

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 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): **October 28, 2011**

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
*(IRS Employer
Identification No.)*

**1133 Westchester Avenue
White Plains, New York**
(Address of principal executive offices)

10604
(Zip Code)

(914) 641-2000
(Registrant's telephone number, including area code)

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))
-

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 third quarter of 2011. The Company also announced that it had updated certain other items, including the net pension liability primarily related to the salaried retirement program and that it had provided an update on the separation of the business into three independent publicly traded companies, which is scheduled to be completed on October 31, 2011, as presented in a press release dated October 28, 2011. 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.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	News Release of ITT Corporation, dated October 28, 2011

SIGNATURES

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

Date: October 28, 2011

By: /s/ Burt M. Fealing

Burt M. Fealing

Its: Vice President and Corporate Secretary
(Authorized Officer of Registrant)

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description of Exhibit</u>
99.1	News Release of ITT Corporation, dated October 28, 2011

ITT Reports Solid Third-Quarter Results on Strength Across All Segments; ITT Exelis and Xylem Spinoff Transactions Set to Occur on October 31

- *Third-quarter revenue of \$2.98 billion was up 13 percent from the third quarter of 2010.*
- *Earnings from continuing operations were \$71 million, or \$0.38 per share.*
- *Adjusted earnings from continuing operations were \$1.17 per share, up 8 percent from the third quarter of 2010.*

WHITE PLAINS, N.Y.--(BUSINESS WIRE)--October 28, 2011--ITT Corporation (NYSE: ITT) today reported 2011 third-quarter revenue of \$2.98 billion and income from continuing operations of \$71 million. Excluding the impact of separation costs and other adjustments, income from continuing operations for the quarter was \$218 million, or \$1.17 per share, compared with \$200 million or \$1.08 per share, in the prior-year period.

“We are proud of our team for remaining focused on serving our customers to deliver this strong performance, even while executing on the separation of ITT into three strongly positioned, independent companies. I want to thank all of our employees for their diligence and hard work over the last several months,” said Steve Loranger, ITT’s chairman, president and chief executive officer. “The transformation of ITT and the launch of ITT Exelis and Xylem are on track to occur on October 31. The necessary costs to successfully separate into three companies are in line with our previous forecast, and all three new companies are nicely capitalized for future growth.”

Third-Quarter Segment Results

Defense and Information Solutions

- Third-quarter 2011 revenue was \$1.5 billion, an increase of 12 percent compared with the third quarter of 2010. The increase reflects gains in exercised options in key Middle East service programs in the Mission Systems business and strong performance in non-Department of Defense programs in the Information Systems business.
- Organic orders increased 12 percent to \$1.7 billion from the comparable period in 2010. The increase was driven by two large Middle East programs which together comprised more than \$500 million in organic orders.
- Third-quarter operating income, which included \$4 million of separation-related costs, was \$178 million, flat compared with the same period in 2010. Adjusted operating margin for the period declined 110 basis points compared with the same period in 2010. The segment continued to experience operating income compression as a result of the mix of products and services.

Fluid Technology

- Third-quarter 2011 Fluid Technology revenue of \$1.1 billion was up 17 percent on a year-over-year basis, driven by both acquisitions and organic growth across all businesses.
 - Organic revenue (defined as total revenue excluding foreign exchange and acquisition impacts) was up 8 percent, driven by significant activity in the chemical, oil and gas, mining and emerging markets in the Industrial Process business, as well as strength in global dewatering. Organic orders for the segment were up 13 percent, largely driven by growth in the Industrial Process business, combined with strong dewatering orders.
-

- Third-quarter operating income, which included \$22 million of separation-related costs, was \$144 million, up 25 percent from the comparable prior-year period, driven by organic revenue growth, strong productivity performance and acquisitions, which more than offset direct material cost increases and strategic investments. Adjusted operating margin for the period increased 300 basis points compared with the same period in 2010.

Motion and Flow Control

- Third-quarter 2011 revenue for the Motion and Flow Control segment grew 6 percent, to \$386 million, on a comparable prior-year basis, as the business experienced strong demand in the automotive, aerospace, medical and rail markets. These growth factors more than offset lower sales in the Interconnect Solutions business.
- Organic orders were up 1 percent, driven primarily by growth in aerospace, automotive, and oil and gas applications that offset weaker connectors demand.
- Third-quarter operating income, which included \$1 million of separation-related costs, was \$49 million, up 7 percent from the same period in 2010, as productivity gains, volume and pricing more than offset increased commodity costs. Adjusted operating margin for the period showed a 30 basis point increase over the same period in 2010.

Other Items

In addition to spinoff-related costs of \$93 million on an after-tax basis, as previously disclosed ITT recognized after-tax asbestos-related costs of \$26 million in the third quarter of 2011, resulting from an annual update of the underlying assumptions used in liability and asset estimates.

Other special items included a charge of \$14 million for various tax-related items, primarily a deferred tax adjustment, and foreign currency translation losses of \$14 million generally pertaining to legacy transactions.

As a result of third-quarter amendments to the U.S. retirement programs, ITT Corporation re-measured its projected benefit obligations and plan assets for certain U.S. and international pension plans. The re-measurement was as of September 30, 2011, and resulted in an increase to ITT's net pension liability of \$661 million. The re-measured plans were primarily the salaried retirement plan and excess compensation plan, which will transfer to ITT Exelis upon completion of the spinoff on October 31. This increase in pension liability is not expected to result in a material impact on the future ITT Exelis financial condition.

Supplemental information on ITT's third-quarter 2011 earnings is posted at www.itt.com/investors.

ITT Transformation

Efforts to separate ITT into three independent publicly traded companies continued to progress toward completion on October 31, 2011. Transformation costs remain in line with previously provided guidance. The future defense company, to be named ITT Exelis (NYSE: XLS), and the future water company, which will be named Xylem (NYSE: XYL), along with ITT (NYSE:ITT), will each begin regular-way trading on the New York Stock Exchange on November 1, 2011.

About ITT Corporation

ITT Corporation is a high-technology engineering and manufacturing company operating on all seven continents in three vital markets: water and fluids management, global defense and security, and motion and flow control. With a heritage of innovation, ITT partners with its customers to deliver extraordinary solutions that create more livable environments, provide protection and safety and connect our world. Headquartered in White Plains, N.Y., the company reported 2010 revenue of \$11 billion. www.itt.com

Safe Harbor Statement

Certain material presented herein includes forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements about the separation of ITT Corporation (the "Company") into three independent publicly traded companies (the "companies"), the terms and the effect of the separation, the nature and impact of such a separation, capitalization of the companies, future strategic plans and other statements that describe the 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 or implied in, or reasonably inferred from, such forward-looking statements. Factors that could cause results to differ materially from those anticipated include, but are not limited to: economic, political and social conditions in the countries in which we conduct our businesses; changes in U.S. or international government defense budgets; decline in consumer spending; sales and revenue mix and pricing levels; availability of adequate labor, commodities, supplies and raw materials; interest and foreign currency exchange rate fluctuations and changes in local government regulations; competition, industry capacity and production rates; ability of third parties, including our commercial partners, counterparties, financial institutions and insurers, to comply with their commitments to us; our ability to borrow or to refinance our existing indebtedness and availability of liquidity sufficient to meet our needs; changes in the value of goodwill or intangible assets; our ability to achieve stated synergies or cost savings from acquisitions or divestitures; the number of personal injury claims filed against the company or the degree of liability; uncertainties with respect to our estimation of asbestos liability exposures, third-party recoveries, and net cash flow; our ability to effect restructuring and cost reduction programs and realize savings from such actions; government regulations and compliance therewith, including compliance with and costs associated with new Dodd-Frank legislation; changes in technology; intellectual property matters; governmental investigations; potential future employee benefit plan contributions and other employment and pension matters; contingencies related to actual or alleged environmental contamination, claims and concerns; changes in generally accepted accounting principles; other factors set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2010, and our other filings with the Securities and Exchange Commission. In addition, there are risks and uncertainties relating to the planned tax-free spinoffs of ITT Exelis and Xylem, whether those transactions will result in any tax liability, the operational and financial profile of the Company or any of its businesses after giving effect to the spinoff transactions and the ability of each business to operate as an independent entity.

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 September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Revenue	\$ 2,981	\$ 2,643	\$ 8,765	\$ 7,960
Costs of revenue	2,127	1,875	6,286	5,693
Selling, general and administrative expenses	445	396	1,304	1,149
Research and development expenses	64	60	195	183
Transformation costs	132	-	279	-
Asbestos-related costs, net	59	341	91	368
Restructuring and asset impairment charges, net	2	3	10	30
Total costs and expenses	<u>2,829</u>	<u>2,675</u>	<u>8,165</u>	<u>7,423</u>
Operating income	152	(32)	600	537
Interest and non-operating expenses, net	22	16	51	61
Income from continuing operations before income tax expense	130	(48)	549	476
Income tax expense	59	(60)	184	94
Income from continuing operations	71	12	365	382
Income (loss) from discontinued operations, net of tax	7	133	5	147
Net income	<u>\$ 78</u>	<u>\$ 145</u>	<u>\$ 370</u>	<u>\$ 529</u>
Earnings (Loss) Per Share				
Basic:				
Continuing operations	\$ 0.38	\$ 0.07	\$ 1.97	\$ 2.08
Discontinued operations	0.04	0.72	0.03	0.80
Net Income	<u>\$ 0.42</u>	<u>\$ 0.79</u>	<u>\$ 2.00</u>	<u>\$ 2.88</u>
Diluted:				
Continuing operations	\$ 0.38	\$ 0.07	\$ 1.96	\$ 2.06
Discontinued operations	0.04	0.71	0.02	0.80
Net Income	<u>\$ 0.42</u>	<u>\$ 0.78</u>	<u>\$ 1.98</u>	<u>\$ 2.86</u>
Average common shares — basic	185.5	184.1	185.2	183.8
Average common shares — diluted	186.5	185.3	186.6	185.2

ITT CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(In millions)
(Unaudited)

	September 30, 2011	December 31, 2010
Assets		
Current Assets:		
Cash and cash equivalents	\$ 2,686	\$ 1,032
Receivables, net	2,198	1,944
Inventories, net	1,011	856
Other current assets	652	562
Total current assets	<u>6,547</u>	<u>4,394</u>
Plant, property and equipment, net	1,214	1,205
Goodwill	4,471	4,277
Other intangible assets, net	829	766
Asbestos-related assets	819	930
Other non-current assets	1,208	866
Total assets	<u>\$ 15,088</u>	<u>\$ 12,438</u>
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable	\$ 1,116	\$ 1,020
Accrued liabilities	1,755	1,714
Short-term debt and current maturities of long-term debt	1,305	11
Total current liabilities	<u>4,176</u>	<u>2,745</u>
Postretirement benefits	2,658	1,733
Long-term debt	1,868	1,354
Asbestos-related liabilities	1,522	1,559
Other non-current liabilities	619	542
Total liabilities	<u>10,843</u>	<u>7,933</u>
Shareholders' equity	4,245	4,505
Total liabilities and shareholders' equity	<u>\$ 15,088</u>	<u>\$ 12,438</u>

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

	Nine Months Ended	
	September 30,	
	2011	2010
Operating Activities		
Net income	\$ 370	\$ 529
Less: Income from discontinued operations	(5)	147
Income from continuing operations	365	382
Adjustments to income from continuing operations:		
Depreciation and amortization	257	214
Stock-based compensation	22	23
Transformation costs	64	-
Change in receivables	(253)	(105)
Change in inventories	(146)	(40)
Change in accounts payable	137	39
Other, net	6	141
Net Cash — Operating Activities	452	654
Investing Activities		
Capital expenditures	(186)	(174)
Acquisitions, net of cash acquired	(309)	(994)
Proceeds from sale of assets and businesses	34	250
Other, net	-	1
Net Cash — Investing Activities	(461)	(917)
Financing Activities		
Short-term debt, net	18	206
Long-term debt repaid	(68)	(71)
Long-term debt issued	1,849	1
Proceeds from issuance of common stock	48	17
Dividends paid	(184)	(176)
Other, net	6	7
Net Cash — Financing Activities	1,669	(16)
Exchange rate effects on cash and cash equivalents	(5)	(27)
Cash from (used for) discontinued operations:		
Operating Activities	(1)	2
Net change in cash and cash equivalents	1,654	(304)
Cash and cash equivalents — beginning of year	1,032	1,216
Cash and Cash Equivalents — end of period	\$ 2,686	\$ 912

Key Performance Indicators and Non-GAAP Measures

Management reviews key performance metrics including sales and revenues, segment operating income and margins, earnings per share, orders growth, and backlog, among others, in connection with its management of our business. In addition, we consider the following non-GAAP measures to be key performance indicators for purposes of this REG-G reconciliation:

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

Organic Orders are Non-GAAP performance measures that may provide useful information related to the Company's future revenue performance. Organic Orders exclude the impact of foreign currency fluctuations and contributions from acquisitions and divestitures (for the first 12 months). The Company's definition of Organic Orders may not be comparable to similar measures utilized by other companies.

Adjusted Income from Continuing Operations and **Adjusted EPS** are defined as reported GAAP Income from Continuing Operations and reported GAAP Diluted Earnings Per Share, adjusted to exclude Special items. Special items that may include, but are not limited to, unusual and infrequent non-operating items, spin transaction costs and non-operating tax settlements or adjustments related to prior periods. These items are not a substitute for GAAP measures. Special items represent significant charges or credits that impact current results, but may not be related to the Company's ongoing operations and performance. The Company uses Adjusted Income from Continuing Operations and Adjusted EPS to measure, evaluate and manage the Company. The Company believes that results excluding Special Items provide a useful analysis of ongoing operating trends. The Company's definitions of Adjusted Income from Continuing Operations and Adjusted EPS may not be comparable to similar measures utilized by other companies.

Free Cash Flow is defined as GAAP Net Cash - Operating Activities less Capital Expenditures and other Special Items. Free Cash Flow should not be considered a substitute for income or cash flow data prepared in accordance with GAAP. The Company's definition of Free Cash Flow may not be comparable to similar measures utilized by other companies. Management believes that Free Cash Flow is an important measure of performance and it is utilized as one measure of the Company's ability to generate cash. Note that due to other financial obligations and commitments, the entire Free Cash Flow amount may not be available for discretionary purposes.

Management believes that the above metrics are useful to investors evaluating our operating performance for the periods presented, and provide a tool for evaluating our ongoing operations and our management of assets held from period to period. These metrics, however, are not a measure of financial performance under GAAP and should not be considered a substitute for sales and revenue growth (decline), or cash flows from operating, investing and financing activities as determined in accordance with GAAP and may not be comparable to similarly titled measures reported by other companies.

**ITT Corporation Non-GAAP Reconciliation
Reported vs. Organic Revenue / Order Growth
Third Quarter 2011& 2010**

(\$ Millions)

	<u>(As Reported - GAAP)</u>				<u>(As Adjusted - Organic)</u>			
	(A)		(B)		(C)	(D)	(E) = B+C+D	(F) = E / A
	3M 2011	3M 2010	Change 2011 vs. 2010	% Change 2011 vs. 2010	Acquisition / Divestitures 3M 2011	FX Contribution 3M 2011	Change Adj. 11 vs. 10	% Change Adj. 11 vs. 10
Revenues								
ITT Corporation - Consolidated	2,981	2,643	338	13%	(47)	(57)	234	9%
Defense & Information Solutions	1,529	1,366	163	12%	(5)	(1)	157	11%
Electronic Systems	438	559	(121)	-22%	0	(1)	(122)	-22%
Geospatial Systems	308	257	51	20%	(4)	0	47	18%
Information Systems	794	559	235	42%	(1)	0	234	42%
Fluid Technology	1,069	917	152	17%	(42)	(40)	70	8%
Industrial Process	188	167	21	13%	0	(2)	19	12%
Residential and Commercial Water Group	314	279	35	13%	0	(9)	26	9%
Water & WasteWater	585	488	97	20%	(42)	(30)	25	5%
Motion & Flow Control	386	363	23	6%	0	(16)	7	2%
Motion Technologies	151	132	19	14%	0	(11)	8	6%
Interconnect Solutions	101	109	(8)	-7%	0	(3)	(11)	-10%
Control Technologies	81	70	11	16%	0	(1)	10	14%
Flow Control	54	53	1	1%	0	(1)	(0)	-1%
Orders								
Total Segment Orders	3,239	2,829	410	14%	(43)	(62)	305	11%
Defense & Information Solutions	1,719	1,535	184	12%	(3)	(1)	180	12%
Fluid Technology	1,136	932	204	22%	(40)	(44)	120	13%
Motion & Flow Control	386	364	22	6%	0	(17)	5	1%
New Companies (A)								
Revenues								
Future ITT	520	477	43	9%	0	(16)	27	6%
Xylem	939	806	133	17%	(42)	(40)	51	6%
ITT Exelis	1,529	1,366	163	12%	(5)	(1)	157	11%
Orders								
Future ITT	562	491	71	14%	0	(19)	52	11%
Xylem	966	810	156	19%	(40)	(44)	72	9%
ITT Exelis	1,719	1,535	184	12%	(3)	(1)	180	12%

(A) New Companies exclude Form 10 adjustments
Note: Excludes intercompany eliminations.

ITT Corporation
Reported vs Adjusted Segment Operating Income & OI Margin
Third Quarter of 2011 & 2010

(\$ Millions)

	Q3 2011 As Reported	Q3 2011 Spin Costs	Q3 2011 As Adjusted	Q3 2010 As Reported	% Change As Reported 11 vs. 10	% Change Adj for Spin 11 vs. 10
Revenue:						
Defense & Information Solutions	1,529		1,529	1,366	11.9%	11.9%
Fluid Technology	1,069		1,069	917	16.6%	16.6%
Motion & Flow Control	386		386	363	6.3%	6.3%
Intersegment eliminations	(3)		(3)	(3)	0.0%	0.0%
Total Revenue	2,981		2,981	2,643	12.8%	12.8%
Operating Margin:						
Defense & Information Solutions	11.6%	30 BP	11.9%	13.0%	(140) BP	(110) BP
Fluid Technology	13.5%	200 BP	15.5%	12.5%	100 BP	300 BP
Motion & Flow Control	12.7%	30 BP	13.0%	12.7%	- BP	30 BP
Total Operating Segments	12.4%	100 BP	13.4%	12.8%	(40) BP	60 BP
Income:						
Defense & Information Solutions	178	4	182	178	0.0%	2.2%
Fluid Technology	144	22	166	115	25.2%	44.3%
Motion & Flow Control	49	1	50	46	6.5%	8.7%
Total Segment Operating Income	371	27	398	339	9.4%	17.4%

ITT Corporation Non-GAAP Reconciliation
Reported vs. Adjusted Income from Continuing Operations & Adjusted EPS
Third Quarter of 2011 & 2010
(\$ Millions, except EPS and shares)

	Q3 2011 As Reported	Q3 2011 Adjustments	#	Q3 2011 As Adjusted	Q3 2010 As Reported	Q3 2010 Adjustments	#	Q3 2010 As Adjusted	Change 2011 vs. 2010 As Adjusted	Percent Change 2011 vs. 2010 As Adjusted
Segment Operating Income	371	27	#A	398	339			339		
Interest Income (Expense)	(19)	(3)	#B	(22)	(23)	-		(23)		
Other Income (Expense)	(3)	-		(3)	(1)	-		(1)		
Gain on sale of Assets	-	-		-	8	-		8		
Corporate (Expense)	(219)	160	#C	(59)	(371)	330	#F	(41)		
Income (loss) from Continuing Operations before Tax	130	184		314	(48)	330		282		
Income Tax (Expense) Benefit	(59)	(37)	#D	(96)	60	(142)	#G	(82)		
Income from Continuing Operations	71	147		218	12	188		200		
Diluted EPS from Continuing Operations	0.38	0.79	#E	1.17	0.07	1.01	#E	1.08	0.09	8%

#A - Transformation Costs related to planned spinoffs of defense and water businesses

#B - Reduction in interest expense related to settlement of German Tax Audit

#C - Transformation costs related to planned spinoffs (\$105M); Adjustment related to 2011 annual assessment of asbestos claims (\$41M); Foreign currency translation losses generally pertaining to legacy transactions(\$14M)

#D - Tax benefit related to transformation costs and asbestos (\$54M); Tax expense for various tax-related items (\$17M), primarily a deferred tax adjustment

#F - Adjustment related to 2010 annual assessment of asbestos claims

#G - Tax benefit related to asbestos adjustment and Sale of CAS Discontinued Operations, partially offset by net expense associated with tax audit settlements and adjustments related to prior periods

#D - Diluted EPS from Continuing Operations

Transformation Costs, net of related tax benefit	0.50	1.10
Interest Income, net of related tax expense	(0.01)	
Asbestos	0.14	-
Legacy foreign currency translation losses	0.08	-
Tax adjustments	0.08	0.03
CAS (Continuing ops) after-tax gain	-	(0.12)
Adjustments to EPS from Continuing Operations	0.79	1.01

ITT Corporation Non-GAAP Reconciliation
Net Cash - Operating Activities vs. Free Cash Flow
Third Quarter 2011 & 2010

(\$ Millions)

	<u>9M 2011</u>	<u>9M 2010</u>
Net Cash - Operating Activities	452	654
Capital Expenditures	<u>(186)</u>	<u>(174)</u>
Free Cash Flow, including Transformation	<u>266</u>	<u>480</u>
Transformation Spending (Cash Paid incl Capex)	<u>156</u>	<u>-</u>
Free Cash Flow, Excluding Transformation	<u>422</u>	<u>480</u>
Income from Continuing Operations	<u>365</u>	<u>382</u>
Free Cash Flow Conversion, including Transformation	<u>73%</u>	<u>126%</u>
Special Items (including Transformation Costs)	<u>255</u>	<u>224</u>
Income from Continuing Operations, Excluding Special Items	<u>620</u>	<u>606</u>
Adjusted Free Cash Flow Conversion	<u>68%</u>	<u>79%</u>

ITT Corporation
Debt Coverage Ratios 2011 & 2010
(\$ Millions)

	<u>September 30, 2011</u>	<u>December 31, 2010</u>
Net Debt/Net Capitalization	10.3%	6.9%
Total Debt/Total Capitalization	42.8%	23.3%
Short Term Debt	1,305	11
Long Term Debt	1,868	1,354
Total Debt	3,173	1,365
Cash & Cash equivalents	2,686	1,032
Net Debt	487	333
Total Shareholders' Equity	4,245	4,505
Net Debt	487	333
Net Capitalization	4,732	4,838

CONTACT:

ITT Corporation

Investors:

Thomas Scalera, +1-914-641-2030

thomas.scalera@itt.com

or

Media:

Jenny Schiavone, +1-914-641-2160

jennifer.schiavone@itt.com