

January-June 2006, Interim Report



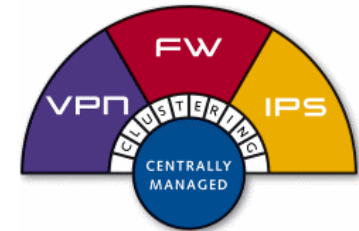
August 3rd, 2006

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- Net sales EUR 5,0 millions, 1,1 millions or 18% less than 2005.
- The net sales of the core business, network security products and services fell by -20%
- StoneGate sales were EUR 1,6 millions, a decrease of -36% compared to 2005.
- Operating loss (EBITA) of EUR –2.0 millions, compared with –1.5 millions in 2005.

- Net sales EUR 10,6 millions, 1,2 millions less than in 2005.
- The net sales of the core business, network security products and services fell by -9%
- StoneGate sales were EUR 3,7 millions, an decrease of -16% compared to 2005.
- Operating loss (EBITA) of EUR –3.3 millions, compared with – 2.8 millions in 2005.

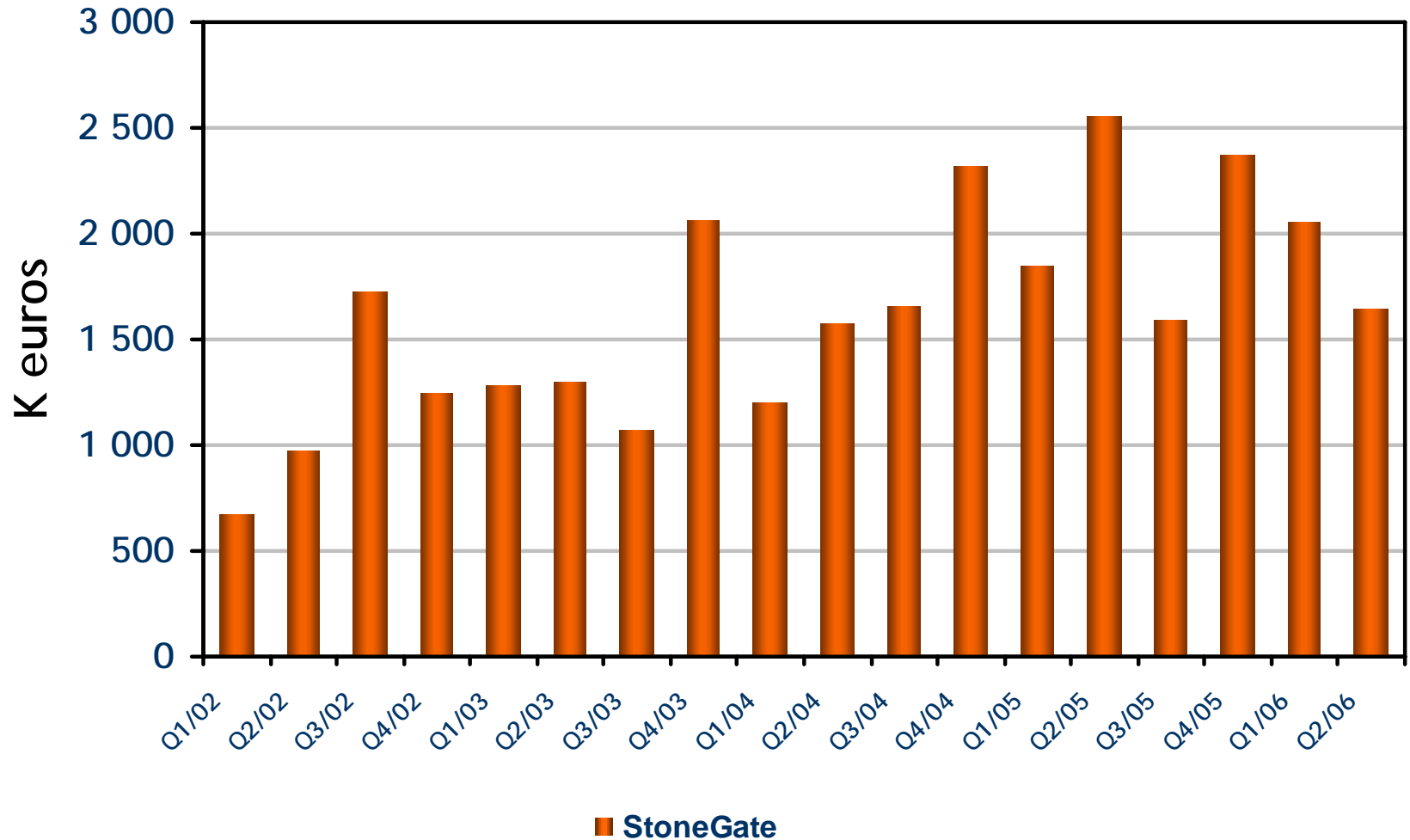
- **StoneGate IPS 2.0, FW/VPN 3.0 and StoneGate Management Center 3.5 product deliveries started during June.**
 - included IPS Inline, QoS and SIP support functionality
- **The company signed a global agreement with the United Nations for the provision of StoneGate™ products and services.**
- **Stonesoft established a partner agreement with Fujitsu Services Oy. The contract covers product, maintenance and service sales of Stonesoft's network security products to Fujitsu's offering in Nordics and Baltic countries.**
- **Secure Computing Magazine Awards**
 - Best Network Security Solution (Overall category)
 - Best Enterprise Firewall
- **Cern announced agreement on cooperation in research and development with Stonesoft. Cern is using Stonesoft's technology to protect its grid network.**



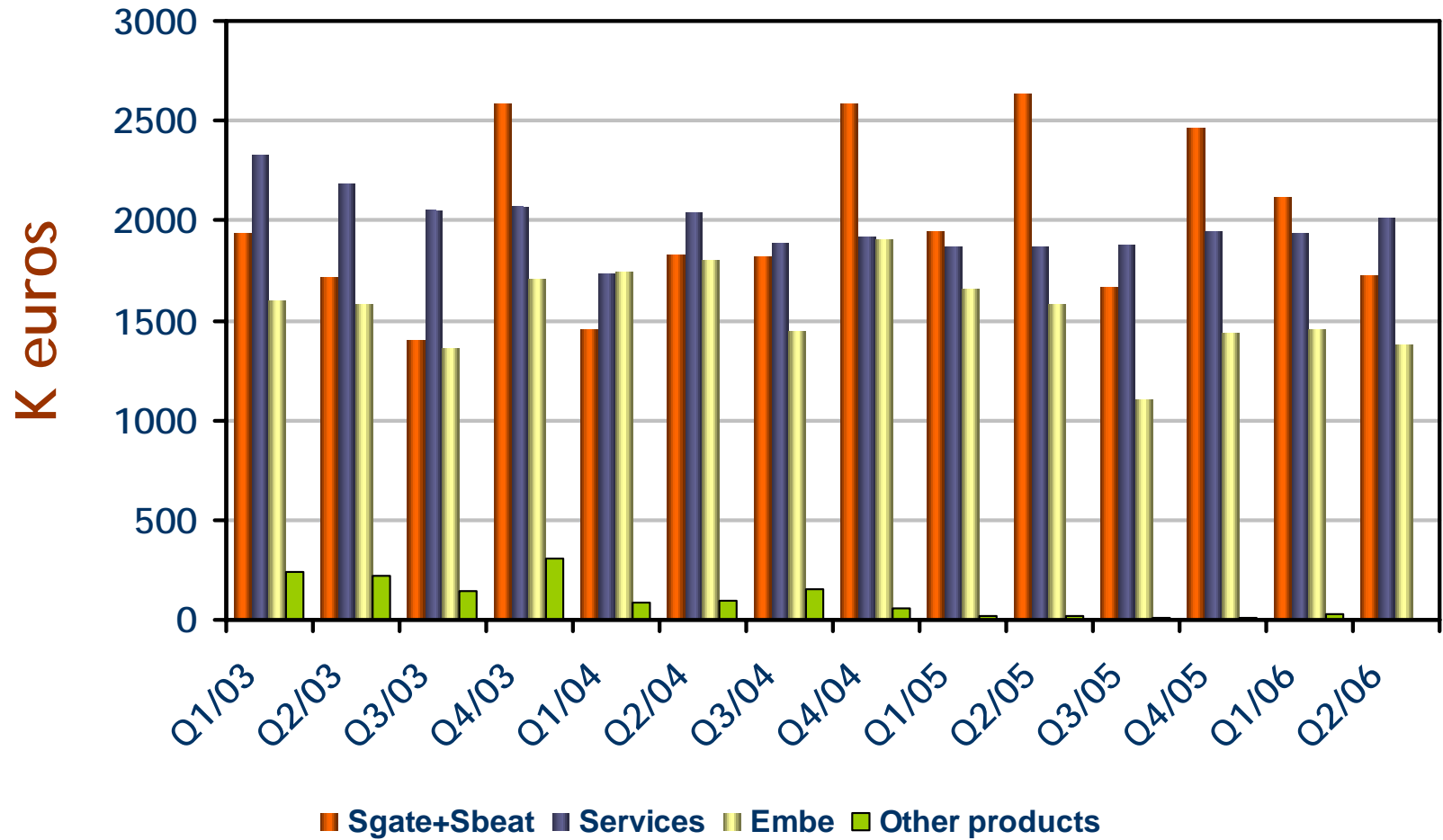
Based on the present project pipeline Stonesoft anticipates the sales of StoneGate™ products to grow during the last half year compared with the corresponding period of last year. However, it is possible that earlier estimation of the growth being faster than market growth for the whole year will not be realized and that the annual growth may even remain negative. The growth variation between the quarters have been and may continue to be significant as a consequence of among others long selling cycles, major individual deals and the growth variation between the quarters in the previous year.

Q2/2006 Financials

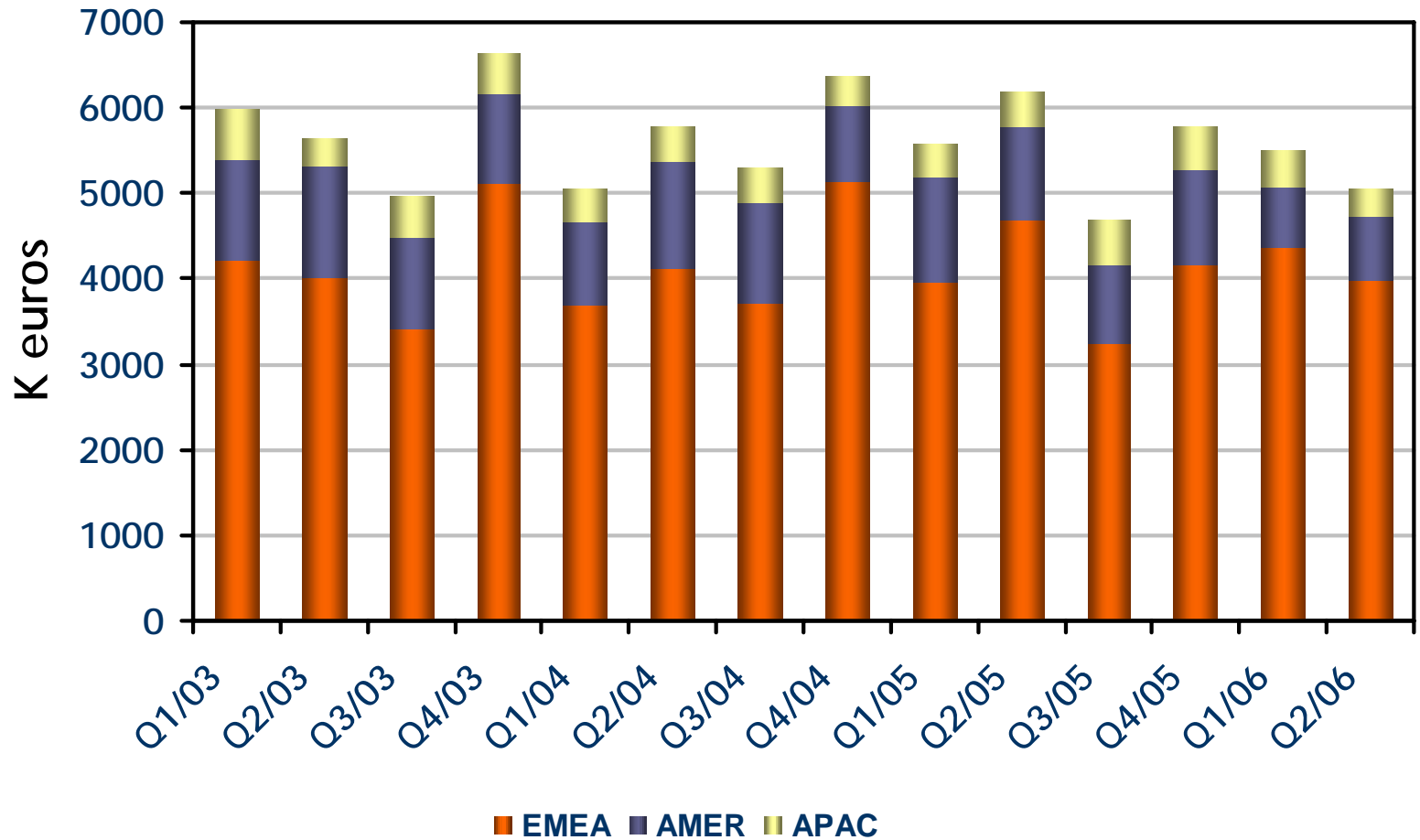
StoneGate Sales by Quarter



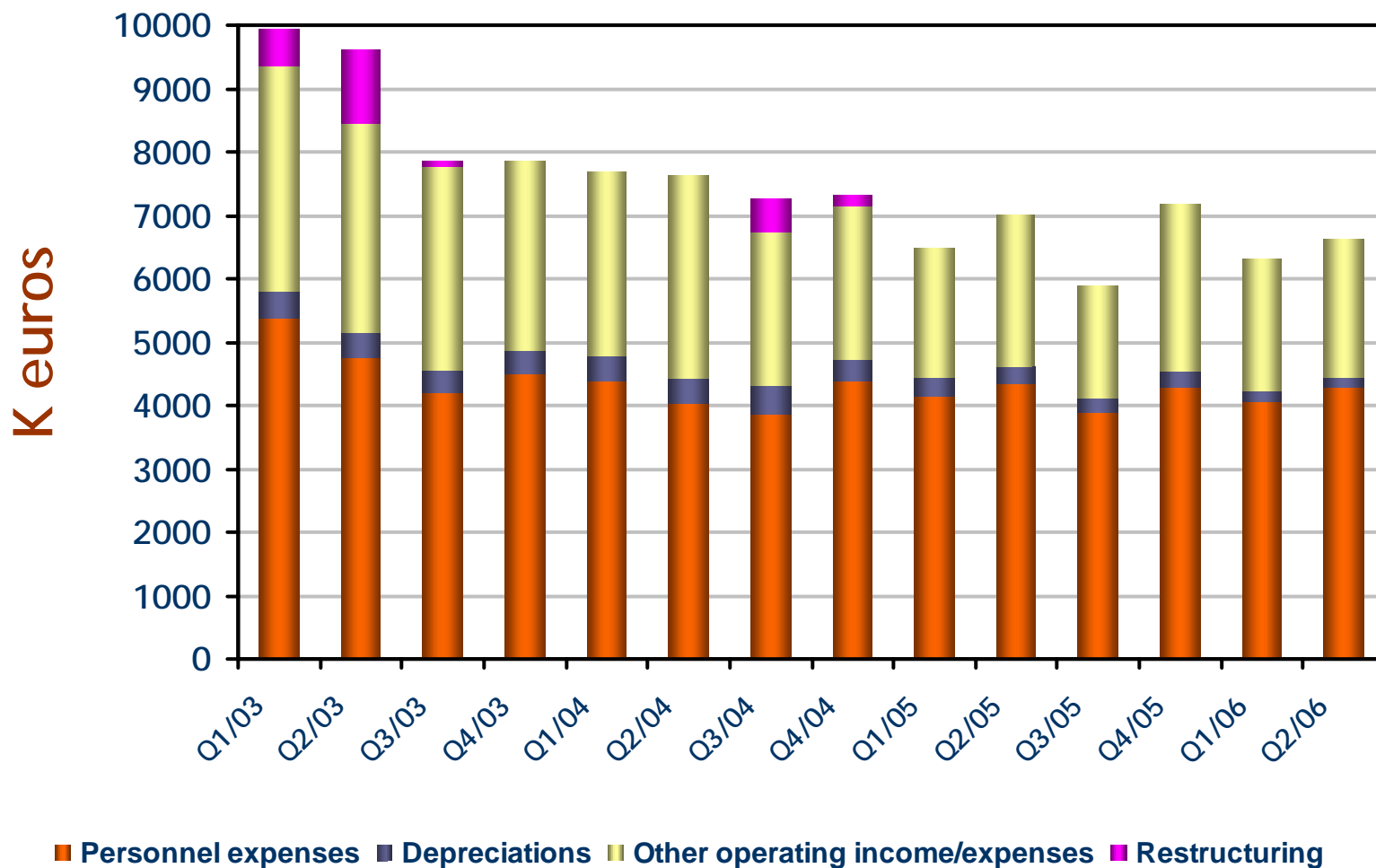
Sales by Product



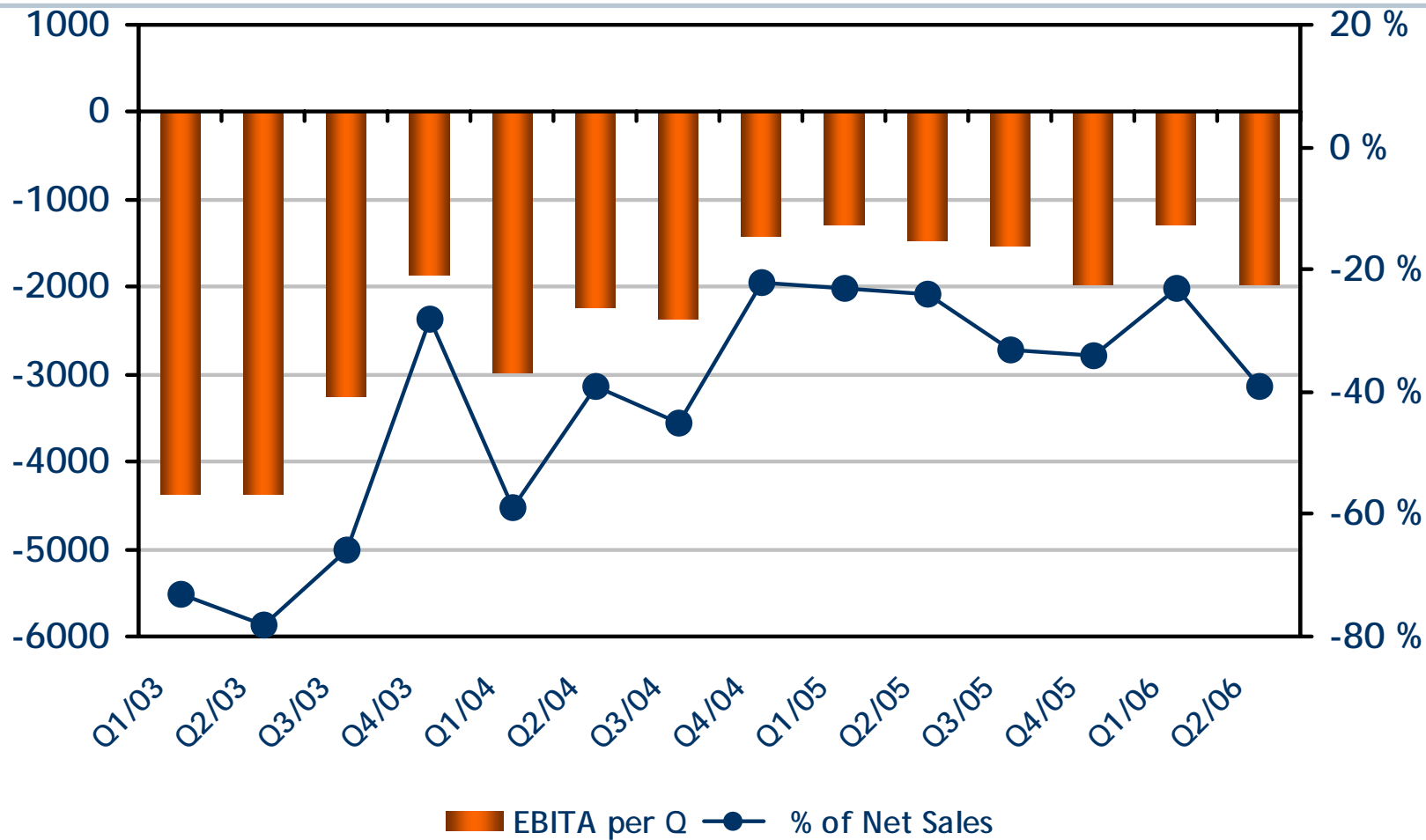
Net Sales by Area



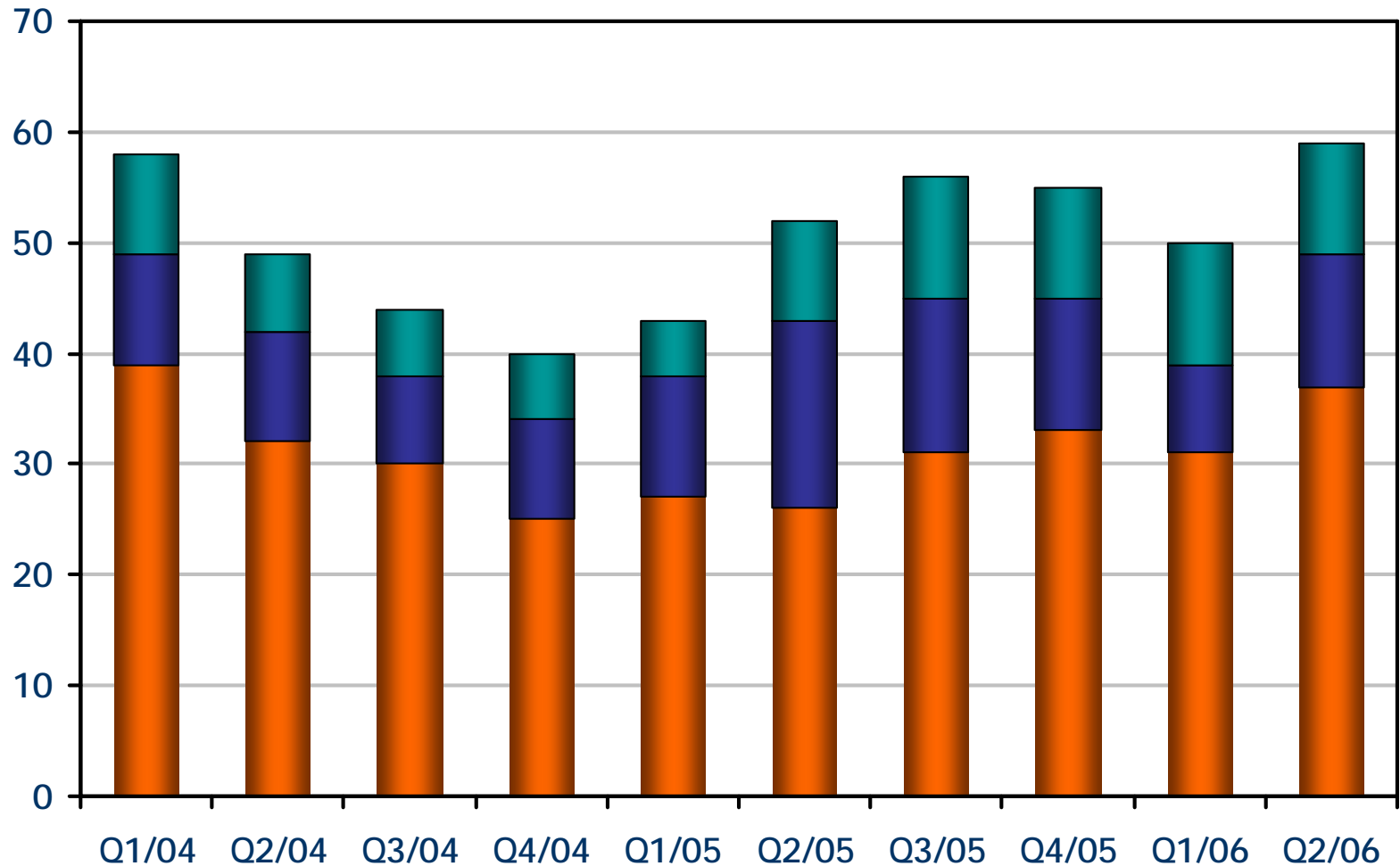
Operating Costs by Quarter Q1/04 → IFRS



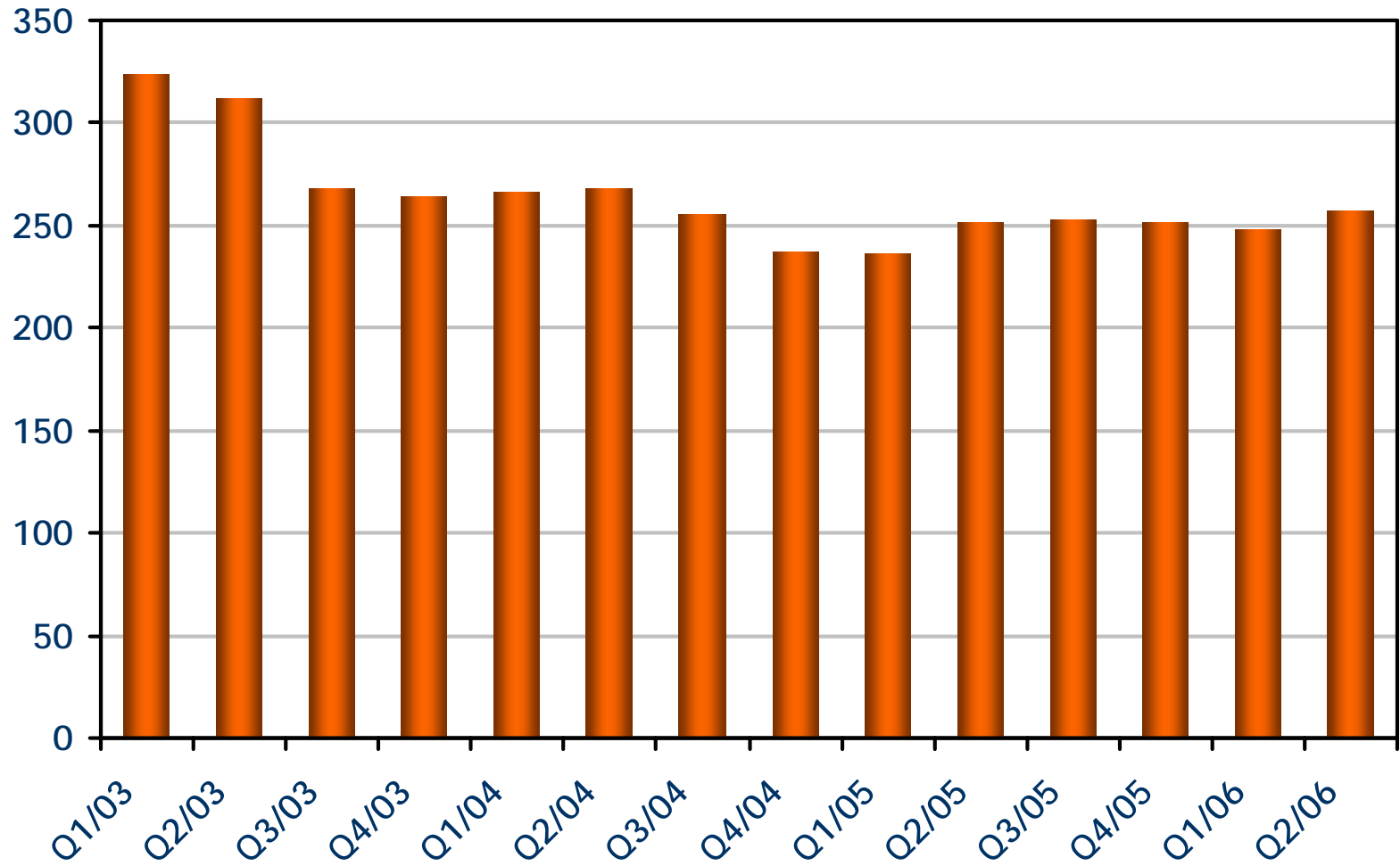
EBITA by Quarter Q1/04 → IFRS



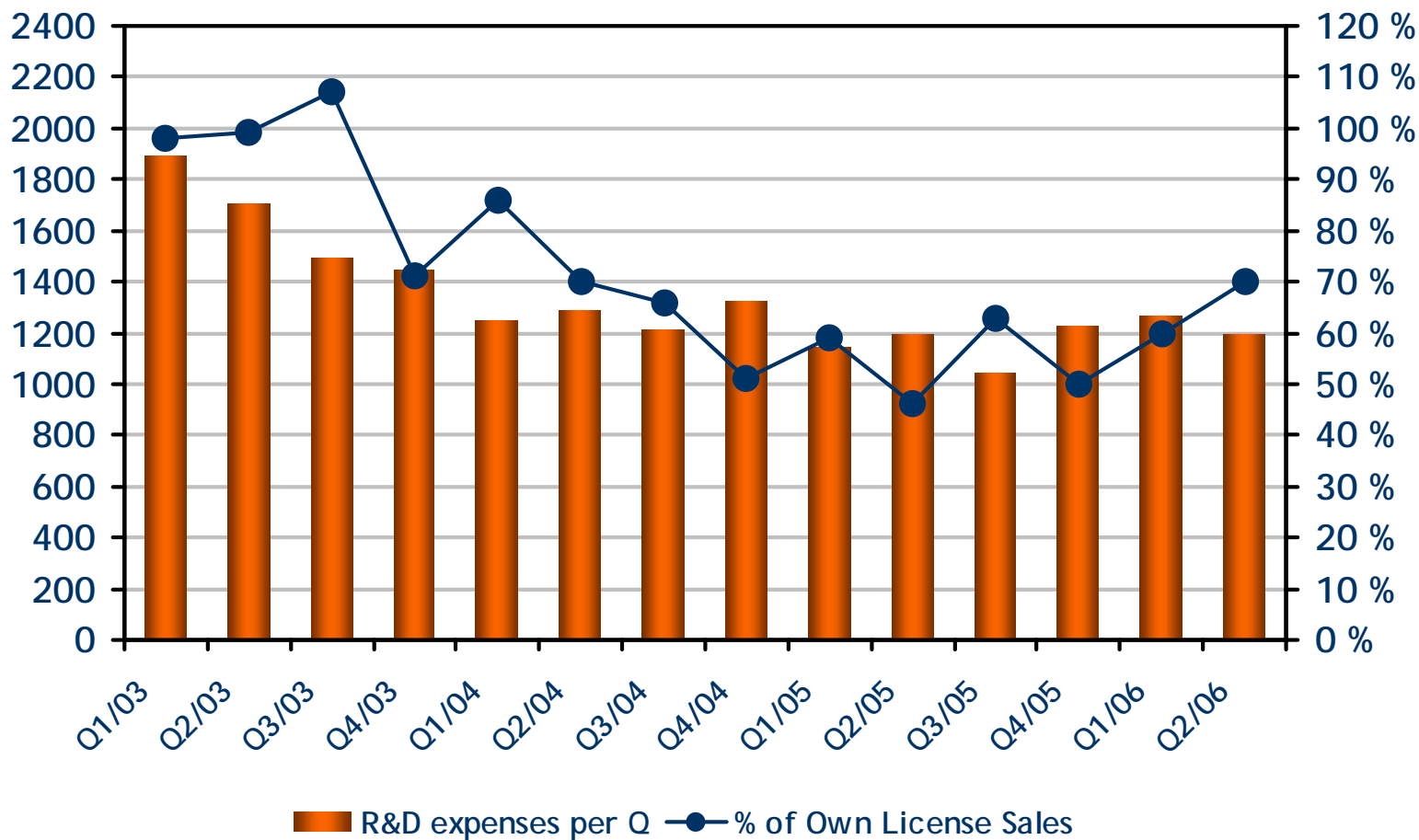
Sales Personnel at the End of Quarter

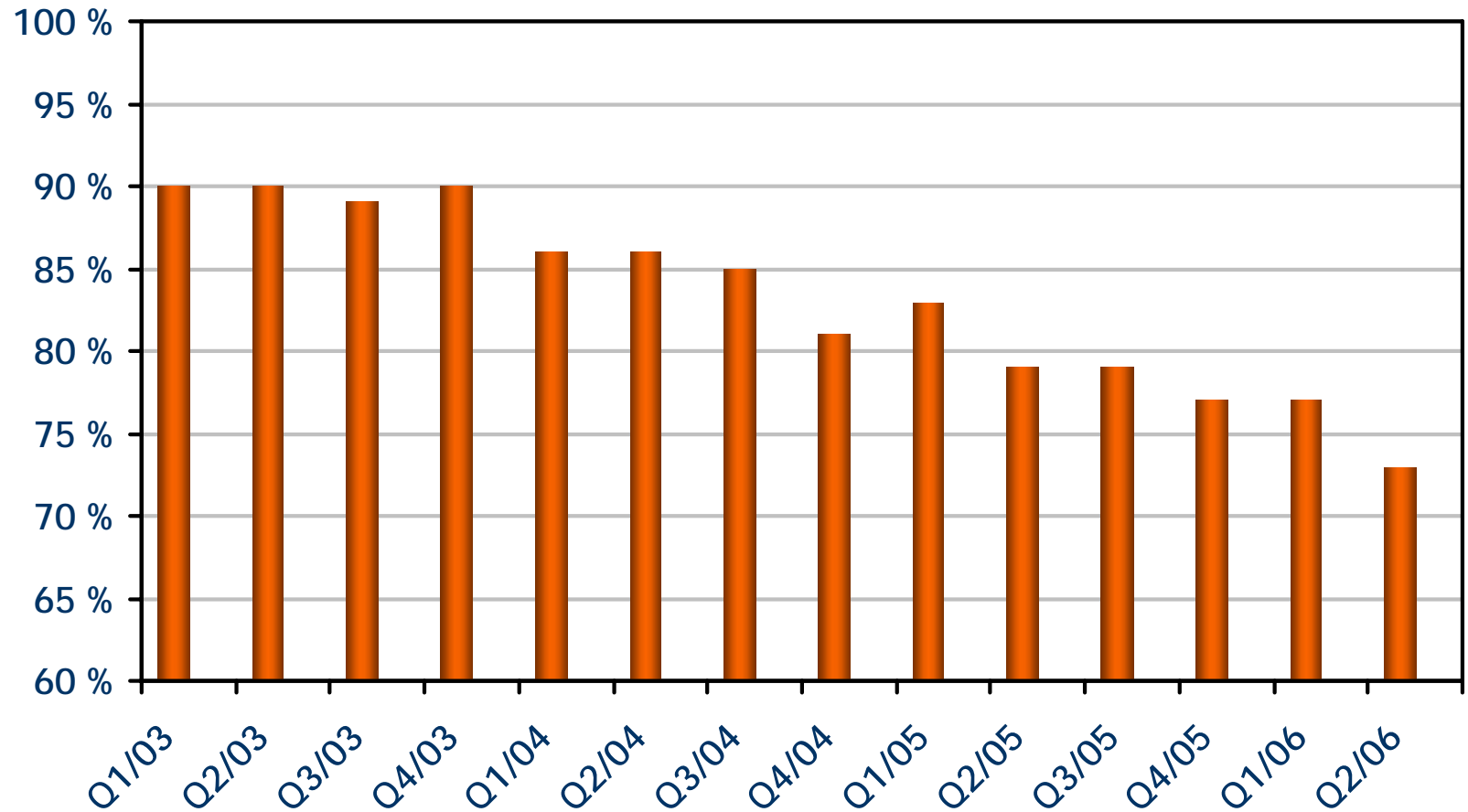


Personnel at the End of Quarter

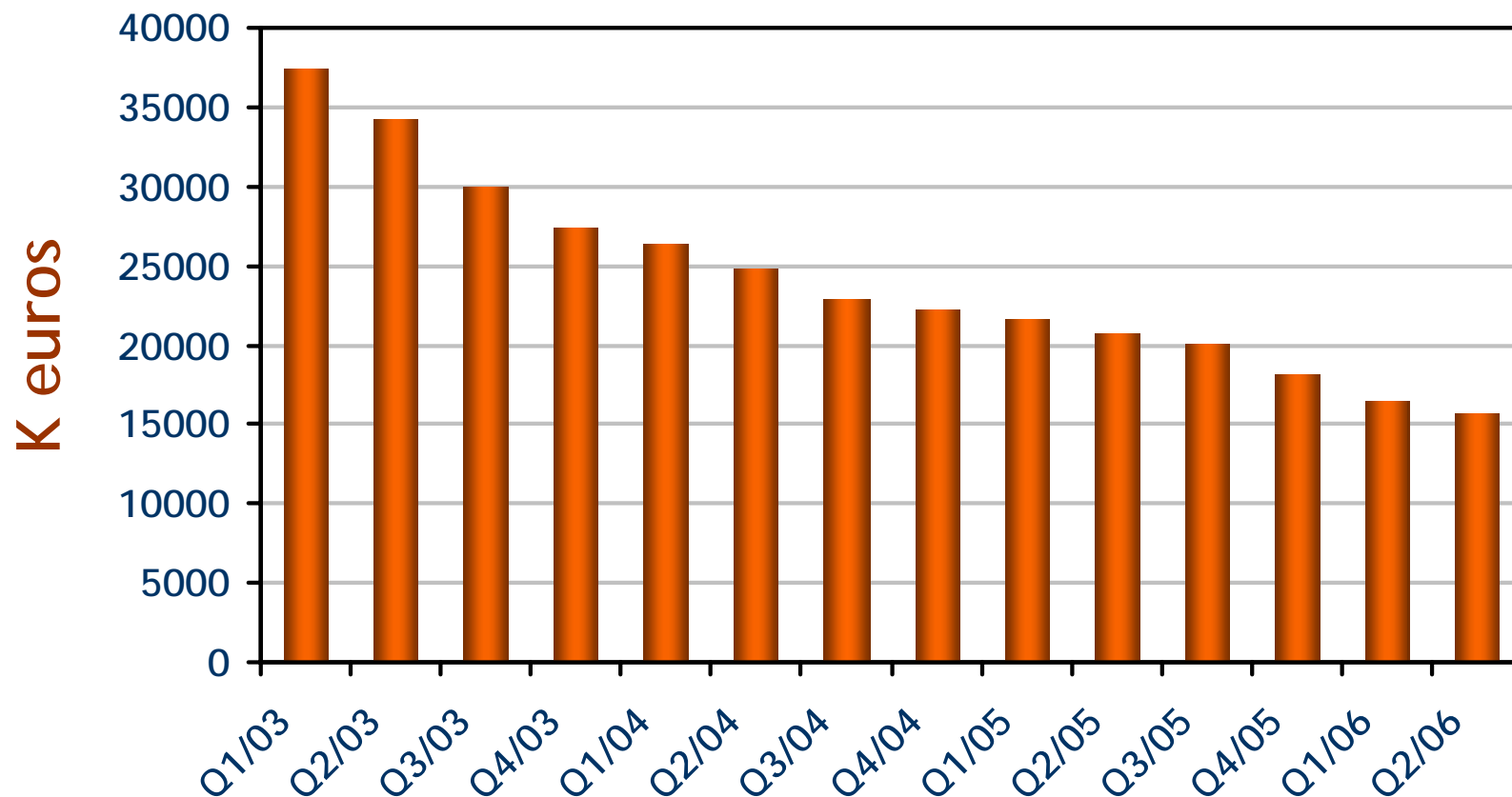


R&D Expenses (Q1/04 → IFRS)

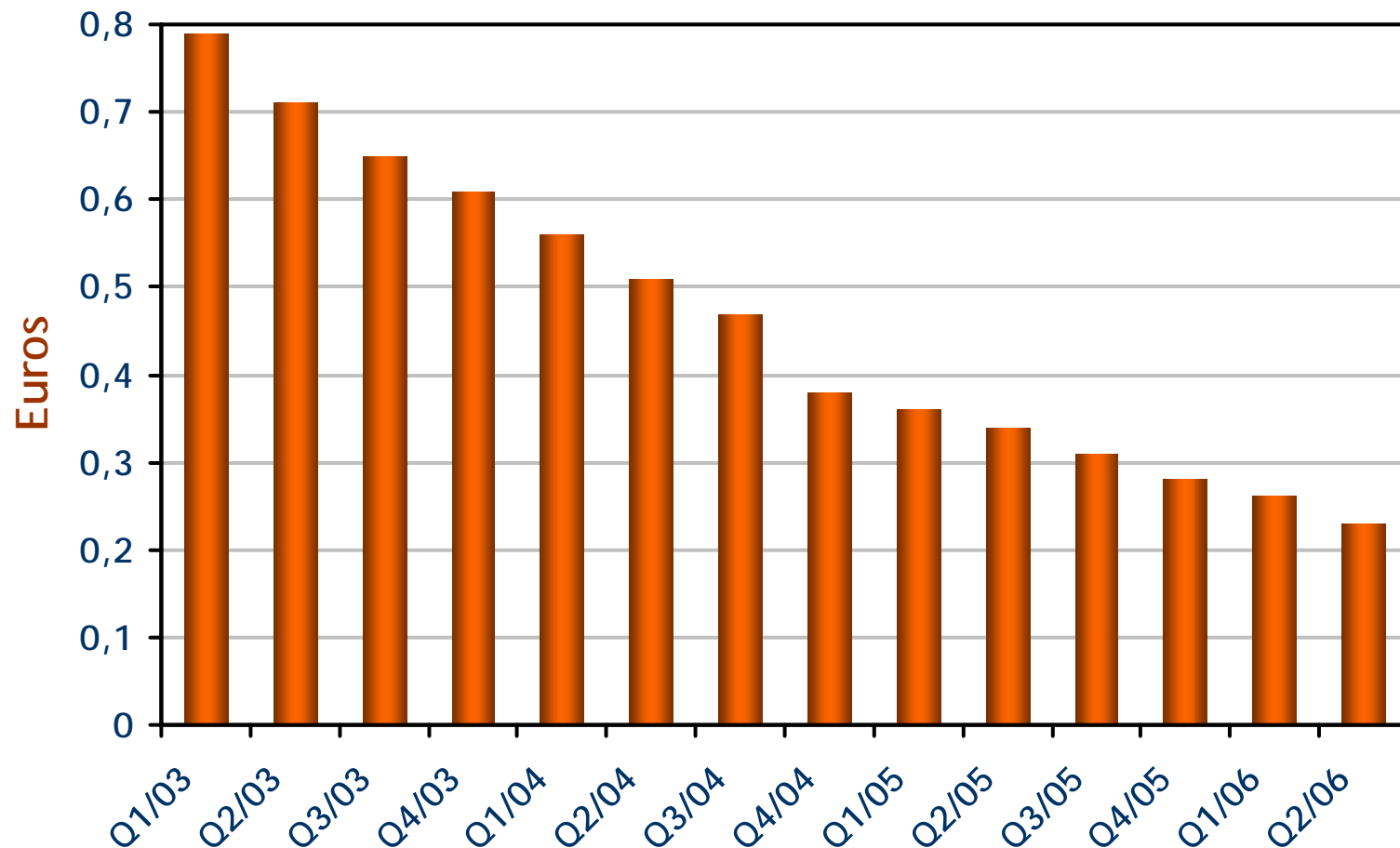




Liquid Funds (Q1/04 → IFRS)



Shareholders Equity / Share (Q1/04 → IFRS)



STONESOFT

www.stonesoft.com
stonesoft@stonesoft.com