



## Verso Technologies Updates News on Sale of its Hospitality Businesses

ATLANTA--(BUSINESS WIRE)--Dec. 5, 2000--Verso Technologies, Inc. (Nasdaq NMS: VRSO), a full service provider (FSP), today announced that it was in negotiations with a buyer for the purchase of Squirrel Systems, Inc. and Squirrel Systems of Canada Ltd., Verso's restaurant solutions subsidiaries.

The consummation of the transaction is subject to negotiation and execution of a definitive agreement and customary closing conditions. Verso anticipates that the transaction will close by year-end.

Verso also announced that it had terminated a previously announced definitive agreement with the senior management team of Squirrel Systems to sell its restaurant solutions business. The terms of the agreement permitted Verso to terminate the transaction if it had not closed by November 30th.

Separately, in connection with the sale of the company's lodging and international businesses, Verso announced that to date, it has closed on the sale of the domestic lodging business and five of the international transactions for proceeds of \$8.9 million. The company anticipates the final three international transactions will close this week for the remaining \$1.1 million in proceeds.

Steve Odom, chief executive officer of Verso, commented, "We are committed to completing the divestiture of our non-strategic hospitality businesses by year end, if possible. We did not believe that the transaction with Squirrel's senior management was going to close in that time frame, so we took the action necessary to give us a better opportunity to achieve our goal." Odom continued, "We have already closed the sale of our domestic lodging business and most of the international hospitality businesses. Our solid balance sheet and the cash generated from the divestiture of our non-core businesses puts us in a good position to aggressively grow our core business."

Please see related press releases dated October 19, 2000 and October 27, 2000.

### About Verso

Headquartered in Atlanta, Georgia, Verso Technologies, Inc. is a full service provider (FSP) of application and outsourced IT solutions that seek to add value for clients by giving them the edge they need to stay competitive. Verso's full service solutions include eBusiness consulting, web design and development, application hosting, application and network integration, enterprise management services and outsourced customer resource center services. Based on each client's needs, Verso plans, builds and runs personalized business solutions that seek to improve profitability, efficiency, speed and/or customer service capabilities. Verso can be reached at [www.verso.com](http://www.verso.com) or by calling 678.589.3500.

### Forward Looking Statements:

Certain statements contained in this release that are not statements of historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "anticipate," "intend," "will" and similar expressions are examples of words that identify forward-looking statements. Forward-looking statements include, without limitation, statements regarding the divestiture of the restaurant solutions business and our future financial position, business strategy and expected cost savings. These forward-looking statements are based on our current beliefs, as well as assumptions we have made based upon information currently available to us. As such, actual results may differ materially from those expressed or implied by such statements. The factors that may affect the actual results include our ability to successfully divest the restaurant solutions business and other risks and uncertainties included in our filings with the Securities and Exchange Commission.

**CONTACT:** Verso Technologies, Inc.  
Gordon Murray, 678/589-3563

Gordon.Murray@verso.com

or

Investor Relations

Jennifer Pepper, 678/589-3579

Jennifer.Pepper@verso.com