



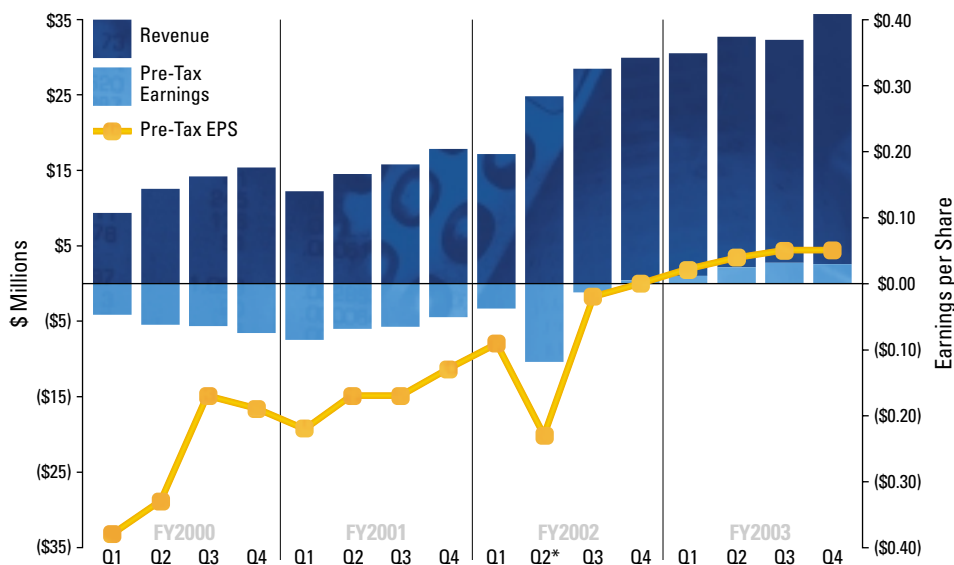
**FOCUSED
MOMENTUM**

FINANCIAL HIGHLIGHTS

(IN THOUSANDS OF U.S. DOLLARS
EXCEPT SHARE AND PER SHARE AMOUNTS)

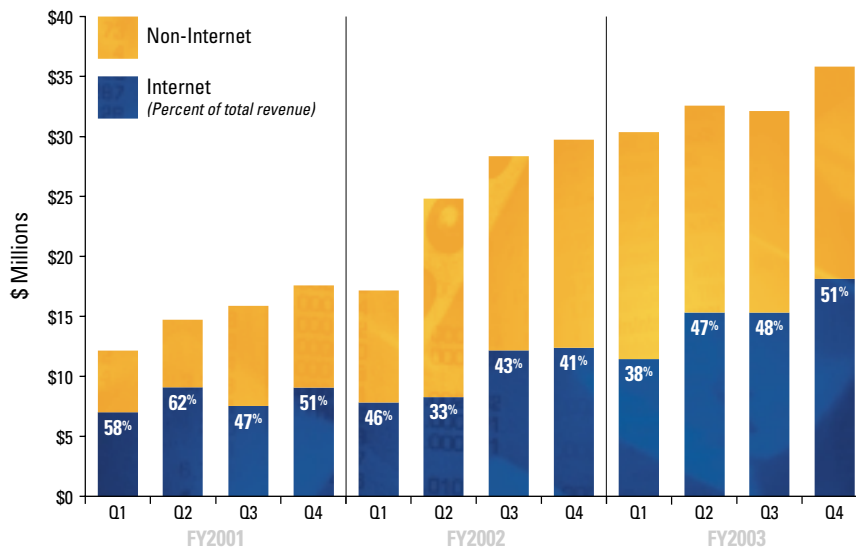
	FY2003	FY2002	FY2001
Internet Revenue	\$60,139	\$40,626	\$32,563
Traditional Revenue	70,412	59,422	27,498
Total Revenue	\$130,551	\$100,048	\$60,061
Gross Profit	\$63,699	\$46,578	\$29,297
Gross Margin	48.8%	46.6%	48.8%
Net Income (Loss)	\$11,107	(\$14,793)	(\$24,020)
Net Income (Loss) Per Share – Basic	\$0.21	(\$0.32)	(\$0.70)
Net Income (Loss) Per Share – Diluted	\$0.20	(\$0.32)	(\$0.70)
Working Capital	\$41,321	\$27,799	\$45,394
Stockholders' Equity	\$118,489	\$103,300	\$71,174
Number of Shares Outstanding	54,500,713	52,364,487	34,381,803

REPORTED FINANCIAL PERFORMANCE



*Includes \$6.2 million restructuring charge.

REVENUE BY QUARTER





Dr. Gordon S. Black



Albert Angrisani

FOCUSED MOMENTUM

Dear fellow stockholders:

We like to describe fiscal year 2003 in two words – remarkably successful. The momentum that started to build at the end of 2002 continued strongly in 2003, and propelled both our rapid growth and increased profitability.

Our list of successes during the past year includes:

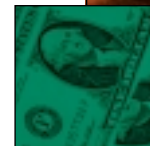
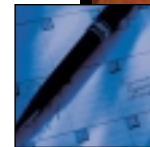
- Worldwide revenue grew more than 30 percent and reached \$130 million.
- In the United States, with its more established Internet-based capabilities, the organic growth rate hit 29 percent.
- Internet-based market research revenue hit \$60 million and grew 48 percent for the year.
- Our second-half bookings of new projects suggest that our growth momentum will continue in fiscal 2004.
- Our pre-tax net profit expanded by \$23 million dollars – moving from a loss of \$14.8 million in fiscal year 2002, to a profit of \$8.2 million this year.
- We ended the fiscal year with almost \$40 million in cash, are generating several million additional dollars in free cashflow per quarter, and have no debt.
- Customer satisfaction scores averaged 9.0 on a ten-point scale for the year – an historic high for the firm and certainly in the top echelon of the industry.

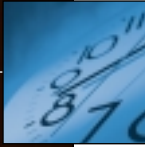
2003 – THE END OF THE BEGINNING

Fiscal year 2003, our first profitable year as a public company, marked the end of the beginning chapter for Harris Interactive. That chapter began in January 1997 when a number of our hypotheses concerning Internet-based market research (IBMR) crystallized into these beliefs:

- That IBMR would become a *true replacement technology* for most of the data collection performed in our industry,
- That we could *correct the bias found in an Internet-based sample* and project our results to a much larger (non-Internet) population,

The momentum that started to build at the end of 2002 continued strongly in 2003, and propelled both our rapid growth and increased profitability.





FY2003

JULY 31

Harris Interactive Reports
First Profitable Quarter as a
Public Company

AUGUST 14

Harris Interactive Awarded
Eli Lilly Global Supplier Award

- That we could *conduct worldwide studies, in multiple languages, and in a fraction of the current time,*
- That the *quality and accuracy of research could be improved,*
- That we could *create a totally new business model, with more stable profit margins, and*
- That we *could become one of the fastest-growing market research firms in the world.*

In 2003, our momentum helped us to turn all of these wishful beliefs into proven facts:

- Internet-based market research is, and has been, the fastest growing new methodology in the history of the industry, growing from \$621 million in worldwide revenue in 2001 to an estimated \$1 billion this year.
- We demonstrated in our election 2000 predictions, and have consistently repeated for our clients, that properly weighted Internet-based research is more accurate than telephone research, and can be delivered more quickly and at a greater value.
- The use of the Internet can dramatically enhance our clients' access to their customers and improve the quality of the data that they can apply in solving their business problems.
- We have conducted Internet-based research throughout the world, and are rapidly expanding our online research capability in Western Europe in particular.
- Over the last five years, Harris Interactive has grown at a rate five times faster than the industry average.

The use of the Internet can dramatically enhance our clients' access to their customers and improve the quality of the data that they can apply in solving their business problems.



LEADERSHIP BASED ON THE PAST

We believe that we have the world's largest and most diverse research database. Our sophisticated and powerful technical infrastructure for online research is second to none. We have a deep understanding of how to recruit, manage, and reward those who take our surveys. Our continued research has allowed us to create a research experience that is useful and enjoyable for our respondents. We have worked hard to develop and master the statistical techniques used to correct the bias inherent in an Internet-based population of panelists.

AUGUST 22

Inside Research Names
Harris Interactive World's
21st Largest Market
Research Firm

SEPTEMBER 9

Harris Interactive
Consolidates European
Operations, Launches
HI Europe Brand

OCTOBER 21

Harris Interactive
Adopts Habeas
Service

OCTOBER 29

Harris Interactive and
Veritas Medicine Join
Forces to Expand
Clinical Trial Services

Today, we are one year older, one year wiser and one year stronger. Our momentum is building on our past success.

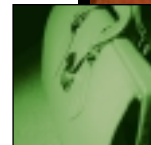
This success has many parents. Our sales teams have grown in skill and productivity. Our research teams are expert in applying online technologies to the benefit and satisfaction of our clients. Our programming staff is among the most productive in the industry, providing data to clients that are both more accurate and timelier than at any time in the firm's history. Our engineering staff is turning out new technologies and new applications to keep us ahead of the competition. And our managers have learned the art of delivering excellent work that is profitable for the firm and our shareholders.

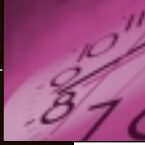
OUR FOCUS ON THE FUTURE

Now, it's time to focus our momentum, and wield it precisely to continue our growth in the year ahead. In fiscal 2004, we will concentrate our resources on three major areas:

- **The identification and acquisition of other market research firms.** We will continue to pursue strategic market research partners who can provide us with additional:
 - Intellectual and managerial capital,
 - Vertical market expertise, including multi-client research products,
 - Strong customer relationships that will allow us to rapidly convert ongoing traditional research to the Internet, increasing the profitability of that work, and
 - Online panel members that will expand our highly profitable specialty panels.
- **The expansion of our database in Western Europe.** We will utilize multiple sources to obtain additional online panel members in the UK, Germany, France, Italy, Spain, Greece, Norway, Sweden, Finland and Denmark. Our goal is to create the largest online research database in Europe, which will allow us to conduct research on low incidence, or hard-to-find segments of the population. The ability to conduct low incidence studies will provide us entrée into new markets, and is a key factor in our expansion strategy.

*Now, it's time
to focus our
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FEBRUARY 25

IMS Health and Harris Interactive Form Alliance to Create Next-Generation Pharmaceutical Market Intelligence Solutions

JUNE 11

Inside Research Names Harris Interactive 15th Largest U.S. Market Research Firm

JUNE 27

Dr. Gordon S. Black Named Ernst & Young Upstate New York Entrepreneur of the Year (Business Services)

JUNE 30

Harris Interactive Achieves First Profitable Fiscal Year as a Public Company

Today, we are an increasingly profitable firm, growing at a high rate, and we know that Internet-based methods will continue to replace traditional data collection in the global market research industry.

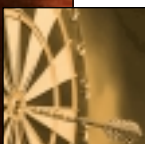
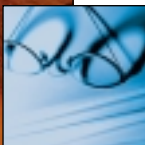
- **The development of new research products and services.** Just as we had predicted, much of the current online research work that we do is new. Online technology and methodologies have enabled us to cut costs, decrease project timelines, and rapidly survey large populations at affordable prices, which allows our clients to conduct research that previously would not have been attempted using traditional means. Our engineers and research methodologists will continue to develop new online research applications that will keep us ahead of our competition and grow the market.

Fiscal 2003 will be remembered as the watershed year in the history of this firm, and our stockholders have benefited through the higher share price that has resulted from this success. Today, we are an increasingly profitable firm, growing at a high rate, and we know that Internet-based methods will continue to replace traditional data collection in the global market research industry. Our momentum is building, and we have the will and the resources to accelerate that growth.

In conclusion, we appreciate the support and encouragement we have received from our stockholders in the past, and we expect to continue to repay both your patience and your support in the future.

Gordon S. Black
Chairman and CEO

Albert Angrisani
President and COO



CORPORATE OFFICERS AND DIRECTORS

Dr. Gordon S. Black

*Chairman of the Board and Chief Executive Officer**

Albert Angrisani

*President and Chief Operating Officer**

Leonard R. Bayer

*Executive Vice President, Chief Scientist**

Bruce A. Newman

Chief Financial Officer, Secretary and Treasurer

Dennis K. Bhome

Executive Vice President, Human Resources

Peter J. Milla

Executive Vice President, Chief Information Officer

Gregory T. Novak

President, United States Operations

Dr. George H. Terhanian

President, HI Europe and Global Internet Research

Minoru Aoo

Managing Director, Harris Interactive Japan

Arthur E. Coles

Group President, Health Care and Policy Research

Theresa Flanagan

President, Customer Loyalty Management

James E. Fredrickson

Senior Vice President, Research Operations

Ronald B. Knight

*Chief of Staff and Group President,
Harris Interactive Service Bureau*

David B. Vaden

*Senior Vice President, Business Development and
Internet Services*

Benjamin D. Addoms

Director

Thomas D. Berman

Director

David Brodsky

Director

James R. Riedman

Director

Howard L. Shecter

Director

CORPORATE INFORMATION

Stock Symbol

*Traded on the
Nasdaq National Market
Ticker Symbol: HPOL*

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Stock Transfer Agent

*American Stock Transfer &
Trust Company
New York, New York*

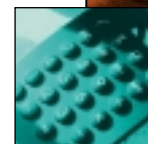
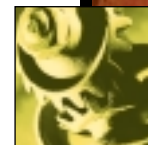
Independent Auditors

*PricewaterhouseCoopers LLP
Rochester, New York*

Legal Counsel

*Harris Beach LLP
Pittsford, New York*

*Member of the Board of Directors



ABOUT HARRIS INTERACTIVE

Harris Interactive (www.harrisinteractive.com) is a worldwide market research and consulting firm best known for *The Harris Poll*®, and for pioneering the Internet method to conduct scientifically accurate market research. Headquartered in Rochester, New York, U.S.A., Harris Interactive combines proprietary methodologies and technology with expertise in predictive, custom and strategic research. The Company conducts international research through wholly owned subsidiaries—London-based **HI Europe** (www.hieurope.com) and Tokyo-based **Harris Interactive Japan**—as well as through the Harris Interactive Global Network of local market- and opinion-research firms, and various U.S. offices. EOE M/F/D/V

To become a member of the **Harris Poll Online**™ and be invited to participate in future online surveys, visit www.harrispollonline.com.

 **HarrisInteractive**®

MARKET RESEARCH

The Harris Poll® PEOPLE

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