

Clementi Erich  
Form 4  
February 17, 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 \*  
Clementi Erich

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, ONE NEW ORCHARD ROAD

3. Date of Earliest Transaction (Month/Day/Year)  
02/16/2011

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

(Street)

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

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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	02/16/2011		M	23,555	A \$ 104.3	44,006.923	D
Common Stock	02/16/2011		S	200	D \$ 163.235	43,806.923	D
Common Stock	02/16/2011		S	300	D \$ 163.24	43,506.923	D
Common Stock	02/16/2011		S	900	D \$ 163.245	42,606.923	D
Common Stock	02/16/2011		S	1,300	D \$ 163.25	41,306.923	D

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Common Stock	02/16/2011	S	100	D	\$ 163.2575	41,206.923	D
Common Stock	02/16/2011	S	500	D	\$ 163.26	40,706.923	D
Common Stock	02/16/2011	S	585	D	\$ 163.27	40,121.923	D
Common Stock	02/16/2011	S	100	D	\$ 163.274	40,021.923	D
Common Stock	02/16/2011	S	100	D	\$ 163.275	39,921.923	D
Common Stock	02/16/2011	S	1,014	D	\$ 163.28	38,907.923	D
Common Stock	02/16/2011	S	162	D	\$ 163.285	38,745.923	D
Common Stock	02/16/2011	S	1,021	D	\$ 163.29	37,724.923	D
Common Stock	02/16/2011	S	100	D	\$ 163.2901	37,624.923	D
Common Stock	02/16/2011	S	249	D	\$ 163.295	37,375.923	D
Common Stock	02/16/2011	S	1,419	D	\$ 163.3	35,956.923	D
Common Stock	02/16/2011	S	500	D	\$ 163.304	35,456.923	D
Common Stock	02/16/2011	S	312	D	\$ 163.305	35,144.923	D
Common Stock	02/16/2011	S	300	D	\$ 163.308	34,844.923	D
Common Stock	02/16/2011	S	3,736	D	\$ 163.31	31,108.923	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.**

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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	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)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares
			(Instr. 3, 4, and 5)	(D)				
	Code	V	(A)	(D)				
Emp. Stock Option (right to buy)								
\$ 104.3								
02/16/2011								
	M				23,555	02/26/2006 <sup>(1)</sup>	02/25/2012	Common Stock
								23,555

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Clementi Erich IBM CORPORATION ONE NEW ORCHARD ROAD ARMONK, NY 10504			Senior Vice President	

## Signatures

D. Cummins on behalf of E. Clementi  
 02/17/2011  
 \*\*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.

### Remarks:

Additional transactions 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.