Investor Relations Presentation Q2 2025

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Safe Harbor Statement

The following information contains, or may be deemed to contain, “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995). The words “believe,” “expect,” “anticipate,” “intend,” “estimate” and other expressions that are predictions of or indicate future events and trends and that do not relate to historical matters identify forward-looking statements. You should not place undue reliance on these forward-looking statements. Although forward-looking statements reflect management’s good faith beliefs, reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements speak only as of the date the statements are made. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to: risks relating to the pending acquisition of the Off-Highway business of Dana Incorporated, including: that the acquisition may not be completed in a timely manner or at all; delays, unanticipated costs or restrictions resulting from regulatory review of the acquisition, including the risk that Allison may be unable to obtain governmental and regulatory approvals required for the acquisition or that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the acquisition; uncertainties associated with the acquisition may cause a loss of both companies' management personnel and other key employees, and cause disruptions to both companies' business relationships; the purchase agreement subjects Allison and Dana to restrictions on business activities prior to the effective time of the acquisition; Allison is expected to incur significant costs in connection with the acquisition and integration; litigation risks relating to the acquisition; the business and operations of the Off-Highway business of Dana may not be integrated successfully in the expected time frame; the acquisition may result in a loss of customers, vendors, and other business counterparties; and the combined company may fail to realize all of the anticipated benefits of the acquisition or fail to effectively manage its expanded operations; our participation in markets that are competitive; our ability to prepare for, respond to and successfully achieve our objectives relating to technological and market developments, competitive threats and changing customer needs, including with respect to electric hybrid and fully electric commercial vehicles; increases in cost, disruption of supply or shortage of labor, freight, raw materials, energy or components used to manufacture or transport our products or those of our customers or suppliers, including as a result of geopolitical risks, natural disasters, extreme weather events, wars and public health crises such as pandemics; global economic volatility; general economic and industry conditions, including the risk of prolonged inflation and recession; labor strikes, work stoppages or similar labor disputes, which could significantly disrupt our operations or those of our principal customers or suppliers; the highly cyclical industries in which certain of our end users operate; uncertainty in the global regulatory and business environments in which we operate; the concentration of our net sales in our top five customers and the loss of any one of these; cybersecurity risks to our operational systems, security systems or infrastructure owned by us or our third-party vendors and suppliers; the failure of markets outside North America to increase adoption of fully automatic transmissions; the success of our research and development efforts, the outcome of which is uncertain; U.S. and foreign defense spending; risks associated with our international operations, including acts of war and increased trade protectionism and tariffs; the discovery of defects in our products, resulting in delays in new model launches, recall campaigns and/or increased warranty costs and reduction in future sales or damage to our brand and reputation; our ability to identify, consummate and effectively integrate acquisitions and collaborations; and risks related to our indebtedness.

Allison Transmission cannot assure you that the assumptions made in preparing any of the forward-looking statements will prove accurate or that any long-term financial goals will be realized. All forward-looking statements included in this presentation speak only as of the date made, and Allison Transmission undertakes no obligation to update or revise publicly any such forward-looking statements, whether as a result of new information, future events, or otherwise. In particular, Allison Transmission cautions you not to place undue weight on certain forward-looking statements pertaining to potential growth opportunities or long-term financial goals set forth herein. Actual results may vary significantly from these statements.

Allison Transmission’s business is subject to numerous risks and uncertainties, which may cause future results of operations to vary significantly from those presented herein. Important factors that could cause actual results to differ materially are discussed in Allison Transmission’s Annual Report on Form 10-K for the year ended December 31, 2024.

Business Overview

Allison Transmission at a Glance

Leading designer and manufacturer of propulsion solutions for commercial and defense vehicles

- World's largest manufacturer of medium- and heavy-duty fully automatic transmissions
- Established supplier of fully-integrated commercial-duty electrified propulsion systems

Premier brand, offering superior performance, frequently specified by end users

- Premium price component
- Differentiated technology
- Lower total cost of ownership

Well-positioned for revenue and earnings growth

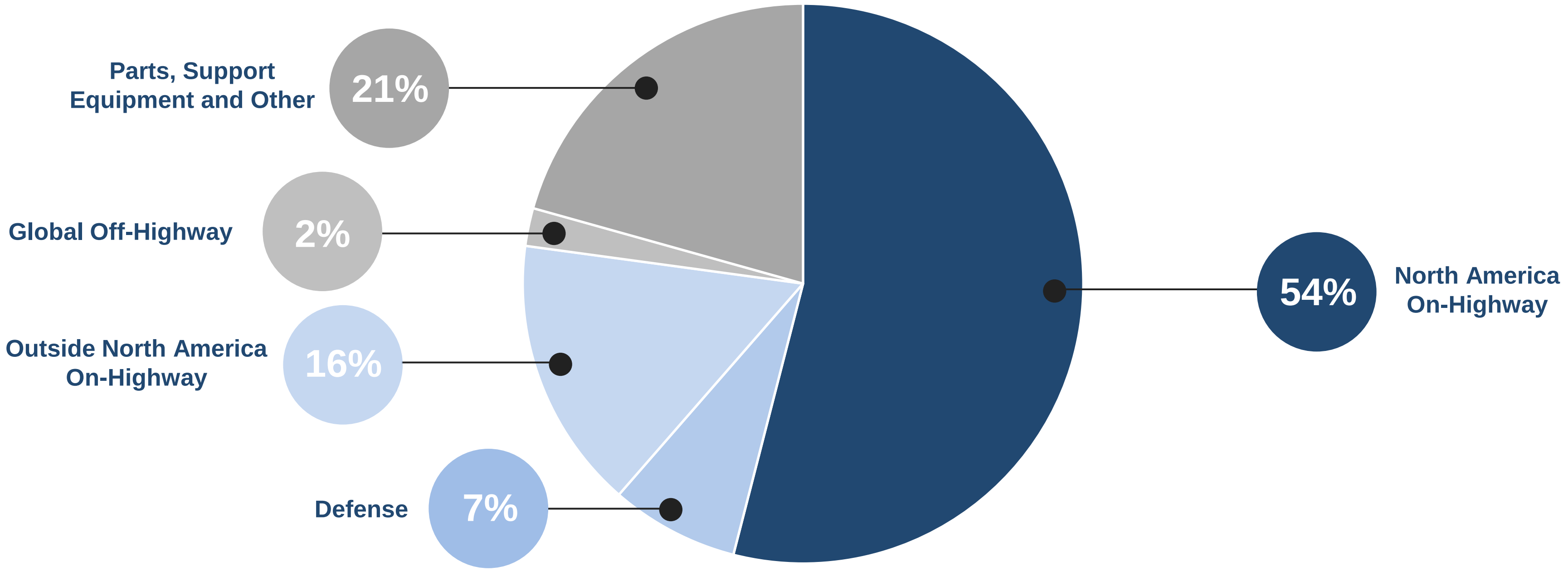
- Further adoption outside North America
- Expanding addressable market
- Funded growth opportunities in asset-light business model
- $400 million of incremental annual revenue opportunities

Strong cash flow generation and well-defined capital allocation policy

- History of strong free cash flow generation
- Capital allocation priorities include: investing to grow the business, strategic acquisition priorities, and returning cash to shareholders

Allison Transmission at a Glance

LTM[(1)] Net Sales by End Market



LTM[(1)] Net Sales: $3.2 billion

(1) LTM 6/30/2025

North America On-Highway End Market

	Class 1-3	Underserved	Core Addressable Market				Underserved	Class 8 Tractor Sleeper (Linehaul)
		Class 4-5	Motor Home	School Bus	Class 6-7	Class 8 Straight	Class 8 Tractor Day Cab	
Vehicles								
Weight (000s of lbs)	<14 lbs	14-19 lbs	16-33 lbs	16-33 lbs	19-33 lbs	33 lbs+	33 lbs+	33 lbs+
Industry Units Produced (2024)	12,882,971	135,222	12,722	30,291	130,051	115,633	102,972	118,084
Allison Share (2024)	0%	13%	50%	81%	77%	79%	4%	0%

- ~30-40% of Allison's North America On-Highway market volume is driven by municipal spending, reducing end-market volatility
- Opportunity to further grow share in Class 6/7 with All-New Mack MD Series and Isuzu F-Series medium-duty truck models, exclusively featuring Allison fully automatic transmissions
- Uncertain demand environment stemming from geopolitical and regulatory impacts including tariffs and emissions regulations changes
- $100 million incremental annual revenue growth opportunity in the Class 8 Tractor Day Cab market with the Allison 4000 Series™ fully automatic transmission and the award-winning Allison 3414 Regional Haul Series™(1) fully automatic transmission, with proprietary xFE and FuelSense® 2.0 technology, launched with International in 2020, and Daimler Trucks North America (paired with diesel engine) and Volvo Trucks North America in 2021. Further releases in 2023 with Daimler Trucks North America, paired with natural gas engine in their Freightliner Cascadia and diesel engine in their M2 truck.

Note: Analysis excludes Allison's Transit/Coach Bus, and Electric Hybrid Transit Bus volume. Class 8 Straight industry units include Dockspotters.
Sources: Class 1-3 from WardsAuto North America Production (January 2025); Core Addressable Market from Allison Backcast, and Class 8 Tractor from Allison and ACT Research *State of the Industry* (January 2025)
(1) Addressable market for the 3414 Regional Haul Series™ (RHS) consists of approximately 25,000 units within the Class 8 Tractor Day Cab segment.

Strategic Priorities


1000/2000 Series™


3000 Series™


4000 Series™


FracTran®


eGen Force™


eGen Flex®

Expand global market leadership

- Capitalize on improving developed markets demand
- New vocational offerings to expand addressable market
- Fully-integrated electrified propulsion solutions

Emerging markets penetration

- Automaticity, fuel efficiency and safety trends
- Lower total cost of ownership
- Increasing number of vehicle releases

Continued focus on new technologies and product development

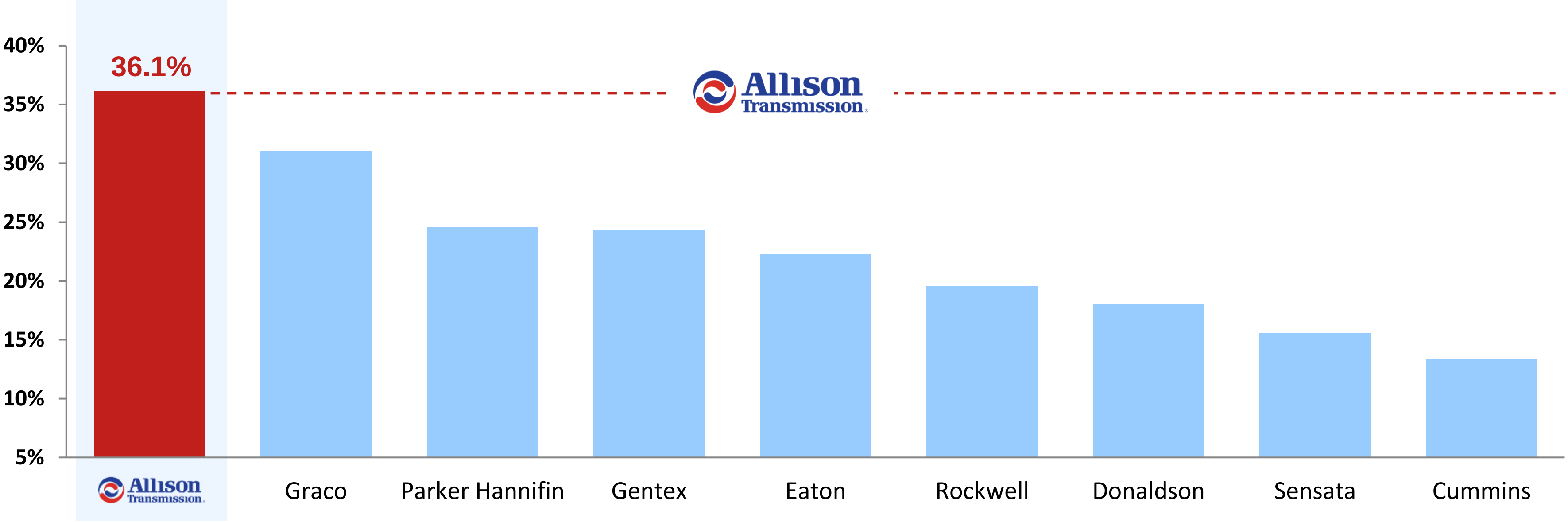
- Alternative fuels and electrified propulsion
- Advanced fuel efficient and emissions reduction technologies
- Enhancements to core technologies for new products and variants

Deliver strong financial results

- Exploit capacity availability and asset-light business model
- Earnings growth and cash flow generation
- Focus on margin sustainment
- Well-defined capital allocation policy

Elite EBITDA Margin

2024 EBITDA Margin(1)



(1) Fiscal year 2024 peer EBITDA provided by S&P Capital IQ Pro. EBITDA included above may not be consistent with such entity's reported EBITDA or Adjusted EBITDA, if available. EBITDA Margin: EBITDA or Adjusted EBITDA divided by net sales.
*See appendix for comments regarding the presentation of non-GAAP financial information.

Leading Technology and Innovation

1. Next Generation of Commercial Propulsion
2. New Allison eGen™ Portfolio of Electric Products
3. Allison eGen Flex® Electric Hybrid Propulsion
4. Allison eGen Force™ Electrified Transmission

Next Generation of Commercial Propulsion

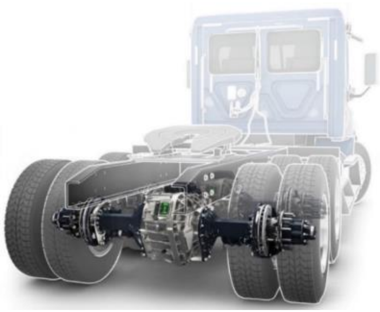
Incremental growth opportunities for an established and experienced propulsion supplier such as Allison

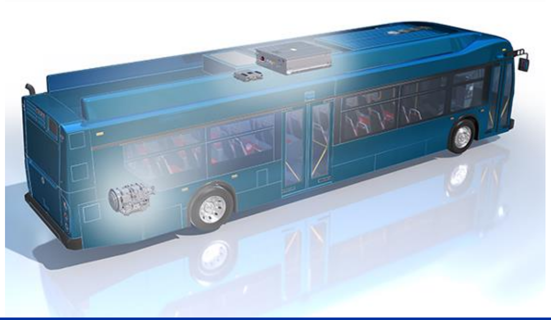
- Expertise in commercial propulsion, vehicle controls and vocational duty-cycles
- Deep experience in systems integration, battery management and power distribution
- State-of-the-art product development and testing capabilities
- Established service network
- Allison brand promise of quality, reliability and durability

Positioning Allison to advance the next generation of commercial vehicle propulsion

- Expertise in commercial propulsion, vehicle controls and vocational duty-cycles
- Deep experience in systems integration, battery management and power distribution
  - Fully-Integrated Electric Axles
  - Extended Range Electric Hybrid Propulsion
  - Systems & Battery Management
  - Multi-Speed Centrally Located EV Drives
  - Transmission Integrated Generators
  - Electrification of Accessories

Portfolio of Electric Products





eGEN Power®

- Fully-integrated zero-emission electric axles for medium- and heavy-duty commercial trucks
- Content per vehicle opportunity of more than 3x compared to a fully automatic transmission

eGEN Flex®

- Next generation zero-emission capable electric hybrid propulsion system
- Enables transit bus fleets to utilize full electric capability without range limitations or infrastructure investment
- Selected by multiple transit authorities across the United States
- Released with major transit OEMs, GILLIG and New Flyer
- Content per vehicle of 10x-15x compared to a fully automatic transmission for transit buses

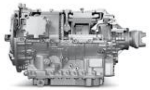
eGEN Force™

- New electric hybrid propulsion system for tracked combat vehicles
- Designed for 50-ton tracked vehicles, also scalable to 70-ton tracked vehicles meeting future Main Battle Tank requirements
- Power distribution system featuring an electric motor and inverter for on-board vehicle power and parallel hybrid operation
- Engine-off mobility for reduced enemy detection, both acoustic and thermal, increasing soldier survivability
- Leverages use of content from X1100 transmission, used in Abrams Main Battle Tank

Electric Hybrid Propulsion

eGEN Flex®

- Over $1.5 billion in sales since 2003 launch
- Allison's electric hybrid propulsion system for transit buses is among the most dependable and efficient electric hybrid systems in the world
- Demonstrated ability to operate in full engine-off mode for more than 50% of its time in operation across multiple routes
- Drive unit integrates multiple electric motors and multi-speeds to optimize vehicle performance and fuel economy
- Allison is the electrification and system integrator, controlling the entire powertrain including the engine
- Nearly 9,800 Allison electric hybrid propulsion systems delivered globally
  - 457 million gallons of fuel saved
  - Serving 230+ cities
  - 3.9 billion miles of reliable operation



Drive Unit
- Proven industry-leading reliability
- Disconnect clutch to enable disengaging input shaft from the engine
- Provides propulsion while the engine is at zero speed

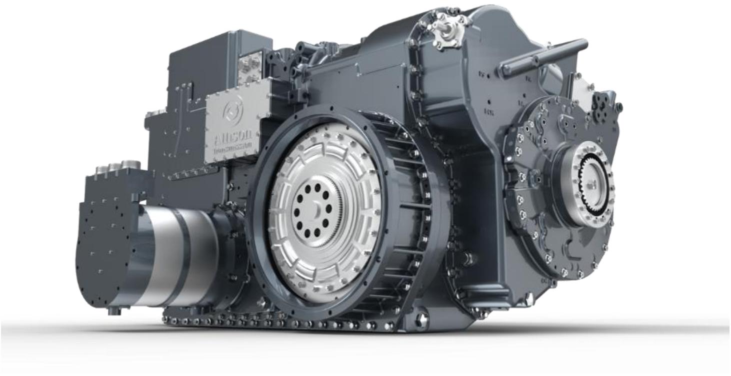
Inverter
- Improved efficiency
- Improved packaging – one-third the size and 116 lbs. lighter
- WEG cooling – no oil-coolant lines from drive unit, reducing installation complexity and maintenance costs

Rechargeable Energy Storage System
- Lithium Titanate (LTO) chemistry, ideal for electric hybrid operation
- Increased energy capacity
- Industry-leading battery design life
- Faster charging than other chemistries

Next-Generation Electrified Transmission

eGEN Force™

- Newest product in Allison's extensive tracked vehicle portfolio
- Will enable electric hybrid propulsion, electric-only silent maneuverability and exportable power provisions for on- and off-board systems
- High efficiency range pack utilizes eight forward and three reverse gears providing an efficient 12:1 ratio coverage, generating 220 kilowatts of electrical power



- Designed to meet requirements across a broad spectrum of applications, including the heavy Infantry Fighting Vehicle and future Main Battle Tank markets
- Allison will provide the Next-Generation Electrified Transmission propulsion system for American Rheinmetall's Lynx vehicle, competing for the U.S. Army's XM30 Combat Vehicle (formerly, the Optionally Manned Fighting Vehicle) program
  - Strategic partnership with American Rheinmetall Vehicles, and its Team Lynx consortium including Raytheon Technologies, Textron Systems and L3 Harris
- XM30 program is a U.S. Army priority ground modernization initiative that could replace nearly 4,000 Bradley Infantry Fighting Vehicles
- In June 2023, the U.S. Army down-selected from 5 to 2 OEMs, including American Rheinmetall Vehicles, to continue into the Detailed Design and Prototype Build and Testing phases
- Development of prototype vehicles began late-2024, with government testing beginning in early 2026 and estimated start of production in 2029

Premier Industrial Company

1. Global Market Leader and Premier Brand
2. End User Value Proposition
3. Leader in Commercial Propulsion
4. Diverse End Markets
5. Growth Opportunities / Dana Off-Highway Acquisition
6. Capital Allocation and Free Cash Flow Utilization

A Recognized Leader and Respected Brand

Over 100-year history of providing high-quality innovative products and demonstrated value to end users

Proprietary and patented technology developed over many decades and over eight million global units

End users frequently request Allison Transmission products by name and pay a premium for them

The Allison brand is associated with:

- High Quality
- Reliability
- Durability
- Vocational Value and Expertise
- Technological Leadership
- Superior Customer Service
- Attractive Total Lifecycle Value

End User Value Proposition

Allison Transmission

Advantages of a fully automatic Allison transmission

Productivity (acceleration)	Maintenance Savings (life cycle costs)	Fuel Agnostic and Fuel Efficiency / Reduced Emissions	Driver Skillset / Wages
Training (time, cost)	Shift Quality	Safety	Residual Value

End users are willing to pay a premium price for Allison

Payback period for an Allison Transmission averages less than 3 years

Leader in Commercial Propulsion

Allison's addressable market encompasses a broad range of vocations with complex and diverse duty-cycles

On-Highway	Off-Highway	Defense
• Fire and Emergency • Pick-up, Delivery and Distribution • Construction • Refuse • School, Transit, Shuttle and Coach Bus • Day Cab Tractors • Utility • Motorhome	• Hydraulic Fracturing • Oilfield Service and Support • Rigid Mining Trucks • Articulated Mining Trucks • Underground Mining • Construction • Agriculture • Specialty	• Light / Medium / Heavy Wheeled – US: FMTV, HEMTT, Stryker – Other: Jackal, Eitan, Boxer IFV, Tigon • Light / Medium / Heavy Tracked – US: M1 Abrams – Other: K9, Krab, AS21 Redback, K200 KIFV

Vocational diversity results in a complex application space that requires a range of propulsion solutions where Allison is a natural supplier

- Internal combustion engine applications
- Alternative fuel vehicles, including natural gas and propane, with proven performance advantages and a funded infrastructure
- Electric hybrid systems, including flexible hybrid, range extender and plug-in options
- Full electric solutions, including hydrogen fuel cell and battery electric applications

Very Diverse End Markets

Allison Transmission

		Distribution	Emergency	Motorhome	Rugged Duty	School/Shuttle Bus	Transit
Global	On-Highway	 Coca-Cola, FedEx, UPS, pepsi, PENSKE Truck Leasing	 BAA British Airport Authority, Fire Department City of New York	 WINNEBAGO INDUSTRIES, PREVOST, MCI	 VEOLIA ENVIRONMENTAL SERVICES, WM WASTE MANAGEMENT, The City of New York Department of Sanitation	 First Student, BLUE BIRD, Thomas BUILT BUSES	 MTA New York City Transit, IndyGo, M metro
	Off-Highway	  HALLIBURTON, TEREX, BELL Mining & Construction, JEREH					
Defense	Light / Medium / Heavy Wheeled and Tracked	  					
	Parts, Support Equipment & Other	Allison APPROVED FLUID, Allison EXTENDED COVERAGE, Allison HUB, Allison Transmission FUELSENSE 2.0, Allison AUTHORIZED, Allison GENUINE PARTS, Allison GENUINE REMAN, W WALKER DIE CASTING					

Over 350 OEMs Rely on Allison for Vehicle Propulsion Solutions

Allison Transmission

North America	On-Highway	Kenworth, International, Peterbilt, Blue Bird, Isuzu, Freightliner, Thomas Built Buses, Volvo, Mack, Oshkosh, Hino Trucks, Autocar
	Transit Bus	Gillig, New Flyer, Nova Bus, MCI
	Off-Highway	Western Star, Peterbilt, UE Manufacturing, Kenworth, Halliburton, Stewart & Stevenson, Schlumberger
Outside North America	On-Highway	DAF, King Long, Mercedes-Benz, Isuzu Truck, Renault Trucks, MAN, Iveco, Scania, Otokar, Terberg, Sinotruk, Volvo, Kia, Temsa, Hyundai, Van Hool, Tata, Hino Trucks, Yutong
	Off-Highway	Jereh, Epiroc, Volvo Construction Equipment, बी ई एम एल BEML, Atlas Copco, XCMG, Bell, Rokbak, Sany, NHL
Defense	Light / Medium / Heavy Wheeled and Tracked	Rheinmetall, Hanwha Defense, BAE Systems, Tata, Otokar Defence, Oshkosh Defense, Mahindra Defence, L&T Defence, General Dynamics Land Systems, FNSS, ND Defense, IDV, Textron, AM General, Tata Advanced Systems, SNT Dynamics, URO, Tatra Defence Vehicle, Mack Defense

Growth Opportunities

1. Dana Off-Highway Acquisition
2. $400M of Incremental Annual Revenue Opportunities
3. Outside North America On-Highway Growth Strategy
4. Global Off-Highway Growth Strategy
5. North America On-Highway Growth Strategy
6. Global Defense Growth Strategy
7. Value Added On-Highway Variants & Enhancements

Dana Off-Highway Acquisition – Transaction Highlights

Purchase Price	▪ Total transaction value of ~$2.7bn ▪ Represents 6.8x Adjusted EBITDA (LTM 12/31/24) of ~$400mm(1) and 5.2x including estimated run-rate synergies of ~$120mm ▪ 100% cash consideration, financed with new debt and cash on-hand, pursuant to a carve-out transaction involving the sale of certain stock and assets
Financial Highlights	▪ Expected net leverage of less than 3.0x at close with near-term target of less than 2.0x ▪ Anticipated to be immediately accretive to diluted earnings per share ▪ Combined company cash flow expected to preserve capital allocation flexibility
Synergies	▪ Expected annual run-rate synergies of ~$120mm ▪ Cost savings primarily driven by operations, procurement, IR&D and SG&A
Financing	▪ Fully committed debt financing ▪ $778 million of cash and $745 million available under the revolving credit facility as of June 30, 2025
Timing / Closing	▪ Approved by Allison's and Dana's Boards of Directors; subject to customary regulatory approvals ▪ Anticipated closing in late Q4 2025

(1) *Represents Adjusted EBITDA associated with the acquired portions of the Dana Off-Highway business.*

Expanding Product Portfolio and End Market Growth

Allison Transmission

Dana Products ★ *Electrification Capabilities*

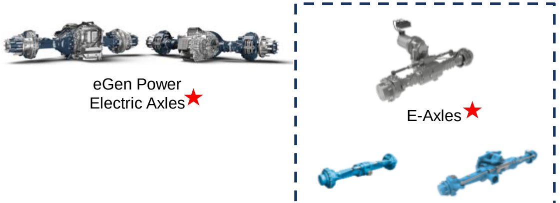
Complementary product breadth with attractive portfolio mix that has historically been less cyclical than broader end market

Expanding Core Transmissions / Axles Portfolio

Transmissions

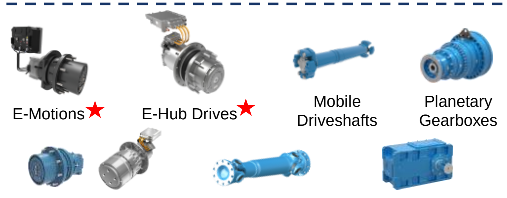
1000/2000 Series
3000 Series
4000 Series
FracTran
eGen Force ★
Heavy-Duty Power-shift (-split) Transmissions
E-Transmissions ★

Axles



eGen Power Electric Axles ★
E-Axles ★
Compact Axles
Agricultural Axles

Category Expansion



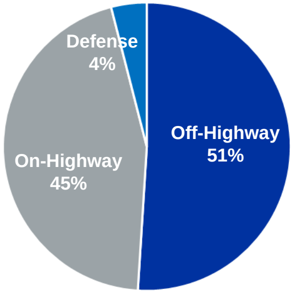
E-Motions ★
E-Hub Drives ★
Mobile Driveshafts
Planetary Gearboxes
Wheel & Track Drives
Industrial Driveshafts
Helical Gearboxes

Deepening Off-Highway End Market Growth

Rugged Duty
School/Shuttle Bus
Transit
Energy
Construction
Agriculture
Mining

Emergency
Distribution
Motorhome
Defense
Industrial
Material Handling
Specialty

Combined[(1)]



Expanding End Markets *New End Markets*

(1) Combined financial results are arithmetic sums, not pro forma amounts presented in accordance with Article 11 of Regulation S-X

Increasing Opportunities with Expanded Global Reach

Americas

Allison

> 75% of 2024A revenue

~3,500 US employees (89% of global workforce)

90% of global manufacturing footprint located in US

Dana Off-Highway

< 30% of 2024A revenue with ~850 Americas employees

4 manufacturing sites including 3 service and assembly centers, 1 tech center and 1 office

Americas Combined Growth

Opportunities to grow Dana Off-Highway products in North America and Allison products in South America

Growth of key vertically-integrated components including gears, shafts and castings

Utilization of Allison's strong aftermarket distribution channel in North America

Expansion of Allison products into underserved markets such as Agriculture in South America

EMEA

Allison

~10% of 2024A revenue

Minimal human capital presence primarily in Hungary manufacturing location and regional sales offices

Dana Off-Highway

~50% of 2024A revenue with ~5,600 employees

49 facilities including 19 manufacturing sites, 13 service and assembly centers, 8 tech centers and 8 offices

EMEA Combined Growth

Global technology centers for local development and cost synergy realization through combined engineering IR&D

Expanded footprint supports localization and continued growth in products including key European defense markets

Large human capital presence improves customer experience and relationships to drive revenue growth

APAC

Allison

~15% of 2024A revenue

India manufacturing location with announced expansion doubling footprint with completion in 2027

Dana Off-Highway

~20% of 2024A revenue with ~4,500 employees including ~4,000 in India

16 facilities including 6 manufacturing sites, 5 service and assembly centers, 1 tech center and 3 offices

APAC Combined Growth

Ability to progress with EV products in mature, early-adopting markets and segments

Utilization of footprint for more "Local for Local" production providing advantages in meeting both commercial and government customers' requirements - Key in markets such as the Indian defense markets where content requirements are critical for program releases and awards

Supply chain and logistics synergies allowing opportunities for cost reductions

Compelling Future Global Growth

Dana Off-Highway acquisition accelerates combined businesses' current growth objectives while multiplying future global growth opportunities

Key Growth Drivers for Allison as a Premier Industrial Company

Facilities & People

- Combined company has a strong global reach with **more "Local for Local" production and markets presence**
- Strong and innovative leadership team with **sophisticated global employee base**
- Manufacturing in **best-cost countries** and adapting to global market dynamics
- **~14,500 global employees** including ~5,600 in EMEA and ~4,500 in APAC

Products & Customers

- End markets revenue growth leveraging **strategic localization** near customers
- Harmonious propulsion categories **extending applications of existing and combined portfolios**
- Sales growth resulting from **increased set of diverse drivetrain components & services and work solutions** to current customers
- Opportunity to **support customers globally** across Allison's aftermarket network

Engineering & Vertical Integration

- **Agile and market-driven** technology, service and product development across diverse drivetrain components and work solutions
- **Accelerated product innovation** with increased local IR&D and engineering capabilities
- Best-in-class SG&A driven by effective deployment of **centers of excellence and shared services**
- **Opportunities for cost reductions in current product portfolios** with increased scale

M&A Platform

- **Broader platform** enabling further inorganic growth
- Combined company has established M&A playbook to **grow share of wallet in established end markets**
- Footprint and capabilities provide for **synergy development across future opportunities**
- Ability and reach to support **multiple end markets growth opportunities**

Summary Growth Opportunities

- Seasoned and innovative leadership team with sophisticated global employee base increasing in-regions capabilities
- Combined company has strong global reach and footprint with more "Local for Local" production to meet commercial and government customers' requirements and adapt to global market dynamics
- Broader platform enabling further inorganic growth with established M&A playbook to grow in established end markets
- Key capabilities in software & controls and fully integrated commercial-duty propulsion solutions
- Complementary customer mix provides for potential cross-selling with enhanced ability and reach to support multiple end markets growth opportunities
- Strong procurement, supply chain and logistics synergies with opportunities for cost reductions in current product portfolios with increased scale

Growth Strategy – $400M of Incremental Annual Revenue Opportunities

Wide Body Mining Dump

- Penetration of new market for Allison's 4000 Series™ and 6000 Series™ On-Highway transmissions
- ALSN is released in all OEMs operating in the WBMD truck market
- Gaining market share in Chinese domestic market and export markets globally including India, South America, Africa and Indonesia
- **Represents $100M of incremental annual revenue opportunity**

FracTran®

- Next-generation, designed-from-the-ground-up Oil Field Series™ (OFS) transmission, purpose-built for hydraulic fracturing applications to maximize customer productivity with high reliability and powerful performance
- Dual fuel compatibility for natural gas-powered engines, increased horsepower ratings and substantially reduced idle time
- Introduced in 2021 and currently being tested in multiple oilfield fleets across the United States and Canada. Start of production began in mid-2023.
- **Represents $100M of incremental annual revenue opportunity**

Class 8 Day Cab and Regional Haul Tractor Market

- Allison 4000 Series™ transmission and 3414 Regional Haul Series™ transmission, an uprated variant of Allison's proven 3000 Series™ fully automatic transmission designed to support the higher engine and torque requirements of Distribution and Regional Haul Class 8 Day Cab tractors
- Lighter than competitive automated manual transmissions, and providing fleets with 25% faster acceleration and up to 8% fuel economy improvement
- Secured releases with top OEMs, including vertically integrated OEMs, such as International, Daimler and Volvo
- **Represents $100M of incremental annual revenue opportunity**

Defense End Market

- Growth opportunity based on increased global defense spending due to shifts in geopolitical dynamics, the war in Ukraine and US DoD modernization priorities
- Maintain long-standing relationship with US DoD with primary opportunity in tracked vehicle programs and international growth accomplished through:
  - Expansion of sales of existing products to international allies
  - Growing relationships with global defense OEMs
  - New products and variants gaining interest globally
- **Represents $100M of incremental annual revenue opportunity**

Total of $400M of Annual Incremental Revenue Opportunities

Outside North America On-Highway Growth Strategy

Allison Transmission

Global market leadership expansion and emerging markets penetration

- Substantial investments in the expansion of global sales presence
- Ongoing OEM release activities
- Targeted end user initiatives drive demand for the Allison brand
- Facilitates service channel build out in developing markets
- Labor availability of skilled drivers poses opportunity for further penetration of automatic transmissions

Demand drivers vary by region

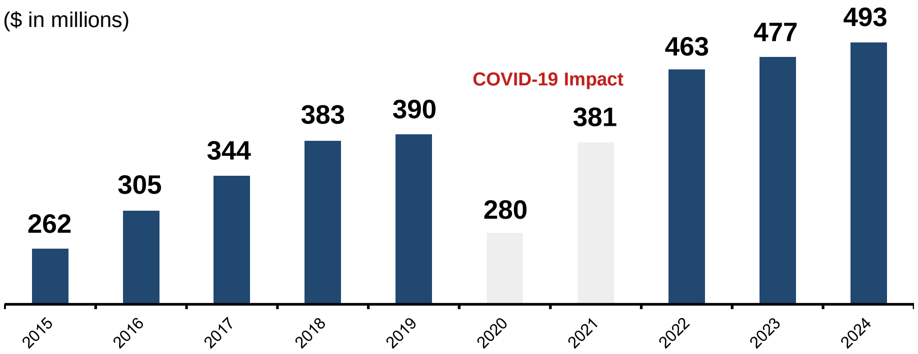
- Increasing vehicle sophistication
- Stricter emissions, fuel economy and safety standards
- Growing demand for productivity improvements
- Micro and demographic trends
- Focus on reducing lifecycle costs

Focus on high value vocational vehicles

- Transit, refuse, fire & emergency, airport support, terminal tractors, dock spotters, mining and oil field support, construction, etc.
- Cost of vehicle downtime is high
- Enhanced value proposition supported by 2-3 year payback period

5 years of consecutive revenue growth pre-COVID in Outside North America On-Highway, followed by full-year record-setting net sales in 2022 and 2023

($ in millions)



Wide Body Mining Dump Truck market represents growth opportunity of $100 million in incremental annual revenue

Global Off-Highway Growth Strategy

Energy Sectors

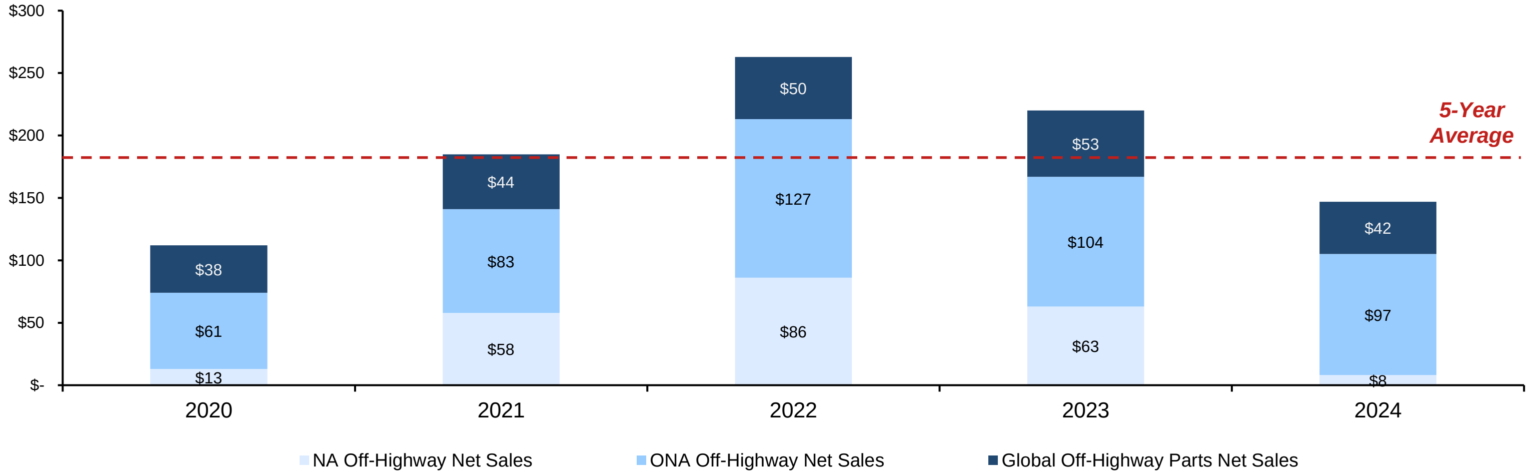
- Demand expected to be less cyclical with continued supply issues solved by multi-year investments
- Investments for energy security driven by national security threats
- Market tightness remains with capital discipline and limited equipment availability
- Continued investments in differentiated and higher horsepower solutions

High Horsepower Hydraulic Fracturing Transmissions

- Launched FracTran® in 2021, purpose-built to meet the harsh demands of global oil and gas fields
- Addressing global market demand for higher horsepower, extended duty-cycles, lower days-to-depth, higher recovery factors and smaller footprints
- New OFS models based on six decades of industry expertise

Mining and Construction

- Considerable end market cyclicality, recovering from trough levels due to pent up demand and aging fleets
- Commodity prices support further expansion projects and continued demand
- Global economic recovery and increasing global urbanization and sustainability initiatives, driving increased construction activity and raw material demand



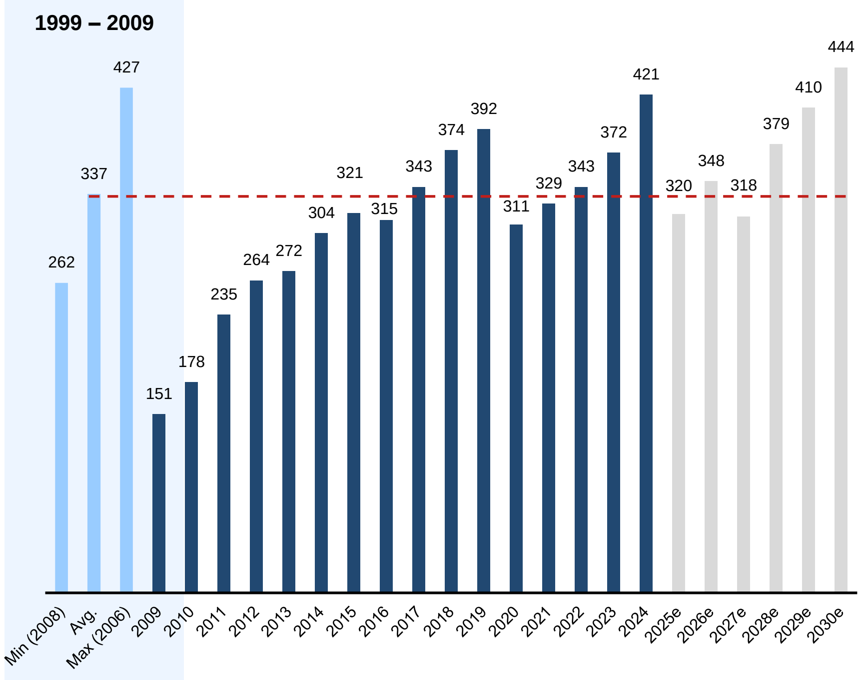
North America On-Highway Growth Strategy

- Uncertain demand environment stemming from geopolitical and regulatory impacts including tariffs and emissions regulations changes

- Structural growth drivers remain intact
  - Slowing demand for full-EV with OEMs increasingly interested in conventional fuel-efficiency features, such as Allison's FuelSense® 2.0 and Neutral at Stop, to comply with emissions regulations
  - Continued growth in first- and last-mile delivery sector

- Increased penetration opportunities
  - Growth opportunity of $100 million in incremental annual revenue in the Class 8 Regional Haul Day Cab market with the Allison 4000 Series™ fully automatic transmission and 3414 Regional Haul Series™ (RHS)
  - 3414 RHS launched with International in 2020, Daimler Trucks North America (paired with diesel engine) and Volvo Trucks North America in 2021, and further release with Daimler Trucks North America for CNG engine in 2023
  - In 2023, the 3414 RHS was specified by one of the largest global logistics and delivery companies as the propulsion solution in additional CNG Freightliner Cascadia Day Cab tractors added to its fleet
  - Mack MD Series line of medium-duty trucks and Isuzu F-Series Class 6/7 models, exclusive with the Allison fully automatic transmission
  - Class 4/5 commercial trucks launched by Chevrolet, International and Isuzu, exclusively with the Allison fully automatic transmission

North America Production in Allison's Core Addressable Market (units in 000s)[(1)]



(1) Source: ACT Research, July 2025. Includes: Class 4 through 8 less Class 8 Tractor & Class 8 Straight with Sleeper. 2025: Total 486,342 less Class 8 Tractor of 163,302 less Class 8 Straight with Sleeper of 2,551.

Global Defense Growth Strategy

- Allison is committed to investing in and pursuing opportunities resulting from increased global defense spending in a multi-year growth cycle, with expectation for realization of $100 million incremental annual revenue opportunity in 2025
- Poised to capture growth through continuation of long-standing partnership with United States Department of Defense and diversifying revenue through increased international defense sales
- Opportunities for future long-term growth including eGen Force™ electric hybrid propulsion system for tracked combat vehicles. The eGen Force™ system has been selected by American Rheinmetall for their XM30 offering.

United States

- Allison provides transmissions to the US Department of Defense for all wheeled vehicles heavier than the Humvee and more than half of the armored combat vehicles used by the US Military
- Expectation of substantial growth in tracked vehicle programs including continuation of the Abrams Main Battle Tank contract
- Growth and sustainment for numerous wheeled vehicle programs

International

- Opportunities through expansion of sales of existing products
  - US Government planning to sell over 300 X1100 transmissions for FMS Abrams Main Battle Tank sales over the next 3 years to Australia, Poland and Romania
- Increased relationships with global defense OEMs
  - Growing relationship with South Korea’s Hanwha Aerospace as Allison’s largest defense OEM
  - Hanwha’s K9 Thunder Self-Propelled Howitzer planned sales to Egypt and Poland and further global opportunity with Hanwha’s new Redback Infantry Fighting Vehicle, selected for Australia’s LAND 400 program
- Development of new products and product variants driving growth
  - Allison’s new 3040 MX and 4040 MX medium-weight cross-drive transmissions
    - 3040 MX was selected by all OEMs currently competing for India’s FICV (Future Infantry Combat Vehicle) program as well as programs in Turkey and Poland’s Borsuk Infantry Fighting Vehicle (IFV)
    - 4040 MX selected by BAE Systems Hägglunds for CV90 Infantry Fighting Vehicle programs
- Allison’s X1100 variant developed for the Turkish Firtina Self-Propelled Howitzer program

Value Added On-Highway Variants & Enhancements

FuelSense® 2.0

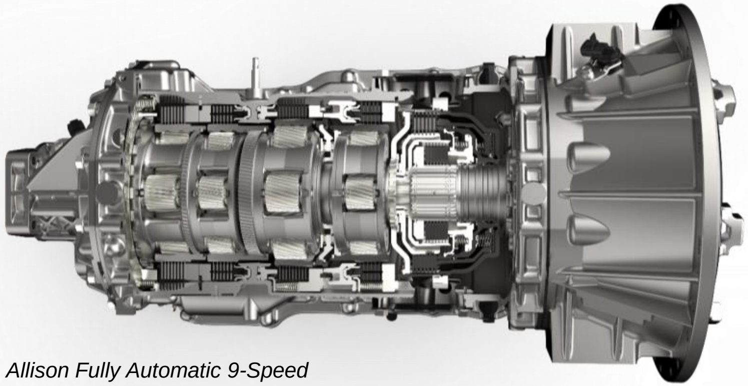
- Proprietary software launched in 2017, ideally suited for shift-dense vocations such as transit, school bus, refuse, construction and distribution
- DynActive® Shifting utilizes learning algorithm to continuously find the ideal balance of fuel economy and performance
- Neutral at Stop trims fuel consumption and emissions by reducing load on the engine when the vehicle is stopped
- Acceleration Rate Management limits vehicle acceleration to a customized calibrated rate

9-Speed Transmission

- New design leverages the proven reliability of the Allison six-speed 2000 Series™
- New benchmark in fuel efficiency and reduced emissions standards
- Significant fuel savings due to deep first gear ratio, industry leading ratio coverage and advanced engine stop-start capability
- Improved driver comfort and acceleration, allowing for a smoother launch and increased productivity

xFE Models

- New transmissions with redesigned torque converter damper, optimized gear ratios and coupled with FuelSense® Max packages
- Represents the latest in fuel savings innovation
  - Fuel savings of up to 7% over comparatively equipped models with FuelSense® features
  - Best fuel economy from an automatic transmission
- Available in the 1000, 2000 and 3000 Series™ fully automatic transmission models



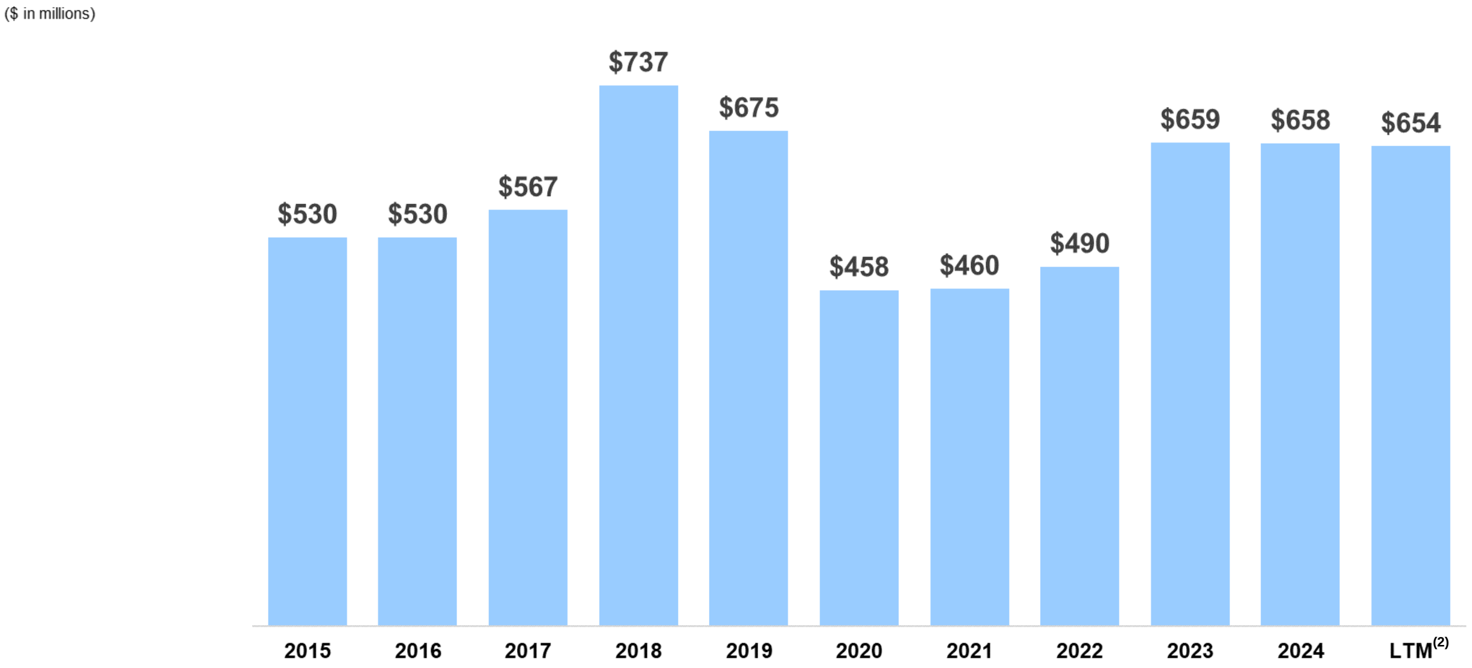
Allison Fully Automatic 9-Speed

Capital Allocation & Free Cash Flow Utilization

1. Significant Cash Flow Generation
2. Capital Allocation Priorities
3. Free Cash Flow Utilization

Significant Cash Flow Generation

Adj. Free Cash Flow Generation[1]

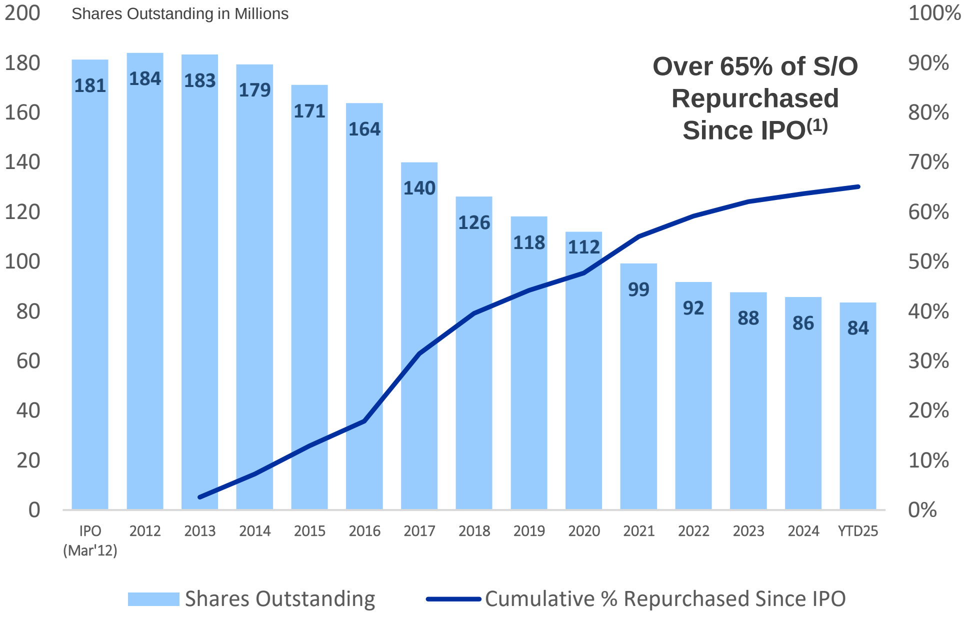


Note: See appendix for comments regarding the presentation of non-GAAP financial information.
(1) See appendix for a reconciliation of Adjusted Free Cash Flow.
(2) LTM 6/30/25

Capital Allocation Priorities

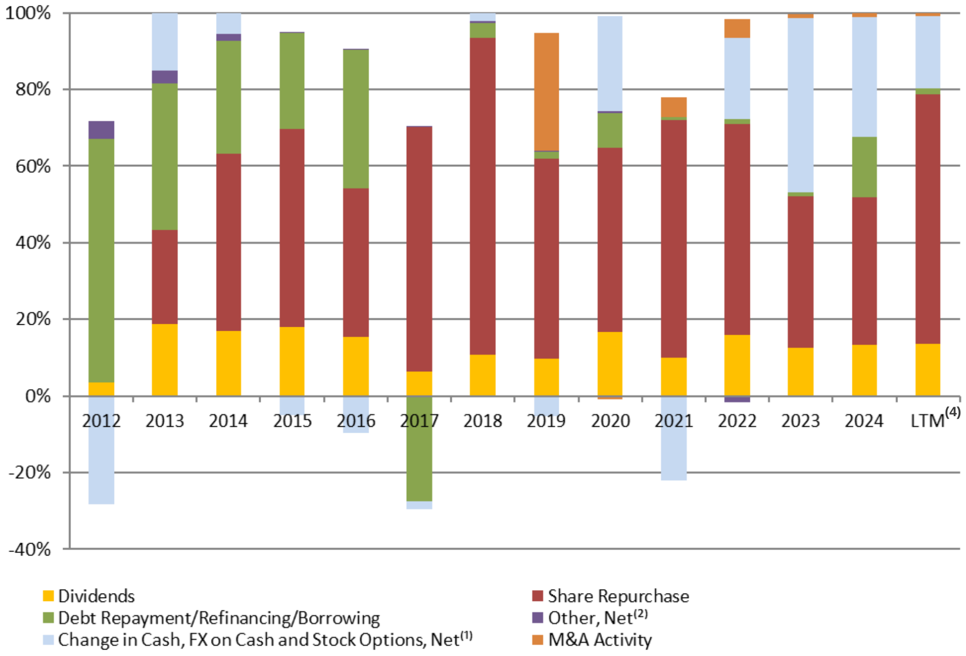
- Organic revenue and earnings growth
- New product and technology development
- Strategic acquisition opportunities
- Return of capital to shareholders
- Prudent balance sheet management
- Low-cost, flexible and pre-payable debt structure with long dated maturities
- As of 6/30/25, over 65% of shares outstanding repurchased since IPO with $1.3B of share repurchase authorization remaining
- Increased quarterly dividend by 80% in the last 6 years

Share Repurchase History



(1) Repurchased ~118M shares outstanding as of 6/30/25

Free Cash Flow Utilization



Well-Defined Capital Allocation Policy

- Realize returns from completed investments in global commercial capabilities, and new product and technology development
- Prudent balance sheet management
- Return capital to shareholders
  - Increased quarterly dividend to $0.27 per share in Q1 2025, the sixth consecutive annual increase
  - Share repurchase authorization increased by $1.0 billion to $5.0 billion in Q1 2025[3]
- Low-cost, flexible and pre-payable debt structure with long dated maturities

Note: See appendix for comments regarding the presentation of non-GAAP financial information.
(1) Net of change in Cash & Cash Equivalents
(2) 2009 adjusted for certain non-recurring activity: (a) capitalized accrued interest on Senior Toggle Notes ($29) million, (b) cash restructuring charge $51 million, (c) accounts payable early payments $3 million, (d) delayed accounts receivable receipts $19 million and (e) Lehman LIBOR swap settlement $17 million. All periods adjusted for collateral for interest rate derivatives, purchase of available-for-sale securities, proceeds from disposal of assets, investments in technology-related initiatives and license expenses, and fee to terminate services agreement with Sponsors.
(3) $1.3 billion of authorized share repurchase capacity remaining as of 6/30/25
(4) LTM 6/30/25

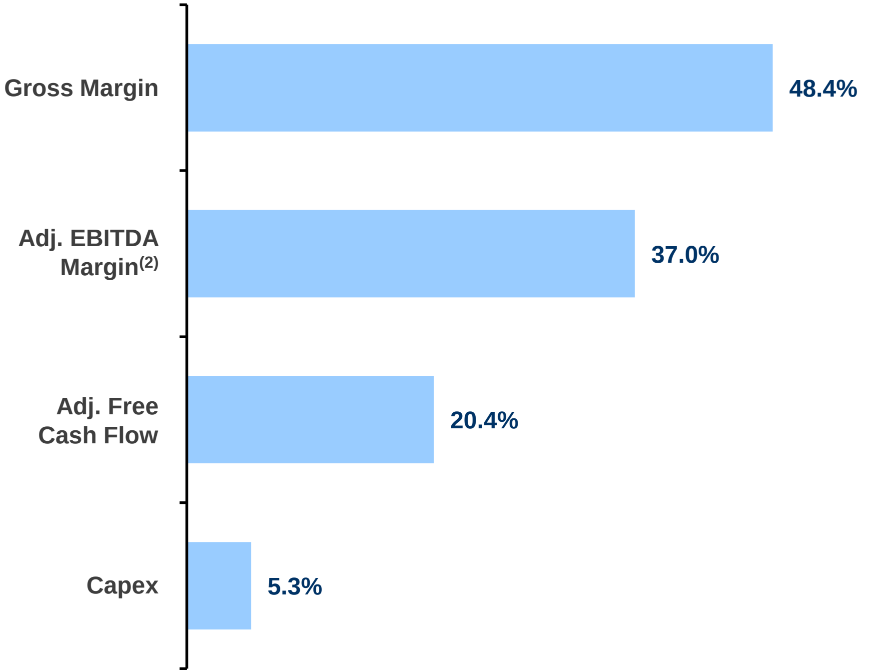
Financial Overview

Allison Financial Highlights

- Solid operating margins
  - End Markets diversity
  - Premium vocational pricing model
  - Cost controls and productivity improvements
- Low recurring (maintenance) capital expenditure requirements
- Positioned for long-term cash earnings growth
  - Multiple growth opportunities in asset-light business model
- Strong free cash flow

LTM[(1)] Financial Metrics

(% of Net Sales)



(1) LTM 6/30/25
(2) Adjusted EBITDA margin: Adjusted EBITDA divided by net sales.

Note: See appendix for comments regarding the presentation of non-GAAP financial information.

Strong Liquidity Profile

- Cash and Available Borrowing Capacity of $1.5 billion as of June 30, 2025
  - $778 million of cash and cash equivalents
  - $745 million of available revolving credit facility commitments
- History of robust free cash flow generation
- Staggered, flexible, long-dated and covenant light debt structure with the earliest maturity due in October 2027
  - As of June 30, 2025, Allison held interest rate swaps that effectively hedge $500 million of the variable rate debt associated with the Term Loan B through September 2025
- Financial Covenants point to First Lien Net Leverage Ratio
  - Maximum threshold of 5.5x First Lien Net Leverage ratio (Net First Lien Debt to LTM Adj. EBITDA)
  - First Lien Net Leverage ratio of -0.22x as of June 30, 2025
- Net Leverage ratio of 1.38x (Net Debt to LTM Adj. EBITDA) as of June 30, 2025
- Capital Allocation
  - Increased quarterly dividend to $0.27 per share in Q1 2025, the sixth consecutive year of dividend increases
  - Repurchased over $100 million of outstanding shares in Q2 2025, with over 65% of outstanding shares repurchased since IPO in 2012

Long-Term Debt Profile & Credit Statistics

(in millions)	6/30/2025
Cash and cash equilvalents	$778
Revolving Credit Facility due Mar 2029	$0
Senior Secured Term Loan B due Mar 2031	$512
Total First Lien Debt	$512
Senior Notes due Oct 2027 (Fixed 4.75%)	$400
Senior Notes due Jun 2029 (Fixed 5.875%)	$500
Senior Notes due Jan 2031 (Fixed 3.75%)	$1,000
Total Debt	$2,412
Net Debt	$1,634
First Lien Net Debt	-$266
Credit Statistics:	6/30/2025
LTM Adjusted EBITDA	$1,184
First Lien Net Leverage Ratio	-0.22x
Net Leverage Ratio	1.38x

Current Debt Maturity Profile

Summary

Allison Transmission is the global leader in the markets it serves

- Premier fully automatic transmission brand
- Established supplier of fully-integrated, commercial-duty electrified propulsion systems
- Over 100-year operating history

Strong financial position

- Elite EBITDA margin
- Asset-light business model
- Significant free cash flow generation
- Returning capital to shareholders

Substantial growth opportunities

- Expand global leadership
- Penetrate emerging markets
- Address underserved markets
- Continuous product innovation

Guidance/ Supplemental Financial Data

2025 Guidance Update

($ in millions)

Given current end markets conditions, anticipated acquisition-related expenses and expected favorable cash tax impacts from the recently passed One Big Beautiful Bill Act, we are revising our full year 2025 guidance provided to the market on May 1, 2025

$3,075 - $3,175	$640 - $680	$1,130 - $1,180	$785 - $835	$165 - $175	$620 - $660
Net Sales	Net Income	Adjusted EBITDA*	Net Cash Provided by Operating Activities	Capital Expenditures	Adjusted Free Cash Flow*

We are maintaining the midpoint of the implied Adjusted EBITDA margin guidance

*See Appendix for the Guidance Reconciliation

Historical Financial Summary

Financial Summary

In $ millions	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	LTM[(1)] 2025
Net Sales	$1,986	$1,840	$2,262	$2,713	$2,698	$2,081	$2,402	$2,769	$3,035	$3,225	$3,200
% Growth	(6.7%)	(7.3%)	22.9%	19.9%	(0.6%)	(22.9%)	15.4%	15.3%	9.6%	4.6%	3.8%
Adj. EBITDA	720	644	868	1,128	1,083	732	844	961	1,108	1,165	1,184
% of Net Sales	36.3%	35.0%	38.4%	41.6%	40.1%	35.2%	35.1%	34.7%	36.5%	36.1%	37.0%
Total CapEx	58	71	91	100	172	115	175	167	125	143	168
% of Net Sales	2.9%	3.8%	4.0%	3.7%	6.4%	5.5%	7.3%	6.0%	4.1%	4.4%	5.3%
Adj. Free Cash Flow	530	530	567	737	675	458	460	490	659	658	654
% of Net Sales	26.7%	28.8%	25.1%	27.2%	25.0%	22.0%	19.2%	17.7%	21.7%	20.4%	20.4%

Note: See appendix for comments regarding the presentation of non-GAAP financial information.
(1) LTM 6/30/25

Allison Quarterly Sales Summary

Quarterly Net Sales by End Market ($ in millions)

Net Sales	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2016 Total	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2017 Total	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2018 Total
NA On-Highway	$274	$280	$232	$237	$1,023	$275	$314	$301	$287	$1,177	$339	$343	$332	$303	$1,317
Defense	$25	$28	$25	$37	$115	$27	$30	$35	$25	$117	$37	$43	$42	$36	$158
ONA On-Highway	$70	$74	$78	$83	$305	$72	$85	$89	$98	$344	$91	$101	$96	$95	$383
Global Off-Highway	$8	$4	$3	$4	$19	$7	$15	$31	$39	$92	$45	$55	$58	$64	$222
Parts, Support Equipment & Other	$85	$89	$96	$108	$378	$118	$136	$139	$139	$532	$151	$169	$164	$149	$633
Total Net Sales	**$462**	**$475**	**$434**	**$469**	**$1,840**	**$499**	**$580**	**$595**	**$588**	**$2,262**	**$663**	**$711**	**$692**	**$647**	**$2,713**

Net Sales	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2019 Total	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2020 Total	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2021 Total
NA On-Highway	$377	$398	$369	$330	$1,474	$352	$164	$281	$284	$1,081	$319	$302	$275	$281	$1,177
Defense	$32	$37	$40	$42	$151	$40	$42	$56	$44	$182	$45	$48	$39	$54	$186
ONA On-Highway	$94	$106	$99	$91	$390	$72	$60	$71	$77	$280	$84	$98	$93	$106	$381
Global Off-Highway	$41	$49	$30	$19	$139	$35	$22	$5	$12	$74	$18	$27	$34	$62	$141
Parts, Support Equipment & Other	$131	$147	$131	$135	$544	$138	$89	$119	$118	$464	$122	$128	$126	$141	$517
Total Net Sales	**$675**	**$737**	**$669**	**$617**	**$2,698**	**$637**	**$377**	**$532**	**$535**	**$2,081**	**$588**	**$603**	**$567**	**$644**	**$2,402**

Net Sales	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2022 Total	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2023 Total	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2024 Total
NA On-Highway	$346	$340	$340	$333	$1,359	$376	$397	$376	$380	$1,529	$420	$456	$457	$419	$1,752
Defense	$35	$29	$35	$47	$146	$27	$33	$43	$63	$166	$48	$43	$53	$68	$212
ONA On-Highway	$109	$105	$118	$131	$463	$108	$123	$118	$128	$477	$115	$128	$126	$124	$493
Global Off-Highway	$48	$52	$60	$53	$213	$47	$49	$28	$43	$167	$46	$23	$20	$16	$105
Parts, Support Equipment & Other	$139	$138	$157	$154	$588	$183	$181	$171	$161	$696	$160	$166	$168	$169	$663
Total Net Sales	**$677**	**$664**	**$710**	**$718**	**$2,769**	**$741**	**$783**	**$736**	**$775**	**$3,035**	**$789**	**$816**	**$824**	**$796**	**$3,225**

Net Sales	2025 Q1	2025 Q2	2025 LTM[1]
NA On-Highway	$435	$417	$1,728
Defense	$53	$63	$237
ONA On-Highway	$112	$142	$504
Global Off-Highway	$18	$16	$70
Parts, Support Equipment & Other	$148	$176	$661
Total Net Sales	**$766**	**$814**	**$3,200**

(1) LTM 6/30/25

Appendix

Non-GAAP Financial Information

Appendix: Non-GAAP Financial Information

We use Adjusted EBITDA and Adjusted EBITDA as a percent of net sales to measure our operating profitability. We believe that Adjusted EBITDA and Adjusted EBITDA as a percent of net sales provide management, investors and creditors with useful measures of the operational results of our business and increase the period-to-period comparability of our operating profitability and comparability with other companies. Adjusted EBITDA as a percent of net sales is also used in the calculation of management's incentive compensation program. The most directly comparable U.S. generally accepted accounting principles ("GAAP") measure to Adjusted EBITDA and Adjusted EBITDA as a percent of net sales is Net income and Net income as a percent of net sales, respectively. Adjusted EBITDA is calculated as the earnings before interest expense, net, income tax expense, amortization of intangible assets, depreciation of property, plant and equipment and other adjustments as defined by Allison Transmission, Inc.'s, the Company's wholly-owned subsidiary, Second Amended and Restated Credit Agreement. Adjusted EBITDA as a percent of net sales is calculated as Adjusted EBITDA divided by net sales.

We use Adjusted Free Cash Flow to evaluate the amount of cash generated by our business that, after the capital investment needed to maintain and grow our business and certain mandatory debt service requirements, can be used for repayment of debt, stockholder distributions and strategic opportunities, including investing in our business. We believe that Adjusted Free Cash Flow enhances the understanding of the cash flows of our business for management, investors and creditors. Adjusted Free Cash Flow is also used in the calculation of management's incentive compensation program. The most directly comparable GAAP measure to Adjusted Free Cash Flow is Net cash provided by operating activities. Adjusted Free Cash Flow is calculated as Net cash provided by operating activities, excluding non-recurring restructuring charges, after additions of long-lived assets.

Non-GAAP Reconciliations (1 of 3)

Adjusted EBITDA Reconciliation

$ in millions, Unaudited	For the year ended December 31,											Last twelve months ended June 30,
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Net income (GAAP)	**$229**	**$182**	**$215**	**$504**	**$639**	**$604**	**$299**	**$442**	**$531**	**$673**	**$731**	**$762**
plus:												
Income tax expense	139	107	126	23	166	164	94	130	114	154	166	172
Depreciation of property, plant and equipment	94	88	84	80	77	81	96	104	109	109	111	114
Interest expense, net	138	114	101	103	121	134	137	116	118	107	89	85
Amortization of intangible assets	99	97	92	90	87	86	52	46	46	45	10	6
Acquisition-related expenses	—	—	—	—	—	—	—	—	—	—	—	24
Stock based compensation expense	15	10	9	12	13	13	17	14	18	22	26	26
UAW local 933 contract signing incentives	—	—	—	10	—	—	—	—	—	—	14	—
Unrealized (gain) loss on marketable securities	—	—	—	—	—	—	—	—	22	1	9	(9)
Pension plan settlement loss	—	—	—	—	—	—	—	—	—	—	4	—
Technology-related investment expenses	2	—	1	16	3	—	—	(3)	(6)	(3)	2	1
Unrealized loss on foreign exchange	5	1	1	—	3	—	2	—	6	—	1	2
Impairments of long-lived assets	15	1	—	32	4	2	—	—	—	—	1	—
Impairments of intangible assets	—	—	—	—	—	—	—	—	—	—	1	1
Enviromental remediation	—	14	—	—	—	(8)	—	—	—	—	—	—
Loss on redemptions and repayments of long-term debt	1	1	—	—	—	—	—	—	—	—	—	—
Stockholder activism expenses	—	—	4	—	—	—	—	—	—	—	—	—
Dual power inverter module extended coverage	1	(2)	1	(2)	—	—	—	—	—	—	—	—
UAW local 933 retirement incentive	—	—	—	—	15	5	7	(2)	—	—	—	—
Trade name impairments	—	80	—	—	—	—	—	—	—	—	—	—
Unrealized loss on commodity hedge contracts	(1)	1	(2)	—	—	—	—	—	—	—	—	—
Expenses related to long-term debt refinancing	—	25	12	—	—	1	13	—	—	—	—	—
Restructuring charges	1	—	—	—	—	—	14	(4)	—	—	—	—
Other, net	(111)	20	—	—	—	1	1	1	3	—	—	—
Adjusted EBITDA (Non-GAAP)	**$627**	**$739**	**$644**	**$868**	**$1,128**	**$1,083**	**$732**	**$844**	**$961**	**$1,108**	**$1,165**	**$1,184**
Net sales (GAAP)	**$2,127**	**$1,986**	**$1,840**	**$2,262**	**$2,713**	**$2,698**	**$2,081**	**$2,402**	**$2,769**	**$3,035**	**$3,225**	**$3,200**
Net income as a percent of Net sales	**10.8%**	**9.2%**	**11.7%**	**22.3%**	**23.6%**	**22.4%**	**14.4%**	**18.4%**	**19.2%**	**22.2%**	**22.7%**	**23.8%**
Adjusted EBITDA as a percent of Net sales	**29.5%**	**36.2%**	**35.0%**	**38.4%**	**41.6%**	**40.1%**	**35.2%**	**35.1%**	**34.7%**	**36.5%**	**36.1%**	**37.0%**

Non-GAAP Reconciliations (2 of 3)

Adjusted Free Cash Flow Reconciliation

$ in millions, Unaudited	For the year ended December 31,											Last twelve months ended June 30,
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Net cash provided by operating activities (GAAP)	**$573**	**$580**	**$591**	**$658**	**$837**	**$847**	**$561**	**$635**	**$657**	**$784**	**$801**	**$822**
(Deductions) or additions:												
Long-lived assets	(64)	(58)	(71)	(91)	(100)	(172)	(115)	(175)	(167)	(125)	(143)	(168)
Restructuring charges	—	—	—	—	—	—	12	—	—	—	—	—
Technology-related license expenses	6	—	—	—	—	—	—	—	—	—	—	—
Stockholder activism expenses	—	—	4	—	—	—	—	—	—	—	—	—
Excess tax benefit from stock-based compensation	25	8	6	—	—	—	—	—	—	—	—	—
Adjusted free cash flow (Non-GAAP)	**$540**	**$530**	**$530**	**$567**	**$737**	**$675**	**$458**	**$460**	**$490**	**$659**	**$658**	**$654**

Non-GAAP Reconciliations (3 of 3)

Guidance Reconciliation

$ in millions	Guidance Year Ending December 31, 2025	
	Low	High
Net income (GAAP)	**$ 640**	**$ 680**
plus:		
Income tax expense	170	180
Depreciation of property, plant and equipment	123	123
Interest expense, net	100	100
Amortization of intangible assets	7	7
Acquisition-related expenses	70	70
Stock-based compensation expense	28	28
Other unrealized (gains)/losses	(8)	(8)
Adjusted EBITDA (Non-GAAP)	**$ 1,130**	**$ 1,180**
Net cash provided by Operating activities (GAAP)	**$ 785**	**$ 835**
Deductions to reconcile to Adjusted free cash flow:		
Additions of long-lived assets	$ (165)	$ (175)
Adjusted free cash flow (Non-GAAP)	**$ 620**	**$ 660**

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