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SaaS Email Security Leader Proofpoint Reports Q4 2009 Results: 26th Consecutive Quarter of Record Revenue, SaaS Business Doubles Over 2008

SaaS Offerings Including Email Encryption and Success with Fortune 1000 Accounts Fuels Strong Growth Heading into 2010

Sunnyvale, CA – January 25, 2010 – 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 fourth quarter of 2009 reached its highest levels ever, representing Proofpoint's 26th sequential quarter of record revenue. Business from new customers increased from the previous quarter, hitting a new quarterly high and a record number of new mailboxes are now under the protection of Proofpoint's Software-as-a-Service and on-premises email security and compliance solutions. Proofpoint's success with large global enterprises continued, setting a new record for the number of Fortune 1000 companies that adopted Proofpoint solutions during the quarter.

"Even during the challenging economic environment of 2009, Proofpoint has experienced remarkable growth driven primarily by increasing demand for the company's 'SaaS without compromise' email security solutions. Proofpoint's SaaS business more than doubled from 2008 to 2009, hitting a new quarterly high in Q4," said Gary Steele, CEO of Proofpoint. "We're especially pleased with the rapid adoption of the new Proofpoint Encryption solution, selling 50,000 seats of this new product in its first weeks of availability."

Proofpoint once again saw increased traction with large enterprises across key vertical markets including financial services, healthcare, pharmaceuticals, energy, retail and manufacturing. Competitive replacements and wins against solutions including Google (Postini) and Cisco (IronPort) continued as in previous quarters. Just a few new customer examples from Q4 included:

- Complete protection for inbound and outbound email: A global leader in diversified healthcare and pharmaceuticals replaced its legacy McAfee/CipherTrust email security infrastructure with Proofpoint ENTERPRISE deployed on appliances. The company deployed Proofpoint's inbound email security suite as well as outbound regulatory compliance and privacy protection features to protect more than 100,000 employee mailboxes worldwide.
- SaaS anti-spam for the enterprise: Increasing numbers of large enterprise customers chose to deploy Proofpoint's anti-spam, anti-virus and other inbound email security features "in the cloud." New customers choosing SaaS inbound email security deployments include a Fortune 500 manufacturer of heavy equipment (50,000 mailboxes) and Fortune 1000 airline (more than 3000 mailboxes).
- SaaS data loss prevention and encryption: A growing number of large enterprises with data loss prevention, regulatory compliance and email encryption concerns also prefer SaaS deployment. Examples from Q4 2009 include a Fortune 1000 retailer using Proofpoint to protect 6,000 mailboxes from inbound threats while enabling the use of Proofpoint Encryption by 1000 users, deployed entirely in the cloud. Similarly, a global 2000 construction and engineering firm selected Proofpoint's SaaS solution to protect 6500 mailboxes from both inbound and outbound email risks.
- SaaS email archiving traction continues: A Fortune 500 financial services and insurance provider deployed Proofpoint ARCHIVE™ to retain email, improve email storage management and enable easier eDiscovery for 10,000 mailboxes worldwide.

Continued Email Security Technology Innovation

During Q4, Proofpoint's next-generation SaaS and appliance email security and data loss prevention platform, Proofpoint 6, became generally available. 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.

The new features of Proofpoint 6 will be available simultaneously for Proofpoint's SaaS (Proofpoint on Demand™) and appliance (Proofpoint Messaging Security Gateway™) deployments. With the introduction of Proofpoint 6, Proofpoint's flagship email security solution, Proofpoint ENTERPRISE™ is available both on-demand and on-premises with two new solution suites that support the most common inbound threat protection and outbound data loss prevention requirements:

- Proofpoint ENTERPRISE Protection Suite: Proofpoint ENTERPRISE Protection delivers all of Proofpoint's best-in-class

inbound email security and email management components. Features include: advanced connection management; Proofpoint MLX™-powered spam detection; signature-based and zero-hour virus protection; email firewall, deep content inspection and outbound filtering capabilities to enforce acceptable use policies for message content and attachments; advanced message tracing; and TLS encryption.

ǀ Proofpoint ENTERPRISE Privacy Suite: For enterprises with advanced regulatory compliance and data privacy requirements, Proofpoint ENTERPRISE Privacy provides "defense in depth" for private information of all types. It protects private information in email, defends against leaks of confidential information and ensures compliance with common data protection regulations including HIPAA, GLBA and PCI standards. For maximum data loss prevention flexibility and control, Proofpoint ENTERPRISE Privacy also includes the powerful encryption features of Proofpoint Encryption, which helps mitigate the risks associated with regulatory violations, data loss and corporate policy violations by automatically applying encryption based on each organization's unique policies.

Learn More about SaaS Email Security

Learn more about the benefits of Software-as-a-Service by attending an upcoming live Proofpoint web seminar. We will discuss why large enterprises are increasingly turning to the cloud to maximize ROI and meet today's email security and archiving challenges. We'll also share the best practices that large enterprises should follow when buying SaaS security solutions. Register for "SaaS and the Global 2000: Best Practices for Deploying Security-as-a-Service," being held Wednesday, February 10, 2010 at 2:00 p.m. Eastern Time, 11:00 a.m. Pacific, by visiting the following URL:

http://www.proofpoint.com/id/enterpriseSaaS/index.php

About Proofpoint, Inc.
Proofpoint focuses on the art and science of cloud-based email security, eDiscovery and compliance solutions. Organizations around the world depend on Proofpoint's expertise, patented technologies and on-demand delivery system to protect against spam and viruses, safeguard privacy, encrypt sensitive information, and archive messages for easier management and discovery. Proofpoint's enterprise email solutions mitigate the challenges and amplify the benefits of enterprise messaging. Learn more at www.proofpoint.com.

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