

1Q09

## IBM Pretax Profitability

Apr-09

Forecast/Actual

## Business Segments

	Revenue		<u>1Q09</u>	<u>1Q08</u> (cust)	Pretax Profit		<u>1Q08</u>	<u>Margins</u>
	<u>Customer</u>	<u>Internal</u>			<u>1Q09</u>	<u>Margins</u>		
Systems & Tech	3,228	176	<b>3,404</b>	4,219	<b>28</b>	0.8%	145	0.8%
Global Tech Services	8,754	342	<b>9,096</b>	9,677	<b>1,104</b>	12.1%	988	12.1%
Global Bus Services	4,397	232	<b>4,629</b>	4,911	<b>521</b>	11.3%	579	11.3%
Software	4,539	614	<b>5,153</b>	4,847	<b>1,335</b>	25.9%	1,267	25.9%
<u>Global Fin, Other</u>	578	<u>390</u>	<b>968</b>	<u>633</u>	<b>360</b>	<u>37.2%</u>	<u>388</u>	<u>37.2%</u>
<b>Sub-Total</b>	21,496	1,754	<b>23,250</b>	24,287	<b>3,348</b>	<b>14.4%</b>	3,367	<b>13.9%</b>
Eliminations		215	<b>1,539</b>	216	<b>-226</b>		169	
<b>Total</b>	<b>21,711</b>		<b>21,711</b>	24,502	<b>3,122</b>	<b>14.4%</b>	3,198	<b>13.1%</b>

Source: Annex Research

\*Includes maintenance