

Buffett cuts stake in IBM and shares slide

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In this Jan. 19, 2017, file photo, Warren Buffett attends the world premiere screening of HBO's "Becoming Warren Buffett" at The Museum of Modern Art in New York. IBM's stock is falling in premarket trading Friday, May 5 after Buffett announced that Berkshire Hathaway has sold about a third of its stake in the company this year. (Photo by Charles Sykes/Invision/AP, File)

Warren Buffett says he's sold about a third of the 81 million shares he holds in IBM, sending the stock down sharply in early trading.

Buffett bought into IBM when its stock as it was approaching an all-time

high, but it's been in decline since then as Amazon and Microsoft have dominated the cloud.

Buffet said Friday, "I don't value IBM the same way that I did six years ago when I started buying."

But Buffett says Berkshire Hathaway, which kicks off its annual meeting Saturday, could still buy IBM shares.

Two days ago, Moody's downgraded IBM's senior unsecured rating.

Shares of International Business Machines Corp. dropped almost percent to \$153.35, the second-worst sell-off of the year.

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