## Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speakers</th>
</tr>
</thead>
<tbody>
<tr>
<td>10:00</td>
<td>Introduction</td>
<td>Dave Cote</td>
</tr>
<tr>
<td></td>
<td>High Growth Regions</td>
<td>Shane Tedjarati, Norm Gilsdorf</td>
</tr>
<tr>
<td></td>
<td>Honeywell User Experience</td>
<td>Doug Beaudet, Bob Smith</td>
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<tr>
<td></td>
<td>Q&amp;A Session</td>
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<tr>
<td>11:20</td>
<td>Technology Demos #1</td>
<td></td>
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<tr>
<td>11:45</td>
<td>Automation and Control Solutions</td>
<td>Roger Fradin, Alex Ismail, Darius Adamczyk</td>
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<td></td>
<td>Transportation Systems</td>
<td>Terrence Hahn</td>
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<tr>
<td></td>
<td>Performance Materials and Technologies</td>
<td>Andreas Kramvis</td>
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<tr>
<td></td>
<td>Q&amp;A Session</td>
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<tr>
<td>1:10</td>
<td>Lunch Break and Technology Demos #2</td>
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<tr>
<td>1:50</td>
<td>Aerospace</td>
<td>Tim Mahoney, Bob Smith</td>
</tr>
<tr>
<td></td>
<td>Financial Review</td>
<td>Dave Anderson, Tom Szlosek</td>
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<tr>
<td></td>
<td>Q&amp;A Session</td>
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<tr>
<td></td>
<td>Concluding Remarks</td>
<td>Dave Cote</td>
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<tr>
<td>~3:00</td>
<td>End</td>
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</tbody>
</table>
The materials to be presented at the Honeywell 2014 Investor Conference contain “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.
AUTOMATION & CONTROL SOLUTIONS

Roger Fradin
President & CEO
Key Messages

Track Record
- Battle-Tested Leadership Team
-+$9B Sales (~8% CAGR), $1.6B Income Growth Since 2003
- +310 bps Margin Since 2008
- On Track To Deliver 2014 Margin Target

Proven Model
- Key Macros: Safety, Security, Productivity And Energy Efficiency
- Market Leading Positions
- Multi-Brand, Multi-Channel Strategy

Operational Excellence
- A Culture Of Continuous Improvement - HOS/VPD™/FT/OEF
- Pace Of Improvement Accelerating
- Productivity Machine, New Opportunities

Investing For Long-Term Growth
- Track Record Of Exciting New Products
- Institutionalizing Honeywell User Experience
- Increasing HGR Investment, Becoming THE Chinese Competitor
- Outstanding M&A Track Record

Strong Execution With Room To Run!
ACS Business Models

<table>
<thead>
<tr>
<th>ESS</th>
<th>~50%</th>
<th>Honeywell Process Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy, Safety &amp; Security</td>
<td></td>
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</tr>
<tr>
<td>• Unique Multi-Brand / Multi-Channel Product Businesses</td>
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<tr>
<td>• Common Technologies: Voice, Sensors, Wireless, Controls</td>
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<tr>
<td>HPS</td>
<td>~20%</td>
<td>Building Solutions &amp; Distribution</td>
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<tr>
<td>Honeywell Process Solutions</td>
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<tr>
<td>• Technology And Advanced Solutions Provider – Project Execution, Service, Products</td>
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<tr>
<td>• ACS Channel To The Industrials</td>
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<tr>
<td>BSD</td>
<td>~30%</td>
<td>Honeywell Building Solutions</td>
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<tr>
<td>Building Solutions &amp; Distribution</td>
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<tr>
<td>• $1B ESS Product Pull Through</td>
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<tr>
<td>Honeywell Building Solutions</td>
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<tr>
<td>• End-to-End Energy And Security Solutions Provider</td>
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<tr>
<td>Distribution – ADI</td>
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<tr>
<td>• Preeminent Security, Fire Distributor</td>
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</tbody>
</table>

Preeminent Businesses; Growing Faster Than Served Markets
# End Markets Improving

## Developed Markets

<table>
<thead>
<tr>
<th>Residential</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. New Home Starts Over 1M; Increasing At Double Digit Rate</td>
</tr>
<tr>
<td>Existing Home Sales Driving Retrofit</td>
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<table>
<thead>
<tr>
<th>Industrial</th>
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<tbody>
<tr>
<td>PMI Expansion / Rising Business Confidence</td>
</tr>
<tr>
<td>Cost Pressures Driving Demand For Productivity Solutions</td>
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<thead>
<tr>
<th>Commercial</th>
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<tbody>
<tr>
<td>Commercial Recovery In U.S. Approaching Double Digit Growth</td>
</tr>
<tr>
<td>Increasing Energy Performance Contracting Demand</td>
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<th>Oil &amp; Gas</th>
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<tbody>
<tr>
<td>Continued Shale Gas Investment → $160B+ New Biz Investment</td>
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<tr>
<td>High Oil Prices, Energy Diversification Justify Capex</td>
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## High Growth Regions

<p>| |</p>
<table>
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<tbody>
<tr>
<td>Urbanization: +60M People Added To Cities Each Year</td>
</tr>
<tr>
<td>Increased Focus On Indoor Air Quality / Environmental Safety</td>
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<p>| |</p>
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<tbody>
<tr>
<td>China Industrial Prod Up 10%+</td>
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<tr>
<td>Interest In ‘Megaprojects’ Growing</td>
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<tr>
<td>Increasing Safety Standards</td>
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<tbody>
<tr>
<td>Increased Improvement Spending Driving Retrofit Business</td>
</tr>
<tr>
<td>Emerging Middle Class Supporting Retail / Commercial Expansion</td>
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<tbody>
<tr>
<td>High Energy Demand, Regional Disbursement Driving Investment</td>
</tr>
<tr>
<td>Breakthroughs In Unconventional Gas Reshaping Reserve Map</td>
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</tbody>
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**Good Markets Globally...Getting Better**
### Great Positions In Good Industries

<table>
<thead>
<tr>
<th>Segment</th>
<th>Position</th>
<th>Competitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Comfort Controls</td>
<td>1</td>
<td>Emerson, Nest, Danfoss</td>
</tr>
<tr>
<td>Building Controls</td>
<td>1</td>
<td>JCI, Siemens, Schneider</td>
</tr>
<tr>
<td>Residential Combustion</td>
<td>1</td>
<td>Emerson, Johnson Controls</td>
</tr>
<tr>
<td>Security</td>
<td>1</td>
<td>UTC, Tyco, Bosch</td>
</tr>
<tr>
<td>Fire Systems</td>
<td>1</td>
<td>UTC, Tyco, Siemens</td>
</tr>
<tr>
<td>Personal Protective Equip</td>
<td>1</td>
<td>3M, MSA, Draeger</td>
</tr>
<tr>
<td>Gas Detection</td>
<td>1</td>
<td>MSA, UTC, Draeger</td>
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<tr>
<td>AIDC – Scanning And Mobility</td>
<td>2</td>
<td>Motorola, Datalogic, Zebra</td>
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<tr>
<td>Building Solutions</td>
<td>2</td>
<td>JCI, Siemens</td>
</tr>
<tr>
<td>Process Solutions</td>
<td>2</td>
<td>Emerson, ABB, Yokogawa</td>
</tr>
<tr>
<td>Sensing</td>
<td>3</td>
<td>Omron, MSI</td>
</tr>
</tbody>
</table>

**Positioned To Outperform Industry Growth**
2014 Outlook Vs. Targets

**Sales**

($B)

- **~7% CAGR (3% Organic)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Segment Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$12.6</td>
<td>12.6%</td>
</tr>
<tr>
<td>2014E</td>
<td>$17.4</td>
<td>15.0 - 15.3%</td>
</tr>
<tr>
<td>2014T</td>
<td>$19.4</td>
<td>15.0 - 16.0%</td>
</tr>
</tbody>
</table>

**At Low End Of Target**

- NPI, Pricing
- Slower Global Growth, Industrial Markets
- Foreign Currency Headwinds

**Segment Margin**

+$240 - 270 bps

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>12.6%</td>
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<td>2014T</td>
<td>15.0 - 16.0%</td>
</tr>
</tbody>
</table>

**Strong Performance Despite M&A**

- NPI, Pricing
- Strong Productivity, OEF, Repo
- Project Selection / Margin Focus

**Achieving Low End Of Sales / Strong Margin Expansion**
2018 Targets

Sales

($B)

- Improved Macros / End Markets
- Continue HON / ACS Playbook
- HPS Transformed, Positioned For Growth

Adding $3-5B Of Sales

2013 $16.6 - $17.6
2014E $17.4 - $21.7
2018T $20.0 - $21.7

Segment Margin

- NPI, Pricing, HUE, Software
- Continue HON / ACS Playbook
- ESS Integration, HOS Acceleration

+200 - 350 Bps Per Year

2013 14.7% - 15.3%
2014E 15.0% - 18.2%
2018T 16.7% - 18.2%

Short Term Margin Target ~15%

Long Term Margin Target ~20%

4-6% CAGR

More Favorable Macros | Continued Strong Execution
Margin Expansion

(Segment Margin)

2013
- New Products
- HGR
- New Markets
- Pricing

~150 bps

Organic Growth

~75 bps
- HOS
- Material Productivity
- Electronic COEs
- OEF
- FT/ERP

~50+ bps

Operational Excellence

Repositioning

2018T
- 16.7-18.2%

Impressive Margin Expansion Continues
Why ACS Will Outperform

Tailwinds
- Improving Non-Res And Industrial Markets ~70% Exposure (Primarily Retrofit)
- Global Energy Markets Growth
- Accelerating Connected Home Market
- Strong Solutions / Services Long Cycle Backlog ~$4B

Innovation
- Avalanche Of New Products, Turbocharged By VPD™
- HUE – Industrial Differentiator, Exceptional End To End Experience
- Expanding Software Capabilities And Strength
- Inventing New Markets

Expanding Reach
- HGR Expansion And Penetration
- Developing New Channels: Retail, Online, Hospitality, Critical Infrastructure
- 160K Global Channel Partners
- Industrial Channel Leverage

M&A Upside
- Large Growing Space, And Fragmented, Attractive Adjacencies
- Bolt-On + Complementary Technologies And Verticals
- Integration Excellence
- Sales Synergies

Multiple Growth Engines | Proven Execution Ability
Strategic Acquisition Process

- **Dedicated Resources To Idea Generation**
  - M&A Leaders Across All LOBs For Idea Generation And Oversight

- **Operational Report-Outs**
  - CEO Review: 30/60/90/180/360
  - Follow-Up To Ensure Business Is Achieving Expected Results
  - Visibility Of Senior Management

- **Best Practice Deployment**
  - Enablers: HOS, VPD™, FT
  - Learning From Target Business

- **Cross Functional Ownership**
  - Best People Full Time Across All Functions
  - Full Time Integration Lead Drives Process
  - Rapid Engagement Following Deal Announcement

- **Strong Pipeline Of Potential Targets**
  - Bolt-On And Adjacencies Aligned To Multi-Brand/Channel
  - Industrial Products, Safety, Energy

- **Strategy Comes First**
  - Deep Understanding Of Market And Alternatives
  - Ability To Differentiate With Technology

- **Evaluate Sales Synergies**
  - Understood But Not Included
  - Focus On Customers And Channels
  - Cross Selling In Vertical End Markets

- **Don’t Overpay**
  - 6-8% Of Sales As Cost Synergies
  - Accretive “All-In” Year 2
  - Double Digit ROI By 5th Year
Growth

- Excellent Track Record Of Driving Accelerated Growth Of Acquired Companies

Opportunity
- Enhance Our Core
- New, Attractive Adjacencies
- Expand Addressable Market

Results
- 60+ Acquisitions In 10 Years
- Driven ~$5B In Revenue
- Consistently Outperformed EV/EBITDA

• Driving Post-Acquisition Top And Bottom Line Performance
  - Cross-Selling Portfolio: Leveraging Commercial And Industrial Base
  - Overdrive Synergies: Operational And Supply Chain Efficiencies
Innovation Lifeblood

Investment in People and Process

- **Resources Aligned For Growth**
  - R&D Census Up ~3x
  - HGR R&D Census 20+% CAGR
  - 50%+ Of Engineers Devoted To Software
  - Software: CMMI Level 5 Certified

- **Leveraging VPD™**
  - 40% Improvement In NPI Cycle Time
  - 500+ New Product Introductions Annually
  - NPI Up 3X+

- **HUE: Institutionalize Great User Experience**
  - Embedded In NPI / VPD™ Process
  - HUE Trained: >11,000 Employees
  - HUE COE + 7 Global Design Centers

Delivering Customer Value

**Example: Safety Products**

- +50 New E4E PPE Products
- $50M In New Business Opportunities

**Example: Universal IO**

- $150M In Orders: BP, ExxonMobil, Shell
- Competitive Take-Aways

Accelerate Global NPI Growth / Repeat Playbook in HGRs
Growing Software Capabilities

**Software Embedded In Products**
- Functionality: Leader In Highly Reliable Sensors And Controls
- Connectivity: Differentiated Wirelessly Connected Products
- Insights: Massive Installed Base Enables Data Analytics / Services

*Software Drives Significant Value Add In ACS Products*

**Rapid Prototyping / Simulation**
- Faster Product Development Through Simulation / Rapid Prototyping
- Leveraging HUE To Improve Employee Facing Tools/Software
- CMMI Level 5 Drives Reduced Rework And Faster Time To Market

*Leveraging Software To Improve Business Performance*

**SaaS / Software**
- Growing Recurring Software Revenues 2x Over Next 5 Years
- SaaS For Contractors – Data Analytics To Improve Service
- Products Available Today: Over 2M Licenses Deployed And Growing

*Expanding High Margin Recurring Software Revenue*
Honeywell User Experience

Customer Loyalty
- Increased Loyalty
- Taking Share
- Higher Retention
- 5 ★ Feedback

Increased Sales
- Differentiated Products
- Value-Priced
- Higher Win Rates
- Wow Factor!

Lower Costs
- Fewer Service Calls
- More Platforms
- Lowest Install Cost
- Reduced Training

Embedded In All New Product Introductions
Innovating With Voice Enabled Products

**VALUE**

- Hands Free
  Control A System While Hands Are Occupied

- Eyes Free
  Control A System While Looking At Another Activity

- String Of Actions
  Bypass Complex Menu Navigation With Voice Commands

- At A Distance
  Interact With A System From Afar

**USE CASE**

- Connected Home
  Stats, Security Products In Global Languages

- Buildings
  Install, Commissioning, Service

- Warehousing
  Workflow Instructions And 2-way Voice Interactions

- Industrial
  Control Room Of Future, Gas Detection

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**VOICE UX**

- Simple Commands
- Intuitive Interaction Experience
- Text To Speech Capability Leader

---

Driving Safety, Productivity And Comfort With Voice
Innovating With Voice

• Industry’s First Wi-Fi Voice-Activated Thermostat
• Top Rated Total Connect App

“If Only Siri Worked This Well At Arm’s Length”

“Might Have Some Companies Scrambling To Compete”
Energy Safety & Security (ESS)

**Financials**

- Sales: $6.8, $8.0, $8.1, $8.8
- Segment Margin %: 17.9%, 18.6%, 19.5%, 19.8%
- CAGR: 9%

**Organic Growth Drivers**

- Multi-Brand, Multi-Channel To Grow
- Leadership Position In Homes/Buildings
- Accelerating In High Growth Regions

**Innovation: Lifeblood For Growth**

- NPI With Honeywell User Experience
- Differentiating With Voice & Wireless
- Software And SaaS Growth

**Continued Margin Expansion**

- Accelerating HOS
- Driving Operational Productivity
- Electronic COEs To Leverage Scale

**Acquisition Integration Upside**

- Over Delivering On Cost Synergies
- Leveraging Technology Across HON
- Big Focus On Sales Synergies

**Geographic Mix**

- N. America: 48%
- W. Europe: 32%
- Other: 5%
- W. Europe: 32%
- N. America: 48%

**Business Mix**

- ECC: 31%
- HSM: 16%
- HLS: 38%
- HSG: 8%
- S&C: 7%

**Leading Positions With Room To Grow**
## 5 Lines Of Business

<table>
<thead>
<tr>
<th>Line of Business</th>
<th>Revenue</th>
<th>CAGR</th>
<th>Markets</th>
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<tbody>
<tr>
<td>Life Safety (HLS)</td>
<td>$30B</td>
<td>Mid/High Single Digit</td>
<td>Inst &amp; Infra, Comm’l, Resi, Indust</td>
</tr>
<tr>
<td>Environmental &amp; Combustion Controls (ECC)</td>
<td>$20B</td>
<td>Mid Single Digit</td>
<td>Inst &amp; Infra, Comm’l, Resi, Indust</td>
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<tr>
<td>Security (HSG)</td>
<td>$20B</td>
<td>Mid Single Digit</td>
<td>Inst &amp; Infra, Comm’l, Resi, Indust</td>
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<tr>
<td>Scanning &amp; Mobility (HSM)</td>
<td>$6B</td>
<td>Mid/High Single Digit</td>
<td>Inst &amp; Infra, Comm’l, Resi, Indust</td>
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<tr>
<td>Sensing and Control (S&amp;C)</td>
<td>$23B</td>
<td>Mid/High Single Digit</td>
<td>Inst &amp; Infra, Comm’l, Resi, Indust</td>
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</tbody>
</table>

### ESS Revenue Growing To ~$12B By 2018

- **Building Automation**, Room And Combustion Controls, Elec Products
- Intrusion Detection, Access Control, CCTV
- Scanning Engines, Mobility Devices, Voice Solutions, Printers
- Pressure, Temperature, Flow Sensors, Test & Measurement Equipment

**Mid/High CAGR**

- **Comm’l**
- **Aero**
- **Healthcare**
- **Industrial**
Multi Channel And Brand Strategy

Multiple Channels To Market

<table>
<thead>
<tr>
<th>Manufacturer</th>
<th>Distribution</th>
<th>Integrator / Installer</th>
<th>End User</th>
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<tbody>
<tr>
<td>• OEM</td>
<td>• Distributor</td>
<td>• System Integrator</td>
<td>• Industrial</td>
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<td></td>
<td>• Wholesaler</td>
<td>• Contractor</td>
<td>• Commercial</td>
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<tr>
<td></td>
<td>• Retailer</td>
<td></td>
<td>• Consumers</td>
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<td></td>
<td>• Online</td>
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Multiple Brands To Differentiate

- **Building Controls**
  - TREND
  - novar
  - CENTRAL LINE
  - SBC
  - TRIDION
  - INNCOM

- **Fire**
  - NOTIFIER
  - ESSER
  - ALERTON
  - GENT
  - SILENT KNIGHT
  - CITY

- **Gas**
  - Honeywell Analytics
  - B&G SENSORS

- Commercial Excellence And Channel Mgmt
- 160,000+ Global Channel Partners
- Growing Retail And Online Channels
- Differentiated Brands Aligned To Channels
- Multiple Bids Improve Win Rate
- Diversity Of Products And Applications Drives Avalanche Of New Products

Brand Leadership Across All Channels
NPI With Great Honeywell User Experience

In Home  In Store  Out of Box  Install  In Use  Upgrade

Five-Star Customer Experience At All Touch Points
Growing In The Connected Home

Industry Leading Position In Fast Growing Space

Content Redacted
Growing In Buildings

- Industry Leading Building Integration Software
- Broad, Differentiated Offerings Across Verticals (i.e. Hotels, Hospital, Airports)
- Leveraging Connected Building Data To Reduce Cost Of Ownership / Increase Property Values

Unmatched Range Of Customers Solutions
Growing In HGRs

Becoming THE Chinese Competitor

• Win In China To Win In Other HGRs
  - Export From China To HGR
  - Increasing Partnering / Channel Presence
  - Expanding In Tier 2/3 Cities And Beyond

• Local Capabilities And Innovation Speed
  - Local Decision Making Authority
  - End-to-End Capabilities
  - Feet On The Street

• Target Mid-Market Segment Needs
  - Strengthening E4E Product Portfolio
  - Full Local VOC And Marketing
  - Competitive Vs. Leading Chinese Brands

Results And Growth Opportunity

- Galaxy SoHo
- 20 Airports In China
- Int. Airport Sao Goncalo, Natal, Brazil
- Chenani-Nashri, India

Differentiating End-customers Through HON Technology
Integrated Security, Fire, HVAC
Asia’s Largest Road Tunnel
BMS, Security, Fire, Sound

ACS Sales Growth
(5-Year CAGR)

10%+
## Acquisition Process Delivering Results

### Identification:
- **Portable And Fixed Gas And Radiation Detection**
- **Fit:** Leading Technologies For Growth; Minimal Portfolio Overlap
- **Sales Synergy Drivers:** Channel And Geographic Expansion

### Valuation:
- **Purchase Price:** 
  - **Headline Ev/EBITDA:** $340M, 14.7x
  - **Synergy Adjusted Ev/EBITDA:** $340M, 5.2x

### Integration:
- **Sales Growth (5-Year CAGR):** ~8%
- **Cost Synergies (vs. Plan):** 115%
- **Return On Investment (At Year 5):** ~12%

### Synergy Adjusted Ev/EBITDA:
- **Purchase Price:** 
  - **Headline Ev/EBITDA:** $600M, 17.5x
  - **Synergy Adjusted Ev/EBITDA:** $600M, 3.2x

### Integration:
- **Sales Growth (5-Year CAGR):** ~5%
- **Cost Synergies (vs. Plan):** 115%
- **Return On Investment (At Year 5):** ~18%

### Integration:
- **Sales Growth (5-Year CAGR):** ~6%
- **Cost Synergies (vs. Plan):** 119%
- **Return On Investment (At Year 5):** ~15%

---

*Based On 2018 Expected Results

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**Sales And Cost Synergies Exceeding Expectations**
## Continued Margin Expansion

### From HOS Silver To Gold

- **Maturity Evolution**

  
<table>
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<th>2013</th>
<th>2014</th>
<th>2018</th>
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<tr>
<td><strong>Deployed</strong></td>
<td><strong>Bronze</strong></td>
<td><strong>Silver</strong></td>
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</tbody>
</table>

- **From 50% HOS Silver To Gold**
  - Driving Incremental Improvements In Productivity, Delivery And Working Capital

- **More Capacity For Growth**
  - +25% Output Per Sq.Ft

- **Operational Excellence / Best Practices**
  - Inventory Reduction And Cycle Time

### Leveraging ESS Scale

- **Building Electronics COE**
  - Common Platforms And Rapid Prototyping
  - Standardization Of Components And Design

- **Cost Reduction And OEF Savings**
  - Shared Facilities = Footprint Reduction
  - Fewer Warehouses = Lower Logistic Costs

- **Supplier Rationalization & HGR Development**
  - Implementing Auto Playbook

---

**Expanding Margins 200+ Bps Over Next Five Years**
AUTOMATION & CONTROL SOLUTIONS

Darius Adamczyk
President, Honeywell Process Solutions
Transformed Business With Runway For Profitable Growth

**Process Solutions (HPS)**

### 2013 Revenue Breakdown

- **HGR**: 29%
- **N. America**: 30%
- **W. Europe**: 27%
- **Chemicals**: 15%
- **M&M**: 9%
- **Oil & Gas**: 38%
- **Other**: 19%
- **Refining**: 10%
- **Pulp & Paper**: 9%
- **Other**: 14%

### Financials

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales ($B)</th>
<th>Segment Margin %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>2.7</td>
<td>12.5%</td>
</tr>
<tr>
<td>2011</td>
<td>3.0</td>
<td>11.7%</td>
</tr>
<tr>
<td>2012</td>
<td>3.1</td>
<td>12.8%</td>
</tr>
<tr>
<td>2013</td>
<td>3.1</td>
<td>14.7%</td>
</tr>
</tbody>
</table>

### Business Transformation

- Strong YoY Profitability Improvement
  - 2013 Margin Up 220 bps vs. 2010
  - 2013 ROIC Up Over 500 bps vs. 2010
- #1 In Orders And Profit Growth

### Positioned For Profitable Growth

- Leadership Position In A Number Of High Growth Markets
- Further Opportunity To Leverage Installed Base - Strong Software Capabilities
- Pull-Through Of ACS Portfolio Providing Market Differentiation
  - Fire and Gas, Security, Life Safety
- Revamping And Expanding Offering In Instrumentation
- NPI To Grow In Upstream, Midstream, Unconventional O&G
- Leveraging UOP / HPS Capabilities In Hydrocarbon Processing
## 5 Lines Of Business In Growing Spaces

<table>
<thead>
<tr>
<th>Projects &amp; Automation Solutions</th>
<th>Lifecycle Service Solutions</th>
<th>Advanced Solutions</th>
<th>Engineered Field Solutions</th>
<th>Field Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automation Solutions For New And Existing Plants</td>
<td>Maintenance And Migration Services</td>
<td>Outcome Based Optimization Software Portfolio</td>
<td>Oil &amp; Gas Solutions For Midstream</td>
<td>Measurement &amp; Control Instruments</td>
</tr>
</tbody>
</table>

- **Projects & Automation Solutions**: $15B, Mid Single Digit
- **Lifecycle Service Solutions**: $5B, Mid Single Digit
- **Advanced Solutions**: $2B, High Single Digit
- **Engineered Field Solutions**: $6B, Mid/High Single Digit
- **Field Products**: $5B, Mid/High Single Digit

---

**Global Leader In Process Automation Industry**
Industry Orders And Margin Growth

**Orders Growth**

<table>
<thead>
<tr>
<th>% Change: 2013 vs. 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>HON</td>
</tr>
<tr>
<td>4.1%</td>
</tr>
</tbody>
</table>

**Segment Profit Growth**

<table>
<thead>
<tr>
<th>bps Change: 2013 vs. 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>HON</td>
</tr>
<tr>
<td>192</td>
</tr>
</tbody>
</table>

Source: Company annual reports; Operating income for competitors.

HPS: Orders excludes acquisitions; Organic growth in local currency equivalent.

Leading Performance In Orders Growth And Profitability Improvement
# Growing Upstream Oil & Gas

Capture Dynamic Growth In  
**Upstream, Offshore, And Unconventional Oil & Gas**

## Opportunity

<table>
<thead>
<tr>
<th>Addressable Market</th>
<th>Why HPS?</th>
<th>Wins Validating Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>$9B</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Market Growth</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Why HPS?

- **Grow Upstream**
  - Leverage Strong Relationships With O&G Majors And NOCs In Their Downstream Business
- **Offshore**
  - Leadership Position In Remote Operations; Substantial Presence In North Sea And Gulf Of Mexico
- **Differentiated NPI Offerings**
  - Enabled By HUE

## Wins Validating Growth

- **Upstream Oil Sands Project**
  - Collaboration Station, Universal IO, Wireless/Mobile Products, HLS Fire/Gas, And Adv Solutions
- **Australian Unconventional O&G**
  - Scada And RTU

### HPS Sales Growth (5-Year)

- **$450M**

## 20% Increase In Upstream Bookings In 2013

**Only Player With Integrated Fire, Gas, Security And Life Safety**
## Growing Field Products

Leverage Strong Projects Business And Build Indirect Channels To
*Pull Through Field Product Sales*

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Why HPS</th>
<th>Wins Validating Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addressable Market</td>
<td>• $1B+ Projects Business</td>
<td>• Large Mid-Asia Gas Pipeline</td>
</tr>
<tr>
<td></td>
<td>- Leverage Pull Through</td>
<td>- Supplied Ultrasonic Flow Meters</td>
</tr>
<tr>
<td></td>
<td>• Increase Indirect Channels</td>
<td>- And Flow Computers</td>
</tr>
<tr>
<td></td>
<td>- Up 25% In 2013</td>
<td>• Russia Power Plant</td>
</tr>
<tr>
<td></td>
<td>- Targeting 40% Growth In 2014</td>
<td>- Gas Regulation Products</td>
</tr>
<tr>
<td></td>
<td>• Differentiated Field Products</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Build Out Portfolio</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Strategic M&amp;A</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Accelerate Strategy</td>
<td></td>
</tr>
</tbody>
</table>

**Market Growth**
6% (5-Year CAGR)

**Addressable Market**
$11B

**HPS Sales Growth**
$350M (5-Year)

8 NPI’s In 2013; 19 NPI’s Scheduled For 2014
## Growing Software And Aftermarket Services

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Why HPS</th>
<th>Wins Validating Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Addressable Market</strong></td>
<td>• Leverage HPS Installed Base</td>
<td>• Middle East NOC Cyber Security</td>
</tr>
<tr>
<td></td>
<td>- ~60% Needs Migration To Current Technology</td>
<td>- Network Design, Virtualization And Secure Remote Access</td>
</tr>
<tr>
<td></td>
<td>- ~65% Not Currently Subscribed To Services / Outcome Based Model</td>
<td></td>
</tr>
<tr>
<td><strong>Market Growth (5-Year CAGR)</strong></td>
<td>• Leading Software Portfolio</td>
<td>• Alarm Management Solution</td>
</tr>
<tr>
<td></td>
<td>- Compelling Investment Payback For Customers</td>
<td>- Global Deployment At 120 Sites For A Large Chemical Producer</td>
</tr>
<tr>
<td></td>
<td>• Expanded Offerings</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- New Offerings In Cyber And Outcome Based Services</td>
<td></td>
</tr>
</tbody>
</table>

### $8B Addressable Market

### 5% Market Growth (5-Year CAGR)

### HPS Sales Growth (5-Year) $400M

## Large Untapped Opportunities In Existing Installed Base
## Continued Margin Improvement

### 2010 - 2013
- Greater Mix Of High Margin Software And Aftermarket Services
- Pricing Discipline
- Productivity Gains
- Optimized Cost Structure

### 2014 - 2018
- Leverage Optimized Cost Structure By Growing
- Value Pricing With New Product Introductions
- Manage Business Mix Focused On High Margin Software And Aftermarket Services
- Cost Optimization By Reducing Fixed Costs

### HPS Segment Margin Trend

![Graph showing margin trend from 2010 to 2018](image)

- 2010: 12.5%
- 2011: 11.7%
- 2012: 12.8%
- 2013: 14.7%
- 2018T: Growth to 200+ Bps

**Expanding Margins 200+ Bps Over Next Five Years**
NPI / HUE Addressing Critical Customer Needs

Customer Need

• Easier And More Cost Effective To Install And Maintain

• Easier To Operate

• Connected And Leveraging Knowledge Across The Enterprise

• Improving Safety And Reliability Of Operations

Game Changing Tech – Tied To Growth Levers

Collaboration Station

SCADA

Universal IO

Grow Upstream, Offshore And Unconventional O&G

Grow Product Sales

Grow Software And Aftermarket Services

"Backwards Integration Enables Flawless Migration"

• Easier And More Cost Effective To Install And Maintain

• Easier To Operate

• Connected And Leveraging Knowledge Across The Enterprise

• Improving Safety And Reliability Of Operations

Aggressive NPI Fully Aligned With Strategy
HON User Experience Embedded In NPI

Honeywell Experion Orion Console

- Intuitive, Easy To Use
- Mobile Station To Reduce Operator Fatigue
- Voice-Enabled
- Interactive Collaboration To Pull Remote Experts In Real Time
- Prioritized Alarm Management For More Effective Response

Designed To Dramatically Improve Operator Experience

Control Room Of The Future Available Now
Summary

Track Record Of Winning

- Portfolio Realigned; Business Is Transformed
- Expanding Backlog Of Profitable Project Orders
- Top Industry Performance In 2013

Ready To Accelerate Growth Through Acquisitions

Growth Potential In Products, Upstream And Unconventional Oil & Gas

Superior Technology Fuels ~$800M In Sales Growth

Strong, Growing Installed Base

Increase Software And Services Penetration From 35% - 50% Drives ~$400M In Sales Growth

HPS Positioned To Win
AUTOMATION & CONTROL SOLUTIONS

Roger Fradin
President & CEO
ACS – Positioned To Outperform

Sales

*($B)*

|$16.6| $20.0$

2013 2018T

4-6% CAGR

Growth Catalysts

- **Tailwinds**
  - Improving Non-Res & Ind. Markets ~70% Exposure (Primarily Retrofit)
  - Global Energy Markets Growth
  - Accelerating Connected Home Market
  - Strong Solutions / Services Long Cycle Backlog ~$4B

- **Innovation**
  - Avalanche Of New Products, Turbocharged By VPD™
  - HUE Exceptional End To End Experience
  - Expanding Software Capabilities And Strength
  - Inventing New Markets

- **Expanding Reach**
  - HGR Expansion And Penetration
  - Developing New Channels: Retail, Online, Hospitality, Critical Infra.
  - 160K Global Channel Partners
  - Industrial Channel Leverage

- **M&A Upside**
  - Large Growing Space, And Fragmented, Attractive Adjacencies
  - Bolt-On + Complementary Technologies And Verticals
  - Integration Excellence
  - Sales Synergies

Segment Margin

|$14.7%| 16.7 - 18.2%

2013 2018T

+200-350 BPS

Multiple Growth Engines; Proven Execution Ability
Key Messages

Growth Inflection
- No Compromise Fuel Economy +20-30% MPG
- Regulations Driving Turbo Pen. Up 7pts To 38% By 2018
- Industry Wide Adoption $20B+ Industry At Maturity

Outpacing Industry
- Global Business Wins >40% Win Rate
- Innovation In All Segments ~100 Launches In 2014
- One Honeywell Expertise 20 New Technologies

Honeywell Advantage
- Honeywell User Experience End-To-End Value
- High Growth Region Capability >20% CAGR To 2018
- HOS And VPD™ Enablers HOS Gold In 2014

Breakout Performance
- Strong 2013 Performance +5% Rev, +120 bps Margin
- Accelerating Turbo Revenue 6-9% CAGR To 2018
- Continued Margin Expansion +270-370 bps By 2018

A HON Technology Business
2014 Outlook Vs. Targets

Sales

($B)

- 2009: $2.4
- 2014E: $3.8 - $3.9
- 2014T: $4.0 - $4.4

~10% CAGR

Segment Margin

+1190 – 1220 bps

- 2009: 2.5%
- 2014E: 14.4 - 14.7%
- 2014T: 14.0 - 15.0%

Near Revenue Targets

- Technology Developments
- Growth In China And U.S.
- Seed Planting
- Slow Recovery In EU Car Sales (2014 Down 8% Vs. 2011)

In Range Of Margin Targets

Delivering Commitments | Overcame EU Crisis

- HOS Productivity
- Volume Leverage
- Repositioning
Fricction Materials

- HON Announced Sale Of Friction Materials To Federal Mogul
- Sale Expected To Close In 2H 2014
- Turbo Technologies Remains Core Part Of Honeywell Portfolio
- Managing Friction Materials Operating Performance Until Close

Divestiture Aligns HON Portfolio With Strategy
2018 Targets

**Sales**

($B)

- **$1B+ Revenue Growth**
- **$3.8 FM**
- **6.9% CAGR**
- **TS**
  - **2013**
  - **2018T**

**Growth Drivers**

- Business Wins
- Turbo Penetration

**Sensitivity**

- Vehicle Production
- Diesel Penetration
- Foreign Exchange

**Segment Margin***

- **~60 bps Per Year Income CAGR 9-13%**
- **270-370 bps Expansion**

- **2013**
  - **13.3%**
- **2018T**
  - **16.0% - 17.0%**

**Margin Drivers**

- Global Capability
- HOS And VPD™
- Honeywell User Experience

*Includes Friction Materials

**Accelerating Growth And Margin Expansion**
### Global Trend To Regulate Fuel Economy

<table>
<thead>
<tr>
<th>Region</th>
<th>Fuel Economy Regulation</th>
<th>MPG By</th>
<th>Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUROPE</td>
<td>~40%</td>
<td>67</td>
<td>~40%</td>
</tr>
<tr>
<td>CHINA</td>
<td>~45%</td>
<td>55</td>
<td>~50%</td>
</tr>
<tr>
<td>NORTH AMERICA</td>
<td>~65%</td>
<td>54.5</td>
<td>~65%</td>
</tr>
<tr>
<td>JAPAN</td>
<td>~10%</td>
<td>55</td>
<td>~10%</td>
</tr>
<tr>
<td>KOREA</td>
<td>~50%</td>
<td>47</td>
<td>~50%</td>
</tr>
<tr>
<td>INDIA</td>
<td>~20%</td>
<td>49</td>
<td>~20%</td>
</tr>
</tbody>
</table>

### Turbo Industry Growing With Penetration

<table>
<thead>
<tr>
<th>Region</th>
<th>OEM Turbo Industry Revenue ($B)</th>
<th>Turbo Penetration</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU</td>
<td>3%</td>
<td>63%</td>
<td>3%</td>
</tr>
<tr>
<td>China</td>
<td>13%</td>
<td>22%</td>
<td>13%</td>
</tr>
<tr>
<td>NA</td>
<td>7%</td>
<td>20%</td>
<td>7%</td>
</tr>
<tr>
<td>Japan</td>
<td>3%</td>
<td>15%</td>
<td>3%</td>
</tr>
<tr>
<td>Korea</td>
<td>5%</td>
<td>37%</td>
<td>5%</td>
</tr>
<tr>
<td>India</td>
<td>7%</td>
<td>46%</td>
<td>7%</td>
</tr>
</tbody>
</table>

1 – Miles Per Gallon Equivalent of Fleet Average CO₂ Emissions Target  
2 – Source: HON Forecast  
3 – Share of all Engines Boosted. Source: HON Forecast

**Market Expanding $2.7B To $10.5B By 2018**
**Growth Inflection | No Compromise Solution**

### Honeywell Turbocharged Vehicles

<table>
<thead>
<tr>
<th>Region</th>
<th>Model</th>
<th>Engine</th>
<th>MPG</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUROPE</td>
<td>Peugeot 208 1.6L Diesel</td>
<td>1.6L Diesel</td>
<td>62 MPG</td>
</tr>
<tr>
<td></td>
<td>Fiat GAC Viaggio 1.4L Gasoline</td>
<td>1.4L Gasoline</td>
<td>33 MPG</td>
</tr>
<tr>
<td></td>
<td>Chevy Cruze 1.4L Gasoline</td>
<td></td>
<td>42 MPG</td>
</tr>
<tr>
<td></td>
<td>Subaru Levorg 1.6L Gasoline</td>
<td></td>
<td>41 MPG</td>
</tr>
<tr>
<td></td>
<td>Hyundai ix35 2.0L Diesel</td>
<td></td>
<td>39 MPG</td>
</tr>
<tr>
<td></td>
<td>Honda City 1.5L Diesel</td>
<td></td>
<td>62 MPG</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Model</th>
<th>Engine</th>
<th>MPG</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHINA</td>
<td>Fiat GAC Viaggio 1.4L Gasoline</td>
<td>1.4L Gasoline</td>
<td>33 MPG</td>
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<tr>
<td></td>
<td>Chevy Cruze 1.4L Gasoline</td>
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<td>42 MPG</td>
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<thead>
<tr>
<th>Region</th>
<th>Model</th>
<th>Engine</th>
<th>MPG</th>
</tr>
</thead>
<tbody>
<tr>
<td>NORTH AMERICA</td>
<td>Chevy Cruze 1.4L Gasoline</td>
<td>1.4L Gasoline</td>
<td>42 MPG</td>
</tr>
<tr>
<td></td>
<td>Subaru Levorg 1.6L Gasoline</td>
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<td>41 MPG</td>
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<tr>
<td></td>
<td>Hyundai ix35 2.0L Diesel</td>
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<tr>
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<td>Honda City 1.5L Diesel</td>
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<table>
<thead>
<tr>
<th>Region</th>
<th>Model</th>
<th>Engine</th>
<th>MPG</th>
</tr>
</thead>
<tbody>
<tr>
<td>JAPAN</td>
<td>Subaru Levorg 1.6L Gasoline</td>
<td></td>
<td>41 MPG</td>
</tr>
<tr>
<td></td>
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<thead>
<tr>
<th>Region</th>
<th>Model</th>
<th>Engine</th>
<th>MPG</th>
</tr>
</thead>
<tbody>
<tr>
<td>KOREA</td>
<td>Hyundai ix35 2.0L Diesel</td>
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<td>39 MPG</td>
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<td></td>
<td>Honda City 1.5L Diesel</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Model</th>
<th>Engine</th>
<th>MPG</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDIA</td>
<td>Honda City 1.5L Diesel</td>
<td></td>
<td>62 MPG</td>
</tr>
</tbody>
</table>

### Performance Vs. Non-Turbo Model

<table>
<thead>
<tr>
<th>Region</th>
<th>Performance</th>
<th>Model/Engine</th>
<th>MPG/Gasoline</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUROPE</td>
<td>+69% Torque</td>
<td>Peugeot 208 1.6L Diesel</td>
<td>62 MPG</td>
</tr>
<tr>
<td></td>
<td>+15% Torque</td>
<td>Peugeot 408 2.0L Gasoline</td>
<td></td>
</tr>
<tr>
<td></td>
<td>+17% Torque</td>
<td>Chevy Cruze 1.8L Gasoline</td>
<td></td>
</tr>
<tr>
<td></td>
<td>+6% Torque</td>
<td>Subaru Levorg 2.5L Gasoline</td>
<td></td>
</tr>
<tr>
<td></td>
<td>+87% Torque</td>
<td>Hyundai ix35 2.0L Gasoline</td>
<td></td>
</tr>
<tr>
<td></td>
<td>+38% Torque</td>
<td>Honda City 1.5L Gasoline</td>
<td></td>
</tr>
<tr>
<td>CHINA</td>
<td>+48% MPG</td>
<td>Peugeot 208 1.6L Diesel</td>
<td>62 MPG</td>
</tr>
<tr>
<td></td>
<td>+12% MPG</td>
<td>Peugeot 408 2.0L Gasoline</td>
<td></td>
</tr>
<tr>
<td></td>
<td>+18% MPG</td>
<td>Chevy Cruze 1.8L Gasoline</td>
<td></td>
</tr>
<tr>
<td></td>
<td>+21% MPG</td>
<td>Subaru Levorg 2.5L Gasoline</td>
<td></td>
</tr>
<tr>
<td></td>
<td>+33% MPG</td>
<td>Hyundai ix35 2.0L Gasoline</td>
<td></td>
</tr>
<tr>
<td></td>
<td>+50% MPG</td>
<td>Honda City 1.5L Gasoline</td>
<td></td>
</tr>
</tbody>
</table>

**+20-30% Improved Fuel Economy, Better Performance**
Global Turbo Penetration

- 2013: 66%
- 2018: 76%

Followers

- 2013: 30%
- 2018: 41%

Pioneers

- 2013: 31%
- 2018: 38%

Next Wave

- 2013: 15%
- 2018: 20%

Highlights

- Global Turbo Penetration Accelerating
- Pioneer OEMs Already Utilize Turbos On >60% Of Vehicles
- Market Will More Than Double As Followers And Next Wave Adopt

$20B+ Industry At Maturity
Outpacing Industry | Global Business Wins

$1B+ Revenue Growth | ~75% In Asia And Americas

Content Redacted
Outpacing Industry | 2013 Performance

Content Redacted
# Outpacing Industry | Innovation

<table>
<thead>
<tr>
<th>Industry Segment</th>
<th>Flagship Launch</th>
<th>Breakthrough Technology</th>
<th>Benefit Vs. Prior Generation</th>
<th>Key Honeywell Capability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light Vehicle Diesel</td>
<td>Maserati Ghibli 3L Diesel</td>
<td>4th Generation VNT™ With Ball-Bearing</td>
<td>+20% Torque</td>
<td>Turbine Aerodynamics High-Speed Rotors</td>
</tr>
<tr>
<td>Light Vehicle Gasoline</td>
<td>Ford Mustang 2.3L EcoBoost</td>
<td>Low Inertia TwinScroll Gasoline Turbo</td>
<td>+10% Torque</td>
<td>Gas Pulsation Modeling High-Temp Materials</td>
</tr>
<tr>
<td>Commercial On-Highway</td>
<td>Volvo Trucks 8.8L MD8</td>
<td>3rd Generation VNT™ DutyDrive™</td>
<td>+35% Power Density, -2% L/T.km</td>
<td>Gas Nozzle Design Reliability Engineering</td>
</tr>
<tr>
<td>Commercial Off-Highway</td>
<td>Case New Holland 13L Cursor</td>
<td>Heavy Duty 2-Stage With Ball-Bearing</td>
<td>-50% Time-to-Torque, -1% L/hour</td>
<td>System Engineering Bearing Design</td>
</tr>
</tbody>
</table>

**Delivering Customer Value Through Innovation**
### Aerospace
- Turbine Aerodynamics
- Gas Nozzle Design
- High-Temperature Materials
- High-Speed Rotors
- Bearing Design
- Sealing Systems
- Light-Weight Alloys
- Rapid Prototyping
- Advanced Manufacturing

### Transportation Systems

### Automation & Control Solutions
- Engine Control Software
- System Engineering
- High-Precision Sensors
- Electronics Manufacturing

### Performance Materials & Technologies
- Fuels, Lubricants & Coolants
- Advanced Polymers
- Exhaust Catalysts
- Reliability Engineering

---

**Jet Engine Technology...And More**
Honeywell User Experience

Commercial Cycle

Pre-Sale

Turbo Launch Portal
Product Development Tracking Solution

Turbo Noise Avoidance
Eliminate Key Customer Pain Point

Turbo Sell Through
Drive Consumer Turbo Adoption

Aftermarket Customer Connect
Digital Platform for Service & Products

Bid

“Hy is like a Data Dream, it’s really useful. No one else is doing this”

“We should have tools to prevent noise crisis at launches -- we want to partner with Honeywell to get there…”

“With Honeywell’s support we can sell more of our turbocharged vehicles which drive higher profit.”

“Easy to use, great ordering tool… I like the installation videos”

Launch

Value Capture
Flawless Customer Launches

Value Capture
Reduced Launch Costs

Value Capture
Accelerated Turbo Adoption

Value Capture
Optimized Channel Coverage

Post-Sale

End-To-End Value Creation
Honeywell Advantage | HGR Capability

**HGR Investment Driving 20%+ Revenue Growth**

**High Growth Regions Growth***

<table>
<thead>
<tr>
<th>Year</th>
<th>Turbo Industry 11% CAGR</th>
<th>HON &gt;20% CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1.7</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.9</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>2.9</td>
<td></td>
</tr>
</tbody>
</table>

*China, India, South America

- Vehicle Production Growing 7% CAGR
- Turbo Penetration Up 9pts To 33% By 2018
- HON Growing 20%+ CAGR Vs. Industry 11%

**HON Strategy**

- End-To-End Capability In Each Region
- ‘East-for-East’ Products For Local Needs
- New Plants | 90% Local Sourcing

*BECOME THE CHINESE COMPETITOR*
Honeywell Advantage | HOS Gold

Operational Excellence
-75% Quality Defects
+10% On-Time Delivery
+33% Productivity

NPI Value And Speed
-30% Cycle Time
-20% Design Rework

Business-Driven Operating System
Income Growth
Margin Expansion
ROI

Cost Leadership

Flawless Launches

Global Reach

Extending Competitive Advantage With HOS Gold
Summary

**Growth Inflection**
- No Compromise Fuel Economy +20-30% MPG
- Regulations Driving Turbo Pen. Up 7pts To 38% By 2018
- Industry Wide Adoption $20B+ Industry At Maturity

**Outpacing Industry**
- Global Business Wins >40% Win Rate
- Innovation In All Segments ~100 Launches In 2014
- One Honeywell Expertise 20 New Technologies

**Honeywell Advantage**
- Honeywell User Experience End-To-End Value
- High Growth Region Capability >20% CAGR To 2018
- HOS And VPD™ Enablers HOS Gold In 2014

**Breakout Performance**
- Strong 2013 Performance +5% Rev, +120 bps Margin
- Accelerating Turbo Revenue 6-9% CAGR To 2018
- Continued Margin Expansion +270-370 bps By 2018

A HON Technology Business
Key Messages

Strong Foundation

- Successful Track Record Across Multiple Growth Initiatives
- High Growth Region Focus, Now ~40% Of Total Sales
- Expanding Capacity To Meet Orders In Hand

Ongoing Innovation Pipeline

- IP Leadership Reinforces Great Positions In Good Industries
- Market-Leading Positions In Fast-Cycle Applications
- Rich Project Funnel Of High-Margin New Products

Creating New Markets

- UOP Process Technologies In High Demand
- Rapid Expansion From Gas Processing and Fuel Upgrading
- Unique Positioning With Modular Platforms

Sustainable Growth Trajectory → More To Come
PMT Overview

Business Portfolio

(\% Sales '13)

Technology Leadership

- UOP 44\%
- FP 14\%
- R&C 25\%
- SP 17\%

Molecule Scale-Up

Fast-Cycle Application

Geographic Mix

(\% Sales '13)

- North America 50\%
- Asia Pac 26\%
- Lat Am 7\%
- EMEA 17\%

Leading Positions, Globally Diverse

Technologies For Oil & Gas Production
- Refining & Petrochemicals Processes
- Gas Recovery And Treatment
- Equipment And Engineering Services

Refrigerant & Insulation Efficiency
- Low Global Warming Products
- Energy Efficiency And Insulation
- Industrial Gases And Solvents

Intermediates For Nylon & Plastics
- Caprolactam For Nylon Materials
- Chemical Intermediates
- Sulfur-Based Fertilizers

High-Quality Performance Materials
- Specialty Additives And Films
- Advanced Fibers And Composites
- High-Purity Metals And Chemicals
<table>
<thead>
<tr>
<th>Year</th>
<th>Sales ($B)</th>
<th>Segment Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$4.1</td>
<td>14.6%</td>
</tr>
<tr>
<td>2014E</td>
<td>$7.0 - 7.1</td>
<td>18.8 - 19.1%</td>
</tr>
<tr>
<td>2014T</td>
<td>$5.6 - 6.3</td>
<td>16.0 - 18.0%</td>
</tr>
</tbody>
</table>

**2014 Outlook Vs. Targets**

**Very High Success Rate Across Multiple Initiatives**

- Developed A Lasting Strategy
- Broadened Adjacencies
- Extended Global Reach
- Invested In New Products And IP
- Rigorous Operating Mechanism
- Optimized Plant Efficiencies
- Grew Profits Faster Than Peers
Execution Focus Yields Results

New Markets

Addressable Demand ($B)
(Over Next 5 Yrs)

$59
$75

Created Multiple New Adjacencies

Globalization

HGR Sales ($B)

$1.6
$2.7

Driving New Business In All Regions

$4.1
$7.5

AM
UOP

More Orders In Hand

Backlog*

($B)

2009
2013

Over $15B Broader Markets To Address

37% To ~40%
Sales From HGRs

*Includes firm orders and contractual minimum volumes

Platform Ready To Expand
2018 Targets

<table>
<thead>
<tr>
<th>Sales</th>
<th>Segment Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>($B)</td>
<td></td>
</tr>
</tbody>
</table>

- **Sales**
  - 2013: $6.8
  - 2014E: $7.0
  - 2018T: $8.5

- **Segment Margin**
  - 2013: 18.8%
  - 2014E: 18.8%
  - 2018T: 21.0% - 22.5%

**Revenue Growth**
- ~$2B+

**Growth Drivers**
- New Process Technologies
- Gas And Modular Equipment
- Broadened Markets
- Further Globalization
- Expanded Capacity

**Margin Drivers**
- Honeywell Operating System
- Velocity Product Development™
- Honeywell User Experience

**Long-Term Margin Target ~25%**

**Established Foundations Enabling Growth**

**Revenue Growth**
- ~$2B+

**Growth Drivers**
- ~5-6% CAGR
- 2013-2018T

**Margin Drivers**
- 220-370 bps Per Year
- 40-70 bps Expansion
New Markets: Example #1

- Oleflex™ Technology For “On-Purpose” Production Of Propylene
- Converting Propane From Shale Gas To In-Demand Plastic Building Blocks

Licensing & Design (Year 1-2)  Construction (Year 2-4)  Commissioning (Year 3-5)  Ongoing (Year 4-35)

Content Redacted
New Markets: Example #2

- Methanol-To-Olefins (MTO)
- Converts Coal To High-Value Plastics
- First Major Startup – Q3 2013

**Licensing & Design (Year 1-2)**

**Construction (Year 2-4)**

**Commissioning (Year 3-5)**

**Ongoing (Year 4-35)**

Content Redacted

4 Additional Projects Sold Since Q3 2013
New Markets: Example #3

- **Uniflex™ Technology For Bottom-Of-The- Barrel Upgrading**
- **Extracting More High-Value Transportation Fuels From Heaviest Crudes**
- **First Project Sold Q1 2012**

### Phases

- **Licensing & Design** (Year 1-2)
- **Construction** (Year 2-4)
- **Commissioning** (Year 3-5)
- **Ongoing** (Year 4-35)

**Content Redacted**

**2 More Licenses Sold In 2013**
New Markets: Example #4

- Cryogenic Processing Packaged Plant
- Separate Gas & Liquid (NGL) Streams
- First Non-U.S. Win Q4 2013

Content Redacted

Thomas Russell Acquisition Highlights

- Purchase Price: $525M
- Ev/EBITDA: ~4x
- Sales Growth: (2014-2018 CAGR) ~11%
- Return On Investment: (In 2018) ~14%

Note: 70% Acquired, With Option To Buy Remaining 30%

Growth Platform With Global Disruption Potential
## Honeywell Modular Vs. Stick-Built Approach

<table>
<thead>
<tr>
<th>Project Phase</th>
<th>Stick-Built</th>
<th>HON Modular Approach</th>
<th>Customer Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
<td>Unique Specs</td>
<td>Standard Design Package</td>
<td>Lower Risk</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Higher IRR%</td>
</tr>
<tr>
<td>Project Management</td>
<td>On-Site Customer Coordination</td>
<td>Turnkey Engineering Solution</td>
<td>Customer Expertise Not Required</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>On-Site</td>
<td>Off-Site; Delivered &amp; Installed</td>
<td>Reduced Labor For Challenging Locations</td>
</tr>
<tr>
<td>Start-Up</td>
<td>Customer Responsibility</td>
<td>Guaranteed With Package</td>
<td>Quicker Access To On-Stream Product</td>
</tr>
<tr>
<td>Schedule</td>
<td>Variable</td>
<td>Fixed</td>
<td>Shorter Schedules Avoid Delays</td>
</tr>
<tr>
<td>Cost</td>
<td>Variable</td>
<td>Fixed</td>
<td>Lower Project Costs</td>
</tr>
</tbody>
</table>

- **Packaged Solutions – Faster, Lower Risk**
- **Unmatched Competitive Position For Honeywell**
Modular Growth Platform

Content Redacted
Core UOP Markets

**Refining Demand**

- **Refining Demand > Oil Demand**
- **Tighter Fuel Specifications**
- **Regional Factors**
- **Changing Product Mix**

- **Capacity Replacement**

**~1.3%**

**Base Oil Demand**

**Refining Growth**

**4-5% Growth**

**Fuel Mix Shifting To Diesel**

- **~50 Additional Hydrocracking Units Over Next 5 Years**

**Gasoline**

**Diesel**

- **CAGR = 2.0%**
- **CAGR = 0.8%**

**Global Demand, M BPD**

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2010</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td>20</td>
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<tr>
<td>2015</td>
<td></td>
<td></td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
</tr>
</tbody>
</table>

**Paraxylene Demand For Fibers / PET**

- **~15 Additional pX Plants By 2018; ~20M MT Capacity Add**

**K MTA**

- **2013**
- **2014**
- **2018**

**7% CAGR**

**Propylene Supply & Demand**

- **26 Additional PDH Plants By 2016; 14M MT Capacity Add**

**M MTA**

- **2013**
- **2014**
- **2018**

**10% On-Purpose Growth**

**Robust Growth Continues**
UOP Roadmap For Growth

Sales ($B)

- **Core Markets**
  - Global Expansion
  - Refinery Upgrades
  - Catalyst Renewals
  - Petrochemical Demand

- **New Modular And Gas**
  - International NGL And LNG
  - Turnkey Engineering Services
  - Expanded Modular Portfolio

- **New Process Technologies**
  - Gas-To-Chemicals
  - Methanol-To-Olefins
  - Bottom-Of-The-Barrel

Expanding Sales And Margin
Fluorine Products

<table>
<thead>
<tr>
<th>Solstice™ Application</th>
<th>Commercialization Highlights</th>
<th>GWP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Mobile A/C</td>
<td>• Meets CAFE Standards In U.S. And MAC Directive In EU</td>
<td>&lt; 1</td>
</tr>
<tr>
<td></td>
<td>• Adoption In 2 Million Cars By Year-End 2014</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• GWP Lower Than CO₂ Proposed Alternative</td>
<td></td>
</tr>
<tr>
<td>Foam Insulation</td>
<td>• Integrated In Next-Generation, Low Energy Refrigerator Designs</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>• Major Contracts With Whirlpool &amp; Other Global Appliance OEMs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Energy Efficiency For LNG Tankers And Building Envelopes</td>
<td></td>
</tr>
<tr>
<td>Aerosols &amp; Solvents</td>
<td>• Similar Performance To HCFCs</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>• Greener Drop-In Replacement</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• New Personal Care Aerosols And Industrial Cleaning Applications</td>
<td></td>
</tr>
</tbody>
</table>

New Platform Driving Growth And Income

Unique Molecules Transform Portfolio
# Specialty Products

## Fast-Cycle Application Areas

<table>
<thead>
<tr>
<th>Aclar® Moisture Barrier For Drug Packaging</th>
<th>High Purity Metal Targets For Semiconductors</th>
<th>Spectra® X Next-Gen Fiber For Helmet Armor</th>
<th>Titan® Asphalt Additives For New Road Surfaces</th>
</tr>
</thead>
</table>

- **Aclar® Moisture Barrier For Drug Packaging**
  - Smaller, More Secure, Easier Patient Use
  - Improved Brand Integrity
  - Generic Drug Growth Driving Future Demand

- **High Purity Metal Targets For Semiconductors**
  - Enabling Smaller More Efficient Chip Design
  - Increased Wafer Yields
  - Technology Roadmap Aligned With Market Pull

- **Spectra® X Next-Gen Fiber For Helmet Armor**
  - Lighter Weight, Stronger Fibers For Personal And Vehicle Applications
  - Better Ballistic Protection
  - Global Defense Wins

- **Titan® Asphalt Additives For New Road Surfaces**
  - Reduces Energy And Materials In Construction
  - Superior Road Durability
  - >20M Miles Of New Road Projects Planned

## 5-Year Forecast Sales CAGR

<table>
<thead>
<tr>
<th></th>
<th>9%</th>
<th>15%</th>
<th>27%</th>
<th>8%</th>
</tr>
</thead>
</table>

**Differentiated Offerings Overdrive Growth**
Resins And Chemicals

Global Caprolactam Supply / Cost Landscape

Lowest Cost Supplier

Cost

Overcapacity

Global Demand

Increasingly Competitive

Increased Risk Of Rationalization

Honeywell

Chinese

Rest Of World

Rapid Market Changes Favor Low Cost Caprolactam Position

Building On Our Advantages

- Unique Process, High Level Of Integration, Higher Yields Of Valuable Byproduct
- Daily Pricing Rigor And Regional Diversification To Optimize Margin
- Upgrading Plant Capacity To Deliver New High Margin Resin Applications
- Driving Continuous Plant Efficiency And Further Cost Savings, Focus On HOS Gold

Leveraging Lowest Cost Position
Advanced Materials Roadmap For Growth

**Sales ($B)**

- **2009**: $2.6
- **2014E**: ~$4.0
- **2018T**: ~$4.7

**4% CAGR**

**Unique Patented Position**
- Differentiated Technologies
- New Patented Molecules
- Performance Enablers

**Winning On Applications**
- Global Technical Expertise
- Fast-Cycle Solutions
- Quality And Lead Time Advantage

**Lowest Cost Play**
- New Resin Applications
- Further Productivity Gains

**Margin Expansion Across The Portfolio**

Honeywell Investor Conference – March 5, 2014
High ROI Capex

Capital & Incremental Sales

Timeline For New Capacity Online

Key Growth Projects 2014 2015 2016

<table>
<thead>
<tr>
<th>UOP</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas-To-Chemicals Catalysts</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Refining Adsorbents</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Refining Catalysts</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Methanol-To-Olefins Catalysts</td>
<td></td>
<td></td>
<td>✓</td>
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</table>

<table>
<thead>
<tr>
<th>LGWP</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>245fa Foam Blowing Agents</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solstice Foam &amp; Solvents</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Solstice Mobile A/C</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other AM</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic Materials</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>High Margin Resins</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Aclar Film Line Expansion</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

Exhaustive Growth $8.5-9.1B

Sales ($B)

Capex

Growth
Reliability & Cost
Base

Timeline For New Capacity Online

30% - 40% IRR Growth Projects

Expanding Capacity To Meet Firm Customer Orders

~$1B Incremental Sales From New Capacity

Performance Materials and Technologies

Honeywell Investor Conference – March 5, 2014
World-Class Facilities

Solstice LGWP Liquid Blowing Agent
Baton Rouge, LA – Q2 2014

Joint Venture 245fa Foam Blowing Agent
Taicang, China – Q3 2014

New Multi User Site For Catalysts & Adsorbents
Zhangjiagang, China – 2014-15

Hydroprocessing Refining Catalysts (3D Model)
Shreveport, LA – Q1 2016
Honeywell Initiatives Deliver Results

**HOS**
- >90% Of Conversion Cost Now Either Bronze Or Silver
- Drive To HOS Gold; Enterprise-Wide Benefits To Capture
- Supply Chain Driving Productivity

**VPD™**
- Stage Gate Rigor Reducing Risks And Speeding Earlier Launches
- $1.3B Sales In 2013 From Products Launched Since 2010
- HUE Integrated Into New Product Development Stage Gates

**Sales & Marketing Excellence**
- New Professional Sales Competencies System Launched
- Rigor With VOC And Transactional Analytics Optimizing Pricing
- Digital Marketing Building Brand & Generating More Leads

**Globalization**
- Expanding Sales, Field Service And Marketing In All HGRs
- Regional Application Labs To Support Local Customers
- New World-Class Catalyst Manufacturing Site In China

Consistent Execution Of Core Processes
Honeywell User Experience

“Perfect Delivery”: Hydrofluoric Acid
Maintain 26% Market Price Premium Through Enhanced End User Experience

Productivity: High-Speed Fiber Line
$1M/Yr Savings By Reducing Waste; Safer For Operators

“Perfect Order”: Bulk Materials
$2.5M/Yr Additional Resins Sales Through Streamlined Order Processes

Refinery Design: Catalyst Changeouts
$100M Opportunity Over Next 5 Yrs; Better Design Saves Customer Downtime

Rapid Prototyping: Spectra Helmets
$30M Opportunity Created Via Concept-To-Design End-User Co-Development Capabilities

UOP Customer: Self-Service Portal
$1.3M/Yr From New Services & Reduced Costs To Serve

Making It Easier To Do Business

New Product Development
Order-To-Use Cycle
Innovation Pipeline

**IP Leadership**

- PhDs: 400
- Other Scientists: 700
- Process Engineers: 2,800

**Advanced Research**

- Horizon 1: Incremental (27%)
- Horizon 2: Intermediate (36%)
- Horizon 3: Game Changing (37%)

**Product Vitality**

- Sales From New Products Launched In Last 5 Years: $2.7B
- Active NPI Projects: 226
- Innovative Portfolio: $1.3B
- Of Sales: 18% (2013), 30% (2018)

**Expertise And IP Knowledge Advantage**

**Investing In Long-Range Capabilities**

**Higher Value Innovative Portfolio**

Even More Growth To Come
Summary

**Strong Foundation**
- Proven Track Record, Primed For More Growth
- Adding Capacity For High-Margin Products, Orders In Hand

**Ongoing Innovation Pipeline**
- Game-Changing Processes And Molecules
- Differentiated Technology And Application Expertise

**Creating New Markets**
- Alignment With Macro Trends, Globalization Advantage
- New Offerings Generating Long Revenue Tails

Confident In 5-Year Forecast ... Upside Very Possible
Key Messages

Large Program Wins
- Beating The Market In All Business Segments
- Unmatched $90B + New Wins
- Installed Base Rapidly Expanding
- Strong HGR Penetration – Commercial And Defense

More Favorable Macros
- Dramatic Replacement Cycle, Continued Flight Hour Growth
- Well Positioned On Higher Growth Platforms
- Defense Stabilizes 2014 / 2015

Differentiated Technology Leadership
- Disruptive Technologies Across Electrical / Mechanical Portfolio
- Connectivity → Cabin + Platforms / Products = Upside
- Upgrades Enhancing Growth, Forward/Retro-fits

Winning Today → Outperforming Now And Future
Aerospace Overview

Financials

- **Sales**
  - 2011: $11.5B, 17.6%
  - 2012: $12.0B, 18.9%
  - 2013: $12.0B, 19.8%
  - 2014E: $12.0 - $12.2B, 20.2 - 20.5%

2013 Summary

- Large Program Wins
- High Product Renewal Cycle
- Commercial Growth Offset By Defense Decline
- High Growth Region Expansion
- Record Software Upgrade Deliveries
- Significant D&S Backlog Growth

Geographic Mix

- United States: 38%
- Europe: 16%
- Asia: 13%
- Other: 11%
- U.S. Export: 22%

Long-Term Outlook

- Continued Robust Commercial OE Growth
- DoD Outlook Improving, Modest Budget Growth
- Strong Commercial Flight Hour Growth Across Large Installed Base Driving Aftermarket
- Robust International Growth
- Pace Accelerates Beyond 2015

Strong 2013...Sets Stage For Strong 5 Year Outlook
Winning Across The Portfolio
Differentiated Portfolio

### Product Groups

#### Propulsion Engines
- **(Served Sectors)**
- Over 70K Turbine Engines Delivered
- ~20% HTF7000 Fleet CAGR 2014-2018

#### Auxiliary Power Units
- **(Air Transport)**
- Large Installed Base Positioned For Growth
- Narrow Body Production Rates Strong

### Opportunity

<table>
<thead>
<tr>
<th>Product Group</th>
<th>Opportunity</th>
<th>New Launches</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Propulsion Engines</strong></td>
<td></td>
<td>• Gulfstream 280</td>
</tr>
<tr>
<td><strong>Auxiliary Power Units</strong></td>
<td></td>
<td>• Bombardier CL300/350</td>
</tr>
<tr>
<td><strong>Safety Systems</strong></td>
<td></td>
<td>• Embraer L500/450</td>
</tr>
<tr>
<td><strong>Global Connectivity &amp; Services</strong></td>
<td></td>
<td>• Alenia Aermacchi M-346</td>
</tr>
<tr>
<td><strong>Cockpit Systems</strong></td>
<td></td>
<td>• Airbus 350</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• COMAC C-919</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Boeing 737 Max</td>
</tr>
</tbody>
</table>

### Mechanical Systems

#### Safety Systems
- Leading Technology With 3D Weather Radar
- Software Upgrades Service Large Installed Base

### Electrical Systems

#### Global Connectivity & Services
- Capitalizing On EMS Acquisition, Inmarsat
- Integrating Across The Portfolio

### cockpit Systems
- Winning And Delivering New Platforms
- Pipeline Of Software Upgrades

### Table

<table>
<thead>
<tr>
<th>Product Group</th>
<th>Industry</th>
<th>HON</th>
<th>5 Year Market CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Propulsion Engines</strong></td>
<td>0%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td><strong>Auxiliary Power Units</strong></td>
<td>4%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td><strong>Safety Systems</strong></td>
<td>3%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td><strong>Global Connectivity &amp; Services</strong></td>
<td>6%</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td><strong>Cockpit Systems</strong></td>
<td>3%</td>
<td>5%</td>
<td></td>
</tr>
</tbody>
</table>

**Winning Across Mechanical / Electrical / Software**
# Honeywell’s Platform Position

## Winning On The Right Aircraft With The Right Products

<table>
<thead>
<tr>
<th>Aircraft In Development/Entry Into Service</th>
<th>Mechanical</th>
<th>Avionics</th>
<th>Software &amp; Services</th>
<th>Honeywell Value</th>
<th>Competitor Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airbus A350</td>
<td></td>
<td></td>
<td></td>
<td>$18B</td>
<td>$6-$9B (Avionics, Comp.)</td>
</tr>
<tr>
<td>COMAC C919</td>
<td></td>
<td></td>
<td></td>
<td>$16B</td>
<td>&lt;$16B (Avionics, ECS, Comp.)</td>
</tr>
<tr>
<td>Boeing 737 MAX</td>
<td></td>
<td></td>
<td></td>
<td>$8B</td>
<td>~$2B (Displays)</td>
</tr>
<tr>
<td>Embraer E2</td>
<td></td>
<td></td>
<td></td>
<td>$3B</td>
<td>$2-3B (APU, ECS, Comp.)</td>
</tr>
<tr>
<td>Embraer L500/450</td>
<td></td>
<td></td>
<td></td>
<td>$24B</td>
<td>$3B (Avionics, Comp.)</td>
</tr>
<tr>
<td>Bombardier CL350</td>
<td></td>
<td></td>
<td></td>
<td>$6B</td>
<td>&lt;$2B (Avionics, ECS)</td>
</tr>
<tr>
<td>Bombardier Lear 70/75</td>
<td></td>
<td></td>
<td></td>
<td>$4B</td>
<td>$0.5B (Avionics)</td>
</tr>
<tr>
<td>Gulfstream G650</td>
<td></td>
<td></td>
<td></td>
<td>$3B</td>
<td>Minimal</td>
</tr>
<tr>
<td>Alenia Aermacchi M-346</td>
<td></td>
<td></td>
<td></td>
<td>$1.5B</td>
<td>$0.5B (APU, Comp, Avionics)</td>
</tr>
<tr>
<td><strong>5 Unannounced Wins</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$10B</strong></td>
<td>Minimal</td>
</tr>
</tbody>
</table>

**Strong Pipeline Of Wins – Beating The Competition**
Pipeline Of Wins Fueling Growth

Aerospace

wins Driving Accelerated Growth

2014 2015 2016 2017 2018

Bombardier Lear 70/75
Aermacchi M-346
G650
Bombardier CL350
$4B
$1.5B
$3B
$6B

Embraer 450/500
Airbus A350
$24B
$18B

Unannounced
$10B

Embraer E2
COMAC C919
Boeing 737 MAX
$3B
$16B
$8B

Bomardier
$3B

$4B
$1.5B
$18B
$10B
$24B
$16B
$8B

A350
$18B

Unannounced
$10B

Embraer E2
COMAC C919
Boeing 737 MAX
$3B
$16B
$8B

Wins Driving Accelerated Growth

Aero Revenue
The Five Year Plan
2014 Outlook Vs. Targets

Sales

($B)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Segment Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$10.8</td>
<td>17.6%</td>
</tr>
<tr>
<td>2014E</td>
<td>$12.0</td>
<td>20.2%</td>
</tr>
<tr>
<td>2014T</td>
<td>$12.7 - $13.3</td>
<td>21.0% - 23.0%</td>
</tr>
</tbody>
</table>

Segment Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>17.6%</td>
</tr>
<tr>
<td>2014E</td>
<td>20.2% - 20.5%</td>
</tr>
<tr>
<td>2014T</td>
<td>21.0% - 23.0%</td>
</tr>
</tbody>
</table>

Unexpected Sales Headwinds

Strong Execution:
- EMS Acquisition
- Strong Upgrades Growth
- HGR Penetration
- Large Cabin Positioning

Despite:
- DoD Cuts / Sequestration
- Airline Austerity / Surplus
- Slow Biz Jet Recovery / Consolidation

Headwind From Slower Growth And New Wins

Strong Execution:
- Technology Differentiation
- OEF Productivity
- Reduced Fixed Costs

Despite:
- New Wins / Increased R&D
- Slower Growth

Strong Execution Despite Defense Headwinds

~2% CAGR / 6% Ex-D&S
2018 Targets

**Sales**

- **($B)**
- **3-5% CAGR**
- **$12.0** – **$15.0**
- **~$90B Of Wins Fuel Growth**
- **2013**
- **2014E**
- **2018T**
- **• Large Program Wins In All Businesses**
- **• New Products And Services**
- **• HGR Penetration**

**Segment Margin**

- **Long Term Margin Target ~25%**
- **$13.5 – $15.0**
- **• Technology Premium**
- **• Volume Leverage**
- **• Productivity / Enablers**
- **• Repositioning / Fixed Costs**
- **2013**
- **2014E**
- **2018T**
- **22.0% – 23.0%**
- **19.8% – 20.5%**
- **+220-320 bps Per Year**
- **+40-60 bps**
Business Unit Growth
Air Transport & Regional

ATR OE Outlook

- HON ATR OE Sales ($B)
- ATR OE Deliveries
- HON Growth 2%

ATR Aftermarket Outlook

- HON ATR AM Sales ($B)
- Global Flight Hours
- HON Growth 6%

ATR OE Deliveries +2%
Flight Hours +4%

2011 2012 2013 2014E 2018T
$1.4 $1.6 $1.7

2011 2012 2013 2014E 2018T
$2.8 $2.9 $3.0

Well Positioned On Growing Fleets
- Key Fleet Growth - Airbus, Boeing, Embraer
- A350 EIS 2014
- APU Active Fleet Growing At 600+/Yr To Over 20K By 2018 - Driving Aftermarket

Maintaining Strong Win Rates
- A320 NEO, 737 Max, E2 E-Jet
- $2.5B+ Airline Wins Annually
- Strong Components Wins
- Continued Demand For Services

High Growth Region Expansion
- Leading Growth Segment
- Strong OE Positions In China (C919), Russia (MS-21) And Brazil (E2)
- Rapid Airlines Growth In Middle East, Turkey And Indonesia

Expanded Scope of Offerings
- Safety/Efficiency – Software Upgrades
- Cabin Connectivity
- Electric Green Taxi System
- Value Added Services

Strong Win Rate Fuels Continued Growth

Air Transport & Regional

Honeywell

HON ATR OE Sales ($B)

2011 $1.4
2012 $1.6
2013 $1.7
2014E
2018T

HON ATR AM Sales ($B)

2011 $2.8
2012 $2.9
2013 $3.0
2014E
2018T

HON Growth 2%
HON Growth 6%
OE Deliveries +2%
Flight Hours +4%
Business & General Aviation

BGA OE Outlook

- G280 Ramp Up, Legacy 450/500 EIS 2014
- Engine Shipments Average Over 400/yr
- Active Fleet Rises ~18K By ’18 Driving Aftermarket

BGA Aftermarket Outlook

- Recent Falcon F5X & CL350 Wins
- TFE 731-40 Engine (Learjet 70/75)
- Avionics And Mechanical Subsystems – Unannounced
- Strong Pipeline Of Unannounced Wins

BGA OE Outlook

- Well Positioned On Growing Fleets
- Maintaining Strong Win Rates
- Expanded Scope Of Offerings
- Sales Growth Outpacing Utilization
- RMU On Highest Value / Growth Programs
- Growth Opportunities In Avionics Services
- HTF Strong Growth In Flight Hours

Picking The Winners Strategy Working
Defense Returning To Growth

Honeywell Outlook

- High Regional/Global Threat Environment
- International Defense Budgets Growing 3-4%
- Many Upgrade & Modernization Opportunities

DoD
- DoD Budgets Stabilizing / Returning To Slow Growth
- Continuing Focus On Procurement Costs
- US DoD Strategic Priorities Evolving

Intl
- Strong Positions On Priority Platforms (F-35, THAAD)
- Low Exposure To War Spending (< 4%)
- Balanced Product / Service Portfolio
- Leader In Incentive-Based Maintenance Models
- Leveraging Shared Aero Cost Structure

Honeywell Position
- Strong International Positions: Israeli Trainer, Jaguar, Missile Programs In Korea And Turkey
- ~25% Of Sales Outside US
- Highly Diversified: On 300+ Platforms
- Over 40% Products Commercially Priced

D&S Stabilizes 2014 / 2015
Potential International D&S Growth Regions

Honeywell

Def Budget
5 yr CAGR% (Nominal)
- 5+%
- 2-5%
- 0-2%
- <0%

CEE/CIS:
- $26B (~5%)

ME & Africa:
- $138B (~6%)

India:
- $47B (~7%)

Asia:
- $155B (~3%)

Region:
- 2013 Def. Spend (’13-’18 CAGR)
- ★★ = HON Growth Opportunity

Honeywell complies with all applicable trade and sanctions laws.
High Growth Regions

HGR Penetration Continues Across Portfolio

HGR Sales

($B)

10%+ CAGR

~$3

2018T

2014E

Key Growth Drivers

Global OEM Wins

- Becoming THE Chinese Competitor
  - Building On C919 And Other Wins
  - Local Sourcing, Engr. And Market Access
- Russian Platform Wins: MS-21, Helos
- Brazilian Platform Wins: Embraer E2

HGRs Drive Growth

- China: ATR Airlines, Growing BGA Market
- Russia / Brazil: ATR Airline, Comm’l Helos
- Middle East: ATR Hub Airlines, D&S
- Turkey: ATR Airlines, D&S Growth
- Indonesia: ATR Low Cost Airlines

Security Concerns Increase Defense Needs

- Indian Army Missile Launcher, Space RWAs, Jaguar And Other Opportunities
- South Korean Defense Build-Up
- Israeli OE And IMOD Strong Demand
- Colombian Helicopters
EMS Acquisition Update

- **Identification**
  - Leading Provider Of Connectivity Solutions For Satellite Communications And Mobile Networking / Computers
  - **Fit:** Powerful Synergies Across HON Businesses Including Aerospace And Scanning & Mobility

- **Valuation (Total EMS)**
  - Purchase Price: ~$500M
  - Headline Ev/EBITDA: 12.6x
  - Synergy Adjusted Ev/EBITDA*: ~3x

- **Integration (Satcom Only)**
  - Sales Growth (5-Year CAGR): ~8%
  - Cost Synergies (vs. Plan): 110%
  - Return On Investment (At Year 5): ~19%
  - *Based On 2018 Expected Results

**Capitalizing On EMS**

- **HON + EMS = Industry’s Strongest Satellite Communications Offering**
  - Broadest Product Range
  - Industry Leading Technology
  - HON Content Inside Over 75% Of Other’s Satcom Products
  - Largest Installed Base – Every ATR Broadband Solution

- **HON Exclusive Services Provider For Inmarsat In BGA**

- **Service Enables Hardware / Software Offerings**

---

**Smart Investment Paying Off**

---

Honeywell Investor Conference – March 5, 2014
Technology Leadership Driving Growth
Great Positions In Good Industries

<table>
<thead>
<tr>
<th>Lead Position</th>
<th>Excellent Position</th>
<th>Winning Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Inertial Navigation</td>
<td>• Auxiliary Power Units</td>
<td>• Engine Components</td>
</tr>
<tr>
<td>• Space Pointing And Navigation</td>
<td>• Propulsion: Business Aviation</td>
<td>• Electric Power</td>
</tr>
<tr>
<td>• Flight Management Systems</td>
<td>• Propulsion: Helicopters</td>
<td>• Military And Comm'l Displays</td>
</tr>
<tr>
<td>• Ground Proximity Warning</td>
<td>• Integrated Cockpits</td>
<td>• Space Electronics</td>
</tr>
<tr>
<td></td>
<td>• Commercial Flight Controls</td>
<td>• Engineering Services</td>
</tr>
<tr>
<td></td>
<td>• Environmental Controls</td>
<td>• General Aviation Avionics</td>
</tr>
</tbody>
</table>

~75% Of Sales From Products With Great Positions
Installed Base Rapidly Expanding

Commercial APUs

(Active Fleet)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2023E</th>
</tr>
</thead>
<tbody>
<tr>
<td>~17K</td>
<td>~24K</td>
<td></td>
</tr>
</tbody>
</table>

+7K APUs
43% Increase
4% CAGR

Propulsion Engines

(Active Fleet)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2023E</th>
</tr>
</thead>
<tbody>
<tr>
<td>~26K</td>
<td>~32K</td>
<td></td>
</tr>
</tbody>
</table>

+6K Engines
24% Increase
2% CAGR

Integrated Cockpits

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2023E</th>
</tr>
</thead>
<tbody>
<tr>
<td>~4K</td>
<td>~8K</td>
<td></td>
</tr>
</tbody>
</table>

+4K Cockpits
100%+ Increase
8% CAGR

Larger Installed Base, Upgrades Driving AM Growth
Upgrades Expanding With Growing Installed Base

Upgrade Opportunities

• Avionics Upgrades
• Software Upgrades
• Mechanical Upgrades

Example Upgrades

• Primus Elite
  - Easier To Use, Improved Safety And Lower Costs

• Primus Epic EASy II
  - Improve Efficiency / Safety And Meet New Mandates

• TPE-331
  - Fuel Efficiency, Lower Maintenance Costs, And Improved Performance

Small Investment = Large Returns

Driving Upgrade Growth Organically

Growth % From 2008 Base

Upgrade Growth Trend (17% CAGR)

Over $1B Upgrade Sales In 2014
Disruptive Innovations

Connectivity + Broad Portfolio

- Broadest Mechanical And Electrical Technology Portfolio
- Excellence In High-Integrity Software Applications
- Large Installed Base
- Global Relevance And Reach

+ EMS Acquisition Providing Worldwide High-Speed Connectivity
  - 5X Faster Than Existing Technology
  - Passenger Demand Fueling Growth
  - ~6K Aircraft Using 20Mb/Person Today → 11K Aircraft Using 1Gb /Person By 2020
  - Connectivity Across Platforms / Products

New Product Innovations

- Health Usage Monitoring + SkyConnect
  - Reduces Aircraft Downtime, Provides Real Time Safety And Efficiency Information
- Smart Landing / Runway
  - Improves Safety By Decreasing Runway Incursions, Helps Planes Depart / Arrive On-Time
- GX Broadband Services
  - Only Seamless, Truly Global Wireless Service Network For High Speed Data In-Flight
- Electric Green Taxi (EGTS)
  - Aircraft Can Taxi Without Use Of Main Engines, Providing Significant Cost Savings
- Next Gen Helo Engine
  - Lighter Engine With Longer Range Capabilities And Lower Costs
- Cockpit Of The Future
  - Intuitive Design With Voice Activated And Touch Screen Controls To Improve Safety And Cost

Unique Portfolio Breadth → Differentiated New Products
Honeywell User Experience

End To End Experience

- **OUR PAST**
  - Historically Product Feature Focused

- **OUR FUTURE**
  - Branded And Connected End-to-End Experiences
  - Design To Key Touchpoints
  - Institutionalize Early In NPI

Personas

- **OUR PAST**
  - Narrow Persona Focus

- **OUR FUTURE**
  - Expanded And Earlier Persona Definition
  - Detailed And Differentiated
  - Greater Empathy
  - Leverage OVOC To Uncover Hidden Opportunities

Global Reach

- **CUSTOMER NEED**
  - Global Consistency; Local Empathy

- **OPPORTUNITY**
  - Uniform Honeywell Experience
  - Consistent Design Language Leveraged Globally – Scalable And Adaptable
  - Integrated Architecture And Design

Example Projects

**Pilot Persona:**
- RDR Weather Radar
- EPIC 2.0 Touch Screen
- Flight Deck Voice Commands

**Maintainer Persona:**
- Air Turbine Starter
- Wireless Navigation Database Download
- A350 APU Interactive Maintenance/Training Manuals

**Internal Persona:**
- Speech Recognition For R&O Induction
- Executive Visual Dashboards

**End User Persona:**
- Ovation Select Voice Commands
- Connectivity & Apps

Reducing Effort Throughout The Entire Experience
Honeywell User Experience Example

Improved Customer Satisfaction And Sales
Business Performance Optimization
Honeywell Enablers Deliver Results

**HOS**
- 68% Of Conversion Cost Now Either Bronze Or Silver
- HOS Gold - Business Wide Benefits To Capture
- Driving Performance Results

**VPD™**
- World Class CMMI Level 5 Software Engineers, Mitigating Risks
- Platform Reuse Reducing Costs And Speeding Earlier Launches
- Driving Value For The Customer, Margin Expansion For HON

**FT**
- Focused On Lowering Cost To Serve, Improving Quality
- Common Tools, SAP Deployment
- Self-Service, HUE Reporting

**HUE**
- Creating Exceptional End-To-End Customer Experiences
- Expanding “Persona” Empathy, Uncovering Hidden Opportunities
- Uniform HON Experiences Globally

*Proven Processes Working Well = Results*
Margin Expansion Walk

(Segment Margin)

- 2013: 19.8%
- Growth: ~200 bps
- HON Enablers: ~60 bps
- Repositioning: ~50 bps
- 2018T: 22-23%

**Growth**
- Volume Leverage
- HUE
- Software Business Model
- HGR penetration

**HON Enablers**
- HOS Gold
- VPD
- OEF
- FT
- CMMI Level 5

**Repositioning**
- Footprint Costs
- IT Infrastructure Costs
- Core / Non-Core

**Multiple Levers To Drive Margin Expansion**
Summary

Confidence In Our 5-Year Projection…

- Large Program Wins
- More Favorable Macros
- Differentiated Technology
- Business Optimization And Operational Excellence
FINANCIAL REVIEW

Dave Anderson
Senior Vice President & CFO

Tom Szlosek
Vice President
Corporate Finance

Honeywell
Today’s Discussion

• **HON Continues To Set And Deliver High Expectations**
  - Achieved Record Margins In 2013 While Investing For Growth
  - Continuing Evolution, Positioned To Outperform

• **Confident In 2014 Outlook**
  - More Favorable Macros, On Track To 2014 Targets
  - Strong Cash Conversion And Disciplined Deployment Strategy

• **New 2014-2018 Long Term Targets**
  - Exciting New 5 Year Targets; GPGI And Growth Investments Paying Off
  - Capital Deployment Upside
2010-2014 Financial Summary

($B, except per share amounts)

Great Run 2010-2014

* Proforma Excludes Pension Mark-to-Market Adjustments
HON: Continuing To Evolve

<table>
<thead>
<tr>
<th>2010</th>
<th>2012</th>
<th>2014+</th>
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</thead>
<tbody>
<tr>
<td><strong>Will HON Achieve The 2014 Targets?</strong></td>
<td><strong>Can HON Outperform In A Slow Growth Environment?</strong></td>
<td><strong>What’s Next For Honeywell?</strong></td>
</tr>
<tr>
<td><strong>Honeywell Results</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Record Organic Growth</td>
<td>• Record Margin Expansion</td>
<td>• Delivering 2014 Targets</td>
</tr>
<tr>
<td>- Outpaced Global GDP</td>
<td>- +170 bps 2010-2012</td>
<td>- Issuing New Targets To 2018</td>
</tr>
<tr>
<td>• Continued Seed Planting</td>
<td>• Proactive Growth Investments</td>
<td>• More Margin Runway</td>
</tr>
<tr>
<td>- Funded Repositioning, NPI</td>
<td>- HGR Penetration / CapEx</td>
<td>- Continued Strong Focus</td>
</tr>
<tr>
<td>• Portfolio Management</td>
<td>• Enablers Support Growth</td>
<td>• Sales Growth Acceleration</td>
</tr>
<tr>
<td>- Sperian Acquisition</td>
<td>- HOS Productivity</td>
<td>- Improving End Markets</td>
</tr>
<tr>
<td>- CPG Divestiture</td>
<td>- VPD™ / R&amp;D Effectiveness</td>
<td>- HGRs Poised For Growth</td>
</tr>
<tr>
<td></td>
<td>- FT / OEF Managing Costs</td>
<td>- HUE - Exceptional Experiences</td>
</tr>
</tbody>
</table>

**Demonstrated Confidence With 2014 Targets**

**Double Digit EPS Growth, Achieved High End Of Guidance**

**Positioned To Outperform With New 2018 Targets**
2013 - 2014 Industry Drivers

**Aero Flight Hours**
- ATR: 4%
- BA Large Cabin: ~4.5%
- ~6-8%

**Defense Spending**
- U.S.: (8%)
- RoW: 2%
- 2%
- 3%
- 3%

**Construction Spend**
- Resi Improvements: 6%
- Non-Res: 11%
- 4%
- 8%

**Vehicle Production**
- LV: 3%
- CV: 4%
- 4%
- 2%

**Turbo Penetration**
- LV Diesel: 20%
- LV Gas: 9%
- 11%

**U.S. Capital Spending**
- LV Diesel: 4%
- LV Gas: 6%

Source: Global Insight and Company Estimates

Some Positive Industry Trends . . .
### 2014 End Market Update

<table>
<thead>
<tr>
<th>2014 Outlook</th>
<th>Highlights</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aero</strong></td>
<td></td>
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<tr>
<td>ATR</td>
<td>Commercial AM Growth Inline With Utilization</td>
</tr>
<tr>
<td>BGA</td>
<td>D&amp;S – U.S. Decline Partially Offset By Int’l Growth</td>
</tr>
<tr>
<td>Defense &amp; Space</td>
<td></td>
</tr>
<tr>
<td><strong>ACS</strong></td>
<td></td>
</tr>
<tr>
<td>Energy, Safety &amp; Security</td>
<td>ESS Growth Driven By NPI And HGR Penetration</td>
</tr>
<tr>
<td>Process Solutions</td>
<td>Strong Backlog Supports HPS And HBS Growth</td>
</tr>
<tr>
<td>Building Solutions, ADI</td>
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</tr>
<tr>
<td><strong>PMT</strong></td>
<td></td>
</tr>
<tr>
<td>UOP</td>
<td>UOP Record Backlog, Lower Parex Catalyst Sales</td>
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<tr>
<td><strong>TS</strong></td>
<td></td>
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<tr>
<td>Turbo</td>
<td>Higher Turbo Pen. And New Product Launches</td>
</tr>
<tr>
<td>Friction Materials</td>
<td></td>
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</tbody>
</table>

**. . . Improved Outlook Overall**
## 2014 Financial Guidance Summary

($B except per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014E</th>
<th>V%</th>
<th>Comments</th>
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<tbody>
<tr>
<td>Sales</td>
<td>$39.1</td>
<td>$40.3 - 40.7</td>
<td>3 - 4%</td>
<td>• Organic Up ~3%</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>$6.4</td>
<td>$6.7 - 6.9</td>
<td>5 - 9%</td>
<td>• Up 50 - 80 bps ex-M&amp;A</td>
</tr>
<tr>
<td>Segment Margin</td>
<td>16.3%</td>
<td>16.6 - 16.9%</td>
<td>30 - 60 bps</td>
<td></td>
</tr>
<tr>
<td>Net Income, Proforma</td>
<td>$4.0</td>
<td>$4.2 - 4.4</td>
<td>8 - 12%</td>
<td></td>
</tr>
<tr>
<td>Attributable to Honeywell</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EPS, Proforma</td>
<td>$4.97</td>
<td>$5.35 - 5.55</td>
<td>8 - 12%</td>
<td></td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$3.8</td>
<td>$3.8 - 4.0</td>
<td>~Flat - 5%</td>
<td>• PMT Capex Investment</td>
</tr>
</tbody>
</table>

**Planning Assumptions**

- 1Q14 Margin Expansion Impacted By M&A, Lower UOP Parex CAS Shipments
- Restructuring And Other Actions To Offset Incremental 1Q14 Gains ~$0.10
- Friction Materials Remains In Full Year Guidance → Update Upon Close
- FY EPS Growth Linearity In-Line With Prior Years

### Another Strong Year Underway
# 1Q14 Update

<table>
<thead>
<tr>
<th></th>
<th><strong>Sales Change</strong></th>
<th><strong>Margin Change</strong></th>
<th><strong>What’s Changed</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace</td>
<td>(3) – (1)%</td>
<td>Up ~20 bps</td>
<td>• Lower D&amp;S Sales / Timing</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Stronger Conversion</td>
</tr>
<tr>
<td>ACS</td>
<td>6 - 8%</td>
<td>Up ~20 bps</td>
<td>• Sales On Track / Margin Upside</td>
</tr>
<tr>
<td></td>
<td>2 - 4% Organic</td>
<td>Up ~70 bps Ex-M&amp;A</td>
<td>• Intermec Performance</td>
</tr>
<tr>
<td>PMT</td>
<td>2 - 4%</td>
<td>Down ~(150) bps</td>
<td>• Lower Sales - Weather Impact</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Record 1Q13 Parex CAS</td>
</tr>
<tr>
<td>Transportation</td>
<td>7 - 9%</td>
<td>Up ~300 bps</td>
<td>• Strong Turbo Shipments</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Volume Leverage Upside</td>
</tr>
<tr>
<td>Honeywell</td>
<td>3 - 5%</td>
<td>Up ~20 bps</td>
<td>• Sales Of $9.6-$9.8B</td>
</tr>
<tr>
<td></td>
<td>2 - 4% Organic</td>
<td>Up 30-50 bps Ex-M&amp;A</td>
<td></td>
</tr>
</tbody>
</table>

**On Track To Prior EPS Guidance Of $1.23 - $1.27**

Financial Review

Honeywell

Honeywell Investor Conference – March 5, 2014
2014 Cash Flow

Free Cash Flow*

<table>
<thead>
<tr>
<th>Year</th>
<th>FCF</th>
<th>FCF Conversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$4.2</td>
<td>180%</td>
</tr>
<tr>
<td>2012</td>
<td>$3.7</td>
<td>103%</td>
</tr>
<tr>
<td>2014E</td>
<td>$3.8 - 4.0</td>
<td>~95%</td>
</tr>
</tbody>
</table>

Working Capital

<table>
<thead>
<tr>
<th>Year</th>
<th>Working Capital</th>
<th>Working Capital Turns**</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>6.9</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>7.0</td>
<td></td>
</tr>
<tr>
<td>2014E</td>
<td>7.2</td>
<td></td>
</tr>
</tbody>
</table>

~120% Average Conversion Since 2004

* FCF Prior to Any NARCO Trust Establishment Payments, Cash Pension Contributions, and Cash Taxes Relating to the Sale of Available for Sale Investments

** 13pt. Turns

Some Improvement / Big Opportunity Remains

Lower 2014 Cash Conversion Due To Capex
Cash Flow Deployment

Cash Flow From Operations

2013

- Capex $0.9B
- Net M&A, Other $0.9B
- Dividends $1.4B
- Share Buyback $1.1B
- Total $4.3B

2014E

- Capex ~$1.2B
- Net M&A, Other ~$1B
- Dividends ~$1.5B
- Share Buyback ~$1B
- Total $4.7 - 4.9B

2014 Highlights

- ~170% Capex Reinvestment Ratio
- $1B M&A Placeholder
- Dividend Growth Continues
- $1B Opportunistic Share Buybacks
- Pension 100% Funded 2013YE
- ~50% Of Cash To Shareholders

Smart Use Of Cash
### Pension Funded Status

<table>
<thead>
<tr>
<th>Year</th>
<th>Honeywell</th>
<th>Peers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>77%</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>83%</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>83%</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>84%</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>100%</td>
<td>85%</td>
</tr>
</tbody>
</table>

#### Pension Strategy Working – HON Advantaged Vs. Peers

- **Proactive Strategy Paying Off**
- **HON > Peers**
## M&A Scorecard – Since 2010

<table>
<thead>
<tr>
<th>Acquisitions</th>
<th>5 Year</th>
<th>Cost Synergies*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Building Controls</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>sabc SAIA BURGESS CONTROLS</td>
<td></td>
<td>119%</td>
</tr>
<tr>
<td>INNCOM</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Energy/Smart Grid</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Akuacom</td>
<td></td>
<td>117%</td>
</tr>
<tr>
<td>E-Mon Energy Monitoring</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Personal Protection</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sperian</td>
<td></td>
<td>119%</td>
</tr>
<tr>
<td>Kings Safetywear</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gas Detection</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raf Systems</td>
<td></td>
<td>115%**</td>
</tr>
<tr>
<td><strong>AIDC</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMS Technologies</td>
<td></td>
<td>115%**</td>
</tr>
<tr>
<td>Intermec</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Satellite Connectivity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMS Technologies</td>
<td></td>
<td>107%</td>
</tr>
<tr>
<td><strong>Gas Processing</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thomas Russell Co.</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sales CAGR</th>
<th>Cash Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-7%</td>
<td>15%</td>
</tr>
<tr>
<td>7-9%</td>
<td>17%</td>
</tr>
<tr>
<td>4-6%</td>
<td>13%</td>
</tr>
<tr>
<td>7-9%</td>
<td>13%</td>
</tr>
<tr>
<td>4-6%</td>
<td>17%</td>
</tr>
<tr>
<td>7-9%</td>
<td>19%</td>
</tr>
<tr>
<td>6-8%</td>
<td>16%</td>
</tr>
</tbody>
</table>

* vs. Original Cost Synergies Expectations, ** On Prospective Basis

**Adding To Strong Track Record**
# M&A Strategy

## What We’ve Done

- Maintained Robust Pipeline
- Expanding Into Attractive Adjacencies
- Aggressive Integration
- Portfolio Transformation Evident

**Since 2010…**

<table>
<thead>
<tr>
<th># Of Deals</th>
<th>Total Sales Acquired</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>~$4B</td>
</tr>
</tbody>
</table>

## What You Should Expect

- More Favorable Macros
- More Deployment Opportunities
- Maintain Highly Disciplined Process
- Visibility Of Results

**Targeting ~$10+ Billion Of M&A Spend Through 2018**

**Stage Is Set For Bigger Opportunity**
2014 Performance Vs. Targets

Delivering 2014 Targets Despite Headwinds

- Lower Global Growth
  - GDP ~3.1% vs. 3.5% Planning Assumption
- Unfavorable FX
  - Euro ~1.33 vs. 1.35 Planning Assumption
- Unfavorable FX
  - Euro ~1.33 vs. 1.35 Planning Assumption

About $3.0B of Headwinds

- Lower Global Growth
  - GDP ~3.1% vs. 3.5% Planning Assumption
- Unfavorable FX
  - Euro ~1.33 vs. 1.35 Planning Assumption

Over $1.5B of Tailwinds

- More M&A

~6% CAGR

Sales

($B)

2009 2014E 2014T

$30.0 $40.3 $41.0

40.7 45.0

$40.3 - 45.0

16.0 - 18.0%

16.6 - 16.9%

13.3%

Segment Margin

~350 Bps

About $3.0B of Headwinds

~60 Bps of Headwinds

2009 2014E 2014T

16.0 16.6 16.0

18.0% 16.9% 18.0%

~60 Bps of Headwinds

- Lower Global Growth
  - Limiting Volume Leverage
- Acquisition Impact
  - Early Accounting Treatment

~60 Bps of Headwinds

Over $1.5B of Tailwinds

- More M&A
2014 – 2018 Long Term Targets
Key Indicator – 2018 Outlook

GDP
‘14-’18 Global GDP 3.5%

<table>
<thead>
<tr>
<th></th>
<th>Developed</th>
<th>Emerging</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘10-’14</td>
<td>1.8%</td>
<td>2.3%</td>
</tr>
<tr>
<td>‘14-’18</td>
<td>5.4%</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

Industrial Production
‘14-’18 Global IP 4.3%

<table>
<thead>
<tr>
<th></th>
<th>Developed</th>
<th>Emerging</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘10-’14</td>
<td>2.8%</td>
<td>2.8%</td>
</tr>
<tr>
<td>‘14-’18</td>
<td>5.7%</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

Construction Spend
(Nominal CAGR)

<table>
<thead>
<tr>
<th></th>
<th>Resi Improvements</th>
<th>Non-Res</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘10-’14</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>‘14-’18</td>
<td>5%</td>
<td></td>
</tr>
</tbody>
</table>

Defense Spending
(Base Spend CAGR)

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>RoW</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘10-’13</td>
<td>(2%)</td>
<td></td>
</tr>
<tr>
<td>‘14-’18</td>
<td>1%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Aero OE Deliveries
(K Deliveries)

<table>
<thead>
<tr>
<th></th>
<th>AT&amp;R</th>
<th>B&amp;GA</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘10-’14</td>
<td>7.6</td>
<td>3.4</td>
</tr>
<tr>
<td>‘14-’18</td>
<td>9.0</td>
<td>3.8</td>
</tr>
</tbody>
</table>

Turbo Penetration
(Avg Global Penetration %)

<table>
<thead>
<tr>
<th></th>
<th>LV Diesel</th>
<th>LV Gas</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘10-’14</td>
<td>19%</td>
<td>8%</td>
</tr>
<tr>
<td>‘14-’18</td>
<td>20%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Source: Global Insight and Company Estimates

Continued Gradual Improvement
HON Growth Factors: Next 5 Years

<table>
<thead>
<tr>
<th>Business</th>
<th>Key Growth Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aero</td>
<td>• Significant Wins Ramp Next 5 Years</td>
</tr>
<tr>
<td></td>
<td>• Upgrades Expand Growing Installed Base</td>
</tr>
<tr>
<td></td>
<td>• Disruptive Technologies Including Connectivity</td>
</tr>
<tr>
<td>ACS</td>
<td>• Leading Positions, Improved Macros, Strong Execution</td>
</tr>
<tr>
<td></td>
<td>• Robust Pipeline Of New Products / Services - HUE/CMMI</td>
</tr>
<tr>
<td></td>
<td>• BCC, E4E, E2R Drive HGR Penetration</td>
</tr>
<tr>
<td>PMT</td>
<td>• Robust UOP Backlog, Rapid Expansion In Gas Processing</td>
</tr>
<tr>
<td></td>
<td>• High ROI Capex Investments Meet Customer Demand</td>
</tr>
<tr>
<td></td>
<td>• Ongoing Innovation Pipeline Creating New Markets</td>
</tr>
<tr>
<td>TS</td>
<td>• Growth Inflection With Industry Wide Turbo Adoption</td>
</tr>
<tr>
<td></td>
<td>• Outpacing Industry With Global Business Wins</td>
</tr>
<tr>
<td></td>
<td>• Differentiating With Innovation / Technology Leadership</td>
</tr>
</tbody>
</table>

Every Business Well Positioned For Growth
### 2014 – 2018 Targets By SBG

<table>
<thead>
<tr>
<th>SBG</th>
<th>2013</th>
<th>2014E</th>
<th>2018T</th>
<th>CAGR</th>
<th>BPS Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aero</strong></td>
<td>$12.0</td>
<td>$12.0 - 12.2</td>
<td>$13.5 - 15.0</td>
<td>3 - 5%</td>
<td>40 - 60 bps</td>
</tr>
<tr>
<td></td>
<td>19.8%</td>
<td>20.2 - 20.5%</td>
<td>22-23%</td>
<td>CAGR</td>
<td>Per Year</td>
</tr>
<tr>
<td><strong>ACS</strong></td>
<td>$16.6</td>
<td>$17.4 - 17.6</td>
<td>$20.0 - 21.7</td>
<td>4 - 6%</td>
<td>40 - 70 bps</td>
</tr>
<tr>
<td></td>
<td>14.7%</td>
<td>15.0 - 15.3%</td>
<td>16.7-18.2%</td>
<td>CAGR</td>
<td>Per Year</td>
</tr>
<tr>
<td><strong>PMT</strong></td>
<td>$6.8</td>
<td>$7.0 - 7.1</td>
<td>$8.5 - 9.1</td>
<td>5 - 6%</td>
<td>40 - 70 bps</td>
</tr>
<tr>
<td></td>
<td>18.8%</td>
<td>18.8 - 19.1%</td>
<td>21-22.5%</td>
<td>CAGR</td>
<td>Per Year</td>
</tr>
<tr>
<td><strong>TS</strong></td>
<td>$3.8</td>
<td>$3.8 - 3.9</td>
<td>$4.9 - 5.4</td>
<td>5 - 8%</td>
<td>50 - 70 bps</td>
</tr>
<tr>
<td></td>
<td>13.3%</td>
<td>14.4 - 14.7%</td>
<td>16-17%</td>
<td>CAGR</td>
<td>Per Year</td>
</tr>
</tbody>
</table>

**Balanced Growth Across The SBGs**
2018 Targets + M&A

Sales

($B)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales ($B)</th>
<th>2018 Targets</th>
<th>M&amp;A Upside Next 5 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$39.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014E</td>
<td>$40.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018T</td>
<td>$46</td>
<td>+$5-8B</td>
<td>~$1.00 EPS</td>
</tr>
</tbody>
</table>

Segment Profit / Margin

- Segment Profit
- Segment Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Segment Profit</th>
<th>Segment Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>16.3%</td>
<td>16.6%</td>
</tr>
<tr>
<td>2014E</td>
<td>16.9%</td>
<td>18.5%</td>
</tr>
<tr>
<td>2018T</td>
<td>20.0%</td>
<td></td>
</tr>
</tbody>
</table>

- Targeting Attractive Adjacencies
- Lots Of M&A Capacity
- M&A Margin Headwind ~(-50-100) bps
- Expecting Continued Flawless Integration
Cash – Next 5 Years

Free Cash Flow*

(Free Cash Flow, $B)

Deployment Priorities

- **Investing In High ROI CAPEX**
  - ~$5-6B Next 5 years; PMT Cycle Peaks 2015

- **Pay A Competitive Dividend**
  - Grow > Earnings

- **Strategic M&A**
  - Disciplined Valuation And Screening Process
  - Targeting $10B+ Over Next 5 Years

- **Opportunistic Share Buyback**
  - ~$5B To Hold Share Count ~ Flat

- **Pension 100% Funded 2013YE**

*FCF, FCF Conversion Shown Prior to Any NARCO Trust Establishment Payments, Cash Pension Contributions, and Cash Taxes Relating to the Sale of Available for Sale Investments

Targeting FCF Conversion +100%

Accretive Cash Deployment

More Cash, More Accretive Deployment
Summary
Why Own HON

Organic Growth Accelerates
- Focus On HGR Penetration
- Seed Planting – NPI, VPD™, And CapEx
- HUE And Technology Differentiation

More Margin Expansion
- HOS/OEF/FT – Leverage Improvement
- Execute Restructuring Pipeline

Accretive M&A
- Global Reach / Robust Pipeline
- High Growth Adjacencies
- Disciplined M&A Approach / Track Record

Capital Allocation Upside
- CapEx – Funding High ROI Growth Investment
- Increase Dividend Payout Ratio Over Time
- Opportunistic Share Buyback

Consistent Strategy, Delivering Top Tier Performance
Why HON Will Outperform

Organic Growth
- Robust New Product Pipeline
  - Propelled By HUE, VPD™, Software Capability/CMMI
- Accelerated Penetration Of High Growth Regions
  - End To End Local Capabilities Established

Margin Expansion
- Strong Cost Management
  - Improving Performance Level As We Continue To Grow
- Restructuring Tailwinds
  - High IRR Projects, Long-Term Benefits

Enablers
- HOS Gold
  - Delivering Growth And Productivity
- Functional Transformation
  - Reducing Cost While Improving Service Quality

Effective Cash Deployment
- Disciplined M&A Process
  - Strong Pipeline Of Potential Targets ($10B+ Spend ’14-’18)
- Attractive Returns To Shareholders
  - Create Long-Term Value

Pace Accelerates Over Next 5 Years

~1/2 pt From HUE
~50% Of Growth From HGRs
~$250M Annualized Savings From 2013 Repo Funding
~100% HOS Silver Deployment By 2018
~2 pts From FT
~50% To Growth
~50% To Shareholders
APPENDIX

Reconciliation of Non-GAAP Measures to GAAP Measures
Appendix
Reconciliation of non-GAAP Measures to GAAP Measures
### Reconciliation Of Segment Profit To Operating Income Excluding Pension Mark-To-Market Adjustment And Calculation Of Segment Profit And Operating Income Margin Excluding Pension Mark-To-Market Adjustment

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
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</thead>
<tbody>
<tr>
<td><strong>Reconciliation Of Segment Profit To Operating Income Excluding Pension Mark-To-Market Adjustment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Segment Profit</td>
<td>$2.4</td>
<td>$2.8</td>
<td>$3.2</td>
</tr>
<tr>
<td>Stock Based Compensation (1)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Repositioning and Other (1,2,3)</td>
<td>(0.2)</td>
<td>(0.7)</td>
<td>(0.4)</td>
</tr>
<tr>
<td>Pension Ongoing Expense (2)</td>
<td>(0.1)</td>
<td>-</td>
<td>0.0</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment (2)</td>
<td>(0.2)</td>
<td>(0.1)</td>
<td>(0.0)</td>
</tr>
<tr>
<td>Other Postretirement Expense (2)</td>
<td>(0.2)</td>
<td>(0.2)</td>
<td>(0.1)</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>$1.7</td>
<td>$1.8</td>
<td>$2.7</td>
</tr>
<tr>
<td><strong>Pension Mark-to-Market Adjustment (2)</strong></td>
<td>(0.2)</td>
<td>(0.1)</td>
<td>(0.0)</td>
</tr>
<tr>
<td><strong>Operating Income Excluding Pension Mark-to-Market Adjustment</strong></td>
<td>$1.9</td>
<td>$1.9</td>
<td>$2.7</td>
</tr>
<tr>
<td><strong>Segment Profit</strong></td>
<td>$2.4</td>
<td>$2.8</td>
<td>$3.2</td>
</tr>
<tr>
<td>÷ Sales</td>
<td>$22.1</td>
<td>$24.5</td>
<td>$26.5</td>
</tr>
<tr>
<td><strong>Segment Profit Margin %</strong></td>
<td>10.6%</td>
<td>11.4%</td>
<td>12.2%</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>$1.7</td>
<td>$1.8</td>
<td>$2.7</td>
</tr>
<tr>
<td>÷ Sales</td>
<td>$22.1</td>
<td>$24.5</td>
<td>$26.5</td>
</tr>
<tr>
<td><strong>Operating Income Margin %</strong></td>
<td>7.8%</td>
<td>7.2%</td>
<td>10.1%</td>
</tr>
<tr>
<td><strong>Operating Income Excluding Pension Mark-to-Market Adjustment</strong></td>
<td>$1.9</td>
<td>$1.9</td>
<td>$2.7</td>
</tr>
<tr>
<td>÷ Sales</td>
<td>$22.1</td>
<td>$24.5</td>
<td>$26.5</td>
</tr>
<tr>
<td><strong>Operating Income Margin Excluding Pension Mark-to-Market Adjustment</strong></td>
<td>8.4%</td>
<td>7.6%</td>
<td>10.3%</td>
</tr>
</tbody>
</table>

(1) Stock Based Compensation included in Segment Profit.
(2) Included in cost of products and services sold and selling, general and administrative expenses.
(3) Includes repositioning, asbestos and environmental expenses.
Reconciliation Of Segment Profit To Operating Income Excluding Pension Mark-To-Market Adjustment And Calculation Of Segment Profit And Operating Income Margin Excluding Pension Mark-To-Market Adjustment

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Profit</td>
<td>$4.0</td>
<td>$4.6</td>
<td>$4.8</td>
</tr>
<tr>
<td>Stock Based Compensation (1)</td>
<td>(0.1)</td>
<td>(0.1)</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Repositioning and Other (1, 2)</td>
<td>(0.5)</td>
<td>(0.5)</td>
<td>(1.1)</td>
</tr>
<tr>
<td>Pension Ongoing (Expense)/Income (1)</td>
<td>-</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment (1)</td>
<td>-</td>
<td>-</td>
<td>(3.3)</td>
</tr>
<tr>
<td>Other Postretirement Income/(Expense) (1)</td>
<td>(0.1)</td>
<td>(0.2)</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$3.3</td>
<td>$3.9</td>
<td>$0.3</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment (1)</td>
<td>-</td>
<td>-</td>
<td>(3.3)</td>
</tr>
<tr>
<td>Operating Income Excluding Pension Mark-to-Market Adjustment</td>
<td>$3.3</td>
<td>$3.9</td>
<td>$3.6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Profit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>÷ Sales</td>
<td>$30.3</td>
<td>$33.5</td>
<td>$35.5</td>
</tr>
<tr>
<td>Segment Profit Margin %</td>
<td>13.1%</td>
<td>13.6%</td>
<td>13.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>$3.3</td>
<td>$3.9</td>
<td>$0.3</td>
</tr>
<tr>
<td>÷ Sales</td>
<td>$30.3</td>
<td>$33.5</td>
<td>$35.5</td>
</tr>
<tr>
<td>Operating Income Margin %</td>
<td>10.9%</td>
<td>11.6%</td>
<td>0.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income Excluding Pension Mark-to-Market Adjustment</td>
<td>$3.3</td>
<td>$3.9</td>
<td>$3.6</td>
</tr>
<tr>
<td>÷ Sales</td>
<td>$30.3</td>
<td>$33.5</td>
<td>$35.5</td>
</tr>
<tr>
<td>Operating Income Margin Excluding Pension Mark-to-Market Adjustment</td>
<td>11.0%</td>
<td>11.5%</td>
<td>10.1%</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 adjustment (beginning 1/1/2008).
Reconciliation Of Segment Profit To Operating Income Excluding Pension Mark-To-Market Adjustment And Calculation Of Segment Profit And Operating Income Margin Excluding Pension Mark-To-Market Adjustment

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace</td>
<td>$1,893</td>
<td>$1,835</td>
<td>$2,023</td>
<td>$2,279</td>
<td>$2,372</td>
</tr>
<tr>
<td>Automation and Control Solutions</td>
<td>1,588</td>
<td>1,770</td>
<td>2,083</td>
<td>2,232</td>
<td>2,437</td>
</tr>
<tr>
<td>Performance Materials and Technologies</td>
<td>605</td>
<td>749</td>
<td>1,042</td>
<td>1,154</td>
<td>1,271</td>
</tr>
<tr>
<td>Transportation Systems</td>
<td>61</td>
<td>353</td>
<td>485</td>
<td>432</td>
<td>498</td>
</tr>
<tr>
<td>Corporate</td>
<td>(156)</td>
<td>(222)</td>
<td>(276)</td>
<td>(218)</td>
<td>(227)</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>$3,991</td>
<td>$4,485</td>
<td>$5,357</td>
<td>$5,879</td>
<td>$6,351</td>
</tr>
<tr>
<td>Stock Based Compensation (1)</td>
<td>(117)</td>
<td>(163)</td>
<td>(168)</td>
<td>(170)</td>
<td>(170)</td>
</tr>
<tr>
<td>Repositioning and Other (1, 2)</td>
<td>(493)</td>
<td>(626)</td>
<td>(794)</td>
<td>(488)</td>
<td>(699)</td>
</tr>
<tr>
<td>Pension Ongoing (Expense)/Income (1)</td>
<td>(287)</td>
<td>(185)</td>
<td>(105)</td>
<td>(36)</td>
<td>90</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment (1)</td>
<td>(741)</td>
<td>(471)</td>
<td>(1,802)</td>
<td>(957)</td>
<td>(51)</td>
</tr>
<tr>
<td>Other Postretirement Income/(Expense) (1)</td>
<td>15</td>
<td>(29)</td>
<td>86</td>
<td>(72)</td>
<td>(20)</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$2,368</td>
<td>$3,011</td>
<td>$2,574</td>
<td>$4,156</td>
<td>$5,501</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment (1)</td>
<td>(741)</td>
<td>(471)</td>
<td>(1,802)</td>
<td>(957)</td>
<td>(51)</td>
</tr>
<tr>
<td>Operating Income Excluding Pension Mark-to-Market Adjustment</td>
<td>$3,109</td>
<td>$3,482</td>
<td>$4,376</td>
<td>$5,113</td>
<td>$5,552</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>$3,991</td>
<td>$4,485</td>
<td>$5,357</td>
<td>$5,879</td>
<td>$6,351</td>
</tr>
<tr>
<td>+ Sales</td>
<td>29,951</td>
<td>32,350</td>
<td>36,529</td>
<td>37,665</td>
<td>39,055</td>
</tr>
<tr>
<td>Segment Profit Margin %</td>
<td>13.3%</td>
<td>13.9%</td>
<td>14.7%</td>
<td>15.6%</td>
<td>16.3%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$2,368</td>
<td>$3,011</td>
<td>$2,574</td>
<td>$4,156</td>
<td>$5,501</td>
</tr>
<tr>
<td>+ Sales</td>
<td>29,951</td>
<td>32,350</td>
<td>36,529</td>
<td>37,665</td>
<td>39,055</td>
</tr>
<tr>
<td>Operating Income Margin %</td>
<td>7.9%</td>
<td>9.3%</td>
<td>7.0%</td>
<td>11.0%</td>
<td>14.1%</td>
</tr>
<tr>
<td>Operating Income Excluding Pension Mark-to-Market Adjustment</td>
<td>$3,109</td>
<td>$3,482</td>
<td>$4,376</td>
<td>$5,113</td>
<td>$5,552</td>
</tr>
<tr>
<td>+ Sales</td>
<td>29,951</td>
<td>32,350</td>
<td>36,529</td>
<td>37,665</td>
<td>39,055</td>
</tr>
<tr>
<td>Operating Income Margin Excluding Pension Mark-to-Market Adjustment</td>
<td>10.4%</td>
<td>10.8%</td>
<td>12.0%</td>
<td>13.6%</td>
<td>14.2%</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 adjustment.
### Reconciliation Of Segment Profit To Operating Income Excluding Pension Mark-To-Market Adjustment And Calculation Of Segment Profit And Operating Income Margin Excluding Pension Mark-To-Market Adjustment

<table>
<thead>
<tr>
<th>($M)</th>
<th>1Q13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace</td>
<td>$551</td>
</tr>
<tr>
<td>Automation and Control Solutions</td>
<td>223</td>
</tr>
<tr>
<td>Performance Materials and Technologies</td>
<td>374</td>
</tr>
<tr>
<td>Transportation Systems</td>
<td>111</td>
</tr>
<tr>
<td>Corporate</td>
<td>(51)</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>$1,508</td>
</tr>
<tr>
<td>Stock Based Compensation (1)</td>
<td>(54)</td>
</tr>
<tr>
<td>Repositioning and Other (1, 2)</td>
<td>(137)</td>
</tr>
<tr>
<td>Pension Ongoing (Expense)/Income (1)</td>
<td>21</td>
</tr>
<tr>
<td>Other Postretirement Income/(Expense) (1)</td>
<td>(22)</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$1,316</td>
</tr>
</tbody>
</table>

Segment Profit
\[
\frac{\text{Segment Profit}}{\text{Sales}} = \frac{1,508}{9,328} = 16.2\%
\]

Operating Income
\[
\frac{\text{Operating Income}}{\text{Sales}} = \frac{1,316}{9,328} = 14.1\%
\]

(1) Included in cost of products and services sold and selling, general and administrative expenses.
(2) Includes repositioning, asbestos, environmental expenses and equity income adjustment.
### Reconciliation Of EPS To EPS, Excluding Pension Mark-to-Market Adjustment

<table>
<thead>
<tr>
<th></th>
<th>2003 (1)</th>
<th>2004 (2)</th>
<th>2005 (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPS, Previously Reported</td>
<td>$1.50</td>
<td>$1.45</td>
<td>$1.92</td>
</tr>
<tr>
<td>Effect of Pension Accounting Change</td>
<td>(0.11)</td>
<td>0.22</td>
<td>0.29</td>
</tr>
<tr>
<td>EPS</td>
<td>$1.39</td>
<td>$1.67</td>
<td>$2.21</td>
</tr>
<tr>
<td>Pension Mark-to-Market adjustment</td>
<td>0.12</td>
<td>0.07</td>
<td>0.03</td>
</tr>
<tr>
<td>EPS, Excluding Pension Mark-to-Market Adjustment</td>
<td>$1.51</td>
<td>$1.74</td>
<td>$2.24</td>
</tr>
</tbody>
</table>

(1) Utilizes weighted average shares of 862.1 million. Mark-to-market uses a blended tax rate of 33.5% for 2003.

(2) Utilizes weighted average shares of 862.3 million. Mark-to-market uses a blended tax rate of 30.0% for 2004.

(3) Utilizes weighted average of 852.3 million. Mark-to-market uses a blended tax rate of 32.3% for 2005.
## Reconciliation Of EPS To EPS, Excluding Pension Mark-to-Market Adjustment

<table>
<thead>
<tr>
<th></th>
<th>2006 (1)</th>
<th>2007 (2)</th>
<th>2008 (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPS</td>
<td>$2.77</td>
<td>$3.35</td>
<td>$1.08</td>
</tr>
<tr>
<td>Pension Mark-To-Market Adjustment</td>
<td>0.02</td>
<td>0.01</td>
<td>2.74</td>
</tr>
<tr>
<td>EPS, Excluding Pension Mark-to-Market Adjustment</td>
<td>$2.79</td>
<td>$3.36</td>
<td>$3.82</td>
</tr>
</tbody>
</table>

(1) Utilizes weighted average shares of 826.3 million. Mark-to-market uses a blended tax rate of 28.6% for 2006.
(2) Utilizes weighted average shares of 774.2 million. Mark-to-market uses a blended tax rate of 30.8% for 2007.
(3) Utilizes weighted average shares of 743.5 million. Mark-to-market uses a blended tax rate of 38.2% for 2008.
Reconciliation Of EPS To EPS, Excluding Pension Mark-to-Market Adjustment

<table>
<thead>
<tr>
<th></th>
<th>2009(1)</th>
<th>2010(2)</th>
<th>2011(3)</th>
<th>2012(4)</th>
<th>2013(5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPS</td>
<td>$2.05</td>
<td>$2.59</td>
<td>$2.61</td>
<td>$3.69</td>
<td>$4.92</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment</td>
<td>0.64</td>
<td>0.41</td>
<td>1.44</td>
<td>0.79</td>
<td>0.05</td>
</tr>
<tr>
<td>EPS, Excluding Pension Mark-to-Market Adjustment</td>
<td>$2.69</td>
<td>$3.00</td>
<td>$4.05</td>
<td>$4.48</td>
<td>$4.97</td>
</tr>
</tbody>
</table>

(1) Utilizes weighted average shares of 755.7 million. Mark-to-market uses a blended tax rate of 34.4% for 2009
(2) Utilizes weighted average shares of 780.9 million. Mark-to-market uses a blended tax rate of 32.3% for 2010
(3) Utilizes weighted average shares of 791.6 million. Mark-to-market uses a blended tax rate of 36.9% for 2011
(4) Utilizes weighted average shares of 791.9 million. Mark-to-market uses a blended tax rate of 35.0% for 2012
(5) Utilizes weighted average shares of 797.3 million. Mark-to-market uses a blended tax rate of 25.5% for 2013
### Reconciliation Of Cash Provided By Operating Activities To Free Cash Flow And Calculation Of Cash Flow Conversion Percentage

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$2,253</td>
<td>$2,442</td>
<td>$3,211</td>
<td>$3,911</td>
</tr>
<tr>
<td>Expenditures for Property, Plant and Equipment</td>
<td>(629)</td>
<td>(684)</td>
<td>(733)</td>
<td>(767)</td>
</tr>
<tr>
<td></td>
<td>$1,624</td>
<td>$1,758</td>
<td>$2,478</td>
<td>$3,144</td>
</tr>
<tr>
<td>Cash Pension Contributions</td>
<td>74</td>
<td>70</td>
<td>296</td>
<td>204</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$1,698</td>
<td>$1,828</td>
<td>$2,774</td>
<td>$3,348</td>
</tr>
<tr>
<td>Net Income Attributable to Honeywell</td>
<td>$1,442</td>
<td>$1,886</td>
<td>$2,289</td>
<td>$2,594</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment, Net of Tax (a)</td>
<td>58</td>
<td>21</td>
<td>20</td>
<td>9</td>
</tr>
<tr>
<td>Net Income Attributable to Honeywell Excluding Pension Mark-to-Market Adjustment</td>
<td>$1,500</td>
<td>$1,907</td>
<td>$2,309</td>
<td>$2,603</td>
</tr>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$2,253</td>
<td>$2,442</td>
<td>$3,211</td>
<td>$3,911</td>
</tr>
<tr>
<td>÷ Net Income Attributable to Honeywell Excluding Pension Mark-to-Market Adjustment</td>
<td>1,442</td>
<td>1,886</td>
<td>2,289</td>
<td>2,594</td>
</tr>
<tr>
<td>Operating Cash Flow Conversion %</td>
<td>156%</td>
<td>129%</td>
<td>140%</td>
<td>151%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$1,698</td>
<td>$1,828</td>
<td>$2,774</td>
<td>$3,348</td>
</tr>
<tr>
<td>÷ Net Income Attributable to Honeywell</td>
<td>1,500</td>
<td>1,907</td>
<td>2,309</td>
<td>2,603</td>
</tr>
<tr>
<td>Free Cash Flow Conversion %</td>
<td>113%</td>
<td>96%</td>
<td>120%</td>
<td>129%</td>
</tr>
</tbody>
</table>

(1) Mark-to-market uses a blended tax rate of 30.0%, 32.3%, 28.6% and 30.8% for 2004 through 2007, respectively.
### Reconciliation Of Cash Provided By Operating Activities To Free Cash Flow And Calculation Of Cash Flow Conversion Percentage

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$3,791</td>
</tr>
<tr>
<td>Expenditures for Property, Plant and Equipment</td>
<td>(884)</td>
</tr>
<tr>
<td></td>
<td>$2,907</td>
</tr>
<tr>
<td>Cash Pension Contributions</td>
<td>143</td>
</tr>
<tr>
<td>Cash Taxes Relating to the Sale of the Consumable Solutions Business</td>
<td>166</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$3,216</td>
</tr>
<tr>
<td>Net Income Attributable to Honeywell</td>
<td>$806</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment, Net of Tax (a)</td>
<td>2,033</td>
</tr>
<tr>
<td>Net Income Attributable to Honeywell Excluding Pension Mark-to-Market Adjustment</td>
<td>$2,839</td>
</tr>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$3,791</td>
</tr>
<tr>
<td>÷ Net Income Attributable to Honeywell</td>
<td>806</td>
</tr>
<tr>
<td>Operating Cash Flow Conversion %</td>
<td>470%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$3,216</td>
</tr>
<tr>
<td>÷ Net Income Attributable to Honeywell</td>
<td>2,839</td>
</tr>
<tr>
<td>Excluding Pension Mark-to-Market Adjustment</td>
<td>113%</td>
</tr>
</tbody>
</table>

(1) Mark-to-market uses a blended tax rate of 38.2% in 2008.
Reconciliation Of Cash Provided By Operating Activities To Free Cash Flow And Calculation Of Cash Flow Conversion Percentage

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$3,946</td>
<td>$4,203</td>
<td>$2,833</td>
<td>$3,517</td>
<td>$4,335</td>
</tr>
<tr>
<td>Expenditures for Property, Plant and Equipment</td>
<td>($609)</td>
<td>(651)</td>
<td>(798)</td>
<td>(884)</td>
<td>(947)</td>
</tr>
<tr>
<td></td>
<td>3,337</td>
<td>$3,552</td>
<td>$2,035</td>
<td>$2,633</td>
<td>$3,388</td>
</tr>
<tr>
<td>Cash Pension Contributions</td>
<td>265</td>
<td>651</td>
<td>1,745</td>
<td>1,039</td>
<td>156</td>
</tr>
<tr>
<td>NARCO Trust Establishment Payments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>164</td>
</tr>
<tr>
<td>Cash Taxes Relating to the Sale of Available for Sale Investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$3,602</td>
<td>$4,203</td>
<td>$3,780</td>
<td>$3,672</td>
<td>$3,808</td>
</tr>
<tr>
<td>Net Income Attributable to Honeywell</td>
<td>$1,548</td>
<td>$2,022</td>
<td>$2,067</td>
<td>$2,926</td>
<td>$3,924</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment, net of tax (1)</td>
<td>486</td>
<td>319</td>
<td>1,137</td>
<td>622</td>
<td>38</td>
</tr>
<tr>
<td>Net Income Attributable to Honeywell Excluding Pension Mark-to-Market Adjustment</td>
<td>$2,034</td>
<td>$2,341</td>
<td>$3,204</td>
<td>$3,548</td>
<td>$3,962</td>
</tr>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$3,946</td>
<td>$4,203</td>
<td>$2,833</td>
<td>$3,517</td>
<td>$4,335</td>
</tr>
<tr>
<td>÷ Net Income Attributable to Honeywell Excluding Pension Mark-to-Market Adjustment</td>
<td>1,548</td>
<td>2,022</td>
<td>2,067</td>
<td>2,926</td>
<td>3,924</td>
</tr>
<tr>
<td>Operating Cash Flow Conversion %</td>
<td>255%</td>
<td>208%</td>
<td>137%</td>
<td>120%</td>
<td>110%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$3,602</td>
<td>$4,203</td>
<td>$3,780</td>
<td>$3,672</td>
<td>$3,808</td>
</tr>
<tr>
<td>÷ Net Income Attributable to Honeywell Excluding Pension Mark-to-Market Adjustment</td>
<td>2,034</td>
<td>2,341</td>
<td>3,204</td>
<td>3,548</td>
<td>3,962</td>
</tr>
<tr>
<td>Free Cash Flow Conversion %</td>
<td>177%</td>
<td>180%</td>
<td>118%</td>
<td>103%</td>
<td>96%</td>
</tr>
</tbody>
</table>

(1) Mark-to-market uses a blended tax rate of 34.4%, 32.3%, 36.9%, 35.0% and 25.5%, in 2010, 2011, 2012 and 2013, respectively.
# Discontinued Operations Reconciliation

<table>
<thead>
<tr>
<th>($B)</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales - Total Honeywell</td>
<td>$23.1</td>
<td>$25.6</td>
<td>$27.7</td>
<td>$31.4</td>
</tr>
<tr>
<td>Sales - CPG</td>
<td>$1.0</td>
<td>$1.1</td>
<td>$1.2</td>
<td>1.1</td>
</tr>
<tr>
<td>Sales - Continuing Operations</td>
<td>$22.1</td>
<td>$24.5</td>
<td>$26.5</td>
<td>$30.3</td>
</tr>
</tbody>
</table>
Supplemental

**HON Business Structure**

- **Aero: Aerospace**
  - ATR: Air Transport & Regional
  - BGA: Business & General Aviation
  - D&S: Defense & Space
- **ACS: Automation and Control Solutions**
  - ESS: Energy, Safety & Security
  - HPS: Honeywell Process Solutions
  - BSD: Building Solutions & Distribution
- **PMT: Performance Materials and Technologies**
  - Adv Mat: Advanced Materials
- **TS: Transportation Systems**
  - HTT: Honeywell Turbo Technologies
  - FM: Friction Materials
- **HGR: High Growth Regions**

**Tools / Enablers**

- **HOS: Honeywell Operating System**
- **FT: Functional Transformation**
- **OEF: Organizational Effectiveness**
- **VPD™: Velocity Product Development**
- **HUE: Honeywell User Experience**
- **CMMI: Capability Maturity Model Integration**

**HON Business Cycle**

- **Early Cycle (~15% of HON Sales)**
  - Sensing & Control (S&C) - ACS
  - Specialty Products (SP) - PMT
  - Turbo Technologies - TS
  - Friction Materials - TS
- **Mid Cycle (~50% of HON Sales)**
  - Commercial Aftermarket (ATR/BGA) - Aero
  - Environmental & Combustion Controls (ECC) - ACS
  - Life Safety (HLS) - ACS
  - Security (HSG) - ACS
  - Scanning & Mobility (HSM) - ACS
  - Building Solutions (HBS) - ACS
  - Resins & Chemicals (R&C) - PMT
  - Fluorine Products (FP) - PMT
- **Late Cycle (~35% of HON Sales)**
  - Aero OE (ATR/BGA) - Aero
  - Defense & Space (D&S) - Aero
  - Process Solutions (HPS) - ACS
  - UOP - PMT

**Peer Pension Comparison**

- 3M
- Boeing
- Danaher
- Dow Chemical
- DuPont
- Emerson
- General Electric
- Illinois Tool Works
- Johnson Controls
- Rockwell Collins
- Siemens
- Tyco
- United Technologies

**Return Calculations**

- **Cash Return** = FCF / 13pt Avg Investment; Used 2018 Estimate
- **Book ROI** = Unlevered Net Income / (Avg. Invested Capital + Cumulative Unlevered Net Income)
Dave Cote is Chairman and CEO of Honeywell, a $39 billion diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services; control technologies for buildings, homes and industry; turbochargers; and performance materials. He was elected President, CEO, and a member of Honeywell's Board in February 2002, and named Chairman of the Board on July 1, 2002.

Dave Cote’s decade of leadership has seen Honeywell deliver strong growth in sales, earnings per share, segment profit, and cash flow. Honeywell has great positions in good industries. Honeywell’s growth is driven by technologies that address some of the world’s toughest challenges such as safety, security, clean energy generation, and energy efficiency. More than 50 percent of the company’s sales are outside the U.S. The company’s more than 130,000 employees, including 20,000 scientists and engineers, are focused on developing innovative products and solutions that help Honeywell’s customers – and their customers – improve performance and productivity.

Dave Cote is a member of the steering committee of the Campaign to Fix Debt, a bi-partisan effort to build support for a comprehensive U.S. debt reduction plan. In 2011, Dave Cote was named Vice Chair of the Business Roundtable (BRT) and Chairs the BRT’s Energy and Environment Committee. In 2010, he was named by President Barack Obama to serve on the bipartisan National Commission on Fiscal Responsibility and Reform also known as the Simpson-Bowles Commission. Dave Cote was named co-chair of the U.S.-India CEO Forum by President Obama in 2009, and has served on the Forum since July 2005.

Dave Cote received the Corporate Social Responsibility Award from the Foreign Policy Association in 2007, the Distinguished Achievement Award from B’nai B’rith International in 2011, the Asia Society’s Global Leadership Award in 2012, and the Peter G. Peterson Award for Business Statesmanship from the Committee for Economic Development in 2012. In 2013, he was named CEO of the Year by Chief Executive magazine and recognized as one of the World’s Best CEOs by Barron’s magazine.

He is a graduate of the University of New Hampshire, where he earned a bachelor’s degree in business administration. In 2009, Dave Cote was made an honorary professor at the Beihang University of Aeronautics and Astronautics in Beijing, China, and in 2011, he received an honorary Doctor of Humane Letters from his alma mater.
Darius Adamczyk was appointed President of Honeywell Process Solutions in April 2012. Honeywell Process Solutions (HPS) helps industrial customers meet their business objectives by providing leading technology and services, domain expertise, project management experience, and global engineering and support resources.

Darius joined Honeywell in 2008 and was named President of Honeywell Scanning & Mobility after Honeywell’s acquisition of Metrologic Instruments, which was then merged with the previously acquired HHP. At the time Darius served as the Chief Executive Officer of Metrologic. During his tenure as CEO, Metrologic enhanced its market position, profitability profile, and intellectual property portfolio.

Darius came to Metrologic after a successful tenure at Ingersoll Rand. After joining Ingersoll Rand in 1999, as VP of Business Development, he completed 11 acquisitions and joint ventures during this 18 month assignment. Darius subsequently took over as the GM of the Aftermarket Business for the Air / Productivity Solutions Group where he drove double digit revenue growth in a mature industry. At his next assignment, he took over the highly engineered Heavy Industrial Business where Darius enhanced growth and profitability. His last assignment at Ingersoll Rand before taking over as CEO Metrologic, was to serve as the President of the Air Solutions business.

From 1995–1999, Darius served as a senior associate at Booz Allen Hamilton, a global strategy and technology consulting firm. There he helped various Fortune 500 companies develop and implement strategies for growth, marketing and operational excellence. He began his professional career as an electrical engineer at General Electric in 1988.

His educational background includes an MBA from Harvard University, a master’s degree in Computer Engineering from Syracuse University, and a bachelor's degree in Electrical and Computer Engineering from Michigan State University. Darius also completed the GE Edison Engineering Program, as well as numerous executive development courses at Wharton and Duke.
Dave Anderson joined Honeywell as Senior Vice President and Chief Financial Officer in June 2003. A member of Honeywell’s senior leadership team, Mr. Anderson is responsible for the company’s Corporate Finance activities including tax, accounting, treasury, audit, investments, financial planning, acquisitions, and real estate. He also plays a key role in Honeywell’s investor relations, communicating the company’s key strategies and financial performance to Wall Street. Since joining Honeywell, Mr. Anderson has been integral to the reshaping of the company’s portfolio including supporting nearly $10 billion of acquisitions in higher growth, global markets. He has been recognized by Institutional Investor’s survey of buy-side analysts as one of America’s top CFO’s for the last ten years.

Prior to joining Honeywell, Mr. Anderson was Senior Vice President and Chief Financial Officer of ITT where he had responsibility for financial management, information technology, and corporate development. Prior to joining ITT, Mr. Anderson worked at Newport News Shipbuilding, the global leader in the design and construction of nuclear submarines and aircraft carriers, where he was Senior Vice President and Chief Financial Officer. In that role, he successfully led the effort to establish Newport News Shipbuilding as a NYSE-listed public company.

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

Mr. Anderson is a graduate of Indiana University and received an MBA from the University of Chicago’s Booth School of Business. He serves as chairperson for Chicago Booth’s CFO Forum. He is also a member of the Board of Directors of American Electric Power (AEP), one of the nation’s largest generators of electricity and owner of the nation’s largest electricity transmission system.
Doug Beaudet is Vice President of Global Experience Design for ACS. He is responsible for developing and systematizing Honeywell User Experience as a core competency across all of ACS. He leads a growing team of specialists, interaction designers, industrial designers, and usability specialists in four international design studios. Doug enjoys creating engaging user experiences for next-generation products, and believes that we are all ready for a new age of connected user experiences. His past work includes designing user interfaces for consumer and commercial imaging products, medical and aerospace systems, and products used by people with disabilities.

Doug recently joined Honeywell from Whirlpool Corporation, where he was Global Director of Experience Design. Prior to joining Whirlpool, Doug was Senior Lab Head of Corporate Design and Usability Research at Eastman Kodak Company. Early in his career, Doug worked for American Institutes for Research and Computer Technology Associates, providing user experience design support to aerospace and military projects. Doug is a co-inventor on 12 U.S. and international patents, with a number of others pending. He has a MS degree in industrial engineering and human factors from Virginia Polytechnic Institute, and a BS degree in industrial engineering from the State University of New York at Buffalo.
Roger Fradin is President and Chief Executive Officer 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.

Mr. 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.

Mr. Fradin received his MBA 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. Mr. Fradin is a member of the Board of Directors of Pitney Bowes Inc. and MSC Industrial Direct.
Norm Gilsdorf
President, High Growth Regions
Russia, Central Asia and Middle East
Honeywell

Norman L. Gilsdorf is President of Honeywell, High Growth Regions (HGR), Russia, Central Asia, and the Middle East, leading the planning, investment, and creation of operational structures to establish strong business growth in these key regions. Prior to his current role he served as President, Honeywell Process Solutions (HPS), a leading Strategic Business Unit of Honeywell Automation and Control Solutions (ACS).

Mr. Gilsdorf joined Honeywell in 2006 at the time of Honeywell’s acquisition of the UOP business. Starting in 1977, he began his career at UOP working multiple roles. He lead the growth of the UOP Process Technology and Equipment and Catalyst and Adsorbent businesses, serving the refining, petrochemical and gas processing industries. He lived for eight years in Russia developing and growing the business. He has spent much of the last 10 years developing business for both UOP and HPS in Asia and the Middle East. He serves on the Boards of multiple Joint Ventures.

Mr. Gilsdorf has considerable global business experience and is a well known expert and sought after speaker; a knowledgeable and proven business leader with an entrepreneurial intellect. He has a proven track record of driving a One Honeywell approach across the complete portfolio, solving some of the world’s toughest challenges.

Mr. Gilsdorf has a chemical engineering degree from Purdue University, where he was recognized in 2010 with a Distinguished Alumni Award. He was also inducted into the Purdue Co-Op Hall of Fame in 2011. He also has an MBA in international business and finance from Northwestern University. He resides in Dubai.
Terrence Hahn is President and CEO of Honeywell Transportation Systems, a $3.6 billion global business and one of Honeywell’s four strategic business groups. Honeywell Transportation Systems is a global leader in the development and manufacturing of innovative automotive technologies including Garrett® turbochargers and Bendix® and Jurid® braking materials.

Terrence was named to this role in 2013. Prior to that, he served as the Vice President and General Manager of Honeywell’s Fluorine Products business, a global materials development leader in energy efficiency and environmental compliance solutions. During his time with Fluorine Products, Terrence transformed the business, developing the Solstice™ platform of non-ozone depleting and low global warming potential materials to meet the demands of the HVAC, appliance, supermarket, insulation, automotive and consumer products industries. He also expanded the business footprint into Asia, while creating step-change improvements in cross-functional operations and business profitability, all with a deep commitment to providing customer value.

Prior to joining Honeywell in 2007, Terrence spent nearly 20 years with Air Products and Chemicals, Inc. He last served as senior director for the company’s global Electronic Specialty Materials business based in Taiwan. Terrence also served in a number of other capacities for Air Products, including country manager for Malaysia, business development manager for refinery hydrogen, and on-sites manager for Canada. He also was an integration business leader for the company’s acquisition of Ashland’s Electronic Chemicals business in 2003.

Terrence earned bachelor’s and master’s degrees in materials science from Lehigh University, and an MBA from the Wharton School at the University of Pennsylvania.
Alex Ismail is President of Honeywell Energy, Safety, and Security (ESS), which includes five businesses – Environmental and Combustion Controls, Life Safety, Security Group, Scanning & Mobility, and Sensing and Control – within Automation and Control Solutions (ACS).

Previously, Alex served as the President and CEO of Honeywell Transportation Systems, a global leader in the development and manufacturing of innovative automotive technologies including turbochargers and braking materials. In almost 15 years with Honeywell’s turbo business, Alex served as President of Honeywell Turbo Technologies and also held leadership roles in sales, marketing, and as General Manager for the global passenger vehicles segment. He joined Honeywell in 1997 in the Aerospace business, and has held various leadership positions in the U.S and in Europe. Prior to joining Honeywell, Alex served for six years in the textile industry and began his career in his native Madagascar.

Alex was named a 2010 Automotive News Eurostar, widely considered the top honor for an executive in the European automotive marketplace. He has also been featured as an industry expert in dozens of publications including the Wall Street Journal, Reuters, Bloomberg/Business Week, and Automotive News.

He holds a B.A. in Finance from the University of Dauphine (France), and an MBA from the HEC School of Management in France. He is a certified Six Sigma Black Belt.

Alex is an avid classic racecar driver and winner of the 2008 Morocco Classic Race.
Andreas C. Kramvis is President and Chief Executive Officer of Honeywell Performance Materials and Technologies, a position he has held since March 2008. Performance Materials and Technologies, one of Honeywell’s four strategic business groups, is a global leader in developing and manufacturing advanced materials and process technologies with sales of about $7 billion. The business’ comprehensive and diverse technology portfolio includes low global warming refrigerants, specialty films for healthcare and photovoltaic applications, and next-generation renewable energy solutions, including Honeywell Green Diesel™ and Honeywell Green Jet Fuel™.

Andreas has managed companies with global scope across five different industries. He is the author of a book titled *Transforming the Corporation: Running a Business in the 21st Century*, which demonstrates how to systematically transform a business for high performance. Andreas is a graduate of Cambridge University, where he studied engineering specializing in electronics, and he holds an MBA from Manchester Business School.
Tim Mahoney is President and Chief Executive Officer of Honeywell Aerospace, one of Honeywell International's largest business groups. Headquartered in Phoenix, Arizona, Honeywell Aerospace is a technology and services leader in three main sectors: Air Transport & Regional, Business & General Aviation, and Defense & Space.

Prior to becoming CEO of Honeywell Aerospace, Mr. Mahoney served four years on the company’s leadership team -- as President of the Business & General Aviation business, President of the Air Transport & Regional business, and most recently as Chief Technology Officer.

As Chief Technology Officer, Mr. Mahoney had global responsibilities for engineering, research and new product development, managing the company’s R&D programs, and more than 12,000 employees. He led significant improvements in operational efficiency and engineering alignment with the company’s integrated process for delivering new products to the market.

Previously, in his role leading the Air Transport & Regional business unit that serves the OEM, airline and aftermarket segments of commercial aviation, Mr. Mahoney strengthened customer relationships and development program execution on major systems for new aircraft platforms.

A 30-year veteran of the aerospace industry, Mr. Mahoney worked for Sikorsky Aircraft, where he held a series of increasingly significant leadership roles before joining Honeywell.

Mr. Mahoney earned a Bachelor of Science degree in mechanical engineering from the University of South Florida. Later in his aerospace career, he graduated from the Defense Systems Management College and Harvard Business School's highly regarded Program for Management Development.
Bob Smith is Chief Technology Officer for Honeywell Aerospace and Vice President of Engineering & Technology. In his role, he is responsible for all engineering development efforts, technology development and strategy, and attaining and maintaining technical and programmatic excellence across a worldwide team of exceptionally talented engineers and scientists. He reports directly to Honeywell Aerospace President and CEO Tim Mahoney.

Previously, Bob was Vice President of Advanced Technology for Honeywell Aerospace, where he had responsibility for identification and development of all new technologies for the business, as well as creation of early prototypes and collaboration with government and customer technology research organizations. He also briefly held the position of Vice President of Electronic Systems Engineering and Applications, where he led the development of integrated avionics and electronic systems for commercial, military and space applications.

Prior to joining Honeywell, Bob served as executive director of the Space Shuttle Upgrades Development Program at United Space Alliance, a joint venture of Boeing and Lockheed Martin. In that role, he was responsible for a $300 million business that managed a variety of projects ranging from very large efforts, such as major modifications that replaced the Orbiter’s hydraulic power sources and data handling systems, to smaller efforts, such as the development of new Shuttle tiles and landing systems.

Bob also worked at The Aerospace Corporation, where he served as a guidance, navigation and control analyst, a chief engineer and program manager for a number of Department of Defense and national security programs. Through a series of positions of increasing responsibility, Bob eventually became the systems director of the National Aeronautics and Space Administration (NASA) Programs Office and the site manager for Aerospace's Houston operations. In that capacity, he served as the business leader for Aerospace Corporation's efforts at each of the major NASA centers.

Bob is a fellow of the Royal Aeronautical Society, associate fellow of the American Institute of Aeronautics and Astronautics (AIAA), and current President of the International Society of Air-breathing Engines (ISABE). He received the SAE Aerospace Engineering Leadership Award in 2007, and had been recognized with NASA’s Silver Snoopy and Spaceflight Awareness Awards. He has served or is currently serving on Federal Aviation Administration advisory boards, Department of Defense committees, and the board of the Arizona Technology Council.

He has advanced degrees in engineering and applied mathematics from Brown University and the Massachusetts Institute of Technology’s Sloan School of Management, as well as a doctorate in aerospace engineering from the University of Texas.
Tom Szlosek is Vice President, Corporate Finance of Honeywell, a $39 billion diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services; control technologies for buildings, homes and industry; turbochargers; and performance materials. Tom is responsible for the company’s Corporate Finance activities including tax, treasury, investor relations, audit, financial planning, and back office.

Tom was named to his current role in April 2013 after serving more than six years as Chief Financial Officer of Honeywell’s largest business group, Automation and Control Solutions (ACS) where he had responsibility for all financial planning and analysis, controllership, taxation, real estate, and M&A financial matters. In this role Tom helped lead ACS to 50% growth in sales and a doubling of operating profits, as well as to close 15 M&A transactions valued at over $3 billion. Prior to his role in ACS, Tom served as the Vice President and Controller of Honeywell from 2004 – 2007.

Prior to joining Honeywell, Tom spent eight years with General Electric Company, where he held various finance leadership roles, including CFO of GE Medical Systems Asia and CFO of GE Consumer Finance Europe. He was in the audit practice with Price Waterhouse for 10 years before joining GE.

Tom holds a bachelor’s degree in accounting from the State University of New York and is a Certified Public Accountant.
Shane Tedjarati is President of the Global High Growth Regions for Honeywell. Shane Tedjarati is responsible for driving Honeywell’s business expansion in high growth regions of the world: Asia, Africa, Latin America, the Middle East and Eastern Europe. Based in Shanghai, he reports directly to Honeywell Chairman and Chief Executive Officer Dave Cote. Mr. Tedjarati has a proven track record of creating localized go-to-market strategies, fostering cross-business cooperation and nurturing business partnerships in high growth regions. Prior to this role, he was the President & CEO of Honeywell China and India, where he was instrumental in engineering Honeywell’s success story in these two countries, both of which have grown several fold and become major contributor to Honeywell’s worldwide growth.

Before coming to Honeywell, Mr. Tedjarati accumulated more than 20 years of consulting experience in various industries. He was the regional managing director for Deloitte Consulting (Greater China), where he worked with Chinese state-owned enterprises and multi-national corporations to help them formulate and execute strategies for sustainable growth in China and abroad.

Mr. Tedjarati is a co-founder of Aspen Institute’s Middle East and Asia Leadership Initiatives; special advisor to Chongqing and Wuhan Mayors; member of the advisory board of Antai College of Economics and Management Shanghai Jiao Tong University; and industry Co-Chair of China Leaders for Global Operations (CLGO), a dual master’s degree program by MIT and Shanghai Jiao Tong University. He is also a sought-after speaker in various high growth markets. He has authored many articles on business practices, and is currently working on a book regarding the social and cultural ramifications of the sweeping changes taking place in the Chinese society.

Mr. Tedjarati is an avid aviator. He enjoys flying throughout the world and is a licensed commercial pilot. He has lived in China for 20 years and speaks six languages.