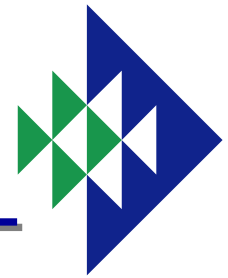




▶▶▶ **Q2 2008 Earnings Release Call**

July 22, 2008



Any statements made about the company's anticipated financial results are forward-looking statements subject to risks and uncertainties such as continued economic growth, including the strength of housing and related markets; the ability to integrate acquisitions successfully and the risk that expected synergies may not be fully realized or may take longer to realize than expected; foreign currency effects; retail and industrial demand; product introductions; and pricing and other competitive pressures as well as other risk factors set forth in our SEC filings. Forward-looking statements included herein are made as of the date hereof, and Pentair undertakes no obligation to update publicly such statements to reflect subsequent events or circumstances. Actual results could differ materially from anticipated results.

▶▶▶ Q2'08 Pentair Performance*



<i>(\$M)</i>	<u>Q2'08</u>	<u>Q2'07</u>	<u>Financial Highlights</u>	
Net Sales	\$910	\$899	Q2 Sales Up 1% versus Q2'07 ▶ Organic Flat (-3% ex-FX) ▶ Water down (-6%) ▶ Tech. Products up 18%	
Op Income <small>(Reported)</small>	\$95	\$113	Q2 Adj. Operating Income up \$5M YOY ▶ Margins up 0.5 pts Versus Q2 2007	
Op Income <small>(Adjusted)</small>	\$118	\$113		
<i>ROS (Adjusted)</i>	13.0%	12.5%	<ul style="list-style-type: none"> • Volume / Price / Mix +1.4 pts. • Productivity +2.2 pts. • Inflation (3.0) pts. • FX (0.1) pts. 	
EPS <small>(Reported)</small>	\$1.39	\$0.61	EPS (rpt'd) of \$1.39 Includes \$0.86 Non-cash Gain, (\$0.14) Legal, (\$0.01) Restructuring EPS (adj) of \$0.68 up 11% versus Q2 2007 + Margin Expansion, Tech Products + Interest, Tax Rate, Shares	
EPS <small>(Adjusted)</small>	\$0.68	\$0.61		
<u>Business Highlights</u>			Q2 Free Cash Flow of \$135M ... \$57M YTD	
+ Technical Products – Outstanding Results + GBU Structure Developing Nicely + Key Growth Initiatives – Accelerating + Global Market Opportunities Plentiful + Industrial Markets Remain Strong – Residential Down – Led by Pool Markets – Commodity Costs Stubbornly High				

Solid Quarter – EPS Up 11% On Adjusted Basis

**2008 and 2007 Results From Continuing Operations*

▶▶▶ Q2'08 Results* Versus Guidance



<i>“What We Said”</i>	<u>Q2 Sales</u>	<u>Q2 OI</u>	<u>Q2 EPS</u>
April Guidance:	\$910M – \$925M	\$114M – \$120M	\$0.64 – \$0.67

<i>“What We Did”</i>	<u>Q2 Sales</u>	<u>Q2 OI</u>	<u>Q2 EPS</u>
Q2 Results:	\$910M	\$118M	\$0.68

Major “Deltas” Versus April Outlook

	<u>Sales %</u>		<u>Op Income Impact</u>	<u>EPS Impact</u>
	<u>Expected</u>	<u>Actual</u>		
Pool / Spa	~ (12%)	(22%)	~ (\$10M)	~ (\$0.07)
Tech Products	Up 8 to 12%	+18%	~ \$10M	+ \$0.07

Enduring “Worst” Pool Season

Navigating Through Residential Maelstrom

Driving Outstanding Tech Prod. Results

Portfolio Diversity Delivers Results Despite Difficult Markets

*2008 and 2007 Results From Continuing Operations on Adjusted Basis

▶▶▶ Summary Of Major Events



- **Residential Filtration Business Formed With GE (2Q)**

- Significant Revenue Growth Opportunities via PNR's Channels
- Significant Cost Synergies – Manufacturing and Administrative
- More Technology / Global Reach / Access To Residential Brand

Future Growth

- **Horizon Litigation Settlement (2Q)**

- Longstanding (1994) Litigation Resolved
- Settlement Impact = \$20M Pre-Tax

Eliminates Uncertainty

- **2008 Water Restructuring Actions (2Q and 2H Items)**

- 1H'08: Rationalized 2 European Factories (Pretax (\$2M) Charge)
- 2H'08: Announced the Rationalization of 6 More Factories, G&A Structure and Distribution Centers

Margin Expansion

- **Bond Tender on 7.85% Note (Q3 Item)**

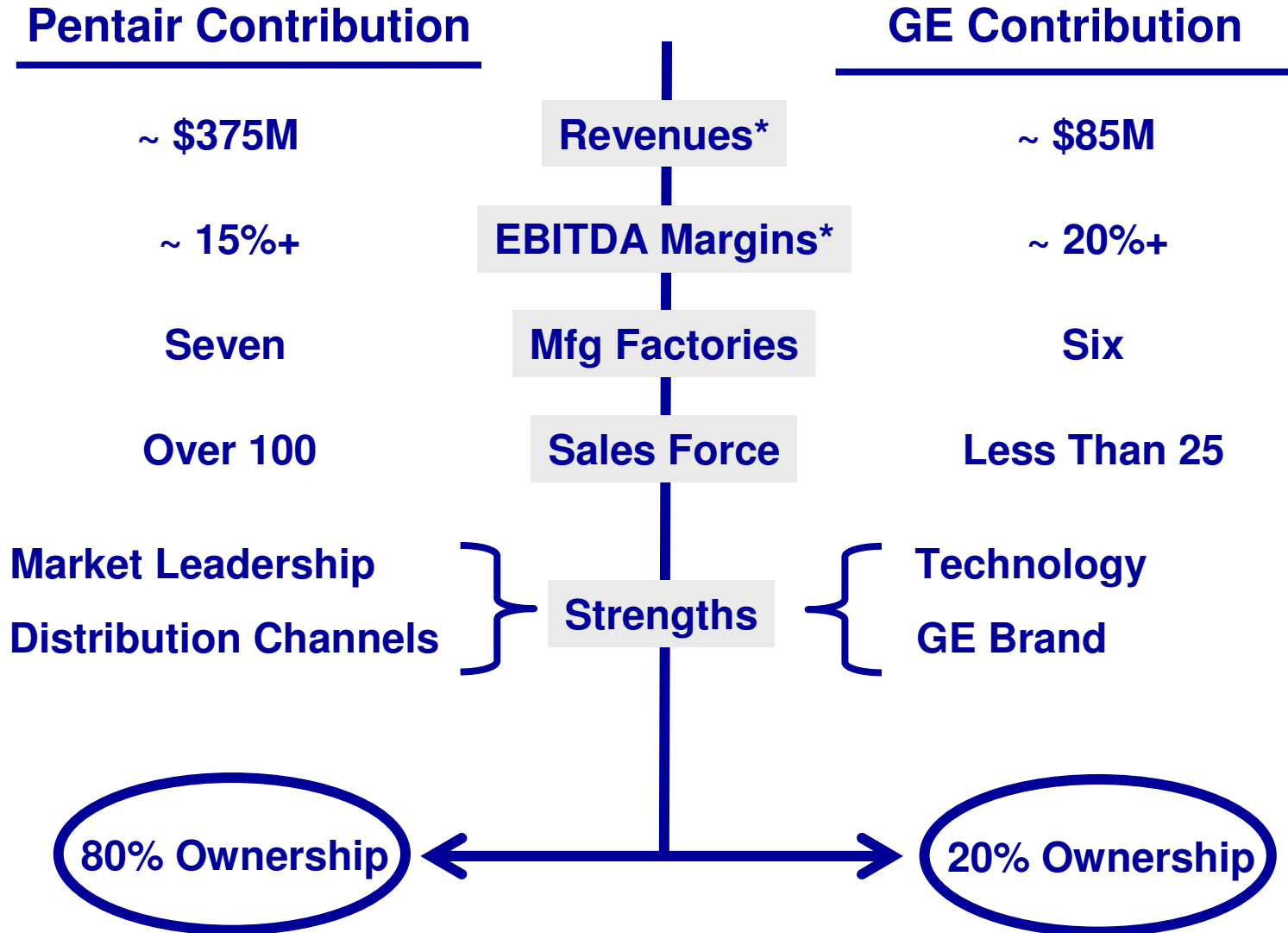
- Anticipate (\$0.02) to (\$0.04) EPS Charge in Q3 = \$0.01 per Qtr. In Lower Interest

Lower Interest

Significant Actions Taken to Improve Performance



▶▶▶ Pentair Residential Filtration



Combination Creates Sizeable Operation With Real Strengths

* Full Year 2008 Estimates

▶▶▶ Residential Filtration Synergies



Revenue Growth

Innovative New Solutions:

- Ultra Filtration Whole House System
- Tank-less R/O System
- Emerging Region Systems
- Future: High-efficiency RO

Customer First Initiatives:

- Expanded Sales & Customer Service
- More Customer Education / Marketing
- More Technology Investment

Leading Brands & New Strategies:

- Leading Brands: GE, Fleck, Autotrol, Structural, Merlin, Freshpoint, Wellmate
- Ability to Commercialize Brand Strategy

Cost Take-out

Factory Rationalization:

- Announced Closure of 5 Facilities
- Reducing Workforce by >10%
- Integration Team Off and Running

SG&A Reductions:

- Combined Structure Supports Cost Reductions
- Consolidating G&A Processes

Supply Management / R&D:

- Leverage Best Supplier Agreements
- R&D Budgets Combined For Most Effective Use of Funds

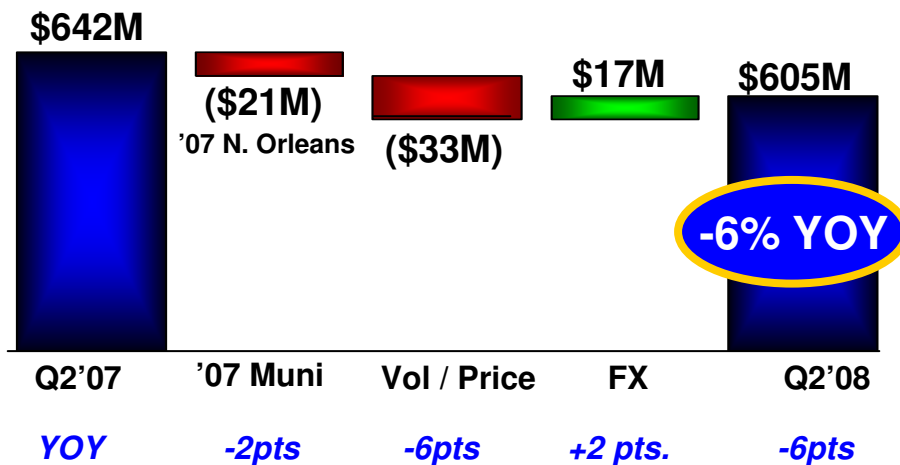
**\$0.20 of EPS
Synergies By 2010**

Improving Leading Position With Customers

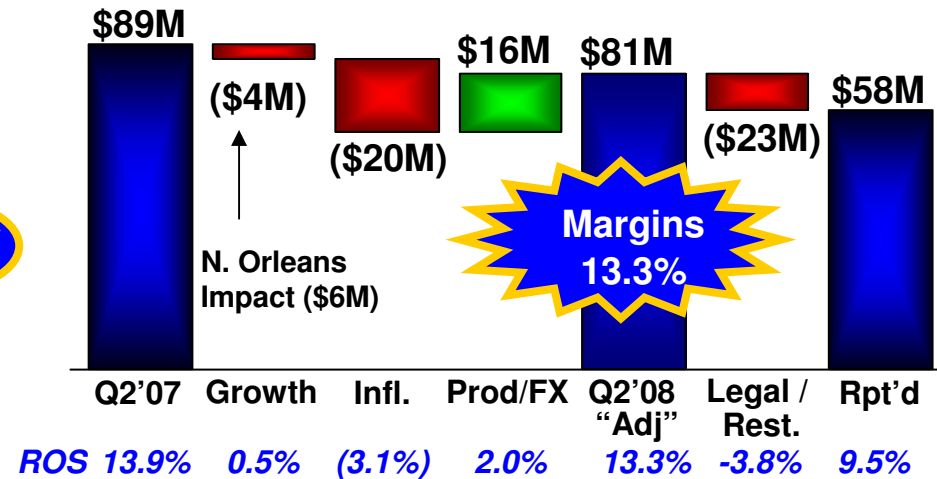
▶▶▶ Q2'08 Water Performance*



Q2 Sales



Q2 Operating Income



Sales Highlights

- ▶ **Sales Down (6%)**
 - Flow Technologies GBU: Down (3%)
 - Filtration GBU: Up +8% (+5% organic)
 - Pool GBU: Down (22%)
 - Regions:
 - EMEA Water: +15% (+4% ex-FX)
 - APAC Water: +20%

Operating Margins / Productivity

- ▶ **Operating Margins 13.3% ... Down 60bp**
 - **Productivity Not Enough To Offset Volume Declines & Commodity Prices**
- ▶ **Key Actions**
 - Announced Additional Restructuring Actions To Drive '09 and '10 Benefits
 - Continue To Invest In Key Growth Init.

Navigating Through Difficult N.A. Residential Market

*2008 and 2007 Results From Continuing Operations on Adjusted Basis

▶▶▶ YTD / FY '08 Water Revenue Growth*

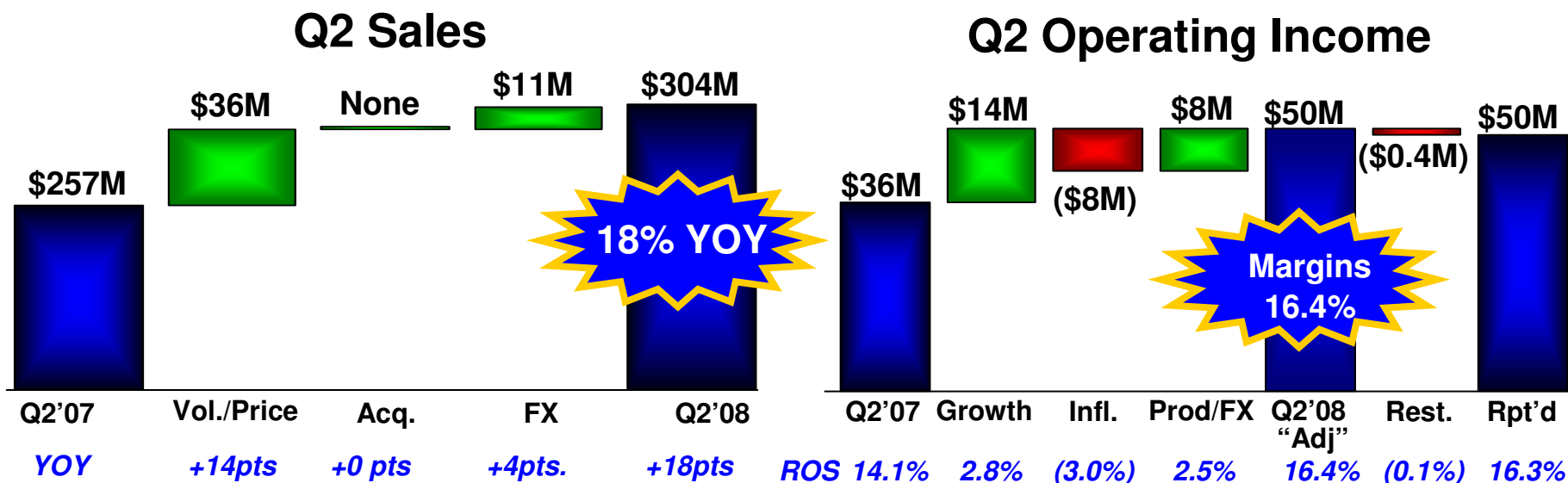


	<u>1H'08</u> <u>Actual</u>	<u>2H'08</u> <u>Fcst</u>	<u>FY'08</u> <u>Fcst</u>	<u>FY'08 Impact</u> <u>To Total PNR</u>
N.A. Resi Sales ~ 40% Water				
N.A. Resi Pool / Spa	-20%	-15%	-18%	-3 pts
N.A. Resi Flow & Filtration	-10%	-7%	-8%	-1 pt
Water Residential "Total"	-15%	-10%	-12%	-4 pts
Non-Resi / Int'l Sales ~ 60% Water				
Comm'l / Industrial / Ag.	+10%	+10%	+10%	+2 pt
Municipal (Excl. New Orleans)	+20%	+10%	+13%	+1 pt
International (ex-FX)	+8%	+7%	+8%	+2 pts
Non-Residential "Total"	+10%	+8%	+10%	+5 pts
New Orleans Impact	-2%	--	-1%	-1 pt
Foreign Exchange Impact	+3%	+2%	+2%	+1 pt
Total Water	-2%	+4%	+1%	+1 pt

Commercial / Industrial / Municipal All Strong ... Residential Soft

* All Figures Approximate (includes benefit of Resi Filtration w/ GE, and 2007 Acquisitions: Porous Media, Jung Pump)

▶▶▶ Q2'08 Technical Products Performance



Sales Highlights

▶ Sales Up 18% -- Another Terrific Quarter

- Electrical: +14%
- Electronics: +24% (+14% ex-FX)
- Regions:
 - EMEA: +32% Growth (12% ex-FX)
 - APAC: +44% Growth (39% ex-FX)

Operating Margins / Productivity

▶ Adj. Operating Margins 16.4%, +230bp YOY

- Solid Volume and Manufacturing Productivity
- ▶ Key Actions
 - Executing Well on Growth & Cost Actions
 - Lean Productivity Reading Out ... Leveraging Growth
 - Timely Execution of Materials / Sourcing Agreements Positions Business Positively

Record Sales and Margin Levels ... Momentum Continues

▶▶▶ YTD / FY '08 Tech Products Growth*



Tech Products <u>Major Vertical Mkts</u>	Sales Growth			FY'08 Impact To Total PNR
	1H'08 Actual	2H'08 Fcst	FY'08 Fcst	
Energy	+17%	+13%	+15%	~ +½ pt
Automotive / Machine Tools	Flat	-5%	-2%	Minimal
Consumer / Public	+10%	+7%	+9%	~ +1 pts
General Electronics	+15%	+20%	+17%	~ +1 pts
Commercial	+5%	+2%	+3%	Minimal
Network / Datacom	+45%	+10%	+25%	~ +1 pts
Telecom	+25%	+10%	+17%	~ +1 pts
Total Tech. Products	+16%	+9%	+12%	~ +4 pts

Balanced Portfolio With Market Diversity

* All Figures Approximate

▶▶▶ Q2 2008 Cash & Key Metrics*



(\$M)	Q2 2008	Q2 2007	YTD 2008	YTD 2007		2008	2007
Income - continuing operations	\$ 138.8	\$ 61.0	\$ 191.4	\$ 103.6	YTD Operating Income - Adjusted	\$ 215.0	\$ 194.4
Depreciation/Amortization	\$ 22.3	\$ 22.7	\$ 43.9	\$ 43.0	Effective Tax Rate	33.2%	35.3%
Stock Comp/Excess Tax Benefit	\$ 5.1	\$ 5.2	\$ 11.2	\$ 10.4	YTD NOPAT	\$ 143.8	\$ 125.8
Deferred income Taxes	\$ 26.8	\$ (6.2)	\$ 21.0	\$ (6.5)	4 Qtr. Trailing NOPAT	\$ 292.2	\$ 230.6
Chg. In Working Capital	\$ 59.1	\$ 67.8	\$ (87.7)	\$ (62.3)	Average Invested Capital	\$ 2,957.9	\$ 2,557.6
Other	\$ (105.0)	\$ 6.2	\$ (100.1)	\$ 11.4	ROIC (After Tax)	9.9%	9.5%
Operating Cash Flow	\$ 147.1	\$ 156.7	\$ 79.7	\$ 99.6	Ending Working Capital	\$ 463.4	\$ 439.8
Net Investing Activities	\$ (6.0)	\$ (264.1)	\$ 13.7	\$ (512.2)	5 Qtr. Trailing Avg. Working Capital	\$ 431.9	\$ 410.3
Net Financing Activities	\$ (126.1)	\$ 94.7	\$ (84.9)	\$ 409.4	% of Last 4 Qtr. Sales	12.7%	12.9%
Effect of FX	\$ (1.5)	\$ 1.5	\$ (0.6)	\$ 2.0	Return on Equity	18.3%	12.1%
Change in Cash & Equivalents	\$ 16.4	\$ (10.6)	\$ 7.9	\$ (1.2)	Total Debt	\$ 1,028.8	\$ 1,187.9
Operating Cash Flow	\$ 147.1	\$ 156.7	\$ 79.7	\$ 99.6	Total Capital	\$ 3,126.1	\$ 2,962.2
Capital Expenditures	\$ (12.1)	\$ (11.1)	\$ (26.3)	\$ (30.1)	Debt to Total Capital	32.9%	40.1%
Proceeds from sale of PP&E	\$ -	\$ 0.2	\$ 3.8	\$ 1.5	Net Book Value	\$ 2,097.2	\$ 1,774.3
Free Cash Flow	\$ 135.0	\$ 145.8	\$ 57.2	\$ 71.0			

Note: Free Cash Flow Defined as Operating Cash Flow Less Capital Expenditures Plus Proceeds from Sale of PP&E

Free Cash Flow On Target ... Expanding ROIC

* 2008 and 2007 Results From Continuing Operations

▶▶▶ First Half Summary / Full Year Outlook



- **Technical Products** Continues To Set Records
- **Residential Downturn** Continues to Mask Successful **Growth Initiatives**, Healthy End-markets and **International Expansion** in Water
- Enduring Worst **Pool Market** In Pentair History ... Streamlining Organization
- **Commodity Inflation** Much Worse Than Originally Planned
- **Price Actions** Mitigating Commodity Inflation
- Realistic Market Outlook and **Aggressive Productivity** Actions Paying Off
- Getting Traction on Vertical Market Opportunities
- Excited About **Key Growth Initiative** Results and Push Toward Energy / Environmental / Infrastructure Solutions
- **Portfolio Continues To Improve**: Sold NPT, Residential Filtration Combination
- **Markets Not Getting Better** ... We Understand The Challenges Ahead

Solid 1st Half Accomplishments ... Still More Opportunity To Capture

▶▶▶ Q2'08 Reported to Adjusted Results*



<u>Reported</u>	<u>Q2'08 Actual</u>	<u>YTD'08 Actual</u>	<u>2H'08 Outlook</u>	<u>FY'08 Guidance</u>
EPS – GAAP	\$1.39	\$1.92	\$0.52 to \$0.57	\$2.44 to \$2.49
Adjustments:				
• Gain on Transaction	(\$0.86)	(\$0.86)	--	(\$0.86)
• Horizon Settlement	\$0.14	\$0.14	--	\$0.14
• Restructuring / Other	\$0.01	\$0.01	\$0.50 – \$0.60	\$0.51 to \$0.61
EPS – Adjusted	\$0.68	\$1.21	\$1.07 to \$1.12	\$2.28 to \$2.33
			FY'08 Incl. (\$0.07) "Repositioning" Expense	
<i>YOY%</i>	<i>+11%</i>	<i>+17%</i>	<i>Flattish</i>	<i>+9% to +11%</i>
Memo:				
<u>2007 EPS</u>	<u>Q2'07 Actual</u>	<u>YTD'07 Actual</u>	<u>2H'07 Actual</u>	<u>FY'07 Actual</u>
EPS – 2007 Reported	\$0.61	\$1.03	\$1.09	\$2.12
EPS – 2007 Adjusted	\$0.61	\$1.03	\$1.07	\$2.10

Q2'08 Adjusted EPS Up 11% ... Lots of Actions Underway

* 2008 and 2007 on a Continuing Basis

▶▶▶ A Closer Look At EPS Guidance*



	<u>Q1'08</u>	<u>Q2'08</u>	<u>Q3'08</u>	<u>Q4'08</u>	<u>FY'08</u>	<u>FY'09</u>	<u>FY'10</u>
Q1 Earnings Call	\$0.53	\$0.64–\$0.67	~\$1.10 – \$1.23		\$2.30–\$2.40	<i>Not Yet Given</i>	
“Base Business” Outlook	\$0.53	\$0.68	~\$1.15 – \$1.20		\$2.35–\$2.40	<i>Not Yet Given</i>	
GE Deal Impact (EPS)							
Integration Expense	--	--	~(\$0.02)	~(\$0.02)	~(\$0.04)	~(\$0.06)	~(\$0.01)
Step-up / D&A	--	--	~(\$0.03)	~(\$0.01)	~(\$0.04)	~(\$0.04)	~(\$0.04)
Savings / Synergies	--	--	--	--	--	~\$0.15	~\$0.25
Sub-Total	--	--	~(\$0.05)	~(\$0.03)	~(\$0.08)	~\$0.05	~\$0.20
Other Actions Impact (EPS)							
Water Rest. Expense	--	--	~(\$0.01)	~(\$0.01)	~(\$0.02)	~(\$0.06)	--
Water Rest. Benefit	--	--	--	~\$0.02	~\$0.02	~\$0.12	~\$0.16
Bond Tender	--	--	--	~\$0.01	~\$0.01	~\$0.04	~\$0.04
Sub-Total	--	--	~(\$0.01)	~\$0.02	~\$0.01	~\$0.10	~\$0.20
New Outlook:	\$0.53	\$0.68	\$0.51 to \$0.53	\$0.54 to \$0.61	\$2.28 to \$2.33	+\$0.15	+\$0.40
						<i>Not Yet Given</i>	

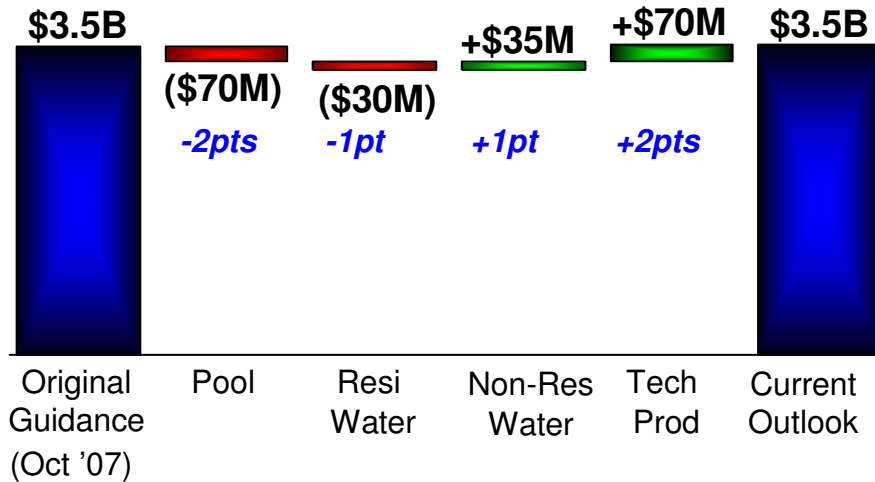
Full Year Adjusted EPS at \$2.28 to \$2.33 Including ~ (\$0.07) of Actions

*2008 and 2007 Results From Continuing Operations on Adjusted Basis

▶▶▶ 2008 Outlook

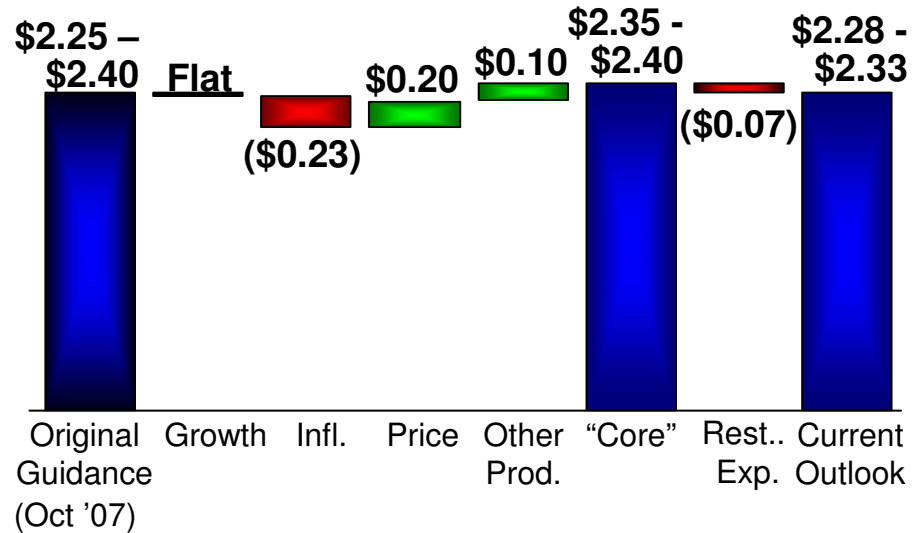


Total Company Sales



- Pool Market More Challenging
- Residential Markets Deeper Decline
- Non-Residential As Expected or Better
- Technical Products Continues To Shine

Full Year EPS*



- Net Growth Volatile
- Commodities Worse Than Expected
- Price Actions Mitigating Inflation
- Core Productivity Actions Delivering
- Incremental Actions To Accelerate 2009 & 2010 EPS

Business Diversity Helping To Deliver Commitments

*2008 Results From Continuing Operations on Adjusted Basis

▶▶▶ Q3 2008 Pentair Forecast*



<i>(\$M)</i>	<u>Q3'08</u>	<u>Q3'07</u>	<u>Financial Highlights</u>
Sales	\$845 – \$855	\$821	Sales up 3% to 4% (Organic up 1% to 2%)
Op Income (Reported)	\$67 – \$71	\$93	▶ Water Up ~ 3%
Op Income (Adjusted)	\$92 – \$96	\$102	▶ Tech. Products up Mid Single Digits
<i>ROS</i> (Adjusted)	~11%	12.5%	Operating Income Up Slightly vs Q3'07
EPS (Reported)	\$0.31 – \$0.33	\$0.59	Adj. Margins Expected To Be ~11%
EPS (Adjusted)	\$0.51 – \$0.53	\$0.54	<ul style="list-style-type: none"> • Water Margins ~10% to 11% • Tech Products Margins ~15% to 16% • Adj. Margins Incl.
<p align="center"><u>Business Highlights</u></p> <ul style="list-style-type: none"> + Technical Products Remains Solid With Significant Global Opportunities + Lean-driven Restructuring Paying Off + Key Growth Initiatives -- Right Progress - N.A. Residential Remains Soft (Housing Starts Around 700K – 750K) - Residential Pool Market Not Picking Up 			<p>Q3 Adj. EPS Expected To Be Down YOY w/ Rest. Exp. of (\$0.07)</p> <ul style="list-style-type: none"> • Q3'08 Tax Rate ~ 33% • Q3'08 Interest Expense Down ~ \$4M <p>Q3 Free Cash Flow > \$50M to \$75M</p> <ul style="list-style-type: none"> • For Share Repurchase, Debt, Dividend

Maintain Steady Progress ... Major Investments for '09 & '10

*2008 and 2007 Results From Continuing Operations

▶▶▶ Full Year 2008 Guidance*

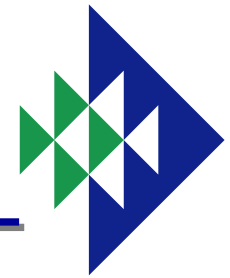


<i>(\$M)</i>	<u>FY'08</u>	<u>FY'07</u>	<u>Financial Highlights</u>
Sales	~ 3.5B	\$3.3B	Sales Up 4 to 5%
Op Income (Reported)	~ \$315+	\$379	▶ Water up ~ 1%
Op Income (Adjusted)	~ \$415+	\$394	▶ Technical Products Up ~ 12%
<i>ROS</i> (Adjusted)	~ 12%	11.8%	Adj. Operating Income Up ~5% vs. '07
EPS (Reported)	\$2.44 – \$2.49	\$2.12	• PNR Margins Expand 20bp+ to ~12%
EPS (Adjusted)	\$2.28 – \$2.33	\$2.10	• Continue To Drive Productivity
<u>2008 Business Priorities</u>			FY'08 Adj. EPS Up 9% to 11% YOY
+ Internal Productivity Opportunities			• Solid Start to 2008 ... 1H up 17% YOY
+ GBU / International Growth			• Tax, Shares, Interest All Benefit Full Year
+ Drive Vertical Market Expansion			\$50M Share Repurchase Authorization in '08
+ Margin Expansion In Water & Tech Prod.			Free Cash Flow Expected To Be > Adj. NI
+ Continue To Drive ROIC Improvement			Debt to Total Capital ~31 – 32% by Year End
+ Free Cash Flow > Net Income			

Meeting Commitments Today ... Driving Add'l Actions To Deliver in 2009 and 2010

* 2008 and 2007 Results From Continuing Operations

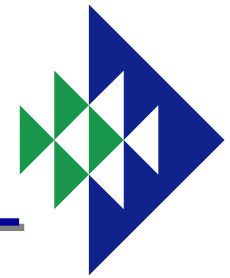
▶▶▶ Questions



**See You At Our 2008 Analyst / Investor Day
September 9th – 10th In Minneapolis**

▶▶▶ **Appendix**

GAAP to Non GAAP Measurements &
Reconciliations



▶▶▶ GAAP to Non-GAAP Reconciliations



(\$ Thousands)

	Q106	Q206	Q306	Q406	Q107	Q207	Q307	Q407	Q108	Q208
Reported Operating Income	\$ 78,062	\$ 105,269	\$ 60,518	\$ 61,749	\$ 81,499	\$ 112,860	\$ 93,149	\$ 91,519	\$ 96,819	\$ 95,002
Adjustments	-	-	16,949	-	-	-	9,192	5,970	-	2,705
Adjustment - Horizon litigation settlement	-	-	-	-	-	-	-	-	-	20,435
Adjusted Operating Income	<u>\$ 78,062</u>	<u>\$ 105,269</u>	<u>\$ 77,467</u>	<u>\$ 61,749</u>	<u>\$ 81,499</u>	<u>\$ 112,860</u>	<u>\$ 102,341</u>	<u>\$ 97,489</u>	<u>\$ 96,819</u>	<u>\$ 118,142</u>
Reported Effective Tax Rate	33.6%	27.8%	28.4%	20.2%	35.2%	35.3%	20.1%	31.6%	34.0%	32.4%
NOPAT	\$ 51,833	\$ 76,004	\$ 55,466	\$ 49,276	\$ 52,811	\$ 73,020	\$ 81,770	\$ 66,682	\$ 63,901	\$ 79,864
Trailing four quarter NOPAT	\$ 212,499	\$ 225,561	\$ 230,240	\$ 232,579	\$ 233,558	\$ 230,574	\$ 256,878	\$ 274,285	\$ 285,374	\$ 292,217
Ending Invested Capital	\$ 2,436,718	\$ 2,407,017	\$ 2,390,106	\$ 2,358,732	\$ 2,721,899	\$ 2,910,180	\$ 2,884,102	\$ 2,900,661	\$ 3,043,256	\$ 3,051,437
Trailing five quarter average invested capital	\$ 2,276,786	\$ 2,299,343	\$ 2,336,477	\$ 2,370,459	\$ 2,462,894	\$ 2,557,587	\$ 2,653,004	\$ 2,755,115	\$ 2,892,020	\$ 2,957,927
After Tax Return on Invested Capital	9.3%	9.8%	9.9%	9.8%	9.5%	9.0%	9.7%	10.0%	9.9%	9.9%

NOPAT (Net Operating Profit After Tax) is Defined as (Adjusted OI) X (1 - Reported Effective Tax Rate)

Ending Invested Capital is Defined as [Total Shareholders' Equity + Long-term Debt + Current Maturities of Long-term Debt + Short-term Borrowings - Cash and Cash Equivalents]

Ending Working Capital	\$ 436,850	\$ 398,856	\$ 392,806	\$ 333,527	\$ 486,456	\$ 439,778	\$ 389,810	\$ 354,589	\$ 511,875	\$ 463,352
Trailing five quarter average working capital	\$ 324,525	\$ 331,869	\$ 350,074	\$ 363,736	\$ 409,699	\$ 410,285	\$ 408,475	\$ 400,832	\$ 436,502	\$ 431,881
Reported Net Sales	\$ 754,140	\$ 836,482	\$ 758,144	\$ 728,200	\$ 792,845	\$ 899,299	\$ 821,214	\$ 817,519	\$ 840,404	\$ 909,757
Trailing four quarter Net Sales	\$ 2,933,312	\$ 3,004,793	\$ 3,065,670	\$ 3,076,966	\$ 3,115,671	\$ 3,178,488	\$ 3,241,558	\$ 3,330,877	\$ 3,378,436	\$ 3,388,894
Trailing five quarter average working capital % of last four quarter sa	11.1%	11.0%	11.4%	11.8%	13.1%	12.9%	12.6%	12.0%	12.9%	12.7%

Ending Working Capital is [(Total Current Assets - Deferred Tax Assets - Cash and Cash Equivalents - Notes Receivable) - (Total Current Liabilities - Current Maturities of Long-term Debt - Short-term borrowings - Current Liabilities of Discontinued Operations)]

►►► Total Company: 2007 Reconciliation



Pentair, Inc. and Subsidiaries
Reconciliation of the GAAP "As Reported" year ending December 31, 2007 to the "Adjusted" non-GAAP
excluding the effect of 2007 adjustments (Unaudited)

<i>In thousands, except per-share data</i>	First Quarter 2007	Second Quarter 2007	Third Quarter 2007	Fourth Quarter 2007	Year 2007
Net sales	\$ 792,845	\$ 899,299	\$ 821,214	\$ 817,519	\$ 3,330,877
Operating income - as reported	81,499	112,860	93,149	91,519	379,027
<i>% of net sales</i>	10.3%	12.5%	11.3%	11.2%	11.4%
Adjustments	—	—	9,192	5,970	15,162
Operating income - as adjusted	81,499	112,860	102,341	97,489	394,189
<i>% of net sales</i>	10.3%	12.5%	12.5%	11.9%	11.8%
Income from continuing operations - as reported	42,629	60,994	59,277	49,470	212,370
Adjustments - tax affected	—	—	6,246	3,881	10,127
Non-recurring tax items	(145)	(83)	(11,517)	(1,073)	(12,818)
Income from continuing operations - as adjusted	42,484	60,911	54,006	52,278	209,679
Continuing earnings per common share - diluted					
Diluted earnings per common share - as reported	\$ 0.42	\$ 0.61	\$ 0.59	\$ 0.50	\$ 2.12
Adjustments	—	—	(0.05)	0.03	(0.02)
Diluted earnings per common share - as adjusted	\$ 0.42	\$ 0.61	\$ 0.54	\$ 0.53	\$ 2.10
Weighted average common shares outstanding - Diluted	100,271	100,371	100,365	99,859	100,205

▶▶▶ Business Segment: 2007 Reconciliation



Pentair, Inc. and Subsidiaries
Reconciliation of the GAAP "As Reported" year ending December 31, 2007 to the "Adjusted" non-GAAP
excluding the effect of 2007 adjustments (Unaudited)

<i>In thousands</i>	First Quarter 2007	Second Quarter 2007	Third Quarter 2007	Fourth Quarter 2007	Year 2007
Water					
Net sales	\$ 540,262	\$ 642,149	\$ 545,513	\$ 552,820	\$ 2,280,744
Operating income - as reported	62,426	89,195	56,061	65,541	273,223
<i>% of net sales</i>	11.6%	13.9%	10.3%	11.9%	12.0%
Adjustments	—	—	9,843	3,897	13,740
Operating income - as adjusted	62,426	89,195	65,904	69,438	286,963
<i>% of net sales</i>	11.6%	13.9%	12.1%	12.6%	12.6%
Technical Products					
Net sales	\$ 252,583	\$ 257,150	\$ 275,701	\$ 264,699	\$ 1,050,133
Operating income - as reported	31,631	36,140	46,237	39,578	153,586
<i>% of net sales</i>	12.5%	14.1%	16.8%	15.0%	14.6%
Adjustments	—	—	(652)	2,073	1,421
Operating income - as adjusted	31,631	36,140	45,585	41,651	155,007
<i>% of net sales</i>	12.5%	14.1%	16.5%	15.7%	14.8%

▶▶▶ Total Company: 2008 Reconciliation



Pentair, Inc. and Subsidiaries
Reconciliation of the GAAP "As Reported" year ending December 31, 2008 to the "Adjusted" non-GAAP
excluding the effect of 2008 adjustments (Unaudited)

<i>In thousands, except per-share data</i>	First Quarter 2008	Second Quarter 2008	Third Quarter 2008	Fourth Quarter 2008	Year 2008
Net sales	\$ 840,404	\$ 909,757	\$845,000-\$855,000	\$880,000-\$895,000	~ \$3,500M
Operating income - as reported	96,819	95,002	67,000 - 71,000	56,000 - 62,000	315M - 325M
% of net sales	11.5%	10.4%	7.8% - 8.4%	6.3% - 7.0%	9.0% - 9.3%
Adjustments	—	23,140	~25,000	~52,000	~100M
Operating income - as adjusted	96,819	118,142	92,000 - 96,000	108,000 - 114,000	415M - 425M
% of net sales	11.5%	13.0%	10.8% - 11.4%	12.1% - 13.0%	11.9% - 12.2%
Income from continuing operations - as reported	52,644	138,735	31,000 - 33,000	20,000 - 23,000	243M - 248M
Adjustments - tax affected	—	(70,560)	~20,000	~35,000	~(16M)
Income from continuing operations - as adjusted	52,644	68,175	51,000- 53,000	55,000 - 58,000	227M - 232M
Continuing earnings per common share - diluted					
Diluted earnings per common share - as reported	\$ 0.53	\$ 1.39	\$0.31 - \$0.33	\$0.20 - \$0.23	\$2.44 - \$2.49
Adjustments	—	(0.71)	~0.20	~0.35	~(0.16)
Diluted earnings per common share - as adjusted	\$ 0.53	\$ 0.68	\$0.51 - \$0.53	\$0.55 - \$0.58	\$2.28 - \$2.33
Weighted average common shares outstanding - Diluted	99,558	99,509	~99,400	~99,200	~99,300

▶▶▶ Business Segment: 2008 Reconciliation



Pentair, Inc. and Subsidiaries
Reconciliation of the GAAP "As Reported" year ending December 31, 2008 to the "Adjusted" non-GAAP
excluding the effect of 2008 adjustments (Unaudited)

<i>In thousands</i>	First Quarter 2008	Second Quarter 2008	Third Quarter 2008	Fourth Quarter 2008	Year 2008
Water					
Net sales	\$ 554,944	\$ 605,497	\$555,000 - \$560,000	\$585,000 - \$595,000	~\$2,300M+
Operating income - as reported	64,419	57,822	36,000 - 38,000	26,000 - 30,000	184M - 190M
% of net sales	11.6%	9.5%	6.4% - 6.8%	4.4% - 5.1%	8.0% - 8.3%
Adjustments	—	22,711	~23,000	~50,000	~96M
Operating income - as adjusted	64,419	80,533	59,000 - 61,000	76,500 - 80,500	280M - 286M
% of net sales	11.6%	13.3%	10.5% - 11.0%	12.8% - 13.7%	12.1% - 12.4%
Technical Products					
Net sales	\$ 285,460	\$ 304,260	\$290,000 - \$295,000	\$295,000 - \$300,000	\$1,175M - \$1,185M
Operating income - as reported	45,337	49,732	45,000 - 47,000	45,000 - 47,000	185M - 189M
% of net sales	15.9%	16.3%	15.3% - 16.2%	15.0% - 15.9%	15.6% - 16.1%
Adjustments	—	429	~2,000	~2,000	~4M
Operating income - as adjusted	45,337	50,161	47,000 - 49,000	47,000 - 49,000	189M - 193M
% of net sales	15.9%	16.4%	15.9% - 16.9%	15.7% - 16.6%	16.0% - 16.5%