SSH COMMUNICATIONS SECURITY CORP STOCK EXCHANGE RELEASE, April 23. 2008, at 9:00 a.m.

SSH INTERIM REPORT FOR JANUARY 1 – MARCH 31, 2008

- Net sales for January-March totaled EUR 1.9 million, down 28 percent year on year (EUR 2.6 million in Q1/2007).
- Operating loss for January–March amounted to EUR -0.8 million (a loss of 0.0 million in Q1/2007), resulting in a loss of EUR -0.6 million (profit 0.1 million).
- There were no major license deliveries during Q1/2008.

KEY FIGURES

	1-3/2008	1-3/2007	1-12/2007
Net sales (MEUR)	1.9	2.6	14.1
Net sales, change %	-28.0	26.4	49.4
Operating profit/loss (MEUR)	-0.8	0.0	2.2
% of net sales	-45.8	-1.5	15.3
Operating profit/loss, change %	-2 048.7	93.9	343.4
Profit/loss (MEUR)	-0.6	0.1	3.0
% of net sales	-34.4	4.8	21.5
Number of employees at period end	82	79	83
Earnings per share (EUR)	-0.02	0.00	0.11
Shareholders' equity per share (EUR)	0.71	0.64	0.73

SSH Communications Security is a world-leading provider of easy-to-use and centrally managed enterprise security solutions. SSH Tectia software products secure the critical data communications of numerous large enterprises, financial institutions and government agencies

NET SALES

Consolidated net sales for January-March totaled EUR 1.9 million (EUR 2.6 million) down by 28 percent year on year.

The majority of SSH's invoicing is based on the U.S. dollar. During the reporting period, the U.S. dollar's average exchange rate was approximately 14 percent weaker than during the same period for 2007.

RESULTS AND EXPENSES

Operating loss for January–March amounted to EUR –0.8 million (Q1/2007: EUR 0.0 million), with net loss totaling EUR -0.6 million (a profit of EUR 0.1 million).

The fixed costs increased by approximately 3 % from January-March 2007. Research and development expenses for the report period totaled

EUR 1.0 million (EUR 0.9 million), while sales and marketing expenses came to EUR 1.3 million (EUR 1.3 million) and administrative expenses were EUR 0.5 million (EUR 0.5 million).

BALANCE SHEET AND FINANCIAL POSITION

The financial position of SSH remained at a healthy level during the report period. The consolidated balance sheet total on 31 March 2008 was EUR 23.7 million (EUR 20.9 million), of which liquid assets accounted for EUR 21.5 million (EUR 17.1 million) and 90.7 percent of the balance sheet total. The company has no long-term liabilities. On 31 March 2008, gearing, or the ratio of net liabilities to shareholders' equity was –106.5% (-94.8%) and the equity ratio was 93.7 percent (93.7 percent).

The Annual General Meeting decided to renounce the share premium reserve after transferring all its funds to the invested unrestricted equity fund of the company. The decreasing of the share premium reserve still requires the procedure of protecting the creditors as defined in Chapter 14 of the Finnish Companies Act.

The reported gross capital expenditure for the period totaled EUR 0.0 million (EUR 0.0 million). The reported financial income consisted mainly of interest on fixed-term deposits. Financial income and expenses totaled EUR 0.2 million (EUR 0.2 million).

During January-March, SSH reported a negative cash flow of EUR -0.7 million (EUR 0.3 million positive) from business operations, and investments showed a cash flow of EUR 1.0 million (EUR 0.0 million). Cash flow from financing totaled EUR 0.0 million (EUR 0.0 million). Cash flow from operations, investments and financing resulted in the company showing a positive total cash flow of EUR 0.35 million (EUR 0.3 million) during the period.

MARKET DEVELOPMENTS

Large enterprises, financial, and public sector organizations have a growing need for improved data security. New and existing data security risks, continuously evolving regulations, and the increasing security standards and models continue to create new customer needs, to which we can respond with our versatile product offering.

In large listed companies and government agencies, the demand for products and services for improving their internal information security has been strong in the USA, and we expect it to spread to our target markets in Europe and Asia.

Regulations that currently influence the demand of our products are, for instance, the Sarbanes-Oxley 404 Act (SOX), the credit card industry PCI DSS, the health care industry HIPAA. These regulations demand data security audits, which drive our customers to implement long-term security upgrade programs in the IT infrastructure against internal and external threats.

SSH is confident that legislative reforms, new data security standards, as well as many industry and company level data security development programs will continue to drive the demand favorably for SSH Tectia. In the short term, however, demand in the US and financial services sectors contain uncertainty.

SALES PERFORMANCE

SSH'S NET SALES

EUR million	1-3/ 2008	10-12/ 2007	7-9/ 2007	4-6/ 2007	1-3/ 2007	1-12/ 2007
BY SEGMENT						
AMER	1.3	1.4	7.3	1.0	1.8	11.5
APAC	0.2	0.2	0.2	0.2	0.2	0.8
EROW	0.4	0.6	0.3	0.3	0.5	1.8
SSH Group total	1.9	2.2	7.8	1.5	2.6	14.1
BY OPERATION						
License sales	0.7	1.1	6.8	0.6	1.6	10.1
Maintenance	1.1	1.1	1.0	0.9	0.9	4.0
Total	1.9	2.2	7.8	1.5	2.6	14.1

The Americas market area accounted for 71 percent (72 percent) of reported net sales, while 10 percent (8 percent) came from the Asia Pacific region, and 19 percent (20 percent) from the 'Europe and the Rest of the World' markets.

During the reporting period, SSH concluded one new license agreement that was worth more than EUR 100.000. The ten largest customers accounted for 37 percent of reported net sales, with the largest single customer accounting for approximately 6 percent.

PRODUCTS AND MARKETING

During the report period, SSH focused its sales and marketing efforts on large enterprises, financial institutions, and government agencies in the USA, Europe, and Asia, in line with its long-term strategy. The company continued also developing its partner network in the same focus markets.

The main themes of marketing were the company's SSH Tectia product for the IBM mainframe environment and the new expanded uses of SSH Tectia for secure, automated file transfers in large organization's internal networks. The company also made further development of the productisation to provide higher value, new features and expanded uses, as well as enabling easier purchasing for the customers.

New applications, support for a wide range of enterprise operating systems, versatile integration capabilities, and centralized

management have made SSH Tectia the most extensive integrated Secure Shell-based end-to-end communications security solution in the market.

RESEARCH AND DEVELOPMENT

Research and development expenses for January-March totaled EUR 1.0 million (EUR 0.9 million), the equivalent of 54.8 percent of net sales (34.9 percent). During the report period SSH didn't capitalize any research and development expenses.

HUMAN RESOURCES AND ORGANIZATION

At the end of March, the Group had 82 employees on its payroll, up by 3 persons from the previous year, an increase of 3.8 percent.

At the end of the period, 52.4 percent of the employees worked in R&D, 35.4 percent in sales and marketing, and 12.2 percent in corporate administration.

BOARD AND AUDITORS

The Annual General Meeting (AGM) on 27 March 2008 re-elected Tomi Laamanen, Timo Ritakallio and Tatu Ylönen to SSH Communications Security Corp's Board of Directors. Pyry Lautsuo and Juha Mikkonen were elected as new members. Mr. Laamanen was re-elected as chairman.

The AGM again elected to have PricewaterhouseCoopers Oy, authorized public accountants, as the company's auditor with Henrik Sormunen, authorized public accountant, acting as the principal auditor.

SHARES, SHAREHOLDING AND CHANGES IN GROUP STRUCTURE

The reported trading volume of SSH Communications Security Corp. shares totaled 1,468,785 (valued at EUR 2,203,622). The highest quotation was EUR 1.69 and the lowest EUR 1.37. The trade-weighted average share price for the period was EUR 1.50, and the share closed at EUR 1.52 (31 March 2008).

During the report period, the ownership structure of the company did not change essentially. Tatu Ylönen holds, directly and through his company, Tatu Ylönen Oy, 52.9 percent of the company's shares, Assetman Oy holds 14.7 % and Tero Kivinen holds 5.2 percent. More information about the shareholding can be obtained from the company´s web site.

Towards the end of the report period, the Group decided to have the Japanese subsidiary SSH Communications Security K.K go into voluntary liquidation. This is a fully owned subsidiary of SSH. This arrangement is a part of the re-structuring of company's Asian sales organization, with a goal to sharpen the geographical sales focus, to increase the role of resellers and to decrease costs.

SHARE CAPITAL AND BOARD AUTHORIZATIONS

The company's registered share capital on March 31, 2008 was EUR 856,148.34, consisting of 28,538,278 shares. During the reporting period SSH increased its share capital once based on subscription to new shares under SSH's stock option plans. In total, 750 new SSH shares were subscribed under the I/1999 stock option plan and 1,416 shares under the I/2003 stock option plan respectively. With these subscriptions the company's share capital was increased by EUR 64.98.

The Annual General Meeting 27 March 2008 decided, in accordance with the proposal made by the Board of Directors, to authorize the Board of Directors to decide on issuing the maximum of 5,500,000 shares in one or more new share issues or on issuing special rights to share subscription as defined in the Finnish Companies Act Chapter 10, section 1, with or without subscription rights to shareholders. This authorization is effective until the next Annual General Meeting, but will expire 30 June 2009, at the latest. The Board has not exercised this authorization.

The Annual General Meeting also authorized the Board of Directors to decide on dividend distribution and/or on distribution of assets from the invested unrestricted equity fund. By virtue of the authorization, the distributed assets can be a maximum of 0.15 euro per share and EUR 4,350,000.00 in total. The authorization is valid until 31 December 2008. Further, the Board of Directors was authorized to lower the subscription price of shares that can be subscribed on the grounds of the stock option plans released by the Company between years 2000 and 2003, at an amount which equates the distribution of assets. On 2 April 2008, after the end of the report period, the Board of Directors decided to distribute 0.15 euro per share from the invested unrestricted equity fund to the shareholders, and to lower the subscription price of the 2000 – 2003 stock option plans by the same amount. The date of payment was 15 April, 2008.

CORPORATE GOVERNANCE

The company complies with the corporate governance recommendations for listed companies issued by the Helsinki Stock Exchange, the Central Chamber of Commerce of Finland, and the Confederation of Finnish Industry and Employers. More information on corporate governance is available on the company's Web site (www.ssh.com).

PROSPECTS

The US dollar exchange rate and speculations about the US economy contain some factors of uncertainty that are hard to estimate. Our active sales prospect base is at a historically high level, especially in the US markets. However, time needed for completing the sales has grown longer.

In spite of the 1st quarter negative results, the company expects the full year results to be profitable.

Due to the large size of individual orders and depending on the timing of customer projects, significant variation of the quarterly revenue may occur.

INCOME STATEMENT

EUR million	1-3/ 2008	1-3/ 2007	1-12/ 2007
Net sales	1.9	2.6	14.1
Purchasing and production costs	0.0	0.0	0.0
Gross profit	1.8	2.6	14.1
Other operating income	0.0	0.1	0.1
Expenses			
Product development	-1.0	-0.9	-3.7
Sales and marketing	-1.3	-1.3	-6.5
Administration	-0.5	-0.5	-1.9
Operating profit/loss	-0.8	0.0	2.2
Financial income and expenses	0.2	0.2	0.9
Profit/loss before taxes	-0.6	0.1	3.0
Taxes	0.0	0.0	0.0
Net profit/loss for the period	-0.6	0.1	3.0

EARNINGS PER SHARE

	1-3/2008	1-3/2007	1-12/2007
Earnings per share (EUR)	-0.02	0.00	0.11
Earnings per share, diluted (EUR)	-0.02	0.00	0.11

BALANCE SHEET

EUR million	31 Mar 2008	31 Mar 2007	31 Dec 2007
ASSETS			
Fixed and other non-current assets			
Tangible assets	0.2	0.1	0.1
Intangible assets	0.1	0.2	0.1
Deferred tax assets	0.2	0.2	0.2
Total fixed and other	0.5	0.6	0.5

non-current assets			
Inventories and current assets			
Short-term receivables	1.8	3.1	3.0
Short-term investments	19.5	15.2	20.3
Cash and cash equivalents	2.0	2.0	1.7
Total inventories and current assets	23.3	20.3	25.1
Total assets	23.7	20.9	25.5
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity	20.2	18.1	20.8
Long-term liabilities			
Provisions	0.2	0.0	0.2
Long-term financial Liabilities	0.0	0.0	0.0
Total long-term liabilities	0.2	0.0	0.2
Short-term liabilities	3.3	2.8	4.5
Total liabilities and shareholders' equity	23.7	20.9	25.5

CASH FLOW STATEMENT

EUR million	1-3/ 2008	1-3/ 2007	1-12/ 2007
Cash flow from business operations	-0.7	0.3	4.8
Cash flow from investments	1.0	0.0	-4.8
Cash flow from financing	0.0	0.0	0.0
Change in liquid assets	0.4	0.3	0.1
Liquid assets at period start	1.7	1.7	1.7
Adjustment for translation difference	0.0	0.0	-0.1
Liquid assets at period end	2.0	2.0	1.7

STATEMENT ON CHANGES IN SHAREHOLDERS' EQUITY

EUR million	Share capital	Share premium fund	Fair value reserves	Trans-lation diff.	Unrest-ricted equity funds and retained earnings	Total

Shareholders' equity 1 Jan 2007	0.9	11.5	0.1	-0.8	6.3	18.0
Change	0.0	0.0	0.0	0.0	0.1	
Shareholders' equity 31 Mar 2007	0.9	11.5	0.1	-0.8	6.4	18.1
Change	0.0	0.0	0.0	-0.3	3.0	
Shareholders´ equity 31 Dec 2007	0.9	11.5	0.1	-1.1	9.4	20.8
Change	0.0	0.0	0.0	0.0		
Net profit					-0.6	
Shareholders' equity 31 Mar 2008	0.9	11.5	0.1	-1.0	8.7	20.2

NET SALES BY SEGMENT

EUR million	1-3/ 2008	1-3/ 2007	1-12/ 2007
AMER	1.3	1.8	11.5
APAC	0.2	0.2	0.8
EROW	0.4	0.5	1.8
SSH Group total	1.9	2.6	14.1

OPERATING PROFIT/LOSS BY SEGMENT

EUR million	1-3/ 2008	1-3/ 2007	1-12/ 2007
AMER	0.5	1.1	7.6
APAC	0.1	0.1	0.3
EROW	-0.1	0.1	-0.1
Common Group expenses*	-1.4	-1.3	-5.6
SSH Group total	-0.8	0.0	2.2

* Common Group expenses include Group administration expenses (e.g. management and finance) and product management and R&D expenses for corporate headquarters.

KEY FIGURES AND RATIOS

	1-3/ 2008	1-3/ 2007	1-12/ 2007
Net sales (MEUR)	1.9	2.6	14.1
Operating profit/loss (MEUR)	-0.8	0.0	2.2

Operating profit/loss, % of net sales	-45.8	-1.5	15.3
Profit/loss before extraordinary items and taxes (MEUR)	-0.6	0.1	3.0
Profit/loss before extraordinary items and taxes, % of net sales	-34.4	4.8	21.5
Profit/loss before taxes (MEUR)	-0.6	0.1	3.0
Profit/loss before taxes, % of net sales	-34.4	4.8	21.5
Return on investment (%)	-11.8	0.7	15.1
Return on equity (%)	-12.5	0.7	15.6
Interest-bearing net liabilities (MEUR)	-21.5	-17.1	-22.0
Equity ratio (%)	93.7	93.7	91.4
Gearing (%)	-106.5	-94.8	-105.8
Gross capital expenditure (MEUR)	0.0	0.0	0.1
% of net sales	0.2	0.3	0.8
R&D expenses (MEUR)	1.0	0.9	3.7
% of net sales	54.8	34.9	26.0
Personnel, period average	80	80	81
Personnel, period end	82	79	83

PER-SHARE DATA

	1-3/ 2008	1-3/ 2007	1-12/ 2007
Earnings per share, undiluted (EUR)	-0.02	0.00	0.11
Earnings per share, diluted (EUR)	-0.02	0.00	0.11
Equity per share (EUR)	0.71	0.64	0.73
No. of shares at period end (thousands)	28 538	28 424	28 536
Share performance (EUR)			
Average price	1.50	1.52	1.63
Low	1.37	1.15	1.12
High	1.69	1.75	2.39
Share price, period end	1.52	1.30	1.61
Market capitalization, period end (MEUR)	43.4	37.0	45.9
Volume of shares traded (in millions)	1.5	7.3	15.0
Volume of shares traded, % of total	5.1	25.5	52.6
Value of shares traded (MEUR)	2.2	11.0	24.5
Price-to-earnings ratio (P/E)	-	299.9	15.2

CONTINGENT LIABILITIES

EUR million	31 Mar 2008	31 Mar 2007	31 Dec 2007
Rental and lease liabilities – minimum lease payments			

Maturing within 1 year	0.7	0.7	0.7
Maturing between 1 and 5 years	1.1	1.1	1.1
Currency derivatives (not included in hedge accounting)			
Fair value	0.0	0.0	0.0
Nominal value	0.0	0.9	0.0

This interim report has been compiled observing IAS 34 (Interim Financial Reporting) accounting standard. The same accounting principles have been used in the interim report as in the financial statement for 2006. These data are based on unaudited figures.

DISCLAIMER

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FINANCIAL REPORTING

The company will hold a briefing on its interim report for equity analysts and the media in Hotel Scandic Simonkenttä, 1st floor, Cabinet Lönkka; at address Simonkatu 9, 00100 Helsinki on Wednesday, 23 April 2008, starting at 11:00 a.m.

SSH Communications Security Corp will release its next interim report and financial statements for 1 January – 30 June 2008 on 23 July 2008. Further information will be available on the company's web site in due course.

Helsinki, 23 April 2008

SSH COMMUNICATIONS SECURITY CORP

Board of Directors

Arto Vainio
CEO

For further information, please contact:
Arto Vainio, CEO tel. +358 (0)20 500 7400
Mika Peuranen, CFO tel. +358 (0)20 500 7419

Distribution:
Helsinki Stock Exchange
Major media
www.ssh.com