

ITT Industries Acquires Biopharm Manufacturing Division of Martin Petersen Company, Inc.

Acquisition Expands Offerings In Attractive Biopharmaceutical Sector

White Plains, NY – December 18, 2002 - ITT Industries, Inc. (NYSE: ITT) announced today that it has purchased the business and assets of the Biopharm Manufacturing Division of Martin Petersen Company, Inc., a leading manufacturer of process systems for the biopharmaceutical industry. Terms of the sale were not disclosed.

Martin Petersen's integrated modular systems, and its other product offerings, complement ITT Industries Pure-Flo valves, skids, vessels and process systems.

"This acquisition is consistent with Fluid Technology strategy to enlarge our system solution capability to create greater value for our customers and accelerate our growth in this segment." said Robert Ayers, Senior Vice President ITT Industries and President Fluid Technology,

"Both Pure-Flo and Martin Petersen are number one in their respective U.S. market segments," said Al Calabria, President of Engineered Valves, the ITT Industries company that produces Pure-Flo products. "The addition of Martin Petersen will provide significant growth opportunities for ITT Industries in the growing biopharmaceutical market segment. "

Martin Petersen is known for its innovative designs, reliability, high quality engineered products and their commitment to excellence. The company manufactures integrated modular systems, process skids, vessels and provides custom fabrications to solve customer problems. Its field service organization is

well regarded and is very experienced. The company employs 180 people and is located in Kenosha, Wisconsin. Estimated full-year 2002 revenues are \$32 million.

With the completion of the transaction, the company will operate under the name Pure-Flo MPC. . Following the closing, the Construction Division of Martin Petersen will continue to operate as a locally owned mechanical contractor serving southeastern Wisconsin and northern Illinois.

According to Calabria, "The acquisition of Martin Petersen is the latest step in Engineered Valves' strategy to build a market basket of premier brands and services serving the Biopharm market. Further, the acquisition will expand ITT Industries' Pure-Flo product offering to include the emerging module segment of the Biopharm process equipment market."

ITT Industries, Inc. (<http://www.itt.com>) supplies advanced technology products and services in key markets including electronic interconnects and switches; defense communication, opto-electronics, information technology, and services; fluid and water management; and other specialty products. Headquartered in White Plains, NY, the company generated \$4.7 billion in 2001 sales. In addition to the New York Stock Exchange, ITT Industries stock is traded on the Midwest, Pacific, London, Paris, and Frankfurt exchanges.

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