



## LookSmart Adds Keyword Bidding to LookListings(TM)

**Flagship paid search product to now offer both bid-for-placement and paid inclusion within the same campaign. Enhancements enable more than 32,000 current LookListing customers to immediately begin bidding on keywords.**

SAN FRANCISCO, Dec 16, 2003 /PRNewswire-FirstCall via Comtex/ -- LookSmart (Nasdaq: LOOK; ASX: LOK), a leader in search, today announced key enhancements to its flagship paid search listings. LookListings(TM) will now make it easier for businesses of all sizes to purchase highly targeted search traffic from LookSmart's network of distribution partners, by offering both bid-for- placement and paid inclusion in one product. This means that advertisers may now pinpoint customers with specific keywords or reach a broader audience using relevancy-based inclusion targeting -- or do both -- in the same LookListings campaign.

"With these enhancements, nearly 30,000 LookListings advertisers will automatically start participating in keyword auctions, with several thousand additional customers able to opt in to bidding immediately," said Jason Kellerman, chief executive officer for LookSmart. "This means greater control, convenience and potential cost savings for businesses. For LookSmart, it instantly catapults us into a stronger position in the \$2 billion(1) per year sponsored search market."

To facilitate the enhancements, LookSmart is combining its Sponsored Listings product with LookListings: "We have been working on this approach to simplifying search marketing for nearly two years," said Kevin Berk, vice president of product development. "Keyword bidding and relevancy-based inclusion matching now become two targeting options for one listings product rather than two separate products." Enhanced LookListings will be distributed across a network of partners that includes CNET, Road Runner, InfoSpace, Cox Internet, Mamma.com, Alltel and LookSmart.com.

"Adding bid-for-placement functionality to our flagship LookListings product and engaging virtually our entire customer base in keyword bidding rapidly brings us to critical mass and makes LookSmart an attractive choice for traffic owners seeking a sponsored search provider," said Mr. Kellerman.

(1) The Golden Search, U.S. Bancorp Piper Jaffray

### About LookSmart

LookSmart is a leading provider of Internet search solutions and is the leader in paid search inclusion. Combining award-winning technology, editorial expertise, and community-based initiatives, LookSmart provides users with highly relevant search results, while delivering targeted sales leads to online businesses. LookSmart search results are distributed through top portals and ISPs including Lycos, Road Runner, InfoSpace, CNET, Cox Interactive Media and search services such as Inktomi. LookSmart is based in San Francisco, California, with offices in New York, Los Angeles, Detroit, Montreal, Tokyo, Melbourne and Sydney. For more information, visit [www.LookSmart.com](http://www.LookSmart.com)

### Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements include, without limitation, statements about our expectations regarding sponsored search market opportunities, product development plans, customer adoption, product integration, our distribution network and other matters. These statements are subject to risks and uncertainties that could cause actual results and events to differ materially, including, among others, possible fluctuations in the demand for our services; possible fluctuations in economic conditions affecting the markets for our services; our ability to compete with existing or new competitors in the sponsored search market; possible future price competition or other actions by our competitors; the risk that our key performance metrics, including overall traffic and use of our services, number of paid clicks, average price per paid click and the number of advertisers that might not continue to increase at historical rates or might decline; the risk that LookSmart may not experience benefits through agreements with its partners or that partners may not continue or renew their agreements with LookSmart; and the risk that LookSmart may encounter difficulties in connection with or not experience benefits from our new products or that the costs of product development and roll-out might be higher than anticipated. In addition, you should read the risk factors detailed in our periodic reports filed with the Securities and Exchange Commission. The statements presented in this press release speak only as of the date of the release. Please note that we undertake no obligation to revise or update publicly any forward-looking statements for any reason. "LookSmart" is a trademark of LookSmart, Ltd., and/or its subsidiaries in the U.S. and other

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