

Lycos, Inc. Corporate Fact Sheet

Founded: 1995

Employees: 922

**Stock
Symbol:**
NASDAQ:
LCOS

Overview:

As the Internet has grown in size and complexity, Lycos, Inc. has offered consumers a fast, easy and efficient way to manage its vast resources. By evolving from a portal, which implies a doorway that users pass through on their way to other destinations, to a hub and comprehensive network of sites, Lycos is able to serve all of the basic needs of its Internet visitors, acting as the home base and primary Web resource for its users.

The Lycos Network is currently one of the most visited hubs on the Internet reaching one out of every two Web users (source: Media Metrix). Its network of sites includes Lycos.com, Tripod, Angelfire, WhoWhere, Lycos Communications, HotBot, HotWired, Wired News, Webmonkey, Quote.com, Sonique, Gamesville, and Matchmaker.com. The Lycos Network provides leading Web search and navigation, communications and personalization tools, homepage building and Web community services and a cutting-edge shopping center. Integrated, these sites help each individual user locate, retrieve and manage information tailored to his or her personal interests.

Lycos' search engine and directory began with a patented, intelligent spidering technology that was originally created at Carnegie Mellon University. Today, Lycos combines its proprietary technology with other search technologies and services to provide a powerful and relevant search experience. When Lycos moved outside the U.S. and into foreign markets, the company internationalized the core technologies for search, personalization, and directory management. In Asia, the company chose to work with Basis Technology (lycos.basistech.com) to help process and spider Asian text.

Lycos believes that communities are at the core of the hub. An Internet community personalizes the Web, allowing people with common interests to seamlessly find, communicate and collaborate with each other, acting as participants, rather than observers. An online community personalizes the Web, enabling members to have individual relationships in a global medium. Through its acquisitions of Tripod, Inc., and WhoWhere, Inc., in 1998, the Lycos Network has become the largest and fastest growing online community with more than 5 million registered Tripod and Angelfire members.

Offices:

Waltham, Mass. (headquarters); New York, N.Y.; Mountain View, Calif.; Dallas, Texas; Los Angeles, Calif.; San Francisco, Calif.; and Chicago, Ill. and Miami, Fla. International offices are located in Brazil, Germany, Italy, France, Japan, Korea,

Mexico, the UK, Spain and The Netherlands.

The Numbers:

- 42 percent audience reach*
- 32 million unique monthly visitors*
- 201 million average daily page views worldwide
- More than 61 million registered users worldwide
- More than 41 million registered community members
- 28 countries with localized content

History:

Founded in June 1995, Lycos was one of the earliest search and navigation sites designed to help people find information more easily and quickly on the World Wide Web. The core Lycos technology, which identifies and categorizes online information, was developed at Carnegie Mellon University.

In **April 1996**, Lycos, Inc. became a publicly traded company on the NASDAQ stock market system under the symbol LCOS. Having become a publicly traded company just 10 months after it was founded, Lycos holds the distinction of being the youngest company to go public in NASDAQ history.

In **May 1997**, Lycos began its international penetration through a joint venture with European media powerhouse Bertelsmann. Together, Lycos and Bertelsmann have launched localized Lycos sites in 11 European countries to lead the industry in providing localized Web portal services in a variety of languages to appeal to individual countries and cultures.

In **February 1998**, Lycos acquired Tripod, Inc., the leading community site on the Web, located at <http://www.tripod.com>. With the acquisition of Tripod, Lycos became the most full-featured community-oriented home base on the Internet, providing free homepages to all users.

In **April 1998**, Lycos extended its international dominance through a partnership with Sumitomo Corporation in Japan to bring localized Lycos services to Japan.

In **April 1998**, Lycos acquired WiseWire Corporation (<http://www.wisewire.com>), whose proprietary technology for directory building has been an integral part of content aggregation and search results on the Lycos site since late 1997. WiseWire's technology powers Lycos' Web Guides, which are automatically and collaboratively built via user input. This "peer review" increases the amount of quality search results on Lycos. The acquisition of WiseWire and integration of its technology also established Lycos as the only online service in its category to provide its users with *both* a World Wide Web search engine and directory.

In **August 1998**, Lycos took another significant step in its move to become the leading online service by acquiring GuestWorld, the Web's largest provider of free online guestbook services. As a result, GuestWorld is the exclusive provider of guestbook services on Lycos' Tripod (<http://www.tripod.com>), and will also continue to be available for free to homepage builders across the Web at <http://questworld.tripod.lycos.com/>. The acquisition augmented Lycos' growing pool

of homepage building tools and further distinguished the Lycos Network as the premier Web community.

In **August 1998**, Lycos again improved its audience reach and strengthened its position as a premier Web destination by acquiring WhoWhere, Inc. (<http://www.whowhere.com>) and its complete line of Web-based applications, including its leading directory services, popular MailCity e-mail service and Angelfire.com, a leading Web community. These features make the Lycos Network the most complete hub, providing patented search, comprehensive directories, personal homepages, e-mail, loyal and diverse communities and popular shopping functions.

In **October 1998**, Lycos signed a definitive agreement to acquire Wired Digital, Inc. (www.wired.com), home to one of the most innovative and sophisticated families of products and services on the Web, including HotBot, a leading Web site renowned for search excellence.

In **November 1998**, Lycos launched the "Go Get It" national advertising campaign aimed at getting new and experienced Internet users to visit Lycos.com. The broad-reaching campaign promotes the streamlined user interface and enhanced directory of Lycos.com. The campaign is represented by "Lycos," a black retriever who finds anything that the user is looking for at speeds that make searching easy and fun.

In **February 1999**, Lycos announced the audience reach of the Lycos Network had risen to 48.8 percent, according to the Media Metrix report of January traffic figures. Up 27.1 percent in ten months, the Lycos Network is the fastest-growing Web portal.

In **March 1999**, Lycos formed a joint venture with Mirae Corporation to bring localized versions of Lycos.com, Tripod and MailCity to Korea.

In **April 1999**, Lycos announced the Lycos Network had surpassed the Yahoo sites to become the most visited hub on the Web with 51.8 percent audience reach, according to the Media Metrix report for March 1999. The properties in the Lycos Network grew a total of 34.9 percent in unduplicated reach since April 1998, driven both by the dramatic growth of the individual sites and the circulation of traffic throughout the Network.

In **July 1999**, Lycos announced the formation of Lycos Ventures, a \$70 million Internet venture capital fund. The fund allows Lycos to extend its value equation by providing capital to businesses while at the same time extending its sphere of influence and participating in the economic upside as these businesses grow.

In **July 1999**, Lycos joined other Internet industry leaders in creating GetNetWise, an online resource for families that puts safe, educational and fun content one click away from virtually all visitors on the Web. As a charter sponsor of GetNetWise, Lycos furthers its dedication to making the Web a family-friendly experience by providing tools and services that harness the power of the Internet in safe and constructive ways.

In **August 1999**, Lycos acquired Internet Music Distribution, Inc., maker of Sonique. Sonique is one the most popular audio players, supporting many audio formats

including MP3.

In **September 1999**, Lycos acquired Quote.com, Inc., one of the Web's most comprehensive financial information destinations. The Quote.com site, one of the top five investment information sites on the Web according to Media Metrix, will become part of the Lycos Network. With this acquisition, Lycos advances its presence in the critical online financial industry, bringing an added dimension to the Lycos user experience and a new draw into the Lycos Network for consumers and advertisers alike.

In **October 1999**, Lycos announced its entrance into the Latin American market with the launch of 14 Lycos.com and Tripod.com country-specific localized sites for Latin America, and two sites for the Spanish-speaking population in the United States. Lycos localized services include Brazil, Mexico, Argentina, Chile, Peru and Venezuela.

In **November 1999**, Lycos signed a definitive agreement to acquire Gamesville.com, a leading interactive entertainment company and direct marketer. Gamesville reaches 4.5 percent of the monthly Web audience. It is second only to Ebay in "stickiness," or time spent online (according to Media Metrix) with an average usage of nearly 17.9 minutes per day and over 2.2 million registered users while adding more than 10,000 new members each day.

In **February 2000**, Lycos and Bell Canada announced the creation of a new Internet company, Sympatico-Lycos, to provide Canadians with expanded Internet resources for the business-to-consumer marketplace.

In **March 2000**, Lycos announced the launch of a new Internet accelerator, LycosLabs. LycosLabs focuses on financing new businesses that have the greatest synergies with the core competencies and long range goals of the Lycos Network. Companies selected for LycosLabs will receive Lycos expertise, funding, office space and infrastructure.

In **May 2000**, Lycos entered into a definitive agreement with Terra Networks, S.A. (MC: TRR; NASDAQ: TRRA), a global Internet company and the leading provider of Internet access and interactive content and services to the Spanish- and Portuguese-speaking world, under which Terra will acquire Lycos in a stock-for-stock transaction. Upon completion of the transaction, Lycos shareholders will own approximately 37% to 46% of the new company, Terra Lycos. The formation of Terra Lycos is subject to shareholder and regulatory approval.

In its short, but illustrious history, Lycos has rapidly evolved from an Internet search engine to a full-fledged online service and now an Internet hub, providing the Lycos community with a complete array of online services and content including chat, e-mail, shopping, personalized news and more.

Management:

Robert J. Davis, President and CEO

Edward M. Philip, COO and CFO

Ronald A. Sege, Executive Vice President

Jeffrey S. Bennett, Sr. Vice President - Corporate Dev.
John McMahon, Chief Human Resource Officer
David Peterson, Sr. Vice President of Sales
Thomas E. Guilfoile, V.P. Finance and Administration

Lycos Inc. Senior Management

Robert J. Davis

President and Chief Executive Officer

Robert J. Davis, president and chief executive officer of Lycos, Inc., was the company's first employee in June 1995. Since that time Davis has transformed Lycos from an Internet search engine to one of the most powerful Internet hubs and media companies worldwide. In less than four years, Davis has led Lycos from a company with \$2 million in venture capital to a multi-billion dollar business. Under his leadership, Lycos jumped from the fastest IPO in NASDAQ history, a mere nine months from inception to offering, to an esteemed member of the NASDAQ 100.

Through a string of strategic partnerships and investments along with eight major acquisitions, Davis has led Lycos in developing the Lycos Network, a pioneering Web media model that delivers mass reach and diversity of audience and programming. This community-based, integrated network of complementary Web sites and entities includes three top 10 Web sites and is one of the most visited hubs on the Internet being used by one out of every two Web users each month.

Davis holds a Bachelor of Science degree, summa cum laude, from Northeastern University and an MBA, with high distinction, from Babson College. He also recently received an honorary Doctor of Commercial Science's from Bentley College in May of 1999. In addition to Lycos, he serves on the Board of Directors of Boston College HS, The Greater Boston Chamber of Commerce, The Massachusetts Interactive Media Council and The Man.com.

Edward M. Philip

Chief Operating Officer and Chief Financial Officer

Edward M. Philip has served as chief financial officer for Lycos since December 1995 and chief operating officer since December 1996. Philip leads Lycos in financial strategy and investment. His influence has been the deciding factor in Lycos' acclaimed bottom line success. Much of the company's prosperity has been attributed to innovative financial planning and creative management solutions. Ten months after the company's inception, Philip directed the company's initial public offering, and Lycos became the fastest initial public offering in NASDAQ history. Philip's financial strategies have gained the interest of analysts and the company now has the largest analyst coverage on Wall Street. Philip facilitated a key joint venture with Bertelsmann AG, a privately owned German-based media company and the third largest media corporation in the world, to establish Lycos worldwide.

Before joining Lycos, Philip was vice president and assistant treasurer of The Walt Disney Company. At Disney, Philip was responsible for financing transactions including approximately \$1.5 billion in film financing, \$14 billion in bank financing and the first 100-year bond issue sold by a corporation in more than 40 years. Prior to Disney, Philip was an investment banker at Salomon Brothers Inc. Philip holds a Bachelor of Science degree, cum laude, in economics and mathematics from Vanderbilt University and an MBA from the Harvard Graduate School of Business Administration.

Ronald A. Sege

Executive Vice President of Lycos, Inc.

Ronald Sege joined Lycos as executive vice president in January 1999. Sege brings exceptional business acumen and an exemplary track record of leading businesses through remarkable growth to his role at Lycos. Sege is responsible for steering the development of the rapidly growing Lycos Network to the next phase in its evolution as a leading Internet destination. His specific responsibilities as executive vice president cover the development, marketing, product management and operations of all the properties in the Lycos Network.

Prior to joining Lycos, Sege worked for 3Com Corporation, most recently as senior vice president of one of three business units at 3Com, a company with approximately \$6 billion in annual revenue and 13,000 employees. During his tenure in this role, Sege led the transition from point products to integrated customer solutions resulting in a 10-fold growth in revenue and securing 3Com's position as a market leader. He successfully integrated nine acquisitions into 3Com, helping grow the company dramatically in an extremely competitive industry. Before joining 3Com, Sege worked for Rolm Corporation through its acquisition by IBM

Sege serves on various corporate and non-profit boards, including Artel Video Systems, SightPath, Inc., the Massachusetts Telecommunications Council and Junior Achievement of New England. He holds a Bachelor of Arts degree from Pomona College and a master's degree in business administration from Harvard University.

Jeffrey S. Bennett

Senior Vice President of Corporate Development

Jeffrey S. Bennett, senior vice president of corporate development, is responsible for all worldwide business development efforts for Lycos. Prior to his current role, Bennett served as vice president and general manager of e-commerce, leading the development of Lycos Shop, a comprehensive online marketplace that provides a complete solution to the shopping process helping consumers "find it," "talk about it" and "buy it" all in one destination. Bennett joined Lycos in December 1996 as director of business development. In this role, Bennett was involved in establishing several new business initiatives for Lycos, including the company's electronic commerce launch in 1997 through a multi-year alliance with Barnes&Noble.com Prior to joining Lycos, Bennett held national sales, sales management and business development positions

at Thomson Financial, DST Systems, SunGard Financial Systems and Wang Laboratories.

Bennett has been a keynote speaker on the topic of electronic commerce at several industry events, including Jupiter Shopping, BusinessWeek's e-Business Forum, Harvard Business School Cyberposium, MIT E-Commerce Awards, and several others. Bennett holds a Bachelor of Science degree in marketing management, cum laude, from Bentley College.

John McMahon

Chief Human Resource Officer

John McMahon serves as chief human resource officer at Lycos, Inc., where he is responsible for implementing human resources strategies consistent with the company's business and competitive strategies. Lycos now employs more than 1,000 employees in offices across the world.

Prior to joining Lycos, McMahon served as vice president of human resources at Wang Global. During his service at Wang Global, McMahon led the successful integration of three acquisitions of more than 3,000 employees. Before joining Wang Global, McMahon served as senior vice president of human resources at Stream International, the world's largest manufacturer, reseller and technical support provider for computer software and related services with sales in excess of \$2 billion and 10,000 employees worldwide. Prior to joining Stream, McMahon served as vice president of human resources at Stride Rite overseeing 4,000 employees. Preceding his time at Stride Rite, McMahon held several human resource management positions at ITT, a global industrial manufacturing company employing 33,000 across the globe. McMahon has a Master of Science degree in human resource management from Upsala College and a Bachelor of Science degree in criminal justice from Mercy College.

David G. Peterson

Senior Vice President of Sales

David G. Peterson serves as vice president of sales for Lycos. His management responsibilities include overseeing all of Lycos' advertising and e-commerce sales operations. Prior to joining Lycos, Peterson spent 11 years at International Data Group (IDG) where he held numerous management positions including associate publisher and vice president of sales. Prior to IDG, Peterson spent three years at the McGraw-Hill Publishing Company in advertising sales. Peterson holds a Bachelor of Arts in economics from the University of New Hampshire and an MBA from Northeastern University.

Thomas E. Guilfoile

Vice President of Finance and Administration

Thomas E. Guilfoile joined Lycos as controller in February 1996 and was promoted to vice president of finance and administration in December 1996. Guilfoile is responsible for managing cash flow,

financial projects and budgets, accounting and SEC reporting, as well as legal issues. Guilfoile coordinated key elements of Lycos' initial public offering, a process that took place just 10 months after the company's inception, the fastest Initial Public Offering in NASDAQ history.

Prior to Lycos, Guilfoile was a senior manager in the entrepreneurial services group for Ernst & Young LLP. While at Ernst & Young, he provided audit and consulting services to both privately held and publicly traded organizations, primarily in the high-tech area with a focus on companies in the information, communications and entertainment industries.

A Certified Public Accountant, Guilfoile is a member of the American Institute of CPAs and the Massachusetts Society of Certified Public Accountants; and a former member of the board of directors of the Smaller Business Association of New England (SBANE). He holds a bachelor's of business administration degree in accounting from the University of Notre Dame.