

2009 Chairman's Letter: Mid-Year Update

To our Customers and Friends:

eGistics would like to update you on our continued growth and progress.

We are moving forward in an environment in which our business model, domain expertise, and track record of delivering a solid return on investment are critical strengths. As our customers and prospects formulate their strategies for succeeding in a challenging economy – including the use of Cloud services to drive new revenues and reduce costs – eGistics is well-positioned to help.

Our value proposition, which provides our customers with a reliable, highly-secure infrastructure, unique domain expertise, and predictable costs, combined with strong execution, has helped to make the early part of 2009 very successful. Sales growth has accelerated as we added six new clients in the first four months of the year. Our penetration in the healthcare market is advancing, with four new clients in the segment. And, for a large financial institution, we delivered a centralized archive for automated clearing house (ACH) data that addresses onerous regulatory demands while bringing down systems silos and enhancing customer service.

We've also added critical infrastructure, technical capability, and sales and product management expertise. All of these achievements are contributing to our outstanding business results. And our growth potential has never been greater.

The economy and industry dynamics are driving a transformation in the way financial services, healthcare and other organizations manage their critical business information. As a result, eGistics is one of the few companies prepared to deliver the hosted document management solutions users need to control operations expenses, improve service, and meet compliance and regulatory demands.

And we deliver those benefits without requiring a capital investment.

We are growing by providing essential services to our customers while lowering their cost of operations. I look forward to reporting back to you on our progress. We welcome the opportunity to discuss the challenges you face and how our solutions can help.

Regards,

Bob Lund
Chairman and CEO
eGistics, Inc.