



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

	For the Three Months Ended					
	Mar. 30, 2008	% of Sales	Apr. 1, 2007	% of Sales	Dec. 31, 2007	% of Sales
Sales	\$ 95,900	100.0%	\$ 75,984	100.0%	\$ 120,644	100.0%
Cost of Sales	81,927	85.4%	61,681	81.2%	99,783	82.7%
Gross margin	13,973	14.6%	14,303	18.8%	20,861	17.3%
Operating Expenses:						
Selling, general and administrative ⁽¹⁾	10,615	11.1%	10,120	13.3%	14,610	12.1%
Research and development	1,929	2.0%	1,739	2.3%	2,711	2.2%
License and patent fee income	(1,278)	(1.3%)	(350)	(0.5%)	(3,500)	(2.9%)
Goodwill impairment charge	-	0.0%	1,710	2.3%	-	0.0%
Restructuring reversals	-	0.0%	(38)	(0.1%)	(109)	(0.1%)
Total operating expenses	11,266	11.7%	13,181	17.3%	13,712	11.4%
Operating Income	2,707	2.8%	1,122	1.5%	7,149	5.9%
Interest and other income and expense, net	229	0.2%	255	0.3%	1,083	0.9%
Income Before Income Taxes	2,936	3.1%	1,377	1.8%	8,232	6.8%
Provision for Income Taxes	(991)	(1.0%)	(228)	(0.3%)	(1,710)	(1.4%)
Net Income	\$ 1,945	2.0%	\$ 1,149	1.5%	\$ 6,522	5.4%
Net Income Per Share	\$ 0.04		\$ 0.02		\$ 0.12	
Diluted Income Per Share	\$ 0.04		\$ 0.02		\$ 0.12	
Weighted Average Common Shares Outstanding	54,765		54,733		54,764	
Weighted Average Common Shares Outstanding - Assuming Dilution	55,384		54,979		55,305	

(1) Q1 2008 and Q4 2007 includes \$0.7 million and \$1.2 million of professional fees paid to 3rd parties in connection with the anticipated ExcelStor Group and/or EMC acquisition, respectively.

PRODUCT SALES AND OPERATING INCOME (LOSS) - QTD

(In thousands)
(Unaudited)

	For the Three Months Ended					
	Mar. 30, 2008	% of Sales	Apr. 1, 2007	% of Sales	Dec. 31, 2007	% of Sales
Sales:						
Consumer Products:						
Consumer Storage Solutions ⁽¹⁾	\$ 74,989	78.2%	\$ 52,489	69.1%	\$ 96,863	80.3%
Zip	2,803	2.9%	5,518	7.3%	2,853	2.4%
Business Products:						
REV	6,835	7.1%	11,204	14.7%	9,186	7.6%
Network Storage Systems ⁽²⁾	9,078	9.5%	4,738	6.2%	8,949	7.4%
Services ⁽³⁾	1,984	2.1%	1,892	2.5%	2,763	2.3%
Other Products	211	0.2%	143	0.2%	30	0.0%
Total Sales	\$ 95,900		\$ 75,984		\$ 120,644	
Product Operating Income (Loss):						
Consumer Products:						
Consumer Storage Solutions ⁽¹⁾	\$ (999)		\$ 354		\$ 2,641	
Zip ⁽⁴⁾	1,543		355		1,056	
Business Products:						
REV	272		304		252	
Network Storage Systems ⁽²⁾	700		409		(206)	
Services ⁽³⁾	(99)		(520)		(51)	
Other Products ^{(5) (6)}	1,290		182		3,348	
Restructuring reversals	-		38		109	
Operating Income	\$ 2,707		\$ 1,122		\$ 7,149	

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

(2) Includes Network HDD drives.

(3) Includes the System Integration and Managed Services businesses of CSCI, Inc. and miscellaneous Iomega services.

(4) Q1 2007 included a pre-tax, non-cash \$1.7 million goodwill impairment charge.

(5) Q4 2007 includes a pre-tax, cash benefit of \$3.5 million related to a prior license of intellectual property.

(6) Q1 2008 includes a pre-tax, cash benefit of \$1.3 million related to patent sales and license of intellectual property.



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

	Mar. 30, 2008	Dec. 31, 2007
ASSETS:		
Cash and cash equivalents	\$ 39,699	\$ 53,559
Restricted cash	107	93
Temporary investments	7,909	9,961
Total cash	47,715	63,613
Trade receivables, net	41,000	41,101
Inventories	59,078	79,883
Deferred income taxes	2,175	2,175
Other current assets	3,323	2,902
Total Current Assets	153,291	189,674
Property and equipment, net	3,452	3,867
Long-term cash investments	-	1,000
Intangible and other assets	10,617	10,667
	<u>\$ 167,360</u>	<u>\$ 205,208</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Accounts payable	\$ 26,148	\$ 61,951
Income taxes payable	3,839	3,368
Other current liabilities	23,196	27,862
Total Current Liabilities	53,183	93,181
Deferred income taxes	7,644	8,220
Long-term liabilities	2,983	2,652
Stockholders' equity	103,550	101,155
	<u>\$ 167,360</u>	<u>\$ 205,208</u>

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

	For the Three Months Ended	
	Mar. 30, 2008	Apr. 1, 2007
Cash Flows from Operating Activities:		
Net Income	\$ 1,945	\$ 1,149
Revenue and Expense Adjustments ⁽¹⁾	1,104	2,246
	3,049	3,395
Changes in Assets and Liabilities:		
Trade receivables	337	7,325
Restricted cash	(14)	-
Inventories	20,352	901
Other current assets	(421)	444
Accounts payable	(35,803)	225
Accrued restructuring	-	(1,501)
Other current liabilities and income taxes	(4,195)	(2,178)
Net cash used in operating activities	<u>(16,695)</u>	<u>8,611</u>
Cash Flows from Investing Activities:		
Purchases of property and equipment	(263)	(117)
Proceeds from sales of assets	2	49
Sales of temporary investments	8,075	3,704
Purchases of temporary investments	(4,984)	(2,054)
Net change in other assets and other liabilities	-	44
Net cash provided by investing activities	<u>2,830</u>	<u>1,626</u>
Cash Flows from Financing Activities:		
Proceeds from sales of Common Stock	5	2
Tax benefit from dispositions of employee stock	-	-
Net cash provided by financing activities	<u>5</u>	<u>2</u>
Net (Decrease) Increase in Cash and Cash Equivalents	<u>(13,860)</u>	<u>10,239</u>
Cash and Cash Equivalents at Beginning of Period	<u>53,559</u>	<u>56,617</u>
Cash and Cash Equivalents at End of Period	<u>\$ 39,699</u>	<u>\$ 66,856</u>

(1) 2007 includes a \$1.7 million non-cash, goodwill impairment charge.