



DAY SOFTWARE

SUPPLEMENTARY FINANCIAL SCHEDULES

YEAR ENDED DECEMBER 31, 2009

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands CHF, except share and per share information)

(audited)

	Year Ended December 31, 2009	Year Ended December 31, 2008
Revenues		
Software licenses	16,475	11,347
Product support	11,478	9,680
Services	8,389	6,784
Total revenues	36,342	27,811
Cost of revenues		
Software licenses	132	271
Product support and services	8,552	6,849
Write-down of capitalized software costs	-	1,635
Total cost of revenues	8,684	8,755
Gross profit	27,658	19,056
Operating expenses		
Research and development	6,622	6,776
Sales and marketing	11,452	9,409
General and administrative	5,424	5,192
Income (loss) from continuing operations	4,160	(2,321)
Interest income	48	168
Interest expense	(11)	(3)
Foreign exchange gain (loss)	102	(2,530)
Other income (expenses)	24	(18)
Income (loss) from continuing operations before income taxes	4,323	(4,704)
Provision for taxes	(1,617)	(1,807)
Net income (loss) from continuing operations	2,706	(6,511)
Net loss from discontinued operations, net of tax	-	(5,491)
Net income (loss)	2,706	(12,002)
Basic net income (loss) per share		
Continuing operations	1.82	(4.55)
Discontinued operations	-	(3.84)
Net income (loss)	1.82	(8.39)
Diluted net income (loss) per share		
Continuing operations	1.75	(4.55)
Discontinued operations	-	(3.84)
Net income (loss)	1.75	(8.39)
Shares used in computing basic net income (loss) per share	1,483,462	1,431,309
Shares used in computing diluted net income (loss) per share	1,547,759	1,431,309

CONSOLIDATED BALANCE SHEETS
(in thousands CHF, except share information)
(audited)

ASSETS	December 31, 2009	December 31, 2008
Current assets		
Cash and cash equivalents	22,034	12,814
Accounts receivable, net of allowance of CHF 570 and CHF 211 as of December 31, 2009 and 2008	11,485	9,263
Unbilled receivables	130	76
Other receivables	233	157
Prepaid expenses	687	397
Deferred tax assets	466	1,005
Total current assets	35,035	23,712
Non-current assets		
Property and equipment, net	440	346
Deferred tax assets	1,077	1,634
Other assets	176	105
Total non-current assets	1,693	2,085
TOTAL ASSETS	36,728	25,797
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	1,172	874
Deferred revenue	7,689	4,568
Other current liabilities	1,885	1,402
Current income taxes payable	382	190
Accrued liabilities	4,774	3,196
Total current liabilities	15,902	10,230
Deferred revenue less current portion	253	619
Long-term portion of unfunded pension obligation	2,619	2,295
Total liabilities	18,774	13,144
Shareholders' equity		
Share capital, CHF 10.00 par value; 1,542,629 shares issued and outstanding, 718,500 additional authorized, 666,994 conditional as of December 31, 2009; 1,473,123 shares issued and outstanding, 718,500 additional authorized, 682,810 conditional as of December 31, 2008	15,426	14,731
Treasury shares	-	-370
Additional paid-in capital	143,144	141,388
Accumulated deficit	-140,955	-143,570
Accumulated other comprehensive income	339	474
Total shareholders' equity	17,954	12,653
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	36,728	25,797

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands CHF)
(audited)

	Year Ended December 31, 2009	Year Ended December 31, 2008
Net income (loss)	2,706	(12,002)
Net loss - discontinued operations	-	5,491
Adjustments to reconcile net income (loss) to net cash provided by operating activities of continuing operations		
Depreciation and amortization of fixed assets	206	169
Amortization of capitalized software costs	-	256
Write-down of capitalized software costs	-	1,635
Net foreign currency exchange (gain) loss	(149)	2,530
Share-based compensation	767	732
Changes in operating assets and liabilities		
Accounts receivable	(2,270)	(1,411)
Unbilled receivables	(60)	497
Prepaid expenses and other current assets	(373)	179
Deferred tax assets	1,108	1,527
Other assets	(71)	(11)
Accounts payable	266	(292)
Deferred revenues	2,848	1,310
Accrued liabilities	1,570	803
Other current liabilities	478	299
Current income taxes payable	197	196
Pension liabilities	357	378
Net cash provided by operating activities of continuing operations	7,580	2,286
Cash flows from investing activities of continuing operations		
Purchases of equipment	(300)	(170)
Net cash used in investing activities of continuing operations	(300)	(170)
Cash flows from financing activities of continuing operations		
Proceeds from stock option exercises	1,457	477
Purchase of treasury shares	(1,663)	(1,047)
Proceeds from sale of treasury shares	2,169	913
Net cash provided by financing activities of continuing operations	1,963	343
Net cash used - discontinued operations	-	(295)
Foreign currency adjustment on cash	(23)	(792)
Net increase in cash and cash equivalents	9,220	1,372
Cash and cash equivalents at beginning of period	12,814	11,442
Cash and cash equivalents at end of period	22,034	12,814
Supplemental disclosure of cash flow information:		
Net interest paid	11	3
Net taxes paid	331	55
Non-cash investing and financing activities - none		

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(in thousands CHF, except share information)

(audited)

	Share Capital		Treasury Shares	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Shares	Amount					
Balances							
January 1, 2008	1,437,433	14,374	(620)	140,568	(131,227)	(1,608)	21,487
Proceeds from exercise of stock options	35,690	357	-	120	-	-	477
Purchase of treasury shares	-	-	(1,047)	-	-	-	(1,047)
Proceeds from sale of treasury shares	-	-	1,297	(43)	(341)	-	913
Share-based compensation	-	-	-	743	-	-	743
Comprehensive income (loss):							
Prior service cost	-	-	-	-	-	(197)	(197)
Net loss	-	-	-	-	(12,002)	-	(12,002)
Foreign currency translation	-	-	-	-	-	2,279	2,279
Total comprehensive income (loss)	-	-	-	-	-	-	(9,920)
Balances							
December 31, 2008	1,473,123	14,731	(370)	141,388	(143,570)	474	12,653
Proceeds from exercise of stock options	69,506	695	-	762	-	-	1,457
Purchase of treasury shares	-	-	(1,663)	-	-	-	(1,663)
Proceeds from sale of treasury shares	-	-	2,033	227	(91)	-	2,169
Share-based compensation	-	-	-	767	-	-	767
Comprehensive income (loss):							
Prior service cost	-	-	-	-	-	(31)	(31)
Net income	-	-	-	-	2,706	-	2,706
Foreign currency translation	-	-	-	-	-	(104)	(104)
Total comprehensive income (loss)	-	-	-	-	-	-	2,571
Balances							
December 31, 2009	1,542,629	15,426	-	143,144	(140,955)	339	17,954