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ITT INDUSTRIES INC
Form 11-K
June 27, 2005

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

(Mark One)

Annual Report pursuant to Section 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2004

OR

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

Commission File Number 1-5627

ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES

ITT INDUSTRIES, INC.
4 WEST RED OAK LANE, WHITE PLAINS, NY 10604

ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN
FOR SALARIED EMPLOYEES

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

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applicable.

These financial statements have been prepared from the Company's books and records after making all necessary adjustments thereto, and they represent the final statements for the period ended December 31, 2004

SIGNATURE

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

ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES

BY: /s/ Geovanna Chan

(Geovanna Chan, Director Benefits Administration & Financial Reporting)

June 27, 2005

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Trustees and Participants of
ITT Industries Investment and Savings Plan for Salaried Employees
White Plains, New York

We have audited the accompanying statements of net assets available for benefits of ITT Industries Investment and Savings Plan for Salaried Employees (the "Plan") as of December 31, 2004 and 2003, and the related statement of changes in net assets available for benefits for the year ended December 31, 2004. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2004 and 2003, and the changes in net assets available for benefits for the year ended December 31, 2004 in conformity with accounting principles generally accepted in the United States of America.

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Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule listed in the Table of Contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This schedule is the responsibility of the Plan's management. Such schedule has been subjected to the auditing procedures applied in our audit of the basic 2004 financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ Deloitte & Touche, LLP

Stamford, Connecticut
June 17, 2005

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

	December 31	
	2004	2003
	-----	-----
Assets:		
Investments	\$ 1,914,552	\$ 1,733,725
Receivables:		
Dividends	1,397	1,496
Interest	2,591	2,596
Employer Contributions	813	596
Participant Contributions	2,347	1,725
Unsettled Security Sales	597	1,390
	-----	-----
Total Receivables	7,745	7,803
Liabilities:		
Accrued Financial Services Expense	168	30
Accrued Administrative Expense	398	-
Unsettled Security Purchases	6,414	403
	-----	-----
Total Liabilities	6,980	433
Net Assets Available for Benefits	\$ 1,915,317	\$ 1,741,095
	=====	=====

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

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

	Year Ended December 31, 2004 -----
Additions:	
Additions to Net Assets Attributed to:	
Investment Income:	
Net Appreciation in Fair Value of Investments	\$ 141,756
Dividends	10,994
Interest	28,083

Total Investment Income	180,833
Contributions:	
Participants	60,866
Employer	20,862
Rollovers	18,483

Total Contributions	100,211
Asset Transfers	71

Total Additions	281,115

Deductions:	
Deductions from Net Assets Attributed to:	
Withdrawals and Distributions	(100,531)
Investment Management Expenses	(1,895)
Administrative Expenses	(4,467)

Total Deductions	(106,893)
Increase in Net Assets	174,222

Net Assets Available for Benefits:	
Beginning of Year	1,741,095

End of Year	\$ 1,915,317
	=====

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

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
NOTES TO FINANCIAL STATEMENTS AS OF DECEMBER 31, 2004 AND 2003, AND
FOR THE YEAR ENDED DECEMBER 31, 2004

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(\$ IN THOUSANDS)

1. DESCRIPTION OF THE PLAN

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

GENERAL -- The Plan is a defined contribution plan generally covering all regular salaried U.S. employees of ITT Industries, Inc. (the "Company"). Employees are eligible to join the Plan on the first day of the calendar month following completion of one month of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

CONTRIBUTIONS --

EMPLOYEE -- An eligible employee as defined in the Plan ("Member") may generally elect to contribute 2% to 25% of base salary. A Member (other than a Member subject to Puerto Rico's income tax) may designate his/her savings as Before-Tax Savings, After-Tax Savings, or any combination of the two. Effective January 1, 2002 and as a result of the IRS Non-Discrimination Test results, a participant who is considered a Highly Compensated Employee under the Plan may elect Plan savings up to a maximum of 14% of base pay as either Before-Tax Savings, After-Tax Savings, or any combination subject to the dollar limitation contained in section 402(g) of the Internal Revenue Code (the "Code").

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

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

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The Company, or its designee, shall determine the amount of the Minimum Employer Contribution. The Minimum Employer Contribution for each Plan Year shall be deemed to be satisfied as of the date the aggregate amount of Before-Tax Savings Contributions, Matching Company Contributions, and Floor Company Contributions for each Taxable Year equals the amount of the Minimum Employer Contribution for such Plan Year.

INVESTMENT DIRECTION -- A Member may direct employee contributions and Company contributions, in any whole percentage, among any of twelve investment options, and the Member can change his/her future savings and reallocate his/her accumulated investments in 1% increments on a daily basis among the twelve funds. The twelve funds are as follows:

- ITT Industries Stock Fund
- Managed Equity Index Fund
- Stable Value Fund
- Balanced Fund
- Long Term Bond Fund

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Equity Value Fund
 Aggressive Growth Fund
 Global Equity Fund
 Small Cap Equity Fund
 Asset Allocation Fund - Conservative
 Asset Allocation Fund - Moderate
 Asset Allocation Fund - Aggressive

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

Plan accounts are valued and reconciled between the trustee and recordkeeper daily. Members can initiate transactions by using the Plan's web site, the automated voice response system, or by speaking to a Plan representative at the ITT Industries Benefits Center.

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

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VESTING -- Members are immediately vested in their contributions and the Company Floor Contributions plus earnings thereon. Member's interests in Matching Company Contributions vest according to the following schedule, except as noted previously with respect to dividends on ESOP shares which are 100% vested:

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

As of December 31, 2004 and 2003, the cumulative Matching Company Contributions and Floor Company Contributions made on behalf of all Members, including a pro-rata share of investment income, were as follows:

	2004	2003
Vested	\$ 763,549	\$ 705,452
Non-vested	6,072	6,302
	\$ 769,621	\$ 711,754
	=====	=====

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FORFEITURES -- Forfeitures of the non-vested portion of any Member's Matching Company Contributions are applied to reduce future Company Contributions. Forfeitures for the year ended December 31, 2004 were \$417.

MEMBER LOANS -- A Member may request a loan in any specified whole dollar amount which must be at least one thousand dollars but which may not exceed the lesser of 50% of the Vested Share, or fifty thousand dollars reduced by the Member's highest outstanding loan balance, if any, during the prior one-year period. The interest rate charged by the Plan is based on the prime rate plus 1%, set at the date of the loan origination, and remains the same throughout the term of the loan. General purpose loan terms range from one to sixty months. If the loan is used in the purchase of a primary residence, the loan term can be for a period of up to one hundred eighty months. Members may have two loans outstanding at the same time. Loans to Members at December 31, 2004 and 2003 were \$23,359 and \$22,267, respectively.

Effective January 6, 2003, a terminated Member may continue to make periodic repayment on their loans after separation by contacting the Plan's Benefits Center. However, no new loans can be requested after termination of employment.

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PAYMENT OF BENEFITS -- On termination of employment (including death, disability, or retirement), a Member or his/her surviving spouse beneficiary may elect to receive a lump-sum amount equal to the value of the Member's vested interest in his/her account paid in cash or as a rollover to another qualified plan or an IRA, or periodic payments under one of two alternative installment options. In either case, a Member or his/her surviving spouse beneficiary whose vested account balance is more than three thousand five hundred dollars (five thousand dollars effective January 1, 2005) may elect to keep his/her account balance in the Plan until the year in which the Member reaches/would have reached age 70 -1/2. Upon the death of a Member, with a non-spouse beneficiary, the distribution must be made within five years from the Member's date of death in the form of a lump sum payment or annual fixed period installments, provided that the number of installments does not extend beyond five years from the date of the Member's death.

Effective January 1, 2003, the Plan was amended to provided that all distributions from the Plan shall comply with the requirements of Section 401(1)(9) of the Internal Revenue Code.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING -- The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

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

INVESTMENT VALUATION AND INCOME RECOGNITION -- The Plan's investments are stated

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at fair value except for its benefit-responsive investment contract investments which are stated at contract value (Note 6). Quoted market prices are used to value investments. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year-end. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

EXPENSES -- The Plan pays for the administrative expenses of the Plan up to 0.25% of the market value of trust assets. In 2004, these expenses amounted to 0.23% of trust assets. These expenses are limited to services provided by unrelated vendors. The Company pays Plan administrative expenses which are not paid by the Plan. In addition to the administrative expense charge, an investment management fee is charged to each investment fund except for the ITT Industries Stock Fund.

PAYMENT OF BENEFITS -- Benefit payments to Members are recorded upon distribution. Amounts allocated to accounts of persons who have elected to withdraw from the Plan but have not yet been paid were \$117 and \$272 at December 31, 2004 and 2003 respectively.

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3. INVESTMENTS

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

	December 31	
	2004	2003
*ITT Industries Common Stock, 7,440,879 and 7,833,063 shares respectively, at fair value	\$ 628,382	\$ 581,000
Investment Contract with Monumental Life Insurance Company, at contract value	\$ 187,669	\$ 186,000
Investment Contract with Caisse des Depots et Consignations, at contract value	\$ 193,597	\$ 184,000
JP Morgan Index Fund, 8,631,803 and 8,875,652 shares respectively, at fair value	\$ 196,028	\$ 180,000
Investment Contract with Bank of America, at contract value	\$ 179,353	\$ 161,000

* Permitted party-in-interest

During 2004, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$141,756, as follows:

Mutual Funds	\$ 35,279
Common Stock	106,735
Corporate Bond	(15)

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U.S. Bonds	(344)
U.S. Notes	94
Other Federal Agencies	7

Net appreciation	\$ 141,756
	=====

4. PLAN TRUSTEE

State Street Bank and Trust Company served as the Plan's Trustee for the period from January 1, 2004 to December 31, 2004. Fees paid by the Plan for Trustee services provided by State Street Bank and Trust Company amounted to \$346 for the year ended December 31, 2004.

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5. FEDERAL INCOME TAX STATUS

The Internal Revenue Service has determined and informed the Company by letter dated February 12, 2004 that the Plan and related trust are designed in accordance with applicable sections of the Code. The Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code.

6. INVESTMENT CONTRACTS WITH INSURANCE AND OTHER FINANCIAL INSTITUTIONS.

The Plan has entered into numerous group annuity contracts with five regulated insurance companies and other financial institutions. These contracts, which are classified as part of the Stable Value Fund, are included in the financial statements at contract value because they are fully benefit responsive. Contract value represents contributions made under the contract, plus earnings and less Plan withdrawals and administrative expenses. The fair value of the investment contracts at December 31, 2004 and 2003 was \$622,473 and \$617,206, respectively. The aggregate fair value of these contracts was in excess of the book value at December 31, 2004 by approximately \$12,220 and \$17,958 at December 31, 2003.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The average yield of the investment contracts at December 31, 2004 and for the year ended December 31, 2004 was 4.43% and 4.45% respectively. The crediting interest rate for the investment contracts ranged from 4.30% to 4.52% at December 31, 2004 and from 3.18% to 6.17% at December 31, 2003. The crediting interest rates are based on an agreed-upon formula with the issuers, but cannot be less than zero. The investment contracts have scheduled maturities from March 30, 2006 to May 31, 2018.

7. RELATED PARTY TRANSACTIONS

At December 31, 2004 and 2003, the Plan held 7,440,879 and 7,833,063 shares, respectively, of common stock of ITT Industries, Inc., the sponsoring employer, with a cost basis of \$288,205 and \$273,028, respectively. During the year ended December 31, 2004, the Plan recorded related dividend income of \$5,165.

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

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

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8. PLAN TERMINATION

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

9. ASSET TRANSFERS

During 2004, assets in the amount of \$71 were transferred to the Plan from the C&K Components, Inc. Profit Sharing Plan and Trust.

10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	As of December 31	
	2004	2003
Net assets available for benefits per the financial statements	\$ 1,915,317	\$ 1,740,000
Amounts allocated to withdrawing Members	(117)	
	\$ 1,915,200	\$ 1,740,000
Net assets available for benefits per the Form 5500	\$ 1,915,200	\$ 1,740,000
	\$ 1,915,200	\$ 1,740,000

The following is a reconciliation of benefits paid (withdrawals) to Members according to the financial statements to the Form 5500:

	Year Ended December 31, 2004	
Benefits paid to Members per the financial statements	\$ 100,531	
Add: Amounts allocated to withdrawing Members at December 31, 2004	117	
Less: Amounts allocated to withdrawing Members at December 31, 2003	(272)	
	\$ 100,376	
Benefits paid to Members per the Form 5500	\$ 100,376	

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2004

EIN: 13-5158950
PN: 100

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(a)	(b) IDENTITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT, INCLUDING MA RATE OF INTEREST, COLLATERAL PAR MATURITY VALUE
*	State Street Bank + Trust Co Short Term Investment Fund	Interest Bearing Cash
	FNMA Pool 481585	US Government Agency Maturity 2/1/29, Interest 6%
	FNMA Pool 491783	US Government Agency Maturity 3/1/14, Interest 6%
	United States Treasury Bonds	US Government Security Maturity 8/15/13, Interest 12%
	United States Treasury Notes	US Government Security Maturity 3/31/05, Interest 1.5%
	United States Treasury Notes	US Government Security Maturity 8/31/05, Interest 2.5%
	United States Treasury Notes	US Government Security Maturity 7/15/09, Interest 3.5%
	Associates Corp North America	Corporate Debt Instrument Maturity 1/15/05, Interest 6.5%
	Assured Guaranty Ltd	Common Stock

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
 SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
 AS OF DECEMBER 31, 2004

EIN: 13-5158950
 PN: 100

(a)	(b) IDENTITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT, INCLUDING MA RATE OF INTEREST, COLLATERAL PAR MATURITY VALUE
	Axis Capital Holdings Ltd	Common Stock
	Cooper Industries Ltd	Common Stock
	Willis Group Holdings Ltd	Common Stock
	XL Capital Ltd	Common Stock
	Flextronics International Ltd	Common Stock

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ADC Telecommunications Inc	Common Stock
Agilent Technologies Inc	Common Stock
Alcoa Inc	Common Stock
Altria Group Inc	Common Stock
Aluminum Corp China Ltd	Common Stock
American Electric Power Inc	Common Stock
American International Group Inc	Common Stock
Aquila Inc.	Common Stock
Arrow Electronics Inc	Common Stock
Avnet Inc	Common Stock
Bp Plc	Common Stock

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
 SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
 AS OF DECEMBER 31, 2004

(a)	(b) IDENTITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	(d) COS
	Bank America Corp	Common Stock	**
	Bank of New York Inc	Common Stock	**
	Boeing Co	Common Stock	**
	Borg Warner Inc	Common Stock	**
	Burlington Northern Santa Fe Corporaion	Common Stock	**
	Cigna Corp	Common Stock	**
	CSX Corp.	Common Stock	**
	Chevrontexaco Corp	Common Stock	**
	Chubb Corp	Common Stock	**
	Citigroup Inc	Common Stock	**
	Comcast Corp New	Common Stock	**

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Community Health Systems Inc	Common Stock	**
Companhia Vale Do Rio Doce	Common Stock	**
Conocophillips	Common Stock	**
Conseco Inc	Common Stock	**
Cooper Cameron Corp	Common Stock	**

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
 SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
 AS OF DECEMBER 31, 2004

(a)	(b) IDENTITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	(d) COS
	Cooper Tire and Rubber Company	Common Stock	**
	Directv Group Inc	Common Stock	**
	Du Pont EI De Nemours and Company	Common Stock	**
	Eaton Vance Corp	Common Stock	**
	Education Management Corp	Common Stock	**
	Entergy Corp.	Common Stock	**
	Federal Home Loan Mortgage Corp.	Common Stock	**
	Federal National Mortgage Association	Common Stock	**
	Federated Department Stores Inc.	Common Stock	**
	Firstenergy Corp	Common Stock	**
	General Electric Co	Common Stock	**
	Glaxosmithkline Plc	Common Stock	**
	Goldman Sachs Group Inc	Common Stock	**
	Graftech International Ltd	Common Stock	**
	Great Lakes Chemical Corp	Common Stock	**
	Harmony Gold Mng Ltd	Common Stock	**

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
 SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
 AS OF DECEMBER 31, 2004

EI

(a)	(b) IDENTITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	(d) COS
	Hartford Financial Services Group	Common Stock	**
	Hewitt Associates Inc	Common Stock	**
	Hewlett Packard Co	Common Stock	**
	IDT Corp	Common Stock	**
	IAC/Interactive Space Corp	Common Stock	**
	ITT Educational Services Inc.	Common Stock	**
*	ITT Industries, Inc.	Common Stock	**
	Ingram Micro Inc	Common Stock	**
	International Paper Co	Common Stock	**
	Interpublic Group Co. Inc	Common Stock	**
	Janus Capital Group Inc	Common Stock	**
	Jones Apparel Group Inc	Common Stock	**
	Kimberly Clark Corp	Common Stock	**
	Kroger Co	Common Stock	**
	Lear Corp	Common Stock	**
	Lehman Brothers Holdings Inc.	Common Stock	**

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
 SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
 AS OF DECEMBER 31, 2004

EI

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(a)	(b) IDENITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	(d) COS
	Lilly Eli & Co.	Common Stock	**
	Lockheed Martin Corp	Common Stock	**
	Lyondell Chemical Co	Common Stock	**
	Magna International Inc	Common Stock	**
	Manhattan Associates Inc	Common Stock	**
	Manpower Inc.	Common Stock	**
	McDonalds Corp	Common Stock	**
	Meadwestvaco Corp	Common Stock	**
	Medco Health Solutions Inc	Common Stock	**
	Medimmune Inc	Common Stock	**
	Mellon Financial Corp	Common Stock	**
	Merck & Co Inc	Common Stock	**
	Merrill Lynch & Co Inc	Common Stock	**
	Metlife Inc	Common Stock	**
	Microsoft Corp	Common Stock	**
	Nalco Holding Co.	Common Stock	**

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
 SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
 AS OF DECEMBER 31, 2004

(a)	(b) IDENITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	(d) COS
	National City Corp	Common Stock	**
	National Financial Partners Corp	Common Stock	**
	National Oilwell Inc	Common Stock	**
	Navistar International Corp Inc	Common Stock	**

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Nokia Corp	Common Stock	**
Norfolk Southern Corp	Common Stock	**
Nortel Networks Corp	Common Stock	**
Occidental Petroleum Corp	Common Stock	**
Office Depot Inc	Common Stock	**
Olin Corp	Common Stock	**
Parker Hannifin Corp	Common Stock	**
Pepsico Inc	Common Stock	**
Pfizer Inc	Common Stock	**
Polo Ralph Lauren Corp	Common Stock	**
Principal Financial Group	Common Stock	**
Procter And Gamble Co	Common Stock	**

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
 SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
 AS OF DECEMBER 31, 2004

(a)	(b) IDENTITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT, INCLUDING MATURITY D RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE
-----	-----	-----
	Radio One Inc	Common Stock
	Rowan Cos Inc	Common Stock
	SBC Communications Inc	Common Stock
	Safeway Inc	Common Stock
	The St Paul Travelers Companies Inc	Common Stock
	Sanmina Sci Corp	Common Stock
	Schlumberger Ltd	Common Stock
	Schwab Charles Corp	Common Stock
	Sempra Energy	Common Stock
	Smurfit Stone Container Corp	Common Stock

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Solectron Corp	Common Stock
Sprint Corp	Common Stock
Suntrust Banks Inc	Common Stock
Symbol Technologies Inc	Common Stock
Target Corp	Common Stock
Tech Data Corp	Common Stock

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
 SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
 AS OF DECEMBER 31, 2004

(a)	(b) IDENTITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT, INCLUDING MATURITY D RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE

	Tellabs Inc	Common Stock
	Tenet Healthcare Corp	Common Stock
	Textron Inc	Common Stock
	Time Warner Inc	Common Stock
	Todco	Common Stock
	Torchmark Inc	Common Stock
	Toys R Us Inc	Common Stock
	Unilever N V	Common Stock
	Unumprovident Corp	Common Stock
	Viacom Inc	Common Stock
	Wachovia Corp	Common Stock
	Watson Pharmaceuticals Inc	Common Stock
	Westwood One Inc	Common Stock
	Wisconsin Energy Corp	Common Stock
*	Participants Loans	Participant Loans The Loan interest rate ranges varied fr

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JP Morgan Chase Public Bonds Fund	Common/Collective Trust
JP Morgan Chase Mortgage Private Placement Fund	Common/Collective Trust
Morgan Guaranty Trust Co Of NY Liquidity Fund	Common/Collective Trust
JP Morgan Special Sit Property Fund	Common/Collective Trust

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
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 AS OF DECEMBER 31, 2004

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	JP Morgan International Bond Fund	Common/Collective Trust
	JP Morgan Corporate High Yield Opportunity Fund	Common/Collective Trust
	JP Morgan Chase Macs Equity	Common/Collective Trust
	ITT Emerging Markets Fund-JP Morgan Aggressive Fund	Common/Collective Trust
	JP Morgan Chase + Co	Common/Collective Trust
	JP Morgan Chase US Act Fixed Core	Common/Collective Trust
	JP Morgan Chase US Real Estate Sec	Common/Collective Trust
	JP Morgan Chase Disc Eq Fund	Common/Collective Trust
	JP Morgan Chase Strat Small Comp Eq	Common/Collective Trust
	JP Morgan Emerging Markets Eq Foc Fund	Common/Collective Trust
	JP Morgan Index	Common/Collective Trust
	JP Morgan Chase Strategic Property Fund	Common/Collective Trust
	JP Morgan Chase Eafe Equal Opportunity Fund	Common/Collective Trust
	JP Morgan Chase US Aalyst Fund	Common/Collective Trust

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JP Morgan Chase Emerging Markets
Fixed Income

Common/Collective Trust

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ITT INDUSTRIES INVESTMENT AND SAVINGS PLAN FOR SALARIED EMPLOYEES
SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2004

(a)	(b) IDENTITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT, INCLUDING MATURITY D RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE
	JP Morgan Chase Eafe Plus Fund	Common/Collective Trust
	American Century Quantitative Small Capital Quantitative Fund	Registered Investment Company
	American Century Mutual Funds Inc - Twentieth Century Ultra Fund	Registered Investment Company
	New Perspective Fund Inc	Registered Investment Company
	Bank Of America	Insurance Company General Account Maturity 6/30/06, Interest 3.910%
	Business Mens Assurance Co	Insurance Company General Account Maturity 3/30/06, Interest 4.8%
	Caisse Des Depots Et Consignations	Insurance Company General Account Maturity 4/1/08, Interest 1%
	JP Morgan Chase Bank	Insurance Company General Account Maturity 12/31/05, Interest 3.180%
	Monumental	Insurance Company General Account Maturity 4/1/15, Interest 5.133%
		TOTAL

* Party-in-interest to the Plan

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

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