



FOR RELEASE
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Contacts: Rob Stewart
Investor Relations
Tel (949) 480-8300
Fax (949) 480-8301
Email: rs@acaciares.com

ACACIA TECHNOLOGIES LICENSES HIGH CAPACITY COMPACT DISK TECHNOLOGY TO FUNAI

Newport Beach, CA. – (BUSINESS WIRE) May 25, 2005 – Acacia Research Corporation (Nasdaq: ACTG: CBMX) announced today that TechSearch, LLC, a wholly owned subsidiary that is part of the Acacia Technologies Group, a leader in technology licensing, has entered into a non-exclusive license with Funai Electric Co., Ltd. covering a patent that applies to a system for recording and playing high capacity compact disks.

“The Acacia Technologies group has now begun generating revenues from five new licensing programs in 2005, as we continue to expand our revenue base,” commented Paul Ryan, Chairman and CEO of Acacia. “In addition to the high capacity compact disk technology, we have begun generating revenues from our credit card fraud protection, digital video production, interactive television and multi-dimensional bar code technologies,” concluded Mr. Ryan.

The patent, currently being reexamined by the United States Patent and Trademark Office, covers certain systems for recording and playing compact disks containing compressed audio data utilizing certain data-compression methods. The CD player technology, consisting in part of a CD drive that reads MPEG Layer-3 (MP3) compressed digital audio data recorded on a CD, and an integrated circuit chip which decompresses the data and produces a non-compressed audio output, is commonly found in DVD and CD players.

ABOUT ACACIA RESEARCH CORPORATION

Acacia Research Corporation comprises two operating groups, Acacia Technologies group and CombiMatrix group.

The Acacia Technologies group develops, acquires, and licenses patented technologies. Acacia controls 30 patent portfolios, which include 128 U.S. patents, and certain foreign counterparts, covering technologies used in a wide variety of industries including audio/video enhancement & synchronization, broadcast data retrieval, computer memory cache coherency, credit card fraud protection, database management, data encryption & product activation, digital media transmission (DMT®), digital video production, dynamic manufacturing modeling, enhanced Internet navigation, image resolution enhancement, interactive data sharing, interactive television, Internet access redirection, interstitial Internet advertising, laptop docking station connectivity, microprocessor enhancement, multi-dimensional bar codes, network data storage, resource scheduling, rotational video imaging and spreadsheet automation.

The CombiMatrix group is developing a platform technology to rapidly produce customizable arrays, which are semiconductor-based tools for use in identifying and determining the roles of genes, gene mutations and proteins.

The CombiMatrix's group's technology has a wide range of potential applications in the areas of genomics, proteomics, biosensors, drug discovery, drug development, diagnostics, combinatorial chemistry, material sciences and nanotechnology.

Acacia Research-Acacia Technologies (Nasdaq: ACTG) and Acacia Research-CombiMatrix (Nasdaq: CBMX) are both classes of common stock issued by Acacia Research Corporation and are intended to reflect the performance of the respective operating groups and are not issued by the operating groups.

Information about the Acacia Technologies group and the CombiMatrix group is available at www.acaciaresearch.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:

This news release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based upon our current expectations and speak only as of the date hereof. Our actual results may differ materially and adversely from those expressed in any forward-looking statements as a result of various factors and uncertainties, including the recent economic slowdown affecting technology companies, our ability to successfully develop products, rapid technological change in our markets, changes in demand for our future products, legislative, regulatory and competitive developments and general economic conditions. Our Annual Report on Form 10-K, recent and forthcoming Quarterly Reports on Form 10-Q, recent Current Reports on Forms 8-K and 8-K/A, and other SEC filings discuss some of the important risk factors that may affect our business, results of operations and financial condition. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.