IBM Acquires Intelliden Inc.

ARMONK, N.Y., - 16 Feb 2010: IBM (NYSE: <u>IBM</u>) today announced it has acquired Intelliden Inc., a leading provider of intelligent network automation software that enables organizations such as telecommunications companies to configure, manage and scale their networks. Intelliden, a privately held company, is based in Menlo Park, Calif. Financial terms were not disclosed.

Intelliden provides network automation solutions, which are becoming essential for enterprises to automate the configuration of thousands of manually managed network devices like hubs, routers and switches from dozens of vendors. These solutions also can automate an array of network services that are increasingly important to virtual and cloud-based applications.

Analysts estimate that more than 60 percent of network outages are caused by manual configuration errors. By acquiring this automation technology, IBM aims to help clients improve network service availability, decrease risk through compliance reporting and improve staff efficiency.

Intelliden's solutions have been proven at leading service providers and enterprises including Cbeyond, Scotia Capital, Telecom Italia and TELUS.

This acquisition is expected to further strengthen the IBM service management portfolio by offering unmatched, comprehensive solutions for automation and optimization of digital and physical assets. This includes full-service lifecycle management of network devices, IT, data center and physical assets as diverse as water mains, railway cars and even door locks.

"The typical company is managing a more complex and ever changing infrastructure – stretched across digital and physical assets," said Al Zollar, general manager, IBM Tivoli software. "Companies are managing a virtualized computing layer that more than ever relies on the network. Intelliden's intelligent network automation is an important addition to IBM's portfolio to extend automation across all business and IT assets."

"Networks have become a critical part of the overall IT fabric, and organizations are demanding tighter integration and management of the entire infrastructure including applications, storage, servers and networks," said Alan Black, president and CEO of Intelliden. "Intelliden provides leading open, scalable and comprehensive network automation solutions, and this acquisition opens a world of new opportunities for our customers, partners and employees. We are excited to be part of the IBM team to raise the bar by delivering the industry's most advanced IT service management solutions backed by world-class sales, services, support and alliances organizations."

Intelliden technology will be integrated into IBM Tivoli Software, which produced revenue growth of 7 percent for 2009. IBM Tivoli software helps clients integrate service delivery across organizational boundaries – providing the visibility, control and automation to accelerate business growth.

The IBM Software Group has made more than 50 acquisitions since 2003.

About Intelliden

Intelliden (www.intelliden.com) is a leading provider of Intelligent Network Automation Solutions that enable organizations to control, manage and scale their networks. With Intelliden, network-driven organizations can enforce granular access control and security, automate configuration changes, help ensure network compliance, accurately provision devices and provide a normalized view of network resources, for virtually any vendor, type, model or operating system. Intelliden's innovative and patented platform acts as the *Trusted Source of Network Truth™* by providing the real-time state of the network − the key to efforts aimed at ensuring accuracy across increasingly dynamic networks. It offers unparalleled scalability and openness, and has been proven in service providers, financial services organizations, and other businesses dependent on their networks.