

CyberSource Corporation
Consolidated Statements of Operations
(In thousands, except per share data)
(Unaudited)

	Three Months Ended March 31,	
	2003	2002
Revenues:		
Transaction and support	\$ 5,144	\$ 5,054
Enterprise software	941	1,009
Professional services	288	748
Total revenues	<u>6,373</u>	<u>6,811</u>
Cost of revenues:		
Transaction and support	2,096	2,694
Enterprise software	132	109
Professional services	187	441
Total cost of revenues	<u>2,415</u>	<u>3,244</u>
Gross profit	3,958	3,567
Operating expenses:		
Product development	1,871	2,315
Sales and marketing	2,941	3,776
General and administrative	1,391	1,674
Total operating expense	<u>6,203</u>	<u>7,765</u>
Loss from operations	(2,245)	(4,198)
Loss on investment in joint venture	(43)	(89)
Interest income, net	196	331
Net loss	<u>\$ (2,092)</u>	<u>\$ (3,956)</u>
Basic and diluted net loss per share	<u>\$ (0.06)</u>	<u>\$ (0.12)</u>
Weighted average number of shares used in computing basic and diluted net loss per share	<u>32,769</u>	<u>32,930</u>

CyberSource Corporation
Consolidated Balance Sheets
(In thousands)
(Unaudited)

	<u>March 31,</u> <u>2003</u>	<u>December 31,</u> <u>2002</u>
Assets		
Current assets:		
Cash, cash equivalents and short-term investments	\$ 47,441	\$ 49,275
Accounts receivable, net	3,368	4,066
Prepaid expenses and other current assets	2,264	1,950
Total current assets	53,073	55,291
Property and equipment, net	4,244	5,416
Other noncurrent assets	1,057	1,100
Total assets	\$ 58,374	\$ 61,807
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 316	\$ 461
Other accrued liabilities	9,227	10,085
Deferred revenue	1,647	1,875
Current obligations under capital leases	--	18
Total current liabilities	11,190	12,439
Total stockholders' equity	47,184	49,368
Total liabilities and stockholders' equity	\$ 58,374	\$ 61,807