

IBM Global Financing Solution for Smarter Analytics

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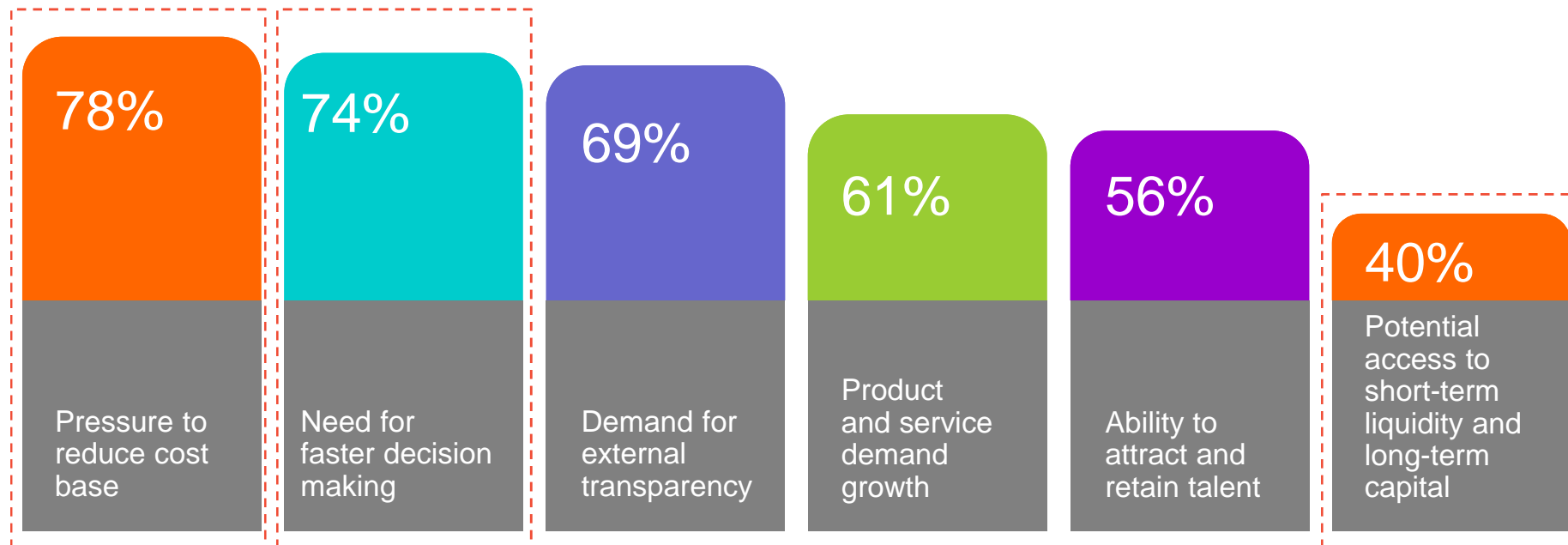


Today, I'd like to talk about three key points:

- ✓ The era of smarter financial analytics is here; but funding is a critical issue in implementing an innovation project.
- ✓ IBM Global Financing (IGF) helps CFOs to take advantage of the Smarter Financial Analytics today without the heavy up-front investment.
- ✓ IGF has a variety of financing options that makes smarter financial analytics an affordable acquisition.

CFOs believe that industry and sector pressures will increase both challenges and opportunities

60 percent of global CFOs believe they have to **make major changes** to respond to these concerns



Source: IBM Global Business Services, Global CFO Study 2010.

Note: Executives asked: In the next three years, how will the following conditions change in your industry or sector? Excludes respondents that select "Don't know."

Note: Defined as enterprises selecting [5] Increase considerably and [4] Increase on a five-point scale where 5 = Increase considerably and 1 = Decrease considerably.

The smartest organizations embedding analytics in their business and IT processes and using information to transform insights into action and create business advantage. **But CFOs are pointing to “funding” as one of the major issues in putting the innovation into action**

“ 765 CEOs interviewed worldwide pointed to **‘limited funding’** as the second most serious barrier to implementing business innovation. ”

— IBM CEO Study

IBM Global Financing is here to help

- **We are the world's largest technology financier, providing services in more than 55 countries**
- We work with more than 125,000 clients, from small businesses to large enterprises, including **roughly 80% of the Fortune 100**
- Our decades of IT expertise give us an **exceptional understanding of a company's technology and financial needs**



IGF's financing capabilities help IBM's clients in 3 ways

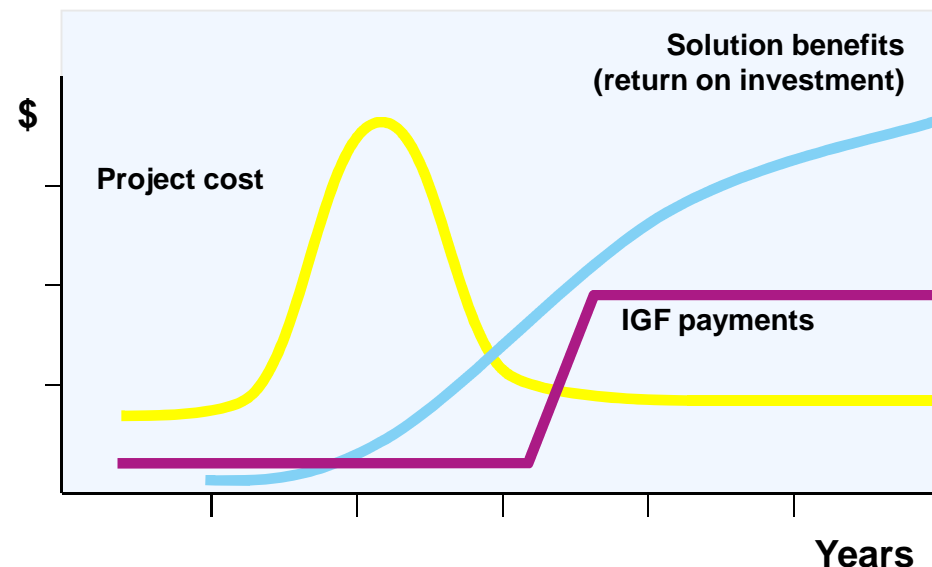
Financing solutions for end customers	Financing solutions for supplier and reseller	Asset recovery services
<ul style="list-style-type: none"> ▪ Asset financing - IT (HW, SW, services multivendor-capability) ▪ Leasing / loan 	<ul style="list-style-type: none"> ▪ Working Capital Financing <ul style="list-style-type: none"> ▪ Projects ▪ Factoring 	<ul style="list-style-type: none"> • Broad service for the repurchase of used hardware (lease returns) including resale and disposal
Client Financing	Commercial Financing	GARS

The IBM Project Financing™ offering is used to finance Smarter Analytics

IBM Global Financing can help package the solution with attractive rates.

Financing can help:

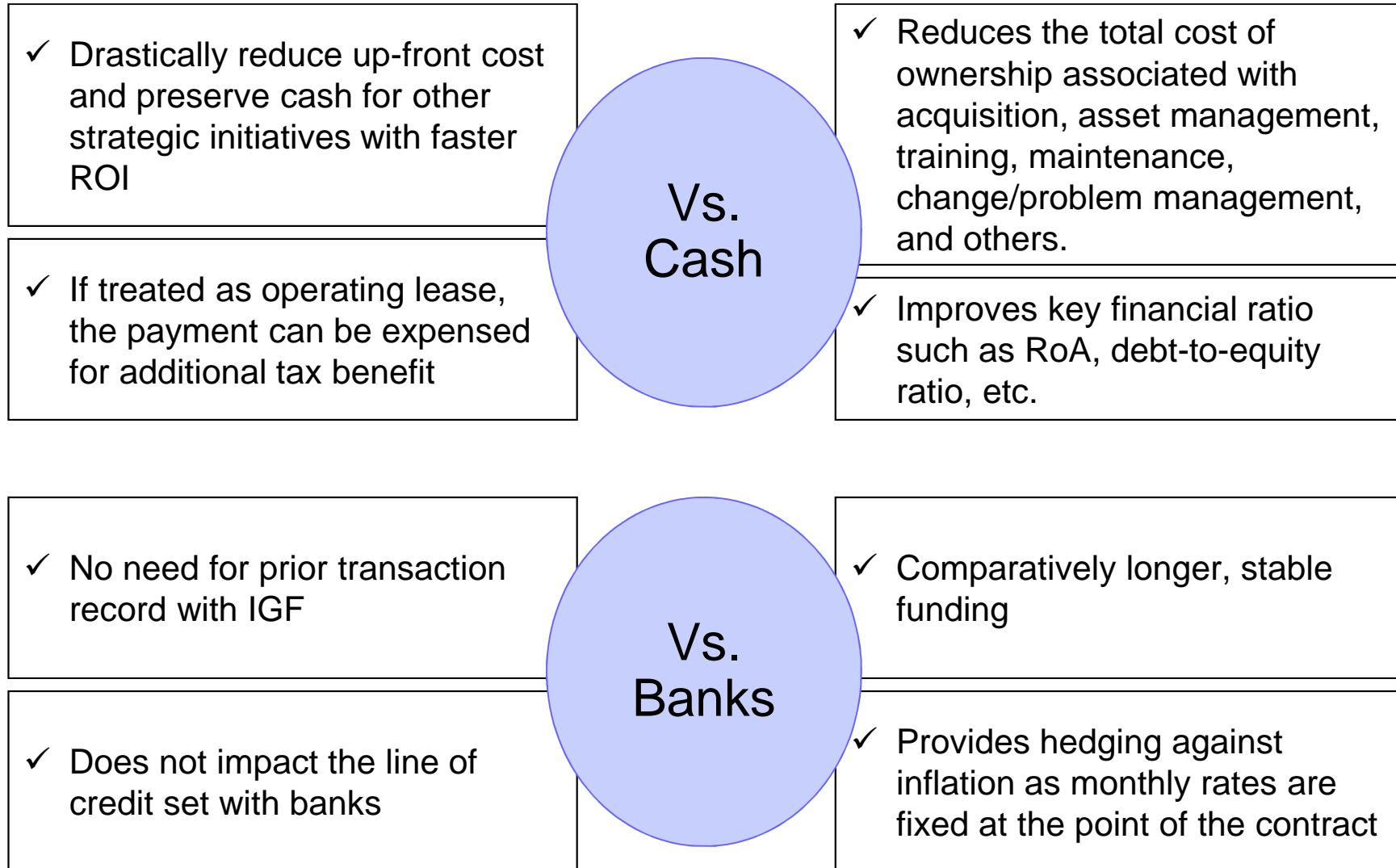
- Accelerate the project's cash flow break even point
- Align project costs with anticipated benefits, minimizing up-front capital outlays with financing options
- Pay for the IBM solutions needed now with fixed, predictable, periodic payments
- Preserve cash and existing lines of credit for other strategic business needs and investments
- Have flexibility of payment terms which can be tailored to meet specific project, budget or revenue generation milestones



Financing your IT acquisitions can turn up-front costs into affordable payments, matching cost outlays with expected benefits.



Financing – Value proposition vs. Cash and Bank loans



In summary, IGF will enable your Smarter Financial Analytics project by:

- **Minimizing up-front payments and better align project cost outlays** with anticipated benefits.
- Making the optimal smarter analytics solution **affordable, by bridging expenses between budget years.**
- Structured payment plans can organize the program payment into one **manageable, predictable payments** for whole end-to-end solution.
- **Providing an alternate funding source** that qualified clients can tap in a tight credit market, allowing them to preserve cash and credit lines for other core business needs.

Thank you!

Q&A