

INTERWOVEN, INC.
Consolidated Balance Sheets
(In thousands)

<u>Assets</u>	<u>June 30, 2006</u> (Unaudited)	<u>Dec. 31, 2005</u>
Current assets:		
Cash and cash equivalents	\$ 60,312	\$ 73,618
Short-term investments	86,231	63,581
Accounts receivable, net	33,466	31,542
Prepaid expenses and other current assets	<u>5,870</u>	<u>5,193</u>
Total current assets	185,879	173,934
Property and equipment, net	5,163	5,044
Goodwill	191,595	191,595
Other intangible assets, net	18,474	25,527
Other assets	<u>2,668</u>	<u>2,506</u>
Total assets	<u>\$ 403,779</u>	<u>\$ 398,606</u>
 <u>Liabilities and Stockholders' Equity</u> 		
Current liabilities:		
Accounts payable	\$ 4,870	\$ 4,491
Accrued liabilities	25,745	22,198
Restructuring and excess facilities accrual	7,214	7,266
Deferred revenues	<u>56,308</u>	<u>54,010</u>
Total current liabilities	94,137	87,965
Accrued liabilities	2,290	2,761
Restructuring and excess facilities accrual	<u>5,140</u>	<u>9,681</u>
Total liabilities	101,567	100,407
Commitments and contingencies		
Stockholders' equity:		
Preferred stock	—	—
Common stock	43	42
Additional paid-in capital	708,519	705,908
Deferred stock-based compensation	—	(1,002)
Accumulated other comprehensive loss	(294)	(359)
Accumulated deficit	<u>(406,056)</u>	<u>(406,390)</u>
Total stockholders' equity	<u>302,212</u>	<u>298,199</u>
Total liabilities and stockholders' equity	<u>\$ 403,779</u>	<u>\$ 398,606</u>