




**International Business Machines**

IBM NYSE

IT Services / Consulting

Market Capitalization USD: **\$213,260.30 mm****CONCERN LEVEL: AVERAGE**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap. 
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket. 

CEO: Virginia M. Rometty**Age: 54****CEO Since: 2012**

	2009	2010	2011
Base Salary	\$1,800,000	\$1,800,000	\$1,800,000
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$4,750,000	\$9,000,000	\$6,500,000
Benefits and Perquisites	\$1,091,888	\$1,061,231	\$1,614,300
TOTAL ANNUAL COMPENSATION	\$7,641,888	\$11,861,231	\$9,914,300
Increase in Post-Retirement Benefits	\$3,154,506	\$6,537,927	\$7,577,053
Stock Option Awards	\$0	\$0	\$0
Stock Awards	\$13,517,401	\$13,319,450	\$14,307,565
TOTAL COMPENSATION	\$24,313,795	\$31,718,608	\$31,798,918
Median of Other Named Executive Officers Total Compensation	\$5,715,043	\$6,749,354	\$8,105,133
Value Realized on Exercise of Stock Option	\$1,517,989	\$3,934,190	\$25,019,580
Value Realized on Vesting of Stock	\$16,044,219	\$14,521,418	\$20,776,201
TOTAL REALIZED EQUITY COMPENSATION	\$17,562,208	\$18,455,608	\$45,795,781

Proxy Date: 12 Mar 2012

Annual Meeting Date: 24 Apr 2012

Equity Reserves: 14.10%

Stock Option Run Rate: 0.00%

International Business Machines

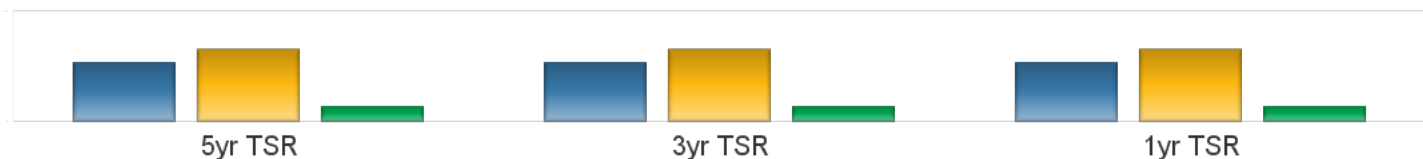
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Performance Comparison

■ vs S&P500 ■ vs Industry ■ IBM



Peer Comparisons (TRBC) = Technology

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
IBM	International Business Machines	\$24,313,795	\$31,718,608	\$31,798,918	\$213,260,304,037
ORCL	Oracle Corporation	\$56,810,851	\$70,143,075		\$144,981,861,480
QCOM	QUALCOMM Incorporated	\$18,896,413	\$17,626,939	\$21,722,333	\$81,685,722,937
GOOG	Google Inc.	\$245,322	\$313,219		\$166,300,113,455
CSCO	Cisco Systems, Inc.	\$10,270,083	\$18,871,875		\$83,434,249,818
MSFT	Microsoft Corporation	\$1,276,627	\$1,351,121		\$208,535,035,313
INTC	Intel Corporation	\$14,581,900	\$15,652,500		\$112,030,085,000

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps.

Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Accenture, Dell, Microsoft, Archer Daniels Midland, Dow Chemical, Motorola Solutions, AT&T, EMC, PepsiCo, Boeing, Ford, Pfizer, Bunge, General Electric, Procter & Gamble, Caterpillar, Google, United Technologies, Chevron, Hewlett-Packard, UPS, Cisco Systems, Intel, Verizon, ConocoPhillips, Johnson & Johnson, Xerox, , Lockheed Martin.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Sidnev Taurel	Chairman	63	Male	11	Outside Related
Alain J. P. Belda	Member	68	Male	4	Outside
Andrew N. Liveris	Member	57	Male	2	Outside
W. James McNeer	Member	62	Male	3	Outside

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