

Dell has record-breaking quarter in FY04

Dell's fiscal fourth-quarter 2004 was its best operating period ever. The company achieved record product shipments, revenue, operating and net income, and earnings per share.

Dell continued its leading growth in enterprise computing. Shipments of Dell™ PowerEdge™ servers jumped 40 percent from the year-ago quarter, more than double the rate for the rest of the industry. Storage revenue was 47 percent higher. And company strength was global: product shipments were up more than 30 percent in Europe, the Middle East, and Africa, and in Asia-Pacific and Japan, and exceeded 20 percent in the Americas.

Company revenue for the quarter ended January 30 was \$11.5 billion, 18 percent higher than a year ago. Net earnings were 29 cents per share, up 26 percent. Full-year sales were \$41.4 billion, operating income was \$3.5 billion, and per-share earnings were \$1.01, all Dell records.

Dell transforms MiddleEarth

The vibrantly rich, larger-than-life look of *The Lord of the Rings: The Return of the King* required an array of Dell PowerEdge 2650 servers to accomplish the color grading digital artistry—an integral part of the visual effects required to produce Academy Award-winning films.

Each frame of the movie was color graded to digitally conform images from multiple shoots that occurred over a two-year period under varying weather conditions. Shot in New Zealand at a number of incredibly scenic locations, the sometimes-harsh light was softened and colors were enhanced to produce a more magical feel. Adjustments were also made to produce the effect or “feel” of darkness without actually filming at night.

The Lord of the Rings: The Return of the King was released on December 17, 2003 and, as of February 13, 2004, has grossed approximately US\$950 million worldwide.



Weather.com powers its site with Dell

Weather.com, the Web site of The Weather Channel, has chosen Dell systems to refresh its server technology to better serve its customers. The company's decision to rely on Dell technology resulted in speedy delivery of important weather and traffic conditions to Weather.com users during the season's first winter storm.

With the help of Dell PowerEdge servers running the SUSE® Linux® operating system, Weather.com was able to improve the reliability and speed of information to its customers during a severe winter storm on December 5, 2003. The storm left 6–8 inches of snow in most coastal areas from the Carolinas to Maine and as much as three feet of snow in areas inland and generated wind gusts of up to 80 mph. The first north-eastern storm of the year resulted in poor road conditions and traffic accidents, closed airports, schools and businesses, cancelled sporting and cultural events and loss of power to residents some regions. Desperate for information, more than 5.2 million people visited Weather.com, one of the world's leading sources of weather information on the Web.

According to Dan Agronow, vice president of technology for Weather.com, the site served up more than 34 million page views on December 5, 2003—most of them dynamically generated—at an average response time of 1.31 seconds that day. This response time beat the Keynote Business 40 Internet Performance Index of 2.16 seconds for that day, which measures the average download time for the home pages of 40 important U.S.-based business Web sites in major U.S. metropolitan areas.

Partnerships expand Dell imaging and printing offerings

Dell is significantly expanding its imaging and printing offerings in 2004 with the announcement of new technology agreements with Fuji Xerox, Kodak, and Samsung.

The agreements are an addition to Dell's existing relationship with Lexmark, a company Dell has collaborated with since launching its first inkjet and laser products in March 2003.

“Our relationship with Lexmark has been very successful for both companies. By joining talents with those of Fuji Xerox, Kodak, and Samsung, we can expand even wider the breadth of imaging and printing solutions customers are seeking from us,” says Tim Peters, Dell vice president and general manager of Imaging and Printing.

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Details of the technology agreements were not released, including descriptions of what products will come from them or when they will be available. Dell Chairman and Chief Executive Officer, Michael Dell, announced the new agreements at the 2004 International Consumer Electronics Show.

"The importance of today's announcement is around the exciting growth that is occurring in our imaging and printing business," Peters says. "We promised a better customer experience when we entered the market. Enthusiasm for our printers has exceeded even our optimistic expectations. Our direct method of replacing ink and toner replacement cartridges through online orders has operated exceptionally well. Customer satisfaction is extremely high."

IDC reports quarter-to-quarter growth for Dell in both laser and inkjet markets, with its greatest impact being in the multifunction inkjet market where Dell has focused its efforts.

Intel introduces 64-bit memory extension technology

Beginning in the second quarter of 2004, Intel® Corporation will introduce 64-bit memory extension technology to its IA-32 architecture for server and workstation processors. The 64-bit extension technology is one of a number of platform innovations Intel plans to deliver, or already is delivering, to this segment of the market. Other innovations include Intel Hyper-Threading Technology, PCI Express, DDR2 memory support, enhanced power management and SSE3 instructions.

"Intel has the resources, flexibility, breadth of support, and technical prowess to provide customers with the features they require for their computing needs," says Craig Barrett, CEO of Intel. "Offering a broad lineup of solutions means that when combined with the Intel® Itanium® processor family—which is designed specifically for business-critical high-end server and technical computing market segments—we can provide leadership solutions from top to bottom in a variety of 64- and 32-bit configurations."

The company has also announced plans to bring the benefits of LaGrande technology (LT) to enhance secure computing; Vanderpool technology (VT), which would increase system reliability, flexibility, and responsiveness; and other technologies to improve processing of digital media, packet processing, runtime performance, and data mining and synthesis. In the future, Intel processors will also incorporate other enhancements that will benefit the overall platform.

"Silicon technology is the engine driving the transformation of commerce, entertainment, education, and science," Barrett says. "Intel's investments in R&D, manufacturing capacity, and worldwide markets—combined with our focus on providing customers a broad range of solutions—means the opportunities for growth and innovation are limited only by our own imaginations."

Dell and NBA team up for education

Dell teamed with the National Basketball Association (NBA), the Los Angeles Clippers, and the Los Angeles Lakers to open a new reading and learning center today at the Los Angeles Boys & Girls Club. This opening, part of NBA All-Star 2004, marks the tenth of these centers for which Dell has provided computer systems, education software, and peripherals.

Created as part of the NBA's national "Read to Achieve" program, the center features Dell desktop computers and servers, printers, educational software, and more than 2,000 books and educational materials donated by the NBA and its partners. The NBA also will provide multimedia equipment and educational posters, as well as vintage and recent NBA images.

In the past year, Dell has partnered with the NBA and its teams to open reading and learning centers at the following facilities:

- Adams Park Recreation Center (Atlanta)
- Carver Academy (San Antonio)
- Boys and Girls Club of Jersey City (Jersey City, N.J.)
- Yonkers YMCA (Yonkers, N.Y.)
- H.L. McCrory Family Branch YMCA (Charlotte, N.C.)
- Ithuteng Trust (Johannesburg, South Africa)
- Murray Boys and Girls Club (Salt Lake City)
- St. Martin de Porres Family Center (Cleveland)
- Paul Laurence Dunbar Elementary School (Miami)

