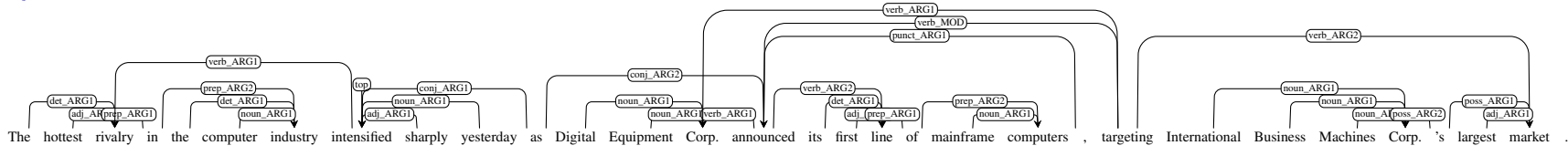
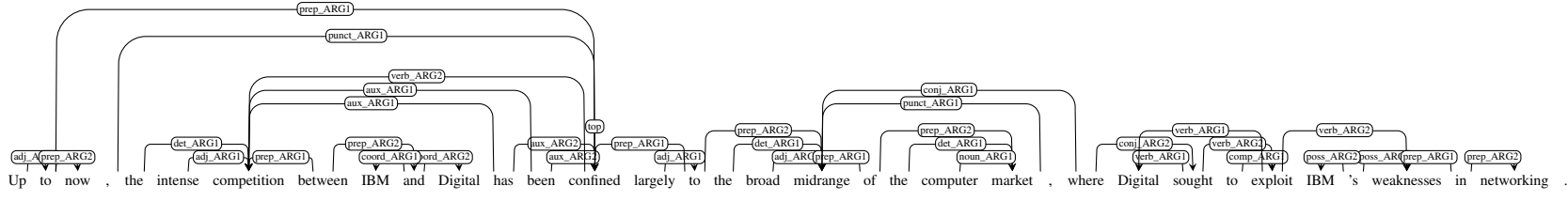


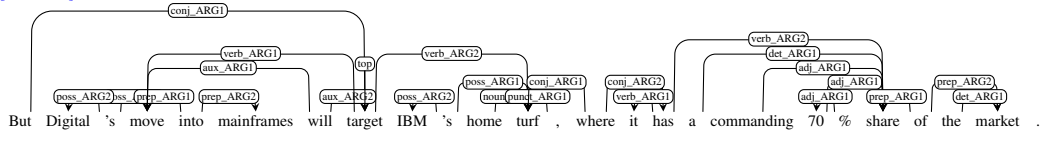
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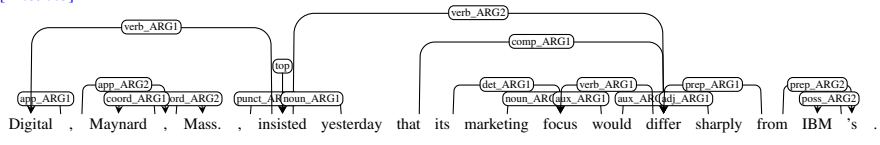
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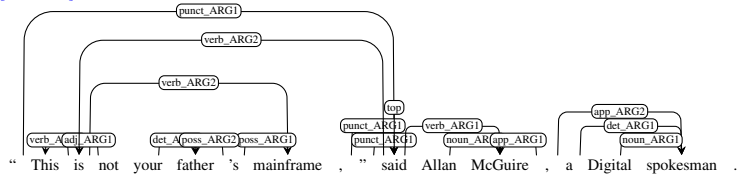
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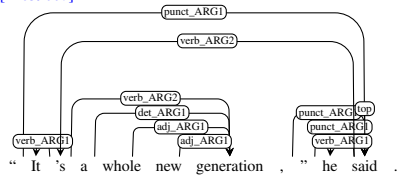
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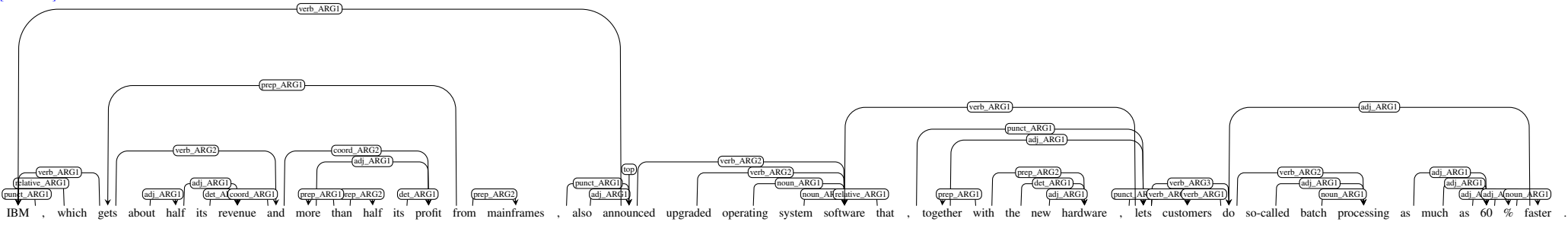
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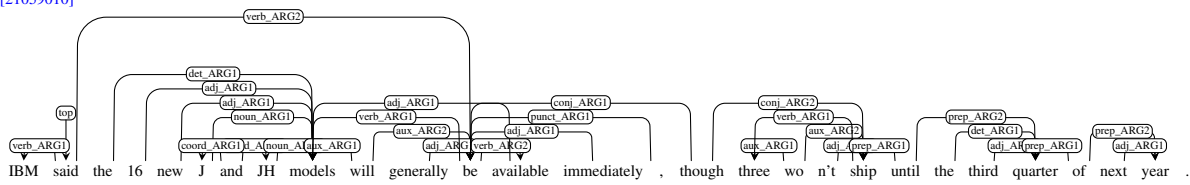
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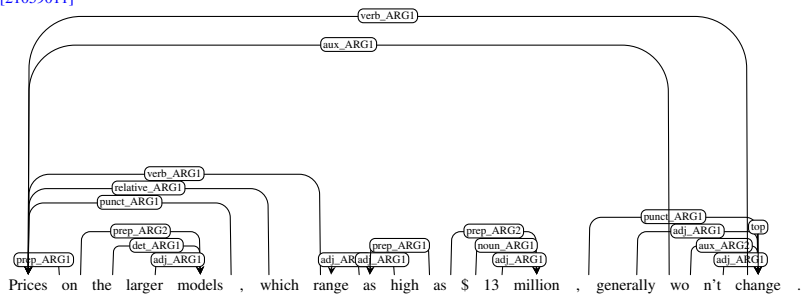
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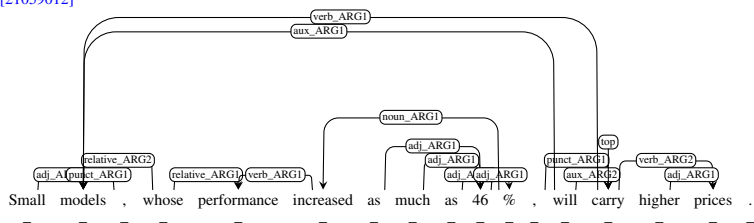
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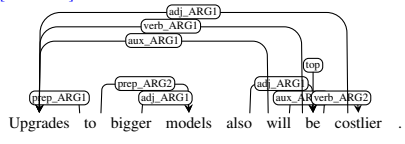
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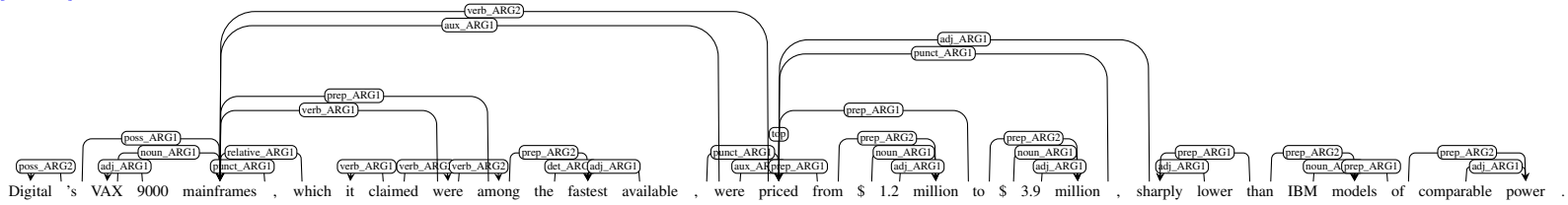
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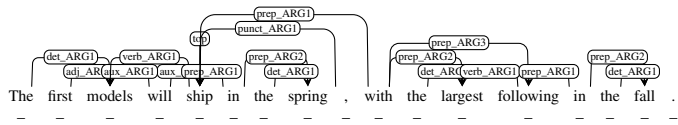
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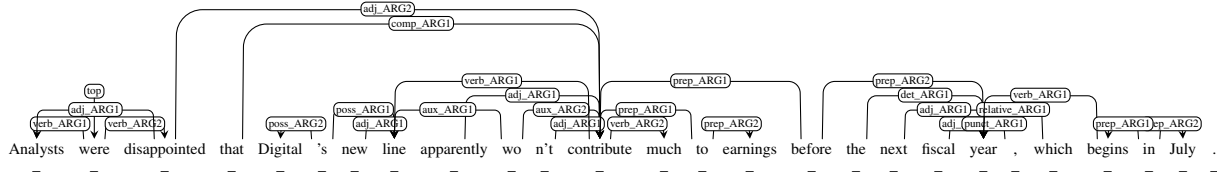
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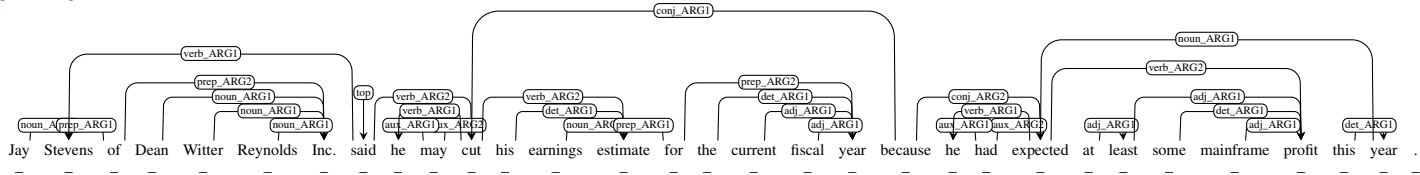
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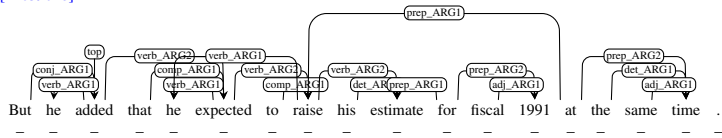
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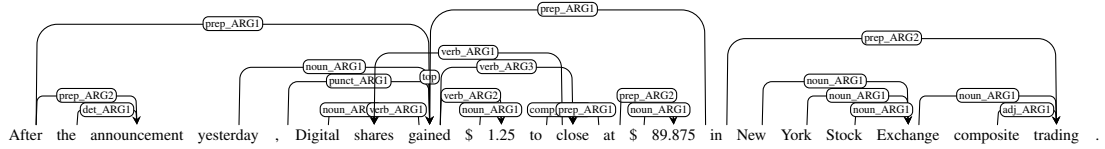
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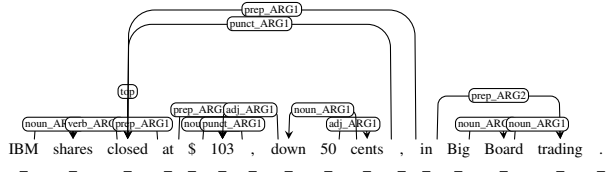
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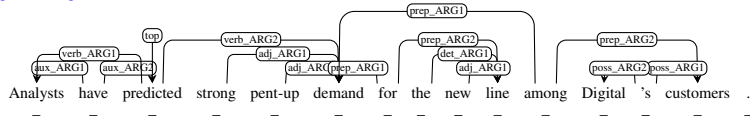
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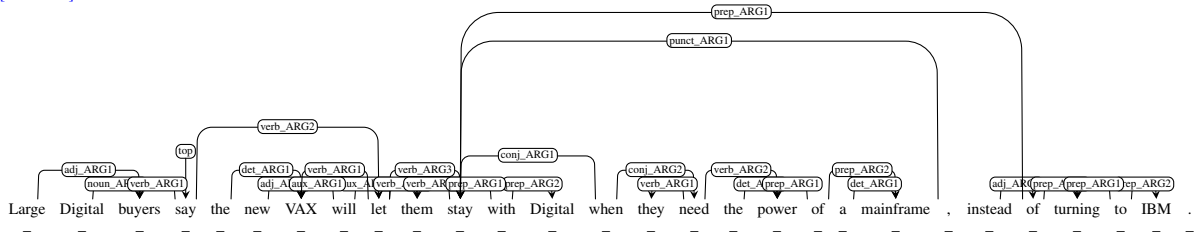
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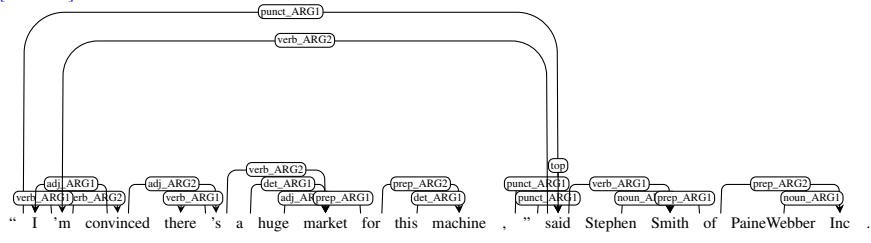
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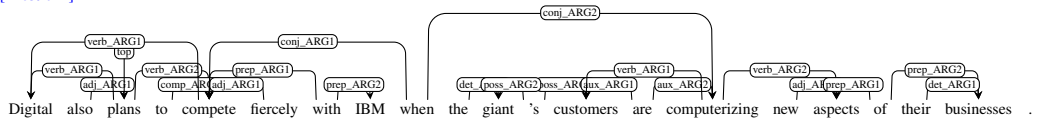
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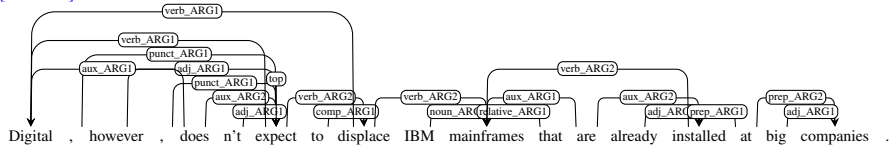
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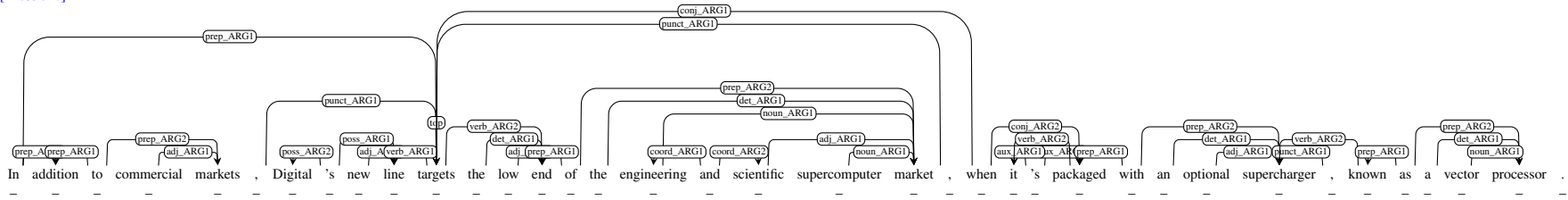
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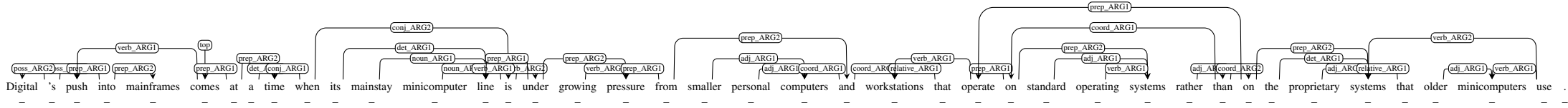
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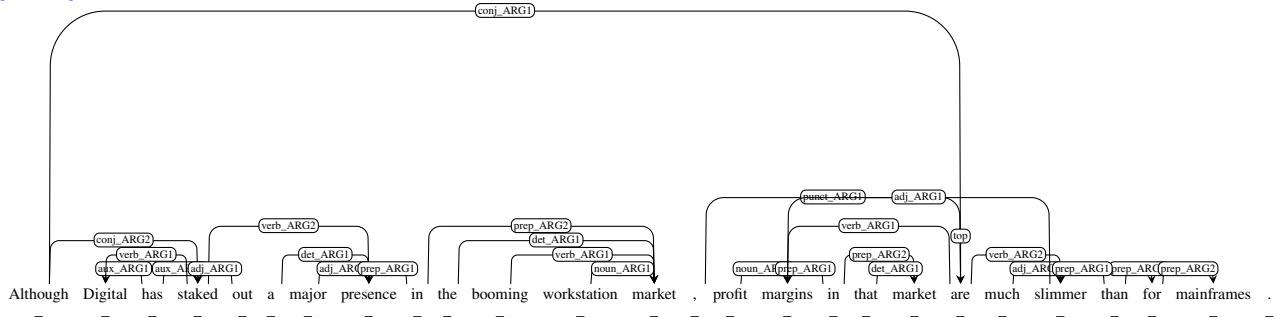
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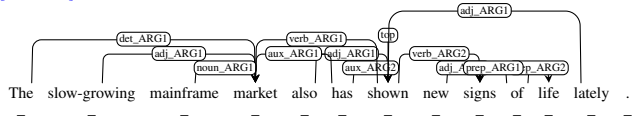
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[21059028]

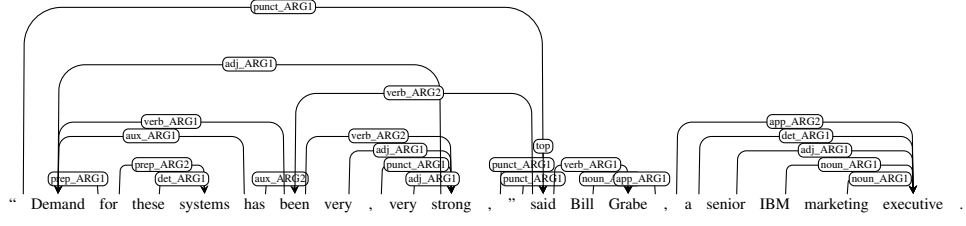


[21059029]



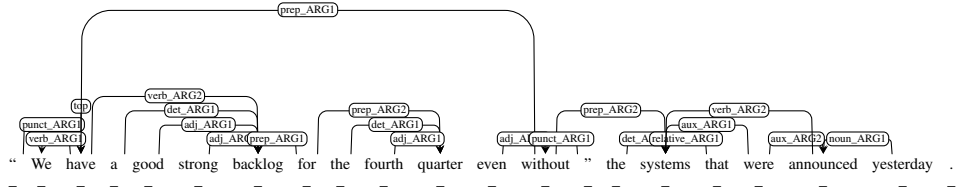
The slow-growing mainframe market also has shown new signs of life lately .

[21059031]



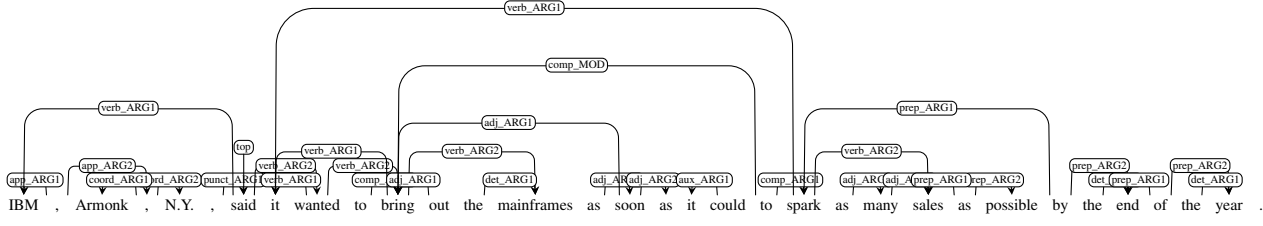
" Demand for these systems has been very , very strong .

[21059032]



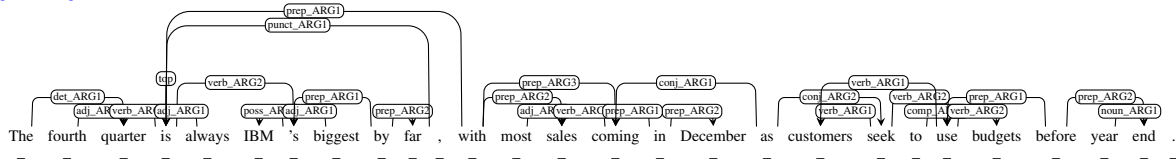
" We have a good strong backlog for the fourth quarter even without the systems that were announced yesterday .

[21059034]



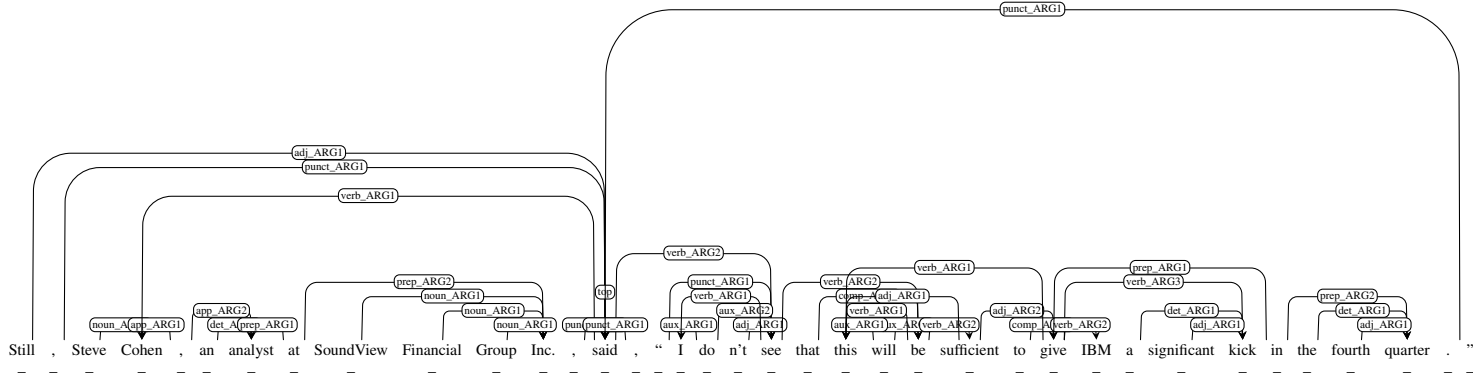
IBM , Armonk , N.Y. , said it wanted to bring out the mainframes as soon as it could to spark as many sales as possible by the end of the year .

[21059035]



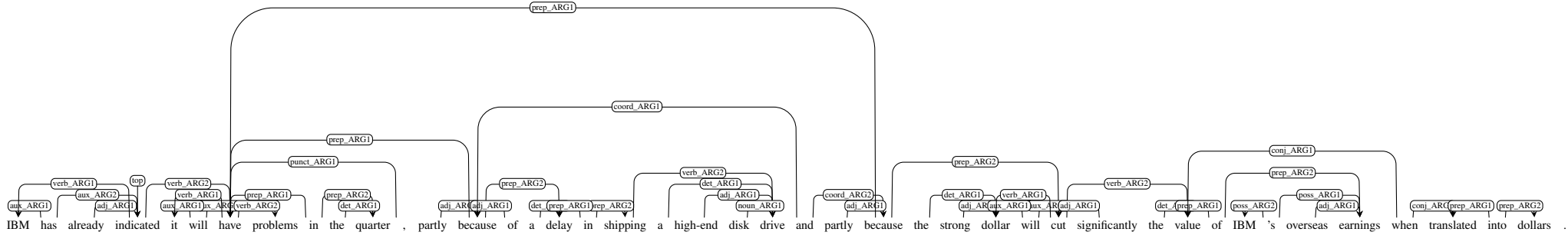
The fourth quarter is always IBM 's biggest by far , with most sales coming in December as customers seek to use budgets before year end .

[21059036]



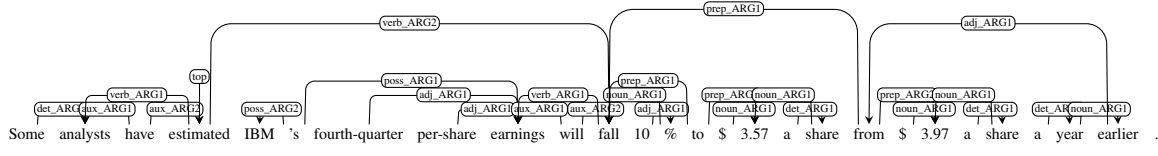
Still , Steve Cohen , an analyst at SoundView Financial Group Inc. , said , " I do n't see that this will be sufficient to give IBM a significant kick in the fourth quarter . "

[21059037]



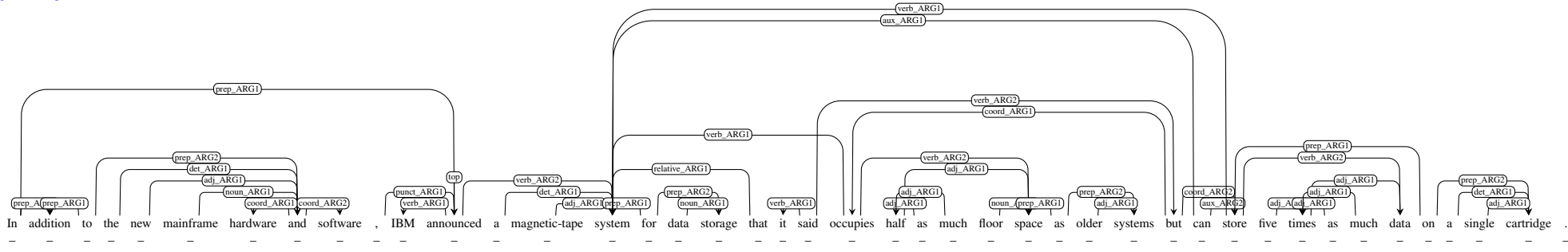
IBM has already indicated it will have problems in the quarter , partly because of a delay in shipping a high-end disk drive and partly because the strong dollar will cut significantly the value of IBM 's overseas earnings when translated into dollars .

[21059038]



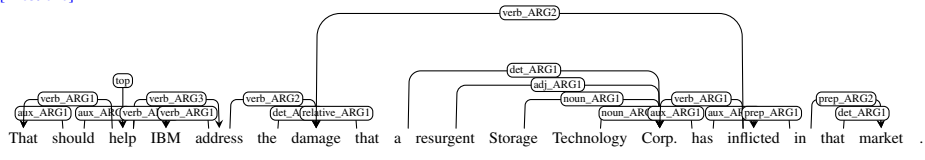
Some analysts have estimated IBM 's fourth-quarter per-share earnings will fall 10 % to \$ 3.57 a share from \$ 3.97 a share a year earlier .

[21059039]



In addition to the new mainframe hardware and software , IBM announced a magnetic-tape system for data storage that it said occupies half as much floor space as older systems but can store five times as much data on a single cartridge .

[21059040]



That should help IBM address the damage that a resurgent Storage Technology Corp. has inflicted in that market .