

INTERNATIONAL BUSINESS MACHINES CORP
 Form 4
 August 13, 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 *
 MOFFAT ROBERT W JR

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)
 08/12/2008

____ Director
 Officer (give title below)
 ____ 10% Owner
 ____ 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 Ownership: Beneficial or Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	08/12/2008		M		46,488 A \$ 78.13	83,809.6738	D
Common Stock	08/12/2008		M		1,124 A \$ 88.955	84,933.6738	D
Common Stock	08/12/2008		M		21,676 A \$ 88.955	106,609.6738	D
Common Stock	08/12/2008		S		100 D \$ 124.64	106,509.6738	D
Common Stock	08/12/2008		S		1,330 D \$ 124.65	105,179.6738	D

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Common Stock	08/12/2008	S	1,100	D	\$ 124.66	104,079.6738	D
Common Stock	08/12/2008	S	300	D	\$ 124.67	103,779.6738	D
Common Stock	08/12/2008	S	750	D	\$ 124.68	103,029.6738	D
Common Stock	08/12/2008	S	600	D	\$ 124.69	102,429.6738	D
Common Stock	08/12/2008	S	500	D	\$ 124.7	101,929.6738	D
Common Stock	08/12/2008	S	600	D	\$ 124.705	101,329.6738	D
Common Stock	08/12/2008	S	100	D	\$ 124.71	101,229.6738	D
Common Stock	08/12/2008	S	1,071	D	\$ 124.78	100,158.6738	D
Common Stock	08/12/2008	S	1,835	D	\$ 124.78	98,323.6738	D
Common Stock	08/12/2008	S	100	D	\$ 124.79	98,223.6738	D
Common Stock	08/12/2008	S	1,965	D	\$ 124.8	96,258.6738	D
Common Stock	08/12/2008	S	1,400	D	\$ 124.81	94,858.6738	D
Common Stock	08/12/2008	S	1,700	D	\$ 124.81	93,158.6738	D
Common Stock	08/12/2008	S	2,600	D	\$ 124.82	90,558.6738	D
Common Stock	08/12/2008	S	18,700	D	\$ 124.82	71,858.6738	D
Common Stock	08/12/2008	S	400	D	\$ 124.825	71,458.6738	D
Common Stock	08/12/2008	S	1,100	D	\$ 124.83	70,358.6738	D
Common Stock	08/12/2008	S	3,800	D	\$ 124.83	66,558.6738	D
Common Stock	08/12/2008	S	620	D	\$ 124.84	65,938.6738	D
Common Stock	08/12/2008	S	600	D	\$ 124.845	65,338.6738	D

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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)	Amount or Number of Shares
Emp. Stock Option (right to buy)	\$ 88.955	08/12/2008		M	21,676	02/23/2003 ⁽¹⁾ 02/22/2009	Common Stock	21,676
Emp. Stock Option (right to buy)	\$ 78.13	08/12/2008		M	46,488	02/25/2007 ⁽¹⁾ 02/24/2013	Common Stock	46,488
Emp. Stock Option (right to buy)	\$ 88.955	08/12/2008		M	1,124	02/23/2003 ⁽¹⁾ 02/22/2009	Common Stock	1,124

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MOFFAT ROBERT W JR IBM CORPORATION NEW ORCHARD ROAD ARMONK, NY 10504			Senior Vice President	

Signatures

D. Cummins for R. W. Moffat Jr. by
power-of-attorney

08/13/2008

__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.

Remarks:

Additional sales 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.
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