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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): February 2, 2007

ITT CORPORATION

(Exact name of registrant as specified in its charter)

Indiana (State or other jurisdiction of incorporation)	1-5672 (Commission File Number)	13-5158950 (I.R.S. Employer Identification No.)
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4 West Red Oak Lane White Plains, New York (Address of principal executive offices)	10604 (Zip Code)
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Registrant's telephone number, including area code: (914) 641-2000

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (See General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

ITEM 7.01 REGULATION FD DISCLOSURE

Attached hereto as Exhibit 99.1 and incorporated by reference herein is financial information for ITT Corporation for the fourth quarter and full year ending December 31, 2006 and forward-looking statements relating to 2007 as presented in a press release dated February 2, 2007. This information shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

A copy of this press release is attached and incorporated by reference herein as Exhibit 99.1.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

99.1 Press release dated February 2, 2007.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ITT CORPORATION

By: /s/ Kathleen S. Stolar

Kathleen S. Stolar

Its: Vice President, Secretary
and Associate General Counsel

Date: February 2, 2007

ITT REPORTS STRONG FOURTH QUARTER AND FULL YEAR 2006 OPERATING RESULTS;
REAFFIRMS SOLID OUTLOOK FOR 2007

- Fourth quarter revenue up 11 percent to \$2.1 billion on strong growth in all segments; organic revenue up 8 percent; strong cash flow performance.
- Fourth quarter operating margins improve in commercial segments.
- Full year 2006 revenues increase 11 percent to \$7.8 billion; 10 percent organic revenue growth.
- Dividend increasing by 27 percent to \$0.56 per share.

WHITE PLAINS, N.Y., Feb. 2 /PRNewswire-FirstCall/ -- ITT Corporation (NYSE: ITT) today reported fourth quarter 2006 net income of \$140.8 million or \$0.75 per share, including the impact of special items of \$3.4 million or \$0.02 per share. Excluding special items, earnings from continuing operations were \$0.73 per share. Fourth quarter 2006 revenue was \$2.1 billion, up 11 percent over the fourth quarter last year.

"We are quite pleased with our performance in the quarter and for 2006 as a whole," said Steve Loranger, Chairman, President and Chief Executive Officer. "We have delivered double-digit annual organic growth for three straight years, placing ITT in a leadership position among multi-industry companies. Our continuing organic growth demonstrates our ability to anticipate market needs with new products, to expand geographically and to compete in a wide range of markets. We believe our diverse range of products and attractive end markets also provide resilience to economic cycles. Based on our strong portfolio, coupled with our continuing improvement in operating performance, we believe we are well positioned to achieve our goals as we enter 2007."

The company also announced that its Board of Directors had approved a 27 percent increase in the annual dividend on ITT's common shares from \$0.44 per share to \$0.56 per share effective April 1, 2007.

Full Year 2006 Results

Reported net income for 2006 was \$581.1 million and full year reported earnings per share was \$3.10, including the impact of special items. Excluding special items, earnings from continuing operations were \$534.7 million or \$2.85 per share, up 11 percent over 2005. As previously announced, 2006 fourth quarter operating results included a charge to net income of \$25 million (\$0.13 per share) in anticipation of resolution of a legal matter at the company's Night Vision business. Full year 2006 revenues were \$7.8 billion, up 11 percent from the prior year. Organic revenue, which excludes the impact of acquisitions and currency translation, grew 10 percent in 2006. Free cash flow (defined as cash from operations before pension pre-funding net of tax, minus capital spending) was \$669 million compared to \$614 million in 2005.

2007 Outlook

"With our strong fourth quarter performance, we are confirming our full year guidance for 2007," Loranger said. "We continue to expect earnings per share of \$3.30 - \$3.38, an increase of 16 - 19 percent over full year 2006 operating results excluding special items. We expect to achieve revenues of \$8.29 to \$8.38 billion, with segment operating margins in the 13 percent range and free cash flow at or above our income from continuing operations."

Primary Business Results

Fluid Technology

* Fourth quarter 2006 Fluid Technology revenue was \$838.8 million, up \$89 million or 12 percent from the previous year. Full year revenues were \$3.1 billion up 10 percent over 2005. 2006 organic revenues grew 6 percent in the fourth quarter and 7 percent for the year.

* Fourth quarter 2006 operating income was \$108.2 million including the impact of restructuring. Excluding restructuring, fourth quarter operating income was up 17 percent over the same period in 2005 to \$123.4 million. Full-year 2006 operating income was \$370.6 million, including restructuring. Excluding restructuring, operating income was up 13 percent to \$397.3 million over the same period in 2005.

* Fourth quarter segment operating margin excluding restructuring increased 70 basis points over the prior year, reflecting a continued focus on lean initiatives, refinement of the manufacturing footprint, and global sourcing. The company anticipates continued margin improvement in Fluid Technology in 2007.

- * The company's water and wastewater businesses continued to grow organically, with growth in de-watering particularly robust in the quarter.

Defense Electronics & Services

- * ITT's Defense Electronics & Services segment reported 2006 fourth quarter revenues of \$952.3 million, up 10 percent over the same period in 2005, with full year revenues of \$3.7 billion, up 13 percent over 2005. Organic revenue growth for Defense for the fourth quarter and full year was up 10 percent and 13 percent, respectively, over 2005. Revenue growth in the fourth quarter was driven by continued strong demand in Tactical Communications, Night Vision and Advanced Engineering and Sciences.
- * Operating income for the fourth quarter of 2006 including restructuring was \$95.3 million and \$404.3 million for the full year 2006. Excluding restructuring, operating income in the quarter declined 6 percent to \$97.8 million, and was up 13 percent for the full year 2006 to \$410.6 million. Fourth quarter 2006 operating income for Defense was negatively affected by a charge relating to the resolution of a legal matter involving the Night Vision business.
- * 2006 full year orders increased by 21 percent and order backlog was up 12 percent at year end compared to 2005. Both Advanced Engineering and Sciences and Electronic Systems businesses received over \$100 million in orders during the fourth quarter of 2006.

Motion & Flow Control

- * Starting with the fourth quarter 2006 results, ITT's Motion & Flow Control segment includes the Connectors business, formerly reported as part of Electronic Components. Electronic Components had also included the Switches business, which is reported in discontinued operations. Prior periods have been restated to reflect this change.
- * Fourth quarter 2006 revenues were \$263.1 million, up 11 percent from the fourth quarter of 2005. Fourth quarter 2006 operating income for the segment including restructuring was \$35.9 million. Excluding restructuring, fourth quarter operating income was \$36.6 million, up 14 percent from the comparable period in 2005.
- * 2006 full year segment revenues rose 6 percent to \$1.1 billion over 2005. On an organic basis, fourth quarter and full year revenues increased 6 percent compared to 2005. 2006 full year segment operating income including restructuring was \$149.7 million. Excluding restructuring, operating income rose 7 percent to \$166.2 million over 2005. This performance reflects both market share gains in the friction materials business, and strong order growth across all value centers.
- * Operating margins, excluding restructuring, increased by 30 basis points for the quarter and 10 basis points for the year compared to 2005.
- * Organic orders grew by 10 percent for the full year, compared to 2005.

About ITT Corporation

ITT Corporation (www.itt.com) supplies advanced technology products and services in several growth markets. ITT is a global leader in the transport, treatment and control of water, wastewater and other fluids. The company plays a vital role in international security through its defense communications and electronics products; space surveillance and intelligence systems; and advanced engineering and related services. It also serves the growing leisure marine and electronic components markets with a wide range of products. Headquartered in White Plains, NY, the company generated \$7.8 billion in 2006 sales. In addition to the New York Stock Exchange, ITT Corporation stock is traded on the Paris, London and Frankfurt exchanges.

For free B-roll/video content and logo about ITT Corporation, please log onto www.thenewsmarket.com/ITT to preview and request video. You can receive broadcast-standard video quality digitally or by tape from this site. Registration and video are free to the media.

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

Certain material presented herein includes forward-looking statements intended to qualify for the safe harbor from liability established by the Act. These forward-looking statements include statements that describe the Company's business strategy, outlook, objectives, plans, intentions or goals, and any discussion of future operating or financial performance. Whenever used, words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "target" and other terms of similar meaning are intended to identify such forward-looking statements. Forward-looking statements are uncertain and to some extent unpredictable, and involve known and unknown risks, uncertainties and other important factors that could cause actual results to differ materially from those expressed in, or implied from, such forward-looking statements. Factors that could cause results to differ materially from those anticipated by the Company include general global economic conditions, decline in consumer spending, interest and foreign currency exchange rate fluctuations, availability of commodities, supplies and raw materials, competition, acquisitions or divestitures, changes in government defense budgets, employment and pension matters, contingencies related to actual or alleged environmental contamination, claims and concerns, intellectual property matters, personal injury claims, governmental investigations, tax obligations, and changes in generally accepted accounting principles. Other factors are more thoroughly set forth in Item 1. Business, Item 1A. Risk Factors, and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements in the ITT Industries, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2005, and other of its filings with the Securities and Exchange Commission. The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

ITT CORPORATION AND SUBSIDIARIES

CONSOLIDATED CONDENSED INCOME STATEMENTS

(In millions, except per share)

(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2006	2005	2006	2005
Sales and revenues	\$ 2,051.3	\$ 1,845.5	\$ 7,807.9	\$ 7,040.8
Costs of sales and revenues	1,458.9	1,281.3	5,618.4	5,072.6
Selling, general and administrative expenses	331.7	310.1	1,175.9	1,032.0
Research and development expenses	41.3	40.4	160.9	156.8
Restructuring and asset impairment charges	19.7	10.8	51.7	53.9
Total costs and expenses	1,851.6	1,642.6	7,006.9	6,315.3
Operating income	199.7	202.9	801.0	725.5
Interest expense	25.4	23.1	86.2	75.0
Interest income	10.6	6.4	25.4	42.7
Miscellaneous (income) expense, net	(0.7)	6.8	12.9	19.7
Income from continuing operations before income taxes	185.6	179.4	727.3	673.5
Income tax expense	63.7	56.9	227.6	144.7
Income from continuing operations	121.9	122.5	499.7	528.8
Cumulative effect of change in accounting principle, net of tax benefit of \$2.2	-	(6.5)	-	(6.5)
Discontinued operations, net of tax	18.9	(200.0)	81.4	(162.8)
Net income (loss)	\$ 140.8	\$ (84.0)	\$ 581.1	\$ 359.5
Earnings Per Share:				
Income from continuing operations:				
Basic	\$ 0.66	\$ 0.66	\$ 2.71	\$ 2.86
Diluted	\$ 0.65	\$ 0.65	\$ 2.67	\$ 2.80
Cumulative effect of change in accounting principle:				
Basic	\$ -	\$ (0.04)	\$ -	\$ (0.03)
Diluted	\$ -	\$ (0.04)	\$ -	\$ (0.03)
Discontinued operations:				
Basic	\$ 0.10	\$ (1.08)	\$ 0.44	\$ (0.88)
Diluted	\$ 0.10	\$ (1.06)	\$ 0.43	\$ (0.86)
Net income (loss):				
Basic	\$ 0.76	\$ (0.46)	\$ 3.15	\$ 1.95
Diluted	\$ 0.75	\$ (0.45)	\$ 3.10	\$ 1.91
Average Common Shares - Basic	184.0	184.5	184.3	184.6
Average Common Shares - Diluted	187.1	188.1	187.4	188.5

ITT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In millions)

(Unaudited)

	December 31, 2006	December 31, 2005
	-----	-----
Assets		
Current Assets:		
Cash and cash equivalents	\$ 937.1	\$ 451.0
Receivables, net	1,288.9	1,197.7
Inventories, net	755.9	622.9
Current assets of discontinued operations	183.0	474.4
Deferred income taxes	69.4	73.7
Other current assets	102.8	66.9
Total current assets	3,337.1	2,886.6
Plant, property and equipment, net	833.0	782.0
Deferred income taxes	272.0	70.8
Goodwill, net	2,336.8	2,227.3
Other intangible assets, net	213.2	211.5
Other assets	563.2	893.7
Total assets	\$ 7,555.3	\$ 7,071.9
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable	\$ 929.4	\$ 751.5
Accrued expenses	899.0	715.5
Accrued taxes	168.3	192.8
Current liabilities of discontinued operations	96.5	190.3
Notes payable and current maturities of long-term debt	597.0	750.9
Pension and postretirement benefits - Current Portion	68.9	-
Other current liabilities	47.9	10.0
Total current liabilities	2,807.0	2,611.0
Pension and postretirement benefits	735.5	721.8
Long-term debt	500.4	516.0
Other liabilities	659.4	499.7
Total liabilities	4,702.3	4,348.5
Shareholders' equity	2,853.0	2,723.4
Total liabilities and shareholders' equity	\$ 7,555.3	\$ 7,071.9

ITT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Twelve Months Ended December 31,	
	2006	2005
Operating Activities		
Net income	\$ 581.1	\$ 359.5
Cumulative effect of change in accounting principle	-	6.5
(Income) loss from discontinued operations	(81.4)	162.8
Income from continuing operations	499.7	528.8
Adjustments to income from continuing operations:		
Depreciation and amortization	171.6	174.4
Amortization of stock compensation	22.9	1.5
Restructuring and asset impairment charges, net	51.7	53.9
Payments for restructuring	(43.4)	(42.0)
Change in receivables	(61.2)	(183.9)
Change in inventories	(101.4)	(26.2)
Change in accounts payable and accrued expenses	246.4	120.5
Change in accrued and deferred taxes	30.3	94.9
Change in other current and non-current assets	(74.0)	(16.2)
Change in other non-current liabilities	30.7	7.6
Other, net	7.4	(0.4)
Net cash - operating activities	780.7	712.9
Investing Activities		
Additions to plant, property and equipment	(177.1)	(164.4)
Acquisitions, net of cash acquired	(89.5)	(69.0)
Proceeds from sale of assets and businesses	226.6	24.9
Other, net	(6.3)	(2.2)
Net cash - investing activities	(46.3)	(210.7)
Financing Activities		
Short-term debt, net	(155.6)	27.2
Long-term debt repaid	(13.3)	(17.6)
Long-term debt issued	0.5	0.4
Repurchase of common stock	(210.0)	(334.4)
Proceeds from issuance of common stock	69.0	151.9
Dividends paid	(77.6)	(65.6)
Tax benefit from stock option exercises	16.7	-
Other, net	0.1	(0.1)
Net cash - financing activities	(370.2)	(238.2)
Exchange Rate Effects on Cash and Cash Equivalents		
Net Cash - Discontinued Operations Operating Activities	50.6	(25.1)
Net Cash - Discontinued Operations Investing Activities	80.2	(31.3)
Net Cash - Discontinued Operations Financing Activities	(9.3)	(18.0)
Net Cash - Discontinued Operations Financing Activities	0.4	(1.5)
Net change in cash and cash equivalents	486.1	188.1
Cash and cash equivalents - beginning of year	451.0	262.9
Cash and Cash Equivalents - end of period	\$ 937.1	\$ 451.0

ITT Corporation Non-GAAP Press Release Reconciliation
Reported vs. Organic Revenue / Orders Growth
Fourth Quarter 2006 & 2005

(\$ Millions)

	Sales & Revenues 3M 2006	Sales & Revenues 3M 2005	Change 2006 vs. 2005	% Change 2006 vs. 2005			
	-----		-----				
	(As Reported - GAAP)						
ITT Corporation - Consolidated	2,051.3	1,845.5	205.8	11.2%			
Fluid Technology	838.8	749.8	89.0	11.9%			
Industrial & BioPharm Group	153.7	140.4	13.3	9.5%			
Wastewater	330.6	279.4	51.2	18.3%			
Advanced Water Treatment	100.7	103.9	(3.2)	-3.1%			
Residential and Commercial Water Group	265.8	233.5	32.3	13.8%			
Motion & Flow Control	263.1	236.8	26.3	11.1%			
Aerospace Controls	20.3	18.5	1.8	9.7%			
Friction Materials	75.3	61.1	14.2	23.2%			
Connectors	93.9	88.5	5.4	6.1%			
	Sales & Revenues 3M 2006	Acqui- sition Contri- bution 3M 2006	FX Contri- bution 3M 2006	Adj. Sales & Revenues 3M 2006	Sales & Revenues 3M 2005	Change Adj. 06 vs. 05	% Change Adj. 06 vs. 05
	-----		-----		-----		-----
	(As Adjusted - Organic)						
ITT Corporation - Consolidated	2,051.3	(20.7)	(39.2)	1,991.4	1,845.5	145.9	8%
Fluid Technology	838.8	(16.7)	(28.4)	793.7	749.8	43.9	6%
Industrial & BioPharm Group	153.7	0.0	(1.6)	152.1	140.4	11.7	8%
Wastewater	330.6	0.0	(17.3)	313.3	279.4	33.9	12%
Advanced Water Treatment	100.7	(16.0)	(3.5)	81.2	103.9	(22.7)	-22%
Residential and Commercial Water Group	265.8	(0.7)	(6.4)	258.7	233.5	25.2	11%
Motion & Flow Control	263.1	(0.3)	(10.8)	252.0	236.8	15.2	6%
Aerospace Controls	20.3	(0.3)	0.0	20.0	18.5	1.5	8%
Friction Materials	75.3	0.0	(5.3)	70.0	61.1	8.9	15%
Connectors	93.9	0.0	(2.4)	91.5	88.5	3.0	3%

ITT Corporation Non-GAAP Press Release Reconciliation
Reported vs. Organic Revenue / Orders Growth
Full Year 2006 & 2005

(\$ Millions)

	Sales & Revenues YTD 2006	Sales & Revenues YTD 2005	Change 2006 vs. 2005	% Change 2006 vs. 2005
	-----		-----	
	(As Reported - GAAP)			
ITT Corporation - Consolidated	7,807.9	7,040.8	767.1	11%
Defense Electronics & Services	3,659.3	3,224.2	435.1	13%
ACD - Tactical Radios	757.9	537.9	220.0	41%
Space Systems	626.8	634.5	(7.7)	-1%
Advanced Engineering & Sciences	326.8	304.7	22.1	7%
Electronic Systems	371.7	358.0	13.7	4%
Night Vision	419.8	339.6	80.2	24%
Systems	1164.3	1058.4	105.9	10%
Fluid Technology	3,070.1	2,799.1	271.0	10%
Industrial & BioPharm Group	586.5	552.3	34.2	6%
Wastewater	1,140.7	979.1	161.6	17%
Advanced Water Treatment	309.7	334.5	(24.8)	-7%
Residential and Commercial Water Group	1,070.8	966.1	104.7	11%
Motion & Flow Control	1,092.9	1,030.9	62.0	6%
Aerospace Controls	82.7	73.6	9.1	12%
Marine & Leisure	224.4	214.3	10.1	5%
Friction Materials	318.4	292.1	26.3	9%
Koni Shocks	87.2	90.0	(2.8)	-3%
Connectors	380.2	361.0	19.2	5%

	Orders YTD 2006	Orders YTD 2005	Change 2006 vs. 2005	% Change 2006 vs. 2005
	-----		-----	
Fluid Technology	3,144.1	2,812.6	331.5	12%
Defense Electronics & Services	4,118.0	3,401.5	716.5	21%
Motion & Flow Control	1,141.4	1,030.3	111.1	11%

	Sales & Revenues YTD 2006	Acqui- sition Contri- bution YTD 2006	FX Contri- bution YTD 2006	Adj. Sales & Revenues YTD 2006	Sales & Revenues YTD 2005	Change Adj. 06 vs. 05	% Change Adj. 06 vs. 05
	(As Adjusted - Organic)						
ITT Corporation - Consolidated	7,807.9	(53.2)	(30.8)	7,723.9	7,040.8	683.1	10%
Defense Electronics & Services	3,659.3	(3.7)	(0.1)	3,655.5	3,224.2	431.3	13%
ACD - Tactical Radios	757.9	(3.7)	0.0	754.2	537.9	216.3	40%
Space Systems Advanced Engineering & Sciences	626.8	0.0	(0.1)	626.7	634.5	(7.8)	-1%
Electronic Systems	326.8	0.0	0.0	326.8	304.7	22.1	7%
Night Vision Systems	371.7	0.0	0.0	371.7	358.0	13.7	4%
	419.8	0.0	0.0	419.8	339.6	80.2	24%
	1,164.3	0.0	0.0	1,164.3	1,058.4	105.9	10%
Fluid Technology	3,070.1	(49.2)	(28.9)	2,992.0	2,799.1	192.9	7%
Industrial & BioPharm Group	586.5	0.0	(3.3)	583.2	552.3	30.9	6%
Wastewater Advanced Water Treatment	1,140.7	(10.4)	(15.9)	1,114.4	979.1	135.3	14%
Residential and Commercial Water Group	309.7	(37.5)	(1.6)	270.6	334.5	(63.9)	-19%
	1,070.8	(1.3)	(8.5)	1,061.0	966.1	94.9	10%
Motion & Flow Control	1,092.9	(0.3)	(1.8)	1,090.8	1,030.9	59.9	6%
Aerospace Controls	82.7	(0.3)	0.0	82.4	73.6	8.8	12%
Marine & Leisure Friction Materials	224.4	0.0	(0.8)	223.6	214.3	9.3	4%
Koni Shocks Connectors	318.4	0.0	(1.3)	317.1	292.1	25.0	9%
	87.2	0.0	(0.4)	86.8	90.0	(3.2)	-4%
	380.2	0.0	0.7	380.9	361.0	19.9	6%

	Orders YTD 2006	Acqui- sition Contri- bution YTD 2006	FX Contri- bution YTD 2006	Adj. Orders YTD 2006	Orders YTD 2005	Change Adj. 06 vs. 05	% Change Adj. 06 vs. 05
	(As Adjusted - Organic)						
Fluid Technology	3,144.1	(34.3)	(26.8)	3,083.0	2,812.6	270.4	10%
Defense Electronics & Services	4,118.0	(3.7)	(0.1)	4,114.2	3,401.5	712.7	21%
Motion & Flow Control	1,141.4	0.0	(3.7)	1,137.7	1,030.3	107.4	10%

Note: Excludes intercompany eliminations.

ITT Corporation Non-GAAP Press Release Reconciliation
Segment Operating Income & OI Margin Adjusted for Restructuring
Fourth Quarter of 2006 & 2005

(\$ Millions)

	Q4 2006 As Reported	Q4 2005 As Reported	% Change 06 vs. 05	Q4 2006 As Reported	Adjust for 2006 Restruc- turing
	-----	-----	-----	-----	-----
Sales and Revenues:					
Defense Electronics & Services	952.3	862.3		952.3	
Fluid Technology	838.8	749.8		838.8	
Motion & Flow Control	263.1	236.8		263.1	
Intersegment eliminations	(2.9)	(3.4)		(2.9)	
Total Sales and Revenues	2,051.3	1,845.5		2,051.3	
Operating Margin:					
Defense Electronics & Services	10.0%	12.1%		10.0%	
Fluid Technology	12.9%	12.9%		12.9%	
Motion & Flow Control	13.6%	12.4%		13.6%	
Total Ongoing Segments	11.7%	12.5%		11.7%	
Income:					
Defense Electronics & Services	95.3	104.2	-8.5%	95.3	2.5
Fluid Technology	108.2	97.0	11.5%	108.2	15.2
Motion & Flow Control	35.9	29.4	22.1%	35.9	0.7
Total Segment Operating Income	239.4	230.6	3.8%	239.4	18.4

	Q4 2006 As Adjusted	Q4 2005 As Reported	Adjust for 2005 Restruc- turing	Q4 2005 As Adjusted	% Change Adj. 06 vs. 05
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Sales and Revenues:					
Defense Electronics & Services	952.3	862.3		862.3	
Fluid Technology	838.8	749.8		749.8	
Motion & Flow Control	263.1	236.8		236.8	
Intersegment eliminations	(2.9)	(3.4)		(3.4)	
Total Sales and Revenues	2,051.3	1,845.5		1,845.5	
Operating Margin:					
Defense Electronics & Services	10.3%	12.1%		12.1%	(180)BP
Fluid Technology	14.7%	12.9%		14.0%	70 BP
Motion & Flow Control	13.9%	12.4%		13.6%	30 BP
Total Ongoing Segments	12.6%	12.5%		13.1%	(50)BP
Income:					
Defense Electronics & Services	97.8	104.2	0.0	104.2	-6%
Fluid Technology	123.4	97.0	8.1	105.1	17%
Motion & Flow Control	36.6	29.4	2.7	32.1	14%
Total Segment Operating Income	257.8	230.6	10.8	241.4	7%

ITT Corporation Non-GAAP Press Release Reconciliation
Segment Operating Income & OI Margin Adjusted for Restructuring
Full Year of 2006 & 2005

(\$ Millions)

	YTD 2006 As Reported	YTD 2005 As Reported	% Change 06 vs. 05	YTD 2006 As Reported	Adjust for 2006 Restruc- turing
Sales and Revenues:					
Defense Electronics & Services	3,659.3	3,224.2		3,659.3	
Fluid Technology	3,070.1	2,799.1		3,070.1	
Motion & Flow Control	1,092.9	1,030.9		1,092.9	
Intersegment eliminations	(14.4)	(13.4)		(14.4)	
Total Sales and Revenues	7,807.9	7,040.8		7,807.9	
Operating Margin:					
Defense Electronics & Services	11.0%	11.3%		11.0%	
Fluid Technology	12.1%	11.4%		12.1%	
Motion & Flow Control	13.7%	12.9%		13.7%	
Total Ongoing Segments	11.8%	11.6%		11.8%	
Income:					
Defense Electronics & Services	404.3	363.7	11.2%	404.3	6.3
Fluid Technology	370.6	319.6	16.0%	370.6	26.7
Motion & Flow Control	149.7	133.3	12.3%	149.7	16.5
Total Segment Operating Income	924.6	816.6	13.2%	924.6	49.5

	YTD 2006 As Adjusted	YTD 2005 As Reported	Adjust for 2005 Restruc- turing	YTD 2005 As Adjusted	% Change Adj. 06 vs. 05
Sales and Revenues:					
Defense Electronics & Services	3,659.3	3,224.2		3,224.2	
Fluid Technology	3,070.1	2,799.1		2,799.1	
Motion & Flow Control	1,092.9	1,030.9		1,030.9	
Intersegment eliminations	(14.4)	(13.4)		(13.4)	
Total Sales and Revenues	7,807.9	7,040.8		7,040.8	
Operating Margin:					
Defense Electronics & Services	11.2%	11.3%		11.3%	(10)BP
Fluid Technology	12.9%	11.4%		12.5%	40 BP
Motion & Flow Control	15.2%	12.9%		15.1%	10 BP
Total Ongoing Segments	12.5%	11.6%		12.4%	10 BP
Income:					
Defense Electronics & Services	410.6	363.7	0.0	363.7	13%
Fluid Technology	397.3	319.6	31.6	351.2	13%
Motion & Flow Control	166.2	133.3	21.9	155.2	7%
Total Segment Operating Income	974.1	816.6	53.5	870.1	12%

ITT Corporation Non-GAAP Press Release Reconciliation
 Reported vs. Adjusted Net Income & EPS
 Fourth Quarter of 2006 & 2005

(\$ Millions, except EPS and shares)

	Q4 2006 As Reported	Q4 2006 Adjust- ments	Q4 2006 As Adjusted	Q4 2005 As Reported	Q4 2005 Adjust- ments	Q4 2005 As Adjusted
	-----	-----	-----	-----	-----	-----
Segment Operating Income	239.4	18.4 #A	257.8	230.6	10.8 #E	241.4
Interest Income (Expense)	(14.8)	-	(14.8)	(16.7)	1.4 #F	(15.3)
Other Income (Expense)	0.7	-	0.7	(6.8)	-	(6.8)
Gain on sale of Assets	-	-	-	-	-	-
Corporate (Expense)	(39.7)	1.3 #A	(38.4)	(27.7)	-	(27.7)
Income from Continuing Operations before Tax	185.6	19.7	205.3	179.4	12.2	191.6
Income Tax Items	(2.4)	2.2 #B	(0.2)	3.4	(0.4)#G	3.0
Income Tax Expense	(61.3)	(6.4)#C	(67.7)	(60.3)	(3.4)#H	(63.7)
Total Tax Expense	(63.7)	(4.2)	(67.9)	(56.9)	(3.8)	(60.7)
Income from Continuing Operations	121.9	15.5	137.4	122.5	8.4	130.9
Cumulative Effect of a Change in Accounting Principle				(6.5)	6.5 #I	-
Income (loss) from Discontinued Operations	18.9	(18.9)#D	-	(200.0)	200.0 #J	-
Net Income	140.8	(3.4)	137.4	(84.0)	214.9	130.9
Diluted EPS	0.75	(0.02)	0.73	(0.45)	1.15	0.70

	Change 2006 vs. 2005 As Adjusted -----	Percent Change 2006 vs. 2005 As Adjusted -----
Segment Operating Income		
Interest Income (Expense)		
Other Income (Expense)		
Gain on sale of Assets		
Corporate (Expense)		
Income from Continuing Operations before Tax		
Income Tax Items		
Income Tax Expense		
Total Tax Expense		
Income from Continuing Operations		
Cumulative Effect of a Change in Accounting Principle		
Income (loss) from Discontinued Operations		
Net Income	6.5	5.0%
Diluted EPS	\$ 0.03	4.3%

#A - Remove Restructuring Expense of \$18.4M & \$1.3M.

#B - Remove Tax Charge of \$2.2M and apply structural tax rate impact in Q4.

#C - Remove Tax Benefit on Special Items of (\$6.4M).

#D - Remove D.O. income of \$18.9M.

#E - Remove Restructuring Expense of \$10.8M

#F - Remove Interest Income due to Tax Refund (\$1.4M).

#G - Remove Tax Items of (\$3.4M) and apply structural tax rate impact in Q4.

#H - Remove Tax Benefit on Special Items of (\$3.4M).

#I - Remove Cumulative Effect of (\$6.5M).

#J - Remove D.O. Expenses of (\$200.0M).

ITT Corporation Non-GAAP Press Release Reconciliation
Reported vs. Adjusted Net Income & EPS
Full Year of 2006 & 2005

(\$ Millions, except EPS and shares)

	YTD 2006 As Reported	YTD 2006 Adjust- ments	YTD 2006 As Adjusted	YTD 2005 As Reported	YTD 2005 Adjust- ments	YTD 2005 As Adjusted
	-----	-----	-----	-----	-----	-----
Segment Operating Income	924.6	49.5 #A	974.1	816.6	53.5 #E	870.1
Interest Income (Expense)	(60.8)	-	(60.8)	(32.3)	(20.9)#F	(53.2)
Other Income (Expense)	(12.9)	-	(12.9)	(19.7)	-	(19.7)
Gain on sale of Assets	-	-	-	-	-	-
Corporate (Expense)	(123.6)	2.2 #A	(121.4)	(91.1)	(0.3)#E	(91.4)
Income from Continuing Operations before Tax	727.3	51.7	779.0	673.5	32.3	705.8
Income Tax Items	0.2	(0.5)#B	(0.3)	68.8	(62.5)#G	6.3
Income Tax Expense	(227.8)	(16.2)#C	(244.0)	(213.5)	(16.5)#H	(230.0)
Total Tax Expense	(227.6)	(16.7)	(244.3)	(144.7)	(79.0)	(223.7)
Income from Continuing Operations	499.7	35.0	534.7	528.8	(46.7)	482.1
Cumulative Effect of a Change in Accounting Principle				(6.5)	6.5 #I	-
Income (loss) from Discontinued Operations	81.4	(81.4)#D	-	(162.8)	162.8 #J	-
Net Income	581.1	(46.4)	534.7	359.5	122.6	482.1
Diluted EPS	3.10	(0.25)	2.85	1.91	0.65	2.56

	Change 2006 vs. 2005 As Adjusted -----	Percent Change 2006 vs. 2005 As Adjusted -----
Segment Operating Income		
Interest Income (Expense)		
Other Income (Expense)		
Gain on sale of Assets		
Corporate (Expense)		
Income from Continuing Operations before Tax		
Income Tax Items		
Income Tax Expense		
Total Tax Expense		
Income from Continuing Operations		
Cumulative Effect of a Change in Accounting Principle		
Income (loss) from Discontinued Operations		
Net Income	52.6	10.9%
Diluted EPS	\$ 0.29	11.3%

- #A - Remove Restructuring Expense of \$49.5M & \$2.2M.
- #B - Remove Tax Charge of \$0.2M and apply structural tax rate impact in Q4.
- #C - Remove Tax Benefit on Special Items of (\$16.2M).
- #D - Remove D.O. income of \$81.4M.
- #E - Remove Restructuring Expense of \$53.5M & \$(0.3M).
- #F - Remove Interest Income due to Tax Refund (\$20.9M).
- #G - Remove Tax Items of (\$68.8M) and apply structural tax rate impact in Q4.
- #H - Remove Tax Benefit on Special Items of (\$16.5M).
- #I - Remove Cumulative Effect of (\$6.5M).
- #J - Remove D.O. Expenses of (\$162.8M).

SOURCE ITT Corporation

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