

Amdahl Corporate Values

Guiding our Actions, Sustaining our Business A message from David B. Wright



ix core values have guided the way we do business since the founding of our company. These values represent our basic beliefs about the company's relationship with employees, how we treat our customers, and our presence in the communities in which we work and live.

In the time since I became CEO, a number of people have asked me what standards and philosophy govern our company, and it seems now is a good time to remind ourselves of the corporate values and their significance to our business.

An awareness of the Amdahl values is important not only for guiding our daily operations and our long-term strategies, but it is important for customer relations as well. Our customers like to know that we believe in a set of values that is in concert with their own. By understanding what guides Amdahl, we can better understand how Amdahl can build strong partnerships with our customers.

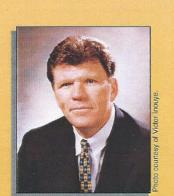
As most of you have already heard, I have asked you to concentrate on four distinct value characteristics. These "elements" are in support of our company direction to be a more modern, diverse company that is exciting and growing. They are:

- Clientize: Focusing on the customer in a services world.
- > Self-initiative: Seeing and taking action locally to create global change.
- Simplicity: Removing complexity to reduce cost and add speed.
- Collaboration: Engaging in dialogue to learn what others can contribute to our solution.

As the industry moves forward at web speed, we must take this attitude and concentrate on our values to build a stronger company.

You will be hearing more about the corporate values in the coming weeks through various communication channels. I have also asked that a set of posters be sent to each office worldwide. These should be placed in conference rooms and central areas as a visual reminder of the goals of our company.

-David B. Wright, President and CEO



David B. Wright, President and Chief Executive Officer, Amdahl Corporation

In this issue:

Amdahl Corporate Values
National Merit Scholarships
101 Club and Summit

Conference Winners

Amdahl MERT Team

AMDAHL

Corporate Values

Quality, innovation and caring are the hallmarks of the Amdahl philosophy. These characterize our dealings with our employees, customers, stockholders, and the communities where we work and live.

Customer Problems Are Our Problems
Our goal is to establish long-term relationships with our customers, therefore we take their

needs and requirements seriously. We have an obligation to maintain the highest standards of product performance, value, and service. To do this we:

- Listen closely to our customers to understand their requirements and business direction.
- Provide solutions that meet our customers' business needs.

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Corporate Values ... continued from page 1

People Are The Company

The ability, commitment, and enthusiasm of all employees is central to the success of our company. We continuously reinforce these qualities. Therefore, we:

- Attract, retain, and develop exceptional people who will work together to produce, deliver, and support superior products and services.
- Treat each other with honesty, fairness, and consideration.
- Encourage the flexibility and resilience needed to adapt to rapidly changing business requirements.
- Promote initiative, innovation, and responsible risk-taking.
- Value differences in people and ideas using these to create superior solutions.
- Require every team member to be accountable for timely and responsible decisions and actions.

We Are Financially Responsible

Profit and growth are essential Amdahl objectives that enable our continued business success. Everyone is accountable for these objectives through individual leadership, continuous improvement, and responsible risk-taking. Therefore, we:

- Ensure that the risks and costs of an endeavor are commensurate with the potential rewards.
- Maximize the returns on our investments.
- Provide an attractive return to our shareholders.
- Act with an ownership mentality.

We Do It Better

We seek innovative ways to apply advanced technologies to products and services that are recognized for their quality, performance, and value. Our success derives from products and services that earn us the respect and loyalty of our customers. To earn this we:

- Accept the risks of intensive research and development.
- Provide leadership in identifying innovative solutions and advances.
- Form strategic partnerships and alliances that deliver superior products and services.
- Deliver products and services that are timely, competitively priced, conform to requirements, and provide more value.

Everybody's Contribution Is Valued

Our business success depends on maximum individual and collaborative results. Therefore, we:

- Treat customers, vendors, stockholders, partners, and employees with honesty and integrity.
- Practice a flexible, direct, results-oriented style.
- Maximize our abilities through increasingly challenging assignments and appropriate delegation.

Reward outstanding individual and team innovations and results.

Amdahl Is A Good Citizen

It is vital to our success that the communities in which we operate grant us the ability to prosper, an environment in which to attract outstanding people, and give fair consideration to our plans. In return, we strive to be good citizens and to contribute to every community where we do business. This means that we:

- Conduct our business with the highest ethics and integrity.
- Contribute our resources, time, and talent to community and environmental improvement.
- Promote equal employment and advancement opportunities.



Amdahl at CeBIT '99

Commerzbank Vice President Riccardo Gambineri (second from left) provided a good beginning for Amdahl's presence at CeBIT '99, the world's largest IT trade show, by signing a contract to purchase Sun equipment sold by Amdahl. Special guest Scott McNealy (r), Sun Chair and Chief Executive Officer, was on hand to witness the purchase of the Sun E10000 sold by Amdahl. Felix Bertschinger (second from right), Area General Manager, Amdahl GS Central Europe, was also on hand.

The success of Amdahl's presence at CeBIT continues to grow, and the conference generated more high-level follow-up activity this year than ever before. "This was the first demonstration of the Amdahl GS strategy in Europe, and attendees could see clearly that Amdahl GS offers deliverable solutions now for real customer IT needs," said Steve Coggins, General Manager, Europe.

Amdahl is now well established at CeBIT, participating in 1999 for the sixth time. This trade show is an excellent business platform for Europe's sales force to develop and enhance their relationships with key customers.

Special thanks to everybody who assisted in this effort, especially our 35 lead booth staff who made CeBIT such a success for Amdahl. Notable contributions were also made by Wolfgang Piotrowsky, Florian Hirsch, and Graham Pearce for outstanding technical support; Thomas Hodde and Joerg Ullmann, Logistics; Petra Zimmermann, back office; and Toni Dakan and her team in Creative Services.

National Merit Scholarship Awards

Son of DMR Employee Wins 1999 National Merit Scholarship

n what has become an annual tradition, the child of an Amdahl/DMR employee is among this year's winners of National Merit Scholarships. Aleksandr Kerdman, son of DMR Senior RDBMS Consultant Boris Kerdman, has been awarded a 1999 National Merit scholarship for his success on the SAT (Standard Achievement Test) and at the academically-rigorous Stuyvesant High School in New York.

Aleksandr's success has not been limited to the classroom. In addition to maintaining a high grade point average, Aleksandr's activities and achievements include three years in the classical music club, with service as president; honorary mention in the Alliance Française; quarterfinalist in the U.S. physics team competition; two years in the chess club; tutoring for the "Chance to Succeed" program; and work as a part-time intern.

This level of accomplishment is all the more impressive given that Aleksandr and his family have been in the United States for only three and a half years. But Aleksandr has apparently taken quite well to the culture and opportunities of his new homeland, citing as his "dream career" a



Aleksandr Kerdman, 1999 Amdahl/DMR National Merit Scholarship winner.

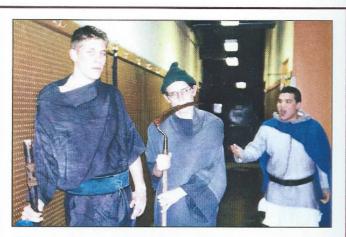
job with a Wall Street firm that would integrate the fields of finance, accounting, and calculus.

Aleksandr's advice to the daughters and sons of other Amdahl and DMR employees currently preparing for college careers: "Take a lesson from physics. P=W/T, or, as it reads in English, 'power equals work over time.' This applies to everyday life as well. Empower yourself by working hard at school and—college use it throughout life! And try to forgive the pun."

Congratulations to Aleksandr and Boris on this remarkable achievement.

"Go to a place you think you'll feel comfortable, somewhere that has a social life you like. You can get a wonderful academic training at many places, but if you're not happy while you're there, it's not worth it."

-Michael Dickman, NMS winner 1997. Brown University



Alan C. Coyne, NMS Winner 1996 University of California at Berkeley

Alan writes that he is "ecstatically glad to be [at Berkeley] and would gladly stay forever, although I'm sure my parents don't want to hear that." Son of Martin Coyne in Sunnyvale, Alan (middle, biting the scythe) cites his after-college goal as: "more college. And after that... oh, the places I'll go! If I can I'd like to win the Nobel Prize for Literature before I'm 28 and then just rest on my laurels." Alan's advice to college-bound students includes remembering that they're going to college to: "learn stuff, so do that and go to class and so on... but also have fun and get to know people and don't spend all your time shut up in your room like I keep telling my parents I do."



Kristi Bertolet, NMS winner 1995 Wheaton college graduate, 1998

Getting off campus was a special experience for Kristi Bertolet (right). "One of my academic highlights of college was a summer study program in the Middle East. There were 45 students and we traveled with 2 professors to 5 countries studying Biblical archeology, geography, history, and the culture. Some of the highlights were climbing Mt. Sinai, seeing the amazing rock formations at Petra in Jordan, touring the Vatican in Rome, and living for three weeks in Jerusalem."

Kristi is the daughter of James Bertolet.



Elizabeth Dzeng, NMS Winner 1998 Stanford University

In what is a typical resting spot for college students, Elizabeth Dzeng (far left), relaxes with dormmates and friends. Elizabeth, daughter of Edward Dzeng, Amdahl Federal Service Corp., uses her scholarship to cover the high cost of textbooks (approximately \$300 per quarter). With medical school in the plan for her future, Elizabeth advises students planning their college paths to, "Work hard and believe in yourself, because no matter what your dream is, if you believe in yourself, you can do it."



Wendy Horton, NMS Winner 1997 University of Southern California

Shown here at a USC football game, Wendy Horton, daughter of Paul Horton, Amdahl Vice President and Controller, has this advice for other children of Amdahl employees preparing to leave for college: "Before you leave, really get to know your parents. No matter what you might think, once you have gone off for your first semester away, things will never be the same. You have an awesome opportunity now, while you still live at home... Your parents have a wealth of experiences they probably have never shared with you, but would love to if you'd only ask... The better you know them as people, and the better you allow them to know you as a person, the more they will be able to help you as you deal with the many new experiences of college."

"[After college] I hope to get involved in research, hopefully in tissue engineering or gene therapy... College is a lot harder than I had expected it to be, but it's definitely worth it. It's a lot of fun and I've met the most wonderful people."

-Kelli Nakamura, NMS winner 1997. University of California at San Diego

The National Merit Scholarship Tradition at Amdahl

Amdahl has sponsored 14 scholarships through the National Merit Scholarship program since 1995. Every child of an Amdahl employee—including those in DMR and CE Services—who meets the challenging academic and achievement criteria of the National Merit Scholarship Corporation (NMSC) is eligible for an award of \$1,000 per year for four years of college.

To qualify for a National Merit scholarship, students:

- ➤ Take the PSAT/NMSQT in their junior year of high school, the results of which are forwarded to the NMSC.
- Complete a finalist's application when notified that they are NMSC semifinalists.

Merit scholars are then selected on the basis of their academic achievement, qualifying test scores, high school principal and counselor recommendations, and their activities, interests, and goals.

There are no additional steps during the NMSC application process to qualify for the Amdahl award. The names of the students who qualify for the scholarship are forwarded to Amdahl by the NMSC and the scholarship is awarded automatically.

Featured on these pages are quotes and pictures from some of the Amdahl-sponsored winners from 1995-99. This remarkable group of young people have submitted thoughtful (and sometimes hilarious) essays about the award, their academic goals, and their college careers. Look for an announcement about a new web site featuring more of their comments at the end of May.

For more information about the National Merit Scholarship program, contact your local high school, or the NMSC at (800) 866-5100 for a copy of the booklet *Guide to the National Merit Scholarship Program*. For more information about the Amdahl-sponsored Merit scholarships, contact Christy Lang at christy_lang@amdahl.com or (408) 746-3345.



Amdahl Congratulates the 1998 101 Club and Summit Super-Achievers



More than 200 sales and sales support people from around the world will be recognized for their achievements at the 101 Club May 16-20 at the El Conquistador Resort in Puerto Rico. The theme this year—"Changes in Latitudes, Changes in Attitudes"—represents what these top achievers already know: it takes the latitude

to get things done and the attitude to make it happen.

In addition to the 101 Club, an elite group of 60 Summit super-achievers will stay on at the El Conquistador in Puerto Rico for the Summit program May 20-23.

Congratulations on an outstanding performance during 1998!

For more information on the 101 Club and Summit Super Achievers—the criteria and the recognition event—see: http://www.ccc.amdahl.com/corpmark/events/wwevents.htm.



Hartmut Balke Michael Bartels Philipp Bayat* Larry Bazinett John Bellairs Mauro Benassi Kevin Berichon Linda Berkley Wolfgang Bertol Jim Bertolet Felix Bertschinger* Hitesh Bhatt Andy Bianco* Thomas Boeger* Heiner Bohlmann Kees Borst Brigitte Boule Antonio De Vasconcelos Ernie Brockelbank Michael Bromilow Luc Broudic* John Buchanan Tim Butchart* Paul Cain Christine Cameron* **David Cantor**

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Iwan Zosso



Help Is on the Way

Amdahl Medical Emergency Response Team trains to help injured and sick co-workers

Early cardiopulmonary resuscitation (CPR) intervention by trained staff can make the difference between life and death for people who undergo cardiac arrest. CPR delivered within four minutes of a cardiac arrest can significantly improve a victim's survival rate. The American Heart Association and the American Red Cross have recently added the use of automatic external defibrillators (AEDs) to First Responder CPR training, and Amdahl was one of the first corporate teams in Silicon Valley to include AEDs in their training for cardiac arrest response.

Skills Training

Amdahl's Medical Emergency Response Team (MERT) in Sunnyvale is trained to respond to emergencies and work together to provide first aid or CPR until relieved by paramedics. In case of an emergency, the team is activated by a loud alarm from the paging system.

MERT members are employee volunteers who undergo rigorous training, including 24 hours of advanced CPR and first aid training, monthly drills, skill reinforcement sessions, and retraining every two years. Each MERT member is supplied with a response pack that contains extensive first aid equipment.

After completion of MERT training, members are prepared to: a) provide first aid support in the event of a large-scale disaster; b) respond to sick or injured employees; c) provide initial patient care and comfort; d) document patient care delivered; and e) provide triage in major disaster situations.



Amdahl Medical Emergency Response Team (from left): Denis Cogswell, James Brogan, Christel Casjens, Frank Musco, Debra Stikes, Martin Wall, Chris Swartout, William Manning, Lyle Topham, Michael Gross, Philip Witters, and Deborah Ferry. Not pictured: Salvador Andrade, Wayne Belshaw, Anne Bird, Jean Giguere, Kim Lafond, Maria Lorenzana, Elias Ortiz, Casy Wong, Saldor Swenson, Michelle Warzek, Lori Walint, Paul O'Brien, Kevin Lyon, Martin Lydster, and Lloyd Dickman.

Special Responsibilities for Co-captains

MERT is led by three team co-captains who have agreed to accept additional responsibilities to ensure smooth operation of the team. Co-captains assist with: monthly meeting announcements; scheduling for the training and meeting locations; follow-up on member participation at meetings and drills; recruitment and interviewing of potential candidates; coordination of training with vendors; and debriefing after an incident response. The current co-captains are Deborah Ferry, Michael Gross, and Philip Witters.

Phil says the most rewarding aspect of being on the MERT is the "opportunity to work among the dedicated and talented team members." He became interested in joining the team after observing other MERT members in action.

A desire for preparedness was what prompted Deborah to join the team shortly after she came to work at Amdahl. "I was on a neighborhood earthquake preparedness committee and wanted to be able to deal with medical emergencies both at work and at home," she explained.

For Michael, helping others brings its own rewards. "When Amdahl presented the opportunity for me to be trained to do the right thing, I volunteered to be a member of the Medical Emergency Response Team. The knowledge and skills I've acquired through the MERT program to assist fellow employees in medical distress, as well as people in the community at large, has been very gratifying."

-Suzanne Besler, Manager, Health Services



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We value your feedback.

Please let us know if you have story ideas or comments about *Update*. We want to know what is going on in your corner of the world and how this publication can best serve all Amdahl employees. Contact us at:

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