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.
Today’s Discussion

• Cash Deployment Priorities
  - Balance Between Growth And Return To Shareholders

• Reinvesting For Growth
  - Capex → Funding High ROI Growth Investment
  - Strategic And Accretive M&A → Disciplined M&A Approach / Track Record

• Return To Shareholders
  - Pay A Competitive Dividend → Increase Dividend Payout Ratio Over Time
  - Opportunistic Share Buyback

• Pension Funded Status
  - Proactive Strategy Paying Off → HON 100% Funded Status

Consistent Strategy, Delivering Upside
# Cash – Next 5 Years

## Cash Flow From Operations

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAPEX</td>
<td>~$30-33B</td>
</tr>
<tr>
<td>Net M&amp;A, Other</td>
<td>~50% To Growth</td>
</tr>
<tr>
<td>Dividends</td>
<td>~50% Returned To Shareholders</td>
</tr>
<tr>
<td>Share Buy Back</td>
<td>2014E-2018E</td>
</tr>
</tbody>
</table>

## Deployment Priorities

1. **Investing In High ROI CAPEX**
   - ~$5-6B Next 5 years; PMT Cycle Peaks 2015

2. **Pay A Competitive Dividend**
   - Grow > Earnings

3. **Strategic M&A**
   - Disciplined Valuation And Screening Process
   - Targeting $10B+ Over Next 5 Years

4. **Opportunistic Share Buyback**
   - ~$5B To Hold Share Count ~ Flat

5. **Pension 100% Funded 2013YE**

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*Cash Providing Flexibility To Generate Excess Returns*
2018 Targets + M&A

**Sales**

- **2013**: $39.1
- **2014E**: $40.3 - 40.7
- **2018T**: $46 - 51

**6-9% CAGR**

**+$5-8B From M&A**

**Segment Profit / Margin**

- **2013**: 16.3%
- **2014E**: 16.6 - 16.9%
- **2018T**: 18.5 - 20.0%

**+$5-8B**

**~$1.00 EPS**

- **Targeting Attractive Adjacencies**
- **Lots Of M&A Capacity**
- **M&A Margin Headwind ~(50-100) Bps**
- **Expecting Continued Flawless Integration**

**M&A Upside Next 5 Years**
Accretive M&A Strategy

What You Should Expect

• Strong Pipeline Of Potential Targets
  - Constant Screening, Relentless Discipline

• High Growth New Adjacencies
  - Execution Driven By Business Strategy

• Significant Synergies Achieved
  - Targeting 6-8% Of Sales As Cost Synergies
  - Sales Synergies Expected (Not Factored In)

• Disciplined Acquisition Framework
  - IRR> WACC; Double Digit ROI By 5th Year

• Best In Class Integration
  - Accretive “All-In” Year 2

Key Focus Areas

• Aerospace
  - Connectivity
  - Differentiated Technologies
  - Mechanical Components

• Automation & Control Solutions
  - More Bolt-on Possibilities
  - Adjacencies Aligned To Multi-Brand/Channel
  - Industrial Products

• Performance Materials & Technologies
  - Expanding UOP Capabilities

• Transportation Systems
  - Turbo Technologies

Building Great Positions In High Growth Industries
### M&A Scorecard – Since 2010

<table>
<thead>
<tr>
<th>Acquisitions</th>
<th>Cost Synergies*</th>
<th>5 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Sales CAGR</td>
</tr>
<tr>
<td>Building Controls</td>
<td>119%</td>
<td>5-7%</td>
</tr>
<tr>
<td>Energy/Smart Grid</td>
<td>117%</td>
<td>7-9%</td>
</tr>
<tr>
<td>Personal Protection</td>
<td>119%</td>
<td>4-6%</td>
</tr>
<tr>
<td>Gas Detection</td>
<td>115%**</td>
<td>7-9%</td>
</tr>
<tr>
<td>AIDC</td>
<td>115%**</td>
<td>4-6%</td>
</tr>
<tr>
<td>Satellite Connectivity</td>
<td>107%</td>
<td>7-9%</td>
</tr>
<tr>
<td>Gas Processing</td>
<td>100%</td>
<td>6-8%</td>
</tr>
</tbody>
</table>

*vs. Original Cost Synergies Expectations,  ** On Prospective Basis
Pension Funded Status

Honeywell

2009: 77%
2010: 83%
2011: 83%
2012: 84%
2013: 100%

2013 Peer Average: 85%

Honeywell is ahead of its peers with a high 98%
and well above the low 74%.

Proactive Strategy Paying Off

HON > Peers

Pension Strategy Working – HON Advantaged Vs. Peers
Returning Value To Shareholders

Cash Deployment Contributing To Strong TSR

Dividend History

10-Year TSR*

* Total Shareholder Return From 1/1/2004 To 12/31/2013
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>Segment</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace</td>
<td>$2,372</td>
</tr>
<tr>
<td>Automation and Control Solutions</td>
<td>2,437</td>
</tr>
<tr>
<td>Performance Materials and Technologies</td>
<td>1,271</td>
</tr>
<tr>
<td>Transportation Systems</td>
<td>498</td>
</tr>
<tr>
<td>Corporate</td>
<td>(227)</td>
</tr>
<tr>
<td><strong>Segment Profit</strong></td>
<td>$6,351</td>
</tr>
<tr>
<td>Stock Based Compensation</td>
<td>(170)</td>
</tr>
<tr>
<td>Repositioning and Other</td>
<td>(699)</td>
</tr>
<tr>
<td>Pension Ongoing (Expense) Income</td>
<td>90</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment</td>
<td>(51)</td>
</tr>
<tr>
<td>OPEB (Expense) Income</td>
<td>(20)</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>$5,501</td>
</tr>
<tr>
<td>Pension Mark-to-Market Adjustment</td>
<td>(51)</td>
</tr>
<tr>
<td><strong>Operating Income Excluding Pension Mark-to-Market Adjustment</strong></td>
<td>$5,552</td>
</tr>
</tbody>
</table>

Segment Profit $6,351 ÷ Sales 39,055 = **Segment Profit Margin % 16.3%**

Operating Income $5,501 ÷ Sales $39,055 = **Operating Income Margin % 14.1%**

Operating Income Excluding Pension Mark-to-Market Adjustment $5,552 ÷ Sales $39,055 = **Operating Income Margin Excluding Pension Mark-to-Market Adjustment 14.2%**

(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.