Honeywell International (HON)

Updated April 27th, 2026, by Nathan Parsh

Key Metrics

Current Price:	$213	**5 Year Annual Expected Total Return:**	8.6%	**Market Cap:**	$135 B
Fair Value Price:	$189	**5 Year Growth Estimate:**	9.0%	**Ex-Dividend Date:**	05/15/26[1]
% Fair Value:	113%	**5 Year Valuation Multiple Estimate:**	-2.4%	**Dividend Payment Date:**	06/05/26[2]
Dividend Yield:	2.2%	**5 Year Price Target**	$291	**Years Of Dividend Growth:**	16
Dividend Risk Score:	B	**Sector:**	Industrials	**Rating:**	Hold

Overview & Current Events

Honeywell International is a diversified industrial company. Beginning with the first quarter of 2024, the company has four reportable segments: Aerospace Technologies, Industrial Automation, Building Automation, and Process Automation & Technology. Honeywell International has more than 100,000 employees around the world and more than 40% of sales come from international markets. The company generates about $37 billion in annual revenues.

On September 26th, 2025, Honeywell International announced a 5.3% increase in the quarterly dividend rate to $1.19, extending the company's dividend growth streak to 16 consecutive years.

On April 23rd, 2026, Honeywell International reported first quarter results for the period ending March 31st, 2026. For the quarter, revenue grew 2.4% to $9.15 billion, but this was $140 million less than expected. Adjusted earnings-per-share of $2.45 compared unfavorably to $2.54 in the prior year, but this was $0.13 ahead of estimates.

Organic sales were up 2% for the quarter while the adjusted segment margin expanded 90 basis points to 23.3%. Revenue for Aerospace Technologies was up by 3% organically as electronic solutions, defense and space, and commercial OEMs were all higher for the period. Temporary mechanical supply chain disruptions limited growth in engines and power systems and control systems. Building Automation improved 8% due to strength in services and building products. Data center and hospitality verticals also aided results. Process Automation & Technology fell 6% due to weakness in aftermarket stemming from delays in refining catalyst shipments and automation service upgrades. This segment suffered from slowdown activity in the Middle East. Orders overall were still up 3% for the period. Industrial Automation grew 1% year-over-year as demand in solutions and aftermarket warehouse and workflow solutions was offset by weaker results for productivity solutions and services.

As previously mentioned, Honeywell International plans to separate their businesses into three different publicly traded companies: Honeywell Automation, Honeywell Aerospace, and Solstice Advanced Materials. Solstice Advanced Materials was spun off on October 30th, 2025, and trades under the ticker "SOLS". The company had previously announced the planned separation of its Advanced Materials business. Aerospace is scheduled to be spun off in Q3 2026.

Honeywell International reaffirmed its prior outlook for 2026 as well, with adjusted earnings-per-share projected to be in a range of $10.35 to $10.65. At the midpoint, this would be a 7.4% improvement from last year.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$6.59	$7.11	$8.01	$8.16	$7.10	$8.06	$8.76	$9.16	$9.89	$9.78	***$10.50***	***$16.16***
DPS	$2.45	$2.74	$3.06	$3.36	$3.63	$3.77	$3.97	$4.17	$4.37	$4.58	***$4.76***	***$7.32***
Shares[3]	761	751	740	723	710	696	677	661	651	638	***638***	***625***

While Honeywell International did see earnings decline 24% during the last recession, the company has managed to grow earnings every year since 2010 outside of 2020. The company rebounded from the worst of the COVID-19

---

[1] Estimated ex-dividend date
[2] Estimated dividend payment date
[3] In millions of shares

Disclosure: This analyst has a long position in the security discussed in this research report.

pandemic and we expect earnings growth to continue to be strong. We are reaffirming our expected growth rate of 9% through 2031 due to a combination of organic growth, margin expansion, and share repurchases.

Honeywell International has paused, but not cut, its dividend growth several times over the past two decades, most recently in 2010. We forecast that dividend will grow in line with earnings going forward.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	17.0	18.9	18.8	20.3	23.0	25.9	24.5	22.9	22.8	19.9	***20.3***	***18.0***
Avg. Yld.	2.2%	2.0%	2.0%	2.0%	2.2%	1.8%	1.9%	2.0%	1.9%	2.3%	***2.2%***	***2.5%***

Shares of Honeywell International have fallen $15, or 6.6%, since our January 31st, 2026 report. We are reaffirming our target P/E of 18, though this is still below the long-term average valuation of 21.0. Using adjusted earnings-per-share estimates for 2026, shares have a forward multiple of 20.3, implying a possible headwind from multiple reversion. If shares reverted to our target multiple by 2031 then total returns could be reduced by 2.4% per year over this period.

Safety, Quality, Competitive Advantage, & Recession Resiliency

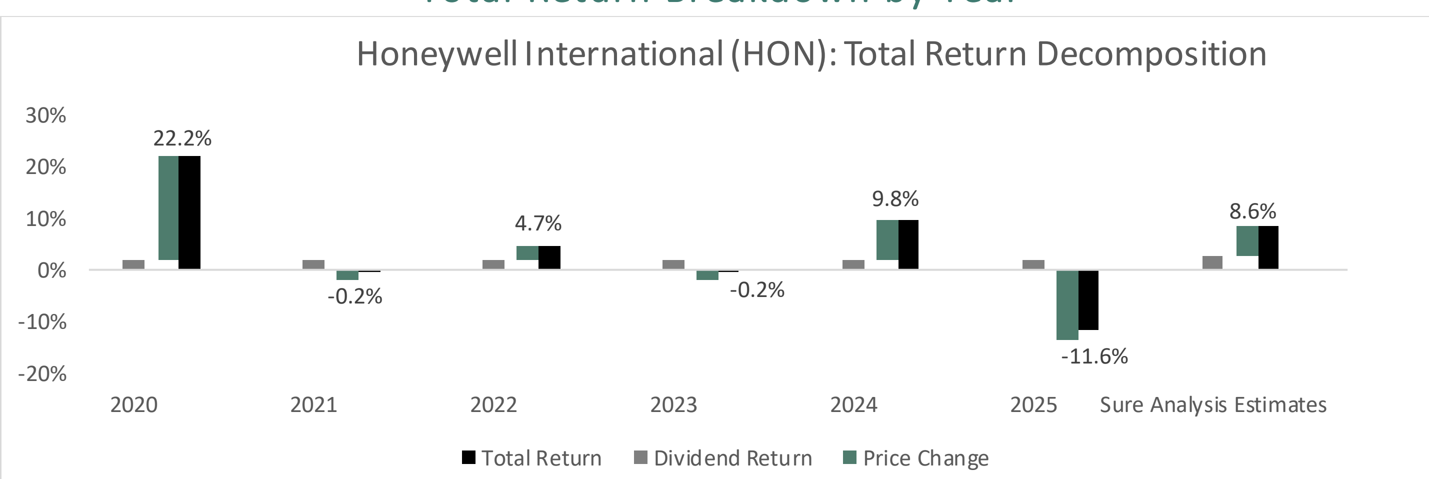
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	37%	39%	38%	41%	51%	47%	45%	46%	44%	47%	***45%***	***45%***

Industrial companies tend to perform very well when the economy is strong, but struggle in weak economic climates. As with most industrial companies, Honeywell International saw earnings decline in 2020, but results improved greatly over the last two years. Honeywell International divested two lower margin businesses in the form of spin offs recently. This should allow the company to focus on its higher margin businesses, particularly in Aerospace, where military products and aftermarket services should see growth as well. With a strong economy, the company's other products, such as Intelligrated, should perform well. We see Honeywell's strong position in these markets as its chief competitive advantage.

Final Thoughts & Recommendation

Honeywell International is expected to return 8.6% annually through 2031, up from 7.1% previously. Our projected return stems from a 9% earnings growth rate and a 2.2% starting yield, partially offset by a low single-digit headwind from multiple reversion. Honeywell is a clear leader in the areas that it operates. The announced separation of businesses into standalone companies could help unlock value for shareholders as well. We reaffirm our five-year price target of $291, but we continue to view shares of Honeywell International as a hold due to projected returns.

Total Return Breakdown by Year



Disclosure: This analyst has a long position in the security discussed in this research report.

Honeywell International (HON)

Updated April 27th, 2026, by Nathan Parsh

Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	39,305	40,519	41,811	36,706	32,640	34,387	35,453	36,647	38,496	37,442
Gross Profit	14,839	14,915	15,414	14,133	12,154	12,773	13,614	14,294	14,758	13,829
Gross Margin	37.8%	36.8%	36.9%	38.5%	37.2%	37.1%	38.4%	39.0%	38.3%	36.9%
SG&A Exp.	5,469	6,087	6,051	5,519	4,772	4,798	5,214	5,127	5,466	5,450
D&A Exp.	1,030	1,115	1,116	1,088	1,002	1,223	1,204	1,176	1,334	1,388
Operating Profit	7,348	7,152	7,795	7,327	6,290	6,745	7,234	7,873	7,870	6,611
Op. Margin	18.7%	17.7%	18.6%	20.0%	19.3%	19.6%	20.4%	21.5%	20.4%	17.7%
Net Profit	4,846	1,588	6,828	6,230	4,865	5,610	4,967	5,672	5,740	4,878
Net Margin	12.3%	3.9%	16.3%	17.0%	14.9%	16.3%	14.0%	15.5%	14.9%	13.0%
Free Cash Flow	4,403	4,935	5,606	6,058	5,302	5,143	4,508	4,301	4,933	5,393
Income Tax	1,601	5,362	659	1,329	1,147	1,625	1,412	1,487	1,473	1,069

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	54,146	59,470	57,773	58,679	64,586	64,470	62,275	61,525	75,196	74,115
Cash & Equivalents	7,843	10,817	10,910	10,416	15,220	11,523	10,110	8,095	10,953	12,930
Acc. Receivable	8,144	8,866	7,508	7,493	6,827	6,830	7,440	7,530	7,819	7,621
Inventories	4,366	4,613	4,326	4,421	4,489	5,138	5,538	6,178	6,442	6,162
Goodwill & Int.	22,341	22,773	19,685	19,297	19,618	21,369	20,719	21,280	28,481	27,815
Total Liabilities	34,596	42,800	39,408	39,966	46,789	45,221	44,949	45,084	56,035	58,675
Accounts Payable	5,690	6,584	5,607	5,730	5,750	6,484	6,329	6,849	6,880	6,315
Long-Term Debt	12,409	13,924	12,628	13,020	19,428	16,904	17,628	19,255	27,753	28,687
Total Equity	19,369	16,502	18,180	18,494	17,549	18,569	16,697	15,856	18,619	
LTD/E Ratio	0.81	1.08	0.89	0.90	1.32	1.11	1.23	1.36	1.73	2.24

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	9.4%	2.8%	11.6%	10.7%	7.9%	8.7%	7.8%	9.2%	8.4%	6.5%
Return on Equity	25.3%	8.8%	39.0%	33.6%	26.7%	30.3%	27.2%	33.6%	32.2%	28.2%
ROIC	14.7%	4.5%	19.8%	17.8%	12.7%	13.9%	12.8%	15.0%	12.8%	9.6%
Shares Out.	761	751	740	723	710	696	677	661	651	638
Revenue/Share	50.70	52.48	55.53	50.26	45.89	49.10	51.90	54.84	58.75	58.25
FCF/Share	5.68	6.39	7.44	8.30	7.46	7.34	6.60	6.44	7.53	8.39

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.