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L3HARRIS CY2019 THIRD QUARTER **EARNINGS CALL PRESENTATION**

October 30, 2019

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: earnings, revenue, adjusted free cash flow, margin on earnings before interest and tax (EBIT) and segment revenue and operating margin guidance for the second half and full calendar year 2019; cost synergies, tax rate and other supplemental information for the second half and full calendar year 2019, potential contract opportunities and awards; the potential value and timing of contract awards; statements regarding strategic priorities, including the status of cost synergies relative to plan and goal, the status of share repurchases relative to plan and plans for divestitures of non-core businesses, including timing and use of proceeds; 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: 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 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 acquisitions and divestitures and the risks and uncertainties related thereto, including the company's ability to manage and integrate acquired businesses and realize expected benefits and the potential disruption to relationships with employees, suppliers and customers, including the U.S. Government, and to the company's business generally; 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; 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; 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; or potential tax, indemnification and other liabilities and exposures related to Exelis' spin-off of Vectrus, Inc. and Exelis' spin-off from ITT Corporation. 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

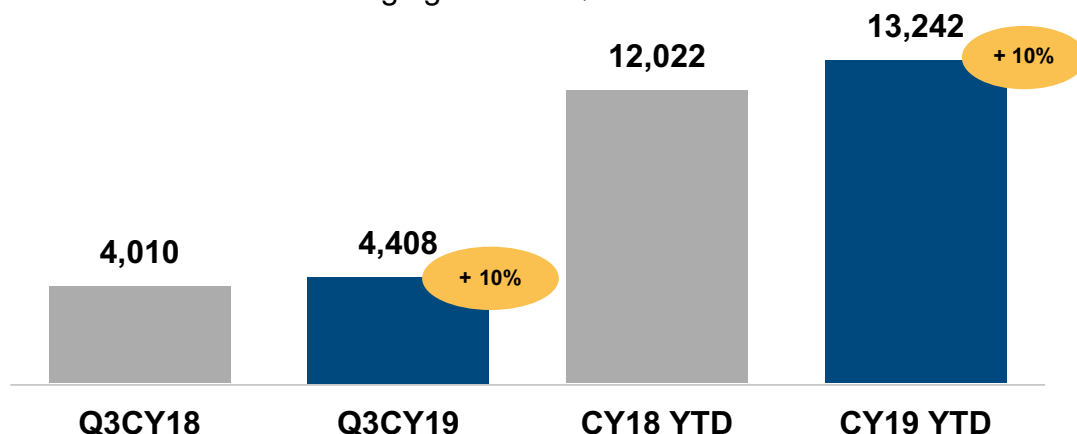
Strong Q3CY19 and YTD combined financials³



(\$million, except per share amounts)

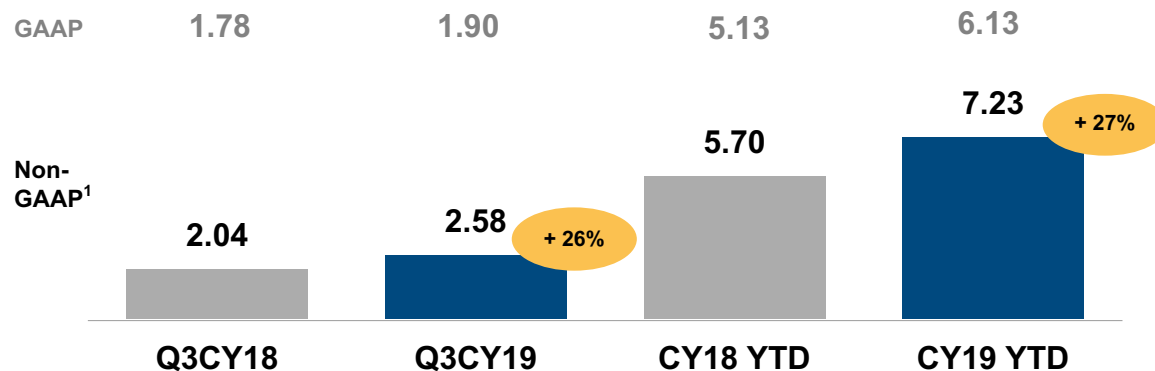
Revenue

Double digit growth in Q3 and YTD



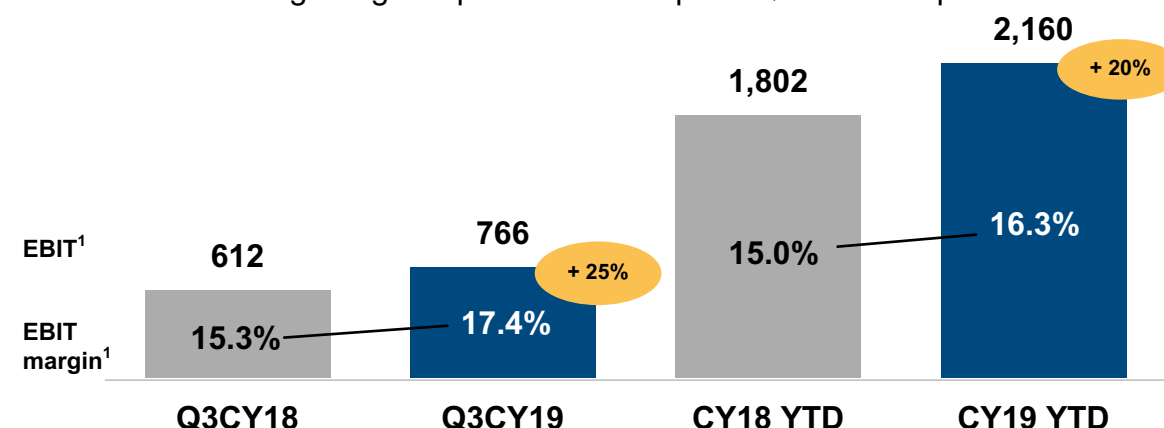
EPS

Volume, operational efficiencies and merger driving growth



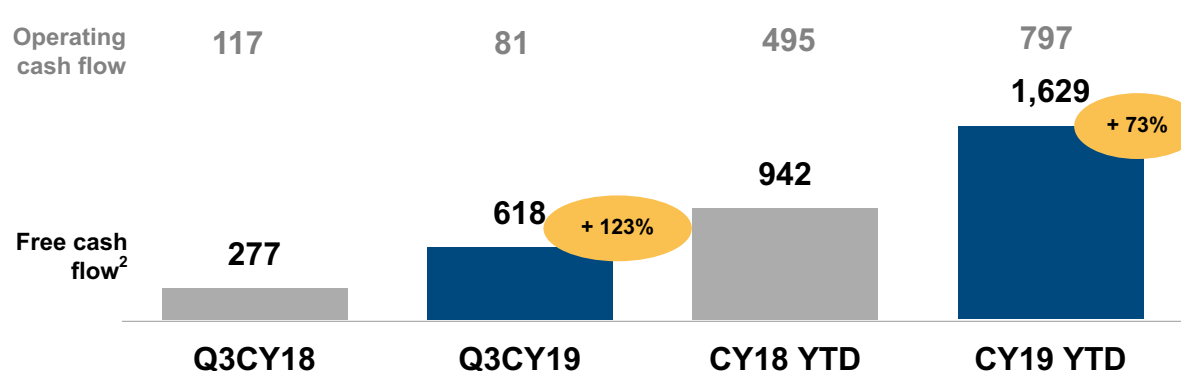
EBIT and Margin

Accelerating margin expansion...210 bps in Q3 and 130bps YTD



Cash flow

Robust...73% YTD growth



¹Non-GAAP EPS and adjusted earnings before interest and taxes (EBIT) and EBIT margin figures exclude, as applicable, merger deal and integration costs, amortization of acquisition-related intangibles, gains on sale of divested businesses and other prior-period items. For non-GAAP reconciliations reference other quarterly earnings materials and the L3Harris investor relations website.

²Adjusted FCF (free cash flow) = operating cash flow less capital expenditures, adding back cash flow for merger deal and integration costs and pension pre-funding and excluding operating cash flow from discontinued operations in prior periods.

³In this presentation, "combined" means, in the case of prior-year results, L3 and Harris combined results for the applicable prior-year period on the basis described in the Basis of Preparation paragraphs in the appendix, including regarding adjustments for certain items; and in the case of year-to-date and first half 2019 results, including L3 results for the first half of 2019 on the same basis.

L3Harris strategic priorities update

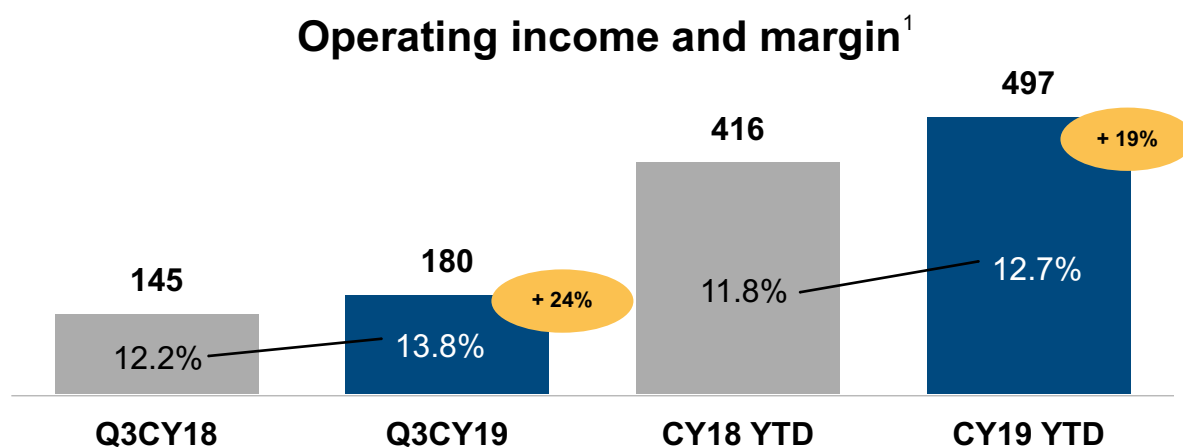
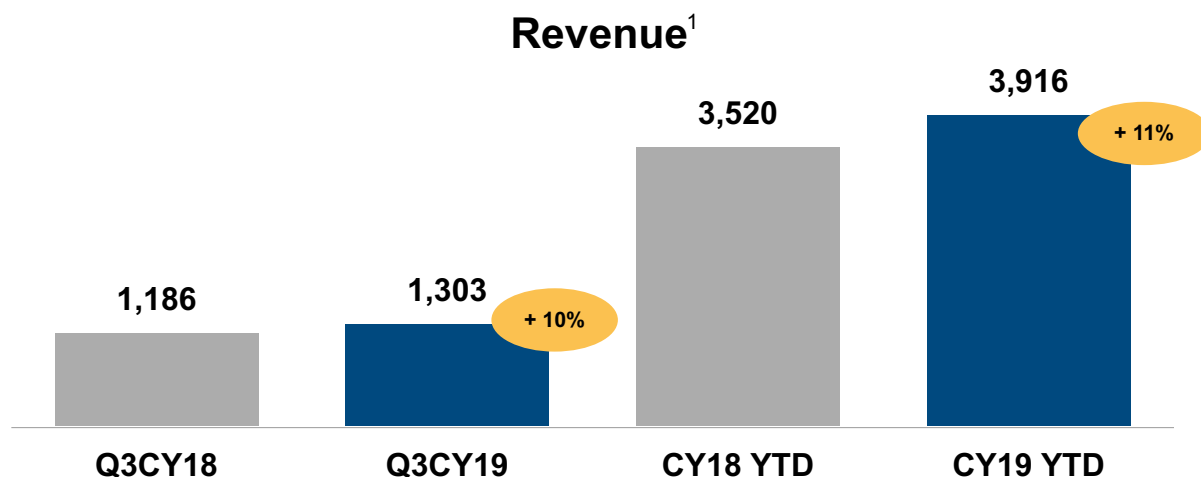


- 1 Execute seamless integration...\$500M in gross cost synergies**
 - Cost synergies ahead of plan...exit 2019 with ~\$200M vs. \$150M gross run rate
 - On target to exceed \$500M goal in 2022
- 2 Drive flawless execution and margin expansion...e3 operational excellence**
 - Institutionalizing e3...210 bps of margin expansion in Q3
 - Margin expansion in all 4 segments Q3 and YTD
- 3 Build a new performance culture...strong bias for action and accountability**
 - Leveraging the enterprise...shared services, resources and best practices
 - Company-wide business metrics and review cadence...instilling greater rigor and accountability
- 4 Grow revenue...invest in differentiated technology and innovation**
 - Double-digit revenue growth Q3 and YTD
 - Funded B:B of 1.13...funded backlog increase of 10%
 - 14 revenue synergy proposals submitted with potential lifetime value of ~\$3B
- 5 Maximize cash flow with shareholder friendly capital deployment**
 - 123% FCF growth in Q3...year-to-date FCF \$1.6B
 - \$922M returned to shareholders in Q3..on track to repurchase \$1.5B of shares in the 2H of CY19
- 6 Reshape portfolio to focus on high margin, high growth businesses**
 - Ongoing process...marketing several non-core businesses for divestiture
 - Proceeds used to repurchase shares and offset dilution

Integrated Mission Systems



(\$million)



- 3Q revenue up 10%, YTD revenue up 11%,
 - Strength in ISR aircraft missionization
 - Increased global demand for Wescam turret systems
- 3Q operating income up 24%; YTD up 19%
- 3Q margin expanded 160 bps to 13.8%; YTD margin expanded 90 bps to 12.7%;
 - Integration savings, pension income and e3, slightly offset by program mix
- Q3 B:B 0.99; YTD 1.11

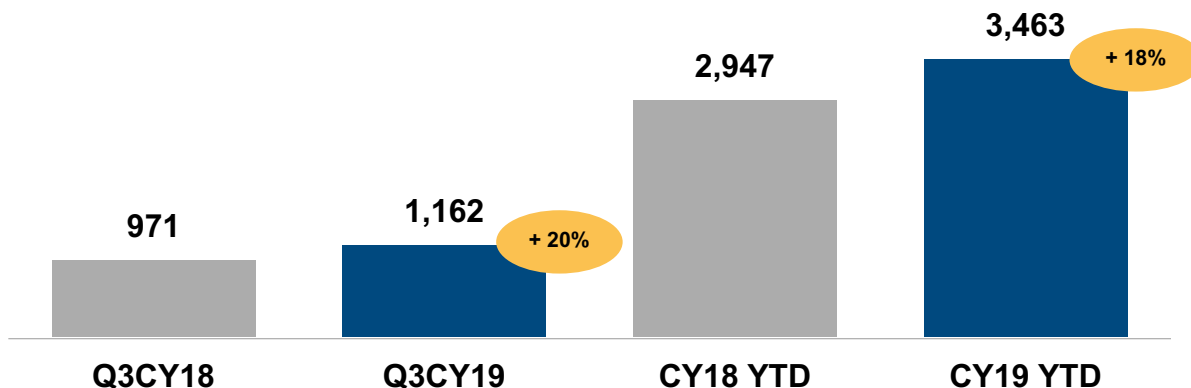
¹To aid with year-over-year comparability due to the new segment structure following the L3Harris merger, all prior-year segment results reflect L3 and Harris combined results for the applicable prior-year period, on the basis described in the Basis of Preparation paragraphs in the appendix, and all calendar 2019 year-to-date segment results include L3 results for the first half of calendar 2019 on the same basis. Refer to the attached tables for actual prior-year and calendar 2019 year-to-date segment results and related reconciliations.

Space & Airborne Systems

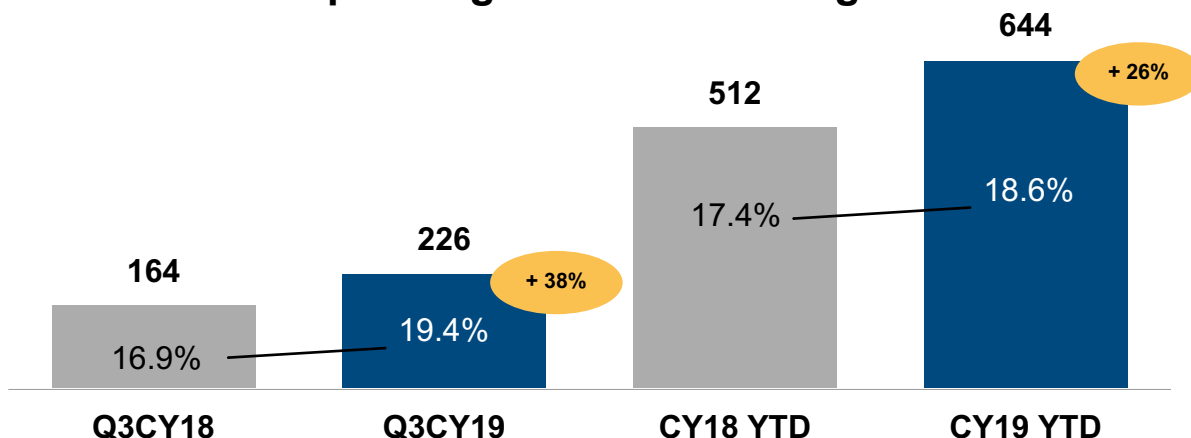


(\$million)

Revenue¹



Operating income and margin¹



- 3Q revenue up 20%; YTD revenue up 18%
 - Increased content wins and production ramp on long term platforms - F-35, F/A-18, F-16
 - Sustained growth in Classified Space
- 3Q operating income up 38%; YTD up 26%
- 3Q margin expanded 250 bps to 19.4%; YTD margin expanded 120 bps to 18.6%
 - Operational excellence and integration savings, partially offset by higher investments
- Q3 B:B 1.05; YTD 1.10

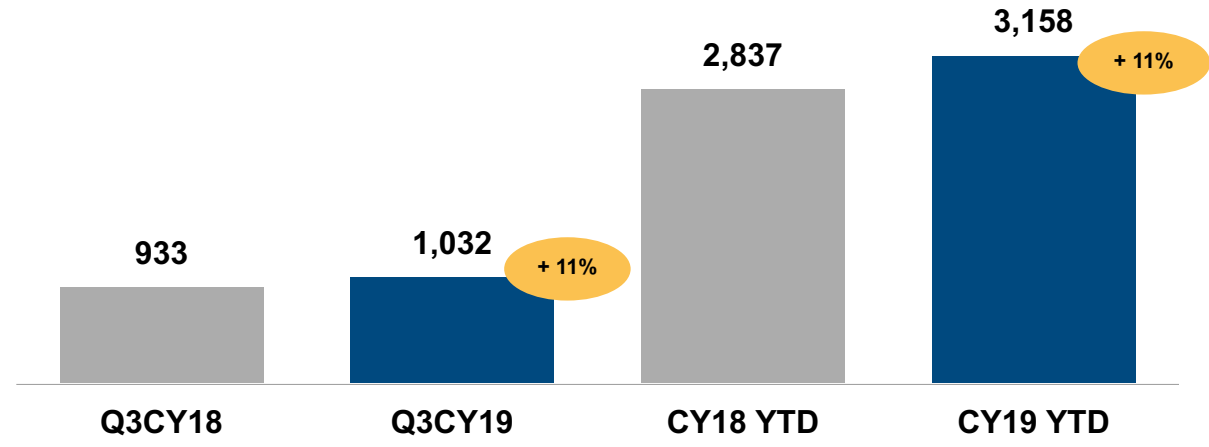
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Communication Systems

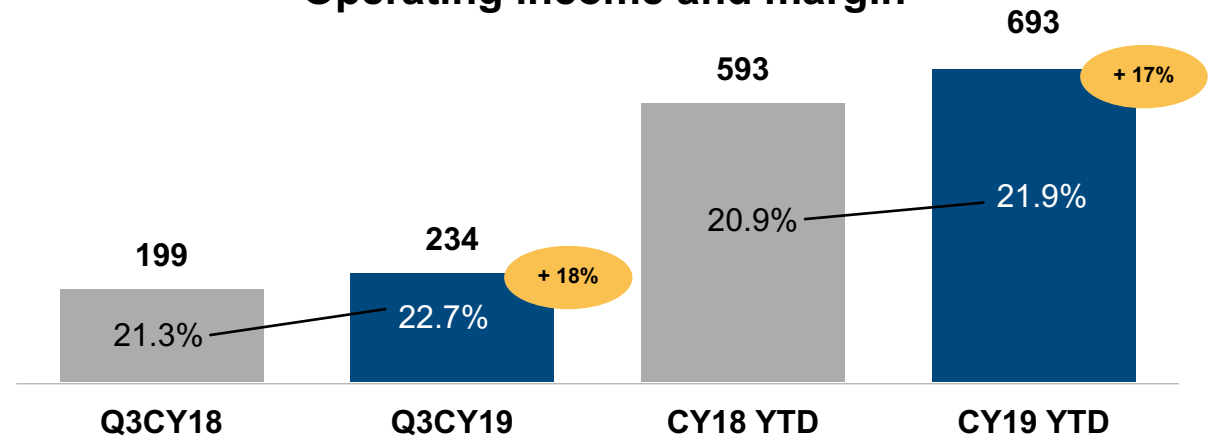


(\$million)

Revenue¹



Operating income and margin¹



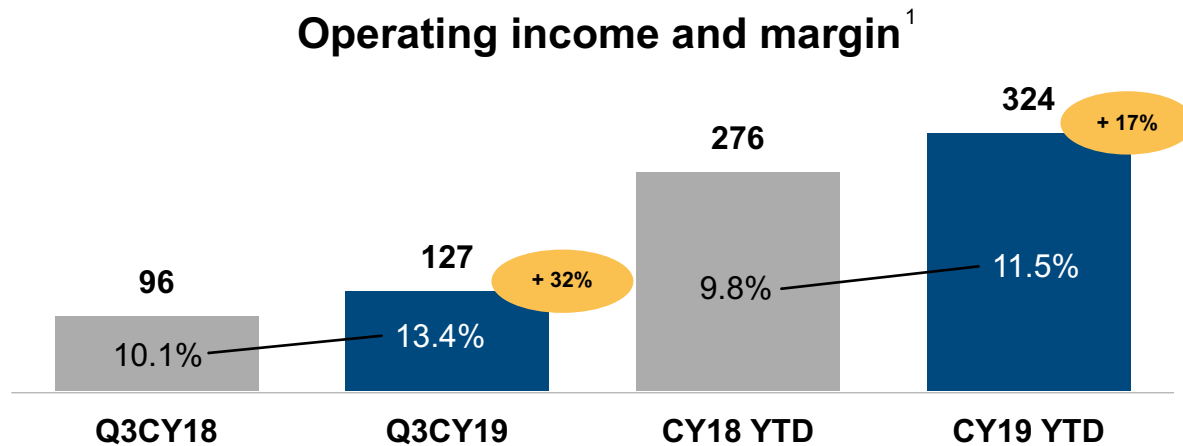
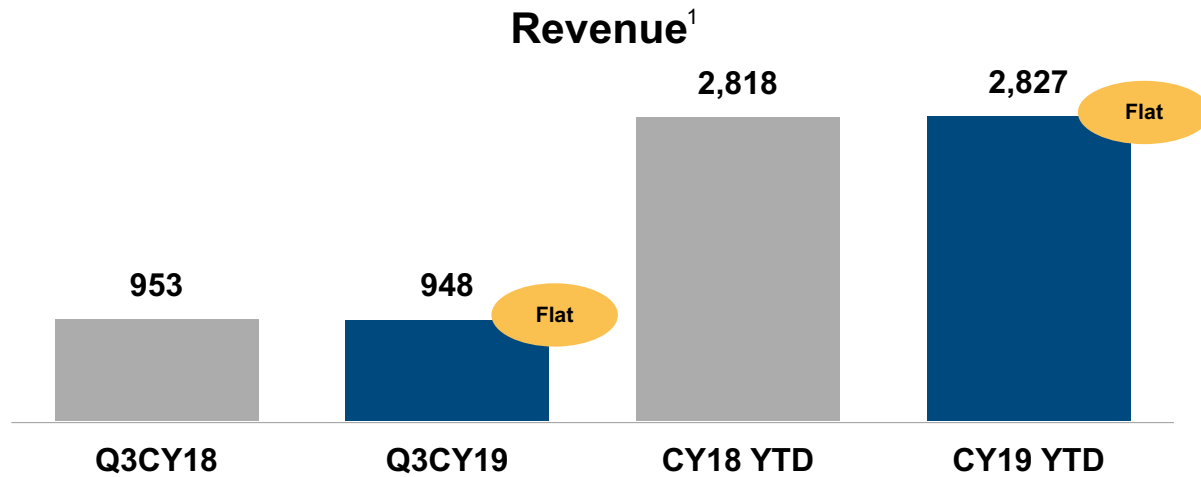
- 3Q and YTD revenue up 11%
 - Tactical Communications revenue up 19% in Q3
 - DoD up 33% and International up 9%
 - Public safety up double digits in Q3
- 3Q operating income up 18%; YTD up 17%
- 3Q margin expanded 140 bps to 22.7%; YTD margin expanded 100 bps to 21.9%
 - Operational excellence and cost synergies more than offset mix impact from modernization
- Q3 B:B 1.36; YTD 1.09

¹To aid with year-over-year comparability due to the new segment structure following the L3Harris merger, all prior-year segment results reflect L3 and Harris combined results for the applicable prior-year period, on the basis described in the Basis of Preparation paragraphs in the appendix, and all calendar 2019 year-to-date segment results include L3 results for the first half of calendar 2019 on the same basis. Refer to the attached tables for actual prior-year and calendar 2019 year-to-date segment results and related reconciliations.

Aviation Systems



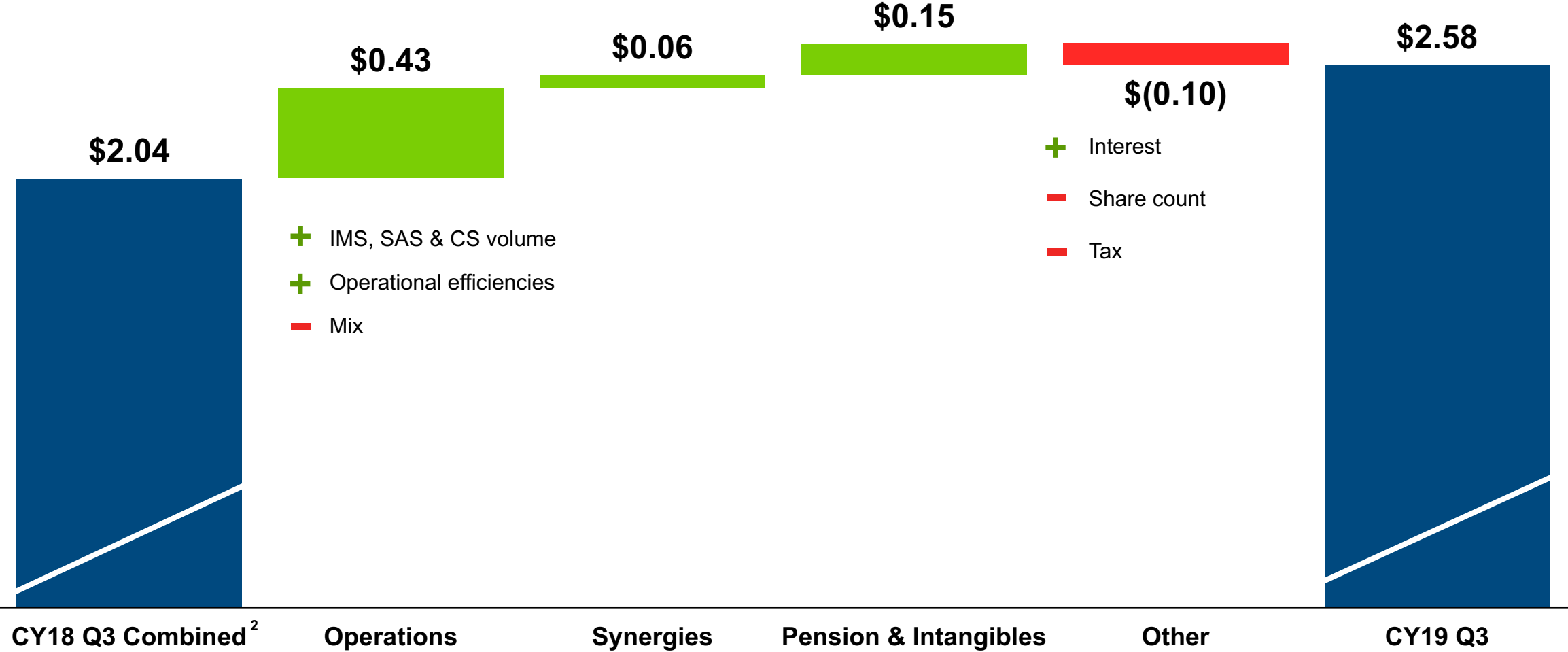
(\$million)



- 3Q and YTD revenue flat
 - Strong growth in Defense driven by fuzing and ordnance
 - Offset by prior year C-17 training loss and lower volume for full flight simulators
- 3Q operating income increased 32%; YTD up 17%
- 3Q margin expanded 330 bps to 13.40%; YTD expanded 170 bps to 11.5%
 - Integration savings and improved operational performance, partially offset by mix
- Q3 B:B 1.16; YTD 1.05

¹To aid with year-over-year comparability due to the new segment structure following the L3Harris merger, all prior-year segment results reflect L3 and Harris combined results for the applicable prior-year period, on the basis described in the Basis of Preparation paragraphs in the appendix, and all calendar 2019 year-to-date segment results include L3 results for the first half of calendar 2019 on the same basis. Refer to the attached tables for actual prior-year and calendar 2019 year-to-date segment results and related reconciliations.

Non-GAAP CY19 Q3 EPS¹ bridge



¹Non-GAAP EPS excludes merger deal and integration costs and amortization of acquisition-related intangibles and gains on sale of divested businesses and other prior-period items. For non-GAAP reconciliations reference other quarterly earnings materials and the L3Harris investor relations website.

²Refer to "Basis of Preparation" in the appendix and non-GAAP reconciliations.

CY 2019 2H revised guidance



Total L3Harris

Revenue¹

up ~10.0%
(vs. up 9.5 - 10.5%)

Margin²

~17.1%
(vs. 16.7%)

EPS²

~\$5.35
(vs. \$4.95 - \$5.05)

FCF³

~\$1.35B
(vs. \$1.30 - \$1.35)

By Segment

Revenue¹

Margin²

IMS

up ~10.5%

~13.3%
(vs. 12.5%)

SAS

up ~15.5%
(vs. up ~11.5%)

~18.8%
(vs. 18.7%)

CS

up ~10.0%
(vs. up ~9.5%)

~22.5%
(vs. 22.1%)

AS

up ~3.0%
(vs. up ~7.0%)

~14.0%

¹Compared with L3 and Harris combined consolidated or applicable segment revenue for CY2018 2H on the basis described in "Basis of Preparation" in the appendix.

²Non-GAAP EPS and adjusted earnings before interest and taxes (EBIT) margin figures exclude, as applicable, merger deal and integration costs, amortization of acquisition-related intangibles and gains on sale of divested businesses. For non-GAAP reconciliations reference other quarterly earnings materials and the L3Harris investor relations website. Segments represent operating margin.

³Adjusted FCF (free cash flow) = operating cash flow less capital expenditures, adding back cash flow for merger deal and integration costs and pension pre-funding and excluding operating cash flow from discontinued operations in prior periods.

CY 2019 Full year revised guidance



Total L3Harris

Revenue¹

up ~10.0%
(vs. up 9.5 - 10.5%)

Margin²

~16.4%
(vs. 16.2%)

EPS²

~\$10.00
(vs. \$9.60 - \$9.70)

FCF³

~\$2.35B
(vs. \$2.30 - \$2.35)

By Segment

Revenue¹

Margin²

IMS

up ~11.2%

~12.7%
(vs. 12.3%)

SAS

up ~16.0%
(vs. up ~13.9%)

~18.5%
(vs. 18.4%)

CS

up ~10.8%
(vs. up ~10.7%)

~22.1%
(vs. 21.8%)

AS

up ~2.0%
(vs. up ~4.0%)

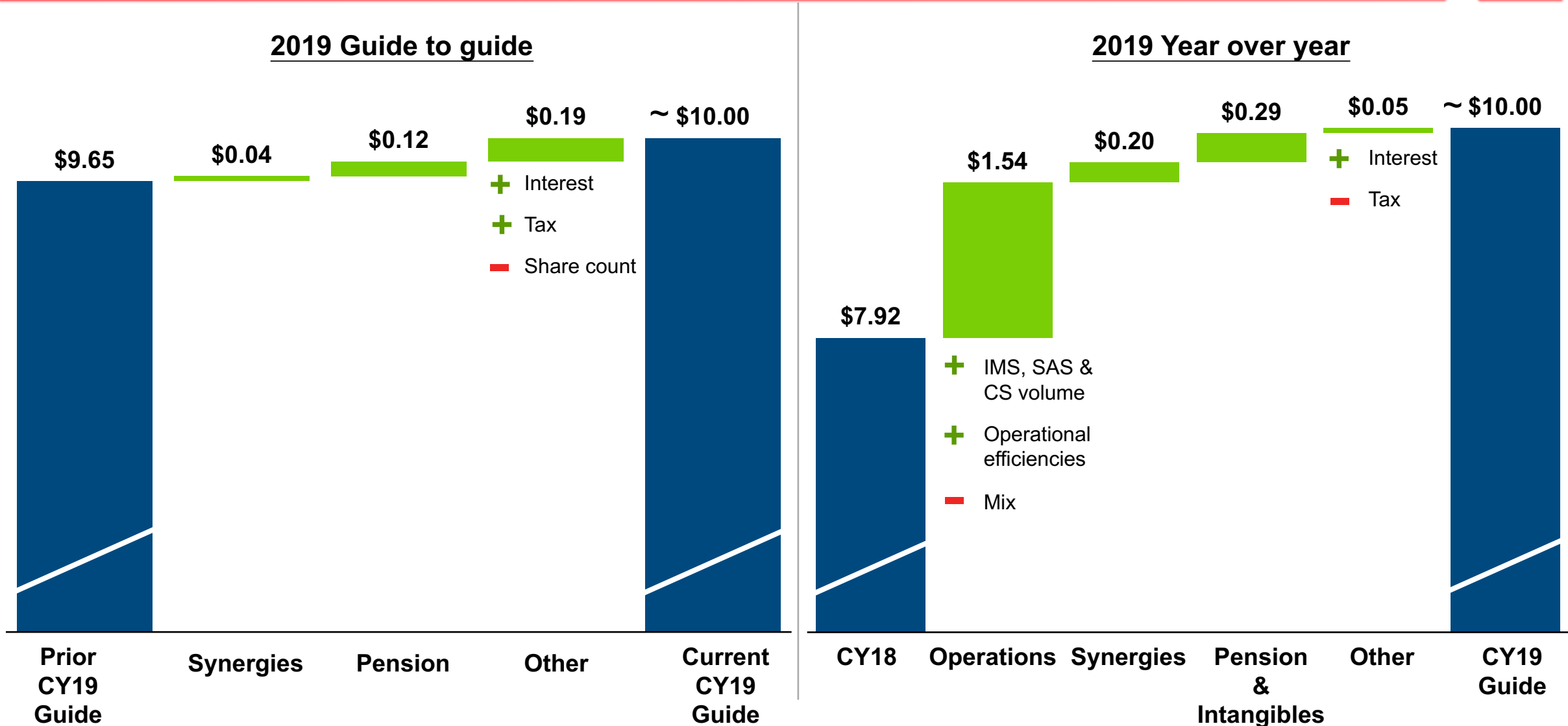
~12.3%

¹Compared with L3 and Harris combined consolidated or applicable segment revenue for CY2018 on the basis described in "Basis of Preparation" in the appendix.

²Non-GAAP EPS and adjusted earnings before interest and taxes (EBIT) margin figures exclude, as applicable, merger deal and integration costs, amortization of acquisition-related intangibles and gains on sale of divested businesses. For non-GAAP reconciliations reference other quarterly earnings materials and the L3Harris investor relations website. Segments represent operating margin.

³Adjusted FCF (free cash flow) = operating cash flow less capital expenditures, adding back cash flow for merger deal and integration costs and pension pre-funding and excluding operating cash flow from discontinued operations in prior periods.

Non-GAAP EPS¹ bridges



¹Non-GAAP EPS excludes merger deal and integration costs and amortization of acquisition-related intangibles and gains on sale of divested businesses and other prior-period items. For non-GAAP reconciliations reference other quarterly earnings materials and the L3Harris investor relations website.

Appendix



Other combined financial information¹



(\$million except noted)

	<u>3Q CY19</u>	<u>2H CY19</u>	<u>2H Prior Guide</u>	<u>CY19</u>
Cost synergies guidance (gross/net)		~\$80/\$50	~\$65/\$40	~\$80/\$50
Net capital expenditures	\$84	~\$190	~\$190	~\$380
Net interest expense	\$58	~\$118	~\$157	~\$265
Minority Interest	\$6	~\$12	~\$14	~\$24
Effective tax rate (non-GAAP)	17.1%	~17.0%	~18.0%	~16.4%
Average diluted shares outstanding (million shares)	225.4	~224.3	~223.5	~224.5

¹Refer to "Basis of Preparation" in the appendix. For reconciliations reference other quarterly earnings materials and the L3Harris investor relations website.

Supplemental L3Harris tactical communications history



	3Q18	4Q18	1Q19	2Q19	3Q19
Orders	504	450	289	488	371
Sales	336	388	407	435	401
DoD	145	172	189	195	193
International	190	216	218	240	208
Funded Backlog¹	1,094	1,151	1,034	1,079	1,049

¹Historical funded backlog and sales have been restated for ASC 606. Funded backlog includes the impact of foreign currency translation.

Basis of Preparation



As supplemental information to aid with year-over-year comparability following the L3Harris merger, L3Harris has included certain unaudited combined L3 and Harris historical financial information, which combines L3 and Harris historical operating results as if the businesses had been operated together during prior periods on the basis of the combined company's four segment structure effective following the merger, but excluding the operating results of Harris' Night Vision business and L3's divested businesses, allocating Harris' corporate department expense to the new segment structure and excluding Harris historical deal amortization (primarily related to Exelis) (the "Supplemental Unaudited Combined Financial Information"). L3Harris current-period adjusted results exclude, and L3Harris intends to continue to exclude in future-period adjusted results, all deal amortization (including L3 historical deal amortization). The Supplemental Unaudited Combined Financial Information have no impact on L3's or Harris' previously reported consolidated balance sheets or statements of income, comprehensive income, cash flows or equity.

For avoidance of doubt, the Supplemental Unaudited Combined Financial Information also was not intended to be, and was not, prepared on a basis consistent with the unaudited pro forma condensed combined financial information in Exhibit 99.7 to L3Harris' Current Report on Form 8-K filed July 1, 2019 with the U.S. Securities and Exchange Commission (the "Pro Forma 8-K Filing"), which provides the pro forma financial information required by Item 9.01(b) of Form 8-K, or other pro forma financial information prepared in accordance with Article 11 of Regulation S-X that may be included in L3Harris periodic reports filed with the SEC (collectively with the pro forma information in Exhibit 99.7 to the Pro Forma 8-K Filing, the "Pro Forma Financial Information"). For instance, the Supplemental Unaudited Combined Financial Information does not give effect to the L3Harris merger under the acquisition method of accounting in accordance with Financial Accounting Standards Board ("FASB") Accounting Standard Codification Topic 805, Business Combinations ("ASC Topic 805"), with Harris treated as the legal and accounting acquirer, and was not prepared to reflect the merger as if it occurred on the first day of any of the fiscal periods presented. The Supplemental Unaudited Combined Financial Information has not been adjusted to give effect to pro forma events that are (1) directly attributable to the merger, (2) factually supportable, or (3) expected to have a continuing impact on the combined results of L3 and Harris. More specifically, other than excluding the operating results of Harris' Night Vision business and L3's divested business, allocating Harris' corporate department expense to the new segment structure and excluding Harris historical deal amortization (primarily related to Exelis), the Supplemental Unaudited Combined Financial Information does not reflect the types of pro forma adjustments in the Pro Forma Financial Information. Consequently, the Supplemental Unaudited Combined Financial Information is intentionally different from, but does not supersede, the Pro Forma Financial Information.

In addition, the Supplemental Unaudited Combined Financial Information does not purport to indicate the results that actually would have been obtained had the L3 and Harris businesses been operated together on the basis of the combined company's four segment structure during the periods presented, or which may be realized in the future.

Amounts Adjusted for Certain Items - The Supplemental Unaudited Combined Financial Information includes amounts adjusted for certain items, including revenue, earnings per diluted share from continuing operations, earnings before interest and taxes ("EBIT") and EBIT margin, and cash flow, in each case as adjusted to exclude merger-related deal and integration costs, amortization of Harris acquisition-related intangibles and certain other items previously reported by L3 or Harris, as applicable, for prior periods. Such amounts should be viewed in addition to, and not in lieu of, revenue, earnings per diluted share from continuing operations, EBIT and EBIT margin, cash flow and other financial measures on an unadjusted basis. Other quarterly earnings materials and the L3Harris investor relations website provide a reconciliation of adjusted amounts with the most directly comparable unadjusted amount. L3Harris management believes that these adjusted amounts, when considered together with the unadjusted amounts, provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionate positive or negative impact on results in any particular period. L3Harris management also believes that these adjusted amounts enhance the ability of investors to analyze trends in L3Harris' business and to understand L3Harris' performance. In addition, L3Harris may utilize adjusted amounts as guides in forecasting, budgeting and long-term planning processes and to measure operating performance for some management compensation purposes. Adjusted amounts should be considered in addition to, and not as a substitute for, or superior to, unadjusted amounts.