

INTERNATIONAL BUSINESS MACHINES CORP

Form 4

July 27, 2007

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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

## OMB APPROVAL

OMB  
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2005  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
O DONNELL DANIEL 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)

(Last) (First) (Middle)  
IBM CORPORATION, NEW  
ORCHARD ROAD

3. Date of Earliest Transaction  
(Month/Day/Year)  
07/25/2007

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_X\_\_ Officer (give title \_\_\_\_ Other (specify  
below) below)  
VP, Secretary

(Street)

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

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

ARMONK, NY 10504

(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	(A) or (D)	Price		
Common Stock	07/25/2007		M		13,934	A	\$ 78.13	23,087.3749	D
Common Stock	07/25/2007		M		1,124	A	\$ 88.955	24,211.3749	D
Common Stock	07/25/2007		M		13,276	A	\$ 88.955	37,487.3749	D
Common Stock	07/25/2007		S		28,334	D	\$ 117.2414	9,153.3749	D
	07/25/2007		S		4,540	D	<u>(1)</u>	4,613.3749	D

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Common  
Stock

\$  
117.2747  
(2)

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)	\$ 88.955	07/25/2007		M	1,124	02/23/2003 <sup>(3)</sup> 02/22/2009	Common Stock 1,124
Emp. Stock Option (right to buy)	\$ 88.955	07/25/2007		M	13,276	02/23/2003 <sup>(3)</sup> 02/22/2009	Common Stock 13,276
Emp. Stock Option (right to buy)	\$ 78.13	07/25/2007		M	13,934	02/25/2007 <sup>(3)</sup> 02/24/2013	Common Stock 13,934

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
O DONNELL DANIEL E IBM CORPORATION NEW ORCHARD ROAD	VP, Secretary

ARMONK, NY 10504

## Signatures

D. Cummins for D. E. O'Donnell by  
power-of-attorney

07/27/2007

\_\_\_\_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) The price shown reflects the weighted average of multiple sales, ranging from \$117.1600 to \$117.3300 per share.
- (2) The price shown reflects the weighted average of multiple sales, ranging from \$117.1800 to \$117.3300 per share.
- (3) 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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