247 REAL MEDIA, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2006	2005	2006	2005
	(unaudited)		(unaudited)	
Revenues:				
Media	$ 19,082	$ 15,547	$ 58,646	$ 46,460
Search	22,669	13,731	60,247	35,063
Technology	7,392	5,839	21,367	16,550
Total revenues	49,143	35,117	140,260	98,073
Cost of revenues:				
Media	12,736	10,516	39,754	31,470
Search	17,357	10,026	45,243	24,405
Technology (inclusive of $139, $7, $384 and $23 in stock-based compensation, respectively)	1,592	1,005	4,661	3,190
Total cost of revenues	31,685	21,547	89,658	59,065
Gross profit	17,458	13,570	50,602	39,008
Operating expenses:				
Sales and marketing (inclusive of $1,109, $117, $3,269 and $323 of stock-based compensation, respectively)	7,867	5,723	23,089	16,950
General and administrative (inclusive of $2,616, $318, $10,814 and $950 of stock-based compensation, respectively)	7,638	5,203	25,982	15,407
Product development (inclusive of $471, $51, $1,734 and $151 of stock-based compensation, respectively)	2,425	1,614	7,327	4,322
Other expenses:				
Amortization of intangible assets and deferred financing costs	882	1,140	2,661	3,419
Restructuring costs	-	-	-	973
Total operating expenses	18,812	13,680	59,059	41,071
Operating loss	(1,354)	(110)	(8,457)	(2,063)
Interest income (expense), net	220	(48)	428	(190)
Change in fair value of warrant liability	22	(384)	(97)	(344)
Recovery of investment	-	-	-	2,100
Impairment of marketable securities	-	-	-	(588)
Loss on sale of marketable securities	-	(25)	-	(18)
Other income (expense), net	(27)	(55)	97	(95)
Loss before income taxes and minority interest in operations of consolidated subsidiary	(1,139)	(622)	(8,029)	(1,198)
Provision for income taxes	(126)	(164)	(268)	(184)
Minority interest in operations of consolidated subsidiary	(103)	21	(98)	21
Net loss	(1,368)	(765)	(8,395)	(1,361)
Dividends on preferred stock	-	(3)	-	(25)
Net loss attributable to common stockholders	$ (1,368)	$ (768)	$ (8,395)	$ (1,386)
Basic net loss attributable to common stockholders per share	$ (0.03)	$ (0.02)	$ (0.17)	$ (0.03)
Shares used in per share calculation - basic	48,977,525	45,478,444	48,175,289	45,097,696

24/7 REAL MEDIA, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2006	2005	2006	2005
	(unaudited)		(unaudited)	
Pro forma:				
Operating income (a)	$ 4,743	$ 2,305	$ 13,079	$ 5,876
Diluted operating income per share	$ 0.09	$ 0.05	$ 0.24	$ 0.12
Shares used in pro forma per share calculation	55,226,779	49,930,554	54,323,231	49,248,344

(a) Pro forma operating income excludes certain other expenses computed as follows:

Operating loss	$ (1,354)	$ (110)	$ (8,457)	$ (2,063)
Excluding:				
Amortization of intangible assets and deferred financing costs	882	1,140	2,661	3,419
Stock-based compensation	4,335	493	16,201	1,447
Restructuring costs	-	-	-	973
Minority interest in pro forma operating loss of consolidated subsidiary	(103)	21	(98)	21
Depreciation	983	761	2,772	2,079
Pro forma operating income	$ 4,743	$ 2,305	$ 13,079	$ 5,876

24/7 REAL MEDIA, INC.
CONDENSED CONSOLIDATED BALANCE SHEET
(in thousands)

	September 30, 2006 (unaudited)	December 31, 2005
Cash	$ 51,046	$ 40,009
Accounts receivable	48,053	38,316
Total current assets	101,790	80,694
Total assets	161,486	142,804
Accounts payable and accrued liabilities	43,519	43,383
Deferred revenue	3,051	3,218
Short-term debt	7,500	14,542
Total current liabilities	54,070	61,143
Total liabilities	63,031	62,529
Minority interests	1,650	1,556
Total stockholders' equity	96,805	78,719