



Q2 2025 EARNINGS

July 24, 2025



Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of U.S. federal securities laws. Forward-looking statements are statements other than historical fact that provide current expectations or forecasts of future events based on certain assumptions and are not guarantees of future performance. Forward-looking statements use words such as “anticipate,” “believe,” “continue,” “could,” “designed,” “effect,” “estimate,” “evaluate,” “expect,” “forecast,” “goal,” “initiative,” “intend,” “likely,” “may,” “outlook,” “plan,” “potential,” “predict,” “project,” “pursue,” “seek,” “should,” “target,” “when,” “will,” “would,” or other words of similar meaning.

Forward-looking statements are subject to risks, uncertainties, and factors relating to our business and operations, all of which are difficult to predict and which could cause our actual results to differ materially from the expectations expressed in or implied by such forward-looking statements. Risks, uncertainties, and factors that could cause actual results to differ materially from those implied by these forward-looking statements include, but are not limited to: adverse changes in general business and economic conditions, including recessions, adverse market conditions or downturns impacting the vehicle and industrial equipment industries; our ability to deliver new products, services and technologies in response to changing consumer preferences, increased regulation of greenhouse gas emissions, and acceleration of the market for electric vehicles; competitive industry conditions; failure to identify, consummate, effectively integrate or realize the expected benefits from acquisitions or partnerships; pricing pressures from original equipment manufacturers (OEMs); inflation rates and volatility in the costs of commodities used in the production of our products; changes in U.S. and foreign administrative policy, including changes to existing trade agreements and any resulting changes in international trade relations; our ability to protect our intellectual property; failure of or disruption in our information technology infrastructure, including a disruption related to cybersecurity; our ability to identify, attract, retain and develop a qualified global workforce; difficulties launching new vehicle programs; failure to achieve the anticipated savings and benefits from restructuring and product portfolio optimization actions; extraordinary events, including natural disasters or extreme weather events, fires or similar catastrophic events, political disruptions, terrorist attacks, pandemics or other public health crises, and acts of war; risks related to our international operations; the impact of economic, political, social and market conditions on our business in China; our reliance on a limited number of OEM customers; supply chain disruptions; work stoppages, production shutdowns and similar events or conditions; governmental investigations and related proceedings regarding vehicle emissions standards, including the ongoing investigation into diesel defeat devices; current and future environmental, health and safety, human rights and other laws and regulations; the impacts of climate change, regulations related to climate change and various stakeholders’ emphasis on climate change and other related matters; compliance with and changes in other laws and regulations; liabilities related to product warranties, litigation and other claims; tax audits and changes in tax laws or tax rates taken by taxing authorities; impairment charges on goodwill and indefinite-lived intangible assets; the impact of changes in interest rates and asset returns on our pension funding obligations; the impact of restrictive covenants and other requirements on our financial and operating flexibility pursuant to the agreements governing our indebtedness; risks relating to the spin-off from our former parent, including our ability to achieve some or all of the benefits that we expect to achieve from the spin-off, a determination that the spin-off does not qualify as tax-free for U.S. federal income tax purposes, and our or our former parent’s failure to perform under, or additional disputes that may arise between the parties relating to, various transaction agreements executed in connection with the Spin-Off; and other risks and uncertainties described in our reports filed from time to time with the Securities and Exchange Commission.

We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Non-GAAP Financial Measures

This presentation contains information about PHINIA’s financial results that is not presented in accordance with accounting principles generally accepted in the United States (GAAP). Such non-GAAP financial measures are reconciled to their most directly comparable GAAP financial measures in the Appendix. The reconciliations include all information reasonably available to the company at the date of this presentation and the adjustments that management can reasonably predict. Management believes that these non-GAAP financial measures are useful to management, investors, and banking institutions in their analysis of the Company’s business and operating performance. Management also uses this information for operational planning and decision-making purposes.

Non-GAAP financial measures are not and should not be considered a substitute for any GAAP measure. Additionally, because not all companies use identical calculations, the non-GAAP financial measures as presented by PHINIA may not be comparable to similarly titled measures reported by other companies. A reconciliation of each of projected Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Free Cash Flow, which are forward-looking non-GAAP financial measures, to the most directly comparable GAAP financial measure, is not provided because the Company is unable to provide such reconciliation without unreasonable effort. The inability to provide each reconciliation is due to the unpredictability of the amounts and timing of events affecting the items we exclude from the non-GAAP measure.

Vision For Long-term Value Creation



Technology expert and
partner of choice for
customers



Pursue attractive
growth opportunities
in right-to-win
categories



Sustainable, high-quality
margin and cash flow
generation to create
shareholder value



Disciplined investment
for growth and
competitive capital
returns while preserving
balance sheet

Second Quarter 2025 Highlights

\$890M

Net Sales

\$126M

Adjusted EBITDA

14.2%

Adjusted EBITDA
margin

13.4%

Total segment adjusted
operating margin



**Key Financial
Metrics**

Strong Balance Sheet

- \$347M Cash & cash equivalents
- Net leverage of 1.4x; Target ~1.5x
- ~\$0.85B of Liquidity

\$1.27

Adjusted diluted
Earnings per share

\$10M

Returned to shareholders
via dividends

\$40M

Returned to shareholders
via share repurchases

Adjusted diluted EPS, adjusted EBITDA, adjusted EBITDA margin, and net leverage are Non-GAAP metrics. Net leverage calculated as net debt divided by adjusted EBITDA. See Appendix for definitions and reconciliations to the most directly comparable GAAP measures.

Business Wins

PHINIA is winning new business and retaining existing business across LV and CV / Industrial markets and all regions.

Notable wins in Q2 include:

Conquest Business

To Supply

Gas Direct Injection (GDi) pump for leading North American OEM. The first GDi pump win with this North American OEM.



New Business

To Supply

GDi Fuel Rail Assembly and pump for a leading domestic Chinese OEM, to be applied on new hybrid engine platform for multiple vehicle models within China and for a Brazilian market flex-fuel (E100) application



Conquest Business

To Supply

Port Fuel Injection (PFI) Compressed Natural Gas (CNG) Injector for a major Indian OEM. The first PFI application for this leading Indian OEM.



Aftermarket Segment Wins



Business Expansion

Further share of wallet gains with customers leveraging our market-leading range coverage in braking and suspension components



Business Expansion

Further strengthened our relationship with a major U.S. distributor in the vehicle electronics category



Business Win

Won new diesel fuel injection service with major off-road equipment supplier in South America

Diversified Global Business

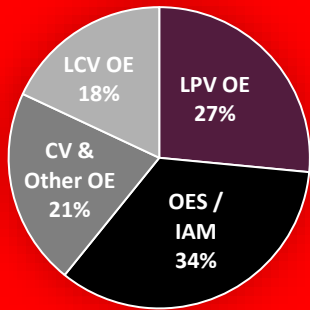
Diversified Business with Expansion Opportunity

Diverse and resilient end-market with unique cycles / dynamics

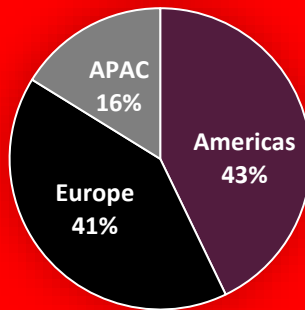
Strong demand for fuel systems performance and efficiency with CV / Industrial customers. Minimal impact from EV penetration

New and growing opportunities across end-markets

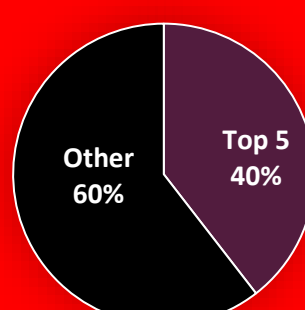
End Markets⁽¹⁾



Regions⁽¹⁾



Customers⁽¹⁾



Existing Resources and Capabilities for Emerging Growth Areas

OH / Industrial

LV GDi / Hybrid

E-Fuels / Hydrogen

Aerospace / Aviation

Power Generation / Fuel Cells

(1) Reflects net sales mix for the year ended 12/31/2024

Lean Organization with Well-Invested Footprint

Existing global infrastructure across 20 countries supports execution plans

~80% of revenue produced in best-cost countries (BCC) driving competitive advantage

Flexibility to redeploy capital and workforce to growth areas

AMERICAS

8

Facilities⁽¹⁾⁽²⁾

88%

BCC Headcount⁽²⁾

EUROPE

9

Facilities⁽¹⁾⁽²⁾

52%

BCC Headcount⁽²⁾

APAC

6

Facilities⁽¹⁾⁽²⁾⁽³⁾

97%

BCC Headcount⁽²⁾

(1) Principal manufacturing, assembly and technical facilities.

(2) For the year ended 12/31/2024.

(3) Excludes two India facilities in our unconsolidated Joint Venture.

Disciplined Capital Allocation

Expect >\$200M Adjusted Free Cash Flow⁽¹⁾ per Year Average Through End of Decade

Strong Foundation - Balance Sheet

- Strong balance sheet
- Net leverage of 1.4x⁽³⁾, Target of ~1.5x
- Robust liquidity levels



Competitive Capital Return⁽²⁾

- Expect to maintain competitive dividend
 - Life-to-date (through 6/30/25) \$88M dividends paid
- Opportunistic share repurchases
 - Life-to-date (through 6/30/25) \$376M / 8.7M shares repurchased
 - More than 18.5% of outstanding shares since spin in July '23



Investment for Growth

- Disciplined, ROIC-focused reinvestment
- Growth areas:
 - Alternative fuel technologies
 - Electronic systems
 - CV, Off-highway, Industrial, & Aerospace
 - Aftermarket
- Strategic and accretive M&A
 - First acquisition announced in June, expected to close in Q3 2025

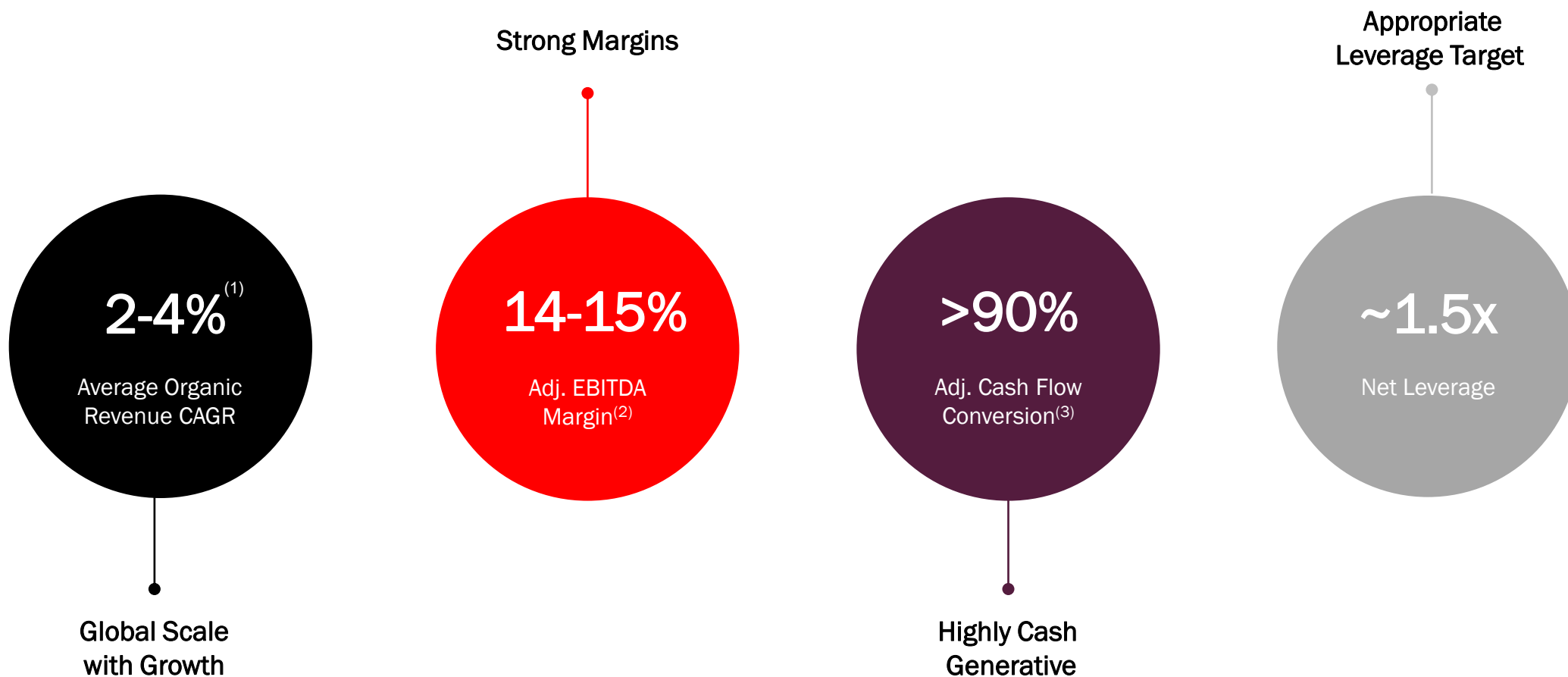


(1) Forward-looking non-GAAP metric. See slide 2, Non-GAAP Financial Measures, and the Appendix for definition and further information.

(2) Dividends subject to approval by PHINIA Board of Directors

(3) Net leverage is a non-GAAP metric calculated as net debt divided by adjusted EBITDA.

Expected Consistent Performance Through The Decade



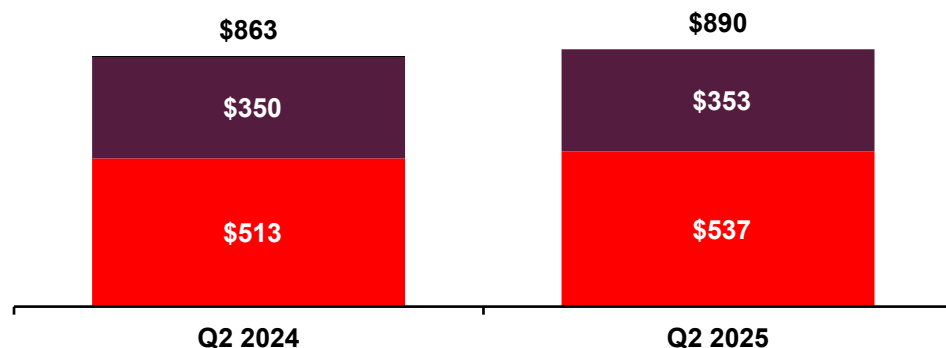
(1) Does not include Contract Manufacturing Revenue to BorgWarner, which ended in Q3 2024.

(2) Forward-looking non-GAAP metric. See Appendix for Adj. EBITDA and Adj. EBITDA Margin definition and more information.

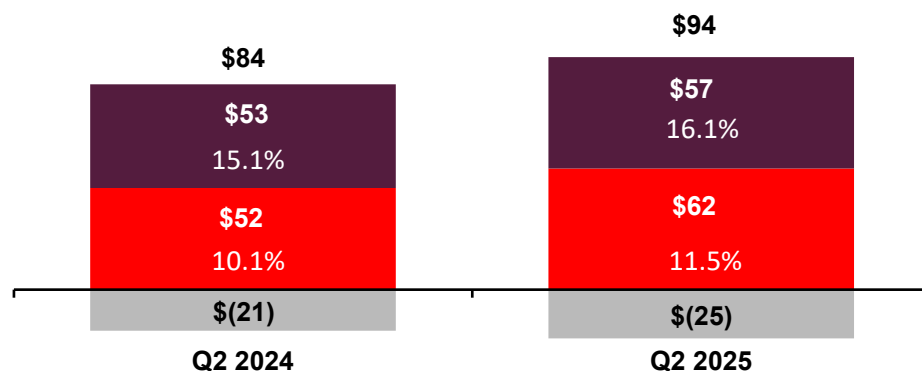
(3) Forward-looking non-GAAP metric. See Appendix for definition and more information.

Second Quarter Financial Performance

Adjusted Sales ⁽¹⁾ (\$mm)



Adjusted Operating Income ⁽¹⁾ (\$mm)



■ Fuel Systems ■ Aftermarket ■ Corporate Costs

Commentary

YoY Adjusted Sales

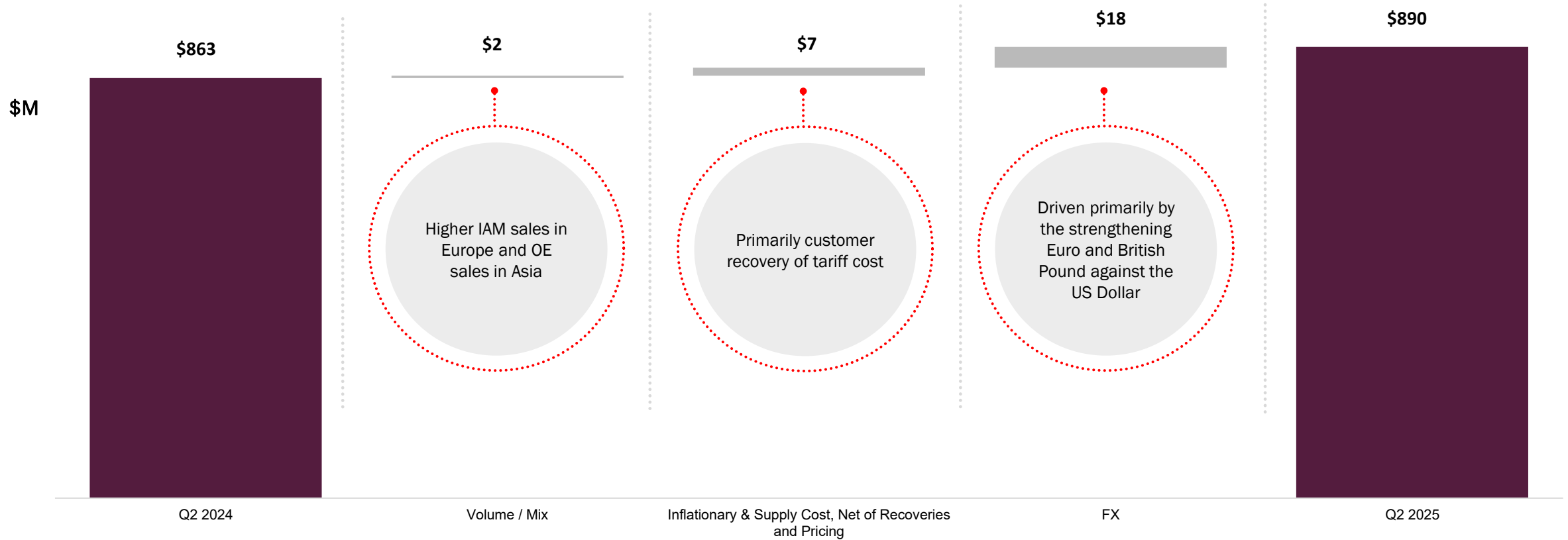
- ⇒ Aftermarket increase primarily driven by favorable foreign exchange, customer recovery of tariff cost and volume increases in European aftermarket, partially offset by lower OE volumes in North America
- ⇒ Fuel Systems increase primarily driven by favorable foreign exchange and customer recovery of tariff cost

YoY Adjusted Operating Income

- ⇒ Aftermarket performance driven by favorable product mix, foreign exchange tailwinds and supply chain efficiencies offset by delayed customer recovery of tariff cost
- ⇒ Fuel Systems performance driven mainly by supply chain savings and favorable foreign exchange
- ⇒ Corporate cost increase driven by unfavorable foreign exchange impacts and the cost structure associated with operating as a standalone company

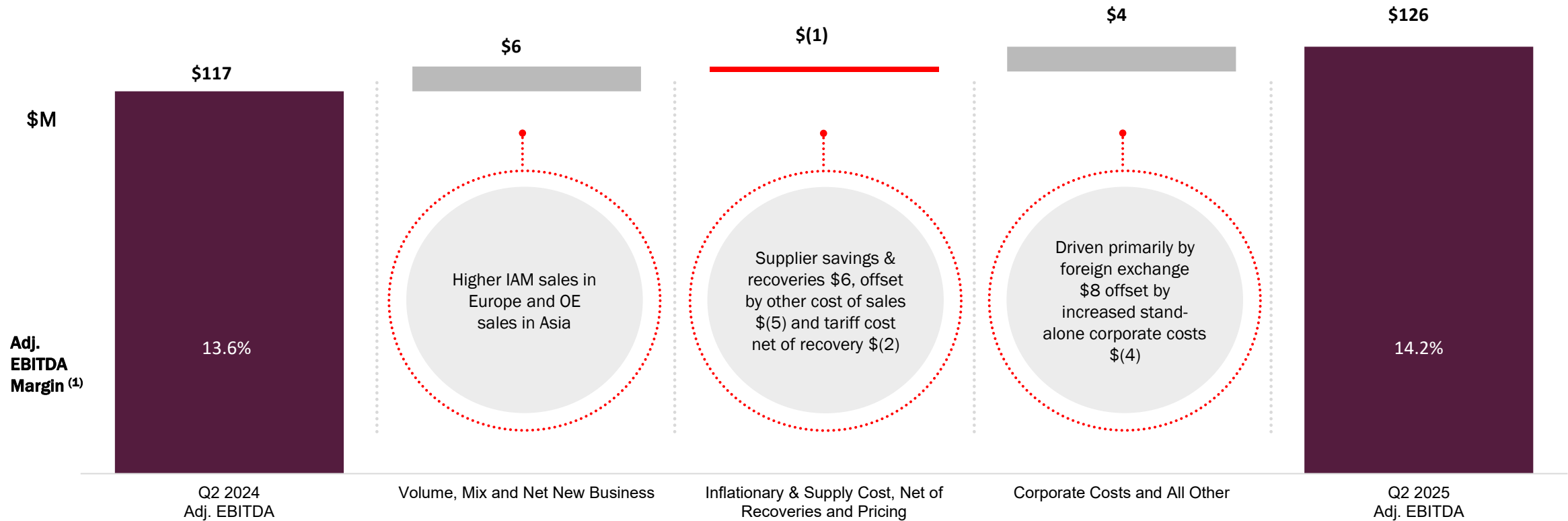
(1) Non-GAAP metric. See Appendix for Adj. Sales, Adj. Operating Income and Adj. Operating Income Margin definitions and reconciliations to the most directly comparable GAAP measures.

Q2 2025 Adjusted Sales⁽¹⁾










(1) Non-GAAP metric. See Appendix for definition and reconciliation to the most directly comparable GAAP measure.

Q2 2025 Adjusted EBITDA⁽¹⁾



(1) Non-GAAP metric. See Appendix for definition and reconciliation to the most directly comparable GAAP measure.

Refined Full Year 2025 Outlook

Metric	Prior Outlook	FY 2025 Outlook*	Drivers
Net Sales	\$3,230 – \$3,430M	\$3,330 – \$3,430M	 Tariff pass-through revenue  Foreign exchange  Volume forecasts
Adj. EBITDA ⁽¹⁾	\$450 – \$490M	\$455 – \$485M	 Volume impact  Foreign exchange
Adj. EBITDA Margin ⁽¹⁾	13.7% – 14.5%	13.7% – 14.1%	 Dilution from tariff pass-through
Adj. Free Cash Flow ⁽¹⁾⁽²⁾	\$160 – \$200M	\$160 – \$200M	
Adj. Tax Rate ⁽³⁾	38% – 42%	36% – 40%	 Continued adjustments to legacy structure

(1) Non-GAAP metric. See Appendix for definitions and reconciliations to the most directly comparable GAAP measures.

(2) Capex is expected to be approximately 4% of Net Sales.

(3) Tax Rate excludes the tax effect of adjusted items and tax amounts not reflective of the Company's ongoing operations.

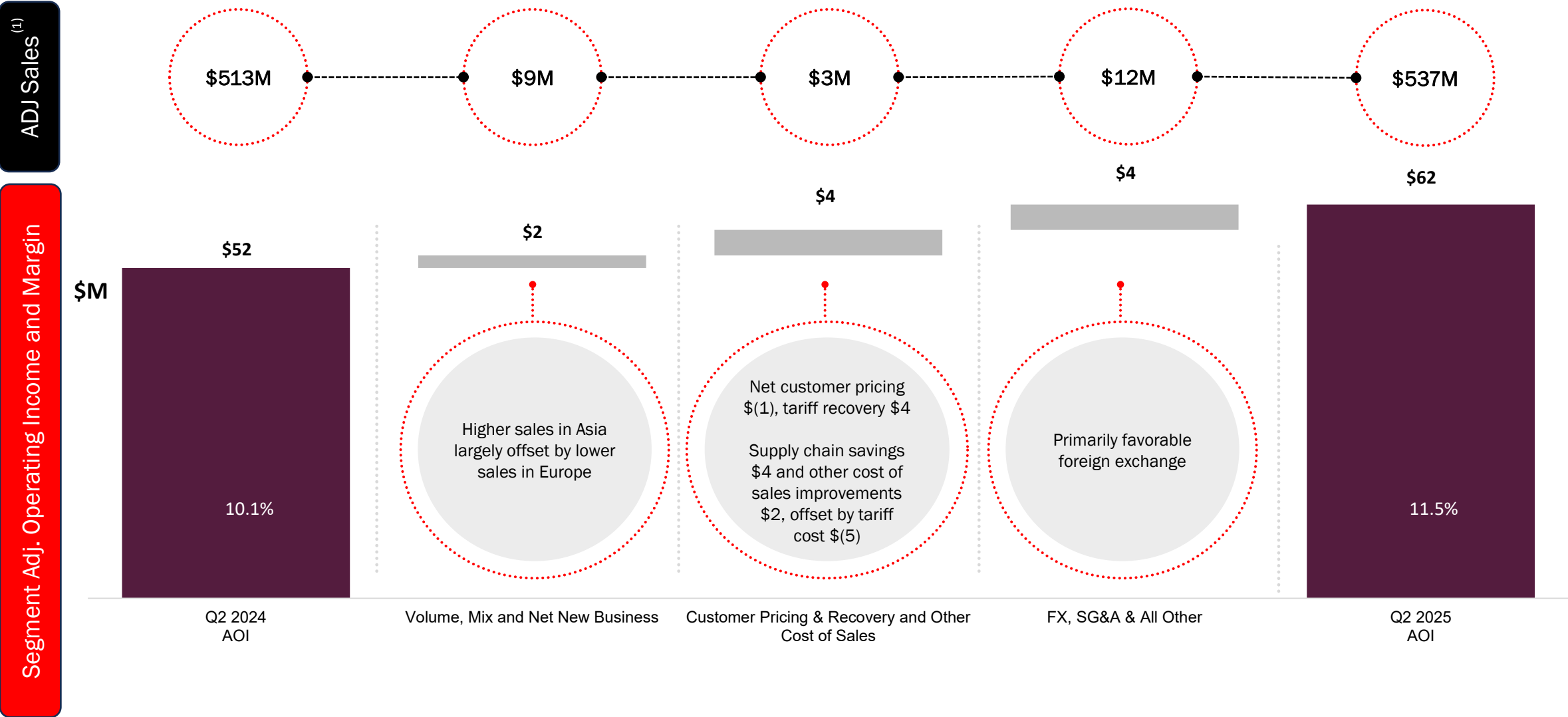
*Outlook does not factor in the proposed acquisition of Swedish Electromagnet Invest AB (publ) ("SEM"), which was announced in June and is expected to close in the third quarter 2025.



APPENDIX

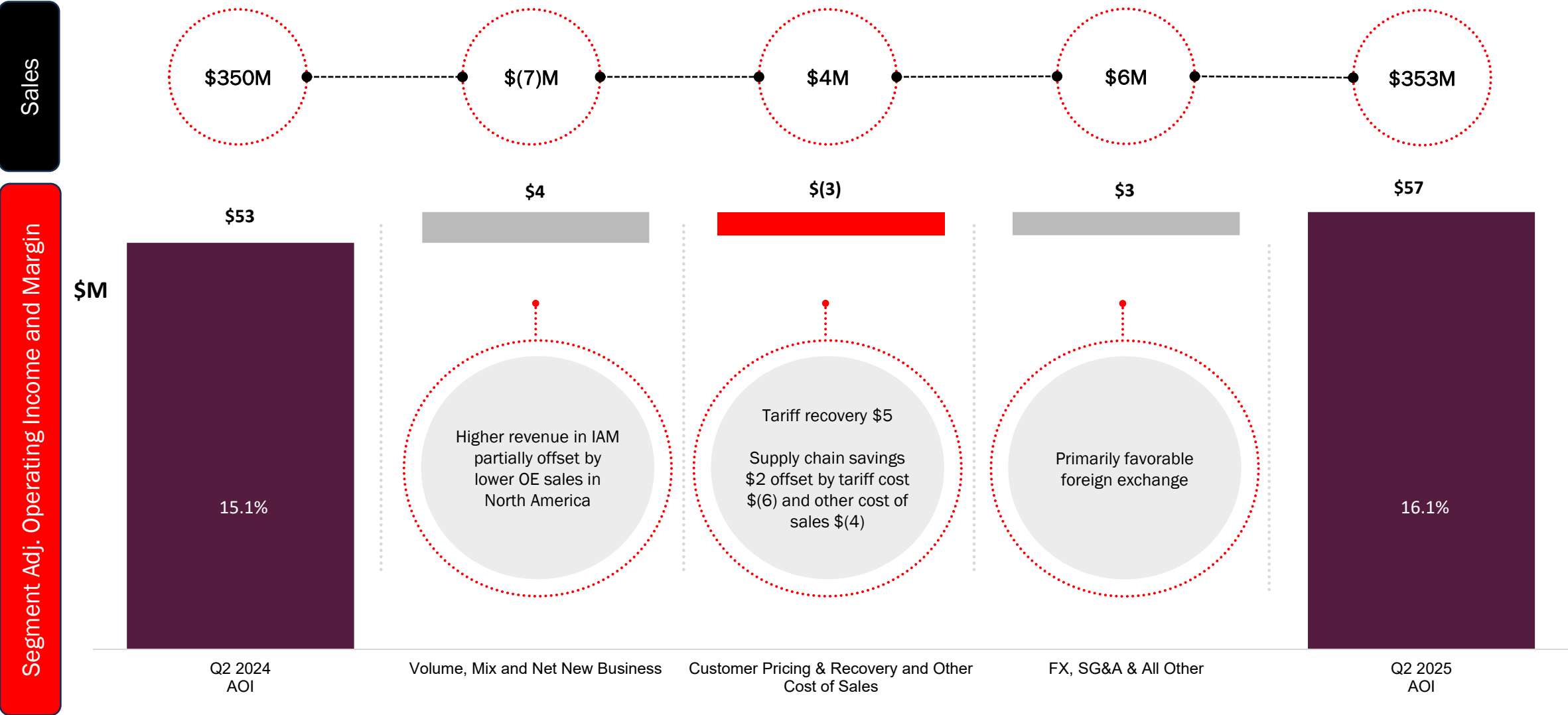


Q2 2025 Adjusted Sales⁽¹⁾ & Segment Adjusted Operating Income - Fuel Systems



(1) Non-GAAP metric. See Appendix for definition and reconciliation to the most directly comparable GAAP measure.

Q2 2025 Sales & Segment Adjusted Operating Income - Aftermarket



Historical Quarterly Financial Metrics ⁽¹⁾

	2025		2024					
	Q1	Q2	Q1	Q2	Q3	Q4	FY	
Fuel Systems	\$ 473	\$ 537	\$ 510	\$ 513	\$ 483	\$ 491	\$ 1,997	
Aftermarket	323	353	336	350	355	342	1,383	
Adjusted Sales	\$ 796	\$ 890	\$ 846	\$ 863	\$ 838	\$ 833	\$ 3,380	
Fuel Systems	45	62	55	52	55	56	218	
Margin %	9.5%	11.5%	10.8%	10.1%	11.4%	11.4%	10.9%	
Aftermarket	52	57	60	53	56	51	220	
Margin %	16.1%	16.1%	17.9%	15.1%	15.8%	14.9%	15.9%	
Segment Adj. Operating Income	\$ 97	\$ 119	\$ 115	\$ 105	\$ 111	\$ 107	\$ 438	
Margin %	12.2%	13.4%	13.6%	12.2%	13.2%	12.8%	13.0%	
Corporate Costs	(24)	(25)	(18)	(21)	(24)	(29)	(92)	
Adj. Operating Income	\$ 73	\$ 94	\$ 97	\$ 84	\$ 87	\$ 78	\$ 346	
Margin %	9.2%	10.6%	11.5%	9.7%	10.4%	9.4%	10.2%	
Depreciation Expense	30	32	34	33	33	32	132	
Adj. EBITDA	\$ 103	\$ 126	\$ 131	\$ 117	\$ 120	\$ 110	\$ 478	
Margin %	12.9%	14.2%	15.5%	13.6%	14.3%	13.2%	14.1%	

(1) Includes non-GAAP metrics. See Appendix for definitions and reconciliations to the most directly comparable GAAP measures.

Adjusted EBITDA and Margin Reconciliation to US GAAP

The Company defines adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) as net earnings less interest, taxes, depreciation and amortization, adjusted to exclude the impact of restructuring expense, transaction-related (benefits) costs, other postretirement income and expense, equity in affiliates' earnings, net of tax, impairment charges, other net expenses, and other gains and losses not reflective of our ongoing operations. Adjusted EBITDA margin is defined as adjusted EBITDA divided by adjusted sales. Management utilizes adjusted EBITDA and adjusted EBITDA margin in its financial decision-making process and to evaluate performance of the Company's consolidated results. Management also believes adjusted EBITDA and adjusted EBITDA margin are useful to investors in assessing the Company's ongoing consolidated financial performance, as they provide improved comparability between periods through the exclusion of certain items that management believes are not indicative of the Company's core operating performance.

	2025		2024					
\$ in millions	Q1	Q2	Q1	Q2	Q3	Q4	FY	
Net earnings	\$ 26	\$ 46	\$ 29	\$ 14	\$ 31	\$ 5	\$ 79	
Depreciation and tooling amortization	30	32	34	33	33	32	132	
Provision for income taxes	24	29	27	23	22	36	108	
Intangible asset amortization expense	7	7	7	7	7	7	28	
Interest expense, net	15	17	18	35	16	14	83	
EBITDA	\$ 102	\$ 131	\$ 115	\$ 112	\$ 109	\$ 94	\$ 430	
Transaction-related costs (benefits)	(1)	(4)	17	3	4	7	31	
Asset impairment	—	—	—	—	—	21	21	
Restructuring expense	5	2	2	3	6	3	14	
Equity in affiliates' earnings, net of tax	(4)	(4)	(3)	(2)	(3)	(3)	(11)	
Other postretirement (income) expense	1	1	—	1	—	(1)	—	
Other non-comparable items	—	—	—	—	4	(11)	(7)	
Adjusted EBITDA	\$ 103	\$ 126	\$ 131	\$ 117	\$ 120	\$ 110	\$ 478	
Adjusted sales	\$ 796	\$ 890	\$ 846	\$ 863	\$ 838	\$ 833	\$ 3,380	
Adjusted EBITDA margin %	12.9%	14.2%	15.5%	13.6%	14.3%	13.2%	14.1%	

Adjusted Operating Income and Margin Reconciliation to US GAAP

The Company defines adjusted operating income as operating income adjusted to exclude the impact of restructuring expense, transaction-related (benefits) costs, impairment charges, other net expenses, and other gains and losses not reflective of the Company's ongoing operations, and intangibles amortization expense associated with acquisitions that occurred prior to the Spin-off. Adjusted operating margin is defined as adjusted operating income divided by adjusted sales. Management utilizes adjusted operating income and adjusted operating margin as key performance measures of segment income and for planning and forecasting purposes to allocate resources to our segments. Management believes these measures provide useful information to investors, when reconciled to the corresponding U.S. GAAP measure, as they are reflective of the operational profitability or loss of our segments.

	2025				2024									
\$ in millions	Q1		Q2		Q1		Q2		Q3		Q4		FY	
Operating income	\$	62	\$	89	\$	71	\$	71	\$	66	\$	51	\$	259
Transaction-related costs (benefits)		(1)		(4)		17		3		4		7		31
Asset impairment		—		—		—		—		—		21		21
Intangible asset amortization expense		7		7		7		7		7		7		28
Restructuring expense		5		2		2		3		6		3		14
Other non-comparable items		—		—		—		—		4		(11)		(7)
Adjusted operating income	\$	73	\$	94	\$	97	\$	84	\$	87	\$	78	\$	346
Net sales	\$	796	\$	890	\$	863	\$	868	\$	839	\$	833	\$	3,403
Operating margin %		7.8%		10.0%		8.2%		8.2%		7.9%		6.1%		7.6%
Adjusted sales	\$	796	\$	890	\$	846	\$	863	\$	838	\$	833	\$	3,380
Adjusted operating margin %		9.2%		10.6%		11.5%		9.7%		10.4%		9.4%		10.2%

Adjusted Sales Reconciliation to US GAAP

The Company defines adjusted sales as net sales adjusted to exclude certain agreements with our former parent that were entered into in connection with the spin-off. Management believes that adjusted sales is useful to investors, as it provides improved comparability between periods through the exclusion of certain temporary agreements with our former parent that are not indicative of the Company's ongoing operations.

\$ in millions	2025		2024					
	Q1	Q2	Q1	Q2	Q3	Q4	FY	
Fuel Systems net sales	\$ 473	\$ 537	\$ 527	\$ 518	\$ 484	\$ 491	\$	2,020
Spin-off agreement adjustment	—	—	(17)	(5)	(1)	—		(23)
Fuel system adjusted sales	\$ 473	\$ 537	\$ 510	\$ 513	\$ 483	\$ 491	\$	1,997
Aftermarket net sales	323	353	336	350	355	342		1,383
Adjusted sales	\$ 796	\$ 890	\$ 846	\$ 863	\$ 838	\$ 833	\$	3,380

Adjusted Free Cash Flow Reconciliation to GAAP

The Company defines adjusted free cash flow as net cash provided by operating activities after adding back adjustments related to the ongoing effects of separation-related transactions, less capital expenditures, including tooling outlays. Management believes that adjusted free cash flow is useful to investors in assessing the Company's ability to service and repay its debt and return capital to shareholders. Further, management uses this non-GAAP measure for planning and forecasting purposes.

\$ in millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net cash provided by operating activitie	\$ 57	\$ 109	\$ 97	\$ 140
Capital expenditures, including tooling outlays	(34)	(17)	(69)	(60)
Effects of separation-related transactions	(3)	16	(11)	41
Adjusted free cash flow	\$ 20	\$ 108	\$ 17	\$ 121

Adjusted Net Earnings Reconciliation to US GAAP

The Company defines adjusted net earnings and adjusted net earnings per diluted share as net earnings and net earnings per share adjusted to exclude: (i) the tax-effected impact of restructuring expense, transaction-related (benefits) costs, impairment charges and other gains, losses and tax effects and adjustments not reflective of the Company's ongoing operations; and (ii) acquisition-related intangibles amortization expense because it pertains to non-cash expenses that the Company does not use to evaluate core operating performance. Management believes that adjusted net earnings and adjusted net earnings per diluted share are useful to investors in assessing the Company's ongoing financial performance, as they provide improved comparability between periods through the exclusion of certain items that management believes are not indicative of the Company's core operating performance.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net earnings	\$ 46	\$ 14	\$ 72	\$ 43
Amortization of acquisition-related intangibles	7	7	14	14
Restructuring expense	2	3	7	5
Transaction-related (benefits) costs	(4)	3	(5)	20
Loss on extinguishment of debt	—	20	—	20
Tax effects and adjustments	—	(7)	2	(11)
Adjusted net earnings	\$ 51	\$ 40	\$ 90	\$ 91

Adjusted Net Earnings per Diluted Share Reconciliation to US GAAP

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net earnings per diluted share	\$ 1.14	\$ 0.31	\$ 1.76	\$ 0.93
Amortization of acquisition-related intangibles	0.18	0.15	0.35	0.30
Restructuring expense	0.05	0.07	0.17	0.11
Transaction-related (benefits) costs	(0.10)	0.06	(0.12)	0.43
Loss on extinguishment of debt	—	0.44	—	0.44
Tax effects and adjustments	—	(0.15)	0.05	(0.23)
Adjusted net earnings per diluted share	\$ 1.27	\$ 0.88	\$ 2.21	\$ 1.98