Honeywell Technologies (HON)

Updated August 1st, 2026, by Nathan Parsh

Key Metrics

Current Price:	$243	**5 Year Annual Expected Total Return:**	0.2%	**Market Cap:**	$77 B
Fair Value Price:	$148	**5 Year Growth Estimate:**	9.0%	**Ex-Dividend Date:**	08/14/26
% Fair Value:	165%	**5 Year Valuation Multiple Estimate:**	-9.5%	**Dividend Payment Date:**	09/04/26
Dividend Yield:	1.2%	**5 Year Price Target**	$227	**Years Of Dividend Growth:**	16
Dividend Risk Score:	A	**Sector:**	Industrials	**Rating:**	Hold

Overview & Current Events

Honeywell Technologies is a diversified industrial company. Beginning with the second quarter of 2026, the company now has three reportable segments following the spinoff of its aerospace division: Industrial Automation, Building Automation, and Process Automation & Technology. Honeywell Technologies has more than 101,000 employees around the world and more than 40% of sales come from international markets. The company generates about $20 billion in annual revenues.

On June 29th, 2026, Honeywell Technologies completed the previously announced spinoff of its aerospace division, Honeywell Aerospace Inc. (HONA). That same day, Honeywell International rebranded itself as Honeywell Technologies. The company also completed a 1-for2 reverse split. The tables below have been updated to reflect the split.

On July 23rd, 2026, Honeywell Technologies announced second quarter results for the period ending June 30th, 2026. For the quarter, revenue grew 4.3% to $9.72 billion, which topped estimates by $4.7 billion. Adjusted earnings-per-share of $1.95 was $0.13 better than expected.

Organic sales were up 4% for the quarter while the segment margin expanded 100 basis points to 19.0%. Building Automation had organic growth of 9% as data center and hospitality product demand remains very high. Orders were up 13%. Process Automation & Technology fell 1% as strength in process technology and LNG demand was offset by a decline in aftermarket services following a tough comparison in the previous year. Industrial Automation was higher by 4% year-over-year as sensing and industrial measurement products performed well. Orders were up 10%.

Honeywell Technologies offered revised guidance for 2026 as well, with the company now expecting adjusted earnings-per-share in a range of $8.05 to $8.35. Adjusting for the spinoff of the aerospace business, the company's prior guidance had called for adjusted earnings-per-share in a range of $7.90 to $8.30.

On July 24th, 2026, Honeywell Technologies announced a $0.70 per share dividend, which is down from $1.19 in the prior quarter. The new dividend is adjusted for the reverse stock split and the dividend growth streak remains intact.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$3.30	$3.56	$4.01	$4.08	$3.55	$4.03	$4.38	$4.58	$4.95	$4.89	***$8.20***	***$12.62***
DPS	$1.23	$1.37	$1.53	$1.68	$1.82	$1.89	$1.99	$2.09	$2.19	$2.29	***$2.80***	***$4.31***
Shares[1]	381	376	370	362	355	348	339	331	326	319	***317***	***313***

While Honeywell Technologies 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 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 Technologies 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.

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[1] In millions of shares

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

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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	***29.6***	***18.0***
Avg. Yld.	2.2%	2.0%	2.0%	2.0%	2.2%	1.8%	1.9%	2.0%	1.9%	2.3%	***1.2%***	***1.9%***

Shares of Honeywell Technologies have gained $30, or 14.1%, since our April 27th, 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 29.6, implying a significant headwind from multiple reversion. If shares reverted to our target multiple by 2031 then total returns could be reduced by 9.5% per year over this period.

Safety, Quality, Competitive Advantage, & Recession Resiliency

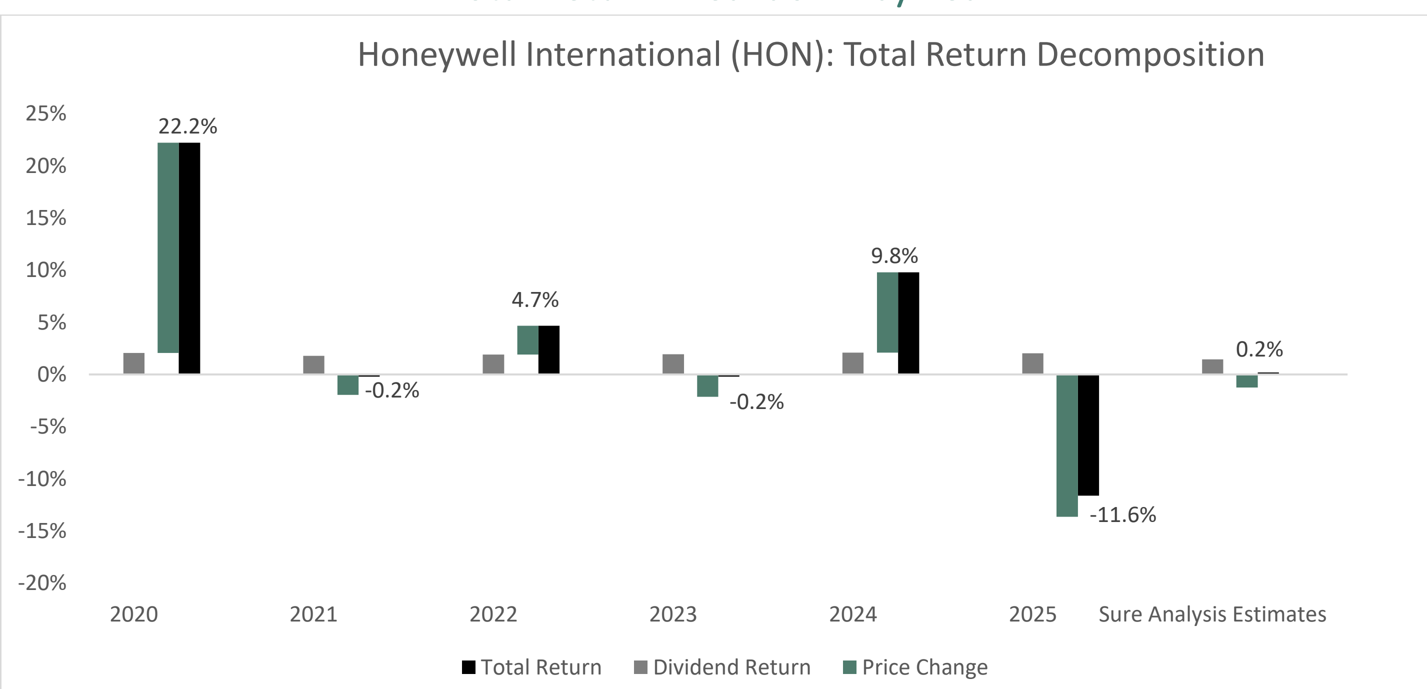
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	37%	39%	38%	41%	51%	47%	45%	46%	44%	47%	***34%***	***34%***

Industrial companies tend to perform very well when the economy is strong, but struggle in weak economic climates. As with most industrial companies, Honeywell Technologies saw earnings decline in 2020, but results improved greatly over the last few years. With a strong economy, the company's 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 Technologies is expected to return 0.2% annually through 2031, down from 8.6% previously. Our projected return stems from a 9% earnings growth rate and a 1.2% starting yield that are nearly offset by a high single-digit headwind from multiple reversion. Honeywell is a clear leader in the areas that it operates, but the company has undergone a significant transformation following the spinoff of its aerospace division. That business had been a standout performer for the company so it remains to be seen how the remaining businesses will perform. The most recent quarterly report was a solid start. Our five-year price target is $227, but we continue to view shares of Honeywell Technologies as a hold due to projected returns.

Total Return Breakdown by Year



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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.