

QUANTUM CORPORATION
THIRD QUARTER FISCAL 2009 GAAP TO NON-GAAP RECONCILIATION
(In thousands, except per share amounts)

	Three Months Ended December 31, 2008					
	GAAP	Non-GAAP Reconciling Items				Non-GAAP
		<u>Amortization of Intangibles</u>	<u>Share-based Compensation</u>	<u>Goodwill Impairment</u>	<u>Restructuring Charges</u>	
Gross margin	\$ 85,786	\$ 5,510	\$ 141	\$ -	\$ -	\$ 91,437
Gross margin rate	42.1%					44.9%
Research and development expense	\$ 16,053	100	601	-	-	\$ 15,352
Sales and marketing expense	\$ 32,821	3,394	276	-	-	\$ 29,151
General and administrative expense	\$ 17,015	25	1,314	-	-	\$ 15,676
Operating expenses	\$ 419,951	3,519	2,191	350,000	4,062	\$ 60,179
Income (loss) from operations	\$ (334,165)	9,029	2,332	350,000	4,062	\$ 31,258
Operating margin	(164.1%)					15.3%
Net income (loss)	\$ (339,776)	9,029	2,332	350,000	4,062	\$ 25,647
Net income (loss) per diluted share	\$ (1.63)					\$ 0.12
Diluted shares	210,086					210,086

	Nine Months Ended December 31, 2008					
	GAAP	Non-GAAP Reconciling Items				Non-GAAP
		<u>Amortization of Intangibles</u>	<u>Share-based Compensation</u>	<u>Goodwill Impairment</u>	<u>Restructuring Charges</u>	
Gross margin	\$ 243,500	\$ 19,158	\$ 1,099	\$ -	\$ -	\$ 263,757
Gross margin rate	38.0%					41.2%
Research and development expense	\$ 53,809	300	2,173	-	-	\$ 51,336
Sales and marketing expense	\$ 111,006	11,642	1,989	-	-	\$ 97,375
General and administrative expense	\$ 58,860	75	2,831	-	-	\$ 55,954
Operating expenses	\$ 578,144	12,017	6,993	350,000	4,469	\$ 204,665
Income (loss) from operations	\$ (334,644)	31,175	8,092	350,000	4,469	\$ 59,092
Operating margin	(52.2%)					9.2%
Net income (loss)	\$ (357,378)	31,175	8,092	350,000	4,469	\$ 36,358
Net income (loss) per diluted share	\$ (1.71)					\$ 0.17
Diluted shares	208,665					208,665

QUANTUM CORPORATION
THIRD QUARTER FISCAL 2009
NET LOSS TO ESTIMATED BANK EBITDA RECONCILIATION
(In thousands)

	Three Months ended December 31, 2008	Rolling 4 Quarters as of December 31, 2008
Net Loss	\$ (339,776)	\$ (372,170)
Interest expense	7,887	32,464
Interest income	(159)	(1,669)
Income tax expense (benefit)	(2,259)	(1,484)
Depreciation	3,530	16,827
Amortization	14,235	62,852
Acquisition-related restructuring charges	4,062	4,522
Share-based compensation	2,332	11,666
ADIC transition-related expense	-	-
Goodwill Impairment	350,000	350,000
Certain purchase accounting, non-cash & other	767	3,655
Estimated Bank EBITDA*	<u>\$ 40,619</u>	<u>\$ 106,663</u>

* Estimated at January 29, 2009. Final calculations provided to Bank no later than 45 days after quarter-end in accordance with covenant agreement.

QUANTUM CORPORATION
FORECAST FOURTH QUARTER FISCAL 2009
NON-GAAP RECONCILIATION OF GROSS MARGIN RATE,
OPERATING EXPENSE AND OPERATING INCOME
(Dollars in millions)

	Dollar range		
Forecast Revenue	\$175	-	\$195
	Percentage range		
Forecast gross margin rates on a GAAP basis	36.6%	-	38.9%
Forecast amortization of intangibles	3.1%	-	2.8%
Forecast share-based compensation charges	0.3%	-	0.3%
Forecast gross margin rates on a non-GAAP basis	40.0%	-	42.0%
	Dollar range		
Forecast operating expense on a GAAP basis	\$ 66.7	-	\$ 69.7
Forecast amortization of intangibles	3.6		
Forecast share-based compensation charges	3.1		
Forecast operating expense on a non-GAAP basis	\$ 60.0	-	\$ 63.0
	Dollar range		
Forecast operating income (loss) on a GAAP basis	\$ (2.6)	-	\$ 7.4
Forecast amortization of intangibles	9.0		
Forecast share-based compensation charges	3.6		
Forecast operating income on a non-GAAP basis	\$ 10.0	-	\$ 20.0

The projected GAAP and non-GAAP financial information set forth in this table represent forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. For risk factors that could impact these projections, see our Annual Report on Form 10-K as filed with the SEC on June 13, 2008. We disclaim any obligation to update information in any forward-looking statement.

The non-GAAP financial information set forth in this table is not prepared in accordance with generally accepted accounting principles and may be different from non-GAAP financial information used by other companies.