081	812	9909
274												
275	Cost of revenues rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
276	cost	41	96	126	162	204	203	185	185	162	122	1486
277	Marketing and sales rate	.20	.20	.20	.20	.20	.20	.20	.20	.20	.20	
278	cost	55	129	168	215	272	271	246	247	216	162	1982
279	R and D rate	.20	.20	.20	.20	.20	.15	.15	.15	.15	.15	
280	cost	55	129	168	215	272	203	185	185	162	122	1696
281	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
282	cost	41	96	126	162	204	203	185	185	162	122	1486
283												
284	Total Costs: Channel	193	450	589	754	951	882	800	801	702	528	6650
285												
286	Cost/Revenue Ratio: Channel	.70	.70	.70	.70	.70	.65	.65	.65	.65	.65	
287												
288												
289												
290												
291												
292												
293												
294												
295												
296												
297												
298												
299												
300												

	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ
301	Net Present Value -- Eureka:Strategy (Worldwide)											37
302	Projected Fiscal Year											
303	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
304	Eureka:Strategy (North America)											
305	Revenue	7300	16657	26908	37757	48010	53570	56542	50130	43934	33003	373811
306	Operating Costs	5406	12332	18836	26430	33607	32460	34279	30382	26627	20002	240361
307	Operating Income	1894	4325	8072	11327	14403	21110	22263	19747	17307	13001	133450
308	Tax Rate	.38	.38	.38	.38	.38	.38	.38	.38	.38	.38	
309	Operating Income After Tax	1174	2681	5005	7023	8930	13089	13803	12243	10730	8060	82739
310	NPV Factors	.917	.764	.637	.530	.442	.368	.307	.256	.213	.178	
311	NPV	1076	2048	3186	3725	3948	4822	4237	3132	2288	1432	29895
312												
313	Discount Rate - Americas	0.2										
314												
315	Core Technologies rate	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	
316	Core Technologies value	108	205	319	373	395	482	424	313	229	143	2989
317	Percent completion rate	.90	.90	.90	.90	.90	.90	.90	.90	.90	.90	
318	Percent not-completed value	97	184	287	335	355	434	381	282	206	129	2691
319	NPV after adjustment	872	1659	2581	3018	3198	3906	3432	2537	1853	1160	24215
320												
321												
322												
323												
324	Eureka:Strategy (International)											
325	Revenue	1756	4056	6728	8598	10823	11267	10920	9837	8621	6476	79081
326	Operating Costs	1303	3010	4709	6019	7576	6828	6613	5964	5226	3926	51175
327	Operating Income	453	1046	2018	2579	3247	4439	4306	3873	3394	2550	27906
328	Tax Rate	.30	.30	.30	.30	.30	.30	.30	.30	.30	.30	
329	Operating Income After Tax	317	732	1413	1806	2273	3107	3014	2711	2376	1785	19534
330	NPV Factors	.917	.764	.637	.530	.442	.368	.307	.256	.213	.178	
331	NPV	291	559	899	958	1005	1145	925	694	507	317	7299
332												
333	Discount Rate - Americas	0.2										
334												
335	Core Technologies rate	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	
336	Core Technologies value	29	56	90	96	100	114	93	69	51	32	730
337	Percent completion rate	.90	.90	.90	.90	.90	.90	.90	.90	.90	.90	
338	Percent not-completed value	26	50	81	86	90	103	83	62	46	29	657
339	NPV after adjustment	235	453	728	776	814	927	750	562	410	257	5912
340												
341												
342												
343	Worldwide Summary											
344	Revenue	9056	20713	33636	46355	58833	64838	67461	59966	52554	39479	452892
345	Operating income	2347	5371	10091	13907	17650	25550	26569	23620	20701	15551	161356
346	Operating income after tax	1491	3414	6418	8828	11203	16196	16817	14954	13106	9845	102273
347	NPV	1367	2608	4085	4683	4952	5966	5163	3826	2794	1749	37194
348	NPV after adjustment	1107	2112	3309	3793	4011	4833	4182	3099	2263	1417	30127
349												
350												

	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV
1	Revenues for Eureka: Intelligence (North America) -- Direct											41
2	Projected Fiscal Year											
3												
4	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000 2009
5												
6	New Customer Sales											
7	New Sales Units	25	70	100	100	100	75	50	0	0	0	520
8	Price/Unit	65	65	65	65	65	65	65	65	65	65	
9	New License Revenue	1625	4550	6500	6500	6500	4875	3250	0	0	0	33800
10												
11	Add-on Sales											
12	Add-on Growth Rate	2.22	2.22	1.67	1.67	1.39	1.39	1.11	1.11	.83	.83	
13	Add-on Revenue	0	617	1916	4224	5889	8090	7693	7904	4963	3423	44719
14												
15	Services											
16	Services Rate	.25	.25	.25	.25	.25	.25	.25	.25	.25	.25	
17	Services Revenue	406	1138	1625	1625	1625	1219	813	0	0	0	8450
18												
19	Maintenance Revenue	293	1208	2662	4460	6467	8154	8900	8543	6873	4740	52300
20												
21	Maintenance Calculations											
22	Previous Year Maintenance	0	293	1208	2662	4460	6467	8154	8900	8543	6873	
23	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
24	Remaining Maintenance	0	278	1148	2529	4237	5820	6931	7120	5980	4124	38167
25	New License + Add-on Revenue	1625	5167	8416	10724	12389	12965	10943	7904	4963	3423	
26	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
27	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
28	New Maintenance Revenue	293	930	1515	1930	2230	2334	1970	1423	893	616	14133
29	Total Maintenance	293	1208	2662	4460	6467	8154	8900	8543	6873	4740	52300
30												
31	Total Revenue	2324	7512	12704	16809	20481	22337	20656	16446	11837	8163	139269
32												
33												
34												
35												
36												
37												
38												0
39												
40												
41												
42												
43												
44												
45												
46												
47												
48												
49												
50												

	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV
51	Revenues for Eureka: Intelligence (North America) – Channel											42
52	Projected Fiscal Year											
53												
54 (\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2009	2000
55												
56	New Customer Sales											
57	New Sales Units	5	10	20	20	20	15	10	0	0	0	100
58	Price/Unit	65	65	65	65	65	65	65	65	65	65	
59	New License Revenue	325	650	1300	1300	1300	975	650	0	0	0	6500
60												
61	Add-on Sales											
62	Add-on Growth Rate	2.22	2.22	1.67	1.67	1.39	1.39	1.11	1.11	.83	.83	
63	Add-on Revenue	0	123	309	753	1083	1512	1449	1494	938	647	8309
64												
65	Services											
66	Services Rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
67	Services Revenue	49	98	195	195	195	146	98	0	0	0	975
68												
69	Maintenance Revenue	59	195	475	820	1208	1535	1683	1615	1299	896	9786
70												
71	Maintenance Calculations											
72	Previous Year Maintenance	0	59	195	475	820	1208	1535	1683	1615	1299	
73	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
74	Remaining Maintenance	0	56	185	451	779	1088	1305	1346	1131	780	7120
75	New License + Add-on Revenue	325	773	1609	2053	2383	2487	2099	1494	938	647	
76	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
77	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
78	New Maintenance Revenue	59	139	290	370	429	448	378	269	169	116	2666
79	Total Maintenance	59	195	475	820	1208	1535	1683	1615	1299	896	9786
80												
81	Total Revenue	432	1066	2279	3069	3787	4168	3879	3109	2238	1543	25570
82												
83												
84												
85												
86												
87												
88												
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96												
97												
98												
99												
100												

	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV
101	Revenues for Eureka: Intelligence (International) -- Direct											43
102	Projected Fiscal Year											
103												
104	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000 2009
105												
106	New Customer Sales											
107	New Sales Units	10	20	30	30	30	20	10	0	0	0	150
108	Price/Unit	65	65	65	65	65	65	65	65	65	65	
109	New License Revenue	650	1300	1950	1950	1950	1300	650	0	0	0	9750
110												
111	Add-on Sales											
112	Add-on Growth Rate	2.22	2.22	1.67	1.67	1.39	1.39	1.11	1.11	.83	.83	
113	Add-on Revenue	0	247	618	1321	1822	2489	2333	2343	1471	1015	13657
114												
115	Services											
116	Services Rate	.25	.25	.25	.25	.25	.25	.25	.25	.25	.25	
117	Services Revenue	163	325	488	488	488	325	163	0	0	0	2438
118												
119	Maintenance Revenue	117	390	832	1379	1989	2472	2638	2532	2038	1405	15793
120												
121	Maintenance Calculations											
122	Previous Year Maintenance	0	117	390	832	1379	1989	2472	2638	2532	2038	
123	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
124	Remaining Maintenance	0	111	370	791	1310	1790	2101	2111	1773	1223	11580
125	New License + Add-on Revenue	650	1547	2568	3271	3772	3789	2983	2343	1471	1015	
126	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
127	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
128	New Maintenance Revenue	117	278	462	589	679	682	537	422	265	183	4213
129	Total Maintenance	117	390	832	1379	1989	2472	2638	2532	2038	1405	15793
130												
131	Total Revenue	930	2261	3888	5137	6248	6586	5784	4875	3509	2420	41638
132												
133												
134												
135												
136												
137												
138												
139												
140												
141												
142												
143												
144												
145												
146												
147												
148												
149												
150												

	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV
	Revenues for Eureka: Intelligence (International) – Channel											44
151	Projected Fiscal Year											
152												
153												
154	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2009
155												
156	New Customer Sales											
157	New Sales Units	5	10	10	10	7	5	3	0	0	0	50
158	Price/Unit	65	65	65	65	65	65	65	65	65	65	
159	New License Revenue	325	650	650	650	455	325	195	0	0	0	3250
160												
161	Add-on Sales											
162	Add-on Growth Rate	2.22	2.22	1.67	1.67	1.39	1.39	1.11	1.11	.83	.83	
163	Add-on Revenue	0	123	309	567	738	933	847	844	530	366	5257
164												
165	Services											
166	Services Rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
167	Services Revenue	49	98	98	98	68	49	29	0	0	0	488
168												
169	Maintenance Revenue	59	195	358	559	746	898	950	912	734	506	5916
170												
171	Maintenance Calculations											
172	Previous Year Maintenance	0	59	195	358	559	746	898	950	912	734	
173	Retention Rate	.95	.95	.95	.95	.95	.90	.85	.80	.70	.60	
174	Remaining Maintenance	0	56	185	340	531	671	763	760	639	440	4385
175	New License + Add-on Revenue	325	773	959	1217	1193	1258	1042	844	530	366	
176	Maintenance License Rate	.18	.18	.18	.18	.18	.18	.18	.18	.18	.18	
177	Initial Conversion Rate	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
178	New Maintenance Revenue	59	139	173	219	215	226	188	152	95	66	1531
179	Total Maintenance	59	195	358	559	746	898	950	912	734	506	5916
180												
181	Total Revenue	432	1066	1414	1874	2007	2204	2022	1756	1284	872	14911
182												
183												
184												
185												
186												
187												
188												
189												
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191												
192												
193												
194												
195												
196												
197												
198												
199												
200												

	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV
201	Costs for Eureka: Intelligence (North America)											46
202	Projected Fiscal Year											
203												
204												
205	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
206												
207	Direct											
208	Revenue	2324	7512	12704	16809	20481	22337	20656	16446	11837	8163	139269
209												
210	Cost of revenues rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
211	cost	349	1127	1906	2521	3072	3351	3098	2467	1776	1224	20890
212	Marketing and sales rate	.25	.25	.25	.25	.25	.20	.20	.20	.20	.20	
213	cost	581	1878	3176	4202	5120	4467	4131	3289	2367	1633	30845
214	R and D rate	.20	.20	.15	.15	.15	.10	.10	.10	.10	.10	
215	cost	465	1502	1906	2521	3072	2234	2066	1645	1184	816	17410
216	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
217	cost	349	1127	1906	2521	3072	3351	3098	2467	1776	1224	20890
218	Total Costs: Direct	1743	5634	8893	11766	14336	13402	12394	9868	7102	4898	90036
219												
220	Cost/Revenue Ratio: Direct	.75	.75	.70	.70	.70	.60	.60	.60	.60	.60	
221												
222	Channel											
223	Revenue	432	1066	2279	3069	3787	4168	3879	3109	2238	1543	25570
224												
225	Cost of revenues rate	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	
226	cost	43	107	228	307	379	417	388	311	224	154	2557
227	Marketing and sales rate	.20	.20	.20	.20	.20	.20	.20	.20	.20	.20	
228	cost	86	213	456	614	757	834	776	622	448	309	5114
229	R and D rate	.20	.20	.20	.20	.20	.15	.15	.15	.15	.15	
230	cost	86	213	456	614	757	625	582	466	336	232	4367
231	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
232	cost	65	160	342	460	568	625	582	466	336	232	3835
233												
234	Total Costs: Channel	281	693	1481	1995	2462	2501	2327	1866	1343	926	15873
235												
236	Cost/Revenue Ratio: Channel	.65	.65	.65	.65	.65	.60	.60	.60	.60	.60	
237												
238												
239												
240												
241												
242												
243												
244												
245												
246												
247												
248												
249												
250												

	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV
251	Costs for Eureka: Intelligence (International)											46
252	Projected Fiscal Year											
253												
254												
255	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
256												
257	Direct											
258	Revenue	930	2261	3888	5137	6248	6586	5784	4875	3509	2420	41638
259												
260	Cost of revenues rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
261	cost	139	339	583	771	937	988	868	731	526	363	6246
262	Marketing and sales rate	.30	.30	.30	.30	.30	.25	.25	.25	.25	.25	
263	cost	279	678	1166	1541	1874	1646	1446	1219	877	605	11333
264	R and D rate	.20	.20	.15	.15	.15	.10	.10	.10	.10	.10	
265	cost	186	452	583	771	937	659	578	488	351	242	5247
266	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
267	cost	139	339	583	771	937	988	868	731	526	363	6246
268	Total Costs: Direct	744	1809	2916	3853	4686	4281	3759	3169	2281	1573	29071
269												
270	Cost/Revenue Ratio: Direct	.80	.80	.75	.75	.75	.65	.65	.65	.65	.65	
271												
272	Channel											
273	Revenue	432	1066	1414	1874	2007	2204	2022	1756	1264	872	14911
274												
275	Cost of revenues rate	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	
276	cost	43	107	141	187	201	220	202	176	126	87	1491
277	Marketing and sales rate	.20	.20	.20	.20	.20	.20	.20	.20	.20	.20	
278	cost	86	213	283	375	401	441	404	351	253	174	2982
279	R and D rate	.20	.20	.20	.20	.20	.15	.15	.15	.15	.15	
280	cost	86	213	283	375	401	331	303	263	190	131	2576
281	G and A rate	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15	
282	cost	65	160	212	281	301	331	303	263	190	131	2237
283												
284	Total Costs: Channel	281	693	919	1218	1305	1323	1213	1054	758	523	9286
285												
286	Cost/Revenue Ratio: Channel	.65	.65	.65	.65	.65	.60	.60	.60	.60	.60	
287												
288												
289												
290												
291												
292												
293												
294												
295												
296												
297												
298												
299												
300												

	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV
301	Net Present Value -- Eureka:Intelligence (Worldwide)											47
302	Projected Fiscal Year											
303	(\$000)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total 2000-2009
304	Eureka:Intelligence (North America)											
305	Revenue	2756	8578	14983	19877	24268	26506	24535	19556	14075	9707	164839
306	Operating Costs	2024	6327	10374	13761	16798	15903	14721	11734	8445	5824	105910
307	Operating Income	732	2251	4609	6117	7470	10602	9814	7822	5630	3883	58929
308	Tax Rate	.38	.38	.38	.38	.38	.38	.38	.38	.38	.38	
309	Operating Income After Tax	454	1396	2857	3792	4631	6573	6085	4850	3491	2407	36536
310	NPV Factors	.917	.764	.637	.530	.442	.368	.307	.256	.213	.178	
311	NPV	416	1066	1819	2012	2047	2422	1868	1241	744	428	14062
312												
313	Discount Rate - Americas	0.2										
314												
315	Core Technologies rate	.750	.750	.750	.750	.750	.750	.750	.750	.750	.750	
316	Core Technologies value	312	800	1364	1509	1535	1816	1401	931	558	321	10547
317	Percent completion rate	.78	.78	.78	.78	.78	.78	.78	.78	.78	.78	
318	Percent not-completed value	23	59	100	111	113	133	103	68	41	24	773
319	NPV after adjustment	81	208	355	392	399	472	364	242	145	83	2742
320												
321												
322												
323												
324	Eureka:Intelligence (International)											
325	Revenue	1362	3327	5302	7011	8255	8790	7805	6632	4773	3292	56549
326	Operating Costs	1025	2502	3835	5071	5991	5603	4972	4223	3039	2096	38357
327	Operating Income	337	825	1467	1940	2265	3187	2833	2409	1734	1196	18192
328	Tax Rate	.30	.30	.30	.30	.30	.30	.30	.30	.30	.30	
329	Operating Income After Tax	236	578	1027	1358	1585	2231	1983	1686	1214	837	12734
330	NPV Factors	.917	.764	.637	.530	.442	.368	.307	.256	.213	.178	
331	NPV	216	441	654	720	701	822	609	431	259	149	5002
332												
333	Discount Rate - Americas	0.2										
334												
335	Core Technologies rate	.750	.750	.750	.750	.750	.750	.750	.750	.750	.750	
336	Core Technologies value	162	331	490	540	526	616	457	324	194	112	3751
337	Percent completion rate	.78	.78	.78	.78	.78	.78	.78	.78	.78	.78	
338	Percent not-completed value	12	24	36	40	39	45	33	24	14	8	275
339	NPV after adjustment	42	86	127	140	137	160	119	84	50	29	975
340												
341												
342												
343	Worldwide Summary											
344	Revenue	4118	11905	20285	26888	32523	35296	32340	26187	18848	12998	221388
345	Operating income	1069	3076	6076	8057	9734	13789	12647	10231	7364	5078	77121
346	Operating Income after tax	690	1973	3884	5150	6216	8804	8068	6536	4704	3244	49270
347	NPV	633	1507	2473	2732	2748	3243	2477	1672	1003	576	19064
348	NPV after adjustment	123	294	482	533	536	632	483	326	196	112	3717
349												
350												

Assembled Work Force Valuation

Based on information provided by Information Advantage and SSI, BGAI has computed the cost savings from acquiring and retaining 376 Information Advantage employees who were on board as of the date of acquisition. The other 104 employees either voluntarily or involuntarily resigned as of August 30, 1999 or were retained temporarily for transition activities.

The table below summarizes the key factors for valuing the Assembled Work Force:

Employee Category	Number of Retained Employees	Average Monthly Salary	Learning Period (months)	Recruiting Cost (% of Annual Salary)	% Usage of Recruiting
Executive/Senior Management	36	13,511	6	30	85
Sales	108	11,271	4	25	50
Marketing	12	3,776	4	25	50
Senior Technical	51	5,940	5	25	20
Other Technical	27	4,060	3	20	10
Senior Customer Service	80	6,051	4	20	20
Junior Customer Service	15	3,167	3	20	20
Training	8	6,713	3	20	50
Services	7	8,674	4	25	75
Finance and Administration	32	3,503	1	25	50
Total	376				

The number of employees were those actually retained on the IMG payroll just after the acquisition date, grouped into logical categories.

The average monthly salaries exclude benefits, which will be calculated as an additional 30% of salary.

Learning time is based on IMG experience in training comparable new hires.

Recruiting cost (from third-party recruiters) is based on a percentage of salary; the calculations are adjusted to take into consideration that many employees are directly hired, not obtained through outside recruiting firms. The percentage of personnel recruited through third parties is shown in the fifth column.

Training cost takes into consideration the lost productivity from the employees who are needed to provide on-the-job training or formal classes for new employees. This is assumed to be 15% of an equivalent employee's time during the learning period.

Relocation expenses, in IMG experience, have been needed for 75% of new managers and 50% of sales and technical employees. Where required, the amount paid averages \$50,000 per manager and \$15,000 per technical engineer and sales/marketing person.

To determine the cost savings, BGAI followed these steps (all results are shown in the table below):

1. For each employee category, the productivity loss in training a new employee is calculated as the average monthly salary (plus benefits) times the number of employees in that category times 50% of the learning period (assuming a linear increase in productivity from start date through the end of the learning period).
2. For each employee category, the recruiting cost is calculated by multiplying the number of employees by the average recruiting cost percentage times the average annual salary by the percent of cases requiring use of recruiters.
3. For each employee category, the cost of having someone actually provide on-the-job training is determined by multiplying the number of employees in that category by the trainer time (15% of learning time) times the trainer cost, taken at equivalent salary plus benefits.
4. For each employee category, the relocation cost is determined by multiplying the number of employees in that category by the relocation cost times the percentage requiring relocation.

The following table summarizes the results from these key cost savings elements:

Employee Category	Productivity Loss (\$000)	Recruiting Cost (\$000)	Trainer Costs (\$000)	Relocation Costs (\$000)	Total (\$000)
Executive/Senior Management	1,897	1,488	569	1,350	5,304
Sales	3,165	1,826	949	810	6,750
Marketing	118	68	27	0	213
Senior Technical	985	182	295	383	1,845
Other Technical	214	26	64	203	507
Senior Customer Service	1,259	232	378	0	1,869
Junior Customer Service	93	23	28	0	144
Training	105	64	31	0	200
Services	158	137	47	0	342
Finance and Administration	73	168	22	0	263
Total	8,067	4,214	2,410	2,746	17,437

The total is \$17,437,000 for the costs avoided by IMG by acquiring a portion of the assembled work force from Information Advantage. This figure must be adjusted to recognize that these savings are before taxes. Of the 376 retained employees, 306 were in North American and 70 were international. These employees were spread relatively consistently over all categories and generally the average salaries were similar. Therefore, we have used a simple ratio of 70/376 (18.6%) to separate the avoided employee costs for International from the North American costs. Therefore, the North American value is \$14,194,000 and the International value is \$3,243,000. Using a tax rate of 38% for the North American employee value and 30% for the international employee value. The North American value would be \$8,800,000 and the International value would be \$2,270,000. The total value would be \$11,070,000.

While there is normally a fairly high employee turnover in the computer software and services industry, IMG has had good experience in retaining its employees, particularly the more senior and more highly skilled individuals. Therefore, we would recommend amortizing the assembled work force value over an eight-year period, at the end of which time there would be less than 20% of the acquired employees still on the IMG payroll.

Information Advantage Customer Base

Information Advantage had approximately 3,000 active customers for its various products as of the date of acquisition. These customers will certainly be of value in continuing to add-on and upgrade their currently used products as well as paying maintenance and support fees for these products. However, the value of these revenues is already considered in Section V.

Further, these customers will be prime candidates to migrate to the corresponding new products which IMG will produce using the Information Advantage in-process technologies. However, the value of these revenues is already considered in Section VI.

The other principal added value from the Information Advantage customer base lies in their potentially increased likelihood to acquire other IMG products. In this case, it is not considered that these customers are more likely to acquire the existing IMG products than any other prospects.

Therefore, it is our conclusion that there is no further incremental customer relations value from the Information Advantage acquisition.

Other Technologies Valuation

The valuation of other technologies is based upon the value of the core technologies incorporated in the new Information Advantage-based products which IMG intends to market. It may also include any other acquired technologies that may be used in future IMG products.

In this case, the value of the Information Advantage core technologies is \$11,357,000 and is only related to the planned new products.

This is based upon using the information and the calculations in Appendix G-2 and Appendix H.

This figure does not need to be reduced for percent not completed, since core technologies are viewed as proven programs.

The life expectancy for realizing the values from the acquisition of all rights to these technologies would be over a ten-year period, the same time period as used for the new product forecasts.

There were no other acquired technologies for which SSI saw any incremental value.

Going Concern and Goodwill Valuation

The remainder of the acquired intangible assets from Information Advantage consists of items which are difficult to individually assess. These include name recognition, operational offices, partnership and channel relationships, going concern practices and procedures, etc.

The remaining unallocated acquisition cost is \$95,798,000, which is determined by deducting the retained work force, customer base/professional services and other technologies from the total value of other intangibles of \$118,225,000.

Therefore, the goodwill/going concern value is \$95,798,000. These are considered long life assets so using a ten-year projected life is a reasonable basis for amortization.

Analysis of Acquisition Costs

Acquisition Costs		(\$000)
Purchase Price		\$168,286
Restructuring, Transition and Other Acquisition Costs (preliminary)		30,046
Total Acquisition Costs		\$198,332
Tangible Assets and Liabilities		
Assets less Liabilities		\$43,734
Asset Writeoffs and Book Value Adjustments (Prelim.)		(27,897)
Net Tangibles		\$15,837
Intangibles		
Value of Intangibles		\$182,495
Value of Products		17,226
Value of Technologies		47,044
Value of Intangibles less Products and Technologies		\$118,225
Other Intangibles		
Value of Other Intangibles		\$118,225
Value of Retained Personnel		11,070
Value of Customer Base		0
Value of Other Technologies		11,357
Remainder of Intangibles		\$95,798
Goodwill/Going Concern Value		\$95,798
Non-Allocated Acquisition Costs		-0-