

**FOR IMMEDIATE RELEASE**

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**NEW FAS 123R-RELATED CAPABILITIES DEFINE LATEST RELEASE OF  
TWO STEP SOFTWARE'S STOCK PLAN MANAGEMENT TOOL**

*Additional Calculations in Equity Focus Version 6.1 Increase Speed and Accuracy  
for Valuation and Reporting—and Expedite the Audit Review Process*

**Needham, MA – October 21, 2008** — Two Step Software, Inc., a leader in stock plan administration and corporate governance solutions, today announced the release of Version 6.1 of Equity Focus™ -- its comprehensive, on-demand stock plan administration and equity compensation reporting application. Featuring comprehensive new FAS 123R-related calculations and reports, this release is designed to make stock plan valuation and equity compensation reporting faster, easier, and more accurate. It is also intended to streamline the audit review process.

“CFOs continue to look for ways to expedite the valuation and reporting process, improve their internal productivity, and satisfy their auditors,” said Gary D. Levine, President and CEO of Two Step Software. “With the latest release of Equity Focus, companies are able to more easily calculate their Black-Scholes variables and present better supporting documentation to their auditors. This inevitably leads to greater cost savings during the audit cycle.”

Version 6.1 of Equity Focus – which is being unveiled at the 16<sup>th</sup> Annual Conference of the National Association of Stock Plan Professionals (NASPP) being held this week in New Orleans – provides users with several new calculations and reports. These calculations, including volatility, interest rate, and forfeiture rate, use public information downloaded from third-party websites as well as a company’s own historical information. Version 6.1 also offers the ability to automatically true-up expense amortization based on actual vesting and forfeiture history – which has proven to be a burdensome task for most companies. In addition, new audit worksheets have been added to the FAS 123R disclosure reports to provide even more complete supporting data.

Mark Patterson, CFO of Express-1 Expedited Solutions, Inc., described his company’s experience with Equity Focus: “When our FAS 123R calculations became a big point of contention between the company and our auditors, we looked for a tool that could meet all of the reporting requirements for FAS 123R. At the same time, we wanted an application that could dynamically

connect the related board minutes and signed stock option agreements, as well as the back-up documentation for the FAS 123R assumptions or calculations.”

Patterson explained that after Equity Focus was put in place, the review of Express-1’s FAS 123R calculations was reduced from a number of days to a couple of hours. “It was the only product that met all my criteria and the auditors loved it,” he said. “Equity Focus paid for itself in audit time saved.”

Equity Focus, Version 6.1, will be demonstrated at NASPP, Booth #615. For those not attending the Conference, online demonstrations and more information on the Equity Focus application can be found at [www.twostep.com/equityfocus](http://www.twostep.com/equityfocus).

**About NASPP**

The National Association of Stock Plan Professionals Annual Conference -- being held October 21<sup>st</sup>-24<sup>th</sup>, 2008, in New Orleans -- is regarded as the premier event for stock plan professionals. It brings together top industry luminaries to deliver fresh perspectives and cutting-edge guidance on the latest issues in executive and stock compensation. For more information, go to: [www.naspp.com/Conference2008](http://www.naspp.com/Conference2008)

**About Two Step Software, Inc.**

Two Step Software, Inc. offers the online applications Equity Focus™ and Corporate Focus™, equity management and FAS 123R reporting solutions used by financial executives, stock plan administrators, lawyers, and corporate legal departments to track equity administration records for more than 200,000 companies. The company is located in Needham, Massachusetts. For more information, visit their website at: [www.twostep.com](http://www.twostep.com) or call: (800) 223-8900.

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