

**Exhibit 99.2**

# **ITW Conference Call**

**Third Quarter  
2008**

# **ITW Agenda**

- 1. Introduction..... John Brooklier/David Speer**
- 2. Financial Overview..... Ron Kropp**
- 3. Reporting Segments..... John Brooklier**
- 4. Forecast 2008..... Ron Kropp**
- 5. Q & A..... John Brooklier/Ron Kropp/David Speer**

# **ITW**

## **Forward - Looking Statements**

**This conference call contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, without limitation, statements regarding operating performance, revenue growth, operating income, income from continuing operations, diluted income per share from continuing operations, use of free cash, potential acquisitions, end market conditions, discontinued operations, and the Company's related forecasts. These statements are subject to certain risks, uncertainties, and other factors which could cause actual results to differ materially from those anticipated. Important risks that could cause actual results to differ materially from the Company's expectations are set forth in ITW's Form 10-Q for the 2008 second quarter and Form 10-K for 2007.**

# **Conference Call Playback**

**Replay number: 402-220-9716**

**No pass code necessary**

**Telephone replay available through midnight of  
October 30, 2008**

**Webcast / PowerPoint replay available at  
[itw.com](http://itw.com) website**

# ITW

## Quarterly Highlights

	<b>2007</b>	<b>2008</b>	<b>F(U) Last Year</b>	
	<b><u>Q3</u></b>	<b><u>Q3</u></b>	<b><u>Amount</u></b>	<b><u>%</u></b>
<b>Operating Revenues</b>	3,744.4	4,147.8	403.4	10.8%
<b>Operating Income</b>	649.6	639.0	(10.6)	-1.6%
<b>% of Revenues</b>	17.3%	15.4%	-1.9%	
<b>Income from Continuing Operations</b>				
Income Amount	464.1	443.3	(20.8)	-4.5%
Income Per Share-Diluted	0.84	0.85	0.01	1.2%
<b>Net Income</b>				
Income Amount	491.1	453.5	(37.6)	-7.7%
Income Per Share-Diluted	0.89	0.87	(0.02)	-2.2%
<b>Free Operating Cash Flow</b>	656.1	599.5	(56.6)	-8.6%

# ITW

## Quarterly Operating Analysis

	% F(U) Prior Year		
	<u>Operating Revenues</u>	<u>Operating Income</u>	<u>Operating Margins</u>
Base Manufacturing Business			
Operating Leverage	-0.8%	-1.9%	-0.2%
Changes in VM & OH costs	-	-6.1%	-1.1%
Total	-0.8%	-8.0%	-1.3%
Acquisitions/Divestitures	6.9%	1.9%	-0.7%
Translation	4.7%	4.1%	-
Impairment	-	0.1%	-
Restructuring	-	0.3%	0.1%
Intercompany/Other	-	-	-
Total	10.8%	-1.6%	-1.9%

# ITW

## Non Operating & Taxes

	<b>2007</b>	<b>2008</b>	<b>F(U) Last Year</b>	
	<b><u>Q3</u></b>	<b><u>Q3</u></b>	<b><u>Amount</u></b>	<b><u>%</u></b>
Operating Income	649.6	639.0	(10.6)	-1.6%
Interest Expense	(25.8)	(38.2)	(12.4)	
Other Income	23.0	15.9	(7.1)	
Income from Continuing Operations-Pretax	<u>646.8</u>	<u>616.7</u>	<u>(30.1)</u>	-4.7%
Income Taxes	182.7	173.4	9.3	
% to Pretax Income	<u>28.2%</u>	<u>28.1%</u>	<u>0.1%</u>	
Income from Continuing Operations	464.1	443.3	(20.8)	-4.5%
Income from Discontinued Operations	<u>27.0</u>	<u>10.2</u>	<u>(16.8)</u>	
Net Income	<u><u>491.1</u></u>	<u><u>453.5</u></u>	<u><u>(37.6)</u></u>	-7.7%

# ITW

## Invested Capital

	<u>9/30/07</u>	<u>6/30/08</u>	<u>9/30/08</u>
Trade Receivables	2,842.4	3,302.3	2,981.7
Days Sales Outstanding	63.6	66.0	64.7
Inventories	1,607.8	1,845.6	1,835.5
Months on Hand	1.9	1.9	2.0
Prepays and Other Current Assets	431.9	408.4	505.8
Accounts Payable & Accrued Expenses	(2,027.2)	(2,369.5)	(2,447.4)
<b>Operating Working Capital</b>	<b>2,854.9</b>	<b>3,186.8</b>	<b>2,875.6</b>
% to Revenue(Prior 4 Qtrs.)	19%	20%	18%
Net Plant & Equipment	2,120.6	2,285.0	2,120.8
Investments	546.3	506.4	498.3
Goodwill and Intangibles	5,594.4	6,279.9	6,472.5
Assets Held for Sale	-	144.7	619.8
Other, net	(657.3)	(615.5)	(763.4)
<b>Invested Capital</b>	<b>10,458.9</b>	<b>11,787.3</b>	<b>11,823.6</b>
<b>Return on Average Invested Capital</b>	<b>17.9%</b>	<b>18.8%</b>	<b>15.6%</b>



# ITW

## Debt & Equity

	<u>9/30/07</u>	<u>6/30/08</u>	<u>9/30/08</u>
<b>Total Capital</b>			
Short Term Debt	101.4	1,465.9	2,197.1
Long Term Debt	1,573.1	1,462.4	1,398.2
Total Debt	<u>1,674.5</u>	<u>2,928.3</u>	<u>3,595.3</u>
Stockholders' Equity	9,386.5	9,499.2	9,095.9
Total Capital	<u>11,061.0</u>	<u>12,427.5</u>	<u>12,691.2</u>
Less:			
Cash	(602.1)	(640.2)	(867.6)
<b>Net Debt &amp; Equity</b>	<u>10,458.9</u>	<u>11,787.3</u>	<u>11,823.6</u>
 <b>Debt to Total Capital</b>	 <u>15%</u>	 <u>24%</u>	 <u>28%</u>
 <b>Shares outstanding at end of period</b>	 <u>544.0</u>	 <u>519.4</u>	 <u>511.2</u>

# ITW

## Cash Flow

	<b>2007</b>	<b>2008</b>
	<b><u>Q3</u></b>	<b><u>Q3</u></b>
Net Income	491.1	453.5
Adjust for Non-Cash Items	152.5	225.7
Changes in Operating Assets & Liabilities	92.8	9.6
<b>Net Cash From Operating Activities</b>	<b><u>736.4</u></b>	<b><u>688.8</u></b>
 Additions to Plant & Equipment	 (80.3)	 (89.3)
<b>Free Operating Cash Flow</b>	<b><u>656.1</u></b>	<b><u>599.5</u></b>
 Stock Repurchases	 (479.0)	 (406.0)
Acquisitions	(195.1)	(646.0)
Purchase of Investments	(0.6)	(0.6)
Dividends	(115.9)	(145.4)
Debt	182.8	737.0
Proceeds from Investments	25.8	7.1
Other	46.5	81.8
 <b>Net Cash Increase</b>	 <b><u>120.6</u></b>	 <b><u>227.4</u></b>

# ITW

## Acquisitions

	2007				2008		
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>
<b>Annual Revenues Acquired</b>	<b>399</b>	<b>213</b>	<b>218</b>	<b>165</b>	<b>230</b>	<b>308</b>	<b>847</b>
<b>Purchase Price</b>							
Cash Paid	263	216	235	163	223	439	751
Stock Issued	-	-	-	-	-	-	-
<b>Total</b>	<b>263</b>	<b>216</b>	<b>235</b>	<b>163</b>	<b>223</b>	<b>439</b>	<b>751</b>
<b>Number of Acquisitions</b>	<b>9</b>	<b>10</b>	<b>18</b>	<b>15</b>	<b>16</b>	<b>10</b>	<b>14</b>

# Industrial Packaging Quarterly Analysis

	<u>Operating Revenues</u>	<u>Operating Income</u>	<u>Operating Margins</u>
2007 Q3	599.6	78.5	13.1%
2008 Q3	687.5	76.2	11.1%
\$ F(U)	87.9	(2.3)	-2.0%
% F(U)	14.7%	-2.9%	
<u>% F(U) Prior Year</u>			
Base Business			
Operating Leverage	5.2%	15.8%	1.3%
Changes in VM & OH costs	-	-20.6%	-2.5%
Total	5.2%	-4.8%	-1.2%
Acquisitions/Divestitures	4.2%	3.5%	-
Translation	5.3%	3.1%	-0.2%
Impairment	-	0.5%	-
Restructuring	-	-5.2%	-0.6%
Other	-	-	-
Total	14.7%	-2.9%	-2.0%

## **Industrial Packaging Key Points**

- **Total segment base revenues: +5.2% for Q3 '08**
- **Q3 North America base revenues: +2.2% for Q3 '08**
  - **Base revenue growth driven by significant price recovery for raw materials in Q3**
- **Q3 International base revenues: +7.5% for Q3 '08**
- **Worldwide insulation base revenues grew more than 40% in Q3 '08**
  - **Underlying demand strong from energy related customers**

# Power Systems and Electronics

## Quarterly Analysis

	<u>Operating Revenues</u>	<u>Operating Income</u>	<u>Operating Margins</u>
2007 Q3	567.5	110.8	19.5%
2008 Q3	620.7	118.2	19.0%
\$ F(U)	53.2	7.4	-0.5%
% F(U)	9.4%	6.7%	
<u>% F(U) Prior Year</u>			
Base Business			
Operating Leverage	3.1%	6.1%	0.6%
Changes in VM & OH costs	-	-1.1%	-0.2%
Total	3.1%	5.0%	0.4%
Acquisitions/Divestitures	3.7%	-1.0%	-0.9%
Translation	2.5%	1.9%	-0.1%
Impairment	-	-	-
Restructuring	-	0.9%	0.2%
Other	0.1%	-0.1%	-0.1%
Total	9.4%	6.7%	-0.5%

# **Power Systems and Electronics**

## **Key Points**

- **Total segment base revenues: +3.1% in Q3 '08**
- **In Q3, Welding's worldwide base revenues: +5.7%**
  - **Welding's Q3 International base revenues grew 26.4%**
    - **Double-digit growth in Asia due to high levels of demand for specialty consumable products serving energy/pipeline, ship building and container categories**
  - **Welding's Q3 North America base revenues declined 0.9% as underlying industrial production and related end markets continue to slow in U.S.**
- **Ground Support Equipment: +6.9% in Q3**

# Transportation Quarterly Analysis

	<u>Operating Revenues</u>	<u>Operating Income</u>	<u>Operating Margins</u>
2007 Q3	534.5	88.8	16.6%
2008 Q3	581.9	68.9	11.8%
\$ F(U)	47.4	(19.9)	-4.8%
% F(U)	8.9%	-22.4%	
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<u>% F(U) Prior Year</u>			
Base Business			
Operating Leverage	-9.6%	-22.5%	-2.4%
Changes in VM & OH costs	-	-10.3%	-1.9%
Total	-9.6%	-32.8%	-4.3%
Acquisitions/Divestitures	12.3%	0.6%	-1.5%
Translation	6.1%	5.5%	0.2%
Impairment	-	-	-
Restructuring	-	4.3%	0.8%
Other	0.1%	-	-
Total	8.9%	-22.4%	-4.8%



# Transportation

## Key Points

- **Total segment base revenues: -9.6% in Q3 '08**
- **Auto OEM/Tiers:**
  - **Automotive Worldwide Q3 base revenues: -12.5%**
  - **North America Q3 base revenues: -18.1%**
    - **Q3 combined build: -16%**
    - **Q3 Detroit 3 builds decline 23%: GM: -12%; Ford: -33%; Chrysler: -31%**
    - **Q3 New Domestics: -6%**
    - **Expect Q4 2008 combined builds to be down 18% - 20%**
  - **International Q3 base revenues: -7.3%**
    - **International builds: Flat in Q3: VW Group: +5%; Fiat: +2%; Renault: Flat; Daimler: -2%; GM Group: -2%; PSA: -2%**
- **Auto aftermarket Q3 worldwide base revenues: +2.8%; consumers hold on longer to existing vehicles**

# Construction Products

## Quarterly Analysis

	<u>Operating Revenues</u>	<u>Operating Income</u>	<u>Operating Margins</u>
2007 Q3	516.4	77.0	14.9%
2008 Q3	525.0	73.4	14.0%
\$ F(U)	8.6	(3.6)	-0.9%
% F(U)	1.7%	-4.7%	
<hr/>			
<u>% F(U) Prior Year</u>			
Base Business			
Operating Leverage	-4.4%	-12.5%	-1.3%
Changes in VM & OH costs	-	0.3%	0.1%
Total	-4.4%	-12.2%	-1.2%
Acquisitions/Divestitures	0.3%	-0.6%	-0.2%
Translation	5.8%	6.4%	0.2%
Impairment	-	-	-
Restructuring	-	1.7%	0.3%
Other	-	-	-
Total	1.7%	-4.7%	-0.9%

# **Construction Products**

## **Key Points**

- **Total segment base revenues: -4.4% in Q3 '08**
- **North America Q3 base revenues: -6.2%**
  - **Q3 Residential: -12% vs. -31% housing starts in Q3 '08**
  - **Q3 Renovation: -2% due to uptick in orders at Big Box stores**
  - **Q3 Commercial Construction base revenues: -2% even as Dodge Index data shows year-to-date activity (sq. footage) down 19%**
- **International Q3 base revenues: -3.2%**
  - **Q3 Europe: base revenues: -8.3% as overall Europe weakens**
  - **Q3 Asia-Pacific: base revenues: +3.9% but rate of growth slowing**

# Food Equipment Quarterly Analysis

	<u>Operating Revenues</u>	<u>Operating Income</u>	<u>Operating Margins</u>
2007 Q3	500.4	88.9	17.8%
2008 Q3	542.7	87.5	16.1%
\$ F(U)	42.3	(1.4)	-1.7%
% F(U)	8.4%	-1.6%	
<u>% F(U) Prior Year</u>			
Base Business			
Operating Leverage	-1.7%	-4.1%	-0.5%
Changes in VM & OH costs	-	-2.9%	-0.5%
Total	-1.7%	-7.0%	-1.0%
Acquisitions/Divestitures	5.8%	2.4%	-0.5%
Translation	4.4%	3.8%	-
Impairment	-	-	-
Restructuring	-	-0.8%	-0.1%
Other	-0.1%	-	-0.1%
Total	8.4%	-1.6%	-1.7%

# **Food Equipment Key Points**

- **Total segment base revenues: -1.7% in Q3 '08**
- **North America Q3 base revenues: -1.2%**
  - **Q3 Institutional/restaurant base revenues: -3.8% as institutional customers delay purchases**
  - **Q3 Service base revenues: +2.8%**
- **International Q3 base revenues: -3.2%**
  - **Europe base revenues decline 4.0% while Asia-Pacific base revenues grow 8.9%**

# Polymers and Fluids

## Quarterly Analysis

	<u>Operating Revenues</u>	<u>Operating Income</u>	<u>Operating Margins</u>
2007 Q3	252.5	43.8	17.3%
2008 Q3	371.0	53.4	14.4%
\$ F(U)	118.5	9.6	-2.9%
% F(U)	46.9%	22.0%	
<hr/>			
<u>% F(U) Prior Year</u>			
Base Business			
Operating Leverage	3.5%	8.9%	0.9%
Changes in VM & OH costs	-	-4.4%	-0.7%
Total	3.5%	4.5%	0.2%
Acquisitions/Divestitures	36.2%	10.8%	-3.2%
Translation	7.2%	6.1%	-
Impairment	-	-	-
Restructuring	-	0.6%	0.1%
Other	-	-	-
Total	46.9%	22.0%	-2.9%

# **Polymers and Fluids**

## **Key Points**

- **Total segment base revenues: +3.5% in Q3 '08**
- **North America:**
  - **Polymers Q3 base revenues: +15.4% thanks to demand for specialty adhesives and epoxy products**
  - **Fluids Q3 base revenues: -3.3% as manufacturing demand slackens**
- **International:**
  - **Polymers and Fluids Q3 base revenues flat for both categories as industrial demand softens**

# All Other Quarterly Analysis

	<u>Operating Revenues</u>	<u>Operating Income</u>	<u>Operating Margins</u>
2007 Q3	786.9	161.7	20.5%
2008 Q3	833.1	161.3	19.4%
\$ F(U)	46.2	(0.4)	-1.1%
% F(U)	5.9%	-0.3%	
<u>% F(U) Prior Year</u>			
Base Business			
Operating Leverage	-0.7%	-1.6%	-0.2%
Changes in VM & OH costs	-	-5.3%	-1.1%
Total	-0.7%	-6.9%	-1.3%
Acquisitions/Divestitures	2.9%	2.5%	-
Translation	3.7%	4.1%	0.1%
Impairment	-	-	-
Restructuring	-	0.1%	-
Other	-	-0.1%	0.1%
Total	5.9%	-0.3%	-1.1%



## **All Other Key Points**

- **Total segment base revenues: -0.7% in Q3 '08**
- **Q3 worldwide test and measurement base revenues: +11.2%**
- **Q3 worldwide consumer packaging base revenues: -2.4%**
- **Q3 worldwide finishing base revenues: +0.8%**
- **Q3 worldwide industrial/appliance base revenues: -4.0%**

# ITW 2008 Forecast

	<u>Low</u>	<u>High</u>	<u>Mid Point</u>
<b><u>4th Quarter</u></b>			
Total Revenues	6%	9%	8%
Diluted Income per Share - Continuing	\$0.74	\$0.82	\$0.78
% F(U) 2007	-10%	0%	-5%
<b><u>Full Year</u></b>			
Total Revenues	10%	11%	11%
Diluted Income per Share - Continuing	\$3.24	\$3.32	\$3.28
% F(U) 2007	5%	8%	6%

# **ITW 2008 Forecast**

## **Key Assumptions**

- **Exchange rates hold at current levels.**
- **Acquired revenues in the \$1.5 billion to \$1.6 billion range.**
- **Share repurchases of \$1.0 billion to \$1.2 billion for the year.**
- **No further impairment of goodwill/intangibles.**
- **Net nonoperating expense, including interest expense and other nonoperating income, of \$110 to \$120 million, which is higher than 2007 by \$65 to \$75 million.**
- **Tax rate range of 28.25% to 28.75% for the fourth quarter and 28.4% to 28.6% for the year.**

# **ITW Conference Call**

**Q & A**

**Third Quarter  
2008**