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Group O Announces Strategic Relationship with Shutterfly
Commercial printing leader leverages leading online photo service for personalized, on demand direct mail optimization

SAN ANTONIO, Texas (December 5, 2008) — Group O, a leading provider of marketing services, print management and decision sciences for Fortune 1000 companies, announced today they have formed a strategic relationship with Shutterfly, the leading Internet-based social expression and personal publishing service, to provide a fully-integrated commercial printing solution for Group O clients. Through this alliance, Shutterfly will maximize its digital manufacturing printing facilities to bring the Company's expertise in quality, personalized, on-demand printing for the direct mail market.

"We are excited to engage with Group O to introduce an integrated commercial printing solution that taps Shutterfly's unmatched digital printing resources to convert downtime into a lucrative new revenue stream," said Dwayne Black, senior vice president of operations for Shutterfly. "Group O has a winning combination of top-tier clients, technology and digital workflow infrastructure that compliments Shutterfly's state-of-the-art production capacity to create exciting new opportunities for both companies."

"Shutterfly's state of the art on-demand printing technology makes it possible for us to expand and target our reach to the growing number of companies seeking to dramatically enhance their ROI on direct mail marketing campaigns," said Murad Velani, president of Group O. "We are able to drive significant cost efficiencies and provide visibility to our clients and agency partners on campaign life cycle management, execution and analytics. The O² Direct Mail Optimization solution enables clients, at a consumer level, to effectively manage creative, version control, data hygiene/merge, production, mail stream optimization to predictive in-home delivery times. We can now provide a digital print infrastructure on a scale unmatched in the industry thanks to the personalization and faster time-to-market made possible by Shutterfly's facilities."

The Group O O² Campaign Optimization Suite is a comprehensive technology solution that enables clients to achieve improved customer conversions on acquisition, cross-sell and loyalty campaigns via targeted, relevant and personalized offers.

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About Group O

Headquartered in Milan, Illinois, Group O is one of the largest Hispanic-owned companies in the U.S. and a leading provider of products and services, specializing in Marketing Services, Print Management, Decision Sciences, Business Process Outsourcing, Managed Services, Packaging, Supply Chain and Third Party Logistics (3PL). Founded in 1974, Group O has grown to approximately 1,500 employees across 34 U.S. facilities. The company offers a comprehensive portfolio of solutions to meet the needs of Fortune 1,000 clients across a broad range of industries including: food and beverage, telecommunications, manufacturing, consumer packaged goods, financial services, pharmaceutical, health care, and technology. For more information, visit www.groupo.com.

About Shutterfly

Founded in 1999, Shutterfly, Inc. is the leading Internet-based social expression and personal publishing service. Shutterfly provides high quality products and world class services that make it easy, convenient and fun for consumers to preserve their digital photos in a creative and thoughtful manner. Shutterfly's flagship product is its award-winning Photo Book line, which helps consumers celebrate memories and tell their stories in professionally bound coffee table books. More information about Shutterfly (NASDAQ:SFLY) is available at www.shutterfly.com. Shutterfly and Shutterfly.com are trademarks of Shutterfly, Inc.

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