

True North Communications Inc.
Operations Analysis
Year Ended June 30,

	2000			1999				2000 Operations B/(W) 1999 Operations	
	Operations	Deconsolidate Modem	External	Operations	Unusual	Deconsolidate Modem	External	\$	%
Revenues	\$ 706,140	\$ 28,538	\$ 734,678	\$ 630,672	\$ -	\$ 28,426	\$ 659,098	\$75,468	12.0%
Operating Expenses:									
Salaries and other employee benefits	432,781	17,851	450,632	402,400	-	17,480	419,880	(30,381)	-7.5%
Office and general expenses	197,624	13,628	211,252	177,830	-	10,405	188,235	(19,794)	-11.1%
Restructuring and other charges	-	-	-	-	-	-	-	-	n/a
Total operating expenses	630,405	31,479	661,884	580,230	-	27,885	608,115	(50,175)	-8.6%
Operating Income	75,735	(2,941)	72,794	50,442	-	541	50,983	25,293	50.1%
Other Income (Expense)	(6,212)	544	(5,668)	(5,813)	4,070 ^{a)}	841	(902)	(399)	-6.9%
Pretax Income	69,523	(2,397)	67,126	44,629	4,070	1,382	50,081	24,894	55.8%
Provision for Income Taxes	27,932	597	28,529	18,745	1,770	1,270	21,785	(9,187)	-49.0%
	41,591	(2,994)	38,597	25,884	2,300	112	28,296	15,707	60.7%
Minority Interest Expense	(956)	1,569	613	(726)	-	(53)	(779)	(230)	-31.7%
Equity Income	(3,385)	1,425	(1,960)	749	-	(59)	690	(4,134)	-551.9%
Net Income	\$ 37,250	\$ -	\$ 37,250	\$ 25,907	\$ 2,300	\$ -	\$ 28,207	\$ 11,343	43.8%
Basic Earnings Per Share	\$ 0.76	\$ -	\$ 0.76	\$ 0.55	\$ 0.05	\$ -	\$ 0.60	\$ 0.21	38.2%
Dilutive Earnings Per Share	\$ 0.74	\$ -	\$ 0.74	\$ 0.53	\$ 0.05	\$ -	\$ 0.58	\$ 0.21	39.6%
Operating Margin	10.7%		9.9%	8.0%			7.7%		
Average Shares O/S - Basic	49,170		49,170	46,637			46,637		
Average Shares O/S - Diluted	50,535		50,535	48,235			48,235		

(a) Represents a gain on the sale of DoubleClick shares.