

Daniels Michael E
Form 4
February 10, 2011

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

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Daniels Michael 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, 294 ROUTE
100

3. Date of Earliest Transaction
(Month/Day/Year)
02/09/2011

____ Director ____ 10% Owner
__X__ Officer (give title below) ____ Other (specify below)
Senior Vice President

(Street)
SOMERS, NY 10589

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

(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	02/09/2011		M		40,000 A \$ 105.96	137,880.9668	D
Common Stock	02/09/2011		S		300 D \$ 164.1	137,580.9668	D
Common Stock	02/09/2011		S		2,100 D \$ 164.11	135,480.9668	D
Common Stock	02/09/2011		S		4,600 D \$ 164.12	130,880.9668	D
Common Stock	02/09/2011		S		2,500 D \$ 164.13	128,380.9668	D

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Common Stock	02/09/2011	S	2,685	D	\$ 164.14	125,695.9668	D
Common Stock	02/09/2011	S	4,289	D	\$ 164.15	121,406.9668	D
Common Stock	02/09/2011	S	2,126	D	\$ 164.16	119,280.9668	D
Common Stock	02/09/2011	S	3,300	D	\$ 164.17	115,980.9668	D
Common Stock	02/09/2011	S	3,400	D	\$ 164.18	112,580.9668	D
Common Stock	02/09/2011	S	400	D	\$ 164.19	112,180.9668	D
Common Stock	02/09/2011	S	1,588	D	\$ 164.2	110,592.9668	D
Common Stock	02/09/2011	S	1,312	D	\$ 164.21	109,280.9668	D
Common Stock	02/09/2011	S	1,260	D	\$ 164.22	108,020.9668	D
Common Stock	02/09/2011	S	42	D	\$ 164.23	107,978.9668	D
Common Stock	02/09/2011	S	1,240	D	\$ 164.23	106,738.9668	D
Common Stock	02/09/2011	S	100	D	\$ 164.24	106,638.9668	D
Common Stock	02/09/2011	S	1,500	D	\$ 164.24	105,138.9668	D
Common Stock	02/09/2011	S	424	D	\$ 164.25	104,714.9668	D
Common Stock	02/09/2011	S	600	D	\$ 164.25	104,114.9668	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	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			Code	V	or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares
					(A)	(D)				
Emp. Stock Option (right to buy)	\$ 105.96	02/09/2011	M				02/24/2008 ⁽¹⁾	02/23/2014	Common Stock	40,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Daniels Michael E IBM CORPORATION 294 ROUTE 100 SOMERS, NY 10589			Senior Vice President	

Signatures

D. Cummins on behalf of M. E. Daniels	02/10/2011
**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.
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