

WRAPMAIL, INC.

WRAP's New Offerings Are Game-Changers

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WRAPMAIL, INC. (OTC:PK – WRAP - \$0.0271)

Price Target: \$0.60

Rating: Speculative Buy

COMPANY SNAPSHOT

WRAPmail, Inc. is a pioneer in the email branding and marketing solutions arena. The Company's proprietary cloud-based technology platform enables users to transform their emails into branding and marketing tools. WRAPmail's solutions offer a rich email letterhead solution that includes graphics, text, and animation that promote brand awareness, showcase or market a website, products, and services. The innovative approach, which appears to have no direct competition, has garnered thousands of users, and is based on a one-to-one email communication rather than mass email campaigns.

KEY STATISTICS

Price as of 1/18/13	\$0.0271
52 Wk High – Low	\$0.175 – 0.0121
Est. Shares Outstanding	177.4M
Market Capitalization	\$4.8M
3 Mo Avg Vol	166,000
Exchange	OTC:PK

COMPANY INFORMATION

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445 NE 12th Avenue
Fort Lauderdale FL 33301
415.938.7978

www.WRAPmail.com
info@WRAPmail.com

INVESTMENT HIGHLIGHTS

WRAPmail, Inc. is transforming our traditional, blank slate emails into branding and marketing tools, thereby increasing brand awareness and sales. The innovative platform is tailored to enterprises, small businesses and individuals.

WRAP has announced a slew of new offerings over the past few weeks that leverage some of the Internet's largest one-to-one communication players and platforms that should serve as a major driver of new users and revenue this year.

The new initiatives include an automated solution that creates interactive email letterheads, or "WRAPS" for users of LinkedIn (NASDAQ – LNKD) and Facebook (NASDAQ – FB). Plus, WRAP now offers a sought-after affinity solution for sports teams and celebrities.

WRAP's toolbar is now compatible with GoDaddy Webmail, along with Gmail, Microsoft LIVE/Hotmail, Yahoo! email, AOL (NYSE – AOL) and others.

WRAPmail boasts over 6,500 clients, including Microsoft (NASDAQ – MSFT), Re/Max and HSBC, generates revenue from license fees and its own advertising network. Users can also earn fees as an affiliate, which we believe is a potentially lucrative aspect of the service. These new offerings could substantially increase ad network revenue this year.

With a low-cost operating structure and very scalable model, profitability could occur quickly, as the number of WRAP users grows over the next 12-18 months. We continue to rate these shares Speculative Buy.

WRAPMAIL, INC. (OTC:PK WRAP)

COMPANY OVERVIEW

Founded in Florida in 2005, WRAPmail combines its proprietary technology with custom marketing content and provides a next generation marketing e-mail platform for organizations and individuals. The Company provides a "rich" e-mail letterhead solution to organizations and individuals allowing e-mail correspondence to be written on letterhead as opposed to a blank sheet of paper, which is today's current practice. The Company refers to a "rich" e-mail message as one that includes one or more of the following: graphics, pictures, text, audio, video, animation and links. WRAPmail has developed a platform of rich e-mail software features based on industry standards packaged as an integrated, turnkey server-centric product that resides in the cloud. **WRAPmail's focus is the one-on-one email** although email-campaigns may also be accommodated.

The genesis behind the innovative WRAPmail platform is to leverage the ubiquitous yet untapped power of a user's current email and the insatiable desire for traffic to one's corporate and/or social network site. If used properly, emails, which are sent daily on a person-to-person basis, or to a very small group, can become complete and/or complementary marketing tools that promote, brand, sell and cross-sell products and services, and drive traffic to the designated website.

Thus, WRAPmail offers the most cost-effective marketing solution on the market by simply turning every regular one-on-one email into a marketing tool.

THE LATEST

WRAPmail has announced a slew of new offerings over the past few weeks that leverage some of the Internet's largest one-to-one communication players and platforms that should serve as a major driver of new users and revenue this year.

Email Letterheads for Facebook

WRAP recently released a new solution that enables users to create a free WRAP (email stationery) with their Facebook account. After sign-up, WRAPmail's software automatically this a WRAP from the user's Facebook profile featuring their image, name and other information pulled from Facebook using their API. The WRAP is created in seconds and then sent to the user with instructions on how to start using WRAPmail.

Now, Facebook's one billion+ users have the ability to automatically create interactive email stationery/letterhead that they then can use with all their regular emails. The Company will soon release an automated feature where these email letterheads (WRAPS) will automatically update themselves as users update their Facebook profile with new images and/or information.

WRAPMAIL, INC. (OTC:PK WRAP)



facebook
Arun S. Nair
Works at Krea Solutions Pvt Ltd
Studied at Karpagam College of Engineering
Lives in Trivandrum, India

Friends
Likes
Photos

Hi:

Thank you for signing up for free WRAPmail with your Facebook account. This is the WRAP our system produced based upon your Facebook profile. To start using this WRAP you either download one of our toolbars or you make a change to your email client. All instructions are found here: www.wrapmail.com/setup.html

You can create as many new personal or business WRAPS as you desire by logging in to the Dashboard with the username and password you chose when you signed up. We will soon release the next version where your Facebook WRAP will automatically update when you update your Facebook page. Look also for us to release the same solution for LinkedIn shortly.

You will notice some 3rd party ads, they are there so that we can keep the lights on, we will share 10% of the revenue from those ads with our users. You also have the option to upgrade to WRAPmail PRO+ and the ads go away (\$50/year) in the Accounting tab in the Dashboard.

Feel free to spread this WRAP on Facebook and beyond, you can use our Contact Grabber found here: <http://pro.wrapmail.com/ContactGrabber/stescodescontactsgripper.aspx?popup=yes> and thanks again for becoming a WRAPPER!

WRAPmail is a publicly traded company – symbol **WRAP**.

celularfactory
WHOLESALE

bebe
SHOP NOW

FASHION FOR EVERYDAY, STYLE JUST FOR YOU
BRYANT
All the music you want. Just 10 bucks a month.
Try it Free
Rhapsody

AUTO PARTS WAREHOUSE
CLICK HERE

eHealthInsurance
In Seconds...
Free Quotes

Become a WRAPPER - Click here to WRAP for FREE!


Image I. Sample Facebook WRAP
(Source: WRAPmail, Inc.)

Email Letterheads for LinkedIn

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As with the Facebook tool, LinkedIn's 200 million members can create WRAPS by using one of the Company's toolbars available for Google Chrome, Firefox, Apple Safari and Internet Explorer for Gmail, Yahoo, AOL, GoDaddy and Microsoft Hotmail/Live/Outlook/365.

WRAPMAIL, INC. (OTC:PK WRAP)



Linkedin
Rolv Heggenhougen
Chairman and CEO WrapMail, Inc.
Miami/Fort Lauderdale Area | Computer Software

Groups:

- Residential Real Estate Investment
- DIGITAL MARKETING
- g social
- EMAIL MARKETING GURUS
- P-IG
- South Florida Business Professionals
- Office

Hi:








Thank you for signing up for free WRAPmail with your LinkedIn account. This is the WRAP our system produced based upon your LinkedIn profile. To start using this WRAP you either download one of our toolbars or you make a change to your email client. All instructions are found here: www.wrapmail.com/setup.html

You can create as many new personal or business WRAPS as you desire by logging in to the Dashboard with the username and password you chose when you signed up.

You will notice some 3rd party ads, they are there so that we can keep the lights on, we will share 10% of the revenue from those ads with our users. You also have the option to upgrade to WRAPmail PRO+ and the ads go away (\$50/year) in the Accounting tab in the Dashboard.

Feel free to spread this WRAP on LinkedIn and beyond, you can use our Contact Grabber found here: <http://pro.wrapmail.com/ContactGrabber/stescodescontactsgrabber.aspx?popup=yes> and thanks again for becoming a WRAPPER!

WRAPmail is a publicly traded company – symbol **WRAP**.

Powered by WRAPmail. Click here to get your own free email letterhead based on your LinkedIn account

Image II. Sample LinkedIn WRAP
(Source: WRAPmail, Inc.)

New Affinity Solution

WRAPmail recently completed the development of an exciting affinity solution for new and existing WRAP users. Fans of sports teams and celebrities and artists can purchase a licensed WRAP (interactive email template) to use with their regular emails to show their affinity to their team or favorite celebrities or artists. WRAPmail already has an agreement with a European soccer team that will be the first to offer its affinity solution to its fans. Management expects to execute agreements with some of the most popular sports teams and celebrities as part of this effort.

These WRAPS will feature the team and/or favorite players, the celebrity and also ticket sales and merchandise sales, effectively turning fans into marketers. The WRAPS will also be able to be customized by the user with their own image, text and link, contingent upon the approval of the sports team or celebrity.

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TURNING WRAPS INTO DOLLARS

The primary WRAPmail revenue model is based upon Advertising Revenue through its Ad Network where users can advertise in other user's emails (predominantly in the free user's emails.) The size of WRAPmail's addressable market is enormous. The Radicati Group estimates that by 2013 there will be nearly 1.9 billion email users sending over 500 billion emails---per day. With hundreds of billions of email messages estimated to be sent daily by the end of 2013, if the Company were to only capture 0.05% of all emails in which a revenue share opportunity was generated through a click-through, the Company could generate tens of millions in revenue, with high operating profitability.

The importance of the new offerings takes the model to another level.

The Numbers:

WRAPmail charges advertisers a minimum of \$0.005 per impression and \$0.25 per click. There are a minimum of 7 ads in each email sent from free users so when we have successfully signed on advertisers each email generates a minimum of 3.5 cents revenue for WRAPmail. For example:

- 10k free users sending 10 emails each/day = \$3,500/day revenue to WRAPmail
- 100k free users sending 10 emails each/day = \$35,000/day revenue to WRAPmail
- 1M free users sending 10 emails each/day = \$350,000/day revenue to WRAPmail

In our view, achieving the 1 million user level is very achievable via Facebook and LinkedIn alone, as it represents just less than 1% of the combined 1.2 billion members of the 2 companies. Having compatibility with GoDaddy could be a wild card for the Company as GoDaddy's 10.7 million customers have over 54 million domains under management.

The affinity solution, while out of the box, may emerge as the biggest driver as new agreements are executed in the near term. Fans (which is short for fanatic) of sports teams and celebrities tend to purchase anything and everything that promotes their team or favorite stars as well as promoting upcoming paid events.

WRAPmail will sell these WRAPS for say \$10-20 per wrap and will share in the revenue generated from its sale and the sale of other products with the team or celebrity/artist. Not only could this product generate significant potential revenue for both parties but also be able to drive new revenue for the teams and celebrities. Thus, every email sent by a user will help promote anything sold by the team or celebrity with potentially millions of emails sent daily by fans.

The reach is huge as many celebrities have tens of millions of Facebook fans alone. As a result, even if the adoption rate is 1%, that could generate millions of impressions daily leading to substantial product sales potential.



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CONCLUSION

We continue to believe that WRAPmail's unique and innovative email branding platform could represent the next phase of broad-based website and organizational branding and marketing. Moreover, as the Company gains critical mass, it is likely that the service is used as an "always-on" marketing tool in conjunction with regular and mass marketing campaigns. With hundreds of billions of email messages estimated to be sent daily by the end of 2013, if the Company were to only capture 0.05% of all emails in which a revenue share opportunity was generated through a click-through, the Company could generate tens of millions in revenue, with high operating profitability.

As WRAP gains critical mass of users and revenue through its new initiatives, it could be considered as an M&A candidate by external email client providers, or other players in the email marketing arena. Thus, our price target of \$0.60 reflects the future value of WRAP's revenue and users. We rate the low-float (46M shares) WRAP Speculative Buy.

WRAPMAIL, INC. (OTC:PK WRAP)

Recent Trading History For WRAP

(Source: Stockta.com)





WRAPMAIL, INC. (OTC:PK WRAP)

Analyst: Robert Goldman

Rob Goldman has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

Analyst Certification

I, Robert Goldman, hereby certify that the view expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report.

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