Barclays Capital Industrial Select Conference

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Honeywell

Forward Looking Statements

Honeywell

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.

2003 – 2011 Track Record

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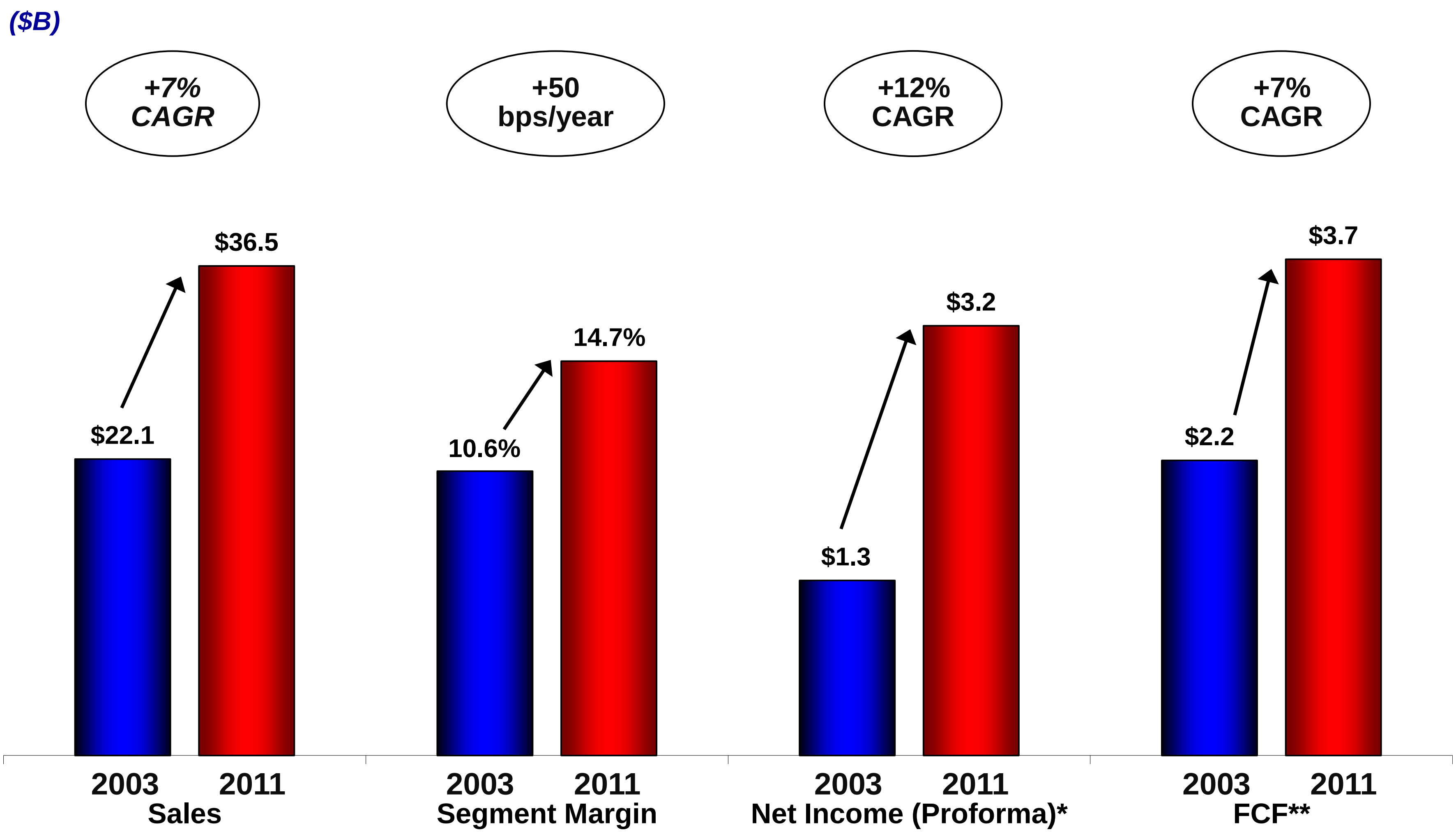

**Proforma Excludes Mark-to-Market Pension Adjustments; **FCF Prior to Cash Pension Contributions*

Significant Growth All Key Metrics

HON – 2011 Performance

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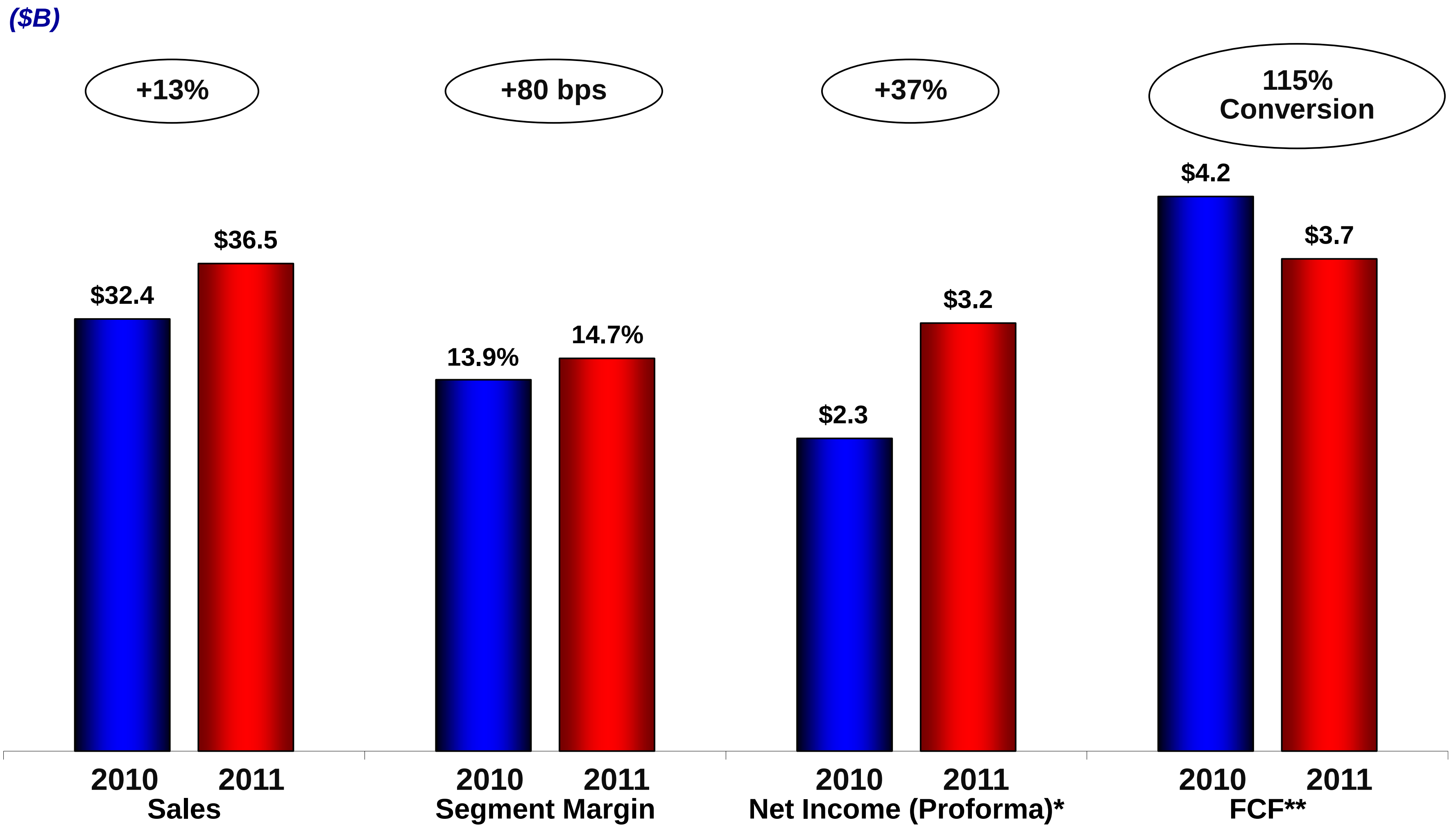

**Proforma, Excludes Mark-to-Market Pension Adjustments; 2011 Proforma EPS of $4.05, up 35% YoY*

***FCF Prior to Cash Pension Contributions*

Record Organic Growth And Operating Earnings

HON Portfolio

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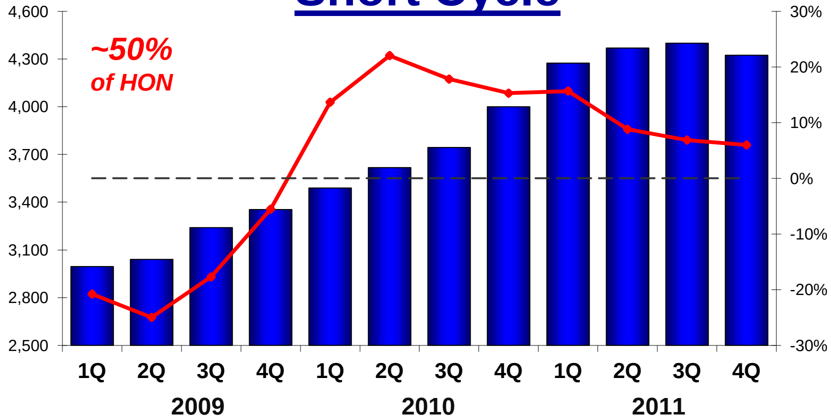
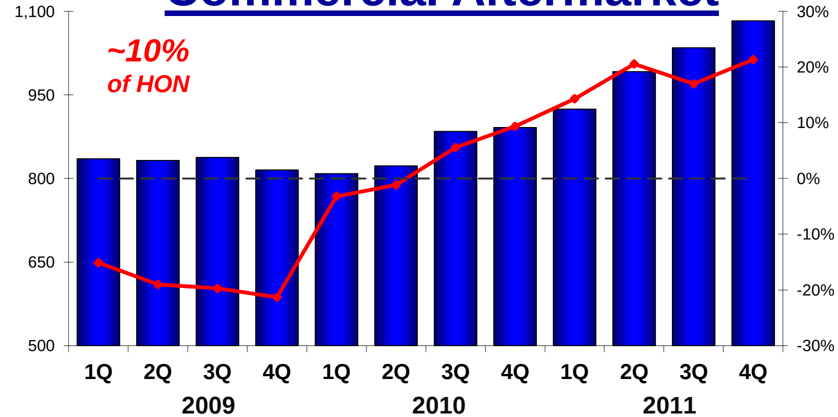
Short Cycle

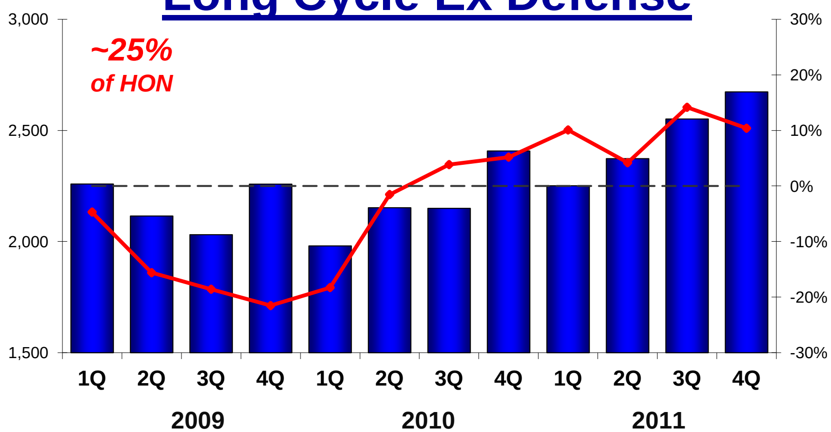


*ACS Products + Advanced Materials + TS**

Commercial Aftermarket

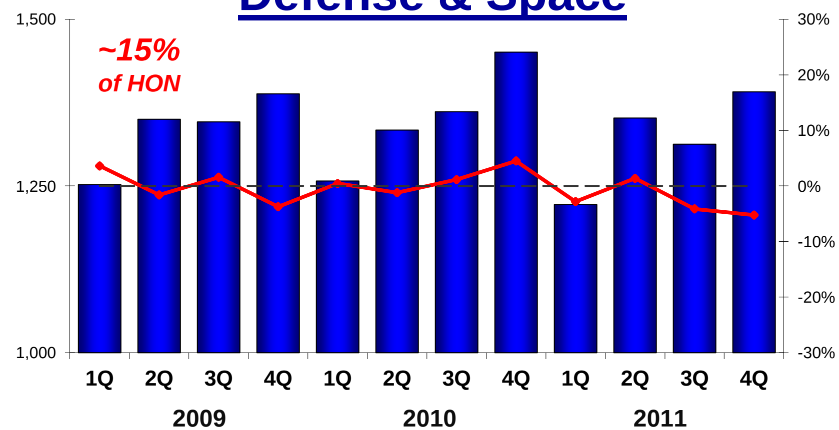


Long Cycle Ex Defense



Comm'l OE + ACS Solutions + UOP

Defense & Space



Revenue — Organic Growth YOY

** Excludes CPG*

Short Cycle Trending Lower; Long Cycle, Comm'l AM Strong

End Market Update

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- **What We Are Seeing**
  - **Commercial Aero Strength Continues – OE And AM**
  - **Moderate Declines In D&S, Program Ramp-downs And Completions**
  - **Industrial Strength Continues – UOP, HPS, Industrial Safety**
  - **Res / Non-Res Construction Still Soft; Emerging Regions Slower Growth**
  - **Europe Short-cycle Macros Weak – ESS, Turbo LV Production**
- **What We Are Expecting**
  - **Commercial Aero OE Accelerates → 2x Commercial Aftermarket Growth**
  - **D&S Outlook – Manageable Declines, Revenues Stabilize In 2013**
  - **UOP, HPS, BSD Multi-Year Outlook Robust; Long Cycle BTB >1**
  - **Europe Macro Headwinds Continue, Easier Comps 2H12**
  - **China Growth Outlook Likely To Improve 2H12**

Managing In Slower Growth Environment

HON Sales – 2012 Outlook

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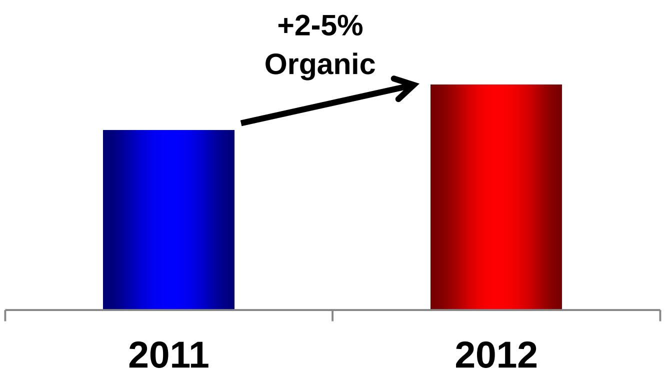
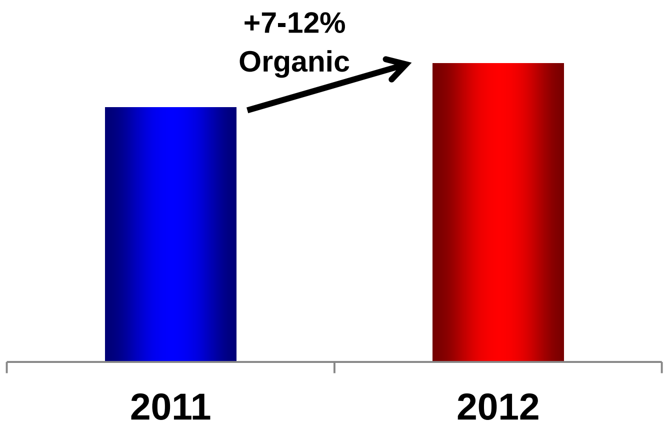
Short Cycle*

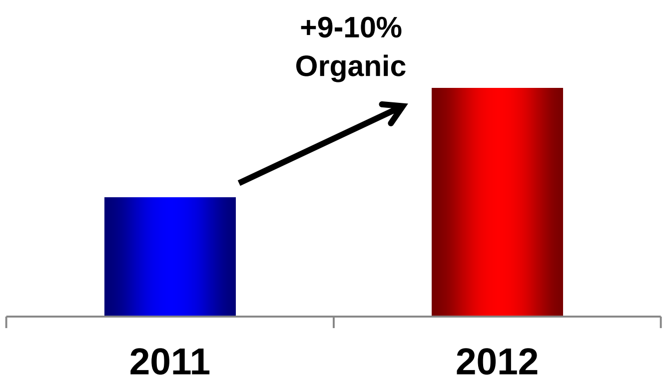


* *Excludes CPG*

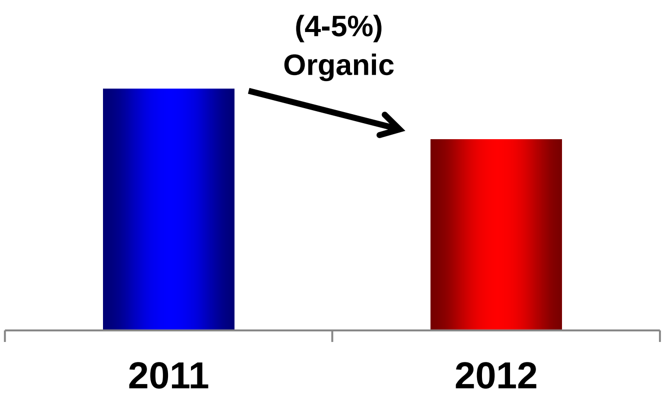
Commercial Aftermarket



Long Cycle Ex Defense



Defense & Space



Outlook Reflects Key Macro/Regional Environment

HON – 2012 Financial Guidance

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Consolidated ($B except per share amounts)	2012 Financial Outlook	Growth 2012E vs. 2011
Sales	$ 37.8 - 38.9	4% - 7%
Segment Profit	$ 5.7 - 5.9	6% - 11%
Segment Margin	*15.0% - 15.3%*	*30 bps - 60 bps*
EPS from Cont. Ops [(1)]	$ 4.25 - $ 4.50	12% - 19%
EPS from Disc. Ops	-	
EPS [(1)]	$ 4.25 - $ 4.50	5% - 11%
Free Cash Flow [(2)]	~$ 3.5	~100% Conversion

1) Proforma, V% Compared to 2011 Proforma Excluding Any Mark-to-Market Pension Adjustments

2) Prior to Cash Contributions to Pension Plans and NARCO Trust in 2012

Low End

– **Lower Global GDP Growth**
– **Emerging Markets Moderate Further**
– **Unfavorable Mix – ACS Products, PMT**
– **Inflation / Productivity Worse**
– **Stronger Dollar – EUR < $1.30**

High End

+ **Stronger Global GDP Growth**
+ **Emerging Markets Overdrive**
+ **Favorable Mix – Commercial AM, UOP**
+ **Inflation / Productivity Better**
+ **Weaker Dollar – EUR > $1.30**

Reaffirming 2012 Outlook

HON – What You Should Expect

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- Robust New Product Pipeline Driving Organic Growth
- Accelerated Penetration of High Growth Markets
- Positive Price / Direct Materials Spread
- ~25% Sales Conversion
- Smart Repositioning Funded Through BTL Gains
- Strong Cash Flow Generation >100% Conversion
- Effective Cash Deployment → Long-Term Value

Delivering Top Tier Performance

Appendix

Reconciliation of non-GAAP Measures to GAAP Measures

Reconciliation of Segment Profit to Operating Income and Calculation of Segment Profit and Operating Income Margin

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($B)	2003 [1]	2010	2011	2012E
Segment Profit	$2.4	$4.5	$5.4	$5.7 - 5.9
Stock Based Compensation [2]	$0.0	($0.2)	($0.2)	~($0.2)
Repositioning and Other [2, 3]	($0.2)	($0.6)	($0.8)	~($0.4)
Pension Expense-ongoing [2]	($0.1)	($0.2)	($0.1)	~($0.1)
Pension Expense-mark to market [2]	($0.2)	($0.5)	($1.8)	TBD
OPEB Income/(Expense) [2]	($0.2)	($0.0)	$0.1	~($0.1)
Operating Income	$1.7	$3.0	$2.6	$4.9 - 5.1
Segment Profit	$2.4	$4.5	$5.4	$5.7 - 5.9
÷ Sales	$22.1	$32.4	$36.5	$37.8 - 38.9
Segment Profit Margin %	10.6%	13.9%	14.7%	15.0 - 15.3%
Operating Income	$1.7	$3.0	$2.6	$4.9 - 5.1
÷ Sales	$22.1	$32.4	$36.5	$37.8 - 38.9
Operating Income Margin %	7.9%	9.3%	7.0%	13.0 - 13.3%

(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, environmental expenses and equity income

Reconciliation of Free Cash Flow, Prior to U.S. Pension Cash Contributions, to Cash Provided By Operating Activities and Calculation of Cash Flow Conversion

Honeywell

($B)	2003	2010	2011
Cash Provided by Operating Activities	$2.2	$4.2	$2.8
Expenditures for Property, Plant and Equipment	($0.7)	($0.6)	($0.8)
Free Cash Flow	$1.5	$3.6	$2.0
US Pension Cash Contributions	$0.7	$0.6	$1.7
Free Cash Flow, prior to U.S. Pension Cash Contributions	$2.2	$4.2	$3.7
Net Income Attributable to Honeywell	$1.2	$2.0	$2.1
Mark-to-Market pension adjustment, net of tax [1]	$0.1	$0.3	$1.1
Net Income Attributable to Honeywell Excluding Mark-to-Market Pension Adjustment	$1.3	$2.3	$3.2
Cash Provided by Operating Activities	$2.2	$4.2	$2.8
÷ Net Income Attributable to Honeywell	$1.2	$2.0	$2.1
Operating Cash Flow Conversion %	183%	208%	137%
Free Cash Flow, prior to U.S. Pension Cash Contributions	$2.2	$4.2	$3.7
÷ Net Income Attributable to Honeywell Excluding Mark-to-Market Pension Adjustment	$1.3	$2.3	$3.2
Free Cash Flow Conversion % (Proforma)	170%	177%	115%

(1) Mark-to-market uses a tax rate of 36.9%, 32.3%, and 33.5% for 2011, 2010, and 2003 respectively

Reconciliation of EPS to EPS, Excluding Mark-to-Market Pension Adjustment

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	2010 (1)	2011 (1)
EPS	$2.59	$2.61
Mark-To-Market Pension Adjustment	0.41	1.44
EPS, Excluding Mark-to Market Pension Adjustment	$3.00	$4.05

(1) Utilizes weighted average shares outstanding and the effective tax rate for the period. Mark-to-market uses a tax rate of 36.9% and 32.3% for 2011 and 2010, respectively.

Discontinued Operations Reconciliation

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($B)	2003
Sales - Total Honeywell	$23.1
Sales - CPG	$1.0
Sales - Continuing Operations	$22.1