

# NETGEAR®

## News Release

### NETGEAR Delivers Enterprise-Class Web and Email Security for the SMB

*NETGEAR's STM Stream Scanning Technology brings Enterprise-Class Security within Reach of the SMB*

**Bracknell, UK. – January 26, 2009** – NETGEAR®, Inc. (NASDAQGM: NTGR), a worldwide provider of technologically innovative, branded networking solutions, today announced that with the launch of its new line of Security Threat Management (STM) products, it is delivering levels of security and performance to the SMB that are normally only within reach of the enterprise. Aimed directly at businesses and delivered via NETGEAR's reseller partners, the STM Series of Web and Email Threat Management Appliances is NETGEAR's first family of products to be introduced under its ProSecure™ brand. The NETGEAR STM Series combines best-of-breed security features and patent-pending Stream Scanning technology, providing the SMB with an enterprise-class web and email protection solution against rapidly evolving Internet-based threats that is both simple and affordable. *(See two other press releases issued today at <http://www.netgear.com/About/PressReleases.aspx>.)*

The NETGEAR ProSecure STM Series offers three platforms, each with a different level of horsepower, to accommodate businesses with up to 600 concurrent users. The STM150, STM300 and STM600 all contain the same security functionality with increasing amounts of bandwidth to support various-sized SMBs.

"SMBs face the same exact web and email threats as enterprises, so they require the same level of protection. However, SMBs don't have the same in-house expertise and budgets as enterprises, so solutions aimed at them need to be simple to deploy and cost-effective as well," said Jason Leung, NETGEAR's senior product line manager for SMB Security. "Delivering a solution that meets these criteria is a challenging prospect. In order to meet profit margin requirements, other vendors targeting SMBs often use 'watered down' anti-spam engines that require laborious on-site tuning, antivirus engines that contain only limited signature databases, weak detection algorithms, have slow response times to new threats, and are not optimised for real-time web traffic. NETGEAR, with its ProSecure product line and innovative patent-pending Stream Scanning technology, has found a way to deliver SMBs cost-effective, enterprise-class security with significant ease-of-use."

Enterprise-class technologies differ from cheaper alternate solutions by protecting all of a particular threat type as opposed to covering only a small subset of it. However, these technologies are oftentimes processor-hungry and require expensive hardware to run effectively. NETGEAR's STM family of appliances is the first to solve this problem with its patent-pending web-optimised Stream Scanning architecture. As the foundation upon which the STM Series is built, NETGEAR's Stream Scanning Technology enables the use of enterprise-class detection techniques while maintaining high throughput. NETGEAR has also partnered with industry-leading Kaspersky Lab and Commtouch® to bring best-in-class web and email scanning technology engines to the STM platform. Running on top of the Stream Scanning platform, these engines work in parallel with the NETGEAR heuristics engine to protect against known and unknown threats.

"We've been using NETGEAR's STM Stream Scanning technology consistently and it has never failed to protect our network," said Russ Hedgpeth, CEO for Unity Electronics Inc., an electronics supply company based in Union City, California. "This technology has been critical in enabling me to manage and protect our business services without breaking my limited budget."

The ProSecure STM Series sets a new bar for SMB security management. The STM deploys in-line in a matter of minutes, anywhere behind the network firewall. It runs automatically and unobtrusively. There is no need to reconfigure mail servers or web proxies, unlike traditional proxy-based security solutions. Administration is performed through an intuitive web-based interface. SMBs can set granular policies and alerts, check summary statistics and graphical reports, drill down to IP address-level data, and integrate log

data with standard network management tools such as SNMP.

“Historically, many security vendors have felt that SMBs didn’t require enterprise-class security and thus simply created cheaper appliances with less functionality. It’s clear now that this approach is not viable,” stated Jeff Wilson, principal analyst for network security at Infonetics Research, a leading international market research and consulting firm serving the communications industry. “SMBs need just as much security and performance as an enterprise, but better management and easier deployment. NETGEAR’s ProSecure STM series really tackles this problem head on.”

The STM series also introduces a completely new, simplified licensing model. There are no complicated licensing options nor annoying seat-based, per-user licensing to deal with. There are only three licenses to manage: 1) Web, 2) Email, and 3) Maintenance and Support, with no per-user limitations. There is no user limit set by the licensing; however, the number of concurrent users is practically limited by the horsepower of the hardware.

Additional functionality incorporated into the STM series includes:

**Enterprise-class Anti-malware Engine** – The STM Series features a full enterprise grade anti-malware engine with advanced scanning algorithms and a signature library of hundreds of thousands of malware signatures. Compared to many competing products that often use a very limited signature set for performance reasons (thousands versus hundreds of thousands of signatures), the difference in coverage is over a hundred fold. Viruses, spyware and other malware are detected and blocked. Spyware phone home downloads are also stopped by the STM Series, preventing further infection and protecting your valuable information.

**Zero Hour Threat Protection** – NETGEAR’s STM products identify new threats as they happen on the Internet, before they reach a user’s network. These kinds of threats, identified as they materialise on the Internet, are known as zero hour threats. Using this feature, the STM Series proactively stops new malware, phishing attacks, spam, bad URLs, and zombie/bot attacks before they reach end user networks. It probes over two billion transactions daily from data sources such as zero hour malware patterns, phishing detection, threat research, IP reputation, spam messages, and zombie data.

**Industry-leading Anti-spam Engine** – The NETGEAR anti-spam engine features a Distributed Spam Analysis architecture that uses an “in the cloud” approach to feed global up-to-the-minute spam outbreak information to the appliance. The result is the highest spam detection and lowest false positive rates in the industry. Unlike open source and other traditional anti-spam filters, Distributed Spam Analysis has superior adaptability to new types of spam, performs equally well with spam of all languages, and has no “learning” period. New spam is classified and detected within seconds of emerging onto the Internet.

**Enterprise-class URL Filter** – The STM’s URL filtering engine employs enterprise-class web filtering technology with URLs divided into 64 categories for specific and targeted administration. With a database of over 100 million URLs, the NETGEAR STM URL filtering engine relies on HTTP connectors deployed “in the cloud” at service providers throughout the world to classify and update URL entries in real time. In addition, the NETGEAR STM URL filtering engine automatically self adapts and categorises new URLs that have previously been unknown - unlike less effective approaches that force administrators to manually “submit” new entries one by one. The URL filter not only blocks access to unwanted sites, but also blocks sites containing spyware.

With full 24/7 technical support that connects SMBs directly with experienced security experts, the NETGEAR ProSecure STM Series of Web and Email Threat Management Appliances will change the face of SMB security. The STM150 is available now from value-added resellers at an estimated U.S. street price starting at \$1,000. The STM300 and STM600 are due in the second quarter of 2009. More information is at (<http://www.netgear.com/Products/ProSecure/STM.aspx>).

#### **About NETGEAR, Inc.**

NETGEAR (NASDAQGM: NTGR) designs innovative, branded technology solutions that address the specific networking, storage, and security needs of small- to medium-sized businesses and home users.

The company offers an end-to-end networking product portfolio to enable users to share Internet access, peripherals, files, multimedia content, and applications among multiple computers and other Internet-enabled devices. Products are built on a variety of proven technologies such as wireless, Ethernet and powerline, with a focus on reliability and ease-of-use. NETGEAR products are sold in over 29,000 retail locations around the globe, and via more than 41,000 value-added resellers. The company's headquarters are in San Jose, Calif., with additional offices in 25 countries. NETGEAR is an ENERGY STAR® partner. More information is available by visiting [www.netgear.co.uk](http://www.netgear.co.uk).

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This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Specifically, statements concerning the expected performance characteristics, specifications, market acceptance, market growth, specific uses, user feedback and market position of NETGEAR's products and technology are forward-looking statements within the meaning of the Safe Harbor. These statements are based on management's current expectations and are subject to certain risks and uncertainties, including, without limitation, the following: the actual price, performance and ease of use of NETGEAR's products may not meet the price, performance and ease of use requirements of customers; product performance may be adversely affected by real world operating conditions; failure of products may under certain circumstances cause permanent loss of end user data; new viruses or Internet threats may develop that challenge the effectiveness of security features in NETGEAR's products; the ability of NETGEAR to market and sell its products and technology; the impact and pricing of competing products; and the introduction of alternative technological solutions. Further information on potential risk factors that could affect NETGEAR and its business are detailed in the Company's periodic filings with the Securities and Exchange Commission, including, but not limited to, those risks and uncertainties listed in the section entitled "Part II - Item 1A. Risk Factors," pages 31 through 44, in the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended September 28, 2008, filed with the Securities and Exchange Commission on November 7, 2008. NETGEAR undertakes no obligation to release publicly any revisions to any forward-looking statements contained herein to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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