



The Active Network, Inc.
Buy

ACTV: \$15.50
Price Target: \$19.00

Application Software

ACTV: Q4 Preview: Signs of Higher Demand Reflect Strong Trends; Raise PT to \$19

THINK ACTION:

We reiterate our Buy rating on ACTV as our checks, along with signs of accelerated sales hiring, indicate to us that demand for The ActiveWorks platform is escalating. Additionally, we think the Street under appreciates the recurring nature of ACTV's revenue stream despite having, what we view as, a very sticky customer-base with consistent organic registrations growth. We expect ACTV to report another strong quarter on February 23rd, and we carry an upward bias to our revenue growth trajectory owing to new product cycles ahead (like Starcite), increasing sales capacity, a large but lightly penetrated endmarket, and low currency risk.

KEY POINTS:

- **The Active Network reports Q4 on the evening of February 23.** We estimate PF revenue of \$73M (+18% Y/Y) and (\$0.16) PF EPS. Consensus is \$74M/(\$0.15).
- **We carry an upward bias to our revenue growth forecast for the following reasons:** 1) the mild weather in Q4 & Q1, along with contributions from RTP, could aid event registrations during what are typically slower seasonal periods; 2) Outdoor segment registrations could get a slight tailwind as large states (e.g., California and Ohio) went live; 3) strong customer retention and satisfaction levels indicate elasticity for cross-selling other products like Starcite; 4) The Active Network open job and sales reps postings are up 39% and 33%, respectively, since January 1. **Please see page 2 for details.** We think it is logical to assume The Active Network is experiencing higher demand levels in Q1 and has accelerated investments in support of higher activity levels; and 5) management's consistent track record of raising the growth trajectory since its IPO. **Net/Net: We think business fundamentals and secular trends are strengthening for The Active Network and the business likely achieved its Q4 goals.**
- **One of the lowest currency risks in our SaaS coverage universe.** The Active Network has less currency risk than most public SaaS vendors as ~97% of total revenue comes from North America. Being relatively insulated from any headwinds from the strengthening dollar is an attractive investment trait, in our opinion, and is another data point to support an upward bias to our revenue growth forecast.
- **Low EV/Sales valuation could suggest the Street does not fully appreciate the recurring nature of ACTV's revenue stream, in our opinion.** We think ACTV's revenue model is more recurring in nature with better visibility than the Street assumes owing to, what we view as, a sticky customer base (~5% annual churn), great products, consistent organic registrations growth within the base, high customer satisfaction levels, and a large TAM that is lightly penetrated. These model characteristics are very similar to other SaaS companies in our coverage universe, which are typically valued on EV/Sales. A better appreciation of the underlying value of a highly visible, recurring revenue stream like The Active Network's could legitimize a higher valuation for the ACTV shares, in our opinion. **Bottom line: The recurring nature of ACTV's revenue stream, along with solid secular trends, gives us conviction that The Active Network is going to be a much larger and more profitable company in the future and legitimizes a higher near-term valuation, in our opinion.**

Brian Schwartz

415-249-1982, bschwartz@thinkequity.com

Changes	Current	Previous
Rating	Buy	--
Price Target	\$19.00	\$18.00
FY11E REV (M)	\$334.3E	--
FY12E REV (M)	\$424.7E	--
FY11E EPS	(\$0.05)E	--
FY12E EPS	\$0.13E	--

52-Week High:	\$19.99
52-Week Low:	\$12.30
Shares O/S-Diluted (M):	62.8
Market Cap (M):	\$973.4
Average Daily Volume:	277,944
Short Interest:	2.0%
Debt/Total Cap:	0.0%
Net Cash Per Share:	\$2.20
P/E (12-month forward):	NA
Est. Long-Term EPS Growth:	35.0%
P/E/G:	NM
Fiscal Year-End:	Dec

REV (M) \$	2010A	2011E	2012E
Mar	63.2A	72.7A	90.4E
Jun	81.7A	99.0A	121.8E
Sep	73.1A	89.6A	115.7E
Dec	61.6A	73.0E	96.8E
FY	279.6A	334.3E	424.7E
FY P/S	3.5x	2.9x	2.3x

EPS \$	2010A	2011E	2012E
Mar	(0.19)A	(0.12)A	(0.07)E
Jun	0.05A	0.18A	0.20E
Sep	0.01A	0.05A	0.10E
Dec	(0.12)A	(0.16)E	(0.08)E
FY	(0.25)A	(0.05)E	0.13E
FY P/E	NM	NM	119.2x

EPS is Non-GAAP



- Our 2013 estimates: \$479M in Rev/\$0.28 EPS/\$56M (\$0.77/share) EBITDA.

Exhibit 1: 2012 Job Postings Trend

ACTV	1/6/2012	1/13/2012	1/20/2012	1/27/2012	2/3/2012	2/10/2012	2/14/2012
Open Sales Positions	64	66	69	67	69	84	85
% change intraquarter		3%	8%	5%	8%	31%	33%
Open Total Positions	139	147	161	164	163	192	193
% change intraquarter		6%	16%	18%	17%	38%	39%

Source: ActiveNetwork.com

VALUATION:

Currently, ACTV shares trade 18x EV/2012E EBITDA. Our new \$19 (was \$18) price target for ACTV shares is based on the same EV/EBITDA multiple (i.e., 18x) applied to our 2013 EBITDA estimate of \$56M. We roll over the valuation multiple to the out year and believe this multiple is appropriate since the business has a highly predictable revenue stream and the multiple is below our 20% long-term CAGR expectation. ACTV shares also trade at 2.2x EV/FTM estimated revenue, which is a 50% discount to the current SaaS companies' group average of 4.4x. Our \$19 per-share price target for ACTV shares is based on 2.2x our EV/2013E revenue estimate of \$480M, as we use the same valuation multiple in the out year. We think ACTV shares should continue to trade at a discount to the SaaS group average on EV/Rev's owing to its higher services revenue mix and lower gross margins than most SaaS vendors. We use a 50% multiple discount to the group average to reflect the model differences.

RISKS TO PRICE TARGET:

Risks to our price target include: 1) acquisition integration challenges; 2) macroeconomic fluctuations; 3) increased churn; 4) failure to demonstrate leverage to R&D spend; and 5) failure to expand into other verticals and geographies.

COMPANY DESCRIPTION:

Active Network is a cloud computing applications provider serving the outdoor, sports, community, and corporate business segments. Its products and solutions allow organizations to automate online registrations, automate workflow processes and better manage their activities. The company introduced its technology platform in 1999 and has become over time the largest online site for a broad range of consumer and corporate activities. Active Network maintains its headquarters in San Diego, California.

The Active Network

Income Statement

\$ in millions, except per share)

		2010	2011E					2012E					2013E				
	FY	Q1	Q2	Q3	Q4E	FY	Q1E	Q2E	Q3E	Q4E	FY	Q1E	Q2E	Q3E	Q4E	FY	
	2009	2010	Mar-11	Jun-11	Sep-11	Dec-11	2011E	Mar-12	Jun-12	Sep-12	Dec-12	2012E	Mar-13	Jun-13	Sep-13	Dec-13	2013E
Technology	210.5	237.7	63.1	85.6	76.3	58.3	283.2	75.4	101.8	95.4	74.4	347.0	84.4	114.9	106.9	81.5	387.7
Y/Y % Change		13%	15%	20%	22%	19%	19%	19%	19%	25%	28%	23%	12%	13%	12%	10%	12%
Q/Q % Change			28%	36%	-11%	-24%		29%	35%	-6%	-22%		14%	36%	-7%	-24%	
% of Total Rev	86.7%	85.0%	86.8%	86.4%	85.2%	79.9%	84.7%	83.4%	83.6%	82.4%	76.8%	81.7%	82.8%	83.1%	81.8%	75.7%	81.0%
Marketing Services	32.4	41.9	9.6	13.5	13.3	14.7	51.0	15.0	20.0	20.3	22.4	77.7	17.5	23.4	23.8	26.2	90.9
Y/Y % Change		29%	16%	28%	24%	18%	22%	56%	49%	53%	53%	52%	17%	17%	17%	17%	17%
Q/Q % Change			-23%	40%	-1%	10%		2%	33%	2%	10%		-22%	33%	2%	10%	
Total Revenue	242.9	279.6	72.7	99.0	89.6	73.0	334.3	90.4	121.8	115.7	96.8	424.7	102.0	138.3	130.6	107.8	478.7
Y/Y % Change	40%	15%	15%	21%	23%	18%	20%	24%	23%	29%	33%	27%	13%	14%	13%	11%	13%
Q/Q % Change			18%	36%	-10%	-19%		24%	35%	-5%	-16%		5%	36%	-6%	-17%	
Cost of Revenue																	
Cost of Technology Revenue		91.0	26.0	33.1	32.4	26.1	117.6	32.4	41.7	42.0	33.5	149.6	35.5	48.3	45.9	36.3	166.0
Technology Margin			58.8%	61.3%	57.6%	55.3%		57.0%	59.0%	56.0%	55.0%		58.0%	58.0%	57.0%	55.5%	
Cost of Marketing Services		6.2	1.2	1.5	1.6	1.9	6.2	2.0	2.7	2.6	2.7	10.1	2.3	3.0	3.1	3.4	11.8
Marketing Services Margin			87.9%	89.0%	88.0%	87.0%		86.5%	86.5%	87.0%	88.0%		87.0%	87.0%	87.0%	87.0%	
Gross Profit	153.2	182.3	45.6	64.4	55.6	45.0	210.6	55.9	77.3	71.1	60.6	265.0	64.2	87.0	81.6	68.1	300.9
Gross Margin	63.1%	65.2%	62.7%	65.0%	62.1%	61.6%	63.0%	61.9%	63.5%	61.4%	62.6%	62.4%	63.0%	62.9%	62.5%	63.2%	62.9%
Operating Expense																	
Sales and Marketing	49.8	58.5	16.8	18.3	16.8	17.0	68.9	18.9	21.7	21.5	22.1	84.1	21.9	22.8	22.3	22.8	89.7
% of Total Revenue	20.5%	20.9%	23.0%	18.5%	18.8%	23.3%	20.6%	20.9%	17.8%	18.6%	22.8%	19.8%	21.5%	16.5%	17.1%	21.1%	18.7%
Y/Y % Change	3%	18%	15%	22%	13%	20%	18%	13%	18%	28%	30%	22%	16%	5%	4%	3%	7%
Research and Development	58.2	60.9	16.1	16.2	17.3	17.5	67.0	18.3	18.9	19.6	20.4	77.3	20.8	21.2	20.6	20.0	82.7
% of Total Revenue	23.9%	21.8%	22.1%	16.3%	19.3%	23.9%	20.0%	20.3%	15.5%	17.0%	21.1%	18.2%	20.4%	15.4%	15.8%	18.6%	17.3%
General and Administrative	29.7	38.0	10.2	11.1	10.4	10.5	42.1	11.6	11.7	11.9	12.0	47.2	12.7	13.0	13.2	13.5	52.3
% of Total Revenue	12.2%	13.6%	14.0%	11.2%	11.6%	14.4%	12.6%	12.9%	9.6%	10.2%	12.4%	11.1%	12.5%	9.4%	10.1%	12.5%	10.9%
Total Costs and Expenses	245.8	270.8	73.8	83.9	82.1	76.6	316.5	90.0	103.4	104.3	97.4	395.1	102.9	118.0	114.9	105.6	441.3
PF Operating Income	3.0	5.8	(1.1)	15.1	7.4	(3.6)	17.8	0.4	18.3	11.4	(0.6)	29.6	(0.9)	20.3	15.7	2.1	37.3
PF Operating Margin	1.2%	2.1%	(1.5%)	15.3%	8.3%	(5.0%)	5.3%	0.5%	15.1%	9.9%	(0.6%)	7.0%	(0.9%)	14.7%	12.1%	2.0%	7.8%
Non-Cash Items/Stock Comp./Other	35.1	26.7	(7.5)	(7.3)	(7.9)	(8.9)	(31.6)	(9.8)	(10.6)	(10.4)	(10.0)	(40.8)	(9.6)	(10.3)	(10.1)	(9.7)	(39.7)
Total Other Income	(3.8)	(4.8)	(1.3)	(1.2)	(0.0)	(0.8)	(3.3)	(0.9)	(1.0)	(0.9)	(0.6)	(3.5)	(0.5)	(0.4)	(0.3)	(0.2)	(1.6)
PF Net Income	(15.3)	(10.1)	(5.3)	10.2	3.1	(9.9)	(1.9)	(4.8)	13.3	7.1	(5.6)	9.0	(4.9)	16.4	11.9	(1.6)	20.9
PF Net Income %	-6.3%	-3.6%	-7.3%	10.3%	3.4%	-13.5%	-0.6%	-5.3%	10.9%	6.1%	-5.8%	2.1%	-4.9%	11.8%	9.1%	-1.5%	4.4%
GAAP Net Income	(37.9)	(27.2)	(10.9)	5.5	(1.4)	(14.4)	(20.6)	(11.1)	6.2	0.1	(12.1)	(16.9)	(11.0)	9.6	5.3	(7.8)	(4.0)
PF EPS	(\$0.38)	(\$0.25)	(\$0.12)	\$0.18	\$0.05	(\$0.16)	(\$0.05)	(\$0.07)	\$0.20	\$0.10	(\$0.08)	\$0.13	(\$0.07)	\$0.22	\$0.16	(\$0.02)	\$0.28
Y/Y % Change	44.0%	35.8%	34.4%	256.3%	377.7%	(24.5%)	79.0%	40.6%	10.6%	110.2%	48.4%	N/A	5.2%	14.1%	55.6%	73.7%	113.6%
GAAP EPS	(\$1.57)	(\$1.33)	(\$0.43)	\$0.03	(\$0.03)	(\$0.27)	(\$0.69)	(\$0.20)	\$0.11	\$0.00	(\$0.21)	(\$0.30)	(\$0.19)	\$0.17	\$0.09	(\$0.13)	(\$0.07)
Fully Diluted Shares Outstanding (M)	40.5	41.7	43.1	57.4	62.8	63.4	56.7	66.0	67.4	68.7	70.1	68.1	71.5	72.9	74.4	75.9	73.7
Adj. EBITDA	15.7	25.1	2.6	20.8	12.7	2.1	38.1	4.6	22.6	15.8	3.9	47.0	3.5	25.0	20.6	7.3	56.4
Y/Y Change %		60%	145%	76%	37%	-27%	52%	78%	9%	25%	92%	23%	-24%	10%	30%	85%	20%
Adj. EBITDA margin (%)	6%	9%	4%	21%	14%	3%	11%	5%	19%	14%	4%	11%	3%	18%	16%	7%	12%
Adj. EBITDA/Share	\$0.39	\$0.60	\$0.06	\$0.36	\$0.20	\$0.03	\$0.67	\$0.07	\$0.34	\$0.23	\$0.06	\$0.69	\$0.05	\$0.34	\$0.28	\$0.10	\$0.77

Management Guidance			
Net Revenues (\$M)	84-88	72-76	
Registration Growth	5% to 7%	12% to 14%	
Rev Per Registration Growth	6% to 8%	1% to 3%	
Net Loss (\$M)	(3.5)-(1.5)	(15)-(13)	
Interest, taxes & other (\$M)	0.9		
Depreciation & Amortization (\$M)		11.6	44.0
SBC (\$M)	1.6		8.0
Adjusted EBITDA (\$M)	10-12	1-3	36.7-38.7

Source: Company reports and ThinkEquity LLC estimates

The Active Network
Balance Sheet and Cash Flow Model
US \$ Millions, except per share

Brian J. Schwartz
Sr. Research Analyst
415.249.1982
bschwartz@thinkequity.com
2/8/2012

Balance Sheet	2009	Q1 Mar-10	Q2 Jun-10	Q3 Sep-10	Q4 Dec-10	Q1 Mar-11	Q2 Jun-11	Q3 Sep-11
Current Assets:								
Cash and Equivalents	\$26.4			\$36.9	\$31.4	\$60.8	\$157.5	\$139.0
Restricted cash	\$5.0			\$5.0	\$5.0	\$5.0	\$5.0	\$5.0
Accounts Receivable	27.6			39.1	34.1	45.8	55.7	61.2
Prepaid expense and other current assets	3.7			4.4	4.2	4.9	6.9	6.0
Total Current Assets	62.6			85.4	74.7	116.5	225.1	211.2
Long-term Assets:								
PP&E	26.7			28.0	28.2	27.5	26.9	28.9
Software development costs	27.0			35.7	37.0	39.5	42.2	43.6
Goodwill	203.0			206.4	207.1	213.5	213.4	213.4
Intangible assets	60.3			44.9	41.2	40.4	35.2	32.4
Deposits and other assets	2.3			2.4	2.3	3.3	2.2	2.0
Total Assets	381.9			402.8	390.5	440.7	545.0	531.6
Current Liabilities:								
Accounts Payable	3.4			4.0	5.4	6.4	5.0	4.5
Registration fees payable	30.2			47.3	40.7	81.2	99.6	76.2
Accrued expenses	27.6			34.4	32.2	39.6	31.7	36.1
Deferred Revenue	25.0			35.9	34.0	36.1	46.1	52.7
Current portion of debt	13.0			14.8	16.9	14.1	0.0	0.0
Capital lease obligations, current	1.9			2.0	2.0	2.1	2.0	2.9
Other current liabilities	0.1			2.3	1.6	1.7	2.6	2.6
Total Current Liabilities	101.3			140.8	132.7	181.2	187.0	174.9
Long-term Liabilities								
Debt, net of current portion	35.7			28.5	27.5	27.1	0.0	0.0
Capital lease obligations, net of current	3.6			1.8	1.7	1.0	1.0	0.6
Other Long-term liabilities	2.0			1.9	4.4	5.1	5.3	5.6
Deferred tax liability	16.3			17.8	18.0	19.0	19.7	19.6
Total Liabilities	159.0			162.3	156.7	206.3	213.0	200.8
Total Preferred Stock	364.2			385.0	0.0			
Total Shareholders' Equity	-141.3			-144.6	233.9	234.4	332.0	330.8
Total Liabilities and Equity	381.9			402.8	390.5	440.7	545.0	531.6

Net Cash								
Net Cash	23		35	30	60	157	138	
Q/Q growth in net cash				-15%	101%	162%	-12%	
Days Sales Outstanding			7		6	4	5	
Net Cash / Share			\$0.84	\$0.71	\$1.39	\$2.73	\$2.20	

Deferred Revenue & Billings Analysis								
Total Deferred Revenue	27		38	38	41	51	58	
Deferred Revenue Q/Q Absolute Change				1	3	10	7	
Q/Q % Change				1%	7%	25%	13%	
Y/Y % Change	24%			42%			54%	
Billings				62	76	109	96	
Q/Q % Change				22%	45%	-12%		
Y/Y % Change								
LTM Billings/FTM Revenue		0%	0%	0%	19%	39%	66%	53%
Billings (based only on Short-term Deferred Rev)		38	82	109	60	75	109	96
Q/Q % Change			114%	33%	-45%	25%	46%	-12%
Y/Y % Change						96%	33%	-12%
Billings (based upon Cashflow chg. In Deferred Rev)		63	82	73	70	75	109	96
Q/Q % Change			29%	-10%	-4%	6%	46%	-12%
Y/Y % Change						18%	33%	31%

Cash Flow Model	2009	Q1 Mar-10	Q2 Jun-10	Q3 Sep-10	Q4 Dec-10	Q1 Mar-11	Q2 Jun-11	Q3 Sep-11	Q4E Dec-11	Q1E Mar-12	Q2E Jun-12	Q3E Sep-12	Q4E Dec-12	Q1E Mar-13	Q2E Jun-13	Q3E Sep-13	Q4E Dec-13
Cash from operations	27.5				42.1	40.1	26.5	13.2	(14.3)	39.8	27.4	(5.6)	(8.4)	36.4	26.9	12.7	(6.6)
OCF per Share					\$ 1.01	\$ 0.93	\$ 0.46	\$ 0.21	\$ (0.23)	\$ 0.60	\$ 0.41	\$ (0.08)	\$ (0.12)	\$ 0.51	\$ 0.37	\$ 0.17	\$ (0.09)
LTM Total	27.5				42.1			65.4	(0.23)					49.8	49.3	67.6	69.4
LTM Y/Y Change %					53%			55%								43%	30%
LTM total cash from operations per share					\$ 1.01			\$ 1.94	\$ 1.03	\$ 0.99	\$ 0.98	\$ 0.69	\$ 0.76	\$ 0.70	\$ 0.68	\$ 0.91	\$ 0.91
% of Billings					68%	53%	24%	14%									
CapEx	(25.0)				(30.4)	(4.5)	(4.5)	(31.0)	(5.0)	(13.3)	(5.4)	(1.7)	(12.3)	(13.6)	(5.6)	(1.7)	(12.6)
LTM Total	(25)				(30)			(70)	(45)	(54)	(55)	(25)	(33)	(33)	(33)	(33)	(34)
LTM Y/Y Change %	250%				22%			48%				-64%	-27%			31%	2%
Free cash flow	2.5				11.7	35.6	22.0	(17.8)	(19.3)	26.5	22.0	(7.3)	(20.7)	22.8	21.3	11.0	(19.2)
FCF per Share					\$ 0.28	\$ 0.83	\$ 0.38	\$ (0.28)	\$ (0.30)	\$ 0.47	\$ 0.33	\$ (0.11)	\$ (0.30)	\$ 0.32	\$ 0.29	\$ 0.15	\$ (0.25)
LTM Total	2.5				11.7			51.5	20.4	11.3	11.4	21.9	20.5	16.7	16.1	34.4	35.9
LTM Y/Y Change %					74%			74%				-58%	0%			57%	75%
LTM total free cash flow per share					\$ 0.28			\$ 0.82	\$ 0.32	\$ 0.17	\$ 0.17	\$ 0.32	\$ 0.29	\$ 0.23	\$ 0.22	\$ 0.46	\$ 0.47

Sources for balance sheet and cash flow: Company reports and ThinkEquity LLC estimates



Important Disclosures

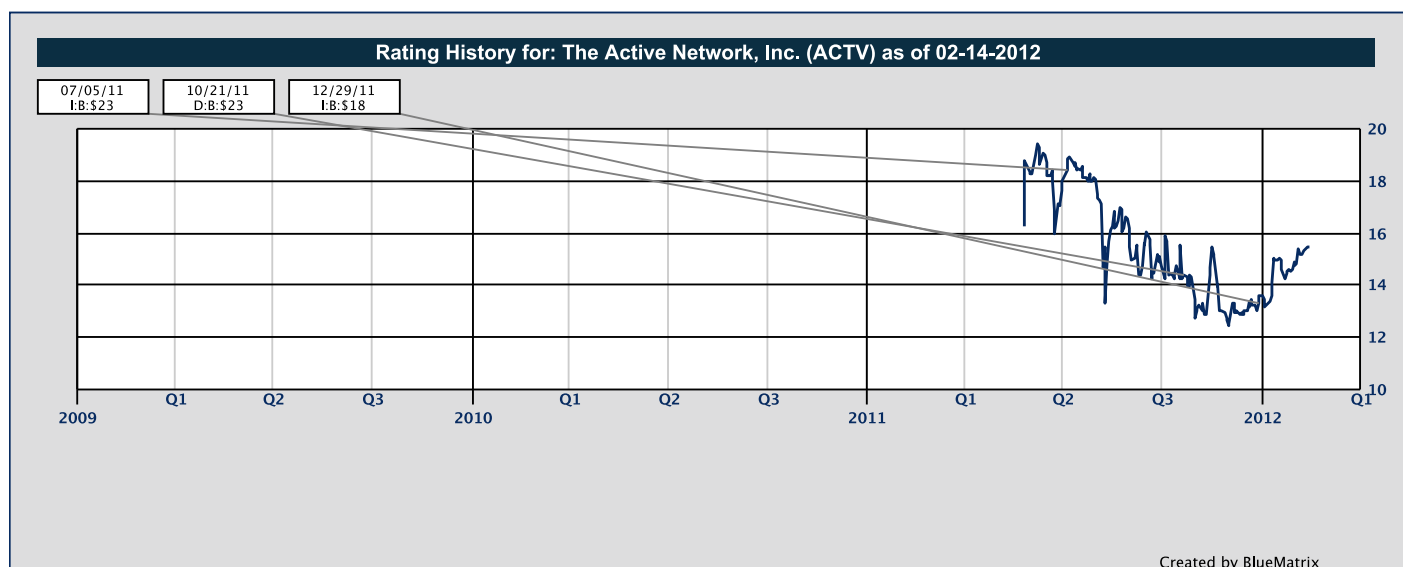
Analyst Certification

I, Brian Schwartz, hereby certify that all of the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

The analyst(s) responsible for preparing this report has/have received compensation based on various factors, including the firm's total revenues, a portion of which is generated by investment banking activities. The analyst(s) also receive compensation in the form of a percentage of commissions from trades made through the firm in the securities of the subject company of this report, although not for any investment banking transactions with or involving the subject company.

ThinkEquity LLC and/or an affiliate managed or co-managed a public offering of securities for The Active Network, Inc. in the past 12 months.

ThinkEquity LLC makes a market in The Active Network, Inc. securities; and/or associated persons may sell to or buy from customers on a principal basis.



Rating Definitions

Effective October 7, 2009, ThinkEquity LLC moved from a four-tier Buy/Accumulate/Source of Funds/Sell rating system to a three-tier Buy/Hold/Sell system. The new ratings appear in our Distribution of Ratings, Firmwide chart. To request historical information, including previously published reports or statistical information, please call: 866-288-8206, or write to: Director of Research, ThinkEquity LLC, 600 Montgomery Street, San Francisco, California, 94111.

Buy: ThinkEquity expects the stock to generate positive risk-adjusted returns of more than 10% over the next 12 months. ThinkEquity recommends initiating or increasing exposure to the stock.

Hold: ThinkEquity expects the stock to generate risk-adjusted returns of +/-10% over the next 12 months. ThinkEquity believes the stock is fairly valued.

Sell: ThinkEquity expects the stock to generate negative risk-adjusted returns of more than 10% during the next 12 months. ThinkEquity recommends decreasing exposure to the stock.

Distribution of Ratings, Firmwide				
ThinkEquity LLC				
			IB Serv./Past 12 Mos.	
Rating	Count	Percent	Count	Percent
BUY [B]	121	64.00	13	10.74
HOLD [H]	54	28.60	2	3.70
SELL [S]	14	7.40	0	0.00



This report does not purport to be a complete statement of all material facts related to any company, industry, or security mentioned. The information provided, while not guaranteed as to accuracy or completeness, has been obtained from sources believed to be reliable. The opinions expressed reflect our judgment at this time and are subject to change without notice and may or may not be updated. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. This notice shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which said offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state. This research report was originally prepared and distributed to institutional clients of ThinkEquity LLC.

Recipients who are not market professionals or institutional clients of ThinkEquity LLC should seek the advice of their personal financial advisors before making any investment decisions based on this report. Stocks mentioned in this report are not covered by ThinkEquity LLC unless otherwise mentioned.

Additional information on the securities mentioned is available on request. In the event that this is a compendium report (covers more than six ThinkEquity LLC-covered subject companies), ThinkEquity LLC may choose to provide specific disclosures for the subject companies by reference. To request more information regarding these disclosures, please call: 866-288-8206, or write to: Director of Research, ThinkEquity LLC, 600 Montgomery Street, San Francisco, California, 94111. Stocks mentioned in this report are not covered by ThinkEquity LLC unless otherwise mentioned.

Member of FINRA and SIPC.

Copyright 2012 ThinkEquity LLC, A Panmure Gordon Company