




**ITT Educational Services, Inc.**

ESI NYSE

Personal Services

Market Capitalization USD:

\$1,535.26 mm**CONCERN LEVEL: AVERAGE**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance. 
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less. 
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Kevin M. Modany**Age: 45****CEO Since: 2007**

	2009	2010	2011
Base Salary	\$712,500	\$758,000	\$783,438
Discretionary Bonus	\$0	\$0	\$1,153,500
Annual Cash Incentive	\$1,450,000	\$480,625	\$0
Benefits and Perquisites	\$50,395	\$57,161	\$64,044
TOTAL ANNUAL COMPENSATION	\$2,212,895	\$1,295,786	\$2,000,982
Increase in Post-Retirement Benefits	\$11,275	\$1,431	\$10,664
Stock Option Awards	\$5,405,000	\$5,448,750	\$3,612,500
Stock Awards	\$0	\$0	\$788,308
TOTAL COMPENSATION	\$7,629,170	\$6,745,967	\$6,412,454
Median of Other Named Executive Officers Total Compensation	\$1,684,343	\$1,355,457	\$1,471,539
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$0	\$0	\$0
TOTAL REALIZED EQUITY COMPENSATION	\$0	\$0	\$0

Proxy Date: 13 Mar 2012

Annual Meeting Date: 8 May 2012

Equity Reserves: 15.33%

Stock Option Run Rate: 0.64%

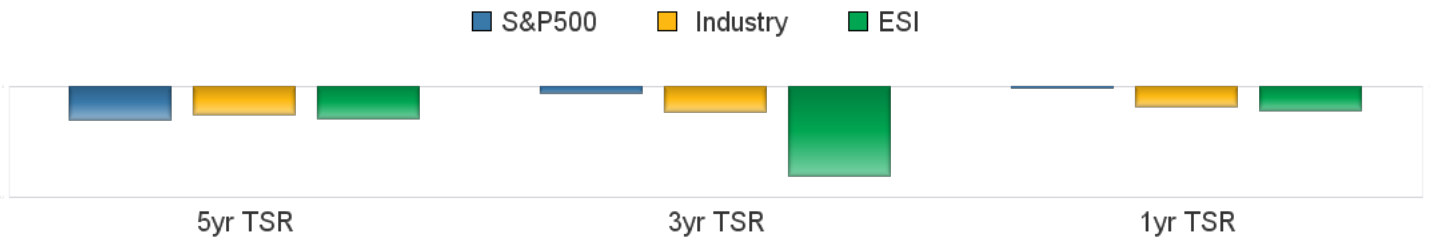
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Performance Comparison



Peer Comparisons (TRBC) =Personal Services

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
ESI	ITT Educational Services, Inc.	\$7,629,170	\$6,745,967	\$6,412,454	\$1,535,256,806
WTW	Weight Watchers International, Inc.	\$1,470,734	\$2,416,085	\$2,961,124	\$4,285,010,790
HRB	H&R Block, Inc.	\$2,623,047	\$3,282,424		\$4,068,099,984
WPO	Washington Post Company (The)	\$472,997	\$429,070	\$1,031,903	\$2,593,336,397
DV	DeVry Inc.	\$3,454,711	\$6,058,205		\$2,513,632,117
SCI	Service Corporation International	\$4,227,500	\$5,059,888	\$7,358,305	\$2,170,909,814
EDMC	Education Management Corporation		\$3,804,121		\$1,891,631,619

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

American Public Education, Inc.; Education Management Corporation; Apollo Group, Inc.; Grand Canyon Education, Inc.; Bridgepoint Education, Inc.; Learning Tree International, Inc.; Capella Education Company; Lincoln Educational Services Corporation; Career Education Corp.; Strayer Education, Inc.; Corinthian Colleges, Inc.; Universal Technical Institute, Inc.; DeVry, Inc.
 Second check peers; Aeropostale, Inc.; John Wiley & Sons, Inc.; Amedisys, Inc.; Life Time Fitness, Inc.; ASurg Corp.; MEDNAX, Inc.; The Buckle, Inc.; Morningstar, Inc.; Chipotle Mexican Grill, Inc.; O'Reilly Automotive, Inc.; Choice Hotels International, Inc.; Priceline.com Incorporated; Deckers Outdoor Corporation; Scripps Networks Interactive, Inc.; Guess?, Inc.; Urban Outfitters, Inc.; The Gymboree Corporation; VCA Antech, Inc.; J.Crew Group, Inc.; Weight Watchers International, Inc.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
John F. Cozzi	Chairman	50	Male	9	Outside
James D. Fowler	Member	67	Male	18	Outside Related
John Yena	Member	71	Male	6	Outside
Samuel L. Odle	Member	62	Male	6	Outside