LTO-BASED TAPE LIBRARY SHIPMENTS CONTINUE TO LEAD CATEGORY ACCORDING TO ANALYST STUDY

Reaches 81% of all tape library units shipped in 2005 as users move to higher capacity and performance

SILICON VALLEY, CALIF. — (August 2, 2006) — HP, IBM and Quantum, the three technology provider companies for the Linear Tape-Open (LTO) Program, today announced that shipments of LTO-based tape libraries bested the impressive results posted in the previous year. Libraries based on the LTO Ultrium format continued to lead in the mid-range category, according to a newly-published Freeman Report entitled “Tape Library Outlook 2006.”

LTO library shipments totaled more than 48,000 units in 2005 with 81 percent of the ship share, up from 73 percent in 2004. The report anticipates this share to increase to 86 percent over the next five years as new generations of the format are introduced.

“Since late 2003, second and third generation LTO products have gained significant market momentum,” said Bob Abraham, Freeman Reports and author of the study. “Tape storage is essential for best practice data protection strategies and achieving total cost of ownership goals. Large capacities, high transfer rates, full standardization, a well-articulated migration path, high reliability and a competitive environment contribute to the popularity of LTO technology.

The report also noted that LTO library shipments and revenue rose in 2005, attributing the increase to recognition among storage professionals of the importance of tape in enterprise storage systems.

“Emerging capabilities in tape technologies such as write-once and data encryption are sharpening the appeal and competitiveness of tape as the technology of choice for mass storage,” added Abraham.
“Managing mountains of data and aggressive customer service levels is a daunting task for storage managers,” said Cindy Grossman, Vice President, Tape Storage Systems, IBM. “The LTO Ultrium format continues to help administrators address their storage needs largely as a result of its broad set of features combined with the benefits that come from multiple suppliers, data interchange and generation to generation compatibility.”

**How to License LTO Ultrium Technology**

The LTO program offers several different license packages – from enhanced packages that provide the specifications and licenses to manufacture Ultrium products, to basic packages, providing Ultrium format specifications and guidelines for interchangeability. Buyers seeking Ultrium format-compliant products should look for the Ultrium format compliance verification trademarks on both tape drives and data cartridges. Storage and media manufacturers interested in licensing LTO technology may obtain information by contacting the LTO Program at LTOinquiry@fleishman.com.

**About Linear Tape-Open (LTO) Technology**

LTO technology is a powerful, scalable, adaptable open tape format created by technology providers HP, IBM Corporation and Quantum Corporation (and their predecessors) to help address the growing demands of data protection in the midrange to enterprise-class server environments. This ultra-high capacity generation of tape storage products is designed to deliver outstanding performance, capacity and reliability combining the advantages of linear multi-channel, bi-directional formats with enhancements in servo technology, data compression, track layout, and error correction.

The LTO Ultrium format has a well-defined roadmap for growth and scalability. The roadmap represents intentions and goals only. There is no guarantee that these goals will be achieved. Compliance verification is vital to meet the free-interchange objectives that are at the core of the LTO Program. Ultrium tape mechanism and tape cartridge interchange specifications are available on a licensed basis. For additional information on LTO technology, visit the LTO Program Web site at www.ultrium.com.

Note: Linear Tape-Open, LTO, the LTO logo, Ultrium, and the Ultrium logo are trademarks of HP, IBM and Quantum in the US and other countries.

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