Clementi Erich Form 4 February 17, 2011

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

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

Section 16. Form 4 or Form 5 obligations may continue. See Instruction

Check this box

if no longer

subject to

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

SECURITIES

1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person * Clementi Erich

2. Issuer Name and Ticker or Trading

Symbol

INTERNATIONAL BUSINESS

3. Date of Earliest Transaction

5. Relationship of Reporting Person(s) to

Issuer

below)

MACHINES CORP [IBM]

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

(Check all applicable)

(Month/Day/Year)

02/16/2011

Senior Vice President

IBM CORPORATION, ONE NEW ORCHARD ROAD

(Middle)

(First)

(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

Δ	R٦	IO	NK	NY	104	504

(City)	(State)	(Zip) Tal	able I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned								
1.Title of Security (Instr. 3)	2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if any (Month/Day/Year)		3. Transactio Code (Instr. 8)	4. Securities Acquired (A) or or Disposed of (D) (Instr. 3, 4 and 5) (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			Code V	Amount	(D)	Price	(IIIstr. 3 and 4)				
Stock	02/16/2011		M	23,555	A	\$ 104.3	44,006.923	D			
Common Stock	02/16/2011		S	200	D	\$ 163.235	43,806.923	D			
Common Stock	02/16/2011		S	300	D	\$ 163.24	43,506.923	D			
Common Stock	02/16/2011		S	900	D	\$ 163.245	42,606.923	D			
Common Stock	02/16/2011		S	1,300	D	\$ 163.25	41,306.923	D			

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Common Stock	02/16/2011	S	100	D	\$ 163.2575	41,206.923	D
Common Stock	02/16/2011	S	500	D	\$ 163.26	40,706.923	D
Common Stock	02/16/2011	S	585	D	\$ 163.27	40,121.923	D
Common Stock	02/16/2011	S	100	D	\$ 163.274	40,021.923	D
Common Stock	02/16/2011	S	100	D	\$ 163.275	39,921.923	D
Common Stock	02/16/2011	S	1,014	D	\$ 163.28	38,907.923	D
Common Stock	02/16/2011	S	162	D	\$ 163.285	38,745.923	D
Common Stock	02/16/2011	S	1,021	D	\$ 163.29	37,724.923	D
Common Stock	02/16/2011	S	100	D	\$ 163.2901	37,624.923	D
Common Stock	02/16/2011	S	249	D	\$ 163.295	37,375.923	D
Common Stock	02/16/2011	S	1,419	D	\$ 163.3	35,956.923	D
Common Stock	02/16/2011	S	500	D	\$ 163.304	35,456.923	D
Common Stock	02/16/2011	S	312	D	\$ 163.305	35,144.923	D
Common Stock	02/16/2011	S	300	D	\$ 163.308	34,844.923	D
Common Stock	02/16/2011	S	3,736	D	\$ 163.31	31,108.923	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	2.	3. Transaction Date	3A. Deemed	4.	5. Number of	6. Date Exercisable and	7. Title and Amount o
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transactio	orDerivative	Expiration Date	Underlying Securities
Security	or Exercise		any	Code	Securities	(Month/Day/Year)	(Instr. 3 and 4)
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Acquired (A)		

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Derivative or Disposed of Security (D)

(Instr. 3, 4, and 5)

Code V (A) (D) Date Exercisable Expiration

Expiration T Date

Title

Amount or Number

of Share

Emp.

Stock Option

\$ 104.3 02/16/2011

M

23,555 02/26/2006(1) 02/25/2012

012 Common Stock

mon ock 23,553

(right to buy)

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Clementi Erich

IBM CORPORATION ONE NEW ORCHARD ROAD ARMONK, NY 10504 Senior Vice

President

Signatures

D. Cummins on behalf of E. Clementi

02/17/2011

**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) This grant vested in four equal annual installments; the last installment vested on the date shown above.

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. 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.

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