



IBM Services Subsidiary signs \$29 Million deal with SaskTel
Technology and services deal will help with long-term growth strategy

Regina, SK, (July 20, 2006) -- ISM Canada has signed a four-year agreement with SaskTel worth over \$29 million CDN, to provide mainframe services, and printing and mailing services.

The innovative mainframe solution provided by ISM Canada, an IBM Canada subsidiary, allows SaskTel to save money, gain a more powerful processor, and help meet demand fluctuations.

“We chose ISM Canada because the ISM Canada team understands our business challenges and they provided us with the best overall solution,” said Robert Watson, SaskTel president and chief executive officer. “ISM Canada provided an innovative solution with higher capacity and the flexibility that we require to adjust as we grow our business in the future.”

SaskTel’s mainframe currently supports many key business applications, including the main billing system. The new agreement includes system software and hardware support and maintenance, capacity planning, storage, back-up and recovery, helpdesk services, disaster recovery services, as well as collaborative security management and network support.

“Our team combined decades of excellence in delivering IT services with competitive, cost-effective pricing,” said Dan McMurtry, president and chief executive officer, ISM Canada. “SaskTel will benefit from reliable and secure mainframe services integrated with IBM technologies that will help them win in the marketplace.”

- 30 -

ISM Canada

ISM Canada (www.ismcanada.com) is a wholly owned subsidiary of IBM Canada. For more information about IBM, go to: www.ibm.com

SaskTel

For more information on SaskTel, visit their Web site at: www.sasktel.com.

For more information please contact:

Maureen Rourke, IBM Canada, (905)316-4425, mrourke@ca.ibm.com
Anne Mowat, ISM Canada, (306)790-5007, mowat@ca.ibm.com
Michelle Englot, SaskTel, (306) 777-4476, michelle.englot@sasktel.sk.ca