

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): September 23, 1999

CMGI, Inc.

(Exact name of registrant as specified in charter)

Delaware	000-22846	04-2921333
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(State or other juris- diction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
100 Brickstone Square, Andover, MA		01810
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(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code: (978) 684-3600

N/A

(Former name or former address, if changed since last report)

Item 5. Other Events.

AdKnowledge Inc.

On September 23, 1999, CMGI, Inc. ("CMGI" or the "Company") entered into an Agreement and Plan of Merger and Contribution with Engage Technologies, Inc., a majority owned subsidiary of CMGI ("Engage"), a wholly owned subsidiary of CMGI and AdKnowledge Inc. ("AdKnowledge"), a provider of Web marketing management services focused on the needs of online marketers and agencies. Under the terms of the agreement, CMGI will initially acquire control of AdKnowledge through the issuance of approximately \$170 million of CMGI common stock, followed by a contribution of AdKnowledge shares held by CMGI and AdKnowledge stockholders to Engage, in exchange for approximately \$193 million of Engage common stock. The transaction, which has been approved by the Board of Directors of each company, is subject to regulatory, AdKnowledge stockholder and Engage stockholder approval and other customary conditions to closing. The Company's press release announcing this transaction is filed as Exhibit 99.1 hereto.

Pacific Century Cyberworks Limited

On September 23, 1999, CMGI and Pacific Century CyberWorks Limited ("PCCW"), a company listed on The Stock Exchange of Hong Kong, entered into an agreement whereby CMGI will issue US \$350 million worth of its common stock to PCCW in exchange for US \$350 million worth of shares of PCCW (based, in each case, on the closing price on September 3, 1999), subject to certain customary terms and conditions to closing. In addition, CMGI and PCCW are in discussions to form a strategic relationship to jointly develop their Internet-related business activities in Asia, including the possible establishment of a venture for the development and application of Internet technologies within the Asian marketplace, and an agreement for co-investment with respect to Internet opportunities in the United States and Asia. The Company's press release announcing this transaction is filed as Exhibit 99.2 hereto.

Fourth Quarter Results

On September 27, 1999, CMGI reported financial results for the fourth quarter ended July 31, 1999. Net revenues for the fourth quarter were \$53.6 million, a 17% sequential increase in quarterly revenues and a 107% increase compared with the fourth quarter ended July 31, 1998. Net revenues for the Company's Internet business segment increased 351% compared with the fourth quarter of fiscal 1998, and increased 49% compared with the third quarter of fiscal 1999. Net revenues for the Company's fulfillment services segment increased 60% compared with the fourth quarter of fiscal 1998, and increased 5% compared with the third quarter of fiscal 1999. On a full year basis, CMGI's net revenues increased \$93.7 million, or 114% to \$175.7 million from \$81.9

million in fiscal 1998. CMGI reported net income of \$452.7 million or \$4.74 basic income per share for the quarter, compared to a net loss of \$27.8 million or (\$0.30) basic loss per share for the previous quarter ended April 30, 1999. Fourth quarter fiscal 1999 results included \$744.7 million of other gains, net, primarily representing a pretax gain of \$661.2 million on the conversion of the Company's GeoCities investment to Yahoo! common stock and a pre-tax gain of \$81.1 million on issuance of stock by Engage in its initial public stock offering. During the fourth quarter, the Company also recorded a one-time in-process research and development charge of \$1.6 million related to the acquisitions of Magnitude Network, Inc. and Nascent Technologies, Inc. and a one-time \$53.2 million net of tax gain on the sale of CMG Direct to Marketing Services Group, Inc. Third quarter fiscal 1999 results included a one-time in-process research and development charge of \$4.5 million related to the acquisition of Internet Profiles Corporation (IPRO) and \$859,000 of other gains, net, representing a pre-tax gain on issuance of stock by GeoCities. CMGI's fourth quarter operating expenses for continuing operations of \$105 million, reflect a 32% increase from the third quarter of fiscal 1999 and a 124% increase from last year's fourth quarter. The Company's press release is filed as Exhibit 99.3 hereto.

Flycast Communications Corporation
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On September 29, 1999, CMGI entered into an Agreement and Plan of Merger ("Merger Agreement") with a wholly owned subsidiary of CMGI ("Sub") and Flycast Communications Corporation ("Flycast"), a provider of web-based direct response advertising. In the merger, Sub will merge with and into Flycast, with Flycast surviving the merger as a wholly owned subsidiary of CMGI. The merger, which has been approved by the Board of Directors of each company, is subject to regulatory and Flycast stockholder approval and other customary conditions to closing. Certain affiliates of Flycast representing a significant percentage of Flycast common stock have agreed to vote in favor of the merger.

Pursuant to the Merger Agreement, CMGI will acquire Flycast through the issuance of 0.4738 shares of CMGI common stock for each share of Flycast common stock outstanding immediately prior to the close of the transaction. In addition, CMGI will assume all Flycast stock options outstanding at the effective time of the merger. The transaction is intended to be treated as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, and to be accounted for as a purchase.

In connection with the merger, CMGI and Flycast also entered into a Stock Option Agreement, dated as of September 29, 1999, whereby Flycast has granted CMGI an option to purchase up to 19.9% of the outstanding shares of Flycast common stock, which option may be exercised in the event that the Merger Agreement is terminated under certain circumstances.

The Company's press release announcing this transaction is filed as Exhibit 99.4 hereto.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits.

Exhibit No.	Description
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99.1	Press release dated September 23, 1999 relating to a definitive agreement for the acquisition of AdKnowledge Inc. by Engage Technologies, Inc., a majority-owned subsidiary of CMGI, Inc.
99.2	Joint press release dated September 23, 1999 by CMGI, Inc. and Pacific Century CyberWorks Limited relating to a share exchange agreement.
99.3	Press release dated September 27, 1999 reporting the financial results of CMGI, Inc. for the fourth quarter ended July 31, 1999.
99.4	Press release dated September 30, 1999 relating to a definitive agreement for the acquisition of Flycast Communications Corporation by CMGI, Inc.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 1, 1999

CMGI, Inc.

(Registrant)

By: /s/ Andrew J. Hajducky III

Andrew J. Hajducky III
Executive Vice President, Chief Financial
Officer and Treasurer

EXHIBIT INDEX

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99.4	Press release dated September 30, 1999 relating to a definitive agreement for the acquisition of Flycast Communications Corporation by CMGI, Inc.

Engage to Acquire AdKnowledge to Improve Online Marketing Effectiveness

Combined company to provide online marketers and ad agencies with a set of comprehensive, profile based analysis and targeting tools

Andover, MA, September 23, 1999 - Engage Technologies, Inc. (Nasdaq: ENGA), a leading provider of profile driven Internet marketing solutions and a majority-owned operating company of CMGI, Inc. (Nasdaq: CMGI), today announced it has signed a definitive agreement to acquire AdKnowledge Inc., a leading provider of complete Web marketing management services focused entirely on the needs of online marketers and agencies, in an all stock transaction valued at approximately \$193 million.

This transaction combines the vision of both companies to provide online marketers and agencies with products and services that increase the effectiveness of their marketing efforts. AdKnowledge's relationships with many online marketers and agencies, including some of the most sophisticated and influential in the marketplace, will accelerate the use of Engage's profile based targeting as an effective alternative to content based targeting.

"Internet trends are being driven by the largest and most sophisticated online marketers and their advertising agencies, many of which have strong relationships with AdKnowledge, such as SportsLine (Nasdaq: SPLN), eBay (Nasdaq: EBAY) and eToys (Nasdaq: ETYS) and agencies like Organic and i-Traffic," said Paul Schaut, President and CEO of Engage. "We are excited about the opportunity to add value to these relationships by incorporating profile based ad targeting into AdKnowledge's extensive services. This powerful combination will enable profile based ad targeting to be more widely deployed in the industry."

By integrating Engage's profile based targeting, AdKnowledge customers will be able to target and analyze campaigns based on profiles of their target audience. AdKnowledge has become a widely used source for marketers targeting online advertising. To date, nearly all such targeting has been based on content specific ad buying. With Engage, AdKnowledge will be able to broaden its offering to include profile based targeting to its customers.

"AdKnowledge and Engage are uniquely complementary and share the same objective -- to improve the effectiveness of online marketing," said Scott Kauffman, CEO of AdKnowledge. "Integrating Engage's consumer profile data and profiling technologies into the AdKnowledge System will create the industry's most comprehensive suite of tools for marketers and agencies."

Additionally, the combination of Engage, AdKnowledge and Engage's I/PRO products and services will uniquely position Engage as a leading provider of comprehensive data analysis to marketers and agencies. Engage's profiling and data mining capabilities help marketers profile, segment and better understand their customers' interests and behaviors.

AdKnowledge eAnalytics lets marketers fine tune those programs for maximum effectiveness based on the real drivers of brand awareness and purchase behavior. And I/PRO's site analysis capabilities will help marketers evaluate the impact of their marketing efforts on site traffic and visitor behavior. By grouping these products and services, AdKnowledge uniquely positions Engage as a provider of data analysis capabilities.

Under the terms of the merger and contribution agreement, CMGI will initially acquire control of AdKnowledge through the issuance of approximately \$170 million of CMGI common stock, followed by a contribution of AdKnowledge shares held by CMGI and AdKnowledge shareholders to Engage in exchange for approximately \$193 million of Engage common stock. The transaction, which will be

accounted for as a purchase, is subject to certain conditions, regulatory approval and the shareholder approval of Engage and AdKnowledge. AdKnowledge, which recently filed its S-1 with the SEC, is privately held and will become a wholly-owned subsidiary of Engage. The transaction is expected to be completed in late 1999 or early 2000.

About Adknowledge:

AdKnowledge is a leading provider of complete Web marketing management services focused entirely on the needs of advertising buyers. AdKnowledge combines analytic services and data mining with outbound campaign management to provide sophisticated marketers and agencies with insights into what drives brand awareness and purchase behavior across all Web sites and networks. The company's headquarters are in Palo Alto, California, with offices in New York. For more information about AdKnowledge, contact via phone at 650-842-6500 or on the Internet at www.adknowledge.com.

About Engage:

Engage Technologies, Inc., (Nasdaq: ENGA) a majority-owned operating company of CMGI, Inc., (Nasdaq: CMGI), is a leading provider of profile-driven Internet marketing solutions. Engage offers a range of software products and services that enable Web publishers, advertisers and merchants to target and deliver advertisements, commerce and e-commerce offerings to their audiences and to measure their effectiveness. Engage's core product and services include Engage Knowledge, a global database that currently contains more than 35 million anonymous consumer profiles, and Accipiter AdManager, an online advertising management system that automates the scheduling, targeting and delivery of ads on Web sites and the reporting of campaign results. Additionally, Engage offers Web traffic verification, measurement and analysis, and research through its wholly-owned subsidiary, I/PRO. For more information about Engage, please visit www.engage.com.

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About CmgI:

With nearly 50 companies, CMGI, Inc. (Nasdaq: CMGI) represents the largest, most diverse network of Internet companies in the world. This network includes both CMGI operating companies and a growing number of synergistic investments through its venture capital affiliate, @Ventures. CMGI leverages the technologies, content, and market reach of its extended family of companies to foster rapid growth and industry leadership across its network, and the larger Internet Economy. Microsoft, Intel, Sumitomo and Compaq hold minority positions in CMGI.

CMGI's majority-owned subsidiaries include Engage Technologies (Nasdaq: ENGA), Activerse, Adsmart, AltaVista, Cha! Technologies, iCAST, Magnitude Network, NaviSite, NaviNet, Planet Direct and ZineZone. The company's @Ventures affiliates have ownership interests in Lycos, Inc. (Nasdaq: LCOS), Critical Path (Nasdaq: CPTH), Silknet (Nasdaq: SILK), Chemdex (Nasdaq: CMDX), Ancestry.com, Asimba, AuctionWatch, Aureate Media, blaxxun, BizBuyer.com, buyingedge.com, CarParts.com, CraftShop.com, eCircles.com, EXP.com, FindLaw, Furniture.com, HotLinks, Intelligent/Digital, KOZ.com, Mondera.com, MotherNature.com, NextMonet.com, NextPlanetOver.com, OneCore.com, ONElist, PlanetOutdoors.com, Productopia, Promedix.com, Raging Bull, Speech Machines, ThingWorld.com, Vicinity, Virtual Ink, Visto and WebCT.

CMGI is also the majority-owner of SalesLink, InSolutions and On-Demand Solutions, leaders in the direct marketing, fulfillment and turnkey arenas. CMGI Corporate headquarters is located at 100 Brickstone Square, Andover, MA 01810. Telephone: 978-684-3600. Fax: 978-684-3814. Additional information is available on the company's Web site at www.cmgI.com.

Statement Under the Private Securities Litigation Reform Act

Except for the historical information contained in this release, the matters described herein contain forward-looking statements that involve risks and uncertainties which might cause the results of such forward-looking statements to differ materially from those anticipated. Such risks and uncertainties include failure of the combination of Engage and AdKnowledge to realize anticipated product offering benefits, failure of Engage or AdKnowledge products and services to achieve customer acceptance, privacy concerns, slower than expected growth in Internet advertising, increased competition, the timely development of new profile-based products and services, and other risks detailed in Engage's Registration Statement on Form S-1 declared effective on July 19, 1999 under the Securities Act of 1933.

CMGI and Pacific Century CyberWorks
Announce Share Exchange

Andover, Mass. and Hong Kong, September 23, 1999 -- CMGI, Inc. (NASDAQ: CMGI) and Pacific Century CyberWorks Limited ("PCCW;" Reuters: 1186.HK; Bloomberg: 1186), a company listed on The Stock Exchange of Hong Kong, announced today that the two companies have entered into an agreement whereby CMGI will issue US\$350 million worth of its common stock to PCCW in exchange for \$350 million worth of shares of PCCW, subject to certain customary terms and conditions.

In addition, the companies are in discussion to form a strategic relationship to jointly develop their Internet-related business activities in Asia, including the possible establishment of a venture for the development and application of Internet technologies within the Asian marketplace, and an agreement for co-investment with respect to Internet opportunities in the United States and Asia.

About the Pacific Century Group

The Pacific Century Group (www.pcg-group.com) was established in October 1993

with proceeds from the sale of STAR TV, the first pan-Asian satellite television network, operating in more than 50 countries, to News Corp. At the sale, which was completed in 1995, the valuation of the enterprise was US\$950.5 million. The total original investment in STAR TV, which Mr. Richard Li founded in 1990, was US\$125 million. The Group's publicly-listed companies and non-listed operations are active worldwide in digital technology, financial services and infrastructure development.

Pacific Century CyberWorks, the Group's technology flagship, announced in August 1999 its acquisition of Pacific Convergence Corporation (PCC), a joint venture between Pacific Century Group (60%) and Intel Corporation (40%), the world's leading maker of microprocessors. Intel's investment of US\$50 million in PCCW, combined with its initial 40% stake in PCC, gives it a 13.05% stake in PCCW. PCC's objective is to be the preeminent provider of broadband Internet services in Asia via its satellite network serving 110 million connected cable households.

Listed companies within the Group, in addition to PCCW, include Singapore-listed Pacific Century Regional Developments Limited (Reuters: PCEN.SI; Bloomberg: PAC SP); and Hong Kong-listed Pacific Century Insurance Limited (Reuters: 0065.HK; Bloomberg: 65).

The Pacific Century Group is the sole partner with the Government of Hong Kong in the approximately US\$1.6 billion Cyber-Port project (www.cyber-port.com)

announced by the Financial Secretary Donald Tsang in his 1999 Budget. The Cyber-Port is a comprehensive facility designed to foster the development of Hong Kong's information services sector through the formation of a strategic cluster of both established and start-up companies at the one location.

The Group's aim is to build on its expertise and knowledge of digital technology and new media to become a preeminent leader in Internet content and services such as eCommerce. The Group believes there are tremendous synergies between its existing activities in this field and future business opportunities. PCCW's parallel involvements in the Cyber-Port and the fast-growing information technology and Internet sectors, and its acquisition of Pacific Convergence Corporation, will help secure Hong Kong's position as a hub of Asia-focused eCommerce and Internet content development, and create new opportunities for the best talent in the region.

About CMGI

With nearly 50 companies, CMGI, Inc. (Nasdaq: CMGI) represents the largest, most diverse network of Internet companies in the world. This network includes both CMGI operating companies and a growing number of synergistic investments through its venture capital affiliate, @Ventures. CMGI leverages the technologies, content, and market reach of its extended family of companies to foster rapid growth and industry leadership across its network, and the larger Internet Economy. Microsoft, Intel, Sumitomo and Compaq hold minority positions in CMGI.

CMGI's majority-owned subsidiaries include Engage Technologies (Nasdaq: ENGA), Activerse, Adsmart, AltaVista, Cha! Technologies, iCAST, Magnitude Network, NaviSite, NaviNet, Planet Direct and ZineZone. The company's @Ventures affiliates have ownership interests in Lycos, Inc. (Nasdaq: LCOS), Critical Path (Nasdaq: CPTH), Silknet (Nasdaq: SILK), Chemdex (Nasdaq: CMDX), Ancestry.com, Asimba, AuctionWatch, Aureate Media, blaxxun, BizBuyer.com, buyingedge.com, CarParts.com, CraftShop.com, eCircles.com, EXP.com, FindLaw, Furniture.com, HotLinks, Intelligent/Digital, KOZ.com, Mondera.com, MotherNature.com, NextMonet.com, NextPlanetOver.com, OneCore.com, ONElist, PlanetOutdoors.com, Productopia, Promedix.com, Raging Bull, Softway Systems, Speech Machines, ThingWorld.com, Vicinity, Virtual Ink, Visto and WebCT.

CMGI is also the majority-owner of SalesLink, InSolutions and On-Demand Solutions, leaders in the direct marketing, fulfillment and turnkey arenas. CMGI Corporate headquarters is located at 100 Brickstone Square, Andover, MA 01810. Telephone: 978-684-3600. Fax: 978-684-3814. Additional information is available on the company's Web site at <http://www.cmgi.com>.

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"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding CMGI, Inc.'s business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the CMGI Annual Report or Form 10-K for the most recently ended fiscal year.

P R E S S R E L E A S E

Contact: Andrew J. Hajducky III
Chief Financial Officer
(978) 684 3660

CMGI ANNOUNCES RECORD FOURTH QUARTER EARNINGS OF \$4.74 PER SHARE
REVENUES INCREASE 107% COMPARED WITH PRIOR YEAR FOURTH QUARTER
INTERNET SEGMENT REVENUES GROW 49% OVER THIRD QUARTER

ANDOVER, Mass., September 27, 1999, --- CMGI, Inc. (NASDAQ: CMGI) today reported net revenues of \$53.6 million for the fourth quarter ended July 31, 1999, a 17% sequential increase in quarterly revenues and a 107% increase compared with last year's fourth quarter. Net revenues for the Company's Internet business segment increased 351% compared with the fourth quarter of fiscal 1998, and increased 49% compared with the third quarter of fiscal 1999. Net revenues for the Company's fulfillment services segment increased 60% compared with the fourth quarter of fiscal 1998, and increased 5% compared with the third quarter of fiscal 1999. On a full year basis, CMGI's net revenues increased \$93.7 million, or 114% to \$175.7 million from \$81.9 million in fiscal 1998.

CMGI reported net income of \$452.7 million or \$4.74 basic income per share for the quarter, compared to a net loss of \$27.8 million or (\$0.30) basic loss per share for the previous quarter ended April 30, 1999. Fourth quarter fiscal 1999 results included \$744.7 million of other gains, net, primarily representing a pretax gain of \$661.2 million on the conversion of the Company's GeoCities investment to Yahoo! common stock and a pre-tax gain of \$81.1 million on issuance of stock by Engage Technologies in its initial public stock offering. During the fourth quarter the Company also recorded a one-time in-process research and development charge of \$1.6 million related to the acquisitions of Magnitude Network, Inc. and Nascent Technologies, Inc. and a one-time \$53.2 million net of tax gain on the sale of CMG Direct to Marketing Services Group, Inc. (MSGI). Third quarter fiscal 1999 results included a one-time in-process research and development charge of \$4.5 million related to the acquisition of Internet Profiles Corporation (IPRO) and \$859,000 of other gains, net, representing a pre-tax gain on issuance of stock by GeoCities. CMGI's fourth quarter operating expenses for continuing operations of \$105 million, reflect a 32% increase from the third quarter of fiscal 1999 and a 124% increase from last year's fourth quarter.

During the Company's fourth fiscal quarter, Engage Technologies, Inc. (Engage, Nasdaq: ENGA), CMGI's majority - owned subsidiary, completed its initial public offering at \$15 per share, raising \$94.8 million, net of issuance and other related costs. CMGI currently holds 38.6 million shares of Engage common stock. Also during the fourth quarter CMGI completed the acquisitions of Nascent Technologies Inc., Netwright LLC, and Digiband, Inc. and secured \$375 million through the private placement of CMGI Series C Convertible Preferred Stock. Subsequent to quarter end, NaviSite, Inc., a majority - owned subsidiary of the Company filed its initial registration statement for its public offering with the Securities and Exchange Commission.

On August 18, 1999, the Company completed the acquisition of Alta Vista from Compaq (NYSE: CPQ). Upon closing, Compaq transferred an 81.5 percent equity ownership in the Alta Vista business to CMGI, and retained its remaining 18.5 percent interest. In return, Compaq received approximately 19.0 million CMGI common shares and CMGI Series D convertible redeemable preferred shares equivalent to approximately 1.8 million CMGI common shares. CMGI also issued a \$220 million three year note to Compaq, bringing total consideration for CMGI's 81.5% ownership in the Alta Vista business to approximately \$2.3 billion.

On September 15, 1999, CMGI announced the completed acquisition of 80% of Cha! Technologies, an Internet payment services company, for \$12.5 million in CMGI stock and the commitment of \$12.5 million in operating capital to that business. On September 27, 1999, CMGI announced the completed acquisition of Signatures Network, formerly Sony Signatures, an industry-leading music and celebrity licensing and event merchandising company. Under the terms of the acquisition, Signatures Network will become a majority-owned subsidiary of iCAST, CMGI's Internet entertainment company

On September 20, 1999, CMGI announced that it had signed a definitive agreement to acquire AdForce, Inc. (Nasdaq: ADFC), a leading provider of centralized online advertising services, in a stock-for-stock tax-free merger valued at approximately \$500 million. Under the terms of the agreement, CMGI will issue 0.262 CMGI shares for every share of AdForce held on the closing date of the transaction. Closing of the merger is subject to customary conditions, including approval by AdForce shareholders, expected later this year.

On September 20, 1999, CMGI announced it has signed a definitive agreement to acquire AdKnowledge Inc., a leading provider of complete Web marketing management services focused entirely on the needs of online marketers and agencies, in an all stock transaction valued at approximately \$193 million. Under the terms of the merger and contribution agreement, CMGI will initially acquire control of AdKnowledge through the issuance of approximately \$170 million of CMGI common stock, followed by a contribution of AdKnowledge shares held by CMGI and AdKnowledge shareholders to Engage in exchange for approximately \$193 million of Engage common stock. The transaction, is subject to customary conditions, including shareholder approval of Engage and AdKnowledge. AdKnowledge, which recently filed its S-1 with the SEC, is privately held and will become a wholly-owned subsidiary of Engage. The transaction is expected to be completed in late 1999 or early 2000.

On September 23, 1999, CMGI and Pacific Century CyberWorks Limited ("PCCW"), a company listed on The Stock Exchange of Hong Kong, announced that the two companies have entered into an agreement whereby CMGI will issue US\$350 million worth of its common stock to PCCW in exchange for US \$350 million worth of shares of PCCW, subject to certain customary terms and conditions. In addition, the companies are in discussion to form a strategic relationship to jointly develop their Internet-related business activities in Asia, including the possible establishment of a venture for the development and application of Internet technologies within the Asian marketplace, and an agreement for co-investment with respect to Internet opportunities in the United States and Asia.

During the fourth quarter, CMGI, through it's limited liability company affiliates, CMG@Ventures II, LLC and CMG@Ventures III, LLC made initial or follow-on investments in twenty Internet companies, including:

Initial Investments

- . AuctionWatch.com
- . AureateMedia
- . BizBuyer.com
- . Intelligent/Digital
- . NextPlanetOver.com
- . PlanetOutdoors.com
- . Productopia
- . Plus three others to be announced

Follow-on Investments

- . Asimba.com
- . eCircles.com
- . Furniture.com
- . KOZ.com
- . MotherNature.com
- . NextMonet.com
- . Raging Bull
- . Web CT (formerly Universal Learning Technology)
- . Virtual Ink
- . Visto

Since July 31, 1999, the following investments have also been made:

Initial Investments

- . Boatscape.com
- . buyingedge.com
- . CraftShop.com
- . FindLaw
- . Plus one other to be announced

Follow-on Investments

- . exp.com, formerly Advoco.com
- . Mondera.com
- . OneCore.com

On May 5, 1999, Silknet successfully completed its initial public offering at a price of \$15 per share, and on July 27, 1999, Chemdex successfully completed its initial public offering at a price of \$15 per share. CMG@Ventures II, LLC currently holds 2.8 million shares of Silknet common stock (of which approximately 2.2 million shares are attributable to CMGI), which it acquired at an average cost of \$2.42 per share. CMG@Ventures II, LLC currently holds 2.7 million shares of Chemdex common stock (of which approximately 2.2 million shares are attributable to CMGI), which it acquired at an average cost of \$1.80 per share. On September 22, 1999, Chemdex announced that it has signed a definitive agreement to acquire Promedix.com, in an all-stock transaction of approximately 12 million shares valued at approximately \$340 million. CMG@Ventures III, LLC currently holds approximately 6% of Promedix.com's outstanding shares on a fully diluted basis.

Commenting on the Company's performance, CEO David Wetherell said, "We are very proud of the significant progress made across our portfolio of businesses during this quarter and past year. That momentum was further accelerated by the recent acquisitions of AltaVista, Cha! Technologies, and Signatures Network, the definitive agreements to acquire AdForce and AdKnowledge, and the additions of Compaq and Pacific Century CyberWorks Limited as strategic investors. We continue to build dramatically upon our traffic and the targeting of that traffic, while establishing the infrastructure with NaviNet and Engage to take advantage of low cost or free net access. The single most important trend affecting ISPs over the coming years will be free Internet access, and no company is better positioned to benefit from that than CMGI."

Operating Segments

For continuing operations, the Company reports two operating segments: Internet and Fulfillment Services. The Company's Lists and Database Services segment is reported as discontinued operations.

The Internet segment results reflect the consolidated performance of majority-owned Internet companies, which during the fourth quarter of fiscal year 1999 include Activerse, Adsmart, Blaxxun, Engage Technologies, iCAST, Magnitude Network, Nascent Technologies, NaviNet, NaviSite, Netwright, Planet Direct, and ZineZone. The Internet segment reported revenues of \$18,824,000 in the current quarter, compared with \$12,657,000 in the previous quarter ended April 30, 1999, an increase of 49%. Current quarter revenue increases primarily reflect increased revenues for Engage, ADSmart and NaviNet, partially offset by decreased revenue for Planet Direct which had recorded approximately \$2.3 million revenues from one significant customer in the previous quarter. Revenue increases by Engage reflected both the impact of the I/PRO acquisition during the third quarter and increased business volumes. Revenue increases by Adsmart reflected both the impact of the 2CAN Media acquisition during the third quarter and increased ad - serving volumes. Including acquisition related one-time in-process research and development charges of \$1.6 million in the current quarter and \$4.5 million in the preceding quarter, the operating loss for the Internet segment was \$53,821,000 in the quarter just ended versus a loss of \$35,632,000 for the quarter ended April 30, 1999.

CMGI's portion of the net operating performances of investments in which its ownership is between 20% and 50% are reflected in equity in losses of affiliates. During the fourth quarter of fiscal 1999, these included ThingWorld.com, Web CT (formerly Universal Learning Technology), Engage Japan and GeoCities through the date of conversion of the Company's GeoCities investment into Yahoo! Common stock in May, 1999. Equity in losses of affiliates was \$2,636,000 for the current quarter, compared with \$3,553,000 for the quarter ended April 30, 1999. CMGI's investments in exp.com (formerly Advoco.com), Ancestry.com, Asimba.com, AuctionWatch.com, AureateMedia, BizBuyer.com, CarParts.com, eCircles.com, Furniture.com, HotLinks, Intelligent/Digital, KOZ.com, Mondera.com, MotherNature.com, NextMonet.com, NextPlanetOver.com, OneCore.com, ONElist, PlanetOutdoors.com, Productopia, Promedix.com (formerly Medical Village), Raging Bull, Tickets.com, Virtual Ink, and Visto are carried at cost at July 31, 1999. As of July 31, 1999, CMGI's holdings in Amazon.com, Chemdex, Critical Path, Hollywood Entertainment, Informix, Lycos, Marketing Services Group, Inc., Open Market, Silknet, USWeb, and Yahoo! are accounted for as available-for-sale securities, at market value.

In the Fulfillment Services segment, revenues increased 60% to \$34,763,000 in the fourth quarter of fiscal 1999 from \$21,776,000 in last year's fourth fiscal quarter, primarily reflecting increased volumes from Cisco Systems and the acquisitions of InSolutions and On-Demand Solutions in the fourth quarter of fiscal 1998. Compared with the third quarter of fiscal 1999, fulfillment services segment revenues increased 5%,

reflecting growth in turnkey and e-commerce business. The fulfillment segment reported operating income of \$2,426,000 in the quarter, compared with operating income of \$1,565,000 in the quarter ended April 30, 1999. The increase in operating income primarily reflected the impacts of revenue increases and operating efficiencies related to turnkey operations. Fulfillment services segment results for the current quarter ended July 31, 1999 and the previous quarter ended April 30, 1999 include approximately \$700,000 of goodwill amortization charges related to acquisitions.

Internet Highlights

Engage, CMGI's majority-owned provider of profile driven Internet marketing solutions successfully completed its initial public offering on July 19, 1999, raising net proceeds of \$94.8 million. Also in July, Engage went live with its Engage Knowledge data service with customers. Engage Knowledge provides real-time access to Engage's database of more than 35 million anonymous profiles of Web users for more effective targeting of online advertising, promotions and content. On September 22, 1999, Engage announced its 1999 fiscal year results, with revenues of \$16.0 million, up 627% from fiscal 1998 revenues of \$2.2 million. Engage's 1999 fiscal year net loss was \$32.0 million, compared to 1998 net loss of \$13.8 million. Engage's 1999 fourth quarter revenues were \$7.0 million, a 338% increase from fourth quarter fiscal 1998 revenues of \$1.6 million. Net loss for the 1999 fourth quarter was \$10.8 million, up from \$4.6 million in fiscal 1998. As of July 31, 1999, Engage had 335 customers worldwide using its profiling, ad management and strategic market intelligence and measurement products and services.

Alta Vista offered a nationwide dial-up free Internet connection service in August and has registered more than 400,000 users within seven weeks--an unprecedented Internet sign-up rate. The FreeAccess service is combined with the AltaVista microportal, a desktop application that provides up-to-the-minute news, weather, sports and financial information, as well as links to premier AltaVista Search technologies and other media and commerce services. The FreeAccess service is supported through advertising that is displayed within the microportal window, which takes up less than five percent of a user's screen. AltaVista markets the service but uses several ISPs, which underwrite the entire service and technical support costs.

Adsmart made significant progress during the quarter with significant structural changes to its network and rapid growth in its organization. In June, Adsmart announced it signed thirty new sites to its Channels Division and thirteen new sites to Adsmart NetFuerza, its Hispanic advertising network. In late July, Adsmart measured its growth over the past six months and announced 4,000% growth in impressions served, 250 sites added to the network, and 100 new employees recruited for its offices in the six major advertising markets. Adsmart also continued its pattern of adding brand sites to its network, most notably the World Wrestling Federation sites, the number one sports sites among male teens according to Media Metrix. In mid-August, Adsmart also added a new service to its offering with ad-buy.com, the first program of its kind from a major ad network directed at small businesses. With ad-buy.com, small businesses that cannot afford to advertise on a traditional network will now be able to purchase impressions directly online on Adsmart's network of brand sites. Most recently, Adsmart announced major changes to the structure of its network with new divisions and categories that directly match the way advertisers buy media. Through extensive research, Adsmart created eight key divisions and over twenty targeted audience groups to ease the process of media buying and bring greater profits to its network of over 300 Web sites. Adsmart is the only major ad network to offer such specific categories based on advertisers most sought after demographics.

NaviSite, CMGI's majority-owned applications hosting and management supplier and Application Service Provider (ASP), filed with the Securities and Exchange Commission a registration statement for the initial public offering of its common stock. BancBoston Robertson Stephens, Inc., Hambrecht and Quist, and

FAC/Equities, a division of First Albany Corporation will act as the lead underwriters of the offering. Also in this quarter NaviSite announced strategic marketing relationships with Dell and Microsoft. Dell has become a preferred server, storage, and PC provider for NaviSite. Microsoft has partnered with NaviSite to offer streaming solutions based on Windows Media Technology. Dell and Microsoft have also become strategic investors in NaviSite. In this quarter, NaviSite also announced that it will offer Oracle's 8I database on a service bureau basis to its e-business applications customers. Additionally, NaviSite announced industry relationships with numerous application developers, service providers and integrators, including Lutris Technologies and Cisco Systems. The agreement with Lutris, a leading Internet development and strategy firm, will provide end to end solutions for designing, developing, hosting and managing web applications. Under the Cisco Powered Network Program, NaviSite and Cisco have teamed to offer reliable, secure and high performance Internet services. NaviSite also announced that it has begun construction of two new data centers, in Andover, MA and San Jose, CA.

NaviNet, CMGI's wholly-owned supplier of high performance, low cost remote Internet access services, installed new network facilities in Seattle and Washington, D.C., and extended its New England coverage to include Rhode Island as it moved closer to its goal of reaching over 80% of U.S. major market Internet users by calendar year-end. In addition, the company has now executed supply and financing agreements with Ascend (now part of Lucent) and NorTel Networks for significant volumes of network equipment to be deployed in NaviNet Points of Presence (POP's) in North America. The company executed an agreement with NetZero, currently the fastest growing U.S. ISP, to supply it with Internet access services in major markets across the U.S. The company has continued to expand rapidly, adding a CFO and VP Product Marketing to its executive team, tripling its employee and contractor staff to a total of 62, and moving to larger facilities in the Andover area. On September 21, 1999, NaviNet announced that it has signed an agreement to provide Internet access services to Prodigy Communications Corporation (Nasdaq:PRGY). The agreement, to take effect in the fourth quarter of 1999, allows NaviNet to provide outsourced dial-up access to Prodigy users on a nationwide basis.

iCAST, CMGI's wholly-owned on-line personal entertainment company, acquired Digiband, an online, dynamic database of audio and video streams. In addition, iCAST hired Matt Farber as its COO. Mr. Farber was previously SVP of Programming Enterprises, MTV and General Manager, MTV2. Zinezone.com continued to see tremendous growth in visitors and memberships, achieving a 1.7 reach in July Media Metrix, a growth of 140% over the preceeding quarter. On September 27, 1999, CMGI announced the completed acquisition of Signatures Network, formerly Sony Signatures, an industry-leading music and celebrity licensing and event merchandising company. Under the terms of the acquisition, Signatures Network will become a majority-owned subsidiary of iCAST, CMGI's Internet entertainment company

About CMGI

With nearly 50 companies, CMGI, Inc. (Nasdaq: CMGI) represents the largest, most diverse network of Internet companies in the world. This network includes both CMGI operating companies and a growing number of synergistic investments through its venture capital affiliate, @Ventures. CMGI leverages the technologies, content, and market reach of its extended family of companies to foster rapid growth and industry leadership across its network, and the larger Internet Economy. Microsoft, Intel, Sumitomo and Compaq hold minority positions in CMGI.

CMGI Corporate headquarters is located at 100 Brickstone Square, Andover, MA 01810. Telephone: 978-684-3600. Fax: 978-684-3814. Additional information, including a complete listing of companies in the CMGI network, is available at www.cmgi.com.

Forward looking statements in this release are made pursuant to the safe harbor provisions of the Private Securities Litigation Act. Investors are cautioned that actual results could differ materially from those anticipated by such statements and are advised to consult CMGI's current SEC filings for additional information concerning risk factors that affect the Company's business.

P R E S S R E L E A S E

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CMGI TO ACQUIRE FLYCAST COMMUNICATIONS CORPORATION

Online Response Leader to Fill Important Role in CMGI's
Growing Stable of Advertising Services

ANDOVER, MA AND SAN FRANCISCO, CA, September 30, 1999-CMGI, Inc. (Nasdaq: CMGI) announced today that it has signed a definitive agreement to acquire Flycast Communications Corporation (Nasdaq: FCST), the leading provider of web-based direct response advertising solutions, in a stock-for-stock merger. Under the terms of the agreement, CMGI will issue .4738 CMGI shares for every share of Flycast held on the closing date of the transaction. Closing of the merger, expected in January 2000, is subject to customary conditions, including formal approval by Flycast shareholders.

A significant percentage of Flycast shareholders have agreed to vote in favor of the merger. In connection with the merger, CMGI and Flycast also entered into a Stock Option Agreement, whereby Flycast has granted CMGI an option to purchase up to 19.9% of the outstanding shares of Flycast common stock, which option may be exercised in the event that the Merger Agreement is terminated under certain circumstances.

This acquisition represents the latest in a series of recent deals designed to help CMGI strengthen its stable of interactive marketing and advertising properties. Flycast represents another critical segment of CMGI's advertising strategy, and the larger Internet advertising marketplace-- a direct response, ROI-focused advertising solution built on a network model of aggregated inventory from large numbers of sites. CMGI anticipates leveraging a number of

inter-company synergies with Flycast and other members of the CMGI network, most notably Adsmart, AdForce*, and Engage (Nasdaq: ENGA). A more definitive integration of Flycast with other CMGI advertising and marketing properties is now under consideration and will be fully explored in the next several months.

Flycast creates value for both advertisers and web sites through its network of aggregated inventory, proprietary click-optimization technology and superior customer service. By aggregating the inventory from large and small to medium-sized web sites, Flycast can deliver high-quality, cost-effective advertising space to response-oriented advertisers. At the same time, by selling available inventory through its network, Flycast creates an incremental revenue opportunity for web sites that does not conflict with their other sales efforts because it offers their available advertising space on an unbranded basis.

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"With the acquisition of Flycast, CMGI again strengthens its position to offer a full service, end-to-end solution for both advertisers and Web publishers," said David Wetherell, Chairman and CEO, CMGI. "The Flycast business model is highly complimentary to the current advertising businesses within the CMGI network, particularly Adsmart. Adsmart is focused on site-specific representation and maximizing CPMs for branded sites, while Flycast emphasizes the ROI model. As part of the leading advertising properties in the CMGI network, Flycast joins Adsmart, Engage, I/PRO, and now AdForce* and AdKnowledge* to bring together advertisers and publishers, branded and non-branded sites, to deliver a total advertising network solution."

"We are thrilled to be joining the world-class CMGI family and becoming part of a group of true leaders in Internet marketing and advertising," said George Garrick, Chairman and CEO of Flycast. "This combination of companies at CMGI represents the most powerful assembly of advertising and marketing services companies and resources in the industry today and together we will be able to deliver a wide range of enhanced services for both advertisers and publishers. I have no doubt that together we will push the envelope and define the shape of the Internet advertising industry for the future."

Flycast's flagship offering, the Flycast Network, serves 1.4 billion ad impressions per month on 1,200 sites, reaching more than 25 million people a month. Flycast's advertisers include some of the industry's leading e-commerce companies, direct response marketers, interactive agencies and traditional advertisers such as Bozell, Digital River, Saatchi & Saatchi, Agency.com, iXL, BMG, Paradigm Interactive, GoTo.com, eBay, and E-Trade.

About Flycast Communications

Based in San Francisco, Flycast Communications is the leading provider of Internet direct response advertising solutions. The company is focused on maximizing the return on investment for response-oriented advertisers, direct marketers and e-commerce companies by delivering the most ROI-effective audience reach, response and results in the industry. The company's flagship offering, the Flycast Network, reaches over 25 million people a month, or 41 percent of the web. Flycast's advertisers include e-commerce companies, direct response marketers and interactive agencies who are interested in generating

site traffic and increasing web-based sales through ROI-focused advertising. Flycast can be reached on the web at <http://www.flycast.com>.

About CMGI

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CMGI's majority-owned operating companies include Engage Technologies (Nasdaq: ENGA), 1ClickBrands, Activerse, Adsmart, AltaVista, iCAST, Magnitude Network, NaviSite, NaviNet, Planet Direct, Saleslink and ZineZone. The company's @Ventures affiliates have ownership interests in Lycos, Inc. (Nasdaq: LCOS), Critical Path (Nasdaq: CPTH), Silknet (Nasdaq: SILK), Chendex (Nasdaq: CMDX), Ancestry.com, Asimba, AuctionWatch, Aureate Media, blaxxun, BizBuyer.com, Boatscape, buyingedge.com, CarParts.com, CraftShop.com, eCircles.com, EXP.com, FindLaw, Furniture.com, HotLinks, Intelligent/Digital, KOZ.com, Mondera.com, MotherNature.com, NextMonet.com, NextPlanetOver.com, OneCore.com, ONElist, PlanetOutdoors.com, Productopia, Promedix.com, Raging Bull, Softway Systems, Speech Machines, ThingWorld.com, Vicinity, Virtual Ink, Visto and WebCT.

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EDITOR'S NOTE: Executives from Flycast and CMGI will be available to discuss the merger agreement on a conference call today at 8:30 AM EST. Interested media may participate on the call by dialing (415) 537-1829.

*On September 20, 1999, CMGI announced a definite agreement to acquire AdForce, Inc. Additionally, Engage Technologies Inc. has announced a definitive agreement to acquire AdKnowledge, Inc. Both transactions are subject to customary terms and conditions, including approval by the target company shareholders.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding CMGI, Inc.'s business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the CMGI Annual Report or Form 10-K for the most recently ended fiscal year.