



NEWS RELEASE

Contacts

Investors:

Joseph Zappulla
Wall Street Investor Relations Corp.
212-714-2445
investor-relations@ion-networks.com

Press:

Scot Hoffman
Morgen-Walke Associates, Inc.
212-850-5600

FOR IMMEDIATE RELEASE

SIEMENS TESTS AND APPROVES LATEST ION NETWORKS' ISOS FUNCTIONALITY

PISCATAWAY, N.J – December 17, 2002— ION Networks, Inc. (Nasdaq: IONN), a leading provider of security and management solutions that protect critical infrastructure from internal and external security threats, today announced that the latest version of its ION Secure Operating System (ISOS) has been tested and approved by the Enterprise Networks division of Siemens Information and Communications Networks, Inc ("Siemens ICN") for compatibility with the HiPath™ 4000 convergence solution.

"Siemens' testing and subsequent approval of compatibility between the HiPath 4000 server and our latest version of ISOS is a significant corporate milestone," said Kam Saifi, ION Networks' President and Chief Executive Officer. "We look forward to continuing our work with Siemens to address future infrastructure security opportunities." Siemens will offer ION Secure appliances with its HiPath 4000 convergence solution.

Version 4.60 of ISOS— the core operating system of ION Secure 3000 Series security appliances – is now generally available through ION Networks and authorized resellers - such as Siemens ICN - and provides security-conscious companies with robust functionality to protect networks from administrative channel attack.

ISOS 4.60 functionality includes secure access control, password brokering, multi-factor authentication, multi-level authorization, real-time breach notifications, discrete alarming, command filters, user session buffering and dial-in port consolidation and is built around ION Networks' philosophy of providing the five 'A's of infrastructure security – Access, Authentication, Authorization, Audit and Administration.

ISOS 4.60 availability is part of ION Networks' continuing strategy to deliver solutions aimed at providing a secure virtual environment for organizations wishing to deploy enterprise-wide infrastructure security policies across multi-vendor networks.

About ION Networks

ION Networks, Inc. is a leading provider of infrastructure security and management solutions. The ION Secure suite helps customers protect critical infrastructure and maximize operational efficiency while lowering operational costs. ION Networks' customers include AT&T, Bank of America, British Telecom, Citigroup, Entergy, Fortis Bank, Oracle, Qwest, SBC, Sprint and the U.S. Government. Headquartered in Piscataway, New Jersey, the Company has installed tens of thousands of its products worldwide.

More information can be obtained from www.ion-networks.com.

HiPath is a trademark of Siemens AG.

ION Networks(TM) and ION Secure(TM) are trademarks of ION Networks, Incorporated. All other trademarks and registered trademarks in this document are the properties of their respective owners.

Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Any forward-looking statements contained herein are based on current expectations, but are subject to a number of risks and uncertainties. The factors that could cause actual future results to differ materially from the forward-looking statements include the following: fluctuations in customer demand; fluctuations in spending on technology generally and security solutions in particular; sufficiency of operating capital; general economic conditions (both domestic and abroad); the rapid technological change which characterizes the Company's markets, the risks associated with competition; the risks associated with the expansion of the Company's distribution channels; the risk of new product introductions and customer acceptance of new products; the risks associated with international sales as the Company expands its markets; and the ability of the Company to compete successfully in the future, as well as other risks identified in the Company's Securities and Exchange Commission Filings, including but not limited to those appearing within the Company's most recent Form 10-KSB and amendments thereto, filed with the Securities and Exchange Commission on August 21, 2002