



## VeriSign Announces Preliminary Q2 2002 Financial Results

MOUNTAIN VIEW, CA - July 10, 2002 - VeriSign, Inc. (Nasdaq: VRSN), the leading provider of digital trust services, today announced preliminary results for its fiscal second quarter ended June 30, 2002. VeriSign expects total revenue for the quarter to be in the range of approximately \$315-317 million, as compared to previous guidance of \$320-330 million. On a fully-taxed basis (using a 30% tax rate consistent with financial analyst projections), pro forma net income (which excludes the write-off of goodwill, the write-down of certain investments, restructuring charges, amortization of intangible assets and stock-based compensation charges related to acquisitions) is expected to be in the range of \$0.14-0.15 per share, as compared to previous guidance of \$0.18-0.20 per share.

"VeriSign experienced mixed results in the second quarter as total revenue and pro-forma earnings came in below our expectations," said Stratton Sclavos, VeriSign's Chairman and CEO. "While continued weakness in IT spending led to lower demand than we had anticipated for our consulting and international affiliate lines of business, our telecommunications and core authentication lines of business showed improved performance from the first quarter."

Performance in the Mass Markets group was in-line with management's expectations for the second quarter as Mass Markets revenues for Q2'02 were off approximately 6-8% from the previous quarter. Domain name renewal rates at the Registrar were approximately 45% for the second quarter, up modestly from Q1'02. VeriSign's Telecom services experienced good volume growth and generally stable pricing. While the core enterprise services business performed in-line with expectations, this was offset by a decrease in the consulting and international affiliate lines of business.

### Today's Conference Call

VeriSign will be hosting a teleconference call today, July 10th, at 2:00 pm (PDT) to discuss these preliminary results. The call will be accessible by direct dial at (800) 811-0667. A listen-only live webcast of the conference call will also be available at [www.verisign.com](http://www.verisign.com) under the Investor Relations tab. A replay of the teleconference will be available by calling (888) 203-1112 (passcode: 158943) beginning at 5:00 pm (PDT) today and running through July 17th.

### Q2 2002 Earnings Call

The results announced today are preliminary and subject to change. VeriSign will report its full results for Q2 2002 on Thursday, July 25th. Logistics details about the Q2'02 earnings release and the associated conference call will be sent out under separate cover.

### About VeriSign

VeriSign, Inc. (Nasdaq: VRSN) is the leading provider of digital trust services that enable everyone, everywhere to engage in commerce and communications with confidence. VeriSign's digital trust services create a trusted environment through four core offerings - Web presence services, security services, payment services, and telecommunications services - powered by a global infrastructure that manages more than six billion network connections and transactions a day. Additional news and information about the company is available at [www.verisign.com](http://www.verisign.com).

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Statements in this announcement other than historical data and information constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements involve risks and uncertainties that could cause VeriSign's actual results to differ materially from those stated or implied by such forward-looking statements. The potential risks and uncertainties include, among others, VeriSign's limited operating history under its current business structure, the risk that the VeriSign and Illuminet businesses as well as other businesses will not be integrated successfully and unanticipated costs of such integration; uncertainty of future revenue and profitability and potential fluctuations in quarterly operating results; the ability of VeriSign to successfully develop and market new services and customer acceptance of any new services; the risk that VeriSign's announced strategic relationships may not result in additional products, services, customers and revenues; increased competition; risks associated with the company's international business and risks related to potential security breaches. More information about potential factors that could affect the company's business and financial results is included in VeriSign's filings with the Securities and Exchange Commission, especially in the company's Annual Report on Form 10-K for the year ended December 31, 2001. VeriSign undertakes no obligation to update any of the forward-looking statements after the date of this press release.