

STONESOFT CORPORATION'S INTERIM REPORT FOR JANUARY-JUNE 2009

**Operating result and net sales almost at the level of the previous year**

Stonesoft Corporation's operating result for the second quarter of the year declined slightly and was EUR -0.6 million, which is EUR -0.2 million less than during the corresponding period in the previous year. Net sales was EUR 6.0 million, which is 5% less than during the corresponding period in the previous year.

**Summary**

The comparable figures from the corresponding period in the previous year are in brackets and refer to the figures of continuing operations.

**April-June 2009**

- Net sales EUR 6.0 (6.4) million, decrease -5%
- Product sales EUR 3.4 (4.1) million, decrease -17%
- Operating result EUR -0.6 (-0.4) million
- Operating result as percentage of net sales -9% (-6%)
- Earnings per share EUR -0.01 (-0.01)
- Cash flow EUR -0.7 (-0.1) million
- Interest bearing funds exceeded interest bearing debts by EUR 6.7 (7.8) million

**January-June 2009**

- Net sales EUR 11.1 (11.6) million, decrease -4%
- Product sales EUR 5.7 (7.2) million, decrease -21%
- The operating result EUR -1.7 (-1.6) million
- The operating result as percentage of net sales -15% (-14%)
- Cash flow EUR -0.3 (-1.2) million. The last part of the selling price of Embe Systems Oy, EUR 0.8 million, has been removed from the total cash flow of the previous year.

Product sales has previously been referred to as "Stonesoft's core business, the sales of the StoneGate product family". The term has been changed because currently the product sales comprises practically of StoneGate sales.

The company still does not see it justified to give any estimate on the result for the year 2009, but has now given an estimate of the net sales for the full year.

**CEO Ilkka Hiidenheimo**

The comparable operating result and net sales of the company almost reached the level of the corresponding period in the previous year, despite the general market situation.

In our main market area, Europe, the sales of the StoneGate product family stayed on an adequate level. However, the sales in America and Russia did not meet the expectations. In the Emerging Markets, which have grown strongly during the previous years, especially North Africa showed positive development developed positively. We renewed the partnership contract entered in the previous year with the leading national telecommunications company by a frame agreement, with first orders related to it at the value of EUR 1.2 million. The deliveries took place during the second quarter of the year. The orders further strengthen our position in North Africa.

To reach our target for the rest of the year, we reduced the company's cost structure and commenced co-operation negotiations, based on which the company decided to terminate the employment contract of six (6) employees and lay off the personnel in Finland with certain exceptions for six weeks in stages during the rest of the year.

Tekes, the Finnish Funding Agency for Technology and Innovation, has decided to fund Stonesoft Corporation's research and development project "The protection of fast networks of critical infrastructure" with more than a million Euros in 2009 and 2010. The funding decision considerably accelerates the completion of the project, which in turn clearly improves the competitiveness of our products. The project has significant novelty value and is highly challenging in international framework.

The StoneGate 5.0 launched in April has been received positively in the market. With the unified management offered by our products, our customers have been able to

increase the efficiency of their operations and gained significant cost savings. After the reporting period we launched the high performance network security appliances FW-5105 and IPS-6105, which extend our product offering to the high capacity network environments of large enterprises and telecom operators. The first deliveries to customers have already been made.

The relative importance of the operability and availability of data networks to business is continuously increasing. This has led to the growth of the demands to network security design and to the need to achieve a comprehensive overview of the state of the network and data communications. We are specialized in delivering comprehensive network security solutions, which meet also the exceptionally high demands of critical network environments and enable increased efficiency and flexibility.

#### NET SALES AND RESULT

##### **April-June 2009 (hereinafter 'reporting period')**

The group's net sales in the reporting period were EUR 6.0(6.4) million. The decrease compared to the corresponding period in the previous year was EUR -0.3 million, or -5 %. The operating result (EBIT) was EUR -0.6 (-0.4) million and the result after taxes was EUR 0.5 (-0.3) million.

The product sales, which consists practically of the sales of the StoneGate product family, were EUR 3.4 (4.1) million, a decrease of -17% compared to the corresponding period in the previous year. The StoneGate product family comprises of a firewall, VPN, SSL VPN and IPS (Intrusion detection and Prevention System) solutions.

The geographical distribution of net sales was as follows: Europe 62% (60%), Emerging Markets (Russia, North Africa and Middle East) 22% (15%), Americas (North and South America) 13% (22%) and APAC (Asia-Pacific) 3% (3%).

##### **January-June 2009 (hereinafter 'fiscal period')**

The group's net sales in the fiscal period were EUR 11.1 (11.6) million. The decrease compared with the previous year's corresponding period was EUR 0.5 million, or -4%. The operating result (EBIT) was EUR -1.7 (-1.6) million and the loss after taxes was EUR -1.6 (-1.4) million.

The product sales were EUR 5.7 (7.2) million, a decrease of -21% compared to the corresponding period in the previous year.

The geographical distribution of net sales was as follows: Europe 65% (60%), Emerging Markets (Russia, North Africa and Middle East) 16% (16%), Americas (North and South America) 16% (20%) and APAC (Asia-Pacific) 3% (4%).

#### Finance and investments

At the end of the fiscal period, the group's total assets were EUR 14.5 (16.1) million. The equity ratio was 33% (48%) and gearing (the ratio of net debt to shareholder's equity) -3.37 (-1.87). Consolidated liquid assets of the group at the end of the fiscal period totaled EUR 6.7 (7.8) million. Investments in tangible and intangible assets were EUR 0.2 (0.4) million.

In order to strengthen the company's capital structure and to ensure the continuance of the positive development in the future in line with the company's strategy and growth plan, the main shareholders of the company have confirmed to the Annual General Meeting held on March 26, 2009 their readiness to invest at least three (3) million Euros in the company in form of convertible bond or directed issuance of shares. The commitment is in force until the end of the AGM in 2010.

The company has not executed the convertible bond arrangement or directed issuance of shares.

#### DEVELOPMENT OF BUSINESS OPERATIONS

Main business events in the reporting period

In April, Stonesoft achieved the Common Criteria EAL4+ certification for the Firewall Appliance Family. The EAL 4+ is the highest commercially feasible certification level.

In April, Stonesoft introduced the new StoneGate Management Center 5.0 and StoneGate Firewall 5.0, offering new revenue opportunities for MSSPs (Managed Security Service Providers). StoneGate Management Center 5.0 offers unequaled tools for managing large and distributed environments with minimum effort.

In April, the leading industry analyst firm Gartner, Inc. positioned Stonesoft's Network Intrusion Prevention System (IPS) for the first time in its Network Intrusion Prevention System Appliances Magic Quadrant report, which compares network intrusion prevention systems.

In May, Stonesoft announced it strives for improved profitability and specified the savings target for the rest of the year to be around 1.5 million Euros. To reach this target the company commenced, among other actions, co-operation negotiations based on which the company decided to terminate employment contract of six (6) employees and lay off the personnel in Finland with certain exceptions for six weeks in stages during the rest of the year.

In May, Stonesoft announced that Tekes, the Finnish Funding Agency for Technology and Innovation, decided to fund Stonesoft Corporation's research and development project "The protection of fast networks of critical infrastructure" with more than a million euros. The funding is allocated over three years so that the majority is granted for the years 2009 and 2010.

In May, Stonesoft introduced the new StoneGate FW-1030 appliance with next generation firewall capabilities.

In June, Stonesoft introduced the new StoneGate IPS-1030 appliance, which is capable of inspecting and stopping also attacks hidden in encrypted Web traffic. The new appliance provides efficient protection for both corporate network users and public Web services against attacks hidden inside the encrypted Web connection.

In June, Stonesoft introduced the new StoneGate FW-1060 firewall and IPS-1060 intrusion prevention system appliances, which enable efficient proactive defense.

In June, Stonesoft announced it has received orders from Algerian Telecom at the value of 1.2 million Euros. The orders are related to the strategic partnership with the leading national telecommunications company Algeria Telecom, which was entered in 2008 and has now been renewed by a contract that is in force for one year at the time, for a maximum period of three years, unless terminated. The value of orders to be made annually under this frame agreement is at the minimum two (2) million Euros and at the maximum eight (8) million Euros. The frame agreement is also strategically significant to the company.

#### MAJOR EVENTS AFTER THE FISCAL PERIOD

In July, Stonesoft launched the new high performance FW-5105 firewall and IPS-6105 intrusion prevention system appliances, which meet the needs of the most demanding high capacity networks, and the new StoneGate SSL-1030 appliance for securing the remote connections of small and medium-sized organizations.

#### REVIEW OF MAJOR RESEARCH AND DEVELOPMENT ACTIVITIES

Stonesoft continued its strong investments in R&D. The R&D investments during the fiscal period totaled EUR 2.7 (2.7) million, which represented 23% (23%) of operating expenses.

R&D employed 65 (66) persons at the end of the reporting period.

#### SHARE CAPITAL AND STOCK OPTION PROGRAMS

At the end of the fiscal period, Stonesoft's share capital recorded in the Trade Register totaled EUR 1 146 054.64. The number of shares was 57 302 732. The share capital remained unchanged.

## Stock option programs

The company has two valid stock option programs, the Stock Option Program 2004-2010, the subscription price of which is EUR 0.56, and the Stock Option Program 2008-2010, the subscription price of which is EUR 0.30. During the fiscal period no subscriptions were made on the basis of the stock option programs for the key personnel of the company.

## DEVELOPMENT OF SHARE PRICES AND TURNOVER

In the beginning of the fiscal period, the price of Stonesoft's share was EUR 0.32 (0.29). At the end of the fiscal period the price was EUR 0.40 (0.43). The highest price was EUR 0.50 (0.47) and the lowest EUR 0.31 (0.24). The share price divided by earnings per share (P/E) at the end of the fiscal period was -14.3 (-15.6). During the fiscal period the total turnover of Stonesoft shares amounted to EUR 1.6 (2.8) million and 4.1 (8.7) million shares, which is 7.2 (15.2)% of the total amount of the shares. Based on the share price at the end of the fiscal period, Stonesoft's market value was EUR 22.9 (24.6) million.

## NOTICES IN CHANGE OF OWNERSHIP

During the fiscal period, the company gave no notices of changes in ownership.

## ACQUISITIONS AND CHANGES IN GROUP STRUCTURE

Stonesoft established a representative office to Shanghai, China and terminated the Singapore subsidiary. No acquisitions were made and no other changes in the group structure were implemented during the reporting period.

## PERSONNEL

At the end of the fiscal period, the group's personnel totaled 176 (180).

## AUTHORIZATIONS OF THE BOARD OF DIRECTORS

The Annual General Meeting held on March 26, 2009 decided to grant the Board of Directors an authorization, according to which the Board of Directors may decide to issue new shares in one or several issues and to grant option and other special rights. The total number of shares or rights to the shares issued may be 11.450.000 at the maximum.

Based on the authorization, the Board of Directors may decide to issue new shares for subscription according to the shareholders' pre-emptive subscription rights or in deviation from the shareholders' pre-emptive subscription right, or in a directed issue of option rights or other special rights in case the deviation is justified by a weighty financial reason for the company, such as financing of an acquisition, other arrangement concerning the business of the company or development of its capital structure, or incentive to the company's personnel.

The issue may be directed in whole or in part to the main shareholders of the company Ilkka Hiidenheimo and Hannu Turunen, who have confirmed still to be ready to invest at least three (3) million Euros in the company in form of convertible bond or directed issuance of shares in order to strengthen the company's capital structure with an additional cash reserve and to ensure the continuance of the positive development in the future in line with the company's strategy and growth plan. The commitment given by the main shareholders is in force until the end of the AGM in 2010.

The Board of Directors was authorized to decide on other terms and conditions related to the share issues and to the issuance of option or other special rights. The authorization is in force until the end of the 2010 AGM.

The Board of Directors has not used the granted authorization.

The company does not own its shares and the Board of Directors do not have an authorization to acquire its own shares.

## CORPORATE GOVERNANCE

Stonesoft complies with the Corporate Governance Recommendations for listed companies issued by the Confederation of Finnish Industries EK the NASDAQ OMX Helsinki Ltd and the Central Chamber of Commerce in October 2008, as described on the web pages of the company.

## RISKS AND BUSINESS UNCERTAINTIES IN THE NEAR FUTURE

In the current fiscal period, Stonesoft's main risks and business uncertainties relate to the realization timetable of the sales projects and possible productions disruption of our subcontractors and suppliers. In addition to these factors, the general economical uncertainty that has previously grown strongly, remains a risk factor, but seems to be somewhat stabilizing. Otherwise there have been no significant changes in Stonesoft's uncertainties in comparison to the risks and business uncertainties that have been announced earlier.

## FUTURE OUTLOOK

Companies will continue to network with their partners and subcontractors, and this development will create even higher requirements for network security and availability. At the same time, the demand for outsourcing solutions and services will grow. Managed Security Service Providers (MSSPs) have a growing need to provide their customers with the possibility to track the status of their network security while maintaining an overview of their own data network. According to the company's view combining security and high availability, which is the cornerstone of StoneGate product design, will prove its strength even better in this development.

The convergence of voice, video and data on IP-based networks will create more demand for capacity and drive the adoption of 10 Gbps networks. The growing demand for added bandwidth together with new protocols in the IP networks is expected to increase the general demand for better reporting, monitoring and analysis tools. This development will support Stonesoft in achieving its year 2009 growth plan, since these are the cornerstones in StoneGate Management Center's functionality.

The strong growth of virtualization has created a demand for ensuring network security and business continuity also in virtual environments. StoneGate products are better suited for virtual environments than the competitors' products because they are based on software solutions.

As security threats in the public sector increase, growing number of government organizations have started improving their protection against network attacks and cyber espionage. StoneGate products offer comprehensive, centrally managed protection and suit well to the needs of the public sector.

While the global financial uncertainty continues, companies need to pay attention to the cost efficiency of their operations. This will further strengthen the competitiveness of the StoneGate solutions and emphasize the possibilities the solutions offer for generating considerable cost savings in relation to infrastructure, communications and operating costs.

Due to the general economical situation and prevailing global uncertainty, it is difficult to give any estimates on the future development. Based on this, the company still does not regard it justified to give any estimate on the future development of the result in 2009, although it strives for an improved operating result (EBIT) compared to the previous year. Based on the existing sales pipeline and the already realised net sales, the company expects the net sales for the full year to remain at the previous year's level. The net sales are expected to be at EUR 24.3 million, +/- EUR 1.5 million.

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.

Stonesoft Group					
Income Statement (1000 Euro)	4- 6/2009	4-6/2008	1- 6/2009	1-6/2008	1- 12/2008
Continuing operations					
Net sales	6 039	6 371	11 122	11 630	24 427
Other operating income	341	279	505	572	1 275
Materials and services	-1 120	-945	-1 814	-1 895	-3 547
Personnel expenses	-3 686	-3 735	-7 289	-7 286	-14 796
Depreciation	-113	-118	-228	-229	-483
Other operating expenses	-2 011	-2 211	-3 980	-4 389	-9 161
Operating result	-550	-360	-1 683	-1 597	-2 286
Financial income and expenses	45	97	150	120	276
Result before taxes	-505	-263	-1 533	-1 477	-2 010
Taxes	-44	-49	-80	-99	-219
Result from continuing operations	-549	-311	-1 613	-1 576	-2 229
Result from discontinued operations	0	0	0	186	186
Result for the accounting period	-549	-311	-1 613	-1 390	-2 043
Other comprehensive income					
Exchange differences on translating foreign operations	-10	-16	10	-58	-30
Total other comprehensive income	-10	-16	10	-58	-30
Total comprehensive income	-559	-327	-1 603	-1 448	-2 068
Basic earnings per share (EUR), continuing operations					
	-0,01	-0,01	-0,03	-0,03	-0,04
Diluted earnings per share (EUR), continuing operations					
	-0,01	-0,01	-0,03	-0,03	-0,04
Basic earnings per share (EUR), discontinued operations					
	0,00	0,00	0,00	0,00	0,00
Diluted earnings per share (EUR), discontinued operations					
	0,00	0,00	0,00	0,00	0,00
Stonesoft Group					
Balance Sheet (1000 Euro)	30.6.2009	30.6.2008	31.12.2008		
ASSETS					
Non-Current Assets					
Tangible assets	556	787	692		
Intangible assets	174	126	104		

Other investments	10	10	10
Deferred tax assets	0	1	0
Total	740	924	806

#### Current assets

Inventories	730	822	911
Trade and other receivables	6 313	6 511	7 371
Prepayments	44	68	19
Marketable securities	5 546	7 003	6 310
Cash and cash equivalents	1 156	803	738
Total	13 789	15 208	15 348

Total assets	14 529	16 132	16 154
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#### EQUITY AND LIABILITIES

##### Equity attributable to equity holders of the parent company

Share capital	1 146	1 146	1 146
Share premium account	76 821	76 821	76 821
Conversion differences	-941	-985	-951
Retained earnings	-75 038	-72 836	-73 473
Total	1 988	4 146	3 543

##### Long-term liabilities

Provisions	0	43	26
Other long-term liabilities (*)	2 594	2 070	2 336
Total	2 594	2 112	2 363

##### Short-term liabilities

Trade and other payables (*)	9 696	9 712	9 991
Tax liability	125	7	41
Provisions	126	118	214
Short-term interest bearing liabilities	0	37	2
Total	9 946	9 874	10 248

Total liabilities	12 541	11 986	12 611
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Total equity and liabilities	14 529	16 132	16 154
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\*) Other liabilities include customers' pre-paid maintenance agreements periodicity

8 591	7 449	8 372
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#### Stonesoft Group

##### Statement of changes in equity (1000 Euro)

	Share capital	Share premium	Conversion differences	Retained earnings	Total
Shareholders' equity at 1.1.2008	1 146	76 821	-927	-71 461	5 579
Comprehensive income			-58	-1 390	-1 448
Stock options		16			16
At the closing on 31.12.2008					
transferred stock option expenses					
accumulated retained earnings		-16		16	0
Shareholders' equity at 30.6.2008	1 146	76 821	-985	-72 836	4 146

	Share capital	Share premium	Conversion differences	Retained earnings	Total
Shareholders' equity at 1.1.2009	1 146	76 821	-951	-73 473	3 543
Comprehensive income			10	-1 613	-1 603
Stock options				48	48
Shareholders' equity at 30.6.2009	1 146	76 821	-941	-75 038	1 988

#### Stonesoft Group

	1.1.- 30.6.2009	1.1.- 30.6.2008	1.1.- 31.12.2008
Cash flow statement (1000 Euro)			
Cash flow from operating activities			
Operating Result	-1 683	-1 597	-2 286
Adjustments			
Non-cash transactions	-104	36	319
Financial expenses	-67	-42	-93
Financial incomes	217	162	375
Change in net working capital	1 459	746	614
Taxes paid	-65	-99	-218
Total cash flow from operating activities	-243	-793	-1 288
Cash flow from investing activities			
Investments in tangible assets	-67	-285	-422
Investments in intangible assets	-95	-66	-66
Investments in affiliated company	0	0	0
Investments in other shares	0	-10	-10
Net cash flow investing activities continuing operations	-162	-361	-498
Net cash flow investing activities discontinued operations	0	761	761
Total cash flow investing activities	-162	400	263
Cash flow from financing activities			
Payments of financial leasing liabilities	-2	-38	-72
Total cash flow from financing activities	-2	-38	-72
Change in cash and cash equivalents			
Cash and cash equivalents at beginning of period	7 048	8 210	8 210
Conversion differences	10	-58	-30
Changes in the market value of investments	52	86	-34
Total cash and cash equivalents at end of period *)	6 702	7 806	7 048
*) Total cash and cash equivalents at end of the period contains pledged securities	316	256	315

#### Stonesoft Group

Geographical segments (1000 Euro)	1.1.-30.6.2009	1.1.-30.6.2008	1.1.-31.12.2008
Net sales			
Europe	7 164	6 959	14 740
Emerging Market	1 814	1 879	4 123
Americas	1 817	2 352	4 495
APAC	327	440	1 069
Total net sales	11 122	11 630	24 427



Operating profit			
Europe	-520	-887	-1 061
Emerging Market	-102	-20	338
Americas	-986	-616	-1 532
APAC	-74	-73	-31
Total operating profit	-1 683	-1 597	-2 286

Stonesoft Group

Contingent liabilities (1000 Euro)	1.1.-30.6.2009	1.1.-30.6.2008	1.1.-31.12.2008
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Contingent off-balance sheet

Non-cancelable other leases	2 926	3 902	3 377
Contingent liabilities for the Company	63	20	63

Stonesoft Group

Related party information (1000 Euro)	1.1.-30.6.2009	1.1.-30.6.2008	1.1.-30.9.2008
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Consultation fees paid to the Board of Directors	0	0	0
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Stonesoft Group

Quarterly development (Euro Millions)	Q2 / 2009	Q1 / 2009	Q4 / 2008	Q3 / 2008	Q2 / 2008	Q1 / 2008	2008
Software	0,3	0,4	1,0	0,5	0,7	0,4	2,6
Security appliances	3,1	2,0	3,4	2,8	3,4	2,8	12,3
Services	2,7	2,6	2,6	2,4	2,3	2,2	9,5
Other products	0,0	0,1	0,0	0,1	0,0	-0,1	0,1
Net sales continuing operations	6,0	5,1	6,9	5,9	6,4	5,3	24,4
Change-% from previous year	-5	-3	19	45	32	22	28
Sales margin	4,9	4,4	6,1	5,1	5,4	4,3	20,9
Sales margin %	81	86	88	86	85	82	85
Operative expenses	5,8	5,7	6,6	5,9	6,0	5,8	24,4
Operating profit (EBITA)	-0,6	-1,1	-0,2	-0,5	-0,4	-1,2	-2,3
% of net sales	-9	-22	-3	-9	-6	-24	-9
Result before taxes	-0,5	-1,0	-0,1	-0,4	-0,3	-1,2	-2,0
% of net sales	-8	-20	-2	-7	-4	-23	-8

Stonesoft Group

Key ratios (1000 Euro)	1.1.-30.6.2009	1.1.-30.6.2008	1.1.-31.12.2008
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Net sales, continuing operations	11 122	11 630	24 427
Net sales change-%	-4	27	28

Operating result, continuing operations	-1 683	-1 597	-2 286
% of net sales	-15	-14	-9

Operating result before taxes	-1 533	-1 477	-2 010
% of net sales	-14	-13	-8

ROE - %, annualized, continuing operations	-117	-65	-49
ROI - %, annualized	-99	-56	-40
Equity ratio-%	33	48	46
Net gearing	-3,37	-1,87	-1,99
Total Assets	14 529	16 132	16 154

Capital expenditure	162	351	488
Capital disposals	20	0	0
R&D costs	2 657	2 686	5 230
% of net sales	24	23	21
Number of employees (weighted average)	183	181	183
Number of employees (end of the period)	176	180	185

#### Share Specific Ratios

Earnings per share, continuing operations	-0,03	-0,03	-0,04
Earnings per share, discontinued operations	0,00	0,00	0,00
Equity per share	0,03	0,07	0,06
Dividend	0,00	0,00	0,00
Dividend per share (EUR)	0,00	0,00	0,00
Dividend / Profit-%	0	0	0

#### Calculation of indicators

Return on equity (ROE) % =	(Profit before taxes - income taxes) x 100 / Shareholders' equity + minority interest (average)
Return on invested capital (ROI)% =	(Profit before extraordinary items+interest and other financial expenses) x100 / Balance sheet total - non-interest bearing debt (average)
Equity ratio % =	(Equity + minority interest) x 100 / Balance sheet total - advances received
Net gearing =	Interest bearing net debt - cash in hand and on deposit - marketable securities / Equity + minority interest
Earning per share (EPS) =	Profit before taxes - minority interest - income taxes / Average number of shares adjusted for dilutive effect of options
Equity per share =	Equity / Number of shares at end of period

#### ACCOUNTING PRINCIPLES

This Interim Report is prepared in accordance with IAS 34 standard.

#### FORWARD-LOOKING STATEMENTS

This report contains statements concerning, among other things, Stonesoft's financial condition and the results of operations that are forward-looking in nature. Such statements are not historical facts, but rather represent Stonesoft's future expectations. The company believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions. However, these forward-looking statements involve inherent risks and uncertainties, which could cause actual results or outcomes to differ materially from those anticipated in the statements. These risks and uncertainties may include, among other things, (1) changes in our market position or in the Firewall/VPN and Intrusion detection and protection market in general; (2) the effects of competition; (3) the success, financial condition, and performance of our collaboration partners, suppliers and customers; (4) our ability to source quality components without interruption and at acceptable prices; (5) our ability to recruit, retain and develop appropriately skilled employees; (6) exchange rate fluctuations, including, in particular, fluctuations between the Euro, which is our reporting currency, and the US dollar; (7) other factors related to sale of products, economic

situation, business, competition or legislation affecting the business of Stonesoft or the industry in general and (8) our ability to control the variety of factors affecting our ability to reach our targets and give accurate forecasts.

The presented figures are unaudited.

#### PRESS CONFERENCE

A press conference for analysts and investors will be held on August 14, 2009 at 10.30 am at the Stonesoft headquarters, street address Itälahdenkatu 22 A, 00210 Helsinki.

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