

Forsythe Technology, Inc.
Annual Report 2003

what it's
really about



it's about
**a long-term
commitment to success**

Forsythe believes that long-term success is the result of long-term customer relationships—the kind that are built on trust, expertise, and results. Since 1971, Forsythe has worked in collaboration with its customers and its partners to create such relationships. As a result, Forsythe has achieved 33 consecutive years of profitability and growth.

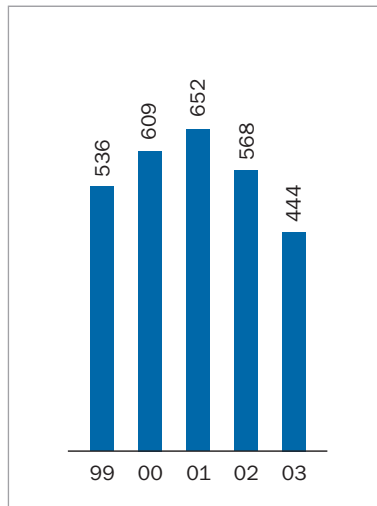
FINANCIAL HIGHLIGHTS

Dollars in Millions

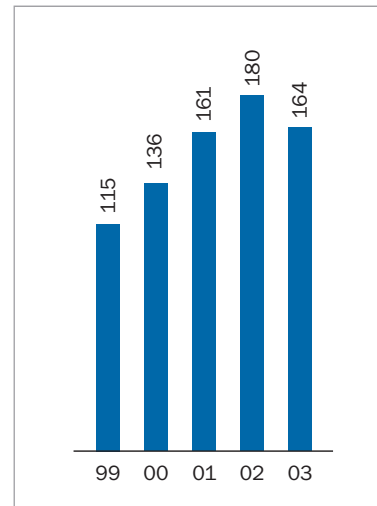
Years Ended December 31	1999	2000	2001	2002	2003
Revenues	\$ 536.1	\$ 609.1	\$ 652.3	\$ 568.2	\$ 444.3
Pre-tax earnings from continuing operations ¹	40.2	51.3	49.6	31.5	32.9
Net earnings from continuing operations ¹	24.9	31.8	34.4	20.0	24.2
Assets	624.0	663.4	602.2	552.3	476.6
Stockholders' equity	115.1	136.2	160.8	179.5	164.3
Investment in new leases	314.5	230.6	166.9	97.0	95.0
Employees	393	458	521	535	549

Note 1: Excludes non-cash ESOP adjustments of \$2.1 million in 1999 and \$2.7 million in 2000.

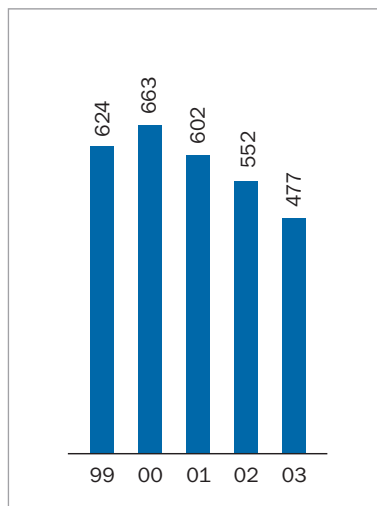
Revenues
(Dollars in Millions)



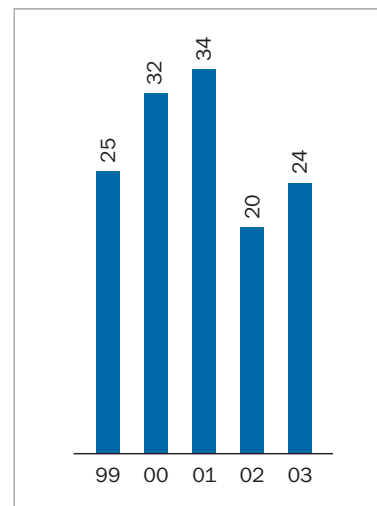
Stockholders' Equity
(Dollars in Millions)



Assets
(Dollars in Millions)



Net Earnings from Continuing Operations¹
(Dollars in Millions)



it's about working together



Dear Stakeholders, I am pleased to report that 2003 marked Forsythe's 33rd consecutive year of profitability in spite of a challenging year for the information technology industry. Users of servers, storage, and network equipment focused on the status quo and deferred new application development. They looked for ways to economize as they struggled to grow earnings in a slow economy. Only "must do" initiatives were considered and approved, including network security, business continuity, and data center consolidations.

This cautiousness resulted in price reductions and intense competition. Indeed, it created a tough environment for Forsythe Technology to grow in. Thankfully, our 549 talented employees worked together to face this adversity with creativity and resolve, and provided the technology solutions our customers needed in ways that met their very tight budget constraints. We

provided cost-effective security and business continuity solutions and showed our customers how to manage hardware maintenance expenses effectively. We extended equipment leases to lower monthly rentals and we introduced new, less-costly server, storage, and network solutions.

The financial result to our shareholders, albeit below our budgeted goals, was an increase in earnings and a substantial increase in cash liquidity. Due to changes in business mix and a shift to fee income versus outright sales, our revenues declined and our asset base shrank. Total revenue declined 21.8% to \$444.3 million. However, in part because we benefited from a lower effective tax rate, after-tax earnings grew 21.0% to \$24.2 million.

At year end, 453 of our employees were enrolled in our Employee Stock Ownership Plan (ESOP). From an initial value in 1987 of \$25 per share, the ESOP has grown continually and steadily to \$298 per share as of

CHAIRMAN'S LETTER

December 31, 2002, a year in which the ESOP share value increased 2.4%. I am optimistic that the ESOP value as of December 31, 2003 will show another modest increase. The ESOP currently owns approximately 15.2% of Forsythe Technology, Inc.

In December 2003, we declared a \$1 million special dividend to our shareholders. We did this because of our excess cash position and favorable income tax rates. The size of the dividend was intentionally small as this is a new area for us and we wanted to learn from this initial experience. The result was positive and I anticipate substantially larger dividends in 2004.

We also used some of our excess cash to repurchase outstanding Forsythe stock, thus increasing per-share earnings.

During 2003, we assimilated two acquisitions made in 2002 and started a biotechnology leasing business. We made important additions to our management team and continued to invest in our own internal business systems. We also began a considerable marketing effort to brand the Forsythe name and increase customer awareness.

Additionally, we consolidated our four-building Skokie complex into a larger corporate headquarters building just down the road. The new facility will allow us to accommodate growth of up to 300 new employees in Skokie without additional occupancy expense. The facility also incorporates a state-of-the-art Voice over Internet

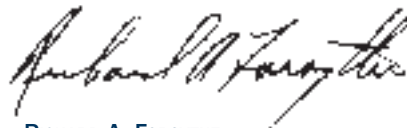
Protocol communications system that will enable more economical voice and data communication with our nationwide employee base and customers.

Finally, after striving for the past five years to build a robust and profitable technology consulting business, we finally achieved our goal. We significantly increased our consulting services revenue and improved consultant utilization, which permitted us to reap bottom-line profitability. Our consulting success is an example of the "slow and steady wins the race" principle. This strategic business segment promises to continue to grow and prosper in 2004.

In short, we prepared ourselves for future growth, which will come as the U.S. economy recovers.

Under the able leadership of Eva Losacco of Forsythe Solutions Group, and Al Weiss of Forsythe McArthur, and with the continued dedication of our wonderful employees, we have a solid opportunity to grow both revenue and profitability in 2004.

Sincerely,



RICHARD A. FORSYTHE
Chairman and President
Forsythe Technology, Inc.

“What we accomplish is the result of what each one of us does every day—with integrity, perseverance, and a constant commitment to excellence—to get the job done right.”

RICHARD A. FORSYTHE
Chairman and President
Forsythe Technology, Inc.

it's about
**focusing on
what's important**

“By helping our customers align IT with business, address complex risk issues, and do more with less, we are able to provide comprehensive IT infrastructure solutions that deliver business value.”

EVA T. LOSACCO
President and CEO
Forsythe Solutions Group, Inc.

“Our solid financial foundation enables us to provide a wide range of flexible solutions to our customers.”

ALBERT L. WEISS
President
Forsythe McArthur Associates, Inc.



it's about

IT solutions for managing cost and risk

Technology and Business Consulting

Forsythe provides consulting services to help companies manage the cost and risk of their IT infrastructure. With years of experience and expertise in assisting organizations with their end-to-end technology needs—in every phase of their technology infrastructure's lifecycle—Forsythe focuses on helping its customers use technology to better achieve their business objectives.

In the face of unrelenting threats and vulnerabilities within an increasingly complicated technology landscape, Forsythe offers solutions for identifying, analyzing, quantifying and mitigating risks, and complying with government and industry regulations, as well as optimizing performance and aligning IT strategy with business drivers.

Technology Integration

In today's complex IT environment, there are a myriad of valuable products and technologies available. Businesses face the challenge of integrating existing multi-platform system environments and choosing and implementing the best new alternatives to support their objectives.

Over the years, Forsythe has achieved the highest-level partner status and certifications with leading hardware and software manufacturers. These partnerships, combined with Forsythe's extensive experience building and integrating over 2,000 technology infrastructures, enable Forsythe to serve its customers as a trusted independent advisor. Forsythe helps customers across all industries with assessment, selection, configuration architecture, procurement, integration, and implementation of the best technology for their needs.

Technology Leasing

There are many operational and financial reasons companies are leasing their technology today. Leasing not only provides greater flexibility in implementing new technologies from multiple vendors, but also protects leasing customers from depreciation losses and rising support costs associated with technology purchases.

With a solid financial foundation and 33 years of experience as a leading independent technology lessor, Forsythe offers a full range of customized leasing services including maintenance and service financing, technology refresh, asset management, procurement management, and more.

it's about delivering the business value of IT



Today more than ever, organizations are looking for ways to use IT to achieve their business objectives. We work closely with our customers to help them optimize and integrate existing technologies and choose and deploy new infrastructure solutions that support their business.

Our top-tier partnerships with leading hardware and software manufacturers of server, storage, network, and security technologies ensure our customers the best infrastructure solutions available in the marketplace. As an independent IT solutions company with the highest certifications in many technologies, we are focused on providing each customer with the right solution for their specific needs. The experience we have gained from over 2,000 infrastructure engagements demonstrates that we design and build IT solutions that work.

In 2003, we continued our investments to evolve Forsythe from a technology lessor and value-added reseller to a technology solutions company, and dramatically grew several segments of our business.

Our business continuity and disaster recovery consulting practice flourished in 2003. Our customers faced regulatory compliance issues, continuing geo-political pressures, threats of terrorism, and viruses running rampant. This business segment will yield even greater results in the future as customers retain us to implement the practical risk management programs and strategies we developed with them during the assessment process.

During the same period, our security solutions business grew by more than 50%. We will continue to build on the momentum created by this organic growth, and also by our February 2004 acquisition of Atlanta-based National Business Group, Inc., an established leader in networking integration of security solutions. The acquisition positions us as a strong technology presence in the Southeast and a leading security integrator throughout the U.S.

The IT knowledge and capabilities we've built position us well for the future. Our experience across server, storage, and network environments will allow us to help our customers optimize their use of emerging technologies to help their business. New technologies for storage and information management, network convergence, and server optimization/virtualization create exciting opportunities to use technology to continue to manage and improve business processes.

We also expanded our support services to enable our customers to more easily manage their information technology assets. Today, we provide proven methodologies, processes, tools, services, and solutions that help customers identify, optimize, and manage the physical, financial, and contractual aspects of their IT portfolio.

In 2003, we made a significant investment in building the Forsythe brand. It was our largest marketing effort to date, encompassing media relations, the acquisition of the Forsythe.com URL and subsequent launch of our new corporate Web site, and regional television, radio, print, and billboard advertising, all aimed at making our company better known regionally and nationally. For a company that has relied on word-of-mouth for most of its 33 years, this was a milestone.

While we are making greater efforts to communicate our capabilities to a national audience, it is still what we accomplish day-to-day for our valued customers that is the cornerstone of our success.

In the following pages, we are proud to share the stories of four of our exceptional customers—their business challenges and how Forsythe is working to provide them with IT solutions that deliver business value. **Archipelago**, a fast-growing Chicago-based company, relies on us to understand their business and ensure the highly-available infrastructure critical to their success. We work with **Education Management Corporation** to provide them with solutions that incorporate scalability, flexible lease terms, and seamless management of remote project implementations. We are helping **Outback Steakhouse** explore new technology alternatives, as well as design and implement a new data center environment to support their plans for continued growth. **TriZetto** depends on us as a partner in building their infrastructure as well as in their development of a cohesive IT strategy for the future.

Thanks to our valued customers and partners, and our outstanding employees, Forsythe's future looks brighter than ever.

EVA T. LOSACCO
President and CEO
Forsythe Solutions Group, Inc.
and Senior Vice President
Forsythe Technology, Inc.

A photograph of four men in dark blue suits and ties standing in a row in a modern office environment. They are all smiling. The background consists of light blue square panels and a wooden wall on the right. The text 'it's about responsiveness' is overlaid on the image.

it's about
responsiveness

MARK HINKAMP
Vice President of Key Accounts
Forsythe

NELSON CHAI
Chief Financial Officer
Archipelago

GERALD PUTNAM
Chief Executive Officer
Archipelago

STEVE RUBINOW
Chief Technology Officer
Archipelago



“We often have to accomplish things in unbelievable time frames—and get it right every time. We expect Forsythe to react as quickly and effectively as our own people do. The fact that Forsythe provides this level of responsiveness—and understands exactly what we need—makes them extremely helpful to us.”

STEVE RUBINOW, CHIEF TECHNOLOGY OFFICER

The Archipelago Exchange (ArcaEx) is a totally open, fully-electronic stock exchange with a daily trading volume that has exceeded 800 million shares. ArcaEx trades in all New York Stock Exchange®, Nasdaq®, and American Stock Exchange® stocks as well as securities with a primary listing on ArcaEx.

To succeed as a low-cost provider of high-volume transactions, Archipelago depends on its technology. The availability standard for the financial services sector is extremely high—99.999%—which permits a mere minute-and-a-half of unscheduled downtime per year. Furthermore, because switching costs are close to zero, if a trader is not completely satisfied with Archipelago’s service, it only takes a few seconds for that trader to turn to a competitor.


Because of this, Archipelago’s IT organization needs to move very fast to bring new cost-effective technology solutions to market. For example, when Archipelago migrated part of its exchange to a new technology platform in 2003, which included a total rewrite of the software, the company completed the project—typically an 18-month to two-year undertaking—in six months. The end result was a system that is more cost-effective to operate, faster, more responsive to customers, and more stable.

While the pace of the migration project was extreme, it was not atypical for Archipelago. Just as Archipelago’s business transactions are measured in milliseconds, almost every other aspect of the business, especially IT, is measured in short time frames as well.

In order to meet these requirements, Archipelago looks to a partner like Forsythe who can play at their speed. Through the migration project and more, Archipelago has found Forsythe to be a valuable partner not only in terms of responsiveness, but as a “one-stop shopping” source for best-of-breed technologies and high-quality professional services. Working with Forsythe eliminates the need for Archipelago to talk to ten manufacturers and evaluate their offerings. Likewise, the Archipelago IT team avoids having to repeatedly explain its plans and needs, whether it is looking for assessment, technology architecture, skills-transfer, or data center design services.

“Time is money to Archipelago,” comments Mark Hinkamp, vice president of key accounts at Forsythe. “We work to help them save both—by applying our cumulative knowledge of what they’re doing, and by leveraging our vendor relationships to get them competitive pricing on equipment without round after round of vendor negotiations on their part.”

“With Forsythe, we know that whether we need a top-notch consultant or ten servers, what we asked for is going to show up in record time.” says Steve Rubinow, CTO of Archipelago. “As a full-service provider, Forsythe enables us to make sure we spend our time and our money wisely; and being able to rely on Forsythe to deliver means we can move onto the next thing.”



CHRISTOPHER KOWALSKY
SVP and Chief Information Officer
Education Management Corporation

BRYAN BOLLMAN
Account Manager
Forsythe

it's about
the right solution

EDMC[™]
Education Management Corporation

“Forsythe understands our technical environment and the pressures on our IT organization. They work almost seamlessly, as part of our team, to objectively evaluate new technologies and methodologies for their appropriateness. Forsythe identifies creative alternatives and brainstorms with us to find the right solution.”

CHRISTOPHER KOWALSKY, SVP AND CHIEF INFORMATION OFFICER

Education Management Corporation (EDMC) provides private post-secondary education to over 58,000 students at 66 primary campus locations throughout the United States and Canada. EDMC's educational institutions offer a broad range of academic programs in the media arts, design, fashion, culinary arts, behavioral sciences, health sciences, education, information technology, legal studies, and business fields.

EDMC views its IT systems as a valuable tool to help provide its students, faculty, and staff with the best possible educational experience by enabling ready access to a wide variety of information. In order to achieve this, systems must be highly available, performance optimal, and the right applications and technologies in place to meet user demands.

EDMC's substantial recent growth—namely the acquisition of 24 schools—makes the challenge even greater. The organization has also been faced with integrating, consolidating, and standardizing student information systems, business intelligence reporting, e-mail systems, and more at its newly-acquired schools, while simultaneously maintaining the availability, security, backup and recovery, and business continuity standards of its entire enterprise. And the systems must be capable of cost-efficiently scaling for future growth.

Forsythe has assisted EDMC in all of these areas, at multiple campus locations, providing expert professional services, system architecture services, technology assessment and selection support, competitively-priced

equipment, and flexible technology financing. EDMC values Forsythe's technical expertise, and takes advantage of Forsythe's flexible lease terms, which enable them to buy only what they need and then scale or upgrade cost-effectively as their requirements change.

In addition to its vendor-objectivity and flexible leasing alternatives, Forsythe has assisted EDMC by managing remote project implementations at different locations. “By working in a unified manner and deploying local resources, Forsythe has saved EDMC time and money,” says Forsythe account manager Bryan Bollman. “Our primary account team works with EDMC's IT management group at their Pittsburgh headquarters to define and manage service engagements at the corporate level. We then work closely with our resources in San Francisco, Tampa, Chicago, or any of Forsythe's 35 locations, to support EDMC's area schools locally.

EDMC needs to get it right every day in terms of identifying the appropriate technology to support their students, faculty, and corporate offices, and in terms of strategically defining and successfully executing timely, cost-efficient project implementations. According to EDMC senior vice president and chief information officer Chris Kowalsky, “By examining our strategic IT initiatives together, Forsythe recognizes what we need to accomplish, and continually comes through with creative solutions that allow for synergistic planning and implementation. Forsythe's approach has resulted in actual savings that have enabled EDMC to complete more projects, faster.”



JOE DONNELLY
Account Manager
Forsythe

DUSTY WILLIAMS
Chief Information Officer
Outback Steakhouse

MICHAEL BOYKINS
Manager of Technology Infrastructure
Outback Steakhouse

it's about
customer service



“Forsythe understands what we’re trying to accomplish—not only in terms of our technical requirements—but also our long-range strategic goals in supporting our business.”

DUSTY WILLIAMS, CHIEF INFORMATION OFFICER

As the owner and operator of more than 1,000 restaurants in the U.S. and 20 other countries, Outback Steakhouse’s primary focus is on the quality of the food and service it provides to its customers. A close second is to increase the number of customers it serves while upholding its quality standards, so it can continue to grow. Two recent customer service initiatives in response to Outback’s growth have been call-ahead seating, to shorten customer wait times, and take-away sales. Both are enabling Outback to maintain its quality standards in support of a growing customer base.

Behind all of Outback’s restaurants—which also include Carrabba’s Italian Grill, Fleming’s Prime Steakhouse, Roy’s, Lee Roy Selmon’s, Cheeseburger in Paradise, and Bonefish Grill—is an IT organization that views itself as an extension of the business.

“The Outback brand stands for consistency and quality of food and customer service,” comments Outback CIO Dusty Williams. “Our mission is to provide back-office support that keeps the business processes transparent to the restaurant managers. They shouldn’t have to be accountants or technology people. We enable them to remain focused on our customers and our food.”

In keeping with this strategy, Outback enlisted Forsythe in 2003 to help upgrade its technology to keep up with the growth of the company. The plan was for a major consolidation and centralization of Outback’s IT environment in a new data center that would speed customer-support transactions such as credit card operations, while simplifying business processes for the restaurants and corporate offices, and enabling better availability of data between them. Outback is also looking

to possibly implement selected new technologies to better enable its restaurants at the point of service.

Forsythe worked extensively with Outback to assess the company’s requirements, evaluate its technology options, and develop a design and implementation plan for the new enterprise environment. Throughout the process, Forsythe conducted many roundtable discussions with Outback to consider different scenarios and to develop a detailed picture of the appropriate scope and time frame for the implementation. Forsythe then implemented the finalized plan.

“Outback understands the strategic value of IT as an extension of their business,” explains Forsythe account manager Joe Donnelly. “To support them in that, we wanted to ensure that the technical details accurately reflected their requirements and that the planned time frame met realistic expectations for a successful deployment.”

“The statement of work Forsythe presented aligned perfectly with what we were thinking,” says Michael Boykins, manager of technology infrastructure for Outback. “It clearly outlined their deliverables as well as what they expected from us, and most important, Forsythe was forthright about how long it would actually take to meet our particular goals.”

The new data center is up and running and Outback is pleased not only with the quality of the technical support it received from Forsythe, but also with the level of service and the overall process of working together. “With Forsythe, I am confident that we got a good return on our investment in the centralization of our environment,” adds Williams. “It’s a great relationship.”

A photograph of four men in business suits standing in a server room. They are smiling and looking towards the camera. The room has server racks and a tiled floor.

it's about
accountability

MIKE CORCORAN
Senior Account
Manager
Forsythe

MIKE CRINER
Chief Technology Officer
TriZetto

ROB SCAVO
SVP and Chief
Information Officer
TriZetto

BRIAN KARR
Vice President of Finance
TriZetto



“Forsythe takes the time to understand what our business processes are and what our value proposition is to our customers. We can rely on Forsythe to translate this understanding into solutions that better serve our customers. To me, that is the sign of a true partner.”

ROB SCAVO, SVP AND CHIEF INFORMATION OFFICER

TriZetto serves approximately 40% of the medically-insured U.S. population—approximately 100 million people—by providing healthcare information technology products and services to more than 400 health plans.

The company provides leading proprietary and third-party software including e-business applications; outsourced services such as software hosting, transaction processing, and IT operations services; and consulting services. TriZetto’s customers include healthcare payers and benefits administrators throughout the country.

2003 was a year of major growth for TriZetto, as it continued its foothold with large-scale, national health plans. Managing the successful deployment of TriZetto’s applications and hosted services across such organizations is challenging. As TriZetto’s chief technology officer Mike Criner explains, “Large health plans, many of which have grown through mergers and acquisitions, usually have business processes that are integrated across a variety of transaction systems, often geographically dispersed. Ready access to critical information requires that layers of applications perform quickly, stably, and reliably through a long chain of providers to the end-user.”

Forsythe functions as a “one-stop shop” for TriZetto’s IT infrastructure needs. Forsythe has actively participated in the design, architecture, and installation of LAN and WAN networks, storage area networks, network attached storage, enterprise management, and backup and recovery infrastructure for TriZetto. Forsythe has assisted in the selection and handled the procurement of the equipment to build these environments. Forsythe’s professional services consultants have configured and implemented the systems for optimal performance and value. In

addition, Forsythe has provided total cost of ownership (TCO) analysis in selected areas to aid TriZetto in its strategic IT decision-making.

TriZetto values the convenience not only of Forsythe’s breadth of offerings, but also its level of responsiveness. As Forsythe senior account manager Mike Corcoran explains, “TriZetto believes in a just-in-time procurement approach for new infrastructure. As a result, lead times on many of their initiatives are quite short—often as little as a few days or a week. Forsythe has proven itself by repeatedly meeting TriZetto’s need for extremely quick turnaround.”

TriZetto is also pleased with Forsythe’s independent, outside perspective. Brian Karr, TriZetto’s vice president of finance, comments, “One of the things I’ve appreciated about Forsythe is that they are proactive about communicating process and project challenges to us. Because Forsythe is involved in many of our initiatives from the outside looking in, they provide a valuable perspective that helps us to improve.”

Finally, TriZetto is impressed by Forsythe’s sense of accountability and degree of engagement in meeting their needs. “Forsythe provides value in helping to plan and strategize, to resolve issues, and to execute on our strategic initiatives.” says Rob Scavo. “TriZetto anticipates further growth this year—and with that, new customers, expanded environments, and new technologies. We already have a number of Forsythe consultants working with our key managers to develop a complete, cohesive IT strategy that we can execute upon over the course of the coming years. We look to Forsythe as a partner to help us get to the next tier.”

it's about a solid foundation



The year just completed was a challenging one. Spending on technology hardware and services continued to be weak throughout 2003. This resulted in substantial price reductions from the manufacturers and a very competitive landscape for the available business.

Forsythe met this challenge and produced results that are the envy of many of its competitors. Forsythe's net earnings increased 21.0% from \$20.0 million to \$24.2 million, despite a 21.8% decline in revenues from \$568.2 million to \$444.3 million.

A number of factors contributed to this result. The reduction in hardware prices caused a drop in revenue recognized from hardware sales which, because of the soft demand for technology infrastructure, was not offset with increased transactions. We have focused our efforts on developing our consulting business and have had great success. Although this showed significant growth at much higher margins than hardware sales, it did not make up for the revenue decline elsewhere. Our lease portfolio also contributed less revenue due to a decline in previous years' leasing volumes and a change in the mix of leasing business. We entered into more operating leases in 2003. The revenue from these leases is recognized over the life of the lease rather than at lease inception. Finally, many of our manufacturer partners paid us fees for transactions in 2003 rather than selling us the equipment for resale to the customer. We estimate that this change in behavior reduced revenue between \$15 and \$25 million while having no impact on profits.

In a soft economy, we effectively focused on cost controls. Total employee expenses, including benefits, declined 4.5%. Contributing to our general and administrative expense was \$2.0 million in accrued but yet unrealized anticipated expenses for vacating our previously-occupied office space. Even with this significant accrual, general and administrative expenses increased only \$1.3 million. Over the next 10 years, we anticipate minimal increases in occupancy expenses at headquarters as we continue to grow.

We also invested in improving our internal processes and systems. These initiatives will save money and enable us to scale our business in the coming years. The consolidation of our headquarters operations into one

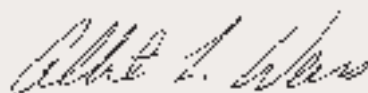
building also creates efficiencies and gives us space for continued growth. We are confident that these investments will prove to be wise as we continue to develop our business.

There were additional factors which positively impacted the results in comparison to 2002. SevenSpace, Inc., in which we continue to be the largest shareholder, had much improved performance in 2003. As a result, we recognized a smaller loss on this investment than in 2002. We also required a significantly smaller tax provision in 2003. The combination of these factors resulted in a 21.0%, or \$4.2 million, increase in net earnings for 2003.

Furthermore, Forsythe's balance sheet remains very strong. Cash at December 31, 2003 stood at \$65.9 million, which is a \$17.8 million increase from 2002. While receivables and investments in leases showed significant declines, these were offset by a drop in accounts payables and borrowings used to finance leases. We continued to carry \$100 million in bank lines which remained unused throughout 2003. The company entered into a number of transactions to repurchase stock with its excess cash. These totaled \$41.3 million, and as a result we experienced a decline in net worth of \$15.2 million, down to \$164.3 million.

Our strong capital base leaves us in a position for future growth both internally and through acquisitions. One of our new internal growth initiatives was the establishment of Forsythe Biotechnology Group, which is focused on providing equipment financing to emerging biotechnology companies. We are excited about the early success of this business.

As we begin 2004, we are optimistic about our future. The combination of a winning business model, the capital base upon which to execute it, and the outstanding team of people working here provides Forsythe with a solid foundation for growth opportunities. We will continue to provide our ever-growing customer base with flexible and innovative technology infrastructure services.



ALBERT L. WEISS

President

Forsythe McArthur Associates, Inc.
and Senior Vice President and CFO
Forsythe Technology, Inc.

CORPORATE OFFICERS

RICHARD A. FORSYTHE
Chairman and President

EVA T. LOSACCO
President and CEO,
Forsythe Solutions Group, Inc.
and Senior Vice President,
Forsythe Technology, Inc.

ALBERT L. WEISS
President, Forsythe McArthur
Associates, Inc.
and Senior Vice President
and CFO, Forsythe Technology, Inc.

STEVEN M. AVRICK
Vice President, Tax Administration,
and Assistant Secretary

SALLY K. BUCHANAN
Vice President, Marketing

JOHN CARCONE
Senior Vice President, Sales

MICHELLE M. COFFIELD
Vice President, Sales Administration

ROBERT D. DVORAK
Senior Vice President, Sales

THOMAS R. EHMANN
Vice President, Financial Reporting
and Budgeting, and Chief
Accounting Officer

RAYMOND L. ELLINGSEN
Treasurer

RICHARD A. FINOCCHI
Vice President, Corporate
Development

JULIE A. FUSCO
Vice President, Human Resources

MITCHELL G. GERMAINE
Vice President and CIO

R. THOMAS HOFFMAN
Vice President, General Counsel,
and Secretary

HARRY G. MANOS
Vice President, Technical Operations

DAVID NOLAN
Vice President, Services
and Networking

BARBARA L. WORZALLA
Vice President, Office Services

BOARD OF DIRECTORS

RICHARD A. FORSYTHE¹
Chairman and President,
Forsythe Technology, Inc.

EVA T. LOSACCO⁵
President and CEO,
Forsythe Solutions Group, Inc.
and Senior Vice President,
Forsythe Technology, Inc.

ALBERT L. WEISS⁶
President, Forsythe McArthur
Associates, Inc.
and Senior Vice President
and CFO, Forsythe Technology, Inc.

SANDRA C. FORSYTHE¹
Executive Vice President
and Secretary, FMA Transco, Inc.

DEBORAH A. BRICKER^{4,5}
CEO, Bricker Partners LLC

ALTON B. HARRIS^{1,3}
Partner, Ungaretti & Harris

ALAN J. HUNKEN^{1,3}
Partner, CM Financial Group

WILLIAM G. SALATICH^{2,4}
President (Retired), The Gillette
Company

- ¹ Board member since 1980
- ² Board member since 1993
- ³ Audit Committee
- ⁴ Compensation Committee
- ⁵ Board member since 1999
- ⁶ Board member since 2000

PRINCIPAL SUBSIDIARIES & AFFILIATES

FORSYTHE McARTHUR ASSOCIATES, INC.
FORSYTHE SOLUTIONS GROUP, INC.

FORSYTHE BIOTECHNOLOGY GROUP, INC.
FMA TRANSCO, INC.

NATIONAL BUSINESS GROUP, INC.
SEVENSPACE, INC.

BANKS

LA SALLE BANK
Chicago, Illinois

U.S. BANCORP
Milwaukee, Wisconsin

WELLS FARGO BANK
Chicago, Illinois

THE NORTHERN TRUST COMPANY
Chicago, Illinois

FORSYTHE OFFICES

CORPORATE HEADQUARTERS AND TRAINING CENTER

7770 FRONTAGE ROAD
SKOKIE, ILLINOIS 60077
(800) 843-4488

TECHNICAL CENTER

7440 NORTH LONG AVENUE
SKOKIE, ILLINOIS 60077

CENTRAL REGION

CHANNAHON, ILLINOIS
INDIANAPOLIS, INDIANA
MILWAUKEE, WISCONSIN

HEARTLAND REGION

OVERLAND PARK, KANSAS
EDINA, MINNESOTA
CREVE COEUR, MISSOURI
OMAHA, NEBRASKA

MOUNTAIN REGION

ENGLEWOOD, COLORADO
SALT LAKE CITY, UTAH

NORTHEAST REGION

MARLBOROUGH, CONNECTICUT
DEDHAM, MASSACHUSETTS
PARSIPPANY, NEW JERSEY
EAST SYRACUSE, NEW YORK
NEW YORK, NEW YORK
BLUE BELL, PENNSYLVANIA

OHIO VALLEY REGION

LOUISVILLE, KENTUCKY
GRAND RAPIDS, MICHIGAN
SOUTHFIELD, MICHIGAN
CINCINNATI, OHIO
PITTSBURGH, PENNSYLVANIA

SOUTHEAST REGION

FORT LAUDERDALE, FLORIDA
ORLANDO, FLORIDA
TAMPA, FLORIDA
ATLANTA, GEORGIA
DULUTH, GEORGIA
ROCKVILLE, MARYLAND
CHARLOTTE, NORTH CAROLINA
GREENSBORO, NORTH CAROLINA
RALEIGH, NORTH CAROLINA

SOUTHWEST REGION

HOUSTON, TEXAS
PLANO, TEXAS

WESTERN REGION

IRVINE, CALIFORNIA
SAN RAMON, CALIFORNIA
WOODLAND HILLS, CALIFORNIA

OTHER

GLASGOW, SCOTLAND





FORSYTHE

CORPORATE HEADQUARTERS



Delivering the business value of IT.SM

7770 Frontage Road, Skokie, Illinois 60077
www.forsythe.com
(847) 213-7000