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.
## Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Presenter(s)</th>
</tr>
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<tbody>
<tr>
<td>11:30</td>
<td>Lunch</td>
<td></td>
</tr>
<tr>
<td>12:30</td>
<td>Introduction</td>
<td>Cote</td>
</tr>
<tr>
<td>1:00</td>
<td>Aerospace</td>
<td>Gillette</td>
</tr>
<tr>
<td>1:20</td>
<td>Globalization and Technology</td>
<td>Mahoney / Mikkilineni</td>
</tr>
<tr>
<td>1:45</td>
<td>Break</td>
<td></td>
</tr>
<tr>
<td>2:00</td>
<td>Automation and Control Solutions</td>
<td>Fradin</td>
</tr>
<tr>
<td>2:20</td>
<td>Innovation</td>
<td>Sheflin / Kramvis</td>
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<tr>
<td>2:45</td>
<td>Transportation Systems</td>
<td>Brown</td>
</tr>
<tr>
<td>3:00</td>
<td>Honeywell Operating System</td>
<td>Ismail</td>
</tr>
<tr>
<td>3:25</td>
<td>Break</td>
<td></td>
</tr>
<tr>
<td>3:40</td>
<td>Specialty Materials</td>
<td>Dicciani</td>
</tr>
<tr>
<td>3:55</td>
<td>UOP</td>
<td>Cabrera</td>
</tr>
<tr>
<td>4:20</td>
<td>Financial Review</td>
<td>Anderson</td>
</tr>
<tr>
<td>4:40</td>
<td>Summary / Q&amp;A</td>
<td>Cote / All</td>
</tr>
<tr>
<td>5:10</td>
<td>Reception</td>
<td></td>
</tr>
</tbody>
</table>
Introduction

Dave Cote
Chairman and CEO
Overview

• 2007 Another Great Year

• Five Years of Strong Results
  - Sales up 11% CAGR
  - EPS up 20% CAGR
  - FCF More Than Doubled to $3.1B
  - Increased Return on Investment by 11 Points to 22%

• 2008 Will Be Another Year of Out-Performance

• Things Have Changed…

Not The Same Company We Were Five Years Ago
## 2007 Financial Summary

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>V’06</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>$31.4</td>
<td>$34.6</td>
<td>10%</td>
</tr>
<tr>
<td>- Ex. Acq. / Div.</td>
<td></td>
<td></td>
<td>9%</td>
</tr>
<tr>
<td><strong>Segment Profit</strong></td>
<td>$4.1</td>
<td>$4.7</td>
<td>14%</td>
</tr>
<tr>
<td>- Margin %</td>
<td>13.0%</td>
<td>13.5%</td>
<td>50 bps</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>$2.52</td>
<td>$3.16</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>$2.5</td>
<td>$3.1</td>
<td>27%</td>
</tr>
<tr>
<td>Conversion</td>
<td>119%</td>
<td>129%</td>
<td></td>
</tr>
</tbody>
</table>

*Another Terrific Year*
How Are We Different? Financial Results

Sales

($B) 11% CAGR

2003 2004 2005 2006 2007

23.1 24.6 26.3 34.6

EPS

($) 20% CAGR

2003 2004 2005 2006 2007

1.50 1.50 1.50 3.16

Free Cash Flow

($B) 20% CAGR

2003 2004 2005 2006 2007

1.5 1.5 1.5 3.1

ROI

(1) 11+ Points

2003 2004 2005 2006 2007

11% 11% 22%

(1) ROI calculated as NIBI (net income plus after-tax interest) divided by Invested Capital (2 point average of the sum of the book value of equity and total debt).

Very Strong Record
## How Are We Different? Cash Performance

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2007</th>
<th>V’03</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free Cash Flow</td>
<td>$1,544</td>
<td>$3,144</td>
<td>+104%</td>
</tr>
<tr>
<td>Dividends*</td>
<td>$645</td>
<td>$767</td>
<td>+19%</td>
</tr>
<tr>
<td>Cash Available</td>
<td>$899</td>
<td>$2,377</td>
<td>+164%</td>
</tr>
</tbody>
</table>

**FCF Conversion**

- 2003: 79%
- 2007: 121%

*2003-2008E Dividend per share up 47% while dividend cash outflow up only 27% due to share repurchases

*More Cash Available To Add Value*
How Are We Different? Cash Deployment

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
</tr>
</thead>
</table>
| “Dave...Are You Going To Blow The Money?” | • $5.0B for 45 Acquisitions  
  - Ahead of Valuation Model  
  • $7.8B Share Repurchases  
  - Reducing Share Count by 10%  
  • Four Consecutive 10% Dividend Rate Increases  
  - After Five Years of No Increase |

Disciplined Cash Deployment That Adds Value
# How Are We Different? Culturally

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Businesses Did Their “Own-Thing”</td>
<td>• The Five Initiatives</td>
</tr>
<tr>
<td>• Product Focused</td>
<td>• Customer Driven</td>
</tr>
</tbody>
</table>
| • Employee Driven Performance Appraisals  
  - Financial Rewards Disconnected | • Manager Ownership  
  - Appraisal and Reward Tied |
| • Frequent Financial Misses | • Sustained Performance |
| • Make the Quarter | • Make the Quarter This Year, Next Year, and 5 Years from Now |

---

*Multiple Companies Acting Independently*  

*One Honeywell*
How Are We Different? Operationally

The Five Initiatives

Growth
• Great Job for Customers Every Day
• Globalization
• Sales and Marketing Excellence
• New Products and Services

Productivity
• Interdependent with Growth
• Design
• Control Census
• Procurement

Cash
• High Quality Earnings
• Working Capital
• Capex Reinvestment Ratio

People
• Three In-Depth MRRs Annually
• Top 200 Positions – Final Candidate Interviews with CEO and Senior HR Leader

Enablers
• Honeywell Operating System (HOS)
• Velocity Product Development (VPD™)
• Functional Transformation (FT)

Common Processes – Focus On “The Doing”
How Are We Different? Census

Sales

2003: $23.1B
2007: $34.6B

+50%

Global Census

2003: 108K
2007: 122K

+13%

+ 85%

Emerging Markets

Developed Markets

Executives

2003: 749
2007: 715

-5%

Great Controls Managing Census And Superstructure
How Are We Different? HOS

- Based on Toyota Production System
- Go Slow to Go Fast Important
- 50% of Manufacturing Cost Base Initiated
- Five Phases of Implementation
- Quality, Delivery, Safety, Cost, and Inventory Focus
- Lots of Upside Ahead

Building A 20-Year Competitive Advantage
How Are We Different? FT

- HOS for Administrative Functions
  - IT, Finance, HR, Legal, and Purchasing
- From >8% of Sales to 5.3% in 2008
  - World Class at 2.5%
- Currently Proliferation of Processes and Systems
  - Administrative Variety Not a Customer Benefit
- Significant Process Re-engineering
  - Standardize, Mechanize
- ERP Implementation and Lean
  - Six Sigma Building Blocks
- Lots of Upside Ahead

Better Service Quality At Lower Cost
How Are We Different? Innovation

Velocity Product Development (VPD™)

Process

- New Product / Service Pipeline Exciting in Every Business
  - Was Pretty Much Empty
  - 3 to 5 Years to Make Happen
- Every Function Involved
- Devoted Two-Day SLM (Senior Leadership Meeting) to Innovation

Honeywell Technology Solutions

- High Quality, Low Cost Engineering
  - Very High Caliber People
- Screen 100 for Each 1 Hired
- Bangalore, Shanghai, and Brno (Czech Republic) Locations
- From 500 Then to 6,000 Today
- Cross Fertilization from all Businesses Being Included

Trick Is In “The Doing”

A Big Competitive Advantage
# How Are We Different? Energy Solutions

<table>
<thead>
<tr>
<th>Honeywell Solutions</th>
<th>Energy Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Turbochargers</strong></td>
<td>Save 30%+</td>
</tr>
<tr>
<td><strong>Air Filters</strong></td>
<td>Save up to 10%</td>
</tr>
<tr>
<td><strong>Tire Pressure Monitors</strong></td>
<td>Save 3%</td>
</tr>
<tr>
<td><strong>Ecofining™</strong></td>
<td>70%+ Lower GHG</td>
</tr>
<tr>
<td><strong>Advanced Controls</strong></td>
<td>Save up to 10%</td>
</tr>
<tr>
<td><strong>UOP Catalysts</strong></td>
<td>Save 15%</td>
</tr>
<tr>
<td><strong>Wireless</strong></td>
<td>Save up to 10%</td>
</tr>
<tr>
<td><strong>Refrigerants</strong></td>
<td>Save up to 10%</td>
</tr>
<tr>
<td><strong>Performance Contracting</strong></td>
<td>Save 20%+</td>
</tr>
<tr>
<td><strong>Thermostats</strong></td>
<td>Save 15%+</td>
</tr>
<tr>
<td><strong>Foam Insulation</strong></td>
<td>Save 25%+</td>
</tr>
<tr>
<td><strong>Water Heater Controls</strong></td>
<td>Save 3%+</td>
</tr>
</tbody>
</table>

**Solutions To Reduce Growth In US Energy Demand By 20%**
## How Are We Different? Our Businesses

**From** | **To**
---|---
**Aerospace** |**Aerospace**
- Organizationally Product Focused | Organizationally Customer Focused
- Uncoordinated | Winning Attitude and Coordinated
- Strengths in Product and Market Breadth | Building on These Strengths

**ACS** |**ACS**
- Slow Growth, US Focused | Rapid Global Growth, Acquisitions Paragon
- Virtually Empty Product Pipeline and Solutions Backlog | Great Global Pipeline, Solutions Performance
- Classic “Victim” Mentality | Playing Offense

**Transportation Systems** |**Transportation Systems**
- Great Turbo Business | Even Better Turbo Business
- CPG Business OK | CPG Business OK Minus

**Specialty Materials** |**Specialty Materials**
- Bad Industries, Bad Positions and Sometimes Both | Divested Value Depleting Businesses and Acquired UOP
- Nylon Raws Problem, No Pricing | Resin and Chemicals a “New” Business

---

**Driven By Great Positions In Good Industries**
# How Are We Different? Acquisitions

<table>
<thead>
<tr>
<th>Identification</th>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>“Hey … That’s For Sale!”</td>
<td>Strategy First</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Comb Hundreds to Complete a Few</td>
</tr>
<tr>
<td>Valuation</td>
<td>Aggressive Cost and Sales Synergies</td>
<td>No Sales Synergies Counted</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Robust Cost Synergy Plan Before Deal Completion</td>
</tr>
<tr>
<td>Due Diligence</td>
<td>Each Business Handles</td>
<td>Standard Template and Report-Out</td>
</tr>
<tr>
<td>Integration</td>
<td>“Joe’s Retiring … He Can Do It”</td>
<td>Best People Identified in MRR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pre-Reviews Then at 30, 60, 90 Days, Quarterly Thereafter</td>
</tr>
<tr>
<td>Financially</td>
<td>Frequently Overpaid</td>
<td>Accretive Second Year</td>
</tr>
<tr>
<td></td>
<td></td>
<td>IRR &gt; WACC</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ROI &gt; 10% in 5th Year</td>
</tr>
</tbody>
</table>

**Value Depleting / Write-Offs**  
**Value Adding**
## How Are We Different? Strength Of Management

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Significantly Depleted Management Ranks</td>
<td>• Great Teams and Robust Succession Planning</td>
</tr>
<tr>
<td>• Learning Center “Rented”</td>
<td>• Learning Center Full</td>
</tr>
<tr>
<td>• Leadership Didn’t Know Each Other</td>
<td>• Senior Leadership Meetings</td>
</tr>
<tr>
<td>• Unfocused</td>
<td>• Focused and Agreed on Direction</td>
</tr>
<tr>
<td>• Confusing Compensation Plan</td>
<td>• Clear Incentive Structure</td>
</tr>
<tr>
<td></td>
<td>- Bonus; 50% EPS, 25% FCF, 25% WC</td>
</tr>
<tr>
<td></td>
<td>- Growth Plan; 50% ROI, 50% Organic Growth</td>
</tr>
</tbody>
</table>

**Stronger Management, Common Direction**
How Are We Different? Summary

- Financial / Cash Performance ... Is Different
- Culture ... Is Different
- Operationally / Five Initiatives ... Is Different
  - HOS, FT, VPD™
- Portfolio ... Is Different
- Strength of Management ... Is Different
- Acquisition Process ... Is Different

It’s A Different Company...With Lots Of Upside
## 2008 Financial Summary

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008E</th>
<th>V’07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>$34.6</td>
<td>$36.1 - 36.7</td>
<td>4% - 6%</td>
</tr>
<tr>
<td><strong>Segment Profit</strong></td>
<td>$4.7</td>
<td>$5.0 - 5.2</td>
<td>8% - 13%</td>
</tr>
<tr>
<td><strong>- Margin %</strong></td>
<td>13.5%</td>
<td>14.0% - 14.3%</td>
<td>50 bps - 80 bps</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>$3.16</td>
<td>$3.65 - 3.80</td>
<td>16% - 21%</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>$3.1</td>
<td>$3.2 - 3.4</td>
<td>2% - 8%</td>
</tr>
<tr>
<td><strong>Conversion</strong></td>
<td>129%</td>
<td>116%</td>
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</table>
Valuation Metrics

PEG Ratio

Dividend Yield

ROIC

HON Lowest

HON 4th Highest

HON 3rd Highest

2008 FCF Multiple

2008 P/E Ratio

Total Return

Honeywell

S&P 500

Honeywell

Slightly Below Average

Good Call Historically

Good Performance And Undervalued = Upside

1) Range, average calculated using eight multi-industry peers
2) Honeywell 2/22/2008 closing stock price: $56.54
3) See Appendix for further details
Summary

• 2007 Adds Another Year to Track Record

• 2008 Another Year of Out-Performance

• Continuing to Build Better Company with Strong Macro Trends
  - Energy Efficiency and Energy Generation
  - Dieselization
  - Safety and Security for Homes, Buildings and Infrastructure
  - Aerospace Safety / New Air Traffic Control
  - Commercial Aero and Business Jets Installed Base Growth

Continuing To Build Company That Performs In Good Times And Tough Times
Financial Overview

• Strong Financial Performance
  - Sales up 10% to Record $12.2B
  - Segment Margin up 100 bps to 18.0%

• Execution Focus
  - Quality / Delivery Improvements
  - Benefits from Reorganization
  - Performance Culture
  - Continued High Win Rates
  - Strong Technology Pipeline

2007 Highlights

Sales ($B)

- 2003: 8.8
- 2004: 11.6
- 2005: 12.0
- 2006: 12.0
- 2007: 12.2

CAGR 9%

Segment Profit / Margin ($B)

- 2003: 1.2
- 2004: 1.46
- 2005: 1.6
- 2006: 1.7
- 2007: 1.8

13.2% 14.6% 16.0% 17.0% 18.0%

Strong Performance And Execution Track Record
Honeywell Operating System

- 75% of Manufacturing Cost Base by Year End 2008
- Europe and Asia Deployments
- Strong Results in Productivity, Quality and Delivery at Mature HOS Sites

<table>
<thead>
<tr>
<th>Productivity</th>
<th>Quality (PPM)</th>
<th>Delivery (OTTR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>+60%</td>
<td>20% Reduction</td>
<td>+6 Points</td>
</tr>
<tr>
<td>2006</td>
<td>2007</td>
<td>2008E</td>
</tr>
<tr>
<td>2007</td>
<td>2007</td>
<td>2008E</td>
</tr>
<tr>
<td>2008E</td>
<td>2008E</td>
<td>2008E</td>
</tr>
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</table>

Breakthrough Performance / Competitive Advantage
Other Operational Improvements

<table>
<thead>
<tr>
<th>Enterprise Resource Planning</th>
<th>Functional Transformation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Improves Data Visibility</td>
<td>• Focused on Cost Reduction / Increased Value</td>
</tr>
<tr>
<td>• Easier for Customers</td>
<td>• Standard Processes and Systems</td>
</tr>
<tr>
<td>• Will Replace 1,500 Systems</td>
<td>• Common / Global Effort – One Aero</td>
</tr>
<tr>
<td>• 13 Sites Added in 2007</td>
<td>• Process Re-Engineering / Simplification</td>
</tr>
<tr>
<td>• 45 Sites Implemented to Date</td>
<td>• Puerto Rico Operations for ITAR Controlled Processes</td>
</tr>
<tr>
<td>• 60% of Aero Revenue</td>
<td></td>
</tr>
<tr>
<td>Through ERP by Year-End</td>
<td></td>
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</tbody>
</table>

Common Systems And Processes
## Macro Trends

<table>
<thead>
<tr>
<th>Trends</th>
<th>Initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flight Efficiency</td>
<td>• Air Traffic Management Growth Role</td>
</tr>
<tr>
<td></td>
<td>• Safety Leader</td>
</tr>
<tr>
<td>Aftermarket Outsourcing</td>
<td>• Winning Profitable R&amp;O Business</td>
</tr>
<tr>
<td></td>
<td>• Spares, Storefronts, Logistics, Trading</td>
</tr>
<tr>
<td>Competition and Business Model Change</td>
<td>• AT&amp;R: Larger, Integrated Work Packages</td>
</tr>
<tr>
<td></td>
<td>• B&amp;GA: Renewal, Win High-Value A/C Positions</td>
</tr>
<tr>
<td></td>
<td>• Services and Upgrades, Product Suites</td>
</tr>
<tr>
<td>Growing Global Demand</td>
<td>• Sourcing and Customer Support in Asia / EMEA</td>
</tr>
<tr>
<td></td>
<td>• Expanding International B&amp;GA, D&amp;S Business</td>
</tr>
<tr>
<td>Growing Defense Budget</td>
<td>• Affordable Upgrades / Platforms</td>
</tr>
<tr>
<td></td>
<td>• Logistics Opportunities</td>
</tr>
</tbody>
</table>

**Actions Aligned With Trends And Opportunities**
## 2007 Win Rate

<table>
<thead>
<tr>
<th>Segment</th>
<th>% of Pursuits</th>
<th>Highlights</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Air Transport and Regional</strong></td>
<td>82%</td>
<td>• Airbus A350XWB Mechanical&lt;br&gt;• Boeing 747-800 FMS/NGS&lt;br&gt;• Bombardier CRJ1000 APU&lt;br&gt;• AirTran Airways&lt;br&gt;• Northwest Airlines Wheels and Brakes</td>
</tr>
<tr>
<td><strong>Business and General Aviation</strong></td>
<td>80%</td>
<td>• Apex for Pilatus PC-12&lt;br&gt;• Dassault SwiftBroadBand System&lt;br&gt;• Comp Air TPE331 Engines</td>
</tr>
<tr>
<td><strong>Defense and Space</strong></td>
<td>96%</td>
<td>• AGT 1500 Tank Engines&lt;br&gt;• JDAM Guided Munitions&lt;br&gt;• CH47 US Army&lt;br&gt;• CH47 RNLAF Upgrade&lt;br&gt;• Space Exploration Initiative</td>
</tr>
</tbody>
</table>

### 90% Win Rate And +$27B
Air Transport And Regional

2007 Sales $4.6B

Outlook and Strategy

- Deliveries Strong Through 2011
  - Over 8,000 Aircraft on Order
- Faster Core Aftermarket Growth
  - Fleet and Flight Hour Growth 4-5% / Year
  - Mechanical Components / APU
- New Revenue Opportunities
  - Flight Efficiency
  - Safety Technologies / Systems
- Win High-Value Retrofits / Modifications / Upgrades (RMUs)
- Execute on 787 and A350XWB

Aftermarket Growth, Investing In New Aircraft
Global APU Retrofit Campaign

Growing Share With Retrofit Successes

Installed Base
Retrofits Won

- Installed Base: 59% in 2006, 64% in 2007
- Retrofits Won: $410M Incremental Sales Over Lifecycle

- U.S. Airways
- Interjet
- Philippine Airlines
- Air Berlin
- Deccan
- Cebu Pacific
**A350 Mechanical Systems Program**

**Program Details**

- $1.4M Ship Set Value per Aircraft
- $16B Total Revenue
- Pursuing Additional Avionics and Mechanical Bids in 2008

**Key Milestones**

- September 2007 – Program Launch
- Mid 2009 – First APU to test
- Mid 2009 – System CDRs

**Proving Integration Capabilities For New Narrow Body**
Business And General Aviation

2007 Sales $2.6B

Outlook and Strategy

- 60%+ of New Jet Sales Outside U.S.
  - Compared with 70+% U.S. Norms
  - Over 15K Jets Operating – Adding 1K+ Annually
  - Record Backlog of Over 4,300 Jets

- Balanced Growth
  - HTF7000
  - Primus Epic® → Primus Apex™ Re-use
  - RMUs and Spares

- Win Growth Platforms
  - 2012+ Medium- to Long-Range
  - Low-Risk, High Re-use

- Win Near-Term Growth
  - Aircraft Upgrades (Safety, Up-time)
  - Data, Software and Services

Long-Cycle Investment, Balanced With Short-Cycle Growth
Integrated Avionics Competitive Performance

**Primus Epic**
- High Value Programs Focus
- Most Advanced Cockpit
- 9 Wins Since 2000
- Promising Future

**Primus Apex**
- Single-Pilot Optimized Epic
- PC-12, Grob spn
- Cutting-Edge, Easier to Fly
- 90 Pounds Lighter

“The combination of PC-12 and Primus APEX helps secure the future of Pilatus Aircraft.” -- John Senior VP Pilatus Aircraft

**Head-to-Head Competition Since 2000**

<table>
<thead>
<tr>
<th>EPIC</th>
<th>Competition</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>2</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>APEX</th>
<th>Competition</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>3</td>
</tr>
</tbody>
</table>
Avionics Enhancements

• Enhanced Synthetic Vision System
  - Certified 12/2007 on G450 and G550
  - First Part 25 Aircraft Certified
  - 3 Years Ahead of Competition
  - Multiple Technology Innovation Awards

• Advanced Visualization and Safety
  - Runway Advisories
  - Sensor Integration

• Advanced Navigation Procedures
  - Precision Approach
  - Precision Landing
  - Next Gen Air Traffic Management

• Upgrade Programs for Legacy Aircraft
  - Display Conversions (GIV, GV, Others)
  - Primus Epic Upgrade Programs
  - Primus Apex Upgrade Programs

Creating Value And Expanding The Market
HTF7000 Engine

- More Than 340 Engines in Field
- Almost 325,000 Service Hours
- Zero In-Flight Shutdowns
- Industry-Leading 99.96% Dispatchability

Operator Commentary

- “I’m a Pratt & Whitney guy, and I think these engines are the best.”
- “They just sip fuel.”
- “The engines are just perfect.”
- “I have never had an engine that is so clean, fuel efficient and cost-effective to maintain, and believe me, I have seen my share.”

Superior Performance And Reliability
Defense And Space

2007 Sales $5.0B

Outlook and Strategy

• FY08 Base Budget up 9%, 7% in FY09
  - Anticipate Supplementals Decline in ‘09-’10

• Aligned with DoD Priorities
  - Commercial Re-Use
  - Deliver Solutions for the Soldier
  - Grow through RMU Programs

• Invest in Logistics and Services
  - Reset
  - Continued Focus on M&A
  - Anti-Terrorism Force Protection

• Grow International Sector
Dimensions International Success Story

- Successful Integration Expands Honeywell Capability and Revenue
  - Winning DoD “Reset” Contracts
  - Increased Scope / Support Contracts
  - Fuels Business Growth in Global Logistics and Emerging Regions

- Portfolio Synergies Improve Customer Support
  - Focused Execution with HOS and World-Class Advanced Repair Technologies
  - Investments in New Products Bring More Value to Expanded Base
2008 Summary

<table>
<thead>
<tr>
<th>($B)</th>
<th>2007</th>
<th>2008 Financial Outlook</th>
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<td>Segment Margin</td>
<td>18.0%</td>
<td>18.7% - 19.0%</td>
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- Depth / Breadth of Technology and Platforms
- Continued Favorable Market Conditions
  - AT&R – Growth Outlook Good
  - B&GA – Continued Strong Global Demand
  - D&S – Near Term Growth and High Funding Levels
- Performance Culture Focused on Execution

Strong Franchise Executing In Favorable Environment
Aerospace Technology Overview

• Revitalized Technology Organization and Portfolio

• Focus on Schedule and Cost Execution

• Global Mindset in Support of Customer Needs

• Honeywell Technology Solutions (HTS) Significant Competitive Advantage

• Building Track Record of Global Program Successes

Technology Supporting Global Aerospace Franchise
Transforming Technology Capabilities

Global Engineering Workforce

Priorities

• Increase Capacity
• Improve Cycle Time
• Maximize Engineering Capabilities
• Reuse
• Build Global Capabilities

Step Change Shift

Then

• Fragmented Investment
• Contract / Subcontract Model
• US Centric
• “Invent It And They Will Come”
• Product “Specials”
• Disparate Processes

Now

• Globally Funded R&D
• Integrated Systems Capabilities
• Global Footprint
• Customer Focused
• Product Line Approach
• Common Processes
## Engineering And Technology Strategy

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<th>Imperatives</th>
<th>Outcomes</th>
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<td>• VOC Driven Design</td>
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<td>• Growth Through Innovation</td>
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<tr>
<td></td>
<td>• Differentiated Products</td>
</tr>
<tr>
<td></td>
<td>• Technical &amp; Manufacturing Readiness</td>
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<tr>
<td>Cost Structure</td>
<td>• Emerging Region Content</td>
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<tr>
<td></td>
<td>• Flat R&amp;D as % of Sales</td>
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<tr>
<td></td>
<td>• Increase in Capacity</td>
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<tr>
<td>VPD™ Emphasis</td>
<td>• 99% Schedule Adherence</td>
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<td>• Up to 20% Cost Reduction</td>
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<td>• 30% Cycle Time Reduction</td>
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<tr>
<td>Centers of Excellence</td>
<td>• Significant Pursuit Influence</td>
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<td></td>
<td>• Flexible Use of All Resources</td>
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<td></td>
<td>• Efficiency from Commonality</td>
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**Engineering As A Competitive Advantage**
### Overview

- **Technology Centers**
  - India, China, Czech Republic
- **6000 Engineers (vs. 500 in ‘02)**
- **Manage Emerging Region R&D**
- **Integrated Systems Development (CMMI – Level 5)**
- **VPD™ Focus (Concept to Manufacturing Integration)**
- **200 Patents, 900 Disclosures**

### Focus

- **Superior Cost and Productivity Position for Legacy and New Products – End-to-End**
- **Core Capabilities and Capacity for Next Generation Products and Technology**
- **Creation of New Business Models**
- **Drive Emerging Regions Growth**

---

**Sustained Even Greater Competitive Advantage**
HTS / Aerospace Impact

Contributions

- Product Development Lifecycle
  - Electronics / Electrical Engineering
  - Software Development
  - Mechanical Design / Development
- Compliance to Certification Standards
- VPD™ Infrastructure
- “Follow the Sun” Development
- Platforms (Boeing, Airbus, Embraer, Dassault, Gulfstream, Grob, Pilatus)
- Advanced Technology with EU
- Low Cost Supply Chain Development
- Field Support and Service Enablers

Results 03-08

- $250M+ Savings
- 1,600 Additional Engineers
- 30% Improvement in Velocity
- 2x Improvement in Aero Domain Capability
- Co-Innovation with Regional Customers

Meaningful Contribution To Aerospace Technology Leadership
Case Study: Synthetic Vision

Developing the Next Generation of Advanced Displays

VOC Imperatives

• Intuitive Views
• Known Cues
• Trusted Systems

Most Advanced Display In Aerospace Industry
Case Study: Synthetic Vision

**VPD™ Approach**

- Global Resources
- Quick Prototyping
- Usability and Voice of Customer
- Leverage Existing Domain, Technology, Design and Software Expertise
- Reusable Building Blocks
- First to Market

**Synthetic Vision**

- Comprehensive Flight Information
- Integrates Flight Data / Symbols and Terrain Data Rendering
- Runs on Primus Epic Platform
- Reusable Across 11 Aircraft
- Transitions to Primus Apex

**VPD™ Approach To Next Generation Products**
Synthetic Vision Scorecard

- Development: 60% Global
- Validation / Verification: 90% Global
- Cost: 40% Reduction
- Cycle Time: 35% Reduction

Global Model Provides Strategic Advantage
Case Study: Apex Edge

Leveraging Existing Technology To Create New Markets

New Mindset Required To Change The Game
Case Study: Apex Edge

Modern Avionics – “Glass” Cockpit at Affordable Prices

- Primary Flight Display
- Multi-Function Display
- Integrated Radios and Display

Integrated Product Development Approach
VPD™ Approach

- Truly Global Development

- Integrated Multi-Functional Teams

- Continuous VOC Through Pilots

- Modular / Scalable Architecture

- Next-Generation Pilot Interface

- Design to Cost, Size and Weight

Structured Approach To Innovation
Apex Edge Scorecard

- Development: 90% Global
- Validation / Verification: 85% Global
- Cost: 50% Reduction
- Cycle Time: 50% Reduction

Global Model Provides Strategic Advantage
Global Technology Partnership

- Superior Global R&D Workforce
- Seamless Integration of Marketing, Engineering and Supply Chain
- Embedded VPD™ as a Way of Life in Aerospace
- Mature Global Operating System
- Significant Competitive Advantage
Automation and Control Solutions

Roger Fradin
President and CEO
Key Themes

• Leading Global Franchise
  - Proven Financial Track Record
  - Favorable Macro Trends
  - Strength Through Diversification
  - Strong Presence Across Industry Landscape

• Investing for Growth
  - New Products
  - Acquisitions
  - Emerging Regions

• Focus on Accelerated Earnings Growth
  - Productivity Initiatives (FT / ERP, HOS)
Financial Overview

Sales
($B)

• Significant Portfolio Contribution 2003-2007
  - 8% Organic Sales Growth, 14% Reported Sales Growth
  - $0.6B Segment Profit Growth

Segment Profit
($B)

ACS A Key Contributor To Honeywell Growth
# Favorable Macro Trends

**Macro Trends**

<table>
<thead>
<tr>
<th>Buildings</th>
<th>Homes</th>
<th>Industrial</th>
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<tbody>
<tr>
<td>Energy Costs</td>
<td>Convenience / Control</td>
<td>Productivity</td>
</tr>
<tr>
<td>Safety / Security</td>
<td>Energy Efficiency</td>
<td>Safety / Security</td>
</tr>
<tr>
<td>Regulation / Codes</td>
<td>Technology</td>
<td>Monitor / Control</td>
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</table>

**HON Position**

<table>
<thead>
<tr>
<th>Buildings</th>
<th>Homes</th>
<th>Industrial</th>
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</thead>
<tbody>
<tr>
<td>Broad Content / Coverage</td>
<td>Premier Brands</td>
<td>$17B Installed Base (HPS)</td>
</tr>
<tr>
<td>Multi-Channel / Brand Strategy</td>
<td>Product Breadth / Vitality</td>
<td>Advanced Solutions</td>
</tr>
<tr>
<td>25K Contracts (HBS)</td>
<td>Channel Access / Partners</td>
<td>Product Breadth / Sensors</td>
</tr>
</tbody>
</table>
Strength Through Diversification

Well Balanced ACS Portfolio

- 60% Products / 40% Solutions
- Global Presence
- Multi-Channel Strength
- Significant Retrofit Business
- End-Market Diversification
## Strong Presence Across Industry Landscape

<table>
<thead>
<tr>
<th>Products</th>
<th>Projects &amp; Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Comfort Controls</td>
<td>✔</td>
</tr>
<tr>
<td>Building Controls</td>
<td>✔</td>
</tr>
<tr>
<td>Sensing</td>
<td>✔</td>
</tr>
<tr>
<td>Security</td>
<td>✔</td>
</tr>
<tr>
<td>Fire Systems</td>
<td>✔</td>
</tr>
<tr>
<td>Process Solutions</td>
<td>✔</td>
</tr>
<tr>
<td>Building Solutions</td>
<td>✔</td>
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</table>

<table>
<thead>
<tr>
<th>Industry Growth %</th>
<th>2-4</th>
<th>2-4</th>
<th>3-5</th>
<th>5-6</th>
<th>5-6</th>
<th>6-7</th>
<th>4</th>
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</thead>
<tbody>
<tr>
<td>ACS 2007 Growth %</td>
<td>9</td>
<td>2</td>
<td>15</td>
<td>18</td>
<td>17</td>
<td>18</td>
<td></td>
</tr>
</tbody>
</table>

**Extending Leadership In Key Segments**
Investing For Growth: New Product Development

Reinvigorated New Product Development Process

- New Product Introductions Tripled Since 2002
- Vitality Index 30% in 2007
- 50% Increase in Development Capacity

Delivering R&D Efficiency Through Common Processes

- Reduced New Product Cycle Time by 30%
- 2,000+ Engineers in Global Design Centers

Improving Product Cost Through Value and Commodity Engineering

- Value Engineering / Component Engineering
- Commodity Engineering Leveraging ACS Scale
Investing For Growth: Acquisitions

Proven Acquisition Track Record
- Disciplined Global Process
- Aggressive Integration Focus

- 36 Acquisitions Signed or Closed Since 2002
- Great Acquisition Platforms and Pipelines

Strong Contributor to ACS Growth
- Complements Organic Profile
- Emerging Market Opportunities

- $3B+ Revenues Acquired Since 2002
- Deals Executed in 13 Countries, Including India and China
- 2007: Another Strong Deal Year

Continue to Target Attractive Bolt-On Deals
- Strengthen Core
- Attractive Adjacencies

- Core
  - Building Controls (ECC + Novar)
  - Distribution (ADI + Gardiner + Burtek)

- Adjacencies
  - Gas Detection (Zellweger + FT)
  - Wiring Devices and Lighting Controls (ED&S, ExOr, Lonon)
  - Automatic Identification and Data Collection (Hand Held)
## Investing For Growth: Emerging Regions

<table>
<thead>
<tr>
<th>Region</th>
<th>Market Growth</th>
<th>ACS Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>~8%</td>
<td>60%</td>
</tr>
<tr>
<td>Middle East</td>
<td>10-15%</td>
<td>30%</td>
</tr>
<tr>
<td>China</td>
<td>~9%</td>
<td>20%</td>
</tr>
</tbody>
</table>
Productivity Initiatives: ERP And FT

- Transformational Investment to Deliver World-Class Enterprise Backbone
  - Standardizing Systems and Processes to Achieve World-Class G&A Productivity
  - Total ACS Estimated ERP Cost $350+ Million (~$55-$65 Million Annually)

- Focus on Flawless Execution Across Complex ACS Structure
  - 240+ Sites, 400+ Entities, 90+ Legacy Systems, 100 Countries, 24K Users

- Initial Roll-Out Successful
  - 2007 UK Pilot: 1,200 Business Users, 21 Sites, $0.6 Billion in Revenue
  - 2008: Adding 3,000 Business Users, $1.7 Billion Revenue

- Targeting $150+ Million Run Rate Benefit When Fully Implemented

2005 2006 2007 2008 2009 2010 2011 2012

Net ERP Investment

$150+ Million Run Rate

Investing To Deliver Cost And Service Benefits
Productivity Initiatives: HOS

Honeywell Operating System

Annual ACS HOS Enabled Savings ($M)

• Broad-Based Initiative Driving Improved Safety, Quality, Delivery, Cost and Inventory

• Comprehensive Focus on Developing Common Operating System; Basis for Continuous Improvement

Progress

• 50% of Factory Cost under Full Scale HOS Development

• 75% of Factory Cost Target for 2008

• Expanding HOS to Non-Factory Sites

YoY Example Results – Mature Sites

• Quality Improvement of 34%

• Delivery Performance Improved 7 points

• Conversion Cost Productivity 7%

• Inventory Turns Improved 10%

Organic Margin Expansion

2007 Closed Acquisitions
- ActivEye
- Burtek
- PAS
- Ex-Or

High ROI Solutions Mix

<table>
<thead>
<tr>
<th></th>
<th>Growth</th>
<th>Margin</th>
<th>ROI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products</td>
<td>~6%</td>
<td>~15%</td>
<td>Good</td>
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<tr>
<td>Solutions</td>
<td>~9%</td>
<td>~8%</td>
<td>Very Good</td>
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Expanding Organic Margins ... Acquisitions And Solutions Accelerating Growth
Organic Growth – Future Outlook

- Well Positioned to Deliver 5%+ Organic Revenue Growth
- Productivity Initiatives in Place to Drive Earnings Acceleration
- Continue to Aggressively Pursue Value-Creating Growth

ACS Margin Rate Walk 2007-2012

- 2007: 11.3%
- HOS Enabled: +120-200 bps
- FT and ERP Enabled: +120-200 bps
- Volume Leverage: +120-200 bps
- 2012E: 15 – 17%

Core Initiatives To Drive Margin Expansion
Summary

<table>
<thead>
<tr>
<th>($B)</th>
<th>2007 Reported</th>
<th>2008 Financial Outlook</th>
</tr>
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<tbody>
<tr>
<td>Revenues</td>
<td>$12.5</td>
<td>$13.3 - 13.5</td>
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<tr>
<td>Segment Profit</td>
<td>1.4</td>
<td>1.5 - 1.6</td>
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<tr>
<td>Segment Margin</td>
<td>11.3%</td>
<td>11.6% - 11.9%</td>
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</table>

- Terrific Positions; Proven Portfolio Outpacing Industry Growth
- Favorable Trends Across the Board; Safety, Security and Energy Efficiency
- Investing for Growth; Innovation, Emerging Regions, Acquisitions
- Productivity Programs to Step-Up Earnings Growth
Innovation

Dan Sheflin
Vice President, Technology, ACS

Andreas Kramvis
President, Environmental and Combustion Controls, ACS

Honeywell
ACS Technology Goals

• Deliver Aggressive Organic Growth
• Create World Class Cost Structure
• VPD™ - Cycle Time Reduction Increases Development Capacity and Speed to Market
VPD™ - New Product Introduction Factory

People and Process
• Common Processes and Metrics Drive Predictable Growth
• 50% Increase in Engineering Capacity Through Global Engineering and Cycle Time Reduction
• R&D Constant as % of Sales

Results
• Vitality from 20% to > 30%
• 3x New Product Introductions Since 2003
• ACS Organic Growth ’02 (2)% ’07 +11%

50% NPI Capacity Increase = Double Digit Growth
Portfolio Management

- Where Every Business Starts:
  - Measure in Terms of Projects / Engineer, not Engineers / Project
  - Constantly Changing Priorities
  - No Belief in Committed NPI Launch Dates
  - Cycle Times for NPIs >1 yr
  - Competitive R&D Spend but Competition is Faster
  - No Sales Commitment

~$120M Revenue, 35 Engineers, 70 Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Total costs</th>
<th>Internal costs 2008</th>
<th>External costs 2008</th>
<th>Expected Added Sales Revenue 2008</th>
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</table>
ACS Portfolio Leaning Process

• All Businesses Across ACS Portfolio

• First Step for Marketing and Engineering in Acquisition Integrations

• Get Line Of Sight to Every Project in WIP
  - Committed Revenue, Margin, Product Cost
  - Human Resource and Capital Requirements
  - Schedule

• Force Rank Projects by Revenue and Margin
  - Validate Market, Revenue, Margin and Cost Assumptions
  - Assign Resources Top Down
  - Draw Water-Line … Resource High Growth / Margin Projects
  - STOP Everything Else

Long Term Results From Focused Lean Portfolio
Managing A Lean Portfolio

• Strong General Manager Tools and Processes to Drive Predictable Growth Bottom Up

• Structured Selection and Training of GM Teams (GM, Marketing, Engineering, Sales)
  
  - GM Leadership Teams Drive Quality into:
    
    ◆ Voice of Customer
    ◆ Business Plan
    ◆ Investment Plan
    ◆ New Technology Insertion Plan
    ◆ Launch Customer Plan

Strong GM Team Drives Lean Portfolio At ACS
Example: ECC NA Homes

• Smart Web Tools
  - Manage Global Developments
  - Facilitate GM Reviews on Exception Basis
  - Entry Point for New Projects

**Effective Management Of ACS NPI Pipeline**
ACS NPI Portfolio Impact

• New Products are the Life Blood of Our Businesses

- NPI Pipeline is Reinvigorated

- Strong Portfolio Management Processes Embedded in Every P&L

- Outstanding GM Leadership Teams
  - Constantly Assessing and Improving GM Skill Set

- ACS Portfolio Management has Significant Accretive Value to Acquisitions

ACS Organic Growth 2002 (2)% → 2007 +11%
Innovation as a Growth Enabler at ECC
Environmental And Combustion Controls

- Transformed To Leading Global Player
- Strong Acquisition and Organic Growth Record
- Significantly Enhanced Segment and Product Position

Leading Global Franchise
Products And Segments

Residential Segment ~50%

Installed Base: 100M+ Homes

Thermostats Leader
Key Competitors: White Rogers, Robertshaw

Indoor Air Quality Leader
Key Competitors: Research Products, Trane

Gas Valves Leader
Key Competitors: Emerson, Sit

Whole House Filtration Leader
Key Competitors: Research Products, Trane

Wiring Devices Leader
Key Competitors: Legrand, Crabtree

Commercial Segment ~50%

Installed Base: 5M+ Buildings

Building Controls Leader

Jin Mao Tower-
Shanghai

Hearst Building-
New York

T5, Heathrow-
London

Key Competitors: JCI, Siemens, Danfoss

Comprehensive Product Portfolio
## A Transformed Company (2002 vs. Today)

<table>
<thead>
<tr>
<th>Sales</th>
<th>Electronics Content</th>
<th>NPI Cycle Times</th>
</tr>
</thead>
<tbody>
<tr>
<td>+75%</td>
<td>+200%</td>
<td>-50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vitality Index (% Sales)</th>
<th>Sales and Marketing (% Sales)</th>
<th>R&amp;D (% Sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>+27 points</td>
<td>+2 points</td>
<td>+1 point</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Design Engineers</th>
<th>Thermostat Cycle Times</th>
<th>Patent Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>+175%</td>
<td>-99%</td>
<td>+290%</td>
</tr>
</tbody>
</table>
A Consistent Management Approach

Financial Strategy
- Meet Quarterly Commitments While Enhancing Long Term Capabilities and Value

Balance

Source of Funding
- Capital Efficiency, Strong Cost Controls, High Productivity

Investment
- High IRR NPI; Sales and Marketing

Market Objectives
- Competitive Gains
- Create New Markets
- Move into Adjacent Markets

Gathering Momentum Yearly
Thermostats – Rebuilding And Gaining Share

Price

2002

$30

$55

OEMs (Backward Integration)

$300M Segment

Value
Thermostats – Rebuilding And Gaining Share

- Price
- Value

$70-90

2004

$55

$30

OEMs (Backward Integration)
Thermostats – Rebuilding And Gaining Share

Price

2005

$30

OEMs move to Honeywell

$70-90

$55

Value

$30

$30
Thermostats – Rebuilding And Gaining Share

Price

2006

$30

$55

$70-90

$120 Network

OEMs move to Honeywell

Value

$30

$30

$30

$30

OEMs move to Honeywell
Thermostats – Rebuilding And Gaining Share

Thermostat Sales Up 100% In Dollars, 60% In Units

Price

Today

$20

$30

$55

$70-90

$120 Network

Value

OEMs move to Honeywell

$425M Market Expanding

Honeywell

Innovation

Honeywell Investor Conference – February 25, 2008
Today: Innovating With New Systems

Transform 1 Zone to Many
- Individual Room / Area Temp Control
- Higher Comfort, Much Lower Cost Solution

$250 – $2,000

Superior Humidity System
- Integrated Humidity and Temperature Control

$300 - $800

Creating New Markets
Reinventing And Expanding In A Mature Market

Hot Water Controls Old

- 50+ Year-Old Technology
- Poor Usability and Energy Performance
- $100M Annual Segment
- Key Feature: Plumber-Only Installation

Hot Water Controls New

- Flame-Powered Electronic Control
- Enables Better Control, Displays, Energy Savings and Convenience
- Segment Expands to $150M
- Strong Patent Position
- Significant Orders Received

Innovation Enables Strong Market Gains
## Key NPI Strategies Contributing To Success

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Results</th>
</tr>
</thead>
</table>
| **1. Multi-Year, Multi-Tier Product Plans** | • Win the War, Not a Battle  
• Correct Sequencing and Strong Customer Acquisition  
• Allow for Competitive Reaction |
| **2. Aim Significantly Ahead of Competitive Positions** | • Preempt Best Market Positions  
• Lead, Do Not Get Blindsided  
• Hard for Competitors to Catch Up |
| **3. Higher Value and Higher Price (Change Rules of Game!)** | • Market Not Commoditized  
• Create New Markets and New Applications to Expand Market  
• Much Harder to Copy |
| **4. Meaningful Value for All Users** | • Ensure OEMs, Intermediaries, and End Users Benefit |

*Never Stop Innovating And Keep Upping The Ante*
Summary: Innovation Translating To Growth

ECC Reported Sales Growth

- CAGR 12%

ECC Summary

- Innovation Driving Growth Greater Than Segments Served
  - +9% Organic Growth in 2007 Despite US Residential Weakness
  - 35% of Sales from Products Introduced in Last Three Years
  - Opening New and Adjacent Opportunities for Growth

- Processes Enable Repeatable and Sustainable NPI Program
  - Velocity Product Development

Multi-Year Strategy Delivers Strong Results
Transportation Systems

Adriane Brown
President and CEO
Transportation Systems

**Global Mix**
- Americas
- Asia
- Europe

**Sales (B)**
- CAGR: 8%

**Turbo Technologies**
- Comm Vehicle
- Passenger Vehicles

**Consumer Products Group**
- Filtration and Ignition
- Car Care
- Braking

**A Leader In Key Segments**
Great Brands, Great Channels

2006-2007 Challenges

• High Gas Prices Weaken Auto Aftermarket
• Inconsistent Business Execution

2008 Themes

• Continued Aftermarket Softness
• Operational Improvements

Full Court Press On Execution
CPG 2008 Priorities

**Car Care**
- New Management Team & Structure
- Intense Operational Focus

**Filtration & Ignition**
- Cost and Productivity Actions
- Comprehensive Process Changes

**Braking**
- Low-Cost Supply Base

*Driving Year-Over-Year Improvement*
Turbo Technologies Overview

Global Scale

- Low-Cost Diversified Manufacturing Base
- Global Technology Network
- Efficient Global Supply Base

Advanced Technologies

- Industry Pioneer
- Technical Innovator
- Aerospace Advantage

World-Class Processes

- VPD™ Speeds Innovations to Market, Maximizes Capacity
- HOS Drives Customer Satisfaction, Cost Leadership

Global Leader In Turbo Technology
Global Turbo Drivers

Global Industry Growth*

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2012E</th>
</tr>
</thead>
<tbody>
<tr>
<td>TURBO GAS</td>
<td>19M</td>
<td>25M</td>
</tr>
<tr>
<td>CAGR</td>
<td>8%</td>
<td>TURBO GAS CAGR 23%</td>
</tr>
<tr>
<td>TURBO DIESEL</td>
<td>2M</td>
<td>6M</td>
</tr>
<tr>
<td>CAGR</td>
<td>6%</td>
<td>TURBO DIESEL CAGR 6%</td>
</tr>
</tbody>
</table>

Regional Outlook

Turbo Penetration – Passenger Vehicles

- EU: 55% to 76%
- India: 13% to 35%
- China: 15% to 18%
- Japan: 14% to 17%
- US: 4% to 14%

*Passenger Vehicle & Commercial Vehicles

Turbo Drivers

- Demand for Fuel Economy
- Emission Legislation, CO₂ Reduction
- Improved Drivability

Proven, Reliable, Cost-Efficient OEM Solution
The Turbo Advantage

**Turbo Diesel Benefits**
- 35% Better Mileage
- 50% Superior Torque
- Reduced Emissions

**Turbo Gas Benefits**
- 20% Better Mileage
- 20% Superior Torque
- Reduced CO₂

*Key Emission And Fuel Economy Enabler*
Great Position In Fast Growing Boosting Segment

- +60% Win Rate in ’06-’07 Drives Growth
- Strength Across Large and Small Engines
- Technology Leadership in Gasoline and Diesel
- Regional Diversification
Turbo Global Growth Profile

Revenue by End Market
- EU: 8% CAGR
- Americas: 19% CAGR
- Asia: 9% CAGR

Key Customers
- Strong EMEA Foundation – Innovative Customers
- Americas Accelerating – New CAFE Requirements
- Asia Take-Off – Stricter Emission Standards
- Emissions Regulations Drive CV Technology Content

Leading Position With Leading Customers
PV Technology Leadership

Leading Gasoline Turbos

- Racing Legacy – New Standards
- Developing Advanced Air Flow
- High Temperature Materials

Advanced Diesel Systems

- Ultimate Performance
- Developing 4th Gen VNT
- Improved Drivability and Emissions

Leading Via World-Class Performance And Reliability
Advanced CV Solutions

Heavy-Duty Reliability

- Dual Axle Technology
- Improved VNT Performance
- Enhanced Engine Braking
- Control Flexibility

Light Truck Solutions

- Single Sequential Turbo Provides Near Two Turbo Performance
- Improved Efficiency and Emissions
- Compact Packaging
- Reduced System Complexity

Unique Products Enabling Ultra-Low Emissions
VPD™ Tools Drive Affordable Growth

Simulation
- Predictive Reliability
- Reduce Product Cycle Time, Design Rework Loops by 50%
- Eliminate 40,000+ Hrs of Product Testing Through Simulations

Smart Tags
- Enable Info Access
- $1.5 Million in Productivity Savings
- 3,750 People-Days of Productivity Savings

Number of Launches
- 2007: 1
- 2008E: 2
  +50%

Number of Technologies
- 2007: 1
- 2008E: 4
  +140%

NPI Headcount
- 2007: 1
- 2008E: 2
  +16%

Time to Market

Process Improvements
TS Top Line Growth

2001-2004
12% CAGR

2005-2007
5% CAGR

2008E-2012E
+10% CAGR

• Strong 2005-2007 Turbo Win Rates
• US Dieselization
• Growing Gas Boosting
• Emerging Region Boosting
• Increased CV Technical Content

• Engine Size Shift
• Europe Diesel Penetration Slows
• Asia Growth
• Consumer Behavior

• VNT Technology Differentiation
• European Diesel Penetration
• CPG Growth

Customer Programs Fuel Growth
Summary

- Technology Leader in Long-Term Growth Segment
- Macro-Trends Continue to Drive TS Opportunities
- Honeywell Global Scope, Technology Prowess Drives Segment Leadership
- HOS and VPD™ Drive Competitive Advantages

<table>
<thead>
<tr>
<th>($B)</th>
<th>2007 Reported</th>
<th>2008 Financial Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$ 5.0</td>
<td>$ 5.1 - 5.2</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>0.6</td>
<td>0.6 - 0.7</td>
</tr>
<tr>
<td>Segment Margin</td>
<td>11.6%</td>
<td>12.3% - 12.6%</td>
</tr>
</tbody>
</table>
Honeywell Operating System (HOS)

Alex Ismail
President, Global Passenger Vehicles,
Honeywell Turbo Technologies
HOS Vision

World-Class Operations
- Safety
- Quality, Delivery
- Productivity
- Working Capital

Accelerated Growth Rate
- Customer Satisfaction
- Revenue Growth

Improved Profitability
- Cost Leadership
- Op Margin Expansion

Building A Competitive Advantage
### HOS Breakthrough – Changing HON’s DNA

<table>
<thead>
<tr>
<th>Before</th>
<th>After</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Project-Based Improvements</td>
<td>• Continuous Improvements</td>
</tr>
<tr>
<td>• Plant Manager Driven</td>
<td>• Plant Process Driven</td>
</tr>
<tr>
<td>• Push Systems – Forecasts</td>
<td>• Pull Systems – Market Needs</td>
</tr>
<tr>
<td>• Capacity Constraints</td>
<td>• Capacity / Shop-Floor Space</td>
</tr>
</tbody>
</table>

**Tools + Cultural Change + Continuous Improvement**
HOS Results – Turbo Passenger Vehicles

Customer Satisfaction

- Delivery
- Quality (Defects)

Cost Leadership

- Productivity (Costs)
- Working Capital

Customer Satisfaction And Cost Leadership
Transforming The Culture

Continuous Improvement

- Empowering all Levels
- Kaizen Idea Sheets
- Daily Meetings – “Go & Do”

Learning Culture

- Knowledge Sharing Process
- Leader Acting as Coach
- Learning by Doing

People Make The Difference
Improving Plant Process

**Efficient Load Balancing**
- Layout Designed by Operators
- From 3 Operators to 2
- Floor Space Reduced by 15%

**Visual Management**
- Order and Cleanliness
- Rapid Problem Solving
- Error Proofing

*Right Part, Right Amount, Right Time*
Driving Standardization Globally

Capacity Optimization and Floor Space Standardization

- Lean Shop Floor
- +25% Output / Square Feet
- Freed Space for Growth
- Same Layout Configuration
- Standard Visual
- Best Practice Sharing

Leveraging Capacity / Shop-Floor Space To Grow
HOS As A Differentiator With Customers

This slide has been omitted
HOS Implementation Process

• Standard Implementation Framework
• 50% of Manufacturing Cost Base Initiated in 2007
• 70% of Manufacturing Cost Base Targeted in 2008

HOS Gaining Traction – Upside Still To Come
HOS Summary

• Early Stages of Deployment; Measurable Impact

• Full Deployment Drives Performance Upside

• Driving a Step Improvement in Service and Cost

• Sustainable and Repeatable – Cultural Change

• Building Reputation with Customers
Specialty Materials

Dr. Nance Dicciani
President and CEO

Honeywell
Specialty Materials Overview

• 2007 Another Year of Improving Sales and Margins
  - 5-Year Revenue: 9% CAGR
  - 5-Year Operating Income: 49% CAGR
  - 5-Year ROI: 10 Point Improvement

• Managing Cyclicality / Volatility
  - Product Diversity
  - Geographic Expansion
  - Value and Formula Pricing
  - Portfolio Shifts

• Growth Focused on Positive Macro Trends
  - Global Energy Demand
  - Safety and Security
  - Greener Products
  - Electronic Age

Continuous Performance Improvement
Specialty Materials Summary

2007 Highlights

- **Top and Bottom Line Organic Growth**
  - Revenue + 6%
  - Op Income +16%

- **Positive Price / Raws Ratio**
  - Contractual Arrangements
  - Customer Value Creation

- **Disciplined Business Processes**
  - Honeywell Operating System (HOS)
  - Functional Transformation (FT)
  - Velocity Product Development (VPD™)
  - Working Capital Turns

- **Regional Growth > GDP**
  - Asia + 22%
  - EMEAI + 5.5%

- **New Products > 20% of Sales**

Strong 2007 Results
## Portfolio Overview

<table>
<thead>
<tr>
<th>Products/Businesses</th>
<th>Industries Served</th>
<th>SM % Rev.</th>
<th>Growth Drivers</th>
<th>New Focus Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Refrigerants</td>
<td>• Air Conditioning and Appliances</td>
<td>17%</td>
<td>• Regulation (CFC/HCFC Phase-Out)</td>
<td>• Low Global Warming Refrigerants and Blowing Agents</td>
</tr>
<tr>
<td>• Blowing Agents</td>
<td>• Commercial and Residential Construction</td>
<td></td>
<td>• Energy Efficiency</td>
<td></td>
</tr>
<tr>
<td>• Nuclear Precursors</td>
<td>• Nuclear Energy</td>
<td></td>
<td>• Nuclear Energy Demand</td>
<td></td>
</tr>
<tr>
<td>• Fluorine Gases</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Caprolactam</td>
<td>• Carpeting / Textiles</td>
<td>22%</td>
<td>• Asian Growth</td>
<td>• Safer Fertilizer</td>
</tr>
<tr>
<td>• Ammonium Sulfate Fertilizers</td>
<td>• Plastics</td>
<td></td>
<td>• Agricultural Expansion</td>
<td></td>
</tr>
<tr>
<td>• Nylon Resins</td>
<td>• Agriculture</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Fine Chemicals</td>
<td>• Pharmaceutical</td>
<td>24%</td>
<td>• Semiconductor Demand</td>
<td>• Materials for Flat Panel Displays</td>
</tr>
<tr>
<td>• Electronic Materials</td>
<td>• Semiconductors</td>
<td></td>
<td>• Drug Discovery</td>
<td>• Authentication</td>
</tr>
<tr>
<td>• Specialty Films and Additives</td>
<td>• Military</td>
<td></td>
<td></td>
<td>• Photovoltaics</td>
</tr>
<tr>
<td>• Advanced Fibers</td>
<td>• Plastics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Process Technology</td>
<td>• Refining</td>
<td>37%</td>
<td>• Global Energy Demand</td>
<td>• Biofuels</td>
</tr>
<tr>
<td>• Catalysts and Adsorbents</td>
<td>• Petrochemicals</td>
<td></td>
<td>• Developing Markets Growth</td>
<td>• Heavy Crudes</td>
</tr>
<tr>
<td>• Equipment</td>
<td>• Natural Gas</td>
<td></td>
<td>• Alternative Energy</td>
<td>• Methanol to Olefins</td>
</tr>
<tr>
<td>• Biofuel Technology</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>
## Portfolio Overview

<table>
<thead>
<tr>
<th>Competitive Position</th>
<th>Global Presence</th>
<th>Volatility</th>
<th>Regulation Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>G</strong></td>
<td><strong>Y</strong></td>
<td><strong>G/Y</strong></td>
<td><strong>G</strong></td>
</tr>
<tr>
<td><strong>G</strong></td>
<td><strong>G/Y</strong></td>
<td><strong>G</strong></td>
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<tr>
<td><strong>G</strong></td>
<td><strong>G/Y</strong></td>
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<tr>
<td><strong>G</strong></td>
<td><strong>G</strong></td>
<td><strong>G</strong></td>
<td><strong>G</strong></td>
</tr>
</tbody>
</table>

**Fluorine Products**

**Resins and Chemicals**

**Specialty Products**

**UOP**

### Great Positions In Good Industries
Chemical Industry

**Outlook**

- Global Chemicals Outlook Positive
- U.S. Export Opportunities
- High Chemicals Demand in High-Growth Markets
- Strong Global Refining and Petrochemical Investment
- Increasing Regulations Worldwide
  - Energy Efficiency
  - Global Warming
  - Environmental Impact
  - Security

**Megatrends**

- **Energy** ➔ UOP Technology: Gas, Coal Conservation: Foam, Refrigerants Solar: Photovoltaics, Foam
- **Population** ➔ Personal Care Food and Pharma Packaging
- **Security** ➔ Spectra Lumilux Sulf-N® 26
- **Environment** ➔ Low GWP Chemicals
- **Information / Electronics** ➔ Displays Dielectrics Thermal Management

*Continued Positive Outlook*
HOS Deployment Driving Results

Priorities

• Productivity
  – New Automation Projects
  – Functional Transformation (FT)

• Working Capital Excellence
  – SIOP, Forecasting Focus
  – Inventory Turns

• Pricing Excellence

• Low-Cost Country Sourcing

• Sustainability
  – Energy Conservation
  – Environmental Footprint

HOS

• Fully Deployed at Eight Sites

• Initiated at All SM Sites

• Operations, Quality, Delivery Improvements Realized

HOS Spotlight

Muskegon, MI (Specialty Products)

• Safety – TCIR 3.1 to 0

• Quality – 11.3% Improvement

• Delivery – 6 Percentage Points Improvement

• Inventory – 5.1% Reduction in DOS

• Conversion Cost – 4% Improvement

World-Class HS&E
Growth

Priorities

• Phase II Of Shanghai Lab Complete

• HEM Headquarters Move To China

• Open Innovation

• New Product Development With Customers

• Focus On Megatrends

New Products

• Biofuels
  – Ecofining® Launched With Two Customers
  – Jet Fuel Initiative with DARPA and Honeywell Aerospace

• Solar Photovoltaic Materials

• Sulf-N® 26 Fertilizer
  – Significantly Lower Explosive Potential than Ammonium Nitrate

• Low Global Warming Refrigerants And Blowing Agents

• Materials For Flat Panel Displays

Geographic Growth Focused On Macro Trends
## Summary

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<tr>
<th>($B)</th>
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<th>2008 Financial Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$ 4.9</td>
<td>$ 4.9 - 5.0</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>0.66</td>
<td>0.69 - 0.72</td>
</tr>
<tr>
<td>Segment Margin</td>
<td>13.5%</td>
<td>14.2% - 14.5%</td>
</tr>
</tbody>
</table>

• Positive Business Drivers

• Chemical Industry Strength → Manufactured Goods

• Global Expansion; Export Opportunities

• Price, Productivity and Value Driving Margin Growth

• HOS Deployment Driving Safety and Productivity

• VPD™ Fuels Future Growth

**Strong Overall Performance**
Refining And Petrochemical Landscape

Industry

• Fuels and Chemical Feedstocks Impact Every Sector of the Global Economy

• 85 Million Barrels of Oil Consumed Worldwide Per Day

• $21.4 Trillion in Industry Capital Expenditures between Now and 2030

• Nearly 63 Percent of the Energy Consumed Derived from Oil and Natural Gas

Source: Platts, U.S. Energy Information Association

Large, Global And Growing
UOP Overview

Profile

- Leader in Technology for Petroleum Refining, Petrochemicals, and Gas Processing

- More Than 2,600 Active Patents Worldwide

- 31 of 36 Refining Technologies in Use Today Created by UOP

- 70+ Processes in 6,000+ Units in Hydrocarbon Processing Industry; 300+ Catalysts and Adsorbents

- 60% of World’s Gasoline is Produced Using UOP Technology; 85% of World’s Biodegradable Detergents Use UOP Technology

Revenue by Segment

- Equipment
- Licensing and Services
- Products

Revenue by Region

- Americas
- China
- India
- Middle East
- Rest of Asia
- Europe/Africa

Global Business With Technology Advantage
Revenue Opportunities

- Equipment & Systems
- Start-Up Services
- Initial Catalyst Fill
- Catalyst Reloads
- Process License
- Design
- Project Management
- Adsorbents/Desorbent
- Training
- Continuing Services
- Additional Paid-Up Royalty

End Products

- Petrochemicals
  - Plastic
  - Rubber
  - Adhesives
  - Fiber
  - Paint
  - Pharmaceutical

- Refining
  - Gasoline
  - Diesel
  - Jet Fuel
  - Lubricants
  - Liquefied Gas

Business Model

Multiple Revenue Opportunities
Product Lines

Licensing
- Contract Vehicle – License Agreement
- Project Size - $500K to $50M Revenue
- Primary Driver – Capacity Increases
  - New Units, New Complexes
  - Revamp Capacity Upgrades
- Other Drivers
  - Product Slate / Specification Changes
  - Operating Efficiency

Products - Catalysts and Adsorbents
- Contract Vehicle – Supply Agreement
- Project Size - $20K to $30M Revenue
- Primary Driver – Operating Efficiency
  - New Units, Revamps, Reloads
- Other Drivers
  - Product Slate Changes
  - Specification Changes

Services
- Contract Vehicle – Engineering / Services Agreement
- Project Size - $30K to $10M Revenue
- Primary Driver – Capacity Increases
  - New or Revamp Designs
  - Optimization / Configuration Studies
- Other Drivers
  - Operating Efficiency
  - Troubleshooting – Aftermarket Services
  - Profit Improvement and Optimization

Equipment
- Contract Vehicle – Supply Agreement
- Project Size - $100K to $30M Revenue
- Primary Driver – Capacity Increases
  - New Units, New Complexes
  - Revamp Capacity Upgrades
- Other Drivers
  - Operating Efficiency
  - Quality
  - Project Schedule Control
Business Environment / Key Indicators

Refining Capacity Utilization

- U.S.
- Europe
- Asia

Utilization %

- 1986
- 1990
- 1994
- 1998
- 2002
- 2006
- 2010

Source: Purvin & Gertz GPMO – 2007 Q3 Update

90% estimate for next five years

Oil Consumption

- Million Barrels per Day

- Actuals

- High Economic Growth
- Low Economic Growth

Source: UOP / U.S. Energy Information Association

Increased Heavy Crude Use

- Heavy Crude as % of Oil Production

- 0%
- 5%
- 10%
- 15%
- 20%

Source: Purvin & Gertz

Natural Gas Consumption

- Trillion Cubic Feet

- 2004
- 2010
- 2015
- 2020
- 2025
- 2030

Source: U.S. Energy Information Association

Long-Term Demand Benefits UOP
# Challenges Are Not New In Refining

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Technology Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1900s Kerosene Yield</td>
<td>Dubbs Cracking, Houdry Cracking</td>
</tr>
<tr>
<td>1920s Gasoline Yield</td>
<td>Isomerization, Cat Poly</td>
</tr>
<tr>
<td>1940s Gasoline Octane</td>
<td>FCC, Alkylation</td>
</tr>
<tr>
<td>1950s Heavier Oils</td>
<td>Hydrocracking, Coking</td>
</tr>
<tr>
<td>1960s Petrochemicals</td>
<td>Steam Cracking, Sulfolane, Parex</td>
</tr>
<tr>
<td>1970s Lead Phase Out</td>
<td>CCR Platforming</td>
</tr>
<tr>
<td>1980s Clean Fuels</td>
<td>LAB, Ethers, Oleflex</td>
</tr>
<tr>
<td>1990s Lower Sulfur</td>
<td>Selective Hydrotreating, ULSD HT</td>
</tr>
<tr>
<td>2000s Regulations</td>
<td>MTO, Renewables, Optimization</td>
</tr>
</tbody>
</table>

Challenges Are Not New In Refining:

- 1900s
- 1920s
- 1940s
- 1950s
- 1960s
- 1970s
- 1980s
- 1990s
- 2000s

- Kerosene Yield
- Gasoline Yield
- Gasoline Octane
- Heavier Oils
- Petrochemicals
- Lead Phase Out
- Clean Fuels
- Lower Sulfur
- Regulations

Technology Responses:

- Dubbs Cracking, Houdry Cracking
- Isomerization, Cat Poly
- FCC, Alkylation
- Hydrocracking, Coking
- Steam Cracking, Sulfolane, Parex
- CCR Platforming
- LAB, Ethers, Oleflex
- Selective Hydrotreating, ULSD HT
- MTO, Renewables, Optimization

- Regulations

Challenges are not new in refining from the 1900s to the 2000s, with challenges such as kerosene yield, gasoline yield, and clean fuels, and technology responses such as selective hydrotreating, ULSD HT, and MTO, renewables, and optimization.
Extending Technology Leadership

<table>
<thead>
<tr>
<th>Near Term</th>
<th>Market/Technology Readiness</th>
<th>Long Term</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Methanol-to-Olefin</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Drivers:</strong> Availability of “Stranded Gas” and Need for Alternative Uses</td>
<td><strong>Technology:</strong> MTO Technology Chosen for Major Plant</td>
<td></td>
</tr>
<tr>
<td><strong>Heavy Oil</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Drivers:</strong> High Oil Prices, Oil Demand Growing, Declining Sources of Light Sweet Crude; Energy Security</td>
<td><strong>Technology:</strong> Added Slurry Hydrocracking Technology, Exploring Gasification</td>
<td></td>
</tr>
<tr>
<td><strong>Renewable Energy and Chemicals</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Drivers:</strong> Energy Demand, Sustainability,</td>
<td><strong>Technology:</strong> Ecosynfin® Technology Commercialized; Jet Fuel Project with DARPA and Aerospace. Path to Other Fuels, Chemicals</td>
<td></td>
</tr>
<tr>
<td><strong>Coal Gasification</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Drivers:</strong> Energy Demand; High Oil Prices; Energy Security</td>
<td><strong>Technology:</strong> Syngas, Gas Purification; Path to Other Fuels, Chemicals</td>
<td></td>
</tr>
<tr>
<td><strong>CO₂ to Methanol</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Drivers:</strong> CO₂ Concerns; Energy Demand</td>
<td><strong>Technology:</strong> Agreement With USC to Develop and Commercialize Technology</td>
<td></td>
</tr>
</tbody>
</table>
HON / UOP Opportunities

Process Control & Simulations

ACS

Wireless Sensors

Bio Jet Fuel Development

Aerospace

Process Knowledge

SM / UOP

Catalysts and Adsorbents

Catalysts and Adsorbents

Green Diesel Development

TS

Clean Air Products

Cross-Portfolio Technology Opportunities
Summary

• Creator of Knowledge; History of Innovation

• Recognized Leader in Technology, Services and Products for Refining and Petrochemical Industry

• Strategy Closely Aligned with Favorable Global Trends

• Global Presence and Close Customer Relationships

• Continuing to Meet Energy Challenges with Expanding Technology Platforms, Including Biofuels
Performance Track Record

Sales

- CAGR: +11%

EPS

- CAGR: +20%

FCF

- CAGR: +20%

Building The New Honeywell
Sales Growth

Regional CAGR
+14%

+8%

Growing Globally
Earnings Growth

($ per share)

+20% CAGR

Leveraging Profitable Growth
Driving Free Cash Flow

CAGR 34%

FCF
NI (Conversion)

120% 130% 107% 119% 129%

($M)

2003 2004 2005 2006 2007

Accelerating Growth
Working Capital Focus

WC Turns

Turns Improvement = $400M+ Cash
Capital Expenditures

Reinvestment Ratio % (CapEx / Depreciation)

Supporting Global Growth

Cash 1/1/03: $2.0

+ 2003-2007 FCF: 10.5

- Net Outflows: (10.7)

Cash 12/31/07: $1.8

**Inflows:**
- Divestitures: 2.3
- Net Debt Issuance: 2.6
- Other: 0.7

**Outflows:**
- Acquisitions: (5.0)
- Share Repurchase: (7.8)
- Dividends: (3.5)

**Using Cash To Build Value**
Acquisition Process

2003-2007 Acquisition Pipeline

<table>
<thead>
<tr>
<th>Screen</th>
<th>Non-Binding Stage</th>
<th>Binding Stage</th>
<th>Contract Negotiations</th>
<th>Signed Contract</th>
<th>Closed</th>
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</thead>
<tbody>
<tr>
<td>Targets &gt; 1,850</td>
<td>188</td>
<td>68</td>
<td>59</td>
<td>47</td>
<td>45</td>
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<tr>
<td>Sales ($B)</td>
<td>19.2</td>
<td>8.6</td>
<td>6.2</td>
<td>4.6</td>
<td>4.3</td>
</tr>
</tbody>
</table>

2003-2007 Divestitures - 27 Transactions, ~$1.6B Sales

Disciplined Process Working
# Acquisition Scorecard

## Novar
- Purchase Price $2.4B
- Strong Technology, Market and Brand Positions
- Strengthened European Footprint
- Successful Non-Core Divestitures ($1.2B Proceeds)

## UOP
- Purchase Price $825M*
- Leading Technology, Installed Base and Customer Relationships
- Transformed SM Portfolio
- Sweet-Spot of Global Refining and Petrochemical Cycles

---

## Flawless Execution

## Great Price and Timing

## First Technology
- Purchase Price $723M
- Leader in Mobile Devices for Hazardous Gas Detection
- Complementary to Zellweger Buy
- Successful Non-Core Divestitures ($183M Proceeds)

## Hand Held
- Purchase Price $390M
- Strong Global Presence and Technology
- Entry into Fast Growing 2D Imaging
- Good Position in Rugged Mobile Wireless Devices

---

## Driving Growth And Delivering Significant Value

*Purchase Price for 50% of UOP LLC*
## Share Repurchases

<table>
<thead>
<tr>
<th>Year</th>
<th>Repurchased (M)</th>
<th>Amount ($B)</th>
<th>Share Count*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>1.9</td>
<td>0.1</td>
<td>862</td>
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<tr>
<td>2004</td>
<td>20.1</td>
<td>0.7</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>30.6</td>
<td>1.1</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>45.4</td>
<td>1.9</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>74.2</td>
<td>4.0</td>
<td>774</td>
</tr>
</tbody>
</table>

10% Decrease

- Average Purchase Price: $45.14 per share
- Buyback IRR: 26% Return

*Average Full Year Fully Diluted Share Count
Increasing Dividend

**Dividend Payout**

- 2004: $0.75
- 2005: $0.83
- 2006: $0.91
- 2007: $1.00
- 2008E: $1.10

**Dividend Yield vs. Peers**

- GE
- MMM
- EMR
- UTX
- TXT
- COL
- ITT
- DHR
- HON

- Peer Average

- Raised Dividend Rate 10% Four Consecutive Years
- $3.5B to Shareholders 2003-2007

Maintaining Competitive Dividend
## Credit Metrics

### Net Debt

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$1.2</td>
<td>$1.8</td>
</tr>
<tr>
<td>Debt</td>
<td>(5.0)</td>
<td>(7.7)</td>
</tr>
<tr>
<td>Net Debt</td>
<td>($3.8)</td>
<td>($5.9)</td>
</tr>
<tr>
<td>FCF</td>
<td>$2.5</td>
<td>$3.1</td>
</tr>
</tbody>
</table>

### (FCF – Dividends) / Debt

- 2004: 13%
- 2005: 12%
- 2006: 22%
- 2007: 23%

---

**Maintaining Credit Metrics**
# 2008 Key Market Assumptions

<table>
<thead>
<tr>
<th>Business</th>
<th>Drivers</th>
<th>Key Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT&amp;R</td>
<td>Flight Hours</td>
<td>+5%</td>
</tr>
<tr>
<td></td>
<td>OE Deliveries</td>
<td>+10%</td>
</tr>
<tr>
<td>B&amp;GA</td>
<td>OE Deliveries</td>
<td>+9%</td>
</tr>
<tr>
<td>Defense</td>
<td>DOD Budget</td>
<td>+4%</td>
</tr>
<tr>
<td>ACS – Developed Markets</td>
<td>US Housing Starts</td>
<td>No Recovery</td>
</tr>
<tr>
<td></td>
<td>US Non-Res Construction</td>
<td>Slower Growth</td>
</tr>
<tr>
<td></td>
<td>Retrofit / Regulation</td>
<td>Increasing</td>
</tr>
<tr>
<td></td>
<td>Europe</td>
<td>Moderating</td>
</tr>
<tr>
<td>ACS – Emerging Markets</td>
<td>New Construction</td>
<td>Double Digit Growth</td>
</tr>
<tr>
<td>Passenger Vehicles</td>
<td>Europe Auto Production</td>
<td>Flat to +2%</td>
</tr>
<tr>
<td></td>
<td>Europe Diesel Penetration</td>
<td>+2 pts</td>
</tr>
<tr>
<td>Commercial Vehicles</td>
<td>NA Class 8 Truck Production</td>
<td>Rebounding</td>
</tr>
<tr>
<td>UOP</td>
<td>Refining and Petrochemicals</td>
<td>Continued Strength</td>
</tr>
</tbody>
</table>

**Detailed Bottom-Up Analysis**
### 4Q Exit Vs. 2008 Expectations

<table>
<thead>
<tr>
<th>Business</th>
<th>4Q07</th>
<th>FY08</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT&amp;R</td>
<td>+7%</td>
<td>+8%</td>
</tr>
<tr>
<td>B&amp;GA</td>
<td>+23%</td>
<td>+8%</td>
</tr>
<tr>
<td>Defense</td>
<td>+9%</td>
<td>+4%</td>
</tr>
<tr>
<td>ACS – Developed Markets</td>
<td>+12%</td>
<td>+5%</td>
</tr>
<tr>
<td>ACS – Emerging Markets</td>
<td>+28%</td>
<td>+21%</td>
</tr>
<tr>
<td>Passenger Vehicles</td>
<td>+17%</td>
<td>+2%</td>
</tr>
<tr>
<td>Commercial Vehicles</td>
<td>(7)%</td>
<td>+9%</td>
</tr>
<tr>
<td>UOP</td>
<td>+27%</td>
<td>+5%</td>
</tr>
</tbody>
</table>
Aerospace

<table>
<thead>
<tr>
<th>($B)</th>
<th>2007 Reported</th>
<th>2008 Financial Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$12.2</td>
<td>$12.8 - 13.0</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>2.2</td>
<td>2.4 - 2.5</td>
</tr>
<tr>
<td>Segment Margin</td>
<td>18.0%</td>
<td>18.7% - 19.0%</td>
</tr>
</tbody>
</table>

2008 Highlights

- Strength in OE Build and Delivery Rates
- Global Flying Hours Growth
- DOD Budget and Spending Up
  - Reset / Logistics Trends
- Growing Role of Emerging Regions

Long Term Drivers

- Air Transport
  - Worldwide Wealth; Low Cost Airlines; High Win Rates
- Business Jet
  - Installed Base; Global Demand; New Products
- Defense
  - Near Term Spending OK; High Win Rates; Limited Downside

Strong Franchise Executing In Favorable Environment
Automation And Control Solutions

<table>
<thead>
<tr>
<th>($B)</th>
<th>2007 Reported</th>
<th>2008 Financial Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$ 12.5</td>
<td>$ 13.3 - 13.5</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>1.4</td>
<td>1.5 - 1.6</td>
</tr>
<tr>
<td>Segment Margin</td>
<td>11.3%</td>
<td>11.6% - 11.9%</td>
</tr>
</tbody>
</table>

**2008 Highlights**

- Residential Softness; Non-Residential Growth Moderating
- Continued Strong Safety, Security, Energy Efficiency
- Emerging Region Strength
- Solutions Growth > Products

**Long Term Drivers**

- Safety, Security and Energy Efficiency Macro Trends
- Continued Globalization
- New Product Introductions
- Brand / Channel Leverage
- Acquisition Pipeline

Diversified, Global Portfolio Strength
Transportation Systems

<table>
<thead>
<tr>
<th></th>
<th>2007 Reported</th>
<th>2008 Financial Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$5.0</td>
<td>$5.1 - 5.2</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>0.6</td>
<td>0.6 - 0.7</td>
</tr>
<tr>
<td>Segment Margin</td>
<td>11.6%</td>
<td>12.3% - 12.6%</td>
</tr>
</tbody>
</table>

2008 Highlights

- Turbo Platform Launch Execution Focus
- Commercial Turbo Rebound
- US Auto Aftermarket Softness
- CPG Operational Performance Improvement

Long Term Drivers

- Benefits of New Turbo Platform Wins
- Favorable Fuel Economy, Efficiency, Emissions Trends
- Continued Increase in Diesel Penetration
- Emerging Region Auto Ownership

Multi-Year Positive Outlook
Specialty Materials

<table>
<thead>
<tr>
<th></th>
<th>2007 Reported</th>
<th>2008 Financial Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$ 4.9</td>
<td>$ 4.9 - 5.0</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>0.66</td>
<td>0.69 - 0.72</td>
</tr>
<tr>
<td>Segment Margin</td>
<td>13.5%</td>
<td>14.2% - 14.5%</td>
</tr>
</tbody>
</table>

2008 Highlights

- UOP Growth / New Products
  - Robust Backlog
- Focus on Plant Performance
  - Caprolactam Demand > Supply
- Price and Productivity Driving Margin Growth
  - Offsetting Commodity Costs

Long Term Drivers

- Refining and Petrochemical Cycles
- Global Energy Demand and Efficiency
- Environmental Regulations
- Emerging Region Growth
- HOS / VPD™ Driving Safety, Productivity and Growth
- High Energy Costs / Commodity Pricing

Strong Overall Performance
2008 Summary

- Focus on Execution
- Conservative Assumptions
- Growth in All Businesses
- HOS, FT Contributions
- Double Digit Earnings Growth
- 100%+ FCF Conversion

Confident In 2008 Outlook
Downturn Planning Readiness

- Tracking “Early Warning” Signs, Order Trends
- Scenario Analysis / Readiness Assessment
- Revenue and Income Contingencies
- Managing Cost Structure / Capital Spending
- Identifying Attractive Repositioning Opportunities
Long Term Outlook Summary

• Portfolio Aligned With Favorable Macro Trends

• Focus on Innovation and Global Growth

• Acceleration of Key Initiatives (HOS, FT / ERP, VPD™)

• Cash Generation Supported by Working Capital Focus

• Disciplined Capital Allocation
### Summary

- **Honeywell Is a Different Company**
- **Great Positions in Good Industries**
- **Global Technology a Competitive Advantage**
- **Macro Trends and Emerging Regions Driving Growth**
- **Gaining Share Through Innovation and VPD™**
- **Customer Wins Support**
- **Long-Term Outlook**
- **HOS Gaining Traction, Delivering Results**
- **Benefits of Portfolio Transformation**
- **Forefront of Energy Efficiency Solutions**
- **Delivering Consistent Financial Out-Performance**

---

**Continuing To Build Company That Performs In Good Times And Tough Times**
Appendix

Reconciliation of non-GAAP Measures To GAAP Measures
Reconciliation of Free Cash Flow to Cash Provided by Operating Activities and Calculation of Cash Flow Conversion

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$1.9</td>
<td>$1.9</td>
<td>$2.4</td>
<td>$2.0</td>
<td>$2.0</td>
</tr>
<tr>
<td>Expenditures for Property, Plant and Equipment</td>
<td>($1.0)</td>
<td>($1.0)</td>
<td>($1.0)</td>
<td>($0.9)</td>
<td>($0.9)</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$0.9</td>
<td>$0.9</td>
<td>$1.4</td>
<td>$1.1</td>
<td>$1.1</td>
</tr>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$1.9</td>
<td>$1.9</td>
<td>$2.4</td>
<td>$2.0</td>
<td>$2.0</td>
</tr>
<tr>
<td>÷ Net Income</td>
<td>$1.6</td>
<td>$1.9</td>
<td>$1.5</td>
<td>$1.7</td>
<td>($0.1)</td>
</tr>
<tr>
<td>Operating Cash Flow Conversion %</td>
<td>118%</td>
<td>104%</td>
<td>154%</td>
<td>120%</td>
<td>N/A</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$0.9</td>
<td>$0.9</td>
<td>$1.4</td>
<td>$1.1</td>
<td>$1.1</td>
</tr>
<tr>
<td>÷ Net Income</td>
<td>$1.6</td>
<td>$1.9</td>
<td>$1.5</td>
<td>$1.7</td>
<td>($0.1)</td>
</tr>
<tr>
<td>Free Cash Flow Conversion %</td>
<td>56%</td>
<td>49%</td>
<td>90%</td>
<td>68%</td>
<td>N/A</td>
</tr>
</tbody>
</table>
### Reconciliation of Free Cash Flow to Cash Provided by Operating Activities and Calculation of Cash Flow Conversion

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
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<tbody>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$2.4</td>
<td>$2.2</td>
<td>$2.2</td>
<td>$2.4</td>
<td>$3.2</td>
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<tr>
<td>Expenditures for Property, Plant and Equipment</td>
<td>($0.7)</td>
<td>($0.7)</td>
<td>($0.6)</td>
<td>($0.6)</td>
<td>($0.7)</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$1.7</td>
<td>$1.5</td>
<td>$1.6</td>
<td>$1.8</td>
<td>$2.5</td>
</tr>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$2.4</td>
<td>$2.2</td>
<td>$2.2</td>
<td>$2.4</td>
<td>$3.2</td>
</tr>
<tr>
<td>÷ Net Income</td>
<td>($0.2)</td>
<td>$1.3</td>
<td>$1.2</td>
<td>$1.6</td>
<td>$2.1</td>
</tr>
<tr>
<td>Operating Cash Flow Conversion %</td>
<td>N/A</td>
<td>171%</td>
<td>181%</td>
<td>149%</td>
<td>154%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$1.7</td>
<td>$1.5</td>
<td>$1.6</td>
<td>$1.8</td>
<td>$2.5</td>
</tr>
<tr>
<td>÷ Net Income</td>
<td>($0.2)</td>
<td>$1.3</td>
<td>$1.2</td>
<td>$1.6</td>
<td>$2.1</td>
</tr>
<tr>
<td>Free Cash Flow Conversion %</td>
<td>N/A</td>
<td>120%</td>
<td>130%</td>
<td>107%</td>
<td>119%</td>
</tr>
</tbody>
</table>
## Reconciliation of Segment Profit to Operating Income and Calculation of Segment Profit and Operating Income Margin

### ($B)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$31.4</td>
<td>$34.6</td>
</tr>
<tr>
<td>Cost of Products and Services Sold</td>
<td>(24.1)</td>
<td>(26.3)</td>
</tr>
<tr>
<td>Selling, General and Administrative Expenses</td>
<td>(4.2)</td>
<td>(4.6)</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$3.1</td>
<td>$3.7</td>
</tr>
<tr>
<td>Stock Based Compensation (^{(1)})</td>
<td>$0.1</td>
<td>$0.1</td>
</tr>
<tr>
<td>Repositioning and Other Charges (^{(1)})</td>
<td>0.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Pension and OPEB Expense (^{(1)})</td>
<td>0.4</td>
<td>0.3</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>$4.1</td>
<td>$4.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income Margin %</td>
<td>9.9%</td>
<td>10.7%</td>
</tr>
<tr>
<td>Segment Profit Margin %</td>
<td>13.0%</td>
<td>13.5%</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Included in cost of products and services sold and selling, general and administrative expenses
Reconciliation of Segment Profit to Operating Income and Calculation of Segment Profit and Operating Income Margin

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>$34.6</td>
<td>$36.1 - 36.7</td>
</tr>
<tr>
<td><strong>Cost of Products and Services Sold</strong></td>
<td>(26.3)</td>
<td>(27.2) - (27.5)</td>
</tr>
<tr>
<td><strong>Selling, General and Administrative Expenses</strong></td>
<td>(4.6)</td>
<td>(4.7) - (4.9)</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>$3.7</td>
<td>$4.2 - 4.3</td>
</tr>
<tr>
<td><strong>Stock Based Compensation</strong></td>
<td>$0.1</td>
<td>~0.1</td>
</tr>
<tr>
<td><strong>Repositioning and Other Charges</strong></td>
<td>0.6</td>
<td>0.5 - 0.6</td>
</tr>
<tr>
<td><strong>Pension and OPEB Expense</strong></td>
<td>0.3</td>
<td>~0.2</td>
</tr>
<tr>
<td><strong>Segment Profit</strong></td>
<td>$4.7</td>
<td>$5.0 - 5.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Income</strong></td>
<td>$3.7</td>
<td>$4.2 - 4.3</td>
</tr>
<tr>
<td><strong>Sales</strong></td>
<td>$34.6</td>
<td>$36.1 - 36.7</td>
</tr>
<tr>
<td><strong>Operating Income Margin %</strong></td>
<td>10.7%</td>
<td>11.6 - 11.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008E</th>
</tr>
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<tbody>
<tr>
<td><strong>Segment Profit</strong></td>
<td>$4.7</td>
<td>$5.0 - 5.2</td>
</tr>
<tr>
<td><strong>Sales</strong></td>
<td>$34.6</td>
<td>$36.1 - 36.7</td>
</tr>
<tr>
<td><strong>Segment Profit Margin %</strong></td>
<td>13.5%</td>
<td>14.0 - 14.3%</td>
</tr>
</tbody>
</table>

(1) Included in costs of products and services sold and selling, general and administrative expenses
## Reconciliation of Free Cash Flow to Cash Provided by Operating Activities and Calculation of Cash Flow Conversion

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$3.9</td>
<td>$4.1 - 4.3</td>
</tr>
<tr>
<td>Expenditures for Property, Plant and Equipment</td>
<td>(0.8)</td>
<td>~(0.9)</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>$3.1</td>
<td>$3.2 - 3.4</td>
</tr>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$3.9</td>
<td>$4.1 - 4.3</td>
</tr>
<tr>
<td>÷ Net Income</td>
<td>$2.4</td>
<td>$2.8 - 2.9</td>
</tr>
<tr>
<td><strong>Operating Cash Flow Conversion %</strong></td>
<td>160%</td>
<td>~147%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$3.1</td>
<td>$3.2 - 3.4</td>
</tr>
<tr>
<td>÷ Net Income</td>
<td>$2.4</td>
<td>$2.8 - 2.9</td>
</tr>
<tr>
<td><strong>Free Cash Flow Conversion %</strong></td>
<td>129%</td>
<td>~116%</td>
</tr>
</tbody>
</table>
Calculation Methodology

- **Dividend Yield**
  \[ \text{Dividend per Share (Last Announced)} \div \text{2/22/2008 Closing Stock Price} \]

- **FCF Multiple**
  \[ \text{2/22/2008 Market Capitalization at Closing} \div \text{2008 Estimated FCF} \]

- **ROIC**
  \[ \text{Net Income Before Interest} \div \text{Net Investment (2-point Average)} \]
  - Net Income Before Interest = Net Income + After-tax Interest
  - Net Investment = Book Value of Equity + Total Debt

- **P/E Ratio (2008)**
  \[ \text{2/22/2008 Closing Stock Price} \div \text{2008 Latest Consensus Estimate EPS} \]

- **PEG Ratio**
  \[ \text{2008 P/E} \div \text{2008 Estimated EPS Growth} \]
  - 2008 Estimated EPS Growth = 2008 Latest Consensus Estimate EPS \div 2007 Actual Reported EPS

Eight Industry Peers

- COL, DHR, EMR, GE, ITT, MMM, TXT, UTX
Biographies

Honeywell
Dave Cote is chairman and CEO of Honeywell, a diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services; control technologies for buildings, homes and industry; turbochargers; and specialty materials. He was first elected president, CEO, and a member of the Board of Honeywell in February 2002. He was named chairman of the Board of Directors on July 1, 2002.

Cote came to Honeywell from TRW, a $16 billion products and services provider for the automotive, aerospace, and information technology markets, where he joined as president in 1999. He was subsequently named CEO in 2001 and chairman in 2002. Cote joined TRW from General Electric, where he served 25 years, progressing through a series of positions in manufacturing, finance, marketing, strategic planning, and general management. He was appointed to his last position at GE – corporate senior vice president and president and CEO of GE Appliances – in 1996.

Cote is a 1976 graduate of the University of New Hampshire, where he earned a bachelor's degree in business administration. He is one of 10 U.S. CEOs invited to serve on the U.S.-India CEO Forum established by President George W. Bush and Indian Prime Minister Manmohan Singh in July 2005. Cote was recognized by the Foreign Policy Association in 2007 with its Corporate Social Responsibility Award for the company’s Honeywell Hometown Solutions program.
David J. Anderson joined Honeywell as senior vice president and Chief Financial Officer in June 2003. A member of Honeywell’s senior leadership team, Anderson is responsible for all corporate finance activities including tax, accounting, treasury, audit, investments, financial planning, and acquisitions. He also plays a key role in communicating Honeywell’s key strategies and financial performance to Wall Street.

Prior to joining Honeywell, Anderson was senior vice president and Chief Financial Officer of ITT Industries where he was responsible for financial management, information technology and corporate development. Prior to joining ITT Industries, Anderson worked at Newport News Shipbuilding, where he was senior vice president and Chief Financial Officer. In that role, he successfully led the effort in 1996 to establish Newport News Shipbuilding as a stand-alone public company.

Previously, he also held senior financial positions with RJR Nabisco and The Quaker Oats Company.

Anderson is a 1971 graduate of Indiana University and received an M.B.A. from the University of Chicago in 1977.
Adriane Brown is president and CEO of Honeywell Transportation Systems, a global leader in automotive engine boosting systems, providing customers with energy efficient and emissions-reducing turbocharger technologies, and consumer products for passenger and commercial vehicles.

Brown joined Honeywell in 1999 within the Aerospace business as vice president and general manager of Aircraft Landing Systems, before becoming vice president and general manager of Engine Systems & Accessories. Prior to joining Honeywell, she was vice president and general manager of the Environmental Products Division for Corning, Inc. During the last six of her 19 years at Corning, she managed its Automotive Products business.

Brown earned her bachelor's degree in environmental health from Old Dominion University and Master’s degree in management, as a Sloan Fellow, from Massachusetts Institute of Technology. She currently serves on the Board of Directors for Jobs for America’s Graduates and is a member of the Executive Leadership Council.
Carlos A. Cabrera is president and CEO of UOP, a leading international supplier of process technology, catalysts, engineered systems, and technical and engineering services to the petroleum refining, petrochemical, chemical and gas processing industries. Prior to this appointment, he was senior vice president, Process Technology and Equipment.

Cabrera also has held the following positions in his 35 years with UOP: senior vice president, Refining and Petrochemicals; vice president of Corporate Business Development and Ventures; vice president and general manager of Refining; director of Business Development; director of Operating Technical Service; and manager of the Catalytic Cracking group in the Technical Services Department. He previously held responsibilities in Technical Services in the following regions: Latin America and the Caribbean; district representative in the London office of UOP with responsibility for Eastern Europe; and coordinator for the Fluid Catalytic Cracking process.

Cabrera has been granted seven patents by the U.S. Patent Office and is author of numerous publications. He frequently serves on many industry panels as a worldwide recognized business and technical leader and is a member of the Board of Directors of the National Petrochemical and Refiners Association and its Petrochemical Committee. Cabrera received honorary ISA membership, the highest form of recognition bestowed by the Instrument Society of America, and has been inducted into the University of Kentucky Engineering Hall of Distinction. The American Institute of Chemical Engineers, in recognition of outstanding contributions to the advancement of the fuels and petrochemical industry, awarded Cabrera the 2007 Fuels and Petrochemicals Division Leadership Award. He was also honored with the Honeywell 2008 Senior Leadership Award, which is the company’s highest honor awarded to Honeywell leaders.

Cabrera has a B.S. in chemical engineering from the University of Kentucky and a master’s degree in business administration from the University of Chicago.
Nance K. Dicciani, Ph.D.
President and CEO
Honeywell Specialty Materials

Dr. Nance K. Dicciani is president and CEO of Specialty Materials, a $4.9 billion strategic business group of Honeywell. Specialty Materials, based in Morristown, N.J., develops and manufactures a diverse range of products – including non-ozone-depleting refrigerants, bullet-resistant materials, cutting-edge petroleum refining technology, and advanced materials used in the production of semiconductors.

Dicciani joined Honeywell as leader of the Specialty Materials business in November 2001, having previously guided business and research activities in Europe, the Middle East, Africa and Asia for a number of global chemical companies.

A recognized leader in the chemical industry, Dicciani was appointed in early 2006 by President George W. Bush to the President’s Council of Advisors on Science and Technology. She is the only representative from the chemical industry on this panel. She also serves on the Board of Directors and Executive Committee of the American Chemistry Council, which presented her with its Distinguished Leadership Award in 2007. She previously served as a vice president and Executive Committee member of SCI, the Society of Chemical Industry. She spoke as part of the National Science Foundation’s 2007 Engineering Distinguished Lecture series and was the 2003 Warren K. Lewis Lecturer in Chemical Engineering at Massachusetts Institute of Technology. Dicciani has twice been ranked as one of “The World’s 100 Most Powerful Women” by Forbes magazine, and was named as one of the “Top 40 Most Important People in the Chemical Industry” in 2006 by Chemical Business.

Dicciani earned a B.S. in chemical engineering from Villanova University, an M.S. in chemical engineering from the University of Virginia and a Ph.D. in chemical engineering from the University of Pennsylvania. She also earned an M.B.A. from the Wharton School of the University of Pennsylvania.
Roger Fradin
President and CEO
Honeywell Automation and Control Solutions

Roger Fradin is president and CEO of Honeywell Automation and Control Solutions, a global leader in manufacturing and applying sensing and control technologies that help create safer, more comfortable, more secure, and more productive environments. Prior to his current role, he served as president of Automation and Control Products within ACS.

Fradin joined Honeywell in February 2000 at the time of Honeywell's acquisition of the Pittway Corporation as president and CEO of Security and Fire Solutions. Starting in 1976, he helped lead an entrepreneurial team that built Pittway into the world's leading supplier of electronic security and fire alarm products.

Fradin received his M.B.A. and bachelor's degrees from the Wharton School at the University of Pennsylvania, where he was also a member of the faculty. He has authored books and articles on management and strategy issues. He is a director of MSC Industrial Direct, a NYSE listed industrial distributor, as well as a director of several private companies.
Rob Gillette was appointed president and CEO of Honeywell Aerospace in January 2005. Honeywell Aerospace, headquartered in Phoenix, Arizona, is Honeywell’s most profitable business group with current sales of more than $12 billion annually. In this role, Gillette leads Aerospace's three main businesses - Air Transport & Regional, Business & General Aviation, and Defense & Space. With 42,000 employees at nearly 100 worldwide manufacturing and service sites, Honeywell Aerospace is a global leader in the Aerospace industry.

Prior to this assignment, Gillette served as president and CEO of Honeywell Transportation Systems beginning in July 2001. He had leadership responsibility for Honeywell's three automotive-related businesses: Turbo Technologies; the Consumer Products Group, which consists of the Fram, Prestone, and Autolite brands; and Friction Materials, a major global supplier of automotive brake friction materials and aftermarket brake products. The three units had combined sales of $4.3 billion.

Gillette was previously president of Honeywell Turbo Technologies, and he also served the Turbo Technologies business as vice president of strategic growth and vice president/general manager, Asia. Prior to that, he was vice president and general manager for Honeywell's Engineering Plastics business.

Before joining Honeywell in 1996, Gillette had a decade of experience with General Electric Plastics in various positions in marketing and general management in the United States and Europe. During his tenure with GE, he also served as General Manager, South America.

Gillette holds a B.S. in finance from Indiana University.
Alex Ismail is president of Global Passenger Vehicles in Honeywell Turbo Technologies, a worldwide leader in automotive engine boosting systems that provides superior emission and fuel saving technologies to the leading vehicle manufacturers around the world.

Ismail joined the Honeywell turbocharging business in 1999, where he served as worldwide director, marketing and business development, and subsequently vice-president EMEA, sales and customer management. In 2003, he was appointed vice president and general manager for the EMEA region. In these roles, Ismail has been instrumental in delivering organic growth through technology differentiation and customer satisfaction. Prior to this role, he spent two years in Honeywell’s automotive and aerospace business where he held significant positions within marketing and strategic planning. Before joining Honeywell, he occupied a senior position in the textile industry for six years.

Ismail holds a bachelor’s degree in finance from the University of Paris-Dauphine, and received his M.B.A. from the HEC School of Management in France and the Anderson School at the University of California, Los Angeles.
Andreas Kramvis is president of Environmental and Combustion Controls (ECC), a strategic business unit of Honeywell Automation and Control Solutions. He assumed the position in 2002 and is responsible for ECC’s $2.4 billion global business.

Kramvis joined Honeywell in 1987 through Pittway’s Security Division. Previously, he held positions in the consumer goods industry with Cadbury-Schweppes PLC and with Comtech, a high-tech venture investment and management company specializing in computer peripherals.

Kramvis has extensive global experience and speaks a number of languages. He holds bachelor’s and master’s degrees from Cambridge University in engineering and electronics and an M.B.A. degree from Manchester Business School.
Tim Mahoney has been Chief Technology Officer of Honeywell Aerospace since March 2007 and is responsible for leading the worldwide Aerospace Engineering and Technology organization. He brings more than 25 years of industry experience to this important role.

Most recently, he was president of the Air Transport & Regional (AT&R) Strategic Business Unit of Aerospace. During the 15 months he held this role, he achieved significant improvements in program management, delivery on customer commitments, and financial performance.

Prior to his role in AT&R, he was the president of Business & General Aviation and led the Aerospace Reorganization Project Team.

Before July 2005, Mahoney was vice president and general manager of the Aviation Aftermarket Services and led the global aerospace repair and overhaul business for engines systems and services, including 22 repair and overhaul sites located around the world.

Prior to this role, he was vice president and general manager of the Aerospace Enterprise Resource Planning (ERP) project and helped establish the foundation for a successful implementation of ERP that is currently underway within the Aerospace business.

Since joining Honeywell in 1997, Mahoney also served as vice president and general manager of the Hardware Product Group, and vice president and general manager for the Military, Helicopter and Marine/Industrial business. Mahoney joined from Sikorsky Aircraft where he served 18 years, progressing through a series of positions in engineering, program management, product safety, and customer and product support.

Tim holds a B.S. in mechanical engineering from the University of South Florida. He is also a graduate of the Defense Systems Management College and the Program for Management Development at Harvard Business School.
Dr. Krishna Mikkilineni is vice president and managing director for Honeywell Technology Solutions (HTS) which is spread across India, China, and Eastern Europe. Mikkilineni oversees HTS operations worldwide.

Mikkilineni's association with Honeywell dates back to more than 20 years. He joined Honeywell labs and was involved in research and roadmap definition. Later he moved into the industrial business and managed development processes in engineering and manufacturing.

Mikkilineni then lead Honeywell software operations in India which became HTS. The operations are 6,000 people strong, working across various product lines throughout Honeywell's businesses. HTS is now the strategic research, development, and engineering resource for Honeywell’s businesses.

Mikkilineni serves on the Board of Software Technology Parks of India and is the co-chairman of the engineering services stream of the National Association of Computer Manufacturers in India.

Prior to joining Honeywell, Mikkilineni worked with Database Technology Transfer Corporation in Florida.

Mikkilineni studied electronics and communications at the Jawaharlal Nehru Technological University in Hyderabad, India, and received a Ph.D. in electrical and computer engineering from the University of Florida in Gainesville, Florida.
Dan Sheflin
Vice President, Technology
Honeywell Automation and Control Solutions

Dan Sheflin is vice president of Advanced Technology for Automation and Control Solutions. Sheflin is responsible for leading the development of the business’ technology plan, defining and driving essential technology initiatives for growth, and implementing a plan to utilize global technology capabilities to improve technology productivity.

Sheflin came to Honeywell from General Electric, where he last held the position of general manager of the engineering operations for GE Transportation Systems. He also held engineering and technology leadership positions in GE’s Power Generation and Aerospace businesses. Prior to joining General Electric, Sheflin worked for Sargent and Lundy.

Sheflin holds a master’s degree in engineering from Rensselaer Polytechnic Institute and a Bachelor’s degree in mechanical engineering from the State University of New York at Buffalo.