ADIENT

FY2024 First Quarter Earnings Call

February 7, 2024

Important Information

Adient has made statements in this document that are forward-looking and, therefore, are subject to risks and uncertainties. All statements in this document other than statements of historical fact are statements that are, or could be, deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In this document, statements regarding Adient's expectations for its deleveraging activities, the timing, benefits and outcomes of those activities, as well as its future financial position, sales, costs, earnings, cash flows, other measures of results of operations, capital expenditures or debt levels and plans, objectives, market position, outlook, targets, guidance or goals are forward-looking statements. Words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "should," "forecast," "project" or "plan" or terms of similar meaning are also generally intended to identify forward-looking statements. Adient cautions that these statements are subject to numerous important risks, uncertainties, assumptions and other factors, some of which are beyond Adient's control, that could cause Adient's actual results to differ materially from those expressed or implied by such forward-looking statements, including, among others, risks related to: the effects of local and national economic, credit and capital market conditions (including the persistence of high interest rates and volatile currency exchange rates) on the global economy, work stoppages, including due to strikes, supply chain disruptions and similar events, wage inflationary pressures due to labor shortages and new labor negotiations, volatile energy markets, Adient's ability and timing of customer recoveries for increased input costs, the availability of raw materials and component products (including components required by our customers for the manufacture of vehicles), geopolitical uncertainties such as the Ukraine and Middle East conflicts and the impact on the regional and global economies and additional pressure on supply chain and vehicle production, the ability of Adient to execute its restructuring plans and achieve the desired benefit, automotive vehicle production levels, mix and schedules, as well as our concentration of exposure to certain automotive manufacturers, the ability of Adient to effectively launch new business at forecast and profitable levels, the ability of Adient to meet debt service requirements and, terms of future financing, the impact of global tax reform legislation, uncertainties in U.S. administrative policy regarding trade agreements, tariffs and other international trade relations, shifts in market shares among vehicles, vehicle segments or away from vehicles on which Adient has significant content, changes in consumer demand, global climate change and related emphasis on ESG matters by various stakeholders, and the ability of Adient to achieve its ESG-related goals, cancellation of or changes to commercial arrangements, and the ability of Adient to identify, recruit and retain key leadership. A detailed discussion of risks related to Adient's business is included in the section entitled "Risk Factors" in Adient's Annual Report on Form 10-K for the fiscal year ended September 30, 2023 filed with the U.S. Securities and Exchange Commission (the "SEC") on November 17, 2023, and in subsequent reports filed with or furnished to the SEC, available at www.sec.gov. Potential investors and others should consider these factors in evaluating the forward-looking statements and should not place undue reliance on such statements. The forward-looking statements included in this document are made only as of the date of this document, unless otherwise specified, and, except as required by law, Adient assumes no obligation, and disclaims any obligation, to update such statements to reflect events or circumstances occurring after the date of this document.

In addition, this document includes certain projections provided by Adient with respect to the anticipated future performance of Adient's businesses. Such projections reflect various assumptions of Adient's management concerning the future performance of Adient's businesses, which may or may not prove to be correct. The actual results may vary from the anticipated results and such variations may be material. Adient does not undertake any obligation to update the projections to reflect events or circumstances or changes in expectations after the date of this document or to reflect the occurrence of subsequent events. No representations or warranties are made as to the accuracy or reasonableness of such assumptions, or the projections based thereon.

This document also contains non-GAAP financial information because Adient's management believes it may assist investors in evaluating Adient's on-going operations. Adient believes these non-GAAP disclosures provide important supplemental information to management and investors regarding financial and business trends relating to Adient's financial condition and results of operations. Investors should not consider these non-GAAP measures as alternatives to the related GAAP measures. A reconciliation of non-GAAP measures to their closest GAAP equivalent are included in the appendix. Reconciliations of non-GAAP measures related to FY2024 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations.

Agenda

- **Introduction**
  Eric Deighton
  Investor Relations
- **Business Update**
  Jerome Dorlack
  President and CEO
- **Financial Review**
  Mark Oswald
  Executive VP and CFO
- **Q&A**

Solid start to FY24

- The company's focus on operational excellence, combined with cash management actions, enabled Adient to successfully navigate UAW strike-related production disruptions in the Americas
  - $125M sales, $25M EBITDA impact
- While navigating external challenges, the company continued to drive the business forward:
  - Continued to secure new and replacement business
  - Supplier of choice status reinforced with several awards
    - Hyundai-Kia Technology 5-Star Certification
    - National Veteran Business Development Council's Corporation of the Year
    - Top Employers Institute's European Top Employer
  - Returned $100M to shareholders via share repurchases
  - Published the company's 2023 Sustainability Report

Key Q1FY24 Financial Metrics

Consolidated Revenue	**~$3.7B** (down 1% y-o-y)
Adj.-EBITDA	**$216M** (up 2% y-o-y)
Cash Balance	**$990M** (at December 31, 2023)
Gross Debt and Net Debt	**~$2.5B and ~$1.6B, respectively**

2023 Sustainability Report illustrates sustainability progress

The company is proud of its commitments and accomplishments toward building a sustainable future. Details are included in our 2023 Sustainability Report.

FY2023 highlights

$1B spent annually with **diverse** suppliers, more than **$8B** since becoming Adient

Reductions in 2023

- **7,394** metric tons of CO_2e
- **52 million** liters of water
- **21 million** kWh-equivalent of fuel
- **2,032** metric tons of waste
- **70 million** kWh of energy

55% female or ethnically diverse Board of Directors

energy consumption via renewable sources **26%**

34% Scope 1 & 2 greenhouse gas emission reduction [1]

Adient's products, processes and people drive our commitment to a sustainable future

1 - Compared with baseline FY2019

Successful launch execution through process discipline

Toyota Tacoma
Americas

Mitsubishi Triton
APAC

> Despite production disruptions in the Americas, continued discipline around launch execution drives business performance and commercial success

> Managing increased launch volume, complexity and vertical integration remains a key focus and foundation for driving the business forward

Nissan Murano
Americas

Honda CRV
APAC

VW Magotan B9
APAC

Peugot 3008
EMEA

Strengthening our leading position and solidifying supplier of choice status

- Adient's operational execution is foundational for supporting new business wins with a broad customer set across geographies and powertrains (ICE and EV)
- Wins include an increasing level of vertical integration in foam, trim and metals [1]

BRIDGEWATER INTERIORS

Business supported by Adient's Bridgewater Interiors consolidated MBE joint venture

Audi Q5
Complete Seat
Foam, Trim, Metals

Toyota Revo
Complete Seat
Foam, Trim, Metals

New BEV Sedan
Complete Seat
Foam, Trim

BYD Dolphin
Foam, Trim

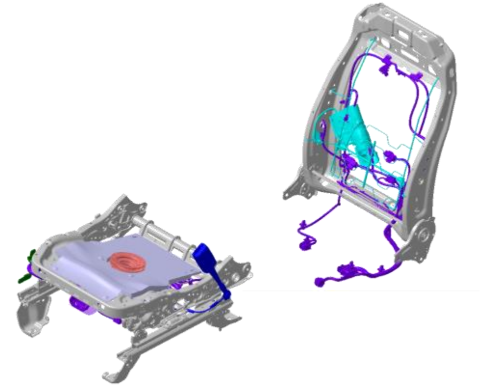
Mitsubishi Pajero
Complete Seat
Foam, Trim, Metals

1 - FY23 global sourcing contained vertical integration in 90% of wins vs FY22 85%

Business performance enabled by our ES^3 process

- Increasing seating content opportunities, centered on creature comforts, ADAS and sustainability, are an emerging trend
- As this trend takes hold across geographies, managing complexity within the JIT environment becomes critical
- Modular assembly and streamlined engineering deliver optimized manufacturing solutions

Adient's management team demonstrated solutions for managing complexity to investors at the company's Plymouth, MI tech center in December and at a recent investor conference



- **30% reduction** in JIT Front Row Direct Labor
- Freight cost reduction
- Optimized inventory
- **In production in FY24**

ES^3 enables the company to demonstrate value-added opportunities to our customers and drive business performance

Executing our balanced capital allocation strategy

- During the quarter, $100M of cash deployed to share repurchases, totaling ~3M shares
- Clarity around the production environment and confidence in the company's ability to generate additional cash supports share repurchases
- Balanced strategy results in credit rating upgrades
- Term Loan B amended and extended; average debt tenor increased from 4.2 to 4.8 years

Free Cash Flow

Balance sheet strength

Adient is committed to returning capital to shareholders through share repurchases while balancing internal growth projects

Financial Review

FY2024 First Quarter

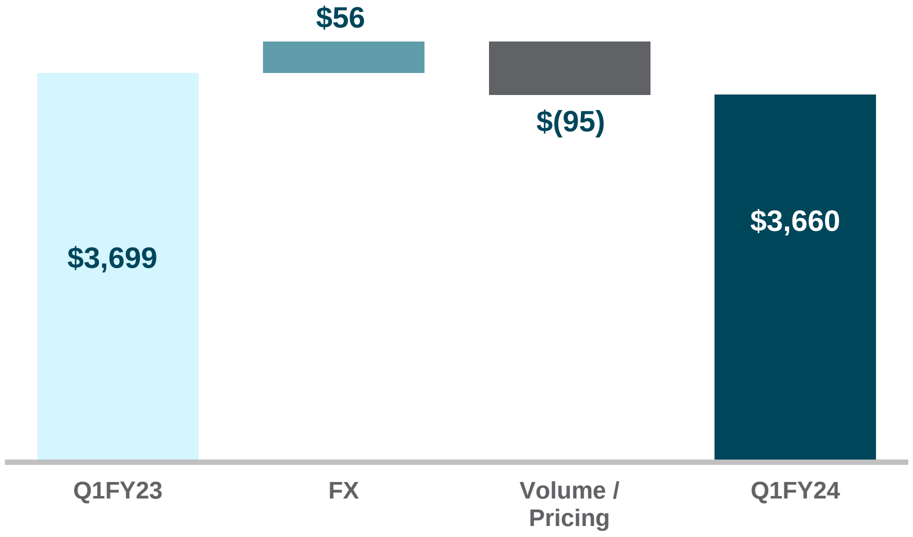
Q1 FY24 Key financials

$ millions, except per share data	As Reported		As Adjusted [1]		
	Q1 FY24	Q1 FY23	Q1 FY24	Q1 FY23	B/(W)
Consolidated Revenue	$ 3,660	$ 3,699	$ 3,660	$ 3,699	*(1)%*
EBIT	$ 111	$ 114	$ 131	$ 135	*(3)%*
Margin	*3.0%*	*3.1%*	*3.6%*	*3.6%*	
EBITDA	N/A	N/A	$ 216	$ 212	*2%*
Margin			*5.9%*	*5.7%*	
Memo: Equity Income [2]	$ 23	$ 28	$ 25	$ 27	*(7)%*
Net Financing Charges	$ 44	$ 41	$ 44	$ 41	*(7)%*
Tax Expense	$ 20	$ 31	$ 29	$ 37	*22%*
Net Income (Loss)	$ 20	$ 12	$ 29	$ 33	*(12)%*
EPS Diluted	$ 0.21	$ 0.13	$ 0.31	$ 0.34	*(9)%*

1-On an adjusted basis, see appendix for detail and reconciliation to U.S. GAAP
2-Equity income included in EBIT and EBITDA

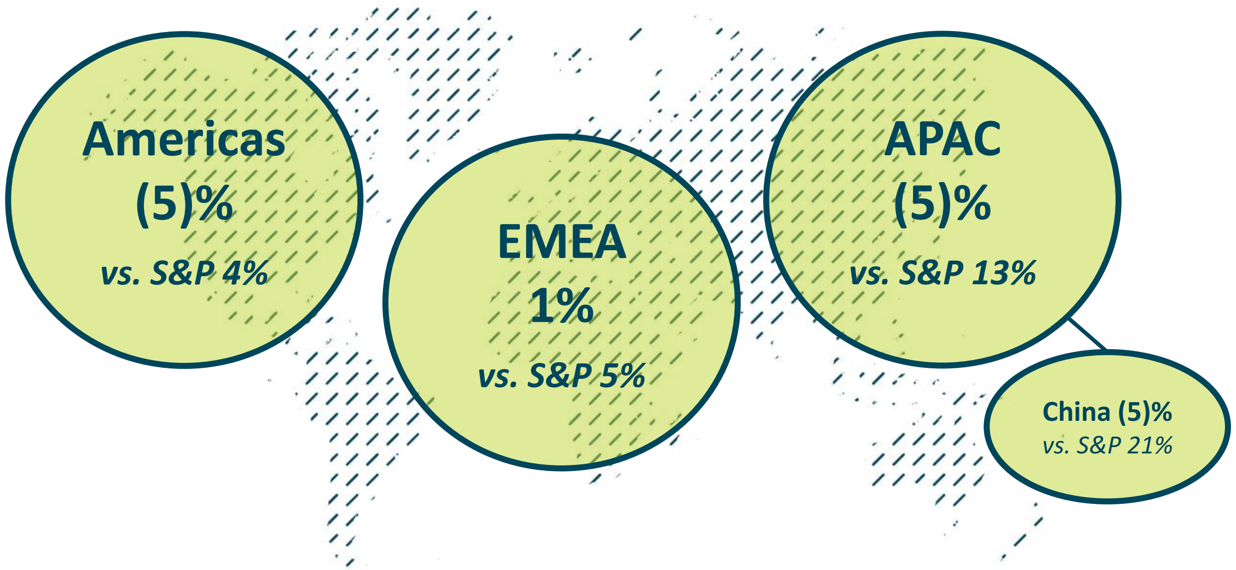
Q1 FY24 Revenue: consolidated and unconsolidated sales

Consolidated sales

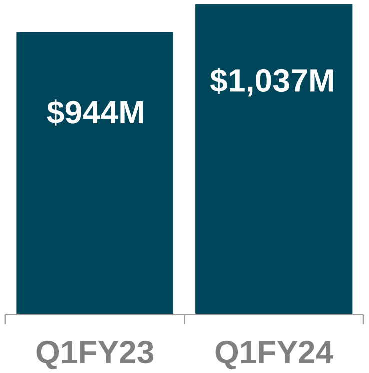


Regional Performance

(consolidated sales y-o-y growth vs. Q1FY23 by region) [1, 2]



Unconsolidated sales [1]



Year-over-year increase of ~10%

1 - Q1FY23 FX adjusted

consolidated

- Americas sales were negatively impacted by program mix, which was affected by UAW strike-related production stoppages at OEM customers and timing of program launches
- EMEA benefited from new program launches and favorable platform mix, offset by planned program exits
- China sales were negatively impacted by the end of production of certain EV programs due to model changeovers and lower volumes on foreign OEM platforms -- the company continues to expect full year sales to outpace regional production
- Asia outside China was negatively impacted by timing of program launches which resulted in lower volumes on certain large platforms

1 - FX Adjusted

2 - Excludes Russian market production

Q1 FY24 Adjusted-EBITDA

Q1FY24 adjusted EBITDA of $216M, up $4M y-o-y, was primarily driven by:

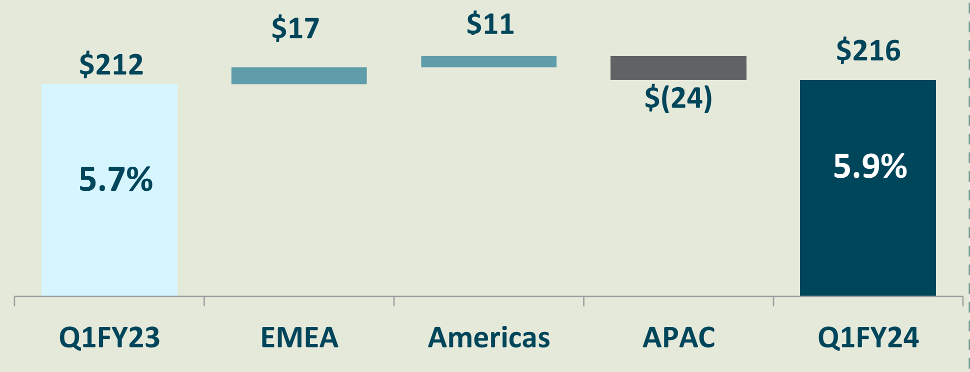
> Improved business performance of $39M, as improved net material margin and lower input costs (i.e., freight) more than offset increased launch costs and SG&A

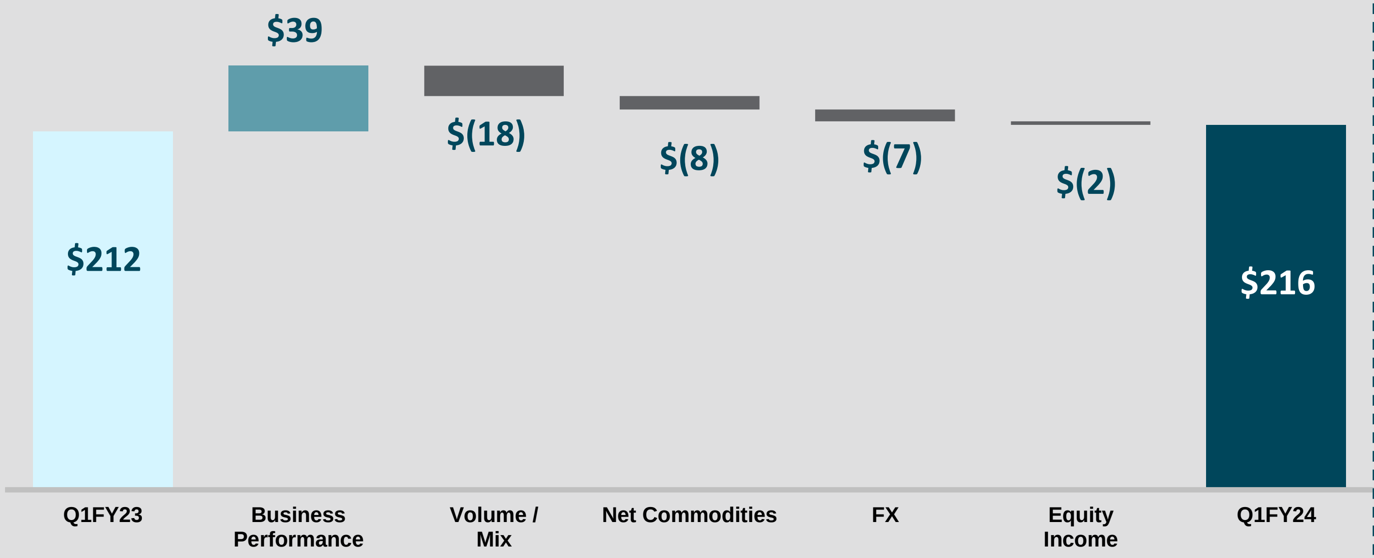
> Partially offsetting improvements were volume and mix, which negatively impacted the quarter by $18M resulting from production stoppages in the Americas, negative program mix in EMEA and customer mix in APAC

> Commodities were a net headwind of $8M driven by the timing of contractual true-ups

> FX was an approximately $7M headwind, primarily resulting from peso impacts in the Americas

$ in millions





Q1 FY2024 Cash flow

Free Cash Flow

Adjusted EBITDA to Free Cash Flow

(in $ millions)	Q1 FY24	Q1 FY23
Adjusted-EBITDA (Excl. Equity income)	$ 191	$ 185
Dividend	16	12
Restructuring	(10)	(30)
Net Customer Tooling	(17)	(14)
Trade Working Capital (Net AR/AP + Inventory)	111	46
Accrued Compensation	(64)	(28)
Interest paid	(60)	(24)
Taxes paid	(24)	(20)
Non-income related taxes (VAT)	(28)	(19)
Commercial settlements	16	(17)
Capitalized Engineering	(17)	(25)
Prepaids	(19)	(24)
Other	(54)	2
Operating Cash flow	$ 41	$ 44
(-) CapEx [1]	(55)	(61)
Free Cash flow	$ (14)	$ (17)

1 - CapEx by segment for the quarter: Americas $21M, EMEA $24M, Asia $10M

- **Key drivers impacting FY24 FCF:**
  - (+) Lower level of restructuring cost y-o-y
  - (+) Typical month-to-month working capital movements
  - (+) Timing and level of commercial settlement payments
  - (-) Higher level of cash interest related to timing of refinance payments
  - (-) Timing and level of VAT tax payments
  - (-) Accrued comp increase resulting from timing of payroll and level of incentive compensation
  - (-) Timing and level of nomination fees, primarily in Europe

Memo: At Dec. 31, 2023, ~$85M of factored receivables (vs. ~$171M at Sep. 30, 2023). Adient uses various global factoring programs as a low-cost source of liquidity.

Debt and capital structure

($ in millions)	12/31/2023
Cash & Debt Profile	**Amount**
Cash & Cash Equivalents	$ 990
ABL Revolver, incl. FILO due 2027 [1]	-
Term Loan B due 2028	635
7.000% Secured Notes due 2028	500
Total Secured Debt	**1,135**
3.50% Notes (€123mm) due 2024	136
4.875% Notes due 2026	795
8.250% Notes due 2031	500
Other LT debt	3
Other Bank Borrowings	7
Deferred issuance costs	(29)
Total Debt	**2,547**

1 - Subject to ABL borrowing base availability. As of December 31, 2023, there were no draws outstanding and approximately $938 million was available under the ABL Credit Agreement.

Net Debt

(in $ millions)	December 31 2023	September 30 2023
Cash	$ 990	$ 1,110
Total Debt	2,547	2,535
Net Debt [2]	$ 1,557	$ 1,425

- Adient returned $100M cash to shareholders in Q1FY24, repurchasing ~3M shares
- Recognizing the company's strong earnings, cash flow and balance sheet, S&P Global and Moody's upgraded the company's corporate credit ratings in December and January, respectively
- Subsequent to the quarter, the company amended and extended its Term Loan B, reducing cost and extending maturity to 2031
- Adient's net leverage ratio on a TTM basis is 1.65x, within the targeted range of 1.5x-2.0x [2]

2 - See appendix for reconciliation to non-GAAP metrics

Adient's strong and flexible capital structure continues to underpin the company's balanced capital allocation strategy

FY24 Outlook – key financial metrics

Metric	FY24 Outlook
Consolidated sales	~$15.4B-$15.5B
Adj.-EBITDA	~$985M
Equity income Incl. in Adj.-EBITDA	~$70M
Interest expense	~$185M
Cash taxes	~$105M
Capex	~$310M
Free cash flow	~$300M

> Sales forecast at $15.4-$15.5B, in-line with previously forecast revenues revised to reflect latest production and FX rates

> Adj.-EBITDA in-line with prior expectations (including UAW strike-related work stoppages)

> Equity income forecast at ~$70M

> Interest expense forecast at ~$185M based on the company's debt and cash position (cash interest expected at ~$195M)

> Cash taxes forecast at ~$105M

> Capital expenditures primarily driven by customer launch plans and intense focus on reusability where appropriate

> Free cash flow forecast at ~$300M

Adient continues to expect earnings and margin growth in FY24 vs FY23 -- underpinned by continued improvement in business performance

Reconciliations of non-GAAP measures related to FY2024 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations

Appendix and financial reconciliations

FY2024 First Quarter

Q1 FY24 Adjusted-EBITDA: Americas

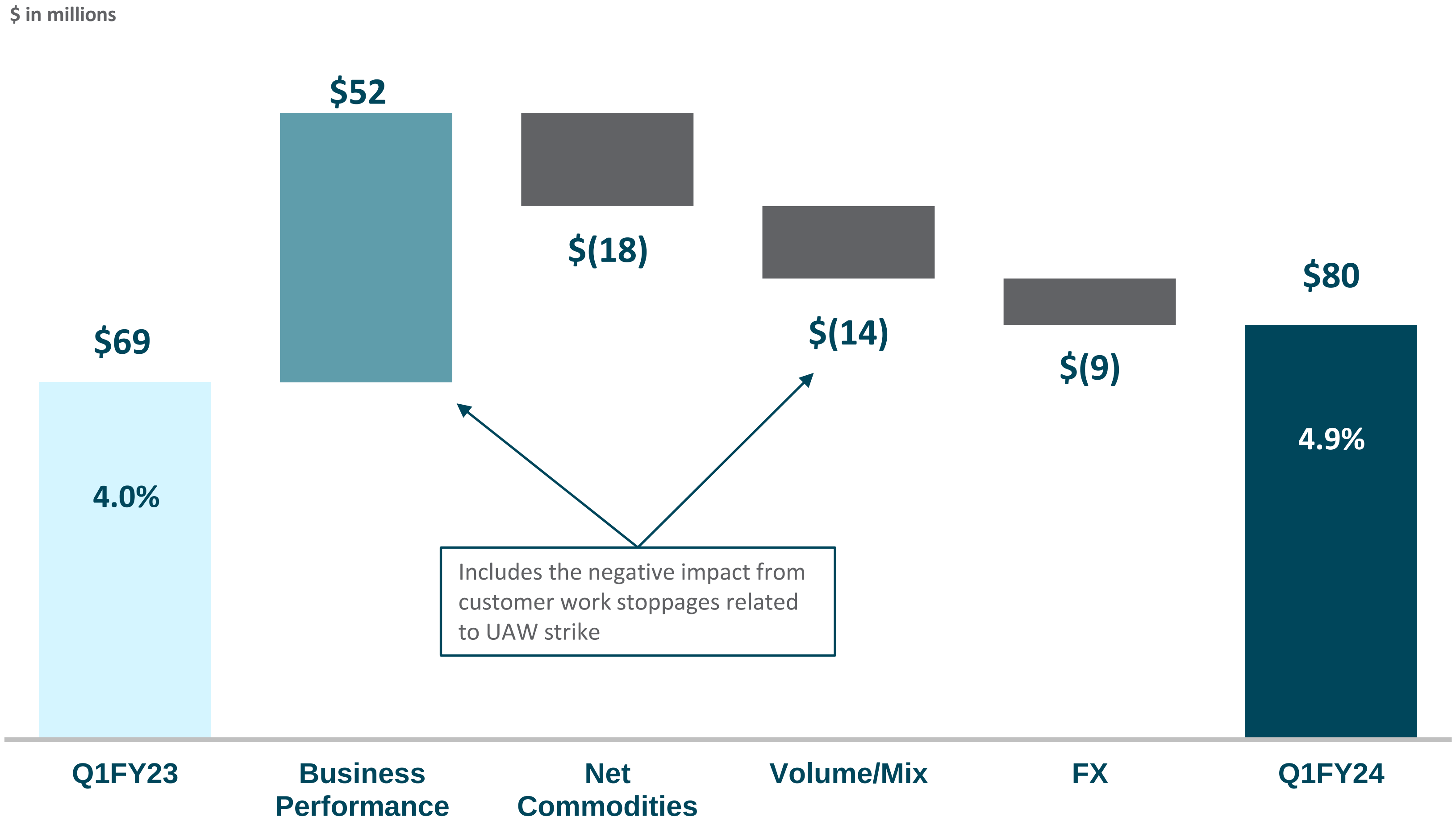
Q1FY24 of $80M, up $11M y-o-y, driven by:

> Improved business performance of $52M, driven primarily by timing of commercial recoveries and improved freight costs

> Net commodities were an approximately $18M headwind as the timing of recoveries more than offset lower gross costs

> Volume and mix was a headwind of $14M as the impact of UAW strike-related work stoppages resulted in lower volumes at certain customers

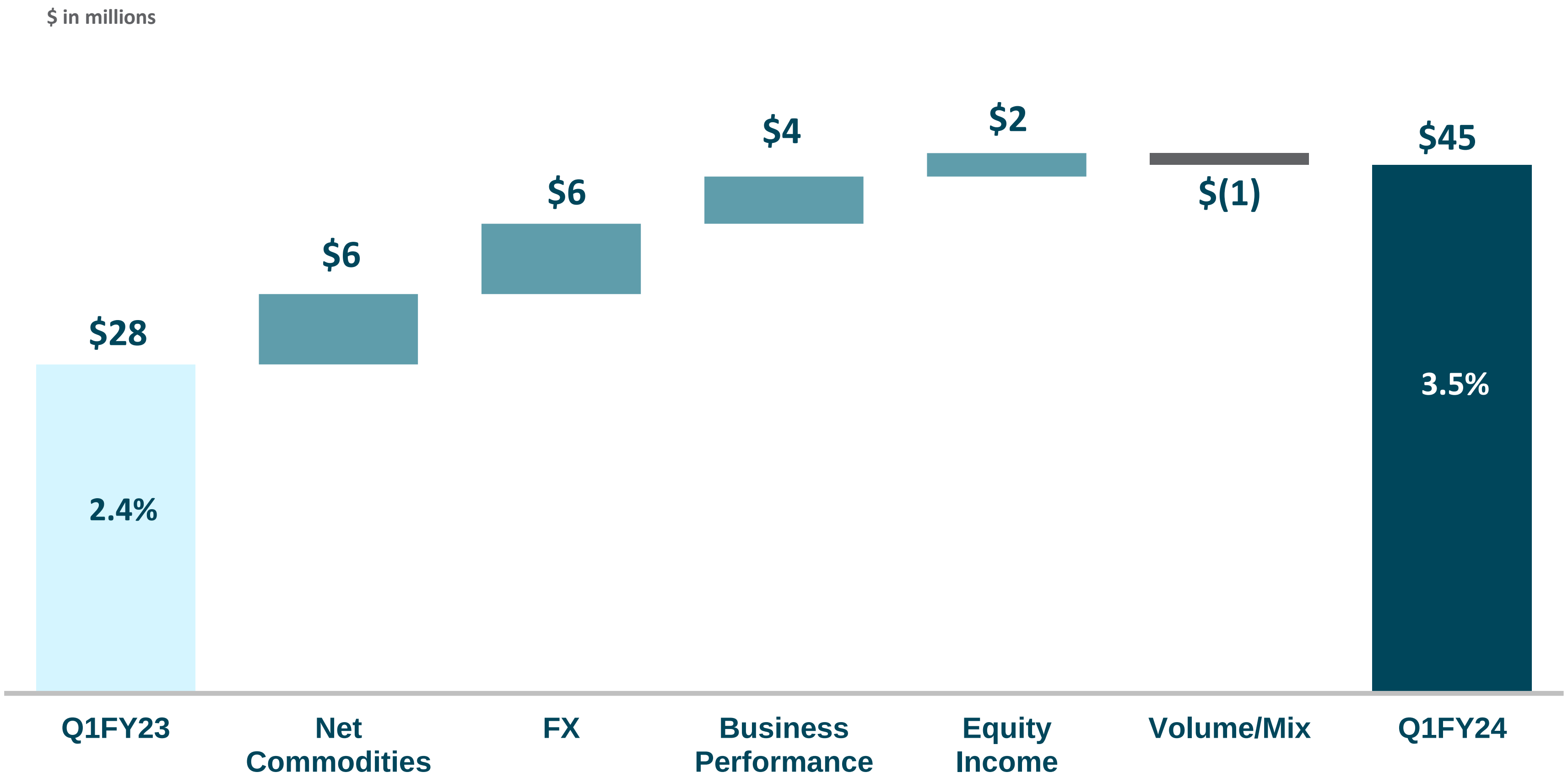
> FX headwinds of $9M negatively impacted the quarter (USD/MXN)



Q1 FY24 Adjusted-EBITDA: EMEA

Q1FY24 of $45M, up $17M y-o-y, driven by:

- Net commodities a $6M benefit resulting from timing of gross pricing benefits vs. lower contractual true-ups
- FX benefited the quarter by $6M
- Improved business performance of $4M, driven by:
  - Improved net material margin and lower input costs (i.e., freight)
  - Partially offsetting these improvements within business performance were certain one-time SG&A benefits that did not repeat, labor and overhead cost increases and timing of customer launches
- Volume and mix was a $1M headwind driven by program mix impacts



Q1 FY24 Adjusted-EBITDA: Asia

Q1FY24 of $114M, down $24M y-o-y, driven by:

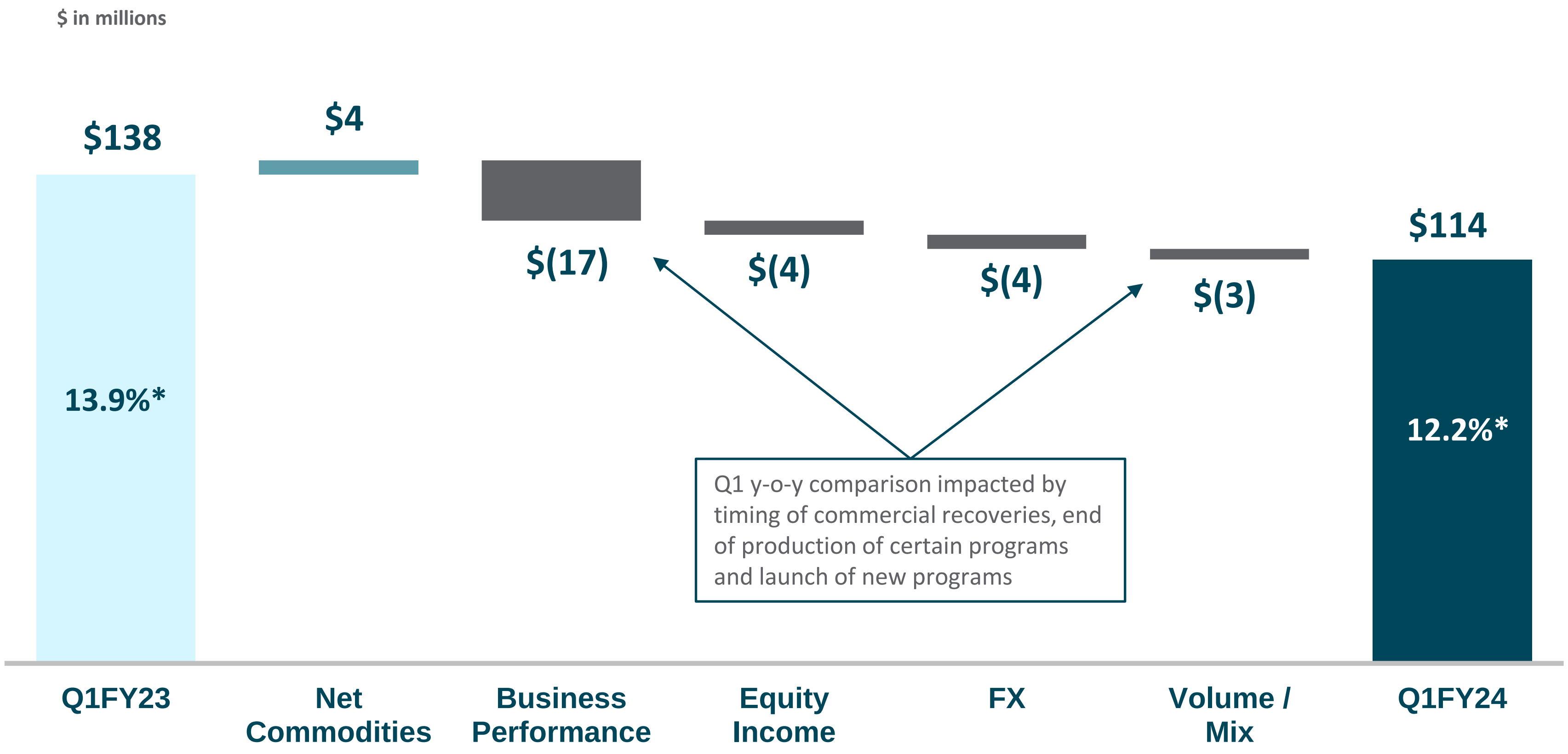
> Business performance $17M lower as lower material margin and increased launch costs more than offset improved labor and overhead

> Equity income was $4M lower resulting in part from a revised pricing agreement between partners in Adient's Keiper joint venture

> FX was a $4M headwind within the quarter driven primarily by transactional headwinds related to THB and JPY

> Volume and mix negatively impacted the quarter by $3M driven by customer mix and end of production of certain programs in China

> Partially offsetting these headwinds was $4M improved net commodity costs



* Margins printed above are excluding equity income. When including equity income, margins of 16.8% and 14.8% for Q1FY23 and Q1FY24, respectively.

Non-GAAP financial measurements and pro-forma reconciliations

Adjusted EBIT, Adjusted EBIT margin, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income attributable to Adient, Adjusted effective tax rate, Adjusted earnings per share, Adjusted equity income, Adjusted interest expense, Free cash flow, Net debt and Net leverage ratio as well as other measures presented on an adjusted basis are not recognized terms under U.S. GAAP and do not purport to be alternatives to the most comparable U.S. GAAP amounts. Since all companies do not use identical calculations, our definition and presentation of these measures may not be comparable to similarly titled measures reported by other companies. Management uses the identified non-GAAP measures to evaluate the operating performance of the Company and its business segments and to forecast future periods. Management believes these non-GAAP measures assist investors and other interested parties in evaluating Adient's on-going operations and provide important supplemental information to management and investors regarding financial and business trends relating to Adient's financial condition and results of operations. Investors should not consider these non-GAAP measures as alternatives to the related GAAP measures. Reconciliations of non-GAAP measures to their closest U.S. GAAP equivalent are presented below. Reconciliations of non-GAAP measures related to guidance for any future period have not been provided due to the unreasonable efforts it would take to provide such reconciliations.

Adjusted EBIT is defined as income before income taxes and noncontrolling interests excluding net financing charges, restructuring, impairment and related costs, purchase accounting amortization, transaction gains/losses, other significant non-recurring items, and net mark-to-market adjustments on pension and postretirement plans. Adjusted EBIT margin is adjusted EBIT as a percentage of net sales.

Adjusted EBITDA is defined as adjusted EBIT excluding depreciation and stock based compensation. Certain corporate-related costs are not allocated to the business segments in determining Adjusted EBITDA. Adjusted EBITDA margin is adjusted EBITDA as a percentage of net sales. Adjusted EBITDA excluding adjusted equity income, each as defined herein, is also presented.

Adjusted net income attributable to Adient is defined as net income attributable to Adient excluding restructuring, impairment and related costs, purchase accounting amortization, transaction gains/losses, expenses associated with becoming an independent company, other significant non-recurring items, net mark-to-market adjustments on pension and postretirement plans, the tax impact of these items and other discrete tax charges/benefits.

Adjusted effective tax rate is defined as adjusted income tax provision as a percentage of adjusted income before income taxes.

Adjusted earnings per share is defined as Adjusted net income attributable to Adient divided by diluted weighted average shares.

Adjusted equity income is defined as equity income excluding amortization of Adient's intangible assets related to its non-consolidated joint ventures and other unusual or one-time items impacting equity income.

Adjusted interest expense is defined as net financing charges excluding unusual or one-time items impacting interest expense.

Free cash flow is defined as cash provided by operating activities less capital expenditures.

Net debt is calculated as gross debt (short-term and long-term) less cash and cash equivalents.

Net leverage ratio is calculated as net debt divided by LTM Adjusted EBITDA.

Non-GAAP Reconciliations - EBIT, Adj.-EBIT, Adj.-EBITDA, and Adj.-Equity Income

(in $ millions)	Three months ended December 31					
	2023			2022		
	GAAP	Adj.	Adjusted	GAAP	Adj.	Adjusted
Net sales	$ 3,660	$ -	$ 3,660	$ 3,699	$ -	$ 3,699
Cost of sales (1)	3,414	(1)	3,413	3,468	(1)	3,467
Gross profit	246	1	247	231	1	232
Selling, general and administrative expenses (2)	147	(6)	141	138	(14)	124
Restructuring and impairment costs (3)	11	(11)	-	7	(7)	-
Equity income (4)	23	2	25	28	(1)	27
Earnings before interest and income taxes (EBIT)	$ 111	20	$ 131	$ 114	21	$ 135
Ebit margin:	*3.0%*		*3.6%*	*3.1%*		*3.6%*
Ebit margin excluding Equity Income:	*2.4%*		*2.9%*	*2.3%*		*2.9%*
Memo accounts:						
Depreciation			72			69
Stock based compensation costs			13			8
Adjusted EBITDA			$ 216			$ 212
Adjusted EBITDA margin:			*5.9%*			*5.7%*
Adjusted EBITDA margin excluding Equity Income:			*5.2%*			*5.0%*

	Three months ended December 31	
	2023	2022
Restructuring related charges	$ (1)	$ (2)
Brazil indirect tax recoveries	-	1
1 Cost of sales adjustment	$ (1)	$ (1)
Purchase accounting amortization	$ (11)	$ (12)
Loss on business divestiture	(8)	-
Gain on sale of restructured facility	10	-
Non-recurring contract related settlement	3	-
Transaction costs	-	(1)
Restructuring related activities	-	(1)
2 Selling, general and administrative adjustment	$ (6)	$ (14)
Restructuring charges	$ (11)	$ (7)
3 Restructuring and impairment costs	$ (11)	$ (7)
One-time divestiture related tax impact at an affiliate	$ 2	$ -
Adjustment to nonconsolidated partially owned affiliates	-	(1)
4 Equity income adjustment	$ 2	$ (1)

Non-GAAP Reconciliations - Adjusted Net Income and Adjusted EPS

Adjusted Net Income

(in $ millions)	Three Months Ended December 31 2023	2022
Net income attributable to Adient	$ 20	$ 12
Restructuring and impairment costs (1)	11	7
Purchase accounting amortization (2)	11	12
Restructuring related activities (3)	(9)	3
Pension mark-to-market and curtailment/settlement (gain)/loss (4)	-	8
Other items (5)	7	(1)
Impact of adjustments on noncontrolling interests (6)	(2)	(2)
Tax impact of above adjustments and other tax items (7)	(9)	(6)
Adjusted net income attributable to Adient	$ 29	$ 33

Adjusted Diluted EPS

	Three Months Ended December 31 2023	2022
Diluted earnings per share as reported	$ 0.21	$ 0.13
Restructuring and impairment costs (1)	0.12	0.07
Purchase accounting amortization (2)	0.12	0.12
Restructuring related activities (3)	(0.10)	0.03
Pension mark-to-market and curtailment/settlement (gain)/loss (4)	-	0.08
Other items (5)	0.07	(0.01)
Impact of adjustments on noncontrolling interests (6)	(0.02)	(0.02)
Tax impact of above adjustments and other tax items (7)	(0.09)	(0.06)
Adjusted diluted earnings per share	$ 0.31	$ 0.34

	Three Months Ended December 31 2023	2022
Restructuring related charges	$ (11)	$ (7)
[1] Qualified restructuring charges for costs that are directly attributable to restructuring activities and meet the definition of restructuring under ASC 420 and one-time asset impairments	$ (11)	$ (7)
[2] Reflects amortization of intangible assets including those related to partially owned affiliates recorded within equity income		
Restructuring related charges	$ (1)	$ (3)
Gain on sale of restructured facility	10	-
[3] Non-qualified restructuring charges for costs that are directly attributable to restructuring activities, but do not meet the definition of restructuring under ASC 420 along with a gain on sale of a restructured facility in the Americas segment for three months ended December 31, 2023	$ 9	$ (3)
[4] During the three months ended December 31, 2022, Adient recorded an $8 million curtailment loss associated with employee termination benefit plans in the Americas segment.		
Non-recurring contract related settlement	$ 3	$ -
One-time divestiture related tax impacts at an affiliate	(2)	-
Loss on business divestiture	(8)	-
Transaction costs	-	(1)
Adjustment to nonconsolidated partially-owned affiliates	-	1
Brazil indirect tax recoveries	-	1
[5] Other items	$ (7)	$ 1
[6] Reflects the impact of adjustments, primarily purchase accounting amortization on noncontrolling interests. In addition, during the first quarter of fiscal 2024, a $5 million adjustment was recorded to increase income attributable to noncontrolling interest related to the three months ended September 30, 2023.		
Tax audit closures and statute expirations	$ (7)	$ (3)
Amortization	(2)	(2)
Pension curtailment loss	-	(2)
Other reconciling items	-	1
[7] Adjustments to income tax provision (benefit)	$ (9)	$ (6)

Non-GAAP Reconciliations - Adjusted Income before Income Taxes and Effective Tax Rate, Adjusted EBITDA excluding Equity Income

Adjusted Income before Income Taxes

(in $ millions)	Three Months Ended December 31					
	2023			2022		
	Income (loss) before Income Taxes	Tax impact	Effective tax rate	Income (loss) before Income Taxes	Tax impact	Effective tax rate
As reported	$ 65	$ 20	30.8%	$ 64	$ 31	48.4%
Adjustments [1]	20	9	45.0%	29	6	20.7%
As adjusted	$ 85	$ 29	34.1%	$ 93	$ 37	39.8%

	Three Months Ended December 31	
	2023	2022
Tax audit closures and statute expirations	$ (7)	$ (3)
Amortization	(2)	(2)
Pension curtailment loss	-	(2)
Other reconciling items	-	1
[1] **Tax provision (benefit) adjustment**	$ (9)	$ (6)

Adjusted EBITDA ex. Equity Income

(in $ millions)	December 31 2023	December 31 2022
Adjusted EBITDA	$ 216	$ 212
Less: Adjusted Equity Income	25	27
Adjusted EBITDA Excluding Adjusted Equity Income	$ 191	$ 185
% of Sales	5.2%	5.0%

Non-GAAP Reconciliations - Consolidated and Unconsolidated sales fiscal year 2023 and net leverage

Unconsolidated Sales (FX adjusted)

(in $ millions)

	FY2023			
Unconsolidated Net Sales	Q1	Q2	Q3	Q4
As reported	$ 976			
FX Impact	(32)			
FX Adjusted	944			

Consolidated Sales (FX adjusted)

(in $ millions)

	FY2023			
Consolidated Net Sales	Q1	Q2	Q3	Q4
As reported	$ 3,699			
FX Impact	56			
FX Adjusted	3,755	-	-	-

Net Debt

(in $ millions)	December 31 2023	September 30 2023
Cash	$ 990	$ 1,110
Total Debt	2,547	2,535
Net Debt	$ 1,557	$ 1,425
LTM Adjusted-EBITDA	$ 942	$ 938
Net Leverage ratio	1.65x	1.52x

Segment Performance

	Q1 2023					Q1 2024				
	Americas	EMEA	Asia	Corporate/ Eliminations	Consolidated	Americas	EMEA	Asia	Corporate/ Eliminations	Consolidated
Net Sales	1,724	1,182	821	(28)	3,699	1,647	1,268	770	(25)	3,660
Adjusted EBITDA	69	28	138	(23)	212	80	45	114	(23)	216
Adjusted Equity Income	1	3	23	-	27	1	4	20	-	25
Depreciation	34	25	10	-	69	34	27	11	-	72
Capex	37	14	10	-	61	21	24	10	-	55