Thursday, October 29, 2026

Harley-Davidson Q3 2026 Earnings Results



Q3 2026 Earnings Results

Speakers

- Artie Starrs, President and CEO
- Jonathan Root, Chief Financial Officer and Commercial Officer
- Faisal Ghori, Head of Investor Relations and Strategy



Back To The Bricks Spotlight: Q3 Strategy Execution

Restoring profitable growth

- Raising full-year HDMC and HDFS guidance, following early progress against execution Q3 ’26-YTD

Winning in North America

- Fourth consecutive quarter of year-over-year retail growth demonstrated continued progress in Harley-Davidson’s core market

Building the next phase of growth

- Super Glide® (Q2) and Deadwood™ (Q3) motorcycle launches exceeded expectations. Launches of Harley-Davidson Sprint™ and Sportster® models remained on track

Strengthening the dealer network

- Dealer inventory reductions continued to help drive improved dealer profitability

As a result of early progress against our strategy, we are raising full-year HDMC and HDFS guidance

Back To The Bricks Spotlight: 2026 Deadwood™

The Deadwood™ motorcycle quickly follows on the success of the Super Glide™ in embodying the core principles of Back to the Bricks:

- **Customization**: The motorcycle taps into the raw, stripped-down look popular with many riders immediately following World War II, while inviting each rider to make it their own through Genuine Parts & Accessories

- **Dealer Engagement**: Strong response from riders and dealers alike continue to deepen engagement with the brand

- **Complements Rider-Centric Portfolio**: Fills white space both in terms of price and meeting customer demand

Blacked-out from front to back with modern power, handling and Softail® performance. The Deadwood™ is the spirit of the Black Hills



The Deadwood™ launch demonstrated Harley-Davidson's pace of product innovation under Back to the Bricks, with sales that indicated renewed excitement

Q3 2026 Business Highlights

Q3 Motorcycle Retail

- North American retail motorcycle sales of 25,603 units, up 9% vs. prior year
- Global retail motorcycle sales of 35,833 units, up 5% vs. prior year
- U.S. Total Cruiser market share growth of 14 percentage points (to 66%) vs. prior year

Motorcycle Portfolio

- Global dealer inventory levels of new motorcycles ended Q3 ’26 down 26% vs. end Q3 ’25 and down from Q2 ‘26
- Introduced ‘26 Deadwood™ in July
- Continued positive reception of the new redesigned Trike

HDMC Financials

- Global motorcycle shipments of 33,616, down 8% vs. prior year
- HDMC revenue of $964 million, down 10% vs. prior year
- HDMC operating income margin of 4.6%
- Adjusted EBITDA margin %[1] of 9.7%

HDFS Financials

- Operating under updated capital light model while rebuilding balance sheet
- HDFS operating income margin of 9.7%
- Managed retail credit loss ratio below same period in both 2024 & 2025

HDI Financials

- Delivered diluted EPS of $0.40
- Raising HDMC retail sales and wholesale shipment guidance
- Guidance for HDMC operating income increases and HDFS operating income increases

Q3 Other Activities

- Incurred $14 million in restructuring costs related to strategic changes in Q3
- Repurchased $91 million of shares (3.4 million shares) on a discretionary basis

[1] "Adjusted EBITDA Margin %" is a non-GAAP financial measure. Please see Appendix for full reconciliation to the most directly comparable GAAP financial measure.

Harley-Davidson Worldwide Retail Sales & Market Share

Q3 ‘26 H-D Motorcycle Retail Sales (vs. PY)

	North America	EMEA	APAC	Latin America	Worldwide
Units	25,603	4,764	4,702	764	35,833
YoY Change	**9%**	-5%	1%	-7%	**5%**

Q3 ’26-YTD H-D Motorcycle Retail Sales (vs. PY)

	North America	EMEA	APAC	Latin America	Worldwide
Units	79,157	16,757	13,659	2,234	111,807
YoY Change	**8%**	-6%	-2%	4%	**4%**

New 601+cc Market Share

	FY ‘25	Q1 ‘26	Q2 ‘26	Q3 ‘26	YTD ‘26
H-D U.S. Share[1]	34%	38%	32%	37%	35%
- H-D U.S. Touring	71%	75%	69%	73%	72%
- H-D U.S. Total Cruiser[2]	54%	53%	54%	66%	58%
H-D Europe Share[1]	3%	4%	3%	4%	4%

Regional Highlights in Q3 2026

North America
- Cruiser segment gained momentum, outperforming the broader 601+cc overall market
- Harley-Davidson had significant success with new model launches: Super Glide® & Deadwood™
- Grew US Total Cruiser market share to 66%

EMEA
- Experienced growth in Touring category, led by the redesigned Trike
- Growth in European market share in the quarter

APAC
- Experienced growth in the Softail® category
- Australia & New Zealand led the region from a growth standpoint, followed by Japan

Latin America
- Mexico and Brazil markets were both down modestly in the period

4th Consecutive quarter of NA retail growth (year-over-year) demonstrated continued progress in Harley-Davidson’s core market
North American retail up 9% vs. Q3 prior year

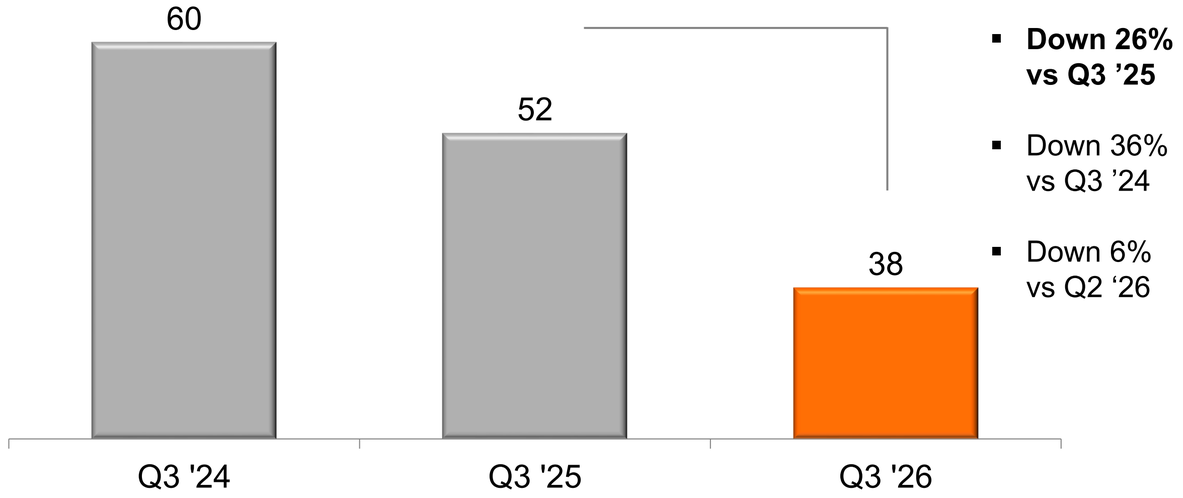
[1] Source: Motorcycle Industry Council (MIC) for U.S. share and Management Services Helwig Schmitt GmbH for Europe share
[2] Total Cruiser category includes both Large Cruiser category (1201+cc) and the Small Cruiser category (601-1200cc)

Harley-Davidson Shipments & Dealer Inventory

HDMC Worldwide Motorcycle Shipments
Units (in Thousands)

Units (Thousands)	Q3 Results Q3 ’25	Q3 ’26	Y-o-Y Change	YTD Results Q3 ’25-YTD	Q3 ’26-YTD	Y-o-Y Change
Touring	22,035	17,970	-18%	63,793	59,131	-7%
Cruiser	10,551	11,382	8%	35,521	35,591	0%
Sport & Lightweight	2,628	3,219	22%	7,924	11,567	46%
Adventure Touring	1,310	1,045	-20%	3,724	3,831	3%
Total Shipments	36,524	**33,616**	-8%	110,962	**110,120**	-1%

Global HDMC Motorcycle Dealer Inventory Levels
Units (in Thousands)



Retail sales outpaced shipments and drove global dealer inventory levels down 26% at end of Q3 ‘26 vs. end of Q3 ‘25
HDMC wholesale motorcycle shipments were 8% lower in Q3 ‘26 vs. Q3 ‘25

HDMC Revenue

(in $ millions)	Q3 Results			YTD Results		
	Q3 '25	Q3 '26	Y-o-Y Change	Q3 '25-YTD	Q3 '26-YTD	Y-o-Y Change
Motorcycles	$822	$734	-11%	$2,464	$2,418	-2%
Parts and Accessories	167	153	-9%	498	472	-5%
Apparel & Licensing	62	60	-3%	183	186	1%
Other	23	18	-24%	55	48	-12%
HDMC Total Revenue	$1,074	**$964**	-10%	$3,199	**$3,124**	-2%

HDMC wholesale motorcycle shipments were 8% lower in Q3 '26 vs. Q3 '25, which we expect to drive long-term dealer health, consistent with Back to the Bricks

HDMC Income Statement

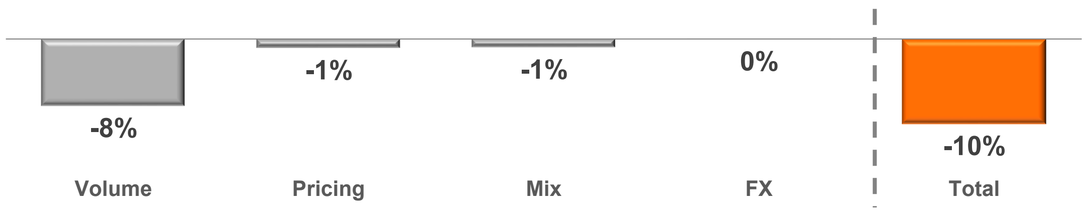
(in $ millions)	Q3 Results			YTD Results		
	Q3 ’25	Q3 ‘26	Change	Q3 ’25-YTD	Q3 ’26-YTD	Change
HDMC Revenue	$1,074	$964	-10%	$3,199	$3,124	-2%
Gross Profit	283	271	-4%	897	842	-6%
Gross Margin %	26.4%	28.1%	173 bps	28.0%	27.0%	-109 bps
Operating Expenses[1]	229	227	-1%	665	706	6%
Operating Income[1]	$54	$44	-18%	$232	$136	-41%
Operating Income %	5.0%	4.6%	-44 bps	7.2%	4.3%	-290 bps
Adjusted EBITDA[2]	$94	$94	0%	$343	$283	-17%
Adjusted EBITDA Margin %[2]	8.7%	9.7%	102 bps	10.7%	9.1%	-166 bps

Stronger gross margin % and operating expense discipline drove a 102 bps improvement in adjusted EBITDA margin in Q3

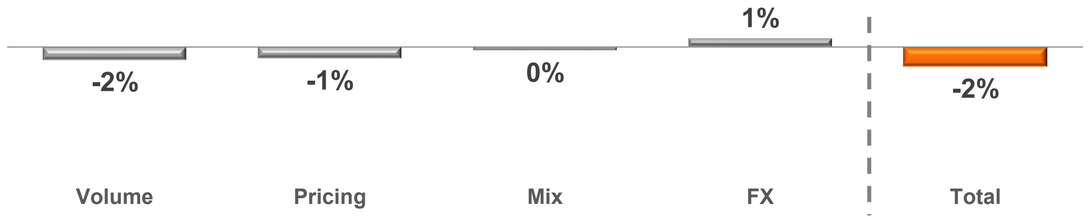
[1] Includes HDMC restructuring expenses of $14 million and $31 million for Q3 '26 and Q3 ‘26-YTD, respectively. There were no restructuring expenses in 2025.
[2] ”Adjusted EBITDA” and "Adjusted EBITDA Margin %" are non-GAAP financial measures. Please see Appendix for full reconciliation to the most directly comparable GAAP financial measures.

HDMC Revenue & Gross Margin Bridges[1]

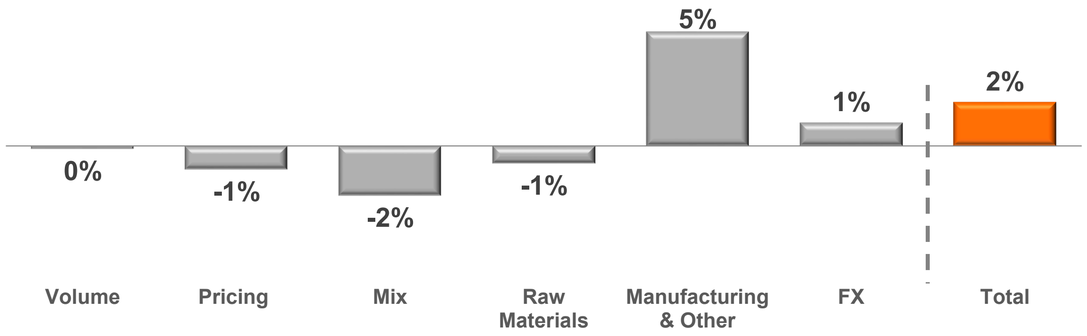
Q3 ‘26 Revenue Bridge (in %)



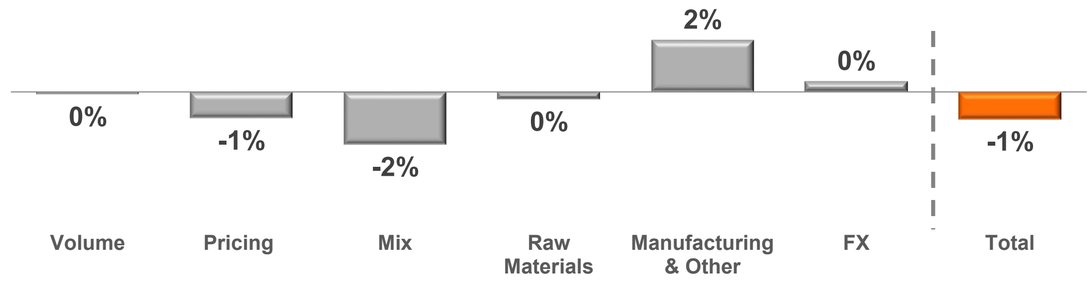
YTD ‘26 Revenue Bridge (in %)



Q3 ‘26 Gross Margin Percent Bridge (in %)



YTD ‘26 Gross Margin Percent Bridge (in %)



Q3 ’26 gross margin percentage driven favorably by manufacturing & other and FX, partially offset by mix, net pricing, and raw materials

[1] Amounts may not sum due to rounding.

HDMC – Tariff Update

YTD Tariff Impact
as of October 23, 2026

Tariff Impact			
$millions	**2025A**	**2026 YTD**	**2026 FY Est.**
Total Gross[1]	$67	~$94	~$105-$120
Total Net[2]	$67	$60	~$65-$80

Prior full-year total gross estimate (Q2 '26 earnings, July 23,2026): ~$75–90 million

Harley-Davidson
Tariff Environment

Harley-Davidson

- Predominantly U.S.-based manufacturing and sourcing
- The U.S. is our largest market: we largely build where we sell
- Our geographic footprint helps limit, but does not eliminate tariff exposure

Tariff Environment

- The trade policy outlook remains highly uncertain, with frequent rule changes, legal challenges, and court reversals

We expect the cost of new or increased tariffs[1] to be ~$105-$120 million for full year 2026
Tariff expense incurred is ~$94 million YTD 2026, versus $45 million YTD 2025

[1] Includes direct tariff exposure (H-D importing / exporting product) and indirect tariff exposure (from suppliers) related to new or increased tariffs implemented in FY 2025 and 2026 YTD. Excludes pricing mitigation actions and operational costs related to new or increased tariffs. Excludes recoveries from tariff activity.
[2] Excludes the benefit of an approximately €35 million (or approximately $41 million remeasured to U.S. dollars) tariff recovery in the EU that was recognized in the first quarter of 2026 related to tariffs originally from prior to 2022. Refer to the Company's Q2 2026 Form 10-Q filed on August 5, 2026 for additional information.
Note: There were no tariff related recoveries in 2025, hence the gross and net tariff impact is the same.

HDFS Income Statement

(in $ millions)	Q3 Results Q3 '25	Q3 '26	Y-o-Y Change	YTD Results Q3 '25-YTD	Q3 '26-YTD	Y-o-Y Change
Interest Income	$198	$67	-66%	$623	$177	-72%
Other Income	63	44	-30%	141	163	15%
HDFS Revenue	261	111	-58%	764	340	-56%
Interest Expense	76	32	-58%	258	102	-60%
Provision for Credit Losses	(301)	20	-107%	(198)	51	-126%
Operating Expenses	48	47	-1%	131	132	1%
Total Expenses	(178)	100	-156%	191	285	49%
Operating Income	**$439**	**$11**	-98%	**$573**	**$55**	-91%
Margin %	168.0%	9.7%		75.0%	16.1%	

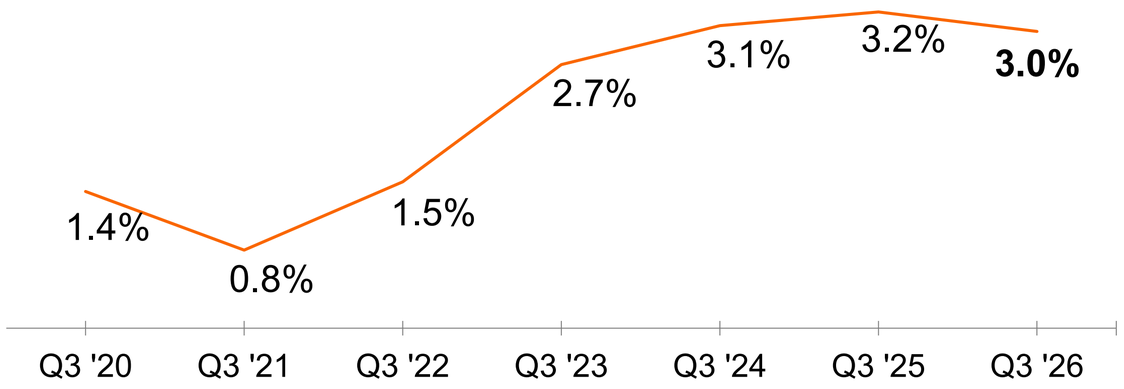
Third Quarter 2026 Highlights

- HDFS operating income margin of 9.7%
- Other income was down 30%, in part due to prior year transaction impacts
- Total retail loan originations were up 4% vs. Q3 '25

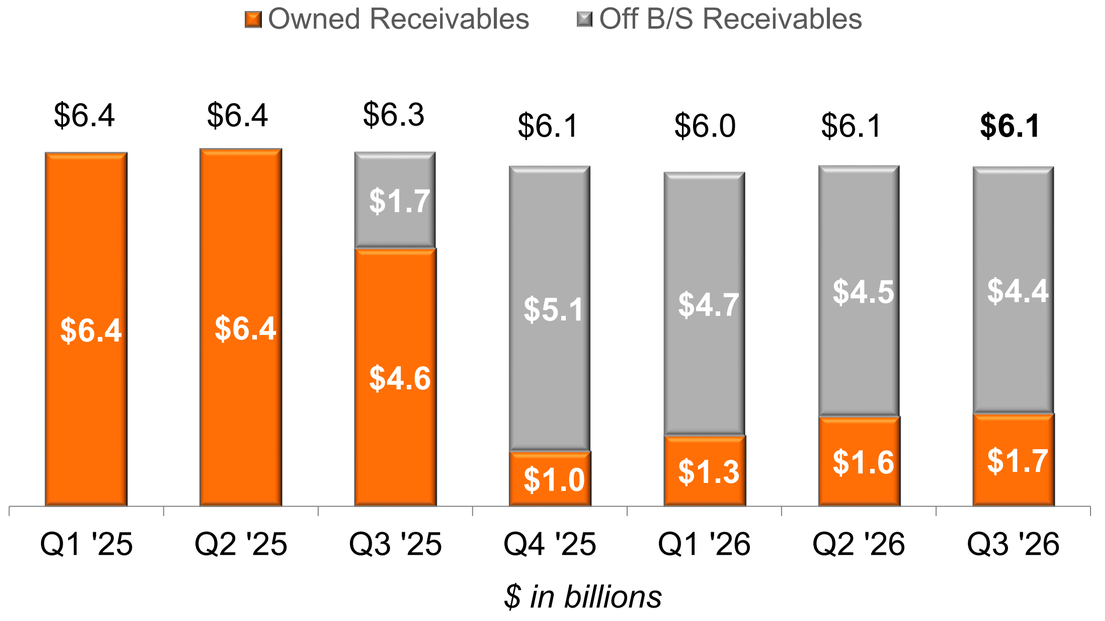
HDFS Revenue was down primarily due to lower retail finance receivable balances resulting from new capital light model
Decline in retail receivables primarily due to the sale of loan assets in the prior year

HDFS Segment Performance

Annualized Managed Retail Credit Losses[1, 2]



Retail Finance Receivables
Owned Portfolio + Off-balance Sheet Portfolio[3, 4]



HDFS annualized managed retail loss ratio was 3.0% in Q3 ’26
HDFS experienced improved managed loss ratios in Q3 ’26

[1] 2020, 2021, and 2022 results were impacted by federal stimulus payments and a high volume of COVID-19 pandemic related retail loan payment due date extensions for qualified customers.
[2] Represents annualized retail credit losses for all loans managed by HDFS for the nine-month period ending at the end of Q3 for the periods shown.
[3] For the above periods prior to Q3 2025, the Retail Finance Receivables were owned by HDFS and presented on its balance sheet. In Q3 2025, HDFS agreed to sell the majority of its existing retail finance receivables and 95% of certain securitization beneficial interests to two counterparties. As a result, HDFS deconsolidated $1.9b of net finance receivables ($1.9b balance included principal, accrued interest, deferred loan costs, and allowance reserve) and $1.7b of related debt in Q3 2025. HDFS also reclassified $4.1b of its finance receivables as held-for-sale during the quarter, which were subsequently sold in Q4 2025. As a result, starting in 2H 2025, the above figures include both ‘Owned Finance Receivables’ (i.e., those included on the HDFS balance sheet) and ‘Off-balance sheet Finance Receivables’ (i.e., those not held on the HDFS balance sheet and serviced by HDFS) that were deconsolidated or that were sold to third parties (KKR/PIMCO). The sum of owned and off-balance sheet finance receivables is referenced as ‘Managed Finance Receivables’. This portfolio represents all loans that are serviced by HDFS, whether or not the finance receivables are on its balance sheet.
[4] Represents principal balances only, which exclude accrued interest and deferred loan costs, to provide a more direct comparison to historical periods.

LiveWire Segment Results

$ millions[1, 2]	Q3 Results			September YTD Results		
	2025	2026	% vs PY	2025	2026	% vs PY
Consolidated Unit Sales	5,851	7,045	20%	12,607	16,214	29%
Revenue	$5.6	$7.9	41%	$14.3	$22.1	54%
Operating Loss	($18.2)	($17.8)	2%	($56.6)	($53.4)	6%
Adjusted EBITDA[3]	($15.8)	($15.0)	5%	($48.6)	($45.2)	7%

- **Q3 Revenue** increase of 41% and **YTD Revenue** increase of 54% due to increase in volumes of electric motorcycles and STACYC electric balance bikes
- **Q3 Operating loss** decrease of $0.4 million and **YTD Operating loss** decrease of $3.3 million primarily driven by improved gross margin

[1]Represents results of the LiveWire reportable segment as determined in accordance with ASC 280 Segment Reporting, which may differ from LiveWire Group, Inc. results
[2]Revenue and consolidated unit sales are comprised of both LiveWire electric motorcycles and STACYC electric balance bikes and electric bike units, both wholesale units to dealers and direct on-line sales to consumer
[3]"Adjusted EBITDA" is a non-GAAP measure. Please see Appendix for full reconciliation to the most directly comparable GAAP financial measure.

Capital Allocation & Financial Position

Capital Allocation Prioritization

- Reinvest in key growth initiatives
- Return of capital through share buybacks and dividends
- Opportunistic acquisitions and investments

Demonstrated Return of Capital to Shareholders

- $110 million in total capital returned in Q3 ‘26
  - $91 million shares repurchased
  - $19 million in cash dividends
- $309 million in total capital returned in Q3 ’26-YTD
  - $249 million shares repurchased[1]
  - $60 million in cash dividends

Operating Cash Flow Generation & Free Cash Flow

Harley-Davidson, Inc. (HDI)

	HDI	
	YTD ended Sept 30, 2026	
In $ millions	’25	’26
Operating Cash Flow	$417	$276
Capital Expenditures	(102)	(64)
Free Cash Flow[2]	$315	$212

- Capex was 37% lower as significant recent portfolio investments are in market
- Operating cash flow was lower in YTD ’26, primarily due to reduced interest income at HDFS and reduced operating income at HDMC
- Retail loan origination growth due to strong North America retail sales

We believe the Company’s strong balance sheet allows for support of capital allocation priorities
The Company had $2.1 billion cash & equivalents on September 30, 2026

[1] This represents discretionary share repurchases and does not include non-discretionary repurchases related to shares tendered to the Company by employees to cover tax withholding obligations upon the vesting of restricted stock units and performance share units. YTD discretionary shares include 3.1 million shares received in Q1 '26 pursuant to an accelerated share repurchase (ASR) program entered into in Q4 '25. The value of the shares based on the share price at delivery was $65 million. The related cash outflow under the ASR was made in Q4 '25 with no additional cash outflow in 2026.

[2] "Free Cash Flow" is a non-GAAP financial measure. Please see Appendix for full reconciliation to the most directly comparable GAAP financial measure.

Select Balance Sheet Items

Select Balance Sheet Items by Segment – as of September 30, 2026

Harley-Davidson, Inc. (HDI)	HDMC	HDFS	HDI[2]
In $ millions	9/30/26	9/30/26	9/30/26
Total Debt + Total Deposits	$297	$2,579	$2,877
Cash & Equivalents	1,370	667	2,076
Net Cash / (Net Debt)[1]	$1,072	($1,913)	($800)
Finance Receivables Held for Investment, Net		$2,200	$2,200
Net Debt % of Total Receivables[3]		87%	

- Cash & Equivalents at HDI increased from $1,896 million in Q2 ’26 to $2,076 million in Q3 ‘26
- HDMC cash and equivalents with limited debt resulted in a significant net cash position of $1.1 billion
- HDFS has a different capital structure (than HDMC) with finance receivables greater than net debt, highlighting solid financial position

1. "Net Cash / (Net Debt)" are non-GAAP financial measures. Please see Appendix for full reconciliation to the most directly comparable GAAP financial measures.
2. Harley-Davidson, Inc. Consolidated (HDI) includes HDMC, HDFS, and the LiveWire subsidiary (majority owned, public ticker LVWR). The focus here is primarily on HDMC and HDFS balance sheets. HDI also includes Cash at Livewire of $40 mm at 9/30/26.
3. Net Debt as % of Total Finance Receivables has not been calculated for HDI as the HDFS business finances its finance receivables with debt whereas HDMC does not originate or hold finance receivables. As a result, this metric is meaningful to HDFS, but not HDMC or the broader HDI business.

Consolidated Results

Harley-Davidson, Inc. (HDI)

In $ millions, except EPS	Q3 '26 Results HDMC	HDFS	LVWR	HDI	Q3 '26-YTD Results HDMC	HDFS	LVWR	HDI
Revenue	**$964**	**$111**	**$8**	**$1,083**	**$3,124**	**$340**	**$22**	**$3,486**
% vs PY	-10%	-58%	41%	-19%	-2%	-56%	54%	-12%
Operating Income (Loss)[2]	**$44**	**$11**	**($18)**	**$37**	**$136**	**$55**	**($53)**	**$137**
Margin %	4.6%	9.7%	NM[1]	3.4%	4.3%	16.1%	NM[1]	3.9%
% vs PY	-18%	-98%	2%	-92%	-41%	-90%	6%	-82%
Net Income Attributable to HDI[2]				**$43**				**$147**
Margin %				3.9%				4.2%
Diluted EPS				**$0.40**				**$1.38**
% vs PY				-87%				-73%

Delivered Diluted EPS of $0.40 in Q3 and Diluted EPS of $1.38 for Q3 '26-YTD
Both Q3 '25 and Q3 '25-YTD periods include results from the HDFS / KKR-PIMCO transaction

[1] "NM" means non-meaningful
[2] Includes HDMC restructuring expenses of $14 million and $31 million for Q3 '26 and Q3 '26-YTD, respectively. There were no restructuring expenses in 2025.

2026 Financial Guidance

	Prior Guidance as of Q2 2026	Current Guidance as of Q3 2026
HDMC		
Global Motorcycle Retail Sales	133,500 to 138,500 units	135,500 to 139,000 units
Global Motorcycle Wholesale Shipments	133,500 to 138,500 units	135,500 to 139,000 units
Operating Income	$10 to $50 million	$25 to $55 million
HDFS		
Operating Income	$55 to $70 million	$60 to $70 million
LiveWire		
Operating Loss	$(70) to $(80) million	Withdrawn by LiveWire
HDI		
Capital Investment	$175 to $200 million	$140 to $165 million

Introduction of the Harley-Davidson Sprint™

Harley-Davidson Sprint™ 440 expected to continue the momentum…

Builds lifelong riders:

- Fits into the current lineup with a price point of $5,999 US
- Lightweight, oil-cooled, and easy to ride
- Comfortable ergonomics and exciting performance for new and experienced riders

Customizable:

- Will launch with Parts & Accessories, allowing riders to make it their own at point of sale





APPENDIX

Non-GAAP Reconciliations

Consolidated Net Income / (Loss) Reconciliation to HDMC Adjusted EBITDA[1]

$ in millions	Q3 '25	Q3 '26	YTD '25	YTD '26
Net income	**$375**	**$41**	**$612**	**$144**
Interest expense	10	4	26	11
Provision for income taxes	116	17	188	51
Investment income	(12)	(12)	(32)	(32)
Other income, net	(15)	(13)	(45)	(37)
Operating income	**$475**	**$37**	**$748**	**$137**
Less: LiveWire operating loss	(18)	(18)	(57)	(53)
Less: HDFS operating income	439	11	573	55
HDMC operating income	**$54**	**$44**	**$232**	**$136**
HDMC depreciation and amortization	39	36	111	116
Adjustments[2]	-	14	-	31
HDMC Adjusted EBITDA	**$94**	**$94**	**$343**	**$283**

HDMC Adjusted EBITDA Margin % Calculation

$ in millions	Q3 '25	Q3 '26	YTD '25	YTD '26
HDMC Net revenue	$1,074	$964	$3,199	$3,124
HDMC Adjusted EBITDA	94	94	343	283
HDMC Adjusted EBITDA Margin %	8.7%	9.7%	10.7%	9.1%

1 Certain figures may not foot in whole numbers due to rounding.
2 The Company may exclude from Adjusted EBITDA the impact of certain events, gains, losses or other costs and charges (such as corporate restructuring activities, reorganizations or one-time employee termination benefits) that affect the period-to-period comparability of the Company's operating performance. In the periods reflected above, the Company has excluded restructuring expenses in Q3 2026 and YTD 2026. There were no similar amounts in the comparable periods.

Non-GAAP Reconciliations

Consolidated Net Income / (Loss) Reconciliation to LiveWire Adjusted EBITDA[1]

$ in millions	Q3 ‘25	Q3 ’26	YTD ‘25	YTD ‘26
Net income	**$375**	**$41**	**$612**	**$144**
Interest expense	10	4	26	11
Provision for income taxes	116	17	188	51
Investment income	(12)	(12)	(32)	(32)
Other income, net	(15)	(13)	(45)	(37)
Operating income	**$475**	**$37**	**$748**	**$137**
Less: HDMC operating income	54	44	232	136
Less: HDFS operating income	439	11	573	55
LiveWire operating loss	**($18)**	**($18)**	**($57)**	**($53)**
LiveWire depreciation and amortization	2	2	8	7
Adjustments[2]	-	-	-	1
LiveWire Adjusted EBITDA	**($16)**	**($15)**	**($49)**	**($45)**

1 Certain figures may not foot in whole numbers due to rounding.
2 The Company may exclude from Adjusted EBITDA the impact of certain events, gains, losses or other costs and charges (such as corporate restructuring activities, reorganizations or one-time employee termination benefits) that affect the period-to-period comparability of the Company's operating performance. In the periods reflected above, the Company has excluded transaction costs related to the acquisition of Dust Motorcycles, Inc. and expenses associated with the LiveWire At-The-Market Program. These round to zero for Q3 2026.

Non-GAAP Reconciliations

Operating Cash Flow to Free Cash Flow[1]

$ in millions	Q3 '25 YTD	Q3 '26 YTD
Operating Cash Flow	**$417**	**$276**
Capital expenditures	(102)	(64)
Free Cash Flow	**$315**	**$212**

Cash and Cash Equivalents / Debt & Deposits Reconciliation to Net Cash / (Net Debt)[1]

$ in millions as of September 30, 2026	HDMC	HDFS	HDI[2]
Cash and cash equivalents	**$1,370**	**$667**	**$2,076**
Short term deposits, net	-	255	255
Short term debt	-	470	470
Current portion of long term debt, net	-	544	544
Long term deposits, net	-	282	282
Long term debt, net	297	1,028	1,325
Debt and deposits	**$297**	**$2,579**	**$2,877**
Net Cash / (Net Debt)	**$1,072**	**($1,913)**	**($800)**

[1] Certain figures may not foot in whole numbers due to rounding.
[2] Harley-Davidson, Inc. Consolidated (HDI) includes HDMC, HDFS, and the LiveWire subsidiary (majority owned, public ticker LVWR). The focus of the table is primarily on HDMC and HDFS balance sheets. HDI also includes cash and cash equivalents at Livewire.

Non-GAAP Financial Measures That Supplement GAAP Measures

This presentation includes financial information that is not presented in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”, “GAAP”), including Adjusted EBITDA for HDMC and LiveWire, Adjusted EBITDA Margin % for HDMC, consolidated Free Cash Flow, and Net Cash / Net Debt. These non-GAAP financial measures, which may be different from similarly-titled measures disclosed by other companies, are presented to enhance investors’ overall understanding of the Company's financial performance.

Adjusted EBITDA for HDMC and Adjusted EBITDA for LiveWire are defined as Harley-Davidson, Inc. consolidated net income, excluding, on a consolidated basis, interest expense, income tax provision, investment income, and other income, net. Depreciation and amortization for HDMC and LiveWire, respectively, are excluded from Adjusted EBITDA for HDMC and LiveWire, respectively. In addition, certain other items impacting consolidated net income are excluded from HDMC Adjusted EBITDA and/or LiveWire Adjusted EBITDA. For example, the Company may exclude from HDMC or LiveWire Adjusted EBITDA the impacts of certain events, gains, losses or other costs and charges, such as corporate restructuring activities, reorganizations or one-time employee termination benefits, that affect the period-to-period comparability of HDMC’s and LiveWire’s operating performance. Adjusted EBITDA Margin % is used by HDMC and is defined as HDMC Adjusted EBITDA divided by HDMC revenue. Free Cash Flow is defined as consolidated net cash (used) provided by operating activities less consolidated capital expenditures. Net Cash is defined as cash and cash equivalents less debt and deposits when the resulting amount is positive (i.e., cash and cash equivalents are greater than the sum of debt and deposits). Net Debt is defined as debt and deposits less cash and cash equivalents when the resulting amount is positive (i.e., the sum of debt and deposits is greater than cash and cash equivalents).

The Company believes that Adjusted EBITDA and Adjusted EBITDA Margin % for HDMC and Adjusted EBITDA for LiveWire more clearly identify the core trends in the respective ongoing business operations that could otherwise be masked by the effects of the items that the Company excludes from Adjusted EBITDA and Adjusted EBITDA Margin % for HDMC and Adjusted EBITDA for LiveWire. Management uses Free Cash Flow and Net Cash / Net Debt in the analysis of the Company’s liquidity. These non-GAAP measures allow management and investors to view operating trends, perform analytical comparisons, and benchmark performance with other comparable companies and between periods without regard to items the Company does not consider a component of core operating performance.

Adjusted EBITDA, Adjusted EBITDA Margin % and Free Cash Flow have limitations and should not be considered in isolation from, as a substitute for, or more meaningful than, consolidated net income or cash provided by (used for) operating activities as determined in accordance with U.S. GAAP. Certain items excluded from HDMC and LiveWire Adjusted EBITDA are significant components in understanding and assessing a company’s financial performance. The presentation of Adjusted EBITDA and Adjusted EBITDA Margin % should not be construed as implying that the Company's results will be unaffected by unusual or non-recurring items.

This presentation includes a reconciliation of Harley-Davidson Inc. consolidated net income to HDMC Adjusted EBITDA and LiveWire Adjusted EBITDA, a reconciliation of net cash (used) provided by operating activities to Free Cash Flow, and a reconciliation of Net Cash / Net Debt to cash and cash equivalents as well as various debt and deposits balances on the balance sheet.

Forward Looking Statements

The Company intends that certain matters discussed in this presentation are “forward-looking statements” intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such by reference to this footnote or because the context of the statement will include words such as the Company “believes,” “anticipates,” “expects,” “plans,” "projects," “may,” “will,” “estimates,” “targets,” “intends,” "forecasts," "is on track," "remains confident," "seeks," "sees," "should," "feels," "commits," "assumes," "envisions," or words of similar meaning. Similarly, statements that describe or refer to future expectations, future plans, strategies, objectives, outlooks, targets, guidance, commitments or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially, unfavorably or favorably, from those anticipated as of the date of this presentation. Certain of such risks and uncertainties are described below. Shareholders, potential investors, and other readers are urged to consider these factors in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included in this presentation are only made as of the date of the filing of this presentation, and the Company disclaims any obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

Important factors that could affect future results and cause those results to differ materially from those expressed in the forward-looking statements include, among others, the Company’s ability to: (a) execute its business plans and strategies, including without limitation the Back to the Bricks strategic plan, successfully execute its approach to a full enterprise economic model, and strengthen its existing businesses while allowing for growth; (b) manage supply chain and logistics issues, including without limitation quality issues, unexpected interruptions or price increases caused by supplier volatility, raw material shortages, inflation, war or other hostilities, including the conflict in Iran, or natural disasters and longer shipping times and increased logistics costs; (c) manage and predict the impact that new, reinstated or adjusted tariffs may have on the Company's ability to sell products domestically and internationally, and the cost of raw materials and components, including tariffs recently imposed or that may be imposed by the U.S. on foreign goods or rebalancing or other tariffs recently imposed or that may be imposed by foreign countries on U.S. goods; (d) accurately analyze, predict and react to changing market conditions, interest rates, and geopolitical environments, and successfully adjust to shifting global consumer needs and interests, including successfully realigning its product portfolio, which includes re-introducing the Sportster motorcycle; (e) accurately predict the margins of its segments in light of, among other things, tariffs, rebalancing trade measures, inflation, foreign currency exchange rates, the cost associated with product development initiatives and the Company's complex global supply chain; (f) maintain and enhance the value of the Harley-Davidson brand, including detecting and mitigating or remediating the impact of activist collective actions, such as calls for boycotts and other brand-damaging behaviors that could harm the Company's brand or business; (g) manage through changes in general economic and business conditions, including changing capital, credit and retail markets, and the changing domestic and international political environments, including as a result of the conflict in Iran; (h) successfully access the capital and/or credit markets on terms that are acceptable to the Company and within its expectations; (i) successfully carry out its global manufacturing and assembly operations; (j) develop and introduce products, services and experiences on a timely basis that the market accepts, that enable the Company to generate desired sales levels and that provide the desired financial returns, including successfully implementing and executing plans to shift to a rider-centric portfolio that includes a focus on accessibility and customization and growing its parts and accessories and apparel businesses; (k) perform in a manner that enables the Company to benefit from market opportunities while competing against existing and new competitors; (l) successfully manage and reduce costs throughout the business; (m) manage the impact that prices for and supply of used motorcycles may have on its business, including on retail sales of new motorcycles; (n) prevent, detect and remediate any issues with its motorcycles or any issues associated with the design, manufacturing, or assembly processes to avoid delays in new model launches, recall campaigns, regulatory agency investigations, increased warranty costs or litigation and adverse effects on its reputation and brand strength, and carry out any product programs or recalls within expected costs and timing; (o) continue to develop the capabilities of its distributors and dealers, effectively implement changes relating to its full enterprise economic model, and manage the risks that its dealers may have difficulty obtaining capital and managing through changing economic conditions and consumer demand; (p) realize the desired business benefits from LiveWire operating as a separate public company, which may be affected by, among other things: (i) the ability of LiveWire to obtain sufficient funding from sources other than the Company to sustain its operations, particularly in light of LiveWire’s recent disclosure that it determined that conditions and events raise substantial doubt about LiveWire’s ability to continue as a going concern; (ii) the ability of LiveWire to execute its plans to develop, produce, market and sell its electric vehicles; (iii) the demand for and consumer willingness to adopt two- and three-wheeled electric vehicles; and (iv) other risks and uncertainties indicated in documents filed with the SEC by the Company or LiveWire Group, Inc., including those risks and uncertainties noted in Risk Factors under Item 1.A of LiveWire Group Inc.'s most recent Annual Report on Form 10-K; (q) manage the quality and regulatory non-compliance issues relating to the brake hose assemblies provided to the Company by Proterial Cable America, Inc. in a manner that avoids future quality or non-compliance issues and additional costs or recall expenses that are material; (r) maintain a productive relationship with Hero MotoCorp as a distributor and licensee of the Harley-Davidson brand name; (s) successfully maintain or achieve a manner in which to sell motorcycles in Europe, China, and the Company's Association of Southeast Asian Nations (ASEAN) countries that does not subject its motorcycles to incremental tariffs; (t) manage its Thailand corporate and manufacturing operation in a manner that allows the Company to avail itself of preferential free trade agreements and duty rates, and sufficiently lower prices of its motorcycles in certain markets; (u) retain and attract talented employees and leadership and qualified and experienced independent directors for its Board of Directors, eliminate personnel duplication, inefficiencies and complexity throughout the organization, and successfully complete transitions of executives, and effectively manage the return to on-site work of Milwaukee-based corporate employees at specified Company facilities; (v) accurately estimate and adjust to fluctuations in foreign currency exchange rates, interest rates and commodity prices; (w) manage the credit quality, the loan servicing and collection activities, and the recovery rates of HDFS's loan portfolio; (x) prevent a ransomware attack or cybersecurity incidents and data privacy breaches and respond to related evolving regulatory requirements; (y) adjust to tax reform, healthcare inflation and reform and pension reform, and successfully estimate the impact of any such reform on the Company’s business; (z) manage through the effects inconsistent and unpredictable weather patterns may have on retail sales of motorcycles; (aa) implement and manage enterprise-wide information technology systems, including systems at its manufacturing facilities; (bb) manage changes, prepare for, and respond to evolving requirements in legislative and regulatory environments related to its products, services and operations, including increased environmental, safety, emissions or other regulations; (cc) manage its exposure to product liability claims in a manner that avoids or successfully mitigates the impact of substantial jury verdicts and manage exposure in commercial or contractual disputes; (dd) continue to manage the relationships and agreements that the Company has with its labor unions to help drive long-term competitiveness; (ee) realize the desired business benefits from KKR's and PIMCO's investments in HDFS; (ff) manage risks related to functions the Company outsources and the use of artificial intelligence by the Company and its vendors and suppliers; (gg) optimize capital allocation in light of the Company's capital allocation priorities; (hh) manage the Company's share repurchase strategy; (ii) manage issues related to climate change and related regulations; and (jj) realize the expected effects of the anticipated increase in HDFS' retail finance receivable base on HDFS' operating income.

The Company’s ability to sell its motorcycles and related products and services and to meet its financial expectations also depends on the ability of the Company’s dealers to sell its motorcycles and related products and services to retail customers. The Company depends on the capability and financial capacity of its dealers to develop and implement effective retail sales plans to create demand for the motorcycles and related products and services they purchase from the Company. In addition, the Company’s dealers and distributors may experience difficulties in operating their businesses and selling Harley-Davidson motorcycles and related products and services as a result of weather, economic conditions, or other factors.

The Company believes that HDFS' retail credit losses will continue to change over time due to changing consumer credit behavior, macroeconomic conditions, including the impact of inflation and HDFS's efforts to increase prudently structured loan approvals to sub-prime borrowers. In addition, HDFS’s efforts to adjust underwriting criteria based on market and economic conditions and actions that the Company has taken and could take that impact motorcycle values may impact HDFS's retail credit losses.

The Company's operations, demand for its products, and its liquidity could be adversely impacted by changes in tariffs, inflation, work stoppages, facility closures, strikes, natural causes, widespread infectious disease, terrorism, war or other hostilities, including the conflict in Iran, or other factors. Refer to Risk Factors under Item 1.A of the Company’s Annual Report on Form 10-K for the year ended December 31, 2025 and applicable updates under Item 1.A of the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 for a discussion of additional risk factors and a more complete discussion of some of the cautionary statements noted above.


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