

## Success Stories: Ideas for Potential Players

ICT / Software



Sales / Services

### Proofpoint

*Enabling clients to secure and effectively manage their e-mail systems*



*Proofpoint's technologies increase productivity by eliminating spam, improving network capacity, and defending against viruses.*

#### Opportunities in Japan

Due to rising levels of email-borne security threats companies and organizations are experiencing a growth in demand for email security solutions. These challenges, along with new legislation in Japan requiring more stringent protection of personal information, make Japan a prime market for Proofpoint, a leading provider of email security solutions based on machine-learning software that protect companies from both incoming security threats, such as spam and viruses, and outgoing confidentiality leaks.

Japan's status as an early adopter of technology was also attractive to Proofpoint. "We felt we had a strong opportunity to bring Proofpoint's products and services

to Japan given the market's history of being an early adopter, especially within the information technology sector," says Mr. Gary Steele, CEO of Proofpoint.

#### Market Entry

Proofpoint selected Japan as the site for its first Asian office, taking advantage of JETRO's services to facilitate its entry into the market. JETRO's business consultants provided explanations of the options available for office registration, including cost estimates. JETRO also provided detailed information on procedures for registering an office, visas, tax requirements, and human resource laws.

JETRO helped Proofpoint gain needed exposure in Japan's business community by introducing the company to key contacts at the Nihon Keizai Shimbun (Nikkei), Japan's leading financial newspaper. The result was an article featuring an interview with Mr. Steele that was published in the Nikkei Sangyo Shimbun shortly after the opening of Proofpoint K.K.

#### Results and Outlook

Proofpoint K.K. was incorporated in Tokyo in March 2005. With JETRO's help, the company has already solidified important partnerships, including signing Mitsui Knowledge Industry Co., Ltd. (MKI) as Proofpoint's first Japanese distributor.

2005 Proofpoint Japan K.K. established

Distribution agreement signed with Mitsui Knowledge Industry Co., Ltd.

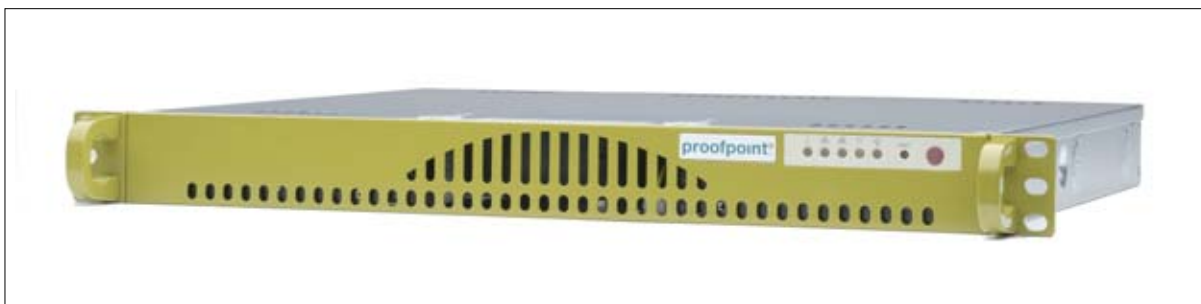
NTT Communications signed as customer

2006 Distribution agreement signed with Nomura Research Institute, Ltd.

Partners with NRI to develop localized messaging security solutions for the Japanese market

Announces advanced machine learning technology to fight Japanese-language spam





*Proofpoint hardware can be easily integrated into existing configurations to secure the confidentiality of emails with sensitive content.*

In addition, NTT Communications, one of the world's largest telecommunications companies and system integrators, has purchased Proofpoint's messaging security solutions.

"In cooperation with our distribution partner MKI, Proofpoint has quickly achieved significant market momentum in Japan," says Mr. Noriyuki Nihira, representative director, Proofpoint Japan K.K. "Our messaging security solutions have been well received by some of the largest and most sophisticated Japanese enterprises, as demonstrated by the selection of Proofpoint by NTT Communications."

During the first half of 2006, Proofpoint has seen strong interest in its products from Japanese companies, and it continues to sign new distribution agreements with leading Japanese networking and security resellers.

This past January, Proofpoint announced an agreement signed with Nomura Research Institute, Ltd. (NRI), under which NRI will market and sell Proofpoint's solutions in Japan. The two companies have also entered into a strategic partnership to develop fully localized versions of Proofpoint's messaging security solutions.

With linguistic expertise and training guidance from NRI, Proofpoint announced one month later the availability of a new version of its Spam Detection™ module—powered by Proofpoint MLX™ machine learning technology—that offers defense against Japanese-language spam with more than 98% effectiveness.

"Enterprises in Japan and around the globe have seen a rapid increase in Asian language and other double-byte forms of spam, which have proven extremely difficult for traditional solutions to stop," says Mr. Koji Yagi, IT infrastructure solution division general manager for NRI. "The new enhancements to Proofpoint MLX represent a true breakthrough in both effectiveness and accuracy against this extremely challenging form of unsolicited email."

Building on these results, Proofpoint expects Japan will continue to play a key role in the company's growth. "We're big believers in the Japanese market. Given the ease of entering Japan with JETRO's help, coupled with early success, we are confident that Japan will contribute to a big portion of our revenue over a long period of time," explains Mr. Steele.

Proofpoint continues to expand across the region and recently opened its Asia-Pacific headquarters in Sydney, Australia, and a sales office in Singapore.

#### Japanese Operation

Established : August 2005  
 Capital : Undisclosed for Japan operations; parent company has raised more than \$58 million  
 Employees : 5 (in Japan and the Asia-Pacific region)  
 Business : Email and messaging security  
 Location : 906 BUREX Kojimachi, Kojimachi 3-5-2, Chiyoda-ku, Tokyo  
 URL : <http://www.proofpoint.co.jp>  
 Parent company : Proofpoint, Inc. (USA; 140 employees worldwide)