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.
Honeywell Today

**2009 Sales: $30.9B**

![Pie chart showing Portfolio Mix](chart)

**Recent Highlights**

- **Performed Well In Downturn**
  - Great Positions In Good Industries
- **Disciplined Cost Focus**
  - Resources More Effective
- **Continued Seed Planting**
  - Winning Share with New Products & Technologies

**Global Footprint**

![Pie chart showing Rest of World and US](chart)

**Portfolio Mix**

![Pie chart showing Short Cycle and Long Cycle](chart)

*Balanced, Global Portfolio*
Overview

• **Strong Performance Track Record**
  – Performed Well In Last Recovery
  – Performed In This Recession

• **1Q Represents Great Start to 2010**
  – Strong Operating Margin Leverage
  – Growth In Earnings (Ex-Pension)

• **Continued Seed Planting**
  – New Products, R&D Investments
  – Key Process Enablers
  – Geographic Expansion

• **Outlook Through 2014 Is Very Bright**
  – Leveraged To Favorable Macro Trends
  – Strong Franchises In Growing Markets
## Financial Summary

<table>
<thead>
<tr>
<th></th>
<th>1Q09</th>
<th>1Q10</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>$7,570</td>
<td>$7,776</td>
<td>3% Increase</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3% F/X</td>
</tr>
<tr>
<td><strong>Segment Profit</strong></td>
<td>$876</td>
<td>$1,036</td>
<td>18% Increase</td>
</tr>
<tr>
<td>Margins %</td>
<td>11.6%</td>
<td>13.3%</td>
<td>ACS +200 bps</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>TS +1000 bps</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>SM +300 bps</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>$397</td>
<td>$386</td>
<td>3% Decline</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>$0.54</td>
<td>$0.50</td>
<td>7% Decline</td>
</tr>
<tr>
<td><strong>EPS, Ex-Pension</strong></td>
<td>$0.56</td>
<td>$0.68</td>
<td>21% Increase Ex-Pension</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>$232</td>
<td>$673</td>
<td>174% Conversion</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>127% Ex Non-Cash Pension</td>
</tr>
</tbody>
</table>

**Strong Earnings Growth Ex-Pension**
### 2Q10 Preview

<table>
<thead>
<tr>
<th>($B)</th>
<th>Sales</th>
<th>Comments</th>
</tr>
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<tbody>
<tr>
<td>Aerospace</td>
<td>~2.5 – 2.6</td>
<td>• Sequential Commercial Improvement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Defense Seasonal Uptick</td>
</tr>
<tr>
<td>ACS</td>
<td>~3.2 – 3.3</td>
<td>• Short Cycle Upturn Continues</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Acq. +1% Estimated Impact</td>
</tr>
<tr>
<td>Transportaion</td>
<td>~0.9 – 1.0</td>
<td>• EU LV Production ~ Flat To 1Q</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• F/X Flat To Prior Year</td>
</tr>
<tr>
<td>Specialty</td>
<td>~1.1 – 1.2</td>
<td>• Continued End Market Improvement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Formula Pricing +4% Estimated Impact</td>
</tr>
</tbody>
</table>

**2Q10 Sales ~$7.8B - $8.1B, Up 3-7%**  
**EPS $0.53 – $0.57**
## 2010 Financial Guidance Summary

<table>
<thead>
<tr>
<th>Consolidated ($B)</th>
<th>2010 Financial Outlook</th>
<th>Growth 2010E vs. 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>$31.5 - $32.3</td>
<td>1% - 4%</td>
</tr>
<tr>
<td><strong>Segment Margin</strong></td>
<td>13.6% - 13.9%</td>
<td>30 - 60bps</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>$2.30 - $2.45</td>
<td>(14)% - (19)%</td>
</tr>
<tr>
<td><strong>EPS, Excl. Pension</strong>*</td>
<td>$3.07 - $3.22</td>
<td>4% - 9%</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>$2.8 - $3.1</td>
<td>(7)% - (16)%</td>
</tr>
<tr>
<td>Conversion</td>
<td>~ 150%</td>
<td></td>
</tr>
</tbody>
</table>

*Pension Expense Excluded from 2009 and 2010E*

### Low End
- Slower Aero Recovery
- Supplier Readiness
- Material Inflation, F/X

### High End
- Larger Volume Rebound
- New Products / EM Penetration
- Greater Indirect and Labor Savings

### 1Q Strength Reflected in Current FY Outlook
Financial Track Record 2003-2008

Sales

2003: 23.1
2008: 36.6
10% CAGR

EPS

2003: $1.50
2008: $3.76
20% CAGR

Free Cash Flow

2003: $1.5
2008: $3.1
Doubled

ROI (1)

2003: 11%
2008: 22%
Doubled

(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).

Executed Well
Sales

**Last Recession**
- 2000: $25.0
- 2001: $23.6
- 2002: $22.3

Down 11% over 2 years

**Current Recession**
- 2008: $36.6
- 2009: $30.9

Down 15% in 1 year

*Much Bigger And More Precipitous Decline This Recession*
Net Income

($B)

Last Recession

2000: $1.7
2001: ($0.2)
2002: ($0.3)
Lost money for 2 years

Current Recession

2008: $2.8
2009: $2.2
Down 23% in 1 year

Much Stronger Performance Than Last Recession
Free Cash Flow

Last Recession:
- 2000: $1.1
- 2001: $1.1
- 2002: $1.7

Current Recession:
- 2008: $3.1
- 2009: $3.3

Vastly Different Performance

68% FCF Conversion

155% FCF Conversion
Why?

• Great Positions In Good Industries
  – Proven Robust M&A Process
  – Differentiate With Technology

• One Honeywell Culture
  – Leadership Development

• Five Initiatives
  – Growth, Productivity, Cash, People, Enablers

• Seed Planting Continued
  – Robust New Product Pipeline
  – Geographic Expansion
## How Good Can It Be…

<table>
<thead>
<tr>
<th>($B$)</th>
<th>Sales</th>
<th>Segment Margins</th>
<th>FCF</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>($B$)</td>
<td></td>
</tr>
<tr>
<td><strong>Last Recovery</strong></td>
<td>10% CAGR 7% FX-Adj.</td>
<td>~50 bps / Yr</td>
<td>15% CAGR</td>
</tr>
<tr>
<td>2003</td>
<td>$23.1</td>
<td>2003</td>
<td>2003</td>
</tr>
<tr>
<td>2008</td>
<td>$36.6</td>
<td>2008</td>
<td>2008</td>
</tr>
<tr>
<td><strong>This Recovery</strong></td>
<td>~7% CAGR</td>
<td>~60 bps / Yr</td>
<td>~10% CAGR</td>
</tr>
<tr>
<td>2009</td>
<td>$30.9</td>
<td>2009</td>
<td>2009</td>
</tr>
<tr>
<td>2014</td>
<td>$41-45</td>
<td>2014</td>
<td>2014</td>
</tr>
</tbody>
</table>

*Just Same Performance Yields Great Results...*
## Base For Recovery

<table>
<thead>
<tr>
<th>Last Recovery</th>
<th>This Recovery</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Few New Products…Cupboard Bare</td>
<td>• Lots of New Products</td>
</tr>
<tr>
<td>• Global Presence Retrenched</td>
<td>• Accelerating Global Expansion</td>
</tr>
<tr>
<td>• Directionless</td>
<td>• Five Initiatives</td>
</tr>
<tr>
<td>• Fiefdoms</td>
<td>• One Honeywell</td>
</tr>
<tr>
<td>• Living for the Quarter</td>
<td>• Short Term And Long Term Focused</td>
</tr>
<tr>
<td>• M&amp;A Source of Write-Offs</td>
<td>• Robust Proven Acquisition Process</td>
</tr>
<tr>
<td>• Customer an Afterthought</td>
<td>• Customer Centric</td>
</tr>
<tr>
<td>• Aero Execution Weak</td>
<td>• Aero Winning With Customers</td>
</tr>
<tr>
<td>• ACS Stagnant</td>
<td>• ACS Invigorated</td>
</tr>
<tr>
<td>• SM Portfolio Bifurcation</td>
<td>• Specialty Materials Growing Margins</td>
</tr>
<tr>
<td>• Turbo Diesel Focus</td>
<td>• Turbo Win Rates</td>
</tr>
</tbody>
</table>

...And We’re Building From A Much Better Base...
Cash Flow Outlook

2010 – 2014 Cumulative Free Cash Flow

~$18 – 20B

Effective Deployment

• Dividends
• Share Repurchase
• Acquisitions
• Debt Reduction

... With Lots Of Cash To Add Value
Growth And Productivity Drivers

- Favorable Macro Trends
  - Energy Efficiency, Safety & Security, Globalization
- Commercial Excellence Focus
  - Gaining Traction
- R&D Effectiveness
  - Enabling Differentiation, Velocity Product Development™ (VPD)
- Strong New Product Pipeline
  - Share Gains And Value Pricing
- Investing In High Growth Markets
  - China, India – A Much Bigger Opportunity
- Managing Cost Base And Census
  - Preserved Industrial Base, Organization Effectiveness (OEF)
- HOS Building Momentum
  - Productivity Gain With Bronze
- Smart Acquisitions
  - First Class Track Record
Favorable Macro Trends

**Energy Efficiency**
- Legislation / Funding
- Reducing Energy / Maintenance Costs
- Comfort, Convenience, Health

**Safety & Security**
- Health & Safety Regulations
- Air Traffic Management
- Flight Safety Concerns
- Bigger Middle Class

**Globalization**
- Growing Demand for Air Travel
- Global Demand for Refined Goods
- Urbanization

**Key Trends**
- Legislation / Funding
- Reducing Energy / Maintenance Costs
- Comfort, Convenience, Health
- Health & Safety Regulations
- Air Traffic Management
- Flight Safety Concerns
- Bigger Middle Class
- Growing Demand for Air Travel
- Global Demand for Refined Goods
- Urbanization

**Key Products / Technology**
- Smart Grid
- Green Fuels
- Turbochargers
- Air Traffic Mgmt Leader
- PPE / Gas Detection
- Homes/Buildings Safety Products
- Refinery Technologies
- Heavy Oil / Sour Gas
- Aerospace

**HON Technologies Well Positioned**
Commercial Effectiveness

- **Relentless Focus On Customers**
  - Quality and Delivery Improved in Every Site
  - Implemented Effective VOC Process
  - Executing Well on New Programs

- **Sales Force Redeployment**
  - Driving Bigger Share of Demand
  - Growing Census in Growth Regions

- **Optimize Sales And Marketing “Bang For Buck”**
  - Value-based Pricing
  - Reduce Cost to Serve

*Will Drive Greater Share ... And Margins*
Expanding R&D Capabilities Globally

**RD&E Spend**
- 2003: $1.1B
- 2009: $1.4B
- Spend Up 26%

**Census**
- 2003: ~12K
- 2009: ~20K
- Resources Up 59%

**New Patents**
- 2003: 464
- 2009: 881

**Patent Base**
- 2003: ~20K
- 2009: ~30K

**Effectiveness**
- Velocity Product Development
- Avionics Modernization
- Platform Strategy in Every SBG
- CMMI → 50% Software Focused

More Resources + More Effective → More New Products
Plethora Of New Technologies

• Wireless Technology
  - Applications Enhance Productivity and Safety
  - Enabling New Market Opportunities

• Bio Renewables Process Technology
  - Honeywell Green Diesel™ and Honeywell Green Jet Fuel™
  - Conversion of Waste Plant Materials to Fuels

• Smart Grid
  - Integrates Energy Efficiency Systems
  - $100M Department of Energy Grants

2010 - 2014

$2B+

$0.4B+

$1B+
...In Every Business

• **LGWP**
  - Low Global Warming Fluids for Refrigeration, A/C and Foaming Agents
  - Regulations Driving Acceptance of 1234yf for Auto Air Conditioning
  
  **2010 - 2014**
  
  $0.7B+

• **New Air Traffic Management And Flight Safety**
  - Increasing Flight Efficiency
  - Flight Safety Enhancements
  
  $2B+

• **Turbochargers**
  - Lower Emissions
  - ~20% Better Fuel Economy
  - Penetration into Gasoline Engines

  **$10B+**

Winning Through Innovation
China And India Lead Emerging Region Growth

Priorities

- Winning Locally And Globally
- Leveraging Macro Trends
- Be The Local Competitor
- Forging Partnerships
- Hire The Right People
- $0.5B Investment Supports Growth

Establishing Strong And Rapidly Growing Presence
Managing Our Cost Base

**Cost Base**

- **Material**
  - $17.6

- **Organizational Efficiency**
  - $8.2

- **Depreciation**
  - $1.0

- **2009**

- Built Into HON’s Management System

- **$26.8**

- **Sourcing Focus**
- **Indirect Material – Usage and Price**
- **With Better Quality and Delivery**

- **Practices, Policies, Controls**
- **Best People, Organized the Right Way**

- **Disciplined Capital Spending**
2009 Productivity Actions

**Structural**
- $900M+ Reduction
  - Repositioning Benefits
  - Consolidated 117 Rooftops
  - $300M+ Permanent Indirect Cost Take-out

**Cyclical**
- $400M+ Reduction
  - Volume-Related
  - Significant Indirect Spend Reduction

**Policy Related Savings**
- $500M+ Reduction
  - Furlough, Incentive Comp Main Drivers
  - Partially Offset with Repositioning in 2010

Includes ongoing cost take-out from 2009 actions
Preserved Our Industrial Base

Developed Markets

- 2003: 90K
- 2009: 83K

Emerging Markets

- 2003: 18K
- 2009: 38K

Total Census

- 2003: 108K
- 2009: 121K

09 vs. 03:
- Sales +34%
- Segment Profit +67%
- EPS +90%

Judicious Management In Good Times And Bad
M&A Track Record

• 2003-2009: 60 Transactions, ~$6B Sales Acquired

• Significant Growth Platforms (Novar, UOP, Gas Detection, PPE)

• Disciplined Identification, Due Diligence, Valuation

• Highly Effective Integration Process

• Active Pipeline; Business Ownership
HOS Acceleration

HOS Productivity Savings

- 90% Sites Bronze By 2012
- Extend To Suppliers & Labs
- Quality & Reliability Differentiation

HOS Deployment Duration

- Go Slow To Go Fast
- New Sites Have Strong Foundation
- All Start by 2011, Bronze by 2013

Building A 20 Year Competitive Advantage
Long Term Growth And Profitability Outlook

5-Year Revenue Growth

- $31B (2009)
- $41 - 45B (2014)
- ~7% CAGR

5-Year Segment Margin Growth

- 13.3% (2009)
- 16-18% (2014)
- ~60 bps per year

Growth Factors

- 6-8%+ Growth Driven By
  - New Products and Technologies (VPD™)
  - Favorable Macro Trends
  - Energy Efficiency
  - Emerging Region Penetration
  - Some Targeted Acquisitions

- Strong Margin Expansion
  - Improved Cost Structure
  - Volume Leverage
  - HOS, FT, Repo Contributions
  - Commercial Excellence

Achievable Path To Long Term Outlook
Roadmap To Long Term Value Creation

• Great Positions In Good Industries
  - Strong Global Franchises In Growing Markets
  - R&D Investment and VPD™ = Robust New Products
  - Emerging Regions Driving Growth

• Path To Industry Leading Margins
  - Structural Cost Takeout, Proactive Repositioning
  - Acceleration of HOS, Maturity of FT/ERP Investments

• Continued Strong Cash Generation
  - Key Enablers Drive Cash Firepower
  - Returns to Shareholders
Summary

• Great Start to 2010
  – Notable Rates of Change in TS, SM, ACS Short-Cycle
  – Clear Evidence Things Getting Better

• Increased Full-Year Guidance
  – Continued Short Cycle Improvement
  – Strong Operating Leverage and Continued Margin Expansion
  – Good Earnings Growth (Ex-Pension)

• Benefits of Seed Planting Continue
  – Growth Investments, Key Initiatives, Repositioning

Bright Outlook For Honeywell
Appendix
Reconciliation of non-GAAP Measures to GAAP Measures
## Reconciliation of Segment Profit to Operating Income and Calculation of Segment Profit and Operating Income Margin

<table>
<thead>
<tr>
<th>($M)</th>
<th>1Q09</th>
<th>1Q10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$7,570</td>
<td>$7,776</td>
</tr>
<tr>
<td>Cost of Products and Services Sold</td>
<td>(5,756)</td>
<td>(5,982)</td>
</tr>
<tr>
<td>Selling, General and Administrative Expenses</td>
<td>(1,152)</td>
<td>(1,136)</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$662</td>
<td>$658</td>
</tr>
<tr>
<td>Stock Based Compensation (1)</td>
<td>42</td>
<td>50</td>
</tr>
<tr>
<td>Repositioning and Other (1, 2)</td>
<td>117</td>
<td>146</td>
</tr>
<tr>
<td>Pension Expense (1)</td>
<td>26</td>
<td>200</td>
</tr>
<tr>
<td>OPEB (Income) Expense (1)</td>
<td>29</td>
<td>(18)</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>$876</td>
<td>$1,036</td>
</tr>
</tbody>
</table>

| Operating Income                          | $662  | $658  |
| ÷ Sales                                   | $7,570 | $7,776 |
| Operating Income Margin %                 | 8.7%  | 8.5%  |

| Segment Profit                            | $876  | $1,036 |
| ÷ Sales                                   | $7,570 | $7,776 |
| Segment Profit Margin %                   | 11.6% | 13.3% |

(1) Included in cost of products and services sold and selling, general and administrative expenses

(2) Includes repositioning, asbestos, environmental expenses and equity income
# Reconciliation of Segment Profit to Operating Income and Calculation of Segment Profit and Operating Income Margin

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$30.9</td>
<td>$31.5 - $32.3</td>
</tr>
<tr>
<td>Cost of Products and Services Sold</td>
<td>(23.2)</td>
<td>(24.4) - (24.8)</td>
</tr>
<tr>
<td>Selling, General and Administrative Expenses</td>
<td>(4.3)</td>
<td>(4.2) - (4.4)</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$3.4</td>
<td>$2.9 - $3.1</td>
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<tr>
<td>Stock Based Compensation (1)</td>
<td>0.1</td>
<td>0.1 - 0.2</td>
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<tr>
<td>Repositioning and Other (1, 2)</td>
<td>0.5</td>
<td>0.4 - 0.5</td>
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<tr>
<td>Pension and OPEB Expense (1)</td>
<td>0.1</td>
<td>0.9</td>
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<tr>
<td>Segment Profit</td>
<td>$4.1</td>
<td>$4.3 - 4.5</td>
</tr>
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<tr>
<td>Operating Income Margin %</td>
<td>11.0%</td>
<td>9.2 - 9.6%</td>
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<td>Segment Profit</td>
<td>$4.1</td>
<td>$4.3 - 4.5</td>
</tr>
<tr>
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</tr>
<tr>
<td>Segment Profit Margin %</td>
<td>13.3%</td>
<td>13.6 - 13.9%</td>
</tr>
</tbody>
</table>

(1) Included in cost of products and services sold and selling, general and administrative expenses
(2) Includes repositioning, asbestos, environmental expenses and equity income
## Reconciliation of Free Cash Flow to Cash Provided by Operating Activities and Calculation of Cash Flow Conversion

<table>
<thead>
<tr>
<th></th>
<th>1Q09</th>
<th>1Q10</th>
</tr>
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<tbody>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$341</td>
<td>$743</td>
</tr>
<tr>
<td>Expenditures for Property, Plant and Equipment</td>
<td>(109)</td>
<td>(70)</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$232</td>
<td>$673</td>
</tr>
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<tr>
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<td>$386</td>
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<tr>
<td>Operating Cash Flow Conversion %</td>
<td>86%</td>
<td>192%</td>
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<tr>
<td>Free Cash Flow</td>
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<td>Free Cash Flow Conversion %</td>
<td>58%</td>
<td>174%</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>($B)</th>
<th>2010E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$3.5 - $3.8</td>
</tr>
<tr>
<td>Expenditures for Property, Plant and Equipment</td>
<td>~(0.7)</td>
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<td>Free Cash Flow</td>
<td>$2.8 - $3.1</td>
</tr>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$3.5 - $3.8</td>
</tr>
<tr>
<td>÷ Net Income Attributable to Honeywell</td>
<td>~$1.9</td>
</tr>
<tr>
<td>Operating Cash Flow Conversion %</td>
<td>~190%</td>
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<td>Free Cash Flow</td>
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</tr>
<tr>
<td>÷ Net Income Attributable to Honeywell</td>
<td>~$1.9</td>
</tr>
<tr>
<td>Free Cash Flow Conversion %</td>
<td>~150%</td>
</tr>
</tbody>
</table>
### Calculation of Cash Flow Conversion, Excluding Pension Expense

<table>
<thead>
<tr>
<th>($M)</th>
<th>1Q10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income Attributable to Honeywell</td>
<td>$386</td>
</tr>
<tr>
<td>Pension Expense, net of tax</td>
<td>142</td>
</tr>
<tr>
<td><strong>Net Income Attributable to Honeywell, Excluding Pension</strong></td>
<td><strong>$528</strong></td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$673</td>
</tr>
<tr>
<td>÷ Net Income Attributable to Honeywell, Excluding Pension</td>
<td>$528</td>
</tr>
<tr>
<td><strong>Free Cash Flow Conversion %, Excluding Pension</strong></td>
<td><strong>127%</strong></td>
</tr>
</tbody>
</table>
# Reconciliation of EPS to EPS, Excluding Pension

<table>
<thead>
<tr>
<th>($B)</th>
<th>1Q09&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>1Q10&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>2009&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>2010E&lt;sup&gt;(2)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPS</td>
<td>$0.54</td>
<td>$0.50</td>
<td>$2.85</td>
<td>~$2.30 - $2.45</td>
</tr>
<tr>
<td>Pension Expense</td>
<td>~0.03</td>
<td>0.18</td>
<td>0.10</td>
<td>~$0.77</td>
</tr>
<tr>
<td>EPS, Excluding Pension</td>
<td>$0.56</td>
<td>$0.68</td>
<td>$2.95</td>
<td>~$3.07 - $3.22</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> Utilizes weighted average shares outstanding and the effective tax rate for the period.

<sup>(2)</sup> Assumes weighted average shares outstanding of 780 million and a 26.5% effective tax rate for 2010 guidance.