



**IMMEDIATE RELEASE**

## **AAM Reports Third Quarter 2020 Financial Results**

DETROIT, October 30, 2020 -- American Axle & Manufacturing Holdings, Inc. (AAM), (NYSE: AXL) today reported its financial results for the third quarter of 2020 and updated its full year 2020 financial outlook.

### **Third Quarter 2020 Results**

- Sales of \$1.41 billion
- Net income attributable to AAM of \$117.2 million, or 8.3% of sales
- Adjusted EBITDA of \$297.1 million, or 21.0% of sales
- Diluted earnings per share of \$0.99; Adjusted earnings per share of \$1.15
- Net cash provided by operating activities of \$249.5 million; Adjusted free cash flow of \$217.2 million

“AAM’s strong third quarter operating financial results and free cash flow generation reflect the benefits of recovering global production volumes and our cost saving actions,” said AAM’s Chairman and Chief Executive Officer, David C. Dauch. “Despite the global challenges we have faced this year, our performance demonstrates AAM’s ability to adjust our business and deliver solid results in a dynamic market environment.”

AAM’s sales in the third quarter of 2020 were \$1.41 billion as compared to \$1.68 billion in the third quarter of 2019. AAM estimates sales for the third quarter of 2020 were unfavorably impacted by COVID-19 by approximately \$87 million. In addition, third quarter of 2019 sales included \$155 million related to our U.S. iron casting operations, which were sold in December 2019.

AAM’s net income in the third quarter of 2020 was \$117.2 million, or \$0.99 per share, as compared to a net loss of \$(124.2) million, or \$(1.10) per share in the third quarter of 2019. AAM’s financial results in the third quarter of 2019 included the impact of a pre-tax impairment charge of \$225.0 million.

AAM defines Adjusted earnings per share to be diluted earnings per share excluding the impact of restructuring and acquisition-related costs, debt refinancing and redemption costs, loss on sale of business, impairment charges and non-recurring items, including the tax effect thereon. Adjusted earnings per share in the third quarter of 2020 was \$1.15 compared to Adjusted earnings per share of \$0.58 in the third quarter of 2019.

AAM defines EBITDA to be earnings before interest expense, income taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA excluding the impact of restructuring and acquisition-related costs, debt refinancing and redemption costs, loss on sale of business, impairment charges and non-recurring items. In the third quarter of 2020, Adjusted EBITDA was \$297.1 million, or 21.0% of sales, as compared to \$265.8 million, or 15.8% of sales, in the third quarter of 2019. AAM estimates Adjusted EBITDA in the third quarter of 2020 was unfavorably impacted by lower sales as a result of COVID-19 by approximately \$16 million. In addition, third quarter of 2019 Adjusted EBITDA included \$6 million related to our U.S. iron casting operations.

AAM’s net cash provided by operating activities for the third quarter of 2020 was \$249.5 million. AAM defines free cash flow to be net cash provided by operating activities less capital expenditures net of proceeds from the sale of property, plant and equipment. Adjusted free cash flow is defined as free cash flow excluding the impact of cash payments for restructuring and acquisition-related costs. AAM’s Adjusted free cash flow for the third quarter of 2020 was \$217.2 million.

## **AAM's 2020 Financial Outlook**

AAM's updated full year 2020 financial targets are as follows:

- Sales of approximately \$4.6 billion
- Adjusted EBITDA in the range of \$665 - \$680 million
- Adjusted free cash flow in the range of \$220 - \$235 million

AAM's updated 2020 full year financial targets are based on current customer schedules and assume that there are no significant impacts to our expected production or costs related to COVID-19 or the recent fire at our Malvern Manufacturing Facility through the remainder of 2020.

## **Third Quarter 2020 Conference Call Information**

A conference call to review AAM's third quarter 2020 results is scheduled today at 10:00 a.m. ET. Interested participants may listen to the live conference call by logging onto AAM's investor web site at <http://investor.aam.com> or calling (877) 883-0383 from the United States or (412) 902-6506 from outside the United States with access code 0666195. A replay will be available one hour after the call is completed until November 6, 2020 by dialing (877) 344-7529 from the United States or (412) 317-0088 from outside the United States. When prompted, callers should enter replay access code 10147154.

## **Non-GAAP Financial Information**

In addition to the results reported in accordance with accounting principles generally accepted in the United States of America (GAAP) included within this press release, AAM has provided certain information, which includes non-GAAP financial measures such as Adjusted EBITDA, Adjusted earnings per share and Adjusted free cash flow. Such information is reconciled to its closest GAAP measure in accordance with Securities and Exchange Commission rules and is included in the attached supplemental data.

Certain of the forward-looking financial measures included in this earnings release are provided on a non-GAAP basis. A reconciliation of non-GAAP forward-looking financial measures to the most directly comparable forward-looking financial measures calculated and presented in accordance with GAAP has been provided. The amounts in these reconciliations are based on our current estimates and actual results may differ materially from these forward-looking estimates for many reasons, including potential event driven transactional and other non-core operating items and their related effects in any future period, the magnitude of which may be significant.

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, non-GAAP financial measures as presented by AAM may not be comparable to similarly titled measures reported by other companies.

## **Company Description**

AAM (NYSE: AXL) delivers POWER that moves the world. As a leading global tier 1 automotive supplier, AAM designs, engineers and manufactures driveline and metal forming technologies that are making the next generation of vehicles smarter, lighter, safer and more efficient. Headquartered in Detroit, AAM has approximately 20,000 associates operating at nearly 80 facilities in 17 countries to support our customers on global and regional platforms with a focus on quality, operational excellence and technology leadership. To learn more, visit [aam.com](http://aam.com).

## **Forward-Looking Statements**

*In this earnings release, we make statements concerning our expectations, beliefs, plans, objectives, goals, strategies, and future events or performance. Such statements are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995 and relate to trends and events that may affect our future financial position and operating results. The terms such as "will," "may," "could," "would," "plan," "believe," "expect," "anticipate," "intend," "project," "target," and similar words or expressions, as well as statements in future tense, are intended to identify forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events and are subject to risks and may differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause such differences include, but are not limited to: significant disruptions in production, sales and/or supply as a result of public health crises, including pandemic or epidemic illness such as Novel Coronavirus (COVID-19), or otherwise; global economic conditions; reduced purchases of our products by General Motors Company (GM), FCA US LLC (FCA), Ford Motor Company (Ford) or other customers; our ability to respond to changes in technology, increased competition or pricing pressures; our ability to develop and produce new products that reflect market demand; lower-than-anticipated market acceptance of new or existing products; our ability to attract new customers and programs for new products; reduced demand for*

*our customers' products (particularly light trucks and sport utility vehicles (SUVs) produced by GM, FCA and Ford); risks inherent in our global operations (including tariffs and the potential consequences thereof to us, our suppliers, and our customers and their suppliers, adverse changes in trade agreements, such as USMCA, immigration policies, political stability, taxes and other law changes, potential disruptions of production and supply, and currency rate fluctuations); a significant disruption in operations at one or more of our key manufacturing facilities; negative or unexpected tax consequences; risks related to a failure of our information technology systems and networks, and risks associated with current and emerging technology threats and damage from computer viruses, unauthorized access, cyber attack and other similar disruptions; supply shortages or price increases in raw material and/or freight, utilities or other operating supplies for us or our customers as a result of pandemics, natural disasters or otherwise; availability of financing for working capital, capital expenditures, research and development (R&D) or other general corporate purposes including acquisitions, as well as our ability to comply with financial covenants; our customers' and suppliers' availability of financing for working capital, capital expenditures, R&D or other general corporate purposes; an impairment of our goodwill, other intangible assets, or long-lived assets if our business or market conditions indicate that the carrying values of those assets exceed their fair values; liabilities arising from warranty claims, product recall or field actions, product liability and legal proceedings to which we are or may become a party, or the impact of product recall or field actions on our customers; our ability or our customers' and suppliers' ability to successfully launch new product programs on a timely basis; our ability to maintain satisfactory labor relations and avoid work stoppages; our suppliers', our customers' and their suppliers' ability to maintain satisfactory labor relations and avoid work stoppages; our ability to achieve the level of cost reductions required to sustain global cost competitiveness; our ability to realize the expected revenues from our new and incremental business backlog; price volatility in, or reduced availability of, fuel; our ability to protect our intellectual property and successfully defend against assertions made against us; risks of noncompliance with environmental laws and regulations or risks of environmental issues that could result in unforeseen costs at our facilities, or reputational damage; adverse changes in laws, government regulations or market conditions affecting our products or our customers' products; our ability or our customers' and suppliers' ability to comply with regulatory requirements and the potential costs of such compliance; changes in liabilities arising from pension and other postretirement benefit obligations; our ability to attract and retain key associates; and other unanticipated events and conditions that may hinder our ability to compete. It is not possible to foresee or identify all such factors and any or all of the foregoing factors may be exacerbated by COVID-19. Further, we make no commitment to update any forward-looking statement or to disclose any facts, events or circumstances after the date hereof that may affect the accuracy of any forward-looking statement.*

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**AMERICAN AXLE & MANUFACTURING HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

*(Unaudited)*

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<i>(in millions, except per share data)</i>			
Net sales	\$ 1,414.1	\$ 1,677.4	\$ 3,272.9	\$ 5,100.9
Cost of goods sold	<b>1,164.3</b>	1,428.7	<b>2,926.7</b>	4,381.7
Gross profit	<b>249.8</b>	248.7	<b>346.2</b>	719.2
Selling, general and administrative expenses	<b>66.5</b>	92.7	<b>230.6</b>	274.7
Amortization of intangible assets	<b>21.6</b>	23.7	<b>65.0</b>	73.6
Impairment charges	—	225.0	<b>510.0</b>	225.0
Restructuring and acquisition-related costs	<b>9.7</b>	11.7	<b>38.6</b>	36.0
Loss on sale of business	—	—	<b>1.0</b>	—
Operating income (loss)	<b>152.0</b>	(104.4)	<b>(499.0)</b>	109.9
Interest expense	<b>(53.9)</b>	(54.3)	<b>(160.0)</b>	(163.9)
Interest income	<b>3.4</b>	2.2	<b>9.2</b>	3.4
Other income (expense)				
Debt refinancing and redemption costs	<b>(5.2)</b>	(5.1)	<b>(6.7)</b>	(7.5)
Other expense, net	<b>(1.6)</b>	(2.9)	<b>(3.8)</b>	(9.0)
Income (loss) before income taxes	<b>94.7</b>	(164.5)	<b>(660.3)</b>	(67.1)
Income tax benefit	<b>(22.5)</b>	(40.4)	<b>(63.1)</b>	(37.4)
Net income (loss)	<b>117.2</b>	(124.1)	<b>(597.2)</b>	(29.7)
Net income attributable to noncontrolling interests	—	(0.1)	<b>(0.1)</b>	(0.4)
Net income (loss) attributable to AAM	<b>\$ 117.2</b>	\$ (124.2)	<b>\$ (597.3)</b>	\$ (30.1)
Diluted earnings (loss) per share	<b>\$ 0.99</b>	\$ (1.10)	<b>\$ (5.28)</b>	\$ (0.27)

**AMERICAN AXLE & MANUFACTURING HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
*(Unaudited)*

	<b>September 30, 2020</b>	<b>December 31, 2019</b>
	<i>(in millions)</i>	
<b><u>ASSETS</u></b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 537.3	\$ 532.0
Accounts receivable, net	900.8	815.4
Inventories, net	315.8	373.6
Prepaid expenses and other	158.7	136.8
<b>Total current assets</b>	<b>1,912.6</b>	<b>1,857.8</b>
Property, plant and equipment, net	2,157.9	2,358.4
Deferred income taxes	104.6	64.1
Goodwill	183.6	699.1
Other intangible assets, net	801.5	864.5
GM postretirement cost sharing asset	221.9	223.3
Other assets and deferred charges	560.0	577.4
<b>Total assets</b>	<b>\$ 5,942.1</b>	<b>\$ 6,644.6</b>
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>		
<b>Current liabilities</b>		
Current portion of long-term debt	\$ 26.5	\$ 28.7
Accounts payable	622.0	623.5
Accrued compensation and benefits	163.5	154.4
Deferred revenue	22.8	18.9
Accrued expenses and other	189.5	200.9
<b>Total current liabilities</b>	<b>1,024.3</b>	<b>1,026.4</b>
Long-term debt, net	3,555.4	3,612.3
Deferred revenue	75.6	83.7
Deferred income taxes	19.7	19.6
Postretirement benefits and other long-term liabilities	923.6	922.2
<b>Total liabilities</b>	<b>5,598.6</b>	<b>5,664.2</b>
Total AAM stockholders' equity	340.9	977.6
Noncontrolling interests in subsidiaries	2.6	2.8
<b>Total stockholders' equity</b>	<b>343.5</b>	<b>980.4</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 5,942.1</b>	<b>\$ 6,644.6</b>

**AMERICAN AXLE & MANUFACTURING HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*(Unaudited)*

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<i>(in millions)</i>			
<b>Operating activities</b>				
Net income (loss)	\$ 117.2	\$ (124.1)	\$ (597.2)	\$ (29.7)
Adjustments to reconcile net income (loss) to net cash provided by operating activities				
Depreciation and amortization	125.0	134.2	393.7	411.5
Impairment charge	—	225.0	510.0	225.0
Other	7.3	6.6	(60.1)	(228.2)
<b>Net cash provided by operating activities</b>	<b>249.5</b>	<b>241.7</b>	<b>246.4</b>	<b>378.6</b>
<b>Investing activities</b>				
Purchases of property, plant and equipment	(40.7)	(97.8)	(146.3)	(335.3)
Proceeds from sale of property, plant and equipment	0.2	0.3	1.6	2.0
Other	0.1	—	(4.5)	(2.2)
<b>Net cash used in investing activities</b>	<b>(40.4)</b>	<b>(97.5)</b>	<b>(149.2)</b>	<b>(335.5)</b>
<b>Financing activities</b>				
Net debt activity	(566.9)	(12.4)	(84.3)	(132.6)
Other	(0.9)	—	(3.3)	(7.5)
<b>Net cash used in financing activities</b>	<b>(567.8)</b>	<b>(12.4)</b>	<b>(87.6)</b>	<b>(140.1)</b>
Effect of exchange rate changes on cash	2.7	(5.5)	(4.3)	(4.3)
<b>Net increase (decrease) in cash, cash equivalents and restricted cash</b>	<b>(356.0)</b>	<b>126.3</b>	<b>5.3</b>	<b>(101.3)</b>
<b>Cash, cash equivalents and restricted cash at beginning of period</b>	<b>893.3</b>	<b>251.3</b>	<b>532.0</b>	<b>478.9</b>
<b>Cash, cash equivalents and restricted cash at end of period</b>	<b>\$ 537.3</b>	<b>\$ 377.6</b>	<b>\$ 537.3</b>	<b>\$ 377.6</b>

**AMERICAN AXLE & MANUFACTURING HOLDINGS, INC.**  
**SUPPLEMENTAL DATA**  
*(Unaudited)*

The supplemental data presented below is a reconciliation of certain financial measures which is intended to facilitate analysis of American Axle & Manufacturing Holdings, Inc. business and operating performance.

**Earnings (loss) before interest expense, income taxes and depreciation and amortization (EBITDA) and Adjusted EBITDA<sup>(a)</sup>**

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2020	2019	2020	2019
	<i>(in millions)</i>			
Net income (loss)	\$ 117.2	\$ (124.1)	\$ (597.2)	\$ (29.7)
Interest expense	53.9	54.3	160.0	163.9
Income tax expense (benefit)	(22.5)	(40.4)	(63.1)	(37.4)
Depreciation and amortization	125.0	134.2	393.7	411.5
<b>EBITDA</b>	<b>273.6</b>	<b>24.0</b>	<b>(106.6)</b>	<b>508.3</b>
Restructuring and acquisition-related costs	9.7	11.7	38.6	36.0
Debt refinancing and redemption costs	5.2	5.1	6.7	7.5
Impairment charges	—	225.0	510.0	225.0
Loss on sale of business	—	—	1.0	—
Non-recurring items:				
Malvern fire charges, net of recoveries <sup>(b)</sup>	8.6	—	8.6	—
<b>Adjusted EBITDA</b>	<b>\$ 297.1</b>	<b>\$ 265.8</b>	<b>\$ 458.3</b>	<b>\$ 776.8</b>

**Adjusted earnings (loss) per share<sup>(c)</sup>**

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2020	2019	2020	2019
Diluted earnings (loss) per share	\$ 0.99	\$ (1.10)	\$ (5.28)	\$ (0.27)
Restructuring and acquisition-related costs	0.08	0.10	0.34	0.32
Debt refinancing and redemption costs	0.05	0.05	0.06	0.07
Impairment charges	—	2.00	4.51	2.00
Loss on sale of business	—	—	0.01	—
Non-recurring items:				
Malvern fire charges, net of recoveries	0.07	—	0.08	—
Adjustment to liability for unrecognized tax benefits	—	—	(0.06)	—
Tax adjustments related to the CARES Act and Tax Cuts and Jobs Act	—	—	(0.07)	(0.08)
Other <sup>(d)</sup>	—	—	0.14	—
Tax effect of adjustments	(0.04)	(0.45)	(0.12)	(0.50)
Adjustment for anti-dilutive effect	—	(0.02)	—	(0.05)
<b>Adjusted earnings (loss) per share</b>	<b>\$ 1.15</b>	<b>\$ 0.58</b>	<b>\$ (0.39)</b>	<b>\$ 1.49</b>

Adjusted earnings (loss) per share are based on weighted average diluted shares outstanding of 118.4 million and 115.8 million for the three months ended on September 30, 2020 and 2019, respectively, and 113.0 million and 115.6 million for the nine months ended on September 30, 2020 and 2019, respectively.

**AMERICAN AXLE & MANUFACTURING HOLDINGS, INC.**  
**SUPPLEMENTAL DATA**  
*(Unaudited)*

The supplemental data presented below is a reconciliation of certain financial measures which is intended to facilitate analysis of American Axle & Manufacturing Holdings, Inc. business and operating performance.

**Free cash flow and Adjusted free cash flow<sup>(e)</sup>**

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2020	2019	2020	2019
	<i>(in millions)</i>			
Net cash provided by operating activities	\$ 249.5	\$ 241.7	\$ 246.4	\$ 378.6
Capital expenditures net of proceeds from the sale of property, plant and equipment	(40.5)	(97.5)	(144.7)	(333.3)
<b>Free cash flow</b>	<b>209.0</b>	<b>144.2</b>	<b>101.7</b>	<b>45.3</b>
Cash payments for restructuring and acquisition-related costs	8.2	16.3	37.0	46.0
<b>Adjusted free cash flow</b>	<b>\$ 217.2</b>	<b>\$ 160.5</b>	<b>\$ 138.7</b>	<b>\$ 91.3</b>

**Segment Financial Information**

In the fourth quarter of 2019 we completed the sale of our U.S. iron casting operations. The sale did not include the entities that conduct AAM's casting operations in El Carmen, Mexico, which are now included in our Driveline segment.

As a result, our business is now organized into Driveline and Metal Forming. The Casting segment shown below is comprised entirely of the U.S. casting operations that were sold. The amounts previously reported in our Casting segment for the retained operations in El Carmen, Mexico have been reclassified to our Driveline Segment for the periods presented.

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2020	2019	2020	2019
	<i>(in millions)</i>			
<b>Segment Sales</b>				
Driveline	\$ 1,094.5	\$ 1,186.8	\$ 2,529.9	\$ 3,534.6
Metal Forming	433.2	476.6	1,005.8	1,444.1
Casting	—	168.4	—	541.6
<b>Total Sales</b>	<b>1,527.7</b>	<b>1,831.8</b>	<b>3,535.7</b>	<b>5,520.3</b>
Intersegment Sales	(113.6)	(154.4)	(262.8)	(419.4)
<b>Net External Sales</b>	<b>\$ 1,414.1</b>	<b>\$ 1,677.4</b>	<b>\$ 3,272.9</b>	<b>\$ 5,100.9</b>
<b>Segment Adjusted EBITDA<sup>(a)</sup></b>				
Driveline	\$ 207.4	\$ 181.0	\$ 315.5	\$ 485.9
Metal Forming	89.7	79.3	142.8	250.2
Casting	—	5.5	—	40.7
<b>Total Segment Adjusted EBITDA</b>	<b>\$ 297.1</b>	<b>\$ 265.8</b>	<b>\$ 458.3</b>	<b>\$ 776.8</b>



## Full Year 2020 Financial Outlook

	<b>Adjusted EBITDA</b>	
	<b>Low End</b>	<b>High End</b>
	<i>(in millions)</i>	
Net loss	\$ (617)	\$ (602)
Income tax benefit	(70)	(70)
Interest expense	215	215
Depreciation and amortization	525	525
<b>Full year 2020 targeted EBITDA</b>	<b>53</b>	<b>68</b>
Impairment charges	510	510
Restructuring and acquisition-related costs	85	85
Debt refinancing and redemption costs	7	7
Non-recurring charges and other	10	10
<b>Full year 2020 targeted Adjusted EBITDA</b>	<b>\$ 665</b>	<b>\$ 680</b>

	<b>Adjusted Free Cash Flow</b>	
	<b>Low End</b>	<b>High End</b>
	<i>(in millions)</i>	
Net cash provided by operating activities	\$ 405	\$ 420
Capital expenditures net of proceeds from the sale of property, plant and equipment	(250)	(250)
<b>Full year 2020 targeted Free Cash Flow</b>	<b>155</b>	<b>170</b>
Cash payments for restructuring and acquisition-related costs	65	65
<b>Full year 2020 targeted Adjusted Free Cash Flow</b>	<b>\$ 220</b>	<b>\$ 235</b>

- (a) We define EBITDA to be earnings (loss) before interest expense, income taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA excluding the impact of restructuring and acquisition-related costs, debt refinancing and redemption costs, loss on sale of a business, impairment charges, and non-recurring items. We believe that EBITDA and Adjusted EBITDA are meaningful measures of performance as they are commonly utilized by management and investors to analyze operating performance and entity valuation. Our management, the investment community and the banking institutions routinely use EBITDA and Adjusted EBITDA, together with other measures, to measure our operating performance relative to other Tier 1 automotive suppliers. We also use Segment Adjusted EBITDA as the measure of earnings to assess the performance of each segment and determine the resources to be allocated to the segments. EBITDA and Adjusted EBITDA should not be construed as income from operations, net income or cash flow from operating activities as determined under GAAP. Other companies may calculate EBITDA and Adjusted EBITDA differently.
- (b) In the third quarter of 2020, AAM recorded charges related to a fire at our Malvern Manufacturing Facility. These charges are primarily related to the write-down of property, plant and equipment as a result of damage from the fire, net of estimated insurance recoveries less our applicable deductible.
- (c) We define Adjusted earnings (loss) per share to be diluted earnings (loss) per share excluding the impact of restructuring and acquisition-related costs, debt refinancing and redemption costs, loss on sale of a business, impairment charges, and non-recurring items, including the tax effect thereon. We believe Adjusted earnings (loss) per share is a meaningful measure as it is commonly utilized by management and investors in assessing ongoing financial performance that provides improved comparability between periods through the exclusion of certain items that management believes are not indicative of core operating performance and which may obscure underlying business results and trends. Other companies may calculate Adjusted earnings (loss) per share differently.
- (d) Other includes the accelerated depreciation for certain assets that will be idled as a result of our largest customer exiting their operations in Thailand, which they announced in 2020.

- (e) We define free cash flow to be net cash provided by (used in) operating activities less capital expenditures net of proceeds from the sale of property, plant and equipment. Adjusted free cash flow is defined as free cash flow excluding the impact of cash payments for restructuring and acquisition-related costs. We believe free cash flow and Adjusted free cash flow are meaningful measures as they are commonly utilized by management and investors to assess our ability to generate cash flow from business operations to repay debt and return capital to our stockholders. Free cash flow and Adjusted free cash flow are also key metrics used in our calculation of incentive compensation. Other companies may calculate free cash flow and Adjusted free cash flow differently.