

For Immediate Release

SEAGATE EXPANDS CONSUMER ELECTRONICS LEADERSHIP WITH FIRST 5GB 1-INCH HARD DRIVE, FIRST 5GB COMPACTFLASH HARD DRIVE, AND NEW 400GB DVR HARD DRIVE

Seagate delivers a complete business and technology partnership that enables growth in the home and portable entertainment market segments

SCOTTS VALLEY, Calif.—14 June 2004— Seagate Technology (NYSE:STX) announced today it has greatly expanded its line of consumer electronics hard disc drives, unveiling the world's first 5GB 1-inch hard drive for hand-held applications, a new 400GB hard drive for DVR (digital video recorder) and home entertainment systems and the world's first 5GB 1-inch CompactFlash external hard drive to give consumers up to 5,000 Mbytes of storage for digital cameras.

The new products give Seagate the broadest offering of Consumer Electronics storage in the industry, capable of supplying storage for the entire spectrum of today's and tomorrow's revolutionary entertainment devices - from the home theater to the pocket media powerhouse. As the only hard drive company offering products for nearly every hard drive application, Seagate provides the global scale, supply and support that Consumer Electronics device makers need. Seagate delivers a complete business and technology partnership that enables growth in the home and portable entertainment market segments.

The new Seagate ST1 Series, the industry's first 1-inch hard drive to offer 2.5GB and 5GB capacities, lets consumers download larger libraries of higher-fidelity music to pocket players. Seagate's new and unique RunOn Technology eliminates music skipping caused by interference from jogging or walking motions. RunOn Technology senses a high motion environment and compensates for it, enabling the drive to find the music it's looking for.

The Seagate ST1 Series can hold up to 90 hours of high-quality music files (128 kbps), its time-to-ready is 2.5 seconds or less, and its unique rugged design will change the reputation of 1-inch hard drives, helping music players withstand the abuse that hand-held devices take. The ST1 Series disc drive is compatible with all existing integration standards for portable disc drive-based devices. ST1 Series drives are also compatible with all forms of digital media. Seagate listened to the music player market and has reinvented the 1-inch hard drive to compete with or beat flash memory in performance, reliability, battery life and cost.

The new Seagate CompactFlash Photo Hard Drive offers 2,500 Mbytes and 5,000 Mbytes of capacity for digital cameras in a tiny 1-inch size. Finally, consumers and professional photographers alike can choose massive capacities at a price far below solid state flash media, enabling them to complete a vacation or a full-scale professional photo shoot without carrying extra flash media. The Seagate CompactFlash Photo Hard Drive plugs into standard CompactFlash slots on many of today's digital video and still cameras.

The new Seagate DB35 Series hard drive offers 400GB, the industry's largest available capacity for digital video entertainment, enabling new television services such as video on demand, high-definition DVRs, and home media centers. The DB35 Series drive delivers up to 10 simultaneous streams of TV and Seagate's unique new DVR toolkit to let manufacturers custom-tune the drive for optimal DVR performance. This breakthrough feature set includes controls for video performance, power consumption control and content security. And because it's from Seagate, the drive provides long-haul reliability for worry-free DVR operation, year after year.

The Seagate DB35 Series drive is also available as a customizable external DVR storage solution enabling DVR makers and cable and satellite TV service providers to offer viewers more room to store programs.

"The compressed audio player market is one of the fastest-growing consumer electronic markets for hard drives. IDC forecasts the hard drive market for portable digital audio and media players to reach nearly 15 million units in 2007," said Dave Reinsel, IDC program director, storage research. "Consumers want the ability to carry more music and store higher quality photos. They need reliable and rugged storage at an affordable price. Products such as Seagate's new ST1 Series and the Seagate CompactFlash Photo Hard Drive are designed to meet these requirements."

"The availability of 400GB capacity in both internal and external DVR hard drives will feed the growing frenzy for DVRs, especially the demand for archiving power, which is addressed by Seagate's new products," says media analyst Paul Kagan. "Also, giving users the opportunity to customize their DVRs with tiered capacities on external drives will enable service providers and manufacturers of DVRs, cable and satellite set-top boxes to control both costs and inventories. That will open up a potentially major blockage in DVR deployment and spur usage in this burgeoning field."

"Millions of cable and satellite TV subscribers are now using digital video recorders, and consumers are demanding even greater amounts of storage capacity for their DVRs," according to Mike Paxton, senior analyst at technology research firm In-Stat/MDR. "Seagate's DB35 Series internal and external hard drives provide both pay-TV service providers and consumer electronics manufacturers the ability to integrate, expand and customize the storage capacity on their DVR products," he says.

Seagate ships hard drives to most of the world's leading DVR makers, including Toshiba, Thomson, Pioneer, Pace, Nokia, Motorola and Echostar. Based on direct customer input at its CE Design Service Centers, Seagate develops drives to deliver the features CE manufacturers ask for - quiet acoustics, high reliability and top streaming performance. Seagate's unique Advanced Manufacturing capabilities give customers flexibility; automated factory lines can adapt within hours to meet unexpected requirements during a sudden demand swell for a popular CE system. Seagate consumer electronics engineers are ready to help solve integration issues at the company's unique Design Service Centers. Seagate is the only hard drive company to provide CE manufacturers with a comprehensive partnership: products, technology and services.

For details about each new Seagate product, please visit <http://specials.seagate.com/spectrum>. The Seagate ST1 Series disc drive will begin shipping during the summer. The Seagate CompactFlash Photo Hard Drive is expected to be on store shelves this summer. The Seagate DB35 Series will begin shipping in Fall 2004.

Seagate is the worldwide leader in the design, manufacturing and marketing of hard disc drives, providing products for a wide range of Enterprise, PC, Notebook and Consumer Electronics applications. The company is committed to delivering award-winning products, customer support and reliability, to meet the world's growing demand for information storage. Seagate can be found around the globe and at www.seagate.com.

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