

Armonk, NY, September 9, 2003 - IBM today re-energized the tape storage marketplace with the introduction of its next generation enterprise tape platform, the IBM® TotalStorage® Enterprise Tape Drive 3592. The tape category is expected to reach \$4.5 billion-dollars by the end of 2003, according to Freeman Reports ^[1]. The new storage solution is targeted at customers seeking the ability to use one tape drive to address both capacity and access-oriented applications, assisting with storage consolidation.

"At a time when more customers are concerned with business resiliency and regulatory requirements, the IBM TotalStorage Enterprise Tape Drive 3592 represents a turning point in the tape storage industry. We are responding to customers seeking extremely efficient storage solutions, superior performance and capacity at a better price," said Barry Rudolph, vice president, Tape Storage Strategy at IBM. "Everything we know, after more than 51 years in the tape storage business, is incorporated in this product, which is designed to provide not only capacity, performance and extensibility, but also a highly flexible and efficient storage solution."

Providing better capacity, speed and price than comparable StorageTek tape devices, the IBM product also delivers features that facilitate use in a broad range of applications and environments. Specifically, when compared to the recently announced specifications for the StorageTek (STK) T9840C tape drive, IBM's 3592 offers up to 650 percent greater capacity ^[2] and 33 percent greater speed ^[3] with a list price that is approximately 16 percent lower ^[4]. Also, the IBM 3592 will offer up to 50 percent greater capacity ^[5] and 33 percent greater speed ^[6], with a list price that is approximately 19 percent lower cost than the StorageTek (STK) T9940B ^[7]. The IBM 3592 system has a native capacity of 300GB and an industry leading native drive data transfer rate of 40MB per second.

To help meet customers increased storage and processing requirements, IBM's Enterprise Tape Drive is able to integrate into IBM's 3494 family of linear tape libraries, providing scalability with up to five petabytes of information storage, or enough storage for DVD movies with a total running time of 225 years. The drive is designed to work with IBM's 3494 tape library, STK silo tape libraries or as a stand alone rack solution, offering users investment protection, an open environment and ease of implementation.

Companies worldwide are already recognizing IBM's leadership in the tape storage area. WesternGeco, a leading provider of seismic services to oil companies worldwide, and the European Centre for Medium-Range Weather Forecasts (ECMWF) both tested the performance, reliability and flexibility of the new IBM TotalStorage Enterprise Tape Drive 3592.

"Our testing has shown that the 3592 enterprise tape drive meets and exceeds our current expectations for system performance, available capacity and reliability as a successor product to the 3590," said Tom Bell, senior systems programmer, WesternGeco. "The 3592's 3590-compatible driver interface has almost eliminated the need for making drive-dependent changes to application programs."

"The new IBM 3592 drive combines high capacity with good sequential and random access positioning performances. In addition, we have not had any hardware failures," said Dr D. Burrige, director of the European Centre for Medium-Range Weather Forecasts (ECMWF).

Just as seismic companies and weather services store data-intensive three-dimensional images, customers in fields such as life sciences and digital media find the scalability of the Enterprise Tape Drive in the Total Storage 3494 Automatic Tape Library vital to store the petabytes of data such images create. China Central Television (CCTV) recently selected IBM to provide a tape storage solution to support its National Audio and Visual Resource Library, for what is IBM's largest magnetic tape storage project in Asia.

With higher performance rates of the new drives, backup jobs that once took ten hours on the previous generation of IBM 3590 tape drives could potentially be completed in less than four hours, simplifying the archival process and allowing IT managers to focus on other tasks. The new tape drives also feature many connectivity options for popular operating platforms, allowing users to simplify usage by consolidating tape operations onto a single type of tape drive.

Chosen by IBM for its patented NANOCUBICTM technology, Fujifilm produces the advanced media tape cartridge that will be used in IBM's Enterprise Tape Drive 3592. "IBM's new enterprise drives are the perfect vehicle for Fujifilm's industry-leading NANOCUBIC TM technology, which allows for a tape with an ultra-thin layer coating of magnetic particles and enables us to deliver breakthrough performance to customers," said Steve Solomon, senior vice president and general manager, Computer Products Division, Fuji Photo Film U.S.A., Inc. "In this age of increased data regulations, customers are relying on innovative storage solutions more than ever, and Fujifilm and IBM continue to work together to bring new tape innovations to the marketplace."

The Enterprise Tape Drive is designed to deliver additional value to customers through the industry's strongest focus on robotic library flexibility, offering a single drive that can handle the requirements of a wide variety of applications, with the flexibility to change applications as needed without replacing the drive. It is also designed to offer data protection using removable media for off-site data storage, with data cartridges designed to have a storage life greater than 30 years.

IBM plans to introduce Write Once Read Many (WORM) media technology for the 3592 tape drive so that once written, data on the cartridges can't be overwritten. This capability is of particular interest to customers that need to store large quantities of electronic records to meet regulatory and internal audit requirements. Additionally IBM plans to introduce a family of cartridge capacities to provide multiple price/performance points.

The IBM Enterprise Tape Drive 3592 is compatible with eServer™ zSeries®, UNIX, Microsoft Windows, and Linux solutions. The new drive is generally available for select AIX, Linux and Microsoft Windows platforms on September 12, 2003 and for all other supported platforms on October 31, 2003 starting at \$ 32,000^[8].

In addition, the IBM Global Services Business Continuity and Recovery Services unit in North America will make the IBM Enterprise Tape Drive available for its customers beginning September 12. IBM's Business Continuity Recovery Services unit -- which develops in-depth business continuity strategies for customers -- includes 120 recovery centers located around the world, and are equipped with state-of-the-art computer systems from a broad spectrum of IT vendors.

Through September 30, qualified customers for IBM financing can select either a deferral of payments until January 2004 or Low Rate Financing with rates as low as 2.75 percent.

About IBM

IBM is a leader in storage systems, software, services and technology. IBM's open storage solutions are designed for the rigors of e-business collaboration utilizing next-generation concepts for open storage by integrating modular technologies, including disk, tape and optical

storage media, powerful processors, and rich software. For more information, visit www.ibm.com/totalstorage.

[1] According to Freeman Reports, 2003.

[2] According to the STK T9840C data sheet, August 2003 and found at <http://www.stortek.com/prodserv/products/tape/t9840c/> The T9840C has a native cartridge capacity of 40GB. The IBM 3592 has a native cartridge capacity of 300GB.

[3] According to the STK T9840C data sheet, August 2003 and found at: <http://www.stortek.com/prodserv/products/tape/t9840c/> The T9840C has a native drive data transfer rate of 30MB per second. The IBM 3592 has a native drive data transfer rate of 40MB per second.

[4] According to the StorageTek press release titled "StorageTek Offers Next-Generation Fast Access Tape Drive" dated August 5, 2003 (<http://storagetek.shareholder.com/news/20030805-115614.cfm>) the native 2Gb fibre channel interface T9840C tape drive has a U.S. list price of \$38,000.

[5] According to StorageTek T9940B Data sheet/Specs, June 2003 found at http://www.stortek.com/pdfs/T9940B_DS_MT9188D.pdf the StorageTek T9940B has a native cartridge capacity of 200GB. The IBM 3592 has a native cartridge capacity of 300GB.

[6] According to StorageTek T9940B Data sheet/Specs, June 2003 found at http://www.stortek.com/pdfs/T9940B_DS_MT9188D.pdf the T9940B has a native drive data transfer rate of 30MB per second. The IBM 3592 has a native drive data transfer rate of 40MB per second.

[7] According to the StorageTek press release titled "StorageTek Sets New Standard in High End Tape Storage Solutions" dated September 30, 2002 (<http://storagetek.shareholder.com/news/20020930-91111.cfm>) the native 2Gb fibre channel interface T9940B tape drive has a U.S. list price of \$39,500. The native 2Gb fibre channel interface IBM 3592 Model J1A tape drive has U.S. list price of \$32,000.

[8] IBM list price as of September 9, 2003. Price is in U.S. dollars and valid in the U.S. only. Price does not include tax or shipping and is subject to change without notice.

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