INTERNATIONAL BUSINESS MACHINES CORP

Form 4

August 06, 2007

FORM 4

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

OMB 3235-0287 Number:

Expires:

OMB APPROVAL

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, 2005

0.5

Form 4 or Form 5 obligations may continue.

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

burden hours per response...

Estimated average

See Instruction 1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person * Shaughnessy Timothy S

(First)

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to Issuer

Symbol

INTERNATIONAL BUSINESS MACHINES CORP [IBM]

(Check all applicable)

VP, Controller

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

08/03/2007

Director 10% Owner X_ Officer (give title Other (specify below)

IBM CORPORATION, NEW

ORCHARD ROAD

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check Applicable Line)

(Street) Filed(Month/Day/Year)

(Middle)

X Form filed by One Reporting Person Form filed by More than One Reporting

ARMONK, NY 10504

(City)	(State)	(Zip) Tab	ole I - Non-	Derivative	Secui	rities Acquir	red, Disposed of,	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Code (Instr. 3, 4 and 5) (Instr. 8) (A) or		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)		
Common Stock	08/03/2007		Code V M	Amount 843	(D)	Price \$ 88.955	2,207.858	D	
Common Stock	08/03/2007		M	7,538	A	\$ 88.955	9,745.858	D	
Common Stock	08/03/2007		M	23,601	A	\$ 97.59	33,346.858	D	
Common Stock	08/03/2007		M	968	A	\$ 103.25	34,314.858	D	
Common Stock	08/03/2007		M	11,032	A	\$ 103.25	45,346.858	D	

Common Stock	08/03/2007	S	42,171	D	\$ 113.745 (1)	3,175.858	D	
Common Stock	08/03/2007	M	1,124	A	\$ 88.955	2,310.772	I (2)	By spouse
Common Stock	08/03/2007	M	2,276	A	\$ 88.955	4,586.772	I (2)	By spouse
Common Stock	08/03/2007	M	968	A	\$ 103.25	5,554.772	I (2)	By spouse
Common Stock	08/03/2007	M	1,032	A	\$ 103.25	6,586.772	I (2)	By spouse
Common Stock	08/03/2007	M	2,650	A	\$ 97.59	9,236.772	I (2)	By spouse
Common Stock	08/03/2007	S	5,958	D	\$ 113.745 (1)	3,278.772	I (2)	By spouse

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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number.

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 orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Expiration Date (Month/Day/Year)		7. Title and Amount o Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Share
Emp. Stock Option (right to buy)	\$ 88.955	08/03/2007		M	7,538	02/23/2003(3)	02/22/2009	Common Stock	7,538
Emp. Stock Option (right to buy)	\$ 103.25	08/03/2007		M	11,032	02/29/2004(3)	02/28/2010	Common Stock	11,032

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

SEC 1474

(9-02)

Emp. Stock Option (right to buy)	\$ 97.59	08/03/2007	M	23,601	02/26/2006(3)	02/25/2012	Common Stock	23,60
Emp. Stock Option (right to buy)	\$ 103.25	08/03/2007	M	968	02/29/2004(3)	02/28/2010	Common Stock	968
Emp. Stock Option (right to buy)	\$ 88.955	08/03/2007	M	843	02/23/2003(3)	02/22/2009	Common Stock	843
Emp. Stock Option (right to buy)	\$ 88.955	08/03/2007	M	2,276	02/23/2003(3)	02/22/2009	Common Stock	2,276
Emp. Stock Option (right to buy)	\$ 103.25	08/03/2007	M	1,032	02/29/2004(3)	02/28/2010	Common Stock	1,032
Emp. Stock Option (right to buy)	\$ 97.59	08/03/2007	M	2,650	02/26/2006(3)	02/25/2012	Common Stock	2,650
Emp. Stock Option (right to buy)	\$ 103.25	08/03/2007	M	968	02/29/2004(3)	02/28/2010	Common Stock	968
Emp. Stock Option (right to buy)	\$ 88.955	08/03/2007	M	1,124	02/23/2003(3)	02/22/2009	Common Stock	1,124

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		

Reporting Owners 3

Shaughnessy Timothy S IBM CORPORATION, NEW ORCHARD ROAD ARMONK, NY 10504

VP, Controller

Signatures

D. Cummins for T. S. Shaughnessy by power-of-attorney

08/06/2007

**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) The price shown reflects the weighted average of multiple sales, ranging from \$113.6100 to \$113.9300 per share.
- (2) The reporting person disclaims beneficial ownership of the securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such securities for purposes of Section 16 or for any other purpose.
- (3) 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. 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.

Signatures 4