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L3HARRIS CY2020 FIRST QUARTER EARNINGS CALL PRESENTATION

May 5, 2020

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 (and related bridge), margin, free cash flow, segment and other guidance for calendar

COVID-19 risk mitigation

Ensuring the safety of our workforce

- Mandated work from home for those who can
- Staggered shifts, partitioned work stations and enforced stringent cleaning protocol
- Implemented health screenings at most locations and provided personal protective equipment

Engaging customers and supply chain

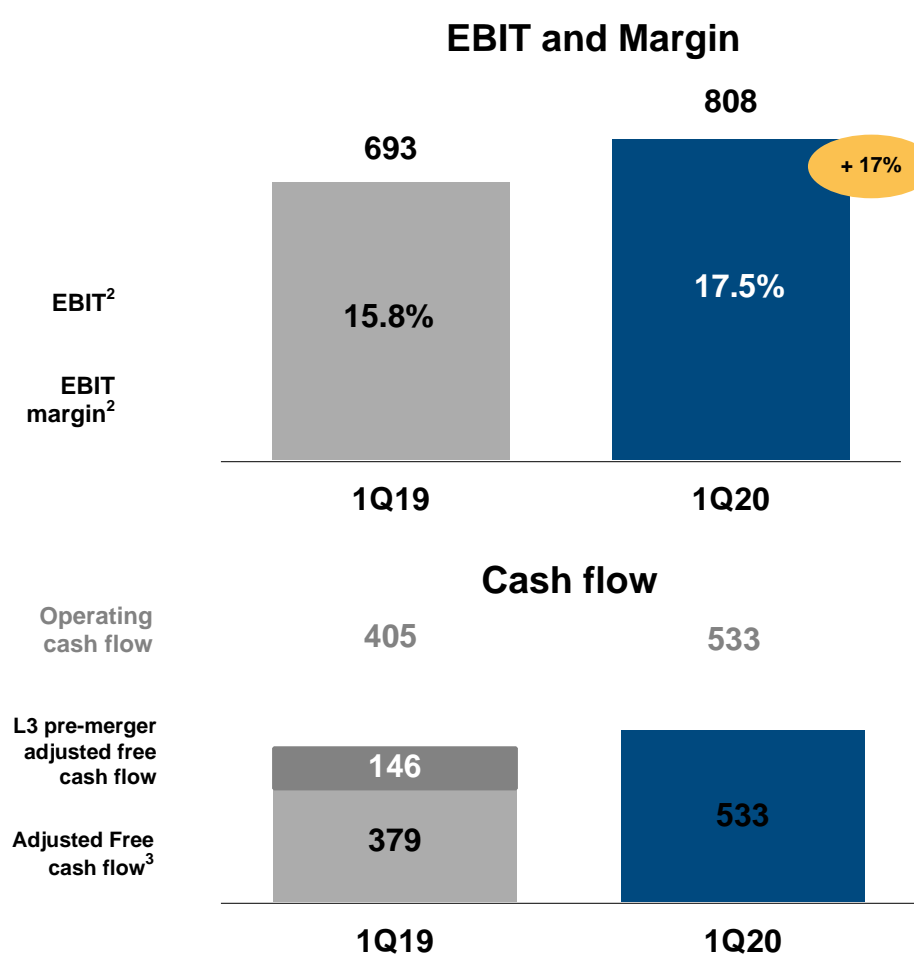
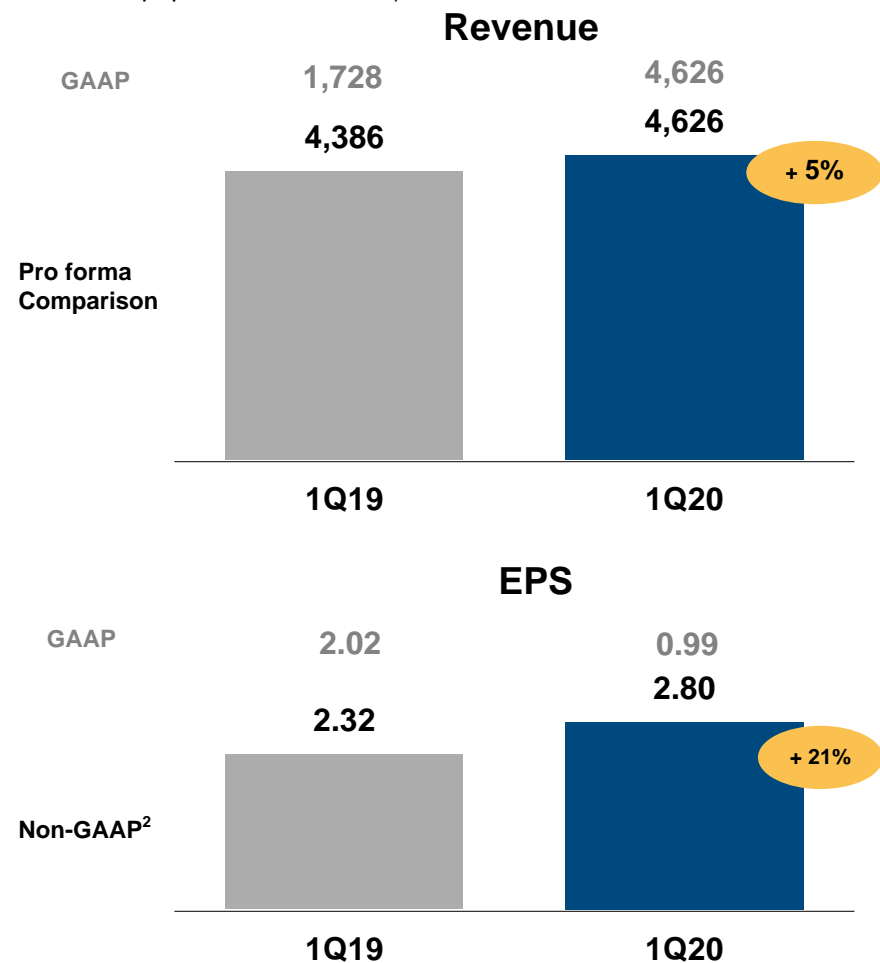
- L3Harris and its suppliers deemed essential to national security
- Flowing down over \$100 million in cash to supplier base, aided by progress payment increase from 80% to 90%
- Potential tax deferral benefits through CARES Act

Solidifying healthy balance sheet

- \$2B credit revolver largely available and \$663M in balance sheet cash at Q1, with leverage at ~2.0x
- Incremental ~\$1B in divestiture proceeds received
- Anticipate liquidity of more than \$3.5B by Q2-end

Solid 1Q20 financials¹

(\$million, except per share amounts)



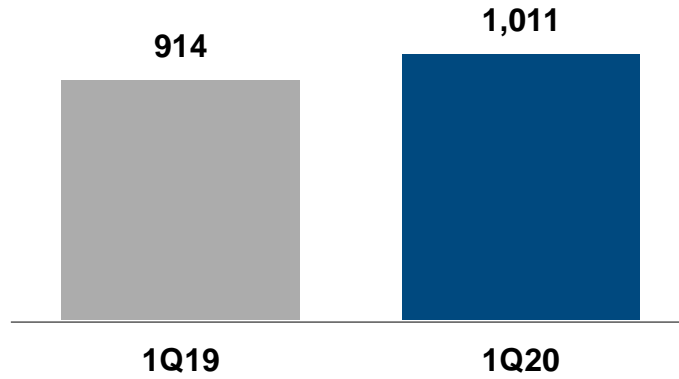
¹Comparisons are to prior-year pro forma or adjusted pro forma results; "pro forma" refers to the applicable prior-year result in the pro forma condensed combined income statement information (prepared in a manner consistent with Article 11 of Regulation S-X) included in L3Harris' Current Report on Form 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, amortization of acquisition-related intangibles, impairment of goodwill and other assets and other COVID-19 related charges and other items; refer to non-GAAP financial measure reconciliations in other quarterly earnings materials and the L3Harris investor relations website.

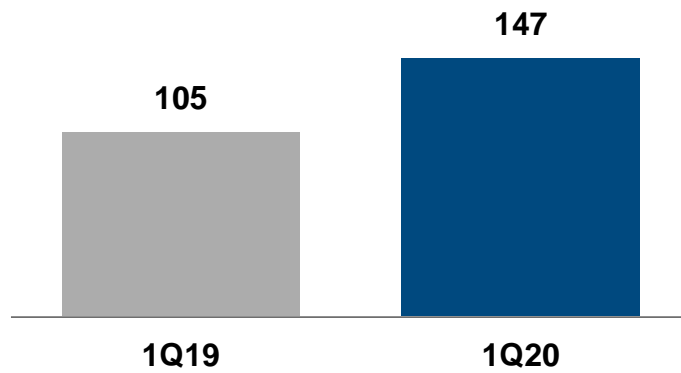
³Adjusted free cash flow is operating cash flows less capital expenditures and adjusted to add back cash flow for merger deal and integration costs; refer to non-GAAP financial measure reconciliations in other quarterly materials and the L3Harris investor relations website.

Aviation Systems¹

Revenue



Operating income and margin



2020 full-year revised guidance

Total L3Harris

Organic revenue¹

up 3.0 - 5.0%

Margin²

~17.50%

EPS²

\$11.15 - \$11.55

FCF³

\$2.6 - \$2.7B
(unchanged)

By Segment

Organic revenue¹

Margin²

IMS

up 5.5 - 7.0%

~13.50%

SAS

up 6.0 - 7.5%
(vs. up 5.5 - 7.5%)

~18.75%

CS

up 3.5 - 5.0%

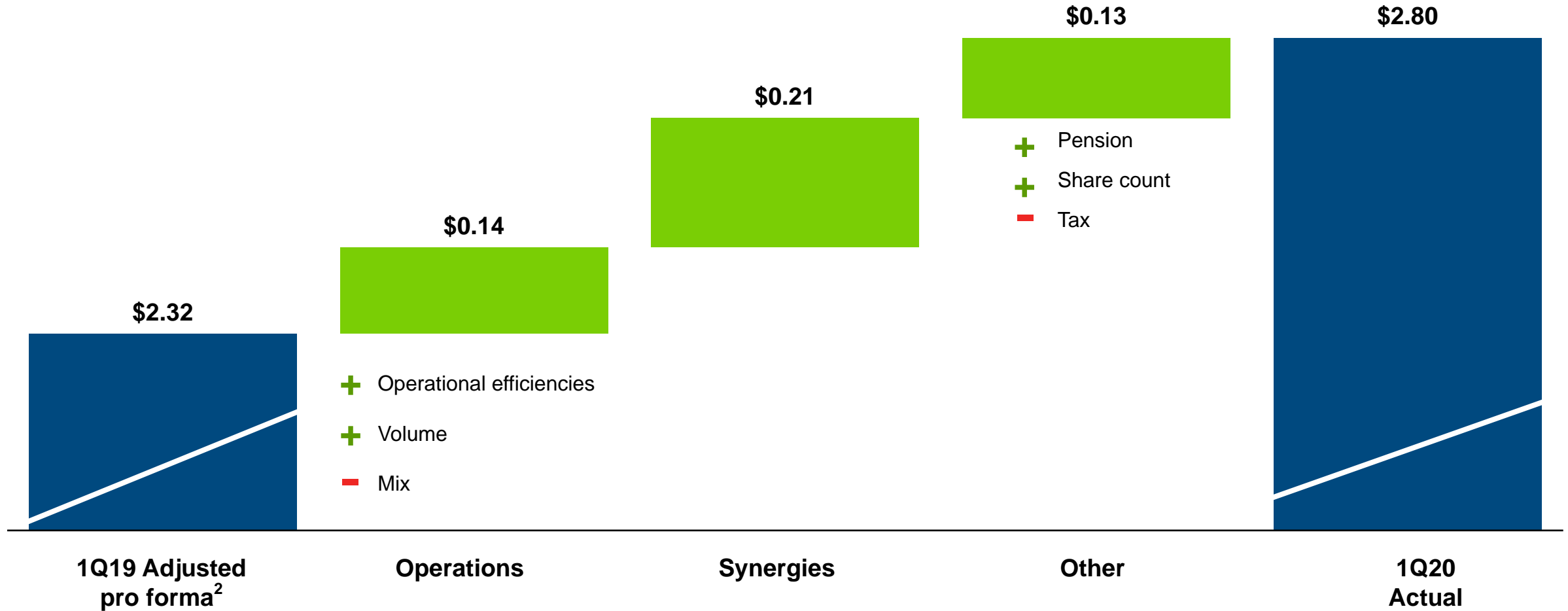
~23.75%

AS

down 1.0 - 5.0%

~13.25%

Non-GAAP 1Q20 EPS¹ bridge



¹Non-GAAP EPS excludes discontinued operations, as applicable, merger deal and integration costs, goodwill and other impairments and amortization of acquisition-related intangibles and other prior-period items; refer to non-GAAP financial measure reconciliations in other quarterly earnings materials and the L3Harris investor relations website.

²Adjusted 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, 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.

Non-GAAP 2020 guidance EPS¹ bridges

2020 EPS guidance bridge

¹Non-GAAP EPS and adjusted earnings before interest and taxes (EBIT) margin figures excludes discontinued operations, as applicable, merger deal and integration costs, goodwill and other impairments and amortization of acquisition-related intangibles and other prior-period items; refer to non-GAAP financial measure reconciliations in other quarterly earnings materials and the L3Harris investor relations website.

Appendix

Other financial information

(\$million except noted)

	<u>1Q19¹</u>	<u>1Q20</u>	<u>CY19¹</u>	<u>CY20 Guide</u>
Cost synergies (net)	\$0	\$55	\$65	~\$165
Net interest expense	\$67	\$63	\$253	~\$255
Integration expenses	\$12	\$31	\$244	~\$158
Effective tax rate (non-GAAP)	15.7%	17.0%	16.4%	~17%
Noncontrolling interests, net of income taxes ²	\$6	\$5	\$24	~\$24
Average diluted shares outstanding (million shares)	224.9	219.3	224.5	~217
Net capital expenditures	\$37	\$48	\$267	~\$400

¹1Q19 and first half of CY19 reflect 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

Supplemental L3Harris tactical communications history

(\$million)

	<u>1Q19</u>	<u>2Q19</u>	<u>3Q19</u>	<u>4Q19</u>	<u>1Q20</u>
Orders	289	488	371	486	450
Sales	407	435	401	435	454
DoD	189	195	193	227	270
International	218	240	208	208	184
Funded Backlog¹	1,034	1,079	1,049	1,100	1,096

¹Funded backlog includes the impact of foreign currency translation.