

ITT Inc.

Q2 2019 Results

08.02.2019



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We use words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “target,” “future,” “may,” “will,” “could,” “should,” “potential,” “continue,” “guidance” and other similar expressions to identify such forward-looking statements. Forward-looking statements are uncertain and to some extent unpredictable, and involve known and unknown risks, uncertainties and other important factors that could cause actual results to differ materially from those expressed or implied in, or reasonably inferred from, such forward-looking statements.

Where in any forward-looking statement we express an expectation or belief as to future results or events, such expectation or belief is based on current plans and expectations of our management, expressed in good faith and believed to have a reasonable basis. However, there can be no assurance that the expectation or belief will occur or that anticipated results will be achieved or accomplished. More information on factors that could cause actual results or events to differ materially from those anticipated is included in the Risk Factors section of the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other documents filed from time to time with the Securities and Exchange Commission.

The forward-looking statements included in this presentation speak only as of the date hereof. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Financial Highlights

- **\$720M** Total Revenue, **+5%** Organic Growth, **+3%** Total Growth
- **16.1%** Adj Seg OI Margin **+60 bps**; **14.7%** Adj OI Margin **+100 bps**
- **\$0.93** Adj EPS **+13%**, Ex FX **+21%**
- **+\$0.05 Adj EPS Full Year Guidance Midpoint Raise to \$3.63**

Operational Excellence

- **MT Adj Margins +50 bps; +1% Org Revenue:** Resilience in Tough Markets
- **MT Friction Mexico Now Accretive** to MT Adj Margins
- **CCT Adj Margins +80 bps; IP Adj Margins +100 bps**, Incl (-70 bps) Acquisition Impact
- **Robust Execution** on “War Chest of Opportunities” Generates **+11%** Adj OI Growth

Customer Centricity

- **Organic Revenue Growth in All 3 Segments**
- **+13%** Organic Revenue Growth at IP due to **+51%** Projects & **+3%** Short Cycle
- **+1,100 bps** MT Friction OEM Organic Revenue Outperformance* vs Global Auto Markets
- **+21%** Commercial Aero Organic Revenue on Growth Across Product Lines in NA
- **+39%** KONI/Axtone Organic Rail Orders on Global Share Gains

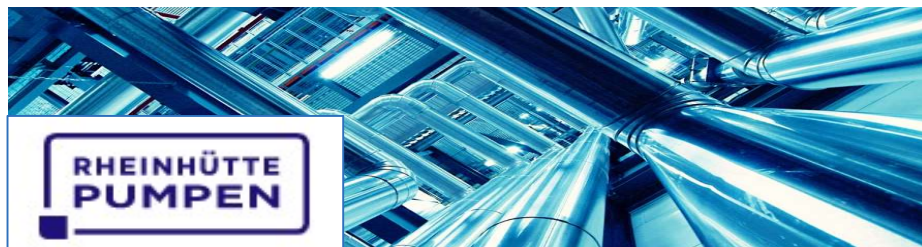
Effective Capital Deployment

- **New Plating Line** Installation at CCT Nogales to Improve Lead Times & Reduce Costs
- **Axtone Restructuring Actions** to Transfer Rail Product Lines to Poland
- **Matrix Composites** July Acquisition Expands CCT’s Capabilities in Precision Composite Components for High Growth Aircraft

Luca Savi on Twitter: @lucasavi4itt

* Based on Certain Market Data as of July 16, 2019

Rheinhütte Pumpen Group



Target Market & Global Expansion

- >160 Years of Centrifugal Pump Experience
- Expands Product Range in Specialty Pumps
- Bolster IP's European Pump Presence

Focused Growth Initiatives

- Accelerate Global Growth Initiatives In Industrial Markets
- Leverage ITT Distributor Channel in North America
- Extend Product Offering to ITT OE Customer Base in NA

Drive ITT Operational Excellence

- Accelerate Global Lean Transformation
- Drive Sourcing & Manufacturing Leverage

Financial Profile

- \$91.5M Purchase Price*; Multiple ~9X EBITDA
- ~\$66M FY 2018 Annual Revenue (Unaudited)

Matrix Composites



Target Market & Technology Expansion

- >25 Years of Aerospace & Defense High-Growth Composite Materials Experience
- Expands Harsh Environment Engine Programs Portfolio & Critical Aerospace Platform Content

Commercial & Operational Synergies

- Leverage Leading Competitive Position and ITT Customer Intimacy
- Strengthen Proprietary Highly Pressurized Molding Technology Differentiation

Drive ITT Operational Excellence

- Deploy Sourcing & Manufacturing Best Practices
- Implement Lean Manufacturing Rigor

Financial Profile

- \$29M Purchase Price* (Including Earn Out)
- ~\$22M Projected FY 2019 Annual Revenue

Disciplined & Close-to-Core

* Subject to Customary Working Capital Adjustments

\$ millions (except EPS)	2019	vs 2018
Total Orders	\$693	(-7%)
Total Revenue	\$720	+3%
Adj Segment Operating Income	\$116	+7%
Adj Operating Income	\$106	+11%
Adjusted EPS	\$0.93	+13%

(-5%) Organic Orders

- ▼ (-27%) Oil & Gas: Project Delays & \$14M PY Upstream Project
- ▼ (-6%) Industrial: Project & Short-Cycle Demand Softness
- FLAT Transportation
 - +39% Global Rail Strength Offsets China Auto
 - (-1%) A&D Due to Rotorcraft Customer Order Patterns
- ▲ +5% Backlog vs PY, Ex FX

+5% Organic Revenue

- ▲ +29% Oil & Gas: Strong Pump Project Execution in NA, MEA & APAC
- ▲ +5% Industrial on +7% Chemical & Industrial Pump Growth
- ▲ +3% Transportation:
 - +22% Rail; +21% Commercial Aero; NA & Europe OEM Friction Strength, Offset by China & Wolverine

+7% Adj Segment OI

- ▲ +13% Adj Segment OI, Ex (-\$7M) FX
- ▲ Volume & Productivity Benefits
- ▲ Cost Containment & Supply Chain Actions
- ▼ Tariffs, Negative Mix, and Higher Commodity Costs
- \$5M Strategic Investments

+13% Adj EPS

- ▲ +21% Adj EPS, Ex FX
- ▲ Segment OI Growth
- ▲ (-24%) Corporate Costs
- ▲ Interest & Favorable Impact of Tax Strategies

Q2 2019 Adjusted Segment Op Margins



+60 Bps Margin Drivers

▲ Top Line Drivers

- Pump Project Growth
- KONI/AXTONE Rail
- Commercial Aerospace
- NA & European Friction Auto OEM
- China Auto OEM & Wolverine

▲ Operational Execution

- Significant Productivity Gains & Restructuring
- Supply Chain
- MT Friction Mexico Execution
- Efficiency Gains at Mexico & China Connector Facilities
- KONI Execution

▼ Higher Commodity Costs & Tariffs

- Incremental EU Tariffs on MT Wolverine

■ Strategic Investments

- ITT Smart Pad Application Development
- CCT Plating Line
- Strengthening R&D Capabilities

Q2 2018 Adjusted Segment Operating Margin

Volume, Mix, Price & Other
(Including Tariffs)

Net Operating Productivity

Operational Margins Subtotal

FX

Acquisitions

Strategic Investments

Q2 2019 Adjusted Segment Operating Margin

vs. PY

15.5%

+50 bps

+150 bps

17.5%

(-40 bps)

(-30 bps)

(-70 bps)

16.1%

**+200
bps**

Q2 2019 Results

\$ millions	2019	vs 2018
Total Revenue	\$318	(-4%)
Adj Segment Operating Income	\$56	(-2%)

+1% Organic Revenue

- ▲ +1% Friction
 - +4% OEM Sales Due to Share Gains
 - +43% North America & +2% Europe More Than Offsets Weak China Market
 - (-3%) Aftermarket
- ▲ +16% KONI/Axtone on Global Rail Share Gains & EU Freight Strength
- ▼ (-16%) Wolverine Due to Aftermarket Weakness & Customer Share Loss

(-2%) Adj Op Income

- ▲ +7% Adj Segment OI, Ex (\$5M) FX
- ▲ Strong Productivity & Supply Chain
- ▲ Restructuring & Cost Containment
- ▼ Higher Commodity & Tariff Costs, FX
 - ITT Smart Pad & China R&D Investments

Highlights

- ▲ 17.8% Segment OI Margins +50 bps vs PY
 - +560 bps KONI Margin Expansion vs PY
 - Accretive Friction Mexico Profitability
- ▲ +1,100 bps Friction OEM Outperformance* vs Global Market
- ▲ +19% KONI Orders on Global Rail Share Gains
- ▲ +21% Axtone Orders on EU Rail
- ▼ (-\$17M) Revenue Impact from FX
- ▲ Strategic Highlights:
 - 9 EV Platform Awards With Leading OEMs Across All Regions
 - Continued Progress in High-Speed Train Shock Absorber Qualifications
 - Developing KONI Sensor-Enabled Shock Absorber for Electric Bus Application

* Based on Certain Market Data as of July 16, 2019

Q2 2019 Results

\$ millions **2019** vs 2018

Total Revenue **\$233** +15%

Adj Segment Operating Income **\$29** +24%

+13% Organic Revenue

- ▲ +51% Projects Due to O&G Strength Across the Value Chain and Petrochemical Growth
- ▲ +3% Short-Cycle Businesses
 - +11% Aftermarket Strength from O&G Parts, Chemical & Mining
 - (-6%) Baseline Pumps & Valves

+24% Adj Op Income

- ▲ Strong Project & Short-Cycle Volume
- ▲ Productivity & Supply Chain Actions
- ➔ Price Offsets Tariff Impacts
- ▼ Unfavorable Project Mix & Commodity Costs

Highlights

- ▲ 12.5% Adj Segment OI Margins
 - +170 bps vs PY Ex (-70 bps) RPG Acquisition Impact
- ➔ FLAT IP Backlog vs PY, Ex FX
 - Includes \$4M from RPG*
- ▼ (-13%) Organic Orders
 - (-35%) Projects Due to Large PY O&G Order & Increased Selectiveness
 - FLAT YTD O&G, Ex Large PY Order
 - (-5%) Short-Cycle, Primarily Valves
- ▲ Strategic Highlights:
 - Advancing Bornemann Multiphase Solutions for the Permian Basin
 - Advancing Adoption of EnviZion Biopharm Valve that Streamlines Customer Installation & Maintenance
 - RPG Specialty Pumps Acquisition Closed, April 30th, 2019

*RPG: Rheinhütte Pumpen Group

Q2 2019 Results



\$ millions **2019** vs 2018

Total Revenue **\$170** +4%

Adj Segment Operating Income **\$30** +9%

+5% Organic Revenue

- ▲ +8% Aerospace & Defense
 - +21% Commercial Aero Due to NA Strength & +40% Aftermarket
 - (-9%) Defense as Large PY Program More Than Offset +16% Connectors
- ▲ +1% Industrial on Strength in Asia, Partially Offset by NA
- ▲ Growth Across CCT: +6% Connectors; +4% Components

+9% Adj Op Income

- ▲ Productivity, Including Product Line Moves to Mexico & China
 - +210 bps Margin Improvement in Connectors
- ▲ Volume & Supply Chain
- ▼ Material Costs from Higher Commodities, Mix, and FX
 - Investments in Nogales Plating & Aerospace Acoustic & Vibration Lab

Highlights

- ▲ 17.7% Adj Segment OI Margins
 - +80 bps vs PY
- ▲ Solid YTD Book to Bill at >1.07X
- ▲ +14% Backlog vs PY, Ex FX
- ▼ (-3%) Organic Orders
 - Oil & Gas and General Industrial, Partially Offset by A&D Connectors
- ▲ +140 bps Improvement in Working Capital as % of Sales
- ▲ Strategic Highlights:
 - Several Product Line Transfers Completed; Additional Transfers Underway
 - Nogales Plating Line Q4 Start of Production
 - Matrix Composites Acquisition Closed July 2019

Revenue Guidance

Total Revenue	+3% to +5%	▪ No Change from Previous Guide
Organic Revenue	+3% to +5%	▪ No Change from Previous Guide

Updated Adjusted EPS Guidance

Previous 2019 Adjusted EPS Guidance Range	\$3.50 - \$3.66
Q2 Outperformance & Incremental 2H Productivity	+\$0.05
Increase to Previous Mid-Point	+\$0.05
New 2019 Adjusted EPS Guidance Midpoint	\$3.63
New 2019 Adjusted EPS Guidance Range	\$3.58 - \$3.68

+12% vs Prior Year at Midpoint

ITT Inc.

Supplemental Data

08.02.2019



Q2 2019 ITT Adjusted Segment Performance



	Motion Technologies	Industrial Process	Connect & Control Technologies	Total Segments
Q2 2019 Total Revenue vs PY	(-3.8%)	14.5%	3.7%	3.3%
FX	5.1%	2.0%	1.1%	3.2%
Acquisition/Disposition	0.0%	(-3.9%)	0.0%	(-1.1%)
Q2 2019 Organic Revenue vs PY	1.3%	12.6%	4.8%	5.4%
Q2 2018 Adjusted Operating Margin	17.3%	11.5%	16.9%	15.5%
Volume, Mix, Productivity & Other	1.8%	2.4%	2.1%	2.0%
Growth Investments	(-0.8%)	(-0.4%)	(-1.0%)	(-0.7%)
Acquisition/Disposition	0.0%	(-0.7%)	0.0%	(-0.3%)
FX	(-0.5%)	(-0.3%)	(-0.3%)	(-0.4%)
Q2 2019 Adjusted Operating Margin	17.8%	12.5%	17.7%	16.1%

Management reviews a variety of key performance indicators including revenue, segment operating income and margins, earnings per share, order growth, adjusted free cash flow, and backlog, some of which are non-GAAP. In addition, we consider certain measures to be useful to management and investors when evaluating our operating performance for the periods presented. These measures provide a tool for evaluating our ongoing operations and management of assets from period to period. This information can assist investors in assessing our financial performance and measures our ability to generate capital for deployment among competing strategic alternatives and initiatives, including, but not limited to, acquisitions, dividends and share repurchases. These metrics, however, are not measures of financial performance under accounting principles generally accepted in the United States of America (GAAP) and should not be considered a substitute for measures determined in accordance with GAAP. We consider the following non-GAAP measures, which may not be comparable to similarly titled measures reported by other companies, to be key performance indicators for purposes of our reconciliation tables.

Organic Revenue and **Organic Orders** are defined as revenue and orders, excluding the impacts of foreign currency fluctuations, acquisitions and divestitures. Divestitures include sales of portions of our business that did not meet the criteria for presentation as a discontinued operation. The period-over-period change resulting from foreign currency fluctuations is estimated using a fixed exchange rate for both the current and prior periods. Management believes that reporting organic revenue and organic orders provides useful information to investors by helping identify underlying trends in our business and facilitating easier comparisons of our revenue performance with prior and future periods and to our peers.

Adjusted Operating Income, Adjusted Segment Operating Income, Adjusted Operating Margin, and Adjusted Segment Operating Margin are defined as total operating income and segment operating income, adjusted to exclude special items that include, but are not limited to, asbestos-related costs, restructuring costs, realignment costs, certain asset impairment charges, certain acquisitions-related expenses, and unusual or infrequent items. Special items represent significant charges or credits that impact the current results, which management views as unrelated to the Company's ongoing operations and performance. Adjusted operating margin and adjusted segment operating margin are defined as adjusted operating income or adjusted segment operating income divided by revenue. We believe that adjusted operating income and segment operating income are useful to investors and other users of our financial statements in evaluating ongoing operating profitability, as well as in evaluating operating performance in relation to our competitors.

Adjusted Income from Continuing Operations, Adjusted EPS and Adjusted EPS Guidance are defined as income from continuing operations attributable to ITT Inc. and income from continuing operations attributable to ITT Inc. per diluted share, adjusted to exclude special items that include, but are not limited to, asbestos-related costs, restructuring costs, realignment costs, certain asset impairment charges, certain acquisition-related expenses, income tax settlements or adjustments, and unusual and infrequent items. Special items represent significant charges or credits, on an after-tax basis, that impact current results, which management views as unrelated to the Company's ongoing operations and performance. The after-tax basis of each special item is determined using the jurisdictional tax rate of where the expense or benefit occurred. We believe that adjusted income from continuing operations is useful to investors and other users of our financial statements in evaluating ongoing operating profitability, as well as in evaluating operating performance in relation to our competitors.

Adjusted Free Cash Flow is defined as net cash provided by operating activities less capital expenditures, adjusted for cash payments for restructuring costs, realignment actions, net asbestos cash flows and other significant items that impact current results which management views as unrelated to the Company's ongoing operations and performance. Due to other financial obligations and commitments, including asbestos expenses, the entire adjusted free cash flow may not be available for discretionary purposes. We believe that adjusted free cash flow provides useful information to investors as it provides insight into the cash flow metric used by management to monitor and evaluate cash flows generated by our operations.

Working Capital is defined as the sum of net receivables, net inventory and current contract assets less accounts payable and current contract liabilities. We believe that working capital provides useful information to investors as it also provides insight into the cash flow metric used by management to monitor and evaluate cash flows generated by our operations.

ITT Inc. Non-GAAP Reconciliation
Reported vs. Organic Revenue / Order Growth
Second Quarter 2019 & 2018

(In Millions)

	(As Reported - GAAP)				(As Adjusted - Organic)					
	(A)	(B)	(C)		(D)	(E)	(F) = A-D-E	(G) =C-D-E	(H) = G / B	
	3M 2019	3M 2018	Change 2019 vs. 2018	% Change 2019 vs. 2018	Acquisition / Divestitures 3M 2019	FX Impact 3M 2019	Revenue / Orders 3M 2019	Change Adj. 2019 vs. 2018	% Change Adj. 2019 vs. 2018	
Revenue										
ITT Inc.	\$ 719.9	\$ 696.8	\$ 23.1	3.3%	7.9	\$ (22.7)	\$ 734.7	\$ 37.9	5.4%	
Motion Technologies	317.7	330.3	(12.6)	(3.8%)	-	(16.8)	334.5	4.2	1.3%	
Industrial Process	232.6	203.2	29.4	14.5%	7.9	(4.2)	228.9	25.7	12.6%	
Connect & Control Technologies	170.2	164.1	6.1	3.7%	-	(1.7)	171.9	7.8	4.8%	
Orders										
ITT Inc.	\$ 692.8	\$ 741.7	\$ (48.9)	(6.6%)	10.2	\$ (23.0)	\$ 705.6	\$ (36.1)	(4.9%)	
Motion Technologies	311.9	327.6	(15.7)	(4.8%)	-	(16.6)	328.5	0.9	0.3%	
Industrial Process	212.7	237.4	(24.7)	(10.4%)	10.2	(4.5)	207.0	(30.4)	(12.8%)	
Connect & Control Technologies	169.5	177.2	(7.7)	(4.3%)	-	(1.9)	171.4	(5.8)	(3.3%)	

Note: Excludes intercompany eliminations
Immaterial differences due to rounding

ITT Inc. Non-GAAP Reconciliation
Reported vs Adjusted Segment Operating Income & Operating Margin
Second Quarter 2019 & 2018
(In Millions)

	3M 2019	3M 2019	3M 2019	3M 2018	3M 2018	3M 2018	% Change	% Change
	As Reported	Special Items	As Adjusted	As Reported	Special Items	As Adjusted	As Reported 2019 vs. 2018	As Adjusted 2019 vs. 2018
Revenue:								
Motion Technologies	\$ 317.7		\$ 317.7	\$ 330.3		\$ 330.3	(3.8%)	(3.8%)
Industrial Process	232.6		232.6	203.2		203.2	14.5%	14.5%
Connect & Control Technologies	170.2		170.2	164.1		164.1	3.7%	3.7%
Intersegment eliminations	(0.6)		(0.6)	(0.8)		(0.8)		
Total Revenue	<u>\$ 719.9</u>		<u>\$ 719.9</u>	<u>\$ 696.8</u>		<u>\$ 696.8</u>	<u>3.3%</u>	<u>3.3%</u>
Operating Margin:								
Motion Technologies	16.4%	140 BP	17.8%	16.8%	50 BP	17.3%	(40) BP	50 BP
Industrial Process	11.2%	130 BP	12.5%	11.5%	- BP	11.5%	(30) BP	100 BP
Connect & Control Technologies	17.4%	30 BP	17.7%	16.6%	30 BP	16.9%	80 BP	80 BP
Total Operating Segments	<u>14.9%</u>	<u>120 BP</u>	<u>16.1%</u>	<u>15.2%</u>	<u>30 BP</u>	<u>15.5%</u>	<u>(30) BP</u>	<u>60 BP</u>
Income (loss):								
Motion Technologies	\$ 52.0	4.4	\$ 56.4	\$ 55.5	1.8	\$ 57.3	(6.3%)	(1.6%)
Industrial Process	26.0	3.0	29.0	23.4	(0.1)	23.3	11.1%	24.5%
Connect & Control Technologies	29.6	0.6	30.2	27.3	0.4	27.7	8.4%	9.0%
Total Segment Operating Income	<u>\$ 107.6</u>	<u>\$ 8.0</u>	<u>\$ 115.6</u>	<u>\$ 106.2</u>	<u>2.1</u>	<u>\$ 108.3</u>	<u>1.3%</u>	<u>6.7%</u>

Note: Immaterial differences due to rounding.

Special items include, but are not limited to, restructuring and realignment costs, certain asset impairment charges, acquisition-related expenses, and other unusual or infrequent items including certain legal matters.

ITT Inc. Non-GAAP Reconciliation
Reported vs. Adjusted Income from Continuing Operations & Adjusted EPS
Second Quarter 2019 & 2018

(In Millions, except per share amounts)

	Q2 2019 As Reported	Non-GAAP Adjustments	Q2 2019 As Adjusted	Q2 2018 As Reported	Non-GAAP Adjustments	Q2 2018 As Adjusted	2019 vs. 2018 As Adjusted (\$)	Percent Change 2019 vs. 2018 As Adjusted (%)
Segment Operating Income	\$ 107.6	\$ 8.0 #A	\$ 115.6	\$ 106.2	\$ 2.1 #A	\$ 108.3		
Corporate (Expense)	(21.6)	11.9 #B	(9.7)	(25.9)	13.2 #B	(12.7)		
Operating Income	86.4	19.9	105.9	80.3	15.3	95.6		
Interest Income (Expense)	1.1	-	1.1	(0.2)	(0.1) #C	(0.3)		
Other Income (Expense)	(0.7)	-	(0.7)	(1.3)	-	(1.3)		
Income from Continuing Operations before Tax	86.4	19.9	106.3	78.8	15.2	94.0		
Income Tax (Expense)	(19.3)	(4.1) #D	(23.4)	(8.9)	(12.5) #D	(21.4)		
Income from Continuing Operations	67.1	15.8	82.9	69.9	2.7	72.6		
Less: Non Controlling Interest	0.2	-	0.2	0.2	-	0.2		
Income from Continuing Operations - ITT Inc.	\$ 66.9	\$ 15.8	\$ 82.7	\$ 69.7	\$ 2.7	\$ 72.4		
EPS from Continuing Operations	\$ 0.75	\$ 0.18	\$ 0.93	\$ 0.79	\$ 0.03	\$ 0.82	0.11	13.4%

Note: Amounts may not calculate due to rounding.

#A - 2019 includes restructuring and acquisition costs (\$6.7M) and a legal accrual (\$1.3M).

#A - 2018 includes restructuring and acquisition related costs (\$2.1M).

#B - 2019 includes asbestos-related expense (\$11.8M) and restructuring costs (\$0.1M).

#B - 2018 includes asbestos-related expense (\$13.5M); income from a legacy environmental settlement (\$0.4M) and certain costs associated primarily from the sale of excess property (\$0.1M).

#C - 2018 interest income related to a change in uncertain tax position.

#D - 2019 includes various tax-related special items including tax benefit for valuation allowance change (\$0.7M), tax expense on future distribution of foreign earnings (\$1.2M), and the tax impact of other operating special items.

#D - 2018 includes various tax-related special items including tax benefit for valuation allowance change (\$1.5M), tax benefit for tax law changes (\$3.1M), tax benefit on current and future distribution of foreign earnings (\$3.1M), and the tax impact of other operating special items.

ITT Inc. Non-GAAP Reconciliation
Net Cash - Operating Activities vs. Adjusted Free Cash Flow Conversion
Second Quarter 2019 & 2018

(In Millions)

	<u>6M 2019</u>	<u>6M 2018</u>
Net Cash - Operating Activities	\$ 101.1	\$ 119.3
Capital expenditures	45.8	46.3
Free Cash Flow	<u>55.3</u>	<u>73.0</u>
Legal settlements, net	4.0	-
Insurance settlement agreement	-	(16.9)
Asbestos cash payments, net	15.8	30.8
Restructuring cash payments	5.5	4.2
Acquisition / Realignment-related cash payments	1.5	(0.1)
Adjusted Free Cash Flow	<u>82.1</u>	<u>91.0</u>
Income from Continuing Operations - ITT Inc.	138.2	170.8
Special Items, net of tax	25.5	(29.6)
Income from Continuing Operations - ITT Inc., Excluding Special Items	<u>\$ 163.7</u>	<u>\$ 141.2</u>
Adjusted Free Cash Flow Conversion	<u>50.2%</u>	<u>64.4%</u>

**ITT Inc. Non-GAAP Reconciliation
GAAP vs. Adjusted EPS Guidance
Full Year 2019**

	2019 Full-Year Guidance	
	Low	High
EPS from Continuing Operations - GAAP	\$ 2.82	\$ 3.06
Estimated Asbestos Related Costs, Net of Tax	0.44	0.38
	\$ 3.26	\$ 3.44
Estimated Restructuring and Realignment Costs, Net of Tax	0.26	0.19
Acquisition Related and Other Costs, Net of Tax	0.07	0.06
Other Tax Special Items	(0.01)	(0.01)
EPS from Continuing Operations - Adjusted	\$ 3.58	\$ 3.68