

**Reconciliations of Non-GAAP
Financial Measures
For the Quarter Ended September 30, 2009 and 2008**

November 10, 2009



Non-GAAP Metrics Disclosure

- ❑ The Company believes that providing both GAAP and adjusted non-GAAP measures of its performance will provide meaningful supplemental information regarding its operational effectiveness and to enhance investors' overall understanding of the Company's current financial performance and prospects for the future. Management believes that investors benefit from seeing its results "through the eyes" of management in addition to the GAAP presentation.
- ❑ It is Management's belief that while not in accordance with or an alternative for GAAP, the adjusted information allows for greater transparency to supplemental information used by management in its financial and operational decision making.
- ❑ The adjusted information excludes items such as amortization of intangible assets, impairment charges, depreciation, charges to consolidate and integrate recently acquired businesses and non-cash stock based compensation, and other non-cash charges that may have a material effect on the Company's net income and net income per share in accordance with GAAP.
- ❑ Management monitors these items to ensure that expenses are in line with expectations and that its GAAP results are correctly stated, but does not use them to measure the ongoing bottom line operating performance of the Company. Furthermore, the non-GAAP or adjusted information provided by the Company may be different from the non-GAAP or adjusted information provided by other companies.

Reconciliation of GAAP and Non-GAAP Financial Measures For the Quarter Ended, September 30, 2009 and 2008

(In 000's) Unaudited Results of Operations	For the Quarter Ended September 30,	
	2009	2008
Net income (loss)	\$ 168	\$ (1,122)
Non-GAAP EBITDA Reconciliation Adjustments:		
Depreciation and amortization	207	136
Bad debt expense	45	-
Stock expensed and issued for services and expenses	85	63
Loss on equity method investment	-	197
Interest expense	211	23
Acquisition related costs, net of negotiated settlements (b)	4	71
Adjusted Non-GAAP EBITDA (loss)	\$ 720	\$ (632)

(In 000's) Unaudited pro-forma combined condensed financial statements	For the Quarter Ended September 30,	
	2009	2008
Net income (loss)	\$ 168	\$ (3,266)
Non-GAAP EBITDA Reconciliation Adjustments:		
Impairment of goodwill	-	2,370
Depreciation and amortization	207	257
Bad debt expense	45	59
Stock expensed and issued for services and expenses	85	96
Loss on equity method investment	-	197
Interest expense	211	51
Provision for income taxes	-	8
Acquisition related costs, net of negotiated settlements (b)	4	(85)
Adjusted Pro Forma Non-GAAP EBITDA (loss) (a)	\$ 720	\$ (313)

(a) The unaudited pro-forma results of operations for the period ended September 30, 2009 and 2008, as though Prescient had been acquired as of July 1, 2008.

(b) Acquisition related costs are certain costs that were incurred during the period that were not capitalized. These costs may include rents incurred on vacant corporate facilities and data centers, contractual service contracts runout, travel and training costs, and other indirect costs incurred to wind down acquired Prescient operations.



Contact Information

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