

GLOBAL IMAGING SYSTEMS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(Amounts in thousands except per-share amounts)

| | Three Months Ended September 30, | | Six Months Ended September 30, | |
|---|-------------------------------------|-----------|-----------------------------------|-----------|
| | 2006 | 2005 | 2006 | 2005 |
| Revenues: | | | | |
| Equipment and supplies sales | \$216,765 | \$194,993 | \$412,418 | \$377,500 |
| Service and rentals | 69,026 | 63,818 | 138,302 | 127,640 |
| Total revenues | 285,791 | 258,811 | 550,720 | 505,140 |
| Costs and operating expenses: | | | | |
| Cost of equipment and supplies sales | 142,525 | 126,036 | 266,046 | 241,761 |
| Service and rental costs | 36,182 | 33,076 | 72,100 | 66,425 |
| Selling, general and administrative expenses | 75,361 | 71,099 | 150,591 | 140,959 |
| Intangible asset amortization | 437 | 436 | 906 | 889 |
| Total costs and operating expenses | 254,505 | 230,647 | 489,643 | 450,034 |
| Income from operations | 31,286 | 28,164 | 61,077 | 55,106 |
| Other income | 1,194 | — | 1,194 | — |
| Loss on early extinguishment of debt | — | — | (1,045) | — |
| Interest expense | (3,138) | (3,445) | (6,463) | (6,771) |
| Income before income taxes | 29,342 | 24,719 | 54,763 | 48,335 |
| Income taxes | 11,326 | 9,443 | 21,138 | 18,417 |
| Net income | \$ 18,016 | \$ 15,276 | \$ 33,625 | \$ 29,918 |
| Net income per common share: | | | | |
| Basic | \$ 0.35 | \$ 0.33 | \$ 0.68 | \$ 0.65 |
| Diluted (a) | \$ 0.35 | \$ 0.30 | \$ 0.65 | \$ 0.59 |
| Weighted average number of shares outstanding: | | | | |
| Basic | 51,017 | 45,810 | 49,462 | 46,160 |
| Diluted | 52,081 | 51,574 | 52,190 | 51,943 |

- (a) The calculation of diluted earnings per common share assumes the conversion of convertible notes issued in May 2003 resulting in 4,814 additional shares for the three months ended September 30, 2005, and 1,719 and 4,814 additional shares for the six months ended September 30, 2006 and 2005, respectively. For purposes of diluted earnings per common share, net income for the three months ended September 30, 2005 includes the addback of \$442, representing interest and financing fee expense, net of taxes, associated with the convertible notes. For the six months ended September 30, 2006 and 2005, net income includes the addback of \$219 and \$885, respectively. All previously outstanding convertible notes were converted to common stock as of June 9, 2006.

| Reconciliation of Net Income to EBITDA and Adjusted EBITDA: | | | | |
|--|-----------|-----------|-----------|-----------|
| Net income | \$ 18,016 | \$ 15,276 | \$ 33,625 | \$ 29,918 |
| Income taxes | 11,326 | 9,443 | 21,138 | 18,417 |
| Interest expense | 3,138 | 3,445 | 6,463 | 6,771 |
| Amortization | 437 | 436 | 906 | 889 |
| Depreciation | 4,246 | 4,180 | 8,249 | 8,091 |
| EBITDA | 37,163 | 32,780 | 70,381 | 64,086 |
| Other income | (1,194) | — | (1,194) | — |
| Loss on early extinguishment of debt | — | — | 1,045 | — |
| Adjusted EBITDA | \$ 35,969 | \$ 32,780 | \$ 70,232 | \$ 64,086 |

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GLOBAL IMAGING SYSTEMS, INC.
 CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
 (In thousands)

| | September 30, 2006 | March 31, 2006 |
|---|-----------------------|-------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 10,112 | \$ 51,610 |
| Accounts receivable, net | 142,165 | 131,497 |
| Inventories | 109,156 | 98,073 |
| Other current assets | 15,209 | 14,757 |
| Total current assets | 276,642 | 295,937 |
| Rental equipment, net | 17,504 | 15,687 |
| Property and equipment, net | 19,042 | 17,810 |
| Goodwill and other assets | 574,952 | 555,223 |
| Total assets | <u>\$ 888,140</u> | <u>\$884,657</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | \$ 99,211 | \$102,500 |
| Current maturities of long-term debt | 24 | 2,133 |
| Deferred revenue | 27,799 | 27,159 |
| Income taxes payable | 10,588 | 7,711 |
| Total current liabilities | 137,622 | 139,503 |
| Deferred income taxes | 45,958 | 42,247 |
| Long-term debt, less current maturities | 190,066 | 260,713 |
| Other long-term liabilities | — | 976 |
| Total liabilities | 373,646 | 443,439 |
| Total stockholders' equity | 514,494 | 441,218 |
| Total liabilities and stockholders' equity | <u>\$ 888,140</u> | <u>\$884,657</u> |

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GLOBAL IMAGING SYSTEMS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(In thousands)

| | Six Months Ended September 30, | |
|---|-----------------------------------|------------------|
| | 2006 | 2005 |
| OPERATING ACTIVITIES: | | |
| Net income | \$ 33,625 | \$ 29,918 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation | 8,249 | 8,091 |
| Amortization | 906 | 889 |
| Amortization of financing fees | 347 | 545 |
| Other income | (1,194) | — |
| Non-cash portion of loss on early extinguishment of debt | 1,045 | — |
| Tax benefit of stock option exercises and vested restricted stock | — | 1,159 |
| Deferred income tax expense | 4,018 | 3,671 |
| Stock-based compensation expense | 1,582 | 841 |
| Changes in operating assets and liabilities, net of amounts acquired in purchase business combinations: | | |
| Accounts receivable | (8,752) | (4,437) |
| Inventories | (8,907) | (2,581) |
| Prepaid expenses and other current assets | (747) | (1,051) |
| Other assets | 108 | 669 |
| Accounts payable and accrued liabilities | (8,541) | (20,189) |
| Deferred revenue | (576) | 201 |
| Income taxes payable | 2,877 | 7,083 |
| Other long-term liabilities | — | 976 |
| Net cash provided by operating activities | 24,040 | 25,785 |
| INVESTING ACTIVITIES: | | |
| Purchases of property, equipment and rental equipment, net of proceeds from disposals | (10,645) | (11,118) |
| Proceeds from sale of technology training division assets | 1,575 | — |
| Purchases of businesses, net of cash acquired | (20,208) | (8,864) |
| Net cash used in investing activities | (29,278) | (19,982) |
| FINANCING ACTIVITIES: | | |
| Payments on long-term debt | (241,508) | (32,876) |
| Proceeds from issuances of long-term debt | 226,251 | 31,728 |
| Financing fees paid | (2,112) | — |
| Purchases of treasury stock | (32,548) | (20,000) |
| Stock options exercised | 10,019 | 2,096 |
| Tax benefit of stock option exercises and vested restricted stock | 3,638 | — |
| Net cash used in financing activities | (36,260) | (19,052) |
| Net decrease in cash and cash equivalents | (41,498) | (13,249) |
| Cash and cash equivalents, beginning of period | 51,610 | 25,365 |
| Cash and cash equivalents, end of period | <u>\$ 10,112</u> | <u>\$ 12,116</u> |
| Non-cash financing activity: | | |
| Conversion of convertible notes to common stock, net | <u>\$ 56,105</u> | <u>\$ —</u> |
| Treasury stock issued for business purchases | <u>\$ 1,100</u> | <u>\$ 920</u> |

Note: Certain prior year amounts have been reclassified to conform to the current year presentation.

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