

/ Wellington and Insight finance Astaro's growth with EUR 5.6 million /

In response to the soaring growth being posted by Astaro AG, Wellington Partners and Insight Venture Partners of New York are providing an additional EUR 5.6 million in funding to this Karlsruhe-based network security specialist. This move will enable Linux specialist Astaro to expand its position in the market for integrated security solutions.

Munich, May 18, 2004. In a second round of funding, lead investor Wellington Partners and Insight Venture Partners are investing EUR 5.6 million in Astaro AG of Karlsruhe. The two venture capital firms had already provided EUR 5.6 million in funding to this network security specialist in May 2003. Since then, Astaro has succeeded in doubling its revenues with its Linux-based product portfolio. "In view of the sustained high level of demand, we want to expand faster this year than we had planned in 2003 and reach the profitability zone within the coming twelve months," explains Astaro CEO Jan Hichert. "The new round of funding will enable us to optimally leverage our opportunities."

Two factors are playing the primary role in driving Astaro's growth: On the one hand, more and more enterprises are opting for the freely available Linux operating system, while the issue of network security ranks at the very top of the agenda for CIOs. The award-winning Astaro Security Linux (ASL) solution is based upon open source software, offers enterprises comprehensive protection against viruses and spam and includes e.g. firewall, VPN gateway and content filtering. ASL is designed as an appliance solution, which means that it can be easily integrated into existing IT infrastructures. "Astaro stands for Linux, Security and Appliance. There is probably no other combination available in the IT environment today that's more attractive," stresses Wellington Partner Frank Böhnke. "The company's outstanding development over the course of the past twelve months demonstrates just how much potential Astaro has to offer."

Only four years after being formed in early 2000, Astaro has advanced to become the leading provider of Linux-based network security solutions worldwide with more than 20,000 installations in 60 countries. CEO Jan Hichert sees growth opportunities primarily in the world's largest IT security market, the United States, where EDS, AMX and the Los Alamos National Laboratories already number among its customers. Since the beginning of the year, Hichert has been personally working out of Astaro's U.S. headquarters in Boston. "This commitment is remarkable and demonstrates Astaro's maturity. U.S. customers value direct, fast access to the CEO, and that's precisely what Astaro can now offer," explains Wellington Partner Böhnke.

Wellington Partners was formed in 1991 and invests 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 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 EUR 265 million. To this day, Wellington Partners has invested in over 70 companies and has sold 20 of them with profit, in four cases through an IPO. Serving as the lead or co-investor, the company has already accompanied e.g. Chipbroker ACG or biotech player Actelion in going public and sold e.g. Cobion to Internet Security Systems, WLAN AG to Swisscom and the German auctioneer Alando to eBay. Further information: www.wellington.de.

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