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PRESS RELEASE

Arcadia Capital Advisors, LLC Sent Letter to Adaptec, Inc's Board of Directors

Urged Chairman to Correct Irregular Governance Actions, Reorganize Corporate Leadership, Protect Capital, Repurchase Stock

Great Neck, October 8, 2009: Arcadia Capital Advisors, LLC announced today that it previously sent a letter to the board of directors of Adaptec, Inc. dated September 21, 2009 urging the Chairman of the Board, Joseph Kennedy, to adopt three key measures to improve shareholder value. Specifically, Arcadia requested that the board correct irregular governance actions, reorganize management under new leadership, protect existing cash, and initiate a stock repurchase program. At the time of this press release, the board of directors of Adaptec, Inc., while given ample opportunity, has failed to respond in any capacity.

The letter previously disseminated on September 21 2009 reads in full as follows:

Mr. Joseph S. Kennedy, Chairman
Adaptec, Inc.
691 South Milpitas Boulevard
Milpitas, CA 95035

Mr. Kennedy,

Arcadia Capital Advisors, LLC, through its affiliated funds, ("Arcadia" or "we") is the beneficial owner of Common Stock of Adaptec, Inc ("Adaptec" or the "Company"). As shareholders, we have closely monitored the Company for some time along with its interactions with Steel Partners II, L.P. Upon both past and recent observances, we are writing to outline our sincere concerns for the business and specifically express our discontent with the recent actions the Board of the Company ("Board") has taken.

Upon extensive due diligence and careful analysis, Arcadia believes all shareholders would benefit from the Company taking the following three specific actions and call upon the Board to expeditiously propose these actions to shareholders for consideration in the upcoming proxy.

- Correct the irregular governance actions the Board recently adopted,
- Reorganize the Company under new leadership, and
- Protect cash and repurchase stock.

Correct the recent irregular corporate governance activities.
The Board's recent actions to appoint Mr. Kennedy as Chairman seem inconsistent with best corporate governance practice and with the Company's normal proxy process for shareholders to consider and to act on such changes. These types of actions seem sufficiently substantial to merit shareholder approval. Further, the compensation of Mr. Kennedy is disproportionately above market for his role as a non-executive chairman and could bias his views, influence, decisions, and fiduciary responsibility as it relates to protecting and enhancing shareholder value.

For the last nine years, the Company's revenues have continuously declined while operating profitability has been poor. The Company has been and continues to be undermanaged while the Board has done little to implement an appropriate strategy to enhance shareholder value. Based on the foregoing, we believe shareholders deserve a more significant, in fact, a majority voice on the Board to ensure sound corporate governance practices and to continue to pursue the best risk adjusted interests of the shareholders. In our opinion the longest standing board member and the board member who enriched himself at the expense of the shareholders during the recent irregular governance activities must resign. As such, we recommend that the Board be reduced from nine (9) to seven (7) by the Board adopting the following actions:

- Accepting the resignations from the Board by Messer's Subramanian Sundaresh, Joseph S. Kennedy and Robert J. Loarie;
- Forming a Special Committee of the six (6) remaining directors to seek candidates and select a new, seventh director and Chairman of the Board; and
- Implementing a compensation plan for the newly appointed director and Chairman consistent with comparable companies in revenue mass, equity market capitalization and industry.

Reorganize management under new leadership.
The Company has experienced a record of poor operating and financial performance worsened by a track record of acquisitions that have failed to produce a return which meets or exceeds the Company's weighted average cost of capital (WACC). Moreover, the recent irregular actions of the Board have significantly diminished our trust in certain of its members to take the best risk adjusted actions to enhance shareholder value. In particular, we do not trust the Board to make a large, transformative acquisition to effectively "re-invent" the Company or to otherwise conduct a management-led turnaround or other strategic actions without shareholder consent. We believe any of the above mentioned management-led strategies will only further dilute what should be Adaptec's primary focus of enhancing shareholder value. Finally, management's diminutive level of common stock ownership coupled with a poor history of management and director purchases of common stock further imply management is leveraged more to the cash asset of the Company and not to the equity.

Based on the above mentioned observations, we request the Board terminate the continued service of Mr. Sundaresh in any capacity with the Company and subsequently request the Board form a Special Committee for the search and selection of a new President and Chief Executive Officer chartered with the specific actions to:

- Make the operating business profitable immediately;
- Commence with a sizeable stock repurchase program of a minimum of $300 million;
- Discontinue investment of operating expenses on projects which cannot earn a return at least equivalent to the Company's WACC; and
- Pursue the immediate sale of the operating business.

Protect cash and initiate a stock repurchase program.
It is our opinion that the Company must take immediate action to protect cash and subsequently use a minimum of $300 million of cash to repurchase shares. These actions are appropriately supported by the following four sound arguments:

- The current cash balance of more than $380 million far exceeds the amount necessary to run the business;
- The current level of cash is well outside the bounds of normal business practices for comparable companies;
- Retaining cash for potential acquisitions threatens to distract an underperforming management team, introduces risk, and dilutes shareholder value as prior acquisitions have failed to produce meaningful results; and
- The share repurchase will greatly enhance shareholder value by returning cash on an equivalent basis to all shareholders.

The actions outlined in this letter will serve to protect shareholder value and to redirect the Company away from a path towards disaster. We expect the Board to seriously consider these proposals and to fulfill its fiduciary responsibilities to the Company's shareholders.

About Arcadia Capital Advisors

Arcadia Capital Advisors is a private investment firm based in New York. Arcadia Capital Advisors employs a value-oriented investment philosophy in the management of long/short equity hedge funds. For more information: +1 516 466 5258 or Kelly@arcadiacap.com.