

Crossix Conference Call - Key Takeaways for Everyday Health and WebMD

On July 9, we hosted a conference call consisting of an overview of private company Crossix as well as biopharmaceutical advertising analytics. We believe the call highlighted the strength of biopharmaceutical advertising, and that sophisticated analytics represent an important performance differentiator for biopharmaceutical publishers (Everyday Health and WebMD, et al.). We present key takeaways (below) and the conference call transcript (beginning on page 2). Stifel expresses no opinion on, and is not responsible for, the views expressed in this transcript by participants who are not employees of Stifel.

Crossix represents a leader in biopharmaceutical marketing analytics. The company links audiences exposed to advertising, digital or otherwise, to prescription drug data in a HIPAA compliant way. Crossix establishes the link through a combination of disparate data sets: prescription information, loyalty card data, media data, and consumer data (income, education, and shopping behavior). Combining this data allows publishers and biopharma companies the requisite data to more efficiently target audiences and drive significant brand lift throughout a campaign.

The Holy Grail of Biopharmaceutical Advertising Analytics: Advertising analytics allow biopharmaceutical advertisers to find underperforming campaign budget mid-campaign and re-allocate the budget in order to drive a 20%-plus boost on a campaign. Advertisers combine programmatic and predictive analytics to look, find, and target the right audience, and redeploy mid-campaign. Historically, one could not combine the disparate data sets needed to drive robust programmatic and predictive analytics in healthcare marketing. Biopharma advertisers are willing to pay significant premiums to guarantee reach to the right audience, at the right time, in the right medium. We believe the shift to advertising analytics coincides with the shift in pipelines and products toward narrow-patient population therapies.

Analytics Can Differentiate Campaign Performance Across Publishers: According to Asaf Evenhaim, publishers utilizing more extensive uses of data can become a more effective platform because they are able to flight a campaign more efficiently. Essentially, effective use of advertising analytics can help publishers drive mid-campaign optimization and ultimately drive significant lift over the duration of a campaign. We believe this may represent a key differentiator between Everyday Health (EVDY, Buy, \$18.09) and WebMD (WBMD, Buy, \$51.33).

Programmatic Does Not Seem to Be a Threat to Endemic Publishers: Programmatic advertising seems to be a differentiator of performance for publishers, and a way to extend advertising reach in competitive categories where inventory may be sold out. Essentially, programmatic buying represents an opportunity for advertisers to extend brand advertising to qualified audiences across non-endemic websites. Endemic publishers (Everyday Health, Healthline, WebMD) will likely maintain their strong competitive position as long as they are perceived and proven to be the best advertising channel combining education and content for patients and healthcare providers.

What Is Programmatic Advertising? While programmatic represents a way to drive efficient, bulk advertising purchases, it also represents the opportunity to leverage analytics in order to drive efficient audience targeting and audience reach. Programmatic methods allow biopharmaceutical advertisers to shift from buying inventory near relevant content to purchasing inventory reaching the desired audience. Successful programmatic allows advertisers to look for the right audience, find the right audience, and refine audience reach and targeting in a timely fashion. Historically, the analytical feedback loop (shopping cycle) took a long time. Crossix shortened the feedback loop to roughly 15 days. Certain clients are able to shorten the feedback loop to a couple of days; we believe Everyday Health is one such Crossix client.

Prices are as of the close, July 11, 2014.

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Operator: Good afternoon ladies and gentleman and welcome to the Stifel overview of Crossix and biopharmaceutical advertising analytics. At this time all participants have been placed on a listen only mode. We will open the call for your questions and comments after the presentation. It is now my pleasure to turn the floor over to your host, Steve Rubis. Sir, the floor is yours.

Steve Rubis: Thank you, Anthony. Good afternoon to everyone joining us today. I am Steve Rubis, the digital healthcare analyst at Stifel and host of today's conference call. Our conference call this afternoon features Asaf Evenhaim chief executive officer of Crossix as well as Andy Willis, chief financial officer of Crossix. Today's discussion will provide an overview of Crossix as well as how analytics are playing an increasingly important role in biopharmaceutical advertising. The first part of today's conference call will feature a slide presentation by Asaf and Andy followed by a fireside chat and questions from our audience.

Please email me for a copy of the slide presentation at Rubiss@stifel.com, which is R-U-B-I-S-S-@stifel.com. We will poll for questions later on during our call. For those who wish to remain anonymous, you can email me your questions. Those in the audience familiar with or holding a position at Everyday Health will know Crossix, as Everyday Health identified Crossix as a partner in several of its IPO related filings. We will start today's call with an overview of Crossix from Asaf to give everyone a deeper understanding of who Crossix is and what services the company provides. With that I will turn the call over to Asaf and Andrew.

Asaf Evenhaim: Thank you, Steve. Hello everyone. I am going to walk through a few slides just to provide an overview of what Crossix does. Just to kick it off, essentially Crossix is an analytics company. We consider ourselves the leader in consumer-centric healthcare engagement analytics. What this means is that everything we do from an analytical standpoint started around the consumer. We can apply the analytics at that point to consumer marketing, to physician marketing, to pharmacies, retailers, health plans and so on. But, it is always done with the consumer at the core.

To give you a sense of what we do, our healthcare clients take advantage and leverage our technology platform. Essentially, the Crossix platform is based on a unique technology that allows us to combine, in a HIPAA compliant privacy safe way, different types of data sets that historically were very challenging to combine.

The second component of the platform is the data that we have access to. That data includes healthcare data such as, prescription information of more than 125 million people in the United States, information about other types of healthcare data, as well as non-healthcare data such as loyalty card data and media data, and consumer data. When I say consumer data, what I mean by that, is the consumer variables that are often used by other companies in other verticals. Essentially, those variables would include information such as income and education and shopping behavior and so on and so forth.

The ability to link all of these variables and all of these data sets in a HIPAA compliant way drives the third component of what we do, the analytics

application that we provide our clients. Steve mentioned advertising analytics and being able to measure campaigns, digital campaigns, across media campaigns. That is a big application for us, but there are many other applications beyond media and advertising. Predictive analytics is another one, multi-channel marketing, another. Some work also with retailers and with health plans.

From a client standpoint, our customer base is essentially most of the leading pharmaceutical companies, publishers as well as advertising agencies and so on. The patents that Crossix holds and that the Crossix technology integrates are based on a different way of combining data in a way that preserves privacy. That has been from our experience the biggest challenge of combining these various data sets. With that in mind, what we have is a distributed approach of combining data sets.

In the slides you can see that on slide six. The approach means that instead of pulling data from healthcare companies and in the process needing to de-identify it, and then aggregate it, we take a different approach. We install our technology, hardware and software, behind the firewalls of healthcare companies. Think about pharmacies, health plans, pharmacy benefit managers (PBMs), and other healthcare entities. In the data center the technology has access to all of their data including all of the privacy sensitive data.

That privacy sensitive data never leaves their data centers. Instead when we have a study, or a query, or any way where we want to use healthcare data, we send the audience that we want to study to the data network. Behind the firewall of each healthcare company where our technology is installed the technology does the linking and the matching with the full healthcare data. In post matching, the data gets de-identified, combined, and analyzed. Part of the unique differentiator with this technology is the ability to combine many, many different types of data sets in a HIPAA compliant way.

That has been a core strength, and an enabler of what we do from a media measurement standpoint, as well as all the other applications that I mentioned including predictive analytics, programmatic media, and so on. With that in mind, just to touch on the application that Steve talked about, in terms of being able to measure digital advertising and cross channel multi-channel advertising, we have the ability to link audiences that are exposed to advertising, digital or otherwise, in a privacy safe way to their prescription data.

Through that we are able to answer meaningful questions. For example, is this the right target audience? Is the advertising reaching the right target audience? Another type of question, the ultimate one, one could argue is what is the sales lift as a result of the advertising? What is the impact of the advertising in terms of net new patient starts or net incremental adherence? And then, finally, the idea of using data on an ongoing basis – campaign to optimize. So, with that Steve I will turn it back to you.

Steve Rubis: Thanks, Asaf. Let us start with a very high level – let us start with some background questions actually. What is driving or what has driving biopharma to really adopt your platform? It seems that pre-patent cliffs – companies were not as interested in performance. But now post-patent cliffs –

people are very interested in performance. Is it patent cliffs, or is it just something else?

Asaf Evenhaim: I think there are a couple of major trends. Definitely, the general trends for the industry necessitated the need for increased accountability and a desire to ensure that the spend that they have from a marketing standpoint is actually driving the impact. Together with that, the innovation in the space of being able to answer those questions in a much more meaningful way by tying the advertising to actual impact and actual transactional standpoint, prescriptions filled; that led as well to the trend becoming a more and more significant one.

When we started doing these things it was an exception to look at tying information to return on investment (ROI). And now it is commonplace. It is expected. And, in many cases you see agencies negotiating on behalf of their clients, the advertisers, with the publishers and other media companies. They are negotiating deals that have a guaranteed ROI component or that have some metrics that are based on actual Rx data in terms of actually delivering the target audience to the advertiser. So, that shift is now, I would say, it is much more commonplace, and maybe the norm to look at that ability to tie to ROI.

Steve Rubis: Let us take – now the next step like look out at the industry. What are the high level trends you are seeing in terms of biopharmaceutical advertising? Is spend increasing and improving? Are advertisers moving to new channels? And, are they applying your analytics to new channels as well?

Asaf Evenhaim: So, yes. From what we see from our standpoint is definitely different kinds of growth between – in the digital channel in general, but also a greater shift to the role of the consumer. I think that – healthcare system. But, we see it also from the pharmaceutical company standpoint; greater shift in that regard. There are still very much unmet needs with many pharma companies as their book of business has evolved and changed into much less of the kind of broad reach brands into much more targeted audiences. We see that there is constant exploration of new ways of doing things, a desire to be able to be more targeted and to be more – drive greater ROI. So, while there has been growth in these channels we see an ongoing quest for new ways, better ways of doing things.

Steve Rubis: Can you help us understand the role that programmatic advertising plays among biopharmaceutical marketers? Where are we in terms of the adoption curve? And, how are advertisers currently using programmatic channels?

Asaf Evenhaim: Yes. Programmatic is very interesting as it being – outside of pharma and healthcare and has been dramatically shifting the landscape. When it comes to healthcare and pharmaceuticals, the idea of instead of buying advertising near content or on webpages that have relevant content, shifted to looking for the audience and finding that audience and advertising to the audience. In order to do that the right, data has to be there to be able to do the targeting, to target those audiences. In healthcare that data did not exist up until fairly recently.

You could have done things from a geo-targeting standpoint, but not as much from a pure programmatic standpoint. That has been changing and shifting. I would say that like in many other areas biopharmaceuticals are kind of behind other industries in adopting some newer technologies. But, definitely that shift is now – is in motion. Many times it is the same media agencies that have the experience of doing programmatic in other industries are now looking actively to deploy that and achieve best practices in the pharma space. And, as a company that provides the data for programmatic we're seeing a much greater demand for that and much higher adoption in terms of campaigns that are using the predictive analytics to drive programmatic buying.

Steve Rubis: So – does programmatic really allow and drive real time via optimization and improved performance? And, how does it drive that outcome?

Asaf Evenhaim: So, programmatic in a way allows you to buy at a very different level. It – essentially it allows you to discriminate kind of, or differentiate what kind of messaging appeals to what kind of audiences. That can happen – like search marketing it can happen and change on a very quick basis. You can change it minute to minute how you buy. From that standpoint it's a very dynamic marketplace. And, it allows for and essentially requires a lot more information to be able to drive and optimize the campaign.

To your point the – campaign optimization becomes crucial because there is more than one strategy that you can take from a programmatic standpoint. You can target your highest likely – highest volume clients – customers and apply – kind of be willing to pay a much higher CPM rate for those. But, you may be able to deploy different strategies against your – the third decile or fourth decile of your customer base. So, in essence, more data in this regard is necessary to be able to drive a programmatic campaign.

Steve Rubis: Great. Can you help us understand the views that biopharma marketers audiences are not online and the perceived inability to calculate ROI? It kind of goes along with what we've been talking about. What have you done to kind of debunk this --?

Asaf Evenhaim: Yes, Steve. We hear a lot less about that notion that audiences are not online. This was a much bigger deal in the past few years. We also – so, while – there was a greater realization that you can – that almost all brands should be utilizing digital as a part of the mix we've also done our own studies to be able to kind of look at audiences online and be able to understand what – how do those audiences index against chronic conditions.

There is some information that we published to the industry and is on our website that debunks this myth that audiences are not online. For the most part online is where people go more so when they have healthcare considerations and healthcare concerns. At this point we find that most clients agree that the audiences are there and the question to be asked is; how do you reach them in a positive ROI manner rather than whether those audiences are there.

Steve Rubis: Now, given that online is no longer the issue what are you seeing in terms of mobile? In terms of consumer adoption? And, even advertiser adoption for mobile?

Asaf Evenhaim: Mobile is definitely a newer channel especially for pharma. There are different challenges that are kind of fairly unique from a pharma standpoint. The industry is making progress in terms of getting comfortable with addressing those challenges. Some of them have to do with the requirements from a regulatory standpoint to have the – balance information, generally, the belief that they need a longer copy. There are solutions in the market. Definitely we see a lot more campaigns that have a mobile component to them, but I would still consider that in the pharma context as an emerging channel in terms of fully monetizing and taking advantage of it. That kind of has been our perspective and what we see from our client base.

Steve Rubis: Do you think that – that's a one to two year move? Or, is that more like a three to five year type of shift?

Asaf Evenhaim: I think that it is – I would venture to say that it is one to two years. I think that there is – there is a great momentum behind trying out different things, working with pharma companies, working with the regulatory teams, and their agencies to find solutions for that. Of course we – the publisher community and the media community has full interest in figuring out ways to accommodate solutions that would allow pharma to be much more active in mobile. I think it is in a shorter time frame.

Steve Rubis: Can you talk about the importance of mid-campaign optimization? I know this is a topic you have written about recently. And, can you talk about your analytical approach there and how you run experiments mid-campaign to drive that optimization? And, whether you drive – statistical regressions?

Asaf Evenhaim: Yes, definitely. Historically part of the issue with measurement in pharmaceuticals was that it would take a very long time – there is delaying data and it takes a long time for the shopping cycle – for someone to actually end up on drug. The historical state of affairs was that you do not measure often and usually it is kind of one year after the fact. We, definitely from the very beginning, did not believe that that is the right approach. That yes it takes time for people to decide on a drug and get – a prescription and go through the whole cycle.

However, there are many, many ways to look at it mid-campaign. And, we have catered all of our technology to be able to do that on a regular basis. So, that might mean looking at data on a monthly basis. And, in some cases a weekly basis or even more often. So, the technology behind it was key. The reason mid-campaign is so important is that you still have budget. You have not finished you budget. You can drive your ROI as opposed to just look at it after the fact, what happened. It is very easy in a broad media plan to find waste – to find area of the media plan that is not spent as effectively as one can.

It is not very difficult to see in a media plan when you use mid-campaign optimization that 20 percent of the budget can be reallocated and gain tremendous efficiency. That is the motivation for mid-campaign optimization.

Analytically, of course, it means you need to use predictive analytics because you are now – you cannot wait until everything is done, by that point the campaign would be over. You need to be able to use predictive [analytics] and you need to be able to use technology and real-time solutions. That is what we find is the innovation in being able to look at mid-campaign. The prize is really being able to get a 20 percent plus boost on the campaign when you actually engage in that.

Steve Rubis: It is really about making everything more efficient almost in real-time. Can you give us a sense of how ROI analytics and predictive analytics are impacting the biopharmaceutical end of advertising space? And then, how you power the ships towards better performance?

Asaf Evenhaim: Yes, so essentially the predictive is crucial when you talk about mid-campaign optimization. It is a necessary component when you talk about programmatic, about buying to the audience. You need to be able to predict; who are those audiences? That has actually been a crucial component, predictive analytics, in terms of changing the way analytics is used from a media standpoint. Steve, what was your second part of the question please?

Steve Rubis: Just how Crossix powers the shift towards better performance measurement? You may have touched on this in some of the slides as well.

Asaf Evenhaim: Yes, I would be happy to. We have designed the technology from the ground up to be able to do that. We started the company in 2004. As soon as we got to market with the first analytics, we designed our system back then to not have any lag time in data, and to be technology driven so that we can turn around analysis at close to real-time. Historically, we were very well known in the market in disrupting this long time that it takes to get results into what we set as 15 business days to be able to see analysis.

Since then, we have advanced even beyond that. And, with some of our clients there is essentially – depending on the analytics there could be a couple of days delay with that. The programmatic has been an innovation over the last couple of years of being able to do that predictive analytics that can drive that. Again, to accomplish that in a HIPAA compliant way, it required linking data sets that historically were not linkable and be able to use the combined data sets to create the predictive analytics for logistic regression and for other statistical methods. And then be able to take the results of those methods and – that are HIPAA safe and are privacy safe – and use those models to do the predictive buying and so on.

Steve Rubis: Great. Anthony, if you'd like, please poll for some questions.

Operator: Thank you very much, ladies and gentleman. The floor is now open for questions. If you have any questions or comments please press star one on your touchtone phone at this time. Pressing star two will remove you from the queue should your question be answered. Lastly, while posing your question please pick up your handset if listening on a speakerphone to provide optimum sound quality. Please hold while we poll for questions.

Steve Rubis: Again, star one for questions. I will ask a question while Anthony polls for questions. A key here in terms of biopharma advertising is obviously HIPAA compliance. And, we sense that some advertisers would like to be able to advertise outside of say a publisher – think of a WebMD, or an Everyday Health, or a Healthline. How do your services – and do you think your services can help these brands advertise in other areas? Let us say whether it is a Yahoo or just a sort of a non-endemic area.

Asaf Evenhaim: As I mentioned before, we walk across different channels. Within the digital environment we walk across – essentially across publishers across the internet. The way we support that is by having a way to link the advertising, wherever it is on the internet, to audiences exposed by tagging media. When the media is displayed, those tags can then be linked with a combination of – research panels that we have accumulated together with partners.

The research panelists, which now is more than seven and a half million individuals, allow us to link their behavior to prescription data. Again, that link is done in a privacy safe, HIPAA compliant way in a way that it cannot be linked to an individual. The data is in aggregate and de-identified, but that allows us to look at the campaign across a whole media buy. It could have any publisher or ad network. It does not even need to be a publisher. It could be an ad network, and we have essentially no restriction.

This is very important as – you know – very often the advertiser and their agency will have to walk across the buy, across everything they do. Not only one publisher at a time. However, that does not mean that a certain publisher cannot use data much more extensively to gain a competitive advantage by being more effective at essentially fighting the campaign on their properties. We have seen that happen with the most sophisticated publishers.

Steve Rubis: That is great. So, Anthony, are there any questions on the line?

Operator: Our first question is coming from Harsha Jujja from Techne. Your line is now live.

Harsha Jujjavarapu: Hey, thanks for taking the question. I was reading an interview – this was from I think a couple of days ago with the CEO of Group M the large ad agency. Essentially, what he was saying was – so, he was kind of debunking the traditional thinking by saying that actually brands do care about the content beside which they are featured. They do care about the brands or the contents and they do care about the websites. And so, what he has done is that he is not spending any more on the traditional exchanges for programmatic.

He is instead setting up private exchanges and basically only doing business with a select group of publishers. I am just wondering if this thinking will carry itself forward into the biopharma world where the pharma companies – I agree that they might find cheaper audiences in some random blog on MS. But, the question is do they really want to be on those websites? Or, will they follow this model, where they set up more private exchanges and only transact with the WebMDs of the world and the Everyday Healths of the world?

Asaf Evenhaim: That is a great point. The biopharma industry is definitely very cautious in terms of where their messaging appears even when they buy T.V. They would restrict it to different shows because they care about the environment that their advertising is displayed in. That is absolutely true also in terms of online. There are different ways to achieve that goal. Part of it is through white listing and black listing of properties and sites. Part of it could be through private exchanges. A big part in terms of programmatic from a pharma standpoint is not necessarily just about cost.

In other verticals that might be the primary driver of achieving kind of a bit of cost equation. In pharma sometimes it is lack of – it is limited inventory, and the need to go beyond where people go when they want to read about their healthcare. There are conditions that may not have as much inventory because they are the kinds of conditions that there is just not a lot of content associated with them. There are actually different needs from a biopharmaceutical standpoint. The idea that you talked about in terms of quality and the surrounding environment of the advertising is valuable.

There is also the point that they may be willing to pay significant premium for predictive models that can actually get them to the right audience relative to other models sold in consumer products goods (CPG) or other verticals. Again I think there are some different drivers for biopharmaceuticals. But, the concern you raise is a very relevant one for biopharma.

Harsha Jujjavarapu: It sounds like the purpose of the pharma companies utilizing programmatic is, as you mentioned, to find excess inventory or to find more inventory, and that is for when they go beyond WebMD and Everyday Health. It does not sound like it is being used to circumvent those companies necessarily.

Asaf Evenhaim: No, I do not think so.

Harsha Jujjavarapu: Okay

Asaf Evenhaim: I think it is very much – going to continue and be a portfolio play with achieving portfolio goals. I think that the kind of endemic properties – healthcare properties are going to continue and have a prominent role in the media plan and in the mix.

Harsha Jujjavarapu: This last question here. What would you say is a threat from programmatic – you know – to the WebMDs of the world at this point?

Asaf Evenhaim: Can you – can you ask the question again please?

Harsha Jujjavarapu: What would you say then might be the threat from programmatic to the WebMDs of the world?

Asaf Evenhaim: I think any change could be seen as a threat. But, I think it is the trends that I think that are more interesting to watch is just the overall growing need for accountability. That comes from the financial leaders of the

pharmaceutical companies and then it trickles down to the brand teams and to the ad agencies and then finally to the publishers. I think that the question remains, how do you most effectively reach target audiences and support that behavior change, the education that pharma is looking to accomplish.

The threat would only be – if you believed that those other ways could replace or if you believe that the health related sites – the health focused sites could not do a great job of that. We are not seeing evidence of that, but to me those are the key trends. It is much more looking at the accountability and being able to support that drive for an outcome.

Harsha Jujvarapu: Great. Thank you.

Steve Rubis: Anthony, do we have any other questions on the line?

Operator: There are currently no more questions from the phones at this time.

Steve Rubis: Okay. So, Asaf, something I have read about in some of your writings, and some of the industry magazines revolve around television. Anybody who pays attention to this space can identify that biopharma television advertising seems to have increased in the last six months. Or, at least around the turn of the year. Can you help us understand what you guys have done to help drive that? Are you guys a driver of that return to T.V. given that we would all think that online would provide a better return? And, if so, how have you been able to drive a return to T.V. advertising?

Asaf Evenhaim: We do a number of things in terms of T.V. Depending on the brand and depending on kind of the goals most channels would have a role – kind of a room on the media plan. I do not know that I can explain precisely the shift that happened from an overall market standpoint. I think a lot of that may have to do with timing of launches and the kind of – the profile of the products that are being marketed. But, T.V. is definitely becoming more accountable to. So, the pressure has been historically on digital to pull, that it can do a better job in terms of ROI.

T.V. is being held now to the same standard. Now there are ways to tie T.V. exposure and T.V. advertising to actual behavioral impact that can be done walking through combining – data with prescription data or other ways. And so – and we have done those things on behalf of clients. We definitely see greater interest in that. I think the good news for all channels is that it's becoming much more a level playing field in terms of everyone being held to the same accountability standard.

Steve Rubis: You would not say that any increase in T.V. advertising is cannibalizing or hurting the online channel?

Asaf Evenhaim: No, I do not think so. I think that from what we see there are still many unmet needs. That when brand teams make decisions many times it comes down to the profile of their product and where they are with it. Generally speaking, the excitement behind the possibilities that are now available to an advertiser are significant. I think the trends are still going to be of course, digital

or T.V., looking at ways to be smarter, to reduce waste, and to achieve greater ROI. With each channel, the question is how do you do that specifically for a particular brand? But, I think the goal is the same across channels.

Steve Rubis: With that, Anthony, are there any questions on the line?

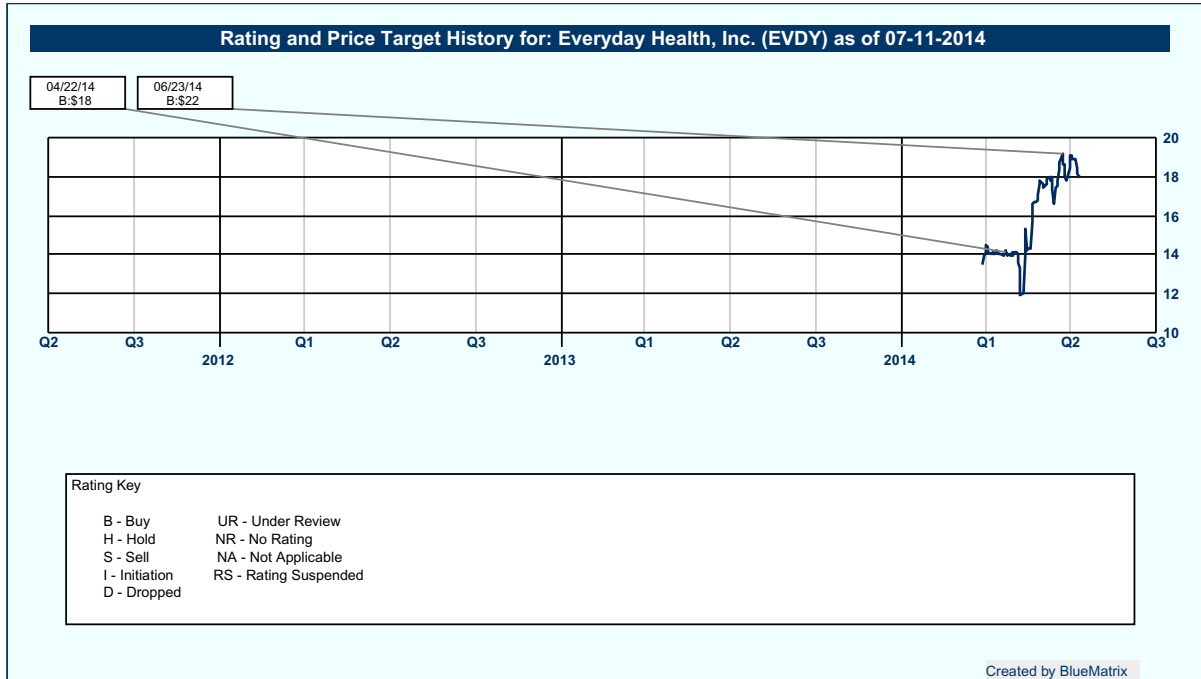
Operator: Still currently no questions from the phones.

Steve Rubis: All right. Well then with that Asaf and Andy, thank you very much for joining us. This has been a very helpful 30 minutes to learn about Crossix and biopharmaceutical analytics. I would like to thank you once again for your time. And, with that I will turn it over to Anthony to end the call.

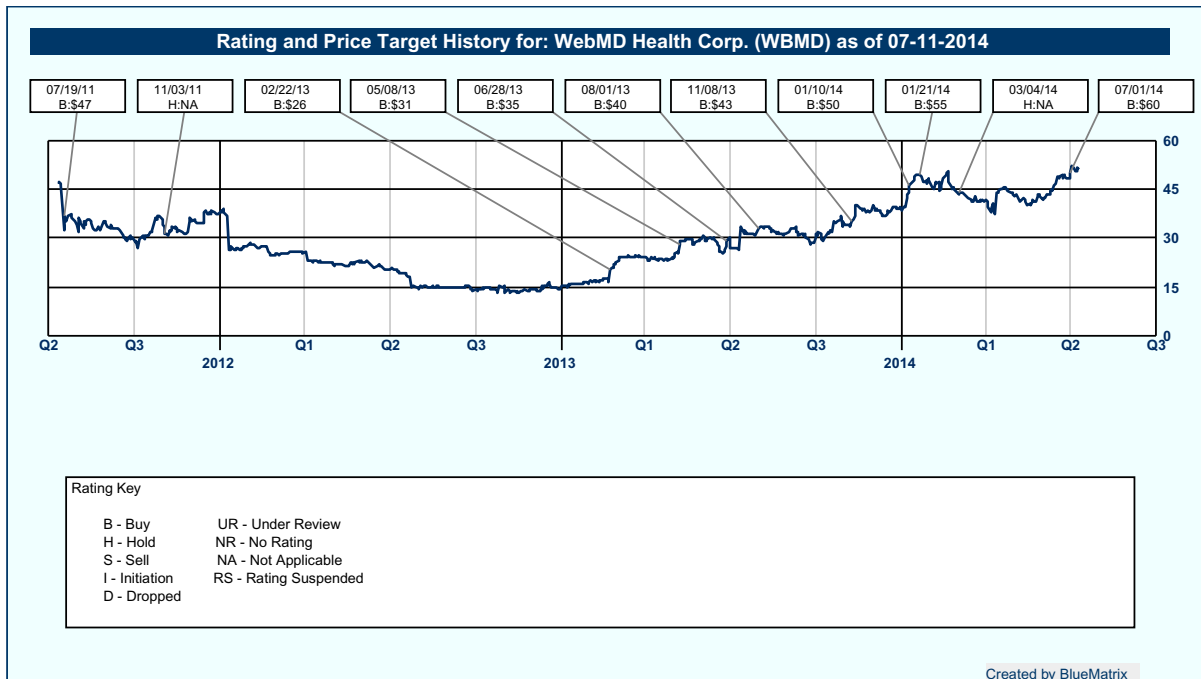
Operator: Thank you very much ladies and gentleman. This does conclude today's teleconference. You may disconnect your lines and have a wonderful day. Thank you for your participation.

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For a price chart with our ratings and target price changes for EVDY go to <http://sf.bluematrix.com/bluematrix/Disclosure?ticker=EVDY>



For a price chart with our ratings and target price changes for WBMD go to <http://sf.bluematrix.com/bluematrix/Disclosure?ticker=WBMD>

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SELL -For U.S. securities we expect the stock to underperform the S&P 500 by more than 10% over the next 12 months and believe the stock could decline in value. For Canadian securities we expect the stock to underperform the S&P/TSX Composite Index by more than 10% over the next 12 months and believe the stock could decline in value. For other non-U.S. securities we expect the stock to underperform the MSCI World Index by more than 10% over the next 12 months and believe the stock could decline in value.

Of the securities we rate, 50% are rated Buy, 48% are rated Hold, and 2% are rated Sell.

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