

CHECKFREE CORPORATION AND SUBSIDIARIES
Consolidated Condensed Statements of Operations
(Unaudited)
(In thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2006	2005	2006	2005
Revenues:				
Processing and servicing	\$192,786	\$167,645	\$563,143	\$486,787
License fees	9,479	5,458	24,859	18,987
Maintenance fees	11,078	7,959	30,707	22,751
Professional fees	13,584	8,138	35,755	20,303
Total revenues	226,927	189,200	654,464	548,828
Expenses:				
Cost of processing, servicing and support	91,351	72,660	253,026	220,539
Research and development	26,038	20,139	72,865	58,448
Sales and marketing	22,107	16,590	61,272	46,615
General and administrative	16,219	15,016	48,777	42,573
Depreciation and amortization	22,349	43,377	77,749	130,589
Total expenses	178,064	167,782	513,689	498,764
Income from continuing operations before other income and expenses	48,863	21,418	140,775	50,064
Equity in net loss of joint venture	(973)	(823)	(2,447)	(2,170)
Interest, net	3,011	2,143	8,383	5,328
Gain on investments	-	592	-	592
Income from continuing operations before income taxes	50,901	23,330	146,711	53,814
Income tax expense	18,720	7,976	55,180	19,660
Income from continuing operations	32,181	15,354	91,531	34,154
Earnings from discontinued operations before income taxes (including gain on disposal of \$12,821 in FY'2006)	13,056	388	14,311	1,097
Income tax expense on discontinued operations	7,581	136	8,064	395
Income from discontinued operations	5,475	252	6,247	702
Net income	\$37,656	\$15,606	\$ 97,778	\$34,856
Basic income per share:				
Continuing operations	\$0.35	\$0.17	\$1.01	\$0.37
Discontinued operations	0.06	0.00	0.07	0.01
Total basic income per share	\$0.41	\$0.17	\$1.08	\$0.38
Weighted average number of shares	91,257	90,864	90,883	90,614

Diluted income per share:				
Continuing operations	\$0.34	\$0.17	\$0.98	\$0.37
Discontinued operations	0.06	0.00	0.07	0.01
Total diluted income per share	\$0.40	\$0.17	\$1.05	\$0.38
Weighted average number of shares				
	94,199	93,052	93,533	92,374

CHECKFREE CORPORATION AND SUBSIDIARIES
Consolidated Condensed Balance Sheets
(Unaudited)
(In thousands)

	March 31, 2006	June 30, 2005
Current assets:		
Cash, cash equivalents and investments	\$313,804	\$298,077
Settlement assets	107,881	73,675
Accounts receivable, net	131,675	127,933
Prepaid expenses and other assets	29,095	26,258
Deferred income taxes	11,599	10,407
Total current assets	594,054	536,350
Property and equipment, net	96,904	89,273
Capitalized software and intangible assets, net	917,490	840,732
Investments and restricted cash	78,032	62,996
Other noncurrent assets	5,627	4,600
Deferred income taxes	45,153	35,648
Investment in joint venture	1,003	317
Total assets	\$1,738,263	\$1,569,916
Current liabilities:		
Accounts payable, accrued liabilities and other	\$84,334	\$84,109
Settlement obligations	105,721	73,919
Deferred revenue	43,075	40,793
Total current liabilities	233,130	198,821
Accrued rent and other	3,631	4,324
Deferred income taxes	2,909	4,967
Capital lease and long-term obligations, less current portion	25,376	25,389
Total stockholders' equity	1,473,217	1,336,415
Total liabilities and stockholders' equity	\$1,738,263	\$1,569,916

Attachment A

Calculation of Free Cash Flow
(Unaudited)
(In thousands)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2006	2005	2006	2005
Net cash provided by operating activities	\$72,539	\$61,564	\$172,801	\$159,099
Excluding: Net change in				

settlement accounts	(68)	(1,498)	2,194	(70)
Less: Capital expenditures	(10,175)	(10,214)	(33,817)	(24,331)
Free cash flow	\$62,296	\$49,852	\$141,178	\$134,698
Additional Information:				
Net cash used in investing activities	\$ (79,422)	\$ (152,820)	\$ (87,487)	\$ (192,840)
Net cash provided by financing activities	\$4,277	\$5,362	\$17,591	\$9,597

Attachment A (continued)

Reconciliation of GAAP Net Income to Underlying Net Income and Earnings Per

	Share (Unaudited)			
	(In thousands, except per share data)			
	Three Months Ended March 31,		Nine Months Ended March 31,	
	2006	2005	2006	2005
Total revenues per GAAP	\$226,927	\$189,200	\$654,464	\$548,828
Impact of discontinued operations	797	2,020	4,957	5,981
Underlying total revenues	\$227,724	\$191,220	\$659,421	\$554,809
Net income per GAAP	\$37,656	\$ 15,606	\$ 97,778	\$ 34,856
Gain from discontinued operations, net of taxes	(5,376)	-	(5,597)	-
Amortization of acquisition-related intangible assets	11,254	33,131	46,451	99,557
SFAS 123® - Stock options issued before July 1, 2004	777	-	3,375	-
Gain on investments	-	(592)	-	(592)
Tax benefit of underlying adjustments (excluding discontinued operations)	(4,175)	(12,137)	(17,705)	(37,294)
Underlying net income	\$40,136	\$ 36,008	\$124,302	\$ 96,527
GAAP and underlying basic weighted average shares outstanding	91,257	90,864	90,883	90,614
GAAP and underlying impact of dilutive options and warrants	2,942	2,188	2,650	1,760
GAAP and underlying diluted weighted average shares outstanding	94,199	93,052	93,533	92,374
GAAP total basic earnings per share	\$0.41	\$0.17	\$1.08	\$0.38
GAAP total diluted earnings per share	\$0.40	\$0.17	\$1.05	\$0.38
Underlying total basic earnings per share	\$0.44	\$0.40	\$1.37	\$1.07
Underlying total diluted earnings per share	\$0.43	\$0.39	\$1.33	\$1.04

Attachment A (continued)

(Unaudited)
(In thousands, except per share data)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2006	2005	2006	2005
Revenues:				
Processing and servicing	\$193,539	\$169,601	\$567,863	\$492,631
License fees	9,479	5,458	24,859	18,987
Maintenance fees	11,089	7,967	30,733	22,778
Professional fees	13,617	8,194	35,966	20,413
Total revenues	227,724	191,220	659,421	554,809
Expenses:				
Cost of processing, servicing and support	91,186	72,745	252,388	220,795
Research and development	26,046	20,769	73,236	60,321
Sales and marketing	22,044	16,838	61,161	47,346
General and administrative	16,144	15,469	48,758	43,934
Depreciation and amortization	11,175	10,462	31,787	31,696
Total expenses	166,595	136,283	467,330	404,092
Income from operations	61,129	54,937	192,091	150,717
Equity in net loss of joint venture	(973)	(823)	(2,447)	(2,170)
Interest, net	3,011	2,143	8,383	5,329
Income before income taxes	63,167	56,257	198,027	153,876
Income tax expense	23,031	20,249	73,725	57,349
Net income	\$40,136	\$36,008	\$124,302	\$96,527
Basic income per share:				
Net income	\$0.44	\$0.40	\$1.37	\$1.07
Weighted average number of shares	91,257	90,864	90,883	90,614
Diluted income per share:				
Net income	\$0.43	\$0.39	\$1.33	\$1.04
Weighted average number of shares	94,199	93,052	93,533	92,374

Attachment B

Reconciliation of GAAP Results to Underlying Results by Segment
(Unaudited)
(In thousands)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2006	2005	2006	2005
Electronic Commerce:				
Total revenues - GAAP and underlying	\$169,438	\$147,581	\$496,187	\$427,896
Income from continuing operations - GAAP	\$50,066	\$21,475	\$149,796	\$54,183
Amortization of				

acquisition-related intangible assets	9,110	32,559	40,037	97,681
SFAS 123® - Stock options issued before July 1, 2004(1)	563	-	2,449	-
Underlying income from continuing operations	\$59,739	\$54,034	\$192,282	\$151,864
Investment Services:				
Total revenues - GAAP	\$27,833	\$22,023	\$78,542	\$64,877
Impact of discontinued operations(2)	797	2,020	4,957	5,981
Total revenues - Underlying	\$28,630	\$24,043	\$83,499	\$70,858
Income from continuing operations - GAAP				
Amortization of acquisition-related intangible assets	547	151	1,508	453
Impact of discontinued operations(2)	235	388	1,490	1,096
SFAS 123® - Stock options issued before July 1, 2004(1)	80	-	347	-
Underlying income from continuing operations	\$4,185	\$4,837	\$13,635	\$13,021
Software:				
Total revenues - GAAP and underlying	\$29,656	\$19,596	\$79,735	\$56,055
Income from continuing operations - GAAP				
Amortization of acquisition-related intangible assets	1,597	421	4,906	1,423
SFAS 123® - Stock options issued before July 1, 2004(1)	35	-	150	-
Underlying income from continuing operations	\$7,496	\$6,067	\$15,969	\$13,369
Corporate:				
Loss from continuing operations - GAAP	\$(10,390)	\$(10,001)	\$(30,224)	\$(27,537)
SFAS 123® - Stock options issued before July 1, 2004(1)	99	-	429	-
Underlying loss from continuing operations	\$(10,291)	\$(10,001)	\$(29,795)	\$(27,537)

(1) At the beginning of fiscal 2005, we implemented a new long-term incentive compensation philosophy, which significantly reduced overall participation and focused on restricted stock with limited stock options. As a result, we recorded the cost of restricted stock throughout fiscal 2005 in both underlying and GAAP results. In fiscal 2006, we have adopted SFAS 123®, and are consequently recording all long-term incentive grants, both restricted stock and options, as an expense to both underlying and GAAP results. The adjustment from GAAP to underlying operating results in the table above reflects the SFAS 123® charge associated with options granted prior to July 1, 2004 under our previous compensation philosophy, which were originally accounted for utilizing APB 25.

(2) In the quarter ended March 31, 2006, the divestiture of our M-Solutions business, a component of our Investment Services segment, created a unique situation for our presentation of underlying results versus GAAP results. SFAS 144, "Accounting for the Impairment or

Disposal of Long-Lived Assets," requires us to report the results of operations from the disposed business, including any gain or loss on the sale, as an income statement item separately captioned "earnings from discontinued operations" on our GAAP basis unaudited condensed Statements of Operations. This treatment is required for all periods presented, not just the period in which the sale took place. For underlying purposes, in contrast, we have excluded the gain on disposition in the current periods and we are including the results of M-Solutions in our underlying results for the time period that we owned the business during the current quarter and for all of the prior periods presented.

Attachment C

Electronic Billing and Payment Metrics
(in millions, except revenue/transaction and percentages)

	Quarter Ended					
	3/31/ 2006	12/31/ 2005	9/30/ 2005	3/31/ 2005	12/31/ 2004	9/30/ 2004
Transactions						
Full Service						
Revenue	\$109.4	\$116.0	\$118.5	\$106.4	\$102.4	\$99.1
Active Subscribers(1)	9.7	9.0	8.8	7.4	6.9	6.4
Transactions	206.7	189.7	180.1	153.6	142.9	133.5
Revenue/Transaction	\$0.53	\$0.61	\$0.66	\$0.69	\$0.72	\$0.74
Payment Services						
Revenue	\$47.8	\$36.1	\$35.4	\$32.4	\$31.3	\$30.5
Transactions	86.6	81.0	85.9	80.8	76.5	72.3
Revenue/Transaction	\$0.55	\$0.45	\$0.41	\$0.40	\$0.41	\$0.42
Total	293.3	270.7	266.0	234.4	219.4	205.8
Sequential Quarterly Growth	8%	2%	9%	7%	7%	25%
Other Revenue(2)	\$12.2	\$11.2	\$9.6	\$8.8	\$8.4	\$8.6
e-Bill Delivery						
Electronic bills distributed	46.7	45.2	42.7	36.8	32.8	29.6
Quarterly sequential growth	3%	6%	4%	12%	11%	14%
Electronic Rate						
Electronic payment rate	84%	83%	83%	83%	83%	83%

(1) "Active" refers to subscribers who have viewed or paid a bill in the last 90 days at a Consumer Service Provider that outsources essentially all of its electronic billing and payment (EBP) functions to CheckFree.

(2) Other revenue includes Health and Fitness, Professional Services and Stored Value Products.