

INTER TEL (DELAWARE), INC  
Form DEFA14A  
July 13, 2007

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934**

Filed by the Registrant  Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-11(c) or §240.14a-12

**Inter-Tel (Delaware), Incorporated**

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(Name of Registrant as Specified In Its Charter)

---

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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3) Filing Party:

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4) Date Filed:

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Inter-Tel (Delaware), Incorporated has prepared a slide presentation to use at investor meetings. This presentation was first given to Institutional Shareholder Services on July 12, 2007.

A copy of this slide presentation follows:

July 12, 2007  
Investor Presentation Follow-Up:  
Vote  
FOR  
the  
Mitel  
Merger

at  
August  
2  
nd  
Special Meeting of Stockholders

1

Why Sell Now?

Remaining standalone entails substantial execution risk in an increasingly competitive landscape and a rapidly consolidating industry

The

Mitel

deal

represents

a

full

and

fair

value

to

all

stockholders

Special Committee conducted a thorough exploration of all strategic alternatives

(including standalone alternatives) prior to approving the Mitel

merger

No higher firm offer:

Since the Company was effectively put in play in April 2006 when

Mihaylo

publicly

indicated he was interested in acquiring Inter-Tel

In the almost 2 1/2 month period since the Mitel

merger announcement

The Mihaylo

leveraged recapitalization strategy produces less value, is less certain

to close and entails much higher risk to Inter-Tel stockholders

We believe the Mitel

deal is in the best interest of stockholders

2

Recent Developments

Several Inter-Tel stockholders requested the Special Meeting be postponed to allow time to consider recent developments

On June 29, 2007, the Special Committee postponed the Special Meeting to allow stockholders to fully consider a number of significant recent developments:



Preliminary update on Q2 sales forecast and 2007 outlook which were below expectations

Significant recent declines in the price of Inter-Tel's stock

Mitel

letter of June 21 indicating it would not increase its offer, and setting forth its reasons why not

Implications for potential alternatives and sale process from weakening in the debt markets

Mihaylo's

definitive proxy mailed to stockholders only one day before the previously scheduled vote

Current record date is close of business on July 9, 2007 with the Special Meeting scheduled for August 2, 2007

3

Financial performance has been negatively impacted by the increasingly competitive landscape, new market entrants, Mitel merger announcement and ongoing proxy distractions

If Mitel

merger voted down, expect distractions to continue with ongoing

proxy contest

Inter-Tel did not meet the second quarter net sales used in the proxy statement and expects second half 2007 and full year 2007 net sales to be well below those used in proxy statement, based on the current sales trends and trajectory

EBITDA margins in the proxy were projected to be 12.0% for 2007 and 13.3% for 2008

Q1 actual EBITDA margin was only 7.5% and actual LTM (3/31/07) EBITDA margin was only 10.9%

1

We believe margins likely to come out substantially lower than those included in the proxy

Company Not Meeting Projections

Inter-Tel Net Sales (\$mm)

Inter-Tel EBITDA (\$mm)

1 As of 3/31/07; refer to page 18 for GAAP reconciliation detail

2 As of 6/30/07, based on mid-point, \$114.5 million, of estimated net sales projection released July 6, 2007

458.4

460.9

459.5

498.1

530.4

400

500

600

2006 Net Sales

Trailing 12

Months

Net Sales <sup>1</sup>

Trailing 12

Months

Net Sales <sup>2</sup>

2007 Projections

Included in

Proxy

2008 Projections

Included in

Proxy

Proxy Forecast

51.7

50.2

59.7

70.4

25

50

75

2006 EBITDA

Trailing 12 Months

EBITDA <sup>1</sup>

2007 Projections

Included in

Proxy  
2008 Projections  
Included in  
Proxy  
Proxy Forecast

4  
Intense Global Competition Attacks Small to  
Medium Size Enterprise Market  
Internet  
produces  
dynamic  
changes

to  
traditional  
sales  
channels,  
barriers  
and  
speed

Large scale, global, multi-billion market cap companies entering space

Cisco: Entered market in 1997 (\$170 billion market cap)

Market share in IP systems from 0% to 17%

Dominant market share in data networking business provides it with entry and strong growth platform

Microsoft: Adds voice to offering in 2006 (\$280 billion market cap)

Firmly established on hundreds of millions of desktops and well positioned to implement voice on applications

Ability to integrate voice into leading EUI/application platforms

Google: Entering market in July 2007 (\$170 billion market cap)

Over 500 million unique monthly visitors

Entering  
voice  
markets  
through  
purchase  
of  
GrandCentral  
Communications  
in  
July  
2007

Cell Phone:

Cellular carriers try to make cell phones the standard business communications system

Continue to add business applications for messaging, presence, always on with mobility

Skype: Founded in 2003

Purchased by EBay in 2005

2.5 million daily visitors that could ultimately bypass traditional platforms

Traditional PBX vendors (Avaya, Nortel, NEC, Siemens) fighting for share in PBX market

The SME market seen as an opportunity by traditional and non-traditional PBX players

5  
Inter-Tel  
and  
its  
advisors  
repeatedly  
approached



Mitel  
and  
Francisco  
Partners  
seeking  
an  
increase  
in  
purchase price  
Mitel

sent a letter to Inter-Tel on June 21, 2007 stating it would not increase its offer price because:

Inter-Tel's  
Q1 07  
fiscal  
performance  
was  
below  
analyst  
consensus  
as  
well  
as  
Mitel's  
expectations

Mitel  
believes  
that  
the  
revenue  
and  
earnings  
projections  
reflected  
in  
the  
Inter-Tel  
proxy  
statement  
would  
be  
a  
challenge  
for  
a  
standalone  
Inter-Tel  
to  
achieve

Mitel's offer is a full 10% higher than the highest firm offer received from any party to acquire 100% of the company's shares, including Steve Mihaylo. The Mitel offer is the only firm offer received, despite a 24-month sale process and contacts with several other interested but unnamed parties

who  
previously evaluated acquiring Inter-Tel

In  
order  
to  
justify  
its  
offer  
price,  
Mitel  
stockholders  
are  
taking  
considerable  
risk  
on  
the  
ability  
to  
drive  
material synergies in the post-combination company

Mitel  
also  
noted  
that  
at  
the  
time  
of  
Mitel's  
offer  
7  
of  
the  
11  
analysts  
who  
covered  
Inter-Tel  
had  
either  
a  
sell  
or  
hold  
recommendation,  
that  
its

\$25.60

price

equaled

the

average

of

the

price

targets

from such analysts, and since the merger announcement, several financial analysts had indicated that

\$25.60 was an attractive price to Inter-Tel stockholders

Mitel

noted

that

the

recent

acquisition

of

Avaya,

a

leading

telephony

industry

player,

was

effected

at

an

EBITDA

multiple

that

is

lower

than

it

has

offered

for

Inter-Tel

1

Mitel

Will Not Increase Purchase Price

1 Based

on

Mitel

calculations

6  
Weakening Debt Markets  
Leveraged loan markets have weakened significantly in the past several weeks  
Mitel  
has committed financing in place  
We believe the weakening leverage loan markets make it very difficult for buyers to finance a  
higher price

One of the factors driving recent record levels of M&A activity has been relatively inexpensive debt financing

Experts react to current market volatility

1  
:

Today,  
there  
are  
signs  
that  
the  
era  
of  
placid  
markets  
and  
cheap  
money  
may  
be  
coming  
to  
an  
end  
Central  
banks  
are  
pushing  
up  
short-term  
interest  
rates,  
and  
bond  
markets  
are  
pushing  
up  
long-term  
rates.

David  
Wessel,  
Wall  
Street  
Journal,  
June  
28,  
2007

investors  
are  
wondering  
if  
the  
game  
of  
buyout  
bingo  
will  
soon  
come  
to  
an  
end  
as  
the investors who purchase the debt that fuels such takeovers begin to balk at some of  
the riskier deals

David Reilly, Wall Street Journal, June 28, 2007

Is  
recent  
debt-market  
turmoil  
going  
to  
get  
worse,  
and  
possibly  
even  
end  
the  
corporate  
buyout  
boom?

Jon  
Hilsenrath,  
Wall  
Street  
Journal,  
June  
29,  
2007

"One  
thing

we  
have  
to  
say  
goodbye  
to  
is  
the  
peak  
of  
private  
equity  
and  
the  
pricing  
power they had,"  
Peter Andersen, Dreman  
Value Management, as quoted by Reuters,  
July 5, 2007  
1  
Permission  
to  
use  
the  
above  
quotes  
neither  
sought  
nor  
obtained



7  
Mitel  
Offer Provides Premium Value  
1  
13D  
filing  
on

4/10/06  
represents  
first  
public  
indication  
of  
a  
potential  
proxy  
fight  
(and  
acquisition) while  
1/19/07  
is  
date  
of  
public  
Mihaylo  
letter  
to  
Inter-Tel, indicating  
possibility  
of  
another  
proxy  
fight  
2  
Q1  
2007  
earnings  
miss  
per  
FactSet  
3  
Price  
targets  
prior  
to  
merger  
based  
on  
Brean  
Murray,  
Kaufman,  
Lehman  
and  
Wedbush  
Morgan  
research  
as

of  
2/16/07  
and  
price  
targets  
prior  
to  
proxy  
battle  
based  
on  
Kaufman  
research  
as  
of  
2/22/06  
and  
Lehman  
research  
as  
of  
2/15/06  
4  
As  
of  
3/31/07,  
refer  
to  
page  
18  
for  
GAAP  
reconciliation detail;  
enterprise  
value  
of  
\$533.4  
million based  
on  
Mitel offer  
5  
Avaya  
LTM  
EBITDA  
multiple  
as  
of  
3/31/07  
6  
Historical

LTM  
EBITDA

per  
FactSet

Based on the implied EBITDA multiple, the Mitel  
merger values Inter-Tel generally in-line with the buyout  
valuation of industry leader Avaya

Mitel  
offer price is at a significant premium to analysts  
long-term price targets prior to commencement of  
Mihaylo s

most recent proxy contest and the Mitel  
merger announcement  
1 day premium of 7.6% understates actual premium  
because

Inter-Tel  
price  
was  
affected

due  
to  
prevalent  
takeover  
speculation  
and  
the  
fact  
that  
the

Mitel  
merger  
was announced just minutes after announcing a 43%  
Q1 earnings miss

2  
Meaningful premium to long-term average share price,  
even with a price affected by takeover speculation

Median Price Targets

3  
LTM EBITDA Multiple

22.6%  
premium  
over  
unaffected

share  
price  
prior  
to

Mihaylo s  
initial

13D

filing  
on  
4/10/06  
and  
17.3%  
premium  
to  
share  
price  
prior  
to  
Mihaylo  
letter  
sent  
1/19/07

1  
\$22.50  
\$20.00  
\$15  
\$20  
\$25  
\$30

Prior to Proxy Battle  
Prior to Mitel Merger Announcement  
Mitel Offer: \$25.60  
Mitel Premium: 13.8%  
Mitel Premium: 28.0%  
Premium to Average Prices (\$25.60 Per Share Offer)

Price  
Premium  
Prior to Mihaylo  
13D Filing on 4/10/06

1  
\$20.88  
22.6%

Prior to Mihaylo  
Letter on 1/19/07

1  
\$21.83  
17.3%

2 Year Average  
\$21.27  
20.4%

1 Year Average  
\$21.99  
16.4%

6 Month Average  
\$22.62  
13.2%

3 Month Average

\$23.48

9.0%

10.6x

11.1x

7.5x

0x

10x

20x

Inter-Tel at Deal

4

Avaya at Deal

5

Inter-Tel 5 Year

Historical Average

6

8  
Thorough Discussion Process  
2007  
Summer 2004: Met with  
Company A to discuss  
business combination  
did not progress beyond

preliminary stage

May

December 2005:

Discussed 4 potential acquisitions and a potential acquisition by Company A.

Proceeded to due diligence but Inter-Tel did not pursue

2004

2005

2006

November 2005: Inter-

Tel was contacted again by Company A and engaged in

intensive discussions

March 2006: Continued talks with Company A but afterwards did not receive

any further communications

April

June 2006:

Discussions with Company B for

potential business combination

November 2006:

Discussed potential deal with Company D

2003

October 2003: Met with Mitel

to discuss potential deal. Decided not to pursue deal at the time

May 2005: Met again with Mitel

to discuss potential deal

June 2005: Investment bank arranged meetings between Inter-Tel and several private equity firms.

Several follow-up meetings and limited due diligence followed, but no proposals

July 2005: Discussions with investment banks



and a least 5 financial  
sponsors regarding  
potential deals  
August  
September  
2005: Two financial  
sponsors, including  
Francisco Partners,  
submitted expressions  
of interest  
October 2005: Contacted  
by sponsor-owned  
strategic partner  
regarding potential deal  
January 2006:  
Further discussions  
with Company A  
March -  
April 2006:  
Periodically met with  
investment banks and  
met with a potential  
target  
June 14, 2006:  
Mihaylo/Vector  
public offer at  
\$22.50 per share  
July 28, 2006:  
Mihaylo/Vector resubmit  
public offer for \$22.50  
per share  
July 2006: Mitel  
indicates interest  
in acquiring Inter-  
Tel  
August 21, 2006:  
Mihaylo/Vector publicly states  
willingness to pay \$23.25 per  
share  
September 2006:  
Discussions with  
Company C regarding  
potential deal  
April 26, 2007:  
Mitel  
merger  
announced  
January  
February  
2006: Discussions with

investment banks and preliminary talks with one acquisition target  
June 21, 2007:  
Mitel  
not  
increasing offer  
May 14, 2007: Vector sent letter expressing willingness to pay \$26.50 per share but subsequently failed to make an offer  
No additional offer has emerged  
August 2006: UBS begins to explore various strategic options

9  
Inter-Tel and its financial advisor explored strategic options including formal and informal market checks prior to signing of the Mitel merger agreement  
2006 proxy contest and Mihaylo/Vector bids to buy the Company in 2006 put the Company in play

Mihaylo's

Sell the Company Proposal  
called for a sale to the highest bidder and indicated he  
would support a sale to highest bidder, even if he was not the buyer

UBS approached every logical strategic buyer  
on multiple occasions during this time period  
Special Committee rejected as inadequate Mihaylo/Vector \$22.50 and \$23.25 bids and  
negotiated Mitel merger at price \$2.35 above highest Mihaylo/Vector price and 22.6% above the  
share price prior to April 10, 2006 launch of proxy contest  
Mitel contract was specifically negotiated to allow Company ability to get a higher price after the  
Mitel merger announcement:

Provisions allowing extra latitude to promote bid from Mihaylo  
or Vector

Company can consider and accept superior proposals

Termination fee of 2.8% of the deal price  
in line with market  
In 2 1/2 months since the Mitel merger announcement, no other buyer has come forward with a  
higher bid  
Thorough Sale Process

10  
Despite  
months  
of  
being  
in  
play ,

only  
Mitel  
made  
fully  
financed  
offer  
to  
acquire  
Inter-Tel  
and  
only  
Vector  
expressed any interest in a transaction but ultimately withdrew  
In 2006 the Special Committee allowed full due diligence to Mihaylo/Vector

Special Committee deemed original offer of \$22.50 and last and best offer of \$23.25 inadequate

The  
Special  
Committee  
determined  
not  
to  
involve  
Mihaylo  
and  
Vector  
prior  
to  
Mitel  
announcement  
due  
to:

Conflicts arising from prior attempts to acquire the Company

Previously tried to disrupt Inter-Tel opportunities

Given  
that  
Inter-Tel  
was  
imminently  
releasing  
Q1  
earnings  
that  
were  
43%  
below  
consensus  
1

and  
Mitel  
indicated it would walk away if the fully-negotiated agreement was not signed, the Special Committee opted to take the fully-negotiated deal in hand

Specifically negotiated the flexibility to respond to interest from Mihaylo/Vector or others post-announcement

Special  
Committee  
committed  
to  
maximizing  
stockholder  
value

deemed  
the  
Vector  
\$26.50  
indication  
of  
interest  
reasonably  
likely  
to  
lead  
to  
superior  
offer  
and  
immediately  
allowed  
Vector  
to  
conduct  
requested  
confirmatory due diligence

Vector decided not to make any firm offer  
Special Committee Efforts to Facilitate a Higher  
Bid From Mihaylo/Vector

1 Q1  
2007  
earnings  
miss  
per  
FactSet





12

**CONCLUSION: VOTE FOR THE MITEL MERGER**

Significant recent developments reinforce the Special Committee's view that the Mitel deal is in the best interests of stockholders

Inter-Tel's financial performance and future outlook are below projections

Increasing competition and ongoing distractions will continue should the Company remain a standalone entity

Mitel  
stated that it will not raise its offer

Weakening debt markets make other bidders less likely  
The Special Committee conducted a full review of the Company's strategic options during last 2 years including standalone opportunities, acquisitions and a sale  
Special Committee directed a thorough sales process

Mitel  
price is a premium of 17% -  
22% to the unaffected stock price

The  
Board  
of  
Directors  
recommends:

Vote  
For  
The  
Mitel  
Merger



14

Mihaylo Recapitalization NOT AN ACQUISITION  
PROPOSAL

Provides Less Value, Less Certainty and  
More Risk

Mihaylo

has no legal obligation to implement his leveraged recapitalization strategy

it

may not happen

Mihaylo

leveraged recapitalization strategy relies on debt financing commitments

that

have

never

been

publicly

disclosed

or

made

available.

Based

on

limited detail

disclosed, commitments contain conditions that are non-customary

Mihaylo

leveraged recapitalization strategy value based on projections from the proxy that

are unlikely to be achieved

We believe the blended value received by stockholders will be substantially below the

\$25.60 Mitel

offer

At

least

40%

of

value

will

depend

on

the

trading

price

of

stub

shares

that

we believe

will trade significantly lower than the current share price

Reduced trading liquidity with a public float reduced to approximately 1/3 of current

dollar volume

Increased debt load

Increased risk and price volatility

Increases business execution risk as Inter-Tel's strategic flexibility and ability to compete

and invest in new products would be significantly impaired

15  
Mihaylo debt funding is expressly conditioned on him being named  
Chairman of Inter-Tel  
When  
Mihaylo  
thought  
he  
and

Vector  
Capital  
were  
the  
highest  
bidder  
for  
Inter-Tel  
in  
2006,  
he  
pushed  
for  
a  
prompt  
sale  
to  
the  
highest  
bidder,  
and  
publicly  
said  
he  
would  
support  
a  
sale  
to  
the  
highest  
bidder,  
even  
if  
it  
was not him  
Mihaylo  
claims  
that  
Inter-Tel  
is  
worth  
more  
than  
\$25.60  
per  
share,  
but  
has  
not

made  
an  
offer  
to  
pay  
more  
for Inter-Tel than the Mitel price  
Instead of paying more, Mihaylo  
proposes a front-end loaded, leveraged recapitalization strategy, financed  
entirely with Inter-Tel's own cash and debt, that we believe:

Provides less value, less certainty and more risk to Inter-Tel stockholders

Significantly  
increases  
Mr.  
Mihaylo's  
ownership  
and  
voting  
control  
and  
gives  
him  
a  
potential  
veto  
right  
on  
any future sale of Inter-Tel

Would  
allow  
him  
to  
pay  
much  
less  
to  
take  
over  
Inter-Tel  
if  
his  
recapitalization  
strategy  
fails  
and  
the  
stock



price significantly declines

Mihaylo

sent Inter-Tel a letter demanding significant changes at the company that would:

Reduce size of Board to six members, of which he would choose three

Immediately make him Chairman of the Board and interim

CEO

Allow him and his Board nominees to select any new CEO

Give

him

significant

control

over

Inter-Tel

without

a

stockholder

vote

or

paying

any

"control

premium"

to

other stockholders

Stockholders Should Not Be Misled By Mihaylo's

Personal Agenda

16

About Inter-Tel (Delaware), Incorporated

Inter-Tel (Nasdaq: INTL) offers value-driven communications products; applications utilizing networks and server-based communications software; and a wide range of managed services that include voice and data network design and traffic provisioning, custom application development, and financial solutions packages. An industry-leading provider focused on the communication needs of business enterprises, Inter-Tel employs approximately 1,940 communications professionals, and services business customers through a

network of 57 company-owned, direct sales offices and approximately 300 authorized providers in North America, the United Kingdom, Ireland, Australia and South Africa. More information is available at [www.inter-tel.com](http://www.inter-tel.com).

#### Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, concerning the pending acquisition of Inter-Tel by Mitel, certain preliminary financial results of Inter-Tel and anticipated future results, and the leveraged recapitalization strategy proposed by Mr. Mihaylo, among other things. Forward-looking statements are statements in the future tense or that include words such as "intends,"

"believe," "expect," "proposed," "anticipates," "project" and words of similar import.

Forward-looking statements are based on assumptions, suppositions and uncertainties, as well as on management's best possible evaluation of future events. However, actual results may differ materially from those reflected in forward-looking statements based on a number of factors, many of which are beyond the control of Inter-Tel. Such factors may include, without excluding other considerations, fluctuations in quarterly results, actual GAAP results of operations, evolution in customer demand for Inter-Tel's products and services, risks associated with the proposed acquisition by Mitel or the outcome of any discussions with or actions by Mr. Mihaylo, the impact of price pressures exerted by competitors, and general market trends or economic changes.

For additional information about risk factors that could cause actual results to differ materially from those described in the forward-looking statements, please see Inter-Tel's filings with the SEC, including Inter-Tel's Form 10-K filed on March 15, 2007, Inter-Tel's Form 10-K/A filed on April 30, 2007, Inter-Tel's Form 8-K filed on July 6, 2007 and other Inter-Tel Current Reports on Form 8-K, Inter-Tel's Quarterly Reports on Form 10-Q, as well as the definitive proxy statement filed on May 29, 2007 and the proxy supplement filed on July 10, 2007.

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Disclaimer

This presentation includes statements and information from published material, public filings and other such sources. Permission to reprint or use these statements and information was neither sought nor obtained.

Additional Information

In connection with soliciting proxies for the pending Mitel merger, Inter-Tel filed a definitive proxy statement with the Securities and Exchange Commission on May 29, 2007 and a proxy supplement on July 10, 2007.

INVESTORS AND SECURITY HOLDERS ARE ADVISED TO READ THE DEFINITIVE PROXY STATEMENT AND THE PROXY SUPPLEMENT, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS

THERE TO, BECAUSE THEY CONTAIN, OR WILL CONTAIN, IMPORTANT INFORMATION. Copies of the definitive proxy statement, the proxy supplement and other documents filed by Inter-Tel can be obtained without charge at the Securities and Exchange Commission's web site at [www.sec.gov](http://www.sec.gov) or from Inter-Tel by contacting Inter-Tel (Delaware), Incorporated, Attention: Investor Relations, 1615 S. 52nd Street, Tempe, AZ 85281, Telephone: 480-449-8900.

Inter-Tel and its directors, officers and employees may be deemed to be participants in the solicitation of proxies from its stockholders in connection with the proposed merger with Mitel. Information concerning the interests of Inter-Tel's participants in the solicitation is included in the definitive proxy statement, the proxy supplement and related proxy materials for the special meeting of stockholders, which is scheduled for August 2, 2007.

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GAAP Reconciliation

This presentation includes some non-GAAP financial measures, as defined in Regulation G promulgated under the Securities Exchange Act of 1934, as amended. The following table includes the most directly comparable GAAP financial measures and a reconciliation of the non-GAAP financial measures to such comparable GAAP financial measures:

(US\$ in millions, unless indicated)

LTM	
Q2'06A	
Q3'06A	
Q4'06A	
Q1'07A	
Period	
Revenue	
115.9	
117.0	
118.5	
109.5	
460.9	
Cost of Goods Sold	
59.1	
58.9	
59.0	
56.1	
233.1	
Gross Profit	
56.8	
58.1	
59.5	
53.4	
227.8	
SG&A	
1	
39.0	
39.4	
40.3	
40.5	
159.2	
R&D	
8.5	
8.4	
7.5	
7.9	
32.3	
Total Operating Expenses	
47.5	
47.8	
47.8	
48.4	
191.5	
EBIT	
9.3	
10.3	
11.7	
5.0	
36.3	
Depreciation	

2.3  
2.4  
2.4  
2.2  
9.2  
Amortization  
1.2  
1.2  
1.2  
1.1  
4.7  
Pro Forma EBITDA  
12.7  
13.9  
15.3  
8.3  
50.2  
Less FAS 123R Expense, & Proxy Related Expenses & Other  
2.7  
4.0  
2.6  
2.9  
12.2  
GAAP EBITDA  
10.1  
9.9  
12.8  
5.4  
38.1  
Source: Public  
Filings  
&  
Management  
Note:  
1 Includes amortization of intangibles