

Bruce Henderson

Chairman & CEO

Four Pillars of Storage
Imation's Platform for Growth

November 15, 2005

Topics



Information Overview & Competitive Strengths

Review 2005 Priorities & Progress to Date

Strategic Growth Initiatives Update

Imation is a \$1.2 Billion Leader in Data Storage Media with Over 50 Years Experience

- **1952** – 3M introduces first commercial magnetic tape for computers
- **1996** – Imation formed as spin off of 3M data storage and imaging systems groups
- **1996-2005** – Non data storage businesses divested
- **2005+** – Focused data storage media business moves forward

Imation has a Diverse Portfolio of Products

Data Center and Business Storage
Magnetic Tape, Optical

Personal Storage
CDs, DVDs, Diskettes



New Products

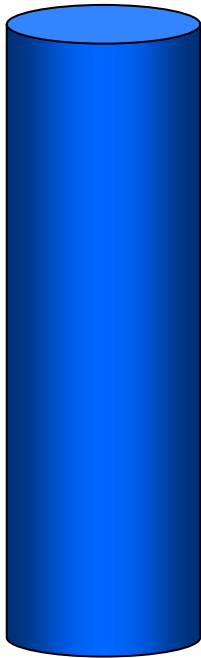


Flash Drive

Removable
Hard Disk



Imation Participates in All Four Pillars of Storage



Magnetic



Optical

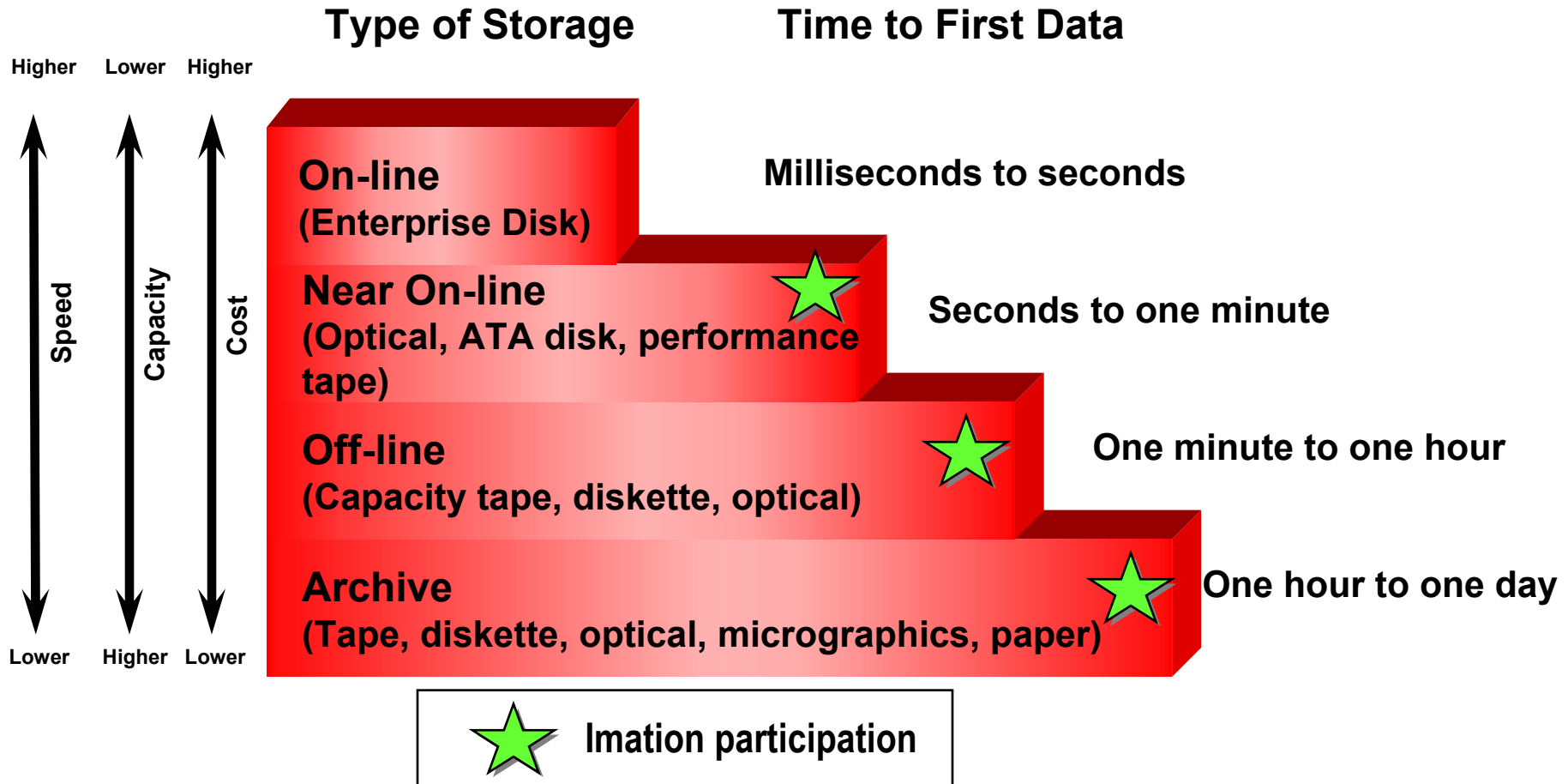


**Solid State
Flash**



Hard Disk

Imation Participates in Three Out of Four Major Application Segments



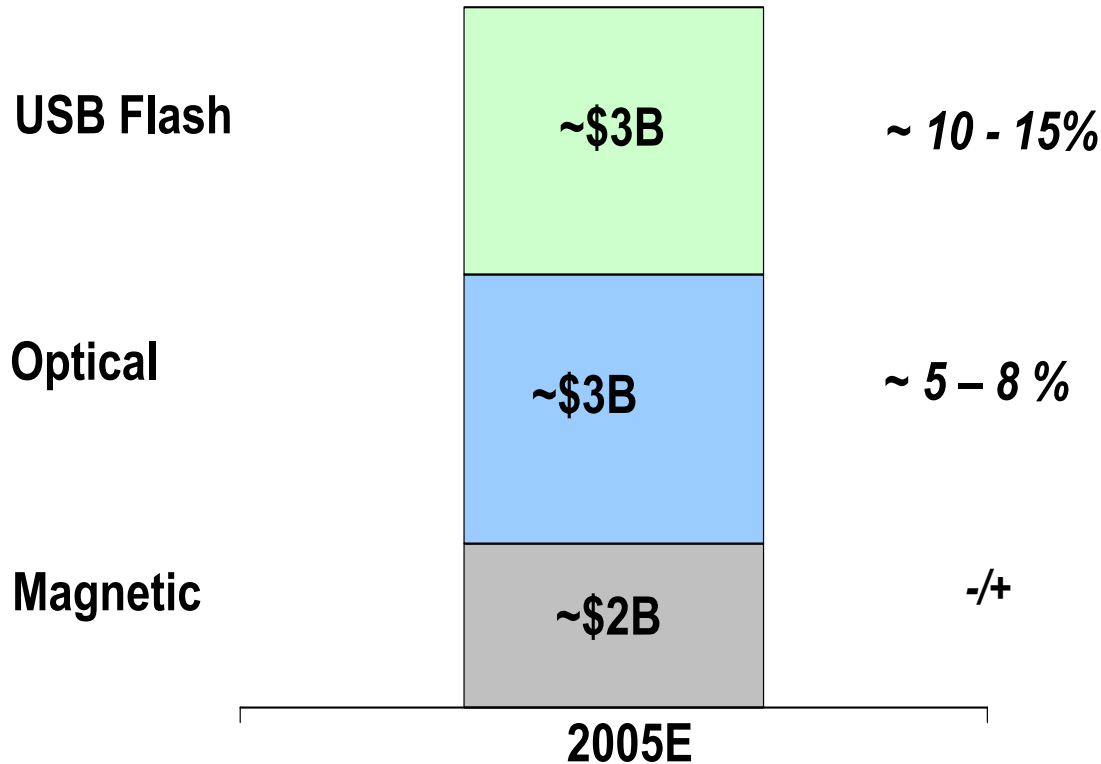
The Data Storage Media Market is Large and Growing

Removable Data Storage Market – 2005 E

(\$ billions)

\$~8 B

3 – 5 YR CAGR = ~ 5 – 10%



Annual Data Media Consumption for Typical Industry Applications

- **Software Company** 190 Tb
- **Money Center Bank** 735 Tb (Terabytes)
- **Insurance** 900 Tb
- **Financial Services** 1500 Tb
- **Aerospace Manufacturer** 1600 Tb
- **NOAA Weather Satellites** 2100 Tb
- **Government Satellite Imagery** 3300 Tb
- **Telecommunications** 3800 Tb

1 Tb = 1×10^{12} bytes or 1,000 Gigabytes

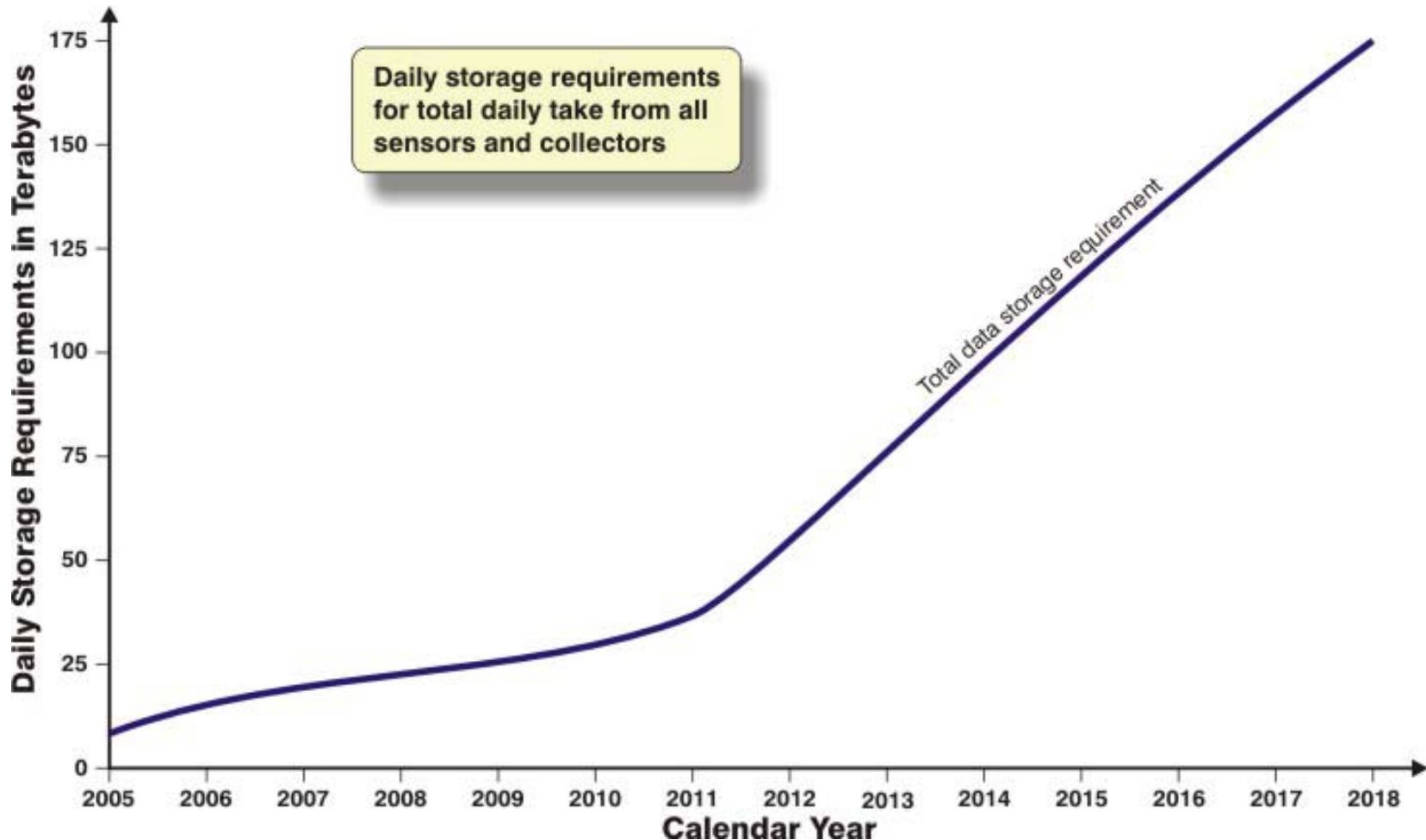
2 Tb = Academic Research Library

50 Tb = Typical Large Mass Storage system

Source: Imation Corp Est.

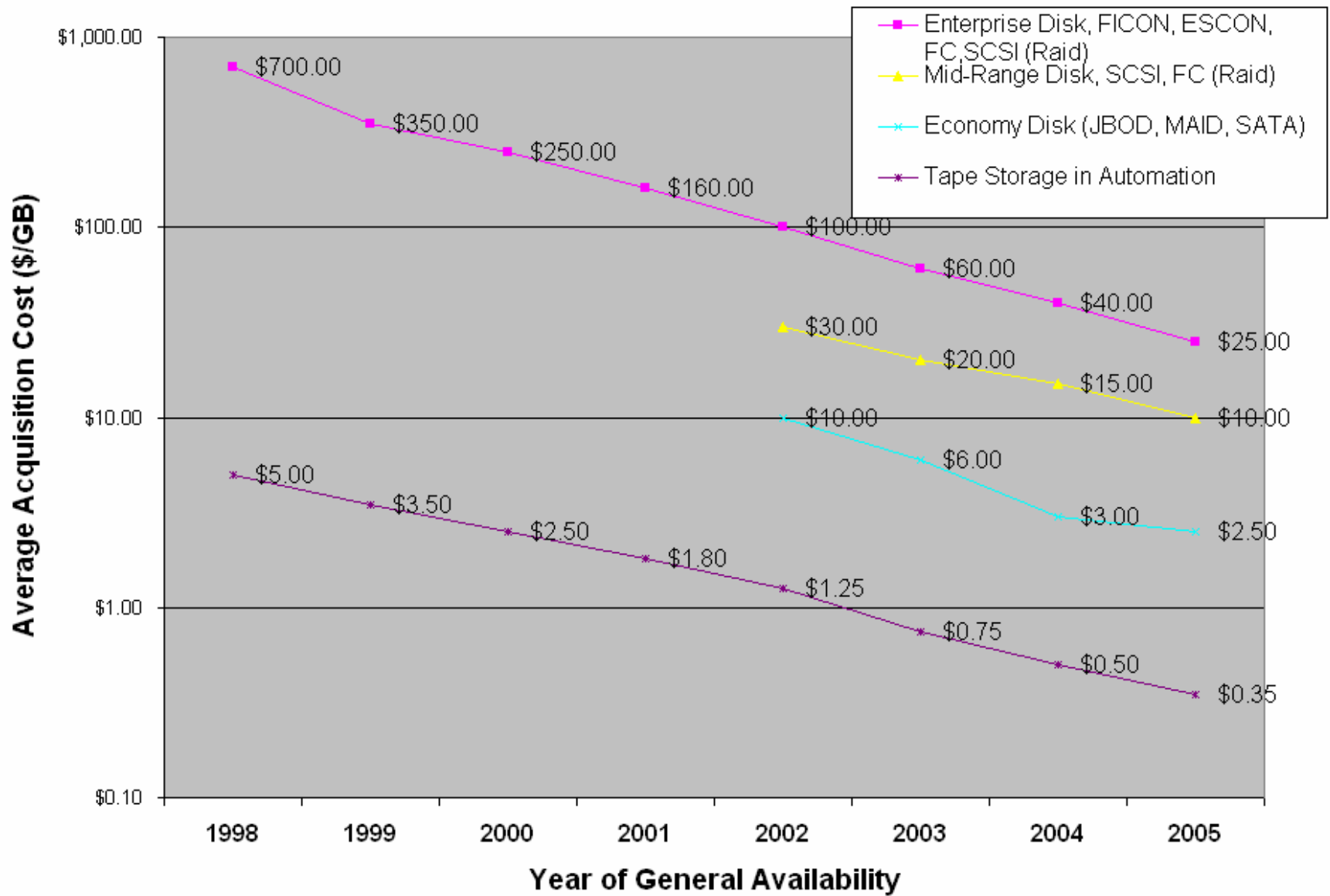
Storage Requirements are Accelerating

(e.g. Satellite Imagery Government Applications)



Source: Imation Corp

Comparison of Acquisition Cost of Storage Technologies



Imation's Technology Leadership Begins at Discovery Technology Center

- 423,000 square feet; >200 scientific personnel
- The only dedicated tape/optical research facility in North America – close to OEMs
- Focused on advanced tape and optical storage technology
- Working with manufacturing sites and suppliers
- More than 360 data storage patents

Tera Ångstrom Tape
Technology

Servo
Expertise

Cartridge
Technology

Emerging
Technologies

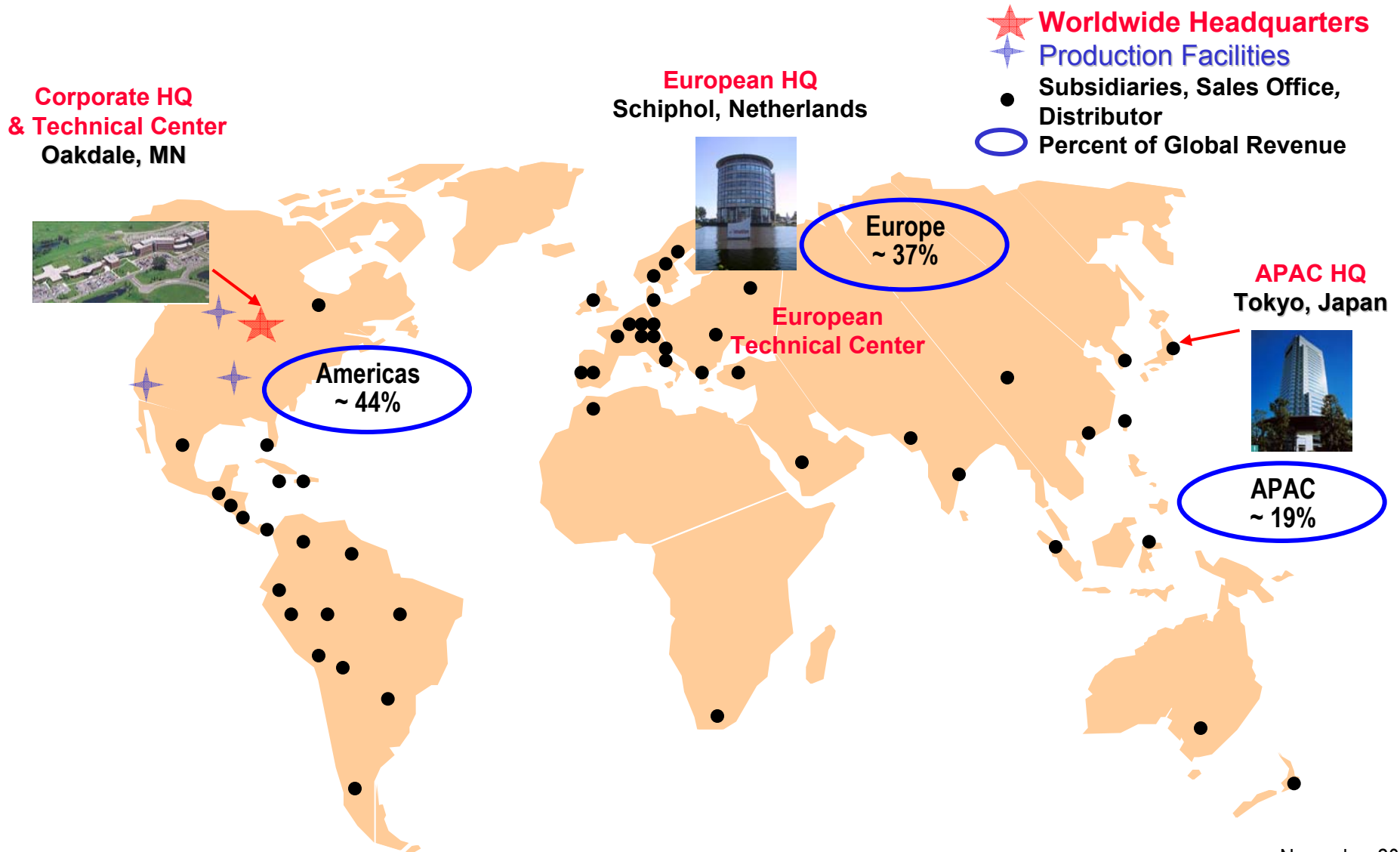
Manufacturing
Excellence



Optical Technology,
Dyes, Media, Coatings

Molding & Tooling
Technology

Imation has a Broad Global Footprint; ~56% of Revenue Comes from Outside North America



Information Product Portfolio Spans All Major Sectors of Removable Storage

Increased capacity, levels of automation and transfer rates



Personal Storage

CD-R, CD-RW,
DVD optical discs;
1.44MB Diskettes,
Devices/Accessories
USB Swivel Flash Drive
Micro HDD

Small-Medium Business

Exabyte™ VXA,
Travan™/Travan NS
4mm/8mm, SLR, Data
Cartridges; DVD
Optical Disc
USB Swivel Flash Drive

Mid Range Server

Ultrium Tape Cartridges,
DLTtape™ Tape Cartridges,
Super DLTtape™ Cartridges

Data Center

BlackWatch™ 9840, 9940;
BlackWatch™ 3590, 3590E,
3480, 3490E;
Royal Guard™ 3480
9490EE Tape Cartridges

*Memorex, TDK,
Verbatim
SanDisk, Lexar*

Sony

Primary Competitors

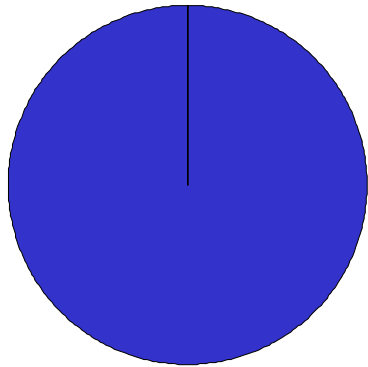
Fuji, Maxell



Imation is the Only Major Competitor Focused 100 % on Data Storage

*% of Total Company Revenue from Data Storage Media
And CY 2004 Data Storage Revenue (est.)*

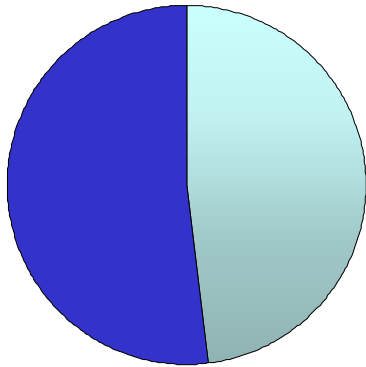
Imation



100%

\$1,173.7M

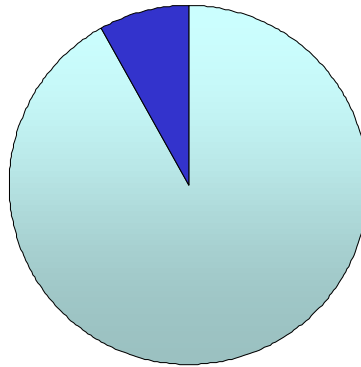
Maxell



<55%

~\$700M

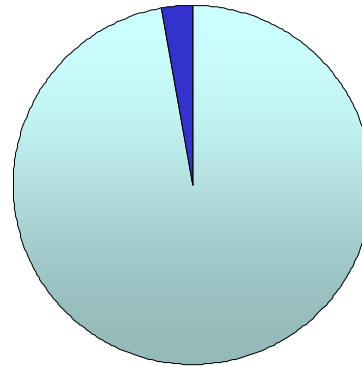
TDK



<10%

~\$500M

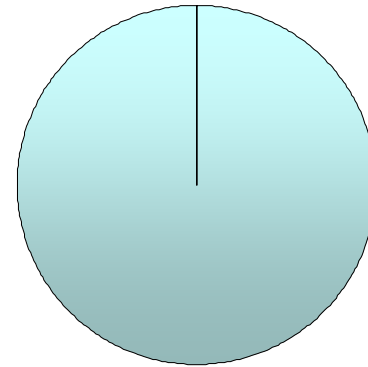
Fuji



<5%

~\$500M

Sony



<1%

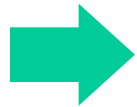
~\$600M

 Data Storage Media Revenue

 All Other Revenue

Topics

Information Overview & Competitive Strengths



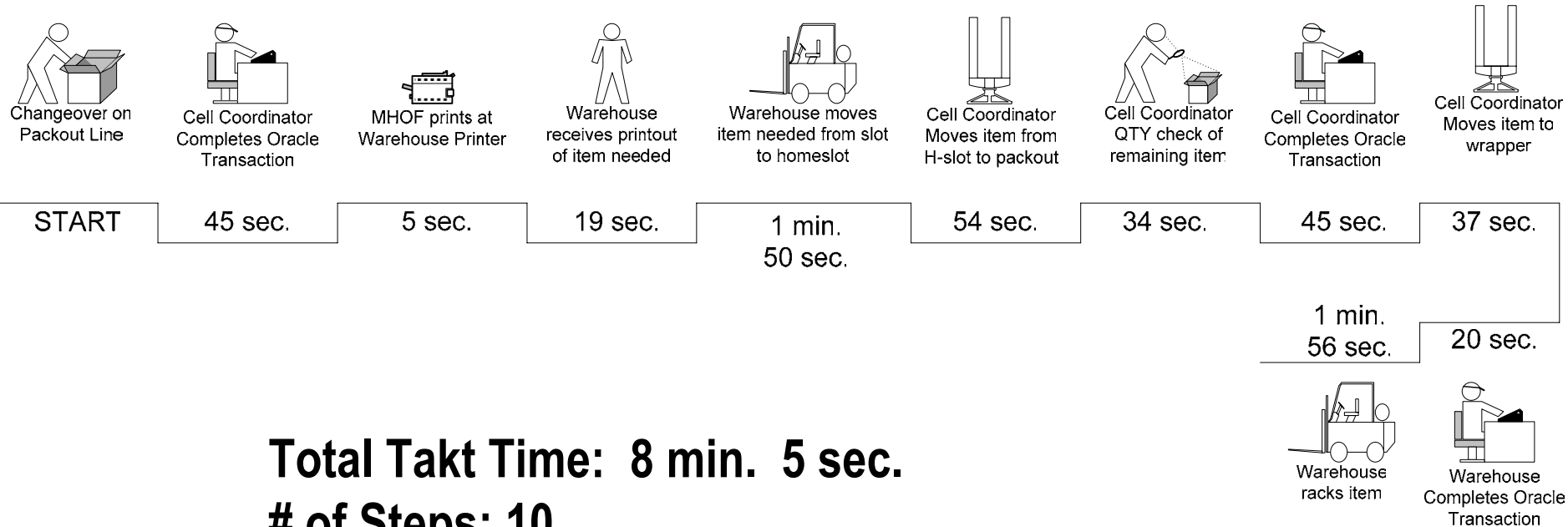
Review 2005 Priorities & Progress to Date

Strategic Growth Initiatives Update

Our 2005 Priorities

- ✓ **Meet or Exceed 2005 Financial Commitments**
 - ✓ **Defend and Grow Our Key Product Lines**
 - ✓ **Build on New Regionally Focused Organizations**
 - ✓ **Transform Imation into a Lean Enterprise Based on Speed, Quality and Competitive Cost**
- Expand the Company Through New Growth Initiatives**

Initial Current State Map



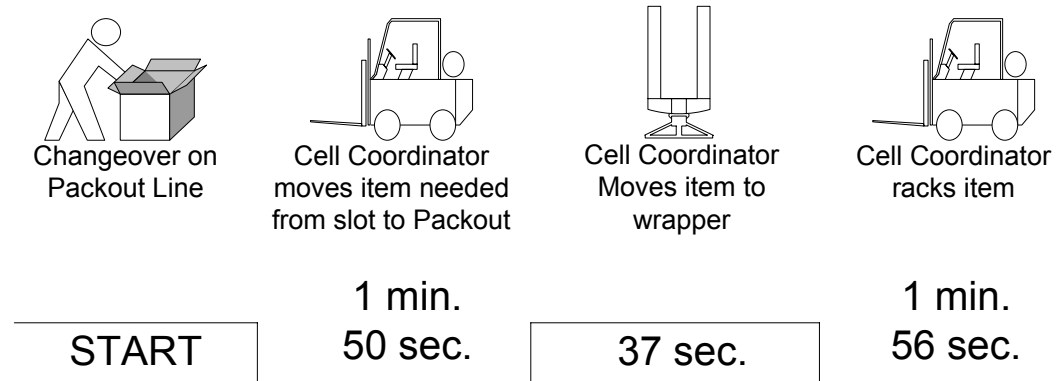
Total Takt Time: 8 min. 5 sec.

of Steps: 10

People involved: 2

of hand-offs: 3

New Current State Map



Total Takt Time: 4 min. 23 sec.

of Steps: 3

People involved: 1

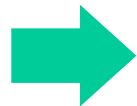
of hand-offs: 0

**50% Reduction in transactions
\$360,000 annualized savings**

Topics

Imation Overview & Competitive Strengths

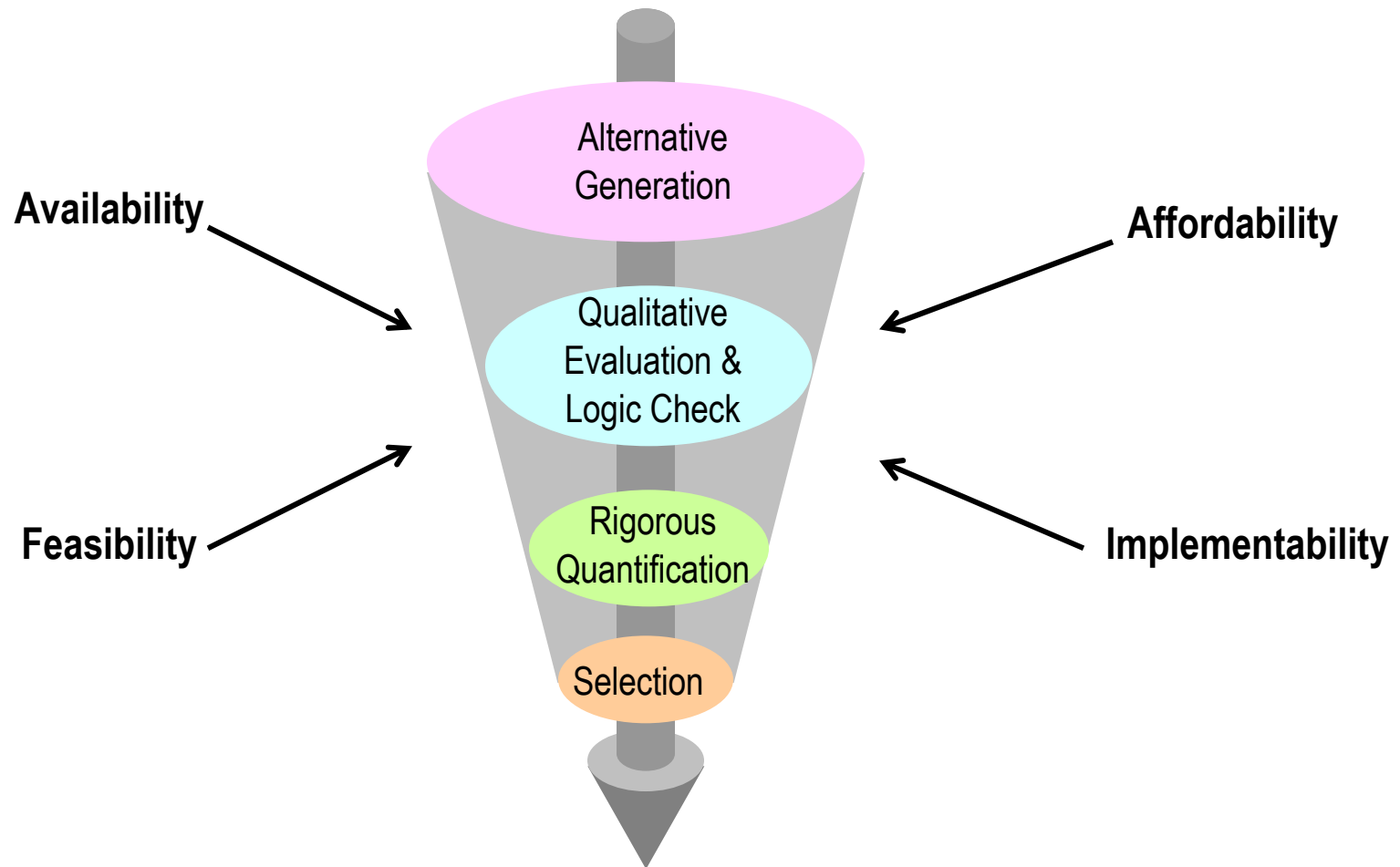
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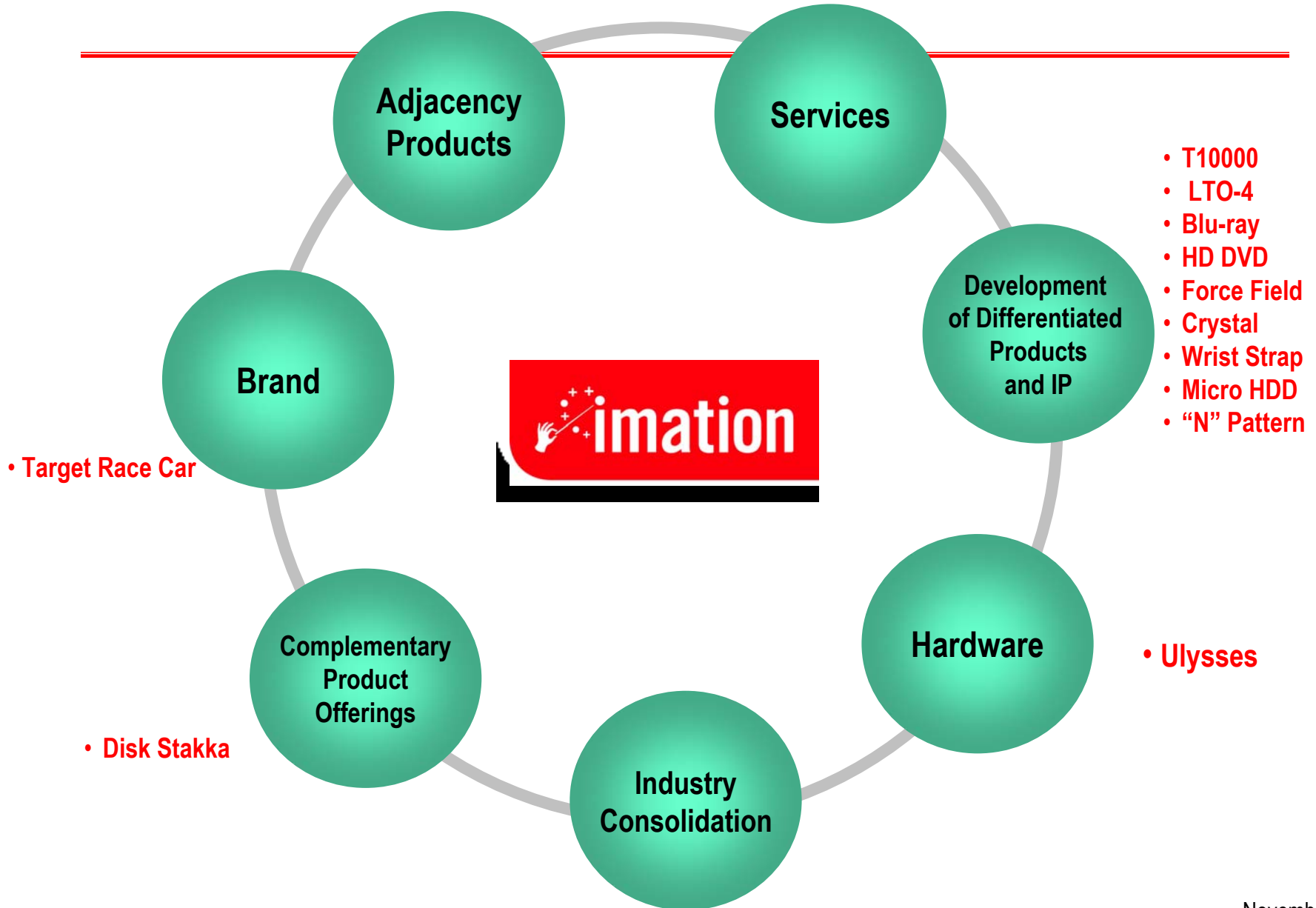
Strategic Growth Initiatives Update

Systematic screening of strategic alternatives has to be combined with opportunistic actions in an iterative process

Systematic Strategic Screening



Imation Has Many Potential Strategic Options



Imation is Well Positioned to Grow Profitably in the Data Storage Market

- **The data storage removable media market is attractive, sustainable and growing**
- **Imation is well positioned to grow profitably in this market**
- **Strong balance sheet and solid financial position to fund profitable growth**
- **Experienced global Management Team and industry focus**

Thank you!