

LAWSON SOFTWARE, INC.
QUARTERLY CASH FLOW STATEMENTS
(\$000's)
(unaudited)

	FY2008					FY2009					FY2010				
	Q1-08	Q2-08	Q3-08	Q4-08	YTD	Q1-09	Q2-09	Q3-09	Q4-09	YTD	Q1-10	Q2-10	Q3-10	Q4-10	YTD
Cash flows from operating activities:															
Net income (loss)	\$ 4,531	\$ 2,525	\$ (329)	\$ 2,595	\$ 9,322	\$ (3,691)	\$ 3,027	\$ 6,217	\$ 8,638	\$ 14,191	\$ 5,977				\$ 5,977
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:															
Depreciation	2,708	3,494	3,825	3,912	13,939	4,273	3,805	3,949	5,081	17,108	10,042				10,042
Amortization	7,492	7,472	7,192	7,200	29,356	5,987	5,705	5,550	5,297	22,539	-				-
Amortization of debt issuance cost	252	266	259	257	1,034	255	256	255	256	1,022	260				260
Amortization of debt discount	1,846	1,847	1,847	1,922	7,462	1,987	1,987	1,987	1,987	7,948	2,122				2,122
Deferred income taxes	267	(157)	(1,477)	7,143	5,776	140	1,998	1,479	(10,221)	(6,604)	3,232				3,232
Provision for doubtful accounts	447	(1,292)	(1,399)	3,354	1,110	(250)	318	1,010	411	1,489	641				641
Warranty provision	1,056	1,744	1,793	1,805	6,398	1,257	1,923	1,524	2,722	7,426	1,002				1,002
Impairment on long-term investments	-	4,229	8,067	6,118	18,414	-	-	-	-	-	-				-
Net gain (loss) on disposal of assets	(308)	(3)	-	-	(311)	-	-	-	-	-	10				10
Excess tax benefits from stock transactions	(1,021)	(700)	(304)	(103)	(2,128)	(348)	(19)	(81)	(200)	(648)	(168)				(168)
Stock-based compensation expenses	2,028	2,227	428	2,060	6,743	1,817	2,917	2,027	1,758	8,519	2,567				2,567
Amortization of discount and premiums on marketable securities	(27)	(63)	(2)	-	(92)	6	9	(9)	-	6	-				-
Changes in operating assets and liabilities:															
Trade accounts receivable	28,372	(12,900)	(45,136)	23,232	(6,432)	34,907	4,000	(7,111)	(5,953)	25,843	32,399				32,399
Prepaid expenses and other assets	(12,163)	2,948	(2,645)	(7,638)	(19,498)	(5,362)	8,455	(5,376)	(5,068)	(7,351)	11,921				11,921
Accounts payable	(6,041)	546	5,618	(50)	73	(8,117)	(3,338)	562	3,233	(7,660)	(5,884)				(5,884)
Accrued and other liabilities	(25,181)	3,202	3,813	(15,428)	(33,594)	(19,004)	10,924	182	14,629	6,731	(35,933)				(35,933)
Income taxes payable/receivable	4,747	3,885	2,764	(1,485)	9,911	5,197	(10,323)	2,326	5,706	2,906	(11,520)				(11,520)
Deferred revenue	(29,608)	(69,142)	39,976	92,930	34,156	(33,631)	(74,948)	1,366	85,036	(22,177)	(37,210)				(37,210)
Net cash provided by (used in) operating activities	(20,603)	(49,872)	24,290	127,824	81,639	(14,577)	(43,304)	15,857	113,312	71,288	(20,542)				(20,542)
Cash flows from investing activities:															
Cash paid in conjunction with acquisitions, net of cash acquired	-	-	-	(20,253)	(20,253)	-	-	-	-	-	-				-
Change in restricted cash	451	(510)	4,206	513	4,660	401	(9,808)	730	572	(8,105)	(277)				(277)
Purchases of marketable securities and investments	(179,555)	(25,543)	-	3	(205,095)	-	-	-	-	-	-				-
Proceeds from maturities and sales of marketable securities and investments	81,355	112,765	22,220	53	216,393	49,694	983	(13)	(7)	50,657	-				-
Purchases of property and equipment	(2,901)	(7,921)	(5,025)	(7,145)	(22,992)	(6,946)	(9,123)	(4,461)	(8,803)	(29,333)	(4,358)				(4,358)
Net cash provided by (used in) investing activities	(100,650)	78,791	21,401	(26,829)	(27,287)	43,149	(17,948)	(3,744)	(8,238)	13,219	(67,352)				(67,352)
Cash flows from financing activities:															
Principal payments on long-term debt	(406)	(475)	(459)	(927)	(2,267)	(582)	(328)	(313)	(524)	(1,747)	(467)				(467)
Cash proceeds from long-term debt	-	-	-	-	-	-	-	-	-	-	-				-
Payments on debt issue costs	-	-	-	-	-	-	-	-	-	-	-				-
Proceeds from sales of stock warrants	-	-	-	-	-	-	-	-	-	-	-				-
Payments on purchase of call options	-	-	-	-	-	-	-	-	-	-	-				-
Payments on capital lease obligations	(335)	(341)	(348)	(355)	(1,379)	(130)	(487)	(270)	(156)	(1,043)	-				-
Cash proceeds from exercise of stock options	3,604	1,882	1,004	420	6,910	1,433	114	410	574	2,531	1,197				1,197
Excess tax benefit from stock transactions	1,021	700	304	103	2,128	348	19	81	200	648	168				168
Cash proceeds from employee stock purchase plan	702	743	767	778	2,990	779	749	629	541	2,698	550				550
Repurchase of common stock -related parties	(36,800)	-	-	-	(36,800)	-	-	-	(8,875)	(8,875)	-				-
Repurchase of common stock-other	(16,863)	(3,082)	(48,884)	-	(68,829)	(100,041)	9,075	-	(3,163)	(94,129)	(1,284)				(1,284)
Net cash provided by (used in) financing activities	(49,077)	(573)	(47,616)	19	(97,247)	(98,193)	9,142	537	(11,403)	(99,917)	164				164
Effect of exchange rate changes on cash and cash equivalents	1,004	4,820	(3,104)	1,333	4,053	(5,132)	(7,730)	(4,940)	12,906	(4,896)	2,075				2,075
Increase (decrease) in cash and cash equivalents	(169,326)	33,166	(5,029)	102,347	(38,842)	(74,753)	(59,840)	7,710	106,577	(20,306)	(23,513)				(23,513)
Cash and cash equivalents at beginning of period	473,963	304,637	337,803	332,774	473,963	435,121	360,368	300,528	308,238	435,121	414,815				414,815
Cash and cash equivalents at end of period	\$ 304,637	\$ 337,803	\$ 332,774	\$ 435,121	\$ 435,121	\$ 360,368	\$ 300,528	\$ 308,238	\$ 414,815	\$ 414,815	\$ 391,302				\$ 391,302