

VERSANT CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)
(unaudited)

	October 31, 2008	October 31, 2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 27,234	\$ 19,086
Trade accounts receivable, net of allowance for doubtful accounts of \$16 and \$68 at October 31, 2008 and October 31, 2007, respectively	2,801	2,330
Other current assets	399	506
Total current assets	30,434	21,922
Property and equipment, net	670	835
Goodwill	6,720	6,720
Intangible assets, net	565	881
Other assets	172	108
Total assets	\$ 38,561	\$ 30,466
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 371	\$ 157
Accrued liabilities	1,525	2,756
Deferred revenues	3,120	3,707
Deferred rent	17	7
Total current liabilities	5,033	6,627
Deferred revenues	317	641
Deferred rent	13	29
Other long-term liabilities	44	4
Total liabilities	5,407	7,301
Stockholders' equity:		
Common stock, no par value, 7,500,000 shares authorized, 3,746,581 and 3,671,924 shares issued and outstanding as of October 31, 2008 and October 31, 2007, respectively	97,717	96,004
Accumulated other comprehensive income, net	183	1,346
Accumulated deficit	(64,746)	(74,185)
Total stockholders' equity	33,154	23,165
Total liabilities and stockholders' equity	\$ 38,561	\$ 30,466

VERSANT CORPORATION AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 (in thousands, except for per share amounts)
 (unaudited)

	Three Months Ended		Fiscal Year Ended	
	October 31, 2008	October 31, 2007	October 31, 2008	October 31, 2007
Revenues:				
License	\$ 3,592	\$ 3,308	\$ 15,922	\$ 12,681
Maintenance	2,277	2,206	9,041	8,225
Professional services	124	47	335	244
Total revenues	<u>5,993</u>	<u>5,561</u>	<u>25,298</u>	<u>21,150</u>
Cost of revenues:				
License	76	(73)	309	142
Amortization of intangible assets	79	79	315	315
Maintenance	342	316	1,446	1,469
Professional services	38	18	112	112
Total cost of revenues	<u>535</u>	<u>340</u>	<u>2,182</u>	<u>2,038</u>
Gross profit	<u>5,458</u>	<u>5,221</u>	<u>23,116</u>	<u>19,112</u>
Operating expenses:				
Sales and marketing	924	881	3,620	3,392
Research and development	907	912	4,066	3,410
General and administrative	1,235	1,059	5,479	4,401
Loss on the liquidation of a foreign subsidiary	-	245	-	245
Total operating expenses	<u>3,066</u>	<u>3,097</u>	<u>13,165</u>	<u>11,448</u>
Income from operations	2,392	2,124	9,951	7,664
Interest and other income, net	280	173	871	532
Income from continuing operations before taxes	2,672	2,297	10,822	8,196
Provision for income taxes	439	282	1,431	867
Net income from continuing operations	2,233	2,015	9,391	7,329
Net income from discontinued operations, net of income taxes	-	72	98	304
Net income	<u>\$ 2,233</u>	<u>\$ 2,087</u>	<u>\$ 9,489</u>	<u>\$ 7,633</u>
Basic income per share:				
Net income from continuing operations	\$ 0.60	\$ 0.55	\$ 2.52	\$ 2.01
Earnings from discontinued operations, net of income tax	\$ -	\$ 0.02	\$ 0.02	\$ 0.08
Net income per share, basic	<u>\$ 0.60</u>	<u>\$ 0.57</u>	<u>\$ 2.54</u>	<u>\$ 2.09</u>
Diluted income per share:				
Net income from continuing operations	\$ 0.59	\$ 0.54	\$ 2.48	\$ 1.98
Earnings from discontinued operations, net of income tax	\$ -	\$ 0.02	\$ 0.03	\$ 0.08
Net income per share, diluted	<u>\$ 0.59</u>	<u>\$ 0.56</u>	<u>\$ 2.51</u>	<u>\$ 2.06</u>
Shares used in per share calculation:				
Basic	3,746	3,668	3,729	3,649
Diluted	3,786	3,744	3,783	3,708
Non-cash stock-based compensation included in the above expenses:				
Cost of revenues	\$ 16	\$ 20	\$ 58	\$ 65
Sales and marketing	\$ 68	\$ 26	\$ 221	\$ 90
Research and development	\$ 54	\$ 11	\$ 178	\$ 39
General and administrative	\$ 156	\$ 89	\$ 464	\$ 222