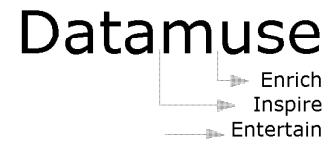


**Datamuse Corporation**  
37 Club Course Drive,  
Hilton Head, SC 29928



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**April 1, 2003**

**To: Datamuse stockholders**

**Subject: Q1 2003 Financial Report**

**Enclosed is the financial report for the first quarter of 2003.**

**Revenue increased to \$38,252, almost triple that of last year's quarter. Net profit increased to \$34,458 compared to \$6,882 last year, which included a \$5000 expense towards the purchase of onelook.com There are currently no receivables or payables due.**

**If there are any questions regarding the financial report, please let me know.**

**An annual meeting of shareholders should be scheduled in the near future.**

**Harvey Beeferman**  
**Chief Financial Officer**

**Profit & Loss Statement**

1/1/03 Through 3/31/03

Category Description	1/1/03- 3/31/03
<b>INCOME</b>	
300-Income:	
310-Royalty Income:	
311-Royalty Lycos	34,636.33
312-Royalty Circa Poetry	2,594.11
315-Valueclick	405.97
	<hr/>
<b>TOTAL 310-Royalty Income</b>	37,636.41
320-Advertising Revenue:	
323-Onelook Ad Revenue	615.66
	<hr/>
<b>TOTAL 320-Advertising Revenue</b>	615.66
	<hr/>
<b>TOTAL 300-Income</b>	38,252.07
	<hr/>
<b>TOTAL INCOME</b>	38,252.07
<b>EXPENSES</b>	
700-EXPENSES:	
710-ADMINISTRATIVE EXPENSES:	
712-Postage & Mailing	64.64
	<hr/>
<b>TOTAL 710-ADMINISTRATIVE EXPENSES</b>	64.64
730-OPERATING EXPENSES:	
731-Auto/Travel	37.50
734-Software	68.19
734 Office Supplies	15.47
735-Computers/Supplies	1,244.19
736-Server Expenses	2,192.07
737-Advertising and Promotion	96.37
738-Taxes & Fees	75.00
	<hr/>
<b>TOTAL 730-OPERATING EXPENSES</b>	3,728.79
	<hr/>
<b>TOTAL 700-EXPENSES</b>	3,793.43
	<hr/>
<b>TOTAL EXPENSES</b>	3,793.43
	<hr/>
<b>TOTAL INCOME - EXPENSES</b>	34,458.64
	<hr/> <hr/>

**Profit & Loss Comparison**

1/1/02 Through 3/31/03

Category Description	1/1/02- 3/31/02	1/1/03- 3/31/03
<b>INCOME</b>		
300-Income:		
310-Royalty Income:		
311-Royalty Lycos	10,901.76	34,636.33
312-Royalty Circa Poetry	2,101.50	2,594.11
315-Valueclick	0.00	405.97
	<hr/>	<hr/>
<b>TOTAL 310-Royalty Income</b>	13,003.26	37,636.41
320-Advertising Revenue:		
322-Brand Fidelity	358.38	0.00
323-Onelook Ad Revenue	0.00	615.66
	<hr/>	<hr/>
<b>TOTAL 320-Advertising Revenue</b>	358.38	615.66
340-Server Income:		
341-Server Income	0.00	0.00
	<hr/>	<hr/>
<b>TOTAL 340-Server Income</b>	0.00	0.00
	<hr/>	<hr/>
<b>TOTAL 300-Income</b>	13,361.64	38,252.07
	<hr/>	<hr/>
<b>TOTAL INCOME</b>	13,361.64	38,252.07
<b>EXPENSES</b>		
700-EXPENSES:		
710-ADMINISTRATIVE EXPENSES:		
712-Postage & Mailing	0.00	64.64
715-Office Supplies	24.34	0.00
716-Dues & Publicaions	0.00	0.00
719-Meeting Expense	0.00	0.00
	<hr/>	<hr/>
<b>TOTAL 710-ADMINISTRATIVE EXPENSES</b>	24.34	64.64
730-OPERATING EXPENSES:		
731-Auto/Travel	0.00	37.50
733-Consulting Fees	0.00	0.00
734-Software	5,050.51	68.19
734 Office Supplies	0.00	15.47
735-Computers/Supplies	0.00	1,244.19
736-Server Expenses	1,592.07	2,192.07
737-Advertising and Promotion	50.00	96.37
738-Taxes & Fees	126.20	75.00
739-Registrations	63.00	0.00
749-Other Operating Expenses	0.00	0.00
	<hr/>	<hr/>
<b>TOTAL 730-OPERATING EXPENSES</b>	6,881.78	3,728.79
	<hr/>	<hr/>
<b>TOTAL 700-EXPENSES</b>	6,906.12	3,793.43
Uncategorized Expenses	0.00	0.00
	<hr/>	<hr/>
<b>TOTAL EXPENSES</b>	6,906.12	3,793.43
	<hr/>	<hr/>
<b>TOTAL INCOME - EXPENSES</b>	6,455.52	34,458.64

**Balance Sheet**

As of 3/31/03

<b>Acct</b>	<b>3/31/03 Balance</b>
<b>ASSETS</b>	
Cash and Bank Accounts	
101-Bank of America	37,426.35
<b>TOTAL Cash and Bank Accounts</b>	<b>37,426.35</b>
Other Assets	
100-ASSETS	0.00
<b>TOTAL Other Assets</b>	<b>0.00</b>
<b>TOTAL ASSETS</b>	<b>37,426.35</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>LIABILITIES</b>	
Other Liabilities	
200-LIABILITIES	0.00
201-Accounts Payable	0.00
205-Loans Payable	0.00
210-Other Liabilities	0.00
<b>TOTAL Other Liabilities</b>	<b>0.00</b>
<b>TOTAL LIABILITIES</b>	<b>0.00</b>
EQUITY	37,426.35
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>37,426.35</b>