

Software Maintenance Strategy

- Provide consistent terms across IBM
- Ensure comprehensive base solution
- Prepare customers to take advantage of the on demand era

"At this time (July 10, 2001), the new software acquisition model does not extend to... OS/400 operating systems and their licensed program products. IBM intends to announce a similar offering for the other... iSeries software."

- Software Maintenance for iSeries announce and availability January 28, 2003
- Software Subscription for iSeries to be withdrawn from marketing effective July 31, 2003
- Support for the OS/400 group of products in Support Line will be withdrawn from marketing effective July 31, 2003



What the offering includes?

- Software upgrade entitlement and remote technical support in a single offering
- Fee-based leveraging of customers' technology investments
 - Coverage is for a defined period
 - Upgrade entitlement coverage provides
 - Right to install most current version/release
 - Right to install future versions/releases
 - Remote technical support
 - Right to voice and electronic (where available) support
 - Right to defect and routine usage assistance
- Most cost-effective way for customers to manage and deploy software upgrades and acquire technical support
 - Enables customer to budget and plan ahead
 - Eliminates expense justification for acquisition of upgrades or remote technical support
 - Assures ongoing software technical support coverage

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Software Maintenance for iSeries - Pricing

3W Group	P05	P10	P20	P30	P40	P50	P60
Vear Prepay	£842.55	£2,881	£8,108	£18,593	£30,661	£40,417	£50,869
S Year Prepay	£2,274.22	£7,780	£21,893	£50,201	£82,785	£109,126	£137,34(
Maintenance After Licence	£788.70	£2,638	£9,407	£22,045	£37,249	£49,698	£62,051

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OS/400 Software Support



Program Services for V5R1 end on May 31, 2003, as previously announced. However, full usage and defect support for V5R1 OS/400 and selected LPPs will continue to be available via Software Maintenance Agreement, Support Line contract, or special bid until a minimum of May 31, 2004. Notice of termination of support for V5R1 under the Software Maintenance Agreement or Support Line contract will be announced a minimum of 12 months prior to the effective date.

......V5R2......September 30, 2004......September 30, 2005......

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Dates subject to change

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iSeries Strategy



"People come up to me and say 'iSeries is an AS/400 with a new name.' And I say, 'you're wrong, absolutely wrong.'

We've had people put together lists of new features and say you get all these on iSeries, and none of them on AS/400, and that's the difference.

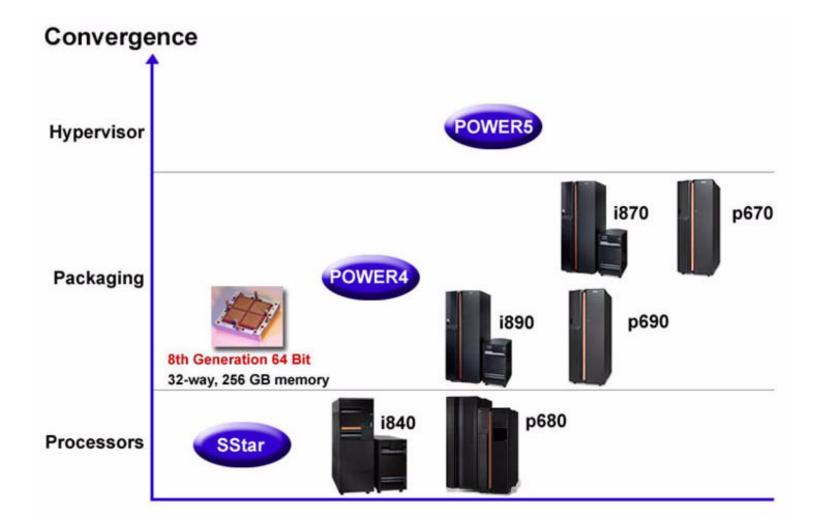
But to me, that's not the difference.

To me, the difference is really the mission, the direction, the strategy."

Frank Soltis, iSeries Chief Scientist Speaking at COMMON Denver 2002



iSeries and pSeries Convergence





eServer On Demand Management Environment

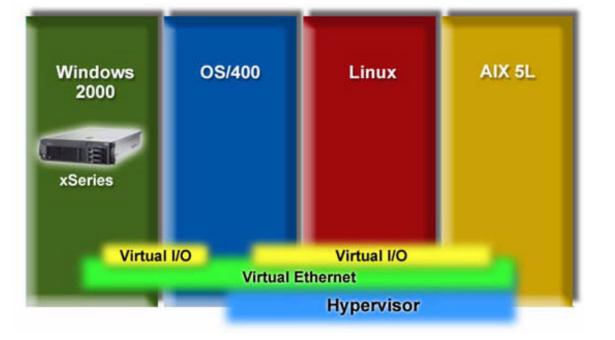
- Convergence based on proven, scalable 64-bit POWER processors
- Runs today's OS/400 applications
- Runs today's Linux applications
- Run today's Windows IA32 applications and ready for .NET
- Will run AIX in 2004*
- Seamless application and hardware upgrade from today's iSeries servers

* Statement of Direction: IBM plans to support AIX in logical partition in the future.

This presentation contains information about IBM's plans and directions. Such plans are subject to change without notice.



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iNation Symposium

- Stratford Moat House Hotel, March 27/28
- Joint COMMON UK/IBM Event
- Speakers include:
 - Ian Jarman, IBM iSeries Product Manager
 - Henrick Schlegel, Vice-President of iSeries for EMEA
 - Alison Butterill, IBM Toronto Labs WebSphere and RPG Expert
 - Malcolm Haines, IBM iSeries Evangelist
 - Top Names From The UK iSeries Industry
- UK's biggest iSeries exhibition
- In-Depth details of iSeries announcments
- One-to-one sessions with IBM management
 - (Subject to availability)





common

iNation Symposium

- Sessions include:
 - SQL on iSeries
 - WebSphere case studies and practical sessions
 - WebFacing
 - Web Services
 - Operational Management Stream
 - Security
 - RPG Updates
- Full details on http://www.common-uk.org or http://www.ibm-cua.org.uk
- Or contact the IBM CUA Office 020 8518 5110



iSeries 2003 Announcement Highlights

iSeries	An on demand operation environment for an e-business
New servers	 New iSeries server deliver up to 80% price performance New Small to Medium Enterprise servers: i810 and iSeries 800 New POWER4-based servers for medium to large enterprises i825, i870, i890 (feature On/Off Capacity Upgrade on Demand) New high performance PCI-X I/O
New packaging	 Dramatically simplified product choice with Standard and Enterprise Editions Unrestricted interactive 5250 CPW with Enterprise Edition Designed for the exploitation of multiple e-business workloads Enhanced integration with WebSphere[®], Lotus[®], Linux[™] and Windows[™] Simplified software pricing tiers
New capabilities	 On/Off Capacity Upgrade on Demand (temporary and permanent) WebSphere Application Server - Express for iSeries WebFaced applications run without interactive 5250 CPW
Key dates	Announcement January 20, 2003, General Availability February 21, 2003



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