

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**FORM 8-K**

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT – February 26, 2016

(Date of earliest event reported)

**HONEYWELL INTERNATIONAL INC.**

(Exact name of Registrant as specified in its Charter)

DELAWARE

(State or other jurisdiction of  
incorporation)

1-8974

(Commission File Number)

22-2640650

(I.R.S. Employer  
Identification Number)

115 TABOR ROAD, MORRIS PLAINS, NEW JERSEY  
(Address of principal executive offices)

07950  
(Zip Code)

Registrant's telephone number, including area code: (973) 455-2000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## **Item 8.01 OTHER EVENTS**

On February 26, 2016, Honeywell International Inc. (the "Company") issued a press release providing details of its February 19, 2016 proposal to United Technologies. A copy of the press release is attached as Exhibit 99.1 to this Form 8-K and incorporated herein by reference.

## **ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

- (d) Exhibit 99.1 Honeywell International Inc. Press Release dated February 26, 2016
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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 26, 2016

HONEYWELL INTERNATIONAL INC.

By: /s/ Jeffrey N. Neuman

Jeffrey N. Neuman

Vice President, Corporate Secretary and

Deputy General Counsel

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**HONEYWELL RELEASES DETAILS OF FEBRUARY 19, 2016 PROPOSAL  
MADE TO UNITED TECHNOLOGIES**

MORRIS PLAINS, N.J., February 26, 2016 -- Honeywell (**NYSE: HON**) has received a number of inquiries from investors regarding its proposal to acquire United Technologies. In order to help investors understand the proposal, attached is a presentation that Honeywell Chairman and CEO, Dave Cote, shared with United Technologies Chairman, Edward A. Kangas, and United Technologies CEO, Gregory J. Hayes, at their meeting on February 19, 2016. This presentation provides details regarding Honeywell's offer.

Honeywell ([www.honeywell.com](http://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.honeywellnow.com](http://www.honeywellnow.com).

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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February 2016

## **HON AND UTX: A UNIQUE AND COMPELLING OPPORTUNITY FOR SHAREHOLDERS**

Honeywell Confidential Information

## BENEFITS OF A UNIQUE INDUSTRIAL COMBINATION

1

- A Global Leader In Attractive End Markets Tied To Advantaged Secular Growth Themes
  - Technology Leadership with World-Class Aerospace, Buildings and Industrial Offerings
- World-Class Technology And Software Platforms
- Combined R&D Capacity Of Over \$8B To Invest In Meaningful Growth Platforms
- Substantial Operating Benefits, Cost Synergy Potential – Estimated \$3.5B In Cost Synergies, ~20% Op Margin
- Significant Commercial Opportunities To Drive Further Revenue Growth as Combined Company
- Highly Experienced Leadership Teams And Deep Bench of Talent Across A Global Organization
- Compelling, Transformational Opportunity for Both Sets of Shareholders; Meaningful Upfront Cash Proceeds + Substantial Value Creation for UTX
- Now is the Right Time – Unique Opportunity to Enhance Revenue and Earnings Growth While Taking Advantage of a Highly Favorable Financing Market
- Confident in a Bright Future for HON Independent of a Combination with UTX, but the Compelling Nature of a Combination is Undeniable

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**Seeking To Re-engage And Work Towards An Agreement**

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## ELEMENTS OF CURRENT PROPOSAL

### *Proposed Structure*

- Cash and Stock Transaction At **\$108/share** or a **22% Premium** to UTX's share price as of 2/18/16 and a **24% Premium** to 10-day VWAP

### *Consideration*

- UTX Shareholders Receive **\$42.63** Per Share In Cash, Plus
- **0.614** shares of HON per current UTX share

### *Value Creation*

- **Over \$39B** In Value Creation for UTX Shareholders
- **Over \$72B** In Value Creation To All Shareholders
- **\$3.5B** Estimated Cost Synergies; **~\$20/share** in Synergy Value

### *Capital Structure*

- Pro Forma 3.5x Net Debt / EBITDA Ratio With **~\$36B** New Debt Raised
- Strong Investment Grade Credit Rating With Rapid De-leveraging Profile

### *Leadership and Governance*

- Chairman/CEO: David M. Cote
- "Best Of Both, Best Athlete" Management Philosophy For Combined Board of Directors and Management Team

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**\$108/share with ~\$36B in Immediate Cash Benefit**

## STRENGTHENED FINANCIAL PROFILE

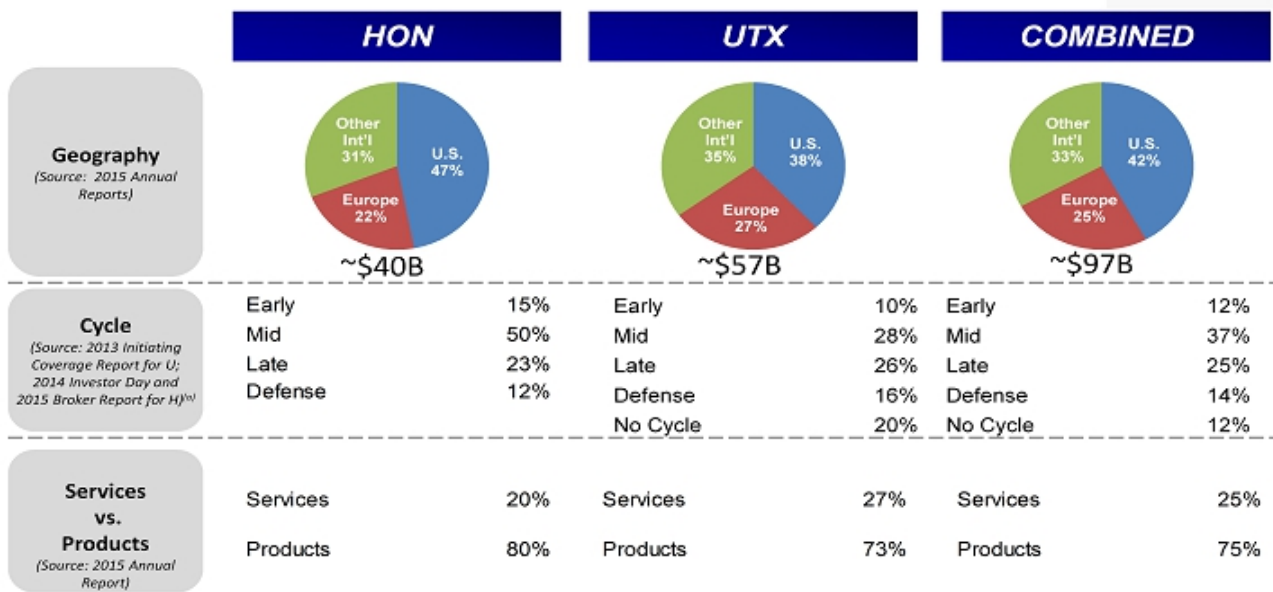
	<b>Combined Metric</b>	<b>Transaction Impact</b>	<b>Benefits</b>
<b>Scale</b>	~\$97B in sales	++	<ul style="list-style-type: none"> <li>Enhanced global scale with strong set of focused businesses</li> </ul>
<b>Operating Margin</b>	~20%	+	<ul style="list-style-type: none"> <li>Impact of synergies and operating efficiencies</li> </ul>
<b>EPS Growth</b>	Double Digit +	++	<ul style="list-style-type: none"> <li>Cost synergy benefits plus deleveraging; revenue synergies all upside</li> </ul>
<b>Free Cash Flow</b>	~\$10B Target 100% conversion	+ / =	<ul style="list-style-type: none"> <li>Strong FCF plus working capital efficiencies</li> </ul>
<b>Balance Sheet/ Credit Rating</b>	Strong Investment Grade	=	<ul style="list-style-type: none"> <li>Strong balance sheet with rapid deleveraging; flexibility for investment</li> </ul>

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**Enhanced Earnings Growth + Strong FCF**



## WELL-BALANCED COMBINED PORTFOLIO

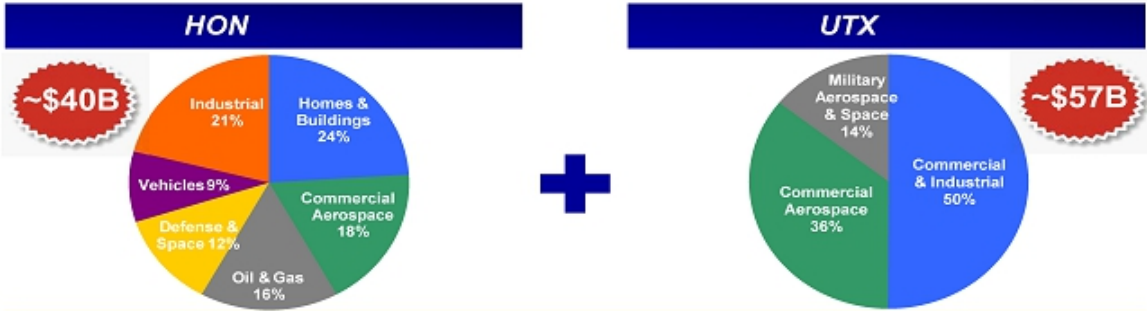


(a) HON cycle metrics from 2014 investor day, adjusted for ~12% defense exposure based on Wall Street research estimates. UTX metrics based on 2013 initiating coverage report and are adjusted for divestiture of Skorsky.

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**Diversified Exposure Plus Substantial Recurring Service Revenue**

# WELL-BALANCED COMBINED PORTFOLIO TO BETTER SERVE CUSTOMERS



## A DIVERSIFIED GLOBAL BUSINESS LEADER

**~\$97B**

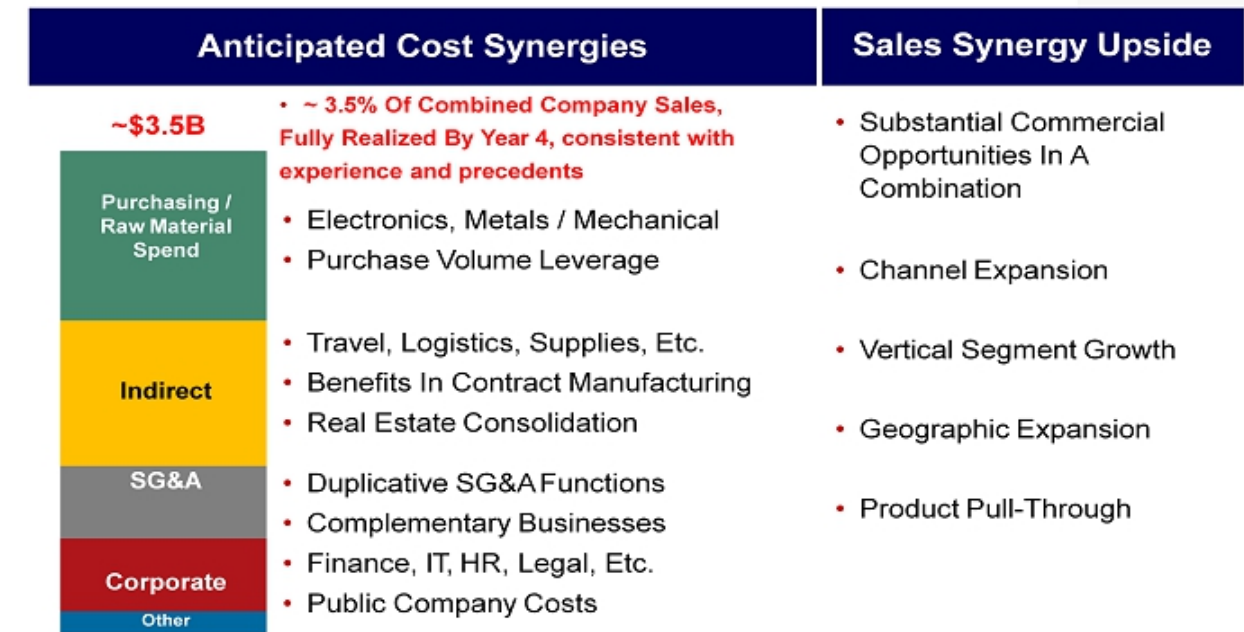
Segment	Percentage
Industrial	12%
Defense & Space	13%
Oil & Gas	7%
Commercial Aerospace	28%
Homes & Buildings	39%

- ✓ Global Franchises
- ✓ High-Growth Regions Presence
- ✓ Strong Aftermarket Content
- ✓ Technology Leadership in Key Segments

Note: Figures exclude Sikorsky.  
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**Creates a ~\$100B World Class Global Organization**

## SIGNIFICANT SYNERGY OPPORTUNITY IDENTIFIED



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**Represents Substantial Capitalized Value Before Commercial Opportunities**

# BENEFITS TO COMMERCIAL AND DEFENSE CUSTOMERS

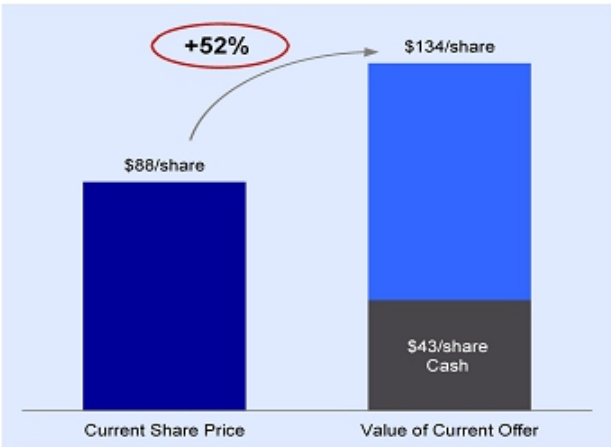
	Description	Benefits
<b>World-Class Technology</b>	<ul style="list-style-type: none"> <li>Aerospace industry requires heavy investments in technology while meeting aggressive price targets</li> <li>Both companies are recognized technology &amp; thought leaders</li> <li>Software &amp; connectivity are key capabilities for future growth</li> </ul>	<ul style="list-style-type: none"> <li>Use of fundamental technologies and R&amp;D budget to wider array of aircraft systems and products</li> <li>Commercially-derived R&amp;D investments benefit DoD and offset concerns over fewer suppliers</li> <li>HON brings software/connectivity capability to UTX mechanical products</li> </ul>
<b>Operational Efficiency</b>	<ul style="list-style-type: none"> <li>Complementary business base enables better utilization of both company's asset base and lower raw material costs</li> </ul>	<ul style="list-style-type: none"> <li>Meets OEMs demand for year-on-year productivity.</li> <li>DoD benefits from flow-through of overhead savings on cost-reimbursement contracts</li> </ul>
<b>Proven Track Record of Synergies</b>	<ul style="list-style-type: none"> <li>Cost efficiencies – driven by HOS &amp; ACE systems</li> <li>History of HON inorganic growth &amp; asset utilization maximization</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in SG&amp;A, footprint, SKUs, and corporate overhead</li> <li>"Great positions in good industry" analysis to determine best-in-class performance</li> </ul>
<b>Portfolio Fit</b>	<ul style="list-style-type: none"> <li>Hybrid organizations – both commercial &amp; defense</li> <li>Common cultures – multi-industry aerospace Tier 1 suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Highly complementary offerings will lead to product innovation</li> <li>Limited overlap. Potential regulatory issues easily resolved</li> </ul>

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**Great Technology, Complementary Offerings, Common Industries & Culture**

# SIGNIFICANT VALUE CREATION POTENTIAL

## VALUE PER SHARE TO UTX IN CURRENT PROPOSAL



**+\$39B** Aggregate Incremental Value for UTX Shareholders

Premium to UTX Shareholders with Significant Upfront Cash

Tremendous Synergy Opportunity Shared Between Shareholders

Upside from Leverage on Combined Company Balance Sheet

Stronger Financial Profile Allows for Potential Multiple Uplift

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**Believe Combination is Strongly Worth Pursuing**

## TWO INDUSTRIAL LEADERS COMING TOGETHER

### **Honeywell**

- Leader in Building/Control Systems
- A Top Aerospace And Defense Technology Platform
- #1 in Industrial & Fire Safety
- #1 in Refining & Petrochemicals
- #1 in Global Turbocharger Sales
- HON Operating System (HOS) Driving Operating Benefits with Seed-planting to Accelerate Growth



- Leader In Global Aerospace Systems
- One Of Top Aerospace Engine Players
- One Of Top Commercial And Residential HVAC Platforms Globally
- #1 in Elevators
- Leader In Security
- Achieving Competitive Excellence (ACE) Delivering Benefits To Customers & Shareowners

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**Creating One of the Best Industrial Companies in the World**

# DETAILS OF VALUE CREATION FOR UTX

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## Immediate Premium + Cash

	UTX	
	Per Share (\$) <sup>(a)</sup>	Aggregate (\$bn)
Closing Price (2/18/16)	\$88.36	\$73.6
<b>Offer</b>		
UTX shareholders receive cash	\$42.63	\$35.8
UTX shareholders receive shares (0.614x HON Price of \$106.47 <sup>(b)</sup> )	65.37	54.9
<b>Total Consideration</b>	<b>\$108.00</b>	<b>\$90.7</b>
% premium vs. 2/18/16 Close	+22%	
% premium vs. 10-Day VWAP	+24%	
Shares in HON		515.7
% Ownership <sup>(c)</sup>		40%

## Significant Shareholder Value Creation

Value of NewCo		Value to UTX	
		Per Share (\$) <sup>(a)</sup>	Aggregate (\$bn)
UTX 2016 Consensus Net Income <sup>(d)</sup>	\$5.4	Cash	\$42.63
HON 2016 Consensus Net Income <sup>(d)</sup>	5.2	Share of HON Stock	91.53
Synergies Before Tax	3.5	Total	\$134.16
(Less): Interest and Taxes <sup>(e)</sup>	(2.1)		
<b>Pro Forma Net Income</b>	<b>\$12.0</b>	Total Value Uplift	\$45.80
HON 2016E P/E	16.1x	Total Value Uplift (%)	+52%
<b>Pro Forma HON Equity Value</b>	<b>\$193.8</b>		
Pro Forma HON Shares Outstanding	1,300.2		
<b>Pro Forma HON Equity Value per Share</b>	<b>\$149.08</b>		
UTX per-share value = 0.614 x \$149.08	\$91.53		

### Notes

Figures above rounded. Calculation results based on non-rounded numbers.

(a) Closing Price as of 2/18/16.

(b) Assumes fully diluted shares of 833.0 at closing price and 839.9 at offer price.

(c) 40% ownership based on 515.7 shares of 1,300.2 total pro forma HON shares.

(d) Net income based on current median 2016 consensus for both companies.

(e) Assumes 28.0% tax rate on incremental interest and synergies.

(f) Assumes \$35.8bn incremental debt raised in the transaction at 3.75% interest rate.

(g) Includes interest impact (3.75% interest rate) of funding of \$5.6bn total pre-tax cost to achieve synergies.

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