



Red Hat Linux to Power Global Telemedicine Network

Red Hat to Provide Linux Backbone for Medical Center of Boston

International, Inc.'s New Internet-based Training Network

RESEARCH TRIANGLE PARK, N.C.--(BUSINESS WIRE)--June 16, 2000--Red Hat, Inc. (Nasdaq:RHAT), a leader in open source Internet infrastructure solutions, today announced that the Medical Center of Boston International, Inc. (MCBI) will leverage Red Hat Linux as the operating system (OS) backbone for the first Internet-based global telemedicine infrastructure on the Linux platform. Red Hat will help MCBI provide premier medical services worldwide through the Web.

MCBI currently provides direct, Web-based training to doctors, as well as an avenue for the introduction of direct sales and training in the application of the latest pharmaceutical and surgical equipment. As MCBI expands both its offerings and its global reach, its telemedicine network will run on servers powered by the Red Hat Linux operating system. MCBI has also purchased a service package from Red Hat to support the installation.

"Our selection of Red Hat Linux as our operating system platform, as well as Red Hat support for our applications, provides us with the opportunity to leverage the superior reliability of Red Hat's version of Linux as well as manage our business with a much lower cost of use and ease of customization," said Dr. Ahmed Mohiuddin, chief executive officer, MCBI. "The collaborate nature of telemedicine, which allows for a many-to-one doctors-to-patient relationship, coupled with timely diagnoses and intervention will vastly improve the quality of medical services."

MCBI's telemedicine network will provide timely diagnoses and intervention through a unique many-to-one doctor/patient relationship that can vastly improve the quality of medical services. MCBI plans to open 39 initial central locations throughout the Middle East, India, and the Far East that will be serviced by over 240 top U.S. physicians.

"MCBI is a great example of the new class of Internet economy companies that are rapidly embracing Red Hat as their preferred open source Internet infrastructure solution partner," said Charles Coleman, director of customer relationship management, Red Hat, Inc. "Like no other industry, the stability and reliability of Red Hat Linux is tremendously important to the critical delivery of patient services."

Open Source Momentum

International Data Corp. (IDC) research states that paid Linux shipments grew faster than any other server operating system over the past two years, and their preliminary figures for 1999 show Linux shipments hold 24.6 percent of the server operating system market, up from 15.8 in 1998. IDC also states that Red Hat Linux is by far the most popular distribution, preferred by 68.7 percent of U.S. Linux users.

Research firm Netcraft, Inc. (www.netcraft.com), states that as of May 2000, 36 percent of all public Web sites run on Linux-based operating systems, making Linux the most popular choice for deploying public Web sites. IDC research shows 40 percent of all spending on Linux servers is for Internet related applications, firmly entrenching Linux servers in the Internet infrastructure.

Finally, IDC predicts that by 2002, there will be more than 55 million handheld and notebook-style information appliance devices and that by 2005, shipments of these appliances will exceed shipments of PCs.

Red Hat's numerous alliances with industry leaders and the demand for Linux-based applications has created open source support from many of the industry's leading software and hardware manufacturers, including Compaq, Computer Associates, Dell, Hewlett-Packard, IBM, Intel, Netscape, Novell, Oracle and SAP.

About Red Hat, Inc.

Founded in 1994, Red Hat (Nasdaq:RHAT), is the leading provider of open source Internet infrastructure solutions, ranging from small embedded devices to high availability clusters and Web serving. Red Hat applies its technological leadership to create open source solutions for Internet infrastructure and post-PC environments, offers services backed by the best

understanding of open source and the most comprehensive resources, delivers the brand of a widely trusted open source leader and corporate partner, and persists in an indelible commitment to the virtues of open source to lead a revolution in the computing industry.

Red Hat is based in Research Triangle Park, N.C. and has offices worldwide. Visit Red Hat on the Web at www.redhat.com. For investor inquiries, contact Lippert/Heilshorn at (212) 838-3777.

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FORWARD-LOOKING STATEMENTS

Forward-looking statements in this press release are made pursuant to the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934. Investors are cautioned that statements in this press release that are not strictly historical statements, including, without limitation, management's plans and objectives for future operations and management's assessment of market factors, constitute forward-looking statements which involve risks and uncertainties. These risks and uncertainties include, without limitation, product plans and performance, the ability to continue to develop the Linux kernel and other software, reliance upon strategic relationships, Red Hat's dependence upon an open source business model, reliance upon independent third-party Linux developers, management of growth, expansion of Red Hat's business focus and operations, the possibility of undetected software errors, the enforceability of the GNU General Public License and other licenses under which Red Hat's products are developed and licensed, the scarcity of Linux-based applications, the risks of economic downturns generally, and in Red Hat's industry specifically, the risks associated with competition and competitive pricing pressures, the viability of the Internet, and other risks detailed in Red Hat's filings with the Securities and Exchange Commission, copies of which may be accessed through the SEC's Web site at <http://www.sec.gov>.

CONTACT: Red Hat, Inc. (East) Schwartz Communications for Red Hat

Melissa London	Bryan Scanlon or Joshua Slobin
919/547-0012	781/684-0770
melissa@redhat.com	redhat@schwartz-pr.com