

August 14, 2013

## Asure Software Reports 2013 Second Quarter Financial Results Exceeding Expectations

- Second quarter EBITDA\*, excluding one-times\*, was \$1.15 million vs. guidance range of \$900,000 to \$1.1 million
- Second quarter revenue of \$6.3 million vs. guidance range of \$6.2 to \$6.5 million
- Second quarter net loss per share, excluding one-times\* was \$(0.06)

AUSTIN, Texas, Aug. 14, 2013 (GLOBE NEWSWIRE) -- [Asure Software, Inc.](#) (Nasdaq:ASUR), a leading provider of workplace management software, announced results for the second quarter ended June 30, 2013.

### Q2 Strategic Highlights

- Executed on our "Land and Expand" customer cross selling strategy for both [AsureSpace](#) and [AsureForce](#) solutions; Q2 brought expanded contracts with several key customers such as Staples, Federal Reserve, and Moody's Corporation. Asure's "Land & Expand" strategy continues to be successful in increasing customer profitability and retention with innovative, trusted solutions.
- Launched the new release of AsureSpace Workspace Manager 4.5, which brings global customers expanded features for complex meeting types. This new functionality allows our customers to more easily gather booking data and work with complex recurring and guest service requirements.
- Fully deployed [AsureForce@ GeoPunch](#),<sup>TM</sup> our time & labor management mobile facial recognition solution. Using GPS technology and facial recognition, this highly differentiated TLM mobile app puts time & attendance and self-service capabilities directly in the hands of employees, literally, via their mobile devices. New customers include Goodwill of South Texas, Permian Regional Hospital and Invision Shelter Network.

### Q2 Results

- Revenue for the quarter was \$6.3 million compared to \$6.0 million in the previous quarter and \$4.2 million in the second quarter 2012.
- Non-GAAP revenue\* for the quarter was \$6.4 million compared to \$6.2 million in the previous quarter and \$4.2 million in the second quarter 2012.
- Gross margin for the quarter was \$4.8 compared to \$4.2 in the previous quarter and \$3.2 in the same quarter 2012.
- EBITDA\* excluding one-time items\* for the quarter was approximately \$1.15 million compared to \$727,000 in the previous quarter and \$838,000 in the second quarter of 2012. One-time items\* in the quarter were approximately \$228,000 down from \$320,000 in the previous quarter and down from \$427,000 in the second quarter of 2012, and were related to legal and professional fees, site consolidation related to the acquisition of Meeting Maker and other one-time expenses\*.
- Recurring revenue as a percent of total revenue was 78% for the quarter as compared to 79% for the previous quarter and 70% in the second quarter of 2012.
- Cloud SaaS-based revenue for the quarter increased to \$3.1 million up \$72,000 and 2.4% over the previous quarter and up \$163,000, or 8.0% over the second quarter of 2012, excluding PeopleCube.
- Cloud SaaS-based bookings for the quarter decreased by 10% from the previous quarter and increased by 20% from the second quarter of 2012, excluding PeopleCube.

### Management Commentary

[Pat Goepel](#), Chief Executive Officer of Asure Software commented, "We are pleased with our performance in the second quarter. Asure Software continues to execute on our key business strategies, with an integrated focus across all areas of the business from sales and account management to marketing and product development. SaaS-based recurring revenue increased for the quarter. While overall bookings increased this quarter over the previous quarter, we did see a decrease in SaaS-based bookings. We see our customer demand still being split between traditional On Premise solutions versus more leading edge On Demand solutions. We believe the market will continue to shift to SaaS-based solutions, but not at the rate we originally planned. As such, we have lowered our annual revenue and annual EBITDA guidance. We are still confident in our progress. Our "Land & Expand" sales strategy continues to prove successful with several expanded contracts and strategic

opportunities. Additionally, our UK and EMEA-based initiatives saw significant success in the second quarter both in new sales as well as expanded partnership opportunities. Staying focused on the business strategy and following through with solid execution has been and will continue to be critical to our success."

[Jennifer Crow](#), Asure's Chief Financial Officer added, "We executed on our plan to bolster stockholders' equity and raised \$3.5 million in cash in the second quarter by selling shares pursuant to our Form S-3. With part of the proceeds, we reduced our short-term liabilities and paid down \$2.0 million of our Senior Notes Payable with our primary debt lender. The equity raise and increased cash flow from operations have strengthened our overall financial position and allow us to enter the second half of the year with cash on hand of \$3.5 million."

Please see below for details around Asure's financial results.

#### Company Outlook

|                                  | <u>Q3 13</u>      | <u>FY 13</u>        |
|----------------------------------|-------------------|---------------------|
| Revenue                          | \$6,300 - \$6,600 | \$25,000 - \$26,000 |
| EBITDA, excluding one-time items | \$1,300 - \$1,500 | \$4,800 - \$5,500   |

#### Conference Call Details

Asure will follow this announcement with a conference call for the investment community on Wednesday, August 14, 2013 at 11:00 a.m. EDT, (10:00 a.m. CDT) to further discuss the quarter and outlook. Participating in the call will be [Pat Goepel](#), Chief Executive Officer and [Jennifer Crow](#), Chief Financial Officer. To participate, dial (877) 853-5636 ten minutes before the call begins. International callers should dial (631) 291-4544. The conference ID for all callers is 23639012.

Investors, analysts, media and the general public will also have the opportunity to listen to the conference call in listen-only mode via the Internet by visiting the investor relations page of Asure's web site at [www.asuresoftware.com](http://www.asuresoftware.com). To monitor the live call, please visit the web site at least ten minutes early to register, download and install any necessary audio software. For those who cannot listen to the live broadcast, an archived replay will be available shortly after the call at <http://investor.asuresoftware.com/>

#### About Asure Software

[Asure Software, Inc.](#), (Nasdaq:ASUR) headquartered in Austin, Texas, offers cloud-based time and labor management and workspace management solutions that enable businesses to control their biggest costs -- labor, real estate and technology -- and prepare for the workforce of the future in a highly mobile, geographically disparate and technically wired work environment. Asure serves approximately 5,000 clients worldwide and currently offers two main product lines: [AsureSpace™](#) Workplace management solutions enable organizations to maximize the ROI of their real estate, and [AsureForce®](#) time and labor management solutions deliver efficient management of human resource and payroll processes. For more information, please visit [www.asuresoftware.com](http://www.asuresoftware.com).

The Asure Software, Inc. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=11986>

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995:

Statements in this press release regarding Asure's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. Such risks and uncertainties could cause actual results to differ from those contained in the forward-looking statements.

#### \*Non-GAAP Financial Measures

This press release includes the following financial measures defined as a non-GAAP financial measure by the Securities and Exchange Commission: EBITDA and GAAP Net Income/(Loss) excluding one-time items. These supplemental financial measures are not required by GAAP, nor are the presentation of this financial information intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. Management recognizes that non-GAAP financial measures have limitations in that they do not reflect all of the items associated with Asure's earnings results as determined in accordance with GAAP. However, for the reasons described below, management uses these non-GAAP measures to evaluate the performance of Asure's business. Asure's management believes that it is important to provide investors with these same tools, together with reconciliation to GAAP, for evaluating the performance of Asure's business, as it may provide additional insight into Asure's financial results. See the "Reconciliation of GAAP Net Income/(Loss) to Earnings Before Interest, Taxes, Depreciation, Amortization and Stock Compensation Expense (EBITDA)" and the "Reconciliation of GAAP Net Income/(Loss) to Net Earnings Excluding One-Time Items" tables included in this press release for

further information regarding these non-GAAP financial measures. In addition, these measures are presented because management believes they are frequently used by securities analysts, investors and others in the evaluation of companies.

EBITDA is calculated by adding income taxes, interest expense, depreciation and amortization and stock compensation expense to net earnings, EBITDA is not defined under GAAP and should not be considered in isolation or as a substitute for net earnings and other consolidated earnings data prepared in accordance with GAAP or as a measure of Asure's profitability.

Net Earnings Excluding One-Time Items is calculated by combining the company's GAAP Net Earnings, or earnings per share, with items that are one time in nature and are not expected to recur on a dollar or per share basis.

Free Cash Flow is computed by subtracting capital expenditures from cash flow from operations, each as determined in accordance with GAAP and as reflected in the statement of cash flows.

Non-GAAP Revenue is computed added back the deferred revenue fair market valuation to GAAP revenue.

**Reconciliation of GAAP Net Earnings to Earnings Before Interest, Taxes, Depreciation, Amortization and Stock Compensation Expense (EBITDA) and EBITDA Excluding One-time items.**

**FOR THE THREE MONTHS ENDED**

| <b>\$000s</b>                          | <b>June 30,<br/>2013</b> | <b>June 30,<br/>2012</b> | <b>Inc/Dec</b> |
|--|--------------------------|--------------------------|----------------|
| <b>Net Loss</b>                        | <b>(569)</b>             | <b>(323)</b>             | <b>(246)</b>   |
| Interest and amortization of OID       | 645                      | 174                      | 471            |
| Tax                                    | 42                       | 120                      | (78)           |
| Depreciation                           | 107                      | 58                       | 49             |
| Amortization                           | 652                      | 357                      | 295            |
| Stock Compensation                     | 45                       | 25                       | 20             |
| <b>EBITDA</b>                          | <b>922</b>               | <b>411</b>               | <b>511</b>     |
| <b>One-time items</b>                  | <b>228</b>               | <b>427</b>               | <b>(199)</b>   |
| <b>EBITDA excluding one-time items</b> | <b>1,150</b>             | <b>838</b>               | <b>312</b>     |

**FOR THE SIX MONTHS ENDED**

| <b>\$000s</b>                          | <b>June 30,<br/>2013</b> | <b>June 30,<br/>2012</b> | <b>Inc/Dec</b> |
|--|--------------------------|--------------------------|----------------|
| <b>Net Loss</b>                        | <b>(1,669)</b>           | <b>(1,170)</b>           | <b>(499)</b>   |
| Interest and amortization of OID       | 1,325                    | 364                      | 961            |
| Derivative mark -to-market             | --                       | 465                      | (465)          |
| Tax                                    | 81                       | 166                      | (85)           |
| Depreciation                           | 219                      | 105                      | 114            |
| Amortization                           | 1,304                    | 714                      | 590            |
| Stock Compensation                     | 69                       | 35                       | 34             |
| <b>EBITDA</b>                          | <b>1,329</b>             | <b>679</b>               | <b>650</b>     |
| <b>One-time items</b>                  | <b>548</b>               | <b>936</b>               | <b>(388)</b>   |
| <b>EBITDA excluding one-time items</b> | <b>1,877</b>             | <b>1,615</b>             | <b>262</b>     |

**Reconciliation of GAAP Net Earnings to Net Earnings Excluding One-time items**

| <b>\$000s</b>                       | <b>FOR THE THREE MONTHS ENDED</b> |              |
|-------------------------------------|-----------------------------------|--------------|
|                                     | <b>June 30</b>                    |              |
|                                     | <b>2013</b>                       | <b>2012</b>  |
| <b>Net Loss</b>                     | <b>(569)</b>                      | <b>(323)</b> |
| Legal & Professional Services       | 146                               | 298          |
| Severance, Recruitment & Relocation | 69                                | 60           |

|   |                     |                   |
|---|---------------------|-------------------|
| Site Consolidation                              | --                  | 50                |
| 3:2 Stock Split                                 | --                  | 19                |
| Provision for Taxes — Site Shut Down            | --                  | 60                |
| Other one-time items (net)                      | 13                  | --                |
| <i>Sub-total excluding Taxes</i>                | <u>228</u>          | <u>427</u>        |
| <b>Sub-total one-time items</b>                 | <b><u>228</u></b>   | <b><u>487</u></b> |
| <b>Net Gain/(Loss) excluding one-time items</b> | <b><u>(341)</u></b> | <b><u>164</u></b> |

| <b>\$000s</b>                                   | <b>FOR THE SIX MONTHS ENDED</b> |                     |
|---|---------------------------------|---------------------|
|   | <b>June 30</b>                  |                     |
|   | <b>2013</b>                     | <b>2012</b>         |
| <b>Net Loss</b>                                 | <b>(1,669)</b>                  | <b>(1,170)</b>      |
| Legal & Professional Services                   | 310                             | 543                 |
| Severance, Recruitment & Relocation             | 160                             | 97                  |
| Site Consolidation                              | --                              | 50                  |
| Derivative mark-to-market                       | --                              | 465                 |
| Loss on Debt Conversion                         | --                              | 199                 |
| 3:2 Stock Split                                 | --                              | 19                  |
| Provision for Taxes — Site Shut Down            | --                              | 60                  |
| Other one-time items (net)                      | 78                              | 28                  |
| <i>Sub-total excluding Taxes and MTM</i>        | <u>548</u>                      | <u>936</u>          |
| <b>Sub-total one-time items</b>                 | <b><u>548</u></b>               | <b><u>1,461</u></b> |
| <b>Net Gain/(Loss) excluding one-time items</b> | <b><u>(1,121)</u></b>           | <b><u>291</u></b>   |

#### Reconciliation of GAAP Revenue to Non-GAAP revenue

| <b>\$000s</b>            | <b>FOR THE THREE MONTHS ENDED</b> |                     |
|--------------------------|-----------------------------------|---------------------|
|                          | <b>June 30</b>                    |                     |
|                          | <b>2013</b>                       | <b>2012</b>         |
| <b>Revenue</b>           | <b>6,296</b>                      | <b>4,205</b>        |
| Adjustment               | 146                               | 40                  |
| <b>Non- GAAP revenue</b> | <b><u>6,442</u></b>               | <b><u>4,245</u></b> |

| <b>\$000s</b>            | <b>FOR THE SIX MONTHS ENDED</b> |                     |
|--------------------------|---------------------------------|---------------------|
|                          | <b>June 30</b>                  |                     |
|                          | <b>2013</b>                     | <b>2012</b>         |
| <b>Revenue</b>           | <b>12,271</b>                   | <b>8,357</b>        |
| Adjustment               | 363                             | 105                 |
| <b>Non- GAAP revenue</b> | <b><u>12,634</u></b>            | <b><u>8,462</u></b> |

Note — Adjustment relates to the fair market valuation for assumed deferred revenue contracts that were not recognized in the period due to business combination accounting rules.

**ASURE SOFTWARE, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Amounts in thousands)  
(Unaudited)

|        |                   |                     |
|--------|-------------------|---------------------|
|        | <b>June 30,</b>   | <b>December 31,</b> |
|        | <b>2013</b>       | <b>2012</b>         |
| Assets | <u>          </u> | <u>          </u>   |

|   |  |                  |                  |
|---|--|------------------|------------------|
| Current assets:   |  |                  |                  |
| Cash and cash equivalents   |  | \$ 3,295         | \$ 2,177         |
| Restricted cash   |  | 250              | 250              |
| Accounts receivable, net of allowance for doubtful accounts of \$192 and \$182 at June 30, 2013 and December 31, 2012, respectively   |  | 2,976            | 3,040            |
| Inventory   |  | 260              | 266              |
| Notes receivable  |  | 9                | 19               |
| Prepaid expenses and other current assets   |  | 1,648            | 1,497            |
| <b>Total current assets</b>   |  | <b>8,438</b>     | <b>7,249</b>     |
| Property and equipment, net   |  | 1,177            | 1,154            |
| Goodwill  |  | 15,527           | 15,525           |
| Intangible assets, net  |  | 10,875           | 12,179           |
| Other assets  |  | 48               | 41               |
| <b>Total assets</b>   |  | <b>\$ 36,065</b> | <b>\$ 36,148</b> |
| Liabilities and Stockholders' Equity  |  |                  |                  |
| Current liabilities:  |  |                  |                  |
| Current portion of notes payable  |  | \$ 1,450         | \$ 3,450         |
| Accounts payable  |  | 2,108            | 2,713            |
| Accrued compensation and benefits   |  | 414              | 78               |
| Other accrued liabilities   |  | 1,002            | 1,013            |
| Deferred revenue  |  | 9,612            | 9,246            |
| <b>Total current liabilities</b>  |  | <b>14,586</b>    | <b>16,500</b>    |
| Long-term liabilities:  |  |                  |                  |
| Deferred revenue  |  | 720              | 637              |
| Notes payable- related party  |  | 800              | 800              |
| Notes payable   |  | 15,436           | 15,887           |
| Other liabilities   |  | 447              | 164              |
| <b>Total long-term liabilities</b>  |  | <b>17,403</b>    | <b>17,488</b>    |
| Stockholders' equity:   |  |                  |                  |
| Preferred stock, \$.01 par value; 1,500 shares authorized; none issued or outstanding   |  | --               | --               |
| Common stock, \$.01 par value; 11,000 shares authorized; 6,313 and 5,644 shares issued, 5,929 and 5,260 shares outstanding at June 30, 2013 and December 31, 2012, respectively |  | 63               | 56               |
| Treasury stock at cost, 384 shares at June 30, 2013 and December 31, 2012   |  | (5,017)          | (5,017)          |
| Additional paid-in capital  |  | 277,981          | 274,445          |
| Accumulated deficit   |  | (268,891)        | (267,222)        |
| Accumulated other comprehensive loss  |  | (60)             | (102)            |
| <b>Total stockholders' equity</b>   |  | <b>4,076</b>     | <b>2,160</b>     |
|   |  | <b>\$ 36,065</b> | <b>\$ 36,148</b> |

The notes in the Company's forthcoming 10-Q are an integral part of these condensed consolidated financial statements.

**ASURE SOFTWARE, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
(Amounts in thousands, except share and per share data)  
(Unaudited)

|          | FOR THE<br>THREE MONTHS ENDED<br>June 30, |          | FOR THE<br>SIX MONTHS ENDED<br>June 30, |          |
|----------|---|----------|---|----------|
|          | 2013                                      | 2012     | 2013                                    | 2012     |
| Revenues | \$ 6,296                                  | \$ 4,205 | \$ 12,271                               | \$ 8,357 |

|   |                        |                        |                          |                          |
|---|------------------------|------------------------|--------------------------|--------------------------|
| Cost of Sales   | <u>(1,481)</u>         | <u>(991)</u>           | <u>(3,258)</u>           | <u>(2,037)</u>           |
| <b>Gross Margin</b>   | <b>4,815</b>           | <b>3,214</b>           | <b>9,013</b>             | <b>6,320</b>             |
| <b>Operating Expenses</b>   |                        |                        |                          |                          |
| Selling, general and administrative                                 | 3,448                  | 2,334                  | 6,724                    | 4,467                    |
| Research and development  | 664                    | 591                    | 1,364                    | 1,181                    |
| Amortization of intangible assets                                   | <u>582</u>             | <u>292</u>             | <u>1,164</u>             | <u>586</u>               |
| <b>Total Operating Expenses</b>                                     | <b>4,694</b>           | <b>3,217</b>           | <b>9,252</b>             | <b>6,234</b>             |
| <b>Income/(Loss) From Operations</b>                                | <b>121</b>             | <b>(3)</b>             | <b>(239)</b>             | <b>86</b>                |
| <b>Other Income (Loss)</b>  |                        |                        |                          |                          |
| Interest income   | --                     | 1                      | --                       | 2                        |
| Loss on disposal of assets  | --                     | (26)                   | --                       | (36)                     |
| Loss on debt conversion   | --                     | --                     | --                       | (198)                    |
| Foreign currency translation loss                                   | (3)                    | (1)                    | (24)                     | (29)                     |
| Interest expense and other  | (520)                  | (118)                  | (1,050)                  | (238)                    |
| Interest expense- amortization of OID and derivative mark-to market | <u>(125)</u>           | <u>(56)</u>            | <u>(275)</u>             | <u>(591)</u>             |
| <b>Total other income (loss)</b>                                    | <b>(648)</b>           | <b>(200)</b>           | <b>(1,349)</b>           | <b>(1,090)</b>           |
| <b>Loss From Operations before Income Taxes</b>                     | <b>(527)</b>           | <b>(203)</b>           | <b>(1,588)</b>           | <b>(1,004)</b>           |
| Provision for income taxes  | <u>(42)</u>            | <u>(120)</u>           | <u>(81)</u>              | <u>(166)</u>             |
| <b>Net Loss</b>   | <b><u>\$ (569)</u></b> | <b><u>\$ (323)</u></b> | <b><u>\$ (1,669)</u></b> | <b><u>\$ (1,170)</u></b> |
| <b>Other Comprehensive Loss:</b>                                    |                        |                        |                          |                          |
| Foreign currency (loss) gain  | <u>4</u>               | <u>(2)</u>             | <u>42</u>                | <u>26</u>                |
| <b>Other Comprehensive Loss</b>                                     | <b><u>\$ (565)</u></b> | <b><u>\$ (325)</u></b> | <b><u>\$ (1,627)</u></b> | <b><u>\$ (1,144)</u></b> |
| <b>Basic and Diluted Net Loss Per Share</b>                         |                        |                        |                          |                          |
| Basic   | \$ (0.10)              | \$ (0.06)              | \$ (0.31)                | \$ (0.24)                |
| Diluted   | \$ (0.10)              | \$ (0.06)              | \$ (0.31)                | \$ (0.24)                |
| <b>Weighted Average Basic and Diluted Shares</b>                    |                        |                        |                          |                          |
| Basic   | 5,497,000              | 4,982,000              | 5,380,000                | 4,841,000                |
| Diluted   | 5,497,000              | 4,982,000              | 5,380,000                | 4,841,000                |

The notes in the Company's forthcoming 10-Q are an integral part of these condensed consolidated financial statements.

**ASURE SOFTWARE, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Amounts in thousands)  
(Unaudited)

**FOR THE  
SIX MONTHS ENDED  
JUNE 30,**

**2013      2012**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

|   |  |            |            |
|---|--|------------|------------|
| Net loss  |  | \$ (1,669) | \$ (1,170) |
| Adjustments to reconcile net loss to net cash provided by operations: |  |            |            |
| Depreciation and amortization   |  | 1,523      | 819        |
| Provision for doubtful accounts                                       |  | 10         | 37         |

|   |                 |                 |
|---|-----------------|-----------------|
| Share-based compensation                                    | 69              | 35              |
| Amortization of original issue discount (OID)               | 275             | 126             |
| Loss on sale/disposal of assets                             | --              | 36              |
| Derivative mark-to-market                                   | --              | 465             |
| Loss on debt conversion                                     | --              | 198             |
| Changes in operating assets and liabilities:                |                 |                 |
| Notes receivable  | 10              | --              |
| Accounts receivable   | 54              | (157)           |
| Inventory   | 6               | (40)            |
| Prepaid expenses and other assets                           | 30              | 62              |
| Accounts payable  | (605)           | 400             |
| Accrued expenses and other long-term obligations            | 651             | 221             |
| Deferred revenue  | 442             | (94)            |
| <b>Net cash provided by operating activities</b>            | <b>796</b>      | <b>938</b>      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                |                 |                 |
| Net purchases of property and equipment                     | (245)           | (151)           |
| Collection of note receivable                               | --              | 72              |
| <b>Net cash used in investing activities</b>                | <b>(245)</b>    | <b>(79)</b>     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>                |                 |                 |
| Payments on notes payable                                   | (2,726)         | (290)           |
| Payments on amendment of senior notes payable               | (188)           | --              |
| Net proceeds from issuance of common stock                  | 3,461           | --              |
| Payments on conversion of subordinated notes payable        | --              | (222)           |
| Proceeds from line of credit                                | --              | 55              |
| Payments on capital leases                                  | (43)            | (18)            |
| Net proceeds from exercise of options                       | 13              | 16              |
| <b>Net cash provided by (used in) financing activities</b>  | <b>517</b>      | <b>(459)</b>    |
| <b>Effect of translation exchange rates</b>                 | <b>50</b>       | <b>26</b>       |
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>1,118</b>    | <b>426</b>      |
| <b>Cash and equivalents at beginning of period</b>          | <b>2,177</b>    | <b>1,067</b>    |
| <b>Cash and equivalents at end of period</b>                | <b>\$ 3,295</b> | <b>\$ 1,493</b> |

**SUPPLEMENTAL INFORMATION:**

Cash paid for:

|          |        |        |
|----------|--------|--------|
| Interest | \$ 656 | \$ 189 |
|----------|--------|--------|

Non-cash Investing and Financing Activities:

|  |    |       |
|--|----|-------|
| Conversion of subordinated convertible notes payable to equity | -- | 2,247 |
|--|----|-------|

The notes in the Company's forthcoming 10-Q are an integral part of these condensed consolidated financial statements.

CONTACT: For more information contact:

Jennifer Crow, CFO

Asure Software, Inc.

512-437-2732

crow@asuresoftware.com