

INTERNATIONAL BUSINESS MACHINES CORP
Form FWP
October 31, 2014

Filed Pursuant to Rule 433

Registration Number 333-190160

International Business Machines Corporation

October 31, 2014

Pricing Term Sheet

Floating Rate Notes due 2021

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| Issuer | International Business Machines Corporation |
| Expected Issuer Ratings* | Aa3/AA-/A+ (Moody s/S&P/Fitch) |
| Format | SEC Registered |
| Trade Date | October 31, 2014 |
| Settlement Date | November 6, 2014 (T+4) |
| Issue Date | November 6, 2014 |
| Sole Bookrunning Manager | J.P. Morgan Securities LLC |
| Size | \$1,100,000,000 |
| Status | Senior Unsecured, Unsubordinated |
| Maturity | November 6, 2021 |
| Interest Payment Dates | Quarterly on February 6, May 6, August 6 and November 6 |
| First Interest Payment Date | February 6, 2015 |
| Spread to LIBOR | + 58bps |
| Designated LIBOR Page | Reuters Screen LIBOR01 Page |
| Index Maturity | 3 Months |
| Interest Reset Period | Quarterly |
| Business Days | New York & London |
| Interest Reset Dates | February 6, May 6, August 6 and November 6 |

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| Initial Interest Rate | Three month LIBOR plus 58bps, determined on November 4, 2014 |
| Interest Accrual Commencement Date | November 6, 2014 |
| Make-Whole Call | Not Applicable |
| Par Call | Not Applicable |
| Price to Public | 100.000% |
| Underwriting Discount | 0.25% |
| Redemption Price | 100.000% |
| Day Count | Actual/360, Adjusted, Modified Following Business Day |
| Minimum Denomination | \$100,000 and multiples of \$1,000 |
| CUSIP | 459200 HX2 |
| ISIN | US459200HX26 |
| Settlement | IBM will deliver the Notes to the underwriter at the closing of this offering when the underwriter pays IBM the purchase price of the Notes. The underwriting agreement provides that the closing will occur on November 6, 2014, which is four business days after the date of the prospectus supplement. Rule 15c6-1 under the Securities Exchange Act of 1934 generally requires that securities trades in the secondary market settle in three business days, unless the parties to a trade expressly agree otherwise. |

Certain investors have indicated an interest in purchasing a significant principal amount of the securities, which could adversely impact liquidity and the trading market for these securities.

***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, the underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling J.P. Morgan Securities LLC at (212) 834-4533 (collect).

This pricing term sheet supplements the preliminary form of prospectus supplement issued by International Business Machines Corporation on October 31, 2014 relating to its Prospectus dated July 26, 2013.
