

Relational Security continues its impressive growth in FY2006

Secaucus, NJ - Jan 2007: Relational Security Corporation, provider of the risk assessment & compliance management software - RSAM™, today announced that 2006 sales grew more than 50% over the prior year. Relational Security delivered this growth over an already stellar growth of 65% the prior year. Relational Security's sales growth was credited to two primary factors; a high growth in new customer wins combined with a strong expansion within existing customers who adopted RSAM for additional areas of compliance. "We are very pleased with our 2006 results" said Shivananda, President & CEO of Relational Security. "RelSec's growth was not only in terms of revenues & number of new customers; we have also made significant investments in our people, product development, product delivery, and customer support."

Customers

Relational Security continues to add new & marquee customers to an already impressive roster of customers. New customers in 2006 came not only from a solid base within Financial Services, Insurance, Energy and Healthcare industries, but also from brand name companies in the Technology and Manufacturing verticals. Additionally, existing customers who have been using RSAM™ in technology risk management have expanded their use of RSAM™ into other non-IT areas of risk management such as Privacy and BSA/AML assessments. "We are very excited with this adoption of RSAM™ from existing customers, who are already quite mature in their risk management practices. It further validates that RSAM™ is a mature assessment tool that the market greatly needed." Mr. Shivananda added.

Some of Relational Security's marquee customer wins in 2006 include:

- \$60b Technology company
- 1,000+ branches Retail Bank
- \$20b Investment Bank
- \$20b Insurance company
- 50+ Hospitals Healthcare Foundation
- \$20b Global Medical Supplies Manufacturer
- \$4b Healthcare Solutions Company
- Universities and state agencies

Research & Development

Relational Security continued to demonstrate its technology leadership in 2006 in the area of research and development. In April 2006, Relational Security launched RSAM™ v4.5 and 'Dynamic Workflow' which allows customers to configure RSAM™ to match their existing assessment process. "Relational Security has been focused in the assessments area for over 5 years and we continue to innovate and build from our focused experience in the space. Through this evolutionary process we have emerged as the industry's leading tool in assessments. Through focused research, experience, and constant interaction with our customers and the industry we have been able to consistently predict the assessment needs and deliver on the appropriate features to meet our customers evolving requirements. We are 100% focused on best-practice assessments, and our customers appreciate our ability to see not only their needs for today, but for year 2, 3, 4 and beyond," said Kevin Day - CTO of Relational Security.

Relational Security invested heavily in product development in 2006 and is excited about their much anticipated release of RSAM™ v5.0, which is expected to be released at the RSA 2007 conference in Q1, 2007. "This next generation of RSAM™ will allow customers to expand their assessment capabilities in many areas, including the ability to integrate with a wide variety of

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other tools and data sources that compliment the assessment process.” said Day. Besides improvements within the core RSAM™ technology, Relational Security also introduced the PCI Data Security Standard controls template in 2006.

“We are excited to enter 2007 with an already proven technology and more than triple the sales pipeline - a reflection of a mature technology and a market that has been growing rapidly for these type of tools.” added Mr. Shivananda. “We will continue to focus on serving the needs of our customers, investing in our people & infrastructure, and introducing innovative products that enable organizations to manage risks more effectively, reduce assessment & compliance costs, and provide a mature foundation for enterprise risk & compliance management programs.”

About Relational Security Corporation

Relational Security Corporation is a provider of Risk Assessment & Compliance Management Software solutions. Relational Security leverages innovative & effective methods and technology to help manage today's complex assessment & compliance needs. For more information on Relational Security, please visit www.relsec.com

About RSAM™

Relational Security's flagship product RSAM™ is built on an open and flexible framework that quickly adapts to any institution's environment. RSAM™ blends an intuitive multi-user, web-based interface with practical, enhanced risk assessment methodology that can be used to assess risks, controls, and the compliance of technical, physical, and administrative assets, business functions, processes and more. The underlying principle of the RSAM™ technology is to gather intelligent and consistent information to help institutions qualify and quantify risk based on business criticality and compliance requirements.

RSAM™'s road-tested control templates/domains provide comprehensive libraries of controls to choose from, making it easier for clients to roll out their assessments. In addition to the assessment control templates available from Relational Security (such as HIPAA, PCI, GLBA/FFIEC, NIST, ISO 17799, TSP, SOX, COBIT and more), RSAM™ provides the ability to add in-house or customized “standards” or “compliance” modules, making RSAM™ a complete solution for an institution's risk and compliance needs.