

## Zix Corporation CEO Provides Corporate Update

**ZixCorp once again exceeds quarterly cash guidance and remains on track to achieve positive cash flow**

**DALLAS — July 10, 2007 —** Zix Corporation (ZixCorp®), (Nasdaq: ZIXI), the leader in email encryption and e-prescribing services, today offered a corporate update by its chief executive officer, Rick Spurr.

“ZixCorp continues to perform ahead of plan in 2007, specifically with respect to our net cash consumption,” said Spurr. “I am very pleased that we were able to maintain the strong results this quarter that we delivered in Q1. Our second quarter ending cash balance of \$12.1 million was well ahead of our guidance range of \$11.3 to \$11.5 million. The cash burn for the first half of this year of \$700,000, compared with an \$11.5 million burn for the first half of last year, is due to significant increases in cash receipts from both the Email Encryption and e-Prescribing businesses coupled with the tremendous operational improvements we have made over the past year. Even with fourth quarter’s seasonal decrease in Email Encryption cash collections and annual expenditures typically made in Q4, we remain on track to burn less than \$4.8 million for all of this year and to achieve positive cash flow as we enter 2008 on the way to profitability.”

“We had a good quarter in each of our core businesses – Email Encryption and e-Prescribing,” continued Spurr. “Preliminary company-wide revenue estimates are that we will meet or exceed our guidance range of \$5.0 to \$5.3 million. In our Email Encryption business, we had a strong quarter for new order bookings with estimated new first-year orders of \$1.4 million and estimated total orders of \$6.9 million, which is by far a record for this business and more than 25 percent higher than any previous quarter. We saw continued demand for our service model in both healthcare and financial services, and high customer satisfaction as evidenced by strong renewals.”

Regarding the Company’s e-prescribing business, Spurr said, “We had a solid quarter in our PocketScript business as well. We had increased deployments of 557 for the quarter, the quarterly e-script count continued to grow with 1.84 million e-scripts in Q2, and our customers continue to see significant value from our service and remain highly satisfied. To that point, we had two customers, Independence Blue Cross and Aetna, sign up in Q2 to pay for renewals of their active prescribers, which, along with previous contracts and other expressions of intent to do the same, means that six out of our seven programs have decided to renew the subscription license for their active prescribers. We continue to see a high level of interest in the market and expect to announce new pilots in the second half of the year.”

## **ZixCorp to Announce Second Quarter 2007 Results on August 7**

The Company's second quarter 2007 operating results will be released after close of the U.S. financial markets on August 7, 2007. The company will hold a conference call to discuss this information on August 7 at 5:00 p.m. ET.

A live Webcast of the conference call will be available on the investor relations portion of ZixCorp's Web site at <http://investor.zixcorp.com>. Alternatively, participants can listen to the conference call by dialing 617-597-5380 or toll-free 866-510-0712 and entering access code 60467146. An audio replay of the conference will be available until August 14, by dialing 617-801-6888 or toll-free 888-286-8010, and entering the access code 64920829, and after that date via Webcast on the Company's Web site.

### **About Zix Corporation**

ZixCorp is the leading provider of easy-to-use-and-deploy email encryption and e-prescribing services that Connect entities with their customers and partners to Protect and Deliver sensitive information in the healthcare, finance, insurance and government industries. ZixCorp's hosted Email Encryption Service provides an easy and cost-effective way to ensure customer privacy and regulatory compliance for corporate email. Its PocketScript® e-prescribing service reduces costs and improves patient care by automating the prescription process between payors, doctors, and pharmacies. For more information, visit [www.zixcorp.com](http://www.zixcorp.com).

### **Safe Harbor Statement for ZixCorp**

The following is a "Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995. The forward-looking statements contained in this release are not guarantees of future performance and involve risks and uncertainties. Actual results may differ materially from those projected in the forward-looking statements. These risks and uncertainties include, but are not limited to, the following: the company's continued operating losses and utilization of cash resources; the company's ability to achieve broad market acceptance for the company's products and services, including the company's ability to enter into new sponsorship agreements for the e-prescribing services offered by its PocketScript, Inc. subsidiary and the company's ability to achieve market acceptance of its Email Encryption business in markets other than the healthcare market; the company's ability to maintain existing and generate other revenue opportunities, including fees for scripts written, from its PocketScript e-Prescription business; the company's ability to establish and maintain strategic relationships to gain customers and grow revenues, particularly in its Email Encryption business; the expected increase in competition in the company's Email Encryption and e-Prescription businesses; and the company's ability to successfully and timely introduce new Email Encryption and e-Prescription products and services or related products and services and implement technological changes. Further details on such risks and uncertainties may be found in the company's public filings with the SEC.

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