

GRADIENT ANALYTICS NAMES BRAD FORST NEW PRESIDENT & CEO

Founder and Chairman Dr. Carr Bettis Named Chief Scientist

FOR IMMEDIATE RELEASE

Scottsdale, AZ (December 4, 2006) – Independent research firm Gradient Analytics today announced the appointment of Brad Forst as president and chief executive officer. The company said Forst’s appointment is another step in Gradient’s growth and expansion plans.

Forst comes to the company with more than 25 years of experience as a CEO, public company executive, corporate lawyer, and university professor.

“I am excited to join an excellent management team as we execute on our ambitious plan to take Gradient to the next level,” said Forst. Gradient recently announced its tenth anniversary in business and record revenues for 2006. “The integrity of Gradient’s research process and its impressive track record make its continuing growth an exciting prospect.”

Forst was formerly the president and CEO of publicly traded Simula Inc. (AMEX:SMU), a technology developer and manufacturer of human safety and survivability systems from 2000 through its acquisition by Armor Holdings Inc. (NYSE:AH) in 2003. Forst led Simula’s turnaround, returning the company to operating profitability after six consecutive years of losses. Shareholder value more than doubled during his tenure. He has substantial experience in corporate finance, mergers and acquisitions, SEC compliance, and strategy. He is a director and the audit committee chair of a NASDAQ company. He holds an LL.M. from Columbia University School of Law. Forst’s background includes serving as Simula’s general counsel, a securities lawyer in Phoenix, and in the finance legal group at Shell Oil. He continues as an adjunct professor at Arizona State University College of Law.

Gradient founder and Chairman Dr. Carr Bettis noted that, “Forst’s track record as a visionary and strong operational leader, coupled with his academic experience and pedigree, were key to his selection.”

Bettis remains chairman of the board and will assume the post of chief scientist for the company. In this role, Bettis will return to what he described as his “true passion” in the company. As chief scientist he will focus on ensuring the continuous improvement of existing products and examining areas of emerging thought leadership. Bettis plans to spearhead research and the development of innovative products that will deliver new sources of alpha to Gradient’s clients. In addition to his work at Gradient, over the past 15 years, Bettis has been the chief architect and developer of numerous market-leading research products and businesses that have been acquired by leaders in the finance industry, including Thomson Financial, CCH Inc., Primark, Advanced Equities/Greenbook Financial, and Merrill Lynch.



Gradient co-founder and Editor-in-Chief Dr. Donn Vickrey and Scott Vorhauer, the executive vice president of products and operations and a nine-year Gradient veteran, both will continue in their current roles. Gradient also recently announced the appointment of a new executive vice president of sales and client services, R.J. Hines.

“There is a strong team in place, and I look forward to learning from them and working with them,” said Forst.

Gradient Analytics is the country’s leading independent equity research firm focused on forensic accounting and executive compensation. Its clients include mutual fund, hedge fund, and other professional money managers. Its principal products are two qualitative services (Earnings Quality Analytics and Equity Incentive Analytics) and several quantitative model offerings, all of which build on the firm’s financial engineering roots.
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