

PENTAIR INC
Form 425
May 22, 2012

PENTAIR
PENTAIR S PATH FORWARD
Electrical Products Group Conference
RANDALL J. HOGAN
Chairman and Chief Executive Officer
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FORWARD-LOOKING STATEMENTS

Caution Concerning Forward-Looking Statements

This communication may contain certain statements about Pentair, Inc. (Pentair), Tyco Flow Control International Ltd. (Tyco Flow) and Tyco Flow Control International Ltd. (Tyco Flow) within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. The forward-looking statements include statements regarding the expected effects on Pentair, Tyco Flow and Tyco of the proposed merger of Pentair and Tyco Flow (the Merger), the anticipated standalone or combined financial results and all other statements in this document other than historical facts. Words and phrases that include the words targets , plans , believes , expects , intends , will , likely , may , anticipates , estimates , and similar words, phrases or terms of similar substance or the negative thereof, are forward-looking statements. These statements are based on current expectations of Tyco Flow and Tyco (as the case may be) and are subject to uncertainty and changes in circumstances and involve risks and uncertainties that are not expressed or implied in such forward-looking statements. In addition, these statements are based on a number of assumptions that

include: the satisfaction of the conditions to the Merger and other risks related to the completion of the Merger and actions related to the anticipated terms and schedule, including the ability to obtain shareholder or regulatory approvals of the Merger and related transactions; Tyco Flow; future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financing strategies and the expansion and growth of Pentair's or Tyco Flow's operations; Pentair's and Tyco Flow's ability to integrate the businesses; effects of government regulation on Pentair's or Tyco Flow's businesses; the risk that disruptions from the transaction will have on our plans, objectives, expectations and intentions generally; and other factors detailed in Pentair's and Tyco's reports filed with the SEC in their Annual Reports on Form 10-K under the caption "Risk Factors". Forward-looking statements included herein are made as of the date hereof and we have an obligation to update publicly such statements to reflect subsequent events or circumstances.

Additional Information

The Merger will be submitted to a vote of Pentair shareholders and the proposed distribution of Tyco Flow to Tyco shareholders. On May 8, 2012, Tyco Flow filed with the SEC a registration statement on Form S-4 containing a preliminary proxy statement and Tyco filed with the SEC a registration statement on Form S-1 containing a preliminary prospectus and Tyco filed with the SEC a preliminary proxy statement/prospectus regarding the Merger, the preliminary prospectus regarding the Distribution and the Tyco preliminary proxy statement/prospectus. Pentair plans to file with the SEC and mail to its shareholders a definitive proxy statement regarding the Merger and Tyco a definitive proxy statement regarding the Distribution. Shareholders are urged to read the Form S-4 containing the preliminary proxy statement/prospectus and the Tyco preliminary proxy statement, which are available now, and the Form S-4 containing the definitive proxy statement/prospectus regarding the Distribution and the Tyco definitive proxy statement and any other relevant documents containing important information about Pentair, Tyco and Tyco Flow and the proposed transactions. The definitive proxy statement/prospectus regarding the Distribution, the Tyco definitive proxy statement and other documents relating to the proposed transaction (when they are available) are available on www.sec.gov. These documents (when they are available) can also be obtained free of charge from Pentair upon written request to Investor Relations, Suite 800, Minneapolis, MN, 55416, or by calling (763) 545-1730 or from Tyco or Tyco Flow upon written request to Investor Relations, Suite 800, NJ, 08540, or by calling (609) 720-4200.

Participants in the Solicitation

Pentair and Tyco and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies for the transaction under the rules of the SEC. Information about the directors and executive officers of Pentair may be found in its Annual Report on Form 10-K for the year ended September 30, 2011 filed with the SEC on November 16, 2011, the definitive proxy statement relating to its 2012 annual meeting of shareholders filed with the SEC on February 21, 2012, the definitive proxy statement relating to its 2011 annual meeting of shareholders filed with the SEC on January 13, 2012 and Tyco's preliminary proxy statement, which was filed with the SEC on May 8, 2012. Information about the directors and executive officers of Tyco may be found in its Annual Report on Form 10-K for the year ended September 30, 2011 filed with the SEC on November 16, 2011, the definitive proxy statement relating to its 2012 annual meeting of shareholders filed with the SEC on February 21, 2012 and Tyco's preliminary proxy statement, which was filed with the SEC on May 8, 2012. Additional information regarding the interests of these participants will also be included in the definitive proxy statement/prospectus regarding the Distribution, the Tyco definitive proxy statement and other documents relating to the proposed transaction (when they are available) available on www.sec.gov. These documents (when they are available) can also be obtained free of charge from Pentair upon written request to Investor Relations, Suite 800, Minneapolis, MN, 55416, or by calling (763) 545-1730 or from Tyco or Tyco Flow upon written request to Investor Relations, Suite 800, NJ, 08540, or by calling (609) 720-4200.

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KEY MESSAGES

Positioning New

Pentair for Sustainable, Profitable Growth

Clear Strategic Roadmap

for Shareholder Value Creation

Integration Planning

Efforts Well Underway

High Confidence

in Deal Synergies and Long Term Targets

Pentair

and
Tyco
Flow
Control

Great
Fit

PENTAIR

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A Decade of Positive Transformation

~

20%

of Sales

in Fast Growth

Region

~

5%
of Sales
in
Fast Growth
Regions
Acquired
~
\$200M
in Tech Product
Sales
Today
Today
Early
Early
2000 s
2000 s
Mid-
Mid-
2000 s
2000 s
Sold Tools,
Acquired >\$1B in
Water Revenues
Portfolio of ~25
Smaller Businesses;
Manufacturing
Oriented
Global Businesses,
More Solutions
Focused
Acquired A Leading
Membrane Technology
Company (May 2011)
Began Lean
Enterprise in
Tech Products
A HISTORY OF CHANGE
Announced Pending
Merger with
Tyco Flow Control
(March 2012)
Clear Strategic Roadmap

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2009

2010

2011

STRONG PERFORMANCE **Pentair Standalone**

2009

2010

2011

Adj.

ROS

*

9.6%

ROS

11.0%

\$2.7

\$3.0

Fast Growth Regions, Innovation & Op Excellence Key Drivers

8% Organic Growth, 2 Yr CAGR

-

Tech Products

+12%

-

Water & Fluid

+7%

w/ No Meaningful Residential

Market Recovery

PIMS Toolkit

-

Key Driver of 210 bps Op Margin

Expansion Over Past Two Years

-

Enabling

Increasing

R&D

and

Growth Investments

\$3.5

Adj.

ROS

*

11.7%

SALES

(\$B)

ADJ. OPERATING INCOME

*

(\$M)

FREE CASH FLOW

*

(\$M)

+13%

2-YR CAGR

+25%

2-YR CAGR

\$258

\$334

\$404

*Results are adjusted and from continuing operations; see reconciliations in appendix

2009

2010

2011

Adj. NI

FCF in excess of Adj. NI

Cash Generation

-

FCF >100% of Adj. Net Income
for 8 of Past 10 Years

-

36 Consecutive Years of
Dividend Increases

\$207

\$211

\$248

+10%

2-YR CAGR

Clear Strategic Roadmap

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CURRENT STATE OF AFFAIRS

Solid Secular Demands

Prioritized Investments

Secular Trends in **Energy Efficiency, Sustainability and Scarcity**

Continue to Drive Solid Demand

Growth Investments Reading Out
in Energy, Food & Beverage,
Fast Growth Regions
Steady Industrial

Price/Inflation Dynamics Positive
... With Good Productivity

Anniversary CPT Acquisition in Q2
Nice Contribution to
Growth Expected in 2H of 2012

Western
Europe
and
Municipal
Headwinds

Continue;
Easier
Comparisons in 2H of 2012

Negative Impact from Foreign Currency Expected
Clear Strategic Roadmap

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STRATEGIC ROADMAP

Shareholder Value Creation is #1 Priority

Invest in **Innovative Technology**
& Application Expertise

Innovate

Around Scarcity, Energy
Efficiency and Sustainability

Continue to Build Scale in **Fast**
Growth Regions

Taking PIMS to the Next Level
and Leveraging New **Rapid**
Growth

Tool

STRATEGIC PRIORITIES

Clear Strategic Roadmap

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Safety, Quality, Delivery, Cost and Cash Focus

Attracting and Developing Top Talent

Prioritizing Investments & Innovation

Building Growth Capabilities

LEAN

ENTERPRISE

PENTAIR INTEGRATED MANAGEMENT SYSTEM

Executing Our Proven Strategy

Clear Strategic Roadmap

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STRATEGIC GUIDEPOSTS

Breadth and Expertise to Serve the New
New World

Industrialization

Infrastructure

Resource Scarcity

Quality of Life

>4 Billion Reaching
Middle Class Globally
Needs and Wants Are
Driving Demand
Increasing Population and Wealth
of the New
New World
Food
Infrastructure/Industry
(Transportation and Manufacturing)
Energy
Great Fit
&

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More Scale in Fast Growth
Regions

More High Growth,
Attractive Verticals

Strong from the Start
Stronger in the Future

Strong Balance Sheet &
Steady Cash Flow

Better Positioned to Address

Global Trends

in New

New

World

Expect

\$0.40

Accretive

to

2013

Adj

EPS

**

..

>\$5/share

in

2015

WHY TYCO FLOW CONTROL

STRONGER, MORE BALANCED

~18%

~25%

Fast Growth Regions

% of Sales

<10%

~25%

Energy

Sector

% of Sales

~36%

~20%

Residential

Sector

% of Sales

~20/80

~45/55

Long/Short Cycle

Business

~2.6X

~1.6X

Debt to EBITDA

Ratio

BEFORE*

AFTER*

Great Fit

*

Before reflects standalone Pentair 2011 Sales, Debt and EBITDA; After reflects combined proforma projected 2012 Sales and EBITDA. Related Costs: Restructuring & Other; Transaction; and Noncash Inventory Step-up and Customer Backlog Costs.

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Water & Environ.

Water & Fluid

Thermal Controls

Technical Products

Valves & Controls

Flow Control

STRONG STRATEGIC FIT

Complementary Capabilities to Best Serve Customers

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SALES BY SEGMENT

TYCO FLOW

SALES BY SEGMENT

COMBINED COMPANY SALES

2012 *pro forma* PROJECTED SALES ~\$7.7B*

Water &

Fluid

Solutions,

~70%

Technical

Products,

~30%

Valves &

Controls,

~60%

Water &

Environ.,

~20%

Thermal

Controls,

~20%

Projected 2012 Sales: ~\$3.7B

Projected 2012 Sales: ~\$4.0B*

Technical

Products,

~30%

Water &

Fluid

Solutions,

~45%

Equipment

Protection

Solutions,

~25%

Flow

Control,

~30%

* Tyco Flow financials calendarized to December.

Great Fit

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SERVING HIGH GROWTH SECTORS
Driven By Strong Secular Growth Trends
Increased Scale in
Attractive Growth Sectors
DIVERSE VERTICALS
COMBINED 2012 *pro forma* PROJECTED SALES MIX
Industrial

Performance & Quality

Efficiency

Hazardous

Energy

Efficiency

Unconventional

Technology

Global Water

Scarcity

Regulation

Sustainability

Infrastructure

Aging

Capacity Needs

Urbanization

SECULAR TRENDS DRIVING DEMAND

Great Fit

* Energy includes Oil & Gas; Power and Mining.

Energy*,

~25%

Comm 1,

~10%

Infrastructure,

~10%

Industrial,

~35%

Residential,

~20%

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EXPANDED GLOBAL REACH

Fast Growth Regions ~25% of Combined Sales

~35%

DEVELOPED

REST OF WORLD

WORLDWIDE

>100 Manufacturing Facilities

>90 Service Centers

>30,000 Employees

Significant US Residential

Installed Base

US Industrial Sector Strength

Continued Global Increase

in Demand for Oil and Gas,

Power & Mining

Broader Offering, Recognized

Brands, Plus Service Centers in

Large, Fragmented Market

Rising GDP and

Urbanization Driving

Infrastructure, Energy &

Water Demands

Robust Industrial Sector

Greater Scale in Fast

Growth Regions Across

All Businesses

~25%

FAST GROWTH

REGIONS

Great Fit

* Energy includes Oil & Gas; Power and Mining.

Combined 2012 Pro Forma Projected

Geographic Sales Mix

~40%

US & CANADA

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Operating/G&A Cost Synergies: ~\$160M pre-tax

Direct/Indirect Sourcing Opportunities

Lean/PIMS in Factories: Deploy in Tyco Flow

IT/Finance/HR Standardization

Management and Regional Business Integration

Day 1

Cost Avoidance: ~\$40M pre-tax

~\$80M Public Company Corporate Cost Avoidance,
Net of ~\$40M Integration/Corporate Investments

Day 1

Annualized Tax Rate of ~24-26%
(Below the Operating Line)

Revenue Synergies
All Upside Potential

Cross-Selling of Channels, Verticals, Products and Services

Not Assumed in Accretion and Cash Flow Forecasts

VALUE CREATION POTENTIAL

Corp Cost

Avoidance

Tax

Synergies

Cost

Synergies

Tremendous Day 1 Value From Corp Cost Avoidance + Taxes

RUN-RATE SYNERGY

Est. Transaction Related Costs of \$360M

(~\$220M is Non-Cash Inventory Step-Up and
Customer Backlog Costs)

~\$200M

Operational

Synergies

pre-tax

ANTICIPATED SYNERGIES

Expected

Annualized

Tax Rate of

~24-26%

High Confidence in Synergies

Day 1

Synergies

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COST SYNERGY DRIVERS

Expected Annual Cost Synergies of ~\$200M by 2015

~\$25M

~\$20M Direct

~\$40M Indirect

Proven PIMS Strategy

\$25M
by
Year
3
(Lean,
Distribution,
&
Warranty)

Reinvesting in Lean Talent Yr 1 & 2
Realistic Sourcing Assumptions

Scale, Geographic Reach, and Standardization

Manufacturing
Footprint
Rationalization
Not
Incl.
~\$115M
Good Visibility

½
Cost Avoidance; ½
Standardization

Standardization of Accounting, ERP s,
Global Structure, Payroll, and IT Applications

Includes ~\$20M Integration Team Investment

ANTICIPATED OPERATIONAL

COST

SYNERGIES

pre-tax

~\$90M

~\$150M

~\$200M

Global

Structure:

G&A,

Selling/

Marketing

Ops/

Lean

Direct/

Indirect

Sourcing

2013

2014

2015
High Confidence in Synergies
Day 1
Cost
Synergies

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Core Capabilities

Leverage Existing Playbooks

PROVEN PENTAIR CAPABILITIES

ERP Platforms

40+
15
>60%

Data Centers
40+
6
>85%

HR Processes
850+
~35
>95%

Payroll Centers
35+
18
>45%

Accounting Centers
50+
27
>45%
2007 2011*

Core Business Potential
Example: Doubled Technical Products
Op Margin in 10 Yrs to 18%+ with
Further Opportunities to Drive
Productivity Improvements
Est. ~\$70M of
Savings
07

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Further Potential
w/CPT, Tyco Flow
High Confidence in Synergies
STANDARDIZATION
LEAN ENTERPRISE
Improvement
* Excludes CPT Acquisition.

Year 1 Benefits in Acquisitions
Meaningfully Improved Lead Times,
Freed Up Manufacturing Space,
Reduced Inventory Levels
Helped
Fund

Lean Leaders/Training in Every
CPT & Hidro Filtros Facility

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REVENUE OPPORTUNITIES

Significant Potential

Not

in Synergy/EPS Targets

High Confidence in Synergies

Cross-Selling Across the Global Enterprise

Protective Enclosures, Thermal, Valves & Controls, Process Technologies,
Water Purification, Flow Technologies, Water & Environmental Systems,
Aquatic Systems

Greater Fast Growth Region Presence

Tyco Flow Adds Immediate Scale in Emerging Markets

Technology Innovation with Greater Customer Reach

Pentair's Filtration & Flow Technology

Tyco Flow's Global
& Customer Reach

Tyco Flow's Valves, Controls & Thermal Technology

Pentair's Customer
& Channel Reach

Extend Service Footprint to Grow Aftermarket Revenue

Extend Tyco Flow's >90 Service Centers and >1,100 Service Technicians
Globally to Pentair Systems and Solutions

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INTEGRATION PRINCIPLES

Lock & Load on Short, Medium and Long-term Deliverables

Day 1 100

Business Continuity & Fast Start

Day 500

Growth & Cost Synergies Realized
Organization in Rhythm
Day 1,000
\$10B+ Global Leader
One Company Culture

Ensure Base Business Results of the 8 GBU s Are Delivered

Ensure We Achieve Targeted Cost Synergies (*base + synergies = 2015 targets*)

Elevate Functional Capabilities to Manage a Global Company

Manage Potential Risks (Competitors, Tax, Compliance)

Build a Pipeline of Growth Opportunities to Deliver Upside

Choose
&
Go

Standard
Processes
&
Critical
Activities
Applied
Quickly
Over 30,000 Employees Focused On Delivering Value
Integration Planning

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INTEGRATION APPROACH

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Enhance PIMS and Drive Across All Businesses

Leverage & Expand

PIMS Toolkit

Fully Train, Fully Adopt & Expand

8 Global
Business Units
Choose Quickly & Go
~50/50 Pentair/Tyco Flow
(~\$160M after Corp Cost Avoidance)
Drive Standardization
Opportunity
Avoid, Leverage &
Reduce Costs
Integration Planning

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1 GBU

Valves & Control

~30% Fast Growth

Growth Opportunities:

Energy & Industrial

Process

Standardization Synergy

Opportunity:

~200 bps of ROS

8 GBUs With Attractive Growth Opportunities

RUN AS 8 GBUs (In 3 Reporting Segments)

Equipment Protection Systems

~\$1.9B*

Flow Control

~\$2.5B*

Water & Fluid Solutions

~\$3.3B*

5 GBUs

Flow Technologies

Process Technologies

Aquatic Systems

Water & Environmental

Solutions

Water Purification

~25% Fast Growth

Growth Opportunities:

Water Reuse, Energy

Efficiency, Food and

Beverage & Infrastructure

Standardization Synergy

Opportunity:

~250 bps of ROS

2 GBUs

Technical Products

Thermal

Solutions

~20% Fast Growth

Growth Opportunities:
Energy, Industrial &
Infrastructure

Standardization Synergy

Opportunity: *~150 bps of ROS*

Integration Planning

* Tyco Flow financials calendarized to December; Combined Projected Pro Forma 2012 Sales

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8 GBUs With Strong Growth and Income Potential

SYNERGY PLANNING

Integration Planning

Direct Sourcing; ~\$20M by 2015: Looking to Drive Upside, needs to be managed by Commodity,

By
Business,
By
Localized
Region
(~20
bp s
of
improvement
by
2015)

Global Selling/Marketing + Indirect Sourcing; ~\$35M by 2015 : Includes Fast Growth Facility & Organization Opportunities, Reduction in Printed Collateral, Alignment of Tradeshow, Brand Rationalization and Positioning, Cross Selling, Customer Care, & Developed Sales Office Consolidation and Structure across 8 GBU s and over 200 sales offices
(~40
bp s
of
improvement
by
2015)

Corporate; ~\$45M by 2015: Almost Complete with New Pentair Budget on Track and Expanding Capability to Serve a ~\$10B Global Company

Lean & Operations + Indirect Sourcing; ~\$35M by 2015: Includes Warranty, Scrap, Facilities Costs, Utility Costs, SKU Rationalization, Distribution, Excess & Obsolete, Delivery across ~100 Factories and ~90 Service Centers
(~40 bp s of improvement by 2015)
Does Not Yet Include Factory Consolidations

Global G&A + Indirect Sourcing; ~\$65M by 2015: Includes Fast Growth Shared Support, Reduction of ~40 ERP s within the GBU s, Standardization of >50K Software applications, standardization of payroll, credit, collections, payables, IT infrastructure, mobile devices, other indirect spending, audit fees & statutory fees and structure
(~130
bp s
of

improvement by 2015)

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TIMELINE

Solid Progress

On Track to Close End of September

Filed Preliminary S-4

Early Termination on Hart-

Scott-Rodino

Named Integration Leader;
Held Planning & Kick Off
Meeting

Began Functional Work
Stream Planning (**detailed level**)

Identified Business Leaders

Defined Reporting Structure

Final S-4 and Proxy
Statement Filing

Obtain Other Regulatory
Approvals (EU, other foreign jurisdictions)

Pentair and Tyco International
Shareholder Approval

Project by Project detailed
Synergy Plans with
Accountable Owners
Execute On 2012 Strategic
Execute On 2012 Strategic
Priorities & Targets
Priorities & Targets
Retain Talent
Retain Talent
Integration Planning
COMPLETED (~60 DAYS)
NEXT STEPS (~180 DAYS)

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KEY MILESTONES

Integration & Standardization

With Priorities

Day One **Synergies**

Business **Continuity**

People & Communications

Integration Playbook

Day 1 Synergies + Path Forward on Year 1

Maintain Business & Customer Focus

Energized Workforce
Positive & Focused

Frame Revenue Synergies

Growth & Cost **Synergies**

PIMS Adopted & Elevated

Functional **Standards**

Integration **Standardization**

Maximize Growth & Cost Opportunities

Operationally & Culturally One Company

Elevating Our Capabilities in Each Function

Standardized / Repeatable Programs

Deployed Global Processes

Standardization & Culture

Leading Global Practices

Identify & Incorporate New Processes

Integration Planning

CONTINUITY & FAST START

GROWTH + STANDARDIZATION

LEADING GLOBAL PROCESSES

First 100 Day

Plan

Day 500

Plan

Day 1,000

Plan

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SUMMARY

Positioning New

Pentair for Sustainable, Profitable Growth

Clear Strategic Roadmap

for Shareholder Value Creation

Integration Planning

Efforts Well Underway

High Confidence

in Deal Synergies and Long Term Targets

Pentair and Tyco Flow Control

Great Fit

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Questions?
Thank You

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APPENDIX
GAAP to Non-GAAP Measurements & Reconciliations

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REPORTED TO ADJUSTED RECONCILIATIONS

Pentair, Inc. and Subsidiaries

Reconciliation of the GAAP "As Reported" years ending December 31, 2011, December 31, 2010 and December 31, 2009 to the "Adjusted" non-GAAP excluding the effect of adjustments (Unaudited)

Year

Year

Year

In millions, except per-share data

2011

2010

2009

Net sales

3,456.7

\$

3,030.8

\$

2,692.5

\$

Operating income -

as reported

168.5

\$

334.2

\$

219.9

\$

% of net sales

4.9%

11.0%

8.2%

Adjustments:

CPT deal related costs

8.3

Restructuring and asset impairment

12.9

37.9

Inventory step-up and customer backlog

13.4

Goodwill impairment

200.5

Operating income -

as adjusted

403.6

334.2

257.8

% of net sales

11.7%

11.0%

9.6%

Net income from continuing operations attributable

to Pentair, Inc. -

as reported

34.2

197.8
115.5
Adjustments net of tax
206.5

26.2
Bond tender

3.2
Net income from continuing operations attributable
to Pentair, Inc. -

as adjusted

240.7

197.8

144.9

Continuing
earnings

per
common
share

attributable

to

Pentair,

Inc.

-

diluted

Diluted earnings per common share -

as reported

0.34

\$

2.00

\$

1.17

\$

Adjustments

2.07

0.30

Diluted earnings per common share -

as adjusted

2.41

\$

2.00

\$

1.47

\$

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GAAP TO NON-GAAP RECONCILIATION

Pentair, Inc. and Subsidiaries

Reconciliation of Free Cash Flows for the years ending December 31, 2011, December 31, 2010 and December 31, 2009
(Unaudited)

In millions

2011

2010

2009

Free Cash Flow

Net cash provided by (used for) continuing operations

320.2

\$

270.4

\$

259.9

\$

Capital expenditures

(73.3)

\$

(59.5)

\$

(54.1)

\$

Proceeds from sale of property and equipment

1.3

\$

0.3

\$

1.2

\$

Free cash flow

248.2

\$

211.2

\$

207.0

\$

Pentair and Subsidiaries

Reconciliation

of

the

GAAP

"As

Reported"

Operating

Income

to

the

"Adjusted"

EBITDA

for

the

years

ending

December

31

(Unaudited)

Pro Forma *

In millions

2011

2012

Operating income -
as reported

168.5

\$

580.0

Adjustments:

Deal related costs and restructuring

21.2

130.0

Inventory step-up and customer backlog

13.4

160.0

Goodwill

200.5

Operating income -
as adjusted

403.6

870.0

Depreciation and amortization

108.1

275.0

EBITDA

511.7

\$

1,145.0

\$

* The pro forma information includes a full year of Tyco Flow financials (calendarized to a December 31 year-end).
as if the merger took place on January 1, 2012.