



ITT



ITT

Q2 2022 Earnings

August 4, 2022

Innovation Center

SAFE HARBOR AND NON-GAAP DISCLOSURES



Safe Harbor

This presentation contains “forward-looking statements” intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not historical facts, but rather represent only a belief regarding future events based on current expectations, estimates, assumptions and projections about our business, future financial results and the industry in which we operate, and other legal, regulatory and economic developments. These forward-looking statements include, but are not limited to, future strategic plans and other statements that describe the company’s business strategy, outlook, objectives, plans, intentions or goals, and any discussion of future events and future operating or financial performance.

We use words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “target,” “future,” “may,” “will,” “could,” “should,” “potential,” “continue” and other similar expressions to identify such forward-looking statements. Forward-looking statements are uncertain, and, by their nature, many are inherently unpredictable and outside of ITT’s control, 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 (and expressly disclaim any obligation) to update any forward-looking statements, whether written or oral, as a result of new information, future events or otherwise.

Non-GAAP Disclosures

This presentation and the discussion on the accompanying conference call contain certain financial measures that are not prepared under U.S. GAAP. These non-GAAP financial measures supplement our GAAP disclosures and are not meant to be considered in isolation or as a substitute for the most directly comparable measures that are prepared in accordance with GAAP. These measures may not be comparable to similarly titled measures disclosed by other companies. For a reconciliation of these non-GAAP financial measures to the most directly comparable measures disclosed under GAAP, refer to the supplemental data to this presentation or investors.itt.com.

RESILIENT PERFORMANCE



OUTPERFORMING AMIDST A ROBUST DEMAND ENVIRONMENT

- +26% IP orders growth led by projects and short-cycle
- +17% CCT orders growth driven by connectors, aero and defense components
- Continued Friction electrified platform wins (18 awards)

EXECUTING ON PRICING AND PRODUCTIVITY

- Pricing step up at IP; MT pricing benefits ramping
- Strong sequential, YoY margin improvement at IP and CCT
- Securing supply, while commodity pressure slowing

DEPLOYED OVER \$500M OF CAPITAL YEAR TO DATE

- \$249M share repurchases; 3% outstanding share reduction
- \$172M to acquisitions and ITT Ventures
- Strong start for Habonim in Q2

TIGHTENING FULL YEAR 2022 ADJUSTED EPS RANGE

- Raising organic revenue guide; margins impacted by supply chain and inflation
- Pricing gains and productivity offsetting inflation, FX and Russia headwinds
- Continue to effectively manage supply chain challenges

Q2'22

Organic
revenue growth

+10%

Adjusted segment
operating margin

15.9%

Adjusted EPS

\$0.98

Capital deployed (YTD)

\$500M+

WUXI, CHINA – RESILIENCE AT ITS BEST



HIGHLIGHTS

~420	17,682	2,035
people living in the plant full time	meals prepared	care packages delivered

OUTCOMES

- ✓ Resilient people and operations during 2 weeks in sealed-off site
- ✓ Flawless execution to support customers' production ramp
- ✓ Unprecedented engagement by ITTers: a testament to Wuxi's higher performance culture
- ✓ Focus on health of our people, customer centricity, and operational excellence
- ✓ Wuxi sets new standard of excellence within ITT

- ZERO COVID cases on campus
- 100% on-time delivery to customers during lockdown
- Record level of operational performance: over 2 million brake pads produced
- Became regional benchmark for operating in lockdown in Wuxi; garnered local government and media support
- Enhanced intimacy and strengthened partnership with our OEM and Tier-1 customers

2022 INVESTOR DAY | SUSTAINING DIFFERENTIATION



KEY MESSAGES

- Sustaining differentiation through execution, innovation, and culture
- ITT growth and value creation drivers
- Leadership team breadth and depth
- Sustainability journey progressing
- Robust capital capacity

TECHNOLOGY

- Interactive demonstrations with ITT innovators and engineers
- Innovation in action
 - Now:** VA/VE product redesign
 - New:** Electrified vehicles, FARA
 - Next:** Smart Pad, EMD

LONG-TERM FINANCIAL TARGETS

~5 - 7%
revenue growth
CAGR

~20%
adjusted segment
operating margin

10%+
adjusted EPS
growth CAGR

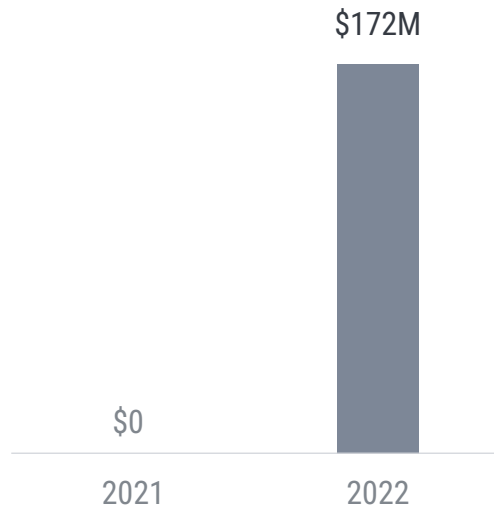
~11 - 13%
free cash flow
margin

CAPITAL DEPLOYMENT ACCELERATION

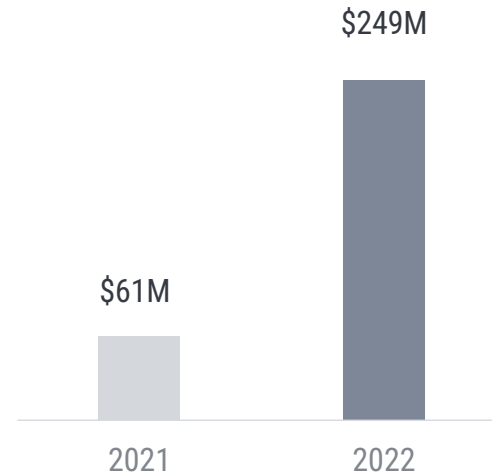


YEAR-TO-DATE DEPLOYMENT

M&A and VENTURES



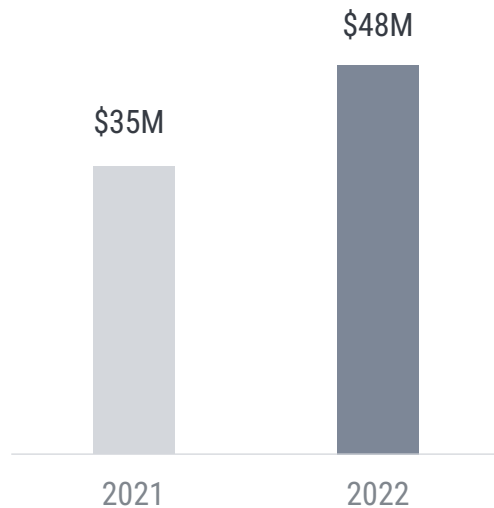
SHARE REPURCHASES



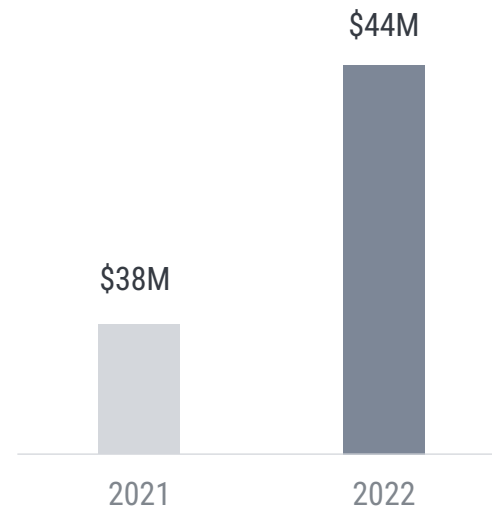
M&A and Ventures

- Acquisition of specialty valve manufacturer to expand differentiated valve platform
- Two minority investments in an additive manufacturing pioneer and in a rotor coating technology leader
- Acquisition of energy absorption product line for high-cycle applications in industrial automation

CAPITAL EXPENDITURES



DIVIDENDS



Capital Expenditures

- \$48M for productivity, growth and green projects
- Supports EV transition and new awards (Friction)

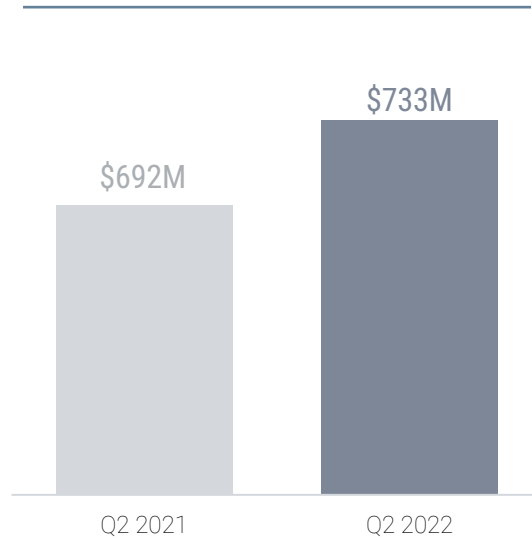
Share Repurchases

- ~\$250M share repurchases

Q2 SUMMARY RESULTS



REVENUE

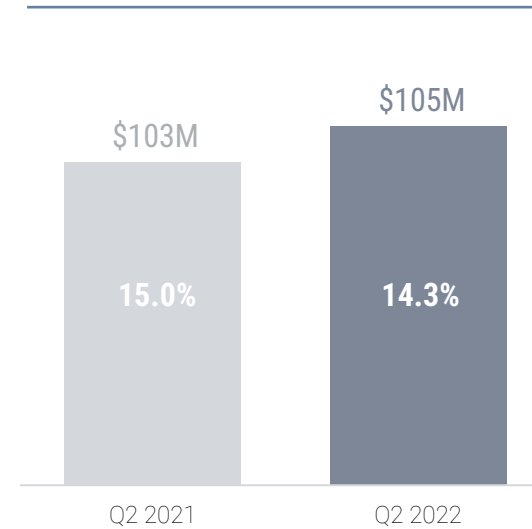


+10%

Organic revenue growth

- + CCT (+25%) driven by aero and defense connectors and components (+27%)
- + IP (+8%) driven by short-cycle (+19%)
- + MT (+5%) driven by automotive
- Supply chain disruptions (~200-300 bps)
- ± Total revenue impacted by FX (-600 bps) and Habonim (+200 bps)

ADJUSTED OPERATING INCOME AND MARGIN

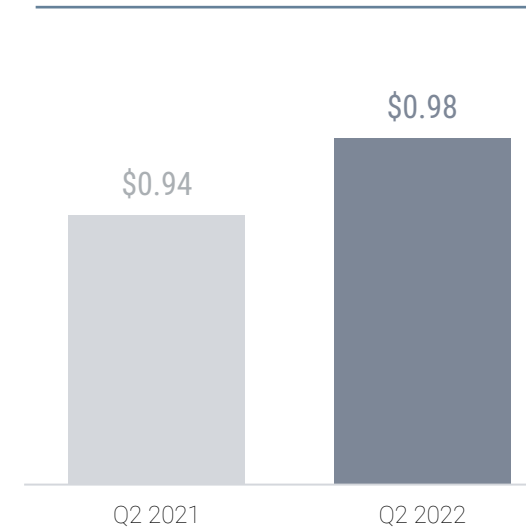


(-70) bps

Adjusted operating margin decline

- + Higher volume; pricing actions
- + Shop floor productivity
- + Habonim margin accretion
- Cost inflation (material, energy, labor)
- ± Strategic long-term investments

ADJUSTED EPS

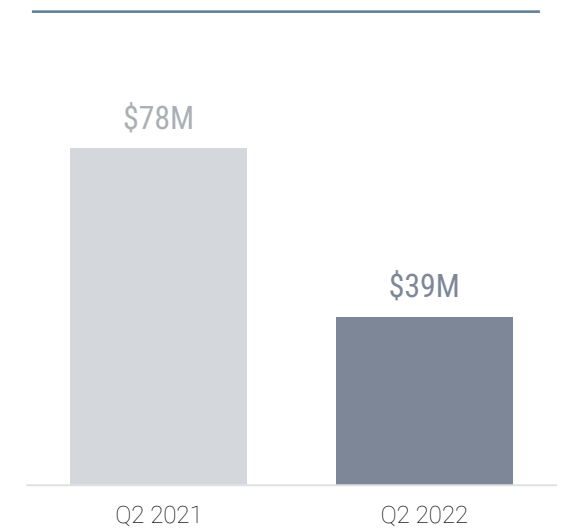


+4%

Adjusted EPS growth

- + Higher adjusted operating income
- + Habonim accretion
- + Share repurchases
- Russia impacts
- Higher tax rate
- ± Disruptive technologies

ADJUSTED FREE CASH FLOW ^[1]

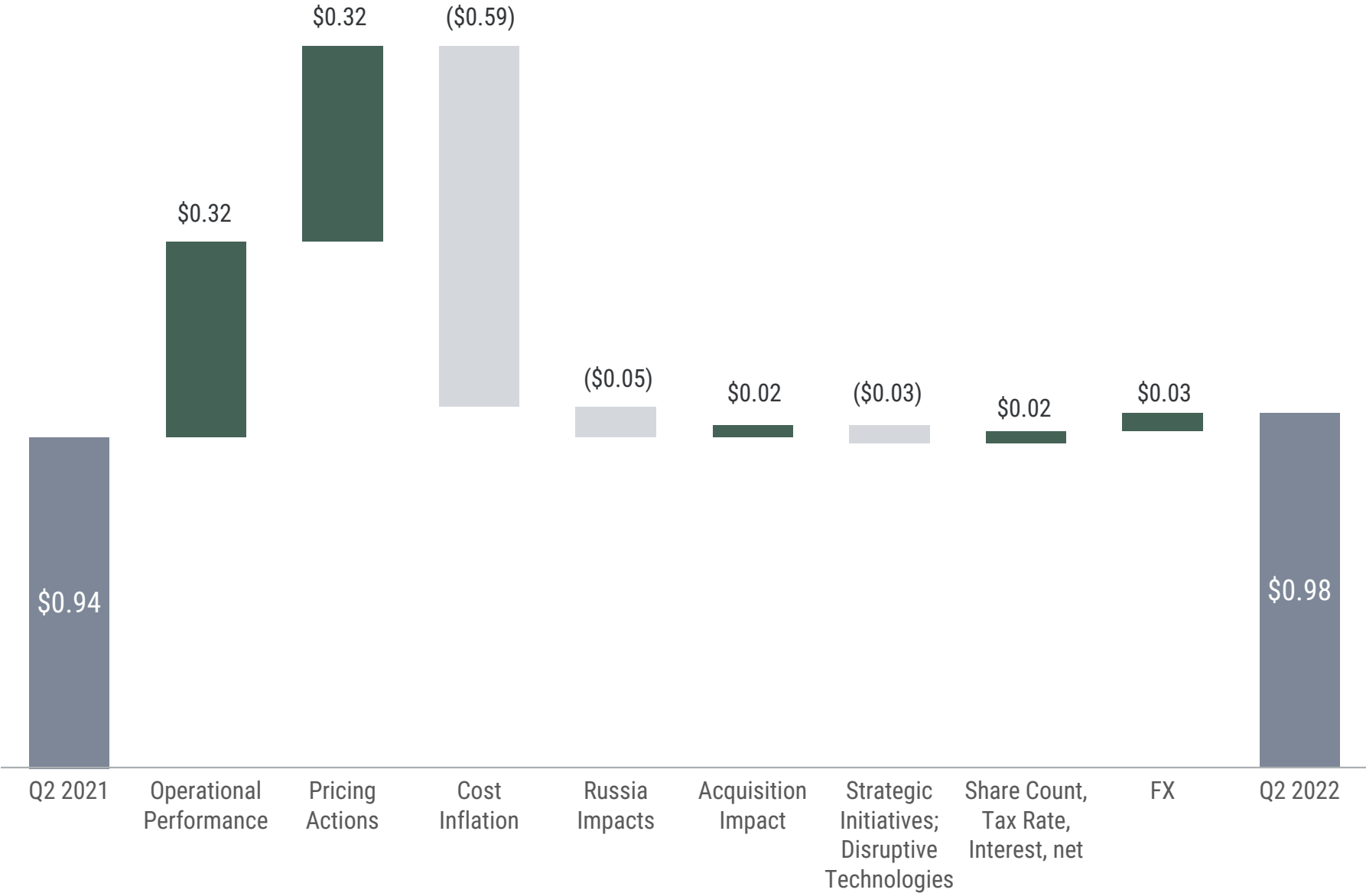


~5%

Adjusted free cash flow margin

- + Sequential cash improvement
- Investing in working capital to support customer demand
- Timing of A/R collections
- FX impact
- ± Capex investments in productivity and energy efficiency

Q2 2022 ADJUSTED EPS BRIDGE



Growth Drivers

- + Organic revenue growth and share gains
- + Pricing actions
- + Habonim accretion
- + Shop floor productivity

Headwinds

- Inflation: material, energy, and labor
- China lockdown impacts on OEM production
- ± Investments for innovation and growth

Other Impacts

- Executed \$250 million in share repurchases YTD
- Higher tax rate
- Net foreign currency benefit, including hedge

Q2 SEGMENT SUMMARY RESULTS



MOTION TECHNOLOGIES

INDUSTRIAL PROCESS

CONNECT & CONTROL TECHNOLOGIES

Organic Revenue Growth

+5%

+8%

+25%

Adjusted Segment Operating Income

\$48M

\$40M

\$28M

Adjusted Segment Operating Margin

14.5%

16.8%

17.2%

- Executed pricing actions, global share gains
- Lower volumes (China lockdowns, Russia, auto supply chain)
- 99% Friction OE on-time performance (YTD)
- 18 electrified vehicle platform awards
- Higher-than-expected commodities inflation (1,350 bps YoY) partially offset by pricing and productivity

- +26% organic orders growth – projects (+48%), short-cycle (+21%)
- Book-to-bill 1.25, organic backlog +50% to \$554M
- Short-cycle revenue +19%
- Favorable price, mix, and productivity overcoming cost inflation
- Habonim accretive to adjusted IP margin
- +400 bps sequential adj. margin expansion

- +17% organic orders growth – continued aerospace recovery (+40%)
- Book-to-bill 1.11, organic backlog +19% to \$330M
- +31% connectors and +14% components organic revenue growth (aero, defense)
- Margin expansion (+380 bps) driven by higher volume, price, and productivity
- +50 bps sequential adj. margin expansion



2022 GUIDANCE UPDATE

RAISING ORGANIC REVENUE AND TIGHTENING ADJUSTED EPS RANGE

UPDATED

Revenue growth

+7% to +9%
+10% to +12% organic

Adjusted segment operating margin

17.6% to 18.5%
+40 to +130 bps

Adjusted EPS

\$4.35 to \$4.65
+7% to +15%

Free cash flow

\$250M to \$300M
8% to 10% margin

ASSUMPTIONS

- Stronger top-line performance and backlog growth
- No change to adjusted segment operating margin
- Revenue and OI growth muted by unfavorable foreign currency impact due to stronger USD
- Continued pricing progress
- Inflationary pressures slowing
- Free cash flow impacted by higher working capital requirements, but improving sequentially
- 3% full-year share count reduction

KEY TAKEAWAYS



- | Positive demand environment; good visibility on future growth
- | Price realization momentum in all businesses
- | Strong execution and continuous improvement culture
- | Capital deployment: executing on all fronts
- | Long-term growth and value creation through differentiation



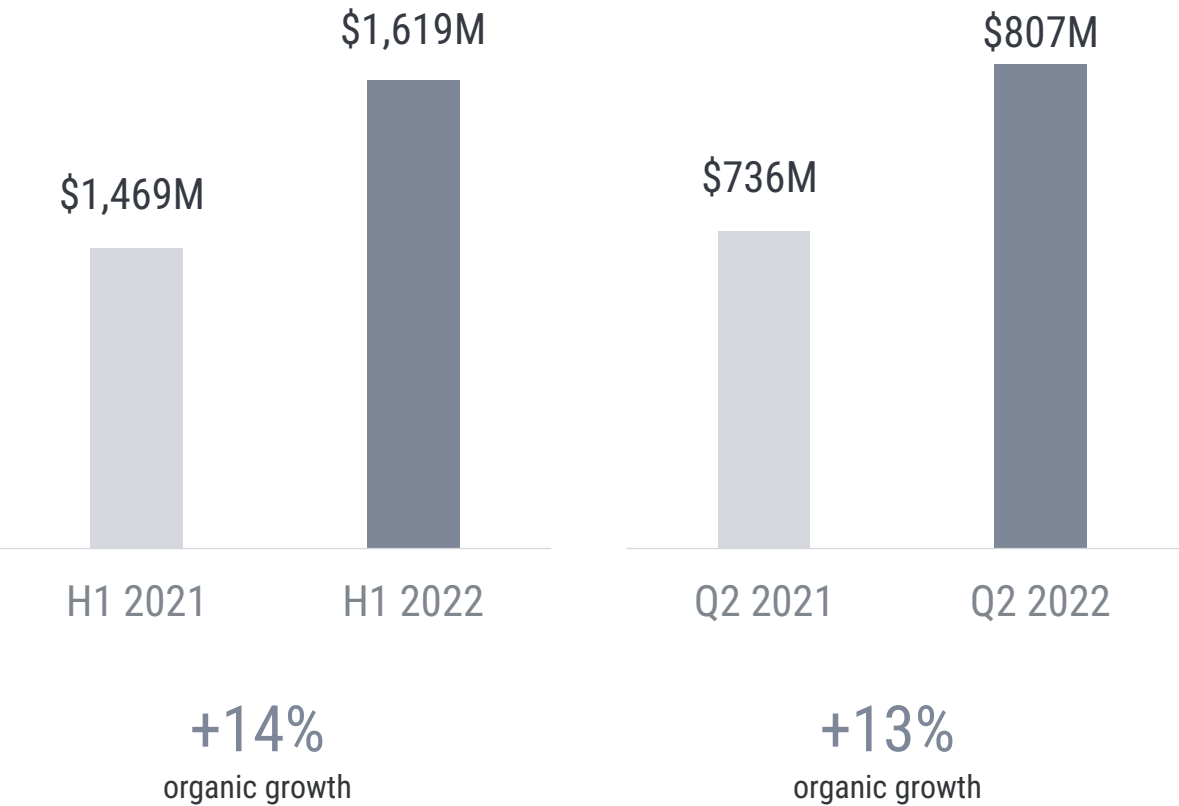
Supplemental Data



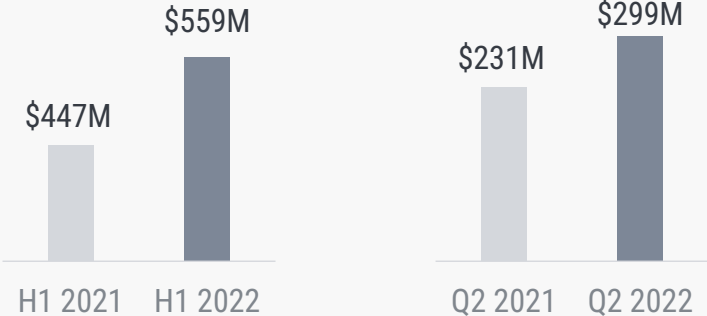
Q2 ORDERS GROWTH



ITT

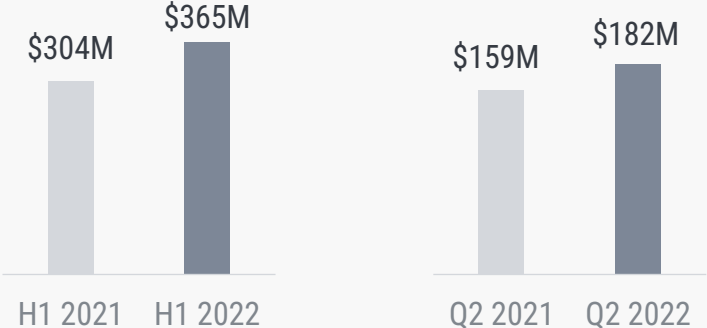


INDUSTRIAL PROCESS



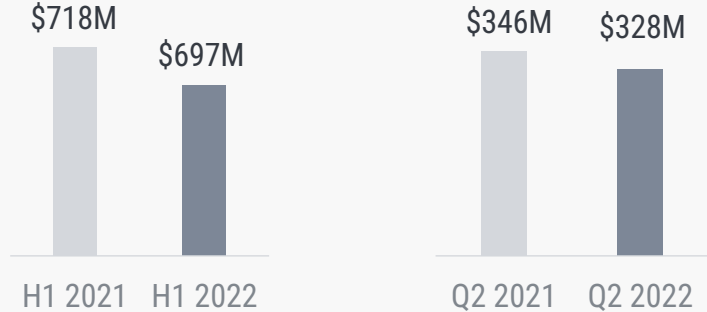
+26%
Q2 organic growth

CONNECT & CONTROL TECHNOLOGIES



+17%
Q2 organic growth

MOTION TECHNOLOGIES



+3%
Q2 organic growth

Q2 ADJUSTED SEGMENT OPERATING MARGIN



	vs. PY
Q2'21 adjusted segment operating margin	16.5%
Volume, mix, price, acquisition and other	+510 bps
Productivity Actions	+220 bps
Cost Inflation	(-880 bps)
Operational margins subtotal	15.0%
FX impact	+120 bps
Strategic investments	(-30 bps)
Q2'22 adjusted segment operating margin	15.9%
Special items (primarily restructuring)	(-30 bps)
Q2'22 segment operating margin	15.6%

Segment Margin Drivers

- + Higher IP and CCT volume
- + Pricing actions
- + Shop floor productivity
- + FX (primarily hedge benefit)
- Raw material inflation
- Supply chain disruptions
- ± Strategic growth investments

KEY PERFORMANCE INDICATORS & NON-GAAP MEASURES



Management reviews a variety of key performance indicators including revenue, segment operating income and margins, earnings per share, order growth, and backlog, some of which are calculated on a non-GAAP basis. 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. Some of 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 Revenues and **Organic Orders** are defined, respectively, as revenue and orders, excluding the impacts of foreign currency fluctuations and acquisitions. 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 comparisons of our revenue performance with prior and future periods and to our peers.

Adjusted Operating Income and **Adjusted Segment Operating Income** are defined, respectively, as total operating income and segment operating income, adjusted to exclude special items that include, but are not limited to, restructuring, severance, certain asset impairment charges, certain acquisition-related impacts, unusual or infrequent operating items and, for 2021, asbestos-related impacts. Special items represent charges or credits that impact 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, respectively, divided by revenue. We believe these financial measures 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 and **Adjusted EPS** are defined, respectively, 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, restructuring, severance, certain asset impairment charges, certain acquisition-related impacts, income tax settlements or adjustments, unusual or infrequent items, and, for 2021, asbestos-related impacts. Special items represent 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.

Free Cash Flow is defined as net cash provided by operating activities less capital expenditures. **Free Cash Flow Margin** is defined as free cash flow divided by revenue. We believe that free cash flow and free cash flow margin provides useful information to investors as it provides insight into a primary 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 / Orders Second Quarter 2022 & 2021

(In Millions)
(all amounts unaudited)

	(As Reported - GAAP)				(As Adjusted - Organic)					
	(A) Q2 2022	(B) Q2 2021	(C) \$ Change 2022 vs. 2021	% Change 2022 vs. 2021	(D) Acquisitions Q2 2022	(E) FX Impact Q2 2022	(F) = A-D-E Revenue / Orders Q2 2022	(G) =C-D-E \$ Change Adj. 2022 vs. 2021	(H) = G / B % Change Adj. 2022 vs. 2021	
Revenue										
ITT Inc.	\$ 733.3	\$ 691.6	\$ 41.7	6.0%	\$ 15.5	\$ (40.5)	\$ 758.3	\$ 66.7	9.6%	
Motion Technologies	331.3	343.6	(12.3)	(3.6%)	-	(28.6)	359.9	16.3	4.7%	
Industrial Process	239.6	213.9	25.7	12.0%	15.5	(7.1)	231.2	17.3	8.1%	
Connect & Control Technologies	163.2	134.5	28.7	21.3%	-	(4.7)	167.9	33.4	24.8%	
Orders										
ITT Inc.	\$ 807.2	\$ 735.8	\$ 71.4	9.7%	\$ 15.8	\$ (42.4)	\$ 833.8	\$ 98.0	13.3%	
Motion Technologies	327.7	346.1	(18.4)	(5.3%)	-	(28.6)	356.3	10.2	2.9%	
Industrial Process	298.8	231.2	67.6	29.2%	15.8	(8.6)	291.6	60.4	26.1%	
Connect & Control Technologies	181.5	159.0	22.5	14.2%	-	(5.2)	186.7	27.7	17.4%	

Note: Excludes intercompany eliminations
Immaterial differences due to rounding



ITT Inc. Non-GAAP Reconciliation

Reported vs Adjusted Segment Operating Income & Segment Operating Margin

Second Quarter 2022 & 2021

(In Millions)
(all amounts unaudited)

	Q2 2022	Q2 2022	Q2 2022	Q2 2021	Q2 2021	Q2 2021	% Change	% Change
	As	Special	As	As	Special	As	As Reported	As Adjusted
	Reported	Items	Adjusted	Reported	Items	Adjusted	2022 vs. 2021	2022 vs. 2021
Revenue:								
Motion Technologies	\$ 331.3		\$ 331.3	\$ 343.6		\$ 343.6	(3.6%)	(3.6%)
Industrial Process	239.6		239.6	213.9		213.9	12.0%	12.0%
Connect & Control Technologies	163.2		163.2	134.5		134.5	21.3%	21.3%
Intersegment eliminations	(0.8)		(0.8)	(0.4)		(0.4)		
Total Revenue	<u>\$ 733.3</u>		<u>\$ 733.3</u>	<u>\$ 691.6</u>		<u>\$ 691.6</u>	<u>6.0%</u>	<u>6.0%</u>
Operating Margin:								
Motion Technologies	14.2%	30 BP	14.5%	18.8%	- BP	18.8%	(460) BP	(430) BP
Industrial Process	16.3%	50 BP	16.8%	14.7%	- BP	14.7%	160 BP	210 BP
Connect & Control Technologies	17.3%	(10) BP	17.2%	13.3%	10 BP	13.4%	400 BP	380 BP
Total Operating Segments	<u>15.6%</u>	<u>30 BP</u>	<u>15.9%</u>	<u>16.5%</u>	<u>- BP</u>	<u>16.5%</u>	<u>(90) BP</u>	<u>(60) BP</u>
Operating Income:								
Motion Technologies	\$ 47.0	\$ 1.2	\$ 48.2	\$ 64.7	\$ -	\$ 64.7	(27.4%)	(25.5%)
Industrial Process	39.1	1.1	40.2	31.5	-	31.5	24.1%	27.6%
Connect & Control Technologies	28.2	(0.1)	28.1	17.9	0.1	18.0	57.5%	56.1%
Total Segment Operating Income	<u>\$ 114.3</u>	<u>\$ 2.2</u>	<u>\$ 116.5</u>	<u>\$ 114.1</u>	<u>\$ 0.1</u>	<u>\$ 114.2</u>	<u>0.2%</u>	<u>2.0%</u>

Note: Immaterial differences due to rounding.

Special items include, but are not limited to, restructuring, severance costs, acquisition-related expenses, and other unusual or infrequent items.



ITT Inc. Non-GAAP Reconciliation

Reported vs. Adjusted Income from Continuing Operations & Adjusted EPS

Second Quarter 2022 & 2021

(In Millions, except per share amounts)
(all amounts unaudited)

	Q2 2022		Q2 2022	Q2 2021		Q2 2021	\$ Change	% Change
	As	Non-GAAP	As	As	Non-GAAP	As	As Adjusted	As Adjusted
	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted	2022 vs. 2021	2022 vs. 2021
Segment operating income	\$ 114.3	\$ 2.2 #A	\$ 116.5	\$ 114.1	\$ 0.1 #A	\$ 114.2		
Corporate and other costs	(13.8)	2.0 #B	(11.8)	65.5	(76.2) #B	(10.7)		
Operating income	100.5	4.2	104.7	179.6	(76.1)	103.5	1.2	1.2%
Operating margin	13.7%		14.3%	26.0%		15.0%		
Interest income (expense), net	(0.9)	-	(0.9)	-	-	-		
Other income (expense), net	0.4	-	0.4	3.5	(3.4) #C	0.1		
Income from continuing operations before tax	100.0	4.2	104.2	183.1	(79.5)	103.6		
Income tax expense	(24.0)	1.6 #D	(22.4)	(143.9)	122.2 #D	(21.7)		
Income from continuing operations	76.0	5.8	81.8	39.2	42.7	81.9		
Less: Income attributable to noncontrolling interests	0.2	-	0.2	0.2	-	0.2		
Income from continuing operations - ITT Inc.	\$ 75.8	\$ 5.8	\$ 81.6	\$ 39.0	\$ 42.7	\$ 81.7		
EPS from continuing operations	\$0.91	\$ 0.07	\$ 0.98	\$0.45	\$ 0.49	\$ 0.94	\$ 0.04	4.3%

Note: Amounts may not calculate due to rounding.

Total Operating Margin is defined as reported operating income or adjusted operating income divided by total revenue.

Per share amounts are based on diluted weighted average common shares outstanding.

#A - 2022 includes restructuring costs (\$2.2M), severance costs (\$0.7M), and other costs (\$0.1M), partially offset by the reversal of impacts related to the Russia-Ukraine conflict (\$0.8M).

#A - 2021 includes restructuring costs (\$0.1M).

#B - 2022 includes an asset impairment charge (\$1.7M) and severance and other costs (\$0.3M).

#B - 2021 includes a pre-tax gain on divestiture of asbestos related assets and liabilities (\$88.8M), asbestos-related expense (\$12.0M), and other costs (\$0.6M).

#C - 2021 includes a pre-tax gain related to finalization of pension termination funding (\$3.4).

#D - 2022 includes the net tax benefit of special items #A and #B (\$1.5M), more than offset by tax expense related to a write-down of a tax receivable of (\$2.1M), tax expense for valuation allowance impacts of (\$0.9M), and other tax-related special items.

#D - 2021 includes the net tax benefit of special items #A, #B and #C (\$2.3M), more than offset by tax expense on the deferred tax asset write-off resulting from the divestiture of asbestos (\$116.9), and other tax related special items.



**ITT Inc. Non-GAAP Reconciliation
Reported vs. Organic Revenue / Orders
Six Months Ended 2022 & 2021**

(In Millions)
(all amounts unaudited)

	(As Reported - GAAP)				(As Adjusted - Organic)				
	(A) 6M 2022	(B) 6M 2021	(C) \$ Change 2022 vs. 2021	% Change 2022 vs. 2021	(D) Acquisitions 6M 2022	(E) FX Impact 6M 2022	(F) = A-D-E Revenue / Orders 6M 2022	(G) =C-D-E \$ Change Adj. 2022 vs. 2021	(H) = G / B % Change Adj. 2022 vs. 2021
Revenue									
ITT Inc.	\$1,459.5	\$1,390.0	\$ 69.5	5.0%	\$ 15.5	\$ (60.4)	\$ 1,504.4	\$ 114.4	8.2%
Motion Technologies	701.4	712.7	(11.3)	(1.6%)	-	(42.5)	743.9	31.2	4.4%
Industrial Process	441.8	416.2	25.6	6.2%	15.5	(11.0)	437.3	21.1	5.1%
Connect & Control Technologies	317.8	261.8	56.0	21.4%	-	(6.9)	324.7	62.9	24.0%
Orders									
ITT Inc.	\$1,619.2	\$1,468.7	\$ 150.5	10.2%	\$ 15.8	\$ (63.7)	\$ 1,667.1	\$ 198.4	13.5%
Motion Technologies	696.9	718.4	(21.5)	(3.0%)	-	(42.7)	739.6	21.2	3.0%
Industrial Process	558.9	446.7	112.2	25.1%	15.8	(13.1)	556.2	109.5	24.5%
Connect & Control Technologies	365.3	304.4	60.9	20.0%	-	(7.9)	373.2	68.8	22.6%

Note: Excludes intercompany eliminations
Immaterial differences due to rounding



ITT Inc. Non-GAAP Reconciliation
Free Cash Flow and Free Cash Flow Margin
Three and Six Months Ended 2022 & 2021

(In Millions)
(all amounts unaudited)

	<u>Q2 2022</u>	<u>Q2 2021</u>	<u>6M 2022</u>	<u>6M 2021</u>
Net Cash - Operating Activities	\$ 56.9	\$ (302.4)	\$ 54.2	\$ (231.6)
Less: Capital expenditures	17.5	17.9	47.5	35.1
Free Cash Flow	<u>39.4</u>	<u>(320.3)</u>	<u>6.7</u>	<u>(266.7)</u>
Asbestos divestiture payment	-	398.0	-	398.0
Adjusted Free Cash Flow	<u>39.4</u>	<u>77.7</u>	<u>6.7</u>	<u>131.3</u>
Revenue	<u>\$ 733.3</u>	<u>\$ 691.6</u>	<u>\$ 1,459.5</u>	<u>\$ 1,390.0</u>
Adjusted Free Cash Flow Margin	5.4%	11.2%	0.5%	9.4%



**ITT Inc. Non-GAAP Reconciliation
GAAP vs. Adjusted EPS Guidance
Full Year 2022**

(Per share amounts)
(all amounts unaudited)

	2022 Full-Year Guidance	
	Low	High
EPS from Continuing Operations - GAAP	\$ 4.12	\$ 4.45
Estimated restructuring, net of tax	0.05	0.03
Other special items, net of tax	0.16	0.15
Other tax special Items	0.02	0.02
EPS from Continuing Operations - Adjusted	\$ 4.35	\$ 4.65

Note: The Company has provided forward-looking non-GAAP financial measures for organic revenue growth and adjusted segment operating margin. It is not possible, without unreasonable efforts, to estimate the impacts of foreign currency fluctuations, acquisitions and certain other special items that may occur in 2022 as these items are inherently uncertain and difficult to predict. As a result, the Company is unable to quantify certain amounts that would be included in a reconciliation of organic revenue growth and adjusted segment operating margin to the most directly comparable GAAP financial measures without unreasonable efforts and has not provided reconciliations for these forward looking non-GAAP financial measures.



ITT Inc. Non-GAAP Reconciliation
Free Cash Flow and Free Cash Flow Margin Guidance
Full Year 2022

(In Millions)
(all amounts unaudited)

	<u>2022 Full-Year Guidance</u>	
	<u>Low</u>	<u>High</u>
Net Cash - Operating Activities	\$ 385.0	\$ 435.0
Less: Capital expenditures	135.0	135.0
Free Cash Flow	<u>250.0</u>	<u>300.0</u>
Revenue #A	<u>\$ 2,986.0</u>	<u>\$ 2,986.0</u>
Free Cash Flow margin	8%	10%

#A Represents the midpoint of the revenue range provided of 7% to 9%.