



## **ContextWeb Experiences Strong Growth in First Year**

*Growth of Online Advertising and Need for Relevancy in Marketing Propels Expansion*

**NEW YORK – August 16, 2005** – ContextWeb, a leading provider of high-precision, real-time contextual advertising solutions, today announced the results of its company growth since the launch of its patent-pending technology, ContextAd. Since the launch in September 2004, ContextWeb has experienced more than 100 percent revenue growth quarter over quarter. This growth led to a total of \$12 million in venture capital funding and the acquisition of significant customer engagements such as Meredith Corporation (NYSE: MDP), HighBeam Research and Tickle. Investors include Draper Fisher Jurvetson (“DFJ”) Gotham Ventures, DFJ New England, DFJ California and Updata Partners.

“As contextually relevant advertising has become more important to the success of online campaigns, the need for companies that provide accurate, real-time, highly targeted solutions to niche audiences has become essential,” said Anand Subramanian, CEO of ContextWeb. “ContextWeb’s growth is a result of its ability to identify the necessity of advertising solutions beyond traditional search and its capacity to provide highly sophisticated technical solutions to world class publishers and advertisers.”

Over the past year, ContextWeb has increased its number of customers by more than 50 percent month over month. Additionally, its distribution rate has grown over 154 percent quarter over quarter, and its month over month reach has grown by 32 percent.

ContextWeb secured customer relationships with large publishers such as Meredith Corporation, whose Web sites include Better Homes and Gardens ([www.bhg.com](http://www.bhg.com)), American Baby ([www.americanbaby.com](http://www.americanbaby.com)) and Ladies’ Home Journal ([www.lhj.com](http://www.lhj.com)); HighBeam Research, Inc., Accuweather.com, Associated Press, ConsumerREVIEW.com, Parenthood.com and StockHouse.com. ContextWeb’s advertising partners include Delta Airlines, Tickle and Vonage, among others.

ContextWeb also made significant developments to its contextual offerings: The company made available contextually targeted graphical advertisements with CPM pricing. The new program was piloted in the spring of 2005 using the contextual targeting ability of ContextAd to place the ads on pages with relevant content. Rich media formats and third-party serving are accepted.

ContextWeb's rapid employee growth increased 10-fold over the past year and led to the company's relocation to larger headquarters in Manhattan. The company's new address is 83 Maiden Lane, 6th Floor, New York, NY.

#### **About ContextWeb**

Based in New York City, ContextWeb provides high-precision, real-time contextual advertising solutions guaranteed to maximize the results and impact of online advertising. ContextWeb's patent-pending ContextAd is the industry's only real-time and fully automated solution that can serve contextually relevant advertisements to the most motivated potential customer in as little as 20 milliseconds. ContextAd uses both categories and keywords for analysis and matching, delivering unprecedented accuracy, dramatically extending audience reach and significantly increasing sales conversion rates. Additional information on ContextWeb can be found at [www.contextweb.com](http://www.contextweb.com)

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#### **Contact:**

Sharon Carpenito  
ContextWeb, Inc.  
917.408.6301  
[scarpenito@contextweb.com](mailto:scarpenito@contextweb.com)

Donna M. Murno  
Racepoint Group  
781.487.4612  
[dmurno@racepointgroup.com](mailto:dmurno@racepointgroup.com)