



**Breaking  
New Ground**

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Innovation Sustainability Productivity

## Q3 2022 RESULTS REVIEW

November 8<sup>th</sup>, 2022



# SAFE HARBOR STATEMENT AND DISCLOSURES

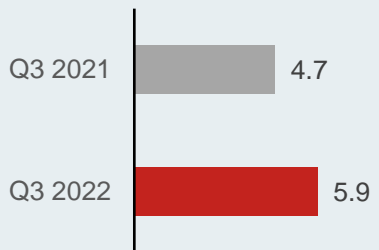
All statements other than statements of historical fact contained in this earnings release, including competitive strengths; business strategy; future financial position or operating results; budgets; projections with respect to revenue, income, earnings (or loss) per share, capital expenditures, dividends, 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 Industrial 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, including those related to the COVID-19 pandemic, 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: the continued uncertainties related to the unknown duration and economic, operational and financial impacts of the global COVID-19 pandemic and the actions taken or contemplated by governmental authorities or others in connection with the pandemic on our business, our employees, customers and suppliers; supply chain disruptions, including delays caused by mandated shutdowns, industry capacity constraints, material availability, and global logistics delays and constraints; disruption caused by business responses to COVID-19, including remote working arrangements, which may create increased vulnerability to cybersecurity or data privacy incidents; our ability to execute business continuity plans as a result of COVID-19; the many interrelated factors that affect consumer confidence and worldwide demand for capital goods and capital goods-related products, including demand uncertainty caused by COVID-19; general economic conditions in each of our markets, including the significant economic uncertainty and volatility caused the war in the Ukraine and by COVID-19; 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, trade and commerce and infrastructure development; government policies on international trade and investment, including sanctions, import quotas, capital controls and tariffs; volatility in international trade caused by the imposition of tariffs, sanctions, embargoes, and trade wars; 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; production difficulties, including capacity and supply constraints and excess inventory levels; labor relations; interest rates and currency exchange rates; inflation and deflation; energy prices; prices for agricultural commodities; 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 Industrial 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 other pandemics, terrorist attacks in Europe and elsewhere; our ability to realize the anticipated benefits from our business initiatives as part of our strategic plan; 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 earnings release, 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 Industrial's control. CNH Industrial 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 Industrial, including factors that potentially could materially affect CNH Industrial's financial results, is included in CNH Industrial's reports and filings with the U.S. Securities and Exchange Commission (“SEC”), the Autoriteit Financiële Markten (“AFM”) and Commissione Nazionale per le Società e la Borsa (“CONSOB”).

All future written and oral forward-looking statements by CNH Industrial or persons acting on the behalf of CNH Industrial are expressly qualified in their entirety by the cautionary statements contained herein or referred to above.

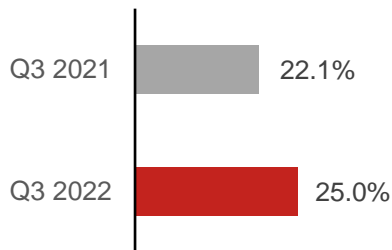
# THIRD QUARTER 2022 MAIN HIGHLIGHTS

## Revenues - \$bn



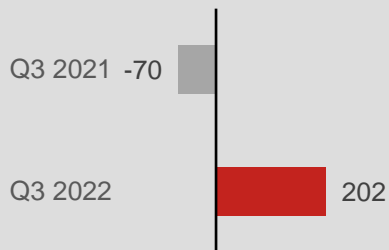
+29% at constant currency

## AG Gross Margin - %<sup>(1)</sup>



Pricing > prod. costs

## I.A. Free Cash Flow - \$mn<sup>(2)</sup>



Positive, despite seasonality of working capital

Supply chain still constrained but improving

Raven-enabled product launches

Improved FY'22 guidance





## AGRICULTURE

**\$4.5B**

net sales Q3 22

**+32%**

change net sales  
(@CC\*)

**\$666M**

adj. EBIT<sup>(1)</sup> Q3 22

**14.8%**

adj. EBIT margin<sup>(1)</sup>

Price / cost positive

Gross margin at 25.0%, +290 bps YoY

Supply chain driving elevated manufacturing inventories

Demand strong, especially in the Americas

Accepting orders through Q3 2023 in most markets

(\*) @CC means at constant currency; (1) Non-GAAP measures (definition & reconciliation in appendix)

# TECHNOLOGY LEADERSHIP & CUSTOMER INSPIRED INNOVATION

**Case IH Trident™ 5550  
applicator with Raven  
Autonomy™**



**New Holland  
Guardian™ sprayers  
with Raven technology**



**Case IH Austoft 9900  
Sugarcane Harvester**





## CONSTRUCTION

**\$895M** **+20%**  
net sales Q3 22      change net sales  
                                 (@CC\*)

**\$24M** **2.7%**  
adj. EBIT<sup>(1)</sup> Q3 22      adj. EBIT margin<sup>(1)</sup>

Pricing offsetting higher production cost

Gross margin at 12.6%

Sampierana integration continues

Strong order coverage in North America and Europe

Launched Minotaur™ Compact Dozer Loader



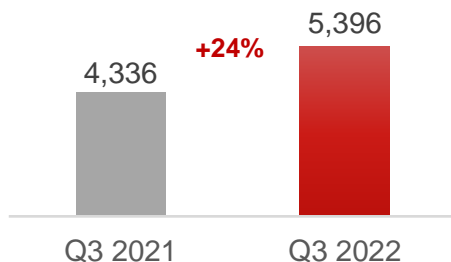
(\*) @CC means at constant currency; (1) Non-GAAP measures (definition and reconciliation in appendix)

# THIRD QUARTER 2022 | FINANCIAL HIGHLIGHTS

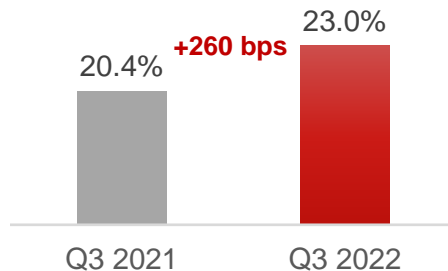
## Industrial Activities

### Net Sales

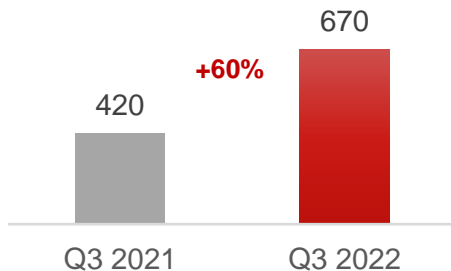
(\$mn)



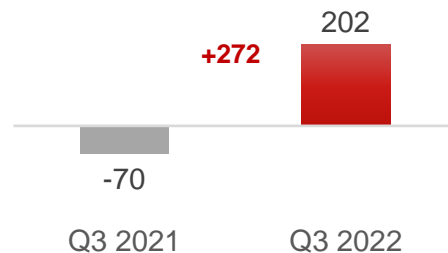
### Gross Margin



### Adjusted EBIT<sup>(\*)</sup>

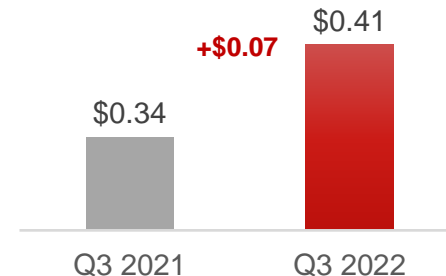


### Free Cash Flow<sup>(\*)</sup>

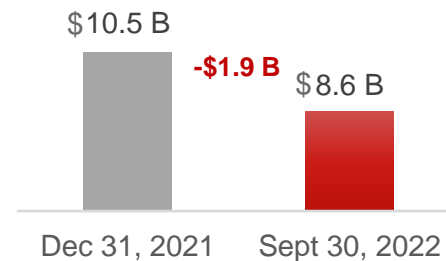


## Consolidated

### Adjusted Diluted EPS<sup>(\*)</sup>

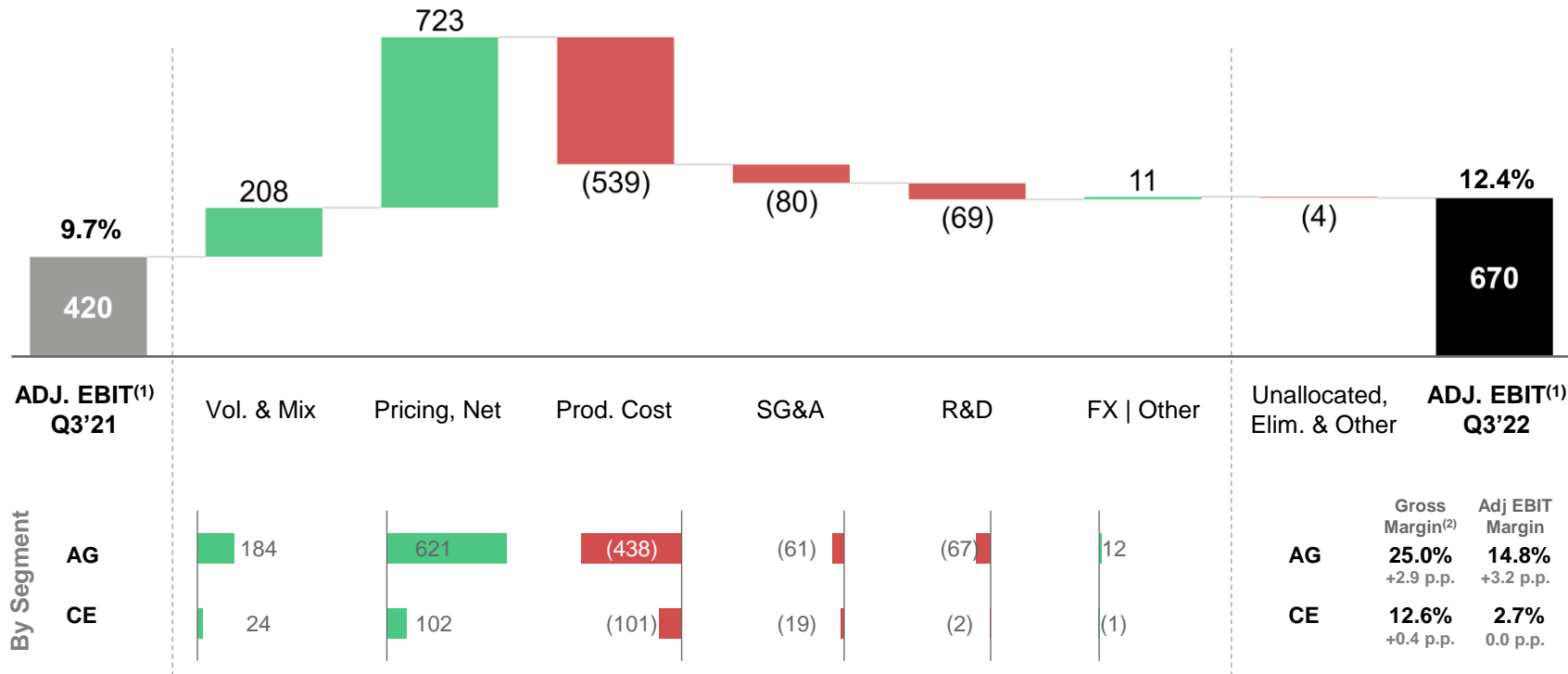


### Available Liquidity<sup>(\*)</sup>



# THIRD QUARTER 2022 | INDUSTRIAL ACTIVITIES ADJ. EBIT <sup>(1)</sup> WALK

(\$mn)



Note | Δ p.p. change vs. Q3 2021

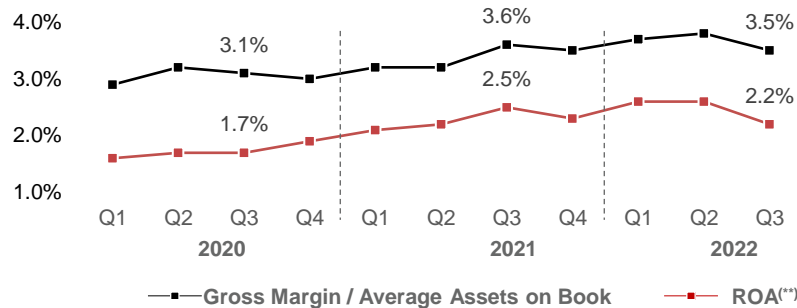
# THIRD QUARTER 2022 | FINANCIAL SERVICES

## Net Income

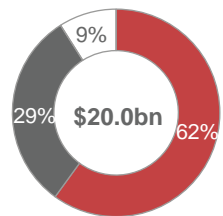
(\$mn)



## Profitability Ratios



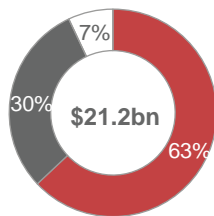
## Managed Portfolio(\*) & Retail Originations(\*)



September 30, 2021

**Q3'22 retail originations at \$2.5bn**, up \$0.1bn compared to Sept. 30, 2021

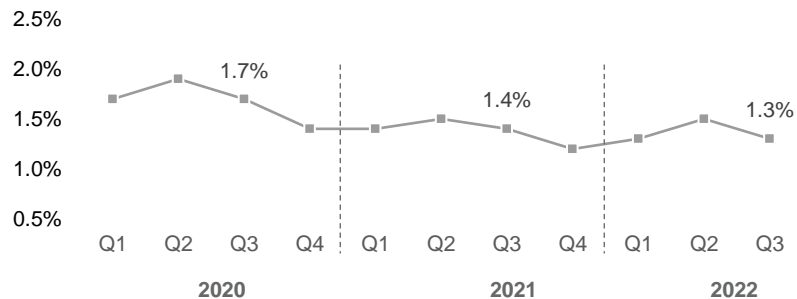
**Managed portfolio\* at \$21.2bn**, up \$1.2bn compared to Sept. 30, 2021 (up \$2.4bn on a constant currency basis)



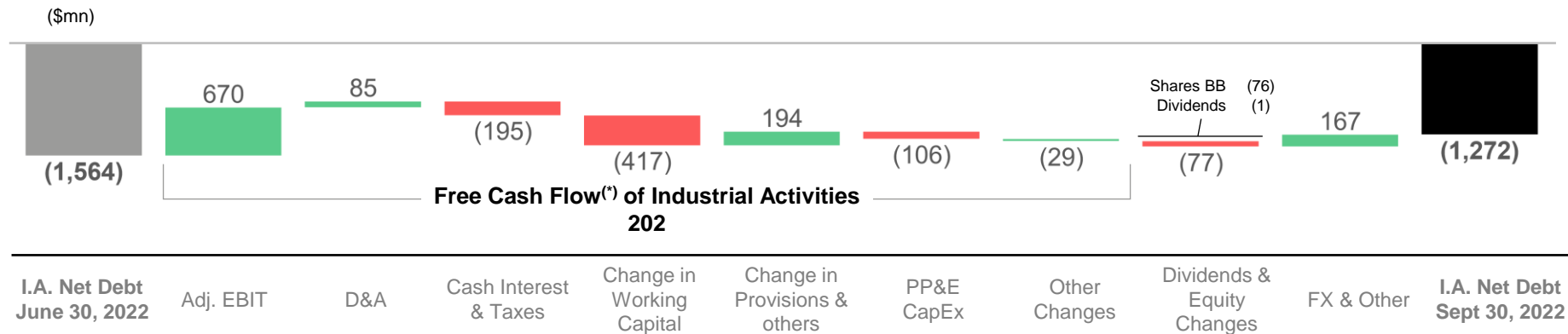
September 30, 2022

■ Retail ■ Wholesale □ Operating Lease

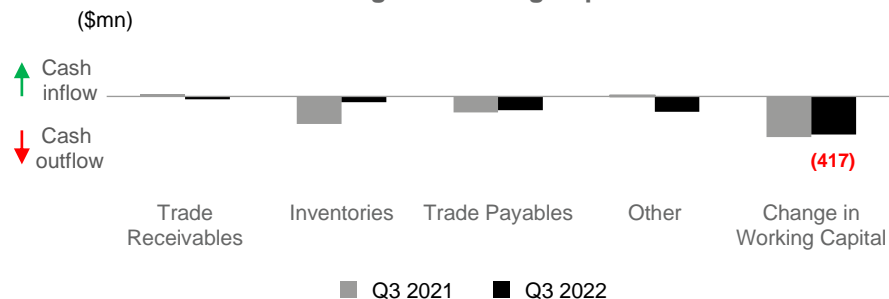
## Delinquencies on Book (>30 Days)



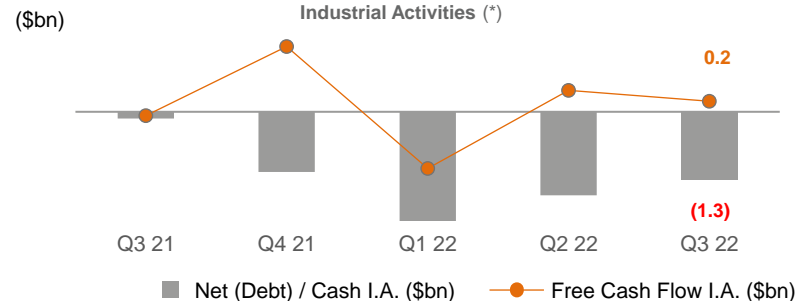
# THIRD QUARTER 2022 | INDUSTRIAL ACTIVITIES CHANGE IN NET DEBT (\*)



## Change in Working Capital



## Net (Debt)/Cash and Free Cash Flow by quarter Industrial Activities (\*)



# CAPITAL ALLOCATION PRIORITIES

## ORGANIC GROWTH

Capex up 18% from Q3 2021, R&D up 36%, both in line with targets

## CREDIT RATING

Current long-term ratings: Moody's Baa2; S&P BBB and Fitch BBB+

## GROSS DEBT

Gross Debt stable in Q3 at constant currency

## SHAREHOLDER RETURNS





\$76mn of share buybacks in the quarter

## INORGANIC GROWTH

Sufficient liquidity for M&A opportunities

Support **growth** and ensure shareholder **returns**, while maintaining a **strong balance sheet**

# FY 2022 ESTIMATES | INDUSTRY UNIT PERFORMANCE VS. FY 2021

		NORTH AMERICA <sup>(*)</sup>	EUROPE <sup>(*)</sup>	REST OF EMEA <sup>(*)</sup>	SOUTH AMERICA <sup>(*)</sup>	APAC <sup>(*)</sup>
	0-140 HP Tractors	(15%) – (10%)	(5%)	(5%) – Flat	Flat – 5%	Flat
	140+ Large Tractors	10% – 15%				
	Combines	10%	Flat	(40%)	Flat – 5%	25%
	Light	(5%)	(5%) – Flat	(10%) – (5%)	20% – 25%	(25%) – (20%)
	Heavy	5% – 10%	(10%) – (5%)	10%	15% – 20%	(25%) – (20%)

INDUSTRIAL ACTIVITIES		
	Previous Guidance	Updated Guidance
Net Sales <sup>(1)</sup>	+12% to +14%	<b>+16% to +18%</b>
SG&A	≤ 7.5%	<b>&lt; 7.5%</b>
Free Cash Flow <sup>(2)</sup>	> \$1.0B	<b>Confirmed</b>
R&D CapEx	~ \$1.4B	<b>Confirmed</b>

Significant uncertainties remain, including rising inflation, geopolitical instability, the war in Ukraine and may affect our forecast for the year.



## PRELIMINARY 2023 MACRO OUTLOOK

Slowdown of global growth in very uncertain macro scenario

Inflation to be monitored; affected by multiple headwinds

Farm income sustained despite input cost increases

Supply chain still unstable, however progressively improving

Tight channel inventories, linked to supply chain evolution

Order books extending into 2023, providing visibility



## CNHI FOCUS AND PRIORITIES

Order coverage strong despite limited order windows

Investing in technology and products

Strategic Sourcing Program roll-out

Strike ongoing at 2 of 42 plants; facilities still operational




Building the tech stack with Raven as the anchor

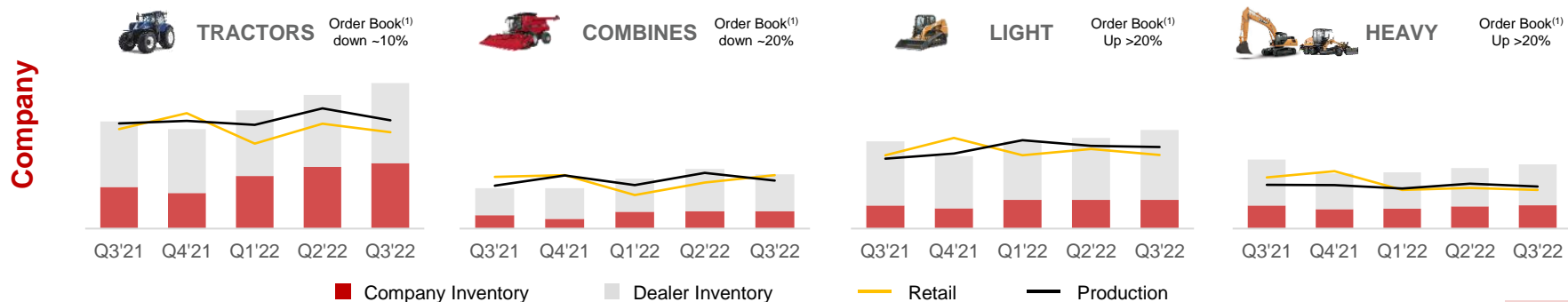
Voluntarily transition to filing on Forms 10-K and 10-Q

Tech Day event in early December

# APPENDIX

# Q3 2022 | UNIT PERFORMANCE VS. Q3 2021

Industry		NORTH AMERICA <sup>(*)</sup>	EUROPE <sup>(*)</sup>	REST OF EMEA <sup>(*)</sup>	SOUTH AMERICA <sup>(*)</sup>	APAC <sup>(*)</sup>
	<b>0-140 HP Tractors</b>	(16%)				
	<b>140+ Large Tractors</b>	9%	(8%)	(2%)	12%	8%
	<b>Combines</b>	13%	12%	(57%)	20%	12%
	<b>Light</b>	(1%)	(6%)	(9%)	13%	(8%)
	<b>Heavy</b>	9%	(9%)	5%	27%	(10%)



# Q3 / 9M 2022 | FINANCIAL SUMMARY

(\$mn)

	Q3 2022	Q3 2021	Δ YoY	9M 2022	9M 2021	Δ YoY
<b>U.S. GAAP</b>						
Revenues	5,881	4,746	+24%	16,608	14,016	+18%
Net Sales   Industrial Activities	5,396	4,336	+24%	15,189	12,808	+19%
Net Income	559	460	+99	1,447	1,337	+110
Diluted EPS (\$)	0.41	0.34	+0.07	1.06	0.98	+0.08
<b>Non – GAAP <sup>(1)</sup></b>						
Net Sales   Industrial Activities @CC	5,625	4,336	+30%	15,612	12,808	+22%
Adjusted EBIT   Industrial Activities	670	420	+60%	1,753	1,385	+27%
Adjusted EBIT Margin   Industrial Activities	12.4%	9.7%	+270 bps	11.5%	10.8%	+70 bps
Adjusted income (loss) before income tax benefit (expense) and equity in income of unconsolidated subsidiaries and affiliates	726	533	+36%	1,962	1,593	+23%
Adjusted Effective Tax Rate	26%	16%	+10 pp	26%	21%	+5 pp
Adjusted Net Income	557	463	+94	1,518	1,322	+196
Adjusted net income attributable to CNH Industrial N.V.	554	460	+94	1,508	1,315	+193
Weighted average shares outstanding – diluted (million)	1,355	1,361	(0.4%)	1,359	1,360	(0.1%)
Adjusted Diluted EPS (\$)	0.41	0.34	+0.07	1.11	0.97	+0.14
Free Cash Flow   Industrial Activities	202	(70)	+272	(453)	703	(1,156)
				30-Sept-22	31-Dec-21	Δ
Net Industrial Cash (Debt) (\$mn)				(1,272)	(1,126)	(13%)
Available Liquidity (\$mn)				8,645	10,521	(18%)

(\*) @CC means at constant currency

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

Note: Numbers may not add due to rounding

# Q3 2022 | INDUSTRIAL ACTIVITIES NET SALES

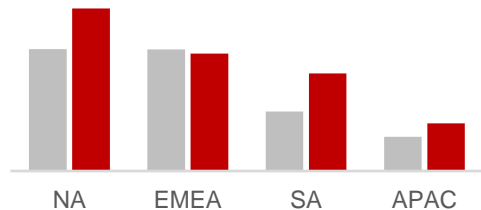
## AG

**\$4,501mn**

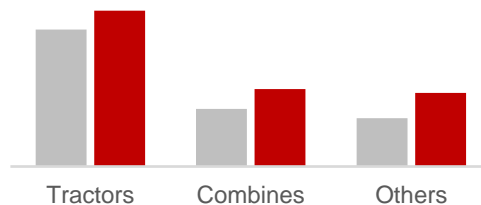
+26% YoY

+32% @CC

**By Region**  
as reported



**By Product**  
as reported



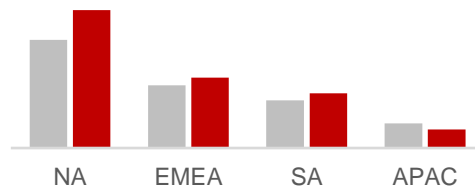
## CE

**\$895mn**

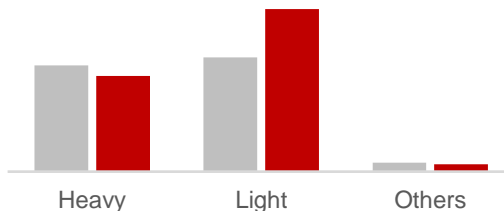
+16% YoY

+20% @CC

**By Region**  
as reported



**By Product**  
as reported



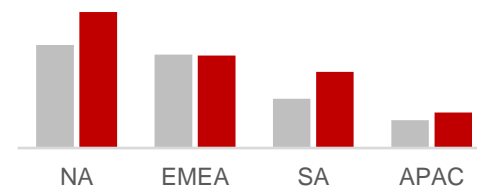
## Industrial Activities <sup>(1)</sup>

**\$5,396mn**

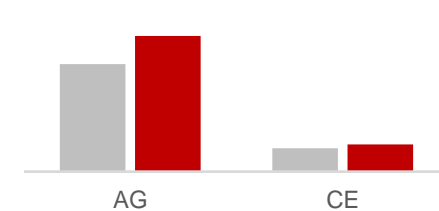
+24% YoY

+30% @CC

**By Region**  
as reported



**By Segment**  
as reported



# Q3 / 9M 2022 | FINANCIALS BY SEGMENT

(\$mn)

	Revenues		Gross Profit		Adj. EBIT		Adj. EBIT Margin %	
	Q3 22	Q3 21	Q3 22	Q3 21	Q3 22	Q3 21	Q3 22	Q3 21
Agriculture	4,501	3,563	1,127	787	666	415	14.8%	11.6%
Construction Equip.	895	773	113	94	24	21	2.7%	2.7%
Elimination & Other	-	-	-	3	(20)	(16)		
<b>Industrial Activities</b>	<b>5,396</b>	<b>4,336</b>	<b>1,240</b>	<b>884</b>	<b>670</b>	<b>420</b>	<b>12.4%</b>	<b>9.7%</b>
Financial Services	482	405						
Elimination & Other	3	5						
<b>TOTAL</b>	<b>5,881</b>	<b>4,746</b>						

	Revenues		Gross Profit		Adj. EBIT		Adj. EBIT Margin %	
	9M 22	9M 21	9M 22	9M 21	9M 22	9M 21	9M 22	9M 21
Agriculture	12,600	10,571	3,046	2,451	1,755	1,396	13.9%	13.2%
Construction Equip.	2,589	2,237	343	288	90	70	3.5%	3.1%
Elimination & Other	-	-	(19)	5	(92)	(81)		
<b>Industrial Activities</b>	<b>15,189</b>	<b>12,808</b>	<b>3,370</b>	<b>2,744</b>	<b>1,753</b>	<b>1,385</b>	<b>11.5%</b>	<b>10.8%</b>
Financial Services	1,419	1,194						
Elimination & Other	-	14						
<b>TOTAL</b>	<b>16,608</b>	<b>14,016</b>						

# Q3 / 9M 2022 | NET SALES AND ADJ. EBIT BREAKDOWN

(\$mn)

## Net Sales Split

AG			CE			AG			CE		
	Q3 22	Q3 21		Q3 22	Q3 21		9M 22	9M 21		9M 22	9M 21
NA	38%	36%	NA	49%	44%	NA	37%	35%	NA	48%	44%
EMEA	28%	36%	EMEA	25%	26%	EMEA	32%	40%	EMEA	25%	27%
LA	23%	18%	LA	19%	20%	LA	21%	15%	LA	19%	16%
APAC	11%	10%	APAC	7%	10%	APAC	10%	10%	APAC	8%	13%
Tractors	51%	56%	Heavy	36%	46%	Tractors	52%	57%	Heavy	37%	46%
Combines	25%	24%	Light	61%	50%	Combines	24%	23%	Light	60%	50%
Others*	24%	20%	Others	3%	4%	Others*	24%	20%	Others	3%	4%

## Industrial Activities | Adj. EBIT Walk

Q3 walk	adj. EBIT <sup>(1)</sup> '21	Vol. & Mix	Pricing, Net	Prod. Cost	SG&A	R&D	FX   Other	Unalloc., Elim. & Other	adj. EBIT <sup>(1)</sup> '22
Ind. Activities	420	208	723	(539)	(80)	(69)	11	(4)	670
Agriculture	415	184	621	(438)	(61)	(67)	12		666
Constr. Equip.	21	24	102	(101)	(19)	(2)	(1)		24

9M walk	adj. EBIT <sup>(1)</sup> '21	Vol. & Mix	Pricing, Net	Prod. Cost	SG&A	R&D	FX   Other	Unalloc., Elim. & Other	adj. EBIT <sup>(1)</sup> '22
Ind. Activities	1,385	432	1,824	(1,535)	(172)	(184)	14	(11)	1,753
Agriculture	1,396	372	1,542	(1,265)	(131)	(177)	18		1,755
Constr. Equip.	70	60	282	(270)	(41)	(7)	(4)		90

# Q3 / 9M 2022 | CAPEX AND R&D

(\$mn)

	Q3 2022	Q3 2021	9M 2022	9M 2021
Investments in property, plant and equipment, and intangible assets	106	90	243	195
<b>Breakdown by Category</b>				
New Product & Technology	50%	37%	38%	42%
Maintenance & Other	33%	48%	42%	48%
Industrial Capacity Expansion & LT Investments	17%	15%	20%	10%
<b>Breakdown by Segment</b>				
Agriculture	85%	86%	87%	85%
Construction Equipment	15%	14%	13%	15%
Research and Development	213	157	609	453
Total spending (CapEx + R&D) in new products	194	126	489	341
<b>Breakdown by Trend</b>				
Digital	42%	28%	38%	25%
Electric Vehicles and CNG-LNG	9%	2%	9%	2%
Other New Program	49%	70%	53%	73%

# DEBT MATURITY SCHEDULE | BREAKDOWN

(\$bn)

Outstanding Sept 30, 2022		3M 2022	2023	2024	2025	2026	Beyond
2.0	Bank Debt	0.5	0.8	0.3	0.2	0.1	0.2
9.6	Capital Market	0.6	2.1	2.0	1.4	1.7	1.8
0.1	Other Debt	0.1	0.0	0.0	0.0	0.0	0.0
<b>11.9</b>	<b>Cash Portion of (Debt) Maturities</b>	<b>1.3</b>	<b>2.9</b>	<b>2.3</b>	<b>1.6</b>	<b>1.8</b>	<b>2.0</b>
	<i>of which Industrial Activities</i>	<i>0.1</i>	<i>1.0</i>	<i>0.7</i>	<i>0.7</i>	<i>0.5</i>	<i>1.6</i>
	<i>of which Financial Services</i>	<i>1.2</i>	<i>2.0</i>	<i>1.6</i>	<i>0.9</i>	<i>1.3</i>	<i>0.3</i>
3.8	Cash & Cash Equivalents						
0.7	<i>of which restricted cash</i>						
0.1	Net Receivables / (Payables) with Iveco Group N.V.						
4.7	Undrawn Committed credit lines						
<b>8.7</b>	<b>Total Available Liquidity</b>						

# RECONCILIATIONS

# RECONCILIATION OF NET INCOME (LOSS) TO ADJ. EBIT BY SEGMENT (US GAAP)

(\$mn)

	Q3 2022				9M 2022			
	AG	CE	Unall. Items, Elim. & Other	Industrial Activities	AG	CE	Unall. Items, Elim. & Other	Industrial Activities
<b>Consolidated Net income</b>				<b>559</b>				<b>1,447</b>
<b>Less:</b> Consolidated Income tax (expense) benefit				(192)				(579)
<b>Consolidated Income before taxes</b>				<b>751</b>				<b>2,026</b>
<b>Less: Financial Services</b>								
Financial Services Net income				86				263
Financial Services Income taxes				32				106
<b>Add back of the following Industrial Activities items:</b>								
Interest expenses, net of interest income & eliminations				27				97
Foreign exchange (gains) losses, net				14				14
Finance & non-service component of Pension & other post-empl. benefit costs <sup>(1)</sup>				(35)				(112)
<b>Adjustments for the following Industrial Activities items:</b>								
Restructuring expenses	11	-	-	11	16	3	-	19
Other discrete items <sup>(2)</sup>	-	-	20	20	-	-	78	78
<b>Adjusted EBIT of Industrial Activities</b>	<b>666</b>	<b>24</b>	<b>(20)</b>	<b>670</b>	<b>1,755</b>	<b>90</b>	<b>(92)</b>	<b>1,753</b>

(1) In the three months ended September 30, 2022, this item includes the pre-tax gain of \$30 million as a result of the amortization over approximately 4.5 years of the \$527 million positive impact from the 2018 modification of a healthcare plan in the U.S. and a pre-tax gain of \$6 million as a result of the amortization over the 4 years of the \$101 million positive impact from the 2021 modifications of a healthcare plan in the U.S. In the nine months ended September 30, 2022, this item includes the pre-tax gain of \$90 million as a result of the 2018 modification and a pre-tax gain of \$18 million as a result of the 2021 modifications.

(2) In the three months ended September 30, 2022, this item included \$7 million of separation costs incurred in connection with our spin-off of the Iveco Group Business and \$14 million of costs related to the activity of the Raven segments held for sale, including the loss on the sale of the AeroStar division. In the nine months ended September 30, 2022, this item included \$43 million of asset write-downs, \$13 million of separation costs incurred in a connection with our spin-off of the Iveco Group Business and \$22 million of costs related to the activity of the Raven segments held for sale, including the loss on the sale of the Engineered Films and AeroStar divisions.

# RECONCILIATION OF NET INCOME (LOSS) TO ADJ. EBIT BY SEGMENT (US GAAP)

(\$mn)

	Q3 2021				9M 2021			
	AG	CE	Unall. Items, Elim. & Other	Industrial Activities	AG	CE	Unall. Items, Elim. & Other	Industrial Activities
<b>Consolidated Net income</b>				<b>329</b>				<b>1,453</b>
<b>Less:</b> Consolidated Net Income (loss) of Discontinued Operations				(131)				116
<b>Consolidated Net income (loss) of Continuing Operations</b>				<b>460</b>				<b>1,377</b>
<b>Less:</b> Consolidated Income tax (expense) benefit				(79)				(347)
<b>Consolidated Income (loss) before taxes (continuing operations)</b>				<b>539</b>				<b>1,684</b>
<b>Less: Financial Services</b>								
Financial Services Net income				96				259
Financial Services Income taxes				31				83
<b>Add back of the following Industrial Activities items:</b>								
Interest expenses, net of interest income & eliminations				21				92
Foreign exchange (gains) losses, net				(21)				(6)
Finance & non-service component of Pension & other post-empl. benefit costs <sup>(1)</sup>				33				(102)
<b>Adjustments for the following Industrial Activities items:</b>								
Restructuring expenses	4	11	-	15	8	13	-	21
Other discrete items <sup>(2)</sup>	-	-	26	26	-	-	38	38
<b>Adjusted EBIT of Industrial Activities</b>	<b>415</b>	<b>21</b>	<b>(16)</b>	<b>420</b>	<b>1,396</b>	<b>70</b>	<b>(81)</b>	<b>1,385</b>

(1) In the three months ended September 30, 2021, this item includes the pre-tax gain of \$30 million as a result of the amortization over approximately 4.5 years of the \$527 million positive impact from the 2018 modification of a healthcare plan in the U.S. In the nine months ended September 30, 2021, this item includes the pre-tax gain of \$90 million as a result of the 2018 modification.

(2) In the three months ended September 30, 2021, this item included \$24 million separation costs in connection with the spin-off of the Iveco Group business. In the nine months ended September 30, 2021, this item included \$32 million separation costs in connection with the spin-off of the Iveco Group business.

# RECONCILIATION OF TOTAL DEBT TO NET DEBT (US GAAP)

(\$mn)

	Consolidated		Industrial Activities		Financial Services	
	Sept. 30, 2022	Dec. 31, 2021	Sept. 30, 2022	Dec. 31, 2021	Sept. 30, 2022	Dec. 31, 2021
Third party debt	(20,922)	(20,897)	(4,644)	(5,335)	(16,278)	(15,562)
Intersegment notes payable	-	-	(183)	(150)	(585)	(181)
Payable to Iveco Group N.V. <sup>(4)</sup>	(95)	(3,986)	(6)	(3,764)	(89)	(222)
<b>Total (Debt)<sup>(1)</sup></b>	<b>(21,017)</b>	<b>(24,883)</b>	<b>(4,833)</b>	<b>(9,249)</b>	<b>(16,952)</b>	<b>(15,965)</b>
Less:						
Cash and cash equivalents	3,154	5,044	2,736	4,386	418	658
Restricted cash	660	801	131	128	529	673
Intersegment notes receivable	-	-	585	181	183	150
Receivables from Iveco Group N.V. <sup>(4)</sup>	224	3,484	151	3,430	73	54
Other current financial assets <sup>(2)</sup>	2	1	2	1	-	-
Derivatives hedging debt	(44)	(3)	(44)	(3)	-	-
<b>Net Cash (Debt)<sup>(3)</sup></b>	<b>(17,021)</b>	<b>(15,556)</b>	<b>(1,272)</b>	<b>(1,126)</b>	<b>(15,749)</b>	<b>(14,430)</b>

(1) Total (Debt) of Industrial Activities includes Intersegment notes payable to Financial Services of \$183 million and \$150 million as of September 30, 2022 and December 31, 2021, respectively. Total (Debt) of Financial Services includes Intersegment notes payable to Industrial Activities of \$585 million and \$181 million as of September 30, 2022 and December 31, 2021, respectively.

(2) This item includes short-term deposits and investments towards high-credit rating counterparties.

(3) The net intersegment receivable/(payable) balance recorded by Financial Services relating to Industrial Activities was (\$402) million and (\$31) million as of September 30, 2022 and December 31, 2021, respectively.

(4) For December 31, 2021, this item is shown net on the CNH Industrial balance sheet.

# RECONCILIATION OF CASH & CASH EQUIVALENTS TO AVAILABLE LIQUIDITY UNDER U.S.-GAAP

(\$mn)

	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
<b>Cash and cash equivalents</b>	<b>3,154</b>	<b>2,855</b>	3,219	5,044
Restricted cash	660	729	842	801
Undrawn committed facilities	4,700	5,002	5,087	5,177
Receivables from Iveco Group N.V.	224	281	297	3,484
Payables to Iveco Group N.V.	(95)	(73)	(47)	(3,986)
Other current financial assets <sup>(1)</sup>	2	1	1	1
<b>Available liquidity</b>	<b>8,645</b>	<b>8,795</b>	<b>9,399</b>	<b>10,521</b>

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

(\$mn)

	Q3 2022	Q3 2021	9M 2022	9M 2021
<b>Net cash provided by (used in) Operating Activities (Continuing Operations)</b>	<b>272</b>	<b>673</b>	<b>(886)</b>	<b>1,474</b>
Cash flows from Operating Activities of Financial Services net of eliminations	27	(628)	704	(548)
Change in derivatives hedging debt of Industrial Activities and other	46	(1)	17	(8)
Investments in assets sold under operating lease assets of Industrial Activities	(8)	(10)	(14)	(18)
Investments in property, plant and equipment, and intangible assets of Industrial Activities	(106)	(90)	(243)	(195)
Other changes <sup>(1)</sup>	(29)	(14)	(31)	(2)
<b>Free cash flow of Industrial Activities</b>	<b>202</b>	<b>(70)</b>	<b>(453)</b>	<b>703</b>

# 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 (1/2)

(\$mn)

	Q3 2022	Q3 2021	9M 2022	9M 2021
<b>Net income (loss) – Continuing Operations</b>	<b>559</b>	<b>460</b>	<b>1,447</b>	<b>1,337</b>
Adjustments impacting Income (loss) before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates (a)	(4)	11	5	(23)
Adjustments impacting Income tax (expense) benefit (b)	2	(8)	66	8
<b>Adjusted net income (loss)</b>	<b>557</b>	<b>463</b>	<b>1,518</b>	<b>1,322</b>
Adjusted net income (loss) attributable to CNH Industrial N.V.	554	460	1,508	1,315
Weighted average shares outstanding – diluted (million)	1,355	1,361	1,359	1,360
<b>Adjusted diluted EPS (\$)</b>	<b>0.41</b>	<b>0.34</b>	<b>1.11</b>	<b>0.97</b>
<b>Income (loss) from continuing operations before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates</b>	<b>730</b>	<b>522</b>	<b>1,957</b>	<b>1,616</b>
Adjustments impacting Income (loss) before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates (a)	(4)	11	5	(23)
<b>Adjusted income (loss) from continuing operations before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates (A)</b>	<b>726</b>	<b>533</b>	<b>1,962</b>	<b>1,593</b>
<b>Income tax (expense) benefit</b>	<b>(192)</b>	<b>(79)</b>	<b>(579)</b>	<b>(347)</b>
Adjustments impacting Income tax (expense) benefit (b)	2	(8)	66	8
<b>Adjusted income tax (expense) benefit (B)</b>	<b>(190)</b>	<b>(87)</b>	<b>(513)</b>	<b>(339)</b>
<b>Adjusted Effective Tax Rate (Adjusted ETR) (C=B/A)</b>	<b>26.2%</b>	<b>16.3%</b>	<b>26.1%</b>	<b>21.3%</b>

# 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 (2/2)

(\$mn)

	Q3 2022	Q3 2021	9M 2022	9M 2021
<b>(a) Adjustments impacting Income (loss) before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates</b>				
Restructuring expenses	11	15	19	21
Loss on repurchase of notes	-	-	-	8
Pre-tax gain related to the 2018 modification of a healthcare plan in the U.S.	(30)	(30)	(90)	(90)
Pre-tax gain related to the 2021 modification of a healthcare plan in the U.S.	(6)	-	(18)	-
Asset write-down: Industrial Activities, Russia Operations	(1)	-	43	-
Asset write-down: Financial Services, Russia Operations	1	-	16	-
Spin related costs	7	24	13	32
Other discrete items	-	2	-	6
Loss on sale of EFD net of income from segments held for sale	14	-	22	-
<b>Total</b>	<b>(4)</b>	<b>11</b>	<b>5</b>	<b>(23)</b>
<b>(b) Adjustments impacting Income tax (expense) benefit</b>				
Tax effect of adjustments impacting Income (loss) before income tax (expense) benefit and equity in income of unconsolidated subsidiaries and affiliates <sup>(1)</sup>	5	(1)	66	13
Other	(3)	(7)	-	(5)
<b>Total</b>	<b>2</b>	<b>(8)</b>	<b>66</b>	<b>8</b>

# GEOGRAPHIC INFORMATION

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

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

## **Market Share / Market Position Data**

- Certain industry and market share information in this report has been presented on a worldwide basis which includes all countries.
- In this presentation, management estimates of past market-share information are 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 Industrial monitors its operations through the use of several non-GAAP financial measures. CNH Industrial'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 Industrial'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 or EU-IFRS 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 and/or EU-IFRS.

CNH Industrial's non-GAAP financial measures are defined as follows:

**Adjusted EBIT of Industrial Activities under U.S. GAAP** 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 of Industrial Activities under EU-IFRS** is defined as profit/(loss) before taxes, Financial Services' results, Industrial Activities' financial expenses, restructuring costs, and certain non-recurring items.

**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 Industrial share-based payment awards, when inclusion is not anti-dilutive. When we provide guidance for adjusted diluted EPS, we do not provide guidance on a 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 Taxes** 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.

**Adjusted Gross Profit Margin of Industrial Activities** is computed by dividing Net sales less Cost of goods sold, as adjusted by non-recurring items, by Net sales.

**Net Cash (Debt) and Net Cash (Debt) of Industrial Activities**: Net Cash (Debt) is defined as total debt less intersegment notes receivable, cash and cash equivalents, restricted cash, other current financial assets (primarily current securities, short-term deposits and investments towards high-credit rating counterparties) and derivative hedging debt. CNH Industrial provides the reconciliation of Net Cash (Debt) to Total (Debt), which is the most directly comparable measure included in the consolidated balance sheets. Due to different sources of cash flows used for the repayment of the debt between Industrial Activities and Financial Services (by cash from operations for Industrial Activities and by collection of financing receivables for Financial Services), management separately evaluates the cash flow performance of Industrial Activities using Net Cash (Debt) of Industrial Activities.

**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 buy-back commitments, assets 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.

**Available Liquidity** is defined as cash and cash equivalents plus restricted cash, undrawn medium-term unsecured committed facilities, net receivables/payables with Iveco Group N.V. and other current financial assets (primarily current securities, short-term deposits and investments in instruments of high-credit rating counterparties).

**Change excl. FX or Constant Currency**: CNH Industrial discusses 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.

The tables attached to this press release provide reconciliations of the non-GAAP measures used in this press release to the most directly comparable GAAP measures.



**Breaking  
New Ground**

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Innovation Sustainability Productivity

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