

1Q09

IBM Income Statement

Apr-09

Forecast/Actual

Currency impact: -8%

		1Q09 (\$ mill)	% of Total	Annual Change	1Q08 (\$ mill)	% of Total	1Q07 (\$ mill)	% of Total
Revenue	<i>Fcst</i>							
Hardware	3,586	3,228	14.9%	-23.5%	4,219	17.2%	4,521	20.5%
Global Bus Services	4,813	4,397	20.3%	-10.5%	4,911	20.0%	4,183	19.0%
Global Tech Services	9,483	8,754	40.3%	-9.5%	9,677	39.5%	8,258	37.5%
Software	4,944	4,539	20.9%	-6.3%	4,847	19.8%	4,251	19.3%
Other	216	213	1.0%	0.0%	216		203	
Global Financing	569	578	2.7%	-8.5%	632	2.6%	614	2.8%
Total Revenue	23,611	21,711	100.0%	-11.4%	24,502	99.1%	22,030	99.1%
	<i>Currency adjusted</i>	23,448		-4.3%				
Costs	GM							
Cost of Hardware	34.0%	2,130	9.8%	-27.8%	2,950	12.0%	2,950	13.4%
Cost of Bus Services	26.5%	3,232	14.9%	1.3%	3,189	13.0%	3,189	14.5%
Cost of Tech Services	33.9%	5,786	26.7%	-1.0%	5,847	23.9%	5,847	26.5%
Cost of Software	84.2%	717	3.3%	2.8%	698	2.8%	698	3.2%
Other	52.7%	101	0.5%	-43.7%	179	0.7%	179	0.8%
Global Financing	45.9%	313	1.4%	3.6%	302	1.2%	302	1.4%
Total Costs		12,279	56.6%	-14.3%	14,336	53.7%	13,164	59.8%
Gross Profit	9,991	9,431	43.4%	-7.2%	10,166	41.5%	8,866	40.2%
SG&A Expenses		5,264	24.2%	-6.3%	5,620	22.9%	5,089	23.1%
RD&E Expenses		1,480	6.8%	-5.7%	1,569	6.4%	1,509	6.8%
Total Costs & Expenses		19,023	87.6%	-11.6%	21,525	87.8%	19,762	89.7%
Operating Income	2,802	2,686	12.4%	-9.8%	2,977	12.2%	2,268	10.3%
Intellectual Property Income		-268	-1.2%	-2.2%	-274	-1.1%	-205	-0.9%
Other Income		-304	-1.4%	143.2%	-125	-0.5%	-180	-0.8%
Interest Expenses		136	0.6%	-23.6%	178	0.7%	73	0.3%
Earnings (Loss) Before Tax		3,122	14.4%	-2.4%	3,198	13.1%	2,579	11.7%
Tax/Rate		827	26.5%	-5.9%	879	27.5%	735	28.5%
Disco'd Operations								
Net Earnings	2,193	2,295	10.6%	-1.0%	2,319	9.5%	1,844	8.4%
Shares # (basic)		1,349.5		-4.4%	1,411.4		1,564.5	
EPS (basic)	1.63	1.70		3.5%	1.64		1.18	