TigerLogic CORP
Form 10-K
June 27, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark one)

x **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended March 31, 2014

or

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 000-16449

TIGERLOGIC CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**94-3046892**
(State of Incorporation)	(I.R.S. Employer ID. No.)

2855 Michelle Drive Suite 190,	
Irvine, California	**92606**
(Address of Principal Executive Offices)	(Zip Code)

(949) 442-4400

(Registrant s Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of Each Class	**Name of Each Exchange on Which Registered**
Common Stock, $0.10 par value per share	**The Nasdaq Stock Market LLC**
	(The Nasdaq Capital Market)

Securities registered pursuant to Section 12(g) of the Exchange Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES o NO x

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. YES o NO x

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES x NO o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES x NO o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant s knowledge, in the definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. x

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer o
Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES o NO x

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the Registrant was $25,581,666 on September 30, 2013 based on the closing sale price of such stock as reported on The Nasdaq Capital Market on that date.

As of May 31, 2014, the registrant had 30,131,876 shares of its common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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TIGERLOGIC CORPORATION

FISCAL YEAR 2014 FORM 10-K ANNUAL REPORT

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PART I

IMPORTANT NOTE ABOUT FORWARD-LOOKING STATEMENTS. This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). These statements may generally be identified by the use of such words as expect, anticipate, believe, intend, plan, will, or shall, or the negative of those terms. We have based these forward-looking statements on our cur expectations and projections about future events. Forward-looking statements involve certain risks and uncertainties and actual results may differ materially from those discussed in any such statement. Factors that could cause actual results to differ materially from such forward-looking statements include the risks described under the heading Risk Factors in Part I, Item 1A of this Annual Report on Form 10-K and elsewhere in this Annual Report on Form 10-K. The forward-looking statements contained in this Annual Report on Form 10-K include, but are not limited to statements about the following: (1) our future success, (2) our research and development efforts, (3) our future operating results and cash flow, (4) our ability to compete, (5) the markets in which we operate, (6) our revenue, (7) cost of license revenue and cost of service revenue, (8) our selling and marketing costs, (9) our general and administrative costs, (10) our research and development expenses, (11) the effect of critical accounting policies, (12) the possibility that we may seek to take advantage of opportunities in the equity and capital markets, (13) our belief that our existing cash balances combined with our cash flow from operating activities will be sufficient to meet our operating and capital expenditure requirements for the fiscal year ending March 31, 2015 and through the foreseeable future, (14) our focus on the continued development and enhancement of new product lines, including social media content aggregation platform and applications, and identification of new and emerging technology areas and discussions with channel partners for the sale and distribution of new product lines, (15) the effect of recent changes in tax laws on our financial statements, (16) our ability to successfully integrate recent acquisitions, and (17) the possibility that we may seek to take advantage of strategic acquisition or disposition opportunities. All forward-looking statements in this document are made as of the date hereof, based on information available to us as of the date hereof, and we assume no obligation to update any forward-looking statement.

ITEM 1. Business

Overview

We were incorporated in the State of Delaware in August 1987. We were originally incorporated as Blyth Holdings, Inc. and our name was changed to Omnis Technology Corporation in September 1997. Effective December 1, 2000, we completed the acquisition of PickAx, Inc., a Delaware corporation (PickAx). Concurrent with the acquisition, we changed our name to Raining Data Corporation. On April 17, 2008, we changed our name to TigerLogic Corporation. Reference to we, our, us or the Company in this Annual Report on Form 10-K means TigerLogic Corporation and our subsidiaries.

On November 15, 2013, we completed the sale of our assets dedicated to the multidimensional database management system (MDMS) and related connectivity products known as the MDMS family of products, including D3, mvBase, mvEnterprise and the Pick connectivity products (the MDMS Business), and the related underlying enterprise resource planning (ERP) platform required to support the MDMS Business, to Rocket Software, Inc. (Rocket) for a total sale price of approximately $22 million (the Sale), of which approximately $19.8 million was received at closing and approximately $2.2 million is being held by a third party escrow agent for 12 months to serve as security for our general indemnification obligations. As a result of this divestiture, the historical results of the MDMS Business has been reclassified and presented as discontinued operations for all periods presented. Also, in connection with, and effective on, the closing of the Sale, we assigned to Rocket our Lease Agreement with The Irvine Company, dated November 9, 2004, as amended on December 7, 2009. The lease was for approximately 15,000 square feet of office space in Irvine, California and ran through October 2015.

The divestiture is a very important step forward towards our transformation to take advantage of what we believe to be great opportunities for our social and mobile products. We believe the sale of the MDMS Business will allow us to better focus our resources, and provide the capital to accelerate the development, marketing and sales of our Postano, Storycode and Omnis platforms.

As a result of the divestiture, we anticipate that our financial results will be impacted in the near term. As the MDMS Business represented a significant portion of historical revenue, revenue will decline significantly in the near term until we are able to increase sales from our continuing or newly developed product lines. There can be no assurances that we will be able to fully replace the MDMS revenue with revenue from our retained or newly developed products quickly, or at all. In addition, the MDMS Business represented a significant portion of historical operating expenses, specifically cost of service revenue and research and development. As essentially all of the personnel supporting the MDMS Business were hired by Rocket, our cost of service revenue and research and development expenses will decrease significantly in the near term, expected to be offset by anticipated additional sales and marketing expenses for our retained products.

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Products

Our principal continuing business consists of: 1) the design, development, sale, and support of rapid application development software; and 2) a social and mobile platform, which includes a social media content aggregation and visualization platform, Internet search enhancement tools, and the design and development of mobile applications and digital publications. Our products allow customers to create and enhance flexible software applications for their own needs. Our Omnis Rapid Application Development (RAD) software is a development platform that allows mobile centric developers the ability to build a software code once and quickly deploy an application cross-platform in any environment. Our Postano product is a real-time social media content aggregation, activation, and visualization platform. Our Internet search enhancement tools include the yolink browser plug-in, yolink API for web sites, and yolink search plug-in for WordPress sites. Our mobile solutions include the design and hosting of mobile applications and digital publishing solutions, such as interactive marketing collaterals, brochures, and retail applications.

As a result of completing the sale of the MDMS Business, and the related ERP platform to Rocket on November 15, 2013, our business no longer includes the design, development, sale, and support of MDMS software and related connectivity tools.

We primarily sell our RAD software products through established distribution channels consisting of original equipment manufacturers (OEMs), system integrators, specialized vertical application software developers and consulting organizations, as well as through our sales personnel. Our social media content aggregation platform and Internet search enhancement tools are generally sold through our sales personnel and web sites, as well as through co-marketing arrangements with third parties. Our mobile applications and digital publishing solutions are generally sold through our sales personnel. Outside the United States, we maintain direct sales offices in the United Kingdom, France, and Germany. We generally license our RAD software on a per-CPU, per-server, per-port or per-user basis. We generally license our hosted Postano platform on a time-based subscription basis. We license our yolink products at prices based on usage measured in a variety of ways. We generally sell our mobile application design and digital publishing services on a project fee basis, and charge monthly fees for hosting mobile applications. We also provide continuing software maintenance and support, and other professional services relating to our products, including set-up, consulting and training services.

In addition, one of the elements of our business strategy involves expansion through the acquisition of businesses, assets, products or technologies that allow us to complement our existing product offerings, expand our market coverage or enhance our technological capabilities, such as our acquisition of privately-held Storycode, Inc., a mobile applications development and publishing company on January 17, 2013. We continually evaluate and explore strategic opportunities as they arise, including business combination transactions, strategic partnerships, and the purchase or sale of assets, including tangible and intangible assets, such as our recently completed divestiture of the MDMS Business.

TigerLogic Postano

Postano is a real-time hosted social content aggregation, activation, and visualization platform, bringing together social media conversations and content streams from around the web to strengthen fan engagement. The Postano platform includes Postano Mobile, Postano Events, Postano Retail, Postano Social Hub, and the built-in Postano Monitoring dashboard capabilities. Postano aggregates social content across Twitter, Tumblr, Facebook, Instagram, Pinterest, and other social platforms. Within Postano, these content streams can be moderated, curated, analyzed, and then displayed in venues ranging from retail stores to stadiums, at events to increase brand awareness, on website social hubs to amplify engagement, and on hashtag campaign landing pages to create brand conversation and increase participation. Postano is designed primarily for commercial use, with pricing based on a number of factors, including the type of Postano displayed, the number of Postano displays, features, display customization and support levels desired.

In November 2013, we released version 2.0 of Postano, a significant update to provide marketers the ability to see fan activity across all major social networks and to easily curate and publish selected content into social hubs, event displays, in-store displays, command centers, and within mobile apps. Customers value Postano for its power to immediately source content from a wide variety of social networks and its ability to aggregate and curate that content for engaging fan experiences. Major feature updates to Postano 2.0 include a single dashboard to provide visibility across all social streams, rapid moderation workflow for efficient social curation, native mobile moderation apps for iPhone and Android, and advanced social visualizations built entirely with customizable HTML5 for content that can be displayed on every size screen from smartphones to the largest LED screen arrays.

Rapid Application Development (RAD) Tools

Our RAD products support the full life cycle of software application development and are designed for rapid prototyping, development, and deployment of graphical user interface (GUI) client/server and web applications. The RAD products - Omnis Studio and Omnis Classic - are object-oriented and component-based, providing the ability to deploy cross-platform applications on operating system platforms and database environments.

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In June 2013, we released version 6.0 of Omnis Studio featuring major new enhancements to its JavaScript Client platform that enables developers to create and deploy highly interactive web and mobile enterprise applications for Android, iOS, BlackBerry, and Windows based devices, all from one code base. The JavaScript Client technology in Omnis Studio 6.0 achieves tighter integration with native device functionality, resulting in a richer and more engaging mobile experience for end users. Omnis Studio 6.0 uses scripting compatible with HTML5 and CSS3 to enable support for all popular browsers and devices, including tablets, smartphones, desktops, and web-enabled TVs. Omnis-based applications are developed once and deployed to any device, on any platform, with no plug-in installation required.

Storycode

Our Storycode team provides creative, interactive, and dynamic mobile communication solutions for enterprises to engage customers and drive sales. Storycode is one of six Adobe Digital Publishing Suite Solutions partners in the United States and the only partner on the West Coast. As a mobile partner with expertise in developing cross-platform mobile applications, Storycode focuses on design and user experience. Storycode leverages interactivity, multimedia and native applications to create experiences that engage readers while providing complete, scalable services for the creation of digital publications. Storycode helps corporate customers publish their content by creating annual reports, sales collateral, and other materials specifically for use through mobile devices including tablets and smart phones. Storycode helps clients engage with their audience through push notification, updating content on the fly, producing different versions for different audiences, and with different levels of distribution and password protection.

TigerLogic Yolink

Yolink is a next-generation search enhancement technology that increases the effectiveness of search functionality across web sites and services. Yolink can search both structured markup, such as HTML, and binary code documents as well as unstructured, raw text documents by layering a common semantic model across them, and using this to organize and effect full-text searches across documents. Yolink searches behind links and through web sites to retrieve content based on keyword search terms. To facilitate the user s review of search results, each keyword is highlighted with a unique color. This capability is especially useful for reviewing and searching through the many web pages that contain hundreds, if not thousands, of embedded hyperlinks. Yolink technology can be applied to many platforms and Internet delivery methodologies. Yolink application programming interfaces (known as APIs) allow developers to integrate yolink search technologies with their web sites, services or applications. Yolink is available for download at www.yolink.com.

Technical Support

Many of our products are used by our customers to build and deploy applications that may become a critical component of their business operations. As a result, continuing to provide customers with technical support services is an important element of our business strategy. Customers who participate in our Omnis support programs receive periodic maintenance and update releases on a when-and-if available basis, discounts on major upgrades on a when-and-if available basis, and direct technical support when required.

Sales and Distribution

In the United States, we sell our RAD products through established distribution channels consisting of OEMs, system integrators, specialized vertical application software developers and consulting organizations, as well as through our sales personnel. We sell our Postano, yolink, and Storycode products and services through our direct sales personnel and web sites, as well as through co-marketing arrangements with third parties. Outside the United States, we maintain direct sales offices in the United Kingdom, France and Germany. Approximately 49%, 61%, and 68% of our revenue from continuing operations came from sales through our offices located outside the United States for the fiscal years ended March 31, 2014, 2013 and 2012, respectively.

We sell our products in U.S. Dollars in North America, British Pounds Sterling in the United Kingdom and Euros in France and Germany. Because we recognize revenue and expense in these various currencies but report our financial results in U.S. Dollars, changes in exchange rates may cause variances in our period-to-period revenue and results of operations in future periods.

We generally license our RAD software on a per-CPU, per-server, per-port or per-user basis. Therefore, the addition of CPUs, servers, ports or users to existing systems increases our revenue from our installed base of RAD licensees. Similarly, a decrease in CPUs, servers, ports or users would result in a decrease in our revenue. We generally license our hosted Postano platform on a time-based subscription basis, and sell associated professional services including set-up, display customization, and moderation and curation services. We license our yolink products at prices based on usage measured in a variety of ways. We generally sell our mobile application design and digital publishing services on a project fee basis, and charge monthly fees for hosting mobile applications. In addition to software products and hosted services, we provide continuing software maintenance and support and, to a limited extent, other professional services to our customers, including consulting and training services to help plan, analyze, implement and maintain application software based on our products.

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Customers

Our RAD customers may be classified into two general categories:

- Independent Software Vendors and Software Developers. The majority of our revenue is derived from independent software vendors, who typically develop their own vertical application software that they sell as a complete package to end user customers.

- Corporate Information Technology (IT) Departments.

Target customers for Postano are primarily innovative brands who are active in social media channels and who want a platform to aggregate social media conversations and content streams into engaging experiences for events, retail spaces, sports venues, websites, mobile apps, and executive dashboards. The target customers for our yolink products include companies, bloggers, and individual users who want to enhance their search capabilities. The target customer for our Storycode services are companies that are seeking to create specific digital experiences for the tablet and smart phones with Adobe s Digital Publishing platform, including digital annual reports, catalogues, and sales collateral with push notification, automatic content updates, and the ability to produce different versions for different audiences. For each of the three fiscal years ended March 31, 2014, 2013 and 2012, no single customer accounted for more than 10% of our revenue.

Research and Development

We have devoted significant resources to the research and development of our products and technology. We believe that our future success will depend largely on strong development efforts with respect to both our existing and new products. These development efforts have resulted in updates and upgrades to existing RAD products and the launch of new products including Postano and yolink. New product updates and upgrades in our RAD and Postano product lines are currently in progress and we expect to continue our research and development efforts in these product lines for the foreseeable future. We intend for these efforts to improve our future operating results and increase cash flow. However, such efforts may not result in additional new products or revenue, and we can make no assurances that any announced products or future products will be successful. We spent approximately $4.4 million, $3.7 million, and $4.6 million on research and development in fiscal years 2014, 2013, and 2012, respectively.

Competition

The application development tools software market is rapidly changing and intensely competitive. Our RAD products currently encounter competition from several direct competitors, including Microsoft, and competing development environments, including JAVA. Our Postano social media visualization products compete with products developed by companies such as Facebook and Twitter, as well as a number of smaller companies in the emerging social media marketplace. Direct competitors of our yolink search technology include Google, Yahoo, Microsoft, AOL, and Ask, as well as a number of smaller companies with products that directly and indirectly compete with our yolink search technology. Direct competitors of our Storycode technology include companies such as Salesforce and Oracle and large marketing agencies.

Most of our competitors have significantly more financial, technical, marketing, and other resources than we do. As a result, our competitors may be able to respond more quickly to new or emerging technologies, evolving markets, and changes in customer requirements, and may devote greater resources to the development, promotion, and sale of their products. We believe that our ability to compete in the various product markets depends on factors both within and outside our control, including the timing of release, performance, and price of new products developed by both us and our competitors.

We continue to focus on growth in new market opportunities, such as the mobile applications for our Postano platform, while also continuing to meet the needs of our loyal customer base by investing in the development of new upgrades and updates for our existing RAD products. While we have experienced lower license revenue for our RAD product lines in past periods and expect our overall revenue to be lower in the immediate future as a result of the sale of the MDMS Business, we believe that the proceeds from our sale of the MDMS Business, together with our prudent management of expenditures will continue to provide sufficient working capital balances to fund new product initiatives aimed at increasing stockholder value.

Intellectual Property and Other Proprietary Rights

We rely primarily on a combination of trade secret, patent, copyright and trademark laws and contractual provisions to protect our intellectual property and proprietary rights. Our trademarks include TigerLogic, Postano, yolink, Raining Data, Omnis, Omnis Studio, mvDesigner, and Storycode, among others. We have thirteen issued U.S. patents and four pending U.S. patent applications as of June 10, 2014.

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We generally license our RAD products to end users on a right to use basis pursuant to license agreements that restrict use of products to a specified number of users or a specified usage. We generally rely on click-wrap licenses that become effective when a customer downloads and installs the software on its system or accesses and uses our software. In order to retain exclusive ownership rights to our software and technology, we generally provide our software in object code only, with contractual restrictions on copying, disclosure, and transferability.

We generally sell time-based subscriptions to access our hosted Postano platform on a terms of service basis. We generally rely on click-through licenses that become effective when the subscription begins and to a lesser extent, master services agreements. We protect our Postano technology by controlling access to the hosted platform; without such access, any links to the platform, such as those in our Postano Social Hub offering, would not function.

There can be no assurance that these protections will be adequate, that our license agreements will be enforceable in the United States or foreign jurisdictions, or that our competitors will not independently develop technologies that are substantially equivalent or superior to our technology.

Backlog

We generally download or ship our RAD software products and activate subscriptions to our Postano platform as orders are received, and have historically operated with little backlog. As a result, our license revenue in any given quarter is dependent upon orders received and product shipped during the quarter. Historically, there has been a short cycle between receipt of an order and shipment or activation. Consequently, we do not believe that our backlog as of any particular date is meaningful.

Employees

At March 31, 2014, we had 80 employees worldwide of which 54 were in the United States and 26 were in our international offices. Of the 80 employees, 72 are full-time and approximately 38% are in research and development, 11% in technical support, 33% in sales and marketing and 19% in general and administrative functions. None of our employees are represented by a labor union, and we consider our employee relations to be good. Competition for qualified personnel in our industry is intense. We believe that our future success will continue to depend, in part, on our continued ability to attract, hire and retain qualified personnel.

Executive Officers

The following sets forth certain information regarding our executive officers as of March 31, 2014:

Name	**Age**	**Position(s)**

Richard W. Koe	57	President and Chief Executive Officer
Thomas Lim	45	Chief Financial Officer, VP of Finance, and Secretary
Justin Garrity	41	Senior Vice President, Postano

Mr. Koe was appointed Interim President and Chief Executive Officer on February 26, 2009. In connection with the acquisition of Storycode in January 2013, Mr. Koe s title was modified to eliminate the interim references, and he continues to serve as our President and Chief Executive Officer. Mr. Koe joined the Board of Directors in January 2003 and has served as Chairman since December 2004. Mr. Koe has served as Managing General Partner for Astoria Capital Partners, L.P.(Astoria) and Montavilla Partners, L.P., both of which are investment partnerships, and as President of Astoria Capital Management (ACM), a general partner of Astoria, since July 1991. Astoria holds a large percentage of our outstanding common stock. Mr. Koe is the sole member of the Stock Committee, a subcommittee of the Board. Mr. Koe holds a B.A. in History from the University of Oregon. Mr. Koe has significant executive leadership experience having served as President of ACM, and Managing General Partner for Astoria and Montavilla Partners, L.P., for over 20 years. This experience, combined with over 12 years relationship with us as a major shareholder, and over 10 years of service on our Board of Directors, including as Chairman, uniquely qualify Mr. Koe to serve as our President and Chief Executive Officer.

Mr. Lim has served as our Chief Financial Officer and Vice President of Finance since May 2006, and as Secretary since August 2006. Prior to joining us, from March 2004 to May 2006, Mr. Lim served as the Director of Finance and Controller of WageWorks, Inc., an employee benefits administration firm. Mr. Lim served as the Director of Finance of DNA Sciences, Inc., a bio-research company, from October 2002 to January 2004, and as the Corporate Controller of Certive Corporation, a software company, from June 2000 to September 2002. Mr. Lim graduated from the University of California at Berkeley, Haas School of Business with a B.S. in accounting and finance and received his M.B.A. from the University of California at Berkeley, Haas School of Business. Mr. Lim is a Certified Public Accountant in California (inactive). Mr. Lim has over 20 years of financial experience in a variety of industries, including the technology, financial services, marketing, and professional services industries.

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Mr. Garrity joined the Company through our acquisition of Storycode, Inc., a mobile application publishing studio, effective January 17, 2013, and was appointed as our Vice President, Product and Marketing. Mr. Garrity was promoted as our Senior Vice President, Product and Marketing effective June 2013, and was recently appointed as our Senior Vice President, Postano, responsible for all Postano functions including product development, marketing, and sales. Mr. Garrity has extensive experience in product design, experience design, branding, and marketing. Mr. Garrity served as Chief Creative Officer of Storycode from January 2012 to January 2013, and as Director of User Experience at Webtrends, a provider of digital marketing solutions, from July 2008 to January 2012. Mr. Garrity holds a B.F.A. from Northern Arizona University.

ITEM 1A. Risk Factors

We operate in a rapidly changing environment that involves numerous risks and uncertainties. A description of the risks and uncertainties associated with our business is set forth below. You should carefully consider such risks and uncertainties, together with the other information contained in this Annual Report on Form 10-K for the fiscal year ended March 31, 2014 and in our other public filings. If any of such risks and uncertainties actually occurs, our business, financial condition or operating results could differ materially from the plans, projections and other forward-looking statements included in the section titled Management s Discussion and Analysis of Financial Condition and Results of Operations and elsewhere in this report and in our other public filings. In addition, if any of the following risks and uncertainties, or if any other risks and uncertainties, actually occurs, our business, financial condition or operating results could be harmed substantially, potentially causing the market price of our stock to decline, perhaps significantly. The following section lists some, but not all, of these risks and uncertainties that may have a material adverse effect on our business, financial condition or results of operation.

IF WE DO NOT DEVELOP NEW PRODUCTS, ENHANCE EXISTING PRODUCTS TO KEEP PACE WITH RAPIDLY CHANGING TECHNOLOGY AND INDUSTRY STANDARDS, AND SUCCESSFULLY INTEGRATE ACQUIRED PRODUCTS AND TECHNOLOGIES, OUR REVENUE MAY DECLINE.

We have devoted significant resources to the research and development, as well as acquisitions, of products and technologies. We believe that our future success will depend in large part on strong research and development efforts with respect to both our existing and new products, as well as the integration of newer technologies. We have made extensive efforts to leverage our core intellectual property to create new product lines, including our yolink search technology and our Postano social media visualization platform, which we have enhanced by incorporating Storycode s expertise in mobile application development, user experience, and design to create, what we believe, is a new kind of social platform with mobile distribution capabilities. In furtherance of that strategy, in November 2013, we completed the sale of our MDMS Business to Rocket, to enable us to continue to invest additional resources into our other products, such as Postano and RAD products.

While we intend for these efforts to improve our future operating results and increase cash flow, such new products may not be successful or generate significant revenue. The MDMS Business represented a significant portion of our historical revenues and there can be no assurances that we will be able to replace those revenues with revenues from our retained or newly developed products quickly, or at all. A large portion of the MDMS Business consisted of the sale of annual software maintenance and support services, which provided a historically relatively stable revenue stream. The lower sales volume of annual software maintenance and support services from our retained RAD products, combined with the longer sales cycle of our newer Postano and Storycode products and services, may result in larger fluctuations in revenue.

The development of new or enhanced software products is a complex and uncertain process requiring high levels of innovation, as well as accurate anticipation of customer and technical trends. In developing new products and services, we may fail to develop and market products that respond to technological changes or evolving industry standards in a timely or cost-effective manner or experience difficulties that could

delay or prevent the successful development, introduction and marketing of these new products. The development and introduction of new or enhanced products also requires us to manage the transition from older products in order to minimize disruptions in customer ordering patterns and to ensure that adequate supplies of new products can be delivered to meet customer demand. Failure to develop and introduce new products or enhancements to existing products, in a timely and cost-effective manner in response to changing market conditions or customer requirements or lack of customer acceptance of our products, will materially and adversely affect our business, results of operations and financial condition. There can be no assurance that we will successfully integrate acquired products and technologies, identify new product opportunities, develop and bring new products to market in a timely manner or achieve market acceptance of our products or that products and technologies developed by others will not render our products or technologies obsolete or noncompetitive. In addition, if we do not timely optimize complementary product lines and services or if we fail to adequately support or enhance acquired product lines or services, our business may be adversely affected.

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OUR FAILURE TO COMPETE EFFECTIVELY MAY HAVE AN ADVERSE IMPACT ON OUR OPERATING RESULTS.

The market for our products is highly competitive, diverse and subject to rapid change. Our products and services compete on the basis of the following key characteristics: performance; inter-operability; scalability; functionality; reliability; pricing; post sale customer support; quality; compliance with industry standards; and overall total cost of ownership. The application development tools software market is rapidly changing and intensely competitive. Our RAD products currently encounter competition from several direct competitors, including Microsoft, and competing development environments, including JAVA. Direct competitors of our Postano social media visualization platform include Facebook and Twitter, as well as numerous smaller companies in the emerging social media marketplace. Direct competitors of our yolink search technology include Google, Yahoo, Microsoft, AOL, and Ask, as well as a number of smaller companies with products that directly and indirectly compete with our yolink search technology. Direct competitors of our Storycode products and services include companies such as Salesforce, Oracle, and large marketing agencies. Additionally, as we expand our business and integrate acquired products and technologies, we expect to compete with a different group of companies, including smaller, highly focused companies offering single products.

The strong competition we face in the sales of our products and services, and general economic and business conditions, can put pressure on us to change our prices. If our competitors offer deep discounts on certain products or services, or develop products that the marketplace considers more valuable, we may need to lower prices or offer other favorable terms in order to compete successfully. Any such changes may reduce margins and could adversely affect our operating results and cash flow.

Most of our competitors have significantly more financial, technical, marketing, and other resources than we do. As a result, these competitors may be able to respond more quickly to new or emerging technologies, evolving markets and changes in customer requirements, and may devote greater resources to the development, promotion, and sale of their products. Our products and services could fall behind marketplace demands at any time. If we fail to address the competitive challenges, our business and operating results would suffer materially.

BECAUSE OUR RAD AND SOCIAL AND MOBILE PRODUCTS COMPETE WITH PRODUCTS FROM MUCH LARGER AND WELL KNOWN COMPANIES, OUR REVENUE MAY DECLINE IF WE CANNOT MAINTAIN OUR SALES TO EXISTING CUSTOMERS OR GENERATE SALES TO NEW CUSTOMERS.

We face very strong competition from much larger and better known companies in the markets for our RAD and social and mobile products. As a result, existing customers and new customers may be inclined to adopt other technologies. To maintain or grow our revenue in these markets, we will need to maintain or grow our sales to existing customers and to generate sales to new customers, including corporate development teams, commercial application developers, system integrators, independent software vendors, and independent consultants. If we fail to attract new customers, if we lose our customers to competitors, or if the RAD and social and mobile markets decline, our revenue will be adversely affected.

ACQUISITIONS PRESENT MANY RISKS, AND WE MAY NOT REALIZE THE FINANCIAL AND STRATEGIC GOALS AND SYNERGIES THAT WERE CONTEMPLATED OR ANTICIPATED AT THE TIME OF AN ACQUISITION.

One of the elements of our business strategy involves expansion through the acquisition of businesses, assets, products or technologies that allow us to complement our existing product offerings, expand our market coverage or enhance our technological capabilities. Risks we may face in

connection with any such acquisitions include the following:

• Our ongoing business may be disrupted and our management s attention may be diverted by acquisition, transition or integration activities;

• An acquisition may not further our business strategy as we expected, we may not integrate an acquired company or technology as successfully as we anticipated or we may overpay for or otherwise not realize the expected return on, our investments;

• We may have difficulties in: (i) managing an acquired company s technologies or lines of business or (ii) entering new markets where we have no or limited direct prior experience or where competitors may have stronger market positions;

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• Our operating results or financial condition may be adversely impacted by claims or liabilities that we assume from an acquired company or technology or that are otherwise related to an acquisition, including claims from government agencies, terminated employees, current or former customers, former stockholders or other third parties and intellectual property claims or disputes;

• We may fail to identify or assess the magnitude of certain liabilities, shortcomings or other circumstances prior to acquiring a company or technology, which could result in unexpected litigation or regulatory exposure, unfavorable revenue recognition or other accounting treatment, unexpected increases in taxes due, a loss of anticipated tax benefits or other adverse effects on our business, operating results or financial condition;

• We may not realize the anticipated synergies or increases in our revenues for a number of reasons, including if we fail to engage new customers or enter new markets with our integrated products, if we are unable to sell the acquired products to our existing customer base or if contract models of an acquired company do not allow us to recognize revenues on a timely basis;

• We may have difficulty incorporating acquired technologies or products with our existing product lines and maintaining uniform standards, architecture, controls, procedures and policies;

• We may have multiple product lines as a result of our acquisitions that are offered, priced and supported differently, which could cause customer confusion and delays;

• We may incur higher than anticipated costs in continuing support and development of acquired products, and in administrative functions that support new business models or in compliance with associated regulations that are more complicated than we had anticipated;

• We may be unable to successfully integrate and retain the acquired companies employees and other personnel;

• Our use of cash to pay for acquisitions may limit other potential uses of our cash and may deplete our cash reserves;

• To the extent that we issue a significant amount of equity securities in connection with future acquisitions, existing stockholders may be diluted and earnings per share may decrease; and

• We are required to account for our acquisitions pursuant to U.S. generally accepted accounting principles, including recording goodwill and intangible assets that are subject to impairment testing on a regular basis and potential periodic impairment charges, incurring amortization expenses related to certain intangible assets, incurring write-offs, restructuring or other related expenses and accounting for arrangements that we assume from an acquisition.

Mergers, acquisitions, and dispositions of high-technology companies are inherently risky and subject to many factors outside of our control. No assurance can be given that our previous or future acquisitions or dispositions will be successful and will not materially adversely affect our business, results of operations, financial condition or cash flow. In connection with the sale of our MDMS Business to Rocket, we have agreed to indemnify Rocket under certain circumstances. As security for certain of such indemnification obligations, approximately $2.2 million of the total purchase price is being held by a third party escrow agent for 12 months. Should Rocket bring an indemnification claim against us, we may not be able to recover any of the funds currently held in escrow and may have additional indemnification obligations in some circumstances. In addition, failure to manage and successfully integrate acquisitions could materially harm our business and operating results. Even when an acquired company has already developed and marketed products, there can be no assurance that product enhancements will be made in a timely fashion or that pre-acquisition due diligence will have identified all possible issues that might arise with respect to such products. In addition, accounting for acquisitions may result in charges during a particular quarter, causing variability in our quarterly earnings. Our effective tax rate for future periods is uncertain and could be impacted by mergers and acquisitions.

ADVERSE ECONOMIC CONDITIONS COULD CONTINUE TO HARM OUR BUSINESS.

Our operations and performance depend significantly on global economic conditions. Instability in the global credit markets, including European economic and financial turmoil related to sovereign debt issues in certain countries, may continue to put pressure on global economic conditions. If economic conditions remain uncertain in key markets, including without limitation the United States and Western Europe where we derive a majority of our revenue, we will continue to experience adverse impacts on our business, operating results, and financial condition. Unfavorable changes in economic conditions, including recession, rising inflation, diminished credit availability, declining valuation of investments or other changes in economic conditions have resulted in lower information technology spending and have adversely affected our revenue. For example, current or potential customers may have been unable to fund software purchases, potentially causing them to delay, decrease or cancel purchases of our products and services or to not pay us or to delay paying us for previously purchased products and services. Further, since we generally license our RAD software on a per-CPU, per-server, per-port or per-user basis, any decrease in CPUs, servers, ports or users by our customers would result in a decrease in our revenue. These and other economic factors could continue to have a material adverse effect on demand for our products and services and on our financial results.

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WE HAVE A HISTORY OF LOSSES AND WILL CONTINUE TO INCUR SIGNIFICANT LOSSES IN THE FUTURE.

Although we recorded net income of approximately $1.3 million for the fiscal year ended March 31, 2014, this income was due to the gain on sale of our MDMS Business on November 15, 2013 and the resulting tax benefit on continuing operations. We had an accumulated deficit of approximately $110.4 million as of March 31, 2014. We expect that we will continue to incur significant losses in the future for a number of reasons, including uncertainty as to: (i) the level of our future revenues; (ii) our efforts to monetize newer technologies and services we have developed, including Postano, Storycode, and yolink; and (iii) our efforts to integrate acquired products and technologies. We plan to continue to pursue strategic opportunities, including investment in new product development, and evaluation of strategic acquisitions and dispositions of assets and technologies, such as the recently completed sale of our MDMS Business. There can be no assurances that we will be able to replace the MDMS revenues with revenues from our retained or newly developed products quickly, or at all. Forecasting our revenues and profitability for our new business models is inherently uncertain and volatile. We will need to generate significant increases in our revenues to achieve and maintain profitability, particularly given the current small size of our business relative to the costs associated with being a public reporting company. If our revenue fails to grow or grows more slowly than we currently anticipate or our operating expenses exceed our expectations, our losses would significantly increase which could harm our business and operating results.

IF OUR GOODWILL AND INTANGIBLE ASSETS BECOME IMPAIRED WE MAY BE REQUIRED TO RECORD A SIGNIFICANT NON-CASH CHARGE TO EARNINGS WHICH WOULD MATERIALLY AND ADVERSELY AFFECT OUR RESULTS OF OPERATIONS.

We had goodwill and intangible assets of $18.7 million at March 31, 2014. Under accounting principles generally accepted in the United States, we review our goodwill for impairment annually in the fourth quarter of each fiscal year, or more frequently if events or changes in circumstances indicate the carrying value may not be fully recoverable. We review our intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The carrying value of our goodwill and intangible assets may not be recoverable due to factors such as a significant decline in our stock price and market capitalization, reduced estimates of future revenues or cash flows, timing of our revenues, significant changes in the strategy for the overall business, or significant negative trends in our industry or the economy in general. Estimates of future revenues and cash flows are based on a long-term financial outlook of our operations. Actual performance in the near-term or long-term could be materially different from these forecasts, which could impact future estimates and the recorded value of the intangibles. In addition, we have only one reporting unit, and the estimated fair value of the reporting unit is currently based primarily on our market capitalization as determined through quoted stock trading prices on Nasdaq. At the time of our annual impairment testing in March 2014, we determined that the fair value of our reporting unit was in excess of our net book value, and therefore there was no impairment of goodwill at that time. However, the amount by which our market capitalization exceeded our net book value had decreased significantly as of March 31, 2014 as compared to prior year and, subsequent to March 31, 2014, our stock price has been volatile and on some days our market capitalization has fallen slightly below our net book value. A further sustained decline in our stock price and erosion of our market capitalization may trigger an additional goodwill impairment test such that we may be required to obtain an independent third party valuation of the Company to incorporate other relevant factors in estimating the fair value of the Company including, but not limited to, any control premium. Should impairment of our goodwill and intangible assets be determined to exist, we may be required to recognize a significant charge to earnings in our consolidated financial statements during that period. In the event we need to reduce the carrying value of our goodwill or intangible assets, any such impairment charge would materially and adversely affect our results of operations.

OUR PRODUCTS HAVE A LONG SALES CYCLE WHICH COULD RESULT IN DELAYS IN THE RECOGNITION OF REVENUE.

The sales cycle for our RAD products typically ranges from three to nine months or longer. Our products are typically used by application developers, system integrators and value added resellers to develop applications that are critical to their end user s business. Because our products

are often part of an end user s larger business process, re-engineering initiative, or implementation of client/server or web-based computing, the end users frequently view the purchase of our products as part of a long-term strategic decision regarding the management of their workforce-related operations and expenditures. Thus, this sometimes results in end users taking a significant period of time to assess alternative solutions by competitors or to defer a purchase decision as a result of an unrelated strategic issue beyond our control.

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The sales cycle for our Postano social media visualization platform typically ranges from one to six months or longer. Market adoption of newer social media platforms such as Postano is still at a relatively early stage as brands are discovering and learning how to leverage fan generated social content for marketing and customer engagement. Since we typically sell time based subscriptions to the Postano platform, revenue is generally recognized ratably over the subscription term, which may not begin immediately. In addition, the social media market has much larger direct competitors such as Facebook and Twitter, which sometimes results in customers taking a significant period of time to evaluate other solutions before making purchasing decisions. The adoption cycle for our yolink search technology is anticipated to be long since the search market currently has much larger direct competitors such as Google, Yahoo, Microsoft, AOL, and Ask. As a result, a significant period of time may elapse between our research and development efforts and recognition of revenue, if any.

THE CONCENTRATION OF OUR STOCK OWNERSHIP GIVES CERTAIN STOCKHOLDERS SIGNIFICANT CONTROL OVER OUR BUSINESS.

As of March 31, 2014, Astoria beneficially owned approximately 49.5% of our outstanding common stock. Richard W. Koe, Chairman of the Board of Directors and our President and Chief Executive Officer, serves as the President of ACM, a general partner of Astoria. This concentration of stock ownership allows Astoria, acting alone, to potentially block or delay any actions that require approval of our stockholders, including the election of members to our Board of Directors and the approval of significant corporate transactions. Moreover, this concentration of ownership may delay or prevent a change in control. Astoria has announced that it is in the process of winding down and is working on identifying strategic block purchasers for its holdings of our common stock, but the timing and the outcome of this process remains uncertain. The Board of Directors of the Company has formed a special committee of independent directors, which committee has engaged its own legal and financial advisors, to evaluate any proposed sale of Astoria s shares of our common stock that may be presented to the Company as well as other strategic alternatives available to the Company.

WE MAY EXPERIENCE QUARTERLY FLUCTUATIONS IN OPERATING RESULTS, RESULTING IN VOLATILITY OF OUR STOCK PRICE.

We expect to continue to spend substantial amounts of money in the area of research and development, sales and marketing, and operations in order to integrate acquired products and technology and to promote new product development and introduction. Because the expenses associated with these activities are relatively fixed in the short-term, we may be unable to timely adjust spending to offset any unexpected shortfall in revenue growth or any decrease in revenue levels. The MDMS Business represented a significant portion of our historical revenues and there can be no assurances that we will be able to replace those revenues with revenues from our retained or newly developed products quickly, or at all. Operating results may also fluctuate due to factors such as:

- the size and timing of customer orders;
- changes in pricing policies by us or our competitors;
- our ability to develop, introduce, and market new and enhanced versions of our products;

- our ability to integrate acquired products and technologies;
- our ability to realize the anticipated synergies from the businesses we acquire;
- the number, timing, and significance of product enhancements and new product announcements by our competitors;
- the demand for our products;
- non-renewal of customer support agreements;
- the timing and significance of acquisition-related expenses and accounting charges;
- software defects and other product quality problems; and
- personnel changes.

We operate without a significant backlog of orders. As a result, the quarterly sales and operating results in any given quarter are dependent, in large part, upon the volume and timing of orders booked, products shipped, subscription periods initiated, and professional services rendered during that quarter. Accordingly, we may be unable to adjust spending in a timely manner to compensate for any unanticipated decrease in orders, sales, subscriptions, or professional services. Therefore, any decline in demand for our products and services, in relation to the forecast for any given quarter, could materially and negatively impact the results of our operations. As a result, our quarterly operating results may fluctuate, potentially causing our stock price to be volatile. In addition, we believe that period-to-period comparisons of our operating results should not be relied upon as indications of future performance.

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We have experienced a sustained decrease in the trading price of our stock over the last several months. A significant drop in our stock price could also expose us to the risk of securities class actions lawsuits, which could result in substantial costs and divert management s attention and resources, which could adversely affect our business. In addition, if our stock price continues to decline we may have difficulty maintaining Nasdaq listing or be required to undertake steps to improve the trading price, such as effecting a reverse stock split.

THE SUCCESS OF OUR BUSINESS DEPENDS IN PART UPON OUR ABILITY TO RECRUIT AND RETAIN KEY PERSONNEL AND MANAGEMENT.

Mr. Koe was appointed Interim President and Chief Executive Officer in February 2009, and in connection with the acquisition of Storycode in January 2013, Mr. Koe s title was modified to eliminate the interim references, and he continues to serve as our President and Chief Executive Officer. The loss of one or more of our executives could adversely affect our business. In addition, we have in the past restructured or made other adjustments to our workforce in response to management changes, product changes, performance issues, acquisitions, and other internal and external considerations. Workforce restructurings could result in a temporary lack of focus and reduced productivity, negatively affecting our revenues.

We believe that our future success will depend to a significant extent on our ability to recruit, hire, and retain highly skilled management and employees with experience in engineering, product management, business development, sales, marketing, and customer service. For example, in June 2013, we appointed Justin Garrity, who joined us as part of the acquisition of Storycode, as our Senior Vice President, Product and Marketing. Mr. Garrity was promoted to the position of Senior Vice President, Postano, in January 2014. Competition for such personnel in the software industry can be intense, and there can be no assurance that we will be successful in attracting and retaining such personnel. If we are unable to do so, we may experience inadequate levels of staffing to develop and license our products and perform services for our customers, adversely affecting our business.

THE INABILITY TO PROTECT OUR INTELLECTUAL PROPERTY COULD HARM OUR ABILITY TO COMPETE.

Our ability to compete successfully will depend, in part, on our ability to protect our proprietary technology and operations without infringing upon the rights of others. We may fail to do so. We rely primarily on a combination of patent, trade secret, copyright and trademark laws, and contractual provisions to protect our intellectual property and proprietary rights. Our trademarks include TigerLogic, Postano, yolink, Omnis, Omnis Studio, mvDesigner, and Storycode, among others. We have thirteen issued U.S. patents and four pending U.S. patent applications as of June 10, 2014. Although we have been issued various patents and other patent applications are currently pending, there can be no assurance that any of these patents or other proprietary rights will not be challenged, invalidated or circumvented or that our rights will, in fact, provide competitive advantages to us. In addition, there can be no assurance that patents will be issued from pending applications or that claims allowed on any patents will be sufficiently broad to protect our technology. Further, the laws of some foreign countries may not protect our proprietary rights to the same extent as do the laws of the United States. The outcome of any actions taken in these foreign countries may be different than if such actions were determined under the laws of the United States. Although we are not dependent on any individual patents or group of patents for particular segments of the business for which we compete, if we are unable to protect our proprietary rights to the totality of the features (including aspects of products protected other than by patent rights) in a market, we may find ourselves at a competitive disadvantage to others who need not incur the substantial expense, time, and effort required to create innovative products. In addition to trademark and copyright protections, we generally license our products to end users on a right to use basis pursuant to license agreements that restrict use of products to a specified number of users or a specified usage.

We generally rely on click-wrap licenses that become effective when a customer downloads and installs software on its system or accesses and uses our software. In order to retain exclusive ownership rights to our software and technology, we generally provide our software in object code only, with contractual restrictions on copying, disclosure, and transferability. We generally sell time-based subscriptions to access our hosted Postano platform on a terms of service basis. We generally rely on click-through licenses that become effective when the subscription begins and to a lesser extent, master services agreements. We protect our Postano technology by controlling access to the hosted platform; without such access, any links to the platform, such as those in our Postano Social Hub offering, would not function. There can be no assurance that these protections will be adequate, that our license agreements will be enforceable in the United States or foreign jurisdictions or that our competitors will not independently develop technologies that are substantially equivalent or superior to our technology.

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THIRD PARTIES COULD FILE CLAIMS ASSERTING THAT OUR SOFTWARE PRODUCTS OR SERVICES INFRINGE ON THEIR INTELLECTUAL PROPERTY RIGHTS, RESULTING IN POTENTIALLY COSTLY LITIGATION, PRODUCT SHIPMENT DELAYS, PRODUCT LICENSING PROHIBITIONS OR REQUIREMENTS TO ENTER INTO ROYALTY OR LICENSING AGREEMENTS.

There has been a substantial amount of litigation in the software and online services industry regarding intellectual property rights and there is significant uncertainty in our industry as many of the legal principles associated with software and online services continue to evolve rapidly. Third parties may file claims against us or our customers asserting that our current or potential future products or services, including our acquired products and technologies, infringe upon their intellectual property rights. Third parties on occasion have and may continue to assert that our products and technologies are subject to license requirements. We may be periodically involved in any number of ordinary course of business proceedings of this type. We expect that software product developers and providers of software applications, and online services will increasingly be subject to infringement claims as the number of products, services, and competitors in our industry segment grow and the functionality of products and services in different industry segments overlap. Because of the existence of a large number of patents in the software field, the secrecy of some pending patents, and the rapid rate of issuance of new patents, it is not economically practical or even possible to determine in advance whether a product or any of its components infringes or will infringe on the patent rights of others. The asserted claims and/or initiated litigation can include claims against us or our suppliers or customers, alleging infringement of their proprietary rights with respect to our existing or future products or components of those products. Regardless of the merit of these claims, they can be time-consuming, result in costly litigation and diversion of technical and management personnel or require us to develop a non-infringing technology, enter into royalty or licensing agreements, or be subject to requests for injunctive remedies. Where claims are made by customers, resistance even to unmeritorious claims could damage customer relationships. There can be no assurance that licenses will be available on acceptable terms and conditions, if at all or that our indemnification by our suppliers will be adequate to cover our costs if a claim were brought directly against us or our customers. Furthermore, because of the potential for high court awards that are not necessarily predictable, it is not unusual to find even arguably unmeritorious claims settled for significant amounts. If any infringement or other intellectual property claim made against us by any third party is successful, if we are required to indemnify a customer with respect to a claim against the customer or if we fail to develop non-infringing technology or license the proprietary rights on commercially reasonable terms and conditions, our business, operating results, and financial condition could be materially and adversely affected.

OUR PRODUCTS MAY CONTAIN SOFTWARE DEFECTS POTENTIALLY HARMING OUR BUSINESS.

Our enterprise applications development software, search technology, social media, and mobile application and digital publication products may contain undetected errors or failures. This includes our higher risk yolink and Postano products because they are in the early stages of the product life cycle, and especially our recently acquired Storycode business. This may result in loss of or delay in, customer acceptance of our products and could harm our reputation and our business. Undetected errors or failures in computer software programs are not uncommon.

The detection and correction of any security flaws can be time consuming and costly. Errors in our software products could affect the ability of our products to work with other hardware or software products, could delay the development or release of new products or new versions of products and could adversely affect market acceptance of our products, including products integrated with our acquired technologies. If we experience errors or delays in releasing new products or new versions of products, we could lose revenues. End users who rely on our products and services for applications that are critical to their businesses may have a greater sensitivity to product errors and security vulnerabilities than customers for software products generally. Software product errors and security flaws in our products or services could expose us to product liability, performance or warranty claims, as well as harm our reputation, which could impact our future sales of products and services.

IF ASTORIA OR OTHER SECURITIES HOLDERS REQUEST REGISTRATION OF THEIR RESTRICTED SECURITIES OR THESE SECURITIES HOLDERS SELL A SUBSTANTIAL AMOUNT OF RESTRICTED SECURITIES IN THE OPEN MARKET,

OUR STOCK PRICE MAY DECLINE.

As of March 31, 2014, we had 30,117,234 outstanding shares of common stock, of which approximately 15.1 million shares were restricted securities held by Astoria and other holders. Restricted securities may be sold in the public market only if they are registered or if they qualify for an exemption from registration under the Securities Act. At present, all of our outstanding restricted securities may be registered or are eligible for public sale under Rule 144 promulgated under the Securities Act, subject to volume limitations and other requirements of Rule 144.

Sales of a substantial number of shares of common stock by Astoria or other securities holders in the public market or the perception that those sales may occur, could cause the market price of our common stock to decline. In addition, if we register shares of our common stock in connection with a public offering of securities, we may be required to include shares of restricted securities in the registration, including shares we issued in connection with the Storycode acquisition, possibly adversely affecting our ability to raise capital.

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OUR GLOBAL OPERATIONS EXPOSE US TO ADDITIONAL RISKS AND CHALLENGES ASSOCIATED WITH CONDUCTING BUSINESS INTERNATIONALLY.

We operate on a global basis with offices or distributors in Europe, Africa, Asia, Latin America, South America, Australia, and North America and development efforts in North America and Europe. Approximately 49% of our revenue for the fiscal year ended March 31, 2014 was generated from our international offices. We face several risks inherent in conducting business internationally, including but not limited to the following:

- general economic conditions in each country or region;
- fluctuations in interest rates or currency exchange rates;
- language and cultural differences;
- local and governmental requirements;
- political or social unrest;
- difficulties and costs of staffing and managing international operations;
- potentially adverse tax consequences;
- differences in intellectual property protections;
- difficulties in collecting accounts receivable and longer collection periods;
- seasonal business activities in certain parts of the world; and
- trade policies.

In addition, compliance with international and U.S. laws and regulations that apply to our international operations increases our cost of doing business in foreign jurisdictions. These laws and regulations include data privacy requirements, labor relations laws, tax laws, anti-competition regulations, import and trade restrictions, export requirements, U.S. laws such as the Foreign Corrupt Practices Act, and also local laws prohibiting corrupt payments to governmental officials. Violations of these laws and regulations could result in fines, criminal sanctions against us, our officers or our employees, and prohibitions on the conduct of our business. Any such violations could include prohibitions on our ability to offer our products and services in one or more countries, could delay or prevent potential acquisitions, and could also materially damage our reputation, our brand, our international expansion efforts, our ability to attract and retain employees, our business, and our operating results. Our success depends, in part, on our ability to anticipate these risks and manage these difficulties. These factors or any combination of these factors may adversely affect our revenue or our overall financial performance.

CHANGES IN OUR PROVISION FOR INCOME TAXES OR ADVERSE OUTCOMES RESULTING FROM EXAMINATION OF OUR INCOME TAX RETURNS COULD ADVERSELY AFFECT OUR OPERATING RESULTS

Our provision for income taxes is subject to volatility and could be adversely affected by earnings being lower than anticipated in countries that have lower tax rates and higher than anticipated in countries that have higher tax rates; by changes in the valuation of our deferred tax assets and liabilities; by expiration of or lapses in the R&D tax credit laws; by transfer pricing adjustments, including our intercompany cost sharing arrangements and legal structure; by tax effects of nondeductible compensation; by tax costs related to intercompany realignments; by changes in accounting principles; or by changes in tax laws and regulations, including possible U.S. changes to the taxation of earnings of our foreign subsidiaries, the deductibility of expenses attributable to foreign income or the foreign tax credit rules. Significant judgment is required to determine the recognition and measurement attribute prescribed in the accounting guidance for uncertainty in income taxes. The accounting guidance for uncertainty in income taxes applies to all income tax positions, including the potential recovery of previously paid taxes, which if settled unfavorably could adversely impact our provision for income taxes or additional paid-in capital. In addition, we have and may become subject to the examination of our income tax returns by the Internal Revenue Service and other tax authorities. We regularly assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for income taxes. There can be no assurance that the outcomes from these examinations will not have an adverse effect on our operating results and financial condition.

THE FAILURE OF OUR PRODUCTS TO CONTINUE TO CONFORM TO INDUSTRY STANDARDS MAY HARM OUR OPERATING RESULTS.

A key factor in our future success will continue to be the ability of our products to operate and perform well with existing and future, industry-standard enterprise software applications intended to be used in connection with our RAD and social and mobile products. Inter-operability may require third party licenses, which may not be available to us on favorable terms or at all. Failure to meet existing or future inter-operability and performance requirements of industry standard applications in a timely manner could adversely affect our business. Uncertainties relating to the timing and nature of new product announcements or introductions or modifications of third party software applications could delay our product development, increase our product development expense or cause customers to delay evaluation, purchase, and deployment of our products.

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INEFFECTIVE INTERNAL CONTROLS COULD IMPACT OUR BUSINESS AND OPERATING RESULTS.

Our internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls or fraud. Even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. As a smaller reporting company under the SEC rules and regulations, we are currently not subject to the requirements of independent auditor attestation of management s assessment of our internal controls over financial reporting set forth in Section 404(b) of the Sarbanes Oxley Act of 2002 because the Dodd Frank Wall Street Reform and Consumer Protection Act signed into law on July 21, 2010 permanently exempted companies that are not accelerated filers or large accelerated filers under the SEC rules from Section 404(b) requirements. If, in the future, we no longer qualify as a smaller reporting company and become an accelerated filer or a large accelerated filer (which may occur if the trading price of our stock, and therefore, our public float, increase significantly, as calculated on an annual basis), we will become subject to the requirements of Section 404(b) in such fiscal years. If such audit identifies any material weaknesses in our internal control over financial reporting, we may be required to provide appropriate disclosures and implement costly and time consuming remedial measures. If we fail to maintain the adequacy of our internal controls, including any failure to implement required new or improved controls or if we experience difficulties in implementation, our business and operating results could be harmed and we could fail to meet our financial reporting obligations.

BUSINESS DISRUPTIONS COULD HURT OUR ABILITY TO EFFECTIVELY PROVIDE OUR PRODUCTS AND SERVICES, DAMAGING OUR REPUTATION AND HARMING OUR OPERATING RESULTS.

The availability of our products and services depends on the continuing operation of our information technology systems. Our business operations are vulnerable to damage or interruption from earthquakes, terrorist attacks, floods, fires, power loss, telecommunication failures, computer viruses, computer denial of service attacks or other attempts to harm our systems. A significant portion of our research and development activities and certain other critical business operations are located in areas with a high risk of major earthquakes. Although we maintain crisis management and disaster response plans, such events could make it difficult or impossible for us to deliver our services to our customers, and could decrease demand for our services, which could damage our reputation and harm our operating results.

A BREACH IN INFORMATION PRIVACY COULD NEGATIVELY IMPACT OUR OPERATIONS.

The protection of our customer, employee and company data is critically important to us. We utilize customer data captured through our online activities. Our customers have a high expectation that we will adequately safeguard and protect their personal information. A significant breach of customer, employee or company data could damage our reputation and relationships with our customers and result in lost revenues, fines and lawsuits.

WE OUTSOURCE SOME TECHNOLOGY-RELATED BUSINESS PROCESSES TO THIRD PARTY VENDORS, WHICH SUBJECTS US TO RISKS, INCLUDING DISRUPTIONS IN BUSINESS AND INCREASED COSTS.

These include credit card authorization and processing, payroll processing, record keeping for retirement and benefit plans and certain information technology functions. In addition, we review outsourcing alternatives on a regular basis and may decide to outsource additional business processes in the future. We try to ensure that all providers of outsourced services are observing proper internal control practices, such as

redundant processing facilities; however, there are no guarantees that failures will not occur. Failure of third parties to provide adequate services could have an adverse effect on our results of operations or ability to accomplish our financial and management reporting.

ITEM 1B. Unresolved Staff Comments

Not applicable.

ITEM 2. Properties

On January 23, 2014, we entered into a lease agreement (the Lease) with The Irvine Company LLC, as landlord, relating to the space located at 2855 Michelle Drive, Suite 190, Irvine California. Upon completion of tenant improvements, we relocated our headquarters to this new location in April 2014. The base rent over the five-year term of the Lease is approximately $7,000 per month for the first year, with annual increases to approximately $8,400 per month for the final year. Under certain circumstances, we have the option to extend the Lease for one term of either 36 months or 60 months at a base rent equal to the then prevailing market rental rate for comparable space within the same building.

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Effective May 1, 2010, we entered into a three-year term lease for approximately 4,500 square feet of office space in Mountain View, California. Total base rent over the three-year term ending April 30, 2013 was approximately $408,000. On May 1, 2012, we amended the lease to extend the term for an additional three years through April 30, 2016, with total base rent over the additional three-year term of approximately $450,000.

Effective April 1, 2011, we entered into a 49-month term lease for approximately 7,500 square feet of office space in Portland, Oregon. Total base rent over the 49-month term is approximately $321,000.

We own a building consisting of approximately 5,900 total square feet located on approximately six acres of land in Suffolk, England. The facility houses engineering, marketing, technical support, and administrative personnel. We also lease a sales and support office in France and Germany.

We believe that our facilities are suitable and adequate for our current needs.

ITEM 3. Legal Proceedings

We are subject from time to time to litigation, claims and suits arising in the ordinary course of business. There were no ongoing material legal proceedings as of March 31, 2014.

ITEM 4. Mine Safety Disclosures

Not applicable.

PART II

ITEM 5. Market for Registrant s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common stock is traded on the Nasdaq Capital Market under the symbol TIGR.

The following table sets forth the high and low closing prices for our common stock for the periods indicated, as reported by Nasdaq:

	High	Low
Fiscal year 2013		
First Quarter	$ 2.30	$ 1.98
Second Quarter	$ 2.18	$ 1.57
Third Quarter	$ 2.18	$ 1.60
Fourth Quarter	$ 2.35	$ 1.81

	High	Low
Fiscal year 2014		
First Quarter	$ 2.12	$ 1.53
Second Quarter	$ 1.94	$ 1.61
Third Quarter	$ 2.05	$ 1.63
Fourth Quarter	$ 2.09	$ 1.41

On March 31, 2014, the closing price for our common stock on the Nasdaq Capital Market was $1.41 and there were approximately 130 holders of record of our common stock.

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Dividends

We have never declared or paid dividends on our common stock. We intend to retain earnings, if any, for the operation and expansion of our business, and therefore do not anticipate paying any cash dividends in the foreseeable future.

Securities Authorized For Issuance under Equity Compensation Plans

The information required by this item regarding equity compensation plans is incorporated by reference to the information set forth in Part III, Item 12 of this Annual Report on Form 10-K.

Recent Sales of Unregistered Securities

There were no sales of unregistered securities during the fiscal year 2014.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

There were no repurchases of shares during the fourth quarter of fiscal year 2014.

ITEM 6. Selected Financial Data

We are a smaller reporting company and are not required to provide the information required by this item.

ITEM 7. Management s Discussion and Analysis of Financial Condition and Results of Operations

The section entitled Management s Discussion and Analysis set forth below contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). These statements may generally be identified by the use of such words as expect, anticipate, believe, intend, plan, will, or shall, or the negative of those terms. We have based these forward-looking statements on our current expectations and projections about future events. Forward-looking statements involve certain risks and uncertainties and actual results may differ materially from those discussed

in any such statement. Factors that could cause actual results to differ materially from such forward-looking statements include the risks described under the heading Risk Factors in Item 1A of this Annual Report on Form 10-K and, elsewhere in this Annual Report on Form 10-K. The forward-looking statements contained in this Annual Report on Form 10-K include, but are not limited to statements about the following: (1) our future success, (2) our research and development efforts, (3) our future operating results and cash flow, (4) our ability to compete, (5) the markets in which we operate, (6) our revenue, (7) cost of license revenue and cost of service revenue, (8) our selling and marketing costs, (9) our general and administrative costs, (10) our research and development expenses, (11) the effect of critical accounting policies, (12) the possibility that we may seek to take advantage of opportunities in the equity and capital markets, (13) our belief that our existing cash balances combined with our cash flow from operating activities will be sufficient to meet our operating and capital expenditure requirements for the remainder of the fiscal year ending March 31, 2015 and through the foreseeable future, (14) our focus on the continued development and enhancement of new product lines, including social media content aggregation platform and applications, and identification of new and emerging technology areas and discussions with channel partners for the sale and distribution of new product lines, (15) the effect of recent changes in tax laws on our financial statements, (16) our ability to successfully integrate recent acquisitions, and (17) the possibility that we may seek to take advantage of strategic acquisition or disposition opportunities. All forward-looking statements in this document are made as of the date hereof, based on information available to us as of the date hereof, and we assume no obligation to update any forward-looking statement.

This discussion and analysis of the financial statements and results of operations should be read in conjunction with our audited consolidated financial statements, including the related notes thereto, contained elsewhere in this Annual Report on Form 10-K.

Unless noted otherwise, management s discussion and analysis of financial condition and results of operations pertain to our continuing operations.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent liabilities.

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On an on-going basis, we evaluate our estimates, including those related to revenue recognition and accounting for goodwill and intangible assets. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

We have identified the accounting policies below as the policies critical to our business operations and the understanding of our results of operations. We believe the following critical accounting policies and the related judgments and estimates affect the preparation of our consolidated financial statements:

REVENUE RECOGNITION. Revenue attributable to an element in a customer arrangement is recognized when persuasive evidence of an arrangement exists, delivery has occurred, the fee is fixed or determinable, and collectability is probable. If, at the outset of the customer arrangement, we determine that the arrangement fee is not fixed or determinable, we defer the revenue and recognize the revenue when the arrangement fee becomes due and payable. We do not have price protection programs or conditional acceptance agreements, and sales of our products are made without right of return.

For contracts with multiple software and software-related elements, we recognize revenue for the delivered elements, generally software licenses, using the residual value method when vendor-specific objective evidence (VSOE) of fair value exists for all undelivered elements, consisting primarily of post-contract customer support (PCS). PCS is recognized ratably over the support term.

For our hosted software subscription arrangements, services revenue is recognized ratably over the subscription period. We also have services revenue consisting of consulting and training services that are either recognized as the services are performed or upon the completion of the services depending on the nature of the services. When subscription arrangements involve multiple elements that qualify as separate units of accounting, we allocate arrangement consideration to all deliverables based on the relative stand-alone selling price method in accordance with the selling price hierarchy, which includes: (i) VSOE if available; (ii) third-party evidence (TPE) if VSOE is not available; and (iii) best estimate of selling price (BESP) if neither VSOE nor TPE is available. Revenue allocated to each deliverable, limited to the amount not contingent on future performance, is then recognized when the basic revenue recognition criteria are met for the respective deliverables.

We determine whether VSOE can be established based on our historical pricing and discounting practices for the specific deliverable when sold separately. In determining VSOE, we require that a substantial majority of the selling prices fall within a reasonably narrow pricing range. We have established VSOE for our PCS included in our software arrangements, but have not yet been able to establish VSOE for our subscription or other services.

When VSOE cannot be established for our subscription and other services, we apply judgment with respect to whether we can establish a selling price based on TPE. TPE is determined based on third party pricing practices for similar deliverables when sold separately. Generally, our pricing strategy differs from that of our peers and our offerings contain a significant level of differentiation such that the comparable pricing of services with similar functionality cannot be obtained. Furthermore, typically, we are unable to reliably determine what similar competitors services selling prices are on a stand-alone basis. As a result, we have not been able to establish selling prices based on TPE.

When we are unable to establish a selling price for our subscription and other services using VSOE or TPE, we use BESP in our allocation of arrangement consideration. The objective of BESP is to determine the price at which we would transact a sale if the respective elements were

sold on a stand-alone basis. We estimate BESP for services by considering multiple factors including, but not limited to, prices charged for similar offerings, market conditions, competitive landscape, costs of providing the services, and our overall pricing practices. We currently use BESP in order to allocate the selling price to our deliverables in multiple element subscription arrangements.

BUSINESS DIVESTITURE. We divested the MDMS Business in fiscal year 2014, and in the future may make further divestitures. We presented financial results for the divested MDMS Business as discontinued operations in the financial statements for the periods prior to the divestiture. We identified costs that were considered to be related to ongoing Company activities separately from those related to the divested MDMS Business. Costs identified as relating to continuing operations include costs related to certain personnel and general and administrative costs, as well as other finance and legal costs which are equivalent to the resources expected on an ongoing basis after the divestiture. All compensation, benefits, stock-based compensation and other personnel related costs associated with these positions were included in ongoing operations. We also included in ongoing operations costs related to being a public company, such as external audit costs, costs associated with the Sarbanes-Oxley Act, board of directors fees, SEC filing fees, and Nasdaq fees. Facilities and information systems/technology costs were allocated based upon the percentage of headcount of the employees assumed to be working primarily on continuing operations. All specific costs of the divested MDMS Business were classified as discontinued operations as they were considered necessary and were directly related the divested business.

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We identified assets and liabilities that were related to the divested MDMS Business and presented them as assets and liabilities from discontinued operations on the consolidated balance sheets. Assets related to the MDMS Business included certain trade accounts receivable, fixed assets, and goodwill. Goodwill was allocated to the MDMS Business based on the relative fair values of the MDMS Business and continuing operations. Liabilities related to the MDMS Business included certain deferred revenue related to support contracts that were sold and certain pension liabilities relating to our France subsidiary.

BUSINESS COMBINATIONS AND GOODWILL. We have entered into certain acquisitions, and in the future may make further acquisitions. The application of the purchase method of accounting for business combinations requires the use of significant estimates and assumptions in the determination of the fair value of assets acquired and liabilities assumed in order to properly allocate the purchase price consideration between depreciable assets, assumed liabilities, intangibles, and goodwill. Our estimates of the fair values of assets and liabilities acquired are based upon assumptions that we believe to be reasonable and include assistance from independent third-party appraisal firms. When equity instruments are issued as part of the purchase price consideration, we measure them at fair value as of the date of the acquisition.

We assess the impairment of goodwill whenever events or changes in circumstances indicate that the carrying value may not be recoverable and at least annually during the fourth quarter of each fiscal year. Impairment of goodwill is tested at the reporting unit level by comparing the reporting unit s carrying amount, including goodwill, to its fair value. For purposes of this analysis, we consider ourselves a single reporting unit. Factors we consider to be important that would trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Timing of our revenue, significant changes in the manner of use of the acquired assets or the strategy for the overall business;
- Significant negative industry or economic trends;
- Significant decline in our stock price for a sustained period; and
- Our market capitalization falling below our net book value for a sustained period.

Determining the fair value of a reporting unit under the first step of the goodwill impairment test and determining the fair value of individual assets and liabilities of a reporting unit (including unrecognized intangible assets) under the second step of the goodwill impairment test is judgmental in nature and often involves the use of significant estimates and assumptions. These estimates and assumptions could have a significant impact on whether or not an impairment charge is recognized and the magnitude of any such charge. Given our single reporting unit structure, a key input in estimating of our reporting unit fair value is our stock price as reported by Nasdaq and our related market capitalization. No impairment of goodwill has been identified during any of the periods presented as our market capitalization had exceeded our net book value. However, the amount by which our market capitalization exceeded our net book value had decreased significantly as of March 31, 2014 as compared to the prior year, and subsequent to March 31, 2014, our stock price has been volatile and on some days our market capitalization has fallen slightly below our net book value. We continue to monitor our stock price and to the extent it continues to fall below our net book value for sustained periods of time, it may trigger an additional goodwill impairment test such that we may be required to obtain an independent third party valuation to incorporate other relevant factors in estimating the fair value of our Company including but not limited to, any control premium. To the extent the fair value of our Company is below its carrying amount, we would be required to perform the second step of the goodwill impairment test to measure any impairment of goodwill.

Intangible assets with finite useful life are amortized using the straight-line method over their estimated period of economic benefit. Our intangible assets were acquired in connection with our acquisition of Storycode on January 17, 2013. We estimate that our technology intangible asset has a useful life of seven years and our trade and domain names intangible asset has a useful life of ten years. We evaluate our intangible assets for impairment whenever events and change in circumstances occur which may warrant revised estimate of useful lives or recognition of an impairment loss.

EMPLOYEE STOCK-BASED COMPENSATION. Share-based compensation cost is measured at the grant date based on the value of the award and is recognized as expense over the requisite service period. We estimate the fair value of stock-based awards using a Black-Scholes valuation model. Determining the fair value of share-based awards at the grant date and related expense requires judgment, including estimating volatility, expected terms, and forfeitures. Volatility is estimated based on historical experience. Expected terms are based on historical experience and consideration of the awards contractual terms, vesting schedule and future expectations. Forfeitures are based on our actual forfeiture rate as well as management judgment. If actual results differ significantly from these estimates, stock-based compensation expense and our results of operations could be materially impacted.

RECENT ACCOUNTING PRONOUNCEMENT. In May 2014, the Financial Accounting Standard Board issued Accounting Standards Update (ASU) No. 2014-09, Revenue from contracts with Customers (Topic 606) which provides guidance for revenue recognition. This ASU affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of non-financial assets. This ASU will supersede the revenue recognition requirements in Topic 605, Revenue Recognition, and most industry-specific guidance. This ASU also supersedes some cost guidance included in Subtopic 605-35, Revenue Recognition-Construction-Type and Production-Type Contracts. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchanged for those goods or services. The standard is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. We are currently assessing the expected impact of the ASU on our financial position and results of operations.

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INCOME TAXES. Deferred income tax assets and liabilities are recorded for differences between the financial statement and tax bases of the assets and liabilities that will result in taxable or deductible amounts in the future based on enacted laws and rates applicable to the periods in which the differences are expected to affect taxable income. Due to uncertainties surrounding the timing of realizing the benefits of the net operating loss carryforwards and tax credits in the future, we carry a full valuation allowance against net deferred tax assets in domestic and foreign jurisdictions, except France and Germany.

We accrue for uncertain tax positions when income tax positions do not meet a more-likely-than-not recognition threshold upon the application of the appropriate tax rules and in subsequent periods. Developments such as case law, changes in tax law, new rulings or regulations issued by taxing authorities, and interactions with the taxing authorities could affect whether a position should be recognized or the amount that should be reported.

RESULTS OF OPERATIONS

The following table sets forth certain Consolidated Statement of Operations data from continuing operations in total dollars, as a percentage of total net revenues and as a percentage change from the same period in the prior year. Cost of license revenues and cost of service revenues are expressed as a percentage of the related revenues. This information should be read in conjunction with the Consolidated Financial Statements included elsewhere in this Annual Report on Form 10-K.

Net revenues								
Services	3,226	59%	91%	$ 1,687	45%	1%	1,676	44%
Operating expenses								
Cost of license revenues (as a % of license revenues)	95	4%	375%	20	1%	233%	6	0%
Selling and marketing	5,918	108%	49%	3,979	105%	(12)%	4,497	117%
General and administrative	4,350	79%	17%	3,728	99%	4%	3,592	94%
Total operating expenses	16,651	303%	38%	12,068	320%	(7)%	13,025	340%
	(68)	(1)%	(1800)%	4	0%	(106)%	(64)	(2)%

Other income (expense)-net								
Income tax benefit	(3,965)	(72)%	97%	(2,012)	(53)%	(7)%	(2,168)	(57)%

NET REVENUE. Net revenues include software licensing, hosted subscription services, post contract technical support, and professional services for our Omnis, Postano, and Storycode products and services. We generally license our Omnis RAD software primarily on a per-CPU, per-server, per-port or per-user basis. Therefore, the addition of CPUs, servers, ports or users to existing systems increases our revenue from our installed base of licenses. Similarly, the reduction of CPUs, servers, ports or users from existing systems decreases our revenue from our installed base of customers. Our hosted Postano platform is generally sold on a time-based subscription basis and may additionally include professional services fees. Our Storycode digital publishing professional services are generally sold on a project basis. The timing of orders and customer ordering patterns has resulted in fluctuations in revenue between quarters and year-to-year. Total revenue increased by approximately $1.7 million or 45% for fiscal year ended March 31, 2014 when compared to fiscal year ended March 31, 2013, and remained consistent for fiscal year ended March 31, 2013 when compared to fiscal year ended March 31, 2012. License revenue, which relates to our Omnis software, increased by approximately $0.2 million or 8% for the fiscal year ended March 31, 2014 when compared to the same period in the prior year mainly due to higher sales of high volume Exclusive Multi-User (EMU) licenses in the current year. License revenue decreased approximately $0.1 million or 3% for the fiscal year ended March 31, 2013 when compared to the same period in the previous year mainly due to decreased sales of Omnis upgrade licenses. Service revenue increased approximately $1.5 million or 91% for the fiscal year ended March 31, 2014 when compared to the same period in the prior year mainly due to higher sales of subscriptions and services of our hosted Postano platform, and increased sales of our Storycode digital publishing services. Service revenue remained consistent for fiscal year ended March 31, 2013 when compared to the same period in the prior year.

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Along with developing upgrades to our Omnis software, we have been actively developing and marketing our newer product lines, including our Postano social media visualization platform and Storycode digital publishing solutions. While we are committed to research and development efforts that are intended to allow us to penetrate new markets and generate new sources of revenue, such efforts may not result in additional products, services or revenue. We can give no assurances as to customer acceptance of any new products or services, or the ability of the current or any new products and services to generate revenue. There can be no assurances that we will be able to fully replace the revenue from the MDMS Business we sold in November 2013 with revenue from our retained or newly developed products quickly, or at all.

OPERATING EXPENSES

COST OF LICENSE REVENUE. Cost of license revenue is comprised of direct costs associated with software license sales including software packaging, documentation, physical media costs, amortization of intangible assets, and royalties. Cost of license revenue increased by approximately $0.1 million or 375% in fiscal year ended March 31, 2014 when compared to the same period in the prior year due mainly to amortization of intangible assets. Cost of license revenue in fiscal year ended March 31, 2013 is related to amortization of intangible assets, which was not present in fiscal year 2012, and was not significant.

COST OF SERVICE REVENUE. Cost of service revenue includes primarily data center hosting and personnel costs relating to hosting, consulting, technical support and training services. Cost of service revenue for fiscal year ended March 31, 2014 increased approximately $1.3 million or 361% from the same period in the prior year mainly due to a $1.0 million revenue sharing agreement we entered into with a former consultant. Under this agreement, the consultant reconfirmed the assignment to us of any and all rights related to Postano platform and associated inventions and intellectual property rights. In addition, we also incurred higher personnel costs relating to our social and mobile platform during fiscal year 2014 as more headcount was added. Cost of service revenue for the fiscal year 2013 remained consistent with the prior year.

SELLING AND MARKETING. Selling and marketing expense consists primarily of salaries, benefits, advertising, trade shows, travel and overhead costs for our sales and marketing personnel. Selling and marketing expense for the fiscal year 2014 increased by approximately $1.9 million or 49% mainly due to increased activity for our Postano products, including higher personnel costs of approximately $1.1 million as we hired additional sales and marketing personnel in the current year, higher marketing campaign costs of approximately $0.4 million, higher travel costs of approximately $0.1 million, and higher stock compensation expense of approximately $0.2 million due to new options issued to current and new employees in the current year. Selling and marketing expense for the fiscal year 2013 decreased by approximately $0.5 million or 12% when compared to the same period in the prior year due to lower marketing and consulting expense of approximately $0.3 million, lower stock compensation expense of approximately $0.1 million resulting from previously issued stock options fully vesting in the previous year, and lower personnel expense of approximately $0.1 million.

We anticipate that selling and marketing costs related to our Postano product lines may continue to increase as we further develop the sales channels for these products, and as customer acceptance of these products increases.

RESEARCH AND DEVELOPMENT. Research and development expense consists primarily of salaries and other personnel-related expenses and overhead costs for engineering personnel, including employees in the United States and the United Kingdom and contractors in the United States. Research and development expense for the fiscal year 2014 increased by approximately $0.7 million or 20%, when compared to the same period in the prior year mainly due to higher personnel cost of approximately $0.4 million as we added more headcount to our Postano product lines in the current year, higher consulting and outside support expense of approximately $0.3 million, and higher stock compensation expense of approximately $0.1 million due to new options issued to current and new employees in the current year. Research and development expense

for the fiscal year 2013 decreased by approximately $0.9 million or 19% when compared to the same period in the prior year mainly due to lower personnel cost of approximately $0.5 million from lower headcount in our U.S. office, lower consulting and outside support expense of approximately $0.1 million as we terminated services for certain products, and lower stock compensation expense of approximately $0.1 million due to previously issued stock options fully vesting in the previous year, offset by approximately $0.2 million in higher personnel costs from the acquisition of Storycode on January 17, 2013.

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We are committed to our research and development efforts and expect research and development expenses to increase in future periods as we further enhance our Postano platform, investigate further applications and delivery options for our products, and as we further develop our RAD product line. Such efforts may not result in additional new products, and new products may not generate sufficient revenue, if any, to offset the research and development expense.

GENERAL AND ADMINISTRATIVE. General and administrative expense consists primarily of costs associated with our finance, human resources, legal and other administrative functions. These costs consist principally of salaries and other personnel-related expenses, professional fees, depreciation and overhead costs. General and administrative expense for the fiscal year ended March 31, 2014 increased by approximately $0.6 million or 17% when compared to the same period in the prior year mainly due to higher professional services expense for advisory, legal, and accounting services relating to the divestiture of MDMS Business of approximately $0.4 million, and higher stock compensation expense of approximately $0.1 million due to new options issued in the current year. General and administrative expense for the fiscal year 2013 increased by approximately $0.1 million or 4% when compared to the same period in the prior year mainly due to higher stock compensation expense of approximately $0.1 million due to previously issued stock options fully vesting in the previous year.

OTHER INCOME (EXPENSE). Other income (expense) consists primarily of interest income (expense) and gains and losses on foreign currency transactions. Other income (expense) decreased from approximately $4,000 of income in fiscal year ended March 31, 2013 to approximately $ 68,000 of expense in fiscal year ended March 31, 2014 mainly due to less favorable exchange rates for the Euro and British Pound in the current fiscal year as compared to the prior year. Other income (expense) increased from approximately $64,000 of expense in fiscal year ended March 31, 2012 to approximately $4,000 of income in fiscal year ended March 31, 2013 mainly due to more favorable exchange rates for the Euro and British Pound in the fiscal year 2013 as compared to fiscal year 2012.

PROVISION FOR INCOME TAXES. Our effective tax expense rate was (35.4)%, (24.3)%, and (23.4)% for the fiscal years 2014, 2013, and 2012, respectively. For the year ended March 31, 2014, we reported a tax benefit on our loss from continuing operations to the extent these losses would be utilized from income from discontinued operations. For the years ended March 31, 2013 and 2012, we reported a smaller tax benefit on losses from continuing operations as the benefit was limited to the lower amount of income from discontinued operations for both years.

Realization of deferred tax assets depends upon future earnings, if any, the timing and amount of which are uncertain. Accordingly, we have offset our net deferred tax assets in our U.S. and UK subsidiaries, which are not more-likely-than-not to be realized, with a valuation allowance. The utilization of our net operating losses could be subject to substantial annual limitation as a result of certain future events, such as acquisition or other significant equity events, which may be deemed as a change in ownership under the provisions of the Internal Revenue Code of 1986, as amended, and similar state provisions. The annual limitations could result in the expiration of net operating losses and tax credits before utilization.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2014, we had $18.6 million in cash, of which approximately $0.9 million was held by our foreign subsidiaries and, if repatriated, would not be subject to material tax consequences. On November 15, 2013, we sold our MDMS Business assets to Rocket for a total sale price of approximately $22.0 million, subject to a $2.2 million escrow for 12 months to serve as security for our general indemnification obligations. The $18.6 million cash balance at March 31, 2014 does not include the $2.2 million amount held in escrow. In connection with the closing of the sale of our MDMS Business, we made cash payments in the aggregate amount of approximately $1.3 million for transaction related expenses. In connection with the closing of the Storycode acquisition on January 17, 2013, we subsequently incurred additional expenses

associated with integration costs and other transaction-related expenses of approximately $0.2 million during the fiscal year ended March 31, 2014. We believe that our existing cash balances and cash flow from operations will be sufficient to meet our operating and capital expenditure requirements for the remainder of the fiscal year ending March 31, 2015 and through the foreseeable future. The MDMS Business represented a significant portion of our historical revenues and there can be no assurances that we will be able to replace those revenues with revenues from our retained or newly developed products quickly, or at all. For the fiscal years ended March 31, 2014, 2013, and 2012, our MDMS Business represented 51%, 71% and 71% of total net revenue, respectively.

Effective May 1, 2010, we entered into a three-year term lease for approximately 4,500 square feet of office space in Mountain View, California. Total base rent over the three-year term ending April 30, 2013 was approximately $408,000. On May 1, 2012, we amended the lease to extend the term for an additional three years through April 30, 2016, with total base rent over the additional three-year term of approximately $450,000.

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Effective April 1, 2011, we entered into a 49-month term lease for approximately 7,500 square feet of office space in Portland, Oregon. Total base rent over the 49-month term is approximately $321,000.

On January 23, 2014, we entered into the Lease with The Irvine Company LLC, as landlord, relating to the space located at 2855 Michelle Drive, Suite 190, Irvine, California. Upon completion of tenant improvements, we relocated our headquarters to this new location in April 2014. The base rent over the five-year term of the Lease is approximately $7,000 per month for the first year, with annual increases to approximately $8,400 per month for the final year. Under certain circumstances, we have the option to extend the Lease for one term of either 36 months or 60 months at a base rent equal to the then prevailing market rental rate for comparable space within the same building. Our prior office space lease in Irvine, California was assigned to Rocket as part of the sale of the MDMS Business.

We had no material commitments for capital expenditures as of March 31, 2014.

Net cash used in operating activities was $7.6 million, $1.9 million, and $2.4 million for the fiscal years ended March 31, 2014, 2013, and 2012, respectively. The increase in net cash used in operating activities during the fiscal year 2014 as compared to the same period in the prior year was primarily due to higher selling and marketing expense for additional headcount, marketing campaigns, and higher research and development personnel expense relating to our mobile and social platform, and higher professional advisory, legal, and accounting services expense relating to the sale of our MDMS Business. The decrease in net cash used in operating activities during the fiscal year 2013 as compared to the same period in the prior year was primarily due to lower selling and marketing expense, lower research and development expense, and lower cost of service revenue. This decrease was mainly due to lower personnel and consulting expense as we consolidated our UK offices and streamlined the workforce in our U.S. offices. Net cash provided by investing activities was $19.6 million for the fiscal year ended March 31, 2014 due to proceeds from the sale of our MDMS Business. Net cash used in investing activities was $0.6 million and $0.1 million for the fiscal years ended March 31, 2013, and 2012, respectively. The increase in net cash used in investing activities during the fiscal year 2013 as compared to the same period in the prior year was primarily due to purchases of equipment of $0.1 million and net cash payment of approximately $0.5 million made during the quarter ended March 31, 2013 as part of the acquisition of Storycode. Net cash used in investing activities in fiscal and 2012 was due to purchases of equipment. Net cash provided by financing activities was $0.1 million, $0.1 million, and $0.2 million for the fiscal years ended March 31, 2014, 2013, and 2012, respectively. Net cash provided by financing activities was primarily due to proceeds derived from the exercise of stock options and issuance of common stock.

There was no outstanding line of credit during the fiscal years ended March 31, 2014 or 2013.

OFF-BALANCE SHEET ARRANGEMENTS

As of March 31, 2014, we did not have any off-balance sheet arrangements, as defined in the SEC regulations, which have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

NON-GAAP FINANCIAL INFORMATION

EBITDA or Adjusted EBITDA (each as defined below) should not be construed as a substitute for net income (loss) or as a better measure of liquidity than cash flow from operating activities determined in accordance with U.S. generally accepted accounting principles (GAAP). EBITDA and Adjusted EBITDA exclude components that are significant in understanding and assessing our results of operations and cash flows. EBITDA or Adjusted EBITDA do not represent funds available for management s discretionary use and are not intended to represent cash flow from operations. In addition, EBITDA and Adjusted EBITDA are not terms defined by GAAP and as a result our measure of EBITDA and Adjusted EBITDA might not be comparable to similarly titled measures used by other companies.

However, EBITDA and Adjusted EBITDA are used by management to evaluate, assess and benchmark our operational results and we believe that EBITDA and Adjusted EBITDA are relevant and useful information widely used by analysts, investors and other interested parties in our industry. Accordingly, we are disclosing this information to permit a more comprehensive analysis of our operating performance, to provide an additional measure of performance and liquidity and to provide additional information with respect to our ability to meet future capital expenditure and working capital requirements.

EBITDA is defined as net income (loss) with adjustments for depreciation and amortization, interest income (expense)-net, and income tax provision (benefit). Adjusted EBITDA used by our company is defined as EBITDA plus adjustments for other income (expense)-net, and non-cash stock-based compensation expense.

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Adjusted EBITDA presented below includes results from both continuing and discontinued operations. Our Adjusted EBITDA was approximately negative $6.5 million or negative 117%, negative $1.7 million or negative 44%, and negative $1.9 million or negative 51% of total net revenue for the years ended March 31, 2014, 2013, and 2012, respectively. The decrease in the Adjusted EBITDA for the fiscal year 2014 as compared to the fiscal year 2013 was mainly due to higher operating expenses as we incurred higher professional advisory, legal, and accounting services expense relating to the sale of our MDMS Business. We also incurred higher personnel cost for sales and marketing and research and development expense for our social and mobile platform as we added headcount and increased marketing campaigns. The improvement in the Adjusted EBITDA for the fiscal year 2013 as compared to the fiscal year 2012 was mainly due to lower operating expenses as the prior year included higher sales and marketing expenses for the launch of our Postano product. Fiscal year 2013 also had lower research and development expense than in fiscal year 2012 due to lower personnel cost from efforts to streamline operations in our U.S. and UK offices. The following table reconciles Adjusted EBITDA to the GAAP reported net income (loss):

RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME (LOSS)

(In thousands)

	For the Years Ended March 31,		
	2014	**2013**	**2012**
Reported net income (loss)	$ 1,295	$ (2,942)	$ (3,547)
Depreciation and amortization	191	144	159
Stock-based compensation	1,293	1,049	1,280
Interest expense-net	6	6	2
Other (income) expense-net	62	(10)	62
Income tax provision	633	77	98
Gain on sale of discontinued operations	(9,926)		
Adjusted EBITDA	$ (6,446)	$ (1,676)	$ (1,946)

Our Adjusted EBITDA financial information can also be reconciled to net cash used in operating activities as follows:

RECONCILIATION OF ADJUSTED EBITDA TO NET CASH USED IN OPERATING ACTIVITIES

(In thousands)

	For the Years Ended March 31,		
	2014	**2013**	**2012**
Net cash used in operating activities	$ (7,562)	$ (1,894)	$ (2,422)
Interest expense-net	6	6	2
Other expense-net	62	(10)	62
Income tax provision	633	77	98
Change in trade accounts receivable	970	(76)	157
Change in other current assets	(258)	(17)	175
Change in accounts payable	98	108	(71)
Change in accrued liabilities	633	197	201
Change in deferred revenue	(941)	(77)	(69)

Foreign currency exchange gain (loss)		46		3		(74)
Recovery from (provision for) bad debt		(133)		7		(5)
Adjusted EBITDA	$	(6,446)	$	(1,676)	$	(1,946)

ITEM 7A. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company and are not required to provide the information required by this item.

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ITEM 8. Financial Statements and Supplementary Data

Our consolidated financial statements, including the notes thereto, together with the report of KPMG LLP, independent registered public accounting firm, thereon are presented as a separate section of this Annual Report on Form 10-K, and the following are attached hereto beginning on page 39 and are incorporated herein by reference:

Consolidated Financial Statements:

Report of Independent Registered Public Accounting Firm	39
Consolidated Balance Sheets as of March 31, 2014 and 2013	40
Consolidated Statements of Comprehensive Income (Loss) for the years ended March 31, 2014, 2013 and 2012	41
Consolidated Statements of Cash Flows for the years ended March 31, 2014, 2013 and 2012	42
Consolidated Statements of Stockholders Equity for the years ended March 31, 2014, 2013 and 2012	43
Notes to Consolidated Financial Statements	44

ITEM 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

ITEM 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our principal executive officer and principal financial officer evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Annual Report on Form 10-K. Based on such evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are effective, as of the end of the period covered by this report, to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Management necessarily applied its judgment in assessing the benefits of controls relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, if any, within our company have been detected.

Management s Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act). Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

A material weakness is a deficiency (within the meaning of the Public Company Accounting Oversight Board s Auditing Standard No. 5), or combination of deficiencies in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

Our management evaluated the effectiveness of our internal control over financial reporting using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control-Integrated Framework (1992).* Based on our evaluation, our management concluded that our internal control over financial reporting was effective as of March 31, 2014.

This Annual Report on Form 10-K does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting as we are a smaller reporting company and are not required to provide such a report.

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Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting that occurred during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. Other Information

None.

PART III

ITEM 10. Directors, Executive Officers, and Corporate Governance

Our Bylaws provide that the Board of Directors is to be composed of no less than five (5) and no more than nine (9) directors divided into Classes I, II and III, each with as nearly equal a number of directors as possible. The exact number of directors is currently set at six (6) by resolution of the Board of Directors. The directors are elected to serve staggered three-year terms, with the term of one class of directors expiring each year at the Annual Meeting of Stockholders.

The following table sets forth as of March 31, 2014, the name, age, and position of the directors, the year in which they joined the Board of Directors and the year in which their term expires:

Name of Director	Age	Position	Director Since	Term Expires(1)
Richard W. Koe(5)	57	Chairman, President and Chief Executive Officer	2003	2015
Gerald F. Chew	54	Director	1998	2016
Douglas G. Marshall(2)(3)(4)	57	Director	1998	2014
Philip D. Barrett(2)(3)	57	Director	2007	2014
Douglas G. Ballinger(2)(4)	54	Director	2009	2015
Nancy M. Harvey(3)	60	Director	2011	2016

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(1) Each term ends on the date of the Annual Meeting of Stockholders held following the fiscal year ending on March 31 of such year.

(2) Member of the Compensation Committee.

(3) Member of the Audit Committee.

(4) Member of the Nominating and Corporate Governance Committee.

(5) Member of the Stock Committee, a subcommittee of the Board.

The following is a description of the background of each director as of March 31, 2014:

Mr. Koe was appointed Interim President and Chief Executive Office on February 26, 2009. In connection with the closing of the acquisition of Storycode in January 2013, Mr. Koe s title was modified to eliminate the interim references, and he serves as our President and Chief Executive Officer. Mr. Koe joined the Board of Directors in January 2003 and has served as Chairman since December 2004. Mr. Koe has served as Managing General Partner for Astoria and Montavilla Partners, L.P., both of which are investment partnerships, and as President of ACM, since July 1991. Astoria is a large stockholder of ours, holding a significant percentage of our outstanding common stock. Mr. Koe holds a B.A. in History from the University of Oregon. Mr. Koe serves as the sole member of the Stock Committee, a subcommittee of the Board. Mr. Koe has significant executive leadership experience having served as President of ACM, and Managing General Partner for Astoria and Montavilla Partners, L.P., for over 20 years. This experience, combined with over 12 years relationship with us as a major shareholder, and over 10 years of service on our Board of Directors, including as Chairman, uniquely qualify Mr. Koe to continue to serve as our President and Chief Executive Officer, and as our director.

Mr. Chew is Managing Partner of HighWest Management LLC., a private investment firm which he cofounded in April 2014, Mr. Chew was appointed as our Senior Vice President, Corporate and Product Development in September 2011 and resigned from that position effective July 31, 2013, while remaining a member of the Board. Mr. Chew joined the Board in July 1998. From September 2003 to June 2010, Mr. Chew served as Senior Vice President at IHS, Inc. (NYSE:IHS), a leading global source of critical information and insight. From October 2003 to August 2008, Mr. Chew served as Managing Director of Bridgetown Associates LLC, an investment advisory firm. Mr. Chew served as President and Chief Operating Officer of MDSI Mobile Data Solutions Inc. (Nasdaq: MDSI), a provider of mobile workforce management solutions, from April 2001 to March 2002 and served as a director of MDSI from 1995 until April 2001. Mr. Chew holds a B.S. in Electrical Engineering from the University of California, Davis and an M.B.A. from the Tuck School of Business Administration at Dartmouth College. Mr. Chew is also an advisor to several private companies. Until joining us as an employee in September 2011, Mr. Chew served as Chairman of the Audit Committee and served on the Compensation Committee and the Nominating and Corporate Governance Committee. The Board believes Mr. Chew s extensive senior executive experience in publicly listed technology companies, combined with his over 15 years of service as a director on our Board, qualify Mr. Chew to continue to serve as our director.

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Mr. Marshall joined the Board in July 1998. Mr. Marshall is the Senior Vice President of Member Channel and Service Delivery for BECU, a financial services company, where he leads a team of 700 across its digital, physical and phone channels, as well as product management and payments areas. From July 2008 to March 2014, Mr. Marshall held senior management positions at First Tech Federal Credit Union, a financial services company, most recently as Chief Membership Officer. From November 2001 to June 2008, Mr. Marshall held senior management positions at Washington Mutual, a financial services company, most recently as Senior Vice President of Deposit Strategy and Product Management. From August 1994 to November 2001, Mr. Marshall held a number of marketing positions at Bank of America (NYSE: BAC), a financial services company, most recently as Senior Vice President of Brand Management. Mr. Marshall holds a B.A. in English from Seattle Pacific University and an M.B.A. from the University of Washington. Mr. Marshall serves on the Audit Committee, Compensation Committee and the Nominating and Corporate Governance Committee. The Board believes Mr. Marshall s significant senior management, digital and marketing experience, combined with his over 15 years of service as a director on our Board, qualifies Mr. Marshall to continue to serve as our director.

Mr. Barrett joined the Board in November 2007. Mr. Barrett is the Chairman and co-owner of Machine Sciences Corporation, a private company he co-founded in July 2001 that specializes in the manufacturing of high precision machined parts for the aerospace and optics industries. Mr. Barrett also serves as Managing Partner of Barrett Hill Vineyards and Winery, a private company he founded in March 2005. In addition, Mr. Barrett has been a private investor since 1995. In July 1998, Mr. Barrett was appointed as a director and served as our Chairman from December 1998 until our merger with PickAx, Inc. in November 2000. From January 1995 to November 1998, Mr. Barrett served as President and Owner of Oregon Pro Sport, a company that managed professional sports teams. From January 1991 to February 1994, Mr. Barrett served as President and co-owner of Supra Products, Inc., a manufacturer of high technology access control systems that was sold to Berwind Industries and eventually to General Electric in September 1994. Mr. Barrett received his B.A. in Accounting from Seattle Pacific University and his M.B.A. from the University of Rhode Island. Mr. Barrett serves on the Audit Committee and Compensation Committee. The Board believes Mr. Barrett s broad entrepreneurship and technology experience qualifies Mr. Barrett to continue to serve as our director.

Mr. Ballinger joined the Board in September 2009. Mr. Ballinger is Chairman of PageDNA, a privately held company based in Seattle, WA specializing in web-to-print software. Mr. Ballinger founded PageDNA in April 1997. From September 1991 to March 1997, Mr. Ballinger was a principal of Metagraphic, Inc., a Palo Alto based digital pre-media firm, and prior to that he was in sales with Pacific Lithograph Company of San Francisco. Mr. Ballinger holds a B.A. in History from Stanford University. Mr. Ballinger serves on the Compensation Committee and the Nominating and Corporate Governance Committee. The Board believes Mr. Ballinger s executive and management experience in the technology industry qualifies Mr. Ballinger to continue to serve as our director.

Ms. Harvey joined the Board in September 2011. Ms. Harvey currently serves as an Executive-in-Residence at UChicagoTech, the Office of Technology and Intellectual Property of the University of Chicago, as Executive Director of the Institute for Entrepreneurial Studies at the University of Illinois at Chicago, and has been an independent management consultant since April 2010. From January 2008 to March 2010, Ms. Harvey served as Executive Director at Wolfram Research Inc., a developer of technical computing software and other resources, and as Chief Executive Officer of Wolfram Solutions, which provides comprehensive solutions bundling professional services and Wolfram technologies. From December 2005 to December 2007, Ms. Harvey was an independent management consultant. Ms. Harvey served as President and Chief Executive Officer of TenFold Inc. (Nasdaq and OTC Bulletin Board: TENF), a provider of enterprise software solutions and an applications development platform, from January 2001 to November 2005, as a director of TENF from January 2001 to May 2006, as Chief Financial Officer of TENF from April 2002 to November 2005, and as Chief Operating Officer of TENF from July 2000 to January 2001. From October 1997 to May 2000, Ms. Harvey served as Executive Vice President of CSC Health Care Group, a global business vertical within the Computer Sciences Corporation (NYSE:CSC). Ms. Harvey holds a B.A. in Biology and Chemistry from the College of Creative Studies of the University of California, Santa Barbara; a Ph.D. in Chemical Physics from the University of Minnesota; and an M.B.A. from the Wharton School of the University of Pennsylvania. Ms. Harvey serves as Chairperson of the Audit Committee. The Board believes Ms. Harvey s extensive senior executive experience in publicly listed technology companies, combined with her previous directorship experience in a publicly listed technology company, qualifies Ms. Harvey to serve as our director.

Information regarding our current executive officers, under the caption Executive Officers in Part I hereof, is incorporated by reference into this Item 10.

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Family Relationships

To our knowledge, with the exception of Mr. Chew and Mr. Koe who are cousins, there are no family relationships between any of our directors and executive officers.

Audit Committee Financial Expert

Our Board of Directors has a separately-designated standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. The Audit Committee is comprised solely of independent directors as defined in the Nasdaq Listing Rules, and is governed by a written charter adopted by the Board of Directors. The Audit Committee includes Ms. Harvey, Mr. Marshall and Mr. Barrett. The Board of Directors has determined that Ms. Harvey qualifies as an audit committee financial expert as that term is defined in Item 407(d)(5)(ii) of Regulation S-K under the Exchange Act and is independent as defined in Nasdaq Listing Rule 5605(a)(2).

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our officers, directors and persons who own more than ten percent of a registered class of our equity securities to file certain reports of ownership with the SEC. To our knowledge, based solely on a review of the copies of such reports furnished to us and written representations that no other reports were required during the fiscal year ended March 31, 2014, all reports required to be filed during the fiscal year ended March 31, 2014 pursuant to Section 16(a) of the Exchange Act by directors, executive officers and 10% beneficial owners were timely filed.

Code of Ethics

We have adopted a Code of Ethics for Principal Executive and Senior Financial Officers, which is posted on our website at www.tigerlogic.com. We will post any amendments or waivers, if and when approved or granted, of our Code of Ethics on our website at www.tigerlogic.com.

ITEM 11. Executive Compensation

Summary Compensation Table

The following table sets forth the compensation of our named executive officers, which consist of (i) all persons serving as the chief executive officer during the fiscal year ended March 31, 2014 and (ii) the two most highly compensated executive officers serving as such at the end of the

fiscal year ended March 31, 2014, in addition to the chief executive officer.

Name and Principal Position	Year	Salary ($)(1)	Bonus ($)	Option Awards ($)(2)	All Other Compensation ($)	Total ($)
Richard W. Koe,	2014	$ 240,000	$	$	$ 325(4)	$ 240,325
President and Chief Executive Officer	2013	240,000	40,000(5)		290(4)	280,290
Thomas Lim,	2014	200,000	190,000(3)	62,440(9)	271(4)	452,711
CFO, Vice President, Finance, and Secretary	2013	200,000	40,000(5)	34,408(10)	242(4)	274,650
Justin Garrity	2014	193,463(6)	81,667(7)	57,095(11)	251(4)	332,476
Senior Vice President, Postano	2013	38,542(6)	25,000(8)	63,545(12)		127,087

(1) Includes base salary amounts earned in each fiscal year. Includes amounts (if any) contributed at the named executive officer s option under our 401(k) plan.

(2) Amounts shown do not reflect cash compensation actually received by the named executive officers. Instead, the amounts shown reflect the grant date fair value of options awarded in the fiscal year. The assumptions used to calculate the value of the option awards are set forth in the notes to the accompanying consolidated financial statements (see Note 9, under the subheading Stock-Based Compensation). No shares were forfeited in any of the fiscal years presented of option awards received by the named executive officers. The material terms of each option grant are further described in the footnotes to the Outstanding Equity Awards at Fiscal Year-End Table below.

(3) Represents discretionary bonuses earned by the named executive officer in the fiscal year ended March 31, 2014 in the amounts of $150,000 paid during the fiscal year ended March 31, 2014 and $40,000 paid in April 2014.

(4) Represents insurance premiums paid by us with respect to life insurance for the benefit of the named executive officer.

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(5) Represents a discretionary bonus earned by the named executive officer in the fiscal year ended March 31, 2013, but paid in May 2013.

(6) Mr. Garrity joined the Company through our acquisition of Storycode on January 17, 2013. Salary for fiscal year ended March 31, 2013 represents amounts from January 17, 2013 through March 31, 2013 based on an annual base salary of $185,000. Salary for fiscal year ended March 31, 2014 reflects annual base salary of $185,000 through July 2013 and an adjusted annual base salary of $200,000 effective August 2013.

(7) Represents discretionary bonuses earned by the named executive officer in the fiscal year ended March 31, 2014 in the amounts of $25,000 and $16,667 paid during the 2014 fiscal year, and $40,000 paid in April 2014.

(8) Represents a signing bonus paid to the named executive officer in the fiscal year ended March 31, 2013 in connection with our acquisition of Storycode.

(9) The option award for 50,000 shares was granted on April 1, 2013 at that date s closing market price of $1.92 per share. The shares subject to the option vest monthly over a two year period, subject to Mr. Lim s continued employment.

(10) The option award for 25,000 shares was granted on May 1, 2012 at that date s closing market price of $2.20 per share. The shares subject to the option vest monthly over a two year period, subject to Mr. Lim s continued employment.

(11) Represents the following option awards: (i) an option award for 25,000 shares was granted on August 6, 2013 at that date s closing market price of $1.73; and (ii) an option award for 25,000 shares was granted on December 13, 2013 at that date s closing market price of $1.74 per share. The shares subject to the options vest at a rate of 25% one year from the date of grant and 1/48 each month thereafter subject to Mr. Garrity s continued employment.

(12) The option award for 50,000 shares was granted on January 28, 2013 at that date s closing market price of $1.99 per share. The shares subject to the options vest at a rate of 25% one year from the date of grant and 1/48 each month thereafter subject to Mr. Garrity s continued employment.

Outstanding Equity Awards at Fiscal Year-End Table

The following table summarizes the outstanding equity awards held by each named executive officer as of March 31, 2014. The named executive officers did not exercise any options during the fiscal year ended March 31, 2014.

	Option Awards			
Name	**Number of Securities Underlying Unexercised Options (#) Exercisable(1)**	**Number of Securities Underlying Unexercised Options (#) Unexercisable(1)**	**Option Exercise Price ($)**	**Option Expiration Date(1)**
Richard W. Koe			$	
Thomas Lim	150,000(2)		3.25	5/30/2016
	100,000(3)		2.70	6/12/2017
	25,000(4)		2.50	9/29/2019
	25,000(5)		4.23	4/11/2021

	22,916	2,084(6)	2.20	5/1/2022
	22,916	27,084(7)	1.92	4/1/2023
Justin Garrity	53,676	45,421(8)	0.70	1/9/2022
	14,583	35,417(9)	1.99	1/28/2023
		25,000(10)	1.73	8/6/2023
		25,000(11)	1.74	12/13/2023

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(1) Unless otherwise noted, the options vest at a rate of 25% one year from the date of grant and 1/48th each month thereafter and expire ten years from the date of grant. The vesting of options granted to named executive officers may accelerate under specified conditions, as described in the Employment Contracts and Termination of Employment and Change-in-Control Arrangements section below. Option grants are priced using the closing Nasdaq market price on the date of Board approval, unless the option grants are approved when the Nasdaq market is closed, in which case the option grants are priced using the closing price of the next Nasdaq trading date.

(2) The option award for 150,000 shares was granted on May 30, 2006 at that date s closing market price of $3.25 per share. The option became fully vested as of May 30, 2010.

(3) The option award for 100,000 shares was granted on June 12, 2007 at that date s closing market price of $2.70 per share. The option became fully vested as of June 12, 2011.

(4) The option award for 25,000 shares was granted on September 29, 2009 at that date s closing market price of $2.50 per share. The option became fully vested on September 29, 2013.

(5) The option award for 25,000 shares was granted on April 11, 2011 at that date s closing market price of $4.23 per share. The shares subject to the option vest monthly over a two year period subject to Mr. Lim s continued employment. The option became fully vested as of April 11, 2013.

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(6) The option award for 25,000 shares was granted on May 1, 2012 at that date s closing market price of $2.20 per share. The shares subject to the option vest monthly over a two year period subject to Mr. Lim s continued employment. The shares become fully vested as of May 1, 2014.

(7) The option award for 50,000 shares was granted on April 1, 2013 at that date s closing market price of $1.92 per share. The shares subject to the option vest monthly over a two year period subject to Mr. Lim s continued employment.

(8) In connection with our acquisition of Storycode, the option award for 99,097 shares was granted on January 17, 2013 in exchange for an employee stock option to acquire 230,000 shares of Storycode common stock at an exercise price of $0.30 per share. Twenty-five percent (25%) of the shares subject to the option was vested at January 17, 2013 and an additional 2,065 shares vest monthly thereafter.

(9) The option award for 50,000 shares was granted on January 28, 2013 at that date s closing market price of $1.99 per share.

(10) The option award for 25,000 shares was granted on August 6, 2013 at that date s closing market price of $1.73 per share.

(11) The option award for 25,000 shares was granted on December 13, 2013 at that date s closing market price of $1.74 per share.

Employment Contracts and Termination of Employment and Change-in-Control Arrangements

Regardless of the reason for termination, a named executive officer is entitled to receive upon termination of employment amounts earned through the termination date, including, base salary and unused vacation pay, and the right to exercise any shares of options vested up to the executive s termination date. The named executive officers are not otherwise entitled to any severance benefits upon voluntary resignation. Our Compensation Committee and Board of Directors determine whether any severance benefits are provided upon any voluntary termination on a case by case basis.

On April 8, 2009, in connection with the prior appointment of Richard W. Koe as Interim President and Chief Executive Officer, we entered into an employment agreement with Mr. Koe. This initial employment agreement provided that Mr. Koe would receive base compensation of $240,000 per year beginning April 1, 2009. Mr. Koe also was eligible to participate in our customary employee benefit plans. In connection with the closing of the acquisition of Storycode, and the change in Mr. Koe s title to President and Chief Executive Officer effective January 17, 2013, we entered into an amended and restated employment and severance agreement with Mr. Koe. This amended agreement provides for the same base compensation of $240,000 per year, and Mr. Koe is eligible for a discretionary bonus and is eligible to participate in our customary employee benefit plans, including dental, vision, and disability insurance plans. In the event Mr. Koe is involuntarily terminated by us, which includes termination without cause or resignation due to specified reasons, as defined in the agreement, but does not include termination for cause or due to death or disability, Mr. Koe will be entitled to a lump sum severance payment in the amount of six months of his annual base salary, as then in effect, plus an additional month of annual base salary for each year of employment with us, up to an aggregate maximum of 12 months. In the event such termination occurs within 12 months following a change in control of the Company, in addition to the foregoing severance, Mr. Koe will be entitled to the acceleration of vesting of any then unvested equity incentive awards. Mr. Koe s receipt of severance benefits will be contingent upon his signing and not revoking a general release in a commercially customary form prescribed by us. During his employment with us, Mr. Koe will continue to serve as the President of Astoria Capital Management, as the Managing General Partner of Astoria Capital Partners, L.P., and as a director on our Board of Directors.

Effective April 23, 2006, we entered into an offer letter agreement with Mr. Lim. In connection with the closing of the acquisition of Storycode, effective January 17, 2013, we entered into an amended and restated employment and severance agreement with Mr. Lim. This amended agreement provides for the same base compensation of $200,000 per year, and Mr. Lim is eligible for a discretionary bonus and is eligible to

participate in our customary employee benefit plans, including dental, vision, and disability insurance plans. In the event Mr. Lim is involuntarily terminated by us, which includes termination without cause or resignation due to specified reasons, as defined in the agreement, but does not include termination for cause or due to death or disability, Mr. Lim will be entitled to a lump sum severance payment in the amount of six months of his annual base salary, as then in effect, plus an additional month of annual base salary for each year of employment with the Company, up to an aggregate maximum of 12 months. In the event such termination occurs within 12 months following a change in control of the Company, in addition to the foregoing severance, Mr. Lim will be entitled to the acceleration of vesting of any then unvested equity incentive awards. Mr. Lim s receipt of severance benefits will be contingent upon his signing and not revoking a general release in a commercially customary form prescribed by us.

Director Compensation

We reimburse directors for travel and other out-of-pocket expenses incurred in attending Board meetings. Until June 2009, we did not pay cash compensation to our directors. On June 3, 2009, the Board approved a compensation program for the non-employee members of the Board effective that same date that provides for the following cash payments. Each non-employee director will be entitled to receive $1,000 for each Board meeting attended in-person; $500 for each Board meeting attended telephonically; and $250 for each meeting of the Committees of the Board. On April 7, 2010, the Board adopted a compensation program for the non-employee members of the Board effective that same date that provides for: (1) the continuation of the cash payments for meeting attendance that was adopted on June 3, 2009 as described above, and (2) an equity incentive compensation for their services on the Board and the Committees of the Board. Under the equity incentive compensation program, each non-employee director will receive an annual stock option grant of 10,000 shares of our common stock on the first business day immediately following the date of each Annual Meeting of Stockholders. Any non-employee director newly elected to the Board will receive an initial stock option grant of 25,000 shares of our common stock on the first business day immediately following the date of the election. A director first elected to the Board at any Annual Meeting will receive the initial grant, but not the annual grant on the date following the Annual Meeting at which he or she will have been elected. All of the options granted to non-employee directors will vest monthly over a three-year period and, in accordance with our existing policy, will be subject to 100% acceleration in the event of a Corporate Transaction, as described below.

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Richard W. Koe, our Chairman and President and Chief Executive Officer, is not eligible to participate in this compensation program for so long as he is an employee of ours. From September 1, 2011 through July 31, 2013, Gerald F. Chew served as our Senior Vice President, Corporate and Product Development, and was not eligible to participate in this compensation program during that time.

The Board will annually evaluate and consider whether to maintain or modify the compensation program for the non-employee directors.

Director Compensation Table

The following table sets forth the compensation for our directors for the fiscal year ended March 31, 2014.

Name	**Fees Earned or Paid in Cash ($)(1)**	**Option Awards ($)(2)**	**Total ($)**
Richard W. Koe(3)	$	$	$
Gerald F. Chew(4)	2,500	11,096(5)	13,596
Douglas G. Marshall	4,500	11,096(6)	15,596
Philip D. Barrett	4,750	11,096(7)	15,846
Douglas G. Ballinger	4,250	11,096(8)	15,346
Nancy M. Harvey	4,500	11,096(9)	15,596

(1) Represents cash payments made to each non-employee director for attending Board and Committee meetings in the fiscal year ended March 31, 2014, in accordance with the compensation program described above.

(2) Amounts shown do not reflect cash compensation actually received by the directors. Instead, the amounts shown reflect the grant date fair value of options awarded in the fiscal year ended March 31, 2014. The assumptions used to calculate the value of the option awards are set forth in the notes to the accompanying consolidated financial statements (see Note 9, under the subheading Stock-Based Compensation). For all options awarded to directors, 100% of the shares subject to the options granted may immediately vest in the event of a Corporate Transaction, defined as any of the following transactions: (a) a merger or consolidation in which we are not the surviving entity, except for a transaction the principal purpose of which is to change the state in which we are incorporated; (b) the sale, transfer or other disposition of all or substantially all of our assets (including the capital stock of subsidiary corporations); (c) approval by our stockholders of any plan or proposal for our complete liquidation or dissolution; (d) any reverse merger in which we are the surviving entity but in which securities possessing more than fifty percent (50%) of the total combined voting power of our outstanding securities are transferred to a person or persons different from those who held such securities immediately prior to such merger; or (e) acquisition by any person or related group of persons (other than us or by an employee benefit plan sponsored by us) of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of securities possessing more than fifty percent (50%) of the total combined voting power of our outstanding securities.

(3) Mr. Koe s security ownership is described in Item 12 hereof.

(4) Mr. Chew served as our Senior Vice President, Corporate and Product Development from September 1, 2011 until July 31, 2013 and was not eligible to participate in our director compensation program during that period.

(5) Corresponds to an option grant on February 28, 2014 for 10,000 shares that vest monthly over three years, subject to Mr. Chew s continued service. Mr. Chew held a total of 460,000 outstanding option awards as of March 31, 2014.

(6) Corresponds to an option grant on February 28, 2014 for 10,000 shares that vest monthly over three years, subject to Mr. Marshall s continued service. Mr. Marshall held a total of 180,000 outstanding option awards as of March 31, 2014.

(7) Corresponds to an option grant on February 28, 2014 for 10,000 shares that vest monthly over three years, subject to Mr. Barrett s continued service. Mr. Barrett held a total of 90,000 outstanding option awards as of March 31, 2014. Mr. Barrett s security ownership is described further in Item 12 hereof.

(8) Corresponds to an option grant on February 28, 2014 for 10,000 shares that vest monthly over three years, subject to Mr. Ballinger s continued service. Mr. Ballinger held a total of 90,000 outstanding option awards as of March 31, 2014.

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(9) Corresponds to an option grant on February 28, 2014 for 10,000 shares that vest monthly over three years, subject to Ms. Harvey s continued service. Ms. Harvey held a total of 70,000 outstanding option awards as of March 31, 2014.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth, as of May 31, 2014, certain information with respect to the beneficial ownership of our voting securities by (i) any person (including any group as that term is used in Section 13(d)(3) of the Exchange Act) known by us to be the beneficial owner of more than five percent (5%) of any class of our voting securities, (ii) each director, (iii) each of the named executive officers, and (iv) all of our current directors and executive officers as a group. As of May 31, 2014, there were 30,131,876 shares of issued and outstanding common stock. In computing the number and percentage of shares beneficially owned by a person, shares of common stock subject to options currently exercisable, or exercisable within sixty (60) days of May 31, 2014, are counted as outstanding, but these shares are not counted as outstanding for computing the percentage ownership of any other person.

Name and Address(1)	Number of Shares of Common Stock	Percent of Total Common Stock
5% Stockholders		
Richard W. Koe(2)	14,959,556	49.65%
Astoria Capital Partners L.P.(3)	14,894,956	49.43%
Directors and Named Executive Officers		
Philip D. Barrett(4)	358,842	1.19%
Gerald F. Chew(5)	393,610	1.29%
Douglas G. Marshall(6)	187,440	*
Douglas G. Ballinger(7)	73,610	*
Nancy M. Harvey (8)	51,387	*
Thomas Lim(9)	359,150	1.18%
Justin Garrity(10)	82,222	*
All directors and executive officers as a group (8 persons)(11)	16,465,817	52.62%

* Represents less than 1.0%

(1) Except as otherwise indicated below, we believe the persons whose names appear in the table above have sole voting and investment power with respect to all shares of stock shown as beneficially owned by them, subject to applicable community property laws. Unless otherwise indicated below, the address of each beneficial owner listed in the table is c/o TigerLogic Corporation, 2855 Michelle Drive, Suite 190, Irvine, California 92606.

(2) Shares above consist of 14,894,956 shares of common stock beneficially owned by Astoria, and 64,600 shares of common stock beneficially owned by Mr. Koe and ACM through an investment fund managed by ACM. Mr. Koe is the President and sole stockholder of ACM and Mr. Koe and ACM are the General Partners of Astoria. Mr. Koe serves as our President and Chief Executive and our Chairman of the Board.

(3) The principal address of Astoria is 2316 SE Clatsop St., Milwaukie, Oregon 97202.

(4) Shares above consist of: (i) 209,141 shares of common stock owned by the Philip and Debra Barrett Charitable Trust; (ii) 29,141 shares of common stock owned by the Philip Barrett Family Charitable Trust; (iii) options to purchase 73,610 shares of common stock exercisable within 60 days of May 31, 2014 held by Mr. Barrett; and (iv) 46,950 shares of common stock held in trusts for the benefit of

Mr. Barrett s children as to which Mr. Barrett shares investment power and disclaims beneficial ownership.

(5) Shares above include options to purchase 363,610 shares of common stock exercisable within 60 days of May 31, 2014, held by Mr. Chew.

(6) Shares above include options to purchase 163,610 shares of common stock exercisable within 60 days of May 31, 2014, held by Mr. Marshall.

(7) Shares above include options to purchase 73,610 shares of common stock exercisable within 60 days of May 31, 2014, held by Mr. Ballinger.

(8) Shares above include options to purchase 51,387 shares of common stock exercisable within 60 days of May 31, 2014, held by Ms. Harvey.

(9) Shares above include options to purchase 356,250 shares of common stock exercisable within 60 days of May 31, 2014, held by Mr. Lim.

(10) Shares above include options to purchase 80,684 shares of common stock exercisable within 60 days of May 31, 2014, held by Mr. Garrity.

(11) Shares above include an aggregate of 1,162,761 shares of common stock issuable upon exercise of options exercisable within 60 days of May 31, 2014.

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Information Regarding Equity Compensation Plans

All of our equity compensation plans have been approved by our stockholders. Our equity compensation plans and activities are more fully discussed in the notes to the consolidated financial statements in Item 8 of this Annual Report on Form 10-K.

Equity Compensation Plan Information

	March 31, 2014		
Plan Category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)**	**Weighted-average exercise price of outstanding options, warrants and rights (b)**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)**
Equity compensation plans approved by security holders	3,409,433(1)	$ 2.41	5,221,042(2)
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	3,409,433		5,221,042

(1) Represents shares of common stock that may be issued pursuant to outstanding options granted under the following plans: 501,500 shares under the 1999 Stock Option Plan (1999 Plan) and 2,907,933 shares under the 2009 Equity Incentive Plan (2009 Plan). On February 25, 2009, at the 2009 Annual Meeting, our stockholders approved the 2009 Plan; following which the 1999 Plan was terminated, except as to options then issued and outstanding.

(2) Represents shares of common stock that may be issued pursuant to options available for future grant under the following plans: 4,942,242 shares under the 2009 Plan and 278,800 shares of common stock available for purchase by employees under the 2011 Amended and Restated Employee Stock Purchase Plan. Included in the 2009 Plan is the provision for the annual automatic share reserve increase on the last day of each fiscal year in an amount equal to the lesser of (a) 3% of our total outstanding shares on the last day of our fiscal year, (b) 2,000,000, or (c) such lesser amount as determined in the sole and absolute discretion of the Board. On March 31, 2014, 903,517 shares (equivalent to 3% of our total outstanding shares on March 31, 2014) were added to the 2009 Plan reserve balance under the annual automatic share increase provisions; this increase is included in the 2009 Plan available shares balance above.

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

The amended and restated employment and severance agreement between us and Mr. Lim, and the amended and restated employment and severance agreement between us and Mr. Koe may be found under the caption Employment Contracts and Termination of Employment and Change-in-Control Arrangements in Item 11 hereof.

On January 17, 2013 and upon the closing of the acquisition of Storycode, we assumed the employment and severance agreement, as amended, between Storycode and James McDermott. Mr. McDermott was our former Senior Vice President, Mobile and Social and resigned from the Company on May 31, 2013. This agreement provided Mr. McDermott with base compensation of $200,000 per year and eligibility for certain bonus payments, including a signing bonus of $45,000 payable in two installments, first of which was paid. No additional amounts are payable to Mr. McDermott.

We have entered into our standard form of indemnification agreement with each of our directors and executives.

It is our current policy that all transactions between us and our officers, directors, five percent (5%) stockholders and their affiliates will be entered into only if these transactions are approved by our Audit Committee, are on terms no less favorable to us than could be obtained from unaffiliated parties and are reasonably expected to benefit us.

The Board has determined that all of its directors, other than Mr. Koe and Mr. Chew, are independent for purposes of the applicable SEC rules and regulations and the applicable Nasdaq listing standards. Mr. Chew was an independent director prior to joining the Company as an employee in September 2011. Mr. Chew resigned from his position as an officer of the Company effective July 31, 2013. Until January 17, 2013, the Company relied on the Controlled Company exemption set forth in Rule 5615(c)(2) of the Nasdaq listing standards because Mr. Koe served on both the Compensation Committee and the Nominating and Corporate Governance Committee. The Company was a Controlled Company as defined in such Rule because more than 50% of the voting power of the Company was held by Astoria. Following the closing of the Company s acquisition of Storycode on January 17, 2013, Astoria no longer holds more than 50% of the voting power of the Company. Accordingly, Mr. Koe resigned from both the Compensation Committee and the Nominating and Corporate Governance Committee effective upon the closing of the acquisition of Storycode. Effective January 17, 2013, Mr. Barrett was appointed Chairman of the Compensation Committee and Mr. Marshall was appointed Chairman of the Nominating and Corporate Governance Committee. The Board has determined that the members of the Audit Committee and the Compensation Committee are independent for purposes of the applicable rules and regulations of the SEC and the applicable Nasdaq listing standards.

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ITEM 14. Principal Accounting Fees and Services

The following table presents the aggregate fees billed for the indicated services performed by KPMG LLP related to the 2014 and 2013 fiscal years (in thousands):

	2014	2013
Audit Fees	$ 734	$ 651
Audit-Related Fees		
Tax Fees	13	9
All Other Fees		
Total	$ 747	$ 660

Audit Fees. Audit Fees relate to professional services rendered in connection with the audit of our annual financial statements, quarterly review of financial statements included in our 10-Q, and audit services provided in connection with other statutory and regulatory filings.

Audit-Related Fees. Audit-related fees include assurance and related services that are reasonably related to the performance of the audit or review of our financial statements, but which are not reported under Audit Fees . We did not incur any Audit-Related Fees in the fiscal years ended March 31, 2014 and 2013.

Tax Fees. Tax Fees include professional services related to tax compliance, tax advice and tax planning and transfer pricing consultation, including the preparation of federal and state tax returns.

All Other Fees. All other fees consist of fees billed for all other products and services. We did not incur any All Other Fees in the fiscal years ended March 31, 2014 and 2013.

The Audit Committee pre-approved all of the services provided by KPMG LLP in fiscal years 2014 and 2013. Pursuant to the Audit Committee Charter, the Audit Committee must pre-approve audit and non-audit services to be provided to us by the independent auditor, or subsequently approve non-audit services in those circumstances where a subsequent approval is necessary and permissible.

The Audit Committee has determined that the rendering of all the services described above by KPMG LLP was compatible with maintaining the auditors independence.

PART IV

ITEM 15. Exhibits and Financial Statement Schedules

(a)(1) Financial Statements

The following documents are filed as a part of the report:

Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets as of March 31, 2014 and 2013

Consolidated Statements of Comprehensive Income (Loss) for the fiscal years ended March 31, 2014, 2013 and 2012

Consolidated Statements of Cash Flows for the fiscal years ended March 31, 2014, 2013 and 2012

Consolidated Statements of Stockholders Equity for the fiscal years ended March 31, 2014, 2013 and 2012

Notes to Consolidated Financial Statements

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(a) (2) Financial Statement Schedules

None

(b) Exhibits

Exhibit	Description
2.1	Asset Purchase Agreement, dated October 16, 2013, by and between the Registrant and Rocket Software, Inc. (included as Exhibit 2.1 the Registrant s Form 8-K filed with the Commission on October 18, 2013 and incorporated herein by reference).
3.1	Amended and Restated Certificate of Incorporation of the Registrant dated November 29, 2005 (included as Exhibit 3.1 to the Registrant s Form 8-K filed with the Commission on November 30, 2005 and incorporated herein by reference).
3.2	Amended and Restated Bylaws of the Registrant, dated November 7, 2007 (included as Exhibit 3.1 to the Registrant s Form 8-K filed with the Commission on November 13, 2007 and incorporated herein by reference).
3.3	Certificate of Designations dated March 31, 1999, as corrected (included as Exhibit 3.1 to the Registrant s Form 8-K filed with the Commission on April 5, 1999 and incorporated herein by reference).
3.4	Certificate of Ownership and Merger dated April 17, 2008 (included as Exhibit 3.1 to the Registrant s Form 8-K filed with the Commission on April 21, 2008 and incorporated herein by reference).
3.5	Composite Certificate of Incorporation (included as Exhibit 3.2 to the Registrant s Form 8-K filed with the Commission on April 21, 2008 and incorporated herein by reference).
4.1	Registration Rights Agreement, dated January 17, 2013, by and between the Registrant and the former holders of Storycode, Inc. s common stock named therein (included as Exhibit 10.2 to the Registrant s Form 8-K filed with the Commission on January 18, 2013 and incorporated herein by reference).
4.2	Specimen Common Stock Certificate (included as Exhibit 4.1 to the Registrant s Form 8-K filed with the Commission on April 21, 2008 and incorporated herein by reference).
10.1*	1999 Stock Option Plan, as amended on November 28, 2005, Form of Notice of Stock Option Agreement and Form of Stock Option Agreement (included as Exhibit 10.1 to the Registrant s Form 8-K filed with the Commission on November 30, 2005 and incorporated herein by reference).
10.2*	Form of Indemnification Agreement entered into with officers and directors of Registrant (included as Exhibit 10.2 to the Registrant s Form 10-QSB filed with the Commission on March 21, 2002 and incorporated herein by reference).
10.3	Lease, dated January 23, 2014, between Registrant and The Irvine Company (included as Exhibit 10.16 to the Registrant s Form 8-K filed with the Commission on January 28, 2014 and incorporated herein by reference).
10.4	Rights Assignment and Release Agreement dated January 10, 2014 (included as Exhibit 10.15 to the Registrant s Form 8-K filed with the Commission on January 15, 2014 and incorporated herein by reference).
10.5*	TigerLogic Corporation 2009 Equity Incentive Plan and form of stock option agreement thereunder (included as Exhibit 10.1 to the Registrant s Form 8-K filed with the Commission on February 26, 2009 and incorporated herein by reference).

10.6*	Amended and Restated Employment and Severance Agreement, dated January 17, 2013, by and between the Registrant and Richard Koe (included as Exhibit 10.3 to the Registrant s Form 8-K filed with the Commission on January 18, 2013 and incorporated herein by reference).
10.7*	Amended and Restated Employment and Severance Agreement, dated January 17, 2013, by and between the Registrant and Thomas Lim (included as Exhibit 10.4 to the Registrant s Form 8-K filed with the Commission on January 18, 2013 and incorporated herein by reference).

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Exhibit	Description
10.8*	2011 Amended and Restated Employee Stock Purchase Plan (included as Exhibit 10.9 to the Registrant s Form 10-K filed with the Commission on June 26, 2012 and incorporated herein by reference).
10.9*	Employment Agreement, dated January 9, 2012, by and between Storycode, Inc. and James McDermott, as amended by the First Amendment to Employment Agreement, dated as of January 17, 2013, by and between Storycode, Inc. and James McDermott (included as Exhibit 10.18 to the Registrant s Form 10-Q filed with the Commission on February 12, 2013 and incorporated herein by reference).
10.10	Agreement and Plan of Merger, dated December 27, 2012, by and between the Registrant, Storycode, Inc., TLSC Merger Sub, Inc. and Jon Maroney (included as Exhibit 10.1 to the Registrant s Form 8-K filed with the Commission on December 28, 2012 and incorporated herein by reference).
10.11	Amendment to Agreement and Plan of Merger, dated January 17, 2013, by and between the Registrant, Storycode, Inc., TLSC Merger Sub, Inc. and Jon Maroney (included as Exhibit 10.1 to the Registrant s Form 8-K filed with the Commission on January 18, 2013 and incorporated herein by reference).
10.12*	Separation Agreement, dated June 3, 2013, by and between the Registrant and Gerald S. Chew (included as Exhibit 10.14 to the Registrant s Form 10-Q filed with the Commission on August 9, 2013 and incorporated herein by reference).
21.1	Subsidiaries of the Registrant (included as Exhibit 21.1 to the Registrant s Form 10-K filed with the Commission on July 11, 2013 and incorporated herein by reference).
23.1	Consent of Independent Registered Public Accounting Firm.
24.1	Power of Attorney (included in the signature page and incorporated herein by reference).
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Indicates management contracts or compensatory plans and arrangements filed pursuant to Item 601 of Regulation S-K under the Exchange Act.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: June 27, 2014

TIGERLOGIC CORPORATION

/s/ THOMAS LIM
Thomas Lim
Chief Financial Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Richard W. Koe and Thomas Lim, and each or any one of them, as his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming that all said attorneys-in-fact and agents, or any of them or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signatures	Title	Date
/s/ RICHARD W. KOE **Richard W. Koe**	Director, President and Chief Executive Officer (Principal Executive Officer)	June 27, 2014
/s/ THOMAS LIM **Thomas Lim**	Chief Financial Officer (Principal Financial and Accounting Officer)	June 27, 2014
/s/ GERALD F. CHEW **Gerald F. Chew**	Director	June 27, 2014
/s/ NANCY HARVEY **Nancy Harvey**	Director	June 27, 2014
/s/ DOUGLAS G. MARSHALL **Douglas G. Marshall**	Director	June 27, 2014

/s/ PHILIP D. BARRETT **Philip D. Barrett**	Director	June 27, 2014
/s/ DOUGLAS G. BALLINGER **Douglas G. Ballinger**	Director	June 27, 2014

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders

TigerLogic Corporation:

We have audited the accompanying consolidated balance sheets of TigerLogic Corporation and subsidiaries as of March 31, 2014 and 2013, and the related consolidated statements of comprehensive income (loss), cash flows, and stockholders equity for each of the years in the three-year period ended March 31, 2014. These consolidated financial statements are the responsibility of TigerLogic Corporation s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of TigerLogic Corporation and subsidiaries as of March 31, 2014 and 2013, and the results of their operations and their cash flows for each of the years in the three-year period ended March 31, 2014, in conformity with U.S. generally accepted accounting principles.

/s/ KPMG LLP

Santa Clara, California
June 27, 2014

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TIGERLOGIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In thousands, except per share data)

		March 31, 2014		March 31, 2013
ASSETS				
Current assets:				
Cash	$	18,602	$	6,465
Trade accounts receivable, less allowance for doubtful accounts of $43 in 2014 and $24 in 2013		934		575
Receivable from sale of MDMS business		2,200		
Other current assets		553		561
Current assets of discontinued operations				411
Total current assets		22,289		8,012
Property, furniture and equipment, net		575		459
Goodwill		18,183		18,183
Intangible assets, net		510		593
Deferred tax assets		109		228
Other assets		73		111
Noncurrent assets of discontinued operations				13,565
Total assets	$	41,739	$	41,151
LIABILITIES AND STOCKHOLDERS EQUITY				
Current liabilities:				
Accounts payable	$	349		388
Accrued liabilities		1,892		1,240
Deferred revenue		1,599		948
Current liabilities of discontinued operations				3,448
Total current liabilities		3,840		6,024
Other long-term liabilities		122		103
Other long-term liabilities of discontinued operations				34
Total liabilities		3,962		6,161
Commitments and contingencies				
Stockholders equity:				
Series A convertible preferred stock: $1.00 par value; 5,000,000 shares authorized; none issued or outstanding at March 31, 2014 and 2013				
Common stock: $0.10 par value; 100,000,000 shares authorized; 30,117,234 and and 29,931,248 issued and outstanding as of March 31, 2014 and 2013, respectively		3,012		2,993
Additional paid-in-capital		142,848		141,478
Accumulated other comprehensive income		2,360		2,257
Accumulated deficit		(110,443)		(111,738)
Total stockholders equity		37,777		34,990
Total liabilities and stockholders equity	$	41,739	$	41,151

See accompanying notes to the consolidated financial statements.

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TIGERLOGIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In thousands except per share data)

	For the years Ended March 31, 2014	2013	2012
Net revenues:			
Licenses	$ 2,264	$ 2,090	$ 2,153
Services	3,226	1,687	1,676
Total net revenues	5,490	3,777	3,829
Operating expenses:			
Cost of license revenues	19	5	6
Cost of license revenues-amortization of intangible assets	76	15	
Cost of service revenues	638	355	356
Cost of service revenues-revenue sharing agreement	1,000		
Selling and marketing	5,918	3,979	4,497
Research and development	4,441	3,698	4,574
General and administrative	4,350	3,728	3,592
Acquisition related costs	209	288	
Total operating expenses	16,651	12,068	13,025
Operating loss from continuing operations	(11,161)	(8,291)	(9,196)
Other income (expense):			
Interest expense-net	(6)	(6)	(2)
Other income (expense)-net	(62)	10	(62)
Total other income (expense)-net	(68)	4	(64)
Loss before income taxes from continuing operations	(11,229)	(8,287)	(9,260)
Income tax benefit	(3,965)	(2,012)	(2,168)
Net loss from continuing operations	(7,264)	(6,275)	(7,092)
Discontinued operations:			
Income from discontinued operations, net of tax	2,641	3,333	3,545
Gain on sale of discontinued operations, net of tax	5,918		
Income from discontinued operations	8,559	3,333	3,545
Net income (loss)	$ 1,295	$ (2,942)	$ (3,547)
Other comprehensive income (loss):			
Foreign currency translation adjustments	103	(47)	(8)
Total comprehensive income (loss)	$ 1,398	$ (2,989)	$ (3,555)
Basic and diluted net income (loss) per share:			
Loss from continuing operations	$ (0.24)	$ (0.22)	$ (0.25)
Income from discontinued operations	$ 0.28	$ 0.12	$ 0.13
Net income (loss)	$ 0.04	$ (0.10)	$ (0.12)
Shares used in computing net loss from continuing operations per share, income from discontinued operations per share, and net income (loss) per share	30,255	28,548	28,146

See accompanying notes to the consolidated financial statements.

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TIGERLOGIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	For the Years Ended March 31		
	2014	**2013**	**2012**
Cash flows from operating activities:			
Net income (loss)	$ 1,295	$ (2,942)	$ (3,547)
Gain on sale of discontinued operations	(9,926)		
Adjustments to reconcile net income (loss) to net cash used in operating activities:			
Depreciation and amortization of long-lived assets	191	144	159
Provision for (recovery from) bad debt	133	(7)	5
Stock-based compensation expense	1,293	1,049	1,280
Change in deferred tax assets	120	89	98
Foreign currency exchange (gain) loss	(46)	(3)	74
Change in operating assets and liabilities, net of discontinued operations:			
Trade accounts receivable	(970)	76	(157)
Other current assets	138	(72)	(175)
Accounts payable	(98)	(108)	71
Accrued liabilities	(633)	(197)	(299)
Deferred revenue	941	77	69
Net cash used in operating activities	(7,562)	(1,894)	(2,422)
Cash flows from investing activities:			
Business acquistion, net of cash received		(490)	
Purchases of property, plant and equipment	(183)	(81)	(76)
Proceeds from sale of discontinued operations	19,800		
Net cash provided by (used in) investing activities	19,617	(571)	(76)
Cash flows from financing activities:			
Proceeds from exercise of stock options	59	24	87
Proceeds from issuance of common stock	37	47	85
Net cash provided by financing activities	96	71	172
Effect of exchange rate changes on cash	(14)	(59)	(110)
Net increase (decrease) in cash	12,137	(2,453)	(2,436)
Cash at beginning of the period	6,465	8,918	11,354
Cash at end of the period	$ 18,602	$ 6,465	$ 8,918
Supplemental disclosures:			
Cash paid for income taxes	$ 488	$ 148	$ 879
Non-cash investing activities:			
Issuance of common stock and stock options assumed in business acquisition		$ 5,095	

See accompanying notes to the consolidated financial statements.

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TIGERLOGIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY

For the Years Ended March 31, 2014, 2013 and 2012

(In thousands, except share amounts)

	Common Stock		Additional Paid-In	Accumulated Other Comprehensive	Accumulated	Stockholders
	Shares	Amount	Capital	Income	Deficit	Equity
Balances March 31, 2011	28,101,991	$ 2,810	$ 133,995	$ 2,312	$ (105,249)	$ 33,868
Stock option and purchase plan issuances	81,478	8	163			171
Stock-based compensation			1,280			1,280
Net loss					(3,547)	(3,547)
Foreign currency translation adjustments				(8)		(8)
Balances March 31, 2012	28,183,469	$ 2,818	$ 135,438	$ 2,304	$ (108,796)	31,764
Stock option and purchase plan issuances	51,450	5	66			71
Common stock issued and issuable for acquired business	1,696,329	170	3,976			4,146
Stock options assumed for acquired business			949			949
Stock-based compensation			1,049			1,049
Net loss					(2,942)	(2,942)
Foreign currency translation adjustments				(47)		(47)
Balances March 31, 2013	29,931,248	2,993	141,478	2,257	(111,738)	34,990
Stock option and purchase plan issuances	185,986	19	77			96
Stock-based compensation			1,293			1,293
Net loss					1,295	1,295
Foreign currency translation adjustments				103		103
Balances March 31, 2014	30,117,234	$ 3,012	$ 142,848	$ 2,360	$ (110,443)	$ 37,777

See accompanying notes to the consolidated financial statements.

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TIGERLOGIC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization

TigerLogic Corporation s (the Company) principal business is: 1) the design, development, sale, and support of rapid application development (RAD) software known as Omnis; 2) a hosted social media visualization platform known as Postano; 3) Internet search enhancement tools known as yolink; and 4) the design, development, and hosting of mobile applications and digital publishing solutions known as Storycode. The Company s Omnis RAD software tools are sold to in-house corporate development teams, commercial application developers, system integrators, independent software vendors, value added resellers and independent consultants. The Company s yolink and Postano product lines are targeted to customers ranging from companies to bloggers and individuals active in social media. The Company s Storycode business designs and hosts mobile applications for publishers and media companies, and designs and develops interactive digital books, magazines and marketing materials for a variety of industries. In addition to computer software products, the Company provides continuing maintenance and customer support and, to a lesser extent, professional services and training.

On November 15, 2013, the Company completed the sale of its assets dedicated to the multidimensional database management system (MDMS) and related connectivity products known as the MDMS family of products, including D3, mvBase, mvEnterprise and the Pick connectivity products (the MDMS Business), and the related underlying enterprise resource planning (ERP) platform required to support the MDMS Business, to Rocket Software, Inc. (Rocket). As a result of this divestiture, the historical results of the MDMS Business has been reclassified and presented as discontinued operations for all periods presented. See Note 4 for additional information related to the disposition of the MDMS Business.

2. Reclassification Adjustment

During the year ended March 31, 2014, the Company corrected an error in the classification of its hosting services revenues to reclassify the revenues from licenses to services revenues. The Company also corrected the classification of related hosting service costs to reclassify the costs from research and development to cost of service revenue. Management has evaluated the materiality of the reclassification adjustments in fiscal 2013 and on each of the quarterly and year-to-date periods during the nine months ended December 31, 2013 both quantitatively and qualitatively and concluded that the errors were immaterial in each of the prior periods.

The Company has revised the accompanying consolidated statement of comprehensive loss for the year ended March 31, 2013 to 1) decrease license revenue by approximately $237,000 and increase services revenue by the same amount, and 2) decrease research and development costs by approximately $109,000 and increase cost of service revenue by the same amount. The Company also revised the presentation of revenues and costs during each of the quarters during the nine months ended December 31, 2013, as follows (in thousands):

	Quarter Ended			Fiscal Year Ended
	June 30, 2013	September 30, 2013	December 31, 2013	March 31, 2013

As orginally reported: (adjusted for sale of MDMS business)								
Licenses	$	913	$	937	$	912	$	2,327
Services		454		580		530		1,450
Total net revenues	$	1,367	$	1,517	$	1,442	$	3,777
Operating expenses:								
Cost of service revenue	$	100	$	106	$	103	$	246
Research and development	$	1,026	$	1,121	$	1,234	$	3,806
As corrected:								
Licenses	$	649	$	616	$	591	$	2,090
Services		718		901		851		1,687
Total net revenues	$	1,367	$	1,517	$	1,442	$	3,777
Operating expenses:								
Cost of service revenue	$	127	$	137	$	159	$	355
Research and development	$	999	$	1,090	$	1,178	$	3,697

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3. Summary of Significant Accounting Policies

Significant accounting policies applied in the preparation of the accompanying consolidated financial statements of the Company are as follows:

Principles of Consolidation-The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated.

Revenue Recognition-Revenue attributable to an element in a customer arrangement is recognized when persuasive evidence of an arrangement exists, delivery has occurred, the fee is fixed or determinable, and collectability is probable. If, at the outset of the customer arrangement, the Company determines that the arrangement fee is not fixed or determinable, the Company defers the revenue and recognize the revenue when the arrangement fee becomes due and payable. The Company does not have price protection programs or conditional acceptance agreements, and sales of its products are made without right of return.

For contracts with multiple software and software-related elements, the Company recognizes revenue for the delivered elements, generally software licenses, using the residual value method when vendor-specific objective evidence (VSOE) of fair value exists for all undelivered elements, consisting primarily of post-contract customer support (PCS). PCS is recognized ratably over the support term.

For hosted software subscription arrangements, services revenue is recognized ratably over the subscription period. The Company also has services revenue consisting of consulting and training services that are either recognized as the services are performed or upon the completion of the services depending on the nature of the services. When subscription arrangements involve multiple elements that qualify as separate units of accounting, the Company allocates arrangement consideration to all deliverables based on the relative stand-alone selling price method in accordance with the selling price hierarchy, which includes: (i) VSOE if available; (ii) third-party evidence (TPE) if VSOE is not available; and (iii) best estimate of selling price (BESP) if neither VSOE nor TPE is available. Revenue allocated to each deliverable, limited to the amount not contingent on future performance, is then recognized when the basic revenue recognition criteria are met for the respective deliverables.

The Company determines whether VSOE can be established based on its historical pricing and discounting practices for the specific deliverable when sold separately. In determining VSOE, the Company requires that a substantial majority of the selling prices fall within a reasonably narrow pricing range. The Company has established VSOE for its PCS included in its software arrangements, but have not yet been able to establish VSOE for its subscription or other services.

When VSOE cannot be established for its subscription and other services, the Company applies judgment with respect to whether it can establish a selling price based on TPE. TPE is determined based on third party pricing practices for similar deliverables when sold separately. Generally, the Company s pricing strategy differs from that of its peers and its offerings contain a significant level of differentiation such that the comparable pricing of services with similar functionality cannot be obtained. Furthermore, the Company is unable to reliably determine what similar competitors services selling prices are on a stand-alone basis. As a result, the Company has not been able to establish selling prices based on TPE.

When the Company is unable to establish a selling price for its subscription and other services using VSOE or TPE, the Company uses BESP in its allocation of arrangement consideration. The objective of BESP is to determine the price at which the Company would transact a sale if the respective elements were sold on a stand-alone basis. The Company estimates BESP for services by considering multiple factors including, but not limited to, prices charged for similar offerings, market conditions, competitive landscape, costs of providing the services, and its overall pricing practices. The Company currently uses BESP in order to allocate the selling price to its deliverables in multiple element subscription arrangements.

Cost of License and Service Revenue-Cost of license revenue is comprised of direct costs associated with software license sales including software packaging, documentation, physical media costs, amortization of intangible assets, and royalties. Cost of service revenue includes primarily data center hosting and personnel costs related to data center hosting, consulting, technical support, and training. Other costs specifically identifiable to the revenue source have been classified accordingly.

Cash and cash equivalents-Investment securities with a maturity of ninety days or less at the time of purchase are considered cash equivalents.

Trade Accounts Receivable-Trade accounts receivable are recorded at the invoiced amount and do not bear interest. Amounts collected on trade accounts receivable are included in net cash provided by operating activities in the consolidated statements of cash flows. The allowance for doubtful accounts is the Company s best estimate of the amount of probable credit losses in the Company s existing accounts receivable. The Company determines the allowance based on historical write-off experience. The Company reviews its allowance for doubtful accounts monthly. Past due balances over 60 days and over a specified amount are reviewed individually for collectibility. All other balances are reviewed on a pooled basis.

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Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The Company does not have any off-balance sheet credit exposure related to its customers.

Property, Furniture and Equipment-Property, furniture, and equipment are stated at historical cost. Depreciation and amortization are computed on a straight-line basis over the estimated useful lives of the assets, which range from two to five years. Leasehold improvements are amortized on a straight-line basis over the shorter of the lease term or the estimated useful lives of the assets.

Software Development Costs-Costs for the development of new software products and substantial enhancements to existing software products are expensed as incurred until technological feasibility has been established, at which time any additional costs would be capitalized until the software is available for general release to customers. The Company does not currently have any internal software development costs capitalized because software is available for general release concurrently with the establishment of technological feasibility.

Costs for the development of internal use software in the preliminary stages of development are expensed as incurred. Once an internal use application has reached the development stage, if: (1) the costs are direct and incremental and (2) management has determined that it is probable that the project will be completed and the software will be used to perform the function intended, internal and external costs are capitalized until the application is substantially complete and ready for its intended use. No internal use software development costs have been capitalized to date. These costs are included as research and development expenses.

Income Taxes-Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred tax assets are reduced by a valuation allowance to an amount whose realization is more likely than not. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company recognizes tax benefits from an uncertain tax position when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Income tax positions must meet a more-likely-than-not recognition threshold at the effective date to be recognized. Developments such as case law, changes in tax law, new rulings or regulations issued by taxing authorities, and interactions with the taxing authorities could affect whether a position should be recognized or the amount that should be reported.

Interest and penalties would accrue if the uncertain tax position were not sustained. Interest would start to accrue in the period it would begin accruing under the relevant tax law, and the amount of interest expense to be recognized would be computed by applying the applicable statutory rate of interest to the difference between the tax position recognized and the amount previously taken or expected to be taken in a tax return. Penalties would accrue in the first period in which the position was taken (or is expected to be taken) on a tax return that would give rise to the penalty. Unrecognized tax benefits and the related interest and penalty exposure would result in recognition of a liability or a reduction to a deferred tax asset. This liability is separate from the deferred tax component on the balance sheet and would be classified as long-term unless payment is expected within the next twelve months. Interest and penalties are classified as income tax expense.

Stock-Based Compensation-The Company recognizes share-based payments, including grants of stock options and other equity awards in the consolidated financial statements based on their fair values. The Company recognizes compensation expense for share-based awards ratably over the vesting period and purchase period, respectively.

Net Income (Loss) Per Share-Basic and diluted loss per share is computed using the net loss and the weighted average number of common shares outstanding during the period. Potential dilutive common shares include, for all of the periods presented, outstanding stock options and contingently issuable shares. There were 3,758,426, 4,612,361, and 3,126,177 outstanding options to purchase shares of the Company s common stock and contingently issuable shares as of March 31, 2014, 2013, and 2012, respectively, that were not included in the computation of diluted loss per share because their effect would have been anti-dilutive.

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*Concentration of Credit Risk-*The Company provides marketing services through its social media platform hosting and services, and digital publishing services. In addition, the Company also provides software licenses and support, primarily through distributors, resellers, and developers. Our customers are in diversified industries worldwide. On an ongoing basis, the Company performs credit evaluations of its customer s financial condition and generally requires no collateral. No single customer accounted for more than 10% of revenues during any of the periods presented.

*Foreign Currency Translation-*The local currency is used as the functional currency for purposes of translating the financial statements of the Company s foreign subsidiaries into the reporting currency. Assets and liabilities of these subsidiaries are translated at the exchange rate in effect at each period end. Income statement accounts are translated at the average rate of exchange prevailing during the year. Translation adjustments arising from the use of differing exchange rates from period to period are included in accumulated other comprehensive income (loss) in stockholders equity. Gains and losses resulting from foreign currency transactions are included in other income (expense). Through November 2009, the British Pound was weakening against the U.S. Dollar, creating a foreign exchange gain for the Company related to a significant intercompany outstanding balance denominated in British Pound. Beginning in December 2009, foreign exchange gains and losses on the outstanding intercompany balance denominated in British Pound are being accumulated in a separate component of equity based on the Company s determination that the settlement of this intercompany balance is not planned or anticipated in the foreseeable future.

The Company s revenues generated through its offices located outside of the United States were approximately 49%, 61% and 68% of total revenue for the fiscal years ended March 31, 2014, 2013 and 2012, respectively.

*Comprehensive Income (Loss)-*Comprehensive income (loss) encompasses all changes in equity other than those with stockholders and consists of net income (loss) and foreign currency translation adjustments. For the subsidiaries located in Germany and United Kingdom, the Company does not provide for U.S. income taxes on foreign currency translation adjustments because it does not provide for such taxes on undistributed earnings of these foreign subsidiaries. For its French subsidiary, the Company provides for U.S. taxes on foreign currency translation adjustments.

*Use of Estimates-*The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Specifically, the application of the purchase method of accounting for business combinations requires the use of significant estimates and assumptions in the determination of the fair value of assets acquired and liabilities assumed in order to properly allocate the purchase price consideration between depreciable assets, assumed liabilities, intangibles, and goodwill. The Company s estimates of the fair values of assets and liabilities acquired are based upon assumptions the Company believes to be reasonable and include assistance from independent third-party appraisal firms. When equity instruments are issued as part of the purchase price consideration, the Company measures them at fair value as of the date of the acquisition. Actual results could differ from those estimates.

*Impairment of Goodwill and Other Long-Lived Assets-*Long-lived assets, such as property, plant, and equipment, and purchased intangible assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would

be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer depreciated. The assets and liabilities of a disposal group classified as held for sale would be presented separately in the appropriate asset and liability sections of the balance sheet.

Goodwill and intangible assets that have indefinite useful lives are tested annually for impairment and are tested for impairment more frequently if events and circumstances indicate that the asset might be impaired. An impairment loss is recognized to the extent that the carrying amount exceeds the asset s fair value. For goodwill, the impairment determination is made at the reporting unit level and consists of two steps. First, the Company determines the fair value of a reporting unit and compares it to its carrying amount. Second, if the carrying amount of a reporting unit exceeds its fair value, an impairment loss is recognized for any excess of the carrying amount of the reporting unit s goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation. The residual fair value after this allocation is the implied fair value of the reporting unit goodwill.

Recent Accounting Pronouncement-In May 2014, the Financial Accounting Standard Board issued Accounting Standards Update (ASU) No. 2014-09, Revenue from contracts with Customers (Topic 606) which provides guidance for revenue recognition. This ASU affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of non-financial assets. This ASU will supersede the revenue recognition requirements in Topic 605, Revenue Recognition, and most industry-specific guidance. This ASU also supersedes some cost guidance included in Subtopic 605-35, Revenue Recognition-Construction-Type and Production-Type Contracts. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchanged for those goods or services. The standard is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. The Company is currently assessing the expected impact of the ASU on its financial position and results of operations.

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4. Discontinued Operations - Business Divestiture

Over the last several years, the Company began to shift its strategy to focus primarily on growth opportunities in the mobile and social media industries. Consistent with this strategy, on November 15, 2013, the Company completed the sale of the MDMS Business, and the related underlying enterprise resource planning (ERP) platform required to support the MDMS Business, to Rocket for a total sale price of approximately $22.0 million (the Sale), of which approximately $19.8 million was received at closing and approximately $2.2 million is being held by a third party escrow agent for 12 months to serve as security for the Company s general indemnification obligations. As a result of this divestiture, the historical results of the MDMS Business has been reclassified and presented as discontinued operations for all periods presented. Also, in connection with, and effective on, the closing of the Sale, the Company assigned to Rocket its Lease Agreement with The Irvine Company, dated November 9, 2004, as amended by the First Amendment thereto dated December 7, 2009. The lease was for approximately 15,000 square feet of office space in Irvine, California and ran through October 2015. Rocket had agreed to allow the Company to continue to occupy a portion of the space until April 2014 when the Company relocated to a new facility to accommodate the personnel previously employed at the premises and continuing with the Company following the Sale.

In connection with the Sale, the parties also entered, at closing, into several ancillary and related agreements, including a transition services agreement designed to facilitate the transition of the MDMS Business to Rocket and minimize disruptions to the Company s retained businesses, and an intellectual property license agreement, which will permit Rocket to use certain intellectual property owned by the Company and will permit the Company to use certain intellectual property owned by Rocket following the Sale. The costs of providing these services were considered immaterial and therefore were not included in discontinued operations on the statements of comprehensive income (loss).

The Company identified costs that were considered to be related to ongoing activities separately from those related to the divested MDMS Business. Costs identified as relating to continuing operations include costs related to certain personnel and general and administrative costs, as well as other finance and legal costs which are equivalent to the resources expected on an ongoing basis after the divestiture. All compensation, benefits, stock-based compensation and other personnel related costs associated with these positions were included in ongoing operations. The Company also included costs related to being a public company, such as external audit costs, costs associated with the Sarbanes-Oxley Act, board of directors fees, SEC filing fees, and Nasdaq fees. Facilities and information systems/technology costs were allocated based upon the percentage of headcount of the employees assumed to be working primarily on continuing operations. All specific costs of the divested MDMS Business were classified as discontinued operations as they were considered necessary and were directly related the divested business.

The Company identified assets and liabilities that were related to the divested MDMS Business and presented them as assets and liabilities from discontinued operations on the consolidated balance sheets as of March 31, 2013. Assets related to the MDMS Business included certain trade accounts receivable, fixed assets, and goodwill. Goodwill was allocated to the MDMS Business based on the relative fair values of the MDMS Business and continuing operations. Liabilities related to the MDMS Business included certain deferred revenue related to unamortized annual support revenue and certain pension liabilities relating to the Company s France subsidiary.

The following table presents the carrying amount of major classes of assets and liabilities relating to the discontinued operations as of March 31, 2013 (in thousands):

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		March 31, 2013
Assets:		
Account receivables, net	$	411
Total current assets of discontinued operations	$	411
Property and equipment, net	$	92
Goodwill		13,473
Total noncurrent assets of discontinued operations	$	13,565
Liabilities:		
Accrued liabilities	$	55
Deferred revenue		3,393
Total current liabilities of discontinued operations	$	3,448
Long-term liabilties	$	34
Total long-term liabilities of discontinued operations	$	34

Current and historical results of operations of the MDMS Business have been classified as discontinued operations. Income from discontinued operations for the three years ended March 31, 2014, 2013, and 2012 represents the results of operations of the MDMS Business. As of the date of disposition, the Company has not had and does not anticipate generating any future cash flows related to the MDMS Business other than the $2.2 million cash expected to be received from escrow.

The financial results of the discontinued operations for the years ended March 31, 2014, 2013 and 2012, were as follows (in thousands):

	For the Years Ended March 31,					
	2014		2013		2012	
Revenue of discontinued operations	$	5,821	$	9,063	$	9,517
Income from discontinued operations		3,231		5,422		5,811
Income tax expense		590		2,089		2,266
Income from discontinued operations, net of tax		2,641		3,333		3,545
Gain on sale of discontinued operations		9,926				
Income tax expense		4,008				
Gain on sale of discontinued operations, net of tax		5,918				
Total income from discontinued operations	$	8,559	$	3,333	$	3,545

5. Business Acquisition

On January 17, 2013, the Company completed its acquisition of Storycode, Inc, a privately held mobile application publishing company. The acquisition was structured as a non-taxable transaction. Pursuant to the terms of the Agreement and Plan of Merger dated December 27, 2012, as amended (the Merger Agreement), Storycode became a wholly-owned subsidiary of the Company as of January 17, 2013. The Company incorporated Storycode s expertise in mobile application development, user experience, and design into its Postano social media visualization platform to create a new kind of social platform with unique mobile distribution capabilities and allow brands to use original and fan-generated content to develop engaging experiences across the worldwide web, live events, and mobile environment.

In accordance with the Merger Agreement, the Company issued an aggregate of 1,696,329 shares of its common stock with a fair value of approximately $3.3 million and may issue an additional 444,468 shares with a fair value as of the acquisition closing date of approximately $861,000, subject to an 18-month holdback for general indemnification purposes pursuant to the Merger Agreement, which holdback share number may be adjusted from time to time. The Company also substituted 822,320 options to purchase its common stock for options to purchase Storycode s common stock of which value of approximately $949,000 was allocated to the purchase price as of the acquisition closing date. In addition, the Company made cash payments aggregating approximately $499,000. Total consideration to acquire Storycode was approximately $5.6 million and comprised of the following (in thousands):

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Fair value of common stock issued at closing	$	3,285
Fair value of common stock issuable-subject to the 18-month holdback		861
Fair value of stock options assumed		949
Cash consideration paid		499
Total purchase price	$	5,594

The fair value of shares issued and issuable is based on the closing price of the Company s common stock on the acquisition closing date of $2.28 per share. However, all of the shares issued or issuable are subject to a one-year lock up agreement that resulted in an adjustment to the estimated fair value of the common stock to $1.94 per share. Cash consideration included a bridge loan from the Company to Storycode made during the quarter ended December 31, 2012 as well as legal and accounting fees incurred by Storycode and reimbursed by the Company. The Company incurred approximately $497,000 in direct transaction costs, of which approximately $288,000 was incurred and paid during the year ended March 31, 2013 and $209,000 was incurred and paid during the fiscal year ended March 31, 2014.

In connection with the acquisition, each Storycode stock option that was outstanding and unexercised as of the acquisition date was assumed and converted into an option to purchase TigerLogic common stock based on a conversion ratio of 0.43085. Based on Storycode s stock options outstanding at January 17, 2013, the Company converted options to purchase 1,908,583 shares of Storycode common stock into options to purchase 822,320 shares of TigerLogic common stock. The estimated value of the assumed stock options included in the purchase price equals the fair value of the fully vested stock options assumed plus the fair value of the portion of the partially vested stock options assumed attributable to pre-combination services.

The portion of the estimated fair value of the partially vested replacement stock options that was considered unearned compensation as of the date of acquisition was approximately $393,000, which will be recognized as stock-based compensation expense on a straight line basis over the remaining vesting periods of the respective awards.

The fair value of the stock options was estimated using a Black-Scholes option-pricing model with the following weighted average assumptions:

	Options Assumed and Unearned
Volatility	60%-85%
Annual risk-free rate	0.09%-0.40%
Expected life (in years)	0.5-3.04
Dividend yield	0%

Purchase Price Allocation

The total purchase price was allocated to Storycode s net tangible and intangible assets based upon their estimated fair values as of the acquisition date. The excess purchase price over the value of the net tangible liabilities and identifiable intangible assets was recorded as goodwill. The table below represents the allocation of the purchase price to the acquired net assets of Storycode based on their estimated fair values as of the acquisition date and the associated estimated useful lives at that date.

Allocation of purchase price (in thousands):

		Amount	Useful Life (years)
Identifiable intangible assets:			
Trade and Domain Names	$	80	10
Technology		530	7
Goodwill		5,268	N/A
Net tangible liabilities		(284)	N/A
Total estimated purchase price allocation	$	5,594	

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Identifiable intangible assets-Trade and domain names acquired primarily includes the Storycode brand name. Existing technology acquired primarily includes content management and publishing platform for mobile applications. The estimated fair value and useful lives of the trade and domain names and existing technology acquired was determined based the relief-from-royalty method, with key assumptions including: 1) forecasted revenue estimates for the trade and domain names were based on Storycode s legacy business line revenue; 2) a royalty rate of 1.0%; and 3) a discount rate of 20.0%. The Company expects to amortize the fair value of these intangible assets on a straight-line basis over their respective estimated useful lives.

Goodwill-Goodwill represents the excess of the purchase price over the fair value of the underlying acquired net tangible and intangible assets. The factors that contributed to the recognition of goodwill included securing certain synergies with existing technology of the Company that expect to increase revenue and profits of the Company, acquiring talented workforce, and cost savings opportunities.

Net tangible liabilities-Storycode s tangible assets and liabilities as of January 17, 2013 were reviewed and adjusted to their fair value as necessary. Net tangible liabilities assumed included approximately $300,000 in accounts payable, $178,000 in other liabilities, $9,000 in cash, and $184,000 in accounts receivable.

Taxes-As part of the Company s accounting for the acquisition of Storycode, a portion of the overall purchase price was allocated to goodwill and acquired intangible assets. Amortization expense associated with acquired intangible assets is not deductible for tax purposes. Approximately $0.6 million of net deferred tax assets was established as a result of the acquisition, which was offset by a full valuation allowance. Any impairment charge made in the future associated with goodwill will not be tax deductible and will result in an increased effective income tax rate in the quarter the impairment is recorded.

Pro Forma Results

Storycode s results of operations are included in the Company s historical results of operations for fiscal 2014 and part of fiscal 2013 from the acquisition date of January 17, 2013 through March 31, 2014 and were not significant. The following pro forma combined results of operations for the fiscal years 2013 and 2012 assumes the acquisition had taken place as of April 1, 2011, and combines the Company s historical results of operations for the years ended March 31, 2013 and 2012, with Storycode s unaudited historical results of operations for the years ended March 31, 2013 and 2012, respectively. The pro forma financial information is presented for informational purposes only and is not indicative of the results of operations that would have been achieved if the acquisition had taken place on April 1, 2011 or the results that may occur in the future. Acquisition related costs incurred during the year ended March 31, 2013 were not included in the pro forma information below.

	For the Years Ended March 31, (In thousands, except per share data) (Unaudited)			
	2013		**2012**	
Net revenue	$	4,767	$	5,074
Net loss	$	(4,181)	$	(4,264)
Net loss per basic and diluted share	$	(0.15)	$	(0.15)

6. Fair Value Measurement

The Company maintains all of its cash on deposit at financial institutions. As such, there were no cash equivalents on the Company s balance sheets as of March 31, 2014 or 2013. There were no nonfinancial assets or liabilities that required recognition or disclosure at fair value on a nonrecurring basis in the Company s balance sheets as of March 31, 2014 or 2013.

7. Property, Furniture and Equipment

Property, furniture and equipment at March 31 consisted of (in thousands):

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	2014	2013
Land and buildings	$ 713	$ 652
Office equipment, furniture and fixtures	4,641	4,556
Total	5,354	5,208
Accumulated depreciation	(4,779)	(4,749)
Property, furniture and equipment, net	$ 575	$ 459

Depreciation expense for the fiscal years ended March 31, 2014, 2013, and 2012 was approximately $97,000, $111,000, and $143,000, respectively.

8. Goodwill and intangible assets

Goodwill as of March 31, 2014 and 2013 was as follows (in thousands):

	2013	Divestiture	2014
Goodwill	$ 31,656	$ (13,473)	$ 18,183

Intangible assets subject to amortization at March 31, 2014 and 2013 were as follows (in thousands):

		March 31, 2014	
	Cost	Accumulated Amortization	Net
Purchased Trade and Domain Names	$ 80	$ (10)	$ 70
Purchased Technology	530	(90)	440
Total purchased intangible assets	$ 610	$ (100)	$ 510

		March 31, 2013	
	Cost	Accumulated Amortization	Net
Purchased Trade and Domain Names	$ 80	$ (2)	$ 78
Purchased Technology	530	(15)	515
Total purchased intangible assets	$ 610	$ (17)	$ 593

Amortization expense related to purchased intangible assets for fiscal years 2014 and 2013 was approximately $83,000 and $17,000, respectively. There was no amortization expense in fiscal year 2012.

Purchased intangible assets are amortized over their estimated useful lives of seven and ten years. At March 31, 2014, expected future amortization expense is as follows (in thousands):

Years Ending March 31,		**Intangible assets**
2015	$	84
2016		84
2017		84
2018		84
2019 and thereafter		174
Total expected amortization expense	$	510

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9. Stockholder s Equity

Series A Convertible Preferred Stock

The Company had 5,000,000 shares of Series A convertible preferred stock (Series A) authorized and no shares of Series A issued and outstanding at March 31, 2014 and 2013.

Common Stock

The Company had 100,000,000 shares of common stock authorized and 30,117,234 and 29,931,248 shares of common stock issued and outstanding as of March 31, 2014 and 2013, respectively.

Stock Options

On February 25, 2009, the shareholders voted to approve and the Company adopted the 2009 Equity Incentive Plan (2009 Plan). The 2009 Plan provides for the granting of stock options, restricted stock, and restricted stock units to directors, employees and consultants. In conjunction with the adoption of the 2009 Plan, the Company terminated all other plans, except as to options then issued and outstanding under such plans. The total number of shares available for issuance under the 2009 Plan at adoption date is based on the number of shares that have been reserved but not issued under the 1999 Stock Plan (1999 Plan), the shares under the 1999 Plan which expired, were cancelled or were forfeited, and the annual share reserve increase. Included in the 2009 Plan is the provision for the annual automatic share reserve increase on the last day of each fiscal year in an amount equal to the lesser of (a) 3% of the Company s total outstanding shares on the last day of the Company s fiscal year, (b) 2,000,000, or (c) such lesser amount as determined in the sole and absolute discretion of the Board. The annual increase for the year ended March 31, 2014 was 903,517 shares. At March 31, 2014, total number of shares available for issuance under the 2009 Plan was 4,942,242 shares. Stock options are generally granted with an exercise price equal to the stock s fair market value at the date of grant. All options under the 2009 Plan have ten-year terms and generally vest ratably over a period of four years.

Employee Stock Purchase Plan

On December 12, 2001, the Board of Directors approved the Company s 2001 Employee Stock Purchase Plan (the ESPP) to provide employees of the Company with an opportunity to purchase common stock of the Company through accumulated payroll deductions. The maximum number of shares of common stock made available for sale under the ESPP is 1,000,000 shares. The offer periods of six months duration commence each February 15 and August 15. An employee may contribute between 1% and 10% of their compensation, not to exceed $21,250 per calendar year. Individual employee share purchases are limited to 1,500 shares per offer period. Employees are able to purchase the stock at an amount equal to 85% of the market value of a share of common stock on the enrollment date or on the exercise date, whichever is lower. In February 2012, the stockholders approved an amendment to the Company s 2001 Employee Stock Purchase Plan (2001 Plan), which otherwise was scheduled to expire by its own terms. The main changes in the Company s 2011 Amended and Restated Employee Stock Purchase Plan (Stock Purchase Plan) are: (i) to eliminate the ten-year term limit; (ii) to amend the definition of compensation used under the Stock Purchase

Plan to include deferrals made under qualified transportation benefit programs; and (iii) to increase the hours per week that an otherwise eligible employee must work in order to be able to participate in the Stock Purchase Plan from more than ten (10) to more than twenty (20). In addition, the Stock Purchase Plan clarifies certain provisions of the 2001 Plan and amends various technical provisions in order to comply with applicable laws. The total number of shares of the Company s common stock reserved for issuance and available for purchase under the Stock Purchase Plan was not increased from the 2001 Plan and remained at 1,000,000 (less shares already issued under the 2001 Plan).

Through March 31, 2014, 713,961 shares had been issued to employees under the ESPP. For the year ended March 31, 2014, 16,231 shares of common stock were issued under the ESPP. As of March 31, 2014, employee withholdings under the ESPP were de minimus.

Stock-Based Compensation

The Company estimates the fair value of employee stock options granted and ESPP purchase rights using the Black-Scholes option-pricing model and a single option award approach. Under this approach, the compensation expense for awards that have a graded vesting schedule is recognized on a straight-line basis over the requisite service period, net of estimated forfeitures. When estimating forfeitures, the Company considers voluntary termination behavior as well as analysis of actual option forfeitures.

The Company estimated the fair value of its stock options and ESPP purchase rights using the following weighted average assumptions:

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	Years Ended March 31,					
	2014		2013		2012	
	Stock options	ESPP purchase rights	Stock options	ESPP purchase rights	Stock options	ESPP purchase rights
Expected term	5.67 Years	0.5 Years	5.0 Years	0.5 Years	5.3 Years	0.5 Years
Expected volatility	77%	76%	71%	73%	75%	72%
Risk-free interest rate	1.56%	0.08%	0.74%	0.13%	1.25%	0.13%
Dividend yield	0%	0%	0%	0%	0%	0%

Expected Term-The expected term represents the period the Company s stock-based awards are expected to be outstanding and was determined based on historical experience with similar awards, giving consideration to the contractual terms of the stock-based awards, vesting schedules and expectations of future employee behavior as influenced by changes to the terms of its stock-based awards. The weighted average expected term is calculated based on the number of shares granted and the related expected term.

Expected Volatility-The computation of expected volatility is based on historical volatility equal to the expected term.

Risk-Free Interest Rate-The risk-free interest rate used in the Black-Scholes valuation method is based on the yield available on U.S. Treasury securities with a term equal to the expected term at the time of grant.

Dividend Yield-No dividends are expected to be paid.

Total stock-based compensation expense included in the consolidated statements of comprehensive loss is as follows (in thousands):

	Twelve Months Ended March 31,		
	2014	2013	2012
Cost of service revenue	$ 39	$ 3	$ 6
Operating expense:			
Selling and marketing	347	179	312
Research and development	285	250	368
General and administrative	410	487	395
Total stock-based compensation expense	1,081	919	1,081
Income tax benefit			
Net stock-based compensation expense	$ 1,081	$ 919	$ 1,081

Excluded from the table above was stock-based compensation expense related to discontinued operations of approximately $212,000 and $130,000, and $199,000 for the years ended March 31, 2014, 1013, and 2012, respectively.

As of March 31, 2014, there was approximately $1.4 million of total unrecognized compensation cost related to nonvested share-based compensation arrangements granted under the plans. That cost is expected to be recognized over a weighted-average period of 2.2 years.

Stock option activity was as follows for fiscal years 2014, 2013, and 2012:

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	Number of Shares		Weighted Average Exercise Price	Weighted Average Remaining Contractual Term in Years		Aggregate Intrinsic Value
Options outstanding as of March 31, 2011	2,534,226	$	3.32	5.9	$	3,374,573
Granted	1,349,500	$	3.64			
Exercised	(43,640)	$	1.99			
Forfeited	(385,140)	$	3.89			
Expired	(328,769)	$	4.21			
Options outstanding as of March 31, 2012	3,126,177	$	3.31	6.4	$	91,005
Granted	942,000	$	2.07			
Increase due to acquisition of Storycode	822,320	$	0.70			
Exercised	(17,770)	$	1.37			
Forfeited	(157,586)	$	2.58			
Expired	(547,248)	$	3.45			
Options outstanding as of March 31, 2013	4,167,893	$	2.53	6.4	$	1,013,910
Granted	1,103,016	$	1.87			
Exercised	(223,866)	$	0.71			
Forfeited	(684,378)	$	2.85			
Expired	(953,232)	$	2.38			
Options outstanding as of March 31, 2014	3,409,433	$	2.41	7.0	$	221,097
Vested and expected to vest at March 31, 2014	3,273,226	$	2.44	6.9	$	212,718
Exercisable at March 31, 2014	2,269,548	$	2.68	6.0	$	127,048

The aggregate intrinsic value in the table above represents the difference between the exercise price of the underlying awards and the quoted price of the Company s common stock for the options that were in-the-money at each year end presented. The aggregate intrinsic value of options exercised under the 1999 and 2009 Plan was approximately $220,000, $24,000, and $67,790 for the years ended March 31, 2014, 2013, and 2012, respectively, determined as of the date of option exercise. Weighted-average grant-date fair values of the options granted during the years ended March 31, 2014, 2013, and 2012 were $1.23, $1.30, and $1.98, respectively.

Retirement Plans

The Company sponsors a 401(k) Savings and Retirement Plan (the Plan) for substantially all of its employees in the United States. Employees meeting the eligibility requirements may contribute specified percentages of their salaries. The Company s Board of Directors, in its sole discretion, may make discretionary profit-sharing contributions at 50% of the employees contributions up to 4% of the employees total compensation, to the Plan. There were no discretionary annual contributions made to the Plan for the years ended March 31, 2014, 2013 and 2012.

The Company sponsors the TigerLogic UK Limited Retirement Benefits Scheme (TLUKL Plan) for substantially all of its employees in the United Kingdom. The TLUKL Plan is a defined contribution plan that provides retirement benefits upon attaining normal retirement age, and incidental benefits in the case of death or termination of employment prior to retirement. TigerLogic UK contributes an amount ranging from 3% to 8% of each participant s compensation to fund such benefits. In addition, participants are entitled to make voluntary contributions under the TLUKL Plan. The Company contributed approximately $53,000, $41,000 and $34,000 to the TLUKL Plan for the years ended March 31, 2014, 2013 and 2012, respectively.

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10. Income Taxes

The Company s geographical breakdown of its income (loss) from continuing operations before provision for income taxes is as follows:

	Years Ended March 31,		
(in thousands)	**2014**	**2013**	**2012**
Current			
Domestic	$ (11,580)	$ (8,044)	$ (8,994)
Foreign	351	(243)	(266)
Loss before provision for taxes	$ (11,229)	$ (8,287)	$ (9,260)

The components of the provision for income taxes are as follows:

	Years Ended March 31,		
(in thousands)	**2014**	**2013**	**2012**
Current			
Federal	$	$	$
State			
Foreign	123	76	69
Total current provision	123	76	69
Deferred			
Federal	(3,495)	(1,829)	(1,924)
State	(600)	(200)	(242)
Foreign	7	(59)	(71)
Total deferred provision	(4,088)	(2,088)	(2,237)
Total	$ (3,965)	$ (2,012)	$ (2,168)

Reconciliations of the provisions for income taxes at the statutory rates to the Company s provisions for income taxes are as follows:

	2014	**2013**	**2012**
Expected U.S. Federal tax expense (benefit)	(34.0)%	(34.0)%	(34.0)%
State taxes	(3.5)%	(3.7)%	(4.3)%
Foreign taxes	0.4%	0.9%	0.7%
Change in valuation allowance	%	13.6%	13.0%
Research and experimentation credit	%	(2.9)%	(1.2)%
Stock-based compensation expense	1.6%	1.7%	2.3%
Other	0.1%	0.1%	0.1%
Actual effective tax rate	(35.4)%	(24.3)%	(23.4)%

Significant components of the Company s net deferred tax assets are as follows at March 31:

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(in thousands)	2014	2013	2012
Deferred tax assets:			
Net operating loss carryforwards	$ 9,583	$ 15,926	$ 17,572
Accruals and allowances recognized in different periods	408	323	373
Research and experimentation credit carryforwards	5,852	5,438	5,013
Property and equipment	50	73	109
Stock-based compensation expense	1,410	1,225	855
Total deferred assets	17,303	22,985	23,922
Less valuation allowance	(16,844)	(22,387)	(23,532)
Total deferred assets	459	598	390
Deferred tax liabilities:			
Currency translation adjustment	(127)	(125)	(129)
Intangibles	(193)	(224)	
Net deferred tax asset	$ 139	$ 249	$ 261

Recognition of deferred tax assets is appropriate when realization of these assets is more likely than not. Based upon the weight of available evidence, including the Company s historical operating performance and the recorded cumulative net losses in prior fiscal periods, the Company has provided a full valuation allowance against its United States and United Kingdom deferred tax assets. The Company s valuation allowance decreased by $5.5 million, $1.2 million, and $1.0 million in the years ended March 31, 2014, 2013, and 2012, respectively.

The Company recognizes excess income tax benefits from stock option exercises in the additional paid in capital account in stockholders equity only if an incremental income tax benefit would be realized after considering all other tax attributes presently available to the Company. There was no such excess income tax benefits recognized for the years ended March 31, 2014, 2013, or 2012.

As of March 31, 2014, the Company had U.S. federal, state, and foreign net operating loss carryforwards of approximately $27.6 million, $1.8 million, and $3.8 million, respectively. Of these amounts, $2.3 million and $0.2 million represent federal and state tax deductions in excess of recognized stock option compensation, respectively, which will be recorded as an adjustment to additional paid-in capital when they reduce taxes payable. If unused, the federal net operating loss carryforwards will begin to expire in 2019, the state net operating loss carryforwards will begin to expire in 2016. Foreign net operating losses may be carried forward indefinitely. Approximately $1.4 million and $1.4 million of the federal and state net operating loss carryforwards, respectively, are subject to an annual limitation of approximately $0.2 million per year.

As of March 31, 2014, the Company had U.S. federal and state tax credit carryforwards of approximately $3.5 million and $3.6 million, respectively. Of the state amount, $0.1 million represents the amount of state tax credit utilized in lieu of state excess tax benefits under the with-and-without approach. The federal credit will expire beginning in 2019, if not utilized. California state research and development credits can be carried forward indefinitely. With respect to the Company s foreign subsidiaries in the UK and Germany, the Company intends to permanently reinvest earnings, therefore, no U.S. income or foreign tax withholding has been provided for in deferred income taxes. It is not practical for the Company to determine the amount of deferred tax liability relating to its subsidiary in Germany. With respect to the Company s foreign subsidiary in France, it is treated as a branch for U.S. income tax purposes, which results in its earnings being taxed in the U.S. There is no unrecognized deferred tax liability related to undistributed earnings due to cumulative losses sustained by these foreign subsidiaries.

The Company did not have any gross unrecognized tax benefit for the three years ended March 31, 2014, 1013, and 2012. While it is often difficult to predict the final outcome of any particular uncertain tax position, management does not believe that it is reasonably possible that the estimates of unrecognized tax benefits will change significantly in the next twelve months.

The Company files consolidated and separate income tax return in the U.S. federal jurisdiction and in certain state jurisdictions as well as foreign jurisdictions including France, Germany, and the United Kingdom. The Company is subject to income tax examinations for fiscal years after 2010 for France, fiscal years after 2008 for Germany, and fiscal years after 2007 for the United Kingdom. As a result of net operating loss carryforwards, the Company is subject to audit for fiscal years 1999 and forward for federal purposes and 2006 and forward for California purposes.

California Proposition 39 passed in November 2012, requiring mandatory single sales factor apportionment for tax years beginning on or after January 1, 2013. Therefore, the Company was required to use single sales factor apportionment for California purposes for the tax year ended March 31, 2014, resulting in immaterial adjustment to the blended state rate used to calculate the tax effect on its deferred tax assets and liabilities.

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During the year ended March 31, 2012, the German tax authorities closed a tax audit of the Company s subsidiary in Germany for the fiscal years 2005 to 2007, which resulted in a net tax expense of approximately $82,000. The Company s subsidiary in Germany is currently under tax audit by the German tax authorities for the fiscal years 2009-2011.

11. Commitments and Contingencies

Leases

The Company leases office space and certain equipment under noncancelable operating lease agreements with terms expiring through 2017. Rent expense related to operating these leases is recognized ratably over the entire lease term. The Company is required to pay property taxes, insurance and normal maintenance costs.

Future minimum lease payments under noncancelable operating leases with initial or remaining lease terms in excess of one year as of March 31, 2014 are as follows (in thousands):

Years Ending March 31,		**Operating Leases**
2015	$	513
2016		438
2017		230
2018		112
2019 and thereafter		109
Total minimum lease payments	$	1,402

Rent expense of $708,000, $805,000 and $813,000 was recognized in 2014, 2013 and 2012, respectively.

In conjunction with the MDMS Business divestiture, the Company assigned a lease to Rocket. Under the terms of that lease, the Company remains liable for the lease obligations through its termination in October 2015, should Rocket cease making lease payments it is obligated to make under the terms of the assignment. As of March 31, 2014, the present value of the lease obligations under the remaining master s lease s primary term is approximately $467,000. As of March 31, 2014, the Company did not have any lease exposure due to any lack of performance by Rocket, and believes that the likelihood of material liability being triggered under this lease is remote.

Litigation

The Company is subject from time to time to litigation, claims and suits arising in the ordinary course of business. There were no material ongoing legal proceedings as of March 31, 2014.

Indemnification

The Company s standard customer license and software agreements contain indemnification and warranty provisions which are generally consistent with practice in the Company s industry. The duration of the Company s service warranties generally does not exceed 30 days following completion of its services. The Company has not incurred significant obligations under customer indemnification or warranty provisions historically and does not expect to incur significant obligations in the future. Accordingly, the Company does not maintain accruals for potential customer indemnification or warranty-related obligations. The maximum potential amount of future payments that the Company could be required to make is generally limited under the indemnification provisions in its customer license and service agreements. The Company has entered into the standard form of indemnification agreement with each of its directors and executives. In addition, the terms of the sale of the Company s MDMS Business include certain general indemnification obligations of the Company in favor of Rocket. However, as these relate to standard representations and warranties, the Company currently does not expect to incur any significant obligations related to the indemnification and has recorded amounts placed in escrow related to the indemnification as a receivable from Rocket at the date of sale.

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12. Segment Information

The Company operates in one reportable segment. International operations consist primarily of foreign sales offices selling software developed in the United States combined with local service revenue. The following table summarizes consolidated financial information of the Company s operations by geographic location (in thousands):

Net revenue	Years Ended March 31, 2014	2013	2012
United States	$ 2,779	$ 1,471	$ 1,235
Europe	2,711	2,306	2,594
Total	$ 5,490	$ 3,777	$ 3,829

Long-lived assets	March 31, 2014	2013
United States	$ 18,928	$ 18,941
Europe	413	405
Total	$ 19,341	$ 19,346

The Company engages in the design, development, sale, and support of the following product lines: 1) Rapid Application Development (RAD) software, and 2) Social and Mobile Platform, consisting of Postano, Storycode, and yolink products and services. The following table represents the Company s net revenue by product line (in thousands):

Net revenue	Years Ended March 31, 2014	2013	2012
RAD Software Tools	$ 3,803	$ 3,499	$ 3,807
Social and Mobile Platform	1,687	278	22
Total	$ 5,490	$ 3,777	$ 3,829

13. Accrued Liabilities

Components of accrued liabilities at March 31 are as follows (in thousands):

	2014	2013
Payroll and related costs	$ 825	$ 853
Professional fees	63	33
Taxes	11	101
Pension	35	46
Revenue sharing agreement	750	

Other		208		207
Total accrued liabilities	$	1,892	$	1,240

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EXHIBIT INDEX

Exhibit	Description
2.1	Asset Purchase Agreement, dated October 16, 2013, by and between the Registrant and Rocket Software, Inc. (included as Exhibit 2.1 to the Registrant s Form 8-K filed with the Commission on October 18, 2013 and incorporated herein by reference).
3.1	Amended and Restated Certificate of Incorporation of the Registrant dated November 29, 2005 (included as Exhibit 3.1 to the Registrant s Form 8-K filed with the Commission on November 30, 2005 and incorporated herein by reference).
3.2	Amended and Restated Bylaws of the Registrant, dated November 7, 2007 (included as Exhibit 3.1 to the Registrant s Form 8-K filed with the Commission on November 13, 2007 and incorporated herein by reference).
3.3	Certificate of Designations dated March 31, 1999, as corrected (included as Exhibit 3.1 to the Registrant s Form 8-K filed with the Commission on April 5, 1999 and incorporated herein by reference).
3.4	Certificate of Ownership and Merger dated April 17, 2008 (included as Exhibit 3.1 to the Registrant s Form 8-K filed with the Commission on April 21, 2008 and incorporated herein by reference).
3.5	Composite Certificate of Incorporation (included as Exhibit 3.2 to the Registrant s Form 8-K filed with the Commission on April 21, 2008 and incorporated herein by reference).
4.1	Registration Rights Agreement, dated January 17, 2013, by and between the Registrant and the former holders of Storycode, Inc. s common stock named therein (included as Exhibit 10.2 to the Registrant s Form 8-K filed with the Commission on January 18, 2013 and incorporated herein by reference).
4.2	Specimen Common Stock Certificate (included as Exhibit 4.1 to the Registrant s Form 8-K filed with the Commission on April 21, 2008 and incorporated herein by reference).
10.1*	1999 Stock Option Plan, as amended on November 28, 2005, Form of Notice of Stock Option Agreement and Form of Stock Option Agreement (included as Exhibit 10.1 to the Registrant s Form 8-K filed with the Commission on November 30, 2005 and incorporated herein by reference).
10.2*	Form of Indemnification Agreement entered into with officers and directors of Registrant (included as Exhibit 10.2 to the Registrant s Form 10-QSB filed with the Commission on March 21, 2002 and incorporated herein by reference).
10.3	Lease, dated January 23, 2014, between Registrant and The Irvine Company (included as Exhibit 10.16 to the Registrant s Form 8-K filed with the Commission on January 28, 2014 and incorporated herein by reference).
10.4	Rights Assignment and Release Agreement dated January 10, 2014 (included as Exhibit 10.15 to the Registrant s Form 8-K filed with the Commission on January 15, 2014 and incorporated herein by reference).
10.5*	TigerLogic Corporation 2009 Equity Incentive Plan and form of stock option agreement thereunder (included as Exhibit 10.1 to the Registrant s Form 8-K filed with the Commission on February 26, 2009 and incorporated herein by reference).
10.6*	Amended and Restated Employment and Severance Agreement, dated January 17, 2013, by and between the Registrant and Richard Koe (included as Exhibit 10.3 to the Registrant s Form 8-K filed with the Commission on January 18, 2013 and incorporated herein by reference).
10.7*	Amended and Restated Employment and Severance Agreement, dated January 17, 2013, by and between the Registrant and Thomas Lim (included as Exhibit 10.4 to the Registrant s Form 8-K filed with the Commission on January 18, 2013 and incorporated herein by reference).

10.8*	2011 Amended and Restated Employee Stock Purchase Plan (included as Exhibit 10.9 to the Registrant s Form 10-K filed with the Commission on June 26, 2012 and incorporated herein by reference).

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Exhibit	Description
10.9*	Employment Agreement, dated January 9, 2012, by and between Storycode, Inc. and James McDermott, as amended by the First Amendment to Employment Agreement, dated as of January 17, 2013, by and between Storycode, Inc. and James McDermott (included as Exhibit 10.18 to the Registrant s Form 10-Q filed with the Commission on February 12, 2013 and incorporated herein by reference).
10.10	Agreement and Plan of Merger, dated December 27, 2012, by and between the Registrant, Storycode, Inc., TLSC Merger Sub, Inc. and Jon Maroney (included as Exhibit 10.1 to the Registrant s Form 8-K filed with the Commission on December 28, 2012 and incorporated herein by reference).
10.11	Amendment to Agreement and Plan of Merger, dated January 17, 2013, by and between the Registrant, Storycode, Inc., TLSC Merger Sub, Inc. and Jon Maroney (included as Exhibit 10.1 to the Registrant s Form 8-K filed with the Commission on January 18, 2013 and incorporated herein by reference).
10.12*	Separation Agreement, dated June 3, 2013, by and between the Registrant and Gerald S. Chew (included as Exhibit 10.14 to the Registrant s Form 10-Q filed with the Commission on August 9, 2013 and incorporated herein by reference).
21.1	Subsidiaries of the Registrant (included as Exhibit 21.1 to the Registrant s Form 10-K filed with the Commission on July 11, 2013 and incorporated herein by reference).
23.1	Consent of Independent Registered Public Accounting Firm.
24.1	Power of Attorney (included in the signature page and incorporated herein by reference).
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Indicates management contracts or compensatory plans and arrangements filed pursuant to Item 601 of Regulation S-K under the Exchange Act.