

# BORGWARNER

## Q2 Pro Forma Highlights

Net Sales Excl. PHINIA Spin-Off*	Net Sales
<b>\$3,671</b>	<b>\$4,520</b>
Adj. Operating Margin*	Operating Margin
<b>10.1%</b>	<b>8.5%</b>
Adj. Diluted EPS*	Diluted EPS
<b>\$1.05</b>	<b>\$0.87</b>

## 2023 Full Year Guidance Net Sales<sup>^</sup>

**~\$14,200 to \$14,600**

## eProduct Sales<sup>^</sup>

**~\$2,300 to \$2,400**

Adj. Operating Margin**	Operating Margin <sup>^</sup>
<b>~9.2% to 9.6%</b>	<b>~7.6% to 8.0%</b>

Adj. Diluted EPS**	Diluted EPS <sup>^</sup>
<b>~\$3.50 to \$3.85</b>	<b>~\$2.58 to \$2.75</b>

(\$ in millions excl. diluted EPS)

Note: Starting in the third quarter of 2023, the Company will no longer consolidate its Fuel Systems and Aftermarket segments, and results of those segments for all periods prior to the PHINIA spin-off will be reflected as discontinued operations.

## CHARGING FORWARD 2027 Targets

eProduct Growth



**\$10+ Billion in eProduct sales by 2027**

eProduct Profitability



**eProduct Adj. Operating Margin ~7% by 2027**

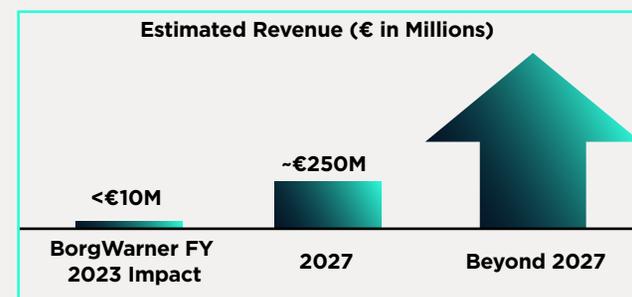
**Maximize Foundational Value**



**Maintain double-digit margins for Foundational products**

## Acquisition of Electric Hybrid Systems (EHS) Business Segment of Eldor Corporation

- Complimentary product portfolio with integrated high-voltage boxes, DC/DC converters and integrated high-voltage boxes and on-board chargers (OBCs)
- Would augment existing Power Electronics capabilities with additional resources, capacity and technology



## Key Wins Drive Charging Forward 2027 Pillars

### Integrated Drive Modules



Award with leading Chinese domestic OEM, expected to launch in 2024

### Inverters + eMotors



Award with East Asian OEM to supply the automaker's new BEV platform, expected to launch in mid-2025

### High-Voltage Coolant Heaters



Award with global supplier for use on a series of three electric vehicle (EV) platforms for a major OEM expected to launch in 2025

\*Net sales excl. PHINIA spin-off, adj. operating margin and adj. diluted EPS on this slide are non-US-GAAP measures.

<sup>^</sup>Denotes a forward-looking statement that is based on current expectations. Actual results may differ materially due to risks and uncertainties that include, among others: inflation; supply disruptions impacting us or our customers; challenges associated with rapidly changing technologies & our ability to innovate in response; & difficulty in forecasting demand for electric vehicles & our related revenue growth. **A reconciliation to US GAAP and a more fulsome list of risks & uncertainties appear in the latest BorgWarner earnings release: <http://www.borgwarner.com/q2-2023-earnings.pdf>**