

Marimba Announces Second-Quarter Results

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Company Achieves Profitability;
Total Revenues Increase 76% to \$12.1 Million Year over Year

Marimba, Inc., a leading provider of Internet infrastructure management solutions, today announced financial results for its second quarter ended June 30, 2000.

Revenues for the second quarter were \$12.1 million, up 76 percent from \$6.9 million for the same quarter last year. Net income for the second quarter was \$1.3 million, or a diluted net income per share of 5 cents, up from a net loss of \$1.5 million, or a diluted net loss of 8 cents per share, for the same quarter last year. Excluding \$205,000 of amortisation expense for deferred stock compensation, diluted net income per share for the second quarter would have been 6 cents. Excluding \$451,000 of amortisation expense, net loss per share in the same quarter a year ago would have been 6 cents.

License revenues for the second quarter were \$9.2 million, up 86 percent from \$4.9 million for the same period a year ago. Service revenues rose to \$3.0 million, up 51 percent from \$2.0 million for the same quarter last year.

"The second quarter marked a milestone for us, as we reached profitability on strong revenue growth," said Kim Polese, chairman and chief strategy officer. "We have

continued to successfully execute our strategy, as the market for e-business software and services accelerates. In addition, Timbale, our newly-launched server management product line, achieved early customer acceptance, and customer uses for our Castanet products continued to diversify."

Quarterly Highlights

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

Early customer acceptance of the Timbale product line, which provides enterprises, ASPs and Internet hosting companies with server management for the distribution of mission-critical content across widely distributed server farms

Release of Timbale for Server Management by Winstar Communications, a leading broadband services company, as an enabling technology for its Web hosting and co-location services

Shipment of Timbale for Windows Terminal Service (WTS), which provides centralised deployment control and management of all server software used in Windows terminal services computing environments

Continued penetration by Castanet in the fast-growing Internet device market

Additional new customers, including Aspect Communications, Atlanta Journal, Washington Mutual, Intercontinental Exchange, Internet Appliance Network (IAN), SAI Plus, and Zero G Software

Strong repeat business, including orders from Cable & Wireless, Healthsouth, Intelimedica, Merinta, and Morgan Stanley Dean Witter

Continued balance sheet strength, with \$78.4 million in cash and investments, and total assets of \$95.6 million at June 30, 2000

In a separate release issued today, Marimba announced the appointment of John Olsen to president and chief executive officer of Marimba, and Kim Polese to chairman and chief strategy officer of the company. See news release dated July 25, 2000, "Marimba Names Former Cadence Executive as President and CEO; Polese Becomes Chairman And Chief Strategy Officer; John Olsen Brings Proven Track Record in Managing and Growing Technology Businesses."

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 01344 397224, via email at orders@marimba.com, or at its Web site at <http://www.marimba.com>.

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This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, and is subject to the safe harbors created by this section. These forward-looking statements include: statements regarding Marimba's future revenue and business growth, continuing demand and market acceptance for Marimba's Castanet and Timbale products, diversification of customer uses for Castanet, and Marimba's expansion of its current product offerings. The results expected by these statements are subject to a number of risks and uncertainties, including: fluctuations in customer demand, challenges associated with

growing the company, Marimba's need to retain key personnel, Marimba's dependence on the success of its Castanet product family and increasing market acceptance of its Timbale product family, its ongoing patent litigation, competition from other vendors, Marimba's need to increase third-party distribution and other reseller relationships, the operational, technical and strategic challenges Marimba faces in developing new products, which may affect its ability to release new products on schedule and the degree to which the products are accepted by customers, and general economic, technological and market conditions, which could affect the level of demand for Internet infrastructure management solutions in general and Marimba's products in particular. Actual results may differ materially from the results anticipated by these forward-looking statements due to the factors listed above and other factors. The matters discussed in this press release also involve risks and uncertainties described from time to time in Marimba's filings with the Securities and Exchange Commission (SEC). 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, each as submitted to the SEC and as may be updated or amended with future filings or submissions. Marimba undertakes no obligation to release publicly any updates or revisions to any forward-looking statements contained in this announcement that may reflect events or circumstances occurring after the date of this announcement.

Marimba and Castanet are registered trademarks, and Timbale is a trademark, of Marimba, Inc. in the U.S. and/or certain other countries. All other product, trademark, company or service names mentioned herein are the property of their respective owners.

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