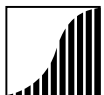
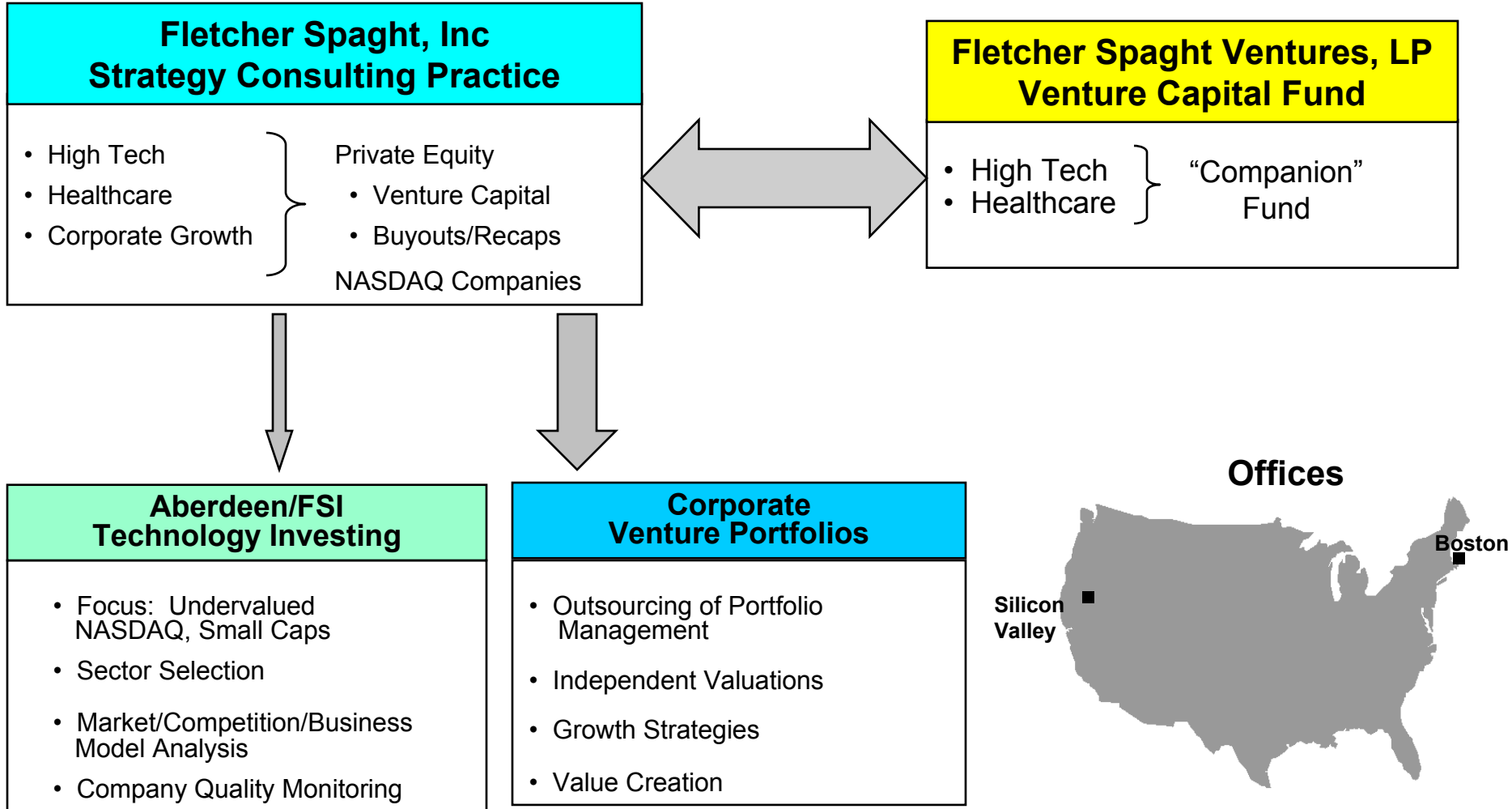
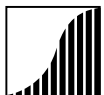
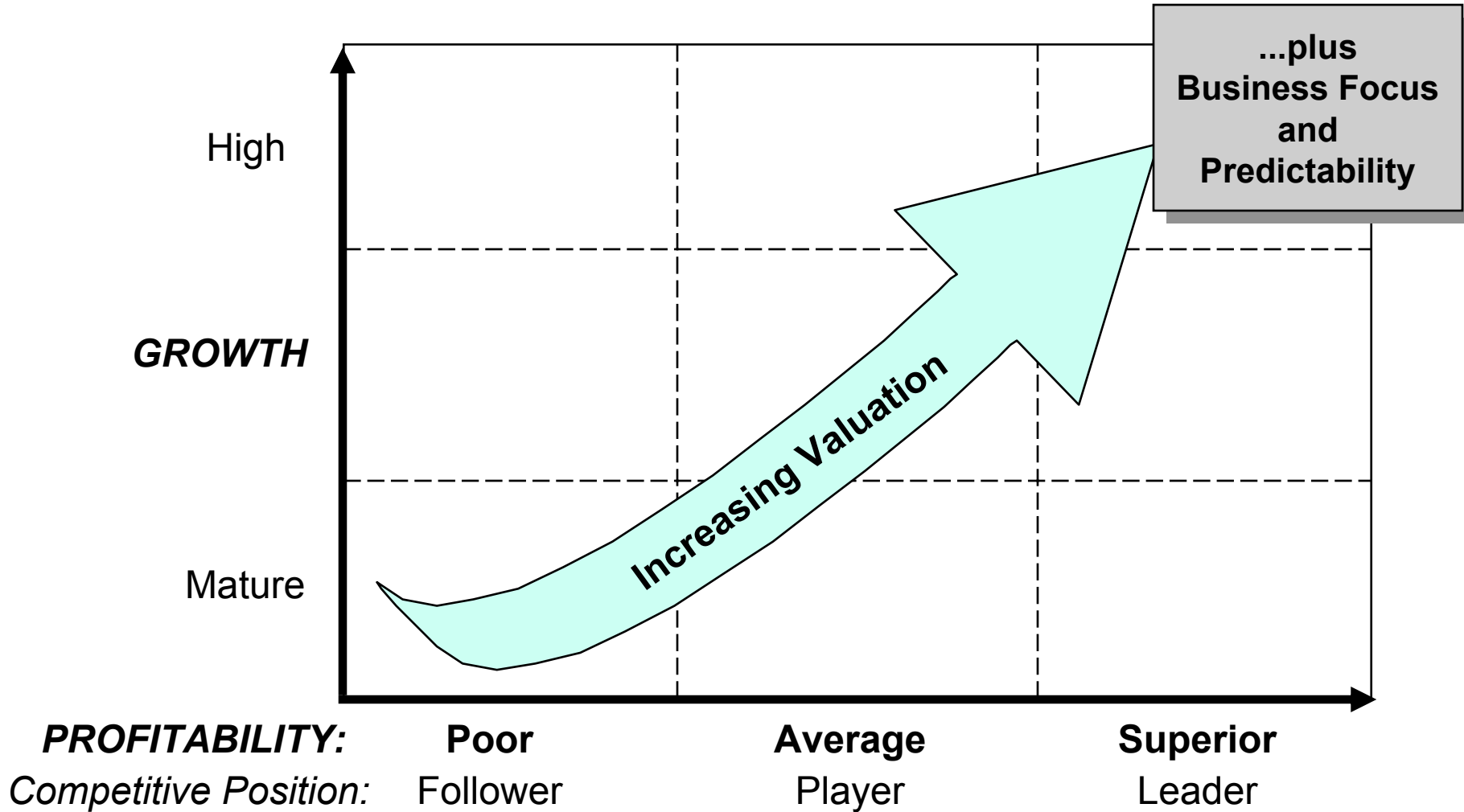


FLETCHER SPAGHT

Founded 1983



High Valuations Tend to be Accorded Companies with Prospects for Sustained High Growth and Superior Profitability

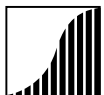
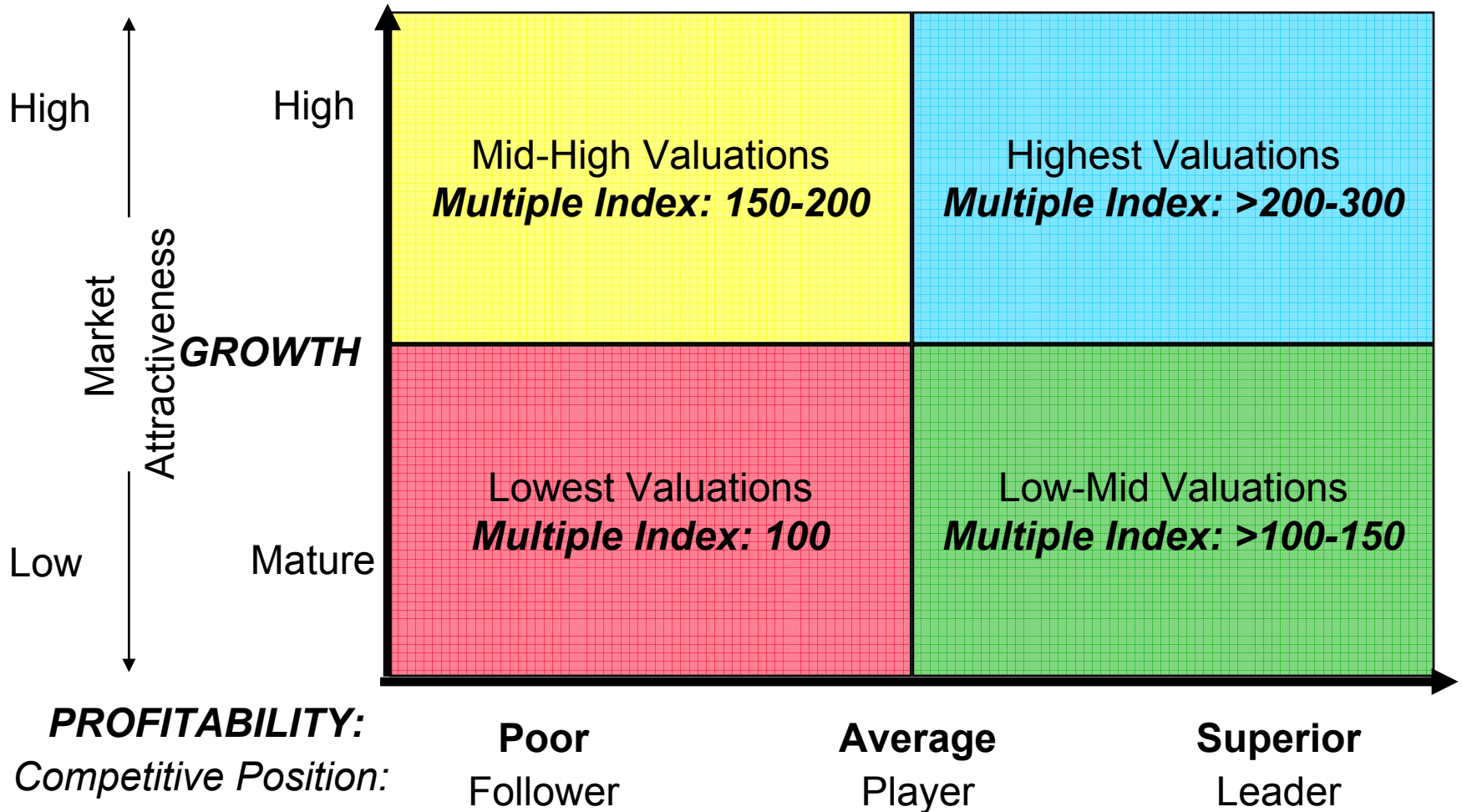


Value of Leadership

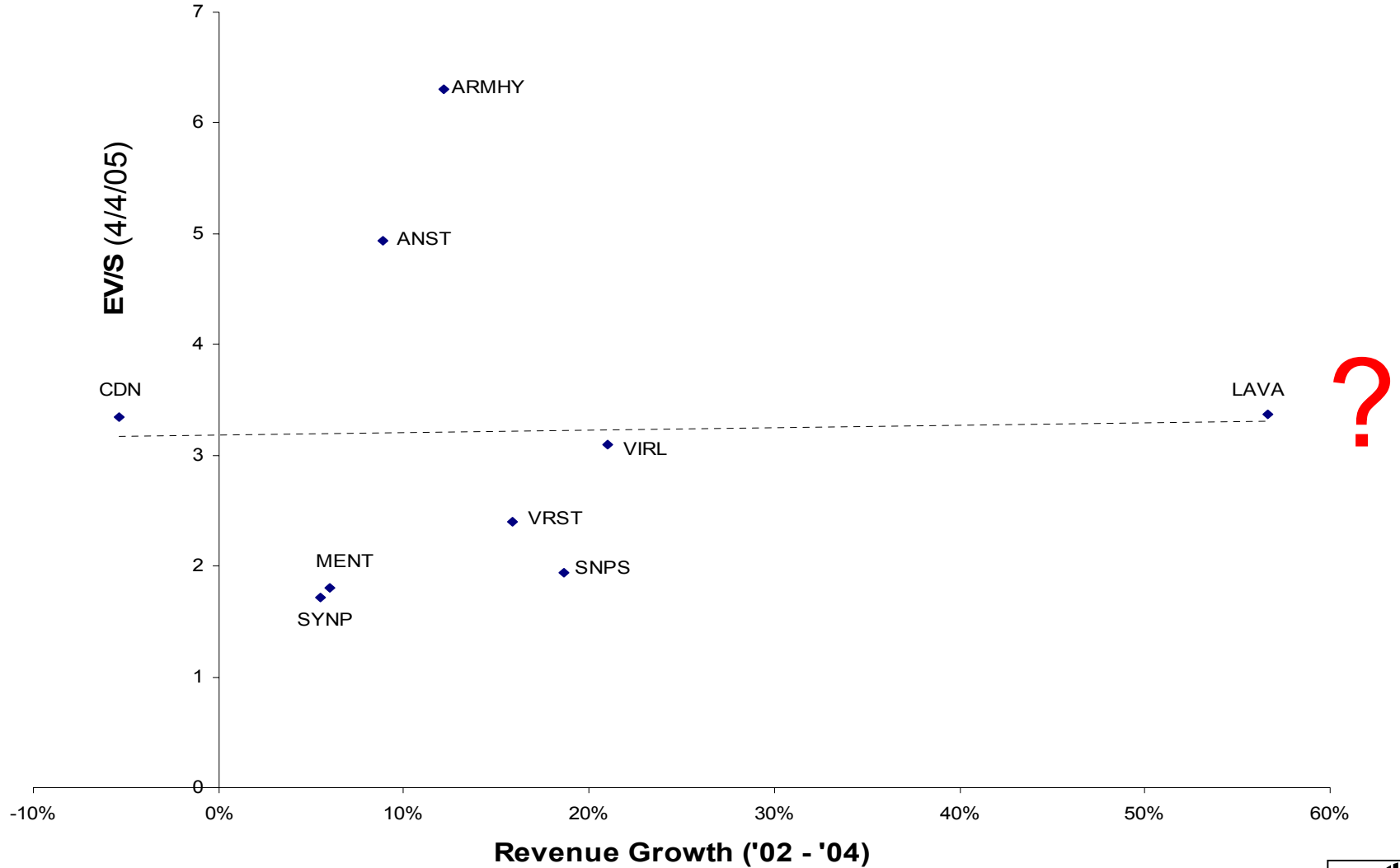
Software Segment	Segment Leader	2003 Revenue (Millions)	Revenue Growth	OI / Revenue (2003)	Average P/S
Firewall	Check Point	\$433	1.4%	59%	10.07
PC/Desktop	Microsoft	\$32,187	13.5%	41%	8.05
RDBMS	Oracle	\$10,156	7.2%	38%	5.73
Information Security	Symantec	\$1,543	33.4%	33%	7.98
PC Desktop Publishing	Adobe	\$1,295	11.2%	29%	8.01
Access Infrastructure	Citrix	\$589	11.8%	26%	4.60
ERP	SAP	\$8,849	-5.2%	25%	5.72
Collaboration	WebEx	\$190	35.7%	23%	4.47
Storage Software	Veritas	\$1,747	16.0%	22%	3.94
EDA	Synopsys	\$1,177	29.8%	19%	2.15
Application Infrastructure	BEA Systems	\$1,012	8.4%	17%	2.76
Business Intelligence	Cognos	\$683	24.0%	17%	4.34
IT Optimization	Mercury Interactive	\$300	22.4%	16%	5.49
Financial Software	Intuit	\$1,651	25.8%	16%	4.57
Average of Publicly Traded Companies			2.5%	~10%	1.70



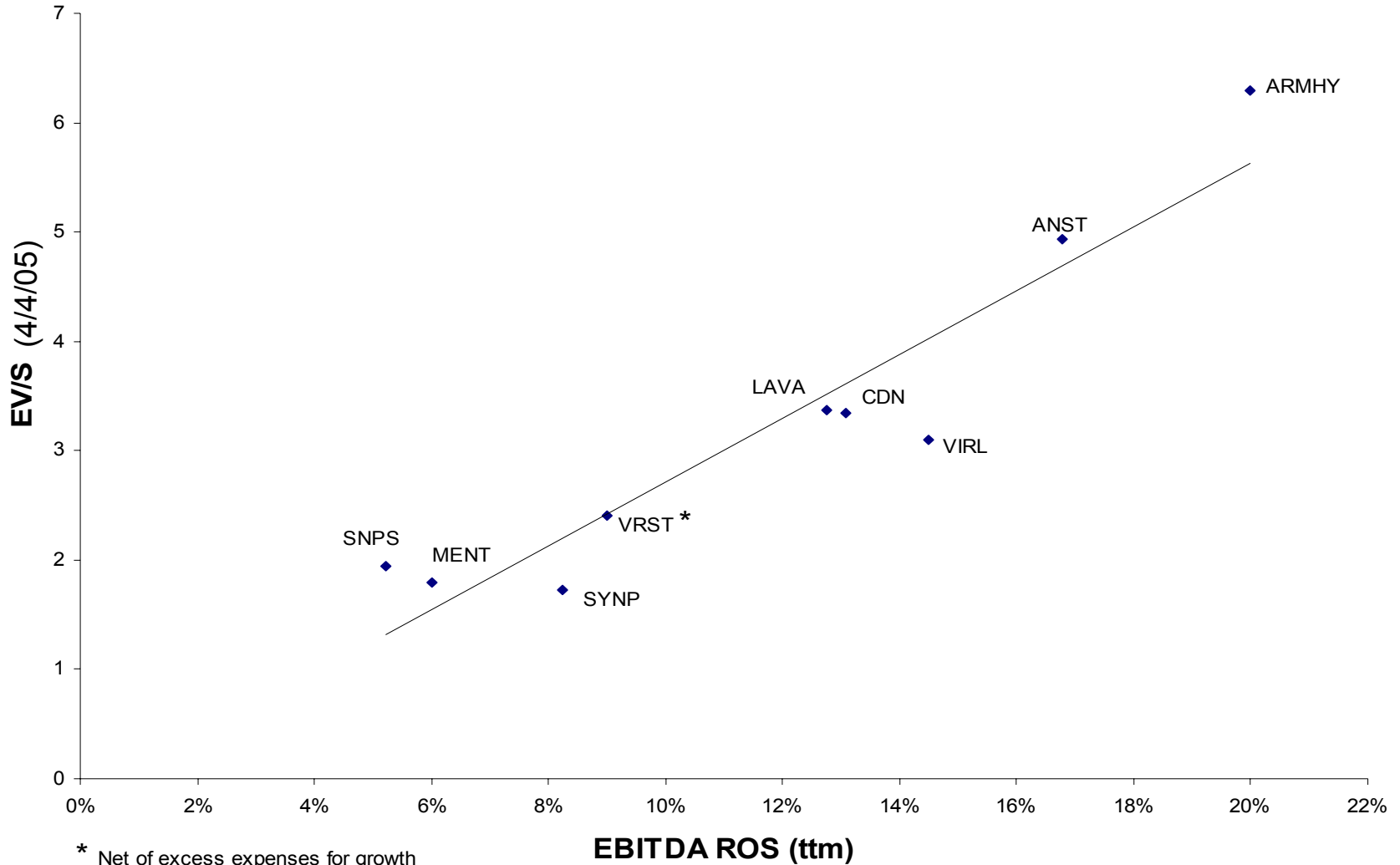
Value Creation Matrix



EDA Business Valuation Model



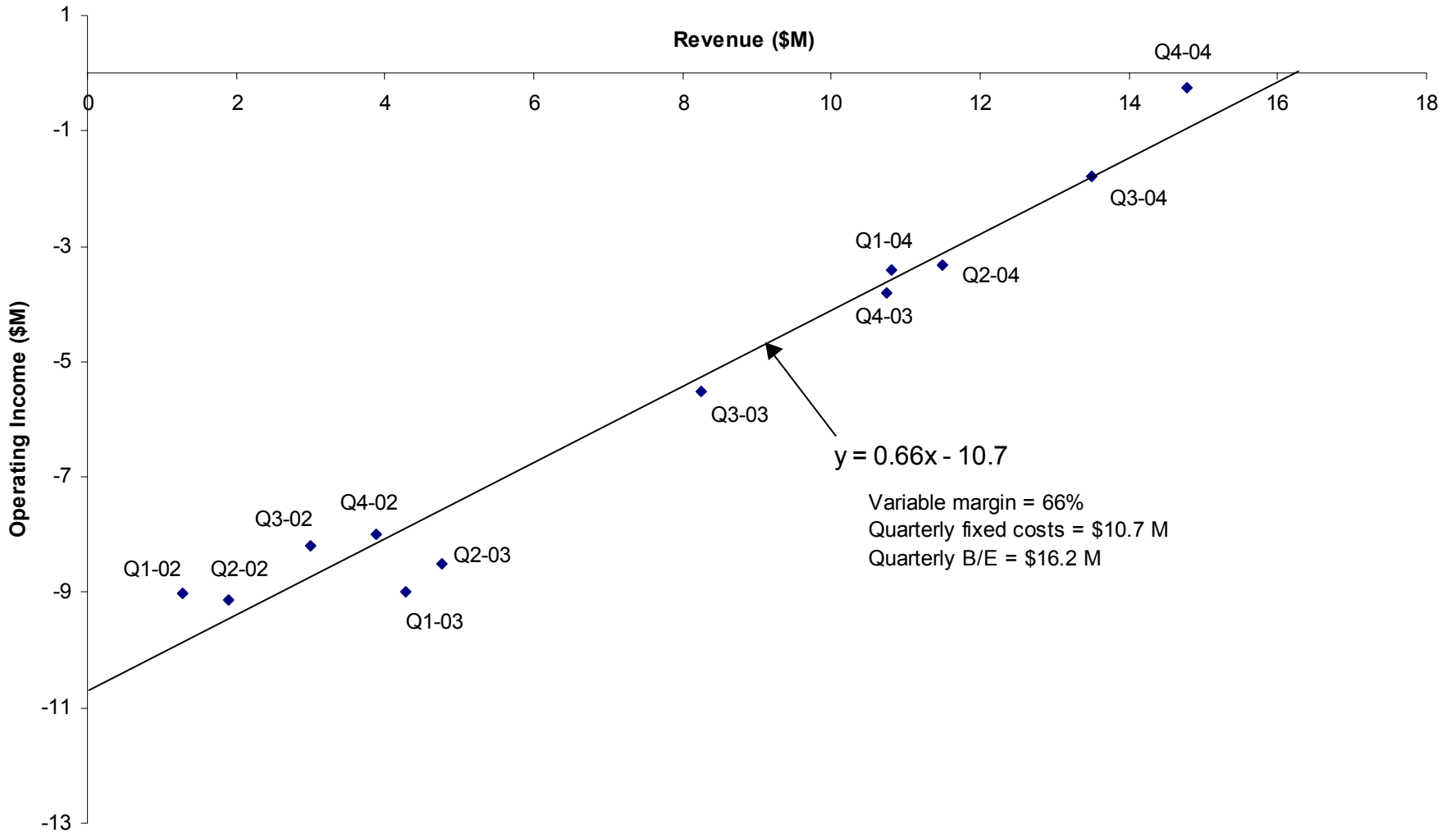
EDA Business Valuation Model



* Net of excess expenses for growth



Example of a highly scalable business model



Framework for Opportunity Assessment

