GROUP TURNOVER UP 6.3%

RECOVERY OF SKYRECON SYSTEMS CONFIRMED

Lyon, 24 January 2012. **Arkoon Network Security is a major player in IT security solutions, offering network security, data and endpoint protection. The company is listed on Alternext by Euronext Paris.**

CONTINUED GROWTH MOMENTUM

In 2011, Arkoon Network Security and its subsidiary Skyrecon Systems returned to a growth trend even though the fourth quarter was affected by the overall slowdown in the IT sector resulting from macro-economic environment that prevailed at the end of the year.

Turnover (in € 000) (excl. intra-Group transactions)	2011	2010	Change
"FAST" Network Security	6,412	6,012	+6.7%
"SECURITY BOX" Data Protection	2,636	3,264	-19.2%
Subtotal – ARKOON	*9,048*	*9,275*	*-2.4%*
SKYRECON SYSTEMS **(STORMSHIELD)**	1,794	927	+93.6%
TOTAL GROUP TURNOVER	**10,842**	**10,202**	**+6.2%**

Including intra-Group services, Arkoon Network Security's turnover totalled €9,663 thousand vs. €9,942 thousand in 2010 and that of Skyrecon Systems stood at €2,021 thousand vs. €1,271 thousand in 2010.

THE "FAST" NETWORK SECURITY BUSINESS HAS RETURNED TO GROWTH

Over the full year, the turnover of Arkoon Network Security broke down as follows:

- The growth in **"Fast" Network Security** revenue posted in the first half continued into the second, with the full-year total up 6.7% at €6,412 thousand and invoicing up a robust 24%.
This amount represented 59% of the Group's total turnover.

   Even though the market remained very competitive, sales of FAST360 appliances rose 29.9% to €2,420 thousand, vs. €1,867 thousand in the previous year. This growth reflected the success of the new generation of "Performance" appliances and the functionality offered by FAST V5.

- The **"Security Box" data protection** business posted sales of €2,636 thousand, down 19.2% from 2010. This decline came about because a specific mobility application developed for the defence sector was completed in 2010.
In this business, Arkoon Network Security formed close partnerships with its long-standing customers.

   The data protection business, which represented 24% of the Group's total turnover, is positioned in a market niche that addresses French public and private entities operating in sensitive sectors.

RECOVERY IN SKYRECON'S BUSINESS

After the major restructuring carried out in 2010, the recovery at Skyrecon Systems, already observed in the first half of 2011, picked up speed in the second half, and revenue nearly doubled to €1,794 thousand from €927 thousand in 2010.

Licence sales rose fivefold, and at the same time, generated high value-added service revenue.
Over the full year, revenue at Skyrecon Systems represented 17% of the Group's total turnover, vs. 9% in 2010.

The sharp growth in revenue at Skyrecon Systems, combined with tightly controlled costs will lead to a significant recovery in this subsidiary's earnings.

The recovery was faster than expected because the Group worked hard to reposition the StormShield software suite and refocus on government infrastructure and companies in sensitive sectors.

StormShield is a software suite for endpoint protection via behavioural analysis making use of advanced port control functions. StormShield is particularly well adapted to the latest generation of cyberattacks, which are both more complex and launched against more specific targets.

SIGNIFICANT RECOVERY IN 2011 EARNINGS

The strategy of carefulness and cost control, plus the recovery at Skyrecon Systems, should lead to a significant improvement in earnings for the entire Group.

In the first half of the year Arkoon anticipated the risk that access to credit would tighten as a result of prudential regulations. As a result Arkoon strengthened its financial position and now has the resources it needs to carry out its operations and investments.

At December 31, 2011, the Group's cash stood at more than €4 million.

MARKET FOR ARKOON NETWORK SECURITY SHARES

On 13 December 2011, Arkoon Network Security shares switched from fixing to continuous trading.

A liquidity contract in line with the AMAFI Code of Conduct and approved by the AMF on 21 March 2011 has been signed with the brokerage house Oddo Corporate Finance.

FAVOURABLE TRENDS FOR 2012

Now that the recovery at its subsidiary Skyrecon Systems is well in hand, Arkoon Network Security is becoming an increasingly significant market participant, supplying companies and other organisations operating in sensitive sectors with certified services and solutions. These solutions require a minimum of management and offer users strong protection against increasingly numerous threats.

Vectors for future growth include the Group's large portfolio of solutions for issues of Critical National Infrastructures (CNI) and its significant pipeline of innovations in each of its product lines.

The above turnover figures were audited by the Statutory Auditor and presented to the company's Supervisory Board at its 23 January 2012 meeting.

Next publication: financial year 2011 earnings, 27 March after the market close

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About ARKOON NETWORK SECURITY

As a recognised pioneer in IT infrastructure protection, Arkoon (www.arkoon.net) 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 been distinguished as a member of the OSEO Excellence network composed of 2,000 companies.

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Liquidity contract with brokerage house Oddo Corporate Finance
Web site: www.arkoon.net