

MANAGEMENT DISCUSSION SECTION

Operator: Good afternoon. My name is Anthony and I will be your conference facilitator today. At this time, I would like to welcome everyone to the EDGAR Online Third Quarter Earnings Release Conference Call. All lines have been placed on mute to prevent any background noise. After the speakers' remarks, there will be a question-and-answer period. [Operator Instructions].

It is now my pleasure to turn the floor over to our host, Ms. Susan Strausberg, President and CEO. Ma'am you may begin your conference.

Susan Strausberg, President and Chief Executive Officer

Thank you. We want to welcome all of you to this conference call to discuss EDGAR Online's third quarter 2005 results. We would like to remind everyone that the statements made in this call, other than those concerning historical information, should be considered forward-looking and subject to various risks and uncertainties. EDGAR Online's actual results may differ substantially from the results anticipated in these forward-looking statements as a result of a variety of factors, including those identified in our Quarterly Report on Form 10-Q and Annual Report on Form 10-K, which are filed with the Securities and Exchange Commission.

Before I turn you over to Greg Adams for his financial review, I want to deviate from our usual format. The incentive for a small company that has minimal or no analyst coverage to hold an earnings call is to use that forum to provide additional insight into the operations of the company, not only from a financial perspective, but also to try to further engage investors in understanding the company. In this spirit, for this quarter, I have invited Mort Mackof, our EVP of Sales, and Stefan Chopin, our CTO, to be on hand to take questions after our regular remarks.

And now, Greg Adams, our Chief Financial Officer and COO, will take you through our third quarter results.

Greg D. Adams, Chief Financial Officer and Chief Operating Officer

Thanks Susan. Before I review EDGAR Online's third quarter 2005 operating performance, I would like to reiterate our 2005 plans. We look at 2005 as a year of development and investment. In particular, I-Metrix introduces a new technology and it is based on a new data standard, XBRL. Susan will discuss the next release of I-Metrix and provide an outline on where the product stands today as well as the release of new enhancements on EDGAR Online Pro and EDGAR Access. We can assure you that we are very excited about the size of potential market for I-Metrix, as well as the global opportunities that are in front of us. So, now let's move on to the third quarter results.

Third quarter revenues were 3.5 million, compared to 3.2 million in 2004. Revenue growth was driven by a 16% increase in our core businesses, subscriptions and data sales, which are currently 98% of total revenues. We were able to increase revenues despite a \$228,000 decline in our non-core businesses, technical services and advertising. Our deferred revenue increased 34% to 3.7 million, or up \$925,000 from last year. This is an important metric for a subscription business because we recognize revenues as customers utilize our product.

Drilling down to the segments, third quarter subscription revenues increased 18% from last year and 3% from the previous quarter. Our number of paying subscribers at September 30 is 20,600 comprised of 9,600 EDGAR Pro subscribers and 11,000 EDGAR Access subscribers. The slight subscriber decrease from the previous quarter was primarily due to seasonality and disabling

certain non-paying customers. With respect to pricing, the average annual price per subscriber has increased from \$299 per year to \$408.

Modest I-Metrix revenues are included in the subscriptions for the third quarter. Our initial I-Metrix sales as of September 30 are over \$200,000 of annual contract value, but more importantly, we have received great customer feedback and have a significant number of users and companies in our pipeline for the fourth quarter and first quarter of 2006. As Susan mentioned, Morton Mackof, our EVP of sales has joined us on the call. Mort will be able to answer questions regarding the sales pipeline and market for I-Metrix.

Moving out to data sales, our 2005 revenues increased to 1.3 million, an 11% increase compared to last year, but a 6% decrease from the previous quarter. The sequential decrease at data sales was primarily due to the termination of a NASDAQ contract and certain one-time fees that were recognized in the second quarter. At September 30, we had 199 data contracts with an average annual value of approximately \$25,500.

Our non-core businesses, technical services and advertising were just 2% of third quarter revenues. Third quarter billings of technical services were down to 47,000, compared to 204,000 last year. During the quarter, our consultants were replaced at our sole tech services customer, and as such, we do not anticipate any fourth quarter revenues from technical services.

Our last segment of revenue, advertising and e-commerce sales, were only \$42,000, compared to 113,000 last year and 122,000 in the previous quarter. We do expect this segment to improve next quarter, since in October, we have already received e-commerce revenues in excess of third quarter reported revenues.

Looking at operating performance, our gross margins remained very strong at 86%, which is flat with last year and increased slightly from the previous quarter. Third quarter operating expenses, excluding amortization and depreciation, were \$4 million compared to 3 million last year and up slightly from the previous quarter. The increase from last year is primary due to product development and sales and marketing expenses. The sequential increase in G&A expenses is due to approximately \$150,000 of one-time costs for professional fees associated with Sarbanes-Oxley compliance and certain legal fees in connection with an employment matter. Our workforce is currently at 90 employees and we do not expect the headcount to increase dramatically for the remainder of 2005. Amortization and depreciation totaled \$500,000, down 56,000 from last year due to the full amortization of FreeEDGAR intangible assets. All the above yields a net loss of 1.5 million, or \$0.06 per share. EDGAR Online has not recognized any income tax benefits related to the loss.

On to the balance sheet. We had an invested cash balance at September 30 of 6.2 million, and no debt other than normal operating payables and accrued expenses. With respect to fourth quarter 2005 guidance, we anticipate that revenues will increase and be in the range of 3.6 to \$3.7 million. Our EPS loss will remain flat at approximately \$0.06 per share, as we continue to invest in the development and marketing of I-Metrix. For the full year, this will translate to overall revenue forecast of 4.2 to 4.3 million (sic)[14.2 to 14.3 million], and an EPS loss of approximately 22 to \$0.23 a share.

So in summary, while in this quarter and the remainder of 2005 is focused on investment, it does not yet reflect the anticipated accelerated growth from I-Metrix. We are very confident that we are better positioned to deliver a significant revenue increase in the future, and as expected the external global support of XBRL from the SEC, foreign stock exchanges, the finance profession, and other organizations, like the Gartner Group and Microsoft, has made it more and more evident that we have invested in the right technology and will be able to show significant financial improvements going forward. So, with that I will pass it back to Susan. Susan?

Susan Strausberg, President and Chief Executive Officer

Thank you Greg. To add to what Greg has said, we look at 2005 as a year of development and investment. We are continuing to execute on building our new product, developing our marketing strategies and arming our sales organization to introduce I-Metrix to new customers. At the same time, of course, they continue to sell existing EDGAR Pro subscriptions and data feeds. As evidence of our sales efforts, there has been a 16% increase over last year in subscriptions and data sales and deferred revenue has increased 34% for the same period.

We are about to release the next upgrade of I-Metrix, version 1.3. I'd like to take a moment to outline where our I-Metrix product stands today. We currently have released a very robust data set containing over 95% of the companies with \$100 million market cap and above. Data for companies from industries such as oil and gas and broker/dealers, whose XBRL taxonomies are not presently approved, will be included over the next three months. We have begun to introduce company financials extracted from earnings releases for those companies who file 8-Ks with their earnings, and we will have an initial view into footnotes over the next few months. In terms of functionality, we will be introducing other views into our data in order to provide our customers with flexibility in accepting and accessing information. EDGARpro will be re-released with some important changes to our interface. We are also introducing an I-Metrix integrated version of EDGARpro, which will expand the ease of use and allow those I-Metrix customers who prefer to work in the browser to do so. As we get into 2006, we will be adding ADRs, private company information, US companies with less than \$25 million in market cap and analytics. There will also be news releases of EDGARpro and EDGAR Online Access in the first quarter of 2006. The sites will be enhanced to reflect a more company-centric view. This should simulate further sales of our lower and mid range subscription services.

As revolutionary as our products are and as much demand as there is in the market, selling financial information to the financial, corporate and advisory markets is still a somewhat slow-paced business. There are no magic bullets. It requires training, marketing, and messaging to penetrate the consciousness of the marketplace. In order to maintain our significant pipeline, we will keep focusing on the addressable market, while continuing to pursue bigger enterprise sales.

With respect to other initiatives, we are working with Microsoft, Business Objects, PwC, and various stock exchanges around the world. We expect that some of these relationships and ventures will mature and go to market during the first half of 2006. Our message to you remains the same. We are even more confident that our efforts will result in an increase in shareholder value.

Greg D. Adams, Chief Financial Officer and Chief Operating Officer

Okay, before we open it up to questions, just want to clarify one statement we made, since I swallowed my words a little bit. The full year revenue forecast, let me repeat, that, it is 14.2 to \$14.3 million for '05.

Susan Strausberg, President and Chief Executive Officer

Thanks, Greg. Okay, so now let's up open up this forum to your questions and let we remind you again that Morton Mackof and Stefan Chopin are here as well, and probably Greg and I will defer many of the questions to them because we are lucky to have them here.

QUESTION AND ANSWER SECTION

Operator: [Operator Instructions]. Thank you. Our first question is coming from Will Lyons from Westminster Securities.

<Q – William Lyons>: Yes, hi. Thanks for having the whole team there for us, it's great to have so many people to answer our questions. My first question is, you doubled – well, nearly doubled, revenue per subscriber, could you give us any color on that? That's quite an accomplishment.

<A – Susan Strausberg>: Mort?

<A – Morton Mackof>: The sales organization has been focused on the increase in subscription rates for our legacy providers and our account management organization, which handles our existing accounts, has been very successful in moving the existing clients that have been on board for many years at lower rates, up towards our current subscription price of \$1,200 per year. What you are seeing there is the mix of increasing value and we intend to continue to move people up, as contracts come to renewal.

<Q – William Lyons>: Okay. There were three names mentioned in the last quarterly call, as far as large corporate users, or at least testers, [inaudible] users of the I-Matrix service. Can you add any more names to that list, Microsoft, Intel and Amgen?

<A – Susan Strausberg>: Mort, are you – are we able to add any additional names?

<A – Morton Mackof>: I can't add – I can't announce any additional names today.

Operator: Thank you. Our next question is coming from Harper Stephens from Edmund White Partners.

<Q>: Hi, good afternoon. How are you all?

<A – Susan Strausberg>: Hi there.

<Q>: I was just wondering, and I don't think you mentioned it in the call, if you have a specific number as far as how many stocks are tagged? And then also, if you are getting any sort of feedback from some of the enterprise customers as far as how many it will take to have tagged before you get your first contract?

<A – Susan Strausberg>: Well, I think I am going to ask Stefan to answer the question, since he manages the development process.

<Q>: Okay.

<A – Stefan Chopin>: We have about 4500 companies in the database, which, as Susan mentioned, comprises well over the 90% of the 100 million and above market cap.

<A – Morton Mackof>: And relative to your question as to how many will take before people start to buy, we crossed an inflection point about the third week in August where we exceeded the number of companies that the majority of our target market were interested in. Remember that our target markets are three specific silos, one being financial, one being corporate, and one being advisory. For the most part, the financial market is satisfied at the \$100 million market cap level, which we have basically embraced, and in addition, the corporate space, having 4500 companies basically says 4500 companies within the corporate silo are subject to be clients. We have seen great reception since we crossed this point in the middle of August, the third week in August, and increasing penetration and increasing acceptance of the product as one of immediate value.

<Q>: Okay, but how that outside of the corporate market? I mean, I think some of the finance and accounting companies will probably require you to have all the companies tagged, wouldn't they?

<A – Greg Adams>: No, the upper echelon and mid-tier of the financial companies don't get involved in companies below \$100 million market caps. So, we have significant coverage and adequate coverage for them outside of the oil and gas that Stefan mentioned as not having the taxonomy released as yet. So there is great opportunity and great interest within the financial community. The advisory silo is a new area for us. While we – our sales organization is very seasoned and expert in selling into the financial community and corporate space, the advisory space proves to be a learning experience for us to learn how they buy and what they buy and when they buy and where they buy, and we are going through that learning curve presently, and expect to see benefit from it in this quarter and next..

<Q>: Okay, I'm still trying to understand if you could maybe, if we are not supposed to watch the number of companies tagged to sort of help us anticipate when a deal could come, is there some other metric that is holding up these companies from signing a deal? Is it price or – ?

<A – Morton Mackof>: I am not suggesting that anything is holding up companies from signing deals. What I think you need to factor into your thought process is that it's late August of the summer that we crossed this point in having an adequate, more than adequate database, and the selling cycle through – from the end of August through the present, has only been five weeks, the first two of which were peak vacation time for our target market. So, in the last five weeks of selling activity, we've had very strong success getting along the sales curve with our existing opportunities, which are substantial.

<Q>: Okay, sounds good. Well, good luck in landing some of those deals.

<A – Susan Strausberg>: Thanks, Harper.

<A – Morton Mackof>: The pipeline, just for your information, that we go into Q4 with, is roughly \$3.2 million of identified qualified activity, 2.1 million of which is tied to the I-Metrix product.

<Q>: That sounds like a good pipe.

<A – Susan Strausberg>: Thanks, Harper.

<A – Morton Mackof>: We think so. Thank you.

Operator: Thank you. Our next question is coming from Prem Lalvani from The Stanford Group.

<Q – Prem Lalvani>: Hi guys.

<A>: Hello, Prem.

<Q – Prem Lalvani>: Just got a couple of questions for you. Not sure if anybody has asked this yet. You announced a couple of I-Metrix corporate customers last quarter. And has there been any – was there a revenue contribution from them in this quarter?

<A – Greg Adams>: Yeah, the recognized revenue during the quarter was not that significant to overall subscriptions, primarily because, as mentioned in my comments, the annual contract value sold as of September 30th was \$200,000. That's annual contract value, so it takes – you take a third of that, even take less that because of the timing of the sale. The contribution was not that significant yet.

<Q – Prem Lalvani>: Okay. And how long is the average contract today?

<A – Morton Mackof>: These contracts are one-year renewable subscriptions.

<Q – Prem Lalvani>: Okay. And the Business Objects announcement earlier in the year, did that yield any results in this quarter?

<A – Susan Strausberg>: No, it did not. There is an integration piece that we are waiting for from Business Objects before I-Metrix can be offered on to their platform, and that has not yet been delivered.

<A – Greg Adams>: And I think realistically, since it is an integration technology issue, and believe me, it's not on our side, I don't think you will see anything from Business Objects until 2006.

<A – Susan Strausberg>: That's correct. I would agree.

<Q – Prem Lalvani>: Okay. You guys had – it looks like on a year-over-year basis at least, the sales and marketing spend has basically doubled. What are the plans for that as this I-Metrix tagging gets even further along?

<A – Morton Mackof>: The spend grew, as you mentioned, as we've increased the sales and – the sales staff, the sales and account management staff, and we have every intent of expanding the sales staff, probably by another 25% by the end of the second quarter of '06.

<Q – Prem Lalvani>: Okay. So, would that put you in the 10 to 12 range?

<A – Morton Mackof>: Presently, 15.

<Q – Prem Lalvani>: 15 range – okay. And as you look at the number of companies tagged, you also have been tagging a considerable amount of historical data. Is there any update on how far back you have gone and how far back you continue to go with available data, and is there sort of a critical, I guess, a cross-over point where you think the market opportunity is so compelling that you would see a wise investment to maybe accelerate the amount of development, or is that something that you think is running at critical mass right now?

<A – Susan Strausberg>: Stefan will take this.

<A – Stefan Chopin>: We currently have about 22 quarters of historical data and our market research tells us that that is quite sufficient for our need. So, we will not be expanding the historical data, except for the fact that as quarters go by, that increases naturally. So, the bulk of our effort has been in fact around the processing of the historical data and building the complex rules that are associated with that historical data for those companies. So, we will keep it at that level and grow it going forward with new filings as they come in.

<A – Susan Strausberg>: And the second part of the question, which was, do you see any particular time when you would increase the facility or the resources in order to handle the – [inaudible], or I gather, this interest in understanding the production process of it, Stefan?

<A – Stefan Chopin>: I mean, we have a fairly sophisticated production process that is pretty much running at capacity right now to ensure our quality is manageable. So, we are adding companies at a fairly good rate and will have another 2,000 by the end of the year. So, I think that's running pretty much at capacity and will meet our needs going forward. So, we shouldn't – we don't expect to be expanding that production capacity. Some of that will be applied to notes processing and other data sets as we go forward in the future.

<Q – Prem Lalvani>: Okay great. And last question, I think this is for Greg. Did you – I missed what the numbers of customers you had on Pro and Access were? And then, did you report a churn rate on those customers?

<A – Greg Adams>: I did not give the exact churn rate, but the number of paying subscribers that we have as of September 30, is in total 20,600, comprised of 9,600 Pro and 11,000 EDGAR Access. So, there was slight churn from the previous quarter, about 400 subscribers.

<Q – Prem Lalvani>: Okay, great. Thank you very much.

<A – Susan Strausberg>: Thank you.

Operator: Thank you. Our next question is coming from Jon Hickman from MDB Capital Group.

<Q – Jon Hickman>: Can you tell me how many sales people you have like right now?

<A – Morton Mackof>: I have 13 people actively selling right now.

<Q – Jon Hickman>: And that's 13 people with quotas?

<A – Morton Mackof>: That's correct.

<Q – Jon Hickman>: Is anybody on quota?

<A – Morton Mackof>: Yes.

<Q – Jon Hickman>: Really? Okay. Can you tell me what qualify – you know, in your pipeline? Can you like describe what that means, and where was this back in June, that pipeline, the 3.2 million? What was it in June?

<A – Morton Mackof>: The qualified prospect in our pipeline is someone that we have met with, evaluated their needs, and determined that there was a fit, that they were able to buy the product, and it was a question of the balance of the sales cycle to bring them home as a customer. So, to that extent, that's how I categorize the \$3.1 million in pipeline and 2.1 million of that being I-Metrix based. Where that was in June, did you say, I don't have that data in front of me. I'm afraid I can't give you that.

<Q – Jon Hickman>: Okay. And then, Greg, you said that there was \$200,000 worth of annual value of I-Metrix at the end of September?

<A – Greg Adams>: Over 200,000.

<Q – Jon Hickman>: And that's up from 100,000 in June, right?

<A – Greg Adams>: Correct, that's double. Yes.

<Q – Jon Hickman>: So, actually you sold about the same amount in this quarter as you did in the June quarter?

<A – Morton Mackof>: There were a couple of folks in the June – in the second quarter who decided that they did not have sufficient market coverage in the data that was provided back in June, that asked us to cancel their subscriptions, or more correctly, postpone their interest until we had a different mix of clients in the database, not clients, but companies – excuse me – in the database. So, the reflection is skewed towards more than a double in the third quarter. It is

probably – of the \$220,000 that we have in annual revenue, it's probably 140,000 came out of the second quarter.

<Q – Jon Hickman>: I am sorry, 140,000 came out of the second quarter?

<A – Morton Mackof>: No. It is the third quarter contribution, is what I meant to say.

<Q – Jon Hickman>: Okay. Then, do you have a formal price list? I mean, the last I heard, it was like \$6,000 a seat?

<A – Morton Mackof>: I don't know where you would have gotten \$6,000 a seat from, but we do have a formal price list. The financial sector has a three seat minimum at \$20,000. The corporate silo has a three seat minimum at \$15,000, and the advisory sector has also a three seat minimum at \$15,000. There are volume reductions on a tiered basis going out from five seats.

Operator: Thank you. Our next question is coming from Ross DeMont from Midwood Capital.

<Q – Ross DeMont>: Hi, thanks for taking my call. Couple of quick questions. You mentioned having 90% of the companies over \$100 million tagged. Is there something relevant about 100? I mean, you're not going to stop there, I am assuming you will continue to drive down the cap size range until some level, until you to get sort of a – even a less relevant – universal companies?

<A – Morton Mackof>: Thank you for the question. We have determined that a major portion of the target market would be well served at the \$100 million level, and that's why we have distinguished that. But we continue with our goal of tagging all of the US listed companies, all of the HRs and the 2,500 private companies that must file with the SEC.

<Q – Ross DeMont>: Okay, great. And then, can you talk a little about the pushback you're getting from the market? I mean, based on this 140,000 in revs you added in the third quarter, let's call that seven three-seat deals – seven deals across 15 sales people in three months. Clearly, there is something that's preventing these people from being able to sort of aggressively sell this product. Has it been the number of companies that you have tagged? Has it been that certain segments like oil and gas aren't ready, I mean what's slowing it down?

<A – Morton Mackof>: Well, what I have tried to convey in the earlier comments, and I will take hopefully a better shot at it in this one, the inflection point that we felt we had reached relative to the number of companies tagged occurred on or about the 22nd of August. That was the point at which we had sufficient companies tagged with their history online for us to satisfy the needs of a broad number of corporate clients and financial clients. So, while you suggested that seven deals were done in a three-month period, in fact, the bulk of the business for the third quarter was done between the last week in August, which I remind you includes Labor Day weekend and the end of the vacation season, and then, the balance of September which also has a number of holidays that restrict our access to many of our clients. Given that we had – we were able to renew the sales activity when this data inflection point was passed, I think the performance between the end of September and the end of August is very strong. And of course, I categorize it differently than you do. If I was to normalize it, I would say that if we had seven deals or \$140,000 sold through three weeks, we would have done four times that number had we started from the beginning of the quarter.

<Q – Ross DeMont>: Okay, understood. I wasn't – I apologize, I wasn't trying to characterize it as a poor showing, I was just more trying to understand why a bit more hadn't been done. Can you talk about whether or not the directive from above has changed as to where salespeople should spend their time, but if you enact now and effectively say to the sales force, 'Hey, I-Metrix is ready, let's push this thing'?

<A – Morton Mackof>: We have implemented a directed campaign at the CFO suite and the IR suite of the S&P 500. We started that at the end of August to develop that part of the market segment, and we have an ongoing set of campaigns targeted at the financial community.

<Q – Ross DeMont>: Okay, again, I was – I guess I was trying to get at, has the, if you check what one of your salespeople was doing in July, where they were focusing their efforts, were they focusing on more on legacy products then, and now you have passed this inflection point in the number of companies you have tagged, therefore they are spending more of their time on I-Metrix? I am trying to get a sense of that.

<A – Morton Mackof>: I apologize for misunderstanding your question. You are quite right. In Q2 and the beginning of Q3, they were directed to find the bulk of their quota in EDGAR Pro sales and data sales. They have since been redirected and especially targeted in, now the fourth quarter, to look for significant more revenue in the I-Metrix space. And if you heard me mention before that the pipeline of 3.2 million is comprised of 2.1 million of I-Metrix potential, you will see that they have indeed gone mining for exactly the type of business that I have asked them to.

<Q – Ross DeMont>: Okay. Thanks, that's very helpful. And one very quick question for Greg. In the past, you have talked a little bit about when you hope to reach breakeven, and I think at the last call someone asked. Is that still kind of a couple of quarters out?

<A – Greg Adams>: Yeah, it's still, hopefully, a second half '06 occurrence we'll reach profitability, but there is a lot of uncertainty still on the timing and whether we speed up spend, or whether we close a large contract. We just don't know, but we still think it's hopefully an '06 event.

<Q – Ross DeMont>: Okay, thanks so much.

Operator: Thank you, our next question is coming from Jamie DeYoung from Gruber.

<Q – Jamie DeYoung>: Jamie DeYoung, Gruber & McBaine. Thank you for taking my call. You mentioned earlier that in your Q4 pipeline, you have got 2.1 million in your I-Metrix product. I was hoping if you could break that out on a corporate versus investment advisory basis?

<A – Morton Mackof>: I'm sorry, I didn't, can you repeat that?

<Q – Jamie DeYoung>: Yeah, you said your pipeline was 3.2 million, and of that 3.2 million, 2.1 million is for the I-Metrix product. I wanted to see if you could break that out in terms of how many actual potential customers that represents, and the break-out between corporate investment advisory and financial sector please?

<A – Susan Strausberg>: The – I would say that the – between corporate and financial, it's approximately 50- 50.

<Q – Jamie DeYoung>: Okay, and the first part of my question, which was the number of customers that represents, not just the dollar amount?

<A – Susan Strausberg>: I don't have accounts in front of me.

<Q – Jamie DeYoung>: A range, perhaps?

<A – Morton Mackof>: It probably represents 75 unique prospects, but I don't have the data in front of me. I'm sorry.

<Q – Jamie DeYoung>: That's okay. You also mentioned that you have currently 13 salespeople. What percentage of those or how many of those 13 would be targeting those 75 unique prospects at this time?

<A – Morton Mackof>: 8.

<Q – Jamie DeYoung>: Okay, and now that you have got a significant amount of companies tagged, and you are working towards the oil and gas industry, I believe you mentioned, what can we look towards perhaps as what you might anticipate as a typical sales cycle for some of these prospects going forward?

<A – Morton Mackof>: I'm not sure I have the oil and gas, – the oil and gas question is really one of the XBRL Consortium releasing the taxonomy. We are not – we didn't decide to hold off on that, we are waiting for certain things to be released by the XBRL organization. Relative to the sales cycle, it's somewhat silo-specific. The corporate sales cycle is typically six weeks, the financial sales cycle may indeed be 10 to 12 weeks, or it may be impacted by the perception of budgeting need, and whatever their budget cycle is. There is a little more structure to the purchasing methodology in the financial community, hence more red tape if you will, more delay, and I think – and it's clear to us that they intend it to be that way. So there is a longer sales cycle due to bureaucracy in the financial community than there is in the corporate sector.

<Q – Jamie DeYoung>: Okay. Another question I had, you mentioned you were hoping to reach break-even, profitability in the second half of '06. What would be the run rate that you would need to get to in order to achieve that goal?

<A – Greg Adams>: Most likely, it would be in a range, and again it depends on the level of spend and if we accelerate it or pull it back, but it most likely will be in a range between 4.7 million and 4.9 million per quarter.

<Q – Jamie DeYoung>: Okay. And can you characterize the competitive landscape at all, if you – your salespeople, if they are getting any pushback, if one of the reasons is other competing products out there. Could you comment on that, please?

<A – Morton Mackof>: Yes, the – it is interesting when you look between the two silos of corporate versus financial. In the corporate space, they are really underserved by this type of data, or any data for that matter, and so there is very little sense of competition. There is just a question of making them see, and most people – most of them do see rather quickly how this impacts positively on their workflow, and the ROI is very visible instantaneously, and in most cases the price point we are talking about is such that it's not price – there's no price pressure. It's just delivering it, getting them comfortable with it and moving on to the next. In the financial space, because of the bureaucratic structure they have in trying to limit access of vendors to the business side of the house, there has been an inherent perception that whatever one is selling, they must already have and so the pushback, if you want to call it that, it's really an educational one of making them realize that they have nothing that compares and addresses the information that we are delivering, that there is no existing alternative. And that's a very difficult thing for people in the financial community to understand if they are not working with the information per se. If you show it to an analyst, the analyst understands fairly rapidly that this is a revelation for them. If you're forced to go through the traditional acquisition methods that the financial community has established, there is that reticence of 'well, we must have this, we must be buying it from somebody else already', so they're not so quick to open their doors and let you in to explain to them where they are mistaken and why this really is a sea change technology that we are offering them.

<Q – Jamie DeYoung>: Okay, and my final question. There was an article in the Investor Business Daily (sic) [Investor's Business Daily] a couple of days ago that was mentioning XBRL and gave quite a bit of press coverage to Rivet Corporation. It didn't mention your company at all. Is Rivet

Corporation something that might be of interest to you and perhaps a potential acquisition down the road?

<A – Susan Strausberg>: Rivet Software is a partner of ours. The companies that were mentioned in that article are all in another space in the XBRL world, which is the authoring space. We are on the delivery dissemination end of the spectrum. So, – and Rivet is a good partner of ours. They are very very – they make a good product, there are several other people in their space who were mentioned in the article as well. And there's no one in our space in that world.

<Q – Jamie DeYoung>: Great. Thank you and best of luck.

<A – Susan Strausberg>: Thank you very much.

Operator: Thank you. We have time for one final questioner, which is Ron Malloy from Beetual.

<Q>: Yes. I am just wondering what role do you see, if any, that financial printers will play in your future sales strategy?

<A – Greg Adams>: Most likely, I believe, when XBRL really becomes – I don't want to say mandated, but more commonplace throughout organization, as software, accounting software developers incorporate it into their modules, and ultimately perhaps if the SEC mandates XBRL to be filed with their 10-Ks and 10-Qs. At that point, most public companies will most likely look towards the financial printer to XBRLize their financial statements. Similar today, they look to the financial printers to EDGARize their statements to get into the EDGAR system. Just as a side note, it is not easy to convert a statement into XBRL, and that's why we have such a head start on our competition, and that Investor Business Daily (sic) [Investor's Business Daily] article mentioned some tools to do that for your financial statements. But again, those tools are difficult to do and take time. So I believe a lot of companies will look towards the financial printers to do the conversions for them, and we are already in discussion with several financial printers about being the back engine for that conversion, since we've done it already for, as Stefan mentioned, over 4,500 public companies.

<Q>: Thank you.

Operator: Thank you. I would like to turn the floor back over to management for any closing remarks.

Susan Strausberg, President and Chief Executive Officer

I think – I want to thank you all for being with us. I hope you enjoyed this change in format. I am not going to promise that we are going to continue in this fashion, but Greg and I particularly enjoyed the call and we look forward to talking to you next quarter.

Operator: Thank you, and thank you callers. That does conclude today's conference. You may disconnect your lines at this time and have a wonderful day.

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