FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON D.C.

20549

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2000

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period
from____________________________to__________________________

Commission file number 1-812

UNITED TECHNOLOGIES CORPORATION

DELAWARE 06-0570975

One Financial Plaza, Hartford, Connecticut 06103

(860) 728-7000

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes X . No .

At March 31, 2000 there were 470,520,367 shares of Common Stock outstanding.

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Quarter Ended March 31, 2000

UNITED TECHNOLOGIES CORPORATION
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Part 1 - Financial Information

Item 1. Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited)

In Millions (except per share amounts)	Quarter Ended March 31, 2000	1999
Revenues:		
Product sales	$ 4,824	$ 3,980
Service sales	1,483	1,402
Financing revenues and other income, net	83	60
	6,390	5,442
Costs and expenses:		
Cost of products sold	3,717	3,110
Cost of services sold	911	867
Research and development	314	274
Selling, general and administrative	781	701
Interest	86	55
	5,809	5,007
Income from continuing operations before income taxes and minority interests	581	435
Income taxes	177	136
Minority interests	27	21
Income from continuing operations	377	278
Discontinued operation:		
Income from operations of discontinued UT Automotive unit (net of applicable income tax provision of $15 in 1999)	-	30
Net income	$ 377	$ 308
Earnings per share of Common Stock:		
Basic:		
Continuing operations	$ .78	$ .60
Discontinued operation	-	.07
Net earnings	$ .78	$ .67
Diluted:		
Continuing operations	$ .74	$ .57
Discontinued operation	-	.06
Net earnings	$ .74	$ .63
Dividends per share of Common Stock:	$ .20	$ .18
Average number of shares outstanding:		
Basic	473	451
Diluted	511	492

See accompanying Notes to Condensed Consolidated Financial Statements

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CONDENSED CONSOLIDATED BALANCE SHEET

In Millions	March 31, 2000 (Unaudited)	December 31, 1999
Assets		
Cash and cash equivalents	$ 657	$ 957
Accounts receivable, net	4,298	4,337
Inventories and contracts in progress, net	3,641	3,504
Future income tax benefits	1,505	1,563
Other current assets	268	266
Total Current Assets	10,369	10,627
Fixed assets	10,238	10,455
Less: Accumulated depreciation	5,895	5,995
	4,343	4,460
Goodwill	5,752	5,641
Other assets	3,737	3,638
Total Assets	$ 24,201	$ 24,366
Liabilities and Shareowners' Equity		
Short-term borrowings	$ 790	$ 902
Accounts payable	2,080	1,957
Accrued liabilities	5,859	6,023
Long-term debt currently due	229	333
Total Current Liabilities	8,958	9,215
Long-term debt	3,246	3,086
Future pension and postretirement benefit obligations	1,623	1,601
Other long-term liabilities	2,895	2,898
Series A ESOP Convertible Preferred Stock	795	808
ESOP deferred compensation	(352)	(359)
	443	449
Shareowners' Equity:		
Common Stock	4,301	4,227
Treasury Stock	(3,478)	(3,182)
Retained earnings	6,707	6,463
Accumulated other non-shareowners' changes in equity	(494)	(391)
	7,036	7,117
Total Liabilities and Shareowners' Equity	$ 24,201	$ 24,366

See accompanying Notes to Condensed Consolidated Financial Statements

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

In Millions	Quarter Ended March 31, 2000	1999
Operating Activities:		
Income from continuing operations	$ 377	$ 278
Adjustments to reconcile income from continuing operations to net cash flows provided by operating activities:		
Depreciation and amortization	212	183
Deferred income tax provision	27	50
Change in:		
Accounts receivable	23	(108)
Inventories and contracts in progress	(99)	(138)
Accounts payable and accrued liabilities	21	201
Other current assets	(4)	(71)
Other, net	(31)	(19)
Net cash flows provided by operating activities	526	376
Investing Activities:		
Capital expenditures	(149)	(129)
Investments in businesses	(269)	(95)
Dispositions of businesses	-	43
Increase in customer financing assets, net	(15)	(11)
Other, net	40	6
Net cash flows used in investing activities	(393)	(186)
Financing Activities:		
Issuance of long-term debt	216	-
Repayment of long-term debt	(145)	(14)
(Decrease) increase in short-term borrowings, net	(122)	53
Dividends paid on Common Stock	(94)	(81)
Repurchase of Common Stock	(300)	(97)
Other, net	13	55
Net cash flows used in financing activities	(432)	(84)
Net cash flows provided by discontinued operation	-	30
Effect of foreign exchange rate changes on Cash and cash equivalents	(1)	(29)
Net (decrease) increase in Cash and cash equivalents	(300)	107
Cash and cash equivalents, beginning of year	957	550
Cash and cash equivalents, end of period	$ 657	$ 657

See accompanying Notes to Condensed Consolidated Financial Statements

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

The Condensed Consolidated Financial Statements at March 31, 2000 and for the quarters ended March 31, 2000 and 1999 are unaudited, but in the opinion of management include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results for the interim periods. The results reported in these condensed consolidated financial statements should not necessarily be taken as indicative of results that may be expected for the entire year. The financial information included herein should be read in conjunction with the financial statements and notes in the Corporation's Annual Report incorporated by reference in Form 10-K for calendar year 1999.

Non-Shareowners' Changes in Equity

Non-shareowners' changes in equity includes all changes in equity during a period except changes resulting from investments by and distributions to shareowners. A summary of the non-shareowners' changes in equity is provided below.

	Quarter Ended March 31, 2000	1999
Net Income	$ 377	$ 308
Foreign currency translation, net	(29)	(78)
Unrealized holding loss on marketable equity securities, net	(74)	-
	$ 274	$ 230

Investments in Businesses

During the first quarter of 2000, the Corporation invested $269 million in businesses, including Carrier's purchase of the commercial refrigeration business of Electrolux AB. The assets and liabilities of the acquired businesses accounted for under the purchase method were recorded at their fair values at the dates of acquisition. The excess of the purchase price over the estimated fair values of the net assets acquired has been recorded as goodwill and is being amortized over its estimated useful life. The results of operations of all acquired businesses have been included in the Condensed Consolidated Statements of Operations beginning on the effective date of each acquisition. The pro forma results, assuming these acquisitions had been made at the beginning of the year, would not be materially different from reported results.

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Inventories and Contracts in Progress

In Millions	March 31, 2000	December 31, 1999
Inventories consist of the following:		
Raw material	$ 713	$ 702
Work-in-process	1,001	1,158
Finished goods	2,171	1,871
Contracts in progress	1,667	1,561
	5,552	5,292
Less:		
Progress payments, secured by lien, on U.S. Government contracts	(145)	(87)
Billings on contracts in progress	(1,766)	(1,701)
	$ 3,641	$ 3,504

Restructuring

During 1999, the Corporation's operating segments initiated a variety of actions aimed at further strengthening their future profitability and competitive position. Those actions focused principally on rationalizing manufacturing processes and improving the overall level of organizational efficiency, including the removal of management layers. Restructuring charges accrued in 1999 were $842 million before income taxes and minority interests and will result in net reductions of approximately 15,000 salary and hourly employees and approximately 8 million square feet of facilities.

The 1999 accrued costs were recorded across each of the Corporation's operating segments as follows:

In Millions	
Otis	$ 178
Carrier	182
Pratt & Whitney	345
Flight Systems	131
Other	6
	$ 842

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The following table summarizes the accrued costs associated with the 1999 restructuring actions by type and related activity through March 31, 2000:

In Millions	Accrued Severance and Related Costs	Asset Write-downs	Accrued Exit & Lease Termination Costs	Accrued Site Restoration & Other Costs	Total
1999 Charges:					
Staff reductions	$ 433	$ -	$ -	$ -	$ 433
Facility closures	149	160	44	56	409
Total accrued charges	582	160	44	56	842
Adjustments	2	-	-	-	2
1999 Adjusted	584	160	44	56	844
Utilized to date:					
Cash	(199)	-	(3)	(16)	(218)
Non-cash	(48)	(160)	-	-	(208)
Balance at March 31, 2000	$ 337	$ -	$ 41	$ 40	$ 418

The 1999 accrued costs were recorded in cost of sales (87%) and selling, general and administrative expenses (13%) and related to:

. Workforce reductions of approximately 15,000 employees, primarily at Pratt & Whitney (5,200 employees), Otis (4,000 employees) and Carrier (3,200 employees)

. Plant closings that will result in the reduction of approximately 8 million square feet of facilities, primarily at Pratt & Whitney (3 million square feet) and Carrier (2.9 million square feet), and charges associated with the write-down of property, plant and equipment to fair value, where fair value is based on appraised value, primarily at Pratt & Whitney ($70 million) and Carrier ($41 million).

As of March 31, 2000, workforce reductions of approximately 7,600 employees were completed and approximately 1.4 million square feet were eliminated. The remaining workforce reductions and plant closings are planned to be substantially completed by December of this year.

In the first quarter of 2000, the Corporation incurred additional costs of $43 million associated with the restructuring actions that were not accruable when the actions were initiated.

Contingent Liabilities

There has been no significant change in the Corporation's material contingencies during 2000. Summarized below, however, are the matters previously described in Notes 1 and 14 of the Notes to Consolidated Financial Statements in the Corporation's Annual Report, contained in the Corporation's Annual Report incorporated by reference in Form 10-K for calendar year 1999.

Environmental

The Corporation's operations are subject to environmental regulation by federal, state and local authorities in the United States and regulatory authorities with jurisdiction over its foreign operations.

Environmental investigatory, remediation, operating and maintenance costs are accrued when it is probable that a liability has been incurred and the amount can be reasonably estimated. The most likely cost to be incurred is accrued based on an evaluation of currently available facts with respect to each individual site, including existing technology, current laws and regulations and prior remediation experience. Where no amount within a range of estimates is more likely, the minimum is accrued. For sites with multiple responsible parties, the Corporation considers its likely proportionate share of the anticipated remediation costs and the ability of the other parties to fulfill their obligations in establishing a provision for those costs. Liabilities with fixed or reliably determinable future cash payments are discounted.

The Corporation maintains property insurance with a number of insurance companies. Litigation is continuing against one of the Corporation's historical property insurers seeking coverage for environmental costs incurred at certain facilities. The litigation is expected to last several years. Environmental liabilities are not reduced by potential insurance reimbursements.

As discussed above, the Corporation has accrued for the costs of environmental remediation activities and periodically reassesses these amounts. Management believes that losses materially in excess of amounts accrued are not resonably possible.

U.S. Government

The Corporation is now, and believes that, in light of the current government contracting environment, it will be the subject of one or more government investigations. If the Corporation or one of its business units was charged with wrongdoing as a result of any of these investigations, the Corporation or one of its business units could be suspended from bidding on or receiving awards of new government contracts pending the completion of legal proceedings. If convicted or found liable, the Corporation could be fined and debarred from new government contracting for a period generally not to exceed three years. Any contracts found to be tainted by fraud could be voided by the Government.

The Corporation's contracts with the U.S. Government are also subject to audits. Like many defense contractors, the Corporation has received audit reports which recommend that certain contract prices should be reduced to comply with various government regulations. Some of these audit reports involve substantial amounts. The Corporation has made voluntary refunds in those cases it believes appropriate.

Other

The Corporation extends performance and operating cost guarantees beyond its normal warranty and service policies for extended periods on some of its products, particularly commercial aircraft engines. Liability under such guarantees is contingent upon future product performance and durability. The Corporation has accrued its estimated liability that may result under these guarantees.

The Corporation also has other commitments and contingent liabilities related to legal proceedings and matters arising out of the normal course of business.

The Corporation has accrued for environmental investigatory, remediation, operating and maintenance costs, performance guarantees and other litigation and claims based on management's estimate of the probable outcome of these matters. While it is possible that the outcome of these matters may differ from the recorded liability, management believes that resolution of these matters will not have a material impact on the Corporation's financial position, results of operations or cash flows.

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Earnings Per Share

In Millions (except per share amounts)	Quarter Ended March 31, 2000	Quarter Ended March 31, 1999
Income from continuing operations	$ 377	$ 278
Less: ESOP Stock dividends	(8)	(8)
Basic earnings from continuing operations	369	270
ESOP Stock adjustment	7	7
Diluted earnings from continuing operations	$ 376	$ 277
Income from discontinued operation, net of tax	$ -	$ 30
Net income	$ 377	$ 308
Less: ESOP Stock dividends	(8)	(8)
Basic earnings	369	300
ESOP Stock adjustment	7	7
Diluted earnings	$ 376	$ 307
Average shares:		
Basic	473	451
Stock awards	11	14
ESOP Stock	27	27
Diluted	511	492
Earnings per share of Common Stock:		
Basic:		
Continuing operations	$ .78	$ .60
Discontinued operation	-	.07
Net earnings	$ .78	$ .67
Diluted:		
Continuing operations	$ .74	$ .57
Discontinued operation	-	.06
Net earnings	$ .74	$ .63

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With respect to the unaudited condensed consolidated financial information of United Technologies Corporation for the quarter ended March 31, 2000 and 1999, PricewaterhouseCoopers LLP ("PricewaterhouseCoopers") reported that they have applied limited procedures in accordance with professional standards for a review of such information. However, their separate report dated April 19, 2000 appearing below, states that they did not audit and they do not express an opinion on that unaudited condensed consolidated financial information. PricewaterhouseCoopers has not carried out any significant or additional audit tests beyond those which would have been necessary if their report had not been included. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. PricewaterhouseCoopers is not subject to the liability provisions of section 11 of the Securities Act of 1933 ("the Act") for their report on the unaudited condensed consolidated financial information because that report is not a "report" or a "part" of a registration statement prepared or certified by PricewaterhouseCoopers within the meaning of sections 7 and 11 of the Act.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Shareowners of
United Technologies Corporation

We have reviewed the accompanying condensed consolidated statement of operations of United Technologies Corporation and consolidated subsidiaries for the quarters ended March 31, 2000, and 1999, the condensed consolidated statement of cash flows for the three months ended March 31, 2000 and 1999, and the condensed consolidated balance sheet as of March 31, 2000. This financial information is the responsibility of the company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial information for it to be in conformity with accounting principles generally accepted in the United States.

We previously audited in accordance with auditing standards generally accepted in the United States, the consolidated balance sheet as of December 31, 1999, and the related consolidated statements of operations, of changes in shareowners' equity and of cash flows for the year then ended (not presented herein), and in our report dated January 19, 2000, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 1999, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived.

/s/ PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP
Hartford, Connecticut
April 19, 2000

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Item 2. Management's Discussion and Analysis of Results of Operations and Financial Position

BUSINESS ENVIRONMENT

The Corporation's operations are classified into four operating segments. Carrier and Otis serve customers in the commercial property and residential housing industries. Pratt & Whitney and the Flight Systems segment, which includes Sikorsky Aircraft and Hamilton Sundstrand, serve commercial and government customers in the aerospace industry.

As worldwide businesses, the Corporation's operations are affected by global and regional economic factors. However, the diversity of the Corporation's businesses and global market presence has helped limit the impact of any one industry or the economy of any single country on the consolidated results.

There has been no significant change in the Corporation's business environment during the first quarter of 2000. For discussion of the Corporation's business environment, refer to the discussions of "Business Environment," "Commercial Aerospace," and "Government Business" in the Management's Discussion and Analysis of Results of Operations and Financial Position in the Corporation's Annual Report incorporated by reference in Form 10-K for calendar year 1999.

RESULTS OF CONTINUING OPERATIONS

Consolidated revenues increased 17% to $6.39 billion in the first quarter of 2000 compared to $5.44 billion in the same period in 1999. Excluding the unfavorable impact of foreign currency translation, consolidated revenues increased 19% in the first quarter of 2000, 7% of which was attributable to the ongoing businesses of Otis and Carrier exclusive of recent acquisitions. The remaining increase was primarily due to the impact of acquisitions, including the acquisition of Sundstrand in the second quarter of 1999, International Comfort Products in the third quarter of 1999, LG Industrial Systems' Building Facilities Group ("LG Elevator") in the fourth quarter of 1999 and the refrigeration business of Electrolux AB during the first quarter of 2000. The revenue increase was partially offset by a decline at Pratt & Whitney.

Gross margin as a percentage of sales increased 0.5 percentage points to 26.6% in the first quarter of 2000 compared to 26.1% in the same period of 1999 principally as a result of previous cost reduction actions.

Research and development spending increased $40 million (15%) in the first quarter of 2000 compared to 1999, principally due to the inclusion of Sundstrand operations in the Flight Systems segment in the first quarter of 2000. As a percentage of sales, research and development was 5.0% in the first quarter of 2000 as compared to 5.1% in the same period of 1999. Research and development is expected to remain at approximately 5% of sales in 2000.

Selling, general and administrative expenses increased $80 million (11%) in the first quarter of 2000 compared to 1999. The increase relates primarily to the impact of 1999 and 2000 acquisitions not reflected in the first quarter of 1999, including Sundstrand Corporation, International Comfort Products, and Electrolux, partially offset by benefits associated with previous cost reduction actions. As a percent of sales, these expenses were 12.4% in the first quarter of 2000 as compared to 13% in the same period of 1999.

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The effective income tax rate for the first quarter of 2000 was 30.5% compared to 31.3% for the first quarter of 1999. The Corporation has continued to lower its effective income tax rate by implementing tax reduction strategies.

Restructuring and Other Costs

As described in the Notes to the Condensed Consolidated Financial Statements, the Corporation's operating segments initiated a variety of actions in 1999 aimed at further strengthening their future profitability and competitive position. The 1999 actions totaled $1,120 million, before income taxes and minority interest, and included accrued restructuring charges of $842 million, related charges of $141 million that were not accruable when initiated, and charges associated with product development and aircraft systems integration and non-product purchasing.

In February 2000, a Federal District Court issued an injunction relative to certain restructuring actions planned by Pratt & Whitney that would move work from Connecticut to Arkansas, Texas and Oklahoma. Pratt & Whitney appealed this injunction and expects a decision later in 2000. The accruable portion of the cost of these actions was recorded during 1999. The Corporation does not believe that resolution of the litigation will materially impact the Corporation's restructuring program.

In the current year, the Corporation expects to have pre-tax cash outflows related to the 1999 programs of approximately $750 million, to be paid out of normal operations, including up to $300 million of additional costs that were not accruable when the actions were initiated. Through March 31, 2000, approximately $43 million of additional costs have been incurred. The 1999 restructuring and other actions taken by the Corporation are expected to result in savings that should offset the additional costs expected to be incurred, resulting in a modest benefit in 2000. Recurring savings, associated primarily with net reduction in workforce and facility closures, are expected to increase over a three-year period to approximately $750 million pre-tax annually.

Segment Review

Revenues, operating profits and operating profit margins of the Corporation's principal operating segments for the quarter ended March 31, 2000 and 1999 are as follows:

In Millions of Dollars	Revenues		Operating Profits		Operating Profit Margin	
Quarter Ended March 31,	2000	1999	2000	1999	2000	1999
Otis	$ 1,543	$ 1,363	$ 192	$ 155	12.4%	11.4%
Carrier	1,846	1,510	123	91	6.7%	6.0%
Pratt & Whitney	1,824	2,019	282	280	15.5%	13.9%
Flight Systems	1,257	606	138	40	11.0%	6.6%
Total segment	6,470	5,498	735	566	11.4%	10.3%
Eliminations and other	(80)	(56)	(11)	(11)		
General corporate expenses	-	-	(57)	(65)		
Consolidated	$ 6,390	$ 5,442	667	490		
Interest expense			(86)	(55)		
Consolidated income from continuing operations before income taxes and minority interests			$ 581	$ 435		

Otis revenues increased 13% in the first quarter of 2000 compared to 1999. Excluding the unfavorable impact of foreign currency translation, revenues in the quarter increased 17% reflecting the impact of the fourth quarter 1999 acquisition of LG Elevator and growth in North American and European operations. Weaker European currencies generated most of the unfavorable foreign currency translation impact.

Otis operating profits increased $37 million (24%) in the first quarter of 2000 compared to 1999. Excluding the unfavorable impact of foreign currency translation, operating profits in the quarter increased 32%, reflecting increases at most operations. The majority of the operating profit increase was associated with margin expansion in European operations.

Carrier revenues increased 22% in the first quarter of 2000 compared to 1999. Excluding the unfavorable impact of foreign currency translation, revenues in the quarter increased 24%, with improvement in all operations. The majority of the improvement was in North American and Refrigeration operations and includes the impact of the recently acquired refrigeration business of Electrolux AB and the third quarter 1999 acquisition of International Comfort Products.

Carrier operating profits increased $32 million (35%) in the first quarter of 2000 compared to 1999. Excluding the impact of foreign currency translation, operating profits increased 37%, largely reflecting expansion in margin and volume in North American operations, which includes the impact of the third quarter 1999 acquisition of International Comfort Products.

Pratt & Whitney revenues decreased 10% in the first quarter of 2000 compared to 1999. The decrease is associated with the previously anticipated decline in the aerospace cycle and reflects fewer military and commercial large engine shipments, partially offset by growth at Pratt & Whitney Canada.

Pratt & Whitney operating profits increased $2 million (1%) in the first quarter of 2000 compared to 1999, primarily due to improvements at Pratt & Whitney Canada and continued cost reductions, largely offset by the impact of fewer military engine shipments.

Flight Systems revenues increased $651 million (107%) in the first quarter of 2000 compared to 1999. The increase in revenues reflects the inclusion of Sundstrand's operations for the first quarter of 2000 and delivery of several higher value helicopters at Sikorsky.

Flight Systems operating profits increased $98 million (245%) in the first quarter of 2000 compared to 1999, due to the inclusion of Sundstrand's results for the first quarter of 2000 in Hamilton Sundstrand and higher value shipments at Sikorsky.

FINANCIAL POSITION

Management assesses the Corporation's liquidity in terms of its overall ability to generate cash to fund its operating and investing activities. Significant factors affecting the management of liquidity are cash flows generated from operating activities, capital expenditures, investments in businesses, customer financing requirements, Common Stock repurchases, adequate bank lines of credit and financial flexibility to attract long-term capital with satisfactory terms.

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Set forth below are selected key cash flow data:

In Millions	Quarter Ended March 31, 2000	1999
Operating Activities		
Net cash flows provided by operating activities	$ 526	$ 376
Investing Activities		
Capital expenditures	(149)	(129)
Investments in businesses	(269)	(95)
Increase in customer financing assets, net	(15)	(11)
Financing Activities		
Repurchase of Common Stock	(300)	(97)
(Decrease) increase in total debt	(56)	21
Increase (decrease) in net debt	244	(86)
Net cash flows provided by discontinued operation	-	30

Cash flows provided by operating activities increased $150 million in the first quarter of 2000 compared to the corresponding period in 1999. The increase resulted from improved operating and working capital performance.

Cash flows used in investing activities increased $207 million in the first quarter of 2000 compared to the first quarter in 1999. The increase is primarily associated with an additional $174 million invested in businesses in 2000, including Carrier's purchase of the refrigeration business of Electrolux AB. Cash spending for investments in businesses in 2000 should exceed $1 billion. Customer financing activity was a net use of cash of $15 million in the first quarter of 2000, consistent with an $11 million net use of cash in the first quarter of 1999. While the Corporation expects that 2000 customer financing activity will be a net use of funds, actual funding is subject to usage under existing customer financing commitments during the remainder of the year. The Corporation's total commitments to finance or arrange financing of commercial aircraft and related equipment at March 31, 2000 were approximately $1.1 billion compared to $1.3 billion for the same period in 1999.

The Corporation repurchased $300 million of Common Stock, representing 5.7 million shares, in the first quarter of 2000 under previously announced share repurchase programs. The share repurchase program continues to be a use of the Corporation's cash flows and has more than offset the dilutive effect resulting from the issuance of stock under stock-based employee benefit programs. At March 31, 2000, the Corporation is authorized to repurchase an additional 19.3 million shares.

Other selected financial data are as follows:

In Millions of Dollars	March 31, 2000	December 31, 1999	March 31, 1999
Cash and cash equivalents	$ 657	$ 957	$ 657
Total debt	4,265	4,321	2,194
Net debt (total debt less cash)	3,608	3,364	1,537
Shareowners' equity	7,036	7,117	4,499
Debt-to-total capitalization	38%	38%	33%
Net debt-to-total capitalization	34%	32%	25%

The Corporation manages its worldwide cash requirements considering available funds among the many subsidiaries through which it conducts its business and the cost effectiveness with which those funds can be accessed. The repatriation of cash balances from certain of the Corporation's subsidiaries could have adverse tax consequences; however, those balances are generally available without legal restrictions to fund ordinary business operations. The Corporation has and will continue to transfer cash from those subsidiaries to the parent and to other international subsidiaries when it is cost effective to do so.

Management believes that its existing cash position and other available sources of liquidity are sufficient to meet current and anticipated requirements for the foreseeable future. Although uncertainties in acquisition spending could cause modest variations at times, management anticipates that the level of debt-to-capital will remain consistent with the prior year.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There has been no significant change in the Corporation's exposure to market risk during the first quarter of 2000. For discussion of the Corporation's exposure to market risk, refer to Item 7A, Quantitative and Qualitative Disclosures about Market Risk, contained in the Corporation's Annual Report incorporated by reference in Form 10-K for the calendar year 1999.

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CAUTIONARY NOTE CONCERNING FACTORS THAT MAY AFFECT FUTURE RESULTS

This report on Form 10-Q contains statements which, to the extent they are not statements of historical or present fact, constitute "forward-looking statements" under the securities laws. From time to time, oral or written forward-looking statements may also be included in other materials released to the public. These forward-looking statements are intended to provide Management's current expectations or plans for the future operating and financial performance of the Corporation, based on assumptions currently believed to be valid. Forward-looking statements can be identified by the use of words such as "believe," "expect," "plans," "strategy," "prospects," "estimate," "project," "anticipate" and other words of similar meaning in connection with a discussion of future operating or financial performance. These include, among others, statements relating to:

. Future earnings and other measurements of financial performance
. Future cash flow and uses of cash
. The effect of economic downturns or growth in particular regions
. The effect of changes in the level of activity in particular industries or markets
. The scope, nature or impact of acquisition activity
. Product developments and new business opportunities
. Restructuring costs and cost reduction efforts
. The outcome of contingencies.

All forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. This Report on Form 10-Q includes important information as to risk factors in the "Notes to Condensed Consolidated Financial Statements" under the heading "Contingent Liabilities" and in the section titled "Management's Discussion and Analysis of Results of Operations and Financial Position" under the headings "Business Environment" and "Restructuring." The Corporation's Annual Report on Form 10-K for 1999 also includes important information as to risk factors in the "Business" section under the headings "Description of Business by Operating Segment," "Other Matters Relating to the Corporation's Business as a Whole" and "Legal Proceedings." Additional important information as to risk factors is included in the Corporation's 1999 Annual Report to Shareowners in the section titled "Management's Discussion and Analysis of Results of Operations and Financial Position" under the headings "Business Environment" and "Restructuring and Other Costs." For additional information identifying factors that may cause actual results to vary materially from those stated in the forward-looking statements, see the Corporation's reports on Forms 10-Q and 8-K filed with the Securities and Exchange Commission from time to time.

UNITED TECHNOLOGIES CORPORATION
AND SUBSIDIARIES

Part II - Other Information

Item 1. Legal Proceedings

As previously reported, a jury in Chromalloy Gas Turbine Corporation v. United Technologies Corporation, No. 95-CI-12541, a Texas state action, found that Pratt & Whitney did not monopolize any relevant market but did willfully attempt to monopolize an unspecified market. In May 1997, the court entered a Final Judgment denying Chromalloy's request for damages, injunctive relief and declaratory relief. In October 1998, the Texas Fourth Court of Appeals affirmed the decision of the trial court, declining to grant injunctive relief to Chromalloy. In November 1999, the appellate court denied Chromalloy's motions for rehearing and rehearing en banc. In March 2000, Chromalloy filed a petition for review with the Texas Supreme Court.

As previously reported, the Corporation was served in December 1998, with a qui tam complaint under the Civil False Claims Act that had been filed under seal in the United States District Court for the District of Connecticut in October 1996 (U.S. ex rel. Waldron v. UTC, No. 396CV02038). The complaint sought unspecified damages (trebled) with penalties arising out of an alleged failure by Pratt & Whitney to estimate properly the costs of performing a cost-type development contract. The complainant sought and received court approval on March 12, 2000 to dismiss the lawsuit, and cannot reopen this matter. Although the U.S. Government retains the right to reopen the case on its own behalf, it concurred in the dismissal and previously has not intervened in this matter.

Except as noted above, there have been no material developments in legal proceedings during the quarter ended March 31, 2000. For a description of previously reported legal proceedings, refer to Part I, Item 3 - Legal Proceedings of the Corporation's Annual Report on Form 10-K for calendar year 1999.

The Corporation does not believe that resolution of the foregoing legal matters will have a material adverse effect upon the Corporation's competitive position, results of operations, cash flows or financial position.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

(12) Statement re: computation of ratio of earnings to fixed charges.*
(15) Letter re: unaudited interim financial information.*
(27) Financial data schedule.*

*Submitted electronically herewith.

(b) No reports on Form 8-K were filed during the quarter ended March 31, 2000.

UNITED TECHNOLOGIES CORPORATION
AND SUBSIDIARIES

SIGNATURES

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.

UNITED TECHNOLOGIES CORPORATION

Dated: April 28, 2000	By: /s/ David J. FitzPatrick David J. FitzPatrick Senior Vice President and Chief Financial Officer
Dated: April 28, 2000	By: /s/ David G. Nord David G. Nord Acting Controller
Dated: April 28, 2000	By: /s/ William H. Trachsel William H. Trachsel Senior Vice President, General Counsel and Secretary

UNITED TECHNOLOGIES CORPORATION
AND SUBSIDIARIES

EXHIBIT INDEX

Exhibit 12- Statement re: computation of ratio of earnings to fixed charges. *

Exhibit 15- Letter re: unaudited interim financial information. *

Exhibit 27- Financial data schedule.*

*Submitted electronically herewith.

Exhibit 12

UNITED TECHNOLOGIES CORPORATION
AND SUBSIDIARIES

STATEMENT RE: COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

In Millions of Dollars	Quarter Ended March 31, 2000		Quarter Ended March 31, 1999	
Fixed Charges:				
Interest expense	$	86	$	55
Interest capitalized		4		4
One-third of rents*		17		20
Total Fixed Charges	$	107	$	79
Earnings:				
Income from continuing operations before income taxes and minority interests	$	581	$	435
Fixed charges per above		107		79
Less: interest capitalized		(4)		(4)
		103		75
Amortization of interest capitalized		4		7
Total Earnings	$	688	$	517
Ratio of Earnings to Fixed Charges		6.43		6.54

* Reasonable approximation of the interest factor.

Exhibit 15

April 28, 2000

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Ladies and Gentlemen:

We are aware that our report dated April 19, 2000 on our review of interim financial information of United Technologies Corporation as of and for the period ended March 31, 2000 and included in the Company's quarterly report on Form 10-Q for the quarter then ended is incorporated by reference in the Prospectus constituting part of its Registration Statements on Form S-3 (Nos. 333-89041 and 333-91959), in the Registration Statement on Form S-4 (No. 333-77991) and in the Registration Statements on Form S-8 (Nos. 333-21853, 333-18743, 333-21851, 33-57769, 33-45440, 33-11255, 33-26580, 33-26627, 33-28974, 33-51385, 33-58937, 2-87322, 333-77817, 333-77991 and 333-82911).

Yours very truly,

/s/ PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP
Hartford, Connecticut

This schedule contains summary financial information extracted from the Condensed Consolidated Balance Sheet at March 31, 2000 (Unaudited) and the Condensed Consolidated Statement of Operations for the three months ended March 31, 2000 (Unaudited) and is qualified in its entirety by reference to such financial statements.

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3-MOS
DEC-31-2000
JAN-01-2000
MAR-31-2000
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