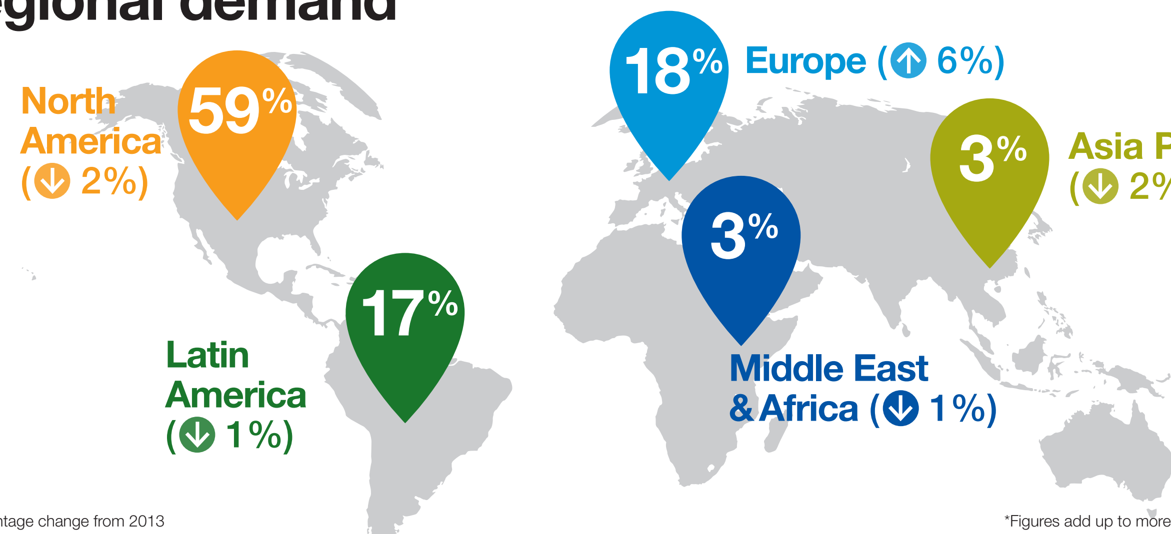
Honeywell

Aviation outlook

Global purchase plans remain steady; demand for larger jets continues to build.

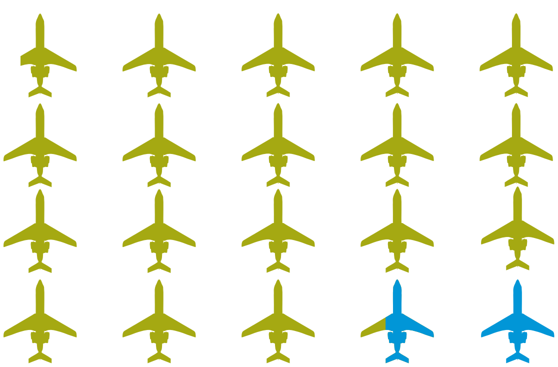
Regional demand



( ) - percentage change from 2013

*Figures add up to more than 100% due to rounding.

Aircraft deliveries



9,450 aircraft projected through 2014

Worth $280 billion valuation

650-675 projected 2014 deliveries

Purchase plans by aircraft class

46%
Big Cabin
75% total valuation
(Super midsized through business liner)

28%
Midsize
17% total valuation
(Light-medium, medium)

26%
Small Cabin
8% total valuation

> “We will continue to expect moderate growth in 2014–2015 on the strength of new model introductions and incremental gains in economic growth, but patterns of demand are shifting in the short term” Brian Sill, President, Honeywell Business and General Aviation

Survey highlights

46%	23%	7–8%	19%	59%
of new purchase plans will be large cabin jets	of survey fleet replaced or added to new jets within the next 5 years	Increase from 2013 in value of forecasted deliveries	of planned purchases to be completed by close of 2015, (similar proportion planning for 2014 and 2015 purchase)	of worldwide sales originate in North America

Regional spotlight

Europe:

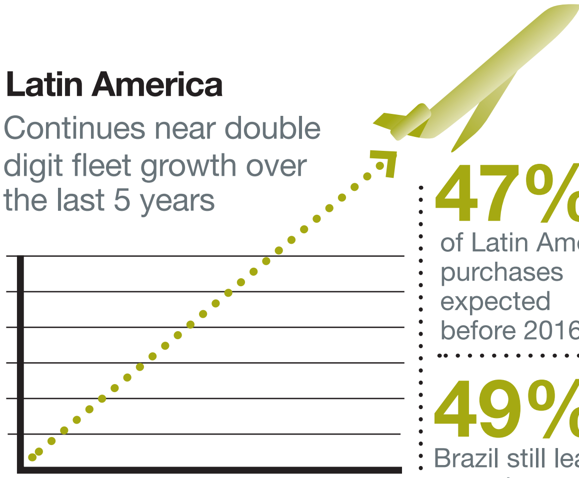
Rebound in European purchase plans leads all regions despite softness in Russia

31% of fleets planned for replacement with new jet in next 5 years

19% of new purchases planned by end of 2015

Latin America

Continues near double digit fleet growth over the last 5 years



47% of Latin America purchases expected before 2016

49% Brazil still leads all areas in new jet purchase plans

Industry insights

Operator needs

Continuing focus on large cabin jets with:

Modern high tech avionics

Faster cruise Mach .85

Extended range in every class

Pre-owned jet inventories down

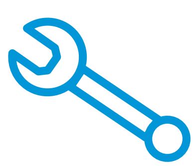
Has diminished slowly from a 16% high in 2009

Operator concerns

Lower fuel burn

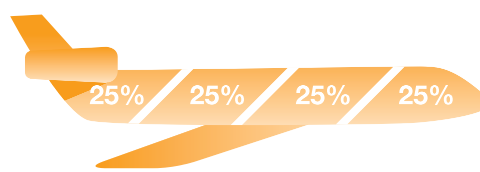
Cabin Amenities

Productivity



Aircraft support, reliability, maintainability

Fractional ownerships



Stronger delivery performance is expected in developed economies in 2014/2015

Find out more about Honeywell Business Aviation at aerospace.honeywell.com