Arnold Colleen F. Form 4 February 03, 2012

FORM 4

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

OMB Number: 3235-0287

January 31,

OMB APPROVAL

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires. 2005
Estimated average burden hours per response... 0.5

Expires:

Form 4 or Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Ad Arnold Collect	•	ing Person *	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) (Midd IBM CORPORATION, 294 RO 100		(Middle) 94 ROUTE	3. Date of Earliest Transaction (Month/Day/Year) 02/01/2012	Director 10% Owner Officer (give title Other (specification) 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			
SOMERS, N	Y 10589			Person			

(City)	(State)	(Zip) Tab	le I - Non-	Derivative Secur	ities Acqui	ired, Disposed of,	or Beneficiall	y 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 According Disposed of (Instr. 3, 4 and 5)	D)	5. Amount of Securities Beneficially Owned Following Reported	6. Ownership Form: Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	02/01/2012		Code V A(1)	Amount (D) 26,068 A	Price \$ 0	Transaction(s) (Instr. 3 and 4) 48,808.6918	(Instr. 4)	
Common					¢			

		Code V	Amount	or (D)	Price	(Instr. 3 and 4)	,	
Common Stock	02/01/2012	A(1)	26,068	A	\$0	48,808.6918	D	
Common Stock	02/01/2012	F	11,320	D	\$ 193.61	37,488.6918	D	
Common Stock						3,524	I (2)	trust
Common Stock						370	I (2)	daughter
Common Stock						370	I (2)	son

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

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SEC 1474 (9-02)

9. Nu Deriv Secur Bene Own Follo Repo Trans

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.	6. Date Exerc	isable and	7. Title	and	8. Price of
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transac	ctionNumber	Expiration Da	ate	Amour	nt of	Derivative
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Underl	ying	Security
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8	Derivative	e		Securit	ties	(Instr. 5)
	Derivative				Securities			(Instr.	3 and 4)	
	Security				Acquired					
					(A) or					
					Disposed					
					of (D)					
					(Instr. 3,					
					4, and 5)					
									Amount	
						Date	Expiration		or	
						Exercisable	Date		Number	
									of	
				Code	V (A) (D)				Shares	

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Arnold Colleen F. IBM CORPORATION 294 ROUTE 100 SOMERS, NY 10589

Senior Vice President

Signatures

D. Cummins on behalf of C. F. Arnold

02/03/2012

**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).
- These shares result from performance share units which vested at the end of the performance period (2009-2011) and were payable in cash or the company's common stock on the transaction date shown.
- (2) The reporting person disclaims beneficial ownership of the securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such securities for purposes of Section 16 or for any other purpose.

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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