

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 29, 2025

Regal Rexnord Corporation

(Exact name of registrant as specified in its charter)

Wisconsin
(State or Other Jurisdiction of
Incorporation)

1-7283
(Commission File Number)

39-0875718
(IRS Employer Identification No.)

111 West Michigan Street, Milwaukee, Wisconsin 53203
(Address of Principal Executive Offices, Including Zip Code)

Registrant's Telephone Number: (608) 364-8800

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

<u>Title of each class</u>	<u>Trading symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock	RRX	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On October 29, 2025, Regal Rexnord Corporation issued a press release announcing its financial results for the third quarter ended September 30, 2025. A copy is furnished as Exhibit 99.1 to this report.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Exhibit Description</u>
99.1	Press release announcing financial results for the third quarter ended September 30, 2025.
104.1	Cover Page Interactive Data File (the Cover Page Interactive Data File is embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

REGAL REXNORD CORPORATION

Date: October 30, 2025

By: /s/ Robert J. Rehard

Name: Robert J. Rehard

Title: Executive Vice President, Chief Financial Officer



FOR RELEASE ON: October 29, 2025

CONTACT: Robert Barry
VP - Investor Relations
608-361-7530
robert.barry@regalrexnord.com

REGAL REXNORD REPORTS STRONG THIRD QUARTER 2025 FINANCIAL RESULTS

DATA CENTER ORDERS OF \$135M IN 3Q, PLUS AN ADDITIONAL \$60M IN OCTOBER

MILWAUKEE, WI - Regal Rexnord Corporation (NYSE: RRX)

3Q Highlights

- Diluted EPS Of \$1.20, Up 10.1% Versus PY; Adjusted Diluted EPS* Of \$2.51, Up 0.8% Versus PY
- Daily Orders Up 9.8% Versus PY, Largely Reflecting Data Center Project Orders In AMC & PES Worth \$135 Million
- Sales Of \$1,497.0 Million, Up 1.3% Versus PY, Up 0.7% On An Organic* Basis
- GAAP Net Income Of \$80.0 Million Versus PY Of \$73.0 Million, Up \$7.0 Million Versus PY
- Adjusted EBITDA* Of \$339.4 Million Versus PY Of \$337.0 Million, Up \$2.4 Million Versus PY
- Cash From Operating Activities Of \$197.5 Million; Adjusted Free Cash Flow* Of \$174 Million
- Paid Down \$74.5 million Of Gross Debt; Net Debt/Adjusted EBITDA (Including Synergies)* Now ~3.2x
- Published 2024 Sustainability Report. Reduced Scope 1 & 2 Emissions By 13% Y/Y, And Achieved Industry Leading Safety Metrics, Including 0.55 Total Recordable Incident Rate
- Investing In A New 100K Square Foot Assembly Facility In Texas To Support Data Center Demand Growth

CEO Louis Pinkham commented, *"Our enterprise gained significant momentum in the third quarter by delivering very strong orders, nicely above our expectations. The highlight is positive momentum in data center, where we secured orders worth \$135 million in 3Q, plus an additional \$60 million to date in 4Q. These orders came in the AMC and PES segments, and we see opportunities in IPS as well. We have been making growth investments in the data center market, which are paying off, and we have plans to do much more. Our capabilities here are positioning us as an emerging scale player, with a bid pipeline that is now over \$1 billion."*

Mr. Pinkham continued, *"I was also pleased to see order strength in other markets this quarter, including in discrete automation, food & beverage, and a nice win by our PES team for air filtration solutions in semiconductor clean rooms, as PES executes its growth strategy of diversifying into new, secular markets. Order growth for IPS was low single digits in the quarter, which marks its fifth sequential quarter of positive orders growth - solid performance given broadly sluggish IPS end markets, and provides more evidence that our cross-sell initiatives have momentum. Across the enterprise, I am proud of our teams for pursuing a diverse range of growth opportunities, which is allowing us to more than offset order weakness in short cycle industrial and residential HVAC markets."*

Mr. Pinkham concluded, *"Looking at our third quarter results beyond orders, our team demonstrated strong execution, and delivered operational results in line with our guidance on sales and adjusted EBITDA, with some partial offsets below the line. Highlights include a return to positive organic sales growth, with IPS delivering outperformance on sales, and PES coming in nicely ahead on adjusted EBITDA margin. We also made further progress paying down our debt, and ended the quarter having paid down all variable rate debt and with line of sight to a net leverage ratio of roughly 3x by the end of 2025. While some persistent end market headwinds, newly implemented tariffs, and additional challenges procuring rare earth magnets are tempering performance, our teams remain focused on driving stronger growth. Looking forward, our order trends demonstrate we are making progress, and raise our confidence that we can deliver accelerating organic growth, including mid-single digit growth in 4Q and while still early in our planning, low- to mid-single digit growth in 2026."*

*Non-GAAP Financial Measurement, see reconciliation in tables below

Guidance**

The Company has narrowed and lowered its annual guidance for GAAP diluted earnings per share to a range of \$4.26 to \$4.56 and for Adjusted Diluted Earnings per Share to a range of \$9.50 to \$9.80, primarily due to net unfavorable impacts from recently announced tariffs and China trade policies related to rare earth magnets since our second quarter report. We now expect net tariff impacts to be slightly unfavorable in the year on a dollar cost basis and anticipate achieving dollar cost neutrality in the middle of next year, and margin neutrality as we exit 2026.

Segment Performance

Segment results for the third quarter of 2025 versus the third quarter of the prior year are summarized below:

- Automation & Motion Control net sales were \$402.0 million, an increase of 0.1%, or a decrease of 1.0% on an organic basis. The decline primarily reflects project timing in our data center business, headwinds in the medical market, and persistent challenges sourcing rare earth magnets, particularly for products serving the medical and defense markets. These headwinds were largely offset by growth in discrete automation, and in the aerospace market. Adjusted EBITDA margin was 20.5% of net sales.
- Industrial Powertrain Solutions net sales were \$662.3 million, an increase of 2.8%, or an increase of 1.6% on an organic basis. The growth primarily reflects strength in energy and in metals & mining. Adjusted EBITDA margin was 26.4% of net sales.
- Power Efficiency Solutions net sales were \$432.7 million, an increase of 0.3%, or an increase of 0.8% on an organic basis. The results primarily reflect growth in the pool and commercial HVAC markets. Residential HVAC sales in the quarter were flat. Adjusted EBITDA margin was 19.0% of net sales.

Conference Call

Regal Rexnord will hold a conference call to discuss this earnings release at 9:00 AM CT (10:00 AM ET) on Thursday, October 30, 2025. To listen to the live audio and view the presentation during the call, please visit Regal Rexnord's Investor website: <https://investors.regalrexnord.com>. To listen by phone or to ask the presenters a question, dial 1.877.264.6786 (U.S. callers) or +1.412.317.5177 (international callers) and enter 3256108# when prompted. Participants on the call will include Louis Pinkham, CEO, Rob Rehard, CFO, and Rakesh Sachdev, Chairman of the Board.

A webcast replay will be available at the link above, and a telephone replay will be available at 1.877.344.7529 (U.S. callers) or +1.412.317.0088 (international callers), using a replay access code of 9971498#. Both replays will be accessible for three months after the earnings call.

Supplemental Materials

Supplemental materials and additional information for the quarter ended September 30, 2025, will be accessible before the conference call on October 30, 2025 on Regal Rexnord's Investor website: <https://investors.regalrexnord.com>. The Company intends to disseminate important information about the Company to its investors on the Investors section of its website: <https://investors.regalrexnord.com>. Investors are advised to look at Regal Rexnord's website for future important information about the Company. The content of the Company's website is not incorporated by reference into this document or any other report or document Regal Rexnord files with the Securities and Exchange Commission ("SEC").

About Regal Rexnord

Regal Rexnord's 30,000 associates around the world help create a better tomorrow by providing sustainable solutions that power, transmit and control motion. The Company's electric motors and air moving subsystems provide the power to create motion. A portfolio of highly engineered power transmission components and subsystems efficiently transmits motion to power industrial applications. The Company's automation offering, comprised of controllers, drives, precision motors, and actuators, controls motion in applications ranging from factory automation to precision tools used in surgical applications.

**Period charges associated with the Securitization Facility recorded as Loss on Sale of Accounts Receivable are included in the Company's interest expense guidance.

The Company's end markets benefit from meaningful secular demand tailwinds, and include discrete automation, food & beverage, aerospace, medical, data center, energy, residential and commercial buildings, general industrial, and metals and mining.

Regal Rexnord is comprised of three operating segments: Automation & Motion Control, Industrial Powertrain Solutions, and Power Efficiency Solutions. Regal Rexnord is headquartered in Milwaukee, Wisconsin and has manufacturing, sales and service facilities worldwide. For more information, including a copy of our Sustainability Report, visit RegalRexnord.com.

Forward Looking Statements

All statements in this communication, other than those relating to historical facts, are "forward-looking statements." Forward-looking statements can generally be identified by their use of terms such as "anticipate," "believe," "confident," "estimate," "expect," "intend," "plan," "may," "will," "project," "forecast," "would," "could," "should," and similar expressions, including references to assumptions. Forward-looking statements are not guarantees of future performance and are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from such statements. Forward-looking statements include, but are not limited to, statements about expected market or macroeconomic trends, future strategic plans and future financial and operating results. Important factors that could cause actual results to differ materially from those presented or implied in the forward-looking statements in this communication include, without limitation: the possibility that the Company may be unable to achieve expected benefits, synergies and operating efficiencies in connection with the sale of the Industrial Motors and Generators businesses, the acquisition of Altra Industrial Motion Corp. ("Altra Transaction"), and the merger with the Rexnord Process & Motion Control business (the "Rexnord PMC business") within the expected time-frames or at all and to successfully integrate Altra Industrial Motion Corp. ("Altra") and the Rexnord PMC business; the Company's substantial indebtedness as a result of the Altra Transaction and the effects of such indebtedness on the Company's financial flexibility; the Company's ability to achieve its objectives on reducing its indebtedness on the desired timeline; dependence on key suppliers and the potential effects of supply disruptions; fluctuations in commodity prices and raw material costs; any unforeseen changes to or the effects on liabilities, future capital expenditures, revenue, expenses, synergies, indebtedness, financial condition, losses and future prospects; unanticipated operating costs, customer loss and business disruption or the Company's inability to forecast customer needs; the Company's ability to retain key executives and employees; uncertainties regarding our ability to execute restructuring plans within expected costs and timing; challenges to the tax treatment that was elected with respect to the merger with the Rexnord PMC business and related transactions; actions taken by competitors and their ability to effectively compete in the increasingly competitive global industries and markets; our ability to develop new products based on technological innovation, such as the Internet of Things and artificial intelligence, and marketplace acceptance of new and existing products; dependence on significant customers and distributors; risks associated with climate change, including unexpected weather events in markets in which we do business, and uncertainty regarding our ability to deliver on our sustainability commitments and/or to meet related investor, customer and other third party expectations relating to our sustainability efforts; changes to and uncertainty in trade policy, including tariffs on imports into the US from Canada, Mexico, China, and other countries, and retaliatory tariffs and import/export restrictions, including Chinese export restrictions on certain rare earth minerals, or other trade restrictions imposed by the US or other governments; risks associated with global manufacturing, including risks associated with public health crises and political, societal or economic instability, including instability caused by ongoing geopolitical conflicts; issues and costs arising from the integration of acquired companies and businesses; prolonged declines in one or more markets, including disruptions caused by labor disputes or other labor activities, natural disasters, terrorism, acts of war, international conflicts, pandemics and political and government actions; risks associated with excess or obsolete inventory charges including related write-offs or write-downs; economic changes in global markets, such as reduced demand for products, currency exchange rates, inflation rates, interest rates, recession, government policies, including policy changes affecting taxation, trade, tariffs, import/export regulations, immigration, customs, border actions and the like, and other external factors that the Company cannot control; product liability, asbestos and other litigation, or claims by end users, government agencies or others that products or customers' applications failed to perform as anticipated; unanticipated liabilities of acquired businesses; unanticipated adverse effects or liabilities from business exits or divestitures; the Company's ability to identify and execute on future M&A opportunities, including significant M&A transactions; the impact of any such M&A transactions on the Company's results, operations and financial condition, including the impact from costs to execute and finance any such transactions; unanticipated costs or expenses that may be incurred related to product warranty issues; infringement of intellectual property by third parties, challenges to intellectual property, and claims of infringement on third party technologies; risks related to foreign currency fluctuations or changes in global commodity prices or interest rates; effects on earnings of any significant impairment of goodwill; losses from failures, breaches, attacks or disclosures involving information technology infrastructure and data; costs and unanticipated liabilities arising from rapidly

evolving laws and regulations, including data privacy laws, labor and employment laws, environmental laws and regulations, and tax laws and regulations, including the One Big Beautiful Bill Act, which was signed on July 4, 2025; and other factors that can be found in our filings with the SEC, including our most recent periodic reports filed on Form 10-K and Form 10-Q, which are available on our Investor Relations website. Forward-looking statements are given only as of the date of this communication and we disclaim any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

Non-GAAP Measures

(Unaudited)

(Dollars in Millions, Except per Share Data)

We prepare our financial statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”). We also periodically disclose certain financial measures in our quarterly earnings releases, on investor conference calls, and in investor presentations and similar events that may be considered “non-GAAP” financial measures. This additional information is not meant to be considered in isolation or as a substitute for our results of operations prepared and presented in accordance with GAAP.

In this release, we disclose the following non-GAAP financial measures, and we reconcile these measures in the tables below to the most directly comparable GAAP financial measures: adjusted diluted earnings per share, adjusted income from operations, adjusted operating margin, adjusted net sales, adjusted gross margin, net debt, EBITDA, adjusted EBITDA, adjusted EBITDA (including synergies), interest coverage ratio, interest coverage ratio (including synergies), adjusted EBITDA margin, gross debt/adjusted EBITDA, net debt/adjusted EBITDA, net debt/adjusted EBITDA (including synergies), adjusted cash flows from operations, adjusted free cash flow, adjusted income before taxes, adjusted provision for income taxes, and adjusted effective tax rate. We believe that these non-GAAP financial measures are useful measures for providing investors with additional information regarding our results of operations and for helping investors understand and compare our operating results across accounting periods and compared to our peers. Our management primarily uses adjusted income from operations and adjusted operating margin to help us manage and evaluate our business and make operating decisions, while the other non-GAAP measures disclosed are primarily used to help us evaluate our business and forecast our future results. Accordingly, we believe disclosing and reconciling each of these measures helps investors evaluate our business in the same manner as management. This release also includes non-GAAP forward-looking information. The Company believes that a quantitative reconciliation of this forward-looking information to the most comparable financial measure calculated and presented in accordance with GAAP cannot be made available without unreasonable efforts. A reconciliation of this non-GAAP financial measure would require the Company to predict the timing and likelihood of future restructurings and other charges. Neither these forward-looking measures, nor their probable significance, can be quantified with a reasonable degree of accuracy. Accordingly, a reconciliation of the most directly comparable forward-looking GAAP measure is not provided.

In addition to these non-GAAP measures, we use the term “organic sales growth” to refer to the increase in our sales between periods that is attributable to organic sales. “Organic sales” refers to GAAP sales from existing operations excluding any sales from acquired businesses recorded prior to the first anniversary of the acquisition and excluding any sales from business divested/to be exited recorded prior to the first anniversary of the exit and excluding the impact of foreign currency translation. The impact of foreign currency translation is determined by translating the respective period’s organic sales using the currency exchange rates that were in effect during the prior year periods.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

Unaudited

(Dollars in Millions, Except per Share Data)

	Three Months Ended		Nine Months Ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
Net Sales	\$ 1,497.0	\$ 1,477.4	\$ 4,411.2	\$ 4,572.7
Cost of Sales	942.8	921.1	2,764.7	2,892.3
Gross Profit	554.2	556.3	1,646.5	1,680.4
Operating Expenses	379.8	382.2	1,130.2	1,174.2
Loss on Sale of Businesses	—	—	—	4.3
Total Operating Expenses	379.8	382.2	1,130.2	1,178.5
Income from Operations	174.4	174.1	516.3	501.9
Interest Expense	87.0	98.0	262.5	305.1
Interest Income	(5.3)	(5.1)	(14.6)	(13.2)
Other Expense (Income), Net	0.8	(0.2)	2.4	0.4
Income before Taxes	91.9	81.4	266.0	209.6
Provision for Income Taxes	11.9	8.4	49.0	53.2
Net Income	80.0	73.0	217.0	156.4
Less: Net Income Attributable to Noncontrolling Interests	0.4	0.3	1.1	1.4
Net Income Attributable to Regal Rexnord Corporation	\$ 79.6	\$ 72.7	\$ 215.9	\$ 155.0
Earnings Per Share Attributable to Regal Rexnord Corporation:				
Basic	\$ 1.20	\$ 1.09	\$ 3.26	\$ 2.33
Assuming Dilution	\$ 1.20	\$ 1.09	\$ 3.25	\$ 2.32
Cash Dividends Declared Per Share	\$ 0.35	\$ 0.35	\$ 1.05	\$ 1.05
Weighted Average Number of Shares Outstanding:				
Basic	66.4	66.4	66.3	66.4
Assuming Dilution	66.6	66.7	66.5	66.8

CONDENSED CONSOLIDATED BALANCE SHEETS

Unaudited

(Dollars in Millions)

	Sep 30, 2025	Dec 31, 2024
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 400.0	\$ 393.5
Trade Receivables, Less Allowances of \$15.2 million and \$29.9 million in 2025 and 2024, Respectively	508.0	842.8
Inventories	1,366.3	1,227.5
Prepaid Expenses and Other Current Assets	320.0	287.5
Total Current Assets	<u>2,594.3</u>	<u>2,751.3</u>
Net Property, Plant and Equipment	925.9	921.0
Operating Lease Assets	139.6	141.3
Goodwill	6,605.2	6,458.9
Intangible Assets, Net of Amortization	3,502.6	3,664.5
Deferred Income Tax Benefits	37.7	30.0
Other Noncurrent Assets	68.8	66.7
Total Assets	<u>\$ 13,874.1</u>	<u>\$ 14,033.7</u>
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts Payable	\$ 597.6	\$ 542.8
Dividends Payable	23.2	23.2
Accrued Compensation and Benefits	196.8	191.3
Accrued Interest	90.2	84.0
Other Accrued Expenses	315.6	333.8
Current Operating Lease Liabilities	37.6	35.6
Current Maturities of Long-Term Debt	5.4	5.0
Total Current Liabilities	<u>1,266.4</u>	<u>1,215.7</u>
Long-Term Debt	4,780.0	5,452.7
Deferred Income Taxes	774.6	815.5
Pension and Other Post Retirement Benefits	110.5	109.5
Noncurrent Operating Lease Liabilities	108.8	114.1
Other Noncurrent Liabilities	61.5	59.0
Equity:		
Regal Rexnord Corporation Shareholders' Equity:		
Common Stock, \$0.01 par value, 150.0 million Shares Authorized, 66.4 million and 66.3 million Shares Issued and Outstanding for September 30, 2025 and December 31, 2024, Respectively	0.7	0.7
Additional Paid-In Capital	4,680.2	4,658.0
Retained Earnings	2,190.0	2,043.8
Accumulated Other Comprehensive Loss	(107.4)	(442.7)
Total Regal Rexnord Corporation Shareholders' Equity	<u>6,763.5</u>	<u>6,259.8</u>
Noncontrolling Interests	8.8	7.4
Total Equity	<u>6,772.3</u>	<u>6,267.2</u>
Total Liabilities and Equity	<u>\$ 13,874.1</u>	<u>\$ 14,033.7</u>

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

Unaudited

(Dollars in Millions)

	Three Months Ended		Nine Months Ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net Income	\$ 80.0	\$ 73.0	\$ 217.0	\$ 156.4
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities (Net of Acquisitions and Divestitures):				
Depreciation	41.9	40.6	117.5	122.6
Amortization	87.3	86.8	259.5	260.0
Noncash Lease Expense	10.7	10.8	32.5	33.0
Share-Based Compensation Expense	9.4	8.3	29.1	26.9
Financing Fee Expense	3.1	3.2	10.4	9.4
Loss on Sale of Businesses	—	—	—	4.3
Loss (Gain) on Sale of Assets	2.1	—	(6.2)	—
Benefit from Deferred Income Taxes	(30.1)	(35.2)	(73.2)	(89.0)
Other Non-Cash Changes	2.0	1.8	4.3	8.0
Change in Operating Assets and Liabilities, Net of Acquisitions and Divestitures				
Receivables	40.7	44.1	359.3	27.3
Inventories	(17.6)	(8.5)	(107.4)	(54.3)
Accounts Payable	(18.3)	(24.2)	38.7	0.7
Other Assets and Liabilities	(13.7)	(45.9)	(58.5)	(109.1)
Net Cash Provided by Operating Activities	197.5	154.8	823.0	396.2
CASH FLOWS FROM INVESTING ACTIVITIES:				
Additions to Property, Plant and Equipment	(23.5)	(29.3)	(70.5)	(80.2)
Proceeds Received from Sales of Property, Plant and Equipment	0.6	—	15.4	1.3
Proceeds Received from Sale of Businesses, Net of Cash Transferred	—	—	3.0	374.8
Net Cash Used in (Provided by) Investing Activities	(22.9)	(29.3)	(52.1)	295.9
CASH FLOWS FROM FINANCING ACTIVITIES:				
Borrowings Under Revolving Credit Facility	283.5	381.0	1,143.3	1,316.2
Repayments Under Revolving Credit Facility	(306.5)	(373.2)	(1,183.3)	(1,380.5)
Repayments of Long-Term Borrowings	(51.5)	(122.1)	(668.4)	(668.4)
Dividends Paid to Shareholders	(23.3)	(23.3)	(69.7)	(69.9)
Shares Surrendered for Taxes	(0.7)	(1.1)	(8.0)	(12.4)
Proceeds from the Exercise of Stock Options	0.2	0.3	1.6	4.1
Repurchase of Common Stock	—	(50.0)	—	(50.0)
Net Cash Used in Financing Activities	(98.3)	(188.4)	(784.5)	(860.9)
EFFECT OF EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	3.6	12.9	20.1	(6.1)
Net Increase (Decrease) in Cash and Cash Equivalents	79.9	(50.0)	6.5	(174.9)
Cash and Cash Equivalents at Beginning of Period	320.1	510.4	393.5	635.3
Cash and Cash Equivalents at End of Period	\$ 400.0	\$ 460.4	\$ 400.0	\$ 460.4

ADJUSTED DILUTED EARNINGS PER SHARE

Unaudited

	Three Months Ended		Nine Months Ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
GAAP Diluted Earnings Per Share	\$ 1.20	\$ 1.09	\$ 3.25	\$ 2.32
Intangible Amortization	0.99	0.98	2.95	2.95
Restructuring and Related Costs ^(a)	0.15	0.22	0.45	0.60
Share-Based Compensation Expense	0.13	0.11	0.38	0.34
Transaction and Integration Related Costs ^(b)	0.07	0.09	0.22	0.24
Operating Lease Asset Step Up	—	—	0.01	0.01
Accounts Receivable Securitization Transaction Costs	—	—	0.01	—
Impairments and Exit Related Costs	—	—	—	0.02
Loss on Sale of Business ^(c)	—	—	—	0.06
Loss (Gain) on Sale of Assets	0.02	—	(0.07)	(0.01)
Discrete Tax Items	(0.05)	—	(0.06)	0.25
Adjusted Diluted Earnings Per Share	<u>2.51</u>	<u>2.49</u>	<u>7.14</u>	<u>6.78</u>

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) For 2025, primarily relates to (1) integration costs associated with the Altra Transaction and (2) IT carve-out costs for the three months ended March 31, 2025 associated with the sale of the industrial motors and generators businesses. For 2024, primarily relates to (1) legal, professional service and integration costs associated with the Altra Transaction and (2) legal, professional service, rebranding and IT carve-out costs associated with the sale of the industrial motors and generators businesses.

(c) Related to the sale of the industrial motors and generators businesses.

2025 ADJUSTED ANNUAL GUIDANCE

Unaudited

	Minimum	Maximum
GAAP Diluted Earnings Per Share	\$ 4.26	\$ 4.56
Intangible Amortization	3.93	3.93
Restructuring and Related Costs ^(a)	0.61	0.61
Share-Based Compensation Expense	0.51	0.51
Transaction and Integration Related Costs ^(b)	0.30	0.30
Accounts Receivable Securitization Transaction Costs	0.01	0.01
Operating Lease Asset Step Up	0.01	0.01
Gain on Sale of Assets	(0.07)	(0.07)
Discrete Tax Items	(0.06)	(0.06)
Adjusted Diluted Earnings Per Share	<u>\$ 9.50</u>	<u>\$ 9.80</u>

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) Primarily relates to (1) integration costs associated with the Altra Transaction and (2) IT carve-out costs associated with the sale of the industrial motors and generators businesses.

ORGANIC SALES GROWTH

Unaudited
(Dollars in Millions)

	Three Months Ended			
	September 30, 2025			
	Automation & Motion Control	Industrial Powertrain Solutions	Power and Efficiency Solutions	Total Regal Rexnord
Net Sales Three Months Ended Sep 30, 2025	\$ 402.0	\$ 662.3	\$ 432.7	\$ 1,497.0
Impact from Foreign Currency Exchange Rates	(4.3)	(7.5)	(2.2)	(14.0)
Organic Sales Three Months Ended Sep 30, 2025	<u>\$ 397.7</u>	<u>\$ 654.8</u>	<u>\$ 430.5</u>	<u>\$ 1,483.0</u>
Net Sales Three Months Ended Sep 30, 2024	\$ 401.6	\$ 644.2	\$ 431.6	\$ 1,477.4
Net Sales from Businesses Divested	—	—	(4.6)	(4.6)
Adjusted Net Sales Three Months Ended Sep 30, 2024	<u>\$ 401.6</u>	<u>\$ 644.2</u>	<u>\$ 427.0</u>	<u>\$ 1,472.8</u>
Three Months Ended Sep 30, 2025 Net Sales Growth %	0.1 %	2.8 %	0.3 %	1.3 %
Three Months Ended Sep 30, 2025 Foreign Currency Impact %	1.1 %	1.2 %	0.5 %	0.9 %
Three Months Ended Sep 30, 2025 Divestitures %	— %	— %	(1.0)%	(0.3)%
Three Months Ended Sep 30, 2025 Organic Sales Growth %	(1.0)%	1.6 %	0.8 %	0.7 %

ORGANIC SALES GROWTH

Unaudited
(Dollars in Millions)

	Nine Months Ended				
	September 30, 2025				
	Automation & Motion Control	Industrial Powertrain Solutions	Power and Efficiency Solutions	Industrial Systems	Total Regal Rexnord
Net Sales Nine Months Ended Sep 30, 2025	\$ 1,209.4	\$ 1,924.8	\$ 1,277.0	\$ —	\$ 4,411.2
Impact from Foreign Currency Exchange Rates	(2.0)	(2.9)	0.2	—	(4.7)
Organic Sales Nine Months Ended Sep 30, 2025	<u>\$ 1,207.4</u>	<u>\$ 1,921.9</u>	<u>\$ 1,277.2</u>	<u>\$ —</u>	<u>\$ 4,406.5</u>
Net Sales Nine Months Ended Sep 30, 2024	\$ 1,224.0	\$ 1,963.1	\$ 1,227.8	\$ 157.8	\$ 4,572.7
Net Sales from Businesses Divested	—	—	(11.5)	(157.8)	(169.3)
Adjusted Net Sales Nine Months Ended Sep 30, 2024	<u>\$ 1,224.0</u>	<u>\$ 1,963.1</u>	<u>\$ 1,216.3</u>	<u>\$ —</u>	<u>\$ 4,403.4</u>
Nine Months Ended Sep 30, 2025 Net Sales Growth %	(1.2)%	(2.0)%	4.0 %	(100.0)%	(3.5)%
Nine Months Ended Sep 30, 2025 Foreign Currency Impact %	0.2 %	0.1 %	(0.1)%	— %	0.1 %
Nine Months Ended Sep 30, 2025 Divestitures %	— %	— %	(0.9)%	(100.0)%	(3.7)%
Nine Months Ended Sep 30, 2025 Organic Sales Growth %	(1.4)%	(2.1)%	5.0 %	— %	0.1 %

ADJUSTED EBITDA

Unaudited

(Dollars in Millions)

	Three Months Ended							
	Automation & Motion Control		Industrial Powertrain Solutions		Power and Efficiency Solutions		Total Regal Rexnord	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
GAAP Income from Operations	\$ 22.7	\$ 31.0	\$ 86.1	\$ 84.5	\$ 65.6	\$ 58.6	\$ 174.4	\$ 174.1
Restructuring and Related Costs ^(a)	2.5	6.6	9.6	9.0	1.7	3.5	13.8	19.1
Transaction and Integration Related Costs ^(b)	1.3	1.0	3.8	5.2	0.9	1.5	6.0	7.7
Loss on Sale of Accounts Receivable ^(c)	1.0	—	2.3	—	1.7	—	5.0	—
Accounts Receivable Securitization Transaction Costs	—	—	0.1	—	—	—	0.1	—
Operating Lease Asset Step Up	—	—	0.2	0.2	—	—	0.2	0.2
Loss on Sale of Assets	2.1	—	—	—	—	—	2.1	—
Adjusted Income from Operations	\$ 29.6	\$ 38.6	\$ 102.1	\$ 98.9	\$ 69.9	\$ 63.6	\$ 201.6	\$ 201.1
Amortization	\$ 34.6	\$ 33.9	\$ 51.1	\$ 50.9	\$ 1.6	\$ 2.0	\$ 87.3	\$ 86.8
Depreciation	14.8	12.3	17.9	18.9	9.2	9.4	41.9	40.6
Share-Based Compensation Expense	3.6	2.6	4.0	4.0	1.8	1.7	9.4	8.3
Other Income (Expense), Net	—	0.1	(0.5)	—	(0.3)	0.1	(0.8)	0.2
Adjusted EBITDA	\$ 82.6	\$ 87.5	\$ 174.6	\$ 172.7	\$ 82.2	\$ 76.8	\$ 339.4	\$ 337.0
GAAP Operating Margin %	5.6 %	7.7%	13.0 %	13.1%	15.2 %	13.6%	11.6 %	11.8%
Adjusted Operating Margin* %	7.4 %	9.6%	15.4 %	15.4%	16.2 %	14.7%	13.5 %	13.6%
Adjusted EBITDA Margin %	20.5 %	21.8%	26.4 %	26.8%	19.0 %	17.8%	22.7 %	22.8%

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) For 2025, primarily relates to integration costs associated with the Altra Transaction. For 2024, primarily relates to (1) legal, professional service and integration costs associated with the Altra Transaction and (2) legal, professional service, rebranding and IT carve-out costs associated with the sale of the industrial motors and generators businesses.

(c) Represents charges associated with the Securitization Facility.

ADJUSTED EBITDA

Unaudited

(Dollars in Millions)

	Nine Months Ended									
	Automation & Motion Control		Industrial Powertrain Solutions		Power and Efficiency Solutions		Industrial Systems		Total Regal Rexnord	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
GAAP Income from Operations	\$ 88.2	\$ 113.0	\$ 260.2	\$ 256.4	\$ 167.9	\$ 132.2	\$ —	\$ 0.3	\$ 516.3	\$ 501.9
Restructuring and Related Costs ^(a)	5.5	11.8	30.3	20.3	4.0	18.6	—	3.1	39.8	53.8
Transaction and Integration Related Costs ^(b)	3.9	2.3	12.0	12.5	3.3	3.0	—	3.4	19.2	21.2
Loss on Sale of Accounts Receivable ^(c)	1.0	—	2.3	—	1.7	—	—	—	5.0	—
Accounts Receivable Securitization Transaction Costs	0.3	—	0.5	—	0.3	—	—	—	1.1	—
Operating Lease Asset Step Up	—	—	0.6	0.9	—	—	—	—	0.6	0.9
Impairments and Exit Related Costs	—	1.1	—	0.2	—	0.2	—	—	—	1.5
Loss on Sale of Businesses ^(d)	—	—	—	—	—	—	—	4.3	—	4.3
Gain on Sale of Assets	(0.2)	(0.8)	(6.0)	—	—	—	—	—	(6.2)	(0.8)
Adjusted Income from Operations	\$ 98.7	\$ 127.4	\$ 299.9	\$ 290.3	\$ 177.2	\$ 154.0	\$ —	\$ 11.1	\$ 575.8	\$ 582.8
Amortization	\$ 103.0	\$ 102.5	\$ 151.6	\$ 151.1	\$ 4.9	\$ 6.2	\$ —	\$ 0.2	\$ 259.5	\$ 260.0
Depreciation	37.3	35.2	52.3	59.6	26.9	28.1	—	0.4	116.5	123.3
Share-Based Compensation Expense	10.3	7.3	12.3	12.6	6.5	5.6	—	1.4	29.1	26.9
Other Income (Expense), Net	(0.1)	(0.1)	(1.3)	(0.2)	(1.0)	(0.1)	—	—	(2.4)	(0.4)
Adjusted EBITDA ^(e)	\$ 249.2	\$ 272.3	\$ 514.8	\$ 513.4	\$ 214.5	\$ 193.8	\$ —	\$ 13.1	\$ 978.5	\$ 992.6
GAAP Operating Margin %	7.3 %	9.2 %	13.5 %	13.1 %	13.1 %	10.8 %	— %	0.2 %	11.7 %	11.0 %
Adjusted Operating Margin %	8.2 %	10.4 %	15.6 %	14.8 %	13.9 %	12.5 %	— %	7.0 %	13.1 %	12.7 %
Adjusted EBITDA Margin %	20.6 %	22.2 %	26.7 %	26.2 %	16.8 %	15.8 %	— %	8.3 %	22.2 %	21.7 %

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) For 2025, primarily relates to (1) integration costs associated with the Altra Transaction and (2) IT carve-out costs for the three months ended March 31, 2025 associated with the sale of the industrial motors and generators businesses. For 2024, primarily relates to (1) legal, professional service and integration costs associated with the Altra Transaction and (2) legal, professional service, rebranding and IT carve-out costs associated with the sale of the industrial motors and generators businesses.

(c) Represents charges associated with the Securitization Facility.

(d) Related to the sale of the industrial motors and generators businesses.

(e) Adjusted EBITDA and Adjusted EBITDA Margin % Excluding Industrial for the nine months ended September 2024 is calculated as follows:

	Sep 30, 2024
Total Regal Rexnord Adjusted EBITDA	992.6
Less: Industrial Systems Adjusted EBITDA	13.1
Adjusted EBITDA excluding Industrial Systems	979.5

Total Regal Rexnord Net Sales	4,572.7
Less: Industrial Systems Net Sales	157.8
Net Sales excluding Industrial Systems	4,414.9

Adjusted EBITDA Margin % excluding Industrial Systems 22.2 %

ADJUSTED GROSS MARGIN

Unaudited
(Dollars in Millions)

	Three Months Ended							
	Automation & Motion Control		Industrial Powertrain Solutions		Power and Efficiency Solutions		Total Regal Rexnord	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
Gross Margin	\$ 148.7	\$ 156.5	\$ 274.0	\$ 268.0	\$ 131.5	\$ 131.8	\$ 554.2	\$ 556.3
Restructuring and Related Costs ^(a)	1.5	3.6	5.3	4.2	1.6	2.9	8.4	10.7
Operating Lease Asset Step Up	—	—	0.2	0.2	—	—	0.2	0.2
Adjusted Gross Margin	\$ 150.2	\$ 160.1	\$ 279.5	\$ 272.4	\$ 133.1	\$ 134.7	\$ 562.8	\$ 567.2
Gross Margin %	37.0 %	39.0 %	41.4 %	41.6 %	30.4 %	30.5 %	37.0 %	37.7 %
Adjusted Gross Margin %	37.4 %	39.9 %	42.2 %	42.3 %	30.8 %	31.2 %	37.6 %	38.4 %

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

ADJUSTED GROSS MARGIN

Unaudited
(Dollars in Millions)

	Nine Months Ended									
	Automation & Motion Control		Industrial Powertrain Solutions		Power and Efficiency Solutions		Industrial Systems		Total Regal Rexnord	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
Gross Margin	\$ 461.4	\$ 485.6	\$ 811.9	\$ 803.3	\$ 373.2	\$ 352.3	\$ —	\$ 39.2	\$ 1,646.5	\$ 1,680.4
Restructuring and Related Costs ^(a)	3.7	5.7	18.1	11.8	3.1	16.9	—	1.1	24.9	35.5
Operating Lease Asset Step Up	—	—	0.6	0.9	—	—	—	—	0.6	0.9
Adjusted Gross Margin	\$ 465.1	\$ 491.3	\$ 830.6	\$ 816.0	\$ 376.3	\$ 369.2	\$ —	\$ 40.3	\$ 1,672.0	\$ 1,716.8
Gross Margin %	38.2 %	39.7 %	42.2 %	40.9 %	29.2 %	28.7 %	— %	24.8 %	37.3 %	36.7 %
Adjusted Gross Margin % ^(b)	38.5 %	40.1 %	43.2 %	41.6 %	29.5 %	30.1 %	— %	25.5 %	37.9 %	37.5 %

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) The following table reflects Adjusted Gross Margin of the Company for the nine months ended September 30, 2024 Excluding Industrial:

	Sep 30, 2024
Total Regal Rexnord Adjusted Gross Margin	1,716.8
Less: Industrial Systems Adjusted Gross Margin	40.3
Adjusted Gross Margin excluding Industrial Systems	1,676.5
Total Regal Rexnord Net Sales	4,572.7
Less: Industrial Systems Net Sales	157.8
Net Sales excluding Industrial Systems	4,414.9
Adjusted Gross Margin % excluding Industrial Systems	38.0 %

NET INCOME TO ADJUSTED EBITDA

Unaudited

(Dollars in Millions)

	Three Months Ended		Nine Months Ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
Net Income	\$ 80.0	\$ 73.0	\$ 217.0	\$ 156.4
Plus: Income Taxes	11.9	8.4	49.0	53.2
Plus: Interest Expense	87.0	98.0	262.5	305.1
Less: Interest Income	(5.3)	(5.1)	(14.6)	(13.2)
Plus: Depreciation	41.9	40.6	116.5	123.3
Plus: Amortization	87.3	86.8	259.5	260.0
EBITDA	\$ 302.8	\$ 301.7	\$ 889.9	\$ 884.8
Plus: Restructuring and Related Costs ^(a)	13.8	19.1	39.8	53.8
Plus: Share-Based Compensation Expense	9.4	8.3	29.1	26.9
Plus: Transaction and Integration Related Costs ^(b)	6.0	7.7	19.2	21.2
Plus: Loss on Sale of Accounts Receivable ^(c)	5.0	—	5.0	—
Plus: Accounts Receivable Securitization Transaction Costs	0.1	—	1.1	—
Plus: Operating Lease Asset Step Up	0.2	0.2	0.6	0.9
Plus: Impairments and Exit Related Costs	—	—	—	1.5
Plus: Loss on Sale of Businesses ^(d)	—	—	—	4.3
Plus: Loss (Gain) on Sale of Assets	2.1	—	(6.2)	(0.8)
Adjusted EBITDA	\$ 339.4	\$ 337.0	\$ 978.5	\$ 992.6

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) For 2025, primarily relates to (1) integration costs associated with the Altra Transaction and (2) IT carve-out costs for the three months ended March 31, 2025 associated with the sale of the industrial motors and generators businesses. For 2024, primarily relates to (1) legal, professional service and integration costs associated with the Altra Transaction and (2) legal, professional service, rebranding and IT carve-out costs associated with the sale of the industrial motors and generators businesses.

(c) Represents charges associated with the Securitization Facility.

(d) Related to the sale of the industrial motors and generators businesses.

DEBT TO EBITDAUnaudited
(Dollars in Millions)

	Last Twelve Months	
	Sep 30, 2025	
Net Income	\$	259.1
Plus: Income Taxes		45.4
Plus: Interest Expense		357.1
Less: Interest Income		(20.2)
Plus: Depreciation		157.5
Plus: Amortization		346.0
EBITDA	\$	1,144.9
Plus: Restructuring and Related Costs ^(a)		77.6
Plus: Share-Based Compensation Expense		37.1
Plus: Transaction and Integration Related Costs ^(b)		31.7
Plus: Loss on Sale of Businesses ^(c)		4.2
Plus: Impairments and Exit Related Costs		2.5
Plus: Loss on Sale of Accounts Receivable ^(d)		5.0
Plus: Accounts Receivable Securitization Transaction Costs		1.1
Plus: Operating Lease Asset Step Up		0.6
Less: Gain on Sale of Assets		(8.5)
Adjusted EBITDA ^(e)	\$	1,296.2
Current Maturities of Long-Term Debt		5.4
Long-Term Debt		4,780.0
Total Gross Debt	\$	4,785.4
Cash and Cash Equivalents		(400.0)
Net Debt	\$	4,385.4
Gross Debt/Adjusted EBITDA*		3.69
Net Debt/Adjusted EBITDA* ^(e)		3.38
Interest Coverage Ratio* ^{(e)(f)}		3.85

- (a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.
- (b) Primarily relates to (1) legal, professional service, and integration costs associated with the Altra Transaction and (2) legal, professional service, rebranding and IT carve-out costs associated with the sale of the industrial motors and generators businesses.
- (c) Related to the sale of the industrial motors and generators businesses.
- (d) Represents charges associated with the Securitization Facility.
- (e) Synergies expected to be realized in the future are included in the calculation of EBITDA that serves as the basis for financial covenant compliance for certain of the Company's debt. The impact of the synergies the Company expects to realize within 18 months is as follows:

Adjusted EBITDA	\$	1,296.2
Synergies to be Realized Within 18 Months	\$	55.0
Adjusted EBITDA (including synergies)*	\$	<u>1,351.2</u>

Net Debt/Adjusted EBITDA (including synergies) 3.25

Interest Expense	357.1
Interest Income	<u>(20.2)</u>
Net Interest Expense	\$ 336.9

Interest Coverage Ratio (including synergies)⁽¹⁾ 4.01

(1) Computed as Adjusted EBITDA (including synergies)/Net Interest Expense

- (f) Computed as Adjusted EBITDA/Net Interest Expense

ADJUSTED FREE CASH FLOW

Unaudited

(Dollars in Millions)

	Three Months Ended		Nine Months Ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
Net Cash Provided by Operating Activities	197.5	154.8	823.0	396.2
Payments for Certain Costs to Sell Businesses (Net of Tax of \$1.7 Million in 2024) ^(a)	—	—	—	10.5
Adjusted Cash Flows from Operations	197.5	154.8	823.0	406.7
Additions to Property Plant and Equipment	(23.5)	(29.3)	(70.5)	(80.2)
Adjusted Free Cash Flow	\$ 174.0	\$ 125.5	\$ 752.5	\$ 326.5

- (a) Reflects the payment of Regal Rexnord's advisor success fees and income taxes paid related to the sale of the industrial motors and generators businesses.

ADJUSTED EFFECTIVE TAX RATE

Unaudited

(Dollars in Millions)

	Three Months Ended		Nine Months Ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
Income before Taxes	\$ 91.9	\$ 81.4	\$ 266.0	\$ 209.6
Provision for Income Taxes	11.9	8.4	49.0	53.2
Effective Tax Rate	12.9 %	10.3 %	18.4 %	25.4 %
Income before Taxes	91.9	81.4	266.0	209.6
Intangible Amortization	87.3	86.8	259.5	260.0
Restructuring and Related Costs ^(a)	13.8	19.1	39.8	53.8
Share-Based Compensation Expense	9.4	8.3	29.1	26.9
Transaction and Integration Related Costs ^(b)	6.0	7.7	19.2	21.2
Accounts Receivable Securitization Transaction Costs	0.1	—	1.1	—
Operating Lease Asset Step Up	0.2	0.2	0.6	0.9
Impairments and Exit Related Costs	—	—	—	1.5
Loss on Sale of Businesses ^(c)	—	—	—	4.3
Loss (Gain) on Sale of Assets	2.1	—	(6.2)	(0.8)
Adjusted Income before Taxes*	\$ 210.8	\$ 203.5	\$ 609.1	\$ 577.4
Provision for Income Taxes	\$ 11.9	\$ 8.4	\$ 49.0	\$ 53.2
Tax Effect of Intangible Amortization	21.2	21.1	63.3	63.2
Tax Effect of Restructuring and Related Costs	3.7	4.6	9.6	13.2
Tax Effect of Share-Based Compensation Expense	0.9	1.0	3.5	4.6
Tax Effect of Transaction and Integration Related Costs	1.4	1.8	4.7	5.0
Tax Effect of Accounts Receivable Securitization Transaction Costs	—	—	0.3	—
Tax Effect of Operating Lease Asset Step Up	—	—	0.1	0.2
Tax Effect of Impairments and Exit Related Costs	—	—	—	0.4
Tax Effect of Loss (Gain) on Sale of Assets	0.6	—	(1.5)	(0.2)
Tax Effect of Discrete Tax Items	3.7	—	4.2	(16.3)
Adjusted Provision for Income Taxes*	\$ 43.4	\$ 36.9	\$ 133.2	\$ 123.3
Adjusted Effective Tax Rate*	20.6 %	18.1 %	21.9 %	21.4 %

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) For 2025, primarily relates to (1) integration costs associated with the Altra Transaction and (2) IT carve-out costs for the three months ended March 31, 2025 associated with the sale of the industrial motors and generators businesses. For 2024, primarily relates to (1) legal, professional service and integration costs associated with the Altra Transaction and (2) legal, professional service, rebranding and IT carve-out costs associated with the sale of the industrial motors and generators businesses.

(c) Related to the sale of the industrial motors and generators businesses.