

Schlitz Lei Zhang  
Form 4  
February 15, 2018

**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)  
02/13/2018

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

GLENVIEW, IL 60025

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

(City) (State) (Zip)

**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)
				(A) or (D)	Price		
Common Stock	02/13/2018		M	1,356	A \$ 0	2,368	D
Common Stock	02/13/2018		F	421	D \$ 161.85	1,947	D
Common Stock						4,091	I SEE FOOTNOTE (1)

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

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SEC 1474 (9-02)

displays a currently valid OMB control number.

**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 Amount of Underlying Security (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option	\$ 78.59					02/14/2015	02/14/2024	Common Stock	8,8
Employee Stock Option	\$ 91.88					02/12/2017 <sup>(2)</sup>	02/12/2026	Common Stock	13,
Employee Stock Option	\$ 63.25					02/15/2014	02/15/2023	Common Stock	13,
Employee Stock Option	\$ 98.26					02/13/2016 <sup>(2)</sup>	02/13/2025	Common Stock	6,4
Employee Stock Option	\$ 128					02/10/2018 <sup>(2)</sup>	02/10/2027	Common Stock	18,
Restricted Stock Unit (granted 02/13/15) <sup>(3)</sup>	\$ 0	02/13/2018		M	1,356	<sup>(4)</sup>	<sup>(4)</sup>	Common Stock	1,3
Performance Restricted Stock Unit (granted 2/12/2016) <sup>(3)</sup>	\$ 0					<sup>(5)</sup>	<sup>(5)</sup>	Common Stock	2,9
Performance Share Units (granted 2/10/17) <sup>(3)</sup>	\$ 0					<sup>(5)</sup>	<sup>(5)</sup>	Common Stock	1,9

## 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

02/15/2018

\_\_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).
- (1) Shares of common stock allocated to my account in the Illinois Tool Works Inc. Savings & Investment Plan--Information reported as of February 13, 2018.
- (2) Options vest in four (4) equal annual installments beginning one year from date of grant.
- (3) Each restricted stock unit (RSU), performance restricted stock unit (PRSU) and performance share unit (PSU) represents a contingent right to receive one share of the Company's common stock.
- (4) The RSU award became vested and payable on February 13, 2018.
- (5) Each PRSU and PSU vests 100% three years from date of grant if performance goals are met. In addition, PSU amounts above include accrue dividend equivalent rights payable upon vesting.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.