HONEYWELL AND THE U.S. ARMY TEAM UP TO TACKLE INFRASTRUCTURE IMPROVEMENTS AT LARGEST U.S. ARSENAL

Rock Island Arsenal Joint Manufacturing and Technology Center to Receive Extensive Building Upgrades Expected to Provide $5.3 Million in Annual Savings

MINNEAPOLIS, Jan. 22, 2014 – Honeywell (NYSE: HON) and the U.S. Army today announced a $61-million infrastructure modernization project at the Rock Island Arsenal Joint Manufacturing Technology Center (JMTC). The project will support critical infrastructure improvements at the industrial facility that will cut energy use by approximately 35 percent, and generate up to $5.3 million in annual energy and operational savings.

The Army launched the technology center upgrades through a 20-year energy savings performance contract with Honeywell that was awarded by the U.S. Army Corps of Engineers’ Engineering and Support Center in Huntsville, Ala. Honeywell guarantees the improvements will generate the target savings, which should repay the investment used to fund the work. As a result, the project requires no capital or additional taxpayer dollars upfront.

“We have been providing the best products and services to our armed forces for more than 150 years,” said Col. David J. Luders, commander for RIA-JMTC. “This project lets us tackle our aging infrastructure head on — a difficult task in light of budget cutbacks — so we can operate as efficiently as possible and support mission readiness.”

The 1.5-million-square-foot JMTC manufactures a wide variety of metal parts and systems for the Department of Defense, and is part of the Rock Island Arsenal Garrison located in Rock Island, Ill., the largest government-owned and operated Arsenal in the U.S.

JMTC accounts for two-thirds of the Garrison’s overall energy consumption. So along with the immediate savings, the project will help the Garrison meet the requirements of a Presidential Executive Order that calls for federal facilities to reduce energy consumption 30 percent by 2015.

As part of the project, Honeywell will implement a variety of facility improvements, which includes installing high-efficiency HVAC systems, such as on-premise natural-gas heating.

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that will allow the facility to disconnect from the Garrison’s central coal-fired steam plant. Another major upgrade is new plating and paint systems for the technology center. Almost 90 percent of the parts produced at the facility go through plating and paint, receiving the surface coatings necessary to build hardened, durable components for Army equipment.

“Why pay bills that are higher than necessary because of energy waste?” said Paul Orzeske, president of Honeywell Building Solutions. “By improving overall efficiency, we’re able to use part of the current utility spend to solve complex infrastructure challenges. JMTC is a cornerstone of the community, and its aggressive approach to energy management will help ensure its legacy of service and support to the military and country.”

The project will save nearly 5.5 million kilowatt-hours of electricity each year — enough energy to power almost 490 homes on average. In addition, the Honeywell work is expected to deliver environmental benefits. As a result of transitioning to natural-gas heating, for example, annual coal use at the central plant will drop by approximately 12,000 tons.

With one of the largest Environmental Protection Agency air permits in Illinois, this will significantly reduce the Garrison’s eco-footprint, cutting an estimated 63 million pounds of carbon dioxide each year, the equivalent of removing more 6,300 cars from the road.

Honeywell and the Army will begin the project this month and expect to complete the upgrades by the first half of 2017.

A global leader in energy-saving technology and services, Honeywell has completed more than 5,000 guaranteed savings projects in buildings across the globe, work that will trim energy and operational costs by more than $5 billion. This includes upgrades to 150 U.S. government facilities.

For more information, follow @HoneywellBuild on Twitter or visit Honeywell Building Solutions on the Web.

Honeywell (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; turbochargers; and performance 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, 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 economic and industry 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. 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.

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