Cognos Disclosure Management
The most important part of reporting
Reporting Beyond Charts & Graphs

- Decisions can no longer just be made based on numbers alone –
- Executives and managers want detailed analysis (narrative) to support the data before making critical business decisions
- Need to join financial, operational, and statistical data with detailed qualitative analysis in a fluid and dynamic environment
What Customers Struggle With

Lack Of Time, Limited Control, Lower Confidence

- **Long time to complete**
  - Manual processes to identify and organize data dominate Office of Finance
  - Limited visibility into the progress
  - Highly paid intelligent people doing low value, time-consuming tasks and checks
  - *Little to no time to perform analysis and improve performance of the organisation*

- **Challenges with data management**
  - Error-prone activities repeated over and over again that involve re-keying information into different forms and reports
  - Inability to easily compare reporting versions
  - Slow response to changing requirements
  - *Have to compromise on volume/velocity of reports*

- **Prone to incomplete or inaccurate information**
  - People can make mistakes
  - Little or no security, controls, audit trail or transparency
  - Unable to completely incorporate business review and analysis with financial reports
  - *Decisions are made on incorrect data*
IBM Disclosure Management Solutions – How It Works

**Collect**

- A secure enterprise-scalable reporting & analysis solution
- Leverages the tools already in use: Microsoft Word and Excel
- Direct access to source data means data and analysis dynamically updates in reports
- Powerful, collaborative environment
- Workflow and task management
- Embedded controls, security & validation
- Publish highly consumable reports and analysis in multiple output formats

**Collaborate/Edit/Approve**

- Integrated Disclosure Management Solutions
- Direct integration
- Activity Dashboards
- Reports & Analysis
- Intelligent Process
- Security
- Data Governance
- Collaboration
- Contributors

**Report**

- Corporate Level
- BU / Entity Level
- Department Level
ITEM 6: FINANCIAL DATA

(in thousands, except per share amounts, ratios and other)

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>$4,576,628</td>
<td>$6,225,099</td>
<td>$3,681,222</td>
</tr>
<tr>
<td><strong>Comparable store sales increase (decrease)</strong></td>
<td>5.1%</td>
<td>1.3%</td>
<td>1.6%</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>$3,299,130</td>
<td>$2,957,899</td>
<td>$2,639,504</td>
</tr>
<tr>
<td><strong>Gross profit as a percentage of net sales</strong></td>
<td>72%</td>
<td>48%</td>
<td>72%</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>$2,267,864</td>
<td>$1,501,437</td>
<td>$1,830,159</td>
</tr>
<tr>
<td><strong>Operating income as a percentage of net sales</strong></td>
<td>50%</td>
<td>24%</td>
<td>50%</td>
</tr>
</tbody>
</table>

**Summary of Operations**

This report contains certain statements that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Actual outcomes and results may differ materially from those expressed in, or implied by, these forward-looking statements. Words such as "expects," "anticipates," "believes," "estimates," "outlook" and other similar expressions or future or conditional verbs such as "will," "should," "would" and "could" are intended to identify such forward-looking statements. Readers of the Form 10-K should consider all uncertainties and risks throughout this report as well as those discussed under Item 1A, Risk Factors, of the Annual Report on Form 10-K. The statements are representative only as of the dates made and the Corporation undertakes no obligation to update any forward-looking statement.

Possible events or factors that could cause results or performance to differ materially from those expressed in our forward-looking statements include the following changes in general economic conditions and economic conditions in the geographic regions and industries in which the Corporation operates which may affect, among other things, the level of nonperforming assets, charge-offs and provision expense; changes in the interest rate environment and market liquidity which may reduce interest margins, impact funding sources and affect the ability to originate and distribute financial products in the primary and secondary markets; changes in foreign exchange rates; adverse movements in and volatility in debt and equity capital markets; changes in market rates and prices which may adversely impact the value of financial products including securities, loans, deposits, debt and derivative financial instruments; and other similar financial instruments; political conditions and related actions by the United States and other countries which may adversely affect the Corporation's businesses and economic conditions as a whole; hostility resulting from litigation and regulatory investigations, including claims, actions, proceedings and other risks as well as uncertainties related to monetary and fiscal policies of the Federal Reserve System, the Federal Reserve Board and the Financial Services Agency; and the risk that the Corporation's local, regional and national businesses may experience interruption or failure due to acceptance of such in the event of severe adverse weather conditions or other risks.

**Liquidity Risk**

Liquidity is the ability of a company to meet its obligations as they come due through the generation of cash flows from operations or through borrowing arrangements at reasonable terms and conditions. Liquidity needs and access to capital market rates. Liquidity may be affected by changes in interest rates or the need for unanticipated events. More detailed discussion of our liquidity risk is included beginning of the MD&A section. The Corporation's 2009 balance sheet includes $1,660.0 million of current liabilities, $1,666.0 million of current assets and an immediate need for additional liquidity. The Corporation maintains a cushion of excess liquidity that would be sufficient to fund the holding company and nonbank affiliate operations for an extended period of time during which funding from normal sources is disrupted. The primary measure used to assess the company’s liquidity is the “Time to Required Funding” during a period of liquidity disruption. This measure assumes that the parent company is unable to generate funds from debt or equity issuance, and no longer pays dividends to shareholders while continuing to meet non-depositor uses needed to maintain bank operations and repayment of contractual principal and interest payments owed. Under this scenario, the amount of time the company and its nonbank can operate and meet all obligations before the current liquid assets are exhausted is considered the “Time to Required Funding.” The Corporation approaches the target range set forth in this metric, in months, and monitors adherence to the target. Maintaining excess company cash helps to facilitate the target range months for “Time to Required Funding” and is the primary driver of the timing and amount of the Corporation’s debt issuances. As of March 31, 2009, the Corporation’s “Time to Required Funding” was 20 months compared to 12 months at December 31, 2008. Our “Time to Required Funding” remained below our target range at March 31, 2008 primarily due to the funding of LaSalle and the impact of the market disruptions that began in the second half of 2008 on our earnings.

A ratio that can be used to monitor the stability of funding compositions is the "liabilities to domestic deposits" ratio. This ratio reflects the level of risk or leverage that is supported by domestic core deposits and relates the relative size of bank operations to its deposit base.
All document parts are integrated into one console.
“Workflow” and status monitoring ensure the process quality.
Integrate Authentic Enterprise Data with Narrative Analysis

Cognos Disclosure Management marries financial, operational, and statistical data with detailed qualitative analysis in a fluid and dynamic environment.

Tell The Story Behind the Numbers:

- Leverage familiar tools already in use: MS Word and Excel
- Dynamic reports are integrated directly to source data meaning schedules and narratives automatically update
- Create/update content once and automatically update that content across multiple reports
- Powerful, collaborative environment
- Multiple output formats
Converge BI & PM Data into Process Driven Business Reporting

Cognos Disclosure Management can correlate PM and BI data with narrative analysis will allow organizations to better handle the growing volumes of structured and unstructured data.

- Interweave BI with valuable performance management data and insights
- Facilitate analysis and decision making
- A single, reliable, dynamic reporting and analysis system
- Drive financial and non-financial data commonality
Business Analytics software

Intelligent Process Design & Automation

Cognos Disclosure Management allows organizations to create and enforce intelligent processes – standard, fast, and efficient

- Structure & standardize intelligent processes across Finance to increase efficiency and enhance effectiveness
- Drive process ownership and ability to measure and continuously improve
- Accelerate time to consensus, decision making and action
- Task management and process dashboards enable managers to align resources with opportunities to drive growth & profit
- Less time in preparation and checking = more value for the company
Spreadsheet Control with Cognos Disclosure Management

Cognos Disclosure Management changes the balance of the work that users do within Excel and addresses many of the inherent limitations of spreadsheets by offering:

- Check-In/Check-Out capability eliminates risks of multiple versions
- Direct data access from a central, secure database
- Versioning, Audit
- Embedded controls, security & validation
- Business rules and automated validations
- Powerful collaborative environment with workflow and task management
PowerPoint Integration with Cognos Disclosure Management

Cognos Disclosure Management automates the creation of various management and executive PowerPoint presentations

- Data and financial data in slides update from the same central, secure database used for other MS Word and Excel based reports
- Powerful collaborative environment with workflow and task management
- Embedded controls, security & validation
- Business rules and automated validations
Functions and Features

- Security, Import security, Groups and users
- Workflow, Workflow templates
- External data connection (TM1, BI, OLAP, excel)
- Flexible report structure
- Header, Footer, Content
- Different object type – excel, ppt, word
- Variables
- Versions, compare versions
- Report validation rules
- Roll forward
- Shared objects – copy or reference
- …
# Business Value of IBM Enterprise Disclosure Management Solutions

## IBM Business Analytics Disclosure Management Solutions:

<table>
<thead>
<tr>
<th>Status Quo</th>
<th>Disclosure Management Solutions</th>
</tr>
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<tbody>
<tr>
<td>Time</td>
<td></td>
</tr>
<tr>
<td>Control</td>
<td></td>
</tr>
<tr>
<td>Confidence</td>
<td></td>
</tr>
</tbody>
</table>

### 1. Drive efficiencies and scale
- Structure & automate low value, manual and error prone processes
- Eliminate bottlenecks in collecting data, and building reports and focus on analysis and actions

### 2. Gain agility and preparedness
- Integrate disparate data from across the enterprise
- Enhance strategy with analysis that correlates analytics with
- Enterprise scalable, secure, collaborative environment

### 3. Improve effectiveness and outcomes
- Dramatically reduce risk of errors
- Improve controls and governance across global finance organization
- Cost-effectively address compliance and escalating business expectations

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CFO: This is **not** the data that we have…why is your data different? And where is the analysis I asked for?
IBM

the best partner for your analytics journey