



**Guidance Software, Inc.****GUID** NASDAQ

IT Services / Consulting

Market Capitalization USD:

\$165.90 mm**CONCERN LEVEL: LOW**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance. 
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Victor Limongelli**Age: 45****CEO Since: 2007**

	2009	2010	2011
Base Salary	\$350,000	\$350,000	\$381,875
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$87,500	\$323,750	\$493,750
Benefits and Perquisites	\$8,250	\$4,813	\$13,801
TOTAL ANNUAL COMPENSATION	\$445,750	\$678,563	\$889,426
Increase in Post-Retirement Benefits	\$0	\$0	\$0
Stock Option Awards	\$221,000	\$280,000	\$0
Stock Awards	\$0	\$208,800	\$632,079
TOTAL COMPENSATION	\$666,750	\$1,167,363	\$1,521,505
Median of Other Named Executive Officers Total Compensation	\$373,046	\$597,053	\$626,740
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$8,226	\$10,318	\$687,457
TOTAL REALIZED EQUITY COMPENSATION	\$8,226	\$10,318	\$687,457

Proxy Date: 23 Mar 2012

Annual Meeting Date: 9 May 2012

Equity Reserves:

Stock Option Run Rate: 0.74%

Guidance Software, Inc.

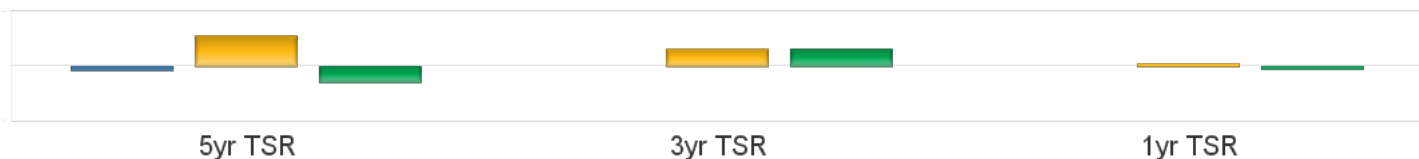
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Performance Comparison

■ S&P500 ■ Industry ■ GUID



Peer Comparisons (TRBC) =IT Services / Consulting

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
GUID	Guidance Software, Inc.	\$666,750	\$1,167,363	\$1,521,505	\$165,897,380
SONE	S1 Corporation	\$2,400,013	\$1,339,720		\$495,336,862
NTCT	NetScout Systems, Inc.	\$1,392,597	\$786,318		\$488,215,723
EPIQ	EPIQ Systems, Inc.	\$3,067,013	\$3,909,508		\$447,331,650
CSGS	CSG Systems International, Inc.	\$2,534,828	\$2,880,092		\$437,280,218
TYPE	Monotype Imaging Holdings Inc.	\$806,789	\$1,382,126		\$436,714,324
PROJ	Deltek, Inc.	\$1,575,371	\$4,075,780		\$416,364,007

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Accelrys, Inc., Actuate Corp., American Software, Inc., ArcSight, Callidus Software, Inc., Chordiant Software, Inc., Computer Programs & Systems, Inc., Double-Take Software, Inc., Echelon Corp., Entrust, Inc., FalconStor Software, Inc., Interactive Intelligence, Inc., OPNET Technologies, Inc., Pervasive Software, Inc., Phoenix Technologies, Inc., Smith Micro Software, Inc., Sourcefire, Inc., The Unica Corporation, VASCO Data Security International

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Robert G. Van Schoonenberg	Chairman	65	Male	4	Outside
Jeff Lawrence	Member	54	Male	4	Outside
Stephen C. Richards	Member	58	Male	4	Outside

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