Armonk, N.Y.-based IBM's stock rose $8.37, or 4.3 percent, to $204.45 in after-hours trading.

NEW YORK (AP) -- Growing software businesses such as Internet-based computing and data analytics helped IBM boost earnings per share for the 40th consecutive quarter - a full decade - even as revenue was largely flat.

IBM's stock price increased more than 4 percent in after-hours trading following the announcement, as the results seemed to ease investor worries about the uncertain global economy dampening corporate and government spending on technology. The results beat Wall Street's expectations, as is often the case with IBM. The technology bellwether's guidance for 2013 was also stronger than expected.

It has helped that the company has been focusing on growing its software business, which has higher profit margins, over hardware. In fact, software was the only business segment that saw a revenue increase during the quarter.

IBM is seen as a good gauge of technology demand because it sells to major companies and governments around the world. That said, it's not completely immune from economic fluctuations. Its revenue missed Wall Street's expectations in the third quarter, something IBM

attributed largely to the economic turmoil in Europe and elsewhere.

IBM said Tuesday that it earned $5.83 billion, or $5.13 per share, in the October-December period. That's up 6 percent from $5.49 billion, or $4.62 per share, in the same period a year earlier.

The results include special items related to acquisitions and to IBM's pension plan. Excluding those items, earnings were $5.39 per share in the latest quarter, above Wall Street's estimates of $5.25 per share.

Revenue slid less than 1 percent to $29.3 billion from $29.49 billion. It would have been flat were it not for currency fluctuations, which translated to fewer dollars IBM made on overseas sales. Analysts polled by FactSet had expected revenue of $29.12 billion.

Revenue from software was $7.9 billion, an increase of 3 percent from the fourth quarter of 2011. Revenue from hardware fell 1 percent to $5.8 billion and revenue from technology services fell 2 percent to $10.3 billion. Revenue from other businesses declined as well.

For the full year, IBM earned $16.6 billion, or $14.37 per share, up 5 percent from $15.86 billion, or $13.06 per share, in 2011. Adjusted earnings were $15.25 per share last year, above analysts' estimates of $15.14.

Revenue declined 2 percent to $104.5 billion from $106.9 billion. Analysts had expected slightly lower revenue of $104.4 billion.

For 2013, IBM expects earnings of at least $15.53 per share. It expects adjusted earnings of at least $16.70, above the $16.65 that analysts were expecting.

The company said it is "well on track" toward its long-term outlook for adjusted earnings of at least $20 per share in 2015. By 2015, it also expects software to account for more than half its

total profit. In 2012, software accounted for 45 percent of IBM's profit, up from 43.5 percent a year earlier.

Armonk, N.Y.-based IBM's stock rose $8.37, or 4.3 percent, to $204.45 in after-hours trading. The stock had closed up $1.61 at $196.08 in the regular session.