

/ Nasdaq-listed ISS acquires Wellington investment Cobion for USD 33 million /

U.S.-based IT security leader Internet Security Systems (NASDAQ: ISSX) acquires content security provider Cobion of Kassel, Germany. Only 18 months ago, lead investor Wellington Partners invested USD 4.5 million in the company together with Sofinnova Partners of Paris.

Munich / Atlanta, January 15, 2004. Atlanta-based IT security leader Internet Security Systems Inc. (ISS) has acquired content security provider Cobion of Kassel, Germany. Founded in 1997, this German specialist in Web filtering and anti-spam technology focuses on protecting individuals and enterprises against unwanted and illegal e-mails and Web content. Cobion has been a Wellington Partners portfolio company since the fall of 2002.

The Cobion acquisition enables ISS to complete its product portfolio with globally acknowledged content security software. Cobion's solution is based on unrivaled technologies that allow fully automatic identification and filtering of Web content and images – the corresponding database currently contains 2.6 billion Web pages. "The Cobion acquisition completes our Proventia all-in-one solution with technology that matches the reputation and uncompromising quality ISS is known for," says Tom Noonan, CEO of Internet Security Systems.

With the acquisition of Cobion, ISS is now in a position to become a leader in the content security market, the fastest-growing sector of the IT security market. According to IDC, global demand is expected to rise to over USD 1.5 billion in 2006. "We have long been convinced of the rapid growth of the security market, which is why we invested in Cobion early on," says Wellington Partner Frank Böhnke.

The fact that Cobion has been able to grow its sales by 25 percent in each of the last four quarters, he adds, is an indication that "enterprises are increasingly coming to recognize the importance of IT security, which is prompting them to increase their investments in this sector. In doing so, they are going with suppliers that can offer all-in-one appliances and services. With Cobion, ISS is acquiring the undisputed global technology leader in content security."

The acquisition is welcomed wholeheartedly by Cobion founders, CEO Jörg Lamprecht and CTO René Seeber: "This move is a perfect fit for Cobion and an opportunity for our technology to reach the global market." They expect the integration process to go smoothly, since Cobion has always placed heavy emphasis on research, quality and customer satisfaction. The acquisition marks the second time that Cobion CFO Friedrich von Diest and CSO Olaf Jacobi have played a key role in building a successful technology vendor. In the 1990s, they were members of the core team of Wellington financed Chipbroker ACG AG, which is now a publicly traded company.

Wellington Partner Böhnke views the acquisition of German IT specialist Cobion by a U.S.-listed company as representing much more than an exceedingly successful exit: "This acquisition once again demonstrates Germany's strength as a technology powerhouse. Companies in Germany are developing cutting-edge technologies that are having a sustained impact on the global market."

About Wellington Partners

Wellington Partners was formed in 1991 and invests in young start-ups throughout Europe in the fields of information and communication technology as well as life science, and numbers among Europe's most successful early-stage investors. The Wellington Partners I fund has already returned 1.7 times its subscribed capital. The Munich-based company today manages a total fund volume of 265 million euros. To date, Wellington Partners has invested in over 70 companies. Serving as either the lead or co-investor, the company has already accompanied such successful technology vendors as Chipbroker ACG or biotech player Actelion in going public and has sold WLAN AG to Swisscom and the German auctioneer Alando to eBay, for example.

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