

Daniels Michael E
 Form 4
 August 15, 2012

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2015
 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 *
 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, ONE NEW ORCHARD ROAD
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 08/14/2012

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

ARMONK, NY 10504

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

(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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) | Price | | |
| | | | Code | V | Amount | | |
| Common Stock | 08/14/2012 | | S | | 1,231 | D | \$ 198.18 129,001.5566 D |
| Common Stock | 08/14/2012 | | S | | 634 | D | \$ 198.19 128,367.5566 D |
| Common Stock | 08/14/2012 | | S | | 700 | D | \$ 198.2 127,667.5566 D |
| Common Stock | 08/14/2012 | | S | | 1,235 | D | \$ 198.21 126,432.5566 D |
| Common Stock | 08/14/2012 | | S | | 400 | D | \$ 198.215 126,032.5566 D |

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| | | | | | | | |
|--------------|------------|---|-------|---|-------------|--------------|---|
| Common Stock | 08/14/2012 | S | 200 | D | \$ 198.2197 | 125,832.5566 | D |
| Common Stock | 08/14/2012 | S | 900 | D | \$ 198.22 | 124,932.5566 | D |
| Common Stock | 08/14/2012 | S | 1,400 | D | \$ 198.23 | 123,532.5566 | D |
| Common Stock | 08/14/2012 | S | 100 | D | \$ 198.24 | 123,432.5566 | D |
| Common Stock | 08/14/2012 | S | 710 | D | \$ 198.25 | 122,722.5566 | D |
| Common Stock | 08/14/2012 | S | 100 | D | \$ 198.2539 | 122,622.5566 | D |
| Common Stock | 08/14/2012 | S | 500 | D | \$ 198.26 | 122,122.5566 | D |
| Common Stock | 08/14/2012 | S | 1,000 | D | \$ 198.27 | 121,122.5566 | D |
| Common Stock | 08/14/2012 | S | 1,353 | D | \$ 198.28 | 119,769.5566 | D |
| Common Stock | 08/14/2012 | S | 100 | D | \$ 198.29 | 119,669.5566 | D |
| Common Stock | 08/14/2012 | S | 400 | D | \$ 198.3 | 119,269.5566 | D |
| Common Stock | 08/14/2012 | S | 628 | D | \$ 198.31 | 118,641.5566 | D |
| Common Stock | 08/14/2012 | S | 600 | D | \$ 198.32 | 118,041.5566 | D |
| Common Stock | 08/14/2012 | S | 700 | D | \$ 198.33 | 117,341.5566 | D |

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 | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Own Follo Repo |
|--|--|--------------------------------------|--|--------------------------------|--|--|---|--|---------------------------------------|
|--|--|--------------------------------------|--|--------------------------------|--|--|---|--|---------------------------------------|

Disposed
of (D)
(Instr. 3,
4, and 5)

Trans
(Instr

| Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|------|---|-----|-----|---------------------|--------------------|-------|--|
|------|---|-----|-----|---------------------|--------------------|-------|--|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Daniels Michael E IBM CORPORATION ONE NEW ORCHARD ROAD ARMONK, NY 10504 | | | Senior Vice President | |

Signatures

D. Cummins on behalf of M. E.
Daniels

08/15/2012

__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).

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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