

Resideo at a Glance

resideo

Honeywell Home

The Honeywell logo is a trademark of Honeywell International Inc.
used under license to Resideo Technologies, Inc.

WHO WE ARE

Resideo is positioned to be a smart home industry leader backed by the Honeywell Home brand and **100+** years of experience providing proven, trusted and tested solutions.

COMPANY SNAPSHOT

Leading global provider of critical comfort and security solutions, primarily in residential environments

Leading global wholesale distributor of security and low voltage products

Innovative solutions protected by broad intellectual property portfolio

40-year licensing agreement to use Honeywell Home brand

\$4.5B company, leader in the Internet of Things for residential market

COMPETITIVE STRENGTHS

Diversified revenue streams, strong segment profits and limited capital expenditure needs

Deep expertise in technology for the home, regulatory standards, user experience, and certification

Agility and speed to market needed to move in a growing industry

Strong management operating system and attractive financial profile

Proven management team with transaction and technology experience

LEADERSHIP



Roger Fradin

Chairman of the Board

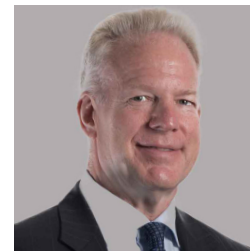
A member of the Honeywell team since 2000, Fradin has served as the president and CEO of the Security and Fire Solutions as well as Honeywell's Automation and Control Solutions business — transforming the latter from an \$8 billion business focused on the U.S. market to a \$17 billion global business leader. He also served as vice chairman of Honeywell from April 2014 to February 2017.



Michael Nefkens

President and CEO

A seasoned global executive and an authority on transformation and cybersecurity, Nefkens has served as executive VP and general manager for companies like DXC Technology Company, Hewlett Packard Enterprise Company and HP Inc. He also led the successful spinoff-merger of DXC Technology in 2017 and served on the executive team that spun HP's PC printers and software businesses into standalone public companies.



Joseph Ragan

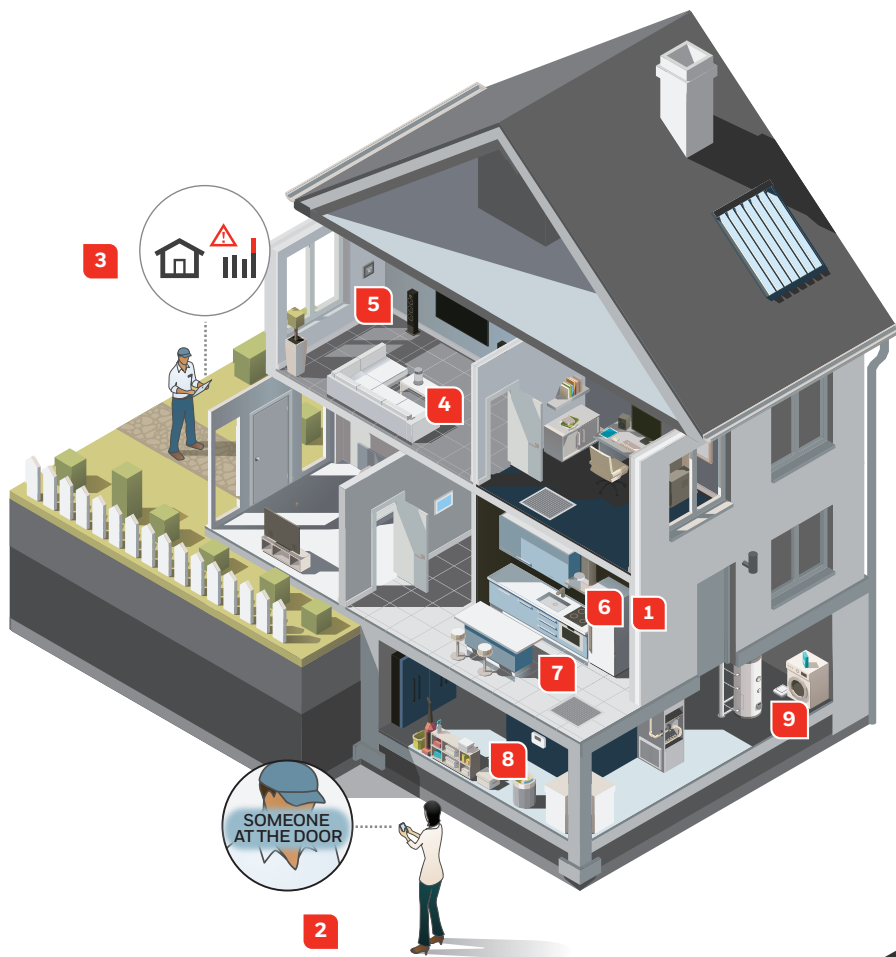
Executive VP and CFO










With over 25 years of experience, Ragan has served as CFO for three publicly traded companies across a range of business sectors, including Ferroglobe PLC, Boart Longyear and GTSI. Prior to that, he held financial leadership positions at Winstar, a telecommunications company, and the global power companies PSEG Global and AES Corporation.

WHAT WE DO

Honeywell Home

Our broad portfolio provides **innovative, end-to-end solutions** across Comfort and Care and Security and Safety for the home, solving multiple customer needs. Our growing portfolio of connected home solutions is one of the largest and most comprehensive in the market.



- 1 Security Panel, Exterior Camera, Outdoor Video Motion Viewer 
- 2 Mobile Apps 
- 3 AlarmNet 360, Contractor Portal 
- 4 Interior Camera, Indoor Video, Motion Viewer, Sound Detection, Motion Detection, Perimeter Protection 
- 5 Thermostats, Heating Controls, Life Care Telehealth 
- 6 Smoke Detection, Glassbreak Detection 
- 7 Humidification/Dehumidification, Water Filtration and Treatment, Indoor Air Quality Systems 
- 8 CO Detection, Furnace, Boiler Controls 
- 9 Water Leak/Freeze Detection, Hot Water Heater Controls 

ADI Distribution

- 10 Video Surveillance
- Intrusion
- Access Control
- Fire and Life Safety
- Other Products, Including Wire, Networking and Audio Visual Systems



RESIDEO BY THE NUMBERS

Global Business



4.7 MILLION
CONNECTED CUSTOMERS




14,500 EMPLOYEES



2.3 MILLION
SECURITY PANEL SIGNALS
TRANSMITTED DAILY



150
MILLION
HOUSEHOLDS
with a Honeywell product



DATA COLLECTED FROM
30 MILLION
SENSOR POINTS



OVER
100,000
CONTRACTORS
SERVED THROUGH ADI DISTRIBUTION



200+
DISTRIBUTOR
STOCKING LOCATIONS



#1 GLOBAL
DISTRIBUTOR
SECURITY PRODUCTS

2017 KEY FINANCIALS

Connected Portfolio

Growing portfolio of connected home solutions is one of the largest and most comprehensive in the market

Connected sales make up more than a third of our products portfolio

37%

Connected solutions are supported by software platforms to increase customer ease-of-use

PRODUCTS \$2.4B¹

DISTRIBUTION \$2.5B



■ SECURITY AND SAFETY
■ COMFORT AND CARE

■ OTHER ■ SECURITY

Honeywell Home



\$4.5B
SALES

\$2.4B
PRODUCTS NET SALES¹

\$2.5B
DISTRIBUTION NET SALES

\$554M
PRO FORMA ADJUSTED EBITDA²

12.3%
PRO FORMA ADJUSTED EBITDA MARGIN²

Any differences in total sales due to rounding.

¹Products net sales before intersegment eliminations of \$337 million of Products sales to ADI.

²Pro Forma adjusted EBITDA is net loss before environmental expense, estimated stand-alone costs, stock compensation expense, non-operating income, repositioning charges, interest, tax, depreciation and amortization. Pro Forma Adjusted EBITDA margin is Pro Forma Adjusted EBITDA divided by net sales after intersegment eliminations.

Global Addressable Market

PRODUCTS

DISTRIBUTION



■ COMFORT AND CARE ■ SECURITY AND SAFETY

Addressable Market Source: IHS, Navigant, BSRIA and Honeywell management estimates.

KEY TOPICS

— SHAREOWNER ITEMS

Impact to Resideo

Share distribution ratio will be announced closer to effective date

On track for completion by end of 2018

— CAPITAL STRUCTURE AND DIVIDEND POLICY

Will be established with sound capital structure in order to fund Resideo working capital and other immediate cash needs, and to fund one-time cash transfer to Honeywell concurrent with the spin-off

Subject to the sole discretion of the Resideo Board, once the spin-off is effective, Resideo anticipates paying cash dividends on its common stock, in an amount yet to be determined

— LEGACY LIABILITY INDEMNITY AGREEMENT

Indemnification and Reimbursement agreement covers a subset of Honeywell legacy environmental liability obligations

Resideo will pay cash to Honeywell equal to **90%** of annual obligations (less 90% of insurance and other Honeywell receipts relating to these liabilities), capped at **\$140M** in respect of any year

Indemnity structure allows continued effective management of claims by Honeywell and the cap mitigates future uncertainty for Resideo management and shareowners

Impact to Honeywell

All Honeywell shareowners as of the record date will receive shares of Resideo

Honeywell intends to update its 2018 full-year guidance after the Resideo and Garrett spins are complete

Honeywell will receive one-time dividend from Resideo totaling **~\$1.2B**

Proceeds expected to be used to pay down debt and repurchase Honeywell shares

Honeywell will retain liabilities associated with indemnity agreement on its balance sheet

Allows Honeywell to continue to effectively manage the risk and remediation actions with world-class operating system

Reduces ongoing expense and improves cash flow by up to **~\$140M** in respect of any year

Additional Information

For additional information with respect to Resideo and the proposed spin-off, please refer to the Form 10 Registration Statement, as it may be further amended, on file with the Securities and Exchange Commission. The spin-off is subject to customary conditions and regulatory approvals, including final approval by Honeywell's board of directors. The financial information included in this document may not necessarily reflect Resideo's financial position, results of operations, and cash flows in the future or what Resideo's financial position, results of operations, and cash flows would have been had Resideo been an independent, publicly traded company during the periods presented.

This communication shall not constitute an offer of any securities for sale, nor shall there be any offer, sale or distribution of securities in any jurisdiction in which such offer, sale or distribution would be unlawful prior to appropriate registration or qualification under the securities laws of such jurisdiction.

Forward Looking Statements

This presentation contains "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of fact, that address activities, events or developments that we or our management intend, expect, project, believe or anticipate will or may occur in the future are forward looking statements. Although we believe forward-looking statements are based upon reasonable assumptions, such statements involve known and unknown risks, uncertainties, and other factors, which may cause the actual results or performance of the company to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to those described in our Draft Registration Statement on Form 10 under the headings "Risk Factors" and "Cautionary Statement Concerning Forward-Looking Statements." You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Forward looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by our forward-looking statements.

Non-GAAP Financial Measures

This presentation includes Pro Forma Adjusted EBITDA, Pro Forma Adjusted EBITDA Margin, and other financial measures not compliant with generally accepted accounting principles in the United States ("GAAP"). The Non-GAAP financial measures provided herein are adjusted for certain items as presented in the Non-GAAP Reconciliation and may not be directly comparable to similar measures used by other companies in our industry, as other companies may define such measures differently. Management believes that, when considered together with reported amounts, these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends. Resideo believes that Pro Forma Adjusted EBITDA and Pro Forma Adjusted EBITDA Margin are important indicators of operating performance because they exclude the effects of income taxes, as well as the effects of financing and investing activities by eliminating the effects of interest and depreciation expenses and therefore more closely measures our operational performance. These metrics should be considered in addition to, and not as replacements for, the most comparable GAAP measure. For additional information with respect to our Unaudited Pro Forma Combined Financial Statements, see our Form 10.

NON-GAAP RECONCILIATION

Reconciliation of Net Loss on a Pro Forma Basis to Adjusted EBITDA on a Pro Forma Basis and Calculation of Adjusted EBITDA Margin on a Pro Forma Basis

| (\$M) | Pro Forma 12 months ended December 31, 2017 |
|--|---|
| Net loss | (\$426) |
| Net interest expense | 73 |
| Tax expense | 519 |
| Depreciation | 57 |
| Amortization | 10 |
| EBITDA | \$233 |
| Environmental expense ⁽¹⁾ | \$254 |
| Estimated stand-alone costs ⁽²⁾ | 31 |
| Stock compensation expense ⁽³⁾ | 16 |
| Non-operating income, net ⁽⁴⁾ | (3) |
| Repositioning charges | 23 |
| Adjusted EBITDA | \$554 |
| Adjusted EBITDA | \$554 |
| ÷ Net sales | \$4,519 |
| Adjusted EBITDA margin % | 12.3% |
| Net loss | (\$426) |
| ÷ Net sales | \$4,519 |
| Net loss margin % | (9.4%) |

(1) Represents historical environmental expenses as reported under 100% carryover basis.

(2) Represents the difference between our estimate of Selling, general and administrative costs as a stand-alone company and historical allocated costs, which includes corporate depreciation charges. The preliminary estimates at this time for the costs on a stand-alone basis would be approximately \$265 million on an annual basis, which replaces the historical allocations on a carve-out basis of presentation.

(3) Includes only non-cash expenses.

(4) Excludes net interest (income).

We define EBITDA as Net income (loss), plus the sum of net interest (income) expense, tax expense, depreciation and amortization on a pro forma basis. We believe this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

We define Adjusted EBITDA as EBITDA adjusted for environmental expense, the difference between our estimate of costs as a stand-alone company and historical allocated costs, non-operating (income) expense (which primarily consists of foreign transaction gains and losses and hedging gains and losses), stock compensation expense and repositioning charges on a pro forma basis. We believe this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends. For information with respect to Adjusted EBITDA, including environmental indemnification payments, see our Form 10.