

INVESTOR BRIEFING



INTEGRATED MISSION
SYSTEMS



SPACE & AIRBORNE
SYSTEMS



COMMUNICATION
SYSTEMS



AVIATION SYSTEMS

CALENDAR 2020 Q2 RESULTS
REPORTED JULY 31, 2020



L3HARRIS
FAST. FORWARD.

Forward-Looking Statements



Statements in this presentation that are not historical facts are forward-looking statements that reflect management's current expectations, assumptions and estimates of future performance and economic conditions. Such statements are made in reliance on the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements in this presentation include but are not limited to: revenue, earnings per share, margin, free cash flow, segment and other guidance for 2020; cost synergies, integration expenses, tax rate, average shares outstanding, capital expenditures and other supplemental financial information for 2020; statements regarding strategic priorities, including regarding seamless integration, targeted cost synergies, increasing net synergies in 2020, flawless execution, margin expansion, operational excellence, growing revenue, differentiated technology and innovation, reshaping the portfolio, high margin and high growth businesses, future sale transactions, maximizing cash flow, shareholder friendly capital deployment, potential share repurchase amounts and timing, confidence in free cash flow targets and growth thereafter; working capital opportunity; potential program and contract opportunities and awards and the potential value and timing thereof (including from revenue synergies); and other statements regarding outlook or that are not historical facts. The company cautions investors that any forward-looking statements are subject to risks and uncertainties that may cause actual results and future trends to differ materially from those matters expressed in or implied by such forward-looking statements. The company's consolidated results, future trends and forward-looking statements could be affected by many factors, risks and uncertainties, including but not limited to: actual impacts related to the COVID-19 pandemic; risks related to disruption of management time from ongoing business operations due to the combination of L3 and Harris; risks related to the inability to realize benefits or to implement integration plans and other consequences associated with the combination; the risk that any announcements relating to the combination could have adverse effects on the market price of the company's common stock; the risk that the combination could have an adverse effect on the company's ability to retain customers and retain and hire key personnel and maintain relationships with suppliers and customers, including the U.S. Government and other governments, and on its operating results and businesses generally; the loss of the company's relationship with the U.S. Government or a change or reduction in U.S. Government funding; potential changes in U.S. Government or customer priorities and requirements (including potential deferrals of awards, terminations, reductions of expenditures, changes to respond to the priorities of Congress and the Administration, budgetary constraints, debt ceiling implications, sequestration, and cost-cutting initiatives); a security breach, through cyber attack or otherwise, or other significant disruptions of the company's IT networks and systems or those the company operates for customers; the level of returns on defined benefit plan assets and changes in interest rates; risks inherent with large long-term fixed-price contracts, particularly the ability to contain cost overruns; changes in estimates used in accounting for the company's programs; financial and government and regulatory risks relating to international sales and operations; effects of any non-compliance with laws; the company's ability to continue to develop new products that achieve market acceptance; the consequences of uncertain economic conditions and future geo-political events; strategic transactions, including mergers, acquisitions, divestitures and spin-offs and the risks and uncertainties related thereto, including the company's ability to manage and integrate acquired businesses and realize expected benefits, the potential disruption to relationships with employees, suppliers and customers, including the U.S. Government, and to the company's business generally and potential tax, indemnification and other liabilities and exposures; performance of the company's subcontractors and suppliers; potential claims related to infringement of intellectual property rights or environmental remediation or other contingencies, litigation and legal matters and the ultimate outcome thereof; downturns in global demand for air travel and other economic factors impacting our commercial aviation products, systems and services business; risks inherent in developing new and complex technologies and/or that may not be covered adequately by insurance or indemnity; changes in the company's effective tax rate; significant indebtedness and unfunded pension liability and potential downgrades in the company's credit ratings; unforeseen environmental matters; natural disasters or other disruptions affecting the company's operations; changes in future business or other market conditions that could cause business investments and/or recorded goodwill or other long-term assets to become impaired; and the company's ability to attract and retain key employees, maintain reasonable relationships with unionized employees and manage escalating costs of providing employee health care. Further information relating to these and other factors that may impact the company's results, future trends and forward-looking statements are disclosed in the company's filings with the SEC. The forward-looking statements contained in this presentation are made as of the date of this presentation, and the company disclaims any intention or obligation, other than imposed by law, to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Persons reading this presentation are cautioned not to place undue reliance on forward-looking statements.

L3Harris Technologies overview



L3HARRIS™

L3Harris Technologies is an agile global aerospace and defense technology innovator, delivering end-to-end solutions that meet customers' mission-critical needs.

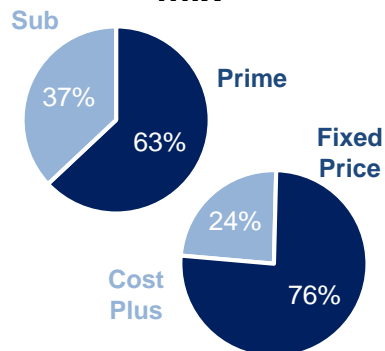
Revenue¹:
\$18.1B

EBIT^{1,2}:
\$3.0B

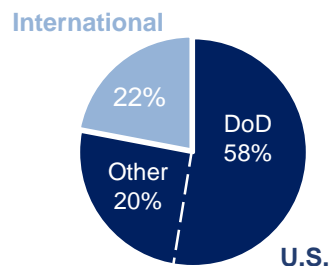
FCF^{1,3}:
\$2.5B

Creating a leading global defense technology company

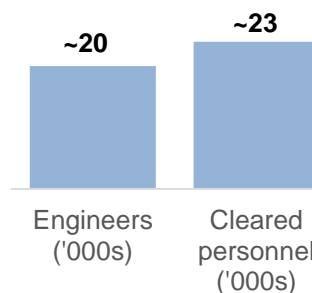
Diversified business mix⁴



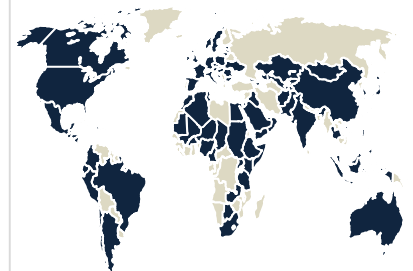
Strong customer relationships⁴



Talent and culture of innovation



Global reach...serving over 100 countries



¹For CY19 first half, reflects pro forma results included in L3Harris' Current Report on Form 8-K filed May 4, 2020; and for EBIT, adjusted as indicated in non-GAAP financial measure reconciliations in quarterly earnings materials or on L3Harris investor relations website.. ²EBIT = earnings before interest and taxes adjusted to exclude discontinued operations and deal and integration costs. ³Operating cash flow less net capital expenditures, excluding deal and integration costs; for CY19 first half, reflects separate company reported results on combined basis. ⁴Reflects CY19 second half

Segment descriptions



Integrated Mission Systems



ISR: Advanced COMINT, ELINT and targeting mission systems

Maritime: Electrical and electronic systems and integration for large naval platforms

Electro Optical: Advanced Electro-Optic / Infrared (EO/IR), laser imaging and targeting sensor systems

Space & Airborne Systems



Space: Payloads, sensors, and full-mission solutions

Intel & Cyber: Situational awareness, optical networks and advanced wireless solutions

Avionics: Sensors, hardened electronics, release systems, data links and antennas

Electronic Warfare: Multi-spectral situational awareness, threat warning and countermeasures capabilities

Communication Systems



Tactical Comms: Radio communications, SATCOM terminals and battlefield management networks

Broadband Communications: Secure mobile networked equipment and integration

Integrated Vision Solutions: Full suite of helmet and weapon mounted integrated systems

Public Safety: Radios, applications and equipment for critical public safety and professional comms

Aviation Systems



Defense Aviation Products: Precision weapons and components; small/tactical UAVs; antennas; RF & microwave devices

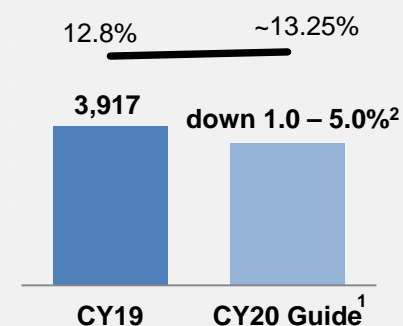
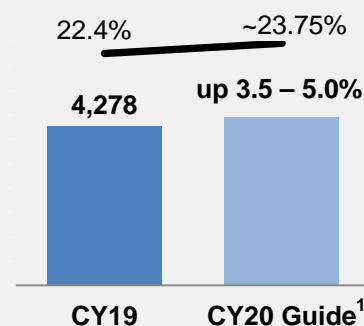
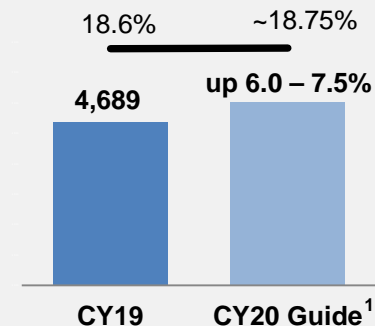
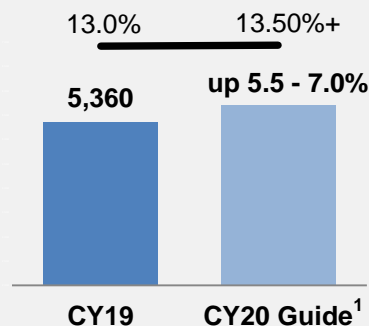
Commercial Aviation Products: Aircraft avionics products

Commercial & Military Training: Aviation simulation, training and pilot academy

Mission Networks: Critical infrastructure communications and networking solutions

non-GAAP operating margin

Revenue (\$million)



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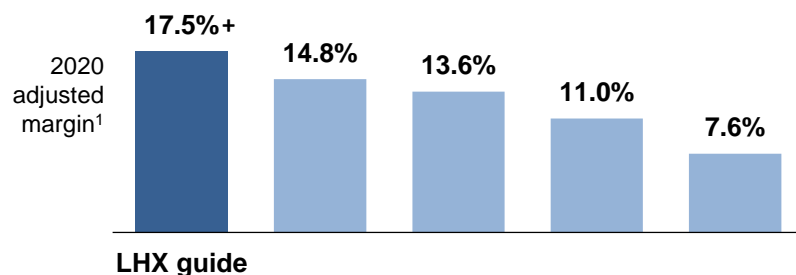
¹Guidance updated July 31, 2020 – refer to 2Q 2020 quarterly earnings and related materials on the L3Harris investor relations website.

²Represents organic guidance in the range of \$3.4 - \$3.6B for the year, post divestitures

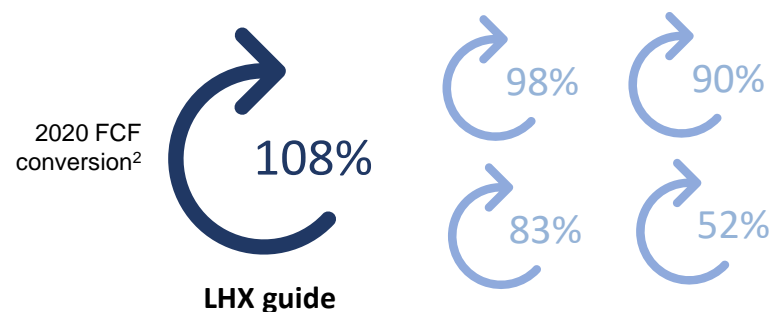
Financial profile



Leading margin with expansion opportunity...



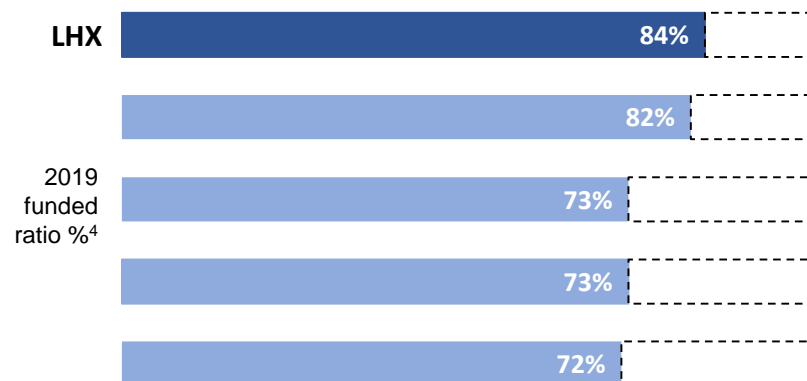
...and high cash conversion versus peers



Healthy balance sheet...



...with pension relatively well-funded



¹Peers based on 2020E consensus revenue and pre-tax profit, adding back net interest, LHX based on guidance

²Peers based on 2020E consensus FCF and net income, LHX based on guidance

³Reflects Raytheon Technologies 2019E pro-forma financials

⁴Reflects RTN pension funding

Strategic priorities

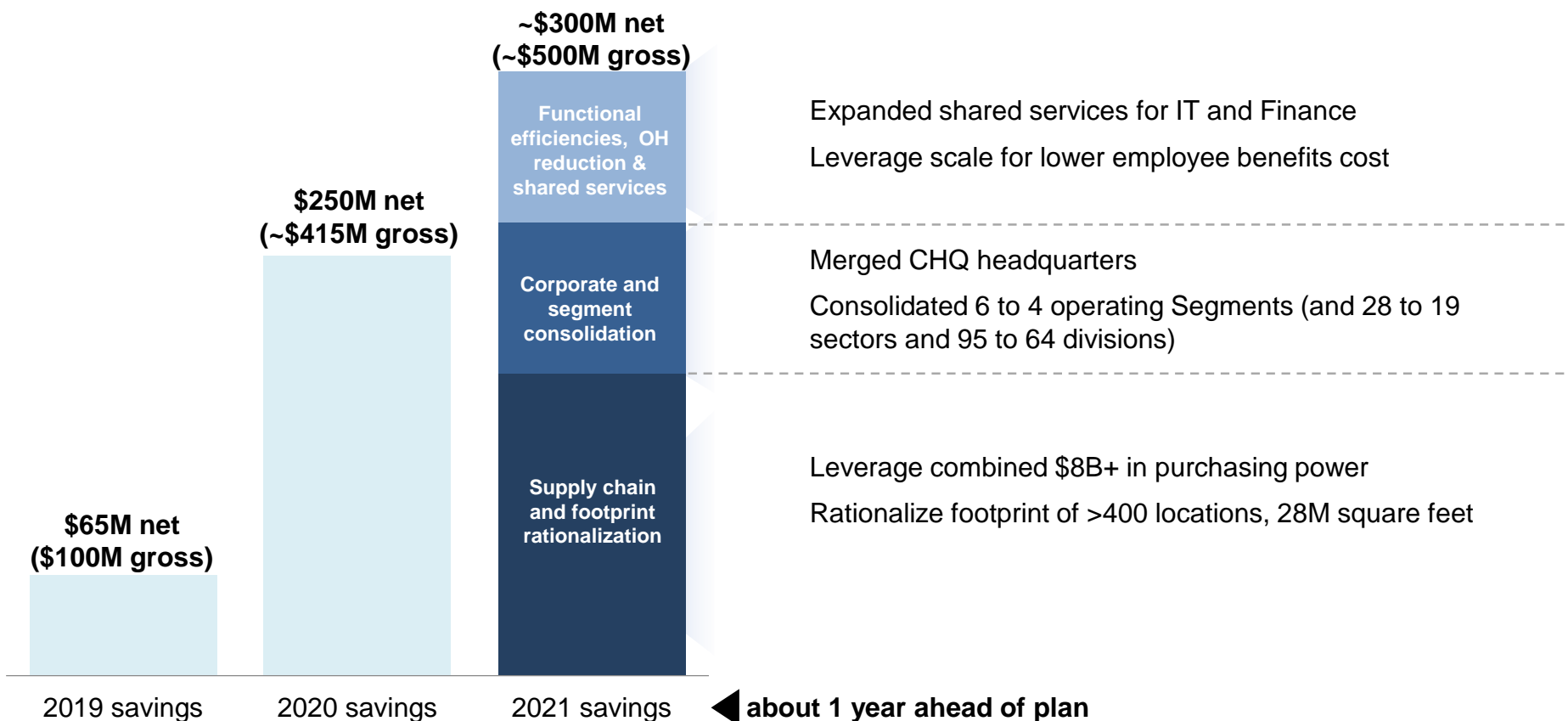


- ▶ **Execute seamless integration...\$300M net / \$500M gross in cost synergies**
- ▶ **Drive flawless execution and margin expansion...e3 operational excellence**
- ▶ **Grow revenue...invest in differentiated technology and innovation**
- ▶ **Reshape portfolio to focus on high margin, high growth businesses**
- ▶ **Maximize cash flow with shareholder friendly capital deployment**

Execute seamless integration...



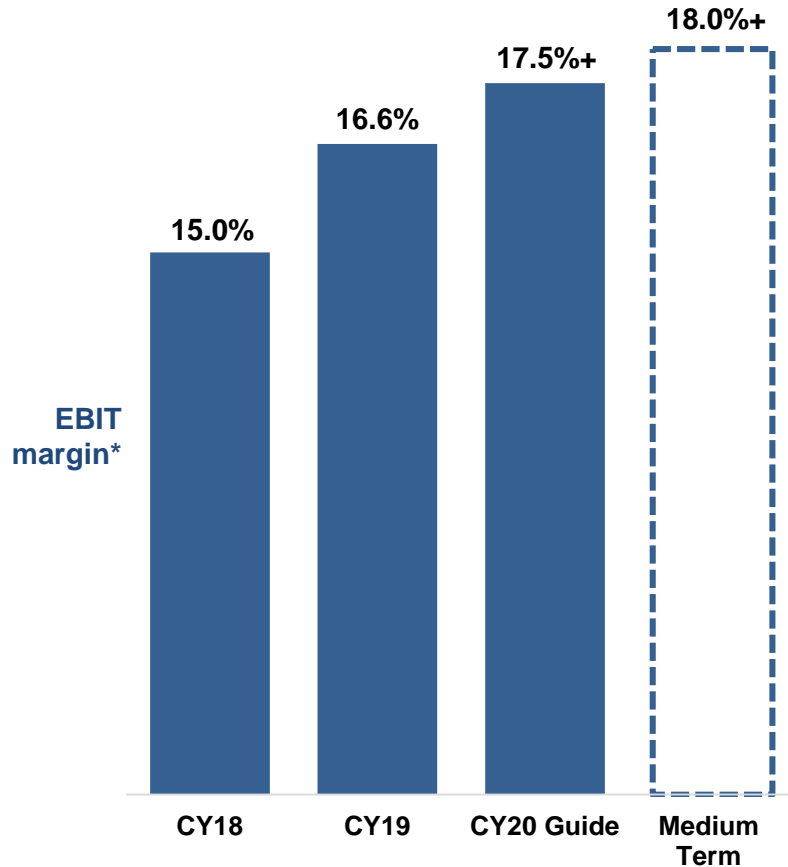
Cumulative Cost Synergies



...and drive operational excellence to achieve 'best-in-class' margins



Margin expansion...



...through operational excellence and flawless program execution



Every employee engaged in sustained, continuous improvement delivering better business performance and improved customer satisfaction

- Enterprise-wide...every employee, every function
- Common language, processes, metrics and tools
- Top down accountability for performance improvement

*Total L3Harris margin represents adjusted earnings before interest and taxes (EBIT) margin. For non-GAAP reconciliations, reference other quarterly materials and the L3Harris investor relations website.

Maintain industry leading R&D with focus on core capabilities and open systems...



R&D spend as a % of revenue

~3.8%

2.8%

2.5%

2.2%

1.2%

■ LHX
■ Peer

% of R&D spend

Technology

Advanced Capabilities

Growth Franchises

Spectrum Superiority

40%

Technology used to operate, obstruct, observe and obscure across the electromagnetic spectrum

Command & control, electronic warfare, tactical radios

Actionable Intelligence

30%

Full spectrum sensors, data analytics & tools to capture, distribute, process & analyze intelligence

Space-enabled mission solutions, precision optics, ISR

Warfighter Effectiveness

20%

Technologies to enable successful missions, platform systems integration, unmanned systems, weapons & integrated support

Platform missionization, robotics, networked systems, avionics, maritime

Safe & Secure Skies

10%

Simulators, trainers and service offerings for military and commercial customers

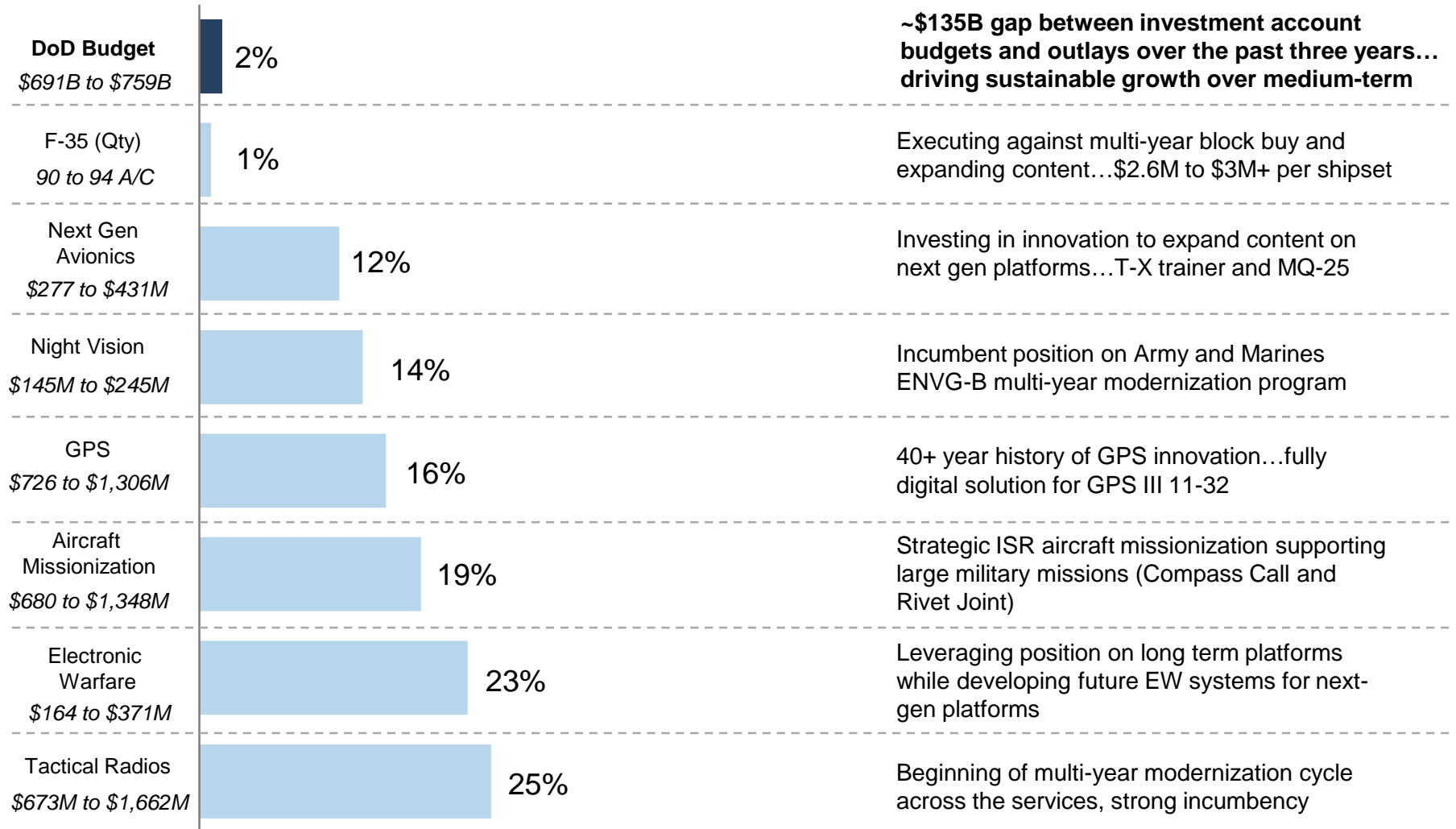
Flight simulators, training centers, FAA next-gen

Well positioned for continued growth

...well aligned with growing DoD budget line items

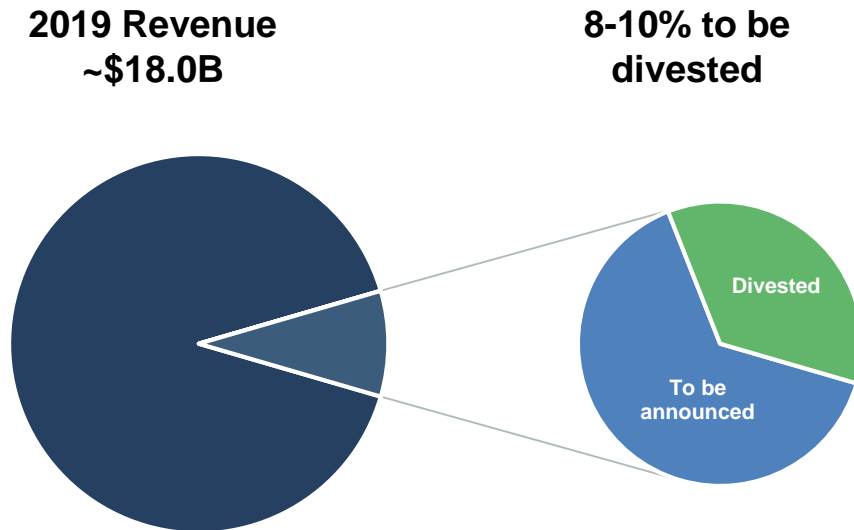


4 year CAGR (GFY18-22)¹



¹Based on GFY21 President's Budget Request where available

Portfolio shaping is progressing well



Providing clarity on portfolio shaping

- 8-10% of revenues anticipated to be divested over time with ~1/3 complete
 - Airport Security and Automation assets closed May 4, 2020 for ~\$1B, representing ~\$500M in annual sales
 - EOTech closed on July 31, 2020 and Applied Kilovolts and Analytical Instruments closed on May 15, 2020, for a combined ~\$55M, representing ~\$75M in annual sales
- Effort is ongoing...transactions will be announced as they occur

Criteria for evaluation intact

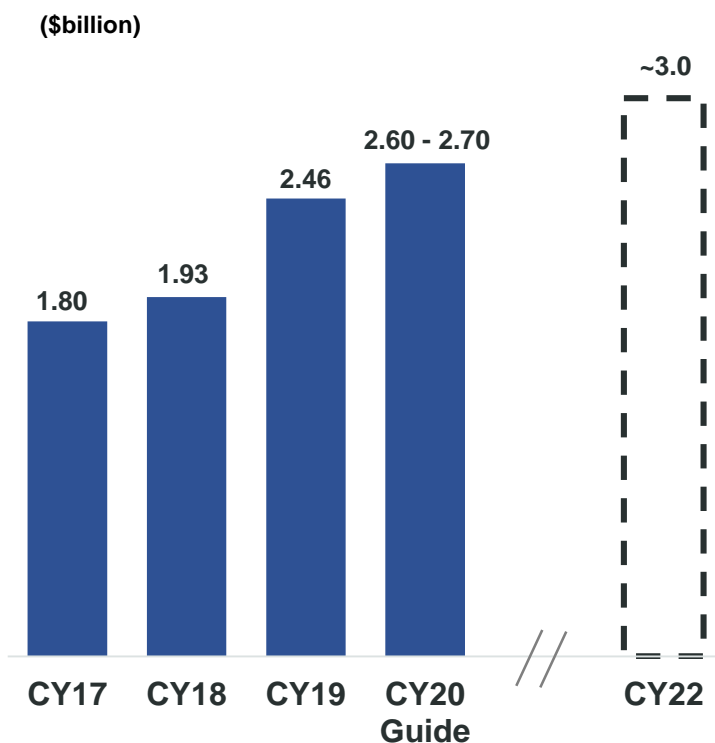
- High-margin, high-growth, technology differentiated businesses...
- ...where we can win and generate attractive returns

Shareholder friendly capital deployment



Robust free cash flow¹...

...and capital returns



Dividends

Increased ~25% since merger, including 13% in Q1 2020

Share repurchases

\$1.7B share buyback forecasted in 2020
(including proceeds from divestitures)

No further debt repayment and no M&A unless a strategic 'must-have'

¹Free cash flow = operating cash flow less net capital expenditures, excluding deal and integration costs; for CY19 first half and prior years, reflects separate company reported results on combined basis.

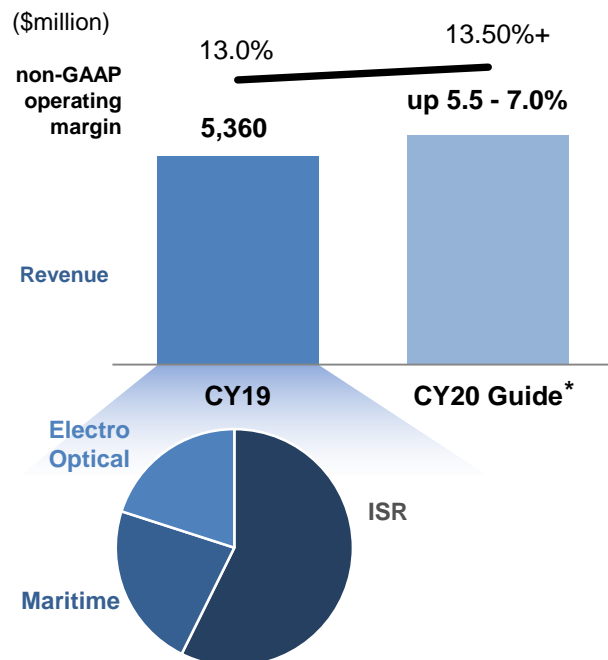


Integrated Mission Systems

Overview of Integrated Mission Systems



Segment financials and key customers



U.S. Department of Defense



International governments



Industry trends supporting long-term growth

Geopolitical conflict driving strong budget support...increasing global demand for intelligence, surveillance and reconnaissance (ISR)

Advances in missionized Biz-jets opening new markets

Increased focus on multi-mission, multi-modal, configurable sensor systems

Strong growth in US and international ship building

Global shift to unmanned maritime; supported by strong budgets

Increased demand for resilient, protected and adaptive communications

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Expanding aircraft missionization & modernization



Maintain incumbency on core platforms

Develop, deliver, and sustain **the highest performing & responsive multi-mission** ISR and communications systems



**Compass Call
Cross Deck**



Javaman



Rivet Joint



**Royal Air Force
Airseeker**



Constant Phoenix



USAF "Blue & Whites"

Expand platforms within the DoD

Unmanned



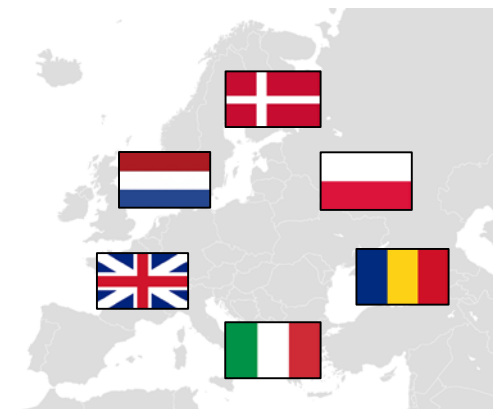
Transport



Fast Jet



Grow international presence

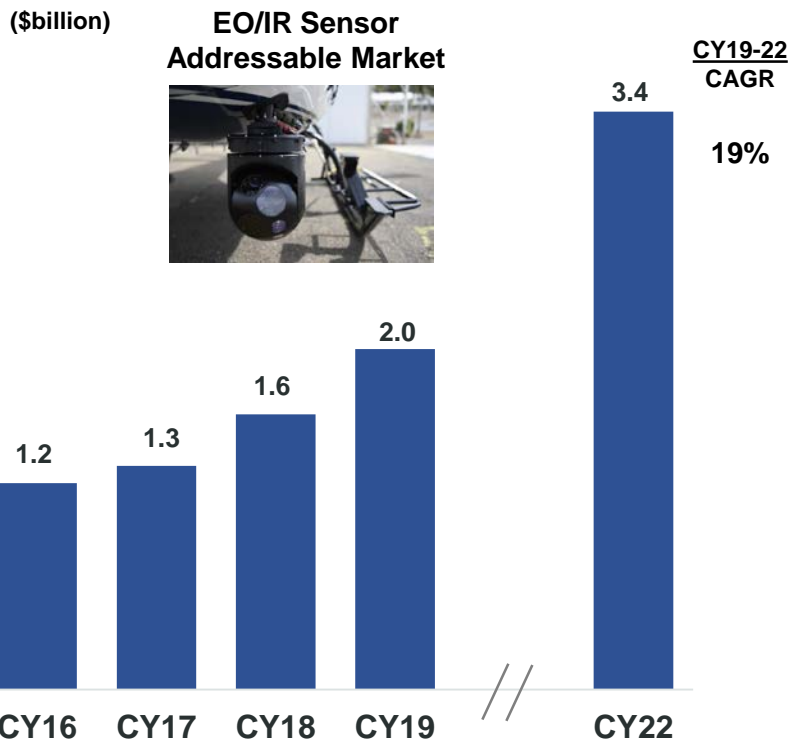


- Increasing threats with pressure to boost spending
- Lack of complex mission integration and high quality airborne SIGINT capabilities, presenting opportunity to fill gap
- Customers seeking a mix of US capabilities integrated with European technologies and industrial participation

Strong position in fast growing Electro-Optic & Infrared Systems market



Global surveillance needs driving market expansion



LHX has grown into a market leader...

- Best in class performance and reliability
- Consistent reputation as technology innovator
- More than 4,700 fielded units
- Aggressive cost management to maintain competitive pricing
- Flexible supply chain and production to shorten lead times and delivery
- Global reach and aftermarket support

...and well positioned to continue outperformance

- Continuously invest in new technologies to maintain performance advantage
- Relentless focus on industry-leading services and customer support
- Leverage global installed base to enable new market expansion



Domain leader for secure, effective and resilient maritime operations



Expand core...

Leading manufacturer & integrator of maritime integrated C5, electronic & electrical products & systems...



Virginia class



Multi-mission surface combatant



Columbia class



DDG-51 class

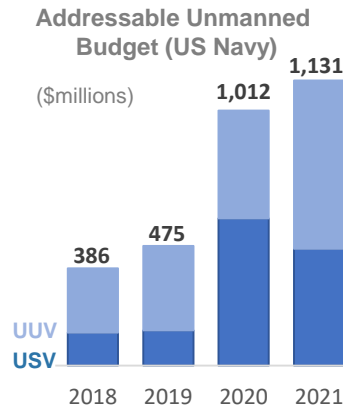
...and next-gen solutions



Future Surface Combat

...invest in unmanned as the next franchise...

Create the next generation franchise



US Navy Unmanned Programs

UUV (IVER)



USV



...deliver readiness via integrated services...

Position as holistic maintenance provider

Parts Provider

Transactional spares & repairs



Service Provider

Maintenance & upgrades



Holistic Provider

Open architecture
Onboard health & usage



...and expand internationally

Leverage in-country capabilities to expand content in new and existing countries



✓ In-country presence

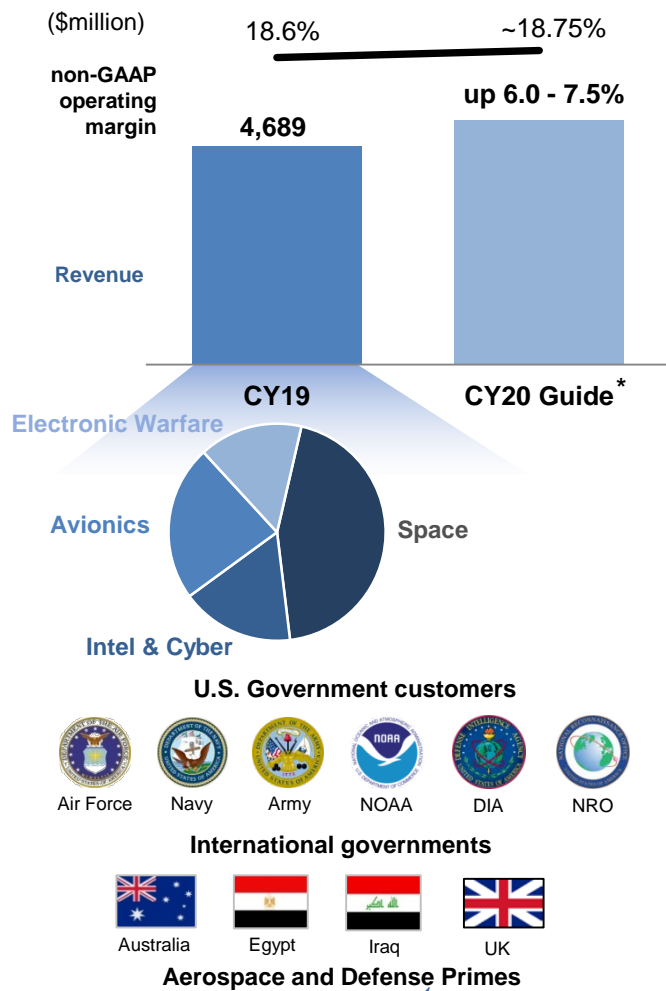


Space & Airborne Systems

Overview of Space & Airborne Systems



Segment financials and key customers



Industry trends supporting long-term growth

Space transition from safe-haven to theater-of-war...need for dis-aggregated solutions

Strong intelligence budget support... merging of DoD and IC budget line items

DoD's affordability initiative driving a shift towards low-cost solutions and shorter technology cycles

Innovating to improve SWaP and support converging multi-mission capabilities

Continuing F-35 ramp and desire to add new capabilities opening competitive window

Electronic warfare capability in "near-peer" countries approaching U.S. – driving modernizations and multi-domain capabilities

Increased demand for offensive/defensive cyber

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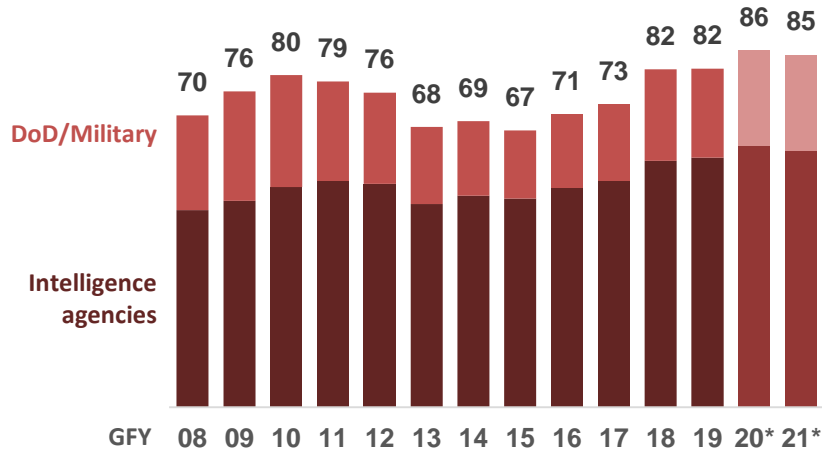
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Capitalize on strong demand for L3Harris broad solutions in a robust classified environment



Increasing threats driving higher intelligence budgets

(\$billions)

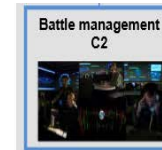


Focus and execute on high-value programs...

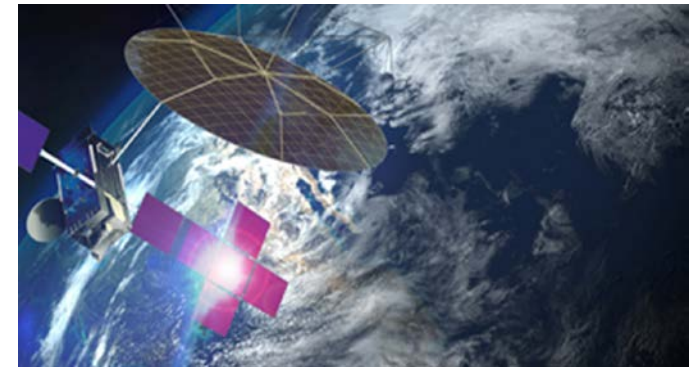


...supporting command and control, missile warning, defense, and space surveillance missions...

...across the value chain



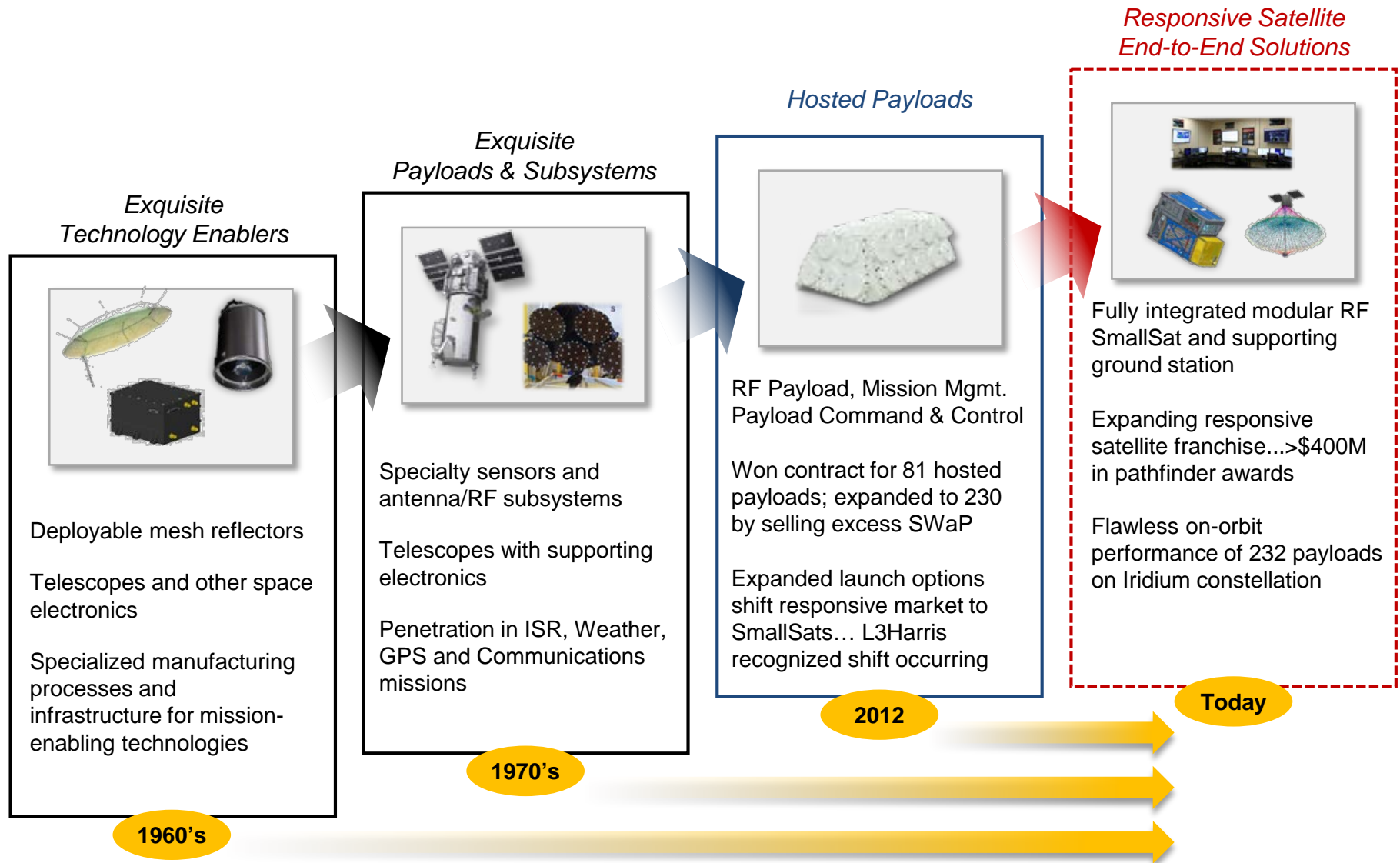
...and strengthen position in exquisite space systems



- 50-year trusted partner with Intelligence Community
- Developing most advanced sensor technology... with data processing and analytics
- Moving from component provider to sub-systems to full mission solutions...new responsive satellite franchise

*Preliminary budget

Leveraging capabilities from exquisite payload provider to small sat end-to-end solutions



Accelerate growth in Avionics



Strong position on F-35...

Potential opportunities



Smart Weapon Racks



Infrastructure Components



Multifunction Advanced Data Link (MADL)

Won



Classified



Open Systems



Panoramic Cockpit Display EU, Advanced Memory Sys



Crypto



Cockpit Display Unit, Fast Steering Mirror



Carriage and Release Weapon Racks



Program is at the onset of production ramp...executing against multi-year block buy and expanding content per shipset

...and global leadership in carriage and release systems

F/A-18

LAUNCHING SYSTEM FOR SDBII



P-8

SONOBUOY LAUNCHING SYSTEM



KF-X

SINGLE STATION RACKS AND SMART MULTIPLE CARRIAGE



F-16

SMART MULTIPLE CARRIAGE



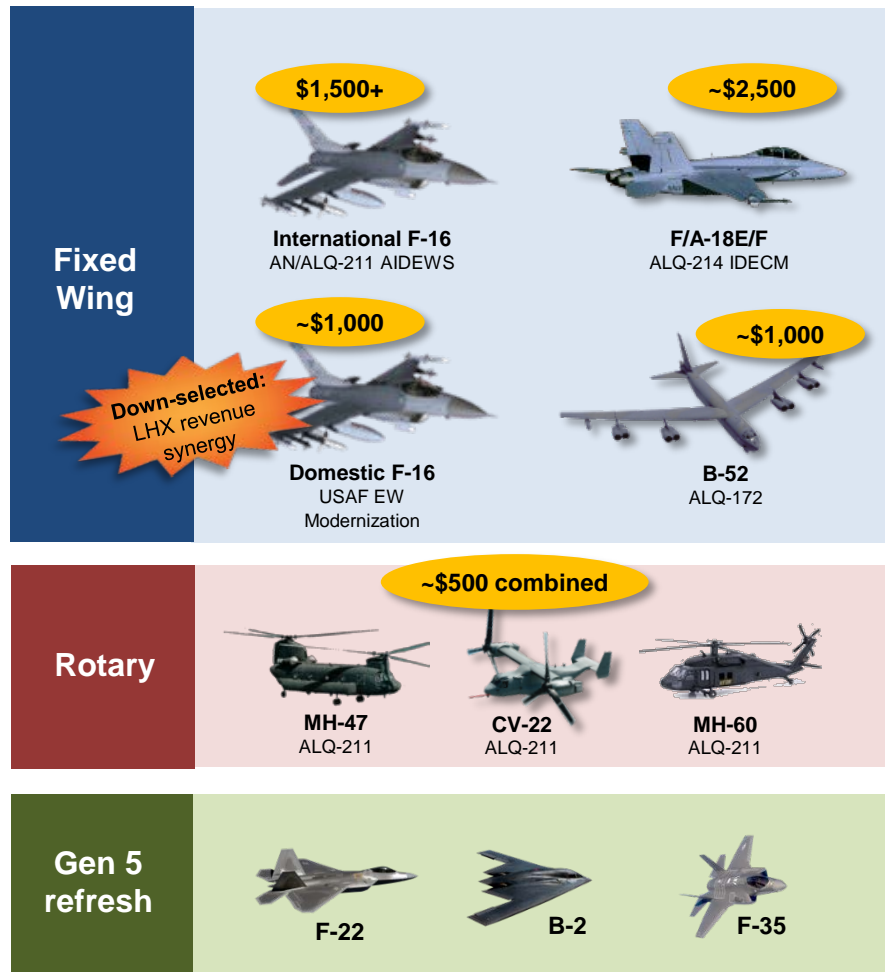
Extend electronic warfare position on long term platforms and develop next-generation technology



50-year history; strong incumbency on platforms with long modernization tails...

 = opportunity \$M

Platforms



...while investing in future EW systems for variety of platforms

ANALOG

Hardware Defined
Stove-Piped
Standalone
Single Mission
Static Techniques

Custom legacy systems



Integrated Defensive Electronic Countermeasures (F/A-18)



Advanced Integrated Defensive Electronic Warfare Suite (F-16)

Software-defined open EW

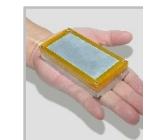


Multi-Function Array



Software Defined EW

Small size, weight, power systems



Disruptor SRx™

DIGITAL

Software Defined
Modular
Networked
Multi-Function
Adaptive



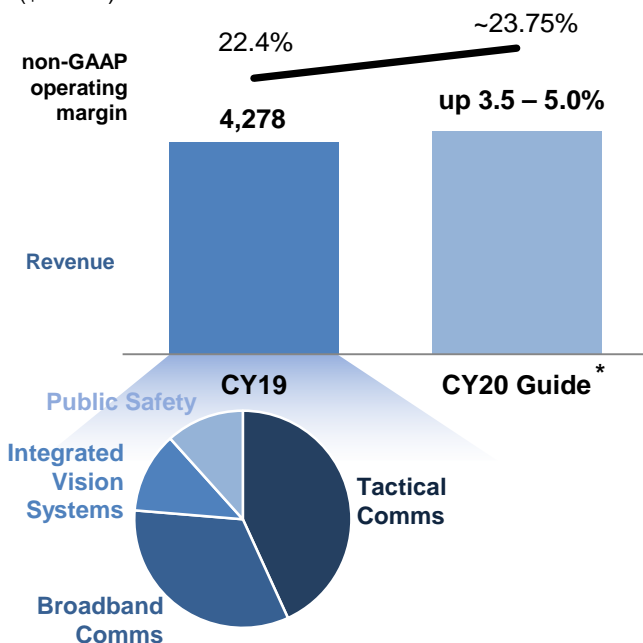
Communication Systems

Overview of Communication Systems



Segment financials and key customers

(\$million)



U.S. Department of Defense



Air Force



Army



Marines



Navy



SOCOM

International governments



Australia



Poland



Iraq



Ukraine



UAE

Industry trends supporting long-term growth

Global security issues; increased focus on warfighter readiness supported by strong budget growth

Transforming voice-centric legacy equipment with information-driven, fully-connected air/ground networks

Converging ISR and communications into a single tactical device

U.S. and international modernizations underway

- Multi-billion dollar U.S. DoD modernization
- International modernizations

Managing budget and operational constraints in international and Public Safety caused by COVID-19...positioned for growth once environment normalizes

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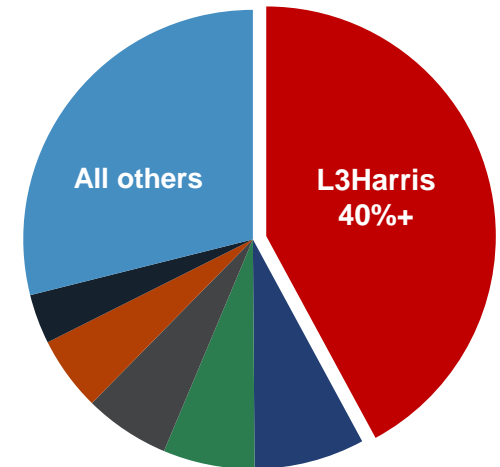
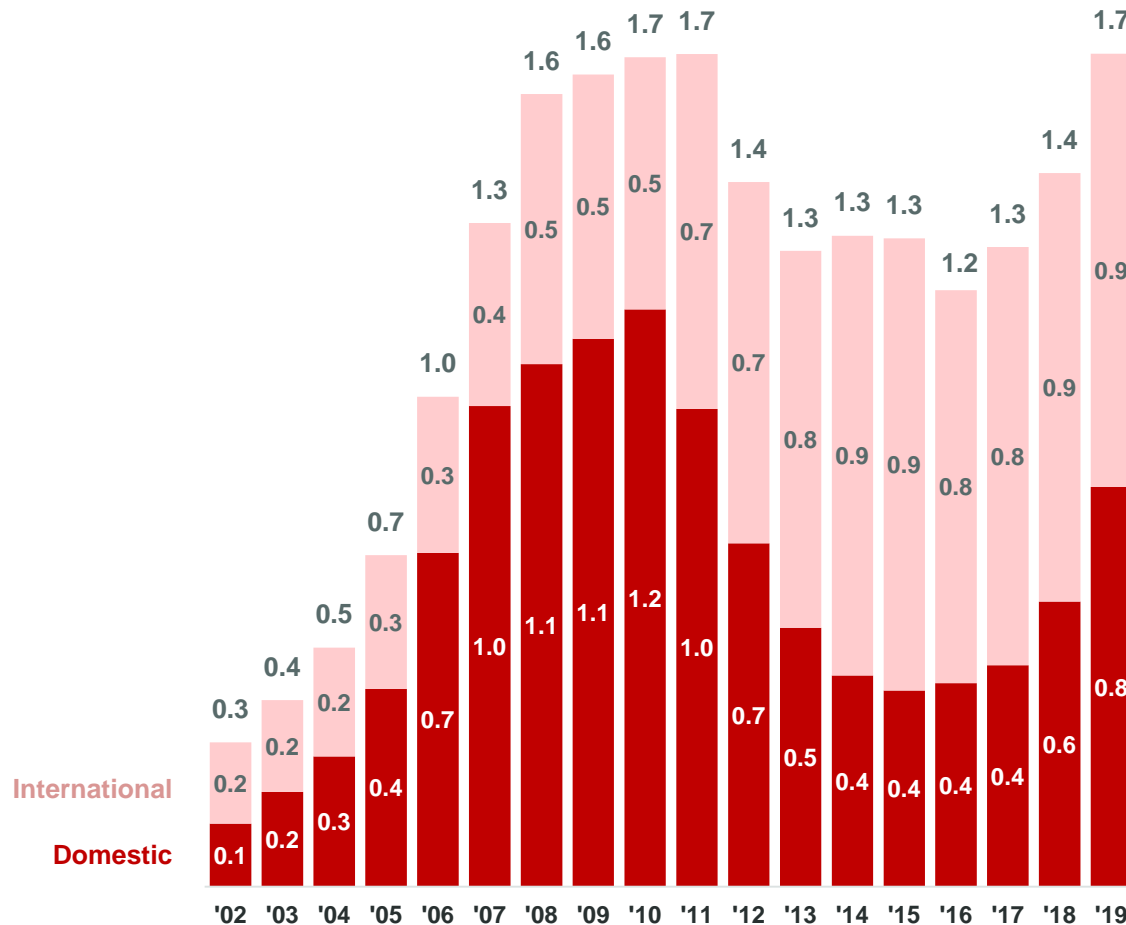
Global leadership



(\$billion)

Historical growth in LHX tactical...

...led to LHX as **#1** provider in DoD and international



\$3.4B CY2019
ground tactical segment

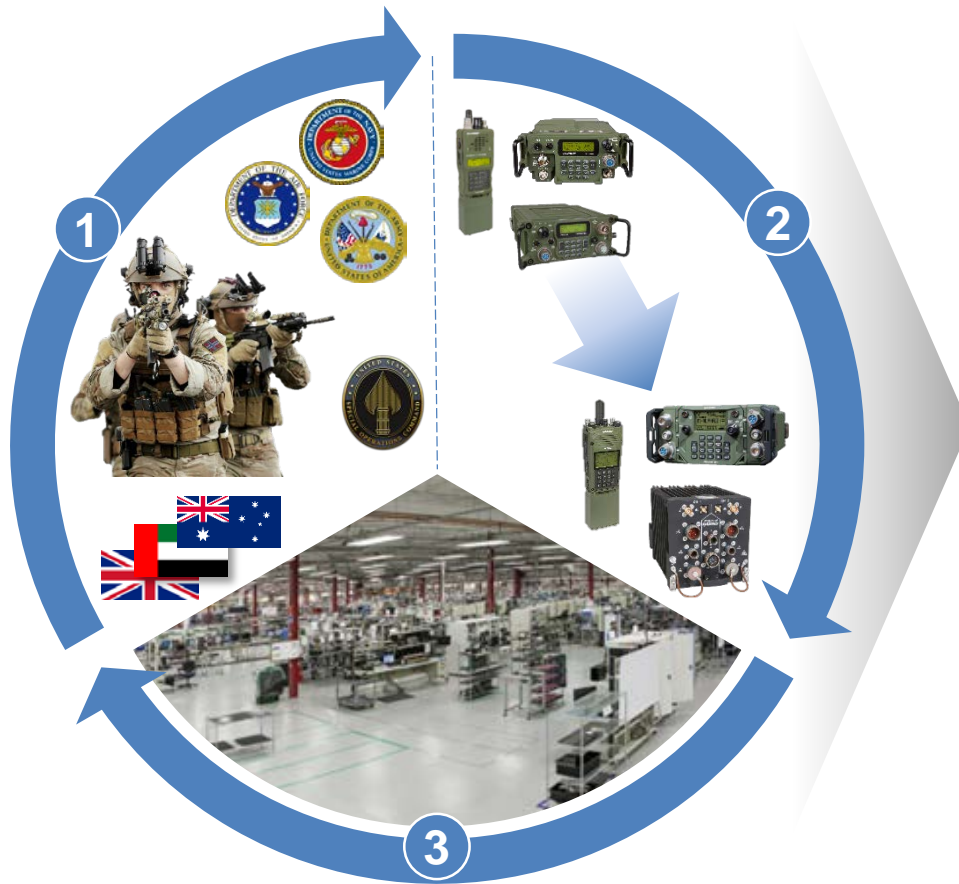
Source: 10K and company estimates.

#1 position driven by commercial model



Commercial business model...

... enabled competitive edge



1 Global customer intimacy

- Anticipating and driving requirements
- Extensive distribution network
- Large installed base

2 Continuous innovation

- Investment of internal R&D resources
- Leverage common platform
- Broadest, combat proven product portfolio
- Unmatched portfolio of waveforms

3 Cost excellence

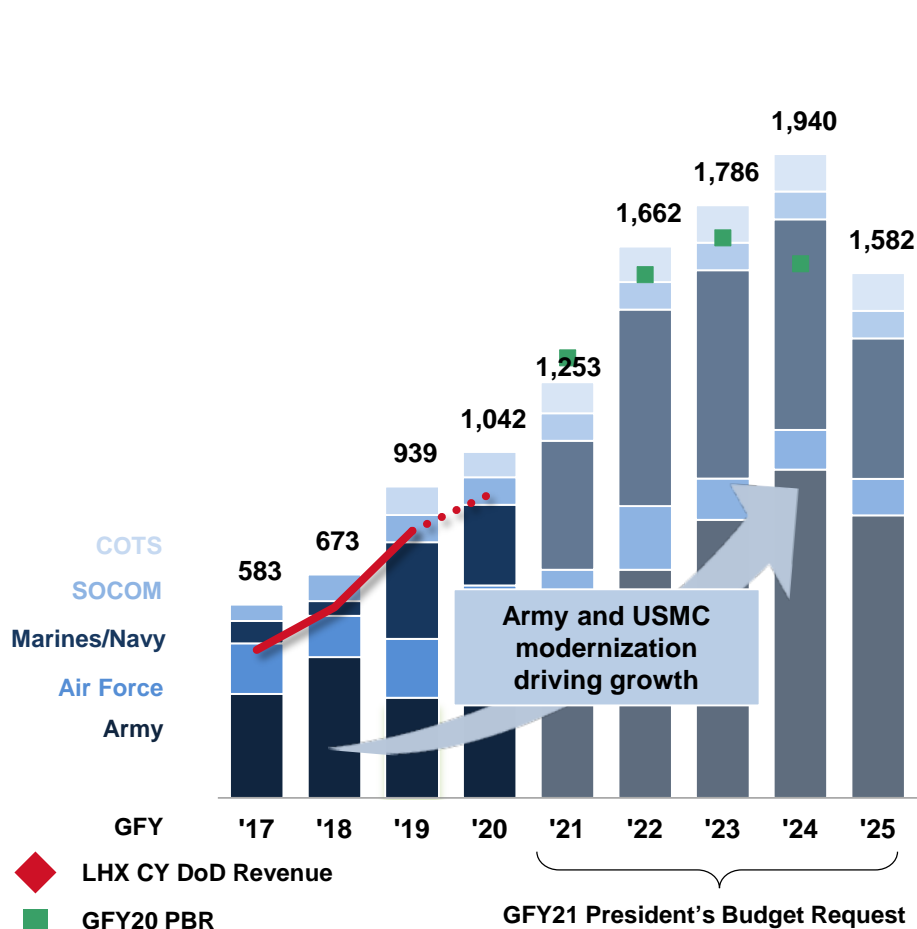
- Product cost reduction while increasing capabilities
- Footprint consolidation into one world-class manufacturing facility
- Global supply chain

Executing on well-funded DoD modernizations...



DoD Tactical Radio-related budget increased to
~\$8B over the next 5 years, up \$1B versus
GFY20 FYDP...

(\$million)



...with LHX awarded positions on all major U.S.
tactical radio contracts

\$390M IDIQ Single-award		SOCOM Tactical Comms (STC) 2-channel multiband handheld
\$255M IDIQ Single-award		SOCOM Tactical Comms 2-channel multiband manpack
\$765M IDIQ Single-award		Navy and USMC tactical radios HF and next-gen 2-channel radios
\$3.9B IDIQ Multi-vendor		Army Rifleman Radio 1-channel, 2-channel Leader radio
\$12.7B IDIQ Multi-vendor		Army HMS Manpack 2-channel multiband manpack

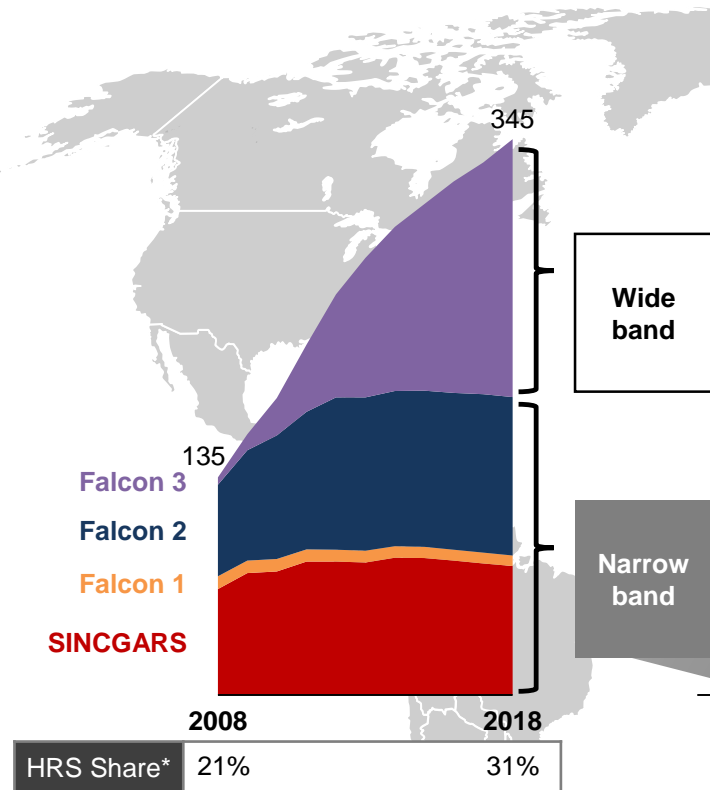
*SOCOM GFY21-25 equal to GFY20 President's Budget Request

...and maintaining international leadership



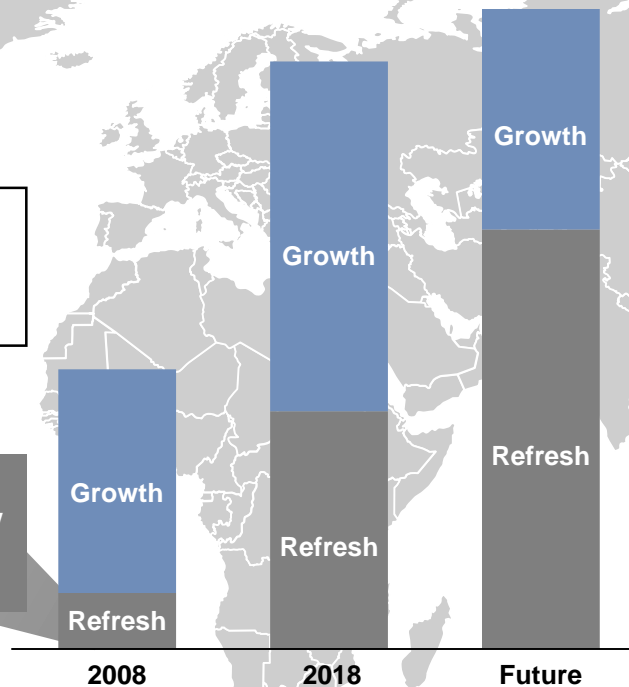
L3Harris' growing share of the international installed base...

(Thousands of tactical radios)



...increasing baseload revenue over time

Revenue mix



Growth strategy

Penetrate new customer segments, increase share...Special Forces to Army, Air Force

Expand footprint...Asia, Europe

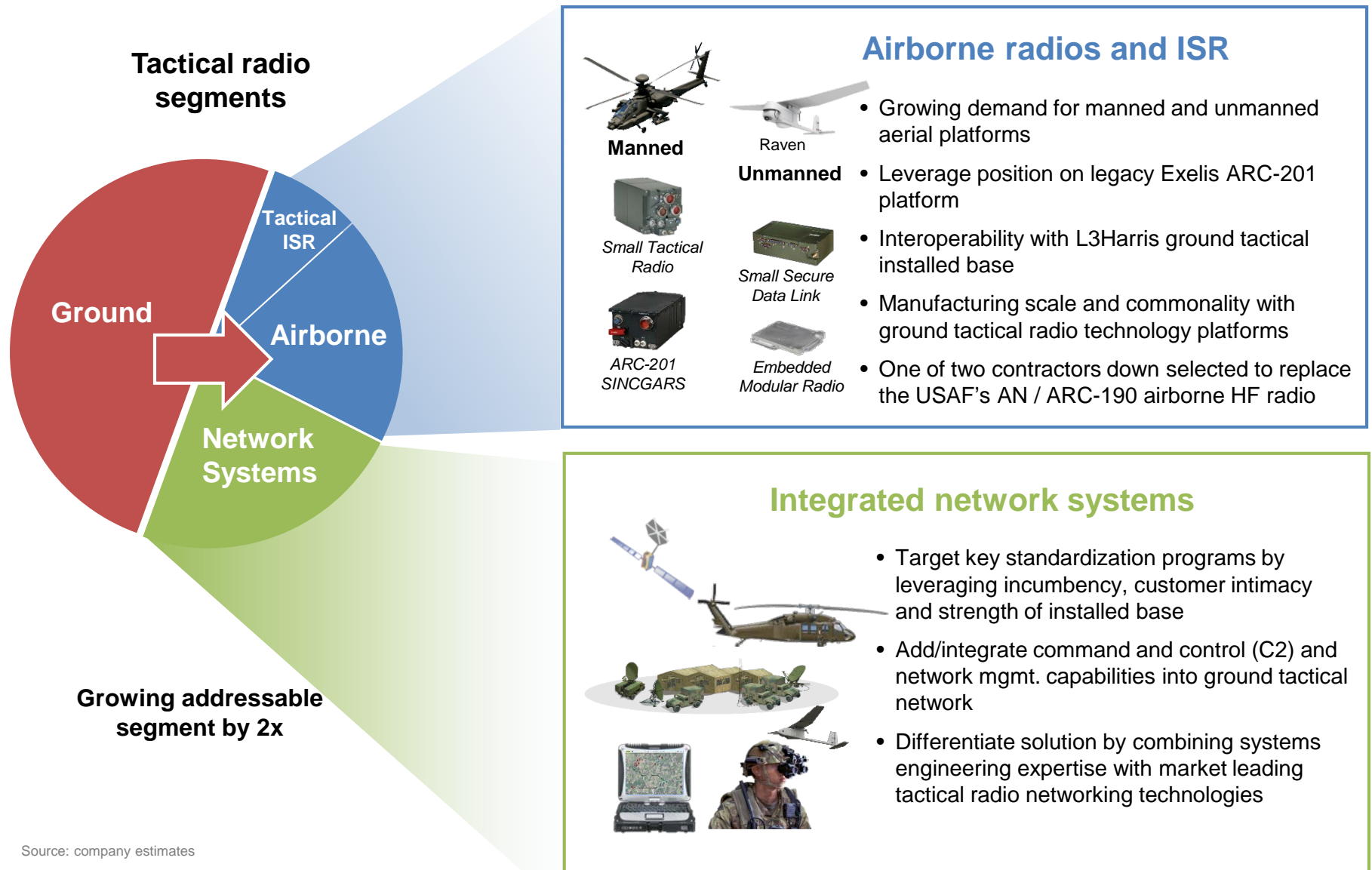
Grow into systems...Australia, U.K

>50% of radios today are voice only...
Leverage incumbency and higher penetration of radios per soldier leads to continuous upgrades and growing installed base

LHX's large and growing installed base in over 100 countries will continue to add stable and repeatable revenue

*Excludes trade restricted countries and the U.S.

Expand into near adjacencies



Source: company estimates

Strong incumbency position and technology in Broadband Communications...



Leverage strong incumbent position in networked communications and integration...

Primary platforms driving ~\$1B in annual revenue



Grey Eagle/Predator



Apache



Rover 6

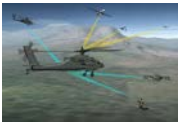


Global Hawk



U-2

and investment in innovation...



Waveforms and advanced networking

adaptive low probability of detect, intercept and anti-jam waveforms



Next generation modems

High rate data transfer, software upgradable, autonomous capability



Multi-domain capabilities

Multi-path resilient system solutions providing multi-role capacity & interoperability

...to drive spectrum superiority

Assured Communications

Advanced tactical datalinks, networked-collaborative weapons, free-space optics (FSO)



**Weapons datalinks
Contested comms
Strategic/tactical FSO**

Spectrum Convergence

Convergence of communications, electronic warfare, cyber and ISR



**Next Generation Jammer
Low-Band**

Mission Networks

Advanced software defined networking ensure connectivity autonomously using all available resources across all domains (space, air, land, sea, cyber)

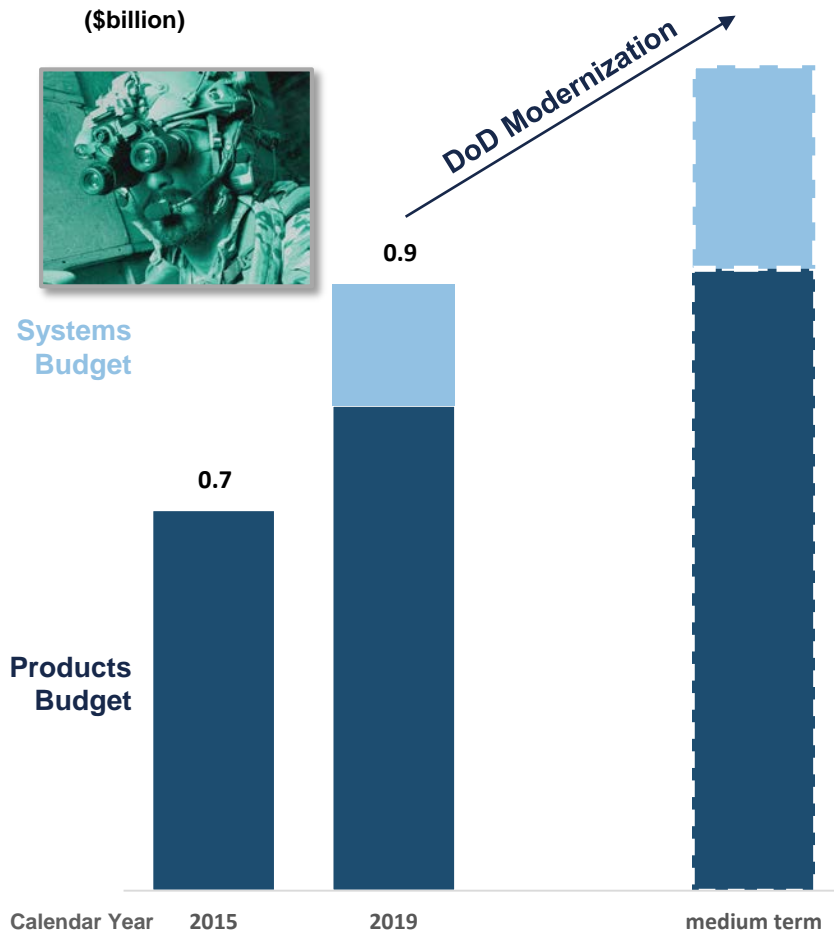


**Senior leader communications
Advanced battle management**

...and integrated & networked vision market



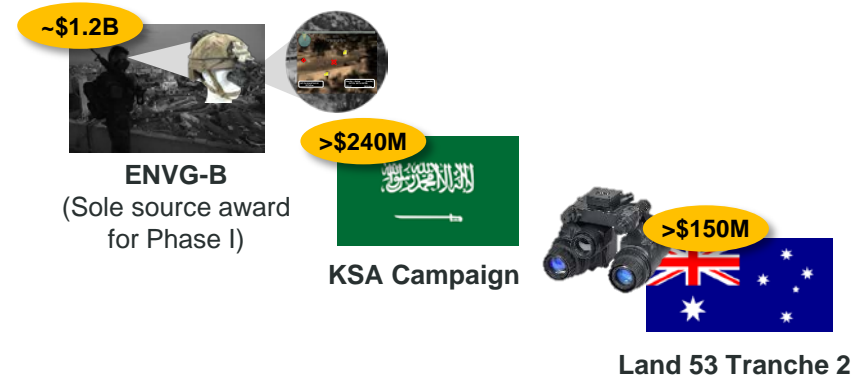
**Strong market at the beginning
of a modernization cycle**



**LHX has grown into an industry
leader...**

- ✓ Leading edge Night Vision technology
- ✓ Full suite of EO/IR day/night fighting equipment for the dismounted warfighter
- ✓ Bundled portfolio solutions for US DOD, federal law enforcement and trusted allies
- ✓ Integrated warfighter solutions including wirelessly connected sensors, lasers and near-eye displays
- ✓ Large installed base and global reach
- ✓ Strong lifecycle support

**...and expanding market share by capturing
solid positions on strategic programs**



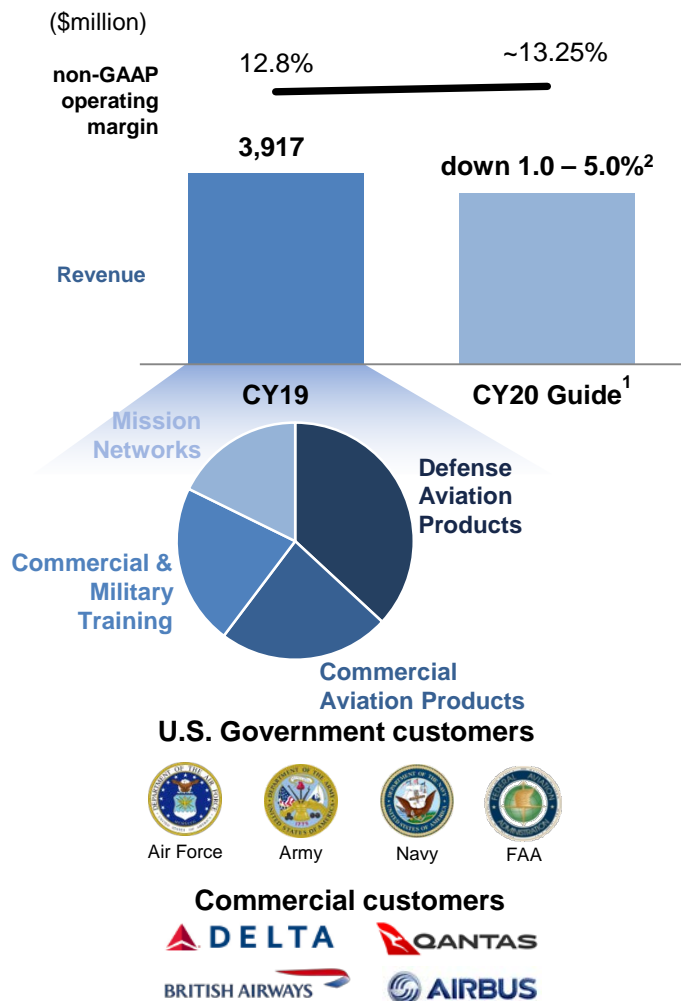


Aviation Systems

Overview of Aviation Systems



Segment financials and key customers



Industry trends supporting long-term growth

Emerging near-peer threats driving demand for next generation weapon systems

Heightened global terrorism driving increased security requirements

Evolving FAA regulations and mandates

Committed FAA budget supporting NextGen Airspace requirements...expanding internationally

Military pilot supply and demand

Managing downturn in Commercial Aerospace caused by COVID-19

For CY19 first half, reflects pro forma results included in L3Harris' Current Report on Form 8-K filed May 4, 2020, and for non-GAAP operating margin, adjusted as indicated in non-GAAP financial measure reconciliations in quarterly earnings materials or on L3Harris investor relations website.

¹Guidance updated July 31, 2020 – refer to 2Q 2020 quarterly earnings and related materials on the L3Harris investor relations website.

²Represents organic guidance in the range of \$3.4 - \$3.6B for the year, post divestitures

Defense Aviation Products enhance the battlefield



Supporting the battlefield today...

...and driving future capability

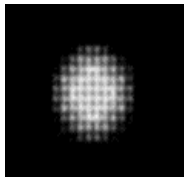
**Weapons
Sensors**



**Range and Test
Solutions**



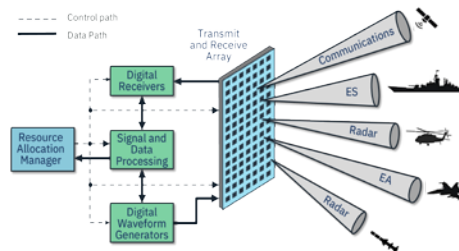
**Radar
Systems**



GPS & Navigation Systems



Multi-Function Apertures



- Converges Radar, EW, SIGINT & Communications
- Enterprise-wide applications
- Leader in defining the open system standards and enabling critical technology

Tactical UAS



- LHX patented Hybrid Quadcopter technology
- Awarded Army IDIQ for Future Tactical UAS

Increasingly contested environments driving need for precision engagement technologies

Leveraging 25-year trusted FAA partnership to grow air traffic management franchise



Strong performance on FAA Telecommunications Infrastructure (FTI)...

Early FAA successes led to FTI cornerstone win – July 2002



22-year, \$5B

Nationwide air traffic telecommunications network providing critical voice, data, video

L3Harris owned and operated

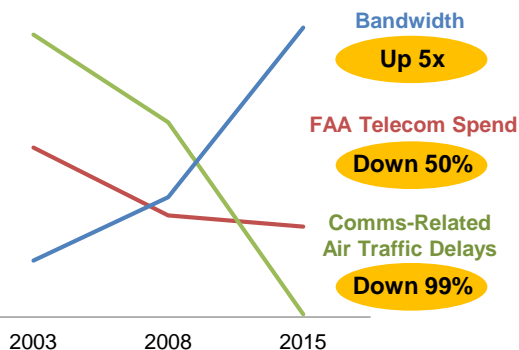
Excellent performance

99.999% network availability

Connects 4,400+ FAA, DoD facilities

27,000+ services supporting 50,000+ users

A Model Public-Private Partnership



...and FAA NextGen programs...

(select programs)



DATA COMM



Enables digital text-based messages in the cockpit

Deployed at all 62 Datacom tower sites

Since initial deployment in 2016...

Saved 1.23M minutes of radio time

Cleared 4.4M+ flights

Served 614M passengers

Prevented 59K+ readback errors

Prevented 6.8M kgs of CO₂ emissions



ADS-B



L3Harris owned and operated

Largest air traffic control surveillance network in world; aircraft broadcast position to ground

650+ radio stations across US

Covering 4 million sq mi of U.S. airspace with 1,100 surveillance sensors

FAA equipage mandate beginning 2020

...positions us well for...

1. FTI program recomplete, FENS (FAA Enterprise Network Services)

2. International expansion

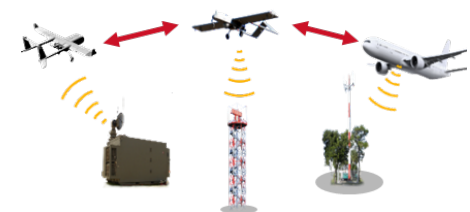


3. Commercial Aviation Synergies

NextGen Infrastructure and NextGen Avionics

Leverage Infrastructure, aircraft and training data analytics to enhance safety and efficiency

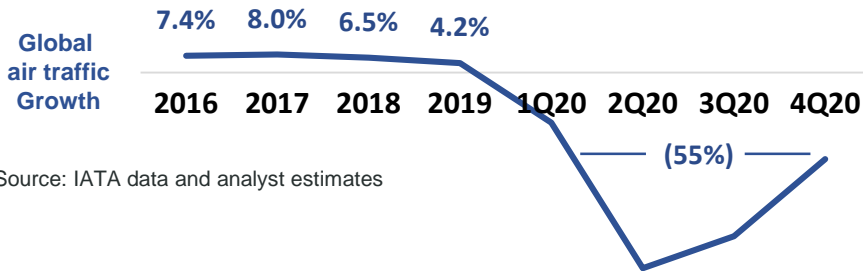
Unique relationships with airspace and security regulators, airlines, airport authorities and OEMs



Managing the downturn in Commercial Aerospace



Significant downturn forecasted for air traffic...



...however, LHX well positioned to manage headwinds

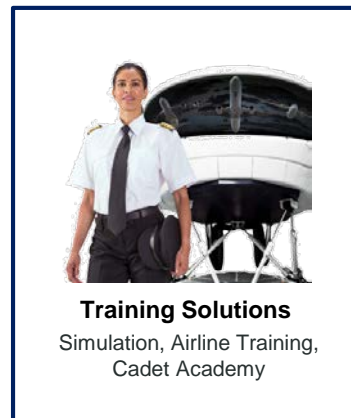
- Top tier growth in defense portfolio
- Accelerating merger related cost synergies
- Driving revenue synergies across the enterprise
- Optimizing cost structure

...driving pressure on modest LHX commercial aviation exposure...

Reduced revenue by ~35% to \$500M in 2020



Products ~60% of revenue



Training ~40% of revenue



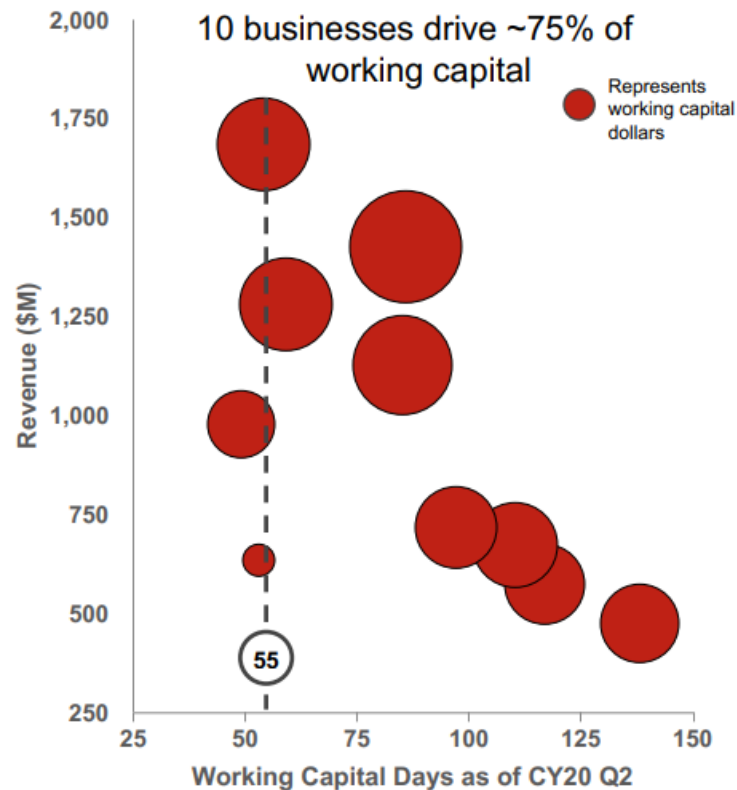
Integration

Significant working capital improvement opportunities exist



Roadmap of opportunities...

...to drive best in class working capital



Path to 40 - 50 days in 2022 and beyond

Inventory (55 - 65 days)

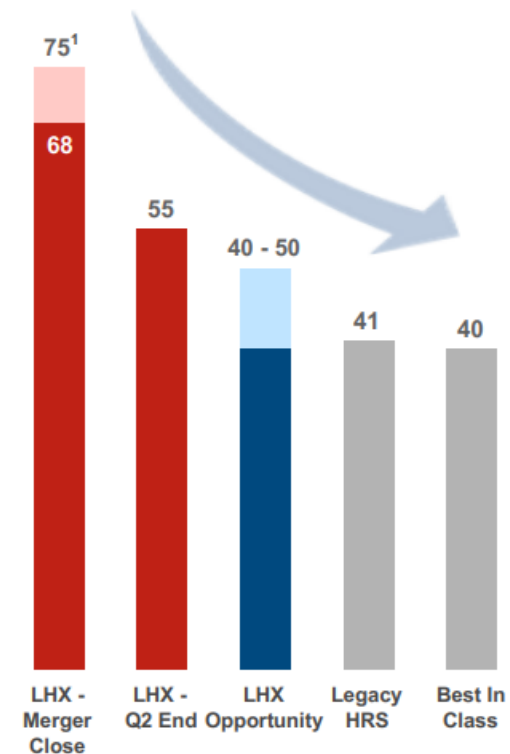
- Reduce cycle times
- Enhance forecasting accuracy
- Implement vendor managed inventory
- Improve supplier delivery performance
- Increase advanced payment position
- Reduce billing cycle time

Receivables (20 - 30 days)

- Disciplined negotiation of contract terms

Payables (35 - 45 days)

- Standardize and extend vendor payment terms
- Implement shared service business model



¹Excludes impact of divestitures and accounting related adjustments

Potential revenue synergies



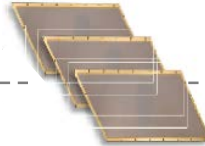
Avionics

Multi-function
open architecture

HARRIS



Open systems processor



Multi-function phased array

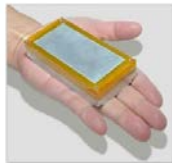
Penetrate new markets

Enhanced resource usage, lower SWaP and interoperability

Strengthens offering for existing refresh opportunities and next-gen platforms

Electronic Warfare

Advanced EW
solutions supporting
multiple platforms



EW Disruptor



Manned and unmanned
platform missionization

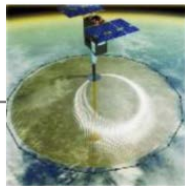
Expand addressable market

Leverage L3 manned & unmanned platforms to pull-through HRS EW solutions

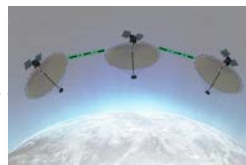
Offering unique solution to address unmet customer need

Responsive Sats

End-to-end
solutions



Satellite pathfinders



Datalinks and sensors

Increase customer stickiness

Combined expertise in optical and RF payloads, SATCOM and mission knowledge

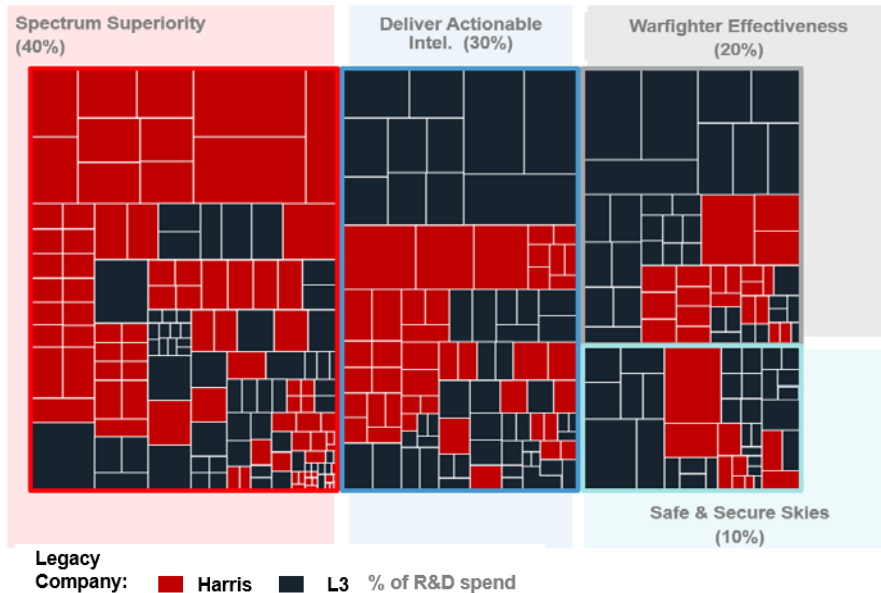
Expands portfolio of mission offerings and fills critical capability gaps

Down-selected on 13 of 23 awards and building on a multi-billion dollar pipeline

Optimizing best-in-class R&D spend



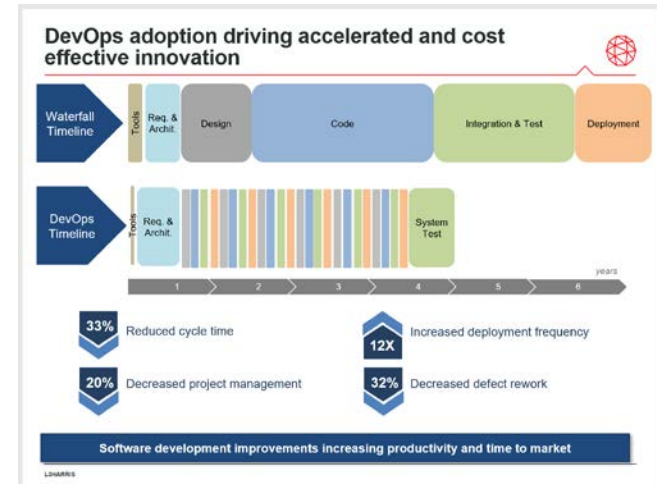
Analyzed combined R&D spend...



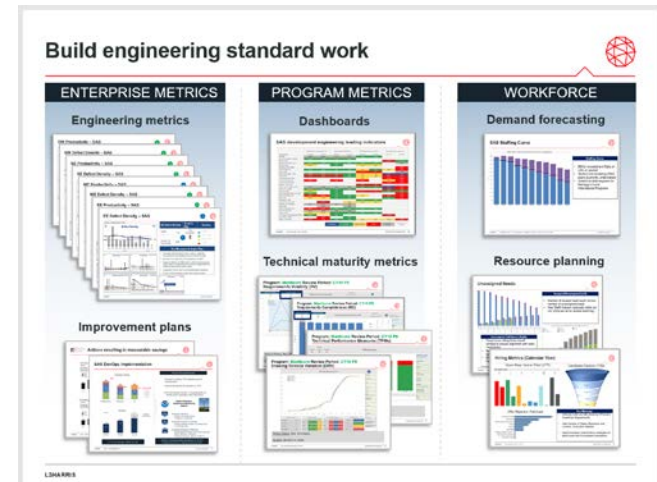
...to improve effectiveness

- Redeployed ~10% of R&D spend
 - ~1/2 from overlapping projects
 - ~1/2 from alternate funding and strategic realignment
- Reduced number of R&D projects by 30% (to ~330 projects)
- Implemented CheckPoint investment decision process on 100% of portfolio

Increase efficiency through Dev Ops...



...and instrumenting the business to improve performance



Created significant value by focusing on operational excellence



1 Night Vision...transformational turnaround

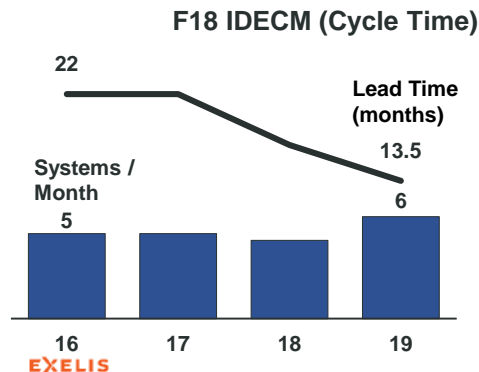
EXELIS

HARRIS

Top line	Declining revenue	➔	Up mid teens guidance
Quality	~65% yield rates	➔	~90%
Profitability	Break even	➔	Mid teens ROS

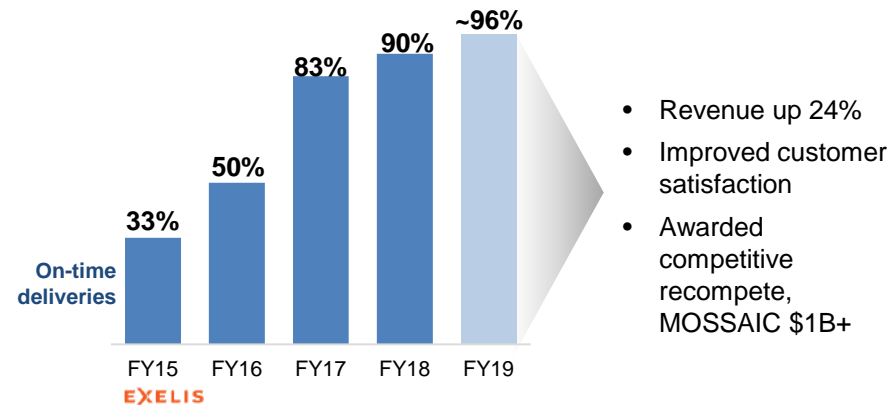
Sold for
\$350M

3 Electronic Warfare...reduced lead time



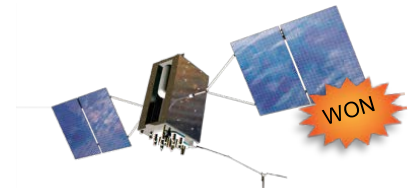
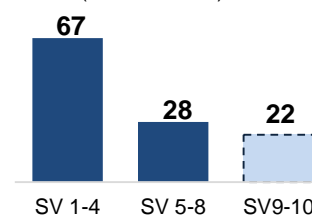
- 20+ year relationship on the F-18 platform...\$2B in orders

2 SENSOR...prime award on next-gen contract



4 GPS...extended franchise

GPSIII MDU average total build and test hours (000s of hours)



GPS SV11-32

- Reached a production cadence on GPS space vehicle navigation payloads...lean production and value stream mapping
- Delivered SV1-7...SV1 operational on orbit, SV-2 launched
- Developed a fully digital Mission Data Unit (MDU)

Key investment themes



- Stronger platform for **long-term revenue growth**
 - Creates scale with a well-balanced portfolio
 - Accelerates innovation and time to market
- Shared operating philosophy to continue **driving margin expansion**
 - Focus on operational excellence and structural cost reduction
 - Meaningful value creation from cost synergies...history of over-achievement
- **Strong and experienced leadership team** with proven track record
- Generate **robust free cash flow...return cash to shareholders** through dividends and buybacks
- Drive double digit earnings and free cash flow growth, post capital returns

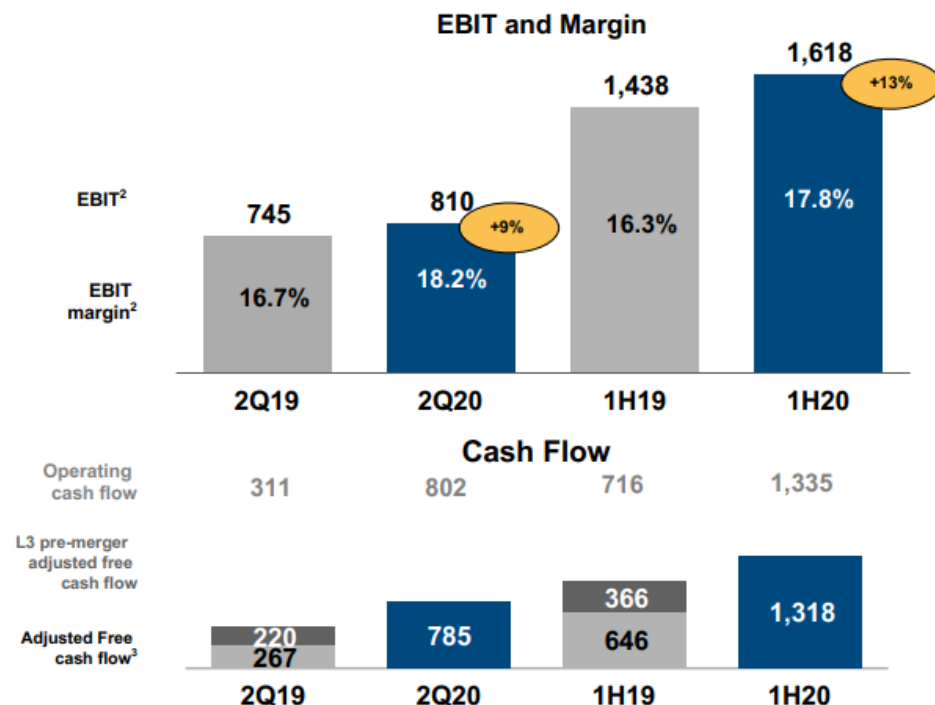
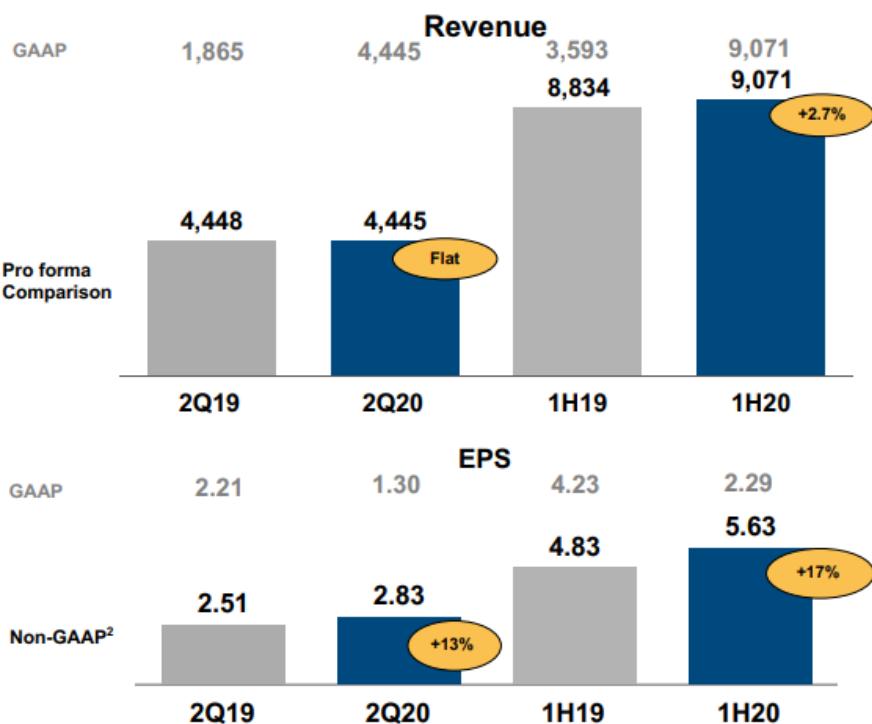


Second Quarter Calendar 2020 Results

Solid 2Q20 financials¹



(\$million, except per share amounts)



¹Comparisons are to prior-year pro forma or adjusted pro forma results; "pro forma" refers to the applicable prior-year result in the pro forma condensed combined income statement information (prepared in a manner consistent with Article 11 of Regulation S-X) included in L3Harris' Current Report on Form 8-K filed May 4, 2020; and "adjusted pro forma" refers to such result as adjusted for certain item(s) indicated in the non-GAAP financial measure reconciliations in other quarterly earnings materials and the L3Harris investor relations website.

²Excludes discontinued operations, merger deal and integration costs, COVID-19-related charges and adjustments (including charges and adjustments for impairment of goodwill and other assets), restructuring and other items, divestiture expenses and losses, amortization of acquisition-related intangibles, additional cost of sales related to the fair value step-up in inventory sold and other prior-period items; refer to non-GAAP financial measure reconciliations in other quarterly earnings materials and the L3Harris investor relations website.

³Adjusted free cash flow is operating cash flow less capital expenditures and adjusted to add back cash flow for merger deal and integration costs; refer to non-GAAP financial measure reconciliations in other quarterly materials and the L3Harris investor relations website.

2020 full-year guidance



Total L3Harris

Organic revenue¹

up 3.0 - 5.0%

Margin²

17.50%+
(vs. ~17.50%)

EPS²

\$11.15 - \$11.55

FCF³

\$2.6 - \$2.7B

By Segment

Organic revenue¹

Margin²

IMS

up 5.5 - 7.0%

13.50%+
(vs. ~13.50%)

SAS

up 6.0 - 7.5%

~18.75%

CS

up 3.5 - 5.0%

~23.75%

AS

down 1.0 - 5.0%

~13.25%

¹Compared with prior-year pro forma revenue; "pro forma" refers to the applicable prior-year result in the pro forma condensed combined income statement information (prepared in a manner consistent with Article 11 of Regulation S-X) included in L3Harris' Current Report on Form 8-K filed May 4, 2020. Organic comparison then excludes revenue attributable to each divested business for the remaining portion of the prior-year quarter that is equivalent to the balance of the current-year quarter following the date the business was divested; refer to non-GAAP financial measure reconciliations in other quarterly earnings materials and the L3Harris investor relations website.

²Non-GAAP EPS and adjusted earnings before interest and taxes (EBIT) margin figures exclude discontinued operations, as applicable, merger integration costs, COVID-19-related charges and adjustments (including charges and adjustments for impairment of goodwill and other assets), restructuring and other items, divestiture expenses and losses, amortization of acquisition-related intangibles and additional cost of sales related to the fair value step-up in inventory sold; refer to non-GAAP financial measure reconciliations in other quarterly earnings materials and the L3Harris investor relations website.

³Adjusted free cash flow is operating cash flow less capital expenditures and adjusted to add back cash flow for merger integration costs; refer to non-GAAP financial measure reconciliations in other quarterly earnings materials and the L3Harris investor relations website.



As communicated in connection with the company's release of financial results for the first quarter of 2020, L3Harris' response to the COVID-19 pandemic and attempts to contain it, such as mandatory closures, "shelter-in-place" orders and travel restrictions, which have caused significant disruptions and adverse effects on the U.S. and global economies, such as impacts to supply chains, customer demand, international trade and capital markets, included an increased focus on keeping its employees safe while continuing to strive to meet customer commitments and support suppliers. For example, L3Harris instituted work-from-home (for employees who are able to work remotely) and social distancing arrangements; canceled travel and external events; procedure personal protective equipment; initiated health screening procedures at all facilities; staggered work shifts, redesigned work stations and implemented stringent cleaning protocols; maintained an active dialog with key suppliers and developed plans to mitigate supply chain risks; and shifted the timing of share repurchases, which bolstered liquidity in support of employees, suppliers and customers. As part of the company maintaining its increased focus on those areas and seeking to maintain continuity of operations, it has implemented more detailed safety precautions and protocols for on-site work, such as daily health assessments and mandatory face coverings. The company also has allowed certain essential business travel to resume, and it expects to utilize a phased approach based on local conditions for transitioning employees from work-from-home arrangements to on-site work. The U.S. Government response to the COVID-19 pandemic has included identifying the Defense Industrial Base as a Critical Infrastructure Sector and enhancing cash flow and liquidity for the Defense Industrial Base, such as by increasing progress payments and accelerating contract awards. As part of the Defense Industrial Base, these actions have enabled L3Harris to keep its U.S. production facilities largely operational in support of national security commitments to U.S. Government customers and to accelerate more than \$230 million in payments to small business suppliers in 47 states. Although the company continues to believe that the large percentage of its revenue, earnings and cash flow that is derived from sales to the U.S. Government, whether directly or through prime contractors, will be relatively predictable, in part due to the responsive actions taken by the U.S. Government described above, the company's commercial, international and public safety businesses remain at higher risk of adverse impacts related to the COVID-19 pandemic. For example, the severe decline in global air traffic from travel restrictions and the resulting downturn in the commercial aviation market and its impact on customer operations has significantly reduced demand for flight training, flight simulators and commercial avionics products in the company's Aviation Systems segment's Commercial Aviation Solutions sector. As a result, the company temporarily closed some of its flight training facilities, initiated restructuring and other actions to align its resources with the outlook for the commercial aviation market (including workforce reduction and facility consolidation) and also has recognized \$69 million and \$394 million of charges for impairment of goodwill and other assets and other COVID-19-related impacts in the second quarter and first half of 2020, respectively. The company's updated 2020 guidance reflects the company's current expectations and assumptions regarding disruptions and other impacts related to the COVID-19 pandemic and associated containment actions, including on the U.S. and global economies. These assumptions continue to include a measured assessment of the downturn in the commercial aerospace business and in demand for public safety solutions, as well as additional potential risks from facility shutdowns, supply chain disruptions and international activity weakness. The company's current expectations and assumptions could change, which could negatively affect the company's outlook. The extent of these disruptions and impacts, including on the company's ability to perform under U.S. Government and other contracts within agreed timeframes and ultimately on its results of operations and cash flows, will depend on future developments, including the severity and duration of the pandemic and associated containment actions taken by the U.S. Government, as well as state, local and international governments, and consequences thereof, and global air traffic demand, all of which are uncertain and unpredictable, could exacerbate other risks described in the company's filings with the SEC and could materially adversely impact the company's financial condition, results of operations and cash flows.