

ITT Corporation Non-GAAP Reconciliation
Reported vs. Organic Revenue / Orders Growth
First Quarter 2007 & 2006

(\$ Millions)

	(As Reported - GAAP)				(As Adjusted - Organic)						
	Sales & Revenues 3M 2007	Sales & Revenues 3M 2006	Change 2007 vs. 2006	% Change 2007 vs. 2006	Sales & Revenues 3M 2007	Acquisition Contribution 3M 2007	FX Contribution 3M 2007	Adj. Sales & Revenues 3M 2007	Sales & Revenues 3M 2006	Change Adj. 07 vs. 06	% Change Adj. 07 vs. 06
ITT Corporation - Consolidated	2,070.3	1,791.5	278.8	15.6%	2,070.3	(15.2)	(39.1)	2,016.0	1,791.5	224.5	12.5%
Defense Electronics & Services	969.4	831.1	138.3	16.6%	969.4	(0.8)	(0.1)	968.5	831.1	137.4	16.5%
ACD - Tactical Radios	181.4	184.1	(2.7)	-1.5%	181.4	(0.8)	0.0	180.6	184.1	(3.5)	-1.9%
Space Systems	141.6	134.6	7.0	5.2%	141.6	0.0	(0.1)	141.5	134.6	6.9	5.1%
Advanced Engineering & Sciences	105.0	78.7	26.3	33.4%	105.0	0.0	0.0	105.0	78.7	26.3	33.4%
Electronic Systems	106.0	79.6	26.4	33.2%	106.0	0.0	0.0	106.0	79.6	26.4	33.2%
Night Vision Systems	121.1	77.1	44.0	57.1%	121.1	0.0	0.0	121.1	77.1	44.0	57.1%
Systems	317.1	278.0	39.1	14.1%	317.1	0.0	0.0	317.1	278.0	39.1	14.1%
Fluid Technology	786.0	685.7	100.3	14.6%	786.0	(13.8)	(24.4)	747.8	685.7	62.1	9.1%
Industrial & BioPharm	162.1	146.9	15.2	10.3%	162.1	0.0	(1.0)	161.1	146.9	14.2	9.7%
Wastewater	306.1	246.3	59.8	24.3%	306.1	0.0	(15.1)	291.0	246.3	44.7	18.1%
Advanced Water Treatment	61.1	52.2	8.9	17.0%	61.1	(13.3)	(2.6)	45.2	52.2	(7.0)	-13.4%
Residential and Commercial Water Group	266.2	246.8	19.4	7.9%	266.2	(0.5)	(6.2)	259.5	246.8	12.7	5.1%
Motion & Flow Control	318.2	278.2	40.0	14.4%	318.2	(0.6)	(14.6)	303.0	278.2	24.8	8.9%
Aerospace Controls	23.5	21.4	2.1	9.8%	23.5	(0.6)	0.0	22.9	21.4	1.5	7.0%
Marine & Leisure	62.6	58.1	4.5	7.7%	62.6	0.0	(2.5)	60.1	58.1	2.0	3.4%
Friction Materials	103.2	87.0	16.2	18.6%	103.2	0.0	(7.8)	95.4	87.0	8.4	9.7%
KONI	25.0	21.8	3.2	14.7%	25.0	0.0	(1.5)	23.5	21.8	1.7	7.8%
Connectors	104.0	89.9	14.1	15.7%	104.0	0.0	(2.8)	101.2	89.9	11.3	12.6%
	Orders 3M 2007	Orders 3M 2006	Change 2007 vs. 2006	% Change 2007 vs. 2006	Orders 3M 2007	Acquisition Contribution 3M 2007	FX Contribution 3M 2007	Adj. Orders 3M 2007	Orders 3M 2006	Change Adj. 07 vs. 06	% Change Adj. 07 vs. 06
Defense Electronics & Services	803.3	1,213.6	(410.3)	-34%	803.3	(0.8)	(0.1)	802.4	1,213.6	(411.2)	-33.9%
Fluid Technology	881.8	762.3	119.5	16%	881.8	(9.3)	(27.7)	844.8	762.3	82.5	10.8%
Motion & Flow Control	328.1	295.5	32.6	11%	328.1	(0.9)	(15.4)	311.8	295.5	16.3	5.5%

Note: Excludes intercompany eliminations.

ITT Corporation Non-GAAP Reconciliation
Segment Operating Income & OI Margin Adjusted for Restructuring
First Quarter of 2007 & 2006

(\$ Millions)

	Q1 2007	Q1 2006	%	Q1 2007	Adjust for 2007	Q1 2007	Q1 2006	Adjust for 2006	Q1 2006	%
	<u>As Reported</u>	<u>As Reported</u>	<u>Change 07 vs. 06</u>	<u>As Reported</u>	<u>Restructuring</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>Restructuring</u>	<u>As Adjusted</u>	<u>Change Adj. 07 vs. 06</u>
Sales and Revenues:										
Defense Electronics & Services	969.4	831.1		969.4		969.4	831.1		831.1	
Fluid Technology	786.0	685.7		786.0		786.0	685.7		685.7	
Motion & Flow Control	318.2	278.2		318.2		318.2	278.2		278.2	
Intersegment eliminations	(3.3)	(3.5)		(3.3)		(3.3)	(3.5)		(3.5)	
Total Sales and Revenues	<u>2,070.3</u>	<u>1,791.5</u>		<u>2,070.3</u>		<u>2,070.3</u>	<u>1,791.5</u>		<u>1,791.5</u>	
Operating Margin:										
Defense Electronics & Services	11.4%	11.5%		11.4%		11.6%	11.5%		11.8%	(20) BP
Fluid Technology	11.1%	9.2%		11.1%		11.5%	9.2%		9.8%	170 BP
Motion & Flow Control	16.0%	13.5%		16.0%		16.3%	13.5%		15.6%	70 BP
Total Ongoing Segments	12.0%	11.0%		12.0%		12.3%	11.0%		11.6%	70 BP
Income:										
Defense Electronics & Services	110.4	95.8	15.2%	110.4	2.1	112.5	95.8	2.0	97.8	15.0%
Fluid Technology	87.1	63.3	37.6%	87.1	3.5	90.6	63.3	4.0	67.3	34.6%
Motion & Flow Control	51.0	37.6	35.6%	51.0	0.8	51.8	37.6	5.8	43.4	19.4%
Total Segment Operating Income	<u>248.5</u>	<u>196.7</u>	<u>26.3%</u>	<u>248.5</u>	<u>6.4</u>	<u>254.9</u>	<u>196.7</u>	<u>11.8</u>	<u>208.5</u>	<u>22.3%</u>

**ITT Corporation Non-GAAP Reconciliation
Reported vs. Adjusted Continuing Operations EPS
First Quarter of 2007 & 2006**

(\$ Millions, except EPS and shares)

	Q1 2007 As Reported	Q1 2007 Adjustments	Q1 2007 As Adjusted	Q1 2006 As Reported	Q1 2006 Adjustments	Q1 2006 As Adjusted	Change 2007 vs. 2006 As Adjusted	Percent Change 2007 vs. 2006 As Adjusted
Segment Operating Income	248.5	6.4 #A	254.9	196.7	11.8 #D	208.5		
Interest Income (Expense)	(15.6)	-	(15.6)	(16.2)	-	(16.2)		
Other Income (Expense)	(3.9)	-	(3.9)	(5.2)	-	(5.2)		
Corporate (Expense)	(31.0)	-	(31.0)	(27.5)	0.1 #D	(27.4)		
Income from Continuing Operations before Tax	198.0	6.4	204.4	147.8	11.9	159.7		
Income Tax Items	1.4	(1.4) #B	-		0.5 #E	0.5		
Income Tax Expense	(62.6)	(2.0) #C	(64.6)	(44.9)	(3.6) #F	(48.5)		
Total Tax Expense	(61.2)	(3.4)	(64.6)	(44.9)	(3.1)	(48.0)		
Income from Continuing Operations	136.8	3.0	139.8	102.9	8.8	111.7		
Diluted EPS from Continuing Operations	0.74	0.02	0.76	0.55	0.04	0.59	\$0.17	28.8%

#A - Remove Restructuring Expense of \$6.4M.

#B - Remove Tax Benefit of (\$1.4M).

#C - Remove Tax Benefit on Special Items of (\$2.0M).

#D - Remove Restructuring Expense of \$11.8M & \$0.1M.

#E - Remove Tax Charges \$0.5M.

#F - Remove Tax Benefit on Special Items of (\$3.6M).

**ITT Corporation Non-GAAP Reconciliation
Cash From Operating Activities vs. Free Cash Flow
First Quarter of 2007 & 2006**

(\$ Millions)

	<u>1st Qtr.07</u>	<u>1st Qtr.06</u>
Cash from Operations	(0.7)	(51.0)
Capital Expenditures	(28.1)	(28.4)
Pension Pre-funding, net of tax	<u>50.0</u>	<u>100.0</u>
Free Cash Flow	<u>21.2</u>	<u>20.6</u>