IBM Mature Technology Business Model and Business Update on REXX in IBM

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## Business Model

<table>
<thead>
<tr>
<th>MATURE TECHNOLOGY</th>
<th>Business Value</th>
<th>Infrastructure Value</th>
<th>Component Value</th>
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<tbody>
<tr>
<td></td>
<td>Drive business model to provide continued focus on mature technology</td>
<td>Deliver support and new development</td>
<td>Extend the life of mature products as applicable</td>
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<td></td>
<td>Use customized processes for quick delivery &amp; action</td>
<td>Manage others to EOL (gracefully)</td>
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<td>Build OEM relationships</td>
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Purpose of the Mature Technology Business Model

Product Lifecycles

- **Intro**: Introduce new markets and new functions.
- **Grow**: Expand market, new function.
- **Mature**: Maximize revenue.
- **Decline**: End of life products, rejuvenation.

Revenue:
- **$**: Representing growth and decline phases.

Strategies:
- **New Markets**
- **Expand Market**
- **New Function**
- **REXX**
IT Industry Growth

1996-2000: 6-12%

2004+: 5-8%

Source: Global Market View
Imperatives in Today's World

Innovating the business to differentiate and capture new value

Improving the productivity of resources deployed

Business

IT
Why IBM REXX Will (continue) to Succeed

1. Supported by number 1 company in the enterprise market
2. World-class skills, people, and strength of offerings
3. Accelerates application development
4. Reduces complexity so developers can work at the right level of abstraction
5. Ensures architectural integrity and ultimate quality
6. Promotes development of service-oriented architectures
7. Exploits leading edge technology
REXX Language Technology - Business Status

- **Business investment**
  - New development and new releases
  - Customer relations
    - User groups
    - Services
    - Briefings and demos

- **Exploit new technology**

- **Continue IBM support for existing customers**

- **Position with new technology to attract new customers**

![Revenue Trend Chart](image)
# REXX Language Technology

<table>
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<th>CODE GENERATION</th>
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<td>Programming language compiler support based on mature technology, supporting other programming languages and operating system interfaces</td>
<td>Capitalize on existing investments Expand with new technologies Easy Migration / Upwardly Compatible</td>
<td>IBM Compiler and Library for REXX on zSeries IBM Object REXX</td>
</tr>
</tbody>
</table>