



Press Release

For Immediate Release

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GraphOn Corp. Announces Fourth Quarter and Annual 2007 Results; Will Host Investor Teleconference on Thursday, February 14, 2008

SANTA CRUZ, CA, USA – February 13, 2008 – GraphOn Corporation (OTCBB: GOJO), a leading worldwide developer of thin-client application publishing and Web-enabling solutions, today announced it will host an investor conference call at 1:30 pm Pacific Standard Time (4:30 pm Eastern Standard Time) on Thursday, February 14, 2008, moderated by GraphOn CEO and Chairman, Robert Dilworth and Chief Financial Officer, William Swain. Discussions will include a review of financial results for the fourth quarter and fiscal year which ended December 31, 2007. The GraphOn management team will discuss the company's business and will take questions for a limited time following the presentation.

Participants may access the call by phone by dialing (888) 496-2261 ten minutes prior to the call and state conference ID # 34076449.

Financial Highlights

Revenue was approximately \$7.8 million for the three months ended December 31, 2007, as compared to approximately \$1.3 million recorded in the same period of 2006. Revenue was approximately \$11.5 million for the year ended December 31, 2007, as compared to approximately \$5.2 million for the same period of 2006. The net income for the three months ended December 31, 2007 was approximately \$3.2 million, as compared to the approximate \$954 thousand net loss for the same period of 2006. The net income for the year ended December 31, 2007 was approximately \$194 thousand, as compared to the approximate \$3.0 million net loss for the same period of 2006.

The earnings per common share for the three months ended December 31, 2007 was \$0.07 per share as compared with a loss of \$0.02 per share for the same quarter of 2006. The earnings per common share for the year ended December 31, 2007 was \$0.00 per share as compared with a loss of \$0.07 per share for the same period in 2006. The earnings per common share – assuming dilution was \$0.07 and \$0.00 for the three months and year ended December 31, 2007, respectively. No dilution was assumed during either the three months or year ended December 31, 2006 as net losses were reported for both such periods.

“We are very pleased with the financial results that we have been able to achieve in both the current quarter and year as compared to the same periods in 2006,” Robert Dilworth, Chairman and CEO, said. “The strong fourth quarter performance resulted from improved product sales as well as significant proceeds from patent licensing activity. We believe the resulting balance sheet and cash position will resolve concerns about GraphOn's financial viability and also provide cash reserves sufficient to invest in strengthening our GO-Global products and to pursue identified opportunities that we believe will create the potential for further growth based on our existing technology.”

About GraphOn Corporation

GraphOn Corporation is a publicly-traded company headquartered in Santa Cruz, California. For over a decade, GraphOn has been an innovator of cost-effective, advanced solutions that help customers access applications from anywhere. GraphOn's high-performance software provides fast remote access, cross-platform connectivity, and a centralized architecture that delivers a dramatically lower cost of ownership. The company's solutions run under Microsoft (MSFT) Windows, Linux and UNIX, including Sun (JAVA) Solaris, IBM AIX, Hewlett-Packard (HPQ) HP-UX, and others. For more information, call 1.800.GRAPHON or visit www.graphon.com.

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GRAPHON CORPORATION
Condensed Consolidated Balance Sheets

	December 31, 2007 (Unaudited)	December 31, 2006 (Audited)
Assets		
Cash and cash equivalents	\$ 5,260,800	\$ 2,937,100
Accounts receivable, net	886,600	680,400
Other current assets	42,600	65,300
Total current assets	<u>6,190,000</u>	<u>3,682,800</u>
Property and equipment, net	134,700	129,400
Capitalized software, net	3,600	5,800
Patents, net	2,741,300	3,630,300
Other assets	4,800	4,700
Total assets	<u>\$ 9,074,400</u>	<u>\$ 7,453,000</u>
Liabilities and stockholders' equity		
Accounts payable and accrued liabilities	\$ 867,200	\$ 793,300
Deferred revenue - short term	1,475,000	1,153,100
Deferred revenue - long term	1,833,100	1,654,500
Stockholders' equity	4,899,100	3,852,100
Total liabilities and stockholders' equity	<u>\$ 9,074,400</u>	<u>\$ 7,453,000</u>

Condensed Consolidated Statements of Operations

	Three months ended December 31,		Year ended December 31,	
	2007 (Unaudited)	2006 (Unaudited)	2007 (Unaudited)	2006 (Audited)
Revenue	\$ 7,769,900	\$ 1,271,400	\$ 11,485,600	\$ 5,170,600
Cost of revenue	147,800	156,800	503,900	534,000
Gross profit	<u>7,622,100</u>	<u>1,114,600</u>	<u>10,981,700</u>	<u>4,636,600</u>
Selling and marketing	528,400	437,800	1,819,900	1,650,600
General and administrative	3,449,700	999,600	6,822,100	3,975,900
Research and development	405,400	653,200	2,162,700	2,093,700
Total operating expenses	<u>4,383,500</u>	<u>2,090,600</u>	<u>10,804,700</u>	<u>7,720,200</u>
Income (loss) from operations	3,238,600	(976,000)	177,000	(3,083,600)
Other income, net	13,200	21,400	58,600	52,800
Income (loss) before income taxes	3,251,800	(954,600)	235,600	(3,030,800)
Income taxes	36,500	(1,200)	42,100	4,300
Net income (loss)	3,215,300	(953,400)	193,500	(3,035,100)
Other comprehensive loss	-	(600)	-	-
Comprehensive income (loss)	<u>\$ 3,215,300</u>	<u>\$ (954,000)</u>	<u>\$ 193,500</u>	<u>\$ (3,035,100)</u>
Earnings (loss) per common share	<u>\$ 0.07</u>	<u>\$ (0.02)</u>	<u>\$ 0.00</u>	<u>\$ (0.07)</u>
Earnings per common share - assuming dilution	<u>\$ 0.07</u>	<u>na</u>	<u>\$ 0.00</u>	<u>na</u>
Weighted average shares outstanding	<u>47,272,868</u>	<u>46,219,772</u>	<u>46,804,504</u>	<u>46,201,791</u>
Weighted average shares outstanding - assuming dilution	<u>47,540,216</u>	<u>na</u>	<u>46,804,504</u>	<u>na</u>

This press release contains statements that are forward looking as that term is defined by the United States Private Securities Litigation Reform Act of 1995. These statements are based on current expectations that are subject to risks and uncertainties. Actual results will differ due to factors such as shifts in customer demand, product shipment schedules, product mix, competitive products and pricing, technological shifts and other variables. Readers are referred to GraphOn's most recent periodic and other reports filed with the Securities and Exchange Commission.

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