

RealNetworks, Inc. and Subsidiaries
Consolidated Statement of Operations Data

(in thousands, except per share data)

	Years ended December 31,				
	2005	2004	2003	2002	2001
Net revenue	\$325,059	\$266,719	\$202,377	\$182,679	\$188,905
Cost of revenue	98,249	97,145	68,343	50,269	38,188
Gross Profit	226,810	169,574	134,034	132,410	150,717
Operating expenses:					
Research & development	70,631	51,607	46,763	48,186	55,904
Sales & marketing	130,515	96,779	77,335	73,928	73,129
General & administrative	50,669	31,302	21,007	19,820	20,554
Loss on excess office facilities	-	866	7,098	17,207	22,208
Personnel reduction and related charges	-	-	-	3,595	3,613
Goodwill amortization, acquisition charges, and stock based compensation (A)	128	695	1,120	1,328	40,633
Subtotal operating expenses	251,943	181,249	153,323	164,064	216,041
Antitrust litigation expenses (benefit), net	(422,500)	11,048	1,574	-	-
Total operating expense (benefit)	(170,557)	192,297	154,897	164,064	216,041
Operating income (loss)	397,367	(22,723)	(20,863)	(31,654)	(65,324)
Other income (expense), net	32,176	248	(444)	(727)	(13,497)
Net income (loss) before income taxes	429,543	(22,475)	(21,307)	(32,381)	(78,821)
Income tax (provision) benefit	(117,198)	(522)	(144)	(5,972)	4,058
Net income (loss)	\$312,345	(\$22,997)	(\$21,451)	(\$38,353)	(\$74,763)
Basic net income (loss) per share	\$1.84	(\$0.14)	(\$0.13)	(\$0.24)	(\$0.47)
Diluted net income (loss) per share	\$1.70	(\$0.14)	(\$0.13)	(\$0.24)	(\$0.47)
Shares used to compute basic net income (loss) per share	169,986	168,907	160,309	159,365	160,532
Shares used to compute diluted net income income (loss) per share	184,161	168,907	160,309	159,365	160,532