
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

(Mark One)

Annual Report pursuant to Section 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2007

OR

Transition Report pursuant to Section 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____

Commission File Number 1-5627

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

ITT SALARIED INVESTMENT AND SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

ITT CORPORATION
4 WEST RED OAK LANE, WHITE PLAINS, NY 10604

ITT SALARIED INVESTMENT AND SAVINGS PLAN

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| All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosures under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable. | |

These financial statements have been prepared from the Company's books and records after making all necessary adjustments thereto, and they represent the final statements for the period ended December 31, 2007.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Investment and Savings Plan Committee has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

ITT SALARIED INVESTMENT AND SAVINGS PLAN

BY: /s/ Geovanna Chan
(Geovanna Chan, Director Benefits Administration & Financial Reporting)

June 24, 2008
(Date)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustees and Participants of the
ITT Salaried Investment and Savings Plan
New York, NY

We have audited the accompanying statements of net assets available for benefits of the ITT Salaried Investment and Savings Plan (the "Plan") as of December 31, 2007 and 2006, and the related statement of changes in net assets available for benefits for the year ended December 31, 2007. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2007 and 2006, and the changes in net assets available for benefits for the year ended December 31, 2007 in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2007 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. Such supplemental schedule has been subjected to the auditing procedures applied in our audits of the basic 2007 financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic 2007 financial statements taken as a whole.

/s/ Deloitte & Touche LLP

June 24, 2008

ITT SALARIED INVESTMENT AND SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
(\$ IN THOUSANDS)

| | December 31, | |
|--|--------------|--------------|
| | 2007 | 2006 |
| Assets: | | |
| Investments — at fair value as determined by quoted market price: | | |
| Cash and cash equivalents | \$ 50,939 | \$ 23,720 |
| Common stock | 1,056,874 | 880,009 |
| Mutual funds | 253,897 | 295,053 |
| U.S. government securities | 31,785 | 34,289 |
| Preferred stock | 898 | — |
| Corporate bonds | 8,416 | 1,048 |
| Participant loans | 25,389 | 24,956 |
| Brokerage account | 7,020 | 5,202 |
| Total investments — at fair value as determined by quoted market price | 1,435,218 | 1,264,277 |
| Investments — at estimated fair value: | | |
| Guaranteed investment contracts | 614,749 | 602,499 |
| Common collective trusts | 352,015 | 372,708 |
| Total investments — at estimated fair value | 966,764 | 975,207 |
| Total investments | 2,401,982 | 2,239,484 |
| Receivables: | | |
| Dividends | 1,944 | 1,537 |
| Interest | 681 | 481 |
| Employer contributions | — | 896 |
| Participant contributions | — | 2,713 |
| Unsettled security sales | 1,249 | 1,769 |
| Total receivables | 3,874 | 7,396 |
| Collateral held under securities lending agreement | 170,862 | — |
| Total Assets | 2,576,718 | 2,246,880 |
| Liabilities: | | |
| Liability to return collateral held under securities lending agreements | 170,862 | — |
| Accrued financial services expense | 1,165 | 1,258 |
| Unsettled security purchases | 3,828 | 265 |
| Total liabilities | 175,855 | 1,523 |
| Net assets available for benefits at fair value | 2,400,863 | 2,245,357 |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts | (3,282) | 1,219 |
| Net assets available for benefits | \$ 2,397,581 | \$ 2,246,576 |

The accompanying notes to financial statements are an integral part of the above statements.

ITT SALARIED INVESTMENT AND SAVINGS PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
(\$ IN THOUSANDS)

Year ended
December 31, 2007

| | |
|---|----------------------------|
| ADDITIONS: | |
| Investment income: | |
| Net appreciation in fair value of investments | \$ 136,522 |
| Dividends | 33,819 |
| Interest | 37,599 |
| Total investment income | <u>207,940</u> |
| Contributions: | |
| Participants | 79,330 |
| Employer | 24,861 |
| Total contributions | <u>104,191</u> |
| Asset rollovers | <u>6,964</u> |
| Total additions | <u>319,095</u> |
| DEDUCTIONS: | |
| Withdrawals and distributions | (167,163) |
| Investment management and administrative expenses | (927) |
| Total deductions | <u>(168,090)</u> |
| INCREASE IN NET ASSETS | 151,005 |
| NET ASSETS AVAILABLE FOR BENEFITS: | |
| Beginning of year | <u>2,246,576</u> |
| End of year | <u><u>\$ 2,397,581</u></u> |

The accompanying notes to financial statements are an integral part of the above statement.

ITT SALARIED INVESTMENT AND SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS AS OF DECEMBER 31, 2007 AND 2006, AND FOR THE YEAR
ENDED DECEMBER 31, 2007
(\$ IN THOUSANDS)

1. DESCRIPTION OF THE PLAN

The following description of the ITT Salaried Investment and Savings Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General—The Plan is a defined contribution plan generally covering all regular salaried U.S. employees of ITT Corporation (the "Company"). Employees are eligible to join the Plan on the first day of the calendar month following completion of one month of service. Part-time /temporary employees are eligible as of the first of the month following the completion of at least 1,000 hours of service in an anniversary year. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Contributions—

Employee—An eligible employee as defined in the Plan ("Member") may generally elect to contribute 2% to 25% of base salary. A Member may designate his/her savings as Before-Tax Savings, After-Tax Savings, or any combination of the two. A Member who is considered a Highly Compensated Employee under the Plan may elect Plan savings up to a maximum of 14% of base salary as either Before-Tax Savings, After-Tax Savings, or any combination. Member contributions are subject to the dollar limitation contained in Section 402(g) of the Internal Revenue Code (the "Code"). Effective January 1, 2006, the Plan has been amended to provide that all salaried employees who first satisfy the eligibility requirements for participation in the Plan on or after January 1, 2006 and who have not elected a contribution rate, shall be deemed to have elected a 2% before-tax employee contribution rate, provided however, that at any time, such employee may elect to contribute at a different rate, including 0%, in accordance with the terms of the Plan.

Employer—An amount equal to 50% of a Member's first 6% of base salary saved is matched by the Company. In addition, the Company contributes 1/2 of 1% of base salary to the Floor Company Contribution Account, as defined by the Plan, of each eligible Member. All Members have the ability to invest their Company contributions in any of the Plan's investment options.

All Company contributions, if directed by Members into the ITT Stock Fund, including the future Company contributions to the Plan, have been deposited into the Employee Stock Ownership account ("ESOP"). All dividends associated with the Company contribution held in the ITT Stock Fund in the Plan are immediately 100% vested. In addition, Members can make an election regarding the payment of their ESOP dividends. Members can elect to have their ESOP dividends either reinvested in the ITT Stock Fund or paid to them in cash on a quarterly basis.

Effective April 1, 2006, the Plan has been amended to limit the amount that may be held in the ITT Stock Fund to 20% of a Member's balance. Members whose investment in the ITT Stock Fund exceeded 20% of their total account balance immediately preceding the effective date of the amendment are permitted to remain invested in the ITT Stock Fund to a maximum of the level in effect immediately preceding the effective date. Members whose investment in the ITT Stock Fund was 20% or more of the Member's total account balance immediately following the effective date of the amendment or on the last day of any quarter thereafter are not permitted to designate any new employee or Company contributions to the ITT Stock Fund.

Investment Direction—A Member may direct employee contributions and Company contributions, in any whole percentage, among any of twenty four investment options, and the Member can change his/her future savings and reallocate his/her accumulated investments in 1% increments on a daily basis among the twenty four funds, however, limited to a maximum of four fund reallocations or transfers in any calendar month, as defined below. The twenty four funds are as follows:

- Stable Value Fund
- Long Term Bond Fund
- JPMCB SmartRetirement Income Fund
- JPMCB SmartRetirement Fund 2010
- JPMCB SmartRetirement Fund 2015
- JPMCB SmartRetirement Fund 2020
- JPMCB SmartRetirement Fund 2025
- JPMCB SmartRetirement Fund 2030
- JPMCB SmartRetirement Fund 2035
- JPMCB SmartRetirement Fund 2040
- JPMCB SmartRetirement Fund 2045
- JPMCB SmartRetirement Fund 2050
- Balanced Fund
- Enhanced Equity Index Fund
- Large Cap Core Plus Fund
- Large Cap Value Fund
- Large Cap Growth Fund
- Global Equity Fund
- International Equity Fund
- Small Cap Core Fund
- Small Cap Value Fund
- Small Cap Growth Fund
- ITT Stock Fund
- Schwab Personal Choice Retirement Account (“PCRA”)

Member Accounts—Each Member’s account is credited with the Member’s contributions, Company contributions and an allocation of Plan earnings, withdrawals and Plan losses, net of administrative expenses and investment management fees. Allocations are based on Member account balances, as defined in the Plan document. The benefit to which a Member is entitled is the benefit that can be provided from the Member’s vested account.

Plan accounts are valued and reconciled between the trustee and record keeper daily. Members can initiate transactions by using the Plan’s web site or by speaking to a Plan representative at the ITT Benefits Center (“Benefits Center”).

A Member or deferred Member may perform a maximum of four fund reallocations or transfers in any calendar month. A reallocation or a transfer shall be defined as a single reallocation or a single transfer, or as a series of reallocations and/or transfers taking place on a single business day.

A deferred Member is a Member who has terminated employment with the Company and has elected to either defer his account or did not make any election and therefore, his account was automatically deferred, the spouse beneficiary of a deceased Member or deferred Member, or an alternate payee designated as such pursuant to a domestic relations order as qualified by the Plan.

Vesting—Members are immediately vested in their contributions and the Company floor contributions plus earnings thereon. Member’s interests in matching Company contributions vest according to the following schedule, except as noted previously with respect to dividends on ESOP shares which are 100% vested:

| Years of Service | Non-forfeitable Percentage |
|-------------------------|----------------------------|
| Less than 1 year | 0% |
| 1 but less than 2 years | 20% |
| 2 but less than 3 years | 40% |
| 3 but less than 4 years | 60% |
| 4 but less than 5 years | 80% |
| 5 or more years | 100% |

As of December 31, 2007 and 2006, the cumulative matching Company contributions and floor Company contributions made on behalf of all Members, including a pro-rata share of investment income, were as follows:

| | 2007 | 2006 |
|------------|-------------------|-------------------|
| Vested | \$ 967,200 | \$ 885,394 |
| Non-vested | 7,345 | 6,842 |
| | <u>\$ 974,545</u> | <u>\$ 892,236</u> |

Forfeitures—At December 31, 2007 and 2006, forfeited nonvested accounts totaled \$704 and \$463, respectively. During the year ended December 31, 2007, employer contributions were reduced by \$704 from forfeited invested accounts.

Member Loans—A Member may request a loan in any specified whole dollar amount which must be at least one thousand dollars but which may not exceed the lesser of 50% of the vested account balance or fifty thousand dollars, reduced by the Member’s highest outstanding loan balance, if any, during the prior one-year period. The interest rate charged by the Plan is based on the prime rate plus 1%, set at the date of the loan origination, and remains the same throughout the term of the loan. General purpose loan terms range from one to sixty months. If the loan is used in the purchase of a primary residence, the loan term can be for a period of up to one hundred eighty months. Members may have two loans outstanding at the same time. Loans to Members at December 31, 2007 and 2006 were \$25,389 and \$24,956, respectively. The loans are secured by the balance in the Member’s account.

A terminated Member may continue to make periodic repayment on their loans after separation by contacting the Plan’s Benefits Center. However, no new loans can be requested after termination of employment.

Payment of Benefits—On termination of employment (including death, disability, or retirement), a Member or his/her surviving spouse beneficiary may elect to receive a lump-sum amount equal to the value of the Member’s vested interest in his/her account paid in cash or as a rollover to another qualified plan or an Individual Retirement Account (“IRA”), or periodic payments under one of two alternative installment options. In any case, a Member or his/her surviving spouse beneficiary whose vested account balance is more than five thousand dollars may elect to keep his/her account balance in the Plan until the year in which the Member reaches/would have reached age 70 1/2. Upon the death of a Member, with a non-spouse beneficiary, the distribution must be made within five years from the Member’s date of death in the form of a lump sum payment or annual fixed period installments, provided that the number of installments does not extend beyond five years from the date of the Member’s death.

Direct Rollover of Certain Distributions — If a Member leaves the Company for any reason, the Member is entitled to receive a distribution of the total vested value of his/her account. The distribution can be in a form of a rollover as follows:

- (1) Elective Rollover — A Member may elect a rollover distribution paid directly to not more than two eligible retirement plans as specified by the Member.
- (2) Mandatory Rollover —
 - (A) If a Member’s account balance is greater than \$1,000 but less than \$5,001 and the Member fails to make an affirmative election to either receive the lump sum payment or have it directly rolled over to another qualified plan or an IRA within the election period, the account balance will be automatically rolled over to an IRA established in the Member’s name.
 - (B) If a Member’s account balance is \$1,000 or less and the Member fails to make an affirmative election to either receive the lump sum payment or have it directly rolled over to an another qualified plan or an IRA within the election period, the account balance will be automatically paid out to the Member.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting—The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates, Risks and Uncertainties—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates. The Plan utilizes various investment securities, such as common collective trusts and guaranteed investment contract. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the financial statements.

Investment Valuation and Income Recognition—The Plan’s investments are stated at fair value except for its benefit-responsive investment contract investments which are stated at fair value and then adjusted to contract value (Note 7). Quoted market prices are used to value investments except investments in common collective trusts, which are stated at estimated fair values based on the unit values of the underlying funds. Shares of registered investment companies are valued at the net asset value of shares held by the Plan at year-end. The stable value fund includes synthetic guaranteed investment contracts whose underlying investments are stated at fair value. Fair value of the underlying investments is determined by the issuer of the synthetic Guaranteed Investment Contract (“GIC”) based on quoted market prices and a fair value estimate of the wrapper contracts. Fair market value of the wrappers is estimated by converting the basis points assigned to the wrap fees into dollars. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Member loans are valued at the outstanding loan balances.

In accordance with Financial Accounting Standards Board Staff Position, FSB AAG INV-1 and SOP 94-4-1, Reporting of Fully Benefit-Responsive Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution

Health and Welfare and Pension Plans, the statement of net assets available for benefits presents investment contracts at fair value, as well as providing an additional line item showing an adjustment of fully benefit contracts from fair value to contract value. The statement of changes in net assets available for benefits is presented on a contract value basis. Fair value of the contract is calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations.

In September 2006, Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("FAS 157") was issued and is effective for fiscal years beginning after November 15, 2007. FAS 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. The impact on the financial statement disclosures is currently being assessed.

Expenses—The Plan pays for the administrative expenses of the Plan up to 0.25% of the market value of trust assets. In 2007, the Plan did not assess administrative expenses; however, \$3,000 of excess administrative expense was reversed and applied to the Members' accounts. The administrative credit applied to the Members' accounts is reflected net of investment management and administrative expenses on the statement of changes in net assets available for benefits. The Company pays Plan administrative expenses which are not paid by the Plan. In addition an investment management fee is charged to each investment fund except for the ITT Stock Fund and the Schwab Personal Choice Retirement Account.

Payment of Benefits—Benefit payments to Members are recorded upon distribution. Amounts allocated to accounts of persons who have elected to withdraw from the Plan but have not yet been paid were \$229 and \$73 at December 31, 2007 and 2006, respectively.

3. INVESTMENTS

The following presents investments that represent 5 percent or more of the Plan's net assets available for benefits:

| | December 31, | |
|---|--------------|-----------|
| | 2007 | 2006 |
| ITT Corporation Common Stock, 10,803,822 and 12,010,688 shares, respectively, at fair value | \$713,484 | \$682,447 |
| Investment Contract with Bank of America, at contract value* | \$207,976 | \$197,095 |
| Investment Contract with Natixis Financial Products Inc. formerly, IXIS/CDC, at contract value* | \$188,585 | \$178,108 |
| Investment Contract with Monumental Life Insurance Company, at contract value* | \$165,309 | \$176,804 |
| JP Morgan Chase Bank US Smart Index Fund, (Managed Equity Index Fund) 4,063,019 and 8,460,749 shares, respectively, at fair value | ** | \$232,587 |
| American Global New Perspective Fund (Global Equity Fund), 5,385,671 and 4,621,664 shares, respectively, at fair value | \$182,790 | \$146,692 |

* These investment contracts are part of the Stable Value fund investment option

** This investment represents 5 percent or more of the Plan net assets in 2006

During 2007, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated/(depreciated) in value by \$136,522, as follows:

| | |
|-------------------------|-------------------|
| Mutual funds | \$ 1,846 |
| Common stock | 106,291 |
| Common/collective trust | 27,805 |
| U.S. notes | 464 |
| Corporate notes | 118 |
| Other | (2) |
| Net appreciation | <u>\$ 136,522</u> |

4. SECURITIES LENDING

The Plan participates in a securities lending program through the trustee. Under this program, the Plan's investment securities are loaned to investment brokers for a fee. Securities loaned are fully collateralized by cash. At December 31, 2007, \$167,431 of the Plan's securities were on loan under the Trustee's securities lending program. The fair value of the collateral received as a percentage of the total current value of the securities on loan by the Plan was approximately 102%. Income from the program was \$210 for the year ended December 31, 2007 and is recorded in Interest on the statement of changes in net assets available for benefits.

5. PLAN TRUSTEE

Effective January 1, 2006, the Plan changed its trustee from State Street Bank and Trust Company to Wells Fargo Bank, NA. Wells Fargo Bank, NA served as the Plan's trustee for the period commencing with January 1, 2006 to present. Fees paid by the Plan for trustee services provided by Wells Fargo Bank, NA amounted to \$272 for the year ended December 31, 2007.

6. FEDERAL INCOME TAX STATUS

The IRS has determined and informed the Company by letter dated February 12, 2004 that the Plan and related trust are designed in accordance with applicable sections of the Code. The Plan has been amended since receiving the determination letter. However, the plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code and the Plan and the related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

7. INVESTMENT CONTRACTS WITH INSURANCE AND OTHER FINANCIAL INSTITUTIONS

The Plan provides a self managed stable value investment option to Members that includes synthetic guaranteed investment contracts which simulate the performance of a guaranteed investment contract through an issuer's guarantee of a specific interest rate (the wrapper contract) and a portfolio of financial instruments that are owned by the Plan. The synthetic GIC includes underlying assets which are held in trust owned by the Plan and utilizes benefit-responsive wrapper contracts issued by Bank of America, N.A., Natixis Financial Products, Inc., JP Morgan Chase Bank and Monumental Life Insurance Co. The contracts provide that the Members execute plan transactions at contract value. Contract value represents contributions made to the fund, plus earnings, less Member withdrawals. The interest rates are reset quarterly based on market rates of other similar investments, the current yield of the underlying investments and the spread between the market value and contract value. The rate cannot be less than 2%. Certain events such as plan termination or a plan merger initiated by the Company may limit the ability of the

Plan to transact at contract value or may allow for the termination of the wrapper contract at less than current value. The Company does not believe that any events that may limit the ability of the Plan to transact at contract value are probable.

| Average yields: | 2007 | 2006 |
|---|-------|-------|
| Based on year-end average yield of investment (1) | 5.16% | 5.43% |
| Based on average yield credited to participants (2) | 5.36% | 5.21% |

-
- (1) Computed by market value sum of the funds holding times their respective yields, divided by the sum of the holdings as of the stated reporting date.
- (2) Computed by the sum of the book value holdings times the crediting rate for the fund divided by the market value of the fund.

8. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

At December 31, 2007 and 2006, the Plan held 10,803,822 and 12,010,688 shares outstanding, respectively, of common stock of ITT Corporation, the Plan sponsor, with a cost basis of \$253,100 and \$276,266, respectively. During the year ended December 31, 2007, the Plan recorded related dividend income of \$6,040 and net appreciation of \$106,562.

Certain administrative functions are performed by the officers and employees of the Company (who may also be Members in the Plan) at no cost to the Plan.

Wells Fargo Bank, NA maintained short-term investments of \$50,246 as of December 31, 2007.

Fees paid by the Plan for the investment management services were \$3,656 for the year-ended December 31, 2007.

These transactions are not deemed prohibited party-in-interest transactions, because they are covered by statutory or administrative exemptions from the Code and ERISA's rules on prohibited transactions.

9. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, Members will become 100% vested in their accounts.

10. ASSET TRANSFERS/ROLLOVERS

During 2007, no assets were transferred out and \$6,964 was rolled over into the Plan.

11. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits reflected in the financial statements to the Plan's Form 5500:

| | As of December 31, | |
|--|-----------------------|---------------------|
| | 2007 | 2006 |
| Net assets available for benefits per the financial statements | \$ 2,397,581 | \$ 2,246,576 |
| Amounts allocated to withdrawing Members | (229) | (73) |
| Adjustment from fair value to contract value for fully benefit responsive investment contracts | 3,282 | (1,219) |
| Net assets available for benefits per the Form 5500 | <u>\$ 2,400,634</u> | <u>\$ 2,245,284</u> |

| | As of December 31, 2007 |
|--|----------------------------|
| Increase in net assets per the financial statements | \$ 151,005 |
| Adjustment from contract value to fair value for fully benefit responsive investment contracts | 4,501 |
| Add: Amounts allocated to withdrawing Members at December 31, 2006 | 73 |
| Less: Amounts allocated to withdrawing Members at December 31, 2007 | (229) |
| Net income per Form 5500 | <u>\$ 155,350</u> |

The following is a reconciliation of withdrawals and distributions to Members according to the financial statements to the Form 5500:

| | Year Ended December 31, 2007 |
|---|---------------------------------|
| Withdrawals and distributions per the financial statements | \$ 167,163 |
| Add: Amounts allocated to withdrawing Members at December 31, 2007 | 229 |
| Less: Amounts allocated to withdrawing Members at December 31, 2006 | (73) |
| Less: Amounts deemed distributed for tax purposes in 2007 | (1,575) |
| Withdrawals and distributions per the Form 5500 | <u>\$ 165,744</u> |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
SCHEDULE H, PART IV, LEVEL 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2007

EIN: 13-5158950
PN: 100

| (a) | (b) Identity of Issuer, Borrower, Lesser or Similar Party | (c) Description of Investment, including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value | (d) Cost | (e) Current Value |
|-----|--|---|----------|----------------------|
| | Cash | | | 250 |
| | JP Morgan Liquidity Fund | Money Market | | 692,782 |
| * | Wells Fargo Short Term Investment Fund | Money Market | | 50,245,914 |
| | US Treasury Bill | US Government Security, Par — 4,920,000 Maturity 2/21/08, Yield 4.610% | ** | 4,197,470 |
| | United States Treasury Bonds | US Government Security, Par — 4,920,000 Maturity 2/15/36, Interest 4.500% | ** | 4,944,984 |
| | United States Treasury Bonds | US Government Security, Par — 3,505,000 Maturity 2/15/37, Interest 4.750% | ** | 3,458,887 |
| | United States Treasury Bonds | US Government Security, Par — 1,330,000 Maturity 8/15/26, Interest 6.750% | ** | 1,702,400 |
| | United States Treasury Bonds | US Government Security, Par — 4,885,000 Maturity 11/15/21, Interest 8.000% | ** | 6,685,582 |
| | United States Treasury Notes | US Government Security, Par — 5,780,000 Maturity 4/30/08, Interest 4.875% | ** | 5,807,998 |
| | United States Treasury Notes | US Government Security, Par — 4,990,000 Maturity 2/30/08, Interest 3.000% | ** | 4,988,049 |
| | Abbott Laboratories | Corporate Bond, Par — 2,075,000 Maturity 11/30/12, Interest 5.150% | ** | 2,120,748 |
| | Du Pont | Corporate Bond, Par — 2,120,000 Maturity 12/16/16, Interest 5.250% | ** | 2,085,804 |
| | Union Pacific Corporation | Corporate Bond, Par — 2,075,000 Maturity 1/31/13, Interest 5.450% | ** | 2,093,096 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
SCHEDULE H, PART IV, LEVEL 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2007

EIN: 13-5158950
PN: 100

| (a) | (b) Identity of Issuer, Borrower, Lesser or Similar Party | (c) Description of Investment, including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value | (d) Cost | (e) Current Value |
|-----|--|---|----------|----------------------|
| | Wal-Mart Stores, Inc. | Corporate Bond, Par — 2,050,000 Maturity 2/15/18, Interest 5.800% | ** | 2,116,369 |
| | Henkel KGAA | Non Voting Preferred Stock | ** | 78,498 |
| | Mylan Inc | Convertible Preferred Stock Until 11/15/10 | ** | 508,125 |
| | SLM Corporation | Convertible Preferred Stock Until 11/15/10 | ** | 311,250 |
| | 3M Company | Common Stock | ** | 529,530 |
| | Abbott Laboratories | Common Stock | ** | 1,865,865 |
| | Abitibowater, Inc. | Common Stock | ** | 79,720 |
| | Accenture LTD | Common Stock | ** | 302,652 |
| | Ace Limited | Common Stock | ** | 345,968 |
| | Actuant Corp Class A | Common Stock | ** | 768,626 |
| | Adtran Inc | Common Stock | ** | 33,139 |
| | Advanced Micro Devices Inc | Common Stock | ** | 494,250 |
| | Advanced Semiconductor Engineering Inc | Sponsored ADR | ** | 20,311 |
| | Aegon NV | Common Stock | ** | 49,493 |
| | AES Corporation | Common Stock | ** | 465,233 |
| | Aetna Inc | Common Stock | ** | 338,875 |
| | Agilent Technologies Inc | Common Stock | ** | 150,634 |
| | Agrium Inc | Common Stock | ** | 64,989 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
SCHEDULE H, PART IV, LEVEL 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2007

EIN: 13-5158950
PN: 100

| (a) | (b) Identity of Issuer, Borrower, Lesser or Similar Party | (c) Description of Investment, including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value | (d) Cost | (e) Current Value |
|-----|--|---|----------|----------------------|
| | Alcatel | Common Stock | ** | 9,408 |
| | Alcatel-Lucent | Common Stock | ** | 222,528 |
| | Alcoa Inc | Common Stock | ** | 1,578,960 |
| | Alcon Inc | Common Stock | ** | 648,400 |
| | Align Tehnology Inc | Common Stock | ** | 47,955 |
| | Allegheny Technologies Inc | Common Stock | ** | 129,600 |
| | Allergan Inc | Common Stock | ** | 379,016 |
| | Allied Waste Industries | Common Stock | ** | 2,008,946 |
| | Allscripts Healthcare Solutions | Common Stock | ** | 19,906 |
| | Altria Group Inc | Common Stock | ** | 5,659,431 |
| | Amazon.com Inc | Common Stock | ** | 1,207,933 |
| | American Electric Power Inc | Common Stock | ** | 1,326,960 |
| | American Express Company | Common Stock | ** | 322,004 |
| | American International Group Inc | Common Stock | ** | 6,921,376 |
| | American Medical Systems Holdings Inc | Common Stock | ** | 36,150 |
| | American Tower Systems Corporation Class A | Common Stock | ** | 583,620 |
| | Ameriprise Financial Inc | Common Stock | ** | 93,687 |
| | AmerisourceBergen Corp | Common Stock | ** | 1,305,717 |
| | Ameristar Casinos Inc | Common Stock | ** | 28,917 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
SCHEDULE H, PART IV, LEVEL 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2007

EIN: 13-5158950
PN: 100

| (a) | (b) Identity of Issuer, Borrower, Lesser or Similar Party | (c) Description of Investment, including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value | (d) Cost | (e) Current Value |
|-----|--|---|----------|----------------------|
| | Amgen Inc | Common Stock | ** | 1,422,922 |
| | AMN Healthcare Services Inc | Common Stock | ** | 8,585 |
| | Amylin Pharmaceuticals Inc | Common Stock | ** | 36,075 |
| | Anheuser Busch Companies Inc | Common Stock | ** | 600,863 |
| | Aon Corporation | Common Stock | ** | 290,909 |
| | Apollo Group Inc | Common Stock | ** | 56,120 |
| | Apple Inc | Common Stock | ** | 2,731,919 |
| | Applied Biosystems Group | Common Stock | ** | 98,368 |
| | Applied Material Inc | Common Stock | ** | 360,528 |
| | Arcelormittal-NY Registered | Common Stock | ** | 2,444,260 |
| | Arch Coal Inc | Common Stock | ** | 175,227 |
| | Archer Daniels Midland Co | Common Stock | ** | 557,160 |
| | Asatsu DK Inc | Common Stock | ** | 14,009 |
| | ASML Holding NV | Common Stock | ** | 132,795 |
| | Assurant Inc | Common Stock | ** | 194,010 |
| | AT&T | Common Stock | ** | 7,670,729 |
| | Autoliv Inc | Common Stock | ** | 611,436 |
| | Automatic Data Processing Inc | Common Stock | ** | 333,530 |
| | Avery Dennison Corporation | Common Stock | ** | 175,362 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
SCHEDULE H, PART IV, LEVEL 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2007

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|-----|--|---|----------|----------------------|
| | Avon Products Inc | Common Stock | ** | 988,329 |
| | Axis Capital Holdings Ltd | Common Stock | ** | 826,164 |
| | Baker Hughes Inc | Common Stock | ** | 1,102,960 |
| | Bankok Bank PCL | Common Stock | ** | 31,878 |
| | Bank of New York Mellon Corp | Common Stock | ** | 1,632,631 |
| | Bank of America Corp | Common Stock | ** | 5,235,894 |
| | Barclays | Common Stock | ** | 23,075 |
| | Bard C R Inc | Common Stock | ** | 151,680 |
| | Barrick Gold Corp | Common Stock | ** | 96,715 |
| | Baxter International Inc | Common Stock | ** | 271,674 |
| | Bayersche Motorewerke | Common Stock | ** | 24,989 |
| | Bear Stearns Cos Inc | Common Stock | ** | 45,890 |
| | Becton Dickinson & Co | Common Stock | ** | 236,531 |
| | Bed Bath & Beyond Inc | Common Stock | ** | 537,837 |
| | Best Buy Inc | Common Stock | ** | 1,185,678 |
| | BJ Services Company | Common Stock | ** | 172,246 |
| | Black & Decker Manufacturing, Inc | Common Stock | ** | 975,100 |
| | H&R Block, Inc | Common Stock | ** | 1,418,748 |
| | Boeing Co | Common Stock | ** | 688,310 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
SCHEDULE H, PART IV, LEVEL 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2007

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PN: 100

| (a) | (b) Identity of Issuer, Borrower, Lesser or Similar Party | (c) Description of Investment, including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value | (d) Cost | (e) Current Value |
|-----|--|---|----------|----------------------|
| | Bombardier Inc | Common Stock | ** | 38,648 |
| | Borders Group Inc | Common Stock | ** | 15,176 |
| | Borg Warner Inc | Common Stock | ** | 832,652 |
| | Boston Private Financial Holdings Inc | Common Stock | ** | 25,726 |
| | Boston Properties Inc | Common Stock | ** | 237,788 |
| | BP PLC — ADR | Sponsored ADR | ** | 2,721,924 |
| | BP PLC — Ord | Common Stock | ** | 62,435 |
| | Bright Hironzons Family Solutions Inc | Common Stock | ** | 25,042 |
| | Bristol Myers Squibb Co | Common Stock | ** | 548,964 |
| | Brit Insurance Holdings PLC | Common Stock | ** | 15,499 |
| | British Sky Broadcasting Group plc | Common Stock | ** | 54,216 |
| | Broadcom Corporation | Common Stock | ** | 260,616 |
| | CA Inc | Poison Pill Rights Issue | ** | — |
| | Cablevision NY Group Class A | Common Stock | ** | 95,550 |
| | Cabot Microelectronics Corp | Common Stock | ** | 34,115 |
| | Caci International Inc Class A | Common Stock | ** | 680,504 |
| | Cadbury Schweppes 12.5 P | Common Stock | ** | 76,642 |
| | Cadbury Schweppes PLC | Sponsored ADR | ** | 1,372,486 |
| | Campbell Soup Co | Common Stock | ** | 64,314 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
SCHEDULE H, PART IV, LEVEL 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2007

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|-----|--|---|----------|----------------------|
| | Canadian National Railway Company | Common Stock | ** | 112,632 |
| | Capital One Financial Corp | Common Stock | ** | 283,560 |
| | Cardinal Health Inc | Common Stock | ** | 379,418 |
| | Career Education Corporation | Common Stock | ** | 643,584 |
| | Carnival Corp | Common Stock | ** | 203,764 |
| | Caterpillar Inc | Common Stock | ** | 856,208 |
| | CBS Corp Class B | Common Stock | ** | 1,773,975 |
| | Celgene Corp | Common Stock | ** | 303,600 |
| | Centerpoint Energy Inc | Common Stock | ** | 128,475 |
| | Central Japan Railway | Common Stock | ** | 34,123 |
| | Cephalon Inc | Common Stock | ** | 78,936 |
| | Charles River Laboratories | Common Stock | ** | 36,190 |
| | Check Point Software Technologies LTD | Common Stock | ** | 1,029,924 |
| | Cheung Kong Holdings | Common Stock | ** | 110,960 |
| | Chevron Corp | Common Stock | ** | 5,961,920 |
| | Christopher & Banks Corp | Common Stock | ** | 24,904 |
| | Cigna Corp | Common Stock | ** | 236,412 |
| | Cisco Systems Inc. | Common Stock | ** | 1,910,574 |
| | CIT Group Inc | Common Stock | ** | 201,852 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
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|-----|--|---|----------|----------------------|
| | Citigroup Inc | Common Stock | ** | 2,719,667 |
| | Clorox Co | Common Stock | ** | 1,029,686 |
| | CME Group, Inc | Common Stock | ** | 404,740 |
| | Coach Inc | Common Stock | ** | 205,192 |
| | Coca Cola Co. | Common Stock | ** | 2,492,113 |
| | Coldwater Creek Inc | Common Stock | ** | 30,774 |
| | Colgate Palmolive Co | Common Stock | ** | 237,778 |
| | Comcast Corp Specail Class A | Common Stock | ** | 766,476 |
| | Conagra Foods Inc. | Common Stock | ** | 1,446,432 |
| | ConocoPhillips | Common Stock | ** | 6,367,313 |
| | Consol Energy Inc | Common Stock | ** | 307,536 |
| | Constellation Energy Group Inc | Common Stock | ** | 338,349 |
| | Cooper Industries LTD | Common Stock | ** | 126,912 |
| | Corinthian Colleges Inc | Common Stock | ** | 56,980 |
| | Corning Inc. | Common Stock | ** | 1,134,967 |
| | Costco Wholesale Corp | Common Stock | ** | 313,920 |
| | Countrywide Financial Corporation | Common Stock | ** | 520,487 |
| | Covance Inc | Common Stock | ** | 25,986 |
| | Coviden LTD | Sponsored ADR | ** | 1,234,141 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
SCHEDULE H, PART IV, LEVEL 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
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|-----|--|---|----------|----------------------|
| | Cree, Inc | Common Stock | ** | 34,338 |
| | Crown Castle Intl Corp | Common Stock | ** | 432,640 |
| | CVS/Caremark Corporation | Common Stock | ** | 1,387,116 |
| | DR Horton Inc | Common Stock | ** | 84,552 |
| | Danaher Corp | Common Stock | ** | 619,445 |
| | Deere & Co | Common Stock | ** | 865,085 |
| | Dell Inc | Common Stock | ** | 915,939 |
| | Deutsche Bank AG | Registered Shares | ** | 983,516 |
| | Deutsche Telekom AG | Common Stock | ** | 54,937 |
| | Devon Energy Corporation | Common Stock | ** | 1,206,153 |
| | DeVry Inc | Common Stock | ** | 38,970 |
| | Diageo PLC | Common Stock | ** | 73,095 |
| | Diebold Inc. | Common Stock | ** | 730,296 |
| | Discovery Holding Co | Common Stock | ** | 578,220 |
| | Dolby Laboratories Inc | Common Stock | ** | 37,290 |
| | Domtar Corp | Common Stock | ** | 726,705 |
| | Dover Corp | Common Stock | ** | 1,608,080 |
| | Dow Chemical | Common Stock | ** | 1,881,911 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
SCHEDULE H, PART IV, LEVEL 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
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|-----|--|---|----------|----------------------|
| | Downey Financial Corp | Common Stock | ** | 503,982 |
| | Du Pont EI De Nemours & Co | Common Stock | ** | 1,402,062 |
| | Dynegy Inc Class A | Common Stock | ** | 202,919 |
| | EMC Corporation | Common Stock | ** | 300,927 |
| | Ebay Inc | Common Stock | ** | 590,848 |
| | Echostar Communications | Common Stock | ** | 97,695 |
| | Edison International | Common Stock | ** | 264,182 |
| | Electronic Arts Inc | Common Stock | ** | 137,848 |
| | Electronic Data Systems Corp | Common Stock | ** | 169,986 |
| | Eli Lilly & Co | Common Stock | ** | 560,595 |
| | Emerson Electric Co | Common Stock | ** | 566,600 |
| | Encana Corp | Common Stock | ** | 61,553 |
| | Entergy Corp | Common Stock | ** | 1,171,296 |
| | EOG Resources, Inc | Common Stock | ** | 315,945 |
| | Equity Residential Property Trust | Common Stock | ** | 244,349 |
| | Estee Lauder Companies Inc | Common Stock | ** | 109,025 |
| | Eurpoean Aeronautic | Common Stock | ** | 38,300 |
| | Exelon Corporation | Common Stock | ** | 742,924 |
| | Expedia Inc | Common Stock | ** | 183,396 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
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|-----|--|---|----------|----------------------|
| | Expeditors International of Washington Inc | Common Stock | ** | 317,228 |
| | Express Scripts Inc | Common Stock | ** | 671,235 |
| | Exxon Mobil Corp | Common Stock | ** | 11,572,589 |
| | Fair Isaac, Inc. | Common Stock | ** | 1,038,445 |
| | Fairchild Semiconductor International | Common Stock | ** | 15,512 |
| | Fastenal Co | Common Stock | ** | 72,756 |
| | Federal Home Loan Mortgage Corp | Common Stock | ** | 1,798,896 |
| | Federal National Mortgage Assn | Common Stock | ** | 811,594 |
| | Federated Investors Inc Class B | Common Stock | ** | 185,220 |
| | Fidelity National Financial Inc | Common Stock | ** | 261,519 |
| | First Horizon National Corp | Common Stock | ** | 185,130 |
| | First Solar Inc | Common Stock | ** | 347,282 |
| | Firstenergy Corp | Common Stock | ** | 405,104 |
| | Firstservice Corp | Common Stock | ** | 29,298 |
| | Flextronics International Ltd | Common Stock | ** | 1,290,396 |
| | Flour Corp | Common Stock | ** | 131,148 |
| | FMC Technologies Inc | Common Stock | ** | 374,220 |
| | Ford Motor Company | Common Stock | ** | 205,938 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
SCHEDULE H, PART IV, LEVEL 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
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|-----|--|---|----------|----------------------|
| | Forest Labs Inc | Common Stock | ** | 885,735 |
| | Forestar Real Estate Group Inc | Common Stock | ** | 296,448 |
| | Formfactor Inc | Common Stock | ** | 36,410 |
| | Fortune Brands Inc | Common Stock | ** | 101,304 |
| | Foster Wheeler LTD | Common Stock | ** | 108,514 |
| | France Telecom | Common Stock | ** | 75,591 |
| | Franklin Reources Inc | Common Stock | ** | 234,582 |
| | Freeport-McMoran Copper & Gold Inc | Common Stock | ** | 1,158,699 |
| | Fresenius Medical Care AG | Common Stock | ** | 75,100 |
| | Gamestop Corp | Common Stock | ** | 31,055 |
| | Gap Inc | Common Stock | ** | 851,200 |
| | Garmin LTD | Common Stock | ** | 574,434 |
| | Genentech Inc | Common Stock | ** | 67,070 |
| | General Dynamics Corp | Common Stock | ** | 711,920 |
| | General Electric Co | Common Stock | ** | 6,019,797 |
| | General Mills Inc | Common Stock | ** | 379,620 |
| | General Motors Corp | Common Stock | ** | 1,165,051 |
| | Gentex Corp | Common Stock | ** | 20,436 |
| | Genworth Financial Inc Class A | Common Stock | ** | 1,938,781 |

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|-----|--|---|----------|----------------------|
| | Genzyme Corp | Common Stock | ** | 133,992 |
| | Gilead Science Inc | Common Stock | ** | 1,694,410 |
| | Glaxosmithkline | Common Stock | ** | 89,109 |
| | Goldman Sachs Group Inc | Common Stock | ** | 3,028,979 |
| | Google Inc | Common Stock | ** | 3,173,893 |
| | Grant Prideco Inc | Common Stock | ** | 321,958 |
| | Guaranty Financial Group Inc | Common Stock | ** | 5,867 |
| | Guess Inc | Common Stock | ** | 303,537 |
| | Harley Davidson Inc | Common Stock | ** | 126,117 |
| | Harman International Industries Inc | Common Stock | ** | 103,194 |
| | Harrahs Entertainment Inc | Common Stock | ** | 150,875 |
| | Hartford Financial Services Group | Common Stock | ** | 956,474 |
| | Hasboro Inc | Common Stock | ** | 133,016 |
| | Heidrick & Struggles International Inc | Common Stock | ** | 41,749 |
| | Hewitt Packard Co | Common Stock | ** | 2,292,145 |
| | Home Depot | Common Stock | ** | 574,900 |
| | Honeywell International Inc. | Common Stock | ** | 856,439 |
| | Humana Inc | Common Stock | ** | 210,868 |
| | IAC InterActiveCorp | Common Stock | ** | 975,850 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
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|-----|--|---|----------|----------------------|
| | Illinois Tool Works Inc | Common Stock | ** | 146,164 |
| | Infineon Technologies AG | Common Stock | ** | 36,803 |
| | Ingersoll-Rand Company LTD | Common Stock | ** | 1,840,212 |
| | Integrated Device Technology Inc | Common Stock | ** | 755,508 |
| | Intel Corp | Common Stock | ** | 786,203 |
| | Interactive Brokers Group Inc | Common Stock | ** | 138,976 |
| | Intercontinental Exchange Inc | Common Stock | ** | 154,000 |
| | Intermune Inc | Common Stock | ** | 9,331 |
| | Internap Network Services | Common Stock | ** | 22,491 |
| | International Business Machines Corp | Common Stock | ** | 1,816,080 |
| | International Game Technology | Common Stock | ** | 528,917 |
| | International Paper Co | Common Stock | ** | 246,088 |
| | International Power PLC | Common Stock | ** | 68,608 |
| | Intuit | Common Stock | ** | 278,168 |
| | Intuitive Surgical Inc | Common Stock | ** | 863,495 |
| * | ITT Corporation | Common Stock | ** | 713,484,405 |
| | ITT Educational Services Inc | Common Stock | ** | 21,318 |
| | Jaredine Matheson Holdings | Common Stock | ** | 44,320 |
| | JDS Uniphase Corp | Common Stock | ** | 111,720 |

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|-----|--|---|----------|----------------------|
| | Jetblue Airways Corp | Common Stock | ** | 444,860 |
| | Johnson & Johnson | Common Stock | ** | 1,726,863 |
| | Johnson Controls Inc | Common Stock | ** | 74,603 |
| | Joy Global Inc | Common Stock | ** | 210,624 |
| * | JP Morgan Chase & Co | Common Stock | ** | 5,552,280 |
| | Juniper Networks Inc | Common Stock | ** | 1,009,014 |
| | KB Homes | Common Stock | ** | 678,240 |
| | Kimberley Clark Corporation | Common Stock | ** | 1,171,846 |
| | Knot Inc | Common Stock | ** | 19,527 |
| | Kohls Corp | Common Stock | ** | 638,910 |
| | Konami Co | Common Stock | ** | 42,591 |
| | Korn Ferry International | Common Stock | ** | 31,994 |
| | Kraft Foods Inc | Common Stock | ** | 687,841 |
| | Kroger Co | Common Stock | ** | 2,219,601 |
| | Laboratory Corp. of America Holdings | Common Stock | ** | 203,931 |
| | Lamar Advertising Co Class A | Common Stock | ** | 197,087 |
| | Lazard Ltd | Common Stock | ** | 736,308 |
| | Lehman Brothers Holding Inc | Common Stock | ** | 405,728 |
| | Lennar Corporation Class A | Common Stock | ** | 94,817 |

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|-----|--|---|----------|----------------------|
| | Liberty Global Inc | Common Stock | ** | 917,787 |
| | Life Time Fitness Inc | Common Stock | ** | 17,388 |
| | Lincoln National Corp | Common Stock | ** | 314,388 |
| | Linde AG | Common Stock | ** | 52,920 |
| | Lions Gate Entertainment Corp | Common Stock | ** | 25,905 |
| | Lockheed Martin Corp | Common Stock | ** | 431,566 |
| | Lowe's Corp | Common Stock | ** | 211,428 |
| | Lonza Group AG | Common Stock | ** | 72,817 |
| | Loopnet Inc | Common Stock | ** | 8,079 |
| | Lowe's Cos Inc | Common Stock | ** | 371,194 |
| | Macy's Inc | Common Stock | ** | 2,051,491 |
| | Manhattan Associates Inc | Common Stock | ** | 929,190 |
| | Marathon Oil Corp | Common Stock | ** | 4,229,770 |
| | Marinemax Inc | Common Stock | ** | 19,763 |
| | Marketaxess Holdings Inc | Common Stock | ** | 17,962 |
| | Marriott International Inc Class A | Common Stock | ** | 345,218 |
| | Marsh & McLennan Cos Inc | Common Stock | ** | 71,469 |
| | Marshall & Ilsley Corp | Common Stock | ** | 206,491 |

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|-----|--|---|----------|----------------------|
| | Marvell Technology Group | Common Stock | ** | 548,016 |
| | Masco Corp | Common Stock | ** | 136,143 |
| | Mastercard Inc Class A | Common Stock | ** | 909,866 |
| | Maxim Intergrated Products Inc | Common Stock | ** | 254,208 |
| | MBIA Inc | Common Stock | ** | 570,078 |
| | McDermott International Inc | Common Stock | ** | 82,642 |
| | McDonalds Corp | Common Stock | ** | 933,076 |
| | McGraw-Hill Companies Inc | Common Stock | ** | 179,621 |
| | McKesson Corp | Common Stock | ** | 1,827,729 |
| | Meadwestvaco Corp | Common Stock | ** | 25,040 |
| | Medco Health Solutions Inc | Common Stock | ** | 895,058 |
| | Medics Pharmaceutical Corp Class A | Common Stock | ** | 640,810 |
| | Medtronic Inc | Common Stock | ** | 673,618 |
| | Melco PBL Entertainment | Sponsored ADR | ** | 230,044 |
| | Memc Electronic Materials Inc | Common Stock | ** | 782,694 |
| | Mentor Corp | Common Stock | ** | 48,875 |
| | Merck & Co Inc | Common Stock | ** | 4,367,025 |
| | Meredith Corp | Common Stock | ** | 82,470 |
| | Merrill Lynch & Co Inc | Common Stock | ** | 2,999,102 |

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| (a) | (b) Identity of Issuer, Borrower, Lesser or Similar Party | (c) Description of Investment, including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value | (d) Cost | (e) Current Value |
|-----|--|---|----------|----------------------|
| | MetLife Inc | Common Stock | ** | 3,990,511 |
| | Metropcs Communications Inc | Common Stock | ** | 268,410 |
| | MGM Mirage Inc | Common Stock | ** | 159,638 |
| | Micrel Inc | Common Stock | ** | 19,013 |
| | Microsoft Corp | Common Stock | ** | 7,243,318 |
| | Millennium Pharmaceuticals Inc | Common Stock | ** | 350,532 |
| | Millipore Corp | Common Stock | ** | 73,180 |
| | Mizumo Investors Securite | Common Stock | ** | 7,474 |
| | MKS Instruments Inc | Common Stock | ** | 36,845 |
| | Monsanto Co | Common Stock | ** | 1,298,731 |
| | Monster Worldwide Inc | Common Stock | ** | 213,840 |
| | Moodys Corp | Common Stock | ** | 110,670 |
| | Morgan Stanley | Common Stock | ** | 1,980,472 |
| | Morningstar Inc | Common Stock | ** | 7,775 |
| | Morrison W Supermarket | Common Stock | ** | 82,814 |
| | Motorola Inc | Common Stock | ** | 1,281,275 |
| | MTU Aero Engines Holding | Common Stock | ** | 34,344 |
| | Murphy Oil Corp | Common Stock | ** | 526,008 |
| | Nabors Oil Corp | Common Stock | ** | 71,214 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
SCHEDULE H, PART IV, LEVEL 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2007

EIN: 13-5158950
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|-----|--|---|----------|----------------------|
| | Nalco Holding Co | Common Stock | ** | 602,082 |
| | National Instruments Corp | Common Stock | ** | 24,998 |
| | National Oilwell Varco Inc | Common Stock | ** | 655,410 |
| | Navigant Consulting Co | Common Stock | ** | 22,214 |
| | Nestle SA | Common Stock | ** | 91,861 |
| | Network Appliance Inc | Common Stock | ** | 152,256 |
| | Newell Rubbermaid Inc | Common Stock | ** | 62,112 |
| | Newfield Exploration Co | Common Stock | ** | 1,106,700 |
| | News Corp Class A | Common Stock | ** | 474,549 |
| | Nidec Corporation | Common Stock | ** | 44,470 |
| | NII Holdings | Common Stock | ** | 53,152 |
| | Nike Inc Class B | Common Stock | ** | 127,838 |
| | Nisource Inc | Common Stock | ** | 47,225 |
| | Nitto Denko Corp | Common Stock | ** | 52,992 |
| | Nokia AB | Common Stock | ** | 34,896 |
| | Nokia Corp | Sponsored ADR | ** | 1,501,702 |
| | Nordson Corp | Common Stock | ** | 747,684 |
| | Norfolk Southern Corp | Common Stock | ** | 429,245 |
| | Northern Trust Corp | Common Stock | ** | 114,870 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
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|-----|--|---|----------|----------------------|
| | Northrop Grumman Corp | Common Stock | ** | 2,319,880 |
| | Northwest Airlines Corp | Common Stock | ** | 528,164 |
| | Novartis AG | ADR | ** | 858,098 |
| | NRG Energy Inc. | Common Stock | ** | 1,230,856 |
| | Nucor Corp | Common Stock | ** | 313,866 |
| | Nvidia Corp | Common Stock | ** | 481,111 |
| | Occidental Petroleum Corp | Common Stock | ** | 2,268,126 |
| | Office Depot Inc | Common Stock | ** | 280,982 |
| | Omnicom Group | Common Stock | ** | 261,415 |
| | Oracle Corporation | Common Stock | ** | 606,499 |
| | Oxford Industries Inc | Common Stock | ** | 28,347 |
| | PF Chang's China Bristro Inc | Common Stock | ** | 32,547 |
| | Paccar Inc | Common Stock | ** | 168,888 |
| | Panera Bread Company Class A | Common Stock | ** | 32,238 |
| | Parker Hannifin Corp | Common Stock | ** | 621,308 |
| | Peabody Energy Corporation | Common Stock | ** | 1,319,096 |
| | Pearson PLC | Sponsored ADR | ** | 1,123,648 |
| | Pepsico Inc | Common Stock | ** | 1,133,946 |
| | Performance Food Group Co | Common Stock | ** | 1,072,113 |

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|-----|--|---|----------|----------------------|
| | Pfizer Inc | Common Stock | ** | 7,502,719 |
| | Pharmaceutical Product Development Inc | Common Stock | ** | 50,463 |
| | Pinnacle West Capital Corp | Common Stock | ** | 63,615 |
| | PNC Financial Services Group Pool Corporation | Common Stock | ** | 210,080 |
| | Potash Corp of Saskatchewan | Common Stock | ** | 18,343 |
| | PPL Corporation | Common Stock | ** | 734,196 |
| | Praxair Inc | Common Stock | ** | 359,421 |
| | Precision Castparts Corp | Common Stock | ** | 582,825 |
| | Privatebancorp Inc | Common Stock | ** | 166,440 |
| | Procter & Gamble Co | Common Stock | ** | 22,039 |
| | Progressive Corp | Common Stock | ** | 2,248,121 |
| | Prologis-SBI | Common Stock | ** | 95,800 |
| | Prudential Financial Inc | Common Stock | ** | 215,492 |
| | PSS World Medical Inc | Common Stock | ** | 518,233 |
| | Public Service Enterprise Group Inc | Common Stock | ** | 29,844 |
| | Qualcom Inc | Common Stock | ** | 481,376 |
| | Quality Systems Inc | Common Stock | ** | 1,329,243 |
| | Quanta Services Inc | Common Stock | ** | 19,056 |
| | | | ** | 52,480 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
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|-----|--|---|----------|----------------------|
| | Radio One Inc | Common Stock | ** | 174,669 |
| | Raymond James Financial Inc | Common Stock | ** | 30,211 |
| | Raytheon Co | Common Stock | ** | 154,178 |
| | Red Hat Inc | Common Stock | ** | 516,832 |
| | Reliant Energy, Inc | Common Stock | ** | 223,040 |
| | Republic Services Inc Class A | Common Stock | ** | 134,805 |
| | Research In Motion | Common Stock | ** | 475,146 |
| | Rhoen Klinikum AG | Common Stock | ** | 50,107 |
| | Rio Tinto PLC | Sponsored ADR | ** | 209,950 |
| | Robert Half International Inc | Common Stock | ** | 59,488 |
| | Rockwell Collins Inc | Common Stock | ** | 273,486 |
| | Rogers Communications Inc | Common Stock | ** | 416,300 |
| | Ross Stores Inc | Common Stock | ** | 162,625 |
| | Royal Bank of Scotland Group | Common Stock | ** | 784,992 |
| | Royal Dutch Shell PLC | Common Stock | ** | 21,011 |
| | Royal Dutch Shell PLC | Sponsored ADR | ** | 1,641,900 |
| | Royal Dutch Shell PLC Class A | Common Stock | ** | 12,632 |
| | Ryland Group Inc | Common Stock | ** | 1,071,695 |
| | Saks Incorporated | Common Stock | ** | 432,161 |

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|-----|--|---|----------|----------------------|
| | Sanmina-Sci Corp | Common Stock | ** | 129,220 |
| | Sanofi-Aventis | Common Stock | ** | 92,080 |
| | SAP AG | Common Stock | ** | 72,910 |
| | Sara Lee Corp | Common Stock | ** | 1,512,852 |
| | Schering Plough Corp | Common Stock | ** | 509,091 |
| | Schlumberger Ltd | Common Stock | ** | 3,817,740 |
| | Schwab Charles Corp | Common Stock | ** | 1,655,640 |
| | Scripps Howard Inc | Common Stock | ** | 140,881 |
| | Seagate Technology | Common Stock | ** | 175,950 |
| | Secom Co | Common Stock | ** | 43,754 |
| | Sempra Energy | Common Stock | ** | 340,340 |
| | Semtech Corp | Common Stock | ** | 15,132 |
| | Seven & I Holdings Co Ltd | Common Stock | ** | 23,345 |
| | Shaw Communications Inc | Common Stock | ** | 255,744 |
| | Sherwin Williams Co | Common Stock | ** | 63,844 |
| | Siemens AG | Common Stock | ** | 95,109 |
| | Sigma Aldrich Corp | Common Stock | ** | 65,520 |
| | Signet Group | Common Stock | ** | 15,828 |
| | Silicon Motion Technology Corp | Sponsored ADR | ** | 17,780 |

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|-----|--|---|----------|----------------------|
| | Siliconware Precision Industries Co., Ltd | Sponsored ADR | ** | 32,893 |
| | Simon Property Group Inc | Common Stock | ** | 396,082 |
| | SLM Corp | Common Stock | ** | 30,210 |
| | Smurfit-Stone Container Corp | Common Stock | ** | 796,224 |
| | Sony Corp | Common Stock | ** | 55,498 |
| | Sony Corporation | Sponsored ADR | ** | 1,075,140 |
| | Southwest Airlines Co | Common Stock | ** | 283,040 |
| | Spectra Energy Corp | Common Stock | ** | 371,808 |
| | Sprint Nextel Corp | Common Stock | ** | 2,461,875 |
| | ST Jude Medical Inc | Common Stock | ** | 885,952 |
| | Stancorp Financial Group Inc | Common Stock | ** | 977,372 |
| | Starbucks Corp | Common Stock | ** | 106,444 |
| | State Street Corp | Common Stock | ** | 479,892 |
| | Stryker Corp | Common Stock | ** | 186,800 |
| | Sun Microsystems, Inc | Common Stock | ** | 338,161 |
| | Sundrug Co Ltd | Common Stock | ** | 31,849 |
| | Sunoco Inc | Common Stock | ** | 470,860 |
| | SunTrust Banks Inc | Common Stock | ** | 382,439 |
| | Supervalu Inc | Common Stock | ** | 739,144 |

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|-----|--|---|----------|----------------------|
| | Symantec Corp | Common Stock | ** | 839,280 |
| | Symrise AG | Common Stock | ** | 38,891 |
| | Synovus Financial Corp | Common Stock | ** | 195,048 |
| | Sysco Corp | Common Stock | ** | 249,992 |
| | Taiwan Semiconductor Manufacturing Co | Common Stock | ** | 996 |
| | Target Corp | Common Stock | ** | 486,000 |
| | Tech Data Corp | Common Stock | ** | 675,188 |
| | Technip SA | Common Stock | ** | 39,841 |
| | Teco Energy Inc | Common Stock | ** | 201,357 |
| | Telecom Italia SPA | Common Stock | ** | 64,001 |
| | Temple Inland Inc | Common Stock | ** | 510,735 |
| | Terex Corp | Common Stock | ** | 1,147,475 |
| | Teva Pharmaceutical Industries | Sponsored ADR | ** | 627,480 |
| | Thermo Fisher Scientific Inc. | Common Stock | ** | 1,068,695 |
| | Time Warner Cable Inc. | Common Stock | ** | 281,520 |
| | Time Warner, Inc. | Common Stock | ** | 1,526,680 |
| | TJX Cos. Inc. | Common Stock | ** | 298,505 |
| | Total S. A. | Sponsored ADR | ** | 487,340 |

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|-----|--|---|----------|----------------------|
| | Total S. A. Eur 2.5 | Common Stock | ** | 83,088 |
| | Transocean Ordinary Shares | Common Stock | ** | 560,719 |
| | Travelers Companies, Inc. | Common Stock | ** | 3,147,838 |
| | Trimble Nav Ltd. | Common Stock | ** | 14,364 |
| | Trinity Mirror PLC 10 P | Common Stock | ** | 2,151 |
| | Tyco Electronics Ltd. | Common Stock | ** | 1,056,905 |
| | Tyco International Ltd. | Common Stock | ** | 1,188,112 |
| | UAL Corp. | Common Stock | ** | 517,676 |
| | Union Pacific Corp. | Common Stock | ** | 11,306 |
| | United Microelectronics Corporation | Common Stock | ** | 8,283 |
| | United Technologies Corp. | Common Stock | ** | 1,569,835 |
| | UnitedHealth Group Inc | Common Stock | ** | 492,372 |
| | Urban Outfitters Incorporated | Common Stock | ** | 1,172,180 |
| | US Bancorp Del | Common Stock | ** | 611,313 |
| | Valero Energy Corp. | Common Stock | ** | 311,634 |
| | Verisign Inc. Com | Common Stock | ** | 342,251 |
| | Verizon Communications | Common Stock | ** | 1,026,715 |
| | Viacom Inc | Common Stock | ** | 1,095,101 |
| | Virgin Mobile USA Inc. | Common Stock | ** | 180,467 |

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|-----|--|---|----------|----------------------|
| | Vivendi SA Eur 5.50 | Common Stock | ** | 77,995 |
| | Vodafone Gr. Plc 0.114286 | Common Stock | ** | 80,748 |
| | Vodafone Group Plc | Common Stock | ** | 2,724,360 |
| | Wachovia Corp | Common Stock | ** | 295,874 |
| | Wal Mart Stores Inc | Common Stock | ** | 2,864,633 |
| | Walgreen Co. | Common Stock | ** | 289,789 |
| | Walt Disney Co. | Common Stock | ** | 540,367 |
| | Warner Chilcott Ltd. Class A | Common Stock | ** | 62,055 |
| | Warner Music Group Corp. | Common Stock | ** | 530,230 |
| | Washington Mutual Inc. | Common Stock | ** | 53,215 |
| | Waste Management Inc | Common Stock | ** | 1,123,848 |
| | Watson Pharmaceuticals Inc | Common Stock | ** | 892,906 |
| | Weight Watchers Intl. Inc. | Common Stock | ** | 659,628 |
| | Wellpoint, Inc. | Common Stock | ** | 586,914 |
| | Wells Fargo & Co. | Common Stock | ** | 1,002,006 |
| | Western Union Co. | Common Stock | ** | 570,580 |
| | Weyerhaeuser Co. | Common Stock | ** | 120,196 |
| | Whole Foods Mkt. Inc. | Common Stock | ** | 77,520 |
| | Wilmington Tr. Corp. | Common Stock | ** | 17,600 |

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|-----|--|---|----------|----------------------|
| | Winnebago Inds. Inc. | Common Stock | ** | 21,546 |
| | Wisconsin Energy Corp | Common Stock | ** | 681,940 |
| | WMS Inds. Inc. | Common Stock | ** | 86,104 |
| | Wright Medical Group Inc. | Common Stock | ** | 23,336 |
| | Wrigley Wm. Jr. Co. | Common Stock | ** | 648,149 |
| | Wyeth | Common Stock | ** | 2,186,079 |
| | Wyndham Worldwide Corp. | Common Stock | ** | 49,476 |
| | Xilinx Inc. | Common Stock | ** | 445,929 |
| | Xinhua Finance Media Ltd. ADR | Common Stock | ** | 284,400 |
| | XL Capital Ltd | Common Stock | ** | 508,131 |
| | XM Satellite Radio Hold-CL | Common Stock | ** | 800,496 |
| | XTO Energy Inc. | Common Stock | ** | 263,836 |
| | Yahoo Inc. Com. | Common Stock | ** | 205,386 |
| | Zimmer Holdings | Common Stock | ** | 138,915 |

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|-----|--|--|----------|----------------------|
| * | Participants Loans | Participant Loans The Loan interest rate ranges varied from 4% — 10.5%, with scheduled maturity dates from 6/22/2006 — 10/31/2028 | ** | 25,388,732 |
| | Self-Directed Brokerage Fund | Other | ** | 7,020,219 |
| | American Century Small Companies | Registered Investment Company | ** | 70,093,538 |
| | American Global New Perspective Fund | Registered Investment Company | ** | 182,789,664 |
| | JP Morgan U. S. Large Cap Core Plus-S | Registered Investment Company | ** | 2,985,339 |
| | Ishares Russell 2000 Value Index | Registered Investment Company | ** | 1,013,898 |
| | JP Morgan Chase Bank International Bond Fund | Common Collective Trust | ** | 408,813 |
| | JP Morgan Chase Bank Mortgage Private Placement | Common Collective Trust | ** | 9,049,623 |
| | JP Morgan Chase Bank Public Bonds Fund | Common Collective Trust | ** | 42,426,093 |
| | JP Morgan Chase Bank Smart Index Fund | Common Collective Trust | ** | 118,437,001 |
| | JP Morgan Chase Bank Smart Retirement 2010 | Common Collective Trust | ** | 21,563,738 |
| | JP Morgan Chase Bank Smart Retirement 2015 | Common Collective Trust | ** | 27,324,026 |
| | JP Morgan Chase Bank Smart Retirement 2020 | Common Collective Trust | ** | 41,306,440 |
| | JP Morgan Chase Bank Smart Retirement 2025 | Common Collective Trust | ** | 1,519,290 |
| | JP Morgan Chase Bank Smart Retirement 2030 | Common Collective Trust | ** | 29,671,732 |
| | JP Morgan Chase Bank Smart Retirement 2035 | Common Collective Trust | ** | 578,026 |
| | JP Morgan Chase Bank Smart Retirement 2040 | Common Collective Trust | ** | 648,573 |
| | JP Morgan Chase Bank Smart Retirement 2045 | Common Collective Trust | ** | 337,255 |

ITT SALARIED INVESTMENT AND SAVINGS PLAN
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|-----|---|---|-----------|-----------------------------|
| | JP Morgan Chase Bank Smart Retirement 2050 | Common Collective Trust | ** | 926,548 |
| | JP Morgan Chase Bank Smart Retirement Income | Common Collective Trust | ** | 15,524,985 |
| | Intech Institutional Large Cap | Common Collective Trust | ** | 35,446,343 |
| | State Street Global Advisors | Common Collective Trust | ** | 3,861,299 |
| | Stable Value Fund investments and wrapper contracts: | | | |
| | Bank of America | Bank Investment Contract Interest 5.52% | | 209,574,155 |
| | | Wrapper Contract | ** | — |
| | Natixis Financial Products, Inc | Insurance Company General Account Interest 4.41% | | 8,851,777 |
| | | Wrapper Contract | ** | — |
| | Natixis Financial Products, Inc | Insurance Company General Account Interest 5.84% | | 192,262,158 |
| | | Wrapper Contract | ** | — |
| | JP Morgan Chase Bank | Bank Investment Contract Interest 4.74% | | 40,020,910 |
| | | Wrapper Contract | ** | — |
| | Monumental Life Insurance Co | Insurance Company General Account Interest 4.93% | | 164,039,961 |
| | | Wrapper Contract | ** | — |
| | TOTAL INVESTMENTS | | ** | <u>2,401,982,222</u> |

* Party-in-interest to the Plan

** Cost information is not required for participant directed investments and, therefore, is not included.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Post-Effective Amendment No. 7 to Registration Statement No. 033-06004 on Form S-8, and Registration Statement Nos. 333-41808 and 333-64161 on Form S-8, of our report dated June 24, 2008, relating to the financial statements appearing on Form 11-K of ITT Salaried Investment and Savings Plan for the year ended December 31, 2007.

/s/ Deloitte & Touche LLP

Stamford, Connecticut
June 24, 2008