

INTERNATIONAL BUSINESS MACHINES CORP

Form 4

May 09, 2007

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

OMB
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(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)
IBM CORPORATION, NEW
ORCHARD ROAD

3. Date of Earliest Transaction
(Month/Day/Year)
05/08/2007

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

(Street)

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

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 or Disposed of (D) (Instr. 3, 4 and 5) (A) or (D)	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	05/08/2007		M	3,125 A	\$ 0 24,247.4236	D	
Common Stock	05/08/2007		F	1,351 D	\$ 102.8 22,896.4236	D	

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

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form
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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 A Underlying S (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Emp. Stock Option (right to buy)	\$ 102.8	05/08/2007		A		11,630		05/08/2010 ⁽¹⁾	05/07/2017 ⁽¹⁾	Common Stock
Rst. Stock Unit	\$ 0 ⁽²⁾	05/08/2007		A ⁽²⁾		8,527		⁽²⁾	⁽²⁾	Common Stock
Rst. Stock Unit	\$ 0 ⁽³⁾	05/08/2007		M ⁽⁴⁾		3,125		⁽³⁾	⁽³⁾	Common Stock
Phantom Stock Unit	\$ 0 ⁽⁵⁾	05/08/2007		A ⁽⁶⁾		27		⁽⁷⁾	⁽⁷⁾	Common Stock

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

05/09/2007

____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) These derivative securities vest 100% on the date exercisable shown. All expire on the expiration date shown above.

(2) Upon lapse of the restrictions, these units are payable in cash or the company's common stock. The restrictions lapse for 2,842 of these units on 05/08/2008, for 2,842 of these units on 05/08/2009, and for the remaining 2,843 of these units on 05/08/2010.

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- (3) These units were payable in cash or the company's common stock upon the lapse of the restrictions on the transaction date shown.
- (4) Release of restricted stock units.
- (5) Phantom stock units convert to the cash value of the company's common stock on a one-for-one basis.
- (6) Acquisition of phantom stock units under the IBM Executive Deferred Compensation Plan.
- (7) Distribution of phantom stock units under the IBM Executive Deferred Compensation Plan is deferred until separation from the company.

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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