

Media Q&A on Corel Snapfire and Snapfire Plus September 5, 2006

1. What is Snapfire? How is it different than Snapfire Plus?

As a free download, Corel Snapfire provides all the tools users need to easily organize, enhance and share their digital photos and video clips. Easier to use and learn than comparable products, Corel Snapfire is the first free photo software to make a wide range of popular photo and video sharing and organizing capabilities readily accessible to users of all levels.

Users can easily upgrade to Snapfire Plus, an enhanced version of Snapfire, as their experience and confidence with digital photo and video sharing and editing grows. Corel Snapfire Plus offers all the popular organization and sharing options of Snapfire, as well as more advanced, yet easy-to-use photo- and video-editing features, including the popular Makeover Tools and Picture Tubes™ currently found only in Corel® Paint Shop® Pro. In addition, Corel Snapfire Plus provides more options for creating unique slide shows, including easy video editing and full control over motion effects and transitions, additional project templates, and the PhotoSafe™ Backup System.

In addition, users can add new functionality to Snapfire Plus by upgrading to additional new product features and services as they need them. This provides customers with unprecedented levels of control and flexibility in customizing their software experience. The first modular component will add functionality into the Snapfire Plus product to allow users to author Snapfire slideshows to a DVD and play them back in a television DVD player. This module will be available in Q4 2006.

2. What sets Snapfire and Snapfire Plus apart from other photo sharing products?

In addition to being more robust and easier-to-use than any products at their respective price points, Snapfire's modular nature makes it the only digital imaging product that grows with its user. Now, consumers will have the choice to add the features and functionality they want, when they want them.

Corel's diverse partner base will be able to easily integrate into Snapfire, creating a digital imaging ecosystem for editing, creating, sharing and securing digital projects like never before.

3. It seems like there will be a lot of functionality in the Snapfire. Are you afraid of giving away too much for free?

No. Our goal is to get late adopters – millions of people who are not technology-savvy – comfortable with digital imaging through the simple free product and then let them easily evolve to the advanced functionality found in Snapfire Plus and the additional modules. The ease and simplicity of the Snapfire download will appeal to non-technical users. As they grow more comfortable with Snapfire, they will want to add more advanced features such as creative project templates and video editing. A compelling free download will undoubtedly attract millions of new users to Corel. Once these users preview the advanced functionality available – such as video, special effects, makeover tools and more elaborate slide shows – Corel is confident that these users will wish to upgrade.

4. Why would Webshots want to be part of a broader digital imaging ecosystem? Why do Webshots users need Snapfire?

Webshots is a key partner for Corel. Through Snapfire, Webshots will be able to communicate with their users more directly as well as dramatically increase their visibility to new customers. Through its partnership with Corel Snapfire, Webshots will be promoted on 50 million Dell systems per year and through more than 10 million downloads of Snapfire.

Webshots and Snapfire are complementary solutions – Webshots provides a rich online sharing experience while Snapfire offers the added power, speed and functionality of a desktop solution. Working together, we will offer a much richer experience than users get with either option alone.

With Snapfire as a foundation, Webshots will create a complete digital imaging ecosystem for their customers – a single trusted environment that handles all of their digital imaging requirements. Through this ecosystem, Webshots users will be able to process photo prints and photo gifts as well as customize and share their photos and videos through Webshots' active photo sharing community for free. In addition, Webshots users will be able to edit and manage their photos on their PCs and then upload their images onto Webshots. Most people prefer editing photos and turning them into creative projects, such as calendars and slide shows, on their PCs. The new Webshots environment will provide users with the best of the PC and the Web.

5. How will your channel and retail partners react to Snapfire?

A retail version of Snapfire Plus will be released on September 5th and our major retailers have expressed great excitement about this. Many of Corel's customers feel more comfortable buying through the retail channel and we wanted to accommodate them. In addition, Corel is working with our partners to provide ways for them to distribute Snapfire in special customized builds.

6. What types of modules and components will be part of Snapfire? What are the specific applications and components?

Modules can add new features as well as new Web-based services to Snapfire. The first module will be a new DVD authoring component. That will be available by the fourth quarter of 2006. There will be additional modules announced throughout the next 18 months but we cannot comment on them at this time.

7. How is Snapfire different from Corel Photo Album 6?

Corel Photo Album 6 helps you organize photos and create stunning photo projects on your PC. Like Photo Album, Snapfire handles image enhancement and organization but takes it to a whole new level. As a modular digital imaging platform, Snapfire combines the speed, power and security of the desktop with the rapid enhancement cycle and connectivity of web-based applications.

Once users install Snapfire Plus, they will be able to add new functionality by upgrading additional components as they need them, such as advanced photo and video editing. This will provide customers with unprecedented levels of flexibility and control in customizing their digital imaging and photo management software. With Snapfire as the foundation, Corel's partners can create a centralized hub that incorporates a variety of digital imaging software and popular online services for their customers. Through these digital imaging ecosystems, customers will be able to manage, store, print and share all of their digital photos and video clips from a single trusted source.

8. Will you discontinue Photo Album 6? What are your future plans for Photo Album?

No. Corel will not discontinue Corel Photo Album 6 as it is one of our most popular products. Several of the company's large OEM partners continue to bundle Photo Album and it is sold through our direct partners as well. Corel is also working to make Photo Album Vista compliant when that operating system is available.

9. Can I use Corel Photo Album 6 and Snapfire on the same PC? Can you import settings for files from Photo Album? Can Snapfire spot the database file and use or import it? If you have Photo Album, used the backup and then changed it to

Snapfire, will it know the items that have been backed up or that still need to be backed up?

Snapfire uses a new database technology and does not share its database with Photo Album. Because Photo Album stores extra information like captions and keywords/tags inside each file, they will be picked up by Snapfire when it scans the drive, so that information will not be lost. We do not, however, transfer information on PhotoSafe backups so users will start by doing a full backup in Snapfire. We feel that these will not be serious shortcomings for most of our users.