

# Hostway Acquires Affinity Internet

*Leading Web Hosting Provider Integrates Top*

*Web Services Company to Offer Unparalleled Internet Success for Customers of all Sizes*

Chicago, Ill. and Ft. Lauderdale, Fla., April 04, 2007 – Hostway Corporation and Affinity Internet Inc. today announced that Hostway has acquired Affinity, combining two of the most prominent web-centric service providers, with clients ranging from consumers, small to medium-sized businesses (SMBs) and large enterprises. The new company will offer customers all the products, tools and services necessary to build and operate an effective online business on a global scale – from professional web development and design, results-oriented online advertising solutions, to powerful hosting and eCommerce applications.

The acquisition is the conclusion of a long and involved process that took many months. The combined entity will be a powerhouse in terms of its customer base, worldwide reach and diverse set of products and services, which will be guided by Hostway's current CEO, Lucas Roh.

"As the Internet Infrastructure Services industry approaches \$15 billion globally in 2007 with annual growth still above double digit rates, it's obvious that consumers and businesses alike continue pioneering value online," said Andrew Schroepfer, founder of Tier1 Research ([www.T1R.com](http://www.T1R.com)). "Hostway's long track record of successful M&A on a global basis will greatly benefit from additional scale brought by Affinity's client base and robust service portfolio, which makes this a strategic transaction in the industry. Both Hostway and Affinity come from positions of strength in their respective market segments, which together makes for an even stronger industry leader."

"Our first and main focus through this acquisition has been to ensure that customers of both company's do not experience any disruption in current services and in fact bolster it further," said, Lucas Roh, CEO, Hostway. "By joining forces, we have an increased global scale, scope, human capital and financial strength to continue to deliver superior service levels and innovative products, which Hostway and Affinity have both built valuable brands and reputations on."

The combination of Hostway and Affinity builds from an existing position of market share and strength with end user customers and channel partners alike. The company's global reach and increased customer base will be an ideal platform for partners interested in expanding the reach of their offerings and customers looking for a complete scalable online business experience.

“Both parties are confident that this acquisition will generate benefits for our customers and partners. Hostway brings research and development power to build and deploy compelling and differentiated services, while Affinity has been guiding small businesses to web success with cutting edge services for over 10 years,” said Jim Collins, CEO, Affinity Internet. “By combining our exceptional, proprietary solutions we are able to provide an offering unlike anything currently in the market. In all cases, our customers will be positively impacted by this acquisition - by gaining a new unparalleled power for their online presence.”

### **Overview of the combined company**

- 600,000 web hosting customers
- Direct presence in 11 countries
- 15 worldwide operation centers
- 750 employees
- Wide range of Products and services
  - Domain name registration
  - Web hosting
  - Ecommerce hosting
  - Web design and marketing services
  - Managed dedicated hosting
  - Colocation
  - SaaS Hosting
  - Online advertising solutions

### **Customer Benefits**

The combining of the two companies will result in both immediate and long-lasting customer benefits.

- More choices through greater investment in web services
- Superior customer support through joint capabilities
- Global hosting services in 10 international markets
  - USA
  - Canada
  - United Kingdom
  - Germany
  - Netherlands
  - Belgium
  - France
  - Romania
  - Australia
  - Korea
  - India

### **Channel Partner Benefits**

The combined company will continue to aggressively expand its channel partner program to enable broadband providers, online portals and other Web services oriented companies to deliver high value and high growth value added Web services. Both existing and new partners will be served well through:

- Greater capabilities through combined talent pool
- Widening of the product roadmap
- Improving customer service and sales performance through joint capabilities
- Investing to deploy next generation web services, bring new and compelling products to market to benefit partners' customers

### **About Hostway**

Hostway Corporation provides domain name registration, Web hosting, Web design and online marketing services to more than 400,000 customers worldwide. It operates state-of-the art data centers that reduce the complexity and cost of Web-based technologies for small businesses and large enterprises. Founded in 1998, Hostway is one of the five largest Web hosting companies in the world with offices in Chicago, Illinois; Tampa, Florida; Austin, Texas; Vancouver, British Columbia; London, United Kingdom; Paris, France; Amsterdam, Netherlands; Antwerp, Belgium; Frankfurt, Germany; Hannover, Germany; Sydney, Australia and Mumbai, India. For more information about Hostway Corporation, please visit [www.hostway.com](http://www.hostway.com) or call 1-866-467-8929.

### **About Affinity Internet**

[Affinity Internet](#) is committed to empowering its customers to write their own Internet success stories.

The company provides more than 200,000 web professionals and small businesses the tools to develop, maintain, market and support their web presence, making the Internet a useful and relevant part of their businesses. Affinity's brands include: [ValueWeb](#), for [web design](#), [eCommerce hosting](#) and [online marketing solutions](#) and [Gate.com](#), the cutting-edge [UNIX](#) and [Windows web hosting](#) service. Affinity's co-brand and [private-label partner programs](#) enable leading service providers and Internet brands to extend their value proposition to include feature-rich web site, ecommerce and online marketing services and applications.

Affinity Internet Inc. is headquartered in Fort Lauderdale, Florida with approximately 300 employees, and has been guiding businesses to web success since 1996.

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