

/ Six million euros for Content Security provider Cobion /

Munich, Kassel, October 8, 2002. Wellington Partners is investing in Content Security provider Cobion together with Sofinnova Partners of France. During the initial round of funding, the two companies are investing a total of six million euros in two tranches. Following intensive development work, Kassel-based Cobion AG now possesses unrivaled technologies for fully automated identification and filtering of text and image content. This means that Cobion is able to offer both private- and public-sector organizations effective protection against unwanted or illegal Internet, e-mail and intranet content.

Cobion's core technologies for automated analysis of Internet content enables any desired texts, symbols, shapes and faces in images and text information to be recognized and categorized. At its Global Data Center, 1,000 computers check of some two million Web pages each day. Texts are checked by subjecting the entire text to a semantic analysis, which also takes into consideration the text environment as well as the frequency with which certain words are used. The image analysis can specifically look for large areas of skin color, for example, or for certain symbols in images, e.g. swastikas. Today, the company possesses the world's most current and extensive filter database, which builds upon more than 1.8 billion previously analyzed Internet pages. The filter list currently contains over 14 million entries that are classified into 58 categories, such as pornography, drugs, auctions, shopping or crime. The multilingual database is continuously maintained in eleven languages and updated with up to 50,000 new entries a day. Customers can use the database under license with the company's OrangeBox Web, OrangeBox Mail and OrangeBox LAN products.

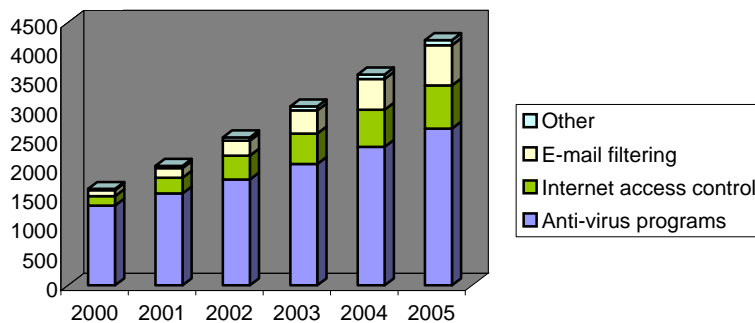
Cobion's Content Security market is growing at a breathtaking pace. According to a recent study, sales in the Internet Access Control and E-Mail Filtering segments are anticipated to rise from US\$ 437 million in 2001 to US\$ 1.428 billion by the year 2005 (Source: IDC 2002). It is private-sector organizations, first and foremost, who are investing in modern filter technologies in an effort to prevent unwanted, illegal or confidential information from reaching or leaving the enterprise network. At the same time, they are also safeguarding themselves against severe productivity losses resulting from personal use of Internet connections by employees. "The increasing sensitivity on the part of enterprises for the issue of IT productivity is now offering major market potential for Cobion," concludes Frank Böhnke from Wellington Partners, adding: "We're investing in one of the most interesting players in one of the highest-growth segments of the IT sector. In doing so, we're collaborating with a seasoned management team – it's a perfect way for us to enter this market." This is the second time Böhnke will be collaborating with Friedrich von Diest, who today serves as Cobion's CFO. In 1995, von Diest helped to found Chipbrokers ACG, in which Wellington Partners invested in 1998.

The investment by Wellington and Sofinnova will enable Cobion to significantly accelerate its expansion. Cobion's CEO Jörg Lamprecht cites "internationalization and intensifying our relationships with distributors and dealers" as his most important tasks during the coming twelve months. Wellington's and Sofinnova's network is making a considerable contribution toward helping Cobion enter the major European markets. "In one fell swoop, we now enjoy top-flight contacts to the leading distributors and IT service providers in the European Union," enthuses Cobion founder Lamprecht.

Background: Content Security a growth market – Enterprises safeguarding their networks against unwanted and illegal content

The global volume of the Content Security market that Cobion addresses today totals two billion dollars. According to an IDC study, this figure will double by the year 2005, when sales will total 4.2 billion dollars. While anti-virus systems are what dominate the market today, it will primarily be the Internet Access and E-Mail Filtering segments that will be seeing the most growth over the course of the coming years. IDC forecasts that by 2005, selective access to Web content in enterprises, institutions and private households will be generating sales of \$ 739 million, with sales in the E-Mail Filtering segment advancing to \$ 689 million.

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Source: IDC

This soaring growth stems from growing sensitivity on the part of enterprises toward the personal use of their Internet access and e-mail accounts. It is estimated that 90 percent of employees handle personal matters on the Web during their working hours, primarily shopping, job searches as well as personal financial investments. Companies are especially concerned about millions of accesses to politically extremist and pornographic Web pages. In fact, 70 percent of all accesses to Web pages containing pornographic content occur between the hours of 9 AM and 5 PM. Market researcher Nielsen is also observing similar time windows for online merchants. Assuming that every employee with Internet access surfs half an hour a day for personal matters and assuming an hourly rate of € 50, this behavior in fact adds up to lost time valued at € 660,000 per year in a company with a workforce of only 100 people. Market researchers have calculated that the time lost in Germany totals up to € 50 billion.

In addition to productivity losses, e-mail traffic also involves legal problems. Especially in the United States, where the sexual harassment issue takes high priority, companies have to assure that their employees are not receiving any unwanted or illegal e-mail. In a *Business Week* study, though, it was found that 70 percent of all employees had already received e-mails with pornographic content and 64 percent e-mails with politically extremist content.

A number of smaller companies offer solutions for both E-Mail Filtering as well as Internet Access Control. The largest providers are presently SurfControl and Websense, which are both listed on the NASDAQ, while Paderborn-based Webwasher.com AG has made a name for itself in Germany. Thanks to its Internet Access Library core technology, though, Cobion enjoys four key advantages over its competitors:

1. The Web pages and e-mails are screened on a largely automated basis – everything else on the market usually involves methods that hinder employees in their work.
2. In connection with image recognition, the company possesses unique, non-text-based methods for filtering out unwanted content.
3. Customers receive daily updates – a major factor in view of the fact that 20,000 Web pages of pornographic content alone are being added to the net each day.
4. Its search criteria and filtering mechanisms can be quickly and efficiently adapted to provide custom-tailored products for every customer.

About Wellington Partners

Formed in 1991, Wellington Partners invests venture capital in young start-ups throughout Europe in the fields of information and communication technology and life science and numbers among Europe's most successful early-stage financiers. To date, the Wellington Partners I fund has achieved a return of around 160 percent. The Munich-based company today manages a total fund volume of € 265 million, with € 85 million of this funding available for new investments.

Wellington Partners is presently invested in over 20 companies, including Codetoys (Finland), Covast (Netherlands), EnOcean (Germany), Garderos (Germany) and Maxxio (Germany). Serving as the lead or co-lead investor, the company has already accompanied such successful technology vendors as Chipbroker ACG or biotech player Actelion in going public. www.wellington.de

About Sofinnova Partners

Based in Paris since 1972, Sofinnova Partners is a leading European venture capital firm dedicated to investing in start-up and early stage companies in two specific sectors: Information technologies and life sciences. The company is managed by nine general partners and partners, and has close to € 500 million in funds under management. Its most recent fund, Sofinnova Capital IV, was raised in March 2001 at € 330 million. During the past five years, Sofinnova Partners made over 60 investments, mostly as the lead investor. In the IT sector, Sofinnova Partners invests primarily in microelectronics, networking technologies, software and wireless applications. Sofinnova Partners has been a lead or co-lead investor in companies such as Nomade, Multimania, Egide, BVRP and T-Square. Some recent investments include: Esmertec (Switzerland), Tak'Asic (France), Intransa (U.S.), Volubill (France) and Avaki (U.S.). For more information: www.sofinnova.fr

About Cobion AG

As the technology leader in the Content Security market, Cobion develops and markets the OrangeBox Web (Web filter), OrangeBox Mail (E-mail filter) and OrangeBox LAN (intranet filter) security products. With their cutting-edge filtering technology, these products safeguard against unwanted Internet or intranet content or check e-mails and their attachments. This means that unwanted, illegal or confidential information can neither reach nor leave an enterprise network. This creates a productive Internet environment at the workplace, reduces liability and security risks and prevents confidential data from getting into the wrong hands. Cobion AG presently employs a workforce of 60 people and is headquartered in Kassel. www.cobion.com

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