

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 3, 1999  
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CMGI, INC.

(Exact name of registrant as specified in its charter)

Delaware	0-22846	04-2921333
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

100 Brickstone Square, Andover, MA 01810
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (978) 684-3600  
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Not Applicable  
(Former name or former address, if changed since last report)

## Item 5. Other Events

On September 3, 1999, CMGI, Inc.'s ("CMGI") majority owned subsidiary NaviSite, Inc. ("NaviSite") disclosed its financial results of operations for the fiscal year ended July 31, 1999 pursuant to the filing of Amendment No. 1 to its Registration Statement on Form S - 1 with the Securities and Exchange Commission. In CMGI's financial statements, under the consolidation method of accounting, the operating results of NaviSite are consolidated within the operating results of CMGI's investment and development segment, and the assets and liabilities of NaviSite are consolidated with those of CMGI's other majority-owned subsidiaries in CMGI's consolidated balance sheets. Further, all significant intercompany accounts and transactions are eliminated in the consolidation of CMGI's financial statements. For the fiscal year ended July 31, 1999, NaviSite reported total revenues of \$10.5 million and net loss of \$24.5 million. NaviSite's total reported revenues for fiscal 1999 include \$7.1 million from related parties that represent companies in which CMGI has an investment or a majority ownership interest. As such, the majority of NaviSite's related party revenues will be eliminated in the consolidation of CMGI's operating results for the fiscal year ended July 31, 1999.

NaviSite's Consolidated Statements of Operations for the years ended July 31, 1997, 1998 and 1999, as set forth on page F-4 in NaviSite's Amendment No. 1 to Registration Statement on Form S - 1, as filed with the Securities and Exchange Commission on September 3, 1999, is filed as an exhibit hereto.

This report may contain forward-looking statements which reflect CMGI's current judgment on certain issues. Because such statements apply to future events, they are subject to risks and uncertainties that could cause the actual results to differ materially. Important factors which could cause actual results to differ materially are described in CMGI's Registration Statement on Form S-3 and Annual Report on Form 10-K, as amended, on file with the Securities and Exchange Commission.

Item 7. Financial Statements and Exhibits

(c) Exhibits:

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99.1 Consolidated Statements of Operations of NaviSite, Inc. for the years ended July 31, 1997, 1998 and 1999, as set forth on page F-4 in NaviSite's Amendment No. 1 to Registration Statement on Form S - 1, as filed with the Securities and Exchange Commission on September 3, 1999

SIGNATURES

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: September 3, 1999

CMGI, INC.

By: /s/ Andrew J. Hajducky III

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

EXHIBIT INDEX

- 99.1 Consolidated Statements of Operations of NaviSite, Inc. for the years ended July 31, 1997, 1998 and 1999, as set forth on page F-4 in NaviSite's Amendment No. 1 to Registration Statement on Form S - 1, as filed with the Securities and Exchange Commission on September 3, 1999

## NAVISITE, INC.

## CONSOLIDATED STATEMENTS OF OPERATIONS

	Year ended July 31,		
	1997	1998	1999
	(In thousands, except per share data)		
Revenue:			
Revenue.....	\$ --	\$ 158	\$ 3,461
Revenue, related parties.....	3,361	3,871	7,058
Total revenue.....	3,361	4,029	10,519
Cost of revenue.....	3,494	8,876	20,338
Gross profit (loss).....	(133)	(4,847)	(9,819)
Operating expenses:			
Selling and marketing.....	347	2,530	6,888
General and administrative.....	467	1,412	4,823
Product development.....	--	287	2,620
Total operating expenses.....	814	4,229	14,331
Loss from operations.....	(947)	(9,076)	(24,150)
Other income (expense):			
Interest expense, net.....	(1)	(85)	(347)
Other expense, net.....	--	(11)	(35)
Net loss.....	(948)	(9,172)	(24,532)
Accretion of dividends on Series C and D Convertible Preferred Stock.....	--	--	(172)
Net loss applicable to common stockholders.....	\$ (948)	\$ (9,172)	\$ (24,704)
Basic and diluted net loss per common share.....	\$ (0.24)	\$ (1.14)	\$ (7.41)
Basic and diluted weighted average number of common shares outstanding.....	4,000	8,017	3,332
Unaudited pro forma basic and diluted net loss per share.....			\$ (1.51)
Pro forma weighted average number of basic and diluted shares outstanding.....			16,407

See accompanying notes to consolidated financial statements.