

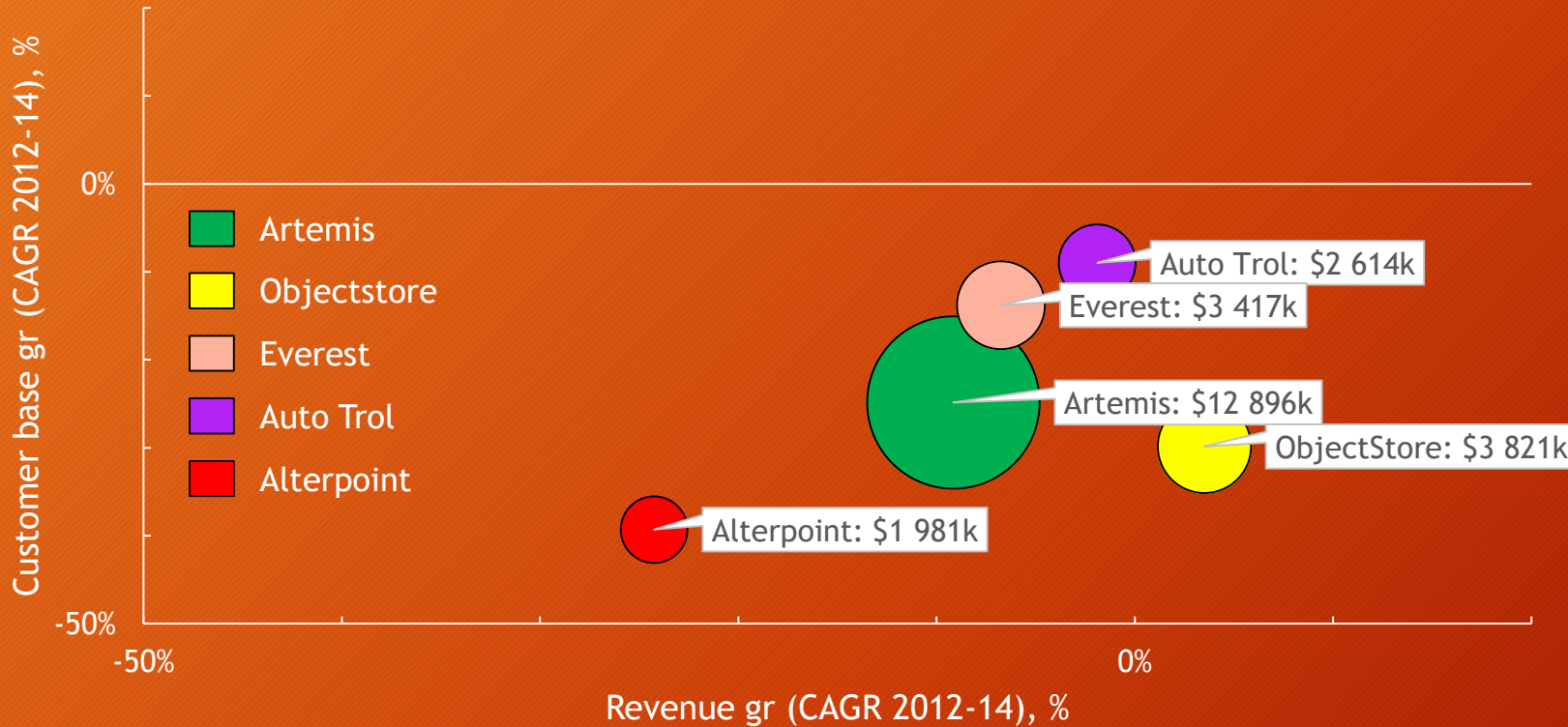
Products portfolio overview

1

V. Mazur
Jan, 2017

Exec summary: revenue 2012-14

2

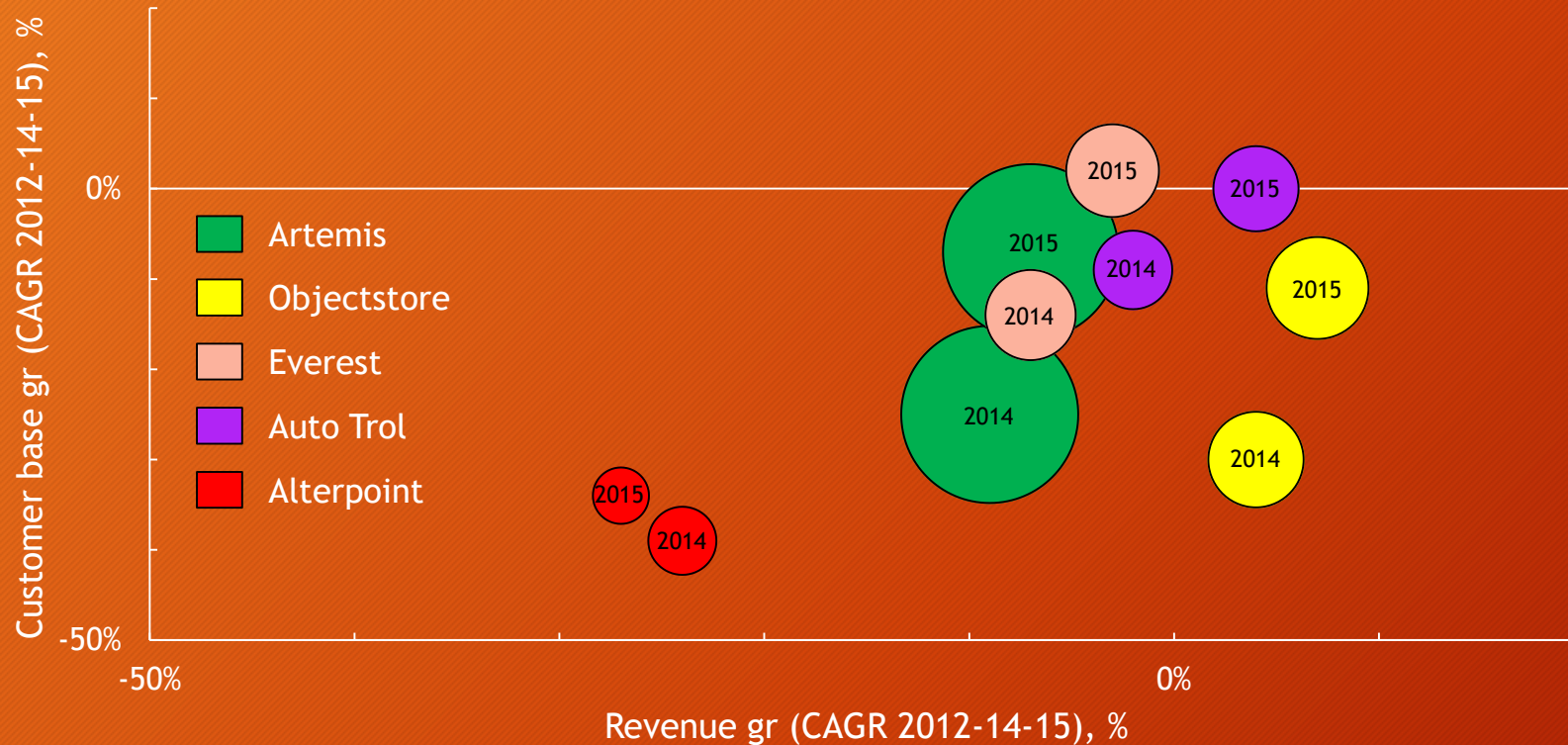


- Key product in the portfolio is Artemis (about \$13mln in revenue in 2014). Rest of products had a sales in a range of \$2-4mln per product.
- All products in the portfolio experienced loss of customer base in 2012-14
- 4 out of 5 (except ObjectStore) had a negative growth rates in 2012-14 (mostly single digits, only Alterpoint declined at much quicker pace -24% averagely). ObjectStore grew at low single-digit rate.

Notes:
Size of bubble reflects product recurring revenue @ 2014 (\$k)

Exec summary: rev 2012-14 + rev 2015

3



- 3 products (Everest / ObjectStore / Auto Trol) are expected to grow in 2015 (from 6% to 16%). Artemis expects to slow down a decline (-2% in 2015 vs LY).
- Alterpoint it seems has significant issues to find sources of growth (-31% in revenue in 2015 vs LY), i.e. fall is accelerating.

Notes:
Size of bubble reflects product revenue @ certain year. Revenue of 2015 equals to booked + committed revenue.

CAGR for 2015 bubble is calculated for the period of 2012-15.

Customer base 2015 calculated as a function of projected average "cheque" (linear regression if correlation coefficient more than 80%, otherwise equals to 2014) and cash frct for 2015

Alterpoint Maint analytical review



General revenue trend

5

	FY'2012	FY'2013	FY'2014	FY'2015
Revenue ¹ , k\$	3 453	2 908	1 981	1 360
y/y growth, %		-16%	-32%	-31%
Cash frcst, k\$	4 433	1 868	1 188	1 233
y/y growth, %		-58%	-36%	+4%
Contracted services ² , k\$	4 260	1 788	1 114	-
y/y growth, %		-58%	-38%	-
Active customers ³	57	35	21	-
Contracted services per customer, k\$	75	51	53	-

➤ Business is significantly declining:

- Contracted services declined in 2012-14 by 3,8 times
- Revenue recognition slightly smooths falling trend as some contracts impact several financial years
- Customer base is squeezed: no of active customers in 2014 falls to 21 (by 2,7 times in 2012-14)
- Average “cheque” is medium (\$53k in 2014)

Notes:

(1) 2015 year figures include booked + committed revenue

(2) Contracted services are full amount of invoices allocated to the financial year (FY) based on the invoice date (i.e. contracted services for FY'2012 are total value of invoices raised during FY'2012 = value of all deals agreed with customers during FY'2012). This parameter is used hereinafter as a operational proxy of revenue as it shows much earlier: that customer is live and value of agreed services rendered to the customer

(3) Active customer means the customer which was invoiced during the period

Top-10 customers

6

Customer name	Year of acquis ¹	FY'2014			FY'2013			FY'2012	
		Contracted services, k\$	Rank	Δ	Contracted services, k\$	Rank	Δ	Contracted services, k\$	Rank
Pacific Gas & Electric	2010	222	1	-	-	-	-	107	5
Western Union	2010	137	2	+1	110	3	-	-	-
AT&T FAA	2010	94	3	+2	96	5	+14	55	19
Bell Canada	2011	88	4	+3	88	7	+2	88	9
Huntington Bank	2010	76	5	+4	74	9	+4	72	13
DCGS	2012	72	6	+4	57	10	+20	30	30
Enterprise Holdings, Inc.	2010	69	7	+9	46	16	+6	46	22
Lockheed Martin Enterprise Inf Systems	2010	60	8	+10	36	18	+14	28	32
AT&T DHS	2011	58	9	+11	29	20	+13	22	33
DISA - (DISAnet)	2013	52	10	+4	51	14	-	-	-
Subtotal		928		+58%	586		+31%	447	

➤ Team is doing good efforts to increase business with some of existing key customers:

- invoices to 2014 top-customers increased in 2012-14 more than twice
- Mostly all of 2014 top-customers were invoiced constantly more than year before

➤ But at the same time, key customers base is quite volatile:

- Only 2 of 2014 top-customers were in top-10 in 2012
- 2 of 2014 top-customers (DCSG / DISA) were acquired in the reviewed period

➤ Concerns on customer satisfaction / product quality:

- Volatile key clients business raises concerns over customer satisfaction-loyalty & product quality

Notes:

(1) Financial year (Jul-Jun)

Top-10 customers cont.

7

Customer name	FY'2014		FY'2013		FY'2012
	Contracted services, k\$	Δ vs LY, %	Contracted services, k\$	Δ vs LY, %	Contracted services, k\$
Top-10 customers @ FY'2014	928	+58%	586	+31%	447
Top-10 customers (in each of years)	928	-20%	1 157	-60%	2 903
% of total contracted services	83%		65%		68%
TOTAL contracted services	1 114	-38%	1 788	-58%	4 260

➤ Concentration of business on key customers is increasing:

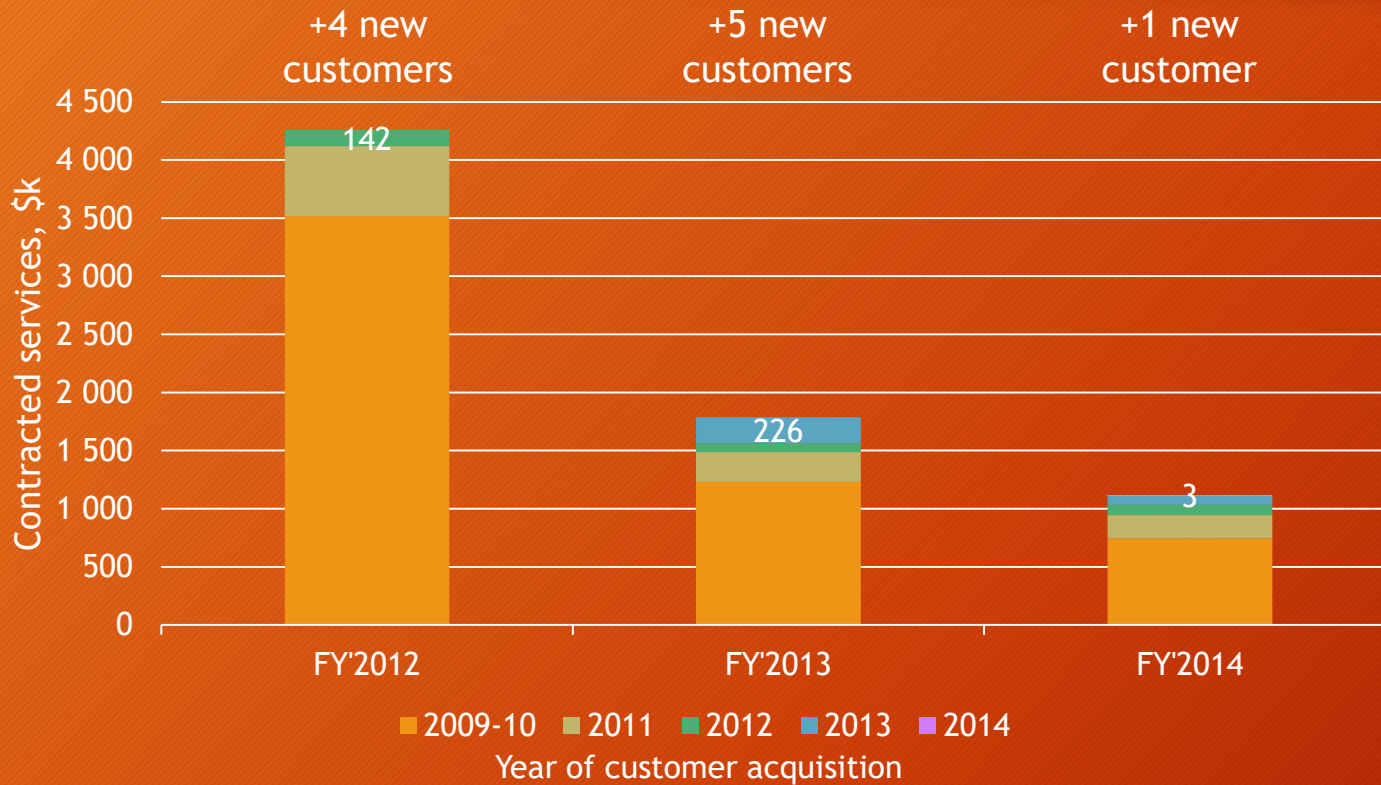
- On the trend of sales decline in the last 3 years, the business is becoming more concentrated on key customers (their share increased in 2012-14 from 68% to 83%)

➤ Concerns on customer satisfaction / product quality (continued):

- Several 2012 top-customers cancelled some contracts (AT&T / Citigroup), i.e. significant business is lost.

New customers acquisition

8



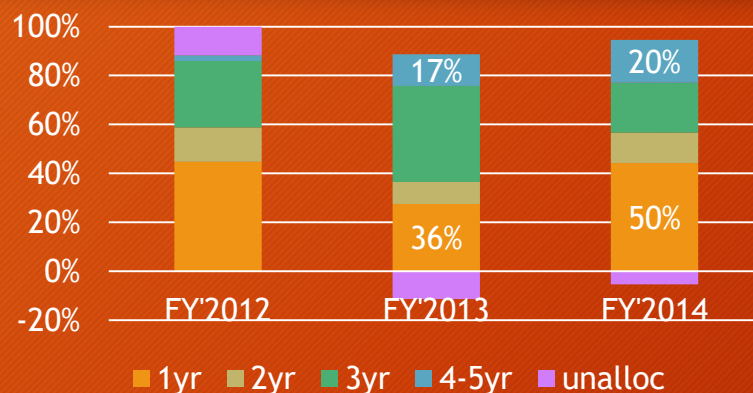
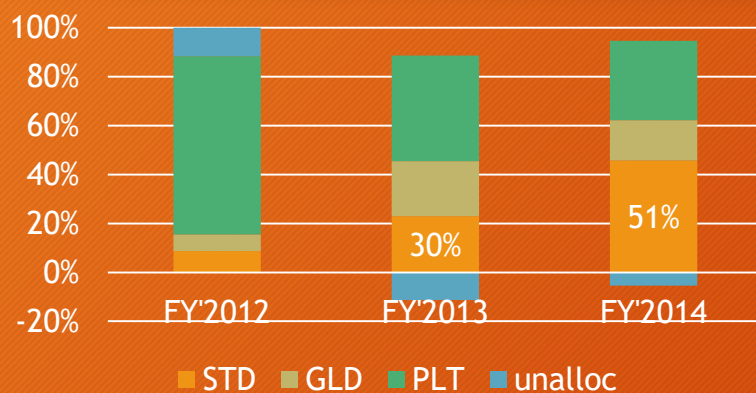
➤ New customer acquisition efforts need to be revitalized (if possible):

- Most of customers were acquired before 2012 year (2010-11). Since that time, new customer acquisition figures are immaterial. Return on customers acquisition costs (if exist) need to be reviewed carefully
- Declining main customer base (2010-11) and immaterial sales from new customers may necessitate review of project strategy or developing the project crisis plan (if sources of growth are available or look for product divestment strategies)

Notes:
Figures on graphs show value of contracted services to customers acquired in the current year

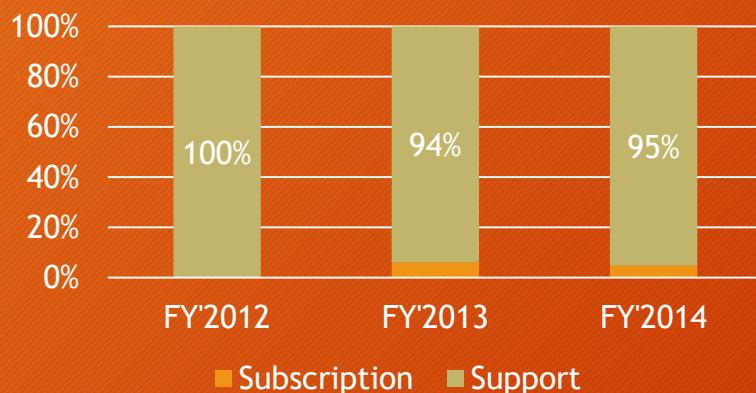
Revenue structure

9



➤ Customers are switching to STD plans with longer plans having more weight:

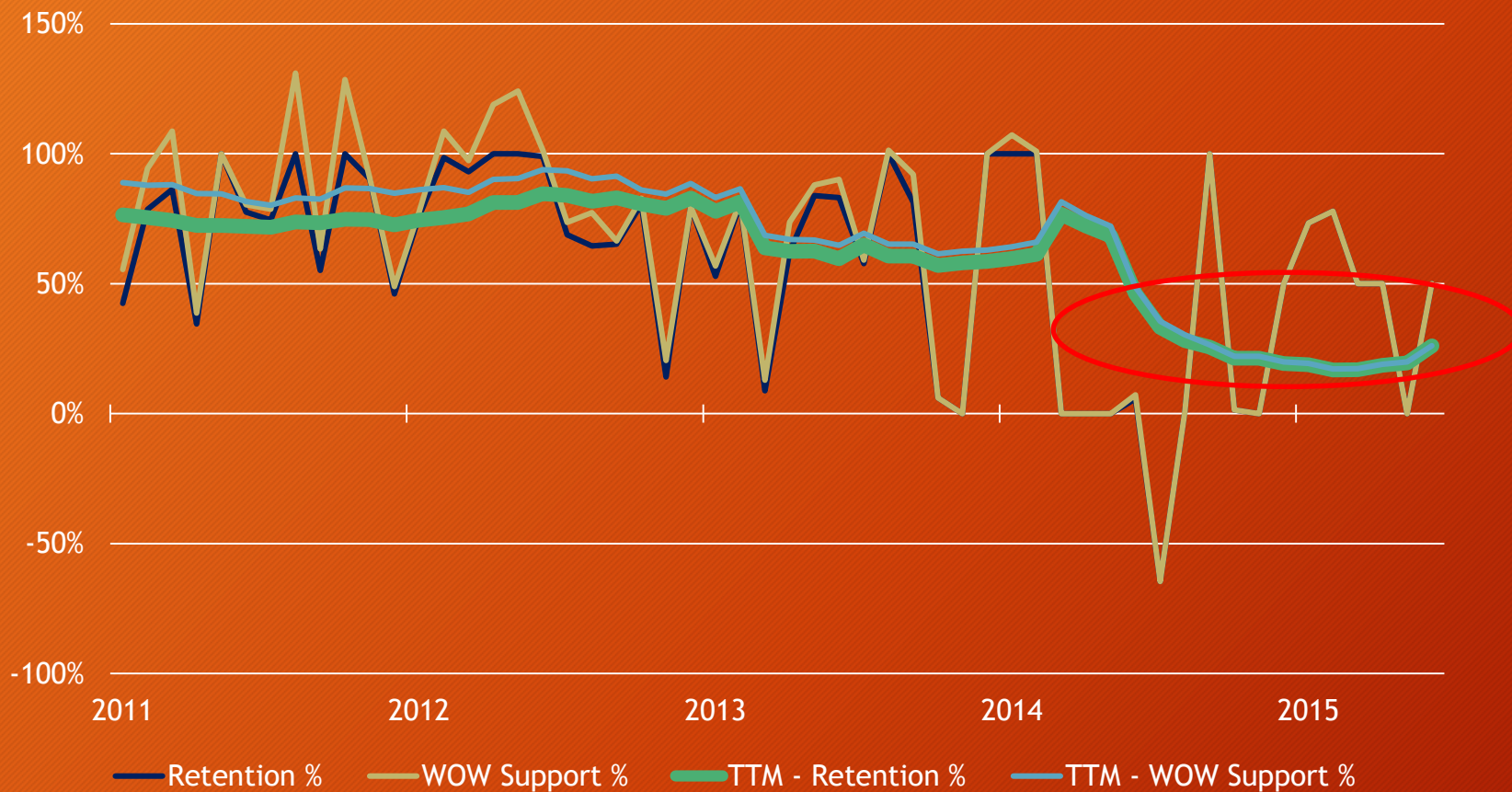
- Share of STD plans increased from 30% to 51% through 2013-14 while PLT plans are being lost
- 1-year plans have still the major share; share of 4-5-years plans are increasing (from 2% to 20% through the period under review)
- There is no significant change in revenue types - most of sales come from support services.



Notes:
Quality of data on sold plans is low in FY'2012 (\$0,5 mln of invoices are left unassigned to certain plan), thus, is not taken into consideration during review

Retention & WOW support

10



➤ Low customer satisfaction are reflected in low retention & WOW support %:

- Average retention % - 58% (for period under review) which is poor
- Average WOW support - 63% shows moderate price increase to the existing customer base
- Since the second half of 2012, monthly retention % is falling rather frequently below 50% (i.e. result of shrinking customer base)
- At the end of period under review, TTM retention & WOW support % falls to 26% (there is need to check such poor performance vs project strategy).

Key takeaways

11



Product strategy needs to be validated vs actual poor performance. If this is not what expected, crisis plan must be implemented

Artemis Maint analytical review



General revenue trend

13

	FY'2012	FY'2013	FY'2014	FY'2015
Revenue ¹ , k\$	15 624	13 503	12 896	12 653
y/y growth, %		-14%	-4%	-2%
Cash frctst, k\$	16 408	13 909	12 354	14 594
y/y growth, %		-15%	-11%	+18%
Contracted services ² , k\$	17 225	13 334	12 313	-
y/y growth, %		-23%	-8%	-
Active customers ³	255	181	145	-
Contracted services per customer, k\$	68	74	85	-

Notes:

(1) 2015 year figures include booked + committed revenue

(2) Contracted services are full amount of invoices allocated to the financial year (FY) based on the invoice date (i.e. contracted services for FY'2012 are total value of invoices raised during FY'2012 = value of all deals agreed with customers during FY'2012). This parameter is used hereinafter as a operational proxy of revenue as it shows much earlier: that customer is live and value of agreed services rendered to the customer

(3) Active customer means the customer which was invoiced during the period

➤ Business is on the moderately declining trend:

- Contracted services declined in 2012-14 by 29% together with number of active customers (fall from 254 in 2012 to 144 in 2014; at the same time, average “cheque” is increasing and is on the medium+ level - \$85k)
- Revenue recognition slightly smoothes falling trend as some contracts impact several financial years
- Team forecasts (cash frct) growth in 2015 by 18% due to business development of top-customer (Atos Global IT, +\$718k) and inputted team commitment (+\$808k)

Top-10 customers

14

Customer name	Year of acquis ¹	FY'2014			FY'2013			FY'2012	
		Contracted services, k\$	Rank	Δ	Contracted services, k\$	Rank	Δ	Contracted services, k\$	Rank
Atos Global IT	2012	989	1	-	-	-	-	788	2
General Dynamics (Electric Boat - CSC)	2011	750	2	+1	600	3	+1	600	4
Lockheed Martin (Tactical Aircraft Systems)	2010	729	3	-2	729	1	+2	729	3
LA BANQUE POSTALE	2011	637	4	-2	604	2	+4	424	6
Lockheed Martin (Integrated Systems and Solutions)	2011	489	5	-1	547	4	+1	469	5
USAA (A7)	2010	372	6	+5	275	11	+37	100	48
EURIWARE	2010	338	7	-	338	7	+2	338	9
Rolls Royce (EDS)	2011	280	8	+2	280	10	-	327	10
Cummins (Engineering dept)	2010	263	9	+3	263	12	+2	252	14
Duke Energy	2010	244	10	+3	244	13	+3	244	16
Subtotal		5 091		+31%	3 880		-9%	4 270	

➤ Key customers seem to be happy and growing:

- invoices to 2014 top-customers increased in 2012-14 by 20%
- Mostly all of 2014 top-customers were invoiced more or same as in last year
- Major customer (Atos Global IT) was acquired in 2012 and became the largest one in 2014
- There is no other major changes in the top customers base
- 2014 top-customers were invoiced 6 times more on average

Notes:

(1) Financial year (Jul-Jun)

Top-10 customers cont.

15

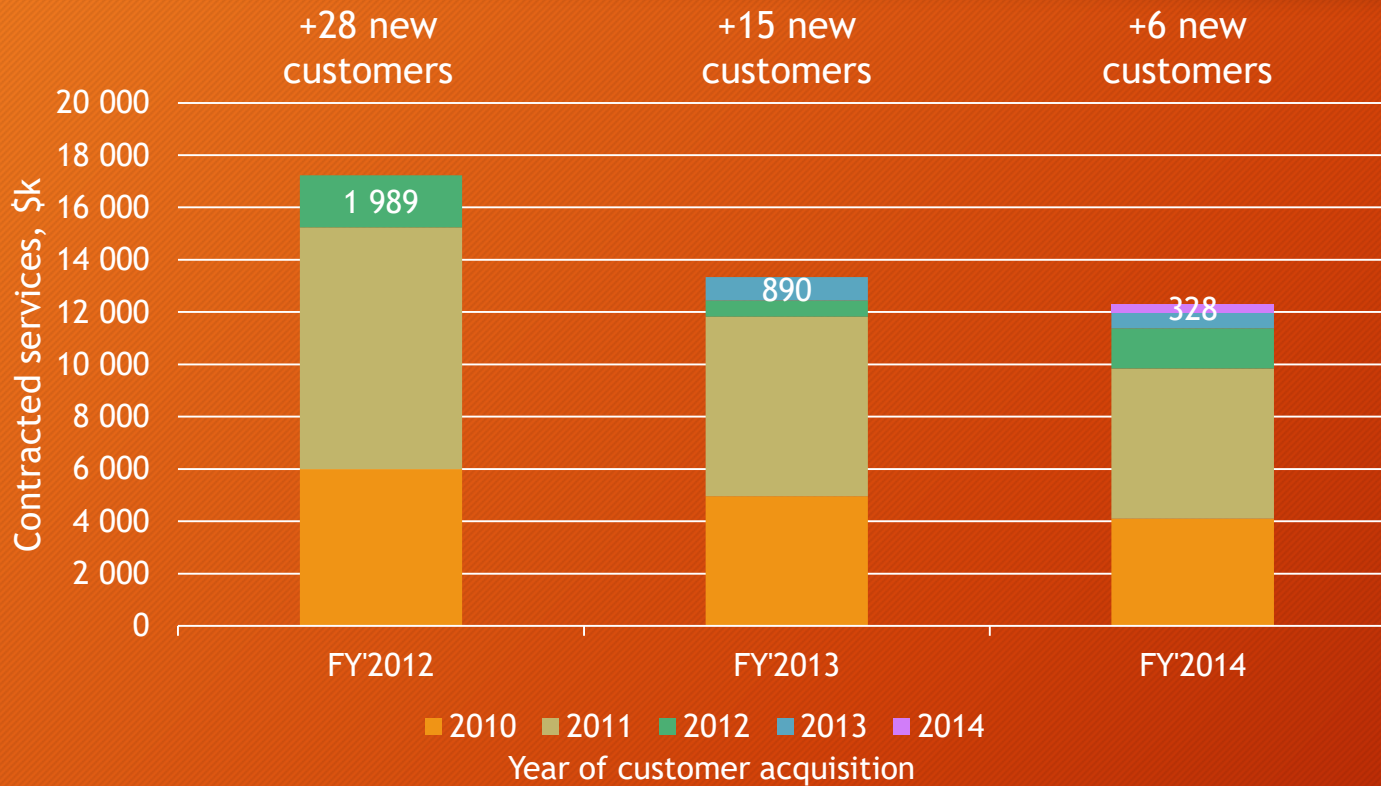
Customer name	FY'2014		FY'2013		FY'2012
	Contracted services, k\$	Δ vs LY, %	Contracted services, k\$	Δ vs LY, %	Contracted services, k\$
Top-10 customers @ FY'2014	5 091	+31%	3 880	-9%	4 270
Top-10 customers (in each of years)	5 091	+11%	4 583	-13%	5 279
% of total contracted services	41%		34%		31%
TOTAL contracted services	12 313	-8%	13 334	-23%	17 225

➤ Loss of smaller customers drives sales down:

- Business with top customers is stable or increasing while total contracted services are going down which means the business with smaller customer is falling rapidly (1,8x fall of active customers no in 2012-14 confirms this).

New customers acquisition

16



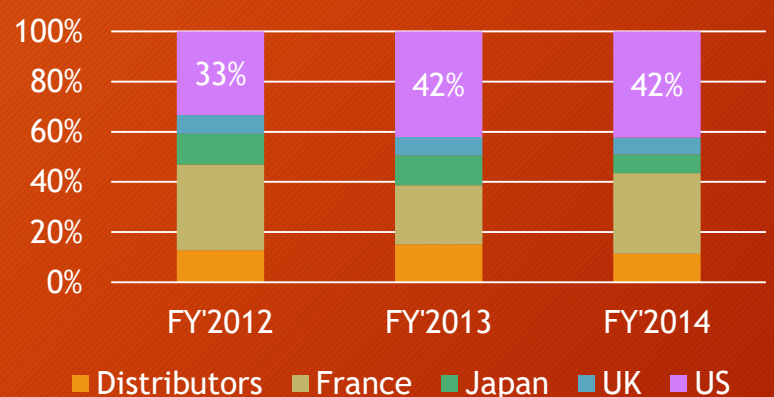
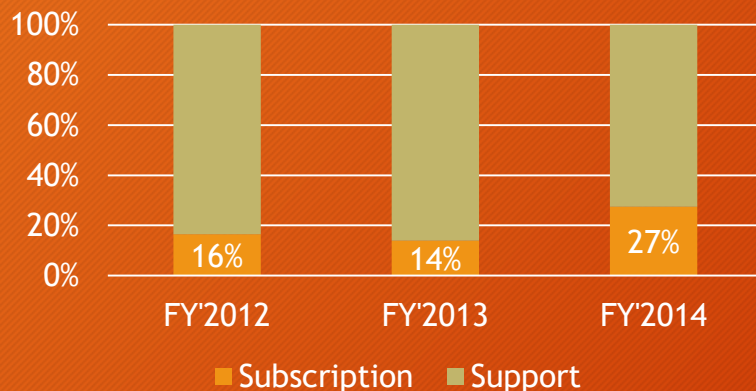
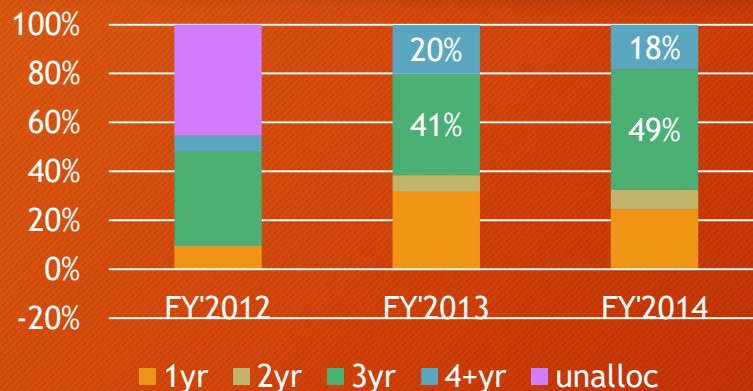
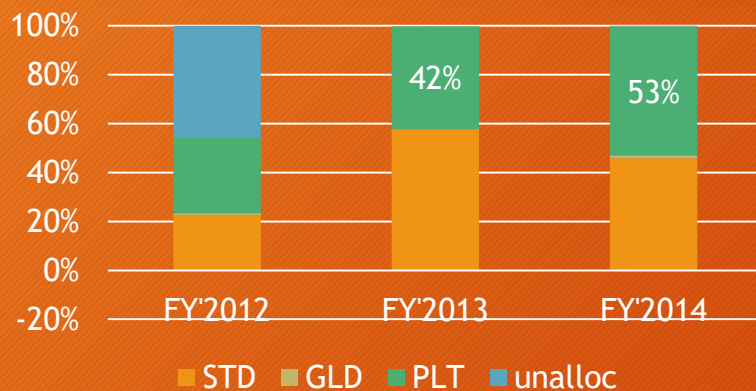
➤ New customer acquisition efforts need a review:

- Most of business was acquired before 2012 year (2010-11). Since that time, new customer acquisition figures are falling and do not replace the drop in sales from customer cohorts of previous years; in 2014, only 20% of invoices issued to customers acquired in 2012-14. Return on customers acquisition costs (if exist) need to be reviewed carefully

Notes:
Figures on graphs show value of contracted services to customers acquired in the current year

Revenue structure

17



➤ PLT plans are becoming more popular and 3+yr contracts are dominating:

- Share (in monetary terms) of PLT plans increased to 53% in 2014
- 3+ year contracts are chosen by customers the most frequently (67% of total invoiced services)

➤ Subscription services are growing:

- Share of subscription services increased by 9 pp. to 27% in 2014. This is explained by rise of active customers at subscription (from 13 to 24 for 2012-14) coupled with the loss of customers for support services (fall from 248 to 129 for the period)

➤ US region is getting more weight:

- Share of US region grew to 42% in 2014 from 33% in 2012 (see also next slide)

Notes:
Quality of data on sold plans is low in FY'2012 (\$7,8 mln of invoices are left unassigned to certain plan), thus, is not taken into consideration during review

Revenue structure cont.

18

Contracted services, k\$

Region	2012	2013	2014	CAGR, %
US	5 740	5 607	5 210	-5%
France	5 894	3 144	3 957	-18%
Distributors	2 194	2 007	1 396	-20%
Japan	2 112	1 576	935	-33%
UK	1 285	1 000	815	-20%
	17 225	13 334	12 313	-15%

Average “cheque”, k\$

Region	2012	2013	2014	CAGR, %
US	151	160	168	+5%
France	118	95	136	+8%
Distributors	23	32	33	+19%
Japan	37	39	30	-10%
UK	80	91	68	-8%
	68	74	85	+12%

Active customers

Region	2012	2013	2014	CAGR, %
US	38	35	31	-10%
France	50	33	29	-24%
Distributors	94	62	42	-33%
Japan	57	40	31	-26%
UK	16	11	12	-13%
	255	181	145	-25%

➤ US region is retaining business better:

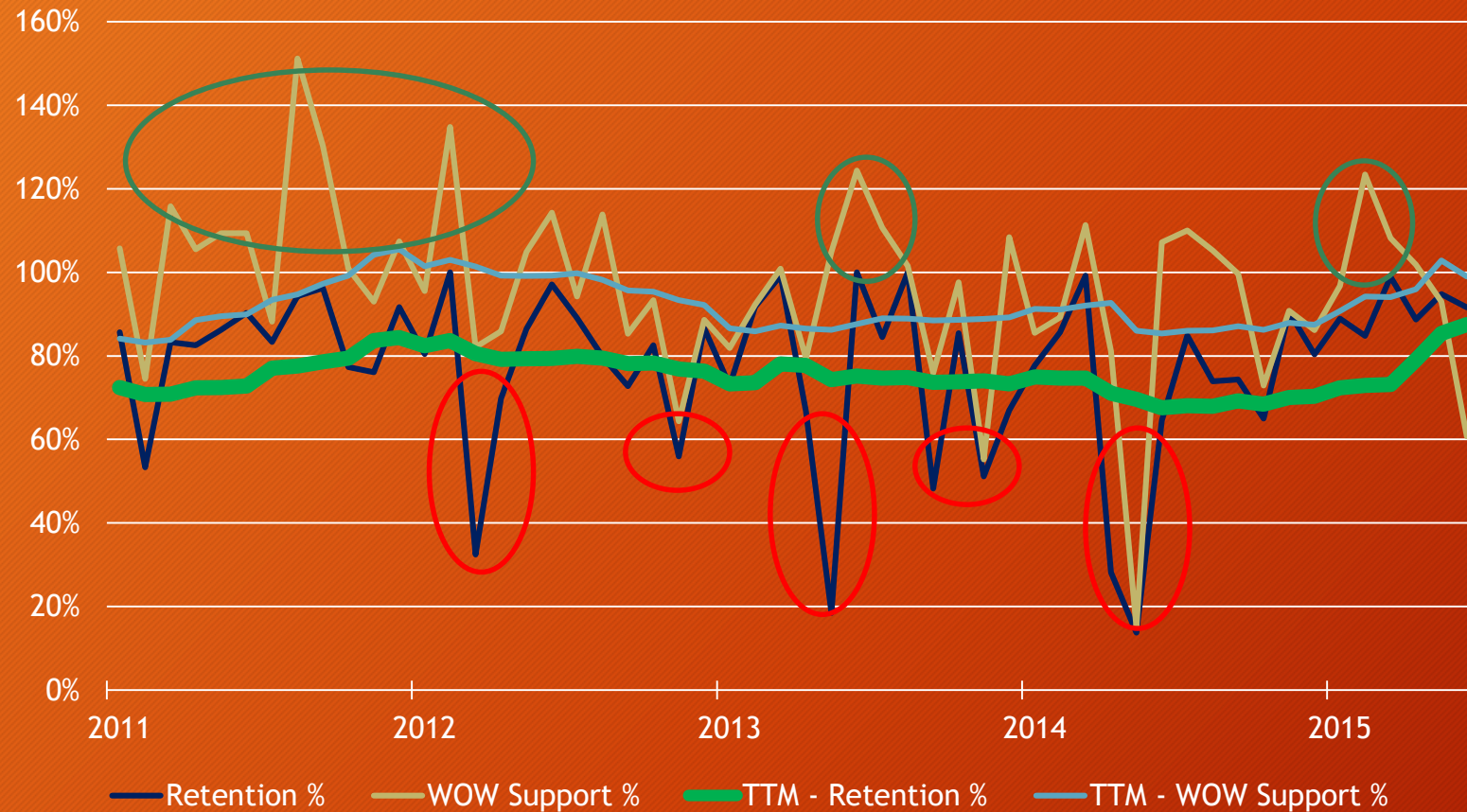
- Contracted services averagely fall in US only by 5% for 2012-14; other regions are going down double digit
- Japan had it seems the most significant issues with customers retention

➤ Smaller customers cancel their contracts:

- No of active customers averagely dropped by 25% for the reviewed period meaning that smaller customers leave which is applicable to 3 regions (US / France /Distributors) where customer base is declining quicker than value of invoiced services.
- As smaller customer are leaving, average “cheque” is increasing (averagely by 12% in 2012-14)

Retention & WOW support

19



➤ Customer retention improved significantly in 2015:

- Average retention % - 78% (for period under review) which is average
- Average WOW support - 97% shows excellent results of repricing to the existing customer base
- Starting from 2012, TTM retention % falls below 80% and recovers only in 2015 with impressive 92% in Jun2015 showing good level of satisfaction of remaining customer base and it seems product (service) quality issues of 2012-2014 are resolved now

Key takeaways

20



Poor new customers acquisition
and deteriorated smaller
customers base put question
mark on the future sources of
growth for the product

Auto Trol Maint analytical review



General revenue trend

22

	FY'2012	FY'2013	FY'2014	FY'2015
Revenue ¹ , k\$	2 716	2 455	2 614	3 043
y/y growth, %		-10%	+6%	+16%
Cash frcst, k\$	2 949	2 347	2 881	3 489
y/y growth, %		-20%	+23%	+21%
Contracted services ² , k\$	2 935	2 490	2 855	-
y/y growth, %		-15%	+15%	-
Active customers ³	105	97	87	-
Contracted services per customer, k\$	28	26	33	-

Notes:

(1) 2015 year figures include booked + committed revenue

(2) Contracted services are full amount of invoices allocated to the financial year (FY) based on the invoice date (i.e. contracted services for FY'2012 are total value of invoices raised during FY'2012 = value of all deals agreed with customers during FY'2012). This parameter is used hereinafter as a operational proxy of revenue as it shows much earlier: that customer is live and value of agreed services rendered to the customer

(3) Active customer means the customer which was invoiced during the period

➤ Business is on the way to growth:

- Decline of 2013 was pulled up and business forecasts to grow in 2014-15 at double digit rate
- This is due to developing existing accounts (as customer base fell by 17% in same period)
- Average “cheque” is medium-low (about \$30k per customer)
- Source of growth in 2015 is not clear / seems to be inputted as team commitment (+\$929k)
- Team needs to learn how to convert growth success of 2014 into future trend

Top-10 customers

23

Customer name	Year of acquis ¹	FY'2014			FY'2013			FY'2012	
		Contracted services, k\$	Rank	Δ	Contracted services, k\$	Rank	Δ	Contracted services, k\$	Rank
Airbus SAS	2012	230	1	+1	209	2	-1	209	1
CECOM - LCMC	2014	169	2	-	-	-	-	-	-
CECOM/ARAT	2010	136	3	-	-	-	-	48	21
Sonovision-Itep Colomiers	2012	132	4	-3	210	1	+64	7	65
LANGLEY	2011	126	5	-1	101	4	+2	89	6
Atexis SRL	2011	122	6	+2	79	8	+9	51	17
AIRBUS MILITARY	2013	111	7	+34	14	41	-	-	-
Studec Société Anonyme	2013	110	8	-3	85	5	-	-	-
Alten SA	2010	98	9	0	75	9	+5	65	14
AKKA Ingénierie Documentaire SAS	2011	82	10	+10	42	20	-15	110	5
Subtotal		1 317		+62%	815		+40%	581	

➤ Key customers base is still being formed:

- 5 top-customers in 2014 were acquired very recently (2012-14)
- invoices to 2014 top-customers increased for 2012-14 by 2,2 times (key customers base is still developing)
- 2014 top-customers were invoiced 4 times more on average

Notes:
(1) Financial year (Jul-Jun)

Top-10 customers cont.

24

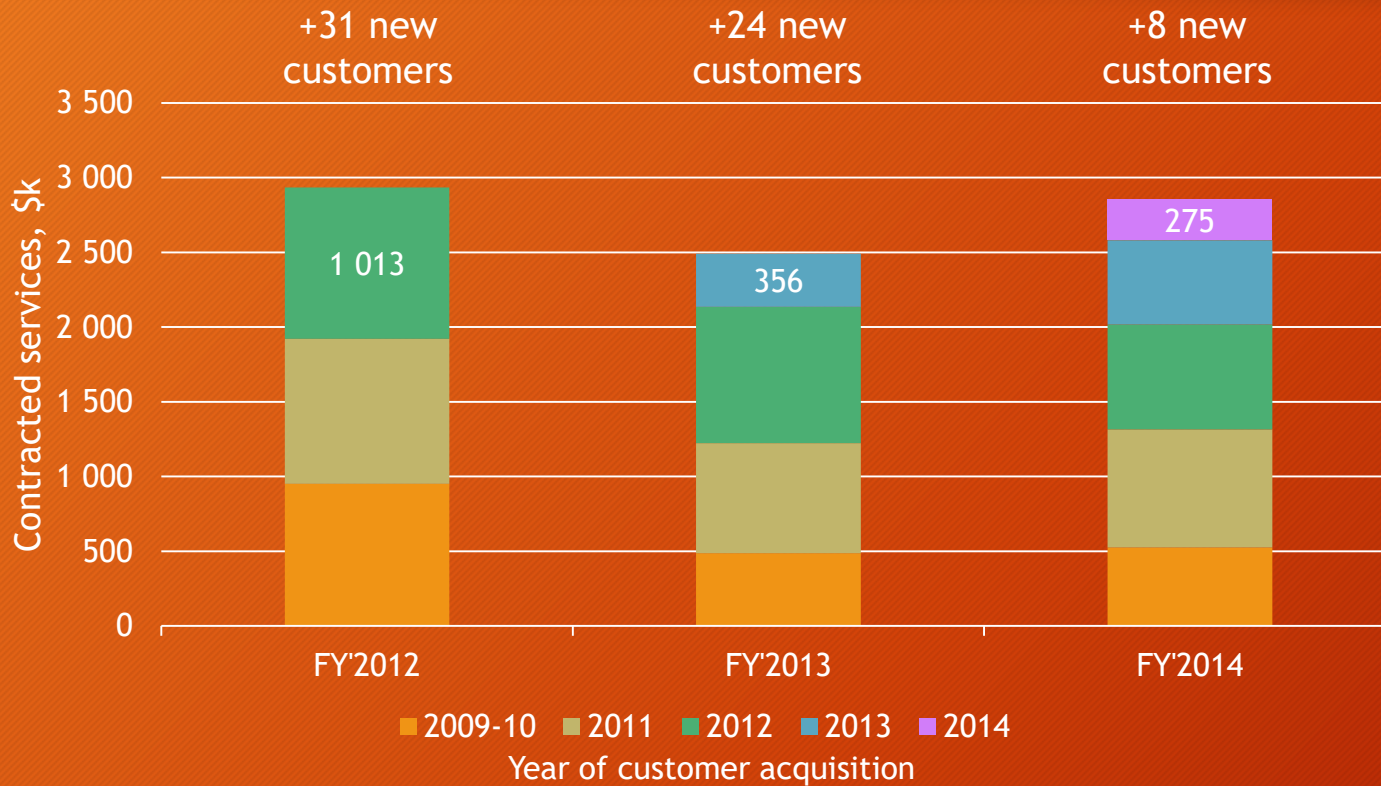
Customer name	FY'2014		FY'2013		FY'2012
	Contracted services, k\$	Δ vs LY, %	Contracted services, k\$	Δ vs LY, %	Contracted services, k\$
Top-10 customers @ FY'2014	1 317	+62%	815	+40%	581
Top-10 customers (in each of years)	1 317	+16%	1 135	-9%	1 244
% of total contracted services	45%		46%		44%
TOTAL contracted services	2 935	+18%	2 490	-13%	2 855

➤ Loss of key customers in 2012-14:

- During period under review, some key customers (Robins AFB / DND-DLCSPM with approx. \$400k contracted services in 2012) were replaced with new one (see prev. slide, approx. \$750k of contracted services in 2014)
- Concentration of business on top-10 customers is high (about 45%)
- Growth of top-10 customers business is in line with the change of other portfolio business (decline in 2013 & recovery in 2014)

New customers acquisition

25



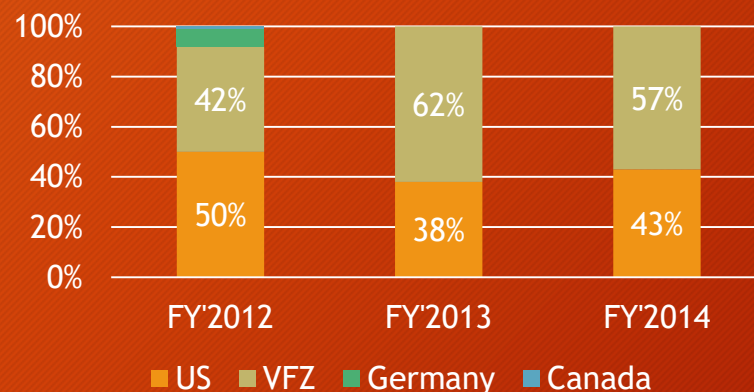
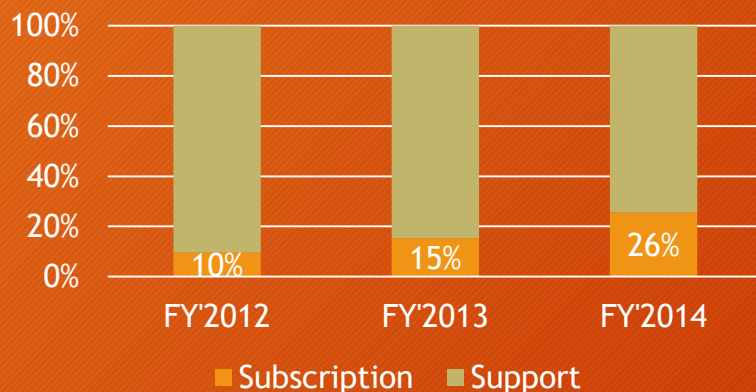
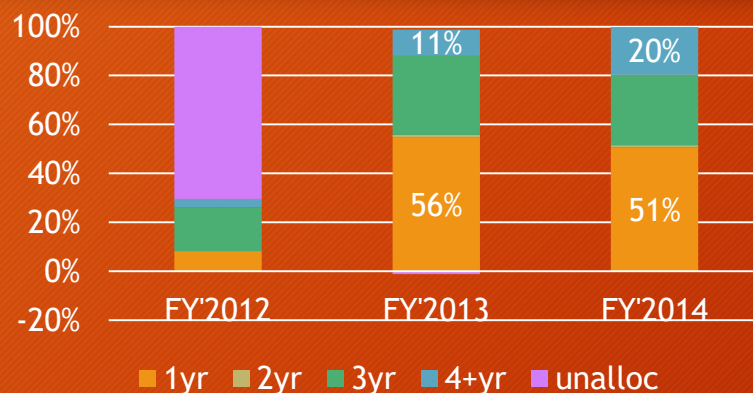
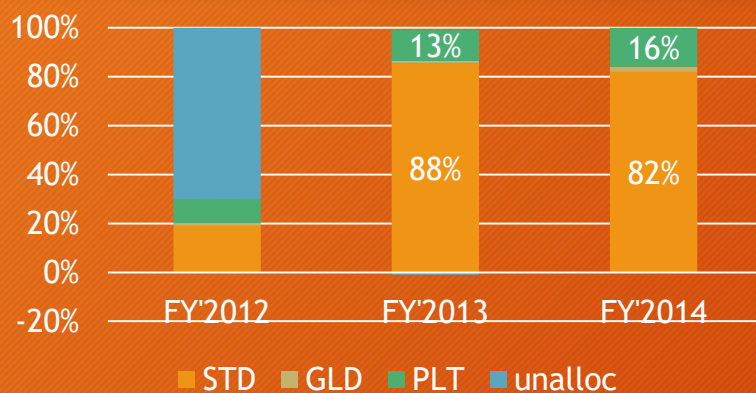
➤ Success of 2012-14 in new customers acquisition should be sustained for future growth:

- Customers acquisition efforts in 2012 were outstanding (35% of all invoices come from newly acquired customers). This was the third year in a row when more than \$1M of invoices came from new customers. In 2014, 54% of invoices came from customers acquired in 2012-14.
- After recovery in 2014, customer acquisition efforts should be sustained while managing returns on those costs

Notes:
Figures on graphs show value of contracted services to customers acquired in the current year

Revenue structure

26

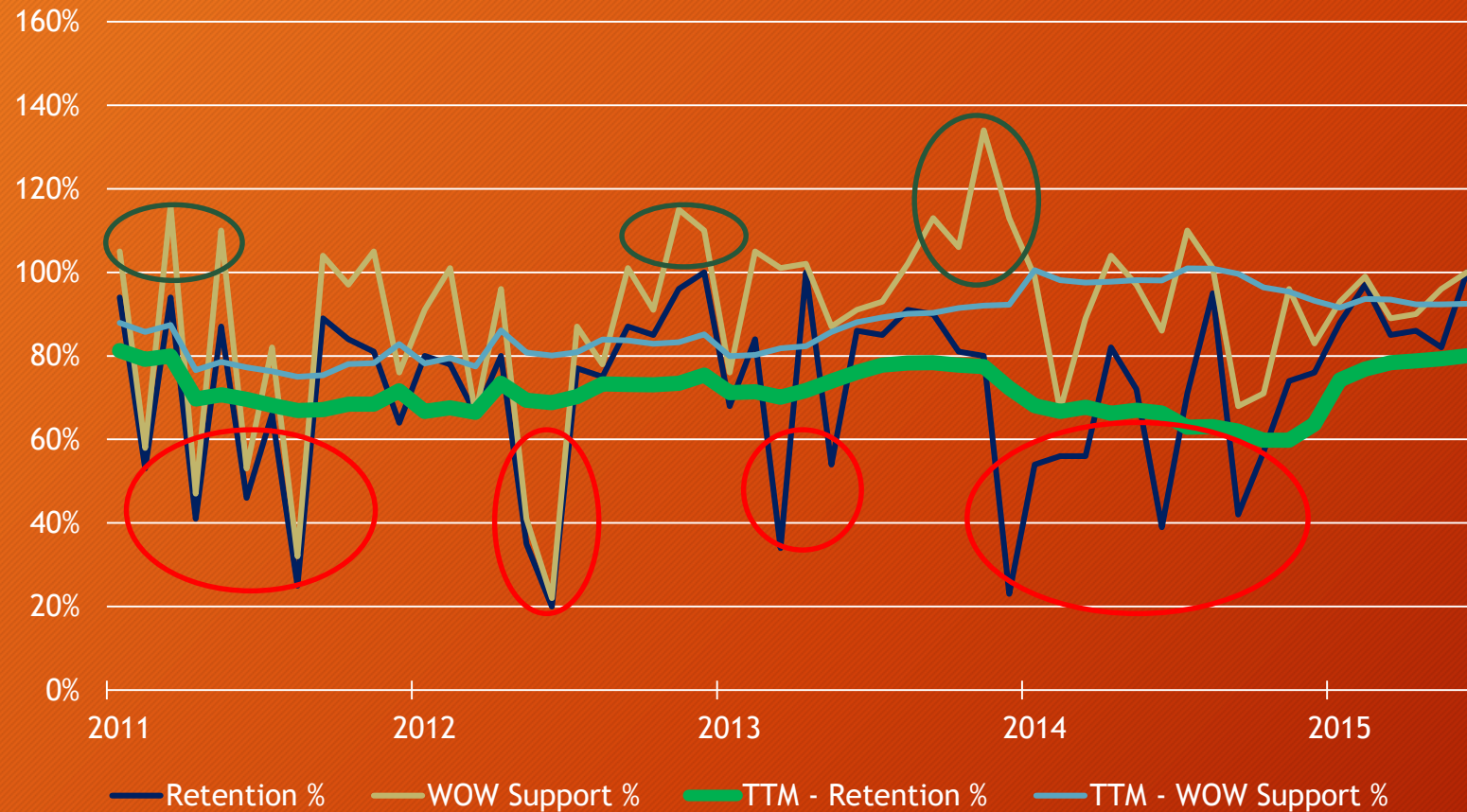


- STD plans and 1yr contracts are prevailing:
 - Share of STD plans is dominating but falling (minus 6pp through 2013-14 and 82% in 2014)
 - 1yr contracts prevail (which is better from repricing perspective) but longer contracts are gaining the share (share of 4+ yr contracts grew from 11% to 20% in 2013-14)
- Subscription services are growing:
 - Share of subscription services rocketed by 16 pp. to 26% in 2014. This is explained by rise of active customers at subscription (from 18 to 32 for 2012-14) coupled with the loss of customers for support services (fall from 98 to 71 for the period)
 - Average “cheque” for subscriptions & support services is approx. the same (\$20-30k)
- International markets are outpacing US:
 - During the period under review regional internal structure was amended and only 2 regions left
 - Share of international markets is increased to 57% in 2014 (from 50% in 2012). Outstanding performance achieved in Spain (7,6x rise in contracted services in 2012-14); in Romania (3,7x in 2013-14); in France & India (mostly doubled in 2012-14). At the same time, business in Germany is vanishing.

Notes:
Quality of data on sold plans is low in FY'2012 (\$2,1 mln of invoices are left unassigned to certain plan), thus, is not taken into consideration during review

Retention & WOW support

27



➤ Customer retention improved in 2015 but is still at the average level:

- Average retention % - 72% (for period under review) which is average results
- Average WOW support - 90% shows excellent results of repricing to the existing customer base
- TTM retention % is below 80% throughout the period and needs addressing by the team

Key takeaways

28



Business is on the way to growth with some pros (success stories of some regions/countries in attracting customers & growing business) and cons (average retention rate in general and prevailing short-term contracts with STD plans) to be studied / addressed.

Everest Maint analytical review



General revenue trend

30

	FY'2012	FY'2013	FY'2014	FY'2015
Revenue ¹ , k\$	3 930	3 626	3 417	3 626
y/y growth, %		-8%	-6%	+6%
Cash frst, k\$	4 064	3 640	3 792	4 507
y/y growth, %		-10%	+4%	+19%
Contracted services ² , k\$	4 253	3 939	3 874	-
y/y growth, %		-7%	-2%	-
Active customers ³	358	291	266	-
Contracted services per customer, k\$	12	14	15	-

Notes:

(1) 2015 year figures include booked + committed revenue

(2) Contracted services are full amount of invoices allocated to the financial year (FY) based on the invoice date (i.e. contracted services for FY'2012 are total value of invoices raised during FY'2012 = value of all deals agreed with customers during FY'2012). This parameter is used hereinafter as a operational proxy of revenue as it shows much earlier: that customer is live and value of agreed services rendered to the customer

(3) Active customer means the customer which was invoiced during the period

➤ Single digit decline in 2012-14 with expected recovery in 2015:

- In 2012-14, customer base was shrinking (from 358 to 266 accounts or -26%) but at the same time, business revenue trend was impacted only at single digit rate (so, existing accounts were able to sell more). In 2015, team expects recovery to growth
- Average “cheque” is fairly low (about \$15k per customer)
- Source of growth in 2015 is not clear / seems to be inputted as team commitment (+\$765k)

Top-10 customers

31

Customer name	Year of acquis ¹	FY'2014			FY'2013			FY'2012	
		Contracted services, k\$	Rank	Δ	Contracted services, k\$	Rank	Δ	Contracted services, k\$	Rank
QUALITY COMPUTER ACCESSORIES, INC.	2011	110	1	+39	22	40	-5	22	35
Busby Metals	2011	83	2	+2	50	4	-1	50	3
ENGENUITY SYSTEMS, INC.	2011	73	3	+72	17	75	-1	17	74
US EXPRESS FREIGHT SYSTEMS	2010	60	4	+2	48	6	-2	48	4
WE R LLC (formerly We R Inc)	2013	52	5	+34	22	39	-	-	-
Zephyr	2011	50	6	-1	50	5	-3	53	2
BEYOND OUTSIDE, INC.	2011	48	7	+15	32	22	+58	16	80
FILMTOOLS, INC.	2011	48	8	-5	52	3	+125	12	128
Burns Saddlery	2010	47	9	-2	47	7	+13	29	20
Other World Computing	2014	47	10	-	-	-	-	-	-
Subtotal		616		+81%	340		+38%	246	

➤ Team is doing good efforts to grow the business with existing key customers:

- invoices to 2014 top-customers increased in 2012-14 by 2,5 times (impressive business development results)
- 2 top-customers in 2014 were acquired very recently (2012-14)
- 2014 top-customers were invoiced 4 times more on average

Notes:
(1) Financial year (Jul-Jun)

Top-10 customers cont.

32

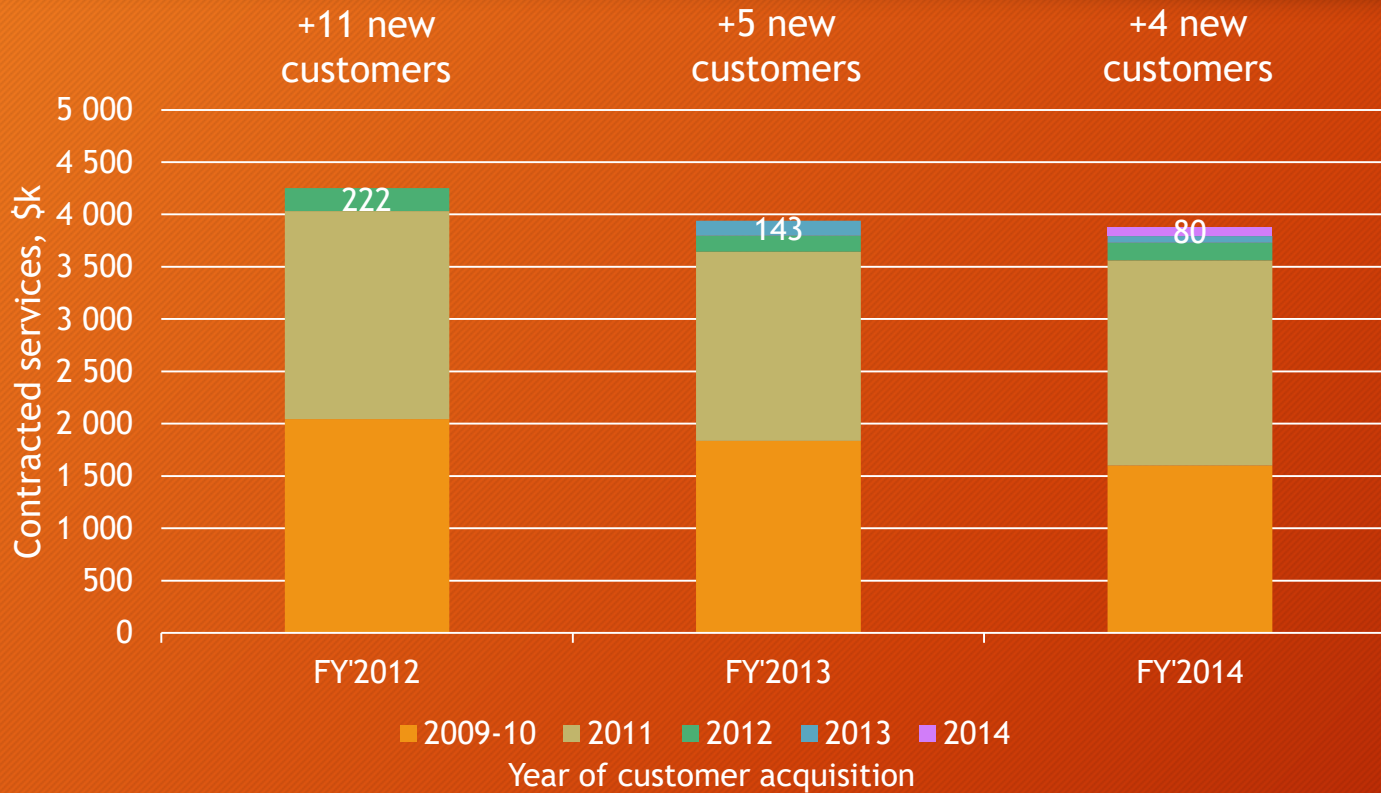
Customer name	FY'2014		FY'2013		FY'2012
	Contracted services, k\$	Δ vs LY, %	Contracted services, k\$	Δ vs LY, %	Contracted services, k\$
Top-10 customers @ FY'2014	616	+81%	340	+38%	246
Top-10 customers (in each of years)	616	+15%	537	+10%	486
<i>% of total contracted services</i>	16%		14%		11%
TOTAL contracted services	3 874	-2%	3 939	-7%	4 253

➤ Key accounts are important but not everything:

- Even key accounts are invoiced 4 times more on average and have impressive growth trend, there is no significant concentration on them (top-10 customers represent only 16% in all services invoiced in 2014)
- During 2012-14, some key customers were lost (COMPUTER ORBIT / Werner-Todd Pump Company / LIBRARY OF CONGRESS) and reasons for that must be remedied
- Nevertheless, growth of sales to key accounts is smoothing general single digit decline in 2012-14 (due to shrinking customer base)

New customers acquisition

33



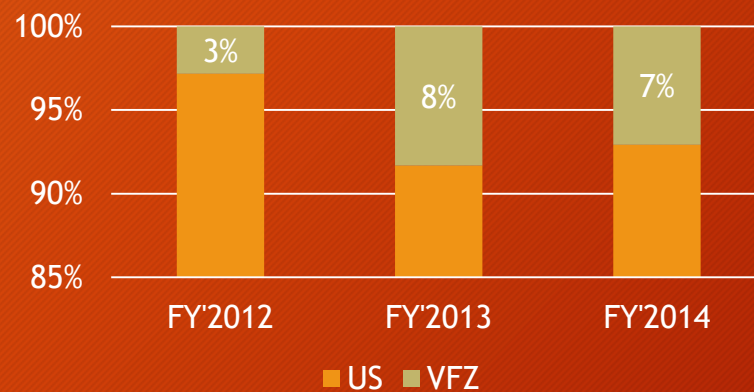
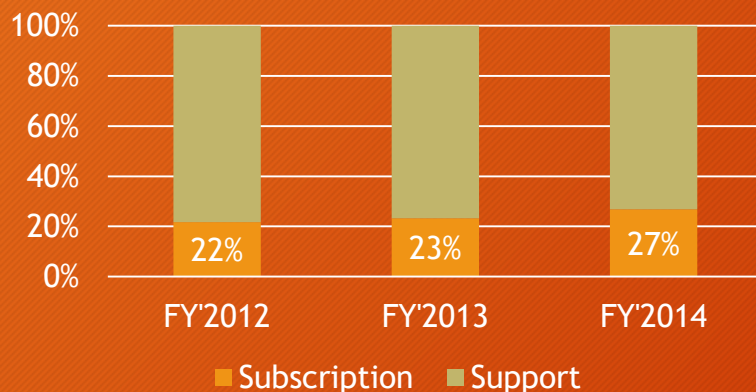
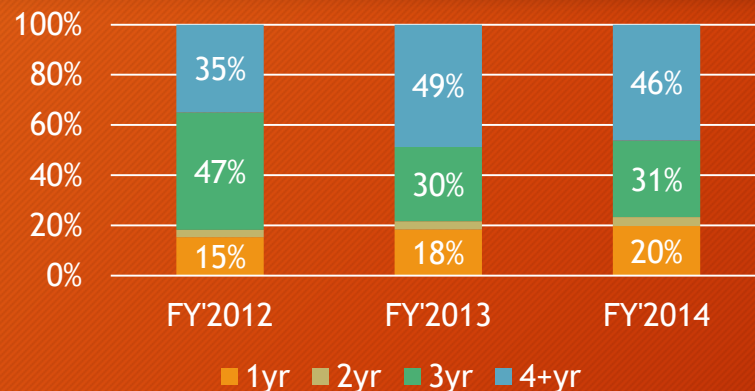
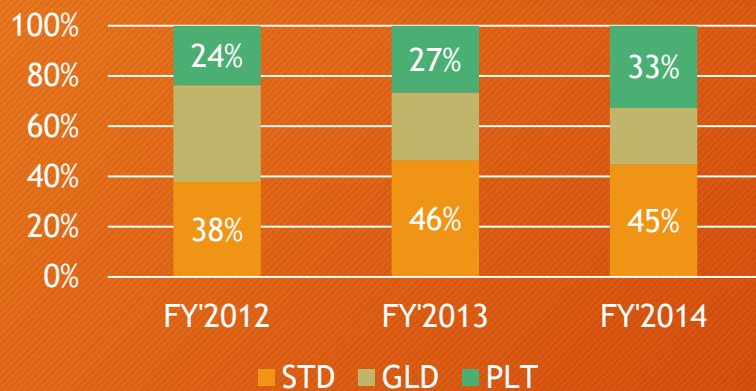
➤ Low customer acquisition activity post 2010-11:

- Most of customer base was acquired before 2012. In 2012-14, acquisition efforts diminished to immaterial values and do not replace leaving customers. That trend must be reversed (if possible) to secure top-line growth.

Notes:
Figures on graphs show value of contracted services to customers acquired in the current year

Revenue structure

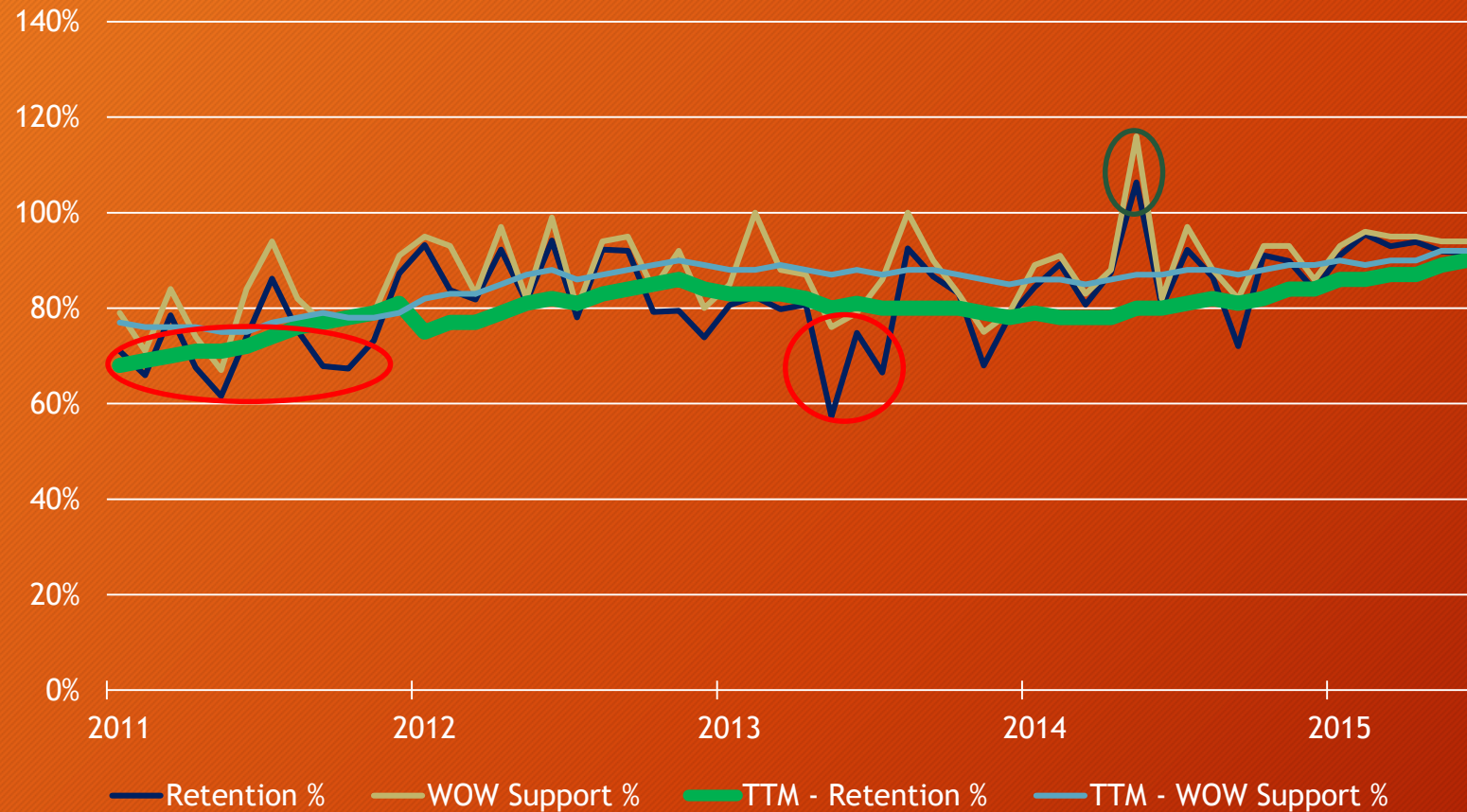
34



- GLD customers are moving to STD / PLT plans; most of plans are long-term (3+yrs):
 - GLD customers are switching to STD or PLT plans (with STD having more share: 45% vs 33% in 2014)
 - Most of customers chose longer-term contracts (3+ yrs contracts hold 77% of all services) which reflect good customer satisfaction and longer-term choice.
- Subscription services are slowly growing:
 - Share of subscription services slightly increased by 5 pp. to 27% in 2014. This is explained by rise of active customers at subscription (from 80 to 86 in 2012-14) coupled with plummeting customer base for support services (fall from 352 to 259 for the period)
 - Average “cheque” for subscriptions & support services is approx. the same (\$11-12k)
- International markets are growing fast:
 - Share of international markets increased from 3% in 2012 to 7% in 2014. During this period contracted services increased by 2,2 times for international markets (effect of low base but still). This is due to changes in customer base (falling in US / growing in Intl) / sales per customer are mostly the same.

Retention & WOW support

35



➤ Consistent customer satisfaction with growing retention:

- Average retention % - 82% (for period under review) which is good results
- Average WOW support - 87% shows results of small repricing to the existing customer base
- TTM retention % is quite consistent with little hikes (both positive / negative); went below 80% in 2011 and in Q4-13 - Q1-14 but ended at 90% in mid of 2015

Key takeaways

36



Product is on the flat trajectory now but is placed well for further growth with consistent customer retention, mainly longer-term contracts, good development of existing key customers and quickly growing international business. Falling customer base for support services must be analyzed additionally.

ObjectStore
Maint analytical review

The logo for ObjectStore, featuring a stylized 'O' icon above the text 'ObjectStore'.

General revenue trend

38

	FY'2012	FY'2013	FY'2014	FY'2015
Revenue ¹ , k\$	3 566	3 257	3 821	4 341
y/y growth, %		-9%	+17%	+14%
Cash frctst, k\$	4 416	2 993	4 165	6 431
y/y growth, %		-32%	+39%	+54%
Contracted services ² , k\$	4 326	2 780	4 418	-
y/y growth, %		-36%	+59%	-
Active customers ³	126	71	62	-
Contracted services per customer, k\$	34	39	71	-

Notes:

(1) 2015 year figures include booked + committed revenue

(2) Contracted services are full amount of invoices allocated to the financial year (FY) based on the invoice date (i.e. contracted services for FY'2012 are total value of invoices raised during FY'2012 = value of all deals agreed with customers during FY'2012). This parameter is used hereinafter as a operational proxy of revenue as it shows much earlier: that customer is live and value of agreed services rendered to the customer

(3) Active customer means the customer which was invoiced during the period

➤ Fall of 2013 fully recovered and converted into growth:

- In 2012-14, customer base deflated by 2 times to 62 accounts & at the same time top-line increased for the same period by +2% (contracted services); i.e. low-value customers left
- Average “cheque” is doubled in 2012-14 to \$71k which is medium+ and needs to be analyzed (pricing change? amendment of plans? concentration on larger customers?)
- Source of aggressive growth in 2015 (cash frct) should come from new single customer (need to be validated), +\$2,2mln (Gold Solution - Starwood)

Top-10 customers

39

Customer name	Year of acquis ¹	FY'2014			FY'2013			FY'2012	
		Contracted services, k\$	Rank	Δ	Contracted services, k\$	Rank	Δ	Contracted services, k\$	Rank
Nomura International PLC	2010	452	1	-	-	-	-	156	8
DB Systel GmbH	2011	422	2	-	(3)	-	-	405	2
Lombard Odier Darier Hentsch	2010	324	3	+14	50	17	+1	67	18
Starwood Hotels & Resorts	2010	289	4	-2	305	2	+1	288	3
Delta Technology - Crew Reroute	2010	236	5	-	-	-	-	68	16
Misys International Banking	2011	215	6	-3	201	3	+2	193	5
Schneider Automation SAS	2010	170	7	-2	165	5	-1	203	4
RIB Software AG	2010	157	8	-7	389	1	+38	19	39
Alcatel Network Systems	2010	147	9	-	-	-	-	55	20
Intergraph Corporation	2014	144	10	-	-	-	-	-	-
Subtotal		2 556		+131%	1 107		-24%	1 455	

➤ Team is doing good efforts to grow the business with remaining key customers & to replace key accounts lost:

- invoices to 2014 top-customers increased in 2012-14 by 1,8 times even when EUR depreciation negatively impacted EUR zone sales.
- 1 top-customer in 2014 was acquired that year (Intergraph Corporation); though number of key accounts were lost in 2012-14 (Nokia Siemens Networ / Motorola / Telstra Corporation TACS, totalling appox \$450k in 2012)
- 2014 top-customers invoices were 3,6 times more on average

Notes:
(1) Financial year (Jul-Jun)

Top-10 customers cont.

40

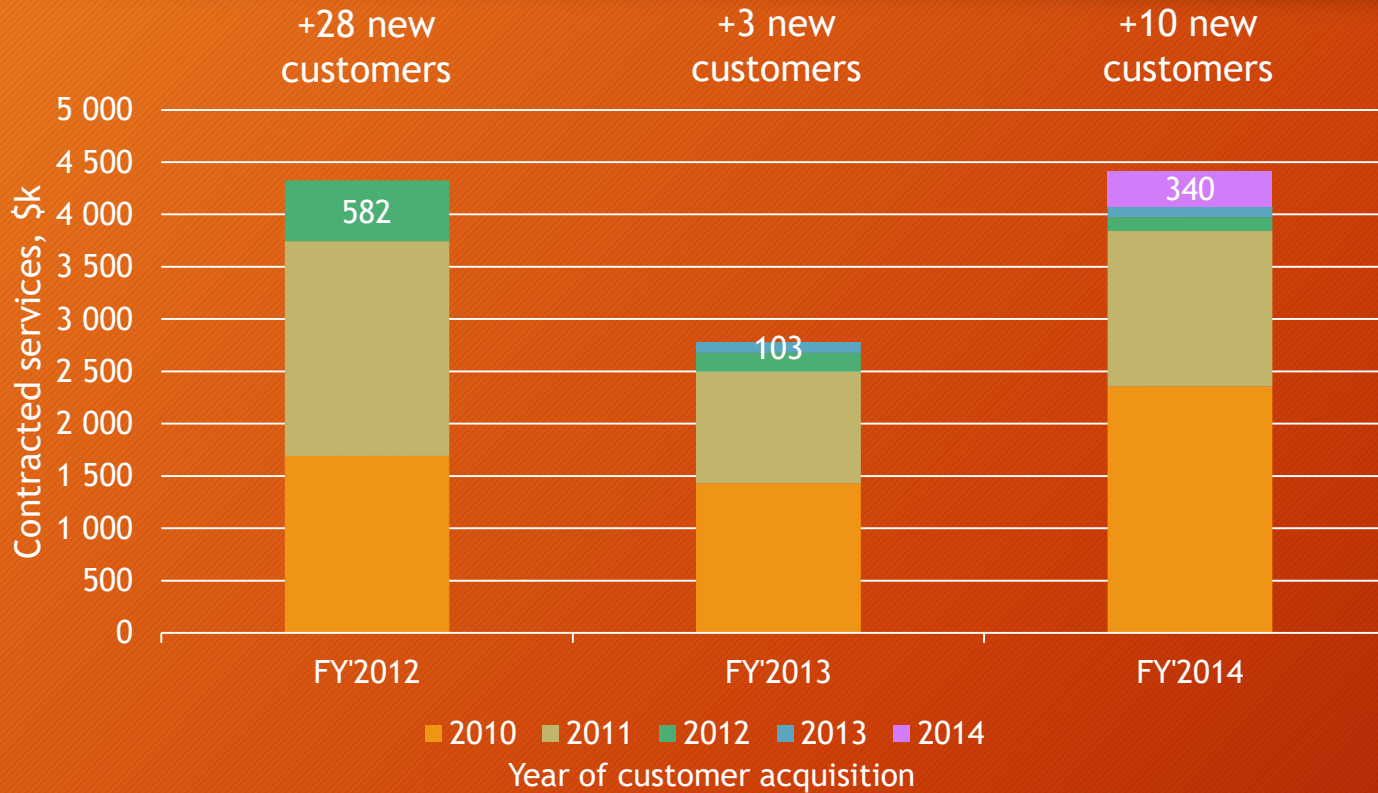
Customer name	FY'2014		FY'2013		FY'2012
	Contracted services, k\$	Δ vs LY, %	Contracted services, k\$	Δ vs LY, %	Contracted services, k\$
Top-10 customers @ FY'2014	2 556	+131%	1 107	-24%	1 455
Top-10 customers (in each of years)	2 556	+45%	1 759	-30%	2 513
% of total contracted services	58%		63%		58%
TOTAL contracted services	4 418	+59%	2 780	-36%	4 326

➤ Concentration on key accounts remain same high with deflating customer base:

- Even customer base decreased twice in 2012-14, share of top-10 accounts remained at the same level (58%) meaning that other customers sales increased by 2,2 times on average

New customers acquisition

41



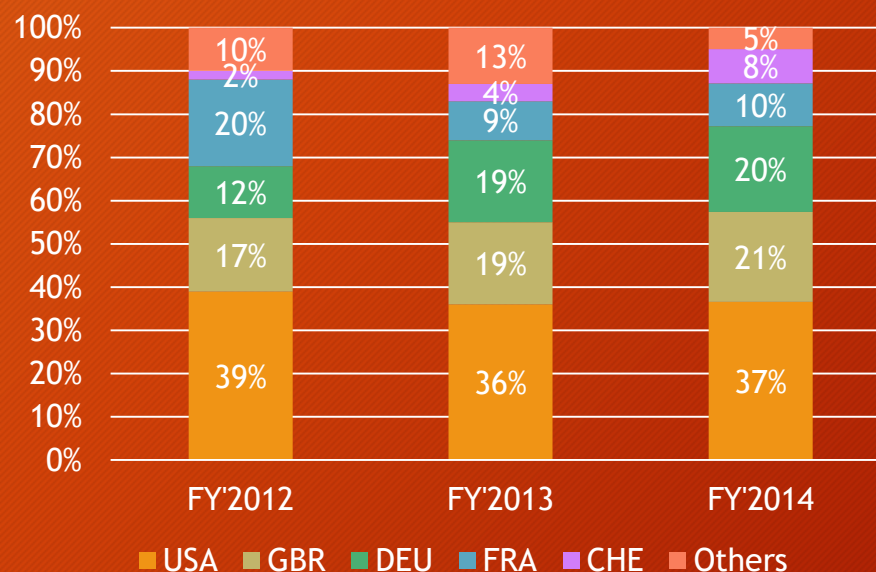
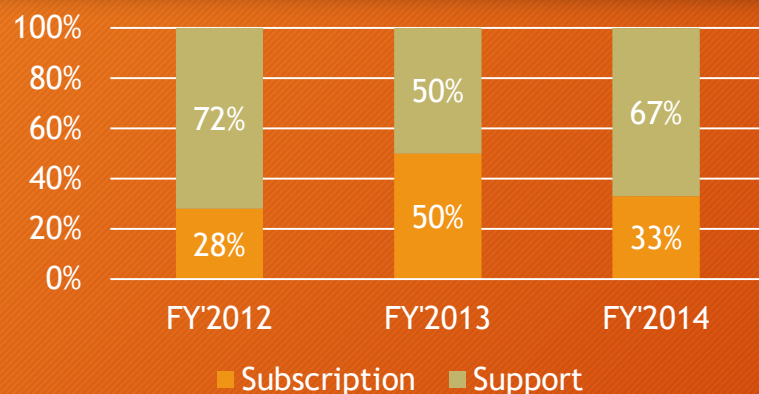
➤ Customers acquisition efforts of 2012-14 did not lead to proper results:

- Only 13% of invoices of 2014 came from customers acquired in 2012-14, so, business development efforts of 2012-14 did not lead to good retention
- Thus, approach to customer acquisition needs to be corrected to boost product sales in future years

Notes:
Figures on graphs show value of contracted services to customers acquired in the current year

Revenue structure

42



➤ Subscription services are getting more share:

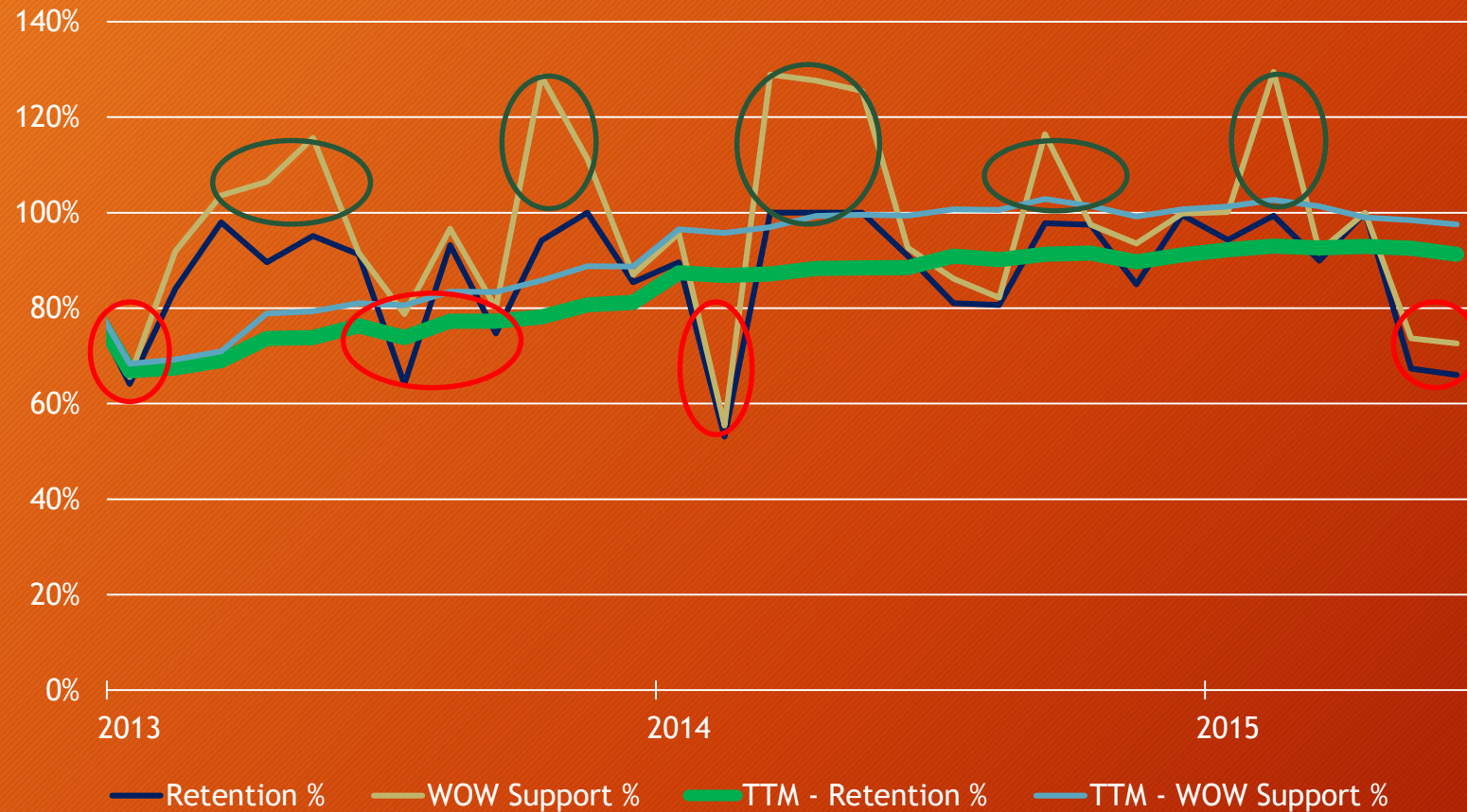
- Share of subscription services slightly increased by 5 pp. from 28% in 2012 to 33% in 2014. Same shift happens with customer base: active customers at subscription increased from 12 to 22 in 2012-14; customers at support services fell from 120 to 55
- Average “cheque” for subscriptions dropped from \$102k to \$66k; for support services conversely more than doubled to \$54k (as low-value customers left)

➤ There are swings between non-US markets in the revenue structure:

- Impressive sales growth observed in Sweden (4,7x in 2012-14); in Switzerland (3,7x); in Germany (+63%); in UK (+27%)
- Other markets fell significantly: Austria & Norway (-100%); Belgium (-82%); Japan (-61%); France (-46%)

Retention & WOW support

43



➤ Consistent improvement of retention rate since 2013:

- Observation period is shorter for this product (2013 - mid2015)
- Average retention % - 87% (for period under review) which is good
- Average WOW support - 97% shows results of moderate repricing to the existing customer base
- TTM retention % is quite consistent and is constantly improving. It started below 80% in 2013 and ended at 91% in mid of 2015

Key takeaways

44



Significant changes happened with product customer base in 2012-14 (some sort of “clearing”) together with improvement of retention % as larger customer remained & increased a business. Top-line recovered in 2014 after a drop in 2013 and expected to grow further (but depend mostly on single customer!).