

**FOR IMMEDIATE RELEASE**  
**February 22, 2005**

## **Novell Reports Financial Results for First Fiscal Quarter 2005**

**WALTHAM, Mass. – February 22, 2005** - Novell, Inc. (NASDAQ:NOVL) today announced financial results for its first fiscal quarter ended January 31, 2005. For the quarter, Novell reported revenues of \$290 million, compared to revenues of \$267 million for the first fiscal quarter 2004. Net income available to common stockholders in the first fiscal quarter 2005 was \$392 million, or \$0.90 per diluted common share. This compared to net income available to common stockholders of \$10 million, or \$0.03 per diluted common share, for the first fiscal quarter 2004.

On a non-GAAP basis, adjusted net income available to common stockholders for the first fiscal quarter 2005 was \$10 million, or \$0.03 per diluted common share, which excludes a \$448 million net gain on a previously announced legal settlement with Microsoft, \$6 million of restructuring expense, a \$2 million gain on a sale of property, \$1 million of long-term investment impairments and the related adjustments for income taxes and the allocation of earnings to preferred stockholders. This compares to non-GAAP adjusted net income available to common stockholders for the first fiscal quarter 2004 of \$11 million, or \$0.03 per diluted common share, which excludes the effect of long-term investment impairments of \$1 million. Full details on Novell's reported results, including a reconciliation of the non-GAAP adjusted results, are included in the financial schedules that are a part of this release.

In the first fiscal quarter 2005, foreign currency exchange rates favorably impacted total revenue by approximately \$10 million year-over-year. Foreign currency exchange rates favorably impacted net income by \$2 million year-over-year.

During the first fiscal quarter 2005, Novell recognized revenue of \$15 million associated with its SUSE® LINUX business including \$7 million of recognized revenue from subscriptions to SUSE LINUX Enterprise Server (SLES). Sales of subscriptions to SUSE LINUX Enterprise Server totaled 21,000 units in the quarter.

“Novell made steady progress on executing its strategy this quarter. We still have work ahead of

us as we continue to reposition the company in our growth markets ,” said Jack Messman, Chairman and CEO of Novell. “Our solid balance sheet gives us increased financial flexibility to execute strategic initiatives in the future.”

On the balance sheet, cash and short-term investments were \$1.7 billion at January 31, 2005, compared with \$1.2 billion at October 31, 2004. Days sales outstanding (DSO) in accounts receivable was 59 days at the end of the first fiscal quarter 2005, down from 60 days in the year ago quarter. Deferred revenues were \$343 million at the end of the first fiscal quarter 2005, up \$49 million or 17% year over year. Cash flow from operations was \$452 million for the first fiscal quarter 2005, up from \$31 million a year ago, mainly due to the net \$448 million Microsoft settlement payment.

A summary of Novell’s vision, mission and strategy can be accessed on the Novell® Web site at: [www.novell.com/company/ir/qresults](http://www.novell.com/company/ir/qresults).

**Conference call notification and Web access detail**

A live Webcast of a Novell conference call to discuss the quarter will be broadcast at 5PM ET February 22, 2005, from Novell's Investor Relations Web page:

<http://www.novell.com/company/ir/qresults/>. The domestic conference call dial-in number is 888-323-5254, password “Novell”, and the international dial-in number is +1-773-756-4625, password “Novell”.

The call will be archived on the Web site approximately 15 minutes after its conclusion, and will be available for telephone playback through midnight, March 8. The domestic toll-free replay number is 888-562-2893, and the international replay number is +1-402-530-7604.

A copy of this press release is posted on Novell’s Web site at: <http://www.novell.com/company/ir/qresults/>.

**Legal notice regarding forward-looking statements**

This press release includes statements that are not historical in nature and that may be characterized as “forward-looking statements,” including those related to future financial and operating results, benefits and synergies of the company’s brands and strategies, future opportunities and the growth of the market for open source solutions. You should be aware that Novell’s actual results could differ materially from those contained in the forward-looking statements, which are based on current expectations of Novell management and are subject to a number of risks and uncertainties, including, but not limited to, Novell’s ability to integrate acquired operations and employees, Novell’s success in executing its Linux strategies, Novell’s ability to deliver on its one Net vision of the Internet, Novell’s ability to take a competitive position in the Linux industry, business conditions and the general economy, market opportunities, potential new business strategies, competitive factors, sales and marketing execution, shifts in technologies or market demand and the other factors described in Novell’s Annual Report on Form 10-K filed with the Securities and Exchange Commission on January 13, 2005. Novell disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this press release.

**About Novell**

Novell, Inc. is a leading provider of information solutions that deliver secure identity management (Novell Nsure®), Web application development (Novell exteNd™) and cross-platform networking services (Novell Nterprise™), all supported by strategic consulting and professional services (Novell Ngage<sup>SM</sup>). Active in the open source community with its Ximian® and SUSE LINUX brands, Novell provides a full range of Linux products and services for the enterprise from the desktop to the server. Novell’s vision of one Net – a world without information boundaries – helps customers realize the value of their information securely and economically. For more information, call Novell’s Customer Response Center at (888) 321-4CRC (4272) or visit <http://www.novell.com>. Press should visit <http://www.novell.com/pressroom>.

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**Press Contact:**

Bruce Lowry  
Novell, Inc.  
Phone: 415-383-8408  
E-Mail: [blowry@novell.com](mailto:blowry@novell.com)

**Investor Relations Contact:**

Bill Smith  
Novell, Inc.  
Phone: 800-317-3195  
E-Mail: [wsmith@novell.com](mailto:wsmith@novell.com)

**Novell, Inc.**  
**Consolidated Unaudited Condensed Statements of Operations**  
(In thousands, except per share data)

	<b>Fiscal Quarter Ended</b>	
	<b>Jan 31, 2005</b>	<b>Jan 31, 2004</b>
Net revenue		
New software licenses	\$ 44,296	\$ 54,769
Maintenance and services	245,832	212,338
<b>Total net revenue</b>	<b>290,128</b>	<b>267,107</b>
Cost of revenue		
New software licenses	4,632	4,922
Maintenance and services	107,419	89,954
Total cost of revenue	112,051	94,876
<b>Gross profit</b>	<b>178,077</b>	<b>172,231</b>
Operating expenses		
Sales and marketing	94,009	81,769
Product development	48,993	50,199
General and administrative	28,240	26,257
Restructuring expenses	6,419	-
Gain on sale of property, plant and equipment	(1,589)	-
Gain on legal settlement	(447,560)	-
Total operating expenses	(271,488)	158,225
<b>Income from operations</b>	<b>449,565</b>	<b>14,006</b>
Other income (expense), net	5,035	2,477
Income before income taxes	454,600	16,483
Income tax expense	59,439	6,348
<b>Net income</b>	<b>\$ 395,161</b>	<b>\$ 10,135</b>
<b>Net income available to common stockholders - basic</b>	<b>\$ 390,891</b>	<b>\$ 10,135</b>
<b>Net income available to common stockholders - diluted</b>	<b>\$ 392,384</b>	<b>\$ 10,135</b>
<b>Net income per common share:</b>		
Basic	\$ 1.04	\$ 0.03
Diluted	\$ 0.90	\$ 0.03
<b>Weighted average shares:</b>		
Basic	377,257	378,566
Diluted	435,467	391,371

Certain reclassifications, none of which affected net income, were made to the prior period amounts in order to conform to the current period's presentation.

**Novell, Inc.**  
**Consolidated Unaudited Condensed Balance Sheets**  
(In thousands)

<b>ASSETS</b>	<u>Jan 31, 2005</u>	<u>Oct 31, 2004</u>
Current assets		
Cash and cash equivalents	\$ 771,844	\$ 434,404
Short-term investments	886,558	777,063
Receivables, net	201,328	269,431
Prepaid expenses	30,641	25,190
Other current assets	<u>29,847</u>	<u>28,846</u>
Total current assets	1,920,218	1,534,934
Property, plant and equipment, net	219,835	231,468
Long-term investments	57,511	55,986
Goodwill	362,307	391,088
Intangible assets, net	59,861	48,616
Other assets	<u>28,577</u>	<u>29,456</u>
Total assets	<u>\$ 2,648,309</u>	<u>\$ 2,291,548</u>
 <b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable	\$ 45,903	\$ 55,956
Accrued compensation	105,473	126,612
Other accrued liabilities	89,113	98,983
Income taxes payable	56,560	37,077
Deferred revenue	<u>343,104</u>	<u>374,186</u>
Total current liabilities	640,153	692,814
Deferred income taxes	4,640	3,855
Senior convertible debentures	<u>600,000</u>	<u>600,000</u>
Total liabilities	1,244,793	1,296,669
Minority interests	6,364	6,515
Preferred stock	25,000	25,000
Stockholders' equity	<u>1,372,152</u>	<u>963,364</u>
Total liabilities and stockholders' equity	<u>\$ 2,648,309</u>	<u>\$ 2,291,548</u>

Certain reclassifications, none of which affected net income, were made to the prior period amounts in order to conform to the current period's presentation.

**Novell, Inc.**  
**Consolidated Unaudited Condensed Statements of Cash Flows**  
(In thousands)

	<b>Fiscal Quarter Ended</b>	
	<b>Jan 31, 2005</b>	<b>Jan 31, 2004</b>
<b>Cash flows from operating activities:</b>		
Net income	\$ 395,161	\$ 10,135
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	12,895	16,152
Stock plans' income tax benefits	4,260	-
Utilization of previously reserved acquired NOLs	29,000	-
Gain on sale of property, plant and equipment	(1,589)	-
Impairment of investments	1,013	1,145
Changes in current assets and liabilities, excluding the effect of acquisitions	10,907	3,589
<b>Net cash provided by operating activities</b>	<b>451,647</b>	<b>31,021</b>
<b>Cash flows from financing activities:</b>		
Issuance of common stock, net	4,467	28,493
Payment of cash dividends on preferred stock	(250)	-
<b>Net cash provided by financing activities</b>	<b>4,217</b>	<b>28,493</b>
<b>Cash flows from investing activities:</b>		
Purchases of property, plant and equipment	(5,649)	(5,466)
Proceeds from the sale of property, plant and equipment	10,421	-
Short-term investment activity	(111,706)	45,266
Cash paid for acquisition of SUSE, net of cash acquired	-	(200,298)
Other	(11,490)	(107)
<b>Net cash used in investing activities</b>	<b>(118,424)</b>	<b>(160,605)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>337,440</b>	<b>(101,091)</b>
Cash and cash equivalents - beginning of period	434,404	366,932
<b>Cash and cash equivalents - end of period</b>	<b>\$ 771,844</b>	<b>\$ 265,841</b>

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**Novell, Inc.**  
**Unaudited Non-GAAP Adjusted Earnings Information**

(In thousands, except per share data)

	<u>GAAP</u>		<u>Non-GAAP</u>
	<u>As Reported</u>	<u>Adjustments</u>	<u>Adjusted</u>
<b><u>Fiscal quarter ended January 31, 2005</u></b>			
Net revenue	\$ 290,128	\$ -	\$ 290,128
Gross profit	178,077	-	178,077
Income from operations	449,565	(442,730) (a)	6,835
Income before income taxes	454,600	(441,717) (b)	12,883
Net income	395,161	(385,095) (c)	10,066
Net income available to common stockholders - diluted	392,384	(382,547) (d)	9,837
Diluted net income per common share	\$ 0.90	\$ (0.87) (d)	\$ 0.03
Diluted weighted average shares	435,467	(52,074) (e)	383,393
<b><u>Fiscal quarter ended October 31, 2004</u></b>			
Net revenue	\$ 300,657	\$ -	\$ 300,657
Gross profit	190,252	-	190,252
Income from operations	14,612	8,916 (f)	23,528
Income before income taxes	14,860	10,317 (g)	25,177
Net income	13,265	10,317 (g)	23,582
Net income available to common stockholders - diluted	14,757	10,317 (h)	25,074
Diluted net income per common share	\$ 0.03	\$ 0.03 (h)	\$ 0.06
Diluted weighted average shares	438,106	-	438,106
<b><u>Fiscal quarter ended January 31, 2004</u></b>			
Net revenue	\$ 267,107	\$ -	\$ 267,107
Gross profit	172,231	-	172,231
Income from operations	14,006	-	14,006
Income before income taxes	16,483	1,145 (i)	17,628
Net income	10,135	1,145 (i)	11,280
Net income available to common stockholders - diluted	10,135	1,145 (i)	11,280
Diluted net income per common share	\$ 0.03	\$ 0.00 (i)	\$ 0.03
Diluted weighted average shares	391,371	-	391,371

**Footnotes related to adjustments:**

- (a) Reflects a net gain on a legal settlement of \$447.6 million, restructuring provisions of \$6.4 million and a gain on the sale of property, plant and equipment of \$1.6 million.
- (b) Reflects the items in footnote (a) and long-term investment impairments of \$1 million.
- (c) Reflects the items in footnotes (a) and (b) and the related tax adjustments.
- (d) Reflects the items in footnotes (a), (b) and (c), a \$4 million decrease in the allocation of earnings to preferred stockholders, and the addition of \$1.5 million in convertible debt interest expense.
- (e) Reflects potential common shares related to convertible debt that are anti-dilutive when included with other dilutive shares in computing non-GAAP diluted net income per common share.
- (f) Reflects restructuring provisions of \$8.9 million.
- (g) Reflects the item in footnote (f) and net long-term investment impairments of \$1.4 million.
- (h) Reflects the items in footnotes (f) and (g), for which there were no tax adjustments.
- (i) Reflects long-term investment impairments of \$1.1 million, for which there were no tax adjustments.

**Novell, Inc.**  
**Consolidated Unaudited Condensed Statements of Operations**  
(In thousands, except per share data)

	Fiscal Year								Trailing Four		
	Q1 2004	%	Q4 2004	%	2004	%			Q1 2005	%	Quarters
Net revenue											
New software licenses	\$ 54,769	20.5	\$ 61,994	20.6	\$ 234,037	20.1	\$ 44,296	15.3	\$ 223,564	18.8	
Maintenance and services	212,338	79.5	238,663	79.4	931,880	79.9	245,832	84.7	965,374	81.2	
<b>Total net revenue</b>	<b>267,107</b>	<b>100.0</b>	<b>300,657</b>	<b>100.0</b>	<b>1,165,917</b>	<b>100.0</b>	<b>290,128</b>	<b>100.0</b>	<b>1,188,938</b>	<b>100.0</b>	
Cost of revenue											
New software licenses	4,922	1.8	6,859	2.3	23,478	2.0	4,632	1.6	23,188	2.0	
Maintenance and services	89,954	33.7	103,546	34.4	392,201	33.6	107,419	37.0	409,666	34.5	
<b>Total cost of revenue</b>	<b>94,876</b>	<b>35.5</b>	<b>110,405</b>	<b>36.7</b>	<b>415,679</b>	<b>35.7</b>	<b>112,051</b>	<b>38.6</b>	<b>432,854</b>	<b>36.4</b>	
<b>Gross profit</b>	<b>172,231</b>	<b>64.5</b>	<b>190,252</b>	<b>63.3</b>	<b>750,238</b>	<b>64.3</b>	<b>178,077</b>	<b>61.4</b>	<b>756,084</b>	<b>63.6</b>	
Operating expenses											
Sales and marketing	81,769	30.6	96,156	32.0	362,569	31.1	94,009	32.4	374,809	31.5	
Product development	50,199	18.8	47,332	15.7	198,614	17.0	48,993	16.9	197,408	16.6	
General and administrative	26,257	9.8	23,236	7.7	102,437	8.8	28,240	9.7	104,420	8.8	
Restructuring expenses	-	-	8,916	3.0	22,903	2.0	6,419	2.2	29,322	2.5	
Gain on sale of property, plant and equipment	-	-	-	-	(1,977)	(0.2)	(1,589)	(0.5)	(3,566)	(0.3)	
Gain on legal settlement	-	-	-	-	-	-	(447,560)	(154.3)	(447,560)	(37.6)	
Total operating expenses	158,225	59.2	175,640	58.4	684,546	58.7	(271,488)	(93.6)	254,833	21.4	
<b>Income from operations</b>	<b>14,006</b>	<b>5.2</b>	<b>14,612</b>	<b>4.9</b>	<b>65,692</b>	<b>5.6</b>	<b>449,565</b>	<b>155.0</b>	<b>501,251</b>	<b>42.2</b>	
Other income (expense)											
Investment income	3,512	1.3	4,436	1.5	17,986	1.5	8,440	2.9	22,914	1.9	
Other, net	(1,035)	(0.4)	(4,188)	(1.4)	(8,704)	(0.7)	(3,405)	(1.2)	(11,074)	(0.9)	
Other income (expense), net	2,477	0.9	248	0.1	9,282	0.8	5,035	1.7	11,840	1.0	
Income before income taxes	16,483	6.2	14,860	4.9	74,974	6.4	454,600	156.7	513,091	43.2	
Income tax expense	6,348	2.4	1,595	0.5	17,786	1.5	59,439	20.5	70,877	6.0	
<b>Net income</b>	<b>\$ 10,135</b>	<b>3.8</b>	<b>\$ 13,265</b>	<b>4.4</b>	<b>\$ 57,188</b>	<b>4.9</b>	<b>\$ 395,161</b>	<b>136.2</b>	<b>\$ 442,214</b>	<b>37.2</b>	
Beneficial conversion feature	-	-	-	-	(25,680)	(2.2)	-	-	(25,680)	(2.2)	
Allocation of earnings to preferred stockholders	-	-	(139)	(0.0)	(275)	(0.0)	(4,145)	(1.4)	(4,525)	(0.4)	
Preferred stock dividends	-	-	(125)	(0.0)	(416)	(0.0)	(125)	(0.0)	(541)	(0.0)	
<b>Net income available to common stockholders - basic</b>	<b>\$ 10,135</b>	<b>3.8</b>	<b>\$ 13,001</b>	<b>4.3</b>	<b>\$ 30,816</b>	<b>2.6</b>	<b>\$ 390,891</b>	<b>134.7</b>	<b>\$ 411,468</b>	<b>34.6</b>	
<b>Net income available to common stockholders - diluted</b>	<b>\$ 10,135</b>	<b>3.8</b>	<b>\$ 14,757</b>	<b>4.9</b>	<b>\$ 30,816</b>	<b>2.6</b>	<b>\$ 392,384</b>	<b>135.2</b>	<b>\$ 414,936</b>	<b>34.9</b>	
Net income per common share:											
Basic	\$ 0.03		\$ 0.03		\$ 0.08		\$ 1.04		\$ 1.08		
Diluted	\$ 0.03		\$ 0.03		\$ 0.08		\$ 0.90		\$ 0.99		
Weighted average shares:											
Basic	378,566		375,154		379,665		377,257		379,338		
Diluted	391,371		438,106		390,324		435,467		418,470		

Certain reclassifications, none of which affected net income, were made to the prior period amounts in order to conform to the current period's presentation.

**Novell, Inc.**  
**Unaudited Trended Solutions Category, Business Category & Segment Revenue**  
(In thousands)

Revenue by solution	Q1 2004		Q4 2004		Fiscal Year 2004		Q1 2005		Trailing Four Quarters	
		%		%		%		%		%
<b>IT software and solutions</b>										
Identity-based computing										
Identity management & web services	\$ 22,472	8.4	\$ 28,288	9.4	\$ 101,531	8.7	\$ 26,843	9.3	\$ 105,902	8.9
Resource management	29,329	11.0	33,602	11.2	124,337	10.7	29,969	10.3	124,977	10.5
Total identity-based computing	<u>51,801</u>	<u>19.4</u>	<u>61,890</u>	<u>20.6</u>	<u>225,868</u>	<u>19.4</u>	<u>56,812</u>	<u>19.6</u>	<u>230,879</u>	<u>19.4</u>
Cross platform services										
Linux & platform services	77,871	29.2	84,795	28.2	349,593	30.0	82,151	28.3	353,873	29.8
Collaboration & other products	29,339	11.0	32,101	10.7	123,544	10.6	26,720	9.2	120,925	10.2
Total cross platform services	<u>107,210</u>	<u>40.1</u>	<u>116,897</u>	<u>38.9</u>	<u>473,137</u>	<u>40.6</u>	<u>108,871</u>	<u>37.5</u>	<u>474,798</u>	<u>39.9</u>
Total software licenses & maintenance	159,011	59.5	178,787	59.5	699,005	60.0	165,683	57.1	705,677	59.4
Worldwide services	70,763	26.5	82,689	27.5	304,848	26.1	80,396	27.7	314,481	26.5
<b>Total IT software and solutions</b>	<b>229,774</b>	<b>86.0</b>	<b>261,476</b>	<b>87.0</b>	<b>1,003,853</b>	<b>86.1</b>	<b>246,079</b>	<b>84.8</b>	<b>1,020,158</b>	<b>85.8</b>
<b>Celerant consulting</b>	<b>37,333</b>	<b>14.0</b>	<b>39,181</b>	<b>13.0</b>	<b>162,064</b>	<b>13.9</b>	<b>44,049</b>	<b>15.2</b>	<b>168,780</b>	<b>14.2</b>
<b>Total net revenue</b>	<b>\$ 267,107</b>	<b>100.0</b>	<b>\$ 300,657</b>	<b>100.0</b>	<b>\$ 1,165,917</b>	<b>100.0</b>	<b>\$ 290,128</b>	<b>100.0</b>	<b>\$ 1,188,938</b>	<b>100.0</b>
<b>Revenue by business category</b>										
New software licenses	\$ 54,769	20.5	\$ 61,994	20.6	\$ 234,037	20.1	\$ 44,296	15.3	\$ 223,564	18.8
Maintenance and services	212,338	79.5	238,663	79.4	931,880	79.9	245,832	84.7	965,374	81.2
<b>Total net revenue</b>	<b>\$ 267,107</b>	<b>100.0</b>	<b>\$ 300,657</b>	<b>100.0</b>	<b>\$ 1,165,917</b>	<b>100.0</b>	<b>\$ 290,128</b>	<b>100.0</b>	<b>\$ 1,188,938</b>	<b>100.0</b>
<b>Revenue by segment</b>										
North America	\$ 115,760	43.3	\$ 132,824	44.2	\$ 514,477	44.1	\$ 123,763	42.7	\$ 522,480	43.9
EMEA	87,851	32.9	99,197	33.0	378,273	32.4	95,551	32.9	385,973	32.5
Asia Pacific	14,819	5.5	15,482	5.1	61,774	5.3	14,671	5.1	61,626	5.2
Latin America	5,788	2.2	5,336	1.8	21,026	1.8	5,219	1.8	20,457	1.7
Japan	5,556	2.1	8,637	2.9	28,304	2.4	6,875	2.4	29,623	2.5
Celerant Consulting	37,333	14.0	39,181	13.0	162,063	13.9	44,049	15.2	168,779	14.2
<b>Total net revenue</b>	<b>\$ 267,107</b>	<b>100.0</b>	<b>\$ 300,657</b>	<b>100.0</b>	<b>\$ 1,165,917</b>	<b>100.0</b>	<b>\$ 290,128</b>	<b>100.0</b>	<b>\$ 1,188,938</b>	<b>100.0</b>

Certain reclassifications were made to the prior period amounts in order to conform to the current period's presentation.

\$13.5 million Q3 2004 payment from The Canopy Group, Inc. is recorded in Linux & Platform Services as maintenance and services revenue in North America.

**Novell, Inc.**  
**Unaudited Trended Solutions Revenue by New Software Licenses and Maintenance and Services**  
(In thousands)

	Q1 2004	%	Q4 2004	%	Fiscal Year 2004	%	Q1 2005	%	Trailing Four Quarters	%
<b>IT software and solutions</b>										
<b>Identity-based computing</b>										
Identity management & web services										
New software licenses	\$ 8,075	3.0	\$ 12,016	4.0	\$ 40,545	3.5	\$ 9,724	3.4	\$ 42,195	3.5
Maintenance and services	14,397	5.4	16,272	5.4	60,986	5.2	17,119	5.9	63,707	5.4
	<b>22,472</b>	<b>8.4</b>	<b>28,288</b>	<b>9.4</b>	<b>101,531</b>	<b>8.7</b>	<b>26,843</b>	<b>9.3</b>	<b>105,902</b>	<b>8.9</b>
Resource management										
New software licenses	10,114	3.8	11,242	3.7	40,505	3.5	6,938	2.4	37,330	3.1
Maintenance and services	19,215	7.2	22,360	7.4	83,832	7.2	23,031	7.9	87,648	7.4
	<b>29,329</b>	<b>11.0</b>	<b>33,602</b>	<b>11.2</b>	<b>124,337</b>	<b>10.7</b>	<b>29,969</b>	<b>10.3</b>	<b>124,977</b>	<b>10.5</b>
<b>Cross platform services</b>										
Linux & platform services										
New software licenses	26,314	9.9	25,457	8.5	107,698	9.2	20,829	7.2	102,213	8.6
Maintenance and services	51,557	19.3	59,338	19.7	241,895	20.7	61,322	21.1	251,660	21.2
	<b>77,871</b>	<b>29.2</b>	<b>84,795</b>	<b>28.2</b>	<b>349,593</b>	<b>30.0</b>	<b>82,151</b>	<b>28.3</b>	<b>353,873</b>	<b>29.8</b>
Collaboration & other products										
New software licenses	10,267	3.8	13,278	4.4	45,288	3.9	6,805	2.3	41,827	3.5
Maintenance and services	19,072	7.1	18,823	6.3	78,255	6.7	19,915	6.9	79,098	6.7
	<b>29,339</b>	<b>11.0</b>	<b>32,101</b>	<b>10.7</b>	<b>123,544</b>	<b>10.6</b>	<b>26,720</b>	<b>9.2</b>	<b>120,925</b>	<b>10.2</b>
<b>Total software, licenses &amp; maintenance</b>										
New software licenses	54,769	20.5	61,994	20.6	234,037	20.1	44,296	15.3	223,564	18.8
Maintenance and services	104,242	39.0	116,793	38.8	464,968	39.9	121,387	41.8	482,113	40.5
	<b>159,011</b>	<b>59.5</b>	<b>178,787</b>	<b>59.5</b>	<b>699,005</b>	<b>60.0</b>	<b>165,683</b>	<b>57.1</b>	<b>705,677</b>	<b>59.4</b>
<b>Worldwide services</b>	<b>70,763</b>	<b>26.5</b>	<b>82,689</b>	<b>27.5</b>	<b>304,848</b>	<b>26.1</b>	<b>80,396</b>	<b>27.7</b>	<b>314,481</b>	<b>26.5</b>
<b>Total IT software and solutions</b>										
New software licenses	54,769	20.5	61,994	20.6	234,037	20.1	44,296	15.3	223,564	18.8
Maintenance and services	175,005	65.5	199,483	66.3	769,816	66.0	201,783	69.5	796,595	67.0
	<b>229,774</b>	<b>86.0</b>	<b>261,476</b>	<b>87.0</b>	<b>1,003,853</b>	<b>86.1</b>	<b>246,079</b>	<b>84.8</b>	<b>1,020,158</b>	<b>85.8</b>
<b>Celerant consulting</b>	<b>37,333</b>	<b>14.0</b>	<b>39,181</b>	<b>13.0</b>	<b>162,064</b>	<b>13.9</b>	<b>44,049</b>	<b>15.2</b>	<b>168,780</b>	<b>14.2</b>
<b>Total net revenue</b>										
New software licenses	54,769	20.5	61,994	20.6	234,037	20.1	44,296	15.3	223,564	18.8
Maintenance and services	212,338	79.5	238,663	79.4	931,880	79.9	245,832	84.7	965,374	81.2
<b>Total net revenue</b>	<b>\$ 267,107</b>	<b>100.0</b>	<b>\$ 300,657</b>	<b>100.0</b>	<b>\$ 1,165,917</b>	<b>100.0</b>	<b>\$ 290,128</b>	<b>100.0</b>	<b>\$ 1,188,938</b>	<b>100.0</b>

Certain reclassifications were made to the prior period amounts in order to conform to the current period's presentation.

\$13.5 million Q3 2004 payment from The Canopy Group, Inc. is recorded in Linux & Platform Services as maintenance and services revenue.

**Novell, Inc.**  
**Major IT Software and Solutions Included Within Reported Line Items**

**Identity-Based Computing**

**Identity Management & Web Services**

- > Identity Manager (*DirXML*)
- > Web Services (*exteNd*)
- > eDirectory
- > BorderManager
- > SecureLogin
- > iChain

**Resource Management**

- > ZEN Products
- > Red Carpet Products

**Cross platform services**

**Linux & Platform Services**

- > NetWare
- > SUSE LINUX Enterprise Server
- > SUSE LINUX Professional
- > Small Business Suite
- > Cluster Services

**Collaboration & Other Products**

- > GroupWise
- > Other Products

**Worldwide services**

- > IT Consulting Services
- > Technical Support Services
- > Training Services