

Initial Research Report

Investors should consider this report as only a single factor in making their investment decision.

Park City Group, Inc.

Rating: Speculative Buy

Howard Halpern

April 10, 2007

PCYG \$2.44 — (OTC BB)

	FY (06/05)A	FY (06/06)A	FY (06/07) E	FY (06/08) E
Total revenues (in millions)	\$3.63	\$7.09	\$2.56	\$7.40
Earnings (loss) per share	(\$0.62)	\$0.22	(\$0.30)	\$0.00
52 - Week range	\$5.50 – \$2.00		Fiscal year ends:	June
Shares outstanding <small>as of 02/05/07</small>	8.93 million	Revenue/shares (ttm)		\$0.56
Approximate float	3.09 million	Price/Sales (ttm)		4.4X
Market Capitalization	\$22 million	Price/Sales (2008)E		3.1X
Tangible Book value/share	\$0.01	Price/Earnings (ttm)		NMF
Price/Book	NMF	Price/Earnings (2008)E		NMF

Park City Group, Inc. (OTC BB: PCYG), headquartered in Park City, Utah, develops and markets patented software applications that helps its customers (retailer and suppliers) increase sales while reducing their two largest controllable expenses, inventory and labor. The Company's Business Analytics unit provides customers the opportunity to act on actionable information generated from its software portfolio, which consists of Supply Chain Profit Link (SCPL), Fresh Market Manager, and ActionManager™.

Key Investment Considerations:

We are initiating coverage of Park City Group, Inc. (OTC BB: PCYG) with a Speculative Buy rating and a twelve-month price target of \$3.40 per share based on our forecast for total revenue for fiscal 2008.

Management's mission is to position Park City Group as a leading provider of technology, technology solutions, and business analytic consulting services to serve as the preferred conduit between retailers and their suppliers allowing for an efficient exchange of information that may lead to improved profitability.

Through its strategic decision to focus on marketing to retailers and supplier the Supply Chain Profit Link (SCPL) software offering and business analytic consulting services, Park City Group has the ability to quickly and easily simplify the planning and execution of complex processes, and deliver timely relevant and actionable information to customers.

Customers purchase SCPL on an annual subscription basis, which means cash will run ahead of revenues. Investors should see an increase in deferred revenue on Park City Group's balance sheet in future periods. As of late-March 2007, the Company had 19 categories with 6 retailers under management, which is an increase from 3 categories with 2 retailers under management as of December 31, 2006.

For fiscal 2007 (ending June 30, 2007), we are forecasting total revenue of \$2.561 million, an EBITDA loss of \$2.526 million, and a net loss of \$2.682 million or (\$0.30) per share. Our forecast is based on first half results and public comments made by Management during the second quarter conference call.

Based on Managements public comments, our estimate of the progress in annual subscription for the SCPL offering, the Company's overall strategy, and revenue model, we are forecasting total revenue for fiscal 2008 of \$7.395 million, EBIDTA of \$0.175 million, and net income of \$0.015 million or \$0.00 per share.

** Please view our disclaimer located on page 22.*

The Company

Park City Group, Inc. (OTC BB: PCYG), headquartered in Park City, Utah, develops and markets patented software applications, as well as providing various services through its newly formed business analytics group, that helps retailers increase their sales while reducing their two largest controllable expenses, inventory and labor. The Company owns and controls 9 U.S. patents (three patents are pending), 8 U.S. trademarks, and 37 U.S. copyrights relating to its software technology that are approved and issued. Internationally, the Company has 14 patents and patent applications pending.

The Company was called Fields Technologies, Inc., until August 2002, when it changed its name to Park City Group Inc., and was reincorporated in Nevada. On August 11, 2006, the Company underwent a 1-for-50 reverse stock split (all per share information reflects the reverse stock split).

Management’s short-term goal is to rapidly expand Park City Group’s market share of software offerings (specifically the Supply Chain Profit Link application) within the supermarket sector. To achieve this goal, the Company’s focus has evolved to a recurring revenue model (for its Supply Chain Profit Link offering) from a license-based approach. Its previous model resulted in inconsistent (or lumpy) quarterly revenues due to a long sales cycle of approximately 12-months and heavy internal resource usage (for its Fresh Market Manager, and ActionManager™ product offerings).

The recurring revenue model should smooth out quarterly revenue since the annual subscription will be amortized over approximately a 12 month period. **Investors should also be aware that if successful the Company will likely see cash building ahead of revenue generation since a positive benefit of the subscription model is that deferred revenue will grow in concert with the number of SCPL customer engagements.** On April 2, 2007, Park City Group announced it had as of late-March 2007, 19 product categories with 6 retailers under management, which is an increase from 3 product categories with 2 retailers under management as of December 31, 2006.

Management’s long term mission is to position Park City Group as a leading provider of technology, technology solutions, and business analytic services to serve as the preferred conduit between retailers and their suppliers in order to allow for an efficient exchange of information that should lead to improved profitability in the ever increasing competitive landscape that is dominated by companies such as Wal Mart (NYSE: WMT).

Through its software offerings, Management is able to leverage its expertise in retail operations management, as well as provide consulting services (specifically business analytics) for state-of-the-art, patented technologies in order to simplify the planning and execution of complex processes, and deliver timely relevant and actionable information; thus, improving its customers' profitability. The Company is beginning to capitalize on its prestigious user base as customers rapidly deploy and license additional software for their multi-location businesses.

The table below represents some of the customer relationships it has developed:

Schnuck's	Kwik Trip	Tesco-Lotus
Circle K Midwest	WinCo Foods	Home Depot
Wawa	Crate&Barrel	Williams-Sonoma
Sheetz	SeaWorld	Albertsons
Dole Foods	Limited Brands	Monterey Mushroom
Perdue	Earthbound Farm	Cannon Solutions

Source: Company’s Web-site, SEC filings, news releases

Supply Chain Profit Link Offering

Supply Chain Profit Link (SCPL), introduced in the fall of 2006, is part of a fully integrated collaborative solution for supermarket and convenience store operations. Management believes that this software application delivers a significant value-add to the supplier/retailer relationship since it allows suppliers an opportunity to work with

their retail partners on optimizing profits by monitoring product movement, while reducing out-of-stocks and minimizing shrink (or waste).

SCPL is a category management tool that provides a common view of key performance indicators for retailers and suppliers. It is capable of providing hourly, daily, or weekly store-by-store item level information to facilitate decision support and also allows suppliers the opportunities to customize assortment plans, promotions, and pricing strategies on a store level. Most importantly, it enables suppliers and retailers to manage their products together and work on a collaborative basis.

The following components make SCPL a useful tool for both suppliers and retailers:

- Cost Control Monitor:
 - Capture detailed item level information for products including sales, out of stocks, waste, and shrink;
 - Focus retailer on addressing opportunities for key items;
 - Deliver value add recommendations to control costs; and
 - Analyze cost control information from data collection.

- Demand Forecaster and Production Planner:
 - Use business modeling for optimized profitability;
 - Improved assortment plans by store or store group;
 - Identify product trends;
 - Deliver gross and net margin analysis;
 - Drive increases in product sales while controlling shrink levels; and
 - Define production rules (i.e., shelf life, priority, time of day, and best practices).

- Inventory Manager:
 - Generate product ordering requirements;
 - Generate buying efficiency; and
 - Review the actual cost of goods sold and track inventory usage.

Of note, Management has publicly stated that the metric for this offering will be the term engagement, which they define as one retailer or supplier managing one product category (i.e., Orange Juice, Cat Litter, etc.).

Management believes that it will be able to leverage the SCPL offering through the Company's consulting services, which includes Business Analytics. These professional service offerings include project management, technical implementation, and end-user training. In addition, Park City Group offers a variety of traditional consulting services configured to meet specific customer needs. The Company also provides business analytics in the area of merchandising and store operations, which are focused on helping customers to improve their profitability through the full use of its software offerings by turning collected data into actionable information.

Strategic Focus on SCPL

Management announced during the second quarter earnings conference call on February 14, 2007, that its business model has evolved to incorporate a recurring revenue stream through the Supply Chain Profit Link (SCPL) software offering. The SCPL annual subscription license model, focuses on leveraging multi-store retail chains, convenience store chains, and their respective suppliers, in order to reduce the overall reliance on one-time, non-recurring license fee revenue.

Supporting this effort was a February 12, 2007 announcement, regarding the expansion of consulting services offered by the Company through the creation of a Business Metrics Group (BMG). According to Management, BMG is setup to analyze decision support data for category management, promotional strategies, collaborative planning, and replenishment forecasting, which should bolster revenue from SCPL resulting from additional consulting fees. Steve Lewis will head the unit. He has more than 13 years experience in enterprise business software solution with Radix Corporation and Siebel Systems. Mr. Lewis also has a background in retail

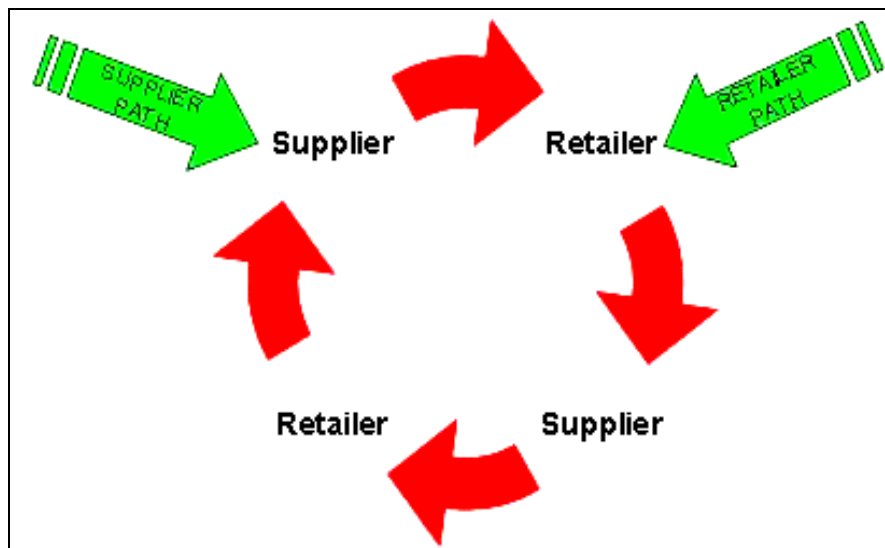
technology working with American Stores and Safeway, as well as Georgia Pacific, Quaker Oats, and ConAgra Foods.

The end goal of this unit is to convert data collected into actionable information that should assist in increasing profitability by reducing costs and in certain cases increase sales of customers. The following are the advantages of the recurring revenue approach through the SCPL offering:

- **Shorter sales cycle.** It takes approximately sixty to ninety days to market and sell the offering as compared to approximately twelve-months for a one-time license for Fresh Market Manager or ActionManager;
- **Smaller resource requirement.** For the initial category engagement, it will take approximately 10 man-days to implement SCPL. Most importantly, it will only take two additional man-days for each subsequent category;
- **Rapid market adoption.** Management believes that the top 50 retail chains in the U.S. are much more likely to use this subscription model than the one-time license model. Utilizing the subscription model is lower cost and provides the customer increased flexibility;
- **Embedded analyst.** Management anticipates that as customers increase their number of categories on the SCPL program, an embedded analyst will become part of the retail team and will be able to advocate on behalf of Park City Group’s other product offerings (i.e., up-sale potential for Fresh Market Manager, and ActionManager offerings);
- **Increased up-sell potential.** Since the customers will be using SCPL and an embedded staff person from Park City Group will be on the retailers’ team, there is an opportunity to market to that existing customer Fresh Market Manager or ActionManager. This means that a full license opportunity still exists at some future date; and
- **Alliance Potential.** Management publicly stated that discussions are ongoing with undisclosed third party reseller that could potentially aid in rolling the SCPL offering out to a broader audience.

Revenue Model for SCPL

The revenue model for SCPL is based on viral marketing that can be entered from two parallel and simultaneous paths: 1) through the retailer; and 2) through the supplier. The table below illustrates the entry points within the sales cycle:



Source: PCYG’s second quarter earnings presentation, February 14, 2007

The subscription revenue model for SCPL is paid for in advance and is typically priced on a per category per year basis. *The upfront nature of the model means that cash should run ahead of revenues.* We assume that deferred revenue on the balance sheet should grow as customers sign up for this offering.

According to Management, the potential of this model is as follows:

- A supermarket has more than 100 categories of merchandise;
- Each of those categories typically has three to five significant suppliers;
- Retailers are given a sixty day free trial to test it with a category, typically chosen with help from Park City. If the retailer likes the product it should be able to assign the cost among the suppliers of the chosen category;
- It is anticipated that each retailer would add 12 to 20 categories per year after the initial trial period of sixty days and the experience gained with the initial category managed by SCPL; and
- As suppliers experience success, they will take Park City Group to additional retailers. Management expects to be taken to three to five additional retailers per year by successful suppliers.

The potential ramp for this offering is exemplified in the chart below:

Duration of Free Trial	60-Days
Initial Categories for Trial	3
Post Trial Categories	5
Max. Categories Per Retail Unit	30-50
Duration of Post Trial Categories	90-Days
Category Adds Per 90-days	3

Source: www.parkcitygroup.com/investor_relations.htm and March 2007 Investor Presentation

It is important to note that the Company also intends to seek licensing agreements for Fresh Market Manager and ActionManager and the associated consulting revenue from those types of agreements. However, they are likely to be on a small and measured scale, as the primary focus is on the Company's SCPL offering.

Additional Product Offerings

Prior to focusing on SCPL, the Company's foundation was built on the development and licensing of the following software applications:

- **Fresh Market Manager (FMM):** A fully integrated suite of software product applications designed to help manage perishable food departments including bakery, deli, seafood, produce, meat, home meal replacement, dairy, frozen food, and floral. This offering addresses inventory issues that tend to hamper retailers and should help PCYG's customers bring together information from disparate legacy applications and databases to provide an end-to-end integrated merchandising, production planning, demand forecasting, and perpetual inventory system in order to address the needs within the perishable departments of supermarkets, grocery stores, and convenience stores.

FMM helps identify the true cost of goods and provides accurate and actionable profitability data on a corporate, regional, store, and/or item-by-item basis. The application can also produce hour-by-hour forecasts, production plans, perpetual inventory, and places/receives orders. Additionally, it automates the majority of the planning, forecasting, ordering, and administrative functions associated with fresh merchandise.

The following elements help define the total FMM solution:

- Perishable Category Management: The score tracker element shows visibility down to the item level. This metric brings to light information to all levels of management (from individual department to corporate level management). It is focused on data capture (point-of-sale and department data) for reporting and analysis.
 - In-store Forecasting and Production: Uses patented algorithms from the collection of data in order to begin creating a forecast of recommended quantities, as well as the timing of the product production on a store-by-store, item-by-item basis. Management believes the automation of this process results in significant time savings and improved product and resource planning.
 - Computer-Aided Ordering and Perpetual On-hand Inventory: Provides electronic ordering and receiving, replenishment processing and use of an SKU based inventory application. This part of the application has the knowledge of the products of which a particular ingredient may be a part and will provide warning information regarding the products that will be impacted if an ingredient is not ordered.
 - Real-time Alerts: Alerts can be defined to notify perishable department managers of issues and problems that have been identified based on the rules of the business.
- **ActionManager™**: A suite of solutions that can forecast labor demand, schedule staff resources, and provide store managers with the necessary tools in order to keep labor costs under control while improving customer service, satisfaction, and sales. This suite of solutions addresses labor needs by providing daily information that can help retailers address component information more quickly and efficiently.

The suite is a series of workbenches that all incorporate the Company's Action Dashboard technology, which automates tactical, routine tasks, alerts managers to issues that require immediate attention, and gives advice on action to be taken. The following are the workbench offerings:

- Labor Manager: Seamlessly integrates scheduling, forecasting, and time measurement by providing advanced capabilities that link critical business functions together for a complete solution. Comprised of the Scheduler, Forecaster, and TimeMeter.
- Human Resource Manager: A comprehensive application that streamlines personnel selection, automates employee testing and training, and improves operational consistency. Comprised of the Checkup, HRAction, Interactive Tutor, and SmartHire.
- Information Manager: Designed to deliver operating results analysis based on exceptions and automates capture, balancing, and immediate transmission of sales data. Comprised of the Gatekeeper, ActionForm, ActionMail, CashSheet, PlannerBoard, ReadyReference, ReportBuilder, and ScoreTraker.

Market

The overall retail environment has become increasingly competitive due to traditional retailer consolidation, Internet retailing and most importantly, Wal-Mart. In order to remain viable, many traditional retailers are looking for technology to improve competitiveness, efficiency, and profitability. Park City Group has a portfolio of software offerings and services (Supply Chain Profit Link, Fresh Market Manager, ActionManager, as well as consulting and business analytics) addressing what customers are looking for in order to be competitive and achieve improved economic performance.

Below is a summary of potential market segments that the Company can market to and obtain customers:

Supermarket

The Supermarket industry is under increased competitive pressure from value retailers such as Wal-Mart, Costco (NasdaqGS: COST), Target (NYSE: TGT), etc. McKinsey & Company (a global management consulting firm) defines value retailers as mass merchants and category killers, where consumers have been trained to expect

significantly lower prices (the every day low price strategy). Over the past several years annual sales have risen by more than 20% in the grocer, consumables, and pharmacy categories for value retailers, while supermarkets saw only a minimal annual increase. According to Park City Group, one of the strategies that traditional supermarkets are implementing is to increase the quantity and quality of their perishable offerings. Perishable departments, such as bakery, meat and seafood, dairy, and deli have historically been loosely managed but now have been forced to become a focus for profitability improvement.

According to a report by Willard Bishop Consulting (offers marketing strategies and data modeling to improve the retail consumer experience) “The Future of Food Retailing”, by 2013 supermarkets will sell less bread and milk than non-food retailers. Value retailers such as Target, Wal-Mart, and Costco will increase their share of the food and consumables pie from 31.9% in 2004 to 43.5% by 2013. That is the primary reason why supermarkets need to focus on all areas for profitability improvement.

The following are some statistics related to the supermarket industry (source: Food Marketing Institute (FMI), which conducts programs in research, education, industry relations, and public affairs on behalf of its 1,500 member companies — food retailers and wholesalers — in the United States and around the world). FMI updated numbers for 2006 will be available in May of 2007. Unless otherwise noted the numbers are for 2005:

- Total sales for supermarkets with \$2 million in annual sales amounted to \$478.9 billion, which consisted of 34,052 stores;
- Total sales for chain supermarkets were \$433.1 billion, which consisted of 25,890 stores;
- Independent supermarkets \$45.8 billion, which consisted of 8,162 stores;
- Sales per labor hour equaled \$132.20;
- Average number of trips per week consumers made equaled 2.1X; and
- Average number of items carried in a supermarket was 45,000.

Convenience Store

The National Association of Convenience Stores (NACS) defines a convenience store as a retail business with primary emphasis placed on providing the public a convenient location to quickly purchase from a wide array of consumable products (predominantly food or food and gasoline) and services. According to NACS, typically a convenience store generally stock 1,500 to 3,000 items.

Over the last few years, trends for convenience stores of contracting gasoline margins and declining tobacco sales increases the need for improved cost controls and better decision support. Park City Group Management believes that in order to offset declining gasoline profits, participants within the convenience stores industry are likely to be pushing for ways to increase or at least maintain profitability. Very few convenience store operations have automated systems to help store managers, leaving the majority of the operators without any technology to ease their administrative and operations burdens. The Convenience Store News 2006 Technology Study showed that spending on technology and automation had increased significantly over the past year. The average company spent \$0.075 million on technology and automation in 2005. An average of 31% was spent on headquarters technology with 69% going towards store level technology. According to their survey, better control of store-level inventory is a top priority.

According to a report dated February 19, 2006, U.S. Convenience Stores: New Face of Traditional Shopping – NACS stated that out of the 119,751 stores in the U.S., nearly 50% are owned by single operators while approximately 9% are franchised. A total of 76% of stores sell motor fuels. In the report, experts estimate that the U.S. convenience food retail market to develop by around 4.1% annually through 2007, compared to 2% growth by the entire food and drinks industry.

Specialty Retail

In general, this segment is experiencing a shrinking labor force and strong competition for qualified managers and staff. According to Park City Group, managers in this segment are time-constrained due to increased labor and

inventory demands. Also, margins have become increasingly tight due to higher labor and lease expenses, as well as the ever increasing customer satisfaction demands.

Suppliers

This segment is an obvious extension to the other segments previously described. The reason why is that suppliers are increasingly being pressured by retailers to provide economic incentives or assistance. The Park City Group's Supply Chain Profit link software application enables such assistance to suppliers, as well as being a conduit between suppliers and their retail partners.

The Company provided some general information in regards to how large they estimate the market. The following chart is the data provided by Management during the Company's February 14, 2007, second quarter earnings conference call:

	Number of Locations
Supermarkets	30,000
Grocery Stores	10,000
Convenience Stores	145,000
Suppliers	>2,000 perishable suppliers with 30-50 retail customers
Large Specialty Retailers	1,319 with 594,000 locations
Small Specialty Retailers	1,718 with 65,000 locations

Source: http://www.parkcitygroup.com/investor_relations.htm Investors presentation link.

Strategy

In addition to the deployment of the SCPL model (as discussed earlier), the Company's operating strategy calls for the following key elements to occur in order to generate a sustainable revenue base, profitability, and maximization of shareholder value:

- Utilize its workforce, which has been fully trained to understand its customers' businesses, existing trends in the marketplace, and opportunities for new product development. On February 5, 2007, the Company announced it hired and deployed a new account management team consisting of three industry veterans. The team will service existing accounts, as well as seek opportunities to optimize the current suite of product offerings to the current client base. Since August 2006, the Company has added employees in data analytics, account management, finance, and product development and has over 40 employees in seven U.S. states and Bangalore, India.
- Increase awareness of its technology solutions and services by attending industry trade shows, conduct direct marketing programs, publish industry trade articles and white papers, as well as participate in interviews and selectively advertise in industry publications. During January 2007, the Company attended the 96th Annual National Retail Federation Convention and Expo in New York.
- Obtain customers that have the potential for expansion within the organization. On August 15, 2006, the Company announced it expanded its relationship with Tesco Lotus, the leading consumer goods retailer in Thailand. The expanded relationship comes off the success of its production planning project, with the new agreement adding additional consulting services, as well as the broadening of the use of additional software applications (i.e., Labor Scheduler, Category Management, Profit Optimization, and Computer Assisted Ordering tools). On January 29, 2007, the Company announced that it installed its TimeMeter component in the new Delano's store in Mill Valley, California and the plan is to continue installing the software in the remaining seven stores in the San Francisco Bay area.

- Continue to work with Tesco-Lotus on rolling out Fresh Market Manager (FMM). During the Company's second quarter earnings conference call Management stated that Tesco-Lotus would like to implement this offering in its stores worldwide beginning in Malaysia and Hungary. This means Management will be implementing this roll out in a strategic and profitable manner since the primary focus is the sales and marketing of Supply Chain Profit Link software offering.
- Exploit competitive advantages, which includes:
 - Management's rich retail heritage and the successful use of these tools in Mr. Fields' (the Company's CEO) prior business (Mrs. Fields Cookies); and
 - Patented solutions that have been designed and developed by experienced retail market professionals for retail professionals.
- Seek partnerships towards the development of new and emerging retail technologies with university researchers. On December 21, 2006, the Company announced such a partnership with the Information and Decision Algorithm (IDeA) Laboratories at Brigham Young University. The relationship with IDeA should enable Park City Group to significantly add to the Company's existing portfolio of patented intellectual property, which in turn should benefit customers through the improvement of forecasting algorithms.

IDeA Labs is backed by the National Science Foundation. Academic researchers in IDeA Labs' Retail and E-Business Laboratory are working with professionals from Park City Group to accelerate the development of new products for bricks-and-mortar retailers and e-commerce operations.

- Defend its intellectual property. On October 31, 2006, the Park City Group announced it is aggressively defending its patented labor management method and process, in a patent infringement litigation lawsuit against Workbrain Corporation. Workbrain based in Toronto, Canada, markets total Workforce Management including a workforce scheduling component the Park City Group alleges infringes on its U.S. Patent No. 5,111,391. According to the press release, the Company has previously and successfully defended this patent in prior infringement situations with a number of major software companies.

Financial Results

Fiscal 2006 versus fiscal 2005

For the twelve-month period ended June 30, 2006, versus the twelve-month period ended June 30, 2005:

- Total revenue was \$7.085 million versus \$3.632 million.
- Gross margin was 77.61% versus 60.11%;
- EBITDA was \$2.601 million versus an EBITDA loss of \$1.942 million;
- Total operating expenses decreased to \$3.186 million versus \$4.413 million; and
- Net income was \$1.394 million or \$0.22 per diluted share versus a net loss of \$5.489 million or (\$0.62) per share.

The Company reported that total revenue increase by 195.1% on a year-over-year basis, which resulted from growth in software license sales by 655.6%, due to a new customer purchasing a one-time non-recurring Fresh Market Manager license in the first quarter of fiscal 2006 that accounted for \$2.630 million of the total. Mitigating the overall increase in the top line was a small decline in maintenance and support revenue to \$2.272 million versus \$2.312 million in fiscal 2005.

We believe the increase in gross margin for the fiscal year of 1,750 basis points was primarily attributable to the increase in software license sales, which occurred during the first quarter of fiscal 2006. On a year-over-year basis, overall operating expenses decrease in aggregate by \$1.227 million. As a percentage of total revenue, operating expense declined to 44.97% versus 121.50% in fiscal 2005.

For fiscal 2006, interest expense decreased to \$0.884 million from \$1.178 million, due to the retirement of a note payable with proceeds from operations and the conversion of the note payable with Riverview Financial into common stock. Investors should note that average shares increased to 6.263 million in fiscal 2006 versus 5.489 million in fiscal 2005. The increase was due to a private placement (done by Taglich Brothers – see balance sheet section for details) of shares during the fourth quarter, which caused full year shares outstanding to increase to 8.931 million versus 5.651 million at the end of fiscal 2005.

First Quarter of fiscal 2007 versus the same period last year

For the three-month period ended September 30, 2006, versus the three-month period ended September 30, 2006:

- Total revenue was \$0.586 million versus \$3.699 million.
- Gross margin was 38.60% versus 89.06%;
- EBITDA loss was \$0.492 million versus an EBITDA loss of \$0.069 million;
- Total operating expenses decreased to \$0.801 million versus \$0.832 million; and
- Net loss was \$0.544 million or (\$0.06) per share versus net income of \$2.165 million or \$0.38 per diluted share.

The year-over-year decline in revenue of 84.2% resulted from no software license sales during the current period versus one large software license sale in the first quarter of fiscal 2006 that totaled \$2.630 million. According to the first quarter 10-Q filing, this type of sales pattern is characteristic of the Company's history of lumpy software license sales, which is due to the lengthy sales cycle. Also contributing to the revenue decline was:

- Lower maintenance and support revenues of \$0.160 versus the same period last year, due to the loss of three maintenance customers, who have transitioned from a maintenance contract and engaged the Company to run their software on PCYG's server platform. Also, one customer reduced the number of stores they operated resulting from filing for bankruptcy;
- Lower application server provider (ASP) revenue of \$0.028 million versus the same period last year. The lower revenue in this segment was due to the loss of two customers; and
- Lower consulting and other revenue of \$0.295 million versus the same period last year. The lower revenue in this segment was due to completion of a large project that was begun in the first quarter of fiscal 2006, as well as the timing around current billings.

The sharp year-over-year decline in gross margin was primarily due to no software license sales in the current period versus the same period last year. Also, while total operating expenses declined in the aggregate by \$0.031 million, as a percentage of total revenue, operating expense increased to 137% versus 22%. The percentage increase was due to the overall decline in sales for the first quarter of 2007 compared to the same period last year.

Second Quarter of fiscal 2007 versus the same period last year

For the three-month period ended December 31, 2006, versus the three-month period ended December 31, 2005:

- Total revenue was \$0.561 million versus \$1.114 million.
- Gross margin was 50.01% versus 62.52%;
- EBITDA loss was \$0.713 million versus EBITDA of \$0.020 million;
- Total operating expenses increased to \$1.017 million versus \$0.851 million; and
- Net loss was \$0.737 million or (\$0.08) per share versus a net loss of \$0.355 million or \$0.06 per share.

The year-over-year decline in revenue of 49.6% resulted from only generating a small amount (\$0.025 million) of software license sales during the current period versus \$0.231 million generated in the second quarter of fiscal 2006. According to the second quarter 10-Q filing, the year-over-year decline in license revenue resulted from the Company's alteration of its business model to incorporate a recurring revenue stream through its targeted Supply Chain Profit Link strategy as previously discussed. Investors should note that Management will still pursue on a limited and closely managed basis software licenses which by their nature would exhibit a sales

pattern that can be characterized as lumpy because of the lengthy sales cycle and implementation time. Also contributing to the revenue decline was:

- Lower maintenance and support revenues of \$0.209 million versus the same period last year. The lower revenue in this segment was due to the loss of two maintenance customers and a large license client that elected not to renew approximately \$0.540 million in annual maintenance and support services;
- Lower application server provider (ASP) revenue of \$0.027 million versus the same period last year. The lower revenue in this segment was due to the loss of two customers and the aggressive program PCYG instituted to increase the number of manufacturers using the Supply Chain Profit Link software offering; and
- Lower consulting and other revenue of \$0.112 million versus the same period last year. The lower revenue in this segment was due to completion of a large project that was begun in September 2005, as well as the timing around current billings.

The sharp year-over-year decline in gross margin was primarily due to lower software license sales in the current period versus the same period last year. Also, total operating expenses increased in the aggregate by \$0.166 million, as a percentage of total revenue, operating expense increased to 181% versus 76%. The percentage increase was due to the overall decline in sales for the current period compared to the same period last year. The aggregate increase was primarily due to the hiring of additional sales and marketing personnel in order to institute its new SCPL recurring revenue model. Also, expenses increase from investor relations consulting work, payment of a recruiter for new hires in India and additional legal fees associated with a pending patent lawsuit.

We estimate that at December 31, 2006, the Company had net operating loss carryforwards in excess of approximately \$5.2 million that can be used to offset against future taxable income through 2026. According to the Company's SEC filings, no tax benefit was reported for fiscal 2006 or the first two quarter of fiscal 2007, since the potential tax benefit is offset by a valuation allowance of the same amount.

Balance Sheet as of December 31, 2006

The Company had cash and equivalents of \$1.423 million versus \$3.517 million as of June 30, 2006, and working capital of \$0.806 million, which was a decrease from a working capital of \$2.534 million at the end of fiscal 2006. The decrease in working capital was primarily due to a lower cash balance that resulted from the net loss from operations during the first half of fiscal 2007. Cash burn experienced during the first half of the fiscal year amounted to approximately \$1.145 million. Total assets were \$3.275 million, which was a decrease from \$4.826 million at the end of fiscal 2006.

At the end of the second quarter of fiscal 2007, the Company had total liabilities of \$3.119 million (including long-term debt of \$1.873 million), an accumulated deficit of \$20.454 million, and total shareholders' equity of \$0.156 million. At the end of fiscal 2006, the Company had total liabilities of \$3.345 million (including long-term debt of \$1.843 million), an accumulated deficit of \$19.173 million, and total shareholders' equity of \$1.482 million.

Investors should be aware of the following transaction that helped build its June 30, 2006, cash position:

- During June 2006, the Company raised gross proceeds of approximately \$5.0 million (net proceeds were nearly \$4.6 million) through a private placement to accredited investors of approximately 1.818 million shares of newly issued common stock (shares reflect the reverse stock split). **Taglich Brothers, Inc. acted as the placement agent for the transaction and received a fee of 8% of the gross proceeds and approximately 0.182 million five year warrants to purchase common stock at an exercise price of \$3.03 per share.**

According to SEC filings, the Company had approximately 0.817 million common shares in reserve to be issued upon the exercise of underlying warrants. Also, according to an SB-2/A filing on October 23, 2006, the Company was in the process of registering approximately 3.143 million common shares for resale (became effective on January 18, 2007), which includes nearly 1.818 million shares of common stock owned by selling stockholders acquired in the private offering that closed in June 2006, as well as nearly 1.325 million shares owned by one other selling stockholder. Investors should be aware that the Company will not receive any process from the resale of common stock.

In the past, the Company has financed its operations through operating revenues, loans from Directors, Officers, and stockholders, loans from the CEO and private placements of equity securities. However, through the most recent private placement liabilities were reduced to approximately \$3.345 million from approximately \$8.773 million in fiscal 2005. Additionally, loans were converted to common stock. The Company has a bank facility equal to 75% of its outstanding accounts receivable up to 120 days with a maximum of \$0.200 million. As of December 31, 2006, the Company had no outstanding borrowings under this credit facility. Management believes there is sufficient working capital on hand to allow the Company to achieve its Supply Chain Profit Link objectives, bring to market enhancements to existing products currently still in development, and provide sufficient cash flow to fund shortfalls in cash generated from operations in 2007. **We believe the Park City Group, based on the current cash burn rate during the first half of fiscal 2007, may only have enough cash on hand through June 30, 2007. However, this concern could be alleviated if sufficient momentum is achieved in terms of the number of engagements Park City Group signs by June 30, 2007, since cash is likely to run ahead of revenues (see prior description of the SCPL model).**

If cash generated from operations is insufficient to satisfy future liquidity requirements, additional financing may be required in the form of selling additional public or private equity securities or obtain debt financing. Investors need to be aware that financing may not be available at all or, if available, may not be obtainable on favorable terms. If needed capital is not available when required, the Company may be required to reduce the scope of planned operations, which would negatively impact operations. Investors also need to be cognizant that additional financing may be dilutive to existing stockholders current ownership stake in the Company.

Outlook

We believe momentum should build as the Company focuses on its Supply Chain Profit Link offering and associated business analytic services. However, investors should be cognizant that in the near term it will take time to build on the level of engagements for the Company's SCPL offering. Management stated in the second quarter earnings conference call that positive sequential top line results may not commence until the fourth quarter of fiscal 2007 (the three month period ending June 2007).

Management has publicly stated the following:

- During the second quarter (according to the Company's 10-Q filing), the number of SCPL clients increased by adding three new suppliers and one new retailer;
- On April 2, 2007, Park City Group announced that at the end of the second quarter ending December 31, 2006 (fiscal 2007), it was working on 3 categories with 2 supermarket retailers and that by late-March that number had increased to 19 categories with 6 retailers;
- The Company's first retailer that used the trial of SCPL expanded to seven paid engagements. It is important to note that a retailer is likely to add between 12 to 20 categories per year, based on Managements near-term experience it could trend more to the higher end;
- Three current suppliers are making introductions to additional retailers;

- Two retailers are currently in the trial phase and two U.S. supermarket chains have approved the program and intend to start the trial phase during April 2007. The following table should give investors perspective as to the Top 10 U.S. Food Retailers:

Rank	Company	Stores	Est. Sales in \$ Billions
1	Supervalu	4,227	\$61.20
2	Kroger Co.	4,296	\$59.90
3	Safeway	1,802	\$38.60
4	Ahold USA Retail	1,048	\$22.60
5	Publix Super Markets	875	\$20.10
6	Delhaize America	1,542	\$16.60
7	Meijer, Inc.	171	\$12.50
8	H.E. Butt Grocery	304	\$11.60
9	Wakefern Corp.	169	\$9.10
10	Winn-Dixie Stores	587	\$8.50

Source: http://www.parkcitygroup.com/investor_relations.htm Investors presentation link.

Four of the top 10 are current clients of Park City Group;

- The goal is to obtain engagements with 30 to 40 of the top 100 retailers for SCPL offering. This will get Park City Group to a market dominate position with retailers quicker than selling Fresh Market Manager licenses. Although, once market dominance is achieved the Company has not given up the opportunity to up sell a Fresh Market Manager license to users of SCPL;
- It intends to make regular announcements related to the number of new engagements obtained in a given period;
- Expansion of the Company's Pacific Rim development team has occurred, by adding three additional quality assurance and business analytic staffing in India that will support growth in future periods; and
- Tesco would like to implement Fresh Market Manager in its stores worldwide. This will likely occur but on a slow and steady basis in order not to take away resources from the full development of SCPL offering.

Under the SCPL model, the Company believes that consulting revenue will increase in future periods as a result of its business metrics and analytics offering and that the number of engagements per customer will ramp up on a quarterly basis.

Projections

In the near term, for fiscal 2007 (ending June 30, 2007), we are forecasting total revenue of \$2.561 million, an EBITDA loss of \$2.526 million, and a net loss of \$2.682 million or (\$0.30) per share. For the six month period ended December 31, 2006, the Company reported total revenue of \$1.147 million, an EBITDA loss of \$1.205 million, and a net loss of \$1.281 million or (\$0.14) per share.

Our forecast for the second half of fiscal 2007, calls for total revenue of \$0.545 million and \$0.870 million in the Company's fiscal third and fourth quarters, respectively. Our top line forecast for sequential growth during the second half on fiscal 2007 is based on the previously described change in strategic focus towards the Company's recurring revenue subscription model for the Supply Chain Profit Link offering and associated business analytic services that enhance the product. The only public numbers available for SCPL are that the number of engagements grew from three as of December 31, 2006 to nineteen as of late-March 2007.

To reiterate, the model for the SCPL offering is an upfront annual subscription fee that will be amortized over a twelve months (this means cash should run ahead of revenue). Management has publicly stated that the

metric for this offering will be the term engagement (defined as one retailer or supplier managing one product category which can be a perishable or non-perishable product); therefore, the more engagements that occur the higher the revenue should be in future periods. Also, according to the Company's second quarter conference call, an update will be provided in upcoming months as to the actual growth in the number of engagements Park City has under management. Also, investors should note that Management has not yet determined the line item on the income statement where the revenue garnered from SCPL will appear. Until a decision by the Company is publicly announced the revenue from SCPL in this report will be included on the consulting and other line of the income statement.

While public information is limited as to the number of engagements, based on the Company's strategy and revenue model, which includes the viral marketing of SCPL, we have attempted to estimate the number of engagements in future periods as shown in the following table:

Projected Number of Engagements Generating Revenue by the end of each Qtr					
Q3 '07	Q4 '07	Q1 '08	Q2 '08	Q3 '08	Q4 '08
18	45	68	117	176	222

Taglich Brothers estimates

Investors need to be aware that these estimates are preliminary and are likely to change as additional public information becomes available, which is why our estimates for fiscal 2008 (which follow below) are preliminary and could differ materially from actual results.

Based on our estimate of engagements for the SCPL offer, the Company's overall viral marketing strategy, revenue model, and relationship with Tesco-Lotus, we are forecasting total revenue for fiscal 2008 of \$7.395 million, EBIDTA of \$0.175 million, and net income of \$0.015 million or \$0.00 per share. Our forecast for fiscal 2008 is comprised of the following:

- Gross margins of 68.90%, which is an improvement from our estimate of 47.86% for fiscal 2007. The improvement should result from the revenue mix that includes a significant ramp from the SCPL offering;
- Overall operating expenses of \$5.060 million versus our estimate of \$3.927 million for fiscal 2007. However, as a percentage of total revenue, operating expenses will see an improvement to 68.42% versus our forecast of 153.34% for fiscal 2007. The year-over-year percentage improvement should result from an increase in total revenue;
- No recorded income taxes due to the losses and over 5.2 million in net operating loss carryforwards for Federal income tax reporting purposes; and
- Average shares of approximately 9.225 million in fiscal 2008.

It is important for investors to be aware that quarterly top line results could fluctuate materially from our forecasts primarily due to: 1) the timing of new engagements for SCPL; 2) amount of consulting work associated with each engagement; and 3) the size and implementation of a Fresh Market Manager or ActionManager license. We believe in the future that the best way to identify growth in the Company's top line is to evaluate a given twelve-month period, which should eliminate variances that might occur in any one particular quarter.

An additional caveat relates to the Company's cash burn (we estimate approximately \$0.660 million per quarter through the end of fiscal 2007) relative to cash on hand. As of December 31, 2006, the Company had cash on hand of \$1.423 million. Based on our forecast, the Company may only have enough cash on hand through the end of fiscal 2007. **If cash generated from operations is insufficient to satisfy future liquidity requirements, additional financing may be required in the form of selling additional public or private equity securities or obtain debt financing. However, since cash should run ahead of revenue (based on the SCPL annual subscription model) if the number of engagements rises sufficiently over the next two quarters the Company may not need to raise additional funds.**

Investors should be cognizant that based on our financial forecast, cash burn should turn to cash generation by the third quarter of fiscal 2008 (see page 29 for fiscal 2008 model).

Management

Randall K. Fields – Chairman of the Board and Chief Executive Officer: Randall Fields has served as the Company's CEO and Chairman of the Board since June, 2001. Mr. Fields founded the Company in 1990 and has been responsible for the strategic direction of PCYG since its inception. He is also the Co-founder of Mrs. Fields Cookies with his then wife, Debbi Fields. He served as Chairman of the Board of Mrs. Fields Cookies from 1978 to 1990. Mr. Fields received a Bachelor of Arts degree and a Masters of Arts degree from Stanford University. He was a Danforth and National Science Foundation Fellow.

William Dunlavy – Chief Financial Officer and Secretary: William Dunlavy has served as the Company's Chief Financial Officer and Secretary since August 2004. Mr. Dunlavy joined Fresh Market Manager LLC in 1999 as its Chief Operating Officer and continued in the same capacity with the acquisition of Fresh Market Manager LLC in 2001. He has been responsible for the design of the business functionality in the Fresh Market Manager product in addition to his business operations activities for Park City Group. His prior experience includes serving as Chief Operating Officer of Mrs. Fields Cookies, Director of Operations at Golden Corral Family Restaurants, Head of Fresh Foods at Harris Teeter, Inc., and Head of Fresh Foods at Raley's and Bel Air Supermarkets.

Robert Hermanns – Senior Vice President: Robert Hermanns joined the Company during March 2007 as Senior Vice President with responsibility for U.S. customer relations and corporate development. Mr. Hermanns will also become a member of the Park City Group Board of Directors. He has over 40 years experience in all phases of retail and wholesale grocery operations. His experience includes serving as President, CEO, and Vice Chairman of the Board of Directors of Associated Grocers, Inc. and as Chief Operating Officer of Weis Markets, Inc. Additionally, Mr. Hermanns had served on the Board of Directors of Food Marketing Institute, Western Association of Food Chains, and Western Family Foods. He earned a BS degree in Food Marketing from Western Michigan University and an MBA from the University of Southern California.

Shaun Broadhead – Vice President of Research and Development: Shaun Broadhead joined the Company in late 1990s. Mr. Broadhead is responsible for all the development activities for Park City Group. His team does the design and coding of the products. He is the primary driver for developing new patents and is the coordinator of the activities surrounding the creation of new products concepts.

Carolyn Doll – Vice President of Training and Education: Carolyn Doll has extensive experience in the software industry managing Customer Support, Education and Product Management for Integral, ASK Computer Group, Cincom Systems, Walker Interactive Products, and Interactive Systems, Inc. Her retail experience comes from working with Marshall Fields. Ms. Doll holds a B.A. in Psychological Consultation and Speech Communications and a M.A. in Organizational Communication from the University of Iowa.

Russ Ruby -- Vice President: Russ Ruby has twenty-five years of experience in operations, merchandising, and brand/category management. His prior experience includes serving as Vice President of Sales & Marketing at Larry's Markets, Vice President of Retail Development at NCH Marketing Services, Vice President of Sales and Merchandising at Peapod, and Vice President of U.S. Sales at President's Choice International. Mr. Ruby has a B.S. in Marketing from Indiana University and a M.S. in Food Marketing from St. Joseph University.

Risks

Potential Losses

The Company has incurred losses in the past and there can be no assurance that it will continue to operate at a profit in the future. If losses were to reoccur, it could result in a reduction of operations,

Park City Group, Inc.

For the years ended June 30, 2006 and June 30, 2005, Park City Group experienced net income of \$1.394 million and a net loss of \$3.408 million, respectively. According to Management, there can be no assurance that the Company will operate at a profit during future fiscal years. If it does not operate profitably in the future the current cash position will be used to fund operating losses. Therefore, in order to continue with current operations, it would need to raise additional capital.

Fluctuation of Operating Results

Management expects a portion of the Company's revenue stream to come from license sales to new customers, which will fluctuate since sales to retailers are difficult to predict, in terms of magnitude and timing. In addition, the Company may potentially experience significant fluctuations in future operating results caused by a variety of factors, many of which are outside of its control, including:

- Demand for and market acceptance of new products;
- Introduction or enhancement of products and services by the Company or its competitors;
- Capacity utilization;
- Technical difficulties, system downtime;
- Fluctuations in data communications and telecommunications costs;
- Retention of maintenance subscribers;
- The timing and magnitude of capital expenditures and requirements;
- Costs relating to the expansion or upgrading of operations, facilities, and infrastructure;
- Changes in pricing policies and those of competitors;
- Changes in regulatory laws and policies; and
- General economic conditions, particularly those related to the information technology industry.

Liquidity and Capital Requirements

The Company completed (during its fiscal fourth quarter of 2006) the sale of shares of its common stock from which was received gross proceeds of \$5.0 million (net proceeds were nearly \$4.6 million). Management anticipated it will have adequate cash resources to fund operations for the next twelve-months. Thereafter, liquidity and capital requirements will depend upon numerous other factors, including the following:

- The extent to which products and services gain market acceptance;
- The progress and scope of product evaluations;
- The timing and costs of acquisitions and product and services introductions;
- The extent of ongoing research and development programs; and
- The costs of developing marketing and distribution capabilities.

In the future, if the Company is required to seek additional financing in order to fund operations and carry out its business plan, there can be no assurance that such financing will be available on terms deemed to be commercially acceptable, as well as in the Company's best interests, or at all.

Blank Check Authorization of Preferred Stock

The Company's certificate of incorporation currently authorizes the issuance of up to 30.0 million shares of blank check preferred stock with designations, rights, and preferences as may be determined from time to time by the Board of Directors. The Board is empowered, without stockholder approval, to issue one or more additional series of preferred stock with dividend, liquidation, conversion, voting, or other rights that could dilute the interest of, or impair the voting power of, common stockholders. The issuance of a series of preferred stock could be used as a method of discouraging, delaying, or preventing a change in control.

Attract and Retain Qualified Personnel

Success will likely depend on Management's ability to identify, attract, hire, train, retain, and motivate various employees, including skilled software development, technical, managerial, sales, marketing, and customer service personnel. Competition for such employees is likely to be intense and the Company may be unable to attract or

retain such professionals. If these types of professionals are not hired or retained after being hired, future results and organic growth could be negatively impacted.

Shareholder Control

According to the Company's 10-K filing, Randall K. Fields its CEO controls approximately 48.5% of Park City Group's common stock. Other officers and directors control approximately 6.9% of the Company's common stock. Therefore, the Company's CEO, officers, and directors combined will be able to significantly influence all matters requiring approval by stockholders, including the election of directors and significant corporate transactions.

Reliance on the Company's CEO and Chairman

Park City Group's success depends heavily upon the continued technical and management contributions of Randall K. Fields, whose knowledge, leadership and expertise would be difficult to replace.

Related Party Transactions

In March 2006, the Company obtained a Note Payable from a bank in the amount of \$1.940 million. Riverview Financial Corporation, a wholly owned affiliate of the Company's CEO, currently is the guarantor and receives a fee of 3.0% of the outstanding balance of the note payable as consideration for the guarantee.

The Company has a revolving line of credit with Riverview to cover short-term cash needs pursuant to a promissory note payable. The credit facility has a maximum draw amount of \$0.800 million and bears interest at 12% with a fee for advances. Repayments are made as funds are available, with a due date of June 15, 2007.

The Company had a note payable to Riverview Financial Corporation; however, in March 2006 the note payable and accrued interest was converted to 1,324,693 shares of common stock.

Shift in Revenue Mix

Historically, the Company offered its software applications and related maintenance contracts to new customers on a one-time upfront license strategy and provided an option for annually renewing of their maintenance agreements. Due to the fact that the one-time licensing fee approach was subject to inconsistent and unpredictable revenues, the Company began offering prospective customers an option for monthly licensing of these products. Under this option, customers may now choose to acquire the software in an application solution provider basis, resulting in monthly charges for use of the software and maintenance. The conversion from a onetime, non-recurring licensing strategy to monthly-based fees is subject to the following risks:

- Customers may prefer one-time fees rather than monthly fees;
- Because public awareness pertaining to application solution provider services will be delayed until the commencement of the marketing campaign to promote those services, revenues may decrease over the short term; and
- There maybe a threshold level (number of locations) at which the monthly based fee structure may not be economical to the customer and a request to convert from monthly fees to annual fee could occur.

Emerging Technologies

The markets for the Company's type of software products are characterized by continual development of new software, software solutions, or enhancements, rapidly evolving technological change, as well as unanticipated changes in customer needs.

Customer Concentration

During fiscal 2006, the Company received approximately \$4.57 million of its revenue from new customers and approximately \$2.5 million in revenue from existing customers for continued support and additional license sales.

Also, one customer in fiscal 2006 and two customers in fiscal 2005 exceeded 10% of the Company's total revenue.

Management believes that existing customers may continue to account for a substantial portion of total revenues in future reporting periods, as it transitions to its Supply Chain Profit Link platform. The ability to retain those customers and attract new customers will depend on a variety of factors, including the relative success of marketing strategies and the performance, quality, features, and price of current and future products. Therefore, if customer accounts are lost or customer orders decrease, revenues and operating results may be negatively impacted. Additionally, the Company has experienced the loss of long term maintenance customers, as reliability and dependability of the product requires less maintenance on a long-term basis.

Growth Management

Investors need to be aware that as the Company becomes increasingly successful, it must meet the challenges associated with growth. If the Company is not successful in meeting these challenges, its business will be adversely impacted.

Federal Reserve

Investors should be aware that if the Federal Reserve were to resume increasing interest rates (during their August, September, October, and December 2006 meetings, as well as January, February, and March 2007 meetings the Federal Reserves Open Market Committee did not increase the federal funds target rate by 25 basis points as it did seventeen of its previous meetings), it is likely to have a negative impact on valuation multiples.

Protection of Intellectual Property Rights

Management seeks to protect software, documentation, and other written materials primarily through a combination of patents, trademarks, copyright laws, trade secret laws, confidentiality procedures, and contractual provisions. While attempting to safeguard and maintain proprietary rights, there can be no assurances Management will be successful in doing so, since competitors may independently develop or patent technologies that are substantially equivalent or superior.

Also, despite efforts to protect proprietary rights, unauthorized parties may attempt to copy aspects of the Company's products or obtain and use information that is regarded as proprietary. Policing unauthorized use of its software products is difficult and while Management may be unable to determine the extent to which piracy exists software piracy can be expected to be a persistent problem, particularly in foreign countries where the laws may not protect proprietary rights as fully as the United States. No assurance can be give that the Company's means of protecting its proprietary rights will be adequate or that competitors will not reverse engineer or independently develop similar technology.

Competition

Many of the Company's potential competitors are larger and have greater financial and operational resources. This may allow them to offer better pricing terms to customers in the industry, which could result in a loss of potential or current customers or could force a reduction in prices.

Corporate Governance

Wall Street has increased its focus on corporate governance and placed increased emphasis on the accountability of Management and Directors to shareholders. Investors are also increasingly considering executive compensation and familial relationships. The above factors have brought about the passage of the Sarbanes-Oxley Act of 2002 by Congress and signage by the President. Corporate governance may be an issue facing the Company in light of new rules and regulations being issued by government regulatory agencies. This could mean that the Company will eventually be required to hire additional personnel in order to diversify various operational, management, and compliance functions, as well as spend monies to comply with the various aspects of the Act.

Legal Issue

The Company has filed a lawsuit against Workbrain Corporation titled Park City Group, Inc. vs. Workbrain Corporation, which is pending in the Federal District Court for the District of Utah. The Company claims that Workbrain Corporation is infringing upon its patent #5,111,391. The Company will vigorously pursue this matter.

Miscellaneous Risk

The Company's financial results and equity values are subject to other risks and uncertainties known and unknown, including but not limited to competition, operations, financial markets, regulatory risk, and/or other events. These risks may cause actual results to differ from expected results.

Trading Volume

Liquidity is a potential concern. Based on our calculations, the average daily-volume for calendar 2005 was 3,690 shares. During calendar 2006 average daily volume increased to 7,754 shares traded a day. Investors need to be aware that by nature a thinly traded equity can have significant price volatility. The OTC BB is a market that is relatively thinly traded as compared to the NASDAQ markets, AMEX, and NYSE. This may present increased risk and liquidity concerns to shareholders.

Conclusion

We are initiating coverage of Park City Group, Inc. (OTC BB: PCYG) with a Speculative Buy rating and a twelve-month price target of \$3.40 per share based on our forecast for total revenue for fiscal 2008 (ending June 30, 2008).

In our view, a fair valuation for this equity should emerge as investors see evidence of consistently growing top line results and a move towards profitability, which should be accomplished based on:

- The Company's viral marketing strategy for its Supply Chain Profit Link offering;
- Leveraging the Company's business analytics unit in order to enhance the SCPL offering by turning data into actionable information; and
- Increasing the number of engagement per retailer and increasing the number of suppliers utilizing the SCPL offering.

We have established a twelve-month price target based on the following valuation models, discounted by 30% to account for microcap risk along with Company specific risks discussed earlier:

- A 6.1X price-to-sales multiple, which is the trailing twelve-month multiple (as of 4/09/07) for the Software and Programming Industry (according to reuters.com), applied to our total revenue estimate of \$0.80 per share for fiscal 2008.

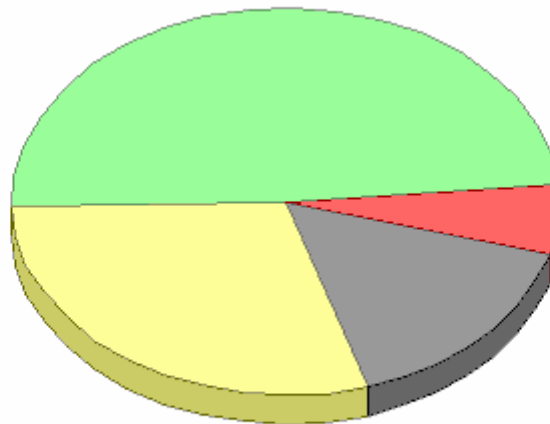
It is our view that an investment in the shares of PCYG is only suitable for highly risk tolerant investors that can withstand the ups and down of a Company that is in the process of building a foundation for future growth. The risks that investors should be aware of include:

- Cash burn;
- Development of a annual subscription model for SCPL application;
- Revenue mix;
- Potential losses from operations;
- Low daily trading volume; and
- Liquidity and capital requirements.

Park City Group, Inc.



Taglich Brothers Current Ratings Distribution



■ 49.02 % Buy ■ 29.41 % Hold ■ 15.69 % Not Rated ■ 5.88 % Sell

Investment Banking Services for Companies Covered in the Past 12 Months		
<u>Rating</u>	<u>#</u>	<u>%</u>
Buy	2	6.90%
Hold	0	0
Sell	0	0
Not Rated	0	0

Meaning of Ratings

Buy

We believe the Company is undervalued relative to its market and peers. We believe its risk reward ratio strongly advocates purchase of the stock relative to other stocks in the marketplace. Remember, with all equities there is always downside risk.

Speculative Buy

We believe that the long run prospects of the Company are positive. We believe its risk reward ratio advocates purchase of the stock. We feel the investment risk is higher than our typical “buy” recommendation. In the short run, the stock may be subject to high volatility and continue to trade at a discount to its market.

Neutral

We will remain neutral pending certain developments.

Underperform

We believe that the Company may be fairly valued based on its current status. Upside potential is limited relative to investment risk.

Sell

We believe that the Company is significantly overvalued based on its current status. The future of the Company's operations may be questionable and there is an extreme level of investment risk relative to reward.

Some notable Risks within the Microcap Market

Stocks in the Microcap segment of the market have many risks that are not as prevalent in Large-cap, Blue Chips or even Small-cap stocks. Often it is these risks that cause Microcap stocks to trade at discounts to their peers. The most common of these risks is liquidity risk, which is typically caused by small trading floats and very low trading volume which can lead to large spreads and high volatility in stock price. In addition, Microcaps tend to have significant company specific risks that contribute to lower valuations. Investors need to be aware of the higher probability of financial default and higher degree of financial distress inherent in the microcap segment of the market.

From time to time our analysts may choose to withhold or suspend a rating on a company. We continue to publish informational reports on such companies; however, they have no ratings or price targets. In general, we will not rate any company that has too much business or financial uncertainty for our analysts to form an investment conclusion, or that is currently in the process of being acquired.

Public Companies mentioned in this report:

Wal Mart (NYSE: WMT)
Costco (NasdaqGS: COST)
Target (NYSE: TGT)

* The information and statistical data contained herein have been obtained from sources, which we believe to be reliable but in no way are warranted by us as to accuracy or completeness. We do not undertake to advise you as to changes in figures or our views. This is not a solicitation of any order to buy or sell. Taglich Brothers, Inc. is fully disclosed with its clearing firm, Pershing, LLC, is not a market maker and does not sell to or buy from customers on a principal basis. The above statement is the opinion of Taglich Brothers, Inc. and is not a guarantee that the target price for the stock will be met or that predicted business results for the company will occur. There may be instances when fundamental, technical and quantitative opinions contained in this report are not in concert. We, our affiliates, any officer, director or stockholder or any member of their families may from time to time purchase or sell any of the above-mentioned or related securities. Analysts and members of the Research Department are prohibited from buying or selling securities issued by the companies that Taglich Brothers, Inc. has a research relationship with, except if ownership of such securities was prior to the start of such relationship, then an Analyst or member of the Research Department may sell such securities after obtaining expressed written permission from the Director of Research. As of April 10, 2007, Michael Taglich, President, and Robert Taglich, Managing Director, each own 89,860 shares and 72,727 shares, respectively, of PCYG restricted common stock. Taglich Brothers, Inc. has an Investment Banking relationship with the company. As of September 12, 2006, Michael Taglich and Robert Taglich, each own 48,231 warrants that were attained from a private placement for the company in June 2006. Also, Michael Taglich owns or has a controlling interest in 65,000 common shares. Doug Hailey, Director of Investment Banking, owns 13,636 warrants that were attained from a private placement for the company in June 2006. Robert Schroeder, Vice President of Investment Banking, owns 40,000 warrants that were attained from a private placement for the company in June 2006. Vincent Palmieri, Vice President of Capital Markets, owns 10,000 warrants that were attained from a private placement for the company in June 2006. Michael Brunone, Executive Vice President, owns or has a controlling interest in 7,000 warrants that were attained from a private placement for the company in June 2006. Russell Bernier, Vice President of Institutional Sales, owns 4,720 warrants of PCYG that were attained from a private placement for the company in June 2006. Richard Oh, Managing Director and Director of Research, owns 10,000 warrants that were attained from a private placement for the company in June 2006. In June 2006, Taglich Brothers, Inc. raised \$5,000,000 for the company through a private placement of 1,183,149 shares of unregistered common stock. All research issued by Taglich Brothers, Inc. is based on public information. The company paid for the creation and dissemination of research reports for the first year a monetary fee of \$21,000 (USD) on September 2006, and after the first year of publication will pay a monthly monetary fee of \$1,750 (USD) to Taglich Brothers, Inc., for the creation and dissemination of research reports.

I, Howard Halpern, the research analyst of this report, hereby certify that the views expressed in this report accurately reflect my personal views about the subject securities and issuers; and that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this report.

Park City Group, Inc.
Consolidated Balance Sheets*
(in thousands)

	June 2005 Full Year	June 2006 Full Year	Sept. 2006 1st Qtr End	Dec. 2006 2nd Qtr End
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 210	\$ 3,517	\$ 2,611	\$ 1,423
Receivables, net of allowances	327	103	114	202
Other receivables	29	238	250	179
Prepaid expenses and other current assets	37	174	199	248
Total current assets	603	4,032	3,175	2,052
Property and equipment, net	110	85	84	327
Deposits and other assets	25	30	28	43
Capitalized software costs, net	332	680	738	853
Total assets	\$ 1,070	\$ 4,826	\$ 4,025	\$ 3,275
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	628	112	218	321
Accrued liabilities	317	230	179	403
Deferred revenue	883	649	413	108
Current portion of capital lease obligations	23	17	14	13
Derivative liability	-	490	433	401
Related party payable lines of credit	620	-	-	-
Related party accrued interest	848	-	-	-
Related party notes payable, net of discount	333	-	-	-
Notes payable, net of discounts	1,945	-	-	-
Total current liabilities	5,597	1,497	1,259	1,246
Long-term note payable, net of discount	-	1,843	1,860	1,873
Long-term related party note payable, net of discount	3,173	-	-	-
Capital lease obligations, less current portion	2	5	2	-
Stockholders' equity:				
Common stock, \$0.01 par value; authorized 50,000,000 shares	57	89	89	89
Additional paid-in capital	12,807	20,565	20,532	20,520
Accumulated deficit	(20,566)	(19,173)	(19,717)	(20,454)
Total stockholders' equity	(7,703)	1,482	904	156
Total liabilities and stockholders' equity	\$ 1,070	\$ 4,826	\$ 4,025	\$ 3,275
SHARES OUT	5,651	8,931	8,931	8,931

* Totals may not add due to rounding

Park City Group, Inc.
Annual Income Statement Model
For the Years Ended June 30,
(in thousands)

	FY2004A	FY2005A	FY2006A	FY2007E	FY2008E
Software licenses	3,246	480	3,627	175	650
Maintenance and support	2,274	2,312	2,272	1,495	1,630
Application server provider	-	104	182	95	120
Consulting and other	510	736	1,004	795	4,995
Total Revenues	<u>6,030</u>	<u>3,632</u>	<u>7,085</u>	<u>2,561</u>	<u>7,395</u>
Cost of revenues	1,367	1,449	1,587	1,335	2,300
Gross Profit	<u>4,663</u>	<u>2,183</u>	<u>5,499</u>	<u>1,226</u>	<u>5,095</u>
<i>Gross Margins</i>	77.34%	60.11%	77.61%	47.86%	68.90%
Operating Expenses:					
Research and development	1,176	1,019	292	448	460
Sales and marketing	1,158	1,337	1,376	1,364	2,050
General and administrative	1,673	2,056	1,518	2,115	2,550
Total Operating Expenses	<u>4,007</u>	<u>4,413</u>	<u>3,186</u>	<u>3,927</u>	<u>5,060</u>
EBITDA	982	(1,942)	2,601	(2,526)	175
Operating Income (loss)	656	(2,230)	2,313	(2,702)	35
<i>Operating Margin</i>	20.21%	-464.87%	63.76%	-105.51%	0.47%
Other income (expense)					
Other	209	-	-	-	-
Loss on derivative liability	-	-	(35)	149	140
Interest expense	(1,540)	(1,178)	(884)	(129)	(160)
Total Other Income (expense)	<u>(1,331)</u>	<u>(1,178)</u>	<u>(919)</u>	<u>20</u>	<u>(20)</u>
Pre-Tax Income (loss)	(675)	(3,408)	1,394	(2,682)	15
<i>Pre-Tax Margins</i>	-20.81%	-710.58%	38.42%	-104.74%	0.20%
Income Tax Expense (Benefit)	-	-	-	-	-
<i>Tax Rate</i>	0.00%	0.00%	0.00%	0.00%	0.00%
Net income (loss)	<u>\$ (675)</u>	<u>\$ (3,408)</u>	<u>\$ 1,394</u>	<u>\$ (2,682)</u>	<u>\$ 15</u>
Earnings per share -- Diluted	<u>\$ (0.14)</u>	<u>\$ (0.62)</u>	<u>\$ 0.22</u>	<u>\$ (0.30)</u>	<u>\$ 0.00</u>
Avg Shares Outstanding	4,711	5,489	6,263	8,938	9,225
Percent of Revenue					
Research and development	19.51%	28.07%	4.12%	17.51%	6.22%
Sales and marketing	19.21%	36.82%	19.42%	53.28%	27.72%
General and administrative	27.74%	56.61%	21.43%	82.58%	34.48%
Interest	25.55%	32.45%	12.48%	5.05%	2.16%
YEAR / YEAR GROWTH					
Total Revenues			95.09%	-63.86%	188.79%

Park City Group, Inc.
Income Statement Model
For the Year Ended June 30, 2005
(in thousands)

	Q1(09/04)A	Q2 (12/04)A	Q3 (03/05)A	Q4 (06/05)A	FY2005A
Software licenses	162	142	150	26	480
Maintenance and support	623	659	532	499	2,312
Application server provider	12	21	29	43	104
Consulting and other	192	120	95	327	736
Total Revenues	990	941	806	895	3,632
Cost of revenues	300	352	394	403	1,449
Gross Profit	690	589	412	493	2,183
<i>Gross Margins</i>	69.67%	62.62%	51.08%	55.03%	60.11%
Operating Expenses:					
Research and development	256	251	256	256	1,019
Sales and marketing	293	382	310	352	1,337
General and administrative	310	669	378	699	2,056
Total Operating Expenses	860	1,302	944	1,307	4,413
EBITDA	(86)	(627)	(448)	(781)	(1,942)
Operating Income (loss)	(170)	(713)	(532)	(814)	(2,230)
<i>Operating Margin</i>	-104.87%	-502.94%	-355.55%	-3132.41%	-464.87%
Other income (expense)					
Interest expense	(275)	(288)	(301)	(315)	(1,178)
Total Other Income (expense)	(275)	(288)	(301)	(315)	(1,178)
Pre-Tax Income (loss)	(445)	(1,001)	(833)	(1,130)	(3,408)
<i>Pre-Tax Margins</i>	-274.18%	-706.18%	-556.21%	-4345.51%	-710.58%
Income Tax Expense (Benefit)	-	-	-	-	-
<i>Tax Rate</i>	0.00%	0.00%	0.00%	0.00%	0.00%
Net income (loss)	\$ (445)	\$ (1,001)	\$ (833)	\$ (1,130)	\$ (3,408)
Earnings per share -- Diluted	\$ (0.08)	\$ (0.18)	\$ (0.15)	\$ (0.20)	\$ (0.62)
Avg Shares Outstanding	5,382	5,450	5,547	5,577	5,489
Percent of Revenue					
Research and development	25.88%	26.65%	31.81%	28.62%	28.07%
Sales and marketing	29.65%	40.63%	38.48%	39.27%	36.82%
General and administrative	31.33%	71.07%	46.87%	78.11%	56.61%
Interest	27.74%	30.60%	37.29%	35.23%	32.45%
YEAR / YEAR GROWTH					
Total Revenues					-39.77%

Park City Group, Inc.
Income Statement Model
For the Year Ended June 30, 2006
(in thousands)

	Q1(09/05)A	Q2 (12/05)A	Q3 (03/06)A	Q4 (06/06)A	FY2006A
Software licenses	2,630	231	574	192	3,627
Maintenance and support	608	606	535	522	2,272
Application server provider	49	50	49	34	182
Consulting and other	411	227	212	155	1,004
Total Revenues	3,699	1,114	1,370	903	7,085
Cost of revenues	405	417	397	367	1,587
Gross Profit	3,294	696	973	535	5,499
<i>Gross Margins</i>	89.06%	62.52%	71.02%	59.30%	77.61%
Operating Expenses:					
Research and development	236	224	225	(393)	292
Sales and marketing	283	310	395	387	1,376
General and administrative	313	316	419	470	1,518
Total Operating Expenses	832	851	1,039	464	3,186
EBITDA	2,546	(69)	20	104	2,601
Operating Income (loss)	2,462	(154)	(66)	71	2,313
<i>Operating Margin</i>	93.59%	-66.93%	-11.55%	37.10%	63.76%
Other income (expense)					
Interest expense	(297)	(200)	(319)	(67)	(884)
Total Other Income (expense)	(297)	(200)	(319)	(102)	(919)
Pre-Tax Income (loss)	2,165	(355)	(386)	(31)	1,394
<i>Pre-Tax Margins</i>	82.30%	-153.86%	-67.22%	-15.98%	38.42%
Income Tax Expense (Benefit)	-	-	-	-	-
<i>Tax Rate</i>	0.00%	0.00%	0.00%	0.00%	0.00%
Net income (loss)	\$ 2,165	\$ (355)	\$ (386)	\$ (31)	\$ 1,394
Earnings per share -- Diluted	\$ 0.38	\$ (0.06)	\$ (0.07)	\$ (0.00)	\$ 0.22
Avg Shares Outstanding	5,680	5,670	5,730	7,972	6,263
Percent of Revenue					
Research and development	6.38%	20.09%	16.44%	-43.48%	4.12%
Sales and marketing	7.66%	27.88%	28.84%	42.87%	19.42%
General and administrative	8.47%	28.41%	30.57%	52.02%	21.43%
Interest	8.03%	18.00%	23.33%	7.46%	12.48%
YEAR / YEAR GROWTH					
Total Revenues	273.75%	18.34%	69.96%	0.86%	95.09%

* Totals may not add due to rounding

Park City Group, Inc.
Income Statement Model
For the Year Ended June 30, 2007*
(in thousands)

	Q1(09/06)A	Q2 (12/06)A	Q3 (03/07)E	Q4 (06/07)E	FY2007E
Software licenses	-	25	50	100	175
Maintenance and support	448	397	265	385	1,495
Application server provider	21	23	25	25	95
Consulting and other	116	115	205	360	795
Total Revenues	586	561	545	870	2,561
Cost of revenues	360	280	270	425	1,335
Gross Profit	226	280	275	445	1,226
<i>Gross Margins</i>	38.60%	50.01%	50.42%	51.12%	47.86%
Operating Expenses:					
Research and development	84	139	110	115	448
Sales and marketing	259	345	365	395	1,364
General and administrative	457	532	550	575	2,115
Total Operating Expenses	801	1,017	1,025	1,085	3,927
EBITDA	(492)	(713)	(715)	(605)	(2,526)
Operating Income (loss)	(575)	(736)	(750)	(640)	(2,702)
<i>Operating Margin</i>	-98.07%	-131.30%	-137.81%	-73.66%	-105.51%
Other income (expense)					
Interest expense	(26)	(34)	(35)	(35)	(129)
Total Other Income (expense)	31	(1)	(5)	(5)	20
Pre-Tax Income (loss)	(544)	(737)	(755)	(645)	(2,682)
<i>Pre-Tax Margins</i>	-92.86%	-131.47%	-138.73%	-74.23%	-104.74%
Income Tax Expense (Benefit)	-	-	-	-	-
<i>Tax Rate</i>	0.00%	0.00%	0.00%	0.00%	0.00%
Net income (loss)	\$ (544)	\$ (737)	\$ (755)	\$ (645)	\$ (2,682)
Earnings per share -- Diluted	\$ (0.06)	\$ (0.08)	\$ (0.08)	\$ (0.07)	\$ (0.30)
Avg Shares Outstanding	8,931	8,931	8,940	8,950	8,938
Percent of Revenue					
Research and development	14.41%	24.78%	20.20%	13.23%	17.51%
Sales and marketing	44.23%	61.57%	67.03%	45.43%	53.28%
General and administrative	78.04%	94.96%	101.00%	66.13%	82.58%
Interest	4.39%	5.98%	6.43%	4.03%	5.05%
YEAR / YEAR GROWTH					
Total Revenues	-84.16%	-49.65%	-60.24%	-3.70%	-63.86%

* Totals may not add due to rounding

Park City Group, Inc.
Income Statement Model
For the Year Ended June 30, 2008*
(in thousands)

	Q1(09/07)E	Q2 (12/07)E	Q3 (03/08)E	Q4 (06/08)E	FY2008E
Software licenses	125	150	175	200	650
Maintenance and support	400	405	410	415	1,630
Application server provider	30	30	30	30	120
Consulting and other	685	990	1,440	1,880	4,995
Total Revenues	1,240	1,575	2,055	2,525	7,395
Cost of revenues	450	500	600	750	2,300
Gross Profit	790	1,075	1,455	1,775	5,095
<i>Gross Margins</i>	63.71%	68.25%	70.80%	70.30%	68.90%
Operating Expenses:					
Research and development	115	115	115	115	460
Sales and marketing	425	475	550	600	2,050
General and administrative	600	625	650	675	2,550
Total Operating Expenses	1,140	1,215	1,315	1,390	5,060
EBITDA	(315)	(105)	175	420	175
Operating Income (loss)	(350)	(140)	140	385	35
<i>Operating Margin</i>	-28.22%	-8.91%	6.81%	15.26%	0.47%
Other income (expense)					
Interest expense	(40)	(40)	(40)	(40)	(160)
Total Other Income (expense)	(5)	(5)	(5)	(5)	(20)
Pre-Tax Income (loss)	(355)	(145)	135	380	15
<i>Pre-Tax Margins</i>	-28.62%	-9.23%	6.57%	15.06%	0.20%
Income Tax Expense (Benefit)	-	-	-	-	-
<i>Tax Rate</i>	0.00%	0.00%	0.00%	0.00%	0.00%
Net income (loss)	\$ (355)	\$ (145)	\$ 135	\$ 380	\$ 15
Earnings per share -- Diluted	\$ (0.04)	\$ (0.02)	\$ 0.01	\$ 0.04	\$ 0.00
Avg Shares Outstanding	8,960	8,965	9,485	9,490	9,225
Percent of Revenue					
Research and development	9.27%	7.30%	5.60%	4.55%	6.22%
Sales and marketing	34.27%	30.17%	26.76%	23.76%	27.72%
General and administrative	48.38%	39.69%	31.63%	26.73%	34.48%
Interest	3.23%	2.54%	1.95%	1.58%	2.16%
YEAR / YEAR GROWTH					
Total Revenues	111.66%	180.84%	277.37%	190.42%	188.79%

Park City Group, Inc.
Cash Flow Statement*
(in thousands)

	<u>FY2004A</u>	<u>FY2005A</u>	<u>FY2006A</u>	<u>6 Mos. 2007 A</u>
<i>Cash Flows from Operating Activities</i>				
Net Income (loss)	\$ (672)	\$ (3,408)	\$ 1,394	\$ (1,281)
Depreciation and amortization	326	338	288	106
Bad debt expense	-	358	70	12
Loss on derivative liability	-	-	35	(89)
Stock issued for services and expenses	678	677	205	-
Amortization of discounts on debt	390	178	224	31
Gain on settlement of payable	(90)	-	-	-
Gain on forgiveness of debt	(119)	-	-	-
	<u>513</u>	<u>(1,857)</u>	<u>2,216</u>	<u>(1,221)</u>
<i>Changes In:</i>				
Trade receivables	(198)	458	154	(112)
Other receivables	(65)	(29)	(209)	59
Prepays and other assets	-	169	(142)	(87)
Accounts payable	(41)	301	(516)	209
Accrued liabilities	102	(108)	(87)	173
Deferred revenue	(106)	(228)	(235)	(541)
Related party payable	(175)	-	97	-
Accrued interest, related party	33	501	(554)	-
Net changes in working capital	<u>(451)</u>	<u>1,063</u>	<u>(1,491)</u>	<u>(299)</u>
Net cash Provided by Operations	<u>62</u>	<u>(794)</u>	<u>725</u>	<u>(1,520)</u>
<i>Cash Flows from Investing Activities</i>				
Purchase of property and equipment	(57)	(35)	(22)	(282)
Capitalization of software costs	-	-	(565)	(239)
Proceeds from disposal of property	-	3	-	-
Cash Flows from Investing Activities	<u>(57)</u>	<u>(32)</u>	<u>(587)</u>	<u>(521)</u>
<i>Cash Flows from Financing Activities</i>				
Net (payments) proceeds in lines of credit	69	620	(717)	-
Offering costs associated with issuance of stock	-	-	-	(45)
Proceeds from issuances of stock, net of offering costs	239	150	4,435	-
Payment of extend note	(40)	(9)	(9)	-
Proceeds from debt	-	-	1,833	-
Payments on notes payable and capital leases	(30)	(38)	(2,373)	(9)
Net cash provided by Financing	<u>238</u>	<u>723</u>	<u>3,169</u>	<u>(53)</u>
Net change in Cash	244	(103)	3,307	(2,094)
Cash Beginning of Period	<u>69</u>	<u>313</u>	<u>210</u>	<u>3,517</u>
Cash End of Period	<u>\$ 313</u>	<u>\$ 210</u>	<u>\$ 3,517</u>	<u>\$ 1,423</u>

* Totals may not add due to rounding