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HONEYWELL TO ACQUIRE COMPRESSOR CONTROLS CORPORATION, DRIVING THE ENERGY TRANSITION THROUGH LEADING AUTOMATION AND CONTROLS PORTFOLIO

- Compressor Control Corporation technologies combined with Honeywell's Forge offering to deliver the most comprehensive Asset Performance Management capability in the industry
- Combined installed base with Honeywell Process Solutions creates the world's largest operating fleet of critical process machinery
- New carbon capture, utilization, and sequestration solutions further Honeywell's high growth sustainability portfolio
- Acquisition price of \$670 million, representing ~15x 2023E EBITDA on a tax adjusted basis; Expected to be immediately accretive to GAAP EPS and achieve ~15% cash-basis return on investment in fifth year post-closing

CHARLOTTE, April 26, 2023 -- Honeywell (Nasdaq: HON) today announced it has agreed to acquire Compressor Controls Corporation (CCC) from INDICOR, LLC, which is owned by funds affiliated with private equity firm Clayton, Dubilier & Rice, LLC and Roper Technologies, Inc., for \$670 million, which represents ~15x 2023E EBITDA on a tax adjusted basis, in an all-cash transaction. CCC is a leading provider of turbomachinery control and optimization solutions, including control hardware, software and services, and primarily serves the LNG, gas processing, refining and petrochemical segments.

CCC's EBITDA margins are accretive to Honeywell, and Honeywell is expected to achieve a cash-basis return on investment of more than 15% by the fifth year that CCC is part of Honeywell.

The acquisition will be integrated into Honeywell's Process Solutions business and will strengthen Honeywell's leadership in industrial control, automation and process solutions, enabling customers to accelerate their energy transition.

The acquisition also bolsters Honeywell's high growth sustainability portfolio with new carbon capture control solutions, where the same turbomachinery is used to achieve effective removal of CO₂ from process plant emissions, and even from the Earth's atmosphere.

"Compressor Control Corporation is an ideal complement to our process solutions portfolio, as it brings an installed base of greater than 14,000 control applications to our portfolio and will enable us to accelerate growth in combination with Forge's industry leading APM capability," said Lucian Boldea, president and chief executive officer of Honeywell Performance Materials and Technologies. "By enhancing our digitalization portfolio, we are helping customers accelerate their energy transitions through new controls and automation that, for example, can help with carbon capture and sequestration."

The addition of CCC's proprietary performance analytics, optimization algorithms and predictive health analysis to Honeywell's existing Forge Performance+ offering will offer end users the greatest opportunity to maximize production uptime and minimize maintenance spend through the industry's most comprehensive Asset Performance Management (APM) capability built on a true, cloud-native architecture.

The combination of the company's existing offerings will provide the most complete end-to-end portfolio of products for operational control, safety, and asset performance management of compressors, turbines, generators and other turbomachinery in the LNG, gas processing, refining and petrochemical segments. These assets are the most critical production assets in these industries and have significant impact on the downtime, energy consumption, and maintenance expense of end users.

Compressor Control Corporation (CCC) is headquartered in Des Moines, IA with offices located in major oil and gas production regions. It employs approximately 280 people.

The transaction is expected to close in the second half of 2023, subject to customary closing conditions, including receipt of certain regulatory approvals.

Honeywell (www.honeywell.com) delivers industry-specific solutions that include aerospace products and services; control technologies for buildings and industry; and performance materials globally. Our technologies help aircraft, buildings, manufacturing plants, supply chains, and workers become more connected to make our world smarter, safer, and more sustainable. For more news and information on Honeywell, please visit www.honeywell.com/newsroom.

This release contains certain statements that may be deemed “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are those that address activities, events or developments that management intends, expects, projects, believes or anticipates will or may occur in the future. They 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 significantly from those envisaged by our forward-looking statements. We do not undertake to update or revise any of our forward-looking statements, except as required by applicable securities law. Our forward-looking statements are also subject to risks and uncertainties, including the impact of the COVID-19 pandemic and the Russia-Ukraine conflict, that can affect our performance in both the near- and long-term. In addition, no assurance can be given that any plan, initiative, projection, goal commitment, expectation, or prospect set forth in this release can or will be achieved. 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.

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