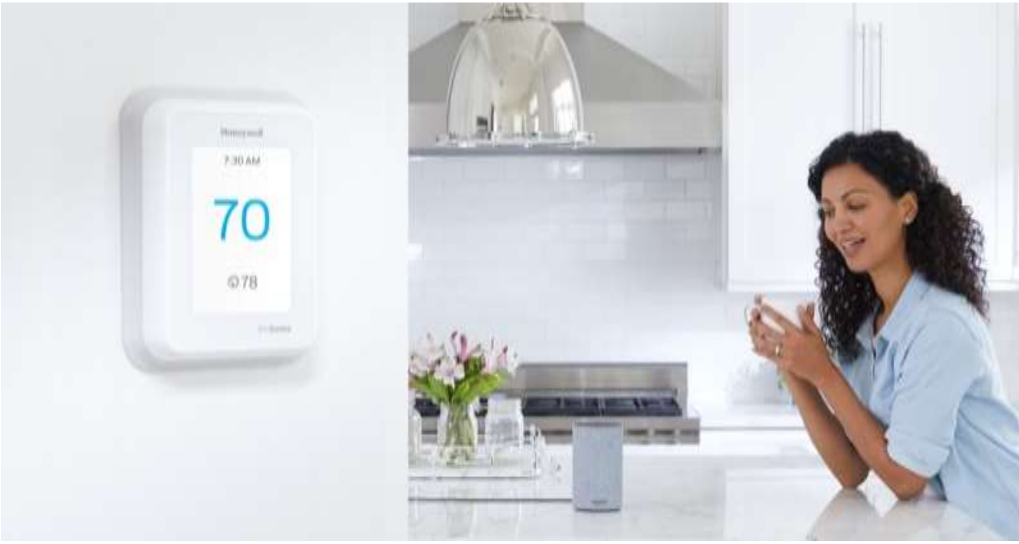
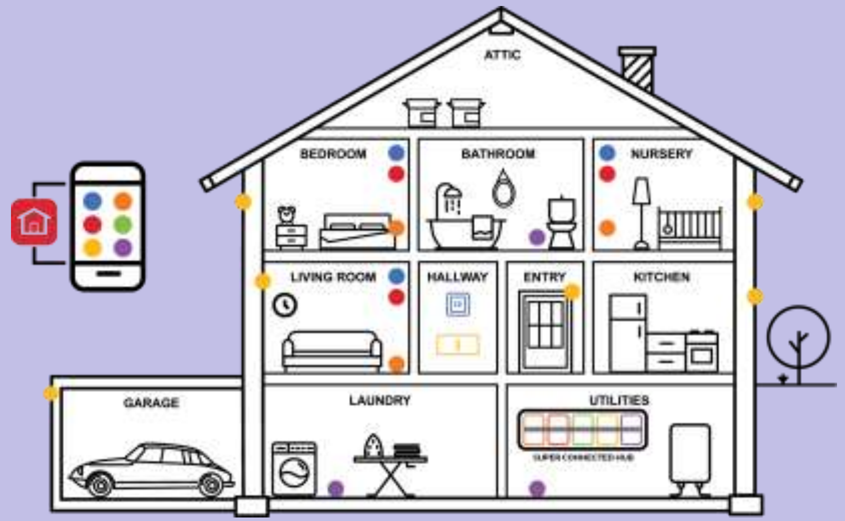




2019 Q1 Financial Results

Investor & Analyst Presentation

May 9, 2019

Disclaimer

Forward Looking Statements

This presentation contains “forward-looking statements.” 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 under the headings “Risk Factors” and “Cautionary Statement Concerning Forward-Looking Statements,” in our Annual Report on Form 10-K for the year ended December 31, 2018 filed with the Securities and Exchange Commission (“SEC”). You are cautioned not to place undue reliance on these forward-looking statements, such as our guidance regarding 2019 and 2023 and our planned $50 million cost program, which speak only as of the date of this presentation. 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 release includes EBITDA, Adjusted EBITDA, Adjusted EBITDA excluding Honeywell reimbursement agreement payments, Segment Adjusted EBITDA, Adjusted Net Income, Adjusted Net Income excluding Honeywell reimbursement agreement payments, adjusted basic and diluted net income per share, constant currency growth, and other financial measures not compliant with generally accepted accounting principles in the United States (GAAP). The non-GAAP financial measures are adjusted for certain items above 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 and provide useful additional information relating to our operations and financial condition. These metrics should be considered in addition to, and not as replacements for, the most comparable GAAP measure. Refer to the tables above in this release for reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures. We believe EBITDA, Adjusted EBITDA excluding Honeywell reimbursement agreement payments, Segment Adjusted EBITDA, Adjusted Net Income, Adjusted Net Income excluding Honeywell reimbursement agreement payments, adjusted basic and diluted net income per share, and constant currency growth are important indicators of operating performance. For reconciliations of these measures to the most directly comparable GAAP financial measures to the extent that they are available without unreasonable effort, please refer to the tables above in this release. They should be read in connection with our financial statements presented in accordance with GAAP.

A reconciliation of Adjusted EBITDA, Adjusted EBITDA excluding Honeywell reimbursement agreement payments, Segment Adjusted EBITDA to the corresponding GAAP measures is not available on a forward-looking basis without unreasonable efforts due to the impact and timing on future operating results arising from items excluded from these measures, particularly environmental expense, Honeywell reimbursement gain, non-operating (income) expense and stock compensation expense.

What We Will Cover Today

2019 Q1 Performance

Resideo Segment & Market Overview

Progress Towards Cost & Growth Initiatives

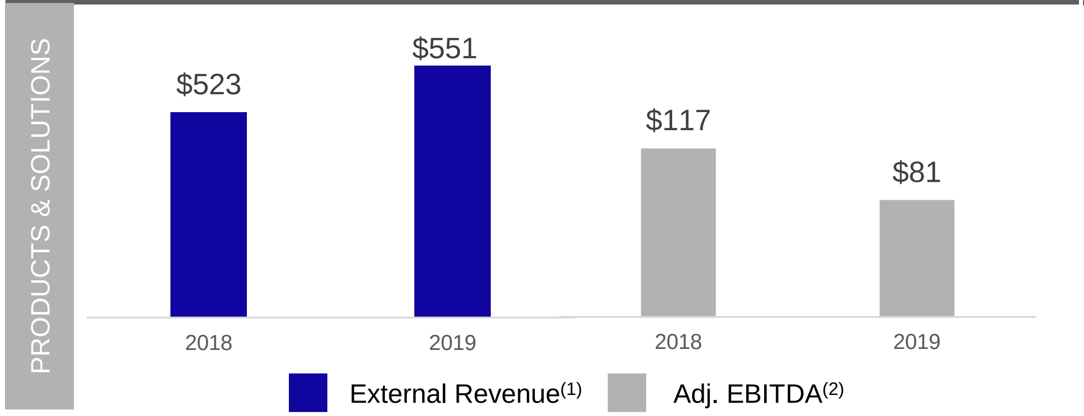
Q1 Financials Walks & 2019 Guidance

First Quarter 2019 Results

	Q1 2019	Commentary
Revenue	$1.22B	• GAAP revenue up 4%, 7% Constant Currency growth • Security Business is back to growth • Distribution 4% growth, 6% Constant Currency growth with one less sales day
Adjusted EBITDA	$92M	• $6 Million higher EBITDA than expectations due to cost management • Product mix headwinds continue with rollout of new platforms
Adjusted EPS	$0.29 per share	• GAAP EPS of $0.39 • Adjusted EPS exceeded expectations due to stronger revenue and EBITDA in Quarter

Business is Balanced – With Two Growing Segments: Products & Solutions and Global Distribution

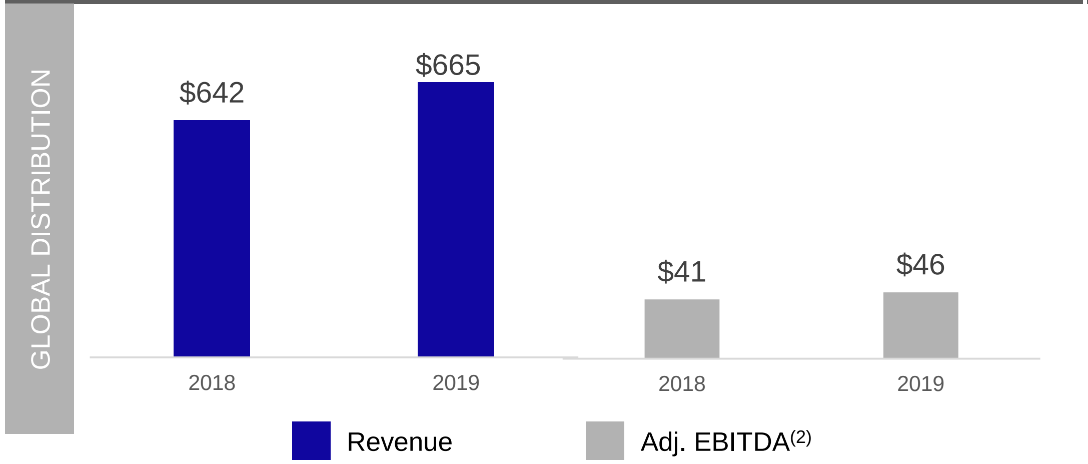
Q1 Performance ($M)



Key Highlights

- Strong growth in security driven by launch of next generation platform, with opportunity for margin improvement
- Award-winning launch at CES of new smart thermostat (T9/T10)
- Improvement in supply chain execution
- Margin compression due to mix headwinds

Q1 Performance ($M)



Key Highlights

- Solid growth in the Americas and EMEA, and within Security and Life Safety product categories
- Enhancements in digital customer experience with launch of key upgrade to website

(1): External revenue is net segment revenue after the elimination of intersegment revenue. For additional information, see our appendix.
(2): Excludes $3 million of estimated stand-alone costs for the three months ended March 31, 2018, which is included in adjusted EBITDA (Non-GAAP).
Note: Please see appendix for GAAP to non-GAAP reconciliations.

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Resideo Segment and Market Overview

Green	Above Market
Red	Below Market
Grey	At Parity

			Addressable Market ($B)[3]	Market Growth Estimate (%)[3]	Est. Resideo vs. Market[4]	Select Players
Products & Solutions ($2.5B)[2]	Comfort $1.7B[1]	Connected Thermostats	$1.5B	+10%	Above Market	• Nest (Google), Ecobee, tado, Hive, Emerson, GLAS (Johnson Controls)
		Traditional Temperature Control	$2.5B	Flat to down	Above Market	• Emerson, Lennox, Carrier, Trane
		IAQ and Potable Water	$3.7B	4-5%	At Parity	• Aprilaire, BTW, Danfoss, Watts Water Tech, Carrier, Foobot, Awair, Molekule
		Residential Thermal Solutions (RTS)	$2.7B	2-3%	Above Market	• SIT, ebmpast, Emerson, UTC
	Security $0.8B[1]	Pro Security[5]	$2.9B	2-4%	At Parity	• Alarm.com, Vivint, Simplisafe, Tyco, 2GIG, UTC, Ring, Nest Secure (Google), Abode
		DIY Awareness	$2.3B	+10%	Below Market	• Ring (Amazon), Nest (Google), Arlo, Ooma
ADI Distribution[6] $2.7B[1]			$20.6B	3-4%	Above Market	• Anixter, ScanSource

1. 2018 revenue as reported in our Annual Report on Form 10-K for the year ended December 31, 2018 filed with the Securities and Exchange Commission; 2. Includes intersegment revenue of $305M as reported in 10K; 3. Addressable market and growth rates for 2019 in the markets and geographies that we compete in; 4. Estimated Relative performance (sales $) over the past year; 5. Pro Security is professionally monitored security including those systems that are self-installed by consumers, e.g. Simplisafe; 6. ADI Distribution includes physical security equipment sold through distribution (video surveillance, access control, intruder alarms, video door phones, fire detection); Sources: IHS, Navigant, BSRIA, Management estimates

Growing Presence in Attractive Markets

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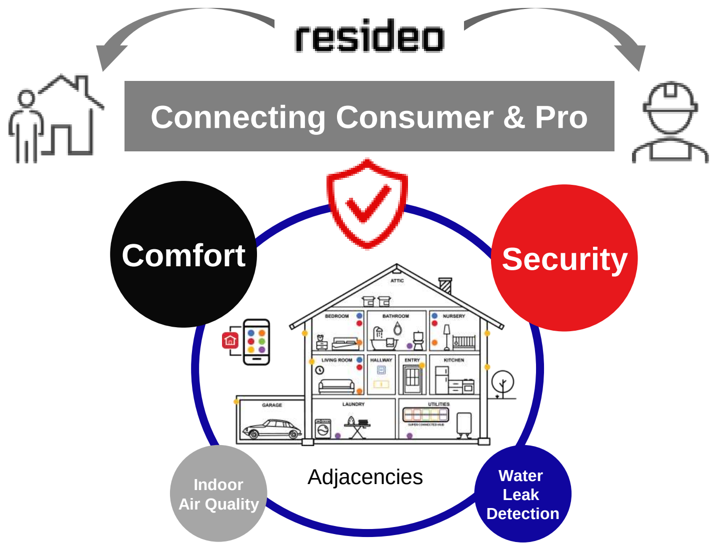
Programs on Track to Accelerate Growth Profile of Business

While Improving Mix and Quality of Earnings



Whole Home Solutions

Double Down on Pro /
Do-it-for-me channel

Progress to date on Investment and Cost Programs

- President of Products & Solutions
- VP Mobile Apps
- VP ISC

- Cost base optimization underway, $10M impact in 2019
- On track for $50M in 2020

- Next generation security platform
- T9/T10 Room-by-Room thermostats

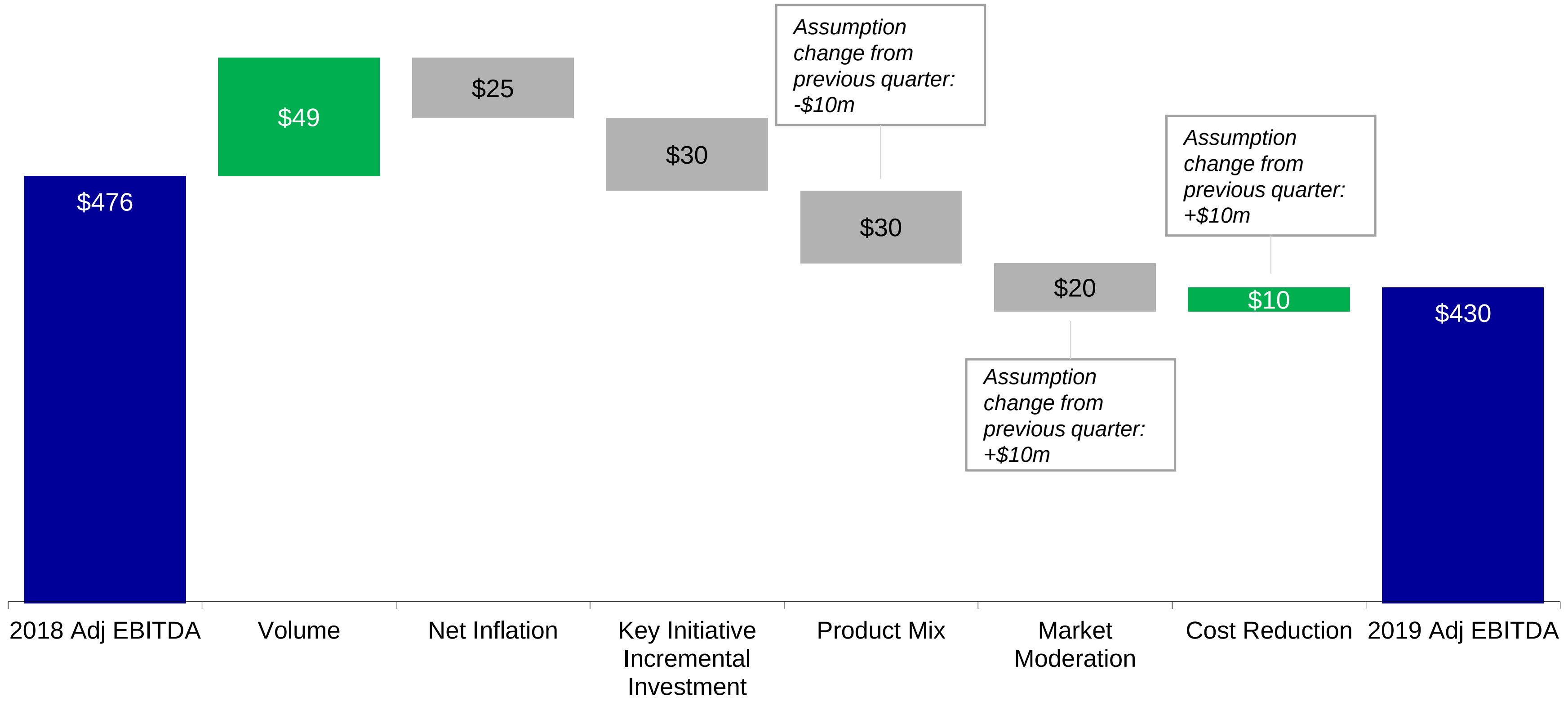
- Buoy Labs acquired in Q1
- Expand in Water Safety and grow Recurring Revenue

Connect Consumers With Pro Channel to Provide a Safe & Efficient, Secure and Healthy Home

Updated 2019 Walk Based on Q1 Performance

Forecasting FY Adjusted EBITDA at the Top of Guidance Through Cost Control Actions

$ millions



Updates to Product Mix Assumptions:

- Growing new security platform and connected thermostats faster than expected
- Post spin inventory clean up

Continued Disciplined Approach to our Growth Strategy

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Adjusted Results Best Represent Underlying Earnings of Business – GAAP Results are Volatile Due to HON Reimbursement Agreement

	Three Months Ended 31-Mar	
	2019	2018
	(Dollars in Millions except per share data)	
Net revenue	$ 1,216	$ 1,165
Cost of goods sold	903	822
Gross profit	313	343
Selling, general and administrative expenses	228	212
Other (income) expense, net	(16)	52
Interest expense	17	-
	229	264
Income before taxes	84	79
Tax expense	36	34
Net Income	**$ 48**	**$ 45**
Adjustments to Net Income (1)	23	61
Adj. Net Income excluding HON reimbursement agreement (non-GAAP)	**71**	**106**
Assumed cash payments related to HON reimbursment agreement (non-GAAP)	(35)	(35)
Adjusted Net Income (non-GAAP)	**$ 36**	**$ 71**
Earnings Per Share		
Basic net income per share (GAAP) / adjusted (non-GAAP)	$0.39 /$0.29	$0.58 / $0.37
Diluted net income per share (GAAP) / adjusted (non-GAAP)	$0.39 /$0.29	$0.58 / $0.37

1) Adjustments to Net Income are comprised of Environmental expense, Honeywell reimbursement agreement expense (income), Estimated stand-alone costs, Stock compensation expense, Repositioning charges, Other and Income tax adjustments; for full reconciliation of net income (unaudited) to adjusted net income (Non-GAAP) see table in appendix

- Activity related to the Honeywell reimbursement agreement is reflected in the Other (Income) Expense line
- The sale of a Honeywell property under the reimbursement agreement resulted in a significant gain in Q1
- The net impact of this entry was $45 million of non-operating net income
- We have adjusted this item out of results for Q1

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Working Capital & Leverage

Working Capital	Reported		
	Q3 2018	Q4 2018	Q1 2019
As Reported			
Cash	184	265	212
Due from Related Parties	26	-	-
Accounts receivable	783	821	838
Inventory	603	628	701
Other Current Assets	72	95	111
Current Assets	***1,668***	***1,809***	***1,862***
Accounts Payable	850	964	1,013
Due to Related Parties	162	-	-
Current Maturities	-	22	22
Accrued Liabilities	388	503	524
Current Liabilities	***1,400***	***1,489***	***1,559***
Net Working Capital	***268***	***320***	***303***
Change in Net Working Capital		***52***	***(17)***

Leverage	Pro Forma	Reported	
	Q3 2018	Q4 2018	Q1 2019
Debt	1,225	1,201	1,196
Cash	75	265	212
Net Debt	1,150	936	984
TTM PF Adj EBITDA, inc. HON reimbursement	500	476	449
Leverage (Net Debt / PF Adj EBITDA)	***2.3***	***2.0***	***2.2***

- Cash usage driven by CAPEX, non-operating payments to Honeywell and mandatory debt repayment
- Working capital source of $17 million
- Leverage increased 0.2 turns on lower cash, lower TTM EBITDA

Note: Please see appendix for GAAP to non-GAAP reconciliations.

Sufficient Liquidity on Balance Sheet Supported by $350M Revolver

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Resideo Reiterates 2019 Full Year Guidance

	MARCH 2019	MAY 2019
Organic Growth	2-5% in 2019 / 7 – 10% in 2023	2-5% in 2019 / 7 – 10% in 2023
Adjusted EBITDA Range and Margin	$410M – $430M EBITDA Range ~11% excl. HON reimbursement agreement payments / ~8% incl. HON reimbursement agreement payments EBITDA Profile: 40% 1H '19 – 60% 2H '19	**$410M – $430M EBITDA Range** ***Top End of the Range*** ~11% excl. HON reimbursement agreement payments / ~8% incl. HON reimbursement agreement payments EBITDA Profile: 40% 1H '19 – 60% 2H '19
Capital Expenditures / Research & Development	Capital Expenditures at ~1% of Revenue / Research and Development Expenses of ~$135M	Capital Expenditures at ~1% of Revenue / Research and Development Expenses of ~$135M
Tax Rate / $	~31 – 32% Cash Tax Rate	**$75 million**
Capital Return	Prioritizing growth and deleveraging over capital return in 2019	Prioritizing growth and deleveraging over capital return in 2019
Balance Sheet Priorities	Funding Growth with Existing Liquidity; Targeting Long-Term Gross Leverage ~2x	Funding Growth with Existing Liquidity; Targeting Long-Term Gross Leverage ~2x

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Resideo: Positioned to Drive Growth

Solid start to the year

Cost and investment programs on track

Strong financial position with healthy balance sheet

Well-Positioned to Gain Market Share and Drive Profitable Growth

Appendix

Honeywell Reimbursement Agreement Overview and Impact

Agreement for 25 years with maximum cash payment capped at $140M in respect of any year (exclusive of any late payment fees up to 5% per annum) plus any deferred amounts

Financial relationship with Honeywell; not a contingent liability for Resideo

Honeywell retains liability and is responsible for management and remediation

Cash payments subordinated to all material indebtedness and subject to compliance with financial covenants

Expenses recognized under the agreement not tax deductible by Resideo

Summary Of Financial Results – Segment

	1Q 2018	1Q 2019	% Change
Products & Solutions			
Revenue (1)	523	551	5%
Constant Currency (Non-GAAP)			8%
Segment Adjusted EBITDA (2)(3)	117	81	-31%
Global Distribution			
Revenue	642	665	4%
Constant Currency (Non-GAAP)			6%
Segment Adjusted EBITDA (2)(3)	41	46	12%
Total Company			
Revenue	1,165	1,216	4%
Constant Currency (Non-GAAP)			7%
Adjusted EBITDA (Non-GAAP) (4)	126	92	-27%

1) Represents Product and Solution's revenue, net of intersegment revenue of $71 million and $79 million for the three months ended March 31, 2019 and March 31, 2018, respectively. Global Distribution does not have any intersegment revenue.
2) Excludes $3 million of estimated stand-alone costs for the three months ended March 31, 2018, which is included in Adjusted EBITDA excluding Honeywell reimbursement agreement payments (Non-GAAP).
3) Table 7 includes a Reconciliation of Net income before taxes to Segment Adjusted EBITDA.
4) Table 6 includes a Reconciliation of Net income to Adjusted EBITDA.

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Consolidated And Combined Interim Statement Of Operations (Unaudited)

	Three Months Ended March 31,			
	2019		2018	
	(Dollars in millions except per share data)			
Net revenue	$	1,216	$	1,165
Cost of goods sold		903		822
Gross Profit		313		343
Selling, general and administrative expenses		228		212
Other (income) expense, net		(16)		52
Interest expense		17		-
		229		264
Income before taxes		84		79
Tax expense		36		34
Net income	$	48	$	45
Weighted Average Number of Common Shares Outstanding				
Basic (in thousands)		122,570		122,499
Diluted (in thousands)		123,472		122,499
Earnings Per Share				
Basic net income per share	$	0.39	$	0.37
Diluted net income per share	$	0.39	$	0.37

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Consolidated Interim Balance Sheet (Unaudited)

	March 31, 2019	December 31, 2018
	(Dollars in millions, shares in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 212	$ 265
Accounts receivables	838	821
Inventories	701	628
Other current assets	111	95
Total current assets	1,862	1,809
Property, plant and equipment – net	296	300
Goodwill	2,644	2,634
Other intangible assets - net	128	133
Other assets	214	96
Total assets	$ 5,144	$ 4,972
LIABILITIES		
Current liabilities:		
Accounts payable	$ 1,013	$ 964
Current maturities of long-term debt	22	22
Accrued liabilities	524	503
Total current liabilities	1,559	1,489
Long-term debt	1,174	1,179
Obligations payable to Honeywell	580	629
Other liabilities	239	142
EQUITY		
Common stock, $0.001 par value, 700,000 shares authorized, 123,238 and 122,967 shares issued and 122,686 and 122,499 shares outstanding as of March 31, 2019 and December 31, 2018 respectively	-	-
Additional paid-in capital	1,727	1,720
Treasury stock, at cost	(2)	-
Retained Earnings	50	2
Accumulated other comprehensive income (loss)	(183)	(189)
Total equity	1,592	1,533
Total liabilities and equity	$ 5,144	$ 4,972

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Consolidated And Combined Interim Statement Of Cash Flows (Unaudited)

	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
	(Dollars in millions)	
Cash flows from operating activities:		
Net income	$ 48	$ 45
Adjustments to reconcile net income to net cash (used for) provided by operating activities:		
Depreciation and Amortization	16	17
Stock compensation expense	7	4
Other noncash expense	3	8
Changes in assets and liabilities:		
Accounts, notes and other receivables	(17)	51
Inventories	(72)	(10)
Other current assets	(16)	5
Other assets	(1)	(1)
Accounts payable	70	18
Accrued liabilities	(6)	(48)
Obligations payable to Honeywell	(49)	-
Other liabilities	7	37
Net cash (used for) provided by operating activities	(10)	126
Cash flows from investing activities:		
Expenditures for property, plant, equipment and software	(15)	(16)
Cash paid for acquisitions, net of cash acquired	(6)	-
Proceeds received related to amounts due from related parties	-	7
Net cash used for investing activities	(21)	(9)
Cash flows from financing activities:		
Repayment of long-term debt	(6)	-
Non-operating obligations from Honeywell, net	(15)	-
Tax payments related to stock vestings	(2)	-
Net decrease invested equity	-	(91)
Net cashflow used by cash pooling	-	(8)
Net cash used for financing activities	(23)	(99)
Effect of foreign exchange rate changes on cash and cash equivalents	1	1
Net (decrease) Increase in cash and cash equivalents	(53)	19
Cash and cash equivalents at beginning of period	265	56
Cash and cash equivalents at end of period	$ 212	$ 75

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Reconciliation Of Net Income (Unaudited) To Adjusted Net Income (Non-GAAP)

	Three Months Ended March 31,			
	2019		2018	
	(Dollars in millions except per share data)			
Net income (GAAP)	**$**	**48**	**$**	**45**
Environmental expense [(1)]		-		53
Honeywell reimbursement agreement gain [(2)]		(14)		-
Estimated stand-alone costs [(3)]		-		2
Stock compensation expense [(4)]		7		4
Repositioning charges		-		5
Other [(5)]		18		-
Income tax adjustments [(6)]		12		(3)
Adjusted Net Income excluding Honeywell reimbursement agreement payments (Non-GAAP)		**71**		**106**
Assumed cash payments related to Honeywell Reimbursement Agreement [(7)]		(35)		(35)
Adjusted Net Income (Non-GAAP)	**$**	**36**	**$**	**71**
Adjusted Earnings Per Share (non-GAAP)				
Basic adjusted net income per share (non-GAAP)	**$**	**0.29**	**$**	**0.58**
Diluted adjusted net income per share (non-GAAP)	**$**	**0.29**	**$**	**0.58**

(1) Represents historical environmental expenses as reported under 100% carryover basis.
(2) Represents gain recorded net of expenses, related to the Honeywell Reimbursement Agreement.
(3) Represents the difference between our estimate of Selling, general and administrative costs as a stand-alone company and historical allocated costs.
(4) Stock compensation expense adjustment includes only non-cash expenses.
(5) Represents $19 million in cost directly related to the Spin-Off and ($1) million in non-operating (income) expense adjustment which excludes net interest (income) for the three months ended March 31, 2019.
(6) Represents the tax effect of pre-tax items excluded from Adjusted Net Income and the removal of discrete tax items, including the income tax impacts of the Tax Act. The tax effect of pre-tax items excluded from Adjusted Net Income is computed using the statutory rate related to the jurisdiction that was impacted by the adjustment after taking into account the impact of permanent differences and valuation allowances.
(7) Pursuant to the Honeywell Reimbursement Agreement, we are responsible to indemnify Honeywell in amounts equal to 90% of payments, which include amounts billed, with respect to certain environmental claims, remediation and, to the extent arising after the Spin-Off, hazardous exposure or toxic tort claims, in each case including consequential damages in respect of specified properties contaminated through historical business operations, including the legal and other costs of defending and resolving such liabilities, less 90% of Honeywell's net insurance receipts relating to such liabilities, and less 90% of the net proceeds received by Honeywell in connection with (i) affirmative claims relating to such liabilities, (ii) contributions by other parties relating to such liabilities and (iii) certain property sales; such payments will be subject to a cap of $140 million in respect of liabilities arising in any given year (exclusive of any late payment fees up to 5% per annum).

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Reconciliation Of Net Income (Unaudited) To Adjusted EBITDA (Non-GAAP)

	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
	(Dollars in millions)	
Net income (GAAP)	**$ 48**	**$ 45**
Net interest expense	16	-
Tax expense	36	34
Depreciation and amortization	16	17
EBITDA (Non-GAAP)	**116**	**96**
Enviromental expense (1)	-	53
Honeywell reimbursement agreement gain (2)	(14)	-
Estimated stand-alone costs (3)	-	3
Stock compensation expense (4)	7	4
Repositioning charges	-	5
Other (5)	18	-
Adjusted EBITDA excluding Honeywell reimbursement agreement payments (Non-GAAP)	**127**	**161**
Assumed cash payments related to Honeywell Reimbursement Agreement (6)	(35)	(35)
Adjusted EBITDA (Non-GAAP)	**$ 92**	**$ 126**

(1) Represents historical environmental expenses as reported under 100% carryover basis.
(2) Represents gain recorded, net of expenses related to the Honeywell Reimbursement Agreement.
(3) Represents the difference between our estimate of Selling, general and administrative costs as a stand-alone company and historical allocated costs, which excludes corporate depreciation charges
(4) Stock compensation expense adjustment includes only non-cash expenses.
(5) Represents $19 million in cost directly related to the Spin-Off and ($1) million in non-operating (income) expense adjustment which excludes net interest (income) for the three months ended March 31, 2019.
(6) Pursuant to the Honeywell Reimbursement Agreement, we are responsible to indemnify Honeywell in amounts equal to 90% of payments, which include amounts billed, with respect to certain environmental claims, remediation and, to the extent arising after the Spin-Off, hazardous exposure or toxic tort claims, in each case including consequential damages in respect of specified properties contaminated through historical business operations, including the legal and other costs of defending and resolving such liabilities, less 90% of Honeywell's net insurance receipts relating to such liabilities, and less 90% of the net proceeds received by Honeywell in connection with (i) affirmative claims relating to such liabilities, (ii) contributions by other parties relating to such liabilities and (iii) certain property sales; such payments will be subject to a cap of $140 million in respect of liabilities arising in any given year (exclusive of any late payment fees up to 5% per annum).

Reconciliation Of Actual And Pro Forma Net Income To Adjusted EBITDA (Unaudited)

	Twelve Months Ended March 31, 2019	Three Months Ended March 31, 2019 Actual	Twelve Months Ended December 31, 2018 Pro-Forma	Three Months Ended March 31, 2018 Pro-Forma
Net income (GAAP)	$ 135	$ 48	$ 120	$ 33
Net interest expense	65	16	68	19
Tax expense	(48)	36	(59)	25
Depreciation and amortization	65	16	66	17
EBITDA (Non-GAAP)	$ 217	$ 116	$ 195	$ 94
Enviromental expense [1]	260	-	308	48
Honeywell reimbursement agreement (gain) expense [2]	35	(14)	49	-
Estimated stand-alone costs [3]	12	-	15	3
Stock compensation expense [4]	23	7	20	4
Repositioning charges	-	-	5	5
Other [5]	42	18	24	-
Adjusted EBITDA excluding Honeywell reimbursement agreement payments (Non-GAAP)	$ 589	$ 127	$ 616	$ 154
Assumed cash payments related to Honeywell Reimbursement Agreement [6]	(140)	(35)	(140)	(35)
Adjusted EBITDA (Non-GAAP)	$ 449	$ 92	$ 476	$ 119

(1) Represents historical environmental expenses as reported under 100% carryover basis.
(2) Represents gain recorded, net of expenses related to the Honeywell Reimbursement Agreement.
(3) Represents the difference between our estimate of Selling, general and administrative costs as a stand-alone company and historical allocated costs, which excludes corporate depreciation charges
(4) Stock compensation expense adjustment includes only non-cash expenses.
(5) Represents $19 million in cost directly related to the Spin-Off and ($1) million in non-operating (income) expense adjustment which excludes net interest (income) for the three months ended March 31, 2019.
(6) Pursuant to the Honeywell Reimbursement Agreement, we are responsible to indemnify Honeywell in amounts equal to 90% of payments, which include amounts billed, with respect to certain environmental claims, remediation and, to the extent arising after the Spin-Off, hazardous exposure or toxic tort claims, in each case including consequential damages in respect of specified properties contaminated through historical business operations, including the legal and other costs of defending and resolving such liabilities, less 90% of Honeywell's net insurance receipts relating to such liabilities, and less 90% of the net proceeds received by Honeywell in connection with (i) affirmative claims relating to such liabilities, (ii) contributions by other parties relating to such liabilities and (iii) certain property sales; such payments will be subject to a cap of $140 million in respect of liabilities arising in any given year (exclusive of any late payment fees up to 5% per annum).

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Reconciliation Of Segment Adjusted EBITDA (Non-GAAP) To Combined Income From Continuing Operations Before Taxes

	Three Months Ended March 31,			
	2019		2018	
	(Dollars in millions)			
Products & Solutions Segment Adjusted EBITDA	$	81	$	117
Global Distributions Segment Adjusted EBITDA		46		41
Segment Adjusted EBITDA [(1)]		**127**		**158**
Environmental expense [(2)]		-		(53)
Honeywell reimbursement agreement gain [(3)]		14		-
Net interest expense		(16)		-
Depreciation and amortization		(16)		(17)
Stock compensation expense [(4)]		(7)		(4)
Repositioning charges		-		(5)
Other [(5)]		(18)		-
Income before taxes	**$**	**84**	**$**	**79**

(1) Excludes $3 million of estimated stand-alone costs for the three months ended March 31, 2018, which is included in adjusted EBITDA excluding Honeywell reimbursement agreement payments (Non-GAAP).
(2) Represents historical environmental expenses as reported under 100% carryover basis.
(3) Represents gain expenses recorded net of related to the Honeywell Reimbursement Agreement.
(4) Stock compensation expense adjustment includes only non-cash expenses.
(5) Represents $19 million in cost directly related to the Spin-Off and ($1) million in non-operating (income) expense adjustment which excludes net interest (income) for the three months ended March 31, 2019.

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Reconciliation Of Constant Currency Revenue % Change

		Three Months Ended March 31, 2019
		(Dollars in millions)
Products & Solutions revenue growth		
Net Products & Solutions revenue growth (GAAP)	$	28
% Change		5%
Exclude: Foreign currency translation		-3%
Constant currency growth (Non-GAAP)		8%
Global Distribution revenue growth		
Net Global Distribution revenue growth (GAAP)	$	23
% Change		4%
Exclude: Foreign currency translation		-2%
Constant currency growth (Non-GAAP)		6%
Total revenue growth		
Total revenue growth (GAAP)	$	51
% Change		4%
Exclude: Foreign currency translation		-3%
Constant currency growth (Non-GAAP)		7%

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