



IBM Closes Acquisition of Coremetrics

– Addition of cloud-based Web analytics will provide key tool for Marketing –

ARMONK, NY – August 2, 2010 – IBM (NYSE: IBM) today announced the closing of its acquisition of Coremetrics, a leader in Web analytics software. Coremetrics, based in San Mateo, CA, will expand IBM's business analytics capabilities by enabling organizations to use cloud computing services to develop faster, more targeted marketing campaigns.

Coremetrics' offerings enable organizations across a wide range of industries to develop smarter marketing campaigns. Its software provides real-time intelligence on what customers are saying about products, content and services being offered to them, and enables clients to make fact-based, accurate decisions about marketing expenditures. As a result, marketing teams can gain deeper insight about their customers and present personalized recommendations, promotions and other sales incentives to customers wherever they interact with their brands including online, on mobile devices, through social media networks, kiosks and other more traditional channels.

Coremetrics' offerings are a new addition to IBM's investments in business analytics that will allow IBM to deliver powerful new intelligence tools into clients' business processes. Utilizing new Web analytics capabilities, IBM clients will be able to measure the effectiveness of their marketing campaigns and understand the shopping habits, likes and dislikes of their customers.

“With this acquisition, IBM will give clients greater insight about customer behavior and sentiment about products and services, and give true foresight into their future buying patterns,” said Craig Hayman, general manager, Industry Solutions for IBM Software Group. “The combination of IBM and Coremetrics will enable our clients to maximize marketing expenditures while also making the browsing, buying, banking or customer service experience more convenient, personal and interactive for their consumers.”

Enterprise-class and mid-sized companies in all industries are increasingly trying to deliver more targeted, consistent marketing across all channels to motivate a variety of customer actions. Consequently, chief marketing officers (CMOs) are increasingly responsible for analyzing and predicting customer behavior, stimulating customer interactions and commerce, and developing a comprehensive enterprise marketing platform.

“IBM and Coremetrics can help businesses rapidly gain intelligence into social networks and online media sources through a software as a service (SaaS) delivery model and incorporate this insight into their business processes to create smarter, more effective marketing campaigns,” said Joe Davis, CEO, Coremetrics. “Together, we can develop powerful new business analytics solutions, delivering a single source of information about every aspect of your online business — every customer, transaction, product, channel and supplier — to measure the effectiveness of marketing campaigns and drive measurable business results. Further, we deliver on-the-go access to real-time analytics and performance data on all major smart mobile devices, including iPhone, iPad, BlackBerry and Android.”

Since 2006, IBM and Coremetrics have partnered to deliver a leading cross-channel business analytics solution specifically for use with IBM WebSphere Commerce software. Coremetrics for IBM WebSphere Commerce was designed to provide business managers with a clear view of their web sites, and to automatically create targeted marketing campaigns based on visitor behavior directly within the WebSphere Commerce solution.

Today's announcement builds on this shared history and positions IBM to expand its analytics strategy, which includes a range of offerings available throughout IBM's Software Group as well as the IBM Business Analytics and Optimization Consulting organization - a team of 5,000 consultants and a network of analytics solution centers, backed by an overall investment of more than \$11 billion in acquisitions in the last five years.

The acquisition builds on a successful collaboration between Coremetrics and IBM around WebSphere Portal products. Coremetrics will deliver integrated analytics within WebSphere Portal while also incorporating offline information. This will enable clients to take advantage of Coremetrics' complete suite of analytics and marketing applications and services.

This acquisition also expands IBM's portfolio of cloud computing services that offer a wide range of security-rich, cost-efficient technology resources over the Web, which can be integrated with clients' on-premise systems.

Consistent with IBM's software strategy, IBM will continue to support and enhance Coremetrics' technologies and clients while allowing them to take advantage of the broader IBM portfolio. Coremetrics' approximately 230 employees will join the IBM Software Group which has acquired more than 55 companies since 2003.

About Coremetrics®, an IBM Company

Coremetrics®, an IBM Company, a leading provider of web analytics and marketing optimization solutions helps businesses relentlessly optimize their marketing programs to make the best offer, every time, anywhere, automatically. More than 2,100 online brands globally use Coremetrics Software as a Service (SaaS) to optimize their online marketing. Coremetrics integrated marketing optimization solutions include real-time personalized recommendations, email targeting, display ad targeting across leading ad networks, and search engine bid management. The company's solutions are delivered on the only online analytics platform designed to anticipate the needs of every customer, automate marketing decisions in real time, and syndicate information across all customer channels.

Coremetrics has strongly supported online privacy since its inception. To learn more, visit www.coremetrics.com/privacy.

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About IBM

For more information visit:

<http://www-01.ibm.com/software/websphere/announcement061510.html>.

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