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Janney Closes Marquee Banking Deal in the Water-Analytics Space
Serves as exclusive advisor to YSI Incorporated

Philadelphia, Pennsylvania, September 16, 2011 – Janney Montgomery Scott, a full service financial advisory firm, announced that it served as exclusive financial advisor to YSI Incorporated on its sale to ITT Corporation (NYSE:ITT) for \$310 million, or approximately 3.1x revenue. Based in Yellow Springs, OH, YSI is a leading developer and manufacturer of sensors, instruments, software and data collection platforms used for environmental water monitoring. YSI will join the analytics business of Xylem Inc., a new standalone water company that will separate in a tax-free spinoff from ITT later this year. The transaction underscores Janney's position as a leading advisor in the water and analytical instrumentation markets.

Joseph D. Culley Jr., Managing Director and Head of Janney's Infrastructure Investment Banking Group, led the transaction, which represented the culmination of a relationship that dated back to 2008. Previously, Janney advised YSI on the acquisition of Design Analysis Associates, a manufacturer of equipment for the hydrological monitoring market in June 2009.

"This transaction reflects the strength of the M&A market in the water industry, particularly for premium assets like YSI," said Culley. "This combination with ITT exceeded the goals of YSI's management and Board to achieve liquidity for its diverse shareholder base at an attractive valuation and to successfully identify a partner that will maintain the YSI legacy and invest in continued growth. We wish YSI and ITT/Xylem all the best moving forward."

Founded in 1948, YSI is a leader in the water-technology field and highly regarded for its inventive and innovative approach to water analytics. With a reported \$101 million in revenue in 2010, the global manufacturer had also long been a highly desired acquisition target by strategic and financial buyers alike given its position as one of just a handful of privately-held companies with significant scale in the high margin, niche end market of environmental water monitoring.

Rick Omlor, Chairman and Chief Executive Officer of YSI, said, "We believe joining ITT offers a great opportunity to continue growing our business, and I'm especially pleased that YSI will live on within a strong global company united around water. With a 63-year legacy founded in scientific discovery and innovation, YSI's strong brand equity, backed by ITT's global citizenship philosophy is the right choice to move YSI into the future."

About Janney Montgomery Scott LLC

Janney is a leading full-service capital markets and brokerage firm serving middle market corporate and municipal clients, institutional investors and retail clients. Janney's core business offerings include mergers and acquisitions, public and private capital raising activities, equity and fixed income research, sales and trading, financial planning, portfolio management, retirement planning, and wealth management. Janney is an independently operated subsidiary of The Penn Mutual Life Insurance Company, one of the largest mutual insurance companies in the nation, and is a member of the New York Stock Exchange, Financial Industry Regulatory Authority and Securities Investor Protection Corporation.

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