

Citi Global Industrials Conf Day 2 Takeaways

Caution Lights Flashing

- **Successful wrap-up of two-day conference in Boston** — Carlisle, Pentair, and United Technologies wrapped up Day 2 of the Citi Global Industrials Conference in Boston on Sept 20. The caution light continues to flash, with slowing macro conditions in Europe, China and the US. Not a rapid deceleration in demand but more of a drip-by-drip slowing, setting up for tempered 3Q12 earnings season at best. One exception was in Energy, where markets remain strong broadly. M&A remains a big focus for the sector given accommodative credit markets and strong balance sheets. Both PNR and UTX are at the doorstep of transformative deals with visibility to “control-your-own-destiny” internally generated earnings.
- **M&A Panelists featured industrial bankers and private equity** — Our lunch panel featured private equity and investment banking thought-leaders who highlighted the drivers and outlook of the M&A market. A key factor holding back higher M&A volumes is that managements lack confidence to pull the trigger despite having ample balance sheet strength and access to “free money”. Despite this level of caution, David Wasserman of private equity power Clayton Dubilier & Rice noted that pricing tends to follow financing, and low interest rates have supported a robust pricing environment. Cross-border acquisitions from well-capitalized emerging market players were also highlighted, contributing to M&A in resource-driven markets. Flow Control was also characterized as a market with more consolidation opportunities.
- **Citi Industrial analysts hosting a post-conference wrap-up call** — We are hosting a post-conference wrap-up call at 10 am ET Friday, Sept 21. Please ask your Citi contact for dial-in instructions.
- **Reaffirming our “buy late-cycle, good earnings visibility” companies** — We reiterate our Neutral sector view following the 2012 Citi Industrials Conference and expect a slowing macro backdrop plus recent market-wide stock price appreciation to increase earnings risk into 3Q12. We believe the best-positioned companies are those that have bigger backlogs and visibility in mid and late-cycle markets, underpinning our Buy ratings on GE, HON, EMR, and DHR.

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Company	Ticker	Rating		Target Price		Current Year Earnings Estimates	
		Old	New	Old	New	Old	New
Carlisle Compani	CSL	2	2	US\$57.00	US\$57.00	US\$4.30	US\$4.30
Pentair Inc	PNR	1	1	US\$49.00	US\$49.00	US\$2.70	US\$2.70
United Tech	UTX	2	2	US\$85.00	US\$85.00	US\$5.30	US\$5.30

See Appendix A-1 for Analyst Certification, Important Disclosures and non-US research analyst disclosures.

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Company Focus

■ Company Update

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Neutral	2
Price (20 Sep 12)	US\$51.75
Target price	US\$57.00
Expected share price return	10.1%
Expected dividend yield	1.4%
Expected total return	11.5%
Market Cap	US\$3,239M

Price Performance

(RIC: CSL.N, BB: CSL US)



Carlisle Companies Inc. (CSL) Moderating Growth into 2H12, but Holding Price/Cost

- **Key Message: Comments on price/cost drive modest relief rally** — We consider Carlisle's cautious tone on moderating growth into 3Q to be mostly inline with its most recent investor updates. Some positive comments on price/cost drove the shares up nearly 5% on September 20, recouping most of the stock underperformance over the past week. Carlisle noted that it is still holding the price increases of early 2012, partly due to the perception that raw material prices are rising (with oil back above \$90/barrel) even though Carlisle's key inputs such as carbon black and benzene have moderated. This creates a slightly more favorable setup for price/cost in 2H12.
- **Construction Materials re-roofing continues to slow** — Construction Materials (46% of sales) re-roofing demand slowed sequentially though 2Q12, partially due to dry weather that limits the need to replace roofs. The dry weather persisted through the start of 3Q12 and it seems the revenue deceleration has also continued. The positive update was that Carlisle continues to hold the price increases that were put in place earlier in 2012 even though it does not expect any new increase in 2H12.
- **Remains cautious on Brake & Friction** — Brake & Friction (14% of sales) is Carlisle's best leading indicator and its OEM customers in mining and construction remain cautious. Carlisle's customers continue to manage production schedules to limit inventory builds. Expanding from brake & friction into actuators was highlighted as a potential adjacent growth opportunity.
- **Transportation a likely divestiture candidate** — Despite recent improvements, Transportation remains Carlisle's structurally lowest margin business and CEO Dave Roberts characterized the margin potential at 8%-9% in a best case scenario (we estimate 6.6% in 2012). At 20% of sales, this provides a major impediment to reaching the total company target of a 15% operating margin. We believe Carlisle could eventually divest Transportation, though the near-term focus remains execution and generating a full-year of solid operating results. Any eventual divestiture proceeds would be most likely to be used for acquisitions within Interconnect, Brake & Friction, or Construction Materials.
- **CSL trading towards low-end of historical relative range** — CSL shares are trading at 11.9x 2013 P/E, an 11% discount to small-cap peers and near the low-end of its (15%) to 0% historical relative range. Our \$57 target price assumes the shares trade at a 5% discount to peers, and implies a 5% expected total return.

EPS	Q1	Q2	Q3	Q4	FY	FC Cons
2011A	0.53A	0.87A	0.85A	0.63A	2.88A	2.88A
2012E	0.94A	1.39A	1.19E	0.81E	4.30E	4.34E
Previous	0.94A	1.39A	1.19E	0.81E	4.30E	na
2013E	na	na	na	na	4.60E	4.60E
Previous	na	na	na	na	4.60E	na
2014E	na	na	na	na	4.90E	4.90E
Previous	na	na	na	na	4.90E	na

Source: Company Reports and dataCentral, Citi Research. FC Cons: First Call Consensus.

Company Focus

■ Company Update

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Buy	1
Price (19 Sep 12)	US\$44.16
Target price	US\$49.00
Expected share price return	11.0%
Expected dividend yield	2.1%
Expected total return	13.1%
Market Cap	US\$4,381M

Price Performance

(RIC: PNR.N, BB: PNR US)



Pentair, Inc. (PNR) Reaffirms Compelling Thesis for Tyco Flow Merger

■ **Yes, a reset of 2015 topline forecast likely ahead but cost synergies could be boosted.** — CFO John Stauch provided ample color ahead of the pending merger with Tyco Flow. The company is being candid that the macro has worsened since the deal announcement in March, likely setting up for some form of reset on topline CAGR estimates through 2015. This reset could happen post deal close, perhaps at the November analyst meeting. But there is also an expectation that offsetting some of this lower topline could be a boost to cost synergy guidance. Synergy targets are conservative and functional leaders will have more clarity when the deal closes.

■ Tangible examples of potential revenue/operating synergies —

- **Revenue:** There has been no formal revenue synergy target, but the biggest cross-selling opportunities are in oil & gas with the recently acquired CPT filtration business and in emerging markets. More cross-selling opportunities exist between oil & gas and PNR's Technical Products especially with the Hoffman enclosures business. The one wild card on revenue synergies remains Tyco Flow's 100 service centers around the world. The service center footprint could eventually be leveraged to propel the water service business, which could end up being a game-changer for PNR and water in general.
- **Operating:** Pentair's Todd Gleason, head of strategy, is spearheading integration. The main levers of the cost savings are expected to come from the reduction in legal entities, accounting structure, direct and indirect sourcing, and from the standardization of manufacturing facilities. Rule of thumb for Pentair on implementing Lean in manufacturing facilities is that it can drive an average \$1 million of cost savings out of each facility.

■ **No large M&A over the next 12 months but could do some tuck-ins in Aquaculture** — Although the company is expected to generate \$600 million in free cash flow in 2013 and \$1 billion by 2015, near-term, we would expect the M&A front to be largely quiet as management resources focus on integrating and optimizing the businesses. Pentair is interested in Aquaculture and could do some small tuck-ins that would not be disruptive to the Tyco Flow integration.

■ **Valuation at the midpoint of its historical relative range** — PNR shares are trading at 13.2x 2013 P/E (including accretion from the pending acquisition of Tyco Flow), a 5% discount to its Multi-Industry peers, at the low end of its historical (5%) to 15% relative P/E range. Our \$49 target price assumes the shares trade at a 5% premium to its large- and mid-cap peers.

EPS	Q1	Q2	Q3	Q4	FY	FC Cons
2011A	0.52A	0.75A	0.58A	0.56A	2.41A	2.41A
2012E	0.64A	0.83A	0.63E	0.61E	2.70E	2.73E
Previous	0.64A	0.83A	0.63E	0.61E	2.70E	na
2013E	na	na	na	na	2.95E	2.98E
Previous	na	na	na	na	2.95E	na
2014E	na	na	na	na	3.15E	3.26E
Previous	na	na	na	na	3.15E	na

Source: Company Reports and dataCentral, Citi Research. FC Cons: First Call Consensus.

Company Focus

■ Company Update

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Neutral	2
Price (19 Sep 12)	US\$81.72
Target price	US\$85.00
Expected share price return	4.0%
Expected dividend yield	2.3%
Expected total return	6.3%
Market Cap	US\$74,511M

Price Performance (RIC: UTX.N, BB: UTX US)



United Technologies Corporation (UTX) Focused on Goodrich Integration in Challenging Macro

■ **Key Message: Global macros expected to remain weak** — CFO Greg Hayes reaffirmed UTX's 2012 \$5.25-\$5.35 EPS guidance, but was just as grim on the global economic outlook as his sector peers at the conference. Though US housing and autos have shown some signs of improvement, the weight of the updates were cautious/negative including aero aftermarket not showing signs of recovery, and China has "noticeably slowed" to where UTX's prior assumptions for 7% GDP growth could be a stretch. There is no US recovery, and Europe financial issues remain unresolved.

■ **Goodrich target for \$0.50 2013 accretion to be reiterated at Sept 27 analyst meeting** — United Technologies sees the Goodrich deal driving a \$0.30 EPS headwind in 2012, with \$0.20 coming from nonrecurring transaction costs. Mr. Hayes reiterated the outlook for \$0.50 of Goodrich accretion in 2013, with an additional \$0.05 coming from the IAE transaction; the net effects are a \$0.75 EPS tailwind in 2013 (for context, we estimate a \$1.10 Y/Y increase to \$6.40). At the September 27 meeting, we expect UTC to update Goodrich synergy targets and provide a framework for 2013 performance, but to hold off on official guidance until its typical December Outlook meeting.

■ **Accommodative funding market offsets some end market weakness since initial Goodrich announcement** — Greg Hayes noted that though end markets have softened since it initially announced the Goodrich acquisition a year ago, lower funding costs have been a partial offset. Mr. Hayes characterized the \$10 billion of debt it raised at an average rate of 2.8% as "nearly free money". Panelists at our M&A discussion at the conference also noted that the accommodative funding market could support acceleration in deal activity, though management teams remain mostly cautious and continue to hoard cash.

■ **Otis starting to regain market share in China** — Otis lost market share in China in late 2011 and early 2012 due to the combination of a high-profile accident at a Beijing metro station, and a failed price increase that competitors did not follow. New datapoints disclosed were that market share for new orders in China were trending around 19% before the accident, dipped to as low as 11% for parts of 2011, but are expected to recover to 18%-19% by the end of 2012.

■ **Valuation below mid-point of historical relative P/E range** — UTX shares are trading at 12.6x our 2013 EPS estimate, at a 9% discount to peers and below the mid-point of its historical relative (15%) to 5% range. Our \$85 target price assumes the shares trade at a 5% discount to peers.

EPS	Q1	Q2	Q3	Q4	FY	FC Cons
2011A	1.06A	1.41A	1.42A	1.42A	5.30A	5.49A
2012E	1.31A	1.62A	1.23E	1.14E	5.30E	5.32E
Previous	1.31A	1.62A	1.23E	1.14E	5.30E	na
2013E	na	na	na	na	6.40E	6.34E
Previous	na	na	na	na	6.40E	na
2014E	na	na	na	na	7.40E	7.37E
Previous	na	na	na	na	7.40E	na

Source: Company Reports and dataCentral, Citi Research. FC Cons: First Call Consensus.

Carlisle Companies Inc.

Company description

Founded in 1917 and incorporated in 1986 as a holding company in Delaware, Carlisle Companies is a diversified manufacturer of construction, industrial, and electrical goods. The company operates through five segments: Construction Materials, Transportation, Brake & Friction, Food Service, and Interconnect Technologies. Commercial roofing and insulation products are Carlisle's mainstay at just under half of annual sales. Transportation is mainly specialty tire and wheel products, and power transmission, while Brake & Friction sells industrial brake and clutch products mainly in the off-highway markets. Food Service items are molded-plastic dinnerware, and cookware products for use in hospitals and casual dining establishments. Interconnect Technologies sells wiring, cables and assemblies to primarily commercial and military aerospace markets. Carlisle is predominately U.S.-centric at 87% of annual sales. Headquarters are in Charlotte, North Carolina.

Investment strategy

We rate Carlisle Companies Neutral. Carlisle is a well-run small-cap diversified industrial that has made significant strides in operational improvements, and we expect it to continue to benefit from positive re-roofing trends and accretion potential from the recent Hawk deal. While we are warming up to CSL's late-cycle exposure in non-residential construction (+45% of sales), its valuation is not appealing enough to merit a more favorable rating at this time, thus we rate the shares Neutral.

Valuation

CSL shares have historically traded at a (15%) to 0% discount relative P/E range versus its small-cap Multi-Industry peers. Our \$57 target price assumes the shares trade at a 5% discount to peers to our target group multiple of 13.0x on blended 2013E EPS.

Risks

We see the following risks that could cause the stock to fail to reach or exceed our target price:

- **Commodity inflation risks.** Raw materials are 65% of Carlisle's COGS. Swings in energy, synthetic rubber, carbon black, steel, and nylon could significantly influence gross margin on a quarterly basis.
- **Economic factors**, including the global recession/recovery, inflation/deflation, credit availability, and currency could all cause Carlisle's results to differ from our expectations, which, in turn, could prevent the stock from reaching our target price.
- **Pricing could prove difficult in the quarters ahead.** Competitors could become aggressive on price, which could pressure Carlisle's profit margins in future quarters.
- **Cost saving initiatives could accelerate faster than expected.** Carlisle has implied incremental cost savings through 2011-2012, which could benefit earnings above our perceived forecasts.

- **A substantial rebound in late-cycle nonresidential construction would be a positive for Carlisle.** A more meaningful recovery in nonresidential construction spending (+45 of sales), would be a positive for Carlisle and our target price could be exceeded.

Pentair, Inc.

Company description

Pentair is a diversified industrial manufacturing company. It has two operating segments, Water and Technical Products. Water is a global leader in filtration, pumps, and pool products serving residential, commercial, and industrial customers. Technical Products is a global leader in industrial enclosures and thermal management markets that house and protect sensitive electrical components. In its history, Pentair has undergone multiple portfolio transformations. At first, Pentair was a paper company and then a tools company. Pentair then divested its Tools businesses in 2004 and increased its water exposure by acquiring WICOR. Pentair is headquartered in Minneapolis, Minnesota.

Investment strategy

We rate Pentair Buy. Moving aggressively beyond leadership in pumps and pools, Pentair has been ambitiously targeting more high-end, global water treatment markets, like water reuse and point-of-use, and agriculture. We like the game plan, the announced acquisition of CPT's filtration business, and management know-how. More recently, the announced acquisition of Tyco's Flow business for \$4.9 billion is expected to offer immediate operating and tax synergies in addition to reducing leverage and increasing the scale of the company.

Key fundamentals. Its targeted global water markets should provide a base for consistent growth including the CPT acquisition although it falls short on a host of 10-year operating metrics, including 10-year revenue CAGR of 0.6%, ROIC of 8.5%, and high peak-to-trough revenue decline of 20%. This keeps Pentair grouped in the cyclical subsector, according to our investment framework. The company has averaged 109% cash conversion over the past five years, below the MI-EE average 115%.

The debate on Pentair. As for the most frequent debate on Pentair, and at the risk of being accused of beating the dead horse, we decline to group Pentair's 15% revenue exposure to Pool as being part of the global water sector. We prefer to classify Pentair's leading pool equipment as high-end building products. We would exclude the Pool and non-water pump business, which would distill its total water revenues to a still attractive 56%, including the CPT acquisition.

Valuation

PNR has historically traded within a relative P/E range of a (5%) discount to 15% premium. Our \$49 target price assumes the shares trade at a 5% premium to our target group multiple of 14.0x 2013E EPS adjusted for acquisition accretion.

Risks

We see the following risks to the stock achieving our target price:

- Economic conditions. Macro trends such as inflation/deflation, credit availability, currency, commodity costs and availability, and supply chain, could all cause Pentair's results to differ materially vs. our expectations.
- Competition. Pentair competes in some commodity products with keen competition. In the current recession, it could see more irrational pricing behavior by some competitors looking to generate cash.
- Acquisitions. Pentair has a risk of overpaying and/or experiencing integration difficulties.
- Municipal spending pressures. As income tax revenues stress municipalities and lag the economic recovery, municipalities may continue to freeze and cut spending.
- Regulatory. There is a risk that changes in government (U.S. and international) water regulations could pose a compliance challenge. This includes both the water and enclosure markets.
- Margins. We believe there is some degree of execution risk, where it would see a shortfall in margins.

United Technologies Corporation

Company description

United Technologies Corporation, or "UTC," was incorporated in Delaware in 1934. UTC provides high-technology products and services to building system and aerospace industries worldwide. Growth is attributable to acquisitions and the internal development of the company's existing businesses. It operates in six principal segments. The three commercial businesses Otis Elevators, Carrier HVAC, and Fire & Security serve customers in the commercial and residential property industries worldwide. The aerospace businesses Pratt & Whitney, Hamilton Sundstrand, and Sikorsky primarily serve commercial and government customers in both the original equipment and aftermarket parts and services markets. The company is headquartered in Hartford, Connecticut.

Investment strategy

We see United Technologies as optimally positioned at this point in the cycle with outsized exposure to the late-cycle markets, particularly in commercial aerospace (35% of sales) but also in non-residential construction (27%). Residential construction (10%) has also been considered to be a late-cycle market this cycle due to the delayed recovery from the prior cycle's overbuilding. We also consider United Technologies to be an optimal "safe haven" stock for a steady growth period that is likely to be choppy and with slower end market tailwinds than previous steady growth periods. We classify UTC among the highest-quality Primes within our investment framework – the subsector that has historically outperformed peers and the S&P500 in prior steady growth stages of the cycle. UTC's 40% recurring revenue adds visibility in times of macroeconomic uncertainty, and should support the shares if macro worries increase from here. Our Neutral rating reflects our view that despite its favorable exposure to late-cycle markets, full valuation reflects investor expectations for near flawless execution on the array of operating challenges facing the company.

Valuation

UTX shares have historically traded within a (15%) to 5% relative P/E range versus its large-cap MI-EE peers. Our \$85 price target assumes the shares trade at a 5% discount to the peers on 2013E EPS. We believe the shares should trade towards the midpoint of its historical relative range on 2013E earnings.

Risks

We see the following risks to our target price being achieved or materially outperformed and to our Neutral rating on the shares:

Economic conditions. Economic drivers such as the pace of the global recovery, late-cycle exposures in aerospace and nonresidential construction, credit availability, inflation, currency, commodity prices, product costs, and price realization, could cause UTC's results to differ from our expectations.

Completion and execution on the Goodrich deal. Any transformational \$18 billion deal carries significant integration risk, even for a large and well-run company such as UTC. Successful integrations require significant management attention and could divert attention from UTC's other businesses.

High post-deal leverage. The timing of the Goodrich acquisition and the divestitures discussed above creates the distinct possibility that UTC will carry a lofty net debt-to-cap near 40% upon the closure of the Goodrich deal. We have high confidence in management's ability to quickly de-lever, particularly if it receives divestiture proceeds in 2H12, but this elevated financial leverage creates risk in an uncertain macro environment.

Financial risks. A double-dip recession could cause our sales and earnings estimates to be too aggressive, which could affect our target price on the stock.

Factors that could potentially drive the shares materially above our target price include: A faster-than-expected recovery in aerospace markets and provisioning sales, upside from the Goodrich acquisition, or stronger-than-expected performance from UTC's emerging markets.

Danaher Corporation (DHR.N; US\$55.02; 1); Emerson Electric Co. (EMR.N; US\$50.42; 1); General Electric Company (GE.N; US\$22.43; 1); Honeywell International Inc. (HON.N; US\$60.55; 1)

Appendix A-1

Analyst Certification

The research analyst(s) primarily responsible for the preparation and content of this research report are named in bold text in the author block at the front of the product except for those sections where an analyst's name appears in bold alongside content which is attributable to that analyst. Each of these analyst(s) certify, with respect to the section(s) of the report for which they are responsible, that the views expressed therein accurately reflect their personal views about each issuer and security referenced and were prepared in an independent manner, including with respect to Citigroup Global Markets Inc and its affiliates. No part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) expressed by that research analyst in this report.

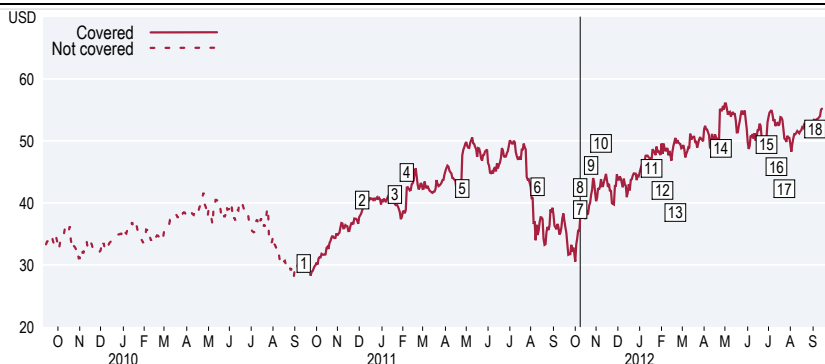
IMPORTANT DISCLOSURES

Carlisle Companies Inc. (CSL)

Ratings and Target Price History Fundamental Research

Analyst: Deane M. Dray, CFA

Covered since September 14 2010



Date	Rating	Target Price	Closing Price
1 14-Sep-10	*3M	*29.00	30.19
2 5-Dec-10	*2M	*39.00	38.28
3 20-Jan-11	2M	*45.00	39.77
4 7-Feb-11	2M	*46.00	42.47
5 26-Apr-11	2M	*48.00	47.67
6 10-Aug-11	2M	*37.00	34.80

* Indicates change

Date	Rating	Target Price	Closing Price
7 8-Oct-11	Stock rating system changed		
8 8-Oct-11	*2	37.00	35.33
9 25-Oct-11	2	*41.00	41.30
10 8-Nov-11	2	*47.00	43.83
11 18-Jan-12	2	*48.00	46.99
12 2-Feb-12	2	*49.00	47.89

Date	Rating	Target Price	Closing Price
13 21-Feb-12	2	*52.00	50.48
14 25-Apr-12	2	*61.00	54.90
15 28-Jun-12	2	*55.00	50.60
16 12-Jul-12	2	*54.00	52.79
17 24-Jul-12	2	*55.00	50.38
18 5-Sep-12	2	*57.00	52.50

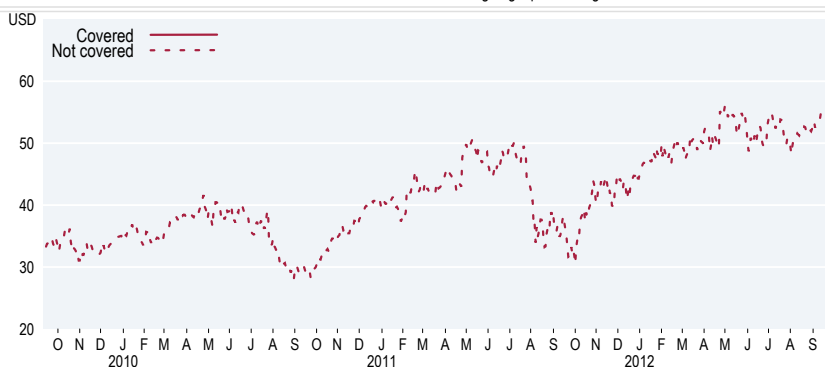
Rating/target price changes above reflect Eastern Standard Time

Carlisle Companies Inc. (CSL)

Ratings and Target Price History Best Ideas Research Relative Call (3 Month)

Analyst: Deane M. Dray, CFA

Covered since September 14 2010



* Indicates change

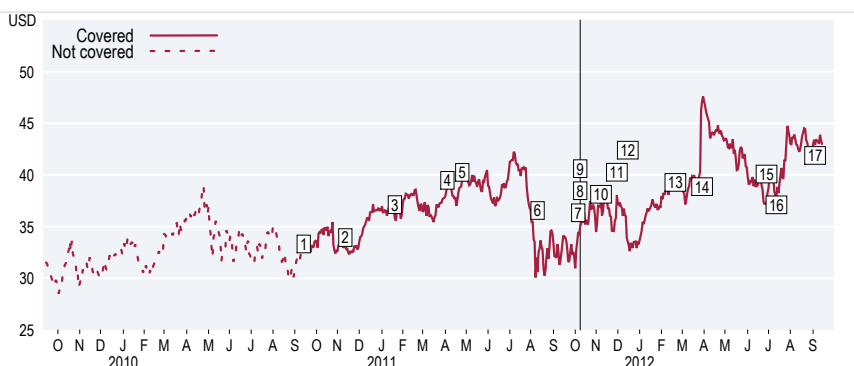
Rating/target price changes above reflect Eastern Standard Time

Pentair, Inc. (PNR)

Ratings and Target Price History

Fundamental Research

Analyst: Deane M. Dray, CFA
Covered since September 14 2010



	Date	Rating	Target Price	Closing Price
1	14-Sep-10	*2M	*35.00	32.65
2	11-Nov-10	2M	*36.00	33.10
3	20-Jan-11	2M	*39.00	35.82
4	5-Apr-11	*1M	*45.00	39.25
5	26-Apr-11	1M	*48.00	39.67
6	10-Aug-11	1M	*37.00	30.59

* Indicates change

	Date	Rating	Target Price	Closing Price
7	6-Oct-11	1M	*39.00	34.48
8	8-Oct-11	Stock rating system changed		
9	8-Oct-11	*1	39.00	34.15
10	8-Nov-11	1	*47.00	37.42
11	30-Nov-11	1	*45.00	38.03
12	15-Dec-11	1	*42.00	33.54

	Date	Rating	Target Price	Closing Price
13	21-Feb-12	1	*45.00	39.12
14	29-Mar-12	1	*53.00	47.14
15	28-Jun-12	1	*46.00	37.11
16	12-Jul-12	1	*44.00	37.98
17	5-Sep-12	1	*49.00	42.89

Rating/target price changes above reflect Eastern Standard Time

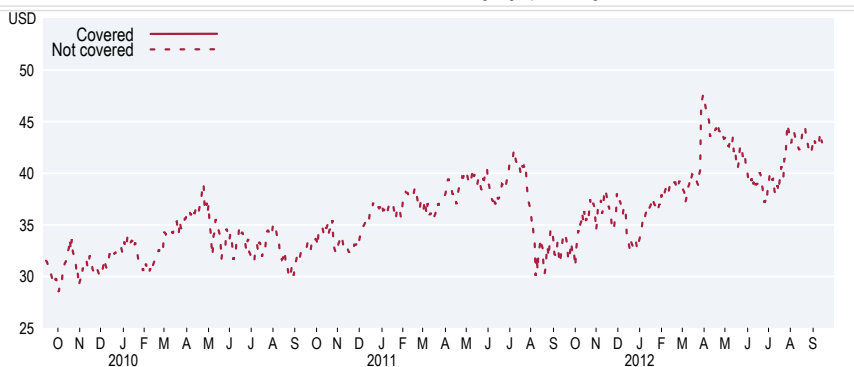
Pentair, Inc. (PNR)

Ratings and Target Price History

Best Ideas Research

Relative Call (3 Month)

Analyst: Deane M. Dray, CFA
Covered since September 14 2010



* Indicates change

Rating/target price changes above reflect Eastern Standard Time

United Technologies Corporation (UTX)

Ratings and Target Price History

Fundamental Research

Analyst: Deane M. Dray, CFA
Covered since September 14 2010



	Date	Rating	Target Price	Closing Price
1	20-Oct-09	1M	*76.00	65.40
2	17-Dec-09	1M	*80.00	69.58
3	12-Feb-10	Coverage terminated		
4	14-Sep-10	*2M	*76.00	68.72
5	11-Nov-10	2M	*84.00	75.39
6	20-Jan-11	2M	*89.00	79.55

* Indicates change

	Date	Rating	Target Price	Closing Price
7	20-Apr-11	2M	*91.00	85.90
8	20-Jul-11	2M	*92.00	87.22
9	10-Aug-11	2M	*75.00	67.44
10	8-Oct-11	Stock rating system changed		
11	18-Mar-12	*2	*89.00	85.48
12	12-Jun-12	2	*80.00	74.35

	Date	Rating	Target Price	Closing Price
13	28-Jun-12	2	*81.00	72.60
14	12-Jul-12	2	*79.00	71.84
15	26-Jul-12	2	*78.00	72.93
16	5-Sep-12	2	*85.00	78.03

Rating/target price changes above reflect Eastern Standard Time

United Technologies Corporation (UTX)

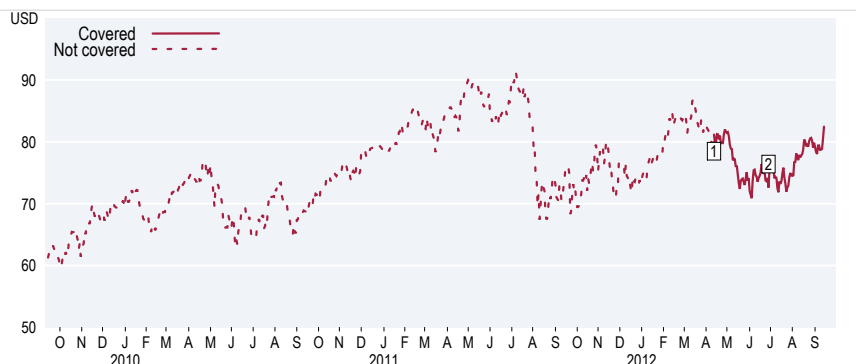
Ratings and Target Price History

Best Ideas Research

Relative Call (3 Month)

Analyst: Deane M. Dray, CFA

Covered since September 14 2010



Date	Rating	Target Price	Closing Price
12-Apr-12	*ADD LP	-	81.17

* Indicates change

Date	Rating	Target Price	Closing Price
28-Jun-12	*REM LP	-	72.60

Rating/target price changes above reflect Eastern Standard Time

Due to Citi's involvement as an advisor to Goodrich Corp. on the announced pending sale to United Technologies Corp., CIRA suspended its rating and target price on United Technologies Corp. on September 21, 2011 (the 'Suspension Date'). Please note that the Company price chart that appears in this report and available on CIRA's disclosure website does not reflect that CIRA did not have a rating or target price between the Suspension Date and March 18, 2012 when CIRA resumed full coverage. Citigroup Global Markets Inc. is acting as a joint bookrunner on United Technologies Inc.'s announced offering of equity units as component of financing for the Goodrich acquisition.

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Data current as of 30 Jun 2012

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12 Month Rating			Relative Rating		
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44%	43%	40%	48%	43%	45%

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