FY2024 Second Quarter Earnings Call

May 3, 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**
>
> **Michael Heifler**
>
> *Investor Relations*

> **Business Update**
>
> **Jerome Dorlack**
>
> *President and CEO*

> **Financial Review**
>
> **Mark Oswald**
>
> *Executive VP and CFO*

> **Q&A**

Strong Q2 with a continued focus on execution

- Laser focus on operational execution drove solid results
- Performance partially offset volume challenges from launches, soft EV demand in Americas and EMEA
- China continues to execute at a very high level, winning new business and outgrowing the market
- Supplier of choice status reinforced with recent recognition:
  - General Motors Overdrive and Supplier of the Year awards
  - Toyota Supplier of the Year (Adient South America)
  - Hyundai Motor Group Global Supplier Day
  - Nine J.D. Power Initial Quality Study Awards (Adient China)
- Returned $50M to shareholders via share repurchases in Q2; YTD $150M share repurchases

Key Q2FY24 Financial Metrics

Consolidated Revenue	**~$3.8B (down 4% y-o-y)**
Adj.-EBITDA	**$227M (up 6% y-o-y)**
Cash Balance	**$905M (at March 31, 2024)**
Gross Debt and Net Debt	**~$2.5B and ~$1.6B, respectively**

Current environment vs. original FY2024 expectations

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H1 FY2024

> Stronger business performance
  > Operational execution, austerity measures
> Softer volumes
  > Adverse customer mix
  > Slow customer ramp of launches
  > Softer than expected EV demand

Strong business performance offset volume challenges, resulting in solid H1 performance in line with internal expectations

H2 FY2024

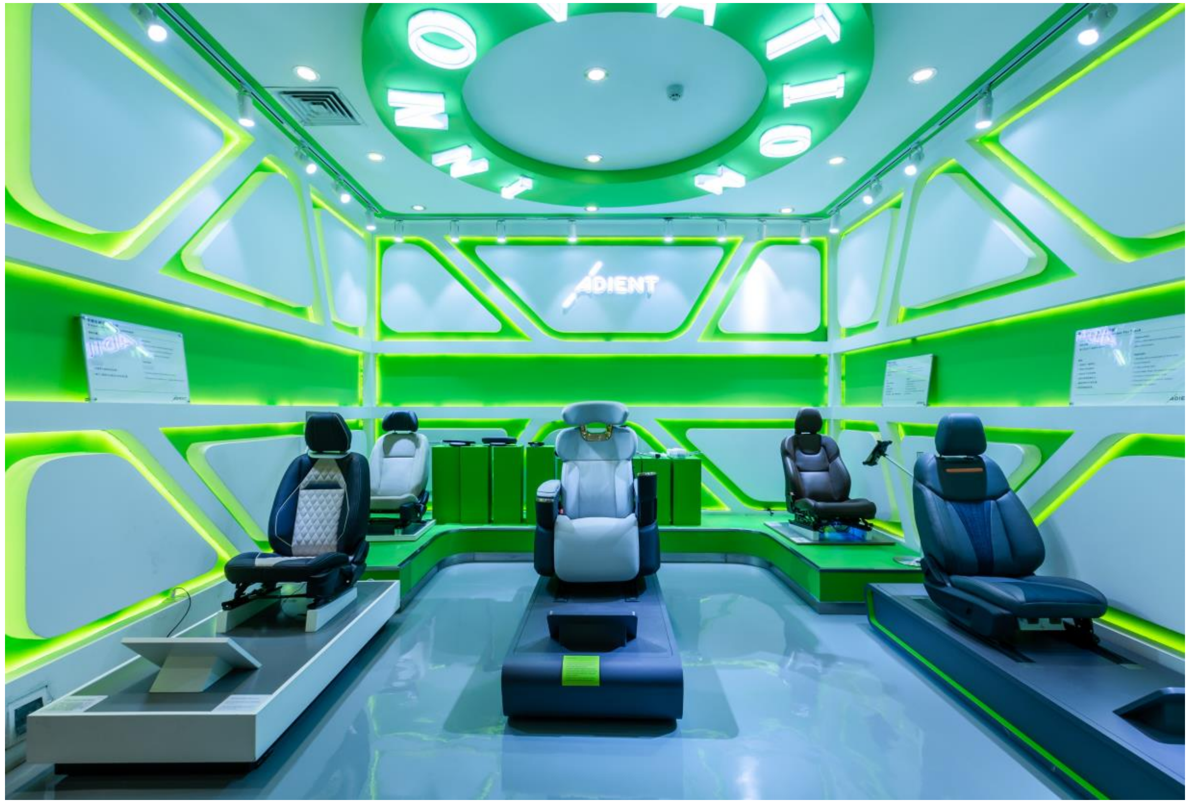
> Volume challenges continue, driven by adverse customer mix, EV demand vs. expectations of volume growth
> Continued improvement in business performance, limited to a certain degree by softer volumes

Significantly lower volume and mix expectations in H2, resulting in lower FY2024 outlook

Asia growth, EMEA efficiency, Americas execution

	APAC	EMEA	Americas
2024	> Robust growth in China > Maintain excellent operational execution	> Platform mix, EV slowdown impacting Adient	> Solid core execution > Slower launch ramps and EV demand
Beyond 2024	> Continued double digit growth in China, substantial growth in Asia outside China > World class relationships with Japanese customers and domestic Chinese EV OEMs	> Lower in-region production as imports are expected to grow rapidly > Potential insourcing by certain customers > Strategic actions underway to address cost and capacity	> Benefits from Asian customer exposure, including hybrids, increasing vertical integration > Reducing low margin business, including third party metals
Outcome	> Expect strong revenue, earnings and free cash flow growth	> Margin stability post-strategic actions > Opportunities to improve business performance are being evaluated	> Margin expansion, cash flow growth > Better alignment with customers where we strategically add value

China: Growth engine continues to accelerate



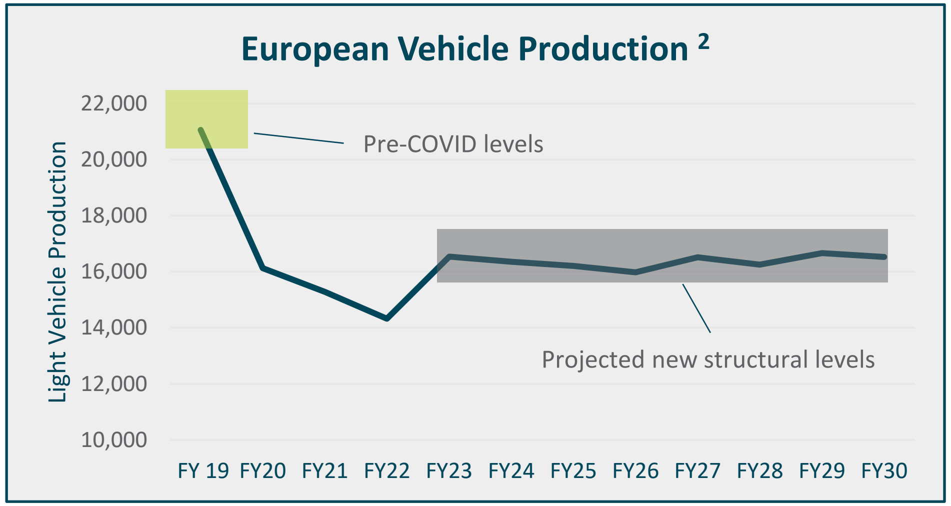
- ~$4.6B business (program lifetime) sourced in FY23
- Forecast volume growth CAGR of 10% over the next 5 years
- Top 3 player in China by market share
- Awarded business from 10 new customers since FY22
- Strong execution and profitability in China

European realignment to increase efficiency

> Changing market dynamics in Europe have driven a structurally lower volume environment

> Proactive changes to address the new environment:
  - > Restructuring charge of ~$125M recorded in Q2FY24
  - > Holistic action plans address cost reductions across functional organizations
  - > Estimated run rate benefits of ~$50M annually, realized by FY2027 [1]
  - > These actions do not impact ability to execute balanced capital allocation strategy

> Additional opportunities to drive performance are being evaluated



Influences driving structural changes

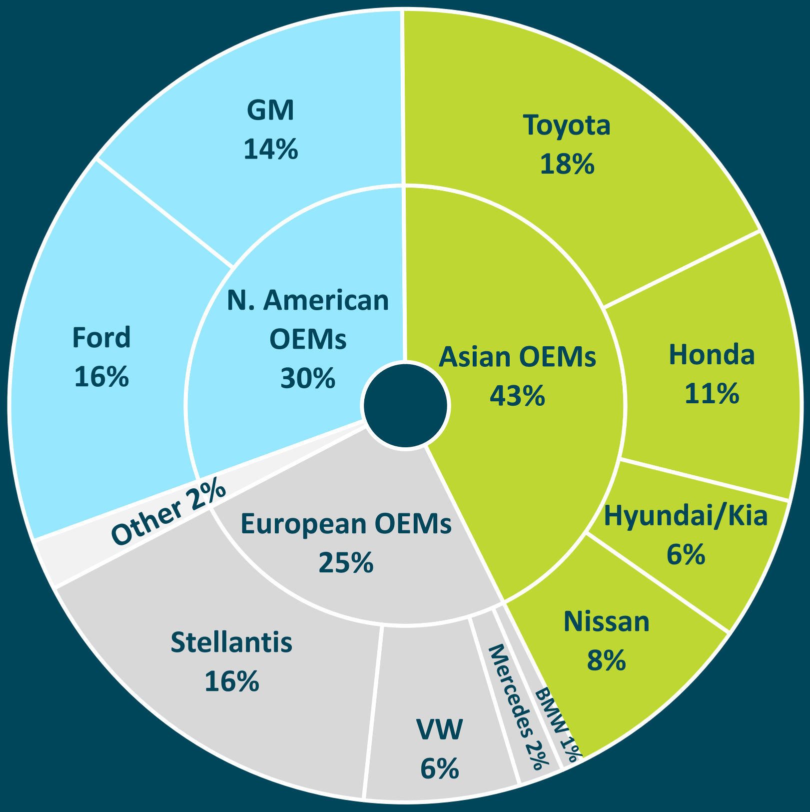
Imports from China

Pace of EV adoption

Potential customer insourcing

1 - $60M reduction in operating costs, 80% resulting in net savings
2 - S&P Global light vehicle production forecast

Americas: Customer base and footprint enable margin opportunity



1 - S&P production f'cast, Management estimate

- Strong and growing relationship with Asian OEMs
  - ICE/PHEV/BEV flexibility
- Increasing vertical integration and modularity are opportunities for margin expansion
- Roll off of certain metals programs expected to provide modest margin improvement by FY26
- Collaboration with Adient China team to drive innovation to market
  - Utilize access to technology and innovation to promote increased seating content
  - Balance global partnerships with internal capabilities on technology (i.e., ADAS, comfort, Ultrathin)

Launch discipline -- cadence and complexity

Toyota Camry
Americas

Dodge RAM
Americas

Skoda Octavia
EMEA

Honda Pilot
Americas

- Highly vertically integrated program, including JIT, foam, trim, metals, 3 rows
- Significant seating features and content
- 3x seat content [1]

Infiniti QX80
APAC

1 - 3x seating content per row vs average APAC seat content

- Successfully navigating launch complexity in Americas, China
- Slower ramp phase of certain launches impacting volumes
- Modular assembly in production

New business wins help solidify our supplier-of-choice status

Geely / Volvo EX50
Complete Seat
Foam, Trim

Chang’an Deepal
Complete Seat
Foam, Trim, Metals

Mid-size SUV
Foam, Trim

Mid-size crossover
Complete Seat
Foam, Trim, Metals

- Winning vertically integrated complete seat business with strategic customer base
- Foam and trim business wins drive future margin expansion
- Continue to identify and target programs and customers as market dynamics shift

Why Adient?

> Adient is committed to driving value by increasing earnings, margin, FCF
  > Key enablers:
    > **China/Asia region growth**
    > **Improved business performance in Americas/EMEA**
    > **Low margin metals exits, higher margin replacement**
    > **Proactive restructuring primarily in Europe**

~200 bps of margin enhancement expected [1]

> Proactively identifying and executing actions to enable and accelerate margin enhancement -- other potential opportunities being evaluated
> Earnings and cash flow expected to be returned via the company's balanced capital allocation plan

Adient is committed to driving shareholder value

1 - exiting FY27 (vs. expected FY24 Adj.-EBITDA margin)

Financial Review

FY2024 Second Quarter

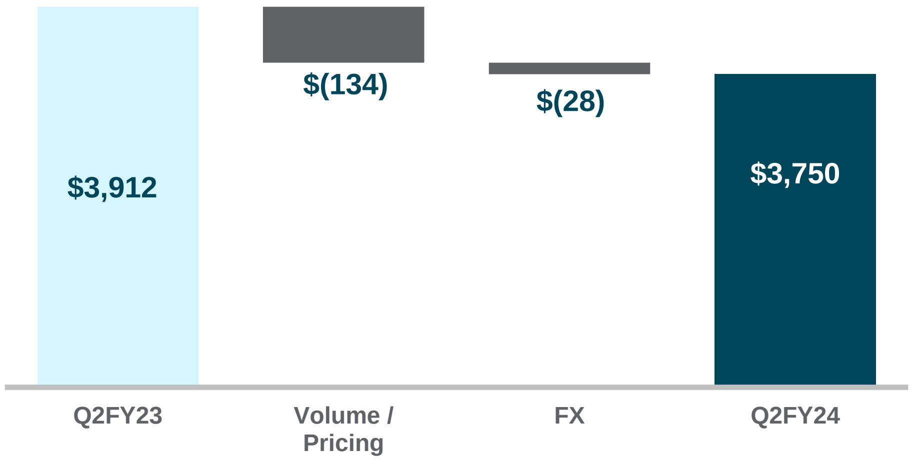
Q2 FY24 Key financials

$ millions, except per share data	As Reported				As Adjusted [1]				
	Q2 FY24		Q2 FY23		Q2 FY24		Q2 FY23		B/(W)
Consolidated Revenue	$	3,750	$	3,912	$	3,750	$	3,912	*(4)%*
EBIT	$	8	$	96	$	147	$	134	*10%*
Margin		*0.2%*		*2.5%*		*3.9%*		*3.4%*	
EBITDA		N/A		N/A	$	227	$	215	*6%*
Margin						*6.1%*		*5.5%*	
Memo: Equity Income [2]	$	18	$	4	$	19	$	12	*58%*
Net Financing Charges	$	47	$	59	$	46	$	48	*(4)%*
Tax Expense	$	8	$	25	$	28	$	27	*(4)%*
Net Income (Loss)	$	(70)	$	(15)	$	49	$	31	*58%*
EPS Diluted	$	(0.77)	$	(0.16)	$	0.54	$	0.32	*69%*

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

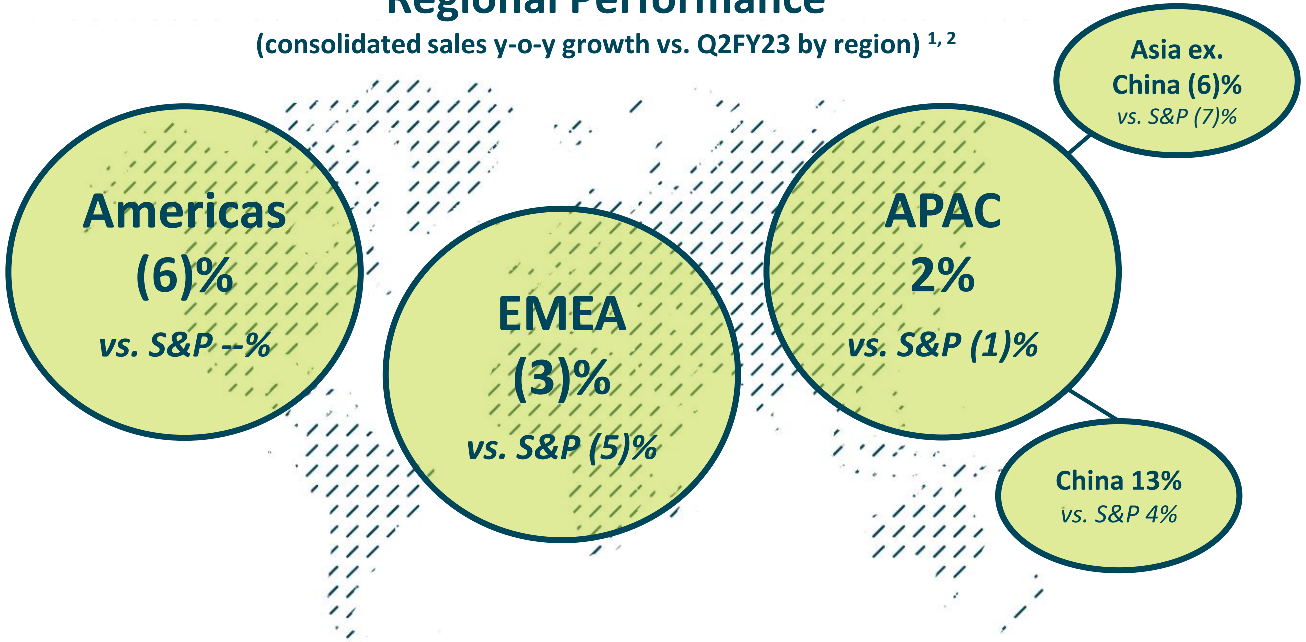
Q2 FY24 Revenue: consolidated and unconsolidated sales

Consolidated sales

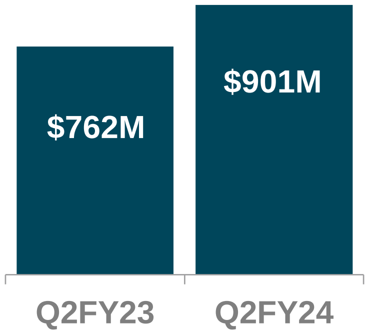


Regional Performance

(consolidated sales y-o-y growth vs. Q2FY23 by region) [1, 2]



Unconsolidated sales [1]



Year-over-year increase of ~18%

1 - Q2FY23 FX adjusted

consolidated

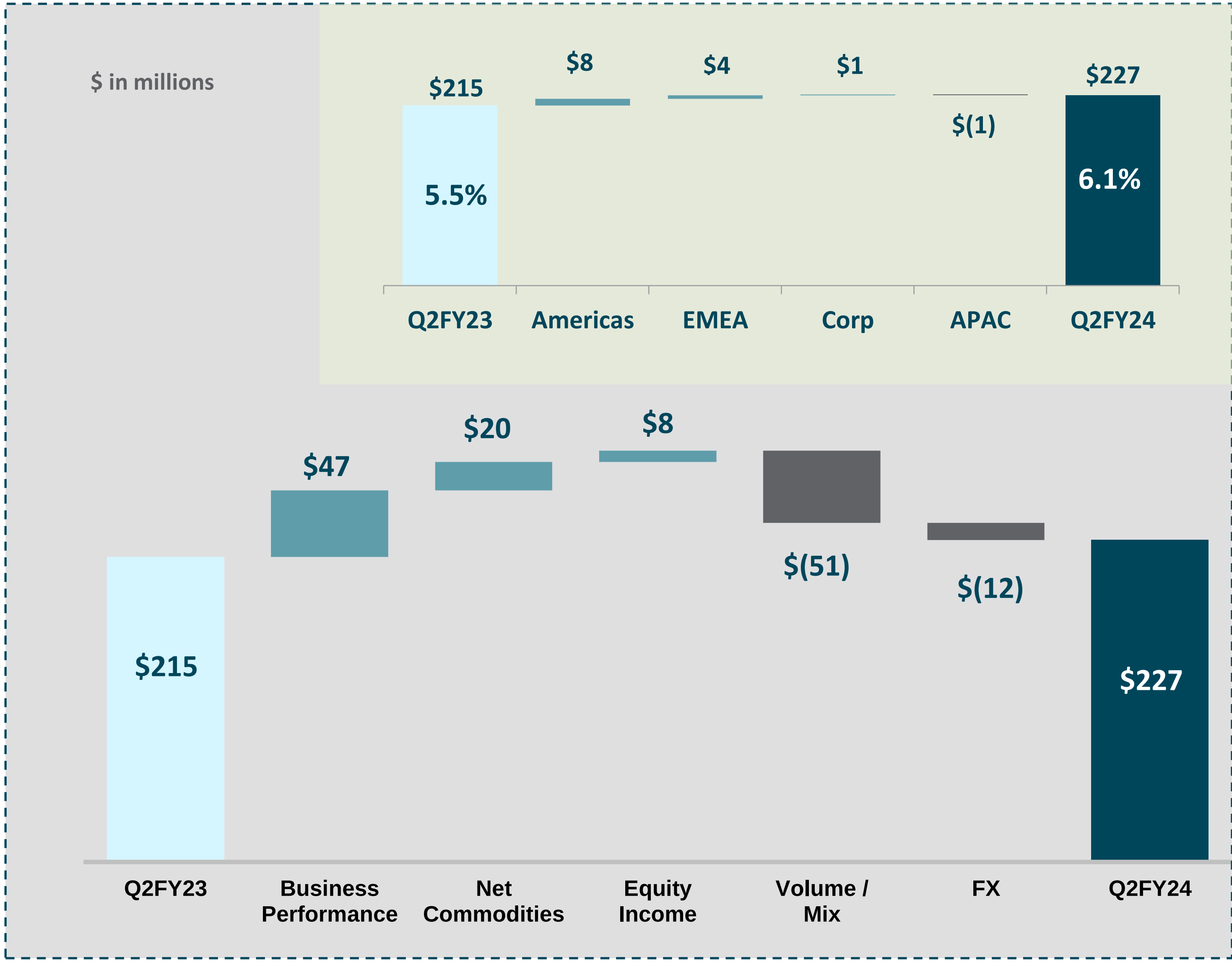
- In the Americas, lower y-o-y sales were driven by slower than expected launch ramp phase on certain key platforms
- In EMEA, the modest outperformance vs. S&P estimates was driven by timing of commercial recoveries and program mix
- In China, higher y-o-y sales were the result of certain luxury and EV programs running at rate following launches in FY23
- In Asia outside of China, sales modestly outperformed the market, driven by growth in India and certain FY23 launches running at rate

1 - FX Adjusted
2 - Excludes Russian market production

Q2 FY24 Adjusted-EBITDA

Q2FY24 adjusted EBITDA of $227M, up $12M y-o-y, was primarily driven by:

- Business performance of $47M, as improved net material margin, freight costs, engineering and administrative costs - including certain compensation related austerity measures - more than offset increased labor and launch costs
- Net commodities improved by $20M, driven by lower commodity costs
- Higher equity income resulting from improved sales at the company's joint ventures in Asia
- Volume and mix negatively impacted the quarter by $51M resulting from slow launch ramps on key platforms, lower EV production, and negative program mix
- FX was an approximately $12M headwind, primarily resulting from transactional peso and translational currency impacts in APAC



Q2 FY2024 Cash flow

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Free Cash Flow

Adjusted EBITDA to Free Cash Flow (in $ millions)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Adjusted-EBITDA	$ 227	$ 215	$ 443	$ 427
Adjusted Equity Income	(19)	(12)	$ (44)	(39)
Dividend	5	1	21	13
Restructuring	(11)	(10)	(21)	(40)
Net Customer Tooling	19	(23)	2	(37)
Trade Working Capital (Net AR/AP + Inventory)	(76)	(14)	35	32
Accrued Compensation	14	38	(50)	10
Interest paid	(37)	(64)	(97)	(88)
Taxes paid	(28)	(29)	(52)	(49)
Non-income related taxes (VAT)	7	27	(21)	8
Commercial settlements	(24)	45	(8)	28
Capitalized Engineering	6	(9)	(11)	(34)
Prepaids	(2)	(1)	(21)	(25)
Other	-	(38)	(54)	(36)
Operating Cash flow	$ 81	$ 126	$ 122	$ 170
(-) CapEx [1]	(69)	(56)	(124)	(117)
Free Cash flow	$ 12	$ 70	$ (2)	$ 53

1 - CapEx by segment for the quarter: Americas $26M, EMEA $23M, Asia $20M

- **Key drivers impacting FY24 FCF:**
  - (+) Lower level of restructuring spend y-o-y
  - (+) Higher level of cash dividends from joint ventures
  - (+) Improved net customer tooling
  - (-) 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/recoveries
  - (-) Accrued comp increase resulting from timing of payroll and level of incentive compensation

Memo: At Mar 31, 2024, ~$131M of factored receivables (vs. ~$170M at Sep. 30, 2023). Adient uses various global factoring programs as a low-cost source of liquidity.

Debt and capital structure

Cash & Debt Profile

($ in millions)	3/31/2024 Amount
Cash & Cash Equivalents	$ 905
ABL Revolver, incl. FILO due 2027 [1]	-
Term Loan B due 2031	635
7.000% Secured Notes due 2028	500
Total Secured Debt	**1,135**
3.50% Notes (€123mm) due 2024	133
4.875% Notes due 2026	795
8.250% Notes due 2031	500
Other LT debt	3
Other Bank Borrowings	0
Deferred issuance costs	(31)
Total Debt	**2,535**

[1] Subject to ABL borrowing base availability. As of March 31, 2024, there were no draws outstanding and approximately $974 million was available under the ABL Credit Agreement.

Net Debt

(in $ millions)	March 31 2024	September 30 2023
Cash	$ 905	$ 1,110
Total Debt	2,535	2,535
Net Debt	$ 1,630	$ 1,425

- Adient returned $50M cash to shareholders in Q2FY24, repurchasing ~1.5M shares
  - $150M YTD share repurchases, ~4.5M shares retired
- Adient's net leverage ratio on a LTM basis is 1.71x, within the targeted range of 1.5x-2.0x [2]

2 - See appendix for reconciliation to non-GAAP metrics

Adient's balance sheet remains strong and flexible

FY24 Outlook – key financial metrics

Metric	FY24 Outlook
Consolidated sales	~$14.8B - $14.9B *Prior: ~15.4B - $15.5B*
Adj.-EBITDA	~$900M - $920M *Prior: ~985M*
Equity income Incl. in Adj.-EBITDA	~$80M *Prior: ~70M*
Interest expense	~$185M *No change from prior*
Cash taxes	~$105M *No change from prior*
Capex	~$310M *No change from prior*
Free cash flow	~$250M *Prior: $300M*

> Sales forecast at $14.8B - $14.9B, reflecting slower launch ramps, adverse customer mix and softer electric vehicle production

> Adj.-EBITDA at ~$900M - $920M, reflecting lower revenues, partially offset by improved performance

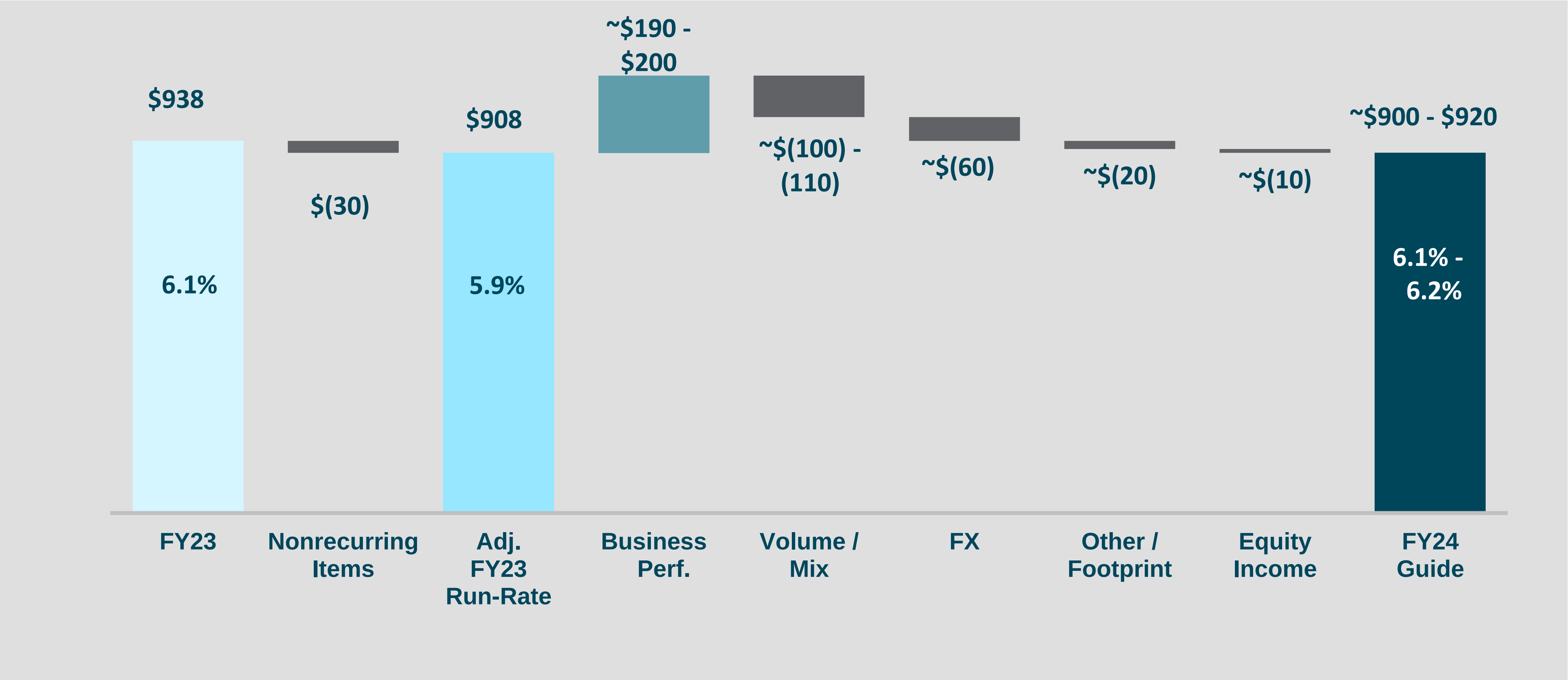
> Equity income forecast at ~$80M

> Free cash flow forecast at ~$250M, reflecting volume impacts on earnings

Adient continues to expect to generate strong free cash flow, underpinning its commitment to enhancing shareholder value

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

Year-on-year FY24 adj. EBITDA outlook drivers



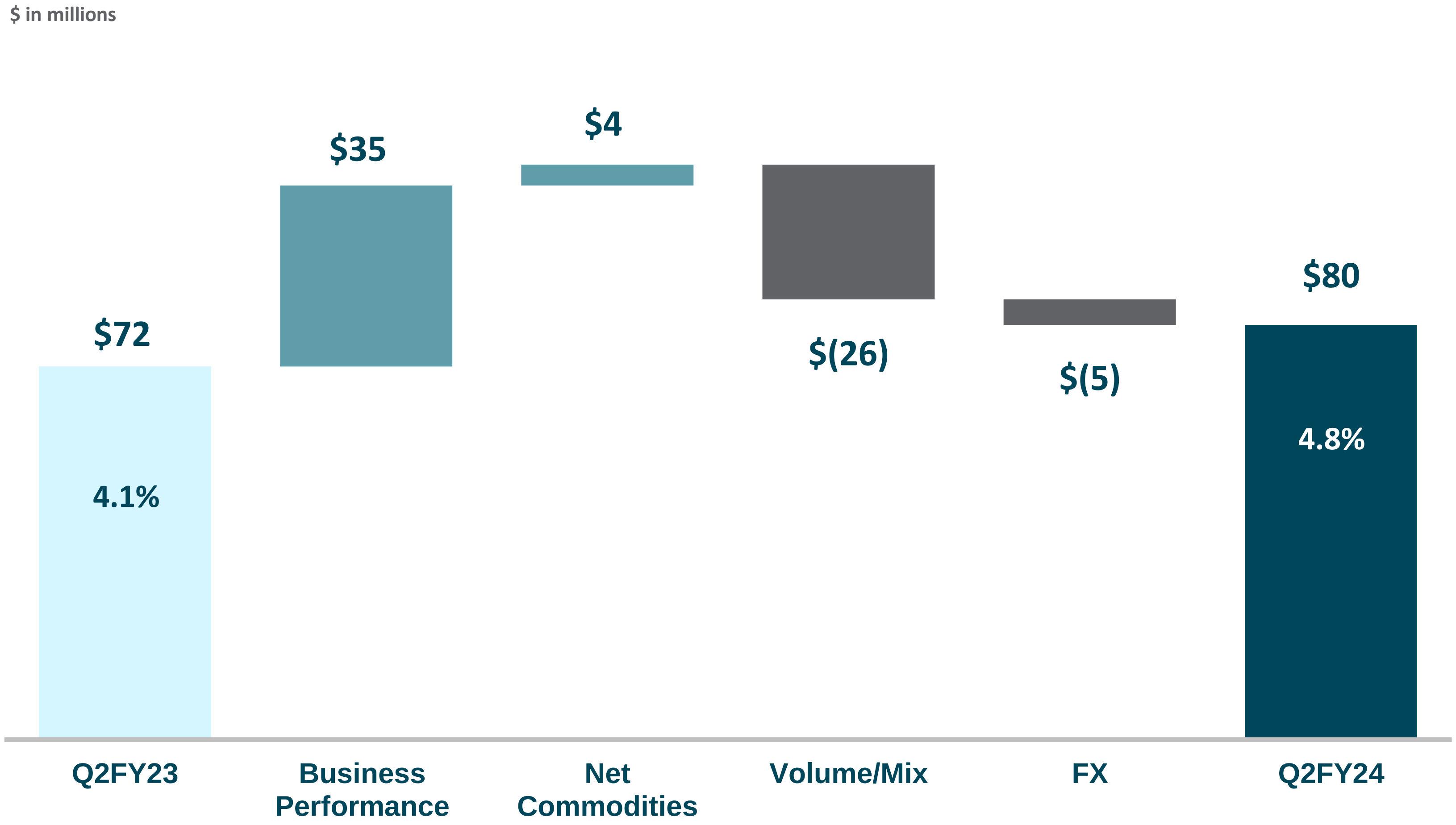
Appendix and financial reconciliations

FY2024 Second Quarter

Q2 FY24 Adjusted-EBITDA: Americas

Q2FY24 of $80M, up $8M y-o-y, driven by:

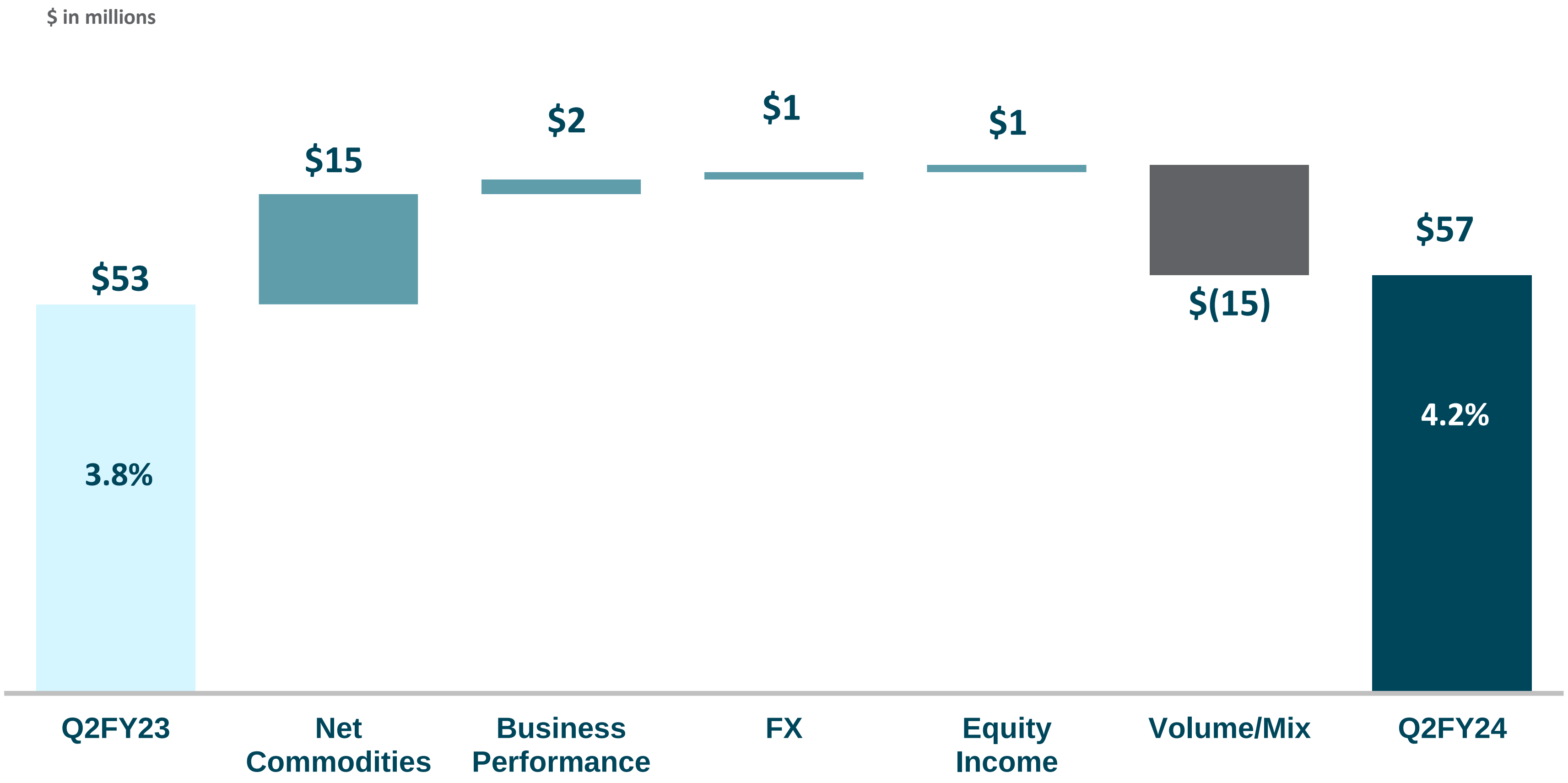
- Improved business performance of $35M, driven primarily by timing of commercial recoveries and improved freight costs, as well as certain compensation-related austerity measures. These benefits more than offset increased labor and overhead costs.
- Net commodities were an approximately $4M benefit
- Volume and mix was a headwind of $26M impacted by adverse customer mix and slower launches on key programs
- Transactional peso headwinds of $5M negatively impacted the quarter



Q2 FY24 Adjusted-EBITDA: EMEA

Q2FY24 of $57M, up $4M y-o-y, driven by:

- $15M benefits from net commodities resulting primarily from lower commodity costs
- Improved business performance of $2M, driven by:
  - Improved net material margin, lower input costs (i.e., freight), and SG&A efficiencies
  - Partially offsetting these improvements within business performance were labor and overhead cost increases and timing of customer launches
- Volume and mix was a $15M headwind driven by lower volumes and negative program mix



Q2 FY24 Adjusted-EBITDA: Asia

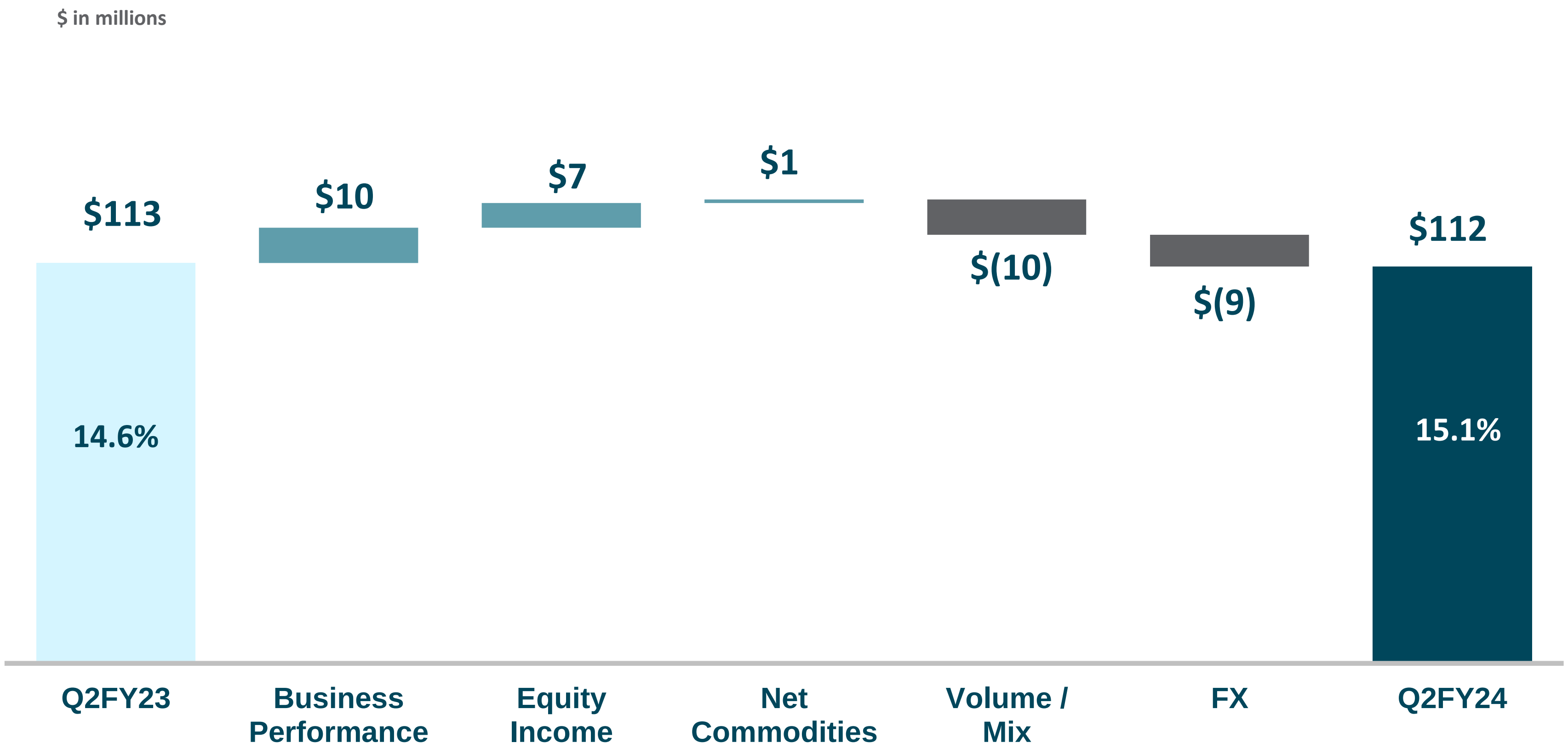
Q2FY24 of $112M, down $1M y-o-y, driven by:

> Improved business performance related to higher material margin and improved labor efficiencies, which more than offset increased launch costs

> Equity income was $7M higher driven primarily by improved sales within the company's joint ventures

> Volume and mix negatively impacted the quarter by $10M, driven by program mix headwinds

> FX was a $9M headwind within the quarter driven primarily by RMB, JPY, THB



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.

a) Adjusted EBIT is defined as income (loss) 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.
b) 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.
c) Adjusted net income attributable to Adient is defined as net income (loss) 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.
d) Adjusted effective tax rate is defined as adjusted income (loss) tax provision as a percentage of adjusted income (loss) before income taxes.
e) Adjusted earnings per share is defined as adjusted net income attributable to Adient divided by diluted weighted average shares.
f) 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.
g) Adjusted interest expense is defined as net financing charges excluding unusual or one-time items impacting interest expense.
h) Free cash flow is defined as cash provided by operating activities less capital expenditures.
i) Net debt is calculated as gross debt (short-term and long-term) less cash and cash equivalents.
j) Net leverage ratio is calculated as net debt divided by adjusted EBITDA for the last four quarters.
k) FX adjusted sales is defined as third party sales less the impact of currency movements between periods.

Non-GAAP Reconciliations - Adj.-EBIT, Adj.-EBITDA, and Adj.-Net income

(a) & (b) Adjusted EBIT and Adjusted EBITDA

(in $ millions)	Three months ended March 31 2024	Three months ended March 31 2023
Net income (loss)	$ (49)	$ 10
Net financing charges	47	59
Other pension expense	2	2
Income tax expense (benefit)	8	25
Earnings before interest and income taxes (EBIT)	$ 8	$ 96
EBIT adjustments:		
Restructuring charges [2]	125	17
Purchase accounting amortization [3]	13	14
Restructuring related activities [4]	2	-
Impairment of interests in non-consolidated partially owned affiliates [6]	-	7
Transaction costs	-	1
Brazil indirect tax recoveries	(1)	(1)
EBIT adjustments total	139	38
Adjusted EBIT	$ 147	$ 134
EBITDA adjustments:		
Depreciation	70	71
Stock base compensation	10	10
Adjusted EBITDA	$ 227	$ 215
Net Sales	3,750	3,912
Net income as % of sales	(1.3)%	0.3%
EBIT as % of net sales	0.2%	2.5%
Adjusted EBIT as % of net sales	3.9%	3.4%
Adjusted EBITDA as % of net sales	6.1%	5.5%

(c) Adjusted net income attributable to Adient

(in $ millions)	Three months ended March 31 2024	Three months ended March 31 2023
Net income (loss) attributable to Adient	$ (70)	$ (15)
Net income adjustments:		
EBIT adjustment items total - see table (a) & (b)	139	38
Tax impact of EBIT adjustments and other tax items - see table (d)	(20)	(2)
Fees paid on Term Loab B modifications	1	-
Premium paid on repurchase of debt	-	7
Write off of deferred financing costs upon repurchase of debt	-	4
Impact of adjustments on noncontrolling interests [7]	(1)	(1)
Net income adjustments total	119	46
Adjusted net income attributable to Adient	$ 49	$ 31

Refer to the Footnote Addendum for footnote explanations

Non-GAAP Reconciliations - Adjusted income tax expense, effective tax rate

(d) Adjusted income tax expense and effective tax rate

(in $ millions, except effective tax rate)	Three Months Ended March 31, 2024			2023		
	Income (loss) before Income Taxes	Income tax expense (benefit)	Effective tax rate	Income (loss) before Income Taxes	Income tax expense (benefit)	Effective tax rate
As reported	$ (41)	$ 8	(19.5)%	$ 35	$ 25	71.4%
Adjustments						
EBIT Adjustments - see table (a) & (b)	139	3	2.2%	38	1	2.6%
Tax audit closures and statute expirations	-	14	NM	-	1	NM
Net financing charges	1	-	-%	11	-	-%
FX remeasurements of tax balances	-	3	NM	-	2	NM
Other	-	-	NM	-	(2)	NM
Subtotal of adjustments	140	20	14.3%	49	2	4.1%
As adjusted	$ 99	$ 28	28.3%	$ 84	$ 27	32.1%

Non-GAAP Reconciliations - Adjusted diluted earnings per share, adj. equity income, adj. net financing charges

(e) Adjusted diluted earnings per share

(in $ millions, except per share data)	Three months ended March 31 2024	Three months ended March 31 2023
Numerator:		
Adjusted net income attributable to Adient - see table (c)	$ 49	$ 31
Denominator:		
Basic weighted average shares outstanding	90.5	95.3
Effect of dilutive securities:		
Unvested restricted stock and unvested performance share awards	0.7	0.8
Adjusted weighted average shares outstanding	91.2	96.1
Adjusted diluted earnings per share	$ 0.54	$ 0.32

	Three months ended March 31 2024	Three months ended March 31 2023
Diluted earnings (loss) per share as reported	$ (0.77)	$ (0.16)
EBIT adjustments total	1.53	0.40
Tax impact of EBIT adjustments and other tax items	(0.22)	(0.02)
Fees paid on Term Loab B modifications	0.01	-
Premium paid on repurchase of debt	-	0.07
Write off of deferred financing costs upon repurchase of debt	-	0.04
Impact of adjustments on noncontrolling interests	(0.01)	(0.01)
Adjusted diluted earnings per share	$ 0.54	$ 0.32

(f) Adjusted equity income

(in $ millions)	Three Months Ended March 31 2024	Three Months Ended March 31 2023
Equity income	$ 18	$ 4
Equity income adjustments:		
Impairment of interests in nonconsolidated partially owned affiliates	-	7
Purchase accounting amortization	1	1
Equity income adjustments total	1	8
Adjusted equity income	$ 19	$ 12

(g) Adjusted interest expense

(in $ millions)	Three Months Ended March 31 2024	Three Months Ended March 31 2023
Net financing charges	$ 47	$ 59
Interest expense adjustments		
Premium paid on repurchase of debt	-	(7)
Write off of deferred financing costs upon repurchase of debt	-	(4)
Fees paid on Term Loan B modifications	(1)	-
Interest expense adjustments total	(1)	(11)
Adjusted net financing charge	$ 46	$ 48

Non-GAAP Reconciliations - Free cash flow, net leverage, prior year fx-adjusted consolidated and unconsolidated sales

(h) Free cash flow

(in $ millions)	Three Months Ended March 31 2024	Three Months Ended March 31 2023	Six Months Ended March 31 2024	Six Months Ended March 31 2023
Operating cash flow	$ 81	$ 126	$ 122	$ 170
Capital expenditures	(69)	(56)	(124)	(117)
Free cash flow	$ 12	$ 70	$ (2)	$ 53

(i) & (j) Net debt and leverage ratio

(in $ millions)	March 31 2024	September 30 2023
Numerator:		
Short-term debt	$ -	$ 2
Current portion of long-term debt	134	132
Long-term debt	2,401	2,401
Total Debt	$ 2,535	$ 2,535
Less: cash and cash equivalents	(905)	(1,110)
Net Debt	$ 1,630	$ 1,425
Denominator:		
Adjusted EBITDA - last four quarters	$ 954	$ 938
Net Leverage	1.71	1.52

Unconsolidated Sales (FX adjusted)

(in $ millions)

	FY2023	
Unconsolidated Net Sales	Q1	Q2
As reported	$ 976	$ 818
FX Impact	(32)	(56)
FX Adjusted	944	762

Consolidated Sales (FX adjusted)

(in $ millions)

	FY2023	
Consolidated Net Sales	Q1	Q2
As reported	$ 3,699	$ 3,912
FX Impact	56	28
FX Adjusted	3,755	3,884

Non-GAAP Reconciliations - 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

	Q2 2023					Q2 2024				
	Americas	EMEA	Asia	Corporate/ Eliminations	Consolidated	Americas	EMEA	Asia	Corporate/ Eliminations	Consolidated
Net Sales	1,761	1,401	774	(24)	3,912	1,660	1,370	742	(22)	3,750
Adjusted EBITDA	72	53	113	(23)	215	80	57	112	(22)	227
Adjusted Equity Income	1	3	8	-	12	1	4	14	-	19
Depreciation	32	27	12	-	71	30	28	12	-	70
Capex	26	19	11	-	56	26	23	20	-	69

	YTD 2023					YTD 2024				
	Americas	EMEA	Asia	Corporate/ Eliminations	Consolidated	Americas	EMEA	Asia	Corporate/ Eliminations	Consolidated
Net Sales	3,485	2,583	1,595	(52)	7,611	3,307	2,638	1,512	(47)	7,410
Adjusted EBITDA	141	81	251	(46)	427	160	102	226	(45)	443
Adjusted Equity Income	2	6	31	-	39	2	8	34	-	44
Depreciation	66	52	22	-	140	64	55	23	-	142
Capex	63	33	21	-	117	47	47	30	-	124

Non-GAAP reconciliations - footnote addendum

(1) Corporate-related costs not allocated to the segments include executive office, communications, corporate development, legal and corporate finance.

(2) Reflects restructuring charges for costs that are probable and reasonably estimable and one-time asset impairments related to restructuring activities.

(3) Reflects amortization of intangible assets including those related to partially owned affiliates recorded within equity income.

(4) Reflects restructuring-related charges for costs that are recorded as incurred or as earned and are directly attributable to restructuring activities.

(5) Other items include:

	Three Months Ended March 31	
(in $ millions)	**2024**	**2023**
Transaction costs	$ -	$ (1)
Brazil indirect tax recoveries	1	1
	$ 1	$ -

(6) The three months ended March 31, 2023 reflects $4 million and $3 million of non-recurring impairment to certain of Adient's investments in nonconsolidated partially-owned affiliates in Asia and EMEA, respectively.

(7) Reflects the impact of adjustments, primarily purchase accounting amortization on noncontrolling interests.