



ITT

ITT Corporation
2010 Guidance Call
December 18, 2009

Engineered for life



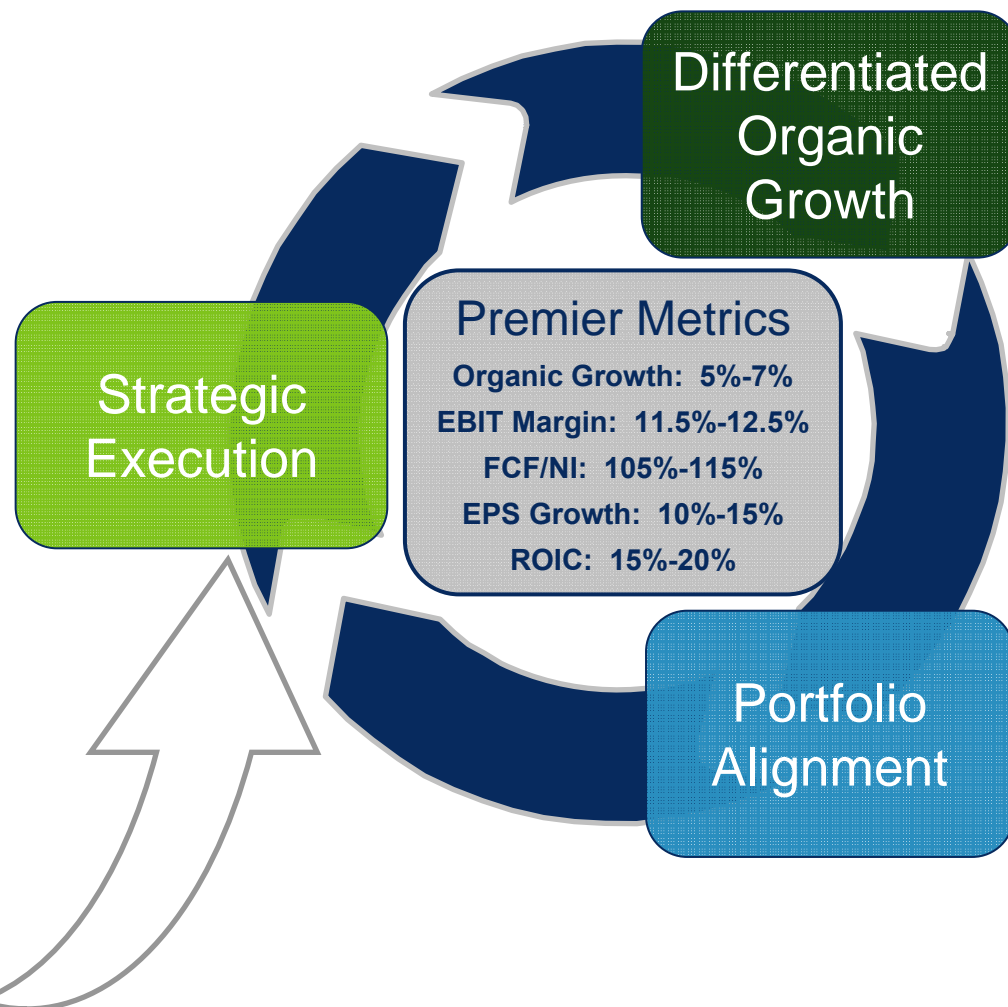
Safe Harbor

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 Private Securities Litigation Reform Act of 1995. 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 include:

- Economic, political and social conditions in the countries in which we conduct our businesses;
- Changes in government defense budgets;
- Decline in consumer spending;
- Sales and revenues mix and pricing levels;
- Availability of adequate labor, commodities, supplies and raw materials;
- Interest and foreign currency exchange rate fluctuations;
- Competition and industry capacity and production rates;
- Ability of third parties, including our commercial partners, counterparties, financial institutions and insurers, to comply with their commitments to us;
- Our ability to borrow or refinance our existing indebtedness and availability of liquidity sufficient to meet our needs;
- Acquisitions or divestitures;
- Personal injury claims;
- Uncertainties with respect to our estimation of asbestos liability exposure and related insurance recoveries;
- Our ability to effect restructuring and cost reduction programs and realize savings from such actions;
- Government regulations and compliance therewith;
- Changes in technology;
- Intellectual property matters;
- Governmental investigations;
- Potential future employee benefit plan contributions and other employment and pension matters;
- Contingencies related to actual or alleged environmental contamination, claims and concerns;
- Changes in generally accepted accounting principles;
- Other factors set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2008 and our other 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 Operating Philosophy



Doing Essential Things in Extraordinary Ways

2010 Plan Overview

Strategic Execution

- Growing Top Line At or Above Markets
- Generating Solid Free Cash Flow
- Driving Operating Margin Expansion
- Leveraging Recent Investments
- Driving +\$400M Incremental Productivity

Differentiated Organic Growth

- Increasing Growth Investments
- Driving Non-DoD; Non-Op Tempo Defense
- Launching Value Based Commercial Excellence

Portfolio Alignment

- Aligning with Macro Growth Trends
 - Fluid Adjacencies
 - Emerging Markets
 - Non-DoD Defense

2009 Performance Update

Full Year 2009 Guidance

	FY 2009	Growth**	
		~Yr/Yr	~ Organic
Revenues (in Billions)	~ \$10.9	-7%	-5%
Adjusted EPS*	\$3.72 to \$3.74	-7%	






- ✓ Best in Class Performances
- ✓ Pro-Active Restructuring & Realignment
- ✓ +\$400M Productivity Actions
- ✓ Maintained Strategic Investments
- ✓ Delivered Important Wins
- ✓ Strong Free Cash Flow Generation
- ✓ Strong Balance Sheet

*Adjusted Continuing EPS, includes restructuring expense, excludes special items.

**Based on guidance midpoints.

Tightening EPS Guidance Range

2010 Financial Outlook

ITT Revenue Range			
2010 Organic	2%	to	3%
2010 Total	2%	to	4%
ITT EPS Range			
2010 EPS	\$3.85	to	\$4.05
2010 vs 2009 Midpoint	3%	to	9%
ITT Free Cash Flow			
2010 FCF Conversion	100% of Net Income		
2010 Plan Assumptions			
	Modest Commercial Recovery	   	Price Pressures & Defense Mix
	Lower Defense Amortization		Higher Retirement Expense
	\$400M Incremental Productivity		+3.5% to 4.5% Commodity Prices
	\$35M to \$40M Restructuring Exp		6.25% Discount Rate
	FX @ \$1.42		Flat Interest Exp
	Tax Rate @ 31%		Flat Share Count

Delivering Strong Operating Performances & Investments

2010 EPS Roll-forward

	Low	Mid	High
2009 Adjusted EPS* Guidance Midpoint		<u>\$ 3.73</u>	
2010 Operating Growth:			
Segment Operating Performance		\$ 0.33	
2009 Restructuring Carryforward		\$ 0.13	
Strategic Investments		\$ (0.19)	
Subtotal		<u>\$ 4.00</u>	
2010 Non-Operating Drivers:			
Favorable Taxes, Restructuring Expense, FX Higher Pension, Asbestos, ITT Investments		\$ (0.05)	
2010 EPS Guidance	\$ 3.85	\$ 3.95	\$ 4.05

*Adjusted Continuing EPS, includes restructuring expense, excludes special items.

Delivering Strong Operating Performances & Investments

2010 Fluid & Motion Strategic Objectives

Operational Excellence

- ✓ Driving Productivity Initiatives
- ✓ Global Strategic Sourcing
- ✓ Footprint Utilization

Commercial Excellence

- ✓ Deploy Across Commercial Businesses
- ✓ Gain Share in Fragmented Markets
- ✓ Penetrate Key Customer Accounts

Customer Solutions

- ✓ High Efficiency Products & Services
- ✓ Leverage India & China R&D
- ✓ Monitoring & Controls

Expand in Growing Markets

- ✓ Differentiated Investments
- ✓ Grow China, India, Latin America & ME
- ✓ Acquisitions & Adjacencies

Focused Strategies

2010 Fluid Technology Revenue Outlook

Fluid Revenue		Differentiated Organic Investments
	2010P vs 2009F	
Organic	~ +1%	
Total	~ +2%	
Fluid Key Markets		
	2010P vs 2009F	Fluid vs Market
Municipal	▲ Mid Single	2X Better
Industrial	▼ Mid to High Single	In-Line
Commercial	▼ Mid to High Single	In-Line
Residential	Flat	2X Better
Emerging Markets	▲ Mid to High Single	1.5X Better

- Global Stimulus Execution
 - Oil & Gas and Mining Investment
- Global Aftermarket Focus
- Energy Efficient Offerings
 - Agriculture & Irrigation
- Treatment – Wastewater & Reuse
 - Dewatering Products
 - Localized Production & Design

Investments Driving Growth

2010 Motion & Flow Control Revenue Outlook

Motion Revenue			Differentiated Organic Investments
Organic	2010P vs 2009F		
	~ Flat		
Total	~ +1%		
Motion Key Markets			<ul style="list-style-type: none"> ▪ Global Railway Expansion ▪ Aerospace Investments ▪ Global Beverage Expansion ▪ New Connector Product Introductions ▪ Penetrate New Auto Markets
	2010P vs 2009F	Motion vs Market	
Auto/Transportation	▲ Low Single	2X Better	
Aerospace/Defense	▼ Low Single	In-Line	
General Industrial	Flat	In-Line	
Emerging Markets	▲ Mid to High Single	1.5X Better	

Investments Driving Growth

2010 Defense Strategic Objectives

Performance & Innovation

- ✓ Exceptional Program Performance
 - ✓ Targeted R&D Investments
- ✓ Innovations Responsive to Customer Needs

International Expansion

- ✓ Leverage Demand for US Capability
- ✓ Expanding Global Sales Activities & Investments

Drive Adjacencies

- ✓ Differentiated Investments
- ✓ Leverage Across Value Centers (NASA, CREW 3.3, ADS-B, Cyber)

Diversify Customer Base



- ✓ Acquisitions in Non-DoD Platforms (Air Traffic & Cyber)

Focused Strategies

2010 Defense Revenue Outlook

Defense Revenue		
	2010P vs 2009F	
Total Organic	+3% to +4%	% Total
Revenue Categories:		
In-Theater Services	- 2%	15%
Core Defense	+1%	60%
International & Non Armed Services	+10%	25%
Products	+1%	60%
Services	+6%	40%

In-Theater Services

-  Middle East Services
-  LOGCAP

Core Defense

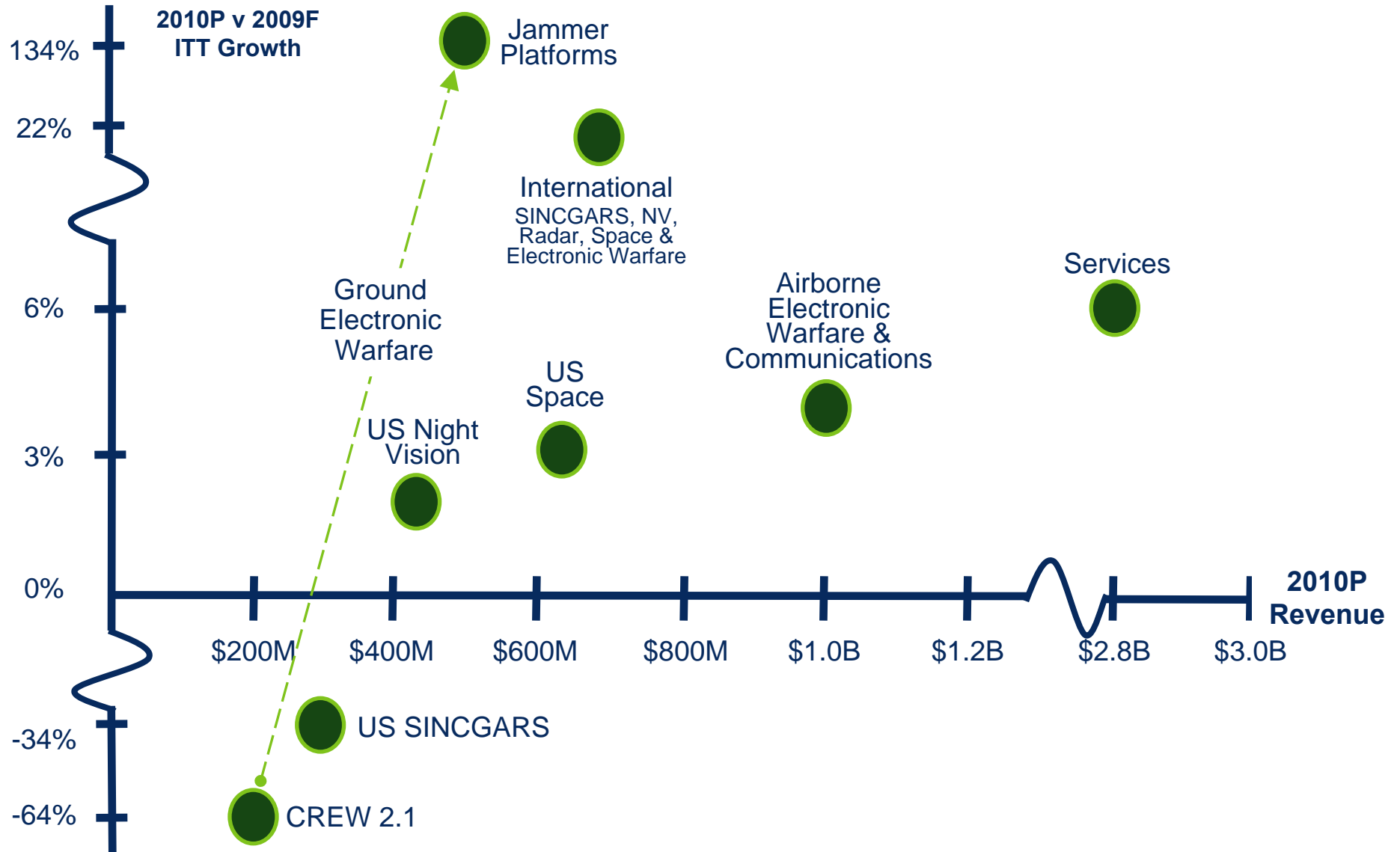
-  US SINGARS
-  Ground EW
-  US Night Vision
-  US Space
-  Airborne EW
-  Services

International & Non-Armed Services

-  Middle East SINGARS
- Airborne Countermeasures & Radar
- Japanese Weather Satellite
- International Night Vision
- NASA Engineering Support
- FAA – ADS-B and Systems Engineering

Diversification Driving Growth

2010 Defense Revenue Growth



The Power of Our Diversification

2010 Outlook Summary

■ Strategic Execution

- ✓ Targeting Above Market Growth
- ✓ Driving Exceptionally Strong Productivity
- ✓ Generating Solid Free Cash Flow

■ Differentiated Organic Growth

- ✓ Investing in Non-DoD; Non Op-Tempo Defense
- ✓ Investing in Customer Solutions
- ✓ Implementing Commercial Sales Excellence

■ Portfolio Alignment

- ✓ Aligning with Mega-Trends

2010 Delivering Growth and Investments...Once Again