



**Leader in eCRM  
Collaboration Solutions**



# Safe Harbor Statement

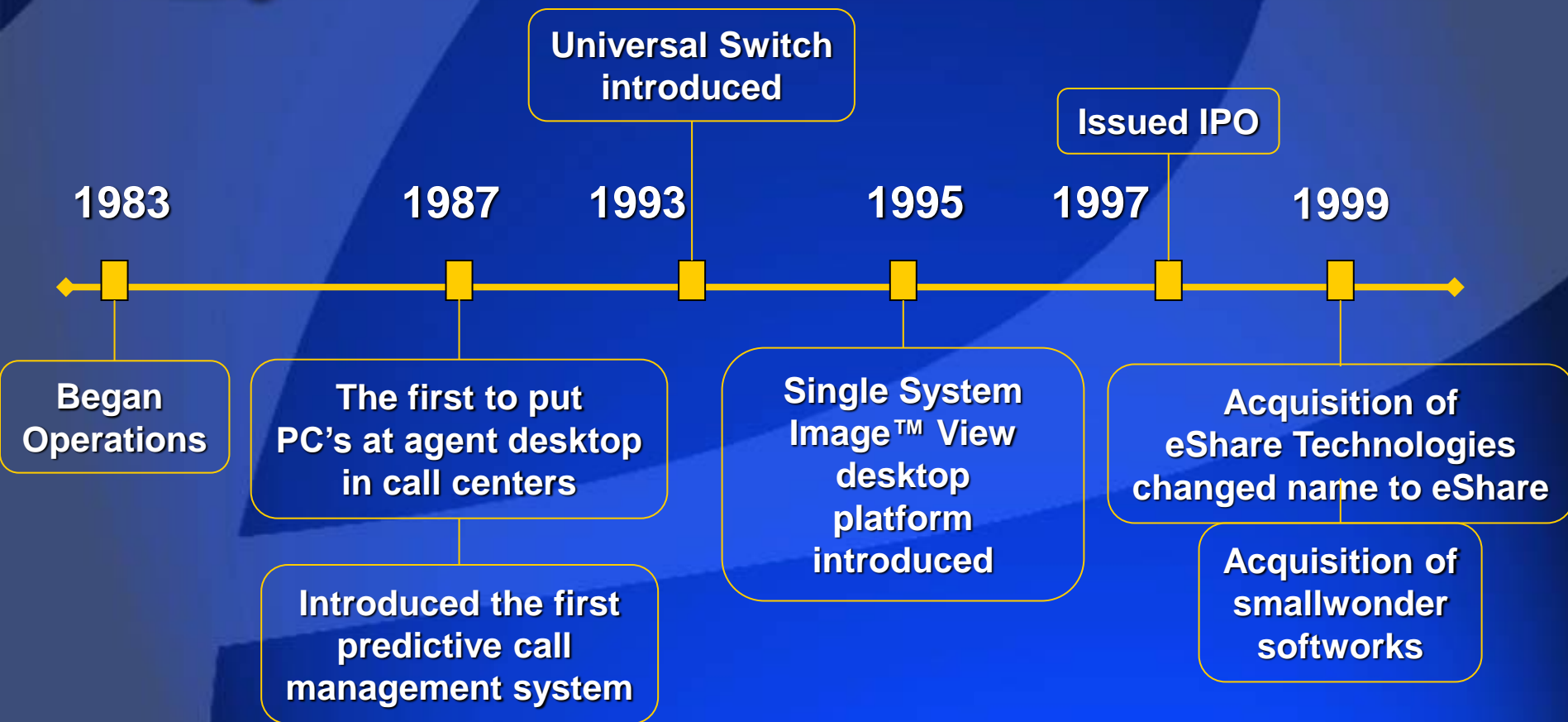
**This discussion will include certain forward looking statements. Actual results might differ materially from those projected in the forward looking statements. For a discussion of factors that could cause actual results to materially differ from these forward looking statements, please refer to eShare's report on Form 10K for the Fiscal Year ended December 31, 1999, a copy of which is on file with the Securities and Exchange Commission.**



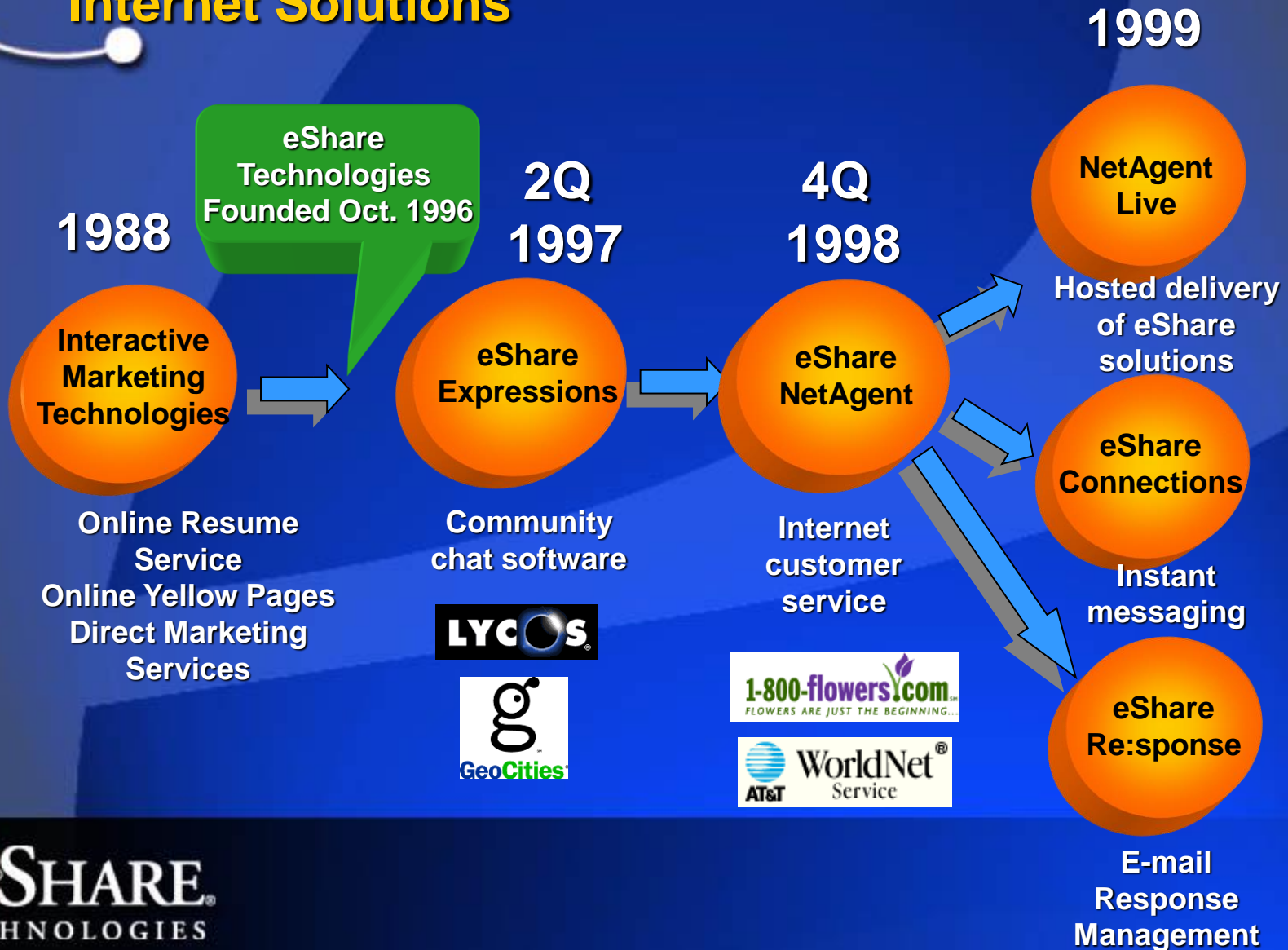
# Who are we?

**eShare Technologies is a leading provider of eCRM collaboration solutions with focus on Customer Interaction Management (CIM) supporting; voice, email, live interaction and hosting for over 2400 eBusinesses, ASPs, ISPs and Portals in over 30 countries. Our customers include AOL, Wal-Mart, AT&T Worldnet, Microsoft and Citigroup.**

# Company History



# The Evolution of eShare's Internet Solutions



# eShare's Presence





# Company Highlights

- Merged eShare/Melita - new name eShare
- 500 employees worldwide
- More than 2,400 customer sites in 30+ countries
- Operations in the U.S., Canada, Europe, Pacific Rim, and Latin America
- Over 40 patents & 100+pending worldwide

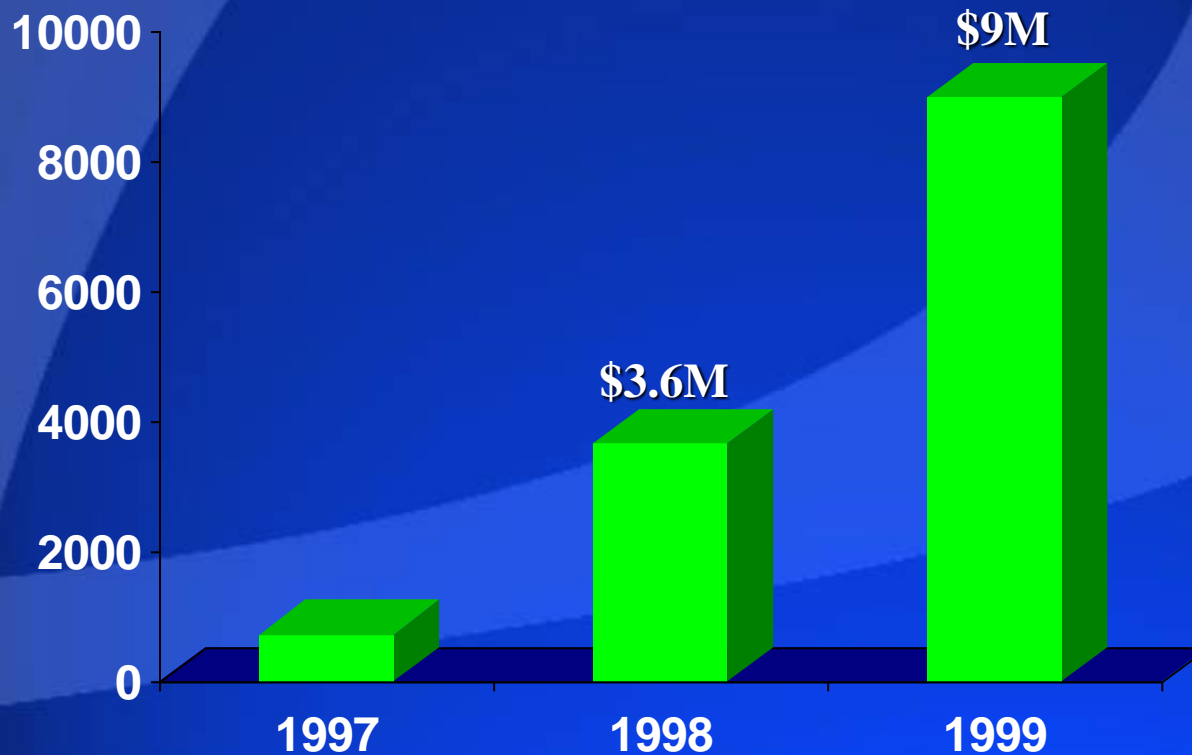


# **Accomplishments 4Q 99, 1Q00**

- **Best of Show CTI Expo Spring 2000 for NetAgent**
- **Internet Solutions 4Q revenue increased over 200%, over 140% for 1999 and expected to more than double from 1999 to 2000**
- **Signed over 115 new Internet customers in Jan and Feb 2000**
- **Continue to rightsize the contact center business to match revenue, expenses and our business plan**
- **Significantly increased investment in Internet Solutions**
- **Launched NetAgent 3.0**
- **Launched eShare Internet Solutions in Europe**

# Internet Solutions

## Full Year \$Revenue



# Customers



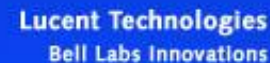
GeoCities



FIRSTUSA



# Partners



# What the Reviewers Say

*"One of the most direct and effective ways to address Internet-commerce customer-support needs ...*

*NetAgent is an unmatched online customer support tool ...*

*NetAgent is an excellent way for I-commerce sites to turn browsers into customer ...*

*I would not hesitate to recommend it ..."*

Andre Kvitka, InfoWorld Test Center  
April 19, 1999

# What the Reviewers Say

*"One of the most powerful tools ... is eShare's NetAgent ...*

*NetAgent has many feature-rich qualities ...*

*the features ... as well as the supervisory and administrative features are impressive ...*

*we fully expect eShare to continue to develop high-quality software ..."*



Call Center Solutions  
TMC™ Labs,  
June 1999



# What Our Customers Say

*“ NetAgent increased our productivity by over 50%. ” - 800 - flowers*

*“ I love their online support - practicing what you preach! ” - AOL*

*“ No one is offering anything close to eShare. ” - STARMEDIA*

*“ eShare’s product development is one step ahead of the competition ” - Pfizer*



# Revenue Model

- **Software licenses**
- **Annual maintenance contracts**
- **Professional Services**
- **Recurring Hosting Revenue**
- **Intellectual Property/Patents**

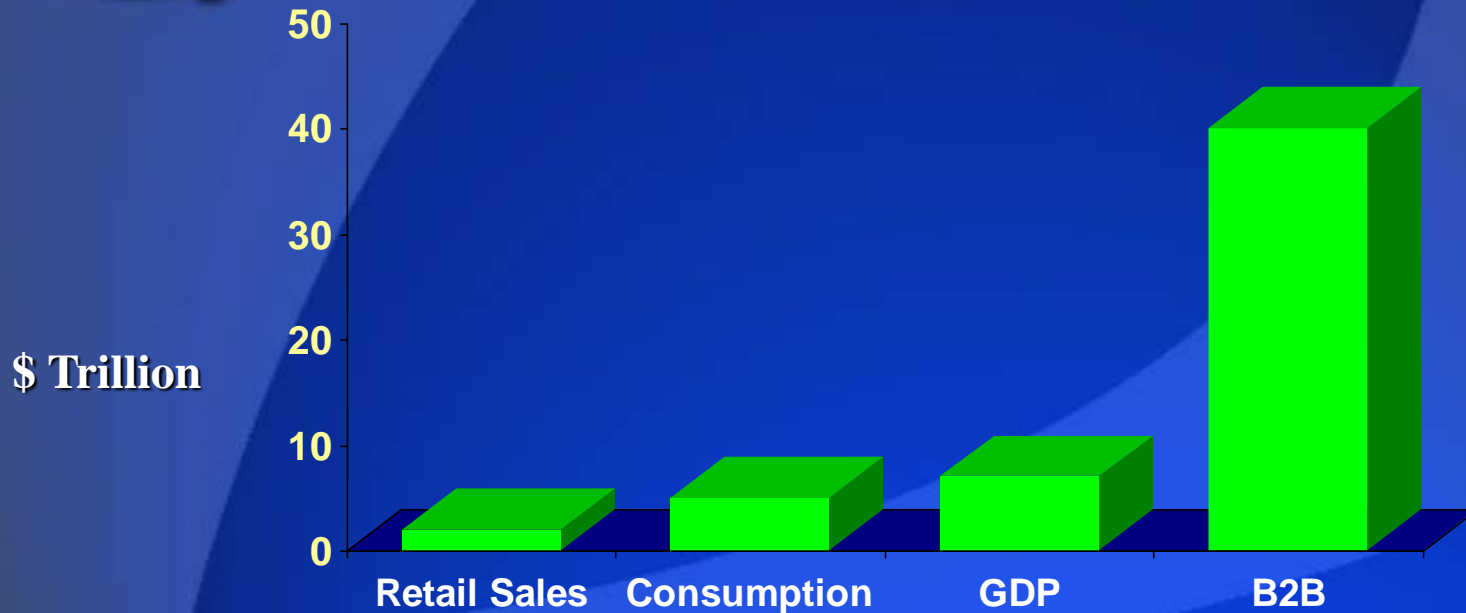
# Huge Market Opportunity *Internet Commerce*

*An Exploding Market*



*Source: IDC 1999*

# B2B Statistics



Source: Jan 2000 Banc of America Securities LLC

**We're expanding our solutions to address  
B2B, B2E in addition to B2C and C2B**

# The e-Commerce Environment



***“67% of online shoppers abandon the purchase process*** after placing items in their virtual shopping carts.”

- Jupiter Communications, 1999

***“63% of online users say they **won’t buy anything on the web** until there is more human interaction”***

- Yankelowitz Partners, 1999

**73% of companies that have deployed Internet-based customer service systems reported an increase in their customer satisfaction.**

**- Forrester Research**

# The Need

## E-Mail



Inbound/outbound e-mail  
Intelligent response e-mail  
Web callbacks

## Website



Web collaboration  
Web callbacks  
Inbound Contacts  
Self-service/  
personalization

## e360° Customer View

## Community Tools



Chat rooms  
Bulletin boards  
Opinion sharing  
Instant messaging

## Inbound/Outbound Telephony



Inbound/outbound calls  
Outbound preview calls  
Screen pops

# Our Strategy

## eShare's e360 CIM Suite



# Software Application Layers

## Large Scale Business Applications

Infrastructure  
Management

Siebel

SAP

Clarify

PeopleSoft

Inventory  
Control

## Special Business Applications

Other  
Applications

**eCollections**

eSales

eSupport

**Interaction  
Management  
Strategy  
(Poland)**

Other  
Applications

## CIM Applications

Voice  
over  
IP

**NetAgent**  
"live collaborations"

**Response**  
In/out  
e-mail mgmt

**Connections**  
instant messaging

**Expressions**  
community chat

**eShare  
Conversations™**  
In/Out  
voice mgmt  
w/CTI

**XChange**  
stand-alone  
contact center  
in a box

## CIM Service Applications

Other Services  
& Applications

**Customer  
Sensitivity  
Knowledgebase**

Primus  
Knowledge  
Management

Fax  
Service

e-mail  
service

Other Services  
& Applications

# Competition add competitors

*eGain*



QUINTUS



# Competitive Analysis

	Open Syst.	Dist. Arch	CTI Enabled	Web Chat	Email	Call Centers	Community
eShare	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Cisco/Webline				<input checked="" type="checkbox"/>			
Quintus/Mustang			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
eGain (w/Sitebridge)				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Lucent		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Kana/Silknet		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

# Sample of competitive wins

## Account won

- J&R Electronics
- Imarket, Inc
- Ebags
- American Century Investments
- Brands for Less
- Newriver
- BlueFly.com
- Planet Outdoors.com
- Tutor.net.com
- AT&T / TCI

## Over Competitor

Converted from Business Evolutions (Kana)  
Acuity(Quintus) (Quintus)  
Acuity(Quintus)  
Acuity(Quintus)  
Webline(Cisco), Liveperson  
Webline(Cisco), Acuity(Quintus)  
Business Evolutions (Kana)  
Displaced Acuity(Quintus)  
Business Evolutions, Acuity(Quintus)  
Live Person

# Sample of competitive wins

## Account won

## Over Competitor

- |                            |  |
|----------------------------|--|
| • Nelson Marketing         | Acuity(Quintus)  |
| • Landmark Vacations       | I - Contact , Acuity(Quintus)                            |
| • Toronto-Dominion Bank    | Web Line, Business Evolutions(Kana),<br>Acuity(Quintus)  |
| • Sprint                   | Webline(Cisco) replacement, Acuity(Quintus)              |
| • First USA Bank           | Acuity(Quintus)  |
| • Walmart                  | Kana,eGain,Genesys                                       |
| • Intermedia Marketing     | Acuity(Quintus), Webline(Cisco)                          |
| • Preview Travel           | Facetime, Acuity(Quintus), Liveperson,<br>Webline(Cisco) |
| • NextCard                 | Kana   |
| • Primus Knowledge Systems | Kana, eGain  |

# Sample of competitive wins

## Account won

- Talbot's
- KnowX
- Gemporium
- Planet Alumni
- ClientLogic
- E-Lens.com
- FixxmyPC.com
- BestSelections.com
- A.B. Watley
- CyFit
- MortgageIT
- ByWeb, Inc

## Over Competitor

Acuity(Quintus), Balisoft  
Acuity(Quintus), BEI  
Acuity(Quintus), Live Person  
Acuity(Quintus)  
Kana,eGain  
PipeLive, Acuity(Quintus)  
Acuity(Quintus)  
Webline(Cisco)  
Acuity(Quintus) , Live Person  
Webline(Cisco)  
eGain, Live Person  
Kana, eGain



# Key Differentiators

- e360 CIM solution suite from **SINGLE** company
- Maximum **Scalability and reliability** for mission critical tasks
- Comprehensive, **multi-channel** desktop solutions
  - NetAgent, Re:sponse, Magellan, MOCA
- Building block architecture and services layer
  - Fully open, standards based, distributed and scalable solution
  - Internet / web technology from ground up
  - interoperable with Key External Applications
- Extensive Patent Portfolio with **exclusive innovations**



# Growth Strategy Overview

- Fuel explosive growth in the Internet Solutions business, in the B2B, B2E & B2C
- Transform Contact Centers into Web based e360 CIM Solutions
- Focus on Internet Portals, ASP's, ISP's, Dot.coms, WebExchanges
- Expand strategic partnerships
- Build market awareness



# Financial Overview

# 1999 Quarterly Results

	<u>Q1 '99</u> <u>Actual</u>	<u>Q2 '99</u> <u>Actual</u>	<u>Q3 '99</u> <u>Actual</u>	<u>Q4 '99</u> <u>Prelim</u>	<u>Total Year</u>
Internet License	1,283	1,520	2,125	2,615	7,543
Internet Service/Hosting	279	359	381	386	1,405
Internet Total	1,562	1,879	2,506	3,001	8,948
Contact Center License	14,871	12,657	6,642	7,455	41,625
Contact Center Platforms	4,957	4,219	2,214	2,485	13,875
Maintenance	4,911	4,881	5,591	4,825	20,208
Professional Services	2,805	3,260	2,174	1,940	10,179
Contact Center Total	27,544	25,017	16,621	16,705	85,887
Revenue	29,106	26,896	19,127	19,706	94,835
Gross Margin	18,896	17,308	10,717	11,772	58,693
R&D	3,464	3,435	3,922	3,391	14,212
SG&A	10,971	11,590	11,526	11,720	45,807
Total Operating Expense	14,435	15,025	15,448	15,111	60,019
Operating Income(Loss)	4,461	2,283	(4,731)	(3,339)	(1,326)

# 1998-2000 Income Statement

	<u>1998</u>	<u>1999</u>
Internet License	3,390	7,543
Internet Service/Hosting	281	1,405
Internet Total	<u>3,671</u>	<u>8,948</u>
Contact Center License	<b>40,766</b>	41,625
Contact Center Platforms	<b>27,177</b>	13,875
Maintenance	<b>17,063</b>	20,208
Professional Services	<b>8,404</b>	10,179
Contact Center Total	<u>93,410</u>	<u>85,887</u>
Revenue	<b>97,081</b>	<b>94,835</b>
Gross Margin	62,055	58,693
R&D	11,798	14,212
SG&A	<u>36,208</u>	<u>45,807</u>
Total Operating Expense	48,006	60,019
Operating Income(Loss)	<b>14,049</b>	<u><b>(1,326)</b></u>

# Summary of Revenue

(\$000)

	<u>1997</u>	<u>1998</u>	<u>1999</u>
<u>Revenue</u>			
U.S.	\$54,424	\$73,960	\$64,784
Europe	7,347	9,939	14,350
Latin America	2,346	7,381	10,580
Other	2,403	5,801	5,141
<b>TOTAL</b>	<b>66,520</b>	<b>97,081</b>	<b>94,855</b>

% International	18.4%	23.8%	31.7%
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# Balance Sheet as of 12/31/99

## Current assets:

Cash and investments	\$ 14,873
Accounts receivable, net	32,863
Inventory, net	1,967
Deferred taxes	4,921
Other current assets	612
Total current assets	<u>55,236</u>

Property and equipment, net	10,963
Intangible assets, net	4,254
Other assets	98
Total assets	<u>\$ 70,551</u>

## Current liabilities:

Accounts payable	\$ 3,343
Accrued liabilities	4,879
Deferred revenue	8,265
Other current liabilities	153
Total current liabilities	<u>16,640</u>

Long-term liabilities	74
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Common Stock	69
Additional paid-in-capital	59,505
Accum. other comprehensive income	(28)
Ret. earn(deficit) & other stockholder's equity	<u>(5,709)</u>
Total stockholders' equity	<u>53,837</u>
Total liabilities & stockholders' equity	<u>\$ 70,551</u>

# Summary

- Combined 2 market leaders to create best of breed e360 CIM Solutions supporting explosive growth in eCRM
- Merged to become leading provider of CIM solutions for B2B, B2E, B2C and C2B markets
- Technologically innovative solutions
- Leveraging eShare's strong Internet foundation and customer base
- Presence and Premier customers in over 30+ countries
- Compelling valuation