

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

	<b>Three Months Ended March 31,</b>	
	<b>2004</b>	<b>2003</b>
Revenues:		
Transaction and support	\$ 6,473	\$ 5,144
Enterprise software	875	941
Professional services	1,128	288
Total revenues	<u>8,476</u>	<u>6,373</u>
Cost of revenues:		
Transaction and support	1,875	2,096
Enterprise software	97	132
Professional services	479	187
Total cost of revenues	<u>2,451</u>	<u>2,415</u>
Gross profit	6,025	3,958
Operating expenses:		
Product development	1,690	1,871
Sales and marketing	2,488	2,941
General and administrative	1,363	1,391
Total operating expense	<u>5,541</u>	<u>6,203</u>
Income (loss) from operations	484	(2,245)
Loss on investment in joint venture	-	(43)
Interest income, net	165	196
Income (loss) before income taxes	<u>649</u>	<u>(2,092)</u>
Income tax provision	19	-
Net income (loss)	<u>\$ 630</u>	<u>\$ (2,092)</u>
Basic net income (loss) per share	<u>\$ 0.02</u>	<u>\$ (0.06)</u>
Diluted net income (loss) per share	<u>\$ 0.02</u>	<u>\$ (0.06)</u>
Weighted average number of shares used in computing basic net income (loss) per share	<u>33,231</u>	<u>32,769</u>
Weighted average number of shares used in computing diluted net income (loss) per share	<u>35,554</u>	<u>32,769</u>

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

	<u>March 31, 2004</u>	<u>December 31, 2003</u>
<b>Assets</b>		
Current assets:		
Cash, cash equivalents and short-term investments	\$ 45,200	\$ 44,361
Accounts receivable, net	4,965	4,828
Prepaid expenses and other current assets	2,365	3,052
Total current assets	<u>52,530</u>	<u>52,241</u>
Property and equipment, net	2,194	2,195
Other noncurrent assets	371	371
Total assets	<u>\$ 55,095</u>	<u>\$ 54,807</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 249	\$ 500
Other accrued liabilities	7,996	8,279
Deferred revenue	1,806	1,833
Total current liabilities	<u>10,051</u>	<u>10,612</u>
Total stockholders' equity	<u>45,044</u>	<u>44,195</u>
Total liabilities and stockholders' equity	<u>\$ 55,095</u>	<u>\$ 54,807</u>