

Honeywell

THE MARKET

Whether you are flying on a plane, driving a car, heating or cooling a home, furnishing an apartment, taking medication or playing a sport, Honeywell products touch most Canadians' lives every day.

As a leader in diversified technology, Honeywell serves a variety of market sectors and customers worldwide — from large international corporations to busy consumers looking for reliability and innovation in the products they choose to buy.

The company's expertise comes from a wellspring of invention that began twelve decades ago. Honeywell pioneered a combination of sensors and actuators that gave birth to a new field of technology — automation and control. Today Honeywell continues to be the world's leader in Automation and Control Solutions as well as in the businesses of Aerospace, Specialty Materials and Transportation Systems.

Honeywell employees and their inventions are dedicated to building better solutions for a better world, and their mission is to remain in the forefront of leading-edge technology for the world we live in.

ACHIEVEMENTS

Sales in 2007 for Honeywell International totaled \$34.6 billion. Honeywell International employs over 122,000 people in over 100 countries. Honeywell's greatest achievement is the foundation it is built upon — great people and their commitment to innovation, technology and satisfying customers with high-quality products.

Honeywell is proud to state that nearly 50% of its product portfolio is linked to energy efficiency. Honeywell Canada employs approximately 5000 people across the country.

HISTORY

Today's Honeywell emerged in the fall of 1999 from the merger of the two global leaders, AlliedSignal and Honeywell Inc., but the company's history goes back more than a century.

The Honeywell Connection. Albert Butz patented the furnace regulator and alarm in 1885, and a year later, his company introduced the "damper flapper," a device that automatically controlled the dampers on a coal-fire stove. The com-



pany's name was soon changed to Minneapolis Heat Regulator Company, and this device was the first in a long line of complex closed-loop sensor and control systems that fueled the company's growth for generations.

Meanwhile, in 1904 a young engineer named Mark Honeywell was perfecting a heat generator as part of his plumbing and heating business, and soon formed the Honeywell Heating Specialty Company.

By 1927, Minneapolis Heat Regulator Company and Honeywell Heating Specialty Co. merged to form the Minneapolis-Honeywell Regulator Co. and established its mark as a pioneer in a new field of technology — automation and control.

In 1957, the company purchased a fire detection and alarm firm, the first of many acquisitions that would build its security business into a global leader today.

The company's name was officially changed to Honeywell Inc. in 1963 even though it had been casually referred to as such for nearly 40 years.

In 1986, the company significantly enhanced its position in the aerospace industry with the purchase of Sperry Aerospace, making Honeywell the world's leading integrator of avionics systems.

The AlliedSignal Connection. AlliedSignal is the second major component of today's Honeywell. In response to the shortages of chemicals within the United States during World War I, publisher Eugene Meyer and scientist William Nichols formed the Allied Chemical and Dye Corporation, unifying five American chemical companies. After World War II, the company began manufacturing other new products.

In 1981, under its new name, Allied Corporation purchased the Bendix Corporation, an

aerospace and automotive company. Four years later, Allied merged with the Signal Companies, which operated in the aerospace, automotive and engineered-materials industries, and within a decade, the company became a powerhouse of integrated businesses around the world. The company's name was changed to AlliedSignal in 1993 to reinforce a one-company image and signify the full integration of all of its businesses.

The new Honeywell — born of a merger in 1999 — embodies the best of its

AlliedSignal and Honeywell heritages. Since 2002, chairman and CEO David M. Cote has focused on five key initiatives: Growth, Productivity, Cash, People, and the Enablers — Honeywell Operating System, Functional Transformation and Velocity Product Development. Central to the company's growth initiative is the consistent delivery of quality, value, service and technology with every single order.

THE PRODUCT

To understand the scope of Honeywell's operations,



consider some of the products and services that Honeywell offers:

Aerospace. Honeywell Aerospace is a leading global provider of integrated avionics, engines, systems and service solutions for aircraft manufacturers, airlines, businesses and general aviation, military, space and airport operations. Its aerospace products include engines, auxiliary power units, flight control systems, environmental control systems, spare parts, and support and services for space and communication facilities. In Canada, Honeywell Aerospace has facilities in Mississauga (ON), Montreal (QC) and Slemon Park (P.E.I.).

Automation and Control Solutions (ACS). Honeywell's Automation and Control Solutions is a global leader in providing product and service solutions to create efficient, safe and comfortable environments and to help businesses and industry improve productivity and profitability. Its products range from heating, ventilation, humidification and air-conditioning equipment controls, and security and fire alarm systems, to automation systems and sensors, switches and control products for industrial applications. Honeywell Canada's ACS business services homes, buildings and industries across Canada.

Specialty Materials. Honeywell Specialty Materials provides customers with high-performance specialty materials including fluorine products, specialty chemicals, electronic materials and chemicals and technologies and materials for petroleum refining. Honeywell's Specialty Materials facilities in Amherstburg (ON) and Victoria (BC) are on the cutting edge in several sectors of the chemical and high-performance materials industry.

Transportation Systems. As a leading automotive supplier, Honeywell enhances vehicle performance, efficiency and appearance through state-of-the-art technologies, world-class brands and global solutions for customer needs. Honeywell's Turbo Technologies as well as its consumer brands are recognized around the world. Honeywell's Consumer Products Group manufactures and markets a host of leading consumer automotive brands including Prestone® antifreeze/coolant and car care products, Autolite® spark plugs,



wires and specialty lighting products, Holt Lloyd's Teflon®, FRAM® automotive filters and Blink® car care products for busy moms. Honeywell Canada manufactures automotive filters in Stratford (ON), and Mississauga (ON) houses the leadership for the Aftermarket sales and marketing group.



RECENT DEVELOPMENTS

In a company like Honeywell, product innovation is not just a slogan. It's the way the company looks at its mission. Staying on top of the customer's needs has served as the proven pathway to success.

Emergency Locator. Providing solutions for the widest selection of commercial transport aircraft, Honeywell Aerospace's remarkable RESCU 406® Emergency Locator Transmitter is a survival-type salt-water activated beacon that simultaneously transmits at three frequencies. This is the future for air survival.

Electric Power. Honeywell's Secondary Electric Power Distribution System (SEPDS) has created a revolutionary transformation in aircraft electrical power technology. The SEPDS uses programmable Solid State Power Control devices in place of traditional electromechanical circuit breaker technology, providing benefits to the aircraft in terms of improved load management capability and diagnostic health monitoring.

Energy Management. Honeywell Building Solution's innovative building and automation system in Quebec's *Institut National de Recherche Scientifique* laboratory will be one of the most advanced infrastructure management systems in the country with a fully integrated building and automation system.

Wireless Communications. Honeywell Security Systems has developed the most robust communication products available with Dual-Path and Triple-Path technology utilizing Global System for Mobile Communications (GSM) technology. Designed specifically for digital wireless communication, short message service and the Internet, Honeywell's exclusive network supports new digital technologies and services.

Car Care Products. Honeywell Consumer Products Group has introduced a new line of quick car clean-up products — Blink®. Tailored towards busy moms, these car care products are now available at Canadian Tire, Canada Safeway, Home Hardware, Federated Co-op, Pharma Plus, Wal-Mart and Zellers.

Air Filters. Honeywell's Centre of Excellence for air filters in Stratford (ON) has developed a new SynWash fiber technology for air filters. The FRAM® Washable™ air filter is designed to perform

20 times longer than standard-grade disposable air filters when it's washed between replacements.

PROMOTION

Consumers around the world can literally wrap their hand around the most recognizable of Honeywell's products: the T-86, the Honeywell Round™ thermostat. This simple and elegant control device is found in more homes than any other thermostat in the world. Continuously produced since 1953, the Round continues to symbolize the modern

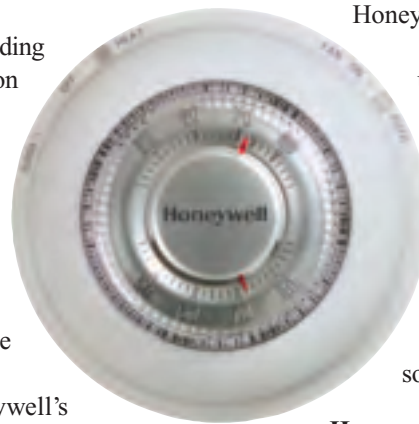
home and serves as an icon for one of the world's most respected companies.

BRAND VALUES

The Honeywell brand represents the total Honeywell experience.

The Honeywell brand is backed up by more than a century of accomplishments in a wide range of business specialties.

While there is great strength in the diversity of our business and product portfolio, there is a common denominator that ties most of Honeywell together — a knowledge-based solutions expertise.



Honeywell's Brand Promise

We are building a world that's safer and more secure . . .

More comfortable and energy efficient . . .

More innovative and productive.

We are Honeywell.

This is the essence of today's Honeywell . . . our brand promise.

THINGS YOU DIDN'T KNOW ABOUT HONEYWELL

- Honeywell is one of the top patent-generating companies in the world. The company holds over 14,000 patents worldwide, receiving 66 new Canadian patents in 2007.
- Honeywell has products on the world's largest aircraft — Airbus A380, on the world's most successful commercial aircraft — Boeing 737NG and on the most advanced technology commercial aircraft — Boeing 787.
- Honeywell has launched a new partnership with the Canadian Centre for Child Protection to help ensure the safety of children. As one of the four founding partners, Honeywell supports the centre's educational curriculum with innovative child safety materials and programs.
- In partnership with NASA, Honeywell sponsors FMA Live!, a program designed to inspire the next generation of students to pursue careers in science, math, engineering and technology through the music of hip hop.