

Packeteer, Inc. Helps Adult Multicultural Educational Services Control Internet Bandwidth And Reduce Costs for 26 Sites

Ipex implements Packeteer solution to give AMES control of Internet bandwidth, preventing streaming media and music downloads from interfering with core activities

Packeteer, Inc. (NASDAQ: PKTR), a leading provider of application traffic management systems, today announced that Adult Multicultural Education Services (AMES) has purchased its solutions to take control of Internet bandwidth allocation, improving response times for core business applications and reducing bandwidth costs.

With 20 sites in Melbourne and six in Sydney, AMES is Australia's largest provider of specialist, multicultural language and employment services. Packeteer Solutions Partner Ipex installed the systems after first performing monitoring and discovery of applications generating traffic on AMES' wide area network.

"We needed performance across the wide area network," said Tony Harding, Manager, Information Services, AMES. "AMES shares bandwidth between students, staff and a separate employment business, and each have competing traffic demands," he said. "The business case for the PacketShaper implementation was primarily based around getting control of competing traffic - students versus administration - and cutting down on unfettered use."

AMES, a not-for-profit organisation enacted by legislation in the state of Victoria, has purchased seven PacketShaper systems - installed centrally and at its six largest remote sites - where Internet traffic generated by students was causing unpredictable response times for AMES' financial and employment applications.

Ipex discovered a number of unsanctioned applications which were consuming an unjustifiable amount of bandwidth. These included Internet streaming audio and video and file-sharing programs such as KaZaA used for exchanging music files.

"We found that RealPlayer was consuming up to 40% of the bandwidth," said Ipex Service Development Executive, Brian O'Rourke. "By applying appropriate policies we were able to cut that down to 1%." File-sharing programs such as KaZaA were disallowed completely.

Packeteer's ability to detect and fix multiple network problems proved extremely valuable. "You could have picked up six or seven different faults using six or seven different products," said O'Rourke. "With Packeteer, we detected the faults and implemented a solution with just one product."

An unexpected discovery was a significant volume of traffic due to IPX, an older network protocol, that was still traveling across the network. "There were several old clients running IPX protocol that were slowing things down," said AMES's Harding. "We have upgraded those as a result."

"There has definitely been an overall improvement in response times and we have also seen reductions in bandwidth costs," said Harding. "The traffic control facility is a major benefit for us. With Packeteer we can partition and control RealPlayer, for example. We have also prioritised six core applications, including our financial applications and employment systems running over Citrix."

Packeteer's solutions can also distinguish between different sorts of traffic generated by Internet browsers, allowing prioritisation of critical traffic. "We have certain applications running SSL (Internet Secure Sockets Layer) which go back to the Commonwealth government," said Harding. "That now has priority over other Internet traffic."

"Our customers are seeing a growing negative impact from peer-to-peer, streaming media and other recreational traffic on their networks," said Peter Owen, Territory Manager, Australia & New Zealand for Packeteer. "Deploying PacketShapers to identify and control the non-critical traffic ensures that corporate resources are allocated correctly and productivity is improved."

ABOUT PACKETEER

Based in Cupertino, Calif., Packeteer (NASDAQ: PKTR) is a leading provider of application traffic management systems that enable businesses to gain visibility and control of networked applications, extend network resources and align application performance with business priorities. For service providers, Packeteer systems provide a platform for delivering application-intelligent network services that control quality of service, expand revenue opportunities and offer compelling differentiation. The company's products are sold through more than 100 resellers, distributors and system integrators in more than 50 countries. For more information, visit the company's web site at www.packeteer.com.

###

US SAFE HARBOR CLAUSE

The statements contained in this press release that are not purely historical are forward-looking statements within the meaning of Section 21E of the Securities and Exchange Act of 1934, as amended, including statements regarding Packeteer's expectations, beliefs, intentions or strategies regarding the future. Forward-looking statements include express or implied statements regarding future revenues and profitability, spending levels by existing and prospective customers, new product development, liquidity and macro economic conditions. All forward-looking statements included in this press release are based upon information available to Packeteer as of the date hereof. Packeteer assumes no obligation to update any such forward-looking statements. Forward-looking statements involve risks and uncertainties, which could cause actual results to differ materially from those projected.

Actual results may differ materially due to a number of factors including the perceived need for our products, our ability to convince potential customers of our value proposition, the costs of competitive solutions, continued capital spending by prospective customers and macro economic conditions. These and other risks relating to Packeteer's business are set forth in Packeteer's Form 10-K filed with the Securities and Exchange Commission on March 22, 2002, and Packeteer's Form 10-Qs and other reports filed from time to time with the Securities and Exchange Commission. Packeteer and PacketShaper are registered trademarks and Packet Wise, AppVantage and AppCelera are trademarks of Packeteer, Inc. All other products and services are the trademarks of their respective owners.