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Data Storage Corporation Acquires SafeData

Acquisition Enables the Extension of Business Continuity and Data Recovery Service Offerings for Both Companies

GARDEN CITY, N.Y. and WARWICK, R.I., June 28 /PRNewswire-FirstCall/ -- Data Storage Corporation (OTC Bulletin Board: DTST), a provider of diverse electronic data storage and protection solutions, today announced the acquisition of SafeData, a technology company focused on helping companies protect their data, minimize downtime and recover and restore data quickly.

By acquiring SafeData, Data Storage Corporation (DSC) expands its current solutions which include: data backup and recovery, digital archiving, virtual hosting and standby data recovery, e-discovery, email archiving and hosted exchange to the IBM iSeries market leveraging SafeData's high availability, data recovery and telecom recovery solutions.

SafeData will operate as a division of Data Storage Corporation, remaining in Warwick, R.I. and continuing to serve its existing clients with its SafeData/HA, SafeData/DR and SafeData/TR products. Peter Briggs will continue as president of the SafeData unit and will hold the position of executive vice president with Data Storage Corporation. Larry Putterman, chairman of SafeData will serve on the Data Storage Corporation board of directors.

"We plan to grow our organization organically and through strategic acquisitions," explained Chuck Piluso, Chairman and CEO of Data Storage Corporation. "With SafeData's penetration in the IBM iSeries market and its extensive client base, it was a logical addition. As part of the acquisition, we extended our service offerings, and gained the expertise of an excellent team of talented data storage and recovery professionals."

"This is an exciting time for SafeData, our employees and our customers," said Briggs. "DSC brings us a platform for scaling and growth, which will make it possible for us to extend our market presence across the country and will provide greater breadth and depth to our data storage and recovery services for our clients. As a unit of DSC, we will now have additional resources to help take SafeData to the next level."

About SafeData

SafeData is a technology company focused on helping businesses protect their data, minimize downtime and recover and restore data quickly. SafeData delivers affordable subscription-based backup and data recovery services to businesses of all sizes and types, including high availability, electronic vaulting, virtualized recovery and telecom recovery services. SafeData's approach to backup and disaster recovery supports businesses with unique Recovery Time Objectives (RTO), using best-in-class technologies that are cost

effective and reliable. Founded in 2005, SafeData is headquartered in Warwick, R.I. For more information on SafeData, visit www.safedata.net.

About Data Storage Corporation

DSC delivers and supports through its various divisions a broad range of premium solutions focusing in electronic data storage and protection. Clients look to DSC to ensure disaster recovery and business continuity, strengthen security and to meet increasing industry, state and federal regulations. The company markets to business, government, education, and the healthcare industry by leveraging leading technologies such as Virtualization, Cloud Computing and Electronic Medical Records (EMR). The company provides hardware, Software-as-a-Service, managed IT services, installation, and maintenance.

Additional information about Data Storage Corporation is available on the company site: <http://www.dscorp.net>.

Cautionary Statement on Risks Associated with Data Storage Corporation - Forward-Looking Statements: This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 by Data Storage Corporation that are subject to risks and uncertainties. The words "believe," "expect," "anticipate," "intend," "plan," "estimate," "may," "should," "could," and similar expressions are intended to identify such statements. Forward-looking statements are not guarantees of future performance and are to be interpreted only as of the date on which they are made. Data Storage Corporation undertakes no obligation to update or revise any forward-looking statement except as required by law. Data Storage Corporation advises investors that it discusses risk factors and uncertainties that could cause Data Storage Corporation's actual results to differ from forward-looking statements in its periodic reports filed with the Securities and Exchange Commission ("SEC"). Data Storage Corporation's SEC filings can be accessed through the SEC's EDGAR Database at www.sec.gov (Data Storage Corporation has EDGAR CIK No. 0001419951).

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Contact:

Karen Higgins

A & E Communications

(610) 831-5723

khiggins@aandecomm.com

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