

Data Domain, Inc. Takeover Unfair? Shareholder Investigations announced

By Shareholders Foundation, Inc.

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Investigation on behalf of Data Domain, Inc. investors (Public, NASDAQ:DDUP) alleged unfair takeover price – Contact the Shareholders Foundation, Inc. at mail@shareholdersfoundation.com

SAN DIEGO, CA (Shareholders Foundation) – EMC and NetApp are battling about Data Domain. So far EMC and NetApp have offered \$30 per share of Data Domain with a all cash offer by EMC and a cash and stock offer by NetApp. Investigations by law firms on behalf of current investors in Data Domain, Inc.(Public, NASDAQ:DDUP) allege the price is too low and unfair to Data Domain shareholders.

Those who currently are investors in Data Domain, Inc.(Public, NASDAQ:DDUP) and purchased the shares before May 20, 2009 have certain options and should contact the Shareholders Foundation, Inc. at:

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EMC Corporation (NYSE: EMC), the world leader in information infrastructure solutions, today proposed to acquire all of the outstanding common stock of Data Domain, Inc. (Nasdaq: DDUP) for \$30.00 per share in cash, a transaction with a total enterprise value of approximately \$1.8 billion. EMC's all-cash proposal is superior to the proposed NetApp transaction providing Data Domain stockholders greater value and certainty. EMC's proposal is not subject to a financing or due diligence contingency, and the company will use existing cash balances to finance the transaction. EMC is promptly commencing a tender offer for all outstanding Data Domain common stock in order to expedite the timing of this transaction. The proposal was unanimously approved by the EMC Board of Directors. Previously NetApp Inc. announced last week that it agreed to buy data backup and disaster recovery systems provider Data Domain Inc.(Public, NASDAQ:DDUP) for \$25 per share in cash and stock. Under the terms of the NetApp offer, Data Domain shareholders will receive \$11.45 in cash and between 0.682 and 0.833 shares of NetApp stock for each share of Data Domain they own. Based on the closing price of NetApp stock prior to the announcement, the transaction is valued at approximately \$25 per share, or about \$1.5 billion. NetApp intends to operate Data Domain as a product line within NetApp's product operations organization. NetApp said it has the "distribution channels and international reach to offer Data Domain products to more customers, accelerating growth and market adoption." According to an investigation by a law firm the investigation focuses on breaches of fiduciary duty and other violations of state law by the Board of Directors of Data Domain arising out of their agreement to sell Data Domain to NetApp. The transaction, so the investigation, appears to be unfair because, based on the average closing price of NetApp stock for the last six-months, the transaction is worth only about \$24 per share, which represents a negligible premium to Data Domain's \$23.61 share price of as recently as September 25, 2008. Furthermore, the sales process Data Domain conducted was flawed given that, in contravention of their fiduciary duties to maximize shareholder value, Data Domain's Board would agree to a "no-shop" provision and a \$57 million termination fee which will ensure no superior offer will ever be forthcoming, so the investigation. Data Domain, Inc. is a provider of deduplication storage systems for backup, archive and other nearline applications. Data Domain deduplication storage systems are designed to deliver solutions that enable enterprises of all sizes to manage, retain and protect their data. Data Domain, Inc. is located in Santa Clara California and had \$123.62million in total revenue in 2007 and \$274.08million in total revenue with a net income of \$21.59million in 2008. Shares of Data Domain, Inc. (NASDAQ: DDUP) closed at \$17.91 per share on Wednesday, May 20, 2009, but traded after hours at \$23.98 per share. DDUP shares were down from a

52weekHigh of \$25.16 per share and reached \$39.24 per share in October 2007.

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