

## **Citrix Announces Agreement to Acquire Ardenne Inc. Enabling On Demand Provisioning for Application Delivery**

### ***Acquisition Extends Citrix's Desktop Delivery Capabilities and Grows Presence in Boston Area***

**FORT LAUDERDALE, Fla. - Dec. 20, 2006** - Citrix Systems, Inc. (Nasdaq:CTXS), the global leader in application delivery infrastructure, today announced a definitive agreement to acquire privately held Ardenne, Inc. of Waltham, Mass. This strategic technology acquisition extends Citrix's end-to-end application delivery infrastructure leadership by enabling the real-time, on demand provisioning of desktops, server images and service oriented architecture objects. This real-time provisioning capability promises improved IT agility; increases security and reliability, and offers new options for how businesses deliver applications and desktops over the network to users.

#### **Application Delivery**

Citrix application delivery infrastructure solutions help companies ensure the best performance, security and total cost of ownership (TCO) of mission-critical business applications as they travel over the network to end users. Citrix uses a range of technologies that are best suited for each type of application delivery - virtualization for client server applications; optimization for web applications and streaming for the desktop.

These application delivery technologies help companies ensure that mission-critical applications meet their intended business objectives in an increasingly dynamic and unpredictable world. The acquisition of Ardenne and its real-time provisioning technology will give enterprises more options in how they deliver applications and apply enterprise resources in the most efficient way possible. This is critical in a world where reducing costs, increasing security and delivering a transparent experience are paramount concerns for businesses.

Citrix has long been the market leader in client-server application delivery with its flagship Citrix Presentation Server™ product line, trusted by more than 180,000 customers worldwide, including 100 percent of the Fortune Global 100. Over the last three years, Citrix has extended its application delivery infrastructure vision to include best-in-class solutions for delivering any application to any user over any network:

- Citrix® NetScaler® -- optimizes the delivery of web applications--accelerating performance, increasing security, and improving web server capacity. This approach ensures the best TCO, security, availability, and performance for enterprise web applications;
- Citrix WANScaler™ -- further optimizes the delivery of all applications to branch offices where 55 percent of all enterprise employees access their applications. This approach can dramatically accelerate performance for end users while reducing bandwidth costs for IT administrators;
- Citrix Access Gateway™ -- a line of universal SSL VPN appliances that provide a secure, always-on, single point-of-access to all applications and protocols, including multimedia and voice-over-IP (VoIP);

- Citrix EdgeSight™ -- provides visibility to performance from the user perspective across all applications and application delivery methods, enabling IT managers to proactively monitor user experience; rapidly identify, source and resolve performance issues; and intelligently plan and optimize capacity.

### **Acquisition of Ardenice**

Founded in 1980, Ardenice is a 100-person company with over 3,000 customers, including Time Warner Cable, Dow Corning, Hollywood Video, Boeing, Raytheon, Freeze.com, U.S. Department of Defense, U.S. Department of Energy and others. Ardenice has two product groups: one focused on on-demand provisioning, the other focused on real-time operating systems. Citrix selected Ardenice for its synergistic technology that, when combined with Citrix's existing product portfolio, reinforces its overall application delivery strategy and positions the company as a strategic vendor for desktop delivery infrastructure.

Several examples of how Ardenice technologies will improve an enterprise's application delivery infrastructure include:

**1. Provisioning Desktops for Delivery Over a Network** - Using Ardenice's innovative OS-provisioning and remote network boot technology, any x86-based computer can be provisioned with an entire physical or virtual desktop environment from bare metal to production in minutes. This capability could be used, for example, to deliver new versions of operating systems, service packs and hot fixes to a diverse range of end users in minutes, then quickly rolled back to previous versions if problems are detected.

**2. Enhanced Management of Citrix Presentation Server Components.** The provisioning capabilities of Ardenice will allow IT administrators to more quickly add new servers to a Citrix Presentation Server farm and allow for the dynamic configuration of servers in a data center.

**3. Provisioning Web Server Images as Load Changes** -- Ardenice also complements the Citrix NetScaler line of web application delivery solutions, allowing IT administrators to dynamically change the amount of storage or CPU capacity available to web applications during peak load times. For high-volume e-commerce applications, the Ardenice technology can even re-provision web servers from one application to another on the fly as demand fluctuates. As customers adopt services oriented architectures (SOA) for their web application environments, the Ardenice technology could also be used to provide on-demand provisioning of these application components.

### **The Desktop**

At Citrix iForum™ Global 2006, Citrix announced its Dynamic Desktop Initiative, an industry collaboration led by Citrix that revolutionizes the way IT delivers desktops with profound benefits to the business. Through this initiative customers can centralize computing resources in a more secure and manageable configuration. The Ardenice technology extends this initiative by relieving the complexity involved in the real-time roll out of software. With its innovative OS provisioning technology, IT administrators can remotely boot desktops, laptops, servers and

blades. In this manner operating systems and applications can be streamed and run locally for very simple provisioning.

"We see the market for virtual desktops accelerating due to a host of drivers including planned Vista migrations, desktop and data security concerns, increased TCO focus for task worker desktops, increased offshore software development, and ongoing disaster recovery and business continuity projects," said Lou Shipley, general manager and group vice president of the Management Systems Group for Citrix. "As a leader in on-demand provisioning, Ardence technologies will extend the value of the entire Citrix product line from Presentation Server, to NetScaler and significantly improve our ability to deliver desktops. We are also pleased to continue our commitment and grow our presence in the Boston area with this acquisition."

"As our customers plan for OS migrations and desktop/data security, the technologies that Ardence and Citrix provide to the market will help enterprises become more agile for better business performance," said Richard Davis, chief executive officer for Ardence. "We are excited to join forces with Citrix and look forward to collaboration on future opportunities around virtual desktop enablement, Presentation Server farm optimization and Citrix NetScaler provisioning."

#### **Terms of the Deal**

The financial terms of the agreement are not being disclosed. The acquisition is subject to various standard closing conditions, including applicable regulatory approvals, and is expected to close in the first quarter of 2007.

Assuming the transaction closes as expected, the acquisition is expected to add approximately \$15 to \$18 million in revenue to fiscal year 2007 and is expected to have little or no impact to EPS on a GAAP basis and is expected to be neutral to EPS on an adjusted basis.

Upon close of the transaction, the Ardence team and products will remain based in Waltham, Mass. and report into the Management Systems Group (MSG), also based in the Boston area, under Lou Shipley.

#### **About Citrix**

Citrix Systems, Inc. (Nasdaq:CTXS) is the global leader and the most trusted name in application delivery infrastructure. More than 180,000 organizations worldwide rely on Citrix to deliver any application to users anywhere with the best performance, highest security and lowest cost. Citrix customers include 100% of the Fortune 100 companies and 98% of the Fortune Global 500, as well as hundreds of thousands of small businesses and prosumers. Citrix has approximately 6,200 channel and alliance partners in more than 100 countries. Annual revenue in 2005 was \$909M.

For Citrix Investors

This release contains forward-looking statements which are made pursuant to the safe harbor provisions of Section

21E of the Securities Exchange Act of 1934. These forward-looking statements, including statements regarding the integration of Reflectent and its products with Citrix and its products and customer acceptance of the integrated products do not constitute guarantees of future performance. Those statements involve a number of factors that could cause actual results to differ materially, including risks associated with products, their development, integration and distribution, product demand and pipeline, customer acceptance of new products, economic and competitive factors, Citrix's key strategic relationships, acquisition and related integration risks as well as other risks detailed in Citrix's filings with the Securities and Exchange Commission. Citrix assumes no obligation to update any forward-looking information contained in this press release or with respect to the announcements described herein.

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