

Press Release

April 3, 2000

## **Bridges.com Announces Record Results with 93 Per Cent Increase in Revenues**

Bridges.com Inc. (TSE:BIT) released today financial results for the year ending November 30, 1999. The company more than doubled its market share, almost doubled its revenues and pre-tax earnings, and quadrupled the usage of its industry leading services. In addition, significant staffing and technical enhancements were made during the year to enable continued rapid growth in 2000.

Revenues of \$4,616,177 were achieved in 1999, a 93 per cent increase over 1998 revenues of \$2,392,880. These revenues are based on the retroactive adoption in 1999 of a new accounting policy for revenue recognition. The changes reflect recent U.S. Securities and Exchange Commission (SEC) pronouncements regarding revenue recognition for Internet companies and involve the deferral of revenue from online services and database assets ratably over the term of the contract.

Bridges.com generated \$496,853 in pre-tax earnings in 1999, 87 per cent higher than 1998's \$265,236 in pre-tax earnings. After taxes, earnings were \$267,783, or \$0.03 per share. In 1998, a tax recovery from prior years of \$516,433 resulted in earnings of \$781,669, or \$0.09 per share. These figures were impacted by the company's early adoption of new income tax recommendations from the Canadian Institution of Chartered Accountants. At fiscal year end, the company had a strong balance sheet with \$2.2 million in cash on hand.

Market share in North American middle and secondary schools increased from six per cent in 1998 to over 13 per cent in 1999. The rate of resubscription remained very high at 91 per cent, up from 1998's 90 per cent rate. Usage of Bridges.com Web-based services in 1999 exceeded 41 million page views, more than four times the 8.9 million page views recorded in 1998.

"Bridges.com continues to experience strong growth in the e-learning marketplace," said Doug Manning, CEO and President of Bridges.com. "During the last half of 1999, we doubled our sales staff, doubled our customer support team, more than quadrupled the size of our technical team, and significantly upgraded all of our technical systems. These strategic moves position us well for rapid growth in 2000."

### **About Bridges.com**

Bridges.com is the market leader in the provision of online career and educational services to North American middle and secondary schools. The company's community of individual career planners, featuring over 2.5 million students, recorded 21 million page views on Bridges.com tools in Q4 1999. Bridges.com's popular Career Explorer tool is used in over 5,100 sites across North America.

The company also publishes 14 online daily career news services, including customized services in North Carolina, Pennsylvania, West Virginia and Manitoba. Bridges.com's Web-based services keep people informed about emerging career opportunities, and enable them to take charge of achieving the future they desire. Bridges.com trades on the Toronto Stock Exchange as BIT.

### **bridges.com**

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*The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.*

# BRIDGES.COM INC.

(formerly The Bridges Initiatives Inc.)

## Balance Sheets

November 30

	1999	1998	1997
		(restated)	(restated)
<b>ASSETS</b>			
<b>CURRENT</b>			
Cash and cash equivalents	\$ 2,187,012	\$ 1,167,421	\$ 276,890
Accounts receivable	1,249,877	568,475	293,859
Share subscriptions receivable	-	-	105,000
Prepaid expenses	96,966	79,674	106,213
	3,533,855	1,815,570	781,962
Deferred acquisition costs	120,327	-	-
Capital assets	253,803	135,676	135,743
Deferred development costs	650,783	576,482	689,329
Future income taxes	287,363	516,433	-
	\$ 4,846,131	\$ 3,044,161	\$ 1,607,034
<b>LIABILITIES</b>			
<b>CURRENT</b>			
Accounts payable and accrued liabilities	\$ 600,918	\$ 82,664	\$ 80,911
Deferred revenue	1,678,512	918,799	389,795
	2,279,430	1,001,463	470,706
<b>SHAREHOLDERS' EQUITY</b>			
Common stock	2,710,849	2,454,629	2,329,928
Deficit	(144,148)	(411,931)	(1,193,600)
	2,566,701	2,042,698	1,136,328
	\$ 4,846,131	\$ 3,044,161	\$ 1,607,034
<b>Statements of Earnings (Loss) and Deficit</b>			
<b>Years ended November 30,</b>			
	1999	1998	1997
		(Restated)	(Restated)
<b>REVENUE</b>			
Subscription services	\$ 4,326,893	\$ 2,247,445	\$ 815,541
Other services	289,284	145,435	293,619
	4,616,177	2,392,880	1,109,160
<b>EXPENSES</b>			
Cost of services	1,331,106	548,959	225,692
Sales and marketing	1,213,104	531,812	377,339
General and administration	1,073,166	658,848	402,795
Other	142,350	51,301	64,996
	3,759,726	1,790,920	1,070,822
<b>EARNINGS BEFORE AMORTIZATION,</b>			
<b>INTEREST AND TAXES</b>	856,451	601,960	38,338
Amortization of capital assets	(90,880)	(45,329)	(57,418)
Amortization of deferred development costs	(322,914)	(308,821)	(290,854)
Interest income	54,196	17,426	810
<b>EARNINGS (LOSS) BEFORE</b>	496,853	265,236	(309,124)
<b>INCOME TAXES</b>			
Income tax expense (recovery)	229,070	(516,433)	-
<b>NET EARNINGS (LOSS)</b>	267,783	781,669	(309,124)
<b>DEFICIT, BEGINNING OF YEAR</b>	(411,931)	(1,193,600)	(884,476)
<b>(RESTATED)</b>			
<b>DEFICIT, END OF YEAR</b>	\$ (144,148)	\$ (411,931)	\$ (1,193,600)
Basic earnings (loss) per share	\$ 0.03	\$ 0.09	\$ (0.03)
Fully diluted earnings (loss) per share	\$ 0.03	\$ 0.08	\$ (0.03)

**BRIDGES.COM INC.**  
**(formerly The Bridges Initiatives Inc.)**  
**Statements of Cash Flows**  
**Years ended November 30,**

	1999	1998	1997
		(restated)	(restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net earnings (loss) for the year	\$ 267,783	\$ 781,669	\$ (309,124)
Items not affecting cash			
Amortization of capital assets	90,880	45,329	57,418
Amortization of deferred development costs	322,914	308,821	290,854
Future income taxes (recovery)	229,070	(516,433)	-
Changes in operating assets and liabilities	579,273	282,680	(9,297)
	<u>1,489,920</u>	<u>902,066</u>	<u>29,851</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Deferred acquisition costs	(120,327)	-	-
Purchase of capital assets	(209,007)	(45,262)	(14,060)
Expenditures on deferred development costs	(397,215)	(195,974)	(255,775)
	<u>(726,549)</u>	<u>(241,236)</u>	<u>(269,835)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issuance of common shares	256,220	124,701	534,549
Share subscriptions receivable	-	105,000	(105,000)
	<u>256,220</u>	<u>229,701</u>	<u>429,549</u>
<b>NET CASH INFLOW DURING THE YEAR</b>	<u>1,019,591</u>	<u>890,531</u>	<u>189,565</u>
Cash and cash equivalents, beginning of year	1,167,421	276,890	87,325
Cash and cash equivalents, end of year	<u>\$ 2,187,012</u>	<u>\$ 1,167,421</u>	<u>\$ 276,890</u>