

Verdasys Partner Mitsui Bussan Secure Directions (MBSD) Establishes Key Distribution Relationship with Hitachi Systems & Services

Hitachi Systems & Services to Offer Digital Guardian-Based Solutions in Japan

Waltham, MA – May 23, 2006 – Verdasys Inc., developers of Digital Guardian, the world’s most comprehensive global data security platform, today announced that its Japanese distribution partner Mitsui Bussan Secure Directions, Inc (MBSD) has formed a strategic partnership with Hitachi Systems & Services, Ltd. (Hitachi Systems) that will include the resale of Verdasys Digital Guardian solutions in Japan. Hitachi Systems will now offer Digital Guardian as part of its overall systems integration solutions offerings to the Japanese data security market place.

“We were extremely impressed with Digital Guardian’s unique capabilities to centrally monitor, audit and control the use of data across global operations and within complex supply chains, without having to modify existing business processes,” said Mr. Masayoshi Maki, Vice President and Executive Office General Manager, Network & Security Solutions Division for Hitachi Systems.

“Digital Guardian’s ability to log and audit user data transactions and block prohibited actions will allow Japanese enterprises to demonstrate compliance with imminent Japanese SOX and recent PIPA requirements,” said Kazu Nomura, President and CEO of MBSD. All Japanese companies must comply with Japanese SOX starting in 2008.

“We have enjoyed working with MBSD in delivering the most comprehensive data security solutions in the world to the Japanese market and we are very pleased with this new agreement with Hitachi Systems,” said Seth Birnbaum, CEO of Verdasys. “Hitachi Systems is a well known and respected system integrator in Japan and we look forward to working with them in providing an economically compelling approach to the protection of valuable data.”

About Hitachi Systems & Services, Ltd. (Hitachi Systems)

Hitachi Systems & Services, Ltd. provides system integration services in financial, public, manufacturing, and distribution market segments nationwide with its highly trusted information technologies. HSAS is now focusing efforts on security solutions in offices including “preventing personal and sensitive information leakage”, “preventing loss of PCs”, and “preventing virus flow internally”, and offers “Prowise.Security” as a system solution menu. For more information please visit www.hitachi-system.co.jp/.

About Mitsui Bussan Secure Directions, Inc. (MBSD)

Mitsui Bussan Secure Directions, Inc. provides high quality, value-added information security services that help raise customers' corporate value. MBSD is expanding its business by focusing on internet security, inner corporate information security management, and secure communication. MBSD achieves customer satisfaction by providing services utilizing a high level of technical ability and mobility. For more information please visit <http://www.mbsd.jp/>.

About Verdasys, Inc.

Verdasys is leading the industry in providing global data security solutions based on innovative “point of use” technologies. Our Digital Guardian platform is in use by government agencies and by leaders in financial, pharmaceutical, insurance, healthcare, manufacturing, entertainment, and other industries around the world. Verdasys customers use Digital Guardian to complement their existing security technologies in order to comprehensively protect data wherever it’s used. Verdasys is headquartered in Waltham, MA. For more information please visit <http://www.verdasys.com>.

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