

INTERNATIONAL BUSINESS MACHINES CORP
Form FWP
November 19, 2014

Filed Pursuant to Rule 433

Registration Number 333-190160

1,000,000,000 1.250% Notes Due May 26, 2023
International Business Machines Corporation
November 19, 2014
Pricing Term Sheet

| | |
|----------------------------|--|
| Issuer | International Business Machines Corporation |
| Issuer Ratings* | Aa3/AA-/A+ (Moody s/S&P/Fitch) |
| Format | SEC Registered |
| Form | Registered Form |
| Trade Date | November 19, 2014 |
| Settlement Date | November 26, 2014 (T+5) |
| Listing | Application will be made to list the Notes on the New York Stock Exchange |
| Bookrunners | Barclays Bank PLC, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch and The Royal Bank of Scotland plc |
| Co-Managers | Banco Santander, S.A. and Banca IMI S.p.A. |
| Size | 1,000,000,000 |
| Maturity | May 26, 2023 |
| Interest Payment Date | May 26 of each year |
| First Payment Date | May 26, 2015 |
| Benchmark Bund | DBR 1.500% due May 15, 2023 |
| Benchmark Bund Yield | 0.639% |
| Spread to Benchmark Bund | +63.9 bps |
| Mid Swaps Yield | 0.878% |
| Spread to Mid Swaps | +40 bps |
| Yield to Maturity | 1.278% |
| Coupon | 1.250% (payable annually) |
| Make-Whole Call | |
| Reference Bund | DBR 1.500% due May 15, 2023 |
| Spread to Reference Bund | +10 bps |
| Price to Public | 99.778% |
| Underwriting Discount | 0.325% |
| Price to Issuer | 99.453% |
| Day Count | Actual / Actual (ICMA) |
| Minimum Denomination | 100,000 and integral multiples of 1,000 in excess thereof |
| CUSIP / ISIN / Common Code | 459200 HY0 / XS1143163183 / 114316318 |

***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

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the prospectus if you request it by calling Barclays Bank PLC at (888) 603-5847, Credit Suisse Securities (Europe) Limited at (800) 221-1037, Deutsche Bank AG, London Branch at (800) 503-4611 or The Royal Bank of Scotland plc at (866) 884-2071.

This pricing term sheet supplements the preliminary form of prospectus supplement issued by International Business Machines Corporation on November 19, 2014 relating to its Prospectus dated July 26, 2013.
