



CLOUDSHIELD TECHNOLOGIES SECURES \$20 MILLION IN THIRD ROUND FUNDING; ADDS TWO NEW BOARD MEMBERS

Additional Capital and Leadership to Drive Business Expansion and New Products

SUNNYVALE, Calif. — March 30, 2004 — CloudShield Technologies, Inc., inventor of the open network services platform, today announced the completion of its third round of venture financing for \$20 million. The capital will be used to support the expansion of CloudShield's business and to develop the next generation of its award winning platform. CloudShield's partners are using the open network services platform to develop and deploy high performance network applications that previously could only be done with custom silicon fabrics.

Leading the round was first-time investor Foundation Capital. Paul Koontz of Foundation Capital will join CloudShield's Board of Directors. Paladin Capital Group was an additional first-time investor and Lee Buchanan from Paladin's Homeland Security Fund will join CloudShield's Board. Existing investors ComVentures and TPG Ventures also participated in the round.

"Some of the most advanced networking is being deployed within the Federal Government," said Lee Buchanan, member of Paladin's Homeland Security Fund Strategic Advisor Group. "CloudShield's platforms meet the demanding performance requirements of these projects and we at Paladin believe the platforms' flexibility and adaptability ensure they can be applied across a broad spectrum of additional government and commercial needs."

CloudShield's open network services platforms eliminate the reliance on fixed-function ASIC-based appliances for network application and services delivery. Using CloudShield's general purpose, open platform, network solution developers, systems integrators, and network operators can quickly port existing applications and develop new applications to secure, monitor, measure, and control network traffic and use.

"One seldom comes across products and technologies that have the power to change an industry," said Paul Koontz, Venture Partner at Foundation Capital. "We believe CloudShield's open network services systems will help create a new category of computing platforms – one focused on the network service and application industry. Foundation Capital is excited to be part of it."

“We are excited that Foundation Capital and Paladin Capital invested in this round in addition to the ongoing support of ComVentures and TPG Ventures. Paul Koontz and Lee Buchanan are experienced leaders who we are very glad to have on our board and who have already made terrific contributions in guiding our business,” said Rusty Cumpston, CloudShield’s President and Chief Executive Officer. “This financing enables us to expand our business and build the next generation of our network services platform enabling any software partner or system integrator to deliver high performance network applications that government, service provider and large enterprise customers require for their networks.”

About CloudShield

Founded in October 2000 and headquartered in Sunnyvale, California, CloudShield Technologies invented the world’s first multi-gigabit open programmable network services platform. Solutions providers leverage the platform to reduce time-to-market for applications requiring complete traffic visibility and control that scale to line rates in today’s high-speed network cores. End users benefit from CloudShield’s platforms by reducing the proliferation of fixed-function application appliances while making their networks more profitable and more secure. CloudShield can be found on the Internet at www.cloudshield.com.

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