SHUTTERFLY ⓘⓝⓒ

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SHUTTERFLY RAISES THE BAR FOR ONLINE PHOTO SERVICES

REDWOOD CITY, Calif. (May 23, 2000) — Shutterfly, the leading online photo service, now takes digital photography to the next level enabling users to create personalized prints by adding all new borders and effects. Offering over 40 custom borders and effects, users can now apply themed borders to baby or wedding photos, change color photos to black and white, add soft focus edges to everyday photos, and so much more. These new borders and effects are custom designed by Shutterfly and are only available through Shutterfly.com.

There's no better way to share special memories with friends and family than with a personalized photo. Shutterfly makes the whole process of printing and sending 35mm- quality photos extremely convenient and cost effective. Now, when parents take photos at a soccer game or birthday party, they can use Shutterfly to share the pictures online and even distribute 35mm-quality prints to all the guests via mail. With Shutterfly, countless trips to the photofinisher for film development and reprints are eliminated since users can manage all these activities from their Shutterfly account. The Shutterfly service is also very cost-effective since users only order and pay for the pictures they love.

"We are incredibly excited to offer all-new photo enhancements to consumers," said Jayne Spiegelman, Shutterfly CEO and co-founder. "Shutterfly is committed to delivering only the highest 35mm-quality photos, and ensuring that the process of sharing, personalizing and printing digital pictures is an absolutely fun and simple one."

The new **Photo Enhancements** section at Shutterfly includes point-and-click printing effects that allow users to:

- **Add Borders**: Make each photo a personal expression by adding a border. For example, send out baby photos bordered by "It's a boy!" Or create wedding keepsakes with unique wedding borders. Or produce a special father's day border. Shutterfly has dozens of borders to choose from.
- **Apply Effects**: Blur the edges of a photo or soften its focus to achieve a professional look to pictures. Create a professional effect by turning a color photo into black and white or sepia tone.
- **Crop Photos**: You can decide which part of the picture you want to print, and actually create different photos for different individuals, all from the same original image

Best of all, Shutterfly's new features require no expertise beyond "pointing and clicking". Any photo enhancements, including cropping, can be undone at any time. Users can even create and print out multiple versions of an image, playing with various looks and effects. Shutterfly's proprietary VividPics® technology also ensures that all color prints are enhanced for color and clarity to deliver only the highest quality prints.

All of the new photo enhancements are free of charge with the purchase of a print. New Shutterfly customers are also eligible to receive 100 free prints when they sign up as a user. Details about this special offer can be found at www.shutterfly.com.

About Shutterfly
Shutterfly is a new kind of photo service that makes it simple, convenient and fun for people to take and give pictures. With only the Internet and digital pictures, Shutterfly users can easily enhance, personalize, store and share photos. Most importantly, they can transform their digital pictures into 35mm-quality prints and have them mailed to anyone. Shutterfly services are available at www.shutterfly.com and through partners including Yahoo!, Adobe and PhotoPoint. The privately held company is headquartered in Redwood Shores, California, and is backed by Jim Clark, Mohr Davidow Ventures, Adobe Ventures and Tom Jermoluk. For more information about the company, visit www.shutterfly.com.

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