FISCAL 2016 SECOND QUARTER EARNINGS CALL PRESENTATION

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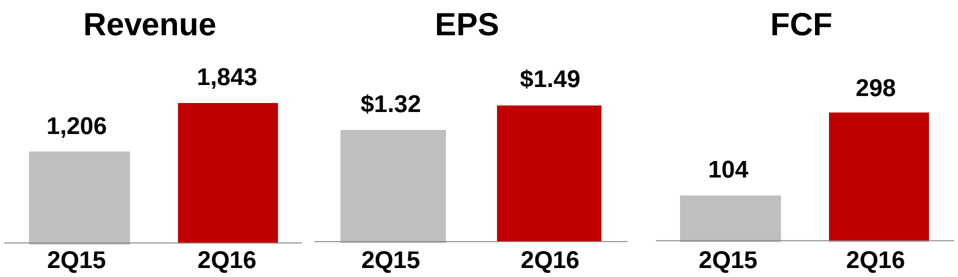
The company's consolidated results, future trends and forward-looking statements could be affected by many factors, risks and uncertainties, including but not limited to: the loss of the company's relationship with the U.S. Government or a change or reduction in U.S. Government funding; potential changes 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 continued effects of the general weakness in the global economy and U.S. Government's budget deficits and national debt and sequestration; 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 (including achieve estimated synergy savings and realize other expected benefits), the actual amount and timing of integration and other acquisition-related charges and 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; increased indebtedness and significant 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; sustained weakness or volatility in oil or natural gas prices or negative expectations about future prices or volatility; changes in the regulatory framework that applies to, or of satellite bandwidth constraints on, the company's managed satellite and terrestrial communications solutions; 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; and 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.

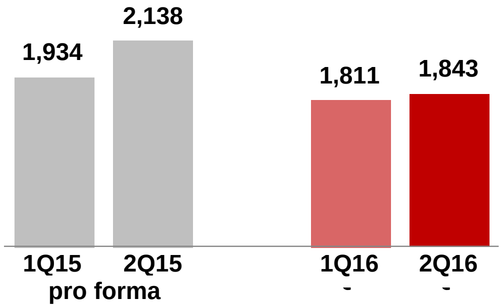
2Q16 summary

($million, except per share amounts)

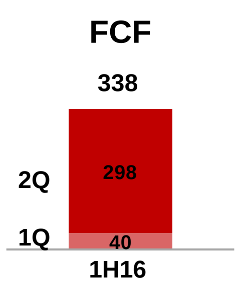
Reported 2Q16

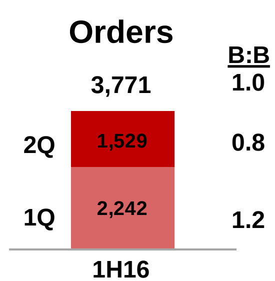


2Q organic revenue compare



Reported 1H





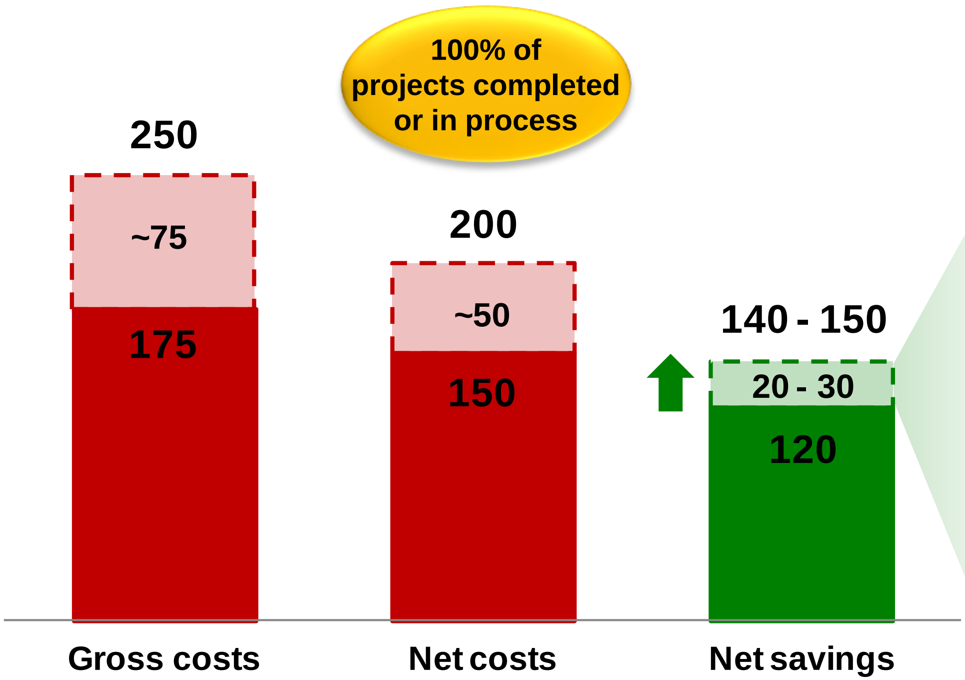
- **2Q EPS solid; FCF particularly strong**
- **Fiscal 16 unfolding about as anticipated w/ acquisition effects driving accretion**
- **2Q soft revenue environment; organic revenue compare difficult due to Exelis**
- **1H B:B of 1**
- **1H FCF supporting deleverage priority; reduced term debt $350M in 1H**
- **Portfolio shaping continuing – plan to divest Aerostructures**
- **Adapting to market conditions; adjusting cost structure – $20-25M FY17 savings**
- **Run-rate integration cost savings increased from $120M to $140-150M**

For fiscal 16 reference non-GAAP reconciliation on the Harris investor relations website.

Integration savings exceeding expectations

($million)

Increased run-rate savings – from $120M to $140-150M exiting fiscal 17



Footprint rationalization

- Multiple locations
- Reducing footprint

Supply chain

- Price arbitrage
- Volume leverage
- Should-cost analysis
- Value engineering

2Q16 GAAP to non-GAAP

($million, except per share amounts)

	2Q16	
	$ after-tax	**EPS**
GAAP loss from continuing operations	(135)	(1.09)
Non-cash write-down of goodwill and other assets ($367M pre-tax)	328	2.63
Acquisition-related		
Net liability reduction for certain post-employment benefit plans ($101M pre-tax)	(63)	(0.50)
Integration costs ($43M pre-tax)	31	0.25
Inventory step-up costs ($3M pre-tax)	2	0.01
Restructuring and other charges ($35M pre-tax)	24	0.19
Non-GAAP income from continuing operations	**187**	**1.49**

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Communications Systems

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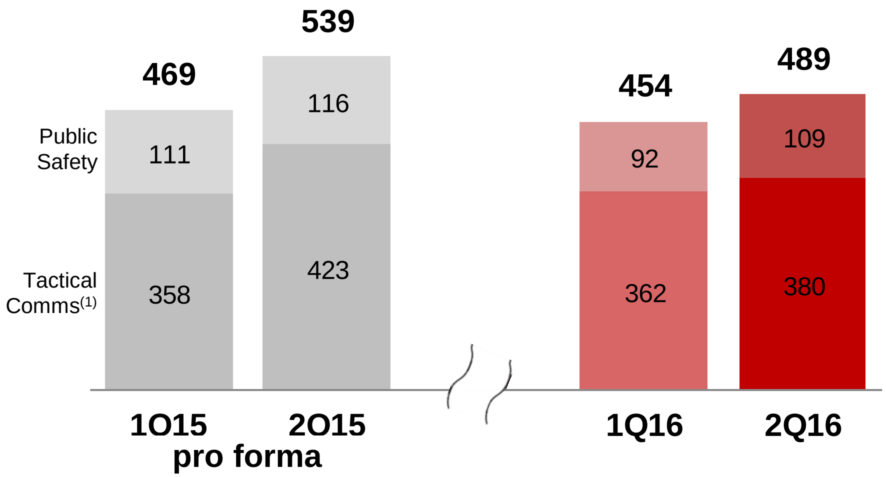
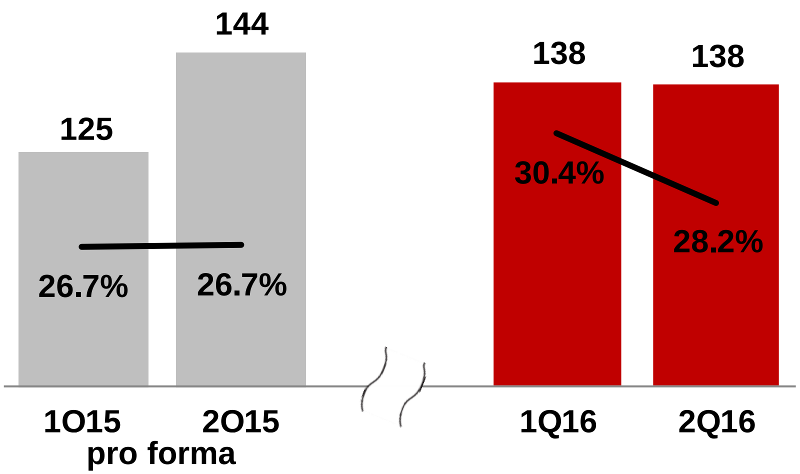
($million)

Revenue



Operating income and margin



- **Segment revenue down 9%**
  - **Tactical Comms[1] down 10%**
  - **HRS legacy tactical about flat**
    - **International up 10%**
    - **International 1H B:B of .99**
  - **Weak revenue in Exelis legacy night vision and comms products**
- **Public Safety revenue down 6%**
  - **Orders up >30% and B:B > 1**
  - **$20M order Arizona Public Service Co, state's largest electric utility**
  - **$18M order U.S. Air National Guard for latest product offering, the multiband XL-200P radio**

[1] Tactical Communications includes legacy Exelis Night Vision and Communications products
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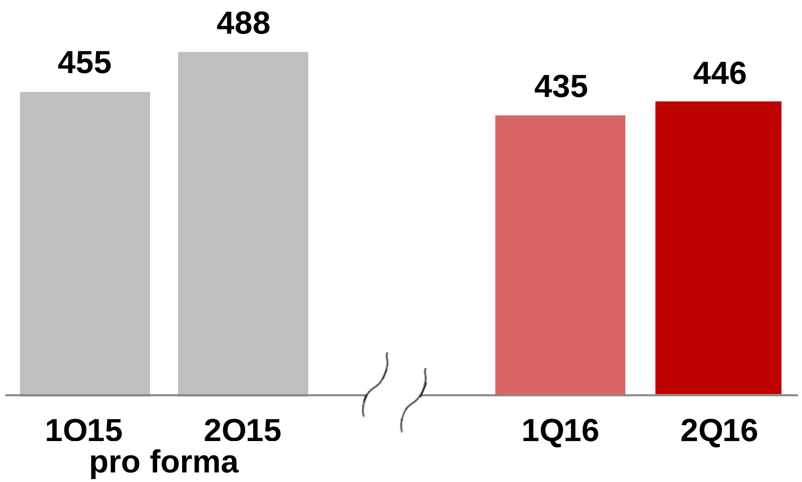
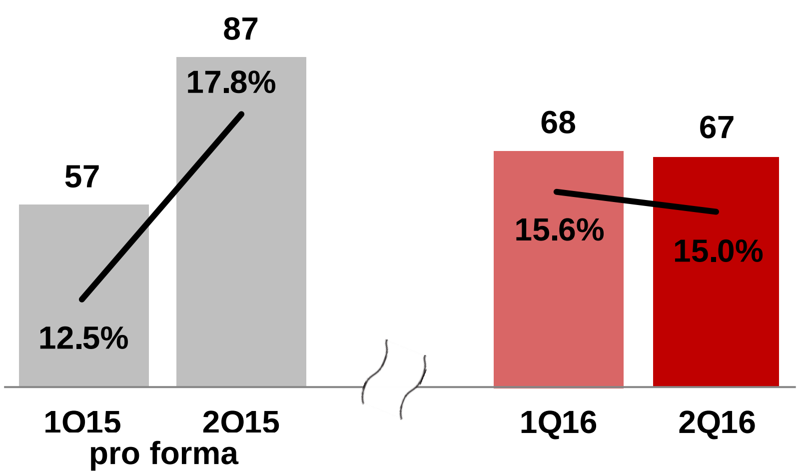
Space and Intelligence Systems

($million)

Revenue



Operating income and margin



- **Segment revenue down 9%**
  - **Lower revenue from completion of classified programs and GPS III**
  - **Higher revenue from 2 classified programs, including FGCM**
- **Healthy classified orders of $172M on top of 1Q wins**
- **$23M contract win in space superiority**
  - **U.S. defense priority with $8B of additional funding over 5 years**
- **Following close, $316M follow-on contract for weather payloads for JPSS 3/4**

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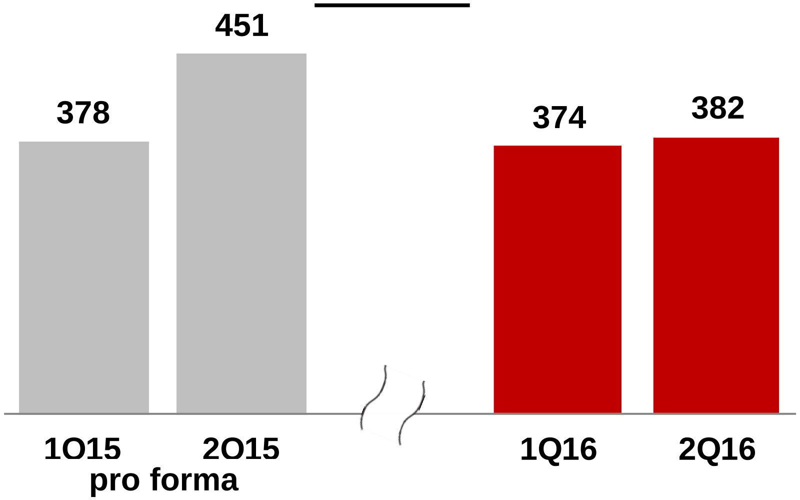
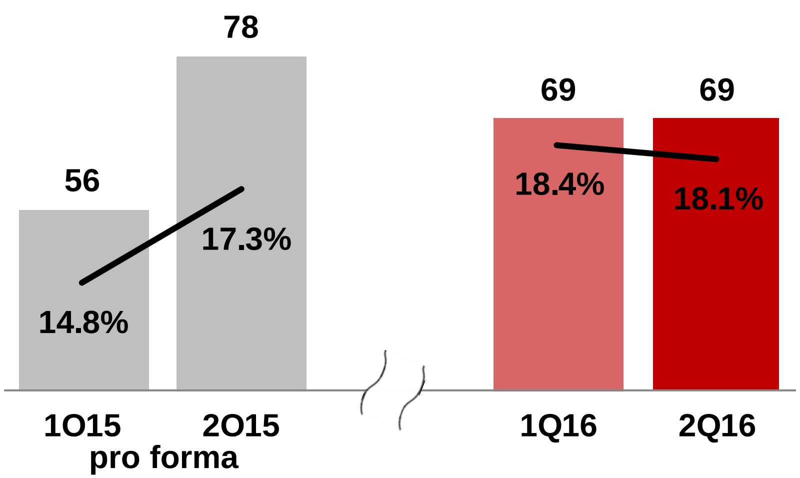
Electronic Systems

($million)

Revenue



Operating income and margin



- **Segment revenue down 15%**
  - **Lower electronic warfare**
  - **Higher revenue from F-35 ramp**
- **2Q wins**
  - **$19M order U.S. Air Force B-1B for electronic warfare**
  - **5-year, $28M Navy contract for repair services for IDECM**
  - **$46M of F-35 follow-on contracts**
- **Plan to divest Aerostructures**

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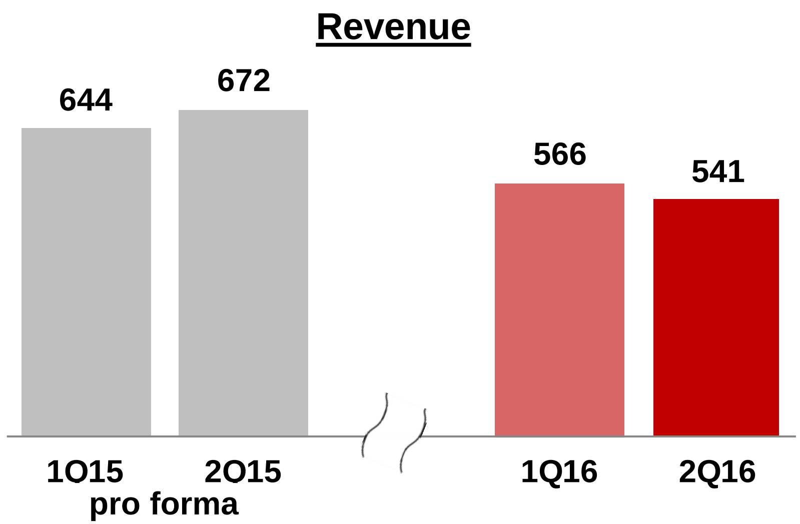
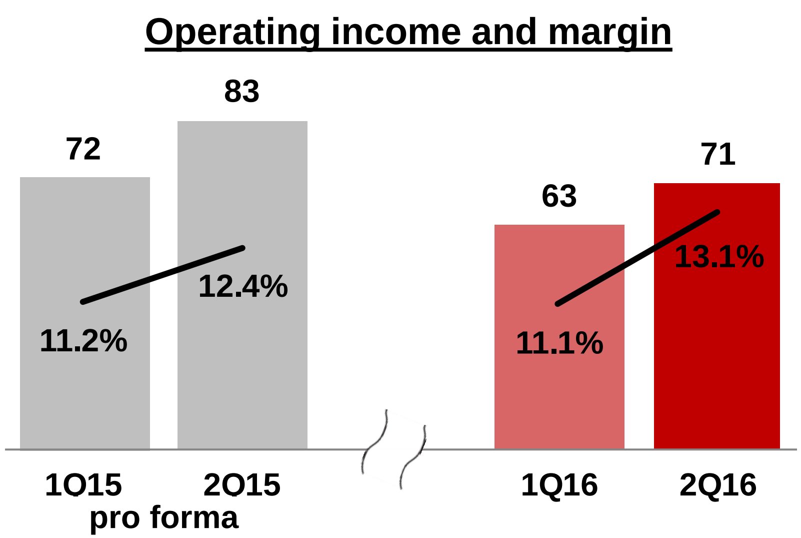
Critical Networks

($million)





- **Segment revenue down 19%**
  - **Lower revenue in government IT services and CapRock energy**
  - **Higher FAA revenue driven by NextGen modernization**
- **IT services B:B >1 in 2Q and 1H**
- **CapRock weak but diversification strategy helping**
  - **Cruise revenue offsetting some of energy weakness…bringing volume leverage for bandwidth purchases**
  - **restructuring to align with market conditions**

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Fiscal 2016 outlook

($million, except revenue and per share amounts)

Guidance	Previous Fiscal 16		Revised Fiscal 16	
	$ pre-tax	EPS	$ pre-tax	EPS
Revenue	$ 7,670 - 7,830		$ 7,600 - 7,680	
GAAP EPS from continuing operations		$ 5.25 – 5.45*		$ 2.80 – 2.90*
Non-cash write-down of goodwill and other assets			367	$ 2.63
Acquisition-related				
Net liability reduction for certain post-employment benefit plans			(101)	$ (0.50)
Integration costs	60 - 65	~$ 0.30*	100 - 105	~$ 0.53*
Inventory step-up costs	~10	~$ 0.05*	~10	~$ 0.05*
Restructuring and other charges			35	$ 0.19
Non-GAAP EPS from continuing operations		$ 5.60 – 5.80*		$ 5.70 – 5.80*

Other information

Other information	Previous Fiscal 16	Revised Fiscal 16
Synergy savings	$ 70 - 75	$ 70 - 75
Amortization of Exelis acquisition intangibles	~133	~133
Net interest expense	~185	~185
Effective tax rate - GAAP	~34%	~45%
Effective tax rate - non-GAAP	~34%	~32.5%
Average diluted share count	~125.1 M	~125.0 M
Capital expenditures	~200	~200
Free cash flow	~750	~750

* Amounts could change as a result of any further actions related to the Exelis acquisition

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Fiscal 2016 segment outlook

($million)

Other information	Revenue			Non-GAAP segment operating margin		
	FY15 pro forma	**Previous FY16**	**Revised FY16**	**FY15 pro forma**	**Previous FY16**	**Revised FY16**
Harris Corporation	$ 8,085	down 3 to 5%	down 5 to 6%			
Communication Systems	$ 2,125	down 2 to 3%	down 2 to 3%	29.0%	29.5% – 30.5%	29.5% – 30.5%
Space & Intelligence Systems	$ 1,883	up 0 to 2%	up 0 to 2%	13.7%	15.5% – 16.5%	15.0% – 15.5%
Electronic Systems	$ 1,586	down 1 to up 1%	down 2 to 3%	14.4%	18% – 19%	18% – 19%
Critical Networks	$ 2,540	down 10 to 12%	down ~14%	10.9%	11% – 12%	11% – 12%

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