BUCHAREST INVESTOR VISIT

BUCHAREST, ROMANIA
JUNE 5, 2013
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 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.
Key Messages

**Structural Macros Tailwind**
- Emissions Regulation / Engine Downsizing Trends For Decades
- Global Turbo Launches / Penetration Offset Current Auto Softness
- Growth Not Reliant On EU Market Recovery / Signs of Stabilization

**Transportation Systems Winning**
- Outpacing Industry Through Technology / Operational Leadership
- Differentiated Offerings Delivering Global Wins
- FM Transformation On Track To Deliver In 2H 2013

**Sustained HON Advantage**
- One-Honeywell Approach Differentiates Our Offering
- HOS As Global Competitive Advantage / Bucharest Best In Class
- VPD™ Enables Speed To Market / TS Driving Value To Customer

Differentiated Strategy, Superior Financials
**TS Outpacing Industry Macros**

### TS Financials

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales ($B)</th>
<th>Segment Margin %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$3.2</td>
<td>11.1%</td>
</tr>
<tr>
<td>2011</td>
<td>$3.9</td>
<td>12.6%</td>
</tr>
<tr>
<td>2012</td>
<td>$3.6</td>
<td>12.1%</td>
</tr>
<tr>
<td>2013E</td>
<td>$3.6 - $3.7</td>
<td>12.5% - 12.7%</td>
</tr>
</tbody>
</table>

*FX $/€* 1.33 1.39 1.28 1.27

### Segments

- **Businesses**
- **Geographic Mix**
- **Channel Mix**

#### Highlights

- **Growth:** Sales Up 12% While Western EU Car Sales Down (10%) Since 2010
- **Launches:** Driven By Differentiated Technology Offset Industry Softness
- **Operational Excellence:** Structural Cost Leadership From Footprint And HOS

*Growing Faster Than Industry*
Global 2013 Vehicle Production Forecast

NAFTA

Cars: 2% 1H, 6% 2H (Up 4pts)
Trucks: 2% 1H, 12% 2H (Up 13pts)

Europe

Cars: 6% 1H, 0% 2H (Up 6pts)
Trucks: 10% 1H, 10% 2H (Up 0pts)

China

Cars: 10% 1H, 1% 2H (Up 9pts)
Trucks: 4% 1H, 8% 2H (Up 4pts)

World

Cars: 1% 1H, 3% 2H (Up 2pts)
Trucks: -10% 1H, 17% 2H (Up 27pts)

Sources:
"Cars" = Light Vehicle – IHS Automotive; HON Analysis
"Trucks" On- and Off--Highway – LMC Automotive, PSR; HON Analysis
YoY % Change in Vehicle Production by Period

Some Improvement In Euro Macros Expected In 2H
Explosive Growth From Turbo Penetration

Fuel Economy Regulations

- **67 MPG**
- **55 MPG**
- **54.5 MPG**

~60% IMPROVEMENT BY 2020
~50% IMPROVEMENT BY 2020
~100% IMPROVEMENT BY 2025

*Fuel Economy Equivalent

Engine Downsizing Benefits

- **3L V6 Non Turbo**
- **2L 4 Cyl. Turbo**

200 HP

Turbo Penetration Outlook

- **30%**
- **~70%**

Sources: EPA, NHTSA, USDOE, ECE
Penetration on Registered Vehicles

- **Fuel Economy**: All Regions Mandating Increases With CO2 Reductions
- **Global Turbo Penetration**: From 30% In 2012 To ~70% In 2025
- **Significant Upside Remains**: $20B+ Industry Size At Maturity

Regulation Driving Global Turbo Adoption
Business Wins Delivering Sales Growth

SLIDE REDACTED
Transforming Friction Materials

Strategy

• New Offerings And Geographies
• Expand Aftermarket
• Establish Cost Leadership
• Reduce Fixed Costs

2013 Deliverables

• Range Extension, HGR Growth
• Channel Expansion
• Ramp Up China And Romania Plants
• Exit Legacy Plants

Transformation Drives 40-60 Bps TS Margin Lift In ‘14
Honeywell Competitive Advantage

Transportation Systems Winning
- Technology Differentiation
- Winning Across Segments

Sustained HON Advantage
- One Honeywell Approach
- Aerospace Synergy

Karl-Heinz Bauer
Vice President & Chief Technology Officer

Simon Wright
Director, EMEAI Operations

Technology Advantage | Operational Excellence
Turbo Technology Roadmap
Honeywell Aerospace Legacy

A Jet Engine For The Automotive Set!
Leveraging The One Honeywell Synergy

Honeywell TS / Aerospace Co-Located R&D Centers

- 500 Turbo & Aero Engineers
- Common Test Labs
- 200 Turbo & Aero Engineers and Common Test Labs
- 400 Turbo & Aero Engineers and Common Test Labs
- 250 Turbo & Aero Engineers and Common Test Labs

Turbocharger = Small Jet Engine

Technology Synergy Remains Critical Advantage
Velocity Product Development (VPD)

- **VPD Goal**: Accelerate Speed To Market And Improve NPI Success

- **Trick Is In the Doing**: Process-Driven Enterprise Approach To Continuous Improvement

- **TS Application**: Reduced Development Time And Optimized R&D Resources

### Product Development

<table>
<thead>
<tr>
<th></th>
<th>Development Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gen 3 Turbo</td>
<td></td>
</tr>
<tr>
<td>Gen 5 Turbo</td>
<td></td>
</tr>
</tbody>
</table>

30% Cycle Time Reduction

### R&D Resource Allocation

<table>
<thead>
<tr>
<th>Year</th>
<th>3X Time Spent On Strategic Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td></td>
</tr>
</tbody>
</table>

3X Time Spent On Strategic Development (Vs. Product Line Support)

**Addressing Customer Needs | Optimizing R&D Spend**
### Real-World Engine Downsizing

#### BMW G-II to G-III
- Lower Fuel Consumption
- Increased Customer Benefits
- Higher Performing Car

<table>
<thead>
<tr>
<th></th>
<th>BMW 2.0L Non-Turbo</th>
<th>BMW 1.6L Turbo</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Power (HP)</strong></td>
<td>122</td>
<td>136</td>
</tr>
<tr>
<td><strong>Torque (Nm@rpm)</strong></td>
<td>185@3000</td>
<td>220@1350</td>
</tr>
<tr>
<td><strong>Maximum Speed (km/h)</strong></td>
<td>202</td>
<td>210</td>
</tr>
<tr>
<td><strong>Fuel Consumption NEDC (L/100km)</strong></td>
<td>6.6</td>
<td>5.6</td>
</tr>
<tr>
<td><strong>Weight (kg)</strong></td>
<td>1360</td>
<td>1335</td>
</tr>
<tr>
<td><strong>Acceleration (0-100 km/h (s))</strong></td>
<td>10.7</td>
<td>9.1</td>
</tr>
</tbody>
</table>

**Smart Engineering | No Compromise Engine Solution**
Technology Road Map

Gasoline Cars

- DualBoost™

Diesel Cars

- VNT™ Ball Bearing

Diesel Trucks

- DutyDrive™

Support Downsizing And Transient Response

Low Emission And Better Fuel Efficiency

Superior System Performance And Durability

Organic Growth Through Differentiated Technology
Advanced Technology From Motorsports

- Nine Month Development Cycle
- Extreme Lightweight Requirements
- Customer Intimacy
- Talent Development
- Marketing

Boosting Champions Around The World

A High-Profile Showcase Of Honeywell’s Capabilities
Honeywell Operating System
HTT Manufacturing Footprint

(Manufacturing Footprint)

2007

- 40% Developed Region
- 60% Emerging Region

2013

- 70% Developed Region
- 30% Emerging Region

Performance

- Plants + Tech Development Close To Customers
- Aligned To Growth In Each Market
- Leverage One-Honeywell Footprint

Efficiency

- Strategic Sourcing: Shift From 40% ER To 60%
- Operational Flexibility Leveraged WW
- HOS Enabling Operational Cost Leadership

Cost Leadership With ER Footprint/Sourcing Strategy
HOS: A Shift In Mindset And Performance

<table>
<thead>
<tr>
<th>Culture</th>
<th>Baseline</th>
<th>HOS Silver</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Top Down Plant Leadership</td>
<td>• Leaders Acting As Coach</td>
</tr>
<tr>
<td></td>
<td>• Operators As Doers</td>
<td>• Operator As Doers And Thinkers</td>
</tr>
<tr>
<td></td>
<td>• Unrealized Improvement Ideas</td>
<td>• Rapid Problem Solving Culture</td>
</tr>
<tr>
<td>Process</td>
<td>• Project Based Improvements</td>
<td>• Continuous Improvements</td>
</tr>
<tr>
<td></td>
<td>• Improvements In Isolation</td>
<td>• Standardization Across Portfolio</td>
</tr>
<tr>
<td></td>
<td>• Lean / Six Sigma Tool Box</td>
<td>• Proven Implementation Path</td>
</tr>
</tbody>
</table>

Change In Culture Drives Long Term Sustainability
HOS: Driving Continuous Improvement

**Improvement Ideas**
- 100,000+ New Ideas Annually
- Input Locally/Implemented Globally
- Operator Led Improvements

**Capacity Optimization**
- +25% Output / Square Feet
- Space Available for Growth
- Bucharest Capacity Expansion

**Continuous Improvement Culture Ingrained**
Honeywell Bucharest Romania Site Visit - June 5, 2013

HOS Implementation

% Manufacturing Cost
- HOS Deployed
- Bronze Sites
- Silver Sites

<table>
<thead>
<tr>
<th>Year</th>
<th>HOS Deployed</th>
<th>Bronze Sites</th>
<th>Silver Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>28%</td>
<td>26%</td>
<td>16%</td>
</tr>
<tr>
<td>2011</td>
<td>26%</td>
<td>34%</td>
<td>17%</td>
</tr>
<tr>
<td>2013</td>
<td>40%</td>
<td>67%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Quality (PPM)
- 75% Improvement

Delivery (OTTR)
- Up 10pts

Inventory (DOS)
- 30% Improvement

Productivity
- 33% Improvement

Long Term Competitive Advantage From HOS
Bucharest Site Overview
Bucharest Turbo Plant

- Products: Turbos For Passenger Cars/Commercial Vehicles
- Honeywell’s Largest Turbo Plant (By Volume)

Site History

- 1998 Opened As Components Manufacturer
- 2003 Transitioned Into Turbo Assembling Plant
- 2005 1 Millionth Turbo Produced
- 2009 HOS Bronze Certification
- 2010 HOS Silver Certification
- 2013 20 Millionth Turbo Produced

One Of Honeywell’s Most Mature Global HOS Sites
Turbochargers Produced In Bucharest

Passenger Vehicle – Gas

- Wastegate 1.4L Gas
  - Opel 1.4L G 130KW (Opel Astra)
  - Fiat 1.4L G 100KW (Fiat 500; Fiat Bravo)

- Wastegate 1.6L Gas
  - 1.6L G 147KW (Opel Astra)
  - 1.6L G 100KW (BMW 116i)

Commercial Vehicle – Diesel

- TwoStage 1.6L & 2.3L Diesel
  - 1.6L D 110KW L4 R9M (Renault Traffic)
  - 2.3L D 140KW L4 MGT (Renault Master)

- Wastegate 6 – 21L Diesel
  - 13L D 497KW
  - 12.4L D 371KW
  - DL6 E4 EU BUS
  - 21.0L D 668KW LOCOMOTIVE

Passenger Vehicle – Diesel

- VNT 1.8 – 2.3L Diesel
  - 1.8L D 77KW Eu5 (VW Golf VII, Seat Ibiza)

- VNT 3L Diesel
  - 3.0L D 195KW (Mercedes S, R Classe)
  - (ball bearing technology)
  - 3.0L D 190KW (BMW X3)
  - 3.0L 150KW (AUDI A6)
  - 3.0L 178KW (AUDI Q7)

Diverse Portfolio Of Products, Customers, Segments
Bucharest Key Metrics

- **Quality/PPM**: (253%)
  - Prior: Bronze, Silver
  - Delivery: +3.5 pts
  - Inventory: (50%)
  - Productivity Rate: +63%

**Improvement Ideas**

Customer Satisfaction And Cost Leadership
Honeywell Automation And Control Solutions

Financials

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Segment Margin %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$13.7</td>
<td>12.9%</td>
</tr>
<tr>
<td>2011</td>
<td>$15.5</td>
<td>13.4%</td>
</tr>
<tr>
<td>2012</td>
<td>$15.9</td>
<td>14.1%</td>
</tr>
<tr>
<td>2013E</td>
<td>$16.3 - $16.5</td>
<td>14.4 - 14.6%</td>
</tr>
</tbody>
</table>

Disciplined Execution

- Diversified, Balanced Portfolio
- Aligned To Key Global Macro Trends
- Organic Growth Outpacing Global GDP By ~1.5x
- Accelerating Margin Expansion*
- Strong Momentum, Winning In The Market

Note: Margin Rate 2013E Excluding Intermec: 14.8-15.0%

Business Model

- HPS 20%
- BSD 29%
- ESS 51%

Sector Mix

- Industrial 37%
- Comm 31%
- Res 15%
- Inst. & Infra. 17%

Geographic Mix

- Americas 49%
- EMEA 35%
- Asia 16%

Note: 2012 Sales

Strength And Breadth Of Portfolio Unmatched
**ACS Business Models**

<table>
<thead>
<tr>
<th>ESS</th>
<th>~50%</th>
<th>HPS</th>
<th>~20%</th>
<th>BSD</th>
<th>~30%</th>
</tr>
</thead>
</table>

**Growing Faster Than Served Markets, Continued Margin Expansion Runway**

- Multi-Brand / Multi-Channel Product Businesses
- Large Installed Base
- Sustainable Leading Position
- Common Technology: Sensors, Wireless, Controls
- Integrated Supply Chain Excellence
- NPI, Geographic Expansion, Big Wins Drive Growth Above GDP
- End-to-End Technology And Solutions Provider – Project Execution, Service, Products
- Highly Defensible Position
- ACS Channel To The Industrial Market – Security, Fire, HVAC, PPE, Sensors, Gas Detection, Scanning & Mobility
- **Strong UOP Partnership**
- Well Positioned In Gas

**Honeywell Building Solutions**

- End-to-End Solutions Provider And Channel to Market
- >50% ROI
- Pull Through Of ~$200M ESS Products

**Distribution – ADI**

- Preeminent Security, Fire Distributor
- Pull Through Of ~$800M ESS Products
- 185 Global Branches

---

**Preeminent Businesses**
Growing Faster Than End Markets

(Index, ESS YoY Growth)

**Americas**

**EMEA**

**Asia Pac**

EMEA End Market Trends

- **Commercial:** Eurozone Continues To Edge To Recession, Construction Growth in Turkey, Poland, ME
- **Industrial:** Process Industrial Continued Strength in EM; General Industrial Strength in Select HGR
- **Residential:** EMEA Flat With Pockets Of Growth In Middle East, Africa And Eastern Europe
- **Infrastructure:** Significant Investment in HGR, Modest Pull-Through From Project Backlog in EU

**Strong Growth In Every Region**
Energy Safety & Security (ESS)

Financials

($B)

Sales
Segment Margin %

2009 2010 2011 2012

$5.9 $6.8 $8.0 $8.1

17.7% 17.9% 18.6% 19.5%

Business Overview

Note: 2012 Sales

Leading Positions With Room To Run
ESS Multi Channel & Brand Strategy

Multiple Routes To Market

- HON
- Other OEM
- HON ADI
- 3rd Party Dist
- Wholesaler
- Retailer
- HBS / HPS
- System Integrator
- Contractor
- HON Sites
- Industrial
- Commercial
- Residential

- Multiple Entry Points And Offerings
- Deep Understanding Of Value Proposition
- Large Installed Base

HON Participating Across The Value Chain

Great Positions With Room To Run

Strong Brand Recognition

Building Controls

Fire

Safety Products

- Leading Positions And Brands
- Differentiated Solutions
- Leveraging Common Technology
  - Sensors, Wireless, Controls

Great Positions In Good Industries
## ESS: EU Position

<table>
<thead>
<tr>
<th>Segment</th>
<th>Position</th>
<th>Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire Systems &amp; Devices</td>
<td>1</td>
<td><img src="#" alt="Caterpillar" />, <img src="#" alt="Wolseley" />, <img src="#" alt="BBR" />, <img src="#" alt="Dubai Aluminum" /></td>
</tr>
<tr>
<td>Personal Protective Equipment</td>
<td>1</td>
<td><img src="#" alt="IKEA" />, <img src="#" alt="BRP" /></td>
</tr>
<tr>
<td>Gas Detection</td>
<td>1</td>
<td><img src="#" alt="Bosch" />, <img src="#" alt="Exapaq" />, <img src="#" alt="Harvey Nichols" /></td>
</tr>
<tr>
<td>AIDC – Scanning And Mobility</td>
<td>2 (with Intermec)</td>
<td><img src="#" alt="Deutsche Post" />, <img src="#" alt="EasyJet" />, <img src="#" alt="KNPC" />, <img src="#" alt="Group 4" /></td>
</tr>
<tr>
<td>Residential Combustion</td>
<td>1</td>
<td><img src="#" alt="Gas Extremadura" />, <img src="#" alt="Vaillant" />, <img src="#" alt="DPD" />, <img src="#" alt="Goodrich" /></td>
</tr>
<tr>
<td>Building Controls</td>
<td>2</td>
<td><img src="#" alt="Gas Extremadura" />, <img src="#" alt="Vaillant" />, <img src="#" alt="DPD" />, <img src="#" alt="Goodrich" /></td>
</tr>
<tr>
<td>Home Comfort Controls</td>
<td>2</td>
<td><img src="#" alt="Gas Extremadura" />, <img src="#" alt="Vaillant" />, <img src="#" alt="DPD" />, <img src="#" alt="Goodrich" /></td>
</tr>
<tr>
<td>Security</td>
<td>3</td>
<td><img src="#" alt="Prosegur" />, <img src="#" alt="Edmundson Electrical" /></td>
</tr>
<tr>
<td>Sensing</td>
<td>3</td>
<td><img src="#" alt="Prosegur" />, <img src="#" alt="Edmundson Electrical" /></td>
</tr>
</tbody>
</table>

**Leadership Positions Across EU**
High Growth Regions

**Targeted Investment**

- **HON 5 Yr CAGR**
  - Russia: 20%
  - UAE: 20%
  - Turkey: 20%
  - China: 15%
  - India: 20%

- HGR Growth 3X+ Western Europe
- Expanded Localized Products For High Growth Regions
- Increased Channel Presence And Partner Strategy

**End-To-End Capability**

- Locally Empowered Leadership
- E4E Product Introductions
- Targeting Unique Needs Of HGR Middle Class

**Aligned To Macro Trends**

- Safety & Security
- Energy Efficiency
- Energy Generation
- Customer Productivity
- Globalization / Infrastructure

- NPI Aligned To Macro Drivers
- M&A Complements Portfolio
- Leveraging Established HON In-Country Relationships
  - Govt Relations, Key Customers

**Effective Strategies For Winning In HGRs**
Operational Excellence - HOS

EMEA HOS Highlights

- EMEA ~30% Of Global Mfg Costs
- Roadmap To 100% Silver By 2018
  - EMEA ~65% Bronze+ Today
- Step Improvement Cost, Sustainable Culture Change
- Enabling Faster Growth, Same Footprint

Lugoj, Romania – Silver Site

Fire Systems

Intelligent Life Care

Quality (PPM)
94% Improvement

Delivery (OTTR)
5 Pt Improvement

Inventory (DOS)
50% Improvement

Cost
20% Improvement

HOS = A Significant Competitive Advantage
## Summary

### Accelerating Markets
- Positioned To Take Advantage Of Recovery
- Continued Expansion In High Growth Regions
- Using Technology To Invent New Markets
- Smart Acquisitions Tied To Core Growth Areas

### Maintaining Strong Win Rates
- Launched >500 New Products 2012
- Share Gains In All Businesses
- Strong Installed Base
- Differentiating With Technology

### Operational Excellence
- HOS – Improving Quality, Delivery, Inventory And Cost
- FT/ERP – Improved Information At Lower Cost
- VPD™ – NPI Scale & Speed

### Expanding Attractive Adjacencies
- Intelligent Building Controls
- Safety Products
- Gas Detection
- Wiring Devices

---

Well Positioned To Outperform The Market
Environmental & Combustion Controls
Overview: Environmental & Combustion Controls

Key Business Drivers

- Well Aligned To Key Mega-Trends
  - Energy Efficiency Driving Demand
  - Increasing Impact of Legislation & Standards
  - Expanding Presence In High Growth Regions

- Deep Customer Focus And Understanding
  - Targeting Attractive Segments; Hospitality, Education, Utilities, Retail
  - e-Presence, Innovation, And Customer Service Focus

- Honeywell Business Model Delivering Results
  - Commercial Effectiveness
  - Drive Margin Expansion Through Enablers: HOS, FT, VPD

Business Breakdown (% of 2012 Sales)

- Building Controls
- Fluid Controls
- Electrical Products
- Heating & Cooling

Superior Customer Value Drives Success
### ECC EMEA

#### Global

- Asia Pac
- Americas
- EMEA

#### EMEA

- **Broad EMEA Coverage**
  - Located In Over 30 Countries
  - Feet On The Street: 500+ Sales Force
  - Extensive Development And ISC Footprint
- **Multiple Channels To Market**
  - Systems Integrators
  - Distributors
  - Retail
  - OEM
- **Investing In HGR’s**
  - Building Off Of A Good Base
  - Double HGR Sales Over Next 5 Years
  - Investing In E4E Product Offerings

---

**ECC EMEA Represents $1B+ HON Sales**
Strong New Product Pipeline

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Win in Energy &amp; Environmental</strong></td>
<td><strong>Connected Home</strong></td>
</tr>
<tr>
<td>- Connectivity - Homes &amp; Smart Buildings</td>
<td></td>
</tr>
<tr>
<td>- Integrated Fluid Controls</td>
<td></td>
</tr>
<tr>
<td><strong>Improving Customer Experience</strong></td>
<td><strong>Commercial Lighting Controls</strong></td>
</tr>
<tr>
<td>- Focus On Innovation, B2B &amp; ePresence</td>
<td></td>
</tr>
<tr>
<td><strong>Building New Relationships</strong></td>
<td><strong>Integrated Fluid Controls</strong></td>
</tr>
<tr>
<td>- Utilities &amp; Hospitality</td>
<td></td>
</tr>
<tr>
<td>- Follow The Growth: HGR Contractors</td>
<td></td>
</tr>
<tr>
<td><strong>Leveraging Honeywell Enablers</strong></td>
<td></td>
</tr>
<tr>
<td>- HOS – Improving Quality, Delivery, Inventory &amp; Cost</td>
<td></td>
</tr>
<tr>
<td>- FT/ERP – Lower Cost &amp; Better Information</td>
<td></td>
</tr>
<tr>
<td>- VPD™ – NPI Scale &amp; Speed</td>
<td></td>
</tr>
</tbody>
</table>

*Planting Seeds For Future Growth*
Broad Product Portfolio for Hospitality: ECC

Broad Range Of Customer Solutions
High Growth Regions

Strategy

- Local Integrated R&D
- Identify / Fulfill Local Needs
- Design for 6-SIGMA

- World Class ISC, Quality Platform
- Agile Scale-Up to Production
- End To End Localisation

- Total Value Chain Analysis
- Investment In Sales & Marketing
- HGR Distribution Network

ECC Drivers

- Focus On Russia, Turkey, ME, CCA* And Africa
- Investing in Sales & Marketing
  - Doubling Size Of Local Teams
- Expand Reach To Tier 2/3 Cities

- Jubail KSA Site – HOS Silver 2013

E4E Example

- Heat Interface Unit For Residential
  - Designed And Assembled In Turkey
  - First Shipments June

Opportunities Across The Portfolio

* Caucasus and Central Asia
Why We Win

• Growing In A Difficult Market
  - Leading Market Positions, Serving Large Installed Base
  - Extensive Pan EMEA Coverage
  - Portfolio Breadth And System-Critical Know-How A Differentiator

• Strong Application And Market Knowledge
  - Leading Technology And Connectivity In The Market
  - Multi Brand, Multi Channel Strategy Provides More Bites Of The Apple

• Strong Relationships, New Market Opportunities
  - Strong Customer Focus And Value Proposition
  - Experienced And Widely Respected Team
  - One Honeywell Competitive Advantage
Life Safety: Fire Systems & Devices
Overview: Fire Systems & Devices

Key Business Drivers

- Innovation Driven Portfolio
  - Strong Positions In Fire, Gas, VA/PA, EL, Life Care, PPE*
  - Leveraging VPD To Drive New Product Introductions

- Business Model Delivering Results
  - Proven Multi-Brand / Multi-Channel Strategy
  - Increasing High Growth Region Penetration

- Strong Productivity Culture
  - HOS Driving Continued Productivity Benefits

- Legislation Supports Continued Adoption

Business Breakdown

<table>
<thead>
<tr>
<th>Sensors &amp; Devices</th>
<th>Fire Detection &amp; Comm.</th>
<th>Intelligent Evacuation Systems</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Superior Customer Value Drives Success

* PPE = Personal Protective Equipment, VA/PA = Voice Alarm / Public Address, EL = Exit Lighting
**Fire Systems & Devices EMEA**

- **Global Support Structure**
  - Common Back-Office Support
  - Best Practices Rolled Out Globally
  - One HON Tools And Enablers

- **Broad EMEA Coverage**
  - Strong Share Of Demand In Core Markets
  - Fully Represented In Key Geographies
  - Comprehensive ISC Footprint

- **Market / Portfolio / Positioning**
  - OEM
  - Specialized Installers
  - Value Added Resellers

- **Investing In HGR’s**
  - Becoming The Local Competitor
  - Clear Identification Of Local Needs
  - Local Manufacturing Key To Competitiveness
  - Regional Execution With Global Coordination

**Well Positioned In Fire Systems & Devices**
Strong New Product Pipeline

• IQ8 & Series 200 Advanced Device Platforms
  - Innovative Multi-Criteria Sensing (False Alarm Avoidance)
  - Industry First Integrated Speech And Audio Visual Indication
  - Wireless Sensing Technology

• AV Digital Voice Alarm/Public Address Systems
  - Highly Scalable Solution For Medium/Large Installations
  - Innovative Ultra-High Efficiency Digital Amplification Reduces Size, Heat And Standby Power Requirements

• Gas Sensors
  - Most Comprehensive Portfolio Gas Sensors
  - Best In Class Emissions Sensing Technology
  - First “Smartboard” Transmitter Developed In Asia For Asian Customers

• FAAST Aspirating Smoke Detector
  - Highest Sensitivity Combined With False Alarm Immunity
  - IP-Enabled Connection Aspiration Device

Winning Business With Innovation
Broad Product Portfolio: Fire Systems & Devices

- Broad Range Of Customer Solutions
## High Growth Regions

**Strategy**

- Local Integrated R&D
- Identify / Fulfill Local Needs
- Design For 6-SIGMA

- World Class ISC, Quality Platform
- Agile Scale-Up to Production
- SKU Rationalization From Start

- End To End Value Chain Analysis
- Investment In Sales & Marketing
- HGR Distribution Network

**Key Drivers**

- Focus On Russia, Poland, Turkey, Middle East And Africa
- Strengthen Local Leadership
- Invest In Sales & Marketing
- Introduce New Regional Products And E4E Sourcing/ Localized Assembly

**E4E Example**

- **FAAST Aspiration Detection**
- **Morley-IAS DXc Controller**

**Regional Execution With Global Coordination**

**HON HGR’s: Local Leadership, Global Support**
Why We Win

• Growing In A Difficult Market
  - Aggressive Investment In NPI Paying Off
  - Expanding In New Markets, Cultivating Long Term Customer Relationships
  - Strong Brand Positioning In Each Geography

• Broad Portfolio Of Innovative Solutions
  - Large Install Base, Highly Defensible Positions
  - Common Technology Across Product Lines
  - Products At Leading Edge Of Technology Shift
  - Local Approvals In Key Markets

• Higher Penetration Of HGRs Driving Growth
  - E4E, E2W Strategy Working
  - Enhancing Supply Chain Capabilities
  - Capitalize On Position As Local Manufacturer In HGR