



News Release

iMergent Increases Guidance for Fiscal 2007

Reflects Continued Strong Demand for StoresOnline Pro and Benefits

OREM, Utah--(BUSINESS WIRE)--March 27, 2007--iMergent, Inc. (AMEX:IIG), a leading provider of eCommerce software and services for small businesses and entrepreneurs, announced it has increased guidance with respect to Net Dollar Volume of Contracts Written (NDVCW) for its fiscal year ending June 30, 2007.

The company defines NDVCW as the gross dollar amount of contracts executed during the period less estimates for bad debts, discounts incurred on sales of trade receivables, and estimates for customer returns. Although NDVCW is not a U.S. generally accepted accounting principle (GAAP) metric, the company believes NDVCW is a consistent and relevant metric to understand the operations of the company. Management now expects NDVCW to grow approximately 45 percent to 50 percent over fiscal 2006 NDVCW of \$99.8 million. Management previously expected NDVCW growth to be 40 percent over the prior year's NDVCW.

Don Danks, chairman and chief executive officer, stated, "Since reporting our fiscal second quarter results in early February, we have experienced better than expected demand for our StoresOnline(TM) Pro software. Finally, the launch of our ninth sales team is helping us to capture more of the rising demand in the eCommerce marketplace and is driving further growth in our NDVCW."

Safe Harbor Statement

The statements made in this press release regarding (i) iMergent's ability to continue to grow its business throughout the remainder of fiscal 2007 and beyond, (ii) iMergent's expectation that net dollar volume of contracts written (NDVCW) will grow 45 to 50 percent in fiscal 2007 over fiscal 2006 NDVCW, (iii) iMergent's ability to fully leverage its infrastructure and capture rising demand in the eCommerce marketplace, (iv) continued traction of the new as well as other sales teams, and other statements that are not historical in nature constitute forward-looking statements within the meaning of the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Such statements are based on the current expectations and beliefs of the management of iMergent and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Such risks and uncertainties include, without limitation, the Company's ability to increase the NDVCW; the Company properly estimating customer returns and cash collections on financed contracts; the Company's ability to continue to evaluate and find ancillary products; that the market for the Company's products will continue to grow; fluctuations in the Company's operating results because of negative publicity, seasonality, competition and other factors; adverse international or domestic regulatory developments affecting the internet or the Company's business; the effect of competitive and economic factors and the Company's reaction to them; costs of and developments in the Company's pending litigation and SEC investigation; the Company's ability to generate revenue and profits from current strategic partnerships; the Company's ability to generate positive cash flows from operating activities; and whether there is continual demand for the Company's products and services in its target market of small businesses and entrepreneurs for assistance in establishing websites. For a more detailed discussion of risk factors that may affect iMergent's operations, please refer to the Company's Form 10-K for the year ended June 30, 2006 and the Company's Forms 10-Q for the periods ended September 30, 2006 and December 31, 2006. These forward-looking statements speak only as of the date on which such statements are made, and the Company undertakes no obligation to update such forward-looking statements, except as required by law.

About iMergent

iMergent provides eCommerce solutions to entrepreneurs and small businesses enabling them to market and sell their business products or ideas via the Internet. Headquartered in Orem, Utah, the Company sells its proprietary StoresOnline Pro software and training services, helping users build a successful Internet

strategy to market products, accept online orders, analyze marketing performance, and manage pricing and customers. In addition to software, iMergent offers site development, web hosting, marketing and mentoring products. iMergent typically reaches its target audience through a concentrated direct marketing effort to fill Preview Sessions, in which a StoresOnline expert reviews the product opportunities and costs. These sessions lead to a follow-up Workshop Conference, where product and technology experts train potential users on the software and encourage them to make purchases. iMergent, Inc. and StoresOnline are trademarks of iMergent, Inc.

Net Dollar Volume of Contracts Written

Until the change in our business model in late December 2005, the Company recognized product and other revenues ratably over a period of five years and not at the time contracts were written in accordance with US GAAP. Effective December 2005, the Company began recognizing product and other revenues after the expiration of the three-day cancellation period for contracts written for which cash payments were received. For products purchased by customers under extended payment term arrangements, the Company continues to defer and recognize revenue as cash payments are received from customers, typically over two years.

Because of the changes in the Company's revenue recognition policies resulting from the change in business model noted above and due to the Company's growth, management believes that the net dollar volume of contracts written (NDVCW) is a consistent and relevant metric to understand the operations of the Company. NDVCW represents the gross dollar amount of contracts executed during the period less estimates for bad debts, discounts incurred on sales of trade receivables (financial discounts), and estimates for customer returns. Management uses this non-GAAP metric to evaluate the Company's operations because NDVCW is the primary factor that influences cost of revenue and selling and marketing expenses, which are typically recognized at the time the contract is written but no later than the expiration of the customer's three-day cancellation period. Consequently, management measures the Company's operating performance and sets its future operating budgets based upon the NDVCW during the period.

NDVCW is not equivalent to revenue recognized in accordance with US GAAP. This non-GAAP metric represents cash contracts written plus estimates of future cash collections on financed contracts, net of estimated customer returns. In contrast, revenue recognized in accordance with US GAAP represents cash contracts written net of estimated customer returns plus actual cash collections on financed contracts. Actual collections on financed contracts and customer returns may differ materially from original estimates. However, the Company has several years of experience with the financing arrangements and products and services offered to its customers. Consequently, management believes it has a reasonable basis for its estimates.

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