



Media Contact:

Jill A. Reed
Schwartz Communications
jreed@schwartz-pr.com
415.817.2502

Breach Security 2007 Revenues Up 500 Percent Year-Over-Year

Leading web application security provider announces new CEO to drive growth in 2008

CARLSBAD, Calif., January 14, 2008 - Breach Security, Inc., a leader in web application security, today announced breakout growth in 2007 with revenues climbing 500 percent year-over-year and 1,000 percent quarter-over-quarter. In addition to posting strong financial metrics, the close of the year also marked an impressive track record of global product acceptance. The company attracted over 100 new customers worldwide and generated repeat business from 50 existing customers.

In 2007, Breach Security successfully reached critical financial milestones by attracting a unique portfolio of customers across every vertical—many leaders in their field. The company has established a firm foundation for both domestic and international growth and validated the value of its security products in the global marketplace.

Breach Security also announced that its vice president, worldwide channels, Mike Pierce, has been elevated to chief executive officer. Pierce is an enterprise technology market veteran with nearly 30 years experience, spanning sales management, product management, and channel development. In his new role as CEO, Pierce will focus on accelerating business growth with an emphasis on expanding the channel and developing strategic partnerships to meet market demands for web application security solutions.

“The battleground for hacking sensitive information has fundamentally shifted. Attackers are now targeting the valuable information readily available within web applications,” said Mike Pierce, CEO, Breach Security. “Reactive solutions are no longer acceptable. Effectively securing web applications and the sensitive data they manage can only be accomplished with proactive, real-time security solutions. Breach Security is well positioned to capitalize on this new attack vector to drive top line revenue growth going forward.”

Pierce’s experience includes executive leadership roles at three previous emerging growth companies, including Tivoli/IBM, a leading security systems management vendor. Pierce

has also held key positions with global leaders including Xerox, McGraw-Hill, and Candle Corporation, as well as overseeing business units for Boole & Babbage, and SupportSoft.

Former CEO Marc Shinbrood has been elevated to chairman of the board. In addition, Breach Security also promoted Sanjay Mehta to senior vice president, sales and marketing. Former chairman of the board, John Payne, will continue his support of the company as a board member.

“2007 was a groundbreaking year for Breach Security in terms of market acceptance and revenue growth. Last year we engaged high-profile customers by resolving real-world security issues,” said Marc Shinbrood, chairman of the board, Breach Security. “Our growth and executive-level promotions are testament to the strength of our market-leading products and aggressive sales and channel programs.”

Notable accomplishments and highlights for 2007 include:

- Added 100 new customers worldwide in ecommerce, finance/banking, healthcare, education, travel, and manufacturing
- Established worldwide channel presence; finished year with 25 percent of revenue from newly established channel program
- Captured significant Payment Card Industry (PCI)-related business from leading ecommerce and travel sites
- Introduced market-leading web application defect detection; automatically pinpoints critical production code defects to ensure quality user experience and continuous revenue generation
- Flagship web application firewall, WebDefend™, finalist in SC Magazine Reader Trust Awards
- ModSecurity™ open source web application firewall software with over 15,000 production installations to date, selected as top application security tool at AppSec 2007

About Breach Security

Breach Security, Inc. is the leading provider of real-time, continuous web application security that protects sensitive web-based information. Breach Security’s products protect web applications from hacking attacks, data leakage and identity theft, as well as vulnerabilities caused by insecurely coded applications. Breach Security’s solutions also support compliance requirements for the Payment Card Industry (PCI) Data Security Standard (DSS). The company’s WebDefend web application firewall is ICSA Labs certified. Founded in 2004, Breach Security is headquartered in Carlsbad, Calif. For more information, please visit www.breach.com.

###