UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended October 1, 2011

OR

¨ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 000-04689

Pentair, Inc.

(Exact name of Registrant as specified in its charter)

Minnesota	**41-0907434**
(State or other jurisdiction of	**(I.R.S. Employer**
incorporation or organization)	**Identification number)**
5500 Wayzata Blvd, Suite 800, Golden Valley, Minnesota	**55416**
(Address of principal executive offices)	**(Zip code)**

Registrant s telephone number, including area code: (763) 545-1730

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§223.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	x	Accelerated filer	¨
Non-accelerated filer	¨ (Do not check if a smaller reporting company)	Smaller reporting company	¨

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No x

On October 1, 2011, 98,566,023 shares of Registrant s common stock were outstanding.

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Pentair, Inc. and Subsidiaries

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PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Pentair, Inc. and Subsidiaries

Condensed Consolidated Statements of Income (Unaudited)

In thousands, except per-share data	Three months ended October 1, 2011	Three months ended October 2, 2010	Nine months ended October 1, 2011	Nine months ended October 2, 2010
Net sales	$ 890,546	$ 773,735	$ 2,590,994	$ 2,276,915
Cost of goods sold	618,484	537,193	1,782,137	1,578,503
Gross profit	272,062	236,542	808,857	698,412
Selling, general and administrative	159,068	128,854	462,260	392,787
Research and development	20,091	16,865	58,095	51,075
Operating income	92,903	90,823	288,502	254,550
Other (income) expense:				
Equity income of unconsolidated subsidiaries	(574)	(347)	(1,481)	(1,806)
Net interest expense	17,373	8,953	41,311	27,049
Income from continuing operations before income taxes and noncontrolling interest	76,104	82,217	248,672	229,307
Provision for income taxes	24,050	26,488	76,447	75,937
Income from continuing operations	52,054	55,729	172,225	153,370
Gain on disposal of discontinued operations, net of tax		549		1,666
Net income before noncontrolling interest	52,054	56,278	172,225	155,036
Noncontrolling interest	962	1,228	3,880	3,584
Net income attributable to Pentair, Inc.	$ 51,092	$ 55,050	$ 168,345	$ 151,452
Net income from continuing operations attributable to Pentair, Inc.	$ 51,092	$ 54,501	$ 168,345	$ 149,786
Earnings per common share attributable to Pentair, Inc.				
Basic				
Continuing operations	$ 0.52	$ 0.55	$ 1.71	$ 1.53
Discontinued operations		0.01		0.01
Basic earnings per common share	$ 0.52	$ 0.56	$ 1.71	$ 1.54
Diluted				
Continuing operations	$ 0.51	$ 0.55	$ 1.69	$ 1.51
Discontinued operations				0.01
Diluted earnings per common share	$ 0.51	$ 0.55	$ 1.69	$ 1.52
Weighted average common shares outstanding				
Basic	98,472	98,298	98,228	98,105

Diluted	99,802	99,514	99,759	99,326
Cash dividends declared per common share	$ 0.20	$ 0.19	$ 0.60	$ 0.57

See accompanying notes to condensed consolidated financial statements.

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Pentair, Inc. and Subsidiaries

Condensed Consolidated Balance Sheets (Unaudited)

In thousands, except share and per-share data	October 1, 2011	December 31, 2010	October 2, 2010
Assets			
Current assets			
Cash and cash equivalents	$ 52,665	$ 46,056	$ 56,995
Accounts and notes receivable, net	556,688	516,905	490,221
Inventories	459,916	405,356	410,072
Deferred tax assets	61,411	56,349	50,991
Prepaid expenses and other current assets	147,568	44,631	48,555
Total current assets	1,278,248	1,069,297	1,056,834
Property, plant and equipment, net	394,922	329,435	327,602
Other assets			
Goodwill	2,516,692	2,066,044	2,070,911
Intangibles, net	619,262	453,570	461,378
Other	73,319	55,187	56,033
Total other assets	3,209,273	2,574,801	2,588,322
Total assets	$ 4,882,443	$ 3,973,533	$ 3,972,758
Liabilities and Shareholders Equity			
Current liabilities			
Short-term borrowings	$ 29,705	$ 4,933	$ 4,180
Current maturities of long-term debt	1,194	18	37
Accounts payable	281,448	262,357	266,416
Employee compensation and benefits	117,538	107,995	100,626
Current pension and post-retirement benefits	8,733	8,733	8,948
Accrued product claims and warranties	43,920	42,295	40,783
Income taxes	26,283	5,964	22,202
Accrued rebates and sales incentives	45,231	33,559	39,066
Other current liabilities	163,550	80,942	90,286
Total current liabilities	717,602	546,796	572,544
Other liabilities			
Long-term debt	1,317,454	702,521	673,265
Pension and other retirement compensation	190,221	209,859	219,463
Post-retirement medical and other benefits	26,933	30,325	28,506
Long-term income taxes payable	23,891	23,507	23,857
Deferred tax liabilities	228,737	169,198	147,772
Other non-current liabilities	79,489	86,295	93,681
Total liabilities	2,584,327	1,768,501	1,759,088
Commitments and contingencies			
Shareholders equity			
Common shares par value $0.16 2/3; 98,566,023, 98,409,192 and 98,960,604 shares issued and outstanding, respectively	16,427	16,401	16,493

Additional paid-in capital	481,028	474,489	489,028
Retained earnings	1,733,281	1,624,605	1,597,110
Accumulated other comprehensive loss	(48,039)	(22,342)	(4,955)
Noncontrolling interest	115,419	111,879	115,994
Total shareholders equity	2,298,116	2,205,032	2,213,670
Total liabilities and shareholders equity	$ 4,882,443	$ 3,973,533	$ 3,972,758

See accompanying notes to condensed consolidated financial statements.

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Pentair, Inc. and Subsidiaries

Condensed Consolidated Statements of Cash Flows (Unaudited)

In thousands	Nine months ended October 1, 2011	October 2, 2010
Operating activities		
Net income before noncontrolling interest	$ 172,225	$ 155,036
Adjustments to reconcile net income to net cash provided by (used for) operating activities		
Gain on disposal of discontinued operations		(1,666)
Equity income of unconsolidated subsidiaries	(1,481)	(1,806)
Depreciation	49,079	43,141
Amortization	29,807	19,742
Deferred income taxes	4,445	4,866
Stock compensation	14,695	16,598
Excess tax benefits from stock-based compensation	(3,137)	(2,193)
Loss on sale of assets	702	166
Changes in assets and liabilities, net of effects of business acquisitions and dispositions		
Accounts and notes receivable	22,657	(36,216)
Inventories	15,633	(49,822)
Prepaid expenses and other current assets	(26,380)	(1,476)
Accounts payable	(45,759)	60,162
Employee compensation and benefits	(12,334)	21,600
Accrued product claims and warranties	115	6,556
Income taxes	18,045	18,013
Other current liabilities	46,924	15,493
Pension and post-retirement benefits	(23,636)	(15,197)
Other assets and liabilities	(21,041)	(3,754)
Net cash provided by (used for) operating activities	240,559	249,243
Investing activities		
Capital expenditures	(53,063)	(42,981)
Proceeds from sale of property and equipment	139	340
Acquisitions, net of cash acquired	(733,105)	
Other	(441)	(1,232)
Net cash provided by (used for) investing activities	(786,470)	(43,873)
Financing activities		
Net short-term borrowings	24,772	1,975
Proceeds from long-term debt	1,370,423	493,821
Repayment of long-term debt	(771,793)	(624,007)
Debt issuance costs	(8,973)	(50)
Excess tax benefits from stock-based compensation	3,137	2,193
Stock issued to employees, net of shares withheld	11,788	7,861
Repurchases of common stock	(12,785)	(2,786)
Dividends paid	(59,669)	(56,584)
Net cash provided by (used for) financing activities	556,900	(177,577)
Effect of exchange rate changes on cash and cash equivalents	(4,380)	(4,194)
Change in cash and cash equivalents	6,609	23,599
Cash and cash equivalents, beginning of period	46,056	33,396

Cash and cash equivalents, end of period	$ 52,665	$ 56,995

See accompanying notes to condensed consolidated financial statements.

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Pentair, Inc.

Condensed Consolidated Statements of Changes in Shareholders Equity (Unaudited)

In thousands, except share and per-share data	**Common shares Number**	**Amount**	**Additional paid-in capital**	**Retained earnings**	**Accumulated other comprehensive income (loss)**	**Total Pentair, Inc.**	**Noncontrolling interest**	**Total**	**Comprehensive income attributable to Pentair, Inc.**
Balance - December 31, 2010	98,409,192	$ 16,401	$ 474,489	$ 1,624,605	$ (22,342)	$ 2,093,153	$ 111,879	$ 2,205,032	
Net income				168,345		168,345	3,880	172,225	$ 168,345
Change in cumulative translation adjustment					(29,263)	(29,263)	(340)	(29,603)	(29,263)
Changes in market value of derivative financial instruments, net of $2,303 tax					3,566	3,566		3,566	3,566
Comprehensive income									$ 142,648
Cash dividends - $0.60 per common share				(59,669)		(59,669)		(59,669)	
Share repurchase	(397,126)	(66)	(12,719)			(12,785)		(12,785)	
Exercise of stock options, net of 181,648 shares tendered for payment	601,207	100	13,091			13,191		13,191	
Issuance of restricted shares, net of cancellations	27,532	5	1,417			1,422		1,422	
Amortization of restricted shares			743			743		743	
Shares surrendered by employees to pay taxes	(74,782)	(13)	(2,752)			(2,765)		(2,765)	
Stock compensation			6,759			6,759		6,759	
Balance - October 1, 2011	98,566,023	$ 16,427	$ 481,028	$ 1,733,281	$ (48,039)	$ 2,182,697	$ 115,419	$ 2,298,116	

In thousands, except share and per-share data	**Common shares Number**	**Amount**	**Additional paid-in capital**	**Retained earnings**	**Accumulated other comprehensive income (loss)**	**Total Pentair, Inc.**	**Noncontrolling interest**	**Total**	**Comprehensive income (loss) attributable to Pentair, Inc.**
Balance - December 31, 2009	98,655,506	$ 16,442	$ 472,807	$ 1,502,242	$ 20,597	$ 2,012,088	$ 114,252	$ 2,126,340	
Net income				151,452		151,452	3,584	155,036	$ 151,452
Change in cumulative translation adjustment					(24,185)	(24,185)	(1,842)	(26,027)	(24,185)
Changes in market value of derivative financial instruments, net of ($851) tax					(1,367)	(1,367)		(1,367)	(1,367)
Comprehensive income (loss)									$ 125,900
Cash dividends - $0.57 per common share				(56,584)		(56,584)		(56,584)	

Share repurchases	(84,500)	(14)	(2,772)			(2,786)		(2,786)
Exercise of stock options, net of 27,177 shares tendered for payment	535,767	89	11,811			11,900		11,900
Issuance of restricted shares, net of cancellations	(7,689)	(1)	625			624		624
Amortization of restricted shares			2,878			2,878		2,878
Shares surrendered by employees to pay taxes	(138,480)	(23)	(4,639)			(4,662)		(4,662)
Stock compensation			8,318			8,318		8,318
Balance - October 2, 2010	98,960,604	$ 16,493	$ 489,028	$ 1,597,110	$ (4,955)	$ 2,097,676	$ 115,994	$ 2,213,670

See accompanying notes to condensed consolidated financial statements

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

1. Basis of Presentation and Responsibility for Interim Financial Statements

We prepared the unaudited condensed consolidated financial statements following the requirements of the Securities and Exchange Commission (SEC) for interim reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by accounting principles generally accepted in the United States can be condensed or omitted.

We are responsible for the unaudited financial statements included in this document. The financial statements include all normal recurring adjustments that are considered necessary for the fair presentation of our financial position and operating results. As these are condensed financial statements, one should also read our consolidated financial statements and notes thereto for the year ended December 31, 2010, which are included in our Current Report on Form 8-K dated May 2, 2011.

Revenues, expenses, cash flows, assets and liabilities can and do vary during each quarter of the year. Therefore, the results and trends in these interim financial statements may not be indicative of those for a full year.

Our fiscal year ends on December 31. We report our interim quarterly periods on a 13-week basis ending on a Saturday.

In connection with preparing the unaudited condensed consolidated financial statements for the nine months ended October 1, 2011, we have evaluated subsequent events for potential recognition and disclosure through the date of this filing.

2. New Accounting Standards

In June 2011, the Financial Accounting Standards Board (FASB) amended its guidance on the presentation of comprehensive income in financial statements to improve the comparability, consistency and transparency of financial reporting and to increase the prominence of items that are recorded in other comprehensive income. The new accounting guidance requires entities to report components of comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. The provisions of this new guidance are effective for fiscal years, and interim periods within those years, beginning after December 15, 2011.

There were no other new accounting pronouncements issued or effective during the nine months ended of 2011 that have had or are expected to have a material impact on the Condensed Consolidated Financial Statements.

3. Stock-based Compensation

Total stock-based compensation expense was $4.2 million for each of the three months ended October 1, 2011 and October 2, 2010, and was $14.7 million and $16.6 million for the nine months ended October 1, 2011 and October 2, 2010, respectively.

During the first nine months of 2011, restricted shares and restricted stock units of our common stock were granted under the 2008 Omnibus Stock Incentive Plan to eligible employees with a vesting period of three to four years after issuance. Restricted share awards and restricted stock units are valued at market value on the date of grant and are typically expensed over the vesting period. Total compensation expense for restricted share awards and restricted stock units was $2.2 million and $1.8 million for the three months ended October 1, 2011 and October 2, 2010, respectively, and was $8.0 million and $8.3 million for the nine months ended October 1, 2011 and October 2, 2010, respectively.

During the first nine months of 2011, option awards were granted under the 2008 Omnibus Stock Incentive Plan with an exercise price equal to the market price of our common stock on the date of grant. Option awards are typically expensed over the vesting period. Total compensation expense for stock option awards was $2.0 million and $2.4 million for the three months ended October 1, 2011 and October 2, 2010, respectively, and $6.7 million and $8.3 million for the nine months ended October 1, 2011 and October 2, 2010, respectively.

We estimated the fair value of each stock option award on the date of grant using a Black-Scholes option pricing model, modified for dividends and using the following assumptions:

	October 1, 2011	October 2, 2010
Expected stock price volatility	35.5%	35.0%
Expected life	5.5yrs	5.5yrs
Risk-free interest rate	1.84%	1.54%
Dividend yield	2.06%	2.33%

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

The weighted-average fair value of options granted during the third quarter of 2011 and 2010 were $10.00 and $8.74 per share, respectively.

These estimates require us to make assumptions based on historical results, observance of trends in our stock price, changes in option exercise behavior, future expectations and other relevant factors. If other assumptions had been used, stock-based compensation expense, as calculated and recorded under the accounting guidance, could have been affected.

We based the expected life assumption on historical experience as well as the terms and vesting periods of the options granted. For purposes of determining expected volatility, we considered a rolling average of historical volatility measured over a period approximately equal to the expected option term. The risk-free rate for periods that coincide with the expected life of the options is based on the U.S. Treasury Department yield curve in effect at the time of grant.

4. Earnings Per Common Share

Basic and diluted earnings per share were calculated using the following:

	Three months ended		Nine months ended	
In thousands	**October 1, 2011**	**October 2, 2010**	**October 1, 2011**	**October 2, 2010**
Weighted average common shares outstanding basic	98,472	98,298	98,228	98,105
Dilutive impact of stock options and restricted stock	1,330	1,216	1,531	1,221
Weighted average common shares outstanding diluted	99,802	99,514	99,759	99,326
Stock options excluded from the calculation of diluted earnings per share because the exercise price was greater than the average market price of the common shares	3,078	4,088	2,143	3,761

5. Restructuring

Restructuring accrual activity recorded on the Condensed Consolidated Balance Sheets is summarized as follows for the nine months ended October 1, 2011 and October 2, 2010 and year ended December 31, 2010:

In thousands	**October 1, 2011**	**December 31, 2010**	**October 2, 2010**
Beginning balance	$ 3,994	$ 14,509	$ 14,509
Cash payments and other	(1,274)	(10,515)	(7,524)
Ending balance	$ 2,720	$ 3,994	$ 6,985

6. Acquisitions

On May 12, 2011, we acquired as part of our Water Group the Clean Process Technologies (CPT) division of privately held Norit Holding B.V. for $715.3 million (502.7 million translated at the May 12, 2011 exchange rate). CPT s results of operations have been included in our consolidated financial statements since the date of acquisition. CPT is a global leader in membrane solutions and clean process technologies in the high growth water and beverage filtration and separation segments. CPT provides sustainable purification systems and solutions for desalination, water reuse, industrial applications and beverage segments that effectively address the increasing challenges of clean water scarcity, rising energy costs and pollution. CPT s product offerings include innovative ultrafiltration and nanofiltration membrane technologies, aseptic valves, CO_2 recovery and control systems and specialty pumping equipment. Based in the Netherlands, CPT has broad sales diversity with the majority of 2010 revenues generated in European Union countries and Asia-Pacific region.

The fair value of the business acquired was allocated to the assets acquired and liabilities assumed based on their estimated fair values. The excess of the fair value acquired over the identifiable assets acquired and liabilities assumed is reflected as goodwill. Goodwill recorded as part of the purchase price allocation was $451.8 million, none of which is tax deductible. Identifiable intangible assets

Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

acquired as part of the acquisition were $197.2 million, including definite-lived intangibles, such as customer relationships, proprietary technology and trade names with a weighted average amortization period of approximately 10 years.

The CPT business records certain long term contracts under the percentage-of-completion method of accounting. Under this method, sales and gross profit are recognized as work is performed based on the relationship between actual costs incurred and total estimated costs at completion. We record costs and earnings in excess of billings on uncompleted contracts within P*repaid expenses and other current assets* and billings in excess of costs and earnings on uncompleted contracts within *Other current liabilities* in the Condensed Consolidated Balance Sheets. Amounts included in P*repaid expenses and other current assets* related to these contracts were $55.6 million at October 1, 2011. Amounts included in O*ther current liabilities* related to these contracts were $16.9 million at October 1, 2011.

The total purchase price has been allocated to the estimated fair values of assets acquired and liabilities assumed as follows:

(in thousands)	
Accounts and notes receivable	$ 70,038
Inventories	60,382
Deferred tax assets	4,926
Prepaid expenses and other current assets	40,252
Property, plant and equipment	69,010
Goodwill	451,809
Intangibles	197,231
Accounts payable	(41,061)
Income taxes	(3,937)
Other current liabilities	(59,229)
Long-term debt	(17,041)
Deferred tax liabilities	(57,069)
Purchase Price	$ 715,311

CPT s net sales and loss from continuing operations for the period from the acquisition date to October 1, 2011 were $142.2 million and $2.9 million, respectively, and include $11.1 million of non-recurring expenses for acquisition date fair value adjustments related to inventory and customer backlog.

The following pro forma consolidated condensed financial results of operations are presented as if the acquisitions described above had been completed at the beginning of each period presented:

	Three months ended		**Nine months ended**	
In thousands, except share and per-share data	**October 1, 2011**	**October 2, 2010**	**October 1, 2011**	**October 2, 2010**
Pro forma net sales	$ 890,546	$ 838,968	$ 2,712,770	$ 2,485,913
Pro forma income from continuing operations	56,287	48,404	181,366	133,122
Gain on disposal of discontinued operations, net of tax		549		1,666
Pro forma net income from continuing operations attributable to Pentair, Inc.	55,325	47,176	177,486	129,528
Pro forma earnings per common share - continuing operations				
Basic	$ 0.56	$ 0.48	$ 1.81	$ 1.32

Diluted	$ 0.55	$ 0.47	$ 1.78	$ 1.30
Weighted average common shares outstanding				
Basic	98,472	98,298	98,228	98,105
Diluted	99,802	99,514	99,759	99,326

The 2010 unaudited pro forma net income was adjusted to include the impact of approximately $7.4 million and $12.9 million for the three and nine months ended October 2, 2010, respectively, in non-recurring items related to acquisition date fair value adjustments to inventory and customer backlog. The 2011 unaudited pro forma net income was adjusted to exclude the impact of these items.

Acquisition-related transaction costs of approximately $7.8 million associated with the CPT acquisition were excluded from the pro forma net income in each of the 2011 and 2010 periods presented.

These pro forma condensed consolidated financial results have been prepared for comparative purposes only and include certain adjustments, such as increased interest expense on acquisition debt. They do not reflect the effect of costs or synergies that would have been expected to result from the integration of the acquisition. The pro forma information does not purport to be indicative of the results of operations that actually would have resulted had the combination occurred at the beginning of each period presented, or of future results of the consolidated entities.

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

On January 31, 2011 we acquired as part of our Water Group all of the outstanding shares of capital stock of Hidro Filtros do Brasil (Hidro Filtros) for cash of $14.9 million and a note payable of $2.1 million. The Hidro Filtros results of operations have been included in our consolidated financial statements since the date of acquisition. Hidro Filtros is a leading manufacturer of water filters and filtering elements for residential and industrial applications operating in Brazil and neighboring countries. Goodwill recorded as part of the purchase price allocation was $10.1 million, none of which is tax deductible. Identified intangible assets acquired as part of the acquisition were $6.3 million including definite-lived intangibles, primarily customer relationships of $5.5 million, with an estimated life of 13 years. The proforma impact of this acquisition was deemed to be not material.

Additionally, during the first nine months of 2011, we completed other small acquisitions with purchase prices totaling $4.6 million, consisting of $2.9 million in cash and $1.7 million as a note payable, adding to our Water Group. Total goodwill recorded as part of the purchase price allocation was $4.3 million, none of which is tax deductible. The proforma impact of these acquisitions was deemed to be not material.

Total transaction costs related to acquisition activities for the nine months ended October 1, 2011 were $7.8 million, which were expensed as incurred and recorded in *Selling, general and administrative* in our Condensed Consolidated Statements of Income.

7. Inventories

Inventories were comprised of:

In thousands	October 1, 2011	December 31, 2010	October 2, 2010
Raw materials and supplies	$ 236,159	$ 223,482	$ 222,964
Work-in-process	49,393	37,748	42,780
Finished goods	174,364	144,126	144,328
Total inventories	$ 459,916	$ 405,356	$ 410,072

8. Goodwill and Other Identifiable Intangible Assets

The changes in the carrying amount of goodwill by segment were as follows:

In thousands	December 31, 2010	Acquisitions/ Divestitures	Foreign Currency Translation/Other	October 1, 2011
Water Group	$ 1,784,100	$ 466,182	$ (15,961)	$ 2,234,321
Technical Products Group	281,944		427	282,371
Consolidated Total	$ 2,066,044	$ 466,182	$ (15,534)	$ 2,516,692

In thousands	December 31, 2009	Acquisitions/ Divestitures	Foreign Currency Translation/Other	October 2, 2010
Water Group	$ 1,802,913	$	$ (14,754)	$ 1,788,159
Technical Products Group	285,884		(3,132)	282,752

Consolidated Total	$	2,088,797	$		$	(17,886)	$	2,070,911

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

The detail of acquired intangible assets consisted of the following:

	October 1, 2011			December 31, 2010			October 2, 2010		
In thousands	**Gross carrying amount**	**Accumulated amortization**	**Net**	**Gross carrying amount**	**Accumulated amortization**	**Net**	**Gross carrying amount**	**Accumulated amortization**	**Net**
Finite-life intangibles									
Patents	$ 5,893	$ (3,908)	$ 1,985	$ 15,469	$ (12,695)	$ 2,774	$ 15,462	$ (12,400)	$ 3,062
Proprietary technology	131,972	(37,094)	94,878	74,176	(29,862)	44,314	74,102	(28,306)	45,796
Customer relationships	366,540	(102,919)	263,621	282,479	(82,901)	199,578	283,313	(78,461)	204,852
Trade names	1,537	(500)	1,037	1,532	(383)	1,149	1,538	(345)	1,193
Total finite-life intangibles	$ 505,942	$ (144,421)	$ 361,521	$ 373,656	$ (125,841)	$ 247,815	$ 374,415	$ (119,512)	$ 254,903
Indefinite-life intangibles									
Trade names	257,741		257,741	205,755		205,755	206,475		206,475
Total intangibles, net	$ 763,683	$ (144,421)	$ 619,262	$ 579,411	$ (125,841)	$ 453,570	$ 580,890	$ (119,512)	$ 461,378

Intangible asset amortization expense was approximately $12.6 million and $6.3 million for the three months ended October 1, 2011 and October 2, 2010, respectively, and was approximately $29.8 million and $18.1 million for the nine months ended October 1, 2011 and October 2, 2010, respectively.

The estimated future amortization expense for identifiable intangible assets during the remainder of 2011 and the next five years is as follows:

In thousands	**2011 Q4**	**2012**	**2013**	**2014**	**2015**	**2016**
Estimated amortization expense	$ 12,183	$ 39,853	$ 39,688	$ 39,314	$ 39,032	$ 38,050

9. Debt

Debt and the average interest rates on debt outstanding are summarized as follows:

In thousands	**Average interest rate October 1, 2011**	**Maturity (Year)**	**October 1, 2011**	**December 31, 2010**	**October 2, 2010**
Revolving credit facilities - USD	1.98%	2016	$ 127,600	$ 97,500	$ 68,200
Revolving credit facilities - EUR	2.94%	2016	54,385		
Private placement - fixed rate	5.65%	2013-2017	400,000	400,000	400,000
Private placement - floating rate	0.82%	2012-2013	205,000	205,000	205,000

Public - fixed rate	5.00%	2021	500,000		
Other	3.58%	2011-2016	61,368	4,972	4,282
Total debt, including current portion			1,348,353	707,472	677,482
Less: Current maturities			(1,194)	(18)	(37)
Short-term borrowings			(29,705)	(4,933)	(4,180)
Long-term debt			$ 1,317,454	$ 702,521	$ 673,265

The fair value of total debt excluding the deferred gain on interest rate swaps was $1,400.1 million, $745.9 million and $712.4 million as of October 1, 2011, December 31, 2010 and October 2, 2010, respectively.

On May 9, 2011, we completed a public offering of $500 million aggregate principal amount of our 5.00% Senior Notes due 2021 (the Notes). The Notes are guaranteed by certain of our wholly-owned domestic subsidiaries that are also guarantors under our primary bank credit facility. We used the net proceeds from the offering of the Notes to finance in part the CPT acquisition.

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

On April 28, 2011, we entered into a Fourth Amended and Restated Credit Agreement (the Credit Facility). The Credit Facility replaced our previous $800 million revolving credit facility. The Credit Facility creates an unsecured, committed credit facility of up to $700 million, with multi-currency sub facilities to support investments outside the U.S. The Credit Facility expires on April 28, 2016. Borrowings under the Credit Facility currently bear interest at the rate of London Interbank Offered Rate (LIBOR) plus 1.75%. Interest rates and fees on the Credit Facility will vary based on our credit ratings. We used borrowings under the Credit Facility to fund a portion of the CPT acquisition and to fund ongoing operations.

Total availability under our existing Credit Facility was $518.0 million as of October 1, 2011, which was not limited by any of the credit agreement s financial covenants as of that date.

Our debt agreements contain certain financial covenants, the most restrictive of which is a leverage ratio (total consolidated indebtedness, as defined, over consolidated net income before interest, taxes, depreciation, amortization and non-cash compensation expense, as defined) that may not exceed 3.75 to 1.0 as of October 1, 2011 and 3.5 to 1.0 as of the last date of each of our fiscal quarters thereafter. We were in compliance with all financial covenants in our debt agreements as of October 1, 2011.

In addition to the Credit Facility, we have various other credit facilities with an aggregate availability of $76.0 million, of which $40.0 million was outstanding at October 1, 2011. Borrowings under these credit facilities bear interest at variable rates. Additionally, as part of the CPT acquisition we assumed certain capital leases with an outstanding balance of $18.1 million at October 1, 2011.

We have $105 million of outstanding private placement debt maturing in May 2012. We classified this debt as long-term as of October 1, 2011 as we have the intent and ability to refinance such obligation on a long-term basis under the Credit Facility.

Debt outstanding at October 1, 2011 matures on a calendar year basis as follows:

In thousands	**2011 Q4**	**2012**	**2013**	**2014**	**2015**	**2016**	**Thereafter**	**Total**
Contractual debt obligation maturities	$ 29,016	$ 2,344	$ 201,838	$ 1,354	$ 1,192	$ 300,774	$ 811,835	$ 1,348,353

10. Derivatives and Financial Instruments

Fair value measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities measured at fair value are classified using the following hierarchy, which is based upon the transparency of inputs to the valuation as of the measurement date:

Level 1: Valuation is based on observable inputs such as quoted market prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Valuation is based on inputs such as quoted market prices for similar assets or liabilities in active markets or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Valuation is based upon other unobservable inputs that are significant to the fair value measurement.

Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

In making fair value measurements, observable market data must be used when available. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement.

Cash-flow Hedges

In September 2005, we entered into a $100 million interest rate swap agreement with several major financial institutions to exchange variable rate interest payment obligations for fixed rate obligations without the exchange of the underlying principal amounts in order to manage interest rate exposures. The effective date of the fixed rate swap was April 25, 2006. The swap agreement has a fixed interest rate of 4.68% and expires in July 2013. The fixed interest rate of 4.68% plus the .60% interest rate spread over LIBOR results in an effective fixed interest rate of 5.28%. The fair value of the swap was a liability of $7.6 million, $9.4 million and $7.6 million at October 1, 2011, December 31, 2010 and October 2, 2010, respectively, and was recorded in *Other non-current liabilities* on the Condensed Consolidated Balance Sheets.

In August 2007, we entered into a $105 million interest rate swap agreement with a major financial institution to exchange variable rate interest payment obligations for a fixed rate obligation without the exchange of the underlying principal amounts in order to manage interest rate exposures. The effective date of the swap was August 30, 2007. The swap agreement has a fixed interest rate of 4.89% and expires in May 2012. The fixed interest rate of 4.89% plus the .50% interest rate spread over LIBOR results in an effective fixed interest rate of 5.39%. The fair value of the swap was a liability of $2.9 million, $6.4 million and $11.0 million at October 1, 2011, December 31, 2010 and October 2, 2010, respectively, and was recorded in *Other non-current liabilities* on the Condensed Consolidated Balance Sheets.

The variable to fixed interest rate swaps are designated as cash-flow hedges. The fair value of these swaps are recorded as assets or liabilities on the Condensed Consolidated Balance Sheets. Unrealized income/expense is included in *Accumulated other comprehensive income* (OCI) and realized income/expense and amounts due to/from swap counterparties are recorded in *Net interest expense* in our Condensed Consolidated Statements of Income. We realized incremental expense resulting from the swaps of $7.0 million and $6.9 million for the nine months ended October 1, 2011 and October 2, 2010, respectively.

The variable to fixed interest rate swaps are designated as and are effective as cash-flow hedges. The fair value of these swaps are recorded as assets or liabilities on the Condensed Consolidated Balance Sheets, with changes in their fair value included in OCI. Derivative gains and losses included in OCI are reclassified into earnings at the time the related interest expense is recognized or the settlement of the related commitment occurs.

Failure of one or more of our swap counterparties would result in the loss of any benefit to us of the swap agreement. In this case, we would continue to be obligated to pay the variable interest payments per the underlying debt agreements which are at variable interest rates of 3 month LIBOR plus .50% for $105 million of debt and 3 month LIBOR plus .60% for $100 million of debt. Additionally, failure of one or all of our swap counterparties would not eliminate our obligation to continue to make payments under our existing swap agreements if we continue to be in a net pay position.

Our interest rate swaps are carried at fair value measured on a recurring basis. Fair values are determined through the use of models that consider various assumptions, including time value, yield curves, as well as other relevant economic measures, which are inputs that are classified as Level 2 in the valuation hierarchy defined by the accounting guidance.

In April 2011, as part of our planned debt issuance to fund the CPT acquisition, we entered into interest rate swap contracts to hedge movement in interest rates through the expected date of closing for a portion of the expected fixed rate debt offering. The swaps had a notional amount of $400 million with an average interest rate of 3.65%. In May 2011, upon the sale of the Notes, the swaps were terminated at a cost of $11.0 million. Because we used the contracts to hedge future interest payments, this amount is recorded in *Prepaid expenses and other current assets* within the Condensed Consolidated Balance Sheets and will be amortized as interest exposure over the life of the Notes.

We manage our economic and transaction exposure to certain market-based risks through the use of foreign currency derivative instruments. Our objective in holding derivatives is to reduce the volatility of net earnings and cash flows associated with changes in foreign currency exchange rates.

Foreign currency contract

In March 2011, we entered into a foreign currency option contract to reduce our exposure to fluctuations in the euro related to the planned CPT acquisition. The contract had a notional amount of 286.0 million, a strike price of 1.4375 and a maturity date of May 13, 2011.

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

In May 2011, we sold the foreign currency option contract for $1.0 million. The net cost of $2.1 million is recorded in *Selling, general and administrative* on the Condensed Consolidated Statements on Income.

Fair value of financial information

Financial assets and liabilities measured at fair value on a recurring basis were as follows:

In thousands	Fair Value October 1, 2011	(Level 1)	(Level 2)	(Level 3)
Cash-flow hedges	$ 10,504	$	$ 10,504	$
Deferred compensation plan (1)	21,684	21,684		

In thousands	Fair Value December 31, 2010	(Level 1)	(Level 2)	(Level 3)
Cash-flow hedges	$ 15,768	$	$ 15,768	$
Foreign currency contract	1,183		1,183	
Deferred compensation plan (1)	24,126	24,126		

In thousands	Fair Value October 2, 2010	(Level 1)	(Level 2)	(Level 3)
Cash-flow hedges	$ 18,535	$	$ 18,535	$
Deferred compensation plan (1)	22,699	22,699		

(1) Deferred compensation plan assets include mutual funds and cash equivalents for payment of certain non-qualified benefits for retired, terminated and active employees. The fair value of these assets was based on quoted market prices.

11. Income Taxes

The provision for income taxes consists of provisions for federal, state and foreign income taxes. We operate in an international environment with operations in various locations outside the U.S. Accordingly, the consolidated income tax rate is a composite rate reflecting the earnings in the various locations and the applicable rates.

The effective income tax rate for the nine months ended October 1, 2011 was 30.7% compared to 33.1% for the nine months ended October 2, 2010. We continue to actively pursue initiatives to reduce our effective tax rate. The tax rate in any quarter can be affected positively or negatively by adjustments that are required to be reported in the specific quarter of resolution.

The total gross liability for uncertain tax positions was $24.6 million, $24.3 million and $24.6 million at October 1, 2011,

December 31, 2010 and October 2, 2010, respectively. We record penalties and interest related to unrecognized tax benefits in *Provision for income taxes* and *Net interest expense*, respectively, on the Condensed Consolidated Statements of Income, which is consistent with our past practices.

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

12. Benefit Plans

Components of net periodic benefit cost were as follows:

	Three months ended			
	Pension benefits		Post-retirement	
In thousands	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Service cost	$ 3,131	$ 2,886	$ 45	$ 50
Interest cost	8,225	7,887	472	503
Expected return on plan assets	(7,963)	(7,710)		
Amortization of transition obligation		6		
Amortization of prior year service cost (benefit)		8	(7)	(7)
Recognized net actuarial loss (gains)	971	406	(826)	(823)
Net periodic benefit cost (income)	$ 4,364	$ 3,483	$ (316)	$ (277)

	Nine months ended			
	Pension benefits		Post-retirement	
In thousands	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Service cost	$ 9,392	$ 8,658	$ 135	$ 150
Interest cost	24,675	23,661	1,416	1,509
Expected return on plan assets	(23,890)	(23,130)		
Amortization of transition obligation		18		
Amortization of prior year service cost (benefit)		24	(21)	(21)
Recognized net actuarial loss (gains)	2,914	1,218	(2,479)	(2,469)
Net periodic benefit cost (income)	$ 13,091	$ 10,449	$ (949)	$ (831)

13. Business Segments

Financial information by reportable segment is shown below:

	Three months ended		Nine months ended	
In thousands	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Net sales to external customers				
Water Group	$ 614,557	$ 512,587	$ 1,761,919	$ 1,539,943
Technical Products Group	275,989	261,148	829,075	736,972
Consolidated	$ 890,546	$ 773,735	$ 2,590,994	$ 2,276,915

Intersegment sales				
Water Group	$ 426	$ 442	$ 1,197	$ 1,386
Technical Products Group	1,755	1,154	4,313	2,904
Other	(2,181)	(1,596)	(5,510)	(4,290)
Consolidated	$	$	$	$
Operating income (loss)				
Water Group	$ 59,608	$ 58,457	$ 200,657	$ 176,549
Technical Products Group	48,611	42,605	144,959	113,693
Other	(15,316)	(10,239)	(57,114)	(35,692)
Consolidated	$ 92,903	$ 90,823	$ 288,502	$ 254,550

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

In thousands	October 1, 2011	December 31, 2010	October 2, 2010
		Identifiable assets [1]	
Water Group	$ 4,767,632	$ 3,409,556	$ 3,370,351
Technical Products Group	743,021	728,969	761,225
Other [1]	(628,210)	(164,992)	(158,818)
Consolidated	$ 4,882,443	$ 3,973,533	$ 3,972,758

(1) All cash and cash equivalents are included in Other

14. Warranty

The changes in the carrying amount of service and product warranties as were as follows:

In thousands	October 1, 2011	December 31, 2010	October 2, 2010
Balance at beginning of the year	$ 30,050	$ 24,288	$ 24,288
Service and product warranty provision	38,892	56,553	46,401
Payments	(40,611)	(50,729)	(39,843)
Acquired	3,551		
Translation	(197)	(62)	(63)
Balance at end of the period	$ 31,685	$ 30,050	$ 30,783

15. Commitments and Contingencies

There have been no further material developments from the disclosures contained in our 2010 Annual Report on Form 10-K.

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

16. Financial Statements of Subsidiary Guarantors

Certain of the domestic subsidiaries (the Guarantor Subsidiaries) of Pentair, Inc. (the Parent Company), each of which is directly or indirectly wholly-owned by the Parent Company, jointly and severally, and fully and unconditionally, guarantee the Parent Company s indebtedness under the Notes and the Credit Facility. The following supplemental financial information sets forth the Condensed Consolidated Statements of Income, the Condensed Consolidated Balance Sheets, and the Condensed Consolidated Statements of Cash Flows for the Parent Company, the Guarantor Subsidiaries, the non-Guarantor Subsidiaries, and total consolidated Pentair and subsidiaries.

Pentair, Inc. and Subsidiaries

Condensed Consolidated Statements of Income (Unaudited)

For the three months ended October 1, 2011

In thousands	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net sales	$	$ 549,306	$ 416,131	$ (74,891)	$ 890,546
Cost of goods sold		383,206	310,011	(74,733)	618,484
Gross profit		166,100	106,120	(158)	272,062
Selling, general and administrative	2,671	81,150	75,405	(158)	159,068
Research and development	218	10,093	9,780		20,091
Operating (loss) income	(2,889)	74,857	20,935		92,903
Earnings from investment in subsidiaries	(35,644)	1,686	(718)	34,676	
Other (income) expense:					
Equity income of unconsolidated subsidiaries	(512)		(62)		(574)
Net interest (income) expense	(26,822)	37,676	6,519		17,373
Income (loss) from continuing operations before income taxes and noncontrolling interest	60,089	35,495	15,196	(34,676)	76,104
Provision for income taxes	8,997	13,150	1,903		24,050
Income from continuing operations	51,092	22,345	13,293	(34,676)	52,054
Net income before noncontrolling interest	51,092	22,345	13,293	(34,676)	52,054
Noncontrolling interest			962		962
Net income attributable to Pentair, Inc.	$ 51,092	$ 22,345	$ 12,331	$ (34,676)	$ 51,092
Net income from continuing operations attributable to Pentair, Inc.	$ 51,092	$ 22,345	$ 12,331	$ (34,676)	$ 51,092

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

Pentair, Inc. and Subsidiaries

Condensed Consolidated Statements of Income (Unaudited)

For the nine months ended October 1, 2011

In thousands	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net sales	$	$ 1,650,755	$ 1,156,342	$ (216,103)	$ 2,590,994
Cost of goods sold		1,138,037	859,570	(215,470)	1,782,137
Gross profit		512,718	296,772	(633)	808,857
Selling, general and administrative	15,942	249,902	197,049	(633)	462,260
Research and development	823	31,448	25,824		58,095
Operating (loss) income	(16,765)	231,368	73,899		288,502
Earnings from investment in subsidiaries	(126,938)	1,686	(718)	125,970	
Other (income) expense:					
Equity income of unconsolidated subsidiaries	(1,295)		(186)		(1,481)
Net interest (income) expense	(80,838)	114,269	7,880		41,311
Income (loss) from continuing operations before income taxes and noncontrolling interest	192,306	115,413	66,923	(125,970)	248,672
Provision for income taxes	23,961	39,932	12,554		76,447
Income from continuing operations	168,345	75,481	54,369	(125,970)	172,225
Net income before noncontrolling interest	168,345	75,481	54,369	(125,970)	172,225
Noncontrolling interest			3,880		3,880
Net income attributable to Pentair, Inc.	$ 168,345	$ 75,481	$ 50,489	$ (125,970)	$ 168,345
Net income from continuing operations attributable to Pentair, Inc.	$ 168,345	$ 75,481	$ 50,489	$ (125,970)	$ 168,345

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

Pentair, Inc. and Subsidiaries

Condensed Consolidated Balance Sheets (Unaudited)

October 1, 2011

In thousands	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Assets					
Current assets					
Cash and cash equivalents	$ 4,816	$ 5,010	$ 42,839	$	$ 52,665
Accounts and notes receivable, net	366	298,043	344,320	(86,041)	556,688
Inventories		201,372	258,544		459,916
Deferred tax assets	112,022	40,565	13,877	(105,053)	61,411
Prepaid expenses and other current assets	17,095	21,762	145,412	(36,701)	147,568
Total current assets	134,299	566,752	804,992	(227,795)	1,278,248
Property, plant and equipment, net	19,520	109,876	265,526		394,922
Other assets					
Investments in/advances to subsidiaries	2,834,569	563,756	649,722	(4,048,047)	
Goodwill		1,471,582	1,045,110		2,516,692
Intangibles, net		214,406	404,856		619,262
Other	69,916	5,452	23,000	(25,049)	73,319
Total other assets	2,904,485	2,255,196	2,122,688	(4,073,096)	3,209,273
Total assets	$ 3,058,304	$ 2,931,824	$ 3,193,206	$ (4,300,891)	$ 4,882,443
Liabilities and Shareholders Equity					
Current liabilities					
Short-term borrowings	$	$	$ 29,705	$	$ 29,705
Current maturities of long-term debt	2,719	(2)	26,865	(28,388)	1,194
Accounts payable	4,669	152,721	210,316	(86,258)	281,448
Employee compensation and benefits	39,319	25,149	53,070		117,538
Current pension and post-retirement benefits	8,733				8,733
Accrued product claims and warranties	12,235	20,431	11,254		43,920
Income taxes	26,011	1,531	(1,259)		26,283
Accrued rebates and sales incentives		33,855	11,376		45,231
Other current liabilities	25,831	42,854	131,604	(36,739)	163,550
Total current liabilities	119,517	276,539	472,931	(151,385)	717,602
Other liabilities					
Long-term debt	1,232,600	2,417,895	941,979	(3,275,020)	1,317,454
Pension and other retirement compensation	121,148	(7,107)	76,180		190,221
Post-retirement medical and other benefits	17,332	34,651		(25,050)	26,933
Long-term income taxes payable	23,891				23,891
Deferred tax liabilities	(79)	213,201	120,668	(105,053)	228,737

Due to/ (from) affiliates	(678,340)	(283,366)	896,497	65,209	
Other non-current liabilities	39,537	1,604	38,348		79,489
Total liabilities	875,606	2,653,417	2,546,603	(3,491,299)	2,584,327
Noncontrolling interest			115,419		115,419
Shareholders equity attributable to Pentair, Inc.	2,182,698	278,407	531,184	(809,592)	2,182,697
Total liabilities and shareholders equity	$ 3,058,304	$ 2,931,824	$ 3,193,206	$ (4,300,891)	$ 4,882,443

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Pentair, Inc. and Subsidiaries

Notes to condensed consolidated financial statements (unaudited)

Pentair, Inc. and Subsidiaries

Condensed Consolidated Statements of Cash Flows (Unaudited)

For the nine months ended October 1, 2011

In thousands	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating activities					
Net income before noncontrolling interest	$ 168,345	$ 75,481	$ 54,369	$ (125,970)	$ 172,225
Adjustments to reconcile net income to net cash provided by (used for) operating activities					
Equity income of unconsolidated subsidiaries	(1,295)		(186)		(1,481)
Depreciation	4,232	20,780	24,067		49,079
Amortization		11,494	18,313		29,807
Earnings from investments in subsidiaries	(126,938)	1,686	(718)	125,970	
Deferred income taxes	6,890	(536)	(1,909)		4,445
Stock compensation	14,695				14,695
Excess tax benefits from stock-based compensation	(3,137)				(3,137)
Loss on sale of assets	702				702
Changes in assets and liabilities, net of effects of business acquisitions and dispositions					
Accounts and notes receivable	(58,643)	67,192	(8,111)	22,219	22,657
Inventories		38,199	(22,566)		15,633
Prepaid expenses and other current assets	38,033	(11,493)	(64,380)	11,460	(26,380)
Accounts payable	61,962	(28,241)	(57,037)	(22,443)	(45,759)
Employee compensation and benefits	(6,326)	(8,160)	2,152		(12,334)
Accrued product claims and warranties		(1,299)	1,414		115
Income taxes	30,411	(2,429)	(9,937)		18,045
Other current liabilities	(34,504)	19,029	73,635	(11,236)	46,924
Pension and post-retirement benefits	(16,658)	(9,816)	2,838		(23,636)
Other assets and liabilities	(60,635)	57,799	(18,205)		(21,041)
Net cash provided by (used for) operating activities	17,134	229,686	(6,261)		240,559
Investing activities					
Capital expenditures	(6,509)	(20,837)	(25,717)		(53,063)
Proceeds from sale of property and equipment		82	57		139
Acquisitions, net of cash acquired			(733,105)		(733,105)
Other	1,533	(1,295)	(679)		(441)