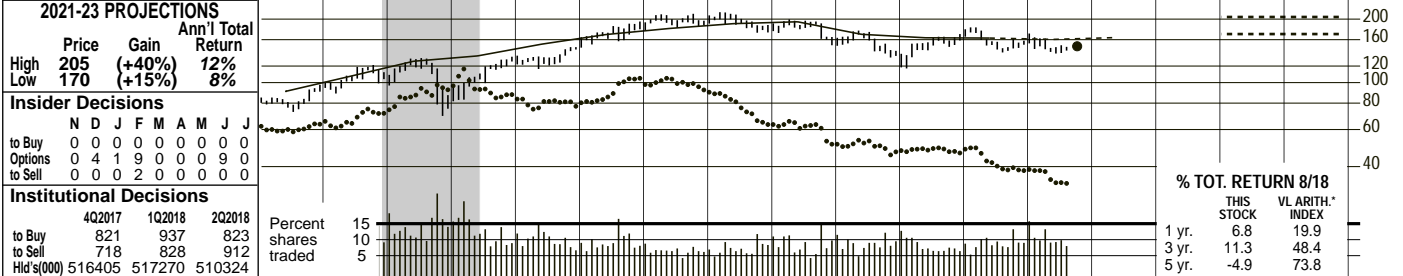


TIMELINESS 3 Raised 7/27/18	High: 121.5	130.9	132.9	147.5	194.9	211.8	215.9	199.2	176.3	170.0	182.8	171.1	Target Price Range 2021 2022 2023
SAFETY 1 Raised 4/15/05	Low: 88.8	69.5	81.8	116.0	146.6	177.3	172.6	150.5	131.6	116.9	139.1	137.5	
TECHNICAL 5 Lowered 9/28/18	LEGENDS — 9.5 x "Cash Flow" p sh ... Relative Price Strength Options: Yes Shaded area indicates recession												
BETA .95 (1.00 = Market)													



2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
47.14	52.60	58.52	57.90	60.69	71.31	77.39	73.36	81.33	91.92	93.53	94.61	93.68	84.64	84.49	85.82	90.00	92.95	Revenues per sh	100.00
6.53	7.27	8.24	8.71	9.56	11.28	13.28	14.11	16.01	17.77	19.04	20.07	20.44	17.83	17.19	17.13	16.85	17.25	"Cash Flow" per sh	19.20
3.95	4.34	5.05	5.22	6.01	7.18	8.93	10.01	11.52	13.06	14.37	14.94	15.59	13.60	12.39	12.04	11.60	11.85	Earnings per sh ^A	13.00
.59	.63	.70	.78	1.10	1.50	1.90	2.15	2.50	2.90	3.30	3.70	4.25	5.00	5.50	5.90	6.21	6.52	Div'ds Decl'd per sh ^B	7.15
2.76	2.59	2.65	2.44	2.90	3.34	3.11	2.64	3.41	3.53	3.65	3.93	4.22	3.71	3.77	3.50	4.00	4.00	Cap'l Spending per sh	5.00
13.23	16.44	18.08	21.03	18.92	20.55	10.06 ^F	17.43	18.87	17.40	16.88	21.62	11.98	14.77	19.29	19.08	22.60	25.25	Book Value per sh ^D	38.20
1722.4	1694.5	1645.6	1574.0	1506.5	1385.2	1339.1	1305.3	1228.0	1163.2	1117.4	1054.4	990.52	965.73	945.87	922.18	900.0	880.0	Common Shs Outst'g ^C	850.0
21.4	19.6	18.0	16.1	13.9	14.8	12.3	10.9	11.4	13.1	13.7	13.0	11.7	11.4	12.1	13.1	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	14.5
1.17	1.12	.95	.86	.75	.79	.74	.73	.73	.82	.87	.73	.62	.57	.64	.65			Relative P/E Ratio	.80
.7%	.7%	.8%	.9%	1.3%	1.4%	1.7%	2.0%	1.9%	1.7%	1.7%	1.9%	2.3%	3.2%	3.7%	3.7%			Avg Ann'l Div'd Yield	3.8%

CAPITAL STRUCTURE as of 6/30/18				2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Revenues (\$mill)	Operating Margin
Total Debt \$45497 mill. Due in 5 Yrs \$29841 mill.				20.6%	23.0%	23.0%	23.5%	25.1%	24.3%	24.0%	23.9%	19.8%	19.0%	20.5%	21.0%	81000	81800	85000	21.5%
LT Debt \$37851 mill. LT Interest \$715 mill.				5450.0	4994.0	4831.0	4815.0	4676.0	4678.0	4492.0	3855.0	4381.0	4541.0	4500	4550	5200	5200	5200	5200
(LT interest earned: 16.9x; total interest coverage: 9.9x)				12334	13425	14833	15855	16604	16483	15751	13364	11881	11258	10650	10650	11100	11100	11100	11100
Pension Assets-12/17 \$93.6 bill. Oblig. \$106.5 bill.				26.2%	26.0%	24.8%	24.5%	24.2%	15.6%	16.2%	16.2%	3.6%	1.2%	7.0%	7.0%	13.0%	13.0%	13.0%	13.0%
Prd Stock None				11.9%	14.0%	14.9%	14.8%	15.9%	16.5%	17.0%	16.3%	14.9%	14.2%	13.1%	13.0%	13.1%	13.1%	13.1%	13.1%
Common Stock 912,768,189 shs.				6569.0	12933	7554.0	8805.0	5808.0	11196	9822.0	8235.0	7613.0	12372	11000	11500	13000	13000	13000	13000
MARKET CAP \$136 billion (Large Cap)				22689	21932	21846	22857	24088	32856	35073	33428	34655	39837	37500	40000	55000	55000	55000	55000
CURRENT POSITION				13465 ^E	22755	23172	20236	18860	22792	11868	14262	18246	17594	20325	22225	32450	32450	32450	32450
Cash Assets				35.6%	31.2%	33.8%	37.6%	39.5%	30.4%	34.6%	28.4%	23.4%	18.1%	19.0%	17.5%	13.5%	13.5%	13.5%	13.5%
Receivables				91.6%	59.0%	64.0%	78.4%	88.0%	72.3%	132.7%	93.7%	65.1%	64.0%	52.5%	48.0%	34.0%	34.0%	34.0%	34.0%
Inventory (Avg Cst)				72.4%	46.4%	50.3%	61.2%	68.0%	54.5%	96.8%	59.4%	36.3%	32.6%	24.0%	21.5%	15.5%	15.5%	15.5%	15.5%
Other				21%	21%	21%	22%	23%	25%	27%	37%	44%	49%	54%	54%	55%	55%	55%	55%

BUSINESS: International Business Machines Corporation is a worldwide supplier of technology and business services, software, and systems hardware. 2017 revenue breakdown: Technology Services & Cloud Platforms, 43%; Global Business Services, 21%; Systems, 10%; Cognitive Solutions, 23%; Financing & Other, 3%. Geographic mix: Americas region, 48% of revenue; EMEA, 31%; Asia, 21%. R&D, 7.3% of '17 revenue. '17 depreciation rate: 14.0%. About 380,000 employees. Officers & directors control less than 1% of stock; The Vanguard Group, 6.88%; BlackRock, 6.2%; State Street, 5.6% (3/18 proxy). Chairman, Pres. & CEO: Virginia M. Rometty, Inc.: NY. Address.: New Orchard Road, Armonk, NY 10504. Tel.: 914-499-1900. Internet: www.ibm.com.

Cal-endar	QUARTERLY REVENUES (\$mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2015	19590	20813	19280	22059	81741
2016	18684	20238	19226	21771	79919
2017	18155	19289	19153	22542	79139
2018	19072	20003	19315	22610	81000
2019	19200	19900	19600	23100	81800

Cal-endar	EARNINGS PER SHARE ^A				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2015	2.44	3.58	3.02	4.59	13.60
2016	2.09	2.61	2.98	4.73	12.39
2017	1.85	2.48	2.92	4.79	12.04
2018	1.81	2.61	2.70	4.48	11.60
2019	1.85	2.65	2.75	4.60	11.85

Cal-endar	QUARTERLY DIVIDENDS PAID ^B				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2014	.95	1.10	1.10	1.10	4.25
2015	1.10	1.30	1.30	1.30	5.00
2016	1.30	1.40	1.40	1.40	5.50
2017	1.40	1.50	1.50	1.50	5.90
2018	1.50	1.57	1.57		

(A) Based on diluted shs. Excl. gains (losses) from discontinued operations; '03, (\$0.02); '04, (\$0.01); '05, (\$0.02); '06, \$0.05; '14, (\$3.65). In '17, excludes \$5.90 charge related to tax reform. Quarters may not sum due to change in shs. Next earnings report mid-October. **(B)** Dividends historically paid in early March, June, September, and December. **(C)** In millions. **(D)** Incl. Intangibles. As of 6/30/18, \$39.8 billion, \$43.63/share. **(E)** In '08, incl. \$15.2 bill. retirement benefit plan loss.