

Consolidated Statements of Operations

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Years Ended June 30,	2000	2001	2002
<i>(In thousands, except per share data)</i>			
Revenues:			
Software licenses	\$132,843	\$147,448	\$133,913
Service and other	135,250	179,476	186,691
	<u>268,093</u>	<u>326,924</u>	<u>320,604</u>
Expenses:			
Cost of software licenses	9,605	11,856	11,830
Cost of service and other	85,193	114,595	119,972
Selling and marketing	91,863	113,608	115,225
Research and development	51,567	68,913	74,458
General and administrative	24,736	30,643	34,258
Costs related to acquisitions	1,547	—	—
Restructuring and other charges	—	6,969	16,083
Charges for in-process research and development	—	9,915	14,900
	<u>264,511</u>	<u>356,499</u>	<u>386,726</u>
Income (loss) from operations	3,582	(29,575)	(66,122)
Interest income	9,847	10,268	6,768
Interest expense	(5,563)	(5,469)	(5,591)
Write-off of investments	—	(5,000)	(8,923)
Foreign currency exchange loss	(118)	(81)	(1,073)
Income on equity in joint ventures and realized gain on sale of investments	4	750	180
Income (loss) before provision for (benefit from) income taxes	7,752	(29,107)	(74,761)
Provision for (benefit from) income taxes	2,324	(8,732)	2,404
Net income (loss)	5,428	(20,375)	(77,165)
Accretion of preferred stock discount and dividend	—	—	(6,301)
Net income (loss) attributable to common shareholders	<u>\$ 5,428</u>	<u>\$ (20,375)</u>	<u>\$ (83,466)</u>
Net income (loss) attributable to common shareholders per share:			
Diluted	<u>\$ 0.18</u>	<u>\$ (0.68)</u>	<u>\$ (2.58)</u>
Basic	<u>\$ 0.19</u>	<u>\$ (0.68)</u>	<u>\$ (2.58)</u>
Weighted average shares outstanding:			
Diluted	<u>30,785</u>	<u>29,941</u>	<u>32,308</u>
Basic	<u>28,221</u>	<u>29,941</u>	<u>32,308</u>

The accompanying notes are an integral part of these consolidated financial statements.