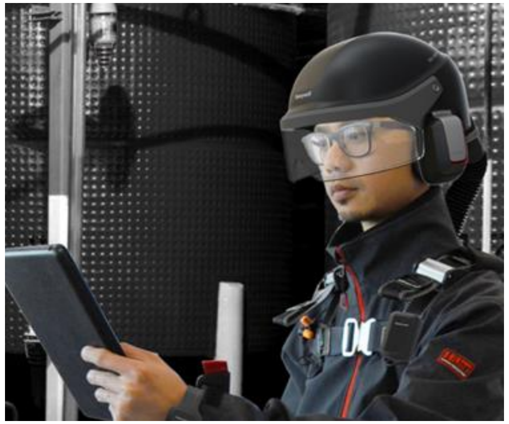



April 18, 2019

FIRST QUARTER 2019

Earnings Release

Honeywell

Forward Looking Statements

This presentation 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 presentation 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. Any forward-looking plans described herein are not final and may be modified or abandoned at any time. 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.

Non-GAAP Financial Measures

This presentation contains financial measures presented on a non-GAAP basis. Honeywell's non-GAAP financial measures used in this presentation are as follows: segment profit, on an overall Honeywell basis, a measure by which we assess operating performance, which we define as operating income adjusted for certain items as presented in the Appendix; segment margin, on an overall Honeywell basis, which we define as segment profit divided by sales and which we adjust to exclude sales and segment profit contribution from Resideo and Garrett in 2018, if and as noted in the presentation; organic sales growth, which we define as sales growth less the impacts from foreign currency translation, and acquisitions and divestitures for the first 12 months following transaction date; adjusted free cash flow, which we define as cash flow from operations less capital expenditures and which we adjust to exclude the impact of separation costs related to the spin-offs of Resideo and Garrett, if and as noted in the presentation; adjusted free cash flow conversion, which we define as adjusted free cash flow divided by net income attributable to Honeywell, excluding pension mark-to-market expenses, separation costs related to the spin-offs, and adjustments to the 4Q17 U.S. tax legislation charge, if and as noted in the presentation; and adjusted earnings per share, which we adjust to exclude pension mark-to-market expenses in 2018, as well as for other components, such as separation costs related to the spin-offs, adjustments to the 4Q17 U.S. tax legislation charge, and after-tax segment profit contribution from Resideo and Garrett in the periods noted in the presentation, net of spin indemnification impacts assuming both indemnification agreements were effective in such periods, if and as noted in the presentation. The respective tax rates applied when adjusting earnings per share for these items are identified in the presentation or in the reconciliations presented in the Appendix. Management believes that, when considered together with reported amounts, these measures are useful to investors and management in understanding our ongoing operations and in the analysis of ongoing operating trends. These metrics should be considered in addition to, and not as replacements for, the most comparable GAAP measure. Refer to the Appendix attached to this presentation for reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures.

Outstanding Start to 2019

	Actual	Guidance
Organic growth driven by long-cycle businesses and strong growth in Building Technologies	**8%** Organic Sales Growth	**3% - 5%**
EPS growth driven by higher segment profit - Segment profit up 9% ex-spins	**$1.92** Earnings Per Share	**$1.80 - $1.85**
Strong operational performance; segment margin >20%	**120 bps** Margin Expansion *40 bps Ex-Spins*	**110 - 140 bps** *30 - 60 bps Ex-Spins*
		1Q18 Results
Adjusted free cash flow growth of 55% ex-spins - Continued improvement in conversion year-over-year (+14 pts)	**82%** Adjusted Free Cash Flow Conversion	**68%**

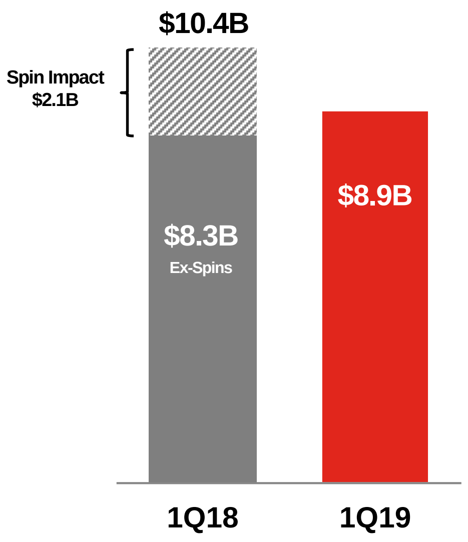
Segment margin ex-spins and segment profit ex-spins exclude sales and segment profit contribution from Resideo and Garrett in 1Q18.
Adjusted free cash flow conversion excludes impacts from separation costs related to the spin-offs. Adjusted free cash flow V% ex-spins also excludes free cash flow contribution from Resideo and Garrett in 1Q18.

High-Quality Earnings … Do > Say

1Q19 Financial Summary

Sales

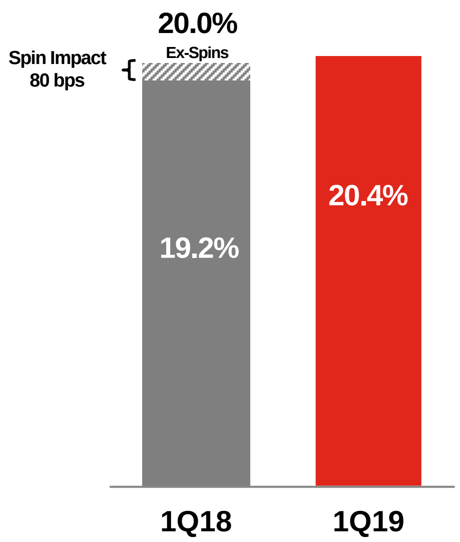
Up 8%
Organic



- + Intelligrated, business aviation OE, U.S. defense, process automation
- + Commercial aftermarket, building products, and sensing and IoT

Segment Margin

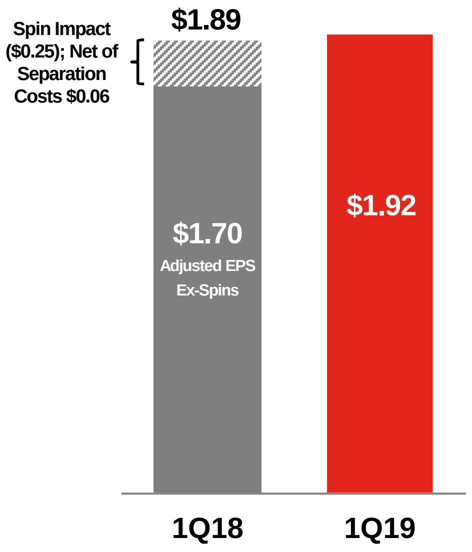
Up 120 bps



- + Commercial excellence and repositioning benefits
- + Spin accretion (+80 bps)
- \- Lower volumes in productivity products, unfavorable mix across SPS

EPS

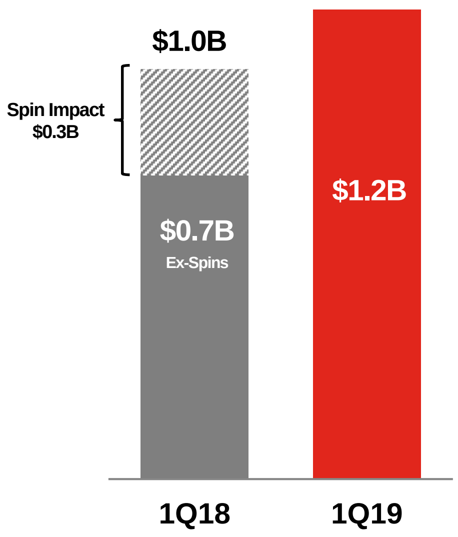
Up 13%
Ex-Spins



- + Segment profit up 9% ex-spins
- + Lower share count (739M vs. 761M)
- + Lower effective tax rate (~22.0% vs. ~23.7% in 1Q18)

Adjusted FCF

Up 55%
Ex-Spins



- + Conversion up 14 points YoY
- + Excludes ~$0.2B in separation cost cash payments in 2019
- + Deployed $750M to share repurchases

Segment margin ex-spins excludes sales and segment profit contribution from Resideo and Garrett in 1Q18.
EPS V% ex-spins excludes 1Q18 after-tax separation costs related to the spin-offs of Resideo and Garrett, and 1Q18 after-tax segment profit contribution from the spin-offs, net of spin indemnification impacts assuming both indemnification agreements were effective in 1Q18.
Adjusted free cash flow and associated conversion exclude impacts from separation costs related to the spin-offs. Adjusted free cash flow V% ex-spins also excludes free cash flow contribution from Resideo and Garrett in 1Q18. $0.25 spin impact is calculated as 1Q18 Garrett and Resideo after-tax spin segment profit contribution, net of spin indemnification impacts assuming it was in place for both Resideo and Garrett in the period prior to the spins effective dates, using a tax rate of 24% and weighted average share count of 761M.

Outstanding Start to 2019

1Q 2019 Segment Results

($M)	Sales	Segment Margin Change (bps)	Commentary
Aero	**$3,341** *Up 10% Organic*	**25.1%** *Up 260*	+ Continued strength in business aviation OE; U.S. and international defense + Broad-based commercial aftermarket demand (airlines and business aviation) + Margin expansion driven by commercial excellence and spin accretion
HBT	**$1,389** *Up 9% Organic*	**19.5%** *Up 240*	+ Growth in commercial fire and security products; improved supply chain execution + Global building projects and robust orders growth in high growth regions + Margin expansion driven by spin accretion, offset by unfavorable mix and spin stranded cost
PMT	**$2,572** *Up 5% Organic*	**21.9%** *Up 140*	+ Broad-based sales and orders strength in automation projects and services + Fluorine products demand in Advanced Materials (including for Solstice®) ± Strong engineering, equipment, and catalyst orders in UOP; tough catalyst/licensing sales comps
SPS	**$1,582** *Up 10% Organic*	**13.4%** *Down (260)*	+ Continued double-digit sales growth in warehouse automation (Intelligrated) + Demand in sensing and IoT and retail; strong performance in China - Lower volumes in productivity products, unfavorable mix, and impact of inflation

Strength Across the Portfolio

2Q 2019 Preview

Guidance

Sales	**$9.2B - $9.4B**
Organic Growth	*Up 4% - 7%*
Segment Margin	**20.8% - 21.0%**
Margin Growth	*Up 120 - 140 bps*
Margin Growth Ex-Spins[1]	*Up 30 - 50 bps*
Net Below the Line Impact[2]	~$30M - $40M
Effective Tax Rate	~22%
Share Count	~734M
EPS	**$2.05 - $2.10**
Growth Ex-Spins[3]	*Up 6% - 9%*

What We Expect

- Macro environment largely similar to 2018 year-end; planning conservatively in short-cycle businesses
- Continued strength in long-cycle businesses; long-cycle backlog up over 10% at end of 1Q19
- Short-cycle growth in process solutions, sensing and IoT, Commercial Aviation Aftermarket, and building products; slightly offset by weaker demand in productivity products
- Margin expansion driven by commercial excellence, benefits from previously funded repositioning, and spin accretion
- ~($0.19)[4] earnings dilution YoY from spins, net of spin indemnity

[1] Segment margin expansion ex-spins guidance excludes sales and segment profit contribution from Resideo and Garrett in 2Q18.
[2] Net below the line impact is the difference between segment profit and income before tax. Impact includes interest and other financial charges, stock compensation expense, pension ongoing income, other post-retirement income, and repositioning and other charges.
[3] EPS V% ex-spins guidance excludes 2Q18 after-tax separation costs related to the spin-offs of Resideo and Garrett, the 2Q18 after-tax segment profit contribution from the spin-offs, net of spin indemnification impacts assuming both indemnification agreements were effective in 2Q18, and 2Q18 adjustments to the 4Q17 U.S. tax legislation charge.
[4] $0.19 spin impact is calculated as the 2Q18 after-tax segment profit contribution from the spin-offs, net of spin indemnification impacts assuming both indemnification agreements were effective in 2Q18, using a tax rate of 22% and weighted average share count of 755M.

Expect Strong 2Q19 Driven by Orders and Backlog Growth

2019 Financial Guidance Summary

	Original Guidance		Updated Guidance
Sales	**$36.0B - $36.9B** *Up 2% - 5% Organic*	→	**$36.5B - $37.2B** *Up 3 - 6% Organic*
Segment Margin	**20.7% - 21.0%** Up 110 - 140 bps Up 30 - 60 bps Ex-Spins	→	**20.7% - 21.0%** Up 110 - 140 bps Up 30 - 60 bps Ex-Spins
EPS	**$7.80 - $8.10** Up 6% - 10% Ex-Spins	→	**$7.90 - $8.15** Up 7% - 10% Ex-Spins
Adjusted FCF	**$5.4B - $6.0B** 95% - 100% Conversion	→	**$5.5B - $6.0B** 95% - 100% Conversion

Commentary

+ Long-cycle growth supported by strong backlog
+ Adjusted free cash flow conversion remains near 100%
+ Minimal impact from tariffs and Brexit expected in 2019 after mitigation actions
+ Planning at least (1%) share count reduction in 2019
+ Net below the line impact ($60M) - ($70M)

Segment margin expansion ex-spins guidance excludes sales and segment profit contribution from Resideo and Garrett in 2018.
Adjusted free cash flow guidance and associated conversion excludes estimated payments of ~$0.3B for separation costs incurred in 2018 related to the spin-offs of Resideo and Garrett.
EPS V% ex-spins guidance excludes 2018 pension mark-to-market, 2018 after-tax separation costs related to the spin-offs of Resideo and Garrett, and 2018 adjustments to the 4Q17 U.S. tax legislation charge. Also excludes the 2018 after-tax segment profit contribution from the spin-offs, net of spin indemnification impacts assuming both indemnification agreements were effective for all of 2018, of $0.62.

Raising Sales and EPS Guidance

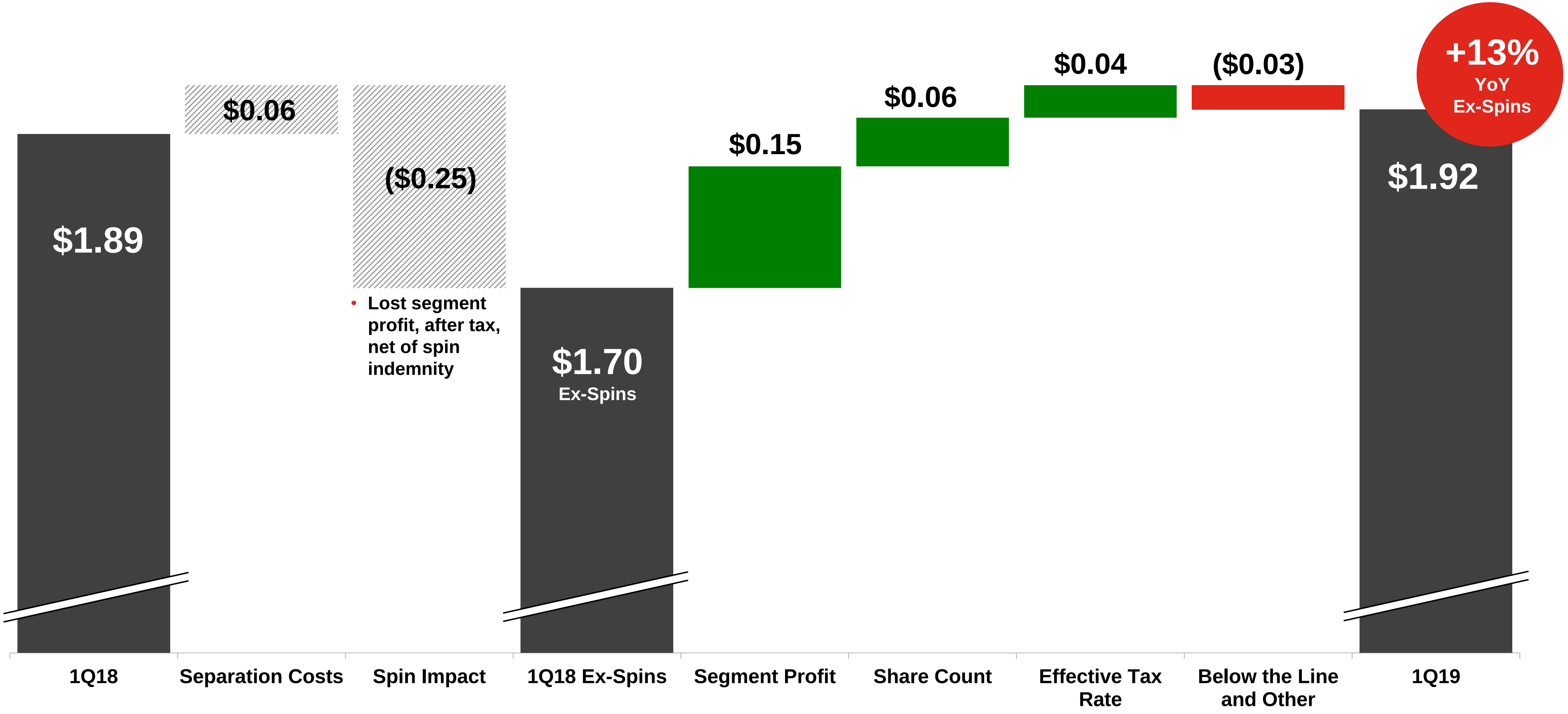
Summary

- Strong performance on all operational financial metrics
- Organic growth accelerated, segment margin over 20%
- Expect second quarter EPS of $2.05 - $2.10, up 6% - 9% ex-spins
- Raising full-year 2019 EPS guidance to $7.90 - $8.15, up 7% - 10% ex-spins
- 2019 annual investor conference planned for May 14

EPS V% ex-spins guidance excludes 2018 pension mark-to-market, 2018 after-tax separation costs related to the spin-offs of Resideo and Garrett, and 2018 adjustments to the 4Q17 U.S. tax legislation charge. Also excludes the FY18 and 2Q18 after-tax segment profit contribution from the spin-offs, net of spin indemnification impacts assuming both indemnification agreements were effective in both periods.

Appendix

1Q 2019 EPS



EPS growth ex-spins excludes after-tax separation costs related to the spin-offs of Resideo and Garrett, and the after-tax segment profit contribution from the spin-offs, net of spin indemnification impacts assuming both indemnification agreements were effective in 1Q18.
$0.25 spin impact is calculated as 1Q18 Garrett and Resideo after-tax spin segment profit contribution, net of spin indemnification impacts assuming it was in place for both Resideo and Garrett in the period prior to the spins effective dates, using a tax rate of 24% and weighted average share count of 761M.
$0.06 separation costs is 1Q18 separation costs of $49 million, net tax impacts.

Earnings Growth Primarily Driven by Operational Performance

1Q19 Segment Sales Results

	Reported	Organic
Aerospace	**(16%)**	**10%**
Commercial Aviation Original Equipment	9%	10%
Commercial Aviation Aftermarket	7%	8%
Defense & Space	12%	13%
Honeywell Building Technologies	**(43%)**	**9%**
Building Technologies	9%	9%
Performance Materials and Technologies	**2%**	**5%**
UOP	Flat	1%
Process Solutions	3%	7%
Advanced Materials	1%	4%
Safety and Productivity Solutions	**9%**	**10%**
Safety	(2%)	Flat
Productivity Solutions	16%	15%

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Reconciliation of Segment Profit to Operating Income and Calculation of Segment Profit and Operating Income Margins

($M)	1Q18	1Q19
Aerospace	$3,977	$3,341
Honeywell Building Technologies	2,433	1,389
Performance Materials and Technologies	2,534	2,572
Safety and Productivity Solutions	1,448	1,582
Net sales	$10,392	$8,884
Aerospace	$893	$838
Honeywell Building Technologies	416	271
Performance Materials and Technologies	519	564
Safety and Productivity Solutions	231	212
Corporate	(64)	(76)
Segment profit	$1,995	$1,809
Stock compensation expense (1)	(52)	(41)
Repositioning, Other (2,3)	(161)	(93)
Pension and other postretirement service costs (4)	(56)	(33)
Operating income	$1,726	$1,642
Segment profit	$1,995	$1,809
÷ Net sales	$10,392	$8,884
Segment profit margin %	19.2%	20.4%
Operating income	$1,726	$1,642
÷ Net sales	$10,392	$8,884
Operating income margin %	16.6%	18.5%

(1) Amounts included in 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.
(4) Amounts included in Cost of products and services sold and Selling, general and administrative expenses.

We define segment profit as operating income, excluding stock compensation expense, pension and other postretirement service costs, and repositioning and other charges. We believe these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

A quantitative reconciliation of segment profit, on an overall Honeywell basis, to operating income has not been provided for all forward-looking measures of segment profit and segment margin included herewithin. Management cannot reliably predict or estimate, without unreasonable effort, the impact and timing on future operating results arising from items excluded from segment profit, particularly pension mark-to-market expense as it is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets. The information that is unavailable to provide a quantitative reconciliation could have a significant impact on our reported financial results. To the extent quantitative information becomes available without unreasonable effort in the future, and closer to the period to which the forward-looking measures pertain, a reconciliation of segment profit to operating income will be included within future filings.

Reconciliation of Organic Sales % Change

	1Q19
Honeywell	
Reported sales % change	(15%)
Less: Foreign currency translation	(3%)
Less: Acquisitions, divestitures and other, net	(20%)
Organic sales % change	8%
Aerospace	
Reported sales % change	(16%)
Less: Foreign currency translation	-
Less: Acquisitions, divestitures and other, net	(26%)
Organic sales % change	10%
Honeywell Building Technologies	
Reported sales % change	(43%)
Less: Foreign currency translation	(3%)
Less: Acquisitions, divestitures and other, net	(49%)
Organic sales % change	9%
Performance Materials and Technologies	
Reported sales % change	2%
Less: Foreign currency translation	(3%)
Less: Acquisitions, divestitures and other, net	-
Organic sales % change	5%
Safety and Productivity Solutions	
Reported sales % change	9%
Less: Foreign currency translation	(3%)
Less: Acquisitions, divestitures and other, net	2%
Organic sales % change	10%

We define organic sales percent as the year-over-year change in reported sales relative to the comparable period, excluding the impact on sales from foreign currency translation, and acquisitions, net of divestitures. We believe this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

A quantitative reconciliation of reported sales percent change to organic sales percent change has not been provided for forward-looking measures of organic sales percent change because management cannot reliably predict or estimate, without unreasonable effort, the fluctuations in global currency markets that impact foreign currency translation, nor is it reasonable for management to predict the timing, occurrence and impact of acquisition and divestiture transactions, all of which could significantly impact our reported sales percent change.

Reconciliation of Cash Provided by Operating Activities to Adjusted Free Cash Flow and Adjusted Free Cash Flow Conversion

($M)	1Q18	1Q19
Cash provided by operating activities	$1,136	$1,134
Expenditures for property, plant and equipment	(140)	(141)
Free cash flow	996	993
Separation cost payments	10	165
Adjusted free cash flow	$1,006	$1,158
Net income (loss) attributable to Honeywell	$1,439	$1,416
Separation costs, includes net tax impacts	49	-
Adjusted net income attributable to Honeywell	$1,488	$1,416
Cash provided by operating activities	$1,136	$1,134
÷ Net income (loss) attributable to Honeywell	$1,439	$1,416
Operating cash flow conversion	79%	80%
Adjusted free cash flow	$1,006	$1,158
÷ Adjusted net income attributable to Honeywell	$1,488	$1,416
Adjusted free cash flow conversion %	68%	82%

We define free cash flow as cash provided by operating activities less cash expenditures for property, plant and equipment.

We believe that this metric is useful to investors and management as a measure of cash generated by business operations that will be used to repay scheduled debt maturities and can be used to invest in future growth through new business development activities or acquisitions, pay dividends, repurchase stock or repay debt obligations prior to their maturities. This metric can also be used to evaluate our ability to generate cash flow from business operations and the impact that this cash flow has on our liquidity.

Reconciliation of Cash Provided by Operating Activities to Adjusted Free Cash Flow

	2018 ($M)	2019E ($B)
Cash provided by operating activities	$6,434	~$6.0 - $6.5
Expenditures for property, plant and equipment	($828)	~(0.8)
Free cash flow	5,606	~5.2 - 5.7
Separation cost payments	$424	~$0.3
Adjusted free cash flow	$6,030	~$5.5 - $6.0

We define free cash flow as cash provided by operating activities less cash expenditures for property, plant and equipment.

We believe that this metric is useful to investors and management as a measure of cash generated by business operations that will be used to repay scheduled debt maturities and can be used to invest in future growth through new business development activities or acquisitions, pay dividends, repurchase stock or repay debt obligations prior to their maturities. This metric can also be used to evaluate our ability to generate cash flow from business operations and the impact that this cash flow has on our liquidity.

Reconciliation of Segment Profit to Operating Income and Calculation of Segment Profit and Operating Income Margins

($M)	2Q18	2018
Segment profit	$2,145	$8,190
Stock compensation expense (A)	(38)	(175)
Repositioning, Other (B,C)	(279)	(1,100)
Pension and other postretirement service costs (D)	(51)	(210)
Operating income	$1,777	$6,705
Segment profit	$2,145	$8,190
÷ Net sales	$10,919	$41,802
Segment profit margin %	19.6%	19.6%
Operating income	$1,778	$6,705
÷ Net sales	$10,919	$41,802
Operating income margin %	16.3%	16.0%

(A) Included in Selling, general and administrative expenses.
(B) Includes repositioning, asbestos, environmental expenses and equity income adjustment.
(C) Included in Cost of products and services sold, Selling, general and administrative expenses and Other income/expense.
(D) Included in Cost of products and services sold and Selling, general and administrative expenses.

We define segment profit as operating income, excluding stock compensation expense, pension and other postretirement service costs, and repositioning and other charges. We believe these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

A quantitative reconciliation of segment profit, on an overall Honeywell basis, to operating income has not been provided for all forward-looking measures of segment profit and segment margin included herewithin. Management cannot reliably predict or estimate, without unreasonable effort, the impact and timing on future operating results arising from items excluded from segment profit. The information that is unavailable to provide a quantitative reconciliation could have a significant impact on our reported financial results. To the extent quantitative information becomes available without unreasonable effort in the future, and closer to the period to which the forward-looking measures pertain, a reconciliation of segment profit to operating income will be included within future filings.

Reconciliation of EPS to Adjusted EPS, and Adjusted EPS Excluding Spin-off Impact

	1Q18	2Q18	1Q19	2018
Earnings per share of common stock - assuming dilution (EPS) [(1)]	$1.89	$1.68	$1.92	$8.98
Pension mark-to-market expense	-	-	-	0.04
Separation costs [(2)]	0.06	0.46	-	0.97
Impacts from U.S. Tax Reform	-	(0.02)	-	(1.98)
Adjusted earnings per share of common stock - assuming dilution	$1.95	$2.12	$1.92	$8.01
Less: EPS, attributable to spin-offs	$0.25	$0.19		$0.62
Adjusted earnings per share of common stock - assuming dilution, excluding spin-off impact	$1.70	$1.93		$7.39

(1) For the three months ended March 31, 2019 and 2018, adjusted earnings per share utilizes weighted average shares of approximately 738.8 million and 761.0 million. For the three months ended June 30, 2018, utilizes weighted average shares of 755 million. For the twelve months ended December 31, 2018, adjusted earnings per share utilizes weighted average shares 753.0 million.
(2) For the three months ended March 31, 2018, separation costs of $49 million including net tax impacts. For the three months ended June 30, 2018, separation costs of $346 million including net tax impacts. For the twelve ended December 31, 2018, separation costs of $732 million including net tax impacts.

We believe Adjusted EPS is a measure that is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

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Calculation of Segment Profit Excluding Spin-off Impact and Segment Margin Excluding Spin-Off Impact

($M)	1Q18	2Q18	2018
Segment profit	$1,995	$2,145	$8,190
Spin-off Impact[1]	(334)	(330)	(1,011)
Segment profit excluding spin-off impact	$1,661	$1,815	$7,179
Sales	$10,392	$10,919	$41,802
Spin-off Impact[1]	($2,085)	($2,082)	($6,551)
Sales excluding spin-off impact	$8,307	$8,837	$35,251
Segment margin excluding spin-off impact	20.0%	20.5%	20.4%

(1) Amount computed as the portion of Aerospace and Honeywell Building Technologies segment profit and sales in the applicable prior year period for Transportation Systems and Homes and Global Distribution spin-off businesses.

Calculation of Adjusted Free Cash Flow Excluding Spin-Off Impact

($M)	1Q18
Cash provided by operating activities	$1,136
Expenditures for property, plant and equipment	(140)
Free cash flow	996
Separation cost payments	10
Adjusted free cash flow	$1,006
Spin-off Impact (1)	(261)
Adjusted free cash flow, excluding spin-off impact	$745

(1) Amount computed as the portion of Aerospace and Honeywell Building Technologies free cash flow in the applicable prior year period for Transportation Systems and Homes and Global Distribution spin-off businesses.

We define free cash flow as cash provided by operating activities less cash expenditures for property, plant and equipment.