

Consolidated Statement of Financial Position

INTERNATIONAL BUSINESS MACHINES CORPORATION
and Subsidiary Companies

(dollars in millions except per share amounts)

AT DECEMBER 31:

	Notes	2001	2000
ASSETS			
Current assets:			
Cash and cash equivalents		\$ 6,330	\$ 3,563
Marketable securities	d	63	159
Notes and accounts receivable—trade, net of allowances		9,101	10,447
Short-term financing receivables	f	16,656	18,705
Other accounts receivable		1,261	1,574
Inventories	e	4,304	4,765
Deferred taxes	o	2,402	2,701
Prepaid expenses and other current assets		2,344	1,966
Total current assets		42,461	43,880
Plant, rental machines and other property	g	38,375	38,455
Less: Accumulated depreciation		21,871	21,741
Plant, rental machines and other property—net		16,504	16,714
Long-term financing receivables	f	12,246	13,308
Investments and sundry assets	h	17,102	14,447
TOTAL ASSETS		\$ 88,313	\$ 88,349
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Taxes	o	\$ 4,644	\$ 4,827
Short-term debt	j & k	11,188	10,205
Accounts payable		7,047	8,192
Compensation and benefits		3,796	3,801
Deferred income		4,223	4,516
Other accrued expenses and liabilities		4,221	4,865
Total current liabilities		35,119	36,406
Long-term debt	j & k	15,963	18,371
Other liabilities	l	13,617	12,948
TOTAL LIABILITIES		64,699	67,725
Contingencies	n		
Stockholders' equity:	m		
Preferred stock, par value \$.01 per share		—	247
Shares authorized: 150,000,000			
Shares issued and outstanding (2000—2,546,011)			
Common stock, par value \$.20 per share		14,248	12,400
Shares authorized: 4,687,500,000			
Shares issued (2001—1,913,513,218; 2000—1,893,940,595)			
Retained earnings		30,142	23,784
Treasury stock, at cost (shares: 2001—190,319,489; 2000—131,041,411)		(20,114)	(13,800)
Employee benefits trust (shares: 2000—20,000,000)		—	(1,712)
Accumulated gains and losses not affecting retained earnings		(662)	(295)
TOTAL STOCKHOLDERS' EQUITY		23,614	20,624
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		\$ 88,313	\$ 88,349

The accompanying notes on pages 75 through 105 are an integral part of the financial statements.