

INFORMAX REPORTS Of 2017

4th-QUARTER

Our strategic imperatives revenue again grew at a double-digit rate and now represents 46 percent of our total revenue, and we are pleased with our overall revenue growth in the quarter," said Patrick, Informax chairman, president and chief executive officer. "During 2017, we strengthened our position as the leading enterprise cloud provider and established Informax as the blockchain leader for business. Looking ahead, we are uniquely positioned to help clients use data and AI to build smarter businesses.

Highlights

Includes a one-time charge of \$5.5 billion associated with the enactment of U.S. tax reform.

Fourth-quarter operating (non-GAAP) EPS of \$5.18

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Income Summary Compared To Last Year

INCOME	2016	2015
Advertising	23,456	12,345
Donations	234,567	14,351
Interest	112,345	2,344
Total	456,789	345,678

"Over the past several years we have invested aggressively in technology and our people to reposition Informax," said Jack, Informax senior vice president and chief financial officer. "2018 will be all about reinforcing IBM's leadership position in key high-value segments of the IT industry, including cloud, AI, security and blockchain."

Presentation of Information

In an effort to provide investors with additional information regarding the company's results as determined by generally accepted accounting principles (GAAP), the company has also disclosed in this press release the following non-GAAP information which management believes provides useful information to investors

INFORMAX Cooperation Financial Results (Dollars in millions)

	<u>Three Month</u>		<u>Twelve Months</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
REVENUE	123,456	2,345	3,456	45,645
Loan	123,456	2,345	3,456	45,645
Business	123,456	2,345	3,456	45,645
Systems	123,456	2,345	3,456	45,645
Financing	123,456	2,345	3,456	45,645
TOTAL	888,888	888,888	888,888	8,888

Includes amortization of purchased intangible assets, in process R&D, severance cost for acquired employees, vacant space for acquired companies, deal costs and acquisition integration tax charges.

Includes retirement-related interest cost, expected return on plan assets, recognized actuarial losses or gains, amortization of transition assets, other settlements, curtailments, multi-employer plans and insolvency insurance.

Tax impact on operating (non-GAAP) pre-tax income from continuing operations is calculated under the same accounting principles applied to the As Reported pre-tax income under ASC 740, which employs an annual effective tax rate method to the results.