



PRESS RELEASE

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FOR IMMEDIATE RELEASE

Crossroads SPHiNX Offers Platform for Small Businesses, Extends Capacity for Large Users

Latest Crossroads SPHiNX Virtual Tape Appliance Offers New Platform for Organizations with Limited Budgets While Also Adding Additional Capacity and Connectivity

Austin, Texas and St. Petersburg, Florida – October 3, 2011 – Crossroads Systems, Inc. (NASDAQ: CRDS), a global provider of solutions and services that ensure stored data is proactively protected and reliably recovered, released SPHiNX™ 8.1, the industry's most cost-effective virtual tape appliance that serves as a comprehensive disaster recovery solution.

SPHiNX offers a common platform to address critical data protection needs in a high-performance manner – reducing data management and storage complexities through a fully integrated end-to-end backup solution.

Featured in booth #7 at the 2011 COMMON Fall Conference & Expo in the Hilton St. Petersburg Bayfront, the latest release of SPHiNX is designed to expand its reach to small businesses as well as the largest enterprises. Launched in 2009, SPHiNX initially addressed the needs of mid-sized organizations. Today's launch opens the benefits of SPHiNX to nearly any sized organization.

SPHiNX expands its current portfolio of 2U and 3U form factor appliances to now offer a new 1U platform that addresses disaster recovery needs for small businesses with limited budgets. Additionally, the SPHiNX 3U can now be deployed in the world's largest organizations and data centers, offering up to 35TB of usable storage capacity (if 3:1 reduction, then 105TB of effective storage, etc) internally available in the appliance itself.

Other enhancements with the release of SPHiNX 8.1 include SAS host connectivity, wide area network (WAN) acceleration licensed options to maximize replication performance, and Unisys ClearPath MCP host support.

“Crossroads has expanded the SPHiNX product line to address data protection and disaster recovery needs for all enterprises, both large and small,” said Glenn Haley, senior product manager at Crossroads Systems. “This latest expansion for SPHiNX underscores Crossroads’ commitment to listening to its users and answering their business demands with additional platforms and capacity options.”

About SPHiNX

Crossroads SPHiNX is a holistic data protection and storage appliance that provides highly reliable disaster recovery capabilities from the desktop to the data center. Organizations choose SPHiNX to easily centralize, consolidate and replicate their data at disaster recovery sites and data centers – all with the ability to manage and scale to meet the backup needs from multiple host systems and OS types. With SPHiNX, organizations report a much greater sense of security, a significant reduction in expenses, improved efficiency, better utilization of available resources, and less tape media usage. Visit www.crossroads.com/Products/SPHiNX.

About Crossroads Systems

Crossroads Systems, Inc. (NASDAQ: CRDS) is a global provider of solutions and services that ensure stored data is proactively protected and reliably recovered. Crossroads offers organizations powerful data protection, proactive data security, intelligent storage connectivity, unmatched performance, and significant cost savings. Founded in 1996 and headquartered in Austin, Texas, Crossroads holds more than 100 patents granted and pending and has been honored with numerous industry awards for innovation in data protection and storage. Visit www.crossroads.com.

Important Cautions Regarding Forward-Looking Statements

This press release includes forward-looking statements that relate to the business and future events or future performance of Crossroads Systems, Inc. and involve known and unknown risks, uncertainties and other factors that may cause its actual results, levels of activity, performance or achievements to differ materially from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Words such as, but not limited to, "believe," "expect," "anticipate," "estimate," "intend," "plan," "targets," "likely," "will," "would," "could," and similar expressions or phrases identify forward-looking statements. Forward-looking statements include, but are not limited to, statements about Crossroads Systems' ability to implement its business strategy, including the transition from a hardware storage company to a software solutions and services provider, its ability to expand its distribution channels, its ability to maintain or broaden relationships with existing distribution channels and strategic alliances and develop new industry relationships, the performance of third parties in its distribution channels and of its strategic alliances, uncertainties relating to product development and commercialization, the ability to obtain, maintain or protect patent and other proprietary intellectual property rights, technological change in its industry, market acceptance of its products and services, future capital requirements, regulatory actions or delays, competition in general and other factors that may cause actual results to be materially different from those described herein. Forward-looking statements in this press release are based on management's beliefs and opinions at the time the statements are made. Crossroads Systems does not intend, and undertakes no duty, to update this information to reflect future events or circumstances.

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