



ITT

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ITT Inc.

Connect & Control Technologies (CCT)

Supplemental Financial Data

2016 & 2015

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 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 Revenues and **Organic Orders** are defined as revenues 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** 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 and realignment costs, certain asset impairment charges, certain acquisitions-related expenses, and other unusual or infrequent operating 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 segment operating margin is defined as adjusted segment operating income divided by total revenue. We believe that adjusted segment operating income 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.



ITT Inc.
Connect & Control Technologies
Quarterly 2016 & 2015 Historical Data
(In Millions)

	2016					2015				
	Q1	Q2	Q3	Q4	FY 2016	Q1	Q2	Q3	Q4	FY 2015
Revenue	144.3	153.5	149.0	149.5	596.3	143.3	157.1	152.7	156.2	609.3
Organic Revenue % Change	-3.8%	-2.0%	-3.3%	-4.4%	-3.3%	-13.6%	-12.5%	-10.6%	-6.9%	-10.9%
Orders	170.5	145.9	139.1	146.9	602.4	148.8	169.3	145.5	155.0	618.6
Organic Orders % Change	7.3%	-13.0%	-5.1%	-5.3%	-4.3%	-12.8%	-4.7%	-10.1%	-10.5%	-9.5%
Operating Income As Reported	12.4	16.8	17.4	18.6	65.2	19.1	11.4	17.6	6.5	54.6
Operating Margin As Reported	8.6%	10.9%	11.7%	12.4%	10.9%	13.3%	7.3%	11.5%	4.2%	9.0%
Adjusted Operating Income	15.7	18.0	18.7	20.3	72.7	19.4	17.6	19.3	12.5	68.8
Adjusted Operating Margin	10.9%	11.7%	12.6%	13.6%	12.2%	13.5%	11.2%	12.6%	8.0%	11.3%

Adjusted Operating Income and Adjusted Operating Margin exclude Special Items. Special Items include but are not limited to, restructuring and realignment costs, certain asset impairment charges, acquisition-related expenses and other unusual or infrequent operating items.

Quarterly CCT Non-GAAP reconciliation details are available on our website at www.itt.com/ir.



ITT Inc. Non-GAAP Reconciliation
CCT - Reported vs. Organic Revenue / Order Growth
First Quarter 2016 & 2015
(In Millions)

	(As Reported - GAAP)				(As Adjusted - Organic)			
	(A)	(B)	(C)	(D)	(E) = B-C-D	(F) = E / A		
	3M 2016	3M 2015	Change 2016 vs. 2015	% Change 2016 vs. 2015	Acquisition / Divestitures 3M 2016	FX Impact 3M 2016	Change Adj. 2016 vs. 2015	% Change Adj. 2016 vs. 2015
Revenues								
Connect & Control Technologies *	144.3	143.3	1.0	0.7%	6.8	(0.4)	(5.4)	(3.8%)
<i>*As Previously Presented:</i>								
Interconnect Solutions	72.4	77.5	(5.1)	(6.6%)	-	(0.4)	(4.7)	(6.1%)
Control Technologies	71.9	65.8	6.1	9.3%	6.8	-	(0.7)	(1.1%)
Elimination / Rounding	-	-	-	-	-	-	-	-
Connect & Control Technologies	144.3	143.3	1.0	0.7%	6.8	(0.4)	(5.4)	(3.8%)
Orders								
Connect & Control Technologies*	170.5	148.8	21.7	14.6%	11.3	(0.5)	10.9	7.3%
<i>*As Previously Presented:</i>								
Interconnect Solutions	78.1	83.0	(4.9)	(5.9%)	-	(0.5)	(4.4)	(5.3%)
Control Technologies	92.4	65.7	26.7	40.6%	11.3	-	15.4	23.4%
Elimination / Rounding	-	0.1	(0.1)	-	-	-	(0.1)	-
Connect & Control Technologies	170.5	148.8	21.7	14.6%	11.3	(0.5)	10.9	7.3%

Immaterial differences due to rounding



ITT Inc. Non-GAAP Reconciliation
CCT - Reported vs. Organic Revenue / Order Growth
Second Quarter 2016 & 2015
(In Millions)

	(As Reported - GAAP)				(As Adjusted - Organic)			
	(A)	(B)	(C)	(D)	(E) = B-C-D	(F) = E / A		
	3M 2016	3M 2015	Change 2016 vs. 2015	% Change 2016 vs. 2015	Acquisition / Divestitures 3M 2016	FX Impact 3M 2016	Change Adj. 2016 vs. 2015	% Change Adj. 2016 vs. 2015
Revenues								
Connect & Control Technologies *	153.5	157.1	(3.6)	(2.3%)	(1.4)	1.0	(3.2)	(2.0%)
<i>*As Previously Presented:</i>								
<i>Interconnect Solutions</i>	78.8	82.7	(3.9)	(4.7%)	-	0.8	(4.7)	(5.7%)
<i>Control Technologies</i>	74.8	74.5	0.3	0.4%	(1.4)	0.2	1.5	2.0%
<i>Elimination / Rounding</i>	(0.1)	(0.1)	-		-	-	-	
<i>Connect & Control Technologies</i>	153.5	157.1	(3.6)	(2.3%)	(1.4)	1.0	(3.2)	(2.0%)
Orders								
Connect & Control Technologies *	145.9	169.3	(23.4)	(13.8%)	(2.5)	1.1	(22.0)	(13.0%)
<i>*As Previously Presented:</i>								
<i>Interconnect Solutions</i>	73.1	83.1	(10.0)	(12.0%)	-	0.9	(10.9)	(13.1%)
<i>Control Technologies</i>	72.8	86.3	(13.5)	(15.6%)	(2.5)	0.2	(11.2)	(13.0%)
<i>Elimination / Rounding</i>	-	(0.1)	0.1		-	-	0.1	
<i>Connect & Control Technologies</i>	145.9	169.3	(23.4)	(13.8%)	(2.5)	1.1	(22.0)	(13.0%)

Immaterial differences due to rounding



ITT Inc. Non-GAAP Reconciliation
CCT - Reported vs. Organic Revenue / Order Growth
Third Quarter 2016 & 2015
(In Millions)

	(As Reported - GAAP)				(As Adjusted - Organic)			
	(A)		(B)		(C)	(D)	(E) = B-C-D	(F) = E / A
	3M 2016	3M 2015	Change 2016 vs. 2015	% Change 2016 vs. 2015	Acquisition / Divestitures 3M 2016	FX Impact 3M 2016	Change Adj. 2016 vs. 2015	% Change Adj. 2016 vs. 2015
Revenues								
Connect & Control Technologies *	149.0	152.7	(3.7)	(2.4%)	-	1.3	(5.0)	(3.3%)
<i>*As Previously Presented:</i>								
<i>Interconnect Solutions</i>	78.6	82.8	(4.2)	(5.1%)	-	1.0	(5.2)	(6.3%)
<i>Control Technologies</i>	70.5	69.8	0.7	1.0%	-	0.3	0.4	0.6%
<i>Elimination / Rounding</i>	(0.1)	0.1	(0.2)		-	-	(0.2)	
<i>Connect & Control Technologies</i>	149.0	152.7	(3.7)	(2.4%)	-	1.3	(5.0)	(3.3%)
Orders								
Connect & Control Technologies *	139.1	145.5	(6.4)	(4.4%)	-	1.0	(7.4)	(5.1%)
<i>*As Previously Presented:</i>								
<i>Interconnect Solutions</i>	72.1	83.5	(11.4)	(13.7%)	-	0.8	(12.2)	(14.6%)
<i>Control Technologies</i>	67.1	62.1	5.0	8.1%	-	0.2	4.8	7.7%
<i>Elimination / Rounding</i>	(0.1)	(0.1)	-		-	-	-	
<i>Connect & Control Technologies</i>	139.1	145.5	(6.4)	(4.4%)	-	1.0	(7.4)	(5.1%)

Immaterial differences due to rounding



ITT Inc. Non-GAAP Reconciliation
CCT - Reported vs. Organic Revenue / Order Growth
Fourth Quarter 2016 & 2015
(In Millions)

	(As Reported - GAAP)				(As Adjusted - Organic)			
	(A)	(B)	(C)		(D)	(E) = B-C-D	(F) = E / A	
	3M 2016	3M 2015	Change 2016 vs. 2015	% Change 2016 vs. 2015	Acquisition / Divestitures 3M 2016	FX Impact 3M 2016	Change Adj. 2016 vs. 2015	% Change Adj. 2016 vs. 2015
Revenues								
Connect & Control Technologies *	149.5	156.2	(6.7)	(4.3%)	-	0.1	(6.8)	(4.4%)
<i>*As Previously Presented:</i>								
Interconnect Solutions	79.8	85.1	(5.3)	(6.2%)	-	0.1	(5.4)	(6.3%)
Control Technologies	69.8	71.1	(1.3)	(1.8%)	-	-	(1.3)	(1.8%)
Elimination / Rounding	(0.1)		(0.1)		-	-	(0.1)	
Connect & Control Technologies	149.5	156.2	(6.7)	(4.3%)	-	0.1	(6.8)	(4.4%)
Orders								
Connect & Control Technologies *	146.9	155.0	(8.1)	(5.2%)	-	0.1	(8.2)	(5.3%)
<i>*As Previously Presented:</i>								
Interconnect Solutions	86.2	74.7	11.5	15.4%	-	0.1	11.4	15.3%
Control Technologies	60.6	80.2	(19.6)	(24.4%)	-	-	(19.6)	(24.4%)
Elimination / Rounding	0.1	0.1	-		-	-	-	
Connect & Control Technologies	146.9	155.0	(8.1)	(5.2%)	-	0.1	(8.2)	(5.3%)

Immaterial differences due to rounding



ITT Inc. Non-GAAP Reconciliation
CCT - Reported vs. Organic Revenue / Order Growth
Full Year 2016 & 2015
(In Millions)

	(As Reported - GAAP)				(As Adjusted - Organic)			
	(A)		(B)		(C)	(D)	(E) = B-C-D	(F) = E / A
	12M 2016	12M 2015	Change 2016 vs. 2015	% Change 2016 vs. 2015	Acquisition / Divestitures 12M 2016	FX Impact 12M 2016	Change Adj. 2016 vs. 2015	% Change Adj. 2016 vs. 2015
Revenues								
Connect & Control Technologies *	596.3	609.3	(13.0)	(2.1%)	5.4	2.0	(20.4)	(3.3%)
<i>*As Previously Presented:</i>								
Interconnect Solutions	309.6	328.1	(18.5)	(5.6%)	-	1.5	(20.0)	(6.1%)
Control Technologies	287.0	281.2	5.8	2.1%	5.4	0.5	(0.1)	0.0%
Elimination / Rounding	(0.3)	-	(0.3)	-	-	-	(0.3)	-
Connect & Control Technologies	596.3	609.3	(13.0)	(2.1%)	5.4	2.0	(20.4)	(3.3%)
Orders								
Connect & Control Technologies *	602.4	618.6	(16.2)	(2.6%)	8.8	1.7	(26.7)	(4.3%)
<i>*As Previously Presented:</i>								
Interconnect Solutions	309.5	324.3	(14.8)	(4.6%)	-	1.3	(16.1)	(5.0%)
Control Technologies	292.9	294.3	(1.4)	(0.5%)	8.8	0.4	(10.6)	(3.6%)
Elimination / Rounding	-	-	-	-	-	-	-	-
Connect & Control Technologies	602.4	618.6	(16.2)	(2.6%)	8.8	1.7	(26.7)	(4.3%)

Immaterial differences due to rounding



ITT Inc. Non-GAAP Reconciliation
CCT - Reported vs Adjusted Segment Operating Income & Operating Margin
First Quarter 2016 & 2015
(In Millions)

	3M 2016	3M 2016	3M 2016	3M 2015	3M 2015	3M 2015	% Change	% Change
	<u>As Reported</u>	<u>Special Items</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>Special Items</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>As Adjusted</u>
							<u>2016 vs. 2015</u>	<u>2016 vs. 2015</u>
Revenue:								
Connect & Control Technologies	144.3		144.3	143.3		143.3	0.7%	0.7%
Operating Margin:								
Connect & Control Technologies	8.6%	230 BP	10.9%	13.3%	20 BP	13.5%	(470) BP	(260) BP
Income (loss):								
Connect & Control Technologies *	12.4	3.3	15.7	19.1	0.3	19.4	(35.1%)	(19.1%)
<i>*As Previously Presented:</i>								
Income (loss):								
<i>Interconnect Solutions</i>	2.0	-	2.0	4.8	(0.2)	4.6	(58.3%)	(56.5%)
<i>Control Technologies</i>	10.4	3.3	13.7	14.3	0.5	14.8	(27.3%)	(7.4%)
<i>Connect & Control Technologies</i>	12.4	3.3	15.7	19.1	0.3	19.4	(35.1%)	(19.1%)

Note: Immaterial differences due to rounding.

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



ITT Inc. Non-GAAP Reconciliation
CCT - Reported vs Adjusted Segment Operating Income & Operating Margin
Second Quarter 2016 & 2015
(In Millions)

	3M 2016	3M 2016	3M 2016	3M 2015	3M 2015	3M 2015	% Change	% Change
	<u>As Reported</u>	<u>Special Items</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>Special Items</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>As Adjusted</u>
							<u>2016 vs. 2015</u>	<u>2016 vs. 2015</u>
Revenue:								
Connect & Control Technologies	153.5		153.5	157.1		157.1	(2.3%)	(2.3%)
Operating Margin:								
Connect & Control Technologies	10.9%	80 BP	11.7%	7.3%	390 BP	11.2%	360 BP	50 BP
Income (loss):								
Connect & Control Technologies *	16.8	1.2	18.0	11.4	6.2	17.6	47.4%	2.3%
<i>*As Previously Presented:</i>								
Income (loss):								
Interconnect Solutions	4.8	-	4.8	(0.8)	5.7	4.9	na	(2.0%)
Control Technologies	12.0	1.2	13.2	12.2	0.5	12.7	(1.6%)	3.9%
Connect & Control Technologies	16.8	1.2	18.0	11.4	6.2	17.6	47.4%	2.3%

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 operating items.



ITT Inc. Non-GAAP Reconciliation
CCT - Reported vs Adjusted Segment Operating Income & Operating Margin
Third Quarter 2016 & 2015
(In Millions)

	3M 2016	3M 2016	3M 2016	3M 2015	3M 2015	3M 2015	% Change	% Change
	As Reported	Special Items	As Adjusted	As Reported	Special Items	As Adjusted	As Reported	As Adjusted
							2016 vs. 2015	2016 vs. 2015
Revenue:								
Connect & Control Technologies	149.0		149.0	152.7		152.7	(2.4%)	(2.4%)
Operating Margin:								
Connect & Control Technologies	11.7%	90 BP	12.6%	11.5%	110 BP	12.6%	20 BP	- BP
Income (loss):								
Connect & Control Technologies *	17.4	1.3	18.7	17.6	1.7	19.3	(1.1%)	(3.1%)
*As Previously Presented:								
Income (loss):								
Interconnect Solutions	5.8	-	5.8	3.6	1.0	4.6	61.1%	26.1%
Control Technologies	11.6	1.3	12.9	14.0	0.7	14.7	(17.1%)	(12.2%)
Connect & Control Technologies	17.4	1.3	18.7	17.6	1.7	19.3	(1.1%)	(3.1%)

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 operating items.



ITT Inc. Non-GAAP Reconciliation
CCT - Reported vs Adjusted Segment Operating Income & Operating Margin
Fourth Quarter 2016 & 2015
(In Millions)

	3M 2016	3M 2016	3M 2016	3M 2015	3M 2015	3M 2015	% Change	% Change
	As Reported	Special Items	As Adjusted	As Reported	Special Items	As Adjusted	As Reported	As Adjusted
							2016 vs. 2015	2016 vs. 2015
Revenue:								
Connect & Control Technologies	149.5		149.5	156.2		156.2	(4.3%)	(4.3%)
Operating Margin:								
Connect & Control Technologies	12.4%	120 BP	13.6%	4.2%	380 BP	8.0%	820 BP	560 BP
Income (loss):								
Connect & Control Technologies *	18.6	1.7	20.3	6.5	6.0	12.5	186.2%	62.4%
<i>*As Previously Presented:</i>								
Income (loss):								
<i>Interconnect Solutions</i>	6.5	0.1	6.6	4.6	0.2	4.8	41.3%	37.5%
<i>Control Technologies</i>	12.1	1.6	13.7	1.9	5.8	7.7	536.8%	77.9%
<i>Connect & Control Technologies</i>	18.6	1.7	20.3	6.5	6.0	12.5	186.2%	62.4%

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 operating items.



ITT Inc. Non-GAAP Reconciliation
CCT - Reported vs Adjusted Segment Operating Income & Operating Margin
Full Year 2016 & 2015
(In Millions)

	12M 2016	12M 2016	12M 2016	12M 2015	12M 2015	12M 2015	% Change	% Change
	<u>As Reported</u>	<u>Special Items</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>Special Items</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>As Adjusted</u>
							<u>2016 vs. 2015</u>	<u>2016 vs. 2015</u>
Revenue:								
Connect & Control Technologies	596.3		596.3	609.3		609.3	(2.1%)	(2.1%)
Operating Margin:								
Connect & Control Technologies	10.9%	130 BP	12.2%	9.0%	230 BP	11.3%	190 BP	90 BP
Income (loss):								
Connect & Control Technologies *	65.2	7.5	72.7	54.6	14.2	68.8	19.4%	5.7%
*As Previously Presented:								
Income (loss):								
Interconnect Solutions	19.1	0.1	19.2	12.2	6.7	18.9	56.6%	1.6%
Control Technologies	46.1	7.4	53.5	42.4	7.5	49.9	8.7%	7.2%
Connect & Control Technologies	65.2	7.5	72.7	54.6	14.2	68.8	19.4%	5.7%

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 operating items.

