



PRESS RELEASE

Bank of New Zealand Reduces Carbon Footprint with Red Hat on the Mainframe

Bank utilizes Red Hat Enterprise Linux 5 on IBM System z mainframes and Red Hat Network Satellite to carve costs out of its IT infrastructure

RALEIGH, N.C. – February 3, 2009 – Red Hat, Inc. (NYSE: RHT), the world's leading provider of open source solutions, today announced that Bank of New Zealand, a subsidiary of the National Australia Bank Group, has deployed Red Hat Enterprise Linux 5 on IBM System z mainframes to solve environment, space and cost issues related to its datacenter. With Red Hat and IBM solutions, Bank of New Zealand has significantly reduced its hardware footprint, power consumption, heat and carbon emissions and costs, including an expected 20 percent cost reduction over the life of the platform.

Bank of New Zealand (BNZ) was close to reaching capacity in its datacenter and needed a new solution that could maximize space and resources while keeping costs down. With a heavy carbon-neutral focus as a core part of its corporate values, BNZ looked for ways to green its IT architecture and carve out costs.

"BNZ had defined two important goals for the future, both of which relied heavily on IT. The first was for the organization to become carbon neutral by 2010 and the second was to explore open source opportunities through the adoption of Linux," said Lyle Johnston,

infrastructure architect at BNZ. "We also faced the challenge of creating a disaster-recovery solution for our datacenters in Auckland, New Zealand and East Melbourne, Australia."

In mid 2007, BNZ began overhauling its mission-critical front-end IT environment, including its Internet banking and bank teller functions, and its middleware layer providing connectivity through to its core back-end data. It migrated its systems to Red Hat Enterprise Linux 5 running under z/VM on the mainframe. Today, BNZ utilizes both IBM System z10 and z9 systems, exclusively running Red Hat Enterprise Linux 5, to power the bank's customer-facing banking systems, including Internet banking and teller platforms.

"When it came to selecting a Linux provider, the choice to invest in Red Hat was largely based on its commitment to the ongoing development of the platform and its strong support capabilities, particularly in reference to supporting Red Hat Enterprise Linux on the mainframe," said Johnston. "Deploying IBM mainframes with Red Hat Enterprise Linux to address our carbon footprint and cost savings concerns was a very big deal, especially at the senior management level."

A critical component in the successful deployment and ongoing management of its new systems, BNZ also incorporated Red Hat Network (RHN) Satellite to provide BNZ with the ability to provision, update, patch and maintain through simple, easy-to-use functionality. By utilizing RHN Satellite, the bank was able to re-provision its entire teller platform development environment in just two hours.

The combination of z/VM and Red Hat Enterprise Linux 5 enabled BNZ to virtualize and consolidate a largely distributed SUN environment, which incorporates all of its front-end systems, down to just one box. It boosted the speed and simplicity of the bank's new deployments - instead of taking days, a new environment can be deployed in just minutes. Also, just one administrator is now needed per 100 virtual servers, so BNZ can save and reallocate resources that would traditionally have been used to manage the platform.

With the combination of Red Hat and IBM solutions, BNZ has achieved significant cost savings and made major steps to green its IT systems. In just three months, BNZ was able to consolidate its servers and reduce its front-end systems datacenter footprint by 30 percent. It has recorded a 33 percent reduction in heat output and a 39 percent reduction in carbon dioxide emissions for its front-end systems. The solutions has also helped BNZ to carve out costs, as the bank expects approximately 20 percent return on investment (ROI) over the life of the platform.

"We have also managed to substantially reduce our front-end power consumption by nearly 40 percent, which means we are well and truly on our way to becoming carbon-neutral by our 2010 goal," said Johnston.

For the future, BNZ has adopted a long-term strategic view that incorporates expanded use of Red Hat Enterprise Linux throughout its IT architecture. "Introducing Red Hat Enterprise Linux into the organization has breathed new enthusiasm and life into the business and the people behind it. This project has been a gateway for us, and working with Red Hat has opened our eyes to what's possible with open source," said Johnston.

To read the full Bank of New Zealand case study, visit www.customers.press.redhat.com.

To learn more about how Red Hat can help customers carve out costs in their IT infrastructure, visit www.redhat.com/carveoutcosts.

For more news about Red Hat, visit www.redhat.com. For more news, more often, visit www.press.redhat.com.

About Red Hat, Inc.

Red Hat, the world's leading open source solutions provider, is headquartered in Raleigh, NC with over 65 offices spanning the globe. CIOs ranked Red Hat as one of the top vendors delivering value in Enterprise Software for five consecutive years in the CIO Insight Magazine Vendor Value survey. Red Hat provides high-quality, affordable technology with its operating system platform, Red Hat Enterprise Linux, together with applications, management and Services Oriented Architecture (SOA) solutions, including JBoss Enterprise Middleware. Red Hat also offers support, training and consulting services to its customers worldwide. Learn more: <http://www.redhat.com>.

Forward-Looking Statements

Certain statements contained in this press release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including: risks related to the integration of acquisitions and the ability to market successfully acquired technologies and products; the ability of the Company to effectively compete; the inability to adequately protect Company intellectual property and the potential for infringement or breach of license claims of or relating to third party intellectual property;

risks related to data and information security vulnerabilities; ineffective management of, and control over, the Company's growth and international operations; adverse results in litigation; and changes in and a dependence on key personnel, as well as other factors contained in our most recent Quarterly Report on Form 10-Q (copies of which may be accessed through the Securities and Exchange Commission's website at <http://www.sec.gov>), including those found therein under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations". In addition to these factors, actual future performance, outcomes, and results may differ materially because of more general factors including (without limitation) general industry and market conditions and growth rates, economic conditions, and governmental and public policy changes. The forward-looking statements included in this press release represent the Company's views as of the date of this press release and these views could change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of the press release.

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Red Hat is the world's leading provider of open source software solutions, using a community-powered approach to reliable and high-performing cloud, Linux, middleware, storage and virtualization technologies. Red Hat also offers award-winning support, training, and consulting services. As the connective hub in a global network of enterprises, partners, and open source communities, Red Hat helps create relevant, innovative technologies that liberate resources for growth and prepare customers for the future of IT. Learn more at <http://www.redhat.com>.

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Contact Red Hat PR



ABOUT

We're the world's leading provider of enterprise open source solutions, using a community-powered approach to deliver high-performing Linux, cloud, container, and Kubernetes technologies. We help you standardize across environments, develop cloud-native applications, and integrate, automate, secure, and manage complex environments with award-winning support, training, and consulting services.

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