

Financial Highlights

International Business Machines Corporation and Subsidiary Companies

(\$ in millions except per share amounts)

	2014	2013
For the year ended December 31:		
Revenue	\$ 92,793	\$ 98,367
Net income	\$ 12,022	\$ 16,483
Income from continuing operations	\$ 15,751	\$ 16,881
Operating (non-GAAP) earnings*	\$ 16,702	\$ 18,356
Earnings per share of common stock (continuing operations)		
Assuming dilution	\$ 15.59	\$ 15.30
Basic	\$ 15.68	\$ 15.42
Diluted operating (non-GAAP)*	\$ 16.53	\$ 16.64
Net cash provided by operating activities	\$ 16,868	\$ 17,485
Capital expenditures, net	3,779	3,768
Share repurchases	13,679	13,859
Cash dividends paid on common stock	4,265	4,058
Per share of common stock	4.25	3.70
At December 31:		
Cash, cash equivalents and marketable securities	\$ 8,476	\$ 11,066
Total assets	117,532	126,223
Working capital	9,822	11,196
Total debt	40,804	39,718
Total equity	12,014	22,929
Common shares outstanding (in millions)	991	1,054
Market capitalization	\$158,920	\$197,772
Stock price per common share	\$ 160.44	\$ 187.57

* See pages 45 and 46 for a reconciliation of net income to operating earnings.