

INFONAUTICS FINANCIAL NEWS RELEASE, Q4 1999

Company successfully repositioned for growth

WAYNE, Pa. (February 29, 2000) - Infonautics, Inc. (NASDAQ:INFO), a pioneering provider of personalized information agents and Internet sites, today reported results for the three and twelve months ended December 31, 1999.

Infonautics reported net income of \$31.9 million, or \$2.41 diluted earnings per share in the fourth quarter of 1999 and \$24.6 million, or \$1.88 diluted earnings per share, for the full year 1999, including special items. Special items represent the gain on sale of assets and liabilities realized in the transaction with Bell & Howell Company and the related equity pickup. The total amount of cash received by Infonautics in the transaction was \$18.5 million, after its additional investment in bigchalk.com, Inc., and before related expenses. Excluding special items, Infonautics reported a \$2.6 million loss, or \$0.22 loss per share for the fourth quarter compared to a loss of \$3.8 million, or \$0.36 per share for the fourth quarter of 1998. For the full year, the loss excluding special items was \$9.8 million, or \$0.84 loss per share, compared to a loss of \$17.4 million, or \$1.77 loss per share in 1998.

According to Van Morris, President and CEO of Infonautics, "In 1999, we successfully reshaped the Company and spun out our K-12 business. The resulting Company has a stronger balance sheet and is well positioned for continued growth. The web properties we have today generated approximately \$9.5 million in revenue during 1999, representing an 89 percent increase over the \$5.0 million generated during 1998. Our current estimates of operating expenses, excluding any equity pickup, on a pro forma basis were approximately \$13.1 million during 1999. For the fourth quarter of 1999, pro forma estimates on the same basis included revenues of \$2.7 million compared with operating expenses of \$3.3 million."

Subscription revenue from Electric Library (<http://www.elibrary.com>), accounted for \$2.3 million during the fourth quarter and advertising and e-commerce revenue from the Infonautics Network was \$369,000 for the fourth quarter of 1999.

"Our research shows that as the Internet grows, users are becoming more frustrated with it - there's simply too much irrelevant information out there." continued Mr. Morris. "Users tell us they want just the information they want, when and where they want it. And they tell us that sleuthing is better than surfing. Sleuthing uncovers deep and relevant information that matches the specific interests of a user. With our improved balance sheet, a lower fixed operating cost structure, and recent product announcements, we are in a strong position to execute on the Sleuth Center strategy of creating a personal portal for every user."

Current Key Metrics

- The Sleuth Center portal, including the Company Sleuth, Sports Sleuth, Job Sleuth, Fantasy Sports Sleuth, Entertainment Sleuth and Shopping Sleuth sites currently have more than 600,000 individual Sleuth site registrations, representing approximately 550,000 unique registered users.
- In addition, Infonautics currently delivers personalized emails to more than 400,000 registered users of eLibrary Tracker, a headline clipping service attached to Electric Library.
- Infonautics delivered an estimated 50 million personalized emails to its registered users during the fourth quarter.

- At the end of 1999, the Electric Library site had more than 95,000 individual paying subscribers, representing 14 percent sequential growth.

Selected Strategic Investments, Product Launches and Agreements

- Completed the transaction with Bell & Howell Company that created a privately-held Internet education company named bigchalk.com, Inc. Infonautics' current equity stake in bigchalk.com is twenty percent. In addition to the investment in bigchalk.com, this transaction provided Infonautics with increased capital and lower operating costs.
- Launched the Sleuth Center, Entertainment Sleuth and Shopping Sleuth sites.
- Acquired one of the Internet's first media portals, NewsDirectory.com. The addition of the site provides access to comprehensive local news sources for the Sleuth Center and Search and Reference sites.
- Announced an agreement with Microsoft Corporation that will provide the Electric Library site to individual consumers with anchor placement on Microsoft Network's consumer Research & School channel.
- Signed an agreement with Internet Movie Database (IMDb), an Amazon.com company, that provides Entertainment Sleuth users with access to IMDb's extensive database of 100,000 celebrities.
- Announced an agreement with NetSanity, Inc., (<http://www.netsanity.com>), which provides Infonautics with its XML-Pull technology to bring selected Sleuth Center sites to computer desktops.

About Infonautics

Infonautics, Inc. (NASDAQ: INFO) is a pioneering provider of personalized information agents and Internet sites. The Infonautics Network of web properties includes the award-winning Sleuth Center sites featuring the Company Sleuth, Sports Sleuth, Job Sleuth, Fantasy Sports Sleuth, Entertainment Sleuth and Shopping Sleuth services. The Infonautics Network also includes Search and Reference Media sites consisting of the Electric Library, Encyclopedia.com and NewsDirectory.com services. The Electric Library service was the first reference service of its type on the Internet, and is one of the largest paid subscription sites on the Web, with more than 95,000 paying subscribers. Infonautics (<http://www.infonautics.com>) was founded in November 1992, and is headquartered in Wayne, PA.

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INFONAUTICS, INC. SUMMARY FINANCIAL DATA

Three Months Ended		Twelve Months Ended	
December 31,		December 31,	
1999	1998	1999	1998

Statement of Operations Data:

Total revenues	\$5,854,000	\$4,612,000	\$23,234,000	\$14,925,000
Operating costs and expenses (exclusive of items shown below)	\$7,927,000	\$8,399,000	\$31,527,000	\$32,527,000
Loss from operations before special items	\$(2,072,000)	\$(3,787,000)	\$(8,293,000)	\$(17,602,000)
Net loss before special items	\$(2,614,000)	\$(3,787,000)	\$(9,809,000)	\$(17,448,000)
Loss from equity investment	\$(413,000)	\$0	\$(413,000)	\$0
Gain on sale of assets	\$34,919,000	\$0	\$34,919,000	\$0
Net income (loss)	\$31,892,000	\$(3,787,000)	\$24,697,000	\$(17,448,000)
Redemption of preferred stock in excess of carrying amount	\$0	\$0	\$(75,000)	\$0
Net income (loss) applicable to common shareholders	\$31,892,000	\$(3,787,000)	\$24,622,000	\$(17,448,000)
Net income (loss) per common share - basic	\$2.69	\$(.36)	\$2.10	\$(1.77)
Pro forma loss per common share - (exclusive of special items)	\$(.22)	\$(.36)	\$(.84)	\$(1.77)
Weighted average sales				

outstanding - basic	\$11,842,700	\$10,544,400	\$11,729,900	\$9,830,900
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Net income (loss) per common share - diluted	\$2.41	\$(.36)	\$1.88	\$(1.77)
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Weighted average shares outstanding - diluted	13,239,100	10,544,400	13,126,300	9,830,900
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December 31, December 31,
1999 1998

Balance Sheet Data:

Cash, cash equivalents and investments	\$3,739,000	\$3,268,000
Note receivable from sale of net assets	\$13,500,000	\$0
Working capital	\$11,511,000	\$(5,561,000)
Investment in affiliates	\$10,606,000	\$0
Total assets	\$29,882,000	\$10,192,000
Accrued expenses on sale of net assets	\$1,646,000	\$0
Total shareholders' equity (deficit)	\$22,916,000	\$(3,298,000)