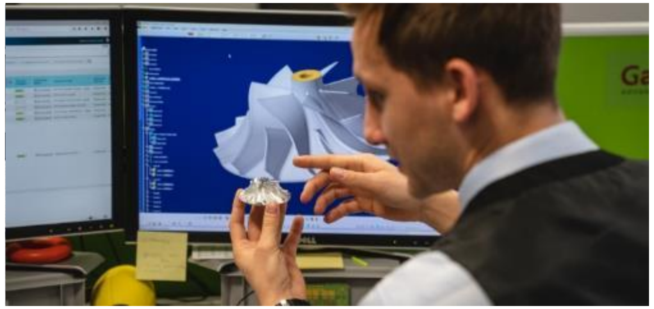

NOVEMBER 8, 2019

THIRD QUARTER 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, anticipated growth opportunities and production volumes, investments in capital expenditures, market trends, the rebalancing of our portfolio, trends in foreign exchange rates, and projections and explanations 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, 2018, as well as our other filings with the Securities and Exchange Commission, under such 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 EBIT, EBITDA, Adjusted EBITDA, Adjusted EBIT, Net Debt, Net Debt to Consolidated EBITDA, Consolidated Debt to Consolidated EBITDA, Adjusted Unlevered Free Cash Flow, Adjusted Levered Free Cash Flow, Levered Free Cash Flow, Consolidated EBITDA, Consolidated EBITDA excluding Honeywell indemnity obligation; Adjusted Levered Free Cash Flow Conversion Rate, Adjusted EBITDA Margin, Consolidated EBITDA Margin, Adjusted EBIT Margin, Adjusted Earnings Per Share ("EPS"), Consolidated EBITDA excluding Honeywell indemnity obligation Margin, Cash flow from operations minus capital expenditures, organic 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, Consolidated EBITDA, Consolidated EBITDA Margin, and Adjusted EBIT 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 Form 10 and annual report on Form 10-K for the year ended December 31, 2018 and our quarterly report on Form 10-Q for the quarter ended September 30, 2019.

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.

Material Weakness in Internal Control Over Financial Reporting

In accordance with the terms of our Indemnification and Reimbursement Agreement with Honeywell, our Consolidated and Combined Balance Sheets reflect a liability of $1,120 million in Obligations payable to Honeywell as of September 30, 2019, (the "Indemnification Liability"). The amount of the Indemnification Liability is based on information provided to us by Honeywell with respect to Honeywell's assessment of its own asbestos-related liability payments and accounts payable as of such date and is calculated in accordance with the terms of the Indemnification and Reimbursement Agreement. Honeywell estimates its future liability for asbestos-related claims based on a number of factors.

As previously disclosed, in the course of preparing our Annual Report on 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 supporting evidence for our liability to Honeywell under the Indemnification and Reimbursement Agreement. Specifically, we were unable to independently verify the accuracy of the certain information Honeywell provided to us that we used to calculate the amount of our Indemnification Liability, including information provided in Honeywell's actuary report and the amounts of settlement values and insurance receivables. For example, Honeywell did not provide us with sufficient information to make an independent assessment of the probable outcome of the underlying asbestos proceedings and whether certain insurance receivables are recoverable. This material weakness has not yet been remediated.

In consultation with our outside advisors, we are working to obtain additional information about the Indemnification Liability through a dialogue and iterative process with Honeywell. That process has continued, and we and our advisors remain in communication with Honeywell on these issues.

Q3 and YTD 2019 Highlights

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- **Net sales of $781 million; down 0.4% on a reported basis, up 2.8% organic basis[1]**
  - Organic growth outperformed global auto production by more than 5 percentage points[2]
  - Accelerated product portfolio rebalancing; gasoline products now exceed diesel
  - Q3 2019 gasoline net sales totaled 35%, up from 25% in Q3 2018 and 31% in Q2 2019
- **Net income of $38 million; $177 million YTD**
  - Q3 earnings per basic and diluted share were $0.51 and $0.50, respectively
- **Strong Q3 and YTD financial performance, driven by greater gasoline turbo penetration and new product launches**
  - Adjusted EBITDA[1] of $133 million; $446 million YTD
  - Adjusted EBITDA margin[1] of 17.0%; 18.4% YTD
  - Adjusted Levered Free Cash Flow[1] of $102 million; $182 million YTD
  - Net Debt[1] reduced by $95 million in Q3
- **Reiterated 2019 guidance for organic net sales and Adjusted Levered Free Cash Flow conversion; revised full-year outlook for Adjusted EBITDA**

Turbo Technology | Electric & Hybrid | Connected Vehicles

[1] Reconciliations of Non-GAAP financial measures are included in Appendix.
[2] Based on IHS data.

Organic net sales growth exceeded global auto production by 5+ percentage points

Q3 Net Sales by Region and Product Line

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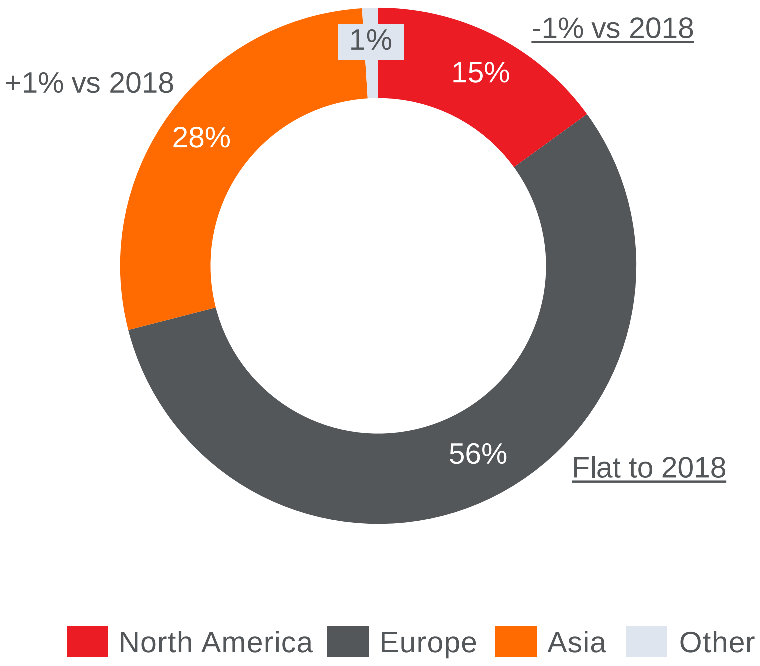
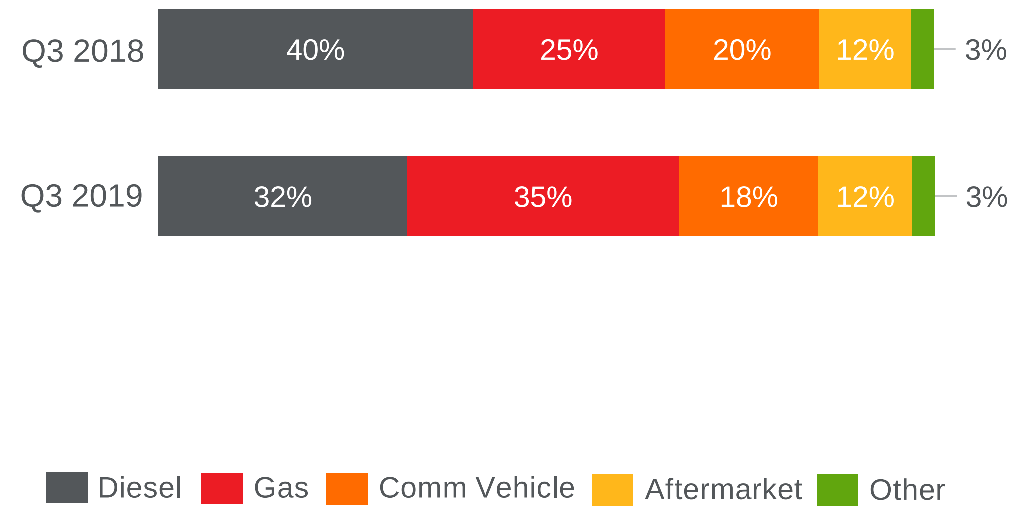
Q3 2019 by Geography[1]



Q3 2019 by Product Line

Q3 Gas product sales ($) exceeded Diesel by 10%

Q4 Gas product sales ($) expected to exceed Diesel by ~15%



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

Gas up 10 points to 35% of net sales, well ahead of portfolio rebalancing plan

Core Turbocharger Technology Differentiation

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	Technology Trend	Industry Driver	GTX Technology
Light Vehicle Gasoline	Industry transition to VNT 	CO2 fleet average targets	• 1^{st} Gas VNT industry launch 2016 • ~60% EU (~40% global) Gas VNT by 2025 • + 30% to 50% $/vehicle
Light Vehicle Diesel	Next-Generation VNT & 2-Stage 	More complex solutions to meet EU7 emissions regulation in 2025	• Gen7 VNT & Gen4 2Stage | +2pts Fuel Eco • Provides CO2 / NOx emissions reduction
Commercial Vehicle	Next-Generation Wastegate & Double-Axle VNT 	China 6 regulation On-Highway CO2 regulation	• Gen3 industry-leading performance • Unique portfolio covering all applications

GTX providing industry with advanced technologies to meet more stringent regulations

Garrett's Leadership Role in a Transforming Auto Industry

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	Industry Challenge	GTX Offering	
Electrified	Hybrid powertrain CO_2 optimization	Gas VNT & Electric Boosting	In production; SOP 2021
	Fuel Cell powertrain affordability	Fuel cell Compressor Gen2 & 3	NEW; Gen 2 SOP 2021
	Efficient & light weight electric powertrain	High power density motors, BMS*,…	POC
Connected & Autonomous / Shared	Cyber security	Intrusion Detection Software	NEW; SOP 2021
	Compliance with safety regulation	Advanced controls for EMS**	NEW; In production
	Warranty cost for more and more complex systems	Diagnostics for OEM service bay	NEW; In pilot production
	Service efficiency & downtime avoidance	Prognosis tool for OEM	POC @ OEMs
	Expected regulation starting in EU	Prognostics tool for fleet	POC @ fleet

* BMS: Battery Management System
** EMS: Engine Management System

Technology drives automotive transformation and new growth opportunities

Key Financial Metrics: Q3 2018 – Q3 2019

($M)

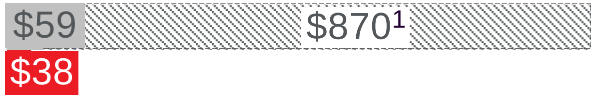
2018
2019

Net Sales

(0.4%) Reported **3% Organic**

Organic net sales growth exceeded global auto production

Net Income



(96%)

Q3 2018 includes $870M tax benefit [1]
Q3 2019 includes $18M interest expense on debt, not included in 2018

Adjusted EBITDA[2]

(3%)

Q3 2019 Adjusted EBITDA[2] 17.0% of net sales

Adjusted EBIT[2]

(6%)

Q3 2019 Adjusted EBIT[2] 14.5% of net sales

Capital Expenditures

21%

Capex 2.9% of net sales

Adjusted Levered Free Cash Flow[2, 3]

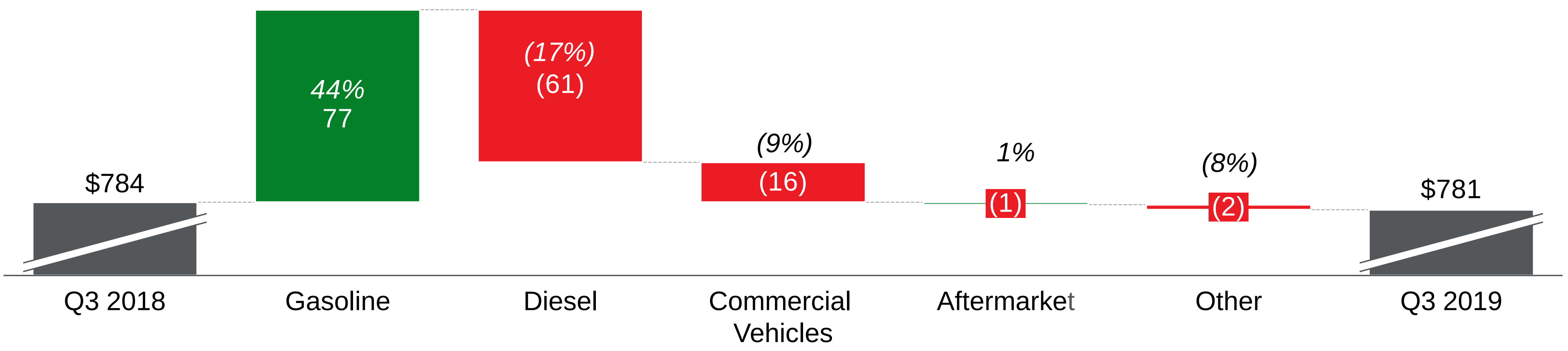
Strong Q3 2019 free cash flow generation
Comparison to Q3 2018 is impacted by timing of non-linear carve out adjustments and interest expense incurred in 2019

[1] Q3 2018 net income includes $870M of tax benefits from internal restructuring of Garrett's business prior to spin-off for withholding taxes on undistributed foreign earnings.
[2] Reconciliations of Non-GAAP financial measures are included in Appendix.
[3] Calculated as Levered Free Cash Flow including interest expense but excluding Indemnity and MTT payment to Honeywell.

Maintained strong financial results amid challenging market conditions

Net Sales Bridge: Q3 2018 – Q3 2019

($M)



44%	Organic growth in Gasoline driven by new product launches and increased turbo penetration
(17%)	Organic decline in Diesel driven by market decline and run-off of applications
(9%)	Organic decline in Commercial Vehicles driven by global softness

All growth rates in % are organic and are reconciled to the nearest GAAP measure in Appendix.

Net sales up 2.8% at constant currency

Organic Sales Growth Versus Global Industry Production

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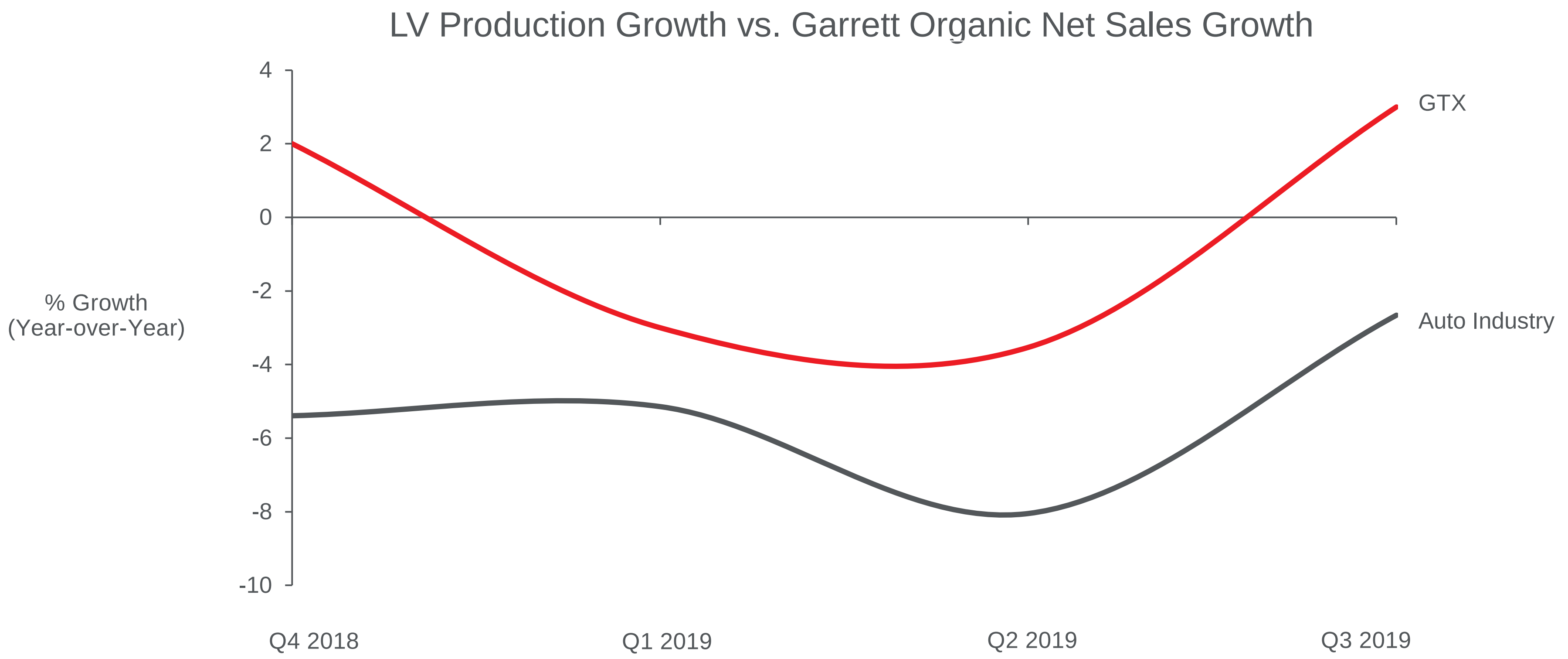

- Garrett has outperformed global LV production each quarter since going public
- Continued outperformance driven by LV Gasoline product launches

GTX has significantly outperformed global auto industry growth over past 12 months

Adjusted EBIT/Adjusted EBITDA Walk: Q3 2018 – Q3 2019

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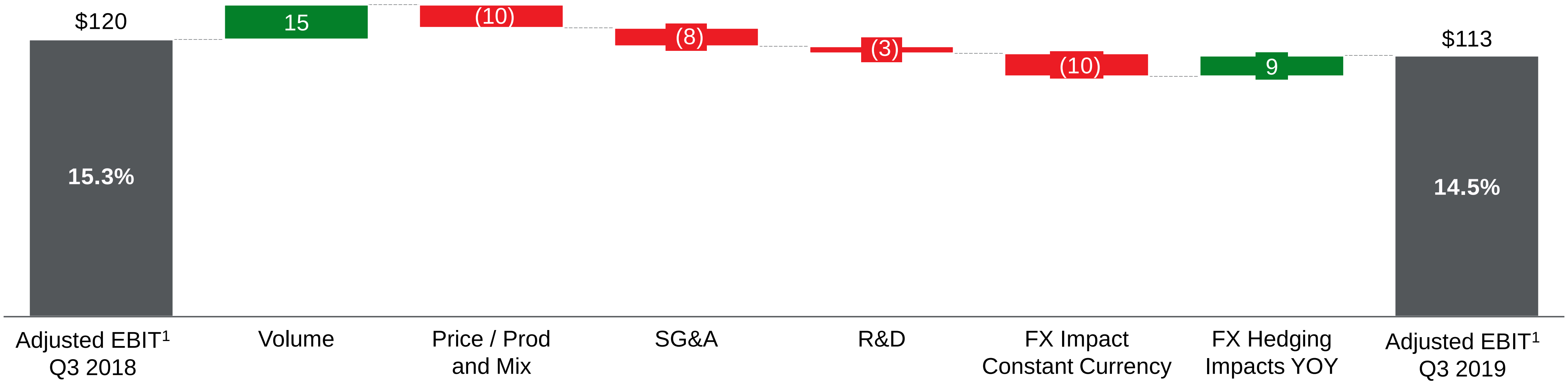
($M)



Adj. EBITDA Q3 2018
$137M
17.5%

Adj. EBITDA Q3 2019
$133M
17.0%

- Negative Price/Prod and Mix mainly from accelerated shift towards Gasoline and lower CV sales
- SG&A driven by increase in severance expense and non-linear corporate allocations prior to Spin-Off
- Negative constant currency impact mostly offset by hedge losses recorded in prior year

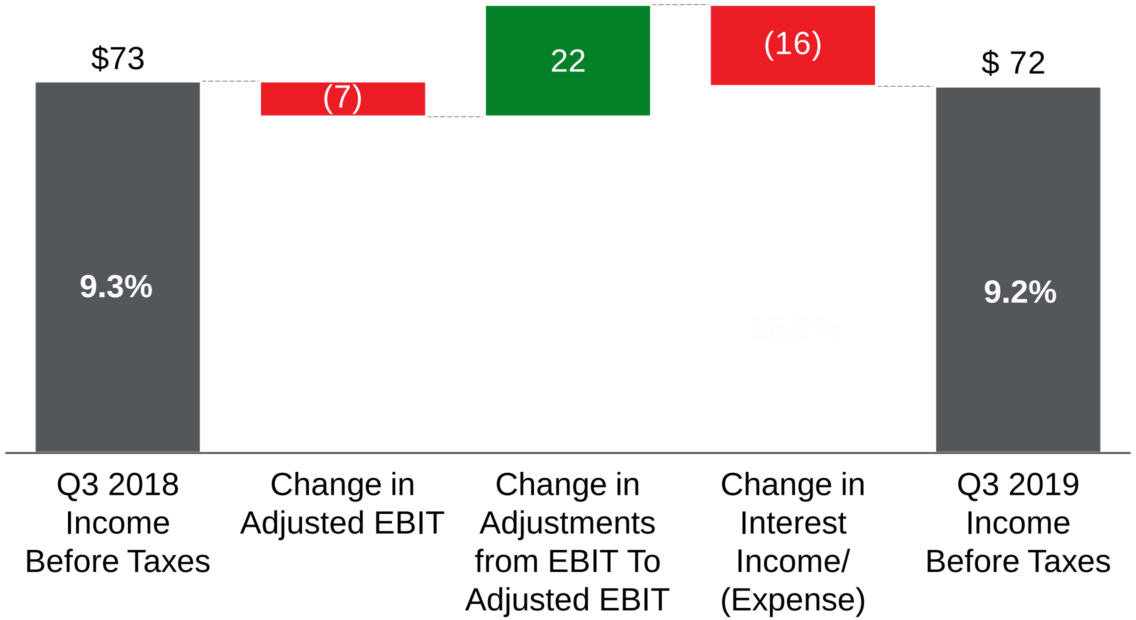
[1]Reconciliations of Non-GAAP financial measures are included in Appendix.

Adjusted EBITDA down 2% excluding FX in challenging market

Q3 2019 Income Before Taxes

($M)

Q3 2018 – Q3 2019



Adjustments

	Q3 2018	Q3 2019	Change
Indemnification expense (post Spin-off)	0	(18)	(18)
HON Asbestos related expense (pre Spin-off)	(51)	0	51
Environmental remediation, non-active sites	0	0	0
Non-operating Income / (expenses)	0	0	0
Stock Compensation expense	(4)	(5)	(1)
Repositioning charges	0	0	0
Foreign exchange gain / (loss) on debt	8	0	(8)
Spin-off costs	0	(2)	(2)
Total Adjustments	(47)	(25)	22

Income before taxes consistent with prior year

Net Debt Walk: June 30, 2019 – Sep. 30, 2019

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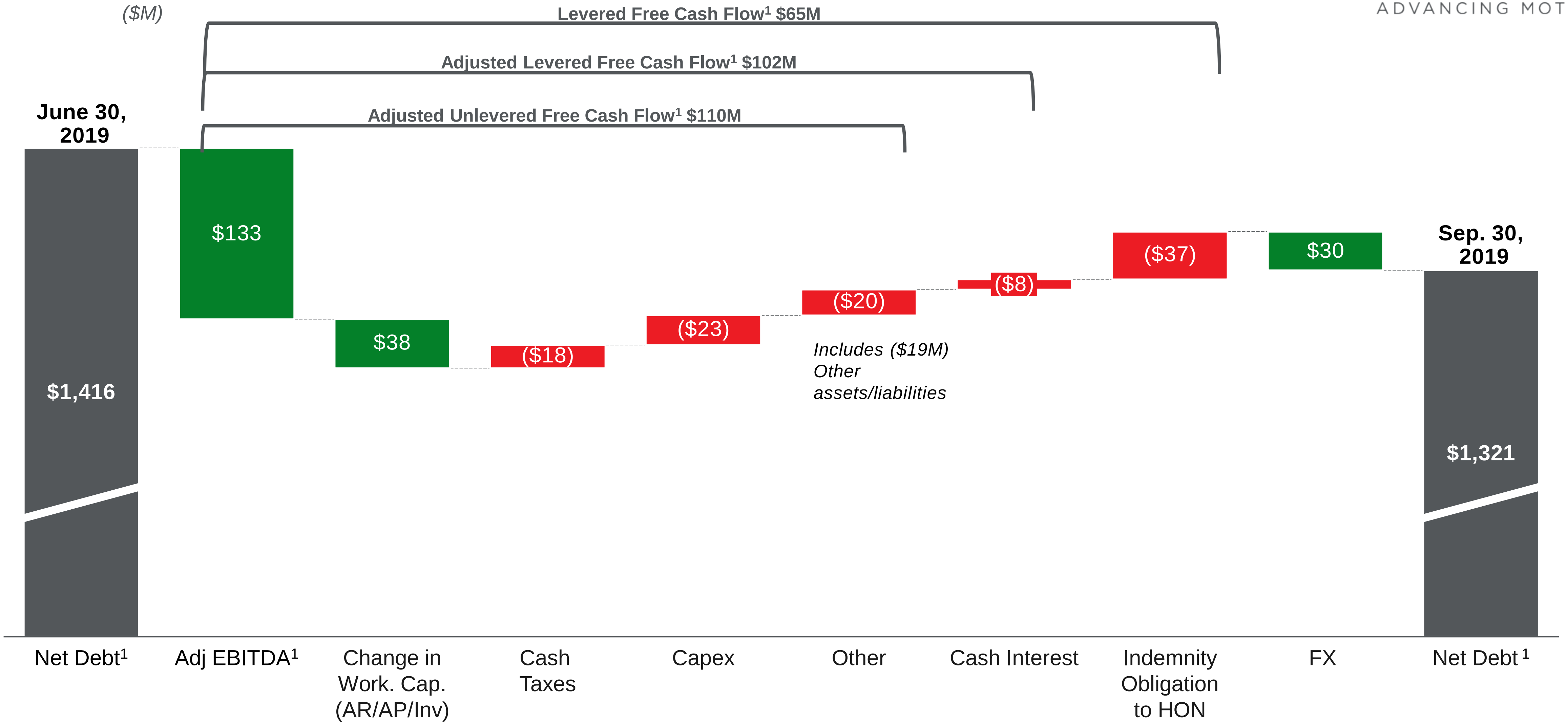

[1] Reconciliations of Non-GAAP financial measures are included in the Appendix.
Note: Figures may not sum exactly due to rounding.

Adjusted Levered Free Cash Flow totaled $102M; Net Debt reduced by $95M

Liquidity and Capital Resources

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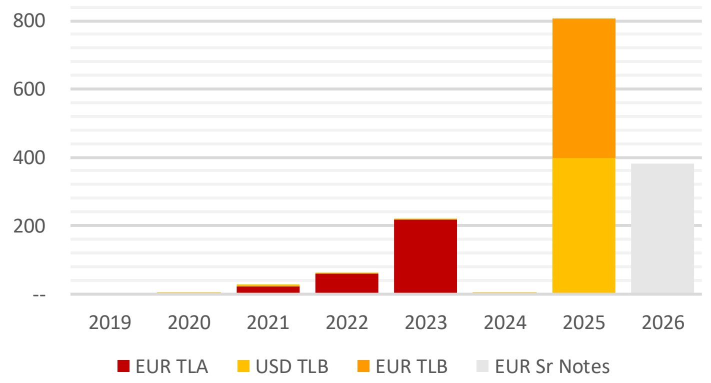
Maturity Profile ($M)



Cash and Marketable Securities ($M)

	Jun 30 2019	Sep. 30 2019
Brazilian Real	**11**	**7**
Chinese Yuan	**84**	**100**
Euro	**28**	**26**
Indian Rupee	**39**	**33**
Korean Won	**12**	**16**
Other currencies	**7**	**8**
Total (USD equivalent)	**182**	**190**

Net Debt[1] ($M)

	Jun 30 2019	Sep 30 2019
Secured debt	**(1,200)**	**(1,128)**
RCF	**--**	**--**
Unsecured debt	(398)	(383)
Debt	**(1,598)**	**(1,511)**
Cash & cash equivalent (A)	182	190
Net debt	**(1,416)**	**(1,321)**
Undrawn committed revolving credit facility[2] (B)	487	468
Available liquidity (A + B)	**669**	**658**

Other Debt Related Information

- Term Debt amortized by $41M; $62M YTD in debt re-payments
  - $1M Mandatory Amortization of Term Loan B in Q3
  - $40M early repayment of Term Loan A in Q3
- Cash increased by $8M
- Net debt decreased by $95M

	June 30 2019	Sep. 30 2019
Net debt to Consolidated EBITDA[1]	**3.20x**	**3.01x**
Consolidated debt to Consolidated EBITDA[1]	**3.61x**	**3.44x**

[1] Reconciliations of Non-GAAP financial measures are included in Appendix.
[2] USD $470M (EUR 430M) less $2M used for bank guarantee issuance at September 30, 2019; USD $489M (EUR 430M) less $2M used for bank guarantee issuance at June 30, 2019.

Net Debt reduction of $95M includes $40M in early debt repayment

Selected Balance Sheet Items Related to Honeywell

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($M)

	Sep. 30, 2019	Dec. 31, 2018	Commentary
Indemnification and Reimbursement Agreement	$1,120	$1,244	• Represents 90% of Honeywell's legacy Bendix asbestos liability, net of expected insurance recoveries plus specific non-Bendix and environmental liabilities. Payments (including legal fees) capped at $175M per year. • $113 million payments for the 9 months ended Sep. 30, 2019.
Mandatory Transition Tax (MTT)	$188	$216	• 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.
Other Tax Provisions	$67	$66	• Relates to legacy state and local tax disputes.
	$1,375	$1,526	

Liabilities reduced by $151M YTD

2019 Outlook[1]

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Prior Guidance

- Organic net sales growth of (1%) to +1%
- Adjusted levered free cash flow conversion rate[2] of 50% - 55%
- Adjusted EBITDA of $600M - $620M

Current Guidance (as of November 8, 2019)

- No change to organic net sales growth of (1%) to +1%
- No change to Adjusted levered free cash flow conversion rate[2] of 50% - 55%
- Adjusted EBITDA lowered to $580M - $600M

What changed?

- Portfolio rebalancing has accelerated
  - Gasoline products exceeded diesel in Q3 (parity was expected by year end)
  - Change in mix adversely impacts margins
- Lower commercial vehicle production
  - Continued softness in higher margin business
- Global 2019 LV production assumption of approximately (5.5%)
  - Lower global auto production partially offset by faster H2 2019 ramp up of LV-Gas launches in China

[1] 2019 guidance as of November 8, 2019 set at current market conditions for FX. 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 levered free cash flow conversion rate, including interest but excluding indemnification and MTT payments to HON as a percentage of Adjusted EBITDA.

Outlook unchanged for net sales and FCF conversation, lowered for Adjusted EBITDA

Key Q3 2019 Takeaways

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- Strong organic sales growth significantly exceeds global auto production
- Accelerated portfolio rebalancing – gasoline sales now exceed diesel
- Solid cash flow generation; maintained focus on deleveraging balance sheet
- Positive long-term business fundamentals remain intact
- Continued progress in core and new growth vectors

Garrett remains well positioned to drive future performance

Appendix

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9M Net Sales by Region and Product Line

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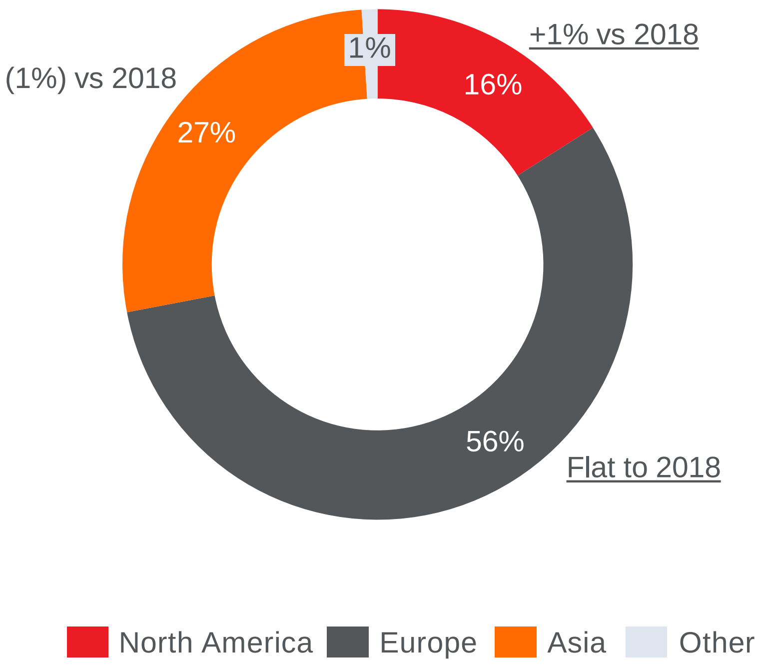
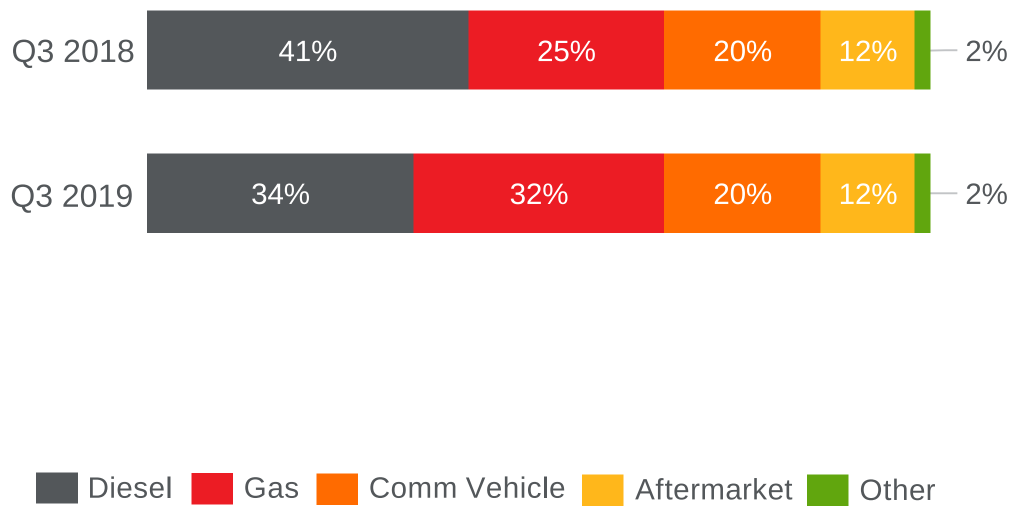
9M 2019 by Geography[1]



9M 2019 by Product Line

Gas products grew to 32% of net sales

Commercial Vehicles and Aftermarket products totaled 32% of net sales



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

Gas up 7 percentage points to 32% of net sales, accelerating portfolio rebalancing

Key Financial Metrics: 9M 2018 – 9M 2019

($M)

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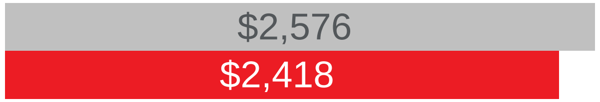
2018
2019

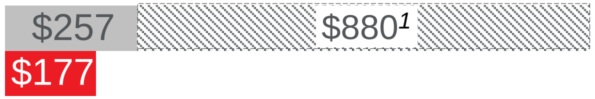
Net Sales



(6%) **Reported** **(2%)** **Organic**

Net sales impacted by slowdown in global auto production

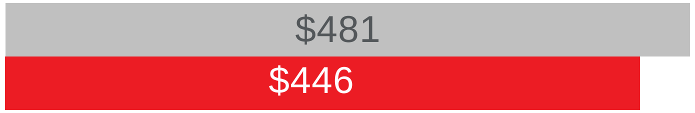
Net Income



(84%)

9M 2018 includes $880M tax benefit [1]
9M 2019 includes $52M interest expense vs $3M in 9M 2018

Adjusted EBITDA[2]



(7%)

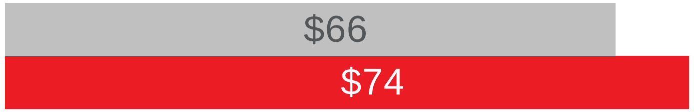
9M Q3 2019 Adjusted EBITDA[2] 18.4% of net sales

Adjusted EBIT[2]

(8%)

9M 2019 Adjusted EBIT[2] 16.2% of net sales

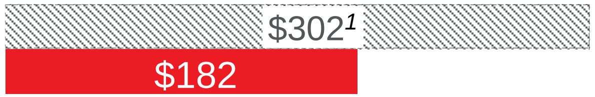
Capital Expenditures



12%

Capex 3.1% of net sales

Adjusted Levered Free Cash Flow [2 3]



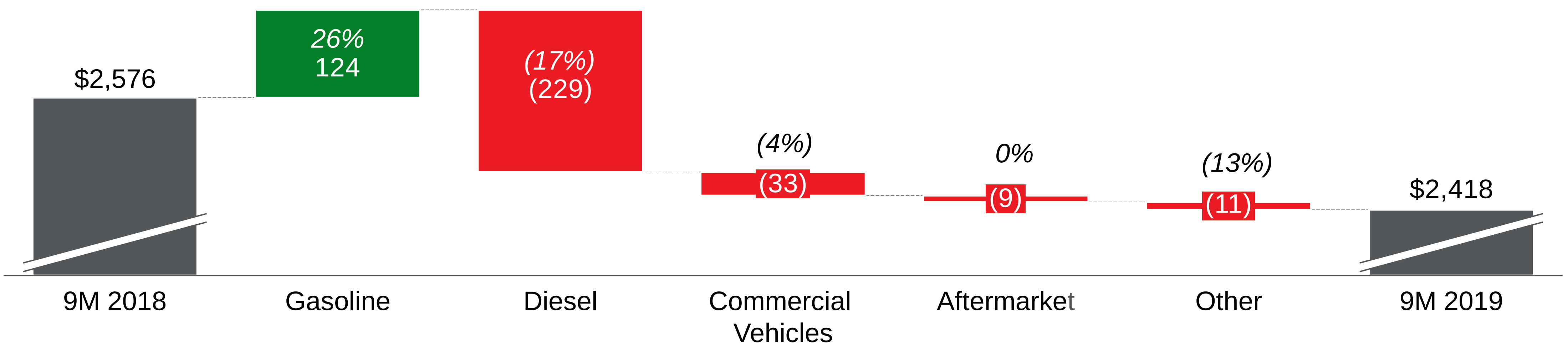
Comparison to 9M 2018 is impacted by transactions with related parties and carve out adjustments
2019 impacted by timing of tax payments, CAPEX and seasonality in working capital

[1] 9M 2018 net income includes $880M of tax benefits from internal restructuring of Garrett's business prior to spin-off for withholding taxes on undistributed foreign earnings.
[2] Reconciliations of Non-GAAP financial measures are included in Appendix.
[3] Calculated as Levered Free Cash Flow including interest expense but excluding Indemnity and MTT payment to Honeywell.

Strong Adjusted EBITDA margin of 18.4% amid global auto production slowdown

Net Sales Bridge: 9M 2018 – 9M 2019

($M)



26%	Organic growth in Gasoline driven by new product launches and increased turbo penetration
(17%)	Organic decline in Diesel driven by market decline and run-off of certain applications
(4%)	Organic decline in Commercial Vehicles driven by global softness
(13%)	Organic decline in Other sales driven by prototype sales and related timing of development programs

All growth rates in % are organic and are reconciled to the nearest GAAP measure in Appendix.

Net sales decreased $158M or 2% at constant currency

Adjusted EBIT/Adjusted EBITDA Walk: 9M 2018 – 9M 2019

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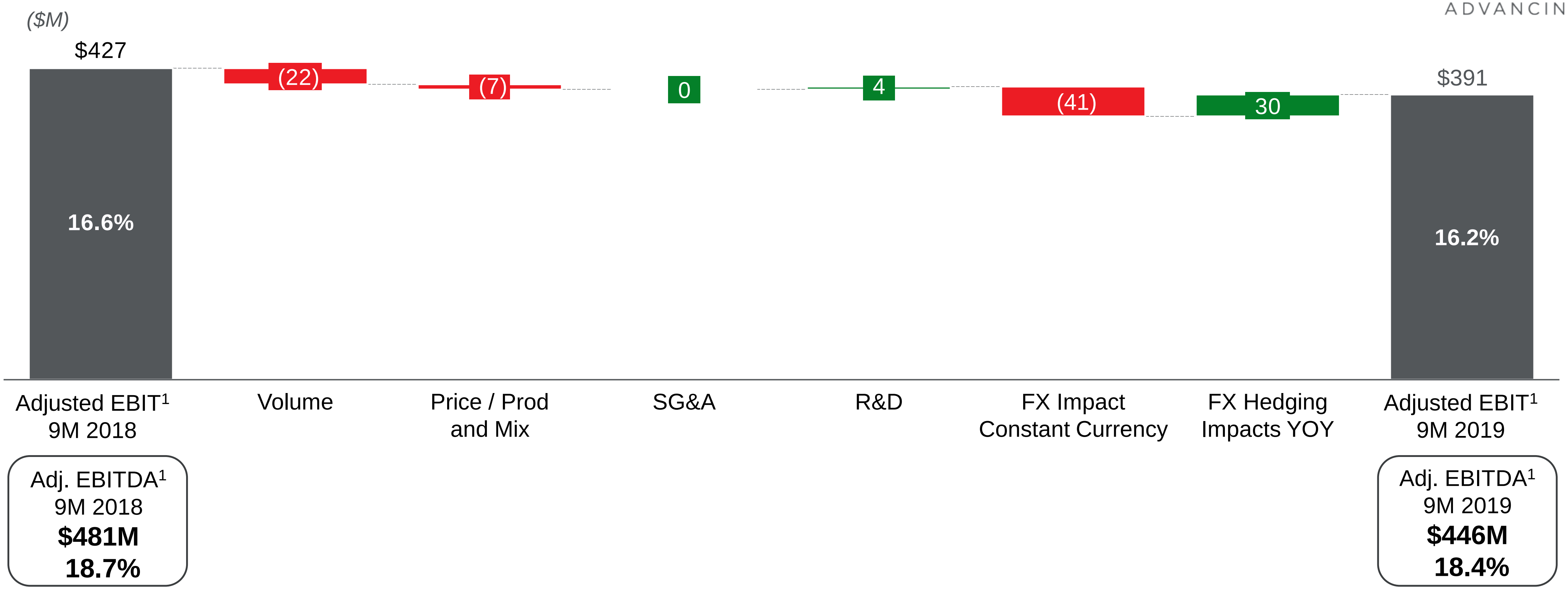


- Volume-related revenue loss resulted in ($22M) Adjusted EBIT[1] decline
- R&D favorability driven by customer and government funding in Q2 2019
- Negative constant currency impact partially offset by hedge losses recorded in prior year

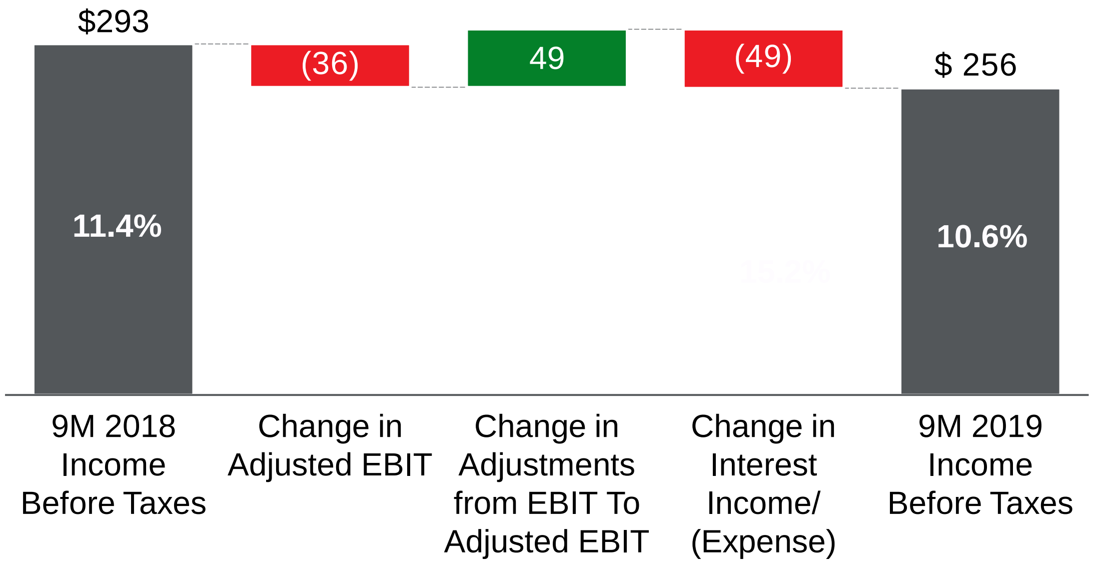
[1]Reconciliations of Non-GAAP financial measures are included in Appendix.

Adjusted EBITDA impacted by lower volumes; maintained attractive margin profile

9M 2019 Income Before Taxes

($M)

9M 2018 – 9M 2019



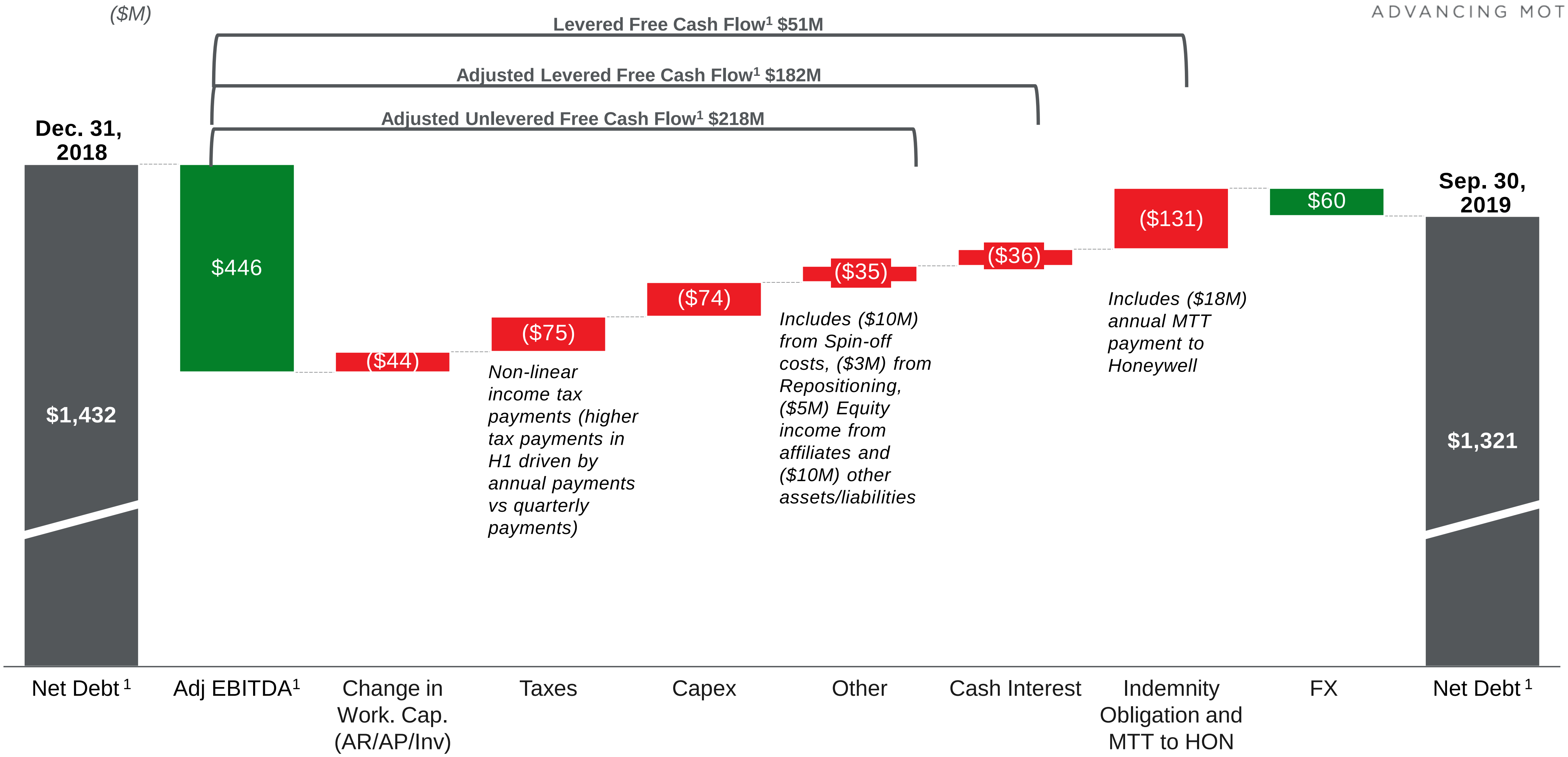
Adjustments

	9M 2018	9M 2019	Change
Indemnification expense (post Spin-off)	0	(54)	(54)
HON Asbestos related expense (pre Spin-off)	(130)	0	130
Environmental remediation, non-active sites	(2)	0	2
Non-operating Income / (expenses)	4	0	(4)
Stock Compensation expense	(16)	(14)	2
Repositioning charges	(2)	(3)	(1)
Foreign exchange gain / (loss) on debt	8	(8)	(16)
Spin-off costs	0	(10)	(10)
Total Adjustments	**(138)**	**(89)**	**49**

Note: Figures may not sum exactly due to rounding.

Income before taxes impacted by interest expense

Net Debt Walk: Dec. 31, 2018 – Sep. 30, 2019



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

YTD Adjusted Levered Free Cash Flow of $182M; Net Debt reduced by $111M

Income Statement

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Q3 2019	Q3 2018	($ in millions)	9M 2019	9M 2018
$781	**$784**	**Net sales**	**$2,418**	**$2,576**
609	606	Cost of goods sold	1,868	1,972
172	178	**Gross profit**	550	604
68	60	Selling, general and administrative expenses	186	186
18	51	Other expense, net	54	132
18	1	Interest expense	52	3
-4	(7)	Non-operating (income) expense	2	-10
72	**73**	**Income before taxes**	**256**	**293**
34	(856)	Tax expense (benefit)	79	(844)
38	**929**	**Net income (loss)**	**177**	**1,137**

Balance Sheet Summary

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($ in millions)

December 31, 2018	Assets	September 30, 2019
$196	Cash and cash equivalents	$190
993	Other current assets	1,003
1,189	Total current assets	1,193
438	Property, plant and equipment-net	430
165	Deferred income taxes	181
$312	Other assets	$342
$2,104	Total assets	$2,146
	Liabilities	
127	Obligations payable to Honeywell, current	$121
1,365	Other current liabilities	1,267
1,492	Total current liabilities	1,388
1,569	Long-term debt	1,477
1,399	Obligations payable to Honeywell	1,254
237	Other liabilities	291
$4,697	Total liabilities	$4,410
	Equity (deficit)	
0	Common stock, par value	0
5	Additional paid-in capital	19
(2,671)	Retained earnings	(2,494)
(2,666)	Invested equity (deficit)	(2,498)
73	Accumulated other comprehensive income	211
(2,593)	Total stockholders' deficit	(2,264)
$2,104	Total liabilities and stockholders' deficit	$2,146

Please refer to earnings press release issued on November 8, 2019 for Consolidated and Combined Balance Sheets.

Summary of Cash Flows

9M 2018	*($ in millions)*	9M 2019
$1,137	**Net (loss) income**	**$177**
240	**Net cash provided by (used for) operating activities**	**125**
225	**Net cash provided by (used for) investing activities**	**(62)**
(556)	**Net cash provided by (used for) financing activities**	**(62)**
(12)	Effect of foreign exchange rate changes on cash and cash equivalents	(7)
(103)	Net increase (decrease) in cash and cash equivalents	(6)
300	**Cash and cash equivalents at beginning of period**	**196**
$197	**Cash and cash equivalents at end of period**	**$190**

Please refer to earnings press release issued on November 8, 2019 for Consolidated and Combined Statements of Cash Flows.

Reconciliation of Net Income to EBIT and Adjusted EBIT

Garrett
ADVANCING MOTION

($ in millions)	Q3'2018	Q3'2019	9M 2018	9M 2019
Net income (loss) - GAAP	**929**	**38**	**1,137**	**177**
Tax expense	(856)	34	(844)	79
Profit before taxes	73	72	293	256
Net interest (income) expense	-	16	(3)	46
EBIT (Non-GAAP)	**73**	**88**	**289**	**302**
1 Other operating expenses, net (asbestos and environmental expenses)	51	18	132	54
2 Non-operating (income) expense	-	-	(4)	-
3 Stock compensation expense	4	5	16	14
4 Repositioning charges	-	-	2	3
5 Spin-Off Costs	-	2	-	10
Foreign exchange (gain) loss on debt, net of related hedging (gain) loss	(8)	-	(8)	8
Adjusted EBIT	**120**	**113**	**427**	**391**
Adjusted EBIT%	***15.3%***	***14.5%***	***16.6%***	***16.2%***

1 For the periods prior to the Spin-off on October 1, 2018 we reflect the expense for resolution of asbestos related and environmental liabilities, net of insurance recoveries. Subsequent to the Spin-off, we reflect the indemnification expenses as per the indemnification agreement with Honeywell.

2 Non-operating (income) expense adjustment excludes interest income, the non-service component of pension expense, equity income of affiliates, and the impact of foreign exchange.

3 Stock compensation expense adjustment includes only non-cash expenses.

4 Repositioning charges adjustment primarily includes severance costs related to restructuring projects to improve future productivity.

5 Spin-off costs primarily include costs incurred for the set-up of the IT, Legal, Finance, Communications and Human Resources functions after the Spin-off from Honeywell on October 1, 2018.

Note: Figures may not sum exactly due to rounding.

Reconciliation of Net Income to Adjusted EBITDA and Consolidated EBITDA

Garrett
ADVANCING MOTION

($ in millions)	Q3'2018	Q2'2019	Q3'2019	9M 2018	9M 2019	LTM Q2'19	LTM Q3'19
Net income (loss) - GAAP	**929**	**66**	**38**	**1,137**	**177**	**1,111**	**220**
Tax expense	(856)	21	34	(844)	79	(751)	139
Profit before taxes	73	87	72	293	256	360	359
Net interest (income) expense	-	15	16	(3)	46	46	62
Depreciation	17	16	20	53	55	70	73
EBITDA (Non-GAAP)	**90**	**118**	**108**	**343**	**357**	**476**	**494**
Other operating expenses, net (asbestos and environmental expenses)	51	17	18	132	54	75	42
Non-operating (income) expense	-	-	-	(4)	-	-	-
Stock compensation expense	4	4	5	16	14	18	19
Repositioning charges	-	2	-	2	3	3	3
Spin-Off Costs	-	5	2	-	10	14	16
Foreign exchange (gain) loss on debt, net of related hedging (gain) loss	(8)	8	-	(8)	8	1	9
Adjusted EBITDA (Non-GAAP)	**137**	**154**	**133**	**481**	**446**	**587**	**583**
Adjusted EBITDA %	***17.5%***	***19.2%***	***17.0%***	***18.7%***	***18.4%***	***18.2%***	***14.6%***
1 FX Hedging (gain) / loss (net)	6	(1)	(2)	34	4	16	8
Adjusted EBITDA Excluding FX Hedging (gain) / loss net (Non-GAAP)	**143**	**153**	**131**	**515**	**450**	**603**	**591**
Adjusted EBITDA Excluding FX Hedging (Non-GAAP) %	***18.2%***	***19.1%***	***16.8%***	***20.0%***	***18.6%***	***18.7%***	***14.8%***
2 Honeywell Indemnity Obligation payment	(44)	(38)	(37)	(131)	(113)	(162)	(154)
3 Additional pro forma standalone costs	-	-	-	(1)	-	-	-
4 Other non-recurring, non-cash expense	-	-	-	-	-	2	2
Consolidated EBITDA	**100**	**115**	**94**	**383**	**337**	**443**	**439**
Add. Honeywell Indemnity Obligation Payment	44	38	37	131	113	162	154
Consolidated EBITDA (Non-Gaap, excl. Honeywell indemnity obligation)	**143**	**153**	**131**	**514**	**450**	**605**	**593**
Consolidated EBITDA % margin (Non-GAAP, excl. Honeywell indemnity obligation)	***18.3%***	***19.1%***	***16.8%***	***20.0%***	***18.6%***	***18.8%***	***14.8%***

Note: Figures may not sum exactly due to rounding.

1 Removal of FX hedging-related gains and losses and unrealized FX re-measurement gains included in EBITDA.

2 Inclusion of Honeywell Indemnity Obligation payment.

3 Incremental costs above corporate allocations already included in Adjusted EBITDA based on standalone assessment.

4 Other adjustments consist of non-recurring, non-cash charges primarily related to incremental freight costs incurred as a result of transferring production across various European plants and non-US tax credits.

Note: Consolidated EBITDA is calculated in accordance with our Credit Agreement and differs from EBITDA and Adjusted EBITDA as presented in our Form 10-Q. We define “Consolidated EBITDA”, which is a Non-GAAP financial measure, 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 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, and one-time 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 Organic Sales % Change

Garrett
ADVANCING MOTION

Q3 2019	Q3 2018	Garrett	9M 2019	9M 2018
0%	5%	Reported sales % change	(6%)	12%
(3%)	(2%)	Less: Foreign currency translation	(4%)	5%
3%	7%	Organic sales % change	(2%)	7%
		Gasoline		
38%	23%	Reported sales % change	19%	34%
(6%)	(2%)	Less: Foreign currency translation	(7%)	7%
44%	25%	Organic sales % change	26%	27%
		Diesel		
(20%)	2%	Reported sales % change	(22%)	6%
(3%)	(1%)	Less: Foreign currency translation	(5%)	6%
(17%)	3%	Organic sales % change	(17%)	0%
		Commercial vehicles		
(10%)	1%	Reported sales % change	(7%)	14%
(1%)	(2%)	Less: Foreign currency translation	(3%)	4%
(9%)	3%	Organic sales % change	(4%)	10%
		Aftermarket		
(1%)	(3%)	Reported sales % change	(3%)	1%
(2%)	(1%)	Less: Foreign currency translation	(3%)	3%
1%	(2%)	Organic sales % change	0%	(2%)
		Other Sales		
(10%)	(2%)	Reported sales % change	(17%)	1%
(2%)	0%	Less: Foreign currency translation	(4%)	6%
(8%)	(2%)	Organic sales % change	(13%)	(5%)

We define organic sales percent as the year-over-year change in reported sales relative to the comparable period, excluding the impact on sales from foreign currency translation. 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

Garrett
ADVANCING MOTION

June 30, 2019	*(Dollar amounts in millions)*	September 30, 2019
$1,200	Secured debt	$1,128
0	Revolving cash facility	0
398	Unsecured debt	383
1,598	**Consolidated debt**	**1,511**
1,598	Total term debt	1,511
0	Related party note	0
(182)	Cash and cash equivalents	(190)
1,416	**Net debt**	**1,321**
$443	**Consolidated EBITDA (last 12 months)**	**$439**
3.20X	**Net debt to Consolidated EBITDA**	**3.01X**
3.61X	**Consolidated debt to Consolidated EBITDA**	**3.44X**

Reconciliation of Long-Term Debt to Net Debt

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June 30, 2019	*(Dollar amounts in millions)*	September 30, 2019
$1,552	Long-term debt	$1,477
14	Short-term debt	4
33	Deferred finance costs	30
1,598	**Total Term Debt**	**1,511**
(182)	Cash and cash equivalents	(190)
1,416	**Net debt**	**1,321**

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

Garrett
ADVANCING MOTION

Q3 2019	Q3 2018	*($ in millions)*	9M 2019	9M 2018
$38	**$929**	**Net income (loss) - GAAP**	**$177**	**$1,137**
$34	($856)	Tax expense	$79	($844)
$72	$73	Profit before taxes	$256	$293
$16	$0	Net interest (income) expense	$46	($3)
$20	$17	Depreciation	$55	$53
$108	**$90**	**EBITDA (Non-GAAP)**	**$357**	**$343**
18	51	Other operating expenses, net (asbestos and environmental expenses)	54	132
0	0	Non-operating (income) expense	0	(4)
5	4	Stock compensation expense	14	16
0	0	Repositioning charges	3	2
0	(8)	Foreign exchange (gain) loss on debt, net of related hedging (gain) loss	8	(8)
2	0	Spin-Off Costs	10	0
133	**137**	**Adjusted EBITDA (Non-GAAP)**	**446**	**481**
38	N/A	Change in working capital	(44)	N/A
(18)	(22)	Taxes	(75)	(65)
(23)	(19)	Capital Expenditures	(74)	(66)
(20)	N/A	Other	(35)	N/A
110	**(14)**	**Adjusted unlevered FCF**	**218**	**305**
(8)	(1)	Cash Interest	(36)	(3)
102	**(15)**	**Adjusted levered FCF**	**182**	**302**
(37)	(43)	Indemnity obligation and MTT to HON	(131)	(128)
$65	**($58)**	**Levered FCF**	**$51**	**$174**

Reconciliation of Net Income to Earnings Per Share

9M 2018	*($ in millions)*	9M 2019
$1,137	**Net income (loss) - GAAP**	**$177**
74,070,852	Weighted average common shares outstanding - Basic	74,528,740
74,070,852	Weighted average common shares outstanding - Diluted	75,700,652
$15.35	**Earnings per common share - basic**	**$2.37**
$15.35	**Earnings per common share - diluted**	**$2.34**

Reconciliation of Net Income – GAAP to EBITDA and Adjusted EBITDA, and to Adjusted Unlevered, Adjusted Levered and Levered Free Cash Flow (FCF)

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3M 2019	3M 2018	*($ in millions)*	9M 2019	9M 2018
$88	($39)	Net cash from operating activities	$125	$240
(23)	(19)	Expenditures for plant property and equipment	(74)	(66)
65	**(58)**	**Net operating cash flow minus capex**	**51**	**174**
37	43	Indemnity obligation and MTT to Honeywell included	131	128
102	**(15)**	**Adjusted levered free cash flow**	**182**	**302**
8	1	Interest expense	36	3
$110	**(14)**	**Adjusted unlevered free cash flow**	**$218**	**$305**

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