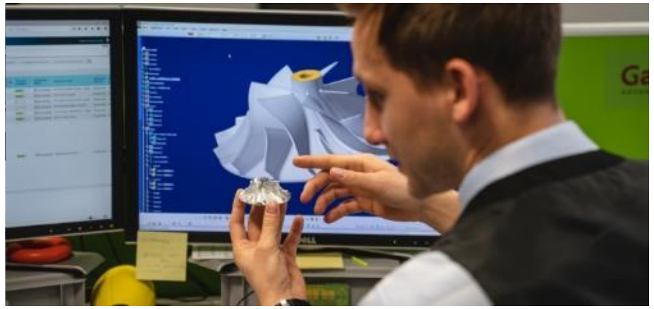

FEBRUARY 27, 2020

FOURTH QUARTER AND FULL YEAR 2019 FINANCIAL RESULTS

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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 our anticipated financial performance, expectations regarding global automotive demand, anticipated growth of our gasoline business, trends in foreign exchange rates, the impact of the novel coronavirus on our financial results, estimated payments to Honeywell, and projections regarding our technology solutions. 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 the company 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, 2019, as well as our other filings with the Securities and Exchange Commission, under the headings "Risk Factors" and "Cautionary Statement Concerning 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 EBITDA, Adjusted EBITDA, Net to Consolidated EBITDA ratio, Consolidated Debt to Consolidated EBITDA ratio, Adjusted Free Cash Flow, Consolidated EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Earnings Per Share ("EPS"), Cash flow from operations minus capital expenditures, Free Cash Flow, Adjusted Free Cash Flow Conversion, constant currency sales growth and other financial measures not compliant with generally accepted accounting principles in the United States ("GAAP"). 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 in analysis of ongoing operating trends. Garrett believes that Adjusted EBITDA, Adjusted EBITDA Margin and Consolidated EBITDA 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 Consolidated and Combined Financial Statements, see our annual report on Form 10-K for the year ended December 31, 2019.

Note

2018 amounts have been revised to reflect an immaterial restatement of 2018 income tax expense. Please see Note 1 to our Form 10-K for the year ended December 31, 2019 for further information.

Additional Disclaimers

Prior to Garrett's spin-off from Honeywell on October 1, 2018, Garrett's historical financial statements were prepared on a stand–alone basis and derived from the consolidated financial statements and accounting records of Honeywell. Accordingly, for periods prior to October 1, 2018, our financial statements are presented on a combined basis and for the periods subsequent to October 1, 2018 are presented on a consolidated basis (collectively, the historical financial statements for all periods presented are referred to as "Consolidated and Combined Financial Statements"). The Consolidated and Combined Financial Statements have been prepared in accordance with GAAP. The historical consolidated and combined financial information may not be indicative of our future performance and does not necessarily reflect what our consolidated and combined results of operations, financial condition and cash flows would have been had the business operated as a separate, publicly traded company during the periods presented, particularly because of changes that we have experienced and expect to continue to experience in the future as a result of our separation from Honeywell, including changes in the financing, cash management, operations, cost structure and personnel needs of our business.

Remediation of Material Weakness in Internal Control Over Financial Reporting

As previously disclosed, in the course of preparing our 2018 Form 10-K and our Consolidated and Combined Financial Statements for the year ended December 31, 2018, our management determined that there was a material weakness in our internal control over financial reporting relating to the lack of information, documentation and supporting evidence for our liability to Honeywell under the Indemnification and Reimbursement Agreement (the "Indemnification Liability"). Specifically, despite our requests, we did not receive sufficient information, documents and explanations from Honeywell, including with regard to information provided in Honeywell's actuary report, and the amounts of settlement values and insurance receivables.

Throughout the year ended December 31, 2019, management engaged in an active dialogue with Honeywell that resulted in the Company obtaining access to additional information and documentation from Honeywell, including information regarding historical settlement trends, Honeywell's claims management and valuation processes for asserted claims and associated legal expenses, and the nature of insurance receivables and likelihood of recoverability. Additionally, as part of the additional information and documentation we received from Honeywell, we gained increased visibility into the methodology behind, and data sources and inputs included in, Honeywell's actuary report, and engaged our own expert to review and evaluate the report. During the quarter ended December 31, 2019, management completed its remediation activities and tested the design and operational effectiveness of the modified and new controls. As a result of the remediation activities and controls in place as of December 31, 2019, management concluded that we have remediated the material weakness described above. We do not expect the remediation of our material weakness to impact our ongoing litigation with Honeywell commenced on December 2, 2019.

2019 Highlights

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Outperformed Global Auto Production

- 2019 net sales totalled $3,248 million, up 0.2% at constant currency[1]
- Net sales growth at constant currency exceeded global LV auto production by ~600 basis points[2]

Accelerated Portfolio Rebalancing

- Net sales from Gasoline products rose 33% at constant currency in 2019
- LV Gasoline segment exceeded LV Diesel for full year 2019

Maintained Strong Financial Position

- $583 million in adjusted EBITDA[1], 17.9% adj. EBITDA margin[1]
- Adjusted FCF of $318 million[1]; adjusted FCF conversion of 109%[1]
- Reduced net debt[1] by $176 million in 2019; $292 million since spin-off

Continued Progress in New Growth Vectors

- Awarded new business for cybersecurity intrusion detection system
- Increased traction for hydrogen fuel cell awards
- Remain on schedule to launch industry's first E-Turbo in 2021

Turbo Technology | Electric & Hybrid | Connected Vehicles

[1] Reconciliations of Non-GAAP financial measures are included in Appendix. Adjusted EBITDA conversion was 55% for 2019.
[2] Based on IHS data.

Strong first year as independent public company

2019 Quarterly Industry Outperformance

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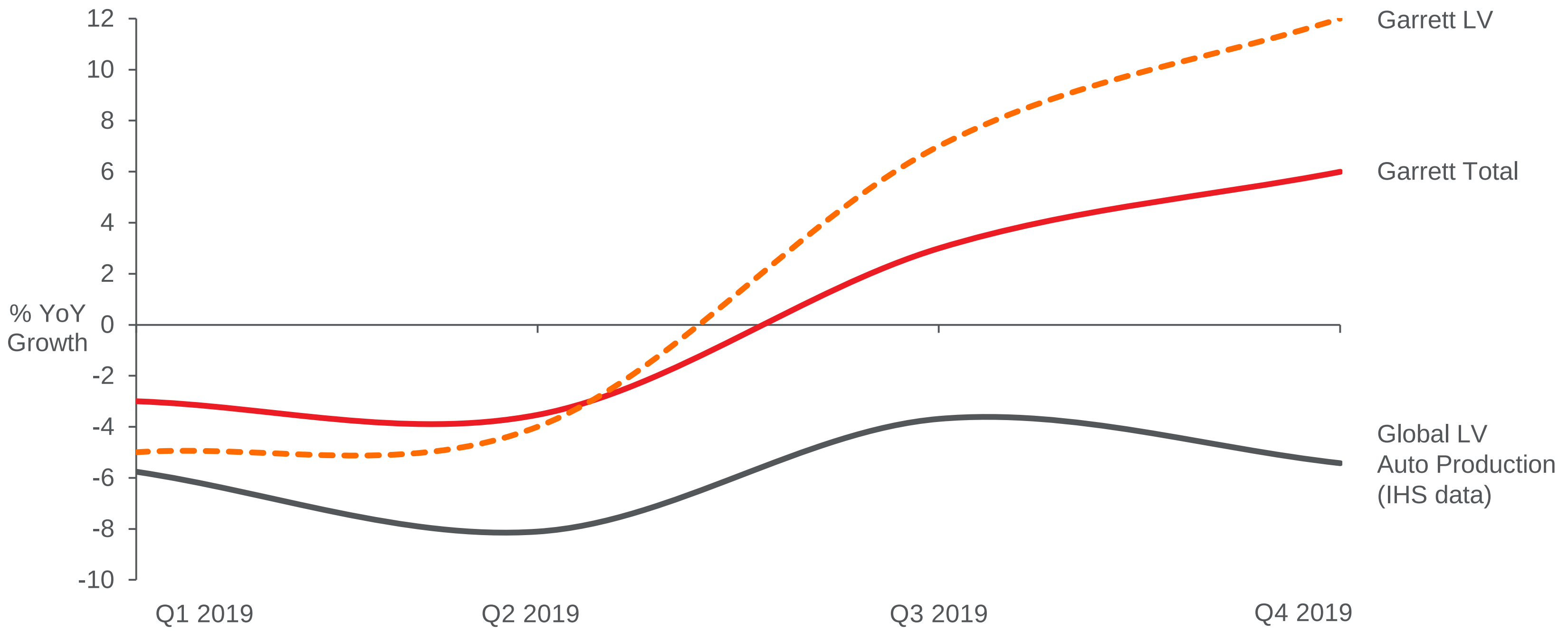
Global Light Vehicle Auto Production vs. Garrett Net Sales Growth[1]



- Q4 2019 total net sales growth[1] exceeded overall industry by ~12 percentage points
- Q4 2019 LV net sales growth[1] exceeded overall industry by ~18 percentage points

[1] Garrett net sales growth at constant currency; reconciliations of Non-GAAP financial measures are included in Appendix.

Garrett continues to outperform global auto production

Execution of Technology Growth Strategy

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CORE TURBO

Continuous differentiated innovation

- Global macros remain strong, leading to higher overall turbo penetration gains
- Strong customer win rate for gasoline VNT programs
- New product launches for 2020 remain on schedule

ELECTRIFICATION & SOFTWARE

Next-generation of technology leadership

- Expanding pre-development programs for E-Boosting solutions with 7 OEM’s
- Accelerating development for Fuel Cell compressor
- Executing cybersecurity business award and pilot production for IVHM

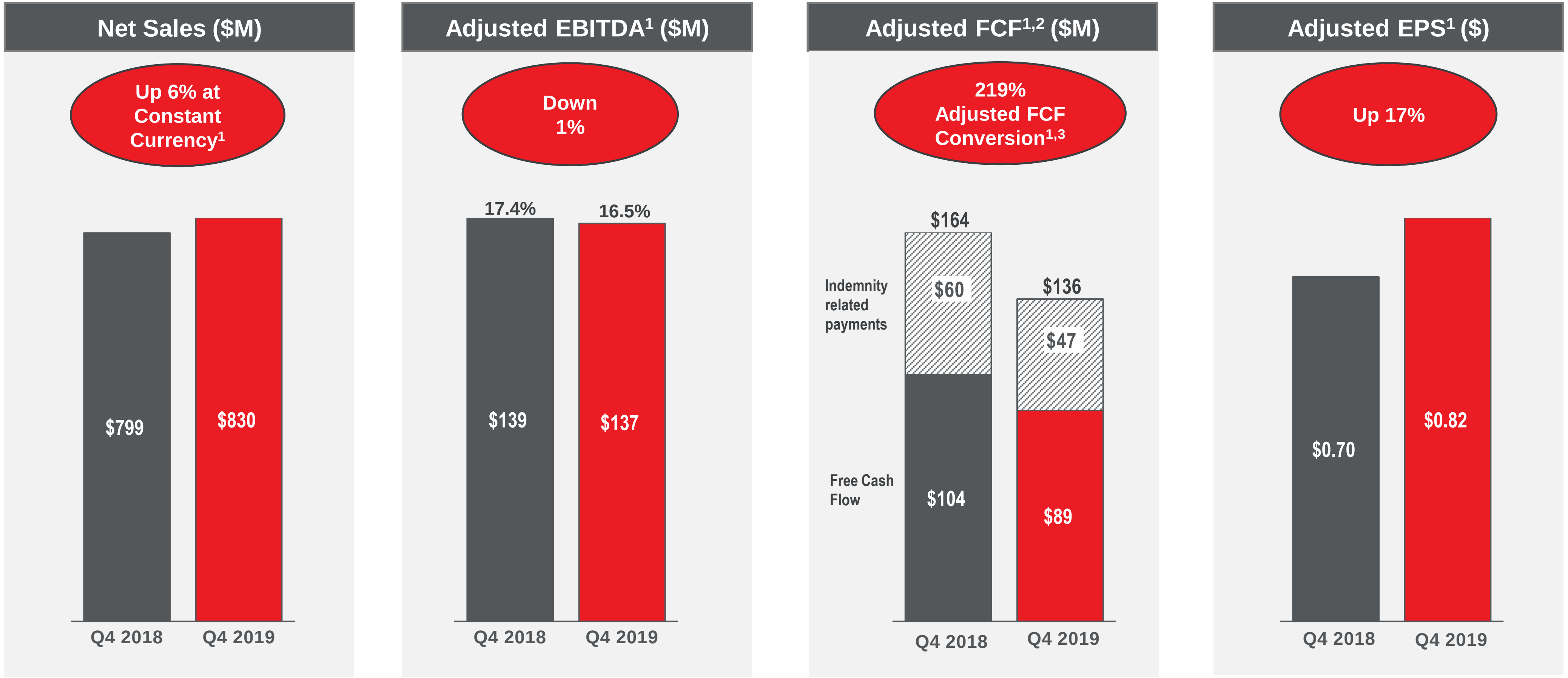
PIPELINE

Advanced technologies to address new unmet needs

- Continue to leverage core mechanical, electric and software competencies
- Applying high-speed motors and model-based controls to new challenges
- Increasing pipeline of proof-of-concept opportunities with additional customers

Garrett remains at the forefront of value-added innovation

Key Financial Metrics: Q4 2018 – Q4 2019



[1] Reconciliations of Non-GAAP financial measures are included in Appendix.
[2] Adjusted Free Cash Flow excludes Indemnity related payments.
[3] Adjusted Free Cash Flow Conversion calculated as Adjusted Free Cash Flow divided by Adjusted Net Income.

Delivered strong financial results amid challenging market conditions

Q4 2019 Net Sales by Region and Product Line

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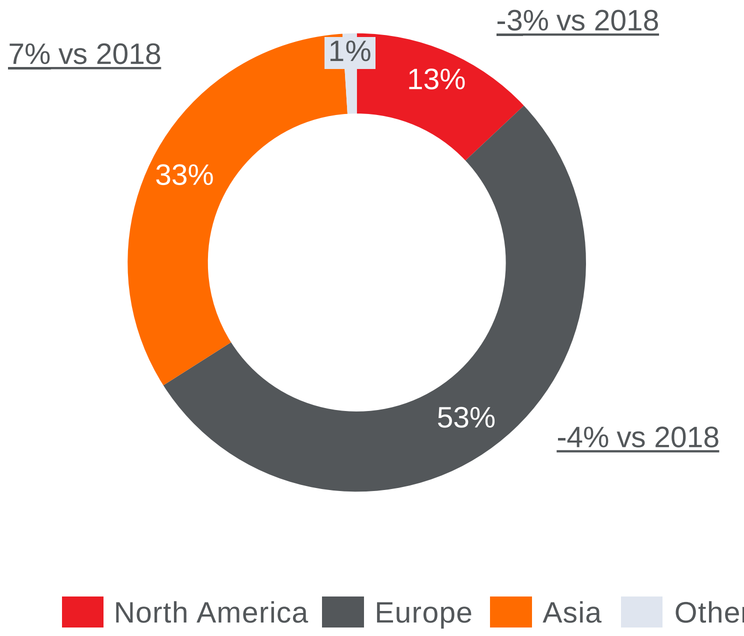
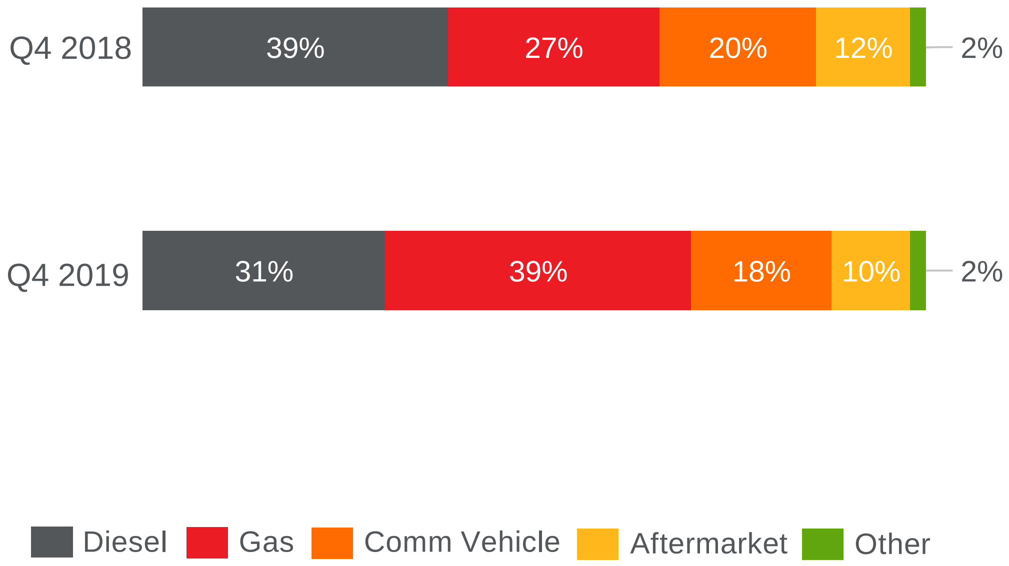
Q4 2019 Net Sales by Region[1]



Q4 2019 Net Sales by Product Line

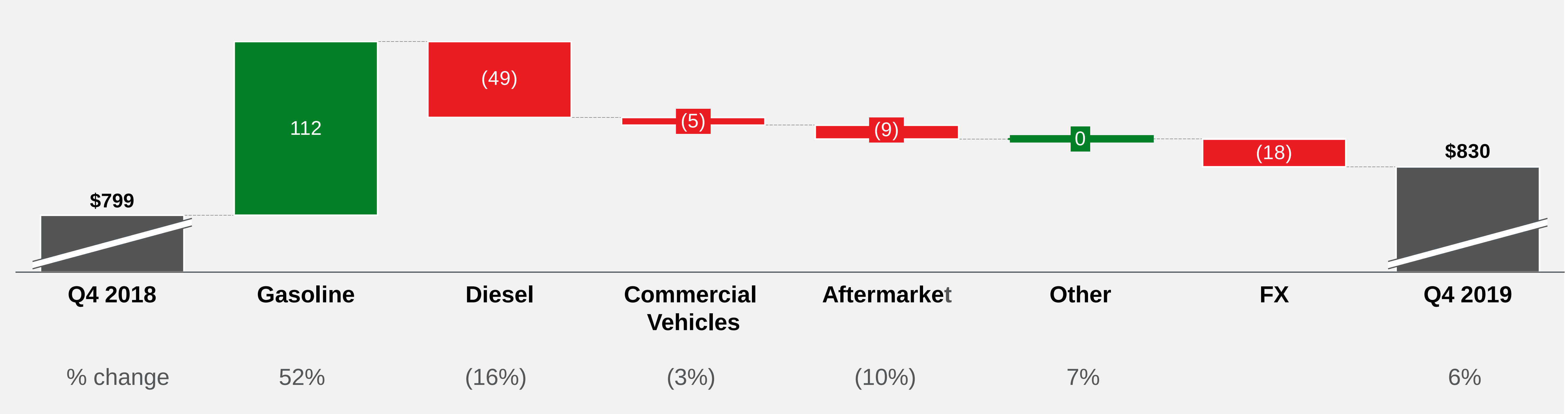


[1] Figures by Region based on shipped-from basis.

Gasoline up 12 percentage points to 39% of net sales

Net Sales Bridge: Q4 2018 – Q4 2019

($M)



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

Net sales up 6% at constant currency

Adjusted EBITDA Walk: Q4 2018 – Q4 2019

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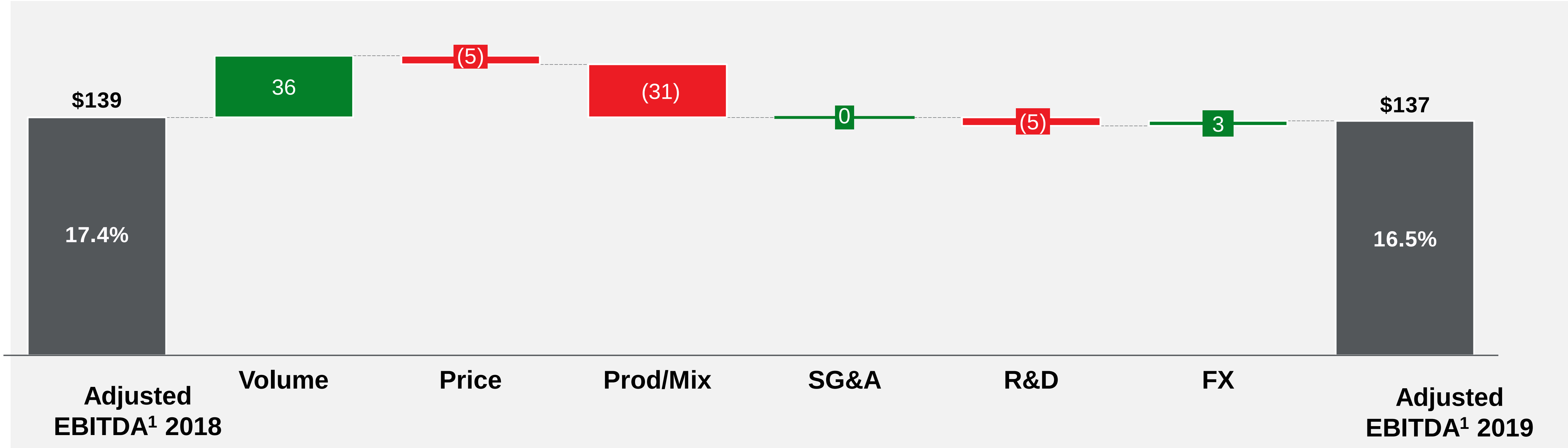
($M)



- Productivity offset by negative Mix mainly from accelerated shift towards Gasoline and lower CV and AM sales
- SG&A flat; higher spin-off related expenses offset by productivity
- R&D increased by $5M for Q4 2019; full year R&D in-line with prior year

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

Adjusted EBITDA down 1%

Net Debt Walk: Sep. 30, 2019 – Dec. 31, 2019

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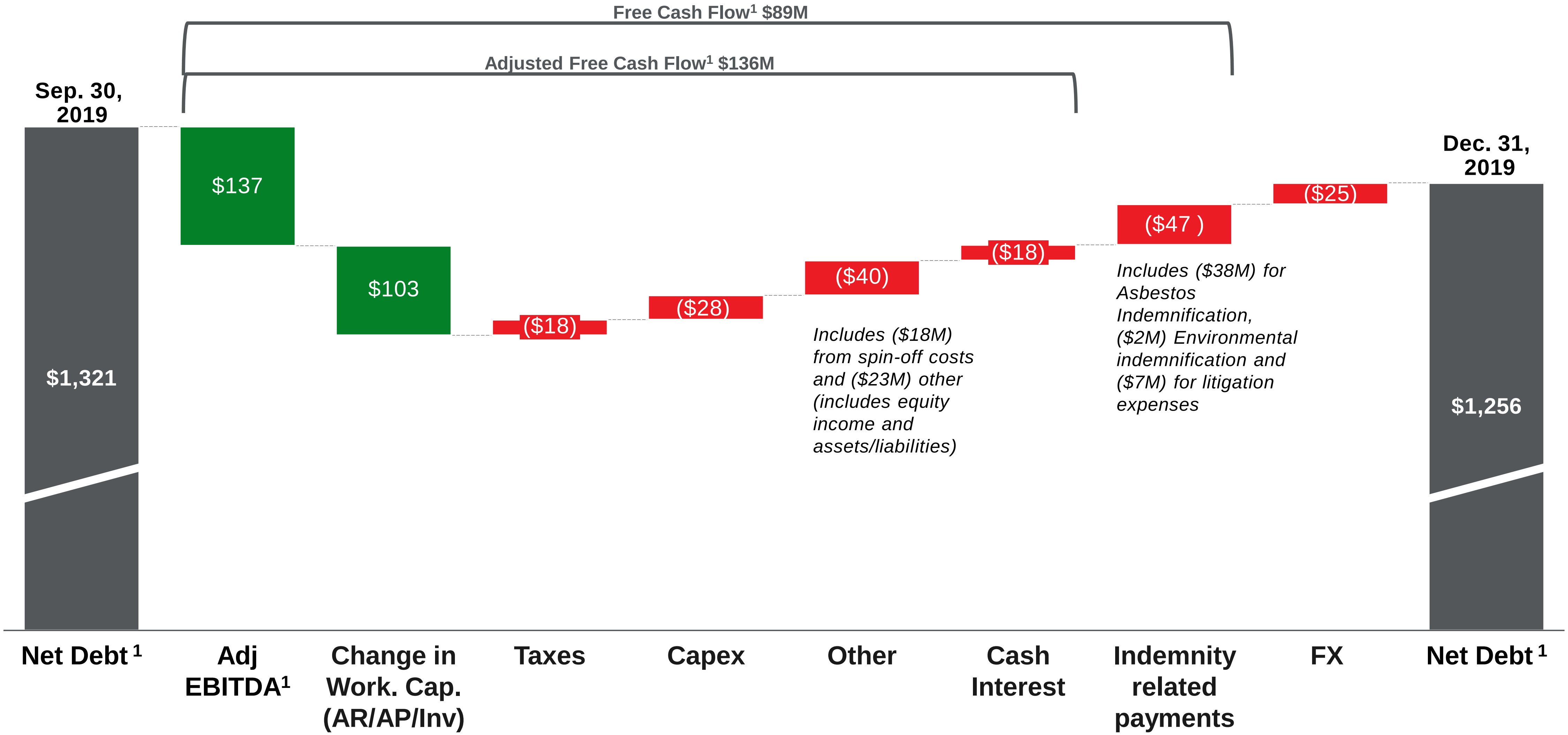
($M)



[1] Reconciliations of Non-GAAP financial measures are included in the Appendix.
Note: Figures may not sum exactly due to rounding.

Q4 Adjusted Free Cash Flow of $136M; Net Debt reduced by $65M

Liquidity and Capital Resources

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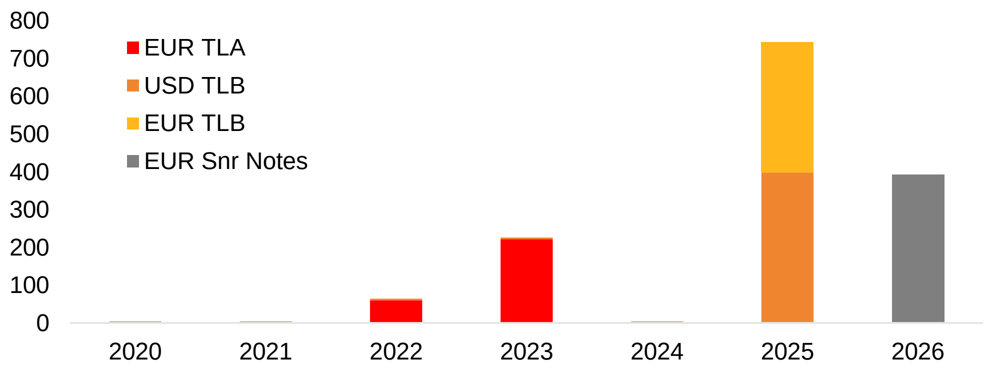
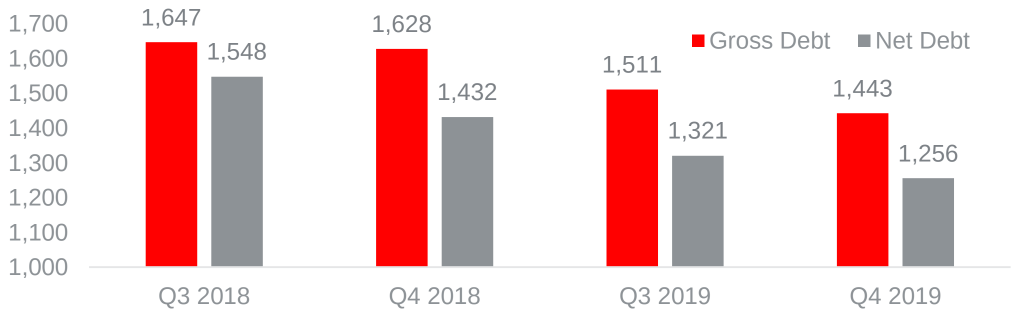
Maturity Profile ($M)



Available Liquidity ($M)

	Dec. 31, 2018	Sep. 30, 2019	Dec. 31, 2019
Secured debt	(1,227)	(1,128)	(1,047)
Revolving credit facility	--	--	--
Overdraft on bank accounts (a)	--	--	(3)
Unsecured debt	(401)	(383)	(393)
Total Debt	**(1,628)**	**(1,511)**	**(1,443)**
Cash & cash equivalent (b)	196	190	187
Net debt[1]	**(1,432)**	**(1,321)**	**(1,256)**
Undrawn RCF commitments[2] (c)	493	468	480
Available liquidity (a+b+c)	**689**	**658**	**664**

Debt Evolution ($M)



Key Leverage Ratios

	Dec. 31, 2018	Sep. 30, 2019	Dec. 31, 2019
Net Debt to Consolidated EBITDA[1]	**2.90x**	**2.93x**	**2.74x**
Consolidated Debt to Consolidated EBITDA[1]	**3.26x**	**3.35x**	**3.14x**

[1] Reconciliations of Non-GAAP financial measures are included in Appendix.
[2] USD $483M (EUR 430M) less $3M used for bank guarantee issuance at December 31, 2019; USD $470M (EUR 430M) less $2M used for bank guarantee issuance at September 30, 2019.

$101M debt repayment in Q4; Net Debt down $176M in 2019 and $292M since spin-off

Select Balance Sheet Items Related to Honeywell

($M)

	Dec. 31, 2018	Dec. 31, 2019	Commentary
Indemnification and Reimbursement Agreement	$1,244	$1,090	• Represents 90% of Honeywell's legacy Bendix asbestos liability, net of expected insurance recoveries plus specific non-Bendix and certain environmental liabilities. Payments (including legal fees) capped at $175M per year. • $153 million payments in 2019. • For 2020, Honeywell estimated payment is $142 million less 2019 overage of $34 million, which will be netted against Q2 2020 payment, for annual total of ~$108 million.
Mandatory Transition Tax (MTT)	$216	$193	• Garrett's share of Honeywell's Mandatory Transition Tax related to US tax reform. • Amortizes over 8 year period (same as other US corporates). • $18 million paid in April 2019. • $18 million to be paid in April 2020.
Other Tax Provisions	$66	$68	• Relates to legacy state and local tax disputes.
	$1,526	$1,351	

HON liabilities reduced by $175M in 2019

2020 Coronavirus Impact

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Business Impacts (as of Feb. 27, 2020)

- **China plant closings**
  - Shanghai factory restarted on February 12th – gradual recovery
  - Wuhan factory currently expected to restart gradually mid-March
- **Global supply chain disruptions**
  - Large global supply base located in China
  - Business adversely affected in Europe and North America
- **Global sales reduced due to components shortage**
  - OEM's adjusting demand due to shortage of parts from other suppliers

Anticipated Financial Impacts for 2020

- **Q1: Estimated impact of ~$40 million in Adjusted EBITDA**
  - Two-thirds China, one-third rest of world
- **Q2: Estimated impact of ~$50-70 million in Adjusted EBITDA**
  - High impact from global supply chain disruption
  - Premium freight costs to restore delivery of parts from China to Europe and North America
- **Q3 and Q4: Slight recovery anticipated**
  - Estimated H2 recovery of ~$10 million in Adjusted EBITDA

Mitigating Actions

- **Take advantage of highly variable cost structure of ~80%**
  - Reducing temporary workforce
- **Implement strict cost control measures across global organization**
  - Discretionary spending
  - Open positions
- **Manage cash without sacrificing long-term health of business**
  - Review capex and working capital targets for the year

Full impact of the coronavirus remains uncertain

2020 Guidance

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	Current 2020 Outlook[1] (includes expected effects of novel coronavirus)	Estimated Impact from Novel Coronavirus
Net Sales	• (4%) to (1%) at constant currency *Outperforming LV auto production by 3-4%*	• (6%) to (7%) at constant currency
Adjusted EBITDA	• \$440 million to \$480 million	• (\$80) million to (\$100) million
Adjusted Free Cash Flow[2]	• \$225 million to \$250 million	• (\$45) million to (\$60) million
Free Cash Flow	• \$85 million to \$110 million	• (\$45) million to (\$60) million
Planning Assumptions	• Significant impact due to coronavirus outbreak • Global LV auto production between (5%) and (7%) • Global commercial vehicle production between (7%) and (10%) • Capital expenditures of ~3% of net sales	

[1] 2020 guidance as of February 27, 2020 set at current market conditions for FX with an average exchange rate of 1.08 EUR to USD, assumes further rebalancing of the company's light vehicle activities between Diesel and Gasoline, and reflects the current expected effects of the novel coronavirus. The company does not provide a reconciliation of the forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures because certain items that are excluded from the non-GAAP financial measures cannot be reasonably predicted or are not in our control. In particular, we are unable to forecast the timing or magnitude of realized and unrealized gains and losses on derivative instruments, taxes and other non-core operating items that could significantly impact, either individually or in the aggregate, net income in the future without unreasonable efforts.

[2] Adjusted Free Cash Flow defined excludes Indemnity related payments and MTT payments to Honeywell.

2020 outlook reflects current expected effects of the coronavirus

2020 Priorities

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- Continue to significantly outperform global auto production
- Finalize industrialization of E-Turbo and cybersecurity system for 2021 SOP
- Accelerate fuel cell compressor developments: Gen1 production and Gen2 awards
- Leverage flexible and resilient business model
- Maximize free cash flow while preserving long-term health of business
- Maintain focus on reducing total debt and strengthening balance sheet

Turbo Technology   Electric & Hybrid   Connected Vehicles

Garrett remains well positioned to drive sustainable long-term results

Appendix

Full Year 2019 Net Sales by Region and Product Line

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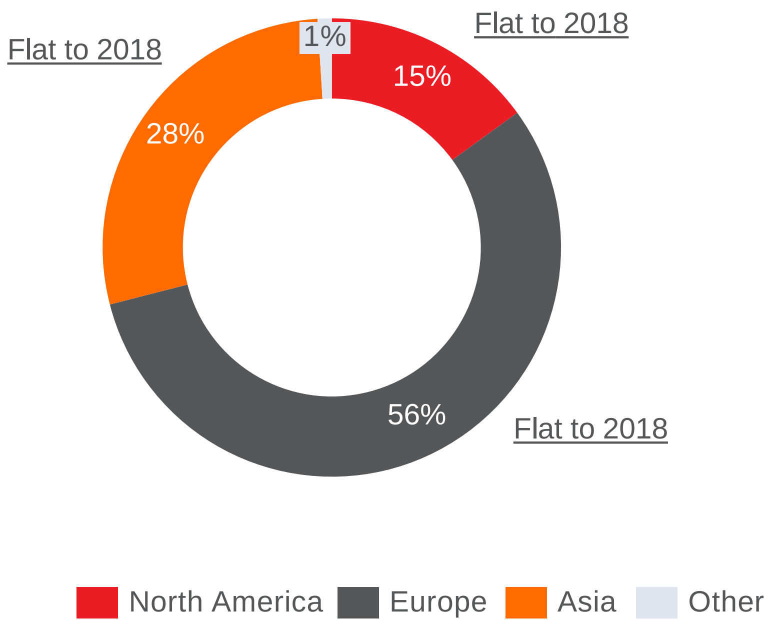
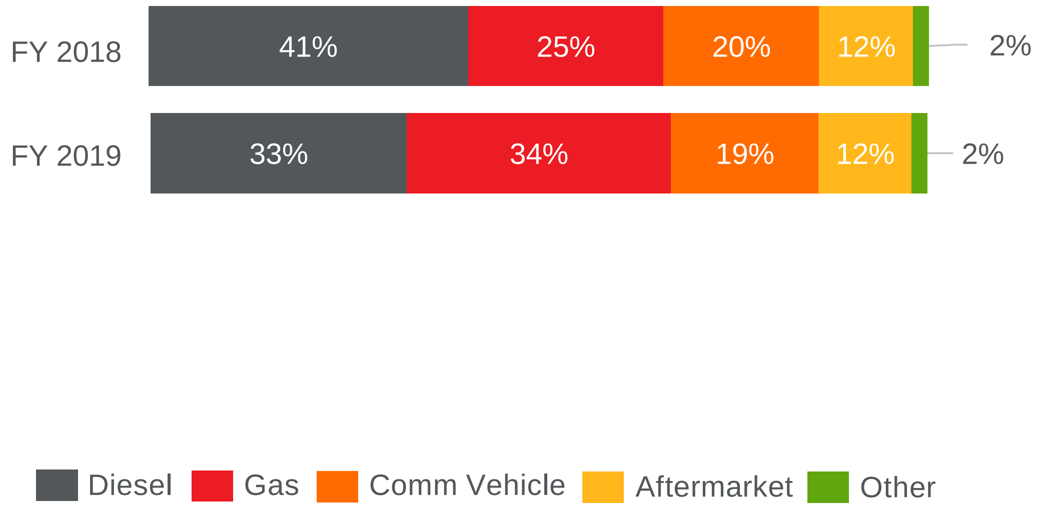
2019 Net Sales by Region[1]



2019 Net Sales by Product Line



[1] Figures by Region based on shipped-from basis.

Gasoline sales exceeded Diesel in 2019, well ahead of rebalancing target

Key Financial Metrics: 2018 – 2019

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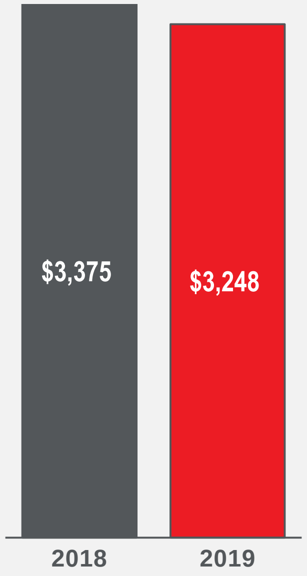
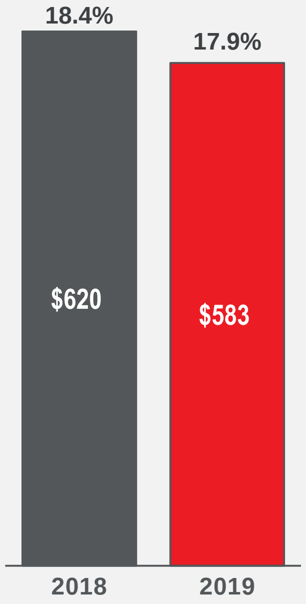
Net Sales ($M)

Flat at Constant Currency[1]



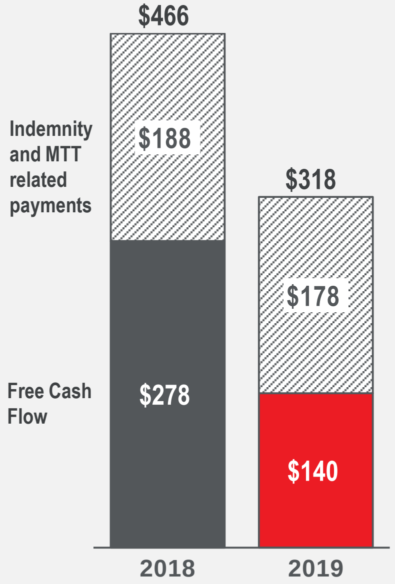
Adjusted EBITDA[1] ($M)

Down 6%



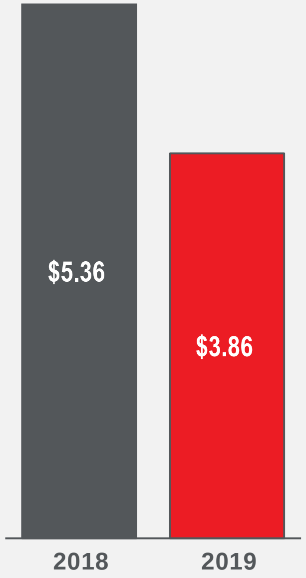
Adjusted FCF[1,2] ($M)

109% Adjusted FCF Conversion[1,3]



Adjusted EPS[1] ($)

Down 28%

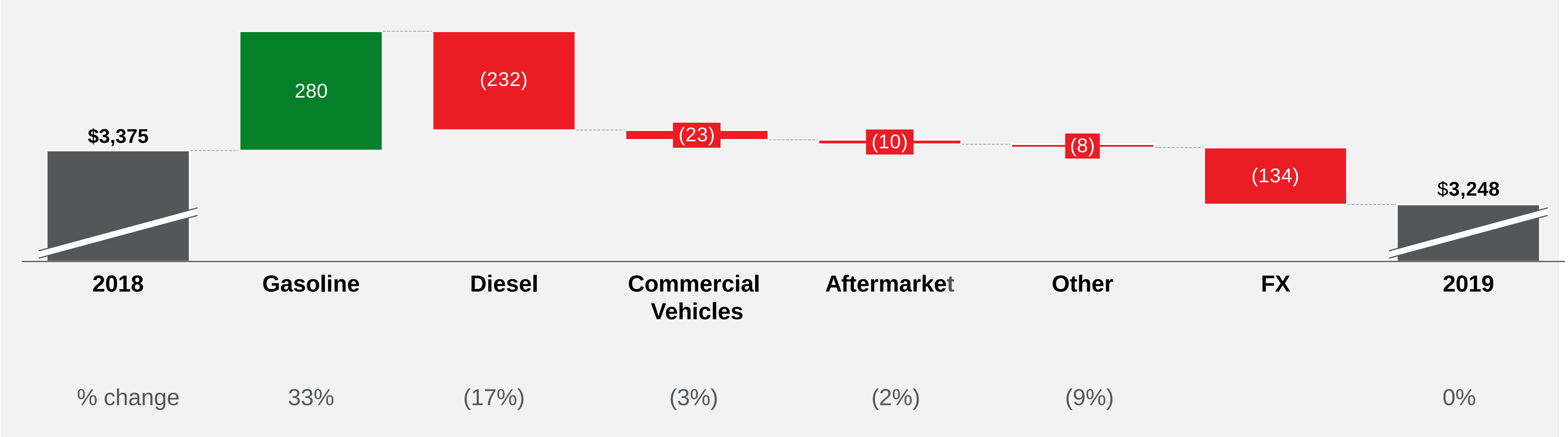


[1] Reconciliations of Non-GAAP financial measures are included in Appendix. Adjusted EBITDA conversion was 55% for 2019.
[2] Adjusted Free Cash Flow excludes Indemnity and MTT related payments.
[3] Adjusted Free Cash Flow Conversion calculated as Adjusted Free Cash Flow divided by Adjusted Net Income.

Maintained strong financial results amid challenging market conditions

Net Sales Bridge: 2018 – 2019

($M)

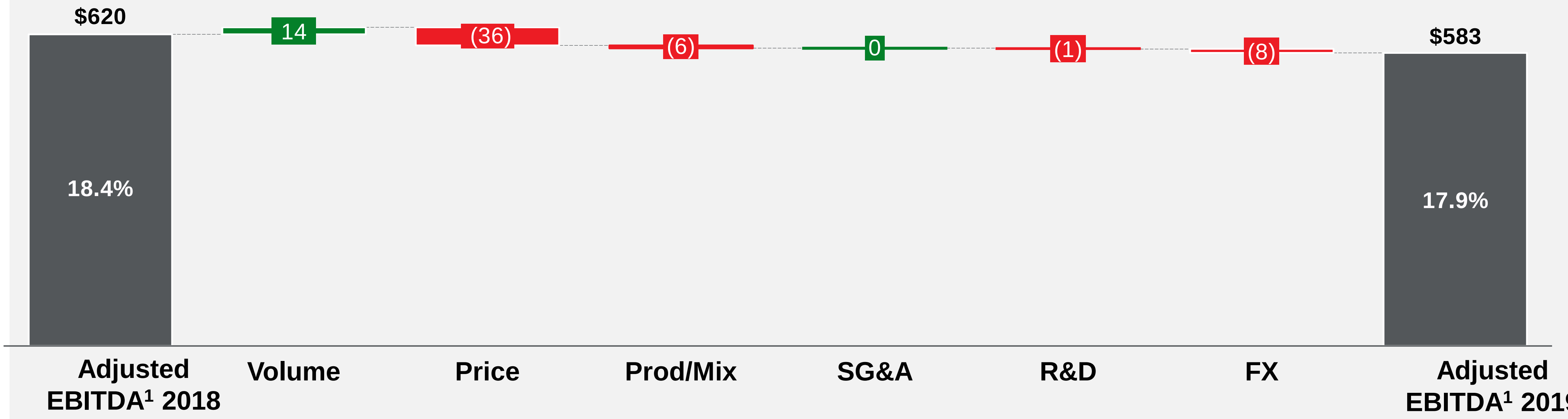


All growth rates are at constant currency and are reconciled to the nearest GAAP measure in Appendix.

Net sales for 2019 flat at constant currency

Adjusted EBITDA Walk: 2018 – 2019

($M)



- Productivity offset by Mix mainly from accelerated shift towards Gasoline and lower CV sales
- SG&A flat in 2019 compared to 2018, leading to an increase as a percentage of sales
- Negative foreign exchange effect of $46M, partially offset by non-recording hedge losses in prior year

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

Adjusted EBITDA down 6%

Net Debt Walk: Dec. 31, 2018 – Dec. 31, 2019

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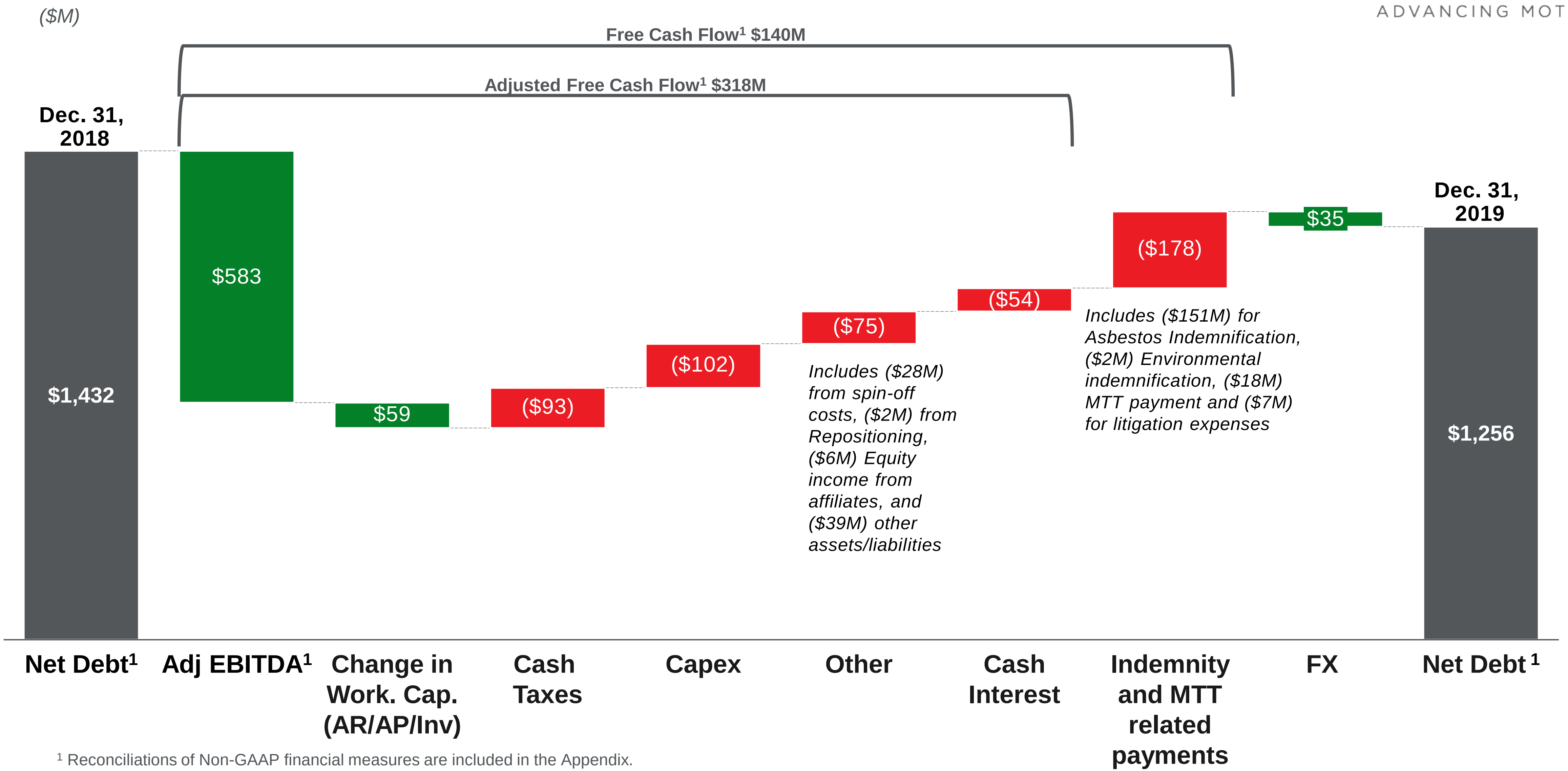

[1] Reconciliations of Non-GAAP financial measures are included in the Appendix.
Note: Figures may not sum exactly due to rounding.

Adjusted Free Cash Flow totaled $318M; Net Debt reduced by $176M

Income Statement

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Q4 2019	Q4 2018	($ in millions)	Full Year 2019	Full Year 2018
$830	**$799**	**Net sales**	**$3,248**	**$3,375**
669	627	Cost of goods sold	2,537	2,599
161	172	**Gross profit**	711	776
63	63	Selling, general and administrative expenses	249	249
(14)	(12)	Other expense, net (benefit)	40	120
16	16	Interest expense	68	19
6	2	Non-operating (income) expense	8	(8)
90	**103**	**Income before taxes**	**346**	**396**
(46)	34	Tax expense (benefit)	33	(810)
136	**69**	**Net income**	**313**	**1,206**

Balance Sheet Summary

($M)

December 31, 2018	Assets	December 31, 2019
$196	Cash and cash equivalents	$187
983	Other current assets	1,012
1,179	Total current assets	1,199
438	Property, plant and equipment-net	471
183	Deferred income taxes	268
$324	Other assets	$337
$2,124	Total assets	$2,275
	Liabilities	
127	Obligations payable to Honeywell, current	$69
1,313	Other current liabilities	1,323
1,440	Total current liabilities	1,392
1,569	Long-term debt	1,409
1,399	Obligations payable to Honeywell	1,282
233	Other liabilities	325
$4,641	Total liabilities	$4,408
	Equity (deficit)	
0	Common stock, par value	0
5	Additional paid-in capital	19
(2,595)	Retained earnings	(2,282)
(2,590)	Invested equity (deficit)	0
73	Accumulated other comprehensive income	130
(2,517)	Total stockholders' deficit	(2,133)
$2,124	Total liabilities and stockholders' deficit	$2,275

Please refer to earnings press release issued on February 27, 2020 for Consolidated and Combined Balance Sheets.

Summary of Cash Flows

Q4 2019	Q4 2018	($ in millions)	Full Year 2019	Full Year 2018
$136	**$69**	**Net income**	**$313**	**$1,206**
117	**133**	**Net cash provided by (used for) operating activities**	**242**	**373**
(24)	**(33)**	**Net cash provided by (used for) investing activities**	**(86)**	**192**
(101)	**(102)**	**Net cash provided by (used for) financing activities**	**(163)**	**(658)**
5	1	Effect of foreign exchange rate changes on cash and cash equivalents	(2)	(11)
(3)	(1)	Net increase (decrease) in cash and cash equivalents	(9)	(104)
190	**197**	**Cash and cash equivalents at beginning of period**	**196**	**300**
$187	**$196**	**Cash and cash equivalents at end of period**	**$187**	**$196**

Please refer to earnings press release issued on February 27, 2020 for Consolidated and Combined Statements of Cash Flows.

Reconciliation of Net Income to Adjusted EBITDA and Consolidated EBITDA

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($ in millions)	Q4'2019	Q4'2018	2019	2018
Net income (loss) - GAAP	**136**	**69**	**313**	**1,206**
Tax expense	(46)	34	33	(810)
Profit before taxes	90	103	346	396
Net interest (income) expense	15	16	61	12
Depreciation	18	19	73	72
EBITDA (Non-GAAP)	**123**	**137**	**480**	**480**
Other expense, net (which consists primarily consists of indemnification, asbestos and environmental expenses)	(14)	(12)	40	120
Non-operating (income) expense	8	2	8	(2)
Stock compensation expense	4	5	18	21
Repositioning charges	(1)	-	2	2
Spin-Off Costs	18	6	28	6
Foreign exchange (gain) loss on debt, net of related hedging (gain) loss	(1)	1	7	(7)
Adjusted EBITDA (Non-GAAP)	**137**	**139**	**583**	**620**
Adjusted EBITDA %	***16.5%***	***17.4%***	***17.9%***	***18.4%***
1 FX Hedging (gain) / loss (net)	7	4	4	38
2 Honeywell Indemnity Obligation payment	(40)	(41)	(153)	(172)
3 Spin-Off Costs timing adjustment	(3)	-	-	-
4 Additional pro forma standalone costs	-	-	-	(1)
5 Add-back of gross interest expense	1	7	7	7
6 Other non-recurring, non-cash expense	11	2	11	2
7 Add-back of non cash pension costs	6	-	7	-
Consolidated EBITDA (Non-GAAP) [1]	**119**	**111**	**459**	**494**

1. Removal of unrealized gains & losses related to undesignated FX hedges
2. Inclusion of Honeywell Indemnity Obligation payment.
3. Spin-off costs occurred in prior quarter and accounted for in Q4.
4. Incremental costs above Corporate allocations already included in Adjusted EBITDA based on standalone assessment.
5. Consolidated EBITDA definition permits the add-back of gross interest expense (i.e. excluding interest income), vs. net interest expense in Adjusted EBITDA.
6. Other adjustments consist of exceptional and non-cash charges. Exceptional charges primarily driven by freight cost due to product launches issues and suppliers in Mexicali. Non cash charges related to US tax credit and pension market-to-market adjustments.
7. Consolidated EBITDA definition permits the add-back of non cash pension service costs

[1] Prior quarters restated to reflect adjustment on interest income and unrealized FX gains/losses per Credit Agreement. This change did not impact our GAAP financial results.

Note: Figures may not sum exactly due to rounding. Consolidated EBITDA is calculated in accordance with our credit agreement and differs from EBITDA and Adjusted EBITDA as presented in our Form 10-K. We define “Consolidated EBITDA” as Adjusted EBITDA less the assumed cash paid for asbestos and environmental obligations subject to a cap (denominated in Euro) equal to $175mm, calculated by reference to the Distribution Date Currency Exchange Rate in respect of a year in accordance with the terms of the Indemnification and Reimbursement Agreement, plus the sum of unrealized or non cash hedging (gains) losses, the difference between our estimate of costs as a stand-alone company and historical allocated costs, the impact of the cumulative effect of the change in accounting principles, an adjustment to interest expense reflecting the difference with the credit agreement definition and non-recurring or non-cash charges. Consolidated EBITDA is used as part of our calculations with respect to compliance with certain debt covenants included in our credit agreement.

Reconciliation of Constant Currency Sales % Change

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Q4 2019	Q4 2018	Garrett	Full Year 2019	Full Year 2018
4%	(1%)	Reported sales % change	(4%)	9%
(2%)	(3%)	Less: Foreign currency translation	(4%)	3%
6%	2%	Constant currency sales % change	0%	6%
		Gasoline		
48%	9%	Reported sales % change	27%	26%
(4%)	(3%)	Less: Foreign currency translation	(6%)	4%
52%	12%	Constant currency sales % change	33%	22%
		Diesel		
(18%)	(6%)	Reported sales % change	(21%)	3%
(2%)	(2%)	Less: Foreign currency translation	(4%)	4%
(16%)	(4%)	Constant currency sales % change	(17%)	(1%)
		Commercial vehicles		
(4%)	(1%)	Reported sales % change	(6%)	10%
(1%)	(2%)	Less: Foreign currency translation	(3%)	2%
(3%)	1%	Constant currency sales % change	(3%)	8%
		Aftermarket		
(12%)	4%	Reported sales % change	(5%)	2%
(2%)	(2%)	Less: Foreign currency translation	(3%)	2%
(10%)	6%	Constant currency sales % change	(2%)	0%
		Other Sales		
5%	(9%)	Reported sales % change	(12%)	(2%)
(2%)	(2%)	Less: Foreign currency translation	(3%)	3%
7%	(7%)	Constant currency sales % change	(9%)	(5%)

We previously referred to “constant currency sales growth” as “organic sales growth.” 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 Debt, Consolidated Debt and Related Ratios

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($ in millions)	December 31, 2018	September 30, 2019	December 31, 2019
Secured debt	$1,227	$1,128	$1,047
Revolving cash facility	0	0	0
Unsecured debt	401	383	393
Overdraft on bank accounts	0	0	3
Net debt related to hedge obligations	(19)	0	0
Consolidated debt	**1,609**	**1,511**	**1,443**
Total debt	1,628	1,511	1,443
Related party note	0	0	0
Cash and cash equivalents	(196)	(190)	(187)
Net debt	1,432	1,321	1,256
Consolidated EBITDA (last 12 months)	**$494**	**$451**	**$459**
Net debt to consolidated EBITDA	**2.90X**	**2.93X**	**2.74X**
Consolidated debt to consolidated EBITDA	**3.26X**	**3.35X**	**3.14X**

Reconciliation of Long-Term Debt to Net Debt

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($ in millions)	December 31, 2018	September 30, 2019	December 31, 2019
Long-term debt	$1,569	$1,477	$1,409
Short-term debt	23	4	4
Deferred finance costs	36	30	27
Overdraft on bank accounts	0	0	3
Total debt	**$1,628**	**$1,511**	**$1,443**
Cash and cash equivalents	(196)	(190)	(187)
Net debt	**$1,432**	**$1,321**	**$1,256**

Reconciliation of Net Income to Adjusted Free Cash Flow and Free Cash Flow

Garrett
ADVANCING MOTION

Q4 2019	Q4 2018	*($ in millions)*	Full Year 2019	Full Year 2018
$136	**$69**	**Net income - GAAP**	**$313**	**$1,206**
($46)	$34	Tax expense	$33	($810)
$90	$103	Profit before taxes	$346	$396
$15	$16	Net interest (income) expense	$61	$12
$18	$19	Depreciation	$73	$72
$123	**$137**	**EBITDA (Non-GAAP)**	**$480**	**$480**
(14)	(12)	Other expense, net (which consists primarily consists of indemnification, asbestos and environmental expenses)	40	120
8	2	Non-operating (income) expense	8	(2)
4	5	Stock compensation expense	18	21
(1)	0	Repositioning charges	2	2
(1)	1	Foreign exchange (gain) loss on debt, net of related hedging (gain) loss	7	(7)
18	6	Spin-off costs	28	6
137	**139**	**Adjusted EBITDA (Non-GAAP)**	**583**	**620**
103	90	Change in working capital	59	35
(18)	(11)	Taxes	(93)	(76)
(28)	(29)	Capital expenditures	(102)	(95)
(40)	(15)	Other	(75)	(5)
(18)	(8)	Cash interest	(54)	(11)
136	**164**	**Adjusted free cash flow**	**318**	**466**
(47)	(60)	Indemnity obligation and MTT to HON	(178)	(188)
$89	**$104**	**Free cash flow**	**$140**	**$278**

Reconciliation of Net Income to Adjusted Net Income and Adjusted EPS

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ADVANCING MOTION

Q4 2019	Q4 2018	*($ in millions)*	Full Year 2019	Full Year 2018
$136	**$69**	**Net income - GAAP**	**$313**	**$1,206**
($60)	$0	Special Tax matters[1]	($60)	($879)
$76	**$69**	**Net income adjusted for special tax matters (Non-GAAP)**	**$253**	**$327**
($14)	($16)	Add back HON I/O expenses and litigation fees	$40	$114
$0	$0	Annualized interest expenses (net of tax)	$0	($42)
$62	**$53**	**Adjusted net income (Non-GAAP)**	**$293**	**$399**
75,990,908	75,390,813	Weighted average common shares outstanding - Diluted	75,934,373	74,402,148
$0.82	**$0.70**	**Adjusted earnings per common share - diluted (Non-GAAP)**	**$3.86**	**$5.36**

[1] Impact of Swiss tax reform in 2019 and US tax reform in 2018.

Reconciliation of Net Income to Adjusted FCF Conversion

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ADVANCING MOTION

Q4 2019	Q4 2018	($ in millions)	Full Year 2019	Full Year 2018
$136	**$69**	**Net income - GAAP**	**$313**	**$1,206**
($60)	$0	Special Tax matters[1]	($60)	($879)
$76	**$69**	**Net income adjusted for special tax matters (Non-GAAP)**	**$253**	**$327**
($14)	($16)	Add back HON I/O expenses and litigation fees	$40	$114
$0	$0	Annualized interest expenses (net of tax)	$0	($42)
$62	**$53**	**Adjusted net income (Non-GAAP)**	**$293**	**$399**
136	**164**	**Adjusted Free Cash Flow[2]**	**318**	**466**
219%	**309%**	**Adjusted Free Cash Flow Conversion**	**109%**	**117%**

[1] Impact of Swiss tax reform in 2019 and US tax reform in 2018.

[2] For Adjusted Free Cash Flow Reconciliation, please refer to slide 29 Reconciliation of Net Income to Adjusted Free Cash Flow and Free Cash Flow.

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

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Q4 2019	Q4 2018	*($ in millions)*	Full Year 2019	Full Year 2018
$117	$133	Net cash from operating activities	$242	$373
(28)	(29)	Expenditures for property plant and equipment	(102)	(95)
89	**104**	**Cash flow from operations less Expenditures for property plant and equipment**	**140**	**278**
47	60	Indemnity and MTT related payments	178	188
136	**164**	**Adjusted free cash flow**	**318**	**466**

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