Forward Looking Statements

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.
Performance Materials And Technologies

Financials

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales ($B)</th>
<th>Segment Margin %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$4.7</td>
<td>15.8%</td>
</tr>
<tr>
<td>2011</td>
<td>$5.7</td>
<td>18.4%</td>
</tr>
<tr>
<td>2012</td>
<td>$6.2</td>
<td>18.7%</td>
</tr>
<tr>
<td>2013E</td>
<td>$6.9 - $7.0</td>
<td>18.4% - 18.6%</td>
</tr>
</tbody>
</table>

2012 Highlights

- Record Results For Sales, Profit, Segment Margin, Cash Flow
- Record Backlog Across PMT
- Game-Changing Technologies, Penetrating New Markets
- Expanded Global Presence
- Thomas Russell Acquisition

Business Units

Geographic Mix

- Advanced Materials
- UOP

Note: 2012 Sales

2012 Another Record Year
2013 End Market Trends

• What We Are Seeing
  - Significant Investment In Long Term Oil And Gas Opportunities
  - Advanced Materials End Market Demand Stable Overall
  - Increased Emerging Region Capacity Impacting Global Pricing
  - Growing Sales Prospect Pipeline, High Win Rates Maintained

• What We Are Expecting
  - Record UOP Backlog Supports Continued Growth
  - Robust Refining And Petrochemical Demand Globally
  - New Products Support Advanced Materials Acceleration
  - CAPEX Investment For High ROI Capacity Expansion & New Molecule Production
  - Continued Strong Productivity Driven By HOS/FT/OEF
Differentiated Performance vs. Industry

PMT Outperforms In Downturn And Recovery

Pre-Downturn
- Portfolio Rebalance Drives Margin Expansion Much Faster Than Industry

Downturn
- Margins Expand While Peers Decline

Recovery
- Robust Growth, Strong Year-on-Year Returns

Annual Segment Margin Percent

2005 2006 2007 2008 2009 2010 2011 2012

Diversified
Specialty
Honeywell PMT

Proven Track Record Of Margin Expansion
Enduring Strategies Generating Growth

Proven Business Model Drives Growth
PMT Growth Levers

Solid Base
- Great Positions, Good Industries
- World-Class Talent, Technology & IP

Strong Core Process
- Rigorous Management Controls
- HOS, VPD, “Go-To-Market” Excellence

New Products
- $4B+ NPI Pipeline, Launches Up >250% Last 5 Years
- LGWP Materials, Gas-to-Chemicals, Additives, Fibers, Catalysts

Accelerating Markets
- Strong End-Market Demand For UOP Technology & Advanced Materials
- Advanced Positions In HGRs

Creating New Markets
- Step-Change Technology Creating New Markets For PMT
- Expanding Pocket Share With Customers

Future Growth Secured
# PMT Positioned To Sustain Robust Growth

## Key Growth Drivers

<table>
<thead>
<tr>
<th>Business</th>
<th>Key Growth Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>UOP</td>
<td>• Record $2.8B Backlog, Strong NPI Pipeline</td>
</tr>
<tr>
<td></td>
<td>• Strong Demand, Driven By HGRs</td>
</tr>
<tr>
<td></td>
<td>• Broader Product Offerings: Equipment, Service</td>
</tr>
<tr>
<td>Fluorine Products</td>
<td>• New Environmentally Friendlier Materials (HFOs) For Diverse Market Segments</td>
</tr>
<tr>
<td></td>
<td>• Entering Large, New Markets</td>
</tr>
<tr>
<td>Specialty Products</td>
<td>• Strong NPI Pipeline, Step-Change Products</td>
</tr>
<tr>
<td></td>
<td>• Strong Technology Position In Attractive markets</td>
</tr>
<tr>
<td>Resins &amp; Chemicals</td>
<td>• Upgrading Product Mix To Capture Higher Margins</td>
</tr>
<tr>
<td></td>
<td>• Incremental Capacity Increases</td>
</tr>
</tbody>
</table>

**Substantial Incremental Growth**
**Customer Orders Driving Investment**

**Investing To Support Growth**

<table>
<thead>
<tr>
<th>CapEx</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Reliability/ Cost Savings</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<tr>
<td>Base</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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</tbody>
</table>

- New Plants And Additional Capacity
- Debottlenecking For Incremental Gains
- Further Improving Reliability
- Leveraging Honeywell Operating System

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>Major Projects</th>
<th>Customer Orders</th>
<th>Process Technology Know-How</th>
</tr>
</thead>
<tbody>
<tr>
<td>UOP</td>
<td>Refining Catalysts</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td></td>
<td>Petrochem Catalysts</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td></td>
<td>Adsorbents Expansion</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Fluorine Products</td>
<td>LGWP Materials</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Resins and Chemicals</td>
<td>Caprolactam Quality &amp; Yield</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Specialty Products</td>
<td>Capacity Expansions</td>
<td>✔️</td>
<td>✔️</td>
</tr>
</tbody>
</table>
Why UOP Growth Continues

Accelerating Markets
- Increasing Demand For Refining/Petrochemicals And Natural Gas Processing
- Already On The Ground Cultivating Demand In All HGRs

Maintaining Strong Win Rates
- Recognized Technology Leader With Innovative Solutions
- Compelling Value Propositions To Deliver Customer Benefit
- Adding Sales And Technical Support Closer To Customers

Expanded Scope Of Offerings
- Broadened Offerings To Capture More Value
- Equipment, Services, Front-End Engineering Design
- New Breakthrough Technologies Across The Entire Oil/Gas Chain

Installed Base Expanding
- UOP Technology Operating In Every Refinery In The World
- Growing Demand For Catalyst Reloads And Retrofits

Continued Double-Digit Growth, Strong Margins
UOP Growth Drivers

Refining & Petrochem Offerings

**Refining Demand**
- Refining Demand > Oil Demand
- Changing Product Mix
- Regional Factors
- Capacity Replacement
- ~1.3% Base Oil Demand
- Refining Growth

**Natural Gas Offerings**

**High Demand For NGL Liquids**
- Remove Impurities
  - Dehydration
  - Mercury Removal
  - Acid Gas Removal
- Separate Gas Components
  - Sulfur Recovery
  - NGL Recovery
  - Fractionation
- Common Natural Gas Liquids (NGLs) Recovered From Gas Processing

**Propylene Supply/Demand**
- 10% Growth For On-Purpose Propylene

**Source:** © IHS Global Inc

**Essential Technology, Great Position**
Fluorine Products Growth Solstice Platform

### Low Global Warming Potential Applications

**Solstice LGWP Materials:** Same Or Better Performance, Much Lower Environmental Impact

<table>
<thead>
<tr>
<th>Application</th>
<th>Features</th>
</tr>
</thead>
</table>
| Mobile A/C           | • New Market Opportunity  
                      |   • 99.7% Reduction In GWP  
                      |   • Strong Order Book      |
| Aerosol/Insulation Panels | • Similar Performance To HFCs  
                      |   • Greener Drop-In Replacement  
                      |   • Already In Commercial Use |
| Foam Insulation/Solvents | • More Efficient Than HFCs, Alternatives  
                      |   • Whirlpool Fast Adopter Advantage |
| Stationary A/C Refrigeration | • >75% Reduction In GWP  
                      |   • Performs Well In Hot Climates |

### Key Wins: Major Brands

![GM](image1)
![Hyundai](image2)
![Fiat](image3)
![Chrysler](image4)
![Land Rover](image5)
![Whirlpool](image6)

**Energy Efficiency, Environmental Performance Drivers**
Resins And Chemicals Growth

Foundation

- Lowest-Cost Global Producer Of Caprolactam (Nylon Ingredient)
- Landed Cost To China > 20% Cheaper Than The Chinese Competition
- Unique Process, High Level Of Integration, Higher Yields Of Valuable Byproduct, Low-Cost Raw Materials
- Integrated Supply Chain: Frankford Investment Paid Back In Six Months
- R&D For Higher Quality, Improved Process And New Resin Applications
- Incrementally Increasing Capacity

Global Caprolactam Demand

[Bar chart showing global caprolactam demand from 2012 to 2017 with HGR Growth annotated]

Changing To Higher Value Product Mix

End Markets
- Carpet
- Tires
- Food Packaging
- Engineering Plastics
- Textiles
**Fast Cycle Applications Growth**

- **Aclar® Films for Pharma**
  - HGR Growth ~20% For Generics
  - Aclar Highest Moisture Barrier For Hottest, Most Humid Regions
  - Smaller, More Secure Drug Packaging, Better Brand Integrity

- **Spectra® for Advanced Armor**
  - Ballistic Armor For Law Enforcement, Military
  - New Materials Provide 15% Better Ballistic Protection /15% Lighter
  - Helmets, Body Armor And Vehicle (Land, Air And Sea) Applications

- **Honeywell Titan™ Additives for Asphalt**
  - >20M Miles Of Paved Road Globally
  - Easier Asphalt Processing
  - Lower Energy Usage, Emissions; Better Long-Term Road Performance

- **Advanced Targets for Next Gen Electronics**
  - Market ~6% CAGR; New Roadmap Requirements
  - Aligned With Top Tier Manufacturers & Key Tools OEMs
  - Improved Technologies, Purity & New Materials Increases Customers’ Chip Yields

**Double Digit % CAGR Expected**
Honeywell Initiatives Deliver Results

**HOS**
- Honeywell Operating System Deployed At All 41 PMT Plants
- 80% Of Conversion Cost Now Either Bronze Or Silver

**VPD™**
- Game-Changing Technologies
- >$1B In Sales In 2013 From Products Launched Since 2010
- $4B+ NPI Pipeline

**Sales & Marketing Excellence**
- Commercial Excellence
- Expanding Sales/Service Globally, 50% In HGRs
- Mobile CRM Drives Productivity

**Globalization**
- HGR Sales Now 41% Of PMT Sales
- Regional Application Labs To Support Local Customers

**Consistent Execution Of Core Processes**
### UOP

1. **Plastics From Coal Or Gas, Rather Than Oil**
2. **Getting More From Every Barrel Of Oil**
3. **Plastics From Natural Gas Liquids**
4. **Real Fuels From Biofeedstocks**

### Advanced Materials

1. **Cooling Homes, Cars Without Warming The Globe**
2. **Protecting Soldiers With Lighter, Stronger Materials**
4. **Protecting Medicines In Demanding Environments**

---

**More Growth Still To Come**
Summary

• Confident In Outlook, Overdriving Long Term Targets
  - Advanced Materials Stable, Record UOP Backlog
  - Continued Strong Margin Performance; Multi-Year Expansion

• Operational Excellence A Cornerstone Of Ongoing Success
  - Entering Investment Cycle Due to High Win Rates and Technology Acceptance
  - Enablers Driving Continued Margin Expansion

• Technology Leadership Key To PMT Value Proposition
  - Growth Opportunities Across Entire Portfolio
  - Strong Traction From New Product Introductions, Rich Pipeline Fuels Growth