

## Reconciliations of IBM as Reported

(\$ in millions)

At December 31:	2019	2018	2017
<b>Assets</b>			
Total reportable segments	\$125,087	\$100,047*	\$100,868*
Elimination of internal transactions	(4,317)	(7,143)	(6,272)
Other—divested businesses	1,894	2,575*	2,285*
Unallocated amounts			
Cash and marketable securities	7,308	10,393	10,162
Notes and accounts receivable	3,298	1,597	2,554
Deferred tax assets	4,995	5,089	4,746
Plant, other property and equipment	2,334	2,463	2,659
Operating right-of-use assets**	3,530	—	—
Pension assets	6,865	4,666	4,643
Other	1,194	3,695	3,712
<b>Total IBM consolidated assets</b>	<b>\$152,186</b>	<b>\$123,382</b>	<b>\$125,356</b>

\* Recast to conform to 2019 presentation.

\*\*Reflects the adoption of the FASB guidance on leases in 2019.

## Major Clients

No single client represented 10 percent or more of the company's total revenue in 2019, 2018 or 2017.

## Geographic Information

The following provides information for those countries that are 10 percent or more of the specific category.

## Revenue\*

(\$ in millions)

For the year ended December 31:	2019	2018	2017
United States	\$28,395	\$29,078	\$29,759
Japan	8,681	8,489	8,239
Other countries	40,071	42,024	41,141
<b>Total IBM consolidated revenue</b>	<b>\$77,147</b>	<b>\$79,591</b>	<b>\$79,139</b>

\* Revenues are attributed to countries based on the location of the client.

## Plant and Other Property—Net

(\$ in millions)

At December 31:	2019	2018	2017
United States	\$4,485	\$ 4,585	\$ 4,670
Other countries	5,294	5,774	5,985
<b>Total</b>	<b>\$9,778</b>	<b>\$10,359</b>	<b>\$10,655</b>

## Operating Right-of-Use Assets—Net\*

(\$ in millions)

At December 31:	2019	2018	2017
United States	\$1,386	\$—	\$—
Japan	659	—	—
Other countries	2,951	—	—
<b>Total</b>	<b>\$4,996</b>	<b>\$—</b>	<b>\$—</b>

\* Reflects the adoption of the FASB guidance on leases in 2019.

## Revenue by Classes of Similar Products or Services

The following table presents external revenue for similar classes of products or services within the company's reportable segments. Client solutions often include IBM software and systems and other suppliers' products if the client solution requires it. For each of the segments that include services, Software-as-a-Service, consulting, education, training and other product-related services are included as services. For each of these segments, software includes product license charges and ongoing subscriptions.

(\$ in millions)

For the year ended December 31:	2019	2018	2017
<b>Cloud &amp; Cognitive Software*</b>			
Software	\$18,712	\$17,970**	\$17,681**
Services	4,321	4,082**	3,920**
Systems	166	156	150
<b>Global Business Services*</b>			
Services	\$16,363	\$16,238**	\$15,728**
Software	156	151**	179**
Systems	115	206	165
<b>Global Technology Services*</b>			
Services	\$20,768	\$22,222**	\$21,913**
Maintenance	5,183	5,484	5,783
Systems	1,072	1,069	1,207
Software	338	371**	310**
<b>Systems</b>			
Servers	\$ 3,746	\$ 3,996	\$ 3,993
Storage	1,920	2,114	2,243
Software	1,528	1,499**	1,520**
Services	410	425**	438**
<b>Global Financing</b>			
Financing	\$ 1,120	\$ 1,223	\$ 1,167
Used equipment sales	281	366	530

\* Recast to conform to 2019 presentation.

\*\*Reclassified to conform to 2019 presentation. Refer to "Basis of Presentation" in note A, "Significant Accounting Policies," for additional information.

## NOTE E. ACQUISITIONS & DIVESTITURES

### Acquisitions

The company accounts for business combinations using the acquisition method, and accordingly, the identifiable assets acquired, the liabilities assumed and any noncontrolling interest in the acquiree are recorded at their acquisition date fair values. Significant judgments and use of estimates are required when performing valuations. For example, the company uses judgments when estimating the fair value of intangible assets using a discounted cash flow model, which involves the use of significant estimates and assumptions with respect to revenue growth rates, the customer attrition rate and discount rates.

Purchase price consideration for all acquisitions was paid primarily in cash. All acquisitions, except otherwise stated were for 100 percent of the acquired business and are reported in the Consolidated Statement of Cash Flows, net of acquired cash and cash equivalents.