



## **January-March 2010, Interim Report**

**CEO Ilkka Hiidenheimo  
22.4.2010 Helsinki**

# Stonesoft Corporation

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# Results for January - March 2010

- Net sales EUR 6.2 millions, +21% compared to the corresponding period in 2009 (5.1).
- StoneGate sales were EUR 3.3 millions, +38% i.e strong growth compared to the corresponding period in 2009 (2.4).
- Operating profit (EBIT) of EUR -0.2 millions, a clear improvement compared to 2009 (-1.1) and a strong step towards profitability.
- The operational cash flow was 0.7 million positive, compared to 0.3 in the corresponding period in 2009. This was the third consecutive positive quarter in the row. Additional cash, 4.6 million induced through public offering.



# Highlights of the 1st quarter 2010

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- StoneGate growth back on track
- A directed share issue of 5 700 000 shares was implemented in March. The purpose of the share issue is to strengthen the company's capital structure and to ensure the positive development according to the company's strategy and growth plan.
- Opening of RD unit in Poland
- Expansion into Kingdom of Saudi-Arabia



# Future outlook

## **The network security market is not falling - it is growing**

- Stonesoft has a solid operating platform to support future growth. The company does not need to grow its R&D or back office very much even if sales would double, triple or quadruple.
- There are still untapped markets for Stonesoft out there, both geographical and other.
- As a result of the cumulated tax losses in the mother company (ca. EUR 84 million at the end of 2008) Stonesoft would pay very limited taxes on any future profits.
- Underlying market growth and Stonesoft's excellent position therein enable the company to grow profitably in the future.

## **Outlook for 2010**

- Stonesoft will continue its decisive and persistent efforts to increase its net sales and operating result. During the year 2010 the company expects its net sales to grow from the previous year's level and the result to be positive.
- With regard to the development of the turnover and the operating result, variation is expected between the quarters in comparison to the corresponding quarter during the previous year as well as to the previous quarter as a consequence of, among others, long sales cycles, a relatively big impact of individual deals, and the variation between the quarters in the previous year.

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Secure Information Flow

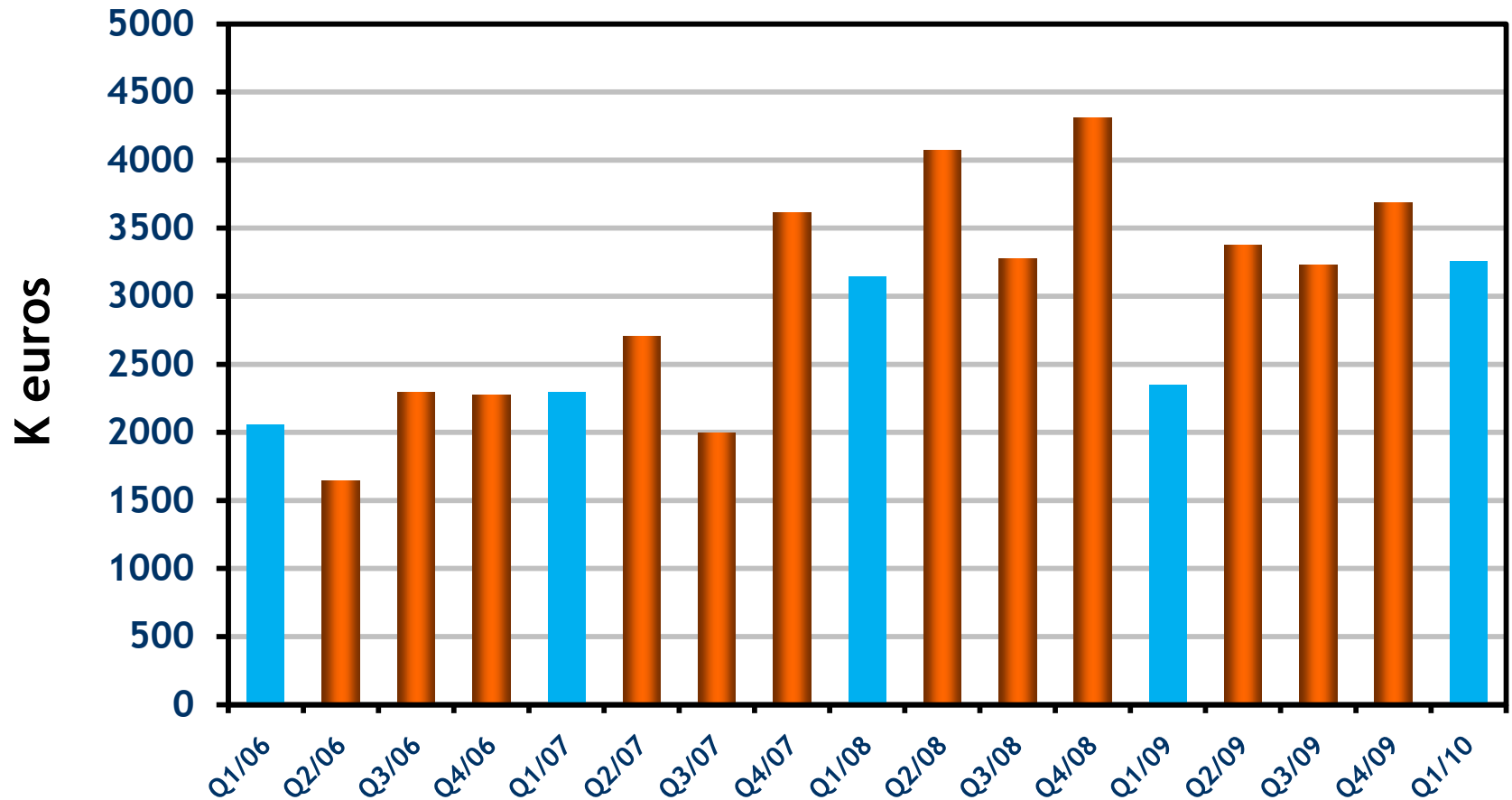
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## Q1/2010 Financials

- All comparative numbers exclude discontinued operations in historic data with the exception of
  - Equity rate at the end of quarter
  - Liquid funds
  - Shareholders equity per share

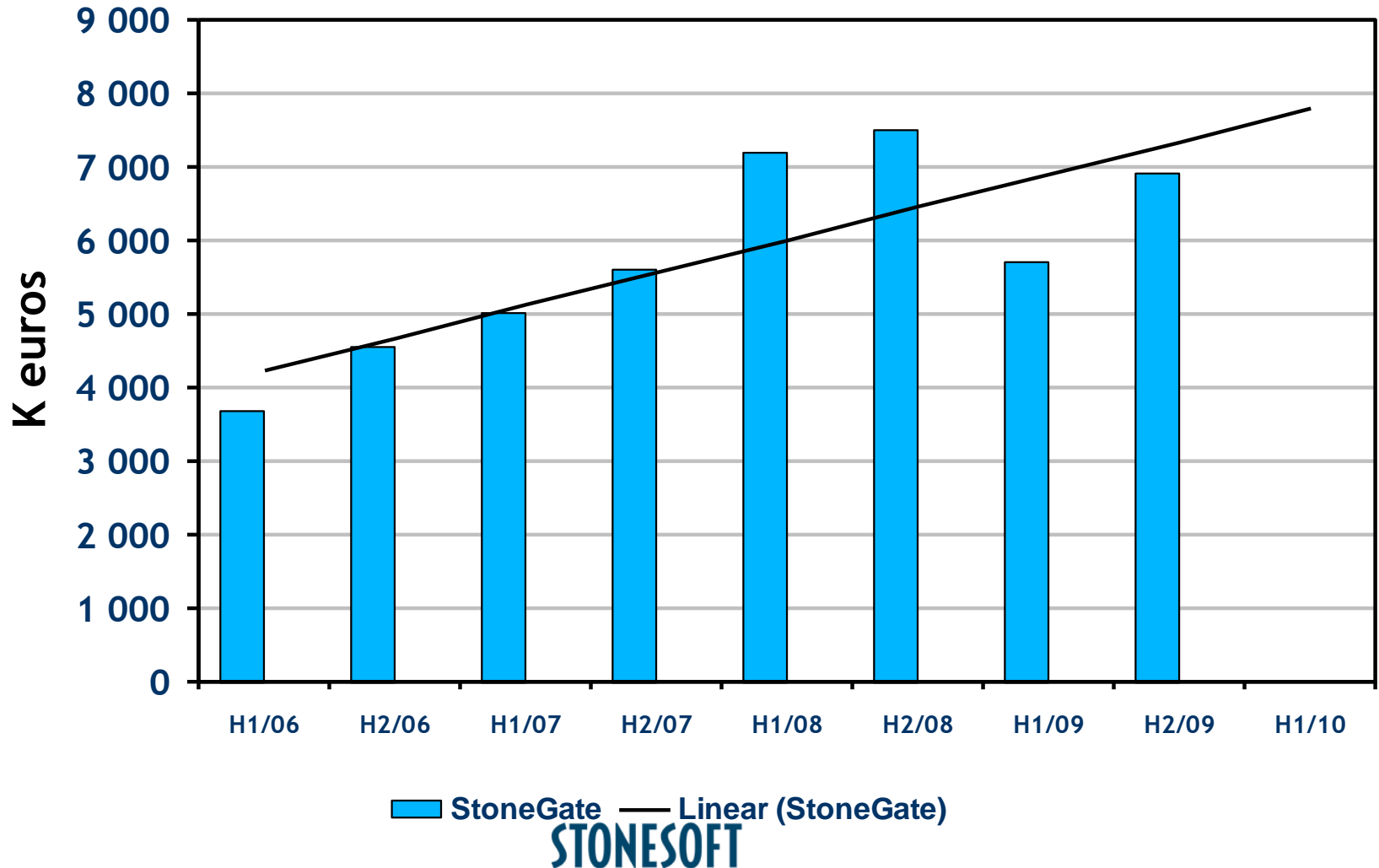


# StoneGate Sales by Quarter



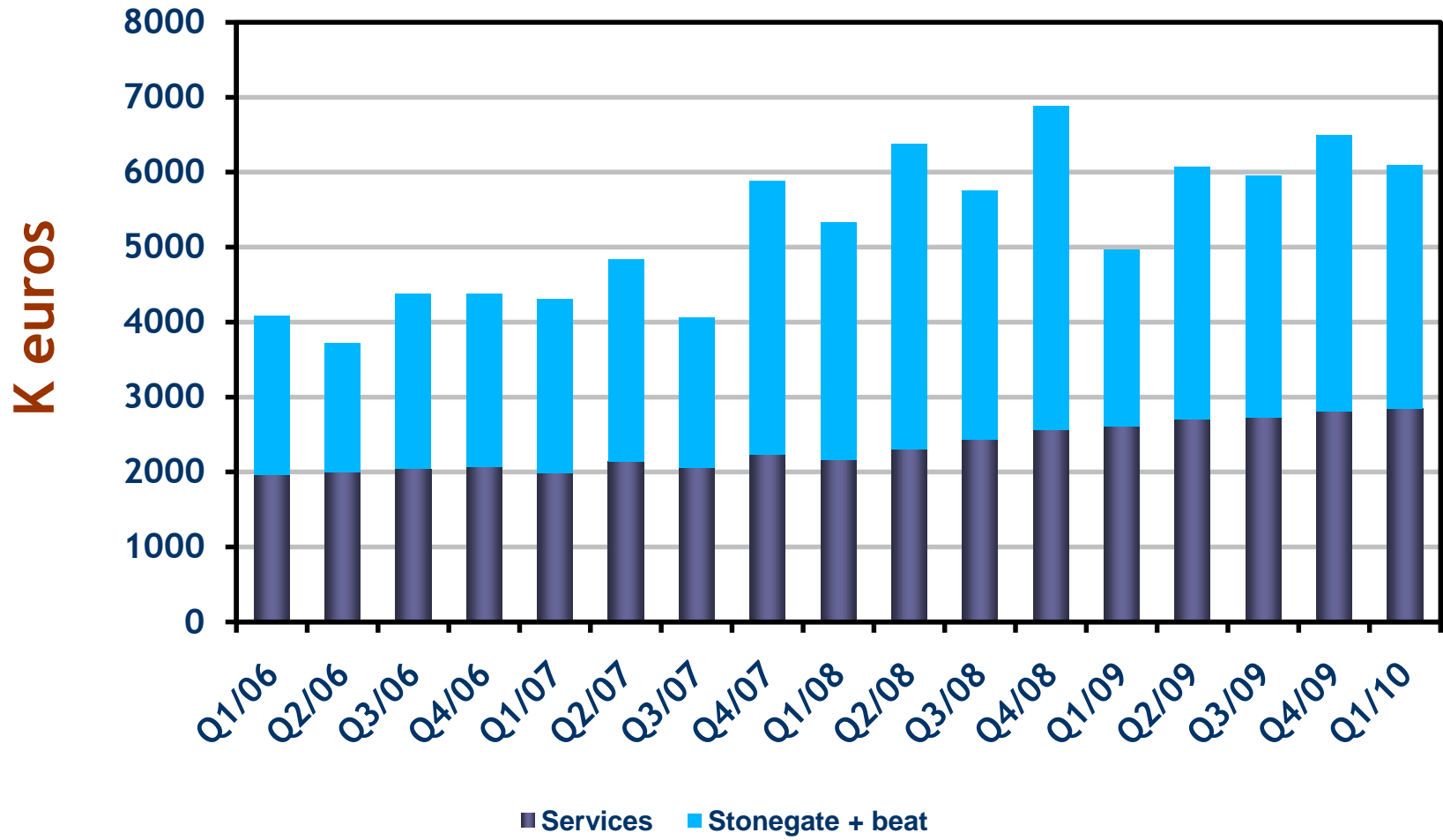
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# StoneGate Sales by Half Year



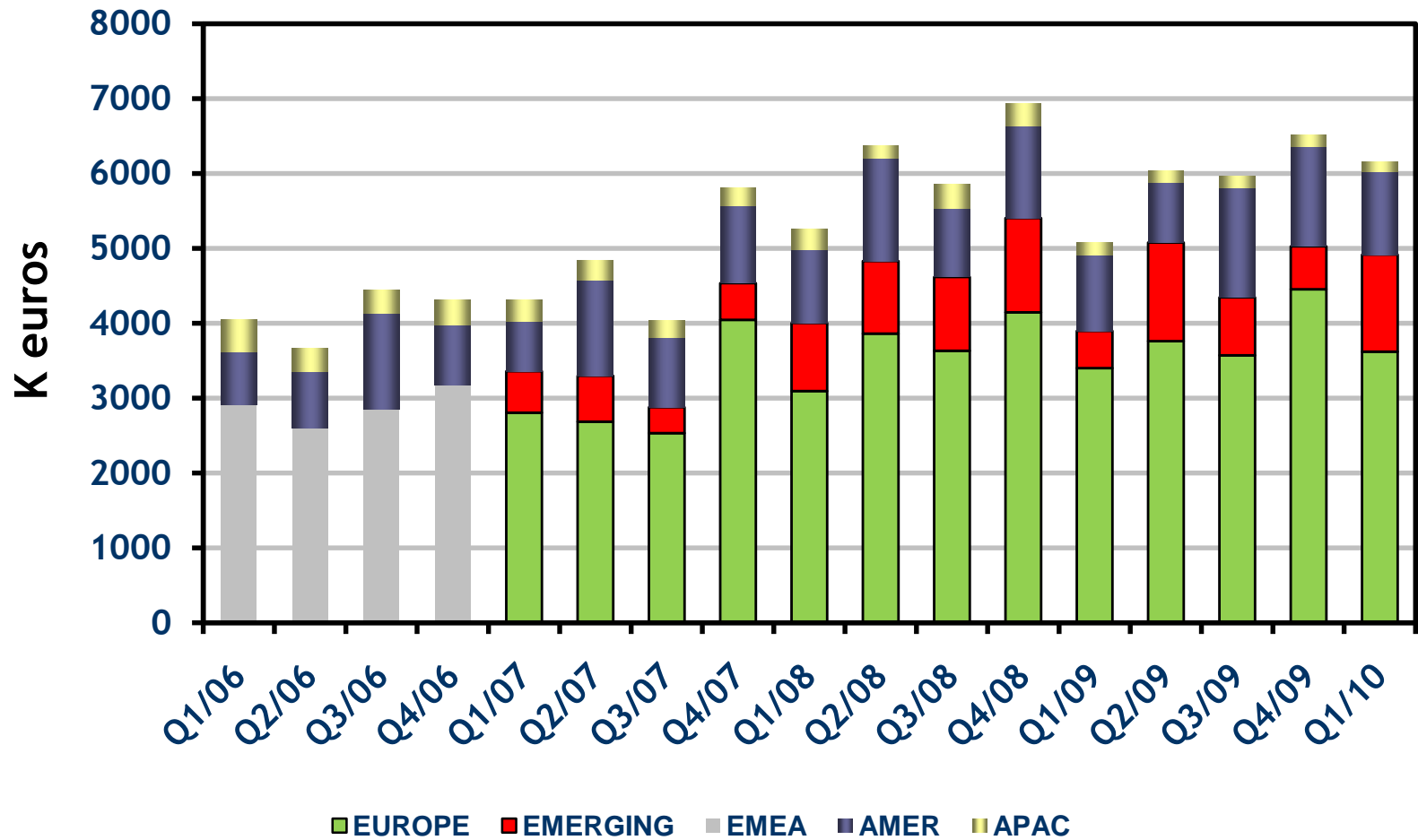


# Sales by Product



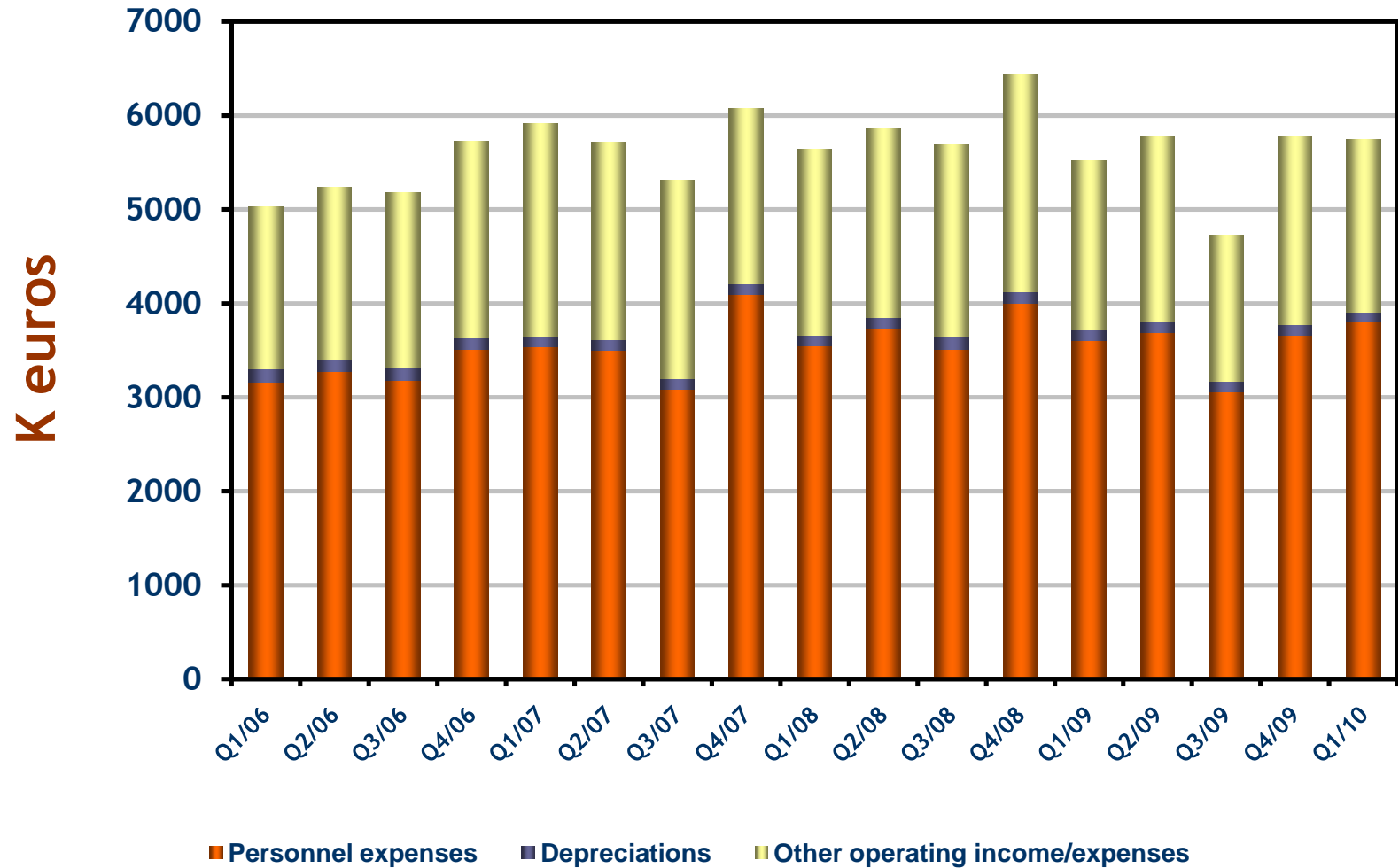
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# Net Sales by Area



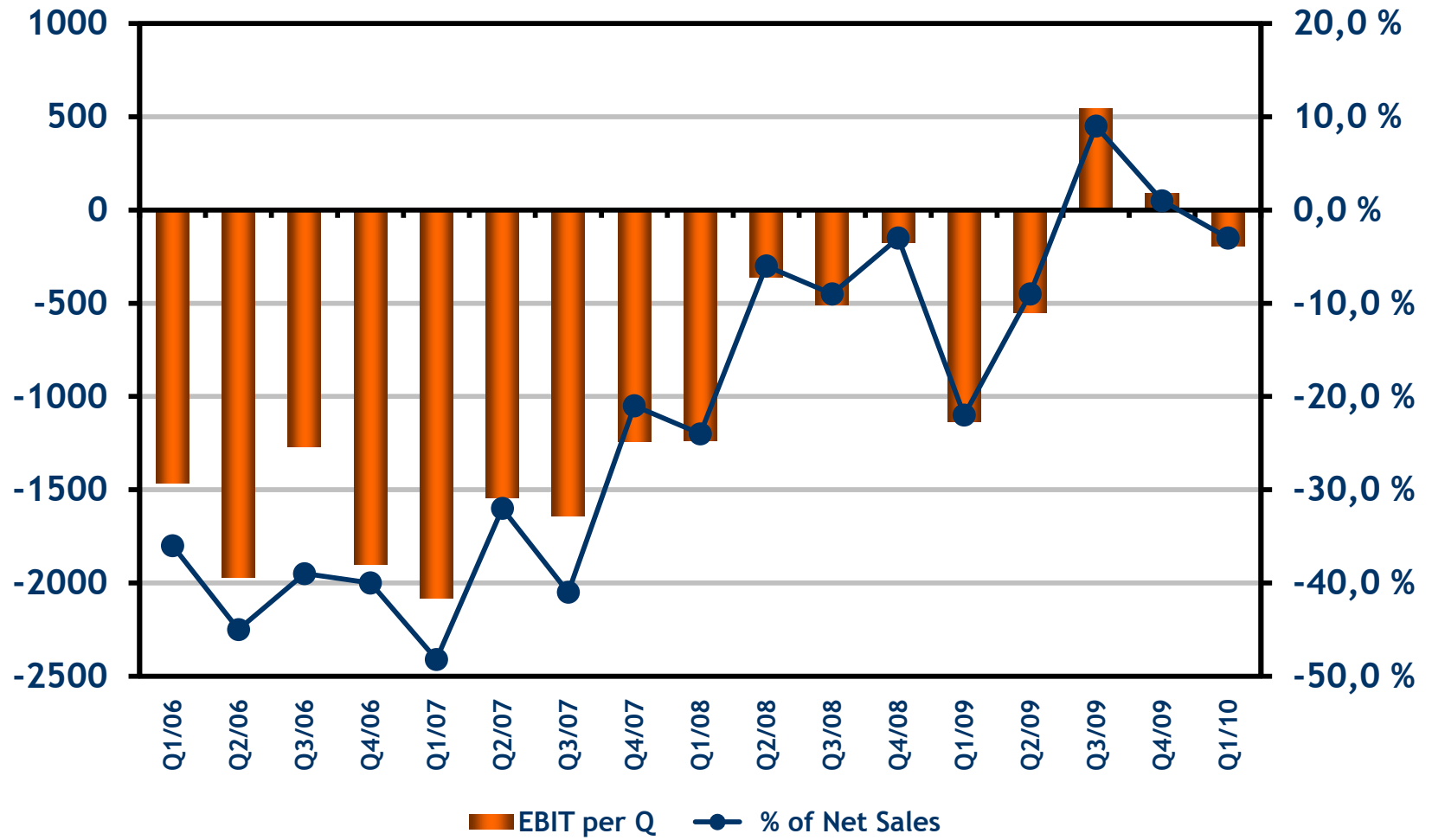
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# Operating Costs by Quarter



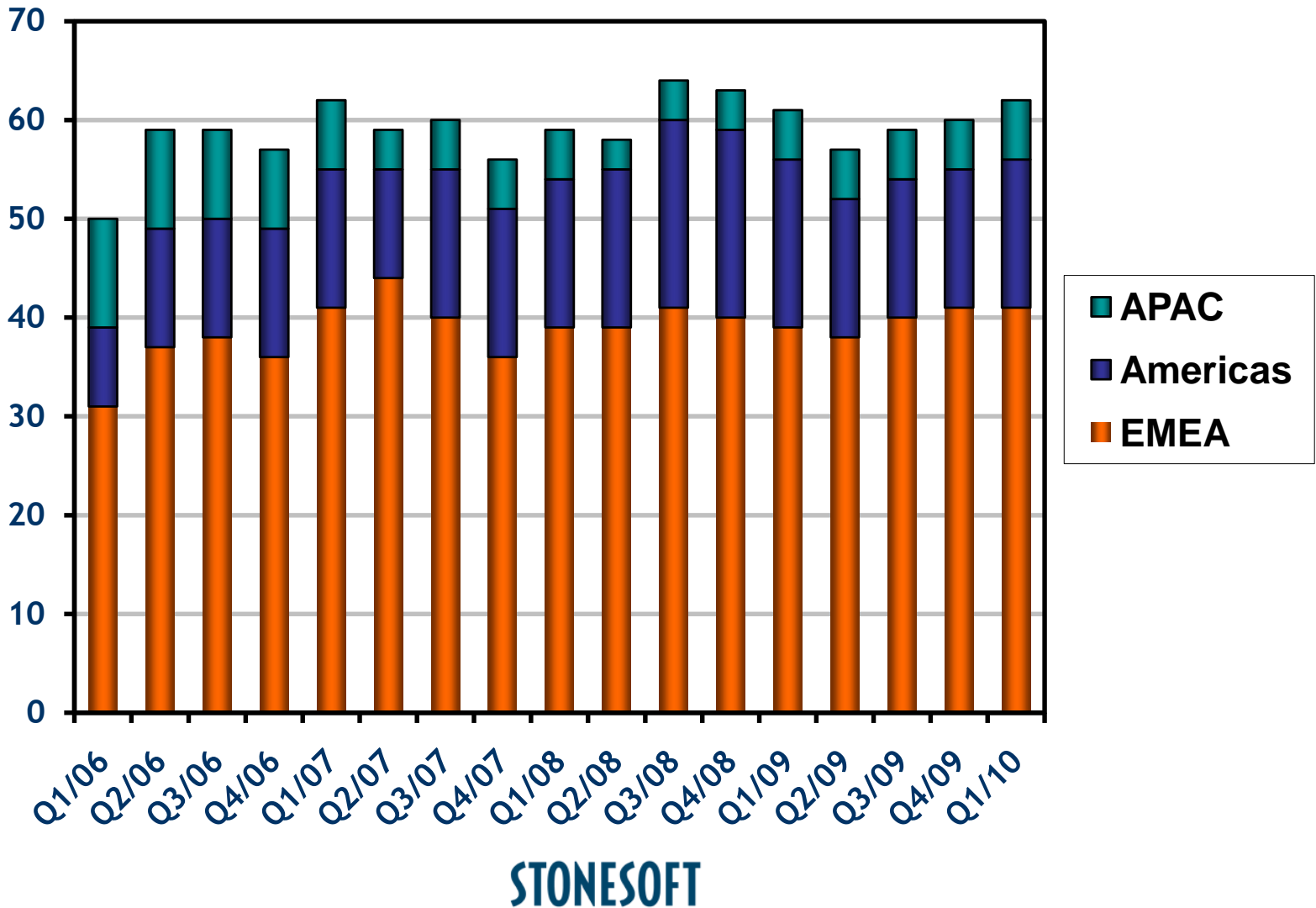
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# EBIT by Quarter

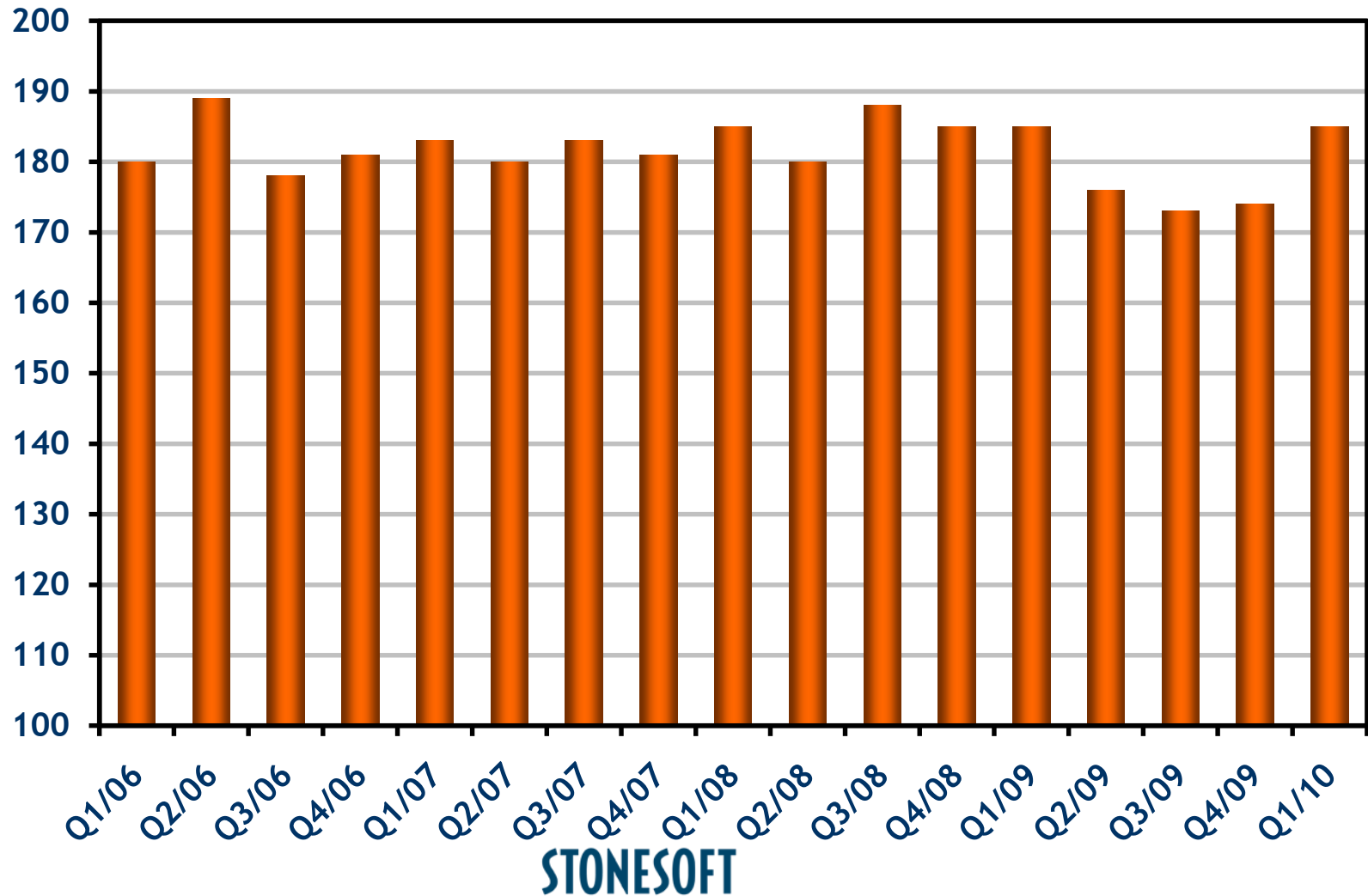


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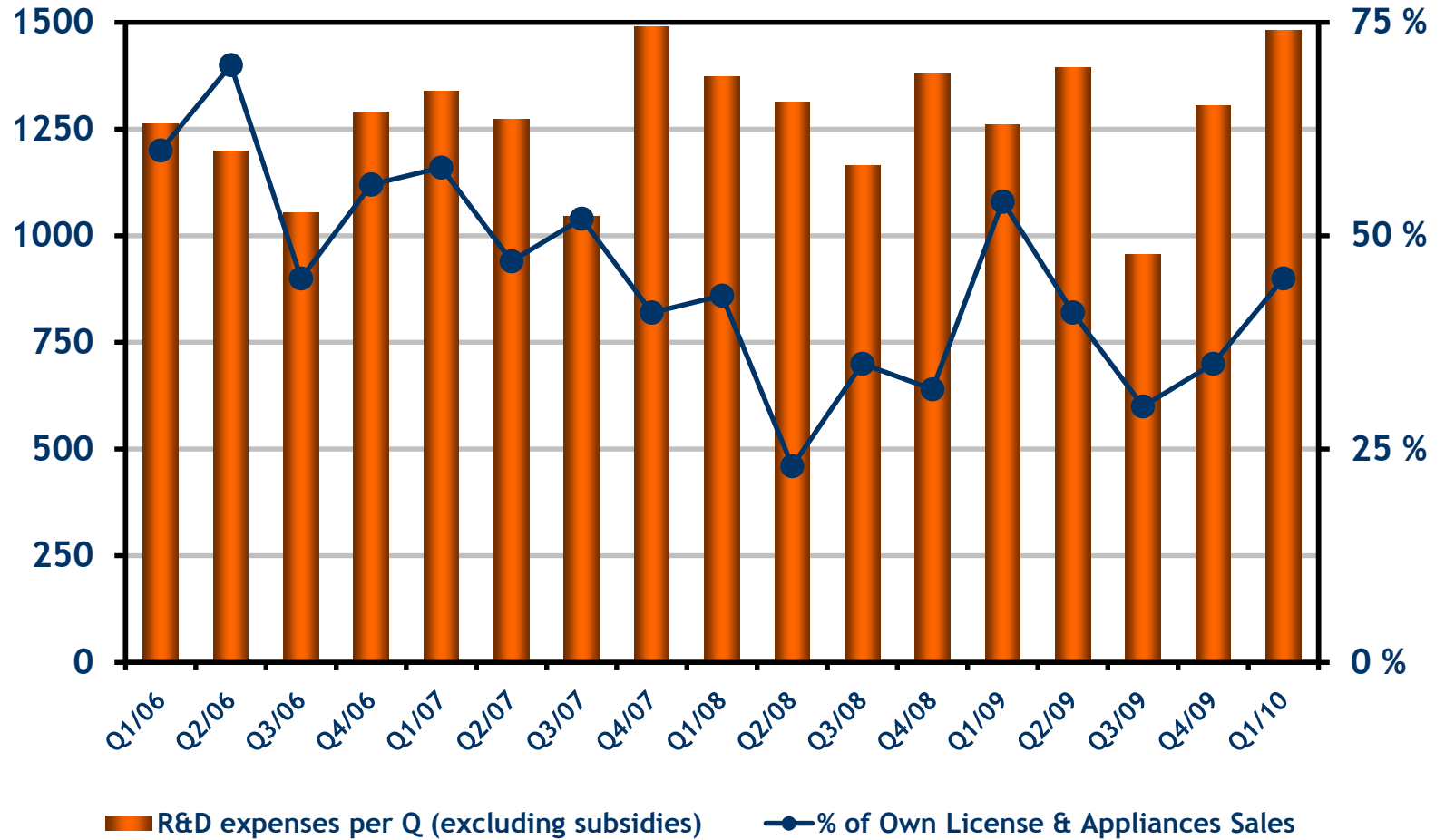
# Sales Personnel at the End of Quarter



# Personnel at the End of Quarter

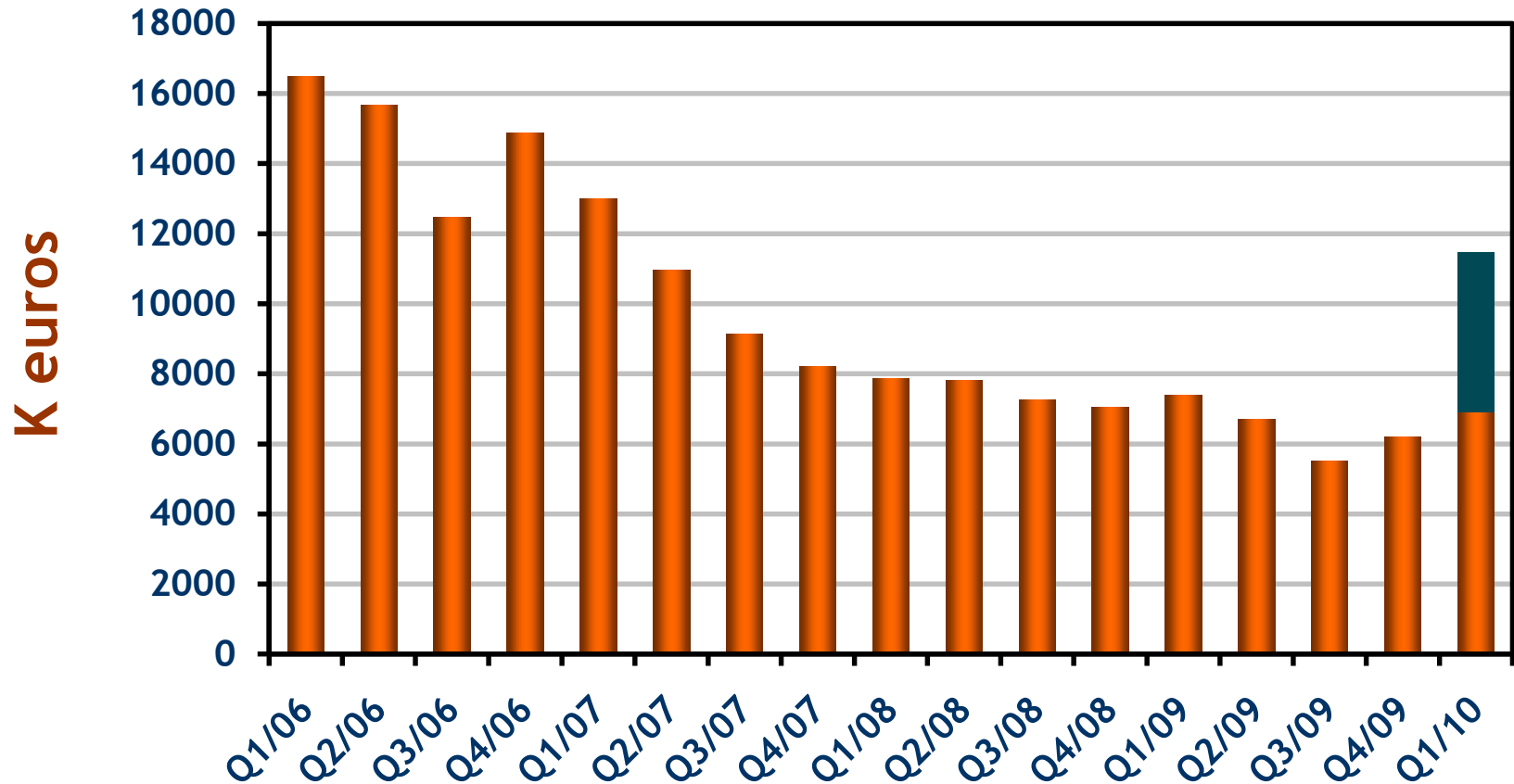


# R&D Expenses



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# Liquid Funds



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[www.stonesoft.com](http://www.stonesoft.com)  
[stonesoft@stonesoft.com](mailto:stonesoft@stonesoft.com)

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