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NEWS ANNOUNCEMENT
For Immediate Release

CHARACTELL ENHANCES FORMSTORM ENTERPRISE - VERSION 2.2 OFFERS NUMEROUS ENHANCEMENTS

New York, NY – June 30, 2004 - CharacTell™, a leading provider of advanced and innovative optical character recognition products, today announced the availability of FormStorm Enterprise version 2.2. FormStorm™ Enterprise is a robust, easy to use, form processing application system product that is ideally suited for both departmental and enterprise form processing applications.

New in version 2.2 are the following features and functions:

- Double key entry for highly accurate Key From Image (KFI) data entry operation.

- A Supervisor's station has been added to resolve difficult data entry questions.

- Full support of Uniform Naming Convention (UNC) paths.

- Support of color and grayscale scanning and processing

- Flexible data output structure for easier support of custom application integration

- Expanded dictionary support on a field-by-field basis.

- Automated of field filling for increased efficiency and the convenience of data entry operators.

- More flexible image input in support of unattended, fully automated, form processing operation.

- Simplified and even more intuitive form setup utility, including tables and multiple OMR zones.

Pricing and Availability

FormStorm Enterprise version 2.2 is available immediately. The basic system price is $4,450, and includes all system functionality. Additional scanning, processing, and data verification stations (beyond the one of each that are included in the base system package) that are priced at: $1,125, $2,925, and $1,125, respectively, can be added without limitation. SemiForm may be added to FormStorm Enterprise systems configured to process machine printed documents, and is priced at $2,450 per processing station. There is no total volume, or throughput restriction regardless of system configuration.

Free, fully functional, 30-day, evaluation software may be downloaded from the CharacTell website at: http://www.charactell.com/FormStormDownload.html.

Company Information

CharacTell Ltd was founded in 1998 with the express mission of developing the world's most accurate recognition engines. The company has developed Advanced Character Recognition (ACR) as the strategic technology platform on which it bases its progressive product line. ACR-based products from CharacTell are in extensive use in demanding data entry applications and systems worldwide. CharacTell markets SoftWriting™, an end-user application products dedicated to the conversion of unstructured documents containing non-connected, hand-written notes to editable form, and iREAD Forms™, a flexible library of OCR, ICR, OMR and other recognition tasks, and FormStorm™ Enterprise, a powerful and easy to use system to extract OCR, ICR, OMR, and Barcoded data from forms.

For more information, contact CharacTell at (617) 965-1014 or +972-3-648-9484, or visit the CharacTell web site at www.charactell.com.

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