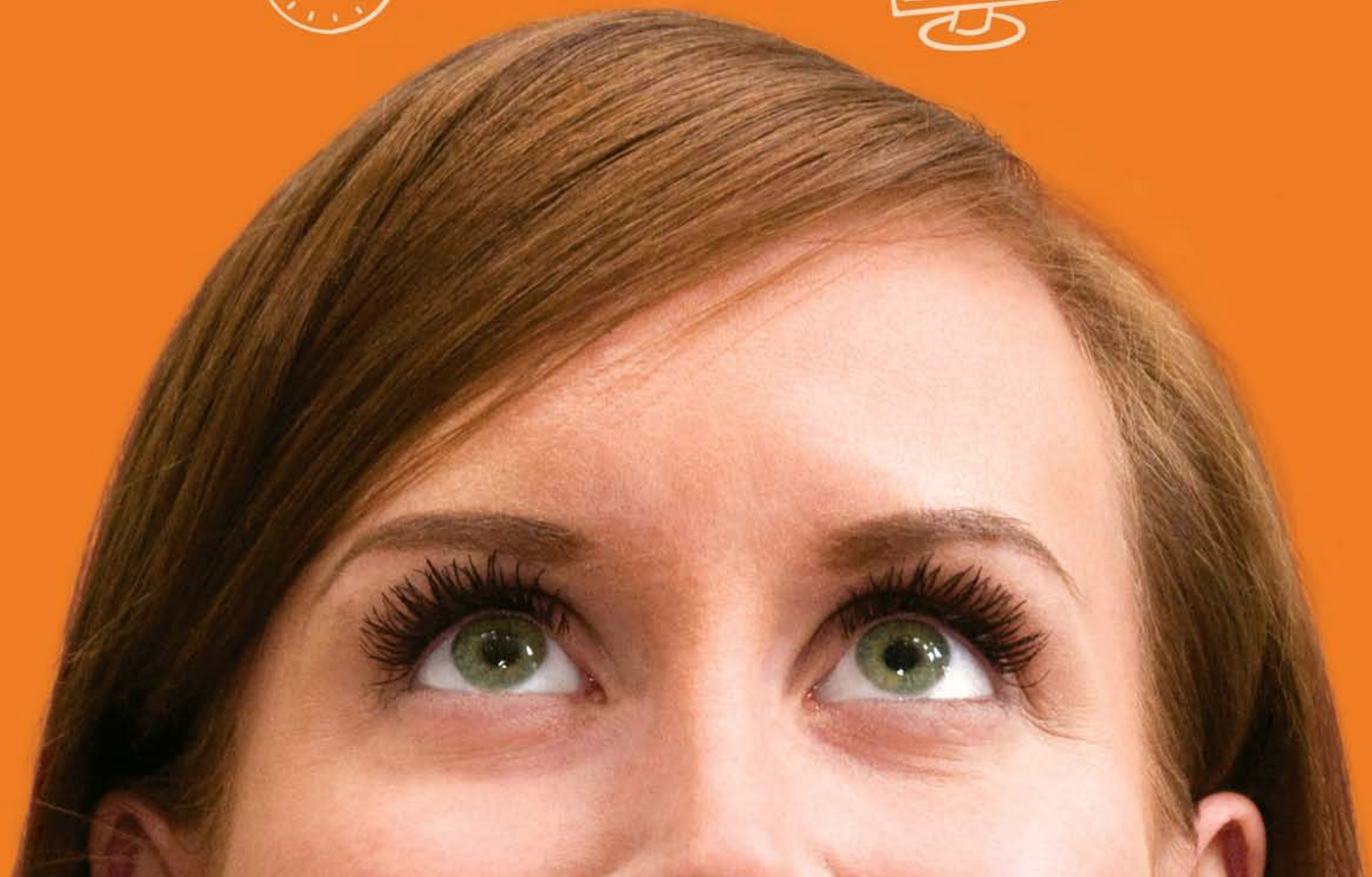



softchoice

POSSIBILITIES UNLIMITED

Corporate Overview 2010





WHAT'S INSIDE

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THE FUTURE IS UNLIMITED

When it comes to creating new possibilities, technology knows no bounds. Mobility solutions are shrinking distances, uniting people across the enterprise and around the world. Virtualization and cloud computing are turning the data center into a powerful tool for business transformation, connecting people with the information they need, no matter where they are. New areas of opportunity are opening as software applications are delivered seamlessly over the web. The latest innovations are making it simpler, less costly and less risky to break down the barriers to new markets, new efficiencies and new opportunities.

There's never been a better time to move ahead with investments in information technology. And we have never been more ready to help our customers on this journey. From the client to the cloud, from coast to coast – with Softchoice, the future is unlimited.



SMALL IS BEAUTIFUL (AND COST-EFFECTIVE) Catalyst Paper

For North America's largest producer of mechanical printing paper, sustainable business practices are always top of mind. After growing through a series of mergers and acquisitions, Catalyst Paper was interested in consolidating IT resources by concentrating the bulk of its IT operations in its main data center facility in Nanaimo, British Columbia. To help, Softchoice delivered an extensive series of assessments. The goal? Identify ways to streamline operations and create a homogeneous server environment. Maximizing the workload of existing servers was paramount, as was replacing some outdated machines. The Softchoice team also reviewed Catalyst's portfolio of software applications to ensure that it matched the optimal hardware platform and took full advantage of the most cost-effective licensing programs. Going beyond improvements in data center efficiency and reductions in hardware and software licensing costs, Softchoice delivered a roadmap for future projects, paving the way for the continued transformation of Catalyst's IT facilities.

Innovation is creating opportunity and with it, breathtaking complexity. What is the best way to deliver the desktop to your people? What applications does it make sense to host and manage yourself? How do you right-size your IT environment to improve performance while opening the door to the power and efficiency of the public cloud? How do you drive down costs while simplifying the way you purchase and manage IT assets?

In this world of convergence, we believe everything is connected. To minimize risk and maximize reward, there's nothing more important than big-picture thinking. And that kind of insight starts with local, personalized service. Working with you in person gives us a better understanding of your challenges and your opportunities. It also gives you direct access to our expertise across a broad range of technology practices – from mobility and collaboration solutions, to the design and implementation of private cloud infrastructure. And that's only the start. To make every IT dollar count, we offer all the advantages of a national reseller. This includes access to unmatched product selection, volume purchasing programs and comprehensive asset management services. At every step, our goal is to help you find the shortest and most cost-effective path to a world of opportunity.

**AT EVERY STEP,
OUR GOAL IS
TO HELP YOU FIND
THE SHORTEST
AND MOST COST-
EFFECTIVE PATH
TO A WORLD OF
OPPORTUNITY.**

OPPORTUNITY UNLIMITED

By reviewing existing licensing entitlements and carefully matching applications to the optimal hardware platform, Softchoice helped Catalyst realize additional savings on its software licensing investments.

CATALYST WAS ABLE TO:

- > Reduce the server footprint in its Nanaimo data center by 40 percent, and in its Powell River location by 50 percent.
- > Save \$100,000 on hardware infrastructure costs through better use of existing resources.
- > Avoid \$50,000 in unnecessary warranty renewal costs.
- > Achieve significant cost savings in licensing by leveraging existing licensing entitlements.
- > Simplify day-to-day facilities management.





> SCALABLE BY DESIGN

Quality Technology Services

When it comes to custom data center, colocation and cloud services, more and more businesses are turning to Quality Technology Services (QTS). As a leading national provider of data center services, QTS's vision is to add fast, flexible on-demand cloud services to complement its portfolio of data center infrastructure and colocation services. This virtualized platform will integrate with other core QTS services and allow its customers fast and seamless access to the computing power they need to support their business.

To further this vision, Softchoice worked closely with QTS to explore new modular, virtualized data center infrastructure solutions. These included V Block 1, an integrated offering from Cisco, VMware and EMC that dissolves the silos between networking, storage and server platforms. This approach would make it simpler to build out additional cloud infrastructure as QTS's business grows. Softchoice delivered a proof of concept using its in-house test facilities, allowing QTS to see the solution in action and ensure it would deliver the necessary business value before moving forward.

Any viable IT project starts with a good plan. Whatever the scope, expenditures must be specified, risks identified and measures of success calibrated for pinpoint accuracy. We believe understanding all the variables should always come before a recommendation.

Whether a project involves improving server efficiency or building a case for desktop virtualization, Softchoice offers an array of assessments that enable smarter decisions. At the center of our approach is a data-driven methodology that delivers an accurate portrait of your existing IT environment. Our cross-functional team of technical architects then uses this information to design the most appropriate solution, providing detailed information on the cost of materials, as well as timelines and other project expenses.

Of course, the long-term returns on a successful IT investment depend on more than sound planning. Through Axis, the technology behind our pioneering IT asset management-as-a-service offering, Softchoice also provides powerful online reporting capabilities and access to certified consultants that will save time and money while also reducing exposure to risk throughout the technology life cycle.

**WE BELIEVE
UNDERSTANDING
ALL THE VARIABLES
SHOULD ALWAYS
COME BEFORE A
RECOMMENDATION.**

ASSESSMENT SERVICES

- > Networking
- > Desktop Virtualization
- > Server/Storage
- > Licensing Compliance
- > Systems Life Cycle

VALUE UNLIMITED

V BLOCK 1 WILL HELP QTS TO:

- > Simplify management, lower risk and improve the efficiency of its operations.
- > Build out cloud infrastructure as its business grows.
- > Meet its vision of providing fast and seamless access on demand to the data center through a utility-based model.

“Softchoice’s technical architects were able to assess what we needed to achieve our goals and allow us to test the solution before moving forward. Thanks to the unified approach, the V Block 1 solution is giving us an easy way to scale out and manage our workload as we continue to expand our operations. QTS is excited by our partnership with Softchoice. We are pleased to have them as a customer, channel partner and key technology partner.”

– Brian Johnston, COO





> BUILDING A SOLUTIONS-BASED CULTURE

An interview with Softchoice CEO David MacDonald

How has Softchoice made the leap to being a full-fledged solutions and services provider?

The simple answer is culture. We've always believed our success is tied directly to our people and how well we do at creating long-term partnerships with our customers. True partnerships are not self-serving. So it's never been about products, it's been about collaborating with our customers to understand their problems, provide solutions and look for new opportunities to add value. Our transformation into a solutions and services provider is a natural step in our evolution. We're simply broadening our portfolio of offerings to create sustainable value for our customers.

How do you help organizations deal with so many converging trends?

Knowing the technical facts is no longer enough. You have to be able to see across a broad range of technologies and processes. That means starting with the big picture. What's the current state of an enterprise? What are the results the business is looking to achieve? How do we measure success? That's what we train our account managers to do. But what makes Softchoice unique is our assessment-led approach. Once we understand a customer's objectives, our technical architects use repeatable, data-driven analysis to determine the best solution. This allows us to identify all the variables at the outset before recommending and moving ahead with a given course of action.

Cloud computing is transforming the data center into an unbounded platform for innovation. In the wake of rapid technological advances, once isolated systems are being combined within a single, dynamic resource pool. This is reducing operating costs while allowing IT to respond to the needs of the business with much greater speed and agility. Cloud computing is making it simpler, less expensive and less risky to unlock the possibilities that software applications hold for people and the enterprise.

We recognize that getting to the cloud means different things to different organizations. To point the way forward, our technical architects provide holistic approaches across a range of integrated technologies. Using our proprietary assessment methodology to clarify your objectives and evaluate the components of your IT environment, we create a roadmap that identifies the path of least resistance. Whether consolidating systems to increase utilization or designing on-demand, self-managed virtual infrastructure, Softchoice provides the solutions, products and services that can unleash the possibilities of the cloud for your business.

**CLOUD COMPUTING IS
MAKING IT SIMPLER,
LESS EXPENSIVE
AND LESS RISKY
TO UNLOCK THE
POSSIBILITIES
THAT SOFTWARE
APPLICATIONS HOLD
FOR PEOPLE AND
THE ENTERPRISE.**

TRANSFORMATION UNLIMITED

IT is a high-risk, high-reward endeavor. How do you ensure success?

We've built a bench of more than 200 technical architects and services engineers. These people give us integrated expertise across a wide range of technology practices. But it's more than just numbers. We've made substantial investments in certification to ensure our clients can achieve shorter time-to-value and minimize risks by deploying the right solution the first time. Our test labs are also a big part of this. These facilities allow customers to see a proof of concept in action to determine whether it works efficiently and can deliver the expected value before signing off on a statement of work.

So what sets Softchoice apart?

You can find a lot of the capabilities I've described at a lot of other companies. But it's pretty tough to find them all under one roof. That's what makes Softchoice different. We believe our greatest value is eliminating the silos and offering truly holistic approaches to IT. I don't think any other organization can provide the breadth of solutions, the technical competency, the supply chain and e-commerce capabilities that Softchoice does. From design and testing to imaging, staging and implementation, delivering end-to-end solutions isn't just a catch phrase. It's how we do business.

**WE ARE FOSTERING
A CORPORATE
CULTURE THAT
ENCOURAGES PEOPLE
TO BECOME ENGAGED
IN SOCIAL CAUSES
LIKE ENVIRONMENTAL
SUSTAINABILITY
AND BRIDGING THE
DIGITAL DIVIDE.**

We believe technology exists to unleash potential and make our world a better place. Yet each technological innovation has a cost. The electronic waste and consumption of energy associated with IT pose significant environmental challenges. And the gap between those who have access to technology and those who do not is as wide as ever. This is why we are fostering a corporate culture that encourages people to become engaged in social causes like environmental sustainability and bridging the digital divide. By expanding our horizons, we're creating new opportunities for personal growth for our people while demonstrating the positive impact that businesses can have.

Through Softchoice Cares, our employee-led philanthropic program, we're building learning centers and supporting computer literacy programs in our own communities and around the world. Over the past year, the Softchoice team hosted dozens of internal fundraising events and made use of paid volunteer days to help thousands of people develop new skills for a better life. To reduce the environmental impact of IT, we're also constantly improving the way we do business. Through our free EcoTech assessment, electronic invoicing and consolidated shipping options, we're greening our supply chain while helping customers create a roadmap toward a more sustainable future.





PEOPLE UNLIMITED

> COMING FULL CIRCLE Mission to Sri Lanka

The tsunami that devastated coastal communities across Southeast Asia in 2004 struck a deep chord with Softchoice employees. The results were a series of internal fundraising events to support the global relief effort, and the birth of Softchoice Cares.

In 2010, CEO David MacDonald and a group of employees returned to Sri Lanka, the site of the first Softchoice Cares humanitarian mission. With 20 laptops in tow, the team built a new computer lab to address the needs of 150 students at a local primary school in the coastal city of Tangalle. Softchoice funded the installation of internet access, set up a network and trained students and teachers on basic computer skills.

As a learning tool, the impact of a new lab in a community like this is significant. But for Softchoice, the effect of these annual missions is exponentially bigger. Says MacDonald, "It's about showing everyone back home the impact our fundraising efforts can have and creating a sense of connection to the people we're helping."

333,303

transactions processed by Softchoice in 2010

53%

increase in the number of transactions Softchoice processed without manual intervention

377

customers saved time and money and reduced their exposure to risk as a result of a Softchoice IT assessment in 2010

34%

increase in the number of pre-sales employees available to support customers in the design of new technology solutions

3

new technology blogs launched by Softchoice in 2010 to make our expertise even more accessible

87%

of employees are proud to tell others they work at Softchoice

2

number of times Softchoice has earned recognition for Customer Satisfaction Excellence from Cisco

3,300

customers attended a Softchoice Discovery Series event to learn about an emerging technology

453

on-site customer projects completed by Softchoice's Professional Services team

383

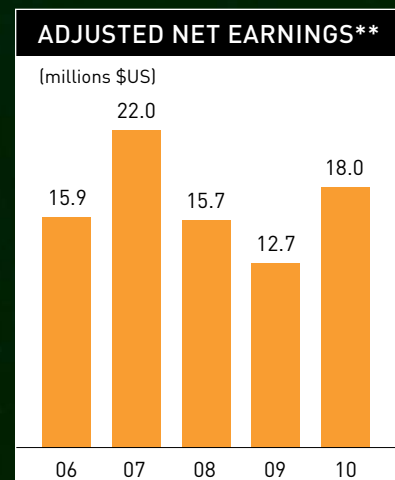
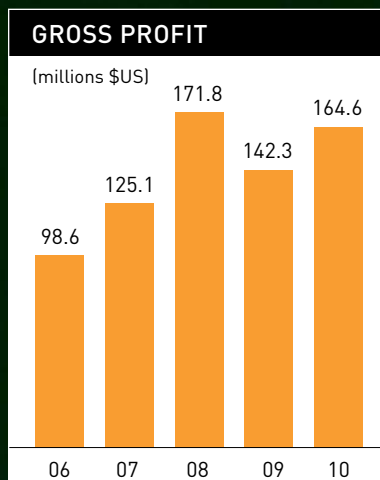
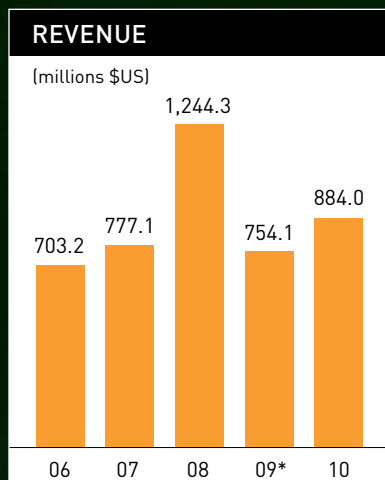
paid volunteer days used by Softchoice employees in 2010

17,157

hours logged for Softchoice employee training and development

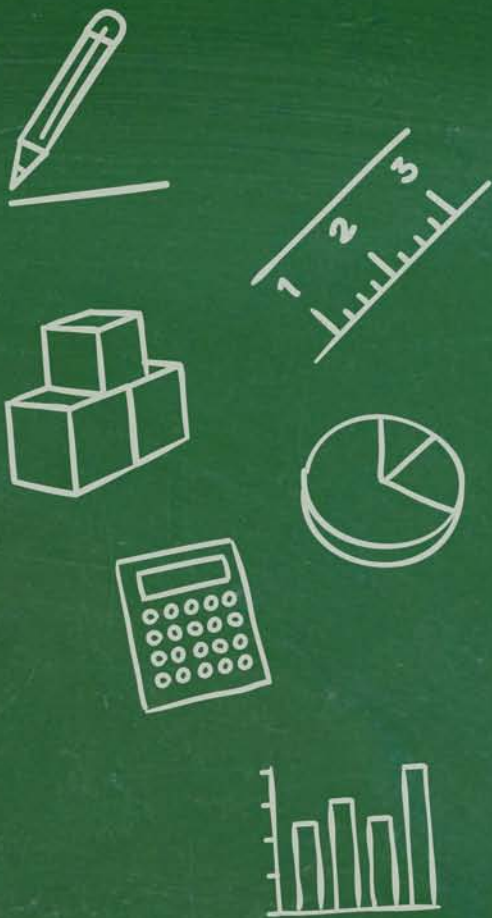
94%

of customers said they would recommend attending a Discovery Series event based on their experience



*Revenue for 2006-2008 was calculated using our previous revenue accounting methodology for maintenance contracts, where these arrangements were recorded on a gross basis. In the fourth quarter of 2010, we changed our accounting policy for maintenance contracts and now record these arrangements on a net basis. The comparative 2009 revenue figures have been restated.

**The 2006 and 2007 figures represent reported net income. Commencing in 2008, we began to report adjusted net earnings. For a description of adjusted net earnings refer to our annual Management's Discussion and Analysis.



6

number of times Softchoice has been named one of Canada's Best Workplaces

25

organizations were able to resolve maintenance contract issues and realize direct cost savings as a result of a Softchoice network assessment

563

families received a new home computer as a result of a joint initiative between Softchoice and Habitat for Humanity

GROWTH UNLIMITED

> SOFTCHOICE BY THE NUMBERS

Investing in innovative approaches that can help organizations reduce IT costs and transform their businesses has been central to our evolution. It has also allowed us to sustain strong growth in a competitive industry. Over the past few years we have steadily expanded our portfolio of solutions and services while continuing to enhance our e-commerce and supply chain capabilities. Today we're doing more for our customers more efficiently than ever before. As well as laying the foundation for sustainable long-term growth, these initiatives are also creating new opportunities for personal growth for our people as they advance in their careers. With a strong financial position and an exceptional team, we've never been more ready to help our customers capitalize on the transformative power of technology.



CONNECT WITH US AT
WWW.SOFTCHOICE.COM/SOCIAL



AN INTERVIEW WITH NICK FOSTER, SENIOR VICE PRESIDENT, BUSINESS DEVELOPMENT

What does thought leadership mean at Softchoice?

This is an exciting time for IT. But with so much complexity, it's also a little daunting. For Softchoice, thought leadership is about helping organizations address today's challenges while preparing for tomorrow. That's where our value really shines through.

What makes your perspective unique?

We like to say that we have a lot of "Seemores" around here. Seemores are people who get to see a lot of technology in operation. Each one of our technical architects visits about 20 different data centers every month. That gives us an incredible view of the challenges and opportunities our customers face.

How is social media changing the way you engage customers?

We've put a ton of energy into developing forums where we can share our insights and people can engage our experts. But the greatest value of these tools is how they've extended our ability to do what's always been core to Softchoice: being of service and providing a great customer experience.



THOUGHT LEADERSHIP UNLIMITED

OUR VALUES

We've Got Customer Passion

Our passion for providing exceptional service is the cornerstone of our success. We make every effort to put the *customer* first. As we seek to simplify the complicated and bring our knowledge of our business and IT to bear, we go above and beyond.

We Get it Done... Differently

Our customers count on us to own the end result. We recognize that delivering on our promises is critical to their personal success and the success of the organizations they represent.

We Take Care of Each Other

We put a premium on "nice" because, at the end of the day, our customers aren't systems or companies – they're people. We've built our entire company around the idea of people helping people get things done. It's what makes Softchoice unique.

We're in it for the Growth

Personally, professionally and as a business, our commitment to growth is an exciting journey and one without a finish line. Fueled by individuals who live to learn, we set the bar high and reach for it every day.



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