



RBC Global Industrials Conference

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VP Marketing & Product Management, Aerospace



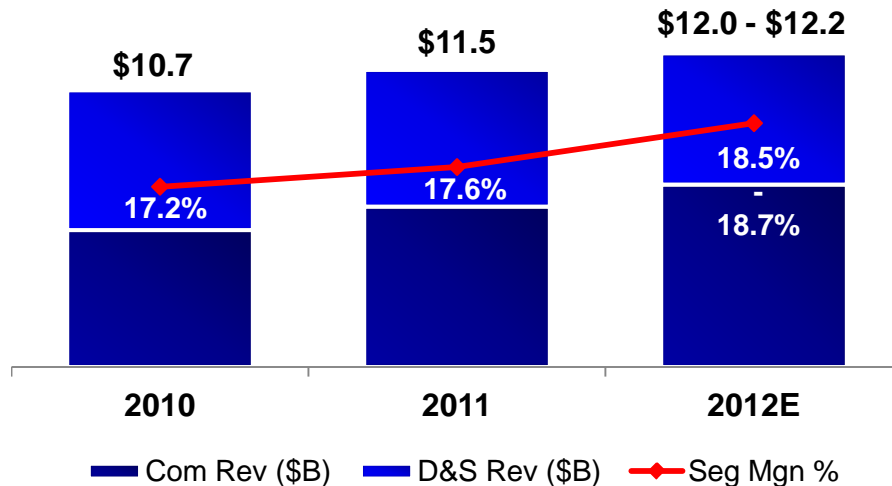
Forward Looking Statements

This report contains “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of fact, that address activities, events or developments that we or our management intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements. Forward-looking statements are based on management’s assumptions and assessments in light of past experience and trends, current economic and industry conditions, expected future developments and other relevant factors. They are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by our forward-looking statements. Our forward-looking statements are also subject to risks and uncertainties, which can affect our performance in both the near- and long-term. We identify the principal risks and uncertainties that affect our performance in our Form 10-K and other filings with the Securities and Exchange Commission.

Honeywell Aerospace

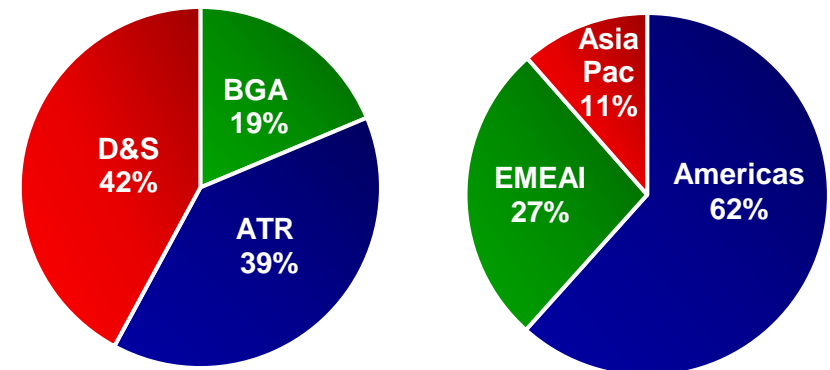
Honeywell

Financials



Businesses

Business Units Commercial Regional Mix



Note: 2012E Sales

Highlights

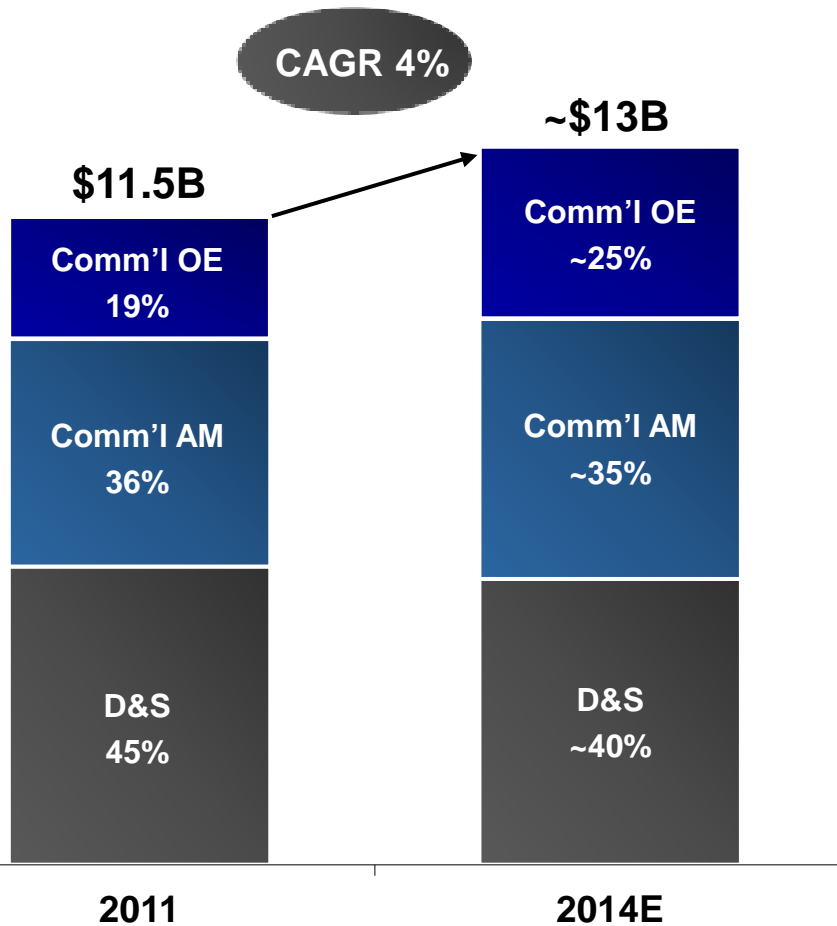
- Transformed, Customer Centric Organization
- Leading Portfolio And Technology
- Robust Commercial Up-Cycle
- Winning In The Marketplace – New Platforms And Aftermarket
- Manageable Defense Environment

Great Position In A Good Industry

Strong Aerospace Outlook

Sales

Key Recent Wins



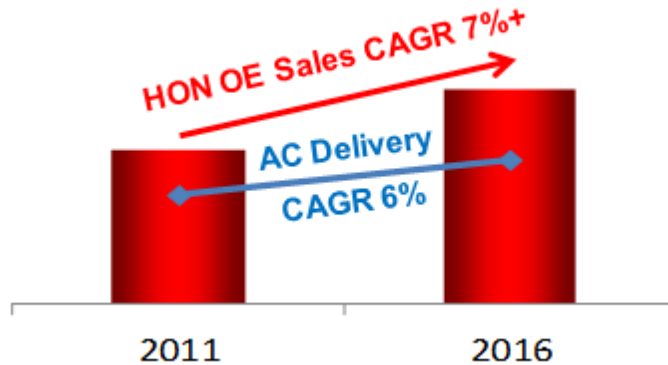
- **~\$23B In Unannounced OEM Orders Across The Portfolio**
 - \$6B Propulsion
 - \$8B Avionics
 - \$9B Mechanical Systems
- **\$2.5B Airline Wins 2011**
 - \$400M In APAC Wins In 4Q11
- **\$2.7B In D&S Wins 2011**
 - Defense Book-to-Bill > 1
- **Honeywell And Inmarsat Agreement In Ka-Band Airborne Connectivity**
 - Estimated \$2.8B Value

Winning Momentum Drives Aero Growth Outlook

Commercial Aero Outlook

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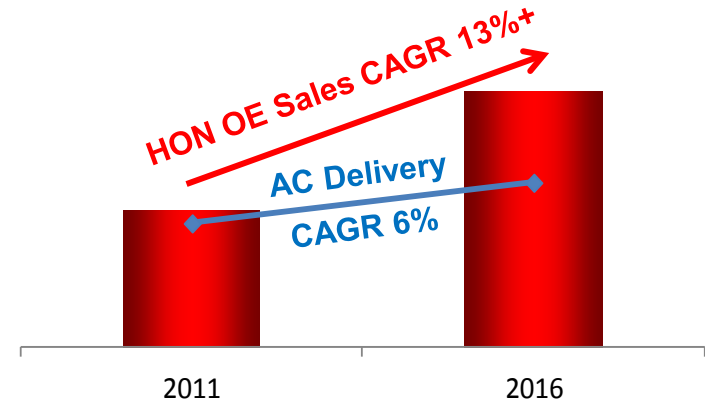
Air Transport & Regional Outlook



Highlights

- HON Well Positioned on Growing Fleets
- Key New Aircraft Entering Service
 - 2011: B787, B747-8
 - 2014: A350
 - 2016: C919, 320NEO, 737Max
- Existing Production Rates Rising
 - Narrow Bodies, B777, A330
- Backlog At Historic Highs

Business & General Aviation Outlook











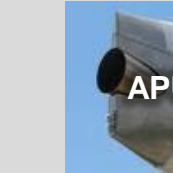
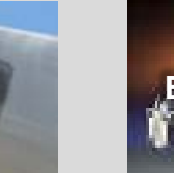









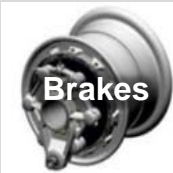
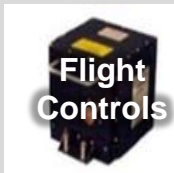








Highlights

- High HON Content on High Growth Aircraft
- Key High Content Aircraft Entering Service
 - 2012: G650, G280
 - 2013: Legacy 450/500, Falcon 2000S
- 7 More Unannounced Wins EIS in 2015-2018
 - Avionics and Mechanical Systems

HON Growth Outpacing Market

Strong Pipeline Of New High Impact Aircraft

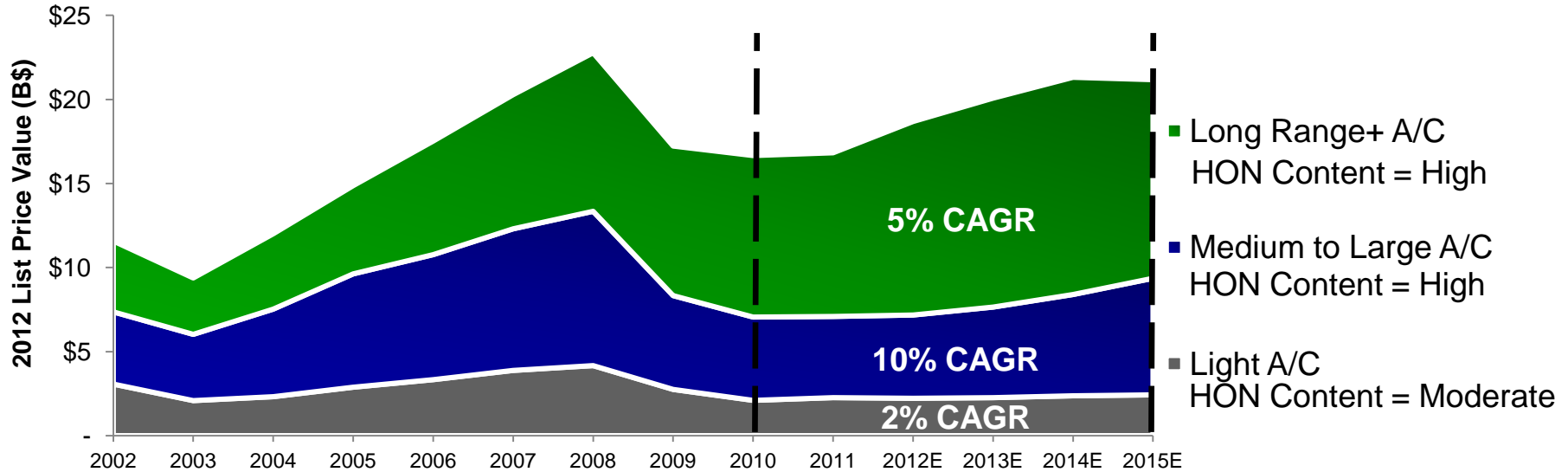
Honeywell

Aircraft	Status	Honeywell's Platform Position					
 Gulfstream G650	Certified Deliveries Underway	 Avionics	 APU	 ECS/CP	 Lighting	 SATCOM	~\$3B
 Embraer L500/450	Entering Flight Test Development	 Engines	 APU	 ECS/CP	 Cabin Mgmt Systems	~\$24B	
 Airbus A350	Products Shipping To Airbus Assembly Line	 Avionics	 APS	 AMS Perimeter	 CPCS	 SATCOM	~\$18B
 COMAC C919	Development Underway	 APS	 Brakes	 Flight Controls	 Avionics	 Components	~\$16B
 11 Unannounced	Won, Development Underway	 Avionics	 Engines	 APU	 ECS/CP	 Components	~\$23B

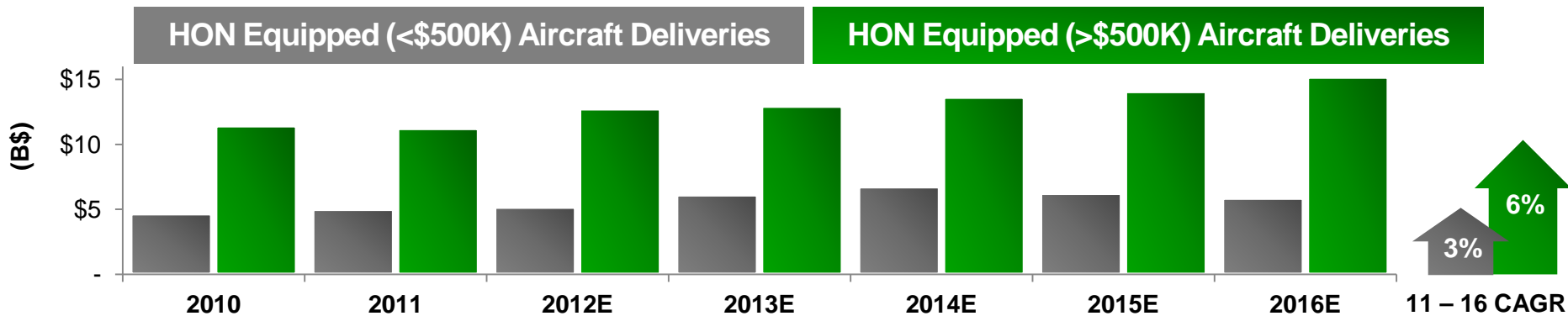
Broad, Unmatched Wins

Business Jet Delivery Trends

High Honeywell Content Aircraft Outperform The Broader Market



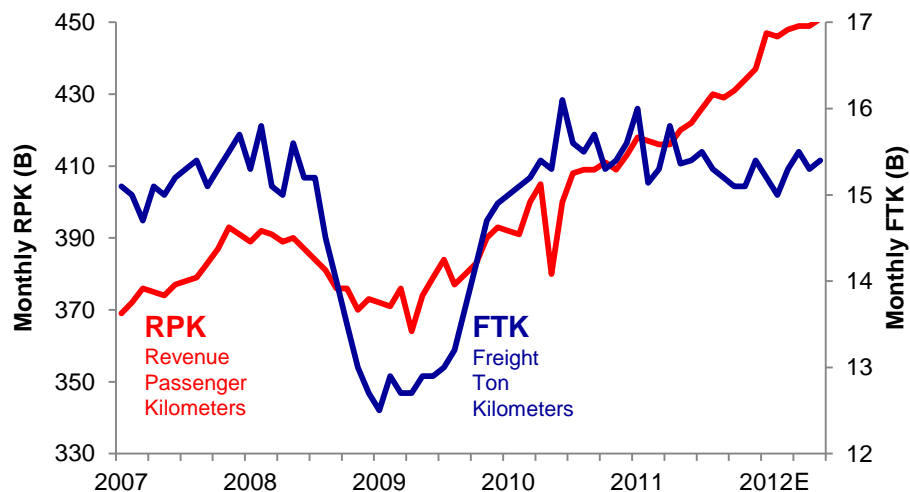
High Honeywell Content Aircraft Deliver 2X The Value Of Low Content Models



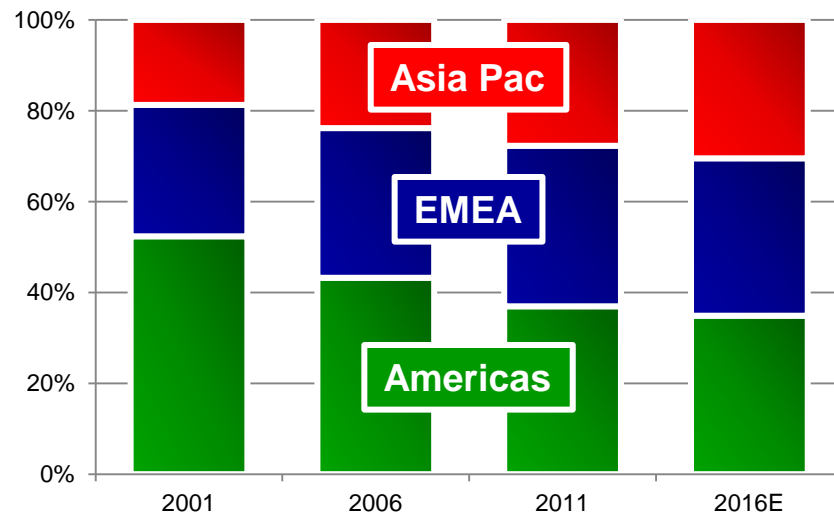
High HON Content Aircraft Outperform The Broader Market

Commercial Aftermarket Drivers

ATR Aftermarket Trends



Regional Share Of Flight Activity



- Aftermarket Growth And Flight Hours Recoupling
- Double-Digit Growth In HON Asia Pacific R&O
- Regional Aircraft Segment Dynamics Shifting
- Oil Prices, RASM*, FTK, And World Commercial Scheduled Hours Support Continued Growth

- High Growth Region Mix Expanding – Up 20 Pts
- Offsets Slower Growth In Developed Regions
- Increased Balance Reduces Volatility
- Growth Outlook Driven By New A/C Deliveries

* Revenue Per Available Seat Mile

*Flight Hour Growth Continues
High Growth Regions Increasing Share*

Expanded Aftermarket Offerings



Delivering High Value Upgrades

Passenger And Pilot Experience



Gulfstream and Dassault Cockpit Upgrades
1000 AC Opportunity



Ovation Select Cabin Management
4100 AC Opportunity

Safety + Efficiency



Legacy Cockpit Upgrades
4100 AC Opportunity



FMS Upgrade
2400 AC Opportunity

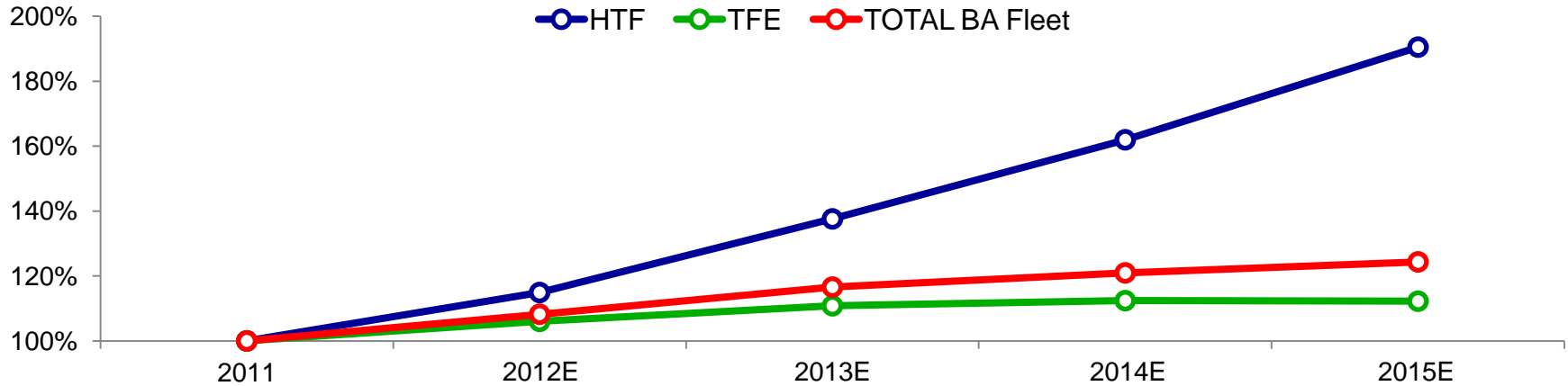


Bombardier Global Express
400 AC Opportunity

High Value Upgrades On High Value Aircraft

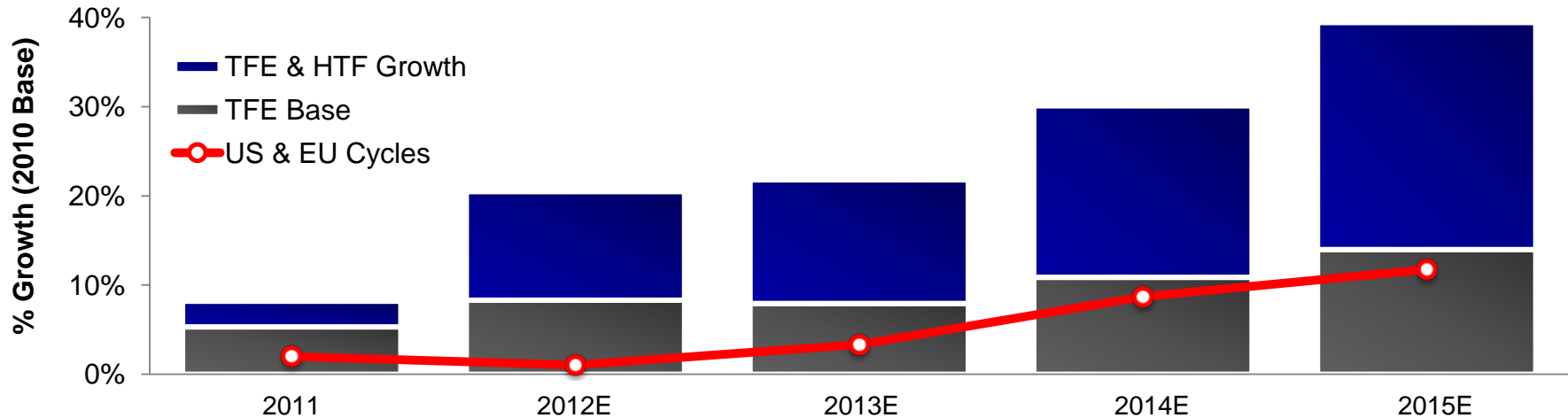
BGA Engine Hours And Fleet

Honeywell Turbofan Engine Growth



Honeywell Turbofan (HTF): 7000 to 8000 lbs Thrust Class
 Turbofan Engine (TFE): 4000 to 5000 lbs Thrust Class

Sources: FAA, Global Insight, Honeywell Internal Estimates

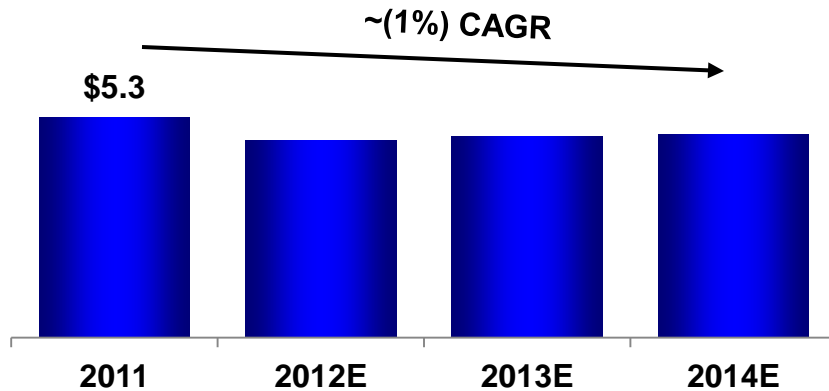


BGA Aftermarket Outpaces Flight Cycle Growth

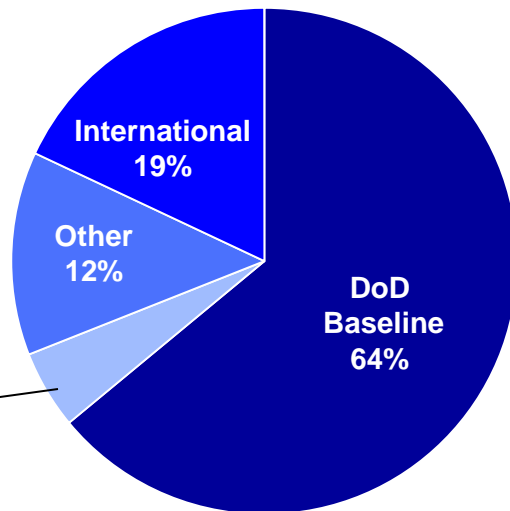
Honeywell Defense & Space

Honeywell

D&S Sales



Mix Profile



DoD War Spending (OCO)
5%

Highlights

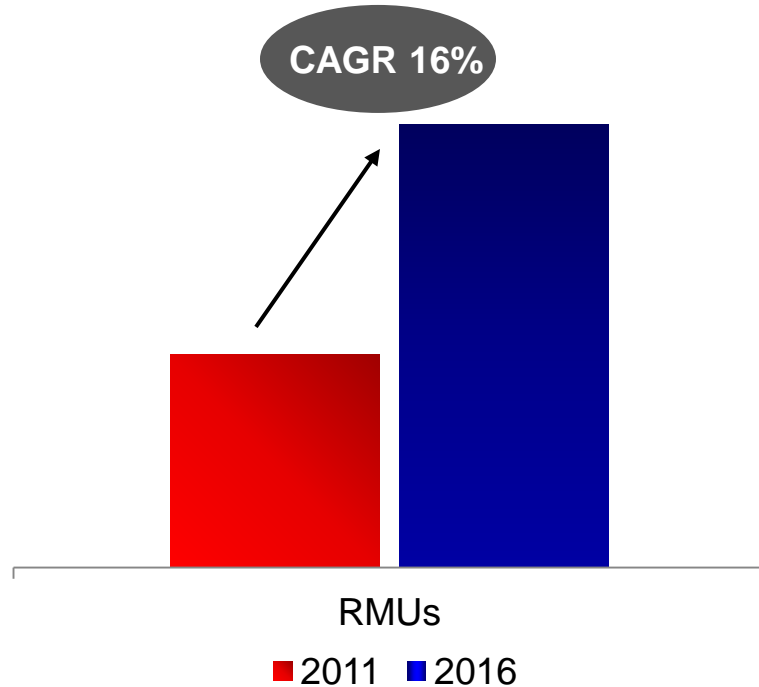
- **Highly Diversified Across 300+ Platforms**
 - Less Than 3% Exposure on Any One
- **Low Exposure to War Spending**
 - ~20% of U.S. DOD Spending, ~5% of HON
- **Benefits of Balanced Portfolio Next 5 Years**
 - Modest Decline vs. Broad Market Outlook
- **Aligning Resources to Capture Growth Areas**
 - Investing in Modifications / Upgrades
 - Position for Wins in High Growth Regions – South Korea, India, Israel, Middle East
- **Broad Based Service Offerings**
 - Performance Based Logistics Product Maintenance
 - Service Life Extensions – Safety, Efficiency

Little Exposure To DoD War Spending

Defense & Space Opportunities

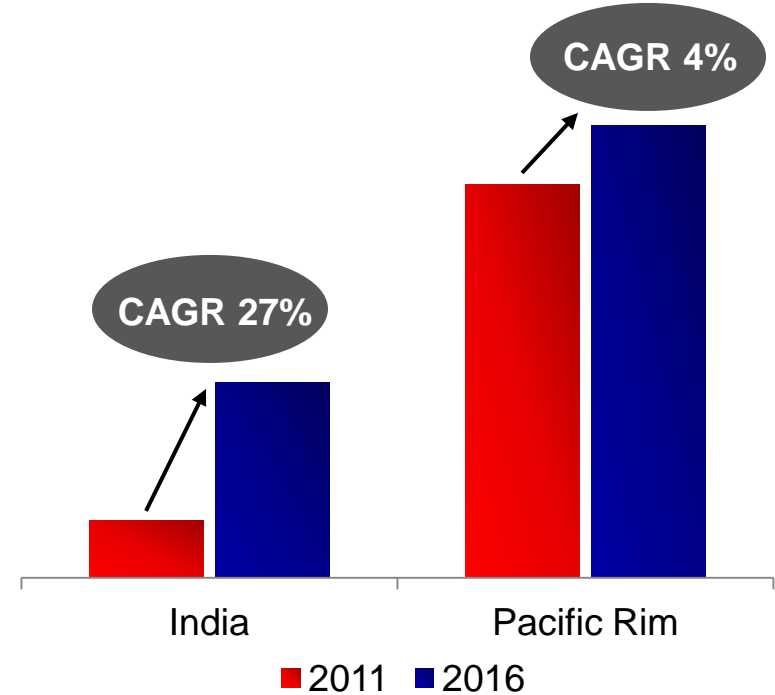
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Aftermarket / RMU Growth



- **Capability:** Propulsion, SATCOM, Navigation
- **Operational Efficiency:** Condition Based Maint.
- **Modernization:** Navigation, Displays
- **Safety:** Terrain Avoidance, Weather Radar

Focused International Growth



- **Jaguar Re-Engine**
- **Helicopters**
- **Modernization**
- **Fighters**
- **Local Platforms**
- **Upgrades**

Opportunities Offset DoD Budget Declines

Expansive Product Breadth

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Delivering New Innovations

- **Enhanced Safety Products**
- **Air Traffic Modernization**
- **Innovative Mechanical And Electronic Solutions**
- **Airborne Connectivity**



Unmatched Breadth, Uniquely Innovative

New Safety Innovations – Available Now

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Smart Runway

“Approaching Runway Three-Four Left”

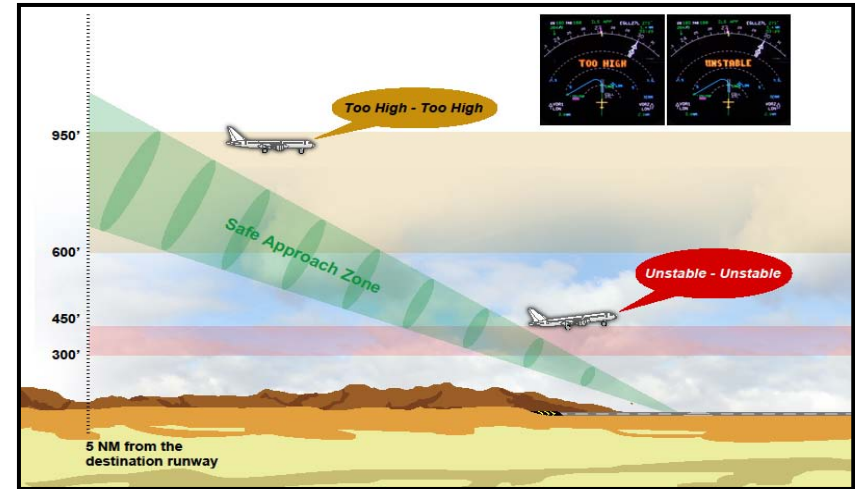


Reduces Runway Incursions

- Improves Safety of Landing and Taxi
- Reduces Pilot Workload
- Lowers Incident Costs

– Currently 30 Runway Excursions/Year

Smart Landing



Reduces Landing Risk

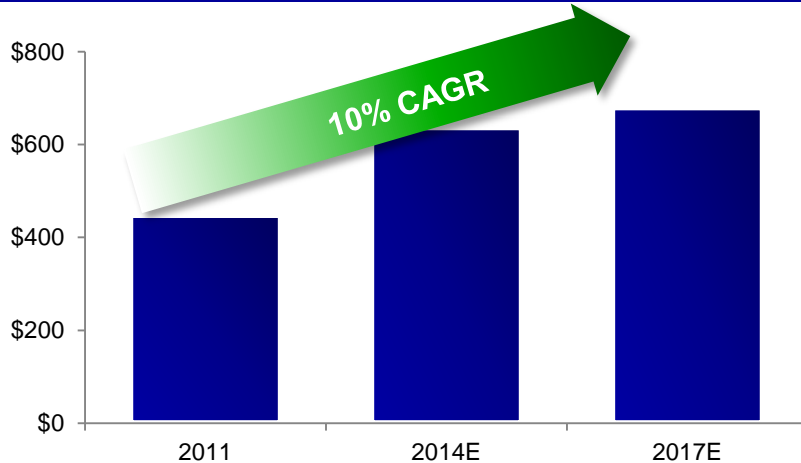
- 3,000 Units Sold
- Certified for 10,000+ Aircraft
- 30,000+ Total Aircraft Available
- \$500M Growth Opportunity

New Innovations Address Highest Safety Issues

Growth In Satellite Communications

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Aero SATCOM Market



© Euroconsult 2011 – Aeronautical Telecom Solutions by Satellite, Global Market Analysis & Forecasts

- Passenger Connectivity Is Fueling Growth Across All Segments
- By Integrating This Technology Across Our Portfolio, We Are Creating The E-Aircraft – Always On, Always Connected

The Success



- SATCOM On Global 5000
- Ovation Select And Media Server; Fully Digital, Hi-Def, Hi-Speed Cabin Connectivity
- AMT-700 Antenna On Unannounced OEM Platforms



- Sole Provider For New Inmarsat
- GoGo's Lead Hardware Provider
- FANS Over Iridium; Approved



- Boeing: MEXSAT Geomobile Satellite System For Mexico
- KC390: Fuselage Mounted Inmarsat Antenna
- SkyConnect Tracker III

A Combined Portfolio Building Better Connections

Install Base Upgrade Opportunity

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ATR



~24,000 Aircraft

BGA



~50,000 Aircraft

D&S



~40,000 Aircraft

Market Needs

Efficiency

- Improved Aircraft Routing
- Avoid Inclement Weather
- Reduced Fuel Burn

Safety

- Improved Situational Awareness
- Avoid Runway Excursions & Incursions
- Incorporate Mandates

Reliability

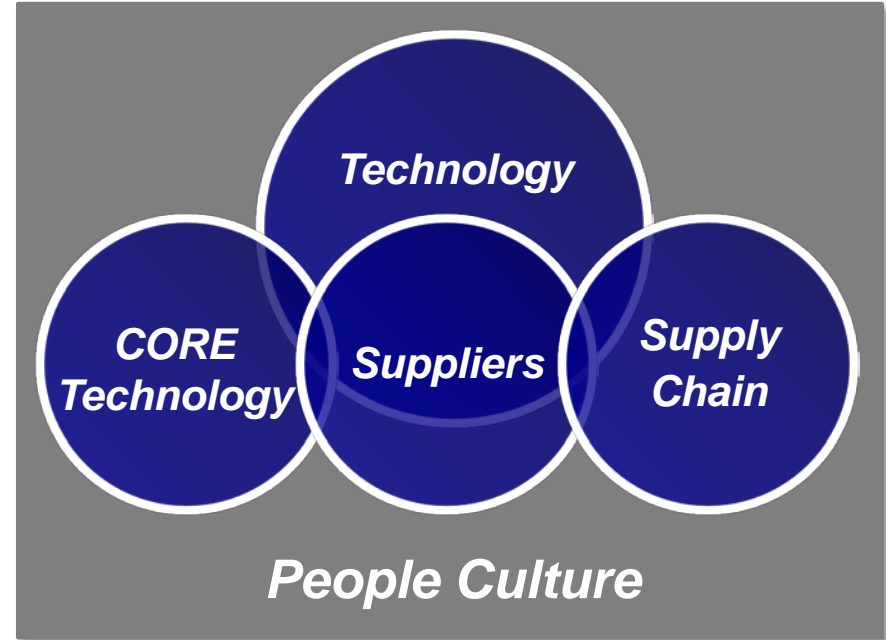
- Increased Dispatch Rate
- Reduction In Delays & Cancellations
- Enhanced Passenger Productivity

Customer Needs Driving RMU Adoption

Aerospace Productivity Mindset

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- **Integrated Product Roadmaps**
 - RD&E Resources Used Across All Segments
 - 84 Product Lines/10 Product Families
- **Leveraging Global Footprint**
 - Global Operations - 17 Countries
 - Global Sourcing - 41 Countries
- **Reaching Beyond The Factory Walls**
 - Plan Owner For Every Part (~80K SKUs)
 - HOS Tools Supporting Supplier Rationalization / Partnering
- **Accelerating HOS Deployment, Driving Significant Productivity**
 - HOS Deployed At All Aero Sites; Time Required To Achieve Bronze Certification Declining
 - Targeting ~60% Of Bronze Certified By End Of 2012 → Bronze+ Site Productivity Up 50%



Accelerating Productivity And Flexibility Through HOS

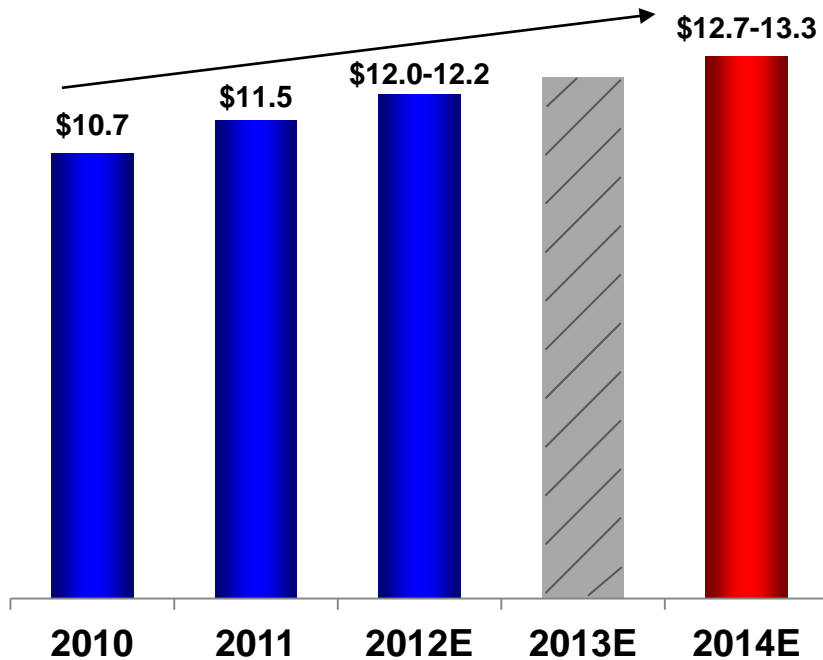
Long-Term Outlook Update

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(\$B)

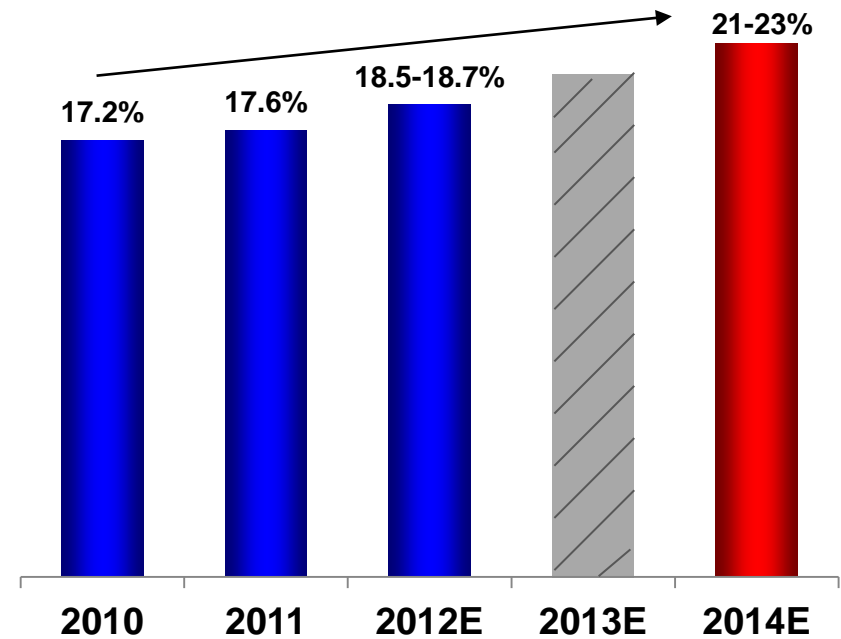
Sales

Long Term Target: 4 - 6% CAGR



Segment Margin

Long Term Goal: 21 - 23%



Consistent Growth Outlook

- **Robust Commercial Up-Cycle Offsetting Defense Declines**
 - Delivering Above ATR Replacement Cycle
 - Favorable BGA Positions, Outpacing Market
- **Leading Portfolio And Technologies**
 - Broad Core, High Value Offerings
 - Innovations Pushing Beyond Traditional Boundaries
- **Balanced Near And Long Term Growth Prospects**
 - Strong Portfolio Of RMU And OEM Content On New Deliveries
 - Accelerating Productivity – RD&E Effectiveness, HOS Benefits, Staying Flexible

*Strong Positions And Focused Execution
Delivering Customer Results*

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