

Creating the Global Leader in Intelligent Climate and Energy Solutions



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. These forward-looking statements are intended to provide management's current expectations or plans for Carrier's 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, share repurchases, tax rates and other measures of financial performance or potential future plans, strategies or transactions of Carrier, Carrier's plans with respect to its 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 additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see Carrier's reports on Forms 10-K, 10-Q and 8-K filed with or furnished to the U.S. Securities and Exchange Commission from time to time. Any forward-looking statement speaks only as of the date on which it is made, and Carrier assumes no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

Q1 & FY 2023 Summary

Q1 2023 – Solid Quarter

Sales	\$5,273M <small>Organic* +4% Y/Y</small>
Adjusted Operating Profit*	\$642M
Adjusted EPS*	\$0.52
Free Cash Flow*	\$50M

Full-Year 2023 Guidance

Sales	~\$22B <small>Organic* up LSD-MSD</small>
Adjusted Operating Margin*	~14% <small>Includes ~50bps negative impact from TCC</small>
Adjusted EPS*	\$2.50 - \$2.60
Free Cash Flow*	~\$1.9B

Highlights

High-teens aftermarket growth

Strength in commercial HVAC, light commercial HVAC, controls and global truck/trailer

Container and commercial refrigeration sales decline

Orders grew in the quarter and improved as the quarter progressed

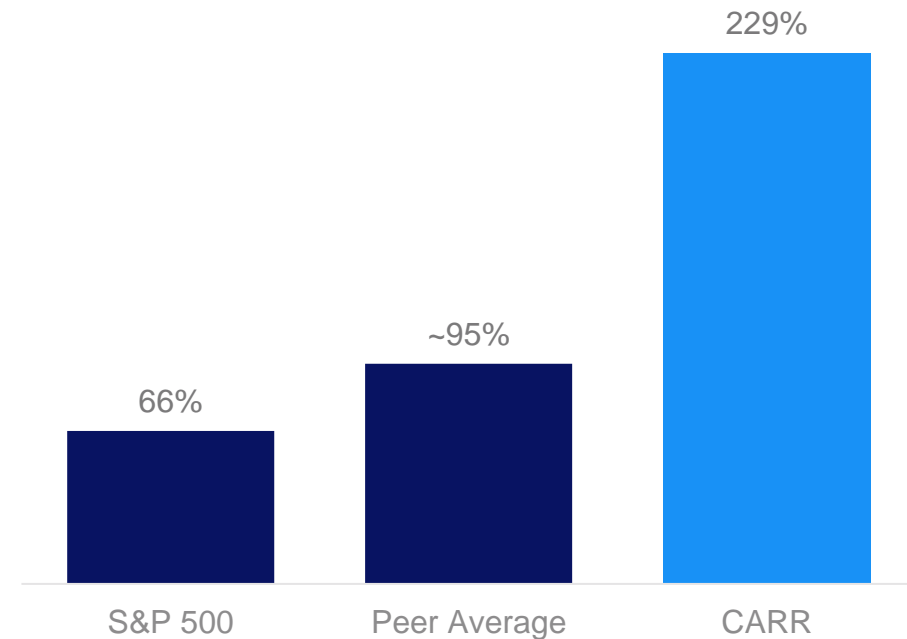
Q1 better than our expectations; on-track for full year guidance

*See appendix for additional information regarding non-GAAP measures including EBITDA and adjusted EBITDA

Carrier Since Spin: Commitments Made, Commitments Kept

- ✓ Gained share across our markets
- ✓ Drove consistent double-digit aftermarket growth
- ✓ Launched differentiated, digital platforms and introduced industry-leading new products
- ✓ Expanded margins ~150bps over past two years
- ✓ Delivered double-digit adjusted EPS* CAGR since 2020
- ✓ Aligned portfolio with faster growing end markets (e.g., VRF)
- ✓ Energized team and transformed culture

Superior Shareholder Return**



*See appendix for additional information regarding non-GAAP measures including EBITDA and adjusted EBITDA

**Market data as of April 21st, 2023. Carrier return calculated as of April 3, 2020 opening price; S&P 500 and peer returns calculated relative to the April 3, 2020 closing price



Transforming Carrier's Future

Vision

Creating the global leader in intelligent climate and energy solutions

Strategic Priorities

Global leadership in our addressable markets with highly differentiated channel access

Most comprehensive and differentiated suite of sustainable technology and services

Increased aftermarket and recurring revenues driven by digitally-enabled lifecycle solutions

Outcomes

Energized team members driving unparalleled customer loyalty

Focused company that generates higher growth and superior shareholder returns

What We Are Announcing Today

Add

Viessmann Climate Solutions

- ✓ Premier company in the fastest-growing heat pump and energy transition markets
- ✓ Leading energy management technology, highly differentiated channel, iconic brand
- ✓ Highly profitable with best-in-class growth and margin profile

Exit

Fire & Security and Commercial Refrigeration

- ✓ Simpler, differentiated portfolio with higher growth
- ✓ Unlock value through focus

Carrier Post-Transactions

A higher growth and focused intelligent climate and energy solutions company

- ✓ Increased focus on electrification and energy transition megatrends
- ✓ Leader in all major geographies in HVACR and energy solutions
- ✓ >100bps accretive to revenue and EBITDA growth

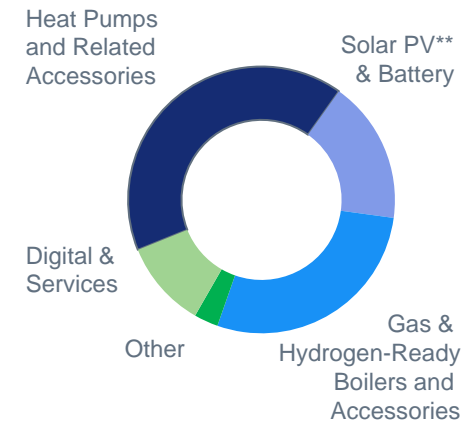
Climate Solutions: A Century of Innovation

At a Glance

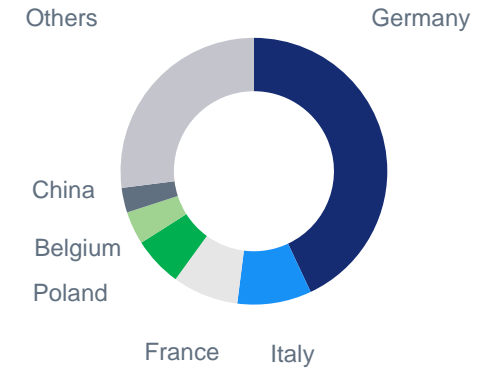
Headquarters	Allendorf, Germany
Employees	~11,000
Installers	~75,000
2023E sales	~€4B
2023E EBITDA*	~€0.7B
Presence in key European markets	Germany, Italy, France, and Poland represent >50% of Europe's heat pump installed base with >20% CAGR

*See appendix for additional information regarding non-GAAP measures including EBITDA and adjusted EBITDA
**PV = Photovoltaic

By Product



By Geography



Viessmann Family Showing Great Confidence in Combined Entity

Max Viessmann to join Carrier's Board of Directors

Viessmann Family to receive 20% of purchase price in Carrier stock with long-term commitment to hold shares

Two 100 Year-Old Start-Ups

Two Storied Legacies

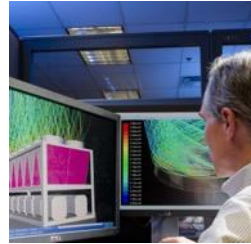


Willis Carrier
Invented modern air conditioning in 1902



Viessmann Family
Established European heating market leadership position

Two transformed, rapid-innovation cultures



ABOUND
LYNX



VISSMANN
ONE BASE

Creating a Global Climate Champion



Deeply respected brands and established channels with **customer focus and start-up mentalities**

Carrier and Viessmann Climate Solutions: A Global Climate Champion

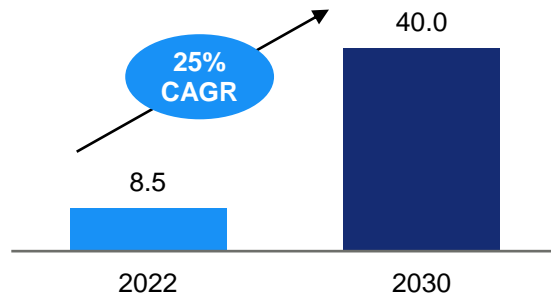
	Americas	Europe	Asia Pacific
Commercial HVAC	Carrier	Carrier	Carrier
Residential and Light Commercial HVAC	Carrier	Carrier VISSMANN Climate Solutions	Carrier TOSHIBA Carrier GIWEE 积微
Transport Refrigeration	Carrier	Carrier	Carrier

Leader in **all major regions**

Climate Solutions: A Game Changing Opportunity

Rapid **ENERGY TRANSITION** in Europe driving sustainable and step change in growth

Heat pump air-to-water installed base*
of units (M)



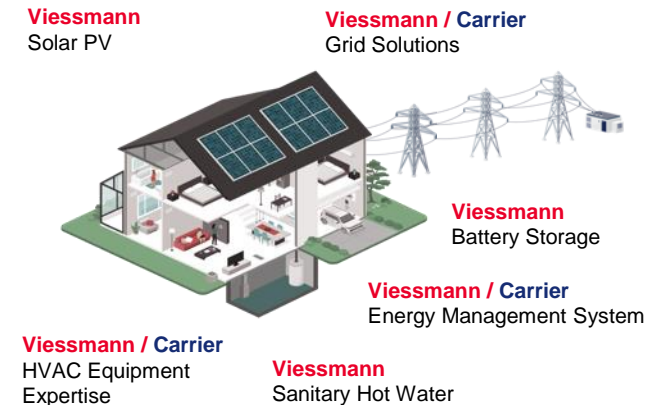
The **PREMIER ASSET** in the European climate and energy transition market



“I have seen high-tech and state-of-the-art technologies that create heating and protect the climate. There is no doubt that this is a very important project – not only for Viessmann, but also for the German government, people and the entire world”

Olaf Scholz, Chancellor of Germany

Positions Carrier to provide renewable and **COMPLETE ENERGY SOLUTIONS** globally



Immediately positions Carrier as a leader in the **fastest growing European residential heat pump and energy transition markets**

*Statistics refer to European residential market
Source: RePowerEU

Megatrends Fueling Step-Change in Growth

Climate Change and Sustainability



EU commitment to cut emissions by 55% by 2030

~40% of global carbon emissions come from buildings

Up to 30% efficiency gains from smart buildings; only 20% of thermostats in Europe are smart / connected

Energy Security



Targeted reduction in reliance on Russian natural gas

~60% of European consumers concerned about financial impact of rising energy costs

~70% of EU consumers taking steps to reduce energy consumption at home

Government Regulation and Incentives



Adding 10M heat pumps in the next five years, facilitated by RePowerEU

Large-scale climate subsidies across Europe, e.g., €600bn in Fitfor55 EU-program

17 European countries have announced or implemented bans on heating systems that use fossil fuel

Secular trends driving **significant, sustained growth**

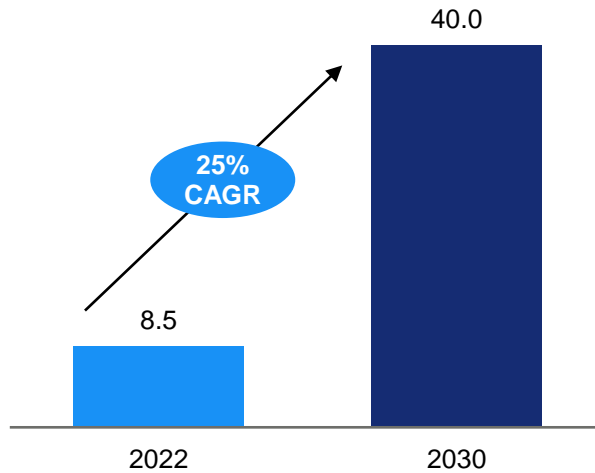
Sources: European Heat Pump Association, RePowerEU (EHPA 2022), International Energy Agency



Significant Growth Opportunity for Climate Solutions in Europe

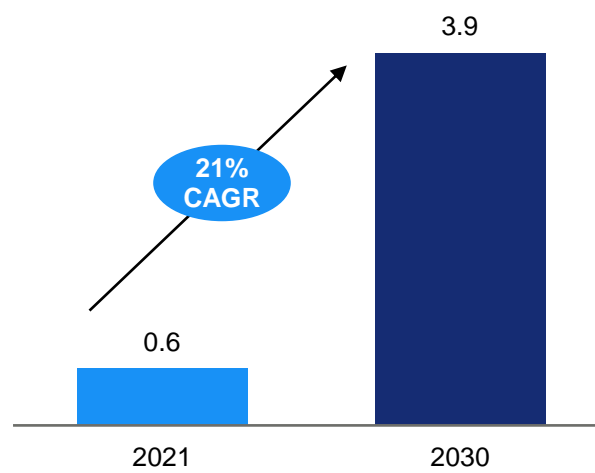
Heat pump air-to-water installed base*

of units (M)



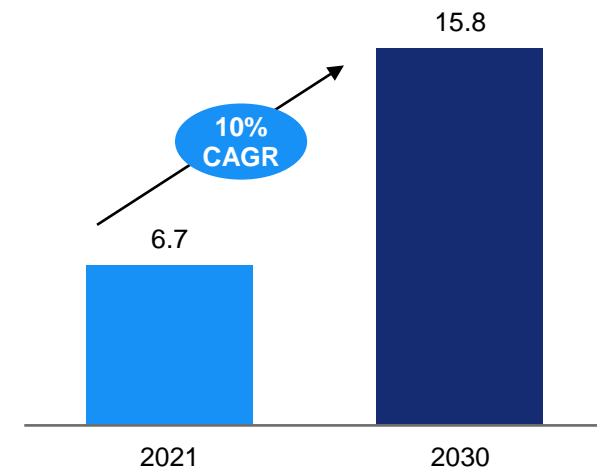
Residential battery storage installed base*

of units (M)



Residential solar PV installed base*

of units (M)



*Statistics refer to European residential market
Source: RePowerEU

Creating Exceptional Opportunity in Heat Pumps*

Heat pump* annual shipments to increase by 4-6x by 2030

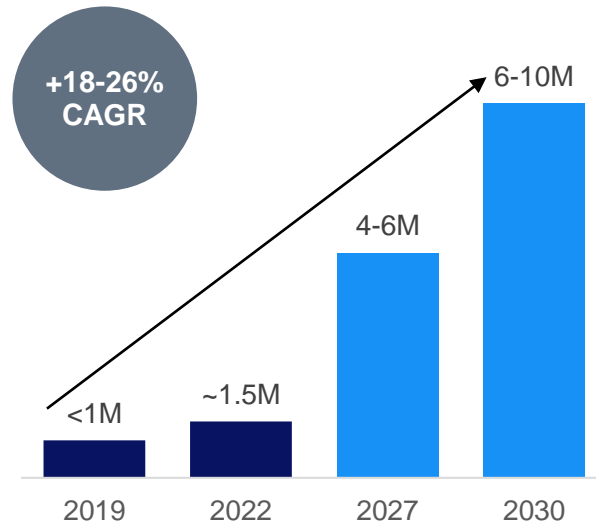


Mixing up at a price multiple of 2.5 – 4.0x vs boiler

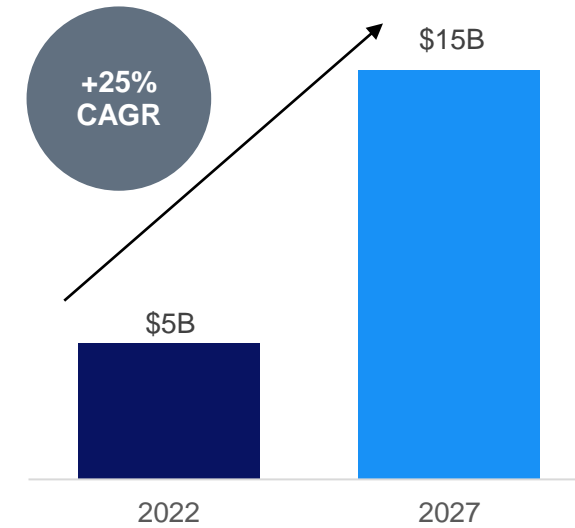
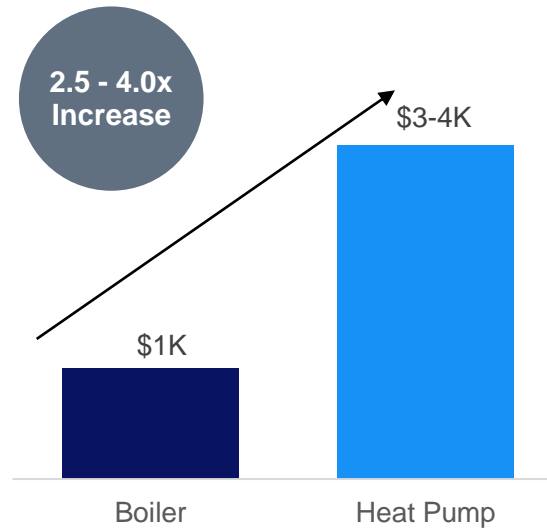


Resulting in growth of EU heat pump* segment by \$10B

of units



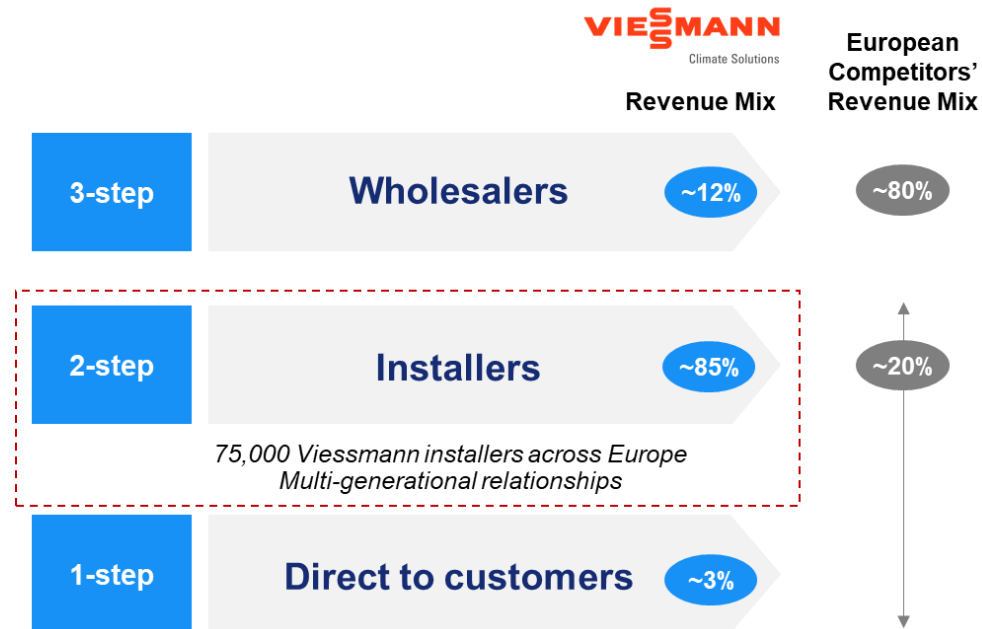
Market OEM price



*EU residential air-to-water heat pumps
Source: Internal estimates

Highly Differentiated Channel, Premium Brand

Highly Differentiated Channel Provides Strategic Advantage



Iconic Brand that Commands Premium Pricing

The #1 Premium Brand Across Europe

Installers



#1 most trusted OEM for 17 consecutive years*

End-Customers



#1 brand for **Climate Solutions** in Europe*

56 NPS score



*Sources: Marktintern Leistungsspiegel, Yougov

Product Leadership and Premier Innovation

Natural refrigerant leadership



Vitocal 250-A Heat Pump with Natural Refrigerant

Natural refrigerant (R290) heat pump portfolio for new built and retrofit building segments

50% less floor space and 50% reduction in installation time vs. legacy products

Breakthrough designs, inspirational products



Viessmann Invisible

Aesthetic design, creating inspirational premium products

Viessmann Invisible – patented integrated heating and cooling, ventilation and battery storage

Extensive service and aftermarket

SubsidyService

VIESSMANN
Heat

VIESSMANN
VISHARE



Comprehensive service portfolio

Double digit growth

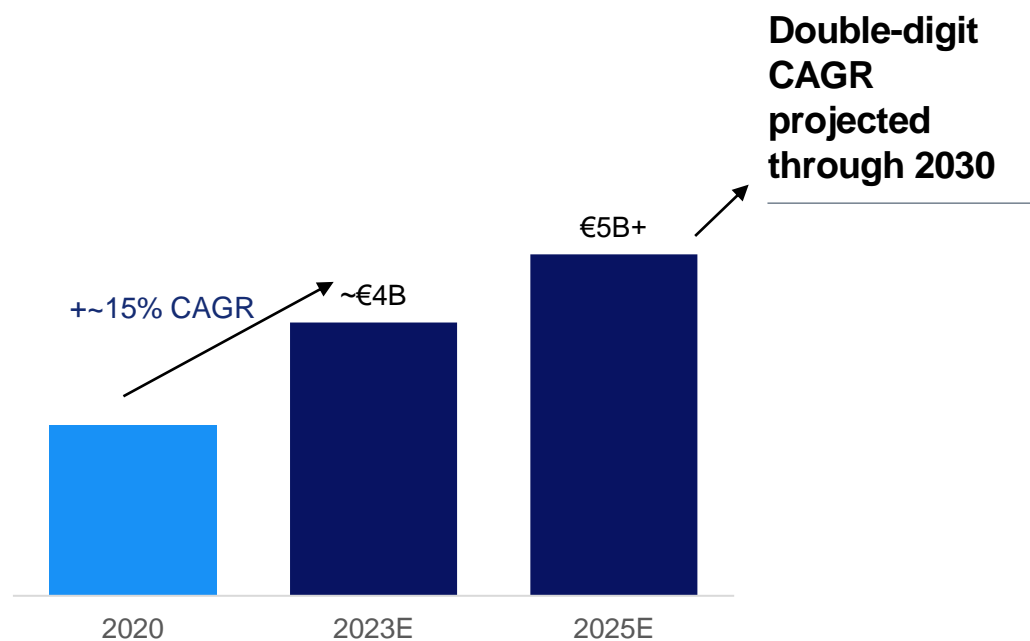
1,300+ service and support team members

93k+ maintenance contracts

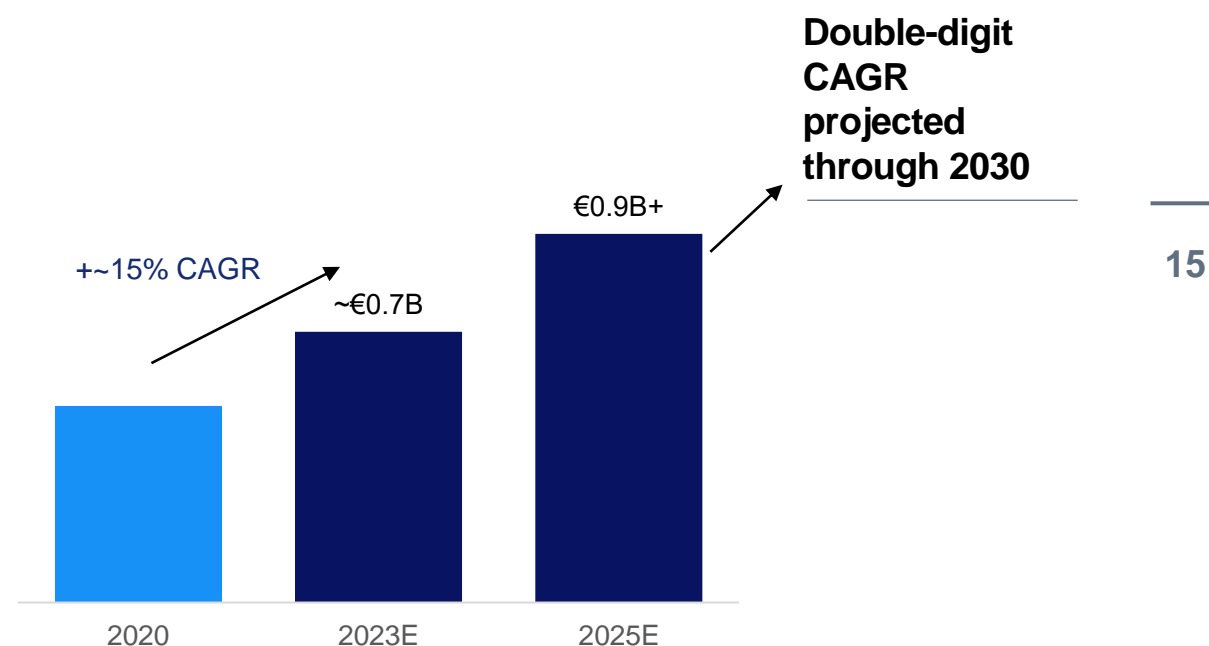
New subscription models leveraging ViCare+

Viessmann Climate Solutions: Superior Growth Profile

Sales



EBITDA*

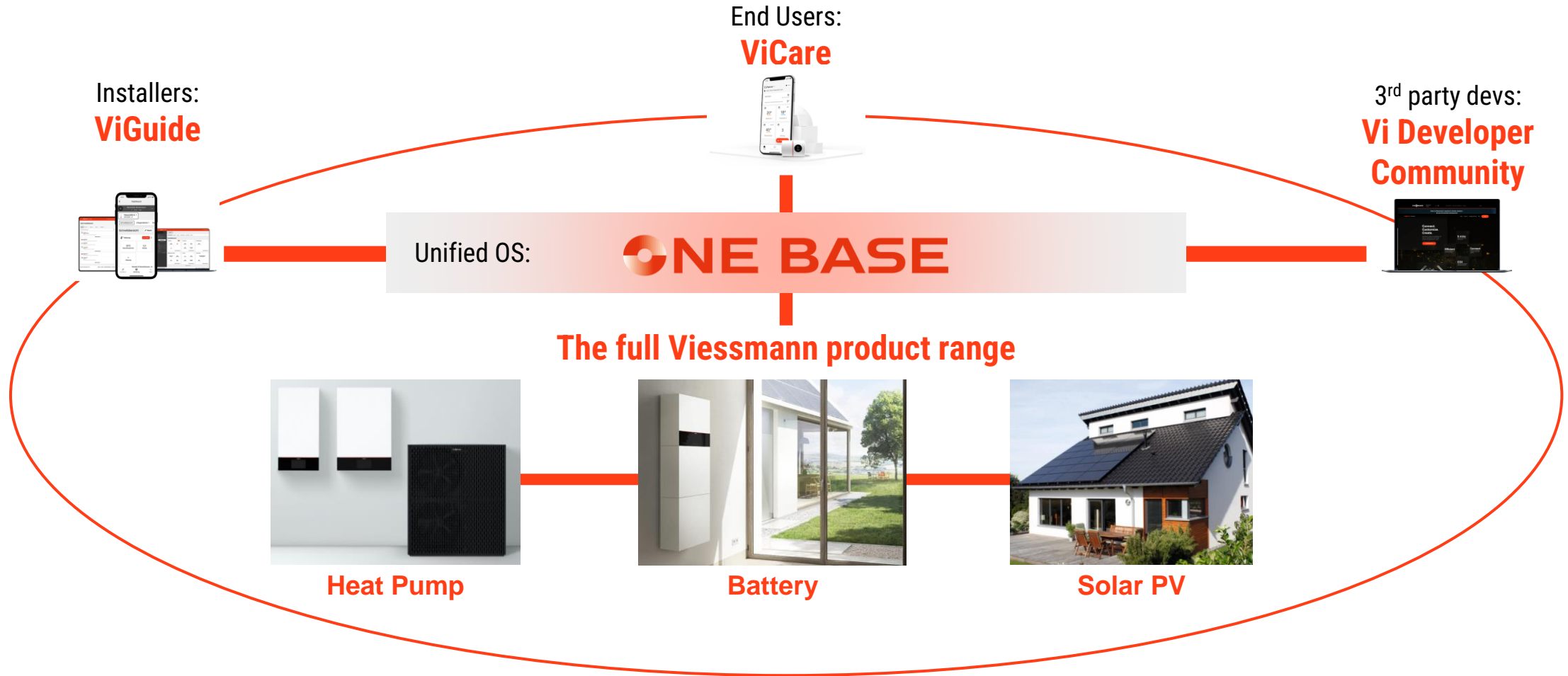


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Viessmann increases Carrier's revenue growth profile by over 100 bps

*See appendix for additional information regarding non-GAAP measures including EBITDA and adjusted EBITDA

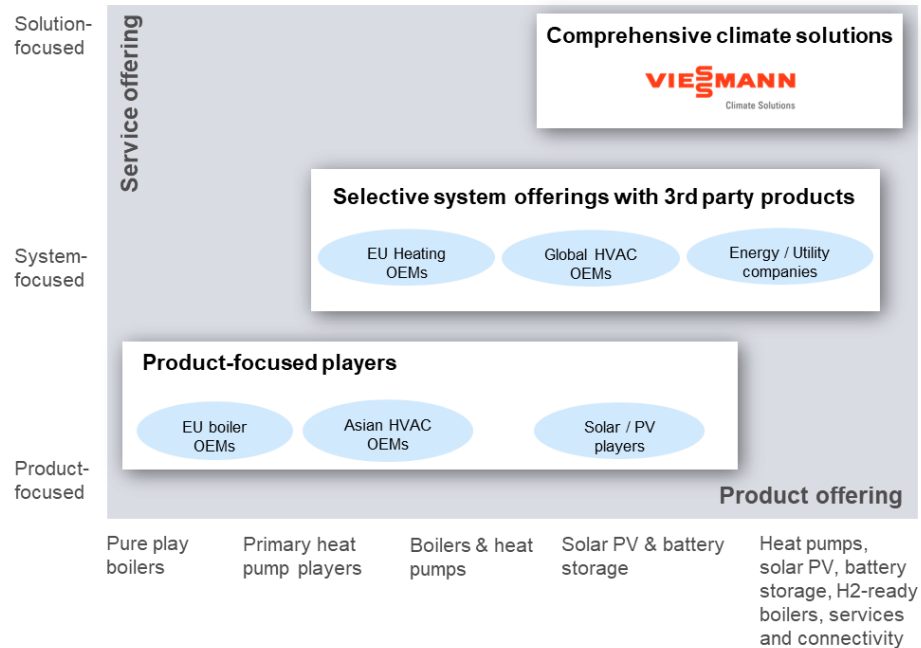
An Interconnected Climate Ecosystem



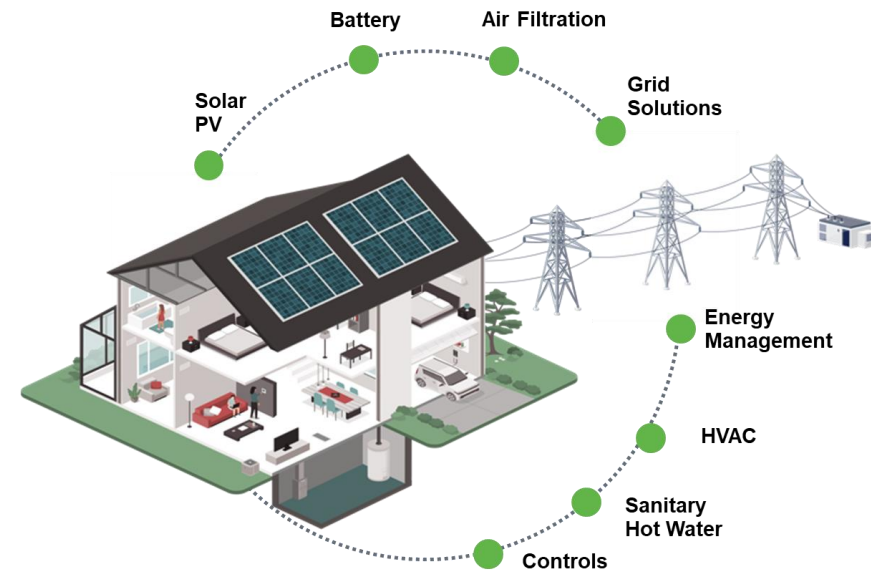
Fully **connected and interoperable** suite of product and digital offerings for the home

Viessmann Climate Solutions: Most Comprehensive Solution Offering

EU Residential Market: Competitive Landscape

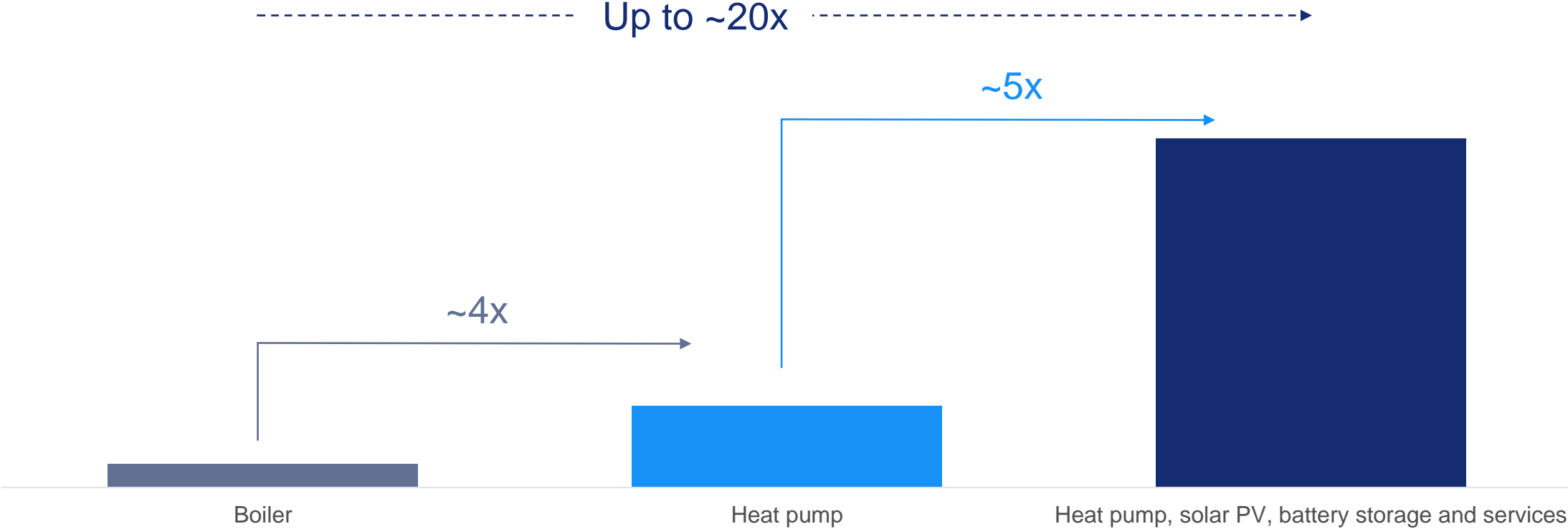


Carrier and Viessmann Climate Solutions: Transformational Smart Home Solutions



Carrier to scale integrated home energy solutions globally

Driving Step Change in Integrated Climate Solutions



Integrated climate solutions drive **significantly higher revenues and provide access to a fast-growing \$35B total addressable market**

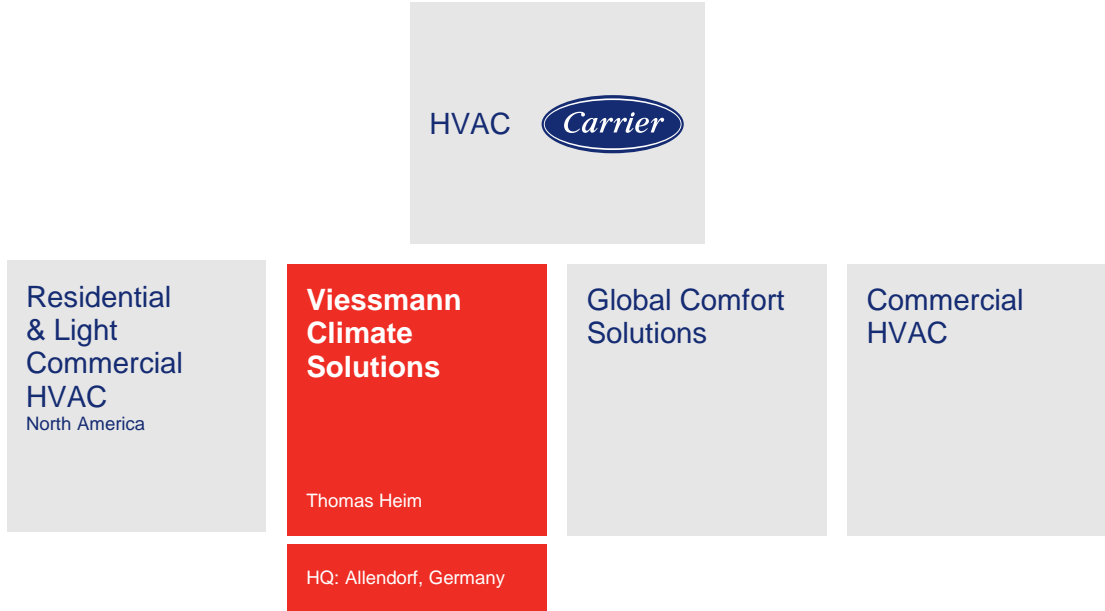
Note: Bars represent approximate market OEM sell price



Carrier: A Proven Track Record of Integration

- ✓ >5 acquisitions post-spin
- ✓ Growth accelerated post-acquisitions
- ✓ Synergies on track to business-case, or better
- ✓ Leadership talent retained
- ✓ Integration best practices deployed
- ✓ The Carrier Way harnessed for success

Viessmann Climate Solutions: A well-run business to be seamlessly integrated



United by Common Purpose, Values and Culture



PURPOSE



PLANET



PEOPLE



PASSION



PERFORMANCE



THE CARRIER WAY



Vision

Creating solutions that matter for people and our planet

Values

Respect, Integrity, Inclusion, Innovation, and Excellence

Culture

We strive to be best-in-class in everything we do, and we innovate and pursue sustainable solutions

ESG

- Important 2030 ESG Goals
 - >1 gigaton greenhouse gas reduction by 2030
 - Carbon neutral operations by 2030
- ESG Top Rating | Committed to SBTi

Purpose

We co-create living spaces for generations to come.

Values

Responsible, Team-Oriented, and Entrepreneurial

Culture

As one growing family, we co-create personalized climate for life, preserving our planet – with all we do

ESG

- Important 2030 ESG Goals
 - Reduce own operations emissions by 48%
 - Reduce emissions from products by 55%
- Climate goals validated by SBTi



€200M of Cost Synergies

Sourcing

Leverage Carrier & Viessmann Climate Solutions spend for direct material sourcing
Insource key Carrier & Toshiba components into Viessmann products
(e.g., inverters, heat exchangers)
Cross-leverage value engineering expertise

Scale

Leverage Viessmann Climate Solutions engineering centers of excellence & manufacturing facilities
Optimize Carrier footprint and overhead

Revenue

Offer Carrier branded heat pump products through Viessmann channel
Supplement Viessmann product lineup with Carrier Air Conditioning products
Grow value-added services & subscription models in Carrier using ViCare+
Scale Viessmann technology through Carrier channels globally

Outlook

€200M

Cost synergies
(vast majority to be achieved by year 3)

200+ bps

Margin expansion by
year 3 from cost
synergies

~85% of cost synergies from sourcing; revenue synergies provide upside

Viessmann Climate Solutions Transaction Overview

PURCHASE PRICE	<ul style="list-style-type: none"> • €12 billion enterprise value*
CONSIDERATION / FINANCING	<ul style="list-style-type: none"> • 80% cash / 20% stock issued to Viessmann Family, with long-term commitment to hold Carrier shares <ul style="list-style-type: none"> • €9.6B cash and 58.6M¹ shares fixed at signing • Fully committed financing in place • ~€7 billion additional debt to be issued and the balance to be paid with cash on hand
MULTIPLE	<ul style="list-style-type: none"> • ~13x 2023E fully synergized EBITDA** multiple • ~€200mm annual cost synergies; the vast majority to be realized by year 3
FINANCIAL IMPACT	<ul style="list-style-type: none"> • Adds over 100bps to Carrier's revenue and EBITDA** growth profile • Expect high-single digit FCF** yield starting in year 5 • Modestly adjusted EPS** dilutive in year 1, accretive in year 2 • Initial net debt** / EBITDA** of ~3.5x, returning to ~2x in 2025 (without business exits)
CAPITAL ALLOCATION	<ul style="list-style-type: none"> • Expect to maintain current investment grade credit ratings and return to current leverage profile in ~2 years • Expect to resume share buybacks upon reaching ~2x net leverage; timing of exits to accelerate buybacks • Committed to a growing and sustainable dividend
TIMING & APPROVALS	<ul style="list-style-type: none"> • Expect to close Viessmann acquisition around year-end

*Subject to working capital and other adjustments

**See appendix for additional information regarding non-GAAP measures including EBITDA and adjusted EBITDA

158,608,959 shares fixed at signing

Fire & Security Overview

Total

\$3.6B
2022 Sales

~17%
2022 Adjusted EBITDA* Margin

To Be Divested

\$3.1B
2022 Sales

High-teens
2022 EBITDA* Margin

BUSINESS **MARKET POSITION** **BRANDS**

FIRE

~\$2.1B
2022 Sales

Residential Fire	#1	
Commercial Fire	#2	
Industrial Fire	#1	

SECURITY

~\$1.0B
2022 Sales

Access Solutions	#2	
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UTEC CONTROLS

~\$0.1B **~\$0.4B**
2022 External Sales 2022 Internal Sales

HVACR Controls	#1	UTEC
To be retained by Carrier		

*See appendix for additional information regarding non-GAAP measures including EBITDA and adjusted EBITDA



Commercial Refrigeration Overview

Total

~\$1.2B **HSD**
2022 Sales 2022 Adjusted
EBITDA* Margin

To Be Divested

~\$1.1B **HSD**
2022 Sales 2022 Adjusted
EBITDA* Margin

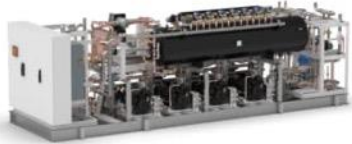
CABINETS

~\$1.1B
Sales



MECHANICAL SYSTEMS

~\$0.1B
Sales

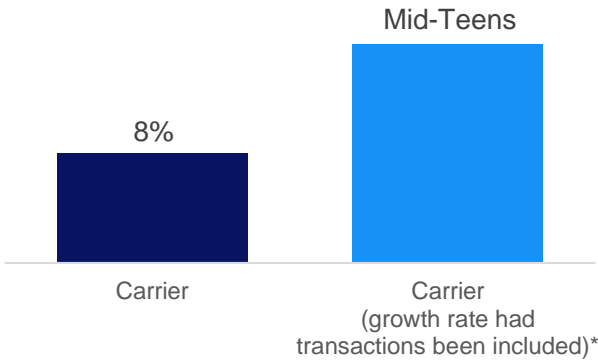


To be retained by Carrier

*See appendix for additional information regarding non-GAAP measures including EBITDA and adjusted EBITDA

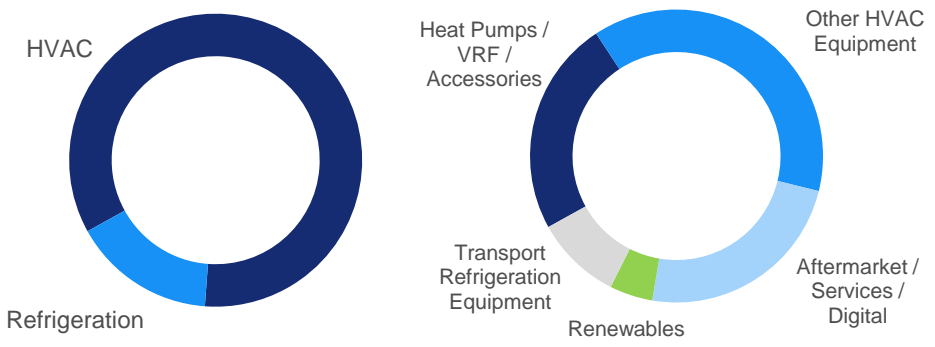
Transforming into a higher growth company

Sales (CAGR 2020 – 2023E)



HVACR and energy solutions leader across all major regions

Carrier (post transactions**)



100% of portfolio focused on sustainability

Summary

- 1 **Transformational portfolio** moves create **premier climate and energy solutions provider**
- 2 **Leading position** in fast growing European climate and energy transition segment
- 3 Viessmann Climate Solutions presents a generational opportunity - **iconic brand, unrivaled leadership, and highly differentiated channel**
- 4 Exit of Fire & Security and Commercial Refrigeration businesses allow for a **more focused portfolio** centered around **climate solutions** with an **accelerated growth profile**
- 5 Carrier now best positioned to take advantage of **major secular trends** around **electrification** and **energy transition**
- 6 Unique, high-quality, high-growth portfolio is a **building block of a higher multiple company**

*Estimate based on Viessmann Climate Solutions financial information and U.S. GAAP for all Carrier entities
 **Data in pie based on estimates





APPENDIX

Carrier Q1 2023 vs. 2022 Sales Reconciliation

Three Months Ended March 31, 2023 Compared with Three Months Ended March 31, 2022

	(Unaudited)				
	Factors Contributing to Total % change in Net Sales				
	Organic	FX Translation	Acquisitions / Divestitures, net	Other	Total
HVAC	6 %	(2) %	18 %	— %	22 %
Refrigeration	(5) %	(3) %	— %	— %	(8) %
Fire & Security	9 %	(3) %	— %	— %	6 %
Consolidated	4 %	(2)%	11 %	— %	13 %

2023 Adjusted Operating Profit Reconciliation

	(Unaudited)					
	Three Months Ended March 31, 2023					
<i>(In millions)</i>	HVAC	Refrigeration	Fire & Security	Eliminations and Other	General Corporate Expenses	Carrier
Net sales	\$ 3,622	\$ 898	\$ 869	\$ (116)	\$ —	\$ 5,273
Segment operating profit	\$ 435	\$ 108	\$ 93	\$ (38)	\$ (43)	\$ 555
<i>Reported operating margin</i>	<i>12.0 %</i>	<i>12.0 %</i>	<i>10.7 %</i>			<i>10.5 %</i>
Adjustments to segment operating profit:						
Restructuring costs	\$ (1)	\$ 3	\$ 13	\$ 2	\$ —	\$ 17
Amortization of acquired intangibles	37	—	2	—	—	39
Acquisition step-up amortization ⁽¹⁾	11	—	—	—	—	11
Acquisition-related costs	—	—	—	—	12	12
TCC acquisition-related gain ⁽²⁾	8	—	—	—	—	8
Total adjustments to operating profit	<u>\$ 55</u>	<u>\$ 3</u>	<u>\$ 15</u>	<u>\$ 2</u>	<u>\$ 12</u>	<u>\$ 87</u>
Adjusted operating profit	<u>\$ 490</u>	<u>\$ 111</u>	<u>\$ 108</u>	<u>\$ (36)</u>	<u>\$ (31)</u>	<u>\$ 642</u>
<i>Adjusted operating margin</i>	<i>13.5 %</i>	<i>12.4 %</i>	<i>12.4 %</i>			<i>12.2 %</i>

(1) Amortization of the step-up to fair value of acquired inventory and backlog.

(2) The carrying value of our previously held TCC equity investments were recognized at fair value and subsequently adjusted.

2022 Adjusted Operating Profit Reconciliation

	(Unaudited)					
	Three Months Ended March 31, 2022					
<i>(In millions)</i>	HVAC	Refrigeration	Fire & Security	Eliminations and Other	General Corporate Expenses	Carrier
Net sales	\$ 2,970	\$ 976	\$ 818	\$ (110)	\$ —	\$ 4,654
Segment operating profit	\$ 470	\$ 107	\$ 1,218	\$ (24)	\$ (34)	\$ 1,737
<i>Reported operating margin</i>	<i>15.8 %</i>	<i>11.0 %</i>	<i>148.9 %</i>			<i>37.3 %</i>
Adjustments to segment operating profit:						
Restructuring costs	\$ 4	\$ —	\$ 6	\$ —	\$ —	\$ 10
Amortization of acquired intangibles	4	—	1	—	—	5
Acquisition-related costs	—	—	—	—	6	6
Chubb gain	—	—	(1,112)	—	—	(1,112)
Russia/Ukraine asset impairment	—	5	4	—	—	9
Total adjustments to operating profit	<u>\$ 8</u>	<u>\$ 5</u>	<u>\$ (1,101)</u>	<u>\$ —</u>	<u>\$ 6</u>	<u>\$ (1,082)</u>
Adjusted operating profit	\$ 478	\$ 112	\$ 117	\$ (24)	\$ (28)	\$ 655
<i>Adjusted operating margin</i>	<i>16.1 %</i>	<i>11.5 %</i>	<i>14.3 %</i>			<i>14.1 %</i>

Q1 2023 EPS Reconciliation

<i>(In millions, except per share amounts)</i>	(Unaudited)		
	Three Months Ended March 31, 2023		
	Reported	Adjustments	Adjusted
Net sales	\$ 5,273	\$ —	\$ 5,273
Operating profit	\$ 555	87 a	\$ 642
<i>Operating margin</i>	<i>10.5 %</i>		<i>12.2 %</i>
Income from operations before income taxes	\$ 509	87 a	\$ 596
Income tax expense	\$ (122)	(18) c	\$ (140)
<i>Income tax rate</i>	<i>24.0 %</i>		<i>23.5 %</i>
Net income attributable to common shareowners	<u>\$ 373</u>	<u>\$ 69</u>	<u>\$ 442</u>
Summary of Adjustments:			
Restructuring costs		\$ 17 a	
Amortization of acquired intangibles		39 a	
Acquisition step-up amortization ⁽¹⁾		11 a	
Acquisition-related costs		12 a	
TCC acquisition-related gain ⁽²⁾		8 a	
Total adjustments		<u>\$ 87</u>	
Tax effect on adjustments above		\$ (18)	
Total tax adjustments		<u>\$ (18) c</u>	
Shares outstanding - Diluted	852.2		852.2
Earnings per share - Diluted	<u>\$ 0.44</u>		<u>\$ 0.52</u>

(1) Amortization of the step-up to fair value of acquired inventory and backlog.

(2) The carrying value of our previously held TCC equity investments were recognized at fair value and subsequently adjusted.

Q1 2022 EPS Reconciliation

	(Unaudited)		
	Three Months Ended March 31, 2022		
<i>(In millions, except per share amounts)</i>	Reported	Adjustments	Adjusted
Net sales	\$ 4,654	\$ —	\$ 4,654
Operating profit	\$ 1,737	(1,082) ^a	\$ 655
<i>Operating margin</i>	<i>37.3 %</i>		<i>14.1 %</i>
Income from operations before income taxes	\$ 1,688	(1,110) ^{a,b}	\$ 578
Income tax expense	\$ (301)	208 ^c	\$ (93)
<i>Income tax rate</i>	<i>17.8 %</i>		<i>16.1 %</i>
Net income attributable to common shareowners	\$ 1,379	\$ (902)	\$ 477
Summary of Adjustments:			
Restructuring costs		\$ 10 ^a	
Amortization of acquired intangibles		5 ^a	
Acquisition-related costs		6 ^a	
Chubb gain		(1,112) ^a	
Russia/Ukraine asset impairment		9 ^a	
Debt extinguishment (gain), net ⁽¹⁾		(28) ^b	
Total adjustments		\$ (1,110)	
Tax effect on adjustments above		\$ 208	
Tax specific adjustments		—	
Total tax adjustments		\$ 208 ^c	
Shares outstanding - Diluted	874.1		874.1
Earnings per share - Diluted	\$ 1.58		\$ 0.55

(1) The Company repurchased approximately \$1.15 billion of aggregate principal senior notes on March 30, 2022 and recognized a net gain of \$33 million and wrote-off \$5 million of unamortized deferred financing costs in Interest (expense) income, net.

Free Cash Flow Reconciliation

<i>(In millions)</i>	(Unaudited)					Q1 2023
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	
Net cash flows provided by (used in) operating activities	\$ (202)	\$ 32	\$ 790	\$ 1,123	\$ 1,743	\$ 120
Less: Capital expenditures	56	66	91	140	353	70
Free cash flow	\$ (258)	\$ (34)	\$ 699	\$ 983	\$ 1,390	\$ 50

Net Debt Reconciliation

<i>(In millions)</i>	(Unaudited)	
	March 31, 2023	December 31, 2022
Long-term debt	\$ 8,708	\$ 8,702
Current portion of long-term debt	142	140
Less: Cash and cash equivalents	3,347	3,520
Net debt	\$ 5,503	\$ 5,322

Amortization of Acquired Intangibles

<i>(In millions)</i>	(Unaudited)				
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022
HVAC	\$ 4	\$ 4	\$ 16	\$ 22	\$ 46
Fire & Security	1	1	1	1	4
Total Carrier	5	5	17	23	50
Associated tax effect	(1)	(1)	(7)	(4)	(13)
Net impact to adjusted results	\$ 4	\$ 4	\$ 10	\$ 19	\$ 37

Adjusted EBITDA Reconciliation

(Unaudited)						
Year Ended December 31, 2022						
(In millions)	HVAC	Refrigeration	Fire & Security	Eliminations and Other	General Corporate Expenses	Carrier
Net sales	\$ 13,408	\$ 3,883	\$ 3,570	\$ (440)	\$ -	\$ 20,421
Segment operating profit	\$ 2,610	\$ 483	\$ 1,630	\$ (80)	\$ (128)	\$ 4,515
<i>Reported operating margin</i>	<i>19.5 %</i>	<i>12.4 %</i>	<i>45.7 %</i>			<i>22.1 %</i>
Adjustments to segment operating profit:						
Restructuring costs	\$ 8	\$ 10	\$ 11	\$ -	\$ 2	\$ 31
Amortization of acquired intangibles ⁽¹⁾	46	-	4	-	-	50
Acquisition step-up amortization ⁽²⁾	51	-	-	-	-	51
Acquisition-related costs	-	-	-	-	31	31
Chubb gain	-	-	(1,105)	-	-	(1,105)
TCC acquisition-related gain ⁽³⁾	(705)	-	-	-	-	(705)
Russia/Ukraine asset impairment	-	3	1	-	-	4
Charge resulting from legal matter	22	-	-	-	-	22
Total adjustments to operating profit	\$ (578)	\$ 13	\$ (1,089)	\$ -	\$ 33	\$ (1,621)
Adjusted operating profit	\$ 2,032	\$ 496	\$ 541	\$ (80)	\$ (95)	\$ 2,894
<i>Adjusted operating margin</i>	<i>15.2 %</i>	<i>12.8 %</i>	<i>15.2 %</i>			<i>14.2 %</i>
Depreciation and amortization	195	31	54	-	34	314
Non-service pension benefit (expense)	3	(7)	-	-	-	(4)
Adjusted EBITDA	\$ 2,230	\$ 520	\$ 595	\$ (80)	\$ (61)	\$ 3,204
<i>% of Net sales</i>	<i>17%</i>	<i>13%</i>	<i>17%</i>			<i>16%</i>

Adjusted EBITDA

\$ 3,204

Less: items to reconcile adjusted EBITDA to net earnings attributable to common shareholders

Restructuring	(31)
Depreciation and amortization	(314)
Amortization of acquired intangibles	(50)
Acquisition step-up amortization	(51)
Acquisition-related costs	(31)
Chubb gain	1,105
TCC acquisition-related gain	705
Russia/Ukraine	(4)
Charge resulting from legal matter	(22)
Interest expense	(219)
Provision for income taxes	(708)
Non-service pension benefit (expense)	-
Net earnings from continuing operations attributable to noncontrolling interests	(50)
Net earnings attributable to common shareholders	\$ 3,534