Oppenheimer Industrials Conference

Roger Fradin
ACS President and CEO

New York, NY
November 17, 2009

Honeywell

Honeywell ACS Overview

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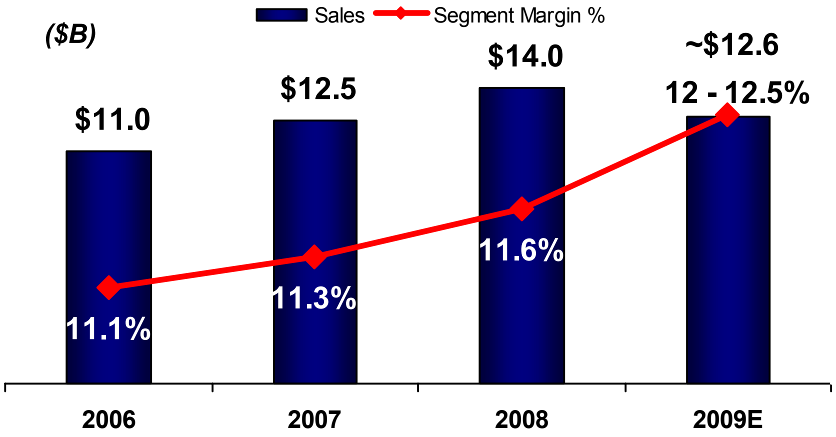
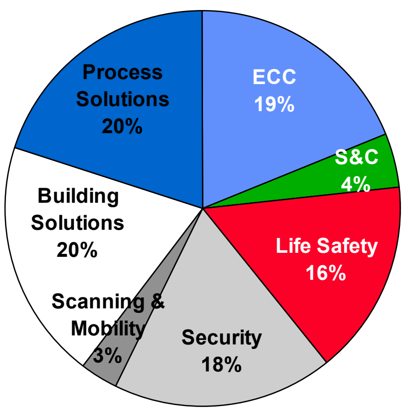
Financials



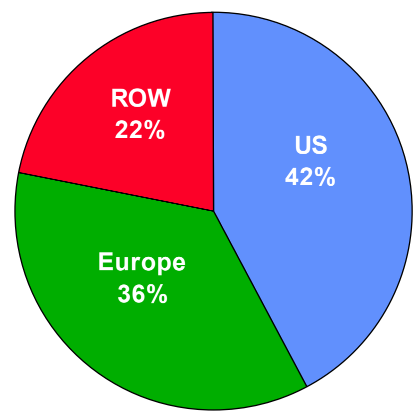
2009 Highlights

- ~400 New Product Introductions
- Norcross, Callidus, RMG Acquisitions
- HOS Deployed at 21 New Sites
- ~100 Repositioning Projects
- Investing in High Impact Areas

Business Units



Geographic Mix



Strong Portfolio Performing Well

Market Outlook

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	Market Growth	ACS % Sales*
Commercial New	↓	16%
Commercial Retrofit	↔	27%
Residential New	↑	7%
Residential Retrofit	↔	13%
Industrial (Process) New	↓	9%
Industrial (Process) Retrofit	↔	10%
Other (OEM, Gen. Industrial)	↑	18%

*Management Estimates

End Markets Continued To Soften In 2009

ACS Positions

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	Market Growth	ACS % Sales*	ACS Positions	Drivers
Commercial New	↓	16%	#1 Building Controls #1 Fire Systems #3 Building Solutions	• Energy Efficiency • Safety, Regulation • Installed Base
Commercial Retrofit	↔	27%		
Residential New	↑	7%	#1 Home Comfort #1 Security	• Energy Efficiency • New Products • Installed Base
Residential Retrofit	↔	13%		
Industrial (Process) New	↓	9%	#2 Process Solutions	• Process Optimization • Energy Efficiency • Installed Base
Industrial (Process) Retrofit	↔	10%		
Other (OEM, Gen. Industrial)	↑	18%	#3 Sensing #3 Personal Protection	• Regulation • New Products • Installed Base

*Management Estimates

Strong Positions In Good Industries

Q3 YTD Performance Relative To Competition

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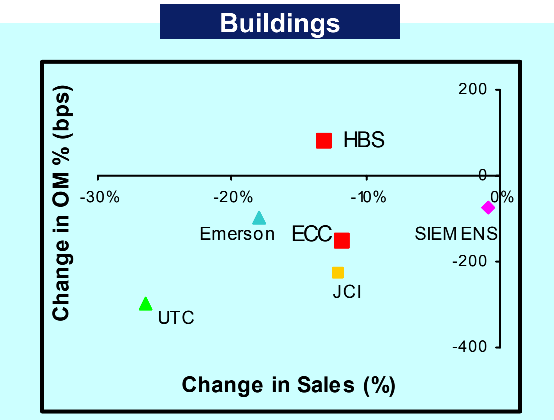

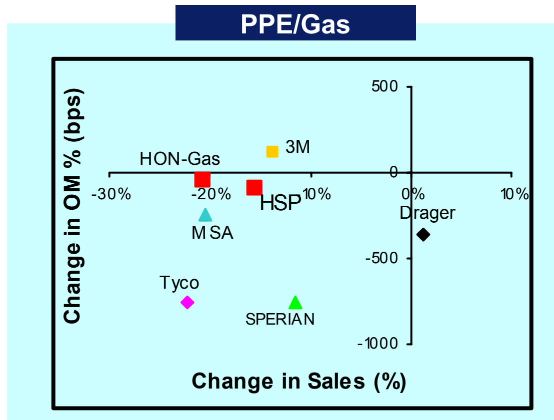

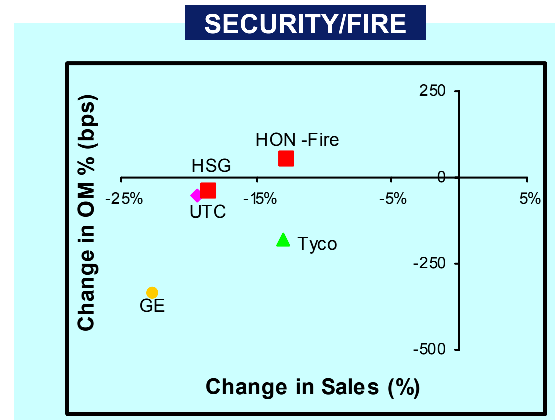

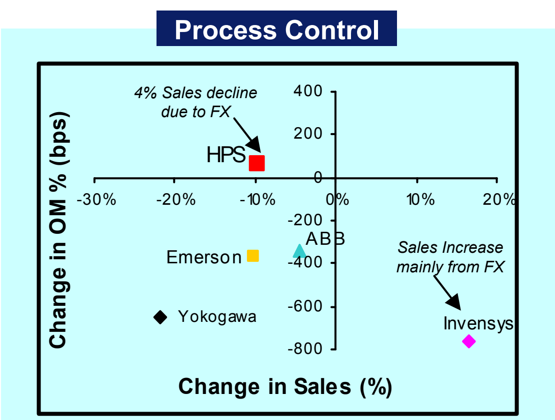

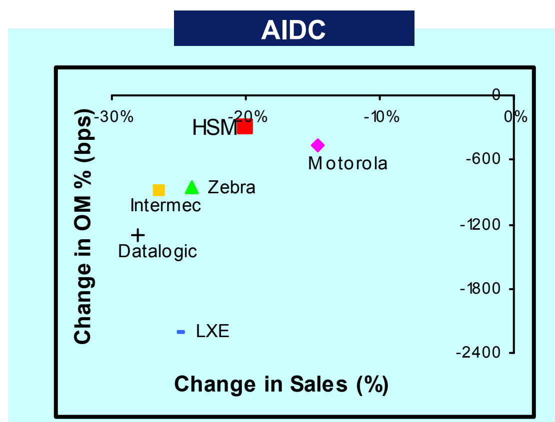

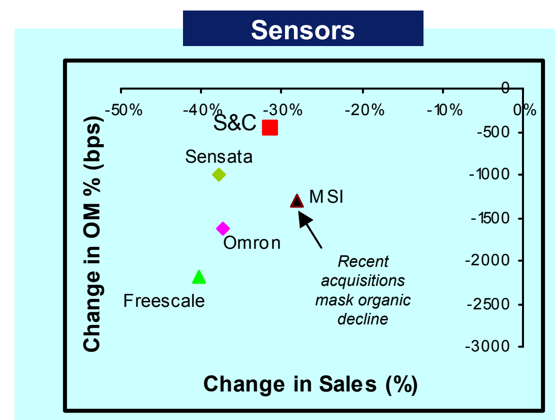

Note: *Reported #s exclude certain 1-time adjustments; Intended data period was for the period 9 months YTD. Change in Sales was calculated YOY; Change in OP margin is the basis points difference in operating margin % YOY.*
If data was not available, the most recent available data for 6 month period was used.
Following firms had reported data through Sept 2009: *HON, UTC, GE, Emerson, Yokogawa (forecast), 3M, MSA, Sperian (sales), TI, Freescale*

Outperforming Peers

Current Business Trends

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Segment	Seq. Trend	Drivers / Risks
ECC	↑	New Products, Energy Efficiency / Res, Non-Res Outlook
S&C	↑	Global Penetration, Transport / Industrial Outlook
Life Safety	↔	Gas, Safety Regulations / Res, Non-Res, Industrial CapEx
Security	↓	Global Penetration / Europe & Res, Non-Res Outlook
Scanning/Mobility	↑	Transportation/Logistics, Healthcare / Retail
Building Solutions	↑	Energy Efficiency Demand / Credit Markets
Process Solutions	↓	Process Optimization / Customer Op Ex

Diversified, Global Portfolio

ACS Transformation

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Then	Today
• Underperforming Prior to Downturn	• Strong Backlog and Installed Base
• Short-Term Focus	• Intelligent Cost Control
• No New Products	• New Products and Growth Investments
• Victim Mentality	• Winning Culture / Partner of Choice
• Weak Sales Force, Poor Marketing	• Sales and Marketing Excellence
• Internally Focused	• Expanded Portfolio, Global Presence
	• Externally Focused

What's Different?…Just About Everything

2009 Actions

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Achieve Repositioning Benefits	• 100 Repositioning Projects in Process • Savings Support Profitability Outlook
Aggressive Cost Management	• Policy-related Actions: Furloughs, Merit, Other • Aggressive Indirect Cost Containment
Accelerate HOS Deployment	• 32 New Deployments Scheduled for 2010 • Achieve Four-Fold Increase in Bronze Sites • Drive Continued Profitability / WC Benefits
Flawless ERP Rollout	• 8,000 Users, 25% Sales on ERP by Year-End • Functional Transformation Leverage
Drive Acquisition Performance	• $40B+ Addressable Markets • Integration Process Overdriving Synergies
Growth	• New Product Introductions • Sales and Marketing Excellence • Size and Scale Opportunity

Actions Taken Protect And Grow Margins

Delivering Repositioning Benefits

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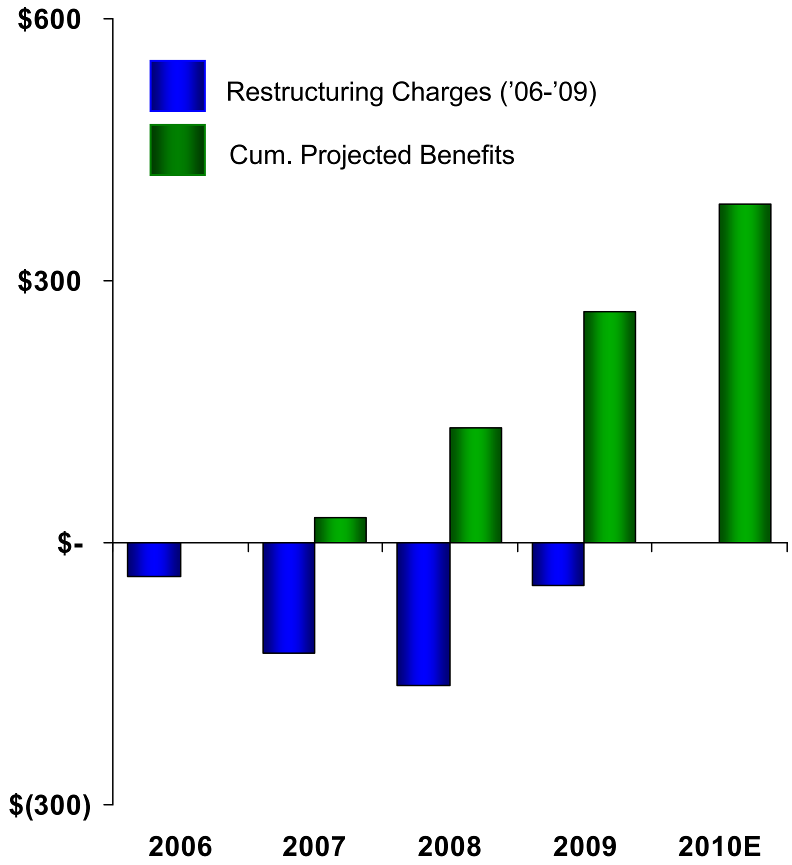
Proactive Funding



2009 Deliverables

- **$130M+ Incremental Repositioning Savings vs. 2008**
  - 50 Projects Completed
  - 85 Projects Staffed and in Process
- **Focus Areas**
  - Supply Chain Rationalization
  - Rooftop Consolidation
  - Regional Cost Structure Alignment

Savings Drive Profitability Improvements

Honeywell Operating System Deployment

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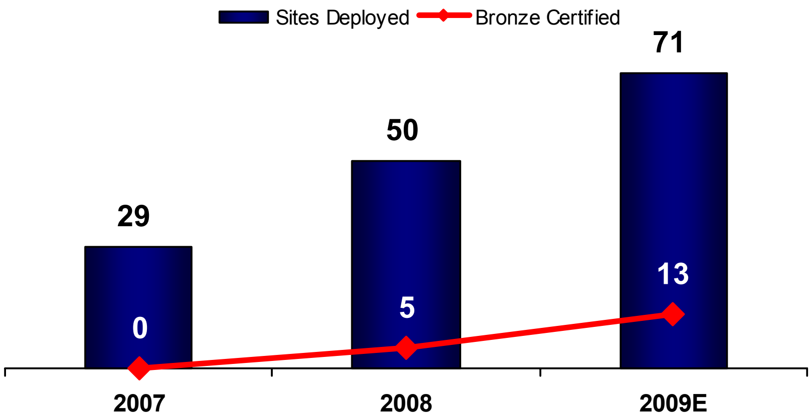
HOS Deployment Status

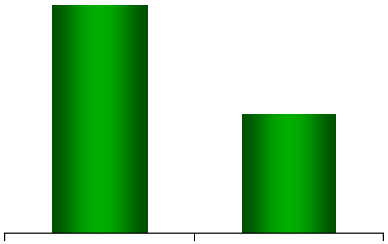


2009 Priorities

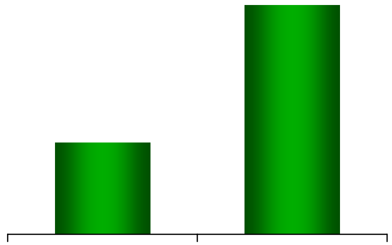
- **21 New HOS Deployments**
- **13 Sites Attain Bronze Certification**
- **Strategic Sourcing Opportunities**
- **Drive SIOP and Cycle Time Improvements**
- **Applying HOS to Non-manufacturing sites**

Mature HOS Site Results

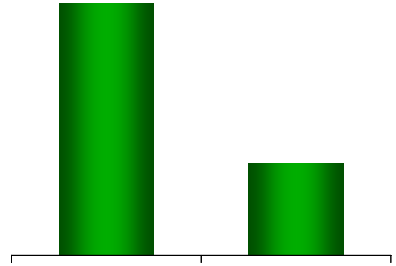
Defects (PPM)
48% Reduction



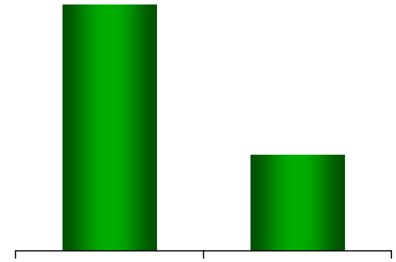
Delivery (OTTR)
6 pt Improvement



Inventory (DOS)
7 Day Improvement



Conversion Cost
2+ pt Improvement



Tangible Benefits; Building Momentum

ERP Rollout

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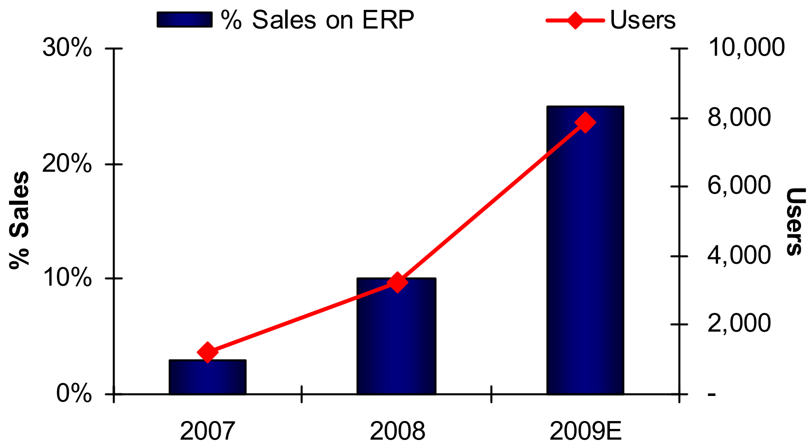
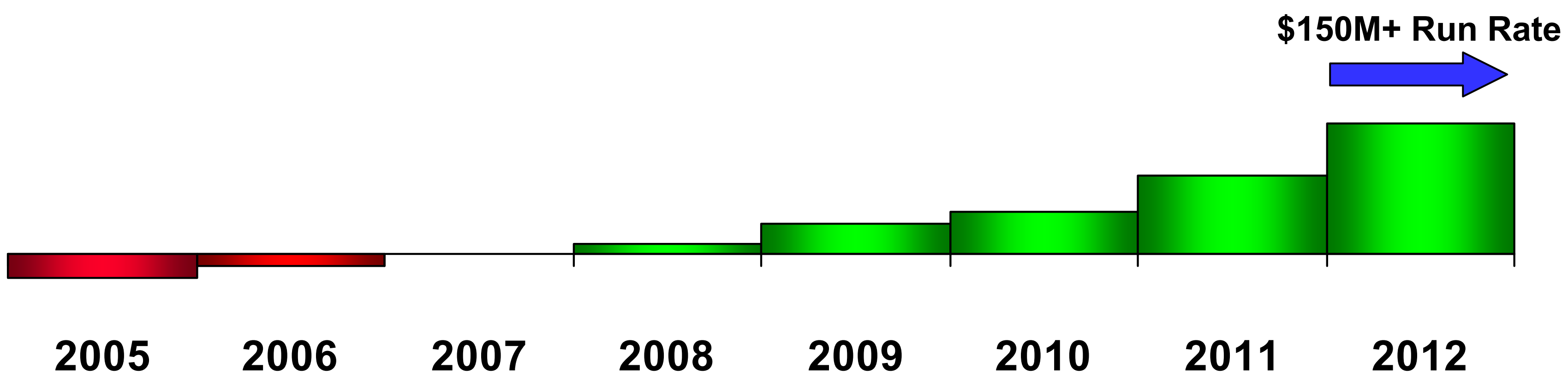
ERP Deployment Status



2009 Priorities

- 35+ "Go-Live" Sites
- 4,000+ New Users
- Europe, US Deployments
- Functional Transformation Leverage

Net ERP Benefits



Successful Rollouts; Benefits Building

Driving Acquisition Performance

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Gas Detection

$2B Industry

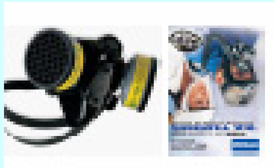
Position / Performance

- Leading Position (Zellweger + FT)
- Fixed and Portable Presence
- Exceeding Sales and Profit Targets

Synergy Drivers

- G&A, R&D, Sales, Marketing Synergies
- Channel Penetration

Personal Protection Equipment



$18B Industry

Position / Performance

- Leading Position (Norcross)
- Exceeding Sales and Profit Targets
- Additional Roll-Up Potential

Synergy Drivers

- Synergies with Gas and HPS Positions
- Factory Efficiency / Footprint

Exceeding Expectations, Gaining Share

Driving Acquisition Performance

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Industrial Combustion

$1B Industry

Position / Performance

- Leading Position (Core ECC + Maxon + Callidus)
- Combustion Technology

Synergy Drivers

- HPS Installed Base
- G&A Optimization
- Facility Rationalization

Lighting

$6B Industry

Position / Performance

- Strong Base (ED&S + Ex-Or + Lonon)
- Controls and China Focus

Synergy Drivers

- Technology Synergies (Controls, Wireless, HTSL)
- Lonon China Factory

AIDC

$15B Industry

Position / Performance

- Leading Position (Hand Held + Metrologic)
- Presence in Attractive Verticals

Synergy Drivers

- SG&A Efficiencies
- Metrologic China Factory

$20B+ New Growth Markets

Driving Acquisition Performance

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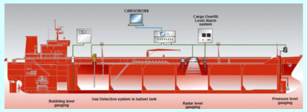
Oil - Enraf



$1B Industry

Position / Performance

- Leading Position in Oil Storage & Distribution
- Favorable Macro Trends
- Exceeding Financial Targets

Synergy Drivers

- Sales Channel Synergies with UOP
- Application of OneWireless

Gas - RMG

$2B Industry

Position / Performance

- Leading Position, High Growth NG Vertical
- Broadens Coverage of NG Supply Chain
- Exceeding Sales and Profit Targets

Synergy Drivers

- Sales Channel Synergies with HPS
- Sourcing and Manufacturing Savings

Exceeding Expectations, Gaining Share

Growth: Sales Excellence

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- Who Is Buying? / What Is Selling?
  - Customer Segmentation
  - Energy, Productivity & Safety
- Sales Force Deployment
  - Owning Customer Relationships
  - Leading By Example
- Mass Selling Model
  - High Impact
  - Cost Effective
- Helping Our Customers Sell
  - Tiger Training
  - Partner of Choice
- "De-Risk" The Buying Decision
  - Convert Fixed to Variable Cost
  - Size and Strength

Playing Offense

Growth: New Geographies, Adjacencies And Products

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New Geographies

- **Accelerating Emerging Region Penetration**
  - India
  - China
  - Middle East
- **East-for-East / East-to-West New Products**

New Adjacencies

- **Existing Products in New Markets**
  - Life Safety into Marine, Industrial Safety
  - Security into Critical Infrastructure Protection
  - S&C into Life Safety Channels
  - Public-Private Partnership (P3) Opportunities

New Products

- **VPD™…A Competitive Edge**
  - Extending Our Technology / Cost Lead
- **NPI Focus: Wireless, Controls, User Interface**
- **Creating New Markets**

Growing Faster Than Markets

Energy Efficiency Across ACS

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- **Innovative, game-changing products and solutions**
- **Clinton Climate Initiative**
- **Energy Performance Contracts**
- **Smart Grid wins**
- **Major energy savings and emissions reductions for homes, buildings, and industrial applications**

60% of Products & Services Related to Energy Efficiency

Global Leader In Delivery Of Energy Efficiency

Summary

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- **Strong Portfolio Executing Well**
- **Outperforming Peers In Tough Market Conditions**
- **Margin Growth Amidst Declining Sales**
- **Continued Investment Driving Growth and Profitability**
- **Well Positioned for Economic Recovery**

Significant Growth And Margin Runway

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