

INTERWOVEN, INC.
Consolidated Balance Sheets
(In thousands)

Assets	<u>September 30, 2004</u> (Unaudited)	<u>December 31, 2003</u>
Current assets:		
Cash and cash equivalents	\$ 73,731	\$ 43,566
Short-term investments	64,963	96,921
Accounts receivable, net	25,828	33,834
Prepaid expenses and other current assets	<u>8,319</u>	<u>8,629</u>
Total current assets	172,841	182,950
Property and equipment, net	6,210	7,403
Goodwill	185,464	185,991
Other intangible assets, net	33,234	43,134
Other assets	<u>2,299</u>	<u>2,347</u>
Total assets	<u>\$ 400,048</u>	<u>\$ 421,825</u>
 Liabilities and Stockholders' Equity		
Current liabilities:		
Bank borrowings	\$ 611	\$ 1,213
Accounts payable	4,747	4,576
Accrued liabilities	18,369	22,961
Restructuring and excess facilities accrual	15,138	15,733
Deferred revenues	<u>45,429</u>	<u>44,066</u>
Total current liabilities	84,294	88,549
Accrued liabilities	2,515	912
Restructuring and excess facilities accrual	<u>28,862</u>	<u>31,430</u>
Total liabilities	<u>115,671</u>	<u>120,891</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock	41	40
Additional paid-in capital	695,914	693,773
Deferred stock-based compensation	(2,762)	(9,564)
Accumulated other comprehensive income (loss)	(310)	25
Accumulated deficit	<u>(408,506)</u>	<u>(383,340)</u>
Total stockholders' equity	<u>284,377</u>	<u>300,934</u>
Total liabilities and stockholders' equity	<u>\$ 400,048</u>	<u>\$ 421,825</u>