

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

	Three Months Ended Dec 31, 2007	Three Months Ended Dec 31, 2006	Twelve Months Ended Dec 31, 2007	Twelve Months Ended Dec 31, 2006
Revenues	\$ 34,639	\$ 43,067	\$ 152,870	\$ 170,798
Cost of services	16,516	23,212	72,758	89,025
Gross profit	18,123	19,855	80,112	81,773
Operating expenses				
Marketing, sales, and services	11,520	12,279	48,490	48,761
General and administrative	9,403	10,500	33,584	41,540
Product development	1,224	2,323	5,914	8,548
Amortization	1,171	1,478	4,828	6,984
Impairment loss	4,684	-	20,134	63,680
Litigation settlement	1,312	-	1,312	-
Restructuring charges	(219)	-	2,819	-
Total operating expenses	29,095	26,580	117,081	169,513
Loss from operations	(10,972)	(6,725)	(36,969)	(87,740)
Interest income, net	200	250	581	823
Exchange rate gain (loss)	(362)	77	151	151
Loss before provision for income taxes	(11,134)	(6,398)	(36,237)	(86,766)
Income tax expense (benefit)	324	(451)	557	(1,790)
Net loss from continuing operations	\$ (11,458)	\$ (5,947)	\$ (36,794)	\$ (84,976)
Income (loss) from discontinued operations	(2)	(291)	259	(2,650)
Net Loss	<u>\$ (11,460)</u>	<u>\$ (6,238)</u>	<u>\$ (36,535)</u>	<u>\$ (87,626)</u>
Basic Earnings (loss) per share				
Continuing operations	<u>\$ (0.36)</u>	<u>\$ (0.20)</u>	<u>\$ (1.15)</u>	<u>\$ (2.71)</u>
Discontinued operations	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>	<u>\$ 0.01</u>	<u>\$ (0.08)</u>
Diluted Earnings (loss) per share				
Continuing operations	<u>\$ (0.36)</u>	<u>\$ (0.20)</u>	<u>\$ (1.15)</u>	<u>\$ (2.71)</u>
Discontinued operations	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>	<u>\$ 0.01</u>	<u>\$ (0.08)</u>
Weighted-average number of common shares outstanding				
Basic	<u>32,238</u>	<u>31,934</u>	<u>31,935</u>	<u>31,433</u>
Diluted	<u>32,238</u>	<u>31,934</u>	<u>31,935</u>	<u>31,433</u>
	Three Months Ended December 31, 2007	Three Months Ended September 30, 2007	Three Months Ended June 30, 2007	Three Months Ended March 31, 2007
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenues	\$ 34,639	\$ 36,370	\$ 39,174	\$ 42,687
Cost of services	16,516	17,150	18,774	20,318
Gross profit	\$ 18,123	\$ 19,220	\$ 20,400	\$ 22,369
Operating expenses				
Marketing, sales, and service	11,520	11,300	13,028	12,642
General and administrative	9,403	7,937	7,218	9,025
Product development	1,224	1,396	1,570	1,725
Amortization	1,171	1,196	1,227	1,234
Impairment loss	4,684	1,444	14,006	-
Litigation settlement	1,312	-	-	-
Restructuring charges	(219)	-	22	3,016
Total operating expenses	<u>\$ 29,095</u>	<u>\$ 23,273</u>	<u>\$ 37,071</u>	<u>\$ 27,642</u>
Loss from operations	(10,972)	(4,053)	(16,671)	(5,273)
Interest income, net	200	170	53	158
Exchange rate gain (loss)	(362)	265	195	53
Loss before provision for income taxes	\$ (11,134)	\$ (3,618)	\$ (16,423)	\$ (5,062)
Income tax expense (benefit)	324	85	(36)	184
Net loss from continuing operations	\$ (11,458)	\$ (3,703)	\$ (16,387)	\$ (5,246)
Income (loss) from discontinued operations	(2)	387	(50)	(76)
Net Loss	<u>(11,460)</u>	<u>(3,316)</u>	<u>(16,437)</u>	<u>(5,322)</u>
Basic Earnings (loss) per share				
Continuing operations	<u>\$ (0.36)</u>	<u>\$ (0.11)</u>	<u>\$ (0.52)</u>	<u>\$ (0.17)</u>
Discontinued operations	<u>\$ 0.01</u>	<u>\$ 0.01</u>	<u>\$ (0.00)</u>	<u>\$ 0.01</u>
Diluted Earnings (loss) per share				
Continuing operations	<u>\$ (0.36)</u>	<u>\$ (0.11)</u>	<u>\$ (0.52)</u>	<u>\$ (0.17)</u>
Discontinued operations	<u>\$ 0.01</u>	<u>\$ 0.01</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted-average number of common shares outstanding				
Basic	<u>32,238</u>	<u>32,219</u>	<u>31,765</u>	<u>31,526</u>
Diluted	<u>32,238</u>	<u>32,219</u>	<u>31,765</u>	<u>31,526</u>

MIVA, Inc.

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

<i>Additional information:</i>	Three Months Ended December 31, 2007	Three Months Ended December 31, 2006	Twelve Months Ended December 31, 2007	Twelve Months Ended December 31, 2006
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Adjusted EBITDA	\$ (2,884)	\$ (2,505)	\$ 518	\$ (5,998)
Adjusted net loss	\$ (4,272)	\$ (2,214)	\$ (3,893)	\$ (12,692)
Adjusted net loss per share	\$ (0.13)	\$ (0.07)	\$ (0.12)	\$ (0.40)

<i>Additional information:</i>	Three Months Ended December 31, 2007	Three Months Ended September 30, 2007	Three Months Ended June 30, 2007	Three Months Ended March 31, 2007
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Adjusted EBITDA	\$ (2,884)	\$ 753	\$ 1,007	\$ 1,642
Adjusted net income (loss)	\$ (4,272)	\$ (41)	\$ 55	\$ 365
Adjusted net income (loss) per share	\$ (0.13)	\$ (0.00)	\$ 0.00	\$ 0.01

<i>Reconciliation of Net Loss to Adjusted EBITDA</i>	Three Months Ended December 31, 2007	Three Months Ended December 31, 2006	Twelve Months Ended December 31, 2007	Twelve Months Ended December 31, 2006
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net loss from continuing operations	\$ (11,458)	\$ (5,947)	\$ (36,794)	\$ (84,976)
Interest income, net and exchange rate gain/(loss)	162	(327)	(732)	(974)
Taxes	324	(451)	557	(1,790)
Depreciation	902	1,397	4,586	5,471
Amortization	1,171	1,478	4,828	6,984
EBITDA	(8,899)	(3,850)	(27,555)	(75,285)
Impairment loss	4,684	-	20,134	63,680
Non-cash compensation charge	238	1,345	3,808	7,301
Lane's Gift litigation	1,312	-	1,312	-
Restructuring charges	(219)	-	2,819	-
Gain on lease termination	-	-	-	(910)
Non-cash European business tax reimbursements	-	-	-	(784)
Adjusted EBITDA	\$ (2,884)	\$ (2,505)	\$ 518	\$ (5,998)

	Three Months Ended December 31, 2007	Three Months Ended September 30, 2007	Three Months Ended June 30, 2007	Three Months Ended March 31, 2007
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<i>Reconciliation of Net Income (Loss) to Adjusted EBITDA</i>				
Net loss from continuing operations	\$ (11,458)	\$ (3,703)	\$ (16,387)	\$ (5,246)
Interest income, net and exchange rate gain	162	(435)	(248)	(211)
Taxes	324	85	(36)	184
Depreciation	902	1,144	1,236	1,304
Amortization	1,171	1,196	1,227	1,234
EBITDA	(8,899)	(1,713)	(14,208)	(2,735)
Impairment loss	4,684	1,444	14,006	-
Non-cash compensation charge	238	1,022	1,187	1,361
Lane's Gift litigation	1,312	-	-	-
Restructuring charges	(219)	-	22	3,016
Adjusted EBITDA	<u>\$ (2,884)</u>	<u>\$ 753</u>	<u>\$ 1,007</u>	<u>\$ 1,642</u>

	Three Months Ended December 31, 2007	Three Months Ended December 31, 2006	Twelve Months Ended December 31, 2007	Twelve Months Ended December 31, 2006
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<i>Reconciliation of Net Loss to Adjusted Net Loss</i>				
Net loss from continuing operations	\$ (11,458)	\$ (5,947)	\$ (36,794)	\$ (84,976)
Impairment loss on goodwill and other intangible assets	4,684	-	20,134	63,680
Amortization	1,171	1,478	4,828	6,984
Non cash compensation charges	238	1,345	3,808	7,301
Lane's Gift litigation	1,312	-	1,312	-
Gain on lease termination	-	-	-	(910)
Non-cash European business tax reimbursements	-	-	-	(784)
Tax expense related to utilization of NOL's of acquired entities	-	910	-	910
Tax effect of above adjustments	-	-	-	(4,897)
Restructuring charges	(219)	-	2,819	-
Adjusted net loss from continuing operations	<u>\$ (4,272)</u>	<u>\$ (2,214)</u>	<u>\$ (3,893)</u>	<u>\$ (12,692)</u>
Adjusted net loss per share	\$ (0.13)	(0.07)	\$ (0.12)	(0.40)
Shares used in per share calculation - basic	32,238	31,934	31,935	31,433

	Three Months Ended December 31, 2007	Three Months Ended September 30, 2007	Three Months Ended June 30, 2007	Three Months Ended March 31, 2007
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<i>Reconciliation of Net Income (Loss) to Adjusted Net Income (Loss)</i>				
Net loss from continuing operations	\$ (11,458)	\$ (3,703)	\$ (16,387)	\$ (5,246)
Impairment loss on goodwill and other intangible assets	4,684	1,444	14,006	-
Amortization	1,171	1,196	1,227	1,234
Lane's Gift litigation	1,312	-	-	-
Non cash compensation charges	238	1,022	1,187	1,361
Restructuring charges	(219)	-	22	3,016
Adjusted net income (loss) from continuing operations	<u>\$ (4,272)</u>	<u>\$ (41)</u>	<u>\$ 55</u>	<u>\$ 365</u>
Adjusted net income (loss) per share from continuing operations	\$ (0.13)	\$ (0.00)	\$ 0.00	\$ 0.01
Shares used in per share calculation - basic	32,238	32,219	31,765	31,526

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

ASSETS	December 31, 2007	December 31, 2006
CURRENT ASSETS		
Cash and cash equivalents	\$ 29,905	\$ 29,588
Accounts receivable, less allowance for doubtful accounts of \$723 and \$1,299, respectively	14,421	20,654
Deferred tax assets	751	60
Income tax receivable	-	1,471
Prepaid expenses and other current assets	<u>2,027</u>	<u>1,634</u>
Total current assets	47,104	53,407
PROPERTY AND EQUIPMENT - NET	2,745	15,446
INTANGIBLE ASSETS		
Goodwill	14,743	28,566
Vendor Agreements, net	1,318	1,704
Other intangible assets, net	4,038	6,098
OTHER ASSETS	<u>1,109</u>	<u>1,081</u>
Total assets	<u><u>\$ 71,057</u></u>	<u><u>\$ 106,302</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 11,957	\$ 14,829
Accrued expenses	14,844	15,599
Deferred revenue	3,427	3,210
Current portion of long-term debt	<u>-</u>	<u>1,360</u>
Total current liabilities	\$ 30,228	\$ 34,998
Deferred tax liabilities long-term	751	-
Other long-term liabilities	<u>1,237</u>	<u>395</u>
Total liabilities	<u><u>\$ 32,216</u></u>	<u><u>\$ 35,393</u></u>
STOCKHOLDERS' EQUITY		
Preferred stock, \$.001 par value; authorized, 500 shares; none issued and outstanding	-	-
Common stock, \$.001 par value; authorized, 200,000 shares; issued 33,934 and 32,805, respectively; outstanding 32,204 and 31,512, respectively	34	33
Additional paid-in capital	265,721	259,353
Treasury stock; 1,730 and 1,293 shares at cost, respectively	(6,694)	(4,744)
Accumulated other comprehensive income	6,294	5,548
Deficit	<u>(226,514)</u>	<u>(189,281)</u>
Total stockholders' equity	<u>38,841</u>	<u>70,909</u>
Total liabilities and stockholders' equity	<u><u>\$ 71,057</u></u>	<u><u>\$ 106,302</u></u>