

January-March 2006
Interim Report



Ilkka Hiidenheimo

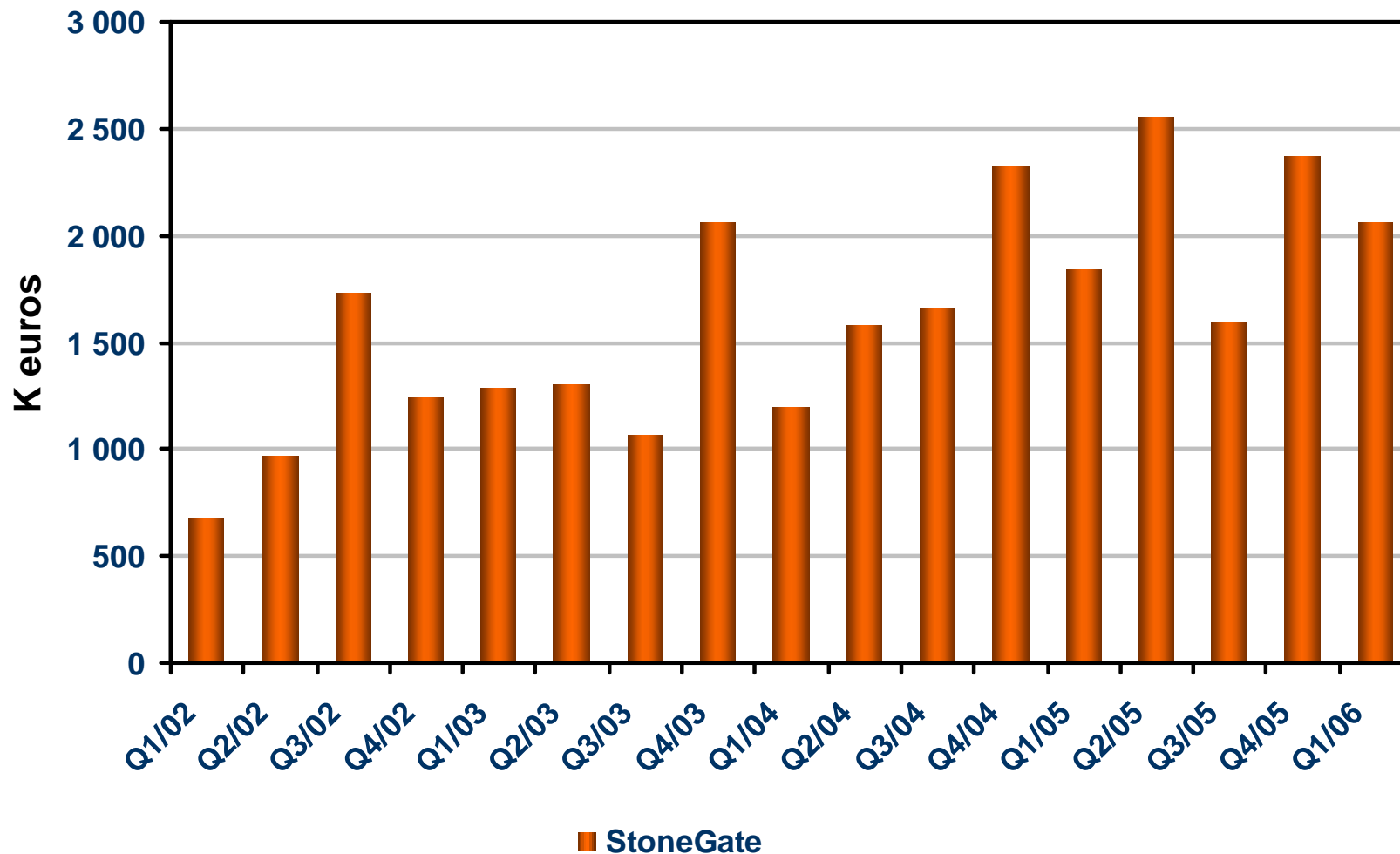
April 28, 2006

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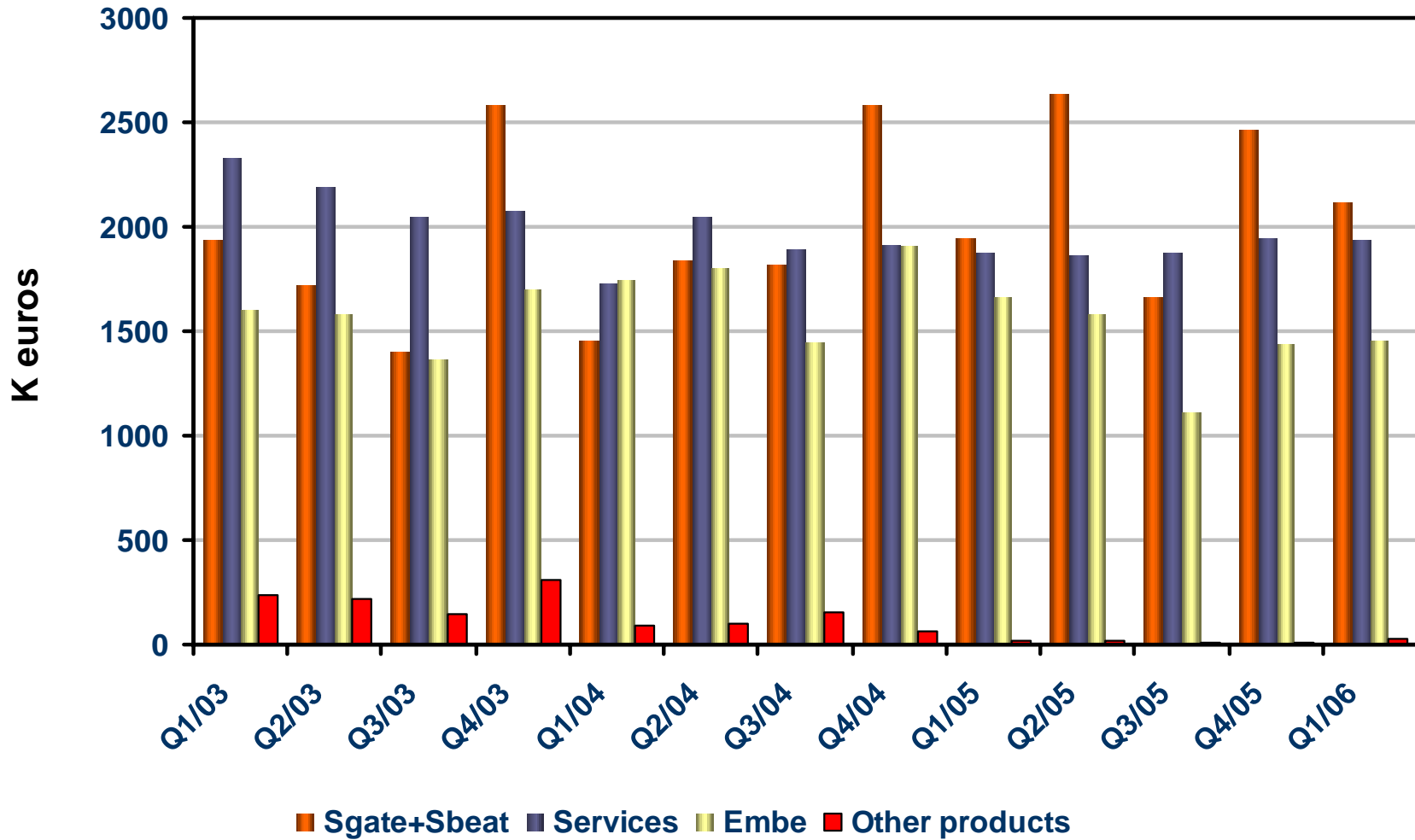
- StoneGate product sales were EUR 2,1 millions, an increase of +12% compared to 2005
- The net sales of the core business, network security products and services grew by 4%
- Company net sales EUR 5,5 millions, a decrease of 1% compared to 2005
- Operating loss (EBITA) of EUR –1.3 millions, on same level as in 2005

Q1/2006 Financials

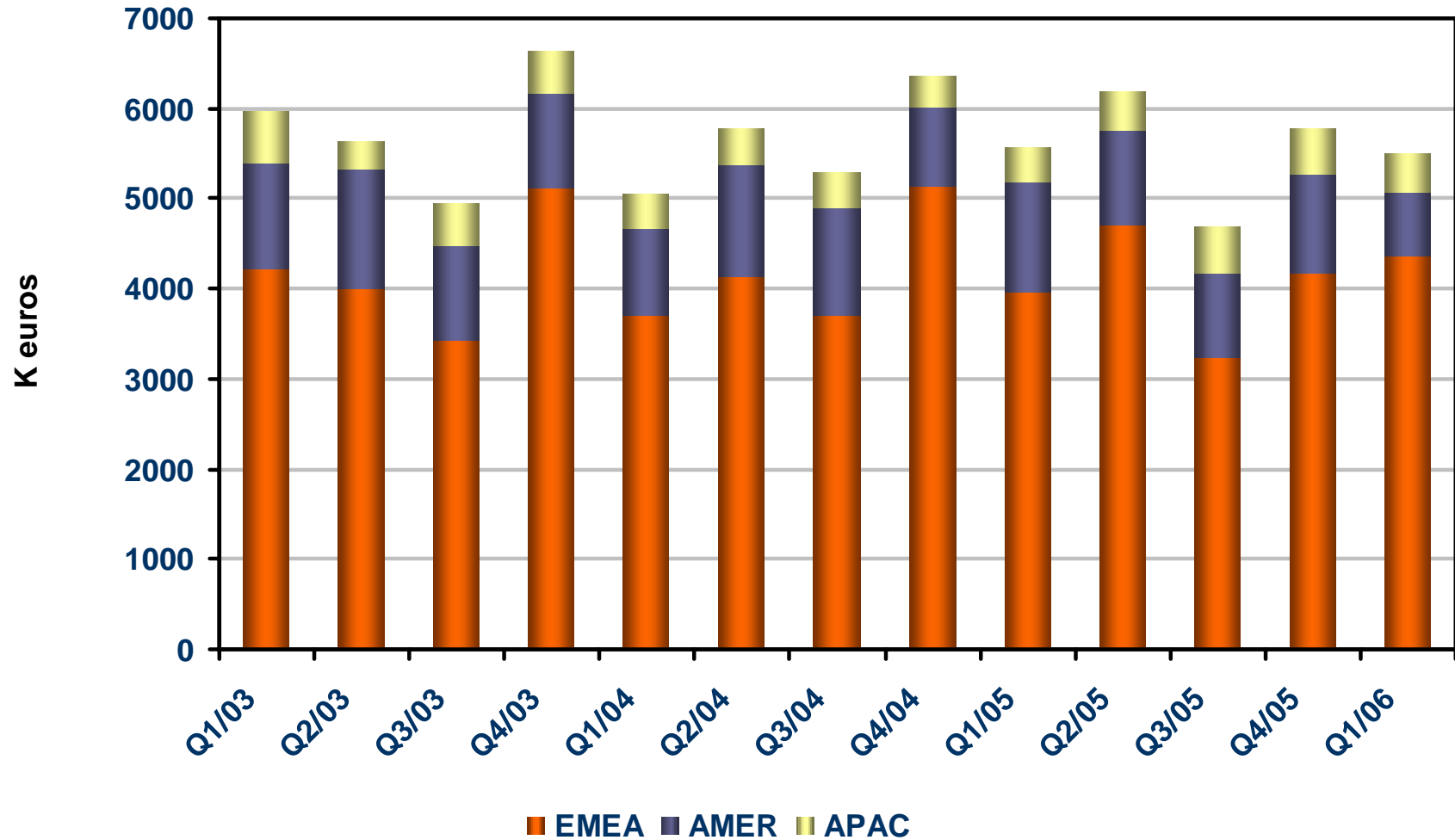
StoneGate Sales by Quarter



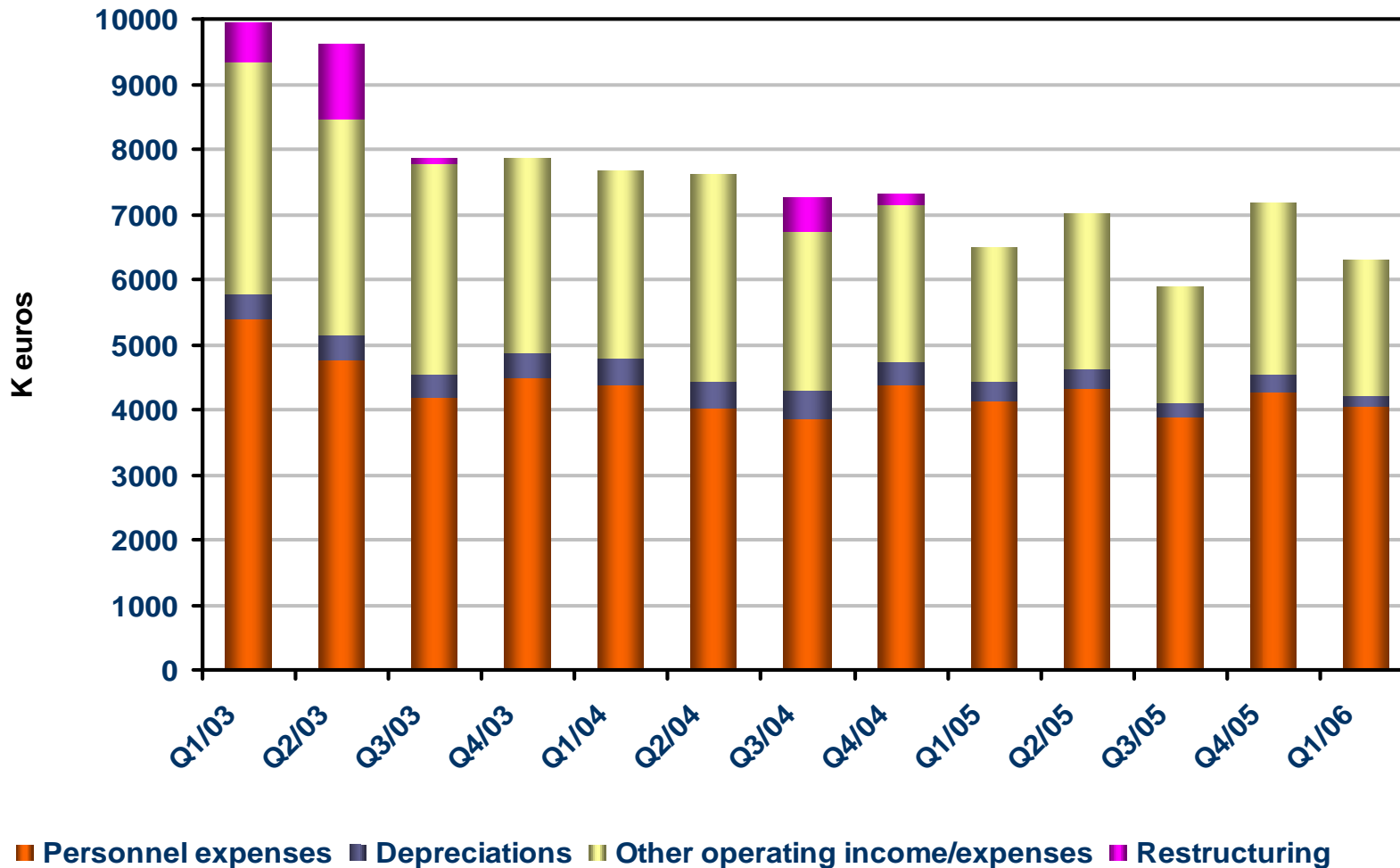
Sales by Product



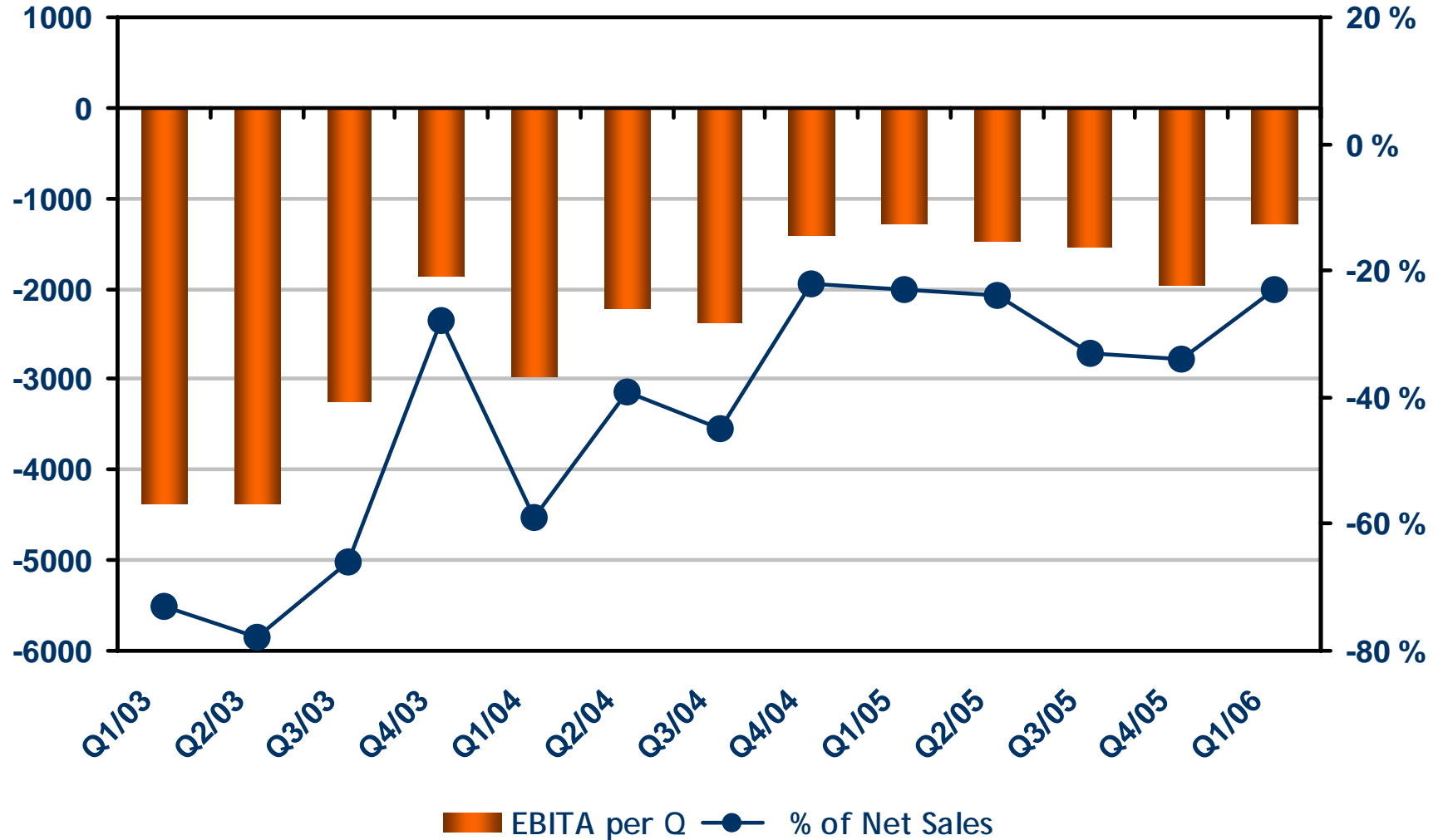
Net Sales by Area



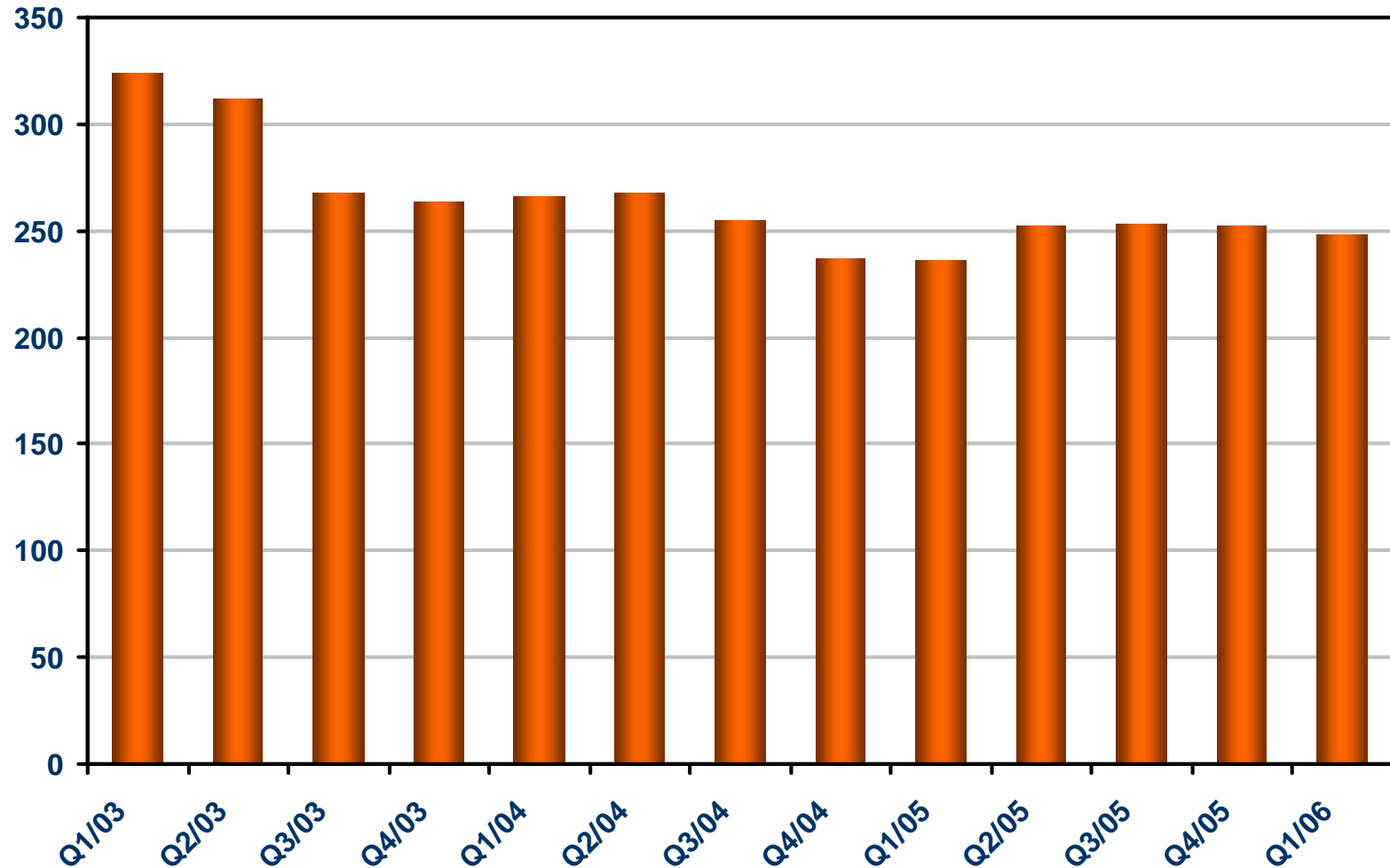
Operating Costs by Quarter Q1/Q4 → IFRS



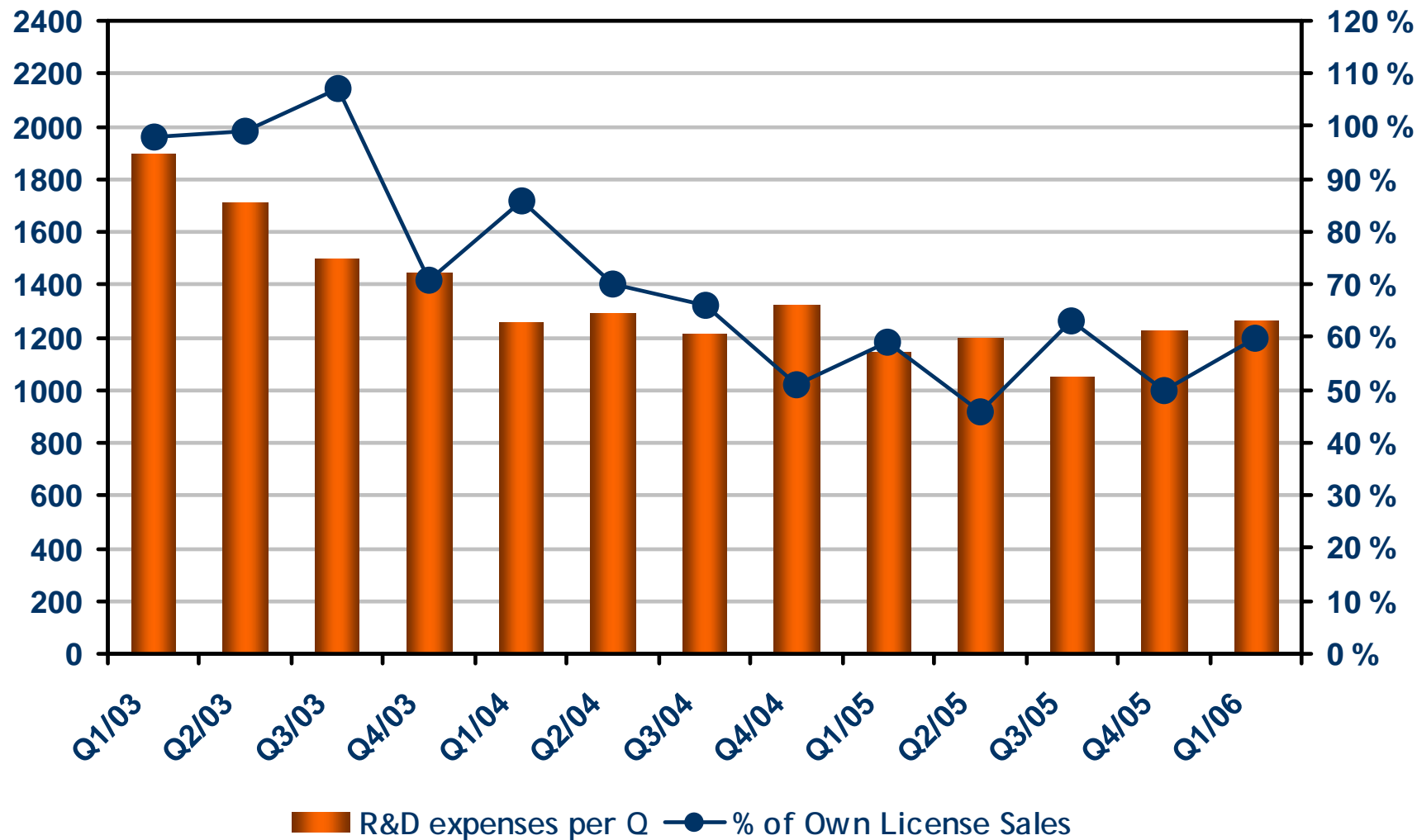
EBITA by Quarter Q1/Q4 → IFRS

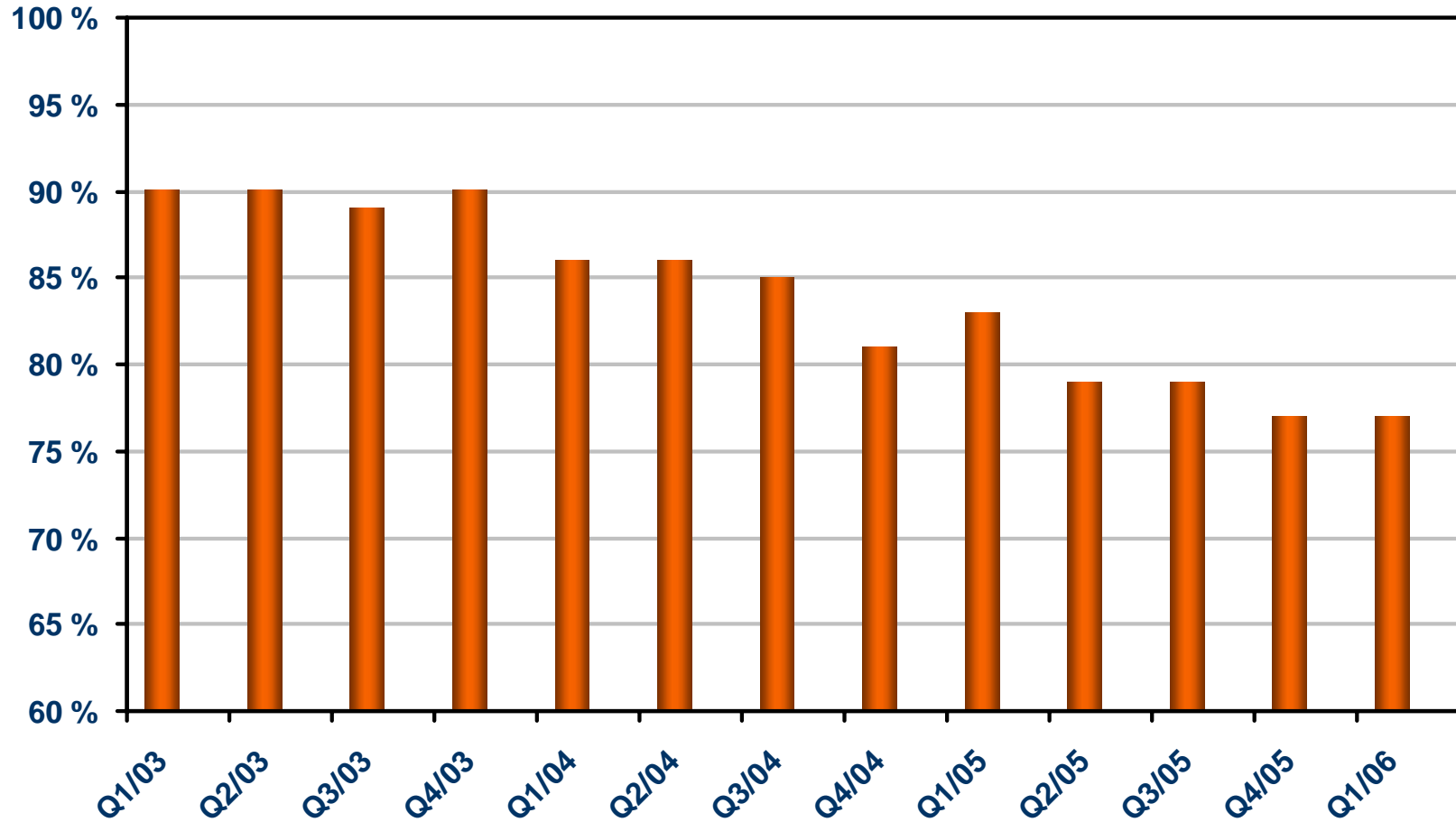


Personnel at the End of Quarter

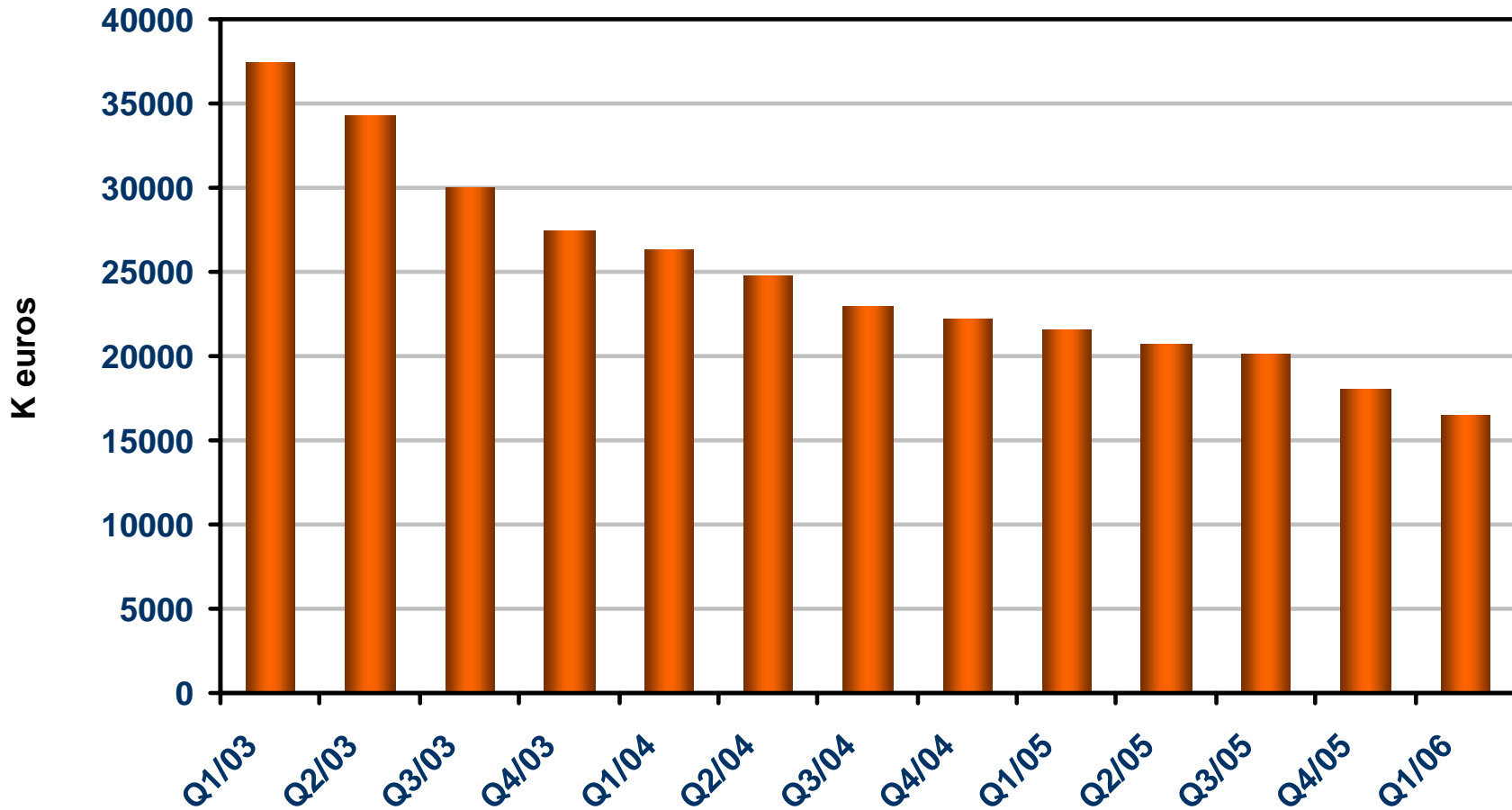


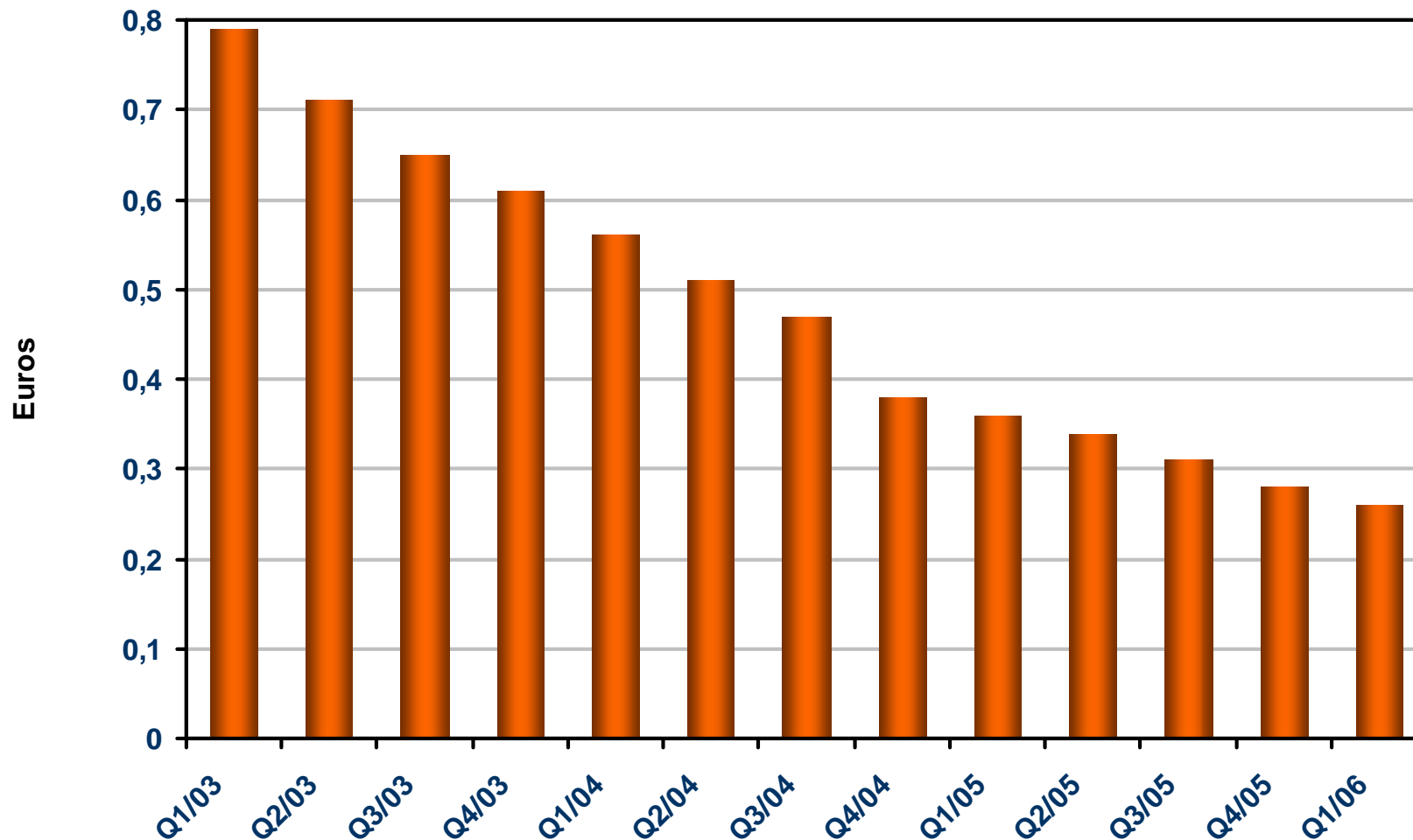
R&D Expenses (Q1/04 → IFRS)





Liquid Funds (Q1/04 → IFRS)





- Finnish Defence Forces has selected Stonesoft's firewall products for its system management network, to be implemented as part of the Transition Network 2008
- Technical University RWTH Aachen, Germany selected StoneGate Security solution to protect it's 10GB network
- StoneGate SG-4000 High-Availability Firewall and VPN gateway has been named a “Hot Pick” by *Information Security* magazine in February
- Secure Computing Magazine Awards
 - Best Network Security Solution (Overall category)
 - Best Enterprise Firewall
- StoneGate High Availability Firewall & Multi-Link VPN Received Very Good Rating in SC Magazine's Enterprise Appliances Group Test



Puolustusvoimat
Försvarsmakten | The Finnish Defence Forces



New solutions enabling secured, optimized, and resilient connectivity for converged services

- IPS

- To protect vulnerable applications and operating systems by stopping Spyware, P-2-P violating security policy, worms and other malware
- Enables organizations to meet regulatory compliance requirements
- Improves business productivity by ensuring business continuity

- Firewall/VPN

- Quality of Service and bandwidth management to enable service availability and usability
- SIP support to enable unmatched cost efficiency in communications
- HTTP Deep Packet Inspection to protect web services

- New FW/VPN and IPS Appliances

- Long term investment protection
- Cost efficient performance and reliability

- The main goal for 2006 is to achieve faster growth than the market growth in the sales of StoneGate products, by utilizing the past investments. However, the development of the sales may fluctuate during the fiscal quarters.
- The company believes that the improvements in the operating results will materialize as a result of the sales growth. The company will achieve, over time, the right balance between the expenses and the sales.
- The company will enforce the focus to the key markets, develop further the partner community to support sales efforts and to further sharpen the marketing and communications actions to the key interest groups.

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