



# Today's Honeywell in Vietnam

Last Update: March 2015

**We are building a world  
that's safer and more secure ...  
more comfortable and energy efficient ...  
more innovative and productive ...**

**Honeywell**

This document 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.



**\$40.3B**

in sales for 2014

**55%**

of sales outside U.S.

- ~1,250 sites, 70 countries
- More than 127,000 employees
- **Morristown, N.J.** headquarters
- **Fortune 100**
- **NYSE: HON**



**Aerospace**



**Performance Materials  
and Technologies**



**Automation and  
Control Solutions**

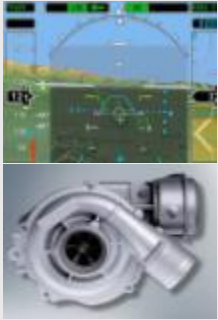
# Who Is Honeywell?

**Honeywell**

## Business Overview

(2014 Sales)

### Aerospace



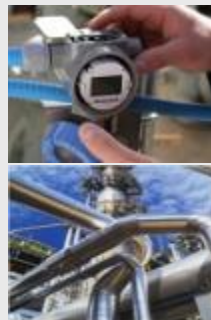
**\$15.6 Billion**

### Automation and Control Solutions



**\$14.5 Billion**

### Performance Materials and Technologies



**\$10.2 Billion**

## Great Positions In Good Industries



Honeywell developed the first autopilot flight controller (1914), first commercial weather radar system (1954), first business jet turbofan engine (1975), and is still the leader in developing revolutionary technology for aerospace today.



Honeywell pioneered automotive turbocharging 60 years ago and remains the industry leader launching, on average, 100 new turbo applications globally each year.



Honeywell is the leader in gas detection, fire systems, personal protective equipment, building controls, home comfort and security, and scanning and mobility.



Honeywell's technology is used to produce 40% of the world's liquefied natural gas, 60% of the world's gasoline, 70% of the world's polyester, and 90% of the world's biodegradable detergents.

***Highly Diversified, Technology-Driven Industrial Company***



# Energy Efficiency And Clean Energy Generation

Honeywell



With nearly 50% of our portfolio dedicated to energy solutions, Honeywell is leading the charge in energy efficiency and clean energy generation.

By immediately and comprehensively adopting existing Honeywell products and solutions, the U.S. could **reduce energy consumption 20 to 25%**.



Air Traffic  
Modernization



Biofuels



Green  
Buildings



Low-Global-  
Warming  
Refrigerants



Fuel-Efficient  
Turbochargers



Industrial Process  
Efficiency



Demand  
Response &  
Smart Grid



Energy  
Performance  
Contracts

# Safety And Security

Honeywell



Honeywell equipment and technologies can help keep an emergency from becoming a tragedy, and our security solutions protect us from emerging threats.

Honeywell is a leader in advanced in-flight and on-the-ground avionics to **keep travelers safe.**

Spectra fiber is **15 times stronger than steel** but light enough to float.



# Expanding Global Wealth Per Capita

Honeywell



Honeywell is developing solutions that support growing infrastructure and improve the quality of life for people around the world.

The growing middle class is expected to increase from **1.8 to almost 5 billion people by 2030.**



# Customer Productivity

Honeywell



Honeywell solutions help our customers be better, faster, and more efficient.

Honeywell is an industry leader in **wireless and scanning technologies** used in **home, building, and industrial** applications.



In-flight Productivity



Industrial Scanning & Mobile Computers



Voice Controls



Retail Scanning



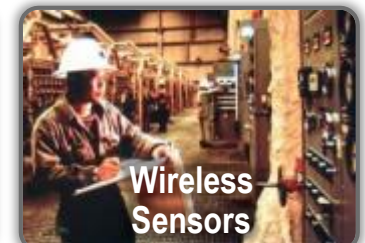
OneWireless™ Mobile Control Room



Cockpit Systems



Demand Response Thermostat Systems



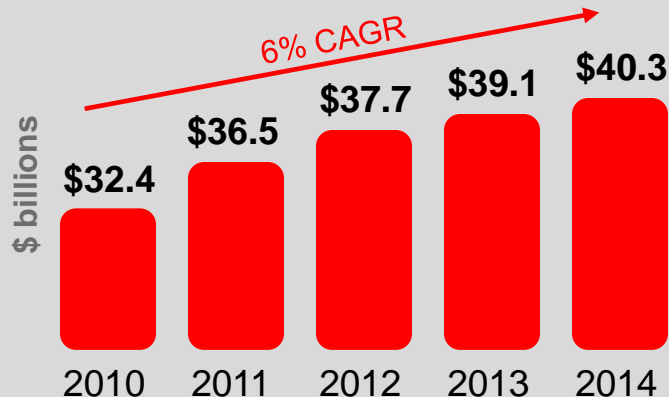
Wireless Sensors



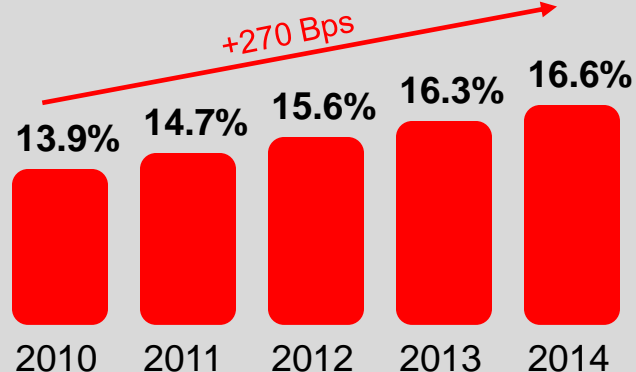
# Our Performance

Honeywell

## Sales



## Segment Margin



## Earnings Per Share<sup>1</sup>



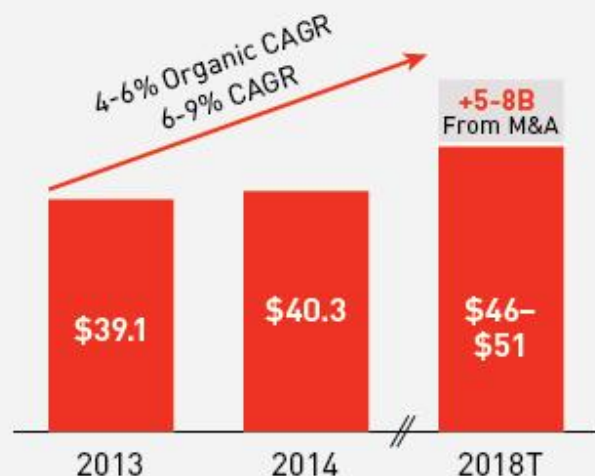
1) EPS Excludes Pension Mark-to-Market Adjustments.

Honeywell delivered over the past five years, **outperforming** and **evolving** in a slow-growth global economy.

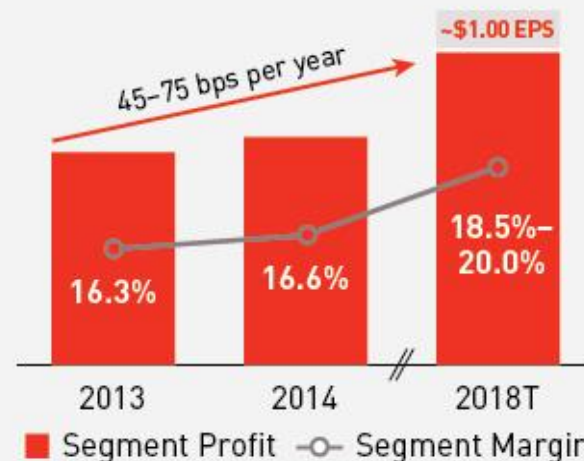
**5-Year Total Shareholder Return Of 187% (vs. S&P 500 Of 105%)**

# New Five-Year Plan

## Sales (in billions)



## Segment Profit/Margin



Improving end markets, NPIs, penetration in High Growth Regions, and benefits from HOS Gold will drive **growth and productivity** throughout the company.

A strong balance sheet will allow Honeywell to thoughtfully **deploy capital** over the five-year horizon to generate an incremental dollar of EPS by 2018.

# Recognition In 2014

Honeywell

Honeywell received more than  
**120 business and industry  
awards.**

FORTUNE  
WORLD'S MOST  
ADMIRED  
COMPANIES 2014

2014 DIVERSITY JOURNAL  
DIVERSITY  
LEADER  
AWARD



BARRON'S

HORATIO  
ALGER  
ASSOCIATION  
of Distinguished Americans

2014 THOMSON REUTERS  
TOP 100  
GLOBAL INNOVATORS

IR  
magazine



Institutional  
Investor



**Top-tier media**  
highlighted Honeywell's  
success and leadership.

# Great Positions In Good Industries

**Honeywell**

	Aviation		Automotive & Transportation		Buildings, Construction, & Maintenance
Chemicals, Specialty Materials, & Fertilizers		Consumer & Home		Efficiency, Energy, & Utilities	
	Fire Protection & First Responder				Healthcare & Medical
Industrial Process Control		Defense & Space		Natural Gas, Refining, Petrochemicals, & Biofuels	
	Safety & Security		Scanning & Mobile Productivity	<p><b>Energy Efficiency, Clean Energy Generation, Safety &amp; Security, Expanding Global Wealth Per Capita, and Customer Productivity</b></p>	



Our mechanical and electrical innovations are used today on virtually every commercial and defense aircraft platform, making air travel safe, efficient, productive, and comfortable. We also provide world-class turbocharger solutions that make passenger and commercial vehicles perform better and more fuel efficiently.

**Businesses:**

- Commercial OE (Original Equipment)
- Commercial Aftermarket
- Defense & Space
- Transportation Systems

**Headquarters:**

Phoenix, Ariz.

**Technologies:**

- Cockpit systems
- Runway and flight safety technology
- Air Traffic Management
- SATCOM and connectivity
- Propulsion
- Precision guidance
- Wheels and brakes
- Logistics services
- Gasoline, diesel, hybrid, and fuel cell turbochargers with variable nozzle technology

# Automation And Control Solutions

**Honeywell**



Our environmental controls, energy management systems, life safety devices, security systems, sensors, scanners, and mobile products are at work in homes, buildings, and public and private utilities around the world, keeping our customers comfortable, protected, and productive.

## **Businesses:**

- Honeywell Building Solutions
- Environmental and Combustion Controls
- Honeywell Industrial Safety
- Honeywell Fire Safety
- Honeywell Security Group
- Honeywell Scanning and Mobility
- Sensing and Control

## **Technologies:**

- Home comfort and security
- Building control systems
- Smart Grid/Demand response technology
- Scanning and mobile computers
- Fire alarm systems and gas detection
- Personal protective equipment
- Automatic identification and data collection
- Remote health monitoring

## **Headquarters:**

Minneapolis, Minn.

# Performance Materials And Technologies

**Honeywell**

**We develop advanced materials, process technologies, and automation solutions that reduce emissions, improve operational efficiency, enable production of cleaner fuels, increase capacity in oil refineries, increase the strength of ballistic materials and fibers, and protect medicines.**



## **Businesses:**

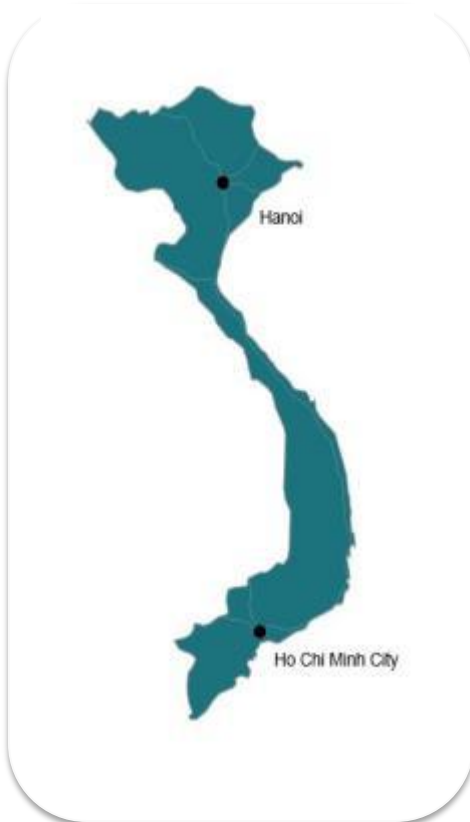
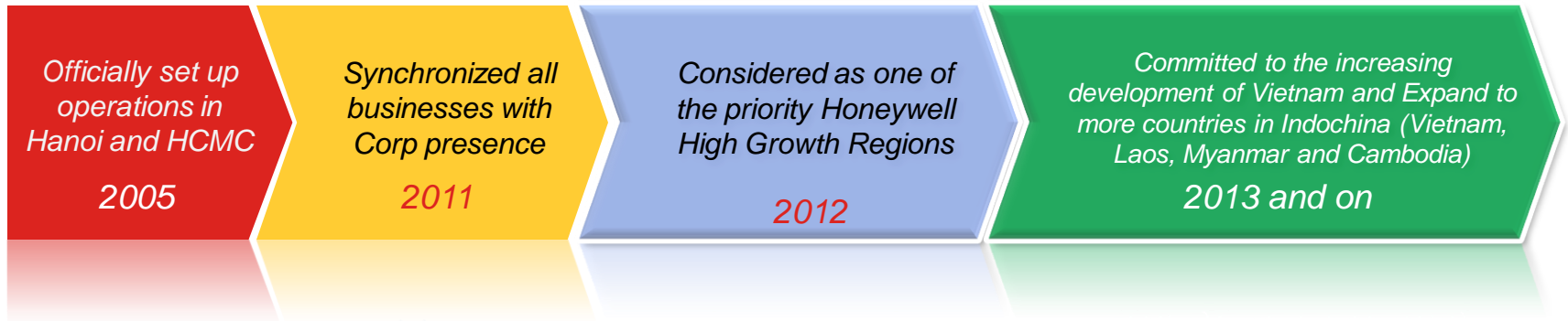
- UOP
- Honeywell Process Solutions
- Fluorine Products
- Resins and Chemicals
- Specialty Products

## **Headquarters:**

Morristown, N.J.

## **Technologies:**

- Oil and gas process technology, equipment, catalysts, and services
- Industrial automation controls
- Low-global-warming potential refrigerants
- Specialty films and additives
- Advanced fibers and composites
- Nylon materials and ammonium sulfate fertilizer
- Electronic materials and chemicals

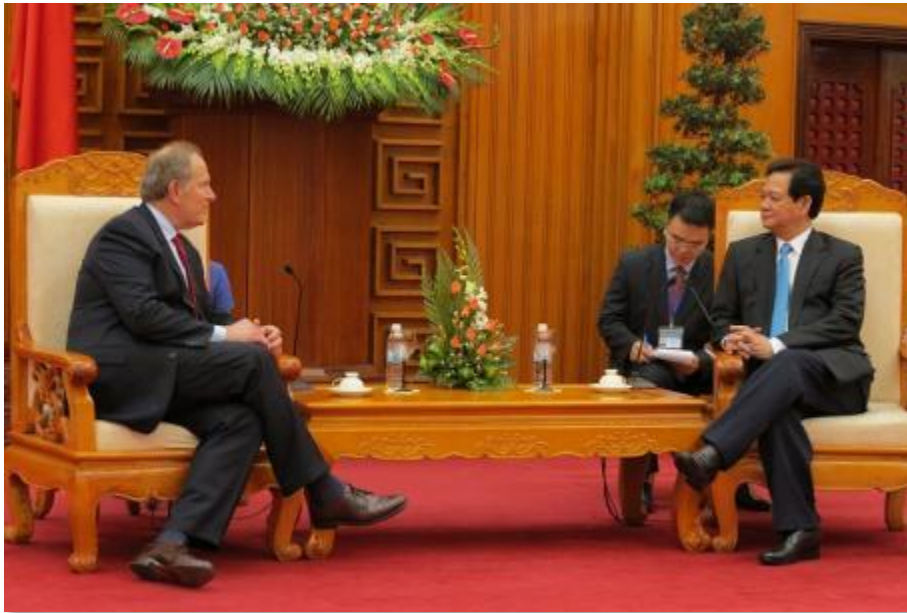


- Offices in both Hanoi and Ho Chi Minh city
- 2013 growth rate is way above Honeywell global growth rate and that of Vietnam's GDP
- Strong partnerships with strategic customers in Vietnam such as Vietnam Airlines and PetroVietnam
- Control system supplier and main technology licensor for Vietnam's major refineries



# Strategic Government Partnerships

**Honeywell**



**June 10 and 11, 2013** – Honeywell Chairman and CEO Dave Cote visited Vietnam and met with high-ranking government officials, including Prime Minister Nguyen Tan Dung.



**January 2015** – Shane Tedjarati, President for Honeywell Global High Growth Regions, met with Nguyen Tran Nam, Vice Minister of Construction and Le Dinh Tho, Vice Minister of Transportation.

Close cooperation with the Vietnamese government on energy efficiency, aviation development and city planning initiatives.



**March 2013** – Honeywell joined in a U.S.-ASEAN Business Council mission to Vietnam in Hanoi, which aimed to focus on continuously building economic ties between the U.S. and Vietnam and supporting Vietnam's ongoing economic reform

# A Significant Player in Vietnam

**Honeywell**

## Aviation Solutions:

- APU / Avionics



- Avionics and APU contract with Vietnam Airlines
- APU contract with VietjetAir

## Oil & Gas and Process Automation:

- Process Automation Solution for Onshore/Offshore Projects, Fertilizer, Refinery, etc



- Strong partnership with PetroVietnam
- Dung Quat , NSRP Refineries
- Te Giac Trang Offshore Platform
- Bien Dong Offshore Platform
- Tan Rai Alumina Plant
- Phu My Fertilizer
- Ha Bac Fertilizer
- Ninh Binh/MICCO/DAP2 Fertilizers

## Building Automation:

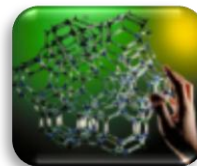
- Building Management System
- Security System (CCTV/Access Control/ Intrusion, ...)
- Safety System (Fire alarm/ Voice Alarm/ Gas Detection / Public Address,...)
- HVAC Control



- Commercial Buildings
- Government Buildings
- Hotels/ Resort Complex
- Manufacture Infra-structures
- Airport Terminals
- Hospitals

## Chemical and Petrochemical Technology:

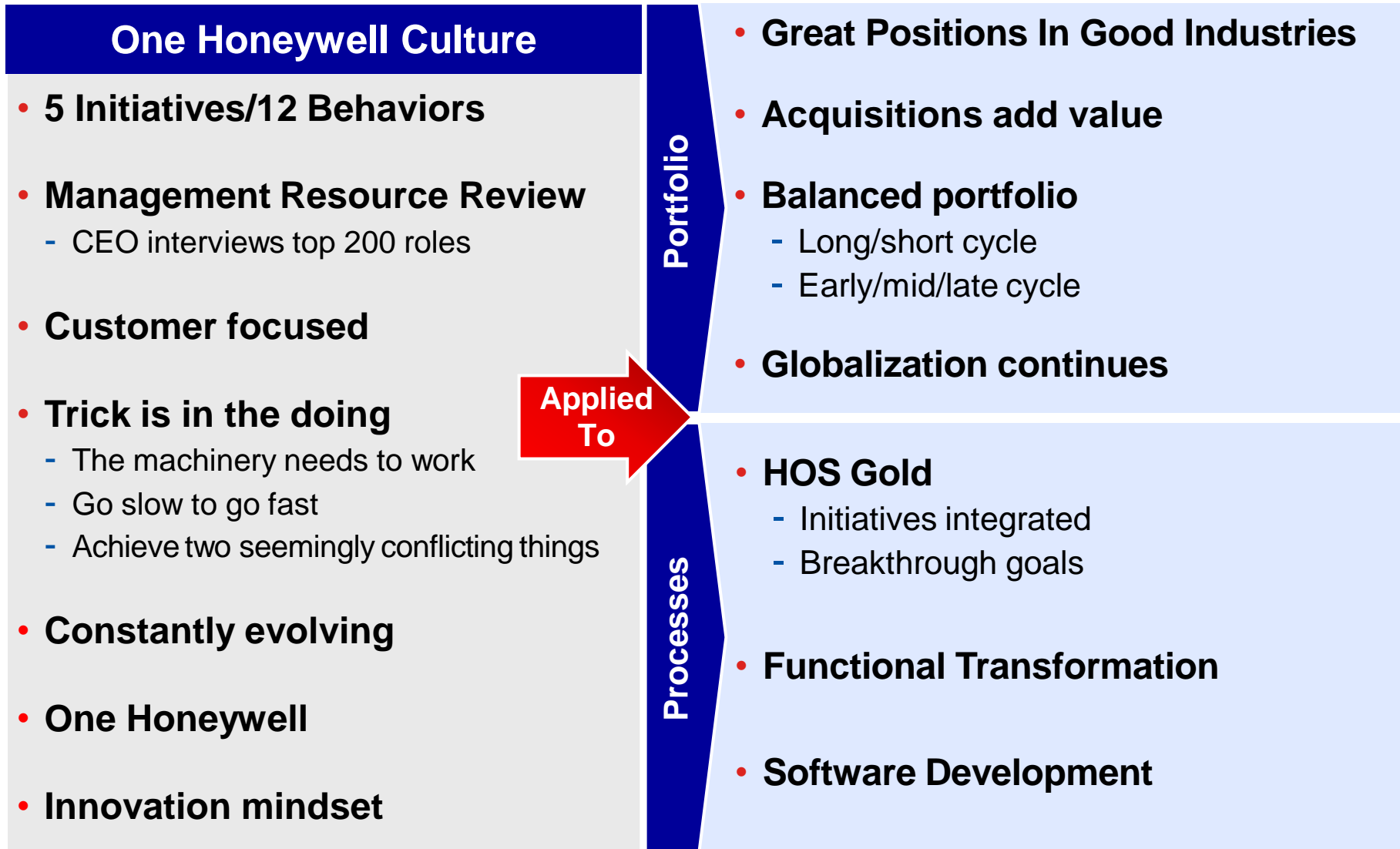
- Process Technology
- Resins & Chemical
- Specialty Materials



- Fishing Net Contract in big cities like Ho Chi Minh city, Nha Trang, Da Nang
- Technology license for Dung Quat / NSRP / Vung Ro Refinery

# Honeywell Business Model

Honeywell



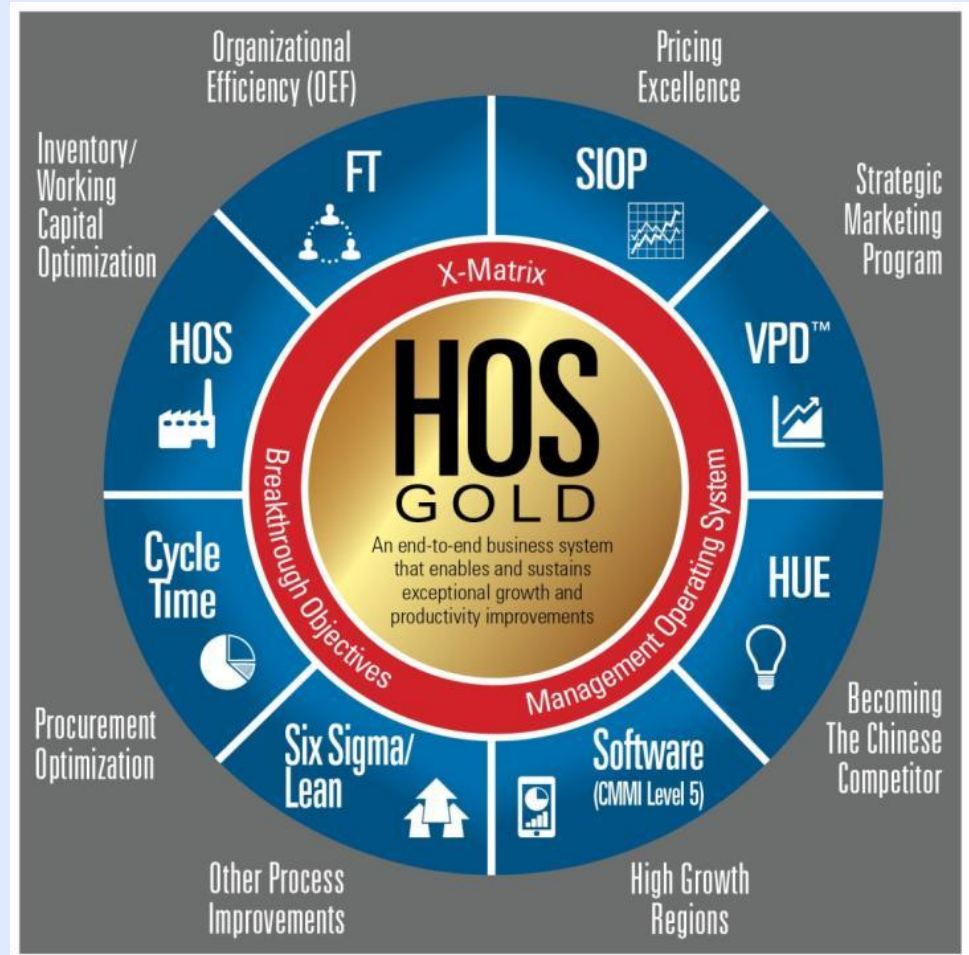
***Consistent Business Model That Generates Results***

## HOS Gold is a comprehensive operating system that:

- Capitalizes on strong productivity performance
- Implemented throughout 74 enterprises across Honeywell

## And, in addition:

- Blends small-cap speed and agility with large-cap scale and expertise
- Drives breakthrough growth performance



***Maintain Strong Productivity & Achieve Exceptional Growth***



# Technology And Innovation

Honeywell

**~22,000**  
engineers  
worldwide

**50%**  
engineers focused  
on software

**118**  
research and  
engineering  
facilities

**37,000**  
patents granted  
or pending

Developing  
solutions for the  
world's toughest  
challenges

**100%**  
engineers will be CMMI  
Level 5 certified by  
year-end 2015



# Sustainable Opportunity

Honeywell

**>30%**

reduction in our  
greenhouse gas  
emissions\*

**>20%**

increase in our  
energy efficiency\*

**>100%**

better safety record  
than our industry  
averages

Making our  
businesses more  
environmentally  
friendly, safer, and  
more sustainable

By 2017, Honeywell will reduce greenhouse gas  
emissions by 15% per dollar of revenue from 2011  
levels.

\*2007-2011



# Honeywell Hometown Solutions

Honeywell

## Housing & Shelter



### Community rehabilitation projects

Since 2003, more than 17,500 Honeywell volunteers have repaired 546 homes, schools, and non-profit centers in 46 Honeywell communities across the U.S., Canada, Mexico, and Puerto Rico with **Rebuilding Together**.

## Family Safety & Security



### Safety & abduction prevention

Launched in October 2014, **KidSmartz™**, an abduction prevention program for children in grades K-5, received national media attention reaching almost 2 million viewers.

Teachers can enter the **Safety Dance Video Contest** and win \$10,000 in technology for their schools.

Since 2005, **Safe Kids @ Home China** has reached 2.3 million children and 2,800 schools.

## Science & Math

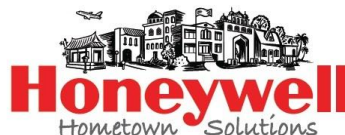


### Quality programs in STEM for students and teachers

**FMA Live! Forces in Motion** has reached 400,000 students in more than 1,000 middle schools across the U.S.

**Honeywell Educators @ Space Academy** has hosted more than 2,100 teachers from 55 countries and 50 U.S. states since 2004.

**Honeywell Leadership Challenge Academy** has hosted 1,150 students from 47 countries and 37 U.S. states.



## Humanitarian Relief



### \$9 million in aid around the globe

Employee donations to **Honeywell Humanitarian Relief Fund** have repaired or rebuilt 750 homes, 4 schools, 9 medical clinics, 1 elder community center, and 200 wells since 2001.

- Typhoon Haiyan, Philippines
- Hurricane Sandy, U.S.
- Colorado Springs wildfires, U.S.
- Japan earthquake and tsunami
- Haiti and China earthquakes

## Habitat & Conservation



### Best practices in environmental teaching skills

**Honeywell Institute for Ecosystems Education** inspired 73 students and 15 teachers to become environmental stewards in Maryland in 2014.

**Honeywell Green Boot Camp** has been delivered to 282 teachers since 2008.

# Honeywell Hometown Solutions

Honeywell

## Family Safety & Security



### Safety & abduction prevention

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## Science & Math



### Quality programs in STEM for students and teachers

**Honeywell Educators @ Space Academy** has hosted more than 2,100 teachers from 55 countries since 2004, including three from Vietnam

**Honeywell Leadership Challenge Academy** has hosted 1,150 students from 47 countries, including one from Vietnam

- *Focused on science and math education, as well as family safety and security*



*Honeywell Process Solutions (HPS) opened the first Automation training college at PetroVietnam University in Feb 2013.*



*Dinh Quang Tuyen, a chemical engineering student at Hanoi University of Science and Technology, won Honeywell Users' Group (HUG) student competition in 2012.*



*President of Honeywell Indochina Mai Trang Thanh joined a series of Career Development Talks held by US-ASEAN Council in 2012-2013.*



*Honeywell established multi-media learning centers in three schools in Dak Lak, Central Highland and Ho Chi Minh City in May 2015, benefiting more than 1,800 students.*



**Honeywell** Hometown Solutions

Today's Honeywell



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# ***Appendix***

## ***Reconciliation of non-GAAP Measures to GAAP Measures***

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# Reconciliation Of Segment Profit To Operating Income And Calculation Of Segment Profit And Operating Income Margins

**Honeywell**

(\$M)	2010	2011	2012	2013	2014
Segment Profit	\$4,485	\$5,357	\$5,879	\$6,351	\$6,696
Stock Based Compensation <sup>(1)</sup>	(163)	(168)	(170)	(170)	(187)
Repositioning and Other <sup>(1,2)</sup>	(626)	(794)	(488)	(699)	(634)
Pension Ongoing (Expense)/Income <sup>(1)</sup>	(185)	(105)	(36)	90	254
Pension Mark-to-Market Adjustment <sup>(1)</sup>	(471)	(1,802)	(957)	(51)	(249)
Other Postretirement Income/(Expense) <sup>(1)</sup>	(29)	86	(72)	(20)	(49)
Operating Income	<u>\$3,011</u>	<u>\$2,574</u>	<u>\$4,156</u>	<u>\$5,501</u>	<u>\$5,831</u>
Segment Profit	\$4,485	\$5,357	\$5,879	\$6,351	\$6,696
÷ Sales	<u>32,350</u>	<u>36,529</u>	<u>37,665</u>	<u>39,055</u>	<u>40,306</u>
Segment Profit Margin %	<u>13.9%</u>	<u>14.7%</u>	<u>15.6%</u>	<u>16.3%</u>	<u>16.6%</u>
Operating Income	\$3,011	\$2,574	\$4,156	\$5,501	\$5,831
÷ Sales	<u>32,350</u>	<u>36,529</u>	<u>37,665</u>	<u>39,055</u>	<u>40,306</u>
Operating Income Margin %	<u>9.3%</u>	<u>7.0%</u>	<u>11.0%</u>	<u>14.1%</u>	<u>14.5%</u>

<sup>(1)</sup> Included in cost of products and services sold and selling, general and administrative expenses.

<sup>(2)</sup> Includes repositioning, asbestos, environmental expenses and equity income adjustment.

## Reconciliation Of EPS To EPS, Excluding Pension Mark-to-Market Adjustment **Honeywell**

	2010 <sup>(1)</sup>	2011 <sup>(2)</sup>	2012 <sup>(3)</sup>	2013 <sup>(4)</sup>	2014 <sup>(5)</sup>
EPS	\$2.59	\$2.61	\$3.69	\$4.92	\$5.33
Pension Mark-to-Market Adjustment	0.41	1.44	0.79	0.05	0.23
EPS, Excluding Pension Mark-to-Market Adjustment	<u>\$3.00</u>	<u>\$4.05</u>	<u>\$4.48</u>	<u>\$4.97</u>	<u>\$5.56</u>

(1) Utilizes weighted average shares of 780.9 million. Mark-to-market uses a blended tax rate of 32.3% for 2010

(2) Utilizes weighted average shares of 7916 million. Mark-to-market uses a blended tax rate of 36.9% for 2011

(3) Utilizes weighted average shares of 7919 million. Mark-to-market uses a blended tax rate of 35.0% for 2012

(4) Utilizes weighted average shares of 797.3 million. Mark-to-market uses a blended tax rate of 25.5% for 2013

(5) Utilizes weighted average shares of 795.2 million. Mark-to-market uses a blended tax rate of 28.1% for 2014