UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(MARK ONE)

/X/ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 1996

/ / TRANSACTION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from __________ to __________

COMMISSION FILE NUMBER 1-5627

ITT INDUSTRIES, INC.

INCORPORATED IN THE STATE OF INDIANA	13-5158950 (I.R.S. EMPLOYER IDENTIFICATION NUMBER)

4 West Red Oak Lane, White Plains, NY 10604
(Principal Executive Office)

TELEPHONE NUMBER: (914) 641-2000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes X No
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As of July 23, 1996, there were outstanding 118,071,518 shares of common stock ($1 par value per share) of the registrant.

ITT INDUSTRIES, INC.

TABLE OF CONTENTS

PART I.

FINANCIAL INFORMATION

FINANCIAL STATEMENTS

The following unaudited consolidated financial statements, in the opinion of management, reflect all adjustments (which include only normal recurring adjustments) necessary for a fair presentation of the financial position, results of operations, and cash flows for the periods presented. Certain amounts in the prior periods' consolidated financial statements have been reclassified to conform with the current period presentation. It is suggested that these financial statements be read in conjunction with the financial statements and notes thereto included in the Company's 1995 Annual Report on Form 10-K and subsequent quarterly filing.

ITT INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENTS
(IN MILLIONS, EXCEPT PER SHARE)
(UNAUDITED)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	1996	1995	1996	1995
Net sales	$ 2,241	$ 2,337	$ 4,442	$ 4,585
Cost of sales	1,908	2,012	3,816	3,954
Gross margin	333	325	626	631
Selling, general, and administrative expenses	175	193	365	383
Other operating (income) expenses	6	(7)	4	6
Operating income	152	139	257	242
Interest expense	(39)	(47)	(83)	(80)
Interest income	1	12	10	21
Miscellaneous expense, net	--	(30)	(1)	(30)
Income from continuing operations before income tax expense	114	74	183	153
Income tax expense	(46)	(28)	(75)	(62)
Income from continuing operations	68	46	108	91
Discontinued operations:				
Operating income, net of tax of $79 and $162	--	163	--	346
Gain on sale of Financial operations, net of tax of $264 and $264	--	403	--	403
Net income	$ 68	$ 612	$ 108	$ 840
EARNINGS PER SHARE:				
Income from continuing operations				
Primary	$ .56	$ .35	$ .89	$ .69
Fully diluted	$ .56	$ .35	$ .89	$ .69
Discontinued operations				
Primary	--	5.26	--	6.97
Fully diluted	--	4.82	--	6.39
Net income				
Primary	$ .56	$ 5.61	$ .89	$ 7.66
Fully diluted	$ .56	$ 5.17	$ .89	$ 7.08
Cash dividends declared per common share	$ .15	$ .495	$ .30	$ .99

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

ITT INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(IN MILLIONS, EXCEPT FOR SHARES AND PER SHARE)

	JUNE 30, 1996 (UNAUDITED)	DECEMBER 31, 1995
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 8	$ 94
Receivables, net	1,343	1,257
Inventories	879	908
Other current assets	247	243
Total current assets	2,477	2,502
Plant, property, and equipment, net	2,113	2,235
Deferred U.S. income taxes	207	218
Goodwill, net	355	363
Other assets	542	561
	$5,694	$5,879
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 665	$ 781
Accrued expenses	941	1,072
Accrued taxes	144	162
Notes payable and current maturities of long-term debt	1,016	646
Total current liabilities	2,766	2,661
Pension and postretirement costs	1,079	1,101
Long-term debt	637	961
Deferred foreign, state and local income taxes	119	121
Other liabilities	399	408
	5,000	5,252
Shareholders' Equity:		
Common stock:		
Authorized 200,000,000 shares, $1 par value per share Outstanding 118,066,518 shares and 117,068,833 shares	118	117
Capital surplus	413	399
Cumulative translation adjustments	91	111
Retained earnings	72	--
	694	627
	$5,694	$5,879

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

ITT INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN MILLIONS)
(UNAUDITED)

	SIX MONTHS ENDED JUNE 30, 1996	SIX MONTHS ENDED JUNE 30, 1995
OPERATING ACTIVITIES		
Net income	$ 108	$ 840
Discontinued operations:		
Operating income	--	(346)
Gain on sale of Financial operations	--	(403)
Income from continuing operations	108	91
Adjustments to income from continuing operations:		
Depreciation	203	200
Amortization	21	18
Change in receivables, inventories, accounts payable, and accrued expenses	(276)	(134)
Change in accrued and deferred taxes	67	246
Other, net	(18)	(26)
Cash from continuing operations	105	395
Cash used for discontinued operations	(174)	(254)
Cash from (used for) operating activities	(69)	141
INVESTING ACTIVITIES		
Additions to plant, property, and equipment	(172)	(165)
Proceeds from sale of assets	110	11,655
Acquisitions	--	(15)
Other, net	--	(2)
Cash from (used for) investing activities	(62)	11,473
FINANCING ACTIVITIES		
Short-term debt, net	210	(28)
Long-term debt repaid	(159)	(18)
Repayment of Financial obligations	--	(11,382)
Repurchase of common stock	--	(38)
Dividends paid	(18)	(130)
Other, net	15	18
Cash from (used for) financing activities	48	(11,578)
EXCHANGE RATE EFFECTS ON CASH AND CASH EQUIVALENTS	(3)	53
Increase (decrease) in cash and cash equivalents	(86)	89
Cash and cash equivalents -- beginning of period	94	322
Cash and cash equivalents -- end of period	$ 8	$ 411
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	$ 94	$ 47
Income taxes	$ 8	$ 7

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

ITT INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(IN MILLIONS, EXCEPT PER SHARE, UNLESS OTHERWISE STATED)

1) RECEIVABLES

Receivables consist of the following:

	JUNE 30, 1996	DECEMBER 31, 1995
Trade	$ 1,356	$ 1,254
Accrued for completed work	23	41
Less -- reserves	(36)	(38)
	$ 1,343	$ 1,257

2) INVENTORIES

Inventories consist of the following:

	JUNE 30, 1996	DECEMBER 31, 1995
Finished goods	$ 396	$ 417
Work in process	455	421
Raw materials and supplies	310	333
Less -- reserves	(80)	(85)
-- progress payments	(202)	(178)
	$ 879	$ 908

3) PLANT, PROPERTY, AND EQUIPMENT

Plant, property, and equipment consist of the following:

	JUNE 30, 1996	DECEMBER 31, 1995
Land and improvements	$ 103	$ 115
Buildings and improvements	848	888
Machinery and equipment	3,410	3,425
Construction work in progress	298	297
Other	318	330
	4,977	5,055
Less -- accumulated depreciation and amortization	(2,864)	(2,820)
	$ 2,113	$ 2,235

(IN MILLIONS, EXCEPT PER SHARE, UNLESS OTHERWISE STATED)

4) DISCONTINUED OPERATIONS

The accompanying financial statements for the three months and six months ended June 30, 1995, reflect the results of ITT Corporation, a Delaware corporation ("ITT Delaware"). Discontinued Operations include the results of ITT Delaware's interests in the insurance business segment ("ITT Hartford"), ITT Delaware's interests in the hospitality and entertainment, and information services businesses ("ITT Corporation"), and a wholly-owned Finance business segment ("ITT Financial"). ITT Hartford and ITT Corporation were distributed to ITT Delaware's shareholders on December 19, 1995 (the "Distribution") and ITT Delaware was merged into ITT Industries, Inc. (the "Company"). ITT Delaware realized gross proceeds totaling $11.7 billion through June 30, 1995 from the sale of the businesses comprising ITT Financial. Proceeds from these transactions were used primarily to repay ITT Financial debt. ITT Delaware recognized an after tax gain of $403 ($667 pretax) or $3.44 per fully diluted share in the second quarter of 1995, including a provision for the final asset sales and close down costs of ITT Financial.

Net income of the Company's Discontinued Operations was comprised of the following:

	THREE MONTHS ENDED JUNE 30, 1995	SIX MONTHS ENDED JUNE 30, 1995
ITT Corporation	$ 46	$ 53
ITT Hartford	105	245
ITT Financial	12	48
	$ 163	$ 346

BUSINESS SEGMENT INFORMATION
(IN MILLIONS)
(UNAUDITED)

Business segment information excluding "Discontinued Operations" is as follows:

NET SALES					OPERATING INCOME/(LOSS)			
THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,			THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
1996	1995	1996	1995		1996	1995	1996	1995
$1,448	$1,485	$2,868	$2,962	Automotive	$ 102	$ 108	$ 177	$ 207
378	403	732	762	Defense & Electronics	30	27	50	45
321	316	627	605	Fluid Technology	30	29	52	47
94	133	215	256	Dispositions & other	2	--	5	(8)
2,241	2,337	4,442	4,585	Total Segments	164	164	284	291
--	--	--	--	Corporate expenses & other	(12)	(25)	(27)	(49)
$2,241	$2,337	$4,442	$4,585		$ 152	$ 139	$ 257	$ 242

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

THREE MONTHS ENDED JUNE 30, 1996 COMPARED WITH THREE MONTHS ENDED JUNE 30, 1995

Net income of $68 million or $.56 per fully diluted share significantly exceeded the $46 million or $.35 per fully diluted share, of net income from continuing operations, reported in the 1995 second quarter. The increase in net income from continuing operations, in the current quarter, was attributable primarily to lower headquarters expenses and the absence of charges associated with the disposition of ITT Semiconductors and ITT Community Development Corporation recorded in the 1995 second quarter. In the 1995 second quarter, net income, including $163 million of net income from Discontinued Operations and a $403 million extraordinary gain on the sale of ITT Financial (see note 4) was $612 million or $5.17 per fully diluted share.

Net sales, for the second quarter of 1996, were slightly below the second quarter of 1995, due mainly to slow growth in some of the major markets the Company serves and unfavorable foreign exchange translation. Operating income for the second quarter of 1996 of $152 million, after a $10 million pretax charge for restructuring at ITT Automotive, was slightly higher than the $139 million in the second quarter of 1995. The increase in operating income was attributable to slightly higher earnings at Defense & Electronics and Fluid Technology, along with significantly lower headquarters expenses, a result of reflecting expenses of ITT Industries as an independent entity in 1996 compared with an apportionment of ITT Delaware's expenses in 1995. Other operating income/expenses, which include gains and losses from foreign exchange transactions and other charges, was expense of $6 million in the current quarter, including the $10 million ITT Automotive restructuring charge, compared with income of $7 million in the 1995 second quarter. Operating margins were 6.8% in the second quarter of 1996 compared to 5.9% in the second quarter of 1995, a result of the factors discussed above.

Net interest expense increased to $38 million compared with $35 million in the 1995 second quarter. Interest expense in the 1996 quarter reflects actual interest expenses incurred on debt assumed by ITT Industries on, or subsequent to, the Distribution, while interest expense in the 1995 quarter reflected an allocation of total ITT Delaware's interest between the continuing and Discontinued Operations, based on debt outstanding at that time. Interest income decreased from $12 million in the second quarter of 1995 to $1 million in the second quarter of 1996. This decrease is a result of maintaining lower cash balances by using available cash to reduce long-term debt.

The effective income tax rate approximated 40% in the 1996 second quarter and 38% in the 1995 second quarter. The 1995 period benefited from the utilization of tax credits in Italy. Excluding these credits, the effective income tax rate for the second quarter of 1995 would have been 41%. Income tax expense increased by $18 million, to $46 million in the 1996 second quarter, due to the higher pretax earnings and the higher effective tax rate as discussed above.

Business Segments -- Sales and operating income for each of the Company's three major continuing business segments were as follows for the three months ended June 30, 1996, and 1995 ($ in millions):

SALES			OPERATING INCOME	
THREE MONTHS			THREE MONTHS	
1996	1995		1996	1995
$1,448	$1,485	............Automotive.............	$ 102	$ 108

ITT Automotive's second quarter sales were slightly below the 1995 sales level, primarily due to the phase-in of the lower priced Mark 20 ABS braking system and the negative impact of foreign exchange. In the current quarter, operating income was adversely affected by a $10 million pretax restructuring charge primarily to relocate some production facilities to lower cost locations. Operating income, before the $10 million pretax restructuring charge, was $112 million in the second quarter of 1996 compared with $108 million in the second quarter of 1995. The increase in operating income, before the restructuring charge, was primarily attributable to cost reduction actions in excess of price reductions.

SALES			OPERATING INCOME	
THREE MONTHS			THREE MONTHS	
1996	1995		1996	1995
$ 378	$ 403	........Defense & Electronics.......	$ 30	$ 27

ITT Defense & Electronics revenue was down 6.2%, from the prior year second quarter, due to lower sales volume in certain defense programs and unfavorable foreign exchange translation in the electronics segment. However, operating income was 11% higher in the 1996 period due to operating efficiencies which enabled the defense business to see improved margins on contracts and the electronics business to record continued margin improvements.

SALES			OPERATING INCOME	
THREE MONTHS			THREE MONTHS	
1996	1995		1996	1995
$ 321	$ 316	.............Fluid Technology.......	$ 30	$ 29

ITT Fluid Technology's 1996 second quarter sales increased slightly over the comparable 1995 period due to higher sales volume in several segments particularly in the Asia-Pacific and Eastern European markets. However, sales for 1996 were negatively impacted by the sale of ITT General Controls product line, early in the quarter, and weak market conditions in France and Germany. Operating income for the second quarter of 1996 also had a slight increase over the 1995 second quarter. This improvement in operating income was the result of strong performances from emerging markets and cost control actions.

SIX MONTHS ENDED JUNE 30, 1996 COMPARED WITH SIX MONTHS ENDED JUNE 30, 1995

Net income of $108 million or $.89 per fully diluted share increased 18.7% compared with the $91 million or $.69 per fully diluted share, of income from continuing operations, reported in the 1995 period. The increase was primarily caused by an after-tax provision, recorded in the second quarter of 1995, of $29 million or $.25 per fully diluted share for the expected loss on the disposal of ITT Semiconductors and a portion of ITT Community Development Corporation. Excluding this provision and its related impact on the effective tax rate, 1995 net income from continuing operations would have been $109 million or $.93 per fully diluted share. Net income, for the first six months of 1995, was $840 million or $7.08 per fully diluted share including income from Discontinued Operations of $749 million (including $403 million reflecting the gain on the sale of ITT Financial).

Net sales totaling $4.4 billion, for the first six months of 1996, were slightly below the $4.6 billion for the 1995 period. This decrease included the effects of the GM strike in the first quarter of 1996 and unfavorable foreign exchange translation, partially offset by an increase in ITT Fluid Technology's sales. Operating income for the first half of 1996 was $257 million, which included the impacts of the GM strike and of the restructuring charge at ITT Automotive in the first and second quarters of 1996, compared with $242 million reported in the 1995 period. The increase in operating income was attributable to higher earnings at Defense & Electronics and Fluid Technology, along with significantly lower headquarters expenses. The decrease in headquarters expenses is a result of reflecting expenses of ITT Industries as an independent entity in 1996 compared with an apportionment of ITT Delaware's expenses in 1995. Other operating expenses, which includes gains and losses from foreign exchange transactions and other charges, totaled $4 million in the 1996 period, compared with $6 million in the 1995 period. Operating margins rose to 5.8% in the first six months of 1996, up from 5.3% in the comparable period of 1995, a result of the factors discussed above.

Net interest expense increased to $73 million compared with $59 million in 1995. Interest expense for 1996 reflects actual interest expense incurred on debt assumed by ITT Industries on, or subsequent to, the Distribution, while interest expense in 1995 reflected an allocation of total ITT Delaware's interest between the continuing and Discontinued Operations, based on debt outstanding at that time. Interest income for the first six months of 1996 decreased to $10 million from $21 million in the first six months of 1995. This decrease is a result of maintaining lower cash balances by using available cash to reduce long-term debt.

Miscellaneous expense, for the first six months of 1995, includes the aforementioned provision for the expected loss on the disposal of ITT Semiconductors and a portion of ITT Community Development Corporation. The effective income tax rate approximated 41% in the 1996 and 1995 periods. Income tax expense increased by $13 million, to $75 million in the 1996 period, due to the higher pretax earnings.

Business Segments -- Sales and operating income for each of the Company's three major continuing business segments were as follows for the six months ended June 30, 1996, and 1995 ($ in millions):

SALES			OPERATING INCOME	
SIX MONTHS			SIX MONTHS	
1996	1995		1996	1995
$2,868	$2,962	............Automotive.............	$ 177	$ 207

ITT Automotive's revenues, for the first six months of 1996, were lower than the 1995 six month period, due primarily to the GM strike in the first quarter of 1996 and a reduction in the second quarter of 1996 of approximately $50 million in sales related to foreign exchange translation. Operating income was reduced by the GM strike and a restructuring charge in the first half of 1996. This decrease was partially offset by cost reduction actions in excess of price reductions.

SALES SIX MONTHS 1996	1995		OPERATING INCOME SIX MONTHS 1996	1995
$ 732	$ 762	........Defense & Electronics.......	$ 50	$ 45

ITT Defense & Electronics revenue was down from the prior year six month period, due to lower sales volume in certain defense programs and unfavorable foreign exchange translation in the electronics segment. Despite lower sales, operating income was 11% higher due to operating efficiencies which enabled improved margins in both the defense and electronics businesses.

SALES SIX MONTHS 1996	1995		OPERATING INCOME SIX MONTHS 1996	1995
$ 627	$ 605	.............Fluid Technology.......	$ 52	$ 47

ITT Fluid Technology's 1996 six month sales were 3.6% higher than the comparable 1995 period due to higher sales volume, despite the weak market conditions in France and Germany and the sale of ITT General Controls product line. Operating income increased 10.6% over the first half of 1995. This improvement was attributable to strong performances from several business lines, as well as continued growth in emerging markets and cost control actions.

LIQUIDITY AND CAPITAL RESOURCES

Operating cash flow from continuing operations was $105 million in the first six months, offset by payments of $174 million related to Discontinued Operations, principally prior year's tax payments and expenses related to the Distribution. Operating cash flow, including Discontinued Operations, in the first six months of 1995 was $141 million.

Many of the Company's businesses require substantial investment in plant and tooling in order to produce competitively superior products. Expenditures for plant additions totaled $172 million in the first six months of 1996, with approximately 70% of that total incurred at Automotive, primarily in ABS, traction control technology, and brake and wiper systems. Spending for the first six months of 1995 was $165 million, 60% of which was also at Automotive. Cash expenditures for plant, property, and equipment are projected to approximate last year's level of $450 million for the full year.

Cash inflows in the first half of 1996 included $110 million from the sale of land and other assets, including a portion of ITT Community Development Corporation and ITT General Controls product line.

The increase in working capital (receivables, inventory, payables, and accrued liabilities) required a cash outflow of approximately $276 million. This was due largely to a first quarter seasonal increase in receivables and a reduction of accounts payable at Automotive and Defense & Electronics.

External borrowings were $1,653 million at June 30, 1996, compared with $1,607 million at December 31, 1995. Cash and cash equivalents were $8 million at June 30, 1996, compared to $94 million at year end 1995. The higher debt level at June 30, 1996, reflects the cash flows discussed above.

Shareholders' equity increased $67 million during the first half of 1996, due primarily to growth in retained earnings. The Company paid dividends of $.15 per share for the first and second quarter of 1996 on April 1, 1996 and July 1, 1996, respectively. A third quarter dividend of the same amount will be paid on October 1, 1996.

PART II.

OTHER INFORMATION

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At ITT Industries' annual meeting of shareholders held on May 21, 1996, the persons whose names are set forth below were elected as directors, constituting the entire Board of Directors, with relevant voting information for each person:

	Votes Cast		Broker
	For	Withheld	Nonvotes
Rand V. Araskog	102,086,778	965,128	0
Robert A. Burnett	102,480,985	570,921	0
Curtis J. Crawford	102,566,248	485,658	0
Michel David-Weill	91,067,954	11,983,952	0
D. Travis Engen	102,558,082	493,824	0
S. Parker Gilbert	102,614,916	436,990	0
Edward C. Meyer	102,597,405	454,501	0

In addition to the election of directors, the following matters were acted upon:

(a) The reappointment of Arthur Andersen LLP as independent auditors for 1996 was ratified by a vote of 101,815,322 shares in favor, 957,375 shares against, 279,209 shares abstained, and 0 broker nonvotes.

(b) A shareholder proposal calling for ITT Industries to list in the proxy statement the executive officers earning more than $100,000 annually was not approved by a vote of 80,445,484 shares against, 7,487,090 shares in favor, 5,199,466 shares abstained, and 9,919,866 broker nonvotes.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) See the Exhibit Index for a list of exhibits filed herewith.

(b) ITT Industries did not file any Form 8-K Current Reports during the quarter for which this Report is filed.

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 thereunto duly authorized.

ITT INDUSTRIES, INC.
(Registrant)

By Richard J.M. Hamilton

Richard J.M. Hamilton
Senior Vice President and Controller
(Principal accounting officer)

July 31, 1996
(Date)

EXHIBIT INDEX

Exhibit No.	Description	Location
(2)	Plan of acquisition, reorganization, arrangement, liquidation or succession	None
(3)	Articles of Incorporation and by-laws	None
(4)	Instruments defining the rights of security holders, including indentures	None
(10)	Material contracts	None
(11)	Statement re: computation of per share earnings	Filed Herewith
(12)	Statements re: computation of ratios Calculation of ratio of earnings to total fixed charges	Filed Herewith
(15)	Letter re: unaudited interim financial information	None
(18)	Letter re: change in accounting principles	None
(19)	Report furnished to security holders	None
(22)	Published report regarding matters submitted to vote of security holders	None
(23)	Consents of experts and counsel	None
(24)	Power of attorney	None
(27)	Financial Data Schedule	Filed Herewith
(99)	Additional Exhibits	None

EXHIBIT 11

ITT INDUSTRIES, INC. AND SUBSIDIARIES

CALCULATION OF EARNINGS PER SHARE

(IN MILLIONS, EXCEPT PER SHARE)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	1996	1995	1996	1995
PRIMARY BASIS --				
Net income	$ 68	$ 612	$ 108	$ 840
ESOP preferred dividends -- net of tax	--	(9)	--	(17)
Net income applicable to primary earnings per share	$ 68	$ 603	$ 108	$ 823
Average common shares outstanding	118	106	118	106
Common shares issuable in respect to common stock equivalents	3	1	3	1
Average common equivalent shares	121	107	121	107
Earnings Per Share				
Continuing operations	$ .56	$ .35	$ .89	$ .69
Discontinued operations	--	5.26	--	6.97
Net income	$ .56	$5.61	$ .89	$7.66
FULL DILUTED BASIS --				
Net income applicable to primary earnings per share	$ 68	$ 603	$ 108	$ 823
ESOP preferred dividends -- net of tax	--	9	--	17
If converted ESOP expense adjustment -- net of tax benefit	--	(6)	--	(10)
Net income applicable to fully diluted earnings per share	$ 68	$ 606	$ 108	$ 830
Average common equivalent shares	121	107	121	107
Additional common shares issuable assuming full dilution	--	10	--	10
Average common equivalent shares assuming full dilution	121	117	121	117
Earnings Per Share				
Continuing operations	$ .56	$ .35	$ .89	$ .69
Discontinued operations	--	4.82	--	6.39
Net income	$ .56	$5.17	$ .89	$7.08

In 1995, the Series N convertible preferred stock was considered a common stock equivalent. With respect to options, it is assumed that the proceeds to be received upon exercise are used to acquire common stock of the Company. The calculation impact of dilutive securities is determined quarterly based on the forecast of annual earnings.

EXHIBIT 12

ITT INDUSTRIES, INC. AND SUBSIDIARIES

CALCULATION OF RATIOS OF EARNINGS TO TOTAL FIXED CHARGES AND CALCULATION OF EARNINGS TO TOTAL FIXED CHARGES AND PREFERRED DIVIDEND REQUIREMENTS
(DOLLARS IN MILLIONS)

	SIX MONTHS ENDED JUNE 30,		YEARS ENDED DECEMBER 31,				
	1996	1995	1995	1994	1993	1992	1991
Earnings:							
Income from continuing operations....	$108	$ 91	$ 21	$202	$135	$ 655	$ 231
Add (deduct):							
Adjustment for distributions in excess of (less than) undistributed equity earnings and losses a)....................	1	--	1	--	(2)	(31)	(146)
Income taxes.......................	75	62	50	147	65	311	84
Amortization of interest capitalized	--	--	2	1	4	3	2
	184	153	74	350	202	938	171
Fixed Charges:							
Interest and other financial charges..........................	83	80	175	114	153	180	125
Interest factor attributable to rentals b).......................	15	11	29	22	24	25	25
	98	91	204	136	177	205	150
Earnings, as adjusted, from continuing operations..............	$282	$244	$278	$486	$379	$1,143	$ 321
Fixed Charges:							
Fixed charges above................	98	$ 91	$204	$136	$177	$ 205	$ 150
Interest capitalized...............	--	2	3	7	8	12	11
Total fixed charges..............	98	93	207	143	185	217	161
Dividends on preferred stock (pre-income tax basis) c)..........	--	24	24	48	50	63	78
Total fixed charges and preferred dividend requirements..........	$ 98	$117	$231	$191	$235	$ 280	$ 239
Ratios:							
Earnings, as adjusted, from continuing operations to total fixed charges....................	2.88	2.62	1.34	3.40	2.05	5.27	1.99
Earnings, as adjusted, from continuing operations to total fixed charges and preferred dividend requirements............	2.88	2.09	1.20	2.54	1.61	4.08	1.34

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Notes:

a) The adjustment for distributions in excess of (less than) undistributed equity earnings and losses represents the adjustment to income for distributions in excess of (less than) undistributed earnings and losses of companies in which at least 20% but less than 50% equity is owned.

b) The interest factor attributable to rentals was computed by calculating the estimated present value of all long-term rental commitments and applying the approximate weighted average interest rate inherent in the lease obligations and adding thereto the interest element assumed in short-term cancelable and contingent rentals excluded from the commitment data but included in rental expense.

c) The dividends on preferred stock have been determined by adding to the total preferred dividends an allowance for income taxes, calculated on the effective income tax rate.

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE JUNE 30, 1996 FINANCIAL STATEMENTS INCLUDED IN FORM 10-Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000,000

6-MOS
DEC-31-1996
JAN-01-1996
JUN-30-1996
8
0
1,379
36
879
2,477
4,977
2,864
5,694
2,766
637
0
0
118
576
5,694
4,442
4,442
3,816
3,816
369
1
83
183
75
108
0
0
0
108
0.89
0.89