



Dynamic Network Factory, Inc.
21353 Cabot Boulevard
Hayward, CA 94545

www.DNFstorage.com
Phone 800.947.4742
Fax 510.265.1565

FOR IMMEDIATE RELEASE

Contact:

Jame Ervin
Dynamic Network Factory, Inc.
800.947.4742 x208
marketing@DNFstorage.com

Paula Johns
Paula Johns Communications
760.487.1799
paulajohns@cox.net

Dynamic Network Factory Launches IP Surveillance Division to Deliver Scalable, High-Availability Surveillance and Security Solutions

DNF Partners with Milestone to Leverage Industry-Leading IP Video Management Software and Established Network of Specialized Resellers

Hayward, Calif. – Mar. 11, 2008 – Dynamic Network Factory, Inc. (DNF), a leading maker of high-performance network attached storage (NAS), storage area networks (SANs), RAID and iSCSI systems, today announced the formation of DNF Security, a new business division that will capitalize on double-digit growth in the IP surveillance market to provide customers with a complete centralized infrastructure for managing cameras, video servers, camera management servers, storage, and long distance communication.

Leveraging DNF Security's expertise, traditional surveillance and IT resellers can quickly deploy complete IP surveillance solutions that are well-integrated and tested, while also gaining a single source for support and procurement across the management and storage infrastructure.

DNF Security has already formed a strategic partnership with Milestone Systems, a world-leading developer of open platform IP video management software. According to Robert Madej, newly appointed product manager for DNF Security, the Milestone partnership gives the company access to a sizeable network of specialized Milestone resellers.

"The Milestone management software has over 35,000 installs, and our alliance offers channel partners and end-users a certified source for management servers and storage infrastructure that support deployment of Milestone IP surveillance solutions," Madej said. "With IP video now defining the future of electronic surveillance, DNF Security's high-availability technology is poised to support the rapidly expanding demand for archiving, data storage and protection that is now shaping the market."

DNF Security plans to offer soon a new line of end-to-end IP surveillance solutions that delivers vastly superior scalability and smaller form factors than traditional analog alternatives. "DNF has been working with surveillance customers for a number of years, through DNF Storage and other DNF

business units, and we have used their feedback to develop targeted solutions addressing the key challenges for digital video surveillance: capacity, availability, and managing the heavy load from streaming media," said Madej.

According to Mark S. Wilson, marketing director – Americas, for Milestone Systems, DNF's presence in the market will be met with strong customer interest. "The combination of DNF Security's hardware expertise and Milestone's industry-leading open platform IP video management software gives users powerful new choices for their surveillance needs. The alliance supports our ongoing goal to ensure that the market has access to surveillance solutions that are easy to manage, reliable in operation and scalable to unlimited devices."

The Milestone open platform design allows customers to integrate with other security equipment (gates, door alarms, access control) as well as other systems like payment, point-of-sale (POS) and ATM. Also, because the platform is network-based, customers can run multiple cameras via the same cable (CAT 5, fiber, wireless or existing cables); cover larger areas more efficiently; connect via the Internet for remote access; and easily scale capacity and performance.

About Dynamic Network Factory and Stonefly, Inc.

Founded in 1989, Dynamic Network Factory, Inc. (DNF) is a privately held company based in the Silicon Valley (Hayward, Ca.). DNF carries a variety of products, ranging from network attached storage, direct attached storage solutions and IP SAN solutions, to assist companies in meeting their mission-critical storage needs with cost-effective, high performance storage equipment. DNF has designed custom solutions for organizations of all sizes and manufactured products for many major computer manufacturers. DNF has thousands of customers ranging from consumers and small-to-medium businesses, to government agencies, universities, hospitals, financial institutions and Fortune 500 companies. Key customers include UC Berkeley, MIT, the Federal Aviation Administration, FBI, Lockheed Martin, Bank of America, Citibank, Wells Fargo, Fujitsu, Honda Corporation of America, SBC, BAE Systems, and General Dynamics.

DNF started as a U.S. subsidiary of the publicly traded Japanese IT conglomerate, CSK Electronics, in 1989. In 1998, the company refined its strategy and began to focus the hardware group on storage solutions. DNF emerged as an independent privately held organization after a year of rapid growth. In 2006, DNF completed its acquisition of StoneFly Networks, an iSCSI storage pioneer and developer of complete, turnkey IP SAN solutions. StoneFly, Inc., headquartered in San Diego, was founded in April 2000 to deliver upon the vision of simple and affordable storage optimization and disaster recovery protection through IP SAN solutions. StoneFly is a subsidiary of DNF, Inc. For more information, visit www.DNFcorp.com

###

Dynamic Network Factory, DNF and DNF Storage are trademarks of Dynamic Network Factory, Inc.