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designed specifically for nonprofit organizations, announced that it is acquiring Kintera, Inc.

Jun. 18, 2008

Blackbaud, Inc. (NASDAQ: BLKB), a provider of software and related services designed specifically for nonprofit organizations, announced that it is acquiring Kintera, Inc. (NASDAQ: KNTA), a pioneer and leading provider of a Software as a Service (SaaS) solution to the nonprofit and government sectors. Under the terms of the agreement, Blackbaud will pay an all-cash purchase price of approximately \$46.0 million. Blackbaud expects to finance the deal with cash and borrowings from its credit facility.

Kintera's principal offering is its online Sphere technology platform, which is used by such leading organizations as American Lung Association, Big Brothers Big Sisters of America, International Fund for Animal Welfare, Lance Armstrong Foundation and Sesame Workshop to manage online fundraising events and in 2007 processed over \$400 million in online gifts. The company also offers wealth profiling and screening services as well as an accounting software solution, both similar to offerings of Blackbaud. With approximately 4,000 customers, Kintera is recognized for the proven capabilities of its Sphere SaaS offering that has allowed nonprofits to effectively grow their base of supporters and expand their online fundraising initiatives. The company reported \$44.9 million in total revenue for 2007.

Marc Chardon, Blackbaud's President and Chief Executive Officer, said, "The acquisition of Kintera is very exciting for us and for the nonprofit industry as a whole. Expanding Blackbaud's online offering in this way further establishes Blackbaud as the leading solutions partner for nonprofit organizations.

The online solutions of the two companies have historically served different

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Similarly, Blackbaud's NetCommunity offering is ideally suited for enriching the online experience of current donors enhancing the value of data that already exists in the CRM system."

Chardon added, "We are also pleased to offer new options to Kintera's accounting and wealth data customers. P!N has been innovative in coupling traditional wealth screening services with online offerings and we are excited about the potential of combining these offerings with Target Analytics' current product portfolio. Likewise, Fundware has long met the fund accounting needs of many nonprofits and we expect to work closely with Kintera and their partners to enhance the range of solutions available to this important set of customers. Combining these solutions with Blackbaud's current offerings will allow us to continue to grow these important segments of our business."

Kintera will continue to be led by its current President and Chief Executive Officer, Richard LaBarbera, a high tech industry veteran with more than 30 years experience working with such leading software providers as Sybase, Siemens/Nixdorf, Storage Technology and IBM. Kintera operations will continue to be directed from their existing offices in San Diego.

LaBarbera said, "Joining with Blackbaud gives us a way to leverage our capabilities with those of the industry leader and thus significantly improve the customer's experience. Importantly, this move also means that nonprofits will be able to choose Kintera solutions confident in the knowledge that they are backed by Blackbaud's robust corporate infrastructure and that the partner they have selected will be there to serve them for many years into the future. Our focus will now turn exclusively to better meeting the needs of our

customers and collaborating with Blackbaud to leverage the investment they are

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point in the second half of 2008. With the acquisition of Kintera, this will become a certainty as we will add another significant source of subscription-based revenue from an on-demand service offering. The evolution of Blackbaud's business model toward new revenue sources with ratable revenue recognition has been a significant and positive development over the past several years, and it complements the very strong cash flow profile of the company."

Blackbaud's acquisition of Kintera is structured as an all-cash tender offer for all of the shares of Kintera at a price of \$1.12 per share. The company is expected to formally launch the tender sometime next week and close on or around July 2.

Technology

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