



## **Apptix Announces Q2 EBITDA Growth, and a Rise in Customers and End-users**

### *Small and Medium Businesses Adopt Hosted Services to Become More Efficient in Current Economy*

**Herndon, VA – August 5, 2009** – Apptix (NYSE: APP), the leading provider of hosted Microsoft Exchange email, Microsoft SharePoint collaboration services, and hosted VoIP phone services for small and medium businesses (SMBs), announced today a fourth consecutive quarter of EBITDA growth, as well as an increase in the number of customers and end-users in the second quarter of 2009. With results that could foretell an improving economy and also signal an improved hiring trend for SMBs, net end-user growth from existing customer accounts (known as “same store growth”) turned positive. (According to Vistage International’s Q2 2009 Vistage CEO Confidence Index, SMBs create 75 percent of all new jobs in the United States.)

Apptix continued to experience new customer growth with an 11 percent year-over-year improvement while new customer end-user numbers rose 45 percent year-over-year. These numbers illustrate that SMBs are recognizing that hosted services enable businesses to achieve operational efficiencies in support of business initiatives.

“Our growth numbers are in contrast to what most companies have experienced over the last several quarters, and may be viewed as a potential indicator that the recession might be bottoming out,” said Dave Ehrhardt, CEO of Apptix. “Our continued customer growth demonstrates that small and mid-sized businesses are adopting hosted services as a smarter technology option, enabling them to achieve operational efficiencies and to focus limited IT staff and resources on revenue generating projects – rather than on maintaining expensive infrastructure.”

According to Gartner, Inc., the world’s leading information technology research and advisory company, “The hosted e-mail market is growing rapidly and will likely account for 20% of the overall market by the end of 2012. The benefits of e-mail software as a service (SaaS) — lower costs, regular payments, no upgrade burden — appeal most to companies with fewer than 1,000 seats.”\*

The small and medium business adoption of hosted services, as experienced by Apptix, also ties into the broad technology goals laid out by President Obama’s newly-appointed Federal Chief Technology Officer Aneesh Chopra. A key technology pillar laid out by Chopra is the encouragement of economic growth through technological innovation. By moving critical business operations to the cloud through hosting, small businesses remove a major headache from their operations, making them more agile when it comes to product and service development and delivery. Apptix identified that the need for hosted services would grow as businesses sought to do more with less during an economic downturn, and in mid-2008 adjusted their strategy to position Apptix to better deliver products and services to core customers, leading to today’s growth.

Personal Communications Devices turned to Apptix when they were spun-off as an independent company from UTStarcom. The Hauppauge, NY-based designer and manufacturer of wireless communication devices, including handsets, PocketPCs, smartphones, messaging devices, and wireless broadband modems adopted Apptix’s hosted services for email and mobile messaging.

“By choosing Apptix for our business communication needs, we were able to quickly stand-up 171 employees on a business-class system,” said Don Basile, Director of Information Technology for Personal Communications Devices. “The hosted services approach enabled us to eliminate the investment for an in-house solution and keep our ongoing IT costs low. The system has enabled us to quickly scale as we’ve added employees over the last year.”

MC<sup>2</sup>, a Milwaukee, WI based reseller of wireless voice and data business solution in operation since 2000, recently adopted email and mobile messaging services from Apptix.

“Communications is critical for any business, but especially for a fast paced small business like ours where customer service is essential,” said Jason Kayzar, Founder and President of MC<sup>2</sup>. “Apptix’s affordable and reliable business communication services allow us to focus on our customers – not on maintaining an IT system.”

For more information on the hosted services provided by Apptix, please visit <http://www.apptix.com>.

*\* Gartner, Inc. "Outblaze Hosted E-Mail Buy Will Help IBM Target SMBs" by Matthew W. Cain and Tom Austin, January 20, 2009*

### **About Apptix**

Headquartered in Herndon, Virginia, Apptix (OSE: APP) is the leading provider of hosted email, voice, and collaboration services for small and medium-sized businesses, serving nearly 200,000 Exchange subscribers worldwide. A pioneer in the hosted services space, Apptix and its MailStreet subsidiary offer a variety of hosted communications and IT services including: Microsoft Exchange; VoIP; Microsoft SharePoint; Web conferencing and secure Instant Message via Microsoft Office Communications Server; Online Backup by EMC's Mozy; mobile messaging (including BlackBerry, Palm, and iPhone); compliance and archiving; and a Web presence solution that includes domain registration, DNS hosting, and Website hosting. Apptix is a Microsoft Gold Certified Partner for Hosting and Application Services. Apptix is recognized as one of the CRN 2008 Fast Growth 100, Deloitte's 2008 Virginia Technology Fast 50 and 2008 North American Technology Fast 500, Software Magazine's 2008 Software500, Washington Business Journal 2008 Fastest Growing Companies, as a finalist in the Customer Service and Product Departments categories for the 2009 American Business Awards (Stevie Awards), and as a 2009 Microsoft Worldwide Partner Conference Awards finalist in the Unified Communications Solutions category. For more information, visit [www.apptix.com](http://www.apptix.com) or follow [www.twitter.com/apptix](http://www.twitter.com/apptix).

*Product or service names mentioned herein may be the trademarks of their respective owners.*