

Daniels Michael E  
 Form 4  
 August 06, 2009

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
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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 \*  
 Daniels Michael E

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

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)  
 \_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
 Senior Vice President

(Last) (First) (Middle)  
 IBM CORPORATION, 294 ROUTE 100  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 08/05/2009

SOMERS, NY 10589

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	08/05/2009		M	37,000 A	\$ 78.13	98,188.1005	D
Common Stock	08/05/2009		M	26,032 A	\$ 103.25	124,220.1005	D
Common Stock	08/05/2009		S	200 D	\$ 117.93	124,020.1005	D
Common Stock	08/05/2009		S	100 D	\$ 117.94	123,920.1005	D
Common Stock	08/05/2009		S	900 D	\$ 117.95	123,020.1005	D

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Common Stock	08/05/2009	S	200	D	\$ 117.955	122,820.1005	D
Common Stock	08/05/2009	S	550	D	\$ 117.96	122,270.1005	D
Common Stock	08/05/2009	S	1,450	D	\$ 117.97	120,820.1005	D
Common Stock	08/05/2009	S	200	D	\$ 117.975	120,620.1005	D
Common Stock	08/05/2009	S	900	D	\$ 117.98	119,720.1005	D
Common Stock	08/05/2009	S	352	D	\$ 117.99	119,368.1005	D
Common Stock	08/05/2009	S	500	D	\$ 117.995	118,868.1005	D
Common Stock	08/05/2009	S	300	D	\$ 117.9975	118,568.1005	D
Common Stock	08/05/2009	S	1,753	D	\$ 118	116,815.1005	D
Common Stock	08/05/2009	S	500	D	\$ 118.01	116,315.1005	D
Common Stock	08/05/2009	S	1,387	D	\$ 118.02	114,928.1005	D
Common Stock	08/05/2009	S	500	D	\$ 118.025	114,428.1005	D
Common Stock	08/05/2009	S	900	D	\$ 118.03	113,528.1005	D
Common Stock	08/05/2009	S	100	D	\$ 118.04	113,428.1005	D
Common Stock	08/05/2009	S	79	D	\$ 118.07	113,349.1005	D

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	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)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
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Derivative Security		or Disposed of (D) (Instr. 3, 4, and 5)		Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Emp. Stock Option (right to buy)	\$ 103.25		08/05/2009	M				26,032	02/29/2004 <sup>(1)</sup>	02/28/2010	Common Stock	26,032
Emp. Stock Option (right to buy)	\$ 78.13		08/05/2009	M				37,000	02/25/2007 <sup>(1)</sup>	02/24/2013	Common Stock	37,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Daniels Michael E IBM CORPORATION 294 ROUTE 100 SOMERS, NY 10589			Senior Vice President	

## Signatures

D. Cummins for M. E. Daniels by power-of-attorney 08/06/2009

\*\*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.

### Remarks:

Additional sales will be shown on a subsequent Form 4.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.