

HP Customers Post Gains in Photo Specialty Printing Leveraging HP Indigo's Industry Leading Technology

PALO ALTO, Calif., Feb. 27, 2009 – HP today announced tremendous success and momentum in the centralized production photo specialty/photo book market through the commercialization of the HP Indigo 7000 Digital Press, a new, higher-volume digital color production press.

HP's prominent position in the photo specialty market dates back five years with an influx of central fulfilment photofinisher orders for HP Indigo 5000 and <u>5500</u> presses. Following the successful extension of HP Indigo technology into the emerging photo specialty market, a significant percentage of all photo specialty products such as photo books, calendars and cards are printed on HP Indigo presses.

At the <u>PMA trade show</u> in March, the HP Indigo press 5500 will be presented with a complete range of HP photography solutions.

Today, leading photo specialty centralized production firms worldwide, including Asukanet Co. Ltd., CeWe Color Holding AG, District Photo, netservice.cc, Photobox Ltd. and Reischling Press Inc., operate multiple HP Indigo presses. And, with the successful rollout of the higher-volume HP Indigo 7000 Digital Press in 2008, HP estimates that worldwide HP Indigo market share for photo book production now exceeds 75 percent.

"The photo book is a groundbreaking product in that it complements digital photography as a streamlined, superior alternative to mounting snapshots in albums," said Alon Bar-Shany, vice president and general manager, Indigo division, HP. "Photo specialty represents the fastest-growing segment of the HP Indigo business, and we remain fully dedicated to creating profitable growth for photofinishers in this segment by meeting and exceeding consumers' quality expectations and offering solutions that maximize productivity."

Photos come alive, businesses thrive

Of the 165 HP Indigo 7000s installed since the press's release in 2008, 85 have been installed for use with photo specialty applications. The majority of orders were in response to production needs for the photo specialty market's annual production peak – the Oct. 1 to Dec. 31 time period when consumers order photo specialty products for the holiday season. During the production peak time period in 2008, HP Indigo photo customers worldwide collectively printed a record number of impressions, producing 87 percent more pages than were printed during the same time period in 2007.

High uptime and reliability for the presses was a key requirement for success in peak production season. In 2008, many photo specialty customers reported operating their

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Hewlett-Packard Company 3000 Hanover Street Palo Alto, CA 94304 www.hp.com presses 24 hours a day in the October to December time period. One customer printed 280,000 impressions in a single day on one of its presses used for photo books, setting a record for the number of HP Indigo impressions produced in a single day.

About HP

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