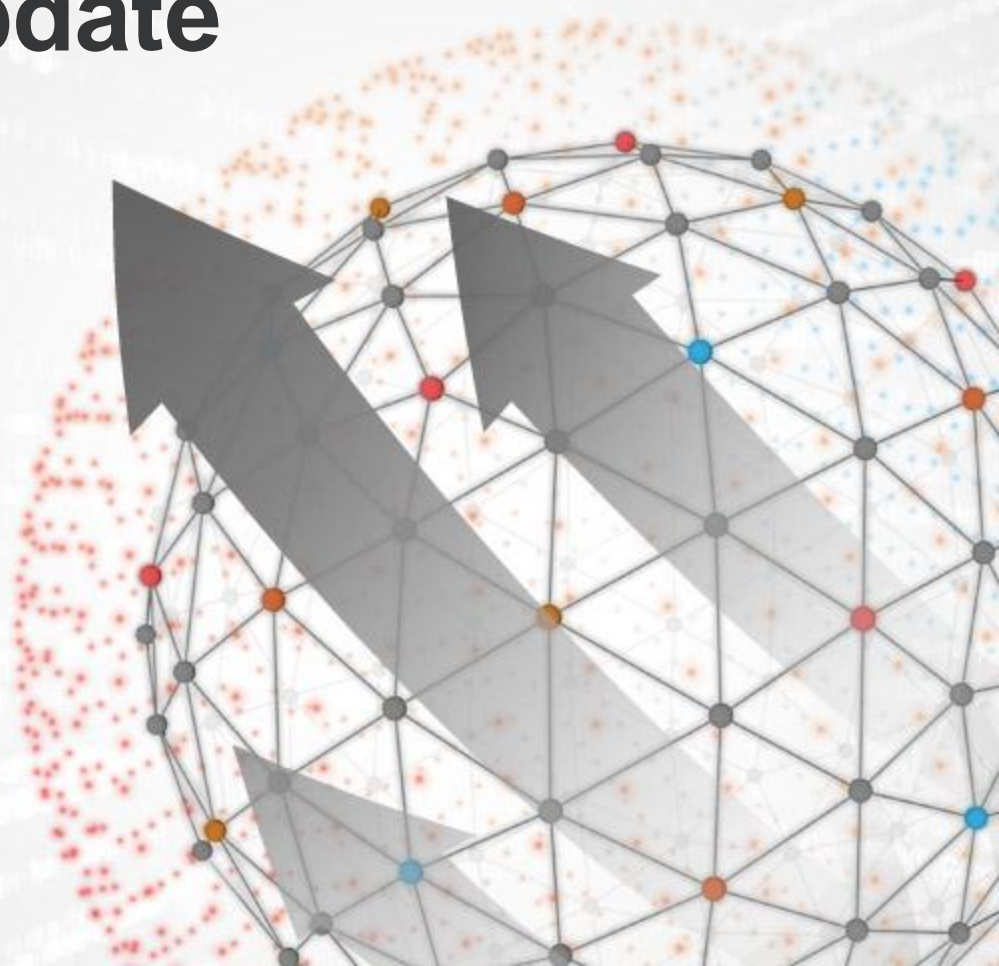


imation


Shareholder Update

Leadership Enhancements
Acquisition of Connected Data
Restructuring Update

October 14, 2015



Executive Summary

- > **Bob Fernander named Interim CEO of Imation**
- > **Imation has acquired Connected Data** 
 - Emerging enterprise-class, private cloud sync and share company
 - Flagship product, the Transporter, is a mobile data infrastructure device that exists as a secure enterprise alternative to Dropbox
- > **The acquisition of Connected Data enhances the corporate leadership and enterprise value potential of Imation's Storage Businesses**
- > **Corporate-wide restructuring plan is being executed and expected to be mainly complete by January 1, 2016, with a target completion by February 2016**

Leadership Enhancements

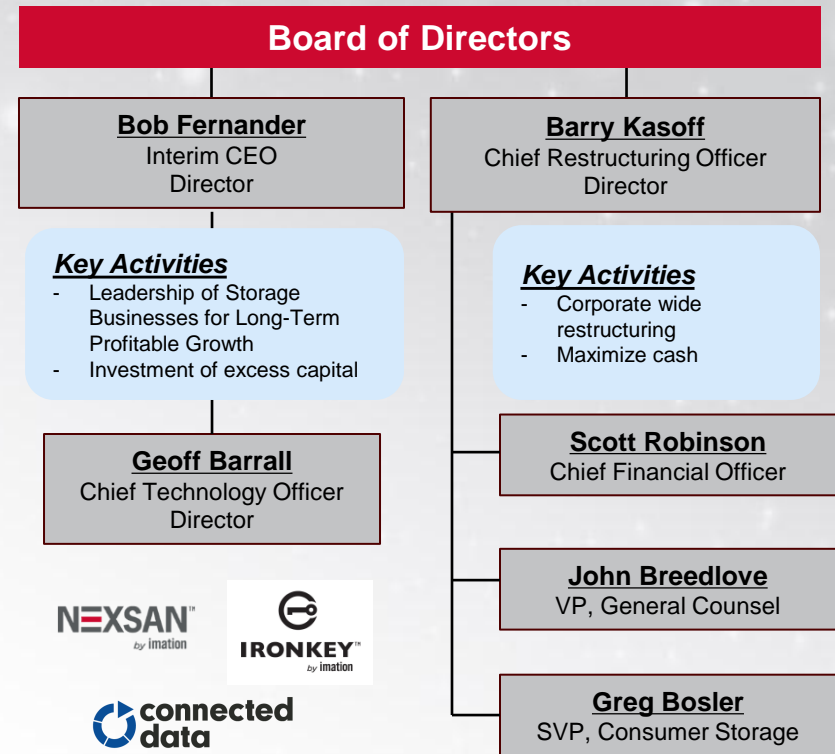
> Bob Fernander appointed Interim CEO of Imation

- Assumes leadership of Storage Businesses – Nexsan, IronKey and Connected Data
- Currently involved in Imation’s day-to-day restructuring activities
- Will complete the execution of the restructuring plan following Barry Kasoff’s completed engagement as Chief Restructuring Officer
- Management will report to Bob Fernander upon completion of the restructuring

> Geoff Barrall appointed Chief Technology Officer of Imation

- > Assumes technology leadership amongst all of Imation’s Storage Businesses
- > Instrumental to date on business planning for Nexsan and IronKey

> Barry Kasoff appointed Chief Restructuring Officer



Bob Fernander

- CEO Experience in Data Storage
- Strategic Product Development
- Marketing Expertise
- Turnaround Expertise

Introduction to **Connected Data**

- > Founded in 2012 by CEO Geoff Barrall, Connected Data produces the **Transporter**, an enterprise-class, private cloud sync and share appliance
- > The Transporter is a mobile data infrastructure device that exists as a secure, on-premise, enterprise **alternative to Dropbox**
- > **Patented technology** that comprises the method for delivering cloud services without the **expense or security compromises** of the cloud
- > Connected Data projects **>\$7 million in standalone revenues** for 2016, and is accretive to Imation



Deal Terms and Strategic Rationale

Key Terms

- **\$4.9 million in consideration¹** at closing payable in Imation common stock at a valuation of \$2.75 per share
- Imation will repay \$2.6 million in debt owed by Connected Data
- Up to \$5 million in earnouts possible:
 - \$1 million (common stock issued at \$2.75 per share) for H1 2016 @ 1st revenue target
 - \$2 million (common stock issued at \$3.00 per share) for H2 2016 @ 2nd revenue target
 - \$2 million (common stock issued at \$3.00 per share) for H1 2017 @ 3rd revenue target
- 50% of shares issued are subject to a 1 year lockup and the other 50% is subject to a 2 year lockup

Strategic Rationale

- **Leadership synergies** across Nexsan and Connected Data
- Marries Nexsan's robust sales infrastructure and channel relationships with Connected Data's innovative product line
- Provides **vision and direction** for Nexsan going forward
 - Private Cloud Strategy
 - File Sync and Share
- Enhances the "M" in Imation's stated strategy of **SDMA (Secure Data Movement Architecture)**
- **Enhances exit opportunities** for Imation's Storage Businesses

The Connected Data Leadership Team



Gene Spies
Chief Financial Officer



Geoff Barrall
Chief Executive Officer



Russ Johnson
Chief Operating Officer



Mark Herbert
VP of Engineering



Doug O'Shaughnessy
VP of Customer Service



Geraldine Osman
VP of Marketing



File Sharing Then and Now

Traditional Storage



Cloud Storage

One file system view for everyone

Every person, workgroup and enterprise organizes files as needed

Larger files can't be sent through email

Link sharing makes sending large files simple

File access only over VPN

Files are available everywhere

LAN computer access only

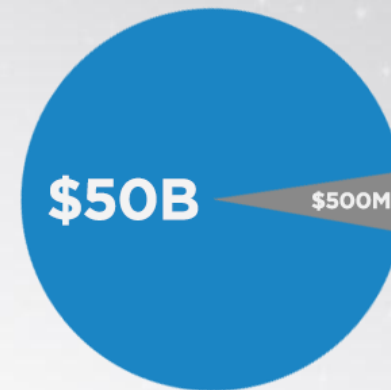
Mobile device access

IT is required to restore deleted files

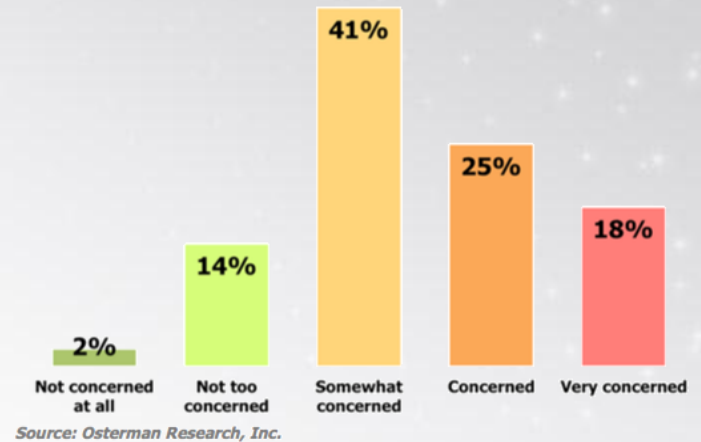
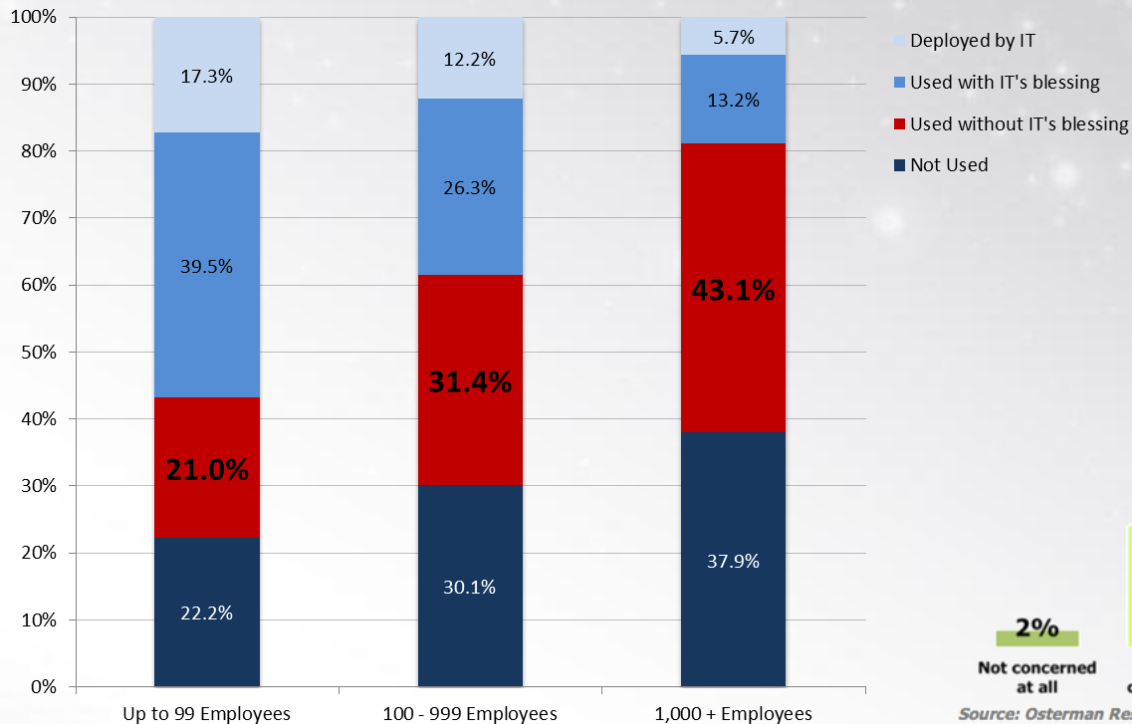
Everybody can access older versions of files and restore

Enterprise Storage Trends

- > Most enterprise storage revenue is in **hardware**
- > Storage hardware is growing **10% annually**
- > Enterprises want to **purchase and deploy hardware** for secure file management
- > Cloud services have massive user base (400 million+) but most **users (97%) don't pay** for cloud services
- > Cloud services cost more to run resulting in **massive losses** for public cloud providers
 - (Example: Box losing \$168 million on \$124 million in revenue)



Current IT Environment



- > **Shadow IT is real:** 43% of enterprise employees are using Dropbox against the wishes of corporate IT
- > Corporations have no idea who is viewing the data **leaking outside the enterprise**
- > Data moved to the cloud has inadequate backup and audit procedures, no known locality and **no security**
- > **97% of enterprises** want to run cloud services from within their datacenter but it's **cost prohibitive**

What is **Transporter**?

> **Mobile Data Infrastructure** looks just like Dropbox:

- **Mobile Access**
- **Enterprise File Sync and Share**
- **Global Replication**

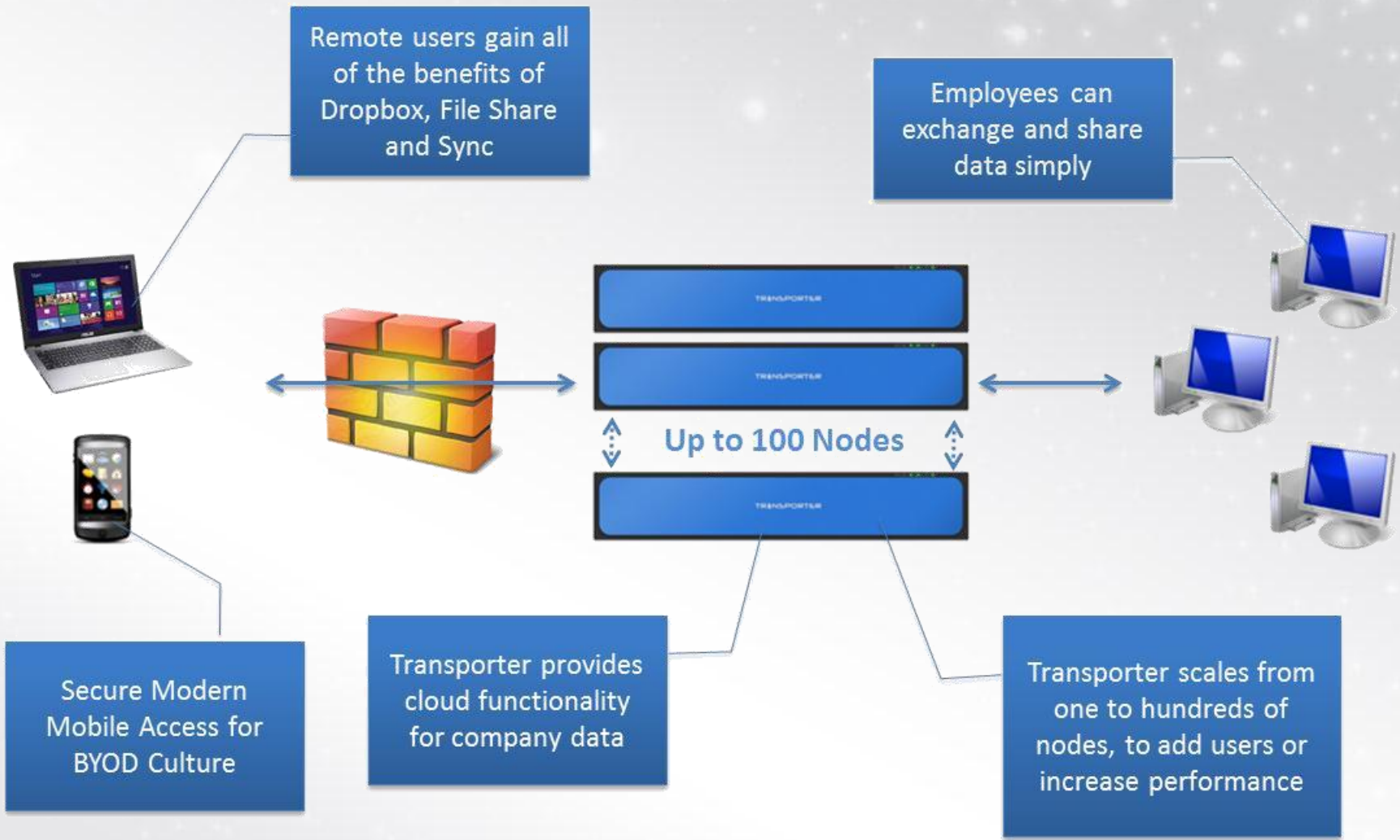
> **Transporter:**

- Extends **existing** file servers and NAS systems
- Is **non-disruptive** to current systems & processes
- Has much **higher capacity and performance** than public cloud storage
- Is **dramatically less expensive** than public cloud storage
- Is **100% private**

Allows corporations to use existing infrastructure as **secure repositories** for Dropbox-like service

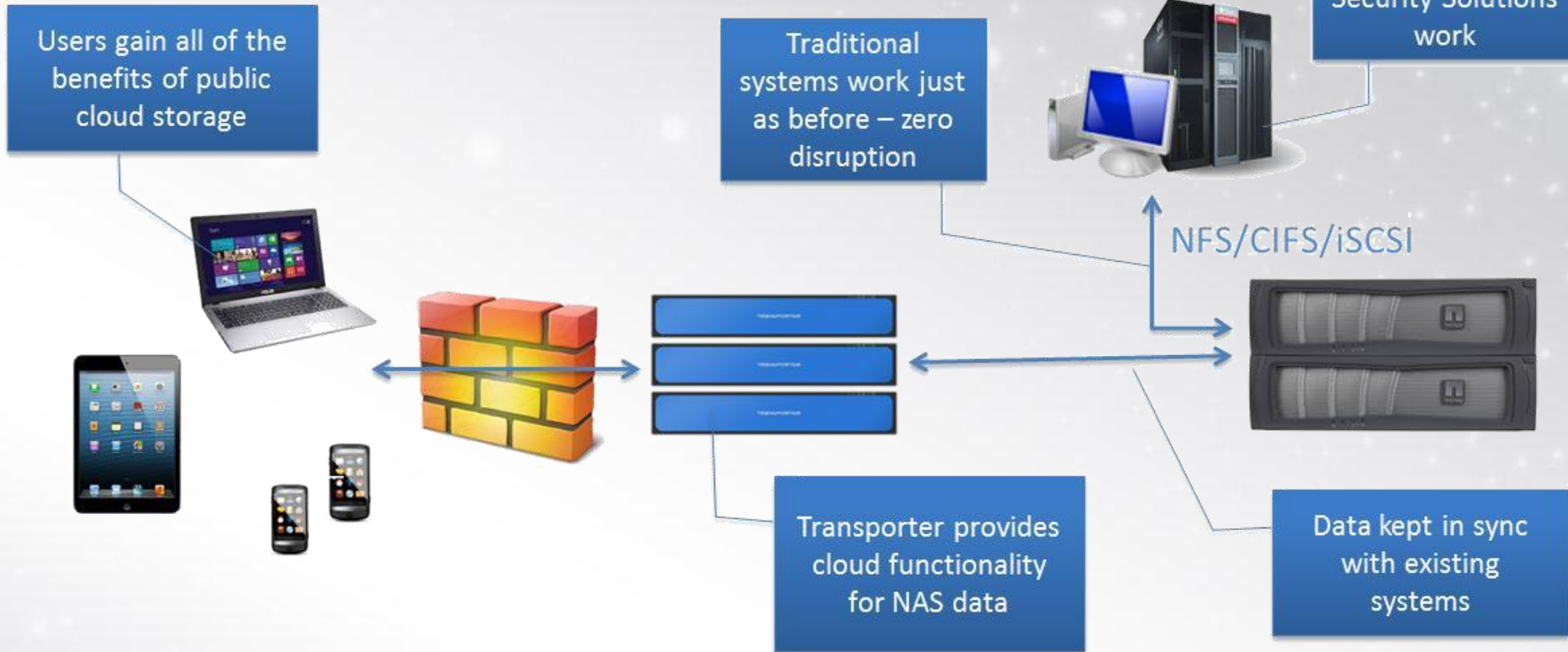


Transporter is **Infrastructure** for Mobile Data



Transporter **Extends** Existing Storage

for *Mobile* Users and *Remote* Employees



Interoperable across all customer interfaces and operating systems - Apple, Microsoft

Employs existing NAS systems and file servers - NetApp, Dell, HP, EMC, etc.

Provides **Every** Public Cloud Benefit



Public API allows 3rd Party Apps direct access



Sync important files and folders like Dropbox



Laptops can Sync from any location



Create and access files in the cloud from mobile devices



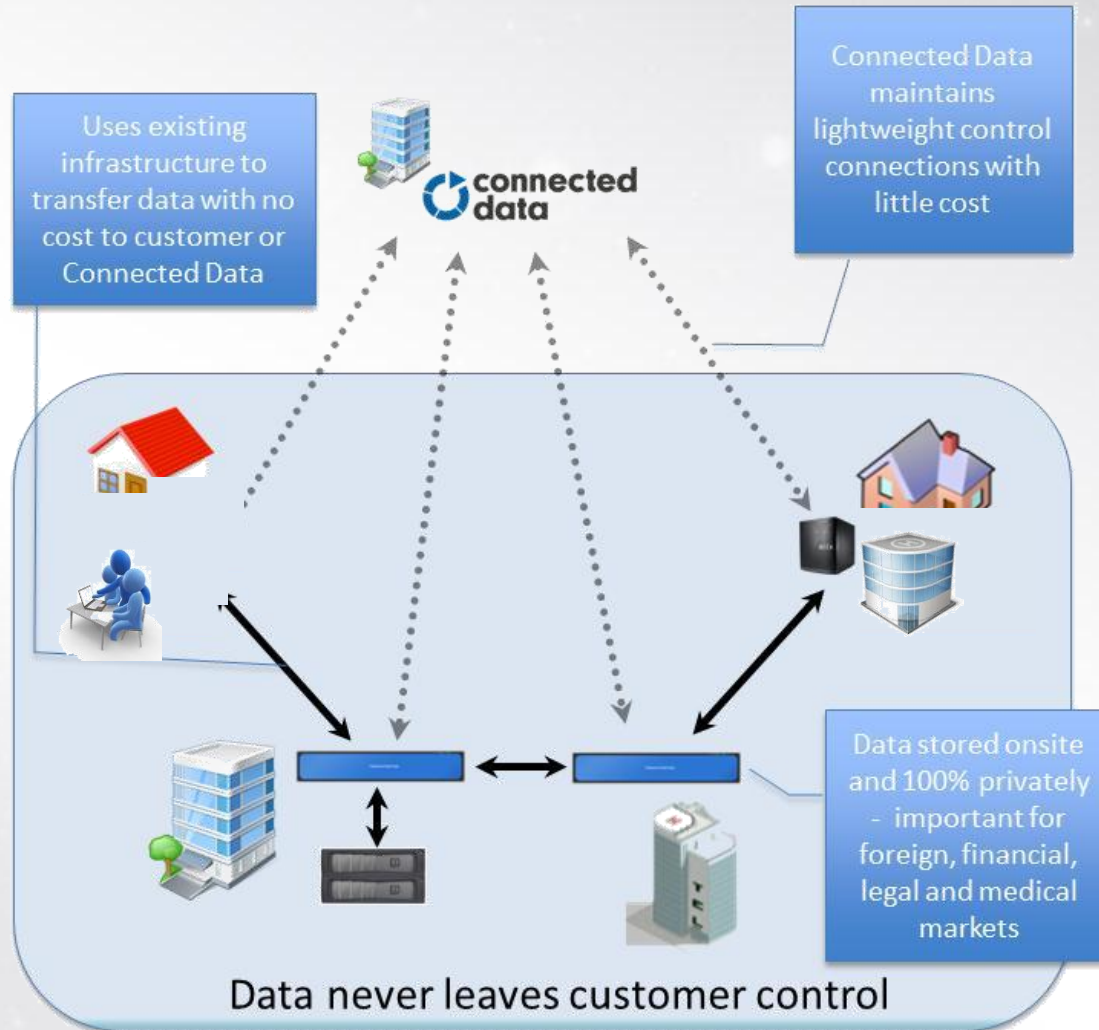
Access Terabytes of files over the Internet



Supports Mobile Workforce
Enables Secure Sharing
Scales Enterprise Wide


































How **Transporter** Works

The Only Economically Viable Cloud Service

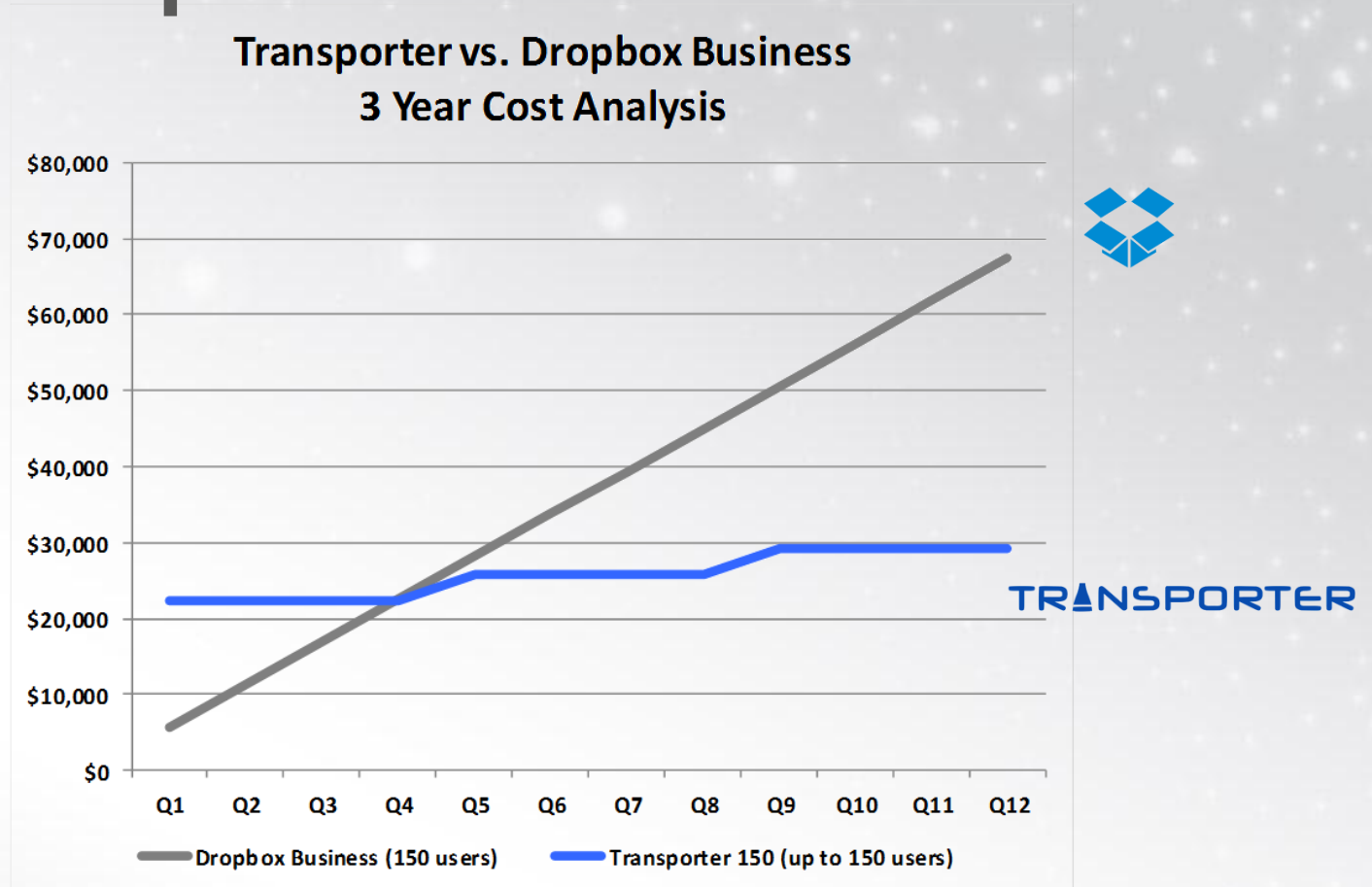


- > Leverages **existing infrastructure** and off the shelf hardware to **avoid astronomical backend costs** that plague traditional cloud companies
- > This is exactly the same kind of **disruption** **skype** brought to traditional telcos
- > Customers' data is **100% private** and is **stored onsite only**
- > We believe Transporter is the only cloud service that meets the **compliance needs** of legal, financial and medical industries as well as countries with **anti-public-cloud legislation** (ie. Germany, Japan, Russia, China)

Service Comparison

	 NetApp	 Dropbox	 connected data
Dropbox User Experience			
Uses Existing Infrastructure			
High Speed and Capacity			
Mobile Access			
Simple File Sharing			
File Syncing			
Transmit Large Files			
VPN-less Access			
Supports Corporate Compliance			
Supports Enterprise Backup			

Cost Comparison



- > Transporter is more **cost efficient** than cloud providers in less than 12 months
- > Private cloud for a **fraction of the cost**

Progress So Far

- > **Over 130 enterprise systems** installed
 - AEC, Financial, Legal and Medical are largest verticals
 - 12,500 total Transporters worldwide
- > **Over 20 global channel partners** with active trials in progress
 - Partners contributing 2-3 opportunities weekly
- > **Over 300 Qualified Opportunities** being developed

Synergies with Imation

Corporate Leadership



- Experienced team **enhances the leadership** of Imation's Storage Businesses
- Geoff Barrall, **a reputable technologist and inventor** and previous board member of Nexsan, appointed Chief Technology Officer of Imation
- Gene Spies, CFO of Connected Data, previous CFO of Nexsan, will be joining Imation's leadership team

Revenue Synergies



- Nexsan's **existing sales infrastructure** can support Transporter sales
- Transporter addresses **significant needs** expressed by Imation's existing customers and will enhance overall lead generation
- Sales of Transporters will enhance Nexsan's core product sales
- Transporter is a **high margin product** that will motivate channels to actively promote Imation products

Redefines Product Set "On-Trend"



- Positions Imation solutions **ahead of the competition** at NetApp and EMC
- Expands Imation's solution opportunities with existing core products
- Enhances Imation's **SDMA Strategy** providing for data "Movement" in SDMA (Secure Data Movement Architecture)

Expense Synergies



- **Significant reduction** in redundant overhead including sales and marketing infrastructure, product procurement, engineering and corporate expenses

Enhances Exit Alternatives

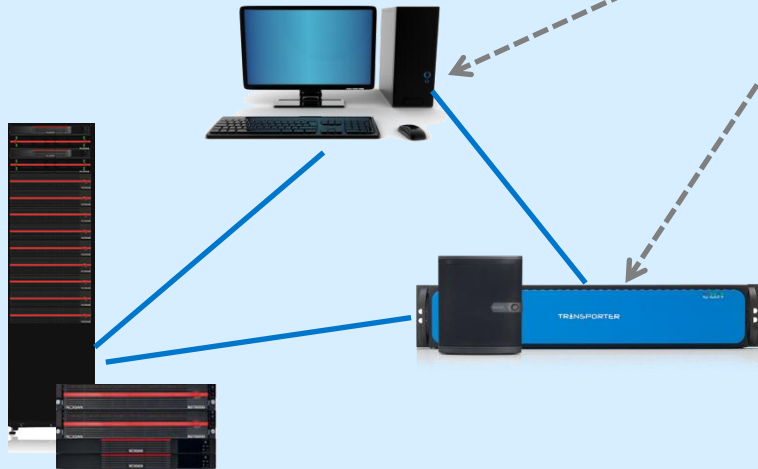


- Redefined product offering, improved "on-trend" product roadmap and improved profitability of Imation's Storage Businesses will **improve marketability to strategic buyers** for the entire segment

Transporter **Complements** Nexsan & IronKey

**Connection
Broker**

Secure Corporate Network



IRONKEYTechnology

provides a continuum of choices for **endpoint security**:

- SW encryption
- HW encryption
- FIPS level HW
- Encryption

**Efficient Mobile
Workforce**



NEXSAN SAN, NAS & OBJECT
directly serve Transporter, creating
a **complete, secure ecosystem**

Restructuring Update

- > Imation and TDK have terminated their license agreement in exchange for retiring 6.7 million shares owned by TDK, reducing Imation's outstanding shares by 16%
- > Exit of the Storage Media and a majority of business with Consumer Storage occurring
- > Acceleration of cash flow generation from the Company's working capital assets
- > Continue monetization of the Company's non-operating and non-core operating assets
- > Significant restructuring of corporate overhead and expense rationalization across the enterprise
- > Total Cash balance at 9/30/15 is expected to be at least \$85 million
- > LTM Operating Losses as of June 30, 2015 were (\$61.4 million)
 - The Company's current 2016 Business Plan assumes operating losses of (\$9) to (\$14) million trending to breakeven by Q4 2016

Compensation Practices Update

- > Compensation committee is focused on aligning executive and board compensation to shareholder value creation
- > Board fees reduced to \$125,000 per year, a 29% reduction from \$175,000 per year
- > Interim CEO compensation package aligned with shareholder interest:
 - Base salary of \$600,000
 - Bonus and Long Term Incentive Payable in Stock:
 - \$750k upon achievement of 100% return on the stock price (\$5.00 per share, with a starting point of \$2.50 per share)
 - \$1.3 million upon achievement of 200% return on the stock price (\$7.50 per share, with a starting point of \$2.50 per share)
 - \$2.5 million upon achievement of 300% return on the stock price (\$10.00 per share, with a starting point of \$2.50 per share)

Risks and Uncertainties

Certain information contained in this press release which does not relate to historical financial information may be deemed to constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties that could cause our actual results in the future to differ materially from our historical results and those presently anticipated or projected. We wish to caution investors not to place undue reliance on any such forward-looking statements. Any forward-looking statements speak only as of the date on which such statements are made, and we undertake no obligation to update such statements to reflect events or circumstances arising after such date. Risk factors include various factors set forth from time to time in our filings with the Securities and Exchange Commission including the following: Our ability to successfully implement our strategy; our ability to grow our business in new products with profitable margins and the rate of revenue decline for certain existing products; our ability to meet future revenue growth, gross margin and earnings targets; the ability to quickly develop, source, introduce and deliver differentiated and innovative products; our potential dependence on third parties for new product introductions or technologies in order to introduce our own new products; our ability to successfully implement restructuring plans; foreign currency fluctuations; the ready availability and price of energy and key raw materials or critical components including the effects of natural disasters and our ability to pass along raw materials price increases to our customers; continuing uncertainty in global and regional economic conditions; our ability to identify, value, integrate and realize the expected benefits from any acquisition which has occurred or may occur in connection with our strategy; the possibility that our goodwill and intangible assets or any goodwill or intangible assets that we acquire may become impaired; the ability of our security products to withstand cyber-attacks; the loss of a major customer, partner or reseller; changes in European law or practice related to the imposition or collectability of optical levies; the seasonality and volatility of the markets in which we operate; significant changes in discount rates and other assumptions used in the valuation of our pension plans; changes in tax laws, regulations and results of inspections by various tax authorities; our ability to successfully defend our intellectual property rights and the ability or willingness of our suppliers to provide adequate protection against third party intellectual property or product liability claims; the outcome of any pending or future litigation and patent disputes; our ability to access financing to achieve strategic objectives and growth due to changes in the capital and credit markets; limitations in our operations that could arise from compliance with the debt covenants in our credit facilities; our ability to retain key employees; increased compliance with changing laws and regulations potentially affecting our operating results; failure to adequately protect our information systems from cyber-attacks; the effect of the announcement of our review of strategic alternatives; the effect of the transition of our Board of Directors; and the volatility of our stock price due to our results or market trends.