

OTIS REPORTS THIRD QUARTER 2025 RESULTS

Otis delivers 6% organic Service sales growth with strong Service operating profit margin expansion, and increases the midpoint of 2025 EPS outlook

Third quarter 2025

- Net sales up 4% and organic sales up 2%, driven by Service net sales up 9% with organic sales up 6%
- Service operating profit margin up 70 bps
- GAAP EPS down 29% and adjusted EPS up 9%
- Maintenance portfolio units up 4%
- Modernization orders up 27% at constant currency, backlog up 22%
- New Equipment orders up 4% at constant currency, up 7% excluding China

Year-to-date 2025

- Service net sales up 6% with organic sales up 5%
- Service operating profit margin up 40 bps
- GAAP EPS down 21% and adjusted EPS up 4%
- Operating cash flow of \$779 million; adjusted free cash flow of \$766 million
- Share repurchases of approximately \$800 million

FARMINGTON, Conn., October 29, 2025 – Otis Worldwide Corporation (NYSE:OTIS) reported third quarter 2025 net sales of \$3.7 billion with organic sales up 2% versus the prior year. GAAP earnings per share (EPS) decreased 29% to \$0.95 and adjusted EPS increased 9% to \$1.05.

"Otis returned to growth as we delivered strong performance. Our Service flywheel generated our highest organic sales growth and operating profit margin expansion this year with our industry leading maintenance portfolio growing 4%", said Chair, CEO & President Judy Marks. "Modernization orders grew 27%, organic modernization sales grew 14%, and our repair business performed well. These strong results illustrate the strength of our Service driven strategy. This, coupled with a strong order book for modernization and recovery in New Equipment gives us confidence to increase the midpoint of our EPS outlook".

Key Figures

(dollars in millions, except per share amounts)	Quarter Ended September 30,				Nine Months Ended September 30,			
	2025	2024	Y/Y	Y/Y (CFX)	2025	2024	Y/Y	Y/Y (CFX)
Net sales	\$ 3,690	\$ 3,548	4 %	2 %	\$ 10,635	\$ 10,586	— %	— %
Organic sales growth				2 %				— %

GAAP

Operating profit	\$ 586	\$ 363	\$ 223		\$ 1,544	\$ 1,477	\$ 67	
Operating profit margin	15.9 %	10.2 %	570 bps		14.5 %	14.0 %	50 bps	
Net income	\$ 374	\$ 540	(31)%		\$ 1,010	\$ 1,308	(23)%	
Earnings per share	\$ 0.95	\$ 1.34	(29)%		\$ 2.55	\$ 3.23	(21)%	

Adjusted non-GAAP comparison

Operating profit	\$ 632	\$ 599	\$ 33	\$ 16	\$ 1,804	\$ 1,773	\$ 31	\$ 17
Operating profit margin	17.1 %	16.9 %	20 bps		17.0 %	16.7 %	30 bps	
Net income	\$ 411	\$ 385	7 %		\$ 1,195	\$ 1,174	2 %	
Earnings per share	\$ 1.05	\$ 0.96	9 %		\$ 3.02	\$ 2.90	4 %	

Third quarter net sales of \$3.7 billion, up 4% versus the prior year, driven primarily by Service sales with growth in all lines of business, partially offset by a decrease in New Equipment sales in China and the Americas.

Third quarter GAAP operating profit of \$586 million increased \$223 million driven primarily by separation-related adjustments based on non-recurring tax items in the prior year. Adjusted operating profit of \$632 million increased \$33 million at actual currency and \$16 million at constant currency, driven by growth in Service partially offset by a decline in New Equipment. GAAP operating profit margin expanded 570 basis points to 15.9% and adjusted operating profit margin of 17.1% was up 20 basis points versus the prior year driven by favorable segment mix partially offset by segment performance.

GAAP EPS of \$0.95 decreased 29% compared to the prior year primarily driven by non-recurring tax benefit and related interest income in the prior year. Adjusted EPS of \$1.05 increased 9% driven by operational performance, lower taxes, a lower share count, and favorable foreign exchange rates, partially offset by higher interest.

Service

(dollars in millions)	Quarter Ended September 30,				Nine Months Ended September 30,			
	2025	2024	Y/Y	Y/Y (CFX)	2025	2024	Y/Y	Y/Y (CFX)
Net sales	\$ 2,433	\$ 2,239	9 %	7 %	\$ 6,939	\$ 6,576	6 %	6 %
Organic sales				6 %				5 %
Segment operating profit	\$ 621	\$ 555	\$ 66	\$ 49	\$ 1,736	\$ 1,616	\$ 120	\$ 104
Segment operating profit margin	25.5 %	24.8 %	70 bps		25.0 %	24.6 %	40 bps	

In the third quarter, net sales of \$2.4 billion increased 9%, with a 6% increase in organic sales. Organic maintenance and repair sales increased 4% and organic modernization sales increased 14%.

Segment operating profit of \$621 million increased \$66 million at actual currency and \$49 million at constant currency due to higher volume, favorable pricing and productivity, partially offset by inflationary pressures, including higher labor costs, and mix. Segment operating profit margin expanded 70 basis points to 25.5%.

New Equipment

<i>(dollars in millions)</i>	Quarter Ended September 30,				Nine Months Ended September 30,			
	2025	2024	Y/Y	Y/Y (CFX)	2025	2024	Y/Y	Y/Y (CFX)
Net sales	\$ 1,257	\$ 1,309	(4)%	(5)%	\$ 3,696	\$ 4,010	(8)%	(8)%
Organic sales				(5)%				(8)%
Segment operating profit	\$ 59	\$ 84	\$ (25)	\$ (24)	\$ 193	\$ 265	\$ (72)	\$ (69)
Segment operating profit margin	4.7 %	6.4 %	(170) bps		5.2 %	6.6 %	(140) bps	

In the third quarter, net sales of \$1.3 billion decreased 4% versus the prior year, with high single digit organic sales growth in Asia Pacific and low single digit organic sales growth in EMEA, partially offset by an approximately 20% decline in China, and a high-single digit decline in the Americas.

Segment operating profit of \$59 million decreased \$25 million at actual currency and \$24 million at constant currency from the impacts of lower volume, unfavorable price, tariff headwinds, and mix, partially offset by productivity including the benefits of restructuring actions. Segment operating profit margin contracted 170 basis points to 4.7%.

New Equipment orders were up 4% at constant currency with high teens growth in EMEA and mid-single digit growth in the Americas, partially offset by a mid-single digit decline in China and a slight decline in Asia Pacific. New Equipment backlog decreased 2% at actual currency and 1% at constant currency. Excluding China, backlog increased 7% at actual currency and 8% at constant currency.

Cash flow

<i>(dollars in millions)</i>	Quarter Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Y/Y	2025	2024	Y/Y
Cash flow from operations	\$ 374	\$ 394	\$ (20)	\$ 779	\$ 873	\$ (94)
Free cash flow	\$ 337	\$ 362	\$ (25)	\$ 672	\$ 786	\$ (114)
Adjusted free cash flow	\$ 337	\$ 381	\$ (44)	\$ 766	\$ 889	\$ (123)

Third quarter cash flow changes were driven by a decrease in net income partially offset by changes in working capital.

2025 Outlook¹

Otis is increasing the mid-point of the EPS outlook:

- Net sales of \$14.5 to \$14.6 billion, up ~2%
- Organic sales up ~1%
 - Organic New Equipment sales down ~7%
 - Organic Service sales up ~5%
- Adjusted operating profit of \$2.4 to \$2.5 billion, up \$75 to \$95 million at actual currency including tariff impacts, up \$65 to \$85 million at constant currency excluding approximately (\$30) million of tariff impacts.
- Adjusted EPS of \$4.04 to \$4.08, up 5 to 7%; adjusted effective tax rate of approximately 24.8%
- Adjusted free cash flow of approximately \$1.45 billion

Otis continues its strong execution of the UpLift program with expected run-rate savings of \$200 million and expected run-rate savings from the China transformation program to \$40 million by year-end 2025.

¹ Note: When we provide outlook for organic sales, adjusted operating profit, adjusted EPS, adjusted effective tax rate 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 generally is not available without unreasonable effort. See "Use and Definitions of Non-GAAP Financial Measures" below for additional information.

About Otis

Otis is the world's leading elevator and escalator manufacturing, installation and service company. We move 2.4 billion people a day and maintain approximately 2.4 million customer units worldwide, the industry's largest Service portfolio. Headquartered in Connecticut, USA, Otis is 72,000 people strong, including 44,000 field professionals, all committed to manufacturing, installing and maintaining products to meet the diverse needs of our customers and passengers in more than 200 countries and territories worldwide. For more information, visit www.otis.com and follow us on LinkedIn, YouTube, Instagram and Facebook @OtisElevatorCo.

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
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 expense, 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.

Cautionary Statement

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 sustainability targets or other corporate responsibility initiatives, 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., including the U.S. federal government shutdown, and in other countries in which Otis and its businesses operate, including 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 instability in the Middle East; (4) challenges in the development, production, delivery, support, including employee adoption, 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 disruptions 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 and the realization of anticipated benefits; (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 laws and regulations in the U.S. 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.

Otis Worldwide Corporation
Condensed Consolidated Statements of Operations

	Quarter Ended September 30, (Unaudited)		Nine Months Ended September 30, (Unaudited)	
<i>(dollars in millions, except per share amounts; shares in millions)</i>	2025	2024	2025	2024
Net Sales	\$ 3,690	\$ 3,548	\$ 10,635	\$ 10,586
Costs and Expenses:				
Cost of products and services sold	2,557	2,470	7,412	7,401
Research and development	36	40	111	115
Selling, general and administrative	504	455	1,467	1,366
Total Costs and Expenses	3,097	2,965	8,990	8,882
Other income (expense), net	(7)	(220)	(101)	(227)
Operating profit	586	363	1,544	1,477
Non-service pension cost (benefit)	4	1	4	—
Interest expense (income), net	61	(150)	132	(79)
Net income before income taxes	521	512	1,408	1,556
Income tax expense (benefit)	129	(45)	337	175
Net income	392	557	1,071	1,381
Less: Noncontrolling interest in subsidiaries' earnings	18	17	61	73
Net income attributable to Otis Worldwide Corporation	\$ 374	\$ 540	\$ 1,010	\$ 1,308
Earnings Per Share of Common Stock:				
Basic	\$ 0.96	\$ 1.35	\$ 2.57	\$ 3.25
Diluted	\$ 0.95	\$ 1.34	\$ 2.55	\$ 3.23
Weighted Average Number of Shares Outstanding:				
Basic shares	391.0	400.2	393.7	402.7
Diluted Shares	392.8	402.7	395.8	405.4

Otis Worldwide Corporation
Reconciliation of Reported (GAAP) to Adjusted Operating Profit & Operating Profit Margin

	Quarter Ended September 30, (Unaudited)		Nine Months Ended September 30, (Unaudited)	
<i>(dollars in millions)</i>	2025	2024	2025	2024
Net Sales				
New Equipment	\$ 1,257	\$ 1,309	\$ 3,696	\$ 4,010
Service	2,433	2,239	6,939	6,576
Total Net Sales	\$ 3,690	\$ 3,548	\$ 10,635	\$ 10,586
Operating Profit				
New Equipment	\$ 59	\$ 84	\$ 193	\$ 265
Service	621	555	1,736	1,616
Total segment operating profit	680	639	1,929	1,881
Corporate and Unallocated	(94)	(276)	(385)	(404)
Total Otis GAAP Operating Profit	586	363	1,544	1,477
UpLift restructuring	27	4	72	11
Other restructuring	6	5	41	29
UpLift transformation costs	10	18	51	45
Separation-related adjustments ¹	4	193	65	177
Litigation-related settlement costs ²	—	—	21	18
Held for sale impairment	—	18	10	18
Other, net	(1)	(2)	—	(2)
Total Otis Adjusted Operating Profit	\$ 632	\$ 599	\$ 1,804	\$ 1,773
Reported Total Operating Profit Margin	15.9 %	10.2 %	14.5 %	14.0 %
Adjusted Total Operating Profit Margin	17.1 %	16.9 %	17.0 %	16.7 %

¹ Separation-related adjustments in the quarter and nine months ended September 30, 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.

² Litigation-related settlement costs in the nine months ended September 30, 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.

Otis Worldwide Corporation
Reconciliation of Reported (GAAP) to Adjusted (Non-GAAP) Net Income, Earnings Per Share, and Effective Tax Rate

	Quarter Ended September 30, (Unaudited)		Nine Months Ended September 30, (Unaudited)	
	2025	2024	2025	2024
<i>(dollars in millions, except per share amounts)</i>				
Adjusted Operating Profit	\$ 632	\$ 599	\$ 1,804	\$ 1,773
Non-service pension cost (benefit)	4	1	4	—
Adjusted net interest expense ^{1, 2}	61	51	164	143
Adjusted income from operations before income taxes	567	547	1,636	1,630
Income tax expense (benefit)	129	(45)	337	175
Tax impact on restructuring and non-recurring items	10	5	42	24
Non-recurring tax items ²	—	185	12	195
Adjusted net income from operations	428	402	1,245	1,236
Adjusted noncontrolling interest ^{2, 3}	17	17	50	62
Adjusted net income attributable to common shareholders	\$ 411	\$ 385	\$ 1,195	\$ 1,174
GAAP net income attributable to common shareholders	\$ 374	\$ 540	\$ 1,010	\$ 1,308
UpLift restructuring	27	4	72	11
Other restructuring	6	5	41	29
UpLift transformation costs	10	18	51	45
Separation-related adjustments	4	193	65	177
Litigation-related settlement costs	—	—	21	18
Held for sale impairment	—	18	10	18
Interest income related to non-recurring tax items ^{1, 2}	—	(200)	(16)	(210)
Tax effects of restructuring, non-recurring items and other adjustments	(10)	(5)	(42)	(24)
Non-recurring tax items ²	—	(185)	(12)	(195)
Other, net ³	—	(3)	(5)	(3)
Adjusted net income attributable to common shareholders	\$ 411	\$ 385	\$ 1,195	\$ 1,174
Diluted Earnings Per Share	\$ 0.95	\$ 1.34	\$ 2.55	\$ 3.23
Impact to diluted earnings per share	0.10	(0.38)	0.47	(0.33)
Adjusted Earnings Per Share	\$ 1.05	\$ 0.96	\$ 3.02	\$ 2.90
Effective Tax Rate	24.8 %	(8.8) %	23.9 %	11.2 %
Impact of adjustments on effective tax rate	(0.3) %	35.5 %	— %	13.0 %
Adjusted Effective Tax Rate	24.5 %	26.7 %	23.9 %	24.2 %

¹ 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 \$2 million of interest income for the nine months ended September 30, 2025.

² Certain tax reserves were adjusted in the second quarter of 2025. As a result, Net interest expense and Noncontrolling interest are reflected as adjusted without \$30 million of interest income and \$16 million of the noncontrolling interest share of the reserves adjustments, respectively, for the nine months ended September 30, 2025.

³ Noncontrolling interest is reflected as adjusted with \$1 million and without \$5 million of the noncontrolling interest share of Other restructuring for the quarter and nine months ended September 30, 2025, respectively.

Otis Worldwide Corporation
Components of Changes in Net Sales

Quarter Ended September 30, 2025 Compared with Quarter Ended September 30, 2024

	Factors Contributing to Total % Change in Net Sales			
	Organic	FX Translation	Acquisitions / Divestitures, net and Other	Total
New Equipment	(5)%	1%	—%	(4)%
Service	6%	2%	1%	9%
Maintenance and Repair	4%	3%	—%	7%
Modernization	14%	1%	1%	16%
Total Net Sales	2%	2%	—%	4%

Nine Months Ended September 30, 2025 Compared with Nine Months Ended September 30, 2024

	Factors Contributing to Total % Change in Net Sales			
	Organic	FX Translation	Acquisitions / Divestitures, net and Other	Total
New Equipment	(8)%	—%	—%	(8)%
Service	5%	—%	1%	6%
Maintenance and Repair	4%	1%	—%	5%
Modernization	9%	—%	1%	10%
Total Net Sales	—%	—%	—%	—%

Components of Changes in New Equipment Backlog

	September 30, 2025 Y/Y Growth %
New Equipment Backlog decrease at actual currency	(2)%
Foreign exchange impact to New Equipment Backlog	1%
New Equipment Backlog decrease at constant currency	(1)%

Components of Changes in Modernization Backlog

	September 30, 2025 Y/Y Growth %
Modernization Backlog increase at actual currency	22%
Foreign exchange impact to Modernization Backlog	—%
Modernization Backlog increase at constant currency	22%

Otis Worldwide Corporation
Reconciliation of Segment and Total Adjusted Operating Profit at Constant Currency

Quarter Ended September 30, 2025 Compared with Quarter Ended September 30, 2024

<i>(dollars in millions)</i>	2025	2024	Y/Y
New Equipment			
Segment Operating Profit	\$ 59	\$ 84	\$ (25)
Impact of foreign exchange	1	—	1
Segment Operating Profit at constant currency	\$ 60	\$ 84	\$ (24)
Service			
Segment Operating Profit	\$ 621	\$ 555	\$ 66
Impact of foreign exchange	(17)	—	(17)
Segment Operating Profit at constant currency	\$ 604	\$ 555	\$ 49
Otis Consolidated			
Adjusted Operating Profit	\$ 632	\$ 599	\$ 33
Impact of foreign exchange	(17)	—	(17)
Adjusted Operating Profit at constant currency	\$ 615	\$ 599	\$ 16

Nine Months Ended September 30, 2025 Compared with Nine Months Ended September 30, 2024

<i>(dollars in millions)</i>	2025	2024	Y/Y
New Equipment			
Segment Operating Profit	\$ 193	\$ 265	\$ (72)
Impact of foreign exchange	3	—	3
Segment Operating Profit at constant currency	\$ 196	\$ 265	\$ (69)
Service			
Segment Operating Profit	\$ 1,736	\$ 1,616	\$ 120
Impact of foreign exchange	(16)	—	(16)
Segment Operating Profit at constant currency	\$ 1,720	\$ 1,616	\$ 104
Otis Consolidated			
Adjusted Operating Profit	\$ 1,804	\$ 1,773	\$ 31
Impact of foreign exchange	(14)	—	(14)
Adjusted Operating Profit at constant currency	\$ 1,790	\$ 1,773	\$ 17

Otis Worldwide Corporation
Condensed Consolidated Balance Sheet

	September 30, 2025	December 31, 2024
(dollars in millions)	(Unaudited)	
Assets		
Cash and cash equivalents	\$ 840	\$ 2,300
Accounts receivable, net	3,752	3,428
Contract assets	803	706
Inventories	640	557
Other current assets	577	679
Total Current Assets	6,612	7,670
Future income tax benefits	411	302
Fixed assets, net	742	701
Operating lease right-of-use assets	566	422
Intangible assets, net	348	311
Goodwill	1,699	1,548
Other assets	393	362
Total Assets	\$ 10,771	\$ 11,316
Liabilities and Equity (Deficit)		
Short-term borrowings and current portion of long-term debt	\$ 492	\$ 1,351
Accounts payable	1,758	1,879
Accrued liabilities	2,015	1,921
Contract liabilities	2,800	2,598
Total Current Liabilities	7,065	7,749
Long-term debt	7,592	6,973
Future pension and postretirement benefit obligations	458	434
Operating lease liabilities	404	298
Future income tax obligations	210	207
Other long-term liabilities	328	383
Total Liabilities	16,057	16,044
Redeemable noncontrolling interest	67	57
Shareholders' Equity (Deficit):		
Common Stock and additional paid-in capital	320	265
Treasury Stock	(4,198)	(3,390)
Accumulated deficit	(453)	(978)
Accumulated other comprehensive income (loss)	(1,091)	(745)
Total Shareholders' Equity (Deficit)	(5,422)	(4,848)
Noncontrolling interest	69	63
Total Equity (Deficit)	(5,353)	(4,785)
Total Liabilities and Equity (Deficit)	\$ 10,771	\$ 11,316

Otis Worldwide Corporation
Condensed Consolidated Statement of Cash Flows

	Quarter Ended September 30. (Unaudited)		Nine Months Ended September 30. (Unaudited)	
<i>(dollars in millions)</i>	2025	2024	2025	2024
Operating Activities:				
Net income from operations	\$ 392	\$ 557	\$ 1,071	\$ 1,381
Adjustments to reconcile net income to net cash flows provided by operating activities:				
Depreciation and amortization	44	48	130	133
Deferred income tax expense (benefit)	(28)	(1)	(102)	(26)
Stock compensation cost	19	16	63	52
Gain from reversal of German Tax Litigation interest accrual	—	(50)	—	(50)
Change in:				
Accounts receivable, net	(45)	78	(191)	(93)
Contract assets and liabilities, current	(54)	(84)	16	23
Inventories	(37)	(4)	(52)	(14)
Other current assets	66	(313)	76	(373)
Accounts payable	19	14	(193)	(115)
Accrued liabilities	(2)	129	21	2
Pension contributions	(9)	(10)	(36)	(34)
Other operating activities, net	9	14	(24)	(13)
Net cash flows provided by (used in) operating activities	374	394	779	873
Investing Activities:				
Capital expenditures	(37)	(32)	(107)	(87)
Acquisitions of businesses and intangible assets, net of cash	(10)	(30)	(92)	(70)
Proceeds from sale of (investments in) marketable securities, net	—	(9)	—	(9)
Other investing activities, net	(9)	(42)	(177)	(44)
Net cash flows provided by (used in) investing activities	(56)	(113)	(376)	(210)
Financing Activities:				
Increase (decrease) in short-term borrowings, net	(193)	2	280	325
Issuance of long-term debt, net	500	—	500	—
Payment of debt issuance costs	(5)	—	(5)	—
Repayment of long-term debt	—	—	(1,300)	—
Dividends paid on Common Stock	(164)	(155)	(483)	(450)
Repurchases of Common Stock	(248)	(200)	(809)	(800)
Dividends paid to noncontrolling interest	(57)	(70)	(62)	(81)
Acquisition of noncontrolling interest shares	—	—	—	(75)
Other financing activities, net	(1)	—	(11)	(21)
Net cash flows provided by (used in) financing activities	(168)	(423)	(1,890)	(1,102)
Summary of Activity:				
Net cash provided by (used in) operating activities	374	394	779	873
Net cash provided by (used in) investing activities	(56)	(113)	(376)	(210)
Net cash provided by (used in) financing activities	(168)	(423)	(1,890)	(1,102)
Effect of exchange rate changes on cash and cash equivalents	—	23	19	(9)
Net increase (decrease) in cash, cash equivalents and restricted cash	150	(119)	(1,468)	(448)
Cash, cash equivalents and restricted cash, beginning of period	703	951	2,321	1,280
Cash, cash equivalents and restricted cash, end of period	853	832	853	832
Less: Restricted cash	13	5	13	5
Cash and cash equivalents, end of period	\$ 840	\$ 827	\$ 840	\$ 827

Otis Worldwide Corporation
Adjusted Free Cash Flow Reconciliation

	Quarter Ended September 30, (Unaudited)		Nine Months Ended September 30, (Unaudited)	
	2025	2024	2025	2024
<i>(dollars in millions)</i>				
Net cash flows provided by operating activities (GAAP)	\$ 374	\$ 394	\$ 779	\$ 873
Capital expenditures	(37)	(32)	(107)	(87)
Free cash flow (Non-GAAP)	337	362	672	786
Adjustments for:				
UpLift restructuring payments	9	6	28	20
UpLift transformation payments	16	13	49	34
Separation-related payments ¹	20	—	92	49
German Tax Litigation refunds ²	(45)	—	(75)	—
Adjusted free cash flow (Non-GAAP)	\$ 337	\$ 381	\$ 766	\$ 889

¹ In the second quarter of 2025 and 2024, respectively, we made payments to RTX Corporation (our former parent) in accordance with the Tax Matters Agreement. These payments are anticipated to conclude in 2026.

² In August 2024, we received a favorable ruling regarding a tax litigation in Germany. The Company has started to receive refunds and anticipates the refund process to continue into 2026.