

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. A thin white vertical line is positioned to the right of the logo.

OTIS

Q2 2026 Earnings Call July 22, 2026

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 such actions with respect to our business in 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. and in other countries in which Otis and its businesses operate, including tensions between the U.S. and China and geopolitical conflicts, including the ongoing conflicts and instability in the Middle East and the conflict between Russia and Ukraine 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) challenges in the development, production, delivery, support, employee adoption, performance and realization of the anticipated benefits of advanced technologies and new products and services; (4) future levels of indebtedness, capital spending and research and development spending; (5) future availability of credit and factors that may affect such availability or costs thereof, including credit market conditions and Otis' capital structure; (6) 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; (7) 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; (8) cost reduction or containment actions, restructuring or transformation costs and related savings and other consequences thereof, including with respect to UpLift and our China business and related impacts of reorganization, change management and outsourcing activities, as applicable; (9) new business and investment opportunities and the realization of anticipated benefits, including meeting customer expectations and maintaining our competitiveness; (10) the outcome of legal proceedings, investigations and other contingencies; (11) pension plan assumptions and future contributions; (12) 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; (13) the effect of changes in laws, regulations and enforcement priorities in the U.S. and other countries in which Otis and its businesses operate; (14) the ability of Otis to retain and hire key personnel; (15) 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; (16) 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 (17) 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.

Q2 2026

Highlights



Service organic¹ sales growth accelerated 9%



- Maintenance & repair organic¹ sales up 6%
- Modernization organic¹ sales up 24%
 - Orders up 9%
 - Backlog up 26% at constant currency¹



New Equipment stabilized



- Sales improved sequentially
- Margins stabilized sequentially
- Backlog up 4% at constant currency¹



Strong cash flow +19%
Disciplined capital deployment



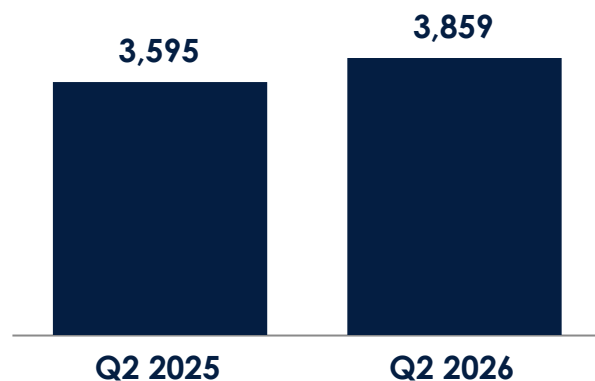
- Adjusted free cash flow¹ of \$290M
- WeMaintain acquired
- ~\$400M shares repurchased... ~\$800M YTD
- Dividends increased by 5%

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

Q2 2026 results

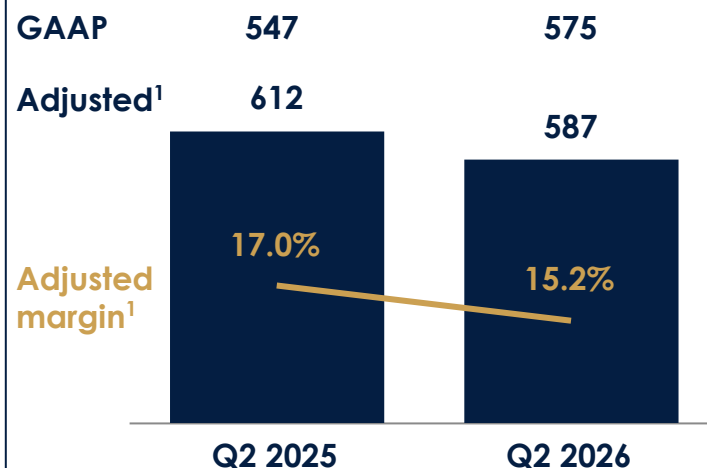
(\$ millions, except per share amounts)

Sales



Organic ¹	6%
FX	1%
Net acquisitions/other	~Flat
Total net sales	7%

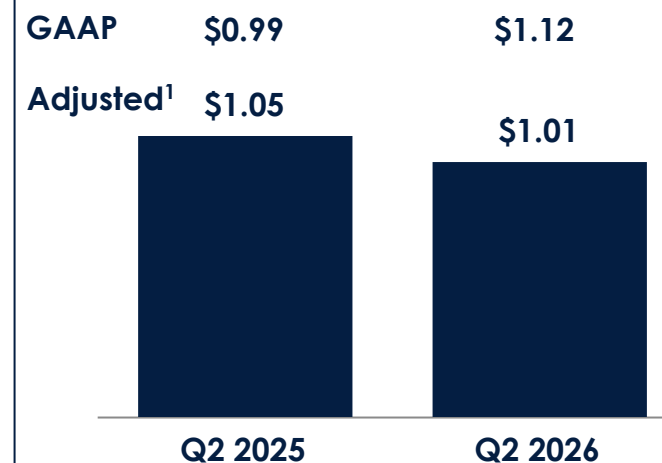
Operating profit



Adjusted operating profit down \$32M at constant currency¹, excluding \$7M of FX tailwinds

Adjusted operating profit margin¹ contracted 180 basis points to 15.2%

Diluted earnings per share

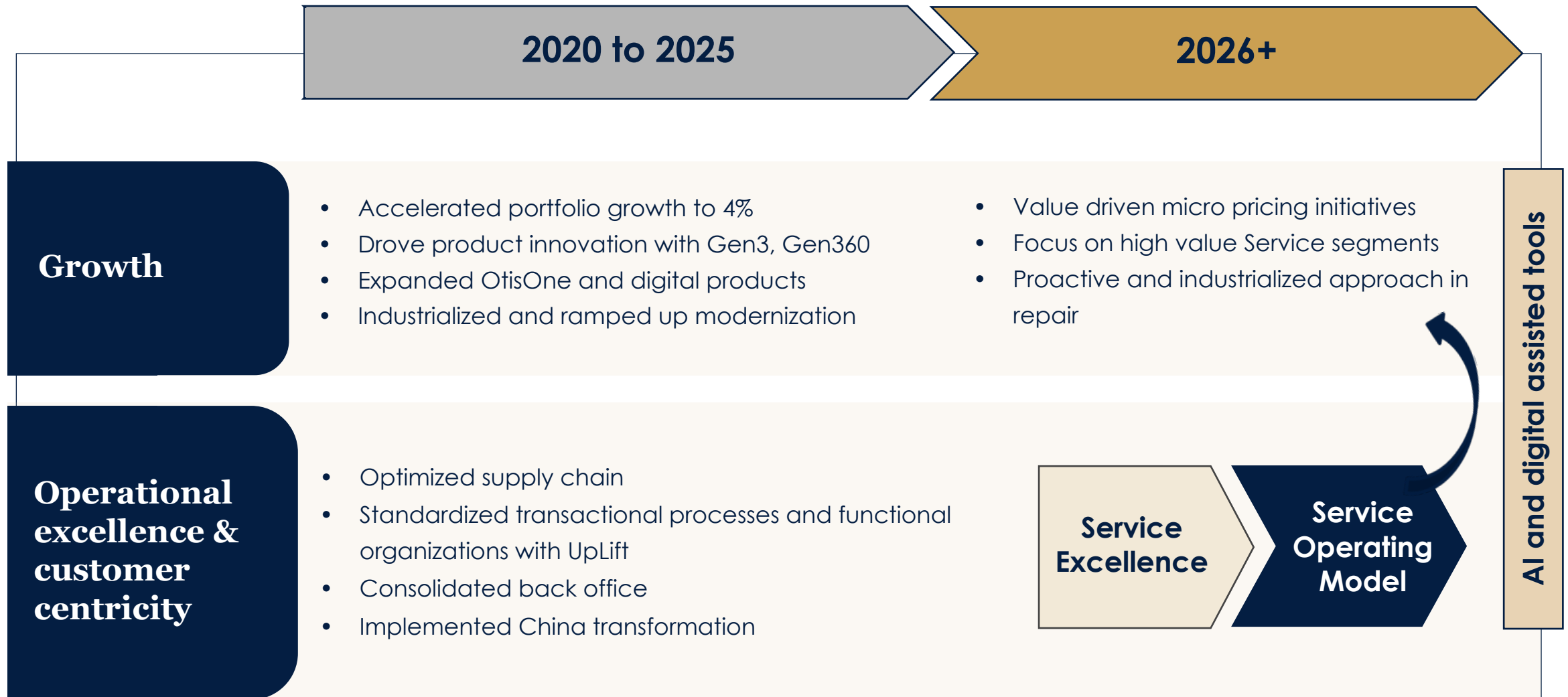


Adjusted EPS¹ drivers

Operational	(\$0.07)
FX	\$0.02
Other	\$0.01

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

Service Operating Model... next step in our journey



Service margin improving QoQ... still under pressure

What we said in Q1

- Investments in Service Excellence
- Portfolio mix and retention
- Cost and price

Q2 progress

✓ Investments of \$15M as planned

✓ Step change in Service quality metrics

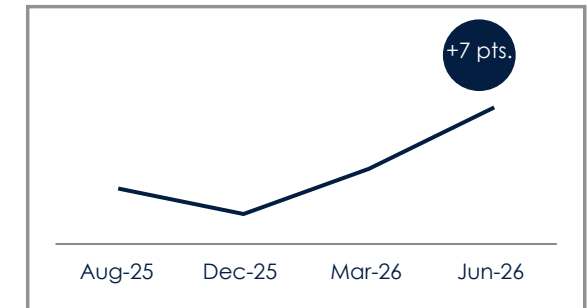
🕒 Retention improvement to follow

✓ Macro economic impact broadly offset by pricing

✓ Micro-pricing initiatives in repair ramping up

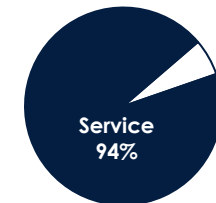
🕒 Headwinds in productivity and cost

Illustrative example of Service quality index in target operating territories

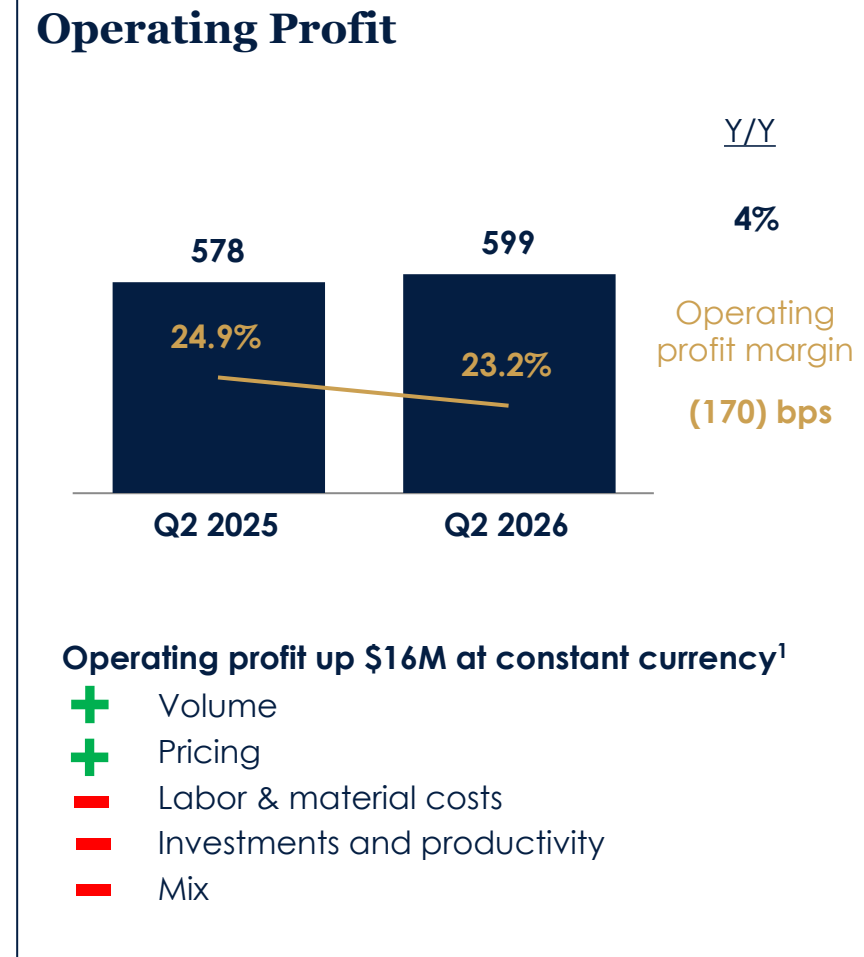
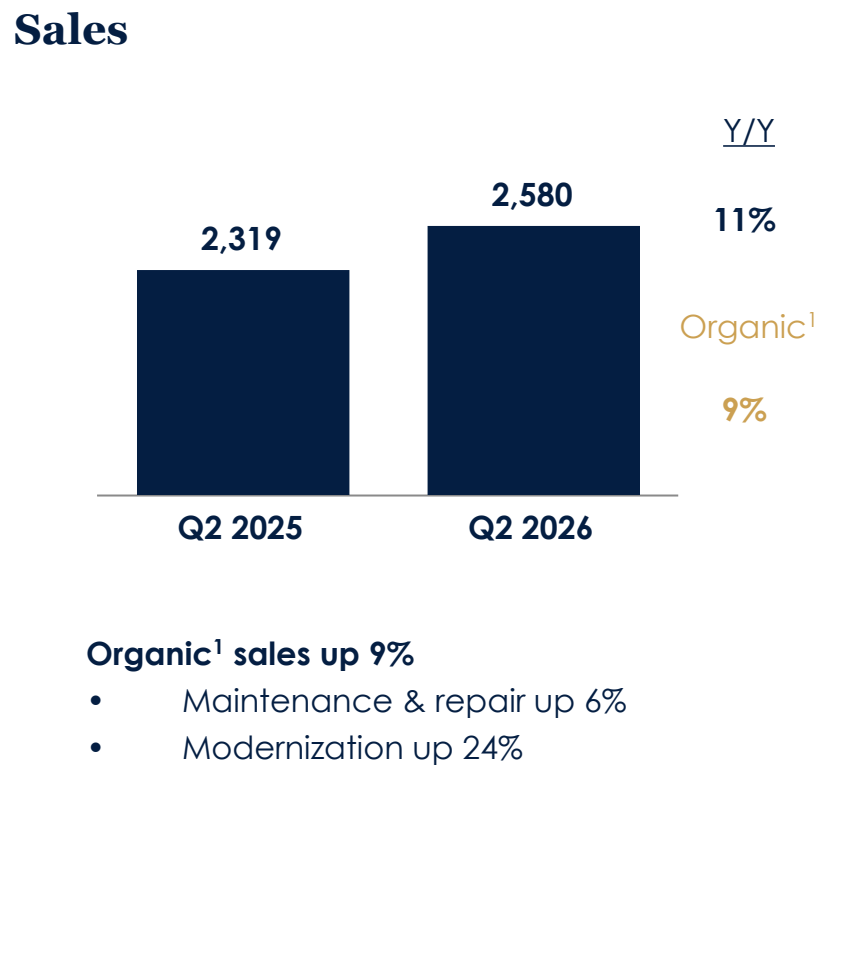


Q2 2026 Service segment results

(\$ millions)



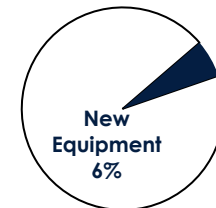
Segment Operating Profit



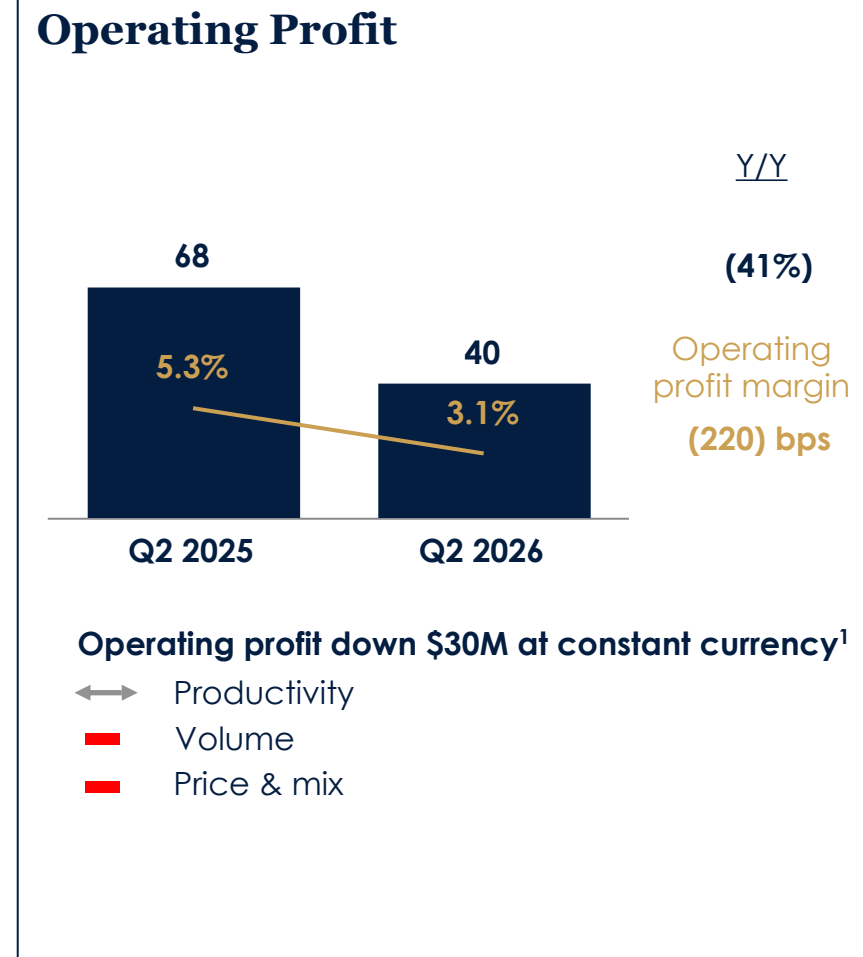
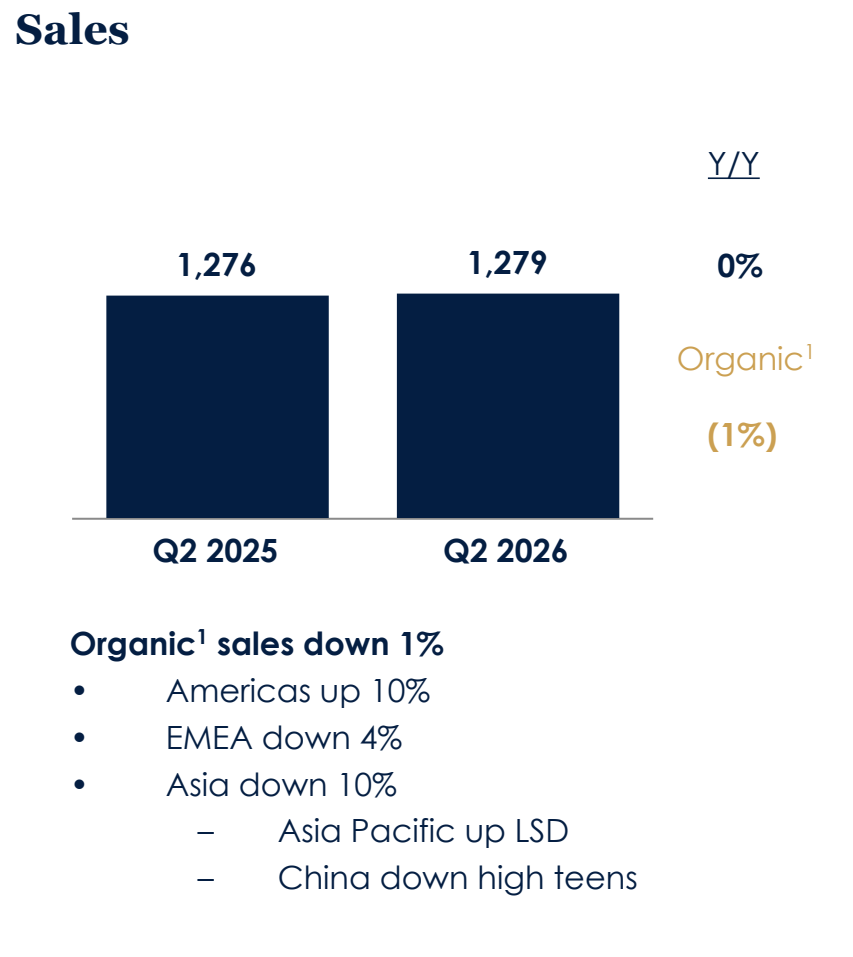
¹ See appendix for additional information regarding these non-GAAP financial measures.

Q2 2026 New Equipment segment results

(\$ millions)



Segment Operating Profit



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

2026 total and organic¹ sales outlook unchanged

Service sales (Organic)	up mid to high single digits
New Equipment sales (Organic)	down low single digits to flat
Total sales (Organic)	up low to mid-single digits
Total net sales	\$15.1B to \$15.3B

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

Areas of continued focus

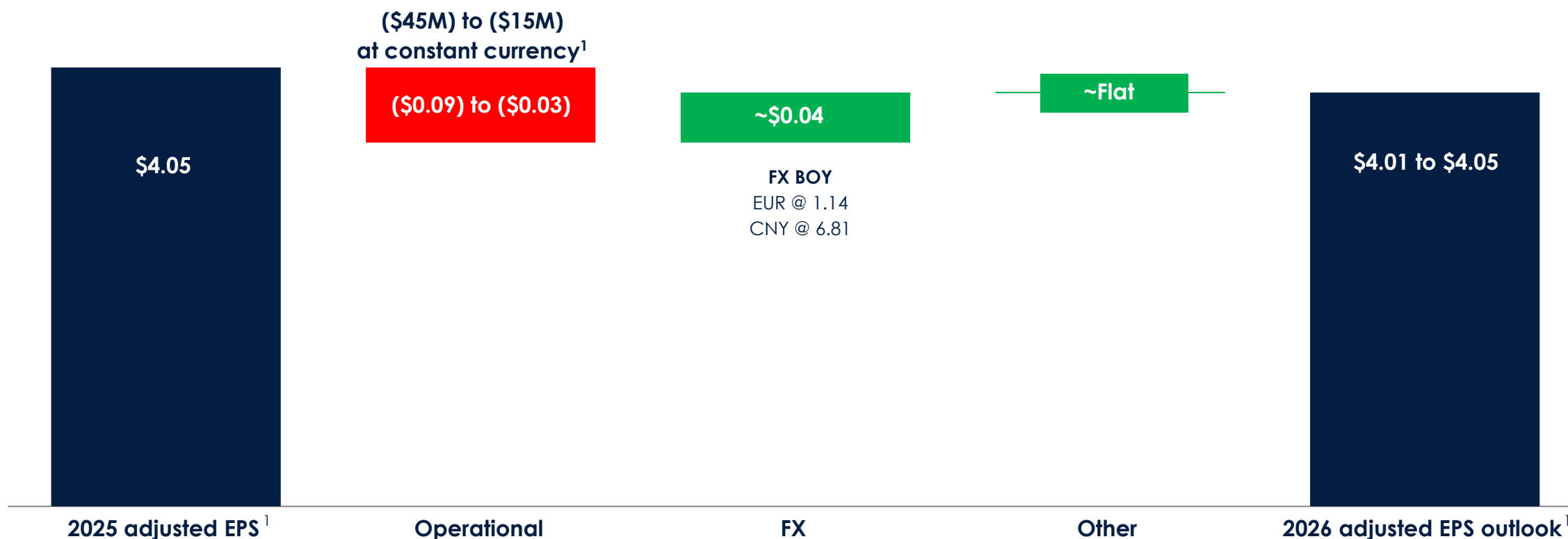
	On track	Update to prior outlook
Repair and modernization volume ramp up >	✓ Repair ✓ Modernization	✓ No change
Micro-pricing >	✓ Repair	⌚ Balancing maintenance micro-pricing and retention (\$20M)
Retention improvement from investment in Service excellence >	✓ Service quality improvements	
Cost optimization >	✓ G&A cost reduction	⌚ Productivity and field cost management (\$50M)

2026 financial outlook

	Prior outlook	Current outlook
Actual currency adj. operating profit ¹	up \$60M to \$100M	down \$30M to ~flat
Constant currency adj. operating profit ¹	up \$20M to \$60M	down \$45M to \$15M
Adjusted free cash flow ¹	\$1.6B to \$1.65B	\$1.5B to \$1.55B
Share repurchases	~\$800M	~\$800M

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

2026 adjusted EPS¹ outlook drivers



~Flatish EPS¹

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

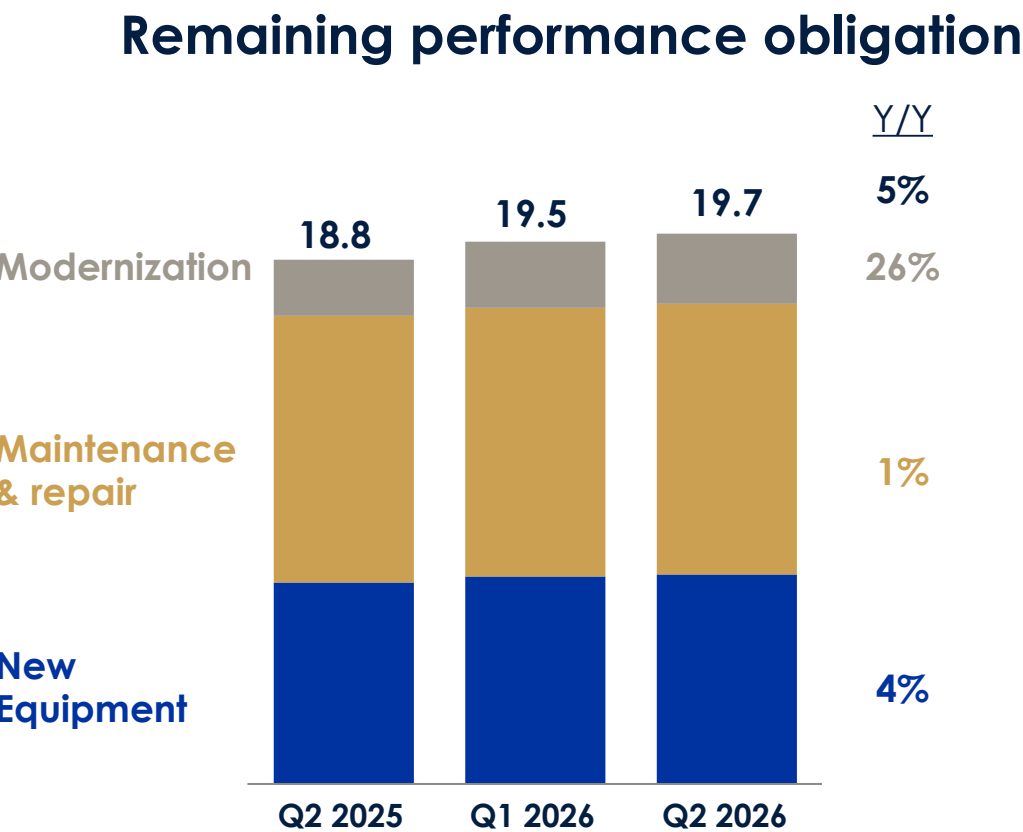
OTIS

A photograph of the Chicago skyline at dusk, featuring the Willis Tower and other skyscrapers. A semi-transparent dark blue rectangle is centered over the image, serving as a background for the text.

Appendix

Backlog and orders

(\$ billions, at constant currency¹)



Modernization orders

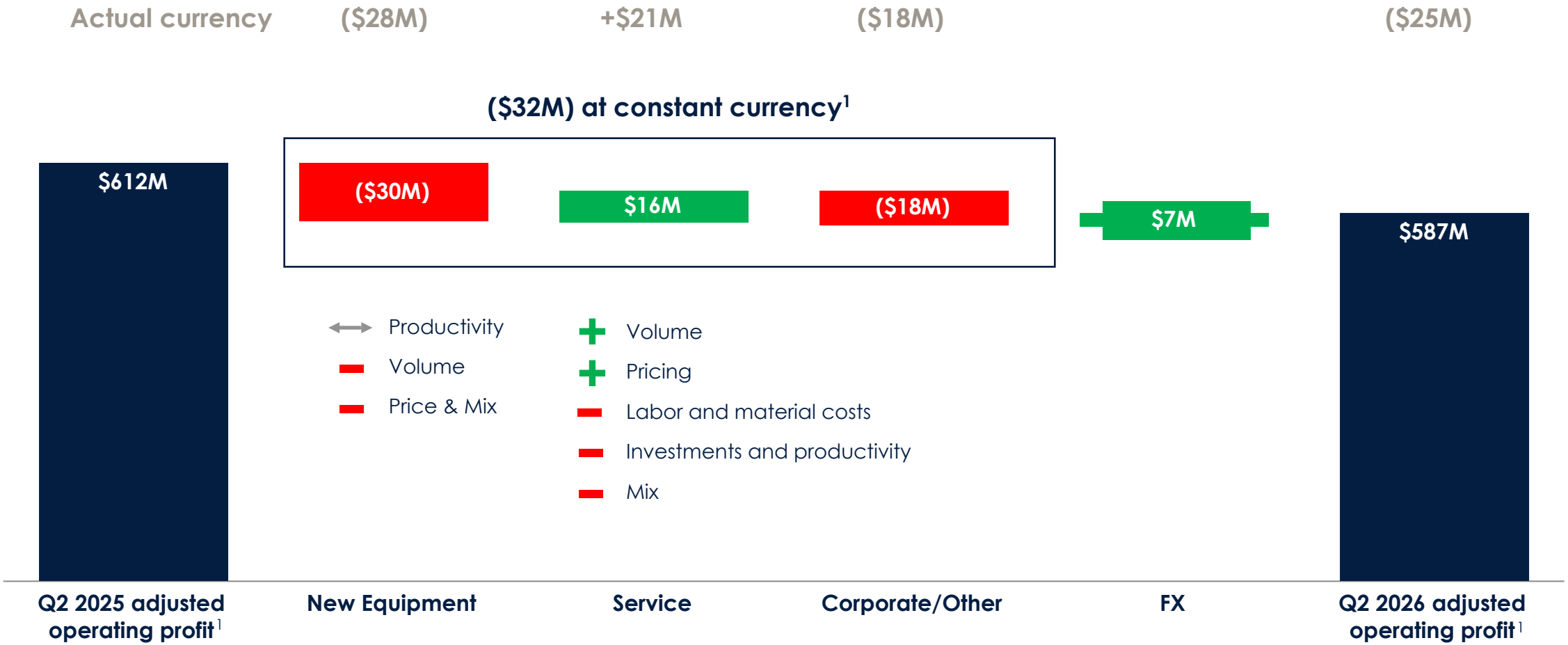
	Q2 2026 Y/Y
Total Otis	9%
Otis ex-China	(1%)

New Equipment orders

Region	Q2 2026 Y/Y
Total Otis	(5%)
Otis ex-China	(2%)
Americas	12%
EMEA	3%
Asia	(21%)

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

Q2 2026 adjusted operating profit¹ drivers



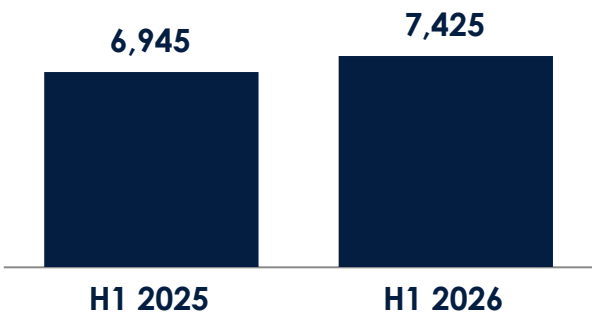
Adjusted operating profit margin¹ of 15.2%

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

H1 2026 results

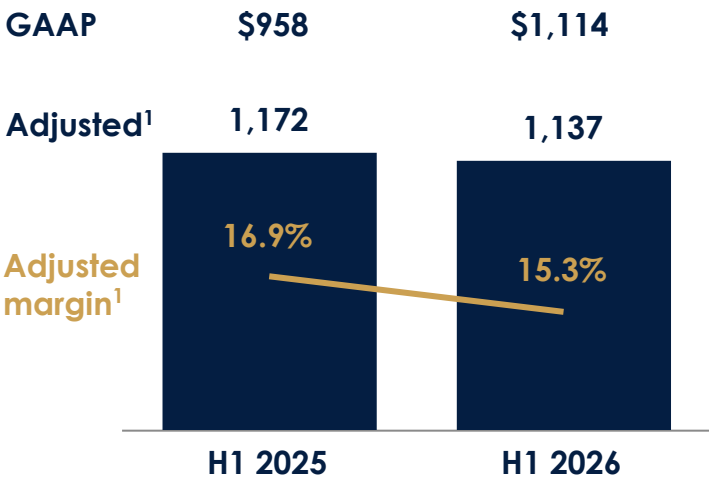
(\$ millions, except per share amounts)

Sales



Organic ¹	4%
FX	3%
Net acquisitions/other	~Flat
Total net sales	7%

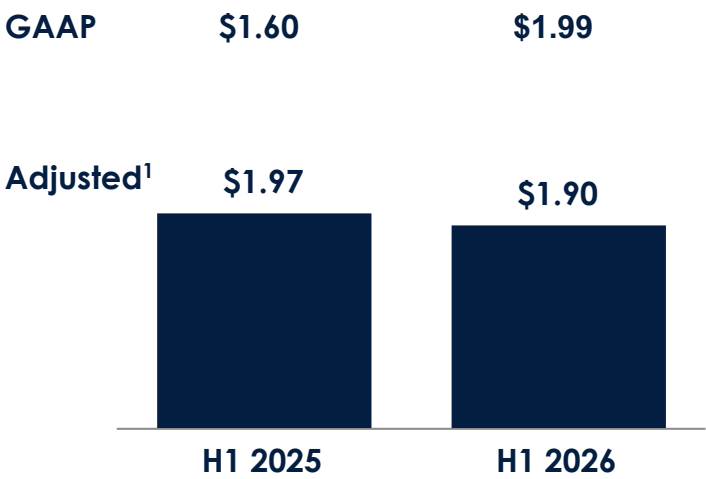
Operating profit



Adjusted operating profit down (\$70M) at constant currency¹, excluding \$35M of FX tailwinds

Adjusted operating profit margin¹ contracted 160 basis points to 15.3%

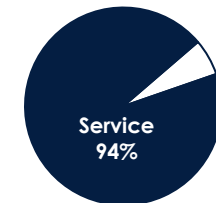
Diluted earnings per share



Adjusted EPS¹ drivers	
Operational	(\$0.14)
FX	\$0.07
Interest	(\$0.05)
Shares	\$0.05

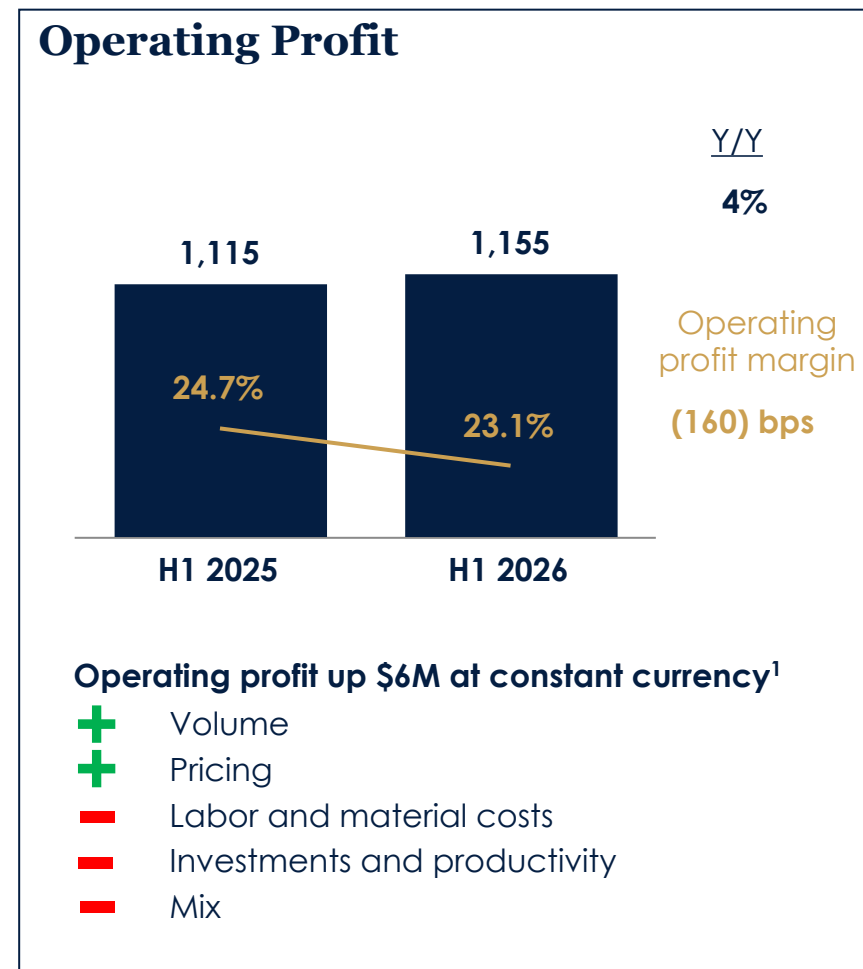
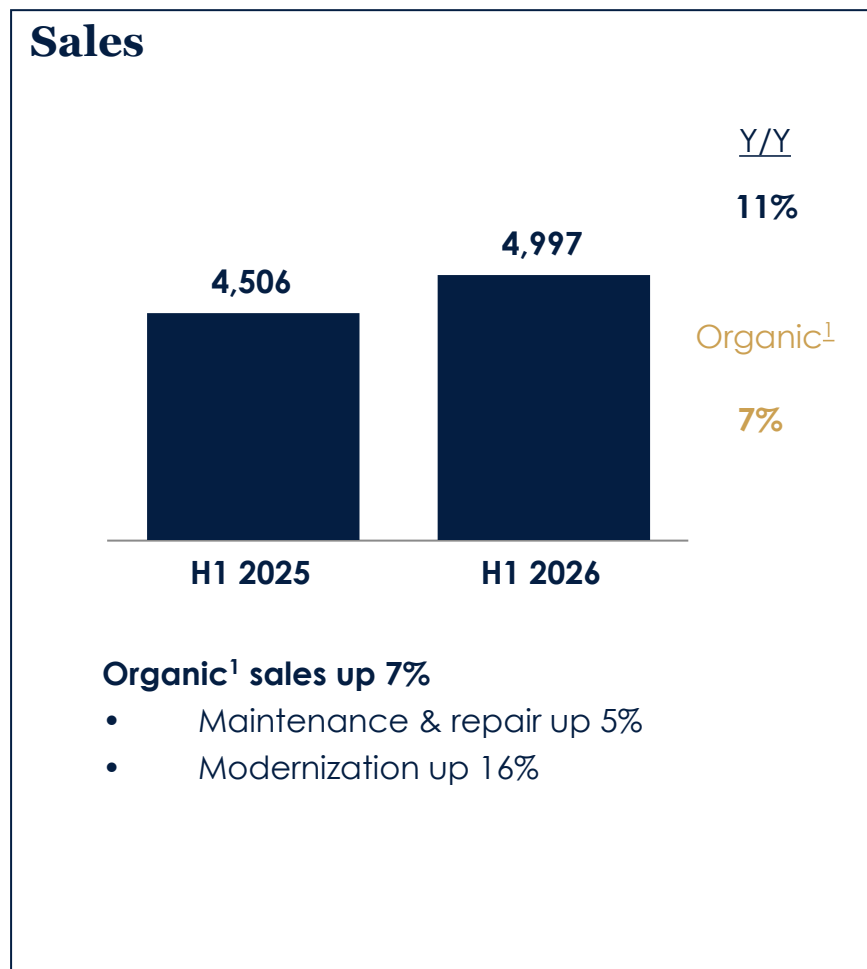
¹ See appendix for additional information regarding these non-GAAP financial measures.

H1 2026 Service segment results



Segment Operating Profit

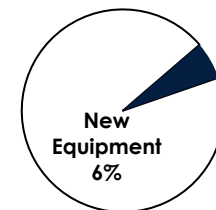
(\$ millions)



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

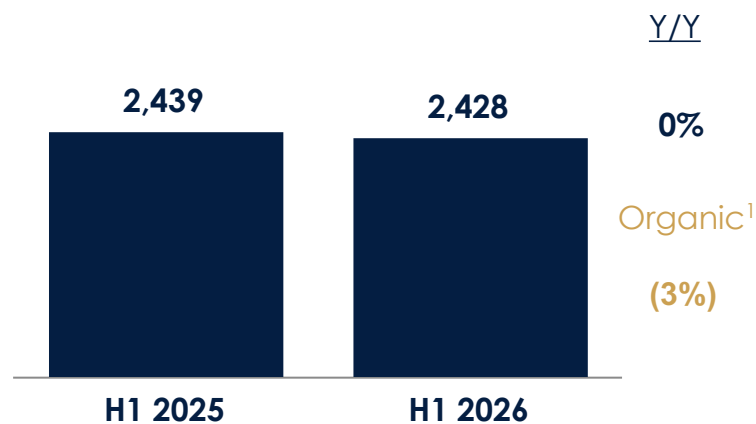
H1 2026 New Equipment segment results

(\$ millions)



Segment Operating Profit

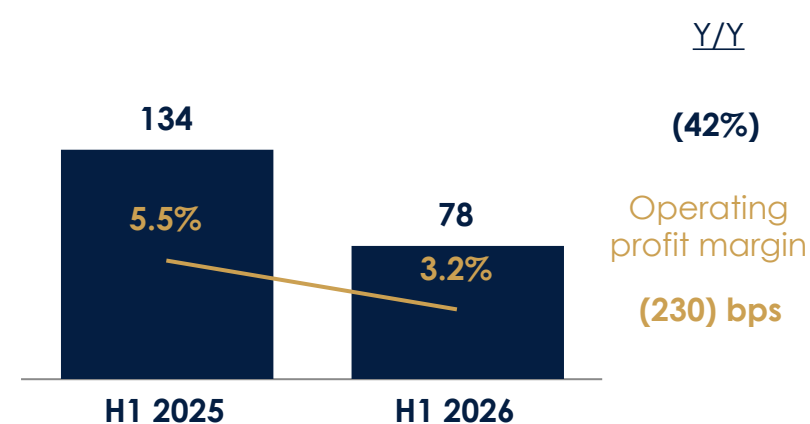
Sales



Organic¹ sales down 3%

- Americas up 5%
- EMEA down 2%
- Asia down 11%
 - Asia Pacific down LSD
 - China down >20%

Operating Profit

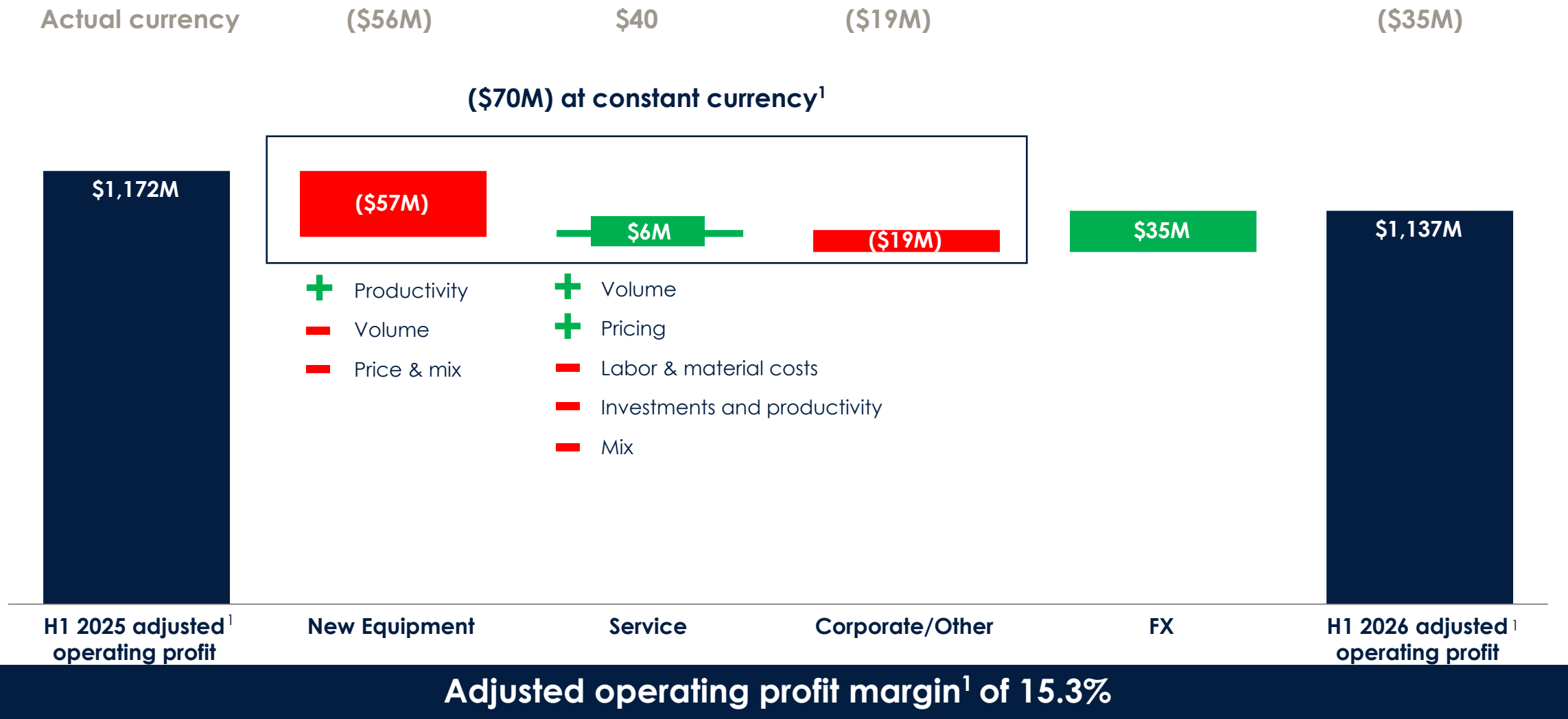


Operating profit down (\$57M) at constant currency¹

- + Productivity
- Volume
- Price & mix

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

H1 2026 adjusted operating profit¹ drivers



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
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.

Additional information

	Actuals			FY26 outlook	
	1Q26	2Q26	1H26	Prior	Current
UpLift restructuring expense	\$0M	\$0M	\$0M	~\$20M	~\$20M
Other restructuring expense	\$7M	\$11M	\$18M	~\$60M	~\$60M
Non-service pension cost (benefit)	\$0M	\$2M	\$2M	~\$5M	~\$5M
Adjusted net interest expense	\$59M	\$68M	\$127M	~\$265M	~\$265M
Adjusted effective tax rate	26.7%	22.8%	24.7%	~24.5%	~24.5%
Adjusted noncontrolling interest expense	\$13M	\$10M	\$23M	~\$60M	~\$60M
Capital expenditures	\$33M	\$44M	\$77M	~\$160M	~\$160M
Diluted shares outstanding	389.6M	383.5M	386.4M	~388M	~388M

Currency exposure	2025 sales
USD	30%
EUR	25%
CNY	11%
Other	34%

2026 GAAP to adjusted financials reconciliation

(\$ millions)

Income	1Q26	2Q26
Net income attributable to Otis	340	428
Noncontrolling interest in subsidiaries' earnings	13	21
Income tax expense (benefit)	127	98
Net interest expense	59	26
Non-service pension benefit (expense)	0	2
GAAP operating profit	539	575
Other restructuring	7	11
Separation-related adjustments (a)	5	0
Other, net	(1)	1
Adjusted operating profit	550	587
<i>Adjusted operating profit margin</i>	<i>15.4%</i>	<i>15.2%</i>
Non-service pension (expense)	0	(2)
Adjusted net interest expense (b) (c)	(59)	(68)
Adjusted pre-tax profit	491	517
Adjusted income tax expense (c)	(131)	(118)
<i>Adjusted effective tax rate (d)</i>	<i>26.7%</i>	<i>22.8%</i>
Adjusted noncontrolling interest (c)	(13)	(10)
Adjusted net income	347	389
Adjusted EPS	\$0.89	\$1.01

(a) In the quarters ended March 31 and June 30, 2026, 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) 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 \$7 million of interest income for the quarter ended June 30, 2026.

(c) Certain tax reserves were adjusted in the second quarter of 2026. As a result, Net interest expense and Noncontrolling interest are reflected as adjusted without \$35 million of interest income and \$11 million of the noncontrolling interest share of the reserves adjustments, respectively, for the quarter ended June 30, 2026.

(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.

2025 GAAP to adjusted financials reconciliation

(\$ millions)

Income	1Q25	2Q25	3Q25	4Q25	FY 2025
Net income attributable to Otis	243	393	374	374	1,384
Noncontrolling interest in subsidiaries' earnings	13	30	18	10	71
Income tax expense (benefit)	110	98	129	142	479
Net interest expense	45	26	61	64	196
Non-service pension benefit (expense)	0	0	4	(1)	3
GAAP operating profit	411	547	586	589	2,133
UpLift restructuring	20	25	27	4	76
Other restructuring	23	12	6	13	54
UpLift transformation costs	23	18	10	18	69
Separation-related adjustments (a)	52	9	4	5	70
Litigation and settlement costs (b)	21	0	0	0	21
Held for sale impairment	10	0	0	0	10
Other, net	0	1	(1)	1	1
Adjusted operating profit	560	612	632	630	2,434
Adjusted operating profit margin	16.7%	17.0%	17.1%	16.6%	16.9%
Non-service pension (expense)	0	0	(4)	1	(3)
Adjusted net interest expense (c) (d)	(46)	(57)	(61)	(65)	(229)
Adjusted pre-tax profit	514	555	567	566	2,202
Adjusted income tax expense (d)	(131)	(121)	(139)	(151)	(542)
Adjusted effective tax rate (e)	25.6%	21.8%	24.5%	26.7%	24.6%
Adjusted noncontrolling interest (d) (f)	(15)	(18)	(17)	(11)	(61)
Adjusted net income	368	416	411	404	1,599
Adjusted EPS	\$0.92	\$1.05	\$1.05	\$1.03	\$4.05

(a) Separation-related adjustments in the year ended December 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 year ended December 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 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 \$3 million for the year ended December 31, 2025.

(d) Certain tax reserves were adjusted in 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 for the year ended December 31, 2025.

(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 \$6 million of the noncontrolling interest share of Other restructuring for the year ended December 31, 2025.

Organic sales reconciliation

Q2 2026 Y/Y	Total Otis	New Equipment	Service	Maintenance & repair	Modernization
Organic	6%	(1%)	9%	6%	24%
FX	1%	1%	1%	1%	0%
Acquisitions / divestitures, net and other ¹	0%	0%	1%	1%	2%
Total net sales growth	7%	0%	11%	8%	26%

H1 2026 Y/Y	Total Otis	New Equipment	Service	Maintenance & repair	Modernization
Organic	4%	(3%)	7%	5%	16%
FX	3%	3%	3%	3%	2%
Acquisitions / divestitures, net and other ¹	0%	0%	1%	1%	0%
Total net sales growth	7%	0%	11%	9%	18%

¹ Includes rounding.

Segment and total adjusted operating profit at constant currency reconciliations

(\$ millions)	Q2 2025	Q2 2026	Y/Y	H1 2025	H1 2026	Y/Y
New Equipment						
Operating profit	68	40	(28)	134	78	(56)
Impact of foreign exchange	0	(2)	(2)	0	(1)	(1)
Operating profit at constant currency	68	38	(30)	134	77	(57)
Service						
Operating profit	578	599	21	1,115	1,155	40
Impact of foreign exchange	0	(5)	(5)	0	(34)	(34)
Operating profit at constant currency	578	594	16	1,115	1,121	6
Otis Consolidated						
Adjusted operating profit	612	587	(25)	1,172	1,137	(35)
Impact of foreign exchange	0	(7)	(7)	0	(35)	(35)
Adjusted operating profit at constant currency	612	580	(32)	1,172	1,102	(70)

SG&A reconciliation

(\$ millions)	Q2 2025	Q2 2026	H1 2025	H1 2026
Net sales	3,595	3,859	6,945	7,425
SG&A expense	499	520	963	1,030
UpLift restructuring	(27)	0	(38)	0
Other restructuring	(6)	(8)	(14)	(12)
Adjusted SG&A expense	466	512	911	1,018
<i>Adjusted SG&A % of sales</i>	<i>13.0%</i>	<i>13.3%</i>	<i>13.1%</i>	<i>13.7%</i>

Diluted EPS and Tax reconciliations

	Q2 2025	Q2 2026	H1 2025	H1 2026
GAAP diluted earnings per share	\$0.99	\$1.12	\$1.60	\$1.99
Impact of non-recurring items on diluted earnings per share	\$0.06	(\$0.11)	\$0.37	(\$0.09)
Adjusted earnings per share	\$1.05	\$1.01	\$1.97	\$1.90

	Q2 2025	Q2 2026	H1 2025	H1 2026
Effective tax rate	18.8%	17.9%	23.4%	21.9%
Impact of adjustments on effective tax rate	3.0%	4.9%	0.2%	2.8%
Adjusted effective tax rate	21.8%	22.8%	23.6%	24.7%

Adjusted free cash flow reconciliation

(\$ millions)	Q2 2025	Q2 2026	H1 2025	H1 2026
Operating cash flow	215	267	405	680
Capital expenditures	(36)	(44)	(70)	(77)
Free cash flow	179	223	335	603
UpLift restructuring payments	8	6	19	14
UpLift transformation payments	14	7	33	11
Separation-related payments (a)	72	57	72	63
German Tax Litigation refunds (b)	(30)	(3)	(30)	(129)
Adjusted free cash flow	243	290	429	562

(a) These represent payments to RTX Corporation (our former parent) in accordance with the Tax Matters Agreement.

(b) In August 2024, we received a favorable ruling regarding a tax litigation in Germany. The Company began receiving refunds during 2025 and anticipates the refund process to continue through 2026.

Other reconciliations

Remaining performance obligation (RPO)

(\$ billions)	Q2 2025	Q1 2026	Q2 2026
RPO at actual currency (GAAP measure)	19.3	19.8	19.7
FX / Other ¹	(0.5)	(0.3)	0.0
RPO at constant currency	18.8	19.5	19.7

Backlog

Q2 2026 Y/Y Growth	New Equipment	Maintenance & repair	Modernization
Actual currency (GAAP measure)	3%	(3%)	24%
FX / Other ¹	1%	4%	2%
Backlog at constant currency	4%	1%	26%

¹ Balances have been updated to reflect the impact of the constant currency calculation and other adjustments to ensure comparability.