



LookSmart Announces LookListings: The First Complete Search Listings Solution

Hybrid Solution Combines Paid Prominence and Paid Inclusion Models, Plus Broad Distribution, to Meet the Lead Generation Needs of Medium and Large Businesses

SAN FRANCISCO, Jun 25, 2001 /PRNewswire/ -- In response to the growing demand for paid search listings from medium and large businesses, LookSmart, (Nasdaq: LOOK; ASX: LOK), the global leader in Web directories, has announced the introduction and immediate availability of LookListings, the first comprehensive search listings solution.

"Until now," said Colleen Sullivan of performance-based marketing agency Performics, "large businesses have had to work with multiple search listing providers to get paid prominence, which guarantees placement at the top of search results, as well as paid inclusion, which imbeds hundreds or thousands of listings in the most widely used Web directories. LookListings promises to give companies a scalable, one-stop answer for their search listing needs."

Beta customers for LookListings include Ameritrade, Autoweb, Macy's, Mercedes-Benz, Pottery Barn, TV Guide, Wal-Mart, and Williams-Sonoma

LookListings to combine two widely adopted listings models in one solution:

- **Paid Prominence:** Featured Listings will enable businesses to guarantee the placement of their listings in the top three positions on the page. Based on keywords, Featured Listings are designed to drive qualified leads to featured products, promotions, homepages, or high-level category pages.
- **Paid Inclusion:** Directory Listings and Index Listings put links into the LookSmart directory and the Inktomi search index, enabling hundreds or thousands of a company's products and services to show up in the main body of search results on many of the top portals and ISPs. Directory Listings and Index Listings are designed for direct marketers, catalogers, multi-channel retailers, mass merchandisers, comparison shopping sites, and other companies with broad merchandising needs.

"We believe most businesses will use paid prominence and paid inclusion in concert," said Dakota Sullivan, vice president of marketing for LookSmart. "For example, a large retailer can use Directory and Index Listings to drive qualified leads to thousands of product-level pages, while with Featured Listings they can select a smaller number of links to special promotions, high-level categories, and home pages to receive top-of-page prominence." Broad distribution of LookListings solution

To meet the traffic and visibility needs of large businesses, LookSmart also announced that LookListings will be distributed via the LookSmart network of top portals, ISPs and media sites including MSN, Excite, AltaVista, iWon, Netscape Netcenter, Time Warner, Prodigy, Juno, Qwest, Go2Net, and Mamma.com -- in addition to the Inktomi distribution network, which includes many other top portals.

Projected market growth and scale of opportunity

- Revenue growth for the top search listings providers* is over 200% per year
- According to proprietary LookSmart research, listings will be a \$1 billion industry by 2003, and a \$3 billion industry by 2005

*Based on published revenue reports from LookSmart, FindWhat.com and GoTo for the first quarter of 2001

"Search listings enable businesses to reach customers at the very moment that they're actively searching for what that business sells," said Sullivan. "Combine that precision with the huge scale of search and the performance-based economics of search listings, and it's easy to see why businesses are rapidly adopting listings as a core marketing discipline."

LookSmart's successful first listings product for medium and large businesses, Subsite Listings, will be folded into LookListings, with Subsite Listings customers joining the LookListings program. Current Subsite Listings customers include Amazon.com, Banana Republic, Barnes & Noble.com, CarsDirect.com, DealTime, eBay, Eddie Bauer, Gap, Nordstrom.com, OfficeMax, Old Navy, REI, Spiegel and VerticalNet.

About LookSmart

LookSmart helps more than 40,000 businesses harness the power of Internet search to generate qualified leads. As the global

leader in building, distributing, and monetizing Web directories, LookSmart databases are searched 60 million times a day, through 5 of the top 10 portals, 5 of the top 10 ISPs, and hundreds of additional ISP and media partners worldwide. LookSmart's distribution network reaches 79 percent of US Internet users, through Microsoft's MSN, Excite@Home, AltaVista, iWon, Netscape Netcenter, Inktomi, AOL Time Warner, Prodigy, Juno, CNN, Road Runner, Cox Interactive Media, InfoSpace, and Qwest. BTLookSmart, LookSmart's joint venture with BT, deploys LookSmart wireless and Web directory solutions for ISPs, portals, and mobile Internet businesses across Europe and Asia-Pacific.

Forward-Looking Statements

This press release contains forward-looking statements based on our current expectations about our industry and our management's assumptions. Actual results could differ for various reasons, such as the possibility that LookListings and other listings products will not be utilized by businesses at projected rates; or our potential inability to generate sufficient listings and advertising revenue to reach profitability when planned; and other risks outlined in our annual report on Form 10-K and quarterly reports on Form 10-Q filed with the Securities and Exchange Commission.

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