SaaS Email Security and Compliance Offerings, Competitive Conversions Drive Proofpoint's Revenues to Record Levels for 23rd Consecutive Quarter

Leading Email Security, Email Archiving and Data Loss Prevention Vendor Continues Rapid Global Expansion, Technology Innovation

SUNNYVALE, Calif. – April 14, 2009 — Proofpoint, Inc., the leading provider of unified email security, email archiving and data loss prevention solutions, today reported that revenues for the first quarter of 2009 were the highest in the company's history, representing Proofpoint's 23rd consecutive quarter of record-breaking revenue. Proofpoint's continued rapid growth was driven by increasing demand for the company's Software-as-a-Service (SaaS) solutions and increasing replacements of competing email security products.

"As in the previous quarter, SaaS solutions were the fastest-growing part of Proofpoint's business in Q1 2009. Global enterprises challenged by the current economic environment are looking to substantially reduce costs and greatly simplify their IT infrastructures," said Gary Steele, CEO of Proofpoint. "Cloud computing-based solutions like Proofpoint on Demand and Proofpoint Email Archiving can easily save organizations 40 percent or more versus an on-premises approach. And hybrid solutions like Proofpoint Shield let enterprises benefit from email security in the cloud while maximizing their existing investments in on-premises email security appliances."

Significant wins during Q1 included:

- In Proofpoint's largest email archiving transaction to date, a Global 500 pharmaceutical company with nearly 100,000 employees is deploying the SaaS-based Proofpoint Email Archiving™ solution to enforce email retention policies, comply with regulations and enable rapid searches across massive volumes of stored email.
- A Fortune 500 beverage manufacturer, and one of the world's top consumer products companies, switched to Proofpoint's flagship SaaS solution, Proofpoint on Demand—Enterprise from Google's Postini hosted email security service. Proofpoint's service will protect more than 20,000 email users from spam, viruses and other message-borne threats.
- A Fortune 1000 provider of property insurance and risk management solutions selected the Proofpoint Messaging Security Gateway to protect 5000 inboxes, replacing the company's legacy IronMail (McAfee/Secure Computing/CipherTrust) appliances.

During Q1 Proofpoint continued its remarkable record of customer satisfaction and retention, once again maintaining a customer renewal rate of more than 98 percent. During the quarter, key Proofpoint customers including some of the world's best-known financial services, healthcare, pharmaceutical, telecommunications and media brands renewed their subscriptions to Proofpoint services or added additional products to their Proofpoint deployments.

Continuing Technology Innovation

Proofpoint's tradition of technology innovation continued in Q1 with the introduction of Proofpoint Shield (http://www.proofpoint.com/products/shield.php). This SaaS offering lets users of any email security appliance reap the benefits of Proofpoint's cloud computing-based email filtering technology.

Proofpoint Shield provides the first line of defense against spam and malicious email connections, reducing the volume of inbound email that must be processed by on-premises email security gateways by up to 90 percent. Proofpoint Shield can be deployed in minutes in front of any on-premises email security appliance including the Proofpoint Messaging Security Gateway™ as well as third-party solutions from Cisco (IronPort), McAfee (Secure Computing/CipherTrust), Symantec, Trend Micro and Tumbleweed.

International Channel and Technology Partner Momentum Continues

Proofpoint's global partnership with Blue Coat Systems, Inc. continued to deepen as the companies engaged in joint sales and marketing programs, introduced bundled offerings that allow enterprises to defend against both email- and web-based malware attacks and shared critical research and data about Internet threats. Learn more about blended threats and the Proofpoint/Blue Coat partnership by viewing the web seminar replay, "The High Cost of Blended Threats: Low TCO Solutions for Integrated Web and Email Security."
International sales and channel development activity continued strong across Europe, Latin America, Japan and the Asia Pacific region during Q1. Highlights included:


- One of the leading ISPs in the APAC region has standardized on Proofpoint Messaging Security Gateway appliances to process all inbound and outbound mail, providing complete protection for end-user mailboxes. Proofpoint appliances will provide anti-spam, anti-virus connection management, mail routing and MTA features, supporting an extremely high email volume environment.

Learn more about how Proofpoint's solutions can help your organization leverage cloud computing to improve email security while minimizing total cost of ownership. Register to download two new Osterman Research whitepapers, Using SaaS to Reduce the Costs of Email Security and Email Archiving: Realizing the Cost Savings and Other Benefits from SaaS. These exclusive reports discuss the dramatic cost savings that companies can realize by adopting a SaaS model for email security and email archiving. In both cases, Osterman Research finds that the SaaS delivery model greatly reduces the total cost of ownership while providing numerous other benefits. Please visit:

http://www.proofpoint.com/tco

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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