

IWATA JON C  
Form 4  
October 28, 2010

**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 \*  
IWATA JON C

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

10/27/2010

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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount or Price   |  |   |
| Common Stock                    | 10/27/2010                           |  | M                              |   | 27,639 A \$ 78.13   | D  |   |
| Common Stock                    | 10/27/2010                           |  | S                              |   | 300 D \$ 141.25   | D  |   |
| Common Stock                    | 10/27/2010                           |  | S                              |   | 1,900 D \$ 141.26   | D  |   |
| Common Stock                    | 10/27/2010                           |  | S                              |   | 4,658 D \$ 141.27   | D  |   |
| Common Stock                    | 10/27/2010                           |  | S                              |   | 2,181 D \$ 141.28   | D  |   |

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|              |            |   |       |   |           |            |   |
|--------------|------------|---|-------|---|-----------|------------|---|
| Common Stock | 10/27/2010 | S | 4,400 | D | \$ 141.29 | 50,705.924 | D |
| Common Stock | 10/27/2010 | S | 1,800 | D | \$ 141.3  | 48,905.924 | D |
| Common Stock | 10/27/2010 | S | 7,788 | D | \$ 141.31 | 41,117.924 | D |
| Common Stock | 10/27/2010 | S | 4,506 | D | \$ 141.32 | 36,611.924 | D |
| Common Stock | 10/27/2010 | S | 1,300 | D | \$ 141.33 | 35,311.924 | D |
| Common Stock | 10/27/2010 | S | 600   | D | \$ 141.34 | 34,711.924 | D |
| Common Stock | 10/27/2010 | S | 800   | D | \$ 141.35 | 33,911.924 | D |
| Common Stock | 10/27/2010 | S | 799   | D | \$ 141.36 | 33,112.924 | D |
| Common Stock | 10/27/2010 | S | 2,708 | D | \$ 141.37 | 30,404.924 | D |
| Common Stock | 10/27/2010 | S | 1,700 | D | \$ 141.38 | 28,704.924 | D |
| Common Stock | 10/27/2010 | S | 1,999 | D | \$ 141.39 | 26,705.924 | D |
| Common Stock | 10/27/2010 | S | 200   | D | \$ 141.4  | 26,505.924 | D |

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

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(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) |       |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------|----------------------------|
|  |  |                                      |  |                                |   | Date Exercisable   | Expiration Date   | Title | Amount or Number of Shares |
|  |  |                                      |  |                                |   | Code   | V (A)   | (D)   |                            |

|  |          |            |   |        |                           |            |                 |        |
|--|----------|------------|---|--------|---------------------------|------------|-----------------|--------|
| Emp.<br>Stock<br>Option<br>(right to<br>buy) | \$ 78.13 | 10/27/2010 | M | 27,639 | 02/25/2007 <sup>(1)</sup> | 02/24/2013 | Common<br>Stock | 27,639 |
|--|----------|------------|---|--------|---------------------------|------------|-----------------|--------|

## Reporting Owners

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

## Signatures

D. Cummins on behalf of J. C.  
Iwata

10/28/2010

\*\*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.

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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