Honeywell

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HONEYWELL PROVIDES 2017 OUTLOOK; EARNINGS PER SHARE GUIDANCE OF $6.85 - $7.10

- *Earnings Growth Driven By Organic Sales Growth (Up 1% - 3%) And Strong Margin Expansion*
- *Organic Sales Driven By Capacity Expansions And Growth In Connected Products*
- *Reported Sales Down 1% To Up 2% Due To Impact Of Divestitures, Net Of Acquisitions*
- *Segment Margin Up 70 - 110 Basis Points – Benefits From HOS, M&A, And Restructuring*
- *Reaffirms Fourth-Quarter 2016 EPS Of ~$1.74, Up 10% (Ex-Pension MTM And Debt Refinancing Charges), Or Up 14%[1] Ex-Divestitures*

MORRIS PLAINS, N.J., December 16, 2016 -- Honeywell (**NYSE: HON**) today announced its 2017 outlook and reaffirmed its fourth quarter and full year 2016 sales and earnings guidance. Honeywell will discuss its 2017 Outlook during its investor conference call today starting at 9 a.m. EST.

Honeywell President and Chief Operating Officer Darius Adamczyk said, “Honeywell continues to evolve, and in 2016 we are again demonstrating the strength of our portfolio and expect strong earnings in a continued slow-growth global environment. We are continuing to improve our growth profile through strategic portfolio actions and expect to see better sales and EPS growth and margin expansion in 2017 as a result. We have invested more than $8 billion in nine acquisitions since 2015, and all are now contributing to our growth. Our newly-formed Home and Building Technologies and Safety and Productivity Solutions businesses have improved our focus on driving growth, speed, and productivity. And, the nearly $250 million we have invested in restructuring and other actions is already delivering returns.”

Adamczyk continued, “Our recent investments in the portfolio and development of new products, combined with the cost benefits from ongoing productivity initiatives, M&A integration, restructuring, and debt refinancing, have set us up for continued outperformance in 2017. We anticipate organic sales growth of 1%-3%, segment margin expansion of 70-110 basis points, and EPS growth of 6%-10% (excluding pension MTM, debt refinancing charges, and 2016 divestitures), driven by the impact from high-return capacity expansions, continued seed planting in new product introductions, software and

[1] *Excludes Any Pension Mark-To-Market Adjustment And ~$0.12 Impact From 4Q16 Debt Refinancing Charges*

connected enterprises, and earnings from prior M&A. Our focus on HOS Gold, coupled with world-class processes and talent to drive Commercial Excellence, should continue to generate returns. We are building upon the strong foundation we have established over the last 15 years."

"We expect another year of exceptional returns for our shareowners. I am excited about our prospects for 2017. We continue to have significant runway for margin expansion even in today's slow-growth environment, and our strong balance sheet will provide additional opportunities for upside," Adamczyk said.

Dave Cote, Chairman and CEO said, "We have invested significantly in our business and have a great platform for continued earnings growth. I am confident that under Darius' leadership, Honeywell will continue our track record of delivering returns for our shareowners in 2017."

To participate on the conference call, please dial (877) 795-3635 (domestic) or (719) 325-2202 (international) approximately ten minutes before the 9 a.m. EST start. Please mention to the operator that you are dialing in for Honeywell's 2017 Outlook call. The live webcast of the investor call as well as related presentation materials will be available through the "Investor Relations" section of the company's Website (www.honeywell.com/investor). Investors can hear a replay of the conference call from 12 p.m. EST, December 16, until 12 p.m. EST, December 23, by dialing (888) 203-1112 (domestic) or (719) 457-0820 (international). The access code is 4336039.

Honeywell (www.honeywell.com) is a Fortune 100 diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services; control technologies for buildings, homes, and industry; turbochargers; and performance materials. 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. 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.

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Honeywell International Inc.

Reconciliation of Segment Profit to Operating Income and

Calculation of Segment Profit and Operating Income Margins (Unaudited)

(Dollars in billions)

	Twelve Months Ended December 31, 2016E
Segment Profit	$7.1 - $7.2
Stock compensation expense (A)	~(0.2)
Repositioning and other (A, B)	~(0.6)
Pension ongoing income (A)	~0.6
Pension mark-to-market adjustment (A)	TBD
Other postretirement income (A)	~0.0
Operating Income	$6.9 - $7.0
Segment Profit	$7.1 - $7.2
÷ Sales	$39.4 - $39.6
Segment Profit Margin %	~18.1%
Operating Income	$6.9 - $7.0
÷ Sales	$39.4 - $39.6
Operating Income Margin %	~17.6%

(A) Included in cost of products and services sold and selling, general and administrative expenses.
(B) Includes repositioning, asbestos, environmental expenses and equity income adjustment.

We believe these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Honeywell International Inc.

Reconciliation of Earnings Per Share to Earnings Per Share, Excluding Pension Mark-to-Market Adjustment, Debt Refinancing Charges and Contributions From Divestitures (Unaudited)

	Three Months Ended December 31,	
	2016 Guidance(1)	2015(2)
EPS	TBD	$1.53
Pension mark-to-market adjustment	TBD	0.05
Debt refinancing charges	~0.12	-
EPS, excluding pension mark-to-market adjustment and debt refinancing charges	~$1.74	$1.58
Less: Earnings contributions from divestitures	-	0.05
EPS, excluding pension mark-to-market adjustment, debt refinancing charges and divestitures	~$1.74	$1.53

(1) Utilizes estimated weighted average shares of approximately 772 million.

(2) Utilizes weighted average shares outstanding of 780.8 million. Pension mark-to-market adjustment uses a blended tax rate of 36.1%.

We believe EPS, excluding pension mark-to-market adjustment, debt refinancing charges and earnings contributions from divestitures is a measure that is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends. Management cannot reliably predict or estimate the the pension mark-to-market adjustment as it is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets. We do not include an estimate for the pension mark-to-market adjustment in this reconciliation.

Honeywell International Inc.

Reconciliation of Earnings Per Share to Earnings Per Share, Excluding Pension Mark-to-Market Adjustment, Debt Refinancing Charges and Contributions From Divestitures
(Unaudited)

	Twelve Months Ended December 31, 2016 Guidance[1]
EPS	TBD
Pension mark-to-market adjustment	TBD
Debt refinancing charges	~0.12
EPS, excluding pension mark-to-market adjustment and debt refinancing charges	~$6.60
Less: Earnings contributions from divestitures	~0.14
EPS, excluding pension mark-to-market adjustment, debt refinancing charges and divestitures	~$6.46

(3) Utilizes estimated weighted average shares of approximately 775 million.

We believe EPS, excluding pension mark-to-market adjustment, debt refinancing charges and earnings contributions from divestitures is a measure that is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends. Management cannot reliably predict or estimate the the pension mark-to-market adjustment as it is dependent on macroeconomic factors, such as interest rates and the return generated on invested pension plan assets. We do not include an estimate for the pension mark-to-market adjustment in this reconciliation.