

## Press release

## Turnover €4.41m for 1st half-year 2010

Lyon, 20 July 2010 — Arkoon Network Security is a leading player in the end to end security solutions market, focussing on network security, communications, data and end point protection. The company is listed on the Paris NYSE Alternext stock market.

In the wake of 2009, a year marked by a sharp fall in IT investment, Arkoon Network Security recorded a slight upswing in business, albeit gradual and with little impact on the 1<sup>st</sup> half -year

- FAST 360 Network Security activity, totalling €3,05m compared with €3.30 in 2009, was on target overall. The difficulties encountered when launching the new generation of Network Processor Appliances (NPA) together with the FAST V5 version have been resolved, so sales for this activity should return to more normal levels in the coming months. In order to boost business momentum, Arkoon has taken action to increase the efficiency of its partner and retailer network, and continues to develop products that respond to market demands, both functional and economic, in line with the major technological changes occurring in the IT sector. Network Security activity represented 69% of turnover for the period.
- Security BOX data protection activity totalled €1.36m compared with €1.53m in 2009. This activity would have posted growth if certain major projects had not been postponed to the second half of the year.

Good sales performance was recorded for maintenance contracts, software updates and subscriptions to security services, representing 56% of aggregate turnover for the period. Renewal rates for this recurring income are on a firm footing, providing promising insight into clients' confidence in the quality of Arkoon's products and solutions and a positive outlook on the business models that the company will be offering its end clients and retailers by 2011.

Export business was 4% of aggregate sales for the period.

Next October, Arkoon will take part in "Les Assises de la Securité",held in Monaco, a not-to-be-missed annual meeting of the security community. On this occasion, the company will present the latest news with an innovation and new products slant:

- **FAST360 Virtual Edition Web&Mail**: a combination of physical appliances with virtual security services in a VMware environment.
- <u>Security BOX for Microsoft® SharePoint</u>: protection of data stored and shared on Microsoft servers.
- <u>StormShield Personal Edition</u>: an individual version of the Stormshield solution for protecting computers from intrusion.

### Integration of SkyRecon Systems

As a reminder, acquisition by Arkoon Network Security of SkyRecon Systems in November 2009 will broaden and complete its business line expertise with the Stormshield software application. Integration of SkyRecon (not consolidated to date) is underway and should generate technical and sales synergies.

SkyRecon Systems posted turnover of €703K for 1Q2010.

Next press release: 2010 half-yearly results, 28 September 2010 when trading closes.



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### About Arkoon Network Security

As a recognised pioneer in IT infrastructure protection, since its foundation, Arkoon (<u>www.arkoon.net</u>) has made the commitment to offer the appropriate certified solutions for the protection of sensitive data and infrastructures. Arkoon solutions are incorporated into the protection system of the client organisation, regardless of its size, thereby providing a cost-effective response to its security objectives.

Arkoon protects information, communications, infrastructures and computers with a range of complementary solutions:

- Security BOX software suite, preserving the confidentiality, integrity and authenticity of any information stored or shared within the organisation, as required, whether between PCs or a PC and a smartphone. Security BOX encryption is certified Common Criteria EAL4+.
- FAST360 appliance range, integrating native Fast Applicative Shield Technology (FAST), patented by Arkoon, to protect infrastructures and communications. FAST360 is certified Common Criteria EAL2+.
- Stormshield software application, designed and marketed by SkyRecon, a subsidiary of Arkoon specialising in behavioural security software solutions, offers comprehensive protection for the system, applications and data on any desktop or laptop computer.

Founded in 2000, its registered office situated in Lyon, Arkoon Network Security is listed on the Paris NYSE Alternext market. Its solutions are marketed all over the world through a network of certified partners and subsidiaries. A large majority of Arkoon's clients are formed of companies listed on Eurostoxx 100, public bodies and thousands of medium-sized enterprises. Arkoon solutions are rolled out in more than 60 countries.

Arkoon Network Security has OSEO "Innovative Enterprise" certification and has just been distinguished as a member of the OSEO Excellence network composed of 2,000 companies.



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