

IBM bumps guidance again, but revenue falls short

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In this March 1, 2010 file photo, people walk along a sign with the slogan "IBM - smarter together," at the CeBIT computer trade fair in Hanover, Germany. IBM releases quarterly financial results Monday, Oct. 17, 2011, after the market close. (AP Photo/dapd, Focke Strangmann, File)

(AP) -- IBM raised its full-year guidance again on Monday, offering fresh evidence of the company's ability to wring profit from technology services and software contracts.

But questions about growth reared up as IBM's third-quarter revenue fell slightly short of Wall Street's target - a disappointment for a company that usually exceeds expectations. IBM's stock fell in extended trading.

Net income was \$3.84 billion, or \$3.19 per share, up 7 percent from

\$3.59 billion, or \$2.82 per share, a year ago. Excluding special items, earnings were \$3.28 per share, 6 cents per share better than average estimate by analysts surveyed by FactSet.

Revenue rose 8 percent to \$26.16 billion, slightly less than the \$26.26 billion that analysts had expected.

The company, which is based in Armonk, N.Y., now expects adjusted earnings of at least \$13.35 per share for the year. The previous forecast was for at least \$13.25 per share.

The stock fell \$5.59, or 3 percent, to \$181 in extended trading after the release of results. Earlier, it closed down \$3.94, or 2.1 percent, at \$186.59 on a weak day for the market overall.

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