

ILLINOIS TOOL WORKS INC  
Form 424B5  
February 18, 2014  
Table of Contents

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File No. 333-183449

**The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**Subject to Completion**

**Preliminary Prospectus Supplement dated February 18, 2014**

**Prospectus Supplement**

**(To Prospectus dated August 21, 2012)**

\$

**ILLINOIS TOOL WORKS INC.**

\$ % Notes due

\$ % Notes due

\$ % Notes due

This is an offering by Illinois Tool Works Inc. of \$ aggregate principal amount of % notes due (the notes ), \$ aggregate principal amount of % notes due (the notes ), and \$ aggregate principal amount of % notes due (the notes ). The notes, the notes and the notes are collectively referred to as the notes.

Interest on the notes will be paid semi-annually in arrears on and of each year, beginning on , 2014. The notes will mature on , the notes will mature on , and the notes will mature on . We may redeem the notes, at any time in whole or from time to time in part,

at the redemption prices described in this prospectus supplement under the caption Description of Notes Optional Redemption.

The notes will be our unsecured senior debt obligations and will rank equally with all of our other unsecured senior indebtedness from time to time outstanding. The notes will not be convertible or exchangeable.

We do not intend to apply for listing of the notes on any securities exchange. Currently, there is no public market for the notes.

**Investing in our notes involves risks that are described under Risk Factors beginning on page S-6 of this prospectus supplement.**

		Public offering price(1)	Underwriting discount	Proceeds, before expenses, to us
Per	Note	%	%	%
Total for	Notes	\$	\$	\$
Per	Note	%	%	%
Total for	Notes	\$	\$	\$
Per	Note	%	%	%
Total for	Notes	\$	\$	\$
Total		\$	\$	\$

(1) Plus accrued interest, if any, from \_\_\_\_\_, 2014, if settlement occurs after that date.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

We expect that delivery of the notes will be made to investors in book-entry form through the facilities of The Depository Trust Company and its direct and indirect participants, including Clearstream Banking, *société anonyme*, and Euroclear Bank, S.A./N.V., as operator of the Euroclear System, on or about \_\_\_\_\_, 2014.

***Joint Book-Running Managers***

**BofA Merrill Lynch**

**Citigroup**

**Goldman, Sachs & Co.**

**J.P. Morgan**

**Prospectus Supplement dated February , 2014**

**Table of Contents**

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different or additional information with respect to this offering. If any person provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should only assume that the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of the date on the front of the respective document. Our business, properties, financial condition, results of operations and prospects may have changed since those dates.

**TABLE OF CONTENTS**

	<b>Page</b>
<b>Prospectus Supplement</b>	
<u>About This Prospectus Supplement</u>	S-ii
<u>Forward-Looking Statements</u>	S-iii
<u>Where You Can Find More Information</u>	S-iii
<u>Summary</u>	S-1
<u>Risk Factors</u>	S-6
<u>Use of Proceeds</u>	S-8
<u>Ratio of Earnings to Fixed Charges</u>	S-8
<u>Selected Consolidated Financial Data</u>	S-9
<u>Capitalization</u>	S-11
<u>Description of Notes</u>	S-12
<u>Material United States Federal Income Tax Consequences</u>	S-22
<u>Underwriting</u>	S-29
<u>Legal Matters</u>	S-33
<u>Experts</u>	S-33
<b>Page</b>	
<b>Prospectus</b>	
<u>About This Prospectus</u>	1
<u>Where You Can Find More Information</u>	2
<u>Forward-Looking Statements</u>	3
<u>The Company</u>	4
<u>Ratio of Earnings to Fixed Charges</u>	5
<u>Use of Proceeds</u>	5
<u>Description of Debt Securities</u>	5
<u>Plan of Distribution</u>	13
<u>Legal Matters</u>	15
<u>Experts</u>	15

**Table of Contents**

**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which contains the terms of this offering of notes. The second part is the prospectus dated as of August 21, 2012, which was originally filed as part of our Registration Statement on Form S-3.

This prospectus supplement may add to, update or change the information in the accompanying prospectus. If information in this prospectus supplement is inconsistent with information in the accompanying prospectus, this prospectus supplement will apply and will supersede that information in the accompanying prospectus.

It is important for you to read and consider all information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents to which we have referred you under **Where You Can Find More Information** in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, in the accompanying prospectus or in any free writing prospectus filed by us with the Securities and Exchange Commission (the **SEC**). We have not, and the underwriters have not, authorized anyone to provide you with different information. Neither the delivery of this prospectus supplement and the accompanying prospectus, nor any sale made hereunder, shall under any circumstances create any implication that there has been no change in our affairs since the date of this prospectus supplement, or that the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus is correct as of any time after the date of that information.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in certain jurisdictions may be restricted by law. This prospectus supplement and the accompanying prospectus do not constitute an offer, or an invitation on behalf of us or the underwriters or any of them, to subscribe to or purchase any of the notes, and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. See **Underwriting**.

In this prospectus supplement and the accompanying prospectus, unless otherwise stated, references to **we**, **us**, **our** and **the Company** refer to Illinois Tool Works Inc. and its subsidiaries.

**Table of Contents**

**FORWARD-LOOKING STATEMENTS**

This prospectus supplement contains or incorporates by reference certain statements and information that are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act ), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act ). These statements may be identified by the use of words such as believe, expect, plans, intends, may, strategy, pros estimate, project, target, anticipate, guidance, forecast, and other similar words, including, without limitation, statements regarding the expected acquisition or disposition of businesses, economic conditions in various geographic regions, the timing and amount of share repurchases, the Company s Enterprise Strategy and its ability to manage its strategic business initiatives and the timing and amount of benefits therefrom, the adequacy of internally generated funds and credit facilities, the ability to fund debt service obligations, the cost and availability of additional financing, the intention to refinance debt obligations, the Company s portion of future benefit payments related to pension and postretirement benefits, the availability of raw materials and energy, the expiration of any one of the Company s patents, the cost of compliance with environmental regulations, the likelihood of future goodwill or intangible asset impairment charges, the outcome of outstanding legal proceedings, the impact of adopting new accounting pronouncements and the estimated timing and amount related to the resolution of tax matters. These statements are subject to certain risks, uncertainties, and other factors, which could cause actual results to differ materially from those anticipated. Important risks that may influence future results include (1) weakness or downturns in the markets we serve, (2) changes or deterioration in international and domestic political and economic conditions, (3) disruptions to our business as we implement our enterprise initiatives, (4) market conditions and availability of financing to fund our planned repurchase of shares, (5) negative effects of divestitures, including EPS dilution and impairment charges, (6) the risk of intentional acts of our employees, agents or business partners that violate anti-corruption and other laws, (7) the unfavorable impact of foreign currency fluctuations, (8) potential negative impact of acquisitions on our profitability and return on invested capital, (9) decreases in credit availability, (10) raw material price increases and supply shortages, (11) an interruption in, or reduction in, introducing new products into our product lines, (12) unfavorable tax law changes and tax authority rulings, (13) financial market risks to our obligations under our defined benefit pension plans, and (14) potential adverse outcome in legal proceedings. The risks covered here are not all inclusive and given these and other possible risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

These forward-looking statements are not guarantees of future performance and involve risks, assumptions and uncertainties, known or unknown to us, including, but not limited to, those described in the section of this prospectus supplement entitled Risk Factors appearing below and elsewhere in this prospectus supplement and in the documents incorporated by reference in this prospectus supplement. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Except to the extent required by law, we do not undertake, and expressly disclaim, any duty or obligation to update publicly any forward-looking statement after the date the statement is made, whether as a result of new information, future events, changes in assumptions or otherwise.

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any reports, statements or other information we file with the SEC at the SEC s public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our filings also are available to the public on the Internet, through a database maintained by the SEC at <http://www.sec.gov>. In addition, reports, proxy statements and other information concerning us may be inspected at

the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

S-iii

**Table of Contents**

We filed a registration statement on Form S-3 to register with the SEC the securities described in this prospectus supplement and the accompanying prospectus. This prospectus supplement and the accompanying prospectus are part of that registration statement. As permitted by SEC rules, this prospectus supplement and the accompanying prospectus do not contain all the information contained in the registration statement or the exhibits to the registration statement. You may refer to the registration statement and accompanying exhibits for more information about us and our securities.

The SEC allows us to incorporate by reference into this document the information we file with the SEC. This means that we can disclose important information to you by referring you to other documents that we identify as part of this prospectus supplement and the accompanying prospectus. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus.

We incorporate by reference the documents listed below:

1. Annual Report on Form 10-K for the fiscal year ended December 31, 2013; and
2. Current Reports on Form 8-K filed on February 12, 2014 and February 13, 2014 (other than documents or information deemed to have been furnished and not filed in accordance with SEC rules).

We also incorporate by reference any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act ) (other than documents or information deemed to have been furnished and not filed in accordance with SEC rules), on or after the date of this prospectus supplement until we have terminated the offering. Those documents will become a part of this prospectus supplement from the date that the documents are filed with the SEC. Information that becomes a part of this prospectus supplement after the date of this prospectus supplement will automatically update and may replace information in this prospectus supplement, the accompanying prospectus and information previously filed with the SEC.

You may request a copy of any of these documents from us without charge, excluding certain exhibits to the documents, by writing or telephoning us at the following address:

Maria C. Green, Secretary

Illinois Tool Works Inc.

3600 West Lake Avenue

Glenview, IL 60026

(847) 724-7500

Documents may also be available on our website at [www.itw.com](http://www.itw.com). We do not intend our website address to be an active link and information contained on our website does not constitute a part of this prospectus supplement or the accompanying prospectus (or any document incorporated by reference herein or therein), and you should not rely on that information in making your investment decision unless that information is also in this prospectus supplement or the accompanying prospectus or has been expressly incorporated by reference into this prospectus supplement or the accompanying prospectus.





**Table of Contents**

**SUMMARY**

**The Company**

We are a global manufacturer of a diversified range of industrial products and equipment with operations in 56 countries.

We periodically make changes to our management reporting structure to better align our business with Company objectives and operating strategies. Effective January 1, 2013, the Company made certain changes in how its operations are reported to senior management in order to better align its portfolio of businesses with its enterprise-wide portfolio management initiative. As a result of this reorganization, the Company's operations are internally reported as 28 operating segments to senior management as of December 31, 2013, which have been aggregated into the following seven external reportable segments: Automotive OEM; Test & Measurement and Electronics; Food Equipment; Polymers & Fluids; Welding; Construction Products; and Specialty Products.

The significant changes that resulted from this reorganization included the following:

Certain businesses within the former Transportation segment, primarily related to the automotive aftermarket business, are reported in the Polymers & Fluids segment and the Transportation segment has been renamed Automotive OEM.

The Welding business, which was formerly reported in the Power Systems & Electronics segment, is reported separately as the Welding segment.

The Electronics business, which was formerly reported in the Power Systems & Electronics segment, has been combined with the Test & Measurement business, which was formerly reported in the All Other segment, to form a new Test & Measurement and Electronics segment.

The All Other segment has been renamed Specialty Products.  
The following is a description of the Company's seven reportable segments:

***Automotive OEM:*** Businesses in this segment produce components and fasteners for automotive-related applications.

In the Automotive OEM segment, products and services include:

plastic and metal components, fasteners and assemblies for automobiles, light trucks, and other industrial uses.

***Test & Measurement and Electronics:*** Businesses in this segment produce equipment, consumables, and related software for testing and measuring of materials and structures, as well as equipment and consumables used in the production of electronic subassemblies and microelectronics.

In the Test & Measurement and Electronics segment, products include:

equipment, consumables, and related software for testing and measuring of materials, structures, gases and fluids;

electronic assembly equipment and related consumable solder materials;

electronic components and component packaging;

static control equipment and consumables used for contamination control in clean room environments; and

pressure sensitive adhesives and components for telecommunications, electronics, medical and transportation applications.

S-1

**Table of Contents**

***Food Equipment:*** Businesses in this segment produce commercial food equipment and provide related service.

In the Food Equipment segment, products and services include:

warewashing equipment;

cooking equipment, including ovens, ranges and broilers;

refrigeration equipment, including refrigerators, freezers and prep tables;

food processing equipment, including slicers, mixers and scales;

kitchen exhaust, ventilation and pollution control systems; and

food equipment service, maintenance and repair.

***Polymers & Fluids:*** Businesses in this segment produce adhesives, sealants, lubrication and cutting fluids, janitorial and hygiene products, and fluids and polymers for auto aftermarket maintenance and appearance.

In the Polymers & Fluids segment, products include:

adhesives for industrial, construction and consumer purposes;

chemical fluids which clean or add lubrication to machines;

epoxy and resin-based coating products for industrial applications;

hand wipes and cleaners for industrial applications;

fluids, polymers and other supplies for auto aftermarket maintenance and appearance;

fillers and putties for auto body repair; and

polyester coatings and patch and repair products for the marine industry.

**Welding:** Businesses in this segment produce arc welding equipment, consumables and accessories for a wide array of industrial and commercial applications.

In the Welding segment, products include:

arc welding equipment;

metal arc welding consumables and related accessories; and

metal jacketing and other insulation products.

**Construction Products:** Businesses in this segment produce construction fastening systems and truss products.

In the Construction Products segment, products include:

fasteners and related fastening tools for wood and metal applications;

anchors, fasteners and related tools for concrete applications;

metal plate truss components and related equipment and software; and

packaged hardware, fasteners, anchors and other products for retail.

**Specialty Products:** Diversified businesses in this segment produce beverage packaging equipment and consumables, product coding and marking equipment and consumables, and appliance components and fasteners.

**Table of Contents**

In the Specialty Products segment, products include:

line integration, conveyor systems and line automation for the food and beverage industries;

plastic consumables that multi-pack cans and bottles and related equipment;

foil, film and related equipment used to decorate consumer products;

product coding and marking equipment and related consumables;

plastic and metal fasteners and components for appliances;

airport ground support equipment; and

components for medical devices.

**Recent Development    Entry Into Agreement to Sell Industrial Packaging Segment**

In February 2013, we initiated a review process to explore strategic alternatives for our Industrial Packaging segment. In September 2013, our Board of Directors authorized a plan to commence a sale process and we classified the Industrial Packaging segment as held for sale beginning in the third quarter of 2013 and from that time no longer presented this segment as part of our continuing operations. On February 6, 2014, we announced our entry into a definitive agreement to sell the Industrial Packaging segment to The Carlyle Group for \$3.2 billion. The transaction is subject to regulatory approval and customary closing conditions, and is expected to close by mid-2014. We intend to use proceeds from the sale to partially fund our plan to repurchase approximately 50 million shares of our common stock by the end of 2014 in order to offset the EPS dilution associated with this divestiture.

**Table of Contents****The Offering**

The following is a brief summary of some of the terms of the notes. For a more complete description of the terms of the notes see "Description of Notes" in this prospectus supplement and "Description of Debt Securities" in the accompanying prospectus.

<b>Issuer</b>	Illinois Tool Works Inc.
<b>Notes Offered</b>	<p>\$            aggregate principal amount of    % notes due            .</p> <p>\$            aggregate principal amount of    % notes due            .</p> <p>\$            aggregate principal amount of    % notes due            .</p>
<b>Maturity</b>	The            notes will mature on            ,            , the            notes will mature on            ,            and the            notes will mature on            ,            .
<b>Interest Payment Dates</b>	Interest on the notes is payable semi-annually in arrears on            and            of each year, beginning on            , 2014.
<b>Ranking</b>	The notes will be unsecured and rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding.
<b>Use of Proceeds</b>	We estimate that the net proceeds from the offering, after deducting the underwriters' discount and estimated offering expenses payable by us, will be approximately \$            . We intend to use these proceeds to repay short-term indebtedness we have incurred under our commercial paper program and for general corporate purposes.
<b>Optional Redemption</b>	We may redeem the notes, at any time in whole or from time to time in part, at the redemption prices described in this prospectus supplement. See "Description of Notes" Optional Redemption.
<b>Certain Covenants</b>	The indenture for the notes limits our ability to, among other things, engage in mergers, consolidations or similar transactions, create liens and

engage in sale and leaseback transactions. See Description of Notes Covenants.

**Further Issuances**

We may from time to time, without the consent of the holders of the notes, issue additional notes with the same terms and conditions and with the same CUSIP number as the notes of that series so that the additional notes will be consolidated and form a single series with the previously outstanding notes of the applicable series. See Description of Notes General.

**Book-Entry**

The notes will be issued in book-entry form and will be represented by global securities deposited with, or on behalf of, The Depository Trust Company ( DTC ) and registered in the name of Cede & Co., DTC s nominee. See Description of Notes Book-Entry System.

Beneficial interests in the notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee



**Table of Contents**

and its direct and indirect participants, including the depositaries for Clearstream Banking, *société anonyme*, and Euroclear Bank, S.A./N.V.; and these interests may not be exchanged for certificated notes, except in limited circumstances.

**Trustee**

The Bank of New York Mellon Trust Company, N.A.

**Risk Factors**

See Risk Factors included in this prospectus supplement for a discussion of risks you should carefully consider before deciding to invest in the notes.

S-5

**Table of Contents**

**RISK FACTORS**

*Investing in the notes involves a high degree of risk. You should carefully consider the risks described below and other information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference into this prospectus supplement before investing in the notes. The risks described below are not the only ones facing our company. Additional risks not presently known to us or that we currently consider less significant may also impair our business operations. Our business, financial condition, or results of operations could be materially adversely affected by any of these risks.*

*This prospectus supplement and the accompanying prospectus also contain or incorporate by reference forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this prospectus supplement and the accompanying prospectus. See *Forward-Looking Statements*.*

**Risks Related to Our Business**

For a discussion of risks related to our business and operations, please see Item 1A. Risk Factors and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for our fiscal year ended December 31, 2013, which are incorporated by reference in this prospectus supplement, as well as similar disclosures contained in our filings with the SEC subsequent to the date of this prospectus supplement.

**Risks Related to the Offering**

*The notes are subject to prior claims of any of our secured creditors.*

The notes are our unsecured general obligations, ranking equally with other unsecured and unsubordinated debt but below any secured debt to the extent of the value of the assets constituting the security. The indenture governing the notes permits us and our subsidiaries to incur secured debt under specified circumstances. If we incur any debt secured by our assets or assets of our subsidiaries, these assets will be subject to the prior claims of our secured creditors.

In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding, our pledged assets would be available to satisfy obligations of the secured debt before any payment could be made on the notes. To the extent that such assets cannot satisfy in full our secured debt, the holders of such debt would have a claim for any shortfall that would rank equally in right of payment with the notes. In that case, we may not have sufficient assets remaining to pay amounts due on any or all of the notes.

*The notes are effectively subordinated to the existing and future liabilities of our subsidiaries.*

Our equity interest in our subsidiaries is subordinate to any debt and other liabilities and commitments of our subsidiaries to the extent of the value of the assets of such subsidiaries, whether or not secured. The notes will not be guaranteed by our subsidiaries and we may not have direct access to the assets of our subsidiaries unless these assets are transferred to us by dividend or otherwise. The ability of our subsidiaries to pay dividends or otherwise transfer assets to us is subject to various restrictions under applicable law. Our right to receive assets of any of our subsidiaries upon their bankruptcy, liquidation or reorganization, and therefore the right of the holders of the notes to participate in those assets, will be effectively subordinated to the claims of that subsidiary's creditors. In addition, even if we are a creditor of any of our subsidiaries, our right as a creditor would be subordinate to any security interest in the assets of

our subsidiaries and any debt of our subsidiaries senior to that held by us.

S-6

**Table of Contents**

***Credit ratings of the notes may change and affect the market price and marketability of the notes.***

Credit ratings are limited in scope, and do not address all material risks relating to an investment in the notes, but rather reflect only the view of each rating agency at the time the rating is issued. An explanation of the significance of such rating may be obtained from such rating agency. There can be no assurance that such credit ratings will remain in effect for any given period of time or that a rating will not be lowered, suspended or withdrawn entirely by the applicable rating agencies, if, in such rating agency's judgment, circumstances so warrant. Agency credit ratings are not a recommendation to buy, sell or hold any security. Actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under further review for a downgrade, could affect the market price or marketability of the notes and increase our corporate borrowing costs.

***The indenture does not restrict the amount of additional debt that we may incur.***

The notes and indenture pursuant to which the notes will be issued do not place any limitation on the amount of unsecured debt that we or our subsidiaries may incur. Our incurrence of additional debt may have important consequences for you as a holder of the notes, including making it more difficult for us to satisfy our obligations with respect to the notes, a loss in the trading value of your notes, if any, and a risk that the credit rating of the notes is lowered or withdrawn.

***An active trading market may not develop for the notes.***

The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on a national securities exchange. Certain of the underwriters have advised us that they presently intend to make a market in the notes as permitted by applicable law. However, the underwriters are not obligated to make a market in the notes and may cease their market-making activities at any time at their discretion without notice. In addition, the liquidity of the trading market in the notes and the market price quoted for the notes may be adversely affected by changes in the overall market for securities and by changes in the financial performance or prospects of our company or companies in our industry. As a result, no assurance can be given (i) that an active trading market will develop or be maintained for the notes, (ii) as to the liquidity of any market that does develop or (iii) as to your ability to sell any notes you may own or the price at which you may be able to sell your notes.

***If trading markets do develop, changes in our ratings or the financial markets could adversely affect the market prices of the notes.***

The market prices of the notes will depend on many factors, including, among others, the following:

ratings on our debt securities assigned by rating agencies;

the prevailing interest rates being paid by other companies similar to us;

our results of operations, financial condition and prospects; and

the condition of the financial markets.

The condition of the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future, which could have an adverse effect on the market prices of the notes.

S-7

Table of Contents**USE OF PROCEEDS**

The net proceeds to us from the sale of the notes will be approximately \$            million (after deducting the underwriting discount and our offering expenses). We intend to use the net proceeds from the sale of the notes to repay short-term indebtedness we have incurred under our commercial paper program and for general corporate purposes. The amount outstanding under our commercial paper program as of February 12, 2014, was approximately \$2.1 billion, at a weighted average interest rate of 0.2% per year, which rate is subject to change over time. Pending application of the proceeds of sale of the notes, we intend to invest such proceeds in short-term investments.

**RATIO OF EARNINGS TO FIXED CHARGES**

Our consolidated ratio of earnings to fixed charges for each of the last five fiscal years is set forth below. You should read this table in conjunction with the consolidated financial statements and related notes to financial statements incorporated by reference in this prospectus. See [Where You Can Find More Information](#) in this prospectus supplement.

For the purpose of computing these ratios, earnings consists of income from continuing operations before income taxes and equity method earnings plus fixed charges and dividends of unconsolidated affiliates. Fixed charges consists of interest expense (which includes amortization of debt issuance costs) and an estimate of the interest within rental expense. The ratio was calculated by dividing the sum of the fixed charges into the sum of earnings. Interest related to income tax matters is included in income taxes in the consolidated statement of income and is excluded from the computation of fixed charges.

	<b>For the Years Ended December 31,</b>				
	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Ratio of earnings to fixed charges(1)	9.3x	13.4x	10.3x	9.3x	6.1x

- (1) Certain reclassifications of prior years data have been made to conform to current year reporting, including discontinued operations. In addition, we divested a 51% majority interest in our Decorative Surfaces segment on October 31, 2012, which, due to our continuing involvement through our remaining 49% interest, is presented in continuing operations prior to October 31, 2012. See [Selected Consolidated Financial Data](#) for more detail regarding discontinued operations and the Decorative Surfaces transaction.

**Table of Contents****SELECTED CONSOLIDATED FINANCIAL DATA**

The following table presents our selected consolidated financial data for the periods indicated. The consolidated statement of income and dividends declared data for each of the years in the three-year period ended December 31, 2013 and the consolidated statement of financial position data as of December 31, 2013 and 2012 have been derived from our audited consolidated financial statements appearing in our Annual Report on Form 10-K for the fiscal year ended December 31, 2013, which is incorporated by reference in this prospectus supplement. The consolidated statement of income data for the years ended December 31, 2010 and 2009 have been derived from our unaudited consolidated financial statements not included or incorporated by reference in this prospectus supplement or the accompanying prospectus. The consolidated statement of financial position data as of December 31, 2011, 2010 and 2009 and cash dividends declared data for each of the years in the two-year period ended December 31, 2010 have been derived from our audited consolidated financial statements not included or incorporated by reference in this prospectus supplement or the accompanying prospectus.

The selected historical consolidated financial data presented below should be read in conjunction with our audited consolidated financial statements and related notes to financial statements in Item 8. Financial Statements and Supplementary Data, as well as Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2013, which is incorporated by reference in this prospectus supplement and the accompanying prospectus. Our audited and unaudited consolidated financial information may not be indicative of our future performance.

In millions (except per share amounts)	For the Years Ended December 31,				
	2013	2012	2011	2010	2009
Operating revenues	\$ 14,135	\$ 14,791	\$ 14,515	\$ 12,265	\$ 11,216
Income from continuing operations	1,630	2,233	1,775	1,258	889
Income per share from continuing operations:					
Basic	3.65	4.75	3.61	2.51	1.78
Diluted	3.63	4.72	3.59	2.50	1.77
Total assets at year-end	19,966	19,309	17,984	16,412	15,811
Long-term debt at year-end	2,793	4,589	3,488	2,542	2,861
Cash dividends declared per common share	1.60	1.48	1.40	1.30	1.24

Certain reclassifications of prior years' data have been made to conform to current year reporting, including discontinued operations as discussed below.

We periodically review our operations for businesses that may no longer be aligned with our enterprise initiatives and long-term objectives. As a result, we may commit to a plan to exit or dispose of certain businesses and present them as discontinued operations. For businesses reported as discontinued operations in the statement of income, all related prior period income statement information has been restated to conform to the current year reporting of these businesses. Income from discontinued operations was \$49 million, \$637 million, \$296 million, \$245 million, and \$84 million in the years 2013, 2012, 2011, 2010 and 2009, respectively.

On October 31, 2012, we divested a 51% majority interest in our Decorative Surfaces segment. Accordingly, we ceased consolidating the results of our Decorative Surfaces segment as of October 31, 2012 and now report our 49% ownership interest using the equity method of accounting. Due to our continuing involvement through our 49% interest, the historical operating results of Decorative Surfaces are presented in continuing operations. Effective November 1, 2012, Decorative Surfaces is no longer a reportable segment of the Company. See the Divestiture of

Majority Interest in Former Decorative Surfaces Segment note in Item 8. Financial Statements and Supplementary Data of our Annual Report on Form 10-K for the year ended December 31, 2013, which is incorporated by reference in this prospectus supplement, for further discussion of this transaction.

In February 2013, we initiated a review process to explore strategic alternatives for our Industrial Packaging segment. In September 2013, our Board of Directors authorized a plan to commence a sale process and we

S-9



**Table of Contents**

classified the Industrial Packaging segment as held for sale beginning in the third quarter of 2013 and from that time no longer presented this segment as part of our continuing operations. On February 6, 2014, we announced our entry into a definitive agreement to sell the Industrial Packaging segment to The Carlyle Group for \$3.2 billion. The transaction is subject to regulatory approval and customary closing conditions, and is expected to close by mid-2014.

In the third quarter of 2013, we also committed to plans for the divestiture of a construction distribution business previously included in the Construction Products segment and a specialty coatings business previously included in the Polymers & Fluids segment. The construction distribution and specialty coatings businesses were classified as held for sale beginning in the third quarter of 2013.

In the first quarter of 2013, we committed to plans for the divestiture of two transportation related businesses and a machine components business previously included in the Specialty Products segment, two construction distribution businesses previously included in the Construction Products segment, and a chemical manufacturing business previously included in the Polymers & Fluids segment. These businesses were classified as held for sale beginning in the first quarter of 2013.

These held for sale businesses discussed above, as well as certain previously divested businesses, are reported as discontinued operations in the statement of income. All related prior period income statement information has been restated to conform to the current year reporting of these businesses. Refer to the Discontinued Operations note in Item 8. Financial Statements and Supplementary Data of our Annual Report on Form 10-K for the year ended December 31, 2013, which is incorporated by reference in this prospectus supplement, for discussion of our discontinued operations.

Information on the comparability of results is included in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2013, which is incorporated by reference in this prospectus supplement.

**Table of Contents****CAPITALIZATION**

The following table sets forth our consolidated cash and equivalents and capitalization as of December 31, 2013 on a historical basis and on an as adjusted basis to give effect to the offering of the notes and the use of proceeds therefrom as described under Use of Proceeds. This table should be read in conjunction with our audited consolidated financial statements and related notes to financial statements in Item 8. Financial Statements and Supplementary Data, as well as Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2013, which is incorporated by reference in this prospectus supplement.

	<b>As of December 31, 2013</b>	
	<b>Actual</b>	<b>As Adjusted(1)</b>
	<b>(In millions)</b>	
Cash and equivalents	\$ 3,618	\$
Debt:		
U.S. Dollar-denominated commercial paper	\$ 1,652	\$
5.15% notes due April 1, 2014	800	
5.25% Euro notes due October 1, 2014	1,031	
6.25% notes due April 1, 2019	700	
4.88% senior notes due through December 31, 2020	7	
3.375% notes due September 15, 2021	349	
4.875% notes due September 15, 2041	641	
3.9% notes due September 1, 2042	1,090	
% notes due , offered hereby		
% notes due , offered hereby		
% notes due , offered hereby		&nbs