



Balance Sheets

(Unaudited)

May 31, 2000 and 1999

	2000	1999 (restated)
Assets		
Current assets		
Cash and cash equivalents	\$ 7,183,153	\$ 1,469,985
Accounts receivable	3,139,512	971,240
Prepaid expenses	359,287	87,243
	10,681,952	2,528,468
Capital assets		
Capital assets	4,695,991	226,527
Deferred development costs	509,289	688,172
Goodwill	4,749,616	-
Future income taxes	739,140	417,992
	\$ 21,375,988	\$ 3,861,159
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 926,052	\$ 219,998
Deferred revenue	2,167,823	1,268,097
	3,093,875	1,488,095
Shareholders' equity		
Share capital	2,769,108	2,664,679
Special warrants	16,415,816	-
Deficit	(902,811)	(291,615)
	18,282,113	2,373,064
	\$ 21,375,988	\$ 3,861,159

Statements of (Loss) Earnings

(Unaudited)

For the six months ended

May 31, 2000 and 1999

	2000	1999 (restated)
Revenue		
Subscription services	\$ 3,436,178	\$ 1,883,005
Other services	30,000	44,867
	3,466,178	1,927,872
Expenses		
Cost of services	1,796,239	545,819
Sales and marketing	1,091,588	477,074
General and administrative	870,697	461,444
Other	146,098	53,138
	3,904,622	1,537,475
(Loss) earnings before amortization, interest, and taxes		
	(438,444)	390,397
Amortization of capital assets		
	(443,583)	(29,959)
Amortization of deferred development costs		
	(141,494)	(161,457)
Amortization of goodwill		
	(279,389)	-
Interest income		
	92,471	19,776
(Loss) earnings before income taxes		
	(1,210,439)	218,757
Income tax expense (recovery)		
	(451,777)	98,441
(Loss) net earnings for the period		
	(758,662)	120,316
Deficit, beginning of period		
	(144,149)	(411,931)
Deficit, end of period		
	\$ (902,811)	\$ (291,615)
(Loss) earnings per share		
	\$ (0.07)	\$ 0.01

Statement of Cash Flows

(Unaudited)

For the six months ended

May 31, 2000 and 1999

	2000	1999 (restated)
Cash flows from operating activities		
(Loss) net earnings for the period	\$ (758,662)	\$ 120,316
Items not affecting cash		
Amortization of capital assets	443,583	29,959
Amortization of deferred development costs	141,494	161,457
Amortization of goodwill	279,389	-
Future income taxes (recovery)	(451,777)	98,441
Changes in operating assets and liabilities	406,184	76,298
	60,211	486,471
Cash flows from investing activities		
Expenditures on capital assets	(107,909)	(120,810)
Asset acquisition (Careerware division)	(11,430,236)	-
Expenditures on deferred development costs	-	(273,147)
	(11,538,145)	(393,957)
Cash flows from financing activities		
Issuance of special warrants	16,415,816	-
Issuance of common shares	58,259	210,050
	16,474,075	210,050
Net cash inflow during the period		
	4,996,141	302,564
Cash and cash equivalents, beginning of period		
	2,187,012	1,167,421
Cash and cash equivalents, end of period		
	\$ 7,183,153	\$ 1,469,985

CEO's MESSAGE

Dear Fellow Shareholder,

We are very pleased to report on the continued progress of Bridges.com Inc. The second quarter of fiscal year 2000 proved to be strategically significant. Efforts were focused on the acquisition and integration of Careerware, and the Special Warrants financing to fund the acquisition.

With the acquisition complete, Bridges.com is the clear market leader in the provision of digital career resources to over 9,000 schools – 25 per cent of the North American market. The company is positioned to continue its strong growth in new sales and high rates of resubscription, while expanding into new direct-to-consumer markets.

Second Quarter Highlights

On March 31 the company acquired Careerware, a business unit of ISM Information Systems Management Corporation (ISM), a wholly owned subsidiary of IBM Canada Limited. Careerware was acquired for \$11,550,563, which included \$1,978,042 in accounts receivable. In 1999, Careerware contributed \$9.2 million in revenues and \$1.6 million in net divisional income to ISM.

On March 30, Bridges.com issued a total of 3,250,000 Special Warrants at a price of \$5.55, for gross proceeds of \$18 million. Each Special Warrant is exercisable, for no additional consideration, into one Unit consisting of one Common Share and 0.5 Common Share Purchase Warrants, which have an exercise price of \$5.90 per Common Share.

For the first six months ending May 31, 2000, Bridges.com reported revenues of \$3,466,178 – an 80 per cent increase over the first two quarters of 1999 – with operational costs of \$3,904,622 and a net loss of \$758,662. During the second quarter, Bridges.com completed an expansion initiative, preparing our teams and systems for anticipated growth in both core business and new direct-to-consumer services. In addition, our Careerware division relocated its 55-person staff to new premises. Careerware's contributions to the quarter's revenues and expenses are limited to April and May.

Sales of 494 new subscriptions to Career Explorer were recorded in Q2 2000, increasing the number of North American site subscribers to 5,671. This is a 50 per cent increase over the 3,770 subscribers in Q2 1999.

We launched our new consumer division in Q2 2000. Several new resources provide career services to individual consumers, and will generate revenues from traditional e-commerce sources. Both Microsoft Canada and Monster.ca have signed agreements to work with Bridges.com on the promotion of various aspects of these new initiatives.

Looking Forward

Bridges.com continues to aggressively pursue increased market share and to expand our scope of services. We look forward to the second half of this year, which will see our team working toward the following four goals:

Resubscriptions – Career Explorer and Choices have produced 90 per cent rates of resubscription in previous years. Sales, customer support and administrative staff will be focused on the rebilling and collections associated with over 7,000 resubscribing schools and other sites during the next six months.

New Business Development – 800 new Career Explorer subscriptions are projected for the quarter. The business plan for the consumer division will also be completed, for initiation in Q4 2000.

Careerware Integration – The company began integrating Bridges.com and Careerware during Q2. This includes a new corporate structure along functional lines, and plans for a combined sales force and integrated financial and technical systems.

Product Development – Choices and Career Explorer products are being upgraded for release to schools and other sites in September 2000. CD-ROM versions of each resource will be shipped in August. Careerware's PAWS product for elementary schools and Career Futures resource for middle schools are also being completed in Q3 for a September release.

Sincerely,



Douglas J. Manning
Chief Executive Officer and President

DIRECTORS

John C. Simmons
Chairman, Bridges.com Inc.
Chairman, Integrated Paving Concepts Inc.
Director, Epic Biosonics Inc.

James R. Yeates
Chairman and Chief Executive Officer,
Burntsand Inc.

Douglas J. Manning
Chief Executive Officer and President,
Bridges.com Inc.

Terry M. Holland
Chief Executive Officer and President,
Trimin Capital Corp.

Edward J. Hall
Co-President, Canadian Adult
Communities Ltd.

INVESTOR INFORMATION

The common shares of Bridges.com Inc. are listed on the Toronto Stock Exchange under the trading symbol BIT.

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Take Charge of your future

SECOND QUARTER REPORT

SIX MONTHS ENDING MAY 31, 2000