



Enterprise Information Protection Market Drives Verdasys Growth

Signs Record Number of Customer Deals, Completes Successful Full Disk Encryption Beta and Expands Executive Team

WALTHAM, Mass.—July 30, 2009—Verdasys, Inc. the leading provider of Enterprise Information Protection (EIP) for the Global 2000, today announced continued strong sales growth, significant new and follow on customer transactions, the successful completion of the Digital Guardian Full Disk Encryption Module Beta and an important expansion of its sales and marketing team to position the company for increased growth in the coming years.

Verdasys Q2 Achievements:

- Strong growth in new customer wins, including an initial order for over 120K users and significant follow-on orders all totaling a record 56 different transactions. The newest members of the Verdasys EIP family are Global 2000 companies from a wide cross section of industries including Energy, Insurance, Hi-tech, Telco, Manufacturing and The US Government. With headquarters in the US, France, Germany and Japan, these companies look to Verdasys to protect sensitive customer data and intellectual property, meet HIPAA, State Privacy and ITAR Regulations, and show PCI compliance all while enabling greater amounts of information to be safely shared enhancing enterprise-wide collaboration. One such company, The Valspar Corporation (VAL) will use Digital Guardian to protect its chemical formulas and compounds while enabling design teams greater access to this critical data in order to drive new innovative products.
- Verdasys completed a successful beta program for Digital Guardian, which includes Full Disk Encryption (FDE), a fully integrated replacement for “whole disk encryption” products. FDE offers encryption and auditing of all data on the hard drive without the support overhead and increased costs associated with whole disk encryption products. This release also includes support for 64 bit operating systems and an enhanced reporting interface.

“Over the last few years Verdasys has recognized a significant transformation in the security market driven by the continued failure of existing technology to adequately protect sensitive information across organizations whose security perimeters are nearly impossible to define. A new market is emerging driven by global organizations as they implement strategic programs to protect sensitive data. These companies are moving beyond infrastructure security to Enterprise Information Protection,” said Seth Birnbaum, CEO, Verdasys. “EIP transcends traditional infrastructure security enabling organizations to unify their disparate data security technologies and align their information governance policies and business processes. EIP drives greater levels of collaboration across employees, contractors and partners while effectively mitigating data loss risks on a global basis. With the significant uptake of our file and email encryption modules in conjunction with the successful beta and imminent release of full disk encryption, we are taking powerful steps to focus our services and solutions to meet the needs of this growing market.”

EIP is an integrated platform that looks holistically at detecting and managing the risk of sensitive information moving across complete business processes and multitudes of end users inside and outside an enterprise. It unifies existing, yet inadequate, siloed markets/solutions including: data discovery and classification, data level access management, data loss prevention, mobile device control, file encryption, email encryption, whole disk encryption, and data forensics enforcing the proper, secure and compliant use of information in a single policy based platform.

To meet the company's continued growth requirements and successfully execute in the EIP market, CEO Seth Birnbaum continues to increase the depth and talent of his executive team. Verdasys announces the following role and responsibility changes in order to advance sales and marketing initiatives:

- Omri Dotan, named Chief Business Officer is responsible for driving all facets of Verdasys' global business efforts, expanding the capabilities of the company's offerings and the business impact of its technology. Omri, formally the Senior Vice President of International Sales at Verdasys, brings more than 24 years of leadership, technology, and industry experience in enterprise software from companies including Impress Software and Tecnomatix Technologies. Omri is an industrial engineer and served as an officer and pilot in the Israeli Airforce and has held various engineering roles in pharmaceutical and chemical companies.
- Bill Munroe, named Chief Marketing Officer is responsible for driving all facets of the Verdasys EIP global marketing effort, expanding awareness of the company's brand and the business impact of its technology. Bill has more than 15 years of marketing experience, working with leading enterprise software, security and risk management companies such as Sybase, Netegrity and OpenPages. Bill served for 10 years in the US Navy as an officer, pilot and information security manager.
- Joseph A. Murphy, named Senior Vice President of Sales for North America is responsible for Verdasys' customer acquisitions and growth in the America's. Joe brings more than 30 years of executive enterprise software sales leadership experience with enterprise software companies including Birst and Enigma. Joe has a strong track record of driving rapid revenue growth, building teams and launching successful products that includes 4 IPOs.

"The Digital Guardian EIP solution provides a unified policy and control model that offers unprecedented visibility and management over sensitive information. Digital Guardian enables global companies to create and deploy effective strategic information governance programs improving business agility while reducing overall costs and risks," said Omri Dotan, Chief Business Officer, Verdasys. "Enabling greater knowledge based collaboration, eradicating the number of point solutions, reducing IT Infrastructure and operational costs and improving the risk posture and compliance level across the enterprise, Digital Guardian helps organizations protect their sensitive data no matter where it lives or moves."

About Verdasys Verdasys provides information protections solutions that secure proprietary and sensitive data and the integrity of business processes essential for Global 2000 companies to successfully compete in today's highly collaborative and

mobile environments. Digital Guardian, the leading EIP market solution, is a centrally managed data security platform that discovers, classifies, monitors, controls and encrypts sensitive information at rest, in use and in motion across desktops, laptops, mobile devices, email, Web transactions, terminal servers and enterprise applications. Verdasys customers are the global leaders in financial services, insurance, technology, manufacturing, and healthcare industries around the world. Companies serious about information protection choose Verdasys.

Verdasys is headquartered in Waltham, MA.
For more information, go to .Verdasys.com

Verdasys Contact:

Jamie Warren

Verdasys, Inc.

Phone: (781) 902-5685

Email: @verdasys.com