

News Release

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HONEYWELL WINS \$34 MILLION CONTRACT EXTENSION FROM U.S. NAVY

Honeywell to Provide Performance-Based Logistics for Auxiliary Power Units

AUSA, Washington, D.C. Oct. 25, 2010 -- Honeywell (NYSE: HON) announced today it has been awarded a one-year contract extension valued at \$34 million with the U.S. Navy for Performance-Based Logistics (PBL) supply support for auxiliary power units (APUs).

The contract is an extension of Naval Aviation's first major successful PBL that included a public-private partnership (PPP), and is a model program for PBL and PPP.

Honeywell will provide PBL support for the F/A-18, P-3 and C-2 aircraft. PBL encompasses provisioning stock, repair, store and ship ready for issues (RFI) equipment directly to users upon demand, while meeting and maintaining performance requirements for availability and reliability.

"Our PBL win is based on us utilizing an integrated systems approach with product support and service to extend the useful life of mission-critical assets and reduce operational costs," said Paul Vidano, vice president of Militaries & Operators, Honeywell Aerospace. "Our partnership with the U.S. Navy supports balanced work share, cross-organizational process improvements and new Honeywell technology upgrades."

This program has experienced high performance in fleet support with APU availability exceeding 95 percent, up from a pre-program average of 65 percent.

The contract extends the partnership with the Naval Inventory Control Point, the Naval Air Systems Command, the Fleet Readiness Center East located at Marine Corps Air Station in Cherry

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Point, N.C., and the Fleet Readiness Center Southeast located at the Naval Air Station in Jacksonville, Fla.

“Honeywell’s PBL programs identify and define expected contract outcomes in support of mission readiness,” Vidano added. “Programs are managed so that responsibilities are assigned and performance is tracked to support optimal outcomes.”

As a result of superior program achievements, in 2005 Honeywell’s PBL was awarded the Secretary of Defense PBL Award for Component level PBLs. The Department of Defense (DoD) uses PBL programs to improve weapon system readiness by using top DoD and industry resources to operate and maintain weapon systems at reduced costs over their useful lives.

Based in Phoenix, Arizona, Honeywell’s aerospace business is a leading global provider of integrated avionics, engines, systems and service solutions for aircraft manufacturers, airlines, business and general aviation, military, space and airport operations.

Honeywell International (www.honeywell.com) is a Fortune 100 diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services; control technologies for buildings, homes and industry; automotive products; turbochargers; and specialty materials. Based in Morris Township, N.J., Honeywell’s shares are traded on the New York, London, and Chicago Stock Exchanges. For more news and information on Honeywell, please visit www.honeywellnow.com.

This release contains certain statements that may be deemed “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, that address activities, events or developments that we or our management intends, expects, projects, believes or anticipates will or may occur in the future are forward-looking statements. Such statements are based upon certain assumptions and assessments made by our management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. The forward-looking statements included in this release are also subject to a number of material risks and uncertainties, including but not limited to economic, competitive, governmental, and technological factors affecting our operations, markets, products, services and prices. Such forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by such forward-looking statements.

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