

ILLINOIS TOOL WORKS INC  
 Form 4  
 February 14, 2017

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Schlitz Lei Zhang

2. Issuer Name and Ticker or Trading Symbol  
 ILLINOIS TOOL WORKS INC [ITW]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 155 HARLEM AVE.  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/10/2017

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Executive Vice President

GLENVIEW, IL 60025  
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	02/13/2017		M		16,207 A \$ 55.81	16,299	D
Common Stock	02/13/2017		S		16,207 D \$ 129.43	92	D
Common Stock	02/13/2017		M		17,422 A \$ 55.71	17,514	D
Common Stock	02/13/2017		S		17,422 D \$ 129.55	92	D
						4,024	I

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Common  
Stock

SEE  
FOOTNOTE  
(3)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlying (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Employee Stock Option	\$ 55.81	02/13/2017		M	16,207	02/11/2012	02/11/2021	Common Stock
Employee Stock Option	\$ 78.59					02/14/2015 <sup>(4)</sup>	02/14/2024	Common Stock
Employee Stock Option	\$ 91.88					02/12/2017 <sup>(4)</sup>	02/12/2026	Common Stock
Employee Stock Option	\$ 63.25					02/15/2014 <sup>(4)</sup>	02/15/2023	Common Stock
Employee Stock Option	\$ 98.26					02/13/2016 <sup>(4)</sup>	02/13/2025	Common Stock
Employee Stock Option	\$ 55.71	02/13/2017		M	17,422	02/10/2013	02/10/2022	Common Stock
Restricted Stock Unit (granted 02/13/15) <sup>(5)</sup>	\$ 0					<u>(6)</u>	<u>(6)</u>	Common Stock
Restricted Stock Unit (granted 02/14/2014) <sup>(5)</sup>	\$ 0					<u>(6)</u>	<u>(6)</u>	Common Stock
Performance Restricted Stock Unit	\$ 0					<u>(8)</u>	<u>(8)</u>	Common Stock

(granted  
2/12/2016)  
(7)

Employee Stock Option \$ 128 02/10/2017 A 18,635 02/10/2018(4) 02/10/2027 Common Stock

Performance Share Units (granted 2/10/17) (7)

\$ 0 02/10/2017 A 1,953 (8) (8) Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Schlitz Lei Zhang 155 HARLEM AVE. GLENVIEW, IL 60025			Executive Vice President	

## Signatures

Lei Zhang Schlitz, by Janet O. Love, Deputy General Counsel & Assistant Secretary, Attorney-In-Fact on File 02/14/2017

Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

This transaction was executed in multiple trades at prices ranging from \$129.32 to \$129.51. The price reported above reflects the

(1) weighted average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, Illinois Tool Works Inc. or a shareholder of Illinois Tool Works Inc. full information regarding the number of shares and prices at which the transaction was effected.

This transaction was executed in multiple trades at prices ranging from \$129.31 to \$129.59. The price reported above reflects the

(2) weighted average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, Illinois Tool Works Inc. or a shareholder of Illinois Tool Works Inc. full information regarding the number of shares and prices at which the transaction was effected.

(3) Shares of common stock allocated to my account in the Illinois Tool Works Inc. Savings & Investment Plan--Information reported as of February 10, 2017.

(4) Options vest in four (4) equal annual installments beginning one year from date of grant.

(5) Each restricted stock unit (RSU) represents a contingent right to receive one share of the Company's common stock.

(6) Each RSU vests 100% three years from the date of grant.

(7) Each performance restricted stock unit (PRSU) and performance share unit (PSU) represents a contingent right to receive one share of the Company's common stock.

(8) Each PRSU and PSU vests 100% three years from date of grant if performance goals are met.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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