

INTERNATIONAL BUSINESS MACHINES CORP
 Form 4
 August 28, 2008

FORM 4

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

OMB APPROVAL

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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)
 08/27/2008

____ 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	(A) or (D)	Price
Common Stock	08/27/2008		M		54,960	A	\$ 97.59
Common Stock	08/27/2008		M		44,045	A	\$ 104.71
Common Stock	08/27/2008		M		50,728	A	\$ 105.96
Common Stock	08/27/2008		S		119,300	D	\$ 124
Common Stock	08/27/2008		S		600	D	\$ 124.01

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Common Stock	08/27/2008	S	1,100	D	\$ 124.02	97,047.6177	D
Common Stock	08/27/2008	S	5,000	D	\$ 124.03	92,047.6177	D
Common Stock	08/27/2008	S	3,800	D	\$ 124.04	88,247.6177	D
Common Stock	08/27/2008	S	5,800	D	\$ 124.05	82,447.6177	D
Common Stock	08/27/2008	S	500	D	\$ 124.055	81,947.6177	D
Common Stock	08/27/2008	S	1,200	D	\$ 124.06	80,747.6177	D
Common Stock	08/27/2008	S	200	D	\$ 124.07	80,547.6177	D
Common Stock	08/27/2008	S	100	D	\$ 124.075	80,447.6177	D
Common Stock	08/27/2008	S	900	D	\$ 124.08	79,547.6177	D
Common Stock	08/27/2008	S	4,833	D	\$ 124.09	74,714.6177	D
Common Stock	08/27/2008	S	300	D	\$ 124.1	74,414.6177	D
Common Stock	08/27/2008	S	3,100	D	\$ 124.11	71,314.6177	D
Common Stock	08/27/2008	S	100	D	\$ 124.115	71,214.6177	D
Common Stock	08/27/2008	S	2,100	D	\$ 124.12	69,114.6177	D
Common Stock	08/27/2008	S	200	D	\$ 124.2	68,914.6177	D
Common Stock	08/27/2008	S	600	D	\$ 124.21	68,314.6177	D

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

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

