

Consulting Firm Finds SANRAD in Prime Position to Address SAN Under-Utilization

Simon Management Group Reports Value of iSCSI to Extend and Complement Existing SANs

SAN MATEO, Calif. - January 24, 2007 - SANRAD Incorporated, a leading supplier of low-cost SAN connectivity and management, announced findings from new research conducted by Simon Management Group that highlight average SAN utilization among Fibre Channel (FC) users at only 75 percent. The study reveals the prohibitive cost of Fibre Channel as a key reason many users are unable to justify connecting the remaining 25 percent of storage to their servers. The report confirms the interest in iSCSI for solving the problem of SAN under-utilization and validates SANRAD's solid position in addressing this opportunity.

Simon Management Group surveyed network and storage managers at enterprises with annual revenues of \$500M and above, to assess the value proposition of using iSCSI with existing Fibre Channel SANs. SANRAD's architecture gives customers a cost-savings of more than 90 percent over standard FC connectivity because it utilizes iSCSI and standard Ethernet networks to connect servers to FC SANs. SANRAD's management and virtualization capabilities eliminate the expense and onerous process of allocating and configuring storage at the device level, and offer a comprehensive and centralized view of storage resources.

"We're confident that no one else in the industry can beat SANRAD's price of SAN connectivity and storage management," said Uli Gal-Oz, CEO of SANRAD. "The benefits of connecting more servers to a SAN are increasingly clear. We remove the obstacles to realizing those benefits for a larger number of the servers in an organization."

The benefits of connecting servers to SANs include improved data protection, and greater assurance of continuous operations and lower operational costs. "A solution such as SANRAD's makes a lot of sense when you consider the risks associated with unconnected servers, and the fact that 85 percent of servers are not connected to a SAN is partly due to the high cost of Fibre Channel" said Peter Simon President, Simon Management Group. "There is a clear need for enterprises to extend their FC SANs with iSCSI and SANRAD is well positioned to address this challenge in a cost-effective manner."

About SANRAD

SANRAD is the leading iSCSI SAN provider, delivering intelligence at the network layer, empowering hundreds of organizations worldwide to effectively access, share and manage storage across standard Ethernet environments. SANRAD delivers a new dimension in the continuity and simple management of vital business information by coupling standard IP connectivity with critical network-based storage services. SANRAD is the only iSCSI SAN company to create open IP-based SANs that enable continuous

data protection, virtualization, local and long distance replication and effective resource provisioning with unbeatable price/performance. SANRAD's U.S. sales, marketing and support offices are located in Silicon Valley/Bay Area, Calif., with research and development and international sales offices in Tel Aviv, Israel. SANRAD is backed by leading venture capital firm Sequoia Capital and is a member of the RAD Group, a family of more than 20 independent companies that together make up one of the largest multi-national revenue producers in networking.

About Simon Management Group

Simon Management Group has provided management consulting to technology driven companies for nearly 20 years. The firm focuses on utilizing timely and relevant market information to help companies grow rapidly and compete effectively. Using a variety of methodologies and technologies, SMG delivers the market's perspective on key issues to help senior managers make informed decisions.