

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

	<b>Three Months Ended December 31,</b>		<b>Year Ended December 31,</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
Revenues:				
Transaction and support	\$ 6,054	\$ 5,127	\$ 21,654	\$ 20,029
Enterprise software	845	1,365	3,867	4,382
Professional services	780	886	1,982	3,613
Total revenues	<u>7,679</u>	<u>7,378</u>	<u>27,503</u>	<u>28,024</u>
Cost of revenues:				
Transaction and support	1,777	2,145	7,858	9,597
Enterprise software	95	132	484	517
Professional services	354	470	951	1,870
Total cost of revenues	<u>2,226</u>	<u>2,747</u>	<u>9,293</u>	<u>11,984</u>
Gross profit	5,453	4,631	18,210	16,040
Operating expenses:				
Product development	1,737	1,815	7,529	8,078
Sales and marketing	2,377	2,925	11,164	13,143
General and administrative	1,059	1,392	4,942	5,856
Restructuring charge	322	2,351	467	2,473
Total operating expense	<u>5,495</u>	<u>8,483</u>	<u>24,102</u>	<u>29,550</u>
Loss from operations	(42)	(3,852)	(5,892)	(13,510)
Loss on investment in joint venture	-	-	(175)	(162)
Interest income, net	98	244	625	1,158
Net income (loss)	<u>\$ 56</u>	<u>\$ (3,608)</u>	<u>\$ (5,442)</u>	<u>\$ (12,514)</u>
Basic net income (loss) per share	<u>\$ 0.00</u>	<u>\$ (0.11)</u>	<u>\$ (0.17)</u>	<u>\$ (0.38)</u>
Diluted net income (loss) per share	<u>\$ 0.00</u>	<u>\$ (0.11)</u>	<u>\$ (0.17)</u>	<u>\$ (0.38)</u>
Weighted average number of shares used in computing basic net income (loss) per share	<u>33,079</u>	<u>32,766</u>	<u>32,860</u>	<u>32,900</u>
Weighted average number of shares used in computing diluted net income (loss) per share	<u>34,779</u>	<u>32,766</u>	<u>32,860</u>	<u>32,900</u>

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

	<u>December 31, 2003</u>	<u>December 31, 2002</u>
<b>Assets</b>		
Current assets:		
Cash, cash equivalents and short-term investments	\$ 44,361	\$ 49,275
Accounts receivable, net	4,828	4,066
Prepaid expenses and other current assets	3,052	1,950
Total current assets	<u>52,241</u>	<u>55,291</u>
Property and equipment, net	2,195	5,416
Other noncurrent assets	371	1,100
Total assets	<u>\$ 54,807</u>	<u>\$ 61,807</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 500	\$ 461
Other accrued liabilities	8,279	10,085
Deferred revenue	1,833	1,875
Current obligations under capital leases	--	18
Total current liabilities	<u>10,612</u>	<u>12,439</u>
Total stockholders' equity	44,195	49,368
Total liabilities and stockholders' equity	<u>\$ 54,807</u>	<u>\$ 61,807</u>