At Honeywell, we are bringing together the physical and digital worlds to tackle some of the toughest business and societal challenges. We specialize in the things that are critically connected. Beyond smart phones and laptops, we make the connections that keep cities working, planes flying, factories running, and workers safe.

THAT’S THE POWER OF CONNECTED. THAT’S THE POWER OF HONEYWELL.

Connected Aircraft | Connected Vehicle | Connected Building | Connected Home
Connected Plant | Connected Utilities | Connected Supply Chain | Connected Worker

This document contains certain statements that may be deemed “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, that address activities, events or developments that we or our management intends, expects, projects, believes or anticipates will or may occur in the future are forward-looking statements. Such statements are based upon certain assumptions and assessments made by our management in light of their experience and their perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate.

The forward-looking statements included in this release are also subject to a number of material risks and uncertainties, including but not limited to economic, competitive, governmental, and technological factors affecting our operations, markets, products, services and prices. Such forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by such forward-looking statements. 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.
Honeywell Overview

NYSE: HON | ~1,300 sites | ~131,000 employees | Morris Plains, N.J. headquarters | Fortune 100

Aerospace

$14.8B Sales

Our products are used on virtually every commercial and defense aircraft platform and in more than 100 million vehicles worldwide and include aircraft propulsion, cockpit systems, and satellite communications.

Home and Building Technologies

$9.8B Sales

Our products, software, and technologies are in more than 150 million homes and 10 million buildings worldwide, helping customers control their comfort, security, and energy use.

Performance Materials and Technologies

$10.3B Sales

We develop advanced materials, process technologies, automation solutions, and industrial software that are revolutionizing industries around the world.

Safety and Productivity Solutions

$5.6B Sales

We improve enterprise performance and worker safety and productivity with our scanning and mobile computers, software, warehouse automation solutions, and personal protective equipment.

Reflects 2017 Full-Year Results
Honeywell Performance: 2013-2017

SALES

- 2013: $39.1B
- 2014: $40.3B
- 2015: $38.6B
- 2016: $39.3B
- 2017: $40.5B

SEGMENT MARGIN

- 2013: 16.3%
- 2014: 16.6%
- 2015: 18.3%
- 2016: 18.9% (Ex-M&A)
- 2017: 19.0%

EARNINGS PER SHARE

- 2013: $4.97
- 2014: $5.56
- 2015: $6.10
- 2016: $6.60
- 2017: $7.11

FREE CASH FLOW

- 2013: $3.4B
- 2014: $4.0B
- 2015: $4.4B
- 2016: $4.4B
- 2017: $4.9B

All EPS figures exclude pension mark-to-market; 2016 EPS excludes 4Q16 debt refinancing; 2017 EPS excludes separation costs and the provisional charge related to tax legislation. Our reconciliations of non-GAAP measures to GAAP measures accompany this document and are also available at www.Honeywell.com/Investor.
Energy Efficiency and Clean Energy Generation

Honeywell invents and manufactures technologies that address some of the world’s most critical challenges around energy, safety, security, productivity, and global urbanization.

Honeywell’s Sustainable Opportunity Policy outlines the Company’s commitment to health, safety, and the environment: ensuring a cleaner, safer, and healthier future.
Safety and Security

Honeywell equipment and technologies can help keep an emergency from becoming a tragedy, and our security solutions protect us from emerging threats.

Honeywell’s Enhanced Ground Proximity Warning System has reduced Controlled Flight Into Terrain (CFIT) accidents from ~1 in every 3 million flights to less than 1 in every 20 million.

Honeywell Personal and Industrial Safety Equipment serve more than 500 million people around the world daily.
Honeywell is developing solutions that support growing infrastructure and improve the quality of life for people around the world.

The growing middle class is expected to increase from 1.8 billion to almost 5 billion people by 2030.
Worker Productivity

Honeywell solutions help our customers’ workforces perform more efficiently and productively.

Honeywell is an industry leader in wireless and scanning technologies used in home, building, and industrial applications.
The Honeywell Portfolio

<table>
<thead>
<tr>
<th>Leveraging Core Strengths</th>
<th>Process</th>
<th>Technology</th>
<th>Global Capacity</th>
<th>Reputation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• HOS Gold</td>
<td>• HOS Gold</td>
<td>• The Honeywell Sentience Platform (Common IT Platform)</td>
<td>• 20%+ of Sales in High Growth Regions</td>
<td>• The Honeywell Brand</td>
</tr>
<tr>
<td>• Honeywell User Experience (HUE)</td>
<td>• Honeywell User Experience (HUE)</td>
<td>• Shared Technology Talent Centers</td>
<td>• HGR 2.0 Strategy (Becoming the Chinese Competitor, East-for-East and East-for-Rest)</td>
<td>• Customer Focus</td>
</tr>
<tr>
<td>• Velocity Product Development</td>
<td>• Velocity Product Development</td>
<td>• Honeywell Technology Solutions &gt;10K Strong</td>
<td>•</td>
<td>• Integrity</td>
</tr>
<tr>
<td>• Centralized Supporting Functions</td>
<td>• Centralized Supporting Functions</td>
<td></td>
<td></td>
<td>• Employee Loyalty</td>
</tr>
</tbody>
</table>

... Across A Diversified Portfolio

- Aerospace
- Home and Building Technologies
- Performance Materials and Technologies
- Safety and Productivity Solutions

Industry-Leading Businesses Unified Across Common Platforms
## HOS Gold Overview

### Growth
- Common Set of Tools / Metrics to Drive and Manage Sales
- Value Proposition Development Rigor
- Breakthroughs – New Adjacencies to Enhance Growth Rate
- Channel Program Design

### Innovation
- ~11K Employees Developing Software; World-Class Technologists Driving Innovation
- Rigor and Metrics for New Product Development
- Honeywell User Experience Incorporated Into Everything We Do

### Leverage
- Cross-Business Technology Development
- Cross-Business Selling
- One-Honeywell Leverage: We Use What We Sell

### Productivity
- Word-Class Working Capital Management
- HOS Drove >200 bps Margin Expansion Over Last 3 Years
- OEF Management Drove ~80 bps Fixed-Cost Improvement Over the Last 5 Years
- Cross-Honeywell Warehouse Strategy Optimization

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**Differentiated Operating System Drives Value Creation in All Businesses**
With comprehensive offerings ranging from connectivity systems and services, satellite communications and cockpit systems to propulsion and wheel and braking systems, Honeywell Aerospace products and services are used on virtually every commercial and defense aircraft platform. Our world-class turbochargers enable greater vehicle performance and fuel efficiency.

**Businesses:**
- Electronic Solutions
- Engines and Power Systems
- Mechanical Systems and Components
- Services and Connectivity
- Transportation Systems

**Technologies:**
- Air and Thermal Management
- Cockpit and Flight Management Systems
- Connectivity Systems and Connected Aircraft Services
- Federal Solutions Management and Operation
- Gasoline, Diesel, Hybrid, and Fuel Cell Turbochargers with Variable Nozzle Technology
- Mechanical Components
- Navigation Systems and Sensors
- Propulsion and Power Systems
- Runway and Flight Safety Technology
- Wheels and Braking Systems
- Satellite Applications

**Headquarters:**
- Phoenix, Arizona
- Rolle, Switzerland
Honeywell Home and Building Technologies (HBT) is a $10 billion business that creates and markets products, software and technologies found in more than 150 million homes and 10 million buildings worldwide. We solve problems for homeowners and building owners that help them stay in control of their comfort, safety, security, productivity, and energy efficiency.

**Businesses**

**Buildings**
- Connected Building and Building Management Systems
- Building Products
- Building Solutions
- Greater China / APAC Buildings

**Homes**
- Connected Home
- Consumer Products (Retail)
- Pro Install Products
- Residential Thermal Solutions
- Global Distribution (ADI)
- APAC Homes

**Technologies**
- Air and Water Purification
- Building Comfort and Control Systems
- Fire Alarm Systems and Detection
- Home Heating, Ventilation, and Air Conditioning (HVAC) Controls and Security
- Remote Health Monitoring
- Smart City Command and Control Solutions
- Video Management and Security

**Headquarters**
Atlanta, Georgia
Safety and Productivity Solutions

Honeywell Safety and Productivity Solutions (SPS) provides products, software, and connected solutions that improve productivity, workplace safety, and asset performance for customers across the globe. We deliver on this promise through industry-leading mobile devices, software, cloud technology, and automation solutions, the broadest range of personal protective equipment and gas detection technology, and custom-engineered sensors, switches, and controls. We also manufacture and sell a broad portfolio of footwear for work, play, and outdoor activities, including XtraTuf™ and Muck Boot™ brand footwear.

Businesses:
- Honeywell Industrial Safety
- Honeywell Intelligrated
- Productivity Products
- Retail
- Sensing and Internet of Things
- Workflow Solutions

Technologies:
- Automation and Material Handling Solutions
- Footwear for Work, Play, and Outdoor Activities
- Gas Detection Technology and Custom-Engineered Sensors, Switches, and Controls
- Personal Protective Equipment for Industrial / Firefighting Applications
- Printing, Scanning, and Mobile Devices for Data Collection
- Workflow Software and Mobile Cloud Technology

Headquarters:
Fort Mill, South Carolina
Performance Materials and Technologies

Honeywell Performance Materials and Technologies (PMT) is a global leader in providing advanced materials, process technologies, and automation solutions. PMT delivers high-performance solutions, including low-global-warming-potential refrigerants, automation and software for process industries, and process technologies for the refining, petrochemical, and gas processing industries.

Businesses:
- Advanced Materials
- Honeywell Process Solutions
- Honeywell UOP

Headquarters:
Morris Plains, New Jersey

Technologies:
- Advanced Fibers and Composites
- Chemicals and Electronic Materials
- Connected Plant and Software
- Industrial Automation Controls
- Low-Global-Warming Potential Refrigerants
- Oil and Gas Process Technology, Equipment, Catalysts, and Services
- Smart Energy
- Specialty Films and Additives
Our Connected Enterprises

Leveraging Our Strengths …

- Strong track record in data collection and control science
- Experienced team with deep domain
- Focusing on industries we understand and have customer access
- Rigorous execution: High Say / Do ratio
- Investment closely tied to returns

… To Deliver End-to-End Customer Value

Delivering Profitable Growth and Software Transformation
Honeywell is building a smarter, safer, and more sustainable world. That’s the Power of Connected. That’s the Power of Honeywell.
Sustainable Opportunity

>65% Reduction in our GHG emissions 2004-2017

~60% Increase in our energy efficiency 2004-2017

120M Gallons of water conserved in “water-stressed areas”

Making our businesses more environmentally friendly, safer, and more sustainable

By 2019, Honeywell will reduce our global greenhouse gas emissions by an additional 10% per dollar of revenue from our 2013 levels.
Influential International and Domestic Coverage and Recognition

Honeywell Tops Electronics Industry on Fortune’s 2017 “World’s Most Admired Companies”

Darius Adamczyk Became CEO on March 31, 2017: “The way we’re going to continue to differentiate ourselves versus other industry players … is by technology.”

Honeywell Donates $2 Million in Safety Equipment After Hurricane Harvey

Honeywell Announces Planned Portfolio Changes: “Honeywell’s move to create two new stand-alone publicly traded companies is a very smart move.” — Jim Cramer, CNBC, “Mad Money”

Honeywell’s Shaun Zitting Named One of Diversity Journal’s “Women Worth Watching”

Honeywell Ranked As 2017 “Best for Vets” Employer by Military Times
<table>
<thead>
<tr>
<th>Community Rehabilitation Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housing &amp; Shelter</strong></td>
</tr>
<tr>
<td><strong>Family Safety &amp; Security</strong></td>
</tr>
<tr>
<td><strong>Science &amp; Math</strong></td>
</tr>
<tr>
<td><strong>Humanitarian Relief</strong></td>
</tr>
<tr>
<td><strong>Habitat &amp; Conservation</strong></td>
</tr>
</tbody>
</table>

Since 2003, more than 24,500 Honeywell volunteers have repaired 570 homes, schools, and non-profit centers in 52 Honeywell communities across the U.S., Canada, Mexico, and Puerto Rico with Rebuilding Together.

In 2017, more than 550 volunteers participated in seven Rebuilding Together projects across the U.S.

Since 2014, KidSmartz helps prevent childhood abduction in grades K-5. Since 2005, Safe Kids @ Home China has reached 2.3 million children and 2,800 schools.

In 2016, Honeywell and the Safe Kids India Foundation launched Safe Kids at Home Fire Safety in Pune, reaching 250,000 students.

In 2017, Honeywell, Safe Kids Malaysia and Safe Kids Worldwide launched “Safe Kids at Home” for 6,000 kids.

FMA Live! Forces in Motion has reached 488,000 students in more than 1,270 middle schools across the U.S., Mexico, Canada, and Puerto Rico.

Honeywell Educators at Space Academy has hosted more than 2,770 teachers from 62 countries and 52 U.S. states and territories since 2004.

Honeywell Leadership Challenge Academy has hosted 2,090 students from 47 countries and 37 U.S. states.

Since 2001, Employee donations to the Honeywell Humanitarian Relief Fund have repaired or rebuilt 885 homes, four schools, nine medical clinics, one elderly community center, and 200 wells since 2001. Most recently:

- Hurricane Harvey, Irma and Maria in the U.S.
- Central Mexico Earthquake
- Lugoj, Romania and Louisiana floods
- Typhoon Haiyan, Philippines
- Fort McMurray, Alberta, Canada, wildfires

Honeywell Institute for Ecosystems Education has trained 204 teachers in urban sustainability practices in New York, New Jersey, and Mexico City.

Honeywell Summer Science Week at the MOST has brought science to life for 695 Central New York middle schools students.
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>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment profit</td>
<td>$6,351</td>
<td>$6,696</td>
<td>$7,256</td>
<td>$7,186</td>
<td>$7,690</td>
</tr>
<tr>
<td>Stock compensation expense (1)</td>
<td>(170)</td>
<td>(187)</td>
<td>(175)</td>
<td>(184)</td>
<td>(176)</td>
</tr>
<tr>
<td>Repositioning and other (2,3)</td>
<td>(699)</td>
<td>(634)</td>
<td>(576)</td>
<td>(679)</td>
<td>(1,010)</td>
</tr>
<tr>
<td>Pension ongoing income (1)</td>
<td>90</td>
<td>254</td>
<td>430</td>
<td>601</td>
<td>713</td>
</tr>
<tr>
<td>Pension mark-to-market expense (1)</td>
<td>(51)</td>
<td>(249)</td>
<td>(67)</td>
<td>(273)</td>
<td>(87)</td>
</tr>
<tr>
<td>Other postretirement income (expense) (1)</td>
<td>(20)</td>
<td>(49)</td>
<td>(40)</td>
<td>32</td>
<td>21</td>
</tr>
<tr>
<td>Operating income</td>
<td>$5,501</td>
<td>$5,831</td>
<td>$6,828</td>
<td>$6,683</td>
<td>$7,151</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.

### (3) Included in cost of products and services sold, selling, general and administrative expenses, and other income/expense.
Reconciliation of EPS to EPS, Excluding Pension Mark-to-Market Expense, Debt Refinancing Expense, Separation Costs, Impacts from the Tax Cuts and Jobs Act of 2017 ("Tax Reform"), and Earnings Attributable to 2016 Divestitures

<table>
<thead>
<tr>
<th></th>
<th>2013 (1)</th>
<th>2014 (2)</th>
<th>2015 (3)</th>
<th>2016 (4)</th>
<th>2017 (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per share of common stock - assuming dilution (EPS)</td>
<td>$4.92</td>
<td>$5.33</td>
<td>$6.04</td>
<td>$6.20</td>
<td>$2.14</td>
</tr>
<tr>
<td>Pension mark-to-market expense</td>
<td>0.05</td>
<td>0.23</td>
<td>0.06</td>
<td>0.28</td>
<td>0.09</td>
</tr>
<tr>
<td>Debt refinancing expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.12</td>
<td>-</td>
</tr>
<tr>
<td>Separation costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.02</td>
</tr>
<tr>
<td>Impacts from Tax Reform</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4.86</td>
</tr>
<tr>
<td>EPS, excluding pension mark-to-market expense, debt refinancing expense, separation costs, and impacts from Tax Reform</td>
<td>$4.97</td>
<td>$5.56</td>
<td>$6.10</td>
<td>$6.60</td>
<td></td>
</tr>
<tr>
<td>Earnings attributable to 2016 divestitures</td>
<td></td>
<td></td>
<td></td>
<td>(0.14)</td>
<td></td>
</tr>
<tr>
<td>EPS, excluding pension mark-to-market expense, debt refinancing expense, separation costs, impacts from Tax Reform, and 2016 divestitures</td>
<td>$6.46</td>
<td>$7.11</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Utilizes weighted average shares of 797.3 million. Pension mark-to-market expense uses a blended tax rate of 25.5%.
(2) Utilizes weighted average shares of 795.2 million. Pension mark-to-market expense uses a blended tax rate of 28.1%.
(3) Utilizes weighted average shares of 789.3 million. Pension mark-to-market expense uses a blended tax rate of 36.1%.
(4) Utilizes weighted average shares of 775.3 million. Pension mark-to-market expense uses a blended tax rate of 21.3%. Debt refinancing expense uses a tax rate of 26.5%. Earnings attributable to 2016 divestitures uses a blended tax rate of 33.9%.
(5) Utilizes weighted average shares of 772.1 million. Pension mark-to-market expense uses a blended tax rate of 23%. 
Reconciliation of Cash Provided by Operating Activities to Free Cash Flow

<table>
<thead>
<tr>
<th>($M)</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash provided by operating activities</td>
<td>$4,335</td>
<td>$5,080</td>
<td>$5,519</td>
<td>$5,498</td>
<td>$5,966</td>
</tr>
<tr>
<td>Expenditures for property, plant and equipment</td>
<td>(947)</td>
<td>(1,094)</td>
<td>(1,073)</td>
<td>(1,095)</td>
<td>(1,031)</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$3,388</td>
<td>$3,986</td>
<td>$4,446</td>
<td>$4,403</td>
<td>$4,935</td>
</tr>
</tbody>
</table>

We define free cash flow as cash provided by operating activities less cash expenditures.