March 2, 2016

2016 INVESTOR CONFERENCE

New York
<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Presenter(s)</th>
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<tr>
<td>10:00</td>
<td>Introduction</td>
<td>Dave Cote</td>
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<tr>
<td>10:30</td>
<td>HOS Gold / Software</td>
<td>Andreas Kramvis, Krishna Mikkilineni</td>
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<tr>
<td>10:50</td>
<td>High Growth Regions</td>
<td>Shane Tedjarati, Anant Maheshwari</td>
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<td>11:20</td>
<td>Lunch And Technology Demo</td>
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<tr>
<td>12:05</td>
<td>Performance Materials and Technologies</td>
<td>Darius Adamczyk, Rajeev Gautam, Vimal Kapur</td>
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<td>12:35</td>
<td>Automation and Control Solutions</td>
<td>Alex Ismail, John Waldron</td>
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<td>1:20</td>
<td>Break And Technology Demo</td>
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<tr>
<td>1:45</td>
<td>Aerospace</td>
<td>Tim Mahoney, Bob Smith, Terrence Hahn</td>
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<td>2:15</td>
<td>Financial Review</td>
<td>Tom Szlosek</td>
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<tr>
<td>2:50</td>
<td>Closing Remarks</td>
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</table>
This report contains “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of fact, that address activities, events or developments that we or our management intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements. Forward-looking statements are based on management's assumptions and assessments in light of past experience and trends, current economic and industry conditions, expected future developments and other relevant factors. They are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by our forward-looking statements. Our forward-looking statements are also subject to risks and uncertainties, which can affect our performance in both the near- and long-term. We identify the principal risks and uncertainties that affect our performance in our Form 10-K and other filings with the Securities and Exchange Commission.

This presentation includes non-GAAP measures and the related reconciliations are included in the presentation.

Definition Of Core Organic
Throughout this presentation, core organic sales growth refers to reported sales growth less the impacts from foreign currency translation, M&A and raw materials pass-through pricing in the Resins & Chemicals business of PMT. The raw materials pricing impact is excluded in instances where raw materials costs are passed through to customers, which drives fluctuations in selling prices not tied to volume growth. A reconciliation of core organic sales growth to reported sales growth is provided in the Appendix.

Peer Comparison
Peer comparisons are done using certain non-GAAP financial information that both Honeywell and each peer company utilizes in its financial disclosure and investor presentations. Each peer company adjusts its GAAP financial results in a different manner and their presentation of this non-GAAP information is subject to change from time to time.
INTRODUCTION

March 2, 2016

Dave Cote, Chairman & CEO
HON / UTX Combination

• Compelling industrial logic for complementary businesses in a very doable transaction
  - UTX agreed in May 2011 and April 2015
• Made very good, full and fair offer on February 19 that would have added considerable value for both sets of shareowners
  - $3.5 billion in cost synergies (~4% of total sales, 6% of UTX sales)
  - HON management practices
    ▪ Software, BCC, HOS Gold, Cost management
  - Maintain strong investment grade debt rating
  - Create an excellent core growth portfolio
• We saw it as an opportunity to add value even beyond our terrific standalone growth prospects
  - Example large deal successes: Exxon/Mobil, Glaxo/SmithKline, AT&T/Bellsouth, AB/InBev, JPMorgan Chase/Bank One … many across multiple industries
• But … Given UTX management doesn’t want to engage, there is no sense in continuing
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  • BTW … shares sale question
### Aircraft Sensors
- Honeywell
- Meggitt
- Parker Hannifin
- Transdigm
- United Technologies
- Zodiac Aerospace
- + More

### Interior Lighting
- Astronics
- B/E Aerospace
- Dhei Aerospace Systems
- Finmeccanica
- Koito Manufacturing
- Meggitt
- United Technologies
- Zodiac Aerospace

### Engine Starting
- BAE Systems
- GE
- Honeywell
- Parker Hannifin
- Safran / Microturbo / Labinal
- United Technologies
- + More

### Engine Controls
- BAE Systems
- Fadec International
- Honeywell
- Safran / Sagem
- Triumph
- United Technologies
- Woodward Governor

### Engine Starting
- BAE Systems
- GE
- Honeywell
- Parker Hannifin
- Safran / Microturbo / Labinal
- United Technologies
- + More

### Exterior Lighting
- Astronics
- Finmeccanica
- Honeywell
- Koito Manufacturing
- Meggitt
- United Technologies
- Zodiac Aerospace

### Engine Gearboxes
- BAE Systems
- GE
- Honeywell
- Meggitt
- Rockwell Collins
- Thales
- + More

### Air Management Systems
- AVIC EM (China)
- Honeywell
- Liebherr
- United Technologies
- Zodiac Aerospace

### Ram Air Turbine
- AVIC EM (China)
- BAE Systems
- GE
- Honeywell
- Liebherr
- Meggitt
- Moog
- Parker Hannifin
- Safran
- United Technologies
- + More

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- + More
Honeywell Growth Prospects Are Considerable
And We Look Forward to Telling That Story Today
Key Messages

• Outperformed Again In 2015… Same Will Be True 2016, 2017, 2018

• Business Model Works
  - Portfolio  Great Foundation
  - Process  Inexhaustible Improvement
  - Culture  Sustainability

• Organic Growth Inflection Begins End Of 2016… Stronger 2017

• Margin Rate Expansion Continues

• Capital Deployment Strong… Strong Cash Generation
  - 15% Dividend Growth Again Last Year
  - $6B In Acquisitions

• Software Capability Strong And Growing
HON Business Model

One Honeywell Culture

- 5 Initiatives / 12 Behaviors
- Management Resource Review
  - CEO Interviews Top 200 Roles
- Customer Focused
- Trick Is In The Doing
  - The Machinery Needs To Work
  - Go Slow To Go Fast
  - Achieve Two Seemingly Conflicting Things
- Constantly Evolving
- One Honeywell
- Innovation Mindset

Portfolio

- Great Positions In Good Industries
- Diversity Of Opportunity
- M&A Upgrades Growth Portfolio
- Balanced Portfolio
  - Long / Short Cycle
  - Early / Mid / Late Cycle
- Globalization Continues

Processes

- HOS Gold
  - Initiatives Integrated
  - Breakthrough Goals
- Functional Transformation
- Software Development

Consistent Business Model That Generates Results
Five Year Plan Status

($B)

Sales

- **2013**: $39.1
- **2016E**: $39.9 - $40.9
- **2018T**: $46 - $51

Segment Margin Rate

- **2013**: 16.3%
- **2016E**: 18.9% - 19.3%
- **2018T**: 18.5% - 20.0%

• **Headwinds** – Currency, FM Divestiture, World GDP
• **Tailwinds** – Acquisitions, Inflections

Growth Inflection Begins End Of 2016

High End Of Range Trajectory

• **Headwinds** – Acquisitions Amortization, Deal Costs
• **Tailwinds** – Initiatives Working **Very** Well
Portfolio – Great Positions In Good Industries

Sales Reflect 2016E, Including Impact Of Acquisitions

Positioned In Good End Markets With Diversity Of Opportunity
## End Market Update

<table>
<thead>
<tr>
<th>End Market</th>
<th>HON Exposure</th>
<th>End Market Performance</th>
<th>HON Position</th>
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<tbody>
<tr>
<td><strong>Homes &amp; Buildings</strong></td>
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<tr>
<td></td>
<td></td>
<td>• Resi/Comm’l Construction Spend Steady</td>
<td>Global Leader In Security &amp; Fire</td>
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<tr>
<td></td>
<td></td>
<td>• HGR Growth In Urbanization And Infrastructure</td>
<td>Multi-Brand, Multi-Channel</td>
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<td><strong>Commercial Aero</strong></td>
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<tr>
<td></td>
<td></td>
<td>• ATR OE Build Rates Ramp</td>
<td>Well Positioned On The Right Platforms</td>
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<tr>
<td></td>
<td></td>
<td>• Flight Hours Growing, Airlines More Efficient</td>
<td>All-In-One Connectivity Solutions Pioneer</td>
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<td><strong>Oil &amp; Gas</strong></td>
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<tr>
<td></td>
<td></td>
<td>• Capex/Opex Budgets Reduced</td>
<td>Expanding Software And Aftermarket Solutions</td>
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<td></td>
<td></td>
<td>• Oil At $30, Focus On Asset Optimization</td>
<td>Capacity Expansion To Support Catalyst Demand</td>
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<td><strong>Defense &amp; Space</strong></td>
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<td></td>
<td></td>
<td>• Increasing U.S. DoD Budgets</td>
<td>Diversified On 300+ Platforms</td>
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<td></td>
<td></td>
<td>• Int'l Conflict Leading To Greater Defense Spend</td>
<td>Growth Across All Businesses (U.S., Services, Int’l)</td>
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<td><strong>Chemicals</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• CAFÉ (U.S.) &amp; MAC (EU) Regulations</td>
<td>Solstice® Ramping In 2016 And 2017</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Demand For Low GWP Materials</td>
<td>Strong Position In High-Purity Research Chemicals</td>
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<tr>
<td><strong>Industrial &amp; Workers</strong></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Increased Demand For Productivity Solutions</td>
<td>End-To-End Solutions For Connected Workers</td>
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<td></td>
<td></td>
<td>• Increased HGR Safety Standards</td>
<td>Creating New Markets In Software, Data Analytics</td>
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<tr>
<td><strong>Vehicles</strong></td>
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<td></td>
<td></td>
<td>• Turbo Penetration From 33% to ~47% By 2020</td>
<td>Industry Leading Technology, Global Scale</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Diesel Demand Robust, Gas Pen. Increasing</td>
<td>&gt;40% Win Rate, ~100 Launches In 2015</td>
</tr>
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</table>

**Diversity Of Opportunity With Strong Growth Prospects**

**End Market Performance**

- HON
  - Exposure
  - Performance
  - Position

**HON Exposure**

- Homes & Buildings
- Commercial Aero
- Oil & Gas
- Defense & Space
- Chemicals
- Industrial & Workers
- Vehicles

**End Market Performance**

- Resi/Comm’l Construction Spend Steady
- HGR Growth In Urbanization And Infrastructure
- ATR OE Build Rates Ramp
- Flight Hours Growing, Airlines More Efficient
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**HON Position**

- Global Leader In Security & Fire
- Multi-Brand, Multi-Channel
- Well Positioned On The Right Platforms
- All-In-One Connectivity Solutions Pioneer
- Expanding Software And Aftermarket Solutions
- Capacity Expansion To Support Catalyst Demand
- Diversified On 300+ Platforms
- Growth Across All Businesses (U.S., Services, Int’l)
- Solstice® Ramping In 2016 And 2017
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- End-To-End Solutions For Connected Workers
- Creating New Markets In Software, Data Analytics
- Industry Leading Technology, Global Scale
- >40% Win Rate, ~100 Launches In 2015
## Outlook By Business

### Aerospace
- ATR Key Platforms Ramp (A350, B787, A320, B737)
- BGA HTF7000 Engines On 4 Out Of 5 Super Mid-Size Jets
- High Value Upgrades/Enhancements Growing 20%+
- 20%+ Turbo Gasoline CAGR, Outpacing Industry

### Automation And Control Solutions
- Software Sales To Grow 4x Over Next 5 Years
- $20B Connected Worker Opportunity
- End-To-End Localization In HGRs, China/India Growing 10%+
- Elster Adds Smart Metering And Data Analytics Capabilities

### Performance Materials And Technologies
- Catalyst Capacity Expansion Supports Refining/Petrochem Demand
- $3.3B Solstice® Long Term Signed Agreements
- $1B+ Incremental Software Sales By 2020
- UOP/HPS Synergies Drive $500M+ Incremental Sales By 2020

---

**Technology And Innovation Yields Growth**
## 2017 Sales Outlook

<table>
<thead>
<tr>
<th>Sales (in $B)</th>
<th>Inflection</th>
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<tbody>
<tr>
<td>4% - 5% Core Organic</td>
<td>• Key Platforms Ramp (A350, B737)</td>
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<tr>
<td>~$40.4</td>
<td>~$0.4</td>
</tr>
<tr>
<td>+$2.5B</td>
<td></td>
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<tr>
<td>$42.2-$43.2</td>
<td></td>
</tr>
<tr>
<td>2016E</td>
<td>2017E</td>
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</tbody>
</table>

### Key Platforms Ramp (A350, B737)
- U.S. Growth, International Upgrades
- Gas Growing Double-Digit
- Connected Homes, Buildings, Workers
- One ACS China Organization
- Strong Catalyst Demand, IIoT Software
- Solstice Capacity Expansion
- BSD, Other Adv. Materials Growth

### Sales Growth
- ~$2.5

**Notes:**
- World GDP Growth Same As 2016
- Euro At $1.10
Oil And Gas

What I Said

• Oil Decline Wouldn’t Affect Our O&G Business Much  
  Wrong

• Diversity Of Opportunity Would Allow Us To Outperform  
  13% Of 2015 Sales  
  Right

Why Does UOP / HPS Grow In 2017 With $30 Oil?

• Leverage Installed Base - Software, Services, Focus On Process And Asset Optimization

• Backlog Recovering On Demand For Increased Refining Capacity, Cleaner Fuels In HGRs

• Catalyst Shipments Ramping
  - Refinery Cycle – New Plant Start Up Expands Global Catalyst Capacity
  - Recent Licensing Wins Driving Reloads For Oleflex™, MTO, Adsorbents For Parex™

• Modular Refining Larger Scope Projects; Capturing International Modular Gas Processing Wins

• UOP/HPS Synergies

• Elster Creates #1 Gas Controls Midstream Position
Our Enabler: HOS Gold

Why It Is Different

- Consolidates All Operational Best Practices (i.e. HOS, VPD, HUE, FT)
- Drives Initiatives At Enterprise Level (64 Gold Business Enterprises)
  - Previously At Segment Level Only
- Takes Broader Multi-Functional Approach
  - From Plant To Back Office
- Deeper Focus On Breakthrough Goals
  - Deliver Strong Core Organic Growth And Profitability
  - Grow Faster Than Markets
  - Software A Primary Driver
- Blends Small Cap Speed And Agility With Large Cap Scale And Expertise
High Growth Regions

**World GDP**

- **U.S.**
- **Other Developed**
- **HGR**

<table>
<thead>
<tr>
<th>Year</th>
<th>U.S.</th>
<th>Other Developed</th>
<th>HGR</th>
</tr>
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<tbody>
<tr>
<td>1990</td>
<td>21%</td>
<td>27%</td>
<td>52%</td>
</tr>
<tr>
<td>2015</td>
<td>22%</td>
<td>38%</td>
<td>40%</td>
</tr>
<tr>
<td>2035</td>
<td>20%</td>
<td>29%</td>
<td>51%</td>
</tr>
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</table>

Source: Global Insight

**Honeywell**

- % Of Sales

<table>
<thead>
<tr>
<th>Year</th>
<th>% Of Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>10%</td>
</tr>
<tr>
<td>2015</td>
<td>23%</td>
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</table>

- **Census**

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
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<tbody>
<tr>
<td>2003</td>
<td>~18,000</td>
</tr>
<tr>
<td>2015</td>
<td>~55,000</td>
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Continued Source Of Honeywell Growth

- Becoming The Chinese Competitor (BCC)
- East-For-East And Rest
- One Honeywell Culture

Proven Strategy, Following The Growth
Internet Of Things… We Have The Things… And The Capability

**Software**

**Total Engineers**

- Chemical: 22,800
- Electrical: 11,700 (51%)
- Mechanical: 11,700 (51%)
- Software: 11,100 (49%)

**Why Successful?**

- CMMI Level 5 Across Company
- 77% Of HOS Gold Breakthrough Goals
- Simulation, Product Enablement, Business Levels

**Software Engineers**

- PMT: 11,100 (50%)
- ACS: 5,460 (54%)
- AERO: 5,040 (46%)

Half Our Engineers Developing Software Today
M&A – Software Focus

Expanding Software Capabilities

**ACS, PMT**

**Elster**
- Attractive Portfolio With Great Positions In Good Industries
- Includes Smart Meters And Software And Data Analytics Solutions

**Xtralis**
- Offers Leading Early Warning Smoke Detection Technology And Software
- Builds On HON's Industry Leading Connected Homes And Buildings

**COM DEV**
- Manufactures And Distributes Space-Based Wireless Communication Products/Subsystems
- Expands HON's Existing Space And Connectivity Portfolio

**Satcom1**
- Adds Communications Software, In-Flight Airtime And Satcom Services For Biz Jets
- Enables HON To Offer Integrated And Custom Solutions To Connectivity Market

**Aviaso**
- Establishes HON As Focused Player In Fuel Efficiency Software
- Opportunity To Integrate Other Data, Expand Globally And Into Adjacent Segments

**Sigma Aldrich**
- Develops And Manufactures High-Purity Research Chemicals
- Global Orders Via New E-Commerce Platform

**Datamax-O’Neil**
- Global Manufacturer Of Fixed And Mobile Printers Across Multiple End Markets
- Expands HON’s Offerings In Connected Worker

**ACS**

**Aero**

**PMT**
**Margin Rate**

<table>
<thead>
<tr>
<th></th>
<th>2016E</th>
<th>2018T</th>
<th>Longer Term</th>
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<tbody>
<tr>
<td><strong>AERO</strong></td>
<td>~21.9%</td>
<td>~21.7%</td>
<td>~25%</td>
</tr>
<tr>
<td><strong>ACS</strong></td>
<td>~16.5%</td>
<td>~17.5%</td>
<td>~20%</td>
</tr>
<tr>
<td><strong>PMT</strong></td>
<td>~21.0%</td>
<td>~20.5%</td>
<td>~25%</td>
</tr>
<tr>
<td><strong>HON</strong></td>
<td>~19.1%</td>
<td>~19.3%</td>
<td>22% - 23%</td>
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(Midpt Of Guidance)

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**Op Margin* vs. Peers**

- **Peer Weighted Average**
- **HON**

---

**Why Continue?**

- Growing Sales Faster Than Fixed Costs
  - Fixed Costs 80% Census Related
- Below The Line Decrease As % Of Sales
- Functional Transformation
- HOS Gold

- More Efficient Factories
- Higher Margin New Products
- Sourcing Effectiveness

---

**Lots Of Room Left To Grow Margins**

---

**Plenty Of Runway To Longer Term Targets**

**Still Opportunity To Grow Margins**
Capital Deployment

- **Invest In High ROI CapEx**
- **Grow Dividend Faster Than Earnings**
- **Strategic M&A**
- **Opportunistic Share Buyback**

- **PMT Investing Over $1B In Terrific Projects**
  - ~70% Investment Completed Today, 100% By 2017

- **Deployed $6B In 2015**
  - Elster ($5B), Com Dev ($330M), Thomas Russell ($240M) Datamax O'Neil ($185M), Sigma Aldrich ($115M), Satcom1 And Aviaso
  - Pipeline Full

- **Share Count Reduced By (20M) Shares, (3%) Since Last Investor Day**

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
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<tbody>
<tr>
<td>Earnings*</td>
<td>11%</td>
<td>12%</td>
<td>10%</td>
</tr>
<tr>
<td>Dividend</td>
<td>10%</td>
<td>15%</td>
<td>15%</td>
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*Excludes Pension Mark-To-Market Adjustment
Summary

• Great Foundation To Build On With High ROI Portfolio
  - Execute Well On Plans And Processes

• Organic Sales Growth Inflection… Plus Several Acquisitions Completed

• Margin Rate Expansion Continues

• Sustained And Sustainable Performance

• Excellent Cash Growth… FCF Conversion At 100% Again By End Of 2017 As PMT Investments Completed
  - Grow Dividend Faster Than Earnings
  - Opportunistic M&A And Share Repurchases
Exciting Time For Honeywell

Today’s Presenters

**HOS Gold/Software**
- Andreas Kramvis
  - Vice Chairman
- Krishna Mikkilineni
  - Senior VP, Engineering and Operations & IT

**High Growth Regions**
- Shane Tedjarati
  - President & CEO
- Anant Maheshwari
  - President, India

**PMT**
- Darius Adamczyk
  - President & CEO
- Rajeev Gautam
  - President & CEO, UOP
- Vimal Kapur
  - President & CEO, HPS

**ACS**
- Alex Ismail
  - President & CEO
- John Waldron
  - President, S&PS

**AERO**
- Tim Mahoney
  - President & CEO
- Bob Smith
  - VP & CTO
- Terrence Hahn
  - President & CEO, TS

**Financial Review**
- Thomas Szlosek
  - Senior VP & CFO

**HOS Gold Breakthroughs; Software Capability Growing**

**Growth Momentum Accelerates**

**2017 Growth Inflection, UOP/HPS Synergies**

**Connected ACS Transformation**

**Platform Wins, Connectivity Opportunity**

**Outperforming Yet Still Undervalued**
HOS GOLD AND SOFTWARE
Andreas Kramvis, Vice Chairman
Krishna Mikkilineni, SVP, Engineering, Operations and IT

March 2, 2016
HOS Gold

Our Enabler: HOS Gold

- 64 Gold Enterprise Units
- Unique Markets And Unique Technology
- Each Close To Market
- Led By Empowered Leadership
- Big Company Resources
- Small Company Agility
- Focus On Outperformance
# What Are Breakthrough Objectives?

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<table>
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<tbody>
<tr>
<td></td>
<td><strong>Horizon: Most Commonly 2 To 4 Years Out</strong></td>
</tr>
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</table>
|   | **New Market Creation**  
|   | **Move To Adjacencies**  
|   | **Establish Major New Technologies**  
|   | **Establish Major Cost Advantage**  
|   | **Fully Funded In Annual Operating Plan**  
|   | **Phase Gate Methodology**  
|   | **Goal: Outperform Markets In Good Markets **And** Weak Markets** |

Each Unit Required To Have >3 Breakthrough Programs
Enterprise Unit Roadmap To Outperformance

1. **Ensure Strong Foundations**
   - Run Business Well
   - Build Critical Capabilities
   - Leverage HOS, VPDTM
   - Fill New Product Pipeline
   - Drive Execution With Strong Processes

   *Capitalize On Track Record Of Excellence*

2. **Identify / Invest In Breakthroughs**
   - Identify Breakthrough Strategies
   - Establish Enabling Technologies
   - Invest To Establish New Markets And Adjacencies
   - Align Adequate Resources Behind Programs
   - Step Wise Execution

   *Strong Programs Identified And Started*

3. **Routinely Outgrow Markets**
   - Have A Portfolio Of Growth Initiatives Of Major Impact
   - Deliver Growth In Adjacencies
   - Obtain Growth By Establishing New Markets
   - Develop Future Growth Platforms – Organically And Inorganically

   *Market Outperformance Routinely Achieved*

**Majority Of Units In Steps 2 And 3**
A Breakthrough Strategy And Execution Illustration

1. **Oleflex Technology**
   - New Markets: Example #1
     - Oleflex™ Technology For “On-Purpose” Production Of Propylene
     - Converting Propane For Use In High-Value Plastics
   - Establishing New Markets With Growth Potential
   - 25 Projects Sold Since 2011

2. **Methanol-To-Olefins**
   - New Markets: Example #2
     - Methanol-To-Olefins (MTO)
     - Converting Coal To High-Value Plastics
     - First Major Startup – Q3 2013
   - 4 Additional Projects Sold Since Q3 2013

3. **Uniflex Technology**
   - New Markets: Example #3
     - Uniflex™ Technology For Bottom-Of-The-Stack Liquefaction
     - Extracting More High-Value Transportation Fuels From Natural Gas
     - 2 More Licenses Sold In 2013

4. **Cryogenic Processing Packaged Plant**
   - New Markets: Example #4
     - Cryogenic Processing Packaged Plant
     - Separating Gas & Liquid Methane (LNG) Streams
     - First Non-U.S. Win Q4 2013
   - Typical Sales For A Multiplier Gas Plant:
     - Plant
     - 

We Created New, Unique Markets
HOS Gold And Software
March 2, 2016

Impact Of HOS Gold

Outperforming Peers In Down Cycle Oil & Gas Market

- UOP/HPS Best-In-Class Book-To-Bill (.98)
- UOP – $250M International Gas Wins
- HPS – ~$400M In Mega Project Wins
- UOP And HPS Deliver 270+ bps Improvement

Outperforming In Normal Market Conditions

- Solstice® $3.3B Long-Term Signed Agreements
- Turbo Gasoline Major Wins
- China Growth
- Scanning & Mobility

HOS Delivers Growth And Profitability Throughout The Cycle
Examples Of Enterprises Outperforming Markets

2015 HON Sales Growth vs. Market

HON V% Reflects 2015 Core Organic Sales Growth

Outperform Strong Markets And Weak Markets
Software Breakthrough Strategies

Honeywell Growth Over The Next Five Years from Breakthrough Initiatives

Honeywell Growth From Breakthrough Initiatives Involving Software – Embedded, Networking, Cloud And Mobility

74%

77%
Honeywell – A Software Leader

- **Cloud Connectivity, Mobility, Cyber – Major Part Of Our Breakthrough Programs**

- **Leading Edge Software In Networks And Control**

- **Experts In Embedded Software For Products And Designs**
Stand Alone Software Providing Growth Platform
Software Is In Our DNA At Honeywell

Honeywell **Is Already Creating** Value Through Software For Our Customers

~$23B In **Software** Sales In 2015
(Product Embedded + Product Enabling + Stand Alone + Connected)
Today’s Connected World (IoT)

- Untethered Global Mobility
- Hyper-Scale Data Collection And Analysis
- Connected, Inter-Twined Systems, Applications And Networks

**Key trends are rapidly shaping the landscape**

- **Buildings + Connected:** 10M Global Installed Base
- **Vehicles + Connected:** 100M Global Installed Base
- **Workers + Connected:** 550M Global PPE Users
- **Homes + Connected:** 150M Global Installed Base
- **Plants + Connected:** 10K+ Global Installed Base
- **Aircraft + Connected:** 130K Total Aircraft

**Bringing Our ADVANTAGE**

- 1985: ~10 control points
- 1995: 10,000 control points
- 2005: 100,000+ control points
- 2015: Decades of Lifespan

**Honeywell Installed Base**

- **Buildings + Connected:** 10M Global Installed Base
- **Vehicles + Connected:** 100M Global Installed Base
- **Workers + Connected:** 550M Global PPE Users
- **Homes + Connected:** 150M Global Installed Base
- **Plants + Connected:** 10K+ Global Installed Base
- **Aircraft + Connected:** 130K Total Aircraft

**Connected Offerings/IoT Opportunity >$6T Impact**

*Source: McKinsey Global Institute - Est. global economy impact by 2025*
Honeywell Is In A Great Position

DIGITAL to PHYSICAL

The Connected World Is Inherently Less Secure, Less Safe And Less Reliable

CHALLENGES
- Data Responsibility
- Network Security
- Reliable Operations
- Optimized And Controlled Processes

Bringing Our ADVANTAGE

...And Taking Our Unique Strengths To The Digital World

PHYSICAL to DIGITAL

Honeywell
Our Deep Industrial Heritage Is Unmatched

Now Bringing Internet Scale Connected Technology To Our Physical World To Drive Higher Value And New Services For Higher Margin Revenues

- Hundreds Of Algorithms And Controls
- Thousands Of Unique Domain Specific Designs
- Hundreds Of Thousands Of Simulations
- Millions Of Hours Of Operational Safety

SAFETY
AVAILABILITY
EFFICIENCY
OPTIMIZATION
Bringing Our Software To A Connected World

Our Core Software Capabilities:

- **SAFETY**: DO 178 Level A, Safety Integrity Level (SIL) 4
- **AVAILABILITY**: Fault Tolerant – High Integrity, Physical And Analytical Redundancy
- **EFFICIENCY**: Real-Time – Low Latency, Dynamics From Milliseconds To Seconds.
- **OPTIMIZATION**: High Performance - 1000s Of Measurement Points, 100s Of Calculations Into Process Adjustments
- **DEPENDABLE** Products Via CMMI Foundation

Combination Provides New **Massive Customer Value And An Opportunity To Provide New Products, Offerings And Services**

- **High Margin Growth** Potential Via Value From New Services
- **Increased Utilization, Optimization And Efficiency Of Assets And Processes**
- **Frictionless Information Flows**
- **Fast Supply – Demand Insights For Increased Sharing Of Assets Within And Across The Enterprise**

Additional Product, Systems And Services Revenue With Higher Margins
Creating Value Today: Connected Plant And Home

Value From Honeywell Software At Every Level Of A CONNECTED PLANT

Potential To Improve Refinery Operating Margins By Up To 10%

- Increase Profitability By Maximizing Process Yields
- Reduce Cost To Operate And Optimize Asset Performance With Value Based Outcome Services
- Reduce Downtime And Maintain Plant Continuity With Cyber Security Offerings

Value From Honeywell Software In Every Corner Of Your CONNECTED HOME

- Up To 10% Reduction In Home Insurance Premiums
- Savings For The 9% Of U.S. Homes That Suffer Water Damage Annually
- Increased Safety And Awareness

Potential Energy Savings Of Up To 5%-20%/Yr Per Home

Honeywell
Success In The Connected World

We Are Working On 3 Things To Create The Robust Basis For Sustained Success:

1. Foundation **Platforms**
2. Superb **Development** Machinery
3. Best In Class **Talent**
Physical Sciences Platform

Leveraging Existing Strong Sensing/Actuator Technologies Within Honeywell To Expand Into IoT

SENSORS and ACTUATORS

Simple Module | Complex Module | Smart Combo | Hub / Gateway

Pressure, Magnetics, Temperature, Speed, Position, Inertial, Humidity, Chemical, Gas: CO, CO2, Volatile Organic Compounds

~7x Reduction In Size

"Smart PPE"

Mixed Signal Devices

IMPROVEMENTS

INNOVATION

TRANSFORMATION

Developing Enhanced Sensors/Actuators By Adding Intelligence, Contextual Sensitivity and Analytics
Material Sciences Platform

Software Driving All Of Our Materials Development

**Advanced molecular modeling software** drives accelerated molecule discovery and selection.

**Data analytics and laboratory software** runs advanced equipment and develops quantitative analyses of compositions and properties.

**Intelligent pilot plant sensing and analytics software** processes billions of data points every hour to model full scale plants accurately.

**Simulation software** builds reliable models for scale-up to commercial production and effectively predict yield and quality.
Control Sciences Platform – Controls At Every Level

One Shared Platform For The Development Of Advanced Controls Throughout

OUR ADVANTAGE

Advanced algorithms
- Model-Predictive Control
- Dynamic Inversion
- Multi-Variable Control
- Adaptive Control

Custom Control Applications
Control Design / Engineering Tools
Advanced Control Components
Control Execution Platform

- Expand World-Leading Position
- Leverage Cross-Domain Knowledge
- Controls In Sensors/Edge
- Advanced Controls For Smart Connected Products
- Leverage Analytics At The Edge For Controls And Big Data Convergence

BUILDING CONTROL
10-40% Energy Cost Savings

PULP AND PAPER
50-80% Lower Calibration Time

CHEMICALS
2-5% Greater Production

OIL REFINING
~$1/Barrel

AERO ENGINES
99.7% Fault Coverage

COMMERCIAL AIRCRAFT
40 - 60% Reduction In Design Time
Information Sciences Platform – Honeywell Connected Platform Stack

- **L6** Consumption / App Framework
- **L5** Data / Analytics
- **L4** Cloud
- **L3** Gateway / Control
- **L2** Edge
- **L1** Sensor

- Honeywell Common
- Business Unique
- Common & Leveraged
- Domain Specific
- Differentiated Value
Information Sciences Platform – Data / Analytics Stack

Honeywell Data/Analytics Stack

1. Data Life Cycle Management (Acquisition, Cleansing, Curation, Storage)
2. Data Science & Basic Analytics
3. Machine Learning & Advanced Analytics
4. Visualization
5. Action, Insight & Analytics Business Model Management

- Higher Asset Utilization
- Yield Improvement
- Compliance Analytics
- Revenue Assurance via Analytics
- Fault Detection
- Alarm Prioritization
- Predictive Maintenance & Health
- Workflow Optimization
Our Systems Advantage

**Honeywell**

**Fault Tolerant** – High Integrity, Physical And Analytical Redundancy

**Real-Time** – Low Latency, Dynamics From Milliseconds To Minutes

**High Performance Optimization** – 1000s Of Measurement Points, 100s Of Calculations Into Process Adjustments

**Bringing Our ADVANTAGE**

**Closed Loop Analytics AND The Data**

Our **Control Knowledge** Is Built On Decades Of Deep Operational Knowledge

We Have Evolved Our Edge Solutions To Be Smarter And More Secure

Our **Sensor/Actuator Technology** Depth And Breadth Is Unmatched

**SYSTEMS DIFFERENTIATION**

**DATA**
- Systems
- Analytics

**INFORMATION**
- Systems
- Connected Platform

**CONTROL**
- Systems

**PHYSICAL**
- Systems

**Internet Scale Systems**

**Lifecycle Management**
Customer Centric Development Process
CONTINUOUS FEEDBACK AT EVERY STAGE

Improving Machinery via:
✓ Cycle Time Reduction (Years And Months To Weeks And Months)
✓ CMMI For Predictability And Flawless Launches
✓ DevOps Execution Culture
✓ Agile Development For User Centricity And Flexibility
✓ Productivity via Global Approach

Six Sigma, Lean 2003
QUALITY/PRODUCTIVITY

CMMI, VPD 2007
DEPENDABILITY/SPEED

HUE 2012
USABILITY

DevOps 2013
AGILITY

ALWAYS IMPROVING
Bringing Together A Cross Functional Team

Levering Our World-Class Industrial Heritage:
- Engineers
- Architects
- Implementers
- Applications Specialists

...And Adding Contemporary Talent
- Mobility Developers
- Data Scientists
- Cloud Architects

HOS Gold Enterprises

11,100
Software Focused Engineers At Honeywell
Summary

We Are Well Poised To Deliver Sustained Shareholder Value:

• Competitive Advantage via Tremendous Installed Base
• Traditional Strength + Contemporary Assets And Technology Delivering Significantly Differentiated Customer Value
• Robust Focus On Platforms, Development And Talent

Reflects % Of Sales From All Software Related Offerings 2015 ➔ 2020
High Growth Regions

Addressing Demand In The World’s Fastest Growing Economies Through Innovative Local Products & Solutions, Focusing On The Mid Segment And Key Verticals
HGRs: Still The Global Growth Engine

HGRs Represent **40%** Of Global GDP

HGRs Represent **55%** Of Global GDP Growth

Despite Variability By Countries, HGR Growth Continues

Have To Be There, Have To Be Local

---

Source: Global Insight, Feb 2016
HGR Macros: Mixed Regional Outlook In 2016

CHINA

Real GDP Growth (%)

'15 6.9% 6.3%

'16 7.5% 7.5%

INDIA

MERT

ASEAN

LATAM

AFRICA

Real GDP Growth (%)

'15 0.8% 4.8% -0.5%

'16 1.1% 4.6% -0.6%

'15 2.8%

'16 2.7%

Fiscal Budget Increase

One Belt One Road

Property Destocking

Industrial Capacity Cuts

Risks In Stock Market, Capital Outflow And Government Debt

Modi Reform

Fast Urbanization

Infrastructure Upgrade

Hurdles In Tax Reform

Economy Rebalancing

High Cash Reserve

Regional Conflicts

Low Oil Price

Russia: Recession & Ruble Depreciation

Strong Domestic Demand

Growing Spend On Infrastructure & Construction

Effects From China Slow Down

Mexico: Structural Reform, Domestic Consumption

Brazil: Low Commodity Price, Fiscal Imbalance, Petrobras Scandal & Political Misalignment

Foreign Investment

Population & Consumption

Growing Spend On Infrastructure & Construction

Oil & Gas CapEx Slowing Down

Source: Global Insight, Feb 2016

• MERT Includes Middle East, Russia, Turkey & Central Asia

• ASEAN includes Malaysia, Philippines, Thailand, Indonesia, Vietnam, Cambodia, Laos, and Myanmar
HGR Macros: A Favorable Decade Ahead

New Urban Population

2015-2025 Total Incremental:

- **0.8B**

Emerging Middle Class*

2015-2025 Total Incremental:

- **1.2B**

China Upper Middle Class**

<table>
<thead>
<tr>
<th>Year</th>
<th>HGRs</th>
<th>Rest Of World</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>2025</td>
<td>91%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Increase by

~200M Households

U.S. + W. Europe

Today

<table>
<thead>
<tr>
<th>Region</th>
<th>2015</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rest Of World</td>
<td>~70M</td>
<td>~270M</td>
</tr>
<tr>
<td>HGRs</td>
<td>83%</td>
<td></td>
</tr>
</tbody>
</table>

- Rising Purchasing Power And Consumption
- Increasing Demand For Better And Smarter City Infrastructure
- Growing Focus On Quality Of Life (e.g., Environment, Technology, Safety & Security)
- Going Online, Going Mobile, And Connected

---

*Annual disposable income per capita > $3,650 at 2005 Purchasing Power Parity; **Annual household disposable income >$16K
Source: Global Insight, McKinsey Global Institute, World Bank, HON Estimate
China: “New Normal”, Shifting National Focus

Changing Economic Drivers And Growth Model

from *Investment Driven* to *Consumption Driven*

- **Export**
  - Electronics
  - Machinery
  - Textile

- **Construction**
  - Real Estate
  - Infrastructure
  - Transportation

- **Manufacturing**
  - Steel, Coal
  - Cement
  - Raw Materials

- **Consumer Market**
  - e-Commerce
  - Automobile
  - Air Travel
  - Healthcare
  - Food Safety

- **Environment**
  - Air & Water
  - Smart Grid
  - Fuel Upgrade
  - Alternative Energy

- **Strategic Emerging Industries**
  - Industry 4.0
  - Robotics
  - Aircraft
  - New Materials

HON Has The Right Portfolio And Is Well Positioned In China
China: HON Gaining Share In New Normal

- Double Digit Growth, Above Industry Average
- Wins In Urban Infrastructure (Metro & Airport)
- Capture Air & Water Opportunities With New Product Introduction

- Key Account Management Driving Spares And Repair & Overhaul Growth
- Successful C919 Roll Out And GBAS Test Flight
- Strengthening HON Position In A Slowing Commercial Vehicle Segment
- Increasing Turbo Penetration In Target Passenger Vehicle Segment

- UOP-HPS Synergy, Driving Breakthrough Wins
- BCC Execution, Enabling Breakthrough PSA Win In China
- New Offerings To Address Environmental Issue (e.g. Foam Blowing Agent)
HGR 1.0: Built A Solid Foundation

- Strong Financial Performance
- HON Presence Across HGRs
- Country Leadership With Strong Management Operating System
- East-For-East And East-To-Rest Driving Mid Segment Success
- “Becoming THE Chinese Competitor” Mindset In Everything We Do
Delivering Strong Financial Performance

- Grew Revenue 3X In Ten Years
- HGRs ~23% Of HON Sales In 2015
- Continuous Investment For Growth

HGR Sales ($B)

- 2005: ~$3B
- 2010: ~$6B
- 2015: ~$9B

12% CAGR

2015 Sales By Businesses

- 37% PMT
- 36% AERO
- 27% ACS

2015 Sales By Priority HGRs

- China
- Middle East
- India
- Brazil
- SEA*
- Mexico
- Russia
- Others**

* South East Asia (SEA): Malaysia, Philippines and Thailand
** Turkey, Indonesia and Vietnam

HGRs Driving ~50% Of HON Growth Last 10 Years
HON Presence Across HGRs

140+ Offices & Labs

70+ Manufacturing Facilities

55K+ Employees

Expand HON Presence In
Africa

New Frontier In Central And South America Region
Country Leadership And Management Operating System

- “Put Our Best Generals In HGRs And Empower Them”
- Diverse Leadership Team
- Strong Internal Management Operating System
- Leadership Programs To Develop Bench Strength
East-For-East Capabilities To Serve Local Customers

China & India

11K+ Engineers

1,500+ Patents Awarded

4,000+ Patents In Application

35 Factories & Warehouses

TS*

ACS

~90%

>60%

>30%

>35%

Local Sourcing As % Of Total

% Of Revenue

R&D

Manufacturing

Supply Chain

E4E Revenue

* TS Represents Transportation Systems Business Unit Within Aerospace

Right & Fast New Product Introduction At Highly Competitive Costs
New Products Targeting HGR Mid Segment

Select E4E Product Launches In 2015

Turbocharger

- Serve Small Engine Vehicles (0.8-1.2L) And Support Euro 5/6
- Reduce BOM Cost By 15%
- 6 Months Reduction In NPI Cycle
- Improved Vehicle Dynamics Through Reduced Time-To-Torque (Up To 15%)
- Enabled Big Wins With Local OEMs

Surveillance Monitoring System

- HSF – HUS 5.0

Protection Equipment Suite

- HIS (HSP) – ANATOLE

IP Video Door Phone

- HSF – IS-2500

Scanner

- S&PS – YJ 2D Scanner

Turbocharger
- TS – Micro Gas Turbo

Refrigerant
- FP – 245fa For ORC Application

Protection
- NYLON MATERIAL

Molecular Sieve Material
- UOP – 3A Mid-Grade Pellet

Distributed Control System
- HPS – PlantCruise

Local R&D, Local Sourcing, Local Manufacturing And Tooling
East-For-East: Addressing Consumer Demand

Successful Launch Of Air Purifiers

- HUE Design
- Right & Fast Execution
  - 1st SKU Launched Within 6 Months
  - 10+ SKUs In 2015
  - Top Selling SKU In Less Than A Year
- Successful Online Sales, Riding On China’s e-Commerce Wave
- Increasing HON Retail Store Penetration
- Innovative Social Media Campaign
- Huge Upside In the Fast Growing, $0.5B+ Residential Portable Air Purifier Market

One Honeywell Retail Presence

Significantly Boosted HON Brand | Positioned HON In Air & Water
East-To-Rest: Serving Global Needs

8 ONE-ACS Road Shows In 2015

Energized 1K+ Customers & Channel Partners

Expecting 4X E2R Revenue Growth 2015-2020

HGR Products And Offerings Tailored For Local Markets

- Orchid 3 Thermostat
- EW700 Heat Meter
- Protection Super HD IP Camera
- 900 Series Fire System
- Small And Slim Relay

- An E4E Product Modified For Other HGRs
- Same Functionality As Global Version At Lower Cost
- E2R Launch In 45 Days
- Local Language Promotion
- ~20,000 Units Sold In LATAM, SEA, ME And Turkey In 6 Months
BCC Mindset In Everything We Do

Honeywell
UOP Polybed™
Pressure Swing
Adsorption System

Technology Solution For Hydrogen Purification Process

- Breakthrough Win In China
- Supported China’s Path To Cleaner Fuel (Euro 5/6)

70%+ Localization
20%+ Cost Reduction

A HON UOP PSA Project Site In China
HGR Core Strategy

Becoming THE Chinese Competitor

**East-For-East (E4E)**

- R&D
- Manufacturing
- Sales & Dist.

**East-To-Rest (E2R)**

**Follow-The-Growth (FTG)**

- Energy & Efficiency
- Cities & Buildings
- Trans. & Infra.
- Health & Safety
- Defense & Security

One Honeywell & Integrated Solutions

Proven Strategy With Superior Execution
China: Driving Performance From A Solid Foundation

Double Digit Growth, Gaining Share In A Consumption-Driven Economy
High Growth Regions
March 2, 2016

ME & Turkey: Key Verticals And Regional Opportunities

Significant Regional Opportunities

- **High Cash Reserve And Low Debt Level In GCC***
- Low Oil Price Led To **Rationalization Of Government Spending** In ME; However, **Landmark Projects Are Going Forward**
- **Regional Rivalry And Conflicts** Driving Defense Demand

Strategic Growth Initiatives

- **Focus On Strategic Verticals**
- **Geographic Expansion**: Egypt, Kuwait
- **Defense & Space Key Pursuits**
- **Partnership With Turkish EPCs**

$7B+ Opportunities In Key Verticals
(2016, Middle East)

- Oil & Gas: $4B
- Smart Building: $0.9B
- Airlines: $0.4B
- Airports: $0.3B
- Healthcare: $0.4B
- CIP**: $1B+

**ONE HON Approach**

---

*Gulf Cooperation Council (GCC): Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and UAE
**CIP: Critical Infrastructure Protection

High Growth Regions
March 2, 2016
India: New Growth Momentum

Strong Local Presence
- 15,000+ Employees, >50% Engineers
- Footprint in More Than 50 Cities, Established Local Supply Chain

Strategic Growth Initiatives
- Driving Turbo Localization, Key Wins With Top OEMs
- D&S “Make In India” – Partnership With Local Players
- Re-anchoring On Low Cost Carriers (e.g. Indigo), Driving APU And Avionics Wins, Setting Global Benchmark
- Building ACS E4E & E2R Capability
- Smart Building Initiative Driving Industry Awareness And Adoption
Promoting HON Brand And Thought Leadership

Honeywell Smart Building Score™

- Pilot In India, Rolled Out In US, China & Middle East
  - 4,000+ Buildings, 10 Verticals, 42 Cities
- Strong Partnership With Industry Associations And Local Governments
- Promoting Thought Leadership, Setting Industry Standards
- Driving Industry Awareness And Technology Adoption
- Upside On Buildings Revenue For ACS

India Smart Building Scores

- Green: India Avg = 45, Winners Avg = 95
- Safe: India Avg = 94, Winners Avg = 92
- Productive: India Avg = 31, Winners Avg = 67

Winners Average = 92
India Average = 33
Successful Launch Of HSBS™
HGR: The Growth Engine For HON

3X Revenue In Ten Years; Growth Momentum Continues
HGR: Driving For World Class Performance

- HGR Fundamental To HON Story
- Continue To Implement BCC/E4E/E2R To Win In Mid Segment
- Develop Key Verticals, Follow-The-Growth Of Key Clients
- Drive Breakthroughs Via New Technologies & Software
- Enter Into Adjacent / New Markets Through Partnership & Strategic Investment
- Achieve Greater Operational Efficiency

Capital Strategies

<table>
<thead>
<tr>
<th>Financial</th>
<th>Financial Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Geographic Expansion</td>
</tr>
<tr>
<td></td>
<td>Channel and Distribution</td>
</tr>
<tr>
<td></td>
<td>Strategic Pursuits / Partnerships</td>
</tr>
<tr>
<td></td>
<td>Branding</td>
</tr>
</tbody>
</table>

Core Strategies

| BCC (R&D, Supply Chain, Sales & Distr.) |
| Mid Segment – E4E & E2R |
| Verticals |
| Follow-The-Growth |
| Breakthrough / M&A |

Leap Forward From HGR 1.0 To HGR 2.0
Bringing HGR To The Next Level

HGR 2.0

- Cloud
- IOT
- NPI
- Mid Segment
- E2R
- Partnership
- M&A
- People
- Strategic Investment
- BCC
- HOS
- Branding
- Follow The Growth
- E4E
- Verticals
- Breakthrough Technology
- Software

Winning In The World’s Fastest Growing Economies
# PMT Growth Story

## Key Growth Highlights

<table>
<thead>
<tr>
<th></th>
<th>2015 Sales From New Breakthroughs</th>
<th>2015 Segment Margin Up 320 bps YoY</th>
<th>$3.3B Solstice® Contracts* Up 38% YoY</th>
<th>$1.1B Industrial IoT Sales By 2018</th>
<th>$2B+ 2017 And 2018 Sales From Growth Capital</th>
<th>$2B+ Breakthrough Sales By 2018 (20% Of PMT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.6B</td>
<td>21.0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Outstanding Performance 2015 And Well Positioned For 2016

- Outpacing...Our Peers
- Outpacing...The Overall Market
- Outpacing...Historical Performance

## Playbook For Growth And Margin Expansion

- Winning In $30/Barrel Oil Environment
- Strengthen Non-Oil/Acyclical Portfolio
- Expanding Position In HGRs

## Making Smart Growth Investments

- Growth Capital Delivering Record ROI
- HOS Gold Breakthroughs Overdriving
- M&A Opportunities Accelerate Growth

*Includes Firm Orders And Contractual Minimum Volumes
## PMT Business Overview

### Key Business Metrics | Full Year 2015

- **$9.2B**
  - 2015 Sales

- **21.0%**
  - Segment Margin

### Markets Served Including New Acquisitions 2016

<table>
<thead>
<tr>
<th>Category</th>
<th>UOP</th>
<th>Honeywell Process Solutions</th>
<th>Advanced Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>7%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Upstream</td>
<td>2%</td>
<td>18%</td>
<td>22%</td>
</tr>
<tr>
<td>Gas Processing</td>
<td>24%</td>
<td>Refining</td>
<td>Refragents &amp; Foams</td>
</tr>
<tr>
<td>Petrochemicals</td>
<td>37%</td>
<td>Refining</td>
<td>Chemicals</td>
</tr>
<tr>
<td>Refining</td>
<td>30%</td>
<td>Other</td>
<td>Other</td>
</tr>
<tr>
<td>Mining Pulp &amp; Paper</td>
<td>12%</td>
<td>Other</td>
<td>Resins &amp; Plastics</td>
</tr>
<tr>
<td>Chemicals</td>
<td>13%</td>
<td>Petrochemicals</td>
<td>Other</td>
</tr>
<tr>
<td>Petrochemicals</td>
<td>12%</td>
<td>Midstream* Including Elster</td>
<td>Resin &amp; Plastics</td>
</tr>
<tr>
<td>Refining</td>
<td>20%</td>
<td></td>
<td>Fertilizer</td>
</tr>
<tr>
<td>Midstream</td>
<td>26%</td>
<td></td>
<td>Life Sciences* Including Sigma-Aldrich</td>
</tr>
<tr>
<td>Refining</td>
<td></td>
<td></td>
<td>Specialty Chemicals</td>
</tr>
</tbody>
</table>

*Expanded Markets Served in 2016

Balanced Portfolio Generating Sustainable Growth In All Cycles
## Why PMT Continues To Win

### UOP
- Advanced Technologies For Oil And Gas Processing
  - Refining & Petrochemical Technologies
  - Modular Gas Recovery And Treatment

### PROCESS SOLUTIONS
- Optimizing Manufacturing Process Productivity And Safety
  - Process Automation Controls Projects
  - Plant Reliability And Risk Based Services

### ADVANCED MATERIALS
- Enhancing The Application And Performance Of Chemicals
  - Environmentally Friendly Refrigerants
  - Specialty Plastics & High Purity Chemicals

### PORTFOLIO OVERVIEW

### WINNING POSITIONS
- Highest Yield Gas-To-Olefins Processes
- Russell Brings Gas Online 6 Months Faster
- LEAP™ Shortens Project Schedule 25%
- A360 Lowers Total Cost Ownership 20%
- Patented Low Global Warming Molecules
- Brand Leaders/Global Application Experts

### WHY WE WIN IN ~$30 OIL
- ✔ High Demand For Industrial Productivity And Safety Solutions
- ✔ Large Installed Base Driving Robust Catalyst Demand
- ✔ Serving Growing, Acyclical End Markets
- ✔ Leveraging Lowest Cost Producer Positions

---

**Unique Solutions Enabling Growth Through Oil & Gas Market Headwinds**
PMT Continues To Outperform The Peers

Strong Results Despite Challenging Economic Environment

2015 BUSINESS PERFORMANCE HIGHLIGHTS

- $250M Of International Gas Wins
- Strong Oleflex™ And Adsorbent Margins
- Best-In-Class Book To Bill Ratio ~0.95
- YoY Margin Expansion 16 Straight Quarters
- Key Mega Project Wins ~$0.4B
- Services And Software Growth
- Advanced Materials Profit Improvement
- Solstic® Growth Ramp-Up
- Leveraged Favorable Cost Positions

Data Reflects 2015 YoY Core Organic Sales Growth For HON And 9-Month Results For Select Peers. AM - Advanced Materials
**PMT Growing Faster Than The Market**

<table>
<thead>
<tr>
<th>KEY MARKETS</th>
<th>MARKET GROWTH RATES 5 YEAR % CAGR 2016-2021</th>
<th>ADDRESSABLE MARKET SIZE</th>
<th>STRONG FUTURE OUTLOOK SECURED FROM 2015 WINS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refrigerants And Foams</td>
<td><strong>11%</strong> HONEYWELL 4% MARKET</td>
<td>$6B</td>
<td>FP Contracted With Top Vehicle OEMs For Solstice®</td>
</tr>
<tr>
<td>Refining</td>
<td>9%</td>
<td>$12B</td>
<td>UOP Modular Refinery Wins, $800M+ Pipeline</td>
</tr>
<tr>
<td>Midstream</td>
<td>8%</td>
<td>$9B</td>
<td>HPS Grew Gas Process And Terminals 33% YoY</td>
</tr>
<tr>
<td>Petrochemical</td>
<td>7%</td>
<td>$10B</td>
<td>UOP Cumulative 50+ Gas-To-Chemicals Projects</td>
</tr>
<tr>
<td>Upstream</td>
<td>6%</td>
<td>$7B</td>
<td>HPS Safety And Security Offshore $250M Wins</td>
</tr>
<tr>
<td>Specialty Chemicals</td>
<td>5%</td>
<td>$7B</td>
<td>SP Aclar® Pharma Packaging Sales Up 9% YoY</td>
</tr>
<tr>
<td>Resins And Plastics</td>
<td>4%</td>
<td>$8B</td>
<td>R&amp;C Launched Co-Polymer Line ~30% IRR</td>
</tr>
</tbody>
</table>

Market Data For Oil And Gas Verticals Reflects A Combined HPS And UOP Estimate

**Positioned To Outpace In All Our Verticals Over Next 5 Years**
Managing Through Oil Market Cycles

PMT Segment Profit Versus Oil Price Over Last Decade

- PMT Segment Profit ($M)
- Annual Brent Oil Price

More Margin Expansion In 2016

PMT Growth Aligned Heavily To Downstream Economics

Reacted Fast To Oil Market Downturn Leveraging UOP/HPS Installed Base

Well Positioned For Continued Growth In A Low Oil Price Environment
~$1B Revenue Growth To 2017

**Strong Top-Line Growth From Core And New Breakthroughs**

- Sales ($B)
  - 2015: $9.2
  - 2016E: $9.3
  - 2017 Initial Outlook: $9.9
  - Core Organic Growth: 4-7%
  - Reported Flat - 3% Core Organic (1%) - 1%

**Key Growth Drivers**

- New Catalyst And Solstice Capacity
- Expanding OpEx-Driven Aftermarket
- $1.1B Incremental Breakthroughs By 2017
- New Adjacencies In Gas And Life Sciences

**Responded To Major 2015 Headwinds**

- Global FX Impact
- Historic Oil Price Decline/Volatility
- R&C Oil Related Price Erosion
- O&G CapEx/OpEx Down ~25% YoY

Growth Inflection Occurring And More Than Offsetting Headwinds
Winning In ~$30 Oil Environment

TRANSFORMING PORTFOLIO TO MINIMIZE IMPACT OF OIL PRICE VOLATILITY

End User’s Productivity

- Increase OpEx-Driven Installed Base Revenue
- Shift To Higher Margin IIoT And Aftermarket Services
- New Breakthroughs Less Reliant On Customer CapEx

Expansion UOP Aftermarket Services

Industrial Internet Of Things (IIoT)

Process Optimization SaaS (CPS)

Industrial Cyber Security

Outcome Based Services (A360)

* Data Reflects FY2015 Sales For UOP And HPS
Fluorine Products Growth Inflection Has Already Begun

**Outstanding Solstice® Sales and Margin Growth**

- New Regional Environmental Regulations And Emerging Climate Change Activity In China And India
- Key Wins With Major Auto OEMs And Leading Appliance Manufacturers Including Whirlpool, Haier, Midea
- All Demand Converts To $1B+/Year Solstice Sales By 2020

**Next Wave of Protected Innovations For Further Growth**

- **Refrigeration Software As A Service**
  Deliver 10% Savings On Supermarkets’ Energy New HVAC Predictive Analytics Cloud Business

- **Novel Fluoropolymers**
  Extend Water Treatment Membrane Lifetime New Protective Coatings Applications

- **Light Weight Flexible Foams**
  20% Weight Reduction Of Vehicle Seat Foams Drives Significant Transportation Fuel Efficiency

**Table:**

<table>
<thead>
<tr>
<th>Year</th>
<th>Solstice LGWP Sales</th>
<th>Legacy Sales (Non HFO)</th>
<th>% Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
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<td>2020</td>
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</tbody>
</table>

1000+ bps Margin Expansion 2013-2020
Strong Positions In Top High Growth Regions

### Balancing Global Sales By Opportunity

<table>
<thead>
<tr>
<th>Year</th>
<th>Emerging Market Sales</th>
<th>Developed Market Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td></td>
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<tr>
<td>2020</td>
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</tbody>
</table>

- **13% CAGR**
  - Emerging Markets
- **4% CAGR**
  - Developed Markets

Two-Thirds Of Total Growth To 2020 From Emerging Markets

10% YoY Growth Forecast For 2016 In High Growth Regions

### Already Winning In Next Gen' High Growth Markets

- **$400M+ 2015 Wins In Next Tier Economies**
  - Gas Processing Plant (Vietnam)
  - Refinery Lifecycle Solution (Turkey)
  - Refinery Process Upgrade (Mexico)
  - Supermarket Energy Savings (Indonesia)
  - Propylene Oleflex™ Plant (Poland)
  - Wastewater Bioreactor Trial (Malaysia)
  - Greenfield Mega Refinery (Nigeria)

Emerging Markets = High Growth Regions + Other Non-OECD Member Countries
# Seed Planting For Future Growth | HOS Gold Impact

## Investing In High Impact Breakthroughs To Exceed Growth Targets

<table>
<thead>
<tr>
<th>Year</th>
<th>Breakthrough Upside Potential*</th>
<th>Breakthrough Sales Planned</th>
<th>Core PMT Growth</th>
<th>Cumulative Growth Rate 5 Year CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td>5%</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td>8%</td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td>12%</td>
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<tr>
<td>2018</td>
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<tr>
<td>2019</td>
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<tr>
<td>2020</td>
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</tbody>
</table>

* Additional Upside To PMT Sales Plan

$2B+ Sales From New Funded Breakthroughs By 2018

- Cleaner Fuel & Energy Efficiency: ~$1.2B
- Clean Air & Wastewater Treatment: ~$0.2B
- Greener Solvents & Chemicals: ~$0.2B
- Industrial Internet of Things: ~$0.5B
- Lifestyle & Wellness Solutions: ~$0.3B

## Reallocation Portfolio To Higher Return Initiatives

- All Breakthroughs Driven By Gold Business Leaders
- Increasing Breakthrough R&D To 35%+ Of Total Spend
- Additional $2.5B+ Of New Ideas To Leverage Into Pipeline
- Attractive Adjacencies For Further M&A Expansion

$2B+ From New Breakthroughs Aligned To Global Mega Trends
**Strategically Deploying Capital In Highly Accretive Deals**

<table>
<thead>
<tr>
<th>Recent Deals With Segment Leaders In Attractive Markets</th>
<th>Acquisition Update</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Thomas Russell</strong>&lt;br&gt;Final 30% Stake Completed Jan 2016&lt;br&gt;Modular Natural Gas Processing To Clean And Separate High-Value Gas Liquid Streams</td>
<td>• New Global Project Design Capabilities&lt;br&gt;• HPS/UOP Aftermarket Upsell Solutions</td>
</tr>
<tr>
<td><strong>Elster Industrial</strong>&lt;br&gt;Completed Dec 2015&lt;br&gt;High Accuracy Gas Metering Instruments, Software And Data Analytics For Midstream</td>
<td>• HPS In Top 3 Process Instrument Position&lt;br&gt;• Cross Selling Of Gas Skids And Services</td>
</tr>
<tr>
<td><strong>Sigma Aldrich</strong>&lt;br&gt;Completed Dec 2015&lt;br&gt;Brand Leader For High Purity Research Chemicals And Life Science Applications</td>
<td>• Sales Through New eCommerce Platform&lt;br&gt;• Driving Plans To Double Sales By 2020</td>
</tr>
</tbody>
</table>

*Elster Total Addressable Market Size For PMT Related Markets Only*
## PMT Runway For Further Margin Expansion

### Segment Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Core Growth</th>
<th>Productivity &amp; Repositioning</th>
<th>HOS Gold</th>
<th>Breakthrough Strategies</th>
<th>2018T</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>21.0%</td>
<td>20.8%</td>
<td>19.8%</td>
<td></td>
<td>21.1%</td>
</tr>
<tr>
<td>2016</td>
<td>21.1%</td>
<td>21.1%</td>
<td>21.1%</td>
<td></td>
<td>21.1%</td>
</tr>
</tbody>
</table>

### Multiple Growth Levers To Exceed Goals*

**Breakthrough Strategies**
- Industrial Internet Of Things, Software Services
- New Refining Conversion Technologies
- Modular Equipment Offerings
- Industrial Wastewater Treatment
- New Barriers And Films

**Core Growth**
- Solstice® Low Global Warming Products Ramp
- High Growth Region Penetration Continues
- Advanced Materials Growth Acceleration
- Volume And Channel Leverage
- HUE And Product Vitality Enhancements

---

* Highlighted Examples Of Funded Initiatives
Sales Growth From Smart Capital Investments

**NEW CAPACITY ADDITIONS DELIVER HIGH ROI**

- Revenue From Growth Capital Projects ($B)
- PMT ROI (%)

**STRONG CAPITAL PROJECT EXECUTION**

- Projects On Time, On Budget
- Offsetting F/X And R&C Pricing Headwinds
- New On-Line Plants Fully Utilized
- Delivering 30-40% IRR Returns
- Funded Roadmap For Additional Capacity

---

**Investing For Growth While Improving ROI**
UOP AND HONEYWELL PROCESS SOLUTIONS

March 2, 2016
Rajeev Gautam, UOP President & CEO
Vimal Kapur, HPS President & CEO
# Why UOP Continues To Win

## PORTFOLIO OVERVIEW

### PROCESS TECHNOLOGY & EQUIPMENT
- Refining & Petrochemical Technologies
- Modular And Proprietary Equipment

### CATALYSTS & ADSORBENTS
- Leading Catalyst And Adsorbent Supplier
- Clean Fuels And Wastewater Solutions

### GAS PROCESSING & HYDROGEN
- Modular Gas Processing Solutions
- Hydrogen For Cleaner Fuel Production

## WINNING POSITIONS

### Modular Refining De-Risks Projects
- Strong Aromatics And Olefins Portfolio

### Optimizing Aromatics Asset Profitability
- Highest Yield Gas-To-Olefins Offerings

### International Gas Project Execution
- High Reliability Maximizes Yields & Uptime

## WHY WE WIN IN ~$30 OIL

- Next Aromatics Cycle Starting
- Large Installed Base To Reload
- Robust Clean Fuels Demand
- Increasing Downstream Profitability
- International Gas Project Demand
- Increasing Downstream Profitability
- China Clean Fuels Expansion

---

**Winning Positions Delivered 2015, Breakthroughs Driving Further Growth**
UOP Roadmap For Growth

Diversifying The Growth Portfolio With Less Cyclicality

Sales ($B)

CAGR 9%-11%

CAGR 11%

$1.6B

$3B

$5B

Sales By Strategic Offering

2009 2015 2020E

Breakthroughs
• Industrial Wastewater Treatment
• Process Optimization Software Business (CPS)
• Expanded Hydrocracking Portfolio

Modular Equipment And Gas
• International Gas Diversification
• New Modular Refining And Gas

Differentiated Technologies
• Gas-To-Chemicals (Oleflex™)
• Methanol-To-Olefins (MTO)
• Bottom Of The Barrel (Uniflex™)

Core Markets
• Refinery Upgrades
• Next Aromatics Cycle (Parex™)
• Catalyst And Adsorbent Reloads
• Global Demand Expansion

UOP Sales By Strategic Offering

Expanding Core Markets While Leveraging New Adjacencies
Refining Still Growing Despite Slow Oil Market Recovery

**Downstream Fundamentals Still Strong**

Refining Market Drivers 5 Year Growth

1.2% Base Oil Demand

Regional Factors Environmental Regulations

Changing Product Mix

Refining CapEx 5 Year Growth

~5%

**Why UOP Will Grow Faster Than The Market**

Expanded Modular Refinery Offering

Fabrication Equipment Design Engineering Licensing Modular Refinery Model

8% CAGR Refining $10B*

5 - 10X $ Project Scope

**Refiners’ Challenges Drive Demand For UOP Offerings**

- Environmental Regulations Drive Equipment Upgrades
- Mix Change Requires Hydrotreating & Bottom Of Barrel

**UOP Growing Through Expanded Offerings**

- Broader Scope With Full Modular Refinery Offering
- Lower Sulfur In Fuel Drives Hydrotreating Catalyst

* Refining Total Addressable Market And UOP Sales Growth Rate For Vertical 5 Year % CAGR 2015-2020, Modular Sales Range Varies With Project Configuration And Capacity
Petrochemicals Market Continues To Grow

**Why Petrochemicals is Attractive**

<table>
<thead>
<tr>
<th>8% CAGR PetroChem</th>
</tr>
</thead>
<tbody>
<tr>
<td>$7B*</td>
</tr>
</tbody>
</table>

Plastics Market Demand Robust 5% CAGR

Aromatics Entering Next Investment Cycle

Strong ROI From Paraxylene/Naphtha Spread

Downstream CapEx Growing 35% To 2020

**UOP’s Offering Value Proposition**

The Most Diverse And Proven Gas-To-Chemicals And Aromatics Portfolio

---

**Substantial Recurring Revenues From Growing Installed Base**

Petrochemical Sales

- Initial And Recurring Catalyst Reloads And Services (*Aftermarket*)
- Licensing, Engineering, Equipment (*Project*)

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</table>

- Aftermarket Sales Multiply Over Long Asset Lifecycles
- High ROI By Maintaining Reloads And Optimizing Performance

* Petrochemicals Total Addressable Market, UOP Sales Growth Rate For Vertical 5 Year % CAGR 2015-2020
Source: American Chemistry Council Dec 2015
Gas Processing Diversification Key To Driving Sales

**Recognized Early Onset Of US Slow Down - Growing International Wins**

**Solid Gas Processing Prospects**

- $100B Global Midstream Spend To 2020 On New Demand & Replacement Production
- $1B From 50 New North American Projects By 2020, $20M+ Per NGL Unit
- Mining Russell Installed Base For Additional Aftermarket And Services
- Major China Expansions For Hydrogen Plants For Cleaner Fuel Upgrades

**Modular Gas Processing Sales**

- International Sales
- US Sales

<table>
<thead>
<tr>
<th>Year</th>
<th>International</th>
<th>US</th>
</tr>
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<tbody>
<tr>
<td>2013</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>40%</td>
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<tr>
<td>2020</td>
<td>50%</td>
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</tbody>
</table>

- Total Gas Processing & Hydrogen Including Modular
- Gas Processing Total Addressable Market, UOP Sales Growth Rate For Vertical 5 Year % CAGR 2015-2020

**Creating A Balanced International And Aftermarket Portfolio**
Fast Track UOP Breakthroughs Entering New Adjacencies

**INDUSTRIAL WASTEWATER TREATMENT**

- **Total Addressable Market** $5B
- Bio-Treatment Technology Demand
  - Paper: 14%
  - Pharmaceutical: 6%
  - Refining And Petrochemical: 18%
  - Food And Beverage: 52%
  - Other: 9%

**CONNECTED PERFORMANCE SERVICE (CPS)**

- **Total Addressable Market** $1B+
- Process Optimization Software Services
  - Process Optimization
  - Reliability Uptime
  - Energy Management
  - Workforce Competencies

**LEVERAGING UOP’S 100 YEAR FLUIDS PROCESSING EXPERTISE**

- Utilizes Lower Cost Modular Xceed™ Bioreactor
- Growth Beyond Refining And Petrochemical Sector

**SOLVE HIGH VALUE CUSTOMER CHALLENGES VIA THE CLOUD**

- Leverages UOP/HPS Unique Installed Base Advantage
- New Offerings Generate Subscription Revenue Model

Expanding Into New Acyclical Multibillion $ Markets
HPS Set For Continued Growth Expansion

WHY HPS OUTPERFORMED ITS PEERS IN 2015

HPS Margin %

<table>
<thead>
<tr>
<th>1Q12</th>
<th>1Q13</th>
<th>1Q14</th>
<th>1Q15</th>
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<tbody>
<tr>
<td>2015+700 bps 2012-2015</td>
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</table>

- Took Rapid Actions As Markets Turned
- Rigorous Cost Management Playbook
- Expanding Aftermarket OpEx-Driven Budgets
- Software Services For Uptime, Reliability, Safety

WHY HPS WILL CONTINUE TO GROW IN 2016 AND BEYOND

Automation Projects

$22B 5% CAGR
- Differentiated Offerings With UOP Customers
- Elster Creates #1 Gas Controls Midstream Position

Lifecycle Services

$6B 5% CAGR
- Outcome Based Services Grows Retention
- Exclusive Migration Opportunity On Installed Base

Software And IIoT

$3B 10% CAGR
- Maximize OpEx Spend On Enterprise Productivity
- Transforming HPS Into A Software/IiOT Business

Data Reflects Size Of Addressable Markets And HPS 5 Year Sales Growth Rates 2015-2020

Majority Of Growth Coming From Software And Services
HPS And UOP Synergies Yield Unique Growth Advantages

**End User Benefits**

- Start-Up Your Facility Sooner
- Reach Target Production Quicker
- Operate At Peak Performance

**Differentiated Value Offerings - Ready To Launch In 2016**

- New Experion® Control Solutions For 32 Key UOP Processes
  - Unique Value From Integrated UOP And HPS Process Expertise
  - Reduce UOP Process Configuration Time By 60-70%
  - Drive Process To Tighter Specifications And Improve Yields
- CPS Software Service Launched For Process Optimization

**Collaborative Selling Success In 2015**

- Generating HPS Incremental Sales Via UOP Accounts
  - Refineries: Iraq, Kuwait
  - Petrochemical: China (MTO)
  - Gas Plants: Russia, Vietnam, Egypt

**Integrating Process Innovation Drives Long-Term Growth**

- Rich New Product Co-Development Pipeline Funded
- Novel Process Controls, Sensors, Simulators, Software

**PMT**
March 2, 2016
Expanding Services To 10,000+ Installed Customer Sites

CYBER SECURITY
- Maintaining Plant Continuity
  - Real-Time Cyber Risk And Vulnerability Detection
  - Comprehensive Tools And Services To Sustain/Resume Operations

ASSURANCE 360
- Value Based Outcome Services
  - Predictive Analytics To Manage Equipment Availability And Field Events
  - Reduces Risk And Costs To Operate Aligns To End-User’s OpEx Budget

SYSTEM MIGRATIONS
- Lower Risk Operations
  - Lean Upgrade Of Outdated To State-Of-The-Art Critical Controls
  - Innovation To Improve Productivity And Operator Decision Making

KEY 2015 CUSTOMER WINS – PROOF POINTS FOR GROWING DEMAND FOR PROCESS OPTIMIZATION SERVICES
- New Cyber Sales Up 44% YoY
  - Double Digit Growth In All Regions
  - New Risk Manager Cyber Dashboard Launched
- $80M Incremental A360 Contracts
  - Upselling To Top Refinery Customers
  - Key Projects: Australia, Belgium, Qatar, USA
- $220M Migration Projects Booked
  - New Controls Upgrades For Mid & Downstream
  - Key Projects: Norway, Poland, S Africa, UAE

$0.2B Annual Sales By 2020
$0.3B Annual Sales By 2020
$0.5B Annual Sales By 2020

Services Business Growth Not Linked To Oil Price
Leverage Software Leadership To Accelerate IIoT Revenues

HPS Has Built A Successful Software Business - Uniquely Positioned To Deliver Expanded IIoT Solution

- 40 Years Of Process Data Management
- 90 Million+ Connected Industrial Things
- Leadership In Industrial Cyber & Enterprise Analytics
- Proven Software Development And IIoT Capabilities

Connectivity Solves Top Process Challenges

- Enterprise Optimization
- Production Efficiency
- Process Reliability

Investing In IIoT Technology To Generate Faster Growth Offerings

- Big Data Predictive Analytics
- Smart And Secure Cloud Collaboration
- Data Management And Edge Controls
- Smart And Connected Assets & Devices

Expansion Leadership Position In Industrial Internet Of Things
## PMT Summary

### Delivered 2015 Despite $30 Oil/FX Headwinds

- **21.0%**
  - 2015 Segment Margin Already At Top End Of 2018 Targets
- **$0.6B**
  - 2015 Sales From New Breakthroughs

### Confident In 2016, Path To 2017/2018 Targets

- **~$10B**
  - Clear Path To 2017 Revenue Outlook
- **23-25%**
  - Segment Margin Upside Targets For 2018

### Smart Growth Investments In Acyclical Segments

- **$2B+**
  - 2017 And 2018 Sales From Growth Capital
- **$2B+**
  - Sales By 2018 From Breakthroughs

---

Value Creation Continues, Outperforming In All Industries Served
Key Messages

**Favorable End Markets**
- Portfolio Aligned With Favorable Macro Trends
- Growth From Connectivity, Energy Efficiency, Productivity, Safety And Security Solutions
- High Growth Regions Expansion And Runway; Outperforming In China And India

**Positioned To Outperform**
- Global Leader Across Portfolio, Multi Brand / Channel, NPI Growth With HUE
- Elster Creates New Platform For Growth; Acceleration In Smart Meters Penetration
- High-Margin Software And Connected Solutions Drive Double Digit Growth

**Runway For Margin Expansion**
- Connected ACS = More Integrated Businesses, Sales Growing Faster Than Fixed Costs
- Incremental Productivity From Supply Chain Consolidation And Rationalization
- Factory HOS Going From 50% To 100% Silver = Margin Expansion

**Additional Upside**
- HOS Gold General Managers Driving Organic Growth Upside
- Robust M&A Pipeline And Adjacencies
- On Track To 2018 Margin Target; 20% Long-Term Margin Target

Growth And Productivity Runway To Outperform
ACS Business Overview

**Revenue Growth And Geographical Distribution**

- **Margin**
  - 15.2%
  - 16.4%
  - 16.3% - 16.6%
- **Sales**
  - $14.5B
  - $14.1B
  - $15.3B - $15.8B

**Energy, Safety And Security (ESS)**

- 17% Security & Fire
- 41% Environmental & Energy Solutions (Includes Elster)
- 22% Sensing & Productivity Solutions
- 20% Industrial Safety
- 72%

**Building Solutions And Distribution (BSD)**

- 49% Americas Distribution (ADI)
- 28%
- 51% Building Solutions

**Data Reflects 2016E**

**Balanced Portfolio; Leading Positions, Margin Expansion Runway**

**+110-140 bps ex. M&A**

**Revenue Growth**

- 15.2% in 2014
- 16.4% in 2015
- 16.3% - 16.6% in 2016

**Geographical Distribution**

- **North America** 53%
- **Europe** 25%
- **ROW** 15%
- **High Growth Regions** 7%

**Revenue Growth And Geographical Distribution**

- 2015: $14.1B
- 2016E: $15.3B - $15.8B

**Sales Margin**

- 2015: 16.4%
- 2016E: 16.3% - 16.6%
Well Aligned To Attractive End-Markets And Global Trends

**Great Positions**

- **E&ES**
  Environmental & Energy Solutions
  Building And HVAC Controls, Smart Grid, Smart Metering (Elster), Connected Homes
  Industry Position: #1

- **HSF**
  Honeywell Security & Fire
  Fire Alarms And Controls, CCTV, Intrusion Detection, Access Control, Distribution
  Industry Position: #1

- **HIS**
  Industrial Safety
  Safety Products, PPE, Gas Detection, Connected Workers
  Industry Position: #1

- **S&PS**
  Sensing & Productivity Solutions
  Sensors, Scanning, Mobility, Printers And Media, Voice And Workflow Solutions
  Industry Position: #2

- **HBS**
  Building Solutions
  Installation, Service, Security, Energy, Connected Buildings
  Industry Position: #2

**Good Industries**

- Commercial
- Institutional
- Oil & Gas
- Construction
- Utilities
- Retail
- Transportation & Logistics
- General Industry
- Government
- Hospitals
- Infrastructure
- Hospitals

**End-Market Trends**

- IoT, Automation And Connectivity
- Smart Metering Legislation
- HGR Urbanization, Air/Water Safety
- Enhancing Worker Productivity
- Worker Mobility And Connectivity
- Tightening Safety Regulations
- Global Infrastructure Renewal
- Investments In Smart Buildings
- HGR Tier 3-4 Cities Growth

Data Reflects 2016E

ACS
March 2, 2016
Preliminary 2017 Sales Outlook – ACS

### Sales ($B)

- **2015**: $14.1
- **2016E**: $15.3 - $15.8
- **2017 Initial Outlook**: $16.3 - $16.6

### Growth Drivers

#### Leverage Core Installed Base (2-3% Growth)
- More NPI With Great HUE
- Leveraging Unmatched Installed Base, Brands & Channels

#### Connectivity And Software (10-15% Growth)
- Deploying Software And SaaS For Our Installed Base
- Extending Domain Expertise: Creating New Markets

#### HGRs (12-15% Growth)
- Growing In China And India At 2X+ GDP
- Commercial Acceleration, Key Verticals, East-To-Rest

#### M&A
- New Capabilities: Elster Smart Metering / Software
- Sales Synergies, Runway From More M&A

**Leveraging Installed Base, Accelerating Software And HGRs, M&A Upside**
Elster: Growth Acceleration From Smart Meters And Analytics

Elster ~$1.5B Portfolio

Source: BCG, IHS, HON Estimates.

Elster Brings Strong Capabilities…
Leader In Gas, Electricity And Water-Metering
Broad, Differentiated Industrial Combustion
Strong Software And Data Analytics Offering

And Opens Up Significant Opportunities
$4B Installed Base Annual Refresh Opportunity
Next-Gen Smart-Meter Rollout Acceleration
Software-Platforms Integration With HON

Global Meter Market ($B)

Source: BCG, IHS, HON.

Smart-Meters And Analytics ($B)

Source: BCG, IHS, HON.

Reflects Portion Of Elster Within ACS

Addl. Upside EU Adoption

2015 2020

2015 2020

Electricity, Gas, Water Meters, Analytics. Source: BCG, IHS, HON.

Additional Upside EU Adoption

Strong Position In Attractive Segments With Further Upside Potential
Connected ACS Accelerating Growth And Margin

**Connected ACS**
- Fully Independent ACS Businesses

**Accelerates Growth**
- 33 HOS Gold General Managers Driving Breakthrough Growth
- High-Margin Connectivity And Software Solutions, Growth From Core Installed Base
- Double-Digit Growth In China / India; High Single-Digit In Other HGRs

**Accelerates Margin Expansion**
- Functional COEs To Leverage Scale; Consolidation Of Businesses
- Implementing Supplier Auto Play-Book, Core Vs. Non-Core, RDE Platforms
- Footprint Reduction = Lower Fixed Costs And Logistics; Supplier Rationalization

**Fully Integrated Business**

**Today**
- Sales

**Tomorrow**
- Volume Leverage
- Fixed Costs

Significant Progress Made; More Runway Ahead
# HOS Gold Driving Breakthrough Growth Strategies

## Breakthrough Strategies

<table>
<thead>
<tr>
<th>Breakthrough Strategies</th>
<th>Addressable Market</th>
<th>Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software, IoT And Data Monetization</td>
<td>~$6B</td>
<td>Connected-Building Software Growth 15%+; Home Software Growth 20%</td>
</tr>
<tr>
<td>New Markets In Workers / Industrials</td>
<td>~$4B</td>
<td>Software-Enabled Worker Productivity Solutions; 10%+ Growth</td>
</tr>
<tr>
<td>New Channels To Consumers</td>
<td>~$4B</td>
<td>China e-Commerce Growth 10X+; Apple HomeKit™ Strategic Partnership</td>
</tr>
<tr>
<td>Intelligent Edge Devices</td>
<td>~$2B</td>
<td>Great NPIs With Great HUE; New Wireless, Voice Offerings</td>
</tr>
<tr>
<td>Growth Acceleration In HGRs</td>
<td>~$5B</td>
<td>China E2R Growth 15%+; E4E NPI Growth 40%+; Double-Digit Growth</td>
</tr>
</tbody>
</table>

**Breakthrough Strategies = Organic Growth Upside**
Leveraging Installed Base And Multi-Channel / Brands

Leveraging Global Installed Base

- 250,000+ Channel Partners
- Presence In 150M+ Homes; 10M+ Buildings
- Reaching 500M+ Workers Annually
- Rapidly Expanding Base Of 20M+ Connected Devices
- Collecting And Monetizing 20TB+ Data Monthly

Multi-Brand, Multi-Channel Strategy

<table>
<thead>
<tr>
<th>Multiple Channels</th>
<th>Multiple Brands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturer</td>
<td>Building Controls: Honeywell, TREND, Alerton</td>
</tr>
<tr>
<td>Resellers</td>
<td>Fire: Honeywell Notifier, Honeywell Esser, System Sensor</td>
</tr>
<tr>
<td>Distribution</td>
<td>Honeywell</td>
</tr>
<tr>
<td>End Users</td>
<td>Honeywell</td>
</tr>
<tr>
<td>Integrator / Installer</td>
<td>Honeywell</td>
</tr>
<tr>
<td>E-Commerce And Online</td>
<td>Honeywell</td>
</tr>
</tbody>
</table>

Installed Base Growth And Drivers

- 2015
- 2016E
- 2018E

- Differentiated Brands Aligned To Channels
- Multiple Bids Improve Win Rate
- Diversity Of Products And Applications

Multi-Brand And Multi-Channel Core Strengths
Growing High-Margin Software Revenues

Honeywell Differentiators

- Huge Installed Base With Brand And Technology Leadership
- Millions Of Connected Devices And Sensors
- 54% Engineers Devoted To Software
- Software Excellence

Intelligent Solutions To Unlock The Value Of Data Through Software

- Developer Community
- Customer Insights
- Data And Analytics Business Models

High-Margin Software Revenue Growth

- 2015
- 2016E
- 2018E

Home Security & Safety
- Smart-Home Security / Safety And Automation Software Platform

Buildings IoT Platform
- Vendor-Agnostic & Open Building Integration Software

Voice And Software
- Voice-Enabled Workers Productivity And Safety Software Solutions

HON 3-Year CAGR (2015-2018)

Accelerating Growth From “Pure” Software Solutions

20%+ HON CAGR
15%+ HON CAGR
12%+ HON CAGR
Leadership Position To Grow In Buildings

Key Differentiators
- Largest Installed Base: Extensive Network Of Global Channel Partners, Direct And Indirect
- Leading Building Solutions Integrator With Access To Data And Analytics That Unlock New Value
- Honeywell Smart Building Score™ – Global Reference For Smart-Building Performance

Comprehensive Portfolio Of Connected Solutions

- Building Management Systems
- Energy Management
- Security Management
- Technical Services
- System Integration
- Fire Detection And Alarm
- Refrigeration Systems
- Security Systems
- Fire And Security Systems

Driving Adoption Of Smart-Buildings

Leading To Robust Growth

Buildings Growth ($B)

HON CAGR ~3%

2015 2016E 2018E

Leveraging Installed Base, Accelerating Growth With Software & Connectivity
Buildings: Connectivity And Software Fueling Growth

Multi-Site Management Software

- SaaS Business Model
- Capex To Opex; Reduced Operating Cost

$1B Industry
20% HON CAGR

Buildings IoT Platform

- Vendor-Agnostic Open Platform
- License And Maintenance Business Model
- 20%+ Savings With Edge And Cloud Software

$2B Industry
15% HON CAGR

Fire Inspection Services

- Optimizes Inspection And Testing Efficiency
- SaaS Business Model
- 40%+ Reduction In Labor Costs

$2B Industry
20% HON CAGR

Transforming Installed Base With Software And IoT

HON 3-Year CAGR (2015-2018)
Global Brand Leadership To Grow In Homes

Key Differentiators

- Largest Installed Base: Leader With 15M+ Systems Installed Annually; Presence In 150M+ Homes
- Differentiating With Connectivity And Software Portfolio, Strategic Partnerships And Ecosystem Partners
- Reaching Home Owners Through Unrivaled Global Sales Channel Coverage Including Retail, e-Commerce

Robust Portfolio Of Solutions And Ubiquitous Presence And Strategic Partnerships Leading To Robust Growth

Homes Growth ($B)

- 2015
- 2016E
- 2018E

ACS
March 2, 2016
Homes: Connectivity And Software Fueling Growth

Global Home Platform
- CES Award-Winning Product; HUE Design
- One-Time Sales And Subscription Models
- Apple, Samsung Partnership Driving Growth
- $3B Industry
- 25% HON CAGR

SaaS For Contractors
- Predictive Maintenance Analytics
- SaaS Business Model
- HON Offerings Bundled With Services
- $1B Industry
- 20% HON CAGR

Elster Smart Meters
- Smart Metering, Software And Data Analytics
- One-Time Sales And Subscription Models
- Increasing Global Utility Spend On Analytics
- $6B Industry
- 15% HON CAGR

ACS March 2, 2016

Global Platform, Smart Edge Devices, New Software Business Models
Leadership Position To Grow Workers And Industrial Solutions

Key Differentiators
- Industry Leadership, Reaching 500M+ Workers Annually With HON Solutions
- Breadth Of Connected Portfolio Across Productivity And Safety And In Industrial Verticals
- Leadership Position And Expertise To Expand And Capture New Market Positions

Robust Portfolio Of Solutions Leveraging Connectivity And Software

Driving Robust Growth

Workers Growth ($B)

- 2015
- 2016E
- 2018E

HON CAGR ~3%
Connected Portfolio To Serve Workers And New Markets

**Safety Solutions**

**Productivity Tools**

**Software And Analytics**

**Growth**
- Growth From Connected Hardware, Software And Service
- Robust Portfolio And M&A Track Record; Strong Pipeline

**Differentiation**
- Technology Leadership In Safety And Gas Detection
- Barcode Scanning, Mobile Computing, Printing Strength
- Leadership In Software, Voice And RFID Drive Connected Value

**HGR Expansion**
- Expanding From China To Localize In HGRs
- Key Trends In Productivity And Safety Driving Adoption

**Creating New Markets**
- $15B+ New Space Opportunities
- Real-Time Connected Workers: In Retail, Healthcare, Industrials
- Asset Tracking And Incident Management

Proven Growth Platform With Substantial Upside
Growing With Workers And Workplace Solutions

Honeywell Connected Workplace Cloud

- Healthcare
- Transport And Logistics
- In-Store Retail
- Direct Store Delivery
- Inspection And Maintenance
- Industrial Workers
- First Responders
- Energy And Utilities
- CONSUMER
- ANALYTICS
- INSIGHTFUL APPS
- DATA
- COMMUNICATION
- EDGE DEVICES

Leverage And Connect Installed Base
- 500M+ Users In Many Verticals
- Market Leader In Productivity And Safety Solutions
- 1,000s Of Solution Partners
- Many Workers In Connected Buildings

Delivering Smart Outcomes
- Locate Employees Faster
- Make Workers More Productive
- Dispatch Or Redirect Workers
- Ensure Safety And Compliance
- Improve Quality

New Software Business Models
- License And Support
- Enterprise License
- Per User SaaS
- Data-Usage-Based Models

Connected Worker Cloud Unlocks Software And Data-Based Growth
In-Store Retail

Current Great Position
• Leader In Voice-Based Warehouse Automation With 1M+ Users
• Scanning And Mobility Leader in Retail
• Solution Sale: Hardware + Software

Differentiation
• Voice Platform With Direct Link To Enterprise Systems
• Consultative Sales Model Through System Integrators
• Deep Domain Expertise In Store Operations

Customer Benefits
• 20%+ Increase In Worker Productivity
• 90% Stocking Errors Reduction
• 1%+ Increase In-Store Revenues

Creating New Markets
• 65M+ Non-Food Retail / Apparel Workers
• 20M+ Grocery Store Clerks
• Labor Inflation In HGRs Driving Adoption

$4B Market Opportunity Created From Great Position

HON 3-Year CAGR (2015-2018)
Industrial Workers And First Responders

Current Great Position
- #1 Position In Safety, Gas Detection
- Choice Partner Of Fire Departments
- New Regulations Driving Growth

Differentiation
- Connected Gas, Chemical And Radiation Detection
- 250+ Design Patents In Fire Protection
- Threat Area Analytics, Detection And Response

Customer Benefits
- Real-Time Situational Field-Worker Awareness
- 33% Increase In Safety Compliance
- 40% Faster Incident Response

Creating New Markets
- 200M+ Workers In High-Risk Applications
- Public Venue And Infrastructure Protection
- HGR Adoption 3X+ Developed Markets

$10B Market Opportunity Created From Great Position
Airline Inspection And Maintenance

<table>
<thead>
<tr>
<th>Current Great Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 1M+ Voice Users Globally</td>
</tr>
<tr>
<td>• HON Aero, Lufthansa Technik And 20+ Other Airlines</td>
</tr>
<tr>
<td>• Global Network Of Repair Centers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Differentiation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Voice Platform; Industrial Wearable Devices</td>
</tr>
<tr>
<td>• Consultative Sales; Global, Skilled Workforce</td>
</tr>
<tr>
<td>• Faster Scalability With Honeywell Aerospace</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Customer Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 20-50% Reduction In Inspection Cycle Time</td>
</tr>
<tr>
<td>• 100% Process Compliance And Audit Trail</td>
</tr>
<tr>
<td>• Reduced Cost And Documentation Errors</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Creating New Markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 300K+ Aircraft Maintenance Technicians</td>
</tr>
<tr>
<td>• 1M+ Automotive Maintenance Techs</td>
</tr>
<tr>
<td>• Global Standards Deployed In HGRs</td>
</tr>
</tbody>
</table>
Outperforming In High Growth Regions (HGRs)

Double-Digit Growth From HGRs

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016E</th>
<th>2018E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>China</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HON CAGR</td>
<td></td>
<td></td>
<td><strong>15%+</strong></td>
</tr>
<tr>
<td><strong>India</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HON CAGR</td>
<td></td>
<td></td>
<td><strong>20%+</strong></td>
</tr>
</tbody>
</table>

**HGR Playbook**

Portfolio Aligned To China Needs, China As HGRs Growth Hub
- Mid-Segment Innovations; E4E / E2R Growth; Following Chinese EPCs

Innovation In Key Verticals
- Healthcare, Energy, Hospitality, Airport, Infrastructure, Air / Water, Retail

Expansion Into Tier 3-4 Cities
- Sales, Marketing And Channels Development In Tier 3-4 Cities

Becoming The Chinese Competitor
- Local Design, Development And Supply Chain

Mid-Segment Mobility | Air And Water | Vertical Focus

Outperforming In HGRs; Double-Digit Growth In China And India
Segment Margin Expansion

Segment Margin

Margin Expansion Drivers

Key Accomplishments 2013 - 2015

- 7 Global SBUs To 5, Implemented COEs, Leaner Organization
- Certified 57 Factories To HOS Silver, Reduced Number Of Factories
- Outperforming In China And High Growth Regions

Additional Runway 2016 And Beyond

- Accelerating High-Margin Software, HGRs And Connectivity Solutions
- Fast Track HOS Silver, Further Rationalize Footprint
- Increased Productivity From Supplier Auto Playbook

2016 At Low End Of 2018 Target With Credible Path To Upside
Summary

Sales ($B)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2015</th>
<th>2016E</th>
<th>2018T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales ($B)</td>
<td>$13.5</td>
<td>$14.1</td>
<td>$15.3 - $15.8</td>
<td>$16.2 - $17.5</td>
</tr>
</tbody>
</table>

5 Yr HON CAGR 4-5%

Key Messages

Favorable End Markets

Positioned To Outperform

Runway For Margin Expansion

Driving Additional Upside

Segment Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2015</th>
<th>2016E</th>
<th>2018T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Margin</td>
<td>14.7%</td>
<td>16.4%</td>
<td>16.3% - 16.6%</td>
<td>16.6% - 18.3%</td>
</tr>
</tbody>
</table>

40-70 bps Per Year

~20% Long Term Target

High Confidence In 5-Year Outlook; Long Term ~20% Margin Target
March 2, 2016

AEROSPACE

Tim Mahoney, President & CEO
Key Messages

Growing Faster Than Industry

- Large Wins On Right Platforms Accelerates Growth
- Double-Digit Growth In HGRs
- Turbos: >40% Win Rate | ~100 Launches/Year

Continued Margin Expansion

- Expanding Via Higher-Margin Software, Services, HGRs
- HOS Gold, VPD, OpEx Tailwinds
- Aerospace Innovation With Automotive Efficiency

Innovation, “Decoupled” Strategy Fuels Growth

- The Connected Aircraft Era Arrives: Services Growing 20%
- Software: >160 New Products On Tap; New Models
- Upgrades: Double-Digit Increase To Meet Mandates
Aerospace Growth Story

WINS: Right Products On Right Platforms

<table>
<thead>
<tr>
<th>AIRCRAFT</th>
<th>HON VALUE</th>
<th>Competitor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boeing 737 MAX</td>
<td>$25B</td>
<td>$2B</td>
</tr>
<tr>
<td>Embraer L500/450</td>
<td>$24B</td>
<td>$3B</td>
</tr>
<tr>
<td>Airbus A350</td>
<td>$18B</td>
<td>$6-$9B</td>
</tr>
<tr>
<td>Textron Aviation Longitude</td>
<td>$8B</td>
<td>&lt;$1B</td>
</tr>
<tr>
<td>Boeing 777X</td>
<td>$18B</td>
<td>$5-$7B</td>
</tr>
<tr>
<td>COMAC C919</td>
<td>$16B</td>
<td>&lt;$16B</td>
</tr>
<tr>
<td>Gulfstream G500/600</td>
<td>$9B</td>
<td>Minimal</td>
</tr>
<tr>
<td>Bombardier CL359</td>
<td>$6B</td>
<td>&lt;$2B</td>
</tr>
<tr>
<td>Bombardier Lear 70/75</td>
<td>$4B</td>
<td>$0.5B</td>
</tr>
<tr>
<td>Embraer E2</td>
<td>$3B</td>
<td>$2-$3B</td>
</tr>
<tr>
<td>Irkut MC-21</td>
<td>$2B</td>
<td>&lt;$2B</td>
</tr>
<tr>
<td>Falcon F8X / F5X</td>
<td>$2B</td>
<td>$1B</td>
</tr>
<tr>
<td>6 Unannounced Wins</td>
<td>$5B</td>
<td>$1-$2B</td>
</tr>
</tbody>
</table>

TWO Aftermarket Revenue Streams

**CONVENTIONAL GROWTH**

*Aftermarket: Tied To Utilization*

- Spares
- R&O
- Support Solutions

Large Order Backlog: 3,000+ Planes
Fastest Growing Biz Jet Family
4/5 OEM Engine Wins In Fastest Growing Segment

**DECOUPLED GROWTH**

*Reflecting Consumer Behaviors*

- 5,000+ Aircraft With HON Broadband By '18
- 10,000 High-Margin Upgrades ’16-18
- Retrofits, Services And Airtime Resellers

Industry

AVIONICS

~4%

HON

~6%

MECHANICAL

2-3%

HON

4-5%

Impactful Products On Growing Platforms With Diversified Growth Plan
Aerospace Overview

**Financials**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales ($B)</th>
<th>Segment Margin %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$15.7</td>
<td>18.2%</td>
</tr>
<tr>
<td>2014</td>
<td>$15.8</td>
<td>19.6%</td>
</tr>
<tr>
<td>2015</td>
<td>$15.2</td>
<td>21.1%</td>
</tr>
<tr>
<td>2016E</td>
<td>$15.3-$15.6</td>
<td>21.7% - 22.1%</td>
</tr>
</tbody>
</table>

- **Sales**: Large Program Wins, Upgrades
- **Margin**: Accelerating Expansion Of HOS, Efficiencies
- **Innovation**: Technology Breakthroughs

*2014 Excludes OEM Incentives Of $184M In 4Q14; Friction Materials Divested In 2014

**Business Mix**

- **19%**: Comm’l OE
- **31%**: Comm’l AM
- **19%**: Int’l Defense
- **22%**: U.S. Defense/Services

**Sales By Region**

- **48%**: U.S.
- **4%**: Other
- **19%**: Middle East
- **6%**: China
- **23%**: Europe
Preliminary 2017 Sales Outlook

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>Growth Drivers 2015-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>($B)</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>$15.2</td>
<td></td>
</tr>
<tr>
<td>2016E</td>
<td>$15.3 - $15.6</td>
<td>17 New Aircraft Launching</td>
</tr>
<tr>
<td>2017 Initial</td>
<td>$16.0 - $16.5</td>
<td>200+ New Products</td>
</tr>
<tr>
<td>Outlook</td>
<td></td>
<td>40% Turbo Win Rate</td>
</tr>
</tbody>
</table>

- **Reported 1% - 2% Core Organic 1% - 2%**
- **4% - 5% Core Organic Growth**

**Growth Drivers 2015-2018**

- **Plus** 160 Software Offerings
- **Plus** 60+ Products/Services From Three Acquisitions
- Significant HTF 7000 Engine, A350, Connectivity Ramp Up
- Defense: Int’l Growth – Engines & Mechanical/Electrical Upgrades
- Massive Installed Base: >1/3 Under Multi-Year Service Contracts
- Global Gas Turbo Penetration

**Strong Win Rates On The Right Platforms**
### Segment Margin Expansion

**Segment Margin**

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>21.1%</td>
</tr>
<tr>
<td>2016E</td>
<td>21.7%</td>
</tr>
<tr>
<td>2018T</td>
<td>22.1%</td>
</tr>
</tbody>
</table>

**Path To Upside**

- **~25% Long Term Target**

<table>
<thead>
<tr>
<th>Source</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>5X</td>
<td>HOS Gold Productivity Gains</td>
</tr>
<tr>
<td>&gt;20%</td>
<td>Increase in Software Services CAGR</td>
</tr>
</tbody>
</table>

**Growth Drivers 2015-2018**

- **HOS Gold**: Running Enterprises With Full Visibility
- **Connected Aircraft**: Exclusive GX Equipment Supplier
- **Increase In Software Offerings That Net >70%+ Margin**
- **Majority Of 200+ New Product Introductions Are Upgrades**
- **Platform Solution**: Build Once, Apply Multiple Times
- **Doubling Material/Labor Productivity**
- **Leveraging Installed Base**: ↑ Aftermarket Upgrade Mix

**Nearing 2018 Target With Credible Path To Upside**

- **2X Productivity**
- **>20% Services CAGR**
- **5X Increase In Software**
Commercial Aerospace

Well Positioned On Growing Fleets

• Air Transport, Gulfstream Delivering 1,500+ Aircraft/Year
• A350, Legacy 450/500 Deliveries Doubling by 2018

Maintaining Strong Win Rates

• $8B Cessna Longitude Win Across Mechanicals
• Increasing Selectables: >500 APUs | 65% Avionics Win Rate

Strong Installed Base/Service Offerings

• 10K Aircraft Under HON Service Agreements
• 100% Wide-bodies Fly HON Flight Mgmt Systems; Monthly Update

Unmatched & Expanding Scope Of Offerings

• Connected Aircraft: 5,000+ With HON Broadband By 2018
• Acquisitions Add 60+ New Product/Service Offerings

Commercial OE

![OE Deliveries Chart]

2016E 2018T

OE Deliveries +5%

HON 6% CAGR

Commercial Aftermarket

![Upgrades & Services Chart]

2016E 2018T

Upgrades & Services

HON 6% CAGR

Flight Hours +4%

Strong Win Rates & New Aftermarket Offerings Accelerating Growth
Defense & Space

Well Positioned On Growing Fleets
• Significant Positions on 300+ Platforms
• Growth Platforms: Fighters, Trainers And Satellites

Strong Installed Base/Service Offerings
• Incentive-Based Maintenance Leader >$500M Sales 2016-2018
• Balance: Revenue Split Equally Services, MRO And OEM Sales

Sales Growth Outpacing Budget
• 35% Of Sales In Fast Growing International Markets By 2018
• Top Growth Countries: M.E., India, SE Asia (Indonesia, Malaysia)

Expanded Scope of Offerings
• Modernization Efforts: 25% CAGR To $2B Sales Next 3 Years
• Base Ops, Satellite Tracking, Condition-Based Maintenance

U.S. Outlook

International Outlook

D&S Returns To Growth
AEROSPACE GROWTH DRIVERS

> Conventional Growth

Decoupled Growth
Mechanical Leadership

**HON Engines**

- Largest Business Jet Installed Base And Most Deliveries
- Strong Track Record Of Wins On Medium-Large Business Jets
- HTF Fleet Growing At 20% CAGR ‘16-’18
- Pursuing 10K Army Helo Engines For Blackhawk/Apaches
- Military, Civil Engine Upgrades >$1.5B Over Next 5 Years

**ENGINES: 5-Year Market CAGR (2015-2020)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Industry</th>
<th>HON</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1%</td>
<td>6%</td>
</tr>
<tr>
<td>2020</td>
<td>~17K</td>
<td>~21K</td>
</tr>
</tbody>
</table>

Big Wins = Strong Engine Growth

**HON Auxiliary Power Units (APUs)**

- Every 2 Seconds A HON APU Takes Flight
- Largest Installed Base In Industry: >36K And Growing
- Won 7 Of 9 New Transport Aircraft
- Leading In Airline Selections – Won 500 In ’15 Alone
- Service Agreements On Nearly 5,000 APUs

**Largest Installed Base Fuels Aftermarket Growth**

Our Engines & APUs Are Providing Service To >1 Million People This Second
## Avionics | Cockpit Leadership

### Integrated Cockpit Systems
- Largest Installed Base: >10X Closest Fully Integrated Competitor
- Winning New Platforms (4 Unannounced Wins Worth >$3B)
- Upgrade Pipeline: 20+ New Upgrades Worth >$200M Next Three Years

### Navigation Systems
- 130,000 On Aircraft And On Thousands Of Missiles And Spacecraft
- Winning On Competitor Cockpits: 20 New Production Systems
- >15,000 Guidance System Deliveries Next Three Years

### Safety & Radio Systems
- >90% of Global Fleet Has HON Safety Systems
- RDR4000 3-D Weather Radar Won Majority Of Bids In 2015
- >10K Radio Upgrades For ADS-B Mandate

### Five-Year Industry CAGR (2015-2020)

<table>
<thead>
<tr>
<th></th>
<th>Industry</th>
<th>HON</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTEGRATED COCKPIT SYSTEMS</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>NAVIGATION SYSTEMS</td>
<td>3%</td>
<td>5%</td>
</tr>
<tr>
<td>SAFETY &amp; RADIO SYSTEMS</td>
<td>4%</td>
<td>9%</td>
</tr>
</tbody>
</table>

State Of Art Technology + Wins + Large Base + Upgrades = Leadership
### High Growth Regions

#### On The Ground | Local Competitor
- 3 China Joint Ventures; 5 Turkish Sourcing Partners For Engines
- India Is Aerospace’s Largest Engineering Facility In The World
- New Channel Partner In Africa

#### Big Wins In All Geographies
- C919, AC311, MA700, ARJ21, Others In China
- Brazil: Embraer E2 And Legacy Family Aircraft
- Turkish Helicopters (>500M Wins) And Russian MS21 ($2B)

#### Expanding Our Position > Low-Cost Airlines
- High APU Win Rate With Up To 700 APUs Secured In Pipeline
- Recent Wins: Indigo/GoAir, Vietjet, Ethiopian Airlines
- New HGR-Focused Maintenance Service Programs

### Aerospace HGR Sales

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016E</th>
<th>2018E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td></td>
<td></td>
<td>~$1B Incremental Sales</td>
</tr>
</tbody>
</table>

**Local Focus Delivering Double-Digit Growth**
AEROSPACE GROWTH DRIVERS

Conventional Growth

> Decoupled Growth

Welcome Bob Smith, Aerospace CTO
Transforming Our Business…

*Decoupled From Traditional Market Forces | Direct To Airlines, Operators, Pilots And Passengers*

**Decoupled Growth**

- >10% CAGR
- 2015
- 2020

Enhanced By Honeywell User Experience & HOS Gold

New Growth That Is Faster To Deploy And Higher Margin
The Connected Aircraft Era Has Arrived

Key Drivers

<table>
<thead>
<tr>
<th>Insatiable Demand</th>
<th>Rapid Adoption</th>
<th>Honeywell Offering</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Survey: Wi-Fi Trumps Legroom, Food</td>
<td>• ~25,000 Planes With Wi-Fi By 2025</td>
<td>• Satellite To Service; Airtime To Apps</td>
</tr>
<tr>
<td>• No One’s Ever Asked For Slower Speed</td>
<td></td>
<td>• Spanning A380 To King Air</td>
</tr>
</tbody>
</table>

Why Ka-Band?

<table>
<thead>
<tr>
<th>FEATURES</th>
<th>SPEED</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inmarsat Ka-Band GXA</td>
<td>• Highest-speed • Accommodates the Most • More Secure • Reliable/Constant • GLOBAL – Land &amp; Sea</td>
<td>100X Faster</td>
</tr>
<tr>
<td>Ku-Band</td>
<td>• High-Speed • Inconsistent • Accommodates Few</td>
<td>10X Faster</td>
</tr>
<tr>
<td>Air-to-Ground</td>
<td>• Less Reliable • Accommodates Few • Limited: Land Only</td>
<td>2X Faster Than L-Band</td>
</tr>
<tr>
<td>Legacy L-Band</td>
<td>• Reliable • Accommodates Very Few • More Secure</td>
<td>1X (Kbps)</td>
</tr>
</tbody>
</table>

In 2 Years, HON-Connected Planes Will Manage 150 TBs Of Data Per Day… Equivalent To 300,000 Movies

Lufthansa, Bombardier and Others Adopt Honeywell/Inmarsat High-Speed Network

Expect Big Demand, Growth For High-Speed In-Flight Wi-Fi
Connected Aircraft Strategy

Fast Network: Inside 95% Commercial Satellites

Airtime: Exclusive Inmarsat Network | Airtime Offering

Hardware | Equipment: Jetwave

Software Expertise: Cockpit, Mechanical Leadership

Content Delivery: Easier, Faster Digital Delivery Of Upgrades (RMUs) Via Software

Services | App Store: GoDirect Services And Apps

New, $7B+ Markets Now Arriving; Unique “Airtime To App” Offerings
# Software: New Business Opportunities, Models

## Software Expertise

- **Marrys Vast Software Capability With Great Avionics & Mechanical Positions**

- **Leverages Connected Aircraft Strategy**

- **CMMI Certified: Consistent, Faster Development**

- **Multiple New Pricing Options:** Activation, Usage, Subscription, One-Time, More…

## Unique Software Ecosystem

- **Real-time Analytics From Mechanical Systems On Board**

- **Connected Radar**

- **Software Updates To Radar**

- **Flight Mgmt System**

- **Weather Info App**

## Unique Customer Value

- Reduced Fuel Burn
- Less Damage, Repair
- Lower Maintenance

---

**High Margin Growth Driver | >160 Software Products Launching By 2018**
GoDirect: New Family Of Services, Launching Later This Year

- More Than 20 Offerings, Broadest In The Industry
- Double-Digit Growth; Higher Margin
- Recent Acquisitions Expand Offerings

<table>
<thead>
<tr>
<th>GoDirect Offerings</th>
<th>Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoFuel</td>
<td>Honeywell-acquired Aviaso can reduce fuel costs from 3-5%, saving major airlines $10’s of millions</td>
</tr>
<tr>
<td>MyGDC</td>
<td>Two-thirds surveyed by HON say Wi-Fi access influences their ticket purchases</td>
</tr>
<tr>
<td>Cabin Control</td>
<td>HON: 30 years of flight planning experience</td>
</tr>
<tr>
<td>Weather Information</td>
<td>Flight cancellations cost airlines and passengers ~$30B per year in the U.S. alone</td>
</tr>
<tr>
<td>Taxi Wizard</td>
<td>HON: Unique avionics and mechanical expertise</td>
</tr>
<tr>
<td>Flight Preview</td>
<td>HON: Airbus Offers new Weather App to airlines; SWA adds 3-D weather radar for 737 MAX</td>
</tr>
</tbody>
</table>

HON: Leading provider of fuel efficient services

HON Weather App can save airlines as much as $65K per aircraft per year

Turbulence costs airlines >$100M per year.

HON: 30 years of flight planning experience

Flight cancellations cost airlines and passengers ~$30B per year in the U.S. alone

HON: Unique avionics and mechanical expertise

HON: Airbus Offers new Weather App to airlines; SWA adds 3-D weather radar for 737 MAX
Upgrades And Mandates Growth

**Opportunity**

$7B Market Opportunity Over 5 Years; ~40K Aircraft With HON Upgrade Offerings

Mandates Alone Are >$1B Opportunity

2017: Traffic Collision Avoidance System (TCAS)
2017: Oceanic ATM – Future Air Navigation (FANS1A)
2020: Automatic Dependent Surveillance (ADSB Out)
2020: Controller Pilot Data Link Comms (PM-CPDLC)

SALES OF EXISTING PRODUCTS
>15K Aircraft Opportunity

NEW PRODUCT LAUNCHES IN 2016
+30 New Upgrades; >15K Aircraft Opportunity

STRONG INNOVATION PIPELINE
More Than 90 In Progress

**Sales Forecast**

- **2015**
- **2016E**
- **2020E**

~$1.8B

+20% CAGR
Aerospace | HUE

Before

Tiny Mechanical Buttons
Green Screen Displays
Limited Functions

Greater Than $50M Contribution To Sales In 2015 -- >$100M In '16

After

Touch Enabled
Rich, Intuitive Graphics
Software-Based, Unlimited Functions

Repeatable And Consistent Brand Experiences

Multipurpose Control Display Unit

Touchscreen Controller

Driving Incremental Sales, Margin
HOS Gold Breakthroughs, Impact

Investing In High Impact Breakthroughs To Exceed Growth Targets

>30 Breakthroughs -- 75% Target “Internet Of Things”

HUE Embedded In All New Product Introductions

Strong Pipeline For Additional M&A

Significant, Consistent OpEx Improvement

CONNECTED APU – ARRIVING 2016
Increases “Time On Wing” Reducing Flight Delays
Auto-Bill For Accuracy, Simplicity, Real-Time Usage

>$1 Billion In New Potential Sales Via Breakthrough Strategies By 2020

Services 30%
Avionics, Electronics 50%
Mechanical Systems 20%

Nearly $1 Billion In R&D Dedicated To Breakthroughs
Expect 2X Productivity Improvement In 2016 Alone
# Transportation Systems

## Winning With HON Advantage
- Global Wins Accretive To Share
- Unmatched Global Scale
- Industry-Leading Technology
- Comprehensive Global Footprint

> 40% Win Rate
~100 Launches Per Year
Aerospace Innovation
HGR Growth >20% CAGR

## Golden Age Of Turbos
- Rapid Adoption: ~50% Turbo Pen By 2020
- Emissions And Fuel Economy Driven
- Hybrids Outperforming Battery Electric
- Consumer Driven Benefits Of Diesel

$20B Industry At Maturity
Regulations More Stringent
Range, Cost, Resale Value
+25% MPG | 20% Less CO2

## HOS Gold Performance
- Growth And Agility At Enterprise Level
- Business Excellence
- Breakthrough Growth: Electric Boosting
- Breakthrough Growth: Software For Vehicles

Driving Margin Expansion
Model For HON In VPD And HOS
Innovation Add-On To Turbo
Proven Honeywell Solutions

Golden Age Of Turbos
Winning With HON Advantage

Global Win Rate Accretive To Share

- 2014 – 2016 Win Rates:
  - HON >40%
  - All Others

- 2015 – 2020 Sales Growth:
  - China
  - North America
  - Rest Of World
  - Gasoline
  - Commercial Vehicles
  - Diesel

~100 Launches Per Year

Launch Pipeline 2015 – 2019

<table>
<thead>
<tr>
<th>Asia</th>
<th>Europe</th>
<th>Americas</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOYOTA</td>
<td>HYUNDAI</td>
<td>GM</td>
</tr>
<tr>
<td>CHERY</td>
<td>GREAT WALL</td>
<td>FCA</td>
</tr>
<tr>
<td>SSANGYONG</td>
<td>SUBARU</td>
<td>LAND ROVER</td>
</tr>
<tr>
<td>MAZDA</td>
<td>SUBARU</td>
<td>LAND ROVER</td>
</tr>
<tr>
<td>CHANGAN</td>
<td>MAHINDRA</td>
<td>LAND ROVER</td>
</tr>
<tr>
<td>TATA</td>
<td>VOLVO</td>
<td>LAND ROVER</td>
</tr>
<tr>
<td>SUBARU</td>
<td>JAGUAR</td>
<td>LAND ROVER</td>
</tr>
<tr>
<td>TOYOTA</td>
<td>PEUGEOT</td>
<td>LAND ROVER</td>
</tr>
<tr>
<td>FORD</td>
<td>PEUGEOT</td>
<td>LAND ROVER</td>
</tr>
<tr>
<td>CHANGAN</td>
<td>FORD</td>
<td>LAND ROVER</td>
</tr>
</tbody>
</table>

Outpacing Competition | Unmatched Global Scale
HON Advantage | Industry-Leading Technology

Greater Resource Power

R&D Investment (USD)*

4-10X All Others

HON Aero Engines & APUs

HON TS

Entrant

Traditional Competitor

HON

Delivering Leading Performance

Gas Nozzle Design

Turbine Aerodynamics

High-Temp Materials

High-Speed Rotors

Bearing Design

Sealing Systems

Light-Weight Alloys

Rapid Prototyping

Advanced Manufacturing

Automotive Customer Value

Driving Performance

Fuel Economy And Torque

Power For Productivity

Subaru 2.0L Gasoline

Dodge 3.0L Diesel

Man 10.9-15.2L Diesel

WardsAuto** Top 10 Engine 2016

WardsAuto** Top 10 Engine 2016

*Research & Development Spend Assumptions:
Entrants ~25% Of Revenue
Traditional Competitor: ~5% Of Revenue

** http://wardsauto.com/10-best-engines

Aerospace Innovation Multiplier For Turbo Technology
HON Advantage | Comprehensive Global Footprint

Engineering And Manufacturing In All Turbo Growth Regions

TS Locations  Turbo Penetration

Source: Honeywell Turbo Global Forecast
https://turbo.honeywell.com/

HON Growth In HGRs >20% CAGR
Golden Age Of Turbos

Regulations Becoming More Stringent

<table>
<thead>
<tr>
<th>Enacted Targets*</th>
<th>Recent Upgrades</th>
</tr>
</thead>
<tbody>
<tr>
<td>54 MPG</td>
<td>~24% Improvement By 2021 Real Driving Emissions From 2017</td>
</tr>
<tr>
<td>48 MPG</td>
<td>~39% Improvement By 2020 Small Engines Incentives Euro 5† From 2017</td>
</tr>
<tr>
<td>56 MPG</td>
<td>~54% Improvement By 2025 Commercial Vehicles CO₂ Target Redefinition</td>
</tr>
<tr>
<td>49 MPG</td>
<td>~17% Improvement By 2022 Euro 6† From 2020</td>
</tr>
<tr>
<td>41 MPG</td>
<td>~11% Improvement By 2017</td>
</tr>
</tbody>
</table>

Turbo No-Compromise Solution

- 3L 6 Cylinders Naturally Aspirated
- 2L 4 Cylinders Turbocharged

<table>
<thead>
<tr>
<th>Turbo Penetration</th>
</tr>
</thead>
<tbody>
<tr>
<td>~$20B Industry At Maturity</td>
</tr>
</tbody>
</table>

~Half Of All Vehicles Turbocharged By 2020

- ~70%
- 47% 2020
- 33% 2015

* Source ICCT Fuel Economy Standards – August 2015 Light Vehicles Only. MPG Improvement vs 2014 Levels.
† Equivalent Standards to Euro 5 (5mg/km PM, 60-180mg/km NOx) and Euro 6 (5mg/km PM, 60-80mg/km NOx)

Turbocharger: Solution Of Choice With Adoption Accelerating
Boosted Powertrain Growth

Turbo Penetration Driven By Gasoline

Global Light Vehicles Mix

2015 2020 2025

Turbo Diesel
Turbo Diesel
Turbo Gasoline
Turbo Gasoline
Hybrid
Hybrid
Non-Turbo Gasoline
Non-Turbo Gasoline
Battery Electric
Battery Electric

Powertrain Adoption

Source: IHS – January 2016

Diesel Key For CO₂ | Hybrids Beat Battery Electric

Powertrain Trade-Offs

Fuel Efficiency  CO₂  Economics*

Turbo Diesel
Turbo Diesel
Turbo Gasoline
Turbo Gasoline
Turbo Hybrids
Turbo Hybrids
Non-Turbo Hybrid
Non-Turbo Hybrid
Non-Turbo Gasoline
Non-Turbo Gasoline
Battery Electric
Battery Electric

Further Benefits To Come

Technology Readiness

Boosted Engines
Further Improvements
Ready To Deploy

Hybrids
Reducing Costs
With Scale

Battery Electric
Range And Cost
Limited By Battery

* ALD Automotive Fleet Pricing 2015
†Comparative Environmental Life Cycle Assessment, Hawkins Et Al., 2012

Turbo Powertrains Deliver Highest Value
Serving The Diesel Value Chain

**Diesel Major Component Of Oil**

- **Oil Refinery Output**
  - Others: ~17%
  - Gasoline: ~29%
  - Kerosene: ~8%
  - Diesel: ~35%
  - Fuel Oil: ~11%

- **Uses**
  - +3.1 Mb/d
  - +2.5 Mb/d
  - +1.5 Mb/d
  - +3.5 Mb/d
  - +0.2 Mb/d

- **Growth to 2035**
  - +2.5 Mb/d
  - +1.5 Mb/d

- **82 Million Barrels/Day**
  - 1 Barrel = 42 Gallons

**Flexible And Optimized Supply**

- **Average Refinery Diesel Yield**
  - Arab Light: 36% Max Gasoline, 42% Max Diesel
  - Canadian Heavy: 24% Max Gasoline, 32% Max Diesel

**Enabling Efficient Consumption**

- **Global GDP & Diesel Demand**
  - 2000: 50 Trillion USD
  - 2040: 150 Trillion USD

**Honeywell Technology Enablers**

- UOP Catalysts & Process Technology
- HPS Process Controls
- ACS Energy Solutions
- Aero Turbochargers

**Refinery Performance**

- Heating Efficiency
- Engine Efficiency

**Source:** IHS
Benefits Of Modern Clean Diesel

**Fuel Economy And CO₂**
- +25% MPG Vs Non-Turbo Gasoline
- -20% CO₂ Vs Non-Turbo Gasoline

**Driving Performance**
- +30% Torque Vs Non-Turbo Gasoline

**Cost Of Ownership**
- -15% Cost Vs Hybrid
  - Resale Value 48 Months Vs New

**Emissions**
- Nitrogen Oxides (NOx) g/km
  - Diesel 2015: 0.05
  - Gasoline 2015: 0.08
- Particulate Matter (PM) g/km
  - Diesel 2015: 0.05
  - Gasoline 2015: 0.005

**Source:** ALD Automotive Fleet Pricing 2015

Efficient Combustion
Dynamic And Productive
Economic Choice
Regulation Driven

Diesel Compelling Solution For End Consumers
# HOS Gold Performance

## Enterprise Growth

<table>
<thead>
<tr>
<th>Enterprise</th>
<th>5 Year Growth</th>
<th>Differentiators</th>
<th>HON Best Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>GASOLINE</td>
<td>Industry</td>
<td>• Leading Technology</td>
<td>VPD: Value Creation Through New Product Introduction</td>
</tr>
<tr>
<td></td>
<td>HON</td>
<td>• Global Footprint</td>
<td>Silver, Bronze, Deployed</td>
</tr>
<tr>
<td>LV DIESEL</td>
<td>Industry</td>
<td>• Boost Performance</td>
<td>Value Retention Through Order to Cash</td>
</tr>
<tr>
<td>COMMERCIAL VEHICLES</td>
<td>HON</td>
<td>• Launch Service</td>
<td>Silver, Bronze, Deployed</td>
</tr>
<tr>
<td>AFTERMARKET</td>
<td>• Optimized Solutions</td>
<td>• Engineering Support</td>
<td></td>
</tr>
<tr>
<td>HIGH GROWTH REGIONS</td>
<td>• Quality, Performance</td>
<td>• Global Presence, Range</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• East-for-East Engineering</td>
<td>• Localized Supply Chain</td>
<td></td>
</tr>
</tbody>
</table>

## Industry Growth

- Industry (GASOLINE, LV DIESEL, COMMERCIAL VEHICLES, AFTERMARKET, HIGH GROWTH REGIONS)
- HON (Leading Technology, Global Footprint, Boost Performance, Launch Service, Optimized Solutions, Engineering Support, Quality, Performance, Global Presence, Range, East-for-East Engineering, Localized Supply Chain)

## HON Best Practices

- **VPD**: Value Creation Through New Product Introduction
- **HOS**: Value Retention Through Order to Cash

- **VPD**: % of Development Cost – March 2016
- **HOS**: % of Manufacturing Cost – March 2016

## Contributing To Aero Margin Expansion

- Exporting Best Practices Across HON

---

Growing Faster Than Industry With Best-In-Class Margins
# Breakthrough Innovation Expanding Scope

## Fuel Economy And Emission Reduction

<table>
<thead>
<tr>
<th>Component</th>
<th>Customer Benefits</th>
<th>2025 Total Addressable Market</th>
<th>HON Advantage</th>
<th>Safety And Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mechanical Turbochargers</td>
<td>25% MPG Improvement</td>
<td>$13B – $15B</td>
<td>• Aerodynamic Performance</td>
<td>• Cyber Security</td>
</tr>
<tr>
<td>Electric Boosting Devices</td>
<td>Up to 15% MPG Incremental Improvement</td>
<td>$500M – $4B</td>
<td>• Transient Acceleration</td>
<td>• Knowledge Management</td>
</tr>
<tr>
<td>Powertrain Software</td>
<td>Up to 5% MPG Incremental Improvement</td>
<td>$5B – $10B</td>
<td>• Lifetime Reliability</td>
<td>• Vehicle Health Monitoring</td>
</tr>
</tbody>
</table>

## Customer Benefits

- 25% MPG Improvement
- Up to 15% MPG Incremental Improvement
- Up to 5% MPG Incremental Improvement

## 2025 Total Addressable Market

- $13B – $15B
- $500M – $4B
- $5B – $10B
- $10B – $20B

## HON Advantage

- • Aerodynamic Performance
- • High-Speed Aerodynamics
- • Complex Multi-Parameter Control
- • Cyber Security
- • Knowledge Management
- • Vehicle Health Monitoring
- • Durable Bearings And Seals
- • Robust And Certified Coding
- • Secure, Large-Scale Data Handling
- • Complex System Controls
- • Cyber-Security Expertise
- • Global Engineering Footprint

---

**Differentiation From Proven One-Honeywell Platforms**
Transportation Systems

Winning With HON Advantage
- Wins Accretive To Share
- Differentiated Technology And Footprint

Golden Age Of Turbos
- ~Half Of All Vehicles Turbocharged By 2020
- $20B Market At Maturity

HOS Gold Performance
- Business Excellence Exported Across HON
- Breakthrough Growth From HON Strengths

Winning And Expanding With Best-In-Industry Performance
Summary

- Powerful Growth Trajectory
- Connected Aircraft Era
- HOS Gold As The Enabler
- Operational Gains Yield Tremendous Opportunities
- On Target To Beat 5-Year Plan
2015 Financial Summary

Growing Sales In Muted Environment

Sales:
- Up 1% Core Organic

Segment Margin:
- Up 220 bps
  - Up 180 bps Ex-4Q14 OEM Incentives

EPS:
- 6th Consecutive Year Of Double-Digit Growth
- Up 10%

FCF:
- Continued Investment In High ROI Projects
- Up 11%

Financials:

<table>
<thead>
<tr>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$37.9B</td>
</tr>
<tr>
<td>Margin Expansion</td>
<td>16.6%</td>
</tr>
<tr>
<td>EPS, V%</td>
<td>Exclude Any Pension Mark-to-Market Adjustment; FCF = Cash Flow From Operations Less Capital Expenditures</td>
</tr>
<tr>
<td>EPS</td>
<td>$5.56</td>
</tr>
<tr>
<td>FCF</td>
<td>$3.9B</td>
</tr>
</tbody>
</table>

EPS, V% Excludes Any Pension Mark-to-Market Adjustment; FCF = Cash Flow From Operations Less Capital Expenditures

Another Year Of Exceeding Commitments
# 2015 Peer Group Earnings Recap

## Core Organic Sales v%

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Peer 1</td>
<td>3%</td>
</tr>
<tr>
<td>Peer 2</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Honeywell</strong></td>
<td><strong>1%</strong></td>
</tr>
<tr>
<td>Peer 3</td>
<td>1%</td>
</tr>
<tr>
<td>Peer 4</td>
<td>1%</td>
</tr>
<tr>
<td>Peer 5</td>
<td>1%</td>
</tr>
<tr>
<td>Peer 6</td>
<td>(1%)</td>
</tr>
<tr>
<td>Peer 7</td>
<td>(2%)</td>
</tr>
<tr>
<td>Peer 8</td>
<td>NA</td>
</tr>
</tbody>
</table>

## Segment Margin Expansion (bps)

**Honeywell**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Peer 1</td>
<td>80</td>
</tr>
<tr>
<td>Peer 4</td>
<td>50</td>
</tr>
<tr>
<td>Peer 5</td>
<td>50</td>
</tr>
<tr>
<td>Peer 8</td>
<td>30</td>
</tr>
<tr>
<td>Peer 6</td>
<td>170</td>
</tr>
<tr>
<td>Peer 7</td>
<td>220</td>
</tr>
</tbody>
</table>

## EPS v%

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Peer 8</td>
<td>15%</td>
</tr>
<tr>
<td>Peer 4</td>
<td>12%</td>
</tr>
<tr>
<td><strong>Honeywell</strong></td>
<td><strong>10%</strong></td>
</tr>
<tr>
<td>Peer 6</td>
<td>10%</td>
</tr>
<tr>
<td>Peer 2</td>
<td>5%</td>
</tr>
<tr>
<td>Peer 5</td>
<td>1%</td>
</tr>
<tr>
<td>Peer 3</td>
<td>(8%)</td>
</tr>
<tr>
<td>Peer 7</td>
<td>(15%)</td>
</tr>
<tr>
<td>Peer 1</td>
<td>(21%)</td>
</tr>
</tbody>
</table>

**Top Quartile Core Organic Growth Performance**

**Best-In-Class Segment Margin Rate Improvement**

**6th Consecutive Year Of Double Digit Earnings Growth**

---

HON EPS, V% Exclude Any Pension Mark-to-Market Adjustment; EPS ex-Buyback Assumes Share Count Flat To Prior Year
HON vs Peers (5 Years)

5-Year Net Income / EPS CAGR (¹)

-1%  2%  3%  6%  15%

-2%  ~Flat  2%  3%  6%

Peer A  Peer B  Peer C  Peer D  HON³

Dil. Share Count Δ  (4)%  (11)%  (6)%  (12)%  1%

Superior Operational Performance

5-Year Total Shareowner Returns (²)

(Indexed)

Higher Returns For Shareowners

Honeywell  Peer Average  S&P 500

118%  81%  72%

2011  2012  2013  2014  2015

1) Reflects 2010 – 2015 Adjusted Fiscal Year Data
2) TSR Peer Average Calculated Using Eight Industry Peers (COL, DHR, EMR, GE, ITW, MMM, TYC, UTX)
3) HON Net Income and EPS Exclude Pension Mark-To-Market Adjustment

Strong Operational Performance Reflected In Shareowner Returns
### Delivering On Investor Expectations

#### What We Heard
- **“Organic Sales Growth Underperforming Peers”**
- **“People Don’t Believe The Margin Trajectory Is Sustainable”**
- **“HON Will Struggle To Improve Conversion Beyond ~90%”**
- **“HON Hasn’t Shown Us Much In The Way Of Capital Deployment”**

#### What We Did In '15
- **Top Of Peer Group (+1%) Despite O&G Headwinds**
- **Expanded Margins 220 bps**
- **FCF Conversion Over 90%, FCF Up 11% YoY**
- **Deployed Over $10B Of Capital**

#### What To Expect
- **Organic Growth Accelerates, Investments Deliver**
- **Offsetting O&G Headwinds**
- **Higher Margin Offerings**
- **HOS Gold**
- **Path To 100% Conversion By End Of 2017**
- **Improved W/C, Lower CapEx**
- **Continued Pace Of M&A**
- **Opportunistic Repurchases Continue**
Capital Deployment Framework

What We Said Last Year

1. High ROI Capital Expenditures
2. Global M&A Focus With Potential For Larger Acquisitions
3. Grow Dividend Greater Than Earnings
4. Balance Sheet Provides Flexibility

What We Did In 2015

- ~$1.1B Capital Expenditures
- 30-40% ROI Projects In UOP Catalysts, FP
- ~6B In Acquisitions, All Business Participating
- Effective Deployment Of Non-U.S. Cash
- ~$1.7B Of Dividends
- 15% Dividend Increase Rate Again
- ~$2B In Opportunistic Share Repurchases
- Mechanism To Accelerate In Downturn

Over $10B Of Capital Put To Work In 2015
Strategic M&A Framework

Requirements

Great Positions In Good Industries (GPGI)
- GI = Technology, Strong Returns, Like-Minded Competitors
- GP = Superior Technology, Growth, Supply Chain, And Margins
- Generally What We Know

Disciplined Returns Criteria
- Double Digit ROI By 5th Year ("All-In")
- IRR > WACC
- Accretive "All-In" Year 2

Synergy Execution Key To Success
- Target 8%+ Of Sales As Cost Synergies
- Leverage Channels, Supply Base, Deployment Of HOS Gold
- Sales Synergies - All Upside

What You Should Expect

Consistent Deal Origination MOS
- Starts In Gold Enterprises
- Strong Pipeline, Regular Cadence
- Potential Dispositions Included Also

Deal Timing And Size Can Be Lumpy
- GPGI, Financial Criteria, Seller Interest Set The Pace
- Expansive Capacity; Maintain Strong Credit Rating
- Flexible On Multiples, As Long As Returns Achievable

Integration Critical
- Dedicated, High-Potential Integration Leaders
- Established And Effective Toolset
- CEO Reviews Pre-Close, Day 30-60-90, Quarterly Thereafter
## CapEx

### Free Cash Flow

<table>
<thead>
<tr>
<th>Year</th>
<th>FCF (B)</th>
<th>FCF Conversion %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$3.9</td>
<td>89%</td>
</tr>
<tr>
<td>2015</td>
<td>$4.4</td>
<td>91%</td>
</tr>
<tr>
<td>2016E</td>
<td>$4.7</td>
<td>91%</td>
</tr>
<tr>
<td>2017E</td>
<td></td>
<td>95%</td>
</tr>
<tr>
<td>2018E</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

### CapEx Trend

<table>
<thead>
<tr>
<th>Year</th>
<th>CapEx (B)</th>
<th>Reinvestment Ratio %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$1.1</td>
<td>164%</td>
</tr>
<tr>
<td>2015</td>
<td>$1.1</td>
<td>159%</td>
</tr>
<tr>
<td>2016E</td>
<td>$1.1</td>
<td>160%</td>
</tr>
<tr>
<td>2017E</td>
<td>$1.0</td>
<td>140%</td>
</tr>
<tr>
<td>2018E</td>
<td>$0.8 - $0.9</td>
<td>120%</td>
</tr>
</tbody>
</table>

### FCF Conversion Drivers

- Strong Net Income Growth
- Best-In-Peer-Group Working Capital, Continuing To Improve
- Capital Investments Return To Normal Levels

### 2016 Growth Projects

- **Fluorine Products**
  - Solstice Mobile Air Conditioner: ~59%
  - Solstice Liquid Blowing Agent: ~45%
- **UOP Catalysts**: ~42%

---

*Reinvestment Ratio = Capital Expenditures / Depreciation*
Return To Shareowners

Dividend History

- 15% Rate Increase In 4Q15 To $2.38 Per Share
- Payout Ratio Increase From ~35% To ~40%

Fully Diluted Outstanding Shares

- Repurchased ~$2B Shares, Double The Rate of 2014
- Opportunistic Approach
**Capital Deployment Capacity**

- **Surplus Cash & Investments**: Mostly Non-U.S. Cash, ~$4B
- **Free Cash Flow Net Of Dividends**: Cumulative 2016-2018, ~$11B
- **Debt Capacity Within A/A2 Rating**: Grows With EBITDA And Free Cash Flow, Growing To ~$10B
- **Total Capacity (2016 – 2018)**: Cash Acquisition Capacity, ~$25B

**Strong Capital Deployment Firepower**
Largest Eurobond Issuance By An Industrial Company

**Eurobond Issuance**

- Balances Euro Assets With Euro Debt
- Enhances The Diversity Of HON Credit Investor Base
- Locks In Low-Cost Source Of Funding
- Proceeds Used To Repay Commercial Paper And Enhance Liquidity
- Future Eurobond Issuance Driven By Growth In HON’s European Business

€4B Of Eurobonds Issued In February 2016

<table>
<thead>
<tr>
<th></th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Year</td>
<td>€1.00B Fixed Rate 0.65% Interest</td>
</tr>
<tr>
<td>4 Year</td>
<td>€1.00B Fixed Rate 1.3% Interest</td>
</tr>
<tr>
<td>7 Year</td>
<td>€1.25B Fixed Rate 2.25% Interest</td>
</tr>
<tr>
<td>12 Year</td>
<td>€0.75B 3 Month Euribor + 0.5% Floating Rate</td>
</tr>
</tbody>
</table>

Weighted Average Interest Rate Of ~1.1% With A Maturity Of ~6 Years
### 2016 Financial Guidance Summary

#### Total Honeywell

<table>
<thead>
<tr>
<th>Segment</th>
<th>Sales</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>$39.9 - $40.9B</td>
<td>18.9% - 19.3%</td>
</tr>
<tr>
<td></td>
<td>Up 3 - 6%</td>
<td>Up 10 - 50 bps 80 - 110 bps ex-M&amp;A</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>$6.45 - $6.70</td>
<td>$4.6 - $4.8B</td>
</tr>
<tr>
<td></td>
<td>Up 6 - 10%</td>
<td>Up 5 - 10%</td>
</tr>
</tbody>
</table>

#### By Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Sales</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aero</strong></td>
<td>$15.3B - $15.6B</td>
<td>21.7% - 22.1%</td>
</tr>
<tr>
<td></td>
<td>1% - 2%</td>
<td>1% - 2% Core Organic</td>
</tr>
<tr>
<td></td>
<td>Up 60 - 100 bps</td>
<td>Up 80 - 120 bps ex-M&amp;A</td>
</tr>
<tr>
<td><strong>ACS</strong></td>
<td>$15.3B - $15.8B</td>
<td>16.3% - 16.6%</td>
</tr>
<tr>
<td></td>
<td>8% - 12%</td>
<td>1% - 2% Core Organic</td>
</tr>
<tr>
<td></td>
<td>Down (10) - Up 20 bps</td>
<td>Up 110 - 140 bps ex-M&amp;A</td>
</tr>
<tr>
<td><strong>PMT</strong></td>
<td>$9.3B - $9.5B</td>
<td>20.8% - 21.1%</td>
</tr>
<tr>
<td></td>
<td>Flat - 3%</td>
<td>(1%) - 1% Core Organic</td>
</tr>
<tr>
<td></td>
<td>Down (20) - Up 10 bps</td>
<td>Up 30 - 60 bps ex-M&amp;A</td>
</tr>
</tbody>
</table>

*EPS, V% exclude Pension Mark-To-Market Adjustment*
### 1Q16 Financial Guidance Summary

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>Segment Margin</th>
<th>What’s Changed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aero</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1%) - 1%</td>
<td>Up 80 - 100</td>
<td>+ Stronger Aftermarket</td>
<td></td>
</tr>
<tr>
<td>1 - 2% Core Organic</td>
<td>Up 100 - 120 ex-M&amp;A</td>
<td>+ U.S. Defense</td>
<td></td>
</tr>
<tr>
<td><strong>ACS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11% - 12%</td>
<td>Down (50) - (80)</td>
<td>+ HSF, China Sales</td>
<td></td>
</tr>
<tr>
<td>2 - 3% Core Organic</td>
<td>Up 130 - 160 ex-M&amp;A</td>
<td>- HBS Energy Backlog, Order Timing</td>
<td></td>
</tr>
<tr>
<td><strong>PMT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(11%) - (13%)</td>
<td>Down (90) - (110)</td>
<td>+ HPS Improvement</td>
<td></td>
</tr>
<tr>
<td>(11%) - (13%) Core Organic</td>
<td>Down (40) - (60) ex-M&amp;A</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>HON</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>~Flat - 2%</td>
<td>Down (20) - (40)</td>
<td>+ Lower Share Count</td>
<td></td>
</tr>
<tr>
<td>(2%) - Flat Core Organic</td>
<td>Up 70 - 90 ex-M&amp;A</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reaffirming 1Q16 EPS Guidance Of $1.48-$1.53, Up 5-9% YoY

Total HON Sales: $9.2B - $9.4B
## HON Valuation

<table>
<thead>
<tr>
<th></th>
<th>Peer X</th>
<th>Peer Y</th>
<th>Peer Z</th>
<th>Honeywell</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Income</strong></td>
<td>2%</td>
<td>3%</td>
<td>8%</td>
<td>15%</td>
</tr>
<tr>
<td>5-Year CAGR</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>3%</td>
<td>6%</td>
<td>7%</td>
<td>15%</td>
</tr>
<tr>
<td>5-Year CAGR</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TSR</strong></td>
<td>101%</td>
<td>98%</td>
<td>100%</td>
<td>118%</td>
</tr>
<tr>
<td>5-Year</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current P/E</strong></td>
<td>19.5</td>
<td>19.3</td>
<td>18.1</td>
<td>15.8</td>
</tr>
<tr>
<td>P/E As Of Market Close 2/25/2016; HON Net Income and EPS Exclude Pension Mark-To-Market Adjustment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Why HON

1. Diversity Of Opportunity With Good Growth Prospects
2. Strong Performance Track Record – Delivery In Any Environment
3. Enhancing And Leveraging Capital Structure To Maximize Shareowner Benefits
4. Significant Balance Sheet Fire Power

Consistently Delivering On Commitments
March 2, 2016

SUMMARY

Dave Cote, Chairman & CEO
Summary

• Great Foundation To Build On With High ROI Portfolio
  - Execute Well On Plans And Processes

• Organic Sales Growth Inflection… Plus Several Acquisitions Completed

• Margin Rate Expansion Continues

• Sustained And Sustainable Performance

• Excellent Cash Growth… FCF Conversion At 100% Again By End Of 2017 As PMT Investments Completed
  - Grow Dividend Faster Than Earnings
  - Opportunistic M&A And Share Repurchases
March 2, 2016

APPENDIX
Reconciliation Of Non-GAAP Measures To GAAP Measures
Reconciliation Of Segment Profit To Operating Income And Calculation Of Segment Profit And Operating Income Margins

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Profit</td>
<td>$5,357</td>
<td>$5,879</td>
<td>$6,351</td>
<td>$6,696</td>
<td>$7,256</td>
</tr>
<tr>
<td>Stock Based Compensation (1)</td>
<td>(168)</td>
<td>(170)</td>
<td>(170)</td>
<td>(187)</td>
<td>(175)</td>
</tr>
<tr>
<td>Repositioning and Other (1, 2)</td>
<td>(794)</td>
<td>(488)</td>
<td>(699)</td>
<td>(634)</td>
<td>(576)</td>
</tr>
<tr>
<td>Pension Ongoing (Expense)/Income (1)</td>
<td>(105)</td>
<td>(36)</td>
<td>90</td>
<td>254</td>
<td>430</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment (1)</td>
<td>(1,802)</td>
<td>(957)</td>
<td>(51)</td>
<td>(249)</td>
<td>(67)</td>
</tr>
<tr>
<td>OPEB Income/(Expense) (1)</td>
<td>86</td>
<td>(72)</td>
<td>(20)</td>
<td>(49)</td>
<td>(40)</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$2,574</td>
<td>$4,156</td>
<td>$5,501</td>
<td>$5,831</td>
<td>$6,828</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment (1)</td>
<td>(1,802)</td>
<td>(957)</td>
<td>(51)</td>
<td>(249)</td>
<td>(67)</td>
</tr>
<tr>
<td>Operating Income Excluding Pension Mark-to-Market Adjustment</td>
<td>$4,376</td>
<td>$5,113</td>
<td>$5,552</td>
<td>$6,080</td>
<td>$6,895</td>
</tr>
<tr>
<td>+ Sales</td>
<td>$36,529</td>
<td>$37,665</td>
<td>$39,055</td>
<td>$40,306</td>
<td>$38,581</td>
</tr>
<tr>
<td>Segment Profit Margin %</td>
<td>14.7%</td>
<td>15.6%</td>
<td>16.3%</td>
<td>16.6%</td>
<td>18.8%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$2,574</td>
<td>$4,156</td>
<td>$5,501</td>
<td>$5,831</td>
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<tr>
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<td>$37,665</td>
<td>$39,055</td>
<td>$40,306</td>
<td>$38,581</td>
</tr>
<tr>
<td>Operating Income Margin %</td>
<td>7.0%</td>
<td>11.0%</td>
<td>14.1%</td>
<td>14.5%</td>
<td>17.7%</td>
</tr>
<tr>
<td>Operating Income Excluding Pension Mark-to-Market Adjustment</td>
<td>$4,376</td>
<td>$5,113</td>
<td>$5,552</td>
<td>$6,080</td>
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<td>$37,665</td>
<td>$39,055</td>
<td>$40,306</td>
<td>$38,581</td>
</tr>
<tr>
<td>Operating Income Margin Excluding Pension Mark-to-Market Adjustment</td>
<td>12.0%</td>
<td>13.6%</td>
<td>14.2%</td>
<td>15.1%</td>
<td>17.9%</td>
</tr>
</tbody>
</table>

(1) Included in cost of products and services sold and selling, general and administrative expenses.
(2) Includes repositioning, asbestos, environmental expenses and equity income adjustment.
Reconciliation Of EPS To EPS, Excluding Pension Mark-To-Market Adjustment

<table>
<thead>
<tr>
<th></th>
<th>2009(1)</th>
<th>2010(2)</th>
<th>2011(3)</th>
<th>2012(4)</th>
<th>2013(5)</th>
<th>2014(6)</th>
<th>2015(7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPS</td>
<td>$2.05</td>
<td>$2.59</td>
<td>$2.61</td>
<td>$3.69</td>
<td>$4.92</td>
<td>$5.33</td>
<td>$6.04</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment</td>
<td>0.64</td>
<td>0.41</td>
<td>1.44</td>
<td>0.79</td>
<td>0.05</td>
<td>0.23</td>
<td>0.06</td>
</tr>
<tr>
<td>EPS, Excluding Pension Mark-to-Market Adjustment</td>
<td>$2.69</td>
<td>$3.00</td>
<td>$4.05</td>
<td>$4.48</td>
<td>$4.97</td>
<td>$5.56</td>
<td>$6.10</td>
</tr>
</tbody>
</table>

(1) Utilizes weighted average shares of 755.7 million. Mark-to-market uses a blended tax rate of 34.4%.
(2) Utilizes weighted average shares of 780.9 million. Mark-to-market uses a blended tax rate of 32.3%.
(3) Utilizes weighted average shares of 791.6 million. Mark-to-market uses a blended tax rate of 36.9%.
(4) Utilizes weighted average shares of 791.9 million. Mark-to-market uses a blended tax rate of 35.0%.
(5) Utilizes weighted average shares of 797.3 million. Mark-to-market uses a blended tax rate of 25.5%.
(6) Utilizes weighted average shares of 795.2 million. Mark-to-market uses a blended tax rate of 28.1%.
(7) Utilizes weighted average shares of 789.3 million. Mark-to-market uses a blended tax rate of 36.1%.
Reconciliation Of Net Income Attributable To Honeywell To Net Income Attributable To Honeywell, Excluding Pension Mark-To-Market Adjustment

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income Attributable to Honeywell</td>
<td>$2,022</td>
<td>$2,067</td>
<td>$2,926</td>
<td>$3,924</td>
<td>$4,239</td>
<td>$4,768</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment, net of tax (1)</td>
<td>319</td>
<td>1,137</td>
<td>622</td>
<td>38</td>
<td>$179</td>
<td>43</td>
</tr>
<tr>
<td>Net Income Attributable to Honeywell Excluding Pension Mark-to-Market Adjustment</td>
<td>$2,341</td>
<td>$3,204</td>
<td>$3,548</td>
<td>$3,962</td>
<td>$4,418</td>
<td>$4,811</td>
</tr>
</tbody>
</table>

(1) Mark-to-market uses a blended tax rate of 32.3%, 36.9%, 35.0%, 25.5%, 28.1% and 36.1% for 2010, 2011, 2012, 2013, 2014 and 2015.
Reconciliation Of Cash Provided By Operating Activities To Free Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$2,833</td>
<td>$3,517</td>
<td>$4,335</td>
</tr>
<tr>
<td>Expenditures for Property, Plant and Equipment</td>
<td>$798</td>
<td>$884</td>
<td>$947</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$2,035</td>
<td>$2,633</td>
<td>$3,388</td>
</tr>
</tbody>
</table>
Reconciliation Of Cash Provided By Operating Activities To Free Cash Flow
And Calculation Of Free Cash Flow Conversion

<table>
<thead>
<tr>
<th>(SM)</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$5,024</td>
<td>$5,454</td>
</tr>
<tr>
<td>Expenditures for Property, Plant and Equipment</td>
<td>(1,094)</td>
<td>(1,073)</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$3,930</td>
<td>$4,381</td>
</tr>
<tr>
<td>Net Income Attributable to Honeywell</td>
<td>$4,239</td>
<td>$4,768</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment, net of tax (1)</td>
<td>179</td>
<td>43</td>
</tr>
<tr>
<td>Net Income Attributable to Honeywell</td>
<td></td>
<td></td>
</tr>
<tr>
<td>excluding Pension Mark-to-Market Adjustment</td>
<td>$4,418</td>
<td>$4,811</td>
</tr>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>$5,024</td>
<td>$5,454</td>
</tr>
<tr>
<td>÷ Net Income Attributable to Honeywell</td>
<td>$4,239</td>
<td>$4,768</td>
</tr>
<tr>
<td>Operating Cash Flow Conversion</td>
<td>119%</td>
<td>114%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$3,930</td>
<td>$4,381</td>
</tr>
<tr>
<td>÷ Net Income Attributable to Honeywell</td>
<td>$4,418</td>
<td>$4,811</td>
</tr>
<tr>
<td>Free Cash Flow Conversion</td>
<td>89%</td>
<td>91%</td>
</tr>
</tbody>
</table>

(1) Mark-to-market uses a blended tax rate of 28.1% and 36.1% for 2014 and 2015.
Core Organic Sales Growth Reconciliation

<table>
<thead>
<tr>
<th>Honeywell</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported Sales Growth</td>
<td>(4%)</td>
</tr>
<tr>
<td>Foreign Currency Translation, Acquisitions, Divestitures and Other</td>
<td>4%</td>
</tr>
<tr>
<td>Raw Materials Pricing in R&amp;C</td>
<td>1%</td>
</tr>
<tr>
<td>Core Organic Sales Growth</td>
<td>1%</td>
</tr>
</tbody>
</table>

Throughout this presentation, core organic sales growth refers to reported sales growth less the impacts from foreign currency translation, M&A and raw materials pass-through pricing in the Resins & Chemicals business of PMT. The raw materials pricing impact is excluded in instances where raw materials costs are passed through to customers, which drives fluctuations in selling prices not tied to volume growth.
## Glossary

### Aero: Aerospace
- **Comm’l OE**: Commercial Original Equipment
- **Comm’l AM**: Commercial Aftermarket
- **ATR**: Air Transport & Regional
- **BGA**: Business & General Aviation
- **D&S**: Defense & Space
- **TS**: Transportation Systems
- **APU**: Auxiliary Power Unit
- **RMU**: Retrofit, Modifications, & Upgrades
- **HTF**: Honeywell Turbofan (Engine)

### ACS: Automation And Control Solutions
- **ESS**: Energy, Safety & Security
- **E&ES**: Environmental & Energy Solutions
- **HSF**: Honeywell Security & Fire
- **HIS**: Honeywell Industrial Safety
- **S&PS**: Sensing & Productivity Solutions
- **BSD**: Building Solutions & Distribution
- **HBS**: Honeywell Building Solutions
- **ADI**: Americas Distribution

### PMT: Performance Materials And Technologies
- **UOP**: Universal Oil Products
- **CA&S**: Catalyst, Adsorbents & Specialties
- **PT&E**: Process Technology & Equipment
- **GP&H**: Gas Processing & Hydrogen
- **CPS**: Connected Performance Service
- **MTO**: Methanol-To-Olefins
- **HPS**: Honeywell Process Solutions
- **LSS**: Lifecycle Solutions & Services
- **PAS**: Projects And Automation Solutions
- **PMC**: Process Measurement And Control
- **AS**: Advanced Solutions
- **Adv Mat (AM)**: Advanced Materials
- **R&C**: Resins & Chemicals
- **SP**: Specialty Products
- **FP**: Fluorine Products

### Industry Peers
- 3M
- Danaher
- Emerson
- General Electric
- Illinois Tool Works
- Rockwell Collins
- Tyco United Technologies

### Tools / Initiatives
- **GPGI**: Great Positions In Good Industries
- **HOS**: Honeywell Operating System
- **FT**: Functional Transformation
- **OEF**: Organizational Effectiveness
- **VPD™**: Velocity Product Development
- **HUE**: Honeywell User Experience
- **CMMI**: Capability Maturity Model Integration
- **HSBS™**: Honeywell Smart Building Score
- **HGR**: High Growth Regions
- **FTG**: Follow-The-Growth
- **BCC**: Becoming The Chinese Competitor
- **E4E**: East-For-East
- **E2R**: East-To-Store

### Other Acronyms
- **LGWP**: Low Global Warming Potential
- **COE**: Center Of Excellence
- **IIoT**: Industrial Internet of Things
- **EPC**: Engineering, Procurement, Construction
Honeywell At A Glance

Honeywell’s innovative technologies are making our world cleaner and more sustainable, more secure, connected, energy efficient, and productive.

**SALES**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$36.5B</td>
<td>$37.7B</td>
<td>$39.1B</td>
<td>$40.3B</td>
<td>$38.6B</td>
</tr>
</tbody>
</table>

**SEGMENT MARGIN**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin</td>
<td>14.7%</td>
<td>15.6%</td>
<td>16.3%</td>
<td>16.6%</td>
<td>18.8%</td>
</tr>
</tbody>
</table>

**EARNINGS PER SHARE**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPS</td>
<td>$4.05</td>
<td>$4.48</td>
<td>$4.97</td>
<td>$5.56</td>
<td>$6.10</td>
</tr>
</tbody>
</table>

**FREE CASH FLOW**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>FCF</td>
<td>$2.0B</td>
<td>$2.6B</td>
<td>$3.4B</td>
<td>$3.9B</td>
<td>$4.4B</td>
</tr>
</tbody>
</table>

**2015 OVERVIEW**

- **$14.1B** Automation & Control Solutions
- **$15.2B** Aerospace
- **$9.2B** Performance Materials and Technologies
- **~$14B** Sales Through ~90 Acquisitions Since 2002
- **~100** New Turbo Applications Launched Each Year
- **~$7B** Sales Divested From ~60 Divestitures Since 2002
- **15M** Homes Globally Using Our Connected Offerings
- **10%+** Sales Growth In ACS China Business

**SALES BY END MARKET**

<table>
<thead>
<tr>
<th>Segment</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy, Safety, and Security</td>
<td>$3.5</td>
<td>$3.0</td>
<td>$3.0</td>
<td>$2.7</td>
<td>$2.9</td>
</tr>
<tr>
<td>Transportation Systems</td>
<td>$4.6</td>
<td>$4.7</td>
<td>$4.7</td>
<td>$2.7</td>
<td>$9.5</td>
</tr>
<tr>
<td>Building Solutions &amp; Distribution</td>
<td>$3.0</td>
<td>$3.0</td>
<td>$3.5</td>
<td>$3.0</td>
<td>$3.0</td>
</tr>
<tr>
<td>Advanced Materials</td>
<td>$2.9</td>
<td>$2.9</td>
<td>$2.9</td>
<td>$2.9</td>
<td>$2.9</td>
</tr>
<tr>
<td>Total</td>
<td>$15.2B</td>
<td>$15.2B</td>
<td>$15.2B</td>
<td>$15.2B</td>
<td>$15.2B</td>
</tr>
</tbody>
</table>

**SALES BY REGION**

<table>
<thead>
<tr>
<th>Region</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>47%</td>
<td>22%</td>
<td>2%</td>
<td>11%</td>
<td>10%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>8%</td>
<td>6%</td>
<td>5%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>Europe</td>
<td>8%</td>
<td>6%</td>
<td>5%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>Middle East</td>
<td>6%</td>
<td>4%</td>
<td>3%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>8%</td>
<td>6%</td>
<td>5%</td>
<td>4%</td>
<td>3%</td>
</tr>
</tbody>
</table>

**ORGANIZATIONAL FOOTPRINT**

<table>
<thead>
<tr>
<th>Segment</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>52%</td>
<td>23%</td>
<td>22%</td>
<td>21%</td>
<td>20%</td>
</tr>
<tr>
<td>EMEA</td>
<td>25%</td>
<td>24%</td>
<td>23%</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>China</td>
<td>9%</td>
<td>8%</td>
<td>7%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Other Asia Pacific</td>
<td>6%</td>
<td>5%</td>
<td>4%</td>
<td>3%</td>
<td>2%</td>
</tr>
</tbody>
</table>

**SALES BY END MARKET**

<table>
<thead>
<tr>
<th>Segment</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial &amp; Industrial Markets</td>
<td>20%</td>
<td>20%</td>
<td>19%</td>
<td>18%</td>
<td>17%</td>
</tr>
<tr>
<td>U.S. Defense, Space &amp; Security</td>
<td>7%</td>
<td>7%</td>
<td>6%</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Industrial &amp; Workers</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
</tr>
</tbody>
</table>

EPS Excludes Any Pension Mark-To-Market Adjustment; FCF = Cash Flow From Operations Less Capital Expenditures
OVERVIEW

Our environmental controls, energy management systems, life safety devices, security and fire systems, sensors, scanners, and mobile products are at work in homes, buildings, and public and private utilities around the world, keeping our customers comfortable, protected, and productive.
Honeywell Capital Deployment

TOTAL SHAREOWNER RETURN (TSR)

$0.91 $1.00 $1.10 $1.21 $1.21
$1.49 $1.64 $1.80 $2.07 $2.38


MERGERS & ACQUISITIONS

~$6B Acquisitions In 2015

10%+

Targeted Return On Investment By Year 5

Elster
~$5B Acquisition
~$2B Sales
A Global Leader In Gas Heating, Controls, Metering And Advanced Technologies

COM DEV
A Leading Global Manufacturer Of SatCom Components

Aviaso
End-To-End Software Solution To Reduce Airline Fuel Usage

Sigma Aldrich
European Inorganics, Solvents, & High-Purity Research Chemicals

Satcom1
A Leading Provider Of On Board Connectivity And In-Flight Airtime

CAPITAL EXPENDITURES

~$1.1B Capital Expenditures In 2015

30-40%

IRR On Capital Expenditure Growth Projects In PMT

11th Dividend Increase Since 2005

15% Increase Announced October 2015

$0.91 $1.00 $1.10 $1.21 $1.49 $1.64 $1.80 $2.07 $2.38

Year-End Annualized Dividend


Our reconciliations of non-GAAP measures to GAAP measures accompany this document and are also available at www.Honeywell.com/investor

UOP Catalysts
Increasing Capacity For Gas-To-Chemicals, Hydrotreating, Hydrocracking, And Refining Catalysts To Grow Our Aftermarket Business

Solstice®
Adding Capacity To Keep Up With Strong Demand For Low Global Warming Potential Materials In Auto OE, Foam Insulation, And Aerosols & Solvents
Dave Cote is chairman and CEO of Honeywell, a $40 billion diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services; control technologies for buildings, homes and industry; turbochargers; and performance materials. He was elected president, CEO, and a member of Honeywell’s Board in February 2002, and named chairman of the Board on July 1, 2002.

During Cote’s fourteen years of leadership at Honeywell, the company has delivered strong growth in sales, earnings per share, segment profit, cash flow, and a total shareowner return of almost 500 percent. Honeywell has great positions in good industries and technologies that address some of the world’s toughest challenges such as safety and security, clean energy generation, energy efficiency, customer productivity, and expanding global wealth per capita. More than 50 percent of the company’s sales are outside the U.S., and the company’s approximately 129,000 employees, including more than 22,800 scientists and software engineers, are focused on developing innovative products and solutions that help Honeywell’s customers – and their customers – improve performance and productivity.

Cote was elected in March 2014 as a Class B director to the Federal Reserve Bank of New York to represent the interests of the public. In 2012-2013 Cote served as a founding member of the steering committee of the Campaign to Fix Debt, a bi-partisan effort to build support for a comprehensive U.S. debt reduction plan. Cote was named Vice Chair of the Business Roundtable (BRT) in 2011 and also chaired its Energy and Environment Committee. In 2010, Cote was named by President Barack Obama to serve on the bipartisan National Commission on Fiscal Responsibility and Reform, also known as the Simpson-Bowles Commission. Cote was named co-chair of the U.S.-India CEO Forum by President Obama in 2009, and has served on the Forum since July 2005.

In 2014, Cote was selected for the prestigious Horatio Alger Award, which recognizes dedicated community leaders who have accomplished remarkable achievements through honesty, hard work, self-reliance, and perseverance over adversity. Cote was named Institutional Investor’s Best CEO in the Capital Goods/Industrial – Electrical Equipment & Multi-Industry category for the third consecutive year in 2015. He has been recognized as one of the World’s Best CEOs by Barron’s for three straight years (2013-2015) and was named Executive of the Year – Conglomerates at the 2015 American Business “Stevie” Awards. In 2013, Cote was named CEO of the Year by Chief Executive, presented the Australian Association’s Award for Excellence, named one of the 100 CEO Leaders in STEM by StemConnectors.org, and received the Corporate Leadership Award from TechAmerica. He received the Asia Society’s Global Leadership Award, the Peter G. Peterson Award for Business Statesmanship from the Committee for Economic Development in 2012, and the Distinguished Achievement Award from B’nai B’rith International in 2011. Cote also received the Corporate Social Responsibility Award from the Foreign Policy Association in 2007.

Cote earned a bachelor’s degree in business administration from the University of New Hampshire, and, in 2011, the University presented him with an honorary Doctor of Humane Letters. In 2009, Cote was made an honorary professor at the Beihang University of Aeronautics and Astronautics in Beijing, China. In 2001, Cote received an honorary Doctor of Laws degree from the Graziadio School of Business and Management, Pepperdine University.
Andreas C. Kramvis was appointed Vice Chairman of Honeywell International in 2014. Previously, he was President and Chief Executive Officer of Honeywell Performance Materials and Technologies, one of the strategic business groups in Honeywell. Before that position he was President and CEO of Honeywell's Environmental and Combustion Controls business. Andreas joined Honeywell in 2000, through the acquisition of Pittway, a Company he joined in 1988. Between 1984 and 1988, Andreas was with Combined Technologies and a member of the team that took two start-up information technology companies public on the London Stock Exchange.

Andreas has managed companies with global scope in five different industries and is intimately familiar with world markets. He is the author of a book titled "Transforming the Corporation: Running a Business in the 21st Century," which demonstrates how to systematically transform a business for high performance. Andreas is a graduate of Cambridge University, where he studied engineering specializing in electronics, and he holds an M.B.A. from Manchester Business School.

Andreas is a past Chairman of the Society of Chemical Industry (SCI) and a Board Member and Executive Committee Member of the American Chemistry Council.
Dr. Krishna Mikkilineni is Senior Vice President, Engineering, Operations and IT. In this role, he oversees the effectiveness of Honeywell’s research, development, engineering, supply chain, and operations, strengthening the company’s ability to create differentiated products and solutions for Honeywell’s markets across the globe. He also is responsible for expanding the Honeywell Operating System (HOS), driving Velocity Product Development (VPD™), and increasing dedication to quality and delivery throughout the organization. He also integrates Honeywell User Experience (HUE) along with other enablers into the overall business system – HOS Gold. Krishna leads the Honeywell Operations and Technology Leadership Councils to oversee the overall integrated supply chain and engineering functions. Krishna is also responsible for the company’s Information Technology (IT) function, driving transformation of this function to be efficient and effective in managing internal operations and convergence of IT in Honeywell’s connected offerings.

Since joining Honeywell three decades ago, Krishna has been instrumental in leading globalization initiatives, establishing worldwide processes, successfully executing large-scale, multi-location projects, and leveraging talent in emerging regions to meet Honeywell product development needs. As the President of Honeywell Technology Solutions (HTS), he grew the organization to nearly 10,000 engineers across China, India, and Eastern Europe and established operations at SEI-CMMI Level 5. Krishna started his career in research and development and managed the first software and data technologies team in Honeywell and then moved onto integrating design, development and operations through concurrent engineering programs in industrial systems businesses. Krishna was responsible for adding several thousand software engineers to Honeywell and through them managing several software and systems programs.

Krishna holds a bachelor of engineering degree in electronics and communications, and earned a Ph.D. in electrical and computer engineering from the University of Florida. He also has received a number of recognitions at Honeywell, including the Lund Award and the Senior Leadership Award.
Shane Tedjarati is responsible for driving Honeywell’s business expansion in the High Growth Regions of the world: Asia, Africa, Latin America, the Middle East and Eastern Europe.

Tedjarati has been instrumental in engineering Honeywell’s success story, starting in China and India, and expanding globally to the High Growth Regions of the world, which today drive the majority of Honeywell growth.

Before coming to Honeywell, Tedjarati accumulated more than 20 years of consulting experience in various industries. He was the regional managing director for Deloitte Consulting (Greater China), where he worked with Chinese state-owned enterprises and multi-national corporations to help them formulate and execute strategies for sustainable growth in China and abroad.

Tedjarati is a Henry Crown Fellow of Aspen Institute and also the co-founder of its Middle East Leadership Initiative and China Fellowship Program; special advisor to Chongqing and Wuhan Mayors; member of the advisory board of Antai College of Economics and Management Shanghai Jiao Tong University; and industry Co-Chair of China Leaders for Global Operations (CLGO), a dual master’s degree program by MIT and Shanghai Jiao Tong University.

Tedjarati is an avid aviator. He has lived in China for more than 20 years and speaks six languages.
Anant Maheshwari – President, India

Anant Maheshwari is the President of Honeywell India. In this role, Anant supports the growth of all Honeywell operations in India. Honeywell has a significant presence in India through each of its three businesses – Aerospace, Automation and Control Solutions (ACS), and Performance Materials and Technologies (PMT). Honeywell's India commitment is evident in seven state-of-the-art manufacturing operations, and five global centers of excellence for engineering. Honeywell India employs more than 15,000 people across more than 50 cities.

Anant has been with Honeywell for more than twelve years in various leadership roles. Prior to the current role, Anant was the Managing Director of Honeywell Automation India Limited (HAIL) and country leader for Honeywell's ACS group of businesses. As Managing Director / GM, ADI – Asia Pacific, he successfully adapted ADI’s global distribution business model to Asian markets. Prior to this, Anant served as Director / GM, South Asia for Honeywell Security, where he successfully conceptualized and set up operations in India and South Asia. He started his career with Honeywell in February, 2004 as Director, Strategy & Business Development, Honeywell India.

Anant worked with McKinsey & Company as a management consultant for close to six years before he joined Honeywell. Anant earned his master’s degree in Business Administration from the Indian Institute of Management, Ahmedabad, (IIMA) India. He obtained his master’s degree in Economics and a bachelor’s degree in Electrical & Electronics Engineering from the Birla Institute of Technology & Science (BITS), Pilani, India.
Darius Adamczyk is President and Chief Executive Officer of Honeywell Performance Materials and Technologies (PMT), a position to which he was appointed in April 2014. With sales over $9 billion, Honeywell PMT is a global leader in developing and manufacturing advanced materials and process technologies. It is also one of the world’s leading suppliers of automation and control systems that control and optimize refineries, oil and gas installations, pulp and paper mills, chemical, pharmaceutical, and power plants around the globe. The business’ comprehensive and diverse technology portfolio includes low global warming refrigerants, specialty films for healthcare and photovoltaic applications, and next-generation renewable energy solutions, including Honeywell Green Diesel™ and Honeywell Green Jet Fuel™.

Previously, Darius served as President of Honeywell Process Solutions (HPS), where he led a dramatic operational turnaround over a 2-year period. HPS has now been incorporated into Honeywell PMT under Darius’ leadership. Prior to that, Darius was named President of Honeywell Scanning & Mobility (HSM) after Honeywell acquired Metrologic in 2008 and merged it with the previously acquired HHP business. During four years at HSM, he doubled the size of the business and significantly increased its profitability. Prior to the acquisition of Metrologic Instruments by Honeywell, Darius served as the Chief Executive Officer of Metrologic, enhancing its market position, profitability profile and intellectual property portfolio. Darius also held several leadership positions at Ingersoll Rand, including President of Air Solutions Group, President of the Heavy Industrial Business Segment, and Vice President of Business Development. He also served as a Senior Associate at Booz Allen Hamilton. He started his career as an electrical engineer at GE.

Darius earned his M.B.A. from Harvard, a master’s degree in computer engineering from Syracuse, and a bachelor’s degree in electrical and computer engineering from Michigan State University. Darius completed the GE Edison Engineering Program, as well as numerous executive development courses at Wharton and Duke, among other institutions.
Dr. Rajeev Gautam serves as president and chief executive officer of Honeywell’s UOP, a strategic business unit of Honeywell Performance Materials and Technologies. Honeywell’s UOP is a leading international supplier of process technology, catalysts, engineered systems, and technical and engineering services to the petroleum refining, petrochemical, chemical, and gas processing industries.

Before being named to his current post, Rajeev served as vice president and chief technology officer of Honeywell Performance Materials and Technologies. During the last 30 years he has held key positions within UOP, spanning research and development, engineering, and marketing, including vice president and chief technology officer of UOP; director of the Process Technology & Equipment business; technology director for Platforming and Isomerization Technologies; product line manager for the Aromatic Derivatives business; senior manager of Adsorption Technology; and manager of Molecular Sieve Process Technology.

Rajeev began his career with Union Carbide in 1978, which became part of a joint venture with UOP in 1988. Throughout his career Rajeev has championed innovative solutions for industry needs and has been responsible for the development and commercialization of a broad range of catalytic and separations applications for the refining, petrochemical and gas processing industries.

Rajeev earned a bachelor’s degree in chemical engineering from the Indian Institute of Technology and a master’s degree in chemical engineering from Drexel University. Additionally, he holds a doctorate in chemical engineering from the University of Pennsylvania and an M.B.A. from the University of Chicago.
Vimal Kapur – President & CEO, HPS

Vimal Kapur was appointed President of Honeywell Process Solutions (HPS) in April 2014. HPS is a leading provider of automation systems, software, products and services in the process industry and has been an industry leader in this segment for 4 decades.

Vimal brings 30 years of general management, marketing and operations experience to the role, 27 of which have been associated with Honeywell. Prior to his current role, Vimal was Vice President and General Manager of the Advanced Solutions business for HPS where he was responsible for leading a global organization focused on developing and delivering world-class software solutions to the process industries. Under his leadership, the business grew its operating income by over 1000 basis points in just six quarters and has maintained a high growth trajectory. He also oversaw the integration of the Matrikon business into HPS.

Vimal previously served as Vice President for Global Marketing and Strategy for HPS, located in the UK. In this role, he was responsible for strategy, product management, customer marketing, marketing communication and business development. Prior to that, Vimal was the Managing Director of Honeywell Automation India Limited (HAIL) in Pune, India. At HAIL, Vimal maintained a very strong focus on organic growth through new product development, localization and growing in adjacent and underserved markets. He championed overall Honeywell growth in India and drove continuous improvement initiatives with the Six Sigma and Honeywell Operating System enablers.

Vimal has a degree in electronic engineering from the Thapar Institute of Engineering in Patiala, India. He is Six Sigma certified. Based in the Houston office, Vimal lives in the United States with his wife and daughter.
Alex Ismail is President and CEO of Honeywell Automation and Control Solutions (ACS), a $14 billion global business group that delivers solutions for homes, buildings and workers that improve energy efficiency and sustainability, productivity, comfort, safety and security. Ismail was appointed to this role in April 2014.

Before his current role, Ismail served as President of Honeywell Energy, Safety, and Security (ESS) within ACS, overseeing five business units -- Environmental and Combustion Controls (now E&ES), Life Safety (now HIS), Security Group (now HSF), and Scanning & Mobility, and Sensing and Control (collectively, now S&PS).

Prior to this, Ismail spent almost 15 years in Honeywell Transportation Systems, a global leader in the development and production of innovative automotive technologies. He served as president and CEO of Honeywell Transportation Systems, President of Honeywell Turbo Technologies, Vice President and General Manager of Turbo for EMEA and India, and in various other leadership roles in Sales and Marketing.

Ismail joined Honeywell in 1997 in Honeywell’s Aerospace business and has held increasing leadership responsibility in the U.S. and Europe. Prior to joining Honeywell, he served for six years in the textile industry and began his career in his native Madagascar.

Ismail has been featured as an industry expert in dozens of recognized publications including The Wall Street Journal, Reuters, Bloomberg/Business Week and Automotive News. Ismail holds a bachelor’s degree in finance from the University of Dauphine, France, and a master’s in business administration from the HEC School of Management in France. He is a certified Six Sigma Black Belt.
John Waldron is President, Honeywell Sensing & Productivity Solutions (S&PS), a global provider of industry-leading innovative workflow solutions. These best in class solutions include switching & sensing platform products, rugged mobile devices, scanners, mobile & industrial printers, enterprise voice-directed workflow solutions, satellite-based asset tracking solutions and life-cycle software & services. S&PS serves customers in many industries such as Aerospace, Direct Store Delivery, Field Service, Government, Industrial, Medical & Healthcare, Test & Measurement, and Transportation & Logistics.

Previously, John was President of Honeywell Scanning & Mobility (HSM). In this role, John was responsible for all aspects of R&D, supply chain, sales, marketing and customer support for one of the largest product portfolios in the Automatic Identification and Data Capture (AIDC) industry. As President of HSM, John also led the integration of Intermec (acquired in 2013) where the business delivered over 1000 basis points of margin improvement in less than two years. Prior positions include Vice President & General Manager, HSM Americas, Vice President, HSM Global Marketing where he was responsible for the overall direction and execution of the marketing function, and Marketing Integration Leader for the acquisitions of Hand Held Products, Metrologic Instruments and EMS Technologies. John previously held a number of sales and marketing leadership positions in Honeywell Security Group and in the software industry. He began his professional career as an electrical engineer.

John holds an MBA from the University of Notre Dame and a bachelor’s degree in electrical engineering from the University of Dayton.
Tim Mahoney – President & CEO, Aerospace

Tim Mahoney is President and Chief Executive Officer of Honeywell Aerospace, one of Honeywell’s largest business groups. Headquartered in Phoenix, Arizona, Honeywell Aerospace is a technology and services leader in four main sectors: Air Transport & Regional, Business & General Aviation, Defense & Space, and Transportation Systems.

Prior to becoming CEO of Honeywell Aerospace, Mahoney served four years on the company’s leadership team – as President of the Business & General Aviation business, President of the Air Transport & Regional business, and most recently as Chief Technology Officer.

As Chief Technology Officer, Mahoney had global responsibilities for engineering, research and new product development, managing the company’s R&D programs and more than 12,000 employees. He led significant improvements in operational efficiency and engineering alignment with the company’s integrated process for delivering new products to the market.

Previously, in his role leading the Air Transport & Regional business unit that serves the OEM, airline, and aftermarket segments of commercial aviation, Mahoney strengthened customer relationships and development program execution on major systems for new aircraft platforms.

A 30-year veteran of the aerospace industry, Mahoney worked for Sikorsky Aircraft, where he held a series of increasingly significant leadership roles before joining Honeywell.

Mahoney earned a Bachelor of Science degree in mechanical engineering from the University of South Florida. Later in his aerospace career, he graduated from the Defense Systems Management College and Harvard Business School’s highly regarded Program for Management Development.
Bob Smith – Vice President & Chief Technology Officer
Aerospace

Bob is Chief Technology Officer for Honeywell Aerospace and Vice President of Engineering & Technology. In that role, he is responsible for all engineering development efforts across the $15B business. He is also responsible for technology development & strategy and for leading a global community of elite scientists and engineers that is recognized as one of the most innovative and capable in the aerospace industry. He reports directly to Honeywell Aerospace President and CEO, Tim Mahoney.

Prior to this role, Bob was Vice President of Advanced Technology for Honeywell Aerospace. In that capacity, he established long-term technology growth strategies for the aerospace business, worked with government science & technology organizations to foster technology investments, and managed the multi-year technology programs that are vital to Honeywell’s new product developments.

Prior to joining Honeywell in 2004, Bob served as Executive Director of the Space Shuttle Upgrades Development Program. In that role, he was responsible for a $300M business that managed a variety of projects that ranged from very large efforts, such as major modifications that replaced the Orbiter’s hydraulic power sources and data handling systems, to smaller efforts, such as the development of new Shuttle tiles and landing systems.

Bob also worked at The Aerospace Corporation where he served as a guidance, navigation & control analyst, and chief engineer and program manager for a number of Department of Defense and national security programs. Through a series of positions of increasing responsibility, Bob eventually became the Systems Director of the NASA Programs Office and the site manager for Aerospace’s Houston operations. In that capacity, he served as the business leader for all of Aerospace’s efforts at each of the major NASA centers.

Bob has been a lecturer at UCLA, was the co-principal investigator on a Shuttle payload experiment, and has numerous technical publications. He has degrees in engineering/applied mathematics from Texas A&M, Brown University and MIT’s Sloan School of Management. He also has a doctorate from the University of Texas in aerospace engineering.
Terrence Hahn – President & CEO
Transportation Systems

Terrence Hahn is President and CEO of Honeywell Transportation Systems, and an officer of the Company. Honeywell Transportation Systems is a global leader in the development and manufacturing of innovative automotive technologies including Garrett® turbochargers. In 2014, Terrence led the strategic divestiture of Honeywell’s Friction Materials business and helped unify the remaining Transportation Systems businesses within Honeywell Aerospace.

Since being named to the role in early 2013, Terrence has guided the rapid global expansion of the Transportation Systems business by delivering the no compromise solution of increased fuel efficiency and reduced tailpipe emissions all with higher torque enhancing the fun to drive factor for the automotive consumer. Since his arrival, the business has launched several hundred engine programs and secured a record number of new program wins with passenger and commercial vehicle manufacturers around the world. His customer-focused approach has delivered much improved financial and operational performance and the business was named a finalist for the prestigious Automotive News PACE Award for innovation.

Before Transportation Systems, Terrence was Vice President and General Manager of Honeywell’s Fluorine Products business, a global materials development leader in energy efficiency and environmental compliance solutions. During his time with Fluorine Products, Terrence transformed the business, developing the Solstice™ platform of non-ozone depleting and low global warming potential materials to meet the demands of the HVAC, appliance, supermarket, insulation, automotive and consumer products industries. He also expanded the business footprint into Asia, while creating step-change improvements in cross-functional operations and business profitability, all with a deep commitment to providing customer value.

Prior to joining Honeywell in 2007, Terrence spent nearly 20 years with Air Products and Chemicals, Inc. He last served as senior director for the company’s global Electronic Specialty Materials business based in Taiwan. Terrence also served in a number of other capacities for Air Products, including country manager for Malaysia, business development manager for refinery hydrogen, and on-site manager for Canada. He also was an integration business leader for the company’s acquisition of Ashland’s Electronic Chemicals business in 2003.

Terrence earned bachelors and masters degrees in materials science from Lehigh University, and an MBA from the Wharton School at the University of Pennsylvania.
Thomas A. Szlosek – Senior Vice President & CFO

Tom Szlosek is Senior Vice President and Chief Financial Officer of Honeywell, a $40 billion diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services; control technologies for buildings, homes and industry; turbochargers; and performance materials.

Prior to this role, Tom was Vice President of Corporate Finance responsible for corporate tax, treasury, investor relations, audit, financial planning, and back office functions. From 2007 to 2013, Tom was Chief Financial Officer for Honeywell’s largest business group, Automation and Control Solutions (ACS), where he helped lead ACS to 50% growth in sales and a doubling of operating profits. He also helped transact 15 acquisitions valued at over $3 billion. He served as Vice President and Controller of Honeywell from 2004 to 2007.

Prior to joining Honeywell, Tom spent eight years with General Electric Company, where he held various finance leadership roles, including CFO of GE Medical Systems Asia and CFO of GE Consumer Finance Europe. He was in the audit practice with PricewaterhouseCoopers for 10 years before joining GE.

Tom holds a bachelor’s degree in accounting from the State University of New York at Geneseo and is a Certified Public Accountant.