



For Immediate Release

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Crossroads Systems Announces Reseller Agreement with Leading European Storage Integrator, Bull, to Deliver Data Protection in Over 100 Countries

Bull Chooses Crossroads ReadVerify™ Appliance (RVA) as its Storage Verification Solution for Defense, Finance, Healthcare, Manufacturing, Governmental and Telecommunication Customers

Austin, Texas – October 18, 2007 - Crossroads Systems, Inc. (OTCBB Pink Sheets: CRDS.PK), a leading provider of data protection and Business Information Assurance (BIA) solutions, today announced its new partnership with one of the world's largest technological pioneers and most reputable European-based Storage Solutions provider, Bull, through which they will market Crossroads data protection solutions.

THE PROBLEM: Data Loss

Corporations are obligated to meet regulatory and health compliancy standards, which are driving ever-increasing data retention requirements. Tape backups are an integral part of corporate backup strategies. However, it is estimated that 33 percent of data written to tape media cannot be recovered. Bull sought a powerful, flexible and highly-secured solution to help its customers meet business and compliance requirements for data recovery in a timely and cost-effective manner.

THE SOLUTION: Crossroads SurePath RVA

Crossroads' SurePath ReadVerify Appliance (RVA) is a simple plug-and-play appliance that monitors and verifies the readability of data written to tape. As RVA proactively alerts and reports on the potential tape media degradation and the overall health of a backup environment, customers gain such high return-on-investments benefits that, within days, companies can self-justify purchase costs through substantial overall IT cost reductions.

Bull Selects Crossroads SurePath RVA

With more than 40 years of expertise in research, development and deployment, Bull is announcing that it has selected Crossroads for its advanced StoreWay data protection solutions as Bull's tape media storage verification solution. Given the ease of use of Crossroads ReadVerify Appliance and its extensive market needs, RVA will initially be sold by Bull to its customers who are spread across more than 100 countries.

Just as Europe's leading high-technology, financial and defense organizations rely on Bull's trusted expertise to protect their most sensitive and business-critical information, Bull sought a reliable tape assurance solution from a reputable vendor. Crossroads, a leading data protection provider with a solid track record, has continuously delivered robust, affordable and high-performance solutions globally.

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"Capitalizing on its extensive business experience and integration expertise throughout European markets, Bull delivers a premier portfolio of innovative and advanced storage solutions" said Benoit Hallez, Director of the StoreWay Business Unit at Bull. "As many of the most sensitive high-tech, financial and defense organizations in Europe rely on Bull Storage solutions for ensuring access to critical business information, we feel confident that by reselling Crossroads ReadVerify Appliance our customers will benefit from higher levels of data protection by addressing a problem area neglected by most storage integrators. Crossroads RVA benefits all companies and governmental organizations utilizing tape media by verifying against tape degradation and ensuring the protection of their critical data infrastructure."

Bull sees RVA as a important addition to its StoreWay portfolio of data protection products. Crossroads' ReadVerify Appliance gives Bull's customers valuable insight on the performance of their tape drives, highlighting performance and/or drive utilization issues. Being able to monitor the use and performance gives customers comprehensive tools to diagnose backup problems, and allows for improvement of a customer's backup window. Additionally, RVA provides a view of drive and media errors, and will alert customers when problems begin to surface. In this way, Bull's customers can proactively manage backup assets and correct problems before they result in data loss.

"Given Bull's extensive customer-base and its recognized storage expertise, we believe that this significant agreement will greatly enhance the end-customer satisfaction, industry leadership and corporate growth of both companies, resulting in a very successful, financially-rewarding, long-lasting and expanding relationship," said Herbert Grau, Executive Vice-President, Crossroads Systems.

About ReadVerify Appliance

Crossroads ReadVerify Appliance is a non-intrusive, high-performance and highly-reliable appliance verifying and monitoring the overall health of physical backup environments. As tape degradation is inevitable and compliance requirements such as HIPAA, SOX and the Federal Rules of Civil Procedure (FRCP) on electronically stored information (ESI) demand successful restoration and recovery of data, RVA is one of the only affordable solutions that proactively notifies IT administrators of physical backup environment degradation prior to backup failure.

Since the release of RVA in February 2007, companies of all sizes have acknowledged the need for data restoration assurance solutions like RVA including: OnRamp, Farm Credit Bank of Texas, Texas Advanced Computing Center (TACC) and San Diego Supercomputer Center. By choosing RVA, Crossroads customers have realized the following benefits:

- **Immediate ROI** through better capital and media resource management practices. Customers have noticed up to 50 percent in savings within weeks.
- **Improved Performance** via real-time reporting capabilities. RVA offers relevant performance-specific information to the drives, while delivering real-time trend analysis via intuitive graphs and charts which are currently not available through backup applications. As such, customers can rapidly detect issues, which they would not have noticed previously, fine-tune their environment and maximize the utilization of their entire system.

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- **Reliable Data Assurance** by operating in a complimentary, compatible and non-disruptive way with existing ISV backup systems and processes. RVA reports on the health of its media environment. RVA provides attributes-specific data about drives, media and libraries that typically causes nearly 30 percent of backup failure. IT administrators can easily avoid data losses by receiving pro-active alerts which are not traditionally provided by backup application solutions. Rather than wasting efforts and resources performing backups on damaged equipment, IT storage and backup administrators can complete backup activities once and be assured that they will be able to recover data when needed.

As Bull wants to deliver practical data protection solutions to its entire clientele, Bull will initially be reselling three models of ReadVerify Appliance:

- RV50f offers alerting and reporting on tape libraries of 50 slots or less
- RV100f proactively monitors mid-sized tape libraries of 100 to 1500 slots
- RV200f verifies data readability on enterprise-class libraries of 2000 slots and more

To select the right solution that matches your current and upcoming business needs, contact your Bull representative at: storeway_contact@marketing.bull.net or Crossroads specialist at sales@crossroads.com / 1-512-349-0300.

For more information regarding RVA and its proven ROI, please visit: <http://www.crossroads.com/products/surepath/rva>

About Bull, Architect of an Open World™

As one of the leading European IT companies, Bull delivers open, flexible and secure information systems. The group helps public and private sector customers transform their information systems, applying its know-how and expertise in three main areas:

- Capitalizing on its extensive mainframe experience, Bull designs and produces robust, innovative and open servers, based on industry-standard technologies;
- Building on its alliances with leading ISVs and long-standing involvement with Open Source, Bull develops and implements flexible and interoperable application infrastructures which give business processes the freedom to evolve;
- Bringing together recognized expertise in end-to-end IT security, Bull secures data and exchanges that are so critical in preserving customers' business integrity.

Bull has a particularly strong presence in the public, healthcare, finance, telecommunications, manufacturing and defense sectors. Its distribution network and business partners cover more than 100 countries worldwide. For more information visit: <http://www.bull.com>

About Crossroads Systems, Inc.

Headquartered in Austin, Texas, Crossroads Systems is a leading provider of Business Information Assurance (BIA) solutions. Crossroads' solutions serve the growing needs of data storage, business continuity, disaster recovery, information protection, risk management and BIA markets. Crossroads' offerings help companies store, manage and ensure the security, resiliency and access to their most important asset—critical data. Crossroads' products are embedded in leading industry companies' solutions including EMC, HP, Quantum and Sun

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Microsystems. Crossroads (CRDS.PK) is traded on the Over the Counter Bulletin Board (OTCBB) and is a member of key industry associations including the Storage Networking Industry Association (SNIA). For more information about Crossroads Systems, please visit www.crossroads.com or call 1-866-BUY-CRDS / 1-866-643-7148.

Forward-Looking Statements

This release may include forward-looking statements. The words "believe," "expect," "intend," "plan," "project," "will" and similar phrases as they relate to Crossroads are intended to identify such forward-looking statements. These statements reflect the current views and assumptions of Crossroads and are subject to various risks and uncertainties that could cause actual results to differ materially from expectations.

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