

INTERNATIONAL BUSINESS MACHINES CORP  
 Form 4  
 February 15, 2011

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 MACDONALD J RANDALL

2. Issuer Name and Ticker or Trading Symbol  
 INTERNATIONAL BUSINESS MACHINES CORP [IBM]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)

IBM CORPORATION, ONE NEW ORCHARD ROAD

02/11/2011

Senior Vice President

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

ARMONK, NY 10504

Form filed by One Reporting Person  
 \_\_\_ Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
|                                 |                                      |  | Code                           | V Amount (A) or (D) Price   |   |  |  |
| Common Stock                    | 02/11/2011                           |  | M                              | 11,066 A \$ 82.76   | 64,090.375  | D  |  |
| Common Stock                    | 02/11/2011                           |  | M                              | 23,321 A \$ 91.04   | 87,411.375  | D  |  |
| Common Stock                    | 02/11/2011                           |  | M                              | 4,933 A \$ 92.12  | 92,344.375  | D  |  |
| Common Stock                    | 02/11/2011                           |  | M                              | 14,300 A \$ 101.33  | 106,644.375   | D  |  |
| Common Stock                    | 02/11/2011                           |  | S                              | 44,977 D \$ 164.2   | 61,667.375  | D  |  |

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|              |            |   |       |   |             |            |   |
|--------------|------------|---|-------|---|-------------|------------|---|
| Common Stock | 02/11/2011 | S | 3,665 | D | \$ 164.205  | 58,002.375 | D |
| Common Stock | 02/11/2011 | S | 100   | D | \$ 164.2065 | 57,902.375 | D |
| Common Stock | 02/11/2011 | S | 4,374 | D | \$ 164.21   | 53,528.375 | D |
| Common Stock | 02/11/2011 | S | 504   | D | \$ 164.22   | 53,024.375 | D |
| Common Stock | 02/14/2011 | M | 477   | A | \$ 101.33   | 53,501.375 | D |
| Common Stock | 02/14/2011 | S | 477   | D | \$ 164.2    | 53,024.375 | D |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |              |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title        | Amount or Number of Shares |
| Emp. Stock Option (right to buy)           | \$ 101.33  | 02/11/2011                           |  | M                              | 14,300  | 03/08/2009 <sup>(1)</sup>                                | 03/07/2015  | Common Stock | 14,300                     |
| Emp. Stock Option (right to buy)           | \$ 82.76   | 02/11/2011                           |  | M                              | 11,066  | 05/08/2009 <sup>(2)</sup>                                | 05/07/2016  | Common Stock | 11,066                     |
| Emp. Stock Option (right to buy)           | \$ 92.12   | 02/11/2011                           |  | M                              | 4,933   | 03/08/2008 <sup>(2)</sup>                                | 03/07/2015  | Common Stock | 4,933                      |

buy)

Emp.

Stock

Option \$ 91.04 02/11/2011  
(right to  
buy)

M

23,321 05/08/2010<sup>(1)</sup> 05/07/2016Common  
Stock

23,32

Emp.

Stock

Option \$ 101.33 02/14/2011  
(right to  
buy)

M

477 03/08/2009<sup>(1)</sup> 03/07/2015Common  
Stock

477

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                             |       |
|--|---------------|-----------|-----------------------------|-------|
|  | Director      | 10% Owner | Officer                     | Other |
| MACDONALD J RANDALL<br>IBM CORPORATION<br>ONE NEW ORCHARD ROAD<br>ARMONK, NY 10504 |               |           | Senior<br>Vice<br>President |       |

## Signatures

D. Cummins on behalf of J. R.  
MacDonald

02/15/2011

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This grant vested in four equal annual installments; the last installment vested on the date shown above.

(2) This grant vested in one installment on the date shown above.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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