Lesley Halverson (LCA)

—Original Message—
From: Amar Nehru
Sent: Wednesday, November 27, 1996 11:54 AM
To: Executive Staff
Cc: Linda Glenicki; Katie Bright; John Leftwich; Pieter Knook; Mich Mathews; Rosa Garcia; Susan Norberg; Richard Liotta; Strategic Business Decisions; Business Development & Investments (BDI); Joseph Lacson; Greg Maffei's Direct Reports; Debbie Hill; David Heiner (LCA); Bill Henningsgaard; Patricia Hollenbeck; Dave Wright (OEM); Bengt Akerlind; Amar Nehru; Scot Land; Carla Lewis
Subject: Netscape Revenues (Long mail)

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Over the last two months, we have tried to develop a basic understanding of Netscape's business. Our intent is to better understand Netscape's strategy and future directions. We are trying to prepare similar reports on Lotus Notes and other businesses.

Given:
Netscape reports revenues as follows:

- Total product category revenues: ads and services; servers and browsers;
- Total revenues by channels: direct (LORGs and online); ISP/OEM/VARs and retail.

What we don't know, for example, is how much browser revenue is generated by direct, OEM, ISP, VARs and retail, respectively. Therefore, we have focused on trying to understand this level.

Process:
(a) We started with publicly available information for calendar Q2-96 (in bold in the exhibits); (b) we have coordinated with OEM, PNS, ECU, OCU and the field to develop our best estimates of the revenue generated by each product category in each of the channels for the second quarter; (c) we have polled some of the analysts to learn their view of the likely Q3-96 revenue splits; and (d) we have tried to predict the split of product and channel revenue for Q4-96 based upon the Q2 and Q3 information, trends impacting the industry and analysts' perspectives.

Though we are 70% confident about our numbers, we believe this is a decent platform to understand their business. The following three exhibits and accompanying discussion summarize our assessment.

(EXHIBIT 1)

GOVERNMENT EXHIBIT
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MS Internal Estimate

Netscape Communications - WW revenue for the quarter ended June 30, 1996 (Q2-96)
($'s in millions)

	Ad/svcs	Comm. Apps	Servers	Browsers	Total	% Channel Mix
% product mix	17%	1%	22%	60%	100%	
Channel						
Direct (LORGs & Online)	$12.8	$0.8	$13.6	$12.7	$39.8	53%
OEM	$0.0	$0.0	$2.7	$4.1	$6.8	9%
ISP	$0.0	$0.0	$0.0	$18.2	$18.2	24%
VAR	$0.0	$0.0	$0.2	$3.3	$3.5	5%
Subtotal OEM/ISP/VAR	$0.0	$0.0	$2.9	$25.6	$28.5	38%
Retail	$0.0	$0.0	$0.0	$6.8	$6.8	9%
Total WW revenue	$12.8	$0.8	$16.5	$45.0	$75.0	100%

Exhibit 1: we have coordinated with various MS groups to expand on the public information about Netscape. The numbers in the box are what we believe to be the company's reve s by product and channel. The following provides a breakout of estimates for the quarter ended June 30, 1996:

Browsers: Browser revenue for the quarter amounted to $45 million (a 32% increase over the last quarter) representing 60% of total Netscape revenue. Of the $45 million, ISP's commanded the largest share at 40% of browser revenue, with direct sales to LORGs via site licenses coming in second at 28% share.

Direct: Direct revenue was estimated at $12.7 million. From a reporting standpoint, Netscape buckets LORG and Online sales as Direct revenues.

- LORGs ($9.9 million): For the quarter, Netscape shipped 650,000 units in North America and 100,000 units in ROW with an average price of $12.31 and $19.95, respectively.
- Online sales ($2.7 million) are generated from Netscape's two online programs: 1.) The General Store; and 2.) Quick Purchase. The online sales estimate was per Todd Finch, CEO Netscape Canada. Unit volume was not known, however, using a $49 per unit assumption (represents price per unit via The General Store during the quarter ended June 30, 1996), volume of paid copies was estimated at 55,000 units.

OEM: Netscape considers an OEM as anyone who bundles or loads Navigator onto an OEM's product. This includes hardware and software companies (i.e. Oracle, Informix, etc). We believe that browser distribution via software companies classified in the OEM category is negligible. In addition, Netscape doesn't have a small system builders program, thus estimates were based on Multinational Corporations (MNC's) and named accounts.

- For the quarter, Netscape MNC OEM's shipped 293,000 units in the North America and 536,000 in ROW, with an average unit price of $2.38 and $3.20, respectively. Examples include Fujitsu, which shipped 291,000 units at an average price of $4.50 and DEC, which shipped 145,000 units at an average price of $.50 per unit.
- Worldwide, OEM named accounts shipped 210,000 units at an average price of $7.87 per unit. Greater than 90% of named account revenue was generated outside of North America.

ISP: ISP's represent any entity that provides Internet access and satisfies Netscape's ISP program criteria. ISP's include major and minor telephone companies and Internet Access Providers. Large ISP data was derived through detailed account drill down and/or inferred

from what we know about IE, whereas Small ISP data was derived via extrapolation from sample data and anectodal evidence.

- For the quarter, Netscape's large ISP's distributed 915,000 units in North America and 651,000 units in ROW at an average price per unit of $6.90 and $7.34 respectively. Examples of these accounts are (1) Netcom: distributed 250,000 units at an average price of $2.40 per unit; and France Telecom: distributed 12,500 units at an average price of $8.00 per units.
- Small ISP revenue was higher than anticipated (represents 39.2% of total ISP browser revenue) due to the higher price per unit charged ($16.24) compared to large ISP's ($7.08).

VAR: For the quarter, the VAR channel was considered the smallest at 7.3% of total browser revenue. This has changed in subsequent quarters (see below) as the company has focused on developing the channel to get leverage in distribution. Revenue was reconstructed from Ingram Micro data along with anecdotal market share figures. Netscape shipped approximately 65,000 units in North America at an average price per unit of $34.94.

Retail: The retail channel was the second smallest channel due to seasonality, coupled with the anticipated release of Navigator 3.0 which shipped in August. Revenue was reconstructed from Ingram Micro data along with anecdotal market share figures. Netscape shipped approximately 124,000 units in North America at average price per unit of $34. ..

The estimated units, average price and revenues for the browser and server side of the business are provided in the excel sheet embedded at the bottom of the mail.

Servers: For the quarter, Netscape generated $16.5 million in server revenue representing a 21% increase from the prior quarter and 420% growth over the same quarter in the previous year. Estimates are that over 82% of server revenue was derived from the direct channel. As noted below, this has shifted somewhat due to Netscape's focus on developing an indirect, leveraged channel. We estimate that Netscape shipped 15,000 servers in the North America LORG channel at an average price per server of $770.

Commerce Applications: Netscape generated approximately $800k from a handful of corporate accounts. 100% of this revenue is considered direct as the channel has not yet geared up to support and sell Netscape's Commerce products.

Advertising/Services: Netscape reported $12.8 million in revenue from consulting on Commerce Applications and Enterprise Servers, and designing and developing web sites for third parties. In addition, a good portion of the $12.8 million stems from selling advertising space on Netscape's home page (represents only cash revenue. Does not include bartered advertising space). It is estimated that 100% of these revenues were generated from the direct channel.

(EXHIBIT 2)

Consensus Estimate *(Michael Parekh, Goldman Sachs and Danny Riemer, H&Q)*

Netscape Communications - WW revenue for the quarter ended September 30, 1996 (Q3-96)

($'s in millions)

	Ad/svcs	Comm. Apps	Servers	Browsers	Total	% Channel Mix
% product mix	16%	1%	24%	59%	100%	
Channel						
Direct (LORGs & Online)	$16.0	$1.0	$17.5	$5.5	$40.0	40%
OEM/ISP/VAR	$0.0	$0.0	$6.5	$42.5	$49.0	49%
Retail	$0.0	$0.0	$0.0	$11.0	$11.0	11%
Total WW revenue	$16.0	$1.0	$24.0	$59.0	$100.0	100%

Exhibit 2: we have talked to Goldman and H&Q to get their view on Netscape's Q3-96 revenue for the September 30 ended quarter. The company reported $100 million of revenue versus the consensus forecast of approximately $84 million. All numbers in bold are reported The significant points are: analysts estimate that direct browser revenue has decreased substantially in keeping with the company's goal to sell more product via the channel. At the same time, total browser revenue has grown significantly versus the prior quarter ($45mm to $59mm; +31%) largely due to the release of Navigator 3.0. Also, the analysts suggest that the mix within OEM/ISP/VAR category has skewed more to OEMs in Q3. Finally, the server business is growing robustly on a dollar basis (+45%). This is reinforcement of an increased focus on the Intranet segment.

(EXHIBIT 3)

MS Estimate for Q4-96 based on Q3 trends

Netscape Communications - WW projected revenue for the quarter ended December 31, 1996

($'s in millions)

	Ad/svcs	Comm. Apps	Servers	Browsers	Total	% Channel Mix
% product mix	17%	1%	22%	60%	100%	
Channel						
Direct (LORGs & Online)	$21.0	$1.0	$24.0	$8.0	$54.0	50%
OEM/ISP/VAR	$0.0	$0.0	$12.0	$33.0	$45.0	41%
Retail	$0.0	$0.0	$0.0	$10.0	$10.0	9%
Total WW revenue	$21.0	$1.0	$36.0	$51.0	$109.0	100%

Exhibit 3: we have used our understanding and the analysts estimates of Q3-96 revenue splits to project Q4 revenues by product and channel. Analyst estimates for Q4 revenues range from $115mm to $120mm. Marshall Senk at Robertson Stephens believes that Q4 revenues will be $119mm. We estimate $109mm as above. Our major thoughts are listed below:

·Browsers (-15% approximately vs Q3):

We estimate Netscape's browser revenue to decline from $59 million in the Q3 period. The decrease will be caused by:

- adopting a CAL model, which will increase the effective average price of the browser/client. If unit run rate remains unchanged, this could increase revenue. However, the more likely impact of the price increase could be reduced browser growth and a

further shift in focus to the server side. But we estimate client pricing to be either free or marginal upto the end of calendar year 96.

- MS's Unix browser will decelerate Netscape browser revenue growth for direct sales to LORGs and the ISP/OEM/VAR category.
- IEAK will impact direct and VAR browser revenue.
- No new Navigator release in this quarter (the Q3 Netscape browser revenues were inflated due to Nav 3.0 release).
- However, this decrease will be partly offset by seasonality in the retail and direct channels due to the Christmas sell-in.

Servers (+50% vs Q3):

- Cross-platform and the Unix proposition will allow Netscape to grow the server business. With CAL, where the money will be made on concurrent attachments, there is further incentive for the company to push in the server market.
- Some of the current thinking on NT's Unix strategy might be useful at a later stage to address Netscape's server revenue momentum.

Commercial apps (no change vs Q3):

- We do not believe that this will be a material portion of Netscape's business in Q4.

Ads/Services (+30% vs Q3):

- This is a difficult revenue stream to impact. The company gets a lot of leverage from the Homepage. All of this revenue, we believe, is generated via direct and in the US. Perhaps an interesting thought is to open up Microsoft.com and try to replicate the leverage Netscape gets from its site.

Please let us know if questions. The excel attachment below has all the detailed work and assumptions from PNS, OEM and the channel orgs. Thanks to Cam, Bengt Akerlind, Joseph Lacson, Dave Wright (OEM), Bill Henningsgaard, Patricia Hollenbeck, Susan Noberg, Scot Land and many others in the channel and field for their help and to Richardl for pulling it together.

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Netscape Revenue Taxonomy Nov ...

Summary

(Units and $s in ,000s)	Browsers Avg,. Uts	Browsers Avg. Price	Browsers Revenue	Servers Avg,. Uts	Servers Avg. Price	Servers Revenue
North America (NA) direct - online	55	$49.09	$2,700	0.0	$0.00	$0
NA direct - LORGS	650	$12.31	$8,002	15.0	$770.00	$11,550
ROW direct - online	0	$0.00	$0	0.0	$0.00	$0
ROW direct - LORGS (servers ROW @ 150% uplift)	100	$19.95	$1,995	1.1	$1,925.00	$2,050
Total direct	805	$15.77	$12,696	16.1	$846.56	$13,600
WW OEM S/W (Sun, SGI, Informix, etc)	0	$0.00	$0	9.4	$100.00	$940
NA MNC	293	$2.38	$696	3.3	$100.00	$326
NA named account	56	$2.00	$112	0.0	$0.00	$0
ROW MNC	536	$3.20	$1,712	3.5	$405.08	$1,434
ROW named account	154	$10.00	$1,540	0.0	$0.00	$0
Total OEM	1,038	$3.91	4,060	16.2	$166.67	2,700.0
NA Large ISPs	915	$6.90	$6,314	0.0	$0.00	$0
ROW Large ISPs	651	$7.34	$4,778	0.0	$0.00	$0
WW Small ISPs	440	$16.24	$7,148	0.0	$0.00	$0
Total ISP	2,006	$9.09	$18,240	0.0	$0.00	$0
NA (grossed up - Ingram is 57%; servers 75%)	65	$34.94	$2,278	0.3	$716.00	$187
ROW (30% of WW and 50% (150% servers) uplift)	19	$52.41	$976	0.0	$1,790.00	$13
Total VAR	84	$38.82	$3,254	0.3	$744.79	$200
NA (Grossed up - Ingram is 77%)	95	$34.41	$3,272	0.0	$0.00	$0
ROW (assumed 37% of WW, uplift is 50%)	67	$51.62	$3,478	0.0	$0.00	$0
Total Retail	162	$41.55	$6,750	0.0	$0.00	$0
Total worldwide	4,095	$10.99	$45,000	32.5	$507.17	$16,500

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Netscape Communications

Assumptions and further breakout of latest sales force estimate

Breakout of above browser revenue buckets

	Revenue		
LORG	$9,995,377	Direct	$12,695,377
On-line Sales	$2,700,000		
ISP	$18,241,000		
OEM	$4,059,595	OEM/ISP/VAR	$25,554,623
VARs	$3,254,028		
Retail	$6,750,000	Retail	$6,750,000
Total U.S.	$45,000,000		$45,000,000

Assumptions Browser

	North America			ROW			
	Units	Revenue/unit	U.S. Revenues	Units	Revenue/unit	ROW Revenues	WW Revenues
LORG	650,000 Reasonable Confidence	$12.31 Assumption	$8,000,000 Assumption	100,000 Assumption	$19.95 Assumption	$1,995,377 Assumption	$9,995,377
On-line Sales	55,000 Assumption	$49.09 Assumption	$2,700,000 Reasonable Confidence	0 High Confidence	$0.00 High Confidence	$0 High Confidence	$2,700,000
Large ISP	915,000 Reasonable Confidence	$6.90 Reasonable Confidence	$6,312,000 Reasonable Confidence	651,000 Reasonable Confidence	$7.34 Reasonable Confidence	$4,781,000 Reasonable Confidence	$11,093,000
Small ISP	296,000 Reasonable Confidence	$15.44 Assumption	$4,571,000 Assumption	144,000 Reasonable Confidence	$17.90 Assumption	$2,577,000 Assumption	$7,148,000
Total ISP	1,211,000	$8.99	$10,883,000	795,000	$9.26	$7,358,000	$18,241,000
OEM - MNC	292,600 Reasonable Confidence	$2.38 Reasonable Confidence	$696,300 Reasonable Confidence	535,560 Reasonable Confidence	$3.20 Reasonable Confidence	$1,711,295 Reasonable Confidence	$2,407,595
OEM - Named Account	56,000 Assumption	$2.00 Assumption	$112,000 Assumption	154,000 Assumption	$10.00 Assumption	$1,540,000 Assumption	$1,652,000
OEM - SSB	0 High Confidence	$0.00 High Confidence	$0 High Confidence	0.0% High Confidence	$0 High Confidence	0 High Confidence	$0
Total OEM	348,600	$2.32	$808,300	689,560	$4.72	$3,251,295	$4,059,595

	Ingram Micro Units	Ingram Micro Revenue/unit	Ingram Micro U.S. Revenues	Ingram % of Total Sell-in	Total U.S.	ROW % of Sales	WW Revenues
VARs	37,156 High Confidence	$34.94 High Confidence	$1,298,357 High Confidence	57.0% Reasonable Confidence	$2,277,608 Reasonable Confidence	30% Assumption	$3,254,028

	Ingram Micro Units	Ingram Micro Revenue/unit	Ingram Micro U.S. Revenues	Ingram % of Total Sell-in	Total U.S.	ROW % of Sales	WW Revenues
Retail	95,078 High Confidence	$34.41 High Confidence	$3,271,484 High Confidence	77.0% Reasonable Confidence	$4,250,735 Reasonable Confidence	37% Assumption	$6,750,000

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Assumptions Servers

Breakout of above revenue buckets

	Revenue		
LORG	$13,600,000	Direct	$13,600,000
On-line Sales	$0		
ISP	$0		
OEM - H/W	$1,760,000	OEM/ISP/VAR	$2,900,000
OEM - S/W	$940,000		
VARs	$200,000		
Retail	$0	Retail	$0
Total U.S.	$16,500,000		$16,500,000

	Units	Revenue/unit	U.S. Revenues	Row % of Revenues	WW Revenues
LORG	15,000 Assumption	$770.00 Assumption	$11,550,000 Assumption	15.1% Assumption	$13,600,000
On-Line Sales	0 Reasonable Confidence	#DIV/0! Reasonable Confidence	$0 Reasonable Confidence	#DIV/0! Reasonable Confidence	$0 Reasonable Confidence
ISP's	0 Reasonable Confidence	#DIV/0! Reasonable Confidence	$0 Reasonable Confidence	#DIV/0! Reasonable Confidence	$0 Reasonable Confidence

	North America			ROW			
	Units	Revenue/unit	U.S. Revenues	Units	Revenue/unit	ROW Revenues	WW Revenues
OEM - MNC	3,260 Reasonable Confidence	$100.00 Reasonable Confidence	$326,000 Reasonable Confidence	3,540 Reasonable Confidence	$405.08 Reasonable Confidence	$1,434,000 Reasonable Confidence	$1,760,000
OEM - Named Account	0 Assumption	$0.00 Assumption	$0 Assumption	0 Assumption	$0.00 Assumption	$0 Assumption	$0
OEM - SSB	0 High Confidence	$0.00 High Confidence	$0 High Confidence	0.0% High Confidence	$0 High Confidence	0 High Confidence	$0
Total OEM	3,260	$100.00	$326,000	3,540	$405.08	$1,434,000	$1,760,000

	Ingram Micro Units	Ingram Micro Revenue/unit	Ingram Micro U.S. Revenues	Ingram % of Total Sell-in	Total U.S.	ROW % of Sales	WW Revenues
VARs	196 High Confidence	$716.00 High Confidence	$140,336 High Confidence	75.0% Reasonable Confidence	$187,115 Reasonable Confidence	6% Assumption	$200,000

	Ingram Micro Units	Ingram Micro Revenue/unit	Ingram Micro U.S. Revenues	Ingram % of Total Sell-in	Total U.S.	ROW % of Sales	WW Revenues
Retail	0 High Confidence	#DIV/0! High Confidence	$0 High Confidence	0.0% Reasonable Confidence	#DIV/0! Reasonable Confidence	#DIV/0! Assumption	$0

OEM S/W (Sun, SGI, Informix, Etc)	9,400	$100.00	$940,000	$940,000

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ISP Browser Revenue
($'s and # in thousands)
Updated: 8/7/98 9:01

		Last Quarter - June 1998				
		Unit Price	Units		Total Revenue	Where we've won...
NORTH AMERICA	ISP's					
	Netcom	$ 2.40	250	$	600	IE Preferred, 50%
	IDT	$ 3.00	30	$	90	IE Preferred, 75%
	Earthlink	$ 1.50	30	$	45	IE Preferred, 75%
	Mindspring	$ 6.00	5	$	30	IE Preferred, 75%
	Concentric	$ 10.00	30	$	300	IE Preferred, 75%
	IBM Global Network	$ 4.00	50	$	200	IE Preferred, 75%
	IStar	$ 10.00	10	$	100	IE Preferred, 75%
	On Ramp (Ohio)	$ 6.20	2	$	12	IE Preferred, 75%
	Referral Server	*$ 19.00*	*45*	*$*	*855*	
	Smaller ISPs Estimate (see tab)	*$ 15.43*	*296*	*$*	*4,571*	2,958 ISP's IE Licensed
	Total ISP's	*$ 9.09*	*748*	*$*	*6,803*	
	On-Line Service Providers					
	AOL	$ 15.00	30	$	450	IE Preferred, 75%
	Spry	$ 3.00	10	$	30	IE Preferred, 75%
	CompuServe (Wow!)	$ 3.00	50	$	150	IE Preferred, 75%
	Total OLS	*$ 7.00*	*90*	*$*	*630*	
	Telco's					
	AT&T	$ 10.00	300	$	3,000	IE Preferred 85%
	Bell Atlantic	$ 2.00	30	$	60	IE Parity
	PacBell	$ 10.00	20	$	200	IE Parity
	Bell Canada (other Telcos)	$ 10.00	15	$	150	IE Parity
	MCI	$ 5.00	8	$	40	IE Preferred 75%
	Total Telco's	*$ 9.25*	*373*	*$*	*3,450*	
	TOTAL NORTH AMERICA	$ 8.98	1,211	$	10,883	
APAC	Australia & NZ - Browser Fcst					
	OzEmail/Voyager	$ 6.00	20	$	120	IE Preferred, 75%
	TNZ	$ 6.00	12	$	72	LOI; IE Parity
	Small ISP's	$ 25.00	10	$	250	
	Total Australia & NZ	$ 10.52	42	$	442	
	Singapore - Browser Fcst					
	Pacific Internet	$ 4.00	10	$	40	
	CyberWay	$ 4.00	7	$	28	IE Preferred, 75%
	Singnet	$ 7.00	3	$	21	IE Preferred, 75%
	Malyasia - Browser Fcst					
	ISP's - small	$ 15.00	5	$	75	
	SE Asia - Browser Fcst					
	ISP's - average	$ 10.00	5	$	50	
	Total APAC	$ 9.11	72	$	656	
EUROPE	UK - Browser Fcst					
	Demon	$ 15.50	16	$	248	IE Parity, LOI Ref Svr
	Ireland On Line	$ -	0	$	-	IE Preferred; 75%
	BT	$ -	0	$	-	Referral Server
	UUNet/Pipex	$ 15.50	9	$	140	LOI Referral Srvr, 90%
	Other ISP's	$ 23.25	3	$	70	
	Total UK	$ 16.33	28	$	457	
	Germany - Browser Fcst					
	DT	$ 0.50	90	$	45	NSCP house
	Nacamar	$ 10.00	5	$	50	NSCP house
	NetCologne	$ -	2	$	-	IE Exclusive
	Cybernet	$ -	0	$	-	IE Preferred
	EUNet	$ -	0	$	-	IE Preferred, 75%
	metronet	$ -	10	$	-	IE Preferred > 50%
	Total GmbH	*$ 0.89*	*107*	*$*	*95*	
	Nordic					
	TeleDanmark	$ 6.00	12.5	$	75	IE Preferred, 75%
	Telecom Finland	$ 7.00	10	$	70	IE Only
	Tele-2	$ -	0	$	-	IE Preferred, 75%
	Telia	$ -	0	$	-	IE Preferred, 75%

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ISP Browser Revenue
($'s and # in thousands)
Updated: 8/7/96 9:51

	Last Quarter - June 1996			
	Unit Price	Units	Total Revenue	Where we've won...
Telenor	$ -	0	$ -	LOI, Referral Server
Total Nordic	$ 6.44	22.5	$ 145	
Holland/Belgium				
NLNet	$ 9.00	10	$ 90	NSCP only
Planet Internet	$ 7.00	12	$ 84	IE Preferred
World Access	$ -	0	$ -	IE Preferred
World OnLine	$ -	0	$ -	IE Preferred, >80%
EUNet Belgium	$ -	0	$ -	
Innet	$ -	0	$ -	IE Preferred
Total Hllnd/Blgm	$ 7.91	22	$ 174	
Italy - Browser Fcst				
TOL VOL (TIN)	$ 30.00	4.5	$ 135	IE Preferred, 75%
Infostrada -IOL	$ -	0	$ -	IE Preferred, 75%
Total Italy	$ 30.00	4.5	$ 135	
France - Browser Fcst				
France Telecom (FTI)	$ 8.00	12.5	$ 100	IE Parity
IMAGINET (mid-size ISP)	$ 12.00	2.5	$ 30	IE Parity
World Net	$ 15.00	2	$ 30	IE Preferred
Total SARL	$ 13.33	4.5	$ 60	
Swiss - Browser Fcst				
Swiss PTT	$ 7.50	10	$ 75	
Swiss OnLine	$ 7.50	10	$ 75	IE Preferred
Other ISP's	$ 15.00	5	$ 75	
Total Switzerland	$ 9.00	25	$ 225	
Austria - Browser Fcst				
Radio Austria	$ 10.00	7.5	$ 75	NSCP house
EUNet	$ 14.60	5	$ 73	IE Preferred
Netway	$ 10.00	3.75	$ 38	
Total Austria	$ 11.42	16.25	$ 186	
Spain - Browser Fcst				
Servicom	$ -	0	$ -	IE Preferred; 80%
GOYA	$ -	0	$ -	
Telefonica/TSAI	$ 5.00	125	$ 625	LOI, IE Preferred
Total EUROPE	$ 5.92	355	$ 2,102	
Small ISP's Est - Europe (see tab)	$ 17.84	144	$ 2,577	815 ISP's Licensed
REVISED ESTIMATE	$ 9.37	499	$ 4,679	
Hong Kong - HKT IMS	$ 7.00	12	$ 84	
Korea - Browser Fcst				
NowCom	$ 2.00	25	$ 50	IE Preferred, 75%
I-Net	$ 9.00	20	$ 180	IE Preferred, 75%
HNC-Hangul&Computer	$ 4.00	25	$ 100	
ElimNet	$ 9.00	20	$ 180	IE Preferred, 75%
Dacom Internet	$ 4.00	1	$ 4	IE Preferred, 75%
Misc Small ISP's	$ 17.84	10	$ 178	>30 ISP's licensed
Total Korea	$ 8.88	101	$ 692	
Japan - Browser Fcst				
SONET	[illegible]	[illegible]	[illegible]	
NIFTY	[illegible]	[illegible]	[illegible]	IE Standard
Small ISP's	[illegible]	[illegible]	[illegible]	>125 ISP's licensed
Total Japan	$ 11.57	100	$ 1,157	
Taiwan - Browser Fcst				
Total Taiwan	$ -	0	$ -	No NSCP
TOTAL FAR EAST	$ 9.08	213	$ 1,933	
AIME, Spanish Am & Inda Estimate	$ 9.00	10	$ 90	
WW TOTAL	$ 9.10	2,006	$ 18,241	

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Small ISP Estimates

North America

Total Number of ISP's as of August		3,050
Avg # of users per ISP		1,600
Total # of users by ISP's		4,880,000
Growth over past quarter approx - 25%		976,000
% of users receiving a browser w/ service - 57%		556,320
Assume NetScape had 70% share with these ISPs		389,424
Less known ISP units shipped *(1)*		*220,000*
Small ISP NetScape browsers shipped w/ service		*169,424*
Assume revenue to NetScape of $12/unit	$	2,033,088
% of ISPs selling browser - 13%		126,880
Assume revenue to NetScape of $12/unit	$	2,537,600
GRAND TOTAL NSCP SMALL ISP REVENUE	$	4,570,688
Total NetScape browsers shipped by small ISPs		296,304
Average revenue/unit	$	15.43

Notes: (1) Total consists of Netcom (100K), IDT (30K), Earthlink (30K) & Mindspring (5K) IStar (10K), IGN (15K), Concentric (30K)

Europe

Estimated total number of ISP's as of August		1,100
Avg # of users per ISP		1,400
Total # of users by ISP's		1,540,000
Growth over past quarter approx 25%		308,000
% of users receiving a browser w/ service - 50%		154,000
Assume NetScape had 70% share with these ISPs		107,800
Less known ISP units shipped *(1)*		*18,750*
Small ISP NetScape browsers shipped w/ service		89,050
Assume revenue to NetScape of $14/unit	$	1,246,700
% of ISPs selling browser - 18%		55,440
Assume revenue to NetScape of $24/unit	$	1,330,560
GRAND TOTAL NSCP SMALL ISP REVENUE	$	2,577,260
Total NetScape browsers shipped by small ISPs		144,490
Average revenue/unit	$	17.84

Notes: (2) Total consists of Imagnet (2.5K), Radio Australia (7.5K), EUNet (5K) & Netway (3.75K)

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Netscape OEM Browser Revenue and Units Analysis by Worldwide and U.S.

World Wide View	Quarter Ended 6/30/96			Quarter Ended 9/30/96			Quarter Ended 12/31/96			Quarter Ended 3/31/97			Quarter Ended 6/30/97			Fiscal Year Ended 6/30/97		
	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues
Multi-National Corporations (MNC)	818,160	$2.91	$2,403,593	1,002,893	$0.91	$1,918,019	1,013,600	$1.55	$1,737,300	519,000	$1.58	$820,500	499,600	$1.83	$914,400	3,013,193	$1.35	$3,391,319

U.S. View	Quarter Ended 6/30/96			Quarter Ended 9/30/96			Quarter Ended 12/31/96			Quarter Ended 3/31/97			Quarter Ended 6/30/97			Fiscal Year Ended 6/30/97		
	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues
Multi-National Corporations (MNC)	391,600	$2.38	$696,500	547,900	$1.32	$723,950	484,000	$1.70	$1,164,500	179,140	$2.50	$358,110	331,624	$2.35	$880,812	1,824,764	$1.94	$3,517,382

Multi-national Corporations (MNC's) World Wide Analysis

Company	Quarter Ended 6/30/96			Quarter Ended 9/30/96			Quarter Ended 12/31/96			Quarter Ended 3/31/97			Quarter Ended 6/30/97			Fiscal Year Ended 6/30/97		
	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues
NEC Japan	270,100	$0.75	$203,575	149,500	$0.75	$112,125	170,600	$0.75	$127,900	120,000	$0.75	$90,000	70,000	$0.75	$52,500	309,500	$0.75	$232,125
NEC	1,250	$4.00	$5,000	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
IBM (no reliable data)	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Compaq	220,000	$3.00	$660,000	130,000	$3.00	$390,000	380,000	$3.00	$1,140,000	250,000	$3.00	$750,000	290,000	$3.00	$870,000	1,150,000	$3.00	$3,450,000
Digital	113,000	$0.50	$56,500	132,000	$0.50	$66,000	87,600	$0.50	$43,800	13,000	$0.50	$6,500	13,000	$0.50	$6,500	246,600	$0.50	$123,300
Toshiba	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Fujitsu Limited (Japan)	298,910	$4.50	$1,345,095	146,393	$4.50	$658,769	100,000	$4.50	$450,000	100,000	$0.00	$0	100,000	$0.00	$0	544,393	$2.83	$1,549,769
SNI	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Zenith	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Viglen	70,000	$0.50	$35,000	120,000	$0.50	$60,000	200,000	$0.50	$100,000	130,000	$0.50	$60,000	60,000	$0.50	$30,000	500,000	$0.50	$250,000
Hewlett-Packard Business PC *	2,000	$0.50	$1,000	6,500	$0.50	$3,250	7,000	$0.50	$3,500	10,000	$0.50	$5,000	13,000	$0.50	$7,500	36,500	$0.50	$18,250
HP Laser Printers (3L)	0	$0.00	$0	250,000	$0.00	$0	130,000	$0.00	$0	0	$0.00	$0	0	$0.00	$0	500,000	$0.00	$0
Hewlett-Packard Home PC **	0	$0.00	$0	0	$0.00	$0	3,000	$0.00	$0	3,000	$0.00	$0	0	$0.00	$0	10,000	$0.00	$0
Atari	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
AST	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Dell	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Gateway 2000	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Olivetti	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Packard Bell	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
ICL	11,500	$0.00	$0	11,000	$0.00	$0	10,000	$0.00	$0	11,000	$0.00	$0	21,000	$0.00	$0	54,000	$0.00	$0
JINBYS	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
	818,160	$2.91	$2,403,593	1,002,893	$1.91	$1,918,019	1,013,600	$1.61	$1,737,300	519,000	$1.58	$820,500	499,600	$1.83	$914,400	3,013,193	$1.35	$3,391,319

Multi-national Corporations (MNC's) U.S. Data Analysis

Company	Quarter Ended 6/30/96			Quarter Ended 9/30/96			Quarter Ended 12/31/96			Quarter Ended 3/31/97			Quarter Ended 6/30/97			Fiscal Year Ended 6/30/97		
	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues
NEC	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
IBM (no reliable data)	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Compaq	220,000	$3.00	$660,000	130,000	$3.00	$390,000	380,000	$3.00	$1,140,000	250,000	$3.00	$750,000	290,000	$3.00	$870,000	1,150,000	$3.00	$3,450,000
Digital	63,000	$0.50	$31,500	61,000	$0.50	$31,000	42,000	$0.50	$21,000	6,210	$0.50	$3,105	6,621	$0.50	$3,312	118,164	$0.50	$59,112
Toshiba	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Fujitsu	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
SNI	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Zenith	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Viglen	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Hewlett-Packard Business PC *	1,000	$0.50	$1,500	6,500	$0.50	$3,250	7,000	$0.50	$3,500	10,000	$0.50	$5,000	13,000	$0.50	$7,500	36,500	$0.50	$18,250
HP Laser Printers (3L)	0	$0.00	$0	250,000	$0.00	$0	230,000	$0.00	$0	0	$0.00	$0	0	$0.00	$0	500,000	$0.00	$0
Hewlett-Packard Home PC **	0	$0.00	$0	0	$0.00	$0	5,000	$0.00	$0	5,000	$0.00	$0	0	$0.00	$0	10,000	$0.00	$0
Atari	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
AST	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Dell	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Gateway 2000	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Olivetti	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Packard Bell	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
ICL	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
JINBYS	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
	297,000	$3.18	$696,500	547,900	$1.32	$723,950	484,000	$1.70	$1,164,500	179,140	$2.00	$358,110	331,624	$2.35	$880,812	1,824,764	$1.94	$3,517,382

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Netscape OEM Server Revenue and Units Analysis by Worldwide and U.S.

World Wide View	Quarter Ended 6/30/96			Quarter Ended 9/30/96			Quarter Ended 12/31/96			Quarter Ended 3/31/97			Quarter Ended 6/30/97			Fiscal Year Ended 6/30/97		
	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues
Multi-National Corporations (MNC)	7,760	$216.32	$1,760,000	8,311	$216.29	$2,047,300	8,800	$254.55	$2,160,000	9,410	$360.44	$3,326,000	9,916	$372.90	$3,716,000	36,470	$263.36	$9,328,000

U.S. View	Quarter Ended 6/30/96			Quarter Ended 9/30/96			Quarter Ended 12/31/96			Quarter Ended 3/31/97			Quarter Ended 6/30/97			Fiscal Year Ended 6/30/97		
	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues
Multi-National Corporations (MNC)	3,260	$100.00	$326,000	3,390	$100.00	$339,000	3,150	$100.00	$315,000	3,725	$100.00	$372,500	3,910	$100.00	$391,000	14,375	$100.00	$1,437,500

Multi - national Corporations (MNC's) World Wide Analysis

Company	Quarter Ended 6/30/96			Quarter Ended 9/30/96			Quarter Ended 12/31/96			Quarter Ended 3/31/97			Quarter Ended 6/30/97			Fiscal Year Ended 6/30/97		
	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues
NEC	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
IBM (no reliable data)	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Compaq (no reliable data)	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Digital	4,800	$100.00	$480,000	7,072	$100.00	$707,250	3,400	$100.00	$340,000	7,760	$100.00	$776,000	8,144	$100.00	$814,000	30,360	$100.00	$3,036,000
Toshiba	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Fujitsu	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
SMI (royalty uncertain)	983	$1,000.00	$980,000	1,240	$1,000.00	$1,240,000	1,400	$1,000.00	$1,400,000	1,650	$1,000.00	$1,650,000	1,400	$1,000.00	$1,400,000	6,090	$1,000.00	$6,090,000
Zenith	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Viewlett	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
HP	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Acer	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
AST	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Dell	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Gateway 2000	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Olivetti (Cut for deal)	low	-	$120,000	low	-	$100,000	low	-	$100,000	low	-	$100,000	low	-	$120,000	low	-	$400,000
Packard Bell	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
ICL	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
UNISYS	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
	7,760	$216.32	$1,760,000	8,312	$246.23	$2,047,250	8,800	$254.55	$2,160,000	9,410	$360.44	$3,326,000	9,916	$372.90	$3,716,000	36,470	$263.36	$9,328,000

Multi - national Corporations (MNC's) U.S. Only Analysis

Company	Quarter Ended 6/30/96			Quarter Ended 9/30/96			Quarter Ended 12/31/96			Quarter Ended 3/31/97			Quarter Ended 6/30/97			Fiscal Year Ended 6/30/97		
	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues	Units	Price/Unit	Revenues
NEC	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
IBM (no reliable data) *	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Compaq (no reliable data)	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Digital	3,260	$100.00	$326,000	3,390	$100.00	$339,000	3,150	$100.00	$315,000	3,725	$100.00	$372,500	3,910	$100.00	$391,000	14,375	$100.00	$1,437,500
Toshiba	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Fujitsu	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
SMI	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Zenith	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Viewlett	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
HP	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Acer	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
AST	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Dell	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Gateway 2000	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Olivetti	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
Packard Bell	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
ICL	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
UNISYS	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0	0	$0.00	$0
	3,260	$100.00	$326,000	3,390	$100.00	$339,000	3,150	$100.00	$315,000	3,725	$100.00	$372,500	3,910	$100.00	$391,000	14,375	$100.00	$1,437,500

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Retail and VAR Analysis for the quarter ended 6/30/96

Retail Analysis

	Apr-96	May-96	Jun-96	Quarter Ended 6/30/96
Revenues				
Ingram Micro	1,396,093	878,348	997,043	3,271,484
Percent of total Sell-in	77.0%	77.0%	77.0%	
Total U.S. Sell-in	$1,813,985	$1,141,264	$1,295,487	$4,250,735
Units				
Ingram Micro	40,110	26,109	28,859	95,078
Percent of total Sell-in	77.0%	77.0%	77.0%	
Total U.S. Sell-in	52,116	33,924	37,497	123,538
Price per unit	$34.81	$33.64	$34.55	$34.41

VAR Analysis

	Apr-96	May-96	Jun-96	Quarter Ended 6/30/96
Revenues				
Ingram Micro	693,898	498,718	305,741	1,298,357
Percent of total Sell-in	57.0%	57.0%	57.0%	
Total U.S. Sell-in	$1,217,253	$524,017	$536,337	$2,277,608
Units				
Ingram Micro	19,776	8,567	8,813	37,156
Percent of total Sell-in	57.0%	57.0%	57.0%	
Total U.S. Sell-in	34,692	15,028	15,460	65,180
Price per unit	$35.09	$34.87	$34.69	$34.94

Netscape U.S. browser revenue breakout by distributor within each channel for the quarter ended 6/30/96

	Retail	VAR	Total
Ingram	77%	57%	70%
Tech Data	23%	14%	20%
Access	0%	29%	10%
	100%	100%	100%

Per Bill Henningsgaard

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Combined Navigator and Navigator Gold Revenues, Units and Rev/Unit for Ingram Micro

Revenues

	Total Sales at COST								
	Jan-96	Feb-96	Mar-96	Apr-96	May-96	Jun-96	Jul-96	Aug-96	Total
Consumer/Retail	4,401	1,543	1,344,809	1,396,093	878,348	997,043	533,087	414,809	5,570,133
Commercial	(212)	532	267,239	219,731	217,516	209,654	222,938	98,240	1,235,638
Var	212	80	72,267	51,837	56,210	64,982	48,130	24,703	318,421
Unsegmented	159	133	311,854	422,331	24,991	31,104	1,009	2,667	794,248
Total	$ 4,559	$ 2,288	$ 1,996,169	$ 2,089,992	$ 1,177,066	$ 1,302,783	$ 805,165	$ 540,418	$ 7,918,440

Units

	Total Sales UNITS								
	Jan-96	Feb-96	Mar-96	Apr-96	May-96	Jun-96	Jul-96	Aug-96	Total
Consumer/Retail	166	58	38,923	40,110	26,109	28,859	15,705	12,369	162,299
Commercial	(8)	20	7,639	6,246	6,149	5,978	6,387	2,739	35,150
Var	8	3	2,065	1,467	1,560	1,853	1,361	670	8,987
Unsegmented	6	5	8,913	12,063	858	982	23	67	22,917
Total	172	86	57,540	59,886	34,676	37,672	23,476	15,845	229,353

Revenues per Unit

	Total Sales UNITS								
	Jan-96	Feb-96	Mar-96	Apr-96	May-96	Jun-96	Jul-96	Aug-96	Total
Consumer/Retail	$26.51	$26.61	$34.55	$34.81	$33.64	$34.55	$33.94	$33.54	$34.32
Commercial	$26.52	$26.61	$34.98	$35.18	$35.37	$35.07	$34.90	$35.87	$35.15
Var	$26.50	$26.61	$35.00	$35.34	$36.03	$35.07	$35.36	$36.87	$35.43
Unsegmented	$26.50	$26.61	$34.99	$35.01	$29.13	$31.67	$43.89	$39.80	$34.66
Total	$26.51	$26.61	$34.69	$34.90	$33.94	$34.58	$34.30	$34.11	$34.53

Navigator Information

	Total Sales at COST								
	Jan-96	Feb-96	Mar-96	Apr-96	May-96	Jun-96	Jul-96	Aug-96	Total
Consumer/Retail	$ 4,401	$ 1,543	$ 1,344,809	$ 1,393,889	$ 874,822	$ 942,038	$ 520,989	$ 391,981	$ 5,474,475
Commercial	$ (212)	$ 532	$ 267,239	$ 216,890	$ 207,279	$ 195,597	$ 214,758	$ 86,631	$ 1,188,715
Var	$ 212	$ 80	$ 72,267	$ 50,025	$ 50,039	$ 63,807	$ 45,828	$ 20,001	$ 302,258
Unsegmented	$ 159	$ 133	$ 311,854	$ 421,890	$ 22,983	$ 30,369	$ 1,009	$ 1,540	$ 789,938
Total	$ 4,559	$ 2,288	$ 1,996,169	$ 2,082,694	$ 1,155,123	$ 1,231,811	$ 782,585	$ 500,157	$ 7,755,386

	Total Sales UNITS								
	Jan-96	Feb-96	Mar-96	Apr-96	May-96	Jun-96	Jul-96	Aug-96	Total
Consumer/Retail	166	58	38,923	40,065	26,037	27,736	15,458	11,909	160,352
Commercial	(8)	20	7,639	6,188	5,940	5,691	6,220	2,502	34,192
Var	8	3	2,065	1,430	1,434	1,829	1,314	574	8,657
Unsegmented	6	5	8,913	12,054	817	967	23	44	22,829
Total	172	86	57,540	59,737	34,228	36,223	23,015	15,029	226,030

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Skus:

334650	NETSCAPE NAVIGATOR PERSONAL	EDITION V2.0 WIN3X/WIN95 *NO EXPORT
334652	NETSCAPE NAVIGATOR PERSONAL EDITION V2.0 TRAY PACK SIZE X (SAMS)	
334658	NETSCAPE POWER PACK WIN3X/WIN95 V2.0 SINGLE 1-DOC *NO EXPORT*	
334619	WORLD WIDE WEB KIT NETSCAPE SINGLE 1-DOC *NO EXPORT*	
908802	NETSCAPE NAVIGATOR PERSONAL	EDITION V3.0 WIN3X/WIN95 *NO EXPORT
	(New Version 3.0 Just shipped in September 1996)	

Navigator Gold Information

	Total Sales at COST								
	Jan-96	Feb-96	Mar-96	Apr-96	May-96	un-96	Jul-96	Aug-96	Total
Consumer/Retail	$ -	$ -	$ -	$ 2,204	$ 3,527	$ 55,005	$ 12,098	$ 22,825	$ 95,658
Commercial	$ -	$ -	$ -	$ 2,841	$ 10,237	$ 14,057	$ 8,180	$ 11,608	$ 46,923
Var	$ -	$ -	$ -	$ 1,812	$ 6,171	$ 1,176	$ 2,302	$ 4,702	$ 16,163
Unsegmented	$ -	$ -	$ -	$ 441	$ 2,008	$ 735	$ -	$ 1,127	$ 4,310
Total	$ -	$ -	$ -	$ 7,298	$ 21,942	$ 70,972	$ 22,580	$ 40,262	$ 163,054

	Total Sales UNITS								
	Jan-96	Feb-96	Mar-96	Apr-96	May-96	un-96	Jul-96	Aug-96	Total
Consumer/Retail	-	-	-	45	72	1,123	247	460	1,947
Commercial	-	-	-	58	209	287	167	237	958
Var	-	-	-	37	126	24	47	96	330
Unsegmented	-	-	-	9	41	15	-	23	88
Total	-	-	-	149	448	1,449	461	816	3,323

Skus:

482589 NETSCAPE NAVIGATOR GOLD V2.0	F/WIN95,NT SNGL NO-DOC LAN EDITION
902668 NETSCAPE NAV 2.0 GOLD & SUB	SNGL NAV F/WIN95,NT NO/DOC & SUB
902669 NETSCAPE NAV 2.0 GOLD & SUB.	SNGL NAV F/WIN95,NT W/DOC & SUB
908804 NETSCAPE NAV GOLD V3.0 WIN3X/	/WIN95 *NO EXPORT* PERSONAL EDITION
908806 NETSCAPE NAV GOLD V3.0 PERS	EDITION 6PC TRAY PACK SKU SIZE D
914557 NETSCAPE NAVIGATOR GOLD V3.0	F/WIN NT SNGL NO-DOC LAN EDIT

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