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TECH SLUMP EXPECTED TO END BEFORE THE CLOSE OF 2003
Weak Corporate Profits Hold CIOs Back

FRAMINGHAM, MA — December 2, 2002 — November's CIO Magazine Tech Poll™ shows, "The majority of CIO panelists believe we will see a pick-up in IT spending before or by the end of 2003. These results give us some hope the worst of the IT spending slump may be behind us by the second half of 2003," says George Elling, *Managing Director, Enterprise and PC Hardware Research* for Deutsche Bank Securities.

"IT spending has shown some very modest declines over the past four months compared to a year ago. Increasingly, CIOs are saying weak corporate profits are holding back their IT spending as evidenced by the CIO Magazine Tech Poll," continues Dr. Ed Yardeni, *Chief Investment Strategist* for Prudential Securities Inc.

"Despite weak profits and declines in spending, CIOs are more optimistic about IT spending because of replacement needs, such as computer hardware, security and infrastructure software. The question remains whether this will be the catalyst for renewed IT spending," adds Gary Beach, *Group Publisher* of CIO magazine.

The CIO Magazine Tech Poll provides technology and business executives, economists, and policymakers with a tool to gauge technology growth trends and to assess their impact on the overall economy. The poll panelists are asked to answer questions on overall current and projected IT budgets on a monthly basis. Also covered are future spending plans for IT hardware, software, services, and Internet initiatives. The results of November's poll, conducted from November 7-14, are detailed below.

CIO MAGAZINE TECHNOLOGY GROWTH INDICATORS

The CIO Magazine Tech Poll results are used to construct the CIO Magazine Tech Future Growth Index (TFGI) which projects IT activity over the next 12-months.¹ In November, the TFGI was 1.8, compared to 1.5 in October. (Attached below is Table 1 providing historical data and selected charts).

OVERALL IT BUDGET AND COSTS

During November 2002, the CIO Magazine Tech Poll panel projected IT budgets to grow by 5.1% over the *next* 12 months, up modestly from October (4.4%). In addition, the panel reports IT budgets declined by an average of 0.5% over the *previous* 12 months, a slight increase from the 1.5% decline reported in the October poll.²

IT SECTORS

When asked about spending in eight specific IT categories, the average number of panelists planning to increase spending was up slightly from the previous month at 38.2% (versus 36.7% in October), while those planning to decrease spending increased slightly to 22.0% (from 20.4% in October)³. Security software continues to be the

strongest sector in the poll with roughly 56% of respondents planning to increase spending (an increase from 52% in October) while only 6.4% plan to decrease spending (versus roughly 6.6% in October).

Computer Hardware. The outlook for Computer Hardware spending improved modestly month-to-month. Among the panelists, 39.3% plan to spend more compared to 38.3% in October, with 27.7% planning to cut spending, versus 23.4% in October.

Infrastructure Software. The percentage of CIOs planning to increase spending on infrastructure software was 32.6% in November, down from 33.1% in October. Those planning to decrease spending rose from 17.8% in October to 21.6% in November.

Compensation Costs and Labor Market Conditions. IT compensation costs (including salaries, benefits, and bonuses excluding stock options) reportedly rose by an average of 2.4% in the 12 months ending in November, essentially flat with October, but down from 3.8% a year ago. Five percent (5.0%) of respondents report IT professionals were hard to find and retain, down significantly from last month (7.3%), and down from 9.3% a year ago.

INTERNET BUDGETS AND BUSINESS

Internet Budget Plans. CIO Magazine Tech Poll panelists report they expect to spend 13.4% of their IT budgets on developing business over the Internet (B2B2C) during the *next* 12 months. This is slightly above the 11.8% reported spent over the *previous* 12 months.

Internet Revenues. Overall, panelists expect to generate 11% of their revenues from Internet activity (B2B2C) over the *next* 12 months, compared to 8.5% during the *previous* 12 months. This is slightly above last month's levels of 10% and 7.2%, respectively.

Internet Purchases. On average, during the *next* 12 months, panelists expect to purchase 19.3% of their materials, supplies and parts over the Internet, up from an estimated 15.7% over the *past* 12 months.

SPECIAL QUESTIONS

Prior and Current Quarter Comparison. When asked to compare expected IT spending during the fourth quarter of 2002 to the third quarter of 2002, 24.6% say spending in the current quarter would be higher or significantly higher (slightly higher than October's 23.4% expectation), while 29.6% say it would be lower or significantly lower (roughly flat with 29.4% in October). The remaining 45% have not changed spending plans (a decline from the expected 47% in October). (Table 2 presents the results of the special questions).

Pickup in IT Spending. Among panelists, 27.2% report IT spending either never slowed or has already picked up (slightly higher month-to-month), with 11.3% claiming to have already seen a spending pickup (vs. 8.6% in October). In addition, only 3.3% expect to see a pickup in 4Q02, while 26% expect to see a pickup in 1H03 (first half 2003) and 21% expect to see a pickup in 2H03. Further, an additional 15% expect to see a pickup beyond 2003.

Spending Factors. Weak profits continue to have an adverse impact on tech spending. This was cited by 41.2% of the panelists as the primary factor affecting IT spending plans in 2002. Another 28% see "tight financial conditions" as the primary factor adversely affecting IT spending plans, and 24.6% said that spending might be weak because there is sufficient IT capacity.

Operating System in 5 Years. When asked which operating system is expected to dominate high end corporate computing infrastructures in 5 years, panelists were somewhat evenly split between Windows and Linux/Unix platforms. Thirty-eight point two percent (38.2%) of panelists believe Windows will dominate in 5 years, while 42.9% expect a Unix/Linux platform to be prevalent. Within Unix/Linux, 22.3% expect Unix and 20.6% forecast Linux to dominate. Three percent (3.0%) expect some other platform to lead, while 15.9% were unsure.

CIO MAGAZINE TECH POLL

The CIO Magazine Tech Poll was created by *CIO Magazine* in August 2000 in association with Deutsche Bank Securities and Dr. Ed Yardeni, *Chief Investment Strategist*, Prudential Securities, Inc. The poll is proving to be an accurate indicator of technology spending trends. The latest poll was opened on Thursday, November 7, and closed on Thursday, November 14. An invitation to respond to the poll was distributed via e-mail to a panel of more than 2,000 chief information officers and 3,000 randomly selected *CIO* readers who match the job function criteria “CIO.”

Demographics. In the November poll, there were 301 responses with 95.7% from North America. CIOs comprise 90.7% of the total, with CEOs, COOs and presidents accounting for 5.3% and “other” titles accounting for 4%. Very large firms with over 5,000 employees represent 18.6% of the results. A broad cross-section of industries is represented, including technology services (12%), non-computer/communications related manufacturing (13%), finance (12%), state or local government (6%), health care (11%) and wholesale and retail distribution (8%).

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The complete November CIO Magazine Tech Poll can be found at http://www.cio.com/info/releases/11techpoll_results.html. Previous poll results can be found at <http://www.cio.com/info/releases>.

¹ The TFGI is calculated by multiplying the projected growth rate of future IT budgets by the average percentage of respondents saying they plan to increase spending on eight unique categories: computer hardware, data networking equipment, telecom equipment, storage systems, outsourced IT services, infrastructure software, and eBusiness software.

² Averages exclude responses over 100%.

³ Starting in January 2002, Security Software has been added to the group of IT sectors surveyed in the Poll.

Table 1: CIO Magazine Tech Poll™ - Summary Results 2002

Summary Results - 2002	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan
1. CIO Magazine Technology Growth Indicators Tech Future Growth Index*	1.8	1.5	2.1	1.9	2.2	2.4	2.9	2.4	2.8	1.2	1.4
2. IT budget (% increase)**											
Past 12 months	-0.5	-1.5	-0.6	-0.2	0.5	0.2	3.2	-1.4	0.8	1.0	3.8
Next 12 months	5.1	4.4	5.7	4.9	5.5	5.9	7.3	6.0	7.7	3.2	3.8
IT Future Spending											
3. Computer Hardware											
Increase	39.3	38.3	41.3	41.7	50.5	46.4	46.5	47.7	40.2	39.7	38.0
Decrease	27.7	23.4	20.5	20.0	18.6	20.9	20.6	21.4	21.1	30.0	29.4
Unchanged	31.7	36.7	36.7	37.0	30.1	31.7	32.1	30.5	38.7	29.3	31.3
4. Data Networking Equipment											
Increase	38.9	38.0	42.8	40.3	38.7	42.6	42.1	43.8	37.6	37.2	38.7
Decrease	22.9	22.8	21.6	21.7	20.1	23.6	21.9	19.4	21.1	22.1	25.5
Unchanged	36.5	38.3	34.3	37.0	39.1	32.1	34.7	36.8	41.0	38.9	34.7
5. Telecom Equipment											
Increase	29.4	28.8	32.3	34.0	31.0	34.1	28.2	34.7	31.3	35.0	35.5
Decrease	28.1	27.8	20.2	23.7	21.7	25.6	19.9	20.7	23.8	22.9	24.1
Unchanged	40.1	42.7	45.7	40.3	45.8	38.0	49.4	42.6	43.0	39.7	38.0
6. Storage Systems											
Increase	40.2	47.3	41.7	45.8	49.3	47.7	50.8	47.3	46.2	44.6	48.3
Decrease	20.9	17.8	12.4	16.4	13.7	11.8	12.4	12.4	13.2	15.2	20.7
Unchanged	36.2	33.0	44.2	36.1	35.3	38.6	34.7	38.6	39.1	38.2	27.9
7. Outsourced IT Services											
Increase	32.3	27.6	28.0	31.4	32.4	34.0	34.4	25.3	28.7	28.3	24.2
Decrease	31.3	29.2	29.1	25.8	19.8	24.8	23.7	31.1	28.3	31.0	37.1
Unchanged	32.7	41.9	40.4	41.8	44.2	37.3	38.6	39.8	40.8	37.7	35.6
8. Infrastructure Software											
Increase	32.6	33.1	32.9	32.4	35.5	44.6	41.3	40.2	38.5	32.4	35.6
Decrease	21.6	17.8	19.1	18.4	14.7	14.4	12.4	15.8	12.8	20.9	19.9
Unchanged	44.9	48.7	46.6	47.2	47.0	39.7	44.6	43.2	47.5	45.3	42.3
9. eBusiness Applications Software											
Increase	36.9	27.9	36.3	38.7	38.6	36.0	37.9	36.0	36.5	35.7	35.3
Decrease	16.9	17.5	15.7	13.3	11.9	12.9	10.8	15.7	15.4	21.2	19.6
Unchanged	41.5	49.5	43.8	42.3	43.7	44.6	45.0	43.0	43.6	39.1	38.7
10. Security Software											
Increase	55.9	52.2	54.6	53.2	55.6	59.8	55.8	58.1	54.7	58.2	59.6
Decrease	6.4	6.6	7.1	5.4	6.1	4.2	5.0	5.4	3.8	6.1	4.9
Unchanged	37.1	40.2	36.2	39.1	35.1	34.0	38.3	35.7	38.5	34.7	33.3
11. IT future spending on 3 - 10 (average)											
Increase	38.2	36.7	38.7	39.7	41.5	43.2	42.1	41.6	39.2	38.9	39.4
Decrease	22.0	20.4	18.2	18.1	15.8	17.3	15.8	17.7	17.4	21.2	22.7
Unchanged	37.6	41.4	41.0	40.1	40.0	37.0	39.7	38.8	41.5	37.9	35.2
12. B2B2C % of IT budget											
Past 12 months	11.8	11.3	13.3	11.8	12.2	13.2	13.8	13.9	14.3	15.0	13.3
Next 12 months	13.4	12.6	15.2	13.1	14.6	15.3	15.6	16.3	15.6	16.3	14.3
13. B2B2C % of revenues											
Past 12 months	8.5	7.2	9.9	8.9	7.9	9.7	8.6	9.7	8.5	9.1	8.0
Next 12 months	11.0	10.0	12.9	11.3	10.2	11.8	11.6	12.4	11.4	12.1	10.9
14. Purchases over the Internet (% of total)											
Past 12 months	15.7	16.3	17.2	16.0	16.0	17.0	15.6	16.7	14.8	14.0	15.8
Next 12 months	19.3	20.4	20.6	20.2	19.9	20.8	20.0	21.5	18.7	18.3	21.0
15. Compensation (% increase)											
Past 12 months	2.4	2.3	2.2	2.3	1.8	2.8	3.6	2.1	2.9	2.4	2.9
16. IT labor supply											
Plentiful	36.3	31.6	35.9	32.3	35.2	28.3	26.7	29.2	22.9	28.3	22.5
Available	58.3	59.2	57.4	58.3	55.9	62.2	61.7	62.1	66.2	63.0	66.5
Hard to find	5.0	7.3	4.2	8.3	7.8	7.8	8.2	7.4	9.0	8.0	9.2
Number of Voters	301	316	284	300	282	307	244	245	268	300	326

* Projected growth rates of IT budgets over the next 12 months multiplied by average percentage of respondents saying they plan to increase their spending on eight unique categories.

** Excludes all responses greater than 100%.

Table 2: CIO Magazine Tech Poll™ - Special Questions 2002

Special Questions - 2002	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan
1. Expected change in IT spending (current/previous quarter)											
Significantly higher	4.7	4.4	4.2	4.0	5.7	6.2	6.1	6.5	5.2	3.7	3.7
Higher	19.9	19.0	19.4	28.5	23.0	30.0	31.0	33.5	28.7	25.2	29.4
Unchanged	44.9	47.2	52.8	47.7	48.9	47.6	48.2	47.3	38.8	41.2	38.2
Lower	23.6	24.7	20.1	14.8	16.7	12.4	9.4	10.2	22.4	21.9	22.0
Significantly lower	6.0	4.7	3.5	4.7	5.3	3.6	5.3	2.0	4.5	7.6	6.4
2. Expected pickup in IT spending											
Never slowed	15.9	17.8	15.9	17.7	22.3	22.1	21.6	16.8	21.7	21.6	23.3
Already picked up	11.3	8.6	10.6	18.3	16.3	16.9	20.4	18.9	15.7	10.6	12.3
First quarter 2002	--	--	--	--	--	--	--	--	1.5	4.0	7.4
Second quarter 2002	--	--	--	--	--	2.3	1.6	6.6	13.9	20.9	19.9
Second half 2002	--	--	9.9	11.0	11.3	20.5	23.7	26.6	--	--	--
Beyond second quarter 2002	--	--	--	--	--	--	--	--	37.8	38.5	29.8
Fourth quarter 2002	3.3	5.4	--	--	--	--	--	--	--	--	--
Beyond 2002	--	--	53.7	44.0	41.5	32.6	26.5	28.3	--	--	--
First half 2003	26.2	26.0	--	--	--	--	--	--	--	--	--
Second half 2003	20.9	21.0	--	--	--	--	--	--	--	--	--
Beyond 2003	15.0	14.9	--	--	--	--	--	--	--	--	--
3. Number one reason for spending pickup											
Improving macroeconomic environment	--	--	--	--	5.0	5.2	10.6	8.8	--	--	--
Business is better	--	--	--	--	11.3	16.0	16.6	25.6	--	--	--
End-user demand is stronger	--	--	--	--	10.0	9.3	19.4	19.1	--	--	--
Running out of capacity	--	--	--	--	10.0	9.3	17.1	14.9	--	--	--
Competitive pressures	--	--	--	--	5.8	5.6	12.9	13.0	--	--	--
Operational effectiveness	--	--	--	--	31.7	28.4	--	--	--	--	--
Not sure	--	--	--	--	26.3	26.1	23.5	18.6	--	--	--
4. State of current application backlog											
No backlog	--	--	12.7	--	--	11.8	--	--	9.0	--	--
Backlog, but not critical to our planning	--	--	36.4	--	--	33.0	--	--	32.8	--	--
Significant backlog, but budget constraints are more important	--	--	38.9	--	--	42.2	--	--	44.4	--	--
Significant backlog, and will increase spending in response	--	--	11.0	--	--	12.4	--	--	13.4	--	--
5. Projected future IT spend on IT/business process outsourcing in '02											
Substantial increase	--	--	--	--	--	--	11.1	--	--	--	--
Some increase	--	--	--	--	--	--	39.3	--	--	--	--
No change	--	--	--	--	--	--	30.3	--	--	--	--
Decrease	--	--	--	--	--	--	9.8	--	--	--	--
Don't use outsourcing and have no plans to do so	--	--	--	--	--	--	8.6	--	--	--	--
6. Have your original 2002 IT spending plans changed											
No	--	--	--	--	--	--	--	45.9	--	--	--
Yes, significantly higher	--	--	--	--	--	--	--	3.3	--	--	--
Yes, higher	--	--	--	--	--	--	--	18.0	--	--	--
Yes, lower	--	--	--	--	--	--	--	24.6	--	--	--
Yes, significantly lower	--	--	--	--	--	--	--	7.4	--	--	--
7. Number one negative for IT spending											
Weak profits	41.2	35.6	35.9	40.8	34.5	--	--	--	35.7	38.7	40.6
Tight financial conditions	27.9	34.0	31.7	26.8	34.5	--	--	--	34.2	31.0	32.6
Less competition	1.3	4.4	2.8	3.3	3.6	--	--	--	3.8	3.0	5.2
Sufficient capacity	24.6	19.4	24.3	22.1	19.8	--	--	--	20.3	20.7	16.3
8. Operating system that will dominate high end corporate in 5 years											
Windows	38.2	--	--	--	--	--	--	--	--	--	--
Linux	20.6	--	--	--	--	--	--	--	--	--	--
Unix	22.3	--	--	--	--	--	--	--	--	--	--
Other	3.0	--	--	--	--	--	--	--	--	--	--
Not sure	15.9	--	--	--	--	--	--	--	--	--	--
9. Expect yearend spend-the-budget surge											
Yes, and higher than usual since budget underspent to date	--	4.5	--	--	--	--	--	--	--	--	--
Yes, but lower due to budget constrains/reduced funds	--	14.0	--	--	--	--	--	--	--	--	--
No, due to budget constraints	--	51.0	--	--	--	--	--	--	--	--	--
No, incentivized not to spend	--	17.8	--	--	--	--	--	--	--	--	--
Both of the two above	--	6.4	--	--	--	--	--	--	--	--	--
Not sure	--	6.4	--	--	--	--	--	--	--	--	--
10. Expect to replace significant number of PCs											
Did so recently	--	--	--	9.8	--	--	--	--	--	--	--
Currently doing	--	--	--	30.1	--	--	--	--	--	--	--
Will start within next six months	--	--	--	9.5	--	--	--	--	--	--	--
Will start within next six to twelve months	--	--	--	16.2	--	--	--	--	--	--	--
No plans to do so at this time	--	--	--	24.3	--	--	--	--	--	--	--
Have deferred plans	--	--	--	9.5	--	--	--	--	--	--	--
Not sure	--	--	--	0.7	--	--	--	--	--	--	--
Number of Voters	301	316	284	300	282	307	244	245	268	300	326

Table 3: CIO Magazine Tech Poll™ - Summary Results 2001

Summary Results - 2001	Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan
1. CIO Magazine Technology Growth Indicators Tech Future Growth Index*	1.5	2.1	1.7	1.4	3.1	2.5	2.6	1.7	3.1	4.2	6.0	--
2. IT budget (% increase)**												
Past 12 months	1.9	5.8	7.2	3.5	7.2	5.9	6.1	5.2	10.3	14.4	14.1	13.1
Next 12 months	3.7	5.3	4.7	3.7	7.2	6.2	6.3	3.8	7.2	8.9	11.3	11.0
3. Computer Hardware												
Increase	43.6	41.7	37.8	30.3	41.6	44.4	42.4	47.3	45.2	50.9	50.6	--
Decrease	29.1	26.6	28.3	30.3	27.9	27.8	29.2	27.7	25.4	24.9	20.1	--
Unchanged	26.5	30.9	32.6	37.9	29.7	27.4	27.3	23.8	28.9	23.8	29.3	--
4. Data Networking Equipment												
Increase	40.4	42.1	37.7	39.6	44.7	48.2	45.0	54.2	49.6	61.0	61.3	--
Decrease	26.0	30.9	25.5	28.4	22.4	26.3	25.8	22.3	21.9	21.3	13.4	--
Unchanged	32.8	25.5	35.9	31.5	32.4	25.5	28.4	22.3	28.1	17.7	24.8	--
5. Telecom Equipment												
Increase	35.0	34.5	33.9	33.5	42.9	38.2	38.1	38.6	24.7	31.7	--	--
Decrease	27.8	30.6	23.0	30.5	22.8	23.5	22.6	25.1	17.6	18.7	--	--
Unchanged	35.9	33.7	41.3	33.5	34.2	37.8	37.4	34.7	55.9	47.9	--	--
6. Storage Systems												
Increase	41.6	45.7	44.3	48.5	48.6	45.4	50.7	48.6	--	--	--	--
Decrease	20.2	19.8	17.0	15.2	16.5	14.9	15.6	15.4	--	--	--	--
Unchanged	36.9	33.3	37.0	34.8	33.0	36.9	30.7	33.6	--	--	--	--
7. Outsourced IT Services												
Increase	33.5	31.1	26.0	29.9	27.1	31.7	29.7	32.3	32.9	34.8	39.7	--
Decrease	27.0	31.5	33.8	30.5	31.2	25.8	30.9	33.8	24.6	27.3	23.0	--
Unchanged	37.3	35.0	37.7	36.5	40.4	39.7	36.8	30.8	40.8	35.1	34.7	--
8. Infrastructure Software												
Increase	44.0	42.0	33.9	41.6	46.5	37.1	39.8	39.6	48.0	49.5	53.6	--
Decrease	17.2	20.2	18.7	18.3	16.6	20.7	17.5	18.1	14.5	14.6	11.7	--
Unchanged	37.5	36.6	46.1	39.1	34.6	41.4	40.9	40.4	37.0	35.1	33.9	--
9. eBusiness Applications Software												
Increase	40.8	41.9	33.0	39.4	45.2	40.3	41.7	45.6	55.3	55.0	58.2	--
Decrease	18.5	18.6	17.4	17.2	15.1	17.7	14.0	14.3	10.6	10.0	8.9	--
Unchanged	35.6	33.3	43.9	36.4	35.2	36.7	37.6	36.3	29.6	32.1	29.5	--
10. IT future spending on 3 - 10 (average)												
Increase	39.8	39.9	35.2	37.5	42.4	40.8	41.1	43.7	42.6	47.2	52.7	--
Decrease	23.7	25.5	23.4	24.3	21.8	22.4	22.2	22.4	19.1	19.5	15.4	--
Unchanged	34.6	32.6	39.2	35.7	34.2	35.1	34.2	31.7	36.7	32.0	30.4	--
11. B2B2C % of IT budget												
Past 12 months	17.5	15.8	12.2	14.3	15.2	13.3	13.7	11.7	13.8	14.2	14.7	16.5
Next 12 months	18.9	17.2	14.8	16.3	15.9	15.3	16.2	14.3	15.8	16.7	16.3	22.2
12. B2B2C % of revenues												
Past 12 months	11.0	9.4	7.4	10.4	9.1	7.7	7.5	6.8	7.7	9.0	8.6	14.1
Next 12 months	14.9	13.2	9.9	13.2	11.9	10.5	10.7	10.0	10.7	12.4	11.3	19.1
13. Purchases over the Internet (% of total)												
Past 12 months	18.2	16.8	13.1	13.8	16.8	11.7	13.2	11.5	13.9	14.0	15.9	13.2
Next 12 months	23.3	21.7	18.5	19.9	22.2	17.0	18.3	16.6	18.8	20.5	21.3	19.5
14. Compensation (% increase)												
Past 12 months	5.1	3.8	5.1	5.6	5.9	5.6	7.1	6.3	8.8	8.7	8.7	9.6
15. IT labor supply												
Plentiful	29.2	24.0	17.3	15.2	12.4	10.8	10.4	9.6	4.4	6.7	1.7	2.3
Available	60.2	65.5	71.0	67.2	68.3	66.8	63.3	69.6	63.9	58.2	49.0	42.0
Hard to find	9.7	9.3	10.4	14.6	17.4	19.6	24.4	20.0	30.4	39.7	46.0	55.0
Number of Voters	236	259	231	198	219	255	276	260	229	282	239	131

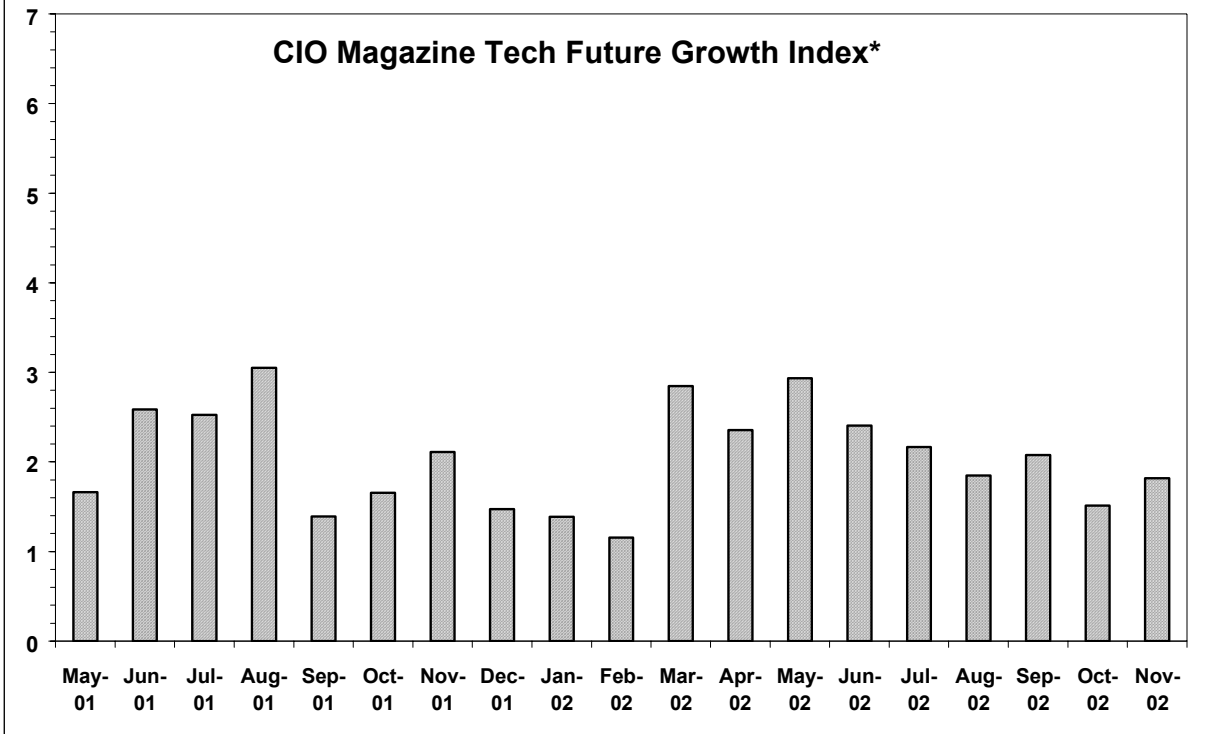
* Projected growth rates of IT budgets over the next 12 months multiplied by average percentage of respondents saying they plan to increase their spending on eight unique categories.

** Excludes all responses greater than 100%.

Table 4: CIO Magazine Tech Poll™ - Special Questions 2001

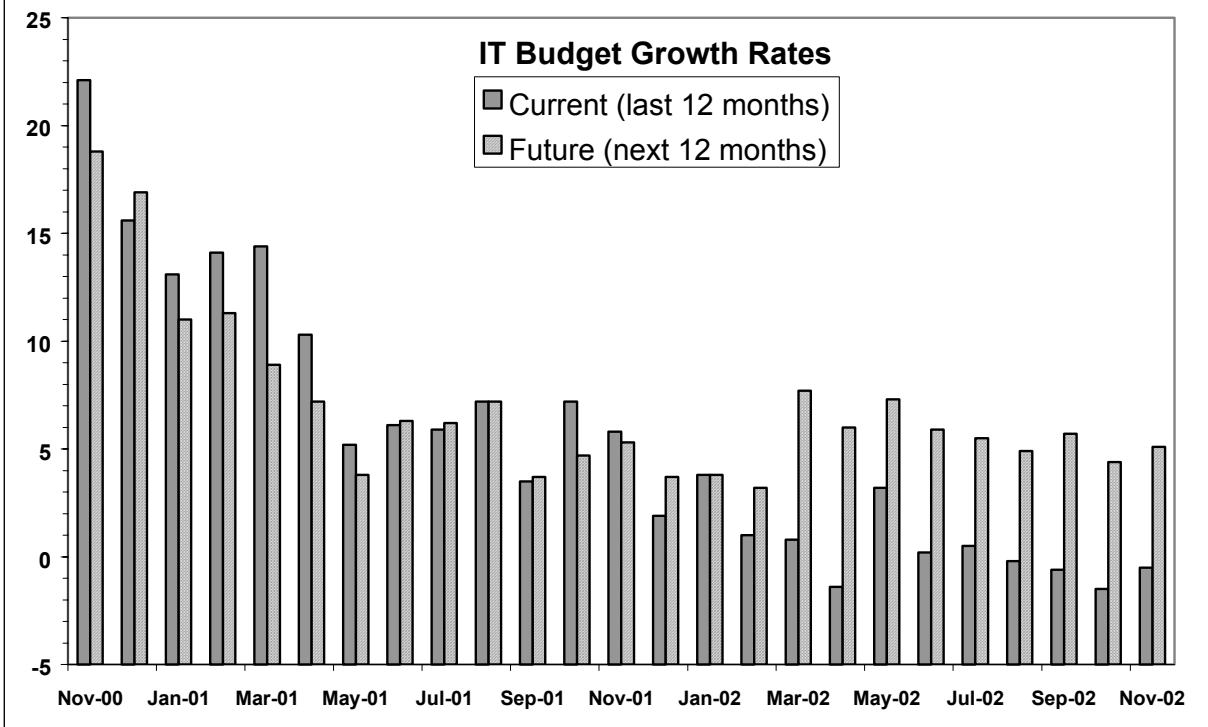
Special Questions - 2001	Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan
1. Expected change in IT spending (current/previous quarter)												
Significantly higher	3.8	5.0	2.2	5.0	4.1	3.6	--	--	--	--	--	--
Higher	17.4	20.8	21.6	18.6	25.2	25.0	--	--	--	--	--	--
Unchanged	42.8	44.0	42.4	42.2	40.4	41.3	--	--	--	--	--	--
Lower	25.8	22.0	24.7	27.1	22.5	23.0	--	--	--	--	--	--
Significantly lower	10.2	8.1	9.1	7.0	6.4	5.6	--	--	--	--	--	--
2. Expected pickup in IT spending												
Never slowed	21.6	23.2	28.6	21.8	22.8	20.7	--	--	--	--	--	--
Already picked up	10.2	11.6	8.7	7.1	6.8	8.8	--	--	--	--	--	--
Third quarter 2001	--	--	--	1.5	4.1	6.0	--	--	--	--	--	--
Fourth quarter 2001	--	--	4.3	10.7	8.7	11.2	--	--	--	--	--	--
First quarter 2002	22.5	20.1	21.6	24.9	22.8	21.5	--	--	--	--	--	--
Second quarter 2002	18.2	17.0	--	--	--	--	--	--	--	--	--	--
Second half 2002	--	--	--	--	--	--	--	--	--	--	--	--
Beyond second quarter 2002	23.3	21.6	34.2	29.4	29.2	23.5	--	--	--	--	--	--
Beyond 2002	--	--	--	--	--	--	--	--	--	--	--	--
3. State of current application backlog												
No backlog	12.7	--	--	--	--	--	--	--	--	--	--	--
Backlog, but not critical to our planning	35.2	--	--	--	--	--	--	--	--	--	--	--
Significant backlog, but budget constraints are more important	39.4	--	--	--	--	--	--	--	--	--	--	--
Significant backlog, and will increase spending in response	12.7	--	--	--	--	--	--	--	--	--	--	--
4. Number one negative for IT spending												
Weak profits	37.7	40.1	43.9	35.9	39.9	44.2	39.0	37.2	33.9	35.5	30.8	--
Tight financial conditions	31.4	28.8	25.0	31.3	28.9	29.9	25.5	25.6	29.0	30.2	35.0	--
Less competition	5.5	1.2	3.1	2.5	2.3	2.4	4.9	5.4	5.4	6.0	6.3	--
Sufficient capacity	20.3	21.0	19.7	22.2	20.6	18.3	23.6	21.7	21.0	18.1	17.7	--
5. 2002 budget allocated to building web services-based systems & applications												
No allocation	--	45.6	--	--	--	--	--	--	--	--	--	--
Less than 2% of overall budget	--	16.3	--	--	--	--	--	--	--	--	--	--
3-5% of overall budget	--	11.6	--	--	--	--	--	--	--	--	--	--
6-10% of overall budget	--	8.9	--	--	--	--	--	--	--	--	--	--
More than 10% of overall budget	--	10.4	--	--	--	--	--	--	--	--	--	--
6. Expect to replace significant number of PCs												
Did so recently	--	--	--	15.6	--	--	--	--	--	--	--	--
Currently doing	--	--	--	27.6	--	--	--	--	--	--	--	--
Will start within next six months	--	--	--	20.6	--	--	--	--	--	--	--	--
No plans to do so at this time	--	--	--	33.2	--	--	--	--	--	--	--	--
Not sure	--	--	--	3.0	--	--	--	--	--	--	--	--
Number of Voters	236	259	231	198	219	255	276	260	229	282	239	

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*Projected growth rate of IT budgets over the next 12 months multiplied by average percentage of respondents saying they plan to increase their spending in seven unique categories.

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Source: CIO Magazine Tech Poll™