PARTNERSHIPS AND ECOSYSTEMS

DR. JOHN KELLY

SENIOR VICE PRESIDENT,
SOLUTIONS PORTFOLIO AND RESEARCH

STEVE MILLS

EXECUTIVE VICE PRESIDENT,
SOFTWARE AND SYSTEMS

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Open partnerships and ecosystems

Benefits to clients

- Brings enterprise strength to open source
- Accelerates platform innovation
- Drives adoption of standards
- Enables choice

Benefits to IBM

- Accelerates tech adoption and growth
- Opens new markets
- Brings complementary offerings to deals
- Embeds our intellectual property

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The Linux Foundation, Apache and Eclipse logos are owned by their respective organizations.

A new generation of ecosystem partners

Cloud, platforms and infrastructure

- SAP
- Tencent
- OpenPOWER
- IBM Bluemix

Social, mobile and analytics

- Apple
- Twitter
- IBM Watson

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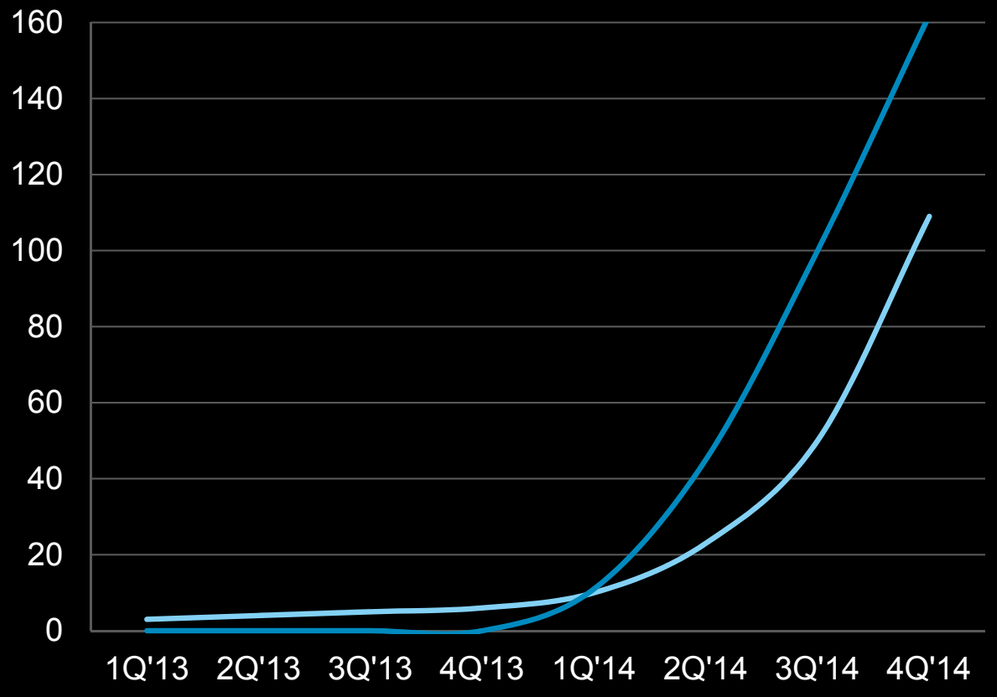
IBM WATSON

Two Year Growth Results



	1Q'13	2Q'13	3Q'13	4Q'13	1Q'14	2Q'14	3Q'14	4Q'14
Client Acquisition	3	4	5	6	10	23	50	109
Partner Acquisition	0	0	0	0	11	45	100	162

Clients in 24 countries, 17 industries

3 new languages open new markets

160 ecosystem partners, with 3,800+ pending

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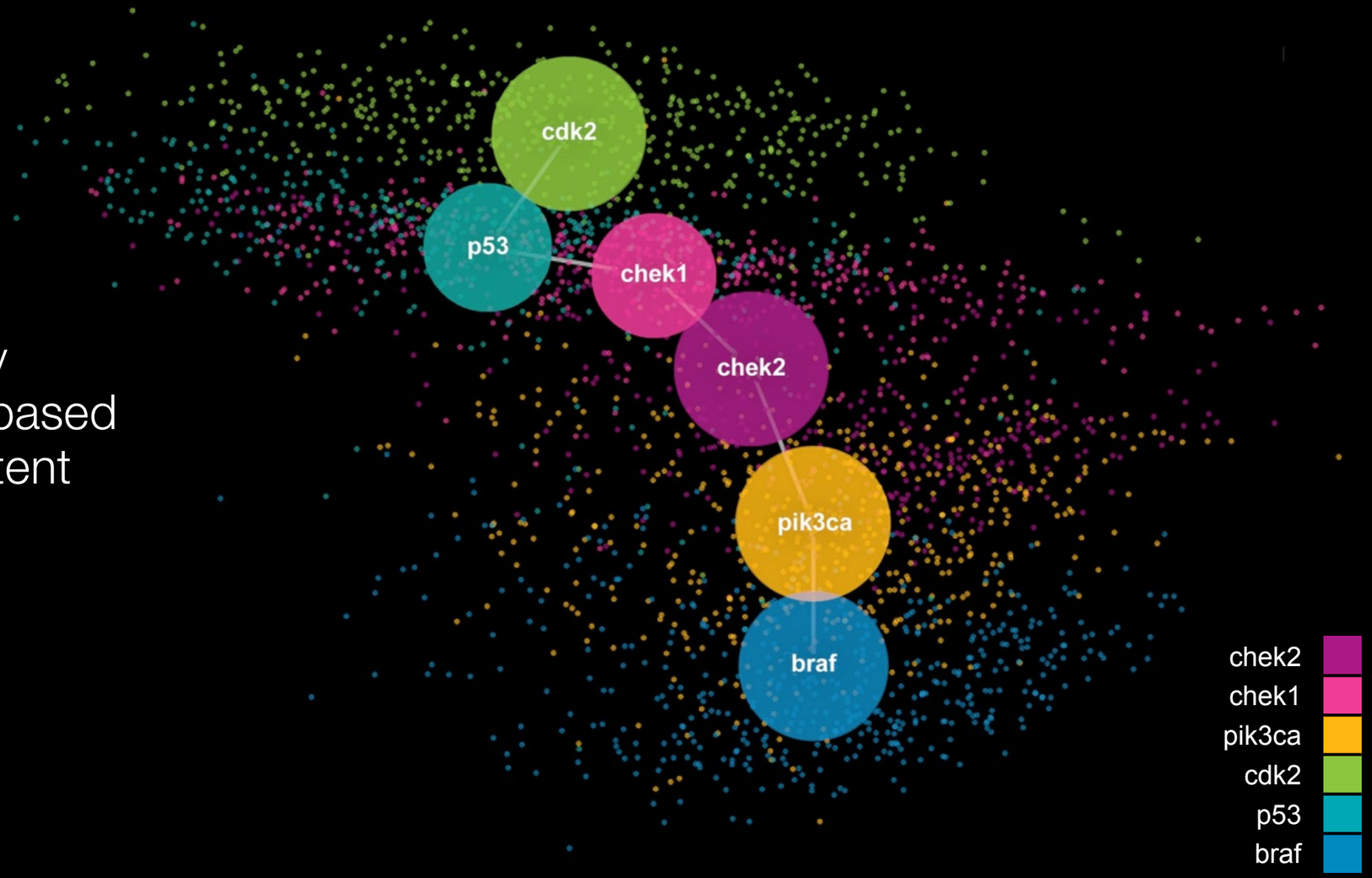
BAYLOR UNIVERSITY

Relative similarity between genes based on their text content



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sofie
Ask Sofie
Treatment
Nutrition
Welcome Jamie Klapwyk
DOG
CAT
What are the
cat with:
treatments for
ASK
IBM WATSON
LifeLearn
sofie

wayblazer
endless discovery. easy decisions.
WayBlazer is transforming the way travelers seek advice.

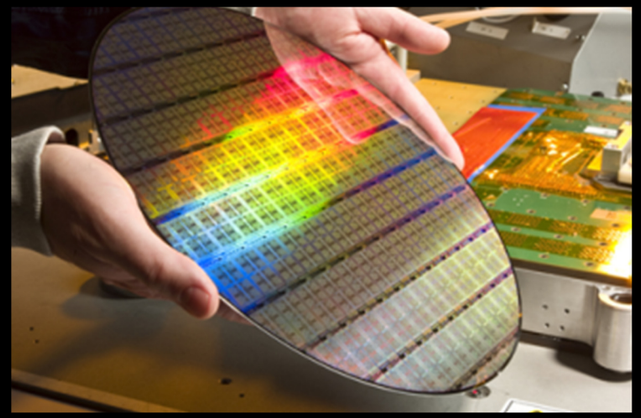
sellpoints

HARVEY NICHOLS
FENDI
red ant

SIGNIFICANT PROGRESS
in building a new ecosystem
around OpenPOWER

OpenPOWER™ Foundation

- Open development alliance based on IBM's POWER microprocessor
- POWER hardware and software available for open development, POWER IP licensable
- Alliance members develop advanced server, networking, storage and GPU-acceleration technology



Charter Members

IBM Google NVIDIA TYAN Mellanox TECHNOLOGIES

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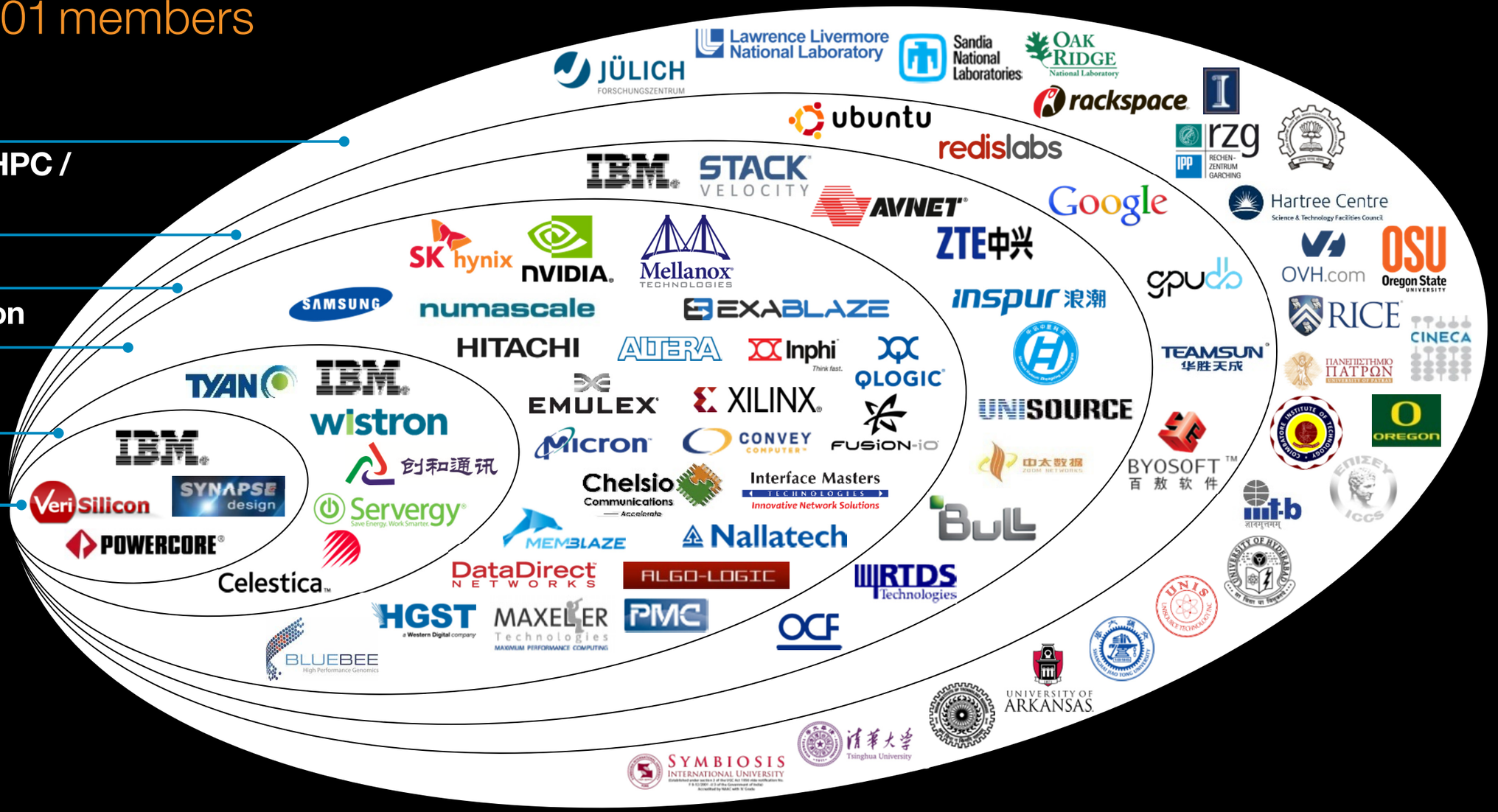
From five to 101 members

- Implementation / HPC / Research
- Software
- System / Integration
- I/O / Storage / Acceleration
- Boards / Systems
- Chip / SOC



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Significant progress in building a new ecosystem

Solidified OpenPOWER Strategy

Cloud Computing Scale Out Infrastructure	**China First** Drive POWER into Domestic IT Agendas	**Technical Computing**

Launched Development Projects with new partners

- Google, Rackspace, Inspur, China Mobile, Zoom Networks, Suzhou PowerCore, NVIDIA / Mellanox / US Government

Announced Products and Offerings

- GPU-accelerated S824L (NVIDIA), NoSQL Solution (Altera), CAPI DevKit (Nallatech), OSS Firmware (Google), Customer Reference System (Tyan), etc.

IBM, NVIDIA and Mellanox Awarded Contract by US Government to build World's Fastest Supercomputer

Tyan Delivers OpenPOWER Reference Server

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Summary

Partnering extends IBM's reach to more clients with enhanced offerings/services

Partnerships and ecosystems influence and support many billions of IBM revenue

- IBM is the "go-to company" for partners to reach the enterprise
- New solution partners see IBM as the pathway to enterprise access

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IBM **Investor** Briefing

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These charts and the associated remarks and comments are integrally related, and they are intended to be presented and understood together.

In an effort to provide additional and useful information regarding the company's financial results and other financial information as determined by generally accepted accounting principles (GAAP), certain materials presented during this event include non-GAAP information. The rationale for management's use of this non-GAAP information, the reconciliation of that information to GAAP, and other related information is included in supplemental materials entitled "Non-GAAP Supplemental Materials" that are linked to the company's investor relations web site at http://www.ibm.com/investor/events/investor0215.html. The Non-GAAP Supplemental Materials are also included as Attachment II to the company's Forms 8-K dated January 20, 2015 and February 26, 2015.

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