

NAPATECH ACQUIRES PROGRAMMABLE NETWORK ADAPTER BUSINESS AND IP FROM XYRATEx

Copenhagen, Denmark / Mountain View, CA - 23 March 2006, Napatech today announced the acquisition of key intellectual property and business access from Xyratex, a leading provider of enterprise data storage subsystems and network technology, listed on Nasdaq.

Napatech has been able to augment their own leading next generation product lines and this transaction enables them to offer customers a complete portfolio of programmable network adapters for a multitude of applications.

“The acquisition firmly establishes Napatech as the market leader in the programmable network adapter space.”, says Henrik Brill Jensen, CEO of Napatech “We now have both the business critical mass, the products, the innovation and the focus to fulfill all the needs of our customers”.

“We believe the Storage Systems and Network Systems markets are converging and that they can be better addressed by a focussed technology partnership strategy.”, said Steve Thompson, CTO of Xyratex . “The deal allows each company to better focus around its core business and IP and through partnership and collaboration deliver more value add products to our combined customer base.

The acquisition includes the market leading 1Gb Ethernet X-card, which Napatech will continue to supply to the customers. The X-card is today used by leading vendors of network management and analysis systems.

Napatech’s own product portfolio includes a 1Gb platform that is complementary to the X-card and a 10 Gb platform that offer solutions for network management and traffic analysis, traffic recording, security application acceleration and a toolbox enabling customers to implement their own proprietary intellectual property on the network adapter.

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About Napatech

Founded in 2003, Napatech is focus on programmable and intelligent Ethernet adapters. The core idea is off-loading real-time/streaming traffic and payload analysis and control applications traditionally implemented in software or proprietary hardware. Napatech expects a huge growth in the demand for intelligent and programmable adapters as Ethernet speeds increase. The current PC architecture limits the amount of bandwidth that can be handled by the PCI bus and CPU/memory. Napatech offers its products to OEM customers. Napatech has marketing and R&D offices in Mountain View, California and Copenhagen, Denmark. Napatech is a 2004 Tornado100 Winner. Napatech is funded by Northzone Ventures, Ferd Ventures, DTU-Innovation and a group of business angels with vast experience within networking.



www.napatech.com

About Xyratex

Xyratex is a leading provider of enterprise data storage subsystems and network technology. The company designs and manufactures enabling technology that provides OEM and disk drive manufacturer customers with data storage products to support high-performance storage and data communication networks. Xyratex has over 20 years of experience in research and development relating to disk drives, storage systems and high-speed communication protocols.

Founded in 1994 in an MBO from IBM, and with headquarters in the UK, Xyratex has an established global base with R&D and operational facilities in Europe, the United States and South East Asia.

www.xyratex.com

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