

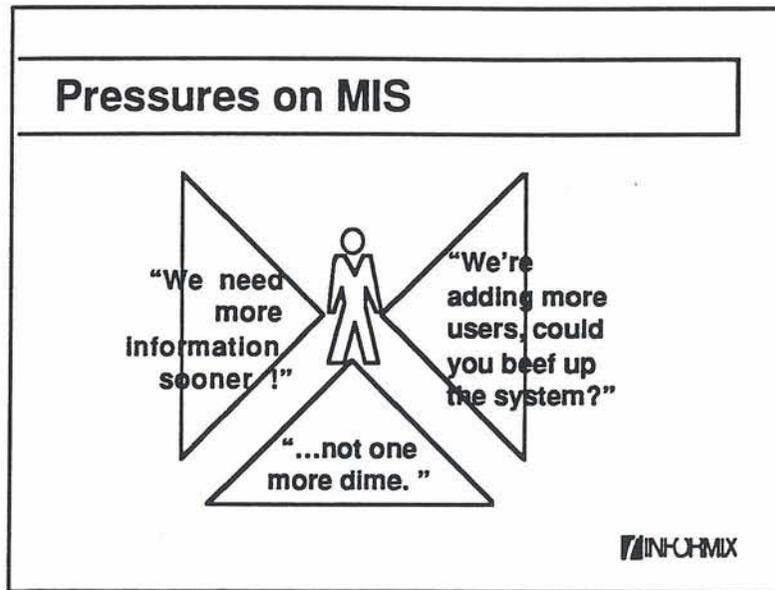


Phil White

So, our real key is how do we make applications? Now, I truly believe that our success is application enabling. And what does all that mean? Well, I think you have to step back and start back and look at what's going on in today's environments. MIS to me means almost anything. It could be large networks of PCs; it could be mainframes.

Bob Macdonald

The reason we're here today is to look at a fundamental issue for your organization, and that issue is the issue of making applications happen. You've called us in as a premier supplier of database application technology to look at your problems and to see how we, as an organization, can help you deal with those problems and create applications for your organization.



Phil White

The real issue is there's lots of pressure. They all want more information, they're adding more users, and they don't have any more money to spend, even though hardware's coming down dramatically.

The other big fallacy about if you do downsizing and mainframe replacement with UNIX or open systems you save money, you don't save money. As a matter of fact, in the short-term it will probably cost you more. And it's going to cost you more for a lot of reasons. One is that the stuff that you've got running on those older systems lives forever. And although we talk about re-engineering and taking some of that old COBOL stuff and running it on high performance, low cost hardware, it's still old stuff.

Bob Macdonald

When we look at the pressures on MIS today, they come in a lot of forms. There is the drive for additional data processing capabilities and performance capabilities which come up in requests, like, "We're adding more users; could you beef up the system?"

There's an incredible growth in the desire for more information out of corporate MIS systems. We need more information sooner. The whole growth of decision support, I think, is a great example of this. And there is a third type of pressure, which is the cost effective pressure on the organization: Keep costs down; drive productivity up. And when you look at this, MIS is searching for new ways to deal with this problem.

Accumulating Maintenance Costs



Source: Keen

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Phil White

So there's been lots of surveys. And I think this data came from one of our -- I think this came from one of our VARS, as a matter of fact, a good friend of ours, Gary Gagliardi, (Four Gen) who talks about downsizing and rightsizing. And the mini surveys have proved that every dollar in development you spend it costs you .40 a year thereafter to maintain it.

Well, over time, guess what happens? It's like if you don't attack cancer it consumes you. If you don't attack development in the right way, the maintenance of that stuff you're developing takes all the dollars you historically thought you could spend on new projects to maintain the old stuff. So by just downsizing it on another cheaper mainframe or a cheaper anything doesn't save any money.

Bob Macdonald

The cumulative costs of maintaining an application grow with time, so that in a sense, for every one dollar spent in new software development creates an annual liability that will accumulate over time of 40 cents. So if I spent a dollar today, I'm looking at 40 cents a year to maintain that over the life of my application. And when application builds on top of application in terms of accumulating costs, you have an incredible expense picture in terms of what that represents over time and maintenance costs. So, there's a desire with the pressures and the desires for new data, more information and more productivity to meet those demands by driving as many of the maintenance costs down as far as possible to free up funding for new application development.

Maintenance Costs Dominate

New
Development
25%

Maintenance
75%

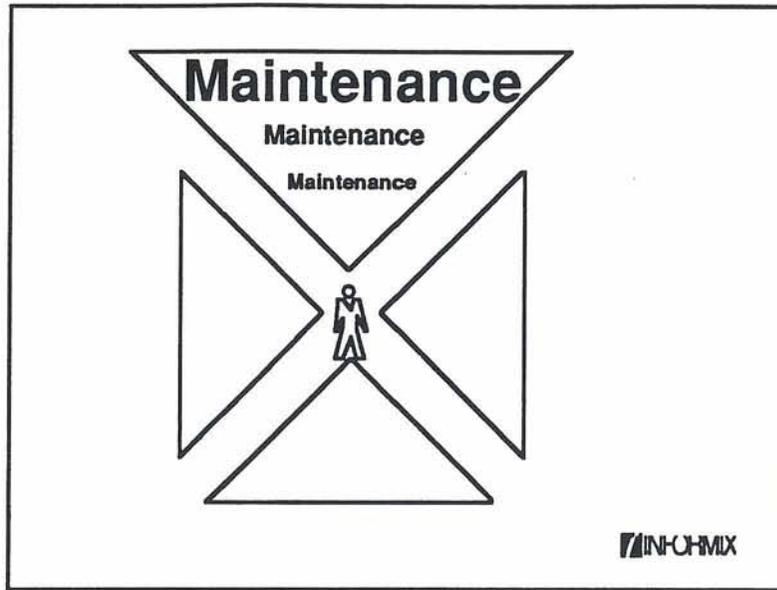
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Phil White

So, that's the big issue with most of our customers. Development today is a smaller and smaller part of their available dollars to spend on application development. A big piece of this maintenance is people and old code.

Bob Macdonald

In addition, there is an issue facing MIS organizations that they're having to spend an incredible amount of money of their spending dollars on maintenance of existing applications. One set of figures shows that of the dollars spent by MIS organizations, three quarters of those dollars are on maintaining applications, while only one quarter of that expenditure is spent on developing new applications.

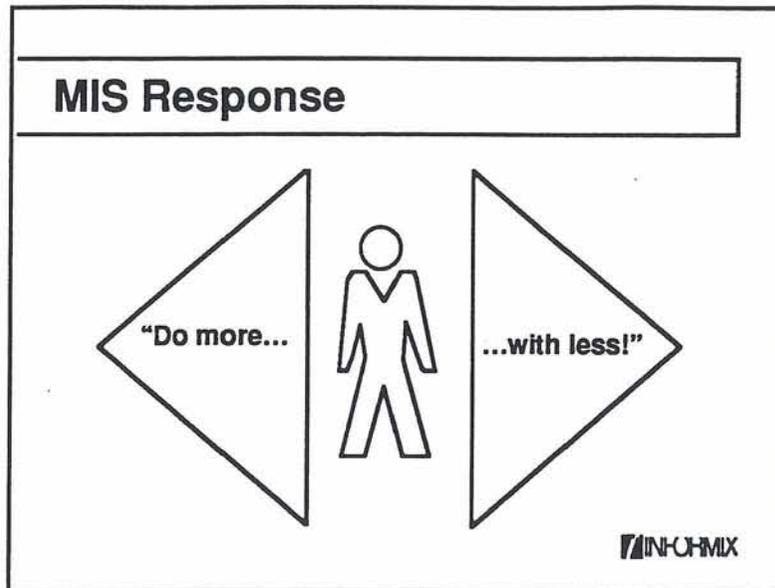


Phil White

So, the maintenance issue is becoming a bigger and bigger issue, and one that we've got to figure out how to address.

Bob Macdonald

So in a sense, maintenance is an additional and significant pressure on the picture of what MIS is facing.



Phil White

And the response is you've got to do a lot more, and you're going to have less to do it with.

So if that's the backdrop for our business, then what do we do to make sure that we can help customers do any sizing? Whether...

Bob Macdonald

The MIS response to all of this? How can we do more with less? How can we raise the productivity of the dollars we're spending most effectively? How can we drive the cost of maintaining our applications down, freeing up more dollars for new application development? How can we build those new applications as quickly as possible and deploy them? And then, how can we run them as efficiently as possible, once deployed?

Downsizing

Rightsizing

Re-hosting

Re-engineering

INFORMIX

Phil White

...it's downsizing, rightsizing, re-hosting, re-engineering, they're going to make changes. Most of the people who are making these big changes come from environments where they were protected by big mainframe suppliers like IBM, Unisys, Bull, Siemens, Fugitsu, Amdahl. And no matter what they did, you didn't make a wrong decision if you picked one of those companies because they, in fact, had good FUD. They'd protect you.

I don't know many -- I can't think of anybody -- and I spent 16 years in IBM -- who got fired for making an IBM decision. And I sold a lot of stuff that I knew was questionable -- well, not questionable. I had great SEs, so we could always fix it. But, you know, I look back. And a lot of us came from IBM. Think back to when you convinced a customer to pick an IBM solution, hardware or software, that the solution may not have been the right thing, but the customer never got fired, never lost his job.

So what we have now is these guys now are stepping in -- and gals -- into a new environment where they sure as hell will lose their jobs. Because they're going to bet the ranch on a lot of things. And the thing they're most uncomfortable with is picking a lot of different pieces of something to build a thing.

Now, they think that's not what they're uncomfortable with, because they're going to say, "Tell me the features that you've got on each of your tools and engines and connectivity and et al." But when they step back from it, I can guarantee you that an individual feature makes not one iota difference three years after that app is rolled out. It may make a difference in the up-front decision, so we have to be very competitive in each of the pieces. But we have to be more competitive in packaging this stuff.

Bob Macdonald

The search is on for new ways to do this, because the traditional way of computing isn't the answer. And the drive towards new technologies has a lot of labels in today's marketplace, downsizing, re-engineering, rightsizing, re-hosting. All of those terms are pointed at a fundamental drive in search for greater productivity. And that searching for new ways of doing thing is fundamentally a drive of looking to new technologies to solve the productivity problem of making applications happen.

MIS organizations are looking to new architecture, client/server, distributed database, parallel computing, new ways of designing the enterprise-wide computing resources to increase the productivity for the organization in its systems.

New Architectures

client/server

distributed database

parallel computing

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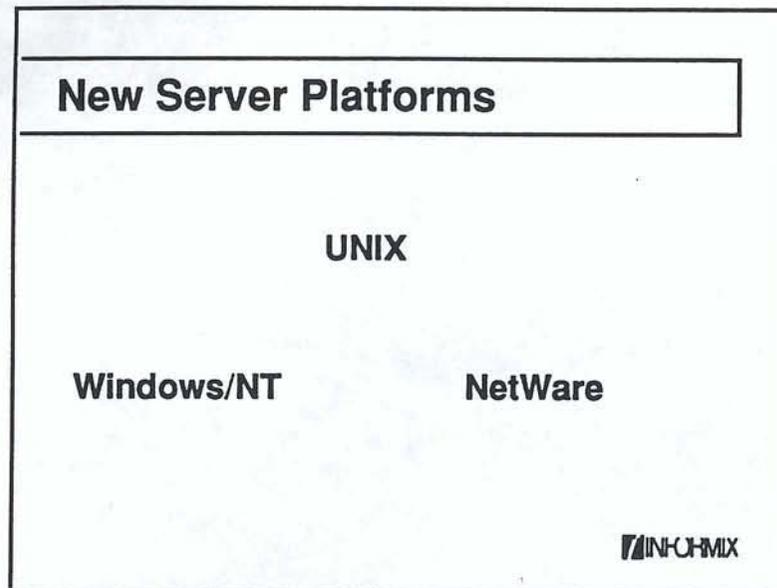
Phil White

There's lots of architectures. You know, client/server has been on everybody's lips for three or four years driven by probably Sybase. Sybase came out with some features and functionality when -- in fact, when Roger Sippl was trying to put together Innovative and Informix to build what I think is -- at that time was his thinking about what client/server is all about. The more clients you can get out there in the sense of OA products will drive more server and databases, and you can grow a gigantic business.

That was, at the time, Roger's view of client/server. He didn't articulate it that way, but that's exactly what he had in mind. And it was right on. We didn't quite execute it right, but that doesn't mean that what we had in mind then wasn't what the industry was driving to, because it was.

Distributed database, a lot of people talk about it. I can't find many people that are doing it. And parallel, going to massively parallel, whether it's symmetrical or loosely coupled, everybody's talking a lot about it. And there are a lot of sales of symmetrical machines. HP just announced theirs; IBM doesn't have one; NCR doesn't have one. And they're all coming at it a number of different ways. So, parallel computing is a lot of talk, very few shipments yet in the sense of large parallelism, but coming on fairly strong, and we'll talk about what we're doing in that environment.

Bob Macdonald



Phil White

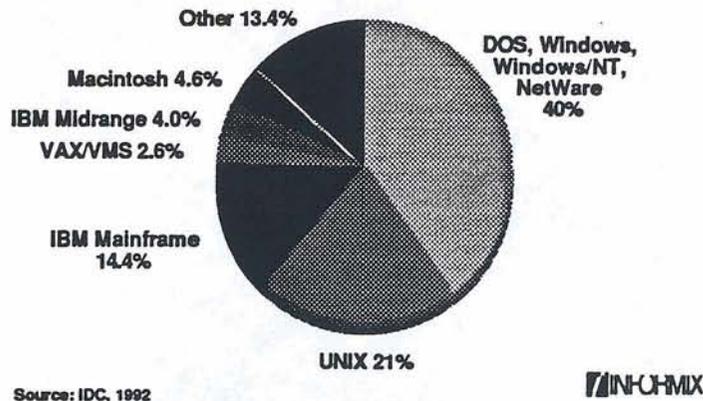
And this is the issue. Customers are going to ask you and ask me and ask us as a company, "Where do I start?" Because they think we're a UNIX company. So the first thing when you walk out of here tonight, is we are an open system software company. Rip the superman UNIX banner off and plug UNIX NetWare -- did I knock my mike out? I guess I did -- oh, there it is.

And the real reason is because we don't know what we're going to be two years from today. I only know one thing, I don't care, as long as the stuff we're building today migrates transparently tomorrow. And you explain that to the customers because that's the same issue they're going to wrestle with. And everything they do with our products today, if we're going to protect our company, we, in turn, protect them. And that's a plus.

Bob Macdonald

MIS organizations are also looking to new server platforms, new server platforms that offer a greater price performance benefit than computing on the old proprietary server platforms. The predominant of these, of course, has been UNIX. UNIX, clearly, and the move to new technologies and open systems, is the server of choice for running database applications. We are also seeing Microsoft address this market with it's upcoming Windows/NT release, and Novell has been addressing the same issues with its NetWare products for offering transaction processing on a Novell network.

1996 Projections



Phil White

So, this is kind of view that I think just reinforces -- analysts look at what 1996 is going to be like from an operating system standpoint. So, if you want to chuck a dart and say, "We should stay in UNIX only; I don't want to be in the mainframe business or VMS business or the Mac business," or whatever other is, but, "I want to be in the gold and blue, because that's over 60-plus percent of the market." The other step, they're trying to figure out how to get out of that stuff so they can get in to that 60-plus percent. And that 60-plus percent, I guarantee you, is where the revenue and profit is.

So, when we talk about open systems, NetWare, NT Windows, UNIX, synonymous.

New Desktop Environments

Windows

Motif

Macintosh

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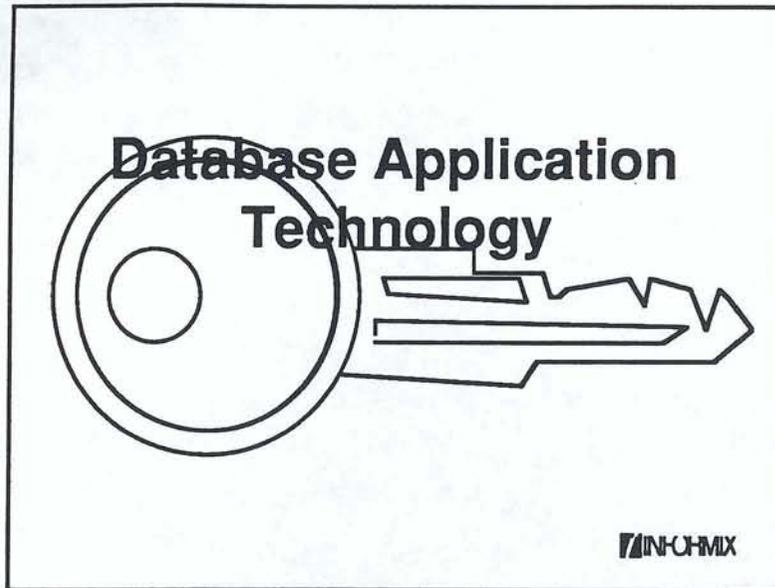
Phil White

And when we talk about desktops, we don't want to, again, to force people to pick a desktop. Today I think it's primarily Motif and Windows, and in some cases, maybe Mac. At the same time we don't want to ever count out Mac, because IBM and Apple are getting closer together. At some point in time they may get real close together.

If they do it from the software side, I think today most software alliances lead to other things, instead of hardware alliances leading to other things. Software alliances lead to bigger things. So we don't want to count out what Macintosh could do over time, because potentially they could be teamed up with big FUD. Big FUD would like to go against Mr. Provo Utah NetWare, and they all would like to against Brother Gates and Microsoft. So, today our priorities are on the top two, and I guarantee over time we'll have to include the Mac platform.

Bob Macdonald

There's also the move to new desktop environments for a better desktop processing of information. And along with that, the use of graphical-user interfaces for better display results, data results in visual form. And, of course, those desktop environments include Windows, Motif and the Macintosh.



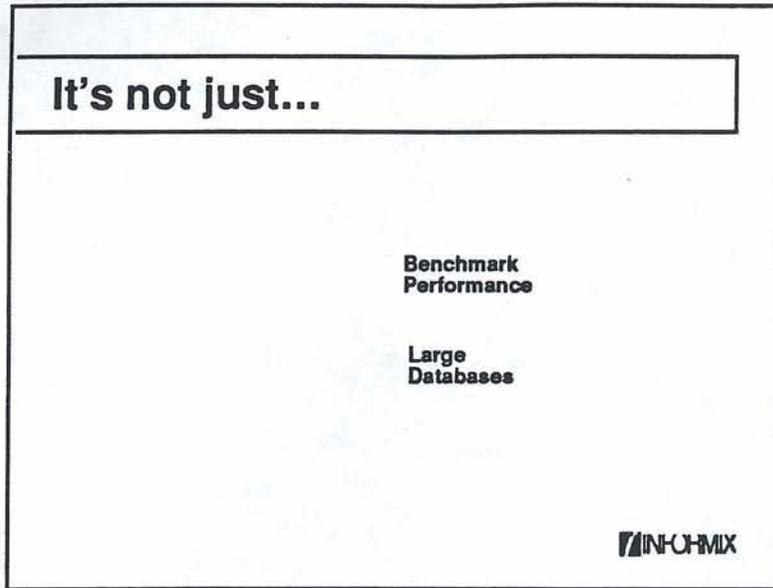
Phil White

But, again, customers shouldn't have to decide. So, what's all that lead to?

That leads to what do we provide in the technology that makes everything easier? What's the key to us and the key to our customers? And I think it's just this...

Bob Macdonald

But when MIS organizations are looking for greater productivity by moving to these new technologies, the fundamental new technology that is at the heart of making applications happen is database application technology, software technology that can assist the MIS organizations in building database applications.

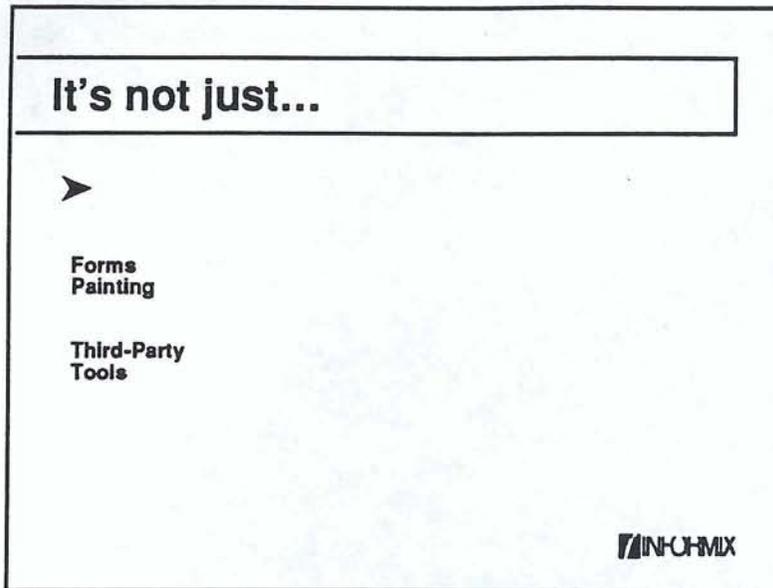


Phil White

...One is it's not doing -- looking at benchmarks and where you are today in the sense of big or small databases.

Bob Macdonald

When one is looking at the right database application technology to meet this demand to make applications happen, it's not just runtime issues like benchmark performance, handling of large databases.



Phil White

It's not a lot of just painting in third party tools.

Bob Macdonald

It's not just application development issues such as quick prototyping features or codeless generating of applications.

It's not just...

**Migrating to
New Platforms**

**Adding New
Features**

Maintenance

INFORMIX

Phil White

It's not a lot of new platforms or a lot of new features or, "How are we going to maintain all that?"

Bob Macdonald

And it's not just the issues of evolving application by migrating it to new platforms or adding new features or maintaining existing applications.

It's not just...

**Implementing
Client/Server**

**Integrating the
Mainframe**

INFORMIX

Phil White

It's not, "Are you into client/server, or are you going to replace your mainframe and try some other approach?"

Bob Macdonald

And it's not just implementation or deployment issues of putting applications out on client/server environments or integrating new applications with existing data sources from the mainframe or other proprietary systems. No, it's not just any of those things.

Total Life Cycle Approach

Build	Deploy	Run	Evolve
Forms Painting	Implementing Client/Server	Benchmark Performance	Migrating to New Platforms
Third-Party Tools	Integrating the Mainframe	Large Databases	Adding New Features
			Maintenance

INFORMIX

Phil White

It is this: It's simply looking at, Mr. Customer, by the time you build, develop, deploy, implement it and start running it and try to maintain it and enhance it, that's a number of years. And the key to you is protecting the investmentss you've got, and starting from the left and going to the right.

And so our message is not we got the best 4GL in the world, even though we do. And it's not we got the best engine in the world, whether it's a standard engine or an OnLine. It's not we got the most feature content. It's not the best integrated. It is you can build and deploy and continue to run them and enhance them and migrate them at lower cost, quicker, with our products than with any other combination of software products in the world.

And if you don't believe it, then go ask customers who have either done it on a mainframe caliber -- and our best successes, our best, the ones we advertise and talk about are built with what? Our tools and our engines together. So whether it's K-Mart that's rolled out 10,00 of these babies, or whether it's Hyatt that's done a big central site complex and built a 4GL and then migrated to XA, or whether it's the stuff we're doing down the road in Wal-Mart, you know, or whether -- any application we've had great success that's been put out, deployed on time, that's been easy to maintain, easy to run and easy to migrate has been built with the combination of both.

And I've tried to find -- and I give that same pitch every time -- I've tried to find anybody that can tell me, any Oracle, Sybase, Ingress, Progress installation that's got thousands of computers written with the same tool and engine and being supported and maintained, deployed and enhanced. You know what? It's silent. And these analysts talked to Ellison and they've talked to Hoffman and they've talked to Joe Alsop. They talk to these guys all the time. There aren't. And if there are, there are hoards of bodies out there from those companies trying to make those changes.

So, our message is different. Our message, by the way, was hard yesterday to explain. And every day it gets easier for two reasons. Our products are getting better and the customers are getting smarter. And it's not just a U.S. or a European or an Asian or a Latin-American phenomenon; it is happening around the world. The beauty about what we are is our technology isn't unique to one part of the world.

Now, applications are, consulting is, but technology pervades everything. So we can mask it with English, French, German, Portugese, Kanji, but it's the same underlying technology around the world. That's why we all can sing out of the same hymnal, because we're a technology company.

To the extent, if we can people buying our technology and laying other things on top of it and adding value to it, we can continue to grow our revenue per employee dramatically. And we'll have 500 of us doing what other companies have got thousands.

So the message we have to take out is a little harder to explain, because now you've got to step into the customer's role. You've got to step out of being a salesman or a marketer, or a support person or an R&D engineer. You've got to put yourself in where the customer is and, say, "If you were a customer and had X amount of dollars to go build things with, what would you pick? Would you pick Progress to build their 4GL?"

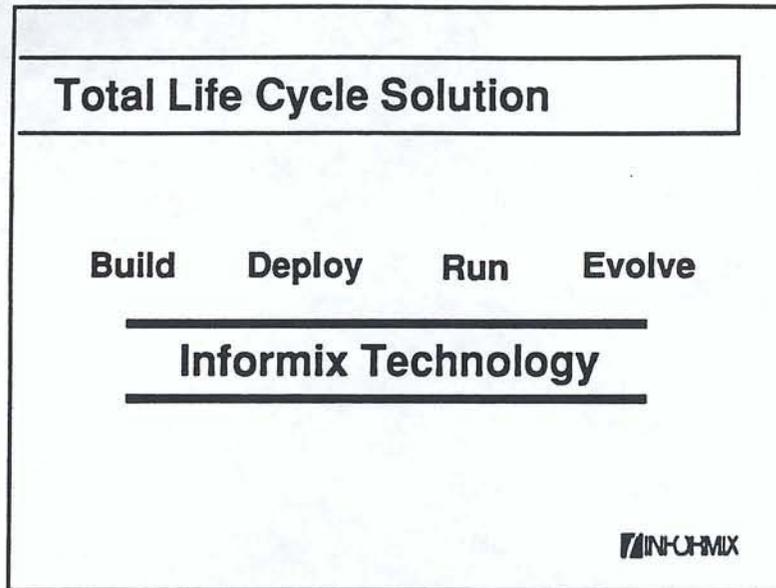
Well, guess what? If you picked their Release 6 -- they just announced that everything you built with Release 6 and you want to get to their graphical Release 7, what do you do? You rewrite. Well, I tell you, if I had bet the ranch on Progress Release 6 and built it and deployed it and run it and tried to evolve it, because everybody wanted a Windows desktop device, and all of a sudden Joe Alsop came to me and said, "Phil, great job, I'm going to help you all I can, but we're going to rewrite all that stuff," I doubt if I'd be on this stage. Joe Alsop shouldn't be on this stage.

So, we have to go with credibility. And we're working our butts off to try to get this stuff in sync, rolled out, transparent, migratable, enhanceable, scaleable, supportable. That's not always easy to do. But I think we are the only company that's trying to do all that in a software sense, and that's the message that we have to take to our customers.

And you have to get comfortable with what goes on when they're building apps, what goes on when they're deploying them, what goes on when they're out there running them, and what are they trying to do over time to change them and evolve them.

Bob Macdonald

In fact, the right database application technology to help your organization make applications happen is database application technology that addresses the complete picture of building, deploying, running and evolving database applications. The right solution for your organization is a set of technology that addresses these four phases, these four critical phases of making applications happen.



Phil White

We've got the only piece of the technology that spans it.

And we're going to announce more. When we announce more tools, when we announce Hyperscript tools as well as Graphical 4GL stuff, they'll be confused. Let them pick one. We'll evolve it and support it, and it will run better integrated against our engine than any other tool, be it PowerSoft or Progress or Gupta, or anybody else. And we will guarantee you that we're not going to get bought out by somebody and lose one piece of it. We're not going to then stop development and quit migrating it, and we're not going to stop supporting it. And I think, in fact, that's our message.

Bob Macdonald

More than any other company, we believe that Informix is focused on a set of technology to cover the complete picture of making applications happen. We are not only focused on the run issues, as some companies are. We are not only focused on the build issues. In addition, we spent a lot of time focusing attention on deployment and evolution of application. In fact, the way we have focused ourselves on the marketplace is to be the premier provider of database application technology that can address this complete issue of making the applications happen.

Informix.
The most productive
—and only complete—
family of tools and servers for
building, deploying, running, and
evolving database applications.



INFORMIX

Phil White

I think we are the only company that provides the most productive, and productive in the sense of more than just, "Can I get TPS?" More than in the sense, "Can I write fewer lines of code and generate more code?" More productive in the sense, "Is it easy to maintain and lower cost?" More productive in the total sense of tools and servers for building, deploying, running and evolving applications that are based on our engine. That's what we're all about.

Bob Macdonald

Informix offers you the most productive and only complete set of tools and servers for building, deploying, running and evolving database applications. And what I'd like to do now is to look at each of these four phases in a little bit more depth, to first look at the issues facing our customers and then how Informix is addressing those issues, those problems, with its technology in that area and to build a complete picture for you that we are covering this complete cycle for making applications happen.

Build Quickly

INFORMIX

Phil White

So, you want to build them very quickly. You know, there's phases that you have to talk to customers about, you know?

Bob Macdonald

When we look at build issues, the issues of developing applications...

Phases of Development

- Design
- Prototype
- Code
- Debug



Phil White

They're going to design it, prototype it, code it and debug it before they ever even deploy that thing.

Bob Macdonald

...customers want to develop database applications quickly with less code overall, the ability to use rapid, usable prototyping in the development of the application, the ability to generate as much of the code as possible, and do all of this at a cheaper cost. Now, those are all the things that we see customers wanting out of this process. But they want to do this...

What Does It Take?

- Less code overall
- Visual code generating tools



Phil White

And you need tools that generate less code, that have visual kinds of programming devices that help you generate the code.

Bob Macdonald

...Without

- **Sacrificing power or flexibility**



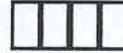
Phil White

You need to do all that without giving up something. You don't want to give them a tool that says, "By the way, you can't do..." or, "It's a shortcut to..." because they're not going to buy that. I think our tools are, in fact, more robust than anybody, easier to develop and easier to maintain, easier to train on. They're character-based and graphical, and that's what you want,...

Bob Macdonald

...without sacrificing the power or flexibility of their current application development environment and without having to go through a massive retraining of programmers. When we looked at this situation years ago, this all made sense. Here organizations and companies were pleased with what they could accomplish programming in a third generation language like COBOL, 4-Tran-C, and creating powerful applications for their organizations, powerful applications that they could adopt over time. At the same time, they developed a lot of in-house expertise, particularly with the COBOL language in its business orientation to the problems it was trying to solve. So we knew that when you look at both what customers were looking for, and what they didn't want to give up in looking for it, that the key was...

Greater productivity without compromise



INFORMIX

Phil White

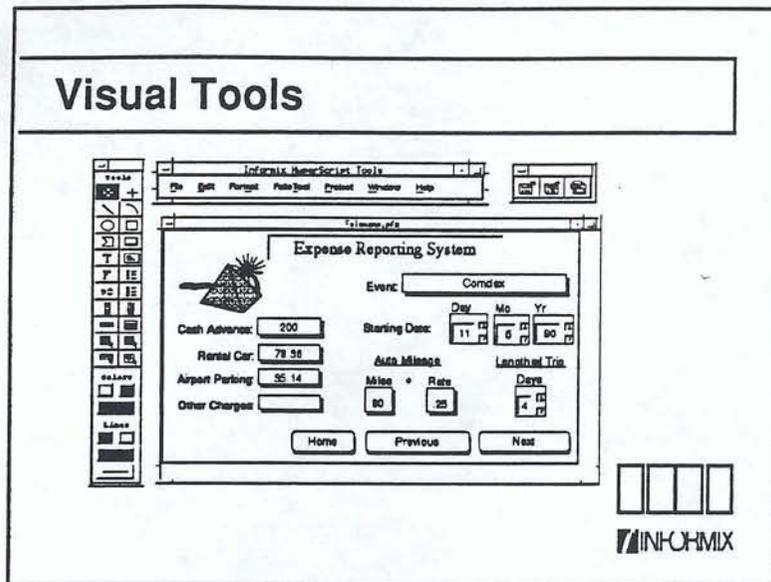
...to do all that without compromise.

Now, that's where most customers stop when they evaluate products. We never get past that stage. I can't think of a time when we've lost that people came to me and said, "I was really worried about migrating that app three years from now from a character to graphical environment and probably from DG to HP." They always say, "Well, you lost because you didn't have triggers," or, "We did a benchmark. It wasn't quite like what we were going to do, but you lost." Well, you know, that's great, because you'll probably lose your job three years from now.

Bob Macdonald

...to provide greater productivity without compromise. That is the essence of the problem, from our point of view, how to provide our customers with greater productivity in application development without forcing a compromise in terms of power or flexibility in what the tools could accomplish in terms of creating an application, and also to be able to do that without requiring a massive re-training of the computer expertise that was in place.

Visual Tools



Phil White

Or do visually kinds of things -- this happens to be Hyperscript. You're going to be able to do the same thing with 4GL. The issue is not can you just do that with your tool, but can you give us some other things that people want? You know, a lot of tools today are really snappy looking like this. And this happens to be a snappy looking Hyperscript. But if you go to PowerSoft and look at their tool, it looks the same. But when you try to deploy PowerSoft's tool in a high production environment, guess what? It doesn't scale very well.

So, when you look at it and you say, "I'm going to decide based on one glimpse," and we lose to PowerSoft, and the guy starts to roll PowerSoft out and it's a big OLTP app, guess what? PowerSoft doesn't scale. He may not find that out for how many years? One to two. But to start over is lots of bucks.

Bob Macdonald

In terms of visual programming tools, the critical thing here is ease of use and utilizing a visual environment to paint screens, draw reports and then execute commands that will generate the bulk of the code that's needed to get my application up and running. And we have done that with a variety of products that support our database languages.

At this point I'm just going to talk about some experiences that Informix customers have had in terms of application development and the benefits of approaching application development utilizing Informix' database language approach augmented by visual programming tools.

Labatt's, the beverage company, in their U.S. operations, using Informix they established the goal that because of the capabilities of our database languages that they could, in their terms, move through 30 years of MIS progress in three years. Making the transition and the move to open systems, they needed to customize over 35 applications as quickly as possible.

Datasource, their vice president of development -- and I don't know what Datasource does as a company, so we'll have to find out -- saw that jumping from a COBOL environment to a higher level database language environment, it saw his ability to actually spend less on programming resources on a per programmer basis.

Hyatt Hotels, when they were developing their first Unix-based reservation system, utilized Informix 4GL as the database language that they were going to use for application development and saw a 200% increase in programmer productivity over utilizing their old approach. They were also very pleased that less code meant less reduced compilation time as well as an easier job of maintaining the application over time.

The Seattle Municipal Court system is a very large application, gigabytes of information, I believe it's somewhere in the range of 35 to 40 gigabytes of information. A major project, that when the president of the organization that developed the applications for the court system looked at 4GL, said that Informix was the only company that offered a full-featured 4GL. A lot of other vendors claimed to have a complete database language solution, a fourth generation language, but they didn't have all of the Informix functionality. You had to drop to resorting to C, the C language, to handle many functions.

Turner Broadcasting has a system that tracks the vast film library that they have, and their library services manager said that with Informix' database language approach it took their programmer two weeks that would have previously taken them two months of effort to accomplish. And they were doing a comparison to development in a third generation language.

Telmex in Mexico, which is the national phone company, has been using 4GL to create a variety of applications, and their director general has said that with Informix' 4GL product it's been very easy for users to program and develop applications and that those designs can then be changed easily, new screens added and reports generated. All in all, the productivity jump has been widely recognized within his organization.

JS Pathology -- and we need to find out more information about these people, but it's a good performance anecdote -- rewrote ten years of proprietary applications that they developed in just over a year using Informix 4GL.

**Over 3,000
companies sell
Informix-based
applications.**



Phil White

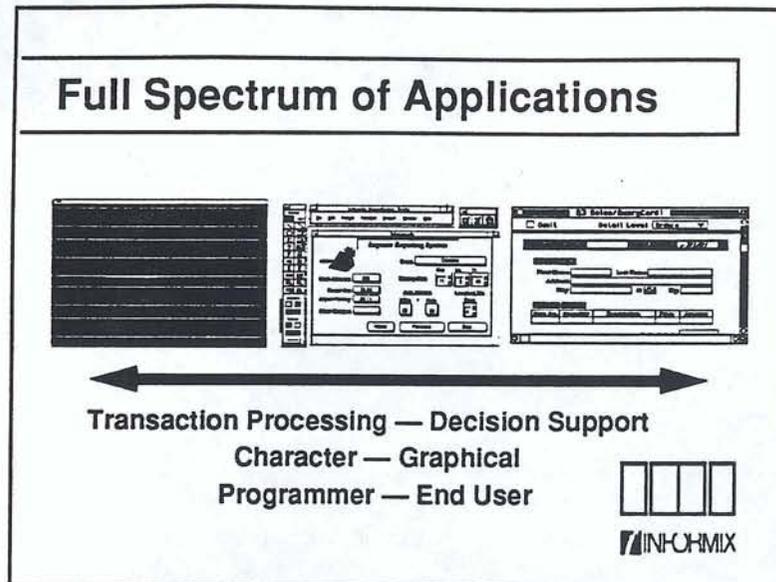
So, our message, again, it's different than PowerSoft. And if you don't want to use those tools to write apps, guess what? We've got more companies to build software applications on our products than any company in the world. Most of them that are successful have done it with 4GL and our engine.

And if you talk to Gagliardi, who every one of his apps gets tailored, he can do it quicker and easier because he does it in 4GL. And that's why he likes us. You know, we slap him around a little bit and he slaps us around a little bit, but I tell you what, he preaches our technology because it enables him to build a business he couldn't build with any other set of products. Key.

And the biggest hit on UNIX, is there is no code out there. Well, there's lots of code out there. Now, it may not always fit, but guess what? It's pretty tailorable. So if customers today are looking for the perfect package fit, there isn't one. I haven't found one customer that can take the same package that his neighbor customer did and implement it. You can't. But you can sure tailor it and modify it, enhance it and then migrate it if it's built with the right tool, and most of these are.

Bob Macdonald

In terms of the solutions available from others that are built on these database languages and these visual programming tools, today we find over 3,000 companies' world-wide applications built on our technology, which is more value added resellers than all our competitors combined.



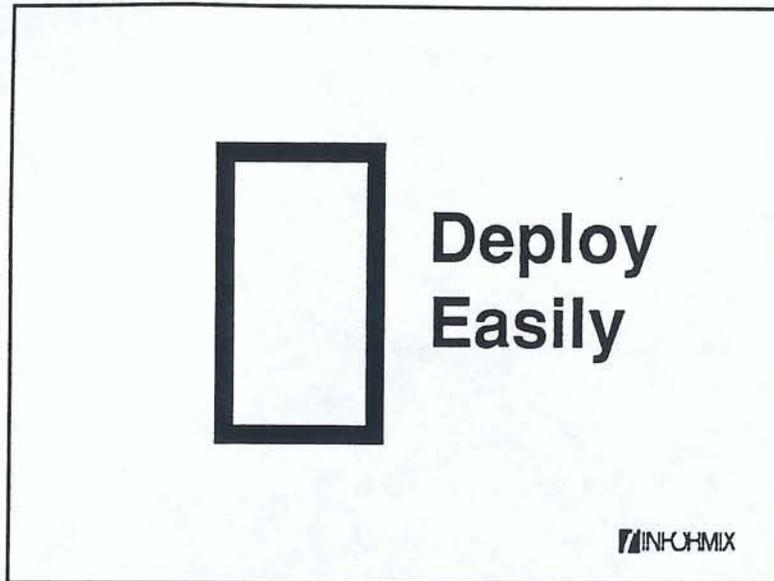
Phil White

So you have a full spectrum. Now, whether they're going to do OLTP transaction processing or just do decision support, if they're going to build character-based applications -- which, by the way are going to be around for a long, long time. They're still shipping millions of character-based terminals into the marketplace. We buy a lot of them. We buy a lot of them ourselves.

So it's good to know that you can build character-based apps and migrate them to graphical and not get the Progress wall slapped right in the middle. And by the way, try building a character-based application with PowerSoft.

Bob Macdonald

It's important that when you're looking at application productivity that the tools you're looking at can provide you a way to address the wide spectrum of types of applications you're being asked to supply to the organization. And by this we talk about the spectrum of decision support through high end, OLTP, or online transaction processing. Our two database languages, Informix 4GL and HyperScript, with their power and their design can cover the widest range of decision support or high end EIS systems on one end, all the way through OLTP and high end OLTP on the other end.

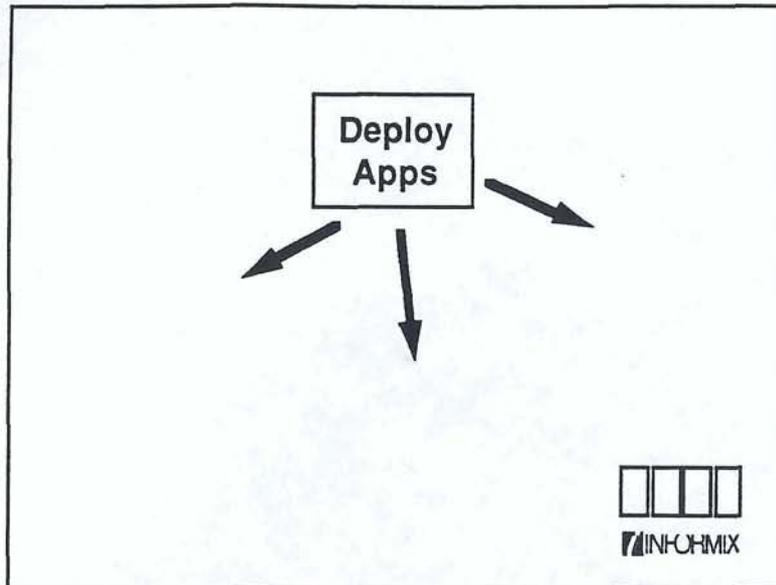


Phil White

Deploy. Whether you're deploying one app or multiple apps, the deployment is, in most cases, the hardest part because it takes lots of people.

Bob Macdonald

When customers are looking at deploying applications,...



Phil White

Deploying out on the site you're deploying these apps in, with us, you know, if we're successful with our success in RCAS, it will be the largest distributed installation in the world. 10,000 DEC systems, 60,000 users, that baby's going to be well deployed.

For those of you who are in the Army in the U.S, you know that most of these reservists like us, you know, we don't really care about being a soldier. We want to get back to work. So we're putting these things in where people don't really care a lot about what goes on, and so they're being deployed in a lot of sites where ease of installation is absolutely critical. I think that this is one of the reasons we won.

By the way RCAS was orgianlly developed on Ingres. We won it back.

Bob Macdonald

...they want to install, configure and distribute those applications quickly, easily,...



Phil White

And they don't want any surprises when they try to deploy it.

Bob Macdonald

...with no surprises across the enterprise.



Phil White

They also don't want to send an army out to install it. And the reason Oracle has 9-10,000 employees is because they've got to put lots of bodies in to support that code, because most of their stuff is written in C. And I guarantee you, when you try to enhance and migrate and maintain C-based code, it is more difficult relative to anything that we write in 4GL.

Bob Macdonald

And they want to do all of that without an army of experts that has to worry about where data is located and how it's used, without having to worry about synchronizing the deployment, and without having to worry about the complexities of the network. They also want to do that without having to rebuild for each new environment or having to hard code the location of data. All of those things, the desire for customers is to make that as transparent as possible to the deployment process. And that, in fact, has been our goal.

**We hide the
complexities**

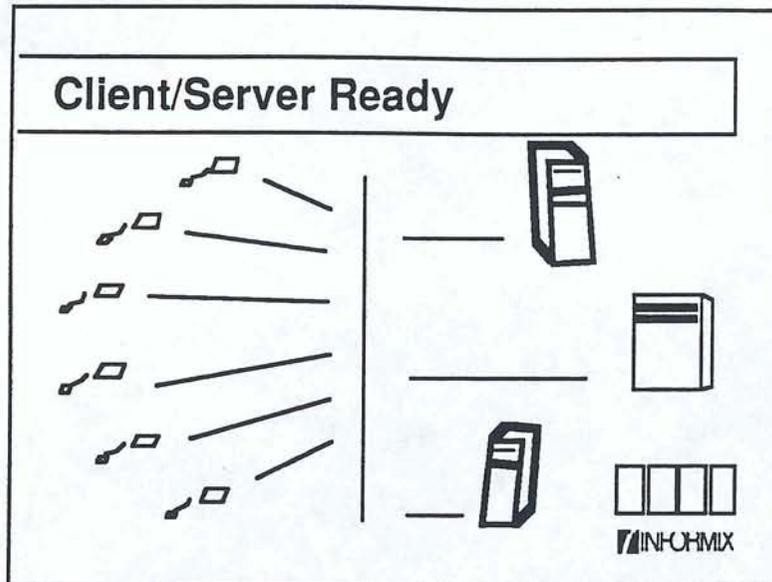


Phil White

So, the other thing we try to do is hide alot of the complexities so when you go to roll this stuff out it's already client ready. You know, one of the -- I was down; I did a film for Invel Theresi from Net Frame, because he's rolling out application processors and he wanted me to go down and talk about how good his software was -- or his hardware was. And the thing he said about our software was that it is easier to roll out and deploy by a factor of four than anybody else, including Oracle and Sybase's NLM (network loadable module) product. You know, I didn't ask him to say that. I wrote it down for him -- no, he said this (of his own accord). They tried it and it worked.

Bob Macdonald

We are committed to hiding the complexities of deployment when customers roll out the applications that they develop with our products.

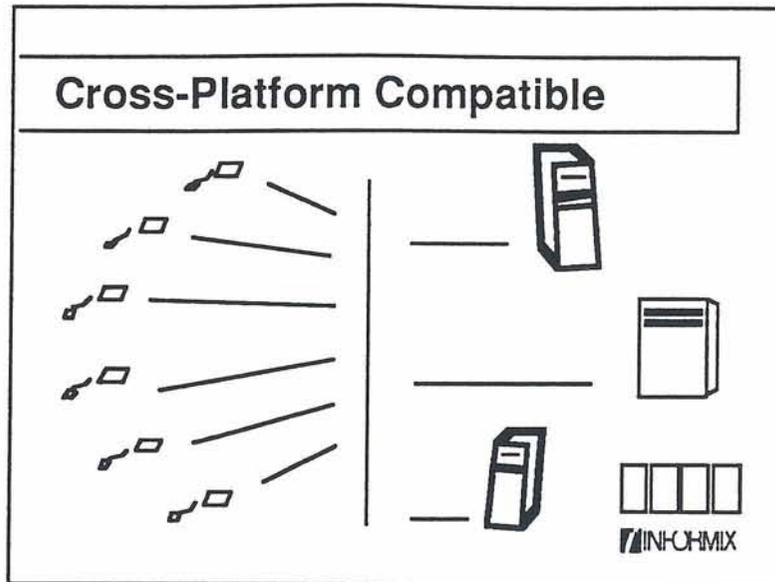


Phil White

And I think that's exactly what, even in a new environment, customers need to experience. This stuff comes better equipped to deploy.

Bob Macdonald

We hide the complexity with our client/server ready features, with our hundred percent code compatibility across platforms as you move in application, with our cross version compatibility between different versions of our products and with our abilities to link independently to other data sources as well as data stored with our own servers. When we look at the deployment of applications, we see this as a very important area when one is trying to be productive in the whole cycle of making applications happen. And we feel that our commitment to hiding the complexities and enabling you to implement powerful software very easily is an important business benefit to the customer. I think a great example of the strength of Informix technology and deployment is the experience retailing organizations are having with our product. It's a very important benchmark for those organizations to know how long it will take to load and configure Informix software on a particular piece of hardware and how easy that load and configuring process will be for their people doing the deployment. When you look at an organization like our customers like K-Mart and Wall-Mart, they are dealing with huge numbers when you look in terms of deployment. K-Mart, 2,500 stores; Wall-Mart, 3,000 stores. These companies have a major cost they're faced with any time they want to roll out a new application or a new version of that application to all of their stores.



Phil White

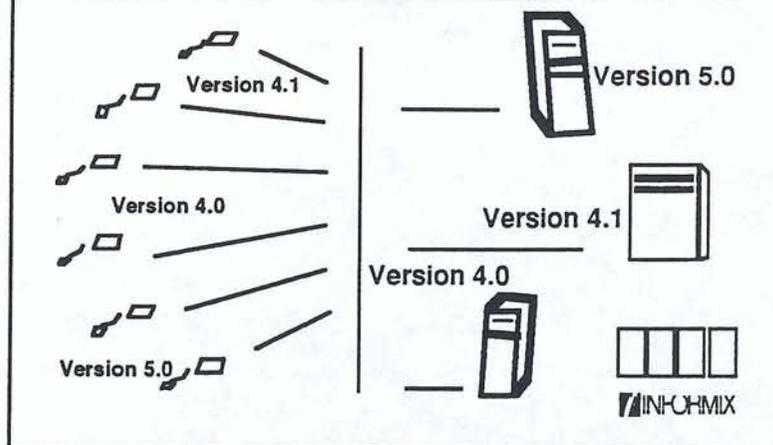
Well, whether you're going to run it around different hardware platforms, the same app migrated across -- K-Mart's a great example, ten thousand computers. They run some on NCR, some on Unisys and some on IBM.

The other big retailer here where you're talking about happens to be deploying about half of their systems with HP and half with NCR and a few with IBM, but it's all the same technology. And no matter what the graphical interface is, whether it's character-based and you want to migrate it to Windows and Motif, we can do it with a little technology today we call a runner called GX for Motif, and GX for Windows.

Bob Macdonald

And in many cases we are now looking with the new client/server approach to computing to multiple servers in a given store. With that kind of issue, we see customers actually benchmarking this procedure and looking at it as a very important real-world benchmark. Wall-Mart, in its final selection of the appropriate database technology to use, actually had Informix, as well as the other finalist database company, bring their software to Wall-Mart headquarters in Bentonville, Arkansas and had both companies simply load and configure their products on an IBM RS-6000, RS-6000 work station and on an HP 9000 work station. Informix software loaded and configured in about 30 minutes on both boxes. It took our competitor into the second day until they could get the software up and running on these two work stations. Well, it didn't take much to extrapolate those examples to 3,000 sites across the country and what the difference would be in terms of effort, because not only were we looking at a huge difference in terms of time, but also the complexity of what needed to be addressed by the competitor in making sure that their software was up and ready to run. And when you look at any client/server deployment of any size, even of moderate size, this becomes a very significant business issue to address: What's the cost of deploying the software going to be?

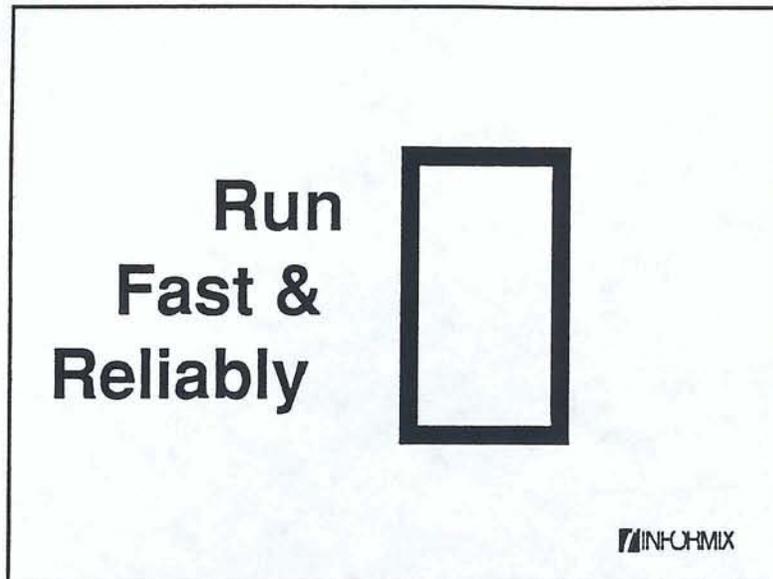
Cross-Version Compatible



Phil White

And you can also install different versions of this stuff and not have to go and replicate that same version across the entire installation. And that's part of what we've got now as our life cycle policy, which is another key piece.

Bob Macdonald

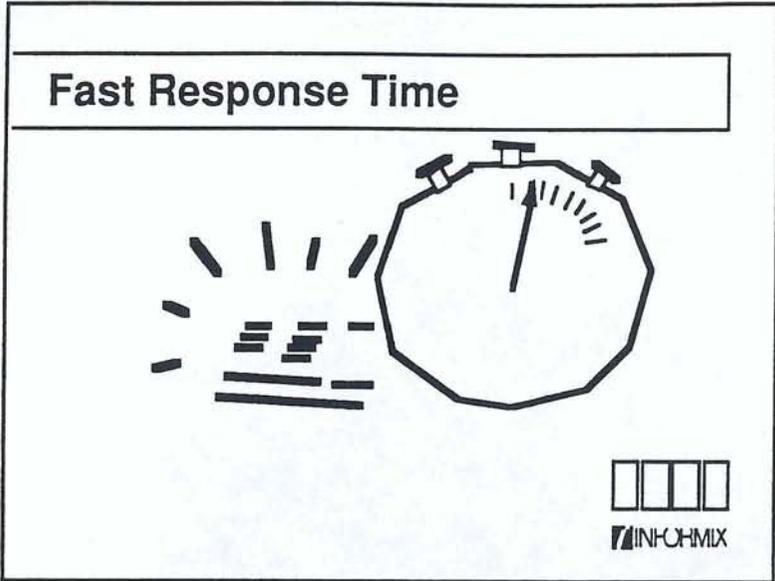


Phil White

So you've got to be able to install this thing, make sure it runs fast and it's reliable and easy to maintain,...

Bob Macdonald

When we look at running your applications the desire is to run your applications with maximum throughput, maximum user and data scalability and maximum data control and integrity. All of those things are very important. How can we most efficiently have these applications running on our organization? How can we provide for the growth of users and the growth of amount of data so that those don't become performance issues with the use of this application over time and that we can meet user demands in terms of performance issues? How can we maintain control over the data and insure that as we're running these applications that the integrity of the data will be protected? Now, those are all desires of your organization. And you want to do those things...



Phil White

...and that's what this fast response time is all about.

Bob Macdonald

...while running your applications with a minimum response time, hardware investments, hassle and downtime.

Efficient System Utilization

Biggest Bang for the Buck !

The diagram illustrates the concept of efficient system utilization. At the top, a title box contains the text "Efficient System Utilization". Below this, a large number of small, identical rectangular boxes are arranged in a grid that tapers towards the bottom, representing a large volume of code or data. Below this grid, a single, larger rectangular box is shown, representing a more compact or efficient representation of the same data. The text "Biggest Bang for the Buck !" is positioned below the larger box. To the right of the larger box is the INFORMIX logo, which consists of three vertical bars of increasing height followed by the word "INFORMIX".

Phil White

We get more code per anything than anybody in the business. So, we can put a lot of code in a smaller box relative. Now, boxes are less expensive, that's true. But if you're going to roll out thousands of them, a little expense is a big deal. And to the extent we can still have better utilization of the hardware resources with our software, we'll be lower cost.

Bob Macdonald

You look at each of those issues, you want the best performance in terms of transaction processing for your investment. You want to be able to efficiently use the dollars you're spending on hardware so that the price performance is the maximum you can get in the marketplace.



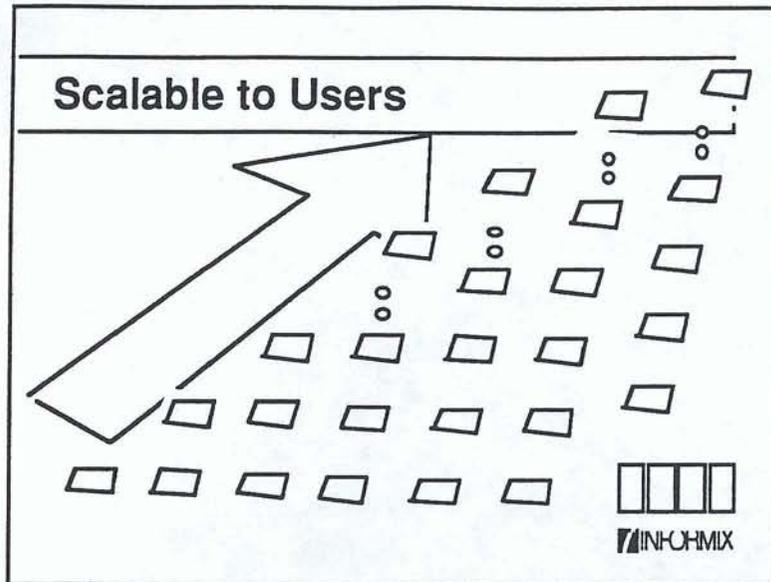
Phil White

We do have good availability ...

Bob Macdonald

You want to be able to maintain your applications up and running with a minimum of hassle in terms of the ongoing procedures to insure optimum performance, and you want to be able to do as much as possible in maintain those applications without having to resort to downtime and bringing the system down.

In addition, you want to run your applications without having to bring the company to it knees, without running into brick walls and without breaking the bank. You want to make sure that you're enhancing company performance. You want to make sure that you are not limiting performance as you move ahead, and you want to make sure that you're as cost effective in doing that as possible. When you look at our commitments to running database applications



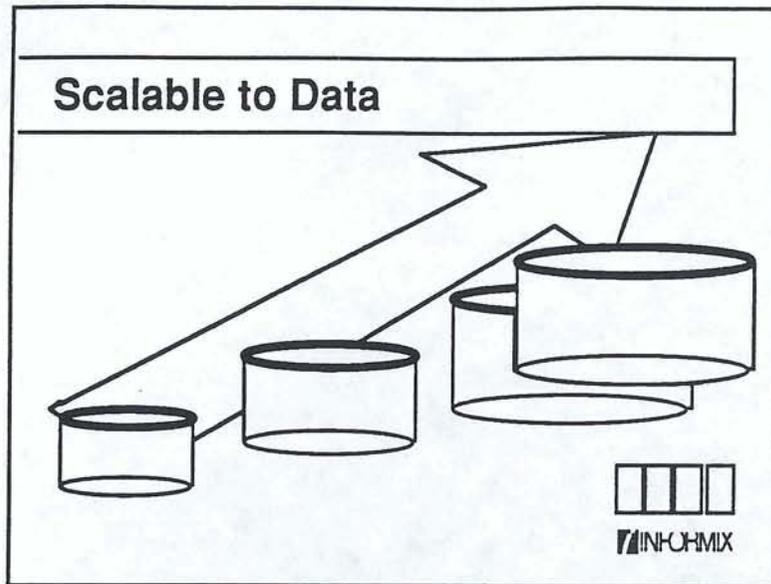
Phil White
 ...and we do scale.

Bob Macdonald

Our commitment is to provide real-world performance that you can rely on. I mean, the essence of the runtime issues here are the real-world features and performance issues addressed, and can you rely on those features and performance day in, day out.

We deliver real-world results by focusing on what's important to our customers. Real-world benchmarking is focusing on the business issues our customers are trying to address with this technology of making applications happen and insuring we're putting in the features to address those issues. At the same time, real-world product reliability testing is an ongoing process. When we look at our approach to beta testing programs, when we look at our approach to releasing our new versions of our products, we feel that we're more focused than anyone on insuring that our products are taken through their paces and that we can assure customers that those real-world performances and real-world reliabilities will be there.

It's an interesting thing that a few years ago we took a very hard look at how beta testing was done in our part of the industry. And what we discovered, with not too much surprise, was that all the companies were using the beta test part of the release process as a pre-release process for sales. To a certain extent, the onus was on the development organizations themselves to do as much testing as possible prior to release, and that the beta versions were more or less being put in the hands of customers, pre-release, so that they could work on a particular problem, not with a clear sense that that information was going to effectively and efficiently get tied back into the final development process before actual release. We set to raise the bar, change the standards completely on beta testing. And in a sense, we made the criteria for becoming a beta test site for an Informix product quite stringent. One had to commit to being part of a regular process. One had to commit to sending resources to people here to Informix Headquarters for thorough training before receiving the beta test software. A beta test site had to commit to the schedule of performance testing outlined by Informix on a week-by-week, month-by-month schedule, and to do those tests and to participate in lengthy weekly conference calls to discuss the results of that testing. To a certain extent you had to apply and commit resources to the process. The first time we instituted this we actually had to fire one of our beta sites, one of our best partners in the marketplace. And the interesting thing was they had gotten involved because they liked the commitment that we had to a more thorough process. And they acknowledged that they weren't keeping up their end of the bargain and said, "Yes, pull us out of the process and we'll wait for the release software because it's more important that you do this the right way." So, that's just a little aside to show you how focused we are on these issues.



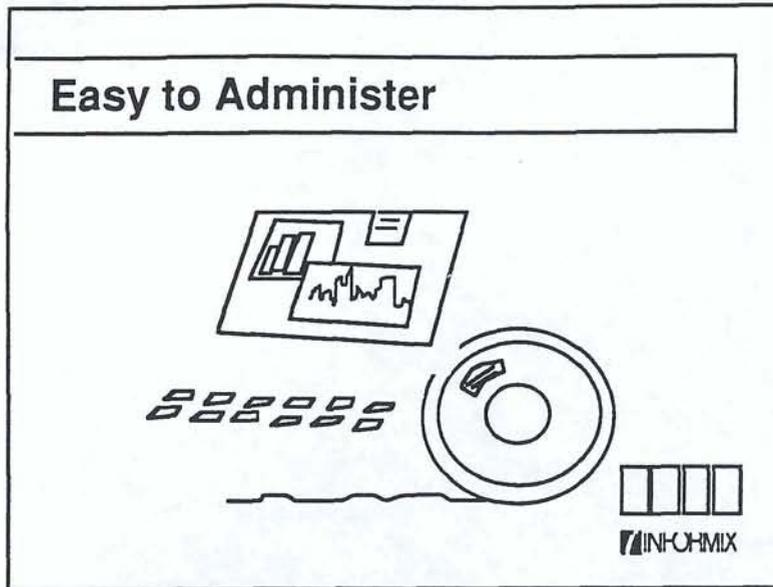
Phil White

So the key piece of all this is whether it's users or the size of databases -- and customers are going to start to roll out bigger and bigger databases, and we're scaling up to a certain point. And I think the thing we've got to really work on is getting scaleable to big deals.

The problem with UNIX and the problem is we've never been forced to go up to giant gigabyte databases. Historically a big database for us was 10 or 20 gigs. We were talking yesterday; customers are starting to benchmark on 30 to 50 gigs and deploying on two to three times that. So we have got to really look at what are customers going to be deploying, not what are we testing. Because I guarantee you, we can't test what customers are going to deploy. We don't have a clue what they're going to deploy.

Bob Macdonald

When you look at the high end or scalability of UNIX, it is in symmetric multiprocessing. And a symmetric multiprocessing machine has been a wonderful architecture for giving UNIX performance to match our mini or mainframe.



Phil White

The thing we've been working on a lot is make it easy to administer. These customers who have got big networks want to know what's going on in the network, and if they're coming from big mainframe kinds of environments, they want to know when something blows down you've got to tell those operators what to do, not let them guess. And we haven't really done a lot of that. We're starting out to get more. But over time we will, in fact, fill out that suite of requirements.

Bob Macdonald

(Bob's previous comments (on the past 6 slides) were not meant specifically for those slides. Some are more appropriate here or for slides that no longer are in the show. That's because Bob was using an alpha version of BDRE. Likewise when Bob had no comments on a slide, that slide was not in his version. Remember this is a BETA script.)

**Real-world
performance you can
rely on**



INFORMIX

Phil White

And you've got to give them performance that they can continue to rely on and it scales.

Bob Macdonald

Our Priorities

- **Performance optimization that focuses on winning customer praise instead of just industry benchmarks**
- **Product reliability that sets the industry standard**

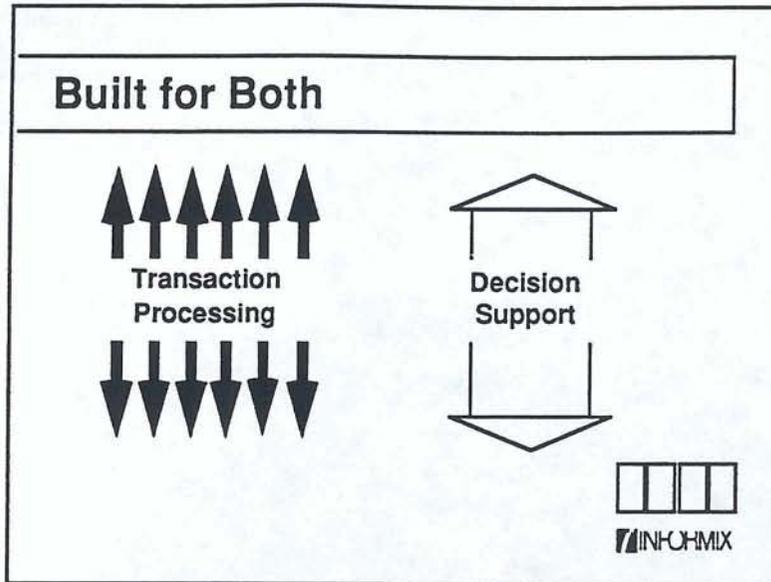


Phil White

So, our priorities are really -- I think our priorities are going to switch. We continue to talk about performance that's optimized, you know, for customer praise instead of doing benchmarks. We've still got to do benchmarks. I think the real reason is customers are interested in two things, performance and price performance. Now, they like the price performance after they like the performance. So we've got to be the lowest price per whatever kind of transaction it is.

At the same time, I think that customers have this mentality because they've come from big mainframes where MIPS mean a lot. And a 3090 C and D and E class machines, and J3090s that are all MIP rated. And to large customers, transactions mean response time to a user. It may not have anything to do with response time to a user, but by the time you try to explain it, you're blue in the face. So I think we do, in fact, have to do a better job at benchmarking, or whatever the current criteria is, because it's a hurdle that even though it doesn't mean anything by the time they deploy the app, it's important up front. So, you know, we've got to explain the whole magila, but at the same time get more on that, and get reliability that sets industry standards.

Bob Macdonald



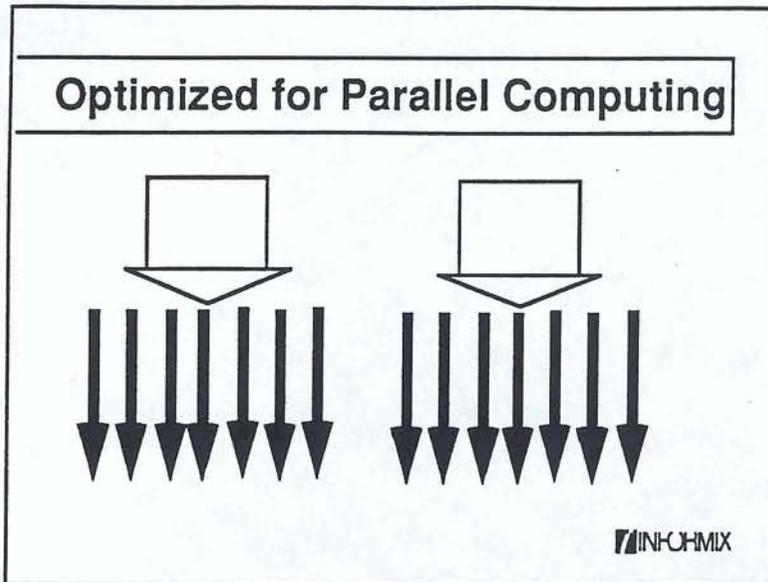
Phil White

One of the key pieces is customers today want transaction processing and decision support. The only way to do that in very large environments is the stuff that we're working on in Portland. Now, I think we developed parallel data queries because we thought it was going to be really great to drive OLTP-kinds of transactions and decision support. And we didn't really know what that meant.

Bob Macdonald

The growth area ahead we see is in decision support.

What is about to occur with decision support is that we are going to be putting tools in the hands of users such as our Informix Storm products, that are going to enable end users without knowing programming or without knowing SQL to create very complex SQL queries. And this is going to create a performance demand on internal systems. And when you look at the high end of performance for UNIX today, symmetric multiprocessing, it works wonderfully for transaction processing because transactions can be sent across multiple processors. Today if you execute a complex query on a symmetric multiprocessing machine, it executes across just one of those processes. To meet the demands and performance for decision support, the optimum solution on the server end delivering that real-world result, that better performance, will be to break a query across multiple processors for processing. We recognized this need over two years ago and began developing a partnership with Sequin, one of the leading suppliers of symmetric multiprocessing hardware, an approach with our software products to execute parallel data queries. And you'll see the first instance of this capability in our product releases later this year. We intend to remain at the forefront of what we feel will be a growing and equally significant performance area to the transaction processing issues that UNIX and Informix have been addressing.



Phil White

So, if you try to explain PDQ to a customer, you run out of things to say pretty quick -- at least I do; maybe Gary doesn't; Tim doesn't, Chuck -- but I do. Because after I explain it, "you break up code to run on N number of processors" So now what? I explain it by the fact that we had this great plan that, Mr. Customer, when you put a product like Storm out on these desktops and these users are going to be point and clicking and trying to pull data off our databases and display it in easy environments, and they're going to be doing it on a lot of desktops, the only way you can get response time back so they're not sitting there keying in a query and waiting for an hour is to break the queries up this way.

So guess what? All of a sudden we've got what our customers are looking for for a long time, something that satisfies all these end user demands for data that's displayed easy without understanding SQL, and we've got a back-in feature that -- two days ago I had a tough time explaining why in the hell we were doing it, spent two years. Today it makes more sense than anything. The sky's open.

And, in fact, whether we did it out of sheer luck, whether we did it for a great plan, from the customer's view, step back again from the customer's view, we now have a great graphical desktop that will run on most every graphical desktop, point and click. You don't have to be an SQL rocket scientist. And we've got a back-in engine feature that supports all that stuff.

Now, try to find -- go ask Brother Oracle, Brother Sybase or Brother Ingress or any of these guys, how are they going to do that stuff? From one company. Let me tell you why. They're going to be teaming up with Borland and Power Stuff and Gupta and Microsoft and -- again, if you step back and look at this stuff the way a customer does, we've got some hot stuff.

Bob Macdonald

The Fundamentals

- ✓ unlimited database growth
- ✓ outstanding OLTP price/performance
- ✓ TP monitor compatibility
- ✓ on-line / incremental archiving
- ✓ on-line recovery / rollback
- ✓ runtime integrity verification
- ✓ disk mirroring
- ✓ triggers / stored procedures / referential integrity
- ✓ distributed database / two-phase commit
- ✓ ANSI standard SQL
- ✓ security features



Phil White

This is the check list. I hate these check lists. You know why? Because you start into this check list, you've got to explain every one of them. And when you try to explain these things, no matter who it is, their eyes glaze over. So what they'll do is they'll come down, they'll compare a check list and the longest one wins. The shortest one you've got to explain why you didn't have whatever it was that he had.

So, these check lists are okay. They're, in most cases, good for literature fodder, RPQ fodder, and they don't mean a whole hell of a lot. Because when you try to do this total piece, it's not these pieces that are going to make a difference. But we've got to do them, so we will do them. And it's part of Marketing 101; it's part of Development 101 to have what our competitors have or stay ahead of our competitors, so we have the longer list. But in total, when the guy's looking back -- or gal -- three years from the date he took the product, I guarantee you that one of these features isn't going to make success in the total implementation.

Bob Macdonald

Now, how do we deliver these real-world results? We do a powerful server technology, server technology that includes a wide range of features and capabilities to not only provide mainframe caliber performance, but mainframe caliber maintenance features and mainframe caliber capabilities in terms of size of databases that it can handle. And here's just a partial list of some of those critical things to be looking at when evaluating database application technology for running your applications: It's ability to handle unlimited database growth; OLTP performance; transaction monitoring; online archiving; recovering and rollback; transparent runtime diagnostics; disk mirroring; distributed database; two-phase commit; triggers; security features. It's just a partial list of some of the things being addressed by Informix database server technology.

Looking at how some people are using Informix server technology to run their applications, going back to Labatt's USA, Joni Ives, who is Corporate MIS Manager at Labatt's, one simple thing, sales forecasting is something that goes on on a regular basis. The old proprietary system, it took two days to run that series of applications and pull up the reports that were needed. Labatt's now does it in their new Informix base system in less than three minutes.

AT&T has a very important application which they call Enhanced 911, the procedures to back up the 911 capabilities. And when they look at some of the performance gains, they have moved off of DEC's proprietary VMS environment and moved to an Informix online UNIX environment, and they have seen service order processing that used to take 17 seconds of record now cut to three quarters of a second, per record. The old system of billing reports that took them 120 hours to run now takes 15 minutes with online. And based on simulations with a 20 million cable row, the average query time based on a telephone number took just 5.8 hundredths of a second.

When you look at the runtime maintenance issues, high availability issues, keeping your system going, K-Mart, when they were deciding which of the databases to choose, ran a series of fault tolerance tests with Informix, Oracle, Ingres and Unify to simulate retail transactions. And they killed the machine, actually just unplugged the computer seven or eight times while in the process of running 48 separate tests and they never lost a record with Informix. Now, when they were looking at the runtime issues of keeping their applications up and running, that was as important as anything, because Informix never had to restore a database because of file corruption in any of the tests that they ran.

Evolve Efficiently



 INFORMIX

Phil White

Then you have to evolve

Bob Macdonald

Evolving the application.

Evolve Your Applications

- **Respond to changes in your business**
 - Enhance existing functionality
 - Add new software modules
- **Integrate new technologies**



Phil White

Evolve it simply means look for changes. You know, the day you write an application, in most cases it doesn't satisfy what you intended it to do and you have to change it literally before you deploy it. And then while you're defining it you have to change it. If no other reason, tax laws and the years change. So you're constantly upgrading these things. You're going to add new modules. You're going to integrate new technologies. Whether it's going to be character to graphical, uni-processors to symmetrical, Net Ware, UNIX or NT, you will change an application.

So, you want to do that without -- this is probably the key piece...

Bob Macdonald

Evolution is a critical part of the cycle in making applications happen, because while maintaining existing applications, organizations are under increasing pressure to respond to changes in business conditions and to be able to enhance existing functionality as quickly as possible, build completely new software modules as the demands arise, and to grow the capability of all existing applications, while also looking for productivity from integrating technology solutions into the mix. So, to a certain extent, the productivity gains represented by new technology coupled with the competitive pressures and the drive for even better information are both putting pressure on applications to be as adaptable and evolvable as possible at the lowest cost.

...Without

- Rebuilding what already works
- Disrupting operations
- Hitting dead ends



INFORMIX

Phil White

...without rebuilding what you've done, disrupting things that are going on, and getting blocked. And give examples, you know. I don't like to discourage competitors other than when it's factual, and Progress, is very factual, because their stock is doing better than ours is on a relative basis. They're \$50, \$60 a share, 7,000,000 shares, and they are shipping these products, they've got brick walls in them, you know. They time out. That, to me, is not a \$50-dollar stock company.

Bob Macdonald

An organization wants to evolve applications without having to return to the first point, without having to start from scratch, without having to expend too many budget dollars on maintenance, without having to disrupt what's in place, without reaching dead-ends in terms of the development, and without having to reinvent the wheel.

**Designed to
evolve**

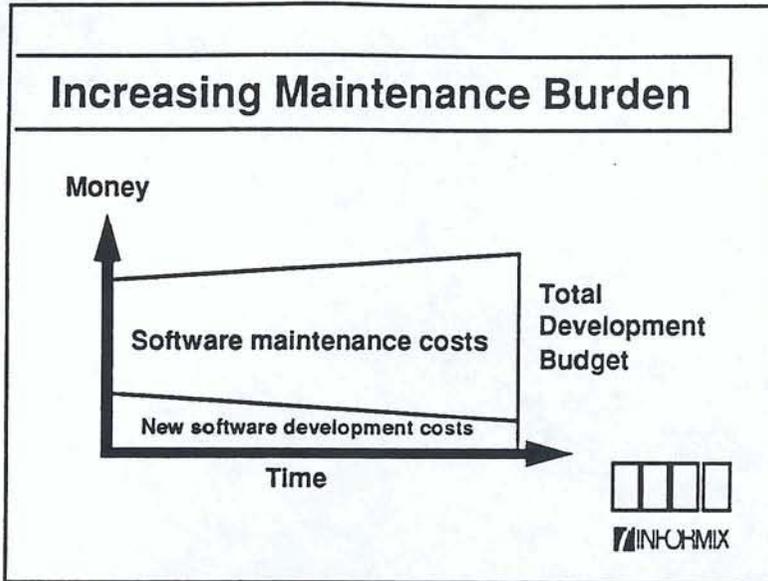


Phil White

So, our stuff is designed to evolve, and, in fact, over time will allow you to take that software maintenance cost and decrease it and free up more time to do new things.

Bob Macdonald

Informix is committed to modifiability by design.

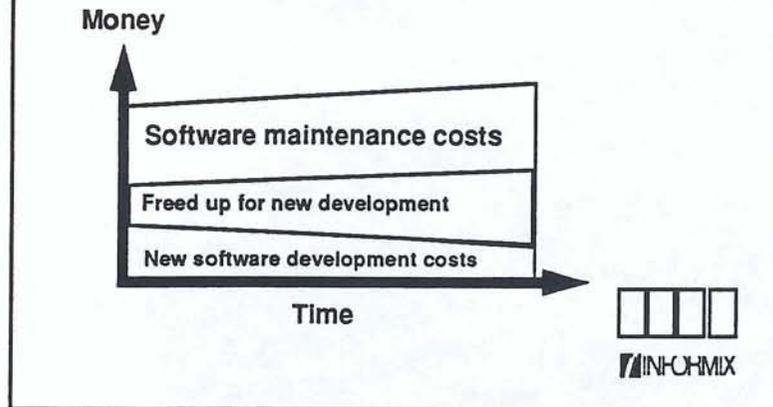


Phil White

And this is what we have to get customers thinking about is, "How can I do more with the same dollar?"

Bob Macdonald

The Informix Difference



Phil White

Probably not less. I don't think it's ever going to cost them less, but with the same dollar they're spending today. Do more with less, and less means not spending any more in our vernacular today.

Bob Macdonald

And when we look at modifiability by design, it's the desire to evolve your application with the least amount of code, reusing as much of your code that exists in your applications, handling scalability problems as transparently as possible, making your existing versions compatible with new technology, and making sure that the software is as portable as possible.

Relieving the Maintenance Burden

- Less code
- Reusable
- Readable
- Adaptable to new technology



Phil White

And the maintenance burden, we should do it by having less codes, more reusable. It's more readable in the sense it's easier to understand if you picked up somebody else's code, and it's adaptable to new things that customers want to do.

Bob Macdonald

At this point, let's turn to some anecdotes about evolving your application. The German post office, which also runs the telephone system in that country, had developed some applications a while ago on our standard engine, our low end database server. And they have been effectively migrating the applications they've been running on the standard engine to our high performance OLTP engine at Informix online as user demands have grown in terms of numbers of users and for higher performance. And they've been able to do that transparently. And it was this ability to migrate between the capabilities of these engines at various deployment sites that was one of the critical decisions -- criteria in selecting Informix over Oracle and Sybase.

Controama -- and I can't recall what the heck these people do -- selected Informix because they were confident that Informix could absorb the technology innovations as they moved forward without rendering existing systems obsolete. Scalability, I don't have anything here right now and so we need some anecdotes on scalability still in terms of gigs growing, although I will say that.

Let's turn to the internal revenue in the United Kingdom. Inland Revenue, which is IRS for the United Kingdom, has an application today that's handling 40 gigabytes of information that they're projecting to grow to over 100 gigabytes of information by the mid-90s, and with further growth after that. And Informix has been able to scale with the size of the data as that application has been growing. In making the migration from character to graphical environments, we need an example of somebody with our new product, Informix 4GL3X, who is making that ease of deployment change or evolution change of taking existing applications on character-based devices and now also running them on Windows-based devices. And somebody who is bound to do that probably has beta site for 4GL3Xs, which we just began shipping.

The Only Complete Life Cycle Solution

Build Deploy Run Evolve

Informix Technology

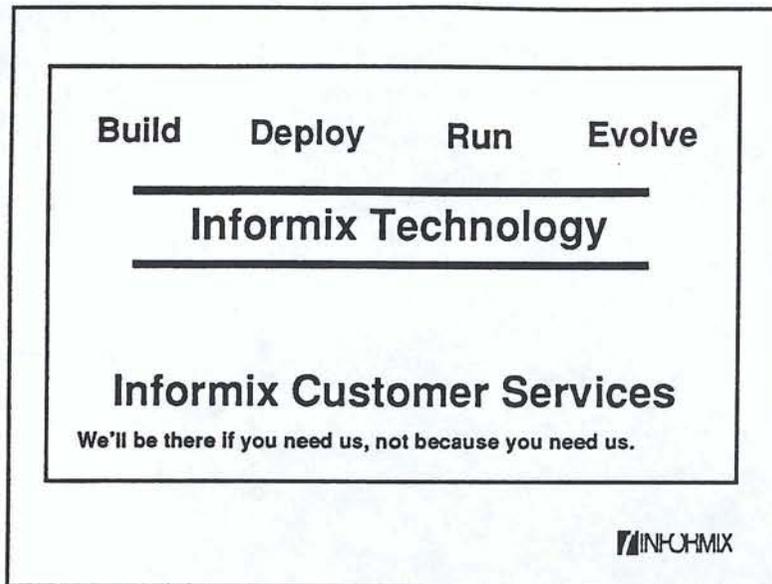
INFORMIX

Phil White

So, I do honestly believe that any customer that you take through what it takes to build and deploy and run and enhance and maintain code and stack any of our competitors up, they may think they can buy a lot of pieces at a lower cost -- and they, in fact, probably can -- I guarantee you that when you go through all the phases of what you have to do with releases of each product and enhancements of each product and releases of the underlying operating system, that the ability to save money in the long term diminishes by a factor of ten. That's what we have to talk to them about.

Bob Macdonald

So I think what we have here is that I think what we're going to be saying here is I hope in these last few minutes -- and it's going to be shorter than what I've just been doing because we have to get it down into essence -- we've made basic points to you about why it's important to work with Informix because Informix is the only company that is addressing this complete picture of making applications happen. But just as important as the present is, the future is as well.

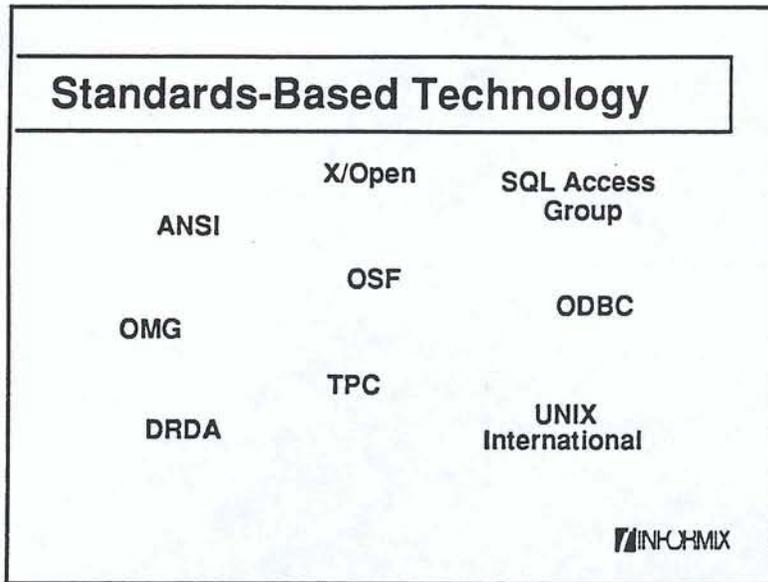


Phil White

So, the thing other thing is that, you know, that you've got customer services. The beauty about customer services hopefully is that we don't send bodies out with every deployment, that they call us when they need us. And in most cases if we do the right stuff up front, they don't need a lot of our help.

Bob Macdonald

To make you successful in making applications happen, Informix is committed to providing a complete range of customer services to insure that that does occur. Our approach to customer services is to have a complete set of capabilities to help your organization develop expertise in using Informix database application technology in their work. And that set of customer service capability includes maintenance, consulting, training, any type of partnership with your organization that our joint analysis of the situation determines is essential to your success.



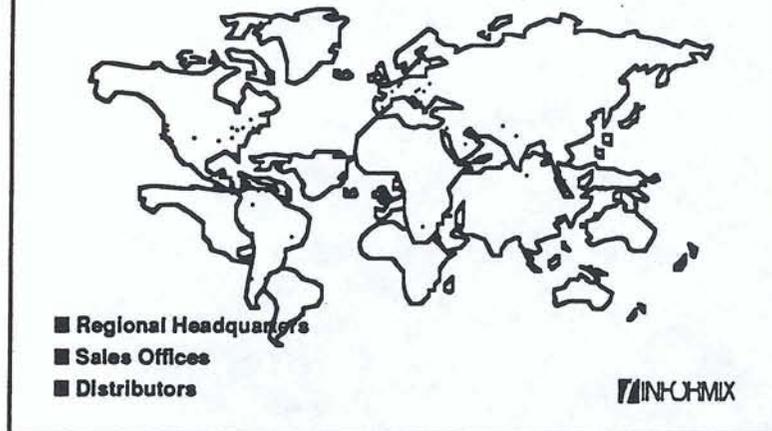
Phil White

that we're standards-based. You know, our company was built on being standards-based. We're part of almost every standards body who continues to develop with standards in mind and deploy with standards in mind.

Bob Macdonald

All of our technology incorporates and is built on standard. I think that's been essential to our success in the UNIX marketplace and in the greater open systems marketplace in that we have continued, time and time again, to demonstrate an involvement with and a commitment to implementing standards in our products. Today we're still the only database product to have fully implemented ANSI Level II SQL. To date we are still the only database product to incorporate X-Open, X-A standard for supporting transaction monitors with database server technology. We've spent a lot of time and effort to work as a part of and to lead efforts in standard bodies on the development of standards that have an impact on this market. You can also progress from that into highlighting particular ones that would be of interest to a particular customer.

A Worldwide Business



Phil White

And we are world-wide. You know, we have added more subsidiaries in the last couple of years than almost any company I know of. We are building an international base as well as domestic base for the simple reason that our customers are no longer European, Asian, Latin American or North American; they are world-wide. And they want world-wide support that's consistent. They want a world-wide message section system.

Bob Macdonald

Informix has, as we've said, the most productive and only complete set of tools and servers to help you with this complete picture of making applications happen. But what about the company itself and its abilities to back up this technology with its organization and its business? Well, we are a world-wide business. We span the globe here on this map. You can see our three sales regions, America, Europe, Mid-East and Africa and Asia-Pacific. There are offices around the globe. You can see countries where our products are handled by mail distributors. There isn't an IT market, technology market world-wide where Informix doesn't have a presence not only to sell its products, but to support its products.

An Established Business

Largest worldwide installed
base of UNIX RDBMS
licenses

➤ **Over 600,000**

 **INFORMIX**

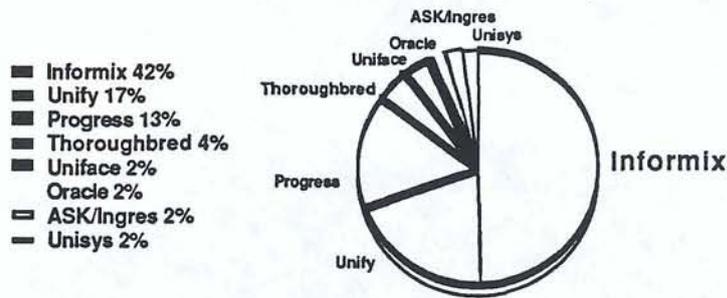
Phil White

And it's nice to know that we've got some people who can understand our products. We haven't sold 600,000 and some-odd licenses without having some success.

Bob Macdonald

Market Confirmation

UNIX 4GL Market Share



102,670 Units Shipped

Source: InfoCorp, 1992

INFORMIX

Phil White

And if you look at the 4GL market by any measure -- and this is the last measurement done by InforCorp, 1991 -- we got half of the market. And the databased measurement, one says we have 37% of the UNIX shipments in '91; the other says 59%. I don't care which one you buy; 37% to 59% is a pretty good share to have. So, there are a lot of people who are successfully integrating our tool-based applications and our engines, and are doing it with great success.

Bob Macdonald

I missed a business point that I wanted to make under the business points, which is we are also an established business, and that established slide is where we make the point that we have the largest world-wide installed base of multi-user RDBMS for UNIX and these new platforms. We might even be able to -- and I'm thinking out loud here -- group UNIX, NetWare and Windows/NT and still make that claim. And if so, this would be an even more powerful slide.

Market Confirmation

4GL of Choice

**INFORMIX-4GL was voted
the best 4GL
by readers of DBMS Magazine,
Databased Advisor, and SCO
Magazine.**

 **INFORMIX**

Phil White

At the same time, you know, we've got -- we've been voted the best 4GL in November or December; I forget which -- December, Database Magazine, SCO Magazine. I think that's just based upon the features and functionality and what we've been telling them about where we're going with it. Because it's as important where we're going with it as it is what we have today.

Market Confirmation

UNIX OLTP Choice

**“Informix is being used by
more multi-user UNIX sites
for OLTP than any other RDBMS.”**

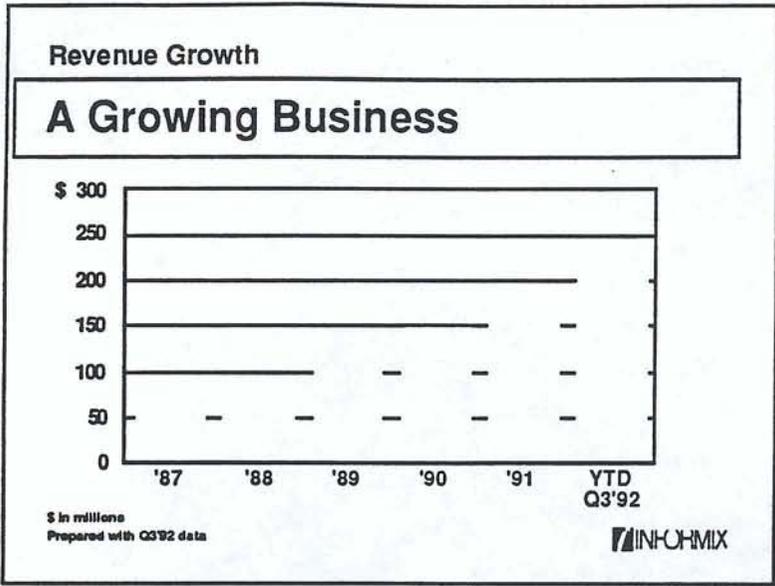
Source: 1991 IDC Report



Phil White

So we have a big installed base. The secret is all that investment isn't wasted. And we are used in more multi-user sites than any other OLTP database. That was another measurement that was done by IDC in '91.

Bob Macdonald

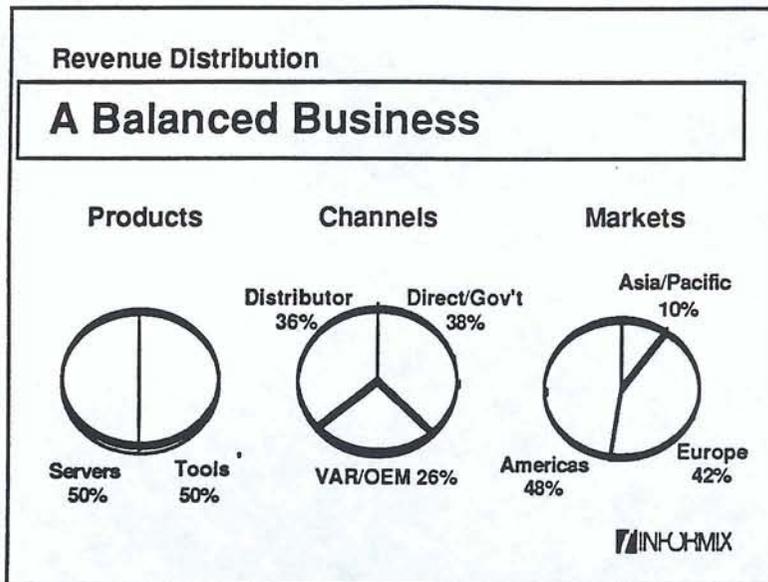


Phil White

We are a growing business. Our numbers we're going to release are higher than that, hopefully, next Wednesday.

Bob Macdonald

We're a growing business. Here you see our revenue growth as a company over the last six years. And you can see steady and increasing growth recently as our place in the market has grown.



Phil White

And we do have great balance.

Now, the reason we harp a lot on the financial is that I think customers have to bank -- you know, you want to get them comfortable that this life cycle is there. As importantly, if they're going to bet on us for three to five years or longer, they've got to make sure you're going to be around. So, financial stability is the key piece of this story.

You have to understand what our underlying financials are as well as our technology, and today -- and we are rolling out a class for all of these about understanding what the finance side of our business is and what it means. So why? So you can better articulate why we're a good financial controlled company, why we can throw off cash and earnings, why we invest the way we do. So when you talk to your customers, you're not only talking about the technology for three or four years, but Mr. Customer, we're going to be around.

And when I've been out with customers, they immediately do one of two things. They want to know more about how we manage the business financially, and as importantly, they go off and buy stock. I think the key that your success as a sales manager is the customers you call on should go buy stock.

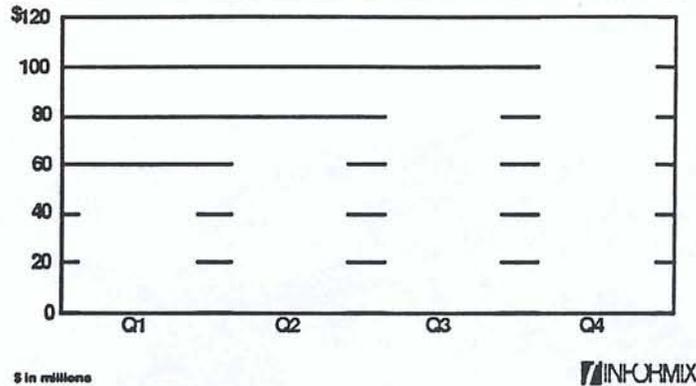
That's my -- you know, if I don't sell stock when I'm out -- I mean, selling the company is selling stock. If they are going to buy your products, and believe in your products for three to five years, then they ought to believe we got a lot of growth left. Because, in fact, more and more customers, I believe, are going to buy products based upon this story, not any other story.

Bob Macdonald

We're a balanced business. We're a balanced business in terms of our products and support services. In 1992 -- and these figures will have to be updated when we have the final results -- X percentage on servers, X percentage for tools, X percentage for services and support. We're a balanced business when it comes to channels. It's at this point that if one needed to one could talk about the fact about how roughly two thirds of our business is done through partnership world-wide, while about a third of the time we are doing business direct with the organizations using our software. It's a balanced business when you look at the markets that are looking for new technology, the balance between America, Europe, Mid-East and Africa, and our small but growing percentage of business from Asia-Pacific percentage.

Cash Position Last 4 Quarters

A Healthy Business



Phil White

And we are a healthy business in the sense that we are generating cash. Tell the customers, you know, in 1992 -- with RCAS -- we generated \$1.6 million a week. Oracle hasn't done that. Sybase hasn't done that. I guess Microsoft probably does. But, you know, there aren't many companies that generate that -- that's not bad. That is goodness. That's stability. That's stability to go do something if you want to. That's what that's all about.

Bob Macdonald

We're a balanced business. We're a balanced business in terms of our products and support services. In 1992 -- and these figures will have to be updated when we have the final results -- X percentage on servers, X percentage for tools, X percentage for services and support. We're a balanced business when it comes to channels. It's at this point that if one needed to one could talk about the fact about how roughly two thirds of our business is done through partnership world-wide, while about a third of the time we are doing business direct with the organizations using our software. It's a balanced business when you look at the markets that are looking for new technology, the balance between America, Europe, Mid-East and Africa, and our small but growing percentage of business from Asia-Pacific percentage.

Don't Take Our Word For It

- Look at the results
- Put our products to the test...before you buy

INFORMIX

Phil White

And don't take it -- you know, tell customers, "Look, go talk to other customers." You know, we got this Second Annual Users Conference coming up in July. Get customers there. I think the beauty of our story is not in talking about this much code generates this much code compared to our competitors, or we're X amount faster. Get customers to come in and say, "I did it. It works. I maintained it. I enhanced it."

You know, it's interesting because we were talking yesterday with Steve Clarence and Ron Alvarez about the Mexican Hacienda, the Mexican IRS. They did this stuff on 4GL with our engine, four and a half to five years ago, downsized from 3090, and they say, "Hey, this stuff works. Are you kidding me? I wouldn't do anything else."

So, you know, we've been remiss in not giving ourselves credit for what we've really been good at doing. We really have missed the mark. We've missed the mark and been lucky as hell in that sense because we've grown like -- people said we had a turn-around. We didn't have a turn-around; we had a launch. And I think we're re-launching. I think this is the year to take this message to the marketplace about it works, it's easy, it's migrateable, it's for sure scaleable, and you can manage through different technologies without rewriting code and retraining your people.

And if you don't believe us, benchmark us. Don't just do a TCP benchmark. Write an app with 4GL or Gain or SQL forms from Oracle and run around an engine and try it in your environment. Because, you know, a benchmark is a benchmark is a benchmark. But taking a sample piece of code and writing it, see how fast you can then deploy and load it is what the action is.

Bob Macdonald

So let me now make a transition to what Scott had prepared on our critical differentiation. And I think we want to remind our customers at this point in the show where we've laid out this information that only Informix provides a complete product set to make your database applications happen cost effectively, quickly and repeatedly. We encourage and strongly advise you and your organization to look at the real-world database technology issues, the real-world application development issues, the real-world benchmarking issues as you choose the right set of tools and servers to help you make applications happen. We want to help prove it for you. We stand ready to help you understand our products, to test our products, to learn about our products. When we look at the confirmation in the marketplace, I think it's important to note that hundreds and hundreds of software companies, after thorough evaluation of the database technology available to them, have chosen Informix technology to build and develop the thousands of products that they sell in the marketplace. And, of course, I'm referring to the value added reseller bases we have. It is as critical an audience as there is for what databased application technology can do for productivity in making applications happen. In addition, I think we want to look at the fact of completeness in our product line. We encourage you to look at how complete a solution other companies have to offer you for dealing with the completeness of building, deploying, running and evolving applications. Because to our knowledge, not even from our top competitors are you going to find the products that have enabled software companies to develop a complete application entirely with the database languages and the servers from a single database vendor except Informix. And let me emphasize just once more, test our product. Measure to their effectiveness. Look at the competing products. See if they can offer you the same productivity. We know the answer. We know you need to be convinced, and we want to help you be convinced about that.

Informix.
The most productive
—and only complete—
family of tools and servers for
building, deploying, running, and
evolving database applications.



INFORMIX

Phil White

So, I can tell you that this story sells. It's what customers are buying. It's what customers are believing in. Customers are getting smarter because they understand this message. And I think, as you'll hear from Chuck and, in turn, Tim, throughout '93 we're going to be enhancing the story by grading our technology so customers can migrate their applications through this story. And that's why '93 will be a better year than '92 for sure. And '94, we should be, at the end of that thing, going out over half a billion.

And hopefully between now and then if we can do a -- run up on a stock split and run up on a stock split, then we can tell our kids that we ran a great business and they can go to Harvard, Yale, Oxford or wherever they want to go.

So, have a great '93. Kick butt.

Bob Macdonald