Fiscal Q3 2022 Earnings Conference Call

August 4, 2022

The power behind **your mission**

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Forward Looking & Cautionary Statements / Non-GAAP Financial Information

Johnson Controls International plc Cautionary Statement Regarding Forward-Looking Statements

Johnson Controls International plc has made statements in this communication that are forward-looking and therefore are subject to risks and uncertainties. All statements in this document other than statements of historical fact are, or could be, “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. In this communication, statements regarding Johnson Controls’ future financial position, sales, costs, earnings, cash flows, other measures of results of operations, synergies and integration opportunities, capital expenditures, debt levels and market outlook are forward-looking statements. Words such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “should,” “forecast,” “project” or “plan” and terms of similar meaning are also generally intended to identify forward-looking statements. However, the absence of these words does not mean that a statement is not forward-looking. Johnson Controls cautions that these statements are subject to numerous important risks, uncertainties, assumptions and other factors, some of which are beyond its control, that could cause its actual results to differ materially from those expressed or implied by such forward-looking statements, including, among others, risks related to: Johnson Controls ability to manage general economic, business, capital market and geopolitical conditions, including global price inflation, shortages impacting the availability of raw materials and component products and the current conflict between Russia and Ukraine; Johnson Controls ability to manage the impacts of natural disasters, climate change, pandemics and outbreaks of contagious diseases and other adverse public health developments, such as the COVID-19 pandemic; the strength of the U.S. or other economies; changes or uncertainty in laws, regulations, rates, policies or interpretations that impact Johnson Controls business operations or tax status; the ability to develop or acquire new products and technologies that achieve market acceptance and meet applicable regulatory requirements; changes to laws or policies governing foreign trade, including economic sanctions, increased tariffs or trade restrictions; maintaining the capacity, reliability and security of Johnson Controls enterprise information technology infrastructure; the ability to manage the lifecycle cybersecurity risk in the development, deployment and operation of Johnson Controls digital platforms and services; the risk of infringement or expiration of intellectual property rights; any delay or inability of Johnson Controls to realize the expected benefits and synergies of recent portfolio transactions; the outcome of litigation and governmental proceedings; the ability to hire and retain senior management and other key personnel; the tax treatment of recent portfolio transactions; significant transaction costs and/or unknown liabilities associated with such transactions; fluctuations in currency exchange rates; labor shortages, work stoppages, union negotiations, labor disputes and other matters associated with the labor force; and the cancellation of or changes to commercial arrangements. A detailed discussion of risks related to Johnson Controls’ business is included in the section entitled “Risk Factors” in Johnson Controls’ Annual Report on Form 10-K for the 2021 fiscal year filed with the SEC on November 15, 2021, which is available at www.sec.gov and www.johnsoncontrols.com under the “Investors” tab. The description of certain of these risks is supplemented in Item 1A of Part II of Johnson Controls’ subsequently filed Quarterly Reports on Form 10-Q. Shareholders, potential investors and others should consider these factors in evaluating the forward-looking statements and should not place undue reliance on such statements. The forward-looking statements included in this communication are made only as of the date of this document, unless otherwise specified, and, except as required by law, Johnson Controls assumes no obligation, and disclaims any obligation, to update such statements to reflect events or circumstances occurring after the date of this communication.

Non-GAAP Financial Information

This press release contains financial information regarding adjusted earnings per share, which is a non-GAAP performance measure. The adjusting items include restructuring and impairment costs, net mark-to-market adjustments, Silent-Aire other nonrecurring items, Silent-Aire earn-out adjustment, charges associated with the suspension of operations in Russia, transaction / separation costs, Power Solutions divestiture reserve adjustment and discrete tax items. Financial information regarding organic sales growth, adjusted sales, EBIT, EBIT margin, adjusted EBIT, adjusted EBIT margin, organic segment EBITA growth, total segment EBITA, adjusted segment EBITA, adjusted segment EBITA margin, adjusted Corporate expense, free cash flow, free cash flow conversion and adjusted net income from continuing operations are also presented, which are non-GAAP performance measures. Management believes that, when considered together with unadjusted amounts, these non-GAAP measures are useful to investors in understanding period-over-period operating results and business trends of Johnson Controls. Management may also use these metrics as guides in forecasting, budgeting and long-term planning processes and for compensation purposes. These metrics should be considered in addition to, and not as replacements for, the most comparable GAAP measure. For further information on the calculation of the non-GAAP measures and a reconciliation of these non-GAAP measures, refer to the attached footnotes.

Executing on our Transformative Strategy and Positioned to Capture Robust Demand

- **Record order velocity and robust demand continues to grow our backlog**
  - Record Field Backlog of $11.1B, increased 13% organically YoY
  - Total Field Orders up 11% organically; +29% 2-year stack
- **Disciplined pricing approach driving sequential margin improvement**
  - Positive price/cost in Q3
  - Backlog margin up sequentially and YoY
- **Accelerating our digital transformation efforts, further strengthening our ability to capitalize on emerging secular trends and transform our service business**
- **On track to deliver on our productivity plan of ~$230M in savings for FY22, realizing ~$170M in cost savings YTD**
  - Additional operational enhancement levers through functionalization, simplification and ERP roll-out to drive our productivity further
- **Effective capital allocation of $2.1B YTD, consisting of approximately $1.4B in share repurchases and nearly $700M in cash dividends**
- **Advancing a step up in supply chain recovery**
- **Continued to strengthen leadership**

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DIGITALIZING THE PORTFOLIO

Leading in Connectivity with OpenBlue

1 Solving Customer Needs

Dynamic building modes
Customer Vision Workshops
Energy optimization
Connected experiences
Predictive maintenance
Higher tenant satisfaction
Remote diagnostics
Increased productivity
Optimized processes
Reduce operating costs
Clean Air
Risk insight
Improved asset safety
Touchless environments
Active compliance management
Cyber Solutions
Advanced Security
Healthy Buildings

Launch of OpenBlue Pioneers Award

Sample Recipient: Chase Center

New buildings innovation award, highlights visionary leaders taking the digital leap

Driving the future of smart, healthy and sustainable buildings with AI-enabled OpenBlue technology

2 Uniquely Positioned with Expanded Capabilities

Q3 Capabilities

- ✓ *Open**Blue** Chiller Vibrational Analysis*
- ✓ *Open**Blue** NetZero Advisor*
- ✓ *Open**Blue** Refrigeration*
- ✓ *Q3 Acquisition of* Tempered — ***Leader in Edge Security***

Q4 Capabilities

- \+ *Open**Blue** Chiller Energy Advisory*
- \+ *Multi-Cloud Capabilities*

\+ **METASYS** + *Open**Blue** Bridge*

Q4 Capability: Remote Monitoring & Connectivity

OpenBlue Bridge enables real-time monitoring of smart building environment

3 Delivering Results

TOTAL CHILLER CONNECTIONS	~8,400
YoY GROWTH IN CHILLER CONNECTIONS	~86%
TOTAL REVENUE YTD FROM CONNECTED DEVICES	~$3B, 8% YoY Growth

Connected Chillers in North America

*Open**Blue***
2022 Microsoft US IoT Partner of the Year

*Figures represent organic connections and revenue.

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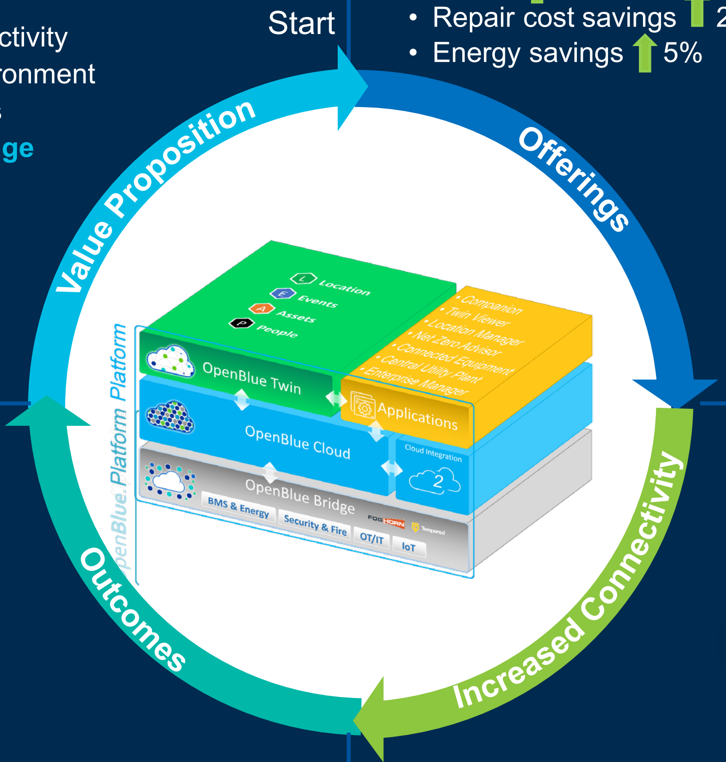
ACCELERATING DIGITAL SERVICE TRANSFORMATION | $160B Global Service Market Opportunity[1]

Continuing to Mature the Service Growth Flywheel with Digital Accelerators

1 Service Growth Strategy

The JCI Digital Advantage

- **Vendor-agnostic** connectivity
- **Multi-tenant cloud** environment
- **Digital twin** data models
- Intelligent **connected edge**
- **Zero trust** cybersecurity



Connected Services (e.g., chillers)

- Uptime ⬆ 50%
- Repair cost savings ⬆ 20%
- Energy savings ⬆ 5%

Outcomes as a Service

- Net Zero
- Indoor Air Quality
- Space Mgmt
- Cooling & Heating

Tailored solutions for target verticals

- Healthcare
- Government
- Education
- CRE

500 bps/year
Increase in Attach Rate

3-4X
Increase in $ / Customer

100 bps/year
Decrease in Attrition

3X
increase in connectivity

(e.g., connected chillers)

2 Delivering Results

Q3 SERVICE ORDERS:	**+7% YoY**
2-YEAR GROWTH:	**+20%**
Q3 SERVICE REVENUE:	**+8% YoY**
2-YEAR GROWTH:	**+19%**
Q3 ATTACH RATE IMPROVEMENT:	**+70 bps, +270 bps YTD**
Q3 ATTRITION RATE IMPROVEMENT:	**(120) bps, (195) bps YTD**

Increased Attach Rate + Increased Connectivity + Digital Services & Apps – Lower Attrition = >$2B REVENUE OPPORTUNITY BY 2024

*Figures represent organic orders, revenue and growth rates.
Sources: 1) Dodge, Navigant, CBRE, JCI Analysis.

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VECTORS OF GROWTH: DECARBONIZATION | $240B Global Market Opportunity (through 2025)[1]

Growing our Sustainability Initiatives

1 Q3 Actions Driving Clean Energy Usage

- Call to Reduce Emissions
- Commitments Towards Net Zero
- Focus on Enhancing Energy Security
- Development of Climate Plans
- Publicly Report Progress

IEA Conference, Global Governments Urgent Action on Energy Efficiency[2]

HHS Mobilizes Health Care Sector to Reduce Emissions[3]

Federal Initiatives to Advance Public Building Decarbonization

Proposed Senate Climate Bill

2 Johnson Controls Well Positioned

Growing Best-in-Class Partnership Ecosystem

Sustainability Advisory Services	Distributed Energy Resources
ESG Reporting	Renewable Energy Supply Services

Proprietary sustainability Maturity Assessment, commissioned by Johnson Controls and developed in collaboration with Forrester Consulting

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FORRESTER

Johnson Controls Sustainability Maturity Assessment

Design. Digitalize. Deploy.

OpenBlue Net Zero Advisor is feature-rich with planned enhancements and continued releases:

- Green House Gas Emissions Reporting
- Goal and Target Setting
- Facility Improvement Recommendations

Johnson Controls accenture

Johnson Controls and Accenture Join Forces on New OpenBlue Innovation Centers for AI-enablement

3 Delivering Results

YTD ORDERS

~$595M

On track to deliver +$1B of Orders +15% YoY

PIPELINE[4]

~$7.2B+

Sources: 1) Energy Information Administration, Guidehouse, Urban Green Council, Rocky Mountain Institute, JCI analysis Represents incremental opportunity; majority of total opportunity is retrofit. Remainder is onsite renewables and advisory services; 2) International Energy Agency, Joint Statement: Urgent Action on Energy Efficiency The cleanest energy is the energy we don't use; 3) HHS Launches Pledge Initiative to Mobilize Health Care Sector to Reduce Emissions; 4) Unfactored Pipeline.

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Johnson Controls is Positioned to Lead in an Evolving Environment

1 Global governments increase support for Indoor Environmental Quality investments

UK Parliament

Proposed Clean Air (Human Rights) Bill would require **mandatory monitoring of indoor air quality** and establish clean air as a basic human right in England and Wales

CITY OF MELBOURNE

City pilot found **83% decrease in infection transmission through proper HVAC ventilation** to support return of 400,000 central business district office works

2 Johnson Controls Well Positioned

OpenBlue Indoor Air Quality as a Service (IAQaaS) continuing to gain global traction

- ✓ 50+ global opportunities in pipeline
- ✓ 67% QoQ growth in new opportunities

Key Win: Keppel Bay Tower (Singapore)

- ✓ Implementation of OpenBlue Enterprise Manager Performance Advisors & Indoor Air Quality sensors
- ✓ Partnership with Keppel Land to achieve ambitious decarbonization and building / occupant health goals

3 Delivering results

YTD HEALTHY BUILDINGS ORDERS

$410M+, +27% YoY

HEALTHY BUILDINGS PIPELINE[2]

$1.3B+, +33% YoY

1) CleanTech Research & Markets, Guidehouse; 2) Unfactored Pipeline.

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NOTABLE AWARDS

Honored to be Recognized as an ESG Leader I Q3 Recognitions

Leading by Example

- ✓ Commitment to **achieve Net Zero for Scope 1 & 2 Emissions by 2040**
- ✓ Founding Member of First Movers Coalition and **commitment to source 10% near Net Zero steel by 2030**
- ✓ **Deep Decarbonization** programs at Johnson Controls plants and facilities provides customer insights into **best practices**

3BL MEDIA 100 Best Corporate Citizens 2022

Ranked Among 100 Best Corporate Citizens

- One of only 19 companies to make the list every year since 2009
- Moves up from #33 to **#21 in overall ranking**
- Johnson Controls ranks second within Capital Goods sector

Microsoft

Named Microsoft's Global Sustainability Changemaker

- Honored for OpenBlue Enterprise Manager, delivering on sustainability, operational efficiencies, space optimization and occupant health goals
- **OpenBlue technology is optimizing building performance** with advanced data analytics and artificial intelligence

TRUSTe CERTIFIED PRIVACY

Launched Privacy Center and Reinforced Data Privacy Commitments

- Three internationally-recognized privacy certifications – the Enterprise Privacy Seal, the Asia-Pacific Economic Cooperation (APEC) Cross-Border Privacy Rules (CPBR) certification and the APEC Privacy Recognition for Processors (PRP) certification), all validated and certified by TRUSTe

Forbes

Forbes Best Employers for Diversity

SAVOY

Marlon Sullivan Named to 2022 Most Influential Black Executives in Corporate America Listing (Savoy Magazine)

SUSTAINALYTICS

Sustainalytics Top-Rated Performer

- Awarded by Sustainalytics with the ESG Industry **Top Rated badge** for strong ESG performance

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FISCAL Q3 FINANCIAL SUMMARY*

Continued Growth…Navigating a Challenging Environment

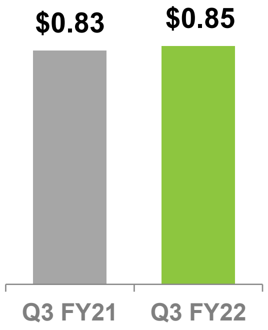
Sales

+8%

ORGANIC SALES GROWTH

+ Price +8% / Volume 0%
+ Field Solutions +7%; Service +8%
+ Global Products +9%

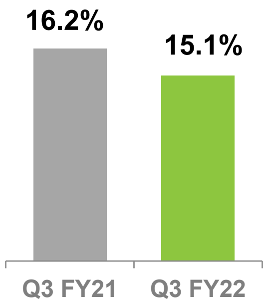
Adjusted EPS



+3%

+ Favorable below the line items
+ Lower share count
- FX Headwind of 4c

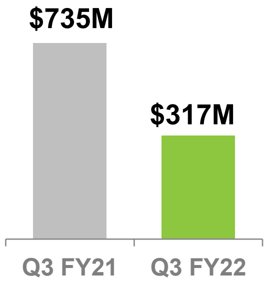
Segment EBITA Margin



Down 110bps

+ Benefit of SG&A & COGS actions
- Volume leverage
- Segment EBITA $ -3%; +1% organically
- Supply chain/Labor disruptions ~(60bps) headwind YoY

Free Cash Flow



53% Conversion

- Supply chain disruptions driving increase in Trade Working Capital
- Higher Capex vs. prior year

*All figures other than sales are adjusted and/or non-GAAP. Non-GAAP figures exclude special items. See footnotes for reconciliation.

FISCAL Q3 EPS BRIDGE* (CONTINUING OPERATIONS)

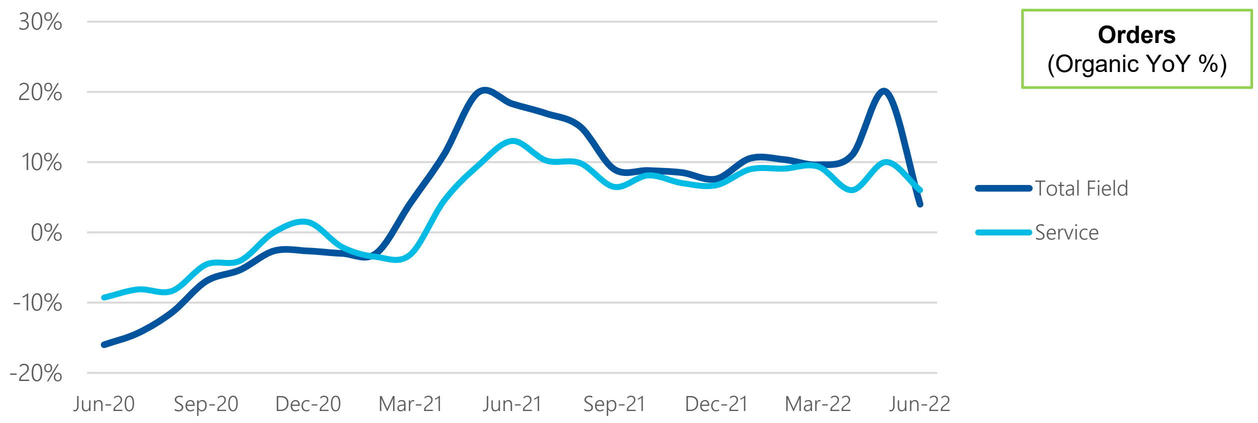
Delivering on Our Commitments

Executing in a Challenging Environment

*Non-GAAP EPS from continuing operations, excluding special items. See footnotes for reconciliation. Other items may not sum due to rounding

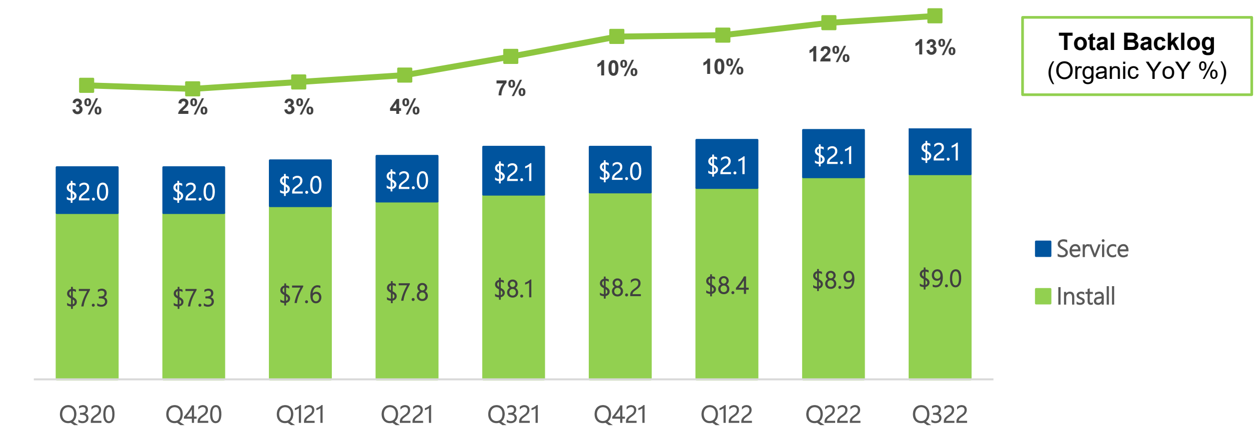
Order Momentum Continues & Backlog Remains at Record Levels

Trailing 3-mo Field Orders (YoY % Chg)



- **Trailing 3-month Field Orders +11% YoY**
  - Service orders +7%; +20% 2-year stack
  - Install orders +13%; +34% 2-year stack
- 2-year Stack +29% (vs. +15% in FQ2)

Backlog ($, billions; proforma for prospective service/install shift)



- Field backlog of $11.1B, +13%
- Service backlog +5%; growth across all segments
- Install backlog +15%; led by order activity in NA & EMEALA
- Global Products 3rd party backlog $2.2B, +>50% YoY

FISCAL Q3 SEGMENT RESULTS*

Capitalizing on Strong Demand

($M)	Sales *Organic % YoY*	EBITA Margin *Change YoY*	Comments
North America	**$2,426** *+10%*	**10.7%** *(400bps)*	▪ Service +10% / Install +10% ▪ Strong demand for Applied HVAC & Controls equipment and service ▪ Significant headwinds from supply chain disruptions, material/labor availability, and operational inefficiencies ▪ Orders +15%; Backlog $7.2B, +17% YoY
EMEALA	**$952** *+4%*	**8.7%** *(180bps)*	▪ Service +9% / Install +1% ▪ Strong performance in our Fire & Security platforms ▪ Favorable positive price/cost offset by supply chain disruptions and continued Fx headwinds ▪ Orders +8%; Backlog $2.2B, +10% YoY
Asia Pac	**$665** *(1%)*	**12.8%** *+90bps*	▪ Service Flat / Install -2% ▪ China impacted by COVID lockdowns, sales declined-7% ▪ Margin impacted by positive price/cost, install/service and geographic mix ▪ Orders +2%; Backlog $1.7B, +1% YoY
Global Products	**$2,571** *+9%*	**22.2%** *+110bps*	▪ Broad-based demand for Commercial and Resi HVAC; Includes ~11ppts of price ▪ Favorable price/cost and mix offset by supply chain disruptions ▪ 3rd Party Backlog of $2.1B, +>50% YoY
Total Segment	**$6,614** *+8%*	**15.1%** *(110bps)*	▪ Field: Service +8% / Install +5%; Products +9% ▪ Order momentum continuing to build; strong growth in service ▪ Favorable price/cost ▪ $65M impact from supply chain disruptions ▪ Field orders +11%; Field backlog $11.1B, +13% YoY

*Non-GAAP excludes special items. See footnotes for reconciliation.

FISCAL Q3 SEGMENT END MARKET PERFORMANCE*

Broad Based Growth, Strong Price Realization

Organic Sales % Change	% of FY21 Sales	North America	EMEALA	Asia PAC	Global Products	Consolidated JCI
Applied[1]	33%	+LDD	+MSD	(LSD)	+HSD[2]	+HSD
Light Commercial[3]	8%				+LDD	+LDD
Commercial HVAC	41%				+LDD	+HSD
NA Residential	4%				+>20%	+>20%
ROW Residential	9%				+MSD	+MSD
Residential HVAC	13%				+HSD	+HSD
Fire & Security[4]	39%	+HSD	+HSD	+LSD	+HSD	+HSD
Sustainability Infrastructure	3%	+LDD				+LDD
Industrial Refrigeration	4%		(MSD)		+mid-teens	+LSD
Total	**100%**	**+10%**	**+4%**	**-1%**	**+9%**	**+8%**

Underlying End Market Demand Continues To Grow

[1] Includes large commercial applied HVAC equipment, BMS & Controls
[2] Represents indirect sales of chiller and air handling equipment
[3] Includes global unitary and VRF equipment
[4] Includes Retail

*Non-GAAP excludes special items. See footnotes for reconciliation.

BALANCE SHEET & FREE CASH FLOW*

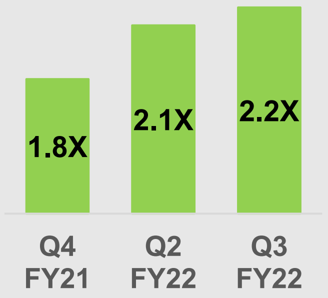
Disciplined Capital Allocation

Capital Structure ($ millions)	Q4 FY21	Q2 FY22	Q3 FY22
Short-term debt and current portion of long-term debt	$234	$2,284	$2,298
Long-term debt	7,506	7,366	7,194
Total debt	**7,740**	**9,650**	**9,492**
Less: cash and cash equivalents	1,336	1,787	1,506
Net debt*	**$6,404**	**$7,863**	**$7,986**

DEBT & LIQUIDITY

- **91% fixed** rate debt
- **2.8%** weighted avg interest rate
- **~$1.5B** cash position
- BBB+/Baa2 credit rating (S&P/Moody's)[1]
- ~$3B undrawn credit facilities
- Target Net Debt/EBITDA ~**2.0-2.5X**

Net Debt / EBITDA*



Free Cash Flow ($ millions)	Q3 FY21	Q3 FY22	YTD FY21	YTD FY22
Cash from operating activities	$862	$487	$2,022	$811
Capital expenditures	(127)	(170)	(324)	(430)
Reported FCF*	**$735**	**$317**	**$1,698**	**$381**

FREE CASH FLOW

- Q3 Cash from Operating Activities down YoY due to continued supply chain pressures, driving higher inventory levels
- Capex spend **up 34% YoY in Q3**
- **Gradual recovery of TWC levels expected as supply chain normalizes**

[1] The security ratings set forth above are issued by unaffiliated third-party rating agencies and are not a recommendation to buy, sell or hold securities. The ratings may be subject to revision or withdrawal by the assigning rating organization at any time.

*Non-GAAP figures. See footnotes for reconciliation.

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FISCAL Q4 & 2022 GUIDANCE*

On Pace to Meet Our Commitments Despite FX Headwinds

FY 2022 Commentary

- Underlying market is continuing to grow
- FX headwind of 6 cents to prior guide
- Supply chain constraints / highly inflationary environment expected to continue
  - Price/cost positive on EBITA
  - Price/cost & supply chain disruptions ~150bps YoY headwind Segment EBITA margin
- SG&A / COGS net savings of $230M
- Free cash flow conversion ~80%
- Disciplined capital allocation
  - ~$1.4B of share repurchases
  - M&A pipeline accelerating

	FQ4	FY22
Organic Revenue	9 to 10%	8 to 9% (+8-10% previously)
Segment EBITA Margin	40 to 60bps	(10) to (20)bps (0 to (30)bps previously)
Adjusted EPS	$0.96 – $1.00	$2.98 – $3.02 ($2.95 – $3.05 previously)
Weighted-Average Shares	~695M	~700M

Refined EPS Guidance to $2.98 to $3.02

* Non-GAAP excludes special items.

Appendix

Additional FY 2022 Guidance Items

	Prior	Current
FX Headwind	Rev: ~($400M) / EPS: ~($0.05)	Rev: ~($650M) / EPS: ~($0.09)
Corporate Expense	$280 - $290M	$290 - $300M
Amortization Expense	~$410M	~$415M (1)
NFC	$220 – $230M	$205 – $215M
Tax Rate	~13.5%	~13.5%
NCI	$235 – $245M	$195 – $205M
Shares	~700M	~700M

(1) This slide has been updated on August 5, 2022 to correct a typographical error in the Company's projected amortization expense that was contained in the original presentation materials. The original presentation materials listed an expected amortization amount of ~$430M. The corrected amount of ~$415M reflects the actual assumption used in determining the Company's FY 2022 Adjusted EPS guide as reflected in the presentation.

*Non-GAAP excludes special items. See footnotes for reconciliation.

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FISCAL Q3 2022

Consolidated Financial Results (Continuing Operations)

($ in millions, except earnings per share)	Q3 FY21 GAAP	Q3 FY22 GAAP	Q3 FY21* NON-GAAP	Q3 FY22* NON-GAAP	% Change NON-GAAP
Sales	$6,341	$6,614	$6,344	$6,614	4%
Gross profit	2,197	2,200	2,187	2,220	2%
% of sales	*34.6%*	*33.3%*	*34.5%*	*33.6%*	
SG&A expenses	1,367	1,589	1,413	1,474	4%
Restructuring & impairment costs	79	121	-	-	
Equity income	74	63	74	63	(15%)
EBIT	825	553	848	809	(5%)
EBIT margin	***13.0%***	***8.4%***	***13.4%***	***12.2%***	
Net financing charges	56	49	56	49	(13%)
Income before income taxes	769	504	792	760	(4%)
Income tax provision	108	61	107	102	(5%)
Net income	661	443	685	658	(4%)
Income attributable to noncontrolling interests	87	64	87	64	(26%)
Net income attributable to JCI	$574	$379	$598	$594	(1%)
Diluted EPS	**$0.80**	**$0.55**	**$0.83**	**$0.85**	2%

*Non-GAAP excludes special items. See footnotes for reconciliation.

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FISCAL Q3 2022

Special Items (Continuing Operations)

$ In millions, except EPS

Q3 FY22	Pre-tax Income (Expense)	Tax (Expense) Benefit	NCI (Expense) Income	After-tax/NCI Income (Expense)	EPS Impact
Mark-to-market adjustments	$(126)	$33	$-	$(93)	$(0.13)
Restructuring & impairment costs	(121)	15	-	(106)	(0.15)
Transaction / separation costs	(9)	1	-	(8)	(0.01)
Discrete income tax items	-	(8)	-	(8)	(0.01)
Total*	**$(256)**	**$41**	**$-**	**$(215)**	**$(0.30)**

Q3 FY21	Pre-tax Income (Expense)	Tax (Expense) Benefit	NCI (Expense) Income	After-tax/NCI Income (Expense)	EPS Impact
Mark-to-market adjustments	$66	$(17)	$-	$49	$0.07
Restructuring & impairment costs	(79)	15	-	(64)	(0.09)
Discrete income tax items	(10)	1	-	(9)	(0.01)
Total	**$(23)**	**$(1)**	**$-**	**$(24)**	**$(0.03)**

*Totals may not sum due to rounding

FY21 Re-casted Segment Results

- Effective at the start of fiscal 2022, our Marine business, which was previously reported across Asia Pacific, Global Products and EMEALA, is now managed and reported under our EMEALA segment
- The table has been re-cast for this change

	Q1FY21 Actual		Q2FY21 Actual		Q3FY21 Actual		Q4FY21 Actual		FY21 Actual	
		Organic Growth		Organic Growth		Organic Growth		Organic Growth		Organic Growth
BT&S - North America	2,034	-6%	2,092	-4%	2,212	8%	2,347	4%	8,685	0%
BT&S - EMEALA	948	-6%	934	-1%	1,001	16%	1,001	1%	3,884	2%
BT&S - APAC	604	-7%	594	9%	703	14%	715	7%	2,616	6%
BT&S - Global Products	1,755	-2%	1,974	7%	2,428	21%	2,332	8%	8,489	9%
Buildings	5,341	-5%	5,594	1%	6,344	15%	6,395	5%	23,674	4%
		Margin		Margin		Margin		Margin		Margin
BT&S - North America	255	12.5%	266	12.7%	326	14.7%	357	15.2%	1,204	13.9%
BT&S - EMEALA	98	10.3%	88	9.4%	105	10.5%	110	11.0%	401	10.3%
BT&S - APAC	77	12.7%	73	12.3%	84	11.9%	110	15.4%	344	13.1%
BT&S - Global Products	212	12.1%	284	14.4%	512	21.1%	441	18.9%	1,449	17.1%
Segment EBITA	**642**	**12.0%**	**711**	**12.7%**	**1,027**	**16.2%**	**1,018**	**15.9%**	**3,398**	**14.4%**
Amortization of Intangibles	(104)		(104)		(109)		(108)		(425)	
Corporate	(67)		(70)		(70)		(83)		(290)	
EBIT	**471**	**8.8%**	**537**	**9.6%**	**848**	**13.4%**	**827**	**12.9%**	**2,683**	**11.3%**
Net Financing Charges	(59)		(44)		(56)		(47)		(206)	
Income before Tax	412		493		792		780		2,477	
Tax	(56)		(66)		(107)		(105)		(334)	
Tax Rate	13.6%		13.4%		13.5%		13.5%		13.5%	
Non-Controlling Interest	(45)		(54)		(87)		(47)		(233)	
Net Income	**311**		**373**		**598**		**628**		**1,910**	
EPS	**0.43**		**0.52**		**0.83**		**0.88**		**2.65**	
Shares	726.5		721.3		719.7		717.0		721.1	

*Non-GAAP excludes special items. See footnotes for reconciliation.

FY21 Proforma Service Revenue

In Q1FY22, the Company began reporting certain retrofit projects in EMEALA and APAC as products and systems revenue on a prospective basis as they have evolved to be more aligned with other install offerings. The below table provides proforma amounts for FY21 to reflect the exclusion of these retrofit projects for the periods presented.

Revenue	Q1FY21	Q2FY21	Q3FY21	Q4FY21	FY21
Total Service: Proforma	$1,377	$1,398	$1,467	$1,521	$5,763
*Organic Growth**	*(2%)*	*0%*	*+11%*	*+4%*	*+3%*
EMEALA Service: Proforma	$417	$407	$427	$433	$1,684
*Organic Growth**	*(1%)*	*(2%)*	*+13%*	*(2%)*	*+2%*
APAC Service: Proforma	$168	$171	$183	$184	$706
*Organic Growth**	*(1%)*	*+1%*	*+11%*	*+1%*	*+3%*

*Non-GAAP excludes special items.

OpenBlue Enables Outcomes Across All Vectors of Growth
Goal: Deliver Scalable Digital Growth from an integrated platform

OpenBlue
Connected Services

- HVAC
- Controls
- Fire
- Security

OpenBlue
Enterprise Solutions

Industry-Based
- Healthcare
- Comm'l Real Estate
- Higher Ed

Need-Based
- Energy & Sustainability
- Asset Health
- Space Health
- Command Center
- Safety & Security

OpenBlue
Outcomes as a Service (XaaS)

NetZero Buildings as a Service
Infrastructure as a Service
Healthy Buildings

OB Enterprise Manager – Single Pane of Glass Console

Sustainability Apps	Asset Health Apps	Space Health & Compliance Apps	Command Center Apps	Safety & Security Apps
Sustainability Manager	Asset Manager	Space Manager	Command Center	Risk Insights
Tenant Manager	Connected Equipment	Location Manager	Integrated OB Viewer	Active Responder
Central Utility Plant	Remote Advisory Services	Companion	Alarm Manager	
	Vibration Analysis	Compliance Manager	Notifications	

Foundational Capabilities
- Digital Twin, Analytics, AI/ML, AI at the EDGE
- ZeroTrust CyberSecurity, Multi-Cloud, Microservices, DevOps & SRE capabilities

HVAC

Controls

Fire

Security

Johnson Controls

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JOHNSON CONTROLS INTERNATIONAL PLC

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share data; unaudited)

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021
Net sales	$ 6,614	$ 6,341
Cost of sales	4,414	4,144
Gross profit	2,200	2,197
Selling, general and administrative expenses	(1,589)	(1,367)
Restructuring and impairment costs	(121)	(79)
Net financing charges	(49)	(56)
Equity income	63	74
Income from continuing operations before income taxes	504	769
Income tax provision	61	108
Income from continuing operations	443	661
Income from discontinued operations, net of tax	-	-
Net income	443	661
Less: Income from continuing operations attributable to noncontrolling interests	64	87
Less: Income from discontinued operations attributable to noncontrolling interests	-	-
Net income attributable to JCI	$ 379	$ 574
Income from continuing operations	$ 379	$ 574
Income from discontinued operations	-	-
Net income attributable to JCI	$ 379	$ 574
Diluted earnings per share from continuing operations	$ 0.55	$ 0.80
Diluted earnings per share from discontinued operations	-	-
Diluted earnings per share	$ 0.55	$ 0.80
Diluted weighted average shares	694.9	719.7
Shares outstanding at period end	688.8	712.2

JOHNSON CONTROLS INTERNATIONAL PLC

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share data; unaudited)

	Nine Months Ended June 30, 2022	Nine Months Ended June 30, 2021
Net sales	$ 18,574	$ 17,276
Cost of sales	12,526	11,408
Gross profit	6,048	5,868
Selling, general and administrative expenses	(4,412)	(3,914)
Restructuring and impairment costs	(554)	(175)
Net financing charges	(153)	(159)
Equity income	175	188
Income from continuing operations before income taxes	1,104	1,808
Income tax provision	190	378
Income from continuing operations	914	1,430
Income from discontinued operations, net of tax	-	124
Net income	914	1,554
Less: Income from continuing operations attributable to noncontrolling interests	143	186
Less: Income from discontinued operations attributable to noncontrolling interests	-	-
Net income attributable to JCI	$ 771	$ 1,368
Income from continuing operations	$ 771	$ 1,244
Income from discontinued operations	-	124
Net income attributable to JCI	$ 771	$ 1,368
Diluted earnings per share from continuing operations	$ 1.10	$ 1.72
Diluted earnings per share from discontinued operations	-	0.17
Diluted earnings per share	$ 1.10	$ 1.89
Diluted weighted average shares	702.4	722.5
Shares outstanding at period end	688.8	712.2

JOHNSON CONTROLS INTERNATIONAL PLC

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in millions; unaudited)

	June 30, 2022	September 30, 2021
ASSETS		
Cash and cash equivalents	$ 1,506	$ 1,336
Accounts receivable - net	5,850	5,613
Inventories	2,574	2,057
Assets held for sale	394	-
Other current assets	1,235	992
Current assets	11,559	9,998
Property, plant and equipment - net	2,962	3,228
Goodwill	17,725	18,335
Other intangible assets - net	4,764	5,549
Investments in partially-owned affiliates	1,070	1,066
Noncurrent assets held for sale	892	156
Other noncurrent assets	3,352	3,558
Total assets	$ 42,324	$ 41,890
LIABILITIES AND EQUITY		
Short-term debt and current portion of long-term debt	$ 2,298	$ 234
Accounts payable and accrued expenses	4,999	4,754
Liabilities held for sale	261	-
Other current liabilities	4,325	4,110
Current liabilities	11,883	9,098
Long-term debt	7,194	7,506
Other noncurrent liabilities	6,055	6,533
Noncurrent liabilities held for sale	49	-
Shareholders' equity attributable to JCI	15,988	17,562
Noncontrolling interests	1,155	1,191
Total liabilities and equity	$ 42,324	$ 41,890

JOHNSON CONTROLS INTERNATIONAL PLC

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions; unaudited)

	Three Months Ended June 30,	
	2022	2021
Operating Activities		
Net income from continuing operations attributable to JCI	$ 379	$ 574
Income from continuing operations attributable to noncontrolling interests	64	87
Net income from continuing operations	443	661
Adjustments to reconcile net income from continuing operations to cash provided by operating activities:		
Depreciation and amortization	201	208
Pension and postretirement benefit expense (income)	59	(94)
Pension and postretirement contributions	(7)	(15)
Equity in earnings of partially-owned affiliates, net of dividends received	(45)	41
Deferred income taxes	(144)	(19)
Non-cash restructuring and impairment costs	69	40
Other - net	39	(6)
Changes in assets and liabilities, excluding acquisitions and divestitures:		
Accounts receivable	(331)	(324)
Inventories	(142)	7
Other assets	(70)	60
Restructuring reserves	17	(3)
Accounts payable and accrued liabilities	299	344
Accrued income taxes	99	(38)
Cash provided by operating activities from continuing operations	487	862
Investing Activities		
Capital expenditures	(170)	(127)
Acquisition of businesses, net of cash acquired	(112)	(697)
Other - net	26	57
Cash used by investing activities from continuing operations	(256)	(767)
Financing Activities		
Increase (decrease) in short and long-term debt - net	175	(31)
Stock repurchases and retirements	(392)	(340)
Payment of cash dividends	(244)	(193)
Proceeds from the exercise of stock options	2	27
Dividends paid to noncontrolling interests	(3)	(32)
Employee equity-based compensation withholding taxes	-	(1)
Other - net	47	(1)
Cash used by financing activities from continuing operations	(415)	(571)
Discontinued Operations		
Net cash used by operating activities	-	(19)
Net cash used by investing activities	-	-
Net cash used by financing activities	-	-
Net cash flows used by discontinued operations	-	(19)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(95)	58
Changes in cash held for sale	-	-
Decrease in cash, cash equivalents and restricted cash	$ (279)	$ (437)

JOHNSON CONTROLS INTERNATIONAL PLC

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions; unaudited)

	Nine Months Ended June 30,	
	2022	2021
Operating Activities		
Net income from continuing operations attributable to JCI	$ 771	$ 1,244
Income from continuing operations attributable to noncontrolling interests	143	186
Net income from continuing operations	914	1,430
Adjustments to reconcile net income from continuing operations to cash provided by operating activities:		
Depreciation and amortization	633	627
Pension and postretirement benefit expense (income)	8	(393)
Pension and postretirement contributions	(83)	(40)
Equity in earnings of partially-owned affiliates, net of dividends received	(25)	(66)
Deferred income taxes	(241)	6
Non-cash restructuring and impairment costs	430	94
Other - net	32	(38)
Changes in assets and liabilities, excluding acquisitions and divestitures:		
Accounts receivable	(637)	(157)
Inventories	(761)	(204)
Other assets	(276)	(30)
Restructuring reserves	(2)	(27)
Accounts payable and accrued liabilities	788	854
Accrued income taxes	31	(34)
Cash provided by operating activities from continuing operations	811	2,022
Investing Activities		
Capital expenditures	(430)	(324)
Acquisition of businesses, net of cash acquired	(236)	(707)
Business divestitures, net of cash divested	16	19
Other - net	62	126
Cash used by investing activities from continuing operations	(588)	(886)
Financing Activities		
Increase (decrease) in short and long-term debt - net	2,234	(64)
Stock repurchases and retirements	(1,427)	(1,001)
Payment of cash dividends	(674)	(570)
Proceeds from the exercise of stock options	15	160
Dividends paid to noncontrolling interests	(121)	(133)
Cash paid to acquire a noncontrolling interest	-	(14)
Employee equity-based compensation withholding taxes	(49)	(30)
Other - net	51	2
Cash provided (used) by financing activities from continuing operations	29	(1,650)
Discontinued Operations		
Net cash used by operating activities	(4)	(56)
Net cash used by investing activities	-	-
Net cash used by financing activities	-	-
Net cash flows used by discontinued operations	(4)	(56)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(49)	67
Changes in cash held for sale	-	-
Increase (decrease) in cash, cash equivalents and restricted cash	$ 199	$ (503)

FOOTNOTES

1. Financial Summary

The Company evaluates the performance of its business units primarily on segment earnings before interest, taxes and amortization (EBITA), which represents income from continuing operations before income taxes and noncontrolling interests, excluding general corporate expenses, intangible asset amortization, net financing charges, restructuring and impairment costs, charges attributable to the suspension of operations in Russia, Silent-Aire earn-out adjustment, certain transaction/separation costs, and the net mark-to-market adjustments related to restricted asbestos investments and pension and postretirement plan assets. The financial results shown below are for continuing operations and exclude the Power Solutions business. Historical information has been re-cast for changes in the composition of reportable segments effective October 1, 2021, to present the comparative periods on a consistent basis.

(in millions; unaudited)	Three Months Ended June 30,				Nine Months Ended June 30,			
	2022		2021		2022		2021	
	Actual	Adjusted Non-GAAP	Actual	Adjusted Non-GAAP	Actual	Adjusted Non-GAAP	Actual	Adjusted Non-GAAP
Net sales (1)								
Building Solutions North America	$ 2,426	$ 2,426	$ 2,212	$ 2,212	$ 6,805	$ 6,805	$ 6,338	$ 6,338
Building Solutions EMEA/LA	952	952	1,001	1,001	2,869	2,869	2,883	2,883
Building Solutions Asia Pacific	665	665	703	703	1,963	1,963	1,901	1,901
Global Products	2,571	2,571	2,425	2,428	6,937	6,937	6,154	6,157
Net sales	$ 6,614	$ 6,614	$ 6,341	$ 6,344	$ 18,574	$ 18,574	$ 17,276	$ 17,279
Segment EBITA (1)								
Building Solutions North America	$ 260	$ 260	$ 326	$ 326	$ 745	$ 745	$ 847	$ 847
Building Solutions EMEA/LA	83	83	105	105	266	277	291	291
Building Solutions Asia Pacific	85	85	84	84	227	227	234	234
Global Products	570	570	505	512	1,283	1,240	1,001	1,008
Segment EBITA	998	998	1,020	1,027	2,521	2,489	2,373	2,380
Corporate expenses (2)	(96)	(87)	(70)	(70)	(226)	(217)	(207)	(207)
Amortization of intangible assets (3)	(102)	(102)	(112)	(109)	(326)	(313)	(320)	(317)
Net mark-to-market gains (losses) (4)	(126)	-	66	-	(158)	-	296	-
Restructuring and impairment costs (5)	(121)	-	(79)	-	(554)	-	(175)	-
EBIT (6)	553	809	825	848	1,257	1,959	1,967	1,856
EBIT margin	8.4%	12.2%	13.0%	13.4%	6.8%	10.5%	11.4%	10.7%
Net financing charges	(49)	(49)	(56)	(56)	(153)	(153)	(159)	(159)
Income from continuing operations before income taxes	504	760	769	792	1,104	1,806	1,808	1,697
Income tax provision (7)	(61)	(102)	(108)	(107)	(190)	(243)	(378)	(229)
Income from continuing operations	443	658	661	685	914	1,563	1,430	1,468
Income from continuing operations attributable to noncontrolling interests (8)	(64)	(64)	(87)	(87)	(143)	(148)	(186)	(186)
Net income from continuing operations attributable to JCI	$ 379	$ 594	$ 574	$ 598	$ 771	$ 1,415	$ 1,244	$ 1,282

(1) The Company's press release contains financial information regarding adjusted net sales, total segment EBITA, adjusted segment EBITA and adjusted segment EBITA margins, which are non-GAAP performance measures. The Company's definition of adjusted net sales and adjusted segment EBITA excludes special items because these revenues and/or costs are not considered to be directly related to the underlying operating performance of its businesses. Management believes these non-GAAP measures are useful to investors in understanding the ongoing operations and business trends of the Company.

A reconciliation of total segment EBITA to income from continuing operations is shown earlier within this footnote. The following is the three months ended June 30, 2022 and 2021 reconciliation of net sales, total segment EBITA and segment EBITA margin as reported to adjusted segment EBITA and adjusted segment EBITA margin (unaudited):

(in millions)	Building Solutions North America		Building Solutions EMEA/LA		Building Solutions Asia Pacific		Global Products		Consolidated JCI plc	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Net sales as reported	$ 2,426	$ 2,212	$ 952	$ 1,001	$ 665	$ 703	$ 2,571	$ 2,425	$ 6,614	$ 6,341
Adjusting items:										
Nonrecurring Silent-Aire purchase accounting impacts	-	-	-	-	-	-	-	3	-	3
Adjusted net sales	$ 2,426	$ 2,212	$ 952	$ 1,001	$ 665	$ 703	$ 2,571	$ 2,428	$ 6,614	$ 6,344
Segment EBITA as reported	$ 260	$ 326	$ 83	$ 105	$ 85	$ 84	$ 570	$ 505	$ 998	$ 1,020
Segment EBITA margin as reported	10.7%	14.7%	8.7%	10.5%	12.8%	11.9%	22.2%	20.8%	15.1%	16.1%
Adjusting items:										
Nonrecurring Silent-Aire purchase accounting impacts and other costs	-	-	-	-	-	-	-	7	-	7
Adjusted segment EBITA	$ 260	$ 326	$ 83	$ 105	$ 85	$ 84	$ 570	$ 512	$ 998	$ 1,027
Adjusted segment EBITA margin	10.7%	14.7%	8.7%	10.5%	12.8%	11.9%	22.2%	21.1%	15.1%	16.2%

The following is the nine months ended June 30, 2022 and 2021 reconciliation of net sales, total segment EBITA and segment EBITA margin as reported to adjusted segment EBITA and adjusted segment EBITA margin (unaudited):

(in millions)	Building Solutions North America		Building Solutions EMEA/LA		Building Solutions Asia Pacific		Global Products		Consolidated JCI plc	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Net sales as reported	$ 6,805	$ 6,338	$ 2,869	$ 2,883	$ 1,963	$ 1,901	$ 6,937	$ 6,154	$ 18,574	$ 17,276
Adjusting items:										
Nonrecurring Silent-Aire purchase accounting impacts	-	-	-	-	-	-	-	3	-	3
Adjusted net sales	$ 6,805	$ 6,338	$ 2,869	$ 2,883	$ 1,963	$ 1,901	$ 6,937	$ 6,157	$ 18,574	$ 17,279
Segment EBITA as reported	$ 745	$ 847	$ 266	$ 291	$ 227	$ 234	$ 1,283	$ 1,001	$ 2,521	$ 2,373
Segment EBITA margin as reported	10.9%	13.4%	9.3%	10.1%	11.6%	12.3%	18.5%	16.3%	13.6%	13.7%
Adjusting items:										
Silent-Aire earn-out adjustment	-	-	-	-	-	-	(43)	-	(43)	-
Charges attributable to the suspension of operations in Russia	-	-	11	-	-	-	-	-	11	-
Nonrecurring Silent-Aire purchase accounting impacts and other costs	-	-	-	-	-	-	-	7	-	7
Adjusted segment EBITA	$ 745	$ 847	$ 277	$ 291	$ 227	$ 234	$ 1,240	$ 1,008	$ 2,489	$ 2,380
Adjusted segment EBITA margin	10.9%	13.4%	9.7%	10.1%	11.6%	12.3%	17.9%	16.4%	13.4%	13.8%

(2) Adjusted Corporate expenses for the three and nine months ended June 30, 2022 excludes $9 million of transaction/separation costs.

(3) Adjusted amortization of intangible assets for the nine months ended June 30, 2022 excludes $13 million of nonrecurring intangible asset amortization related to Silent-Aire purchase accounting. Adjusted amortization of intangible assets for the three and nine months ended June 30, 2021 excludes $3 million of nonrecurring asset amortization related to Silent-Aire purchase accounting.

(4) The three and nine months ended June 30, 2022 exclude the net mark-to-market losses on restricted asbestos investments and pension and postretirement plan assets of $126 million and $158 million, respectively. The three and nine months ended June 30, 2021 exclude the net mark-to-market gains on restricted asbestos investments and pension and postretirement plan assets of $66 million and $296 million, respectively.

(5) Restructuring and impairment costs for the three and nine months ended June 30, 2022 of $121 million and $554 million, respectively, are excluded from the adjusted non-GAAP results. The restructuring actions and impairment costs for the three and nine months ended June 30, 2022 are related primarily to the impairment of assets associated with businesses classified as held for sale, workforce reductions and other asset impairments. Restructuring and impairment costs for the three and nine months ended June 30, 2021 of $79 million and $175 million, respectively, are excluded from the adjusted non-GAAP results. The restructuring actions and impairment costs for the three and nine months ended June 30, 2021 are related primarily to workforce reductions and asset impairments.

(6) Management defines earnings before interest and taxes (EBIT) as income (loss) from continuing operations before net financing charges, income taxes and noncontrolling interests. EBIT is a non-GAAP performance measure. Management believes this non-GAAP measure is useful to investors in understanding the ongoing operations and business trends of the Company. A reconciliation of EBIT to income from continuing operations is shown earlier within this footnote.

(7) Adjusted income tax provision for the three months ended June 30, 2022 excludes tax benefits related to net mark-to-market losses of $33 million, restructuring and impairment costs of $15 million and transaction/separation costs of $1 million, partially offset by tax provisions related to APB23 adjustments attributable to a business classified as held for sale of $8 million. Adjusted income tax provision for the nine months ended June 30, 2022 excludes tax benefits related to net mark-to-market losses of $40 million, restructuring and impairment costs of $29 million, Silent-Aire nonrecurring intangible asset amortization of $3 million, transaction/separation costs of $1 million and charges related to the suspension of operations in Russia of $1 million, partially offset by tax provisions related to APB23 adjustments attributable to businesses classified as held for sale of $21 million. Adjusted income tax provision for the three months ended June 30, 2021 excludes tax provisions from net mark-to-market gains of $17 million, partially offset by tax benefits related to restructuring and impairment costs of $15 million and tax benefits related to Silent-Aire nonrecurring purchase accounting of $1 million. Adjusted income tax provision for the nine months ended June 30, 2021 excludes tax provisions from a Mexico valuation allowance adjustment of $105 million and net mark-to-market gains of $75 million, partially offset by tax benefits related to restructuring and impairment costs of $30 million and tax benefits related to Silent-Aire nonrecurring purchase accounting of $1 million.

(8) Adjusted income from continuing operations attributable to noncontrolling interests for the nine months ended June 30, 2022 excludes $5 million impact from restructuring and impairment costs.

The Company has presented forward-looking statements regarding adjusted EPS, organic revenue growth, adjusted segment EBITA margin and free cash flow conversion, which are non-GAAP financial measures. These non-GAAP financial measures are derived by excluding certain amounts, expenses, or income from the corresponding financial measures determined in accordance with GAAP. The determination of the amounts that are excluded from these non-GAAP financial measures are a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income amounts recognized in a given period, including but not limited to the high variability of the net mark-to-market adjustments and the effect of foreign currency exchange fluctuations. Our fiscal 2022 full year and fourth quarter guidance for organic revenue growth also excludes the effect of acquisitions, divestitures and foreign currency. We are unable to present a quantitative reconciliation of the aforementioned forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures because such information is not available and management cannot reliably predict all of the necessary components of such GAAP measures without unreasonable effort or expense. The unavailable information could have a significant impact on the Company's fourth quarter and full year fiscal 2022 GAAP financial results.

2. Diluted Earnings Per Share Reconciliation

The Company's press release contains financial information regarding adjusted earnings per share, which is a non-GAAP performance measure. The adjusting items include net mark-to-market adjustments, restructuring and impairment costs, Silent-Aire other nonrecurring costs, Silent-Aire earn-out adjustment, charges related to the suspension of operations in Russia, Power Solutions divestiture reserve adjustment, transaction/separation costs and discrete tax items. The Company excludes these items because they are not considered to be directly related to the underlying operating performance of the Company. Management believes these non-GAAP measures are useful to investors in understanding the ongoing operations and business trends of the Company.

A reconciliation of diluted earnings per share as reported to adjusted diluted earnings per share for the respective periods is shown below (unaudited):

	Net Income Attributable to JCI plc Three Months Ended June 30,		Net Income Attributable to JCI plc from Continuing Operations Three Months Ended June 30,		Net Income Attributable to JCI plc Nine Months Ended June 30,		Net Income Attributable to JCI plc from Continuing Operations Nine Months Ended June 30,	
	2022	2021	2022	2021	2022	2021	2022	2021
Earnings per share as reported for JCI plc	$ 0.55	$ 0.80	$ 0.55	$ 0.80	$ 1.10	$ 1.89	$ 1.10	$ 1.72
Adjusting items:								
Net mark-to-market adjustments	0.18	(0.09)	0.18	(0.09)	0.22	(0.41)	0.22	(0.41)
Related tax impact	(0.05)	0.02	(0.05)	0.02	(0.06)	0.10	(0.06)	0.10
Restructuring and impairment costs	0.17	0.11	0.17	0.11	0.79	0.24	0.79	0.24
Related tax impact	(0.02)	(0.02)	(0.02)	(0.02)	(0.04)	(0.04)	(0.04)	(0.04)
NCI impact of restructuring and impairment costs	-	-	-	-	(0.01)	-	(0.01)	-
Power Solutions divestiture reserve adjustment	-	-	-	-	-	(0.21)	-	-
Related tax impact	-	-	-	-	-	0.04	-	-
Silent-Aire other nonrecurring costs	-	0.01	-	0.01	0.02	0.01	0.02	0.01
Silent-Aire earn-out adjustment	-	-	-	-	(0.06)	-	(0.06)	-
Charges attributable to the suspension of operations in Russia	-	-	-	-	0.01	-	0.01	-
Transaction/separation costs	0.01	-	0.01	-	0.01	-	0.01	
Discrete tax items	0.01	-	0.01	-	0.03	0.15	0.03	0.15
Adjusted earnings per share for JCI plc*	$ 0.85	$ 0.83	$ 0.85	$ 0.83	$ 2.01	$ 1.77	$ 2.01	$ 1.77

* May not sum due to rounding

The following table reconciles the denominators used to calculate basic and diluted earnings per share for JCI plc (in millions; unaudited):

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2022	2021	2022	2021
Weighted average shares outstanding for JCI plc				
Basic weighted average shares outstanding	692.2	714.5	698.6	718.2
Effect of dilutive securities:				
Stock options, unvested restricted stock and unvested performance share awards	2.7	5.2	3.8	4.3
Diluted weighted average shares outstanding	694.9	719.7	702.4	722.5

3. Organic Growth Reconciliation

The components of the change in net sales for the three months ended June 30, 2022 versus the three months ended June 30, 2021, including organic growth, are shown below (unaudited):

(in millions)	Adjusted Net Sales for the Three Months Ended June 30, 2021	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Net Sales for the Three Months Ended June 30, 2021	Acquisitions		Organic Growth		Net Sales for the Three Months Ended June 30, 2022	
Building Solutions North America	$ 2,212	$ -	-	$ (9)	-	$ 2,203	$ 6	-	$ 217	10%	$ 2,426	10%
Building Solutions EMEA/LA	1,001	(7)	-1%	(88)	-9%	906	9	1%	37	4%	952	-5%
Building Solutions Asia Pacific	703	-	-	(39)	-6%	664	8	1%	(7)	-1%	665	-5%
Total field	3,916	(7)	-	(136)	-3%	3,773	23	1%	247	7%	4,043	3%
Global Products	2,428	-	-	(122)	-5%	2,306	50	2%	215	9%	2,571	6%
Total net sales	$ 6,344	$ (7)	-	$ (258)	-4%	$ 6,079	$ 73	1%	$ 462	8%	$ 6,614	4%

The components of the change in net sales for the nine months ended June 30, 2022 versus the nine months ended June 30, 2021, including organic growth, are shown below (unaudited):

(in millions)	Adjusted Net Sales for the Nine Months Ended June 30, 2021	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Net Sales for the Nine Months Ended June 30, 2021	Acquisitions		Organic Growth		Net Sales for the Nine Months Ended June 30, 2022	
Building Solutions North America	$ 6,338	$ -	-	$ (3)	-	$ 6,335	$ 15	-	$ 455	7%	$ 6,805	7%
Building Solutions EMEA/LA	2,883	(16)	-1%	(155)	-5%	2,712	24	1%	133	5%	2,869	-
Building Solutions Asia Pacific	1,901	(1)	-	(62)	-3%	1,838	26	1%	99	5%	1,963	3%
Total field	11,122	(17)	-	(220)	-2%	10,885	65	1%	687	6%	11,637	5%
Global Products	6,154	-	-	(193)	-3%	5,961	254	4%	722	12%	6,937	13%
Total net sales	$ 17,276	$ (17)	-	$ (413)	-2%	$ 16,846	$ 319	2%	$ 1,409	8%	$ 18,574	8%

The components of the change in total segment EBITA for the three months ended June 30, 2022 versus the three months ended June 30, 2021,including organic growth, is shown below (unaudited):

(in millions)	Adjusted Segment EBITA for the Three Months Ended June 30, 2021	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Segment EBITA for the Three Months Ended June 30, 2021	Acquisitions		Organic Growth		Adjusted Segment EBITA for the Three Months Ended June 30, 2022	
Total segment EBITA	$ 1,027	$ (1)	-	$ (37)	-4%	$ 989	$ 1	-	$ 8	1%	$ 998	-3%

The Company's earnings presentation presents organic growth for each of the periods re-casted as a result of changes in the composition of reportable segments effective October 1, 2021. The components of the change in adjusted net sales, including organic growth, are shown below for the three months ended December 31, 2020 versus the three months ended December 31, 2019, the three months ended March 31, 2021 versus the three months ended March 31, 2020, the three months ended June 30, 2021 versus the three months ended June 30, 2020, the three months ended September 30, 2021 versus the three months ended September 30, 2020, and the twelve months ended September 30, 2021 versus the twelve months ended September 30, 2020 (unaudited).

(in millions)	Adjusted Net Sales for the Three Months Ended December 31, 2019	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Net Sales for the Three Months Ended December 31, 2019	Acquisitions		Organic Growth		Adjusted Net Sales for the Three Months Ended December 31, 2020	
Building Solutions North America	$ 2,167	$ -	-	$ 3	-	$ 2,170	$ -	-	$ (136)	-6%	$ 2,034	-6%
Building Solutions EMEA/LA	970	-	-	24	2%	994	9	1%	(55)	-6%	948	-2%
Building Solutions Asia Pacific	620	(2)	-	28	5%	646	-	-	(42)	-7%	604	-3%
Total field	3,757	(2)	-	55	1%	3,810	9	-	(233)	-6%	3,586	-5%
Global Products	1,819	(71)	-4%	35	2%	1,783	-	-	(28)	-2%	1,755	-4%
Total net sales	$ 5,576	$ (73)	-1%	$ 90	2%	$ 5,593	$ 9	-	$ (261)	-5%	$ 5,341	-4%

(in millions)	Adjusted Net Sales for the Three Months Ended March 31, 2020	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Net Sales for the Three Months Ended March 31, 2020	Acquisitions		Organic Growth		Adjusted Net Sales for the Three Months Ended March 31, 2021	
Building Solutions North America	$ 2,175	$ -	-	$ 13	1%	$ 2,188	$ -	-	$ (96)	-4%	$ 2,092	-4%
Building Solutions EMEA/LA	891	-	-	44	5%	935	4	-	(5)	-1%	934	5%
Building Solutions Asia Pacific	518	(2)	-	29	6%	545	-	-	49	9%	594	15%
Total field	3,584	(2)	-	86	2%	3,668	4	-	(52)	-1%	3,620	1%
Global Products	1,860	(62)	-3%	49	3%	1,847	-	-	127	7%	1,974	6%
Total net sales	$ 5,444	$ (64)	-1%	$ 135	2%	$ 5,515	$ 4	-	$ 75	1%	$ 5,594	3%

(in millions)	Adjusted Net Sales for the Three Months Ended June 30, 2020	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Net Sales for the Three Months Ended June 30, 2020	Acquisitions		Organic Growth		Adjusted Net Sales for the Three Months Ended June 30, 2021	
Building Solutions North America	$ 2,020	$ -	-	$ 21	1%	$ 2,041	$ -	-	$ 171	8%	$ 2,212	10%
Building Solutions EMEA/LA	795	-	-	60	8%	855	10	1%	136	16%	1,001	26%
Building Solutions Asia Pacific	579	(3)	-1%	40	7%	616	-	-	87	14%	703	21%
Total field	3,394	(3)	-	121	4%	3,512	10	-	394	11%	3,916	15%
Global Products	1,949	(54)	-3%	44	2%	1,939	80	4%	409	21%	2,428	25%
Total net sales	$ 5,343	$ (57)	-1%	$ 165	3%	$ 5,451	$ 90	2%	$ 803	15%	$ 6,344	19%

(in millions)	Adjusted Net Sales for the Three Months Ended September 30, 2020	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Net Sales for the Three Months Ended September 30, 2020	Acquisitions		Organic Growth		Adjusted Net Sales for the Three Months Ended September 30, 2021	
Building Solutions North America	$ 2,243	$ -	-	$ 12	1%	$ 2,255	$ 4	-	$ 88	4%	$ 2,347	5%
Building Solutions EMEA/LA	957	-	-	17	2%	974	14	1%	13	1%	1,001	5%
Building Solutions Asia Pacific	651	(2)	-	18	3%	667	-	-	48	7%	715	10%
Total field	3,851	(2)	-	47	1%	3,896	18	-	149	4%	4,063	6%
Global Products	2,103	(79)	-4%	10	-	2,034	132	6%	166	8%	2,332	11%
Total net sales	$ 5,954	$ (81)	-1%	$ 57	1%	$ 5,930	$ 150	3%	$ 315	5%	$ 6,395	7%

(in millions)	Adjusted Net Sales for the Twelve Months Ended September 30, 2020	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Net Sales for the Twelve Months Ended September 30, 2020	Acquisitions		Organic Growth		Adjusted Net Sales for the Twelve Months Ended September 30, 2021	
Building Solutions North America	$ 8,605	$ -	-	$ 49	1%	$ 8,654	$ 4	-	$ 27	-	$ 8,685	1%
Building Solutions EMEA/LA	3,613	-	-	145	4%	3,758	37	1%	89	2%	3,884	8%
Building Solutions Asia Pacific	2,368	(9)	-	115	5%	2,474	-	-	142	6%	2,616	10%
Total field	14,586	(9)	-	309	2%	14,886	41	-	258	2%	15,185	4%
Global Products	7,731	(266)	-3%	138	2%	7,603	212	3%	674	9%	8,489	10%
Total net sales	$ 22,317	$ (275)	-1%	$ 447	2%	$ 22,489	$ 253	1%	$ 932	4%	$ 23,674	6%

The organic growth reconciliations presented earlier within this footnote contain financial information regarding adjusted net sales. The following is the reconciliation of net sales as re-casted to adjusted net sales for the three months ended December 31, 2020 and 2019, the three months ended March 31, 2021 and 2020, the three months ended June 30, 2021 and 2020, the three months ended September 30, 2021 and 2020, and the twelve months ended September 30, 2021 and 2020 (unaudited):

	Three Months Ended								Twelve Months Ended	
	December 31,		March 31,		June 30,		September 30,		September 30,	
(in millions)	2020	2019	2021	2020	2021	2020	2021	2020	2021	2020
Net sales as re-casted										
Building Solutions North America	$ 2,034	$ 2,167	$ 2,092	$ 2,175	$ 2,212	$ 2,020	$ 2,347	$ 2,243	$ 8,685	$ 8,605
Building Solutions EMEA/LA	948	970	934	891	1,001	795	1,001	957	3,884	3,613
Building Solutions Asia Pacific	604	620	594	518	703	579	715	651	2,616	2,368
Global Products	1,755	1,819	1,974	1,860	2,425	1,949	2,329	2,103	8,483	7,731
Net sales as re-casted	5,341	5,576	5,594	5,444	6,341	5,343	6,392	5,954	23,668	22,317
Adjusting items (1)										
Building Solutions North America	-	-	-	-	-	-	-	-	-	-
Building Solutions EMEA/LA	-	-	-	-	-	-	-	-	-	-
Building Solutions Asia Pacific	-	-	-	-	-	-	-	-	-	-
Global Products	-	-	-	-	3	-	3	-	6	-
Adjusting items	-	-	-	-	3	-	3	-	6	-
Adjusted net sales										
Building Solutions North America	2,034	2,167	2,092	2,175	2,212	2,020	2,347	2,243	8,685	8,605
Building Solutions EMEA/LA	948	970	934	891	1,001	795	1,001	957	3,884	3,613
Building Solutions Asia Pacific	604	620	594	518	703	579	715	651	2,616	2,368
Global Products	1,755	1,819	1,974	1,860	2,428	1,949	2,332	2,103	8,489	7,731
Adjusted net sales	$ 5,341	$ 5,576	$ 5,594	$ 5,444	$ 6,344	$ 5,343	$ 6,395	$ 5,954	$ 23,674	$ 22,317

(1) Adjusting items to net sales relate to nonrecurring Silent-Aire purchase accounting impacts.

The Company's earnings presentation presents service revenue and organic growth for the three months ended June 30, 2022. The components of the change in service revenue, including organic growth, are shown below (unaudited):

(in millions)	Proforma Service Revenue for the Three Months Ended June 30, 2021	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Service Revenue for the Three Months Ended June 30, 2021	Acquisitions		Organic Growth		Service Revenue for the Three Months Ended June 30, 2022	
Building Solutions North America	$ 857	$ -	-	$ (2)	-	$ 855	$ 5	1%	$ 85	10%	$ 945	10%
Building Solutions EMEA/LA	427	(7)	-2%	(38)	-9%	382	-	-	33	9%	415	-3%
Building Solutions Asia Pacific	183	-	-	(12)	-7%	171	1	1%	-	-	172	-6%
Total field	1,467	(7)	-	(52)	-4%	1,408	6	-	118	8%	1,532	4%
Global Products	-	-	-	-	-	-	-	-	-	-	-	-
Total net sales	$ 1,467	$ (7)	-	$ (52)	-4%	$ 1,408	$ 6	-	$ 118	8%	$ 1,532	4%

The Company's earnings presentation presents proforma service revenue and organic growth for the three months ended December 31, 2020, the three months ended March 31, 2021, the three months ended June 30, 2021, the three months ended September 30, 2021, and the twelve months ended September 30, 2021. The components of the change in proforma service revenue, including organic growth, for each period for which proforma financial information is presented are shown below (unaudited).

(in millions)	Proforma Service Revenue for the Three Months Ended December 31, 2019	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Service Revenue for the Three Months Ended December 31, 2019	Acquisitions		Organic Growth		Proforma Service Revenue for the Three Months Ended December 31, 2020	
Building Solutions North America	$ 811	$ -	-	$ 1	-	$ 812	$ -	-	$ (20)	-2%	$ 792	-2%
Building Solutions EMEA/LA	414	-	-	5	1%	419	3	1%	(5)	-1%	417	1%
Building Solutions Asia Pacific	165	(2)	-1%	7	4%	170	-	-	(2)	-1%	168	2%
Total field	1,390	(2)	-	13	1%	1,401	3	-	(27)	-2%	1,377	-1%
Global Products	-	-	-	-	-	-	-	-	-	-	-	-
Total service revenue	$ 1,390	$ (2)	-	$ 13	1%	$ 1,401	$ 3	-	$ (27)	-2%	$ 1,377	-1%

(in millions)	Proforma Service Revenue for the Three Months Ended March 31, 2020	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Service Revenue for the Three Months Ended March 31, 2020	Acquisitions		Organic Growth		Proforma Service Revenue for the Three Months Ended March 31, 2021	
Building Solutions North America	$ 818	$ -	-	$ 4	-	$ 822	$ -	-	$ (2)	-	$ 820	-
Building Solutions EMEA/LA	396	-	-	16	4%	412	2	-	(7)	-2%	407	3%
Building Solutions Asia Pacific	160	(2)	-1%	11	7%	169	-	-	2	1%	171	7%
Total field	1,374	(2)	-	31	2%	1,403	2	-	(7)	-	1,398	2%
Global Products	-	-	-	-	-	-	-	-	-	-	-	-
Total service revenue	$ 1,374	$ (2)	-	$ 31	2%	$ 1,403	$ 2	-	$ (7)	-	$ 1,398	2%

(in millions)	Proforma Service Revenue for the Three Months Ended June 30, 2020	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Service Revenue for the Three Months Ended June 30, 2020	Acquisitions		Organic Growth		Proforma Service Revenue for the Three Months Ended June 30, 2021	
Building Solutions North America	$ 770	$ -	-	$ 9	1%	$ 779	$ -	-	$ 78	10%	$ 857	11%
Building Solutions EMEA/LA	349	-	-	26	7%	375	4	1%	48	13%	427	22%
Building Solutions Asia Pacific	156	(3)	-2%	12	8%	165	-	-	18	11%	183	17%
Total field	1,275	(3)	-	47	4%	1,319	4	-	144	11%	1,467	15%
Global Products	-	-	-	-	-	-	-	-	-	-	-	-
Total service revenue	$ 1,275	$ (3)	-	$ 47	4%	$ 1,319	$ 4	-	$ 144	11%	$ 1,467	15%

(in millions)	Proforma Service Revenue for the Three Months Ended September 30, 2020	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Service Revenue for the Three Months Ended September 30, 2020	Acquisitions		Organic Growth		Proforma Service Revenue for the Three Months Ended September 30, 2021	
Building Solutions North America	$ 835	$ -	-	$ 4	-	$ 839	$ 3	-	$ 62	7%	$ 904	8%
Building Solutions EMEA/LA	435	-	-	6	1%	441	1	-	(9)	-2%	433	-
Building Solutions Asia Pacific	180	(2)	-1%	4	2%	182	-	-	2	1%	184	2%
Total field	1,450	(2)	-	14	1%	1,462	4	-	55	4%	1,521	5%
Global Products	-	-	-	-	-	-	-	-	-	-	-	-
Total service revenue	$ 1,450	$ (2)	-	$ 14	1%	$ 1,462	$ 4	-	$ 55	4%	$ 1,521	5%

(in millions)	Proforma Service Revenue for the Twelve Months Ended September 30, 2020	Base Year Adjustments - Divestitures and Other		Base Year Adjustments - Foreign Currency		Adjusted Base Service Revenue for the Twelve Months Ended September 30, 2020	Acquisitions		Organic Growth		Proforma Service Revenue for the Twelve Months Ended September 30, 2021	
Building Solutions North America	$ 3,234	$ -	-	$ 18	1%	$ 3,252	$ 3	-	$ 118	4%	$ 3,373	4%
Building Solutions EMEA/LA	1,594	-	-	53	3%	1,647	10	1%	27	2%	1,684	6%
Building Solutions Asia Pacific	661	(9)	-1%	34	5%	686	-	-	20	3%	706	7%
Total field	5,489	(9)	-	105	2%	5,585	13	-	165	3%	5,763	5%
Global Products	-	-	-	-	-	-	-	-	-	-	-	-
Total service revenue	$ 5,489	$ (9)	-	$ 105	2%	$ 5,585	$ 13	-	$ 165	3%	$ 5,763	5%

4. Free Cash Flow Conversion

The Company's press release contains financial information regarding free cash flow and free cash flow conversion, which are non-GAAP performance measures. Free cash flow is defined as cash provided by operating activities less capital expenditures. Free cash flow conversion is defined as free cash flow divided by adjusted net income attributable to JCI. Management believes these non-GAAP measures are useful to investors in understanding the strength of the Company and its ability to generate cash. These non-GAAP measures can also be used to evaluate our ability to generate cash flow from operations and the impact that this cash flow has on our liquidity.

The following is the three months and nine months ended June 30, 2022 and 2021 reconciliation of free cash flow and free cash flow conversion for continuing operations (unaudited):

	Three Months Ended		Nine Months Ended	
(in millions)	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Cash provided (used) by operating activities from continuing operations	$ 487	$ 862	$ 811	$ 2,022
Capital expenditures	(170)	(127)	(430)	(324)
Reported free cash flow	$ 317	$ 735	$ 381	$ 1,698
Adjusted net income from continuing operations attributable to JCI	$ 594	$ 598	$ 1,415	$ 1,282
Adjusted free cash flow conversion	53%	123%	27%	132%

5. Net Debt to EBITDA

The Company provides financial information regarding net debt to adjusted EBITDA, which is a non-GAAP performance measure. The Company believes the total net debt to adjusted EBITDA ratio is useful to understanding the Company's financial condition as it provides a review of the extent to which the Company relies on external debt financing for its funding and is a measure of risk to its shareholders. The following is the June 30, 2022 calculation of net debt to adjusted EBITDA (unaudited):

(in millions)		June 30, 2022
Short-term debt and current portion of long-term debt	$	2,298
Long-term debt		7,194
Total debt		9,492
Less: cash and cash equivalents		1,506
Total net debt	$	7,986
Last twelve months adjusted EBITDA	$	3,617
Total net debt to adjusted EBITDA		2.2x

The following is the last twelve months ended June 30, 2022 reconciliation of income from continuing operations to adjusted EBIT and adjusted EBITDA, which are non-GAAP performance measures (unaudited):

(in millions)		Last Twelve Months Ended June 30, 2022
Income from continuing operations	$	1,230
Income tax provision		680
Net financing charges		200
EBIT		2,110
Adjusting items:		
Net mark-to-market adjustments		52
Restructuring and impairment costs		621
Silent-Aire other nonrecurring costs		26
Silent-Aire earn-out adjustment		(43)
Charges attributable to the suspension of operations in Russia		11
Transaction/separation costs		9
Adjusted EBIT (1)		2,786
Depreciation and amortization		831
Adjusted EBITDA (1)	$	3,617

(1) The Company's definition of adjusted EBIT and adjusted EBITDA excludes special items because these costs are not considered to be directly related to the underlying operating performance of its businesses. Management believes this non-GAAP measure is useful to investors in understanding the ongoing operations and business trends of the Company.

6. Trade Working Capital as a Percentage of Net Sales

The Company provides financial information regarding trade working capital as a percentage of net sales, which is a non-GAAP performance measure. Trade working capital is defined as current assets less current liabilities, excluding cash, short-term debt, the current portion of long-term debt, the current portion of assets and liabilities held for sale, accrued compensation and benefits, and other current assets and liabilities. Management believes this non-GAAP measure, which excludes financing-related items, non-trade related items and businesses to be divested, is a more useful measurement of the Company's operating performance. The following is the June 30, 2022 and June 30, 2021 calculation of trade working capital as a percentage of net sales (unaudited):

(in millions)		June 30, 2022		June 30, 2021
Current assets	$	11,559	$	10,310
Current liabilities		(11,883)		(9,285)
Total working capital		(324)		1,025
Less: cash and cash equivalents		(1,506)		(1,450)
Less: assets held for sale		(394)		-
Less: other current assets		(1,235)		(1,128)
Add: short-term debt		2,081		265
Add: current portion of long-term debt		217		196
Add: accrued compensation and benefits		874		996
Add: liabilities held for sale		261		-
Add: other current liabilities		2,479		2,460
Trade working capital	$	2,453	$	2,364
Last twelve months net sales	$	24,966	$	23,230
Trade working capital as a percentage of net sales		9.8%		10.2%

7. Income Taxes

The Company's effective tax rate from continuing operations before consideration of net mark-to-market adjustments, restructuring and impairment costs, Silent-Aire nonrecurring intangible asset amortization and purchase accounting, charges related to the suspension of operations in Russia, transaction/separation costs and discrete tax items for the three and nine months ending June 30, 2022 and June 30, 2021 is approximately 13.5%.

8. Restructuring and Impairment Costs

The three months ended June 30, 2022 include restructuring and impairment costs of $121 million related primarily to the impairment of assets associated with a business classified as held for sale, workforce reductions and other asset impairments. The nine months ended June 30, 2022 include restructuring and impairment costs of $554 million related primarily to the impairment of assets associated with businesses classified as held for sale, workforce reductions and other asset impairments. The three months ended June 30, 2021 include restructuring and impairment costs of $79 million related primarily to workforce reductions, asset impairments and other related costs. The nine months ended June 30, 2021 include restructuring and impairment costs of $175 million related primarily to workforce reductions, asset impairments and other related costs.