

**SOFTECH, INC.**  
**FINANCIAL SUMMARY**

**For the Three Month Periods Ended**

(in thousands)	<b>May 31, 2005</b>	<b>May 31, 2004</b>
Revenue	\$ 3,112	\$ 3,273
Loss from operations	(272)	(126)
Net loss	(482)	(384)
Loss per share	(.04)	(.03)

**For the Fiscal Years Ended**

(in thousands)	<b>May 31, 2005</b>	<b>May 31, 2004</b>
Revenue	\$ 12,120	\$ 12,294
Loss from operations	(533)	(838)
Net loss	(1,425)	(1,853)
Loss per share	(.12)	(.15)

**Reconciliation of Net Loss to Non-GAAP Financial Measures:**

The net loss calculated in accordance with GAAP is adjusted below by non-cash expenses related to amortization of intangible assets resulting from acquisitions. It is management's view that this Non-GAAP financial measure provides important information in understanding the Company's financial performance.

**For the Three Month Periods Ended**

(in thousands)	<b>May 31, 2005</b>	<b>May 31, 2004</b>
Net loss	\$ (482)	\$ (384)
Plus: Non-cash amortization	<u>608</u>	<u>603</u>
Non-GAAP financial measure	126	219

**For the Fiscal Years Ended**

(in thousands)	<b>May 31, 2005</b>	<b>May 31, 2004</b>
Net loss	\$ (1,425)	\$ (1,853)
Plus: Non-cash amortization	<u>2,440</u>	<u>2,438</u>
Non-GAAP financial measure	1,015	585