

Stonesoft in Figures

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Capital Markets Day 12th November 2009, Helsinki

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Stonesoft – a Startup Founded in 1990

- Founded in 1990, Stonesoft has been involved in various businesses over time, e.g. consulting, selling of 3rd party solutions and subcontracting for Mobile Phone industry, etc.
- At the time of the IPO in 1999 the core business was one product, StoneBeat, which was an add-on product to the market leader's network security solution
- Today, Stonesoft is a Network Security and Business Continuity company characterized by
 - Focus on demanding network security
 - Worldwide markets and presence
 - Own technology protected by tens of patents
 - Highly manageable and cost efficient solutions

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Stonesoft – a Startup Founded in 1990

- Since 2003 Stonesoft has focused on creating its own full-scale network security offering, essentially with the profile of a startup company
- The capital gathered from the IPO has been used to
 - Develop the current technical solutions, including a full set of network security appliances
 - Build a marketing machine and formulate the message
 - Build up the worldwide sales organization
- Our financial results have steadily been improving
- → We now have a solid foundation for global success

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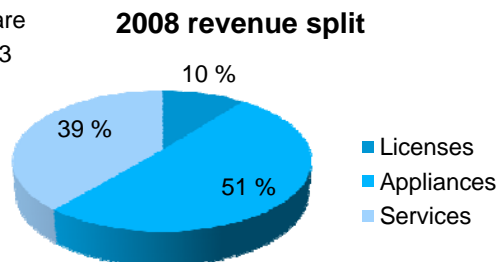
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Revenue Components (1/2)

- Stonesoft's revenue consists of
 - Licenses
 - Perpetual with the exception of Virtual Appliances
 - Appliances
 - Max. 5 year support
 - License linked to hardware
 - Deliveries started in 2003



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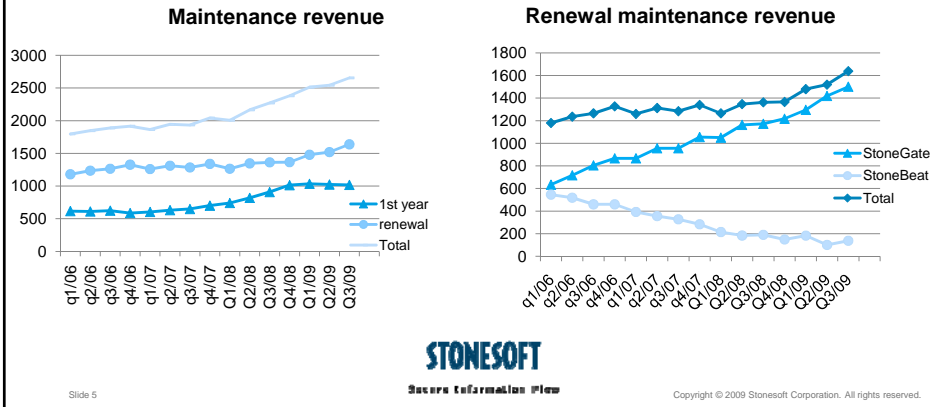
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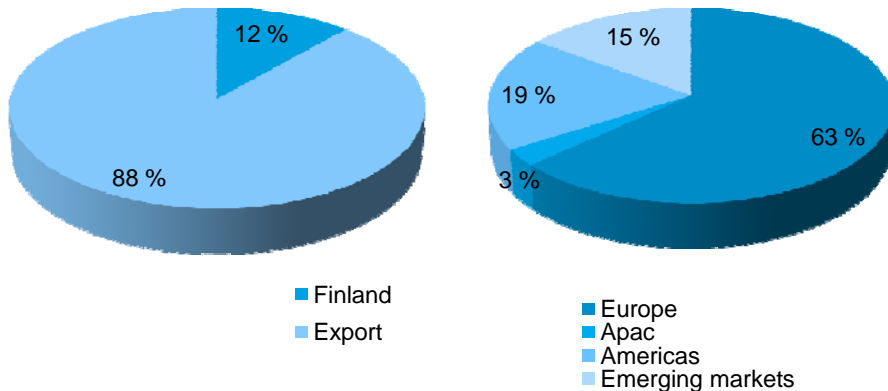
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Revenue Components (2/2)

- Services
 - 90+% support and maintenance = helpdesk and software updates
 - Sold upfront in 1-5 year contracts
 - Training and consulting minor contributor

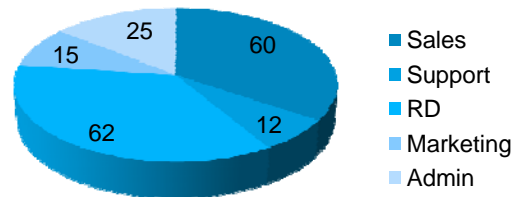


Geographical Split of Our Revenue 2009 January-September



Organization

- Local sales organizations in 12 countries
 - Will grow in the future, both geographically and HC in existing ones
- RD organization
 - Helsinki and Sophia Antipolis (Southern France)
 - May need additional resources but growth rate in no way linked to sales growth
- HQ organization
 - Capable of handling larger volume without extensive resource additions
 - Management
 - Marketing
 - Back office

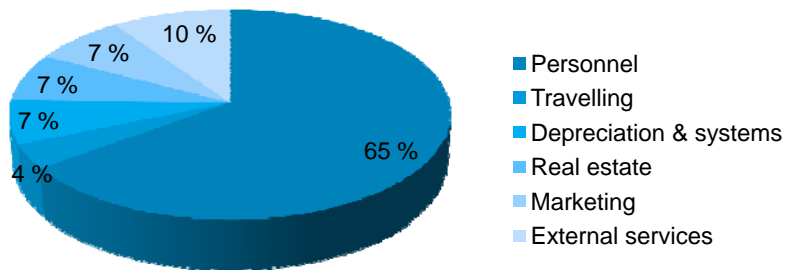


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Cost Structure 2009 January-September

- Stonesoft is a people and competence driven company

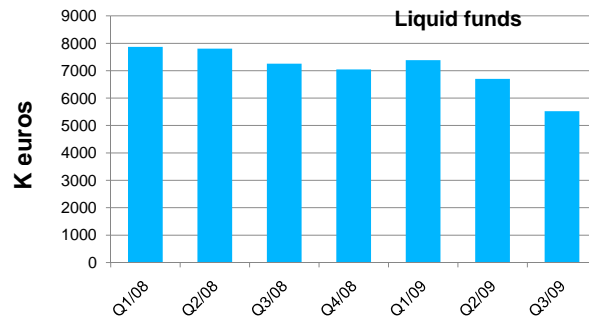


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Financial Situation

- Stonesoft has no interest bearing debt
- The debt in the balance sheet is primarily prepaid maintenance and support contracts – future revenue
- Our liquid funds have been on a stable level for two years now considering the 1.2 m euro slip in Q3 09 into this Q

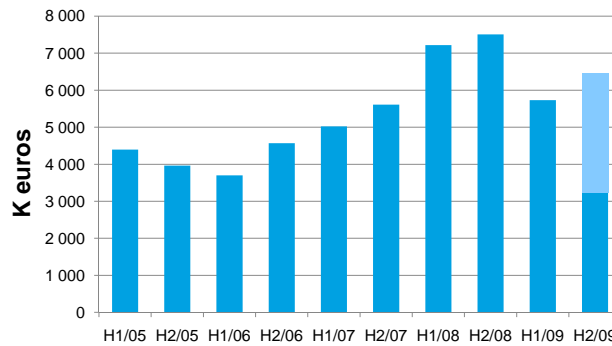


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StoneGate Growth

- A temporary setback due to the recession but now returning to growth



H2 2009 assumption Q4=Q3



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Looking Forward

The network security market is not falling, it is growing

- Stonesoft 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 (83m€ by end 2007) Stonesoft would pay very limited taxes on any future profits

→ **Stonesoft sees an excellent opportunity for highly profitable growth in the future**

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