



IOMEGA CORPORATION
CONDENSED STATEMENTS OF OPERATIONS - QTD
(In thousands, except per share data)
(Unaudited)

	For the Three Months Ended					
	July 3, 2005	% of Sales	June 27, 2004	% of Sales	Apr. 3, 2005	% of Sales
Sales	\$65,736	100.0%	\$77,642	100.0%	\$72,930	100.0%
Cost of Sales	52,209	79.4%	62,861	81.0%	56,385	77.3%
Gross margin	13,527	20.6%	14,781	19.0%	16,545	22.7%
Operating Expenses:						
Selling, general and administrative	16,129	24.5%	24,057	31.0%	18,215	25.0%
Research and development	4,116	6.3%	6,704	8.6%	4,104	5.6%
License and patent fees	(405)	(0.6%)	0	0.0%	(7)	(0.0%)
Restructuring charges (reversals)	(41)	(0.1%)	152	0.2%	235	0.3%
Total operating expenses	19,799	30.1%	30,913	39.8%	22,547	30.9%
Operating Loss	(6,272)	(9.5%)	(16,132)	(20.8%)	(6,002)	(8.2%)
Interest and other income and expense, net	(307)	(0.5%)	(207)	(0.3%)	(454)	(0.6%)
Loss Before Income Taxes	(6,579)	(10.0%)	(16,339)	(21.0%)	(6,456)	(8.9%)
(Provision) Benefit for Income Taxes	179	0.3%	(3,454)	(4.4%)	531	0.7%
Net Loss	(\$6,400)	(9.7%)	(\$19,793)	(25.5%)	(\$5,925)	(8.1%)
Loss Per Share	(\$0.12)		(\$0.38)		(\$0.11)	
Weighted Average Common Shares Outstanding	51,612		51,529		51,611	

PRODUCT SALES AND PROFIT MARGINS - QTD
(In thousands)
(Unaudited)

	For the Three Months Ended					
	July 3, 2005	% of Sales	June 27, 2004	% of Sales	Apr. 3, 2005	% of Sales
Sales:						
<u>Consumer Products:</u>						
Zip	\$16,778	25.5%	\$32,319	41.6%	\$20,145	27.6%
Consumer Storage Solutions (1)	33,147	50.4%	32,731	42.2%	36,449	50.0%
<u>Business Products:</u>						
REV	11,141	16.9%	7,491	9.6%	12,093	16.6%
Network Storage Systems	4,154	6.3%	3,973	5.1%	3,785	5.2%
Other Products (2)	516	0.8%	1,128	1.5%	458	0.6%
Total Sales	\$65,736		\$77,642		\$72,930	
Product Profit Margin (Loss):						
<u>Consumer Products:</u>						
Zip	\$7,717		\$10,675		\$10,062	
Consumer Storage Solutions (1)	(2,160)		(1,195)		(881)	
<u>Business Products:</u>						
REV	(1,584)		(6,671)		(1,818)	
Network Storage Systems	33		317		(299)	
Other Products (2)	562		(2,480)		93	
Total Product Profit Margin	4,568		646		7,157	
Common:						
General corporate expenses	(10,881)		(16,626)		(12,924)	
Restructuring (charges) reversals	41		(152)		(235)	
Interest and other income and expense, net	(307)		(207)		(454)	
Loss Before Income Taxes	(\$6,579)		(\$16,339)		(\$6,456)	

(1) Consumer Storage Solutions is comprised of optical, hard disk, flash and floppy drives.

(2) Other Products is comprised of Jaz, Peerless, PocketZip and other miscellaneous products, and the DCT Development Program in the case of PPM/product loss.



IOMEGA CORPORATION
CONDENSED STATEMENTS OF OPERATIONS - YTD
(In thousands, except per share data)
(Unaudited)

	For the Six Months Ended			
	July 3, 2005	% of Sales	June 27, 2004	% of Sales
Sales	\$138,666	100.0%	\$161,768	100.0%
Cost of Sales	108,594	78.3%	122,637	75.8%
Gross margin	30,072	21.7%	39,131	24.2%
Operating Expenses:				
Selling, general and administrative	34,344	24.8%	47,376	29.3%
Research and development	8,220	5.9%	13,169	8.1%
License and patent fees	(412)	(0.4%)	0	0.0%
Restructuring charges	194	0.1%	698	0.4%
Total operating expenses	42,346	30.5%	61,243	37.9%
Operating Loss	(12,274)	(8.9%)	(22,112)	(13.7%)
Interest and other income and expense, net	(761)	(0.5%)	223	0.1%
Loss Before Income Taxes	(13,035)	(9.4%)	(21,889)	(13.5%)
(Provision) Benefit for Income Taxes	710	0.5%	(2,769)	(1.7%)
Net Loss	(\$12,325)	(8.9%)	(\$24,658)	(15.2%)
Loss Per Share	(\$0.24)		(\$0.48)	
Weighted Average Common Shares Outstanding	51,611		51,528	

PRODUCT SALES AND PROFIT MARGINS - YTD
(In thousands)
(Unaudited)

	For the Six Months Ended			
	July 3, 2005	% of Sales	June 27, 2004	% of Sales
Sales:				
<u>Consumer Products:</u>				
Zip	\$36,923	26.6%	\$76,539	47.3%
Consumer Storage Solutions (1)	69,596	50.2%	67,857	41.9%
<u>Business Products:</u>				
REV	23,234	16.8%	7,491	4.6%
Network Storage Systems	7,939	5.7%	7,365	4.6%
Other Products (2)	974	0.7%	2,516	1.6%
Total Sales	\$138,666		\$161,768	
Product Profit Margin (Loss):				
<u>Consumer Products:</u>				
Zip	\$17,779		\$28,842	
Consumer Storage Solutions (1)	(3,041)		(724)	
<u>Business Products:</u>				
REV	(3,402)		(12,286)	
Network Storage Systems	(266)		(494)	
Other Products (2)	655		(4,287)	
Total Product Profit Margin	11,725		11,051	
Common:				
General corporate expenses	(23,805)		(32,465)	
Restructuring charges	(194)		(698)	
Interest and other income and expense, net	(761)		223	
Loss Before Income Taxes	(\$13,035)		(\$21,889)	

(1) Consumer Storage Solutions is comprised of optical, hard disk, flash and floppy drives.

(2) Other Products is comprised of Jaz, Peerless, PocketZip and other miscellaneous products, and the DCT Development Program in the case of PPM/product loss.



IOMEGA CORPORATION
CONDENSED BALANCE SHEETS
(In thousands)
(Unaudited)

	July 3, 2005	Apr. 3, 2005	Dec. 31, 2004
ASSETS:			
Cash and cash equivalents	\$86,467	\$77,871	\$103,403
Restricted cash	259	278	0
Temporary investments	23,128	26,050	17,406
Total cash	109,854	104,199	120,809
Trade receivables	18,163	29,395	30,764
Inventories	21,599	34,135	31,345
Deferred taxes	7,056	8,475	9,710
Other current assets	4,923	6,063	7,045
Total Current Assets	161,595	182,267	199,673
Property and equipment, net	10,851	12,377	13,563
Intangible and other assets	13,475	14,045	14,266
	<u>\$185,921</u>	<u>\$208,689</u>	<u>\$227,502</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:			
Accounts payable	\$23,734	\$33,584	\$35,166
Income taxes payable	291	598	664
Other current liabilities	51,135	55,933	65,607
Total Current Liabilities	75,160	90,115	101,437
Deferred taxes	19,694	21,293	22,537
Long-term liabilities	99	140	721
Stockholders' equity	90,968	97,141	102,807
	<u>\$185,921</u>	<u>\$208,689</u>	<u>\$227,502</u>

CONDENSED STATEMENTS OF CASH FLOWS - YTD
(In thousands)
(Unaudited)

	For the Six Months Ended	
	July 3, 2005	June 27, 2004
Cash Flows from Operating Activities:		
Net Loss	(\$12,325)	(\$24,658)
Revenue and Expense Adjustments	4,830	10,555
	(7,495)	(14,103)
Changes in Assets and Liabilities:		
Trade receivables	12,893	9,415
Restricted cash	(259)	(50)
Inventories	8,766	1,930
Other current assets	2,122	(1,312)
Accounts payable	(11,472)	(2,900)
Accrued restructuring	(2,194)	(2,367)
Other current liabilities and income taxes	(12,658)	(16,838)
Net cash used in operating activities	<u>(10,297)</u>	<u>(26,225)</u>
Cash Flows from Investing Activities:		
Purchases of property and equipment	(829)	(7,770)
Proceeds from sales of assets	641	101
Initial investment in ByteTaxi (net of \$171,000 cash)	(44)	0
Sales of temporary investments	27,464	161,326
Purchases of temporary investments	(33,174)	(181,182)
Net change in other assets and other liabilities	(663)	(878)
Net cash used in investing activities	<u>(6,605)</u>	<u>(28,403)</u>
Cash Flows from Financing Activities:		
Payment of debt	(40)	0
Proceeds from sales of Common Stock	6	10
Net cash provided by (used in) financing activities	<u>(34)</u>	<u>10</u>
Net Decrease in Cash and Cash Equivalents	<u>(16,936)</u>	<u>(54,618)</u>
Cash and Cash Equivalents at Beginning of Period	<u>103,403</u>	<u>122,591</u>
Cash and Cash Equivalents at End of Period	<u>\$86,467</u>	<u>\$67,973</u>