

INTERNATIONAL BUSINESS MACHINES CORP  
 Form 4  
 May 09, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
 MACDONALD J RANDALL

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)  
 05/08/2008

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Senior Vice President

IBM CORPORATION, NEW ORCHARD ROAD

(Street)

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

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 (D) Price  |   |  |   |
| Common Stock                    | 05/08/2008                           |  | M                              | 2,631 A \$ 0  | 65,856.4717   | D  |   |
| Common Stock                    | 05/08/2008                           |  | M                              | 3,125 A \$ 0  | 68,981.4717   | D  |   |
| Common Stock                    | 05/08/2008                           |  | M                              | 893 A \$ 111.87   | 69,874.4717   | D  |   |
| Common Stock                    | 05/08/2008                           |  | M                              | 74,107 A \$ 111.87  | 143,981.4717  | D  |   |
| Common Stock                    | 05/08/2008                           |  | F                              | 1,153 D \$ 124.46   | 142,828.4717  | D  |   |

## Edgar Filing: INTERNATIONAL BUSINESS MACHINES CORP - Form 4

|              |            |   |        |   |             |              |   |
|--------------|------------|---|--------|---|-------------|--------------|---|
| Common Stock | 05/08/2008 | F | 1,369  | D | \$ 124.46   | 141,459.4717 | D |
| Common Stock | 05/08/2008 | S | 100    | D | \$ 124.6475 | 141,359.4717 | D |
| Common Stock | 05/08/2008 | S | 600    | D | \$ 124.65   | 140,759.4717 | D |
| Common Stock | 05/08/2008 | S | 1,700  | D | \$ 124.66   | 139,059.4717 | D |
| Common Stock | 05/08/2008 | S | 100    | D | \$ 124.665  | 138,959.4717 | D |
| Common Stock | 05/08/2008 | S | 100    | D | \$ 124.6675 | 138,859.4717 | D |
| Common Stock | 05/08/2008 | S | 1,500  | D | \$ 124.67   | 137,359.4717 | D |
| Common Stock | 05/08/2008 | S | 400    | D | \$ 124.675  | 136,959.4717 | D |
| Common Stock | 05/08/2008 | S | 100    | D | \$ 124.6775 | 136,859.4717 | D |
| Common Stock | 05/08/2008 | S | 2,000  | D | \$ 124.68   | 134,859.4717 | D |
| Common Stock | 05/08/2008 | S | 100    | D | \$ 124.6875 | 134,759.4717 | D |
| Common Stock | 05/08/2008 | S | 4,100  | D | \$ 124.69   | 130,659.4717 | D |
| Common Stock | 05/08/2008 | S | 2,200  | D | \$ 124.695  | 128,459.4717 | D |
| Common Stock | 05/08/2008 | S | 1,900  | D | \$ 124.6975 | 126,559.4717 | D |
| Common Stock | 05/08/2008 | S | 300    | D | \$ 124.698  | 126,259.4717 | D |
| Common Stock | 05/08/2008 | S | 12,325 | D | \$ 124.7    | 113,934.4717 | D |
| Common Stock | 05/08/2008 | S | 1,800  | D | \$ 124.705  | 112,134.4717 | D |
| Common Stock | 05/08/2008 | S | 200    | D | \$ 124.707  | 111,934.4717 | D |
| Common Stock | 05/08/2008 | S | 700    | D | \$ 124.7075 | 111,234.4717 | D |
| Common Stock | 05/08/2008 | S | 7,988  | D | \$ 124.71   | 103,246.4717 | D |

Edgar Filing: INTERNATIONAL BUSINESS MACHINES CORP - Form 4

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 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                   |        | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|--|--------|--|-----------------|---|----------------------------|
|  |  |                                      |  |                                | Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) |        | Date Exercisable   | Expiration Date |   |                            |
| Emp. Stock Option (right to buy)           | \$ 111.87  | 05/08/2008                           |  | M                              |  | 74,107 | 07/31/2004 <sup>(1)</sup>                                | 07/30/2010      | Common Stock  | 74,107                     |
| Emp. Stock Option (right to buy)           | \$ 111.87  | 05/08/2008                           |  | M                              |  | 893    | 07/31/2004 <sup>(1)</sup>                                | 07/30/2010      | Common Stock  | 893                        |
| Rst. Stock Unit                            | \$ 0 <sup>(2)</sup>                                    | 05/08/2008                           |  | A <sup>(2)</sup>               |  | 7,010  |  | <sup>(2)</sup>  | Common Stock  | 7,010                      |
| Rst. Stock Unit                            | \$ 0 <sup>(3)</sup>                                    | 05/08/2008                           |  | M <sup>(4)</sup>               |  | 3,125  |  | <sup>(3)</sup>  | Common Stock  | 3,125                      |
| Rst. Stock Unit                            | \$ 0 <sup>(3)</sup>                                    | 05/08/2008                           |  | M <sup>(4)</sup>               |  | 2,631  |  | <sup>(3)</sup>  | Common Stock  | 2,631                      |

## Reporting Owners

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

## Signatures

D. Cummins for J. R. MacDonald by  
power-of-attorney

05/09/2008

\_\_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.
  - (2) Upon lapse of the restrictions, these units are payable in cash or the company's common stock. The restrictions lapse for 2,336 of these units on 05/08/2009, for 2,337 of these units on 05/08/2010, and for the remaining 2,337 of these units on 05/08/2011.
  - (3) These units were payable in cash or the company's common stock upon the lapse of the restrictions on the transaction date shown.
  - (4) Release of restricted stock units.

### Remarks:

Additional sales will be shown on two subsequent Form 4 filings.

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.