

PRESS RELEASE – January 14, 2008:

NorthCap Partners Invests in Online Publisher Zmags

Copenhagen, Denmark

NorthCap Partners invests \$ 2.3 million in online publication specialist Zmags. Zmags' SaaS (Software as a Service) offering enables on the fly online publication of catalogues, magazines and other publications. Static publications thereby become dynamic and user-friendly digital editions that can be enhanced with Rich Media and e-commerce integration. Zmags' solutions enable companies to track and analyze reader behaviour as well as to significantly reduce media cost. The solutions support online sales as well as traditional retail and B2B operations.

Zmags was founded in 2005 and today has 700 customers including Microsoft, Ikea, Discovery Channel, GM, 3M and Pfizer. The company is headquartered in Copenhagen, Denmark with sales offices in London, UK and Ottawa, Canada. It has 34 employees.

“NorthCap Partners have extensive experience in internationalizing IT companies, and we look forward to leveraging this to our joint benefit. Our business model has proven itself on all of our main markets and with funding we will be able to grow even more aggressively on these markets. At the same time we get the ability to strengthen our products in order to offer our customers even more value in the expansion of their on-line businesses.”, says Jens Karstoft, CEO of Zmags.

“At NorthCap we are very impressed with the Zmags team and what they have achieved to date. Our investment in Zmags reflects our investment strategy of investing in companies with impressive growth and strong management. Zmags is a 100% customer and sales driven company and has in a very short period of time shown impressive growth due to a focused and aggressive sales strategy. The market for digital media is growing rapidly driven by factors such as increasing e-commerce and efficient distribution structures of online publications. Zmags has in a very short time frame shown the ability to become a market leader in the area on-line publishing”, says Jesper Scharling Sørensen, Partner in NorthCap Partners.

About Zmags

Zmags is a Copenhagen, Denmark headquartered online publication specialist that was founded in 2005. The company has sales offices in London, UK and in Ottawa, Canada and has grown organically to 34 employees. Zmags publication solutions are offered as SaaS and hosted by internationally recognised hosting partners at 15 data centres ensuring optimal performance experience. Web-site: www.zmags.com

About NorthCap Partners

NorthCap Partners is a leading venture capital manager headquartered in Copenhagen, Denmark and part of the BankInvest Group, which is the largest venture investor in Scandinavia. Web-site: www.northcappartners.com

For additional information please contact:

Jesper Scharling Sørensen, Partner, NorthCap Partners, e-mail: jss@northcappartners.com, mobile: +45 2972 9166

Jens Karstoft, CEO, Zmags, e-mail: jens@zmags.com, mobile: +45 6060 8485