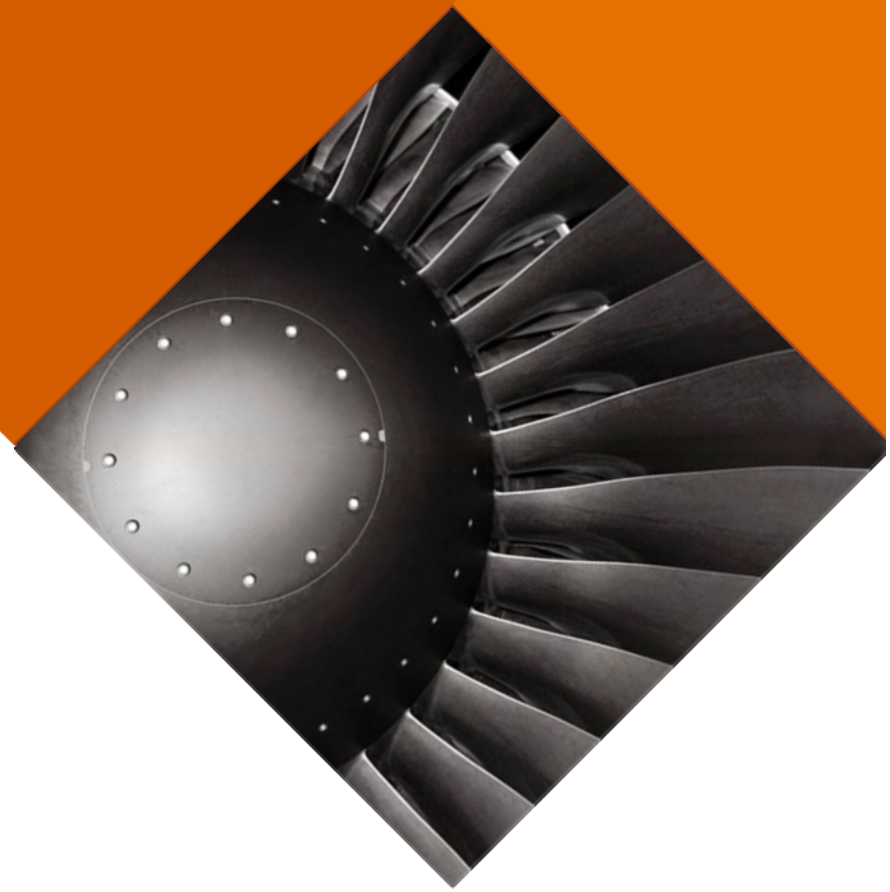
Engineered for Growth
The New ITT



Bank of America Merrill Lynch
2011 Industrials Conference

December 7, 2011

ITT
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, but are not limited to, statements about the separation of ITT Corporation (the "Company") into three independent publicly-traded companies (the "companies"), the terms and the effect of the separation, the nature and impact of such a separation, capitalization of the companies, future strategic plans and other statements that describe the companies' 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 or implied in, or reasonably inferred from, such forward-looking statements. Factors that could cause results to differ materially from those anticipated include, but are not limited to:

- Economic, political and social conditions in the countries in which we conduct our businesses;
- Changes in U.S. or International 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 and changes in local government regulations;
- Competition, industry capacity & 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 to refinance our existing indebtedness and availability of liquidity sufficient to meet our needs;
- Changes in the value of goodwill or intangible assets;
- Our ability to achieve stated synergies or cost savings from acquisitions or divestitures;
- The number of personal injury claims filed against the companies or the degree of liability;
- Uncertainties with respect to our estimation of asbestos liability exposures, third-party recoveries and net cash flow;
- Our ability to effect restructuring and cost reduction programs and realize savings from such actions;
- Government regulations and compliance therewith, including Dodd-Frank legislation;
- 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; and
- Other factors set forth in our Annual Report on Form 10−K for the fiscal year ended December 31, 2010 and our other filings with the Securities and Exchange Commission.
- In addition, there are risks and uncertainties relating to the tax-free spinoffs of the Xylem and ITT Exelis, whether those transactions will result in any tax liability, the operational and financial profile of the Company or any of its businesses after giving effect to the spinoff transactions, and the ability of each business to operate as an independent entity.

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The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Investment Highlights

- Leader in Attractive and Defensible Niches
- Leading Positions in High Growth Attractive Markets
- Global and Highly Diversified Company
    - 60% International Revenue
    - 30% Emerging Markets
    - 30% Aftermarket
- Long-Standing Operating History
- Established Management System and Leadership Team

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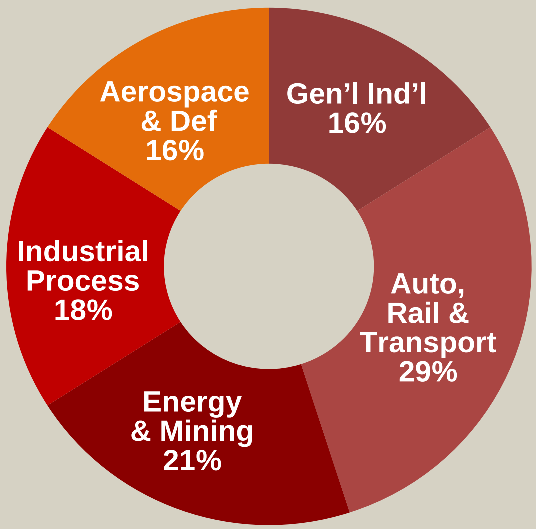
Diversified & Balanced Revenue Profile

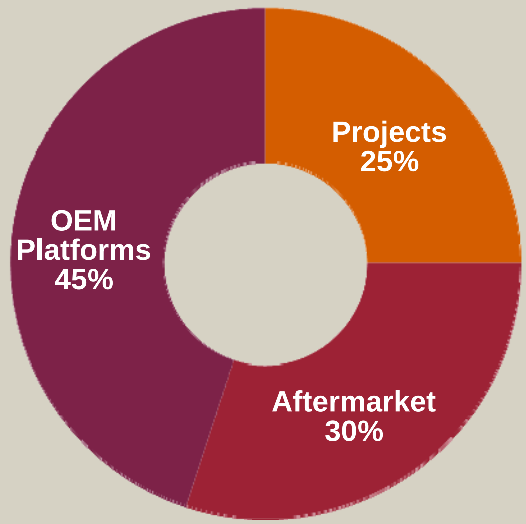
End Markets*



Strong

Growth Markets

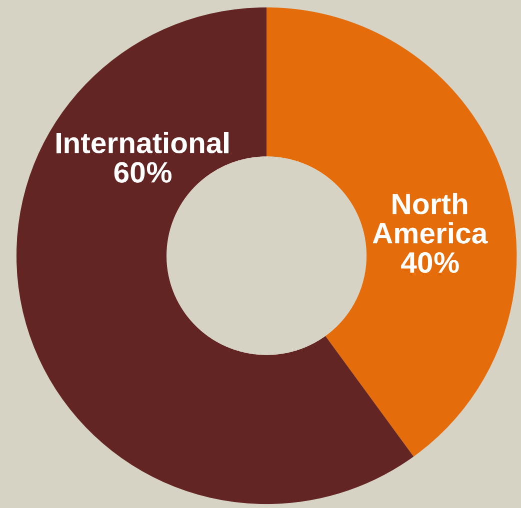
OEM/Aftermarket Mix*



60%

Op Income from Aftermarket

Geographic Mix*



30%

Emerging Markets

Uniquely Strong Foundation for Growth

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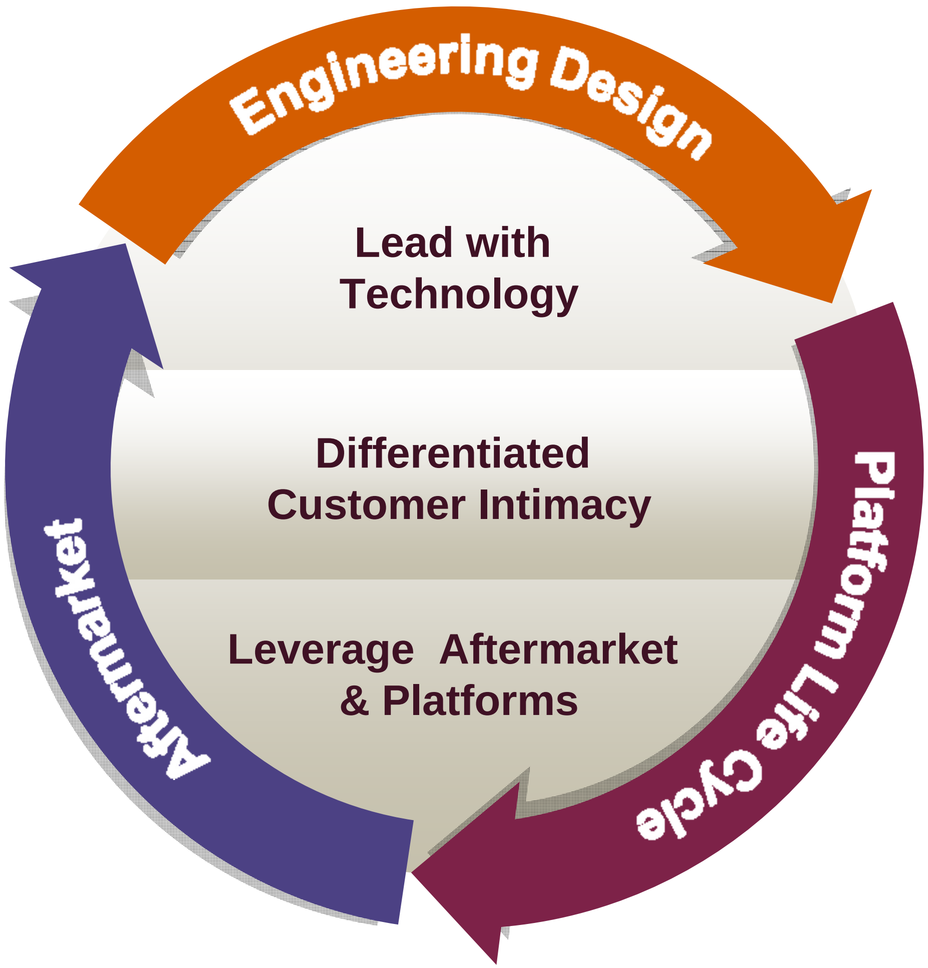
* 2011E Data

ITT Repeatable Growth Model



Profitable Growth Engine

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Industrial Process – Oil & Gas Growth Story

O&G Initiative Begins
- Engineering Core Strengthened
- Hydraulic Portfolio Expanded
- High Energy Test Facility Built

Packaging Footprint in India

Portfolio Expansion

Packaging Footprint in Saudi Arabia

Strategic Agreements Valero & Conoco Phillips

Strategic Agreement with Chevron

Brazil Footprint Acquired

2011 Brazil Growth Expansion

Strategic Agreements Saudi Aramco & Shell

2004 | 2008 | 2009 | 2010 | 2011 | 2014

2004 Orders
$66M

20% CAGR

2010 Orders
$200M

2014 Orders
>$300M

16% CAGR

5 Global Strategic Wins

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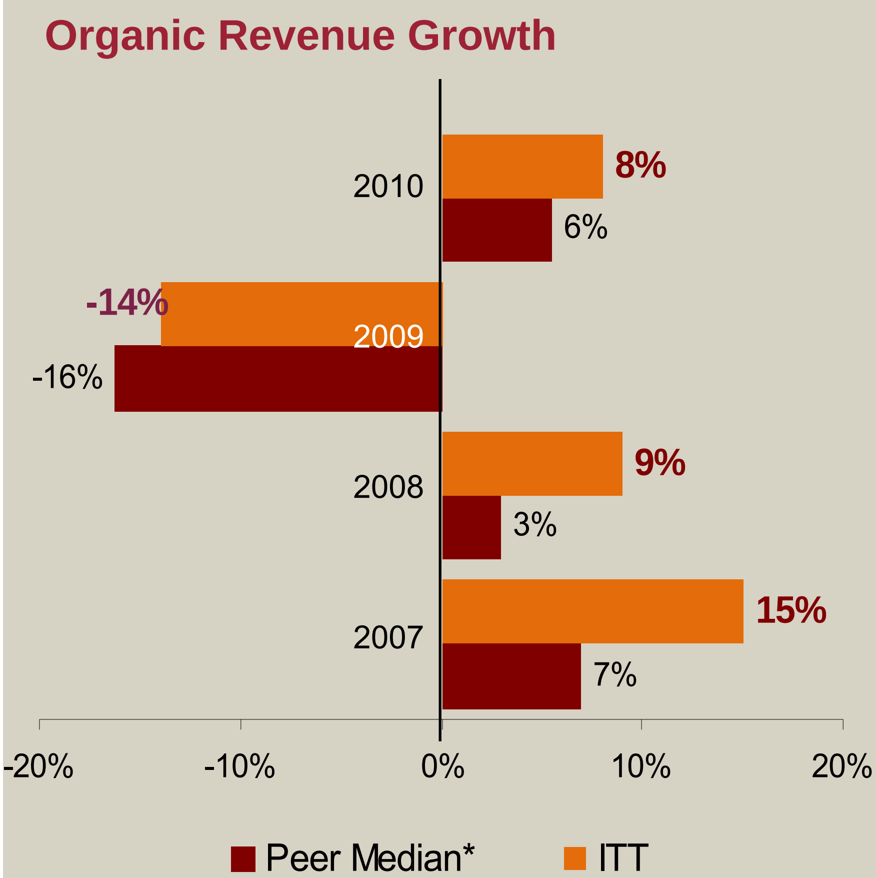
Organic Revenue Growth History



2007	2008	2009	2010	2011E
$1.8B	$2.2B	$1.8B	$1.9B	$2.1B

* Peers include AME, ATU, CFX, CR, CSL, DOV, ETN, FLS, IEX, PH, ROP, SPW

4 Years Outperformed Peers*

+5% Annual Average Organic Growth

+8% YTD 9/30/2011 Organic Growth

ITT Management System Drives Sustainable Growth

For non-GAAP reconciliations, refer to appendix and www.itt.com/ir.

Drivers of Long-Term Revenue Growth

Macro Trends	Emerging Markets		Resource Scarcity
	Growing Middle Class	Large-Scale Urbanization	Energy Creation & Efficiency
Auto	✓		✓
Energy & Mining	✓	✓	✓
Industrial Processing	✓	✓	✓
Aerospace	✓	✓	✓
General Industrial	✓	✓	✓
Rail	✓	✓	✓

Strong Macro Trend Alignment

+35% Emerging Market Growth

Aftermarket Expansion

+30% New Products Growth

Targeted Acquisitions in Fragmented Mkts

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Profitable Growth Drivers

- Focused Emerging Market Expansion
- Aftermarket Capture
- Investment in Technology & Innovation
- Premier Customer Experience
- Margin Expansion Through Operational Excellence
- Effective Capital Deployment to Drive Organic & Inorganic Growth

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Emerging Market Growth Drivers

Competitive Advantages

- Highly Respected ITT Brand
- Strong Manufacturing Footprint
- Established Low Cost Sourcing
- Strategic Global Customer Focus
- Experienced Leadership

Growth Opportunities

- Energy & Mining Demand
- Auto Demand in China
- Increased Air Travel
- Advanced Rail Expansion

Nicely Profitable

Well Established

Diversified

* 2011E Data

◆ Major Investments in Facilities & Capabilities

Tremendous Growth Potential

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Aftermarket Expansion Strategy

30% Aftermarket Revenue *(2011)*

- Highly Profitable
- Recurring Revenue Stream

Aftermarket Expansion Areas of Focus

Recent Facilities

- Czech Republic Expansion
  - Rail & Auto
- Wuxi, China Build-Out
- Brazil
- Saudi Arabia

Technologies

- Advanced Monitoring & Controls
- Driving Plant Performance Services
- Targeting New End Markets

Reach

- Expanding Global Services Footprint
- Targeting Emerging Market Opportunities

Source of Margin Expansion

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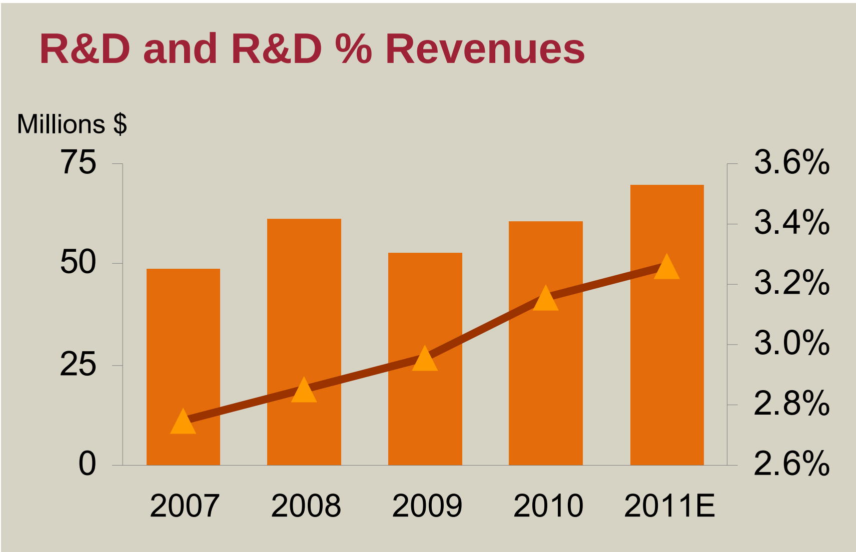
ITT Innovation



+9% Investment CAGR

~1.3X Peer Average R&D% Revenue

+30% New Products & Technologies
(2011-2014)

Expanding R&D Tech Centers

Oil & Gas	Energy & Mining	Auto Friction Tech	Aerospace	General Industrial
• Process Barrel Pumps • Well-Head Connectors	• Slurry Pump Portfolio • Specialized Valves	• Global Formulations • China R&D Center	• Advanced Actuation • Noise Reduction	• Vibration Isolation • Handheld Connectors

Advancing Technologies in Key Markets

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Growth in Fragmented Markets

Organic Growth

- Attractive & Growing End Markets
- Defensible Niche Positions
- Global Reach & Brands
- Strong Platform Positions
- Valuable Aftermarket

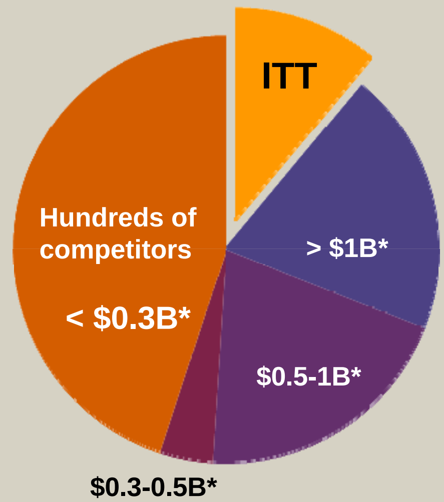
Acquisition Growth

- Close to Core
- Technology & Geographic Expansion
- Targets with Revenues Between $15 - $50M

  "Valuation Sweet-Spot"

$23B

in Total Addressable Markets



* Competitors by size in our end markets; including business segments of larger competitors

Lots of Runway

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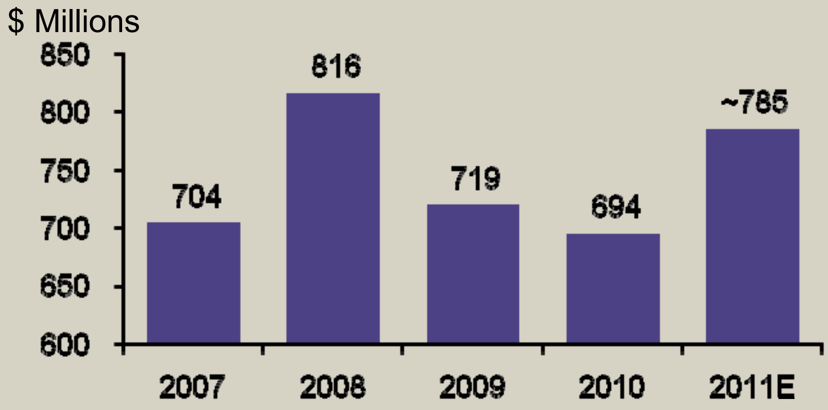
"One ITT" Growth Drivers

Leveraged Capabilities Drive Expansion

Industrial Process Overview

Revenues



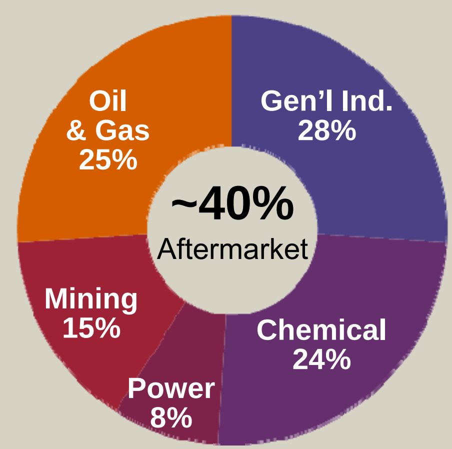
Competitive Advantages

- Goulds Pumps Brand & Reputation
- Broad Portfolio of Process Pumps
- 40% Emerging Market Revenue
- Global Footprint

Adjusted Operating Margin*

* Unaudited pro forma, excludes restructuring & realignment

Revenue by End Market

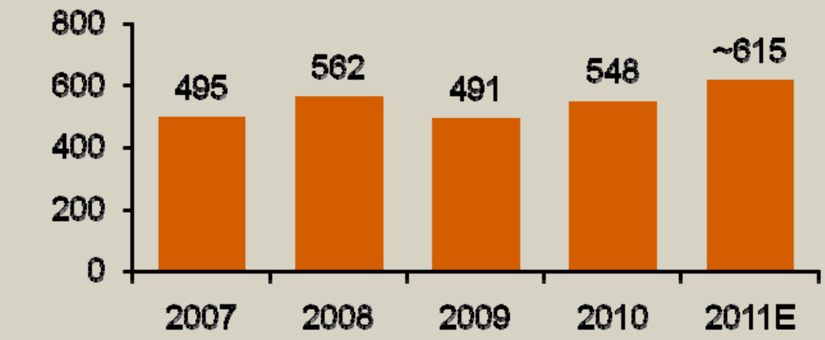


2010 Data

For non-GAAP reconciliations, refer to appendix and www.itt.com/ir.

Motion Technologies Overview

Revenues



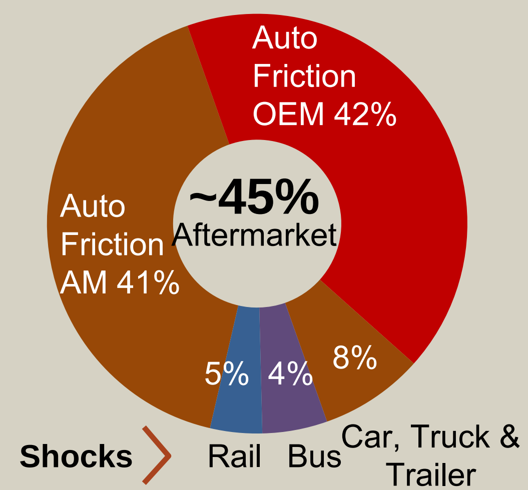
Competitive Advantages

- Material Science Expertise
- Efficient Production Capability
- Low Cost Region Footprint
- Reputation for Quality

Adjusted Operating Margin *

* Unaudited pro forma, excludes restructuring

Revenue by End Market

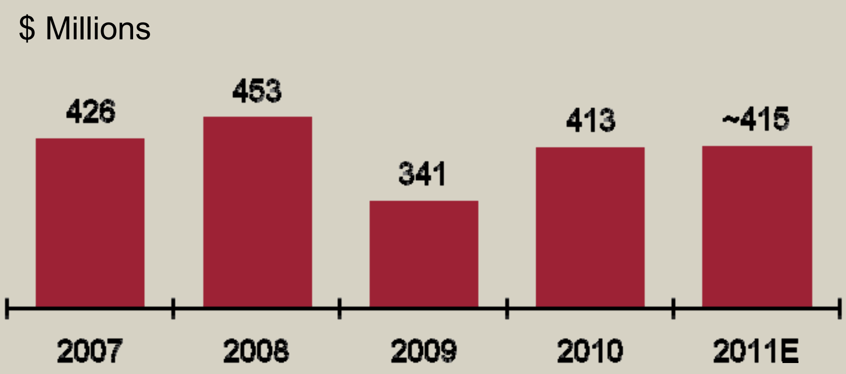


2010 Data

For non-GAAP reconciliations, refer to appendix and www.itt.com/ir.

Interconnect Solutions Overview

Revenues



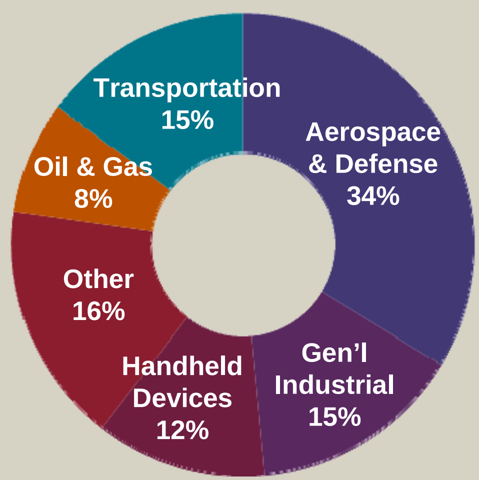
Competitive Advantages

- Strong Cannon Brand
- Leading Positions in Harsh Environment Connector Solutions
- Global Manufacturing Footprint
- > 30% Emerging Market Revenue

Adjusted Operating Margin*

* Unaudited pro forma, excludes restructuring

Revenue by End Market



2010 Data

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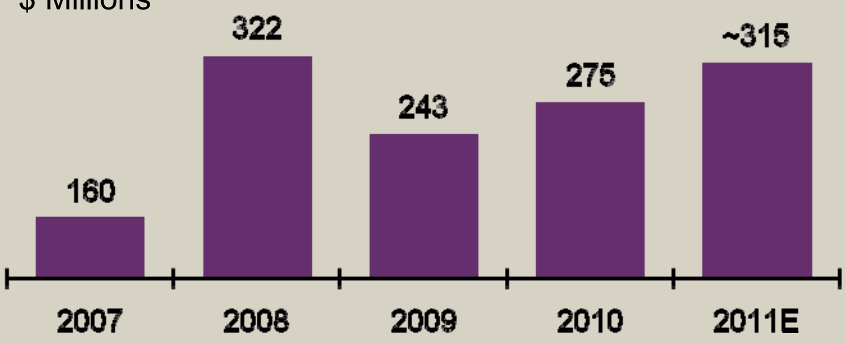
For non-GAAP reconciliations, refer to appendix and www.itt.com/ir.

Control Technologies Overview

Revenues



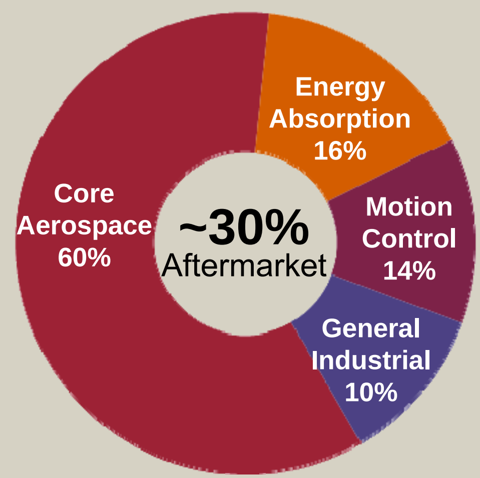
Competitive Advantages

- Market Leading Technologies
- Application Engineering Expertise
- Strong Global Relationships
- Extensive Portfolio of Qualified Products

Adjusted Operating Margin*

* Unaudited pro forma, excludes restructuring & realignment

Revenue by End Market



2010 Data

For non-GAAP reconciliations, refer to appendix and www.itt.com/ir.

Financial Overview

Capital Deployment Priorities

- Disciplined Organic Growth Investments
- Focused Acquisitions in $15M-$50M Revenue Range
- Dividend Policy In-Line with Growth-Oriented Peers

Liquidity and Cash Management

- Maintain Investment Grade
- Strong Balance Sheet
- 4-Year $500 Million Revolver

ITT Management System

- Data Driven Decision Making
- Focused Enterprise Risk Management

Disciplined Financial Leadership

Net Asbestos Financial Overview

Balance Sheet

		9/30/2011
Gross Liability	$	1,660
Asset	$	(950)
Net Liability	$	710

Preliminary After-Tax Financial Impacts**

	2008	2009	2010	YTD Q3 2011
Net-Asbestos Provision	$9	$17	$34	$31
Net-Asbestos Remeasurement	-	131	205	25
Total Net Asbestos Expense	$9	$148	$ 239	$56
Net-Asbestos Cash Outflows	$8	$4	$ -	$10

**Projected, Average, Annual, Net, After-tax Cash Outflows*

***After-Tax Expense from Continuing Operations*

- $15M* Avg. Annual Outflows Over Next 5 Years
- $30M* Avg. Annual Outflows Over Subsequent 5 Years
  ($19M - $47M Annual Range)
- 10-Year Undiscounted Net Liability Projection

Enterprise Risk Management Focus

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For non-GAAP reconciliations, refer to appendix and www.itt.com/ir.

Premier Metric Targets

Long-Term Financial Metrics

- Organic Revenue Growth of **5** to **7%**
- Annual Operating EBIT Margin Growth of **50** to **70** bps
- Free Cash Flow Conversion **>105%**
- EPS Growth of **10** to **15%**

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Appendix

Leadership, Experience and Vision

Denise Ramos
CEO and President

Functional Leaders

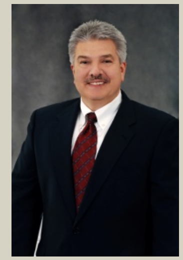
Aris Chicles
Strategy

Thomas Scalera
CFO

Burt Fealing
General Counsel & Corporate Secretary

Thom Korber
Human Resources

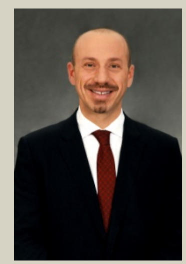
Operational Leaders



Robert Pagano
President
Industrial Process

Munish Nanda
President
Control Technologies

William Taylor
President
Interconnect Solutions



Luca Savi
President
Motion Technologies

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Long-Term Customer Relationships

Industrial Process

- Dow
- Chevron
- Valero
- أرامكو السعودية Saudi Aramco
- Shell
- Esperanza
- ADM
- Southern Company
- ConocoPhillips

Motion Technologies

- Continental
- Mercedes
- Audi
- TRW
- BMW
- VW
- Ford
- Fiat
- Peugeot
- Tata
- Nissan
- Siemens
- Toyota
- Bombardier
- Ferrari
- GM
- Honda

Interconnect Solutions

- Bombardier
- Motorola intelligence everywhere
- Schlumberger
- RIM
- Airbus
- Baker Hughes
- Caterpillar
- Philips sense and simplicity
- Rockwell Automation
- John Deere
- Alstom
- Boeing

Control Technologies

- Boeing
- Lockheed Martin
- B/E Aerospace
- Raytheon
- Bombardier
- Cessna
- Airbus
- Embraer
- Parker

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Unaudited Supplemental Financial Information

The Supplemental Information consists of unaudited income statement information for the nine months ended September 30, 2011 and for each of the three fiscal years ended December 31, 2010. The Supplemental Information was derived from our historical consolidated financial statements and gives effect to the Spin-off of Exelis and Xylem and reflects certain non-GAAP adjustments. The unaudited Supplemental Information reflects the Company's results as if the Spin-off and related transactions had occurred as of January 1, 2008. The Supplemental Information should be read together with our unaudited pro forma consolidated financial statements and accompanying notes included in Exhibit 99.2 .

The Supplemental Information consists of information management believes are useful to investors when evaluating our operating performance for the periods presented, and provides a tool for evaluating ITT's ongoing operations and management of assets held from period to period. These metrics, however, are not a measure of financial performance under GAAP and should not be considered a substitute for revenue growth(decline) or other metrics as determined in accordance with GAAP. Further, these measures may not be comparable to similarly titled measures reported by other companies.

Pro Forma Revenues are defined as reported GAAP revenues adjusted for the benefit of certain historical transactions between ITT and Exelis and Xylem that previously eliminated in consolidation.

Organic Sales are defined as reported GAAP sales and revenues excluding the impact of foreign currency fluctuations and contributions from acquisitions and divestitures (for the first 12 months). Divestitures include sales of insignificant portions of our business that did not meet the criteria for classification as a discontinued operation. The Company believes that Pro Forma Revenues and Organic Sales provide useful measures of the operation's underlying revenue performance after adjusting for historical revenues to Exelis and Xylem, foreign exchange, acquisitions and divestitures that may impact comparability. The Company utilizes Organic Sales and Pro Forma Revenues to measure, evaluate and manage the Company's revenue performance. The Company's definition of Pro Forma Revenue and Organic Sales may not be comparable to similar measures utilized by other companies.

Adjusted Segment Operating Income and Adjusted Segment Operating Margin are defined as GAAP Segment Operating Income and Operating Margin, adjusted for special items and pro forma adjustments. Special items represent significant charges or credits that impact current results, but may not be related to the Company's ongoing operations and performance. Pro forma adjustments reflect the benefit of certain historical transactions between ITT and Exelis and Xylem that previously eliminated in consolidation.

Adjusted Operating EBIT and Adjusted Operating EBIT Margin are defined as operating income and margin, adjusted for special items that may include, but are not limited to, non-operating items, and transformation costs, and pro forma adjustments. Special items represent significant charges or credits that impact current results, but may not be related to the Company's ongoing operations and performance. Pro forma adjustments relate to certain historical transactions between ITT and Exelis and Xylem that previously eliminated in consolidation.

Adjusted EBITDA and Adjusted EBITDA Margin are defined as operating income and margin before depreciation, amortization and stock based compensation, adjusted for special items that may include, but are not limited to, non-operating items, transformation costs, and pro forma adjustments. Special items represent significant charges or credits that impact current results, but may not be related to the Company's ongoing operations and performance. Pro forma adjustments relate to certain historical transactions between ITT and Exelis and Xylem that previously eliminated in consolidation..

The Company's segments are presented on the same basis used internally for evaluating performance and for allocating resources. Our four segments are referred to as Industrial Process, Motion Technologies, Interconnect Solutions and Control Technologies.

The Supplemental Information is not intended to be a complete presentation of our results of operations had the Distribution occurred as of and for the periods indicated. In addition, the Supplemental Information is provided for illustrative and informational purposes only and are not necessarily indicative of our future results of operations had the Spin-off been completed on the date assumed. The Supplemental Information includes pro forma adjustments that are based on available information and assumptions that management believes are reasonable, that reflect the impacts of events directly attributable to the Distribution and related transaction agreements, are factually supportable, and are expected to have a continuing impact on us.

Non-GAAP Reconciliation
Pro Forma Revenue vs. Organic Revenue
Full Year 2007-2010
(unaudited)

($ Millions)	(Pro Forma Revenue)				(As Adjusted - Organic)			
		(A)	(B)		(C)	(D)	(E) = B+C+D	(F) = E / A
2010	Revenue 12M 2010	Revenue 12M 2009	2010 vs. 2009	% Change 2010 vs. 2009	Acquisition / Divestitures 12M 2010	FX Contribution 12M 2010	Change Adj. 10 vs. 09	% Change Adj. 10 vs. 09
New ITT Co	**1,924**	**1,789**	**135**	**8%**	**(4)**	**19**	**150**	**8%**
Industrial Process	694	719	(25)	-3%	(5)	(9)	(39)	-5%
Motion Technologies	548	491	57	12%	0	25	82	17%
Interconnect Solutions	413	341	72	21%	0	3	75	22%
Control Technologies	275	243	32	13%	1	0	33	14%
2009	Revenue 12M 2009	Revenue 12M 2008	2009 vs. 2008	% Change 2009 vs. 2008	Acquisition / Divestitures 12M 2009	FX Contribution 12M 2009	Change Adj. 09 vs. 08	% Change Adj. 09 vs. 08
New ITT Co	**1,789**	**2,151**	**(362)**	**-17%**	**19**	**54**	**(289)**	**-13%**
Industrial Process	719	816	(97)	-12%	0	16	(81)	-10%
Motion Technologies	491	562	(71)	-13%	0	30	(41)	-7%
Interconnect Solutions	341	453	(112)	-25%	0	6	(106)	-23%
Control Technologies	243	322	(79)	-25%	19	1	(59)	-18%
2008	Revenue 12M 2008	Revenue 12M 2007	2008 vs. 2007	% Change 2008 vs. 2007	Acquisition / Divestitures 12M 2008	FX Contribution 12M 2008	Change Adj. 08 vs. 07	% Change Adj. 08 vs. 07
New ITT Co	**2,151**	**1,785**	**366**	**21%**	**(149)**	**(58)**	**159**	**9%**
Industrial Process	816	704	112	16%	0	(9)	103	15%
Motion Technologies	562	495	67	14%	0	(37)	30	6%
Interconnect Solutions	453	426	27	6%	0	(12)	15	4%
Control Technologies	322	160	162	101%	(149)	(1)	12	8%
2007	Revenue 12M 2007	Revenue 12M 2006	2007 vs. 2006	% Change 2007 vs. 2006	Acquisition / Divestitures 12M 2007	FX Contribution 12M 2007	Change Adj. 07 vs. 06	% Change Adj. 07 vs. 06
New ITT Co	**1,785**	**1,464**	**321**	**22%**	**(62)**	**(40)**	**219**	**15%**
Industrial Process	704	596	108	18%	0	(4)	104	17%
Motion Technologies	495	406	89	22%	0	(27)	62	15%
Interconnect Solutions	426	380	46	12%	0	(11)	35	9%
Control Technologies	160	83	77	93%	(62)	1	16	19%

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Unaudited pro forma derived from previously reported Reg-G organic revenue schedules that supported the applicable investor relations earnings slides.

Note: Excludes intercompany eliminations

Non-GAAP Reconciliation
Pro Forma Revenue and Adjusted Segment Operating Income and Margin
Full Year 2008 - 2010 / YTD Q3 2011
($ Millions - Unaudited)

	2008	2009	2010	YTD Q3 2011
Revenue				
Total Segment Revenues	$ 2,153	$ 1,794	$ 1,930	$ 1,616
Less: Intercompany Eliminations	(21)	(23)	(22)	(15)
Consolidated Revenue - GAAP	$ 2,132	$ 1,771	$ 1,908	$ 1,601
Adjustments				
Pro Forma (a)	19	18	16	10
Pro Forma Consolidated Revenue	**$ 2,151**	**$ 1,789**	**$ 1,924**	**$ 1,611**
Segment Operating Income				
GAAP	$ 281	$ 171	$ 230	$ 221
Adjustments				
Restructuring and Realignment	44	48	4	2
Pro Forma (a)	6	6	5	3
Total Adjustments	$ 50	$ 54	$ 9	$ 5
Adjusted Segment Operating Income	**$ 331**	**$ 225**	**$ 239**	**$ 226**
Adjusted Segment Operating Margin	**15.4%**	**12.6%**	**12.4%**	**14.0%**

Note:

(a) Pro forma amounts reflect the benefit of transactions between ITT and Exelis and Xylem that previously eliminated in consolidation.

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Non-GAAP Reconciliation
Adjusted Segment Operating Income to Operating EBIT
Full Year 2008 - 2010 / Q3 YTD 2011
($ Millions - Unaudited)

	2008	2009	2010	YTD Q3 2011
Total Adjusted Segment Operating Income	**$ 331**	**$ 225**	**$ 239**	**$ 226**
Less Corporate Costs after Adjustments (a):				
Corporate General & Administrative Expenses	$ 45	$ 55	$ 36	$ 24
Corporate Restructuring & Realignment	(4)	-	-	-
Corporate Transformation Costs	-	-	-	10
Information System Initiatives (b)	-	(1)	(4)	(4)
Other Expense / (Income)	16	3	(1)	12
Total Corporate Costs	$ 57	$ 57	$ 31	$ 42
Adjusted Operating EBIT	**$ 274**	**$ 168**	**$ 208**	**$ 184**
Adjusted Operating EBIT Margin	**12.7%**	**9.4%**	**10.8%**	**11.4%**

Notes:

(a) Corporate costs exclude the following:

	2008	2009	2010	YTD Q3 2011
Information System Initiatives (b)	$ -	$ -	$ -	$ 55
Asbestos Remeasurement (c)	$ -	$ 210	$ 330	$ 41
Asbestos Provision (d)	$ 14	$ 28	$ 55	$ 50

(b) Information System initiatives which were terminated as a result of the Spin-off.

(c) Effect of annual asbestos reassessment.

(d) 2008 reflects adjustment related to pending claims. 2009, 2010 and YTD Q3 2011 reflect effect of maintaining rolling 10 year net asbestos liability.

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Non-GAAP Reconciliation
Adjusted Operating EBIT, Adjusted Operating EBITDA and Margin
Full Year 2008 - 2010 / Q3 YTD 2011
($ Millions - Unaudited)

	2008	2009	2010	YTD Q3 2011
Operating Income				
GAAP	$ 206	$ (125)	$ (192)	$ 19
Pro Forma Adjustments				
Pro Forma (a)	6	6	5	3
Transformation Costs	-	-	2	10
Information System Initiatives (b)	-	-	-	59
Pro Forma Operating Income	**$ 212**	**$ (119)**	**$ (185)**	**$ 91**
Non GAAP Adjustments				
Restructuring and Realignment	$ 48	$ 48	$ 4	$ 2
Information System Initiatives (b)	-	1	4	-
Asbestos Remeasurement (c)	-	210	330	41
Asbestos Provision (d)	14	28	55	50
Total Asbestos Expense	$ 14	$ 238	$ 385	$ 91
Total Adjustments	$ 62	$ 287	$ 393	$ 93
Adjusted Operating EBIT	**$ 274**	**$ 168**	**$ 208**	**$ 184**
Depreciation	$ 57	$ 54	$ 52	$ 42
Amortization and Stock Based Compensation	18	25	27	19
Adjusted Operating EBITDA	**$ 349**	**$ 247**	**$ 287**	**$ 245**
Adjusted Operating EBITDA Margin	**16.2%**	**13.8%**	**14.9%**	**15.2%**

Notes:

(a) Pro forma amounts reflect the benefit of transactions between ITT and Exelis and Xylem that previously eliminated in consolidation.

(b) Information System initiatives which were terminated as a result of the Spin-off.

(c) Effect of annual asbestos reassessment.

(d) 2008 reflects adjustment related to pending claims. 2009, 2010 and YTD Q3 2011 reflect the effect of maintaining rolling 10 year net asbestos liability.

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Non-GAAP Reconciliation
Adjusted Segment Operating Income and Margin
Full Year 2008 - 2010 / YTD Q3 2011
($ Millions - Unaudited)

	2008	2009	2010	YTD Q3 2011
Industrial Process				
Operating Income				
GAAP Operating Income	$ 114	$ 72	$ 79	$ 77
Adjustments				
Restructuring and Realignment	19	16	1	-
Pro Forma (a)	3	4	3	2
Total Adjustments	$ 22	$ 20	$ 4	$ 2
Adjusted Operating Income	**$ 136**	**$ 92**	**$ 83**	**$ 79**
Adjusted Operating Margin	**16.7%**	**12.8%**	**11.9%**	**14.3%**
Motion Technologies				
Operating Income				
GAAP Operating Income	$ 82	$ 48	$ 85	$ 67
Adjustments				
Restructuring and Realignment	8	22	-	-
Pro Forma (a)	-	-	-	-
Total Adjustments	$ 8	$ 22	$ -	$ -
Adjusted Operating Income	**$ 90**	**$ 70**	**$ 85**	**$ 67**
Adjusted Operating Margin	**16.0%**	**14.3%**	**15.5%**	**13.4%**

Note:

(a) Pro forma amounts reflect the benefit of transactions between ITT and ITT Exelis and Xylem that previously eliminated in consolidation.

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Non-GAAP Reconciliation
Adjusted Segment Operating Income and Margin
Full Year 2008 - 2010 / YTD Q3 2011
($ Millions - Unaudited)

	2008	2009	2010	YTD Q3 2011
Interconnect Solutions				
Operating Income				
GAAP Operating Income	$ 42	$ 19	$ 37	$ 34
Adjustments				
Restructuring and Realignment	8	7	1	-
Pro Forma (a)	3	2	2	1
Total Adjustments	$ 11	$ 9	$ 3	$ 1
Adjusted Operating Income	**$ 53**	**$ 28**	**$ 40**	**$ 35**
Adjusted Operating Margin	**11.7%**	**8.2%**	**9.8%**	**10.9%**
Control Technologies				
Operating Income				
GAAP Operating Income	$ 43	$ 32	$ 29	$ 43
Adjustments				
Restructuring and Realignment	9	3	2	2
Pro Forma (a)	-	-	-	-
Total Adjustments	$ 9	$ 3	$ 2	$ 2
Adjusted Operating Income	**$ 52**	**$ 35**	**$ 31**	**$ 45**
Adjusted Operating Margin	**16.1%**	**14.4%**	**11.3%**	**18.5%**

Note:

(a) Pro forma amounts reflect the benefit of transactions between ITT and ITT Exelis and Xylem that previously eliminated in consolidation.

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Asbestos - Financial Impacts on Continuing Operations
($ Millions - Unaudited)

	2008	2009	2010	YTD Q3 2011
As Reported				
Net Annual Asbestos Remeasurement (a)	$ -	$ 210	$ 330	$ 41
Net Asbestos Provision (b)	14	28	55	50
Total Net Asbestos Expense	$ 14	$ 238	$ 385	$ 91
Adjustment - Tax Effect				
Net Annual Asbestos Remeasurement	$ -	$ 79	$ 118	$ 16
Net Asbestos Provision	5	11	20	19
Total Net Asbestos Expense	$ 5	$ 90	$ 138	$ 35
After-Tax Effect				
Net Annual Asbestos Remeasurement	$ -	$ 131	$ 212	$ 25
Net Asbestos Provision	9	17	35	31
Total Net Asbestos Expense	$ 9	$ 148	$ 247	$ 56

Notes:

(a) Effect of annual asbestos reassessment.

(b) 2008 reflects adjustment related to pending claims. 2009, 2010 and YTD Q3 2011 reflect the effect of maintaining rolling 10 year net asbestos liability.

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