Gabelli Automotive Symposium
October 31, 2006

Adriane Brown
President and CEO
Honeywell Transportation Systems
Forward Looking Statements

This report contains “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of fact, that address activities, events or developments that we or our management intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements. Forward-looking statements are based on management’s assumptions and assessments in light of past experience and trends, current conditions, expected future developments and other relevant factors. They are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by our forward-looking statements. Our forward-looking statements are also subject to risks and uncertainties, which can affect our performance in both the near- and long-term. We identify the principal risks and uncertainties that affect our performance in our Form 10-K and other filings with the Securities and Exchange Commission.
Portfolio Overview

$31.1B In Sales In 2006

* Pie Chart calculated using 2006E Sales

Aerospace 35%
Automation & Control 35%
Specialty Materials 15%
Transportation 15%
Transportation Systems – $4.5B

Macro Trends
- Emissions regulations
- Need for fuel economy/efficiency
- OEM/consumer desire for performance
- Increased auto ownership in emerging regions

Honeywell Position
- Technology leadership/differentiation
- Global presence
- Productivity/cost focus
- Channel/brand leadership

Global Mix
- Americas 42%
- Europe 47%
- Asia 11%

Sales
- CAGR: 7%

Technology Leader In Long-term Growth Segment
Consumer Products Group – $1.9B

Customers
- WAL-MART
- AutoZone
- NAPA
- Porsche
- BMW

Channels
- Retail/Aftermarket: 70%
- OE/OES: 30%

Product Lines
- Braking: 41%
- Filtration: 24%
- Ignition: 10%
- Car Care: 28%

Brands
- FRAM
- Prestone
- Autolite
- Holts
- Bendix

Growth Strategy
- Win with winners
- Up-sell brand opportunities
- Extend brands
- Grow globally
- New technologies

Brand Leadership, New Growth Areas
### Turbo Technologies – $2.6B

#### Honeywell Turbo Technologies
- Recognized technology leader
- Global presence
- Strong OE relationships

<table>
<thead>
<tr>
<th>Year</th>
<th>Boosted</th>
<th>Non Boosted</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>18M (26%)</td>
<td>53M</td>
</tr>
<tr>
<td>2011</td>
<td>26M (33%)</td>
<td>53M</td>
</tr>
</tbody>
</table>

Source: Global Insight

#### Growth Update
- New business win rate in excess of 60%
- Success in small engines and gas boosting
- Global commercial vehicle opportunities
- Strong emerging regions position

**Global Leader In Turbo Technology**
Honeywell Knowledge Transfer Flow

**Aerospace**
- Advanced materials
- Turbine technologies

**Specialty Materials**
- Petrochemical and catalyst expertise

**Automation Controls**
- Advanced controls
- Electronics and sensing technologies

**Transportation Systems**
- Proprietary simulation tools
- Performance prediction capabilities

**Honeywell Advantage**

*Expertise Sharing For Greater Customer Value*
Honeywell Firsts

1955
First wastegate turbo
1962
First production pass car turbo (Olds Jetfire Turbo Rocket)
1977
First mass production turbo diesel
1990
First MNC turbo manufacturing in Korea
1991
First variable geometry turbo (gas)
1993
First variable geometry turbo (diesel)
1994
First ball-bearing turbo
2003
First MNC turbo manufacturing in China
2005
First dual-stage turbo (Caterpillar ACERT)
First MNC turbo manufacturing in India
First MNC turbo manufacturing in China
First parallel sequential dual stage turbo
First turbo diesel to win 24 Hours of Le Mans (Audi R10)
2006

History Of Leadership
Market Drivers

Performance
- OEM differentiator
- Significant buyer criteria

Fuel Economy
- Energy independence
- Buyer decision criteria

Emissions
- CO₂ reduction

Europe
Gas boosting to meet fuel economy targets

US
Fuel economy pressures drive turbo diesel

Asia
Auto industry & diesel penetration grow

Mega-Trends Favor Boosting
**Turbocharger Powertrain Applications**

**Turbo Diesel**
- 20-40% better mileage
- Strong torque
- Reduced emissions

**Turbo Gasoline**
- 10 - 20% better mileage
- Boost for performance
- CO₂ reduction

**Alternative Powertrains**
- Gas hybrids
- Turbo diesel hybrids
- Alternative fuels
  - Hydrogen

**Opportunity**
- US, Asia, emerging regions
  - +4.6M units by 2011
- European OEMs, domestic and export
  - +2.7M units by 2011

**Applicability Across All Powertrains**
Turbodiesel vs Hybrid

Mercedes E320 Bluetec
Base Price $51,550

Lexus GS 450H
Base Price $54,900

**Acceleration**
(0 – 60 mph)
- Hybrid (GS450H): 5.6 secs
- Diesel (E320): 6.6 secs

**Range**
(On a Tank of Gas)
- Hybrid (GS450H): 400 miles
- Diesel (E320): 700 miles

**Mileage**
(City) (Hwy)
- Hybrid (GS450H): 23 (28)
- Diesel (E320): 26 (26)

Source: Fortune Magazine

A Compelling Value Proposition

**Increase**
21%
US Light Vehicle Dieselization

- Ultra-low sulfur diesel introduced
- Mercedes launches E320 Bluetec sedan
- 9% penetration (JD Power)
- Honda to introduce ultra-clean diesel
- Mercedes and VW launch 50-state compliant vehicles
- US ’10 emissions rules

Making A “Clean” Return To The US
Asia / Emerging Region Growth

Diesel Vehicle Build

- India plant opened 2005, business with Tata and Leyland
- Launching first application in Thailand
- Hyundai now launching next generation VNT
- China manufacturing complemented by new Tech Center

Honeywell Position

- 2010 Diesel Penetration: 46% India, 70% Thailand, 44% Korea, 25% China

Significant Diesel Opportunity
Global Commercial Vehicle Growth

- US Class 8 “pre-buy” impacts 2007 demand
- Emissions regulations drive content per vehicle
- Fuel prices driving boosting in light- and medium-duty pick-ups
- Development, expanding infrastructure drive emerging region growth

**CV Segment Provides Significant Opportunity**
Summary

• Technology leader in a long-term growth segment

• Consumer Products business transforming itself

• Mega-trends continue to drive Turbo growth

• US dieselization, Commercial Vehicles, Emerging Regions major growth areas

• Strong Turbo win rate

• Globally positioned to deliver solutions to customers
Honeywell