

KAVANAUGH JAMES J  
Form 4  
August 05, 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 \*  
KAVANAUGH JAMES J

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)  
VP, Controller

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

3. Date of Earliest Transaction (Month/Day/Year)  
08/04/2011

ARMONK, NY 10504

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 Ownership (Instr. 4)
				Code	V Amount Price			
Common Stock	08/04/2011		M		8,511 A \$ 97.59	12,740.8467	D	
Common Stock	08/04/2011		S		4,311 D \$ 174.91	8,429.8467	D	
Common Stock	08/04/2011		S		1,600 D \$ 174.92	6,829.8467	D	
Common Stock	08/04/2011		S		1,100 D \$ 174.93	5,729.8467	D	
Common Stock	08/04/2011		S		200 D \$ 174.94	5,529.8467	D	

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Common Stock	08/04/2011	S	200	D	\$ 174.945	5,329.8467	D
Common Stock	08/04/2011	S	200	D	\$ 174.97	5,129.8467	D
Common Stock	08/04/2011	S	200	D	\$ 174.98	4,929.8467	D
Common Stock	08/04/2011	S	200	D	\$ 174.99	4,729.8467	D
Common Stock	08/04/2011	S	100	D	\$ 175	4,629.8467	D
Common Stock	08/04/2011	S	400	D	\$ 175.01	4,229.8467	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. Stock Option (right to buy)	\$ 97.59	08/04/2011		M	8,511	02/26/2006 <sup>(1)</sup>	02/25/2012	Common Stock	8,511

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
			VP, Controller	

KAVANAUGH JAMES J  
IBM CORPORATION  
ONE NEW ORCHARD ROAD  
ARMONK, NY 10504

## Signatures

D. Cummins on behalf of J. J.  
Kavanaugh

08/05/2011

\_\_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.

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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