Cloud Adoption Trends within the Investment Management Industry

Presented by Eze Castle Integration

EzeCastle INTEGRATION

NetApp™ Platinum Partner

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INTRODUCTION

It's a different world out there than it was a few years back. With the changing economy and new regulations taking effect, alternative investment firms are constantly looking for new ways to increase efficiencies and gain a competitive advantage in the marketplace. One area where firms have started to differentiate themselves from their competition is through technology.

Cloud computing, specifically, has allowed investment firms to leverage a robust and scalable technology platform that can reduce capital expenditures and increase performance efficiencies while satisfying regulatory requirements and investor demands for transparency.

Today's investment firms are grappling with a host of new challenges, and technology decisions are coming to the forefront of the conversation. Cloud computing continues to play a key role for both new startup firms as well as established funds, and this trend is explored and validated in the survey findings within this report.

The most compelling statistic to come out of this survey may be that more than eight out of 10 firms contacted (87%) indicated they were either currently using or planning to use some form of cloud services in the near future. Eighty-seven percent is a significant number, and generally dispels the talk within the investment industry that cloud computing is a passing fad. As evidenced by the respondents of this survey, cloud computing is a major consideration for hedge funds and alternative investment firms and will seemingly continue to be as firms leverage the many benefits this technology has to offer.

Following is a full report of the findings from the 2012 Eze Castle Integration Survey: Cloud Adoption Trends within the Investment Management Industry.

SURVEY METHODOLOGY & RESPONDENT PROFILE

The survey was conducted online between March 29 and May 3, 2012. Respondents were qualified based on their current use of cloud computing solutions or their intention to utilize the cloud in the future.

One hundred and forty-five (145) firms were contacted to complete the survey, and 125 firms completed the questionnaire in its entirety. Of those 125 firms, 65 percent identified as investment management firms. Additional firm types represented included hedge funds (16%), private equity firms (16%) and fund-of-funds (4%) [Figure 1].

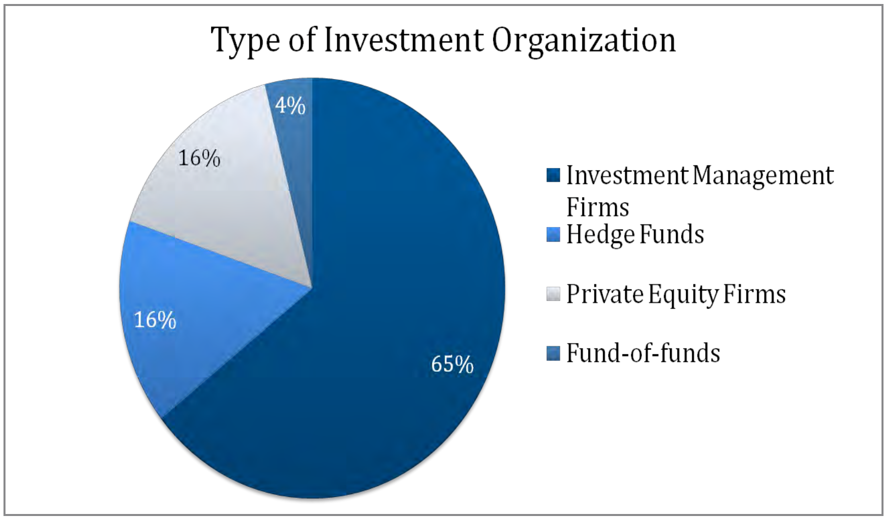


Figure 1

The majority of respondent were large firms, with 34 percent reporting they currently manage over $1 billion in assets. Twenty-one percent (21%) of firms are managing assets between $500 and $999 million, and 25 percent between $100 and $499 million. The smallest assets under management (AUM) class represented was firms with less than $100 million in assets – a total of just 15 percent [Figure 2].

Respondent titles ranged from senior to mid-level on both the technology and operations levels. Smaller firms with assets under $250 million tended to have a Managing Director or Partner responsible for cloud and technology decisions. Mid-level firms ($250-$749mm) most often had a CFO, Director of IT or CTO in charge of decision-making. Complete titles include:

- IT Manager: 16%
- Chief Financial Officer: 14%
- Chief Operating Officer: 14%
- Managing Director/Partner: 12%
- VP/Director of IT: 11%
- VP/Director of Operations: 10%
- Chief Technology Officer: 7%
- Chief Compliance Officer: 5%
- Other: 11%

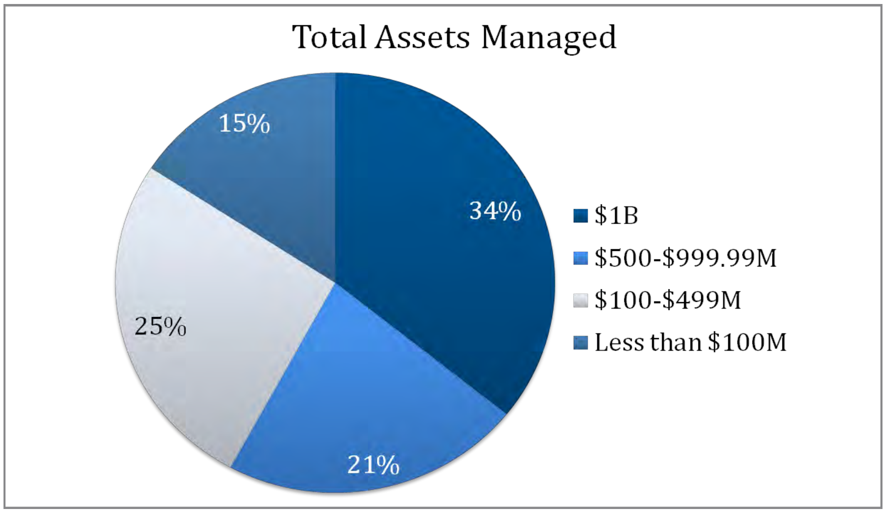


Figure 2

CURRENT & FUTURE USE OF THE CLOUD

Of the 125 firms surveyed, 79 percent responded that they were currently using the cloud [Figure 3]. When asked how they were currently utilizing cloud services (multiple responses were accepted), 65 percent indicated they were using the cloud for basic business/office functionality [Figure 4]. This is a popular trend for investment firms of all kinds, particularly as they get started. Basic office functions that can be leveraged via the cloud include email, file services, storage and mobility functions. By connecting to a third-party's cloud, firms can also easily add additional resources to their upfront purchases including storage space, computing power and networking power.

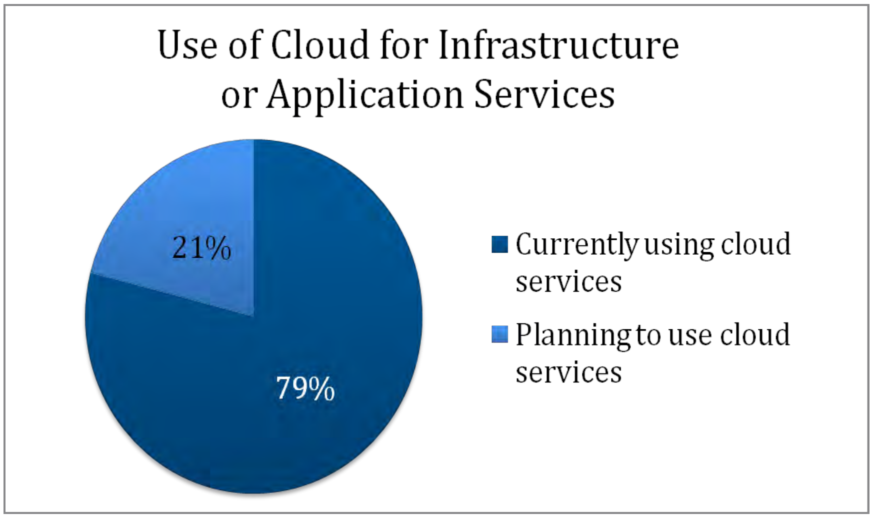


Figure 3

Survey findings showed that firms of all sizes are were using the cloud for basic business/office functionality. Of firms managing assets under $250 million, 68 percent are currently using the cloud for basic business/office functionality. Seventy-seven percent (77%) of firms with AUMs between $250 and $749 million are also using it, as are 61 percent of firms with assets over $750 million.

The second most popular use of the cloud for current users was financial application hosting, with 50 percent of firms reporting use of this practice. Financial application hosting in the cloud offers financial firms several advantages to the traditional practice of running and managing an application on an in-house server. With the cloud, firms can leverage the enterprise-grade infrastructure of a third-party provider who is also responsible for the management and monitoring of that application within the cloud environment. Scalability is a factor as well. A hosted platform can provide virtually unlimited computing resources and easy expandability to support a firm's need to add users or increase resources on-the-fly.

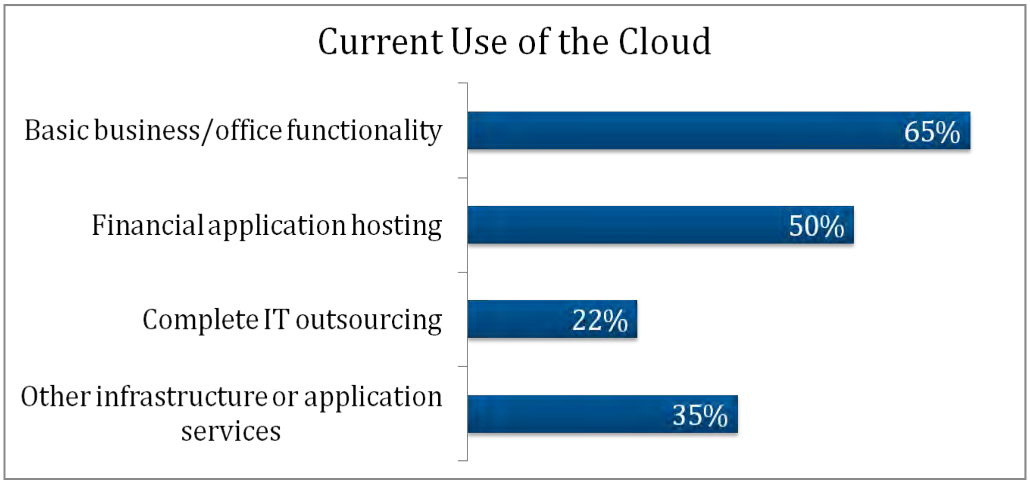


Figure 4

Application hosting in the cloud appears to be more popular in mid-to-large sized funds, with only 35 percent of firms with less than $250 million AUM using this service. Alternatively, 65 percent and 56 percent of firms between $250-749 million and $750 million and up, respectively, are currently running their financial application in a cloud environment.

In addition to basic office functionality and application hosting, firms are also using the cloud for complete IT infrastructure outsourcing. This can be a reliable option for firms who do not want, or have the resources to, manage, maintain and upgrade their own technology infrastructure in-house. With high equipment costs and onsite maintenance required, many alternative investment firms are turning to the cloud to leverage its inherent benefits including simplified IT management, reduced costs and increased flexibility.

Of survey respondents currently using cloud services, complete outsourcing is the least popular option. Smaller firms ($0-249 mm AUM) are only leveraging full outsourced cloud services 15 percent of the time and larger firms ($750 mm+) showed similar numbers, with only 17 percent of firms utilizing this option. Interestingly, mid-sized funds ($250-749mm), however, are seeing the greatest benefit, and nearly half of these funds (42%) are currently outsourcing their complete technology infrastructures to the cloud.

Finally, 35 percent of firms overall said they are utilizing the cloud for other application services or infrastructure needs. This may include colocation services, software-as-a-service or platform-as-a-service solutions, or even outsourced FIX connectivity services.

FIRST CLOUD INITIATIVE

As we've seen, financial firms are utilizing the cloud in a variety of ways. But what was/is their first cloud initiative? Similar to how firms are currently using the cloud, the first cloud initiative for 57 percent of firms was basic business and office functionality. Thirty-four percent (34%) of respondents said they first used the cloud to host their key financial applications, and only nine percent (9%) opted for complete IT outsourcing to the cloud on their first try [Figure 5].

There were little discrepancies between AUM classes in terms of firms' first cloud initiative, with most firms within the three ranges indicating basic business and office functionality was or would be their first foray into the cloud. Mid-sized firms ($250-749mm) answered equally that their first initiative was either business/office functionality or financial application hosting (both at 44%).

Figure 6 is a chart showing the full breakdown of cloud initiatives within the asset classes.

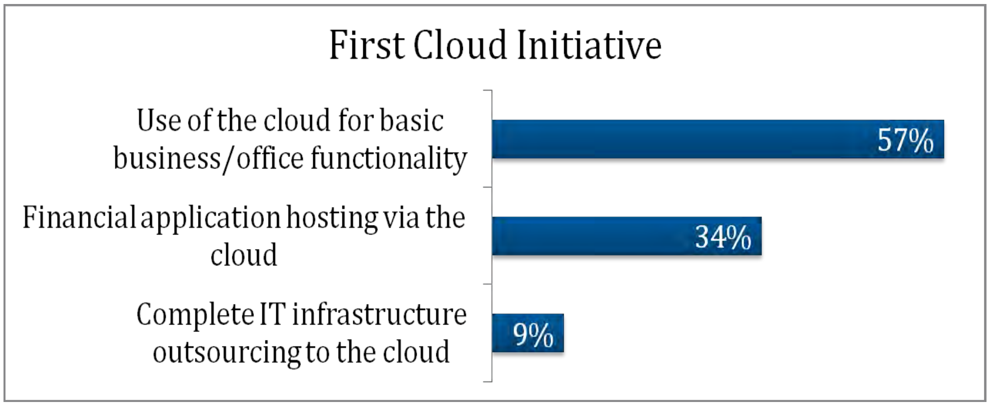


Figure 5

	$0-$249mm	$250-749mm	$750+mm	TOTAL
Basic business/office functionality	55%	44%	62%	57%
Financial application hosting	34%	44%	30%	34%
Complete IT infrastructure outsourcing	11%	11%	8%	9%

NOTE: Totals may not equal 100% due to rounding.

Figure 6

CLOUD DEPLOYMENT MODELS: PUBLIC/PRIVATE/HYBRID

When it comes to cloud deployment models, investment firms continue to rely on a variety of models. The most common choice, however, is a private cloud. While not all private clouds are alike, they are often better suited for hedge funds and investment firms who require a great deal of sophistication, application integration and support. For the purposes of this survey, the different cloud deployment models were defined as follows:

Private Cloud*: Infrastructure provisioned solely for a single organization, whether managed internally or by a third-party and hosted internally or externally.*

Public Cloud*: The cloud infrastructure is provisioned by the cloud provider for open use by the general public. It may be owned, managed and operated by a business, academic, or government organization or some combination of them. (e.g. Amazon Web Services, Google Docs, etc.)*

Hybrid Cloud*: A composition of two or more clouds that remain unique entities but are bound together, offering the benefits of multiple deployment models. It can also be defined as multiple cloud systems that are connected in a way that allows programs and data to be moved easily from one deployment system to another.*

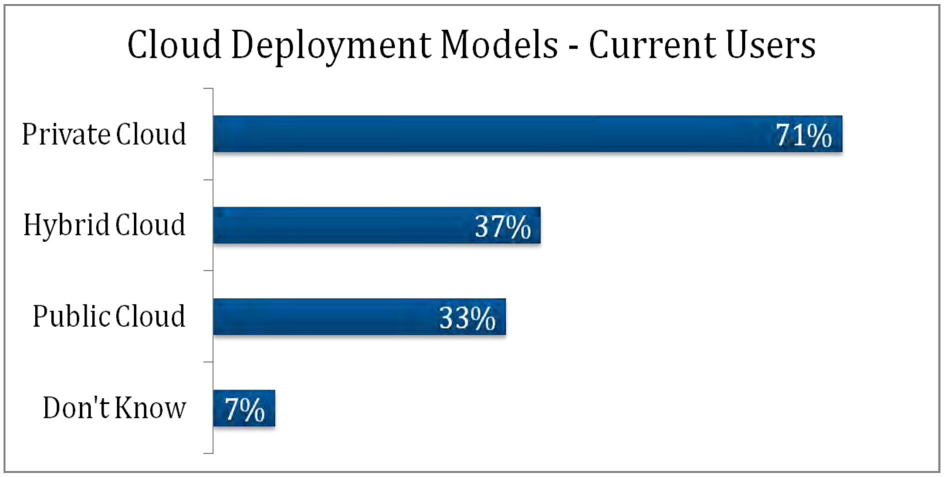


Figure 7

Of current cloud users, the overwhelming majority (71%) indicated they were using a private cloud solution. Hybrid clouds are the second most popular choice at 37 percent, while public cloud users totaled 33 percent. Additionally, 7 percent of respondents were unsure of their current cloud deployment model [Figure 7].

Results varied little between asset classes, with the exception of the number of public cloud users. Firms with assets between $250-749 million are utilizing public clouds the least, with only 15 percent of firms leveraging that deployment model (compared to 38 percent of firms with $0-250mm and 46 percent of firms with $750mm+). Typically, with alternative investment firms, we see private cloud adoptions much more frequently, as services and deployments can be easily tailored to meet their unique needs.

For those who are not yet using the cloud but are planning to, the responses tended to mirror those of current users. Forty-six percent (46%) of prospective cloud users anticipated using a private cloud solution, while only 23 percent said they would likely use a public cloud. Thirty-one percent (31%) will opt for a hybrid solution when they make the move to the cloud [Figure 8].

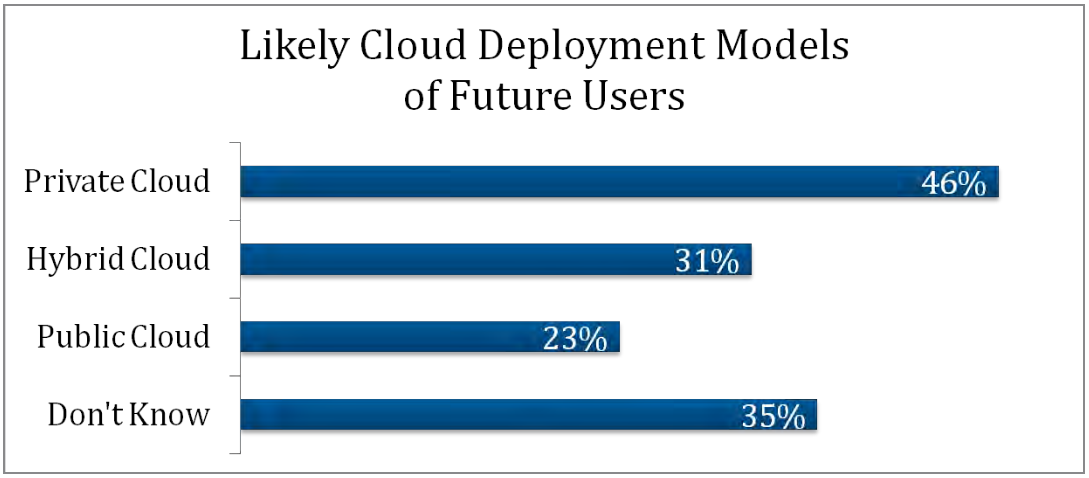


Figure 8

One interesting note with prospective cloud users is that 35 percent of respondents are still unsure of what cloud deployment model they would use. This indicates that firms are still going through the education process and determining which cloud solution will best suit their needs.

FACTORS INFLUENCING DECISIONS TO USE THE CLOUD

There are a multitude of factors that alternative investment firms need to take into consideration as they evaluate cloud offerings. Survey respondents were asked to rank the importance of several factors related to their cloud decision-making, including cost, flexibility, functionality and speed.

The majority of respondents interestingly noted that all factors provided were either important or extremely important to their organization's decision to use the cloud now or in the future. Overwhelmingly, 85 percent of respondents ranked the use of the cloud for reducing IT infrastructure investments as important or extremely important [Figure 9].

The prospect of transferring upfront, costly capital expenditures (CapEx) to longer term, recurring operational expenditures (OpEx) is clearly appealing to current and prospective cloud users. With a typical cloud solution (whether public or private), investment firms are not required to purchase upfront hardware and instead can leverage the existing back-end infrastructure of a third-party cloud provider. With the cloud, firms pay a clearly-defined, per user per month cost for the designated service. Cost has always been an important factor when it comes to using the cloud, indicated by only 6 percent of survey responses noting it was not very or not at all important.

Increasing the speed of technology deployment was a close second when it comes to factors influencing cloud purchases. 83 percent of respondents ranked it as important or extremely important, and, like cost, only 6 percent consider it an insignificant factor. Particularly for startup firms, the appeal of getting up and running quickly is a great one. Traditional, on-premise infrastructure solutions can take six to 10 weeks to design and implement. Cloud solutions, on the other hand, can take a fraction of that time, with some smaller implementations requiring only days for deployment.

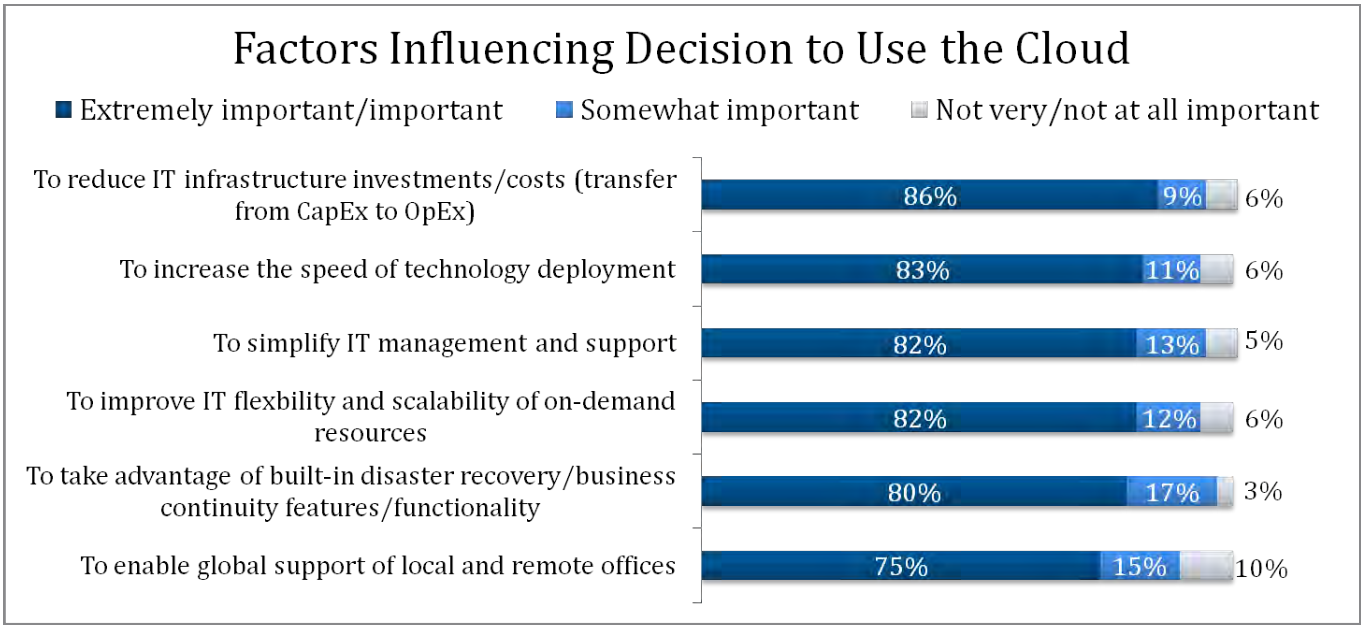


Figure 9

In addition to cost and speed of deployment, another important factor ranked as significant by respondents was the ability to simplify IT management and support. While some alternative investment firms like the ability to control IT in-house and manage the infrastructure from within, the appeal of outsourcing day-to-day functions and support to a third-party cloud provider is a hard one to pass up. Particularly as roles and responsibilities change to increase operational efficiencies, professionals at many firms who were previously responsible for technology are juggling a variety of new tasks.

As firms grapple with increased regulatory requirements and oversight as well as compliance issues and investor demands, they may choose to utilize the cloud as a means to delegate their traditional IT responsibilities and focus on their core competencies. Within this survey, 82 percent of respondents said simplified IT management and support was an important or extremely important factor; 5 percent responded that it was not very or not important at all.

Along the same lines as the need for speed and simplification, investment firms also want the ability to easily add resources to their technology infrastructures. 82 percent of current and future cloud users ranked the ability to improve flexibility and scalability of on-demand resources as an important or extremely important factor in their decision to use the cloud. With the cloud, firms can quickly and easily add additional users and resources for computing, storage and networking. And with the simple and recurring cost model, firms know from the start what the cost will be to add these new resources. There are no surprises and no roadblocks.

One service that is delivered easily via the cloud is disaster recovery. When asked to rank the importance of utilizing built-in disaster recovery/business continuity features and functionality within the cloud, 80 percent of firms ranked it as important or extremely important. Seventeen percent ranked built-in DR as somewhat important; only three percent said it was not very or not at all important to them.

There are inherent disaster recovery capabilities within cloud computing that are hard to ignore. Cloud solutions house mission-critical data and applications off-site (as opposed to traditional on-premise solutions), meaning that in the event of a disaster impacting a firm's office, critical infrastructure and data would not be physically harmed, and day-to-day operations could continue with minimal interruption and loss.

A final influencing factor proposed to respondents was the use of the cloud to enable global support of local and remote offices. While this factor was still ranked significant to most respondents (75%), it was also ranked as insignificant to the most (10%).

BARRIERS TO CLOUD ADOPTION

While the cloud does hold distinct advantages for alternative investment firms, it should not be a decision that is taken lightly for any firm. Just as significant as the factors influencing the move to the cloud, we also asked respondents to rank the significance of certain barriers or concerns with cloud computing. *NOTE: Because this survey was only completed by firms currently using or planning to use the cloud, it is assumed that these "barriers" are ones that firms were able to become comfortable with and ultimately did not negatively affected the firm's decision to use the cloud. Therefore, you may see the word "barriers" written as so to designate that it was not a significant enough barrier to lead firms away from the cloud.*

Similar to the influencing factors, the concerns relative to cloud computing were all ranked as mostly significant by respondents, however, some were ranked more strongly than others. As you might expect, respondents ranked concerns about cloud computing security (i.e. risk of unauthorized access, data integrity, etc.) as significant or extremely significant 86 percent of the time [Figure 10]. Security remains a top concerns for hedge funds and alternative investment firms throughout the industry.

As the adoption of cloud computing has increased, so too have questions around how secure of a practice it is. Unlike with traditional, on-premise technology infrastructures, cloud users must rely on unseen infrastructure managed and monitored by a third-party in most cases. By giving up that inherent perceived security once had by managing one's infrastructure in-house, firms often feel concerned about the integrity and safety of their data and personal information.

As the years have gone by, some concerns around security have remained. Many firms, however, have worked to educate themselves on cloud security best practices and have used security as a primary factor in evaluating outsourced cloud services providers. When examining proper security practices within a cloud environment, investment firms should look for the following:

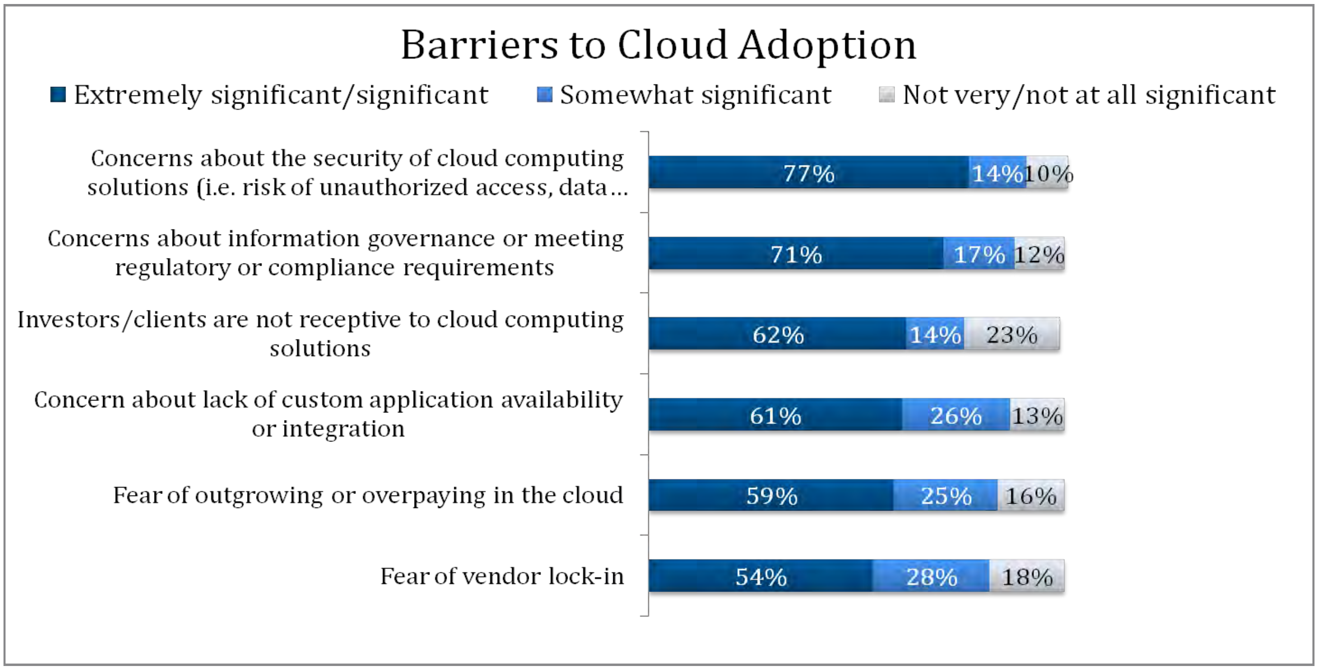


Figure 10

Physical Security at Data Centers

- 24x7x365 manned lobby with visual verification of identity
- Two-phase authentication of visitors (card and biometric)
- Secured access doors and elevator banks
- Monitored security cameras
- Additional door, motion and camera sensors
- Visitor logs for cages
- Key-locked cages and cabinets

Virtualization Security

- Availability: Redundancy should be built into every layer of the technology infrastructure to minimize the risk of unplanned downtime.
- Secure Separation: The cloud provider should securely isolate a firm's silo and resources from those of other cloud customers.
- Service Assurance: Computing, networking and storage resources should be readily available to firms as needed to deliver top performance and accommodate fluctuations in user demands.
- Management and Monitoring: Firms should ensure cloud providers have comprehensive control and extensive visibility over a firm's cloud infrastructure at all times.

Second to cloud security, concerns about information governance or meeting regulatory or compliance requirements were also seen as significant or extremely significant barriers to cloud adoption. 71 percent of respondents ranked this factor as significant to them. Regulatory pressures have increased exponentially in recent years, particularly with the introduction of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Post Dodd-Frank, firms are working hard to meet new requirements and maintain internal best practices to satisfy regulators. Most legal requirements are not specific to cloud computing (yet), however firms should work with their cloud services providers to ensure that all data transiting the

Internet is encrypted where possible and all data is backed up and archived to a secure location, should a regulatory body require the firm's records for any reason.

62 percent of those surveyed said a significant "barrier" to cloud deployment was that their investors and/or clients are not receptive to the idea of cloud computing. Education continues to play an important role here, and both investment firms and investors seem to be more open to the cloud than in years past. It's important to note that nearly a quarter of firms surveyed (23%) said this factor was not very or not significant at all.

Ranked as significant or extremely significant by 61 percent of respondents, many firms are concerned about the potential lack of custom application availability or integration. An additional 26 percent ranked this factor as somewhat significant, while 13 percent said it was not very or not at all significant.

Investment firms rely on a host of financial and trading applications to support their day-to-day operations. And as firms go through the cloud evaluation process, it's important to consider what applications will need to be hosted in a cloud environment. Many private, investment firm-focused clouds can support nearly any application, whether "off the shelf" or of the custom kind. Public clouds, however, can often pose problems for firms looking to host many complex applications in the cloud. This should be a significant consideration as firms determine which cloud deployment model is a best fit.

Two additional factors of concern for firms are fear of outgrowing or overpaying in the cloud and fear of vendor lock-in. 59 percent of firms surveyed said a fear of outgrowing or overpaying in the cloud was a significant or extremely significant "barrier" to cloud deployment. The reality is that the cloud can work for nearly any firm size or type. By working with an honest and reputable cloud services provider, a firm can ensure it continues to utilize the best technology for the organization.

Fifty-four percent (54%) of firms also said they found a fear of vendor lock-in to be a significant "barrier" to cloud deployment. This "fear" is easily overcome by understanding the terms and conditions of a cloud provider's contract. Firms should ensure they can easily move their data should their technology requirements change.

CLOUD PROVIDERS: IMPORTANCE OF MEASURES TAKEN

As important as it is to closely evaluate a given cloud service, it is equally important to do your due diligence when it comes to a cloud services provider. Whether using a public or private cloud (or combination of both), you want to ensure you are working with a reputable and knowledgeable provider who is well equipped to meet the needs of your business. We asked survey respondents to rank the importance of several specific measures when used for cloud provider consideration.

Based on their total mean score, following are the results, beginning with the most important measure firms want providers to take:

- Implements monitoring and access control policies and procedures and provides security reporting and updates to customers/clients

- Incorporates security into the system development lifecycle (for cloud solutions where development is handled by the provider)
- Offers technology that integrates with other parts of a firm's infrastructure
- Offers flexibility in terms of contracts (i.e. to help avoid vendor lock-in)
- Offers better pricing models
- Adopts industry standard frameworks
- Maintains geographic reach with a cloud that supports multiple continents

Not surprisingly, security tops the list as a measure firms would want to see implemented by a cloud provider before being considered by that firm. As we mentioned earlier in this report, it's critical that firms do their due diligence and investigate a provider's security policies and procedures to ensure critical data and infrastructure is safe at all times.

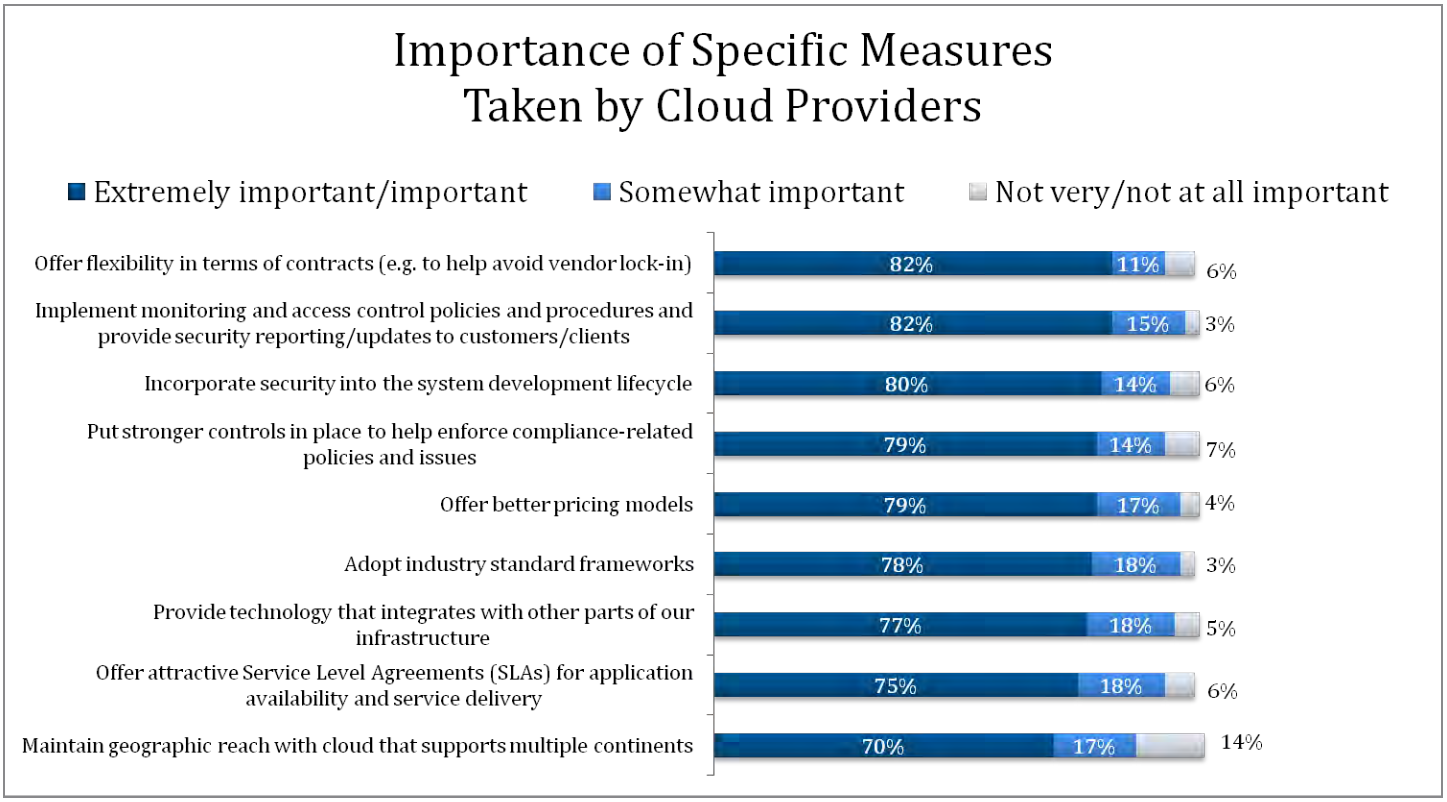


Figure 11

Eighty-two percent (82%) of respondents indicated monitoring and access control policies and procedures as well as security reporting was an important or extremely important measure taken by cloud providers [Figure 11]. Additionally, 80 percent also said that it was important or extremely important for providers to incorporate security into the system development lifecycle. Very few firms found these factors unimportant - just 3 percent and 6 percent, respectively.

Secondary to security concerns, firms also want to see their cloud providers offer technology that integrates with their existing infrastructure. 77 percent of firms ranked this factor as important or extremely important to them, while only 5 percent said it was not very important. This is often an instance when working with a private cloud provider can better serve an investment firm. Public cloud platforms are generally not tailored to specific verticals and therefore cannot always accommodate specific needs or customizations. With most vertical-focused private clouds, however, financial firms can work directly with the third party to undertake any intricate customizations and ensure all of the underlying technology is compliant with the firm's needs.

Seventy-eight percent (78%) of firms are also looking for their cloud provider to adopt industry standard frameworks within their cloud environments. The underlying technology that supports the cloud should be best-of-breed and include names such as NetApp, VMware and Cisco, to name a few. These providers offer storage, virtualization and networking infrastructures to support the robust needs of financial firms today.

NetApp, for example, has a storage platform built to protect a firm's critical data, infrastructure and business applications. NetApp storage uses tools such as SnapManager and SnapMirror for storing and replicating data and dynamic storage provisioning to allow users to scale easily within their cloud environments.

Additional measures ranked important or extremely important by the majority of respondents include contract flexibility (82%), compliance controls (79%), better pricing models (79%), and geographic reach (70%).

CLOUD PROVIDERS: EVALUATION CRITERIA

As firms think about working with third-party cloud services providers, one thought to keep in mind is not that of a client/provider relationship, but rather a partnership between two organizations. Firms should look to work with providers who will be beneficial strategic partners and allow firms to grow and succeed on a flexible and scalable cloud solution.

Within this survey, at least 70 percent of respondents found all factors listed to be important or extremely important when evaluating cloud services providers as strategic partners for their organizations. Following is a snapshot of the most important factors, based on their total mean scores:

- Offers the most cost-effective model
- Knowledge of how my organization operates and experience in building and operating cloud environments in my vertical/industry
- Experience establishing effective security policies and procedures in the cloud
- Proven post-sales support and service
- Cloud provider's technology infrastructure
- Certified application availability
- Innovative ideas, in-depth insight and expertise regarding cloud trends and direction
- Prior experience with the vendor
- Geographic reach/global support

Cost continues to be a significant factor for nearly all firms currently using or considering using the cloud, as evidenced by 84 percent of firms ranking it as important or extremely important to their cloud provider evaluation process [Figure 12]. Only 4 percent of firms ranked this factor as not very or not at all important. Additionally, there were only slight variations between how asset classes ranked the cost factor. Firms with AUMs under $250mm seemed to have the least concern about cost, however, 76 percent of firms still ranked it as important or extremely important. Compare this to 81 percent of firms managing assets between $250 and $749mm and 91 percent of firms managing more than $750mm in assets.

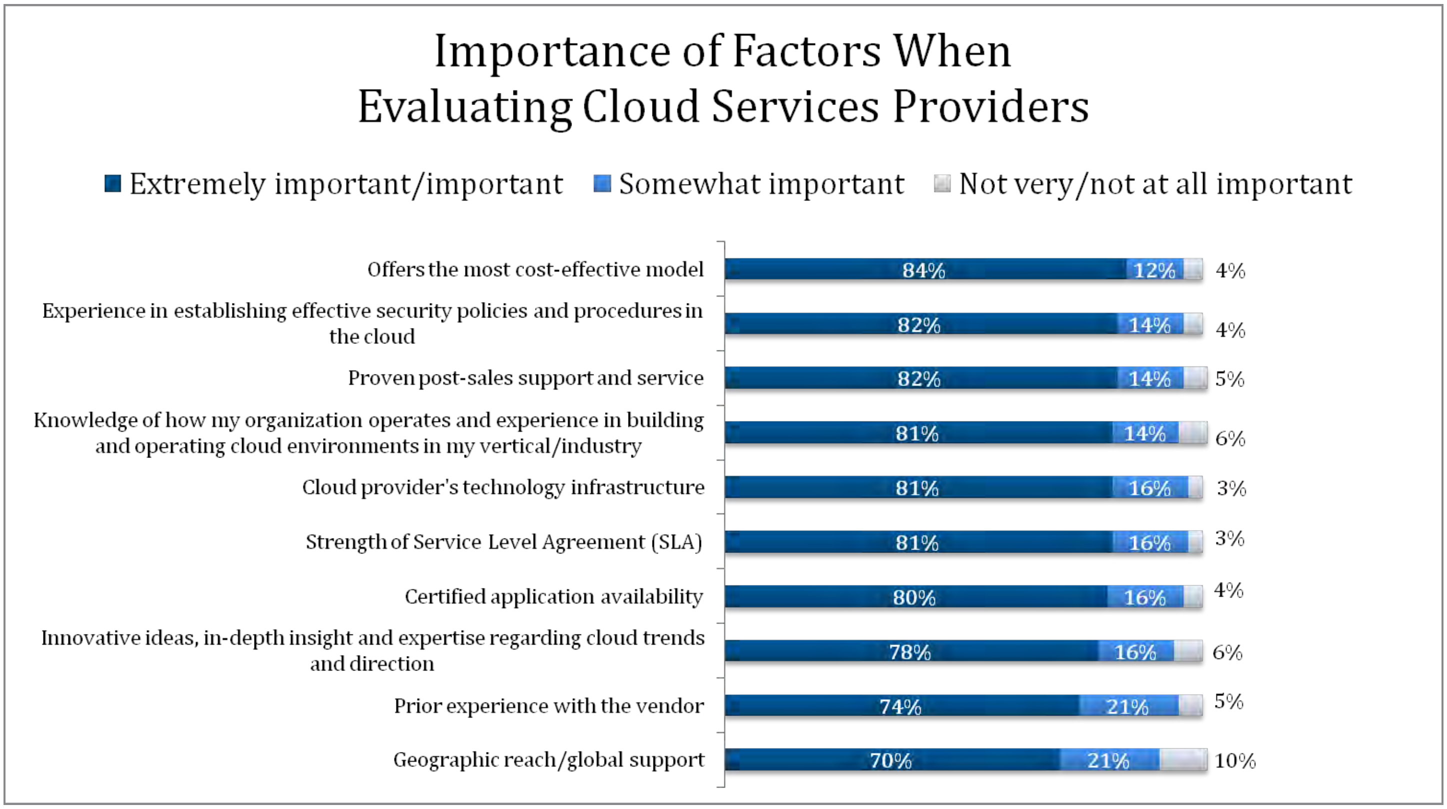


Figure 12

Secondary to cost, alternative investment firms also find value in cloud services providers who have knowledge of and expertise within their specific vertical. Eighty-one percent (81%) of firms reported this as an important or extremely important factor, and just 6 percent ranked it as not very or not at all important. The reality is that financial firms are complex and require complex technology infrastructures to support their daily operations and investment needs.

A public cloud service such as Amazon, for example, caters to businesses of all sizes, types and verticals, and may not be best suited to meet the unique requirements of a hedge fund or investment firm. Particularly as firms begin to customize applications and require additional services such as archiving, disaster recovery and consulting-type services, they may be better served working with a financial-focused technology provider who has industry experience and can tailor a solution to meet individual needs.

Other factors ranked as important or extremely important by firms surveyed included experience in establishing security procedures (82%), proven post-sales support and service (82%), the cloud provider’s technology infrastructure (81%), certified application availability (80%), innovative ideas and expertise regarding cloud trends (78%), prior experience with the vendor (74%) and geographic reach and global support (70%).

CONCLUSION

Overall, these survey findings go a long way in disproving any myth that cloud computing is simply a passing trend in the investment industry. Hedge funds and alternative investment firms have clearly put their faith in the cloud and are using it to manage and maintain their critical infrastructure and trading applications to support day-to-day operations. That the majority of firms are leveraging private cloud solutions is important to note and a fact that shows many firms may be wary of working with larger, less vertically-focused public clouds which traditionally have less responsive support teams and less robust security frameworks.

While most firms are not yet using the cloud to outsource their entire infrastructure, most are still using it for basic office functionality and/or financial application hosting, both of which provide investment firms with an easy means of adding resources and users – a practice that has long been a cumbersome one. As the education process continues and firms become more comfortable with cloud computing, the number of firms leveraging complete IT outsourcing to the cloud may increase.

The so-called "barriers" to the cloud will continue to be addressed, particularly concerns around security. Investment firms will work closely with their third-party cloud services providers to alleviate these concerns, and in the future, that list may be much shorter. Finally, while there may always be firms who choose to rely on the traditional, on-premise technology infrastructures of the past, the number of cloud users will continue to climb in the years to come as the key drivers (cost, flexibility, simplicity) continue to prove significant to firms of all types and asset classes.

ABOUT EZE CASTLE INTEGRATION

Eze Castle Integration is the leading provider of IT solutions and private cloud services to more than 650 alternative investment firms worldwide, including more than 80 firms with $1 billion or more in assets under management. Our Eze Private Cloud is the most widely used hedge fund cloud spanning three continents and supporting over 2,500 users and a petabyte of data.

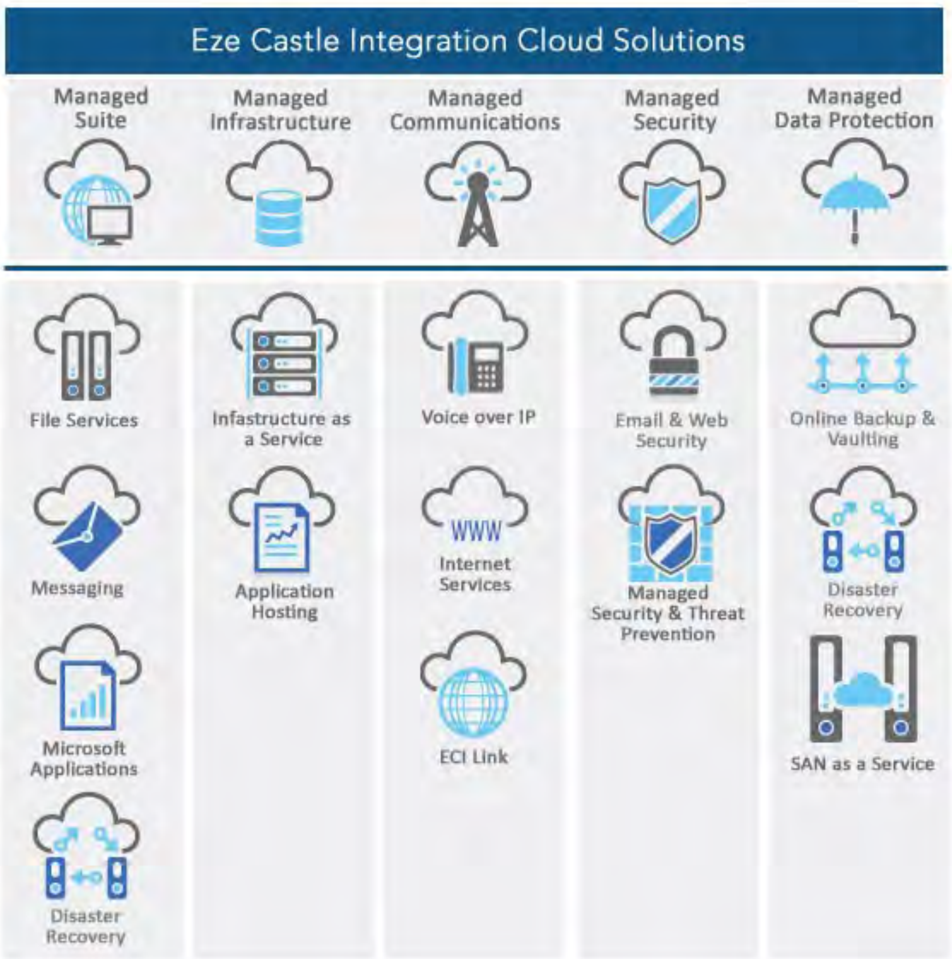
In addition to our cloud services, our solutions portfolio includes Technology Consulting, Outsourced IT Support, Project & Technology Management, Professional Services, Telecommunications, Business Continuity Planning and Disaster Recovery, Archiving, Storage, Colocation and Internet Service. Eze Castle Integration is headquartered in Boston and has offices in Chicago, Dallas, Hong Kong, London, Los Angeles, Minneapolis, New York, San Francisco, Singapore and Stamford.

The Eze Private Cloud is an enterprise-grade, private cloud infrastructure that provides hedge funds and investment firms a highly redundant, secure and available IT environment. The Eze Private Cloud is the backbone for Eze Managed Suite and Eze Managed Infrastructure.

Eze Managed Suite is a fully managed IT solution for hedge fund and investment firms that provides flexibility and simplified IT operations. The solution combines a robust, highly secure private infrastructure via the Eze Private Cloud with key business applications and professional IT management.

Eze Managed Infrastructure provides clients easy access to an enterprise-grade private environment with the latest hardware and software without capital expenditures, expensive upgrades or ongoing maintenance and monitoring.

To learn more about Eze Castle Integration, visit www.eci.com or contact us at 1-800-752-1382 or sales@eci.com.



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ABOUT NETAPP

NetApp creates innovative products - storage systems and software that help customers around the world store, manage, protect and retain one of their most precious corporate assets: their data. Founded in 1992, NetApp has grown to more than 150 offices and 11,000 employees worldwide. NetApp creates innovative storage and data management solutions that boost IT efficiency and flexibility. Resources go further and business moves faster with a NetApp storage foundation. To learn more about NetApp, visit www.netapp.com.