

Non-GAAP Financial Measure

EBITDA is a supplemental, non-GAAP financial measure. EBITDA is defined as earnings before interest expense, income taxes, depreciation and amortization. We have presented EBITDA because it is used by the financial community as a method of measuring our performance and of evaluating the market value of companies considered to be in similar businesses. We believe that the line item on our Consolidated Statements of Income entitled "Net Income" is the most directly comparable GAAP measure to EBITDA. Since EBITDA is not a measure of performance calculated in accordance with GAAP, it should not be considered in isolation of, or as a substitute for, net earnings as an indicator of operating performance. EBITDA, as we calculate it, may not be comparable to similarly titled measures employed by other companies. In addition, this measure is not necessarily a measure of our ability to fund our cash needs. As EBITDA excludes certain financial information compared with net income, the most directly comparable GAAP financial measure, users of this financial information should consider the type of events and transactions that are excluded. Our non-GAAP performance measure, EBITDA, has certain material limitations as follows:

- It does not include interest expense. Because we have borrowed money from time to time to finance our operations, interest expense is a necessary and ongoing part of our costs and has assisted us in generating revenue. Therefore, any measure that excludes interest expense has material limitations.
- It does not include income taxes. Because the payment of income taxes is a necessary and ongoing part of our operations, any measure that excludes income taxes has material limitations.
- It does not include depreciation or amortization expense. Because we use capital and intangible assets to generate revenue, depreciation and amortization expense is a necessary element of our cost structure. Therefore, any measure that excludes depreciation or amortization expense has material limitations.

Reconciliation of EBITDA to Net Income (In thousands)

	Three Months Ended		Six Months Ended		One Month Ended
	December 31, 2009	November 30, 2008	December 31, 2009	November 30, 2008	June 30, 2009
Net income	\$ 4,533	\$ 10,128	\$ 9,042	\$ 19,632	\$ 994
Interest expense (1)	188	19	362	24	91
Provision for income taxes	2,823	4,621	5,597	10,457	609
Depreciation and amortization	2,947	2,480	5,966	4,861	994
EBITDA	<u>\$ 10,491</u>	<u>\$ 17,248</u>	<u>\$ 20,967</u>	<u>\$ 34,974</u>	<u>\$ 2,688</u>

(1) Interest expense for the three and six months ended November 30, 2008 was net of interest income.