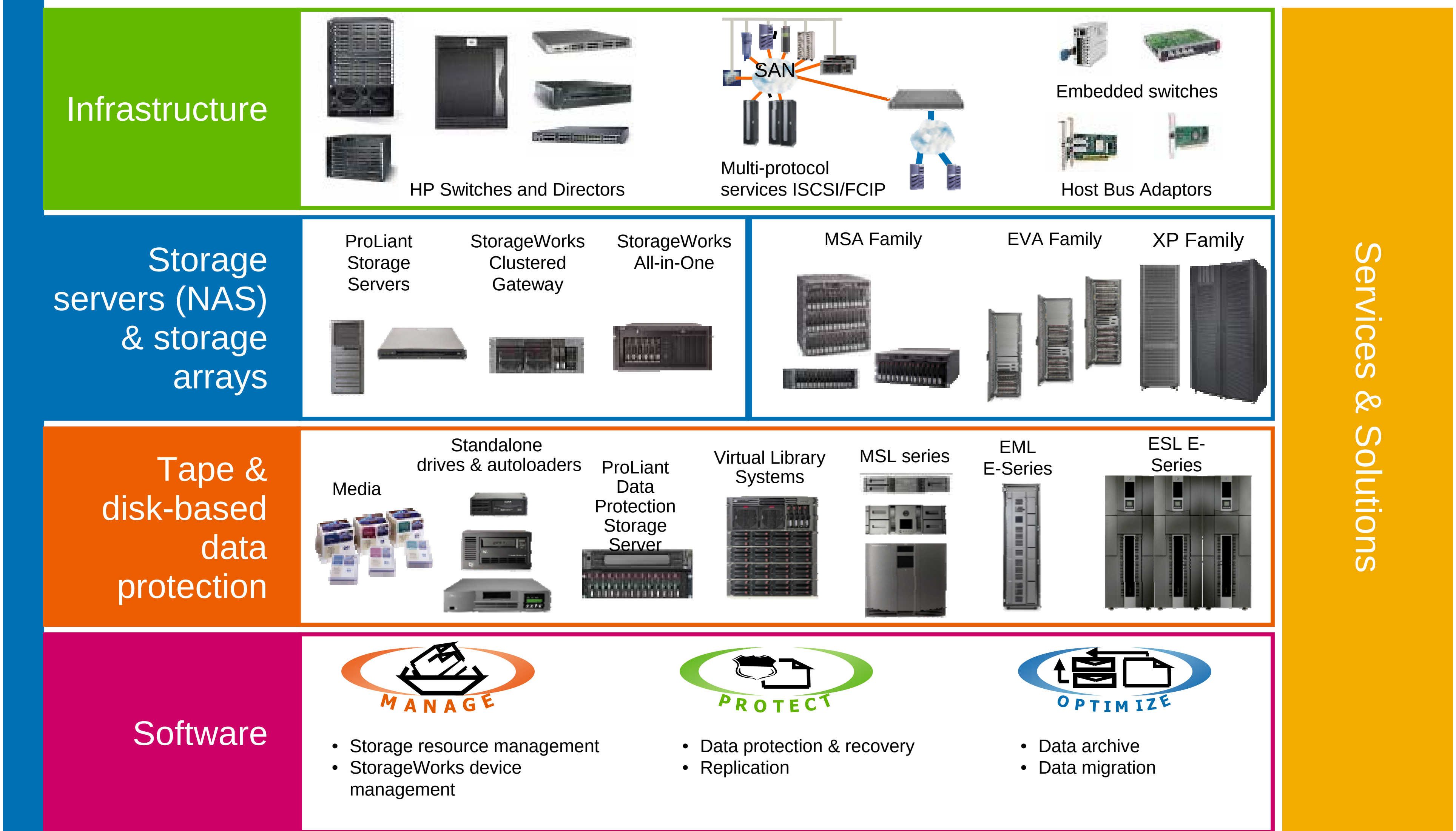
HP StorageWorks Overview

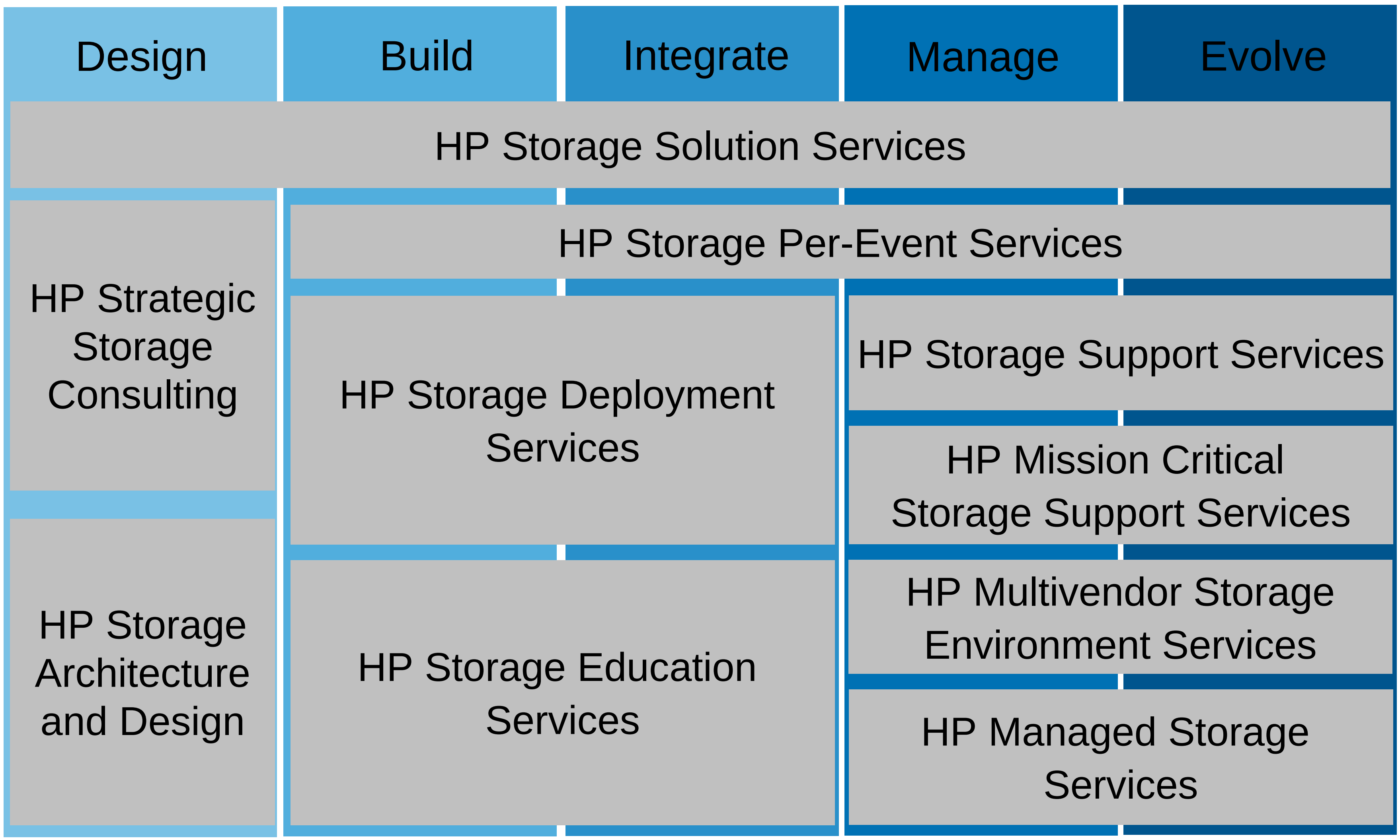
State of Utah

October 12, 2006

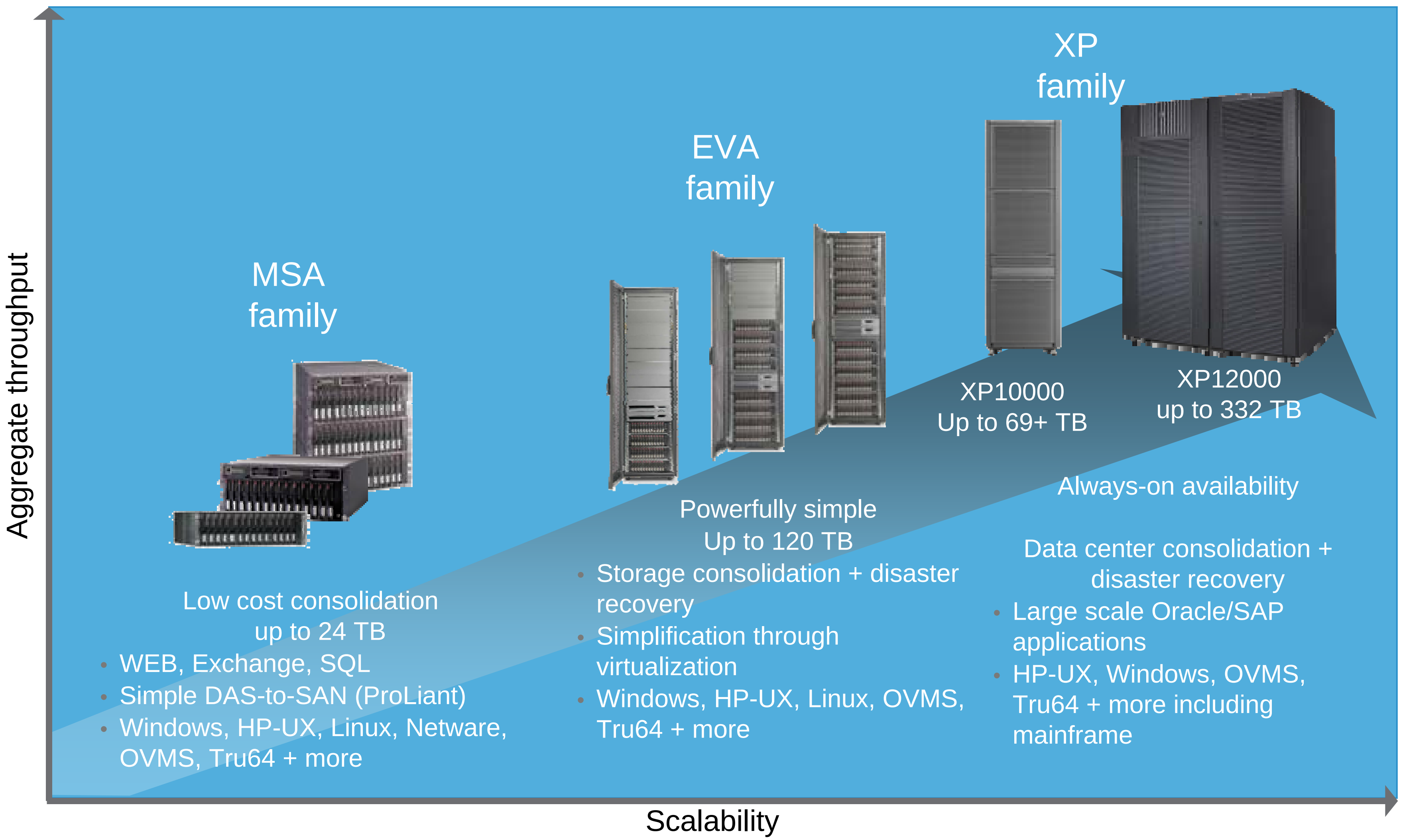
HP StorageWorks product portfolio



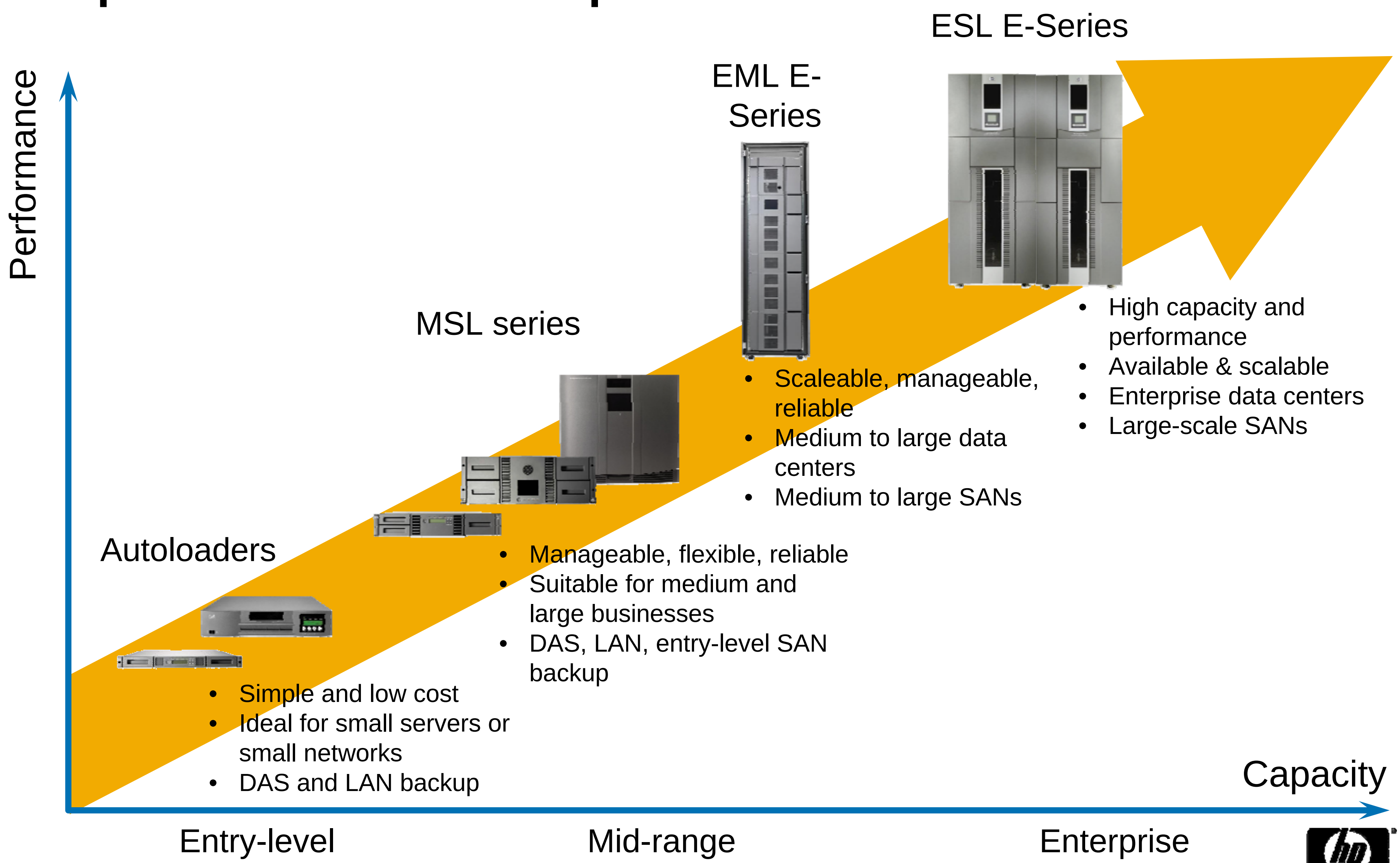
Assess, architect, integrate, and manage your storage infrastructure with HP services



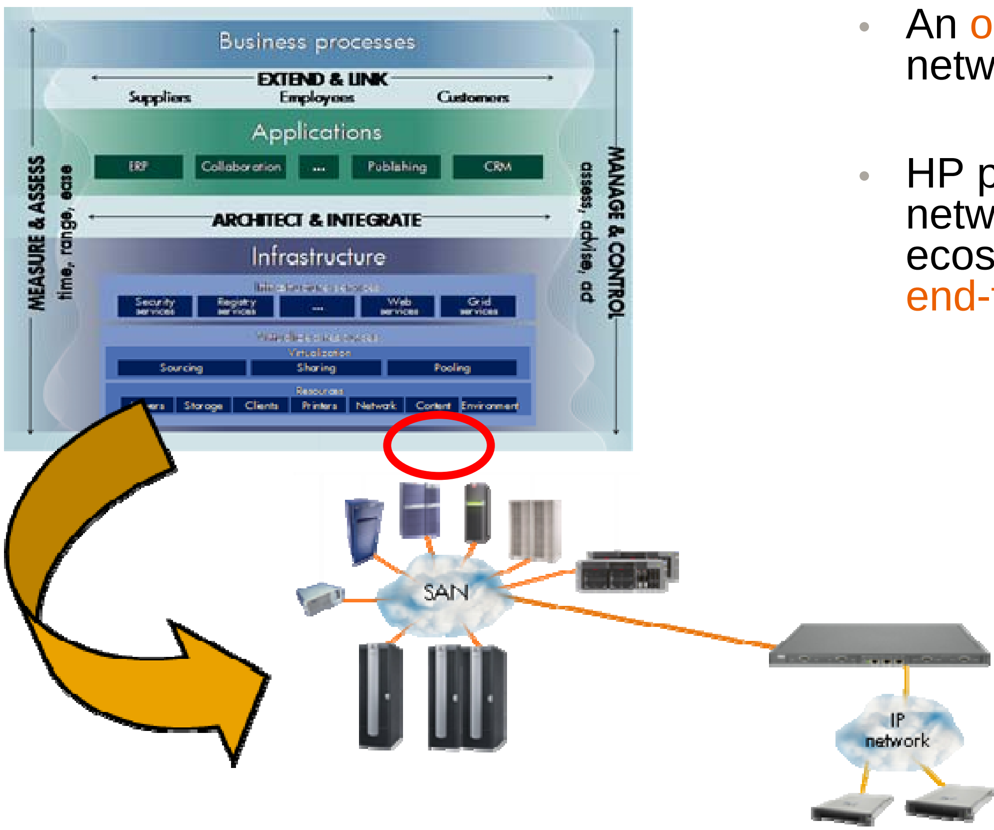
Modular, flexible and scaleable storage with HP StorageWorks arrays



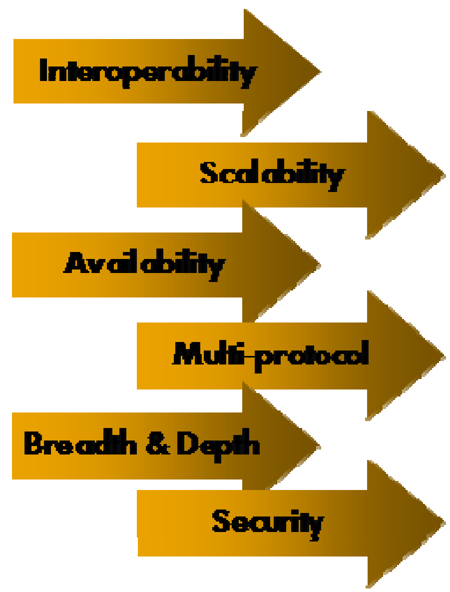
HP StorageWorks tape automation portfolio



HP StorageWorks SANs



- An open network platform for end-to-end network storage solutions
- HP partners with the “best in class” storage networking component providers in the ecosystem, to provide complete, integrated, end-to-end, open network storage solutions

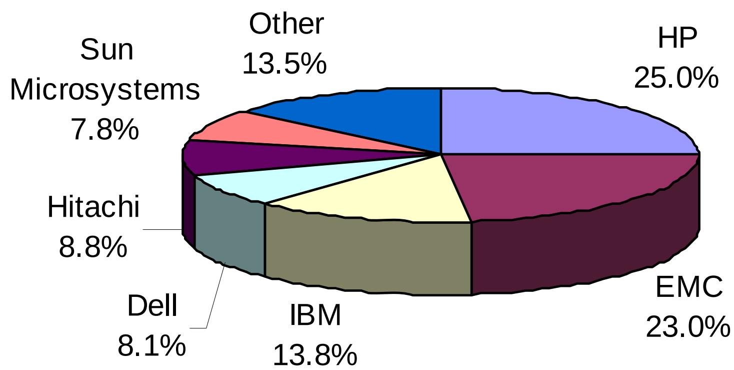


HP StorageWorks market leadership

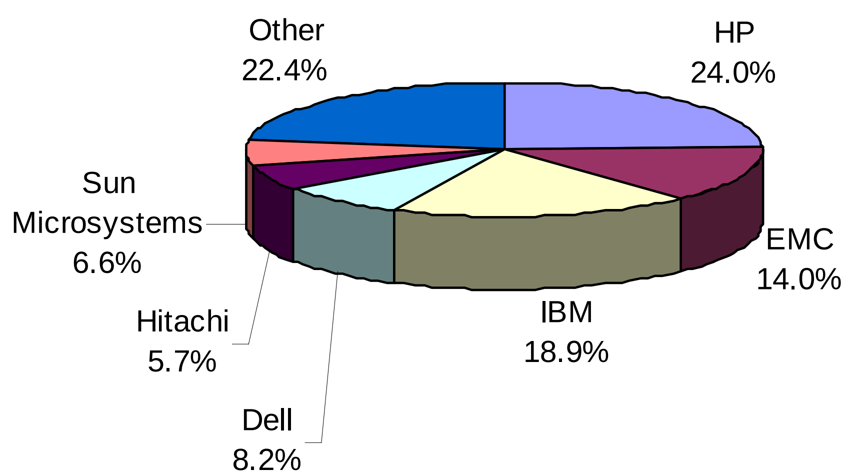
More customers trust HP with their data than anyone else

HP holds the #1 revenue position in the total disk storage systems market (1) . HP is #1 in Open SAN (1) revenue and #1 in Branded Tape units (2)

Open SAN Revenue Share
Q2-06



Total Disk Storage Revenue Share
Q2-06



(1) IDC Worldwide Quarterly Disk Storage Systems Tracker, Sept 2006. "Open SAN" is combination of Fibre Channel SAN + iSCSI SAN.
(2) IDC Branded Tape drives and Automation: Worldwide Branded Tape 1Q05-4Q05 Vendor Analysis, Apr 2006, Doc #201410

http://h71028.www7.hp.com/ERC/cache/113870-0-00121.html?ERL=true

Fact 1: With almost $1.42B of sales, HP has been ranked No. 1 in Worldwide Total Disk Storage Systems revenue for the 17th consecutive quarter. [1]

HP maintained the No. 1 position in worldwide total disk storage revenue for the 17th consecutive quarter with 24.0 percent market share and 9.2 percent revenue growth year-over-year in the second quarter of 2006. HP also held the number one position in units and terabytes shipped, according to IDC.1

With disk storage units share of 46.5% and disk storage terabytes share of 29.8% in Q2 2006, HP remains the number one storage vendor in the total disk storage market. HP led IBM by 5.1 percentage points of revenue and EMC by 10 percentage points of revenue market share. In addition, HP had more than twice the revenue market share of Dell or Sun in Q2 2006, according to IDC.1

Fact 2: In Q2 2006, HP moved into a statistical tie with EMC for the No. 1 position in total external disk storage systems with 19.3 percent market share, outgrowing the market with 10.3 percent revenue growth year-over-year. [1]

For the first time in nine quarters, HP reached the top revenue position and retained the #1 unit share position with 22.1 % of the market, continuing its lead over #2 Dell and #3 Sun.1

Fact 3: In the open storage area network (SAN) market, including fibre channel and iSCSI, HP reclaimed the No. 1 position with 25.0 percent revenue share and continued to hold the No. 1 market position in total open SAN unit shipments with 19.7 percent share worldwide. [1]

HP gained the top position by growing revenue faster than the market with a YoY growth of 13.6 percent and a QoQ growth of 12.6%. As reported by IDC in Worldwide Quarterly Disk Storage Systems Tracker, August 2006, HP shipped more open SAN 2 units worldwide in Q2 2006 than IBM, Dell or EMC.1

Fact 4: Also during the quarter, HP continued with the No. 1 position in midrange [5] worldwide external disk array revenue share, a position it has held for four consecutive quarters.

The HP StorageWorks Enterprise Virtual Array (EVA) family increased its external disk array revenue share for the sixth consecutive quarter. Strong market acceptance of the HP EVA family is further illustrated by the latest quarterly financial results from HP, which showed that midrange storage revenues increased by 17 percent year-over-year. 6

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Fact 5: IDC market share figures report that in Q2 2006, HP is the #3 NAS vendor.

In Q2 2006 HP had a 5.7% revenue share and now leads Dell by more than 2.5% percentage points.1 HP shipped more NAS units than EMC, Sun or IBM in Q2 2006.1

Fact 6: HP is No. 1 in market share for total branded tape drive & automation unit shipments. [3]

In Q1 2006, HP held the top position in the worldwide branded tape drive market with 29.9% of total drive shipments and 32.8% of the total drive revenue. HP has a significant edge over IBM, the #2 drive revenue vendor.3 HP held the top volume position in the worldwide branded tape automation market with 24.5% of total autoloader and library shipments. HP has a 4.5% advantage over Dell, the #2 vendor.3

Fact 7: In 2005 in aggregate, HP holds the number 1 spot for the disk storage systems and branded tape markets. [4]

For the year 2005, HP maintained its leadership position with 23.1% share of the combined disk and tape storage markets. HP led with a 23.0% share in 2005, with IBM second at 21.7%.4

Bottom line:

The latest reports from IDC prove that HP is the clear market leader in network storage solutions. HP holds the leading positions in such key storage market categories as Disk storage systems, Open SANs, Tape drives and Automation.

1 IDC "Worldwide Quarterly Disk Storage Systems Tracker," August 2006
2 Open SAN includes Fibre Channel and iSCSI SAN.
3 IDC, "Worldwide Branded Tape Q1 CY06"
4 IDC, "Worldwide Combined Disk and Tape Storage 4Q05 Market Share Update: Is the sum greater than the Parts?" (May 2006)
5 Midrange is defined as systems priced between $15,000 and $300,000.
6 Financial results for HP's third fiscal quarter ending July 31, 2006.

One Final Thought !

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