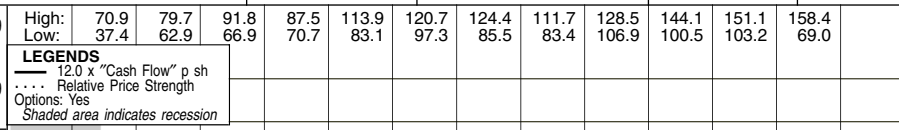


UNITED TECH. NYSE-UTX

RECENT PRICE **98.49** P/E RATIO **12.8** (Trailing: 11.9; Median: 16.0) RELATIVE P/E RATIO **0.97** DIV'D YLD **3.0%** VALUE LINE

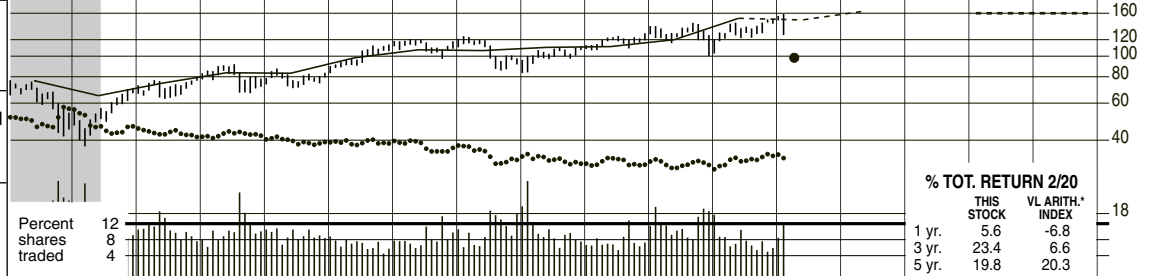
TIMELINESS — Suspended 10/11/19
SAFETY **1** Raised 5/9/97
TECHNICAL — Suspended 10/11/19
BETA 1.05 (1.00 = Market)



18-Month Target Price Range
 Low-High Midpoint (% to Mid)
 \$103-\$177 \$140 (40%)

2023-25 PROJECTIONS
 Price Gain Ann'l Total Return
 High 195 (+100%) 21%
 Low 160 (+60%) 15%

Institutional Decisions
 2020 2019 2018
 to Buy 848 840 1023
 to Sell 851 866 802
 Hld's(000) 700445 702262 705132



2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
36.63	41.70	48.04	55.79	62.27	56.49	58.97	64.14	62.80	68.32	71.59	66.92	70.79	74.88	77.19	89.14	87.75	91.75	Revenues per sh	111.00
3.68	4.09	4.79	5.50	6.38	5.43	6.22	6.97	6.93	8.19	8.94	8.86	9.18	9.27	9.98	12.63	12.40	13.70	"Cash Flow" per sh	17.55
2.73	3.05	3.64	4.27	4.90	4.12	4.74	5.49	5.34	6.21	6.82	6.29	6.61	6.60	7.61	8.26	7.75	8.80	Earnings per sh ^A	11.75
.70	.88	1.02	1.17	1.35	1.54	1.70	1.87	2.03	2.20	2.36	2.56	2.62	2.72	2.84	2.94	3.20	3.45	Div'ds Decl'd per sh ^B	4.25
.78	.92	.96	1.17	1.29	.88	.94	1.08	1.51	1.84	1.88	1.97	2.10	2.52	2.21	2.61	2.50	2.60	Cap'l Spending per sh	2.85
13.70	16.76	17.37	21.76	16.89	21.42	23.21	24.12	28.20	34.76	34.32	32.63	34.10	37.05	44.63	48.33	52.60	56.65	Book Value per sh ^C	71.70
1022.2	1013.9	995.70	981.52	942.29	936.74	921.27	907.22	918.85	916.69	909.38	838.34	808.70	799.13	861.48	864.37	865.00	865.00	Common Shs Outst'g ^D	865.00
16.9	17.0	16.9	16.8	13.1	13.4	15.0	14.6	14.7	16.0	16.4	17.0	15.3	17.7	16.8	16.1	15.0	17.0	Avg Ann'l P/E Ratio	15.0
.89	.91	.91	.89	.79	.89	.95	.92	.94	.90	.86	.86	.80	.89	.91	.87	.85	.95	Relative P/E Ratio	.85
1.5%	1.7%	1.6%	1.6%	2.1%	2.8%	2.4%	2.3%	2.6%	2.2%	2.1%	2.4%	2.6%	2.3%	2.2%	2.2%	2.2%	2.4%	Avg Ann'l Div'd Yield	2.4%

CAPITAL STRUCTURE as of 12/31/19
 Total Debt \$43.6 bill. Due in 5 Yrs \$17.7 bill.
 LT Debt \$37.8 bill. LT Interest \$2.1 bill.
 (47% of Cap'l)
 Annual Rentals Leases, uncapitalized \$641.0 mill.
 Pension Assets-12/19 \$39.7 bill. Oblig. \$41.8 bill.
 Preferred Stock None
 Common Stock 865,308,981 shares
MARKET CAP: \$85.2 billion (Large Cap)

54326	58190	57708	62626	65100	56098	57244	59837	66501	77046	75920	79370	Revenues (\$mill)	96000
15.6%	15.2%	14.3%	15.8%	16.0%	20.6%	17.0%	15.8%	15.5%	15.9%	15.0%	17.0%	Operating Margin	22.0%
1356.0	1347.0	1524.0	1821.0	1907.0	1863.0	1962.0	2140.0	2433.0	3783.0	4000	4250	Depreciation (\$mill)	5000
4373.0	4979.0	4840.0	5686.0	6220.0	5563.0	5462.0	5271.0	6168.0	7135.0	6705	7610	Net Profit (\$mill)	10165
27.9%	29.3%	24.8%	26.9%	25.5%	31.5%	27.4%	28.6%	23.3%	22.0%	22.0%	23.3%	Income Tax Rate	22.5%
8.0%	8.6%	8.4%	9.1%	9.6%	9.9%	9.5%	8.8%	9.3%	9.3%	8.8%	9.6%	Net Profit Margin	10.6%
5778.0	7142.0	5824.0	6642.0	6863.0	4088.0	6644.0	8467.0	4135.0	2911.0	3800	4800	Working Cap'l (\$mill)	7500
10010	9501.0	21597	19741	17872	19320	21697	24989	41192	37788	35800	33750	Long-Term Debt (\$mill)	27500
21385	21880	25914	31866	31213	27358	27579	29610	38446	41774	45500	49000	Shr. Equity (\$mill)	62000
14.9%	16.6%	11.1%	11.9%	13.7%	12.7%	12.1%	10.5%	8.4%	9.9%	9.5%	10.5%	Return on Total Cap'l	12.0%
20.4%	22.8%	18.7%	17.8%	19.9%	20.3%	19.8%	17.8%	16.0%	17.1%	14.5%	15.5%	Return on Shr. Equity	16.5%
13.5%	15.4%	11.9%	11.9%	13.4%	12.4%	12.3%	10.8%	10.4%	11.2%	8.5%	9.5%	Retained to Com Eq	10.5%
34%	32%	36%	34%	33%	39%	38%	39%	35%	34%	41%	39%	All Div'ds to Net Prof	36%

Cal-endar	2017	2018	12/31/19
Cash Assets	8985	6152	7378
Receivables	12595	14271	13524
Inventory (Avg Cst)	9881	10083	10950
Other	1397	4997	5645
Current Assets	32858	35503	37497
Accts Payable	9579	11080	10809
Debt Due	2496	4345	5860
Other	12316	15943	17917
Current Liab.	24391	31368	34586

BUSINESS: United Technologies Corp. operates in four business segments: *Pratt & Whitney* (revenues of \$20.9 billion in '19) makes and services commercial and military aircraft engines; *Otis* (\$13.1 billion) the world's largest manufacturer and servicer of elevators and escalators; *Carrier* (\$18.6 billion) makes heating, ventilating, and air-conditioning (HVAC) equipment; *Collins Aerospace* (\$26.0

billion) produces aerospace and industrial products. Acquired Goodrich (aerospace) 7/12, sold Sikorsky (helicopters) in 2015. Dirs. & offs. own less than 1% of common; State Street, 10.5%; Vanguard, 8.1%; BlackRock, 6.7% (3/20 proxy). Employees: 240,200. CEO: Gregory J. Hayes. Inc.: DE. Addr.: 1 Financial Plaza, Hartford, CT 06101. Tel.: 860-728-7000. Web: www.utc.com.

ANNUAL RATES	Past 10 Yrs	Past 5 Yrs	Est'd '17-'19 to '23-'25
Revenue of change (per sh)	3.5%	3.5%	5.5%
"Cash Flow"	6.5%	6.0%	8.5%
Earnings	5.5%	4.0%	8.0%
Dividends	7.5%	5.0%	7.0%
Book Value	8.0%	6.0%	9.0%

The separation of United Technologies into three standalone entities was set to be completed as this Issue went to press. This Dow-30 component has been heading for a breakup for more than a year now, as the Otis elevator arm and Carrier HVAC units will be spun out into their own independent companies. The distribution date for the new shares was pegged for April 3, 2020. Otis and Carrier will each trade on the NYSE under the tickers OTIS and CARR, respectively.

sell assets related to military airborne radios, military GPS systems, and optical systems businesses. Two weeks earlier, the European Union conditionally approved the pact.

Cal-endar	2017	2018	2019	2020	2021
13815	15280	15062	15680	15800	59837
15242	16705	16510	18044	18044	66501
18365	19634	19496	19551	19551	77046
18320	19560	19000	19040	19040	75920
19200	20400	19850	19920	19920	79370

Quickly thereafter, the Raytheon merger will commence. Once the remaining aerospace entities are left in the portfolio, namely Pratt & Whitney and Collins Aerospace, a marriage with Raytheon should be quickly in the cards. It will be an all-stock proceeding with UTX shareholders owning 57% of the new company and Raytheon's stakeholders getting 43%. The new entity will be an aerospace/defense behemoth with roughly \$75 billion in annual revenues. In late March, the U.S. Department of Justice signed off on the merger. The approval was sealed when the companies agreed to

The company's shares dropped more than 35% in value in the weeks heading into breakup, through no fault of operations. Clearly, the majority of the dip in price was tied to the broader selloff brought about by the global coronavirus pandemic. But the struggles of Boeing (BA) also seemed to drag UTX down with it. United was already tied up in the 737 Max troubles at that company when bears began to point to the similarities between the struggling BA and the new UTX.

Cal-endar	2017	2018	2019	2020	2021
1.48	1.85	1.73	1.60	1.60	6.60
1.77	1.97	1.93	1.95	1.95	7.61
1.91	2.20	2.21	1.94	1.94	8.26
1.65	1.95	2.15	2.00	2.00	7.75
1.90	2.20	2.45	2.25	2.25	8.80

United Technologies stock remains suspended due to the spinouts. It is also too late for investors that were not already on board to qualify for Otis and Carrier shares by buying UTX. Moreover, the Raytheon merger is on the very near horizon. Subscribers looking to follow up on this situation should search for our new page covering Raytheon Technologies in our next publishing cycle.

Cal-endar	2016	2017	2018	2019	2020
.64	.66	.66	.66	.66	2.62
.66	.66	.70	.70	.70	2.72
.70	.70	.70	.735	.735	2.84
.735	.735	.735	.735	.735	2.94
.735					

Erik M. Manning April 10, 2020

(A) Diluted EPS. Excludes charges and discontinued operations: '04, 15c; '05, 6c; '12, 32c; '13, 4c; '16, 49c; '17, 90c; '18, \$1.11; '19, \$1.85. Quarterly figures may not sum due to

rounding and/or changes in share count. Next egs. report due between April 21st and 27th. (B) Dividends historically paid in early March, June, September, and December. ■ Dividend

reinvestment plan available. (C) Includes intangibles. In 2019: \$74.1 billion, \$85.72 a share. (D) In millions.

Company's Financial Strength	A++
Stock's Price Stability	95
Price Growth Persistence	55
Earnings Predictability	95