

**FOR IMMEDIATE RELEASE**

## **Hitachi Data Systems Announces Acquisition of BlueArc**

*Powerful Combination Gives Customers Highly Scalable, Reliable and High-Performance Solutions to Store and Manage the Explosive Growth in Unstructured Data*

**SANTA CLARA, Calif. — September 7, 2011** — Hitachi Data Systems Corporation (HDS), a wholly owned subsidiary of Hitachi, Ltd. (NYSE: HIT / TSE: 6501), today announced a significant milestone in its strategy to give customers seamless access to all data, content and information with the acquisition of BlueArc Corporation, a leader in scalable, high performance network storage. Building upon a successful 5 year OEM partnership, Hitachi Data Systems and BlueArc will give customers the unmatched combination of Hitachi enterprise-class quality, reliability and support with innovative, highly scalable, high performance BlueArc network attached storage (NAS).

Hitachi Data Systems completed the acquisition of all outstanding shares of BlueArc in an all cash transaction. Wells Fargo Securities was the exclusive financial advisor to Hitachi Data Systems. BofA Merrill Lynch acted as financial advisor and Credit Suisse as a co-advisor to BlueArc for this transaction.

IDC predicts that by 2014 more than 83 percent of enterprise storage system capacity will be shipped for file-based data, taking the compound annual growth rate (CAGR) for file serving storage capacity to 2.5 times the CAGR for block storage capacity<sup>1</sup>. With this acquisition, Hitachi Data Systems is making a significant move to address the fastest growing segment of the storage market. BlueArc has been successfully delivering high-performance enterprise NAS solutions to customers in a variety of markets such as health and life sciences, media and entertainment, telecommunications, energy and e-discovery – where digital content and unstructured (file-based) data is growing at exponential rates. These industries are also faced with the challenges of “big data” – data sets so large that they become difficult to store, search, access, share and analyze. Hitachi Data Systems and BlueArc will give customers the unmatched combination of world renowned reliability and quality with the industry leading performance and scalability required to handle the growth in big data and create information centers.

### **Significant Milestone in HDS Strategy to Transform Traditional Data Centers to Information Centers**

With this acquisition, HDS is executing on its strategy to transform traditional data centers into information centers – where customers can seamlessly store and access all data, content and information. Information that is available and searchable from anywhere and at any time. Information that is independent of the infrastructure, independent of the application and can be securely and cost-effectively accessed, searched, managed and governed forever.

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The HDS strategy is comprised of three integrated foundational components: infrastructure cloud, content cloud and information cloud – all of which leverage industry leading virtualization technology from HDS to deliver enhanced efficiencies and cost savings to customers each step of the way. The infrastructure cloud optimizes the underlying infrastructure of servers, storage and networking without impacting application performance. The content cloud leverages data intelligence tools to enable data indexing, search and discovery across platforms. The information cloud will apply information analytics to allow the complete independence of data from applications and usher in new capabilities of data re-use for business purposes. BlueArc is a key link between infrastructure cloud and content cloud with its expertise in file-based virtualization, built-in intelligent tiering, automated data movement capabilities for unstructured data and tight integration with the Hitachi file, content and block portfolio. This enables customers to gain control of their unstructured data with seamless access, search, retention, consolidation and archiving capabilities. HDS and BlueArc have closely collaborated on product definition since the beginning of the companies' partnership, and today's acquisition brings opportunities for even tighter product development strategies that will provide greater benefits to customers.

“The exponential growth of digital content, particularly unstructured content, has had a dramatic effect on all businesses, including the requirements on IT,” said Jack Domme, CEO, Hitachi Data Systems. “Over the past 5 years, BlueArc has been an integral part of our strategy to help customers store and manage unstructured data of all types, such as video, email, medical imaging, scientific data and more. Bringing BlueArc into the Hitachi family will enable us to better serve customers with more tightly integrated technologies, broader capabilities and deeper expertise globally. Our combined efforts will deliver cost-effective infrastructure cloud and content cloud solutions that customers can take advantage of as they look to further transform their data centers.”

“Joining forces with Hitachi Data Systems is a win-win situation for our employees, our partners, our customers and our shareholders,” said Mike Gustafson, CEO, BlueArc. “The strength of the long-standing partnership between the two companies spanning product integration, customer momentum and cross-functional collaboration is the foundation for this union. We are excited to accelerate our vision and innovation and to bring real solutions to customers, partners and the market. We view this as a critical time in information technology, where we will help customers assess and map their business priorities and deliver information services as we work collectively to continue to define next generation information centers amidst the expanding world of file and content.”

BlueArc delivers highly scalable, high performance file storage to customers across a broad range of markets and is tightly focused on solving the challenges faced by unstructured data at scale.

With a more than 10 years of focus on innovating around data intensive, performance-sensitive environments, BlueArc offers best-in-class price/performance ratios and outstanding return on investment. Its products are suited to customers seeking scalable solutions to the rapid growth of unstructured data whether that growth is taking place in their enterprise data center, their high-performance computing environment or any place in between. With almost 1,000 customers worldwide, spanning markets such as media, life sciences, energy, hosted services and a rapidly increasing footprint in the virtualization-over-NFS storage market, BlueArc is one of the top vendors in the Gartner 2011 NAS Magic Quadrant's “Visionaries” quadrant<sup>2</sup>. BlueArc has been an OEM partner of Hitachi Data Systems since November 2006, powering the Hitachi NAS Platform family and its tremendous market growth and presence.

Hitachi Data Systems offers the industry's most complete and integrated end-to-end enterprise virtualization capabilities for both file and block storage. Just as HDS has pioneered virtualization in

the enterprise space, BlueArc is a leader in file-based virtualization, offering capabilities such as high performance, native intelligent tiering, scale to an 8-node cluster or 16 petabytes and virtualization of 3rd party NAS offerings for investment protection.

### Web Resources

- Read recent posts on [Techno Musings](#), [Hu's Blog](#) and [Claus's Blog](#)
- Follow us on [Twitter](#) for updates from today's events
- Join today's #HDSchat on Twitter at 3:05 p.m. PT/6:05 p.m. ET
- Connect with us on [LinkedIn](#) and join the discussion
- Like us on [Facebook](#) and look for updates on today's events

### About Hitachi Data Systems

Hitachi Data Systems provides best-in-class information technologies, services and solutions that deliver compelling customer ROI, unmatched return on assets (ROA) and demonstrable business impact. With a vision that IT must be virtualized, automated, cloud-ready and sustainable, Hitachi Data Systems offers solutions that improve IT costs and agility. With more than 4,900 employees worldwide, Hitachi Data Systems does business in more than 100 countries and regions. Hitachi Data Systems products, services and solutions are trusted by the world's leading enterprises, including more than 70 percent of the Fortune 100 and more than 80 percent of the Fortune Global 100. Hitachi Data Systems believes that data drives our world – and information is the new currency. To learn more, visit: <http://www.hds.com>.

### About Hitachi, Ltd.

Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 360,000 employees worldwide. Fiscal 2010 (ended March 31, 2011) consolidated revenues totaled 9,315 billion yen (\$112.2 billion). Hitachi will focus more than ever on the Social Innovation Business, which includes information and telecommunication systems, power systems, environmental, industrial and transportation systems, and social and urban systems, as well as the sophisticated materials and key devices that support them. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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<sup>1</sup>"Worldwide File-Based Storage 2010–2014 Forecast: Consolidation, Efficiency, and Objects Shape Market," IDC #223558, June 2010

<sup>2</sup>"Magic Quadrant for Midrange and High-End NAS Solutions," Gartner #G00210934, March 24, 2011

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Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.

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