

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

	July 31, 2008	October 31, 2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 27,407	\$ 19,086
Trade accounts receivable, net of allowance for doubtful accounts of \$72 and \$68 at July 31, 2008 and October 31, 2007, respectively	3,511	2,330
Other current assets	797	506
Total current assets	31,715	21,922
Property and equipment, net	787	835
Goodwill	6,720	6,720
Intangible assets, net	645	881
Other assets	201	108
Total assets	\$ 40,068	\$ 30,466
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 363	\$ 157
Accrued liabilities	2,663	2,756
Deferred revenues	3,933	3,707
Deferred rent	14	7
Total current liabilities	6,973	6,627
Deferred revenues	456	641
Deferred rent	19	29
Other long-term liabilities	53	4
Total liabilities	7,501	7,301
Stockholders' equity:		
Common stock, no par value, 7,500,000 shares authorized, 3,745,547 and 3,671,924 shares issued and outstanding as of July 31, 2008 and October 31, 2007, respectively	97,406	96,004
Accumulated other comprehensive income, net	2,140	1,346
Accumulated deficit	(66,979)	(74,185)
Total stockholders' equity	32,567	23,165
Total liabilities and stockholders' equity	\$ 40,068	\$ 30,466

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

	Three Months Ended		Nine Months Ended	
	July 31, 2008	July 31, 2007	July 31, 2008	July 31, 2007
Revenues:				
License	\$ 3,943	\$ 2,925	\$ 12,330	\$ 9,373
Maintenance	2,305	2,225	6,764	6,019
Professional services	52	98	211	197
Total revenues	<u>6,300</u>	<u>5,248</u>	<u>19,305</u>	<u>15,589</u>
Cost of revenues:				
License	75	73	233	215
Amortization of intangible assets	79	79	237	237
Maintenance	354	377	1,103	1,153
Professional services	18	33	74	93
Total cost of revenues	<u>526</u>	<u>562</u>	<u>1,647</u>	<u>1,698</u>
Gross profit	<u>5,774</u>	<u>4,686</u>	<u>17,658</u>	<u>13,891</u>
Operating expenses:				
Sales and marketing	898	877	2,696	2,511
Research and development	1,003	785	3,159	2,497
General and administrative	1,181	1,039	4,244	3,342
Total operating expenses	<u>3,082</u>	<u>2,701</u>	<u>10,099</u>	<u>8,350</u>
Income from operations	2,692	1,985	7,559	5,541
Interest and other income, net	261	116	591	358
Income from continuing operations before taxes	2,953	2,101	8,150	5,899
Provision for income taxes	295	228	992	585
Net income from continuing operations	2,658	1,873	7,158	5,314
Net income from discontinued operations, net of income taxes	-	61	98	232
Net income	<u>\$ 2,658</u>	<u>\$ 1,934</u>	<u>\$ 7,256</u>	<u>\$ 5,546</u>
Basic income per share:				
Net income from continuing operations	\$ 0.71	\$ 0.51	\$ 1.93	\$ 1.47
Earnings from discontinued operations, net of income tax	\$ -	\$ 0.02	\$ 0.03	\$ 0.06
Net income per share, basic	<u>\$ 0.71</u>	<u>\$ 0.53</u>	<u>\$ 1.96</u>	<u>\$ 1.53</u>
Diluted income per share:				
Net income from continuing operations	\$ 0.70	\$ 0.50	\$ 1.89	\$ 1.44
Earnings from discontinued operations, net of income tax	\$ -	\$ 0.02	\$ 0.03	\$ 0.06
Net income per share, diluted	<u>\$ 0.70</u>	<u>\$ 0.52</u>	<u>\$ 1.92</u>	<u>\$ 1.50</u>
Shares used in per share calculation:				
Basic	3,729	3,648	3,704	3,624
Diluted	3,806	3,734	3,781	3,696
Non-cash stock-based compensation included in the above expenses:				
Cost of revenues	\$ 14	\$ 16	\$ 42	\$ 45
Sales and marketing	\$ 51	\$ 24	\$ 153	\$ 64
Research and development	\$ 43	\$ 9	\$ 124	\$ 28
General and administrative	\$ 119	\$ 52	\$ 308	\$ 133