



March 22, 2012

## **PFSweb Reports Fourth Quarter and Year-End 2011 Results**

**PFSweb, Inc. (Nasdaq: PFSW)**, an international provider of end-to-end web commerce solutions, today announced its financial results for the fourth quarter and year ended December 31, 2011.

“We are pleased to report that our Service Fee business segment reported record revenue for the December 2011 quarter of \$32.5 million, an increase of 50% compared to the prior year,” stated Mark Layton, Chairman and Chief Executive Officer of PFSweb. “On a year-to-date basis, service fee revenues were \$95.3 million in 2011, an increase of 35% compared to the prior year. The strong increases for the 2011 fourth quarter and yearly results were attributable to organic growth of existing clients as well as new client programs launched during the year, and included the benefit of strong holiday season ecommerce activity of our clients.”

“Our Adjusted EBITDA for the December quarter was a record \$3.9 million, resulting in Adjusted EBITDA of \$6.1 million for calendar 2011, which was within our guidance for the year. Our gross margin and SG&A results were impacted both during the fourth quarter and during the full year by certain infrastructure investments and expenses to support our growth, including incremental costs related to promotional sales events on clients’ e-commerce sites,” continued Mr. Layton.

### **Summary of consolidated results for the fourth quarter ended December 31, 2011:**

- Total revenue increased 15% to \$87.5 million for the fourth quarter of 2011, compared to \$76.3 million for fourth quarter of 2010;
- Service Fee revenue increased 50% to \$32.5 million, compared to \$21.7 million for the same period in 2010;
- Adjusted EBITDA (as defined) was \$3.9 million for the fourth quarter of 2011, compared to \$2.6 million for the same period in 2010;
- Net income was \$0.8 million, or \$0.06 per basic and diluted share, compared to a net loss of \$2.7 million, or \$0.22 per basic and diluted share, for the fourth quarter of 2010. Net income for the fourth quarter of 2011 included approximately \$0.2 million of relocation related costs. Net income for the fourth quarter of 2011 also included a \$0.3 million loss from discontinued operations related to eCOST.com, compared to a \$3.2 million loss from discontinued operations related to eCOST.com for the same period last year;
- Non-GAAP net income (as defined) was \$1.4 million, or \$0.11 per basic and diluted share, compared to Non-GAAP net income of \$0.7 million, or \$0.05 per basic and diluted share, for the quarter ended December 31, 2010;
- Total cash, cash equivalents and restricted cash was \$18.5 million as of December 31, 2011, compared to \$20.3 million as of December 31, 2010.

### **Summary of consolidated results for the year ended December 31, 2011:**

- Total revenue increased 9% to \$298.8 million, compared to \$274.5 million for the year ended December 31, 2010;
- Service Fee revenue increased 35% to \$95.3 million, compared to \$70.6 million for the year ended December 31, 2010;
- Service Fee equivalent revenue (as defined) increased 29% to \$107.1 million, compared to \$82.8 million for the year ended December 31, 2010;
- Adjusted EBITDA (as defined) was \$6.1 million, compared to \$5.5 million for the year ended December 31, 2010;
- Net loss was \$4.6 million, or \$0.36 per basic and diluted share, compared to net loss of \$7.4 million or \$0.65 per basic and diluted share, for the year ended December 31, 2010. Net loss for 2011 included approximately \$0.5 million of relocation related costs. Net loss for the year 2011 also included a \$0.9 million loss from discontinued operations related to eCOST.com, compared to a \$4.0 million loss from discontinued operations related to eCOST.com in the same period last year;
- Non-GAAP net loss (as defined) was \$2.3 million, or \$0.18 per basic and diluted share, compared to a Non-GAAP net loss of \$1.9 million, or \$0.17 per basic and diluted share, for the year ended December 31, 2010.

“Our new business pipeline remains strong and we currently anticipate continued service fee revenue growth in 2012. We are currently targeting 10 to 15 new client programs to be implemented or signed during the year, the growth from which will be partially offset by approximately 3 to 6 client programs that we currently expect will conclude or significantly reduce operations during 2012. Also, we expect further reductions in product revenue due to the impact of a reorganization by our largest client relationship in this segment. On an overall basis, we are currently targeting a year-over-year increase in service fee equivalent revenue (as defined) of approximately 20% in 2012. While we continue to make investments to support our growth, we are targeting an improved consolidated Adjusted EBITDA performance for 2012 to approximately \$8 million to \$10 million,” Mr.

Layton concluded.

## **Conference Call Information**

Management will host a conference call at 11:00 am Eastern Time (10:00 am Central Time) on Thursday, March 22, 2012, to discuss the latest corporate developments and results. To listen to the call, please dial (888) 562-3356 and enter the pin number 55437082 at least five minutes before the scheduled start time. Investors can also access the call in a "listen only" mode via the Internet at the Company's website, [www.pfsweb.com](http://www.pfsweb.com). Please allow extra time prior to the call to visit the site and download any necessary audio software.

A digital replay of the conference call will be available through April 22, 2012 at (855) 859-2056, pin number 55437082. The replay also will be available at the Company's website for a limited time.

## **Non-GAAP Financial Measures**

This news release may contain certain non-GAAP measures, including non-GAAP net income (loss), Earnings Before Interest, Income Taxes, Depreciation and Amortization ("EBITDA"), Adjusted EBITDA and Service Fee Equivalent Revenue.

Non-GAAP net income (loss) represents net income (loss) calculated in accordance with U.S. GAAP as adjusted for the impact of non-cash stock-based compensation expense, income (loss) from discontinued operations and executive disability benefits.

EBITDA represents earnings (or losses) before income (loss) from discontinued operations, interest, income taxes, depreciation, and amortization. Adjusted EBITDA further eliminates the effect of stock-based compensation, executive disability benefits and certain relocation related costs.

Service Fee Equivalent Revenue represents service fee revenue plus the gross profit earned on product revenue.

Non-GAAP net income (loss), EBITDA, Adjusted EBITDA and Service Fee Equivalent Revenue are used by management, analysts, investors and other interested parties in evaluating our operating performance compared to that of other companies in our industry. The calculation of non-GAAP net income (loss) eliminates the effect of stock-based compensation, income (loss) from discontinued operations and executive disability benefits and EBITDA and Adjusted EBITDA further eliminate the effect of financing, income taxes, the accounting effects of capital spending and certain relocation related costs, which items may vary from different companies for reasons unrelated to overall operating performance. Service Fee Equivalent Revenue allows client contracts with similar operational support models but different financial models to be combined as if all contracts were being operated on a service fee revenue basis.

PFSweb believes these non-GAAP measures provide useful information to both management and investors by excluding certain expenses that may not be indicative of its core operating results. These measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, GAAP results. The non-GAAP measures included in this press release have been reconciled to the GAAP results in the attached tables.

## **About PFSweb, Inc.**

Iconic brands engage PFSweb to enable their eCommerce initiatives. PFSweb's End2End eCommerce® solution includes interactive marketing services, robust eCommerce technology, global fulfillment and logistics, high-touch customer care, financial services, and order management. PFSweb's eCommerce solutions provide international reach and expertise in both direct-to-consumer and business-to-business initiatives, supporting organizations across multiple industries including Procter & Gamble, L'Oreal, LEGO, Columbia Sportswear, Sorel, Carter's, Lucky Brand Jeans, kate spade new york, Juicy Couture, AAFES, Riverbed, Ricoh, Hawker Beechcraft Corp, Roots Canada Ltd. and Xerox. PFSweb is headquartered in Plano, TX with additional locations in Tennessee, Mississippi, Canada, Belgium, and the Philippines.

To find out more about PFSweb, Inc. (NASDAQ: PFSW), visit the company's website at <http://www.pfsweb.com>.

The matters discussed herein consist of forward-looking information under the Private Securities Litigation Reform Act of 1995 and is subject to and involves risks and uncertainties, which could cause actual results to differ materially from the forward-looking information. PFSweb's Annual Report on Form 10-K for the year ended December 31, 2010 and Quarterly Report on Form 10-Q for the nine months ended September 30, 2011 identify certain factors that could cause actual results to differ materially from those projected in any forward looking statements made and investors are advised to review the Annual and Quarterly Reports and the Risk Factors described therein. PFSweb undertakes no obligation to update publicly any forward-looking statement for any reason, even if new information becomes available or other events occur in the future. There may be additional risks that we do not currently view as material or that are not presently known.

**PFSweb, Inc. and Subsidiaries**

## Unaudited Condensed Consolidated Statements of Operations (A)

(In Thousands, Except Per Share Data)

|   | Three Months Ended<br>December 31, |            | Twelve Months Ended<br>December 31, |            |
|---|------------------------------------|------------|-------------------------------------|------------|
|   | 2011                               | 2010       | 2011                                | 2010       |
| <b>REVENUES:</b>                                      |                                    |            |                                     |            |
| Product revenue, net                                  | \$40,442                           | \$46,021   | \$162,447                           | \$174,613  |
| Service fee revenue                                   | 32,526                             | 21,688     | 95,345                              | 70,636     |
| Pass-thru revenue                                     | 14,530                             | 8,605      | 40,974                              | 29,267     |
| Total revenues  | 87,498                             | 76,314     | 298,766                             | 274,516    |
| <b>COSTS OF REVENUES:</b>                             |                                    |            |                                     |            |
| Cost of product revenue                               | 37,557                             | 43,108     | 150,738                             | 162,485    |
| Cost of service fee revenue                           | 24,510                             | 15,722     | 71,751                              | 51,144     |
| Cost of pass-thru revenue                             | 14,530                             | 8,605      | 40,974                              | 29,267     |
| Total costs of revenues                               | 76,597                             | 67,435     | 263,463                             | 242,896    |
| Gross profit  | 10,901                             | 8,879      | 35,303                              | 31,620     |
| <b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>   |                                    |            |                                     |            |
| Loss from operations                                  | 1,492                              | 859        | (2,209 )                            | (1,991 )   |
| <b>INTEREST EXPENSE, NET</b>                          |                                    |            |                                     |            |
| Income (loss) before income taxes                     | 316                                | 202        | 1,085                               | 940        |
| <b>INCOME TAX PROVISION</b>                           |                                    |            |                                     |            |
| INCOME (LOSS) FROM CONTINUING OPERATIONS              | 1,176                              | 657        | (3,294 )                            | (2,931 )   |
| <b>LOSS FROM DISCONTINUED OPERATIONS, NET OF TAX</b>  |                                    |            |                                     |            |
| NET INCOME (LOSS)                                     | 93                                 | 210        | 380                                 | 463        |
| NON-GAAP INCOME (LOSS)                                | 1,083                              | 447        | (3,674 )                            | (3,394 )   |
|   | (323 )                             | (3,192 )   | (892 )                              | (3,975 )   |
|   | \$760                              | \$(2,745 ) | \$(4,566 )                          | \$(7,369 ) |
|   | \$1,430                            | \$673      | \$(2,272 )                          | \$(1,935 ) |
| <b>NET INCOME (LOSS) PER SHARE:</b>                   |                                    |            |                                     |            |
| Basic   | \$0.06                             | \$(0.22 )  | \$(0.36 )                           | \$(0.65 )  |
| Diluted   | \$0.06                             | \$(0.22 )  | \$(0.36 )                           | \$(0.65 )  |
| <b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING:</b> |                                    |            |                                     |            |
| Basic   | 12,764                             | 12,237     | 12,574                              | 11,310     |
| Diluted   | 12,909                             | 12,237     | 12,574                              | 11,310     |
| EBITDA  | \$3,261                            | \$2,326    | \$4,135                             | \$4,069    |
| ADJUSTED EBITDA                                       | \$3,852                            | \$2,552    | \$6,085                             | \$5,528    |

(A) The financial data above should be read in conjunction with the audited consolidated financial statements of PFSweb, Inc. included in its Form 10-K for the year ended December 31, 2010.

**PFSweb, Inc. and Subsidiaries**

## Reconciliation of certain Non-GAAP Items to GAAP

(In Thousands, Except Per Share Data)

|   | Three Months Ended<br>December 31, |            | Twelve Months Ended<br>December 31, |            |
|---|------------------------------------|------------|-------------------------------------|------------|
|   | 2011                               | 2010       | 2011                                | 2010       |
| NET INCOME (LOSS)                             | \$760                              | \$(2,745 ) | \$(4,566 )                          | \$(7,369 ) |
| Loss from discontinued operations, net of tax | 323                                | 3,192      | 892                                 | 3,975      |
| Income tax expense                            | 93                                 | 210        | 380                                 | 463        |
| Interest expense                              | 316                                | 202        | 1,085                               | 940        |
| Depreciation and amortization                 | 1,769                              | 1,467      | 6,344                               | 6,060      |
| EBITDA  | \$3,261                            | \$2,326    | \$4,135                             | \$4,069    |
| Stock-based compensation                      | 347                                | 226        | 1,402                               | 809        |
| Executive disability benefits                 | -                                  | -          | -                                   | 650        |

|                          |         |         |         |         |
|--------------------------|---------|---------|---------|---------|
| Relocation related costs | 244     | -       | 548     | -       |
| ADJUSTED EBITDA          | \$3,852 | \$2,552 | \$6,085 | \$5,528 |

|   | Three Months Ended<br>December 31, |            | Twelve Months Ended<br>December 31, |            |
|---|------------------------------------|------------|-------------------------------------|------------|
|   | 2011                               | 2010       | 2011                                | 2010       |
| NET INCOME (LOSS)                             | \$760                              | \$(2,745 ) | \$(4,566 )                          | \$(7,369 ) |
| Loss from discontinued operations, net of tax | 323                                | 3,192      | 892                                 | 3,975      |
| Stock-based compensation                      | 347                                | 226        | 1,402                               | 809        |
| Executive disability benefits                 | -                                  | -          | -                                   | 650        |
| NON-GAAP INCOME (LOSS)                        | \$1,430                            | \$673      | \$(2,272 )                          | \$(1,935 ) |
| NET INCOME (LOSS) PER SHARE:                  |                                    |            |                                     |            |
| Basic   | \$0.06                             | \$(0.22 )  | \$(0.36 )                           | \$(0.65 )  |
| Diluted                                       | \$0.06                             | \$(0.22 )  | \$(0.36 )                           | \$(0.65 )  |
| NON-GAAP INCOME (LOSS) Per Share:             |                                    |            |                                     |            |
| Basic   | \$0.11                             | \$0.05     | \$(0.18 )                           | \$(0.17 )  |
| Diluted                                       | \$0.11                             | \$0.05     | \$(0.18 )                           | \$(0.17 )  |

|                                | Three Months Ended<br>December 31, |          | Twelve Months Ended<br>December 31, |           |
|--------------------------------|------------------------------------|----------|-------------------------------------|-----------|
|                                | 2011                               | 2010     | 2011                                | 2010      |
| TOTAL REVENUES                 | \$87,498                           | \$76,314 | \$298,766                           | \$274,516 |
| Pass-thru revenue              | (14,530)                           | (8,605 ) | (40,974 )                           | (29,267 ) |
| Cost of product revenue        | (37,557)                           | (43,108) | (150,738)                           | (162,485) |
| SERVICE FEE REVENUE EQUIVALENT | \$35,411                           | \$24,601 | \$107,054                           | \$82,764  |

### PFSweb, Inc. and Subsidiaries

Unaudited Condensed Consolidated Balance Sheets  
(In Thousands, Except Share Data)

|   | December<br>31,<br>2011 | December<br>31,<br>2010 |
|---|-------------------------|-------------------------|
| ASSETS  |                         |                         |
| CURRENT ASSETS:   |                         |                         |
| Cash and cash equivalents   | \$17,695                | \$18,430                |
| Restricted cash   | 827                     | 1,853                   |
| Accounts receivable, net of allowance for doubtful accounts of \$663 and \$754 at December 31, 2011 and December 31, 2010, respectively | 52,679                  | 41,438                  |
| Inventories, net of reserves of \$1,555 and \$1,561 at December 31, 2011 and December 31, 2010, respectively                            | 30,487                  | 35,161                  |
| Assets of discontinued operations   | -                       | 2,776                   |
| Other receivables   | 11,915                  | 14,539                  |
| Prepaid expenses and other current assets   | 4,697                   | 3,580                   |
| Total current assets  | 118,300                 | 117,777                 |
| PROPERTY AND EQUIPMENT, net   | 14,945                  | 9,124                   |
| ASSETS OF DISCONTINUED OPERATIONS   | -                       | 1,126                   |
| OTHER ASSETS  | 3,127                   | 2,203                   |
| Total assets  | 136,372                 | 130,230                 |

LIABILITIES AND SHAREHOLDERS EQUITY

CURRENT LIABILITIES:

|  |           |           |
|--|-----------|-----------|
| Current portion of long-term debt and capital lease obligations    | \$ 23,939 | \$ 18,320 |
| Trade accounts payable   | 48,544    | 55,692    |
| Deferred revenue   | 6,766     | 5,254     |
| Accrued expenses   | 18,657    | 15,870    |
| Total current liabilities  | 97,906    | 95,136    |
| LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS, less current portion | 3,583     | 2,136     |
| OTHER LIABILITIES  | 6,809     | 3,608     |
| Total liabilities  | 108,298   | 100,880   |

COMMITMENTS AND CONTINGENCIES

SHAREHOLDERS' EQUITY:

|  |            |            |
|--|------------|------------|
| Preferred stock, \$1.00 par value; 1,000,000 shares authorized; none issued and outstanding  | -          | -          |
| Common stock, \$.001 par value; 35,000,000 shares authorized;<br>12,782,907 and 12,255,064 shares issued at December 31, 2011 and December 31, 2010,<br>respectively; and 12,764,546 and 12,236,703 outstanding as of December 31, 2011 and<br>December 31, 2010, respectively | 13         | 12         |
| Additional paid-in capital   | 104,645    | 101,229    |
| Accumulated deficit  | (77,898 )  | (73,332 )  |
| Accumulated other comprehensive income   | 1,399      | 1,526      |
| Treasury stock at cost, 18,361 shares  | (85 )      | (85 )      |
| Total shareholders' equity   | 28,074     | 29,350     |
| Total liabilities and shareholders' equity   | \$ 136,372 | \$ 130,230 |

**PFSweb, Inc. and Subsidiaries**

Unaudited Consolidating Statements of Operations  
For the Three Months Ended December 31, 2011  
(In Thousands)

|   | PFSweb   | Business &<br>Retail Connect | eCOST     | Eliminations | Consolidated |
|---|----------|------------------------------|-----------|--------------|--------------|
| <b>REVENUES:</b>                              |          |                              |           |              |              |
| Product revenue, net                          | \$-      | \$ 40,442                    | \$-       | \$-          | \$ 40,442    |
| Service fee revenue                           | 32,526   | -                            | -         | -            | 32,526       |
| Service fee revenue - affiliate               | 1,732    | -                            | -         | (1,732 )     | -            |
| Pass-thru revenue                             | 14,530   | -                            | -         | -            | 14,530       |
| Total revenues                                | 48,788   | 40,442                       | -         | (1,732 )     | 87,498       |
| <b>COSTS OF REVENUES:</b>                     |          |                              |           |              |              |
| Cost of product revenue                       | -        | 37,557                       | -         | -            | 37,557       |
| Cost of service fee revenue                   | 25,463   | -                            | -         | (953 )       | 24,510       |
| Cost of pass-thru revenue                     | 14,530   | -                            | -         | -            | 14,530       |
| Total costs of revenues                       | 39,993   | 37,557                       | -         | (953 )       | 76,597       |
| Gross profit                                  | 8,795    | 2,885                        | -         | (779 )       | 10,901       |
| SELLING, GENERAL AND ADMINISTRATIVE EXPENSES  | 7,918    | 2,270                        | -         | (779 )       | 9,409        |
| Income from operations                        | 877      | 615                          | -         | -            | 1,492        |
| INTEREST EXPENSE, NET                         | 6        | 310                          | -         | -            | 316          |
| Income before income taxes                    | 871      | 305                          | -         | -            | 1,176        |
| INCOME TAX PROVISION (BENEFIT)                | (51 )    | 144                          | -         | -            | 93           |
| INCOME FROM CONTINUING OPERATIONS             | 922      | 161                          | -         | -            | 1,083        |
| LOSS FROM DISCONTINUED OPERATIONS, NET OF TAX | -        | -                            | (323 )    | -            | (323 )       |
| NET INCOME (LOSS)                             | \$ 922   | \$ 161                       | \$ (323 ) | \$-          | \$ 760       |
| NON-GAAP NET INCOME                           | \$ 1,269 | \$ 161                       | \$-       | \$-          | \$ 1,430     |

|                 |         |        |     |      |          |
|-----------------|---------|--------|-----|------|----------|
| EBITDA          | \$2,629 | \$ 632 | \$- | \$ - | \$ 3,261 |
| ADJUSTED EBITDA | \$3,220 | \$ 632 | \$- | \$ - | \$ 3,852 |

A reconciliation of NET INCOME (LOSS) to EBITDA and ADJUSTED EBITDA follows:

|   |         |        |         |      |          |
|---|---------|--------|---------|------|----------|
| NET INCOME (LOSS)                             | \$922   | \$ 161 | \$(323) | \$ - | 760      |
| Loss from discontinued operations, net of tax | -       | -      | 323     | -    | 323      |
| Income tax expense (benefit)                  | (51 )   | 144    | -       | -    | 93       |
| Interest expense , net                        | 6       | 310    | -       | -    | 316      |
| Depreciation and amortization                 | 1,752   | 17     | -       | -    | 1,769    |
| EBITDA  | \$2,629 | \$ 632 | \$-     | \$ - | \$ 3,261 |
| Stock-based compensation                      | 347     | -      | -       | -    | 347      |
| Move related costs                            | 244     | -      | -       | -    | 244      |
| ADJUSTED EBITDA                               | \$3,220 | \$ 632 | \$-     | \$ - | \$ 3,852 |

A reconciliation of NET INCOME (LOSS) to NON-GAAP NET INCOME follows:

|   |         |        |         |      |          |
|---|---------|--------|---------|------|----------|
| NET INCOME (LOSS)                             | \$922   | \$ 161 | \$(323) | \$ - | \$ 760   |
| Loss from discontinued operations, net of tax | -       | -      | 323     | -    | 323      |
| Stock-based compensation                      | 347     | -      | -       | -    | 347      |
| NON-GAAP NET INCOME                           | \$1,269 | \$ 161 | \$-     | \$ - | \$ 1,430 |

Note: Business and Retail Connect includes our Supplies Distributors and PFSweb Retail Connect operations, which operate similar financial models on behalf of our client relationships. PFSweb and PFSweb Retail Connect include certain ongoing activity formerly reported as eCOST.

### PFSweb, Inc. and Subsidiaries

Unaudited Consolidating Statements of Operations  
For the Twelve Months Ended December 31, 2011  
(In Thousands)

|   | PFSweb     | Business &<br>Retail Connect | eCOST    | Eliminations | Consolidated |
|---|------------|------------------------------|----------|--------------|--------------|
| <b>REVENUES:</b>                                    |            |                              |          |              |              |
| Product revenue, net                                | \$-        | \$ 162,447                   | \$-      | \$ -         | \$ 162,447   |
| Service fee revenue                                 | 95,345     | -                            | -        | -            | 95,345       |
| Service fee revenue - affiliate                     | 6,501      | -                            | -        | (6,501 )     | -            |
| Pass-thru revenue                                   | 40,976     | -                            | -        | (2 )         | 40,974       |
| Total revenues                                      | 142,822    | 162,447                      | -        | (6,503 )     | 298,766      |
| <b>COSTS OF REVENUES:</b>                           |            |                              |          |              |              |
| Cost of product revenue                             | -          | 150,738                      | -        | -            | 150,738      |
| Cost of service fee revenue                         | 74,367     | -                            | -        | (2,616 )     | 71,751       |
| Cost of pass-thru revenue                           | 40,976     | -                            | -        | (2 )         | 40,974       |
| Total costs of revenues                             | 115,343    | 150,738                      | -        | (2,618 )     | 263,463      |
| Gross profit  | 27,479     | 11,709                       | -        | (3,885 )     | 35,303       |
| <b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b> |            |                              |          |              |              |
| Income (loss) from operations                       | (5,413 )   | 3,204                        | -        | -            | (2,209 )     |
| INTEREST EXPENSE (INCOME), NET                      | (140 )     | 1,225                        | -        | -            | 1,085        |
| Income (loss) before income taxes                   | (5,273 )   | 1,979                        | -        | -            | (3,294 )     |
| INCOME TAX PROVISION (BENEFIT)                      | (401 )     | 781                          | -        | -            | 380          |
| INCOME (LOSS) FROM CONTINUING OPERATIONS            | (4,872 )   | 1,198                        | -        | -            | (3,674 )     |
| LOSS FROM DISCONTINUED OPERATIONS, NET OF TAX       | -          | -                            | (892 )   | -            | (892 )       |
| NET INCOME (LOSS)                                   | \$(4,872 ) | \$ 1,198                     | \$(892 ) | \$ -         | \$ (4,566 )  |
| NON-GAAP NET INCOME (LOSS)                          | \$(3,470 ) | \$ 1,198                     | \$-      | \$ -         | \$ (2,272 )  |
| EBITDA  | \$892      | \$ 3,243                     | \$-      | \$ -         | \$ 4,135     |

|                 |         |          |     |      |          |
|-----------------|---------|----------|-----|------|----------|
| ADJUSTED EBITDA | \$2,842 | \$ 3,243 | \$- | \$ - | \$ 6,085 |
|-----------------|---------|----------|-----|------|----------|

A reconciliation of NET INCOME (LOSS) to EBITDA and ADJUSTED EBITDA follows:

|   |            |          |          |      |          |
|---|------------|----------|----------|------|----------|
| NET INCOME (LOSS)                             | \$(4,872 ) | \$ 1,198 | \$(892 ) | \$ - | (4,566 ) |
| Loss from discontinued operations, net of tax | -          | -        | 892      | -    | 892      |
| Income tax expense (benefit)                  | (401 )     | 781      | -        | -    | 380      |
| Interest expense (income)                     | (140 )     | 1,225    | -        | -    | 1,085    |
| Depreciation and amortization                 | 6,305      | 39       | -        | -    | 6,344    |
| EBITDA  | \$892      | \$ 3,243 | \$-      | \$ - | \$ 4,135 |
| Stock-based compensation                      | 1,402      | -        | -        | -    | 1,402    |
| Relocation related costs                      | 548        | -        | -        | -    | 548      |
| ADJUSTED EBITDA                               | \$2,842    | \$ 3,243 | \$-      | \$ - | \$ 6,085 |

A reconciliation of NET INCOME (LOSS) to NON-GAAP NET INCOME (LOSS) follows:

|   |            |          |          |      |            |
|---|------------|----------|----------|------|------------|
| NET INCOME (LOSS)                             | \$(4,872 ) | \$ 1,198 | \$(892 ) | \$ - | \$(4,566 ) |
| Loss from discontinued operations, net of tax | -          | -        | 892      | -    | 892        |
| Stock-based compensation                      | 1,402      | -        | -        | -    | 1,402      |
| NON-GAAP NET INCOME (LOSS)                    | \$(3,470 ) | \$ 1,198 | \$-      | \$ - | \$(2,272 ) |

Note: Business and Retail Connect includes our Supplies Distributors and PFSweb Retail Connect operations, which operate similar financial models on behalf of our client relationships. PFSweb and PFSweb Retail Connect include certain ongoing activity formerly reported as eCOST.

### PFSweb, Inc. and Subsidiaries

Unaudited Consolidating Statements of Operations  
For the Twelve Months Ended December 31, 2011  
(In Thousands)

|   | PFSweb     | Business &<br>Retail Connect | eCOST    | Eliminations | Consolidated |
|---|------------|------------------------------|----------|--------------|--------------|
| <b>REVENUES:</b>                                    |            |                              |          |              |              |
| Product revenue, net                                | \$-        | \$ 162,447                   | \$-      | \$ -         | \$ 162,447   |
| Service fee revenue                                 | 95,345     | -                            | -        | -            | 95,345       |
| Service fee revenue - affiliate                     | 6,501      | -                            | -        | (6,501 )     | -            |
| Pass-thru revenue                                   | 40,976     | -                            | -        | (2 )         | 40,974       |
| Total revenues                                      | 142,822    | 162,447                      | -        | (6,503 )     | 298,766      |
| <b>COSTS OF REVENUES:</b>                           |            |                              |          |              |              |
| Cost of product revenue                             | -          | 150,738                      | -        | -            | 150,738      |
| Cost of service fee revenue                         | 74,367     | -                            | -        | (2,616 )     | 71,751       |
| Cost of pass-thru revenue                           | 40,976     | -                            | -        | (2 )         | 40,974       |
| Total costs of revenues                             | 115,343    | 150,738                      | -        | (2,618 )     | 263,463      |
| Gross profit  | 27,479     | 11,709                       | -        | (3,885 )     | 35,303       |
| <b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b> |            |                              |          |              |              |
| Income (loss) from operations                       | (5,413 )   | 3,204                        | -        | -            | (2,209 )     |
| INTEREST EXPENSE (INCOME), NET                      | (140 )     | 1,225                        | -        | -            | 1,085        |
| Income (loss) before income taxes                   | (5,273 )   | 1,979                        | -        | -            | (3,294 )     |
| INCOME TAX PROVISION (BENEFIT)                      | (401 )     | 781                          | -        | -            | 380          |
| INCOME (LOSS) FROM CONTINUING OPERATIONS            | (4,872 )   | 1,198                        | -        | -            | (3,674 )     |
| LOSS FROM DISCONTINUED OPERATIONS, NET OF TAX       | -          | -                            | (892 )   | -            | (892 )       |
| NET INCOME (LOSS)                                   | \$(4,872 ) | \$ 1,198                     | \$(892 ) | \$ -         | \$(4,566 )   |
| NON-GAAP NET INCOME (LOSS)                          | \$(3,470 ) | \$ 1,198                     | \$-      | \$ -         | \$(2,272 )   |
| <b>EBITDA</b>                                       |            |                              |          |              |              |
| EBITDA  | \$892      | \$ 3,243                     | \$-      | \$ -         | \$ 4,135     |
| ADJUSTED EBITDA                                     | \$2,842    | \$ 3,243                     | \$-      | \$ -         | \$ 6,085     |

A reconciliation of NET INCOME (LOSS) to EBITDA and ADJUSTED EBITDA follows:

|   |             |          |           |      |          |
|---|-------------|----------|-----------|------|----------|
| NET INCOME (LOSS)                             | \$ (4,872 ) | \$ 1,198 | \$ (892 ) | \$ - | (4,566 ) |
| Loss from discontinued operations, net of tax | -           | -        | 892       | -    | 892      |
| Income tax expense (benefit)                  | (401 )      | 781      | -         | -    | 380      |
| Interest expense (income)                     | (140 )      | 1,225    | -         | -    | 1,085    |
| Depreciation and amortization                 | 6,305       | 39       | -         | -    | 6,344    |
| EBITDA  | \$ 892      | \$ 3,243 | \$ -      | \$ - | \$ 4,135 |
| Stock-based compensation                      | 1,402       | -        | -         | -    | 1,402    |
| Relocation related costs                      | 548         | -        | -         | -    | 548      |
| ADJUSTED EBITDA                               | \$ 2,842    | \$ 3,243 | \$ -      | \$ - | \$ 6,085 |

A reconciliation of NET INCOME (LOSS) to NON-GAAP NET INCOME (LOSS) follows:

|   |             |          |           |      |             |
|---|-------------|----------|-----------|------|-------------|
| NET INCOME (LOSS)                             | \$ (4,872 ) | \$ 1,198 | \$ (892 ) | \$ - | \$ (4,566 ) |
| Loss from discontinued operations, net of tax | -           | -        | 892       | -    | 892         |
| Stock-based compensation                      | 1,402       | -        | -         | -    | 1,402       |
| NON-GAAP NET INCOME (LOSS)                    | \$ (3,470 ) | \$ 1,198 | \$ -      | \$ - | \$ (2,272 ) |

Note: Business and Retail Connect includes our Supplies Distributors and PFSweb Retail Connect operations, which operate similar financial models on behalf of our client relationships. PFSweb and PFSweb Retail Connect include certain ongoing activity formerly reported as eCOST.

### PFSweb, Inc. and Subsidiaries

Unaudited Consolidating Statements of Operations

For the Three Months Ended December 31, 2010

(In Thousands)

|   | PFSweb   | Business &<br>Retail Connect | eCOST      | Eliminations | Consolidated |
|---|----------|------------------------------|------------|--------------|--------------|
| <b>REVENUES:</b>                              |          |                              |            |              |              |
| Product revenue, net                          | \$-      | \$ 46,021                    | \$-        | \$ -         | \$ 46,021    |
| Service fee revenue                           | 21,688   | -                            | -          | -            | 21,688       |
| Service fee revenue - affiliate               | 1,701    | -                            | -          | (1,701 )     | -            |
| Pass-thru revenue                             | 8,612    | -                            | -          | (7 )         | 8,605        |
| Total revenues                                | 32,001   | 46,021                       | -          | (1,708 )     | 76,314       |
| <b>COSTS OF REVENUES:</b>                     |          |                              |            |              |              |
| Cost of product revenue                       | -        | 43,108                       | -          | -            | 43,108       |
| Cost of service fee revenue                   | 16,328   | -                            | -          | (606 )       | 15,722       |
| Cost of pass-thru revenue                     | 8,612    | -                            | -          | (7 )         | 8,605        |
| Total costs of revenues                       | 24,940   | 43,108                       | -          | (613 )       | 67,435       |
| Gross profit                                  | 7,061    | 2,913                        | -          | (1,095 )     | 8,879        |
| SELLING, GENERAL AND ADMINISTRATIVE EXPENSES  | 6,893    | 2,222                        | -          | (1,095 )     | 8,020        |
| Income from operations                        | 168      | 691                          | -          | -            | 859          |
| INTEREST EXPENSE (INCOME), NET                | (79 )    | 281                          | -          | -            | 202          |
| Income before income taxes                    | 247      | 410                          | -          | -            | 657          |
| INCOME TAX PROVISION                          | 51       | 159                          | -          | -            | 210          |
| INCOME FROM CONTINUING OPERATIONS             | 196      | 251                          | -          | -            | 447          |
| LOSS FROM DISCONTINUED OPERATIONS, NET OF TAX | -        | -                            | (3,192)    | -            | (3,192 )     |
| NET INCOME (LOSS)                             | \$ 196   | \$ 251                       | \$ (3,192) | \$ -         | \$ (2,745 )  |
| NON-GAAP NET INCOME                           | \$ 422   | \$ 251                       | \$ -       | \$ -         | \$ 673       |
| <b>EBITDA</b>                                 |          |                              |            |              |              |
| EBITDA  | \$ 1,628 | \$ 698                       | \$ -       | \$ -         | \$ 2,326     |
| ADJUSTED EBITDA                               | \$ 1,854 | \$ 698                       | \$ -       | \$ -         | \$ 2,552     |



A reconciliation of NET INCOME (LOSS) to EBITDA and ADJUSTED EBITDA follows:

|   |          |        |           |      |          |
|---|----------|--------|-----------|------|----------|
| NET INCOME (LOSS)                             | \$ 196   | \$ 251 | \$(3,192) | \$ - | (2,745 ) |
| Loss from discontinued operations, net of tax | -        | -      | 3,192     | -    | 3,192    |
| Income tax expense                            | 51       | 159    | -         | -    | 210      |
| Interest expense (income)                     | (79 )    | 281    | -         | -    | 202      |
| Depreciation and amortization                 | 1,460    | 7      | -         | -    | 1,467    |
| EBITDA  | \$ 1,628 | \$ 698 | \$-       | \$ - | \$ 2,326 |
| Stock-based compensation                      | 226      | -      | -         | -    | 226      |
| ADJUSTED EBITDA                               | \$ 1,854 | \$ 698 | \$-       | \$ - | \$ 2,552 |

A reconciliation of NET INCOME (LOSS) to NON-GAAP NET INCOME follows:

|   |        |        |           |      |             |
|---|--------|--------|-----------|------|-------------|
| NET INCOME (LOSS)                             | \$ 196 | \$ 251 | \$(3,192) | \$ - | \$( 2,745 ) |
| Loss from discontinued operations, net of tax | -      | -      | 3,192     | -    | 3,192       |
| Stock-based compensation                      | 226    | -      | -         | -    | 226         |
| NON-GAAP NET INCOME                           | \$ 422 | \$ 251 | \$-       | \$ - | \$ 673      |

Note: Business and Retail Connect includes our Supplies Distributors and PFSweb Retail Connect operations, which operate similar financial models on behalf of our client relationships. PFSweb and PFSweb Retail Connect include certain ongoing activity formerly reported as eCOST.

### PFSweb, Inc. and Subsidiaries

Unaudited Consolidating Statements of Operations  
For the Twelve Months Ended December 31, 2010  
(In Thousands)

|  | PFSweb     | Business &<br>Retail<br>Connect | eCOST     | Eliminations | Consolidated |
|--|------------|---------------------------------|-----------|--------------|--------------|
| <b>REVENUES:</b>                                     |            |                                 |           |              |              |
| Product revenue, net                                 | \$-        | \$ 174,613                      | \$-       | \$ -         | \$ 174,613   |
| Service fee revenue                                  | 70,636     | -                               | -         | -            | 70,636       |
| Service fee revenue - affiliate                      | 6,622      | -                               | -         | (6,622 )     | -            |
| Pass-thru revenue                                    | 29,294     | -                               | -         | (27 )        | 29,267       |
| Total revenues                                       | 106,552    | 174,613                         | -         | (6,649 )     | 274,516      |
| <b>COSTS OF REVENUES:</b>                            |            |                                 |           |              |              |
| Cost of product revenue                              | -          | 162,485                         | -         | -            | 162,485      |
| Cost of service fee revenue                          | 53,543     | -                               | -         | (2,399 )     | 51,144       |
| Cost of pass-thru revenue                            | 29,294     | -                               | -         | (27 )        | 29,267       |
| Total costs of revenues                              | 82,837     | 162,485                         | -         | (2,426 )     | 242,896      |
| Gross profit   | 23,715     | 12,128                          | -         | (4,223 )     | 31,620       |
| <b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>  |            |                                 |           |              |              |
| Income (loss) from operations                        | (5,443 )   | 3,452                           | -         | -            | (1,991 )     |
| <b>INTEREST EXPENSE (INCOME), NET</b>                |            |                                 |           |              |              |
| Income (loss) before income taxes                    | (257 )     | 1,197                           | -         | -            | 940          |
| Income (loss) before income taxes                    | (5,186 )   | 2,255                           | -         | -            | (2,931 )     |
| <b>INCOME TAX PROVISION (BENEFIT)</b>                |            |                                 |           |              |              |
| Income (loss) before income taxes                    | (355 )     | 818                             | -         | -            | 463          |
| <b>INCOME (LOSS) FROM CONTINUING OPERATIONS</b>      |            |                                 |           |              |              |
| Income (loss) before income taxes                    | (4,831 )   | 1,437                           | -         | -            | (3,394 )     |
| <b>LOSS FROM DISCONTINUED OPERATIONS, NET OF TAX</b> |            |                                 |           |              |              |
| Income (loss) before income taxes                    | -          | -                               | (3,975)   | -            | (3,975 )     |
| NET INCOME (LOSS)                                    | \$(4,831 ) | \$ 1,437                        | \$(3,975) | \$ -         | \$( 7,369 )  |
| NON-GAAP NET INCOME (LOSS)                           | \$(3,372 ) | \$ 1,437                        | \$-       | \$ -         | \$( 1,935 )  |
| <b>EBITDA</b>  |            |                                 |           |              |              |
| EBITDA   | \$589      | \$ 3,480                        | \$-       | \$ -         | \$ 4,069     |
| ADJUSTED EBITDA                                      | \$2,048    | \$ 3,480                        | \$-       | \$ -         | \$ 5,528     |

A reconciliation of NET INCOME (LOSS) to EBITDA and ADJUSTED EBITDA follows:

|   |             |          |            |      |          |
|---|-------------|----------|------------|------|----------|
| NET INCOME (LOSS)                             | \$ (4,831 ) | \$ 1,437 | \$ (3,975) | \$ - | (7,369 ) |
| Loss from discontinued operations, net of tax | -           | -        | 3,975      | -    | 3,975    |
| Income tax expense (benefit)                  | (355 )      | 818      | -          | -    | 463      |
| Interest expense (income)                     | (257 )      | 1,197    | -          | -    | 940      |
| Depreciation and amortization                 | 6,032       | 28       | -          | -    | 6,060    |
| EBITDA  | \$ 589      | \$ 3,480 | \$ -       | \$ - | \$ 4,069 |
| Stock-based compensation                      | 809         | -        | -          | -    | 809      |
| Executive disability benefit                  | 650         | -        | -          | -    | 650      |
| ADJUSTED EBITDA                               | \$ 2,048    | \$ 3,480 | \$ -       | \$ - | \$ 5,528 |

A reconciliation of NET INCOME (LOSS) to NON-GAAP NET INCOME (LOSS) follows:

|   |             |          |            |      |             |
|---|-------------|----------|------------|------|-------------|
| NET INCOME (LOSS)                             | \$ (4,831 ) | \$ 1,437 | \$ (3,975) | \$ - | \$ (7,369 ) |
| Loss from discontinued operations, net of tax | -           | -        | 3,975      | -    | 3,975       |
| Stock-based compensation                      | 809         | -        | -          | -    | 809         |
| Executive disability benefit                  | 650         | -        | -          | -    | 650         |
| NON-GAAP NET INCOME (LOSS)                    | \$ (3,372 ) | \$ 1,437 | \$ -       | \$ - | \$ (1,935 ) |

Note: Business and Retail Connect includes our Supplies Distributors and PFSweb Retail Connect operations, which operate similar financial models on behalf of our client relationships. PFSweb and PFSweb Retail Connect include certain ongoing activity formerly reported as eCOST.

### PFSweb, Inc. and Subsidiaries

Unaudited Condensed Consolidating Balance Sheets  
as of December 31, 2011  
(In Thousands)

|   | PFSweb    | Business &<br>Retail<br>Connect | Eliminations | Consolidated |
|---|-----------|---------------------------------|--------------|--------------|
| <b>ASSETS</b>   |           |                                 |              |              |
| <b>CURRENT ASSETS:</b>  |           |                                 |              |              |
| Cash and cash equivalents   | \$ 12,818 | \$ 4,877                        | \$ -         | \$ 17,695    |
| Restricted cash   | 138       | 689                             | -            | 827          |
| Accounts receivable, net  | 35,881    | 17,133                          | (335 )       | 52,679       |
| Inventories, net  | -         | 30,487                          | -            | 30,487       |
| Other receivables   | -         | 11,915                          | -            | 11,915       |
| Prepaid expenses and other current assets                             | 3,273     | 1,424                           | -            | 4,697        |
| Total current assets  | 52,110    | 66,525                          | (335 )       | 118,300      |
| PROPERTY AND EQUIPMENT, net   | 14,884    | 61                              | -            | 14,945       |
| RECEIVABLE/INVESTMENT IN AFFILIATES                                   | 13,130    | -                               | (13,130 )    | -            |
| OTHER ASSETS  | 2,973     | 154                             | -            | 3,127        |
| Total assets  | 83,097    | 66,740                          | (13,465 )    | 136,372      |
| <b>LIABILITIES AND SHAREHOLDERS EQUITY</b>                            |           |                                 |              |              |
| <b>CURRENT LIABILITIES:</b>   |           |                                 |              |              |
| Current portion of long-term debt and capital lease obligations       | \$ 13,918 | \$ 10,021                       | \$ -         | \$ 23,939    |
| Trade accounts payable  | 12,089    | 36,790                          | (335 )       | 48,544       |
| Accrued expenses  | 18,747    | 6,676                           | -            | 25,423       |
| Total current liabilities   | 44,754    | 53,487                          | (335 )       | 97,906       |
| LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS, less<br>current portion | 3,513     | 70                              | -            | 3,583        |
| PAYABLE TO AFFILIATES   | -         | 22,495                          | (22,495 )    | -            |
| OTHER LIABILITIES   | 6,809     | -                               | -            | 6,809        |

|                   |        |        |           |         |
|-------------------|--------|--------|-----------|---------|
| Total liabilities | 55,076 | 76,052 | (22,830 ) | 108,298 |
|-------------------|--------|--------|-----------|---------|

COMMITMENTS AND CONTINGENCIES

SHAREHOLDERS' EQUITY:

|  |           |           |              |            |
|--|-----------|-----------|--------------|------------|
| Common stock                               | 13        | 19        | (19 )        | 13         |
| Capital contributions                      | -         | 1,000     | (1,000 )     | -          |
| Additional paid-in capital                 | 104,645   | 28,059    | (28,059 )    | 104,645    |
| Retained earnings (accumulated deficit)    | (77,950 ) | (40,446 ) | 40,498       | (77,898 )  |
| Accumulated other comprehensive income     | 1,398     | 2,056     | (2,055 )     | 1,399      |
| Treasury stock                             | (85 )     | -         | -            | (85 )      |
| Total shareholders' equity                 | 28,021    | (9,312 )  | 9,365        | 28,074     |
| Total liabilities and shareholders' equity | \$83,097  | \$ 66,740 | \$ (13,465 ) | \$ 136,372 |

**PFSweb, Inc. and Subsidiaries**

Unaudited Condensed Consolidating Balance Sheets  
as of December 31, 2010  
(In Thousands)

|   | PFSweb    | Supplies<br>Distributors | eCOST    | Eliminations | Consolidated |
|---|-----------|--------------------------|----------|--------------|--------------|
| <b>ASSETS</b>                             |           |                          |          |              |              |
| <b>CURRENT ASSETS:</b>                    |           |                          |          |              |              |
| Cash and cash equivalents                 | \$ 13,471 | \$ 3,110                 | \$ 1,849 | \$ -         | \$ 18,430    |
| Restricted cash                           | 777       | 884                      | 192      | -            | 1,853        |
| Accounts receivable, net                  | 21,234    | 19,524                   | 987      | (307 )       | 41,438       |
| Inventories, net                          | -         | 35,161                   | -        | -            | 35,161       |
| Assets of discontinued operations         | -         | -                        | 2,776    | -            | 2,776        |
| Other receivables                         | -         | 13,822                   | 717      | -            | 14,539       |
| Prepaid expenses and other current assets | 2,006     | 1,469                    | 105      | -            | 3,580        |
| Total current assets                      | 37,488    | 73,970                   | 6,626    | (307 )       | 117,777      |
| PROPERTY AND EQUIPMENT, net               | 8,861     | 22                       | 241      | -            | 9,124        |
| RECEIVABLE/INVESTMENT IN AFFILIATES       | 14,255    | -                        | -        | (14,255 )    | -            |
| ASSETS OF DISCONTINUED OPERATIONS         | -         | -                        | 1,126    | -            | 1,126        |
| OTHER ASSETS                              | 2,013     | -                        | 190      | -            | 2,203        |
| Total assets                              | 62,617    | 73,992                   | 8,183    | (14,562 )    | 130,230      |

LIABILITIES AND SHAREHOLDERS EQUITY

CURRENT LIABILITIES:

|   |          |          |       |        |           |
|---|----------|----------|-------|--------|-----------|
| Current portion of long-term debt and capital lease obligations | \$ 8,332 | \$ 9,953 | \$ 35 | \$ -   | \$ 18,320 |
| Trade accounts payable  | 6,356    | 44,896   | 4,747 | (307 ) | 55,692    |
| Accrued expenses  | 12,994   | 6,260    | 1,870 | -      | 21,124    |
| Total current liabilities                                       | 27,682   | 61,109   | 6,652 | (307 ) | 95,136    |

LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS,  
less current portion

|                       |        |        |        |           |         |
|-----------------------|--------|--------|--------|-----------|---------|
| PAYABLE TO AFFILIATES | -      | 4,255  | 18,490 | (22,745 ) | -       |
| OTHER LIABILITIES     | 3,608  | -      | -      | -         | 3,608   |
| Total liabilities     | 33,321 | 65,364 | 25,247 | (23,052 ) | 100,880 |

COMMITMENTS AND CONTINGENCIES

SHAREHOLDERS' EQUITY:

|                       |    |       |    |          |    |
|-----------------------|----|-------|----|----------|----|
| Common stock          | 12 | -     | 19 | (19 )    | 12 |
| Capital contributions | -  | 1,000 | -  | (1,000 ) | -  |

|  |           |           |          |              |            |
|--|-----------|-----------|----------|--------------|------------|
| Additional paid-in capital                 | 101,229   | -         | 28,059   | (28,059 )    | 101,229    |
| Retained earnings (accumulated deficit)    | (73,387 ) | 5,410     | (45,148) | 39,793       | (73,332 )  |
| Accumulated other comprehensive income     | 1,527     | 2,218     | 6        | (2,225 )     | 1,526      |
| Treasury stock                             | (85 )     | -         | -        | -            | (85 )      |
| Total shareholders' equity                 | 29,296    | 8,628     | (17,064) | 8,490        | 29,350     |
| Total liabilities and shareholders' equity | \$ 62,617 | \$ 73,992 | \$ 8,183 | \$ (14,562 ) | \$ 130,230 |