



WatchGuard Technologies Breaks Record for Q3 Revenues and Profits

Record Quarter Attributed to Global Demand for WatchGuard Business Security Solutions

SEATTLE - Privately-held WatchGuard Technologies, a global leader of business security and connectivity solutions, today announced that it achieved a record-breaking quarter for revenue and profits.

"This quarter is an auspicious sign for WatchGuard, our channel partners and customers, as it signals solid demand for our innovative, cost-efficient and highly-effective business security solutions," said Joe Wang, CEO, WatchGuard Technologies. "Security threats are becoming more elusive, sophisticated and powerful, and many businesses around the globe are turning to WatchGuard as their security vendor of choice, rather than relying on monolithic networking vendors to provide network, application and data security."

WatchGuard Revenue Growth Seen Worldwide

This calendar quarter, WatchGuard broke all historic Q3 records due to numerous countries achieving double-digit, top-line revenue growth. Adding to this, the company achieved record quarterly profits since it went private in 2006. Within WatchGuard territories, Americas (AMER), Europe/Middle East and Africa (EMEA), and Asia Pacific (APAC), the following regions and countries achieved either double-digit, year-over-year growth or double-digit, quarterly sequential growth, and in some country markets, both. They are:

AMERICAS

North, Central and Latin America - 16.6 percent year-over-year growth, and 14.6 percent sequential growth

EMEA

Belgium/Netherland/Luxembourg - 34.1 percent sequential growth

Finland/Denmark/Sweden/Norway - 27.9 percent sequential growth

Greece/Turkey - 67.3 percent sequential growth

Spain/Portugal - 50.0 percent sequential growth

Switzerland - 67.2 percent year-over-year growth, and 44.3 percent sequential growth

APAC

Australia/New Zealand - 29.3 percent sequential growth

China - 54.4 percent sequential growth

Japan - 52.9 percent year-over-year growth

Korea - 21.7 percent sequential growth

Malaysia/Singapore/Vietnam - 13.9 percent sequential growth

These growth figures do not reflect nor include revenues generated by BorderWare Technologies, a company that WatchGuard acquired during Q3 of this year. BorderWare extends WatchGuard's security portfolio by offering messaging and content security solutions, as well as cutting edge cloud-based security solutions.

In particular, WatchGuard notes that their high-growth resulted from strong mid-market and enterprise demand for their WatchGuard Firebox Core, Peak and recently released flagship unified threat management appliance, the WatchGuard XTM 1050.

Wang concludes, "In this economy, business agility is paramount to survival and growth. Because agility is in our DNA, WatchGuard is able to deliver tomorrow's security solutions to businesses today. This gives our customers a strategic IT and business advantage in protecting their networks, applications and data."

About WatchGuard Technologies, Inc.

Since 1996, WatchGuard Technologies, Inc. has been the advanced technology leader of business security solutions, providing mission-critical protection to hundreds of thousands of businesses worldwide. The WatchGuard family of wired and wireless unified threat management appliances

and SSL VPN remote access solutions provide extensible network, application and data security, as well as unparalleled network visibility, management and control. WatchGuard products are backed by WatchGuard LiveSecurity Service, an innovative support, maintenance, and education program. WatchGuard is headquartered in Seattle and has offices serving North America, Europe, Asia Pacific, and Latin America. To learn more, visit www.watchguard.com.