



July 29, 2021

SECOND QUARTER 2021 FINANCIAL RESULTS



Forward Looking Statements

This presentation contains “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of fact, that address activities, events or developments that we or our management intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements including without limitation our statements regarding the impact of the COVID-19 pandemic on Garrett’s business, financial results and financial conditions, industry trends, Garrett’s strategy, and Garrett’s capital structure following emergence from the Chapter 11 process. Although we believe forward-looking statements are based upon reasonable assumptions, such statements involve known and unknown risks, uncertainties, and other factors, which may cause the actual results or performance of Garrett to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such risks and uncertainties include but are not limited to those described in our annual report on Form 10-K for the year ended December 31, 2020, and our quarterly report on Form 10-Q for the three months ended June 30, 2021, as well as our other filings with the Securities and Exchange Commission, under the headings “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements.” You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by our forward-looking statements.

Non-GAAP Financial Measures

This presentation includes the following Non-GAAP financial measures which are not calculated in accordance with generally accepted accounting principles in the United States (“GAAP”): constant currency sales growth, Adjusted Net Income, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Free Cash Flow, Adjusted Free Cash Flow Conversion Rate and Net cash provided by operating activities less Expenditures for property, plant and equipment. The Non-GAAP financial measures provided herein are adjusted for certain items as presented in the Appendix containing Non-GAAP Reconciliations and may not be directly comparable to similar measures used by other companies in our industry, as other companies may define such measures differently. Management believes that, when considered together with reported amounts, these measures are useful to investors and management in understanding our ongoing operations and analysis of ongoing operating trends. Garrett believes that Adjusted EBITDA and Adjusted EBITDA Margin are important indicators of operating performance because they exclude the effects of income taxes and certain other items, as well as the effects of financing and investing activities by eliminating the effects of interest and depreciation expenses and therefore more closely measures our operational performance. These metrics should be considered in addition to, and not as replacements for, the most comparable GAAP measure. For additional information with respect to our Non-GAAP financial measures, see our annual report on Form 10-K for the year ended December 31, 2020 and our quarterly report on Form 10-Q for the period ended June 30, 2021.

Second Quarter 2021 Highlights

Outperformed Global LV Auto Production

- Q2 reported net sales totalled \$935 million, up 82.6% at constant currency¹
- Net sales growth at constant currency exceeded global auto production by ~32 percentage points²
- Continue to benefit from strong customer demand and share-of-demand gains

Maintained Strong Execution Amid Supply Chain Disruptions

- Q2 volumes impacted by temporary component shortages
- Leveraged flexible operating platform and global capabilities to mitigate supply constraints
- Increased Adjusted EBITDA margin to 18.0%¹

Successfully Completed Financial Restructuring

- Strengthened balance sheet and enhanced strategic and financial flexibility
- New Board of Directors with deep and diverse experience across multiple industries
- Commenced trading new Garrett common stock on Nasdaq under historical ticker "GTX"



Turbo Technology



Electric & Hybrid



Connected Vehicles

¹ Reconciliation of Non-GAAP financial measures are included in Appendix.

² Based on IHS data.

Execution of Technology Growth Strategy

CORE TURBO

Continuous differentiated innovation

- Global LV turbo volumes expected to grow ~6% annually from 2020 to 2025
- Continuation of new business win rate in first half of 2021 consistent with high level in previous years

ELECTRIFICATION & SOFTWARE

Next-generation of technology leadership

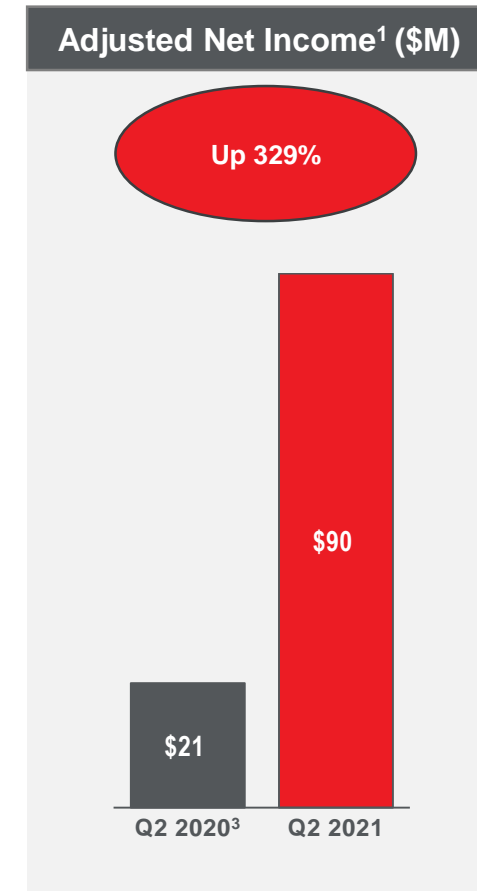
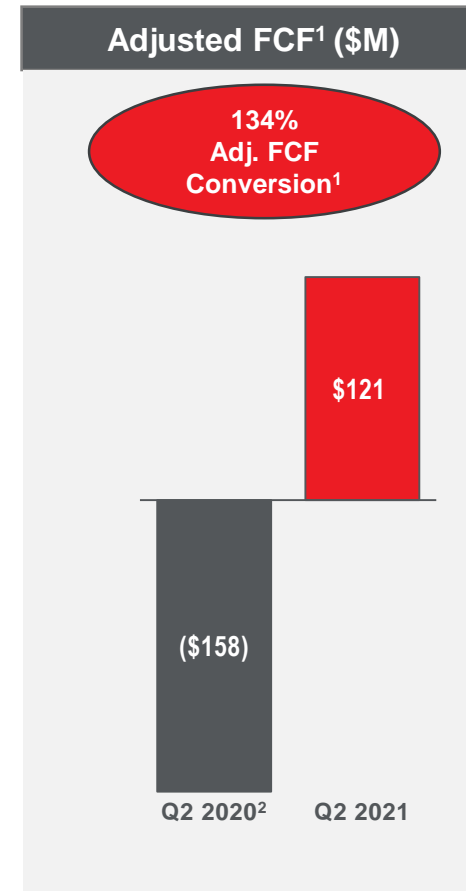
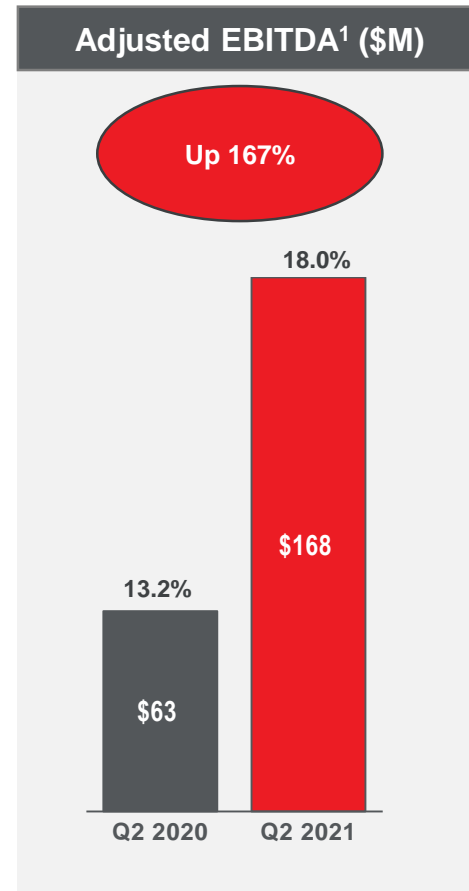
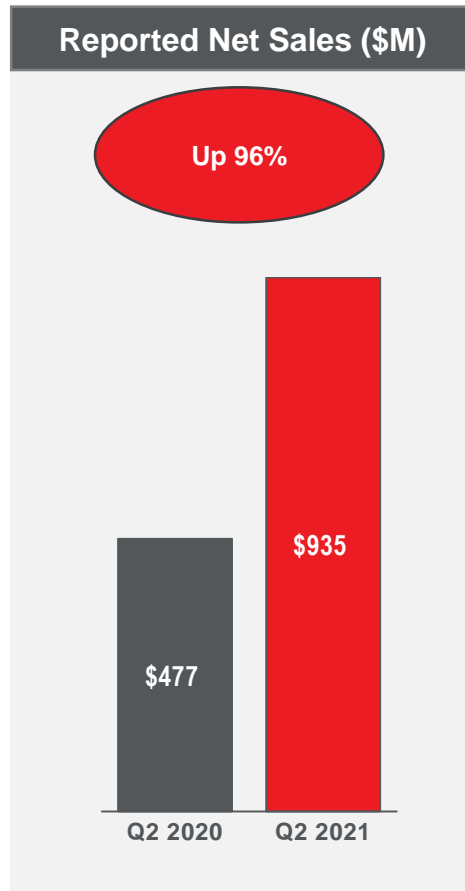
- Launched predictive control software system with Hyundai Motor Company
- E-Turbo named a finalist for 2021 PACE Awards
- Received new win for fuel cell compressor technology in China; plan to deliver prototypes to 10+ additional customers (LV and CV OEMs as well as FC specialists) in 2021

PIPELINE

Advanced technologies to address future market needs

- Incubating new technologies in-house leveraging Garrett's core competencies
- Rich portfolio of patented technologies applicable to electrified drivetrains

Key Financial Metrics: Q2 2020 – Q2 2021



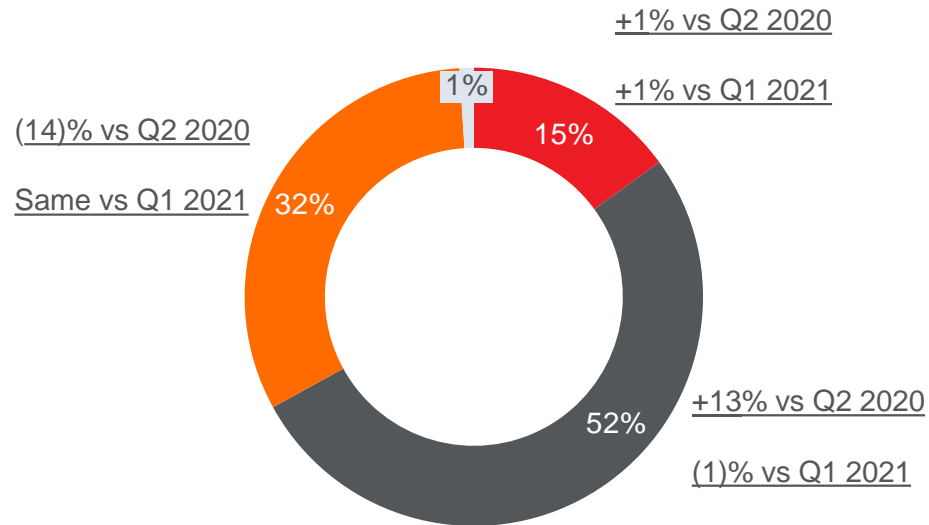
¹ Reconciliations of Non-GAAP financial measures are included in Appendix.

² Q2 2020 Adjusted FCF reported number was restated to reflect updated definition, which excludes liquidity actions such as sales of receivables; see reconciliations in Appendix.

³ Q2 2020 Adjusted Net Income reported numbers were restated to reflect updated adjusted tax rate.

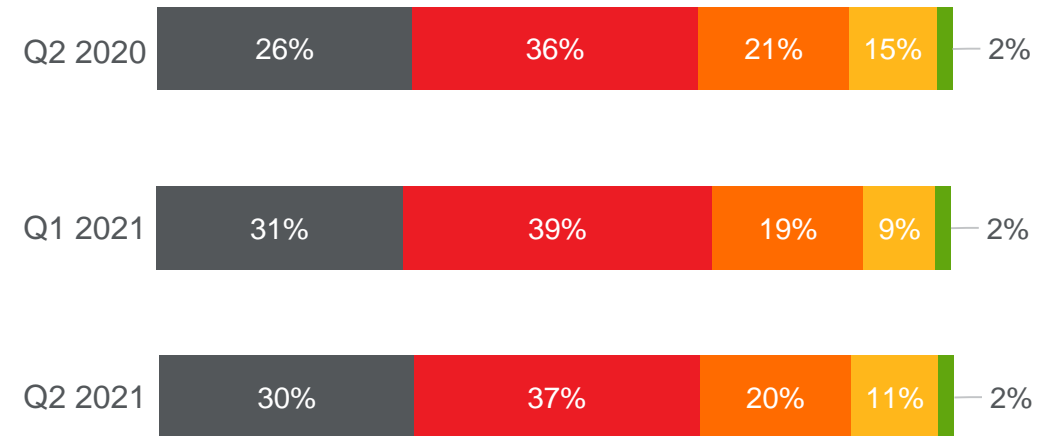
Q2 2021 Net Sales by Region and Product Line

Reported Net Sales by Region¹



■ North America ■ Europe ■ Asia ■ Other

Reported Net Sales by Product Line



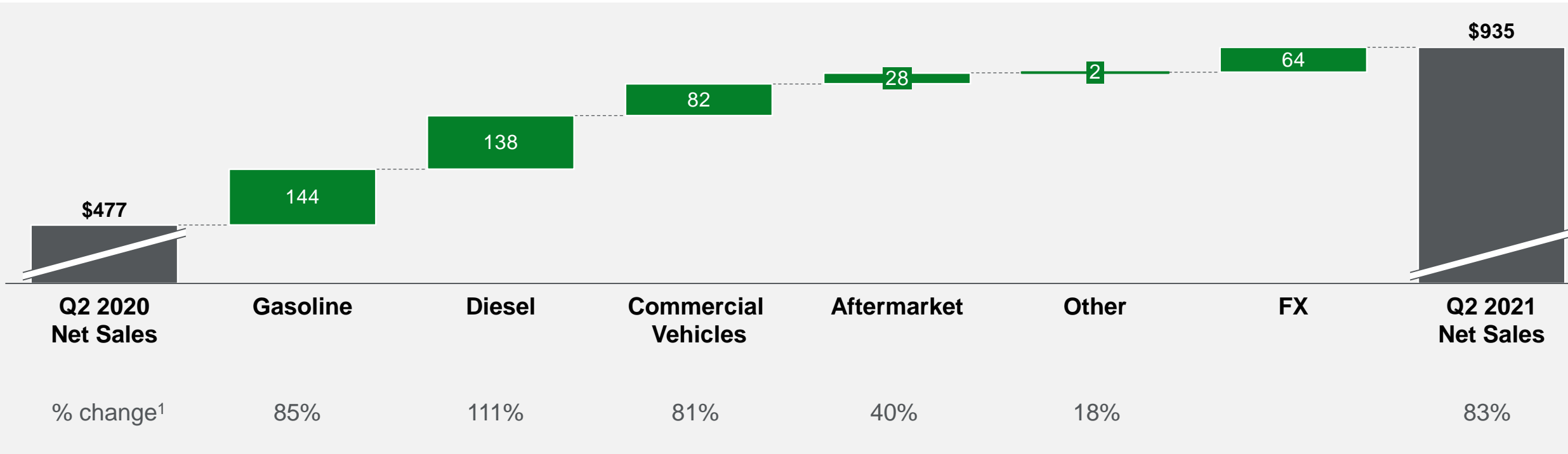
■ Diesel ■ Gas ■ Comm Vehicle ■ Aftermarket ■ Other

¹ Figures by Region based on shipped-from basis.

Q2 volumes increased year-over-year across all regions

Reported Net Sales Bridge: Q2 2020 – Q2 2021

(\$M)



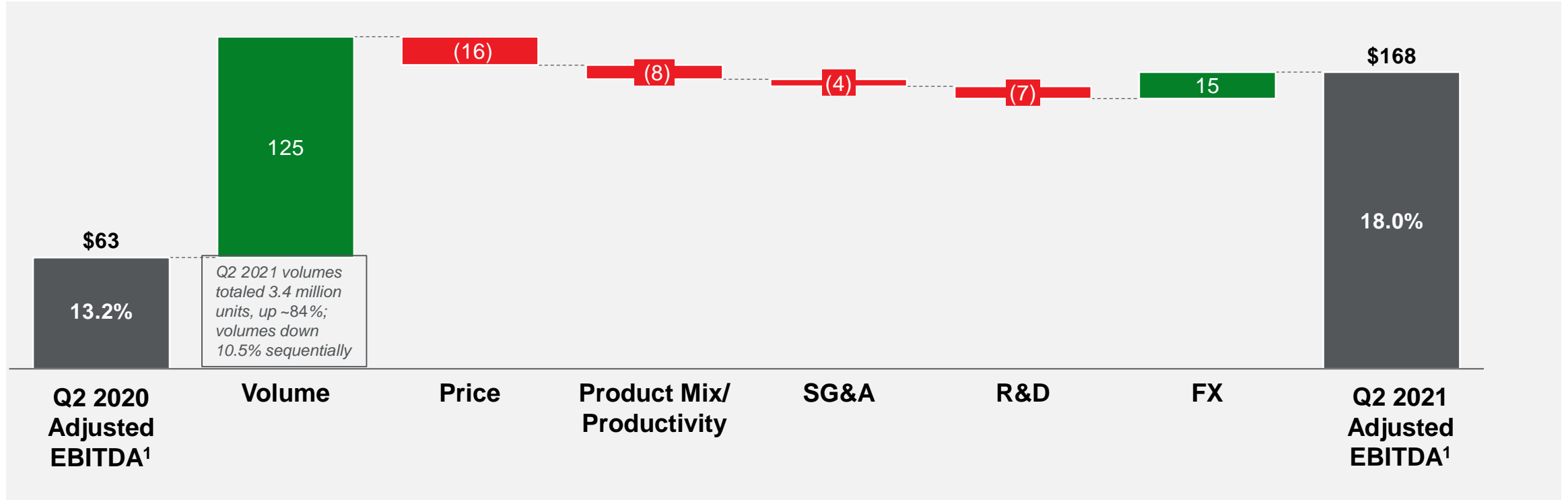
- Growth across all product lines reflects impact of COVID-19 pandemic in Q2 2020
- Gasoline net sales increased 85% and Diesel climbed 111% at constant currency
- Commercial Vehicles and Aftermarket net sales up 81% and 40%, respectively, at constant currency

¹All growth rates are at constant currency and are reconciled to the nearest GAAP measure in Appendix.

Net sales up 83% at constant currency in Q2

Adjusted EBITDA Walk: Q2 2020 – Q2 2021

(\$M)



- Year-over-year incremental margin of 23%² driven by productivity gains and volume leverage
- Q2 2020 results include temporary cost control actions totaling ~\$30 million to mitigate COVID-19 impact
- Price impact driven by higher volumes versus prior year and pandemic-related adjustments

¹ Reconciliations of Non-GAAP financial measures are included in Appendix.

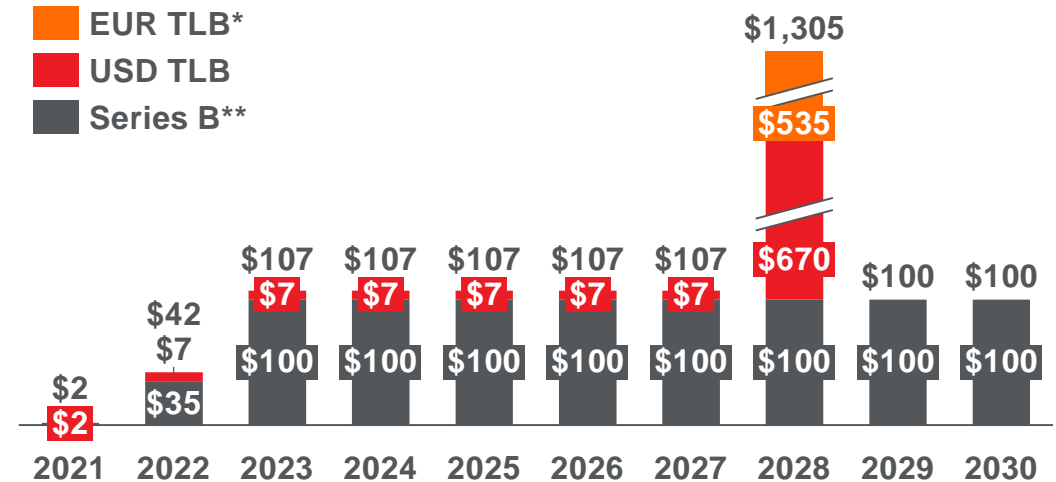
² Incremental margin calculated by the year-over-year change in Adjusted EBITDA divided by the year-over-year change in Reported Net Sales.

Liquidity and Capital Resources

Available Liquidity (\$M)

	June 30, 2020	June 30, 2021
Secured Term Debt	(1,044)	(1,247)
Secured Revolving Credit Facility	(132)	0
Overdraft / Uncommitted Drawdowns (a)	(4)	0
Unsecured debt	(392)	0
Gross Debt	(1,572)	(1,247)
Unrestricted Cash & cash equivalent (b)	139	401
Net debt¹	(1,433)	(846)
Undrawn RCF commitments ² (c)	347	261
Available liquidity (a+b+c)	482	662

Debt and Series B Maturities



*€450 million; ** Annual payments on April 30th; Honeywell may have the right to redeem the Series B Preferred Stock in accordance with its terms as soon as the fourth quarter of 2021.

- Gross Debt to Consolidated EBITDA¹ was 2.03x as of June 30, 2021; or 3.39x including Series B Preferred Stock
- Net Debt to Consolidated EBITDA¹ was 1.37x as of June 30, 2021; or 2.73x including Series B Preferred Stock

¹ Reconciliations of Non-GAAP financial measures are included in Appendix.

² USD \$300M less \$39M used for bank guarantee issuance at June 30, 2021.

\$662 million in liquidity as of June 30th provides significant financial flexibility

Financial Guidance

Full Year 2021 Outlook

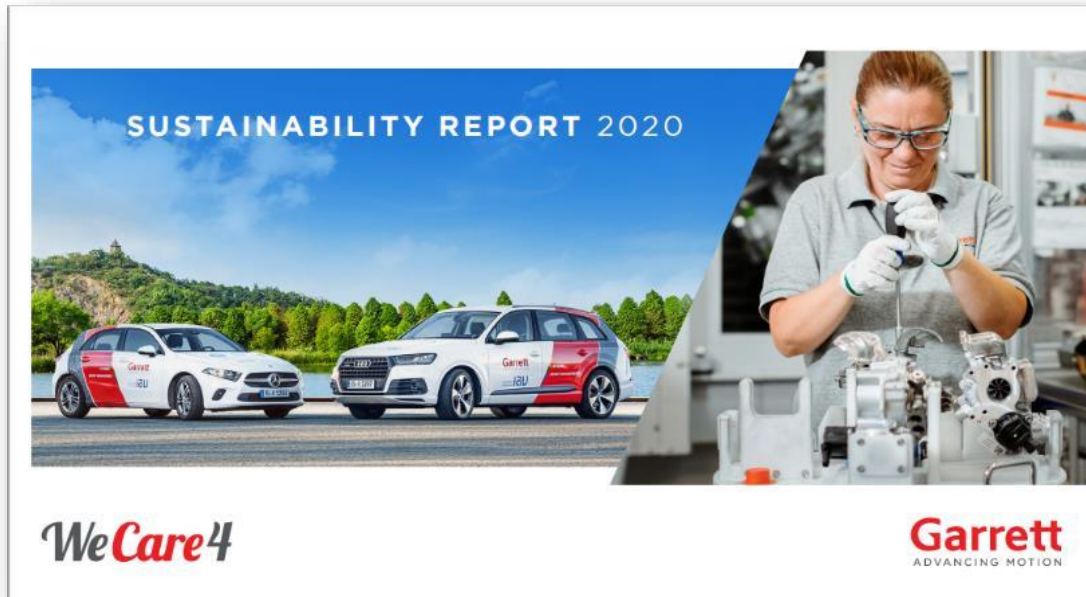
Reported Net Sales	<ul style="list-style-type: none"> • \$3.70 billion to \$3.90 billion
Net Sales Growth at Constant Currency¹	<ul style="list-style-type: none"> • +18% to +23% <i>(outperforming global LV auto production by 8 to 12 percentage points)</i>
Net Income	<ul style="list-style-type: none"> • \$428 million to \$468 million
Adjusted EBITDA¹	<ul style="list-style-type: none"> • \$590 million to \$640 million
Net Cash Used for Operating Activities	<ul style="list-style-type: none"> • (\$291) million to (\$191) million
Adjusted Free Cash Flow¹	<ul style="list-style-type: none"> • \$300 million to \$400 million
Planning Assumptions	<ul style="list-style-type: none"> • Global light vehicle auto production growth of 10% to 11% • Global commercial vehicle production growth of 3.5% to 4.5% • Capital expenditures ~3.5% of net sales; RD&E ~4.3% of net sales • Adjusted Free Cash Flow Conversion > 100%

Full year 2021 outlook, as of July 29, 2021, assumes an exchange rate of 1.20 EUR to 1.00 USD.

¹ Reconciliations of Non-GAAP financial measures are included in Appendix.

2021 outlook reflects continued execution in volatile macro environment

Garrett Publishes First Sustainability Report



- Garrett is committed to reducing its carbon footprint through the development and delivery of transformative technologies
- Two pillars support Garrett's mission:
 - Culture of innovation
 - Responsible operations



Garrett helps to drive the future of sustainable mobility for vehicles worldwide

Q2 Summary

- Strong net sales performance highlighted by industry outgrowth of ~32 percentage points
- Global supply chain disruptions impacted Q2 volumes; macro environment remains volatile
- Q2 product mix improved, contributing to higher Adjusted EBITDA Margin of 18.0%¹
- Improved capital structure and increased flexibility upon completion of financial restructuring
- Continued focus on incubating new technologies and accelerating innovations to the market



Turbo Technology



Electric & Hybrid



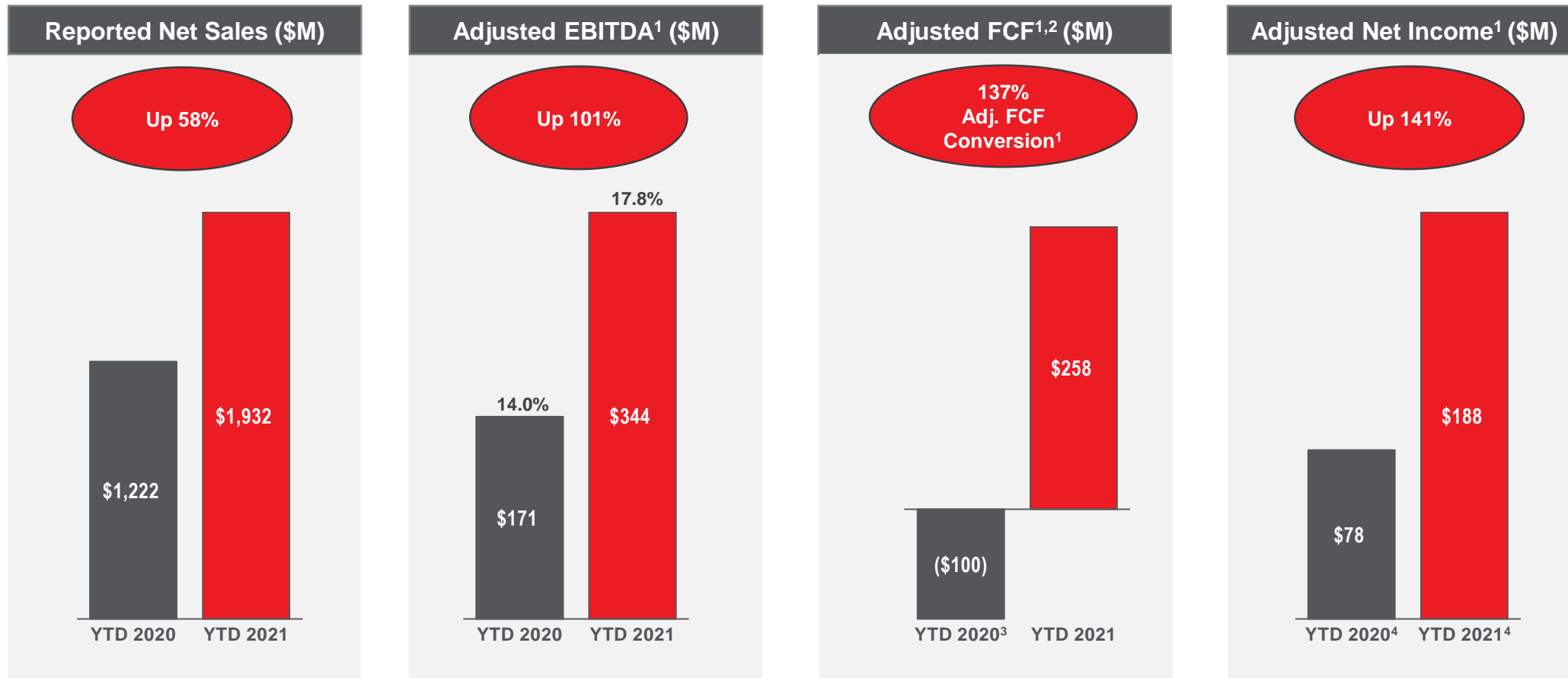
Connected Vehicles

¹ Reconciliation of Non-GAAP financial measures are included in Appendix.

Appendices



Key Financial Metrics: YTD 2020 – YTD 2021



¹ Reconciliations of Non-GAAP financial measures are included in Appendix.

² Liquidity actions taken during Chapter 11 in Q1 related to sales of receivables have been adjusted back.

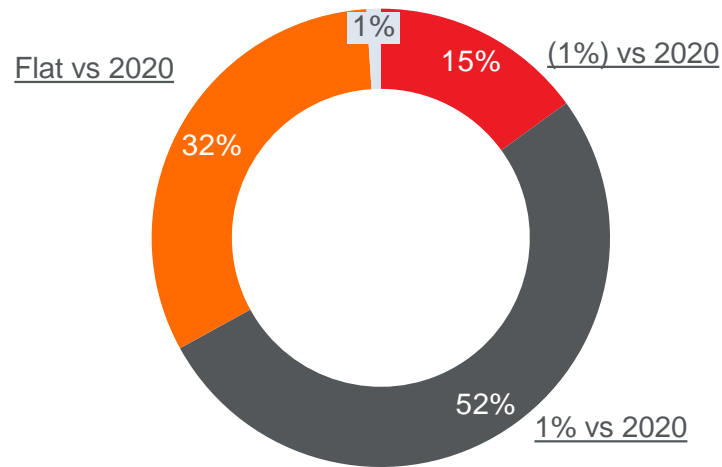
³ 2020 Adjusted FCF reported number was restated to reflect updated definition, which excludes liquidity actions such as sales of receivables; see reconciliations in Appendix

⁴ Q1 2020 and Q1 2021 Adjusted Net Income reported numbers were restated to reflect updated adjusted tax rate.

Garrett achieved strong YTD results, delivering across all key financial metrics

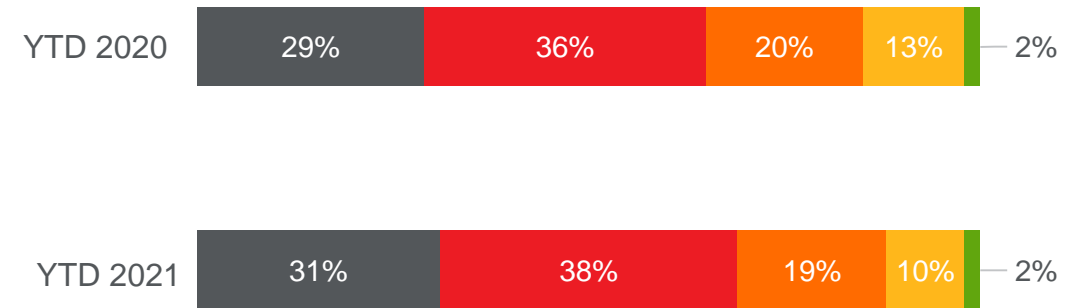
YTD 2021 Net Sales by Region and Product Line

Reported Net Sales by Region¹



■ North America
 ■ Europe
 ■ Asia
 ■ Other

Reported Net Sales by Product Line



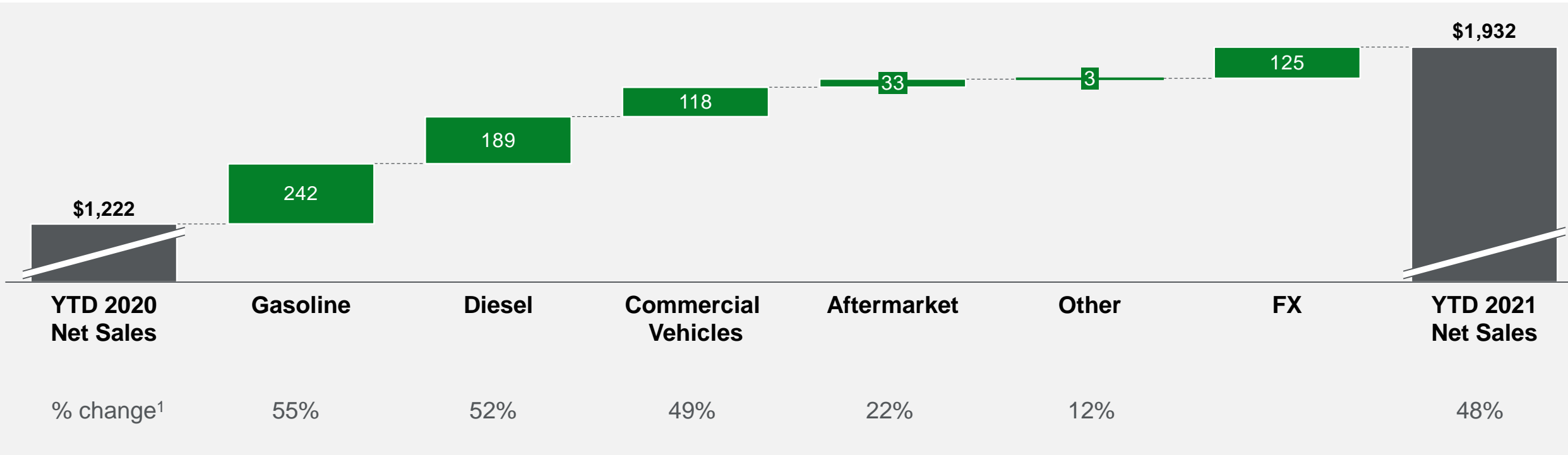
■ Diesel
 ■ Gas
 ■ Comm Vehicle
 ■ Aftermarket
 ■ Other

¹ Figures by Region based on shipped-from basis.

Net sales from Asia totalled 32%, Gasoline products at 38%

Reported Net Sales Bridge: YTD 2020 – YTD 2021

(\$M)



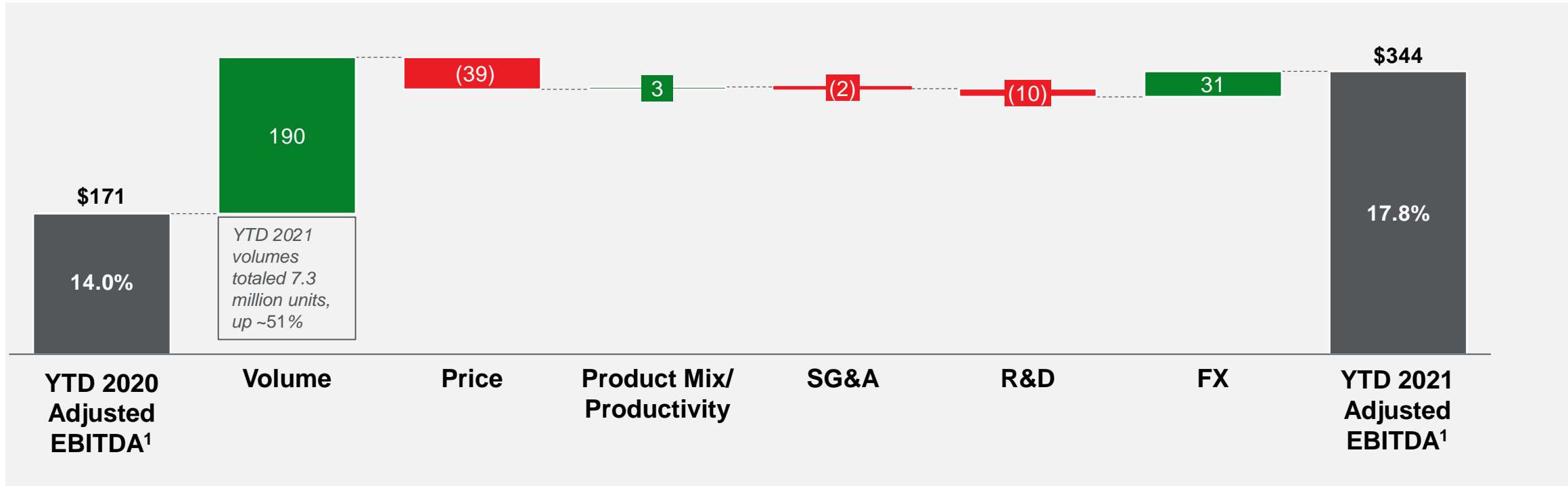
- Growth across all regions and product lines reflects impact of COVID-19 pandemic in 2020
- Gasoline net sales up 55% and Diesel climbed 52% at constant currency
- Significant net sales at constant currency increase year-over-year in Europe, North America and China primarily due to pandemic-related plant closings and slowdowns in Q1 2020

¹All growth rates are at constant currency and are reconciled to the nearest GAAP measure in Appendix.

Net sales up 48% at constant currency YTD 2021

Adjusted EBITDA Walk: YTD 2020 – YTD 2021

(\$M)



- Unfavorable price driven by higher volumes versus prior year and pandemic-related adjustments
- Year-over-year incremental margin of 24% driven by productivity gains and volume leverage

¹ Reconciliations of Non-GAAP financial measures are included in Appendix.

Adjusted EBITDA margin improved 380 basis points to 17.8%

Income Statement

<i>(\$ in millions)</i>	Q2 2021	Q2 2020	6M 2021	6M 2020
Net sales	\$935	\$477	\$1,932	\$1,222
Cost of goods sold	742	397	1543	1004
Gross profit	193	80	389	218
Selling, general and administrative expenses	51	47	106	104
Other expense, net	0	15	1	31
Interest expense	24	20	45	36
Non-operating (income) expense	(26)	(4)	0	(8)
Reorganization items, net	(295)	0	(121)	0
Income before taxes	\$439	\$2	\$358	\$55
Tax expense	30	11	54	12
Net income (loss)	\$409	(\$9)	\$304	\$43
Less: preferred dividend	(\$24)	\$0	(\$24)	\$0
Net income (loss) available to common shareholders	\$385	(\$9)	\$280	\$43

Balance Sheet Summary

Assets	June 30, 2021	December 31, 2020
Cash and cash equivalents	\$401	\$592
Restricted cash	\$215	\$101
Other current assets	1,118	1,186
Total current assets	1,734	1,879
Property, plant and equipment-net	481	505
Deferred income taxes	261	275
Other assets	\$361	\$358
Total assets	\$2,837	\$3,017
Liabilities		
Total current liabilities	1,492	1,837
Long-term debt	1,204	1,082
Other liabilities	847	116
Total liabilities not subject to compromise	3,543	3,035
Liabilities subject to compromise	0	2,290
Total liabilities	\$3,543	\$5,325
Equity (deficit)		
Common stock, par value	0	0
Additional paid-in capital	1,332	28
Retained deficit	(1,972)	(2,207)
Accumulated other comprehensive loss	(66)	(129)
Total deficit	(706)	(2,308)
Total liabilities and deficit	\$2,837	\$3,017

Summary of Cash Flows

<i>(\$ in millions)</i>	Q2 2021	Q2 2020	6M 2021	6M 2020
Net income (loss)	\$409	(\$9)	\$304	\$43
Net cash (used for) operating activities	(423)	(152)	(391)	(95)
Net cash (used for) investing activities	(22)	(25)	(39)	(64)
Net cash provided by financing activities	460	52	359	114
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	24	10	(6)	(3)
Net increase / (decrease) in cash, cash equivalents and restricted cash	39	(115)	(77)	(48)
Cash, cash equivalents and restricted cash at beginning of period	577	254	693	187
Cash, cash equivalents and restricted cash at end of period	\$616	\$139	\$616	\$139

Reconciliation of Constant Currency Sales % Change

Garrett	Q2 2021	Q2 2020	6M 2021	6M 2020
Reported sales % change	96%	(41%)	58%	(25%)
Less: Foreign currency translation	13%	(2%)	10%	(1%)
Constant Currency sales % change	83%	(39%)	48%	(24%)
Gasoline				
Reported sales % change	101%	(31%)	67%	(10%)
Less: Foreign currency translation	16%	(2%)	12%	(2%)
Constant Currency sales % change	85%	(29%)	55%	(8%)
Diesel				
Reported sales % change	129%	(55%)	64%	(37%)
Less: Foreign currency translation	18%	(1%)	12%	(1%)
Constant Currency sales % change	111%	(54%)	52%	(36%)
Commercial vehicles				
Reported sales % change	90%	(38%)	56%	(28%)
Less: Foreign currency translation	9%	(1%)	7%	(1%)
Constant Currency sales % change	81%	(37%)	49%	(27%)
Aftermarket				
Reported sales % change	46%	(29%)	27%	(23%)
Less: Foreign currency translation	6%	(1%)	5%	(1%)
Constant Currency sales % change	40%	(28%)	22%	(22%)
Other Sales				
Reported sales % change	25%	(29%)	19%	(27%)
Less: Foreign currency translation	7%	(1%)	7%	(2%)
Constant Currency sales % change	18%	(28%)	12%	(25%)

We define constant currency sales growth as the year-over-year change in reported sales relative to the comparable period, excluding the impact on sales from foreign currency translation. This is the same definition we previously used for "organic sales growth". We believe this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Reconciliation of Net Income to Net cash provided by operating activities less Expenditures for property, plant and equipment

(\$ in millions)	Q2 2021	Q2 2020	6M 2021	6M 2020
Net income (loss) - GAAP	\$409	(\$9)	\$304	\$43
Net interest expense	\$23	\$19	\$43	\$34
Tax expense	\$30	\$11	\$54	\$12
Depreciation	\$24	\$18	\$47	\$37
EBITDA (Non-GAAP)	\$486	\$39	\$448	\$126
Other expense, net (which consists of indemnification, asbestos and environmental expenses)	0	14	0	30
Non-operating income	(3)	(3)	(6)	(5)
Reorganization items, net	(295)	0	(121)	0
Stock compensation expense	1	4	3	6
Repositioning charges	3	1	11	6
Foreign exchange (gain) loss on debt, net of related hedging (gain) loss	(24)	(1)	9	(1)
Professional service costs	0	9	0	9
Adjusted EBITDA (Non-GAAP)	\$168	\$63	\$344	\$171
Change in working capital ¹	(39)	(155)	(1)	(140)
Factoring and P-notes	14	7	(11)	7
Cash Taxes	(17)	(3)	(32)	(6)
Capital Expenditures	(22)	(24)	(40)	(63)
Other	34	(16)	34	(32)
Cash Interest	(17)	(30)	(36)	(37)
Adjusted Free Cash Flow (Non-GAAP)	\$121	(\$158)	\$258	(\$100)
Honeywell Indemnity Agreement	0	(2)	0	(41)
Stalking horse termination reimbursement	0	0	(79)	0
Chapter 11 Professional service costs	(146)	(8)	(212)	(8)
Honeywell Settlement as per Emergence Agreement	(375)	0	(375)	0
Chapter 11 related cash interests	(20)	0	(20)	0
Stock compensation cash	(9)	0	(10)	0
Repositioning cash	(2)	(1)	(4)	(2)
Factoring and P-notes	(14)	(7)	11	(7)
Net cash provided by operating activities less expenditures for property, plant and equipment (Non-GAAP)	(\$445)	(\$176)	(\$431)	(\$158)

¹ Change in Working Capital Q2 2021 includes an adjustment of \$85 million for retained advisors.

Reconciliation of Net Income to Adjusted FCF Conversion

<i>(\$ in millions)</i>	Q2 2021	Q2 2020	6M 2021	6M 2020
Net income (loss) - GAAP	\$409	(\$9)	\$304	\$43
Foreign exchange (gain) loss on debt, net of related hedging (gain) loss	(\$24)	(\$1)	\$9	(\$1)
Other expense, net (which consists of indemnification, asbestos and environmental expenses)	\$0	\$14	\$0	\$30
Non-operating income	(\$3)	(\$3)	(\$6)	(\$5)
Reorganization items, net	(\$295)	\$0	(\$121)	\$0
Stock compensation expense	\$1	\$4	\$3	\$6
Repositioning charges	\$3	\$1	\$11	\$6
Non-recurring costs	\$0	\$9	\$0	\$9
Adjusted tax (income) expense ^{1,2}	(\$1)	\$6	(\$12)	(\$10)
Adjusted Net Income (Non-GAAP)	\$90	\$21	\$188	\$78
Adjusted Free Cash Flow³ (Non-GAAP)	121	(158)	258	(100)
Adjusted Free Cash Flow Conversion (Non-GAAP)	134%	(752%)	137%	(128%)

¹ Adjusting items are tax effected at the same annual effective tax rate that was used at the time the adjusting item was originally recorded. If the adjusting item was not originally taxed at the annual effective tax rate, then the amount of the tax originally recorded is used.

² Q1 2020 and Q1 2021 Adjusted Tax Expense (and consequently, Adjusted Net Income) reported numbers were restated to reflect an updated adjusted tax rate.

³ For Adjusted Free Cash Flow Reconciliation, please refer to slide for Reconciliation of Cash Flow from Operations less Expenditures for PP&E to Adjusted Free Cash Flow.

Reconciliation of Cash Flow from Operations less Expenditures for PP&E to Adjusted Free Cash Flow

<i>(\$ in millions)</i>	Q2 2021	Q2 2020	6M 2021	6M 2020
Net cash (used for) operating activities (GAAP)	(\$423)	(\$152)	(\$391)	(\$95)
Expenditures for property, plant and equipment	(22)	(24)	(40)	(63)
Net cash provided by operating activities less expenditures for property, plant and equipment (Non-GAAP)	(445)	(176)	(431)	(158)
Honeywell Indemnity Agreement expenses	0	2	0	41
Stalking horse termination reimbursement	0	0	79	0
Chapter 11 professional service costs	146	8	212	8
Honeywell Settlement as per Emergence Agreement	375	0	375	0
Chapter 11 related cash interests	20	0	20	0
Stock compensation cash	9	0	10	0
Repositioning cash	2	1	4	2
Factoring and P-notes	14	7	(11)	7
Adjusted free cash flow (Non-GAAP)^{1,2}	\$121	(\$158)	\$258	(\$100)

¹ Liquidity actions taken during Chapter 11 in Q1 related to sales of receivables have been adjusted back.

² 2020 Adjusted FCF reported number was restated to reflect updated definition which excludes liquidity actions such as sales of receivables.

Full Year 2021 Outlook Reconciliation of Reported Net Sales to Net Sales Growth at Constant Currency

	2021 Full Year Low End	2021 Full Year High End
Reported net sales (% change)	23%	29%
Foreign currency translation	5%	6%
Full Year 2021 Targeted Net Sales Growth at Constant Currency	18%	23%

Full Year 2021 Outlook Reconciliation of Net Income to Adjusted EBITDA

<i>(\$ in millions)</i>	2021 Full Year Low End	2021 Full Year High End
Net income - GAAP	\$428	\$468
Net interest expense	69	69
Tax expense	92	102
Depreciation	97	97
Full year 2021 Targeted EBITDA (Non-GAAP)	\$686	\$736
Non-operating income	(13)	(13)
Reorganization items, net	(118)	(118)
Stock compensation expense	15	15
Repositioning charges	11	11
Foreign exchange loss on debt, net of related hedging loss	9	9
Full Year 2021 Targeted Adjusted EBITDA (Non-GAAP)	\$590	\$640

Full Year 2021 Outlook Reconciliation of Cash Flow from Operations less Expenditures for PP&E to Adjusted Free Cash Flow

<i>(\$ in millions)</i>	2021 Full Year Low End	2021 Full Year High End
Net cash (used for) operating activities (GAAP)	(\$291)	(\$191)
Expenditures for property, plant and equipment	(112)	(112)
Net cash (used for) operating activities less expenditures for property, plant and equipment (Non-GAAP)	(\$403)	(\$303)
Cash payments for restructuring	706	706
Non-recurring cash items	(3)	(3)
Full year 2021 Targeted Adjusted Free Cash Flow (Non-GAAP)	\$300	\$400



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