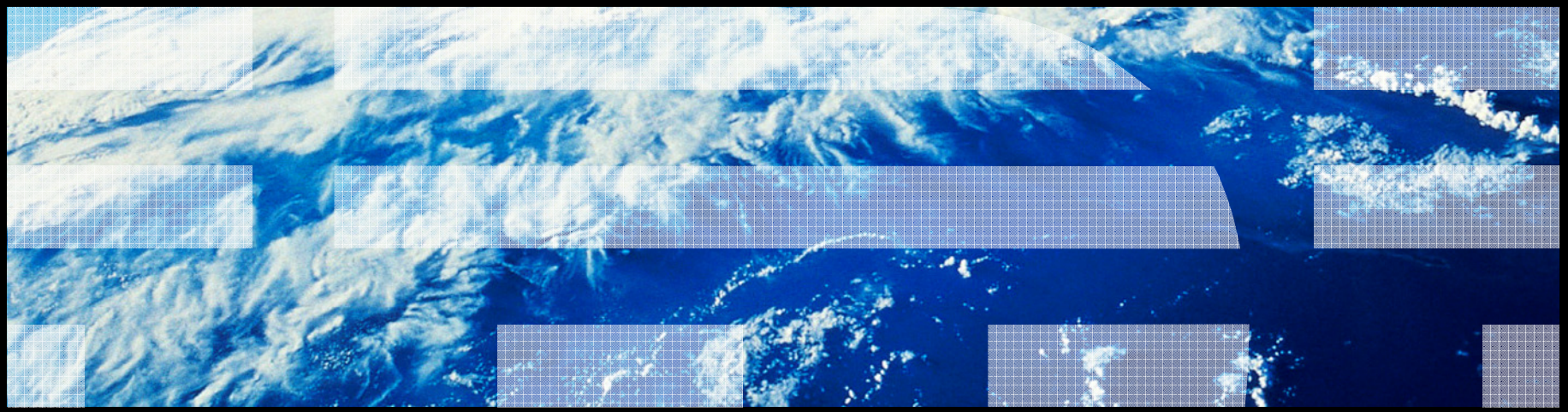
Lari Oksanen – Client Executive
02/17/2010

Let's Build
A Smarter Planet



IBM in brief

IBM is the world's largest provider of consulting and technology services, software, hardware and IT financing solutions

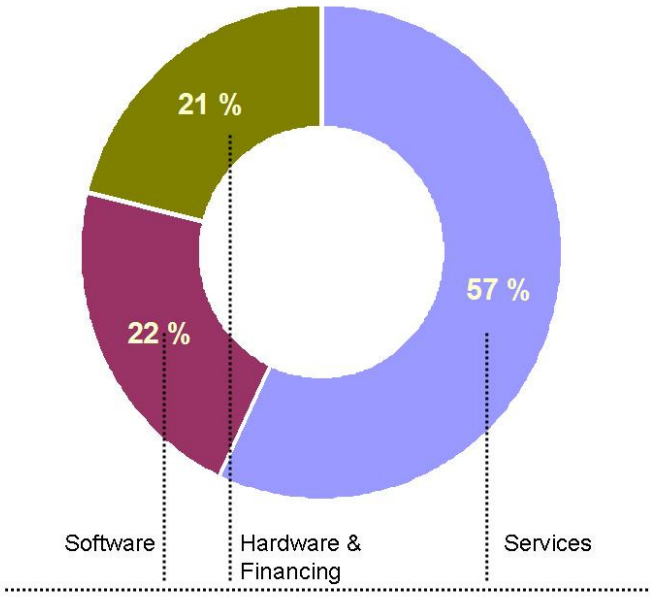
- Our business model combines technology and industry expertise into innovations that bring business benefits to our customers.
- IBM was incorporated in the United States in 1911. The company's headquarters are located in Armonk, NY. Since 2002, Sam Palmisano has served as IBM's CEO.

IBM operates in over 170 countries, and our three largest business areas are services, software and technology group

- 2009 year-end from continuing operations:
  - Revenue: $95,7 billion USD
  - Net Income: $13,4 billion USD
  - Number of employees: > 400 000

IBM has operated in Finland since 1936

- Number of employees ~ 1400
- General Manager, IBM Finland Johan Sandell



Distribution of global revenue according to business functions

IBM

IBMers Value

Dedication to every client's success.
Innovation that matters—for our company and for the world.
Trust and personal responsibility in all relationships.

The world is smaller and flatter.

IBM

The need for progress is clear.

170 billion

Kilowatt-hours wasted each year by consumers due to insufficient power usage information.

IBM

The need for progress is clear.

3.7 billion lost hours

7.57 billion liters of gas

Annual impact of congested roadways
in the U.S. alone.[1]

[1] Smarter Planet Op-Ad

The need for progress is clear.

100 million

People worldwide pushed below the poverty line by personal healthcare expenditures.[1]

[1] Sam Palmisano speech, November 12, 2008

The opportunity for progress is clear.

10%

REDUCTION IN ENERGY COSTS

Utility networks: Pacific Northwest National Laboratory
In the Smart Grid project, consumers decreased their overall peak load on the grid by 15% when offered the opportunity to save an average of 10% on their electricity bills.[1]

[1] Sam Palmisano speech, November 12, 2008

The opportunity for progress is clear.

20%
LESS TRAFFIC

Traffic system: Stockholm, Sweden
The city cut traffic by 20%, lowered emissions by 12% and reported 40,000 additional daily users of public transportation.[1]

[1] Sam Palmisano speech, November 12, 2008

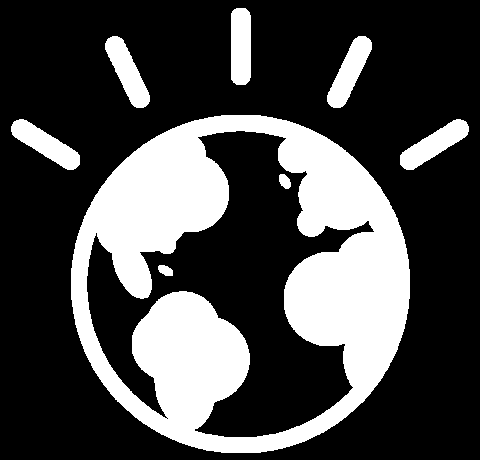
The opportunity for progress is clear.

€25 million in cost savings

Smarter healthcare: Storstrøms ErhvervsCenter
This regional business development group expects €25 million in cost savings from improved means of monitoring hypertension using a predictive health monitoring system

[1] Sam Palmisano speech, November 12, 2008

A mandate for change is a mandate for smart.



Our world is becoming

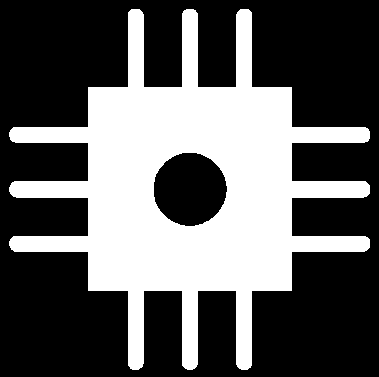
INSTRUMENTED

Our world is becoming

INTERCONNECTED

Virtually all things, processes and ways of working are becoming

INTELLIGENT



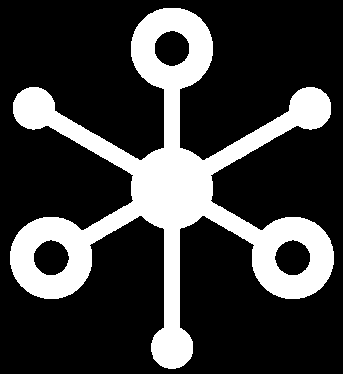
INSTRUMENTED

We now have the ability to measure, sense and see the exact condition of everything.

- Today, there are 1 billion transistors for each person on the planet.[1]
- By 2010, 30 billion RFID tags will be embedded into our world and across entire ecosystems.[1]

Everything will become instrumented: supply chains, healthcare networks, cities and even natural systems like rivers.

[1] Sam Palmisano speech, November 12, 2008



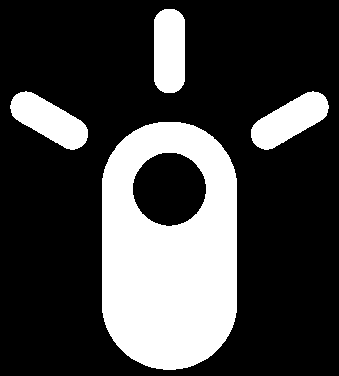
INTERCONNECTED

People, systems and objects can communicate and interact with each other in entirely new ways.

- The internet of people is 1 billion strong. Almost one third of the world's population will be on the web by 2011.[1]
- There will be nearly 4 billion mobile phone subscribers worldwide by the end of 2008.[1]

The Internet of things—cars, appliances, cameras, roadways, pipeline, pharmaceuticals and even livestock—is headed to 1 trillion.

[1] Sam Palmisano speech, November 12, 2008



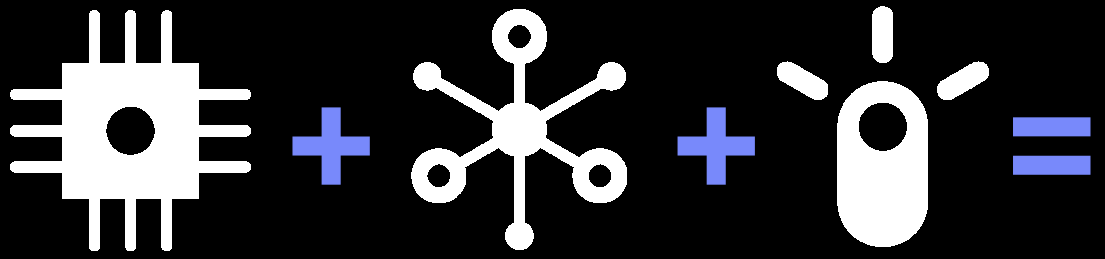
INTELLIGENT

We can respond to changes quickly and accurately, and get better results by predicting and optimizing for future events.

- Every day, 15 petabytes of new information are being generated. This is 8x more than the information in all U.S. libraries.[1]
- An average company with 1,000 employees spends $5.3 million a year to find information stored on its servers.[1]

New computing models manage the massive amounts of data generated by the proliferation of end-user devices, sensors, and actuators. Combined with advanced analytics, these technologies are making us smarter.

[1] New Intelligence White Paper from ThinkForward website



An opportunity to think and act in new ways—
economically, socially and technically.

Changes in the economic environment will bring disruption and transformation on a global scale.

DISRUPTIVE

- Unprecedented constraints on access to credit and capital.
- Falling demand and increased price sensitivity.
- Disruptions in supply chains, partner and customer arrangements.

TRANSFORMATIVE

- Restructuring of industries:
  Firms fail and are sold off overnight.
- New regulatory regimes.
- Stress on global inter-dependencies

Urgency for real change provides an impetus to harness new opportunities.

To realize the potential of a smarter planet, organizations need to do three things.

1

FOCUS ON VALUE

How can you best serve clients by becoming:

- More instrumented
- More interconnected
- More intelligent

Do more with less

- Cut energy use
- Optimize productivity

2

ACHIEVE TOP-LINE GROWTH

Capture share

- Embrace change
- Capitalize on shifting demand

See without being there

- Anticipate opportunities and threats
- Adopt emerging technologies to drive optimization

3

DO IT FASTER

Actively manage change

- Envision and fulfill the promise of global integration
- Adopt new business models, transform old ones

Be first, be right

- Improve data distillation
- Utilize advanced predictive capabilities

We've only just begun to uncover what is possible on a smarter planet.

The world will continue to become smaller, flatter and smarter. We are moving into the age of the globally integrated and intelligent economy, society and planet.

The question is,

what will we do with it?

A smarter planet holds enormous promise for progress.

Let’s Build A Smarter Planet