

Honeywell 2Q Profit Rises 11 Percent

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MORRIS TOWNSHIP, N.J. (AP) — Honeywell International Inc. said Wednesday its second-quarter net income rose 11 percent, boosted by higher demand and profitability.

The Morris Township, N.J.-based technology and manufacturing company also raised the low end of its previous full-year profit prediction range, citing expectations of continued growth.

Honeywell said its net income for the three months ended June 30 totaled \$902 million, or \$1.14 per share, up from \$810 million, or \$1.02 per share, in the same quarter last year. Revenue rose 3.8 percent to \$9.44 billion from \$9.09 billion.

The results beat Wall Street predictions, while the revenue fell slightly short. Analysts, on average, expected a profit of \$1.11 per share on \$9.56 billion in revenue, according to FactSet.

Honeywell said its short-cycle businesses, such as advanced materials, saw strong U.S. demand during the quarter. Its long-cycle businesses continue to grow globally, boosted by a strong backlog of order, along with trends like a move toward energy efficiency and heightened security concerns that drive demand for its products.

Aerospace sales rose 8 percent to \$3.03 billion, while sales of automation and control solutions increased 2 percent to \$3.96 billion.

Costs and expenses rose 3 percent to \$8.21 billion.

Citing its strong backlog and favorable trends, Honeywell narrowed its 2012 profit prediction to between \$4.40 and \$4.55 per share. It previously forecast profit of between \$4.35 and \$4.55 per share.

But the company slightly lowered its 2012 sales prediction, saying it now expects revenue between \$37.8 billion and \$38.4 billion. Honeywell previously predicted sales of between \$38 billion and \$38.6 billion.

Analysts, on average, expect a profit of \$4.49 per share, with estimates ranging from \$4.40 to \$4.60. Wall Street was projecting revenue of \$38.4 billion, with estimates ranging from \$37.87 billion to \$38.89 billion.

Honeywell shares rose \$1.64, or 3 percent, to \$56.18 in premarket trading. The stock closed Tuesday at \$54.54, basically flat for the year.

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