

Consolidated Summary of Results
(Unaudited)

	Three months ended March 31,		Nine months ended March 31,	
	1996	1995	1996	1995
	(amounts in thousands, except per share data)			
Revenues:				
Online service revenues	\$ 285,481	\$ 95,391	\$ 688,485	\$ 211,045
Other revenues	<u>26,859</u>	<u>13,713</u>	<u>70,902</u>	<u>31,390</u>
Total revenues	312,340	109,104	759,387	242,435
Costs and expenses:				
Cost of revenues	183,644	66,526	448,649	142,290
Marketing	56,789	20,234	145,871	47,856
Product development	15,398	3,313	35,308	8,664
General and administrative	29,973	11,421	74,439	24,910
Acquired research and development	-	7,550	16,981	50,335
Amortization of goodwill	<u>1,816</u>	<u>551</u>	<u>5,228</u>	<u>551</u>
Total costs and expenses	287,620	109,595	726,476	274,606
Income (loss) from operations	24,720	(491)	32,911	(32,171)
Other income	<u>1,280</u>	<u>829</u>	<u>3,572</u>	<u>2,301</u>
Merger expenses	(848)	-	(848)	(1,710)
Income (loss) before provision for income taxes	25,152	338	35,635	(31,580)
Provision for income taxes	<u>(10,025)</u>	<u>(3,634)</u>	<u>(21,885)</u>	<u>(9,977)</u>
Net income (loss)	<u>\$ 15,127</u>	<u>\$ (3,296)</u>	<u>\$ 13,750</u>	<u>\$ (41,557)</u>
Earnings (loss) per share	\$ 0.14	\$ (0.05)	\$ 0.13	\$ (0.62)
Weighted average shares outstanding	111,232	71,016	108,346	67,529

(more)

Consolidated Condensed Balance Sheets

(Unaudited)

(Amounts in thousands)

	<u>March 31,</u> <u>1996</u>	<u>June 30,</u> <u>1995</u>
ASSETS		
Current assets:		
Cash, cash equivalents and short-term investments	\$ 129,332	\$ 64,549
Accounts receivable	58,129	43,557
Prepaid expenses and other current assets	46,495	25,527
Total current assets	<u>233,956</u>	<u>133,633</u>
Property and equipment at cost, net	91,646	70,919
Other assets:		
Deferred subscriber acquisition costs, net	277,615	77,229
Product development costs, net	37,022	18,949
Deferred income taxes	118,432	35,627
Goodwill, net	53,554	54,356
Other	31,069	14,700
	<u>\$ 843,294</u>	<u>\$ 405,413</u>
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 136,407	\$ 84,640
Other accrued expenses and liabilities	91,723	26,372
Deferred revenue	33,527	20,021
Current portion of debt and capital lease obligations	1,735	2,329
Total current liabilities	<u>263,392</u>	<u>133,362</u>
Long-term liabilities:		
Debt and capital lease obligations	21,159	19,527
Deferred income taxes	118,432	35,627
Other	332	85
Total liabilities	<u>403,315</u>	<u>188,601</u>
Total stockholders' equity	<u>439,979</u>	<u>216,812</u>
	<u>\$ 843,294</u>	<u>\$ 405,413</u>