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Mistletoe Technologies Widens Distribution Channel for its System-on-a-Chip Technology by Extending Solutions to the IT Buyer

New Distribution Strategy Gives Customers Opportunity to Experience Security Designed in at the Chip Level for Reduced Network Infrastructure Complexity and Ease of Management

Cupertino, CA – May 15, 2007– Mistletoe Technologies, Inc., developer of the industry’s first complete network and security system-on-chip (SoC) technology featuring VPN, firewall, traffic management and denial of service prevention (DoS) applications in silicon, announced a customer-driven shift in the deployment strategy of its patented RDX technology. Mistletoe Technologies, which has aggressively marketed its SoC technology to OEMs for use in security applications, will be introducing an end user-focused family of high performance network and security appliances at the Interop Exposition in Las Vegas, May 20 - 25.

This introduction of the SlimLine product family is Mistletoe Technologies’ market-based response to changes taking place in the network and security industry, as customers demand adaptive, cost effective, flexible appliances capable of reducing the spiraling complexity and improving management of their network infrastructure.

Mistletoe Technologies’ ability to deliver these power, performance and flexibility advantages is directly related to their patented RDX technology. RDX stands for Reconfigurable Direct Execution, and is an innovative, fully programmable methodology for packet processing that lowers latency, improves performance and significantly decreases power consumption. The result is a line of products, including the new SlimLine appliances, that offers reduced complexity and ease of management for end users.

As a recent Forrester Research report outlined, IT decision makers at European enterprises see ease of management as the top consideration in making security purchases this year. Based on similar concerns, Mistletoe Technologies recognized that a widened distribution strategy could address these end users’ needs for reduced complexity and improved management of their network and security products.

“Customers are demanding a compact network and security appliance solution; one that is less expensive, with a smaller footprint and offers ease of management in implementation.

These products must also consume much less power, while maintaining multi-Gigabit throughput capability,” said William Thomas, CEO of Mistletoe Technologies. “We knew we had a technological advantage with our SoC technology and we decided to respond to market demand and put network and security control in the hands of the IT buyer. We view this extended deployment model as a means of meeting the demands of both the OEMs and end users who are seeking to reduce network complexity.”

About Mistletoe Technologies

Headquartered in Cupertino, California, Mistletoe Technologies is shipping the industry’s first complete Network and Security SoC (System-on-a-Chip), a comprehensive VPN/Firewall/Traffic management/Denial of Service (DoS) prevention appliance in silicon, running at multi-Gigabit speed. Network and security products can now offer breakthrough performance and features bringing unmatched value to end users. Mistletoe Technologies was founded in December 2002 and has received funding from leading VC firms Sevin Rosen Funds, Worldview Technology Partners and Incubic Venture Capital. Further information on the company can be found at www.mistletoetech.com.

Mistletoe Technologies

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