

The background of the slide features a dark blue overlay on a city skyline at dusk. The skyline includes several tall skyscrapers, with the Burj Khalifa being the most prominent. The city lights are reflected in the water in the foreground. On the left side, there is a large, stylized yellow arrow pointing to the right. The OTIS logo is displayed in large, white, bold, sans-serif capital letters.

OTIS

Q1 2025 Earnings Call April 23, 2025

Forward-Looking Statements

Note: All results and expectations in this presentation reflect continuing operations unless otherwise noted.

This communication contains statements which, to the extent they are not statements of historical or present fact, constitute "forward-looking statements" under the securities laws. From time to time, oral or written forward-looking statements may also be included in other information released to the public. These forward-looking statements are intended to provide management's current expectations or plans for Otis' future operating and financial performance, based on assumptions currently believed to be valid. Forward-looking statements can be identified by the use of words such as "believe," "expect," "expectations," "plans," "strategy," "prospects," "estimate," "project," "target," "anticipate," "will," "should," "see," "guidance," "outlook," "medium-term," "near-term," "confident," "goals" and other words of similar meaning in connection with a discussion of future operating or financial performance. Forward-looking statements may include, among other things, statements relating to future sales, earnings, cash flow, results of operations, uses of cash, dividends, share repurchases, tax rates, research & development spend, restructuring or transformation actions (including UpLift and related reorganization and outsourcing activities and China), credit ratings, net indebtedness and other measures of financial performance or potential future plans, strategies or transactions, or statements that relate to climate change and our intent to achieve certain environmental, social and governance targets or goals, including operational impacts and costs associated therewith, and other statements that are not historical facts. All forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. For those statements, Otis claims the protection of the safe harbor for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. Such risks, uncertainties and other factors include, without limitation: (1) the effect of economic conditions in the industries and markets in which Otis and its businesses operate and any changes therein, including financial market conditions, fluctuations in commodity prices and other inflationary pressures, interest rates and foreign currency exchange rates, levels of end market demand in construction, pandemic health issues, natural disasters, whether as a result of climate change or otherwise, and the financial condition of Otis' customers and suppliers; (2) the effect of changes in political conditions in the U.S. and in other countries in which Otis and its businesses operate, including increasing tensions between the U.S. and China, on general market conditions, commodity costs, global trade policies and related sanctions, export controls and tariffs, and currency exchange rates in the near term and beyond; (3) the effect of geopolitical conflicts, including the effect of the on-going conflict between Russia and Ukraine and conflicts in the Middle East; (4) challenges in the development, production, delivery, support, performance and realization of the anticipated benefits of advanced technologies and new products and services; (5) future levels of indebtedness, capital spending and research and development spending; (6) future availability of credit and factors that may affect such availability or costs thereof, including credit market conditions and Otis' capital structure; (7) the timing and scope of future repurchases of Otis' common stock, which may be suspended at any time due to various factors, including market conditions and the level of other investing activities and uses of cash; (8) fluctuations in prices and delays and disruption in delivery of materials and services from suppliers, whether as a result of changes in general economic conditions, geopolitical conflicts or otherwise; (9) cost reduction or containment actions, restructuring or transformation costs and related savings and other consequences thereof, including with respect to UpLift and China and related impacts of reorganization and outsourcing activities and change management, as applicable; (10) new business and investment opportunities; (11) the outcome of legal proceedings, investigations and other contingencies; (12) pension plan assumptions and future contributions; (13) the impact of the negotiation of collective bargaining agreements and labor disputes, labor actions, including strikes or work stoppages, and labor inflation in the markets in which Otis and its businesses operate globally; (14) the effect of changes in tax, environmental, regulatory (including among other things import/export, tariffs, climate change or other ESG-related legal and regulatory changes) and other laws and regulations in the U.S., including in connection with the new administration's policies and priorities, and other countries in which Otis and its businesses operate; (15) the ability of Otis to retain and hire key personnel; (16) the scope, nature, impact or timing of acquisition and divestiture activity, the integration of acquired businesses into existing businesses and realization of synergies and opportunities for growth and innovation and incurrence of related costs; (17) the determination by the Internal Revenue Service (the "IRS") and other tax authorities that the distribution or certain related transactions should be treated as taxable transactions in connection with the separation (the "Separation") of Otis and Carrier Global Corporation ("Carrier") from United Technologies Corporation (now known as RTX Corporation ("RTX")); and (18) our obligations and disputes that have or may hereafter arise under the agreements we entered into with RTX and Carrier in connection with the Separation. The above list of factors is not exhaustive or necessarily in order of importance. For additional information on identifying factors that may cause actual results to vary from those stated in forward-looking statements, see Otis' registration statement on Form 10 and the reports of Otis on Forms 10-K, 10-Q and 8-K filed with or furnished to the SEC from time to time. Any forward-looking statement speaks only as of the date on which it is made, and Otis assumes no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

Q1 2025 highlights

Solid performance to start the year...

- Service organic¹ sales up 4%... modernization up 10%
- Modernization orders up 12%; backlog up 14% at constant currency¹
- Margin expansion in both segments... Service expanded 40 bps, New Equipment expanded 20 bps
- Adjusted EPS¹ up 5%
- Adjusted free cash flow¹ of \$186M... up 20%

...Delivering stakeholder value

- Repurchased ~\$250M of shares
- Increased quarterly dividend by 8% in April... increased 110% since spin
- Otis recognized by Fortune Magazine as one of the World's Most Admired Companies
- Otis recognized on Wall Street Journal's Best-Managed Companies List

¹ See appendix for additional information regarding these non-GAAP financial measures.

Q1 2025

4%

Portfolio growth

40 bps

adjusted operating profit
margin expansion¹

5%

adjusted EPS growth¹



OTIS
LISTED
NYSE

Q1 2025 orders & portfolio

Orders ¹	
	Y/Y
New Equipment & modernization orders	2%
New Equipment & modernization backlog	0%
New Equipment orders	(1)%
New Equipment backlog	(3)%
Modernization orders	12%
Modernization backlog	14%
Service	
	Y/Y
Portfolio units	4%

¹ At constant currency. See appendix for additional information regarding these non-GAAP financial measures.

Q1 2025 Orders



Christ the Redeemer
Rio de Janeiro, Brazil



A - Train AB
Stockholm, Sweden



Hangzhou Metro, China

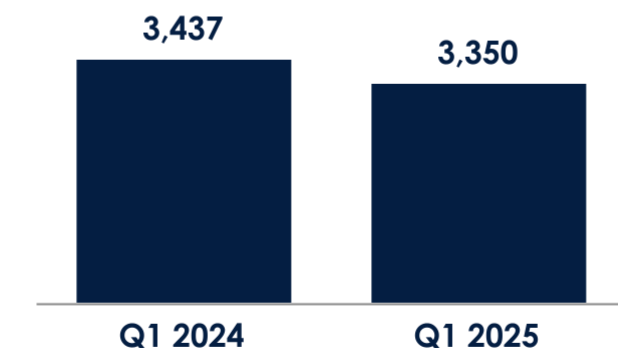


Prestige
Mumbai, India

Q1 2025 results

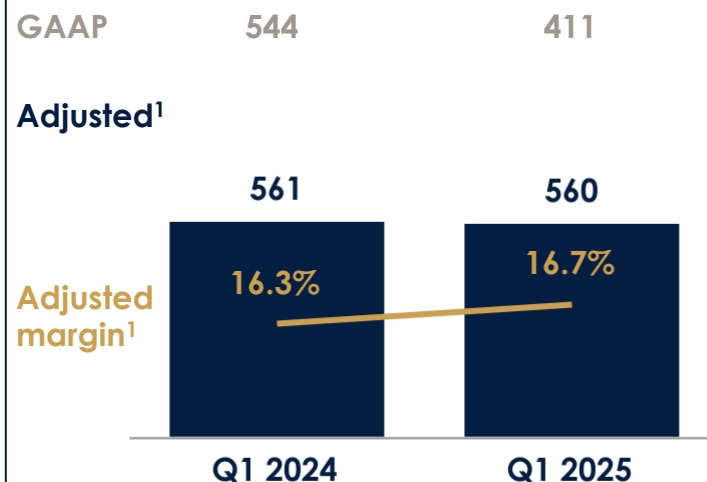
(\$ millions, except per share amounts)

Sales



Organic ¹	0%
FX	(3%)
Net acquisitions/other	0%
Total net sales	(3%)

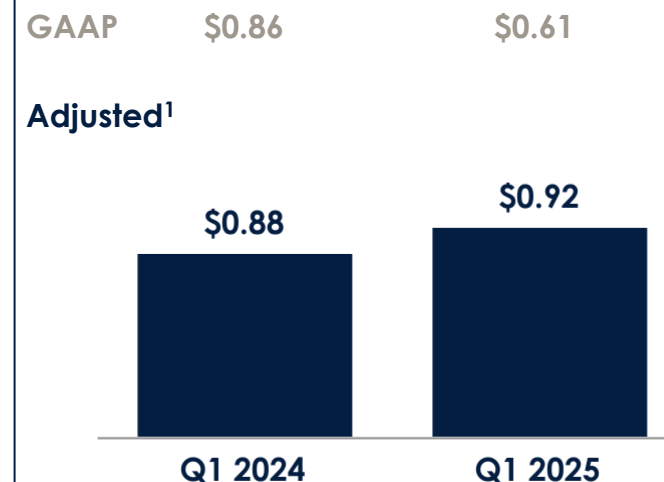
Operating profit



Adjusted operating profit up \$15M at constant currency¹, excluding \$16M of FX headwinds

Adjusted operating profit margin¹ expanded 40 basis points to 16.7%, driven by favorable segment performance and mix

Diluted earnings per share



Adjusted EPS¹ drivers

Operational	\$0.03
FX	(\$0.03)
Taxes	\$0.01
NCI	\$0.01
Shares	\$0.02

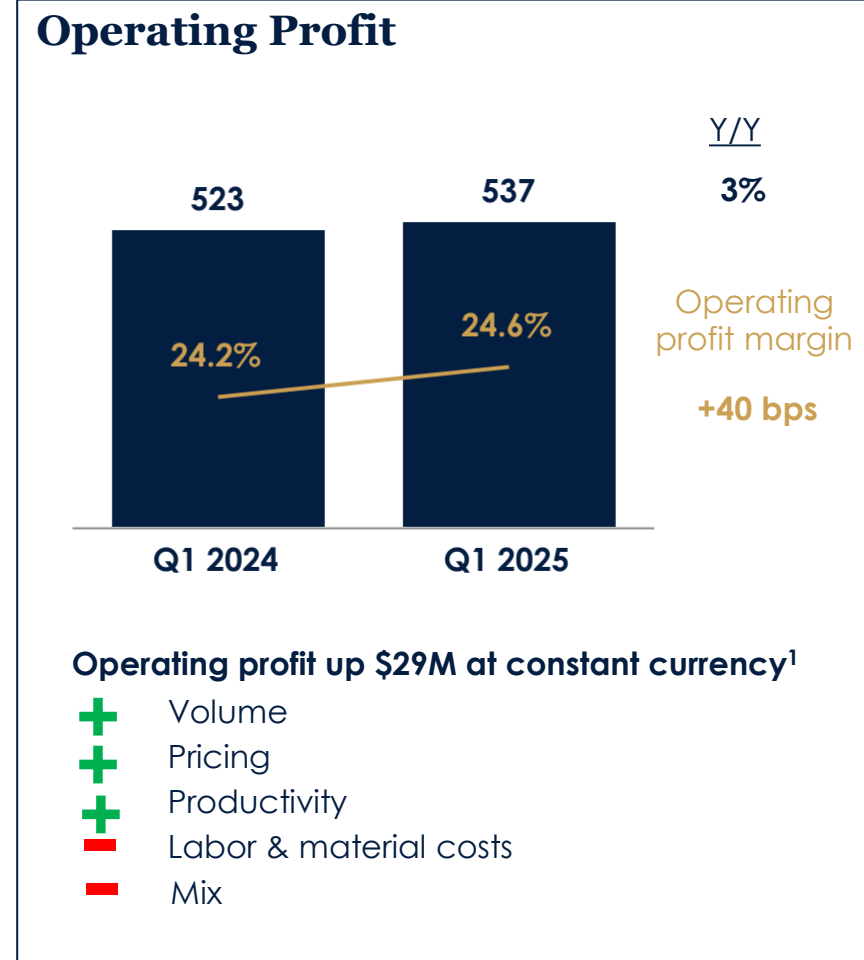
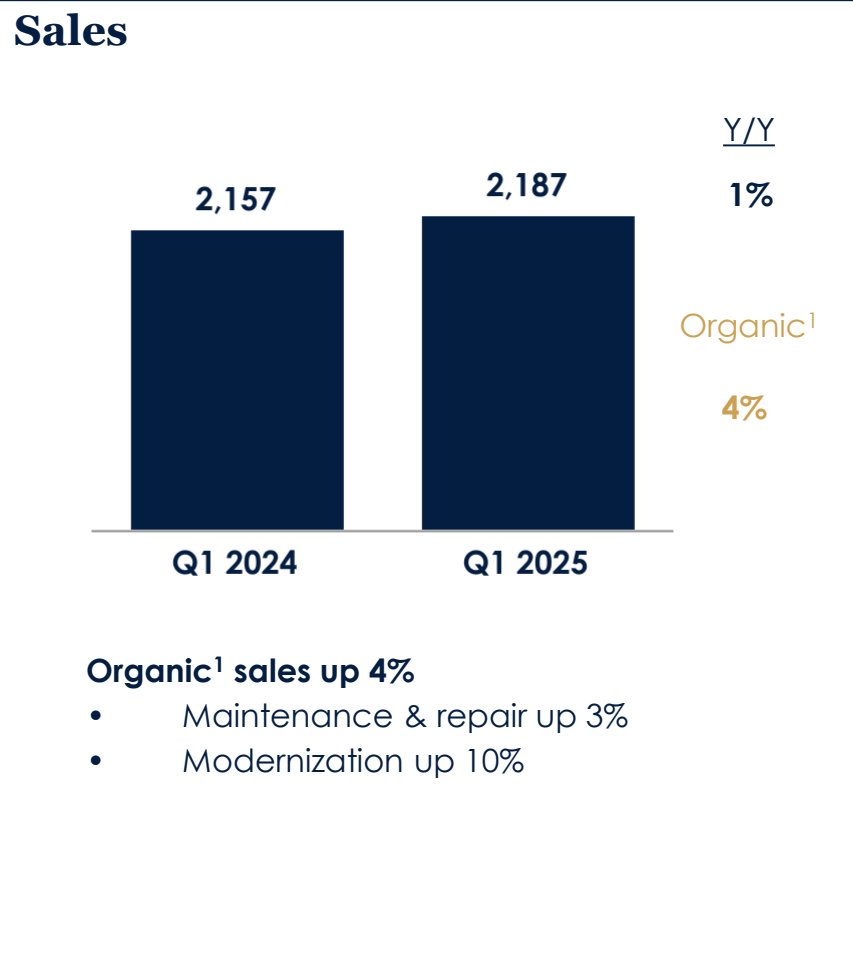
¹ See appendix for additional information regarding these non-GAAP financial measures.

Q1 2025 Service segment results

(\$ millions)



Segment Operating Profit



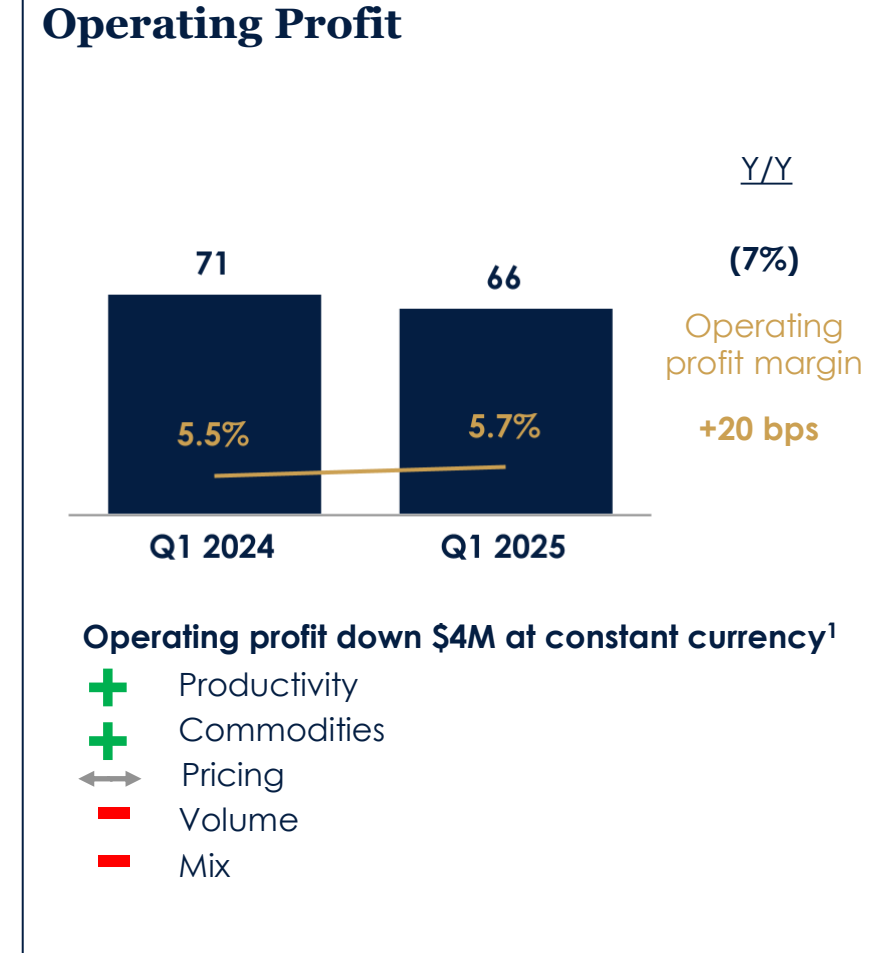
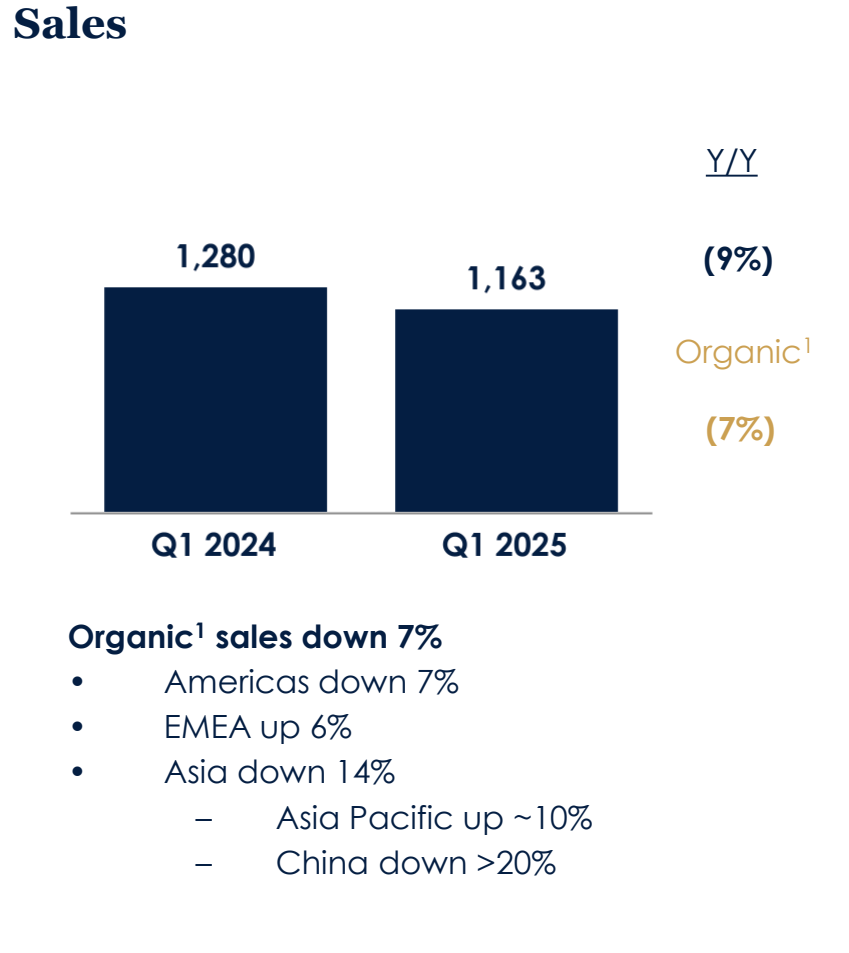
¹ See appendix for additional information regarding these non-GAAP financial measures.

Q1 2025 New Equipment segment results

(\$ millions)



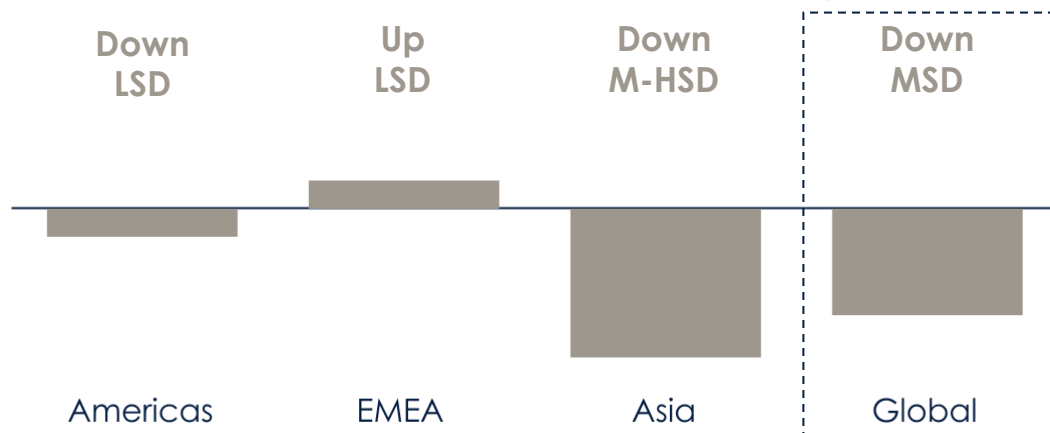
Segment Operating Profit



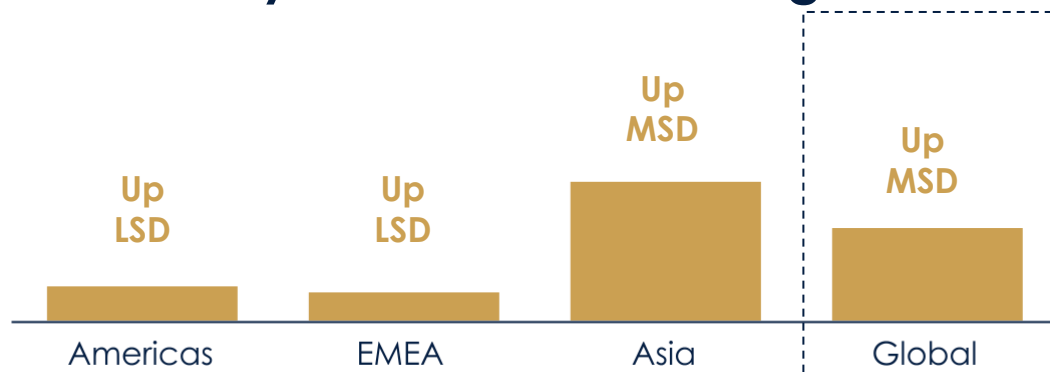
¹ See appendix for additional information regarding these non-GAAP financial measures.

Industry & 2025 outlook¹

Industry new equipment unit growth¹



Industry installed base unit growth¹



¹ Based on Otis internal estimates. LSD: low single digits; MSD: mid single digits; HSD: high single digits.

² See appendix for additional information regarding these non-GAAP financial measures.

Otis

- **Net sales** of \$14.6B to \$14.8B; organic² up 2% to 4%
- **Adjusted operating profit²** of \$2.4B to \$2.5B, up \$105M to \$135M at constant currency² excluding (\$75M) to (\$45M) of tariff impact
- **Adjusted EPS²** \$4.00 to \$4.10, up 4% to 7%
- **Adjusted free cash flow²** of ~\$1.6B
- **Disciplined capital allocation**
 - Share repurchases of ~\$800M

2025 organic¹ sales outlook

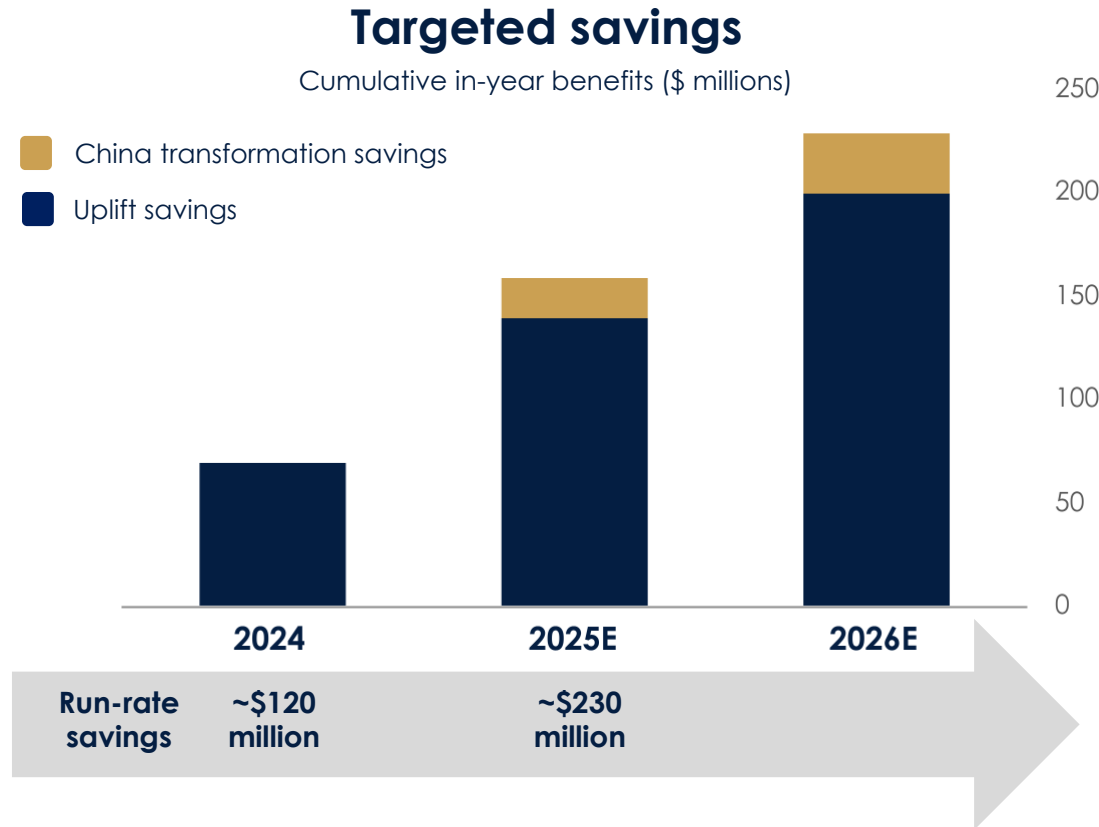
	Prior outlook (Jan 29, 2025)	Current outlook
New Equipment	down 1% to 4%	down 1% to 4%
Americas	down low single	down mid-single
EMEA	up low to mid-single	up mid-single
Asia	down low to mid-single	down mid-single
Service	up 6% to 7%	up 5% to 7%
Maintenance & repair	up mid-single	up mid-single
Modernization	up high single	up low teens
Otis	up 2% to 4%	up 2% to 4%

Outlook drivers

- Strong maintenance portfolio growth and disciplined pricing
- Robust modernization and repair performance
- New Equipment market challenges in China
- Global trade policy developments

¹ See appendix for additional information regarding these non-GAAP financial measures.

Multiple initiatives to drive customer centricity and profitability¹



¹ Uplift is expected to result in approximately \$300 million of restructuring and other incremental costs. China Transformation is expected to result in restructuring costs of approximately \$40 million.

UpLift

- Harnessing our scale
- Optimizing our supply chain
- Delivering process improvement and standardization
- Targeting ~\$200M in run-rate savings by year end

China Transformation

- Driving modernization and Service growth
- Optimizing organizational structure
- Targeting ~\$30M in run rate savings by year end

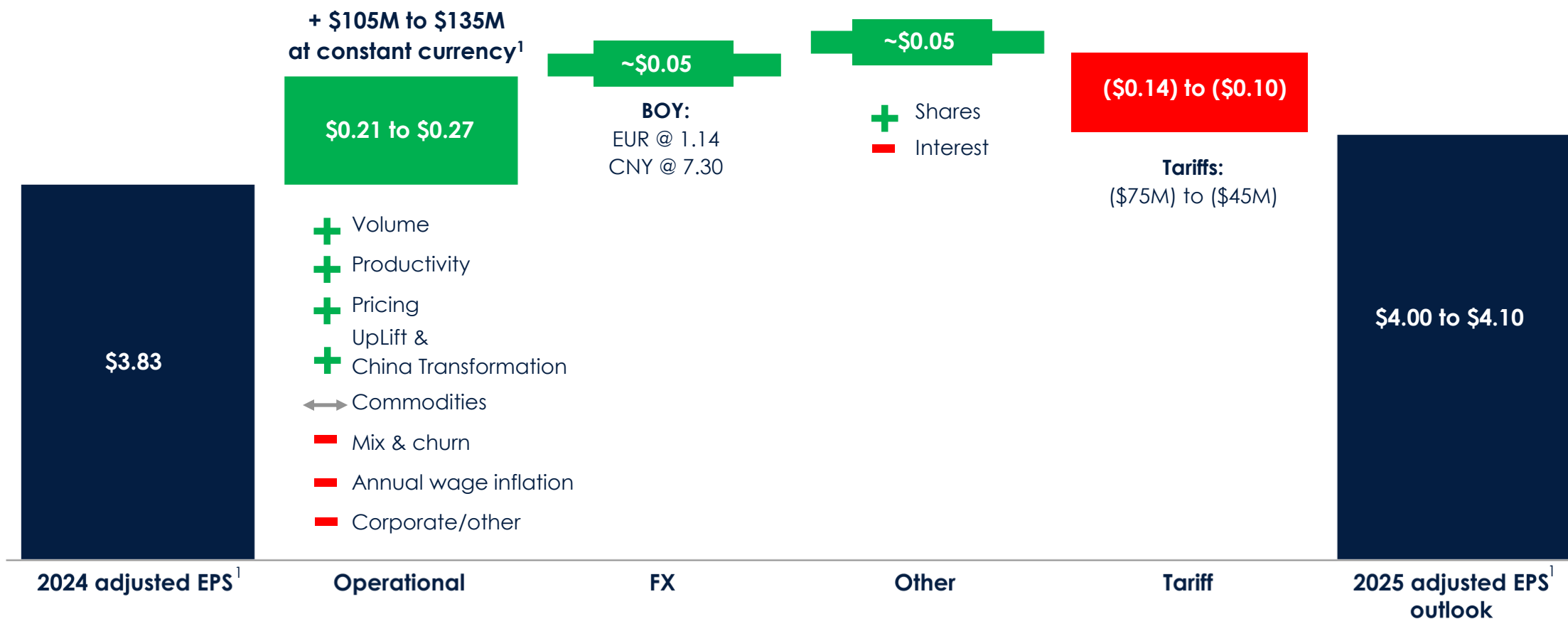
2025 financial outlook

	Prior outlook (Jan 29, 2025)	Current outlook
Constant currency adj. op profit ¹ ex-2025 tariffs	up \$120M to \$150M	up \$105M to \$135M
Actual currency adj. op profit ¹ with 2025 tariffs	up \$55M to \$105M	up \$55M to \$105M
Total adjusted operating profit ¹ margin	up ~60 bps	up ~50bps (ex-2025 tariffs) up ~10bps (with 2025 tariffs)
Adjusted free cash flow ^{1,2}	~\$1.6B	~\$1.6B
Share repurchases	~\$800 million	~\$800 million

¹ See appendix for additional information regarding these non-GAAP financial measures.

² Expected annual tax related toll charge payments are anticipated to conclude in 2026: 2024 \$50M, 2025E \$50M, 2026E \$60M.

2025 adjusted EPS¹ growth outlook drivers



Guide unchanged... 4% to 7% adjusted EPS¹ growth

¹ See appendix for additional information regarding these non-GAAP financial measures.

OTIS

A photograph of the Chicago skyline at dusk, featuring the Willis Tower prominently in the center. A semi-transparent dark blue rectangle is overlaid on the image, serving as a background for the text.

Appendix

Tariff impact and exposure

	Annual purchases	Incremental Annual impact
U.S. imports from China	Section 232 ~\$50M Reciprocal ~\$50M	~ \$90M
U.S. imports from Rest of the World	Canada / Mexico largely covered under USMCA; RoW 10% reciprocal	~ \$10M
China imports from U.S.	Not material	

Mitigating actions

Mitigation actions underway:

- Customer & supply chain negotiations
- US. supply chain localization
- Contract language protection

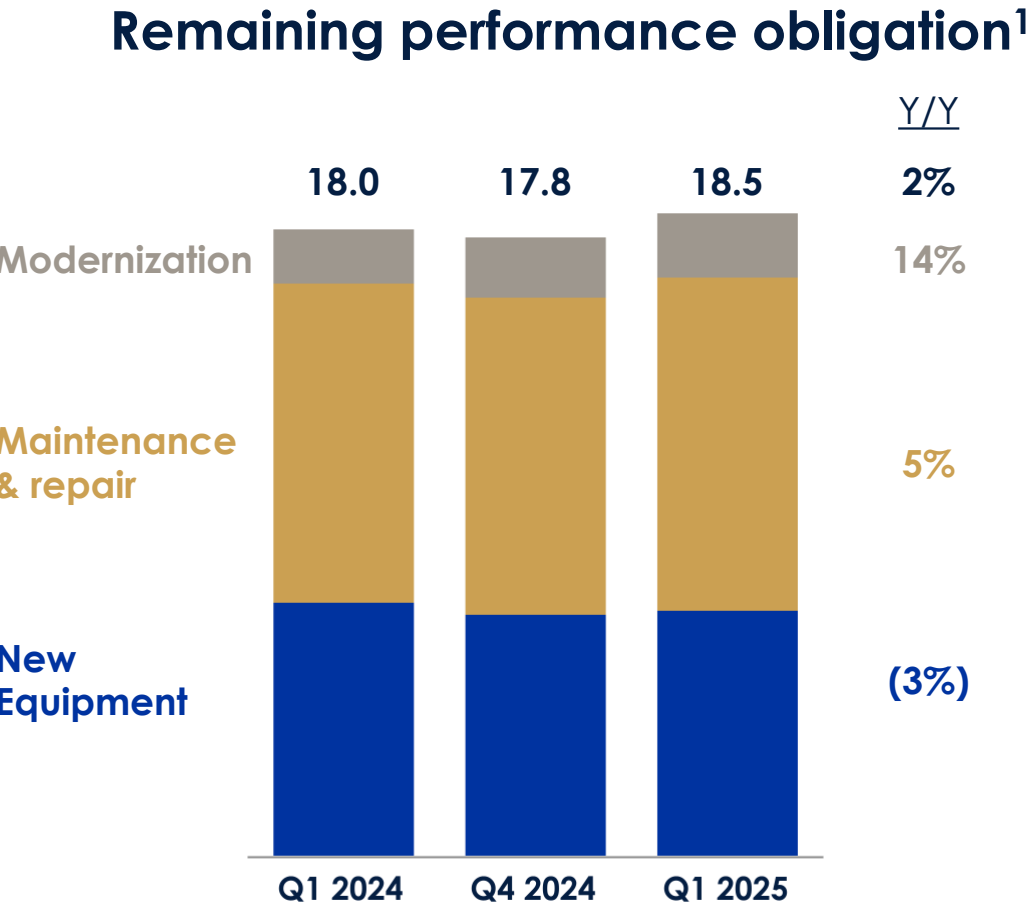
Evaluating long-term strategies:

- Production localization for select products
- International sourcing changes

Tariff impact of ~\$60 million in 2025 from current backlog, included in outlook

Backlog and orders

(\$ billions, at constant currency¹)



New Equipment orders

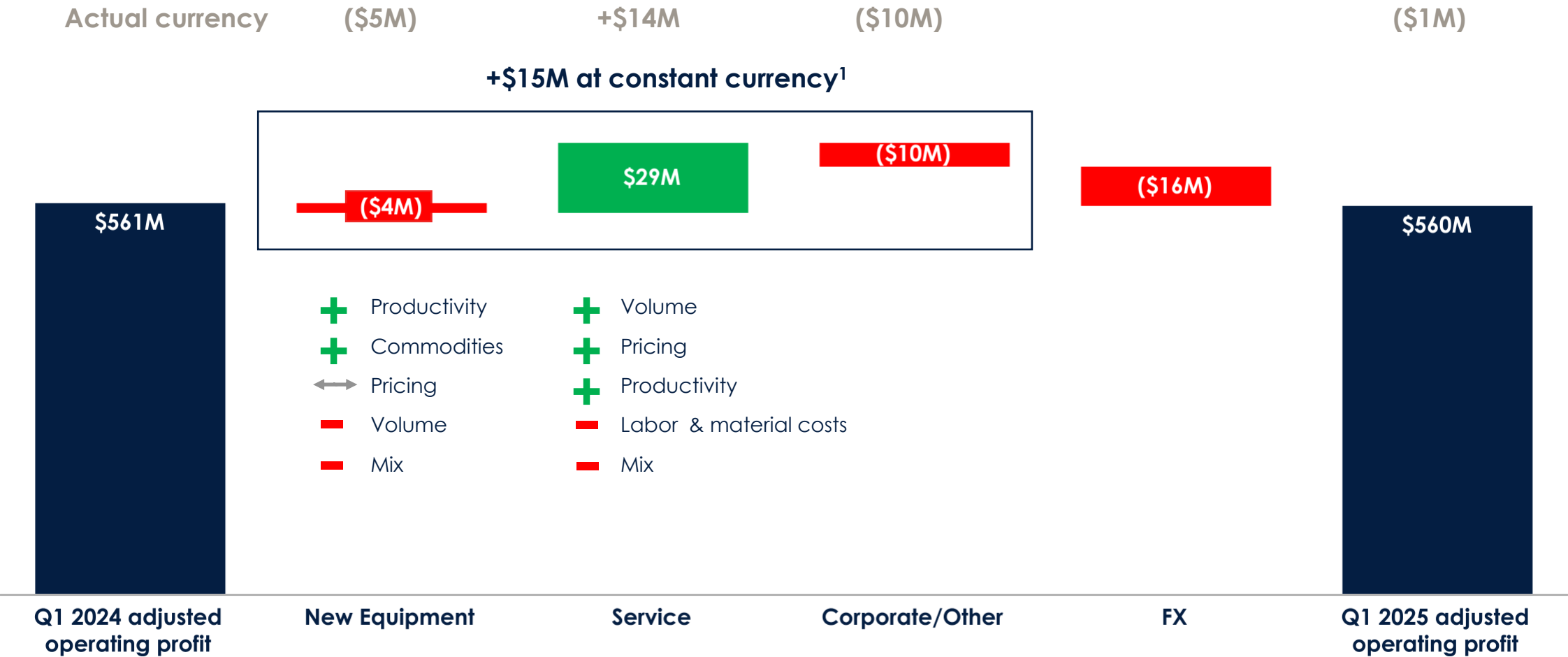
Region	Q1 2025 Y/Y
Total Otis	(1%)
Americas	16%
EMEA	(4%)
Asia	(10%)

Modernization orders

	Q1 2025 Y/Y
Total Otis	12%

¹ See additional information regarding these non-GAAP financial measures.

Q1 2025 adjusted operating profit¹ drivers



Adjusted operating profit margin¹ expanded 40 basis points to 16.7%

¹ See additional information regarding these non-GAAP financial measures.

Use and Definitions of Non-GAAP Financial Measures

Otis Worldwide Corporation ("Otis") reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP"). We supplement the reporting of our financial information determined under GAAP with certain non-GAAP financial information. The non-GAAP information presented provides investors with additional useful information, but should not be considered in isolation or as substitutes for the related GAAP measures. Moreover, other companies may define non-GAAP measures differently, which limits the usefulness of these measures for comparisons with such other companies. We encourage investors to review our financial statements and publicly filed reports in their entirety and not to rely on any single financial measure. A reconciliation of the non-GAAP measures (referenced in this press release) to the corresponding amounts prepared in accordance with GAAP appears in the attached tables. These tables provide additional information as to the items and amounts that have been excluded from the adjusted measures. Below are our non-GAAP financial measures:

Non-GAAP measure	Definition
Adjusted net sales	Represents net sales (a GAAP measure), excluding significant items of a non-recurring and/or nonoperational nature ("other significant items").
Organic sales	Represents consolidated net sales (a GAAP measure), excluding the impact of foreign currency translation, acquisitions and divestitures completed in the preceding twelve months and other significant items of a non-recurring and/or nonoperational nature ("other significant items"). Management believes organic sales is a useful measure in providing period-to-period comparisons of the results of the Company's ongoing operational performance.
Adjusted selling, general and administrative ("SG&A") expense	Represents SG&A expense (a GAAP measure), excluding restructuring costs and other significant items.
Adjusted operating profit	Represents income from continuing operations (a GAAP measure), excluding restructuring costs and other significant items.
Adjusted net interest expense	Represents net interest expense (a GAAP measure), adjusted for the impacts of non-recurring acquisition related financing costs and related net interest expense pending the completion of a transaction and other significant items.
Adjusted noncontrolling interest in earnings	Represents noncontrolling interest in earnings (a GAAP measure), excluding restructuring costs and other significant items, including related tax effects.
Adjusted net income	Represents net income attributable to Otis Worldwide Corporation (a GAAP measure), excluding restructuring costs and other significant items, including related tax effects.
Adjusted earnings per share ("EPS")	Represents diluted earnings per share attributable to common shareholders (a GAAP measure), adjusted for the per share impact of restructuring and other significant items, including related tax effects.
Adjusted effective tax rate	Represents the effective tax rate (a GAAP measure) adjusted for other significant items and the tax impact of restructuring costs and other significant items.
Constant currency	GAAP financial results include the impact of changes in foreign currency exchange rates ("AFX"). We use the non-GAAP measure "at constant currency" or "CFX" to show changes in our financial results without giving effect to period-to-period currency fluctuations. Under U.S. GAAP, income statement results are translated in U.S. dollars at the average exchange rate for the period presented. Management believes that this non-GAAP measure is useful in providing period-to-period comparisons of the results of the Company's ongoing operational performance.
Free cash flow	Represents cash flow from operations (a GAAP measure) less capital expenditures. Management believes free cash flow is a useful measure of liquidity and an additional basis for assessing Otis' ability to fund its activities, including the financing of acquisitions, debt service, repurchases of common stock and distribution of earnings to shareholders. Free cash flow should not be considered an alternative to, or more meaningful than, net cash flows provided by operating activities, or any other measure of liquidity presented in accordance with GAAP.
Adjusted free cash flow	Represents cash flow from operations (a GAAP measure) less capital expenditures, adjusted to exclude certain items management believes affect the comparability of operating results. Management believes adjusted free cash flow is a useful measure of liquidity that provides investors additional information regarding the Company's ability to fund its activities, including the financing of acquisitions, debt service, repurchases of common stock and distribution of earnings to shareholders. Adjusted free cash flow should not be considered an alternative to, or more meaningful than, net cash flows provided by operating activities, or any other measure of liquidity presented in accordance with GAAP.

Management believes that organic sales, adjusted SG&A, adjusted operating profit, adjusted net interest expense, adjusted noncontrolling interest in earnings, adjusted net income, adjusted EPS and the adjusted effective tax rate are useful measures in providing period-to-period comparisons of the results of the Company's ongoing operational performance. When we provide our expectations for adjusted net sales, organic sales, adjusted operating profit, adjusted net interest expense, adjusted noncontrolling interest in earnings, adjusted net income, adjusted effective tax rate, adjusted EPS, free cash flow and adjusted free cash flow on a forward-looking basis, a reconciliation of the differences between the non-GAAP expectations and the corresponding GAAP measures (expected diluted EPS from continuing operations, operating profit, the effective tax rate, net sales and expected cash flow from operations) generally is not available without unreasonable effort due to potentially high variability, complexity and low visibility as to the items that would be excluded from the GAAP measure in the relevant future period, such as unusual gains and losses, the ultimate outcome of pending litigation, fluctuations in foreign currency exchange rates, the impact and timing of potential acquisitions and divestitures, and other structural changes or their probable significance. The variability of the excluded items may have a significant, and potentially unpredictable, impact on our future GAAP results.

Additional information

	Actuals	FY25 outlook	
	1Q25	Prior (Jan 29, 2025)	Current
UpLift restructuring expense	\$20M		
Other restructuring expense	\$23M	~\$250M	~\$250M
UpLift transformation costs	\$23M		
Non-service pension cost (benefit)	\$0M	~\$5M	~\$5M
Adjusted net interest expense (a)	\$46M	~\$220M	~\$220M
Adjusted effective tax rate	25.6%	~24.8%	~24.8%
Adjusted noncontrolling interest expense (b)	\$15M	~\$75M	~\$75M
Capital expenditures	\$34M	~\$150M	~\$150M
Diluted shares outstanding	399.1M	~397M	~397M

Currency exposure	2024 sales
USD	30%
EUR	23%
CNY	13%
Other	34%

(a) In August 2024, we received a favorable ruling regarding a tax litigation in Germany. As a result, income tax benefits and related interest income were recorded in 2024. Net interest expense is reflected as adjusted without \$1 million of interest income for the quarter ended March 31, 2025.

(b) Noncontrolling interest is reflected as adjusted without \$2 million of the noncontrolling interest share of Other restructuring for the quarter ended March 31, 2025.

2025 GAAP to adjusted financials reconciliation

(\$ millions)

Income	1Q25
Net income attributable to Otis	243
Noncontrolling interest in subsidiaries' earnings	13
Income tax expense (benefit)	110
Net interest expense	45
Non-service pension benefit (expense)	0
GAAP operating profit	411
UpLift restructuring	20
Other restructuring	23
UpLift transformation costs	23
Separation-related adjustments (a)	52
Litigation and settlement costs (b)	21
Held for sale impairment	10
Other, net	0
Adjusted operating profit	560
<i>Adjusted operating profit margin</i>	<i>16.7%</i>
Non-service pension (expense)	0
Adjusted net interest expense (c)	(46)
Adjusted pre-tax profit	514
Adjusted income tax expense	(131)
<i>Adjusted effective tax rate (d)</i>	<i>25.6%</i>
Adjusted noncontrolling interest (e)	(15)
Adjusted net income	368
Adjusted EPS	\$0.92

(a) Separation-related adjustments in the quarter ended March 31, 2025 represent estimated amounts due to RTX Corporation (our former parent) in accordance with the Tax Matters Agreement, including those amounts related to a favorable ruling received in August 2024 regarding a tax litigation in Germany.

(b) Litigation-related settlement costs in the quarter ended March 31, 2025 represent the aggregate amount of settlement costs and increase in loss contingency accruals, excluding legal costs, for certain legal matters that are outside of the ordinary course of business due to the size, complexity and/or unique facts of these matters.

(c) In August 2024, we received a favorable ruling regarding a tax litigation in Germany. As a result, income tax benefits and related interest income were recorded in 2024. Net interest expense is reflected as adjusted without \$1 million of interest income for the quarter ended March 31, 2025.

(d) The adjusted effective tax rate represents the effective tax rate (a GAAP measure) adjusted for other significant items and the tax impact of restructuring costs and other significant items.

(e) Noncontrolling interest is reflected as adjusted without \$2 million of the noncontrolling interest share of Other restructuring for the quarter ended March 31, 2025.

2024 GAAP to adjusted financials reconciliation

(\$ millions)

Income	1Q24	2Q24	3Q24	4Q24	FY 2024
Net income attributable to Otis	353	415	540	337	1,645
Noncontrolling interest in subsidiaries' earnings	21	35	17	16	89
Income tax expense (benefit)	126	94	(45)	130	305
Net interest expense (benefit)	44	27	(150)	48	(31)
Non-service pension cost (benefit)	0	(1)	1	0	0
GAAP operating profit	544	570	363	531	2,008
UpLift restructuring	1	6	4	20	31
Other restructuring	19	5	5	11	40
UpLift transformation costs	12	15	18	20	65
Separation-related adjustments (a)	(15)	(1)	193	0	177
Litigation and settlement costs (b)	0	18	0	0	18
Held for sale impairment	0	0	18	0	18
Other, net	0	0	(2)	1	(1)
Adjusted operating profit	561	613	599	583	2,356
<i>Adjusted operating profit margin</i>	<i>16.3%</i>	<i>17.0%</i>	<i>16.9%</i>	<i>15.9%</i>	<i>16.5%</i>
Non-service pension (expense)	0	1	(1)	0	0
Adjusted net interest expense (c, d)	(44)	(48)	(51)	(48)	(191)
Adjusted pre-tax profit	517	566	547	535	2,165
Adjusted income tax expense (c, d)	(135)	(114)	(145)	(143)	(537)
<i>Adjusted effective tax rate (e)</i>	<i>26.0%</i>	<i>20.1%</i>	<i>26.7%</i>	<i>26.7%</i>	<i>24.8%</i>
Adjusted noncontrolling interest (c, f)	(21)	(24)	(17)	(18)	(80)
Adjusted net income	361	428	385	374	1,548
Adjusted EPS	\$0.88	\$1.06	\$0.96	\$0.93	\$3.83

(a) Separation-related adjustments in the year ended December 31, 2024 represent amounts due to RTX Corporation (our former parent) in accordance with the Tax Matters Agreement, including those amounts related to a favorable ruling received in August 2024 regarding a tax litigation in Germany.

(b) Litigation-related settlement costs in the year ended December 31, 2024 represent the aggregate amount of settlement costs and increase in loss contingency accruals, excluding legal costs, for certain legal matters that are outside of the ordinary course of business due to the size, complexity and unique facts of these matters.

(c) Certain tax reserves were adjusted in 2024. As a result, Net interest expense and Noncontrolling interest are reflected as adjusted without \$21 million of interest income and \$11 million of the noncontrolling interest share of the reserves adjustments for the year ended December 31, 2024.

(d) In August 2024, we received a favorable ruling regarding a tax litigation in Germany. As a result, income tax benefits and related interest income were recorded in the third and fourth quarter of 2024. Net interest expense is reflected as adjusted without \$1 million and \$201 million of interest income for the quarter and year ended December 31, 2024, respectively.

(e) The adjusted effective tax rate represents the effective tax rate (a GAAP measure) adjusted for other significant items and the tax impact of restructuring costs and other significant items.

(f) Noncontrolling interest is reflected as adjusted without \$2 million of the noncontrolling interest share of Other restructuring for the quarter and year ended December

Note: effective in the first quarter of 2024, the measure of segment performance used by Otis' Chief Operating Decision Maker changed and, as a result, our measure of segment operating profit was updated to not include restructuring and other unallocated items in the operating segments, which are now presented as part of Corporate and Unallocated. The change to segment operating profit aligns with the update to our measure of segment profitability.

Organic sales reconciliation

Q1 2025 Y/Y	Total Otis	New Equipment	Service	Maintenance & repair	Modernization
Organic	0%	(7%)	4%	3%	10%
FX	(3%)	(3%)	(3%)	(3%)	(3%)
Net acquisitions / divestitures	0%	1%	0%	0%	0%
Total net sales growth	(3%)	(9%)	1%	0%	7%

Segment and total adjusted operating profit at constant currency reconciliations

(\$ millions)	Q1 2024	Q1 2025	Y/Y
New Equipment			
Operating profit	71	66	(5)
Impact of foreign exchange	0	1	1
Operating profit at constant currency	71	67	(4)
Service			
Operating profit	523	537	14
Impact of foreign exchange	0	15	15
Operating profit at constant currency	523	552	29
Otis Consolidated			
Adjusted operating profit	561	560	(1)
Impact of foreign exchange	0	16	16
Adjusted operating profit at constant currency	561	576	15

SG&A reconciliation

(\$ millions)	Q1 2024	Q1 2025
Net sales	3,437	3,350
SG&A expense	462	464
UpLift restructuring	(1)	(11)
Other restructuring	(14)	(8)
Separation-related / other	0	0
Adjusted SG&A expense	447	445
<i>Adjusted SG&A % of sales</i>	<i>13.0%</i>	<i>13.3%</i>

Diluted EPS and Tax reconciliations

	Q1 2024	Q1 2025
GAAP diluted earnings per share	\$0.86	\$0.61
Impact of non-recurring items on diluted earnings per share	\$0.02	\$0.31
Adjusted earnings per share	\$0.88	\$0.92

	Q1 2024	Q1 2025
Effective tax rate	25.2%	30.1%
Impact of adjustments on effective tax rate	0.8%	(4.5%)
Adjusted effective tax rate	26.0%	25.6%

Adjusted free cash flow reconciliation

(\$ millions)	Q1 2024	Q1 2025
Operating cash flow	171	190
Capital expenditures	(31)	(34)
Free cash flow	140	156
UpLift restructuring payments	7	11
UpLift transformation payments	8	19
Adjusted free cash flow	155	186

Other reconciliations

Remaining performance obligation (RPO)

(\$ billions)	Q1 2024	Q4 2024	Q1 2025
RPO at actual currency (GAAP measure)	18.3	17.6	18.6
FX	(0.3)	0.2	(0.1)
RPO at constant currency	18.0	17.8	18.5

Backlog

Q1 2025 Y/Y Growth	New Equipment	Maintenance & repair	Modernization
Actual currency (GAAP measure)	(4%)	4%	13%
FX	1%	1%	1%
Backlog at constant currency	(3%)	5%	14%