INT	"L E	BUS.	MA	<u>CH.</u> NY	(SE-IBI	M	R P	ECENT -	06.6	5 P/E Rati	o 8.	2 (Traili Medi	ing: 8.3 an: 12.0)	RELATIV P/E RATI	0.6	6 DIV'D YLD	6.2	2%	/ALUI LINE	=		
TIMELI	NESS	3 Raised	3/22/19	High: Low:	132.9 81.8		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	153.0 111.7	158.8 95.0				Price		
SAFET		<u>^</u>	4/15/05	LEGE		Flow" p sh	n														400	
TECHN Beta		∠ Haisec 00 = Marke	l 3/20/20 t)	Options.	169	e Strength	ion														320	
18-Mo	nth Ta	rget Pric	e Range						,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	<u>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u>											200	
Low-Hi	-	idpoint (%	% to Mid)			њ., род ^{т,}				1	101 ⁻¹ 11	11 1111	111 111	^{ىرىرىرى}	աղին	ı						
\$79-\$1 20		15 (5%) ROJECT		11° 1	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	•	****	•••••••••••	····						•	•					—100 —80	
20	Price		Ann'l Tota Return	al **		•••			*•••••	·····											-60	
	205 170	(+90%) (+60%)	21% 17%								********	,	****								_40	
Institu	utional 20201	Decisio 9 30201												•••••••••	•***•••••	•		% 10	T. RETUR	IN 2/20 /L ARITH.* INDEX		
to Buy to Sell	20201 86 86	0 87	6 937	shares	10 -		Luilla	I				111			anda			1 yr. 3 yr.	-2.4 -18.3	-6.8 6.6	F	
) 49777 200	0 50197	5 504877	, ""	5 - 2009	2010	2011	2012	2013		2015		2017	2018		2020	2021	5 yr.	-2.6	20.3	23-2	
58.52	57.9				73.36	81.33	91.92	93.53	94.61	93.68	84.64	84.49	85.82	89.18	86.96	87.40	88.65	-	es per sh	UD. LLU	92.4	
8.24	8.7				14.11	16.01	17.77	19.04	20.07	20.44	17.83	17.19	18.81	19.20	19.95	20.30	20.85		low" per		21.8	
5.05 .70	5.2				10.01	11.52 2.50	13.06 2.90	14.37 3.30	14.94 3.70	15.59 4.25	13.60 5.00	12.39 5.50	13.66 5.90	13.81 6.21	12.81 6.43	13.35 6.57	13.75 6.69		s per sh <i>'</i> Decl'd per		14.5 7.1	
2.65 18.08	2.4 21.0			-	2.64 17.43	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	2.58 23.49	3.25 30.60	3.50 37.85		pending p		5.0	
1645.6	1574.				1305.3	1228.0	1163.2	1117.4	1054.4	990.52	965.73	945.87	922.18	892.48	887.11	889.0	890.0		alue per sl n Shs Out		63.9 920.	
18.0 .95	16. .8				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	11.2 .61		ures are Line	-	n'l P/E Rat P/E Ratic		13. .7	
.95 .8%	.0				2.0%	1.9%	1.7%	1.7%	1.9%	2.3%	3.2%	3.7%	3.7%	4.3%	4.5%		nates		n'l Div'd Y		 3.8%	
							106916	104507	99751	92793	81741	79919	79139	79591	77147	77700	78900		es (\$mill)		8500	
Total Debt \$62899 mill. Due in 5 Yrs \$29245 mill. 4831.0 4815							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	22.8% 6059.0	24.0% 6100	24.5% 6250		ng Margin ation (\$mi		25.09 670	
				est \$1550 erest cove		14833	15855	16604	16483	15751	13364	11881	12807	12657	11436	11950	12300	Net Pro	fit (\$mill)	,	1340	
3.6x)				(72% 0	of Čap'l)	24.8% 14.9%	24.5% 14.8%	24.2%	15.6% 16.5%	21.2% 17.0%	16.2% 16.3%	3.6% 14.9%	6.8% 16.2%	7.9%	8.5% 14.8%	8.0% 15.4%	8.0% 15.6%		Tax Rate fit Margin		10.0% 15.8%	
Pension Assets-12/18 \$84.9 bill. Oblig. \$93.6 bill. 7554.0 8805.							8805.0	5808.0	11196	9822.0	8235.0	7613.0	12372	10919	719.0	2000	4000	Working	g Cap'l (\$n		1000	
Ptd Stock None 20170 2000							22857 20236	24088 18860	32856 22792	35073 11868	33428 14262	34655 18246	39837 17594	35605 16796	54102 20841	51000 27200	48000 33675		erm Debt (uity (\$mill)		5000 5880	
as of 2/10/20 33.8% 37.6%						37.6%	39.5%	30.4%	34.6%	28.4%	23.4%	22.9%	24.9%	16.0%	16.0%	16.0%	Return	on Total C	ap'l	13.0%		
		\$94.7 bi SITION	llion (Lar 2017	ge Cap) 2018 1	2/31/10	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%	54.9% 27.5%	44.0% 22.5%	36.5% 18.5%		on Shr. Eq d to Com		23.0%	
	ILL.)	omon	12580	12222	9009	21%	22%	23%	25%	27%	37%	44%	43%	45%	50%	49%	49%		is to Net F		49%	
Receiv			31630 1583	30563 1682	23795 1619				al Busine chnology										depreciati			
Other		· · ·	3942 49735	4679 49146	<u>3997</u> 38420	and sy	stems ha	ardware.	2019 reve	enue bre	akdown:	Cloud &	Cogni-	of stocl	k; The V	anguard	Group,	8.3%;	BlackRoc	k, 7.0%	; State	
Current Assets 49735 49146 38420 Accts Payable 6451 6558 4896 Debt Due 6987 10207 8797						tive Software, 30%; Global Business Services, 22%; Global Tech- nology Services, 35%; Systems, 10%; Financing, 2%; Other, 1%.								Street, 6.2% (3/20 proxy). Chairman: Arvind Krishna. Pres.: James Whitehurst. Inc.: NY. Address.: New Orchard Road, Armonk, NY								
Other	it Liab.	-	23925	21462	24008 37701				as region						Tel.: 914-							
	AL RAT			ast Est'c					in th ced. C										e toug mand			
of chang Reven	e (per sh ues			1.5%	' 23-'25 1.0%	the o	compa	ny ha	ıs stru	ggled	tore	ignite	top-	ware	, syst	tems,	and	serv	ices t	hat	help	
"Cash Flow" 5.0%5% 2.5% 1							line growth. But revenues in the December term, adjusted for currency and divesti-								clients raise their productivity might grow. Too, offerings that incorporate Red Hat's							
Dividends 14.5% 12.0% 3.0% tures,							s, rose 3%, supported by a 9% advance							RHEL operating system and OpenShift								
Cal- QUARTERLY REVENUES (\$ mill.) Full the acq							acqui	d & Cognitive Software (reflecting uisition of Red Hat in July and							hybrid cloud platform might gain traction. And sales of the new z15 mainframe							
endar Mar.31 Jun.30 Sep.30 Dec.31 Year strength in a							n artificial intelligence-led soft- a 16% increase in Systems (the						should ramp up. Meanwhile, IBM says it is taking actions to reposition its technol-									
2018 2019	19072 20003 18756 21760 79591 18181 19161 18028 21777 77147 IBM's new z15 mainframe computer). I									es of	f ogy services business. In 2021, we tenta-											
2020	18200	19200	18200	22100	77700				mainf es rev										eab 1, pov			
2021	18400 F		18500 PER SHAI		78900	Tech	nolog	y Ser	vices r	even	ues sl	ipped	4%.	grow	th in i	ts clo	ud co	mputi	ng bu	siness	s. °	
Cal- endar		1 Jun.3	0 Sep.30	Dec.31	Full Year				in, adj expan										oy \$10 i on a			
2017 2018	2.32 2.44			5.14 4.87	13.66 13.81	centa	age po	oints,	suppor	rted k	by the	incre	ased	borr	owing	gs to	supp	ort tl	1e Ree	d Ha	t ac-	
2019	2.25	3.17	2.68	4.71	12.81				m hig share-i										ieve a - to hi			
2020 2021	1.95				13.35 13.75	the	quarte	er an	d year	· excl	udes	\$0.60	and	A del	ot rati	ng in	a cou	ple of	years	•		
Cal-		rterly d	IVIDENDS	PAID ^B ∎	Full	othe	r one-	time (vely, costs. 1	Note:	In ea	rly Fe	ebru-	the	Value	Lin	e me	dian.	abou But	the s	stock	
endar 2016	Mar.3 1.30			Dec.31 1.40	Year 5.50				ometty ed the										reciati rame,			
2017	1.40	1.50	1.50	1.50	5.90	The	com	pany	look	s for	• higł	ner r	eve-	inves	stors r	nay v	vant t	to see	more	top-	and	
2018 2019	1.50			1.57 1.62	6.21 6.43				sted of in 2						m-line hares.		gress	befo	ore co	nside	ering	
2020	1.62								res ma						esa Br				Marc	h 27,	2020	
				ains (losse (\$0.01); '(es) \$2.2	4. Quarte	ers may n	not sum c	lue to cha mid-Apr	nge in	reinvestn	nent plan	available	e. (C) In n /31/10 ¢7	nillions. (E		mpany's ck's Pric		al Strengt	h	A++ 85	
50.02);	'06, \$0.	.05; '14. (\$3.65). E	xcludes no	on- Divi	dends hi	storically	paid ir	n early I	March,	\$82.68/sl	n. (E) In '	08, incl.	\$15.2 bill.	retireme	nt Prie	ce Grow	th Persis	tence		10	
				8, \$4.30; '					ber. ■ Div believed to				with out a	vorrantiaa	of any lin		nings Pr		lity		90	

from discontinued operations; '04, (\$0.01); '05, shs. Next earnings report mid-Apr. (B) Incl. Intangibles. As of 12/31/19, \$73.5 billion, (\$0.02); '06, \$0.05; '14. (\$3.65). Excludes non-operating expenses: '17, \$7.52; '18, \$4.30; '19. June, September, and December. • Dividend benefit plan loss. © 2020 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

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