

INTERNATIONAL BUSINESS MACHINES CORP  
 Form 4  
 May 09, 2007

**FORM 4**

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

OMB APPROVAL

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**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 \*  
**HARRELD J BRUCE**

(Last) (First) (Middle)

**IBM CORPORATION, NEW ORCHARD ROAD**

(Street)

**ARMONK, NY 10504**

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)  
**05/08/2007**

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Senior Vice President**

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | Code V  | Amount  | (A) or (D)   | Price                             |
| Common Stock                    | 05/08/2007                           |  | M                              |   | 3,125   | A  | \$ 0                              |
| Common Stock                    | 05/08/2007                           |  | F                              |   | 1,369   | D  | \$ 102.8                          |
|                                 |                                      |  |                                |   |   |  | 53,167.4953                       |
|                                 |                                      |  |                                |   |   |  | 51,798.4953                       |

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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 Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Emp. Stock Option (right to buy)           | \$ 102.8   | 05/08/2007                           |  | A                              | 3,242   | 05/08/2010 <sup>(1)</sup> 05/07/2017 <sup>(1)</sup>      | Common Stock  |
| Rst. Stock Unit                            | \$ 0 <sup>(2)</sup>                                    | 05/08/2007                           |  | A <sup>(2)</sup>               | 7,895   | <sup>(2)</sup> <sup>(2)</sup>                            | Common Stock  |
| Rst. Stock Unit                            | \$ 0 <sup>(3)</sup>                                    | 05/08/2007                           |  | M <sup>(4)</sup>               | 3,125   | <sup>(3)</sup> <sup>(3)</sup>                            | Common Stock  |
| Phantom Stock Unit                         | \$ 0 <sup>(5)</sup>                                    | 05/08/2007                           |  | A <sup>(6)</sup>               | 23  | <sup>(7)</sup> <sup>(7)</sup>                            | Common Stock  |

## Reporting Owners

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

## Signatures

D. Cummins for J. B. Harreld by  
power-of-attorney

05/09/2007

\*\*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) These derivative securities vest 100% on the date exercisable shown. All expire on the expiration date shown above.

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- (2) Upon lapse of the restrictions, these units are payable in cash or the company's common stock. The restrictions lapse for 2,631 of these units on 05/08/2008, for 2,632 of these units on 05/08/2009, and for the remaining 2,632 of these units on 05/08/2010.
- (3) These units were payable in cash or the company's common stock upon the lapse of the restrictions on the transaction date shown.
- (4) Release of restricted stock units.
- (5) Phantom stock units convert to the cash value of the company's common stock on a one-for-one basis.
- (6) Acquisition of phantom stock units under the IBM Executive Deferred Compensation Plan.
- (7) Distribution of phantom stock units under the IBM Executive Deferred Compensation Plan is deferred until separation from the company.

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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