

15% RISE IN FIRST-HALF TURNOVER FURTHER PROFITABLE GROWTH

Lyon, 17 July 2012 –ARKOON NETWORK SECURITY is a major player in IT security solutions, offering communications, data and endpoint protection, as well as secure SaaS and cloud computing. The company is listed on Alternext by NYSE-Euronext Paris.

ROBUST RISE IN TURNOVER (15%) AND INVOICING (25%)

Turnover (in €000)	H1 2012	H1 2011	Growth
ARKOON NETWORK SECURITY	4,816	4,602	+5%
SKYRECON SYSTEMS (FRANCE, US)	1,262	704	+79%
Total Group activities	6,078	5,306	+15%

All of ARKOON NETWORK SECURITY'S performance indicators are positive. The company has three product suites, each with a very favourable outlook. The Group's first-half turnover advanced by 15% to €6,078 thousand and invoicing was up 25% at €6,713 thousand.

- The **Network security** (turnover: €3.51 million) and **Data protection** (turnover: €1.30 million) businesses were driven by a 35% rise in sales of "**FAST360**" appliances and a 27% increase in sales of "**SecurityBox**" licenses. This trend illustrates the quality of the new product ranges and software versions. Specifically, the Performance appliances and the SecurityBox software suite were fully redesigned so as to offer a system of protection that is easier both to administer and to integrate.
- The measures implemented to put SKYRECON Systems, a subsidiary of the Group, on a strong, profitable growth trend have been rewarded with a spectacular recovery in sales. "**StormShield**", the company's suite of **endpoint protection solutions** known for its ability to protect against targeted attacks, posted growth of 85% in France and 37% in the United States. This technology is generating significant interest for applications in the US.

Recurrent revenue from maintenance contracts, software updates and subscriptions to security services represented 35% of total turnover.

Unearned revenue deriving from invoicing on these contracts and not included in first-half turnover totalled €4,184 thousand, up €635 thousand or 18% during the first half, indicated that the business is undergoing robust growth.

This performance, combined with a tight grip on operating costs, should enable ARKOON NETWORK SECURITY to post a significant increase in first-half earnings.

The financial structure as of 30 June 2012 was robust, with shareholders' equity in excess of €8 million, gross Group cash of €4,432 thousand, compared with debt of €1,910 thousand, excluding factoring accounts and conditional advances.

THE GROUP IS ON TRACK AND GENERATING PROFITABLE GROWTH

With three product suites that respond to the needs of the market, strong, profitable growth in turnover and a sound financial position, ARKOON NETWORK SECURITY is now well placed to profit from its strengths. The second half should see a continuation of the trends observed in the first half, heralding a sharp rise in full-year turnover.

The above turnover figures (exc. SKYRECON US) were audited by the Statutory Auditor and presented to the company's Supervisory Board at its 13 July 2012 meeting.

Next publication: H1 2012 earnings on 25 September 2012 after the market close



About ARKOON NETWORK SECURITY:

As a recognised pioneer in IT infrastructure protection, ARKOON (www.arkoon.net) offers certified solutions for protecting sensitive data and infrastructures.

ARKOON solutions are incorporated into the protection system of companies and public entities, regardless of their size, thereby providing a cost-effective response to their security objectives.

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

- The **SecurityBox** software suite preserves the confidentiality, integrity and authenticity of any information stored or shared within the organisation. It can be used to create secure, shared workspaces. SecurityBox encryption is certified Common Criteria EAL3+ by ANSSI, the French IT security agency.
- The **FAST360** appliance range, integrating native Fast Applicative Shield Technology (FAST), patented by ARKOON, to protect infrastructures and communications against the most complex attacks. FAST360 is also certified Common Criteria EAL3+ by ANSSI.
- **StormShield**, a software solution designed and marketed by SkyRecon, a subsidiary of ARKOON specialising in behavioural security, offers comprehensive protection for the system, its applications, data and peripherals on any desktop computer, laptop or server. StormShield distinguishes itself from other solutions via its one-of-a-kind HIPS, which can proactively block even the most advanced targeted attacks. Used in the most demanding contexts, this solution offers unparalleled security while remaining completely transparent for the user.

Founded in 2000, with its registered office 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 client base is composed of companies listed on Eurostoxx 100, public bodies and thousands of enterprises of all sizes. ARKOON solutions are deployed 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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Web site: www.arkoon.net



Contacts:

ARKOON NETWORK SECURITY

Thierry Rouquet / Chief Executive Officer – T: +33 4 72 53 01 01

Pierre-Yves Hentzen / Chief Financial Officer – T: +33 4 72 53 01 01 - contactfi@arkoon.net

Actus Lyon

Amalia Naveira / analyst/investor relations - T: +33 4 72 18 04 92 – anaveira@actus.fr

Marie-Claude Triquet – Press Relations - T: +33 4 72 18 04 93 - mctriquet@actus.fr