Breaking New Ground

Innovation Sustainability Productivity

# Q4 2024 RESULTS REVIEW

February 4, 2025



# SAFE HARBOR STATEMENT AND DISCLOSURES

All statements other than statements of historical fact contained in this presentation including competitive strengths; business strategy; future financial position or operating results; budgets; projections with respect to revenue, income, earnings (or loss) per share, capital expenditures, dividends, liquidity, capital structure or other financial items; costs; and plans and objectives of management regarding operations and products, are forward-looking statements. Forward-looking statements also include statements regarding the future performance of CNH and its subsidiaries on a standalone basis. These statements may include terminology such as "may", "will", "expect", "could", "should", "intend", "estimate", "anticipate", "believe", "outlook", "continue", "remain", "on track", "design", "target", "objective", "goal", "forecast", "projection", "prospects", "plan", or similar terminology. Forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside our control and are difficult to predict. If any of these risks and uncertainties materialize (or they occur with a degree of severity that the Company is unable to predict) or other assumptions underlying any of the forward-looking statements prove to be incorrect, including any assumptions regarding strategic plans, the actual results or developments may differ materially from any future results or developments expressed or implied by the forward-looking statements.

Factors, risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements include, among others: economic conditions in each of our markets, including the significant uncertainty caused by geopolitical events; production and supply chain disruptions, including industry capacity constraints, material availability, and global logistics delays and constraints; the many interrelated factors that affect consumer confidence and worldwide demand for capital goods and capital goods-related products, changes in government policies regarding banking, monetary and fiscal policy; legislation, particularly pertaining to capital goods-related issues such as agriculture, the environment, debt relief and subsidy program policies, commerce and infrastructure development; government policies on international trade and investment, including sanctions and actions after recent U.S. elections in respect to global trade, tariffs, trade agreements, and the uncertainty of our ability to sell products internationally based on these actions and policies; actions of competitors in the various industries in which we compete; development and use of new technologies and technological difficulties; the interpretation of, or adoption of new, compliance requirements with respect to engine emissions, safety or other aspects of our products; labor relations; interest rates and currency exchange rates; inflation and deflation; energy prices; prices for agricultural commodities and material price increases; housing starts and other construction activity; our ability to obtain financing or to refinance existing debt; price pressure on new and used equipment; the resolution of pending litigation and investigations on a wide range of topics, including dealer and supplier litigation, intellectual property rights disputes, product warranty and defective product claims, and emissions and/or fuel economy regulatory and contractual issues; security breaches, cybersecurity attacks, technology failures, and other disruptions to the information technology infrastructure of CNH and its suppliers and dealers; security breaches with respect to our products; our pension plans and other post-employment obligations; political and civil unrest; volatility and deterioration of capital and financial markets, including pandemics (such as the COVID-19 pandemic), terrorist attacks in Europe and elsewhere; the remediation of a material weakness; our ability to realize the anticipated benefits from our business initiatives as part of our strategic plan; including targeted restructuring actions to optimize our cost structure and improve the efficiency of our operations; our failure to realize, or a delay in realizing, all of the anticipated benefits of our acquisitions, joint ventures, strategic alliances or divestitures and other similar risks and uncertainties, and our success in managing the risks involved in the foregoing.

Forward-looking statements are based upon assumptions relating to the factors described in this presentation, which are sometimes based upon estimates and data received from third parties. Such estimates and data are often revised. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside CNH's control. CNH expressly disclaims any intention or obligation to provide, update or revise any forward-looking statements in this announcement to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Further information concerning CNH, including factors that potentially could materially affect its financial results, is included in the Company's reports and filings with the U.S. Securities and Exchange Commission ("SEC"). All future written and oral forward-looking statements by CNH or persons acting on the behalf of CNH are expressly qualified in their entirety by the cautionary statements contained herein or referred to above. Additional factors could cause actual results to differ from those expressed or implied by the forward-looking statements included in the Company's filings with the SEC (including, but not limited to, the factors discussed in our most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q).

Reconciliations of non-GAAP measures to the most directly comparable GAAP measure are included in this presentation, which is available on our website at www.cnh.com.

# Q4 2024 | MAIN ACHIEVEMENTS





Dealer inventory[1] reduced by $700M+ supported by sales campaigns and lower production hours

Achieved ~$600M annual run rate savings through operational improvements and restructuring

Completed comprehensive review of field issues and launched customer service support plans

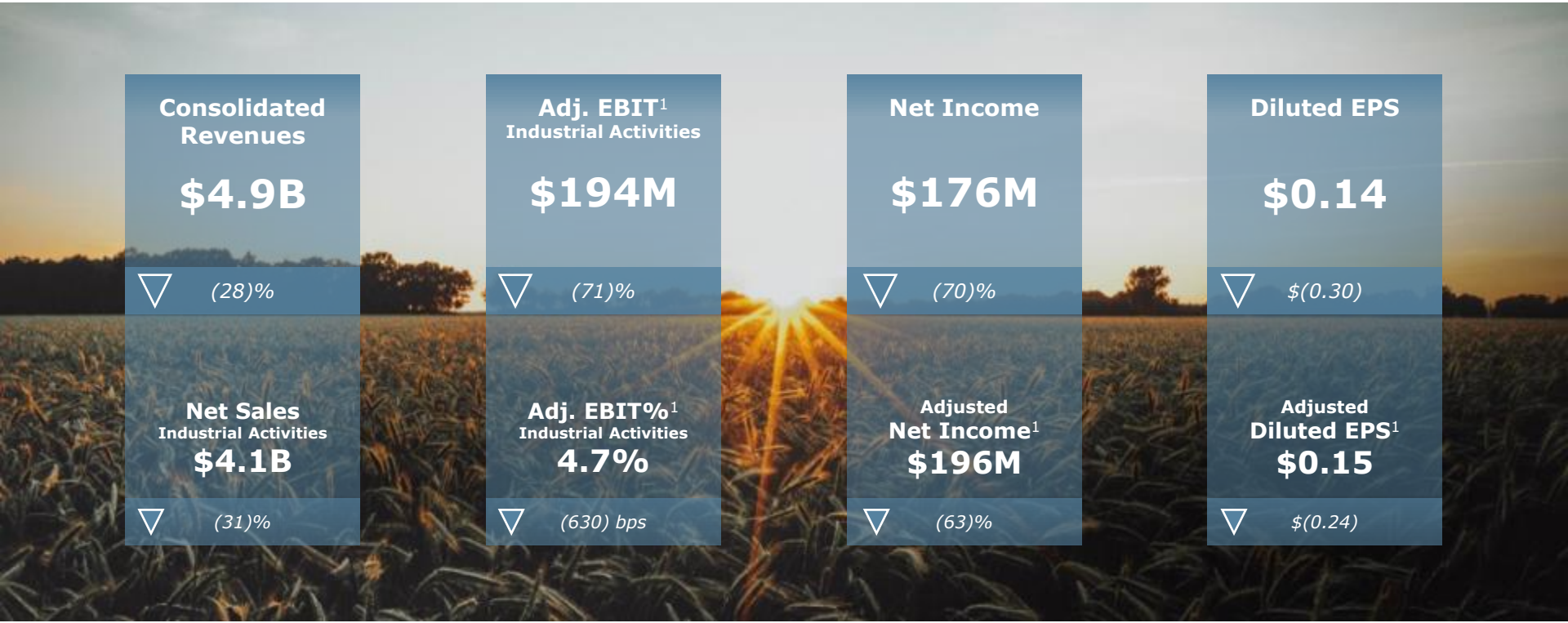






(1) As independent businesses, dealers control their own inventory

# Q4 2024 | RESULTS

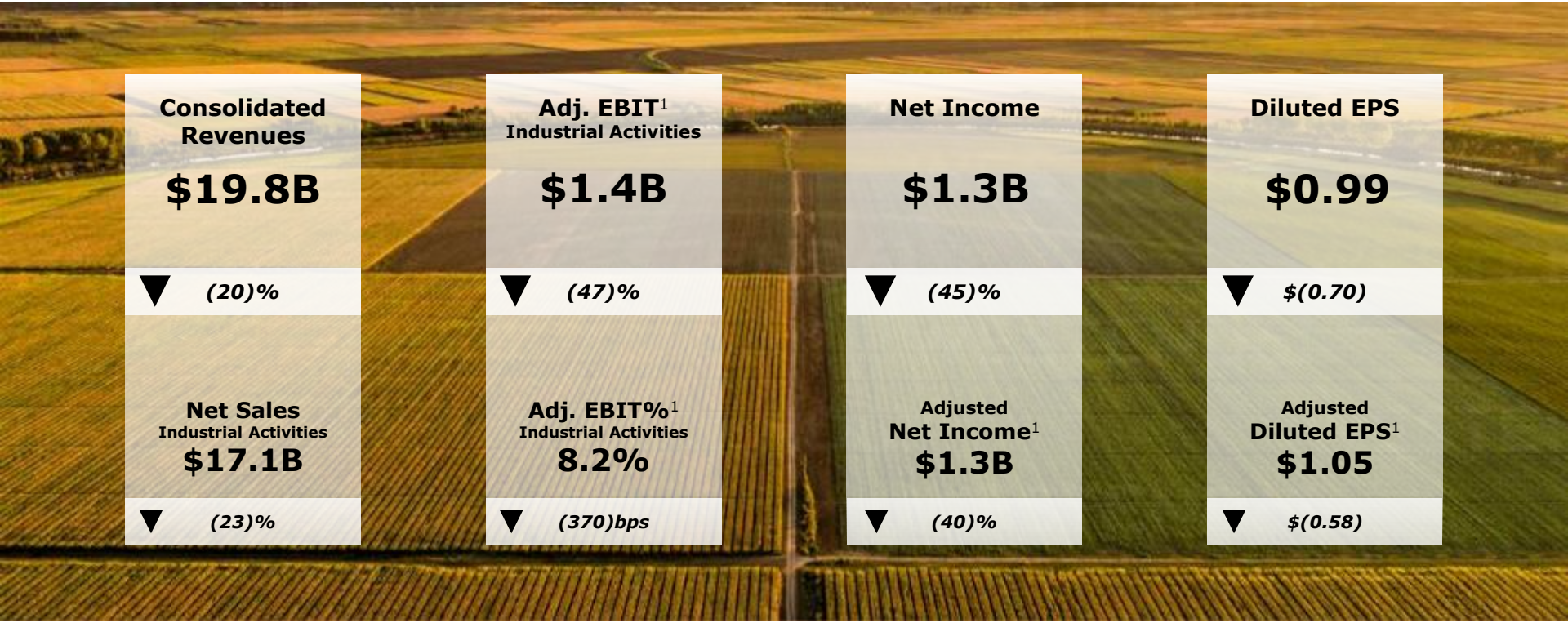



*YoY vs Q4 2023*

(1) Non-GAAP measures (definition and reconciliation in the appendix)

Note: Prior period results have been revised; see details in the appendix

# FY 2024 | RESULTS



| Consolidated Revenues | Adj. EBIT[1] Industrial Activities | Net Income | Diluted EPS |
|---|---|---|---|
| $19.8B | $1.4B | $1.3B | $0.99 |
| ▼ (20)% | ▼ (47)% | ▼ (45)% | ▼ $(0.70) |
| **Net Sales** Industrial Activities $17.1B | **Adj. EBIT%[1]** Industrial Activities 8.2% | **Adjusted Net Income[1]** $1.3B | **Adjusted Diluted EPS[1]** $1.05 |
| ▼ (23)% | ▼ (370)bps | ▼ (40)% | ▼ $(0.58) |

▲▼ *YoY vs FY 2023*

(1) Non-GAAP measures (definition and reconciliation in appendix)

Note: Prior period results have been revised; see details in the appendix








# Q4 2024 | BUSINESS HIGHLIGHTS

Prioritized inventory reduction and pricing discipline

Successful retail sales campaigns amid overall weak industry demand

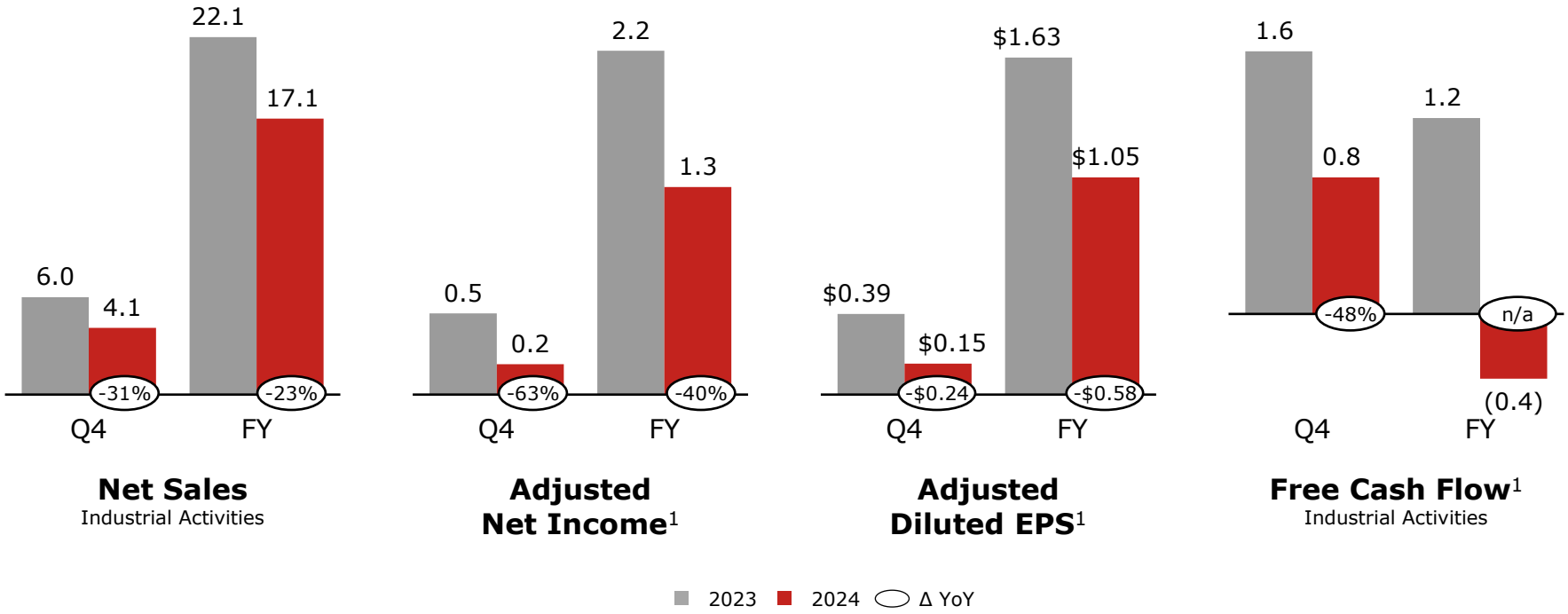
Ag production hours down 34% YoY as planned

Resilient Construction gross margin through cost takeouts

Solid Financial Services net income with sound fundamentals

# Q4 / FY 2024 | FINANCIAL HIGHLIGHTS

($B, except EPS)



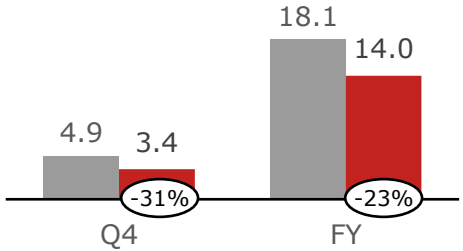

(1) Non-GAAP measure (definition and reconciliation in appendix)
Note: Prior period results have been revised; see details in the appendix



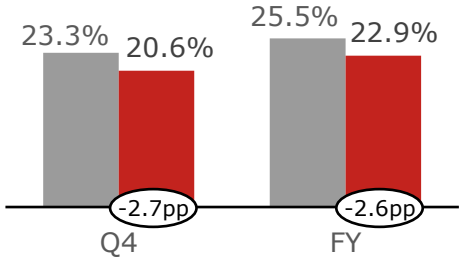


# Q4 / FY 2024 | AGRICULTURE

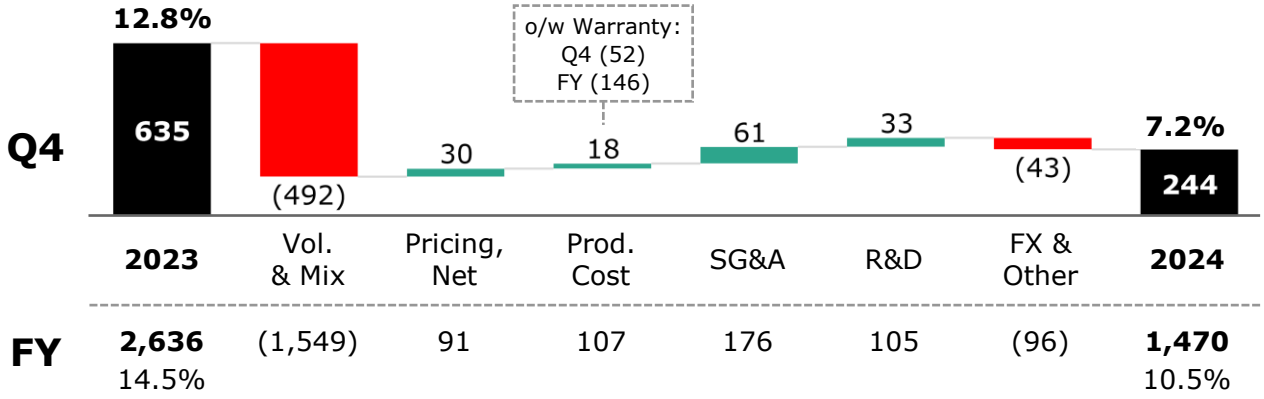
## Net Sales ($B)




## Gross Margin[1]



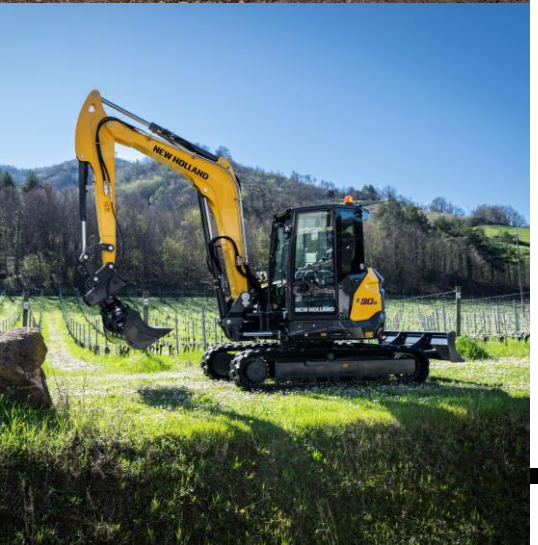

## Adjusted EBIT ($M)




(1) Gross Margin calculated as Gross Profit divided by Net Sales, as shown in the Appendix

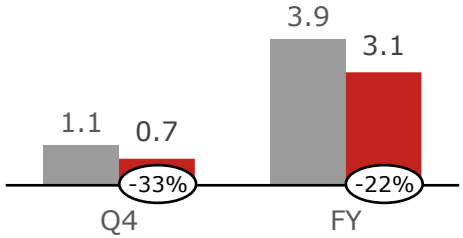
Note: Prior period results have been revised; see details in the appendix. Numbers may not add due to rounding



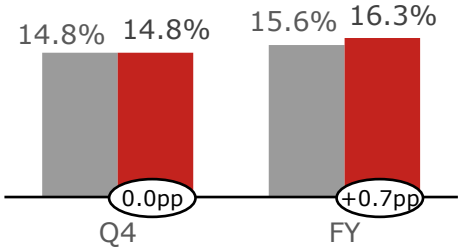


# Q4 / FY 2024 | CONSTRUCTION

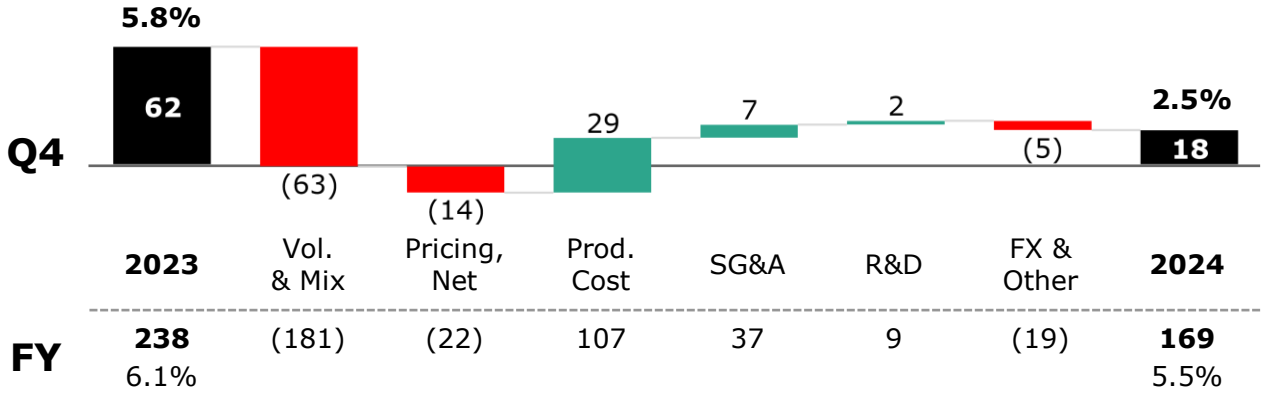
## Net Sales ($B)




## Gross Margin[1]




## Adjusted EBIT ($M)

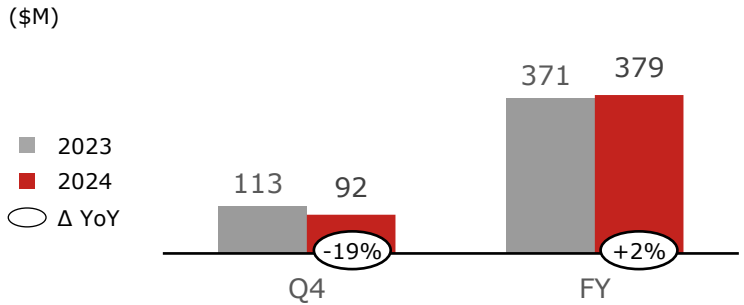



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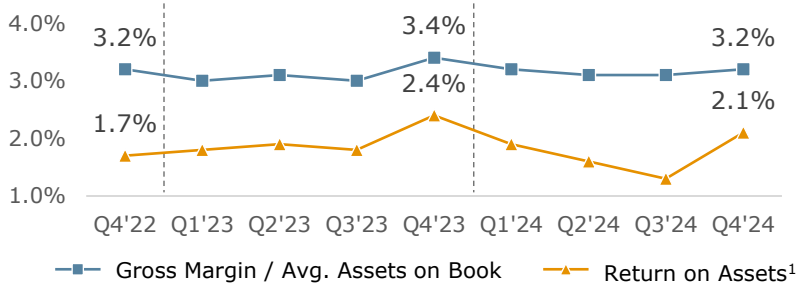
Note: Numbers may not add due to rounding

# Q4 / FY 2024 | FINANCIAL SERVICES

## Net Income



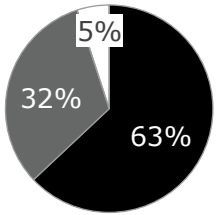

## Profitability Ratios




## Managed Portfolio[2] & Retail Originations[2]

**Q4 retail originations $3.2B**, -$0.2B YoY

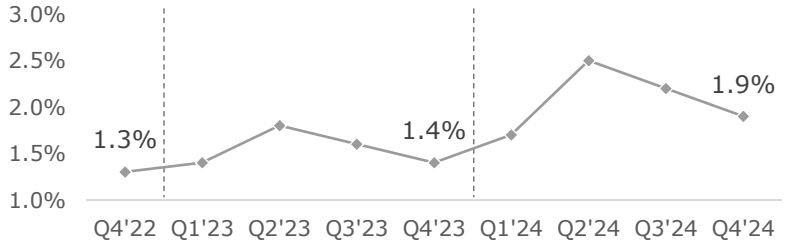
**Managed portfolio $27.8B**, -$1.1B YoY (+$1.0B @ CC[3])




Retail
Wholesale
Operating Lease

Portfolio at Dec. 31, 2024

## Delinquencies on Book (>30 Days)




(1) Defined as: EBIT / average managed assets annualized
(2) Including unconsolidated JVs; (3) At constant currency

# COST REDUCTION ACTIONS

Ongoing focus on both COGS and SG&A of Industrial Activities

| | 2024 Results[1] | 2025 Tailwinds & Headwinds | |
|---|---|---|---|
| **COGS** | ✓ **$304M cost out**<br>✓ Manufacturing efficiencies<br>✓ Material cost control | + $60-80M[2] carryover benefit in 2025 from 2024 actions<br>+ No repeat of certain one-time warranty expenses<br>+ Continuation of Strategic Sourcing implementation | - Manufacturing labor & overhead cost inflation<br>- Uncertainty regarding geopolitical impacts, including tariffs |
| **SG&A** | ✓ **$186M cost out**[3]<br>✓ Restructuring program<br>✓ Careful management of discretionary spending | + $40M carryover benefit in 2025 from 2024 actions<br>+ Continued focus on budget discipline | - Return to 100% variable compensation accrual rate<br>- Salaried labor cost inflation |

(1) Cumulative gross savings related to cost initiatives; excludes inflation or FX impacts
(2) Reflects range of 2025 production levels
(3) 2024 SG&A savings exclude the impact of variable compensation adjustments

# CAPITAL ALLOCATION PRIORITIES



## ORGANIC GROWTH

Support future growth through operating cash flow reinvestments



## BALANCE SHEET & CREDIT RATING

Sustain healthy liquidity levels and investment grade credit rating



## SHAREHOLDER RETURNS

Maintain a dedicated and consistent dividend and share repurchase policy



## INORGANIC GROWTH

Retain option for disciplined and well-structured M&A

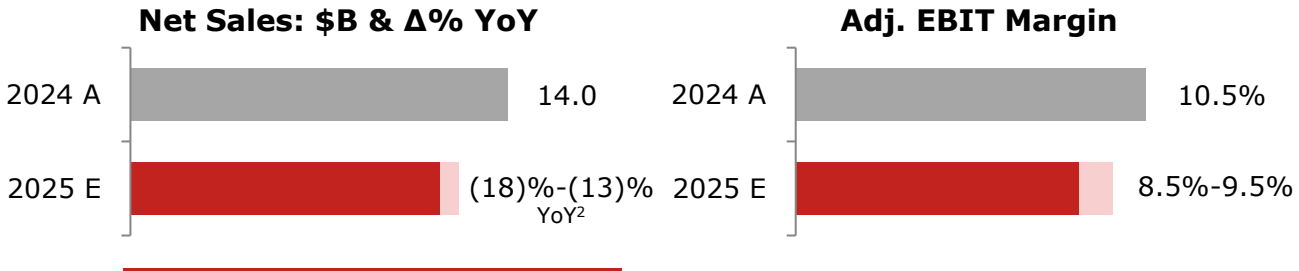
# 2025 OUTLOOK – AGRICULTURE

## Total Industry Unit Forecast[1]

| | North America | EMEA | South America | APAC |
|---|---|---|---|---|
| **LHP Tractors** | (10)% – (5)% | (5)% – flat | flat | (5)% – flat |
| **HHP Tractors** | (30)% – (25)% | | | |
| **Combines** | (25)% – (20)% | flat – 5% | flat | (10)% – (5)% |

Total Industry Volume % change FY 2025 vs. FY 2024 reflecting the aggregate for key markets where the Company competes.

## CNH Agriculture – Main Assumptions











(1) Regional split definition in the appendix
(2) Reflects full-year €/$ exchange rate average of 1.04

# 2025 OUTLOOK – CONSTRUCTION

## Total Industry Unit Forecast[1]

| | North America | EMEA | South America | APAC |
|---|---|---|---|---|
| **Light** | (10)% – (5)% | (5)% – flat | flat – 5% | (5)% – flat |
| **Heavy** | (10)% – (5)% | (5)% – flat | flat – 5% | (5)% – flat |

Total Industry Volume % change FY 2025 vs. FY 2024 reflecting the aggregate for key markets where the Company competes.

## CNH Construction – Main Assumptions

**Net Sales: $B & Δ% YoY**




**Adj. EBIT Margin**











(1) Regional split definition in the appendix
(2) Reflects full-year €/$ exchange rate average of 1.04

# 2025 OUTLOOK – FINANCIAL TARGETS

| | | 2024 A | 2025 E |
|---|---|---|---|
| Industrial Activities | Net Sales | $17.1B | (17)-(12)% YoY[1] |
| | Adj. EBIT margin[2] | 8.2% | 6.0% - 7.0% |
| | R&D expenses | $0.9B | ~$0.8B |
| | Capex | $0.5B | ~$0.5B |
| | Free Cash Flow[2] | $(0.4)B | $0.2B - $0.5B |
| Company | Adj. Effective Tax rate[2] | 22.7% | 24% - 26% |
| | Adj. Diluted EPS[2] | $1.05 | $0.65 - $0.75 |



(1) Reflects full-year €/$ exchange rate average of 1.04
(2) Non-GAAP measure (definition in the appendix)





# 2025 PRIORITIES & OUTLOOK

Closely observing regional demand indicators

Production levels to remain fairly low through H1 by design

Further improvement of quality and customer service

Sustained investments in key technologies

Continued focus on sourcing and manufacturing efficiencies

Investor Day to be held on May 8 at the NYSE

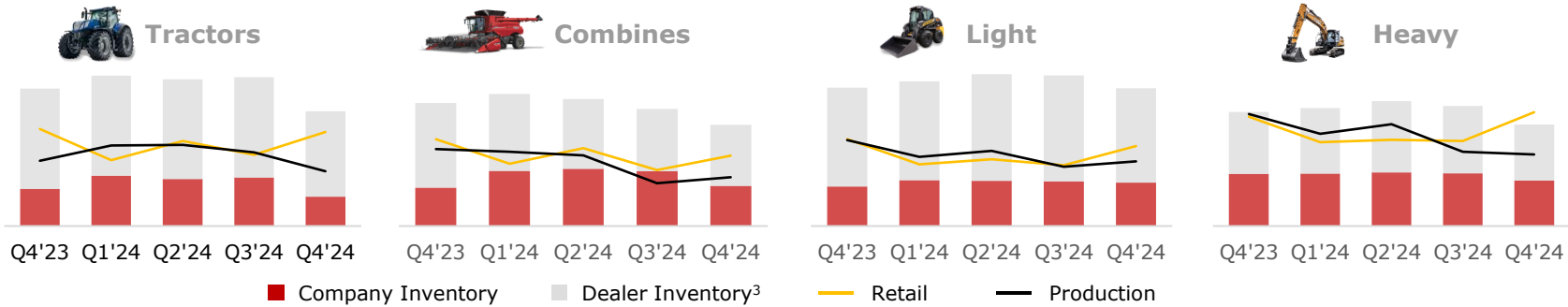
# APPENDIX

# Q4 / FY 2024 | YOY UNIT PERFORMANCE

## Total Industry[2]

| | NORTH AMERICA[1] | | EMEA[1] | | SOUTH AMERICA[1] | | APAC[1] | |
|---|---|---|---|---|---|---|---|---|
| | Q4 | FY | Q4 | FY | Q4 | FY | Q4 | FY |
| **0-140 HP – Small Tractors** | (10)% | (13)% | (6)% | (13)% | (5)% | (9)% | 10% | (1)% |
| **140+ HP – Large Tractors** | (34)% | (16)% | | | | | | |
| **Combines** | (33)% | (22)% | (31)% | (43)% | (21)% | (31)% | (1)% | 11% |
| **Light** | 4% | (5)% | (17)% | (19)% | 13% | 9% | (5)% | 1% |
| **Heavy** | (11)% | (6)% | (2)% | (3)% | 16% | 16% | 24% | 4% |

## Company




(1) Regional split definition in the slide "Geographic information"; (2) Total Industry Volume % YoY change reflecting the aggregate for key markets where the Company competes; (3) As independent businesses, dealers control their own inventory

# Q4 / FY 2024 | FINANCIAL SUMMARY

| ($M) | Q4 2023 | Q4 2024 | Δ YoY | FY 2023 | FY 2024 | Δ YoY |
|---|---|---|---|---|---|---|
| **U.S. GAAP** | | | | | | |
| Revenues | 6,792 | 4,876 | *(28)%* | 24,687 | 19,836 | *(20)%* |
| **Net Sales \| Industrial Activities** | **6,018** | **4,129** | ***(31)%*** | **22,080** | **17,060** | ***(23)%*** |
| Net Income | 583 | 176 | *(70)%* | 2,287 | 1,259 | *(45)%* |
| Diluted EPS | $0.44 | $0.14 | *$(0.30)* | $1.69 | $0.99 | *$(0.70)* |
| **Non-GAAP**[1] | | | | | | |
| Net Sales \| Industrial Activities at constant currency | 6,018 | 4,229 | *(30)%* | 22,080 | 17,236 | *(22)%* |
| Adjusted EBIT \| Industrial Activities | 662 | 194 | *(71)%* | 2,634 | 1,404 | *(47)%* |
| **Adjusted EBIT Margin \| Industrial Activities** | **11.0%** | **4.7%** | ***(630) bps*** | **11.9%** | **8.2%** | ***(370) bps*** |
| Adjusted Effective Tax Rate | 27.1% | 34.1% | *+700 bps* | 26.0% | 22.7% | *(330) bps* |
| **Adjusted Net Income** | **523** | **196** | ***(63)%*** | **2,217** | **1,339** | ***(40)%*** |
| Weighted average shares outstanding - diluted – million | 1,334 | 1,253 | *(6)%* | 1,350 | 1,260 | *(7)%* |
| **Adjusted Diluted EPS** | **$0.39** | **$0.15** | ***$(0.24)*** | **$1.63** | **$1.05** | ***$(0.58)*** |
| **Free Cash Flow \| Industrial Activities** | **1,630** | **848** | ***(48)%*** | **1,216** | **(401)** | ***(133)%*** |

(1) Non-GAAP measures: definitions in the slide "Non-GAAP Financial Measures"; reconciliations in "Reconciliations" section

Note: Prior period results have been revised; see details in the appendix

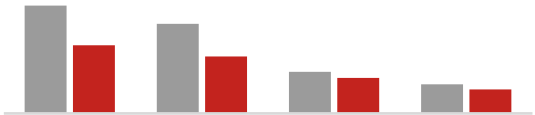
# Q4 2024 | INDUSTRIAL ACTIVITIES NET SALES

## Agriculture

**$3,411M**

(31)% YoY (30)% @CC[2]

**By Region**
as reported



| | NA | EMEA | SA | APAC |
|---|---|---|---|---|
| Q4 2024 mix | 37% | 31% | 19% | 13% |
| Q4 2023 mix | 40% | 33% | 16% | 11% |

**By Product**
as reported



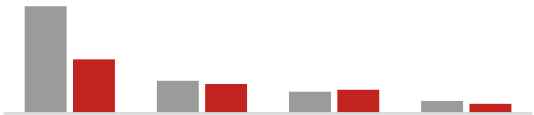
| | Tractors | Combines | Others |
|---|---|---|---|
| Q4 2024 mix | 56% | 22% | 22% |
| Q4 2023 mix | 58% | 22% | 20% |

## Construction

**$718M**

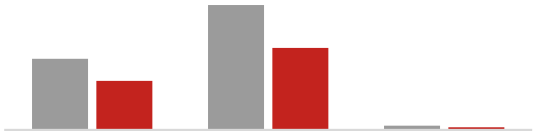
(33)% YoY (31)% @CC[2]

**By Region**
as reported



| | NA | EMEA | SA | APAC |
|---|---|---|---|---|
| Q4 2024 mix | 46% | 25% | 20% | 8% |
| Q4 2023 mix | 62% | 19% | 13% | 7% |

**By Product**
as reported



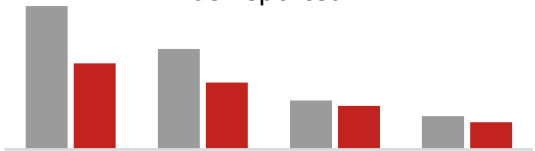
| | Heavy | Light | Others |
|---|---|---|---|
| Q4 2024 mix | 37% | 61% | 2% |
| Q4 2023 mix | 36% | 62% | 2% |

## Industrial Activities[1]

**$4,129M**

(31)% YoY (30)% @CC[2]

**By Region**
as reported



| | NA | EMEA | SA | APAC |
|---|---|---|---|---|
| Q4 2024 mix | 38% | 30% | 19% | 12% |
| Q4 2023 mix | 44% | 31% | 15% | 10% |

**By Segment**
as reported



| | Agriculture | Construction |
|---|---|---|
| Q4 2024 mix | 83% | 17% |
| Q4 2023 mix | 82% | 18% |

Q4 2023
Q4 2024

(1) Net Sales | Excluding Other Activities, Unallocated Items and Adjustment & Eliminations
(2) Δ YoY @CC means at constant currency
Note: numbers may not add due to rounding

# FY 2024 | INDUSTRIAL ACTIVITIES NET SALES

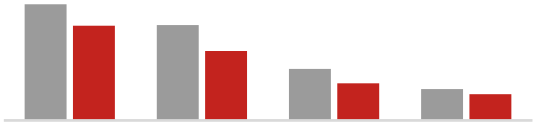
FY 2023
FY 2024

## Agriculture

**$14,007M**

(23)% YoY (22)% @CC[2]

**By Region**
as reported



| | NA | EMEA | SA | APAC |
|---|---|---|---|---|
| FY 2024 mix | 42% | 30% | 16% | 12% |
| FY 2023 mix | 39% | 32% | 18% | 11% |

**By Product**
as reported



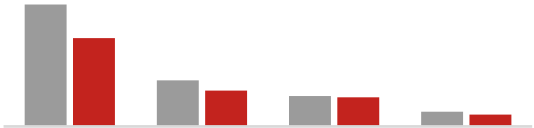
| | Tractors | Combines | Others |
|---|---|---|---|
| FY 2024 mix | 59% | 19% | 22% |
| FY 2023 mix | 55% | 23% | 22% |

## Construction

**$3,053M**

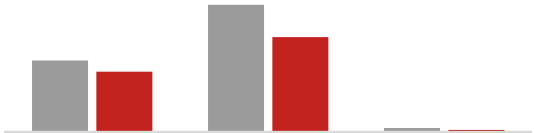
(22)% YoY (21)% @CC[2]

**By Region**
as reported



| | NA | EMEA | SA | APAC |
|---|---|---|---|---|
| FY 2024 mix | 53% | 22% | 18% | 7% |
| FY 2023 mix | 57% | 22% | 14% | 7% |

**By Product**
as reported



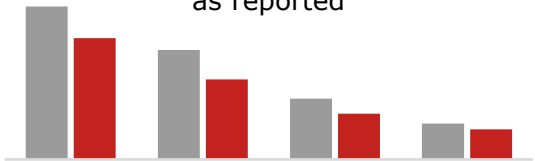
| | Heavy | Light | Others |
|---|---|---|---|
| FY 2024 mix | 38% | 60% | 2% |
| FY 2023 mix | 35% | 63% | 2% |

## Industrial Activities[1]

**$17,060M**

(23)% YoY (22)% @CC[2]

**By Region**
as reported



| | NA | EMEA | SA | APAC |
|---|---|---|---|---|
| FY 2024 mix | 44% | 29% | 17% | 11% |
| FY 2023 mix | 43% | 30% | 17% | 10% |

**By Segment**
as reported



| | Agriculture | Construction |
|---|---|---|
| FY 2024 mix | 82% | 18% |
| FY 2023 mix | 82% | 18% |

(1) Net Sales | Excluding Other Activities, Unallocated Items and Adjustment & Eliminations
(2) Δ YoY @CC means at constant currency
Note: numbers may not add due to rounding

# Q4 / FY 2024 | FINANCIALS BY SEGMENT

($M)

| | Revenues & Net Sales | | Gross Profit | | Gross Margin | | Adj. EBIT[1] | | Adj. EBIT Margin[1] | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Q4 23 | Q4 24 | Q4 23 | Q4 24 | Q4 23 | Q4 24 | Q4 23 | Q4 24 | Q4 23 | Q4 24 |
| Agriculture | 4,947 | 3,411 | 1,154 | 701 | 23.3% | 20.6% | 635 | 244 | 12.8% | 7.2% |
| Construction | 1,071 | 718 | 159 | 106 | 14.8% | 14.8% | 62 | 18 | 5.8% | 2.5% |
| Elimination & Other | - | - | - | - | - | - | (35) | (68) | - | - |
| **Industrial Activities** | **6,018** | **4,129** | **1,313** | **807** | **21.8%** | **19.5%** | **662** | **194** | **11.0%** | **4.7%** |
| Financial Services | 768 | 743 | | | | | | | | |
| Elimination & Other | 6 | 4 | | | | | | | | |
| **CNH Industrial** | **6,792** | **4,876** | | | | | | | | |
| | **FY 23** | **FY 24** | **FY 23** | **FY 24** | **FY 23** | **FY 24** | **FY 23** | **FY 24** | **FY 23** | **FY 24** |
| Agriculture | 18,148 | 14,007 | 4,627 | 3,211 | 25.5% | 22.9% | 2,636 | 1,470 | 14.5% | 10.5% |
| Construction | 3,932 | 3,053 | 615 | 499 | 15.6% | 16.3% | 238 | 169 | 6.1% | 5.5% |
| Elimination & Other | - | - | - | - | - | - | (240) | (235) | - | - |
| **Industrial Activities** | **22,080** | **17,060** | **5,242** | **3,710** | **23.7%** | **21.7%** | **2,634** | **1,404** | **11.9%** | **8.2%** |
| Financial Services | 2,573 | 2,774 | | | | | | | | |
| Elimination & Other | 34 | 2 | | | | | | | | |
| **CNH Industrial** | **24,687** | **19,836** | | | | | | | | |

(1) Non-GAAP measure: definition in the slide "Non-GAAP Financial Measures"; reconciliation in "Reconciliations" section

Note: Prior period results have been revised; see details in the appendix

# Q4 / FY 2024 | CAPEX AND R&D

| ($M) | Q4 2023 | Q4 2024 | FY 2023 | FY 2024 |
|---|---|---|---|---|
| **Investments in property, plant and equipment, and intangible assets** | **240** | **204** | **637** | **533** |
| ***Breakdown by Category*** | | | | |
| New Product & Technology | 25% | 32% | 31% | 41% |
| Maintenance & Other | 68% | 61% | 61% | 53% |
| Industrial Capacity Expansion & LT Investments | 7% | 7% | 8% | 6% |
| ***Breakdown by Segment*** | | | | |
| Agriculture | 82% | 82% | 85% | 85% |
| Construction | 18% | 18% | 15% | 15% |
| **Research and Development** | **275** | **238** | **1,041** | **924** |
| **Total spending (CapEx + R&D) in new products** | **234** | **205** | **849** | **797** |
| ***Breakdown by Trend*** | | | | |
| Digital | 38% | 38% | 38% | 41% |
| Electric Vehicles and CNG-LNG | 10% | 9% | 10% | 8% |
| Other New Program | 52% | 53% | 52% | 51% |



Note: numbers may not add due to rounding

# DEBT MATURITY SCHEDULE | BREAKDOWN

($B)

| Outstanding DeC. 31, 2024 | | 2025 | 2026 | 2027 | 2028 | 2029 | Beyond |
|---|---|---|---|---|---|---|---|
| 3.6 | Bank Debt | 2.0 | 0.4 | 0.2 | 0.2 | 0.2 | 0.6 |
| 11.1 | Capital Market | 2.7 | 2.5 | 2.4 | 1.0 | 1.7 | 0.8 |
| 0.2 | Other Debt | 0.2 | - | - | - | - | - |
| **14.9** | **Cash Portion of Debt Maturities** | **4.9** | **2.9** | **2.6** | **1.2** | **1.9** | **1.4** |
| | *of which Industrial Activities* | *1.0* | *0.5* | *1.1* | *0.1* | *0.5* | *0.8* |
| | *of which Financial Services* | *3.9* | *2.3* | *1.5* | *1.2* | *1.4* | *0.6* |

| | |
|---|---|
| 3.9 | Cash & Cash Equivalents and Restricted Cash |
| *0.7* | *of which restricted cash* |
| 0.1 | Net Receivables / (Payables) with Iveco Group |
| 5.5 | Undrawn Committed credit lines |
| **9.5** | **Total Available Liquidity** |



Note: numbers may not add due to rounding

# RECONCILIATIONS

# RECONCILIATION OF NET INCOME TO ADJ. EBIT OF INDUSTRIAL ACTIVITIES

| ($M) | Q4 2023 | Q4 2024 | FY 2023 | FY 2024 |
|---|---|---|---|---|
| **Net Income** | **583** | **176** | **2,287** | **1,259** |
| Less: Consolidated income tax expense | (58) | (89) | (594) | (336) |
| **Consolidated income before taxes** | **641** | **265** | **2,881** | **1,595** |
| Less: Financial Services | | | | |
| Financial Services Net Income | 113 | 92 | 371 | 379 |
| Financial Services Income Taxes | 47 | 55 | 136 | 110 |
| Add back of the following Industrial Activities items: | | | | |
| Interest expense of Industrial Activities, net of Interest income and elim. | 40 | 38 | 76 | 152 |
| Foreign exchange (gains) losses, net of Industrial Activities | 78 | 3 | 105 | 15 |
| Finance and non-service component of Pension and other post-employment benefit costs of Industrial Activities[1] | 6 | 8 | 4 | 10 |
| Adjustments for the following Industrial Activities items: | | | | |
| Restructuring expenses | 57 | 24 | 65 | 117 |
| Other discrete items[2] | - | 3 | 10 | 4 |
| **Total Adjusted EBIT of Industrial Activities** | **662** | **194** | **2,634** | **1,404** |

(1) In Q4 2024 and 2023, this item includes the pre-tax gain of $6M and $6M, respectively, as a result of the amortization over the 4 years of the $101M positive impact from the 2021 U.S. healthcare plan modification. In FY 2024 and 2023 this item includes the pre-tax gain of $24M and $24M, respectively, as a result of the amortization over the 4 years of the $101M positive impact from the 2021 U.S. healthcare plan modification.

(2) In Q4 2024 this item includes a loss of $2M on the sale of certain non-core product lines. In FY 2024 this item includes a loss of $17M on the sale of certain non-core product lines and a gain of $14M for investment fair value adjustments. In Q4 2023 this item did not include any discrete items. In FY 2023 this item includes a loss of $23M on the sale of the CNH Industrial Russia and CNH Capital Russia businesses, partially offset by a gain of $13M for the fair value remeasurement of Augmenta and Bennamann.

Note: Prior period results have been revised; see details in the appendix

# RECONCILIATION OF NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES TO FREE CASH FLOW OF IND. ACTIVITIES UNDER U.S. GAAP

($M)

| | Q4 2023 | Q4 2024 | FY 2023 | FY 2024 |
|---|---|---|---|---|
| **Net cash provided by (used in) Operating Activities** | **1,515** | **1,692** | **907** | **1,968** |
| Cash flows from Operating Activities of Financial Services net of eliminations | 481 | (645) | 1,230 | (1,806) |
| Change in derivatives hedging debt of Industrial Activities and other | 7 | (7) | 9 | 5 |
| Investments in assets sold under operating lease assets of Industrial Activities | (4) | (4) | (30) | (31) |
| Investments in property, plant & equipment, and intangible assets of Ind. Act. | (240) | (204) | (637) | (533) |
| Other changes[1] | (129) | 16 | (263) | (4) |
| **Free cash flow of Industrial Activities** | **1,630** | **848** | **1,216** | **(401)** |

(1) This item primarily includes change in intersegment financial receivables and capital increases in intersegment investments.

# RECONCILIATION OF ADJ. NET INCOME AND ADJ. INCOME TAX (EXPENSE) BENEFIT TO NET INCOME (LOSS) AND INCOME TAX (EXPENSE) BENEFIT AND CALCULATION OF ADJ. DILUTED EPS AND ADJ. ETR UNDER U.S. GAAP

| ($M) | | Q4 2023 | Q4 2024 | FY 2023 | FY 2024 |
|---|---|---|---|---|---|
| | **Net income (loss)** | **583** | **176** | **2,287** | **1,259** |
| | Adjustments impacting Income (loss) before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates (a) | 53 | 20 | 53 | 97 |
| | Adjustments impacting Income tax (expense) benefit (b) | (113) | - | (123) | (17) |
| | **Adjusted net income (loss)** | **523** | **196** | **2,217** | **1,339** |
| | Adjusted net income (loss) attributable to CNH Industrial N.V. | 522 | 193 | 2,205 | 1,326 |
| | Weighted average shares outstanding – diluted (million) | 1,334 | 1,253 | 1,350 | 1,260 |
| | **Adjusted diluted EPS** | **$0.39** | **$0.15** | **$1.63** | **$1.05** |
| | **Income (loss) before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates** | **577** | **241** | **2,703** | **1,457** |
| (a) | Adjustments impacting Income (loss) before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates | 53 | 20 | 53 | 97 |
| **(A)** | **Adjusted income (loss) before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates** | **630** | **261** | **2,756** | **1,554** |
| | Income tax (expense) benefit | (58) | (89) | (594) | (336) |
| (b) | Adjustments impacting Income tax (expense) benefit | (113) | - | (123) | (17) |
| **(B)** | **Adjusted income tax (expense) benefit** | **(171)** | **(89)** | **(717)** | **(353)** |
| | **Adjusted Effective Tax Rate (Adjusted ETR) (C=B/A)** | **27.1%** | **34.1%** | **26.0%** | **22.7%** |
| **(a)** | **Adjustments impacting Income (loss) before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates** | **53** | **20** | **53** | **97** |
| | Restructuring expenses | 59 | 24 | 67 | 118 |
| | Pre-tax gain related to the 2021 modification of a healthcare plan in the U.S. | (6) | (6) | (24) | (24) |
| | Loss on sale of Industrial Activities / Financial Services, Russia Operations | - | - | 23 | - |
| | Sale of certain non-core product lines | - | 2 | - | 17 |
| | Investment fair value adjustments | - | - | (13) | (14) |
| **(b)** | **Adjustments impacting Income tax (expense) benefit** | **(113)** | **-** | **(123)** | **(17)** |
| | Tax effect of adjustments impacting Income (loss) before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates | (14) | (6) | (24) | (23) |
| | Adjustment to valuation allowances on deferred tax assets | (99) | 6 | (99) | 6 |

Note: Prior period results have been revised; see details in the appendix

# GEOGRAPHIC INFORMATION

**The composition of our regions part of the geographic information is as follows:**

- North America: United States, Canada, and Mexico
- Europe, Middle East, and Africa (EMEA): member countries of the European Union, European Free Trade Association, the United Kingdom, Ukraine, Balkans, Russia, Türkiye, Uzbekistan, Pakistan, the African continent, and the Middle East
- South America: Central and South America, and the Caribbean Islands
- Asia Pacific (APAC): Continental Asia (including the Indian subcontinent), Indonesia and Oceania

**Industry Data**

- In this presentation, industry information is generally based on retail unit sales data in North America, on registrations of equipment in most of Europe, Brazil, and various Rest of the World markets, and on retail and shipment unit data collected by a central information bureau appointed by equipment manufacturers associations, including the Association of Equipment Manufacturers' in North America, the Committee for European Construction Equipment in Europe, the ANFAVEA in Brazil, the Japan Construction Equipment Manufacturers Association, and the Korea Construction Equipment Manufacturers Association, as well as on other shipment data collected by an independent service bureau.
- Not all Agricultural or Construction equipment is registered, and registration data may thus underestimate, perhaps substantially, actual retail industry unit sales demand, particularly for local manufacturers in China, Southeast Asia, Eastern Europe, Russia, Turkey, Brazil, and any country where local shipments are not reported.
- In addition, there may be a period of time between the shipment, delivery, sale and/or registration of a unit, which must be estimated, in making any adjustments to the shipment, delivery, sale, or registration data to determine our estimates of retail unit data in any period.

# NON-GAAP FINANCIAL MEASURES

CNH monitors its operations through the use of several non-GAAP financial measures. CNH's management believes that these non-GAAP financial measures provide useful and relevant information regarding its operating results and enhance the readers' ability to assess CNH's financial performance and financial position. Management uses these non-GAAP measures to identify operational trends, as well as make decisions regarding future spending, resource allocations and other operational decisions as they provide additional transparency with respect to our core operations. These non-GAAP financial measures have no standardized meaning under U.S. GAAP and are unlikely to be comparable to other similarly titled measures used by other companies and are not intended to be substitutes for measures of financial performance and financial position as prepared in accordance with U.S. GAAP.

CNH's non-GAAP financial measures used in this presentation are defined as follows:

**Adjusted EBIT of Industrial Activities** is defined as net income (loss) before income taxes, Financial Services' results, Industrial Activities' interest expenses, net, foreign exchange gains/losses, finance and non-service component of pension and other post-employment benefit costs, restructuring expenses, and certain non-recurring items. In particular, non-recurring items are specifically disclosed items that management considers rare or discrete events that are infrequent in nature and not reflective of on-going operational activities.

**Adjusted EBIT Margin of Industrial Activities** is computed by dividing Adjusted EBIT of Industrial Activities by Net Sales of Industrial Activities.

**Adjusted Net Income (Loss)** is defined as net income (loss), less restructuring charges and non-recurring items, after tax.

**Adjusted Diluted EPS** is computed by dividing Adjusted Net Income (loss) attributable to CNH Industrial N.V. by a weighted-average number of common shares outstanding during the period that takes into consideration potential common shares outstanding deriving from the CNH share-based payment awards, when inclusion is not anti-dilutive. When we provide guidance for adjusted diluted EPS, we do not provide guidance on an earnings per share basis because the GAAP measure will include potentially significant items that have not yet occurred and are difficult to predict with reasonable certainty prior to year-end.

**Adjusted Income Tax (Expense) Benefit** is defined as income taxes less the tax effect of restructuring expenses and non-recurring items, and non-recurring tax charges or benefits.

**Adjusted Effective Tax Rate (Adjusted ETR)** is computed by dividing a) adjusted income taxes by b) income (loss) before income taxes and equity in income of unconsolidated subsidiaries and affiliates, less restructuring expenses and non-recurring items.

**Free Cash Flow of Industrial Activities (or Industrial Free Cash Flow)** refers to Industrial Activities only and is computed as consolidated cash flow from operating activities less: cash flow from operating activities of Financial Services; investments of Industrial Activities in assets sold under operating leases, property, plant and equipment and intangible assets; change in derivatives hedging debt of Industrial Activities; as well as other changes and intersegment eliminations. For forecasted information, the Company is unable to provide a reconciliation of this measure without unreasonable effort due to the uncertainty and inherent difficulty of predicting the occurrence, the financial impact, and the periods in which the adjustments may be recognized. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to future results.

**Change excluding FX or Constant Currency** refers to the fluctuations in revenues on a constant currency basis by applying the prior year average exchange rates to current year's revenues expressed in local currency in order to eliminate the impact of foreign exchange rate fluctuations.

# ACCOUNTING REVISION

# ACCOUNTING REVISION BY QUARTER (1/2)

| ($M) | Q1'23 | Q2'23 | Q3'23 | Q4'23 | FY 2023 | Q1'24 | Q2'24 | H1 2024 |
|---|---|---|---|---|---|---|---|---|
| **Equity in income of unconsolidated subsidiaries and affiliates** | | | | | | | | |
| As reported | 33 | 64 | 79 | 98 | 274 | 77 | 79 | 156 |
| Revision | (15) | (17) | (30) | (34) | (96) | (33) | (34) | (67) |
| **As revised** | **18** | **47** | **49** | **64** | **178** | **44** | **45** | **89** |
| **Net income (loss)** | | | | | | | | |
| As reported | 486 | 710 | 570 | 617 | 2,383 | 402 | 438 | 840 |
| Revision | (15) | (17) | (30) | (34) | (96) | (33) | (34) | (67) |
| **As revised** | **471** | **693** | **540** | **583** | **2,287** | **369** | **404** | **773** |
| **Net income (loss) attributable to CNH Industrial N.V.** | | | | | | | | |
| As reported | 482 | 706 | 567 | 616 | 2,371 | 401 | 433 | 834 |
| Revision | (15) | (17) | (30) | (34) | (96) | (33) | (34) | (67) |
| **As revised** | **467** | **689** | **537** | **582** | **2,275** | **368** | **399** | **767** |
| **Earnings per share attributable to CNH Industrial N.V. – Basic** | | | | | | | | |
| As reported | $0.36 | $0.53 | $0.43 | $0.47 | $1.78 | $0.32 | $0.34 | $0.66 |
| Revision | $(0.01) | $(0.02) | $(0.03) | $(0.03) | $(0.07) | $(0.03) | $(0.02) | $(0.05) |
| **As revised** | **$0.35** | **$0.51** | **$0.40** | **$0.44** | **$1.71** | **$0.29** | **$0.32** | **$0.61** |
| **Earnings per share attributable to CNH Industrial N.V. – Diluted** | | | | | | | | |
| As reported | $0.35 | $0.52 | $0.42 | $0.46 | $1.76 | $0.31 | $0.34 | $0.66 |
| Revision | $(0.01) | $(0.01) | $(0.02) | $(0.02) | $(0.07) | $(0.02) | $(0.02) | $(0.05) |
| **As revised** | **$0.34** | **$0.51** | **$0.40** | **$0.44** | **$1.69** | **$0.29** | **$0.32** | **$0.61** |



Note: Numbers may not add due to rounding

# ACCOUNTING REVISION BY QUARTER (2/2)

| ($M) | Q1'23 | Q2'23 | Q3'23 | Q4'23 | FY 2023 | Q1'24 | Q2'24 | H1 2024 |
|---|---|---|---|---|---|---|---|---|
| **Adjusted net income**[1] | | | | | | | | |
| As reported | 475 | 711 | 570 | 557 | 2,313 | 421 | 485 | 906 |
| Revision | (15) | (17) | (30) | (34) | (96) | (33) | (34) | (67) |
| **As revised** | **460** | **694** | **540** | **523** | **2,217** | **388** | **451** | **839** |
| **Adjusted diluted EPS**[1] | | | | | | | | |
| As reported | $0.35 | $0.52 | $0.42 | $0.42 | $1.70 | $0.33 | $0.38 | $0.71 |
| Revision | $(0.01) | $(0.01) | $(0.02) | $(0.03) | $(0.07) | $(0.03) | $(0.03) | $(0.05) |
| **As revised** | **$0.34** | **$0.51** | **$0.40** | **$0.39** | **$1.63** | **$0.30** | **$0.35** | **$0.66** |
| **Adjusted EBIT of Industrial Activities**[1] | | | | | | | | |
| As reported | 555 | 822 | 657 | 696 | 2,730 | 405 | 536 | 941 |
| Revision | (15) | (17) | (30) | (34) | (96) | (33) | (34) | (67) |
| **As revised** | **540** | **805** | **627** | **662** | **2,634** | **372** | **502** | **874** |
| **Adjusted EBIT margin of Industrial Activities**[1] | | | | | | | | |
| As reported | 11.6% | 13.8% | 12.3% | 11.6% | 12.4% | 9.8% | 11.2% | 10.5% |
| Revision | (0.3)% | (0.3)% | (0.5)% | (0.6)% | (0.5)% | (0.8)% | (0.7)% | (0.7)% |
| **As revised** | **11.3%** | **13.5%** | **11.8%** | **11.0%** | **11.9%** | **9.0%** | **10.5%** | **9.8%** |
| **Adjusted EBIT of Agriculture** | | | | | | | | |
| As reported | 570 | 821 | 672 | 669 | 2,732 | 421 | 536 | 957 |
| Revision | (15) | (17) | (30) | (34) | (96) | (33) | (34) | (67) |
| **As revised** | **555** | **804** | **642** | **635** | **2,636** | **388** | **502** | **890** |
| **Adjusted EBIT margin of Agriculture** | | | | | | | | |
| As reported | 14.5% | 16.8% | 15.3% | 13.5% | 15.1% | 12.5% | 13.7% | 13.1% |
| Revision | (0.4)% | (0.4)% | (0.7)% | (0.7)% | (0.6)% | (1.0)% | (0.9)% | (0.9)% |
| **As revised** | **14.1%** | **16.4%** | **14.6%** | **12.8%** | **14.5%** | **11.5%** | **12.8%** | **12.2%** |

(1) non-GAAP financial measure; see reconciliation to the most comparable U.S. GAAP financial measure on the following slides

Note: Numbers may not add due to rounding

# RECONCILIATION OF ADJ. EBIT FOR INDUSTRIAL ACTIVITIES TO NET INCOME

| ($M) | Q1'23 | Q2'23 | Q3'23 | Q4'23 | FY 2023 | Q1'24 | Q2'24 | H1 2024 |
|---|---|---|---|---|---|---|---|---|
| **Net Income (loss) - as reported** | **486** | **710** | **570** | **617** | **2,383** | **402** | **438** | **840** |
| Revision impacts | (15) | (17) | (30) | (34) | (96) | (33) | (34) | (67) |
| **Net income (loss) - as revised** | **471** | **693** | **540** | **583** | **2,287** | **369** | **404** | **773** |
| Less: Consolidated income tax expense | (173) | (192) | (171) | (58) | (594) | (77) | (95) | (172) |
| **Consolidated income before taxes** | **644** | **885** | **711** | **641** | **2,881** | **446** | **499** | **945** |
| Less: Financial Services | | | | | | | | |
| Financial Services Net Income | 78 | 94 | 86 | 113 | 371 | 118 | 91 | 209 |
| Financial Services Income Taxes | 29 | 26 | 34 | 47 | 136 | 19 | 23 | 42 |
| Add back of the following I. A. items | | | | | | | | |
| Interest expense of I.A., net of Interest income and eliminations | 4 | 22 | 10 | 40 | 76 | 32 | 46 | 78 |
| Foreign exch. (gains) losses, net of I.A. | 6 | - | 21 | 78 | 105 | - | 4 | 4 |
| Finance and non-service comp. of pension & other post-empl. benefit costs of I.A. | (1) | (1) | - | 6 | 4 | 1 | 1 | 2 |
| Adjustments for the following I.A. items | | | | | | | | |
| Restructuring expenses | 1 | 2 | 5 | 57 | 65 | 30 | 51 | 81 |
| Other discrete items | (7) | 17 | - | - | 10 | - | 15 | 15 |
| **Total Adjusted EBIT of Ind. Actitivities** | **540** | **805** | **627** | **662** | **2,634** | **372** | **502** | **874** |



Note: Numbers may not add due to rounding

# RECONCILIATION OF ADJUSTED NET INCOME TO NET INCOME AND CALCULATION OF THE RECASTED ADJUSTED DILUTIVE EPS

($M)

| | Q1'23 | Q2'23 | Q3'23 | Q4'23 | FY 2023 | Q1'24 | Q2'24 | H1 2024 |
|---|---|---|---|---|---|---|---|---|
| **Net Income (loss) - as reported** | **486** | **710** | **570** | **617** | **2,383** | **402** | **438** | **840** |
| Revision impacts | (15) | (17) | (30) | (34) | (96) | (33) | (34) | (67) |
| **Net income (loss) - as revised** | **471** | **693** | **540** | **583** | **2,287** | **369** | **404** | **773** |
| Adjustments impacting Income (loss) before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates | (12) | 13 | (1) | 53 | 53 | 25 | 60 | 85 |
| Adjustments impacting Income tax (expense) benefit | 1 | (12) | 1 | (113) | (123) | (6) | (13) | (19) |
| **Adjusted net income (loss)** | **460** | **694** | **540** | **523** | **2,217** | **388** | **451** | **839** |
| Adjusted net income (loss) attributable to CNH Industrial N.V. - as reported | 471 | 707 | 567 | 556 | 2,301 | 420 | 480 | 900 |
| Adjustment | (15) | (17) | (30) | (34) | (96) | (33) | (34) | (67) |
| **Adjusted net income (loss) attributable to CNH Industrial N.V. - as recast** | **456** | **690** | **537** | **522** | **2,205** | **387** | **446** | **833** |
| Weighted average shares outstanding - diluted (million) | 1,359 | 1,355 | 1,351 | 1,334 | 1,350 | 1,274 | 1,260 | 1,267 |
| **Adjusted diluted EPS** | **$0.34** | **$0.51** | **$0.40** | **$0.39** | **$1.63** | **$0.30** | **$0.35** | **$0.66** |

Note: Numbers may not add due to rounding

Breaking New Ground

Innovation Sustainability Productivity

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