

IBM **Investor** Briefing

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Data is the basis of competitive advantage

Fuel is the largest component of airline cost.

Pratt & Whitney developed the most fuel efficient gear-driven turbine engine on the market...

...and they wanted to maximize engine uptime by anticipating maintenance issues before they happened.



IBM's predictive analytics solution helped Pratt & Whitney gain insight from all the engine sensor data they were collecting—to predict and prevent issues


with
97
percent accuracy

Cognitive insight is the basis of better patient care

Researchers and clinicians are overwhelmed by **information.**

Bumrungrad International Hospital strove to improve the quality of cancer care...

...and give their physicians a more powerful tool to help them make treatment decisions.



IBM's Watson for Oncology helps Bumrungrad's doctors plan the most effective treatments for cancer patients based on each patient's profile, medical evidence, published research and Memorial Sloan Kettering's clinical expertise

A new era is being defined by three shifts



Data

Data is the basis of competitive advantage



Cloud

Cloud is the growth enabler for business



Engagement

Engagement changes our expectations

Data is fueling the Insight Economy

Until recently, IT value was based on the codification of business logic and its proliferation via enterprise applications.

Today, IT value is created by the predictive and cognitive insights derived from structured and unstructured data sources.

A new economy emerges, in which insight is the basis for value creation, and **ALL** roles and industries can now participate.

A \$300B+ analytics opportunity in 2018*

New and emerging** buyer segments

- LOB buyers: 80% involved in IT purchases by next year
- Self-Service: 67% of end users prefer self-service
- Cloud: 25% of new analytics applications via the cloud by next year

What they want

- Industry-specific solutions and self-service analytics
- Lowered/no barriers to innovation
- Cloud delivery and hybrid on-premise/off-premise flexibility

What we deliver

- Hybrid cloud analytics platform based on open standards
- Full range of analytics from descriptive to cognitive
- Deep expertise in industry and business domains; innovative R&D

**We are a leader in more than 30 market segments,
more than 2X the nearest competitor*****

*IBM Market Analysis

**Source: Gartner, *Why Cloud Business Analytics Makes Sense and How to Go About It*; TDWI Report, *Achieving BI Agility*; IDC IT Strategy and Governance Report

***Based on analysis of competitive reports published by Forrester Research and Gartner in past 18 months

The most comprehensive portfolio of data and analytics offerings



Consulting and Services

Significant industry, domain and implementation expertise to help every organization succeed with data and analytics



Analytics Platform

Full range of analytics and data capabilities using open source innovation for real-time actionable insights



Industry Solutions

Pre-built industry solutions leveraging advanced predictive analytics to deliver transformative insights



Watson

Cognitive computing systems with the ability to learn, that enhance, scale and accelerate, human expertise



Internet of Things

A platform designed to build disruptive, data-rich solutions that are secure and intelligent



Insight as a Service

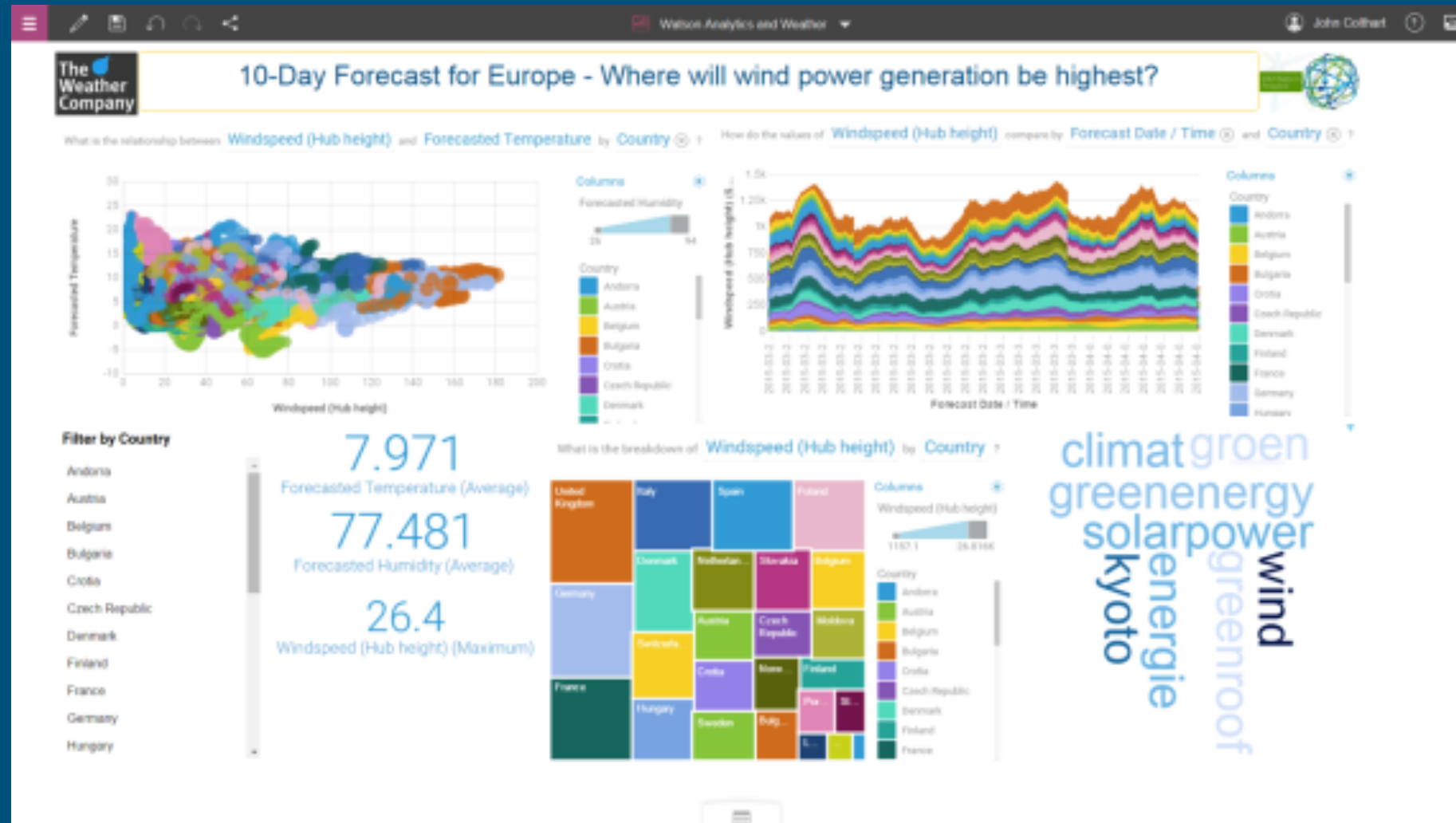
Industry apps and solutions built in partnership with The Weather Company and Twitter that deliver new insights



Cloud Data Services

Cloud-based experience that enables developers to use the right platform-as-a-service tools for mobile and web app development

Reimagining the analytics experience with Watson Analytics



DATA DISCOVERY

2.5X faster growth than the rest of the Business Intelligence market*

PREDICTIVE ANALYTICS

65% faster growth of analytics apps with predictive capabilities*

DATA PREPARATION

80% of time on analytics projects**

300K+ users

Ecosystem transformation creates new value

The Weather Company

Octo Telematics
Transforming auto insurance

Self-qualified driver scoring:
mobile application with added context of real-time weather conditions

Weather-aware drivers
lead to safer driving and lower insurance risk

Twitter

Globo Networks
Transforming the FIFA World Cup experience

Social Thermometer:
powered by sentiment and streaming analytics

Engaging fans and enriching the sports broadcasting experience

IBM Watson Health

CVS Health
Impacting care management services for patients with chronic disease

Enabling health care practitioners to gain insight from an unprecedented mix of health information sources

Helping people stay on track with their care and meet health goals

Apple

Grupo Financiero Banorte
Transforming the financial advisor experience

Real-time customer data made available to Banorte customer advisors on IBM MobileFirst platform

Enhancing the customer experience with tailored investment scenarios delivered via iPad

Box

Major North American Bank
Transforming banking

Secure content collaboration on the cloud for swift and easy client interaction

Improve onboarding and client insight through 360 °view of the customer

We are the market leader in Analytics



Expertise and partnerships

15K+ industry experts in Strategy and Analytics practice

50K+ engagements

Innovative data partnerships:
Twitter, The Weather Company, Box

Watson Health Care business unit



Innovative technology

Real-time and cognitive insights

\$26B+ investment in data and analytics

Next-gen analytics platform to deliver transformative industry solutions

Leading the adoption of Apache Spark as the analytics operating system for the enterprise



Cloud leadership

The most complete portfolio of cloud-based data and analytics services

Enterprise-class experience and services for mobile/web app developers

Reinventing analytics on the cloud with Watson Analytics

Leading the industry in hybrid deployments

Summary



IBM Analytics is the leader in a dynamic market where insight gleaned from all available data is the new basis for competitive advantage

Analytics is a key growth initiative for IBM, with continued investment in a growing portfolio and an expanding ecosystem

We have the expertise, solutions and analytics capabilities to transform industries

Thank you

