INT	'L B	US.	MAC	H. NY	(SE-IBI	M	R P	ECENT 1	40.4	9 P/E RATI	o 10.	2 (Traili Medi	ing: 10.2) an: 12.0)	RELATIVE P/E RATI	0.5	9 DIV'D YLD	4.6	\$%	/ALUI LINE			
TIMELIN		Raised 3		High: Low:	130.9 69.5		147.5 116.0	194.9 146.6	211.8 177.3	215.9 172.6	199.2 150.5	176.3 131.6	170.0 116.9	182.8 139.1	171.1 105.9	141.7 111.7					Range	
SAFETY		1 Raised 4 5 Lowered		LEGEN 9.5	5 x "Cash	Flow" p sh e Strength	1														400	
TECHNI BETA 1.		J Lowered 0 = Market)	3/29/19	Options: Y	Yes	ates recess	sion														320	
202	2-24 PF	ROJECTI	ONS nn'i Total					ndt	, ^{,,,,,,,,} ,,,	<u></u>											200	
	Price	Gain (+55%)	Return 15%			• • • • • • • • • • • • • • • • • • •	1	Televerille-			<u>г. </u>	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	, I	1.1. ¹ .1.1	^ц п.,,,,,	ı ●					160	
	75 ((+25%)	10%	ייייי <i>יי</i> יייי	••••	•••• 		****	*********	···											-100 	
o Buv	MJJ	ASO		• <u>••</u> •••••	• 1		•••			**•••	•••••••	•••••••••									60	
Options	0 9 0	000	122										,	•••••	****			% TO	 T. Retur	N 2/10	40	
Institu	tional 202018	Decisio	ns 4Q2018		1													/010		L ARITH.*		
to Buy to Sell	823 912	808	736 1114	Percent shares traded	t 15 - 10 - 5 -				1							1		1 yr. 3 yr.	-7.2 19.0	3.9 49.2	E	
	510324 2004	509740	489656 2006	2007	2008	2009	2010	2011	2012	2013	2014		2016	2017	2018	2019	2020	5 yr. © VAI	-10.5 UE LINE P	39.6	22-24	
52.60	58.52		60.69	71.31	77.39	73.36	81.33	91.92	93.53	94.61	93.68	84.64	84.49	85.82	89.18	89.55	89.70		es per sh	00.220	94.85	
7.27 4.34	8.24 5.05		9.56 6.01	11.28 7.18	13.28 8.93	14.11 10.01	16.01 11.52	17.77 13.06	19.04 14.37	20.07 14.94	20.44 15.59	17.83 13.60	17.19 12.39	18.81 13.66	19.20 13.81	19.30 13.90	19.30 14.15		low" per sh		20.80 14.90	
.63	.70		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	6.40			Decl'd per		7.15	
2.59 16.44	2.65 18.08		2.90 18.92	3.34 20.55	3.11 10.06	2.64 17.43 ^E	3.41 18.87	3.53 17.40	3.65 16.88	3.93 21.62	4.22 11.98	3.71 14.77	3.77 19.29	3.50 19.08	3.80 18.82	4.00 23.50	4.00 31.65		pending per sl		5.00 54.30	
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	892.48	870.0	875.0	Commo	n Shs Out	sťg ^C	875.0	
19.6 1.12	18.0 .95		13.9 .75	14.8 .79	12.3 .74	10.9 .73	11.4 .73	13.1 .82	13.7 .87	13.0 .73	11.7 .62	11.4 .57	12.1 .64	11.6 .58	10.4 .56	Bold figu Value		-	n'I P/E Rat P/E Ratio		13.0 .70	
.7%	.90		1.3%	1.4%	1.7%	2.0%	1.9%	.02 1.7%	.07 1.7%	1.9%	2.3%	3.2%	3.7%	3.7%	.30 4.3%	estim			n'i Div'd Y		3.7%	
							99870	106916	104507	99751	92793	81741	79919	79139	79591	77900	78500		es (\$mill)		83000	
Total Debt \$45812 mill. Due in 5 Yrs \$31868 mill. 23.0% 23.0 LT Debt \$35605 mill. LT Interest \$740 mill. 4994.0 4831								23.5% 4815.0	25.1% 4676.0	24.3% 4678.0	24.0%	23.9% 3855.0	19.8% 4381.0	21.7% 4541.0	22.0% 4480.0	23.0% 4500	23.0% 4550		ng Margin ation (\$mi	ID	23.5% 5200	
		o mill. 16.3>				13425	14833	15855	16604	16483	15751	13364	11881	12807	12657	12300	12325	Net Pro	fit (\$mill)		13000	
3.7x)				(68% 0	f Cap'l)	26.0% 14.0%	24.8% 14.9%	24.5% 14.8%	24.2% 15.9%	15.6% 16.5%	21.2%	16.2% 16.3%	3.6% 14.9%	6.8% 16.2%	7.9% 15.9%	12.0% 15.8%	12.0% 15.7%		Tax Rate fit Margin		12.0% 15.7%	
Pension Assets-12/18 \$84.9 bill. Oblig. \$93.6 bill. 12933 7554								8805.0	5808.0	11196	9822.0	8235.0	7613.0	12372	10919	11000	11500	Working	g Cap'l (\$n		13000	
Pfd Stock None 21932 2184 Common Stock None 22755E 231								22857 20236	24088 18860	32856 22792	35073 11868	33428 14262	34655 18246	39837 17594	35605 16796	40000 20425	43000 27700		erm Debt (uity (\$mill)		55000 47500	
31.2% 33.8°							33.8%	37.6%	39.5%	30.4%	34.6%	28.4%	23.4%	22.9%	24.9%	21.0%	18.0%	Return	on Total C	ap'l	13.0%	
	T CAP	-	on (Large 2016	e Cap) 2017 1	2/31/18	59.0% 46.4%	64.0% 50.3%	78.4% 61.2%	88.0% 68.0%	72.3% 54.5%	132.7% 96.8%	93.7% 59.4%	65.1% 36.3%	72.8%	75.4% 41.6%	60.0% 32.5%	44.5% 24.0%		on Shr. Eq d to Com		27.5% 14.0%	
(\$MIL	_L.)			12580	12222	21%	21%	22%	23%	25%	27%	37%	44%	43%	45%	46%	46%		ls to Net F	•	48%	
Receivables 29245 31630 30563 BUSINESS: I								International Business Machines Corporation is a oplier of technology and business services, software,							,				depreciati			
Other <u>4563</u> <u>3942</u> <u>4679</u> and systems							/stems h	nardware	2018 re	evenue	breakdov	vn: Tech	nnology	About 350,600 employees. Officers & directors control less than 1% of stock; The Vanguard Group, 7,9%; BlackRock, 6.8%; State								
Accts Pavable 6209 6451 6558 Services & C								Cloud Platforms, 43%; Global Business Services, 21%; %; Cognitive Solutions, 23%; Financing & Other, 3%.							Street, 5.9% (3/19 proxy). Chairman, Pres. & CEO: Virginia M. Rometty. Inc.: NY. Address.: New Orchard Road, Armonk, NY							
Other Current		_2	<u>2553</u>	23925	21462 38227				as region			-			Tel.: 914-					<u> </u>		
	LRATE			st Est'd					mited 5 2018							-			he Ser ons in		0	
of change Revenu	ies	10 Yrs 2.0	% -1.	5%	22-'24 1.5%	dolla	ır's st	rengtl	h rela	tive t	o oth	er cur	ren-	half	of 201	9 giv	en th	e str	ong ye	ar-ea	rlier	
"Cash Flow" 5.0% -0.5% 2.0% Cles re Earnings 6.0% -1.0% 2.0% quarter															performances. But we assume z System revenues will start to level off. Manage-							
Dividends 14.5% 12.0% 3.5% Systems								revenues fell sharply, reflecting states of IBM's z							ment looks for operating results of \$13.90 a share in 2019.							
Cal- QUARTERLY REVENUES (\$ mill.) Full System								six quarters after the product's							IBM's pending acquisition of Red Hat, a leading provider of open-source							
endar 2016	Mar.31 18684	20238		21771	Year 79919				nitive ervice													
2017 2018	18155 19289 19153 22542 79139 2% and 6%, respectively, and margins in reflected in our estimates. Red												Red	Hat,								
2019	18500	19500	18800	21100	79591 77900				es and that,													
2020 16500 19000 19100 21300 16500 presenta								tion excludes expenses related to						celerate IBM's move into the business of helping companies manage their opera- tions in hybrid cloud environments (a com-								
endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year				i teri eform.										onmen olic clo			
2016 2017	2.09 2.32	2.61 2.94	2.98 3.26	4.73 5.14	12.39 13.66	shar	e net	in the	e Dece	ember	term			deal,	value	ed at	\$34 ł	oillion	and	due t	to be	
2018	2.44	3.08	3.42	4.87	13.81	The	con	ipany	.30, re / is	seei	ng š								alf, isr gs unt			
2019 2020	2.25 2.30	3.20 3.25	3.50 3.55	4.95 5.05	13.90 14.15	cour	ragin	g tre	nds, s like	but	the o	pera	ting	of yea	ar two	of th	e com	binat				
Cal-		TERLY DIV			Full	in 2	019. I	Manag	gemen	t exp	ects ci	urrend	cy to	the s	stock i	is rar	ıked	only	3 (Ave	erage) for	
endar 2015	Mar.31 1.10	<u>Jun.30</u> 1.30	Sep.30 1.30	Dec.31 1.30	Year 5.00				i rever tures										decent 24, ho			
2016	1.30	1.40	1.40	1.40	5.50	anot	her 1	%, bu	t impi	ove 1	margii	ns. St	rong	vesto	rs ma	y nee	ed to	be pa	atient,	since	e we	
2017 2018	1.40 1.50	1.50 1.57	1.50 1.57	1.50 1.57	5.90 6.21				vices nprove										gful 1 very p		term	
2019	1.57								IBM i						esa Br		mig		Marc		2019	
		luted shs.							ot sum d										al Strengt	h	A++ 85	
0.01); '	'05, (\$0	d operatio .02); '06,	\$0.05; '1	14. (\$3.65	5). (B)	Dividends	s historic	ally paid	eport mid- in early M	March,	lion, \$44.	09/sh. (E	:) In '08, i	12/31/18 incl. \$15.2		e- Pric	ck's Pric ce Growt	h Persis	tence		15	
	-	erating ex												warranties	of any kin		nings Pr		-		90	

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