

**MIVA, Inc.**  
Consolidated Statements of Operations  
(in thousands, except per share data)

	<b>Three Months Ended Dec 31, 2006</b>	<b>Three Months Ended Dec 31, 2005</b>	<b>Twelve Months Ended Dec 31, 2006</b>	<b>Twelve Months Ended Dec 31, 2005</b>
Revenues	\$ 43,503	\$ 42,951	\$ 172,595	\$ 194,616
Cost of services	23,270	21,402	89,165	101,306
Gross profit	20,233	21,549	83,430	93,310
Operating expenses				
Marketing, sales, and service	12,635	10,097	50,141	36,025
General and administrative	10,635	10,301	42,220	38,483
Product development	2,501	3,314	9,409	10,595
Amortization	1,479	2,004	7,383	8,081
Impairment loss on goodwill and other intangible assets	-	-	63,680	123,188
Patent litigation settlement	-	-	-	8,000
Total operating expenses	27,250	25,716	172,833	224,372
Income (loss) from operations	(7,017)	(4,167)	(89,403)	(131,062)
Interest income, net	250	11	823	458
Exchange rate gain (loss)	77	34	151	(119)
Income (loss) before provision for income taxes	(6,690)	(4,122)	(88,429)	(130,723)
Income tax expense (benefit)	(452)	540	(803)	(556)
Net loss	\$ (6,238)	\$ (4,662)	\$ (87,626)	\$ (130,167)
Net income (loss) per share				
Basic	\$ (0.20)	\$ (0.15)	\$ (2.79)	\$ (4.23)
Diluted	\$ (0.20)	\$ (0.15)	\$ (2.79)	\$ (4.23)
Weighted-average number of common shares outstanding				
Basic	31,439	30,992	31,433	30,782
Diluted	31,439	30,992	31,433	30,782

  

	<b>Three Months Ended December 31, 2006 (unaudited)</b>	<b>Three Months Ended September 30, 2006 (unaudited)</b>	<b>Three Months Ended June 30, 2006 (unaudited)</b>	<b>Three Months Ended March 31, 2006 (unaudited)</b>
Revenues	\$ 43,503	\$ 43,258	\$ 41,422	\$ 44,412
Cost of services	23,270	23,050	21,413	21,432
Gross profit	\$ 20,233	\$ 20,208	\$ 20,009	\$ 22,980
Operating expenses				
Marketing, sales, and service	12,635	11,800	13,801	11,905
General and administrative	10,635	8,968	12,178	10,439
Product development	2,501	2,311	2,373	2,224
Amortization	1,479	1,452	2,258	2,194
Impairment loss on goodwill and other intangible assets	-	-	63,680	-
Total operating expenses	\$ 27,250	\$ 24,531	\$ 94,290	\$ 26,762
Income (loss) from operations	(7,017)	(4,323)	(74,281)	(3,782)
Interest income, net	250	200	207	166
Exchange rate gain (loss)	77	(16)	67	23
Income (loss) before provision for income taxes	\$ (6,690)	\$ (4,139)	\$ (74,007)	\$ (3,593)
Income tax expense (benefit)	(452)	448	(1,026)	227
Net loss	\$ (6,238)	\$ (4,587)	\$ (72,981)	\$ (3,820)
Net income (loss) per share				
Basic	\$ (0.20)	\$ (0.15)	\$ (2.29)	\$ (0.12)
Diluted	\$ (0.20)	\$ (0.15)	\$ (2.29)	\$ (0.12)
Weighted-average number of common shares outstanding				
Basic	31,439	31,585	31,830	31,188
Diluted	31,439	31,585	31,830	31,188

**MIVA, Inc.**

Reconciliations to Consolidated Statements of Operations  
(in thousands, except per share data)

Additional information:

	Three Months Ended December 31, 2006 (unaudited)	Three Months Ended December 31, 2005 (unaudited)	Twelve Months Ended December 31, 2006 (unaudited)	Twelve Months Ended December 31, 2005 (unaudited)
Adjusted EBITDA	\$ (4,159)	\$ 37	\$ (14,563)	\$ 14,328
Adjusted net income (loss)	\$ (3,849)	\$ (1,923)	\$ (22,244)	\$ 3,492
Adjusted net income (loss) per share	\$ (0.12)	\$ (0.06)	\$ (0.71)	\$ 0.11

Additional information:

	Three Months Ended December 31, 2006 (unaudited)	Three Months Ended September 30, 2006 (unaudited)	Three Months Ended June 30, 2006 (unaudited)	Three Months Ended March 31, 2006 (unaudited)
Adjusted EBITDA	\$ (4,159)	\$ (2,302)	\$ (6,951)	\$ (1,151)
Adjusted net income (loss)	\$ (3,849)	\$ (3,919)	\$ (11,931)	\$ (2,545)
Adjusted net income (loss) per share	\$ (0.12)	\$ (0.12)	\$ (0.37)	\$ (0.08)

Reconciliation of Net Income (Loss) to Adjusted EBITDA

	Three Months Ended December 31, 2006 (unaudited)	Three Months Ended December 31, 2005 (unaudited)	Twelve Months Ended December 31, 2006 (unaudited)	Twelve Months Ended December 31, 2005 (unaudited)
Net income (loss)	\$ (6,238)	\$ (4,662)	\$ (87,626)	\$ (130,167)
Interest income, net and exchange rate gain/(loss)	(327)	(45)	(974)	(339)
Taxes	(452)	540	(803)	(556)
Depreciation	1,379	1,381	5,471	5,302
Amortization	1,479	2,004	7,383	8,081
EBITDA	(4,159)	(782)	(76,549)	(117,679)
Impairment loss on goodwill and other intangible assets	-	-	63,680	123,188
Patent litigation	-	-	-	8,000
Gain on lease termination	-	-	(910)	-
European business tax issues	-	819	-	819
Non-cash European business tax reimbursements	-	-	(784)	-
Adjusted EBITDA	\$ (4,159)	\$ 37	\$ (14,563)	\$ 14,328

Reconciliation of Net Income (Loss) to Adjusted EBITDA

	Three Months Ended December 31, 2006 (unaudited)	Three Months Ended September 30, 2006 (unaudited)	Three Months Ended June 30, 2006 (unaudited)	Three Months Ended March 31, 2006 (unaudited)
Net income (loss)	\$ (6,238)	\$ (4,587)	\$ (72,981)	\$ (3,820)
Interest income, net and exchange rate gain	(327)	(184)	(274)	(189)
Taxes	(452)	448	(1,026)	227
Depreciation	1,379	1,353	1,392	1,347
Amortization	1,479	1,452	2,258	2,194
EBITDA	(4,159)	(1,518)	(70,631)	(241)
Impairment loss on goodwill and other intangible assets	-	-	63,680	-
Gain on lease termination	-	-	-	(910)
Non-cash European business tax reimbursements	-	(784)	-	-
Adjusted EBITDA	\$ (4,159)	\$ (2,302)	\$ (6,951)	\$ (1,151)

Reconciliation of Net Income (Loss) to Adjusted Net Income (Loss)

	Three Months Ended December 31, 2006 (unaudited)	Three Months Ended December 31, 2005 (unaudited)	Twelve Months Ended December 31, 2006 (unaudited)	Twelve Months Ended December 31, 2005 (unaudited)
Net income (loss)	\$ (6,238)	\$ (4,662)	\$ (87,626)	\$ (130,167)
Impairment loss on goodwill and other intangible assets	-	-	63,680	123,188
Amortization	1,479	2,004	7,383	8,081
Patent litigation	-	-	-	8,000
Gain on lease termination	-	-	(910)	-
Non-cash European business tax reimbursements	-	819	(784)	819
Tax effect of above adjustments	-	(1,374)	(4,897)	(7,719)
Tax expense related to utilization of net operating losses of acquired entities	910	1,290	910	1,290
Adjusted net income (loss)	\$ (3,849)	\$ (1,923)	\$ (22,244)	\$ 3,492
Adjusted net income (loss) per share	\$ (0.12)	\$ (0.06)	\$ (0.71)	\$ 0.11
Shares used in per share calculation - basic / diluted (*)	31,439	30,992	31,433	32,585 *

Reconciliation of Net Income (Loss) to Adjusted Net Income (Loss)

	Three Months Ended December 31, 2006 (unaudited)	Three Months Ended September 30, 2006 (unaudited)	Three Months Ended June 30, 2006 (unaudited)	Three Months Ended March 31, 2006 (unaudited)
Net income (loss)	\$ (6,238)	\$ (4,587)	\$ (72,981)	\$ (3,820)
Impairment loss on goodwill and other intangible assets	-	-	63,680	-
Amortization	1,479	1,452	2,258	2,194
Gain on lease termination	-	-	-	(910)
Non-cash European business tax reimbursements	-	(784)	-	-
Tax effect of above adjustments	-	-	(4,888)	(9)
Tax expense related to utilization of net operating losses of acquired entities	910	-	-	-
Adjusted net income (loss)	\$ (3,849)	\$ (3,919)	\$ (11,931)	\$ (2,545)
Adjusted net income (loss) per share	\$ (0.12)	\$ (0.12)	\$ (0.37)	\$ (0.08)
Shares used in per share calculation - basic	31,439	31,585	31,830	31,188

**MIVA, Inc.**  
Condensed Consolidated Balance Sheets  
(in thousands, except par value)

	<b>December 31, 2006</b>	<b>December 31, 2005</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash, cash equivalents & short-term investments	\$ 29,588	\$ 38,436
Accounts receivable, less allowance for doubtful accounts of \$1,299 and \$1,904 at December 31, 2006 and 2005, respectively	20,654	22,387
Deferred tax assets	60	1,140
Income tax receivable	1,471	7,105
Prepaid expenses and other current assets	<u>1,634</u>	<u>1,263</u>
Total current assets	53,407	70,331
<b>PROPERTY AND EQUIPMENT - NET</b>	15,446	17,019
<b>INTANGIBLE ASSETS</b>		
Goodwill	28,566	75,659
Vendor Agreements, net	1,704	13,871
Other intangible assets, net	6,098	9,300
<b>DEFERRED TAX ASSETS - NET</b>	-	3,553
<b>OTHER ASSETS</b>	<u>1,081</u>	<u>1,059</u>
Total assets	<u>\$ 106,302</u>	<u>\$ 190,792</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 14,829	\$ 14,088
Accrued expenses	15,599	19,223
Deferred revenue	3,210	3,469
Current portion of long-term debt	1,360	1,240
Other current liabilities	<u>-</u>	<u>831</u>
Total current liabilities	\$ 34,998	\$ 38,851
<b>DEFERRED TAX LIABILITIES</b>	-	3,636
<b>LONG-TERM DEBT</b>	-	1,360
<b>OTHER LONG-TERM LIABILITIES</b>	<u>395</u>	<u>432</u>
Total liabilities	<u>\$ 35,393</u>	<u>\$ 44,279</u>
<b>STOCKHOLDERS' EQUITY</b>		
Preferred stock, \$.001 par value; authorized, 500 shares; none issued and outstanding	-	-
Common stock, \$.001 par value; authorized, 200,000 shares; issued 32,805 and 31,099, respectively; outstanding 31,512 and 31,001, respectively	33	31
Additional paid-in capital	259,353	250,465
Treasury stock; 1,293 and 98 shares at cost, respectively	(4,744)	(1,093)
Accumulated other comprehensive income	5,548	(1,235)
Deficit	<u>(189,281)</u>	<u>(101,655)</u>
Total stockholders' equity	<u>70,909</u>	<u>146,513</u>
Total liabilities and stockholders' equity	<u>\$ 106,302</u>	<u>\$ 190,792</u>