



ZAGG Outlines Current Growth Initiatives and Gives Updates to Recent Quarterly Earnings Call

SALT LAKE CITY, Aug 17, 2009 (BUSINESS WIRE) -- ZAGG Inc. (OTCBB: ZAGG), a leading producer of mobile electronics accessories including the popular invisibleSHIELD(TM) and ZAGGaudio(TM) brands, outlines its current growth initiatives and conference call updates. On the company's second quarter conference call on August 13, 2009, the company announced several new growth initiatives which are summarized below.

Wholesale Channel Expansion

- ZAGG continues a strong, growing partnership with Best Buy Co. Inc. (NYSE: BBY), and announced expanding assortment, installation service, and dedicated wall space in over 1,000 locations. Best Buy will be providing dedicated wall space branded for the invisibleSHIELD to accommodate the increasing demand for additional invisibleSHIELD designs. Currently, over 35 designs are available in stores nationwide for mobile phones, MP3 players, and GPS devices.
- ZAGG management is working diligently with Best Buy EU and the Carphone Warehouse (LSE: CPW) group, Europe's largest retailer of mobile phones, to increase the invisibleSHIELD availability across Europe.
- ZAGG is now shipping to 300 Media Markt (FWB: MEO) stores in Germany. Media Markt is Europe's largest retailer of consumer electronics.
- ZAGG recently finished a two-month promotion with Target (NYSE: TGT), which started the week of May 31st. The program successfully demonstrated the invisibleSHIELD can effectively draw a new demographic.

ZAGG Japan

- Recently appointed ZAGG Board member Shu Ueyama, founding member of the Sony Walkman team, will be running ZAGG Japan. The recently created joint venture, ZAGG Japan Inc., will officially open its doors in Q4 2009 in the second largest market for handheld electronics in the world.
- ZAGG Japan distribution efforts will be focused at major national retail chains as well as mobile carrier retail locations.
- Partnership discussions have already been initiated with major home electronics manufacturers in Japan and could have significant impact as soon as 2010.

New Products

- ZAGGskins(TM): Due to the high demand from customers and retailers ZAGG has developed ZAGGskins, a customizable invisibleSHIELD that allows users to personalize their electronics. ZAGGskins has been tested and perfected over the past several months, and will launch in Q4 2009 to provide both protection and self-expression for customers.
- Zrock(TM): The second generation of the popular RocStick(TM), ZAGG's new Zrock introduces superior sound, design and functionality. Not only will Zrock produce great sound from any iPod or iPhone product it will act as a speakerphone for the iPhone while charging it - the perfect desktop station for your iPhone.
- Zsparq(TM): Finally a solution for all of the power hungry gadgets we all love. A combination charger and portable power supply. The ultimate travel companion that will allow for 4 full charges of an iPhone from a single charge to the Zsparq.
- ZAGGbox(TM): A new product, called the ZAGGbox, was announced as a future "game changer," and is scheduled for limited availability 4Q 2009. This will be ZAGG's first high end consumer electronics hardware product.

NASDAQ Listing

- ZAGG recently submitted application to be listed on the NASDAQ Capital Market, and anticipates listing by the end of September.

The following updates are listed below.

ZAGG Foundation

- We listened. Although very little money would have been dispersed internally by ZAGG and after further reflection and based upon our stakeholders' responses after the ZAGG second quarter conference call, we have decided to immediately TERMINATE the ZAGG Foundation. Any philanthropy from ZAGG will emanate only from its executives and employees directly and personally and will not be sponsored by the public company. We apologize for any confusion and uncertainty caused during the conference call and believe this clarifies the Company's position going forward.

GUIDANCE

- ZAGG has increased the financial guidance for 2009 to \$38 million in revenue and EPS of \$0.22.

"The future couldn't be any brighter for ZAGG as we unlock new distribution verticals and align ourselves with respected partners to sell ZAGG products all over the world. ZAGG will continue to innovate and offer exciting solutions for all who are Zealous About Great Gadgets," said Robert G. Pedersen II, President and CEO of ZAGG.

For more information about ZAGG, please visit the [investor relations page](#) on ZAGG.com.

About ZAGG Inc.:

ZAGG Inc. designs, manufactures, and distributes protective clear coverings and accessories for consumer electronic and hand-held devices, worldwide under the brand names invisibleSHIELD(TM) and ZAGGaudio(TM). ZAGG has also introduced beta testing of AppSpace.com, an online destination for the fast-growing mobile app market, combined with the networking power of social media. The invisibleSHIELD is a protective, high-tech patented film covering, designed for iPods, laptops, cell phones, digital cameras, PDAs, watch faces, GPS systems, gaming devices, and other items. The patent-pending invisibleSHIELD application of clear protective film covering a device is the first scratch protection solution of its kind on the market, and has sold millions of units. Currently, ZAGG offers over 3,000 precision pre-cut designs with a lifetime replacement warranty through online channels, big box retailers like Best Buy, resellers, college bookstores, Mac stores and mall kiosks. The company continues to increase its product lines to offer additional electronic accessories and services to its tech-savvy customer base. For more product or investor information please visit the company's web site at www.ZAGG.com.

Safe Harbor Statement:

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, plans, results, or strategies and are generally preceded by words such as "may", "future", "plan" or "planned", "will" or "should", "expected", "anticipates", "draft", "eventually" or "projected". You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors, and other risks identified in filings made by the company with the Securities and Exchange Commission.

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