

Smaato Releases Q3 2011 Mobile Advertising Metrics Report

- *Despite popularity of Apple and Android platforms, Windows Mobile prevails as top performing operating system globally for mobile ad network performance, with RIM picking up pace*
- *Mobile advertising fill rates stabilize for U.S. based inventory but decline worldwide*

San Francisco, CA / Singapore / Hamburg, November 29, 2011 - Smaato Inc., the leading mobile ad optimizer and mobile advertisement platform, today announces the findings of its latest global mobile advertising quarterly metrics for Q3 2011. Findings detail mobile advertising adoption, fill rates and overall affect on mobile ad network performance and considerations for mobile developers and advertisers. Full results available at www.smaato.com/metrics

The performance parameters in the Smaato Mobile Advertising Index are based on over 40.000 registered publishers in the third quarter of 2011 and over 70 connected ad networks delivering mobile advertising across 230 countries.

U.S. fill rates stabled out, with only 1% drop from previous quarter

In Q3 2011, the top 20 U.S. ad networks (sorted by volume of ad requests) average fill rates declined from 19% to 18%, stabling out to only a 1% decline. The findings suggest that there were seasonal factors at work due to the summer period. Thirteen out of the top 20 U.S. ad networks performed above average, at a rate between 19% and 84%.

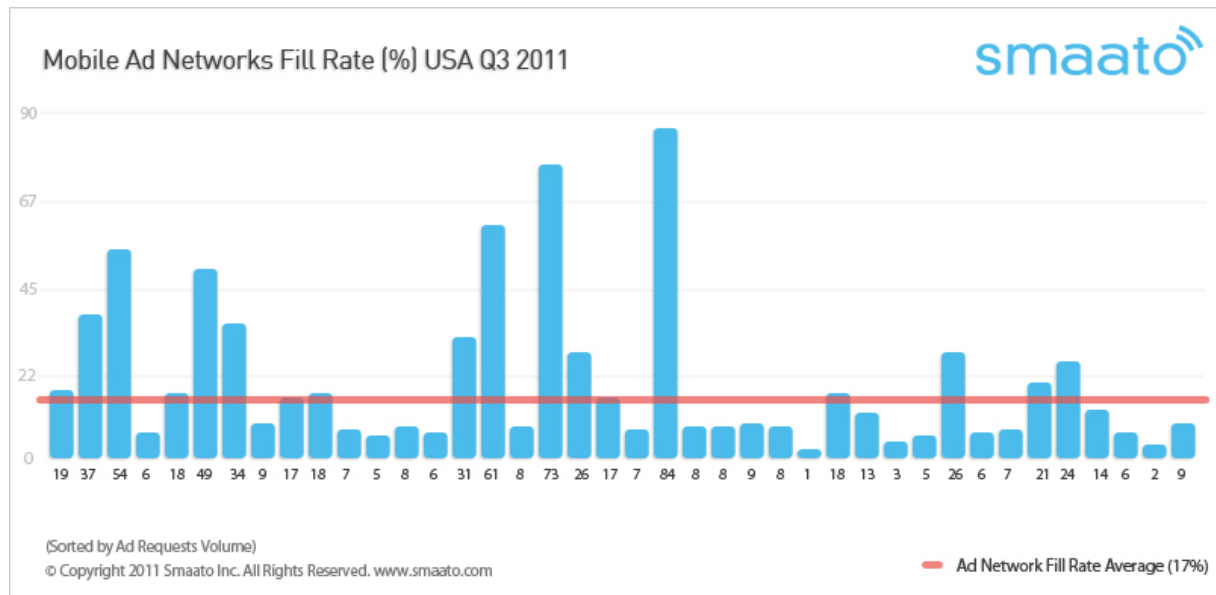


Chart 1: Mobile Ad Networks Fill Rate (%) USA Q3 2011

How to read Chart 1: The ad network with the highest volume of ad requests aggregated in the Smaato network provided an average of 21% fill rate in Q3 2011. In comparison, the highest performing ad network with a fill rate of 49% dropped 9% from the previous quarter.

Overall worldwide fill rates continue to decline

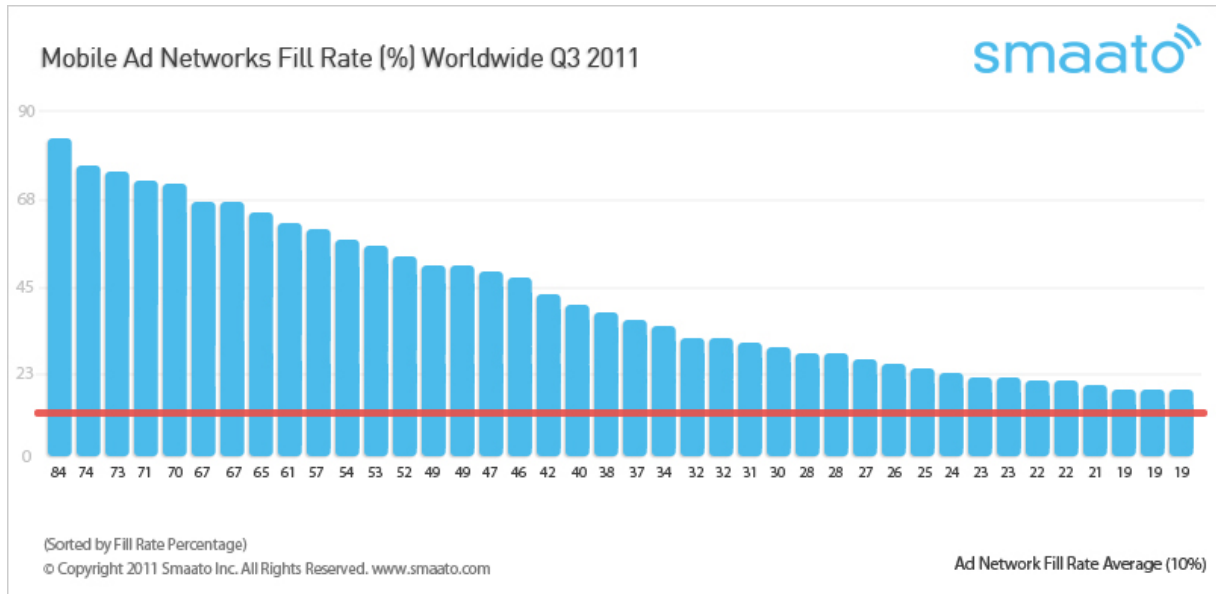


Chart 2: Mobile Ad Networks Fill Rate (%) Worldwide Q3 2011

How to read Chart 2: The Smaato metrics demonstrate the performance of mobile ad networks globally and the fill rate is measured as the percentage of ads delivered per ad request and varies by factors, like country, device and content type.

According to Smaato, the top 40 ad networks in the world (ranked by ad impression volume) showed a significant performance spread - with fill rates ranging from 19% to 84%. Worldwide, the average ad network fill rate was 10% in Q3 2011, an 8% decline from the previous quarter and based on 70 ad networks connected. This is a further reinforcement that mobile inventory is increasing at a faster pace than mobile advertising budgets.

Windows Phone continues to lead; Android trails Apple in Worldwide Performance Index

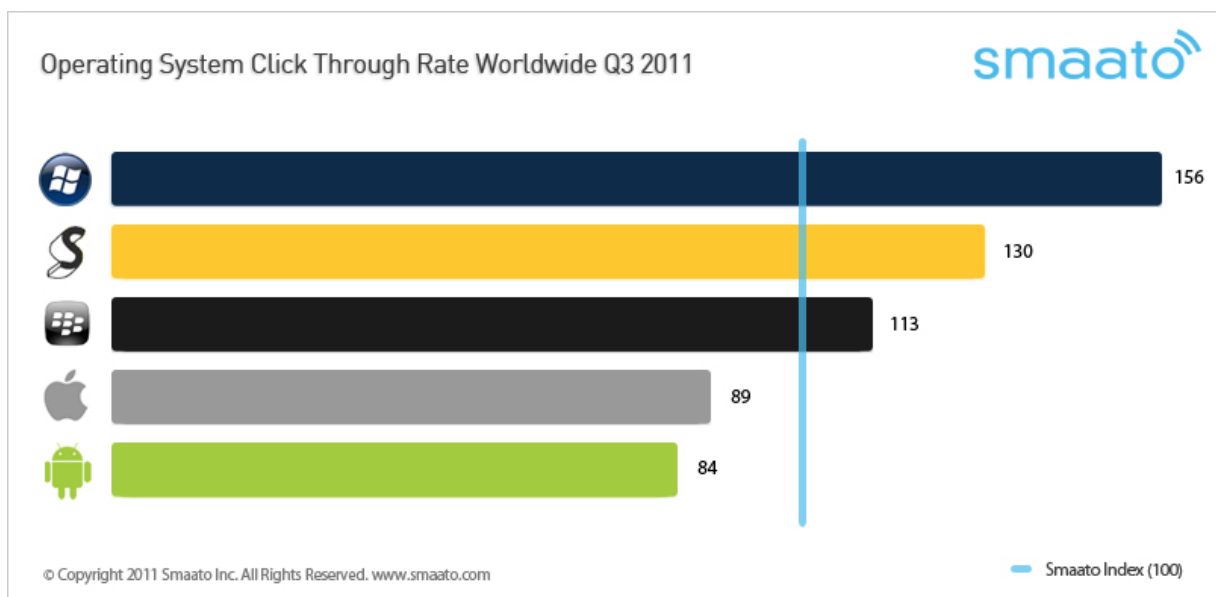


Chart 3: Operating System Click Through Rate Worldwide Q3 2011 - The Smaato Index consists of the average CTR of all devices, and this number is set to 100.

Although Windows Phone (156) continues to lead the Smaato Index in smartphone operating systems in Q3 2011 for the third consecutive quarter, RIM (113) made significant inroads in Q3 overtaking Apple (89) in Mobile Advertising Worldwide Performance Index, followed closely by Google's Android (84).

Elaborating on the recent Microsoft/Nokia partnership, **Ragnar Kruse, Smaato's CEO and Co-founder** said: "It will be interesting to see how the new Window Phone partnership will play out related to mobile advertising performance. Nokia and Microsoft have a great opportunity to establish a viable third ecosystem. They will have to establish a new niche ecosystem for the customer, however, the combination of security, established systems and a new look could be very popular in Europe & Asia."

Kruse further explains, "Developers are advised not to overlook the Nokia/Windows combination as it might be a platform that is easier to monetize, will have less threats of piracy as it will be a more closed ecosystem, and will also offer more cohesiveness."

RIM catching up with Windows in US Performance Index

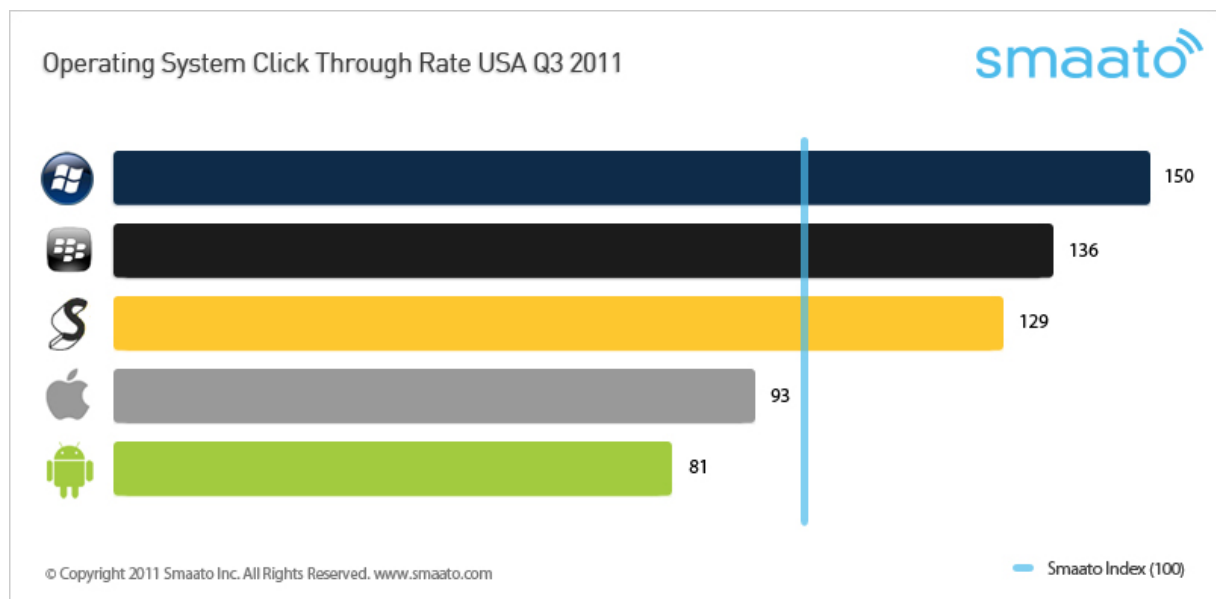


Chart 4: Operating System Click Through Rate USA Q3 2011

For the U.S., Smaato's Q3 2011 Metrics reveal Windows Phone (150) continues to lead operating system mobile ad network performance, closely followed by the RIM (136) and losing ground to other popular operating systems such as Google's Android (89). Surprisingly, Symbian OS moved up two places to third, while Google continued to lose ground for two consecutive quarters.

"Campaigns are often measured by click through rates (CTR) and as such, it is important for performance-driven marketers to consider the highest performing operating system when looking to yield the greatest return," commented **Kruse**.

Specialization continues to yield results despite 8% drop in worldwide fill rates.

In Q3 2011, nineteen mobile ad networks out of the top 40 performed above the average Smaato Index – with fill rates ranging widely from 1% to 49%, where the top 4 ad networks work on.

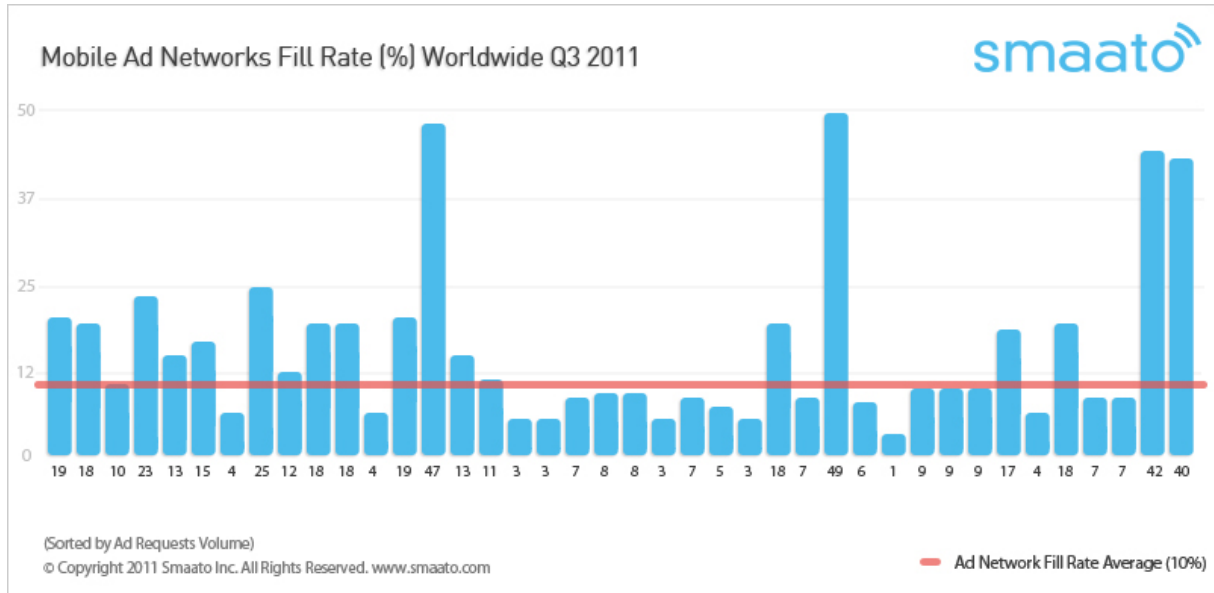


Chart 5: Mobile Ad Networks Fill Rate (%) Worldwide Q3 2011

Although the overall mobile advertising market continues to grow, findings suggest ad networks are continuing to specialize offering features such as geo-location and Rich media, which are proving to add more value. As a result, large-scale optimization systems are increasing demand to track and maximize returns in high volumes of ad requests and faster response times.

Kruse commented, "Specialization among ad networks is still continuing to yield great returns. We are seeing more and more specialization like DSPs coming into the market and generating substantial revenue." He continued, "In today's economy it is important that advertisers, publishers and developers alike are getting the best value for their dollar. Specialization offerings enable more targeted campaigns with quicker results."

Average response time of mobile ad networks is 271 Milliseconds worldwide

In Q3 2011, the range of response times ranged from 36 to 462 Milliseconds for the top ten worldwide ad networks, translating to an average response time of 271 Milliseconds.

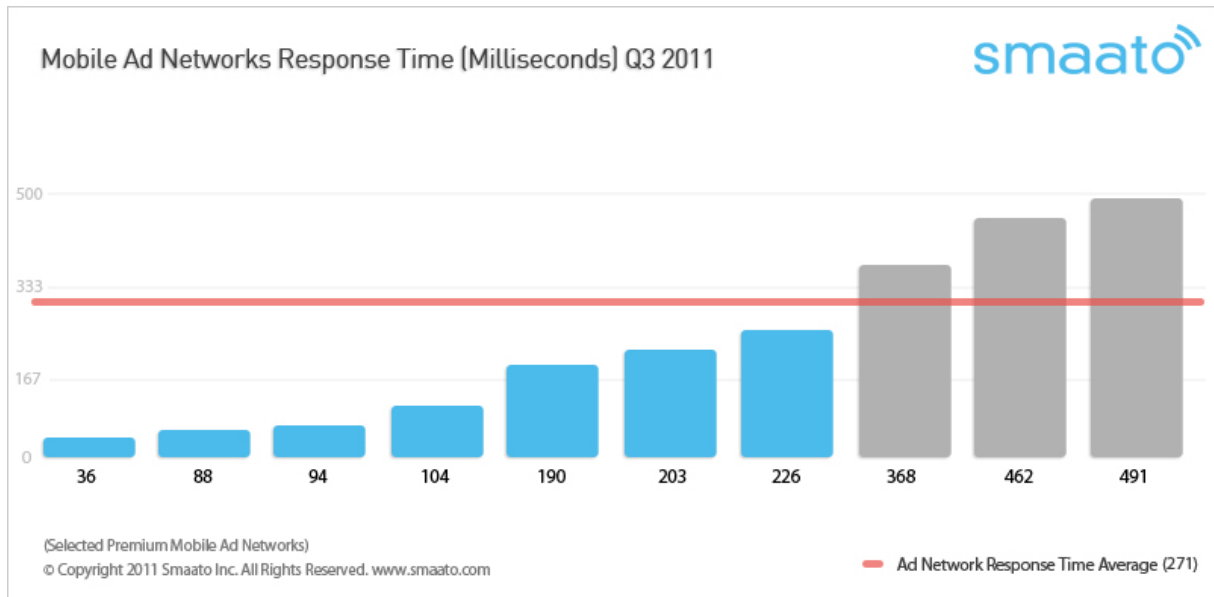


Chart 6: Mobile Ad Networks Response Time (Milliseconds) Q3 2011

Note: The ad networks are not named in the Smaato Metrics report, but are revealed in the dashboard of registered Smaato publishers' reporting and analytics tools available [here](#).

About Smaato

Smaato provides Ads for Apps – operating the leading mobile advertising optimization platform called SOMA. More than 40,000 app developers and premium publishers have signed up with Smaato to monetize their content in 230+ countries with advanced realtime optimization features (RTB) and rich media ad formats.

SOMA's unique feature is the aggregation of 70+ leading ad networks globally to maximize mobile advertising revenues. Through an open API and the widest range of SDKs, SOMA can be easily integrated with ad networks, ad inventory owners (publishers, developers and operators) and 3rd party ad technology providers.

Smaato is an active member of the Mobile Marketing Association, Singapore Infocomm Industry (SITF), Singapore IT Federation and the German Digital Media Association BVDW. Smaato received a Top 100 Private Company Award by AlwaysOn Media (2011, 2009 & 2007), is one of the AlwaysOn Global 250 winners in the Mobile category (2011) and was recently named a "company to watch in 2010" by Financial Analyst company GP Bullhound, among other awards.

Smaato Inc. is based in San Francisco, California. The privately held company was founded in 2005 by an experienced International management team. The European headquarters are in Hamburg, Germany and the Asia-Pacific presence of Smaato has been established in Singapore.



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