



ITT

Engineered for life

JPMorgan - Basics and Industrials Conference

June 3, 2008

Denise Ramos

Senior Vice President & Chief Financial Officer

Safe Harbor



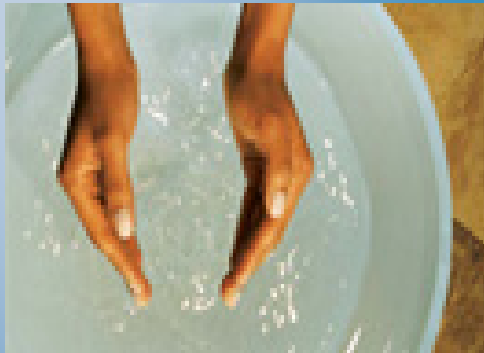
“Safe Harbor Statement” under the Private Securities Litigation Reform Act of 1995 (“the Act”):

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 Corporation, Annual Report on Form 10-K for the fiscal year ended December 31, 2007, 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 - Capabilities



FLUID TECHNOLOGY



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



Population, Environment, Global Infrastructure

DEFENSE ELECTRONICS & SERVICES



Supplier of military defense systems and advanced technical and operational services

Macro Growth Drivers

Global Security, Asymmetric Threats

MOTION & FLOW CONTROL

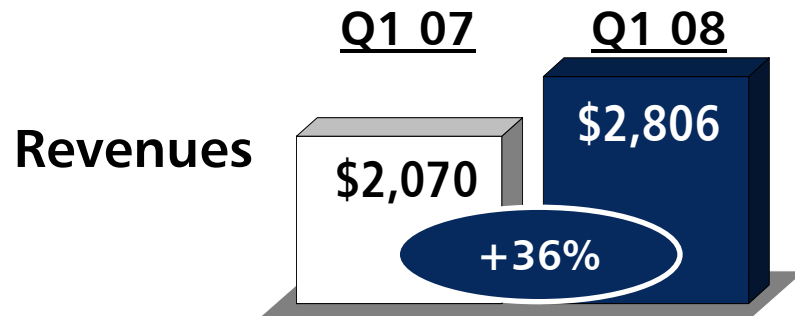


Manufacturer of highly-engineered critical components for aerospace, marine, industrial & transportation mkts

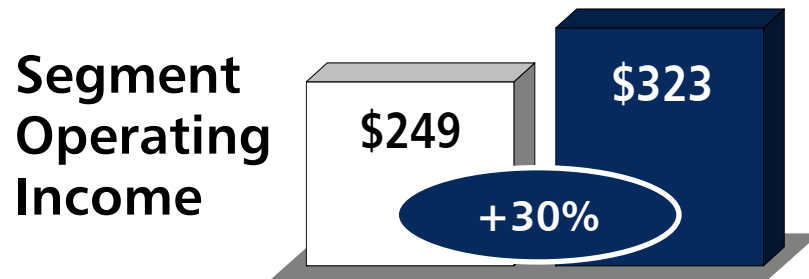


Population, Global Infrastructure

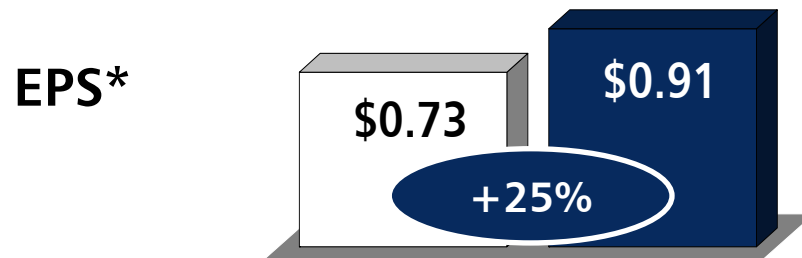
ITT Q1 2008 Business Results



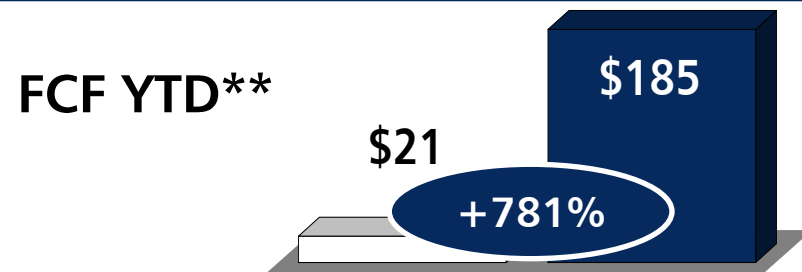
- +9% Organic Growth
 - Defense +13%
 - International sales drive Fluid +6% and Motion & Flow +7%



- Acquisitions Over-delivering
- Segment Operating Margin Down 50 bps
 - Favorable productivity and pension offset by acquisitions and FX



- Top-line Growth, Productivity Improvements, and Acquisition Performance



- Record Q1 Free Cash Flow Generation

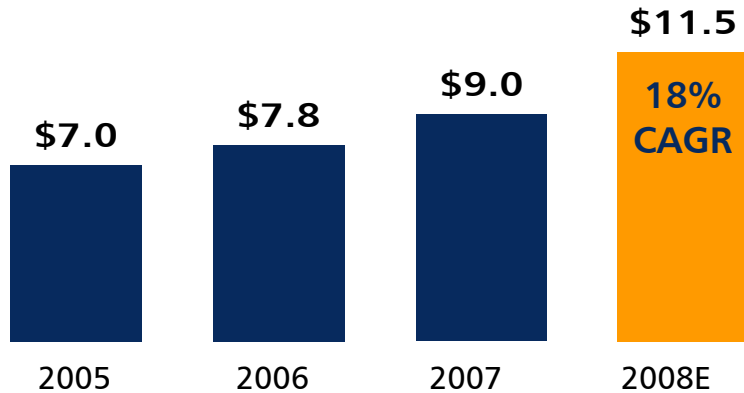
* EPS excludes net benefit of tax settlement/other.

** Free Cash Flow = Cash from operations (before discretionary pension contributions in '07 net of tax) less capital expenditures. For non-GAAP reconciliations, refer to appendix.

ITT Corporation - Today



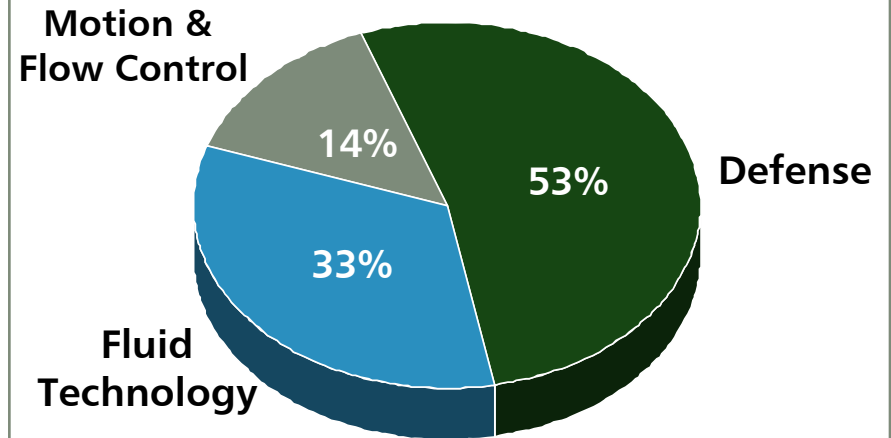
CONSOLIDATED REVENUES (\$B)



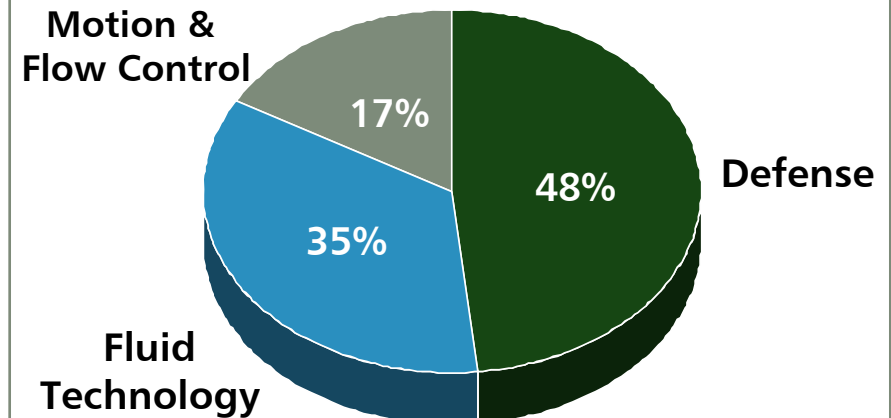
EARNINGS PER SHARE



2008E REVENUES BY SEGMENT



2008E OPERATING INCOME BY SEGMENT

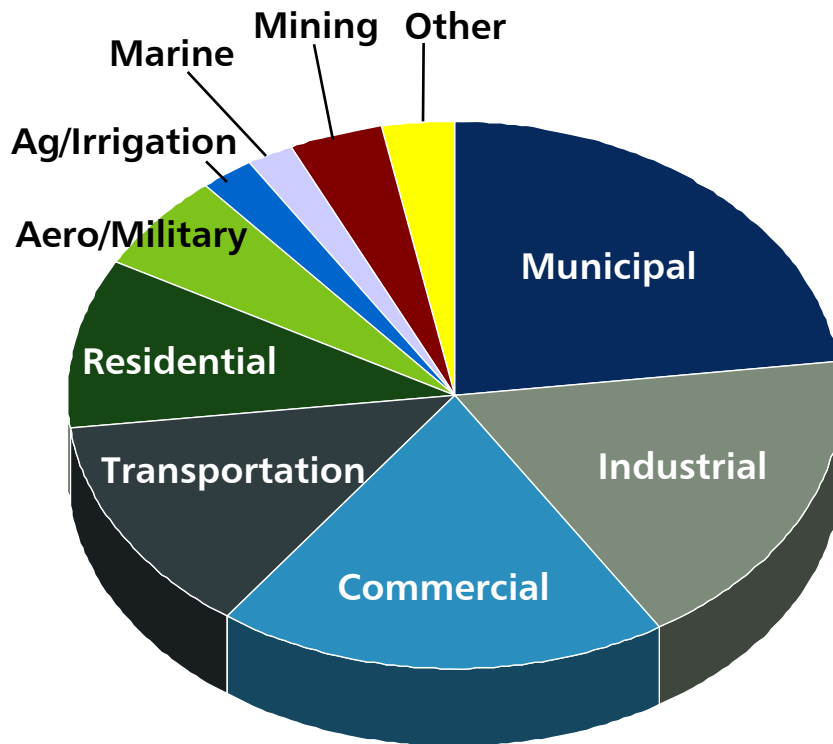


Note: 2008E Revenues, EPS and Segment Operating Income represent the midpoints of the guidance ranges. For non-GAAP reconciliations, refer to appendix.

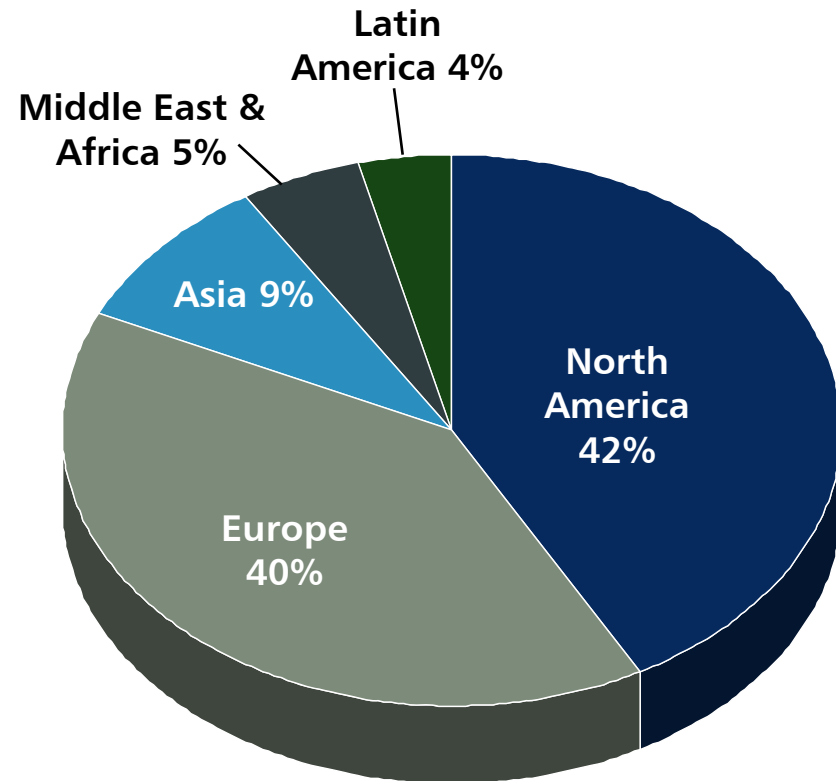
Commercial* Diversification



MARKETS



GEOGRAPHIES



Strong Market and Geographic Diversification

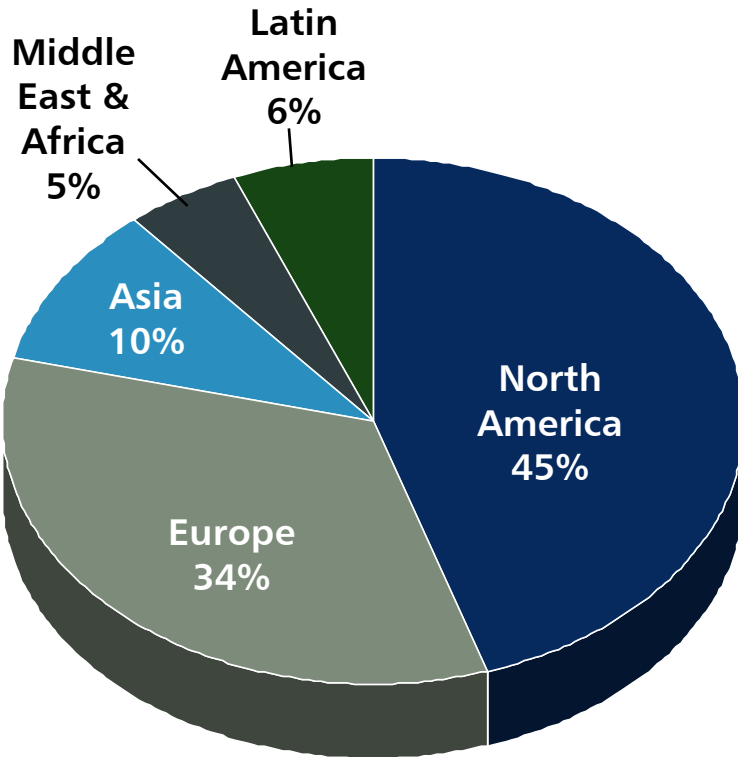


* Commercial consists of Fluid Technology and Motion & Flow Control.

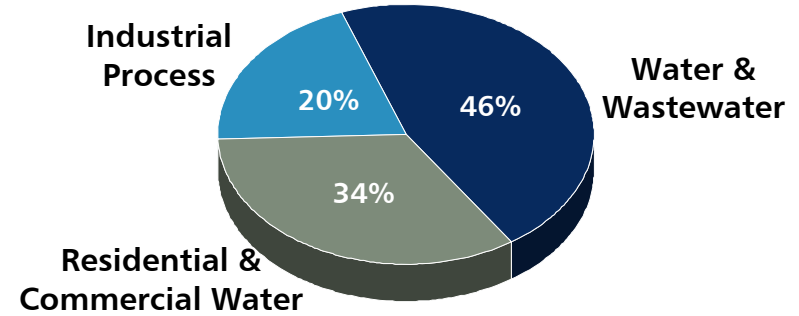
Fluid Diversification



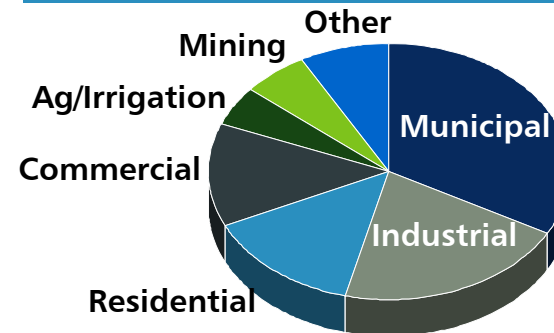
GEOGRAPHIES



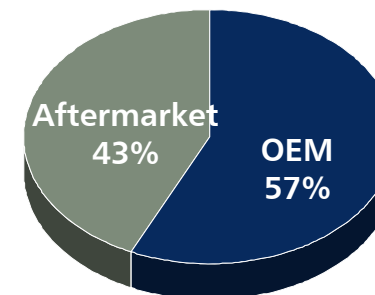
VALUE CENTERS



MARKET



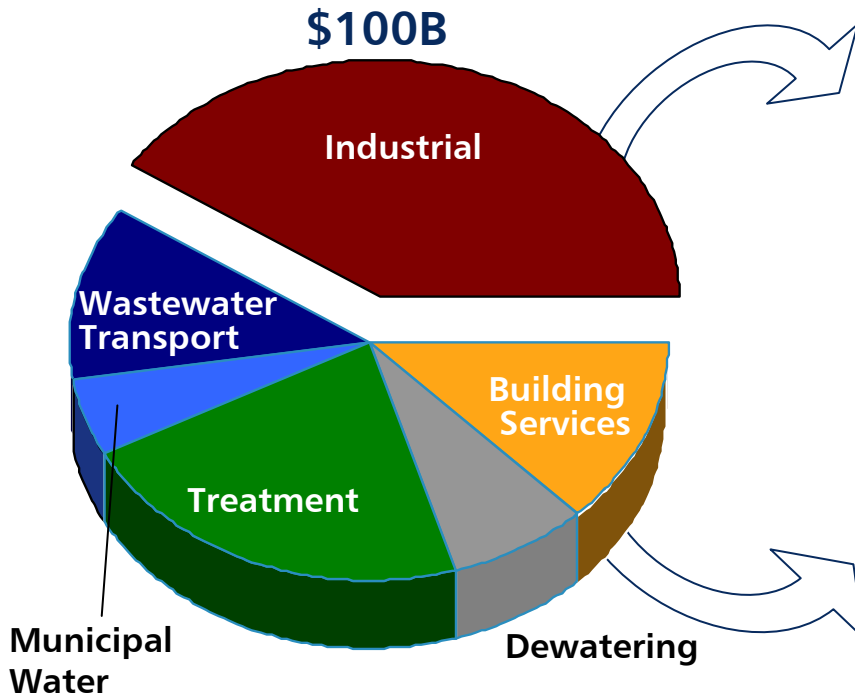
AFTERMARKET/OEM



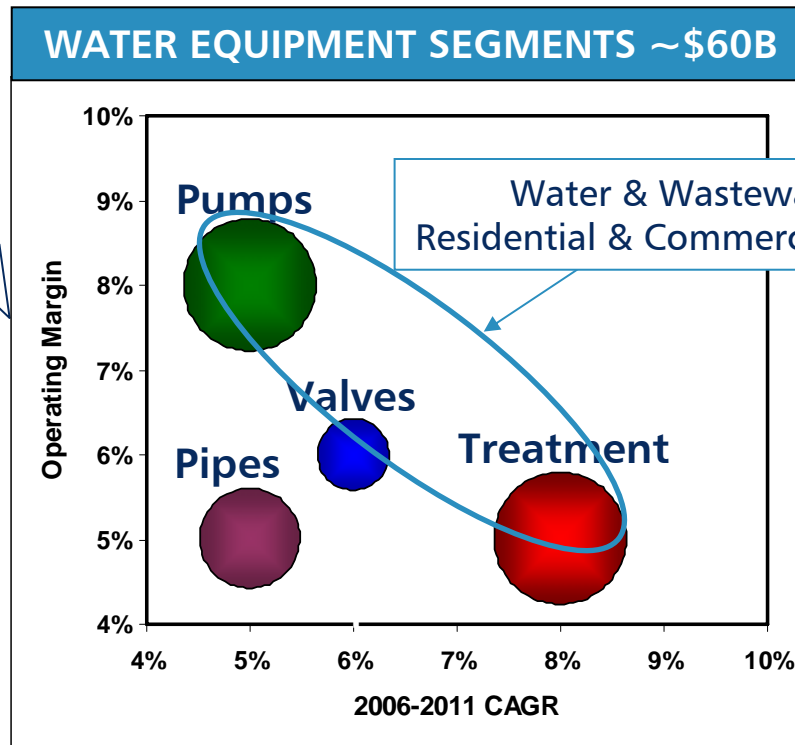
	#1 Global		#1 in N. America
	#1 Global		#2 in N. America
	#2 Global		



Fluid's Global Markets*



INDUSTRIAL PROCESS ~\$40B	
Oil & Gas	Mining
Power	Chemical
General Industrial	Pulp & Paper



Value Centers Aligned with Market Growth Opportunities

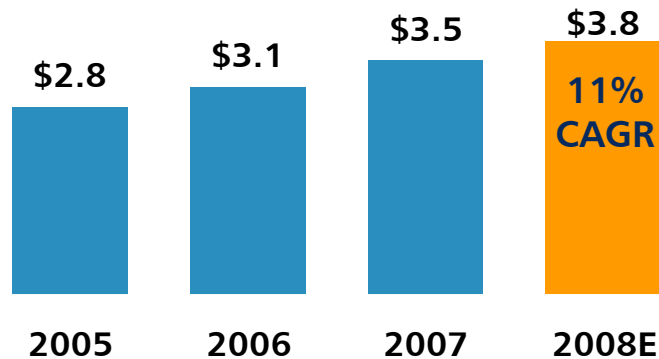


* Fluid's global markets include ~\$60B of water equipment and ~\$40B of industrial fluid equipment.

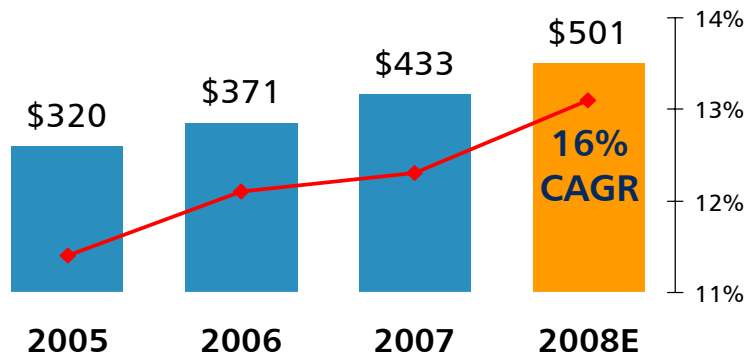
Fluid Performance



FLUID REVENUES (\$B)



OPERATING INCOME (\$M)/MARGIN



Market Strength

- 85% Revenue from Premium Brands
- Geographic & End-Market Breadth
- 70% Direct Distribution
- +14 Million Installed Base
- Innovation & Adjacencies
 - De-watering, Sludge, Monitoring, Energy Efficiency

Operating Performance

- Productivity Enhancements
- Global Manufacturing Transitions
 - China, India, Saudi Arabia & Poland
- Significant Global Sourcing Benefits
- Lean Six Sigma

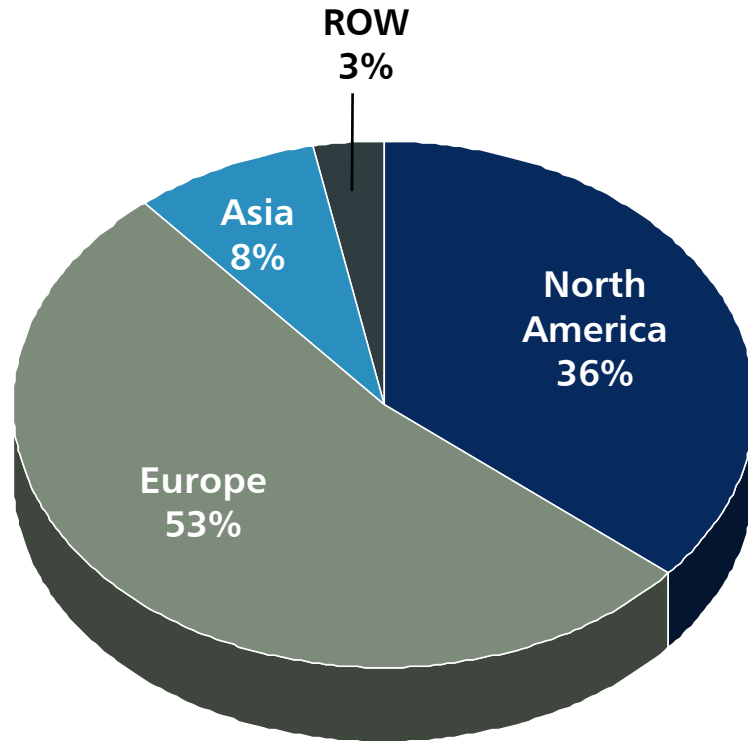


Note: 2008E Revenues and Segment Operating Income/Margin represent the midpoints of the guidance ranges.

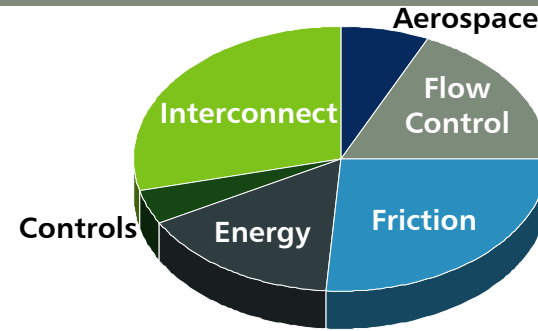
Motion & Flow Diversification



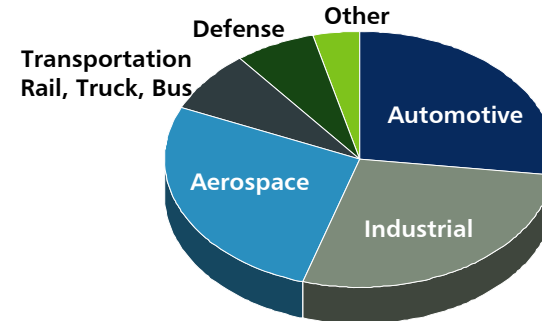
GEOGRAPHIES



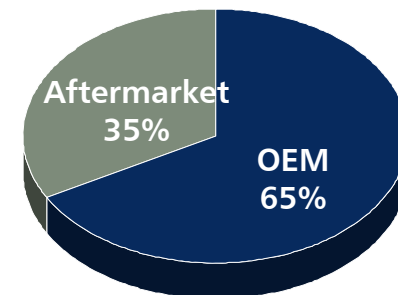
VALUE CENTERS



MARKET



AFTERMARKET/OEM



ENIDINE

KONI



Global Brands



JABSCO

ITT

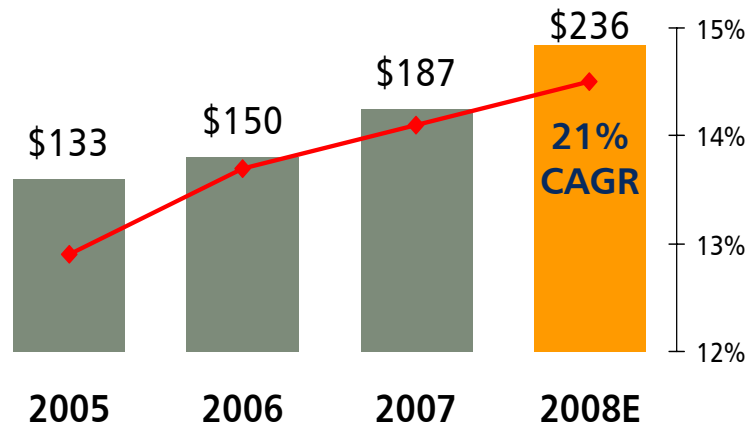
Motion & Flow Performance



MOTION & FLOW REVENUES (\$B)



OPERATING INCOME (\$M)/MARGIN



Market Strength

- Share Gains Across Portfolio
- IMC Acquisition On-Track
- Diverse Customer Base
- Attractive End Markets
- New Aerospace Product Offerings

Operating Performance

- Common Manufacturing Facilities
- Low Cost Manufacturing Transition
 - China, Mexico, Czech Republic
- Global Sourcing Benefits
- High ROIC Businesses



Note: 2008E Revenues and Segment Operating Income/Margin represent the midpoints of the guidance ranges.

Commercial Developments



Fluid Technology

Industrial Process

- Emerging market wins
- Saudi facility
- i-Frame pump



Water & Wastewater

- Leopold desalination projects
- Dewatering - Brazil and South Africa

Residential & Commercial Water

- Strong ag/irrigation market



Motion & Flow Control

Friction

- Market share gains
- Expanding low cost production

Aerospace

- New product opportunities

Interconnect Solutions

- Significant Q1 wins
- Connectors used by EDO

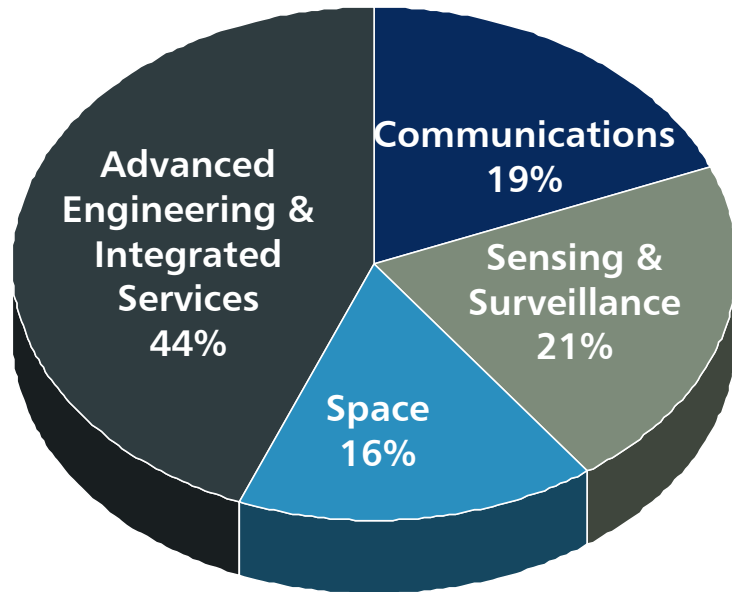


Positioned for Future Growth

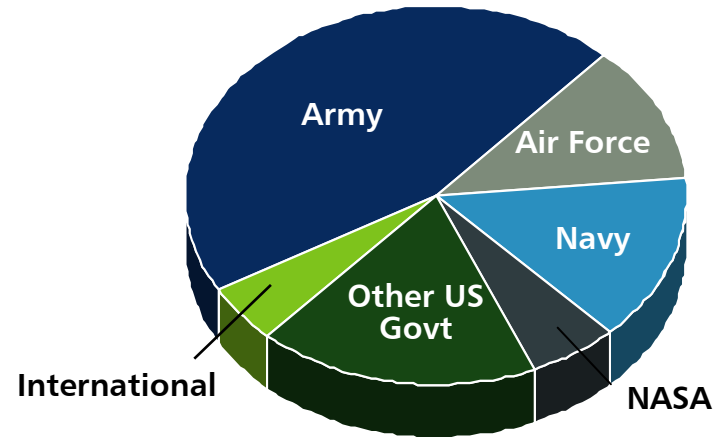
Defense Diversification



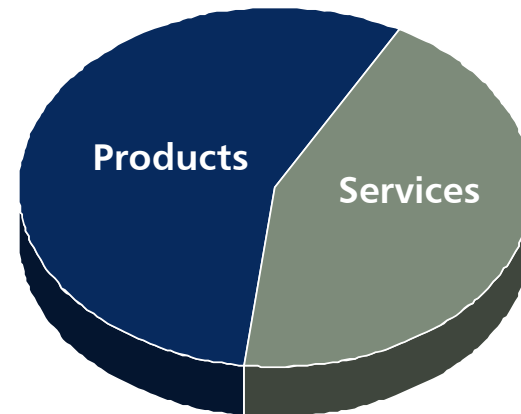
DEFENSE CAPABILITIES



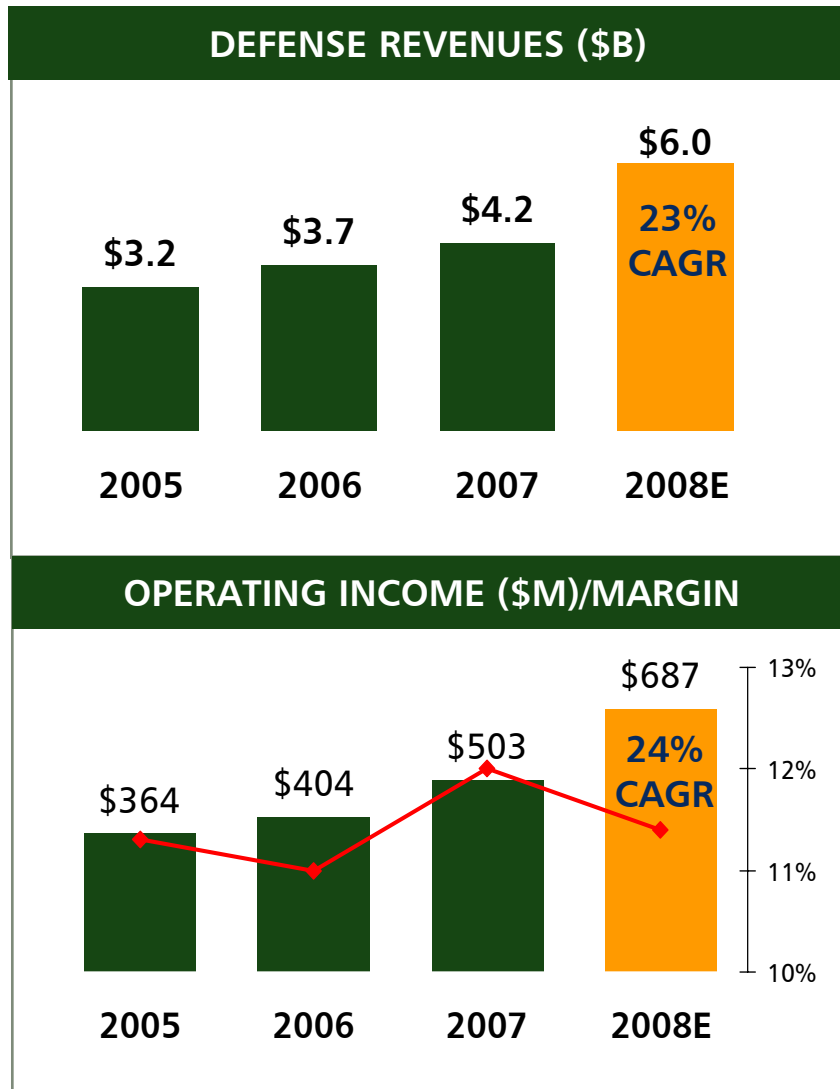
DEFENSE CUSTOMER



DEFENSE MIX



Defense Performance



Market Strength

- Strong Backlog Provides Visibility
- EDO Acquisition On-Track
 - Provides Early Life-Cycle Products
 - Improves Customer Diversity
- Large Installed Base + Next Generation Development
- Well-Positioned to Benefit from Outsourcing Trend

Operating Performance

- Six Sigma/Lean Initiatives
- Balanced Cost Plus & Fixed Price Contracts
- Strong Cash Performance
- High ROIC Businesses



Note: 2008E Revenues and Segment Operating Income/Margin represent the midpoints of the guidance ranges.

Defense Developments/Awards



Communications Systems

- Strong International Pipeline (~\$4B)
 - Iraq – Delivered radios
 - Bulgaria – Actively pursuing opportunity
- Active Negotiations with JTRS Team



Night Vision

- \$175 Million Award - Demand Remains High
- Shipped NextGen NV Goggle - Sole Source



EDO

- Integration Ahead of Schedule
- CREW (Counter IED)
 - Producing to customer fielding schedule
 - 1,250+ units ordered in 2008



Services – LOGCAP Confirmed

ES – Strong Order Activity (Including International)

AES – Solid FAA ADS-B Performance

Space – GPS III Team Win



Balanced Capital Allocation



- **3-Year \$1B Share Buyback Program**
- **Dividend Increases**
 - ✓ Increased 25% in 2008 and 27% in 2007
- **Organic Growth Investments**
 - ✓ New facilities in China, India, Czech Republic, Saudi Arabia and Poland
 - ✓ 13%+ increase in R&D
- **Focused Strategic Acquisitions**
- **Strong Free Cash Flow Generation**

Strong Balance Sheet & Balanced Approach

Summary



- **2008 Forecast**
 - ✓ **27% Revenue Growth***
 - Mid Single Digit Organic
 - ✓ **23% EPS Growth***
 - ✓ **\$5B+ Defense Backlog**
 - ✓ **Q1 Excellent Start**
- **Investing in Organic Growth**
- **Acquisitions On-Track**
- **Benefits from Diversified Portfolio**

Delivering Long-Term Value



*Represents midpoint of the guidance range, excludes Special Items



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Questions & Answers