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.
Aerospace Overview

Honeywell 2010E Revenue: ~$33B

- Automation & Control Solutions: ~$13.3B (~41%)
- Specialty Materials: ~$4.5B (~14%)
- Transportation Systems: ~$4.0B (~12%)
- Aerospace: ~$10.7B (~33%)
Defense & Space Overview

2010E SALES: ~$5.4B

COMPETITIVE STRENGTHS

- Technology Leadership
  - Precision Navigation, Helicopter Engines

- Growth Systems
  - UAS, cIED, Condition-based Maintenance

- Logistics & Services
  - Performance-based Logistics

- Market-facing Structure
  - Strategic Campaign Management

Industry Leader Committed To Innovation And Performance
### Strong Market Position

#### Conventional Defense and Space (Near-Peer Combatant Threats)

<table>
<thead>
<tr>
<th>Category</th>
<th>Platforms</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fighter/Attack/Trainer Aircraft</strong></td>
<td>30+</td>
</tr>
<tr>
<td><strong>Human Space</strong></td>
<td>10+</td>
</tr>
<tr>
<td><strong>Surface/ Soldier Vehicles</strong></td>
<td>15+</td>
</tr>
<tr>
<td><strong>Bomber Aircraft</strong></td>
<td>3 platforms</td>
</tr>
<tr>
<td><strong>DoD, Civil, and Commercial Space</strong></td>
<td>30+</td>
</tr>
<tr>
<td><strong>Military Helicopters</strong></td>
<td>20+</td>
</tr>
<tr>
<td><strong>Mobility/Tanker Aircraft</strong></td>
<td>40+</td>
</tr>
<tr>
<td><strong>Army, Navy and Air Force</strong></td>
<td>60+</td>
</tr>
<tr>
<td><strong>Naval Platforms</strong></td>
<td>10+</td>
</tr>
</tbody>
</table>

#### Asymmetric Threats

<table>
<thead>
<tr>
<th>Category</th>
<th>Platforms</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Special Mission/ UAV Aircraft</strong></td>
<td>20+</td>
</tr>
<tr>
<td><strong>International</strong></td>
<td>20+</td>
</tr>
<tr>
<td><strong>Commercial Helicopters</strong></td>
<td>20+</td>
</tr>
</tbody>
</table>

#### International

- **HTSI**
  - Space, networks, comms, logistics, tech services
- **FM&T**
  - Specialized services & solutions

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*Differentiated By Our Broad And Diverse Portfolio*
An Environment Of Change

MARKET FORCES

- Global Economics
- Defense Budget Pressure
- Acquisition & Export Reform
- International Doctrinal Changes
- Focus on Asymmetric Threats
- Export Reforms

2010E Revenue Profile

- Near Peer: 51%
- International: 19%
- Asymmetric: 4%
- Commercial-related: 6%
- Service: 20%

OUR STRATEGIES

- Optimize and sustain near-peer business
- Drive international growth offerings
- Grow service offerings
- Accelerate capabilities for asymmetric threats

Adapt, Align, Balance To Capture Opportunities
## Optimize And Sustain Near-Peer Business

### STRATEGY
- Daily execution excellence
  - Development programs
  - On-time delivery and quality
- Strategic campaign management
- Targeted RMUs
- Safety leadership

### FOCUS AREAS
- OEM – F35 entry into service
- Aftermarket – Sustaining PBLs & RMUs
- Space – Orion/Commercial
- Commercial Helos – safety and propulsion

### HIGHLIGHTS
- F-35: 70 ship sets awarded to date
- C-17: Formation Flight System upgrade
- Bell 407: New engine upgrade offering
- USAF Global Positioning Sat III: New IMU

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**Aging of U.S. Fleet Drives Opportunity**
Drive International Growth Offerings

STRATEGY

- Align offerings to doctrinal changes
- Execute on engine upgrades
- Manage targeted RMU campaigns
- Enable indigenous support model

FOCUSED REVENUE GROWTH

- 2010
- 2015

CAGR 5%
CAGR 11%

India
- Service life extension
- Anti-insurgent capabilities

Pacific Rim
- OEM sales
- RMUs and support

Strategies Aligned To Emerging Threats And Economic Realities
Grow Service Offerings

STRATEGY

- Focus growth on enduring needs
- Grow intelligence community
- Build organic systems engineering
- Increase product pull-through

FOCUS AREAS

- Logistics – Reset / prepositioning
- Space Services – Mission operations
- Security – Infrastructure protection services
- Field Engineering – Systems integration

KEY WINS

- NOAA Next Generation Wind Profiler
- Army Prepositioned Stocks (5-yr contract)
- NNSA contract for Kansas City Plant
- Malcolm Baldrige National Quality Award

Continue To Extend Into Adjacencies
Accelerate Capabilities For Asymmetric Threats

**FOCUS AREAS**
- Battlefield Power
- Unmanned Vehicles and Systems
- Soldier Systems
- Counter IED and Electronic Warfare

**2010-2015 CAGR**
- UAS: 10%
- Battlefield Power: 33%
- Soldier Systems: 46%
- cIED & EW: 59%

**STRATEGY**
- Enhance current platforms and position for next
- Improve soldier situational awareness and communications
- Protect ground personnel

New Technologies To Meet Evolving Needs
Outlook For D&S Portfolio

MARKET FORCES

- Market Forces
- International Doctrinal Changes
- Focus on Asymmetric Threats
- Export Reforms
- Acquisition & Export Reform
- Defense Budget Pressure

2010E Revenue Profile

- Near Peer 51%
- Service 20%
- Commercial-related 6%
- International 19%
- Asymmetric 4%

OUTLOOK

- Near Peer
- International
- Services
- Asymmetric
- Commercial-related

Strategically Aligned To Changing Environment
Summary

• D&S World Evolving … Not in Denial … Strategy Well Underway

• Change = Opportunity … Aging Fleet and Asymmetric

• Broad and Diverse Portfolio … Coupled with Focused Strategies
Garrett Mikita is President of the Defense & Space (D&S) strategic business unit of Honeywell Aerospace, which provides a wide range of engineering, products and logistical services to the U.S Department of Defense, NASA, government agencies, international ministries of defense, and defense contractors worldwide.

Since joining Honeywell Aerospace in 1997, Mikita has held a number of diverse senior management positions: President of the Air Transport & Regional (AT&R) business unit; Vice President of the Airlines Business Segment; Vice President of the Integrated Supply Chain; President of Honeywell Technology Solutions Inc.; Vice President and General Manager of Aftermarket Support Services; Vice President of Operations and Six Sigma - Repair and Overhaul.

Mikita has also worked for United Technologies-Automotive, where he was Director of Manufacturing for its Interiors business. During the 10 years he was with United Technologies-Pratt & Whitney, he held a series of progressively responsible management positions in engineering, purchasing and operations.

Mikita earned a bachelor’s degree in engineering from Central Connecticut State University and an MBA in Management and Organization from the University of New Haven. He has also participated in Executive Education Programs at Harvard Business School and the Thunderbird School of International Management. He is a graduate of the Honeywell Executive Development Program, has trained under quality and lean experts and is a certified Six Sigma Green Belt.