SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A

AMENDMENT NO. 1 TO CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT - JULY 16, 1999
(June 4, 1999)

ALLIEDSIGNAL INC.
(Exact name of Registrant as specified in its Charter)

DELAWARE	1-8974	22-2640650
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

101 COLUMBIA ROAD, P.O. BOX 4000, MORRISTOWN, NEW JERSEY 07962-2497
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (973) 455-2000

Item 5. Other Events.

The following supplements the information contained in the Current Report on Form 8-K (the "Original Form 8-K") filed by AlliedSignal Inc., a Delaware corporation (the "Company"), with the SEC on June 8, 1999 regarding the Company's proposed merger (the "Merger") with Honeywell Inc., a Delaware corporation ("Honeywell"), pursuant to a merger agreement dated as of June 4, 1999 (the "Merger Agreement").

As noted in the Original Form 8-K, on June 4, 1999, the Company and Honeywell signed the Merger Agreement pursuant to which Honeywell agreed to merge with one of the Company's wholly-owned subsidiaries and, as a result, become a wholly-owned subsidiary of the Company. In the merger, each outstanding share of common stock of Honeywell will be converted into a right to receive 1.875 shares of common stock of the Company. At the effective time of the Merger, the Company will change its name to "Honeywell International Inc."

In addition, Michael R. Bonsignore, Chairman of the Board and Chief Executive Officer of Honeywell, is to become Chief Executive Officer of the combined company at the effective time of the Merger, and Mr. Bonsignore is to become Chairman of the Board of the combined company on April 1, 2000, or upon the earlier retirement of Lawrence A. Bossidy, the Company's current Chairman of the Board and Chief Executive Officer.

The Merger is subject to numerous conditions, including:

- approval of the Merger by the shareowners of the Company and Honeywell;

- expiration or termination of the relevant waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act;

- receipt of all material regulatory approvals that are required to complete the Merger, including the approval of the European Commission;

- the Company's and Honeywell's independent public accountants confirming that the Merger will qualify for pooling of interests accounting treatment;

- the Company's and Honeywell's attorneys having issued opinions that the proposed Merger will qualify as a tax-free reorganization;

- there being no legal proceeding existing in which a governmental agency is seeking to require the combined company to divest assets or to limit its ability to conduct business to an extent that could be reasonably expected to have a material adverse effect on the combined company; and

- there being no law or court order in effect that would be reasonably expected to have a material adverse effect on the combined company.

Based on the Company's and Honeywell's review of and assumptions about the operations and infrastructure of the two companies, as indicated in the Original Form 8-K, the Company and Honeywell expect that the combined company will realize annual cost savings of approximately $250 million in 2000, $400 million in 2001 and $500 million in 2002. Based on these estimates and the number of shares estimated to be outstanding immediately following the Merger, the Company and Honeywell expect these cost savings to have a benefit of approximately $.17 per share in 2000, $.26 per share in 2001 and $.32 per share in 2002. The Company and Honeywell expect to realize the approximately $500 million in cost savings in 2002 as follows:

- $150 million, by accelerating implementation of the Company's "Six Sigma" initiative to achieve defect-free performance in manufacturing and other business processes, and applying this initiative to Honeywell's business, to further enhance the quality of the products and services of the combined company and increase productivity;

- $100 million, by achieving procurement and purchasing efficiencies by utilizing the Company's and Honeywell's combined purchasing capabilities, centralizing the two companies' purchasing processes and benefiting from the added buying efficiencies that the Company expects as a result of higher volume purchases;

- $90 million, by rationalizing corporate overhead costs through the elimination of redundant corporate functions and facilities;

- $90 million, by reducing overhead in the combined company's aerospace businesses by eliminating redundancies in the sales and administrative functions and field service operations of these businesses;

- $30 million, by integrating the two companies' research and development programs and achieving research and development efficiencies;

- $20 million, by reducing the combined company's infrastructure costs by integrating the Company's and Honeywell's international operations and eliminating infrastructure redundancies; and

- $20 million, by providing to Honeywell's business units administrative services in the areas of accounting, human resources, travel, information technology and training through the Company's centralized shared services organization, and eliminating similar services currently provided by Honeywell to its business units.

In addition, based on separate company estimates of earnings and free cash flow generated in the ordinary course of business plus the expected cost savings expected as a result of the elimination of redundancies and as indicated above, the Company expects that earnings per share will grow at 15% annually or more, and that free cash flow will be over $2 billion in 2002.

While the Company believes that the estimated cost savings, earnings per share growth and free cash flow will be able to be achieved, the Company can give no assurance that they will be actually realized.

Specifically, the Company's success in realizing the estimated benefits of the Merger depends on the quality and speed of the integration of the two companies. The Company and Honeywell have already established an integration team that has identified specific areas for cost savings and is continuing to plan the integration of the two companies. However, the Company may not realize the estimated benefits from integrating the operations of the two companies following the completion of the Merger as fully or as quickly as the Company expects for a number of reasons, including:

- the large size and worldwide presence and the resulting complexity of the combined company;
- errors in planning or integration;
- unexpected events such as major changes in the markets in which the two companies operate; and
- conditions regulatory authorities may impose in connection with granting approval of the Merger, such as divestiture of product lines.

The Company and Honeywell estimate that the combined company will incur significant costs for severance and other integration-related expenses, including the elimination of duplicate facilities and excess capacity, operations realignment and related workforce reductions.

In addition, it is possible that the financial position or results of operations of the combined company could be adversely affected by two lawsuits previously brought by Litton Systems, Inc. against Honeywell. Depending on the ultimate resolution of these lawsuits, which allege that Honeywell is engaging in monopolistic practices in violation of federal antitrust laws and has infringed a Litton patent, the combined company may be required to make significant payments.

Earlier this year, a federal District Court entered a $750 million judgment against Honeywell on the antitrust claim. Although Honeywell's obligation to satisfy this judgment is suspended pending post-judgment motions and appeals, at this time, the Company is not able to predict the outcome of these motions and appeals. The potential remains for adverse judgments against Honeywell which may require the combined company to make a significant payment and could have a material adverse impact on the combined company's financial position or results of operations.

In January 1995, a $1.2 billion jury verdict rendered against Honeywell in the patent infringement suit was set aside by a federal District Court. On appeal, the Litton patent was found to be valid but not literally infringed by Honeywell. The matter has been returned to the District Court before which motions to dispose of the matter are now pending. If the District Court does not dispose of the matter, Litton may request a jury trial to address its allegations with respect to the patent infringement claim and other claims under the state law. If the jury finds Honeywell liable under any of these claims, it could return another verdict against Honeywell which could have a material adverse impact on the combined company's financial position or results of operations.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) EXHIBITS

99.2* Analysts Presentations, dated June 7, 1999.

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* Restates the corresponding exhibit in the Company's Form 8-K filed with the Securities and Exchange Commission on June 8, 1999

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 16, 1999

AlliedSignal Inc.

By: /s/ Peter M. Kreindler

Peter M. Kreindler
Senior Vice President,
General Counsel and Secretary

AlliedSignal Inc.

EXHIBIT INDEX

Exhibit No.	Description
99.2*	Analysts Presentations, dated June 7, 1999

- ------------------

* Restates the corresponding exhibit in the Company's Form 8-K filed with the Securities and Exchange Commission on June 8, 1999

EXHIBIT 99.2

AlliedSignal Honeywell

MERGER OVERVIEW

Larry A. Bossidy
&
Michael R. Bonsignore

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Information communicated during this presentation with respect to the financial outlook for 1999 and targets through the year 2002 is forward-looking and subject to risks and uncertainties. For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

The following is a summary of certain factors, the results of which, if markedly different than our planning assumptions, could cause future results to differ materially from those expressed in the forward-looking statements:

foreign currency translation of sales denominated in other currencies which may fluctuate adversely based on local currency valuations;

economic conditions and customer demand in regions throughout the world in which we do business;

* risks pertaining to performance and contracts, including dependence on the performance of third parties;

* various competitive pressures, such as new technologies, industry consolidation and deregulation of certain industries;

* the ability of material suppliers or key customers to reduce or eliminate risks to their business operations arising from the year 2000 issue;

* availability of intellectual property rights for newly developed products; and

* significant acquisitions or divestitures.

Please refer to the companies' reports on Forms 10-Q and 10-K that are filed with the Securities and Exchange Commission for a more detailed discussion of these and other factors that could impact future results.

TRANSACTION SUMMARY

Expected Closing Date:	Fourth Quarter, 1999
Transaction Form:	Merger
Corporate Structure:	HON will become a wholly-owned subsidiary of ALD
Name:	Honeywell
Exchange Ratio:	1.875 shares of ALD to 1 HON share
Resulting Ownership:	70:30 -- ALD:HON
Financial Structure:	Pooling of Interests; tax free reorganization
Board of Directors:	Comprised of 15 members, 6 chosen by HON
Senior Management:	Michael Bonsignore will be CEO. Larry Bossidy will remain Chairman until retirement in April 1, 2000.
Headquarters Location:	Morristown, NJ

STRATEGIC COMBINATION

STRATEGIC RATIONALE FOR THE MERGER

* Increased scale and business diversity drive consistent earnings
* Accelerated earnings growth
* Significant sales & cost synergies in aerospace business
* Combination of ALD's strong business portfolio and operating discipline including 6 with HON's global brand, technology and systems & services
* Greater capability for acquisitions
* Strong strategic leadership for the future

CREATING A GLOBAL TECHNOLOGY POWERHOUSE

HONEYWELL

[picture]

BUSINESSES

* Home and Building Controls
* Industrial Controls
* Space and Aviation Controls

1998 STATISTICS

Sales	$8.4 B
Operating Margin	11.3%
EPS	$4.48

STRENGTHS

* Leader In Controls
* Brand Strength & Recognition
* Global and Diverse Markets
* Strong Technical Capabilities
* Operational Excellence

GLOBAL LEADER IN COMFORT AND CONTROL PRODUCTS

ALLIEDSIGNAL

[picture]

BUSINESSES

* Aerospace Systems
* Turbine Technologies
* Specialty Chemicals & Electronic Solutions
* Performance Polymers
* Transportation Products

1998 STATISTICS

Sales	$15.1 B
Operating Margin	13.0%
EPS	$2.32

STRENGTHS

* Consistent Earnings Growth
* Cost Productivity
* Six Sigma
* Driven Culture
* Well Positioned Businesses

STRONG BUSINESSES WITH STRONG LEADERSHIP

MARKET VALUE OF EQUITY

[Bar graph showing market value]

($ in Billions)

$343	$74	$46	$40	$33	$30	$29	$23	$19	$13	$11	$9
GE	TYC	ALD/HON	SIE	ALD	UTX	EMR	RTN	ISYS	HON	ROK	SCD

Market Values as of June 4, 1999

CREATES A LEADING GLOBAL INDUSTRIAL FORCE

LAST TWELVE MONTHS' REVENUES

{Bar graph showing last twelve months' revenues]

($ in Billions)

SIE	GE	UTX	ALD/HON	TYC	ISYS	RTN	ALD	SCD	HON	ROK
$68	$57	$26	$24	$21	$20	$20	$15	$9	$9	$7

SE excludes GE Capital
TYC includes AMP and US. Surgical

...WITH A SUBSTANTIAL REVENUE BASE

CREATING A BROADER-BASED COMPANY
COMBINED 1999 SALES $25B

[Pie graph showing sales by industry]

Home and Building Controls	15%
Aerospace	30%
Specialty Chem & EM	10%
Polymers	8%
Transportation	10%
Turbine	16%
Industrial Controls	11%

INCREASED DIVERSIFICATION, REDUCED RELIANCE ON ANY INDUSTRY

FINANCIAL HISTORY --

A RECORD OF PERFORMANCE

HISTORICAL PERFORMANCE - SALES GROWTH

[Bar graph showing sales growth]

AlliedSignal

	94	95	96	97	98
Adjusted Sales Revenue*	$10.4B	$11.5B	$12.5B	$13.7B	$15.1B
Sales Revenue	$12.8B	$14.3B	$14.0B	$14.5B	$15.1B

CAGR = 10%*

Honeywell

	94	95	96	97	98
Sales Revenue	$6.1B	$6.7B	$7.3B	$8.0B	$8.4B

CAGR = 9%

* adjusted to exclude sales of the divested brakes strategic business unit in 1996 and safety restraints strategic business unit in 1997

CONSISTENT HIGH GROWTH

HISTORICAL PERFORMANCE -- OPERATING MARGINS

[Bar graph showing operating margins]

AlliedSignal

	94	95	96	97	98
Operating Margins	9.0%	9.1%	10.7%	11.4%	13.0%

Honeywell

	94	95	96	97	98
Adjusted Operating Margin*	8.0%	8.3%	9.2%	9.9%	10.8%
Operating Margins	8.0%	8.3%	9.2%	9.9%	11.3%

* adjusted to exclude the effect of a change in accounting method

DELIVERING CONTINUOUS MARGIN IMPROVEMENT

HISTORICAL PERFORMANCE -- EARNINGS PER SHARE

[Bar graph showing earnings per share]

AlliedSignal

	94	95	96	97	98
Earnings Per Share, diluted	$1.32	$1.52	$1.74	$2.01	$2.32

CAGR = 15%

Honeywell

	94	95	96	97	98
Adjusted Earnings Per Share, diluted*	$2.15	$2.58	$3.11	$3.65	$4.25
Earnings Per Share, diluted	$2.15	$2.58	$3.11	$3.65	$4.48

* adjusted to exclude the effect of a change in accounting method

CAGR = 20%

HISTORICAL PERFORMANCE -- FREE CASH FLOW

[Bar graphs showing free cash flow]

AlliedSignal

94	95	96	97	98
$302	$322	$313	$401	$554

CAGR = 16%

Honeywell

94	95	96	97	98
$121	$219	$154	$289	$351

CAGR = 31%

CASH FLOW GROWING FASTER THAN EARNINGS

HISTORICAL PERFORMANCE -- RETURN ON EQUITY

[Bar graphs showing return on equity]

AlliedSignal

94	95	96	97	98
28.9%	26.7%	26.3%	27.4%	27.8%

Honeywell

94	95	96	97	98
15.6%	17.1%	19.7%	20.8%	22.8%

TOP TIER RETURNS ON EQUITY

FINANCIAL HIGHLIGHTS

(1998 Actuals; $ Billions)	AlliedSignal	Honeywell	Total
Sales	$15.1	$8.4	$23.5
Operating Profit	1.96	0.95	2.91
Operating Margin	13.0%	11.3%	12.4%
Net Income	1.33	0.57	1.90
Free Cash Flow	$554M	$351M	$905M
Net Debt/Capital	26.2%*	29.5%	27.4%

* adjusted to remove the investment in AMP Incorporated and related debt

STRONG BALANCE SHEET...
SIGNIFICANT OPPORTUNITY FOR GROWTH

GEOGRAPHIC STRENGTH

[Pie graph showing Geographic Strength]

AlliedSignal	Honeywell	Combined
U.S. - 79%	U.S. - 62%	U.S. - 73%
Int'l - 21%	Int'l - 38%	Int'l - 27%

STRONG GLOBAL COVERAGE

VALUE CREATION --

STRATEGIC STRENGTHS

CORPORATE STRENGTHS

AlliedSignal	Honeywell
Strong Operating Disciplines	Strategic Leadership
Advanced 6-Sigma Culture	HON Quality Value Business Model
Broad Business Portfolio	Broad Technology Base
Capital Availability	Global Growth Opportunity
Product Manufacturing & Engineering Solutions	Systems & Solution Base

SERVICES

COMPLEMENTARY STRENGTHS -- SUPERIOR VALUE CREATION

ACCELERATING GROWTH

* Financial strength to capitalize on growth
* Accelerated development of E-commerce business models
* Enhanced cost competitiveness across the portfolio through 6-sigma
* Increased R&D leverage -- Both directions
* Broader aerospace portfolio
* Larger, more diverse service capabilities
* Increased Honeywell brand leverage

SIGNIFICANT GROWTH SYNERGIES BY LEVERAGING BEST PRACTICES

AEROSPACE REVENUE SYNERGIES

"TOTAL COCKPIT" SOLUTION

Improved Equipment Compatibility:

* Complementary Capabilities In Flight Control, Navigation And Safety
* Lower Development and Production Costs
* Safety Improvements Affordable to Regional, Business and General Aviation Customers

Safe Operations For All Aircraft

FREE FLIGHT

Complementary Technologies and Products:

* Complete GPS Air Navigation And Safety Capability
* Airport Systems: Linking ALD Airborne Capability with HON Ground-Based Systems

Closer to a Reality

SAFER SKIES AT A LOWER COST

AVIONICS PRODUCT MATRIX

	Air Transport	Bizjet/Regional	Military/Space
Buyer Furnished Equip.			
Radar	A	A	A
COM/NAV	A	H	H
GPS/MMR	A	H	A
Recorders/Data Mgmt	A	A	A
CMU/ACARS	A	A	A
TCAS	A	A	A
Seller Furnished Equip.			
GPWS/EGPWS	A	A	A
Flight Mgmt System	H	H	H
Flight Controls	H	H	H
IRS/AHRS	H	H	H
Air Data	H	H	H
Displays	H	H	H
Flight Info Services	H	A	

A = ALD Strength   H = HON Strength

MANY AREAS OF COMPLEMENTARY STRENGTHS

STRATEGIC GROWTH - ALLIEDSIGNAL

Potential Cumulative Revenue '99-'05

SBU	Product	$200M-$500M	$500M-$1B	$1B+
Engines	-AS900			o
Turbo	-Turbogenerator			* o
EAS	-Safety Avionics	*		o
AES	-Normalair Garrett	+		
	-Lighting	* o		
MS&S	-Hardware Products		o *	
Polymers	-Films	* o		
	-Plastics	+		
Spec Chem	-Pharmaceuticals	* o		
	-Consumer Waxes	o		
Elec Matls	-Chip Packaging		o	
	-Low Dielectric Mat'ls		o	

Legend: o New Products + New Geography * New Applications

BROADENING OUR BUSINESSES INTO HIGHER GROWTH MARKETS

STRATEGIC GROWTH - HONEYWELL

SBU	Product	Potential Cumulative Revenue '99-'05: $200M-$500M	$500M-$1B	$1B+
H&BC	-Advanced Solutions	o *		
	-Security Solutions			o *
	-Cooling & Refrigeration		o *	
IC	-Hybrid Automation (PlantScape)		o *	
	-Adv. Software (Hi-Spec)			o *
S&AC	-Aviation Services		o *	
	-Airport Systems		o	
	-CNS/ATM			o *
	-Commercial Space		*	
	-Tactical Guidance		*	

Legend: o New Products   + New Geography   * New Applications

BROADENING OUR BUSINESSES INTO HIGHER GROWTH MARKETS

INTEGRATION

LARRY A. BOSSIDY

CHAIRMAN

[Chart showing combined company leadership and reporting relationships]

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                                    Chairman
                                     Bossidy

                                       CEO
                                   Bonsignore

                    COO/Exec VP*           COO/Exec VP*
                      Johnson                Ferrari

             Finance*       HR*        Info & Bus Svcs*    Integration*
             Wallman     Redlinger         Porter         Hjerpe/Stark

                    Law*           Quality*            Technology*
                  Kreindler         Stark               Burhardt

             Aerospace                                 All Other
           Business Units o                          Business Units +

                           A STRONG LEADERSHIP TEAM
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* Report to Bonsignore
o Report to Johnson
\+ Report to Ferrari

INTEGRATION PLAN

KEY SUCCESS FACTORS

* Clear Purpose
* Comprehensive Plan
* Controlled Process
* Compelling Pace
* Committed People

* Focus on key activities that drive the most value

* Initiate small, short-term, fast-paced transition teams

[Graph showing that the shorter the time required to implement integration plan the higher its economic impact will be]

MAINTAIN MOMENTUM WITH A CLEAR DIRECTION

GUIDELINES FOR INTEGRATION TEAMS

* Use Concept that 1+1=1
* All Functional Costs - Not just personnel costs.
* Best People - Regardless of company affiliation.
* Integration Team - Functional experts
* Three Months to Plan
* Three Months to Implement

QUALITY & SPEED SHOULD BE THE GUIDING PRINCIPLES

COST SYNERGIES

	Year 2002
Six Sigma Acceleration	$150M
Corporate/Shared Services	$110M
Purchasing	$100M
Aerospace SG&A and Field Services	$90M
Research and Development	$30M
International Infrastructure	$20M
TOTAL COST SYNERGIES*	$500M
EPS Impact	$0.32

* $250 Million in Savings in 2000

$500 MILLION IS REALISTIC AND ACHIEVABLE

ALLIEDSIGNAL SIX SIGMA SUCCESS

Number of Resources
[Bar graph showing number of resources]

1996	1997	1998	
2,000	4,000	7,700	(Greenbelts)
1,650	2,000	2,550	(Blackbelts)

Six Sigma Savings ($M)
[Bar graph showing savings]

1997	1998	1999	2001
$400	$500	$575	$750

Over $2B Realized Since 1992

Cumulative Projects
[Arrow chart showing increase in number of cumulative projects from zero in 96 to 6500+ in 98]

Annual Productivity Increase
[Graph showing annual productivity increase]

1996	1997	1998
6.0%	5.9%	6.0%

ADVANCED CAPABILITY

SIX SIGMA ACCELERATION

	Productivity	Operating Margins
AlliedSignal Average Annual Increase	6%	1.3 Pts
Honeywell Average Annual Increase	5%	0.8 Pts

Six Sigma will contribute $150M by 2002

Six Sigma Implementation Approach

* Leverage AlliedSignal's Master Blackbelts and Blackbelts
* Identify Blackbelts within Honeywell
* Apply AlliedSignal's training program to Honeywell's workforce
* Address quick, high return projects

APPLY PROVEN APPROACH TO SHOW QUICK RETURNS

CORPORATE AND SHARED SERVICES

CORPORATE OVERHEAD

[Bar graph showing corporate overhead for Honeywell and AlliedSignal before the merger and for the combined company after the merger]

$90	$200	$200
HON	ALD	Combined
Before		After

Projected Savings $90M

ALD'S SHARED SERVICES

* Payroll and Benefits
* Accounts Payable
* Fixed Asset Accounting
* HR Services
* Travel Services
* Information Systems
* Learning Centers

BENEFITS OF SHARED SERVICES

AlliedSignal has saved over $150 million since 1994.

Leverage ALD Business Services to absorb HON's decentralized admin. functions.

Projected Savings $20M

FUNCTIONAL TEAMS ALREADY ESTABLISHED

PURCHASING

Source of AlliedSignal's 1999 Savings

[Pie graph showing source of AlliedSignal's 1999 savings]

Sourcing	34%
Supplier Programs	23%
Market	3%
Negotiations	40%

Source of Expected Synergies

* Leverage Honeywell's purchasing through institution of formal Purchasing Programs

* Added Buying Power due to increased size of the organization

[Graph showing in $billions AlliedSignal's and Honeywell's purchasing, project savings and combined purchasing]

ALD	$7.5
HON	$2.8
Savings	$0.1
Combined	$10.2

$100M in Annual Savings

TEAM ESTABLISHED - CONSERVATIVE ESTIMATE

OTHER COST SYNERGIES

Aerospace SG&A and Field Services

[Bar graph showing Aerospace SG&A and Field Services for Honeywell and AlliedSignal before the merger and for the combined company after the merger]

$240	$590	$740
HON	ALD	Combined
Before		After

Projected Savings $90M

AVIONICS R&D

[Bar graph showing Avionics R&D for Honeywell and AlliedSignal before the merger and for the combined company after the merger]

$212	$127	$309
HON	ALD	Combined
Before		After

Projected Savings $30M

International

Leverage Honeywell's International presence significantly reducing AlliedSignal's infrastructure.

Projected Savings $20M

ELIMINATE DUPLICATION

INTEGRATION SPEED DRIVES PERFORMANCE

PERCENTAGE OF COMPANIES ACHIEVING GOAL

[Graph showing percentage of companies achieving goals in quick transition and slow transition in the categories of gross margin, cash flow, productivity, profitability, and speed to market]

Gross Margin	71%	Quick Transitions
	33%	Slow Transitions
Cash Flow	68%	Quick Transitions
	48%	Slow Transitions
Productivity	68%	Quick Transitions
	54%	Slow Transitions
Profitability	66%	Quick Transitions
	41%	Slow Transitions
Speed to Market	48%	Quick Transitions
	33%	Slow Transitions

Source: PriceWaterhouseCoopers Integration Survey

SPEED MAXIMIZES RESULTS

FAST VS. SLOW TRANSITIONS

"We should have managed the transition..."

[Graph showing percentage of companies that state we should have managed its transition either faster or slower]

Faster	89%
Slower	11%

Source: PriceWaterhouseCoopers Integration Survey

SPEED MAXIMIZES RESULTS

THE VALUE OF AN ACCELERATED TRANSITION

[Graph showing increased shareholder value for an accelerated transition, as oppossed to a prolonged transition]

Source: PriceWaterhouseCoopers Integration Survey

SPEED MAXIMIZES RESULTS

TIMELINE FOR AN ACCELERATED TRANSITION

[Graph showing timeline for an accelerated transition, identifying
the 3 1/2 months from the announcement of the transaction
required for planning an accelerated transition and
identifying the approximate 3 1/2 months, beginning
approximately one half a month before closing, required
for implementation of an accelerated transition]

WELL ORCHESTRATED FOR MAXIMUM EFFICIENCY

COST SYNERGY SUMMARY

[Bar graph showing the cost synergies expected to be derived from six sigma, international business, aerospace, R&D, purchasing, and corporate during the years 2000, 2001 and 2002]

	2000	2001	2002
Six Sigma	$25	$ 50	$150
International	$10	$ 20	$ 20
Aerospace	$50	$ 90	$ 90
R&D	$20	$ 30	$ 30
Purchasing	$70	$100	$100
Corporate	$75	$110	$110

($ in millions)

	2000	2001	2002
Cumulative Savings	$250	$400	$500
Accretion	$0.17	$0.26	$0.32

ACCELERATED SAVINGS

SUMMARY

MICHAEL R. BONSIGNORE
CHIEF EXECUTIVE OFFICER

CONSOLIDATED FINANCIAL OUTLOOK

	2000-2003 Outlook	
Sales	8 - 10%	Solid Growth Platform
EPS Growth	15%+	Substantial Cost Synergies
Free Cash Flow	Over $2B by 2002	Focus on Cash Conversion

Shareholder Benefit

* Size * Portfolio Balance * Mgmt Best Practices	+	Confidence in Consistency of Earnings Growth	=	Higher Valuation

PLATFORM FOR ACCELERATED GROWTH & CASH GENERATION

SUMMARY -- THE NEW HONEYWELL

* Strong growth platform
* Financial strength to pursue major business opportunities
* Strong leadership for the future
* World-class operating disciplines and strategy development
* Leading aerospace supplier with strong aftermarket presence and expanded growth opportunities
* Substantial cost synergies - accelerate earnings growth

A WORLD-CLASS VALUE CREATOR