

2009 turnover: €9.72m

Lyon, January 26, 2010 — **ARKOON Network Security is one of the main information system security solution providers in Europe. The company is listed on the Paris NYSE-Euronext Alternext market.**

In a challenging economic environment marked by a sharp downturn in IT investments, both by medium-sized businesses and key accounts, ARKOON Network Security generated a turnover of €9.72m, compared to €12.56m last year on a like-for-like basis.

The Data Security business holds its own

Over the period, the Data Security business generated €3.23m, against €3.30m in 2008. Sales of Security Box licenses sustained a healthy drive, despite the economic context, and posted growth of €307k, or + 27%, taking the turnover to €1.44m, compared with €1.14m in 2008. For the financial year as a whole, the Data Security business thus accounted for 33% of total turnover, compared with 26% in 2008.

The Network Security business came out at €6.48m, compared to €9.26m in 2008, as it suffered the ill effects of waning sales of UTM appliances which were harder hit by the investment downturn than the other activities. These devices were also penalized by the slow start experienced by the new generation of NPA appliances and its FAST V5 version.

The activity outside France declined sharply to €376k, against €918k in 2008, taking its toll on the Group's overall level of activity.

Sound financial position

On December 31, 2009, ARKOON Network Security was bolstered by its sound financial position, enabling the company to pursue its development strategy. In this context, the Group acquired SkyRecon Systems in November; a firm which lays claim to an annual turnover of €1.35m. This increased the Group's accrued 2009 turnover (12 months) to €11.07m. The SkyRecon Systems takeover is set to enhance and expand ARKOON's professional expertise through the Stormshield software solution which is already promising to be a successful growth driver.

With the acquisition of SkyRecon Systems following the MSI takeover in 2006, ARKOON Network Security has endowed itself with the means to consolidate its position as a leading market player in end-to-end security solutions: network, communication, data and endpoint protection.

On December 31, 2009, in the wake of the SkyRecon takeover and the corresponding financial injection, ARKOON Network Security has a cash position of €4.7m, while posting indebtedness of next to zero and shareholders' equity of over €11m.

Next press release: 2009 results, March 23, 2010, after the close of trading.

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About ARKOON Network Security



A recognised pioneer in IT infrastructure protection, ARKOON - www.arkoon.net – has always striven to offer certified solutions tailored to protect sensitive information and infrastructure.

ARKOON solutions are grouped together in a protective system for its clients, regardless of their size, to meet their security objectives while minimising operational costs.

ARKOON protects information, communication, infrastructure and end point through complementary solutions:

- The **Security BOX** software suite meets companies' data confidentiality, integrity and authenticity needs. The Security BOX encoding engine is certified Common Criteria EAL4+.
- The range of **FAST360** appliances natively integrates FAST (Fast Applicative Shield Technology), patented by Arkoon, to protect infrastructure and communications. FAST360 is certified Common Criteria EAL2+.
- The **Stormshield** software suite, developed by SkyRecon, an ARKOON subsidiary. Stormshield endpoint security solutions combine risk-based policy enforcement and control with single-client, multi-layered protection for systems, applications, data, and users.

Founded in 2003, SkyRecon Systems is a visionary global provider of endpoint protection platforms. The company is a contributing member of the SecureIT Alliance, has received the prestigious Red Herring 100 Award, and has been named "Entrepreneurial Security Company of the Year" by Frost & Sullivan.

Established in 2000, with its head office in Lyon, ARKOON Network Security is listed on NYSE Alternext. Its solutions are marketed worldwide by its certified partner network and subsidiaries. The majority of ARKOON's clients are on Eurostoxx 100, include civil service departments and thousands of medium sized businesses. ARKOON solutions are deployed in more than 60 countries.

ARKOON Network Security has obtained the OSEO "Entreprise Innovante" label.

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