



News Release

FOR IMMEDIATE RELEASE

RAYTHEON SELECTS DUAL-CORE SGI ALTIX 4700 SYSTEMS FOR NOAA R&D CONTRACT

Powered by Dual-Core Intel Itanium 2 Processors, Altix Systems to Drive Large-Scale Processing of Data-Rich Climate Codes

MOUNTAIN VIEW, Calif. (July 18, 2006)—Silicon Graphics, Inc. (OTC: SGID) today announced that Raytheon Company has selected a range of large-scale SGI® Altix® 4700 systems as computational resources to run mathematical models and computer simulations to help better understand global climate change.

The new SGI systems are powered by a total of 1,280 Dual-Core Intel® Itanium® 2 processor 9000 series CPUs (formerly codenamed Montecito) and 5.1TB of globally shared memory.

Raytheon selected two 768-core (or 384-processor) Altix 4700 systems and a 1,024-core (or 512-processor) Altix 4700 system. All systems are scheduled for deployment this October as part of an existing contract between Raytheon and the National Oceanic and Atmospheric Administration (NOAA) research and development (R&D) high-performance computing system contract to maintain, operate and upgrade high performance computing platforms.

Running SUSE® Linux Enterprise Server 9 from Novell, the new systems will serve as large, shared-memory platforms for processing data-rich climate codes that can require up to 500 processors for a single job. The complex models are used to understand the physical processes that may determine global climate changes, and to forecast hurricane tracks.

The dual-core Altix 4700 systems will be integrated within an existing SGI high-performance computing (HPC) environment, which consists of single-core Altix systems driven by 2,656 Intel® Itanium® 2 processors and more than 5 Petabytes of online tape storage managed by SGI® InfiniteStorage Data Migration Facility (DMF). Data for long climate studies is moved off of tape for processing by DMF to a Storage Area Network featuring SGI® InfiniteStorage Shared Filesystem CXFS™.

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Raytheon Selects Dual-Core Altix 4700 Systems for NOAA R&D Contract/2

SGI announced its dual-core Altix 4700 systems in June. (See *“SGI Launches New Mid-Range Altix 450 Servers and Doubles Performance of Altix 4700 Blades”*). Ideal for HPC environments with demanding data-intensive workloads, the dual-core Altix 4700 system scales from 8 to 512 CPU sockets (up to 1,024 processor cores) and can accommodate up to 6TB of globally shared memory in a single system while delivering a teraflop of performance in a small-footprint rack.

Pricing and Availability

SGI Altix 4700 systems are expected to be available in late August of 2006. Altix 4700 system configurations start at less than \$75,000. For more information, visit: <http://www.sgi.com/products/servers/altix/4000/>.

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This news release contains forward-looking statements regarding SGI technologies and third-party technologies that are subject to risks and uncertainties. These risks and uncertainties could cause actual results to differ materially from those described in such statements. The reader is cautioned not to rely unduly on these forward-looking statements, which are not a guarantee of future or current performance. Such risks and uncertainties include long-term program commitments, the performance of third parties, the sustained performance of current and future products, financing risks, the ability to integrate and support a complex technology solution involving multiple providers and users, and other risks detailed from time to time in the company's most recent SEC reports, including its reports on Form 10-K and Form 10-Q.