

Dear SCO Customers and Partners,

This afternoon we took the extraordinary step of filing for Chapter 11 protection in U.S. Bankruptcy Court to protect assets for our creditors and stockholders and to ensure the continuation of our normal business operations. This decision was not taken without extensive consultation with the board of directors, and many outside experts and legal counsel.

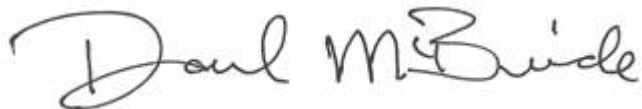
SCO intends to maintain business as usual throughout the Chapter 11 proceedings. Subject to court approval, SCO will use the cash flow from its operations to meet its capital needs throughout the reorganization process.

Other companies such as Delta Airlines, Texaco, Dow Corning, K-Mart, United Airlines, Toys R' Us, Macy's Department Stores and others have emerged from Chapter 11 protection after restructuring themselves for success. We intend to do the same.

We value our relationship with you and want to provide the assurance that you can continue to order product, and receive exemplary service and support from us during this restructuring period.

We invite you to consult with your SCO representative if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink that reads "Darl McBride". The signature is written in a cursive, flowing style.

Darl McBride
President & CEO
The SCO Group