SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): April 14, 1999

UNITED TECHNOLOGIES CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001-00812	06-0570975
(Commission File No.)	(IRS Employer Identification No.)

One Financial Plaza
Hartford, Connecticut 06101
(Address of principal executive offices, including ZIP code)

(860) 728-7000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS.

As previously reported, on March 16, 1999, United Technologies Corporation, a Delaware corporation (the "Company"), issued a press release announcing that a wholly owned subsidiary of the Company and Lear Corporation, a Delaware corporation ("Lear"), had entered into a Stock Purchase Agreement (the "Stock Purchase Agreement"), pursuant to which the Company will sell its UT Automotive unit to Lear (the "Disposition") for consideration of $2.3 billion in cash, subject to a post-closing adjustment based on working capital and cash as set forth in the Stock Purchase Agreement. The financial terms of the Disposition were determined by negotiations between the Company and Lear. The UT Automotive unit is a supplier of automotive electrical distribution systems and related components in the Americas and Europe and a supplier in North America of modular headliners, instrument panels, door trim assemblies, vehicle remote entry systems, and fractional horsepower DC electric motors used in commercial and industrial applications. The UT Automotive unit also produces other products such as interior trim, mirrors, thermal and acoustical barriers, airbag covers, electronic controls and modules, engine cooling modules, interior lighting systems, windshield wiper systems, and electrical starters for commercial applications. Consummation of the Disposition is conditioned upon, among other things, expiration or termination of the applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act.

On February 22, 1999, the Company and Sundstrand Corporation, a Delaware corporation ("Sundstrand"), issued a joint press release announcing that they had entered into an Agreement and Plan of Merger (the "Merger Agreement") pursuant to which Sundstrand will merge with HSSail Inc., a wholly owned and newly formed subsidiary of the Company, and become a wholly owned subsidiary of the Company (the "Merger"). Sundstrand designs and manufactures proprietary, technology-based components and subsystems for aerospace and industrial customers. Consummation of the Merger is conditioned upon, among other things, the requisite approval of the holders of Sundstrand common stock and customary regulatory and governmental approvals.

Under the terms of the Merger Agreement, each outstanding share of Sundstrand common stock will be converted into the right to receive $35.00 in cash plus a fraction of a share of Company common stock initially set at .2790, but subject to adjustment. To the extent necessary, depending on the average closing price of Company common stock during the ten trading days before the fifth trading day prior to the Sundstrand stockholders' meeting to be held to approve and adopt the Merger and the Merger Agreement, the common stock exchange ratio will be reduced or increased, as the case may be, to provide for a maximum value of $39.25 and a minimum value of $35.00 of Company common stock (based upon the average closing price of Company common stock during such period) for each share of Sundstrand common stock. In addition, if the average closing price of Company common stock during such measurement period is equal to or less than $112.8938, then the Company has the right to convert the merger consideration to an all cash payment of $70.00 per share of Sundstrand common stock. The closing price per share of Company common stock on March 31, 1999 was $135.4375.

In connection with the Merger, each director or employee option to purchase Sundstrand common stock which is outstanding and unexercised immediately prior to the Merger will be converted into an option to purchase Company common stock pursuant to a formula based on the merger consideration or, if the holder does not consent to such conversion, into an option to acquire Company common stock and cash pursuant to a formula based on the merger consideration. If the Company elects to pay the merger consideration solely in cash, the options of holders who do not consent to the conversion will be canceled immediately prior to the Merger and such holders will receive a lump sum cash payment based on the excess of $70.00 over the exercise price per share of Sundstrand common stock subject to such option. Other equity awards or equity accounts under Sundstrand's employee or director incentive or benefit plans, programs or arrangements will be converted into similar instruments of the Company, with appropriate adjustments. The financial terms of the Merger were determined by negotiations between the Company and Sundstrand.

The Company will pay for the transaction in part by issuing or delivering shares of Company common stock with a value of approximately $2.0 billion. The cash consideration and the cash transaction costs will be funded by the issuance of long-term and medium-term debt and cash proceeds from the sale of its UT Automotive unit. If the UT Automotive unit's sale is not completed before the completion of the Merger, cash consideration and cash transaction costs associated with the Merger will be financed as short-term debt under one or more of the Company's existing credit facilities and/or under one or more short-term debt facilities that the Company may establish for the purpose of financing the Merger. On March 10, 1999, the Company filed a shelf registration statement relating to long-term and medium-term debt securities that could be offered and sold for aggregate proceeds of approximately $1 billion. If the Company elects to convert the merger consideration to all cash, under the terms of the Merger Agreement, no shares of Company common stock will be issued or delivered other than in connection with the settlement of stock options, and additional debt of approximately $2 billion will need to be incurred. The incurrence of this additional debt would have to be approved by the Company's Board of Directors.

The above descriptions of the Stock Purchase Agreement, the Merger Agreement and the press releases are qualified in their entirety by reference to those documents, which have been previously filed with the Securities and Exchange Commission and are incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL STATEMENTS, AND EXHIBITS

(b) Pro Forma Financial Information.

The following pro forma financial information of the Company, giving effect to the Merger and the Disposition, is set forth as Exhibit 99.3 and is incorporated herein by reference:

Unaudited Pro Forma Condensed Financial Statements -- Introduction.

Unaudited Pro Forma Condensed Balance Sheet as of December 31, 1998.

Notes to Unaudited Pro Forma Condensed Balance Sheet.

Unaudited Pro Forma Condensed Statement of Operations for the year ended December 31, 1998.

Unaudited Pro Forma Condensed Statement of Operations for the year ended December 31, 1997.

Unaudited Pro Forma Condensed Statement of Operations for the year ended December 31, 1996.

Notes to Unaudited Pro Forma Condensed Statement of Operations.

(c) Exhibits.

2.1 Merger Agreement, dated as of February 21, 1999, among United Technologies Corporation, HSSail Inc. and Sundstrand Corporation, incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K of the Company filed on February 23, 1999 (the "February 23 8-K").

2.2 Stock Purchase Agreement, dated as of March 16, 1999, by and between Nevada Bond Investment Corp. II and Lear Corporation, incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K of the Company filed on March 19, 1999 (the "March 19 8-K").

99.1 Press Release, dated as of February 22, 1999, jointly issued by United Technologies Corporation and Sundstrand Corporation, incorporated by reference to Exhibit 99.1 to the February 23 8-K.

99.2 Press Release, dated as of March 16, 1999 issued by United Technologies Corporation, incorporated by reference to Exhibit 99.2 to the March 19 8-K.

99.3 Unaudited Pro Forma Condensed Financial Statements related to the potential Merger and Disposition.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: April 14, 1999

UNITED TECHNOLOGIES CORPORATION

By: /s/ William H. Trachsel

Name: William H. Trachsel
Title: Senior Vice President, General Counsel and Secretary

EXHIBIT LIST

Exhibit No.	Description
2.1	Merger Agreement, dated as of February 21, 1999, among United Technologies Corporation, HSSail Inc. and Sundstrand Corporation, incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K of the Company filed on February 23, 1999 (the "February 23 8-K").
2.2	Stock Purchase Agreement, dated as of March 16, 1999, by and between Nevada Bond Investment Corp. II and Lear Corporation, incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K of the Company filed on March 19, 1999 (the "March 19 8-K").
99.1	Press Release, dated as of February 22, 1999, jointly issued by United Technologies Corporation and Sundstrand Corporation, incorporated by reference to Exhibit 99.1 to the February 23 8-K.
99.2	Press Release, dated as of March 16, 1999 issued by United Technologies Corporation, incorporated by reference to Exhibit 99.2 to the March 19 8-K.
99.3	Unaudited Pro Forma Condensed Financial Statements related to the potential Merger and Disposition.

INTRODUCTION TO UNAUDITED PRO FORMA CONDENSED FINANCIAL STATEMENTS

On February 22, 1999, the Company and Sundstrand announced the Merger Agreement. On March 16, 1999, the Company announced the Stock Purchase Agreement.

The following unaudited pro forma condensed financial information has been prepared from the historical financial statements of the Company and Sundstrand adjusted to reflect the Merger using the purchase method of accounting.

The unaudited pro forma condensed balance sheet has been adjusted to reflect the Disposition as though it had occurred on December 31, 1998. This adjustment assumes net cash proceeds of $2.0 billion after payment of taxes and cash transaction costs, the accrual of other transaction related expenses and the estimated gain on the sale resulting from the completion of the Disposition. The pro forma condensed statement of operations reflects UT Automotive as a discontinued operation for the years ended December 31, 1996, 1997 and 1998 and does not reflect the effects of the anticipated gain or proceeds.

The unaudited pro forma condensed balance sheet has been prepared to reflect the Merger and the issuance of 0.2790 shares of Company common stock and $35 in cash for each outstanding share of Sundstrand common stock, as if the Merger occurred on December 31, 1998, and the issuance of Company stock options to Sundstrand stock option holders in exchange for Sundstrand stock options. Based on the price per share of Company common stock of $125.4375 on February 19, 1999, the last trading day prior to entering into the Merger Agreement, total consideration would be $70 per share resulting in an aggregate purchase price of approximately $3.9 billion including related transaction costs of approximately $40 million. The purchase price of Sundstrand common stock has been preliminarily allocated to tangible and intangible assets and liabilities of Sundstrand based upon estimates of their respective values. These allocations will be subsequently adjusted based upon appraisals, valuations and other studies, which will be conducted over the next several months. Final values may differ substantially from those shown herein. The unaudited pro forma condensed statement of operations combines the results of operations of the Company and Sundstrand as if the Merger occurred on January 1, 1998.

The pro forma condensed financial statements should be read in conjunction with the Company's and Sundstrand's historical financial statements. The pro forma information presented is for informational purposes only and it is not necessarily indicative of future earnings or financial position or of what the earnings or financial position would have been had the Merger been completed on January 1, 1998 or as of December 31, 1998.

This pro forma financial information should be read in conjunction with the historical financial statements of the Company and Sundstrand. Historical financial statements of the Company can be found in the Company's annual report on Form 10-K filed on February 16, 1999. Sundstrand's historical financial statements can be found in its annual report on Form 10-K filed on March 31, 1999.

PRO FORMA FINANCIAL INFORMATION
UNAUDITED PRO FORMA CONDENSED BALANCE SHEET
AS OF DECEMBER 31, 1998
(IN MILLIONS OF DOLLARS)

	HISTORICAL UNITED TECHNOLOGIES	UT AUTOMOTIVE ADJUSTMENT	ADJUSTED UNITED TECHNOLOGIES	HISTORICAL SUNDSTRAND	MERGER PRO FORMA ADJUSTMENTS	UNITED TECHNOLOGIES PRO FORMA
ASSETS						
Cash and cash equivalents...........	$ 550	$2,000	$ 2,550	$ 15	$ (889)(1)	$ 1,676
Accounts and notes receivable, net................................	3,993	(576)	3,417	381	-	3,798
Inventories and contracts in progress...........................	3,362	(171)	3,191	401	24 (3)	3,616
Other current assets................	1,450	(68)	1,382	68	-	1,450
Total Current Assets................	9,355	1,185	10,540	865	(865)	10,540
Fixed assets, net...................	4,265	(710)	3,555	527	263 (3)	4,345
Goodwill............................	1,750	(333)	1,417	332	3,107 (5)	4,856
Other assets........................	3,005	(59)	2,946	83	-	3,029
Total Assets........................	$18,375	$ 83	$18,458	$1,807	$ 2,505	$22,770
LIABILITIES AND SHAREOWNERS' EQUITY						
Short-term borrowings...............	$ 512	$ (8)	$ 504	$ 163	$ -	$ 667
Accounts payable....................	2,237	(377)	1,860	128	-	1,988
Accrued liabilities.................	4,886	(56)	4,830	204	40 (l)	5,074
Long-term debt currently due........	100	(1)	99	4	-	103
Total Current Liabilities...........	7,735	(442)	7,293	499	40	7,832
Long-term debt......................	1,575	(5)	1,570	295	1,031 (l)(3)	2,896
Other long-term liabilities.........	4,231	(70)	4,161	468	6 (3)(4)	4,635
Series A ESOP Convertible...........						
Preferred Stock....................	836	-	836	-	-	836
ESOP Deferred Compensation.........	(380)	-	(380)	-	-	(380)
	456	-	456	-	-	456
Shareowners' Equity:						
Common Stock.......................	2,708	-	2,708	203	1,059 (l)(2)	3,970
Unamortized value of restricted stock issued......................	-	-	-	(6)	6 (2)	-
Treasury Stock.....................	(3,117)	-	(3,117)	(645)	1,356 (l)(2)	(2,406)
Retained Earnings..................	5,411	600	6,011	1,007	(1,007)(2)	6,011
Accumulated other non-shareowner changes in equity...........................	(624)	-	(624)	(14)	14 (2)	(624)
	4,378	600	4,978	545	1,428	6,951
Total Liabilities and Shareowners' Equity................	$18,375	$ 83	$18,458	$1,807	$ 2,505	$22,770

See accompanying Notes to Unaudited Pro Forma Condensed Financial Statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED BALANCE SHEET
AS OF DECEMBER 31, 1998

The unaudited pro forma condensed balance sheet includes the pro forma adjustments to reflect the Disposition and the Merger as if both took place on December 31, 1998.

UT Automotive Adjustment:

Reflects the Disposition for net cash proceeds of approximately $2.0 billion after payment of taxes and cash transaction costs, the accrual of other transaction related expenses and the estimated gain on the sale.

Merger Pro Forma Adjustments:

(1) Adjustment to reflect the issuance of 15.1 million shares of Company common stock based on a common stock exchange ratio of .2790, the payment of $1.889 billion for the cash consideration paid to Sundstrand stockholders and for the cash transaction costs, and the issuance of Company stock options to Sundstrand stock option holders. The Merger Agreement provides that if the average closing price per share of Company common stock for the ten trading day period before the fifth trading day prior to the Sundstrand stockholder meeting to be held to approve and adopt the Merger Agreement and the Merger exceeds $140.68 per share, the common stock exchange ratio will be adjusted to reflect a maximum market value (based upon the average closing price of Company common stock during such period) of Company common stock to be received for each share of Sundstrand common stock of $39.25. If the common stock exchange ratio is adjusted pursuant to this provision of the Merger Agreement, the aggregate purchase price and goodwill will be increased by approximately $230 million, based on the outstanding shares of Sundstrand common stock on February 24, 1999. The adjustment assumes that the cash consideration and the cash transaction costs of $1.889 billion will be funded by the issuance of approximately $1.0 billion of medium-term and long-term debt and $889 million of cash from the Disposition. If the Disposition closes after the Merger, $889 million of the cash consideration and the cash transaction costs will be funded by the issuance of short-term debt under one or more of the Company's existing or new credit facilities.

Although the cash election is not reflected in these pro forma financial statements, if the Company elects to convert the merger consideration to an all cash payment of $70 per share of Sundstrand common stock, under the terms of the Merger Agreement, additional cash consideration of $1.889 billion would be required in lieu of the issuance of shares of Company common stock. Any financing required to pay the additional cash consideration would have to be approved by the Company's Board of Directors. This cash consideration would result in additional borrowings and related interest expense.

(2) Adjustment to eliminate Sundstrand equity pursuant to the Merger.

(3) Adjustment to record Sundstrand assets and liabilities at their estimated fair market value.

(4) Adjustment to record the tax effects related to the pro forma adjustments.

(5) Adjustment to reflect the incremental goodwill resulting from the Merger.

UNAUDITED PRO FORMA CONDENSED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 1998
(IN MILLIONS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)

	HISTORICAL UNITED TECHNOLOGIES	UT AUTOMOTIVE ADJUSTMENT	ADJUSTED UNITED TECHNOLOGIES	HISTORICAL SUNDSTRAND	MERGER PRO FORMA ADJUSTMENTS	UNITED TECHNOLOGIES PRO FORMA
Product sales	$ 20,248	$(2,900)	$ 17,348	$2,005	$ (25)(D)	$ 19,328
Service sales	5,439	-	5,439	-	-	5,439
Net sales	25,687	(2,900)	22,787	2,005	(25)	24,767
Financing revenues and other income, net	28	(6)	22	10	-	32
	25,715	(2,906)	22,809	2,015	(25)	24,799
Cost of products sold	15,815	(2,379)	13,436	1,316	60(A)(C)(D)	14,812
Cost of services sold	3,461	-	3,461	-	-	3,461
Research and development	1,315	(147)	1,168	92	-	1,260
Selling, general and administrative	2,957	(220)	2,737	225	-	2,962
Interest	204	(7)	197	35	65(B)	297
	23,752	(2,753)	20,999	1,668	125	22,792
Income from continuing operations before income taxes and minority interests	1,963	(153)	1,810	347	(150)	2,007
Income taxes	623	(55)	568	121	(32)(E)	657
Minority interests in subsidiaries' earnings	85	-	85	-	-	85
Income from continuing operations	$ 1,255	$ (98)	$ 1,157	$ 226	$ (118)	$ 1,265
Discontinued Operation:						
Income from operations of discontinued UT Automotive subsidiary (net of applicable income tax provision of $55 million)	-	98	98	-	-	98
Net Income	$ 1,255	$ -	$ 1,255	$ 226	$ (118)	$ 1,363
Earnings Per Share of Common Stock:						
Continuing Operations:						
Basic:						
Average shares (thousands)	227,767		227,767		15,100	242,867
Earnings per share	$ 5.36		$ 4.94		-	$ 5.07
Diluted:						
Average shares (thousands)	247,380		247,380		15,800	263,180
Earnings per share	$ 5.05		$ 4.66		-	$ 4.79
Discontinued Operation:						
Basic:						
Average shares (thousands)	227,767		227,767		15,100	242,867
Earnings per share	$ -		$ 0.42		-	$ 0.41
Diluted:						
Average shares (thousands)	247,380		247,380		15,800	263,180
Earnings per share	$ -		$ 0.39		-	$ 0.37
Net Earnings Per Share:						
Basic:						
Average shares (thousands)	227,767		227,767		15,100	242,867
Earnings per share	$ 5.36		$ 5.36		-	$ 5.48
Diluted:						
Average shares (thousands)	247,380		247,380		15,800	263,180
Earnings per share	$ 5.05		$ 5.05		-	$ 5.16

See accompanying Notes to Unaudited Pro Forma Condensed Financial Statements.

UNAUDITED PRO FORMA CONDENSED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 1997
(IN MILLIONS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)

	HISTORICAL UNITED TECHNOLOGIES	UT AUTOMOTIVE ADJUSTMENT	ADJUSTED UNITED TECHNOLOGIES
Product sales	$ 18,873	$(2,927)	$ 15,946
Service sales	5,116	-	5,116
Net sales	23,989	(2,927)	21,062
Financing revenues and other income, net	233	(7)	226
	24,222	(2,934)	21,288
Cost of products sold	15,080	(2,442)	12,638
Cost of services sold	3,208	-	3,208
Research and development	1,187	(118)	1,069
Selling, general and administrative	2,820	(209)	2,611
Interest	191	(3)	188
	22,486	(2,772)	19,714
Income from continuing operations before income taxes and minority interests	1,736	(162)	1,574
Income taxes	565	(51)	514
Minority interests in subsidiaries' earnings	99	(1)	98
Income from continuing operations	$ 1,072	$ (110)	$ 962
Discontinued Operation:			
Income from operations of discontinued UT Automotive subsidiary (net of applicable income tax provision of $51 million)	-	110	110
Net Income	$ 1,072	$ -	$ 1,072
Earnings Per Share of Common Stock:			
Continuing Operations:			
Basic:			
Average shares (thousands)	234,443		234,443
Earnings per share	$ 4.44		$ 3.97
Diluted:			
Average shares (thousands)	253,555		253,555
Earnings per share	$ 4.21		$ 3.77
Discontinued Operation:			
Basic:			
Average shares (thousands)	234,443		234,443
Earnings per share	$ -		$ 0.47
Diluted:			
Average shares (thousands)	253,555		253,555
Earnings per share	$ -		$ 0.44
Net Earnings Per Share:			
Basic:			
Average shares (thousands)	234,443		234,443
Earnings per share	$ 4.44		$ 4.44
Diluted:			
Average shares (thousands)	253,555		253,555
Earnings per share	$ 4.21		$ 4.21

See accompanying Notes to Unaudited Pro Forma Condensed Financial Statements.

UNAUDITED PRO FORMA CONDENSED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 1996
(IN MILLIONS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)

	HISTORICAL UNITED TECHNOLOGIES	UT AUTOMOTIVE ADJUSTMENT	ADJUSTED UNITED TECHNOLOGIES
Product sales	$ 17,799	$(3,086)	$ 14,713
Service sales	4,989	-	4,989
Net sales	22,788	(3,086)	19,702
Financing revenues and other income, net	263	(93)	170
	23,051	(3,179)	19,872
Cost of products sold	14,327	(2,674)	11,653
Cost of services sold	3,088	-	3,088
Research and development	1,122	(108)	1,014
Selling, general and administrative	2,796	(209)	2,587
Interest	217	(4)	213
	21,550	(2,995)	18,555
Income from continuing operations before income taxes and minority interests	1,501	(184)	1,317
Income taxes	494	(64)	430
Minority interests in subsidiaries' earnings	101	(2)	99
Income from continuing operations	$ 906	$ (118)	$ 788
Discontinued Operation:			
Income from operations of discontinued UT Automotive subsidiary (net of applicable income tax provision of $64 million)	-	118	118
Net Income	$ 906	$ -	$ 906
Earnings Per Share of Common Stock:			
Continuing Operations:			
Basic:			
Average shares (thousands)	241,454		241,454
Earnings per share	$ 3.63		$ 3.14
Diluted:			
Average shares (thousands)	258,606		258,606
Earnings per share	$ 3.48		$ 3.02
Discontinued Operation:			
Basic:			
Average shares (thousands)	241,454		241,454
Earnings per share	$ -		$ 0.49
Diluted:			
Average shares (thousands)	258,606		258,606
Earnings per share	$ -		$ 0.46
Net Earnings Per Share:			
Basic:			
Average shares (thousands)	241,454		241,454
Earnings per share	$ 3.63		$ 3.63
Diluted:			
Average shares (thousands)	258,606		258,606
Earnings per share	$ 3.48		$ 3.48

See accompanying Notes to Unaudited Pro Forma Condensed Financial Statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED STATEMENT OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 1996, 1997 AND 1998

The unaudited pro forma condensed statement of operations includes the pro forma adjustment to reflect UT Automotive as a discontinued operation for the years ended December 31, 1996, 1997 and 1998 and the Merger as if it took place on January 1, 1998.

A. Adjustment to reflect the incremental goodwill amortization from the Merger over an estimated useful life of 40 years. If the common stock exchange ratio is adjusted, as described in Note 1 to the Pro Forma Condensed Balance Sheet, goodwill amortization would be increased by approximately $6 million.

B. Reflects the interest expense incurred by the Company in connection with the Merger. Interest expense was calculated for the full year (360 days) on a pro forma basis using an interest rate of 6.5% on medium-term and long-term debt of $1.0 billion.

   If the Company elects to convert the merger consideration to an all cash payment of $70 per share of Sundstrand common stock, under the terms of the Merger Agreement, additional cash consideration of $1.889 billion would be required in lieu of the issuance of Company common stock. Any financing required to pay the additional cash consideration would have to be approved by the Company's Board of Directors. This consideration would result in additional borrowings and related interest expense of $109 million.

C. Adjustment reflects the additional depreciation on the write-up of fixed assets to fair value over a 10 year useful life.

D. Adjustment to eliminate sales and cost of sales between Sundstrand and the Company.

E. Adjustment to record the tax effects related to the pro forma adjustments.