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For Immediate Release

Adobe and iUniverse.com Expand Relationship with Plans to Develop eBook and Digital Publishing Solutions for iUniverse.com

Companies Drive Emerging Customized Publishing Market with Integrated Solution Based on Adobe® PDF Merchant™ Software—Adobe's Secure eBook Technology

Seybold, San Francisco (August 28, 2000) (Nasdaq:ADBE)—Adobe Systems Incorporated, the leader in digital publishing for Web, print and dynamic media, and iUniverse.com, a leading digital content service provider, today announced plans to develop a digital publishing solution targeted at expanding the emerging eBook and customized publishing markets.

iUniverse.com intends to leverage Adobe applications to offer end-users and companies a faster, more cost effective way to publish, manage and distribute their intellectual content. From first-time authors and small publishers to large companies seeking a resource to manage their corporate publishing needs, this collaboration will result in a service that streamline the processes currently required to produce and distribute the broad range of digital content that can be delivered as eBooks.

“With Adobe as a leading provider of software tools for publishing professionals and iUniverse.com as a leading provider of digital publishing infrastructure, we can have a major influence in shaping the future of intellectual content management,” said Richard Tam, chief executive officer, iUniverse.com. “Adobe PDF is a leading electronic delivery format and the company’s publishing products are an industry standard. This is a powerful initiative with far-reaching implications.”

In addition to PDF Merchant, iUniverse.com will use Adobe’s award-winning publishing products, Adobe® Acrobat® and Adobe Portable Document Format (PDF), Adobe FrameMaker® and Adobe InDesign™ to develop a flexible publishing and distribution infrastructure for this publishing service. Using an Extensible Markup Language (XML)-based solution, Adobe and iUniverse.com will automatically flow content created with Adobe’s tools into iUniverse.com’s proprietary Format Neutral Repository. The collaboration will also leverage the use of Adobe’s Portable Document Format (PDF) for electronic book distribution.

“iUniverse.com is taking an incredibly innovative approach both in creating a completely new business model within

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the traditional publishing industry and building a flexible technology infrastructure behind their publishing services,” said Mike Looney, senior director of eBooks, Adobe Systems, Inc. “It’s exactly this kind of entrepreneurial spirit that Adobe seeks in partners to further develop the emerging ebooks market.”

This press release contains forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially. Factors that might cause or contribute to such differences include, but are not limited to: lack of market acceptance of new products and upgrades; delays in shipment of the Company’s new products and major new versions of existing products; introduction of new products by major competitors; ongoing weakness in the Company’s printing business due to product transitions; industry transitions to new distribution, business and information delivery models; adverse economic conditions in any of the major countries in which the Company does business, and Year 2000 issues. For further discussion of the risks and uncertainties, readers should refer to the Company’s SEC filings including the 1999 annual report on Form 10-K and the quarterly reports on Form 10-Q filed by the Company in 1999 and 2000.

About iUniverse.com

iUniverse.com is the leading digital content service provider for authors, publishers, businesses, and anyone else who wants to get the most from their content. The company’s vision is to be the architect for creating new value out of a client’s content universe—regardless of the current condition of their content.

For businesses, iUniverse.com provides the technology infrastructure to help companies extract new value from their existing content. The company has a wide range of partnerships including IDG Books Worldwide and PricewaterhouseCoopers.

For consumers, iUniverse.com helps writers get published quickly and inexpensively. Company partnerships include premier organizations such as Authors Guild, Ingram Book Group, Writer’s Digest, Barnes & Noble (NYSE: BKS), and the American Society of Journalists and Authors. iUniverse.com has operations in Silicon Valley, California; Lincoln, Nebraska; New York, New York; Rochester, New York; and Shanghai, China. The company employs over 300 people worldwide.

About Adobe Systems Incorporated

Founded in 1982, Adobe Systems Incorporated (www.adobe.com) builds award-winning software solutions for Web and print publishing. Its graphic design, imaging, dynamic media, and authoring tools enable customers to create, publish and deliver visually rich content for various types of media. Headquartered in San Jose, California, Adobe is the third largest PC software company in the U.S., with annual revenues exceeding \$1 billion.

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