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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): July 28, 2006

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

ITT Industries, Inc. (former name)  
(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 information on the results of operations for ITT Corporation for the second quarter 2006 and the Company's increased fiscal year 2006 earnings per share and revenue guidance and other forward-looking statements relating to 2006 as presented in a press release dated July 28, 2006. 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 July 28, 2006.

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  
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Kathleen S. Stolar

Its: Vice President, Secretary  
and Associate General Counsel

Date: July 28, 2006

ITT REPORTS RECORD SECOND QUARTER 2006 EPS OF \$0.75, INCLUDING IMPACT OF SPECIAL ITEMS; RAISES GUIDANCE FOR THE YEAR

- Earnings excluding special items are \$0.80 per share, up 18 percent, and up 21 percent excluding the impact of the adoption of SFAS-123R
- Company raises FY 2006 earnings forecast excluding special items from \$2.91 - \$2.97 to \$2.95 - \$3.00 per share, and raises FY 2006 revenue range from \$7.90 - \$8.01 billion to \$8.08 - \$8.17 billion
- Second quarter revenue up 11 percent to \$2.07 billion on strong growth in Defense and Fluid Technology; organic revenue up 10 percent
- Second quarter segment operating margin improves by 40 basis points, and 80 basis points excluding special items and the impact of SFAS-123R

WHITE PLAINS, N.Y., July 28 /PRNewswire-FirstCall/ -- ITT Corporation (NYSE: ITT) today reported record second quarter 2006 net income of \$140.9 million or \$0.75 per share, including \$8.3 million or \$0.05 per share net impact of restructuring and discontinued operations. Excluding special items, 2006 second quarter earnings from continuing operations grew 18 percent to \$0.80 per share over the second quarter 2005. Excluding the (\$0.02) per share impact of the adoption of SFAS-123R, earnings for the quarter grew 21 percent compared to the second quarter of 2005. Second quarter 2006 revenue was \$2.07 billion, up 11 percent over the same period last year, with organic revenue growth of 10 percent.

"Our entire team performed extremely well in the second quarter, delivering results that surpassed our expectations and bolstering our confidence for the full year. We are raising our guidance for the year to reflect this strong performance," said Steve Loranger, Chairman, President and Chief Executive Officer. "ITT continues to deliver solid revenue growth, particularly organic growth. This speaks to our performance in the marketplace, delivering the products and services demanded by our customers.

"I attribute these results to the capabilities of our management team, our diverse portfolio, and the strength of the ITT Management System," Loranger said. "I am pleased that we are delivering consistent results, quarter after quarter, in spite of the normal fluctuations in market demand and rising material costs."

#### 2006 Outlook and Beyond

"As always, we are closely watching the current economic climate and its potential effects on our business," Loranger added. "We believe we are particularly well positioned in our Fluid Technology markets to benefit from the growing demand for water-related products and services. We have well-established product brands, a large installed base and a growing position in developing markets like China. Our Defense business continues to grow because of the critical needs being addressed through our unique technologies and the broad range of services we provide. Based on our solid performance through the first half and our outlook for the rest of the year, we are raising our full-year earnings forecast excluding special items from a range of \$2.91 - \$2.97 to \$2.95 - \$3.00 per share, up 14 - 16 percent compared to 2005, including the estimated (\$0.09) per share impact from the adoption of SFAS-123R. Excluding the impact of the adoption of SFAS-123R, our outlook for full year 2006 earnings from continuing operations excluding special items would be up 17 - 19 percent.

"We're also raising our 2006 full-year revenue guidance from a range of \$7.90 - \$8.01 billion to \$8.08 - \$8.17 billion. Our performance in the record second quarter and this positive outlook for the remainder of the year underscores the attractive market positions we have in both our commercial and defense businesses. These favorable positions, along with our focus on operational excellence and a disciplined acquisition strategy, reinforce the confidence we have in meeting our long term financial goals."

#### Primary Business Results Fluid Technology

- Second quarter 2006 Fluid Technology revenue was \$765.3 million, up \$40.6 million or 6 percent; organic revenues grew 4 percent over the same period in 2005, led by the Water/Wastewater Handling and Building Trades businesses. Operating income was \$101.3 million for the second quarter, including the impact of restructuring. Excluding restructuring, second quarter operating income was up 9 percent to \$103.3 million.
- Operating margins, excluding restructuring, grew by 40 basis points in the quarter, as a result of ongoing Value Based Six Sigma and Lean initiatives.
- Total orders for the second quarter were up 7%, and organic orders were up 5% compared to the second quarter of 2005.
- The acquisition of F.B. Leopold, announced during the quarter, adds an important pre-treatment component to ITT's already wide range of filtration and treatment capabilities.

## Defense Electronics & Services

- ITT's Defense Electronics & Services segment reported second quarter revenues of \$918.5 million, up 18 percent, over the same period last year, led by increases in the Services, Electronic Systems, Communications and Night Vision businesses.
- Higher volume, better yields and contract performance drove second quarter operating results. Second quarter operating income for the segment was \$100.6 million, including the impact of restructuring. Excluding restructuring, operating income was up 19 percent in the quarter to \$101.4 million over the comparative period in 2005.
- The Aerospace Communications business led revenue growth at Defense in the second quarter. Production increased to a rate of 5,000 Single Channel Ground-Air Radio System (SINCGARS) radios per month to meet increased demand. In August, the group will achieve the production milestone of 300,000 radios over the life of the SINCGARS program.
- Consistent with the variable nature of Defense orders, second quarter orders declined to \$636 million. Our order activity is expected to be robust in the second half of 2006 and full-year Defense orders, sales, and operating income are all on track to show continued strong growth.
- The long-term outlook for Defense is positive, driven by demand for products featuring ITT's next-generation technology and the ongoing growth in the outsourcing of military services such as those provided by ITT.

#### Motion & Flow Control

- 2006 second quarter revenues for ITT's Motion & Flow Control segment were \$188.1 million, up 4 percent from the second quarter last year.
- 2006 second quarter operating income for the segment was \$30.9 million, including the impact of restructuring. Excluding restructuring, operating income for this segment was \$38.1 million, up 1 percent from the same quarter in 2005.
- On an organic basis, Motion & Flow Control orders grew 12 percent compared to the second quarter of 2005, led by 18 percent order growth in Aerospace Controls and 16 percent in Friction Materials. Aerospace Controls, which produces fuel valves and other components, continues to benefit from the strength in the regional and business jet segment.

#### Electronic Components

- 2006 second quarter revenues for the Electronic Components segment were \$200.8 million, up 11 percent over the same period in 2005. Organic revenue grew 10 percent, fueled by growth in cellular handsets and transportation markets. Operating income for the second quarter was \$21.3 million. Excluding restructuring, operating income was up 133 percent over the second quarter last year, and operating margins grew 550 basis points compared to the second quarter of 2005, primarily driven by volume growth and operational improvements.
- 2006 second quarter order intake at Electronic Components exceeded \$200 million for the second consecutive quarter, up 9 percent over the second quarter of 2005 on an organic basis. This increase is primarily attributable to growth in the cellular handset market, as well as the transportation and military/aerospace sectors. The segment's 2006 second quarter book-to-bill ratio was positive at 1.01.
- The process to prepare Electronic Components' Switches business for disposition is progressing. Ongoing efforts to improve and manage the business to create value are yielding results evident in its performance during the second quarter.

## About ITT Corporation

ITT Corporation (<http://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 market with a wide range of products. Headquartered in White Plains, NY, the company generated \$7.4 billion in 2005 sales. In addition to the New York Stock Exchange, NYSE Arca, 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 <http://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 June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
Sales and revenues	\$ 2,067.9	\$ 1,863.9	\$ 3,954.6	\$ 3,629.8
Costs of sales and revenues	1,491.9	1,353.0	2,875.4	2,649.4
Selling, general and administrative expenses	295.5	262.5	565.8	525.4
Research and development expenses	43.7	44.6	86.4	88.9
Restructuring and asset impairment charges	10.0	5.7	25.1	24.1
Total costs and expenses	1,841.1	1,665.8	3,552.7	3,287.8
Operating income	226.8	198.1	401.9	342.0
Interest expense	21.5	13.9	41.4	34.0
Interest income	4.8	5.5	8.5	19.7
Miscellaneous expense, net	4.2	5.5	9.5	10.5
Income from continuing operations before income taxes	205.9	184.2	359.5	317.2
Income tax expense	63.5	53.2	109.6	64.8
Income from continuing operations	142.4	131.0	249.9	252.4
Discontinued operations, including tax (benefit)/ expense of \$(0.6), \$3.2, \$6.8 and \$0.1 in each period, respectively	(1.5)	6.7	46.9	1.8
Net income	\$ 140.9	\$ 137.7	\$ 296.8	\$ 254.2
Earnings Per Share:				
Income from continuing operations:				
Basic	\$ 0.77	\$ 0.71	\$ 1.35	\$ 1.37
Diluted	\$ 0.76	\$ 0.70	\$ 1.33	\$ 1.34
Discontinued operations:				
Basic	\$ (0.01)	\$ 0.04	\$ 0.26	\$ 0.01
Diluted	\$ (0.01)	\$ 0.03	\$ 0.25	\$ 0.01
Net income:				
Basic	\$ 0.76	\$ 0.75	\$ 1.61	\$ 1.38
Diluted	\$ 0.75	\$ 0.73	\$ 1.58	\$ 1.35
Average Common Shares - Basic	184.3	184.5	184.4	184.6
Average Common Shares - Diluted	187.2	188.5	187.5	188.5

## ITT CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

(In millions)

(Unaudited)

	June 30, 2006	December 31, 2005
	-----	-----
Assets		
Current Assets:		
Cash and cash equivalents	\$ 755.0	\$ 451.0
Receivables, net	1,403.9	1,268.1
Inventories, net	728.3	661.3
Current assets of discontinued operations	-	256.9
Deferred income taxes	74.3	73.6
Other current assets	99.0	69.9
Total current assets	3,060.5	2,780.8
Plant, property and equipment, net	840.1	837.0
Deferred income taxes	90.9	87.5
Goodwill, net	2,348.4	2,249.1
Other intangible assets, net	209.9	214.8
Other assets	976.5	894.2
Total assets	\$ 7,526.3	\$ 7,063.4
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable	\$ 869.2	\$ 797.2
Accrued expenses	788.6	745.8
Accrued taxes	147.9	187.1
Current liabilities of discontinued operations	-	77.9
Notes payable and current maturities of long-term debt	900.1	751.4
Other current liabilities	9.7	8.3
Total current liabilities	2,715.5	2,567.7
Pension and postretirement benefits	745.9	733.8
Long-term debt	516.2	516.3
Other liabilities	521.7	522.2
Total liabilities	4,499.3	4,340.0
Shareholders' equity	3,027.0	2,723.4
Total liabilities and shareholders' equity	\$ 7,526.3	\$ 7,063.4



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

	Six Months Ended June 30,	
	2006	2005
Operating Activities		
Net income	\$ 296.8	\$ 254.2
(Income) loss from discontinued operations	(46.9)	(1.8)
Income from continuing operations	249.9	252.4
Adjustments to income from continuing operations:		
Depreciation and amortization	92.5	96.4
Amortization of stock compensation	11.0	0.6
Restructuring and asset impairment charges	25.1	24.1
Payments for restructuring	(29.6)	(21.1)
Change in receivables	(120.2)	(183.0)
Change in inventories	(46.8)	(29.3)
Change in accounts payable and accrued expenses	64.3	99.4
Change in accrued and deferred taxes	(35.9)	15.6
Change in other current and non-current assets	(94.4)	(104.7)
Change in other non-current liabilities	1.0	(2.1)
Other, net	4.0	(0.2)
Net cash - operating activities	120.9	148.1
Investing Activities		
Additions to plant, property and equipment	(64.8)	(64.1)
Acquisitions, net of cash acquired	(74.0)	(1.5)
Proceeds from sale of assets and businesses	230.7	7.7
Other, net	(6.3)	-
Net cash - investing activities	85.6	(57.9)
Financing Activities		
Short-term debt, net	147.2	163.5
Long-term debt repaid	(1.0)	(4.6)
Long-term debt issued	0.1	0.4
Repurchase of common stock	(130.2)	(118.2)
Proceeds from issuance of common stock	50.9	56.3
Dividends paid	(37.0)	(49.8)
Other, net	12.8	(0.1)
Net cash - financing activities	42.8	47.5
Exchange Rate Effects on Cash and Cash Equivalents	28.6	(21.7)
Net Cash - Discontinued Operations		
Operating Activities	28.3	13.1
Net Cash - Discontinued Operations Investing Activities	(2.2)	(7.8)
Net change in cash and cash equivalents	304.0	121.3
Cash and cash equivalents - beginning of year	451.0	262.9
Cash and Cash Equivalents - end of period	\$ 755.0	\$ 384.2

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

(\$ Millions)

	(As Reported - GAAP)			
	Sales & Revenues	Sales & Revenues	Change	%
	-----	-----	-----	-----
	3M 2006	3M 2005	2006 vs. 2005	2006 vs. 2005
	-----	-----	-----	-----
ITT Corporation - Consolidated	2,067.9	1,863.9	204.0	11%
Fluid Technology	765.3	724.7	40.6	6%
Defense Electronics & Services	918.5	779.5	139.0	18%
Electronic Components	200.8	181.7	19.1	11%
Motion & Flow Control	188.1	181.6	6.5	4%
	Orders	Orders	Change	%
	-----	-----	-----	-----
	3M 2006	3M 2005	2006 vs. 2005	2006 vs. 2005
	-----	-----	-----	-----
Fluid Technology	798.0	746.8	51.2	7%
Motion & Flow Control	193.0	172.0	21.0	12%
Aerospace Controls	23.9	20.2	3.7	18%
Friction Materials	84.6	72.5	12.1	17%
Electronic Components	202.9	185.6	17.3	9%
	Orders	Sales	Orders/ Sales	Book-to- Bill
	-----	-----	-----	-----
	3M 2006	3M 2006	-----	-----
	-----	-----	-----	-----
Electronic Components	202.9	200.8	1.01	

## (As Adjusted - Organic)

	Sales & Revenues	Acquisition Contribution	FX Contribution	Adj. Sales & Revenues	Sales & Revenues	Change	% Change
	3M 2006	3M 2006	3M 2006	3M 2006	3M 2005	Adj. 06 vs. 05	Adj. 06 vs. 05
ITT Corporation - Consolidated	2,067.9	(5.8)	(4.8)	2,057.3	1,863.9	193.4	10%
Fluid Technology	765.3	(5.8)	(3.8)	755.7	724.7	31.0	4%
Defense Electronics & Services	918.5	0.0	(0.1)	918.4	779.5	138.9	18%
Electronic Components	200.8	0.0	(0.8)	200.0	181.7	18.3	10%
Motion & Flow Control	188.1	0.0	(0.1)	188.0	181.6	6.4	4%

	Orders	Acquisition Contribution	FX Contribution	Adj. Orders	Orders	% Change	Change
	3M 2006	3M 2006	3M 2006	3M 2006	3M 2005	Adj. 06 vs. 05	Adj. 06 vs. 05
Fluid Technology	798.0	(6.9)	(5.3)	785.8	746.8	39.0	5%
Motion & Flow Control	193.0	0.0	(0.5)	192.5	172.0	20.5	12%
Aerospace Controls	23.9	0.0	-	23.9	20.2	3.7	18%
Friction Materials	84.6	0.0	(0.5)	84.1	72.5	11.6	16%
Electronic Components	202.9	0.0	(0.9)	202.0	185.6	16.4	9%

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

(\$ Millions)

	Q2 2006 ----- As Reported -----	Q2 2005 ----- As Reported -----	% Change 06 vs. 05 -----	Q2 2006 ----- As Reported -----	Adjust for 2006 ----- Restruc- turing -----	Q2 2006 ----- As Adjusted -----
<b>Sales and Revenues:</b>						
Electronic Components	200.8	181.7		200.8		200.8
Defense Electronics & Services	918.5	779.5		918.5		918.5
Fluid Technology	765.3	724.7		765.3		765.3
Motion & Flow Control	188.1	181.6		188.1		188.1
Intersegment eliminations	(4.8)	(3.5)		(4.8)		(4.8)
Total Ongoing segments	2,067.9	1,864.0		2,067.9		2,067.9
Dispositions and other	-	-		-		-
Total Sales and Revenues	2,067.9	1,864.0		2,067.9		2,067.9
<b>Operating Margin:</b>						
Electronic Components	10.6%	3.1%		10.6%		10.5%
Defense Electronics & Services	11.0%	10.9%		11.0%		11.0%
Fluid Technology	13.2%	12.9%		13.2%		13.5%
Motion & Flow Control	16.4%	20.5%		16.4%		20.3%
Total Ongoing Segments	12.3%	11.9%		12.3%		12.8%
Total Ongoing Segments (Excluding impact of SFAS-123R)						13.0%
<b>Income:</b>						
Electronic Components	21.3	5.7	273.7%	21.3	(0.3)	21.0
Defense Electronics & Services	100.6	84.9	18.5%	100.6	0.8	101.4
Fluid Technology	101.3	93.3	8.6%	101.3	2.0	103.3
Motion & Flow Control	30.9	37.3	-17.2%	30.9	7.2	38.1
Total Segment Operating Income	254.1	221.2	14.9%	254.1	9.7	263.8
Impact of SFAS-123R Adoption						6.1
Total Segment Operating Income (Excluding impact of SFAS-123R)						269.9

	Q2 2005	Adjust for 2005	Q2 2005	% Change
	As Reported	Restruc- turing	As Adjusted	Adj. 06 vs. 05
<b>Sales and Revenues:</b>				
Electronic Components	181.7		181.7	
Defense Electronics & Services	779.5		779.5	
Fluid Technology	724.7		724.7	
Motion & Flow Control	181.6		181.6	
Intersegment eliminations	(3.5)		(3.5)	
Total Ongoing segments	1,864.0		1,864.0	
Dispositions and other	-		-	
Total Sales and Revenues	1,864.0		1,864.0	
<b>Operating Margin:</b>				
Electronic Components	3.1%		5.0%	550 BP
Defense Electronics & Services	10.9%		10.9%	10 BP
Fluid Technology	12.9%		13.1%	40 BP
Motion & Flow Control	20.5%		20.9%	(60)BP
Total Ongoing Segments	11.9%		12.2%	60 BP
Total Ongoing Segments (Excluding impact of SFAS-123R)			12.2%	80 BP
<b>Income:</b>				
Electronic Components	5.7	3.3	9.0	133%
Defense Electronics & Services	84.9	0.0	84.9	19%
Fluid Technology	93.3	1.8	95.1	9%
Motion & Flow Control	37.3	0.6	37.9	1%
Total Segment Operating Income	221.2	5.7	226.9	16%
Impact of SFAS-123R Adoption Total Segment Operating Income (Excluding impact of SFAS-123R)			226.9	19%

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

(\$ Millions, except EPS and shares)

	Q2 2006 AS Reported	Q2 2006 Adjust- ments	Q2 2006 AS Adjusted	Q2 2005 AS Reported	Q2 2005 Adjust- ments	Q2 2005 AS Adjusted
Segment Operating Income	254.1	9.7 #A	263.8	221.2	5.7 #D	226.9
Interest Income (Expense)	(16.7)	-	(16.7)	(8.4)	(3.5)#E	(11.9)
Other Income (Expense)	(4.2)	-	(4.2)	(5.5)	-	(5.5)
Gain on sale of Assets	-	-	-	-	-	-
Corporate (Expense)	(27.3)	0.3 #A	(27.0)	(23.1)	-	(23.1)
Income from Continuing Operations before Tax	205.9	10.0	215.9	184.2	2.2	186.4
Income Tax Items	-	-	-	-	(4.0)#F	(4.0)
Income Tax Expense	(63.5)	(3.2)#B	(66.7)	(53.2)	(0.6)#G	(53.8)
Total Tax Expense	(63.5)	(3.2)	(66.7)	(53.2)	(4.6)	(57.8)
Income from Continuing Operations	142.4	6.8	149.2	131.0	(2.4)	128.6
(Loss) Income from Discontinued Operations	(1.5)	1.5 #C	0.0	6.7	(6.7)#H	-
Net Income	140.9	8.3	149.2	137.7	(9.1)	128.6
Diluted EPS	0.75	0.05	0.80	0.73	(0.05)	0.68
Impact of SFAS-123R Adoption			0.02			0.00
Diluted EPS Excluding Impact of SFAS-123R Adoption			0.82			0.68

	Change 2006 vs. 2005 As Adjusted	Percent Change 2006 vs. 2005 As Adjusted
	-----	-----
Net Income	20.6	16%
Diluted EPS	\$ 0.12	18%
Impact of SFAS-123R Adoption		
Diluted EPS Excluding Impact of SFAS-123R Adoption	\$ 0.14	21%

- #A - Remove Restructuring Expense of \$10.0M (\$9.7 + \$0.3).
- #B - Remove Tax Benefit on Special Items of (\$3.2M).
- #C - Remove D.O. expense of \$1.5M.
- #D - Remove Restructuring Expense of \$5.7M.
- #E - Remove Interest Income due to Tax Refund (\$3.5M).
- #F - Remove Tax Refund of (\$4.0M).
- #G - Remove Tax Benefit on Special Items of (\$0.6M).
- #H - Remove D.O. income of (\$6.7M).

SOURCE ITT Corporation

-0-

07/28/2006

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tom.martin@itt.com/

/First Call Analyst: /

/FCMN Contact: /

/Web site: [http://www.itt.com /](http://www.itt.com/)