

INTERNATIONAL BUSINESS MACHINES CORP
 Form FWP
 February 04, 2015

Filed Pursuant to Rule 433

Registration Number 333-190160

International Business Machines Corporation
February 3, 2015
Pricing Term Sheet

Floating Rate Notes due 2018

1.125% Notes due 2018

| | |
|-----------------------------|--|
| Issuer | International Business Machines Corporation |
| Expected Issuer Ratings* | Aa3/AA-/A+ (Moody s/S&P/Fitch) |
| Format | SEC Registered |
| Trade Date | February 3, 2015 |
| Settlement Date | February 6, 2015 (T+3) |
| Joint Book-Running Managers | Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Mitsubishi UFJ Securities (USA), Inc. and Wells Fargo Securities, LLC |
| Co-Managers | PNC Capital Markets LLC, SMBC Nikko Securities America, Inc., Blaylock Beal Van, LLC and Lebenthal & Co., LLC |

| | 2018 Floating Rate Notes | 2018 Notes |
|-----------------------------|---|-------------------------|
| Size | \$500,000,000 | \$1,500,000,000 |
| Maturity | February 6, 2018 | February 6, 2018 |
| Interest Payment Dates | Quarterly on February 6, May 6, August 6 and November 6 | February 6 and August 6 |
| First Interest Payment Date | May 6, 2015 | August 6, 2015 |
| Coupon | Spread to LIBOR: + 19 bps | 1.125% |

Designated LIBOR page: Reuters Screen
 LIBOR01 Page

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Index Maturity: 3 Months

Interest Reset Period: Quarterly

Interest Reset Dates: February 6, May 6,
August 6 and November 6

Initial Interest Rate: Three month LIBOR
plus 19 bps, determined on February 4,
2015

| | | |
|------------------------------|--|-----------------------------|
| Benchmark Treasury | Not Applicable | 0.875% due January 15, 2018 |
| Benchmark Treasury Yield | Not Applicable | 0.829% |
| Spread to Benchmark Treasury | Not Applicable | T + 40 bps |
| Yield to Maturity | Not Applicable | 1.229% |
| Make-Whole Call | Not Applicable | T + 7.5 bps |
| Par Call | Not Applicable | Not Applicable |
| Price to Public | 100% | 99.695% |
| Underwriting Discount | 0.15% | 0.15% |
| Day Count | Actual/360, Modified Following Business Day | 30/360 |

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| | | |
|----------------------|------------------------------------|------------------------------------|
| Minimum Denomination | \$100,000 and multiples of \$1,000 | \$100,000 and multiples of \$1,000 |
| CUSIP | 459200 JA0 | 459200 HZ7 |
| ISIN | US459200JA05 | US459200HZ73 |

***Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.**

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Citigroup Global Markets Inc. toll-free at 1-800-831-9146, Merrill Lynch, Pierce, Fenner & Smith Incorporated toll-free at 1-800-294-1322, Mitsubishi UFJ Securities (USA), Inc. toll-free at 1-877-649-6848 and Wells Fargo Securities, LLC toll-free at 1-800-645-3751.

This pricing term sheet supplements the preliminary form of prospectus supplement issued by International Business Machines Corporation on February 3, 2015 relating to its prospectus dated July 26, 2013.
