

## Security Software of Worldwide Reputation: 20 Years Utimaco Safeware

- **The German IT security specialist was founded in the year 1983 and today is among the top European Providers of Security solutions**

**Oberursel, 12th December 2003 - To protect business-related or person-related data from unauthorized access, companies and authorities in Europe and the USA are frequently using Utimaco Safeware security solutions. On the customer list of the German security specialist which is looking back on a 20 year company history this year are names like e.g. the FBI, PriceWaterhouseCoopers, the Canada Customs and Revenue Agency (CCRA), Deutsche Post, Reuters and Vodafone. The flagship of Utimaco Safeware, an encryption software for PCs and notebooks, is used worldwide with over 1.5 million licenses sold. In Germany, almost everybody holds a piece of Utimaco in his hands when withdrawing money at cash-points with his EC card: the four-digit PIN number for opening the card is generated with the help of Utimaco security technologies.**

"The example of Utimaco shows that German companies are able to hold an internationally strong position in special niches of information technology", says Alfred Tacke, State Secretary of the Federal Ministry of Economic Affairs and Employment.

In the middle of the 80ies, it occurred to the company founder and present chairman of the supervisory board, Horst Görtz, to develop security systems for data protections on PCs instead of sector-related solutions because of a lost order. Last-minute, the buyer had demurred the security of the planned Personal Computer platform. With the vision that the rapid technological development would make the Personal Computer an appropriate device for every workstation, the company founder decided to develop a software to administrate users and access rights and to securely store confidential data. In the year 1986, Utimaco introduced the first security solution for Personal Computers on the CeBIT. Then, it had been widely sniggered at, as nobody actually believed in the triumphant advance of the PC and a market for it.

Today, Personal Computers still are the sensitive weak points of modern data processing. Even more vulnerable are their smaller portable variants such as laptops or PDAs (Personal Digital Assistant). For example, around 2,900 notebooks and 1.300 PDAs have been left in London cabs within six months only. According to a study of the American insurance industry, more than half a million notebooks were stolen out of hotel rooms, offices and cars in the year 2001. The highest resulting economic damage caused by one of these notebook losses amounted to more than € 5 million because confidential company data were revealed. Recently, by the internet auction house E-Bay, a used PDA was offered with data concerning employees of a world-wide operating finance and consulting company and confidential e-mails concerning highly explosive internal customer information such as merger plans, projected company purchases, planned restructuring actions or details on credit allowances.

Therefore, it is not surprising that Utimaco Safeware is registering increasing sales of software solutions for data protection on PCs, notebooks and PDAs. In the first three months (July – September) of the current financial year 2003/2004, the revenues achieved by software solutions for these devices increased by more than 30 % compared with the same period of the previous year. The second main pillar of Utimaco Safeware is the securing of highly sensitive electronic transactions where the binding character and the authenticity of the information is particularly important, e.g. the securing of e-payment systems, lotto bets, electronic workflow systems or the electronic archiving of important data such as electronic cadastral registers.

Altogether, Utimaco Safeware achieved revenues amounting to € 25.8 million with 219 employees in the financial year 2002/2003 which ended on June 30, 2003. After considerable losses in the two previous years, a balanced result could be achieved again by focusing on the core business. The positive trend continued during the first quarter of the current financial year 2003/2004 where an operative cash flow of € 0.6 million was achieved. By a capital increase and an option bond to Investcorp the company gained additional capital amounting to € 12.1 million. Therefore, Utimaco Safeware has considerable financial resources to face the chances of the research and technology intensive IT security market.

The history of Utimaco Safeware is the history of a European software company on the way to an international top position in a niche market. It also mirrors a part of IT security history; a subject which will become more and more important in the future. On the occasion of the 20 year anniversary, additional articles of the company founder Horst Görtz and the CEO Martin Wülfert are available on the Utimaco Safeware homepage under [www.utimaco.com/utimaco20](http://www.utimaco.com/utimaco20)

Utimaco Safeware AG is one of the leading manufacturers of professional IT security solutions. The security technology and solutions developed by Utimaco Safeware protect the electronic data of companies and government bodies against unauthorized access and guarantee that business processes and administrative procedures in the electronic world are binding and confidential.