

Subject Company: Honeywell International Inc.  
Commission File No.: 333-49710

[General Electric Press Release dated December 11, 2000]

GE on Track to Deliver Record Year; Well Positioned for Uncertain Economy

NEW YORK, Dec. 11 /PRNewswire/ -- GE remains on target to deliver earnings of about \$12.7 billion and earnings per share of \$1.27 in 2000, both up about 19% over 1999 and in-line with analysts' consensus estimates, GE Chairman and CEO John F. Welch told analysts in a meeting here tonight.

Mr. Welch also said that the company expected to report about \$130 billion in revenues, up 17% from last year, and an operating margin rate of about 18.5%. He noted that the company was on track to report more than \$14 billion of free cash flow, up more than 20% over 1999, and an increase in return on total capital by 150 basis points to nearly 27%.

"We're on pace to conclude another year of record results," Mr. Welch said. Final results are expected to be reported in mid-January.

Mr. Welch said that GE is comfortable with analysts' earnings per share estimates of around \$1.50 in 2001, in a reasonable economy and excluding the impact of the Honeywell acquisition. Mr. Welch also discussed events in the fourth quarter 2000 that have led to some economic uncertainty. He also noted that even in a moderate recession GE would expect to grow earnings per share double-digit, in part due to the strength of its longer-cycle businesses and the resilience of its business model. "The robustness of the GE model really shines during slower parts of the business cycle -- our global diversity, service growth, quality efforts and e-Business transformation have reduced GE's sensitivity to the business cycle," Mr. Welch said.

Mr. Welch also reviewed the significant opportunities the acquisition of Honeywell provides GE shareowners and customers. The strong technology base at Honeywell and its attractive product and service positions are complementary to four of GE's businesses -- Aircraft Engines, Industrial Systems, Plastics and Power Systems. As Honeywell announced, its fourth quarter results will fall below Honeywell analyst expectations. However, it appears from GE's preliminary integration planning efforts that the long-term opportunities for synergies between the two companies could be more than 50% higher than earlier expectations -- approaching \$2.5 billion annually when the integration is complete.

Mr. Welch stated that the companies are in the process of seeking regulatory and Honeywell shareholder approvals and hope to close the transaction in the first quarter next year. Following completion of the transaction, GE expects to recognize a pre-tax charge of about \$4 billion for the cost of actions relating to the transaction and designed to improve the combined performance of the businesses. Mr. Welch confirmed the transaction should increase GE's ongoing earnings by at least 10 cents in the first full year of combined operations.

This document includes certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from these expectations due to changes in global economic, business, competitive, market and regulatory factors, or failure of the Honeywell transaction to be completed for any reason. More detailed information about those factors is contained in GE's filings with the Securities and Exchange Commission.

General Electric and Honeywell filed a proxy statement/prospectus and other relevant documents concerning the proposed merger transaction with the SEC on December 4, 2000. INVESTORS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC BECAUSE THEY CONTAIN IMPORTANT INFORMATION ON THE PROPOSED TRANSACTION. You may obtain the documents free of charge at the website maintained by the SEC at <http://www.sec.gov>. In addition, you may obtain documents filed with the SEC by General Electric free of charge by requesting them in writing from General Electric Company, 3135 Easton Turnpike, Fairfield, CT 06431 Attention: INVESTOR RELATIONS, or by telephone at 203-373-2211.

\* \* \*

[Slides relating to Honeywell transaction presented by General Electric on December 11, 2000]

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Legal Statements

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Honeywell/  
Financials

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Honeywell RCA Comparison

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% of Sales

RCA		Honeywell
o Consumer Electronics	Non-Strategic	o Truck Brakes
o Records		o Government Services
o Carpets		o Advanced Circuits, etc.
o Semiconductor		o Home & Building
		o Nylon
		o Industrial Services
	GE Toolkit	o Engines & Srvcs.
o Aerospace		o APUs Avionics
		o Industrial Control
		o Sensors
	Jewels	o Specialty Chemicals
o NBC		o Flourine Chemicals
		o Turbochargers
% of GE Sales	32%	18%
% Market Value	19	8
% Earnings	14	16
IRR	>30	RCA+

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- o Honeywell Is Easily Digestible and Modest in Size Relative to GE
  - o Integration Easier than RCA -- Similar Businesses - Easy Culturally
  - o Purchase 16% of Earnings for 8% of Value -- Enormous Opportunity
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Honeywell

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Aerospace Segment

Sales/OM%  
\$10B/~20%

Applying GE Initiatives

Engines & Systems

o Engines (\$) 1.9B  
o APUs .8B  
o Accessories 1.3B  
o Heat/Cooling .9B  
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- o Rationalize Facilities - Common Mfg. & Service Processes ... Expect \$400MM of Benefits
- o Adopt GE Service Growth Culture to Improve \$5B Service Business

o 15-20% \$5.0B

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Electronic Systems  
\$3.9B/~20%

- o Low Cost Engineering (3000 Software Engineers)

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Landing Systems  
\$.4B/>25%

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Aerospace Services

o Part Distrib.  
o Gov't. Services

- o Rationalize Parts Distribution with GE's Shared Services Operation

\$1.1B/~10%

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Great Products ... Lots of Cost out Opportunities ... No Problem Areas  
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Honeywell

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Automation & Control Segment

Sales/OM%  
\$7.4B/10%

Applying GE Initiatives

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Industrial Control  
\$1.6B/~10%

- o Process Products Complement GE's Factory Automation Products

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Industrial Sensors \$ .8B  
/~20%

- o Enhance Service Offering

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Home & Building  
\$1.5B/15%

- o Increase Focus on 100MM Home Installed Base Using Honeywell's Brand
- o Move Mfg. to Low Cost Countries (GEIS Components 80% Low Cost Countries vs. 4% for Honeywell) Will Save over \$100MM

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Home & Building  
Services  
\$1.9B/~10%

- o Restructure People Intensive Service Business
- o Platform for Service/Installation of New GE Critical Power Products

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Security &  
Fire Controls  
\$1.7B/<10%

- o Integrate Old Pittway Acquisitions to Drive Out Base Costs

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Strong Product/Technology Position Supplemented by GE Operating System  
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Honeywell

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Performance Materials Segment

Sales/OM%  
\$4.0B/<10%

Applying GE Initiatives

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Fluorine/Wafer  
Fab Materials  
\$1.0B/~20%

- o Strong Free Standing Businesses
  - Invest for Growth
  - Overhead Efficiencies

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Chemical Specialties  
& Polymer Additives  
\$.5B/>20%

- o Integrate with GE Plastics Operation & Global Distribution

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Nylon  
\$1.2B/~B/E OM

- o Migrate Fiber to Resin Production & Utilize GE Plastics Global Distribution
- o Advanced Technology Products for High Growth Market

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Advanced Circuits/  
Polyester Fibers  
\$1.1B/<10%

- o Restructure & Apply GE Initiatives

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Pharma Chemicals,  
Industrial Wax,  
Roofing Tar  
\$.3B/OM Losses

- o Restructure & Apply GE Initiatives

- o Strong Freestanding Materials Businesses  
o Integration with GE Plastics a Big Upside  
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Honeywell

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Power & Transportation Segment

Sales/OM%  
\$3.6B/~8%

Applying GE Initiatives

Turbochargers  
\$1.2B/~15%

- o Fix Capacity Constraint (Six Sigma) - Enhance Supplier Base
- o Bring GE Service Focus - Parts <10% Sales

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Consumer Products  
\$1.1B/<10%

- o Great Brands (FRAM, Prestone, Autolite)
  - New Products/Licensing
  - Lighting Distribution

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Truck Brakes  
\$.4B/~15%

- o Drive Synergies Between Friction & Turbochargers

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Friction Materials  
\$.8B/<5%

- o Restructure and Apply GE Initiatives

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Microturbines  
<\$.1B/OM Losses

- o Integrate with Power Systems

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Solid Business with Some Segments to Fix  
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GE/Honeywell

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Applying GE Initiatives

	GE Position -----	Honeywell Base -----
Globalization		
o Low Cost Country	o ~20% Lower Cost	o \$9B Buy - Opportunities
o Global Intellect	o ~7,000 Employees at 30-50% Lower Cost	o for both Sourcing and Intellect
Services		
o P&L Focus	o 50% of Revenues	o 25-30% of Revenues
o Installed Base	o \$20B Growing at 17%	o Big Installed Base Opportunity
o Data Mining		
o Upgrade Packages		
Six Sigma		
o Leadership	o Leadership Competency	o Primarily Technical
o Span	o Span - Massive Reduction	o Opportunity
o Customer Centric	o At the Customer	o Opportunity
o Productivity	o Accelerate Productivity	o 1% Productivity = >\$200MM
e-Business		
o Auctions	o ~\$14B (30%) in '01	o \$195MM (2%) in '00
o SG&A Digitization	o 20-30% out on \$20B	o \$3.5B SG&A +-Opportunity
o Selling over the Web	o ~10% of Sales on Web	o <1% on Web

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GE/Honeywell

Synergies Overview

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Automation & Control  
Cost Structure

[Pie graph showing Total Cost - \$6.8B

Segments counterclockwise (\$B): Materials - \$2.4; Indirect Cost - \$1.1; Hourly C&B - \$0.6; Salaried C&B - \$2.0; Depc, Amort, & Assessments - \$0.4; Programs - \$0.3]

[Large arrow pointing to right]

[Single column bar chart showing 2000 Est Headcount 50,500

First segment: Hourly - 16,200; Second Segment (2 parts): Salaried - Direct 13,300, Indirect 21,000]

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Synergies

Process...	Savings	Cost	Owner
Mfg Productivity	\$91	\$148	McKenna
Service Productivity	78	78	Harris
Indirect	129	159	Ryan
Sourcing	141	11	Lauterbach
Volume	62	0	Page
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	\$500MM	\$396MM	

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\$500MM Savings Identified/\$600MM Targeted  
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Performance Materials

Synergy Roll-up

Categories	Cash Outflow	2001	Om Impact 2002	2003	
<b>Sourcing</b>					
Directs		\$ 5	\$ 11	\$ 11	Misc direct savings, no single big hitters Driven by MRO, Distribution and Warehousing 60% reduction at HQ (20)
Indirects		\$ 10	\$ 20	\$ 20	
Sourcing Headcount	\$ 2	\$ 2	\$ 2	\$ 2	
	----	----	----	----	
	\$ 2	\$ 17	\$ 32	\$ 32	
<b>Commercial</b>					
Incremental Volume (Wax)		\$ 2	\$ 4	\$ 7	GE Spec Chem, Wax polymer add sales synergy
Distribution Savings		\$ 3	\$ 5	\$ 11	Polymerland distribution sales synergy
Commercial Headcount	\$ 6	\$ 3	\$ 7	\$ 7	Resin redundant sales infrastructure
Warehouse Savings		\$ 2	\$ 3	\$ 3	Close 5 redundant warehouses
Film Consolidation	\$ 2	\$ 4	\$ 7	\$ 7	Excess capacity; consolidate film lines
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	\$ 8	\$ 14	\$ 27	\$ 35	
<b>Carpet Fiber Restructuring</b>					
Pellet Capacity	\$130				Capital to convert to chip
Nylon fiber volume shift to Resin		\$ 8	\$ 15	\$ 34	Global Engineering Resin sales synergy
Headcount, Salary	\$ 15	\$ 5	\$ 10	\$ 20	Carpet mgmt team & support infrastructure
Headcount, Hourly	\$ 37	\$ 12	\$ 25	\$ 49	Stepped shutdown of fiber spinning capability
	----	----	----	----	
	\$182	\$ 25	\$ 50	\$103	
<b>Headcount, all other</b>					
Other Salaried	\$ 61	\$ 20	\$ 41	\$ 81	Eliminate mgmt layers, headcount to GEP std. Mfg Productivity, Headcount to GEP std. PP&C Morristown leadership team
Other Hourly	\$ 35	\$ 12	\$ 23	\$ 47	
PP&C HQ	\$ 18	\$ 29	\$ 38	\$ 38	
	----	----	----	----	
Total Headcount	\$114	\$ 61	\$102	\$166	
<b>IT</b>					
	\$ 5	\$ 7	\$ 14	\$ 29	ITG savings and program management
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Total Proposal	\$310	\$125	\$225	\$365	
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Honeywell Synergies

Information Technology

IT% Revenue

	GE	H
Aerospace	3.0	4.3
Ind Sys	2.2	3.1
Plastics	1.6	2.1

Translates to \$300M Synergy on \$927M Base

	Honeywell Spend Today	Price Reduction	Percent Price Reduction	Usage Reduction	Total Reduction	Comment
SBU's	290			46	46	Application and HC Redundancy
Consulting	150	32	21%	0	32	GDC Use
Telecom	136	27	20%	10	37	Price and HC Reduction
Regional	113			23	23	Application and HC Redundancy
Data Centers	106	16	15%	29	45	Price and Consolidation
Software	70	27	39%	5	32	Price and Application Redundancy
Corp Apps	56			43	43	HC Redundancy
PC's	29	6	21%	4	10	Price and HC Reduction
Help Desks	20	10	50%	3	13	India and HC Reduction
Messaging	11	4	36%	1	5	Price and HC Reduction
HR Support	10			8	8	Application Redundancy
Intranet Support	4			4	4	Application Redundancy
E-Bus Support	2			2	2	Discontinuation
Total	997	122		178	300	
Ex DirectBilled Telecom	927					

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Working Capital Synergy - Aircraft Engines

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[Two column bar graph showing:

Left Y-Axis - (\$ in Billions), Avg W/C, (\$B); Right Y-Axis - T/O

GEAE - Avg W/C \$1.1, Turns 10.3; Honeywell-Aerospace Avg W/C \$2.0, Turns 5.0]

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- o Honeywell @ GEAE Turnover = \$1B Opportunity
  - o Total GE/Honeywell = \$3B Opportunity
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GE Company

Synergies Summary

Business Component	Category				
	Sourcing	Mfg.	Comm'l.	G&A	Total
Aerospace/GEAE	\$202	\$407	\$ 71	\$420	\$1100
HBC & Ind. Control/GEIS	140	169	62	129	500
Perf. Materials/GEP	70	150	35	125	380
Power & Transportation	15	0	10	19	44
Industrial	427	726	178	693	2024
Corporate	-	-	-	-	450
Total	\$433	\$679	\$178	\$584	\$2474

\$2.5B Annual Savings - Up to \$4.0B of Pre-Tax Charges

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HONEYWELL

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Total Year 2000

	Honeywell Estimate -----	GE View -----
Sales	\$25.0	\$25.1
EBIT	3.9	3.3
%	15.7%	13.1%
Interest	(.5)	(.5)
Taxes	(1.0)	(.8)
Net Income	\$ 2.4	\$ 2.0

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Honeywell Ongoing Operations Using GE Practice @ 2B Net  
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HONEYWELL

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Alternate Scenarios

- o Base Business: No Growth/with Synergies
  - First Full Year Accretion 11 cents
  - Year 2 14 cents
  - Year 3 17 cents
  - GE/Honeywell Growth Rate +1 % (18%->19%)
  
- o Base Business: 10% Growth/with Synergies
  - First Full Year Accretion 12 cents
  - Year 2 15 cents
  - Year 3 19 cents
  - GE/Honeywell Growth Rate +2 % (18%->20%)

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- o Complementary Business + GE Initiatives = Upside Growth Opportunity
  - o Accretion in '01 Dependent on Timing - First Full Year Double Digit
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Summary

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New Digitized GE with Integrated Initiatives ...

- o Increase Earnings Double Digit Under any Foreseeable Scenario
  - o Increases Base GE Growth Rate from 15% to 18+% in Reasonable Economy
  - o Honeywell Adds Double-Digit EPS in First Full Year and Increases GE Growth Rate 1-2 Points
-