

**COMPUTER SERVICES, INC. & SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**FY2006 - FY2016**

(in thousands, except share data)

YEARS ENDED FEBRUARY 28 AND 29,	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>ASSETS</b>											
<b>Current assets</b>											
Cash and cash equivalents	\$ 17,397	\$ 11,849	\$ 1,078	\$ 499	\$ 8,514	\$ 3,527	\$ 3,281	\$ 1,320	\$ 2,249	\$ 3,850	\$ 1,748
Accounts receivable	28,045	25,723	25,962	21,953	21,306	19,018	19,427	16,026	15,922	14,396	14,042
Income tax receivable	78	2,993	538	797	2,444	-	-	-	-	-	308
Prepaid expenses and other current assets	11,978	10,776	9,628	6,625	6,664	5,933	5,285	7,180	4,161	3,714	2,862
<b>Total current assets</b>	<b>57,498</b>	<b>51,341</b>	<b>37,206</b>	<b>29,874</b>	<b>38,928</b>	<b>30,520</b>	<b>27,993</b>	<b>24,526</b>	<b>22,332</b>	<b>21,960</b>	<b>18,960</b>
<b>Property and equipment, at cost</b>											
Land	1,716	1,716	1,716	1,716	1,716	1,716	1,570	1,320	1,320	1,320	1,340
Buildings and improvements	27,713	27,325	26,960	25,465	25,159	23,911	23,033	20,264	19,590	19,533	17,996
Equipment	61,244	55,941	56,382	53,327	48,750	45,785	45,814	47,498	47,978	46,940	37,823
Construction-in-progress	-	-	400	33	15	112	-	2	24	8	901
<b>90,673</b>	<b>84,982</b>	<b>85,358</b>	<b>80,541</b>	<b>75,640</b>	<b>71,524</b>	<b>70,417</b>	<b>69,084</b>	<b>68,912</b>	<b>67,801</b>	<b>58,060</b>	
<b>Accumulated depreciation</b>	<b>(56,018)</b>	<b>(51,903)</b>	<b>(50,106)</b>	<b>(45,545)</b>	<b>(43,299)</b>	<b>(41,516)</b>	<b>(39,560)</b>	<b>(40,727)</b>	<b>(38,907)</b>	<b>(36,425)</b>	<b>(31,550)</b>
<b>34,655</b>	<b>33,079</b>	<b>35,252</b>	<b>34,996</b>	<b>32,341</b>	<b>30,008</b>	<b>30,857</b>	<b>28,357</b>	<b>30,005</b>	<b>31,376</b>	<b>26,510</b>	
<b>Software and software licenses, net of accumulated amortization of \$37,016 in 2016 and \$35,467 in 2015</b>											
<b>21,683</b>	<b>17,773</b>	<b>17,963</b>	<b>18,952</b>	<b>15,058</b>	<b>18,245</b>	<b>15,015</b>	<b>14,905</b>	<b>14,690</b>	<b>12,439</b>	<b>12,584</b>	
<b>Goodwill</b>	<b>60,115</b>	<b>60,115</b>	<b>60,115</b>	<b>60,115</b>	<b>60,115</b>	<b>48,761</b>	<b>46,761</b>	<b>36,009</b>	<b>31,982</b>	<b>31,797</b>	<b>19,156</b>
<b>Intangible assets</b>	<b>6,390</b>	<b>7,064</b>	<b>8,264</b>	<b>9,374</b>	<b>10,643</b>	<b>1,500</b>	<b>2,171</b>	<b>1,993</b>	<b>2,291</b>	<b>2,892</b>	<b>1,800</b>
<b>Other assets</b>	<b>22,874</b>	<b>19,842</b>	<b>16,120</b>	<b>8,703</b>	<b>7,908</b>	<b>7,088</b>	<b>3,123</b>	<b>2,895</b>	<b>5,413</b>	<b>4,481</b>	<b>6,556</b>
<b>Total assets</b>	<b>\$ 203,215</b>	<b>\$ 189,214</b>	<b>\$ 174,920</b>	<b>\$ 162,014</b>	<b>\$ 164,993</b>	<b>\$ 136,122</b>	<b>\$ 125,920</b>	<b>\$ 108,885</b>	<b>\$ 106,713</b>	<b>\$ 104,945</b>	<b>\$ 85,566</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>											
<b>Current liabilities</b>											
Accounts payable and accrued expenses	\$ 18,709	\$ 18,710	\$ 18,536	\$ 12,979	\$ 15,935	\$ 12,271	\$ 10,955	\$ 9,942	\$ 7,380	\$ 8,537	\$ 6,692
Deferred revenue	8,402	9,515	9,430	9,337	9,751	6,575	6,263	5,382	4,713	4,166	2,386
Income taxes payable	-	-	-	-	-	-	895	-	662	457	-
Notes payable, current portion	-	-	7	60	145	191	138	41	127	619	64
Deferred income taxes	-	-	-	-	-	-	-	-	-	-	-
Earn-out provision related to acquisition	-	-	-	-	-	2,000	2,000	-	-	-	-
<b>Total current liabilities</b>	<b>27,111</b>	<b>28,225</b>	<b>27,973</b>	<b>22,376</b>	<b>25,831</b>	<b>21,037</b>	<b>20,251</b>	<b>15,365</b>	<b>12,882</b>	<b>13,779</b>	<b>9,142</b>
Notes payable, long-term	-	-	-	7	77	3,099	8,340	5,000	9,990	12,787	10,169
Deferred income taxes	18,964	15,547	14,418	13,193	11,902	4,269	1,008	3,084	948	2,230	2,804
Earn-out provision related to acquisition	-	-	-	-	-	-	2,000	-	-	-	-
Other liabilities	1,166	1,025	1,198	1,071	1,337	1,014	879	1,003	1,067	1,089	1,052
<b>Total liabilities</b>	<b>47,241</b>	<b>44,797</b>	<b>43,589</b>	<b>36,647</b>	<b>39,147</b>	<b>29,419</b>	<b>32,478</b>	<b>24,452</b>	<b>24,887</b>	<b>29,885</b>	<b>23,167</b>
Minority interest	-	-	-	-	-	-	-	-	437	864	-
<b>Shareholders' equity</b>											
Preferred stock; shares authorized, 5,000,000 in 2016 and 2015; none issued	-	-	-	-	-	-	-	-	-	-	-
Common stock, no par; shares authorized, 60,000,000 in 2016 and 20,000,000 2015; shares issued and outstanding, 13,992,981 in 2016 and 14,110,849 in 2015	23,118	21,536	20,316	19,522	18,372	13,648	12,387	11,643	11,156	10,846	7,711
Retained earnings	132,856	122,881	111,015	105,845	107,474	93,055	81,055	72,590	70,233	63,350	54,688
<b>Total shareholders' equity</b>	<b>155,974</b>	<b>144,417</b>	<b>131,331</b>	<b>125,367</b>	<b>125,846</b>	<b>106,703</b>	<b>93,442</b>	<b>84,233</b>	<b>81,389</b>	<b>74,196</b>	<b>62,399</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 203,215</b>	<b>\$ 189,214</b>	<b>\$ 174,920</b>	<b>\$ 162,014</b>	<b>\$ 164,993</b>	<b>\$ 136,122</b>	<b>\$ 125,920</b>	<b>\$ 108,885</b>	<b>\$ 106,713</b>	<b>\$ 104,945</b>	<b>\$ 85,566</b>
<b>Change in Working Capital</b>											
Cash and cash equivalents	\$ 5,548	\$ 10,771	\$ 579	\$ (8,015)	\$ 4,987	\$ 246	\$ 1,961	\$ (929)	\$ (1,601)	\$ 2,102	\$ 1,748
Accounts receivable	2,322	(239)	4,009	647	2,288	(409)	3,401	104	1,526	354	14,042
Income tax receivable	(2,915)	2,455	(259)	(1,647)	402	2,042	-	-	-	(308)	308
Prepaid expenses and other current assets	1,202	1,148	3,003	(39)	648	(1,895)	3,019	447	447	852	2,862
<b>Change in Current Assets</b>	<b>\$ 6,157</b>	<b>\$ 14,135</b>	<b>\$ 7,332</b>	<b>\$ (9,054)</b>	<b>\$ 8,408</b>	<b>\$ 2,527</b>	<b>\$ 3,467</b>	<b>\$ 2,194</b>	<b>\$ 372</b>	<b>\$ 3,000</b>	<b>\$ 18,960</b>
Accounts payable and accrued expenses	\$ (1)	\$ 174	\$ 5,557	\$ (2,956)	\$ 3,664	\$ 1,316	\$ 1,013	\$ 2,562	\$ (1,157)	\$ 1,845	\$ 6,692
Deferred revenue	(1,113)	85	93	(414)	3,176	312	881	669	547	1,780	2,386
Income taxes payable	-	-	-	-	-	(895)	895	(662)	205	457	-
Notes payable, current portion	-	(7)	(53)	(85)	(46)	53	97	(86)	(492)	555	64
Deferred income taxes	-	-	-	-	-	-	-	-	-	-	-
Earn-out provision related to acquisition	-	-	-	-	(2,000)	-	2,000	-	-	-	-
<b>Change in Current Liabilities</b>	<b>\$ (1,114)</b>	<b>\$ 252</b>	<b>\$ 5,597</b>	<b>\$ (3,455)</b>	<b>\$ 4,794</b>	<b>\$ 786</b>	<b>\$ 4,886</b>	<b>\$ 2,483</b>	<b>\$ (897)</b>	<b>\$ 4,637</b>	<b>\$ 9,142</b>
<b>Change in Working Capital</b>	<b>5,043</b>	<b>14,387</b>	<b>12,929</b>	<b>(12,509)</b>	<b>13,202</b>	<b>3,313</b>	<b>8,353</b>	<b>4,677</b>	<b>(525)</b>	<b>7,637</b>	<b>28,102</b>
	-65%	11%	-203%	-195%	298%	79%	79%	-991%	-107%	-73%	
Cash used for share repurchases	\$ (674)	\$ (1,200)	\$ (1,110)	\$ (1,269)	\$ 9,143	\$ (671)	\$ 178	\$ (298)	\$ (601)	\$ 1,092	\$ 1,800