



Global Communications

**Investor Presentation
(Based upon Fourth Quarter 2008 Results)
February 19, 2009**

Safe Harbor for Forward-Looking Statements

Certain statements in this presentation constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, particularly those contained in the slide “2009 Assumptions/Guidance.” These forward-looking statements are based on management’s current expectations or beliefs as of February 19, 2009 and are subject to numerous assumptions, risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements. Readers should carefully review the risk factors described in this presentation. Such statements address the following subjects:

- Future operating results
- Global economic conditions
- Subscriber growth, retention and usage levels
- Fax and voice service growth
- New products, services and features
- Corporate spending
- Liquidity
- Network capacity, coverage and security
- Regulatory developments
- Taxes

All information in this presentation speaks as of February 19, 2009 and any distribution of this presentation after that date is not intended and will not be construed as updating or confirming such information.

Risk Factors

The following factors, among others, could cause our business, prospects, financial condition, operating results and cash flows to be materially adversely affected:

- Inability to sustain growth in our customer base, revenue or profitability, particularly in light of the uncertain U.S. or worldwide economy and the related impact on customer acquisitions, cancelations and credit card payment declines
- Competition in price, quality, features and geographic coverage
- Higher than expected tax rates or exposure to additional tax liability
- Inability to obtain telephone numbers in sufficient quantities on acceptable terms in desired locations
- Enactment of burdensome telecommunications or Internet regulations including increased taxes or fees
- Reduced use of fax services due to increased use of email, scanning or widespread adoption of digital signatures
- Inadequate intellectual property protection or violations of third party intellectual property rights
- System failures or breach of system or network security and resulting harm to our reputation
- Inability to adapt to technological change, or third party development of new technologies superior to ours
- Loss of services of executive officers and other key employees
- Inability to maintain existing or enter into new supplier and marketing relationships on acceptable terms
- Other factors set forth in our Annual Report on Form 10-K filed on 02/25/2008 and the other reports filed by us from time to time with the Securities and Exchange Commission

Messaging/Communications as a Service

 Fax	 Voice	 Email	
			electricm@il
			
			

All brand names and logos are trademarks of j2 Global Communications, Inc. or its affiliates in the U.S. and/or internationally.

Core j2 Global Assets

11.6+ M Subscribed Telephone Numbers (DIDs)

1.2+ M Paid DIDs

Global Advanced Messaging Network

- ◆ 3,100+ cities in 46 countries on 6 continents
- ◆ 19.8M+ unique DIDs worldwide in inventory

Intellectual Property

- ◆ 57 issued patents and licensing programs designed to monetize the portfolio
- ◆ Protection of brands and marks
- ◆ Programs designed to effectively collect evidence to prosecute junk faxers

Expertise

- ◆ Effective customer acquisition strategies and Web marketing
- ◆ Breadth, depth and management of a complex network & architecture
- ◆ Successful acquisition and integration of 21 businesses in 7 countries

Strong Financial Position

- ◆ 13 consecutive years of Revenue growth
- ◆ 7 consecutive years of positive and growing Operating Earnings
- ◆ \$88M of Free Cash Flow (FY 2008)
- ◆ \$162M of cash & investments to fund growth/ Nominal debt related to holdback
(as of 12/31/08)

Subscriber Acquisition

Individuals

- ◆ Targeted marketing (search, online media and radio)
- ◆ Sold through: [eFax.com](#), [eVoice.com](#), [Onebox.com](#), [PhonePeople.com](#), [Fax.com](#), [j2.com](#) and other brand Websites
- ◆ Use of proprietary Life Cycle Management
- ◆ Advertising, Up-selling, and Calling-Party-Pays revenue supports the Free base

Small to Mid-Sized Businesses (SMBs)

- ◆ Sold through: [eFax Corporate](#), [Onebox Receptionist](#) and [eVoice Receptionist Websites](#)
- ◆ Supported by Chat and Telesales groups in U.S. and Europe (in multiple languages)
- ◆ Self-service Web-based broadcast fax engine at [jblast.com](#)
- ◆ Outsourced email, spam & virus protection and archiving
- ◆ Use of proprietary Life Cycle Management (i.e. feature up-sell)

Enterprise (SMEs)/Large Enterprise/Government

- ◆ Direct sales force in U.S. and Europe
- ◆ Marketed through Web and traditional direct selling methods
- ◆ Designed for > 150 DID accounts

Paid Subscription Drivers

Eight Drivers for Paid DID Additions

- ◆ **Subscribers coming directly to the Company's Websites/Telesales**

 - Brand awareness driven by demand-generation programs and "word of mouth"

 - Search engine discovery

 - Accounts for over 40% of monthly paid DID signups

- ◆ **Free-to-Paid subscriber upgrades**

 - Life Cycle Management

- ◆ **eFax Corporate SMB sales**

 - Hybrid Website and human interaction (i.e. Telesales)

- ◆ **Direct SME/Enterprise/Government**

 - Through the outside Corporate Sales team

- ◆ **Direct domestic marketing spend for paid subscribers**

 - Targeted marketing program across various media

- ◆ **International marketing programs**

- ◆ **Cross-sell**

 - Offer additional services to existing customers

- ◆ **Acquisitions**

Financial Highlights

GAAP Results

	Q4 2008		FY 2008	
	\$	Margin	\$	Margin
GAAP Revenues	\$60.6M		\$241.5M	
Gross Profit/Margin ⁽¹⁾	\$49.4M	81.5%	\$195.3M	80.9%
Operating Profit/Margin ⁽¹⁾	\$26.2M	43.2%	\$97.9M	40.6%
GAAP EPS ⁽²⁾	\$0.45 Per Share		\$1.58 Per Share	
Free Cash Flow ⁽³⁾	\$25.4M		\$88.2M	
Cash and Investments	\$162M		\$162M	

⁽¹⁾ Includes SFAS 123(R) non-cash compensation expense.

⁽²⁾ Includes SFAS 123(R) non-cash compensation expense, net of tax benefit. Tax rates for Q4 and full year are 24.6% and 29.0% respectively.

⁽³⁾ See slide 19 for computation of free cash flow.

Accomplishments & Outlook

2008 Review

- ◆ **Fax DIDs increased to ~1,050,000**
- ◆ **Multiple pricing programs working well**
- ◆ **Expanded network to 46 countries and 3,100+ cities**
- ◆ **Acquired Mijanda brands and customer base**
- ◆ **Strong Corporate Sales 23 wins in 2008 of large customers**
- ◆ **Aggressive ROI based management of advertising campaigns**
- ◆ **Headwind on usage revenue and retention rates as economy weakened**
- ◆ **Strength of USD hurt international revenues in Q3 and Q4**

2009 Outlook

- ◆ **Leverage j2's corporate advantages**
 - Purchasers seeking established, profitable, trusted and well capitalized providers
- ◆ **Increased focus on Canada and top European countries**
- ◆ **Continuing multiple pricing programs serving multiple segments**
- ◆ **Leveraging analytics and experience to further optimize advertising spend**
- ◆ **Fax indexing/other service enhancements to be fully rolled out**
- ◆ **Continuing lighter than average usage and retention in a weak economy**
- ◆ **Continuing focus on M&A**

Voice Services

2008 Review

- ◆ **Voice DIDs grew 127% from ~80,000 to ~190,000; grew to ~10% of j2 revenue**
- ◆ **Began international marketing efforts; introduced eReceptionist brand in Europe**
- ◆ **Speech-to-text deployed in the US**
- ◆ **Increased Telesales staff and expanded CS support**
- ◆ **Continued cross-selling to Fax customer base**
- ◆ **Acquired Phone People (j2's largest voice acquisition)**

2009 Outlook

- ◆ **Extend market leadership position with organic and M&A growth**
- ◆ **Continue to refine user experience and value proposition**
- ◆ **One-click cross-sells between fax and voice customers**
- ◆ **Testing additional enhanced features**
- ◆ **Refine brand strategy to expand market size**
- ◆ **Localize to support additional European languages and markets**
- ◆ **Customer service efficiency and enhancements**

Other Businesses

Email

- ◆ **Successfully completed acquisition of Mailwise (hygiene provider)**
- ◆ **Cross-sell of Electric Mail services to Mailwise customers**
- ◆ **Integration of Mailwise nearing completion**
- ◆ **Currently evaluating additional M&A opportunities**

Patent Licensing

- ◆ **Patents out of reexamination in late 2008/early 2009**
- ◆ **Opportunity to create new licensing programs and proceed with stayed litigation**

Advertising/Broadcast Fax

- ◆ **Impact of weakening economy**
- ◆ **Expect softness to continue**
- ◆ **Only 2% of j2's revenue**

2008

- ◆ **Achieved revenues and above range EPS targets**
- ◆ **Successfully managed cost structure for all departments**
 - Revenues grew 9.4% while employee headcount was kept flat with 12/31/07
 - Increased operational efficiencies steadily throughout the year
 - Margins at an all time high in Q4
 - Improved gross margins by 1.9% from 79.6% to 81.5%
 - Improved operating margins by 5.9% from 37.3% to 43.2%
- ◆ **Effective deployment of cash through acquisitions and stock buyback**
- ◆ **Acquired 4 companies across multiple services**

2009

- ◆ **Continue to enhance and expand on 2008 operational excellence**
- ◆ **Active pipeline of M&A opportunities – leverage j2’s acquisition and integration expertise**
- ◆ **Continue to leverage j2’s talent pool**
- ◆ **Effective advertising programs with increased ROI focus**
- ◆ **Prudent management of capital expenditures**

2009 Outlook

2009 Assumptions/Guidance

Economy

- ◆ 2009 worse than 2008; 4 Quarters of GDP contraction; global recession; increasing unemployment; bottom not yet reached
- ◆ Stronger USD relative to GBP and Euro

Operational View

- ◆ Continuing focus on optimizing margins and free cash flow
- ◆ Decrease in usage revenue and retention rates
- ◆ Shifting Mix to lower MARPU DIDs (Corporate, Voice and secondary Fax brands)
- ◆ Increased Investment in IP
- ◆ M&A/higher yielding investments for our cash

Other Items

- ◆ Lower Other Income due to falling interest rates
- ◆ Modestly higher share count/higher SFAS 123(R) expense
- ◆ Tax rate assumed to be ~ 30.5%

Modest Increase in Revenues and Non-GAAP EPS

Supplemental Information

Revenues

		2007					2008					
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	
Fixed Subscriber Revenues	----- (in Thousands) -----	\$37,757	\$39,643	\$41,362	\$43,336	\$162,098	\$44,260	\$46,593	\$47,481	\$48,125	\$186,459	
Variable Subscriber Revenues		12,536	12,970	12,667	12,057	50,231	12,956	12,943	12,985	11,497	50,382	
Subscriber Revenues		\$50,293	\$52,613	\$54,029	\$55,393	212,329	\$57,216	\$59,536	\$60,466	\$59,622	236,841	
Other Revenues		3,848	1,367	1,717	1,437	8,368	1,433	1,140	1,086	1,014	4,673	
Total Revenues		\$54,141	\$53,980	\$55,746	\$56,830	220,697	\$58,649	\$60,676	\$61,552	\$60,636	241,513	
DID - Based Revenues		\$48,684	\$50,929	\$52,204	\$53,473	\$205,290	\$55,301	\$57,551	\$58,440	\$57,691	\$228,983	
Non-DID Based Revenues		5,457	3,051	3,542	3,357	15,407	3,348	3,125	3,112	2,944	12,529	
Total Revenues		\$54,141	\$53,980	\$55,746	\$56,830	220,697	\$58,649	\$60,676	\$61,552	\$60,636	241,512	
Subscriber Revenues/Total Revenues			92.9%	97.5%	96.9%	97.5%	96.2%	97.6%	98.1%	98.2%	98.3%	98.1%
DID - Based/Total Revenues			89.9%	94.3%	93.6%	94.1%	93.0%	94.3%	94.8%	94.9%	95.1%	94.8%
% Fixed Subscriber Revenues		75.1%	75.3%	76.6%	78.2%	76.3%	77.4%	78.3%	78.5%	80.7%	78.7%	
% Variable Subscriber Revenues		24.9%	24.7%	23.4%	21.8%	23.7%	22.6%	21.7%	21.5%	19.3%	21.3%	

DIDs
Financials

Paid DIDs⁽¹⁾⁽²⁾		930,273	972,599	1,017,985	1,063,698	1,098,650	1,162,872	1,198,950	1,236,079	
Average Monthly Revenue/DID		\$17.16	\$17.26	\$16.80	\$16.44	\$16.30	\$16.29	\$15.87	\$15.05	
Cancel Rate⁽³⁾		3.0%	2.8%	3.0%	2.7%	2.8%	2.9%	3.0%	3.1%	
Free DIDs		10,355,815	10,671,519	10,706,503	10,874,104	10,098,143	10,233,875	10,357,506	10,362,771	
Average Monthly Revenue/DID		\$0.05	\$0.05	\$0.06	\$0.07	\$0.08	\$0.07	\$0.07	\$0.06	
Total DID Inventory (MM)		16.9	17.0	17.1	17.2	17.4	17.5	17.3	19.8	
Cities Covered		2,884	2,933	2,950	3,024	3,084	3,126	3,137	3,135	
Countries Covered		40	42	42	42	44	45	46	46	
Cash & Investment	(millions)	\$210.3	\$233.1	\$239.8	\$229.8	\$181.3	\$149.9	\$151.8	\$161.9	
Free Cash Flow⁽⁴⁾	(millions)	\$26.1	\$20.6	\$15.7	\$21.4	\$26.9	\$23.0	\$12.8	\$25.4	\$88.2

(1) Paid DIDs reflect a reserve for the net impact of price increase, database upgrades and database clean up.

(2) DIDs also reflect reserves taken in conjunction with asset acquisitions for anticipated product migration and/or price increase.

(3) Cancel Rate is defined as individual customer DIDs with greater than 4 months of continuous service (continuous service includes customer DIDs which are administratively cancelled and reactivated within the same calendar month), and DIDs related to enterprise customers beginning with their first day of service. Cancel rate is calculated monthly and expressed here as an average over the three months of the quarter.

(4) Free Cash Flow is net cash provided by operating activities, less purchases of property and equipment. See slide 19 for computation of free cash flow.

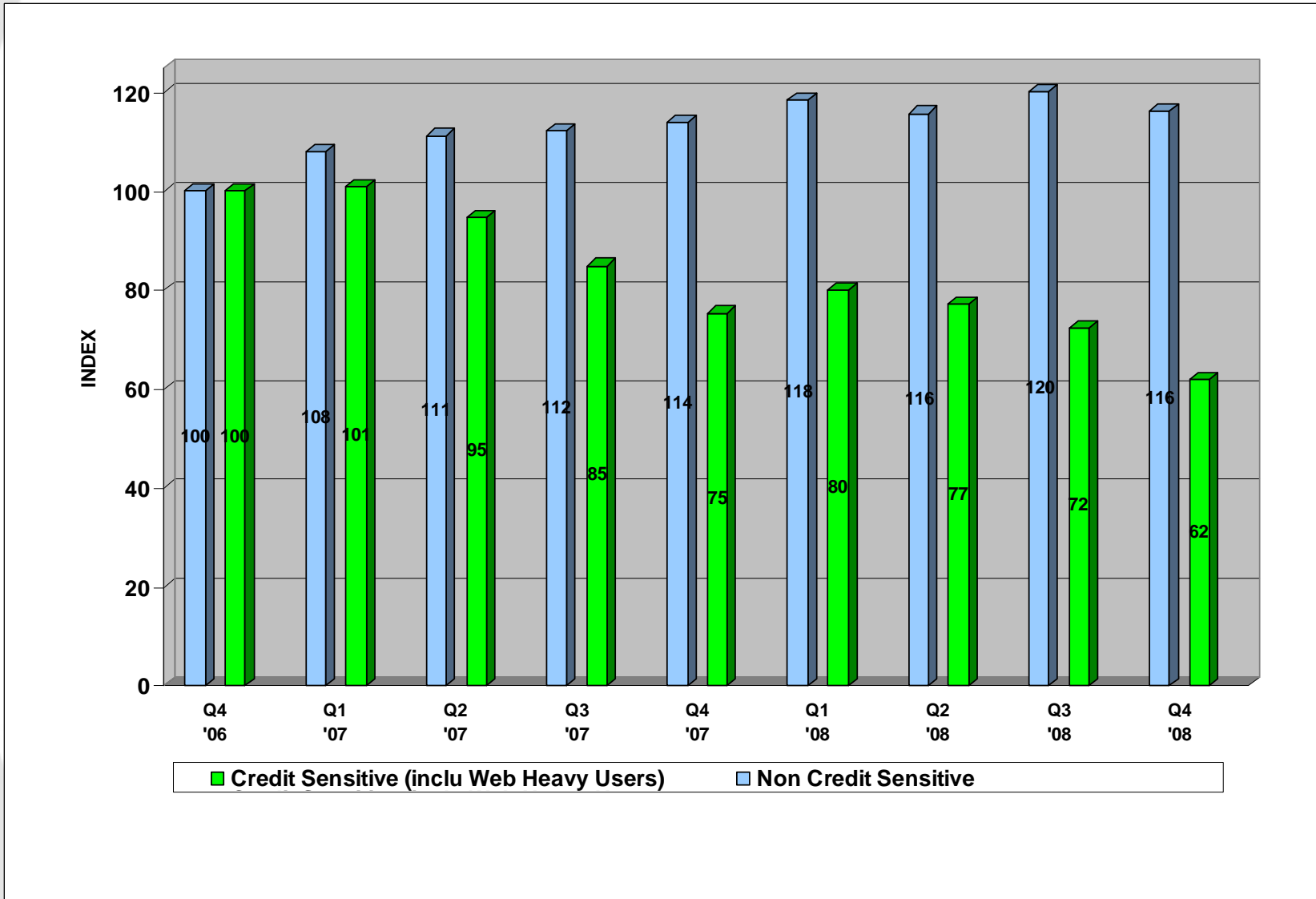
Computation of Free Cash Flow

(\$ in millions)

	Q1 '07	Q2 '07	Q3 '07	Q4 '07	Q1 '08	Q2 '08	Q3 '08	Q4 '08
Net cash from operating activities	\$26.659	\$23.113	\$18.656	\$25.779	\$27.411	\$23.840	\$13.738	\$25.727
Purch. of property & equipment	(0.529)	(2.506)	(2.940)	(4.340)	(0.469)	(0.796)	(0.937)	(0.305)
Free Cash Flow ⁽¹⁾	\$26.130	\$20.607	\$15.716	\$21.439	\$26.942	\$23.044	\$12.801	\$25.422

⁽¹⁾ Net cash provided by operating activities, less purchases of property & equipment. Free Cash Flow amounts are not meant as a substitute for GAAP, but are solely for informational purposes.

Usage of Corporate and Web High Volume Users





Global Communications