

**Concurrent Computer Corporation**  
**Condensed Consolidated Balance Sheets**  
(In Thousands)

	<b>March 31, 2005 (unaudited)</b>	<b>December 31, 2004 (unaudited)</b>	<b>June 30, 2004</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 19,828	\$ 23,921	\$ 27,928
Trade accounts receivable, net	18,349	11,940	10,192
Inventories, net	6,694	4,562	9,617
Prepaid expenses and other current assets	2,080	2,294	1,378
Total current assets	46,951	42,717	49,115
Property, plant and equipment, net	8,968	9,871	11,569
Purchased developed computer software, net	871	918	1,013
Goodwill	10,744	10,744	10,744
Investment in minority owned company	140	140	553
Other long-term assets, net	1,426	1,408	1,548
Total assets	\$ 69,100	\$ 65,798	\$ 74,542
 <b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 14,398	\$ 9,970	\$ 12,069
Notes payable to bank, current portion	934	930	-
Deferred revenue	6,825	6,567	10,668
Total current liabilities	22,157	17,467	22,737
Long-term deferred revenue	2,987	3,670	4,117
Notes payable to bank, less current portion	1,828	2,070	-
Other long-term liabilities	2,174	2,204	1,962
 <b>STOCKHOLDERS' EQUITY</b>			
Common stock	637	638	628
Additional paid-in capital	175,806	176,376	174,338
Retained earnings (deficit)	(135,371)	(135,194)	(128,712)
Treasury stock	-	-	(42)
Unearned compensation	(1,574)	(2,224)	(351)
Accumulated other comprehensive income (loss)	456	791	(135)
Total stockholders' equity	39,954	40,387	45,726
Total liabilities and stockholders' equity	\$ 69,100	\$ 65,798	\$ 74,542

**Concurrent Computer Corporation**  
**Condensed Consolidated Statements of Operations**  
(In Thousands Except Per Share Data)

	<u>Three Months Ended March 31,</u>		<u>Nine Months Ended March 31,</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues:				
Product revenues	\$ 14,391	\$ 18,214	\$ 40,699	\$ 48,920
Service revenues	5,458	5,397	16,504	16,219
Total revenues	<u>19,849</u>	<u>23,611</u>	<u>57,203</u>	<u>65,139</u>
Cost of sales:				
Product cost of sales	5,747	9,643	19,294	22,768
Service cost of sales	3,132	3,072	9,904	9,106
Total cost of sales	<u>8,879</u>	<u>12,715</u>	<u>29,198</u>	<u>31,874</u>
Gross margin	<u>10,970</u>	10,896	<u>28,005</u>	33,265
Operating expenses:				
Sales and marketing	4,333	4,259	12,897	12,768
Research and development	4,447	5,091	14,299	14,464
General and administrative	2,363	2,656	7,144	7,000
Total operating expenses	<u>11,143</u>	<u>12,006</u>	<u>34,340</u>	<u>34,232</u>
Operating loss	(173)	(1,110)	(6,335)	(967)
Recovery (loss) of minority investment	-	289	(313)	3,047
Other income (expense)	(2)	58	71	42
Income (loss) before income taxes	<u>(175)</u>	<u>(763)</u>	<u>(6,577)</u>	<u>2,122</u>
Provision (benefit) for income taxes	<u>2</u>	<u>(700)</u>	<u>68</u>	<u>360</u>
Net income (loss)	<u>\$ (177)</u>	<u>\$ (63)</u>	<u>\$ (6,645)</u>	<u>\$ 1,762</u>
Basic net income (loss) per share	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.11)</u>	<u>\$ 0.03</u>
Diluted net income (loss) per share	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.11)</u>	<u>\$ 0.03</u>
Basic weighted average shares outstanding	<u>62,758</u>	<u>62,565</u>	<u>62,728</u>	<u>62,318</u>
Diluted weighted average shares outstanding	<u>62,758</u>	<u>62,565</u>	<u>62,728</u>	<u>63,259</u>