Q3 2026 Earnings Conference Call

October 29, 2026







Cautionary statement

This communication contains statements which, to the extent they are not statements of historical or present fact, constitute "forward-looking statements" under the securities laws. From time to time, oral or written forward-looking statements may also be included in other information released to the public. These forward-looking statements are intended to provide management's current expectations or plans for our future operating and financial performance, based on assumptions currently believed to be valid. Forward-looking statements can be identified by the use of words such as "believe," "expect," "expectations," "plans," "strategy," "prospects," "estimate," "project," "target," "anticipate," "will," "should," "see," "guidance," "outlook," "confident," "scenario" and other words of similar meaning in connection with a discussion of future operating or financial performance. Forward-looking statements may include, among other things, statements relating to future sales, earnings, cash flow, results of operations, uses of cash, expectations relating to our sales backlog, commitments by us and our customers under long-term agreements, share repurchases, tax rates and other measures of financial performance or potential future plans, strategies or transactions of Carrier, market conditions including with respect to residential end-markets, data center and otherwise, growth prospects for 2026 and beyond, expectations concerning the mitigation and net impact of tariffs during 2026, Carrier's guidance for full-year 2026, Carrier's plans with respect to our indebtedness and other statements that are not historical facts. All forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. Such risks, uncertainties and other factors include, without limitation, those described below and under the section titled "Risk Factors" in our most recent Annual Report on Form 10-K and in subsequent reports that we file with the SEC: the effect of economic conditions in the industries and markets in which Carrier and our businesses operate in the U.S. and globally and any changes therein, including financial market conditions, inflationary cost pressures, fluctuations in commodity prices, interest rates and foreign currency exchange rates, levels of end market demand in construction, the impact of weather conditions, pandemic health issues, natural disasters and the financial condition of our customers and suppliers; challenges in the development, production, delivery, support, performance and realization of the anticipated benefits of advanced technologies and new products and services; future levels of capital spending and research and development spending; future availability of credit and factors that may affect such availability, including credit market conditions and Carrier's capital structure and credit ratings; the timing and scope of future repurchases of Carrier's common stock, including market conditions and the level of other investing activities and uses of cash; delays and disruption in the delivery of materials and services from suppliers; cost reduction efforts and restructuring costs and savings and other consequences thereof; new business and investment opportunities; the outcome of legal proceedings, investigations and other contingencies; the impact of pension plan assumptions on future cash contributions and earnings; the impact of the negotiation of collective bargaining agreements and labor disputes; the effect of changes in political conditions in the U.S. and other countries in which Carrier and our businesses operate, including the effect of ongoing uncertainty and/or changes in U.S. trade policies, on general market conditions, global trade policies, the imposition of tariffs, and currency exchange rates in the near term and beyond; the effect of changes in tax, environmental, regulatory (including among other things import/export) and other laws and regulations in the U.S. and other countries in which we and our businesses operate; the ability of Carrier to retain and hire key personnel; the scope, nature, impact or timing of acquisition and divestiture activity, such as our acquisition of the VCS business and our portfolio transformation transactions, including among other things integration of acquired businesses into existing businesses and realization of synergies and opportunities for growth and innovation and incurrence of related costs; a determination by the IRS and other tax authorities that the distribution of Carrier from RTX Corporation (f/k/a United Technologies Corporation) or certain related transactions should be treated as taxable transactions; and risks associated with current and future indebtedness, as well as our ability to reduce indebtedness and the timing thereof. The forward-looking statements speak only as of the date of this communication. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. Additional information as to factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements is disclosed from time to time in our other filings with the SEC.

Q3 2026 Summary

($ Millions, except EPS)

Sales	**$6,263** *Organic[1] 15% Y/Y*
Adjusted Operating Profit[1,4]	**$1,091** *33% Y/Y*
Adjusted Operating Margin[1,4]	**17.4%** *260 bps Y/Y*
Adjusted EPS[1,4]	**$0.87** *30% Y/Y*
Free Cash Flow[1,2]	**$674**

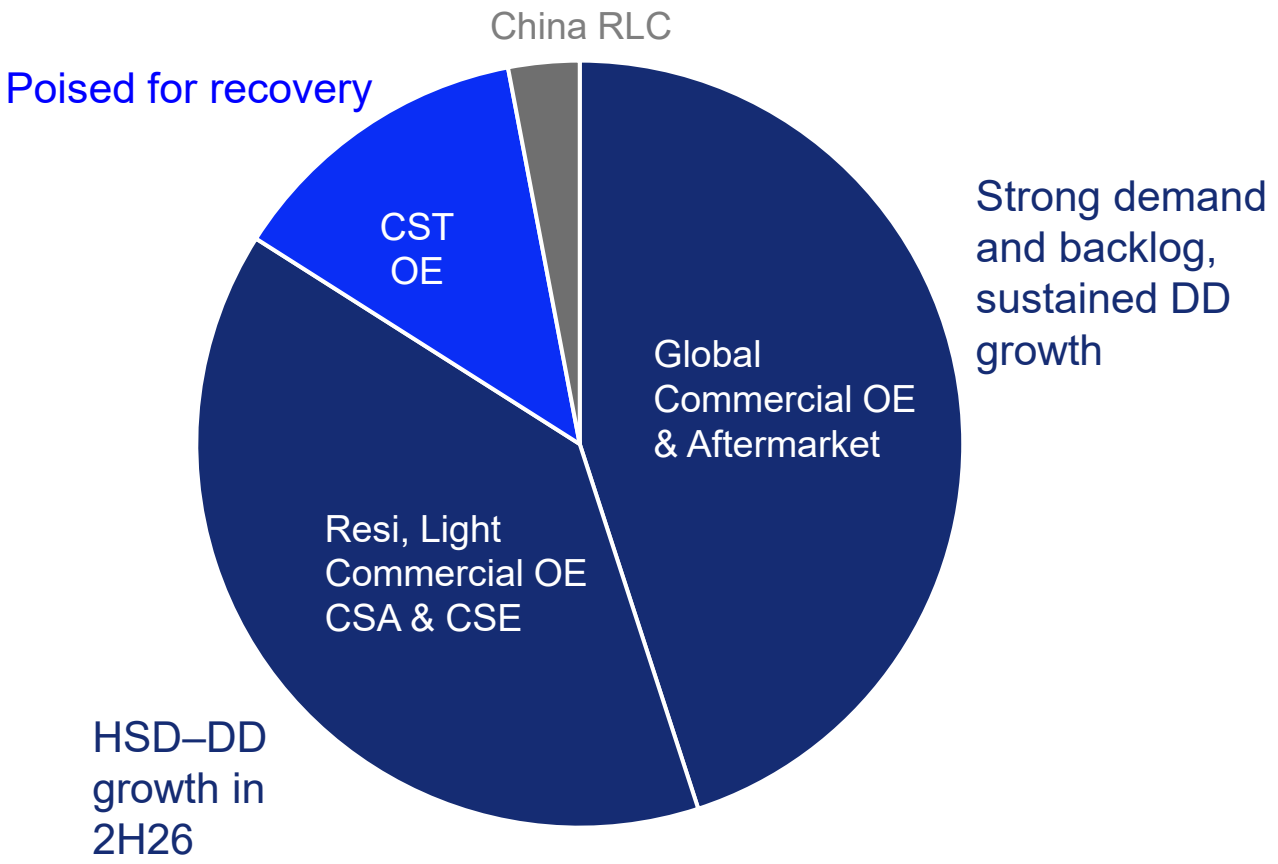
Highlights

- Continued strong orders[3] up ~35%
  - Global CHVAC up ~60%; data centers up ~300%
- Record backlog[3] >$8.5B, up ~60% Y/Y
- 15% organic sales growth; aftermarket up 9%
  - Data center sales up ~2.5x, on-track for ~$2B FY 2026
  - CSA Resi up >30%, and CSE RLC up 13%
- Strong margin expansion
  - Double-digit CSE margins
- Returned ~$600M to shareowners through share repurchases and dividends

▶ Strong performance with orders, sales and adj. EPS all up between 15% and 35%

1. See appendix for additional information regarding non-GAAP measures
2. Includes results of continuing operations and discontinued operations
3. Excludes NORESCO, divested on August 3rd
4. Includes benefit of ~$130M IEEPA refund, or ~$0.10 of adjusted EPS net of ~($0.02) NCI impact

Structurally balanced and differentiated portfolio



- Expecting continued double-digit growth in global commercial HVAC fueled by record backlog, LTAs and strong pipeline
- Driving to continued double-digit aftermarket growth
- Resi, Light Commercial markets in CSA and CSE recovering and growing
- Truck and Trailer poised for recovery

▶ Transformed Commercial and recovering Resi position us for sustained strong growth

Winning in Commercial[1] through differentiation

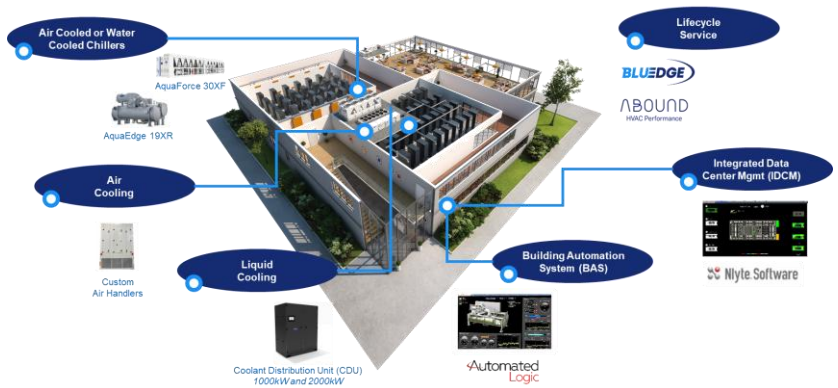
~2x

Global CHVAC sales increase since spin

~4x

Global CHVAC backlog increase since spin

Differentiated systems solutions



How we are winning

- Differentiated products and controls
- Industry-leading Building Management System (BMS)
- Digital twin / Performance modeling capabilities
- Enhanced agentic AI offerings through 75F

Customer outcomes

- Speed to first megawatt for data centers
- Lower total cost of ownership with improved operational insights
- Zero water waste and >10% lower electricity consumption with new A/C and W/C chillers vs prior generations
- Holistic life-cycle solutions
- Intelligent, autonomous, efficient buildings

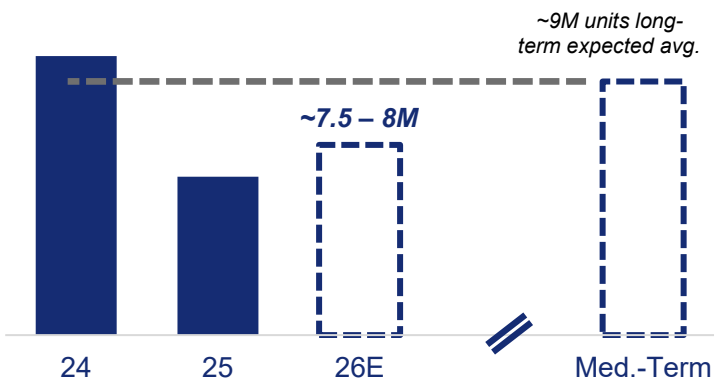
Carrier outcomes

- Improved growth profile
- Higher proportion of longer-cycle business provides increased visibility (backlog, LTAs)
- Rapidly expanding installed base with increased aftermarket opportunity
- Customer intimacy and stickiness through digital offerings

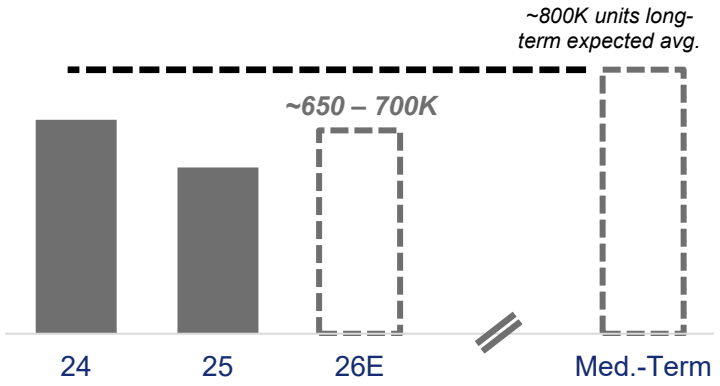
1. Excludes NORESCO

RLC improving…Carrier positioned to capitalize

CSA residential market (units)



Germany RLC heating market (units)



Carrier's differentiated RLC portfolio positioned to outperform

Product differentiation

- ✓ Rotary & scroll compressors
- ✓ Variable-speed heat pumps
- ✓ Inverters, fan coils and hybrid solutions

Digital

- ✓ Cloud-enabled platforms
  - ✓ CSE One Base™
  - ✓ CSA Comfort360™
- ✓ Connectable product portfolio

Systems

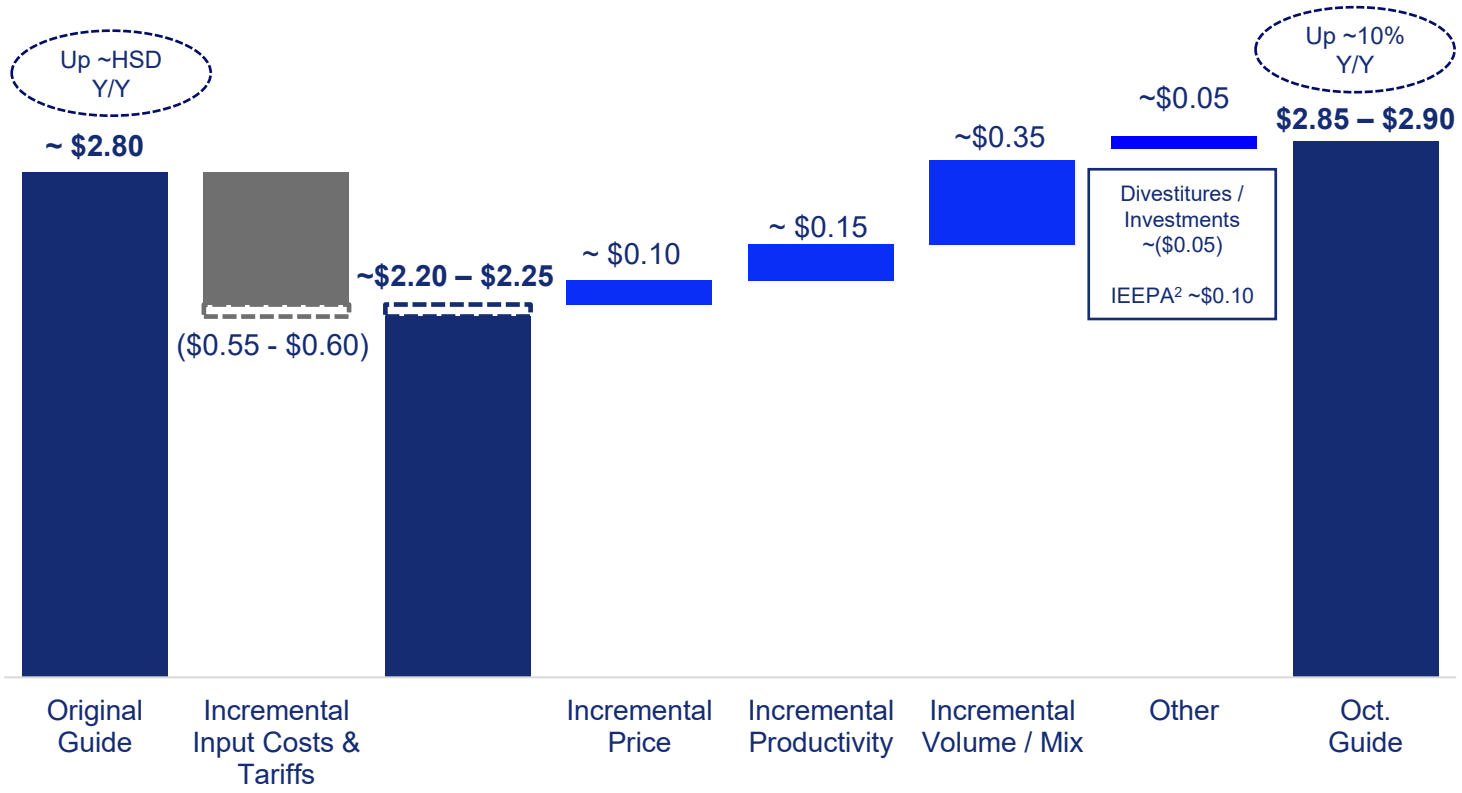
- ✓ Home energy management / electrification solutions with *Systems Profi™*
- ✓ Carrier Energy
- ✓ Domestic Hot Water

▶ Customer outcomes: Intelligent, personalized, efficient comfort

▶ Carrier benefits: Increased value per home

Controlling the controllables

2026 Adj. EPS[1]



2026 Guidance[1]

Sales	$23.8 – $24 Billion
Adj. operating profit	~$3.5 Billion
Adj. EPS	$2.85 – $2.90
Free cash flow	~$2 Billion

▶ Double-digit adj. EPS growth while offsetting ~$550M – $600M unexpected incremental input cost increases

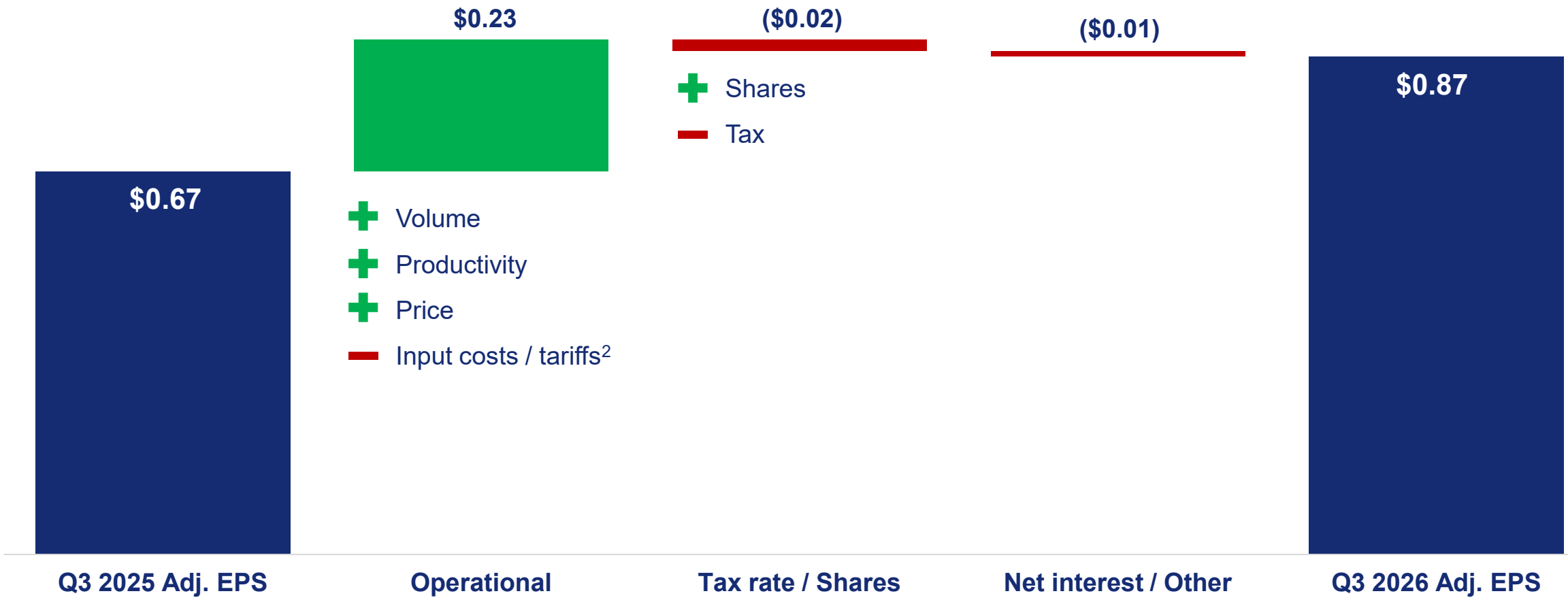
1. See appendix for additional information regarding non-GAAP measures
2. Includes ~$0.10 benefit from IEEPA refunds net ~($0.02) of NCI impact

Q3 2026 Results

($ Millions, except EPS)	Q3 2026	Q3 2025	Y/Y
Sales	$6,263	$5,579	12%
Organic sales[1]			15%
Acquisitions / Divestitures, net			(3%)
FX			0%
Adjusted operating profit[1]	$1,091	$823	33%
Adjusted operating margin[1]	17.4%	14.8%	260 bps
Adjusted effective tax rate[1]	23.5%	17.2%	
Adjusted EPS[1]	$0.87	$0.67	30%
Free cash flow[1,2]	$674	$224	

1. See appendix for additional information regarding non-GAAP measures
2. Includes results of continuing operations and discontinued operations

Q3 2026 Adjusted EPS[1] bridge



1. See appendix for additional information regarding non-GAAP measures
2. Includes ~$0.10 benefit from IEEPA refunds net ~($0.02) of NCI impact

Q3 2026 Climate Solutions Americas (CSA)

($ Millions)	Q3 2026	Q3 2025	Y/Y
Sales	$3,354	$2,711	24%
Organic sales[1]			25%
Acq / div, net			(1%)
FX			0%
Segment operating profit	$745	$533	40%
Segment operating margin	22.2%	19.7%	250 bps

Highlights

- Orders[2] up ~60% with Commercial up ~90%
  - Strong data center orders up ~400%
- Residential sales up >30%
  - Field inventory ~flat Y/Y, as expected
- Commercial[2] sales up >25%
  - Data center sales up >2x Y/Y and Q/Q
  - Expect sequential growth in Q4
- Segment operating margin expanded 250 basis points from the benefit of ~$120 million of IEEPA refunds and organic growth, partially offset by increased input costs and tariffs

1. See appendix for additional information regarding non-GAAP measures
2. Excludes NORESCO

Q3 2026 Climate Solutions Europe (CSE)

($ Millions)	Q3 2026	Q3 2025	Y/Y
Sales	$1,335	$1,290	3%
Organic sales[1]			12%
Acq / div, net			(7%)
FX			(2%)
Segment operating profit	$168	$120	40%
Segment operating margin	12.6%	9.3%	330 bps

Highlights

- Orders up ~30%
  - Commercial up ~50%
  - RLC up ~25%
- RLC momentum continues with sales up LTs
  - Heat pump and A/C sales up ~35%
- Commercial sales up HSD driven by data center sales up ~2x
- Segment operating margin increased 330 basis points with strong organic revenue growth and a ~100 basis point net benefit from the correction of a prior period item offset by increases in inventory-related reserves

1. See appendix for additional information regarding non-GAAP measures

Q3 2026 Climate Solutions Asia Pacific Middle East & Africa (CSAME)

($ Millions)	Q3 2026	Q3 2025	Y/Y
Sales	$848	$833	2%
Organic sales[1]			3%
Acq / div, net			(1%)
FX			0%
Segment operating profit	$103	$97	6%
Segment operating margin	12.1%	11.6%	50 bps

Highlights

- Orders up ~5% with Commercial up ~10%
- Organic sales up 3%
  - Strong growth in Commercial up 10%
  - RLC down mid-single digits
  - Aftermarket up 13%
- China decline of (4%); ex-China growth of 9%
  - China CHVAC returned to growth, up 6%
- Operating margin primarily driven by organic growth and productivity

1. See appendix for additional information regarding non-GAAP measures
2. China region includes Mainland China, Hong Kong, Taiwan and Macau

Q3 2026 Climate Solutions Transportation (CST)

($ Millions)	Q3 2026	Q3 2025	Y/Y
Sales	$726	$745	(3%)
Organic sales[1]			(3%)
Acq / div, net			0%
FX			0%
Segment operating profit	$117	$115	2%
Segment operating margin	16.1%	15.4%	70 bps

Highlights

- Orders up ~5%; NATT up mid-teens
- Container sales up MSD on +50% prior year compare
- Global Truck and Trailer sales down (MSD)
- Operating margin expansion driven by approximately $15M IEEPA refunds and productivity, partially offset by lower Truck & Trailer volumes

1. See appendix for additional information regarding non-GAAP measures

Q3 2026 Organic orders[1] up ~35%

Climate Solutions Americas (CSA)	~60%
Residential	~45%
Light commercial	~15%
Commercial	~90%

Climate Solutions Asia Pacific MEA (CSAME)	~5%
China region[2]	~5%
Balance of segment	~Flat

Climate Solutions Europe (CSE)	~30%
Residential and Light commercial	~25%
Commercial	~50%

Climate Solutions Transportation (CST)	~5%
Global Truck & Trailer	~5%
Container	~Flat

▶ 4th consecutive quarter of DD or better growth; continued strong demand for our differentiated solutions

1. Excludes NORESCO
2. China region includes Mainland China, Hong Kong, Taiwan and Macau

Raising FY 2026 Organic sales[1] guidance

Sales	Current guide (Oct. 2026)	Prior guide (July 2026)
Climate Solutions Americas (CSA)	**~M-HT**	**~MT**
Residential	~10%	HSD
Light commercial	>10%	HSD
Commercial[2]	H-20s	M-20s
Climate Solutions Europe (CSE)	**~L-MSD**	**~LSD**
Residential and Light commercial	M-HSD	LSD
Commercial	Flat	Flat
Climate Solutions Asia Pacific MEA (CSAME)	**~LSD**	**~Flat**
China region[3]	(LT)	(LT)
Balance of segment	DD	DD
Climate Solutions Transportation (CST)	**~Flat**	**~Flat**
Carrier	**$23.8B – $24.0B** **Organic ~10%** FX +1% Divestitures (2%)[4]	**~$23B** **Organic ~M-HSD** FX +1% Divestitures (2%)[4]

1. See appendix for additional information regarding non-GAAP measures
2. Excludes NORESCO
3. China region includes Mainland China, Hong Kong, Taiwan and Macau
4. Riello exit July 1st; NORESCO exit August 3rd

FY 2026 profit guidance

Segment	Current guide Adj. Op. Margin *Adj. Op. Margin Change Y/Y* (Oct. 2026)	Prior guide Adj. Op. Margin (July 2026)
CS Americas	~19% *~(150 bps)*	*~20.5%*
CS Europe	~9% *~Flat*	*~9%*
CS Asia Pacific Middle East & Africa	>11% *~(200 bps)*	*>11%*
CS Transportation	~15% *~(50 bps)*	*~15.5%*
Carrier adj. operating profit[1]	**~$3.5B**	**~$3.5B**
Adj. EPS[1]	**$2.85 – $2.90**	**~$2.90**
Free cash flow[1,2]	**~$2B**	**~$2B**
Share repurchases	**~$1.5B**	**~$1.5B**

1. See appendix for additional information regarding non-GAAP measures
2. Includes results of continuing operations and discontinued operations

Key takeaways

A stronger portfolio. Multiple growth engines. Record backlog.

1

Company's growth profile has structurally improved
Commercial HVAC and aftermarket are becoming larger, structurally higher-growth engines

2

Data centers are a major growth platform
Orders year to date >$3B, up ~350%; LTAs worth billions of dollars

3

Growth is broad-based
Record backlog >$8.5B; non-data center commercial orders +20%; residential and light commercial markets recovering

4

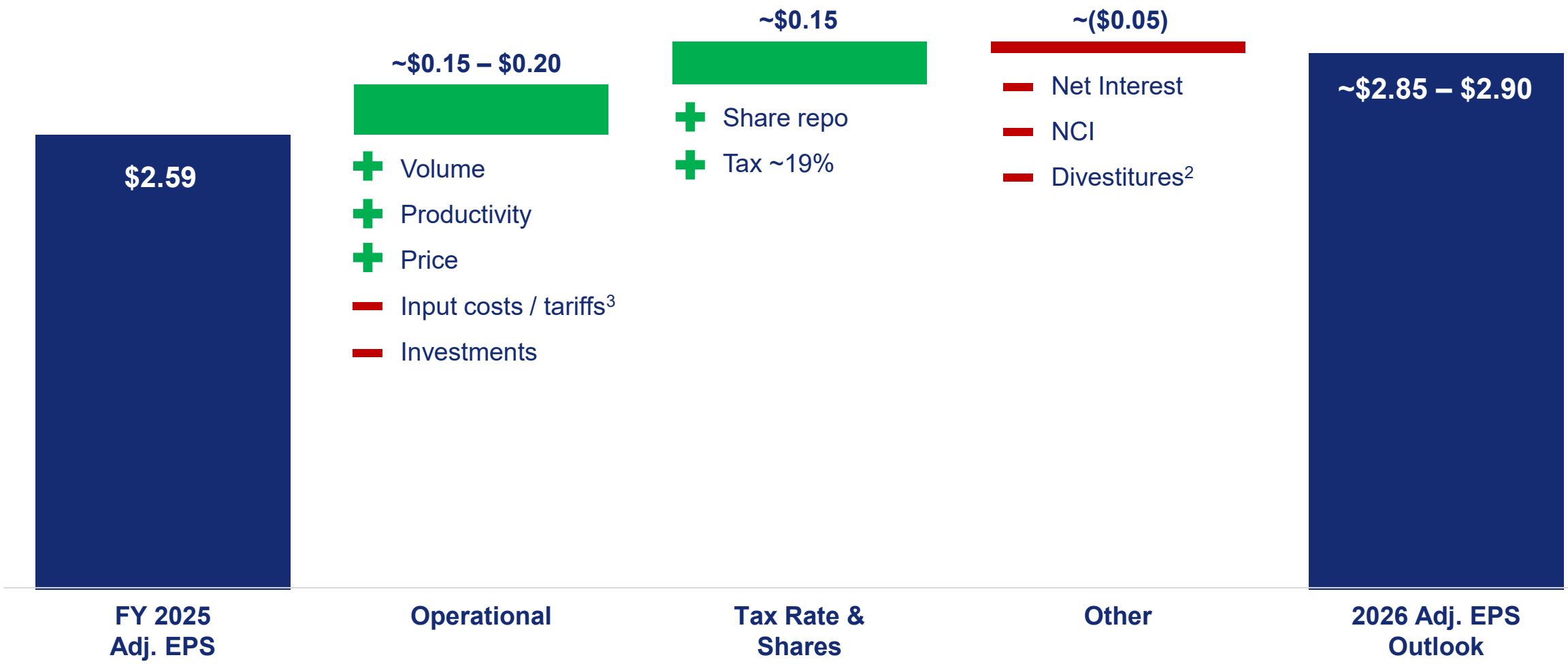
Addressing increasing input cost headwinds
Incremental price and productivity driven by Carrier Excellence to drive earnings growth

5

Continued strong cash flow generation
Returning ~$2.3B to shareowners through dividends and share repurchases

APPENDIX

FY 2026 Adjusted EPS[1] guidance bridge



1. See appendix for additional information regarding non-GAAP measures
2. Riello exit July 1st; NORESCO exit August 3rd
3. Includes ~$0.10 benefit from IEEPA refunds net ~($0.02) of NCI impact

Additional items

($ Millions, except D&A)	Current outlook (Oct. 2026)	Prior outlook (Jul. 2026)
Average shares outstanding (diluted)	~830	~833
Corporate expenses / eliminations and other	~$210	~$240
Interest expense, net	~$400	~$400
Adjusted effective tax rate[1]	~19%	~19%
Non-controlling interest	~$145[2]	~$120
Capital expenditures	~$650	~$600
Depreciation and amortization	~$1.3B	~$1.3B

1. See appendix for additional information regarding non-GAAP measures
2. Approximately ($0.02) impact to adj. EPS due to IEEPA refunds

Use and definitions of non-GAAP financial measures

Carrier reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP"). We supplement the reporting of our financial information determined under GAAP with certain non-GAAP financial information. The non-GAAP information presented provides investors with additional useful information, but should not be considered in isolation or as substitutes for the related GAAP measures. Moreover, other companies may define non-GAAP measures differently, which limits the usefulness of these measures for comparisons with such other companies. We encourage investors to review our financial statements and publicly filed reports in their entirety and not to rely on any single financial measure. A reconciliation of the non-GAAP measures to the corresponding amounts prepared in accordance with GAAP appears in the tables in this Appendix. The tables provide additional information as to the items and amounts that have been excluded from the adjusted measures.

Organic sales, adjusted operating profit, adjusted operating margin, adjusted net income, adjusted earnings per share (“EPS”), adjusted effective tax rate and net debt are non-GAAP financial measures and are associated with Carrier's continuing operations unless specifically noted.

Organic sales represents consolidated net sales (a GAAP measure), excluding the impact of foreign currency translation, acquisitions and divestitures completed in the preceding twelve months and other significant items of a nonoperational nature (hereinafter referred to as “other significant items”). Adjusted operating profit represents consolidated operating profit (a GAAP measure), excluding restructuring costs, amortization of acquired intangibles and other significant items. Adjusted operating margin represents adjusted operating profit as a percentage of consolidated net sales (a GAAP measure). Adjusted net income represents net income attributable to common shareowners (a GAAP measure), excluding restructuring costs, amortization of acquired intangibles and other significant items. Adjusted EPS represents diluted earnings per share (a GAAP measure), excluding restructuring costs, amortization of acquired intangibles and other significant items. The adjusted effective tax rate represents the effective tax rate (a GAAP measure), excluding restructuring costs, amortization of acquired intangibles and other significant items. Net debt represents long-term debt (a GAAP measure) less cash and cash equivalents (a GAAP measure).

Free cash flow is a non-GAAP financial measure that represents net cash flows provided by continuing operating activities (a GAAP measure) less capital expenditures. Management believes free cash flow is a useful measure of liquidity and an additional basis for assessing Carrier’s ability to fund its activities, including the financing of acquisitions, debt service, repurchases of Carrier's common stock and distribution of earnings to shareowners. Orders are contractual commitments with customers to provide specified goods or services for an agreed upon price and may not be subject to penalty if cancelled.

Price/cost represents the combined impact of realized pricing, cost inflation and productivity actions, including manufacturing efficiencies, sourcing initiatives and certain productivity measures.

When Carrier provides our expectations for organic sales, adjusted operating profit, adjusted operating margin, adjusted effective tax rate, adjusted EPS and free cash flow on a forward-looking basis, a reconciliation of the differences between the non-GAAP expectations and the corresponding GAAP measures generally is not available without unreasonable effort due to potentially high variability, complexity and low visibility as to the items that would be excluded from the GAAP measure in the relevant future period, such as unusual gains and losses, the ultimate outcome of pending litigation, fluctuations in foreign currency exchange rates, the impact and timing of potential acquisitions and divestitures, future restructuring costs, and other structural changes or their probable significance. The variability of the excluded items may have a significant, and potentially unpredictable, impact on our future GAAP results.

As a result of Carrier's portfolio transformation, Carrier revised its reportable segments during the first quarter of 2025 to better reflect its business strategy, align its management reporting and increase transparency for investors. In connection with the revised structure, the Chief Operating Decision Maker changed the measure used to evaluate segment profitability from Operating profit to Segment operating profit. It represents operating profit (a GAAP measure) adjusted to exclude restructuring costs, amortization of acquired intangible assets and other significant items of a nonoperational nature. All prior period comparative information has been recast to reflect the revised segment structure.

Segment summary

	(Unaudited)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Segment net sales				
Climate Solutions Americas	$ 3,354	$ 2,711	$ 9,227	$ 8,535
Climate Solutions Europe	1,335	1,290	3,952	3,712
Climate Solutions Asia Pacific, Middle East & Africa	848	833	2,599	2,541
Climate Solutions Transportation	726	745	2,177	2,122
Segment net sales	**$ 6,263**	**$ 5,579**	**$ 17,955**	**$ 16,910**
Segment operating profit				
Climate Solutions Americas	$ 745	$ 533	$ 1,941	$ 1,982
Climate Solutions Europe	168	120	352	324
Climate Solutions Asia Pacific, Middle East & Africa	103	97	292	353
Climate Solutions Transportation	117	115	336	340
Segment operating profit	**$ 1,133**	**$ 865**	**$ 2,921**	**$ 2,999**
Segment operating margin				
Climate Solutions Americas	22.2 %	19.7 %	21.0 %	23.2 %
Climate Solutions Europe	12.6 %	9.3 %	8.9 %	8.7 %
Climate Solutions Asia Pacific, Middle East & Africa	12.1 %	11.6 %	11.2 %	13.9 %
Climate Solutions Transportation	16.1 %	15.4 %	15.4 %	16.0 %

Organic sales reconciliation

Three Months Ended September 30, 2026 Compared with Three Months Ended September 30, 2025

	(Unaudited)				
	Factors Contributing to Total % change in Net Sales				
	Organic	FX Translation	Acquisitions / Divestitures, net	Other	Total
Climate Solutions Americas	25 %	— %	(1) %	— %	24 %
Climate Solutions Europe	12 %	(2) %	(7) %	— %	3 %
Climate Solutions Asia Pacific, Middle East & Africa	3 %	— %	(1) %	— %	2 %
Climate Solutions Transportation	(3) %	— %	— %	— %	(3) %
Consolidated	**15 %**	**— %**	**(3)%**	**— %**	**12 %**

Earnings before income taxes reconciliation

	(Unaudited)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Reconciliation to Earnings before income taxes				
Segment operating profit	$ 1,133	$ 865	$ 2,921	$ 2,999
Corporate and other	(42)	(42)	(141)	(162)
Restructuring costs	(45)	(50)	(161)	(105)
Amortization of acquired intangible assets	(210)	(221)	(636)	(636)
Acquisition/divestiture-related costs	(2)	(10)	(20)	(21)
Riello impairment and loss	(2)	—	(48)	—
Goodwill impairment	(3,100)	—	(3,100)	—
CCR gain	—	—	—	7
Other	(5)	(3)	(5)	(11)
Non-service pension (expense) benefit	3	(9)	5	(8)
Interest (expense) income, net	(93)	(97)	(288)	(270)
Earnings before income taxes	**$ (2,363)**	**$ 433**	**$ (1,473)**	**$ 1,793**

Adjusted operating profit reconciliation

	(Unaudited)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Reconciliation of Segment operating profit to Adjusted operating profit				
Climate Solutions Americas	$ 745	$ 533	$ 1,941	$ 1,982
Climate Solutions Europe	168	120	352	324
Climate Solutions Asia Pacific, Middle East & Africa	103	97	292	353
Climate Solutions Transportation	117	115	336	340
Segment operating profit	$ 1,133	$ 865	$ 2,921	$ 2,999
Corporate and other	(42)	(42)	(141)	(162)
Adjusted operating profit	**$ 1,091**	**$ 823**	**$ 2,780**	**$ 2,837**

Q3 and YTD 2026 EPS reconciliation

	(Unaudited)					
	Three Months Ended September 30, 2026			Nine Months Ended September 30, 2026		
(In millions, except per share amounts)	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted
Net sales	**$ 6,263**	**$ —**	**$ 6,263**	**$ 17,955**	**$ —**	**$ 17,955**
Operating profit	$ (2,273)	3,364 a	$ 1,091	$ (1,190)	3,970 a	$ 2,780
Operating margin	*(36.3)%*		*17.4 %*	*(6.6)%*		*15.5 %*
Earnings before income taxes	$ (2,363)	3,364 a	$ 1,001	$ (1,473)	3,970 a	$ 2,497
Income tax (expense) benefit	$ (177)	(58) b	$ (235)	$ (261)	(200) b	$ (461)
Effective tax rate	*(7.5)%*		*23.5 %*	*(17.7)%*		*18.5 %*
Earnings from continuing operations attributable to common shareowners	**$ (2,593)**	**$ 3,306**	**$ 713**	**$ (1,854)**	**$ 3,770**	**$ 1,916**
Summary of Adjustments:						
Restructuring costs		$ 45 a			$ 161 a	
Amortization of acquired intangible assets		210 a			636 a	
Acquisition/divestiture-related costs		2 a			20 a	
Riello impairment and loss		2 a			48 a	
Goodwill impairment		3,100 a			3,100 a	
Other		5 a			5 a	
Total adjustments		$ 3,364			$ 3,970	
Tax effect on adjustments above		$ (58)			$ (200)	
Tax specific adjustments		—			—	
Total tax adjustments		$ (58) b			$ (200) b	
Diluted shares outstanding [1]	821.8		821.8	828.3		828.3
Diluted earnings (loss) per share:						
Continuing operations	**$ (3.16)**		**$ 0.87**	**$ (2.24)**		**$ 2.31**

[1] During the three and nine months ended September 30, 2026, Carrier reported a net loss attributable to common shareowners. As a result, potentially dilutive shares were excluded from the computation of diluted loss per share because their inclusion would have reduced the loss per share. The inclusion of dilutive shares does not have a significant impact on adjusted diluted earnings per share.

Q3 and YTD 2025 EPS reconciliation

	(Unaudited)							
	Three Months Ended September 30, 2025				Nine Months Ended September 30, 2025			
(In millions, except per share amounts)	Reported		Adjustments		Adjusted	Reported		Adjustments		Adjusted
Net sales	**$ 5,579**		**$ —**		**$ 5,579**	**$ 16,910**		**$ —**		**$ 16,910**
Operating profit	$ 539		284	a	$ 823	$ 2,071		766	a	$ 2,837
Operating margin	*9.7 %*				*14.8 %*	*12.2 %*				*16.8 %*
Earnings before income taxes	$ 433		295	a,b	$ 728	$ 1,793		777	a,b	$ 2,570
Income tax (expense) benefit	$ 1		(126)	c	$ (125)	$ (272)		(259)	c	$ (531)
Effective tax rate	*(0.2)%*				*17.2 %*	*15.2 %*				*20.7 %*
Earnings from continuing operations attributable to common shareowners	**$ 407**		**$ 169**		**$ 576**	**$ 1,427**		**$ 518**		**$ 1,945**
Summary of Adjustments:										
Restructuring costs			$ 50	a				$ 105	a	
Amortization of acquired intangible assets			221	a				636	a	
Acquisition/divestiture-related costs			10	a				21	a	
CCR gain			—	a				(7)	a	
Other			3	a				11	a	
Defined benefit pension settlement			11	b				11	b	
Total adjustments			$ 295					$ 777		
Tax effect on adjustments above			$ (77)					$ (204)		
Tax specific adjustments			(49)					(55)		
Total tax adjustments			$ (126)	c				$ (259)	c	
Diluted shares outstanding	858.6				858.6	867.7				867.7
Diluted earnings per share:										
Continuing operations	**$ 0.47**				**$ 0.67**	**$ 1.64**				**$ 2.24**

Free cash flow reconciliation

	(Unaudited)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Net cash flows provided by operating activities	$ 813	$ 341	$ 1,819	$ 1,473
Less: Capital expenditures	(139)	(117)	(350)	(261)
Free cash flow	**$ 674**	**$ 224**	**$ 1,469**	**$ 1,212**

Net debt reconciliation

	(Unaudited)	
(In millions)	**September 30, 2026**	**December 31, 2025**
Long-term debt	$ 9,992	$ 11,365
Short-term borrowings and current portion of long-term debt	1,482	468
Less: Cash and cash equivalents	1,354	1,555
Net debt	**$ 10,120**	**$ 10,278**



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