



ITT

**Citigroup's 20th Annual
Global Industrial Manufacturing
Conference**

**Steve Loranger
Chairman, President & CEO**

March 6, 2007

Engineered for life

Forward Looking Statements

“Safe Harbor Statement” under the Private Securities Litigation Reform Act of 1995 (“the Act”):

Certain material presented herein includes forward-looking statements intended to qualify for the safe harbor from liability established by the Act. These forward-looking statements include statements that describe the Company’s business strategy, outlook, objectives, plans, intentions or goals, and any discussion of future operating or financial performance. Whenever used words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "target" and other terms of similar meaning are intended to identify such forward-looking statements. Forward-looking statements are uncertain and to some extent unpredictable, and involve known and unknown risks, uncertainties and other important factors that could cause actual results to differ materially from those expressed in, or implied from, such forward-looking statements. Factors that could cause results to differ materially from those anticipated by the Company include general global economic conditions, decline in consumer spending, interest and foreign currency exchange rate fluctuations, availability of commodities, supplies and raw materials, competition, acquisitions or divestitures, changes in government defense budgets, employment and pension matters, contingencies related to actual or alleged environmental contamination, claims and concerns, intellectual property matters, personal injury claims, governmental investigations, tax obligations, and changes in generally accepted accounting principles. Other factors are more thoroughly set forth in Item 1. Business, Item 1A. Risk Factors and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements in the ITT Industries, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and other of its filings with the Securities and Exchange Commission. The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

ITT Corporation - Today

FLUID TECHNOLOGY



World's largest supplier of pumps and systems to transport and control water and other fluids

DEFENSE ELECTRONICS & SERVICES



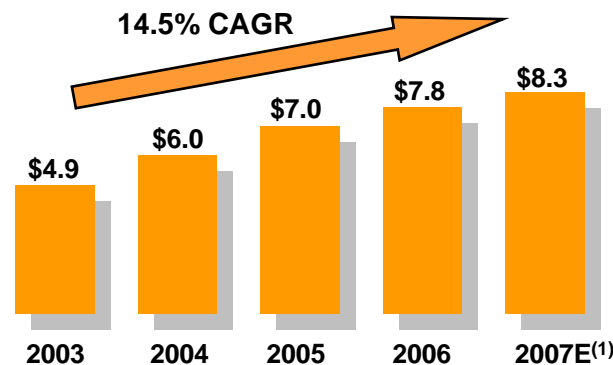
Supplier of military defense systems and advanced technical and operational services

MOTION & FLOW CONTROL



Component producer for the transportation, marine, construction and aerospace markets

CONSOLIDATED REVENUE (\$B)



(1) Represents the mid-point of full-year guidance

Organic Growth Driven by Leading Positions in Attractive Markets

ITT Management System

Vision

To be a premier multi-industry company known for its management talent, market leadership and operational excellence.

We create value for our shareholders through a growth-oriented, global portfolio of businesses that are leaders in their individual markets.

Values

Honesty - Integrity - Quality - Citizenship - Respect
Fairness - Accountability - Diversity - Inclusion

Integrated Strategic Processes

Growth

- Value-Based Management
- Value-Based Product Development
- Strategic Agenda Planning

Resource Optimization

- Premier Resource Management
- Portfolio Management/ Capital Allocation
- Structural Alignment

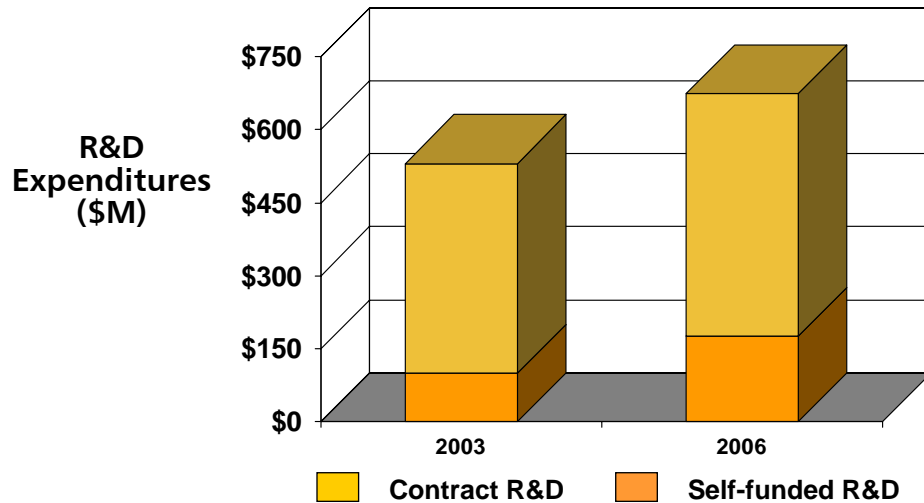
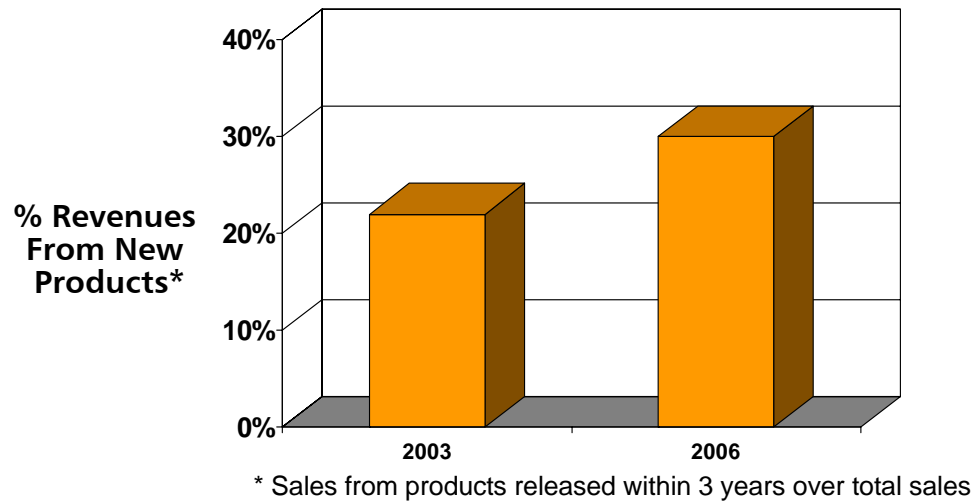
Operational Excellence

- Value-Based Six Sigma/ Lean
- Value-Based Goal Deployment
- Acquisition Integration

Leadership

- Value-Based Leadership Development
- Partnership for Performance
- Functional Excellence

Innovation Drives Sustainable Competitive Advantage



N Pump



New Generation Dewatering Pumps



VSX Pump – with ProSmart Monitoring Equipment



Enhanced Night Vision Goggles



Subminiature Connector



Next Generation Air Traffic Control Radios



FSD Shock Absorber

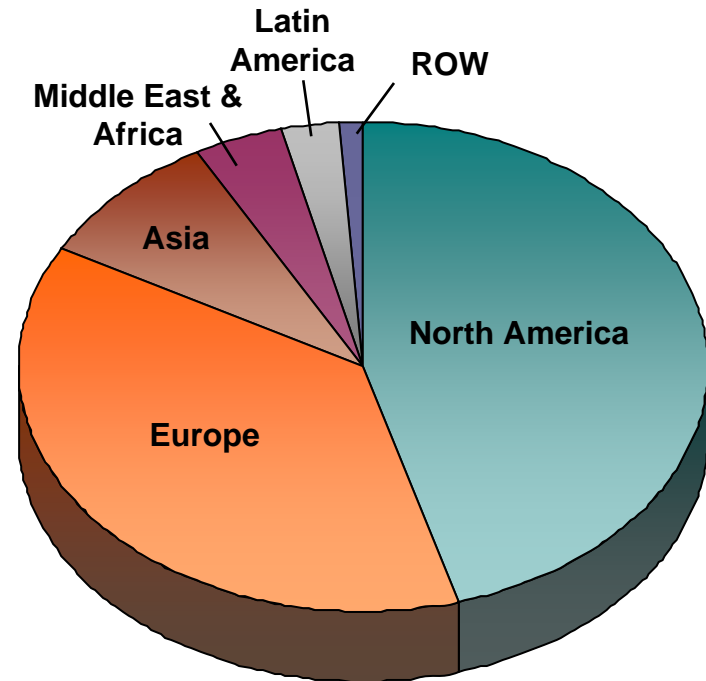
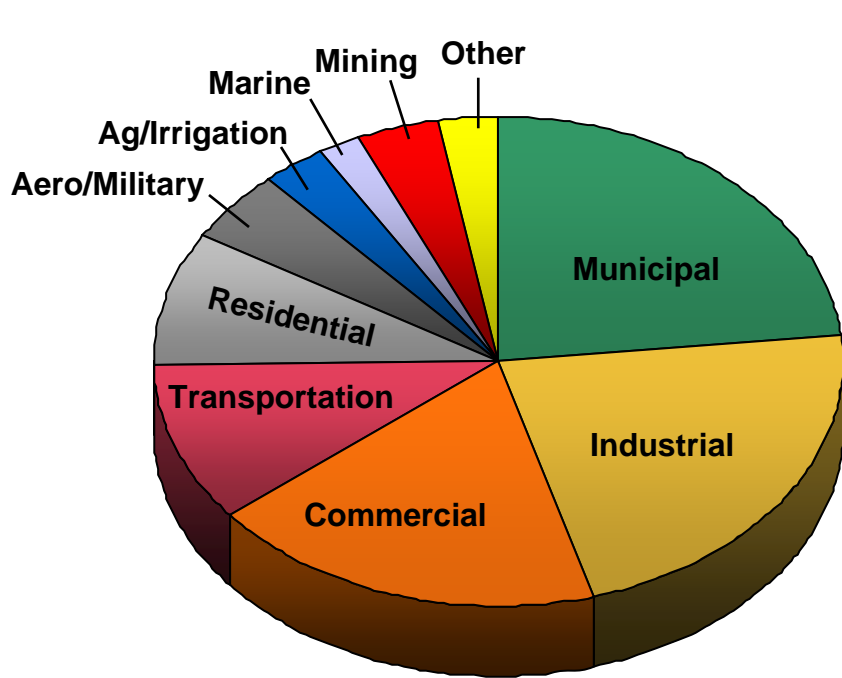


Highly Engineered Products Drive Organic Growth

Commercial Businesses – Diversification

REVENUE – END MARKETS

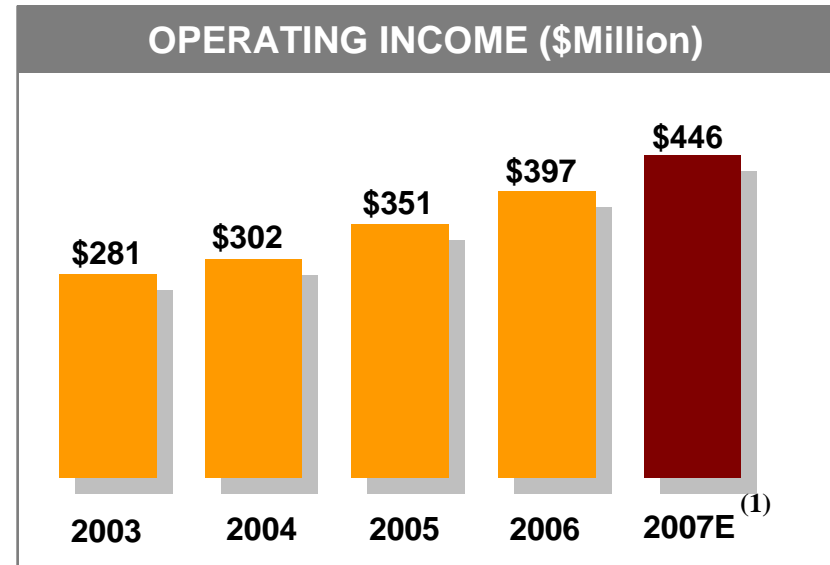
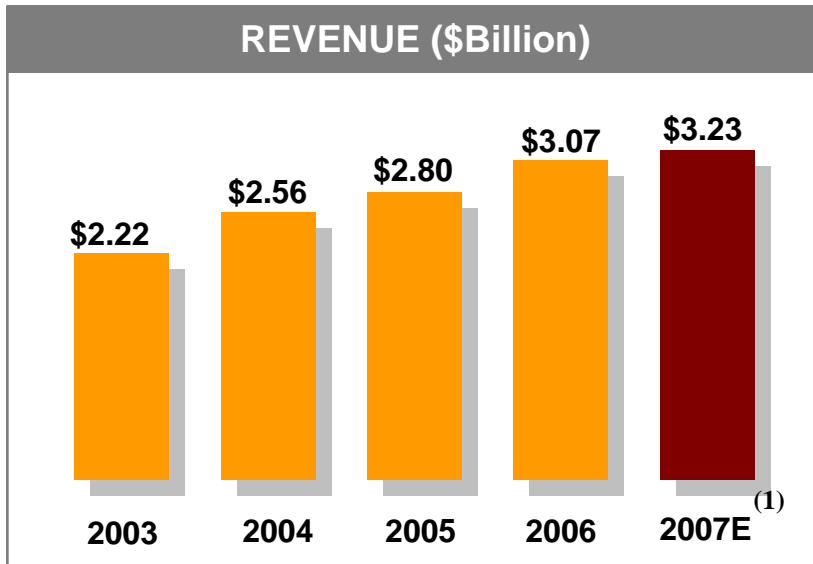
REVENUE – REGIONS



Commercial businesses include the Fluid Technology and Motion & Flow Segments

Portfolio is Designed to Produce Consistent and Predictable Results

Fluid Technology



(1) Represents the mid-point of full-year guidance

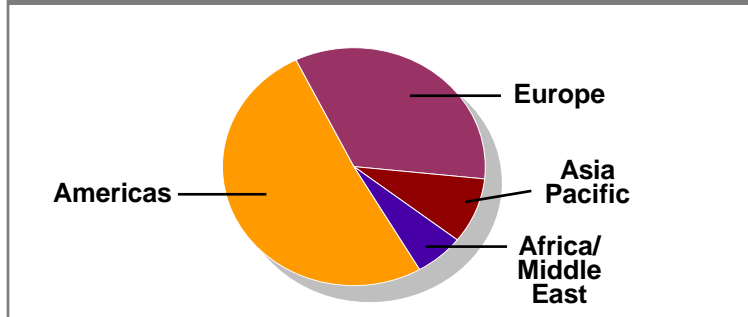
- REVENUE DRIVERS**
- Brand strength; geographic breadth; strong distribution channels
 - New product innovation
 - Market adjacencies:
 - De-watering/sludge
 - Monitoring, control & testing

- MARGIN DRIVERS**
- Volume increases
 - Productivity enhancements:
 - Low-cost manufacturing transition
 - Significant global sourcing benefits
 - Six Sigma/Lean progress continues

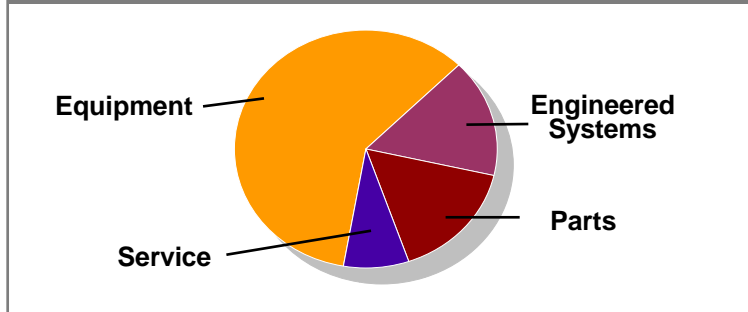
Growth Drivers Expected to Take Decades to Play Out

Fluid Technology – Diversified Along Many Lines

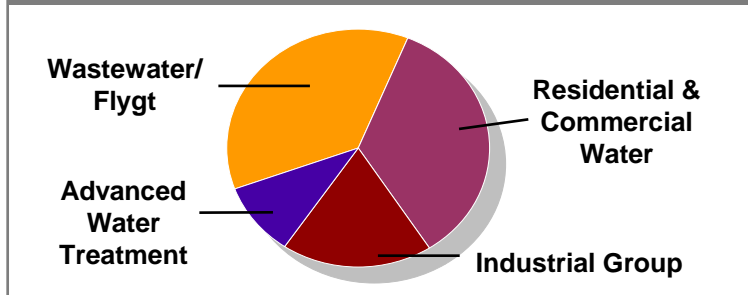
REVENUE – REGION



REVENUE – PRODUCT



REVENUE – VALUE CENTERS



- Multi-national coverage
- Branded leadership positions
- Focusing on growth in Asia
- Product diversification focused at the high-end of the market
- Shared research and development, technology and production expertise
- Diverse end-market customer base
- Fragmented customer base adds to attractiveness of the business

Motion & Flow Control

■ Group of Attractive Businesses

- Strong financial performance
- Products designed for “premium” market
- High aftermarket exposure
- Strong brand recognition

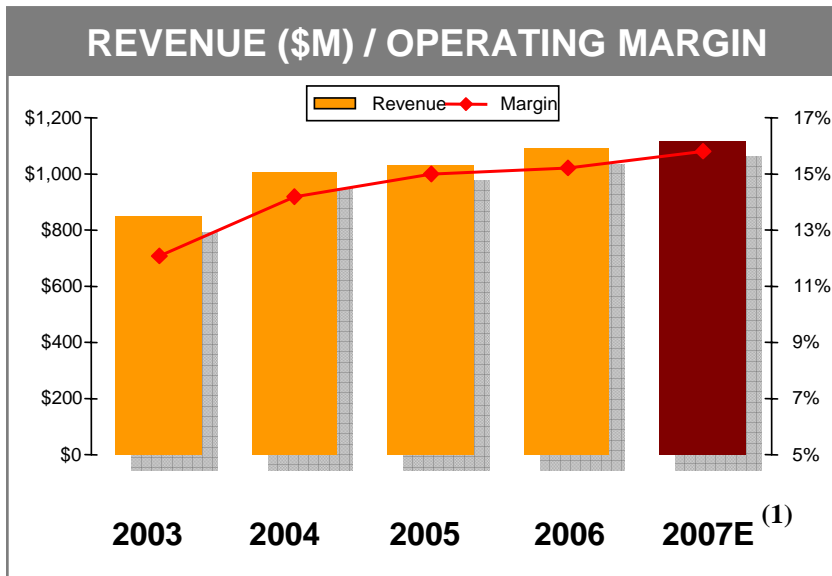
■ Core Capabilities

- Product innovation
- Global distribution channels
- Outstanding customer relationships
- Operating excellence

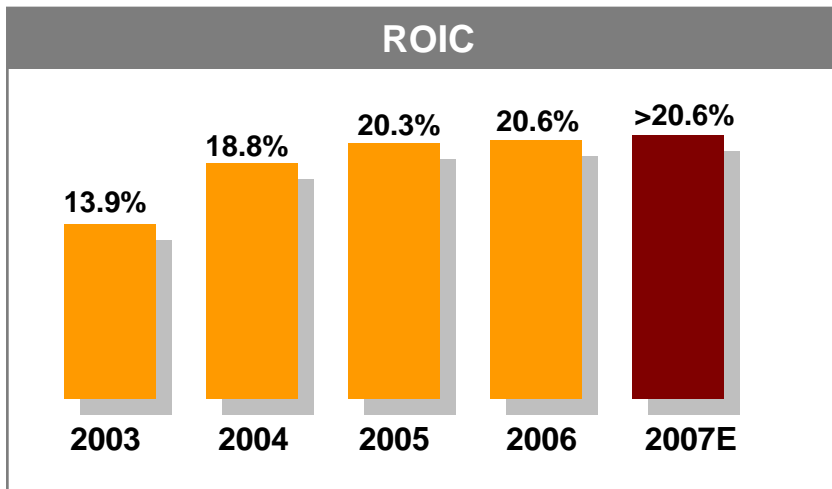


Attractive Technologies Delivering Continued Value Creation

Motion & Flow Control – Strong Financial Performance



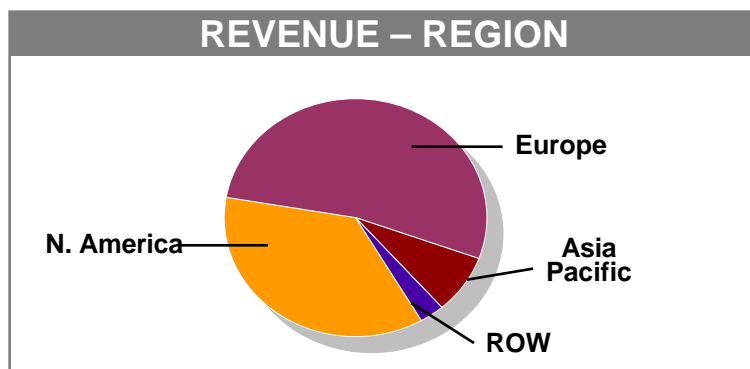
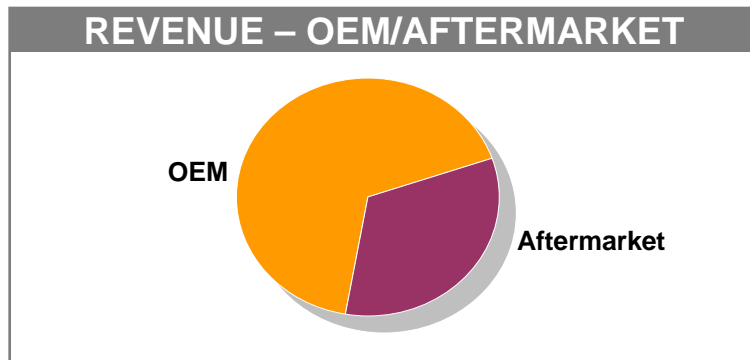
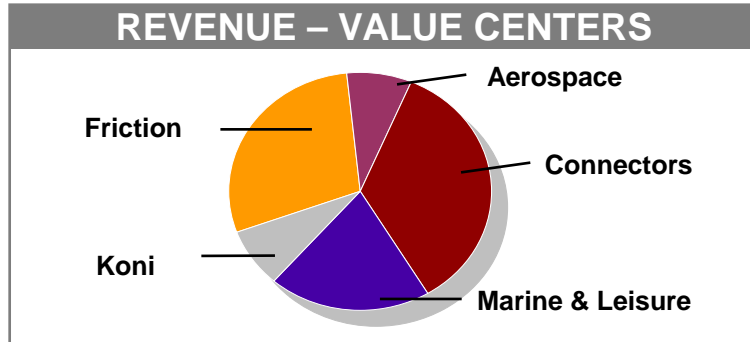
(1) Represents the mid-point of full-year guidance



- **Consistent organic revenue growth through share gains and new product introductions**
- **Continual operating margin expansion driven by lean operations and strategic sourcing**

- **Strong return on invested capital in businesses which are capital intensive**
- **Common manufacturing facilities to improve return**

Motion & Flow Control – Diversified Along Many Lines



- **Wide array of end-market exposure**
- **Products serve high-end of their respective markets**
- **Balance between OEM and aftermarket adds to consistency**
- **Portfolio has traditionally favored North American and Western Europe**
- **Asia represents compelling growth opportunity**

Unique Combination Creates Platform for Sustained Growth

ITT Defense Electronics & Services - Capabilities

Communications



Tactical Networking,
Communications &
Security

Air Traffic Control
Communications
Electronics

Spectrum Management

Total Communications
Support Services

Information Technology

Command & Control
Systems

Sensing & Surveillance

Night Vision Systems

Image Intensified
Cameras & Tubes

Electronic Warfare
Systems

Air Defense

Radars

Bio-Chemical Detection

Remote Sensing

Space



Navigational Payloads

Meteorological Sensors

Remote Sensing

Imaging Systems

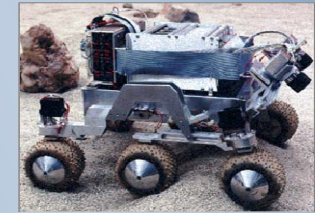
Space Science Systems

Intelligence,
Surveillance &
Reconnaissance

GPS systems

Space Launch Support

Advanced Engineering & Integrated Services



Operations &
Maintenance

Advanced Engineering
& Integration

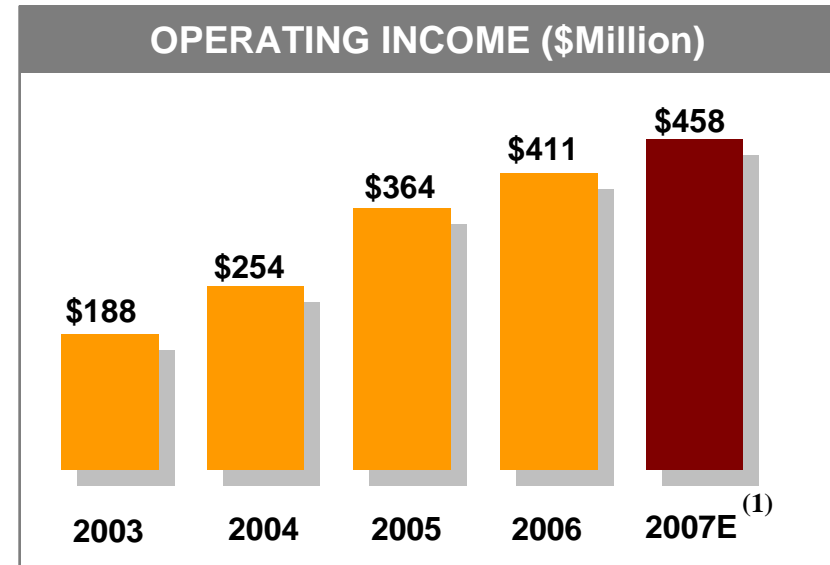
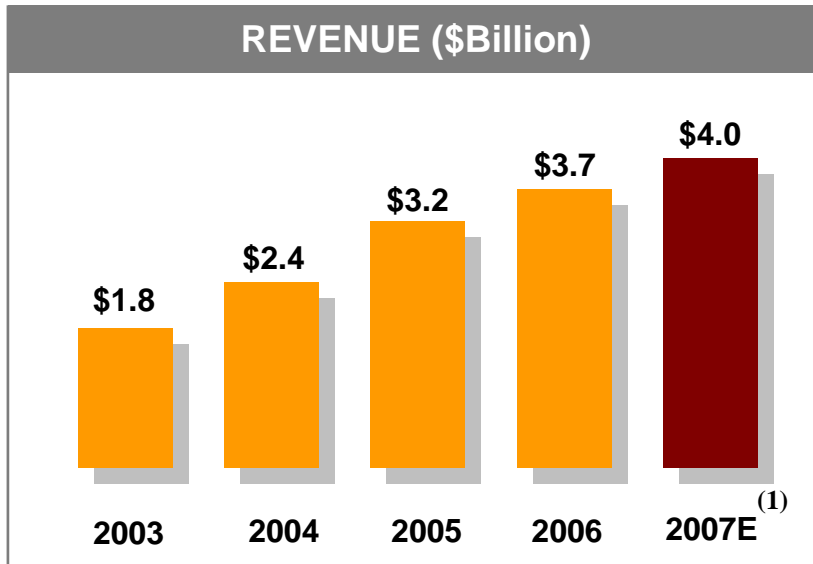
Weapon & Bio-
Chemical Defense

Homeland Security

Facility Infrastructure

Power Solutions

Defense Electronics & Services



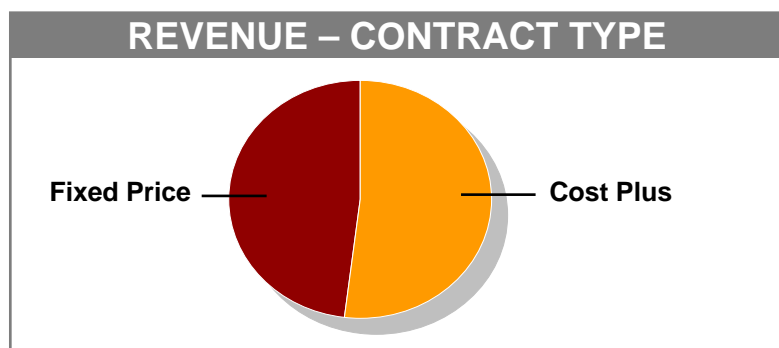
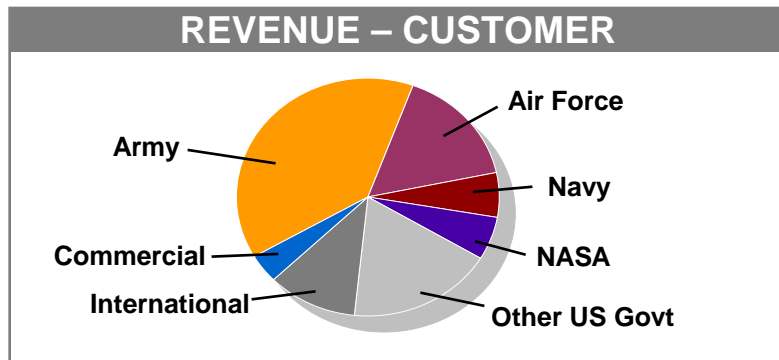
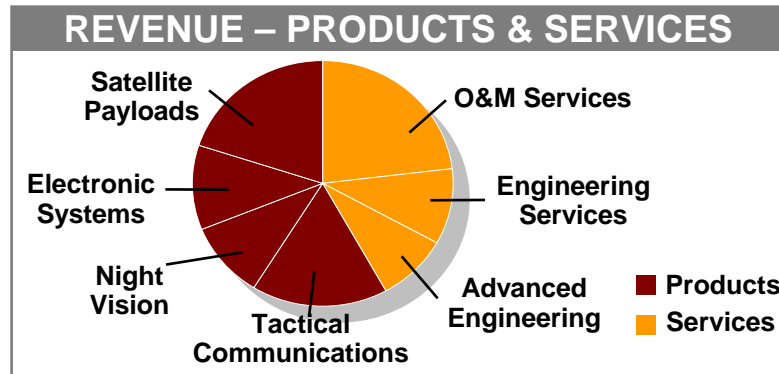
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LONG-TERM VIEW

- Revenue growth 8% – 10% over the planning horizon
 - Desirable positions in sensing & surveillance, battlefield electronics and advanced engineering
 - Strong backlog provides great visibility
 - Well positioned to benefit from continuation of outsourcing trend
 - Innovating for next generation products & services

Diverse Portfolio at Center of DoD Priorities

Defense Electronics & Services Diversification



- Balance of products and services supports the DoD's mission
- Strong legacy positions throughout portfolio provide leverage for the future
- Opportunities to further expand diversification in customer base
 - Non-DoD and international sales poised to grow
- Stable margins
- High return on invested capital

Portfolio Provides a Platform for Continued Growth

Defense Electronics & Services – Divisional Breakdown

2006 Revenue (\$M)

Aerospace Communications Division	\$758	31% of revenue was unrelated to domestic SINGARS radio sales
Space Systems	\$627	Unit is well-positioned to use core competencies to expand into adjacent markets
Night Vision	\$420	Enhanced Night Vision Goggles production begins during 2007
Advanced Engineering & Sciences	\$327	Orders grew 32% during 2006
Systems	\$1,164	2006 year-end backlog in excess of \$1B
Electronic Systems	\$372	Development of modular EW equipment positions division for accelerating growth

Summary

- **Integrated Value-Based Management System**
- **Intense Focus on Innovation**
- **Diversification Among and Within Business Segments**
- **Strong Organic Revenue Growth Coupled with Operational Excellence Provides High-Level of Confidence in 2007 Targets*:**
 - **Revenue growth - 7%**
 - **Segment Operating Income growth - 11%**
 - **EPS Growth - 17%**

* Represents midpoints of 2007 guidance ranges
Segment OI and EPS are adjusted for special items



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