

Daniels Michael E
 Form 4
 May 07, 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 *
 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)
 ___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 Senior Vice President

(Last) (First) (Middle)
 IBM CORPORATION, 294 ROUTE 100
 (Street)
 SOMERS, NY 10589
 (City) (State) (Zip)

3. Date of Earliest Transaction (Month/Day/Year)
 05/06/2008
 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

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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	05/06/2008		M		1,124	A	\$ 88.955
Common Stock	05/06/2008		M		27,076	A	\$ 88.955
Common Stock	05/06/2008		S		200	D	\$ 120.8
Common Stock	05/06/2008		S		200	D	\$ 120.81
Common Stock	05/06/2008		S		100	D	\$ 120.82

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Common Stock	05/06/2008	S	1,300	D	\$ 120.83	64,736.1154	D
Common Stock	05/06/2008	S	946	D	\$ 120.84	63,790.1154	D
Common Stock	05/06/2008	S	100	D	\$ 120.845	63,690.1154	D
Common Stock	05/06/2008	S	1,700	D	\$ 120.85	61,990.1154	D
Common Stock	05/06/2008	S	400	D	\$ 120.86	61,590.1154	D
Common Stock	05/06/2008	S	1,600	D	\$ 120.87	59,990.1154	D
Common Stock	05/06/2008	S	900	D	\$ 120.875	59,090.1154	D
Common Stock	05/06/2008	S	2,600	D	\$ 120.88	56,490.1154	D
Common Stock	05/06/2008	S	800	D	\$ 120.9	55,690.1154	D
Common Stock	05/06/2008	S	500	D	\$ 120.92	55,190.1154	D
Common Stock	05/06/2008	S	300	D	\$ 120.93	54,890.1154	D
Common Stock	05/06/2008	S	300	D	\$ 120.96	54,590.1154	D
Common Stock	05/06/2008	S	400	D	\$ 121	54,190.1154	D
Common Stock	05/06/2008	S	1,400	D	\$ 121.01	52,790.1154	D
Common Stock	05/06/2008	S	2,480	D	\$ 121.02	50,310.1154	D
Common Stock	05/06/2008	S	600	D	\$ 121.025	49,710.1154	D
Common Stock	05/06/2008	S	1,000	D	\$ 121.027	48,710.1154	D
Common Stock	05/06/2008	S	250	D	\$ 121.0275	48,460.1154	D
Common Stock	05/06/2008	S	1,000	D	\$ 121.03	47,460.1154	D
Common Stock	05/06/2008	S	2,700	D	\$ 121.04	44,760.1154	D

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 sales 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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