



# Q1-2018 EARNINGS RELEASE

APRIL 19, 2018

**JACQUES ESCULIER**

Chairman & Chief Executive Officer

**ALEXANDER DE BOCK**

Interim Chief Financial Officer



# FORWARD LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES

Comments in this document contain certain forward-looking statements, which are based on management's good faith expectations and beliefs concerning future developments. Actual results may differ materially from these expectations as a result of many factors. These factors include, but are not limited to, the risks and uncertainties described in the "Risk Factors" section and the "Forward Looking Statements" section of WABCO's Form 10-K, as well as in the "Management's Discussion and Analysis of Financial Condition and Results of Operations - Information Concerning Forward Looking Statements" section of WABCO's Form 10-K Report. WABCO does not undertake any obligation to update such forward-looking statements. All market and industry data are based on Company estimates.

This presentation contains certain non-GAAP financial measures as that term is defined by the SEC. Sales, gross profit, operating expenses and operating income, which are adjusted to exclude the effects of foreign exchange and are denoted by the word "adjusted" in the line item, as well as EBIT and pre-tax income attributable to company, are non-GAAP financial measures. Additionally, gross profit, operating expenses, operating income, operating income margin, EBIT, tax rate, pre-tax income attributable to company, net income attributable to company and net income attributable to company per diluted share on a "performance basis" are non-GAAP financial measures that exclude items for separation, streamlining, acquisitions, discrete and one-time tax items, and other items that management believes may mask the underlying operating results of the company, as applicable. Our tax rate guidance for the full year is presented only on a performance basis as reconciliation to an expected tax rate on a reported basis would not be meaningful due to the complex nature of such an estimate. Management believes that presenting these non-GAAP measures is useful to shareholders because it enhances their understanding of how management assesses the operating performance of the Company's business.

Free cash flow presents our net cash provided by operating activities less net purchases of property, plant, equipment and computer software. Performance free cash flow presents our net cash provided by operating activities less net purchases of property, plant, equipment and computer software; and excludes streamlining, separation and acquisition related payments. Management believes that presenting free cash flow and performance free cash flow is useful to shareholders because it demonstrates our ability to generate cash and the health of our business. Free cash flow and performance free cash flow does not represent residual cash flow available for discretionary purposes since it may not include a deduction for mandatory debt service requirements and other non-discretionary expenditures.

All of the Non-GAAP financial measures presented herein should be considered in addition to, not as a substitute for, GAAP measures. These measures may not be comparable to similar measures of other companies as not all companies calculate these measures in the same manner. Certain non-GAAP measures may be used, in part, to determine incentive compensation for current employees. Reconciliations of the non-GAAP financial measures to the most comparable GAAP measures are included herein and are available in WABCO's quarterly results presentations posted on the company's website.

# Q1 2018 STRONG GROWTH IN SALES AND PROFIT

**Sales of \$1,003.3M** up **22.9%** in local currencies; **Up 34.3%** reported

**Performance Operating Income<sup>(1)</sup> of \$151.4M** vs. **\$111.1M** in '17;  
Reported operating income of \$147.0M vs. \$108.5M in '17

**Performance EPS<sup>(2)</sup> of \$1.97** vs. **\$1.47** in '17; Reported EPS of \$1.87 vs. \$1.48 in '17

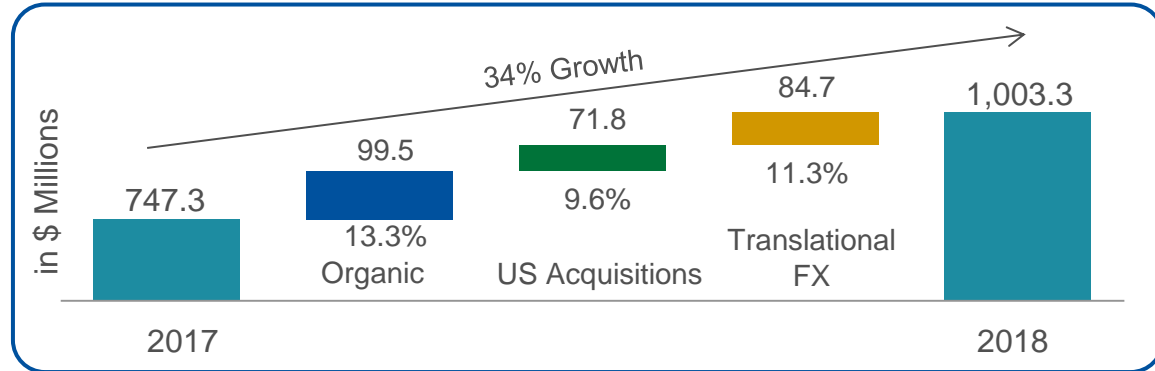
**Performance Free Cash Flow<sup>(6)</sup> of \$77M** equivalent to **72%** conversion rate

**Returned \$30.7M Cash** to shareholders by repurchasing **221k** shares

Refer to Slide #13 for Footnotes

# Q1 2018 SALES & TRUCK AND BUS MARKET OUTPERFORMANCE

## Q1 2018 Sales Bridge



## Q1 2018 YoY Sales Growth <sup>(4)</sup> By Channel

OE	34%	<ul style="list-style-type: none"> <li>T&amp;B markets strong in all key regions</li> <li>Double-digit growth in all customer groups</li> <li>Acquisitions contributing 19%</li> </ul>
Aftermarket	22%	<ul style="list-style-type: none"> <li>Double-digit growth in APAC, CEE and NAFTA</li> <li>Continued market erosion in Middle East</li> <li>Acquisitions contributing 16%</li> </ul>

## 2018 YoY T&B Sales Growth <sup>(4)</sup> vs. Estimated Production Growth by Region

	WABCO	Est. Production	Comments
Europe	7%	6%	• Europe: Increasing content per vehicle partially offset by phase-out of prior generation AMT
North America	92%	22%	• N. America: Increasing content per vehicle from AMT and ESC; Acquisitions contributing 53%
South America	61%	51%	• S. America: Product launch of new Tristop and increased penetration of AMT and Air Compressor
Japan/Thailand/Korea	(2)%	(5)%	• Japan/Korea: Continued strong outperformance in Japan offset by negative vehicle mix in Korea
China	(3)%	12%	• China: Unfavorable vehicle model mix more than offsets continued increase of technology adoption
India	36%	20%	• India: Launch of steering and continuing to gain market share for recent products

Refer to Slide #13 for Footnotes

# Q1 2018 STRONG FINANCIAL PERFORMANCE

(\$ Millions, except per share data)

## Profit and Loss Statement Highlights

	Q1 Reported	<sup>(1),(2)</sup> Q1 Performance	<sup>(5)</sup> Performance vs. 2017 in local curr.	Performance Drivers
<b>Sales</b>	<b>\$1,003.3</b>	<b>\$1,003.3</b>	<b>22.9%</b>	<ul style="list-style-type: none"> <li>• Sales 4.2% vs. Q4'17</li> <li>• Price erosion \$(15.4) or (1.8)%</li> </ul>
Gross Profit	309.0 30.8%	309.0 30.8%	<b>17.3%</b> (144) bps	<ul style="list-style-type: none"> <li>• Volume, mix and absorption \$26.8</li> <li>• Materials productivity \$16.5 (6.4% gross, 5.0% net) incl. \$9.1 supplier settlement compensating delayed cost reduction project</li> <li>• Conversion productivity \$9.0 (7.8%)</li> <li>• Warranty rate increase of \$(1.9) due to reversal in 2017</li> <li>• Labor inflation \$(7.9)</li> <li>• Net R&amp;D and other investments \$(1.7)</li> <li>• Transactional FX unfavorably impacts Op. Income \$(10.8)</li> <li>• US acquisitions contributing \$22.2 Gross Profit and \$(10.0) OPEX</li> </ul>
OPEX & Other	(162.0) (16.1%)	(157.6) (15.7%)	<b>12.3%</b> 146 bps	
<b>Operating Income</b>	<b>147.0</b> <b>14.7%</b>	<b>151.4</b> <b>15.1%</b>	<b>23.0%</b> 2 bps	
Equity Income Non-controlling Int. Exp. Other non-operating Exp.	0.4 (6.0) (11.4)	0.4 (6.0) (10.4)		
<b>EBIT</b>	<b>\$130.0</b> <b>13.0%</b>	<b>\$135.4</b> <b>13.5%</b>		<ul style="list-style-type: none"> <li>• Streamlining \$0.3 vs. \$0.1 in Q1'17</li> <li>• Separation &amp; other performance adj. \$(5.7) vs. \$(3.5) in Q1'17</li> </ul>
Taxes	(26.3)	(26.0)		<ul style="list-style-type: none"> <li>• 19.6% Performance Tax Rate, up from 19.3% in Q1'17</li> </ul>
<b>Net Income*</b>	<b>\$100.7</b>	<b>\$106.4</b>		<ul style="list-style-type: none"> <li>• Performance Net Income up from \$80.3 in Q1'17</li> </ul>
<b>EPS</b>	<b>\$1.87</b>	<b>\$1.97</b>		<ul style="list-style-type: none"> <li>• Vs. Q1'17 reported EPS of \$1.48 and performance EPS of \$1.47</li> </ul>

Refer to Slide #13 for Footnotes

# CASH FLOW SUMMARY Q1 2018

## Free Cash Flow (in \$ Millions)

### Cash Provided by Operating Activities:

• Net Income including non-controlling interest	106.7
• Depreciation & amortization	31.4
• Working capital	(45.9)
• Changes in other assets & liabilities	(3.2)

**Net Cash Provided by Operating Activities** **89.0**

Net Purchases of PP&E, Tooling & Computer Software **(21.3)**

**Free Cash Flow<sup>(3)</sup> reported** **67.7**

Streamlining, separation & acquisition related payments **8.8**

**Performance Free Cash Flow<sup>(6)</sup>** **76.5**

- Converting 72% of performance net income into cash
- Seasonal build-up of working capital in Q1 combined with further increase from sales growth
- Share buyback restarted in March '18 with target to buy back up to \$300M in 2018; repurchased 221K shares at a cost of \$30.7M

- Borrowed €300M in German private placement market
- Repayment of \$500M US private placement in Q2
- Optimizing capital structure for tax and interest expense

Refer to Slide #13 for Footnotes

# FOCUSING ON CORE STRATEGIES

## New Technologies & Products



- **WABCO INDIA Launches WABCO's Award-Winning Intelligent Trailer Program in India:** Enhancing trailer safety, security and efficiency, the Program brings advanced technology to India's fast-growing market.
- **WABCO OnSide™ Advanced Blind Spot Detection System for Trucks and Trailers Available in North America:** Supports active collision avoidance when used with WABCO's lane keeping assist system.
- **WABCO Expands Advanced Fleet Management Solutions Portfolio Capability:** TX-FLEX™ mobile app boosted with advanced telematics connectivity providing enhanced support for drivers and fleet managers.

## Globalization



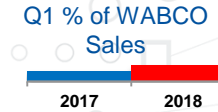
- **\$745 Million in New Business in Past Four Quarters** separate from replacement and renewal of existing contracts. Total amount includes \$502 million from 2018 through 2022 inclusive.
- **Extended and Expanded Strategic Partnership with Sinotruk (Hong Kong) Limited, One of China's Leading Heavy Truck Manufacturers:** Includes supply of Advanced Driver Assistance Systems, Automated Manual Transmission, Electronic Braking Systems and Electronically Controlled Air Suspension Systems.
- **Largest Ever Fleet Management Solutions Agreement with Girteka Logistics, Europe's leading asset-based transport company:** 2,700 trucks will be equipped with WABCO's comprehensive FMS portfolio.

## Execution



- **WABCO APAC Wins Nine Customer and Industry Awards:** Recognized for overall excellence and commended with top honors for quality, delivery, service and cost excellence, among other differentiated distinctions.
- **WABCO Operating System Continued to Deliver Robust Results in Q1 2018:**
  - Delivered productivity gain of \$25.5 million
  - Generated gross materials productivity of 6.4%
  - Generated conversion productivity of 7.8% in our factories

# MARKET DYNAMICS SHOWING POSITIVE TREND



## Europe

- New registrations of EU heavy trucks up 6% in the first two months vs. 2017; expected to be flattish for FY 2018
- Total Europe Q1 '18 T&B production up 6% vs. Q1 '17
- Total Europe down 5% in Q1 '18 vs. Q4 '17
- **2018 T&B production outlook +2% to +7%**

## North America

- Q1 '18 T&B production up 22% vs. Q1 '17; up 14% vs. Q4 '17
- Class 8 up 50% in Q1 '18 vs. Q1 '17 while classes 5-7 was flat vs. Q1 '17
- Class 8 orders more than doubled in volume from a year ago
- **2018 T&B production outlook +10% to +15% with stronger growth in Class 8**

## China

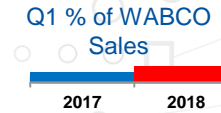
- Q1 '18 T&B production up 12% vs. Q1 '17; down 10% vs. Q4 '17
- Strength in the economy and infrastructure investments supported growth in construction activities
- Production drop expected for remainder of FY 2018
- **2018 T&B production outlook -20% to -10%**

## India

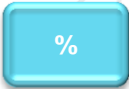
- Q1 '18 T&B production up 20% vs. Q1 '17; up 25% vs. Q4 '17
- Pick up of demand driven by strong economic growth
- **2018 T&B production outlook +12% to +17%**



# MARKET DYNAMICS SHOWING POSITIVE TREND



Q1 '18 Global T&B Production



## Japan & Korea



- Q1 '18 T&B production down 5% vs. Q1 '17; down 5% vs. Q4 '17
- Korea production down 31% in Q1 '18 vs. Q1 '17 due to production shutdowns driven by low construction activities
- **2018 T&B production outlook (incl. South East Asia) -7% to -2%**

## Brazil



- Q1 '18 T&B production up 51% vs. Q1 '17; up 24% vs. Q4 '17
- Further market recovery from a weak Q1 '17 due to increased agricultural activity in an improving economy
- **2018 T&B production outlook +15% to +25%**

## Aftermarket



- Q1 '18 up 6% vs. Q1 '17 excluding impact of acquisitions
- Growth in every region except for Middle East with continued erosion of demand
- **2018 outlook up 6% excluding impact of acquisitions**

## Trailers



- Q1 '18 global production down 7% vs. Q1 '17; down 3% vs. Q4 '17 following steep production drop in China
- **2018 global production outlook -5% to flat**

# FY 2018 CORE GUIDANCE

(\$ Millions, except per share data)

## As of Apr 19<sup>th</sup>, 2018

	Prior	Updated
<b>Sales Growth</b> <sup>(4)</sup>	10.0% - 15.0% (in local currencies)	12.0% - 16.0% (in local currencies)
<b>Reported Sales</b>	\$3,820 - \$3,980 1 Euro = 1.22 USD	\$3,885 - \$4,015 1 Euro = 1.22 USD
<b>Performance Op Margin</b> <sup>(1)</sup>	14.5% - 14.9%	14.3% - 14.7%
<b>Performance EPS</b> <sup>(2)</sup>	\$7.20 - \$7.70	\$7.30 - \$7.80
<b>Performance Free Cash Flow</b> <sup>(6)</sup>	80% - 90%	80% - 90%

## 2018 Performance EPS<sup>(2)</sup> Guidance Range

- Annual price erosion unchanged in line with 2017
- Conversion productivity remaining at near record levels
- Transactional FX ~\$(20)M vs 2017 impacts margin by ~(50) bps
- Performance tax rate ~20%

### UPDATES

- Raw material inflation of ~1.2% up from ~0.8%
- Increased pension impact from prior guidance of \$5M
- Reduction in cost of financing of ~\$6M from prior guidance
- Average diluted shares ~53.2M

Refer to Slide #13 for Footnotes

# WABCO CONTINUES TO DRIVE PROFITABLE GROWTH

- Solidly outperforms global Commercial Vehicle market
- WABCO Operating System continues to propel strong productivity gains
- Strong Performance EPS<sup>(2)</sup> of \$1.97
- Generated \$77M of Performance Free Cash Flow<sup>(6)</sup> representing 72% conversion
- \$0.7B of new business wins supports future outperformance
- Share buy-back program restarted to return further value to shareowners

Refer to Slide #13 for Footnotes



Safety

Efficiency

Connectivity



# APPENDIX

## RECONCILIATIONS OF NON-GAAP MEASURES TO GAAP MEASURES

# FOOTNOTES, TABLES & DEFINITIONS

## Footnotes

1. Adjusted for streamlining, separation costs and acquisition related costs
2. Adjusted for streamlining, separation, one-time tax & discrete tax items and acquisition related costs
3. Net cash provided by operating activities less net purchases of property, plant, equipment and computer software
4. Adjusted for currency translation
5. Adjusted for currency translation, streamlining, separation costs and acquisition related costs
6. Free Cash Flow<sup>(3)</sup> excluding streamlining, separation and acquisition related payments

## Tables

The tables that follow provide the reconciliations of the non-GAAP financial measures to the most comparable US GAAP measures.

## Definitions

- **Separation costs** include all the incremental costs to establish WABCO as a stand-alone separate independent company. It also includes the costs associated with certain liabilities, including contingent liabilities, that have been assumed by WABCO from Trane, formerly American Standard, in the separation but which are not related to the Vehicle Controls Business. These costs would include the (i) periodic adjustments to the carrying values of the liability, (ii) interest on certain liabilities and (iii) costs to defend certain of these assumed liabilities.
- **Streamlining costs** are costs that help adjust the company's workforce and other resources to changing market requirements.
- **Acquisition related costs** cover costs related to acquiring a business and non-cash expenses associated with purchase accounting including amortization of identifiable intangible assets.

**WABCO HOLDINGS INC. AND SUBSIDIARIES**  
**Three Months Ended March 31, 2018 Data Supplement Sheet (Unaudited)**

(Amounts in millions, except per share data)	Three Months Ended March 31,					
	2018	% of Sales/ Adj Sales	2017	% of Sales/ Adj Sales	Chg vs. 2017	% Chg vs. 2017
<b>Sales</b>						
Reported	\$ 1,003.3		\$ 747.3		\$ 256.0	34.3%
Foreign exchange translational effects	(84.7)		-		(84.7)	
Adjusted Sales	<u>\$ 918.6</u>		<u>\$ 747.3</u>		<u>\$ 171.3</u>	22.9%
<b>Gross Profit</b>						
Reported	\$ 309.0	30.8%	\$ 240.2	32.1%	\$ 68.8	28.6%
Streamlining income	-		(3.1)		3.1	
Performance Gross Profit	<u>\$ 309.0</u>	30.8%	<u>\$ 237.1</u>	31.7%	<u>\$ 71.9</u>	30.3%
Foreign exchange translational effects	(30.8)		-		(30.8)	
Adjusted Gross Profit	<u>\$ 278.2</u>	30.3%	<u>\$ 237.1</u>	31.7%	<u>\$ 41.1</u>	17.3%
<b>Operating Expenses</b>						
Reported	\$ 162.0	16.1%	\$ 131.7	17.6%	\$ 30.3	23.0%
Streamlining income/(costs)	0.3		(3.0)		3.3	
Separation costs	(0.2)		(0.3)		0.1	
Acquisition related costs	(4.5)		(2.4)		(2.1)	
Performance Operating Expenses	<u>\$ 157.6</u>	15.7%	<u>\$ 126.0</u>	16.9%	<u>\$ 31.6</u>	25.1%
Foreign exchange translational effects	(16.1)		-		(16.1)	
Adjusted Operating Expenses	<u>\$ 141.5</u>	15.4%	<u>\$ 126.0</u>	16.9%	<u>\$ 15.5</u>	12.3%
<b>Operating Income</b>						
Reported	\$ 147.0	14.7%	\$ 108.5	14.5%	\$ 38.5	35.5%
Streamlining income	(0.3)		(0.1)		(0.2)	
Separation costs	0.2		0.3		(0.1)	
Acquisition related costs	4.5		2.4		2.1	
Performance Operating Income	<u>\$ 151.4</u>	15.1%	<u>\$ 111.1</u>	14.9%	<u>\$ 40.3</u>	36.3%
Foreign exchange translational effects	(14.7)		-		(14.7)	
Adjusted Operating Income	<u>\$ 136.7</u>	14.9%	<u>\$ 111.1</u>	14.9%	<u>\$ 25.6</u>	23.0%

Note: The presentation of the performance measures above are not in conformity with generally accepted accounting principles (GAAP). These measures may not be comparable to similar measures of other companies as not all companies calculate these measures in the same manner.

**WABCO HOLDINGS INC. AND SUBSIDIARIES**  
**Three Months Ended March 31, 2018 Data Supplement Sheet (Unaudited)**

	Three Months Ended March 31,					
	2018	% of Sales/ Adj Sales	2017	% of Sales/ Adj Sales	Chg vs. 2017	% Chg vs. 2017
(Amounts in millions, except per share data)						
<b><u>EBIT (Earnings Before Interest and Taxes)</u></b>						
Reported Net Income Attributable to Company	\$ 100.7		\$ 80.7		\$ 20.0	24.8%
Income tax expense	26.3		15.3		11.0	
Interest expense, net	3.0		3.9		(0.9)	
EBIT	<u>\$ 130.0</u>	13.0%	<u>\$ 99.9</u>	13.4%	<u>\$ 30.1</u>	30.1%
Streamlining income	(0.3)		(0.1)		(0.2)	
Separation costs	1.2		1.1		0.1	
Acquisition related costs	4.5		2.4		2.1	
Performance EBIT (Earnings Before Interest and Taxes)	<u>\$ 135.4</u>	13.5%	<u>\$ 103.3</u>	13.8%	<u>\$ 32.1</u>	31.1%
<b><u>Pre-Tax Income</u></b>						
Reported Net Income Attributable to Company	\$ 100.7		\$ 80.7		\$ 20.0	
Income tax expense	26.3		15.3		11.0	
Pre-Tax Income Attributable to Company	<u>\$ 127.0</u>		<u>\$ 96.0</u>		<u>\$ 31.0</u>	
Streamlining income	(0.3)		(0.1)		(0.2)	
Separation costs	1.2		1.1		0.1	
Acquisition related costs	4.5		2.4		2.1	
Performance Pre-Tax Income Attributable to Company	<u>\$ 132.4</u>		<u>\$ 99.4</u>		<u>\$ 33.0</u>	
Tax rate on a reported basis	19.8%		15.4%			
Tax rate on a performance basis	19.6%		19.3%			
<b><u>Net Income Attributable to Company</u></b>						
Reported Net Income Attributable to Company	\$ 100.7		\$ 80.7		\$ 20.0	
Streamlining income	(0.3)		(0.1)		(0.2)	
Separation costs	1.2		1.1		0.1	
Acquisition related costs	4.5		2.4		2.1	
Tax items (1)	0.3		(3.8)		4.1	
Performance Net Income Attributable to Company	<u>\$ 106.4</u>		<u>\$ 80.3</u>		<u>\$ 26.1</u>	
Net Income Attributable to Company per Diluted Common Share	<u>\$ 1.87</u>		<u>\$ 1.48</u>			
Performance Net Income Attributable to Company per Diluted Common Share	<u>\$ 1.97</u>		<u>\$ 1.47</u>			
Common Shares Outstanding - Diluted	<u>53.9</u>		<u>54.5</u>			

<b><u>Incremental Gross Profit and Operating Income Margin</u></b>	<b><u>Gross Profit</u></b>	<b><u>Operating Income</u></b>
Increase in adjusted sales from '17	171.3	171.3
Increase in adjusted income from '17	41.1	25.6
<b>Incremental Income as a % of Sales</b>	<b>24.0%</b>	<b>14.9%</b>
Less: YoY Transactional Foreign Exchange (FX) Impact		10.8
<b>Increase in adjusted income from '17 excluding transactional FX impact</b>		<b>36.4</b>
<b>Incremental income excluding transactional FX as a % of Sales</b>		<b>21.2%</b>

Note: The presentation of the performance measures above are not in conformity with generally accepted accounting principles (GAAP). These measures may not be comparable to similar measures of other companies as not all companies calculate these measures in the same manner.

(1) The tax impacts calculated are based on the statutory tax rate applicable to the item being adjusted for the jurisdiction from which the adjustment arises.

**WABCO HOLDINGS INC.**  
**Reconciliation of Net Cash Provided**  
**By Operating Activities to Free Cash Flow**  
**(Unaudited)**

<i>(Amounts in millions)</i>	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2018</b>	<b>2017</b>
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 89.0</b>	<b>\$ 54.3</b>
<b>Deductions or Additions to Reconcile to Free Cash Flow:</b>		
Net purchases of property, plant, equipment and computer software	(21.3)	(14.4)
<b>Free Cash Flow</b>	<b>\$ 67.7</b>	<b>\$ 39.9</b>
Less: Streamlining & separation payments	(8.6)	(18.1)
Less: Acquisition related payments	(0.2)	-
<b>Performance Free Cash Flow</b>	<b>\$ 76.5</b>	<b>\$ 58.0</b>

Note: This statement reconciles net cash provided by operating activities to free cash flow. Management believes that presenting free cash flow and performance free cash flow is useful to shareholders because it demonstrates our ability to generate cash and the health of our business. Free cash flow is also one of the several measures used to determine incentive compensation for certain employees.



**WABCO HOLDINGS INC. AND SUBSIDIARIES**  
**Reconciliation of GAAP to Non-GAAP Financial Measures for Full Year 2018 Guidance**  
**(Unaudited)**

(Amounts in millions, except per share data)

	<b>Full Year 2018 Guidance</b>
<b><u>Sales</u></b>	
Reported Sales	\$3,885.0 - \$4,015.0 <i>(1 Euro = 1.22 USD)</i>
<b><u>Operating Income</u></b>	
Reported Operating Income Margin	13.6% - 14.0%
Streamlining cost, impact to margin	0.2%
Separation costs, impact to margin	0.1%
Acquisition related items, impact to margin	0.4%
Performance Operating Income Margin	14.3% - 14.7%
<b><u>Net Income Attributable to Company</u></b>	
Reported Net Income Attributable to Company	\$369.5 - \$396.1
Streamlining cost	7.0
Separation costs	5.0
Acquisition related items	17.0
Tax items <sup>(1)</sup>	(10.1)
Performance Net Income Attributable to Company	\$388.4 - \$415.0
<b>Reported Net Income Attributable to Company per Diluted Common Share <sup>(2)</sup></b>	<b>\$6.95 - \$7.45</b>
<b>Performance Net Income Attributable to Company per Diluted Common Share</b>	<b>\$7.30 - \$7.80</b>
Diluted common shares outstanding	~ 53.2

<sup>(1)</sup> Includes the tax impacts of the above items, calculated based on the statutory tax rates applicable to each adjustment for the jurisdiction from which the adjustment arises.

Note: The presentation of performance net income and performance net income per diluted common share is not in conformity with generally accepted accounting principles (GAAP). These measures may not be comparable to similar measures of other companies as not all companies calculate these measures in the same manner.

# THANK YOU



a **WORLD** of  
**DIFFERENCE**

Safety • Efficiency • Connectivity