Q. What is IBM announcing today? ③

IBM is announcing the close of the acquisition of DataMirror Corporation. The plan is that in each country where DataMirror has employees and operations that they will be integrated into IBM. In the U.S. and Canada, DataMirror employees are targeted to be hired into IBM. Outside the U.S., IBM and DataMirror will follow the appropriate process in each country to facilitate the hiring of each employee into the local IBM Company in each country. This is planned to occur with the transfer of the business.

DataMirror will be integrated into IBM's Software Group as part of the Information Platform and Solutions business unit within IBM's Information Management Software division under Ambuj Goyal, general manager.

Q. What were the financial details of this acquisition?

This is a cash transaction at C\$27.00 per common share, valued at approximately C\$170 million (approximately \$161 million USD).

Q. Who is DataMirror? What do they do? §

DataMirror is a publicly held software company, headquartered in Markham, Ontario, Canada with more than 2,200 clients and partners globally across such industries as manufacturing, financial services and banking, telecommunications and healthcare/pharmaceuticals.

DataMirror provides real-time changed-data capture, replication and high availability software to help organizations capture and deliver changes to critical information as the changes happen. The technology is used to drive real-time data integration processes, to synchronize data across systems and to ensure high availability.

Q. What is changed data capture (CDC)? (*)

Changed data capture is a process that efficiently identifies and captures data that has been added, updated or deleted from a database source and delivers the changed data to a target. CDC is often used to enable real-time data integration, by triggering integration processing as information changes.

Q. What market trends and customer requirements drove this acquisition?

Access to timely and accurate data has become a critical element of success in today's business environment. More and more companies are recognizing the need for real-time data integration in order to support changing business conditions. Toward that end, DataMirror technology extends IBM Information Server to help customers capture and deliver changed-data throughout the enterprise. This helps customers make better decisions by providing access to the continuous, accurate and trusted information they need to take timely action.

Q. Why has IBM acquired DataMirror?

This acquisition extends the leadership position of IBM Information Server with real-time changed data capture and delivery capabilities, extends IBM's replication capabilities with heterogeneous database support, extends IBM System i high availability solutions and adds DataMirror's 2200+customers to our information integration business. DataMirror also helps increase our leadership in driving key Information On Demand initiatives that support Dynamic Warehousing, SOA, master data management, application consolidate/migration and eBusiness.

Q. What product and technology benefits does this acquisition provide customers? (?)

This acquisition provides customers with best of breed change data capture (CDC), replication and high availibility capabilities in heterogeneous enterprise environments. For IBM customers, the scalability, performance, heterogeneous source breadth and minimal source impact of DataMirror is an ideal extension to IBM Information Server, providing the enterprise-class infrastructure our clients expect. For DataMirror customers, they will have the option to expand their real-time data integration implementations using IBM Information Server's comprehensive capabilities to understand, cleanse, transform and deliver trusted information in real time.

Q. How will IBM's ability to meet customers needs change as a result of this acquisition? (?)

By acquiring DataMirror, IBM is now able to offer to both sets of customers the industry's top changed data capture technology together with the industry's most powerful information integration platform – allowing large-scale integration to be driven at the speed of business. The acquisition allows IBM to immediately address market opportunities with the most flexible data integration solutions supporting both batch and real time.

Q. How does this acquisition affect DataMirror customers? (*)

IBM is committed to putting customer success and satisfaction first.

- Customers using products acquired from DataMirror will continue to be supported by their current contacts and processes.
- Customers can expect continued support for their heterogeneous environments. The IBM open middleware strategy is committed to continued support for multi-vendor environments.
- Customers will be able to leverage the power and scale of the IBM worldwide sales, services, and support infrastructure