

ILLINOIS TOOL WORKS INC
Form 4
August 22, 2006

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 *
CALLAHAN ROBERT T

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)
3600 W. LAKE AVENUE

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/18/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr. V. P. Human Resources

GLENVIEW, IL 60026-1215

(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)	
			Code	V	Amount	(A) or (D)	Price	
Common Stock <u>(1)</u> <u>(5)</u>	08/18/2006	08/08/1998	M		700	A	\$ 45.99	15,786 D
Common Stock <u>(1)</u> <u>(5)</u>	08/18/2006		S		700	D	\$ 45.5	15,086 D <u>(1)</u> <u>(5)</u>
Common Stock <u>(2)</u> <u>(5)</u>	09/30/2005	12/31/2005	A		80	A	\$ 0	3,506 I See Footnote <u>(2)</u> <u>(5)</u>

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 Amount of Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option ⁽³⁾ ₍₅₎	\$ 29.125	11/16/2005		A		6,000		12/11/1999	12/11/2008	Common Stock	6,000
Employee Stock Option ⁽³⁾ ₍₅₎	\$ 32.75	12/17/1999		A		14,000		12/17/2000	12/17/2009	Common Stock	14,000
Employee Stock Option ⁽³⁾ ₍₅₎	\$ 27.9375	12/15/2000		A		34,000		12/15/2001	12/15/2010	Common Stock	34,000
Employee Stock Option ⁽³⁾ ₍₅₎	\$ 31.125	12/14/2001		A		30,000		12/14/2002	12/14/2011	Common Stock	30,000
Employee Stock Option ⁽³⁾ ₍₅₎	\$ 47.13	12/10/2004		A		60,000		12/10/2005	12/10/2014	Common Stock	60,000
Employee Stock Option ⁽⁴⁾ ₍₅₎	\$ 42.08	02/01/2006		A		60,000		12/07/2006	02/01/2016	Common Stock	60,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
				Sr. V. P. Human Resources

CALLAHAN ROBERT T
3600 W. LAKE AVENUE
GLENVIEW, IL 60026-1215

Signatures

Robert T. Callahan by James H. Wooten, Jr., V.P., Gen. Counsel & Secretary
Attorney-In-Fact POA on File

08/22/2006

__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) Includes shares of restricted vesting over 3 year period: 12/16/2004, 12/16/2005, and 12/18/2006.
- (2) Shares of common stock allocated to my account in the Illinois Tool Works Inc. Savings & Investment Plan. Information reported as of December 31, 2005.
- (3) Options vest in four equal annual installments beginning one year from date of grant.
- (4) Options vest in four equal annual installments beginning in each December following the grant date.
- (5) Shares received as a result of the two-for-one stock split on May 25, 2006

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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