

For Release on October 18th

**NETWORK ENGINES AND MATRIXFORCE DEPLOY NS6400
AT PERRY SCHOOLS**

*New Solution Updates Security Framework and Enables Parents Secure Access to
Children's School Records*

Canton, MA – October 18, 2005 – Network Engines, Inc. (NASDAQ-NENG), a leading OEM appliance partner for Microsoft security solutions, and Matrixforce, a leading Microsoft Gold Certified Solution Partner, today announced the successful deployment of an NS6400 security appliance with Surf Control's web filtering solution at Perry Public Schools.

Perry Public Schools, based in Perry, Oklahoma, serves 1,200 K-12 students in a community of 6,000. In an effort to update the school's network security, content filtering, and also create a solution to securely extend student records to parents online, technology director Joel Hall engaged Oklahoma-based Matrixforce earlier this year to assess the school's systems and recommend enhancements.

Matrixforce quickly determined that Perry Schools needed Microsoft ISA Server 2004 and a new web filtering solution to replace its aging security software. After reviewing several alternatives, Hall and Matrixforce chose the Network Engines NS6400 security appliance, a hardened device powered by ISA Server 2004, which is available with Surf Control Web Filtering pre-loaded.

“As the school's only network administrator, I have a lot of roles and responsibilities. The last thing I needed was a bunch of new software that increased my maintenance tasks,” said Hall.

“Therefore, it was a nice surprise to add a single box to my network, which gives us the latest web filtering capabilities compliant with Federal law, and runs a state-of-the-art DMZ that can be extended to parents. Thanks to the automated update service provided by Network Engines

a great deal of my security routine is now automated, which allows me to sleep better at night. I am now spending a lot of time working on other more valuable tasks.”

“The NS6400 is an incredible product, not only because of the ease of use and ease of deployment features, but also because it provides significant cost advantages,” said Bob Gunn, Solution Engagement Manager at Matrixforce. “By deploying the Network Engines’ hardened version of ISA Server 2004 with Surf Control’s web filtering solution pre-configured, we believe that end customers realize an immediate two-fold cost reduction when compared to installing and maintaining each software package independently. Longer term, customers also enjoy significant annual savings in maintenance costs.”

“We are very pleased with the results after deploying the NS6400 at Perry Public Schools. The savings in money and time are further proof that the NS Series security appliances are the best alternative for deploying Microsoft ISA Server 2004 in conjunction with solutions such as Surf Control,” said Derek Chueng, channel manager at Network Engines.

About Matrixforce

Matrixforce is a leading business support firm in the U. S. South Central region, headquartered in Tulsa, Oklahoma and founded in 1978. Its mission is providing superior computer support for customers to lower technology costs and improve business performance. As a premier Microsoft Gold Certified Partner (MGCP), Matrixforce specializes in implementing and supporting business systems utilizing Microsoft Server System, Desktop, and integration products as well as associated best-in-class hardware and software products.

Network Engines - THE Appliance Company

Network Engines appliances are designed to ease the deployment, enhance manageability, and increase security of mission critical software applications.

Our heritage of providing technology products and services tailored to supporting the entire lifecycle of our customers appliances has made us the appliance partner of choice for software market leaders.

Founded in 1997, Network Engines is headquartered in Canton, Massachusetts and trades on the NASDAQ exchange under the symbol NENG. For more information about the Company's products and services visit: www.networkengines.com.

Safe Harbor for Forward-Looking Statements

Statements in this press release regarding Network Engines' (the "Company") future financial performance and any other statements about Network Engines' management's future expectations, beliefs, goals, plans or prospects constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The Company's actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including those factors contained in the Company's most recent annual report on Form 10-K for the year ended September 30, 2004 and the most recent Form 10-Q for the quarter ended June 30, 2005 under the section "Factors That May Affect Future Operating Results" as well as other documents that may be filed by the Company from time to time with the Securities and Exchange Commission. Forward-looking statements include statements regarding the Company's expectations, beliefs, intentions or strategies regarding the future and can be identified by forward-looking words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "should," "will," and "would" or similar words. The Company assumes no obligations to update the information included in this press release.

Network Engines and the Network Engines logo are trademarks of Network Engines, Inc. All other registered and unregistered trademarks in this document are the sole property of their respective owners.

###

Contacts:

Joni Moore
Network Engines, Inc.
508-308-7900
joni.moore@networkengines.com