

GlobalSCAPE, Inc.**Adjusted EBITDA**

(In thousands)

(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
Net (loss) income	(140)	471	(393)	529
Add (subtract) items to determine adjusted EBITDA:				
Income tax expense	7	257	(141)	290
Other expense	61	(13)	127	(13)
Depreciation and amortization	321	193	637	397
Stock-based compensation expense	229	258	428	481
Adjusted EBITDA	<u>\$ 478</u>	<u>\$ 1,166</u>	<u>\$ 658</u>	<u>\$ 1,684</u>

Adjusted EBITDA [Earnings before Interest, Taxes, Total Other Income (Expense), Depreciation, and Amortization (including amortized stock-based compensation expense)] is not a measure of financial performance under generally accepted accounting principles and should not be considered a substitute for net income. Adjusted EBITDA has limitations as an analytical tool and when assessing our operating performance. Adjusted EBITDA should not be considered in isolation or as a substitute for net income or other income statement data prepared in accordance with generally accepted accounting principles.