

Permabit Reinforces Executive Team and Secures Funding as Sales of Compliance Store Grows

Cambridge, Mass. - March 30, 2006 - Permabit®, a leading developer of compliance solutions, announced today that it has added industry veteran executive management to help the company capitalize on strong growth that includes more than 75 customers for its Compliance Store system. Bolstered by more than \$12 million in investment funding received in Q4 2005, the company is rapidly expanding its offerings beyond the end customer to provide software products for storage industry VARs and high level OEM partners.

"Compliance is an ever-present issue for a wide range of organizations in finance, health care, government and many other markets," said Permabit CEO Tom Cook. "Permabit has struck a chord with customers in all of these markets by making it more practical, affordable and less disruptive to build the highest standards of information preservation and access into the operating environment. That success is opening new opportunities for the company with interest coming from VARs and OEMs who want to integrate Permabit Dynamic Information Services within their own product families. Our new executive hires bring the experience we need to support the needs of these new channels."

New vice president of marketing and product management Jim Geronaitis is responsible for global marketing and product management. Geronaitis has more than 23 years of marketing, communications and business development experience. Prior to Permabit, he was vice president and senior technology strategist in the office of the CTO at Computer Associates (CA). Earlier, Geronaitis directed marketing and partnerships for ApplQ and for ADIC after its acquisition of Pathlight Technologies. Geronaitis has also held senior positions with Digital Equipment Corp., IPL Systems and EMC. Geronaitis currently sits of the board of directors of the Storage Networking Industry Association (SNIA) and is a member of the Storage Networking World management board.

Also hired was Jeff Edwards, vice president of worldwide sales, who is responsible for expanding and managing the domestic and international channel sales force and developing reseller partnerships. Edwards has over 24 years of high tech global experience in the areas of storage management applications, backup and recovery, and data replication. Prior to Permabit, Edwards built a successful sales team as vice president of sales for Copan Systems, Inc. As vice president of worldwide sales at Nishan Systems, he helped grow sales 400 percent in the 15 month period prior to the company's sale to McData Corporation. Edwards also served as vice president/general manager for Hitachi Data Systems and director of solutions sales at StorageTek.

About Permabit, Inc.

Permabit®, of Cambridge, MA, helps organizations to simultaneously retain and control sensitive information for compliance and litigation needs while retaining fast, assured access to the underlying valuable intelligence. Its Permabit Dynamic Information Services enable VARs, OEMS and others to deliver "Permabit Secure" information protection and access to a broad range of enterprise applications. The company's own Permabit Compliance Store is the first complete, non-disruptive disk-based solution for meeting compliance, governance and other requirements for unalterable information storage. For more information visit www.permabit.com.

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