

INTERNATIONAL BUSINESS MACHINES CORP

Form 10-Q

October 27, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10 - Q

QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTER ENDED SEPTEMBER 30, 2015

1-2360

(Commission file number)

INTERNATIONAL BUSINESS MACHINES CORPORATION

(Exact name of registrant as specified in its charter)

New York

(State of incorporation)

13-0871985

(IRS employer identification number)

Armonk , New York

(Address of principal executive offices)

10504

(Zip Code)

914-499-1900

(Registrant's telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The registrant had 970,110,126 shares of common stock outstanding at September 30, 2015.

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Part I - Financial Information**Item 1. Consolidated Financial Statements:**

**INTERNATIONAL BUSINESS MACHINES CORPORATION
AND SUBSIDIARY COMPANIES**

**CONSOLIDATED STATEMENT OF EARNINGS
(UNAUDITED)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
(Dollars in millions except per share amounts)	2015	2014	2015	2014
Revenue:				
Services	\$ 12,327	\$ 13,869	\$ 37,290	\$ 41,979
Sales	6,501	8,034	20,990	25,180
Financing	452	494	1,403	1,521
Total revenue	19,280	22,397	59,682	68,680
Cost:				
Services	8,067	8,868	24,776	27,100
Sales	1,544	2,398	4,895	7,269
Financing	233	257	733	765
Total cost	9,844	11,523	30,405	35,135
Gross profit	9,436	10,874	29,278	33,545
Expense and other (income):				
Selling, general and administrative	4,731	5,281	15,273	17,146
Research, development and engineering	1,287	1,354	3,885	4,117
Intellectual property and custom development income	(188)			