



MEDIA RELEASE

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MICROSOFT INTEGRATES ISA SERVER WITH WEBSPY INTERNET MONITORING TOOL

First-of-its-kind deal marks new phase in development of proactive, integrated security solutions

Wednesday, 5 March 2003 (Sydney, Australia): Listed Perth-based internet and email monitoring specialist WebSpy Ltd (ASX: WSY) today announced the integration of its internet monitoring tool, WebSpy Analyzer with Microsoft® Internet Security and Acceleration Server 2000 (ISA Server 2000)

The agreement is the first of its kind between Microsoft and an Australian security software developer, and provides a complete internet security, connectivity, monitoring and management solution.

ISA Server, Microsoft's firewall and web cache server, is designed to help organisations protect, accelerate and control their network access. Complementing the secure, fast internet connectivity offered by ISA Server, WebSpy provides real-time monitoring of internet activity to organisations implementing the Microsoft security solution.

WebSpy CEO Jack Andrys said 2003 marked the move into a new phase of security technology evolution, where the emphasis would be on proactive, not reactive, security initiatives. This year would also see the integration of previously separate point products into integrated product suites, lowering the total cost of acquisition of IT security and making maintenance and management easier.

"Real-time monitoring is a critical component in developing a proactive security capability. Bundling WebSpy's solution with Microsoft ISA Server provides users with a complete, cost-effective and easy-to-maintain internet security, connectivity, monitoring and management solution," said Andrys.

IDC analyst Natasha David said there was a real and growing need for internet and email monitoring, complemented by appropriate usage policies.

"Content security solutions have become an essential e-business component for organisations using the internet and email as they struggle with the complexities of complying with privacy regulations, protecting intellectual property and confidential company information, and avoiding workplace harassment charges, while continuing to improve employee productivity," said David.

"While employee use of the internet is viewed as a tool to increase productivity, it can equally be seen as a diversion leading to employee abuse of web privileges. Research that used to take hours or days can now be accomplished in minutes, but the internet can also be used for personal activities, with huge cost – and even legal – implications," explained David.

Downloading pornographic (or otherwise offensive) materials, for example, not only chews bandwidth, but can also subject the individual – and indeed the corporation – to legal risk from sexual harassment or discrimination litigation. Downloading porn is also behind an explosion in virus-driven network security disasters as hackers

target the most popular category of website to covertly spread viruses, place malicious code or steal personal and business information.

Research from RedSheriff (www.redsheriff.com), a provider of web analytics and market intelligence, giving an indication of sites being visited from the workplace, suggests that Australian employees are using the web for personal use. According to the company, shopping, banking, employment and sports sites featured in the top 20 sites accessed from Australian workplaces in January 2003, including commbank.com.au (6th), anz.com.au (10th), ebay.com.au (15th), seek.com.au (16th), au.lastminute.com (18th) and cricket site baggygreen.com.au (19th).

"Any organisation that uses the internet needs to understand exactly what traffic is entering and leaving their network. Inappropriate use of the internet can affect employee productivity and, in some cases, lead to a legal exposure," said Ben English, Security and Management Product Manager, Microsoft Australia. "It is great to see companies like WebSpy taking advantage of ISA Server's extensible architecture to build products that address specific problems in the security market.

"The powerful combination of ISA Server and WebSpy Analyzer," said English, "provides organisations with the functionality they need to protect their information assets from intruders both inside and outside the firewall."

WebSpy is a Microsoft Exchange third party solutions provider.

Microsoft's agreement with WebSpy also kicks off WebSpy's inaugural Channel Partner Program for value-added resellers and system integrators focusing on the security management marketplace.

The product is available for a free 30-day evaluation and is competitively priced at just A\$3,199.

About WebSpy Ltd

WebSpy Ltd (ASX:WSY) (www.webspy.com), a Microsoft Certified Partner, is a Perth-based developer of internet access monitoring and management tools. The company was started in 1994. It now also boasts offices in Seattle and London and is enjoying international sales success with its WebSpy family of products. These include:

WebSpy Analyzer Standard and WebSpy Analyzer GIGA: Historical internet analysis and reporting tools, GIGA for enterprise clients.

WebSpy Analyzer Premium: Historical internet and email analysis and reporting tool.

WebSpy Live: Real-time internet monitoring and management.

WebSpy Sentinel: Full content data capture device.

Analyzer Standard Suite: Internet analysis tool, incorporating WebSpy Live real-time monitoring.

Analyzer Premium Suite: Internet and email analysis tool, incorporating WebSpy Live real-time monitoring.

About Microsoft

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services and Internet technologies for personal and business computing. The company offers a wide range of products and services designed to empower people through great software — any time, any place and on any device.

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