



Building a portfolio of brands.

BUILDING A PORTFOLIO OF

BRANDS MATTER. THEY INFORM CHOICE, GUIDE CONSUMER DECISIONS,
BOTH COMMERCIAL AND RETAIL CHANNELS SUCCESSFULLY MANAGE COM



An enduring brand's continuing relationship with users generates profits and creates long-term shareholder value. Recognizing this, Imation is deliberately and methodically building a portfolio of strong brands.

We start from the strong Imation brand position as the market leader in IT for archival tape storage media. This stable to slowly declining market is estimated to exceed \$1.7 billion. Year after year, the magnetic tape industry improves the overall cost per unit of storage. This efficiency gain matches the 20 percent-plus annual growth in demand for storage capacity, driven by the explosion of business data.

Increasingly, digital information is created, shared and stored by individuals, whether in a professional setting or for personal use. Presentations, photos,



Frank P. Russomanno

President, Chief Executive Officer and Director

BRANDS.

CREATE LONG-TERM RELATIONSHIPS AND HELP
PLEX PRODUCT CATEGORIES.



music, video, and internet downloads have created a surge of digital information requiring personal storage products like recordable optical media and USB flash drives and cards. This \$14 billion market is estimated to be growing in aggregate five to ten percent annually, with growth in demand for storage capacity estimated to exceed 30 percent annually.

These market insights underlie our strategy and our transformation into a brand and product management company. As we optimize our commercial magnetic tape business, where we are the market leader, we are growing our product portfolio across other “pillars” of storage to include recordable optical, solid state flash and new and emerging product categories such as external and removable hard disk and solid state

disk. At the same time, we are growing our portfolio of brands and selectively extending certain brands across adjacent product categories of related audio and video consumer electronics products and accessories.

We are building a portfolio of brands based on empirical research. As a foundation for our acquisitions of Memorex, the TDK Recording Media business and the Memcorp business, we undertook extensive worldwide consumer research to gauge attitudes and brand awareness, which was augmented by a segmentation study of consumer behavior and motivation regarding storage media. With this knowledge we are able to target our portfolio of brands by product, region and channel, as we market our offerings based on our brands’ enduring relationships with end users.

02

OPEN UP OUR PORTFOLIO AND DISCOVER WHY OUR BRANDS MATTER.



imation



COMMERCIAL



I PLACE MY TRUST IN A BRAND THAT HAS PROTECTED
DATA FOR DECADES.

03

Our magnetic tape heritage stretches back more than 50 years. Imation leads the global market for magnetic tape, which is still our cornerstone commercial data storage product.

IT professionals who demand performance, innovation and service have come to rely on Imation magnetic tape – spanning entry-level, mid-range and data center environments – to deliver superior data storage capabilities that provide reliable and secure archiving.

We are growing the Imation commercial portfolio across other product pillars as well: recordable optical, including next-generation, high-capacity Blu-ray discs, as well as USB flash drives, solid state disks and removable hard drives – products designed for today's mobile professional, small businesses and the most demanding data centers.

Brand loyalists consider Imation a data storage pioneer who delivers a premium product line that keeps them ahead of the curve.



USER PROFILE

Barry is the IT specialist at a mid-sized health care firm. He's usually the last one to leave each night and always the one who expects the after-hours phone calls. Barry knows information is the lifeblood of his company. His chief concerns are convenient, secure access and reliable archive and backup. He reads professional journals religiously, attends the occasional conference and is the go-to source in a widespread network of peers for all things related to data storage. Barry looks for partners who understand his job and anticipate what's ahead. In this complex and demanding environment, his most trusted partner is Imation,

test run

BUILDING ON A 50-YEAR
LEGACY OF MAGNETIC TAPE
LEADERSHIP.



a brand he relies on to deliver consistent and reliable performance, innovation and service. One of his critical needs, backup and archival storage, is taken care of with LTO Ultrium 4 tape cartridges. Responding to performance demands of his organization, he recently specified the new Imation solid state disks for some of their servers. He regularly specifies and supplies Imation brand flash drives to his colleagues in sales. And whether at work or at home, he opts for Imation Blu-ray discs because high performance is his first and only priority.* imation.com

CONSUMER



MY BRAND TELLS THE WORLD ABOUT ME.

Early adopters crave performance and the latest innovations. Technology greenhorns appreciate simplicity. And the vast, influential majority looks for reliability, durability and longevity.

Within this wide-ranging audience, a brand must find its niche. The consumer “sweet spots” for the Imation brand are the young early adopter and the label-conscious buyer. For them, the brand is a status symbol, indicating a savvy approach to high performance. It offers a stylish ability to control, manage and access valuable data.

With a global footprint and especially strong appeal in Asia and Latin America, the Imation consumer brand is increasing the reach of existing products and capitalizing on emerging media categories.



USER PROFILE

Technology energizes Mi-Kyoung. She reads blogs on new developments in equipment and software. Her online social network asks for her opinion on the latest gadgets, and being viewed as an expert is important to her. At home, she plays video games, and she is so good that she has attained a rank of three-star general in her favorite game. Her job as a marketing researcher has her online all day. When she comes home after work, she brings important files with her on her Pivot Plus USB drive, which appeals to her not just for its capacity; but also for its encryption, keeping her data safe. Portable hard disk drives may be a

Savvy

A STYLISH ABILITY TO CONTROL, MANAGE AND
ACCESS PRICELESS DATA.



new product category for the everyday consumer, but for Mi-Kyoung they are already standard equipment, and she owns several. Imation satisfies Mi-Kyoung's discriminating needs with cutting-edge portable drives that add to the storage of her personal laptop when she goes away for the weekend. First among her peers to buy a Blu-ray recorder, Mi-Kyoung uses Imation Blu-ray discs to copy programming from her DVR. She proudly burns a copy of her favorite TV drama for later viewing on her HDTV when her friends come over for dinner and discussion about the latest plot twists.* imation.com

Memorex®





MY BRAND HELPS KEEP MY FAMILY CONNECTED, BRIDGING THE PAST AND THE PRESENT.

Memorex is one of the most successful and well-recognized consumer brands in modern marketing history. “Is it live or is it Memorex?”™ transcends generations, keeping the brand top-of-mind within the fast-paced retail environment.

With a leading market share for recordable CDs and DVDs in North America today, the Memorex brand gives consumers the ability to capture, save and share their digital music, photographs and videos. The Memorex brand is also carried on optical drives, media accessories such as label kits, storage cases and cleaners, home audio and video equipment and MP3 players. And with recent product extensions into digital picture frames, iPod® electronics accessories and LCD televisions, the Memorex brand is reaching into more and more households in more and more ways.

Memorex appeals to the family memory maker and memory keeper who values convenience and style. The brand has a place throughout her home, entertaining her family and bringing them together around their most cherished memories. In all its product categories, Memorex represents vitality, simplicity and connectivity for the contemporary lifestyle.



USER PROFILE

Life is an adventure for Kate. Her passion is her family – her husband Carl, son Brian and daughter Alicia. Kate finds their time together exciting and rewarding. Though she works part time, she attends every school performance, athletic event and family gathering with her digital camera and digital video recorder at her side. But as passionate as Kate is about her family, she is just as spirited about the products she buys. With her busy life, Kate doesn't have time to read complicated owner's manuals. She wants convenience, reliability and value when it comes to her growing digital storage needs. That's why she trusts Memorex. *Kate depends on the Memorex*

connections



brand to protect the inspiration and creativity she puts into her role as the chronicler of her family's memories. She uses Memorex CDs and DVDs to backup and store her photos and home videos. At the last family gathering, she gave her parents a Memorex digital picture frame filled with her most recent photos of the kids. Her new Memorex LCD TV enlivens the family room, where everybody gets together to enjoy weekly movie nights. And when her friends come over, they entertain themselves with karaoke, courtesy of Memorex. Kate even wakes up to her favorite music with her Memorex iWake™ clock radio, where she docks her iPod®.* memorex.com







MY BRAND ENRICHES MY LIFE EXPERIENCES.

Between the Memorex brand and the Imation consumer brand lies the TDK Life on Record™ brand.

Like Memorex, the TDK Life on Record brand appeals to the family memory keeper, except TDK Life on Record memory keepers are even more discerning and demanding. Quality is a necessity in all their purchases. These brand loyalists actively pursue better design and precision technology.

Like Imation, the TDK Life on Record brand appeals to the digitally driven consumer, except the digitally driven TDK Life on Record end users are more interested in applications and less interested in pure technology. Their goal is not to impress with technology, but to use technology to record, protect and, most important, relive their life stories.

Available worldwide but especially strong in Europe and Japan, the TDK Life on Record brand meets consumers' exacting demands for accessibility, creativity and longevity. From flash media to optical CDs and groundbreaking 8cm Blu-ray discs, the TDK Life on Record brand delivers products that hold an enviable position within the digitally driven, family-focused home.

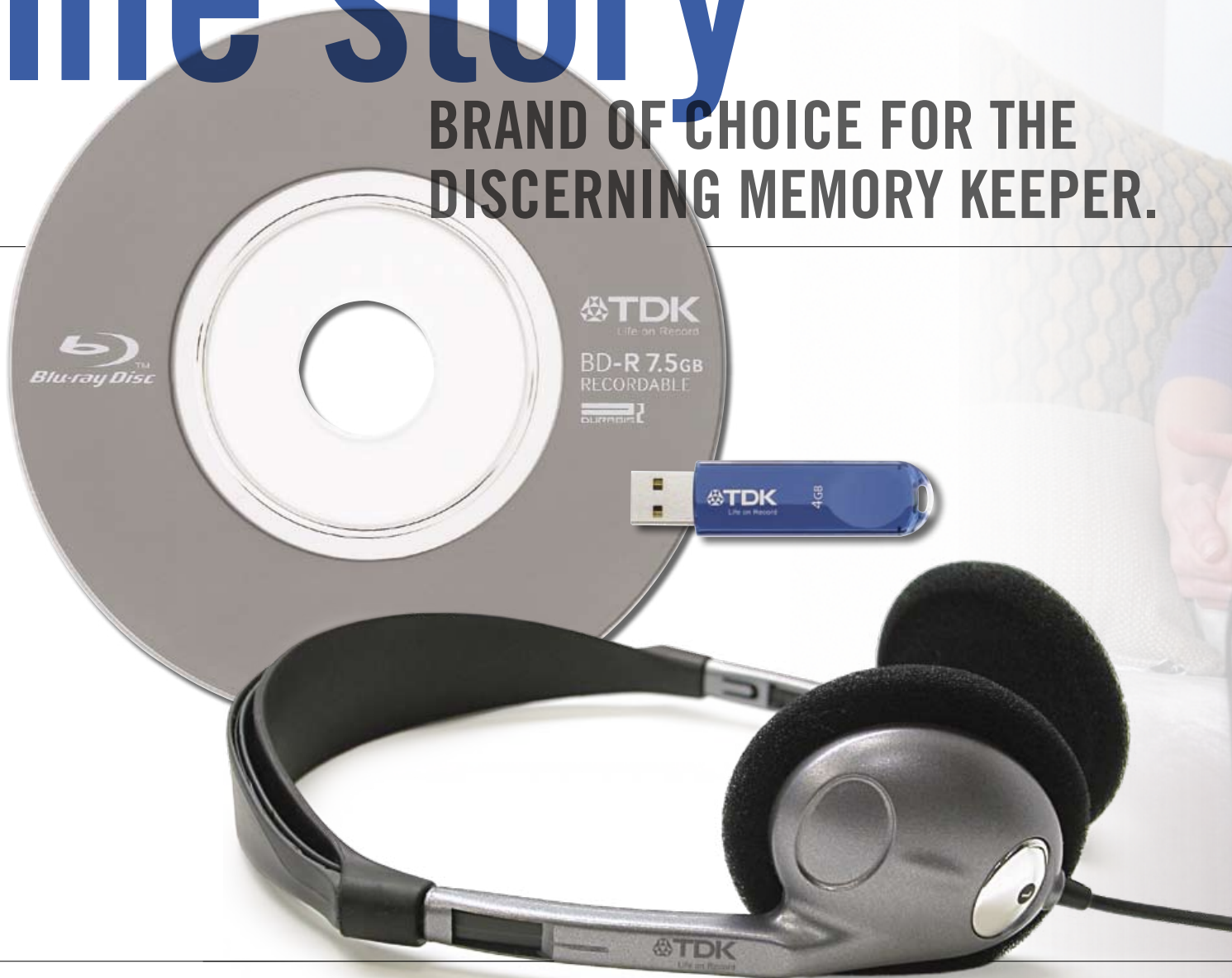


USER PROFILE

It's family first for Marco and Alessandra. They chose their home to be close to their extended family. They choose family vacations that reveal to their children the rich, indelible experiences of different regions and cultures. Both parents prefer to join in the fun, rather than view it from behind a camera lens. Yet some events are so poignant, so unique, so compelling, that it's vital to record and protect them, be they a baby's first steps or grandparents' fiftieth anniversary celebration. Marco and Alessandra have a story worth telling, and it is critical to them that they capture their life story. They trust one media brand to protect these irreplaceable memories:

life story

BRAND OF CHOICE FOR THE
DISCERNING MEMORY KEEPER.



TDK Life on Record brand. The brand has been with Marco and Alessandra since before they were a couple. Each brought to the marriage a collection of TDK VHS cassettes, which have since been transferred to TDK Life on Record DVDs. Marco makes music mixes on TDK Life on Record CDs, which remind him of good times long ago. Their cherished family videos, which they delight in playing back and reliving special moments, are always recorded using TDK Life on Record Blu-ray discs. And now, because the apple doesn't fall far from the tree, their children carry a TDK Life on Record flash drive wherever they go.* tdk-media.com

PARTNERSHIPS



HIGH-PROFILE DISTRIBUTION AND LICENSE AGREEMENTS LEVERAGE OUR CORE COMPETENCIES.

17

We sell our broad product portfolio through commercial and retail channels in more than 100 countries. Supporting this global footprint, we have international supply chain and sourcing, product design and development, and worldwide technical support.

Leveraging these strengths, we have created new business opportunities to expand our market reach and presence. Over the last several years, we have joined with premier companies to be their distribution partner for removable data storage media. Major brands we distribute include IBM and Sun StorageTek brand tape cartridges and HP Brand CD/DVD optical media products and accessories. We recently entered into a strategic relationship with Mtron Co., Ltd., a pioneer in Solid State Drive (SSD) technology and performance. Together, the two companies will develop and market SSD solutions with Imation brand SSD products “powered by Mtron” focused on high-growth areas of portable computing and enterprise server markets.

Brand license agreements are another area of growth potential. We teamed up with Viacom’s Nickelodeon brand in 2007 to create consumer electronics products under their Npower™ brand. Released in time for the holiday season, the Npower line provides kids with the latest technologies from Imation, designed around their favorite Nickelodeon characters and personalities.

**WITH THESE SUCCESS STORIES BEHIND US, WE LOOK FORWARD TO
AND LICENSING AGREEMENTS IN THE YEARS AHEAD.**



EXPANDING OUR LIST OF DISTRIBUTION PARTNERS

THE LAST WORD.

Imation's journey began nearly twelve years ago, built on a legacy of industry leadership in removable data storage media. We leveraged our global footprint, channel reach and expertise, broad product portfolio, and technology leadership to build a successful business focused on removable media and accessories for commercial and consumer end users. Today, as we build a portfolio of strong brands and expand beyond removable media into audio and video consumer electronics products and accessories, we are transforming Imation into a brand and product management company.

Through this change, one constant endures: our commitment to meeting customer needs. As technologies evolve and new applications emerge, Imation will continue to provide the products and brands that satisfy our customers' needs.

WELCOME TO THE NEW IMATION.



imation.com



memorex.com



tdk-media.com



Imation Corp.
1 Imation Way
Oakdale, MN 55128-3414
651-704-4000 phone
888-466-3456 toll-free
800-537-4675 fax
imation.com



Mixed Sources

Product group from well-managed
forests, controlled sources and
recycled wood or fiber
www.fsc.org Cert no. SW-COC-002309
© 1996 Forest Stewardship Council



PCF Processed
Chlorine Free



This publication is printed on Neenah Environment Ultra Bright White, Smooth 100-pound text, made with process-chlorine-free 80% post-consumer waste fiber. The paper is certified by Green Seal and the Forest Stewardship Council and was manufactured using 100% certified renewable energy. It is printed with soy inks.

© Imation 2008 52003 71006

Imation, the Imation logo, Memorex, 'Is it live or is it Memorex?' are trademarks of Imation Corp. and its subsidiaries. The TDK Life on Record logo is a trademark of TDK Corporation and is used under a license from TDK Corporation. All other trademarks are property of their respective owners.

