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Emtex Helps K2 Optimize Workflow for Groundbreaking AFP Color Application

Emtex Production Intelligence helps K2 increase profitable transaction business

London, UK – August 15, 2006 — Emtex, a Pitney Bowes Company and the leading provider of document output management solutions, announces today that the K2 Group has successfully launched a pioneering AFP color production application using the Emtex Intelligence Suite (EIS) . The K2 Group is one of the UK's leading providers of high-quality direct marketing solutions. Established in 1989, the company has current sales of £25 million and over 250 employees in a 75,000 sq. ft. state-of-the-art production facility in Manchester. K2 generates a quarter of a billion envelopes a year for clients and processes over 50,000 full color images a day.

The K2 Group faced increasing demands from clients who wanted to provide precomposed files in formats like AFP, PCL and Postscript. When K2 won the contract with a leading UK banking group to manage the production of a newly developed full color AFP application, Emtex provided the EIS output management solution to optimize production workflows and drive two Xerox iGEN3 printers. Always at the forefront of automated document manufacturing, the K2 Group is the first in the UK to successfully generate full AFP color output on this scale.

“We see Emtex as a strategic platform for this application, and it allows us to undertake more precomposed work for other clients. With Emtex, we can add value beyond document production and capture longer term transaction contracts that offer greater volumes and revenue streams,” said K2 CEO Kevan Coleman. “Emtex helps us add a higher level of document production efficiency and integrity. As a result, our clients, especially those in financial services, have greater confidence in our production – a major selling feature for us.”

Emtex solutions introduce Production Intelligence to existing workflows through any-to-any print stream transformation, centralized control and resource management, while making it simple to re-engineer processes and manipulate documents without altering original business applications. With Emtex Production Intelligence, the K2 Group is positioned to respond to the growing demand for color AFP applications on Xerox iGEN3 systems, and K2 customers can benefit from customized full color communication. EIS also improves processes for accepting client-produced

applications, so customers can retain authorship of their document applications, while K2 can easily adapt pre-composed documents to its production environment and optimize job production. For example using Emtex VDE, a component of EIS, operational data can be extracted from the job to feed K2's factory control and reporting system, printstreams can be combined for more efficient production, and inserter and integrity marks can be added easily.

“We are a longstanding Pitney Bowes customer, and Emtex fits our existing workflow extremely well,” said Lee Snow, K2 Business Solutions Director. “The K2 Group has one of the most complete printing and enclosing infrastructures in its market, and Emtex gives us the flexibility to offer more choices to clients to take advantage of the breadth of our offering. We can reengineer workflow to achieve the best cost efficiency and effectiveness for SLA requirements,” noted Snow. “The most significant part of any mailing program is postage, and through the Emtex Intelligence Suite, we can address cleanse and mail sort pre-composed jobs to drive postal posts down further for our customers.”

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About K2Group

The K2 Group is a leading provider of integrated communication services. Founded in 1989 and headquartered in Manchester, UK, the K2 Group enables their clients to achieve maximum return on their investment in customer communications through increased efficiency, more sophisticated segmentation and targeting, higher response and conversion rates, stronger brand perception and improved customer service levels. Having built upon their pedigree in high integrity physical document production, the K2 Group offers integrated service solutions across all outbound and inbound communication channels including conventional post, web, telephony, e-mail and mobile messaging as well as marketing and operational communication consultancy services.

About Emtex

Emtex, a wholly owned subsidiary of Pitney Bowes, is the author of the industry-leading output management solution; Emtex Intelligence Suite (EIS), which consists of FlexServer, VIP, VDE and OptionSuite. Emtex enables organizations with high volume, mission critical document production requirements to materially increase their profitability by reducing cost through improved the operational efficiency and maximizing asset utilization. Emtex solutions form the essential components of an Automated Document Factory (ADF), providing centralized job and print management, any-to-any conversions, document re-engineering, and real-time data collection and reporting. Emtex solutions are utilized at over 800 production sites worldwide. For more information, please visit www.emtex.com.