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VeriSign To Acquire Guardent

Combination Will Create Leading Managed Security Services Provider

MOUNTAIN VIEW, CA. December, 17, 2003 - VeriSign, Inc. (Nasdaq:VRSN), the leading provider of critical infrastructure services for the Internet and telecommunications networks, today announced that it has entered into a definitive agreement to purchase Waltham, MA-based Guardent, a leading privately held Managed Security Service Provider (MSSP.) The acquisition is subject to regulatory approvals and other conditions and is expected to close in the first quarter of 2004.

The acquisition will bring together two of the leading providers of Managed Security Services (MSS.) The combined business will have one of the largest active bases of network security devices under management, servicing customers in key industries and geographies around the world. Customers of both companies will also benefit from an unmatched breadth of service and consulting offerings, delivered from a global infrastructure that is highly scalable and offers reliable managed services.

Now in its fourth year of operations, Guardent has built a strong list of satisfied clients, with 15 of the top 50 global financial services institutions utilizing its services. Recent industry recognition for Guardent includes top ranking on Entrepreneur Magazine's Hot 100 Fastest Growing Businesses list, Crossroads' A-List Award, Ernst and Young's 2002 Entrepreneur of the Year, and Computerworld's Top 100 Emerging Companies to Watch.

"In addition to being a world class company in its own right, Guardent is a perfect strategic fit," said Stratton Sclavos, CEO of VeriSign. "By combining forces, we will solidify VeriSign's leadership in network security, one of the foundational elements of our Intelligence and ControlSM Services strategy. Moreover, by tapping into Guardent's expanded customer base, its vulnerability management technology, and security expertise, we can deliver an even wider base of intra-enterprise, inter-enterprise, and Internet-wide intelligence to our customers."

"This acquisition should be of enormous benefit to both organizations' customers," said Maria Cirino, CEO of Guardent. "Guardent's customers will benefit from VeriSign's infrastructure, intelligence, and global reach. VeriSign customers will benefit from access to technologies, such as Guardent's Security Defense Appliance and enhanced vulnerability management. All customers will benefit from an accelerated pace of innovation, operational enhancements, and global expansion."

The worldwide market for Managed Security Services has experienced tremendous growth. In a recent report, IDC estimated the worldwide MSS market at \$1.3B, with compounded annual growth rate (CAGR) of 23% for the next five years. The market has also clearly begun to move from the early adopter phase to the mainstream, as evidenced by global financial institution Merrill Lynch's decision earlier this year to enter into a multi-year MSS contract with VeriSign for its global operations.

"Instead of evaluating their competitive differentiators, customers will now have the opportunity to leverage the experience, global visibility, and expanded portfolio of professional and managed security services from one provider, VeriSign," said Allan Carey, program manager at IDC.

James Tu, director of information security at Overture agrees. "As a global leader in commercial search services on the Internet, Overture's infrastructure is mission critical and our ability to protect it is paramount", said Tu. "We chose Guardent as our managed security partner based on their ability to meet our needs now, and we are looking

forward to the enhanced service offerings the combination of Verisign and Guardent will bring."

Under the terms of the agreement, VeriSign will pay approximately \$140 million in stock and cash for the stock of Guardent. VeriSign will gain approximately 150 full-time Guardent employees. Guardent's Security Operations Center (SOC), located in Providence, RI, will become one of the MSS operations centers for VeriSign, adding to VeriSign's existing Network Operations Centers, SOCs and world class data centers.

VeriSign also plans to integrate Guardent's award-winning security consulting organization into its professional services offering. The combined sales force will be equipped to sell comprehensive security offerings to customers, leveraging VeriSign's existing suite of strong authentication, network security, application security, and commerce security services.

Once the acquisition is completed, VeriSign plans to name Maria Cirino as senior vice president and general manager, Managed Security Services, reporting to Judy Lin, executive vice president and general manager of VeriSign's Security and Payment Division.

"Customer satisfaction is our number one priority," said Lin. "We are committed to providing a disciplined, seamless integration for customers, and to bringing them the best aspects of both companies' services."

This acquisition will be accounted for as a purchase transaction and VeriSign expects the acquisition to be neutral to its 2004 earnings. VeriSign will provide additional financial guidance regarding the impact of the transaction upon closing. The acquisition has been approved by the board of directors of both companies and is subject to various closing conditions, including approval under the Hart-Scott-Rodino Antitrust Improvements Act.

About VeriSign

VeriSign, Inc. (Nasdaq: VRSN), delivers critical infrastructure services that make the Internet and telecommunications networks more intelligent, reliable and secure. Every day VeriSign helps thousands of businesses and millions of consumers connect, communicate, and transact with confidence. Additional news and information about the company is available at <http://www.verisign.com>.

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Statements in this announcement other than historical data and information constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements involve risks and uncertainties that could cause VeriSign's actual results to differ materially from those stated or implied by such forward-looking statements. The potential risks and uncertainties include, among others, the inability of VeriSign to successfully market the combined companies' services and customer acceptance of the combined companies' services; the risks that the expected synergies resulting the combination will not materialize; and we may incur unexpected costs integrating the businesses. More information about potential factors that could affect the company's business and financial results is included in VeriSign's filings with the Securities and Exchange Commission, including in the company's Annual Report on Form 10-K for the year ended December 31, 2002 and quarterly reports on Form 10-Q. VeriSign undertakes no obligation to update any of the forward-looking statement after the date of this press release. VeriSign is a registered trademark of VeriSign, Inc. in the United States and in foreign countries. Other names may be trademarks of their respective owners.