PRESS RELEASE
For Immediate Publication

ICEWEB MANAGEMENT COMMENTS ON MERGER & ACQUISITION ACTIVITY IN THE DATA STORAGE MARKET

STERLING, Va. – (PR NEWSWIRE) – December 14, 2010 – IceWEB™, Inc. (OTCBB:IWEB), www.iceweb.com, a leading provider of Unified Data Storage and building blocks for cloud storage networks, sees favorable trends in merger and acquisition activity in the data storage market.

John R. Signorello, Chairman and CEO of IceWEB, Inc., commented, "We are seeing some very exciting activity in the data storage market over the past few years. On Monday, December 13, 2010, Dell Inc. confirmed its offer to buy data storage company Compellent Technologies Inc. for nearly $1 billion in an effort to keep pace with rivals Hewlett-Packard Co. and EMC. The offer comes just three months after losing out to HP in a bidding war for storage firm, 3Par. Dell has agreed to pay $27.75 a share for Compellent.

"EMC's $33.85-a-share cash offer for Isilon, announced by both companies on November 15th, representing a 29 percent premium over Isilon's closing share price on Friday, November 12, 2010. Isilon shares closed Thursday, December 9th at $33.82-a-share.

"HP bought 3PAR for $2.4 billion earlier this year after a heated battle with Dell.

"IBM completed the $1.7 billion acquisition of Netezza Corp last week.

"In 2009, EMC acquired all of the outstanding shares of Data Domain common stock for $33.50 per share in cash.

"In 2008, HP Acquired LeftHand Networks For $360 million. Also in 2008, Dell acquired EqualLogic for $1.4 billion.

"The most attractive acquisition candidates offer something innovative that no other company offers. For example, the software 3PAR offers is designed to maximize available space on data storage hardware -- a cost-cutting step -- by using a technique called 'thin provisioning,' by which extra capacity can be added as needed," concluded Signorello.

In his recent blog, "Is the Storage Industry Consolidated?" George Crump, lead analyst for Storage Switzerland, Mr. Crump commented that, "In short, the storage industry is far from being 'consolidated,' it is expanding and I believe, at a faster pace than ever. In addition, even when these companies get bought by larger companies they are not really absorbed, but most often set up as standalone business units. The storage industry will not be 'consolidated' anytime soon and likely not ever."

To read the blog mentioning IceWEB in its entirety, please click on the following link:

http://www.informationweek.com/blog/main/archives/2010/12/is_the_storage.html

"The opportunity is ripe for an innovative two-tier channel storage vendor like IceWEB," stated Karl Chen, VP Worldwide Channel Sales and Marketing, IceWEB. "Channel Partners are actively looking for an innovative alternative to tier one vendors and that is where we have positioned the IceWEB family of products."

About IceWEB, Inc.
Headquartered just outside of Washington, D.C., IceWEB manufactures and markets data storage products. For more information, please visit www.IceWEB.com.

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