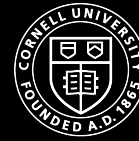


13th Annual

Cornell Undergraduate Stock Pitch Challenge

Ithaca, NY • September 14-15, 2023



Johnson
Cornell
SC Johnson College of Business



STOCK: GARRETT MOTION, INC. (GTX)

JACK VISCUSO

RECOMMENDATION: BUY

JACK WAYMAN

SCHOOL: UNIVERSITY OF NOTRE DAME

ELLIE WYSHNER

TEAM #: 10

Business Inflection Point Creates **BUY** Opportunity

A previously overlooked and misunderstood business, Garrett Motion is undergoing a lucrative evolution, driven by heightened emissions regulations and a prudent capital allocation strategy focused on new zero-emission vehicle technologies, that will deliver outsized returns

1 Entrenched OEM Relationships Create Resilient Cash Flow Machine

- Deep-seated relationships with global OEMs create a stable revenue base from sticky customers
- Leading market position across all turbocharger verticals and an embedded co-development process drives high customer loyalty

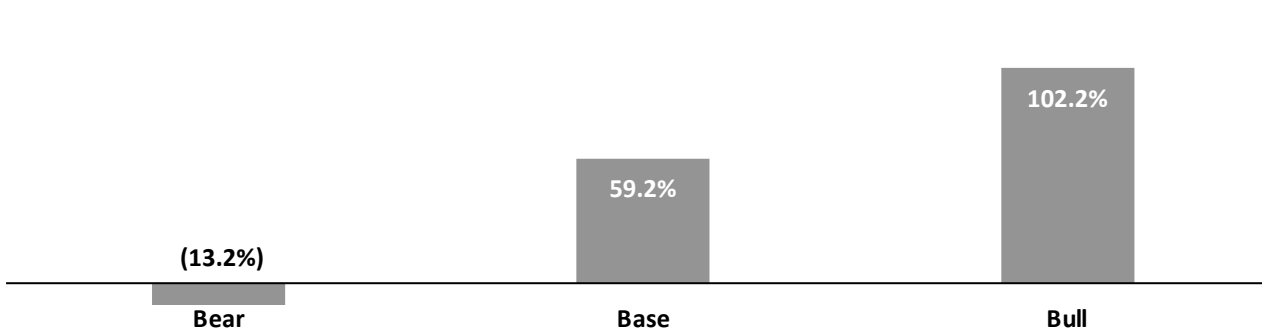
2 Asymmetric Risk-Reward Profile Offers Robust Downside Protection and Uncapped Upside

- Heightened global emission regulations create impetus for shift towards zero-emission (ZEV) vehicles that necessitate Garrett's advanced technology solutions
- Core turbocharger business continues to be propelled by diversified end markets across passenger and commercial vehicles and equipment

3 "Ick" Factor Creates a Mispriced Asset

- Prior spin-off from Honeywell International burdened Garrett with a broken balance sheet and hobbled capital structure, prompting a Ch. 11 case
- Recapitalization and business improvements have gone unnoticed by the market, but potential sponsor interest remains strong

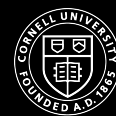
Projected Return Profile (4-5 years)



Current Price: **\$7.59**

Target Price: **\$12.09**

59.2% upside



Pioneer of Transformative Turbocharger Technologies

Garrett, the global leader in turbochargers, operates through five segments: gas, diesel, commercial, aftermarket and other. Garrett sells to a diverse customer base of OEMs and is well positioned for long-term growth

Gas

- Strong demand by OEMs for global adoption of turbochargers – 51% expected increase from 2022A to 2025E
- GTX's waste-gate technologies aid compliance with CO2 rules

41%

of 2022A Revenue

Diesel

- Majority of revenue from heavier vehicles: SUVs, pickup trucks and light commercial vehicles
- Often powertrain of choice for heavier vehicle applications

26%

of 2022A Revenue

Commercial

- Key strategic relationships with OEMs for 60+ years
- Products to improve engine performance and lower emissions for trucks, buses, farming, mining and construction vehicles

19%

of 2022A Revenue

Aftermarket

- Operate through a network of 250+ distributors in 165 countries
- Stable revenue stream supported by large installed base of 120mm+ vehicles

12%

of 2022A Revenue

Other

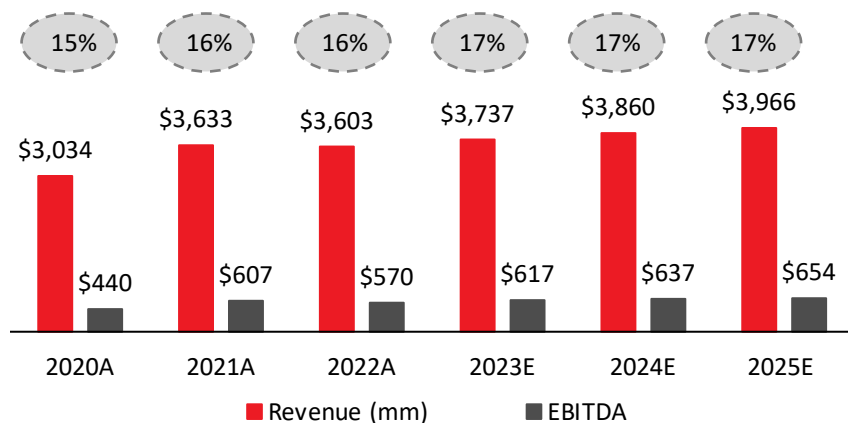
- Develops Model-Based Predictive Control (MPC) technologies
- Predicts vehicle operations and apply results to improve vehicle performance, efficiency and reliability

2%

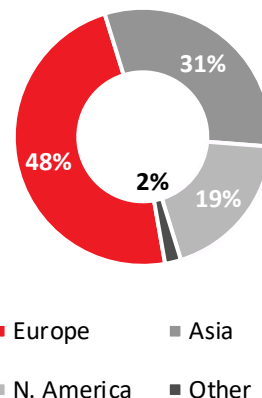
of 2022A Revenue

Strong Financial Trends and Margin Profile

EBITDA Margin



A Global Presence



Scaled Operations

~\$2bn Market Cap

1,600+ Patents Issued

5 R&D Centers

~9,300 Employees

13 Manufacturing Facilities

~80% Variable Cost Structure

Long-Term OEM Relationships Deliver Unmatched Loyalty and Revenue Resilience

Garrett is the provider of choice for OEMs globally. A lengthy co-development process yields entrenched, sticky customer relationships which are reflected in strong forward revenue visibility

Trusted by 40+ OEMs across Geographies and Verticals



“ Our geographic footprint emphasizes locating engineering and manufacturing **capabilities in close physical proximity to our customers** ”

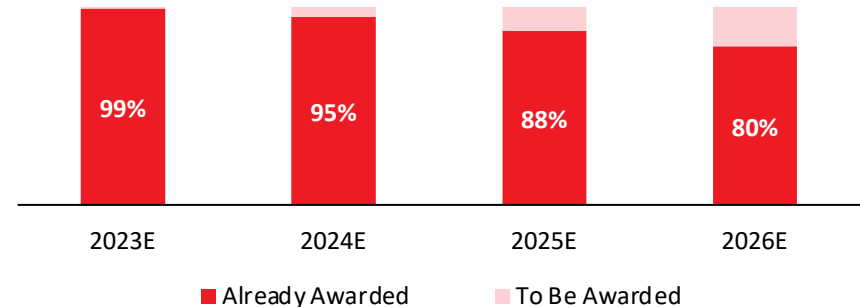
GTX 2022 10-K

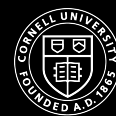
Long-Term Co-Development Cycle Heightens Loyalty



- ✓ Turbochargers are one of the most expensive engine components and necessitate a supplier deeply embedded with OEMs
- ✓ Garrett is the top choice in a fortified market duopoly

High Switching Costs Yield Future Revenue Awards

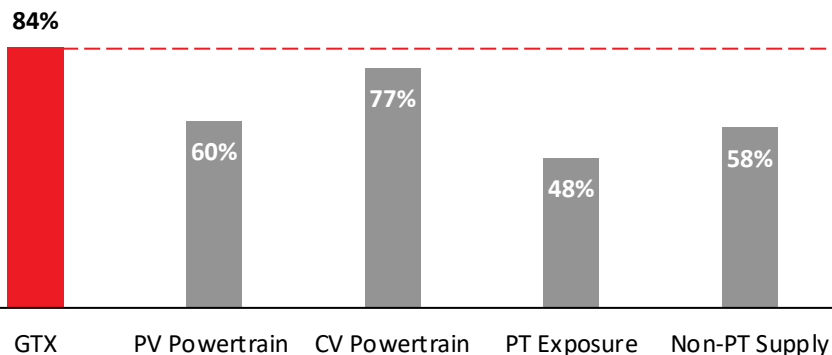




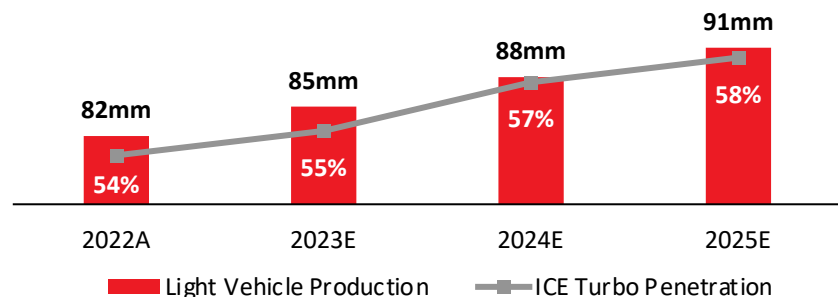
Garrett is a Cash Cow That Drives Shareholder Returns

Superior cash generating abilities derive from new contract wins and prudent R&D spend management. This discipline reflects itself in rapid deleveraging and a near 40% ROIC

Best-in-Class Free Cash Flow Conversion . . .



. . . Due to GTX's Ability to Win New Business

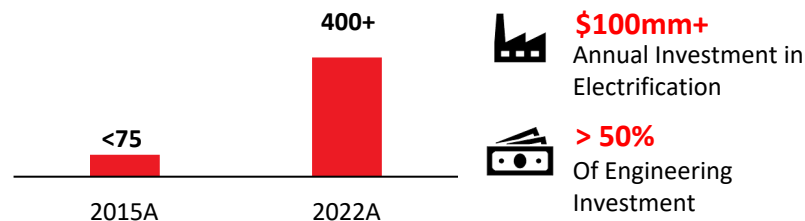


" **>50% win rate** in the past 5 years and **growing turbo penetration** position Garrett for sustained growth
GTX April 2023 Investor Call "

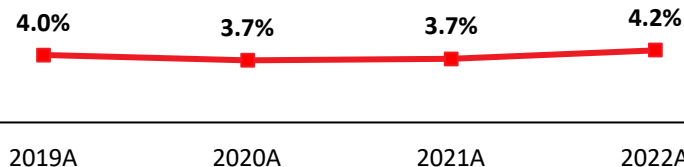
Garrett Can Use Cash for 3-Pronged Capital Allocation Plan

1 R&D in Electrification Technologies

Headcount of engineers focusing on new electrification technologies is exploding . . .



. . . But R&D spending as a % of revenue has remained stable



2 Delever Capital Structure

- Using cash flow to rapidly delever and hit target of 2.0x net leverage
- 0.9x net de-leveraging** over the last 7 quarters

3 Deliver Shareholder Returns

39.5%
2Q23 ROIC

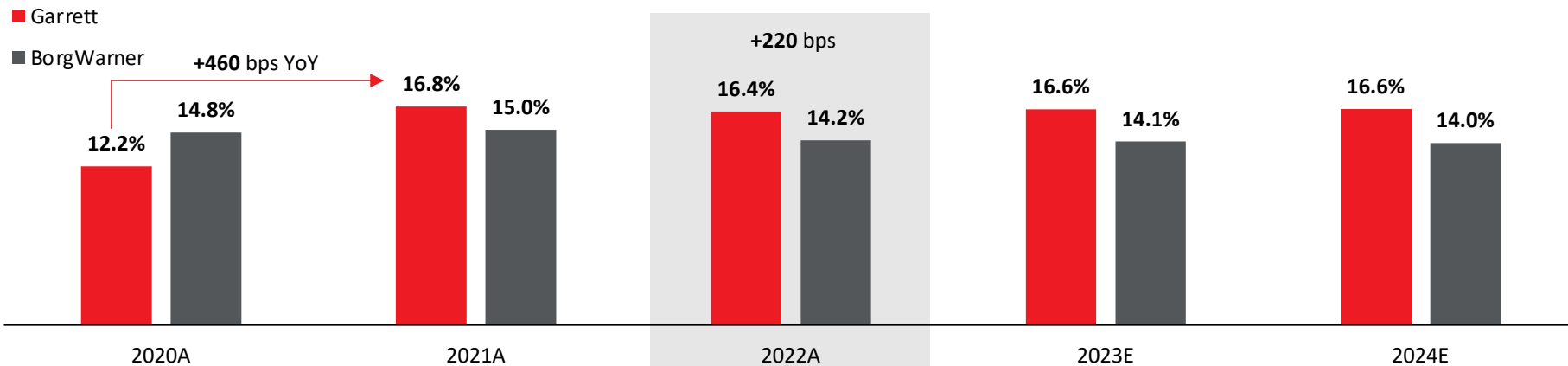
\$250mm
Go-Forward Share
Buyback Authorization

1. PV Powertrain Focused Peers include BorgWarner, Linamar, Schaeffler, and Vitesco Technologies. CV Powertrain Focused Peers include Dana, Cummins, American Axle & Manufacturing, and Allison Transmission. Diversified with PT Exposure Peers include Magna, Valeo, Faurecia, and Compagnie Plastic Omnium. Non-PT Supply Peers include NORMA, Continental, Brembo, Autoliv, Stabilus, Gestamp, Visteon, and Aptiv.

Primary Research Affirms Competitive Advantage

Garrett has emerged as the leader in a duopoly with BorgWarner. A superior margin profile is attributable to management's strategic market positioning and a culture of operational excellence

EBITDA Margin Performance Outshines Competitor BorgWarner



Primary Research Supports Management Strategy for Success

1 Strategic Market Positioning

“
Garrett is in this business for margin.
 [They] will never compete where there are many products and competitors

Hamed Khorsand
 Founder & Analyst, BWS Financial
 ”

2 Contract Wins Establish Dominance

“
 You **can't take back market share** you lost in this game. Once you've won, you beat [BorgWarner] for 3-5 years

Hamed Khorsand
 Founder & Analyst, BWS Financial
 ”

3 Proven Operational Excellence


“
 From an operations perspective, [Garrett] **is a machine.** There's this culture of **operational excellence**

Former Vice President
 Global Operations at Honeywell
 Transportation Systems
 ”

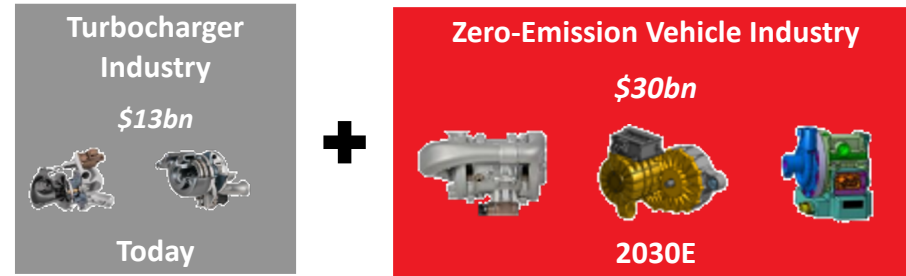
Global Acceleration of Emissions Regulations Expands TAM

Existing and upcoming regulations surrounding vehicle emissions create impetus for an expanded zero-emission industry that Garrett's technology directly serves

New Regulations Worldwide for Vehicle Emissions . . .

Country	Date	Description
 US	Apr. 2023	EPA proposal mandates YoY reductions in GHG from 2027-2032, targeting a 56% reduction in average CO2 emissions
 China	May 2023	China will ban production, imports and sales of vehicles that do not comply with the National VI B emission standards
 EU	Jun. 2023	By 2035, all new cars sold must have zero CO2 emissions
 India	Feb. 2023	New Bharat Stage emission standards to reduce tailpipe pollution of SOx and NOx

. . . Create Attractive New Opportunities for Garrett



- ~\$1bn 2030E zero-emission vehicle revenue target supported by new production awards and contracts
- Broad opportunity set within passenger cars, commercial vehicles and industrial applications, such as agriculture and mining

Decarbonizing a Diverse Set of Vehicles



The diversity of vehicles targeted by Garrett highlights the mission-critical role of turbochargers in achieving energy transition goals

Robust and Differentiated Product Pipeline Equips Garrett to Win

Garrett's core capabilities enable an innovation shift to advanced electrification solutions that generate strong traction with customers and deliver attractive unit economics

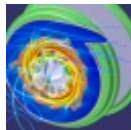
Existing Technologies Deliver . . .

New Zero-Emission Technologies . . .

With Stronger Unit Economics



High-Speed Motors



Turbomachines

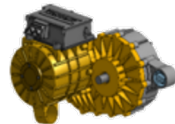


Waste Gate (WG)



Fuel Cell Compressor

- 4 production contracts won
- ~200 prototypes delivered
- 15+ customers engaged



E-Powertrain

- 2 pre-development contracts won
- 10+ customers engaged



E-Cooling Compressor

- 1st pre-development contract won
- Early customer engagement

x2-3

ASP Multiplier vs. LV/CV WG ⁽¹⁾

x5-10

ASP Multiplier vs. LV/CV WG ⁽¹⁾

x1-2

ASP Multiplier vs. LV/CV WG ⁽¹⁾

GTX's technology was the missing piece of the puzzle. Its compressor can do **much better than the industry standard**

Global OEM

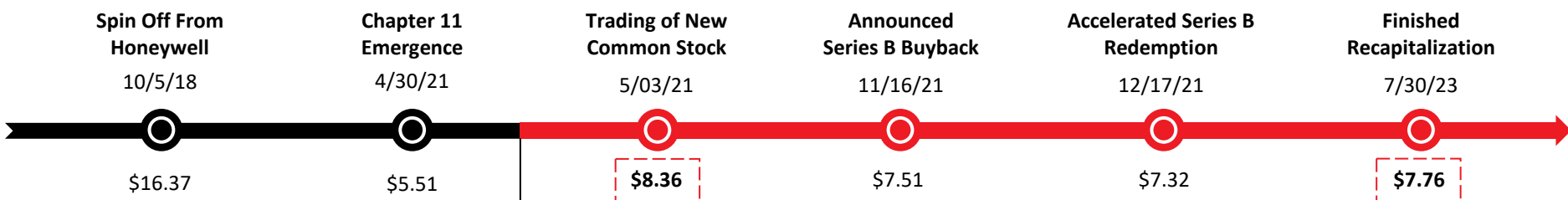
GTX has an advantage going down in speed thanks to turbo experience, unlike other supplies who needs to push the limits to increase the speed

Global OEM

1. Average Selling Price Multiplier vs. Light Vehicle/Commercial Vehicle Wastegate.

Ripe for Repricing

After overcoming a convoluted and troubled history, Garrett has right-sized its capital structure and continues to make significant business improvements, all without recognition from the market



- Honeywell spun off its former Transportation Systems business into a new company called Garrett Motion Inc. in tandem with a \$1bn+ asbestos liability
- Crushed by the economic burden of this new liability, Garrett voluntarily filed for Chapter 11 bankruptcy
- The business was able to settle the asbestos liability and litigation with Honeywell for a \$375mm lump sum and \$100mm in annual payments

Liability and subsequent bankruptcy were unrelated to Garrett's core business

Share Classes	2 classes of equity	→	1 class of common stock
Ownership	46% owned by 2 firms	→	No holder with >15%
Preferred Dividend	\$160mm expense	→	\$100mm dividend savings
Liquidity	\$777mm 1Q23	→	\$1,048mm pro forma
Capitalization	Debt of \$1,186mm	→	Debt of \$1,886mm

Notable Business Improvement

- 1 Cleansed balance sheet
- 2 Increased FCF generation
- 3 Increased liquidity

Stock price has failed to reflect these positive developments

“Ick” Factor Contributes to Continued Mispricing

Garrett was previously an unglamorous and complicated stock, bearing a major “ick” factor in the eyes of most institutional and retail investors. A cleansed balance sheet amplifies the potential for a stock re-rate and possible buyout by a strategic or sponsor

Inherent Market Biases

Bankruptcy

- Most institutional investors, especially mutual funds, have portfolio restrictions related to risk
- Even though Garrett’s bankruptcy was unrelated to performance, such arbitrary rules lead to ignorance

Minimal Analyst Coverage

- Investors tend to avoid stocks without sell side coverage as it is easy to be wrong if everyone else is
- This lack of coverage translates into a higher likelihood of a mispricing

Prior Small Cap

- Former market capitalization (\$500mm) rendered the business a small cap
- Many fund mandates exclude the investment in small caps, further increasing neglect

Notable Long Positions

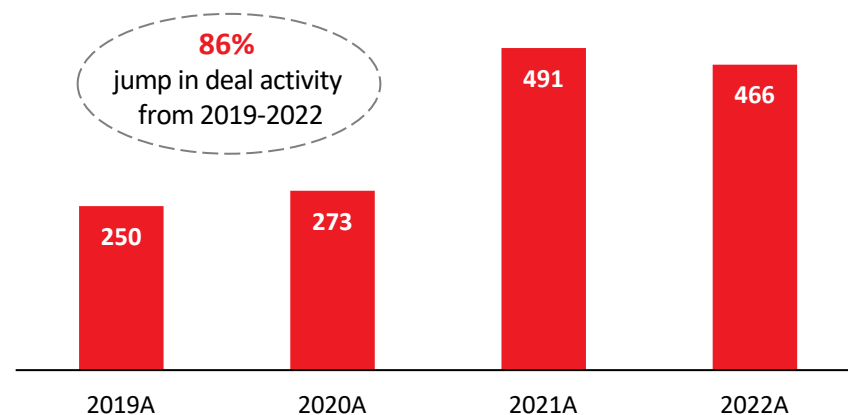


THE BAUPOST GROUP

Several firms with track records of success in finding undervalued opportunities have long positions in GTX. Besides a vote of confidence, this fact effectively eliminates the risk that management performs hazardous actions that are unfriendly to shareholders



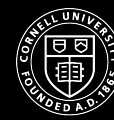
Sponsor Interest in Automotive Companies is Growing



Garrett Fits the Bill for an Acquisition

Garrett		Current EV/EBITDA:	5.2x
Target	Acquirer	Date	EV/EBITDA
	APOLLO	Nov. 2022	5.5x
	Cummins	Feb. 2022	10.6x
	ZF GROUP	Mar. 2019	11.2x
	FORVIA	Aug. 2021	15.7x

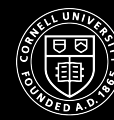




Underappreciated Business at an Undervalued Price

In-depth and fundamental valuation analysis across methods confirm Garrett is poised to appreciate





Bridging to Value: The Future is in Turbochargers

Garrett remains a fundamentally strong company with their existing turbocharger business. Any incremental improvements result in magnified gains to shareholders

Bear Case

Base Case

Bull Case

1	Top-line growth in low single digits due to revenue visibility	Top-line growth in low single digits due to revenue visibility	Top-line growth in low single digits due to revenue visibility and new contract wins
2		16.5% long-term EBITDA margin	17.5% long-term EBITDA margin
3		Continued adoption of ZEV technologies with existing OEMs	Expanded adoption of ZEV technologies with new contract wins
4			Multiple (EV/EBITDA) Re-rating: 5.2x → 6.5x
	\$6.59	\$12.09	\$15.35

What the Bears Think. . . and Why They're Wrong

Market fears of a business model threatened by electrification are unjustified given Garrett's timely and profitable evolution towards zero-emission technologies. In fact, Garrett is better positioned than competitors to capitalize on this transition and sustain macro headwinds

Potential Risk

Our Research

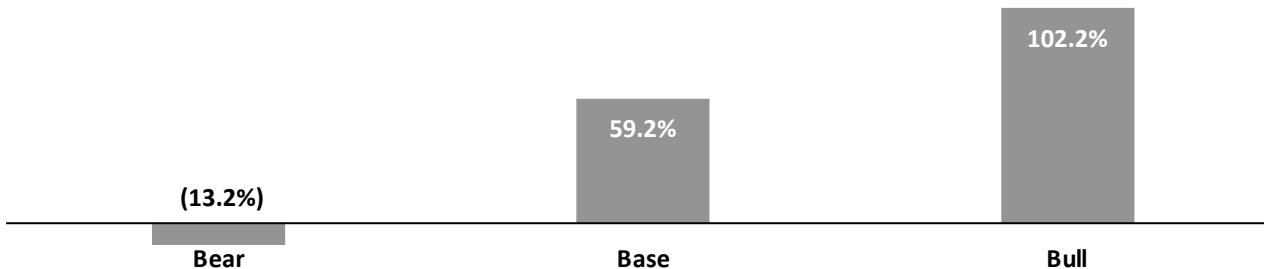
1	Shift Towards Hybrid and Electric Vehicles	<ul style="list-style-type: none"> Garrett's technology plays a critical role in enabling lower fuel emissions for vehicles Company has already been awarded ~\$350mm in revenue for zero-emission vehicle technology Competitors lag behind Garrett's >50% win rate of new business and margin profile
2	Supply Chain Pressures	<ul style="list-style-type: none"> Use of premium freight and adjusted payment terms has historically enabled Garrett to source supplies without disruption 80% variable cost structure enables operational flexibility
3	Commodity Price Inflation	<ul style="list-style-type: none"> Management has established customer pass-through agreements to mitigate commodity price inflation Prices of aluminum and steel alloy have already peaked and are receding from 2020 highs
4	Leverage	<ul style="list-style-type: none"> Proven ability to rapidly delever with robust cash flow generation, coupled with the elimination of the Series A dividend

What You Need to Believe

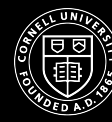
Garrett is a long-term compounder with opportunity for short-term multiple appreciation. Ample downside protection and uncapped upside provides investors an asymmetric risk-reward profile



Projected Return Profile (4-5 years)



Current Price: \$7.59
Target Price: \$12.09
59.2% upside



Appendix

Management Excellence

Garrett has a deeply experienced management team with an impressive record of success. Their previous tenures and training at Honeywell position them as industry experts



Olivier Rabiller | *Director, President & Chief Executive Officer*

- Served as President and CEO of the Transportation System division at Honeywell since July 2016
- Originally joined Honeywell in 2002 as a Senior Program Manager and Business Development Manager for Turbo Technologies and has since served in a variety of roles throughout the business

20+
Years of
Experience



Craig Balis | *Senior Vice President & Chief Technology Officer*

- Served as Vice President and CTO of Honeywell Transportation Systems division at Honeywell since June 2014
- Served as Vice President of Engineering at Honeywell Transportation Systems for six years prior to becoming CTO

15+
Years of
Experience



Sean Deason | *Chief Financial Officer*

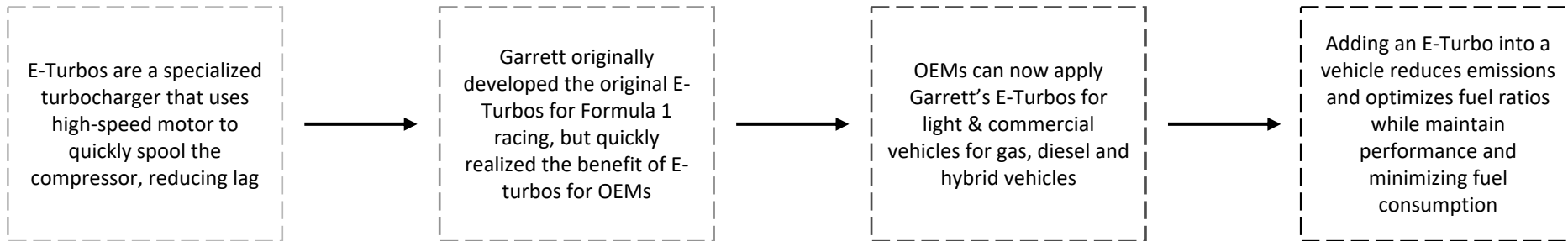
- Served as CFO since June 2020
- Previously was the CFO of WABCO Holdings Inc., a leading global supplier of advanced technologies for commercial vehicles that was acquired in May 2020
- Prior experience includes 12 years with Lear Corporation, a global automotive technology manufacturer, and 4 years with Evraz N.A., a steel products manufacturer

20+
Years of
Experience

From Race to Road - Turbochargers are the Future of Driving

Turbochargers are the future of driving, and Garrett is leading the charge by applying their performance turbochargers built for race vehicles to passenger and commercial gas, diesel and hybrid vehicles to increase engine power while reducing emissions

Garrett Created the World's First Electrified Turbos



And the Benefits of E-Turbos are Plentiful



Downsizing Engines

8 to 6 cylinder engines



Down Speeding

Reduce emissions to save fuel



Enable Advance Combustion

Maximize air ratios



Efficient Aerodynamics

New applications



Turbocompounding

Harvest waste exhaust energy



Hybridization

Strategic drive-mode shifts



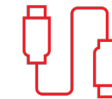
Temperature Management

Cold start assist



Twostage

Rematching & transition



Energy Management

Manage battery charge

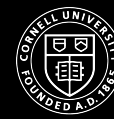
“Garrett’s award-winning E-Turbo is ready today to meet and exceed the industry’s electrification boosting needs. The result of unparalleled engineering expertise and advanced electric capabilities, Garrett’s E-Turbo was developed entirely in-house, from concept to reality.”

Garrett Motion



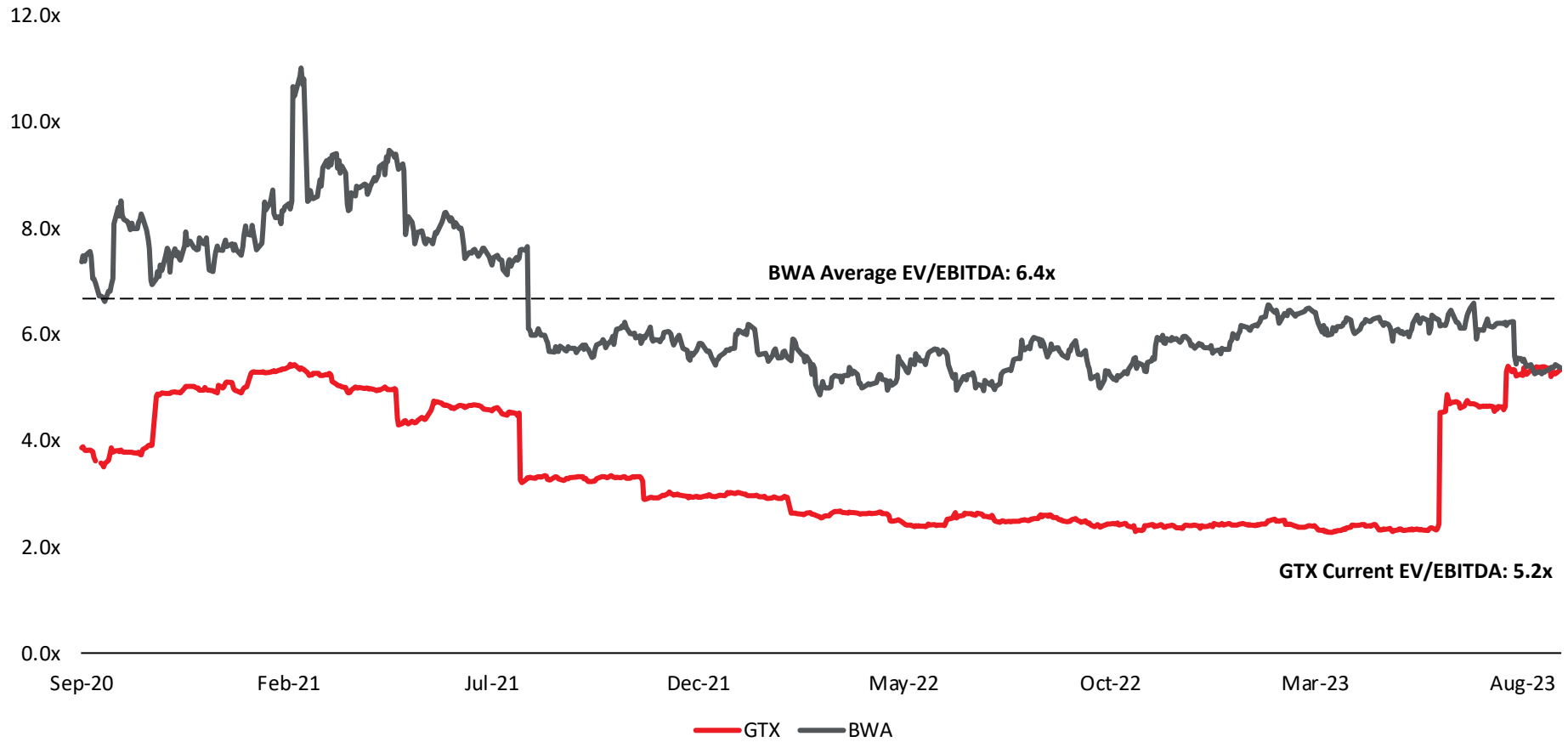
Three Year Stock Price Performance





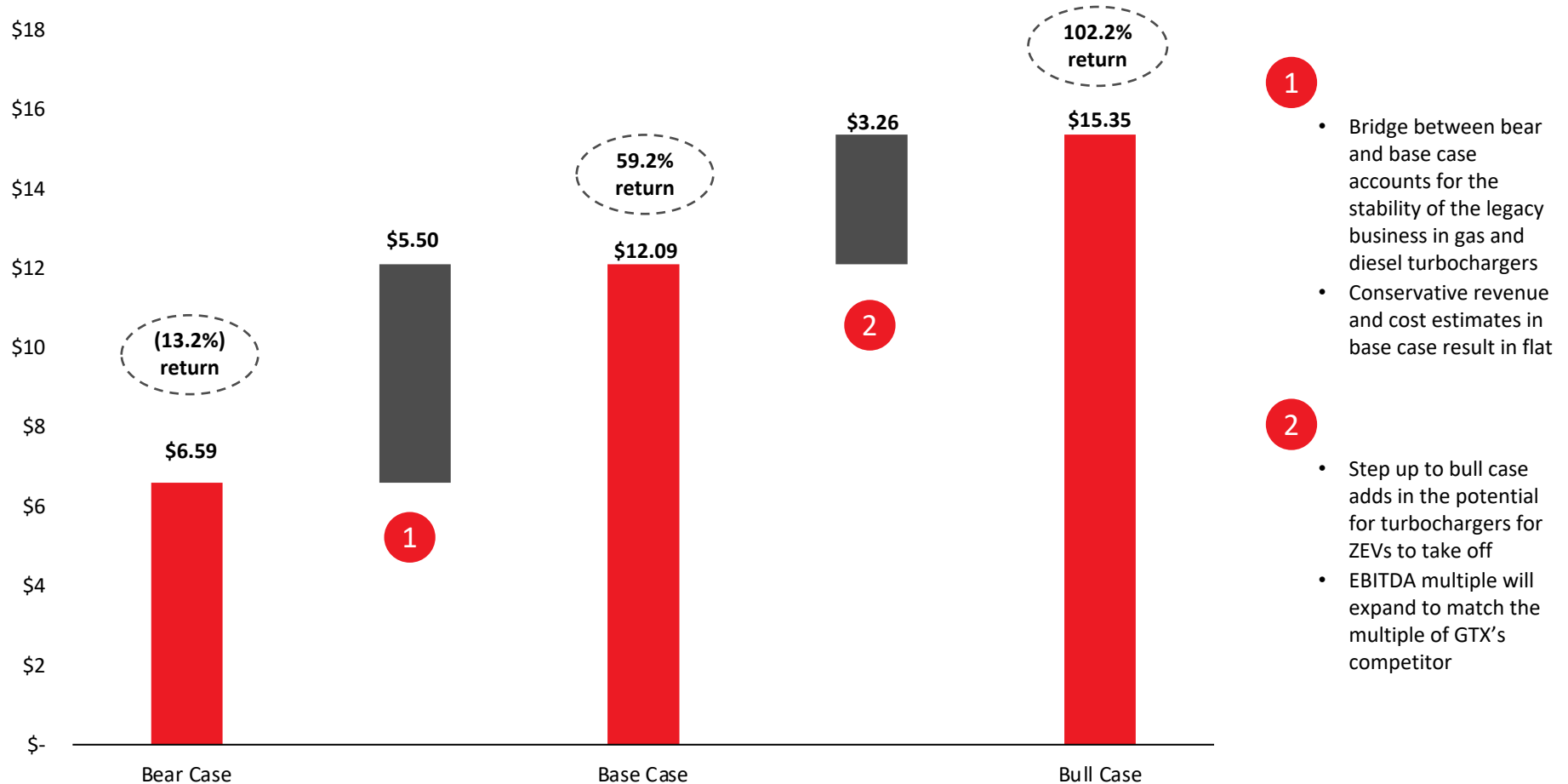
The Better Player in the Duopoly

Garrett's EBITDA multiple has expanded slightly in recent years as the company takes share from the other player in the space, BorgWarner. However, GTX is still be the better asset given their runway for growth and stronger EBITDA margin profile at a cheap price



Waterfall of Returns

GTX is undervalued asset in the market; even with a conservative approach to valuation holding projections significantly below management expectations and street estimates, GTX can still provide a ~60% return with a limited downside



- 1 • Bridge between bear and base case accounts for the stability of the legacy business in gas and diesel turbochargers
- Conservative revenue and cost estimates in base case result in flat
- 2 • Step up to bull case adds in the potential for turbochargers for ZEVs to take off
- EBITDA multiple will expand to match the multiple of GTX's competitor



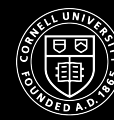
Income Statement

\$ in millions

	Historical Years					Forecasted Years				
	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E	2028E	
Income Statement:										
Total Revenue	\$3,034.0	\$3,633.0	\$3,603.0	\$3,737.0	\$3,859.7	\$3,966.2	\$4,055.2	\$4,140.9	\$4,209.6	
% Growth		19.7%	(0.8%)	3.7%	3.3%	2.8%	2.2%	2.1%	1.7%	
(-) Cost of Goods Sold	(2495.0)	(2926.0)	(2920.0)	(3,008.3)	(3,107.1)	(3,192.8)	(3,264.4)	(3,333.4)	(3,388.8)	
Gross Profit	\$539.0	\$707.0	\$683.0	\$728.7	\$752.7	\$773.4	\$790.8	\$807.5	\$820.9	
% Margin	17.8%	19.5%	19.0%	19.5%	19.5%	19.5%	19.5%	19.5%	19.5%	
(-) D&A	(86.0)	(92.0)	(84.0)	(104.6)	(108.1)	(111.1)	(113.5)	(115.9)	(117.9)	
(-) Selling, General, and Administrative	(260.0)	(216.0)	(216.0)	(224.2)	(231.6)	(238.0)	(243.3)	(248.5)	(252.6)	
EBIT	\$279.0	\$491.0	\$467.0	\$504.5	\$521.1	\$535.4	\$547.5	\$559.0	\$568.3	
% Margin	9.2%	13.5%	13.0%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	
(-) Other Expense, Net	(46.0)	(1.0)	(2.0)	3.7	3.9	4.0	4.1	4.1	4.2	
(-) Interest Expense	(79.0)	(93.0)	(82.0)	(93.4)	(88.8)	(79.3)	(81.1)	(82.8)	(84.2)	
(-) Loss on Extinguishment of Debt	0.0	0.0	(5.0)	0.0	0.0	0.0	0.0	0.0	0.0	
(+) Non-Operating Income	38.0	16.0	121.0	62.9	65.0	66.8	68.3	69.7	70.9	
(-) Reorganization Items	(73.0)	125.0	(3.0)	0.0	0.0	0.0	0.0	0.0	0.0	
Pre-Tax Income	\$119.0	\$538.0	\$496.0	\$477.7	\$501.1	\$526.9	\$538.7	\$550.1	\$559.2	
% Margin	3.9%	14.8%	13.8%	12.8%	13.0%	13.3%	13.3%	13.3%	13.3%	
(-) Taxes	(39.0)	(43.0)	(106.0)	(125.2)	(129.3)	(132.9)	(135.8)	(138.7)	(141.0)	
% Effective Tax Rate	32.8%	8.0%	21.4%	(26.2%)	(25.8%)	(25.2%)	(25.2%)	(25.2%)	(25.2%)	
Net Income (GAAP)	\$80.0	\$495.0	\$390.0	\$352.5	\$371.8	\$394.0	\$402.8	\$411.3	\$418.2	
(-) Preferred Stock Dividend		(97.0)	(157.0)	0.0	0.0	0.0	0.0	0.0	0.0	
(-) Earnings Allocated to Participating Securities		(280.0)	(184.0)	0.0	0.0	0.0	0.0	0.0	0.0	
Net Income Available for Distribution	\$80.0	\$118.0	\$49.0	\$352.5	\$371.8	\$394.0	\$402.8	\$411.3	\$418.2	
BSO	75.5	69.7	64.7	258.8	258.8	258.8	258.8	258.8	258.8	
Basic Earnings Per Share (GAAP)	\$1.06	\$1.69	\$0.76	\$1.36	\$1.44	\$1.52	\$1.56	\$1.59	\$1.62	
FDSO	76.1	317.5	65.1	258.8	258.8	258.8	258.8	258.8	258.8	
Diluted Earnings Per Share (GAAP)	\$1.05	\$1.56	\$0.75	\$1.36	\$1.44	\$1.52	\$1.56	\$1.59	\$1.62	

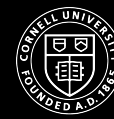
WACC

Weighted Average Cost of Capital:	
Market Risk Premium	7.6%
Beta	1.3
Risk Free Rate	4.1%
Cost of Equity	13.9%
Risk Free Rate	4.1%
Spread	3.1%
Tax Rate	25.0%
Cost of Debt	6.8%
Total Equity	\$2.0
Total Debt	\$1.9
Equity / Total Capitalization	51.9%
Debt / Total Capitalization	48.1%
WACC	10.5%



Revenue Build

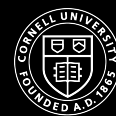
Revenue:									
Gas	1,183.3	1,416.9	1,477.2	1,521.5	1,567.2	1,606.4	1,638.5	1,671.3	1,696.3
Diesel	910.2	1,053.6	936.8	974.3	1,008.3	1,038.6	1,069.8	1,096.5	1,118.4
Commerical Vehicles	546.1	690.3	684.6	718.8	747.6	770.0	785.4	801.1	817.1
Aftermarket	333.7	399.6	432.4	449.7	463.1	477.0	486.6	496.3	501.3
Other	60.7	72.7	72.1	72.8	73.5	74.2	75.0	75.7	76.5
Total Revenue	\$3,034.0	\$3,633.0	\$3,603.0	\$3,737.0	\$3,859.7	\$3,966.2	\$4,055.2	\$4,140.9	\$4,209.6
% Growth		19.7%	-0.8%	3.7%	3.3%	2.8%	2.2%	2.1%	1.7%
(-) Cost of Goods Sold	2,495.0	2,926.0	2,920.0	3,008.3	3,107.1	3,192.8	3,264.4	3,333.4	3,388.8
Gross Profit	\$539.0	\$707.0	\$683.0	\$728.7	\$752.7	\$773.4	\$790.8	\$807.5	\$820.9
% Margin	17.8%	19.5%	19.0%	19.5%	19.5%	19.5%	19.5%	19.5%	19.5%



Base Case DCF Build

\$ in millions

	For Fiscal Year Ending June 30th						CAGR
	2023E	2024E	2025E	2026E	2027E	2028E	
Revenue	3737.0	3859.7	3966.2	4055.2	4140.9	4209.6	2.0%
% Growth	3.7%	3.3%	2.8%	2.2%	2.1%	1.7%	
(-) Operating Expenses	(3,236.3)	(3,342.5)	(3,434.8)	(3,511.8)	(3,586.0)	(3,645.6)	
(+) Depreciation	104.6	108.1	111.1	113.5	115.9	117.9	
(+) Stock Based Compensation	11.2	11.6	11.9	12.2	12.4	12.6	
EBITDA	616.6	636.9	654.4	669.1	683.2	694.6	2.0%
% Margin	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	
(-) Depreciation	(104.6)	(108.1)	(111.1)	(113.5)	(115.9)	(117.9)	
(-) Stock Based Compensation	(11.2)	(11.6)	(11.9)	(12.2)	(12.4)	(12.6)	
EBIT	500.8	517.2	531.5	543.4	554.9	564.1	2.0%
% Margin	13.4%	13.4%	13.4%	13.4%	13.4%	13.4%	
(-) Taxes	(125.2)	(129.3)	(132.9)	(135.8)	(138.7)	(141.0)	
NOPAT	375.6	387.9	398.6	407.5	416.2	423.1	2.0%
(+) Depreciation	104.6	108.1	111.1	113.5	115.9	117.9	
(-) Capital Expenditures	(100.9)	(104.2)	(107.1)	(109.5)	(111.8)	(113.7)	
(-) Change in Net Working Capital	(3.2)	13.7	13.3	12.8	13.0	18.0	
UFCF	376.2	405.5	415.9	424.4	433.3	445.2	2.8%
(-) Stub-Year	(276.8)						
FCF For Discounting	99.3	405.5	415.9	424.4	433.3	445.2	
Discount Period	0.37	0.87	1.87	2.87	3.87	4.87	
Discount Factor	0.96	0.92	0.83	0.75	0.68	0.62	
PV of UFCF	95.7	371.8	345.2	318.8	294.5	273.9	



Base Case Share Price Output

Exit Multiple Method:

Terminal Value:	
2028 EBITDA	\$694.6
Exit Multiple	6.0x
Terminal Value	\$4,167.5
Period	4.9
PV of Terminal Value	\$2,563.6
Implied PGR	0.2%

Value Distribution:	
PV of Period Cash Flows	\$1,699.9
PV of Terminal Value	\$2,563.6
Total	\$4,263.5
Period Cash Flows	39.9%
Terminal Value	60%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$4,263.5
(-) Total Debt	(1876.0)
(+) Cash	478.0
Equity Value	\$2,865.5
Shares Outstanding	258.8
Share Price	\$11.07
Upside/Downside	45.9%

Gordon Growth Method:

Terminal Value:	
2028 FCF	\$445.2
PGR	1.5%
Terminal Value	\$5,021.1
Period	4.9
PV of Terminal Value	\$3,088.61
Implied Exit Multiple	4.4

Value Distribution:	
PV of Period Cash Flows	\$1,699.9
PV of Terminal Value	\$3,088.6
Total	\$4,788.5
Period Cash Flows	35.5%
Terminal Value	64.5%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$4,788.5
(-) Total Debt	(1876.0)
(+) Cash	478.0
Equity Value	\$3,390.5
Shares Outstanding	258.8
Share Price	\$13.10
Upside/Downside	72.6%

Blended Share Price:	
Exit Multiple Method:	\$11.07
% Weight	50%
Gordon Growth Method:	\$13.10
% Weight	50%
Blended Share Price	\$12.09
Upside/Downside	59.2%

Base Case Sensitivities

Exit Multiple Method:

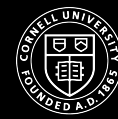
		Exit Multiple						
		4.5x	5.0x	5.5x	6.0x	6.5x	7.0x	7.5x
WACC	7.5%	\$10.15	\$11.09	\$12.04	\$12.98	\$13.93	\$14.87	\$15.81
	8.5%	\$9.61	\$10.51	\$11.41	\$12.31	\$13.21	\$14.12	\$15.02
	9.5%	\$9.09	\$9.95	\$10.81	\$11.68	\$12.54	\$13.40	\$14.27
	10.5%	\$8.60	\$9.42	\$10.25	\$11.07	\$11.90	\$12.72	\$13.55
	11.5%	\$8.13	\$8.92	\$9.71	\$10.50	\$11.29	\$12.08	\$12.87
	12.5%	\$7.68	\$8.44	\$9.19	\$9.95	\$10.71	\$11.46	\$12.22
	13.5%	\$7.25	\$7.98	\$8.70	\$9.43	\$10.15	\$10.88	\$11.60

Gordon Growth Method:

		PGR						
		0.0%	0.5%	1.0%	1.5%	2.0%	2.5%	3.0%
WACC	7.5%	\$17.79	\$19.03	\$20.46	\$22.12	\$24.09	\$26.46	\$29.35
	8.5%	\$15.09	\$16.02	\$17.06	\$18.26	\$19.64	\$21.24	\$23.15
	9.5%	\$12.97	\$13.67	\$14.47	\$15.36	\$16.37	\$17.52	\$18.85
	10.5%	\$11.24	\$11.80	\$12.42	\$13.10	\$13.87	\$14.72	\$15.70
	11.5%	\$9.82	\$10.27	\$10.76	\$11.30	\$11.89	\$12.55	\$13.29
	12.5%	\$8.63	\$8.99	\$9.39	\$9.82	\$10.29	\$10.81	\$11.39
	13.5%	\$7.61	\$7.91	\$8.24	\$8.59	\$8.97	\$9.39	\$9.84

Bull Case DCF Build

<i>\$ in millions</i>	For Fiscal Year Ending June 30th						CAGR
	2023E	2024E	2025E	2026E	2027E	2028E	
Revenue	3792.2	3966.4	4112.4	4247.9	4347.8	4428.5	2.6%
% Growth	5.3%	4.6%	3.7%	3.3%	2.4%	1.9%	
(-) Operating Expenses	(3,246.1)	(3,395.2)	(3,520.2)	(3,636.2)	(3,721.8)	(3,790.8)	
(+) Depreciation	106.2	111.1	115.1	118.9	121.7	124.0	
(+) Stock Based Compensation	11.4	11.9	12.3	12.7	13.0	13.3	
EBITDA	663.6	694.1	719.7	743.4	760.9	775.0	2.6%
% Margin	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	
(-) Depreciation	(106.2)	(111.1)	(115.1)	(118.9)	(121.7)	(124.0)	
(-) Stock Based Compensation	(11.4)	(11.9)	(12.3)	(12.7)	(13.0)	(13.3)	
EBIT	546.1	571.2	592.2	611.7	626.1	637.7	2.6%
% Margin	14.4%	14.4%	14.4%	14.4%	14.4%	14.4%	
(-) Taxes	(136.5)	(142.8)	(148.0)	(152.9)	(156.5)	(159.4)	
NOPAT	409.6	428.4	444.1	458.8	469.6	478.3	2.6%
(+) Depreciation	106.2	111.1	115.1	118.9	121.7	124.0	
(-) Capital Expenditures	(94.8)	(99.2)	(102.8)	(106.2)	(108.7)	(110.7)	
(-) Change in Net Working Capital	(0.5)	16.4	15.6	15.6	14.2	19.4	
UFCF	420.5	456.7	472.1	487.1	496.8	510.9	3.3%
(-) Stub-Year	(309.3)						
FCF For Discounting	111.1	456.7	472.1	487.1	496.8	510.9	
Discount Period	0.37	0.87	1.87	2.87	3.87	4.87	
Discount Factor	0.96	0.92	0.83	0.75	0.68	0.62	
PV of UFCF	107.1	418.8	391.8	365.9	337.7	314.3	



Bull Case Share Price Build

Exit Multiple Method:

Terminal Value:	
2028 EBITDA	\$775.0
Exit Multiple	6.5x
Terminal Value	\$5,037.4
Period	4.9
PV of Terminal Value	\$3,098.7
Implied PGR	0.3%

Value Distribution:	
PV of Period Cash Flows	\$1,935.6
PV of Terminal Value	\$3,098.7
Total	\$5,034.3
Period Cash Flows	38.4%
Terminal Value	62%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$5,034.3
(-) Total Debt	(1876.0)
(+) Cash	478.0
Equity Value	\$3,636.3
Shares Outstanding	258.8
Share Price	\$14.05
Upside/Downside	85.1%

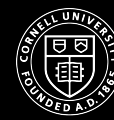
Gordon Growth Method:

Terminal Value:	
2028 FCF	\$510.9
PGR	2.0%
Terminal Value	\$6,130.9
Period	4.9
PV of Terminal Value	\$3,771.31
Implied Exit Multiple	4.9x

Value Distribution:	
PV of Period Cash Flows	\$1,935.6
PV of Terminal Value	\$3,771.3
Total	\$5,706.9
Period Cash Flows	33.9%
Terminal Value	66.1%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$5,706.9
(-) Total Debt	(1876.0)
(+) Cash	478.0
Equity Value	\$4,308.9
Shares Outstanding	258.8
Share Price	\$16.65
Upside/Downside	119.4%

Blended Share Price:	
Exit Multiple Method:	\$14.05
% Weight	50%
Gordon Growth Method:	\$16.65
% Weight	50%
Blended Share Price	\$15.35
Upside/Downside	102.2%



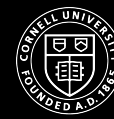
Bull Case Sensitivities

Exit Multiple Method:

		Exit Multiple						
		5.0x	5.5x	6.0x	6.5x	7.0x	7.5x	8.0x
WACC	7.5%	\$13.17	\$14.22	\$15.27	\$16.33	\$17.38	\$18.43	\$19.49
	8.5%	\$12.51	\$13.52	\$14.52	\$15.53	\$16.54	\$17.54	\$18.55
	9.5%	\$11.88	\$12.85	\$13.81	\$14.77	\$15.73	\$16.70	\$17.66
	10.5%	\$11.29	\$12.21	\$13.13	\$14.05	\$14.97	\$15.89	\$16.81
	11.5%	\$10.72	\$11.60	\$12.48	\$13.36	\$14.25	\$15.13	\$16.01
	12.5%	\$10.18	\$11.02	\$11.87	\$12.71	\$13.56	\$14.40	\$15.24
	13.5%	\$9.67	\$10.47	\$11.28	\$12.09	\$12.90	\$13.71	\$14.52

Gordon Growth Method:

		PGR						
		0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
WACC	7.5%	\$22.57	\$24.21	\$26.12	\$28.39	\$31.10	\$34.42	\$38.56
	8.5%	\$19.12	\$20.32	\$21.69	\$23.27	\$25.12	\$27.30	\$29.92
	9.5%	\$16.43	\$17.34	\$18.36	\$19.52	\$20.84	\$22.37	\$24.15
	10.5%	\$14.28	\$14.99	\$15.77	\$16.65	\$17.64	\$18.75	\$20.03
	11.5%	\$12.52	\$13.09	\$13.70	\$14.38	\$15.14	\$15.99	\$16.94
	12.5%	\$11.06	\$11.51	\$12.01	\$12.55	\$13.15	\$13.81	\$14.54
	13.5%	\$9.82	\$10.19	\$10.60	\$11.04	\$11.51	\$12.04	\$12.61



Bear Case DCF Build

\$ in millions

	For Fiscal Year Ending June 30th						CAGR
	2023E	2024E	2025E	2026E	2027E	2028E	
Revenue	3683.3	3748.9	3790.6	3830.4	3868.3	3906.7	1.0%
% Growth	2.2%	1.8%	1.1%	1.1%	1.0%	1.0%	
(-) Operating Expenses	(3,281.9)	(3,340.3)	(3,377.4)	(3,412.9)	(3,446.7)	(3,480.8)	
(+) Depreciation	103.1	105.0	106.1	107.3	108.3	109.4	
(+) Stock Based Compensation	11.1	11.2	11.4	11.5	11.6	11.7	
EBITDA	515.7	524.9	530.7	536.3	541.6	546.9	1.0%
% Margin	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	
(-) Depreciation	(103.1)	(105.0)	(106.1)	(107.3)	(108.3)	(109.4)	
(-) Stock Based Compensation	(11.1)	(11.2)	(11.4)	(11.5)	(11.6)	(11.7)	
EBIT	401.5	408.6	413.2	417.5	421.6	425.8	1.0%
% Margin	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	
(-) Taxes	(100.4)	(102.2)	(103.3)	(104.4)	(105.4)	(106.5)	
NOPAT	301.1	306.5	309.9	313.1	316.2	319.4	1.0%
(+) Depreciation	103.1	105.0	106.1	107.3	108.3	109.4	
(-) Capital Expenditures	(110.5)	(112.5)	(113.7)	(114.9)	(116.1)	(136.7)	
(-) Change in Net Working Capital	(5.8)	10.7	9.7	9.8	9.8	15.2	
UFCF	288.0	309.7	312.0	315.2	318.3	307.2	1.1%
(-) Stub-Year	(212.2)						
FCF For Discounting	75.8	309.7	312.0	315.2	318.3	307.2	
Discount Period	0.37	0.87	1.87	2.87	3.87	4.87	
Discount Factor	0.96	0.92	0.83	0.75	0.68	0.62	
PV of UFCF	73.1	284.0	258.9	236.8	216.4	189.0	

Bear Case DCF Share Price Output

Exit Multiple Method:

Terminal Value:	
2028 EBITDA	\$546.9
Exit Multiple	5.0x
Terminal Value	\$2,734.7
Period	4.9
PV of Terminal Value	\$1,682.2
Implied PGR	0.7%

Value Distribution:	
PV of Period Cash Flows	\$1,258.1
PV of Terminal Value	\$1,682.2
Total	\$2,940.3
Period Cash Flows	42.8%
Terminal Value	57%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$2,940.3
(-) Total Debt	(1876.0)
(+) Cash	478.0
Equity Value	\$1,542.3
Shares Outstanding	258.8
Share Price	\$5.96
Upside/Downside	(21.5%)

Gordon Growth Method:

Terminal Value:	
2028 FCF	\$307.2
PGR	1.0%
Terminal Value	\$3,266.4
Period	4.9
PV of Terminal Value	\$2,009.23
Implied Exit Multiple	3.7x

Value Distribution:	
PV of Period Cash Flows	\$1,258.1
PV of Terminal Value	\$2,009.2
Total	\$3,267.4
Period Cash Flows	38.5%
Terminal Value	61.5%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$3,267.4
(-) Total Debt	(1876.0)
(+) Cash	478.0
Equity Value	\$1,869.4
Shares Outstanding	258.8
Share Price	\$7.22
Upside/Downside	(4.8%)

Blended Share Price:	
Exit Multiple Method:	\$5.96
% Weight	50%
Gordon Growth Method:	\$7.22
% Weight	50%
Blended Share Price	\$6.59
Upside/Downside	(13.2%)

Bear Case Sensitivities

Exit Multiple Method:

		Exit Multiple						
		3.5x	4.0x	4.5x	5.0x	5.5x	6.0x	6.5x
WACC	7.5%	\$5.02	\$5.76	\$6.50	\$7.25	\$7.99	\$8.73	\$9.48
	8.5%	\$4.66	\$5.38	\$6.09	\$6.80	\$7.51	\$8.22	\$8.93
	9.5%	\$4.33	\$5.01	\$5.69	\$6.37	\$7.05	\$7.73	\$8.41
	10.5%	\$4.01	\$4.66	\$5.31	\$5.96	\$6.61	\$7.26	\$7.91
	11.5%	\$3.70	\$4.33	\$4.95	\$5.57	\$6.19	\$6.82	\$7.44
	12.5%	\$3.41	\$4.01	\$4.61	\$5.20	\$5.80	\$6.39	\$6.99
	13.5%	\$3.14	\$3.71	\$4.28	\$4.85	\$5.42	\$5.99	\$6.56

Gordon Growth Method:

		PGR						
		-0.5%	0.0%	0.5%	1.0%	1.5%	2.0%	2.5%
WACC	7.5%	\$10.20	\$10.95	\$11.80	\$12.79	\$13.94	\$15.30	\$16.93
	8.5%	\$8.52	\$9.08	\$9.72	\$10.44	\$11.26	\$12.22	\$13.33
	9.5%	\$7.17	\$7.61	\$8.10	\$8.64	\$9.26	\$9.95	\$10.75
	10.5%	\$6.06	\$6.41	\$6.80	\$7.22	\$7.70	\$8.22	\$8.82
	11.5%	\$5.15	\$5.43	\$5.74	\$6.07	\$6.44	\$6.85	\$7.31
	12.5%	\$4.37	\$4.60	\$4.85	\$5.12	\$5.42	\$5.75	\$6.10
	13.5%	\$3.70	\$3.89	\$4.10	\$4.32	\$4.57	\$4.83	\$5.12