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ACACIA ADDS NEW DEFENDANTS TO PATENT LITIGATION AND SEEKS CLASS ACTION STATUS

Newport Beach, Calif. – (BUSINESS WIRE) December 18, 2003 – Acacia Research Corporation (Nasdaq: ACTG; CBMX) announced today that it has added 8 new adult entertainment defendants to its patent infringement litigation, now pending in the District Court for the Central District of California. Acacia originally sued 39 adult entertainment companies, and prior to adding the new defendants, had only 11 defendants remaining in the litigation.

The new Complaints, filed with the Court, seek to create a defendant class for all adult entertainment companies that infringe Acacia's DMT patents by transmitting pre-recorded, digital audio and audio/video adult content via any electronic communication channel into or from the Central District of California, or that operate at least one interactive website where a user located in Central District of California can exchange information with a host computer. Defendant class action status, which must be approved by the Court, would permit the Court's rulings on certain key issues to legally bind all members of the class, whether or not they have been specifically named as defendants in the litigation. This would result in a much more efficient use of Acacia's resources, eliminating the need for certain duplicative litigation.

Acacia has entered into 106 license agreements for its DMT technology with companies in the hotel in-room entertainment, and online music, movie and adult entertainment industries.

Acacia's DMT technology, which is covered by pioneering patents, relates to audio and video transmission and receiving systems, commonly known as audio-on-demand, video-on-demand, and audio/video streaming, and is used for distributing digital content via several means including Internet, cable television, satellite and wireless systems.

ABOUT ACACIA RESEARCH CORPORATION

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

The Acacia Technologies group licenses its DMT technology to media and electronics companies. The DMT technology covers the transmission and receipt of digital audio and digital video content, commonly known as audio on-demand, video on-demand, and audio/video streaming, and is supported by 5 U.S. and 17 international patents.

The CombiMatrix group is developing a platform technology to rapidly produce customizable active biochips, which are semiconductor-based tools for use in identifying and determining the roles of genes, gene mutations and proteins. CombiMatrix's technology has a wide range of applications including DNA synthesis/diagnostics, drug discovery, and immunochemical detection. CombiMatrix's Express Tracksm drug discovery program is a systems biology approach, using its technology, to target common viral diseases with siRNA compounds.

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.