Email Security and Compliance Leader Proofpoint Reports Q3 2009 Results: 25th Consecutive Quarter of Record Revenue, Record New Business and Largest Deployment

SaaS Offerings, Large Enterprise Wins Drive Proofpoint's Rapid Growth

SUNNYVALE, Calif. – October 9, 2009 –Proofpoint, Inc. (http://www.proofpoint.com), the leading provider of SaaS email security, email archiving and data loss prevention solutions, today reported that revenue for the third quarter of 2009 reached its highest levels ever, representing Proofpoint's 25th sequential quarter of record revenue. Business from new customers hit a new quarterly high and a record number of new mailboxes are now under the protection of Proofpoint's SaaS and on-premises email security and compliance solutions. Proofpoint's success in the large enterprise market continued as a record number of Fortune 1000 companies adopted Proofpoint solutions during the quarter.

"Proofpoint's Q3 performance was especially strong in the large enterprise segment and a rapidly growing number of the world's largest and most sophisticated companies are turning to Proofpoint to improve the usability and security of email, address an increasingly complex regulatory environment and reduce costs at the same time," said Gary Steele, CEO of Proofpoint. "Our SaaS solutions, use of cloud-computing technologies and comprehensive approach to controlling all types of email risks make it easy for customers to realize all of these benefits in record time."

The Proofpoint on Demand™ family of Software-as-a-Service offerings—including the Proofpoint ENTERPRISE™ email security and data loss prevention solution and Proofpoint ARCHIVE™ email archiving service—continued to be one of the most significant drivers for growth during the third quarter of 2009. The percentage of business from SaaS once again grew quarter-on-quarter and Proofpoint's SaaS archiving business more than doubled over Q3 2008.

Proofpoint saw increased traction with large enterprises across key vertical markets including financial services, healthcare, energy, retail and high-tech manufacturing. New customer highlights during Q3 included:

- **Largest Proofpoint deployment**: Proofpoint won its largest customer deployment (by mailboxes and email volume) to date as a leading Fortune 500 technology company selected and deployed Proofpoint's inbound email security solution to protect millions of end-user mailboxes from spam, phishing, email viruses and other email-borne threats. The deal was closed and the customer was operational during the quarter.
- **Continued success in email archiving**: A Fortune 500 specialty retailer selected Proofpoint's SaaS email archiving solution, Proofpoint ARCHIVE™, to solve email storage management, legal discovery and regulatory compliance challenges for its 40,000 email users.
- **Full suite adoption**: Proofpoint's comprehensive suite of email security and compliance offerings allows large enterprises to solve their most pressing email challenges with one integrated, cost-effective solution. As just one example, a leading US healthcare system with more than 40 hospitals selected Proofpoint to protect its 30,000 email users from inbound threats, protect HIPAA-regulated patient data in outbound email and ensure secure, compliant archiving of all email communications.

Email Security Technology Innovation and Thought Leadership

During Q3, Proofpoint's next-generation SaaS and appliance email security and data loss prevention platform, Proofpoint 6, entered limited availability and was deployed by customers in both production and test environments. Generally available in November 2009, highlights of Proofpoint 6 include Proofpoint Encryption™ a SaaS-powered, policy-based email encryption solution, data loss prevention security and workflow enhancements, support for DomainKeys Identified Mail (DKIM) email authentication, and a variety of innovative administrative features.

Proofpoint also released the results of its sixth-annual study on the enterprise risks associated with email and other messaging technologies, Outbound Email and Data Loss Prevention in Today's Enterprise. Based on a survey of 220 email technology decision makers at large US enterprises, Proofpoint's 2009 report summarizes the data loss concerns, priorities, policies and plans of large US companies, including new information on the data loss risks posed by the use of social media sites and the impact of the economic environment on data security.

Continued Channel, OEM and Technology Partner Momentum

Proofpoint's channel, OEM and technology partnerships with vendors including Blue Coat Systems, F-Secure, Microsoft and
Symantec, continued to drive both new and renewal business during the quarter.

Proofpoint continued to extend its global market reach during Q3, announcing a new distribution agreement with COMPUTERLINKS, a leading value-added distributor of IT security, IT infrastructure, and Internet technology solutions, allowing COMPUTERLINKS to sell Proofpoint's entire line of email security and compliance solutions to resellers in Europe and other regions worldwide.

Learn More about Proofpoint's Next-generation Solutions for Email Security and Email Encryption

Proofpoint's live Web seminar series continues October 21, 2009, with a presentation on the latest changes in the regulatory environment, the need for integrated data loss prevention and encryption technology and Proofpoint's breakthrough email encryption solution, Proofpoint Encryption. Register to attend, "Is Now the Time to Deploy Email Encryption?" by visiting:


About Proofpoint, Inc.
Proofpoint secures and improves enterprise email infrastructure with solutions for email security, archiving, encryption and data loss prevention. Proofpoint solutions defend against spam and viruses, prevent leaks of confidential and private information, encrypt sensitive emails and archive messages for retention, e-discovery and easier mailbox management. Proofpoint solutions can be deployed on-demand (SaaS) on-premises (appliance), or in a hybrid architecture for maximum flexibility and scalability. For more information, please visit http://www.proofpoint.com.

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