LOUGHRIDGE MARK
Form 4
July 25, 2008

FORM 4

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

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
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
LOUGHRIDGE MARK

(Last) (First) (Middle)

IBM CORPORATION, NEW ORCHARD ROAD

(Street)

ARMONK, NY 10504

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
INTERNATIONAL BUSINESS MACHINES CORP [IBM]

3. Date of Earliest Transaction (Month/Day/Year)
07/24/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Sr. VP and CFO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	07/24/2008		M		28,881	A	$ 78.13	60,525.866	D	
Common Stock	07/24/2008		M		10,388	A	$ 83.16	70,913.866	D	
Common Stock	07/24/2008		M		562	A	$ 88.955	71,475.866	D	
Common Stock	07/24/2008		M		14,138	A	$ 88.955	85,613.866	D	
Common Stock	07/24/2008		S		200	D	$ 129.81	85,413.866	D	

Common Stock	07/24/2008	S	730	D	$ 129.82	84,683.866	D
Common Stock	07/24/2008	S	400	D	$ 129.825	84,283.866	D
Common Stock	07/24/2008	S	300	D	$ 129.8275	83,983.866	D
Common Stock	07/24/2008	S	300	D	$ 129.83	83,683.866	D
Common Stock	07/24/2008	S	100	D	$ 129.8325	83,583.866	D
Common Stock	07/24/2008	S	2,000	D	$ 129.835	81,583.866	D
Common Stock	07/24/2008	S	500	D	$ 129.84	81,083.866	D
Common Stock	07/24/2008	S	3,073	D	$ 129.87	78,010.866	D
Common Stock	07/24/2008	S	500	D	$ 129.88	77,510.866	D
Common Stock	07/24/2008	S	4,200	D	$ 129.89	73,310.866	D
Common Stock	07/24/2008	S	1,600	D	$ 129.9	71,710.866	D
Common Stock	07/24/2008	S	300	D	$ 129.91	71,410.866	D
Common Stock	07/24/2008	S	600	D	$ 129.92	70,810.866	D
Common Stock	07/24/2008	S	2,300	D	$ 129.93	68,510.866	D
Common Stock	07/24/2008	S	400	D	$ 129.94	68,110.866	D
Common Stock	07/24/2008	S	400	D	$ 129.95	67,710.866	D
Common Stock	07/24/2008	S	12,000	D	$ 129.9525	55,710.866	D
Common Stock	07/24/2008	S	1,900	D	$ 129.955	53,810.866	D
Common Stock	07/24/2008	S	600	D	$ 129.96	53,210.866	D
Common Stock	07/24/2008	S	3,127	D	$ 129.97	50,083.866	D

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

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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 Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Emp. Stock Option (right to buy)	$ 88.955	07/24/2008		M			14,138	02/23/2003[(1)]	02/22/2009	Common Stock	14,138
Emp. Stock Option (right to buy)	$ 83.16	07/24/2008		M			10,388	05/01/2006[(1)]	04/30/2012	Common Stock	10,388
Emp. Stock Option (right to buy)	$ 78.13	07/24/2008		M			28,881	02/25/2007[(1)]	02/24/2013	Common Stock	28,881
Emp. Stock Option (right to buy)	$ 88.955	07/24/2008		M			562	02/23/2003[(1)]	02/22/2009	Common Stock	562

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LOUGHRIDGE MARK IBM CORPORATION			Sr. VP and CFO	

NEW ORCHARD ROAD
ARMONK, NY 10504

Signatures

D. Cummins for M. Loughridge by power-of-attorney	07/25/2008
**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 sales will be shown on a subsequent Form 4.

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