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## McAfee, Inc. to acquire ScanAlert, Inc.

On October 30, McAfee Inc. (NYSE: MFE) announced a definitive agreement to acquire privately owned ScanAlert, Inc. for approximately \$51 million in cash up front, with an earn out of up to an additional \$24 million if certain performance targets are met.

### 1. Who is ScanAlert?

ScanAlert created the HACKER SAFE<sup>®</sup> Web security certification service. HACKER SAFE has become the world's most viewed Web site security trust mark. It protects more than 15 million e-commerce transactions each month. HACKER SAFE is displayed by over 60% of the *Internet Retailer* Top 500 list.

- ScanAlert certifies the security of over 75,000 Web sites by scanning the sites daily.
- ScanAlert has over 8,000 customers.
- ScanAlert helps merchants address consumer fear of providing financial information online. HACKER SAFE is the world's most viewed Web site security trust mark, and is displayed by well-known brands such as American Red Cross, GUESS, PETCO, Toshiba and Warner Brothers.
- ScanAlert is based in Napa, Calif.
- ScanAlert employs about 130 people.
- ScanAlert is privately held.
- ScanAlert has a worldwide network of partners.

### 2. Why is McAfee acquiring ScanAlert?

With the addition of ScanAlert, McAfee can make the Web a safer place for consumers to shop and for businesses that serve customers online. The acquisition extends McAfee's Web security initiatives to e-commerce Web sites.

- The Web has become the biggest vector in cyberattacks. Hackers are going where the money is, and last year e-commerce transactions totaled about \$160 billion. This acquisition lets McAfee add safe shopping to the protections already integrated into its triple play protection, McAfee Total Protection, McAfee Internet Security Suite and McAfee VirusScan Plus.
- McAfee will be able to offer its business customers the option to have their e-commerce sites certified, offering their customers reassurance that they are dealing with a safe Web site. According to the Common Vulnerabilities and Exposure List, which is sponsored by the National Cyber Security Division of the U.S. Department of Homeland Security, vulnerabilities found in Web applications are now the most commonly found, surpassing those discovered in Microsoft Windows and desktop software.





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benefit of becoming part of McAfee, the world's leading dedicated security company. As part of McAfee, ScanAlert's customers will get world class support around the globe.

*McAfee customers:*

Online shopping has become mainstream, with \$160 billion in electronic commerce in 2006. With the addition of ScanAlert, McAfee can make the Web a safer place for consumers to shop and for businesses that serve customers online. Upon closing this acquisition, McAfee will integrate ScanAlert's certification service into our SiteAdvisor Web rating system, creating the industry's only service to assure safe searching, surfing and shopping. Also, McAfee will offer its customers the option to have their e-commerce sites certified, offering their customers reassurance that they are dealing with a safe Web site.

By expanding its security risk management framework with HACKER SAFE certification and McAfee SiteAdvisor Web ratings on their e-commerce Web sites, McAfee's business customers will benefit from:

- An increase in sales conversion from Web site visitors. HACKER SAFE's trust mark has shown to boost consumer confidence and drive an average of 14% increase in conversion rates.
- Increased visibility in comparison shopping services. Merchants may drive an increase in sales further by showing their HACKER SAFE certification in such comparison shopping site results as PriceGrabber.com , Yahoo!® Shopping and Pronto.com.
- Proactive monitoring. With daily scanning for vulnerabilities, e-commerce sites enjoy both an added layer of security as well as proactive monitoring so they can address potential security issues before they impact consumers.
- PCI compliance. ScanAlert also helps sites with compliance related to PCI, the payment card industry's security standard, by managing the external scanning requirement.
- McAfee SiteAdvisor integration. When the integration is completed, HACKER SAFE certified sites will be highly visible through SiteAdvisor. SiteAdvisor has been downloaded more than 90 million times. HACKER SAFE Web sites will also be McAfee SiteAdvisor tested.

**6. What is the current integration plan (and timetable)?**

Until this acquisition closes, both companies will continue operating business in the ordinary course. McAfee and ScanAlert will continue to develop an integration plan that will be implemented following the closing of the transaction. ScanAlert will be integrated into McAfee's Web Security Group, co-led by Ken Leonard of ScanAlert and Tim Dowling, a vice president under McAfee's consumer, mobile and small business unit, which is headed up by Senior Vice President and General Manager Todd Gebhart.