

Schlitz Lei Zhang  
Form 4  
February 20, 2019

**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)  
02/15/2019

\_\_\_\_ Director  
 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)
				(A) or (D)	Price		
Common Stock	02/15/2019		M	2,993	A \$ 0	4,940	D
Common Stock	02/15/2019		F	905	D \$ 138.64	4,035	D
Common Stock						4,200	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)

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**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 Security (Instr. 3 and 4)		
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title
Employee Stock Option	\$ 78.59						02/14/2015	02/14/2024	Common Stock
Employee Stock Option	\$ 91.88						02/12/2017 <sup>(2)</sup>	02/12/2026	Common Stock
Employee Stock Option	\$ 63.25						02/15/2014	02/15/2023	Common Stock
Employee Stock Option	\$ 98.26						02/13/2016	02/13/2025	Common Stock
Employee Stock Option	\$ 128						02/10/2018 <sup>(2)</sup>	02/10/2027	Common Stock
Employee Stock Option	\$ 163.36						02/15/2019 <sup>(2)</sup>	02/15/2028	Common Stock
Performance Restricted Stock Unit (granted 2/12/2016) <sup>(3)</sup>	\$ 0	02/15/2019		M		2,993	<sup>(4)</sup>	<sup>(4)</sup>	Common Stock
Performance Share Units (granted 2/10/17) <sup>(3)</sup> <sup>(5)</sup>	\$ 0						<sup>(6)</sup>	<sup>(6)</sup>	Common Stock
Performance Share Units (granted 2/15/18) <sup>(3)</sup> <sup>(5)</sup>	\$ 0						<sup>(6)</sup>	<sup>(6)</sup>	Common Stock
Employee Stock Option	\$ 144.21	02/15/2019		A		16,006	02/15/2020 <sup>(2)</sup>	02/15/2029	Common Stock
	\$ 0	02/15/2019		A		1,906	<sup>(6)</sup>	<sup>(6)</sup>	

Performance  
 Share Units  
 (granted  
 2/15/19) <sup>(3)</sup>  
(5)

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

02/20/2019

        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 15, 2019.
- (2) Options vest in four (4) equal annual installments beginning one year from date of grant.
- (3) 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.
- (4) The PRSU award became vested and payable on February 15, 2019.
- (5) PSUs accrue dividends in shares of common stock, subject to fulfillment of vesting period and performance goals; the PSUs shown include dividend equivalents, if any, accrued to date.
- (6) Each 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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