

INTERNATIONAL BUSINESS MACHINES CORP
Form FWP
July 30, 2013

Filed Pursuant to Rule 433

Registration Number 333-190160

International Business Machines Corporation
July 29, 2013
Pricing Term Sheet

3.375% Notes due 2023

Floating Rate Notes due 2015

| | | |
|------------------------------|--|--|
| Issuer | International Business Machines Corporation | |
| Expected Issuer Ratings* | Aa3/AA-/A+ (Moody s/S&P/Fitch) | |
| Format | SEC Registered | |
| Trade Date | July 29, 2013 | |
| Settlement Date | (T+3); August 1, 2013 | |
| Joint Bookrunning Managers | Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, J.P. Morgan Securities LLC and Morgan Stanley & Co. LLC | |
| Co-Managers | Lebenthal & Co., LLC, Loop Capital Markets LLC, Mitsubishi UFJ Securities (USA), Inc. and Santander Investment Securities Inc. | |
| | <u>2023 Notes</u> | <u>Floating Rate Notes</u> |
| Size | \$1,500,000,000 | \$650,000,000 |
| Maturity | August 1, 2023 | July 29, 2015 |
| Interest Payment Dates | February 1 and August 1 | Quarterly on January 29, April 29, July 29 and October 29 |
| First Interest Payment Date | February 1, 2014 | October 29, 2013 |
| Coupon | 3.375% | Spread to LIBOR: + 3 bps Designated LIBOR Reuters Screen LIBOR01 page: Index Maturity: 3 Months Interest Reset Period: Quarterly Interest Reset Dates: January 29, April 29, July 29 and October 29 Initial Interest Rate: Three month LIBOR plus 3 bps, determined on July 30, 2013 |
| Benchmark Treasury | 1.750% due May 15, 2023 | Not Applicable |
| Benchmark Treasury Yield | 2.583% | Not Applicable |
| Spread to Benchmark Treasury | T + 83 bps | Not Applicable |
| Yield to Maturity | 3.413% | Not Applicable |
| Make-Whole Call | T + 12.5 bps | Not Applicable |
| Par Call | Not Applicable | Not Applicable |
| Price to Public | 99.680% | 100% |
| Underwriting Discount | 0.40% | 0.10% |
| Day Count | 30/360 | Actual/360, Modified Following Business Day |
| Minimum Denomination | \$100,000 and multiples of \$1,000 | \$100,000 and multiples of \$1,000 |

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CUSIP
ISIN

459200 HP9
US459200HP91

459200 HN4
US459200HN44

***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 (800) 831-9146, Credit Suisse Securities (USA) LLC toll-free at (800) 221-1037, J.P. Morgan Securities LLC at (212) 834-4533 and Morgan Stanley & Co. LLC toll-free at (866) 718-1649.

This pricing term sheet supplements the preliminary form of prospectus supplement issued by International Business Machines Corporation on July 29, 2013 relating to its Prospectus dated July 26, 2013.
