



C O M P A N Y P R E S S R E L E A S E

CLOUDSHIELD TO DELIVER HIGH-SPEED NETWORK APPLICATION PLATFORMS TO APPLIED SIGNAL TECHNOLOGY

Applied Signal Technology to Use CloudShield's General Purpose Deep Packet Processing Platform to Develop New Applications

SUNNYVALE, Calif. – January 24, 2005 – CloudShield® Technologies, Inc., the leader in high performance open platforms for network security and content analysis applications, today announced that Applied Signal Technology (NASDAQ – APSG) will use CloudShield's high-speed CS-2000 Deep Packet Processing Server to quickly develop new applications. By using the CS-2000, Applied Signal Technology will be able to ensure their products deliver the quality signal collection and processing capabilities their customers have come to expect for high-speed packet-based networks running IP based protocols.

"The telecommunications industry and the Department of Defense are undergoing a dramatic transformation toward Internet Protocol (IP) based communications systems and we've been researching ways to quickly respond," said Dr. John Treichler, CTO of Applied Signal Technology. "The CloudShield CS-2000 allows us to do this by offering deep packet processing capabilities within a high-performance, high-capacity platform."

Applied Signal Technology will develop new applications on the CloudShield CS-2000, a platform specifically designed to enable network packet processing applications and services to be created both quickly and cost-effectively. The CS-2000 combines one or more programmable Deep Packet Processing Modules, which provide the computing capacity and resources to perform complex packet operations in real-time, with a Pentium-based Linux server module for system and application management operations. This Deep Packet Processing Server provides 100% traffic visibility with complete packet analysis, transformation, and control for high-speed high-demand network applications.

"We are very happy to add Applied Signal Technology to a growing list of world class solution developers adopting CloudShield platforms," said Pat Reilly, vice president of marketing and federal development at CloudShield. "Federal Agencies are migrating quickly towards *network centric* operations creating new network security challenges, demanding new solutions. By combining CloudShield's multi-mission deep packet processing platform with their signal processing expertise, Applied Signal Technology will be a major contributor in these migration efforts."

About Applied Signal Technology

Applied Signal Technology, Inc. designs, develops, manufactures and markets advanced digital signal processing equipment to collect and process a wide range of telecommunications signals for signal reconnaissance applications. For additional Company-related information, visit the Company's website at www.appsig.com.

About CloudShield

CloudShield Technologies provides Deep Packet Processing Servers for network security and content analysis applications and services. With CloudShield platforms, end-users and partners have quickly developed and deployed network applications and solutions that demand total packet processing and complete traffic visibility for high-speed, high-volume networks. More information about CloudShield can be found at www.cloudshield.com.

###

For more information contact:

Heather Fitzsimmons

MindShare PR for CloudShield Technologies

650/947-7400

heather@mindsharepr.com