

## January-June 2008, Interim Report



August 15th, 2008

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## Stonesoft Corporation

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- Net sales EUR 6.4 millions, +32% compared to the corresponding period in 2007 (4.8).
- StoneGate sales were EUR 4.1 millions, an increase of 50% compared to the corresponding period in 2007 (2.7). The number represents a new all-time-high!
- Operating loss (EBITA) of EUR –0.4 millions, a significant improvement compared to the loss of –1.5 millions in the corresponding period in 2007.
- The operational cash flow was only 0.1 million negative, compared to the –2.0 of the corresponding period in 2007. The liquid assets totalled 7.8 millions at the end of the reporting period.

- Net sales EUR 11.6 millions, +27% compared to the corresponding period in 2007 (9.2).
- StoneGate sales were EUR 7.2 millions, an increase of 44% compared to the corresponding period in 2007 (5.0).
- Operating loss (EBIT) of EUR –1.6 millions, compared to the loss of –3.6 millions in the corresponding period in 2007. A clear improvement in profitability, but further improvement is still needed.
- The operational cash flow was 1.2 millions negative, a healthy improvement compared to the –3.4 of the corresponding period in 2007.

## Highlights of the 2nd quarter 2008

- Excellent growth in Stonegate sales
- First commercial 10Gb firewalls
- First deliveries of Virtual Appliances
- Further strengthening of market position in North Africa
- First IPV6 products released

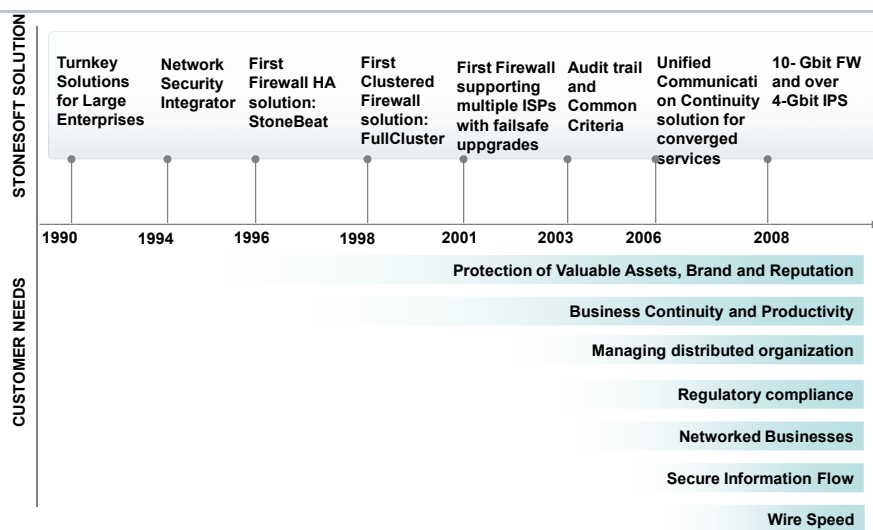
### After 2nd Quarter

- Signed agreement with Algeria Telecom
- FW/VPN and IPS Virtual Appliance were VMware certified

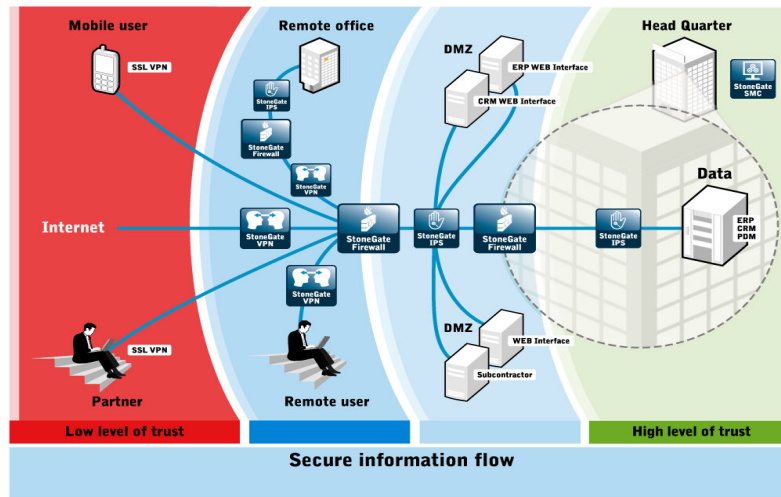
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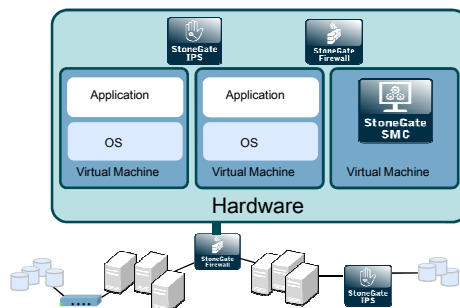
## Stonesoft Solutions and Customer Needs



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- StoneGate is available as appliance or software
- Virtual StoneGates are managed from same StoneGate Management Center: look the same to administrators; leverage full power of our solution
- Virtual since 2002
- VMware certified

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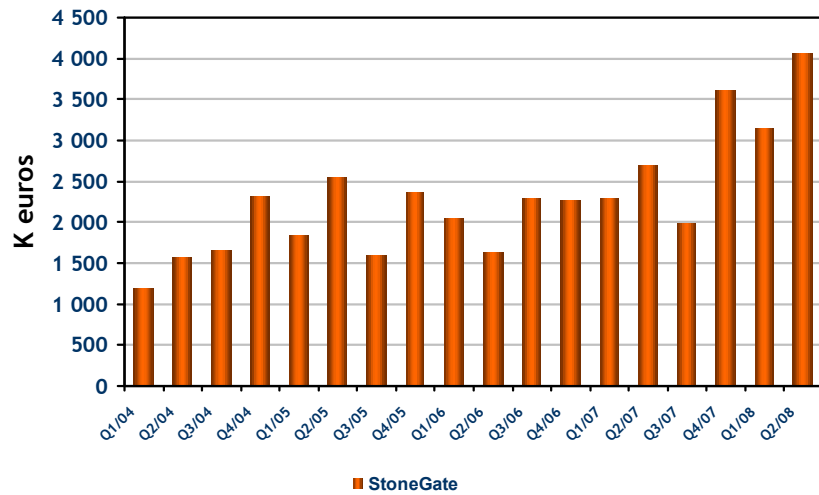
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- Company expects to have an annual overall net sales of roughly EUR 24 million (+/- 10%) while the comparable net sales figure during the previous financial year was EUR 19.0 million.
- Through increased sales and cost control, the annual operating result (EBIT) is expected to improve by EUR 2.5 - 4.5 million compared to the previous year. Also the cash flow is expected to develop favorably.

## Q2/2008 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

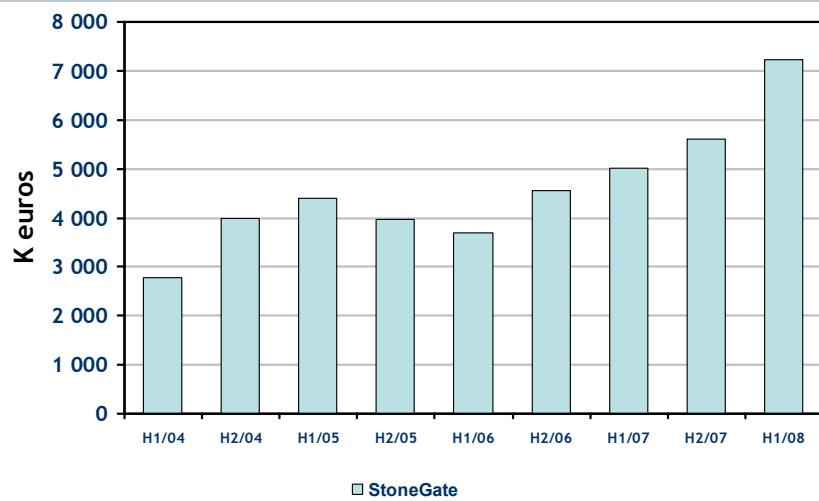
## StoneGate Sales by Quarter



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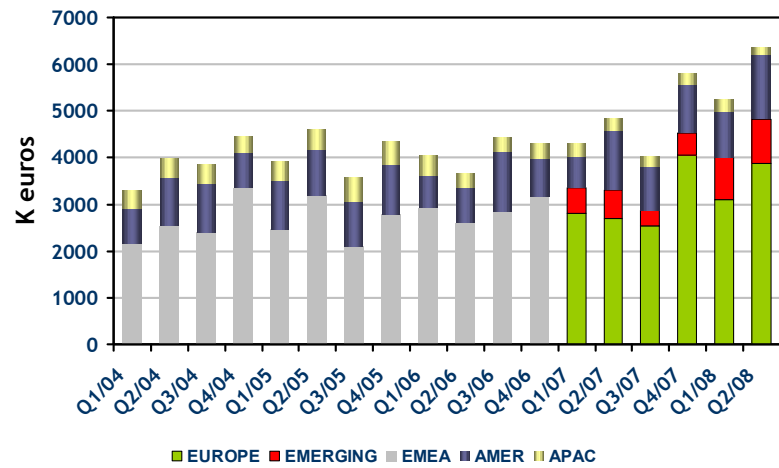
## StoneGate Sales by Half Year



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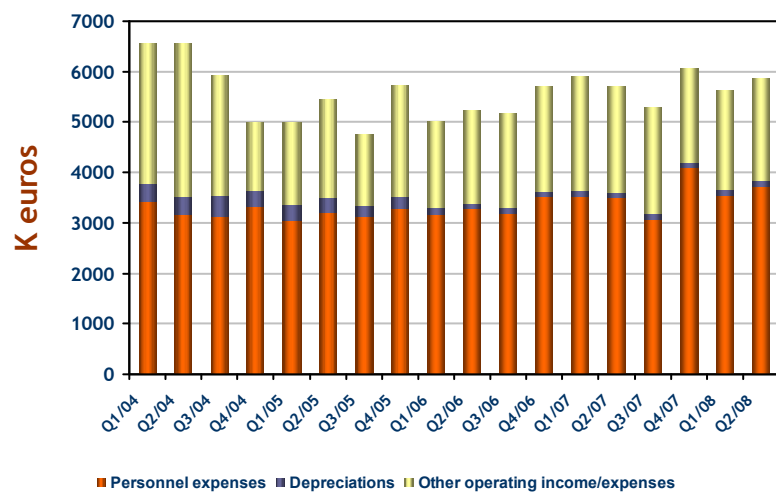
## Net Sales by Area



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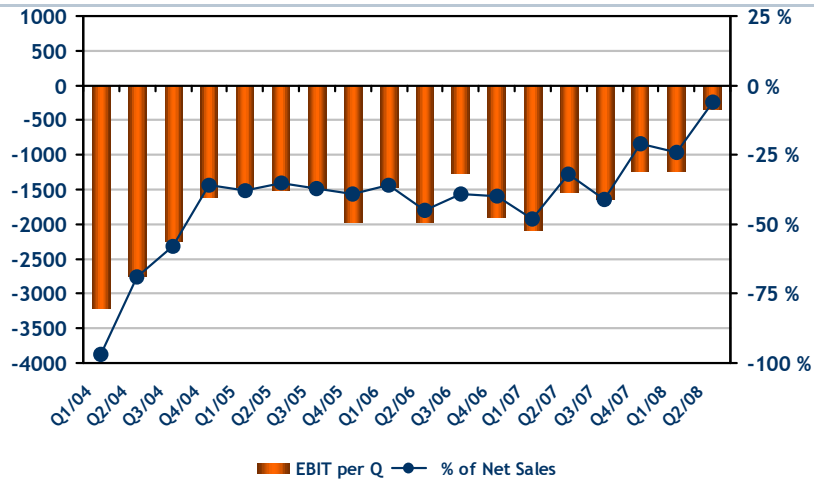
## Operating Costs by Quarter



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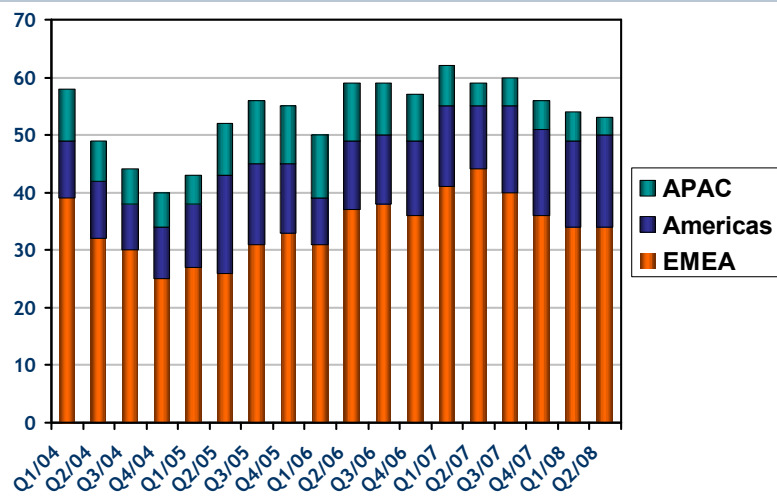
## EBIT by Quarter



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## Sales Personnel at the End of Quarter

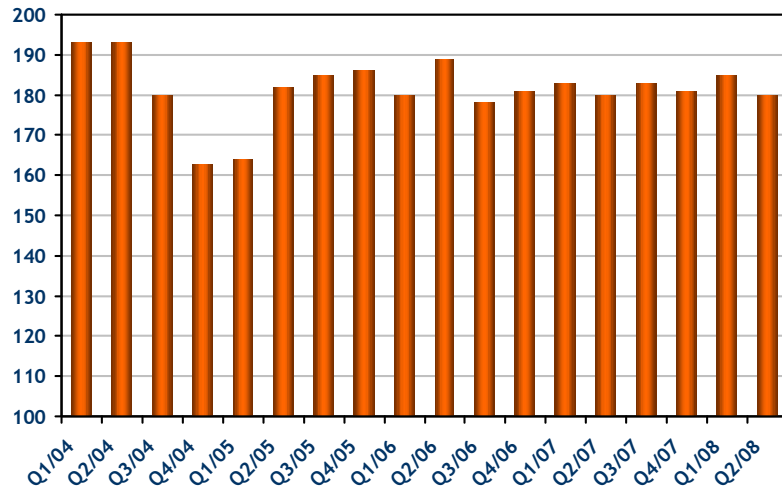


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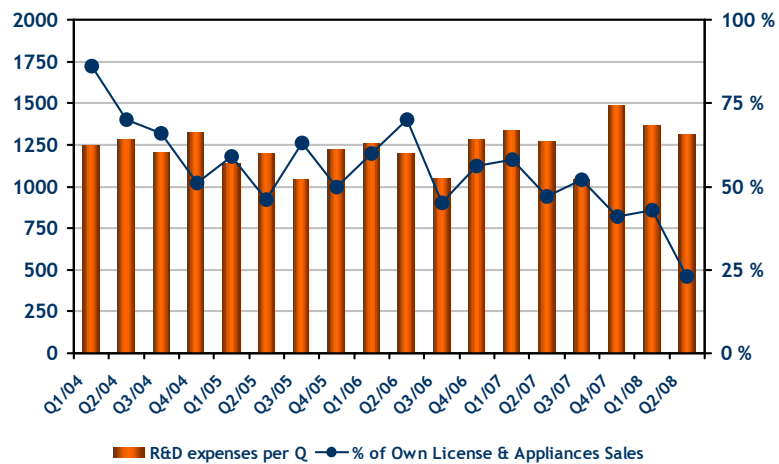
## Personnel at the End of Quarter



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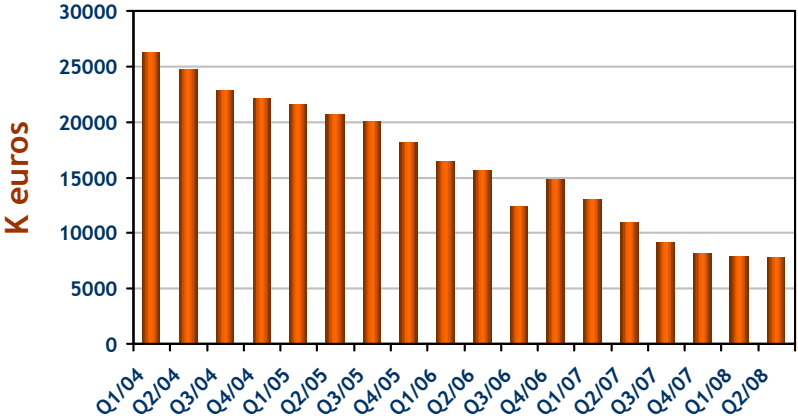
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## R&amp;D Expenses



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