Iron Systems Creates nAppliance, New Subsidiary Focused on Security and Networking Appliances

nAppliance to Launch Multiple Appliance Product Lines Offering Superior Price/Performance in Security and Networking Markets

San Jose, CA – January 5, 2007 – Iron Systems, an innovative, customer focused provider of customized network infrastructure products such as network servers and appliances, announced today that it has formed a new wholly-owned subsidiary, nAppliance, which will be focused on the high growth markets for security and networking appliances.

nAppliance plans to introduce security appliances based upon Microsoft ISA Server 2006. The ISA-based appliances are expected to be launched in mid-2007, and will feature tremendous price/performance relative to current gateway security and firewall solutions.

nAppliance will also partner with other leading providers of security and networking software to create appliance solutions for other market segments.

"Iron Systems sees significant opportunities in the security and networking markets to deliver easy to use appliances at price points that set a new standard for value" stated Billy Bath, Director of Business Development for Iron Systems. "Our approach at nAppliance will be to partner with best-of-breed software technology developers to create compelling, simple and affordable appliance solutions."

About nAppliance

nAppliance is a fully-owned subsidiary of Iron Systems. nAppliance™ solutions enable organizations to standardize on one platform to solve multiple security challenges. nAppliance offers a broad range of ready-to-deploy security appliances for Microsoft-based organizations to protect network users, devices, applications, and data. nAppliance solutions are scalable multifunction security platforms that provide layered defenses against threats to networks and Microsoft applications. Managed through a single appliance interface, nAppliance appliance platforms enhance security, simplify centralized operations, and deliver a low TCO.

nAppliance reduces the high cost of security deployment. nAppliance are designed to reduce product complexity and provide customers with less expensive, easy to use delivery platforms. Working closely with strategic partners, nAppliance ensures that its solutions have the breadth and depth of functions, features and performance to provide the best appliances to meet today's demanding security needs. nAppliance is based in San Jose, California.

About Iron Systems

Iron Systems is an innovative, customer focused provider of customized network infrastructure products such as network servers and appliances. Established in 1992, Iron Systems has customers through the US and around the world. The company has shipped 1,000's of server platforms to customers requiring rock-solid performance and reliability. Iron Systems was an early pioneer in creating custom platforms aimed at the BSD UNIX and LINUX markets. Iron Systems is based in San Jose, California.

Contacts: **Jim Hietala**
Director of Marketing, nAppliance
jim@nappliance.com
408-895-5000, x. 305
1-877-895-nAPP