

MARIMBA ANNOUNCES FIRST-QUARTER RESULTS

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Total Revenues Increase 72 Percent Year over Year to \$10.6 Million

Marimba, Inc., a leading provider of Internet infrastructure management solutions, today announced financial results for the first quarter ended March 31, 2000.

First-quarter revenues reached \$10.6 million, up 72 percent from \$6.1 million for the same period last year. Net loss was \$659,000, or a diluted net loss of 3 cents per share, down from a net loss of \$1.6 million, or a diluted net loss of 13 cents per share, for the same quarter a year ago. Excluding \$336,000 of amortisation expense for deferred stock compensation, diluted net loss for the first quarter of 2000 would have been 1 cent per share. Excluding \$178,000 of stock compensation-related expense for the same period a year ago, diluted net loss would have been 12 cents.

"We once again turned in a solid performance during the quarter," said Kim Polese, president and chief executive officer. "The demand for our Castanet product line continued strongly, as evidenced by our surpassing the 10 million end-user mark during the quarter. We also booked our largest license agreement in the history of the company."

During the quarter, Marimba also released Castanet 4.5, which received a rating of 'excellent' for its performance by InfoWorld magazine. The newest version of Castanet provides Windows 2000 support, powerful new application installation policies and self-repair options to automate and simplify the management of applications across the extended enterprise.

"Our release of Timbale for Server Management, the first product in the new Timbale product line, successfully extends our Internet infrastructure management product offerings to the rapidly growing back-end server infrastructure that is fuelling Web-based computing and e-commerce. Overall, we're pleased with the state of the business and the outlook for sustained growth and continued industry leadership," Polese said.

First-quarter license revenues were \$8.1 million, up 79 percent from \$4.5 million a year ago. Service revenues rose to \$2.5 million, up 55 percent from \$1.6 million for the same quarter last year.

The company also announced that in October 2000 Fred Gerson, chief financial officer, will resign in order to pursue personal interests and spend more time with his family. Succeeding Gerson will be Ken Owyang, Marimba's vice president of finance and corporate controller, who joined the company in 1997. "Fred has made substantial contributions to Marimba," said Polese. "He was instrumental in the planning and execution of our business model and the completion of our IPO last year. In addition, he and Ken have worked closely together to create professional financial and accounting systems and controls that have supported our growth. We look forward to his continuing contributions over the next several months, and wish him well in his future endeavours," she added.

Quarterly Highlights

Marimba's business highlights during the first quarter of 2000 included the following:

- Release of Timbale for Server Management, first product in the new Timbale server management product line, designed to provide enterprises, ASPs and Internet hosting companies with precise control over the distribution of rapidly changing content across widely distributed servers
- Signing of OEM license agreement with Documentum for the integration of Timbale for Server Management into Documentum's recently announced 4i eBusiness Edition content management solution
- Signing of the largest license agreement in the history of the company
- New customers, including HealthSouth, InterTrust, MetLife and Stamps.com, and new service provider deals, such as ASP deals with LogicTier and OneNetPlus.com, and an ISP hosting deal with NaviPath; repeat customers, such as Bear Stearns, Bell Atlantic, DLJ Securities, Ecast, Merinta (subsidiary of Boundless Corporation), Tibco Finance, a Reuters company, and Vicinity
- Surpassing of the 10-million-end-user mark for software services delivered over the Internet via the Castanet management infrastructure, demonstrating that Castanet has become an essential element in managing some of the world's largest e-business implementations
- Further penetration of international markets -- reaching 12 percent of total revenues -- including contributions from Asia, Latin America and Europe

- Continued balance sheet strength, with \$76.8 million in cash and investments and total assets of \$91.6 million at March 31, 2000.

About Marimba

Marimba is a leading provider of Internet infrastructure management solutions, enabling companies to leverage the Internet to deliver more powerful and cost-effective applications and services to their customers, employees and business partners. Marimba's Castanet product family provides an efficient and reliable infrastructure by which enterprises can distribute, update and manage applications and content over corporate intranets, extranets and the Internet. Marimba's Timbale product family addresses the unique management challenges inherent in server-based computing, including content replication and precise deployment control across heterogeneous server platforms. Marimba is headquartered in Mountain View, California, and can be reached at +44 1344 397224, info@marimba.com, or at its Web site at <http://www.marimba.com>

This press release contains forward-looking statements regarding future events or the future performance of Marimba that involve risks and uncertainties. Such forward-looking statements include, among others, statements regarding Marimba's outlook for sustained growth and continued industry leadership, the expected continued demand for Marimba's Castanet product, and expectations regarding the potential demand for Marimba's new Timbale product. Marimba's actual results could differ materially from the results anticipated in these forward-looking statements. Factors which could adversely impact Marimba's performance include, among others, fluctuations in customer demand, challenges associated with growing the company, our need to retain key personnel, our dependence on the success of our Castanet product family, the level of market acceptance of Timbale, our ongoing patent litigation with Novadigm, Inc., competition from other vendors, our need to increase third-party distribution relationships, and a variety of other factors, including those described from time to time in Marimba's filings with the Securities and Exchange Commission. In particular, see the Risk Factors described in Marimba's most recently filed Annual Report on form 10-K and Quarterly Report on Form 10-Q. Marimba assumes no obligation to update the forward-looking information contained in this press release.

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Marimba and Castanet are registered trademarks and Timbale is a trademark of Marimba, Inc. in the U.S. and/or other countries. All other

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