STONESOFT

Annual General Meeting 2012

Ilkka Hiidenheimo
Helsinki, 25.4.2012

Stonesoft Corporation

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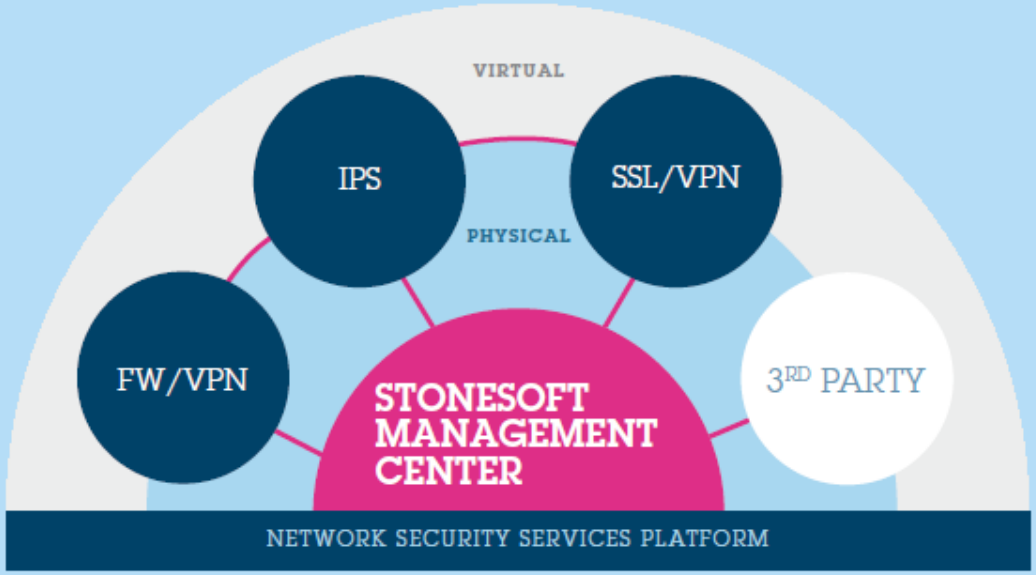
We are securing

Product Scope

Network Security Services Platform



- Antievasion ready
- Context and situation aware
- Adaptive to physical, virtual and hybrid
- Dynamic
- Easy to manage

Stay connected and secured in a dynamic world.

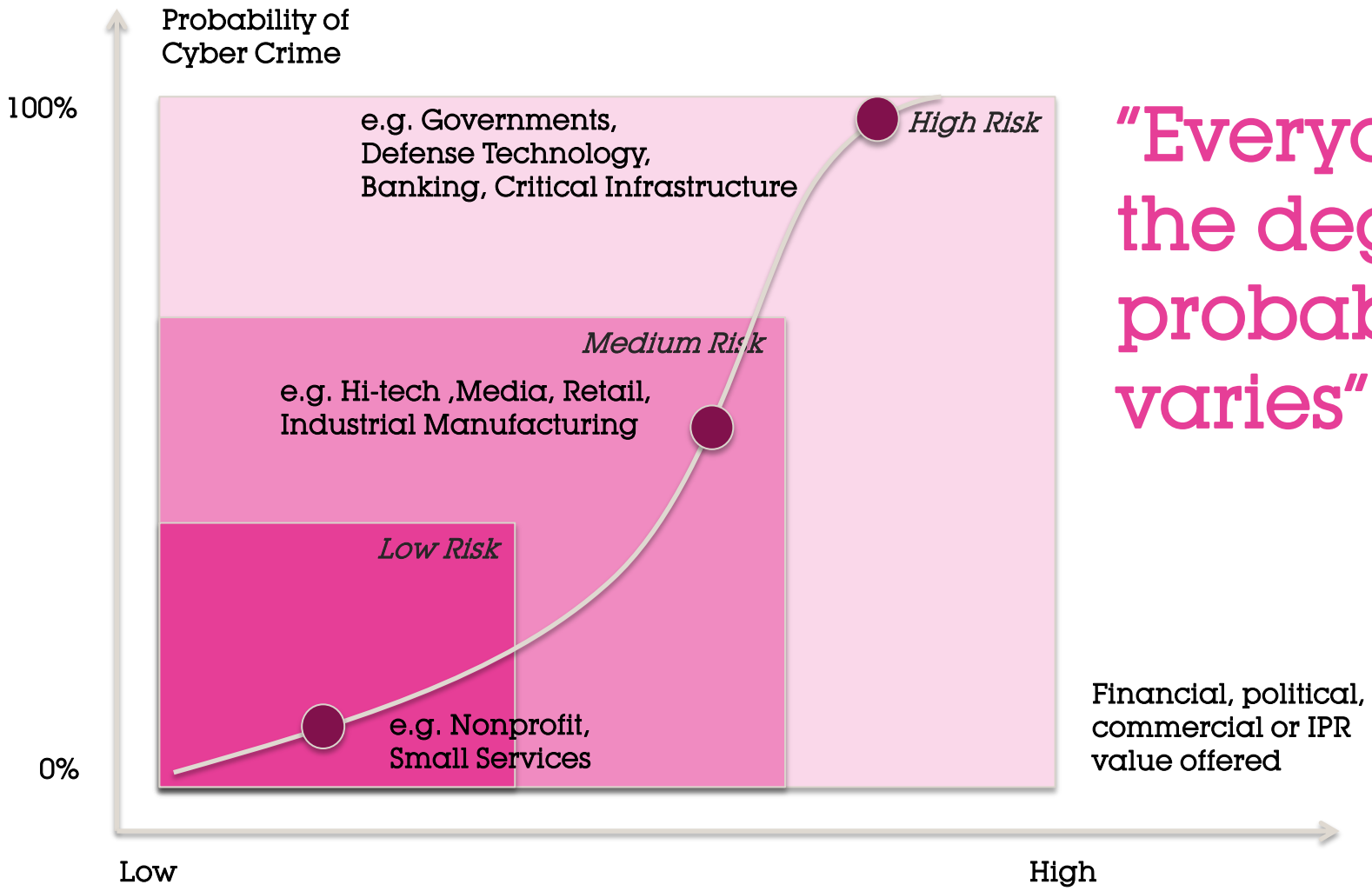
Now and in the future.

DRIVERS BEHIND

Evolving Threat Landscape

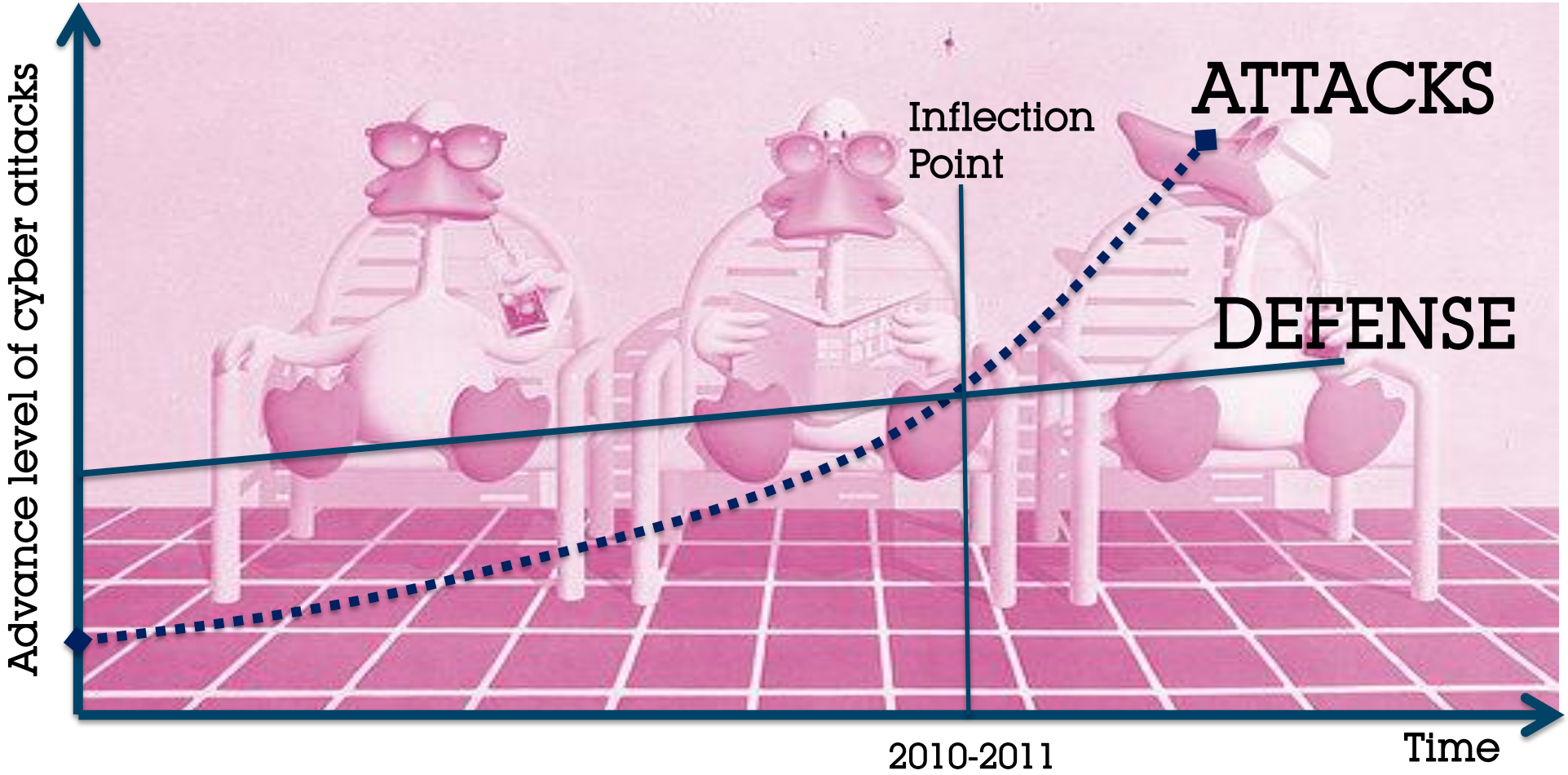
- Advanced threats and attacking methods (e.g. APTs and AETs)
- Security standards / grades evolving
- Business Risk=Cyber Risk
- More layered network security strategy

Who can become a victim?

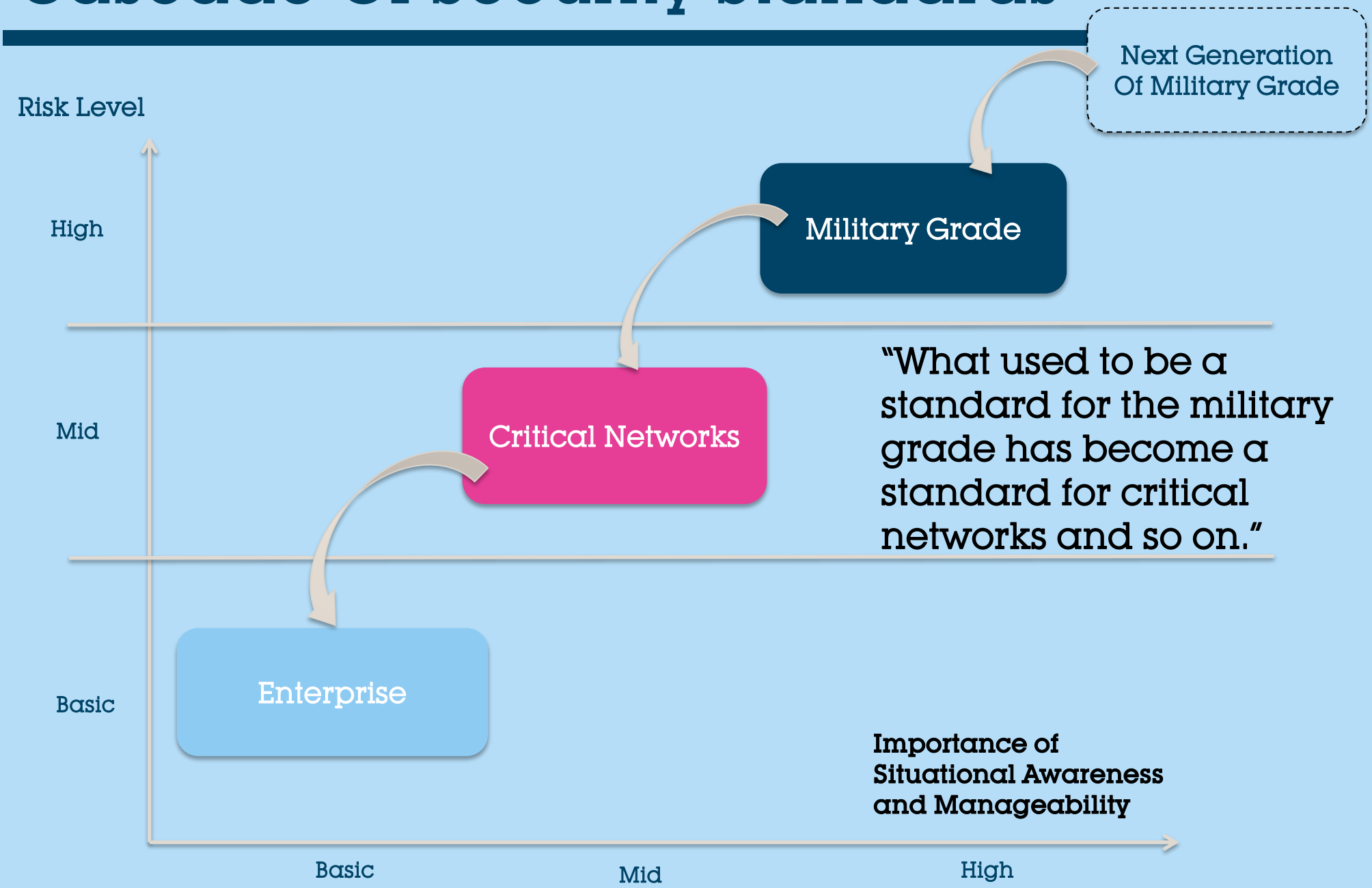


"Everyone. Only the degree of probability varies"

Sorry to say…Established Secure Brands are Sitting Ducks?



Cascade Of Security Standards



"What used to be a standard for the military grade has become a standard for critical networks and so on."

WHERE IS THE BUSINESS BEEF?

AET Impact on Stonesoft Business

- Stonesoft will be shortlisted more often when Next Generation Security is chosen
- Interest towards Stonesoft´s Antievasion technology
- Improved brand recognition and thought leader position
- New Collaboration opportunities
- Better access to Power
- Better and Easier Business for Partners

Bottom Line:

"Stonesoft threat research last year concerning evasions has increased security credibility and visibility for the company"

Gartner Quote

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January - December 2011

- Net sales EUR 30.6 millions, +26% compared to the corresponding period in 2010 (24.3).
- StoneGate sales were EUR 17.7 millions, +39% compared to the corresponding period in 2010 (12.7).
- Operating profit (EBIT) was EUR -1.1 millions (-2.7).
- The operational cash flow was EUR -0.3 million, compared to EUR -2.8 in the corresponding period in 2010.

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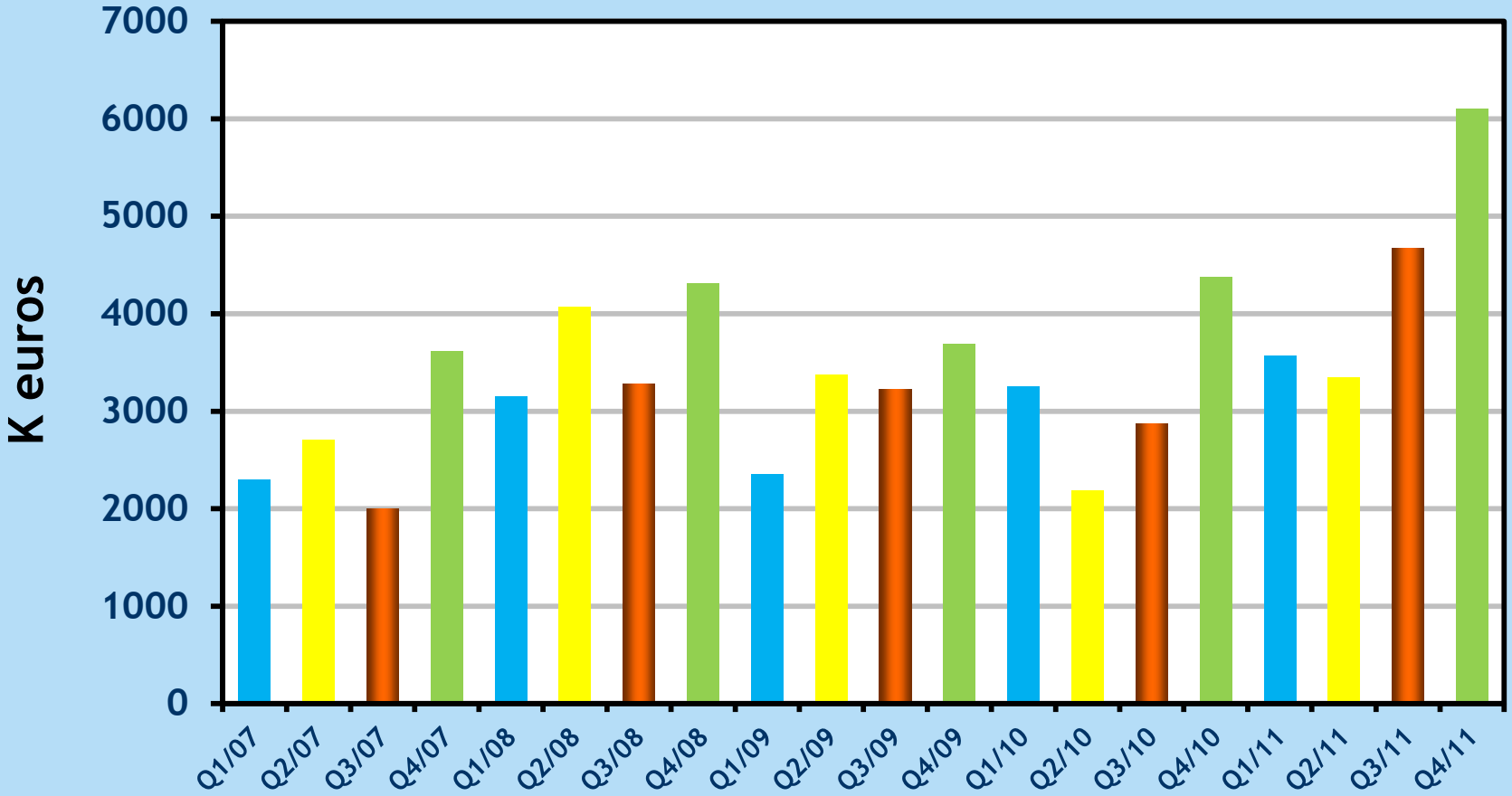
2012 Financials

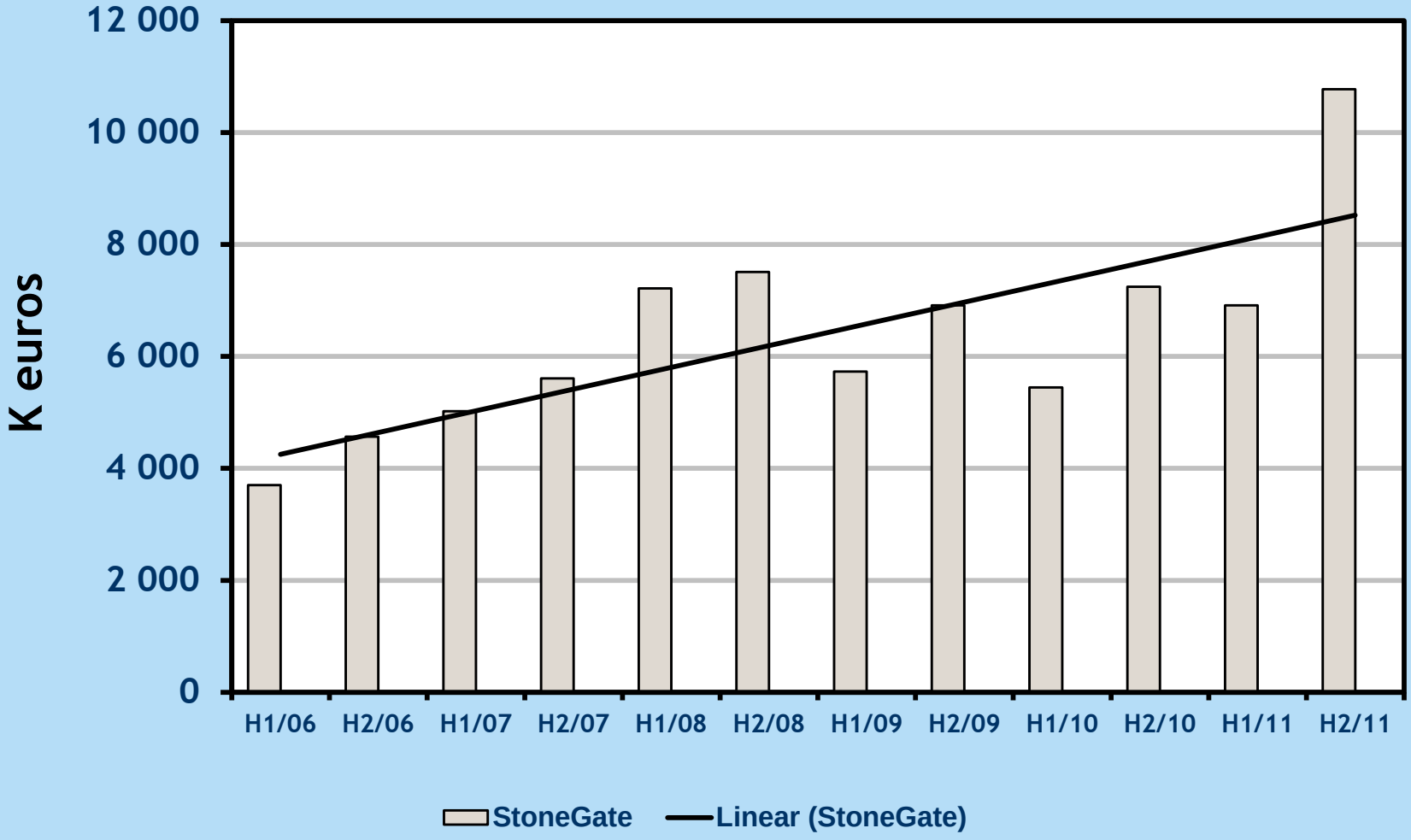
All comparative numbers exclude discontinued operations in historic data with the exception of

Liquid funds

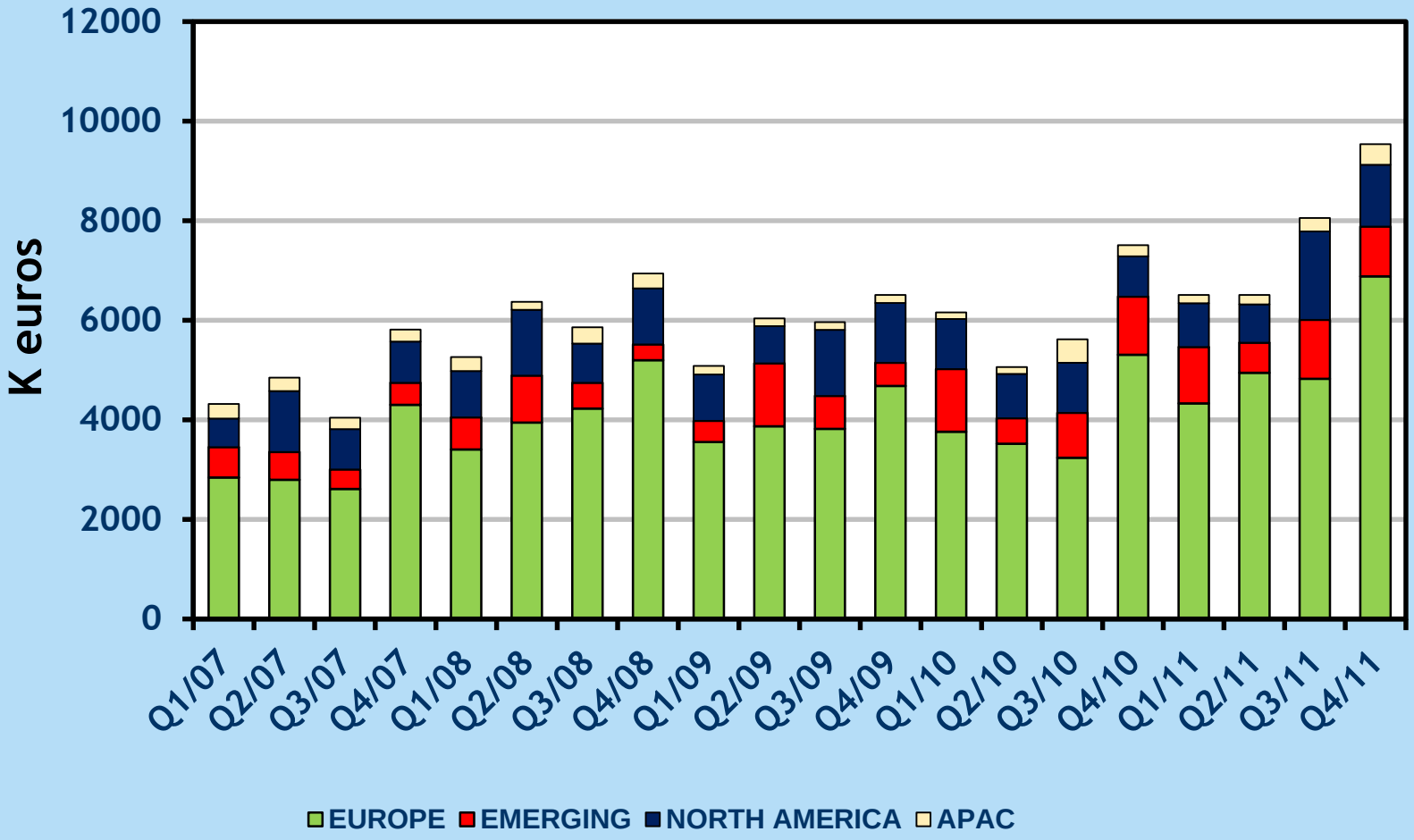
Product Sales by Quarter



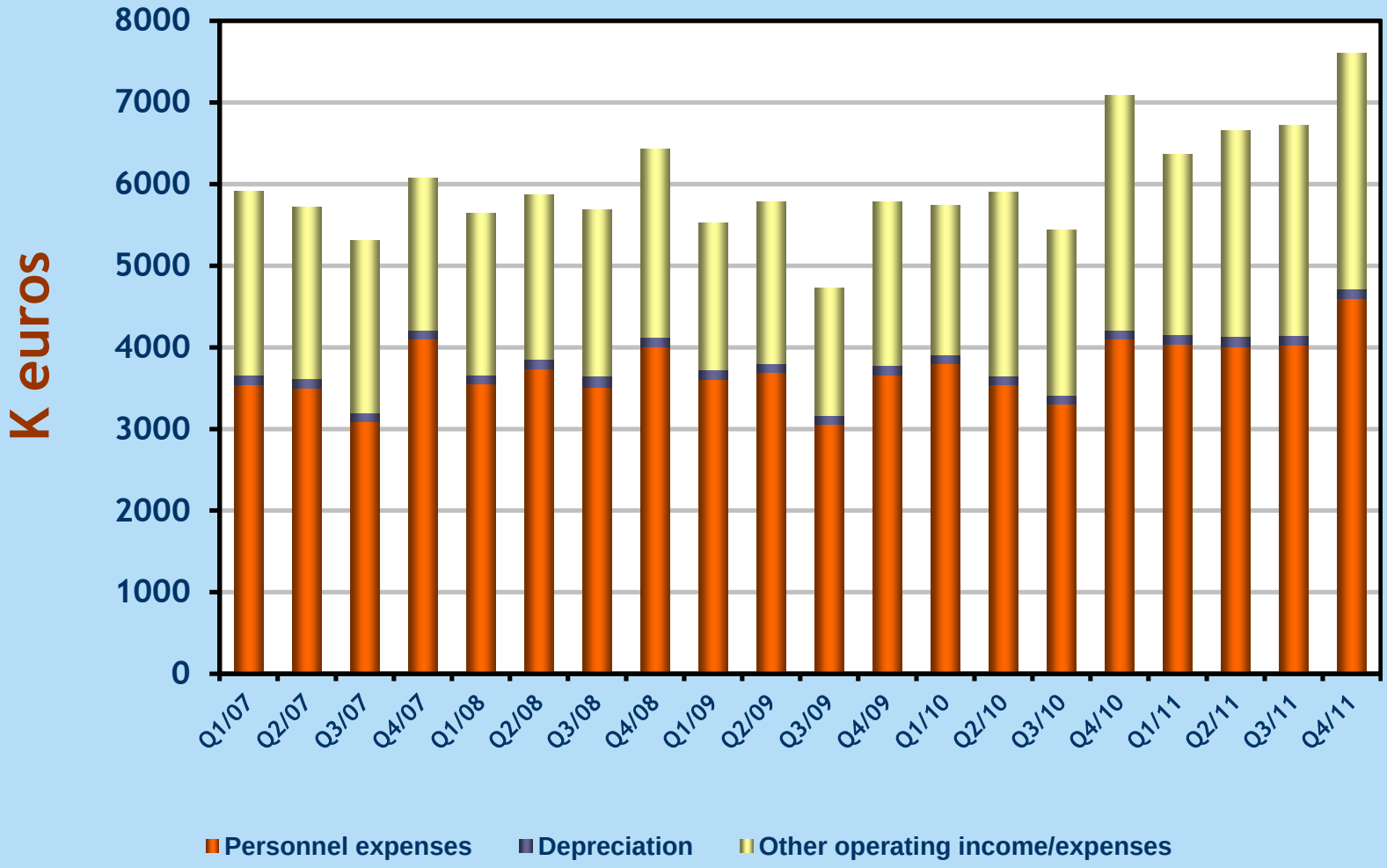
Product Sales by Half Year



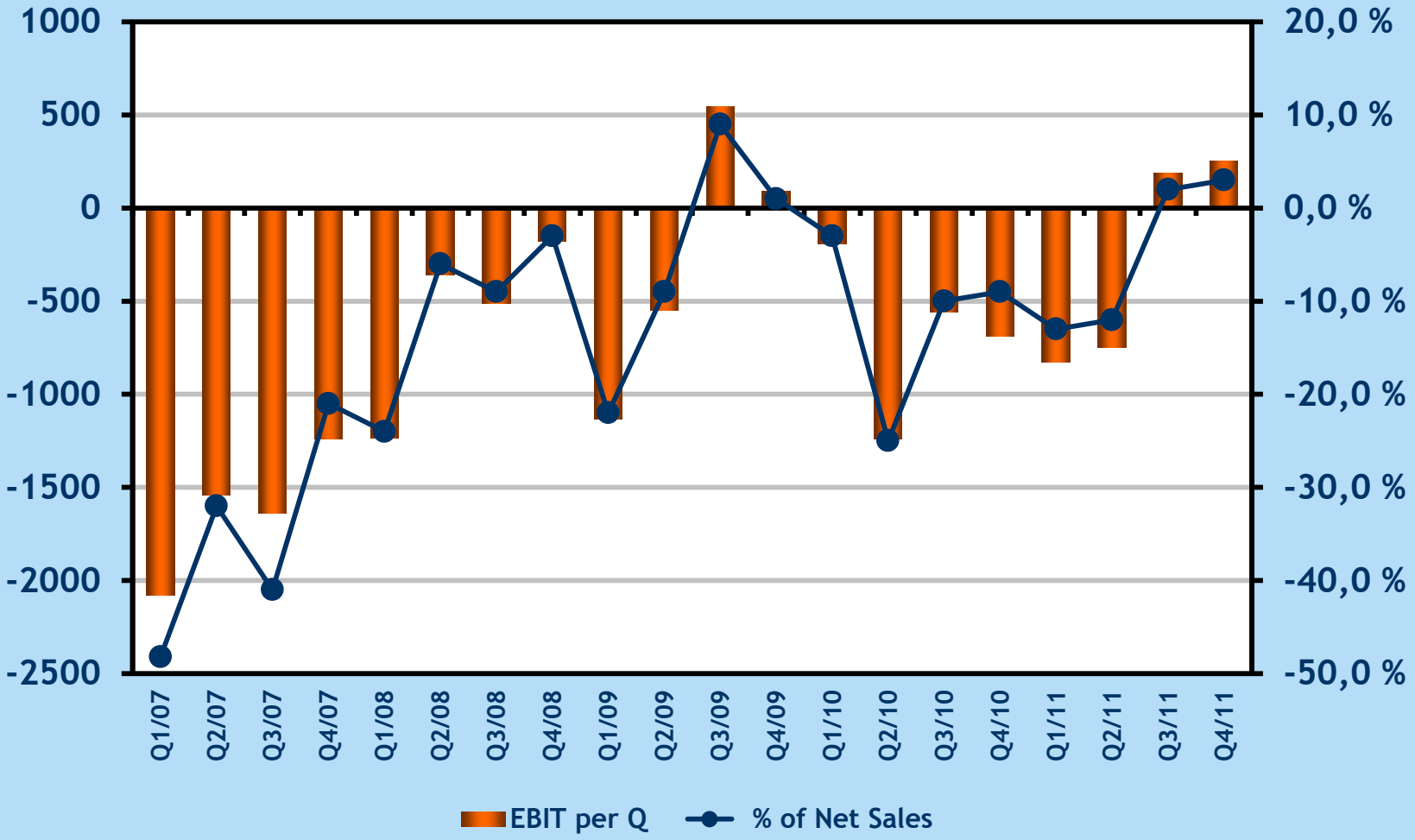
Net Sales by Area



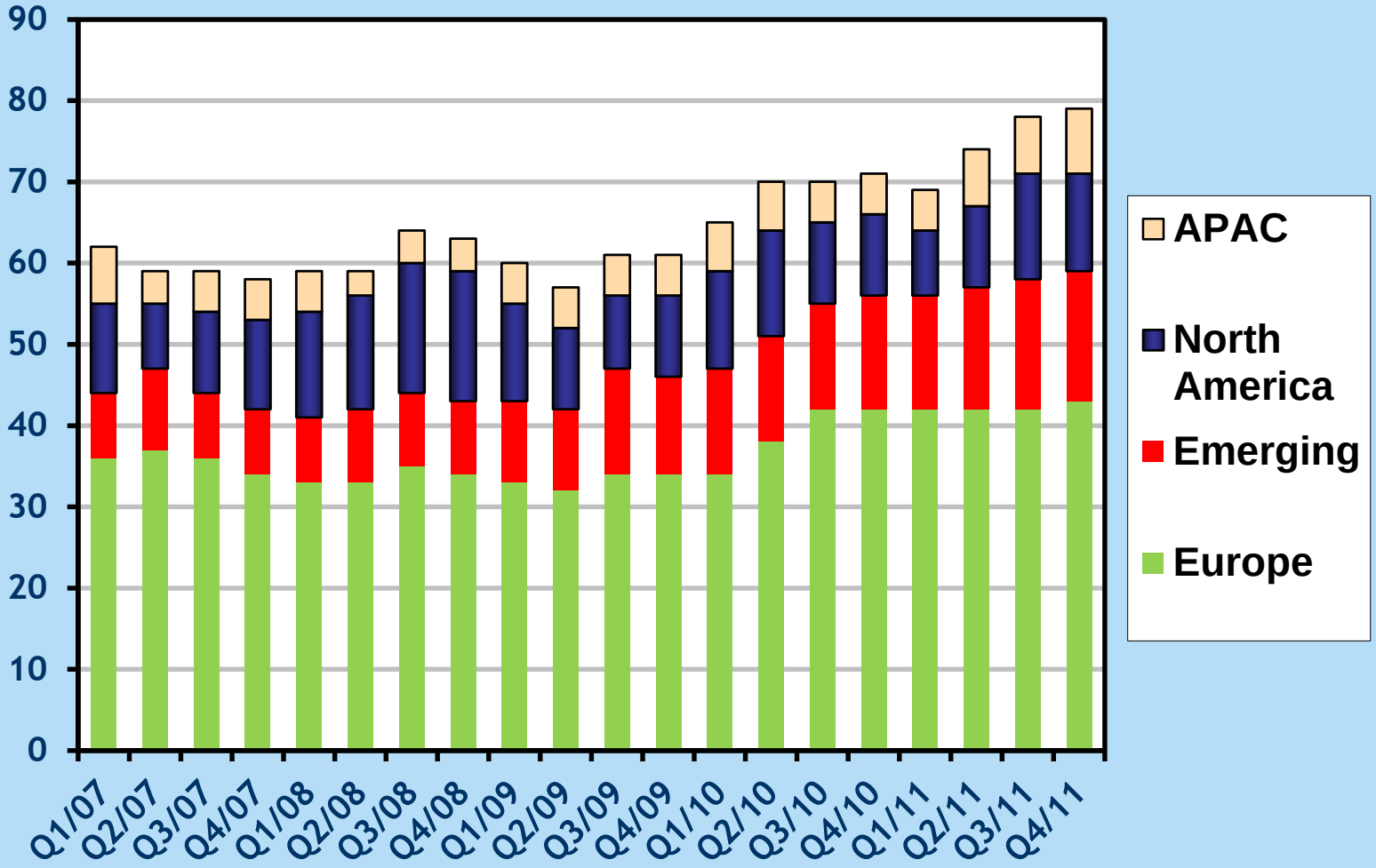
Operating Costs



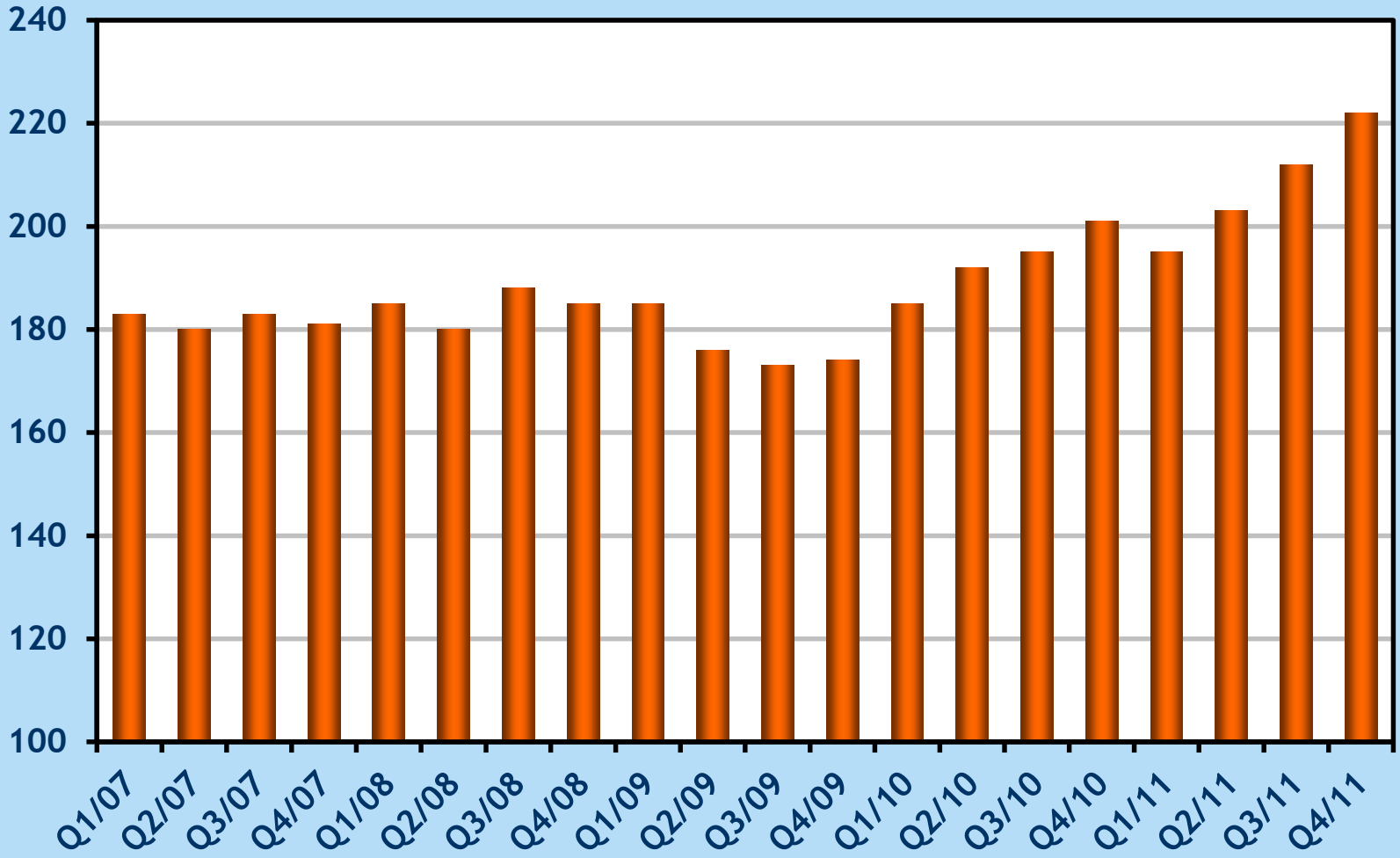
EBIT by Quarter



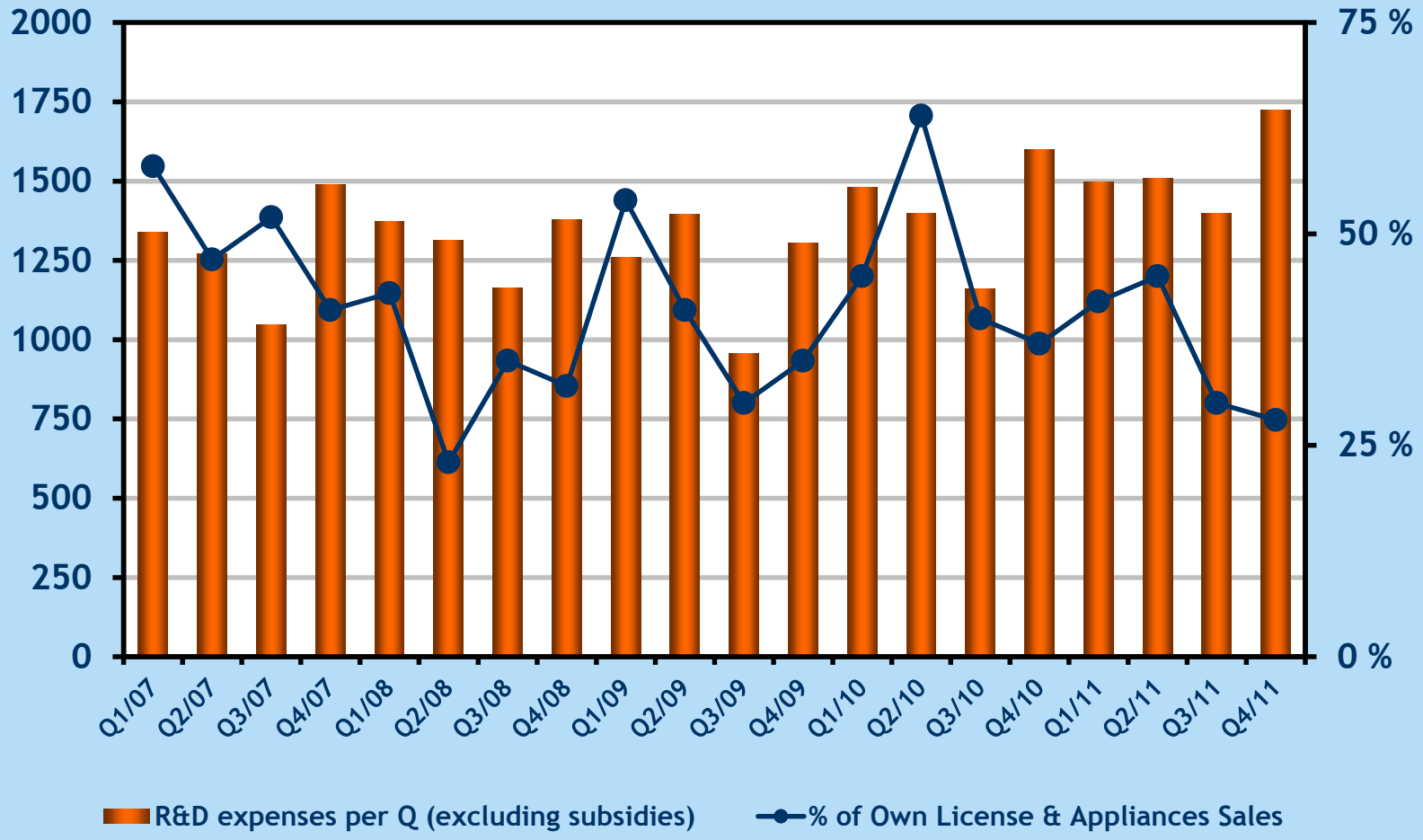
Sales Personnel



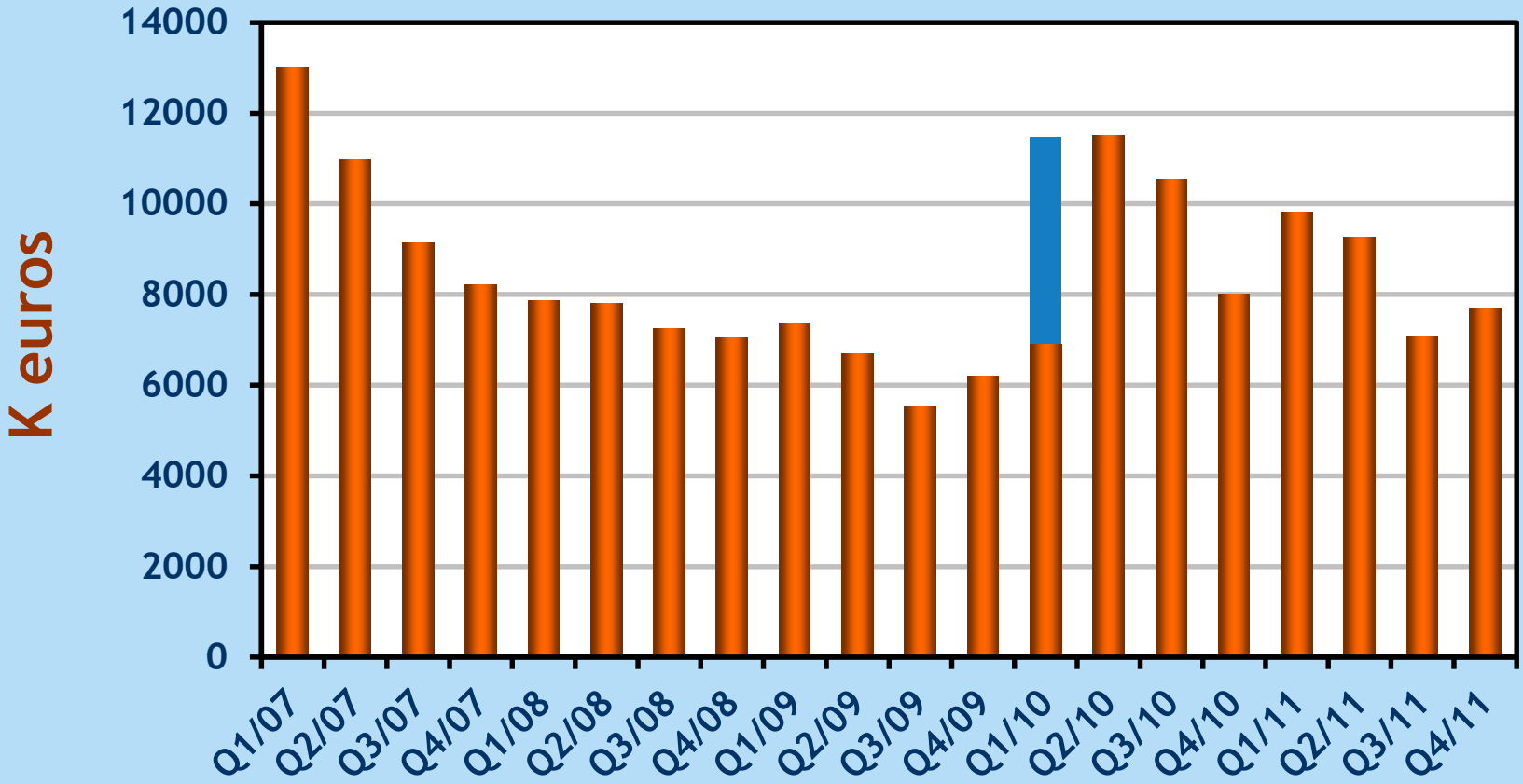
Personnel


240
220
200
180
160
140
120
100
Q1/07
Q2/07
Q3/07
Q4/07
Q1/08
Q2/08
Q3/08
Q4/08
Q1/09
Q2/09
Q3/09
Q4/09
Q1/10
Q2/10
Q3/10
Q4/10
Q1/11
Q2/11
Q3/11
Q4/11

R&D Expenses


2000
1750
1500
1250
1000
750
500
250
0
75 %
50 %
25 %
0 %
Q1/07
Q2/07
Q3/07
Q4/07
Q1/08
Q2/08
Q3/08
Q4/08
Q1/09
Q2/09
Q3/09
Q4/09
Q1/10
Q2/10
Q3/10
Q4/10
Q1/11
Q2/11
Q3/11
Q4/11
R&D expenses per Q (excluding subsidies)
% of Own License & Appliances Sales

Liquid Funds



Future Outlook

- **Stonesoft aims for at least 30% growth of net sales and a positive result for the year 2012.**

INTRODUCING
THE INDUSTRY'S FIRST TRANSFORMABLE
SECURITY
ENGINE
STONESOFT

The Stonesoft Security Engine

The Security Engine is a transformable, always up-to-date security solution for any business and any need

1 Adaptive

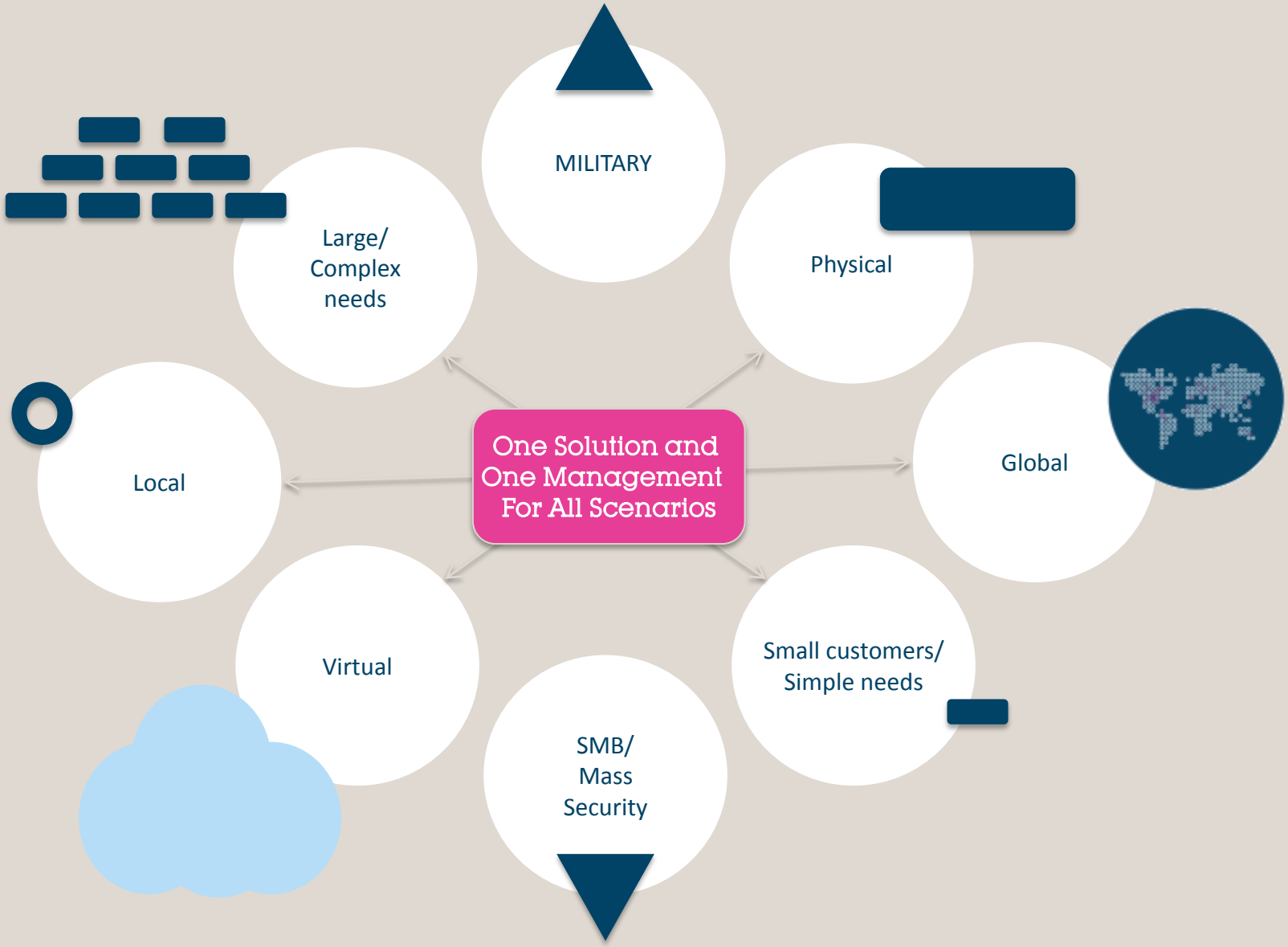
2 Agile

3 Transformable

4 Future proof

5 Secure performance

It is Adaptive…



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