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 economic and industry 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.
Honeywell Today

By Business

- Aero
- ACS
- PMT
- TS

By Region

- U.S.
- Europe
- ROW

- 2012 Sales: $37.7 Billion
  - >70 Acquisitions, ~50 Divestitures Since 2002
  - Strong Alignment to Favorable Macro Trends

- Expanding Internationally
  - 54% of Sales Outside The U.S.
  - Higher Exposure to Fast Growing Regions

Note: 2012 Sales

HON Profile Continues to Evolve
Consistently Efficient

More Than 50% Of Honeywell’s Portfolio Offers Energy Efficiency Benefits

By Immediately And Comprehensively Adopting Existing Honeywell Products, The U.S. Could Reduce Energy Consumption By 20 To 25%
Leading Direct Channel Drives Product Sales

Building Solutions & Distribution

Financials

($B)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Segment Margin %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$4.2</td>
<td>5.4%</td>
</tr>
<tr>
<td>2010</td>
<td>$4.3</td>
<td>5.1%</td>
</tr>
<tr>
<td>2011</td>
<td>$4.5</td>
<td>5.4%</td>
</tr>
<tr>
<td>2012</td>
<td>$4.7</td>
<td>5.4%</td>
</tr>
</tbody>
</table>

Accelerating Markets
- Energy Efficiency Retrofit / Smart Grid
- Security And IT Convergence
- Globalization → HGR Opportunity

Maintaining Strong Win Rates
- Huge Installed Base
- Critical Infrastructure Protection
- Differentiating With Energy Efficiency And Automated Demand Response

Improving Business Performance
- Restructured To Better Align To Global Growth
- Service + Solutions Growth
- $1B Of ESS Product Pull-Through

Expanding Profitable Offerings
- Attune Advisory Services
- Energy Management Dashboard
- Digital Video Manager

Note: 2012 Sales
## Building Our Great Positions

<table>
<thead>
<tr>
<th>Innovation</th>
<th>Customer Wins</th>
</tr>
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<tbody>
<tr>
<td><strong>Demand Response Technology</strong></td>
<td><strong>$500M+ In Energy Savings Performance Contracts</strong></td>
</tr>
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<td>- New Connected Thermostats and Updates to Akuacom Software</td>
<td><strong>Largest Energy Program with Dept. Of Defense:</strong></td>
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<td><strong>Software As A Service</strong></td>
<td>- Tinker Air Force Base, OK, $80M</td>
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<td>- Akuacom Demand Response Automation Server</td>
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<td>- Attune™ Advisory Services</td>
<td><strong>Smart Grid Projects Across Four Continents</strong></td>
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- $500M+ In Energy Savings Performance Contracts
- Largest Energy Program with Dept. Of Defense:
  - Tinker Air Force Base, OK, $80M
- City of Wilmington, DE, $35M
- Smart Grid Projects Across Four Continents
Honeywell Building Solutions

Profile: ~10,000 Employees, Global Expertise, Local Deployment

Lines of Business

Projects
- Building Control, Fire, Security and Integrated Systems; Critical Infrastructure Protection
- Serving Education, Offices, Government, Healthcare/Hospitals, Transportation, Universities

Service
- Automation Maintenance, Fire & Security Services, Mechanical Services
- Serving Offices, Education, Healthcare/Hospitals, Government, Industrials, Pharmaceuticals

Energy and Environment
- Performance Contracting, Renewable Energy, LEED
- Serving K-12, Universities, State, Local Municipal and Federal Government

Smart Grid
- Demand Response, Energy Efficiency, Smart Metering
- Serving Utilities and Energy Users/Suppliers

Building On A Firm Foundation...
Life-Cycle Management

Projects

Service

Energy

service (contract, spot, jobs)
adds, changes expansions
retrofit

service (contract, spot, jobs)
adds, changes expansions
new construction project revenue

Year 1 ~ Year 4 - 6 ~ Year 11 - 15 ~ Year 20 ongoing

...With Enduring Relationships
All Roads Lead To Energy

- **Building Sustainable Facilities**
  - LEED and Other Standards

- **Retrofitting Existing Buildings**
  - Since 1980s, HBS Has Completed 5,000 Guaranteed Energy-Efficiency Projects
  - Also Helped 5 Million Homeowners Decrease Their Energy Use through Utility-Sponsored Programs
  - These Projects Are Expected to Deliver More Than $5 Billion In Energy and Operational Savings

- **Optimizing Building Systems And Equipment**
  - Remote Monitoring and Analysis

- **Helping Facilities Become Active Participants In Balancing Energy Supply And Demand**
  - Demand Response and Energy Efficiency
A Smart Combination...

Honeywell Can Quickly and Effectively Address Existing Challenges By Linking...

Energy Efficiency (EE) + Demand Response (DR)

Using Less Pays More
For A Smarter Grid

Honeywell is connecting utilities and all of their customer types through:

- Energy Efficiency
- Automated Demand Response
- Remote Monitoring
- Micro Grids

100+ Utilities
10 Million Buildings
Thousands of Industrial Facilities
150 Million Homes
Smart Buildings

• One Liberty Plaza

• 2.2M sq/ft, 54-Floor Office Facility

• Since 2007, Honeywell Has Upgraded Comfort Controls And Building Management Systems
  - Enterprise Buildings Integrator
  - Energy Manager

• Decrease In Annual Energy Consumption By 1.5 Million Kilowatt-Hours (Almost 5%)
  - Enough Energy To Power More Than 140 Homes

• Also Using These Tools To Trim Steam Use When Demand On The City’s Heating Grid Peaks

• Attune Energy Optimization Service
  - Identified $180,000 In Annual Utility Savings from the Implementation Of Four Simple Recommendations with Simple Payback of Less Than One Month
Attune Cloud-Based Service

- Remotely Connect And Diagnose Building Performance
- The Building Is Continually Connected for On-Going Diagnostics and Optimization
- Achieve Up To 20%+ Energy/Operations Savings with a Maximum Payback of 24 Months
Smart Businesses

Southern California

Demand Response – Commercial And Industrial

• Only Company Selected By U.S. DOE For Automated Demand Response Pilot
  - Project Funded By $11.4M Smart Grid Investment Grant

• Target Participation: ~700 Commercial And Industrial Facilities

• Target Reduction: 80 Megawatts
Smart Government

**Silver Spring, MD**

Microgrid Development

- **On-Site Utilities And Energy Infrastructure At The White Oak Federal Research Center**
  - New Food And Drug Administration Headquarters

- **Expanding Central Plant To Meet Campus Heating, Cooling And Energy Requirements**
  - Optimizing The Efficient Delivery Of Utilities
  - Strengthening Energy Security By Reducing Reliance On Traditional Grid

- **Target Reduction: Expected To Save 48 Million Kilowatt-Hours Of Electricity Per Year Compared to Traditional Construction**
**Smart Utilities**

**State Grid Of China**
- **Challenge: Grid Reliability**
- Managing Rapid Increase In Demand and Influx Of Renewables
- Conducting Auto DR Pilot In the Tianjin Economic-Technological Development Area

**SSE**
- **Challenge: Grid Congestion**
- Reducing Strain On Local Networks and Substations, Which Are Nearing Capacity
- Using Auto DR To Connect With 30 C&I Facilities

**Hawaiian Electric**
- **Challenge: Wind Integration**
- Working Toward 40% Renewable Energy Goal
- Testing Fast DR To Reduce Demand In Facilities Within 10 Minutes
Smart Consumers

COMFORT

CONVENIENCE

CONTROL

ENERGY EFFICIENCY
Smart Consumers

Adopt The Tools And Technologies Customers Depend On And Use Every Day

By 2014, Mobile Internet Usage Will Take Over Desktop Internet Usage

More Than 65% Of Homes Already Have Broadband

50% Of Homes Have Smartphones... And That Number Grows Daily
Smart Consumers

Traditional Thermostats

56% Programmed

Florida Power & Light – AEG Study (2010)

App Controlled Thermostats

85% Programmed

Honeywell Total Connect Comfort (2012)

Connected Customers Adopt Efficient Behaviors