Strategy Update & 2025 Financial Results

March 2, 2026

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Forward Looking Statements and Non-GAAP Measures

ADT has made statements in this presentation that are forward-looking and therefore subject to risks and uncertainties, including those described below. All statements, other than statements of historical fact, included in this document are, or could be, "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and the applicable rules and regulations of the Securities and Exchange Commission (the "SEC") and are made in reliance on the safe harbor protections provided thereunder. These forward-looking statements relate to, among other things, the Company's capital allocation priorities and commitments; the Company's expected future financial results, including the Company's financial outlook and/or guidance and multi-year targets, which include Total Revenue, Adjusted Diluted Income (Loss) per Share ("Adjusted EPS"), Adjusted Free Cash Flow (including interest rate swaps) and Net Leverage Ratio; key operating metric growth targets; expected total addressable market growth in the home security market and adjacent market expansion; the Company's partnership programs and the bulk purchase of customer accounts; initiatives with respect to the Company's products and services, including ADT+, and the expected benefits and capabilities of such products and services; the Company's development, deployment, and integration of artificial intelligence ("AI") in its products, services, and operations, including AI-driven customer interactions, virtual agents, operational efficiencies, and home intelligence capabilities, including Origin's presence sensing technology; and the expectations, plans and objectives of management; any stated or implied outcomes with regard to the foregoing; and other matters. Without limiting the generality of the preceding sentences, any time we use the words "ongoing," "expects," "intends," "will," "anticipates," "believes," "confident," "possible," "continue," "propose," "seeks," "could," "may," "should," "estimates," "forecasts," "might," "potential," "outlook," "goals," "objectives," "targets," "planned," "projects," and, in each case, their negative or other various or comparable terminology, and similar expressions, we intend to clearly express that the information deals with possible future events and is forward-looking in nature. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. These forward-looking statements are based on management's current beliefs and assumptions and on information currently available to management. We caution that these statements are subject to risks and uncertainties, many of which are outside of the Company's control and could cause future events or results to be materially different from those stated or implied in this presentation, including, among others, risks and uncertainties related to the Company's divestiture of its commercial business (the "Commercial Divestiture") and the Company's exit from its residential solar business (the "ADT Solar Exit"); the Company's ability to successfully integrate the Origin acquisition and realize expected benefits of the acquisition; the Company's ability to execute on transformation initiatives and to execute on technology initiatives around the use of artificial intelligence and whole-home intelligence; the Company's ability to maintain and grow the Company's existing customer base and to integrate strategic bulk purchases of customer accounts; activity in repurchasing shares of ADT's common stock under the Company's current share repurchase plan; dividend rates or yields for any future quarter; the impact of cyber attacks or related breaches with respect to information technology systems, cybersecurity, or data security involving the Company, our business partners, or other third parties whose systems are interconnected with ours, and any future or still undetected attacks or incidents; any material changes to the valuation allowances the Company takes with respect to its deferred tax assets; any changes in regulations or laws, economic and financial conditions, including labor and tax law changes or any impacts on the global economy or consumer discretionary spending due to tariffs or otherwise, changes to privacy requirements, changes to telemarketing, email marketing and similar consumer protection laws, interest volatility, and trade tariffs and restrictions applicable to the products we sell; the Company's ability to effectively implement its strategic partnerships or commercialize products with Google; the Company's ability to expand ADT+ and achieve expected adoption and customer engagement; risks related to the Company's use of AI in its products, services, and operations, including evolving legal and regulatory requirements, technological limitations, potential liability, and reputational concerns; the expected shift in the Company's transaction mix (including increased outright equipment sales) and the related effects on the timing and mix of revenue and costs; and risks that are described in the Company's most recently filed Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q, including the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in those reports, and in the Company's other filings with the SEC. Any forward-looking statement made in this presentation speaks only as of the date on which it is made. ADT undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments, or otherwise, unless required by law.

Note: The Company's former commercial and solar segments are classified as discontinued operations in accordance with GAAP. Except for Free Cash Flow, Adjusted Free Cash Flow, and Adjusted Free Cash Flow (including interest rate swaps) and unless otherwise noted, non-GAAP and other measures herein have been recast to reflect the results of the Company's continuing operations. Beginning in the third quarter of 2024, Adjusted Free Cash Flow excludes all remaining cash flows attributable to the discontinued solar business.

Non-GAAP Measures: To provide investors with additional information in connection with our results as determined in accordance with generally accepted accounting principles in the United States ("GAAP"), we disclose certain non-GAAP measures including, for example, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Income (Loss) from continuing operations, Adjusted EPS, Free Cash Flow, Adjusted Free Cash Flow, Adjusted Free Cash Flow (including interest rate swaps), Historical Adjusted EBITDA, and Net Leverage Ratio. Reconciliations from GAAP to these non-GAAP financial measures for reported results can be found in the appendix. Non-GAAP measures should not be considered a substitute for, or superior to, our reported GAAP results.

With regard to the Company's financial guidance for 2026 and multi-year targets, the Company is not providing a quantitative reconciliation for forward-looking Adjusted EPS to GAAP diluted income (loss) per share from continuing operations, Adjusted Free Cash Flow (including interest rate swaps) to GAAP net cash provided by operating activities, or net leverage ratio to debt to income (loss) from continuing operations ratio, which are the most directly comparable respective GAAP measures. These GAAP measures cannot be reliably predicted or estimated without unreasonable effort due to their dependence on future uncertainties, such as the adjustment of items used in the reconciliations herein.

Additionally, information not currently available to the Company about other adjusting items could have a potentially unpredictable and potentially significant impact on future GAAP financial results.

Amounts on subsequent pages may not sum due to rounding.

All metrics are continuing operations and reflect the business operations of the former CSB segment.

Operating Metrics: Operating metrics such as Gross Customer Revenue Attrition, Ending Subscriber Count, RMR, Gross RMR Additions, Gross Unit Additions, Net Cash SAC, and Revenue Payback are approximated as there may be variations to reported results in each period due to certain adjustments made in connection with the integration over several periods of acquired companies that calculated these metrics differently, or otherwise, including periodic reassessments and refinements in the ordinary course of business. These refinements, for example, may include changes due to systems conversion or historical methodology differences in legacy systems. Metrics referencing record performance reflect measurements made since the formation of ADT Inc. in 2015.

1.

Trusted Leader in Smart Home Security

We are the trusted leader in smart home security

- **Stable recurring subscriber base** generates significant durable and resilient recurring revenue
- **National footprint and scale** with industry-leading monitoring and service infrastructure
- **Proprietary technology platform** enables expanded and unique use cases and features
- **Differentiated** with innovative offerings, unrivaled safety, and a premium customer experience
- **Significant free cash flow** generation and efficient capital structure enables financial flexibility
- **Committed to strong shareholder returns** via investments in growth and direct returns of capital

150
YEARS
of innovative protection

#1
smart home security provider[1]

2X
MORE USERS
than the next closest provider[1]

MOST TRUSTED
Home security provider in America[2]

>6M
subscribers

~8 YEARS
average customer tenure

Note:
1. Parks Associates, "Residential Security Dashboard", July 2025.
2. Voted most trusted home security provider brand by American shoppers based on the 2025 BrandSpark® American Trust Study.

Our core mission and competitive differentiators remain consistent

Mission

PROTECT and **CONNECT** what matters most

Vision

Provide the **MOST TRUSTED PEACE OF MIND**

UNRIVALED SAFETY

Best-in-class protection

PREMIUM EXPERIENCE

Unmatched experience and service quality

INNOVATIVE OFFERINGS

Sophisticated technology and products

Our scale and capabilities are unmatched

Scaled nationwide monitoring and service presence

Largest US-based 24/7 professional monitoring footprint

Six UL-listed monitoring centers delivering 24/7/365 coverage nationwide

Large, nationwide workforce of approximately 12,000

4,000	Customer care professionals
3,100	Installation and service technicians
2,300	Sales and solution advisors

We deliver smart home security with a comprehensive set of differentiated products and services

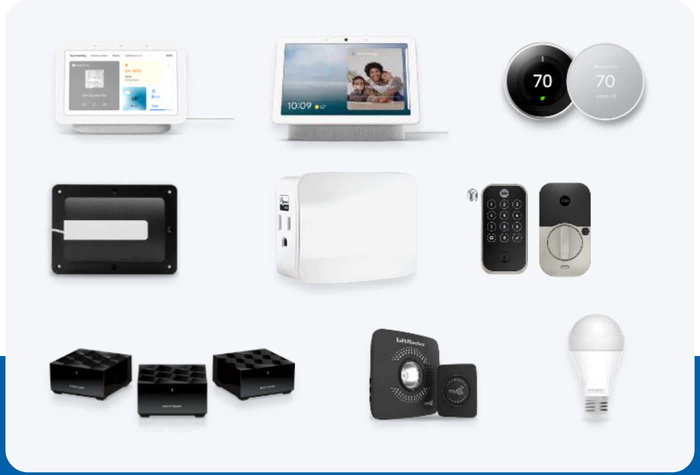
Intrusion and Life Safety

Comprehensive perimeter and life-safety protection, professionally monitored 24/7

Door & Window Sensors
Motion & Glass Break Detection
Life Safety Sensors (Smoke, CO, Heat)
Environmental Protection (Flood, Temperature)
Panic & Emergency Devices
Smart Yard Sign

Smart Home Automation

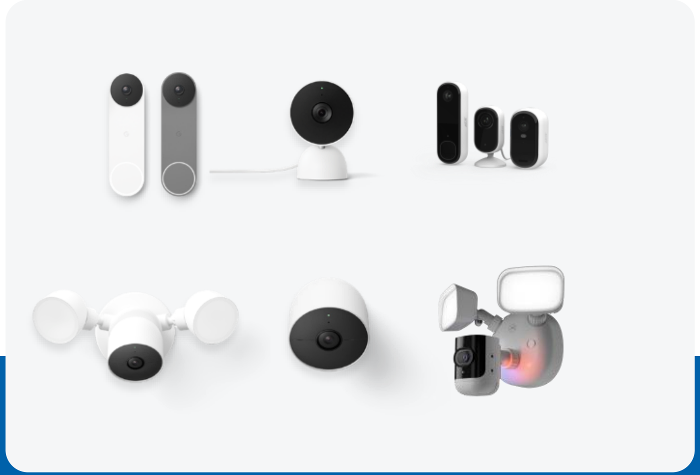
Seamless control of locks, climate, lighting, and devices through one integrated platform



Smart Locks
Smart Thermostats
Smart Lighting & Plugs
Integrated Control Panel / App
Wi-Fi Mesh System

Video Monitoring

Intelligent video with AI-powered alerts and professional response



Video Doorbells
Indoor Cameras
Outdoor Cameras
Flood Light Cameras
AI-Enabled Video Verification
SMB cameras and video recorders

ADT+ is the foundation for innovative and unique experiences tailored to our customers' individual needs

Significant expansion of ADT+ ecosystem since launch

- **Trusted Neighbor ™** first flagship ADT+ experience
- Broadened device integrations including **Google Nest** products and **Yale locks**
- **Glass Break Sensor** to distinguish normal household noise from real danger
- **Signal Chat** enables customer alarm verification or cancellation, improving experience and reducing false alarms
- **Home | Away** geofencing allows registered mobile devices to adjust settings automatically
- **Alarm Range Extender** expands system coverage and reliability for larger and more complex homes

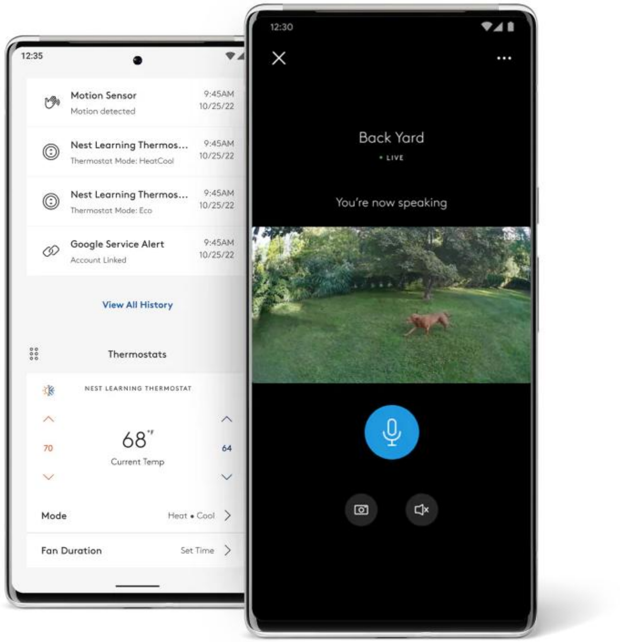
Increasing adoption and strong customer response

4.8

average rating of ADT+ app across thousands of reviews

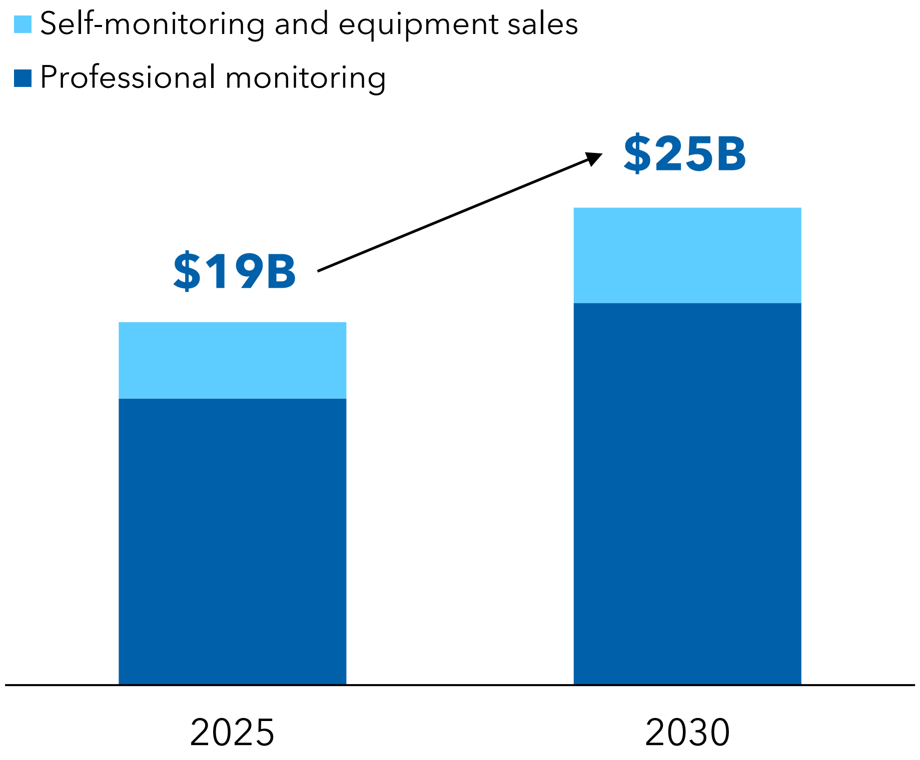
~25%

of 2025 new customer additions installed with ADT+

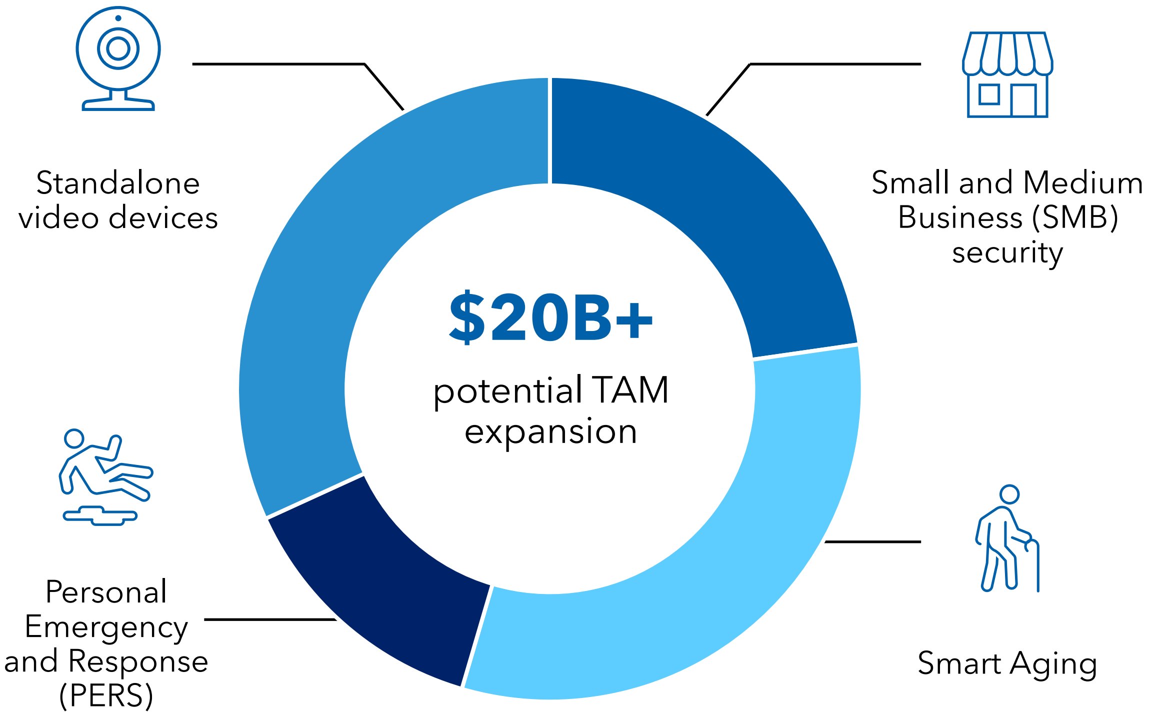


Our core market is growing, and we see significant incremental opportunities in adjacent market segments

CORE HOME SECURITY REVENUE OPPORTUNITY IS EXPANDING[1]



SIGNIFICANT ADJACENT TAM EXPANSION OPPORTUNITIES[1]

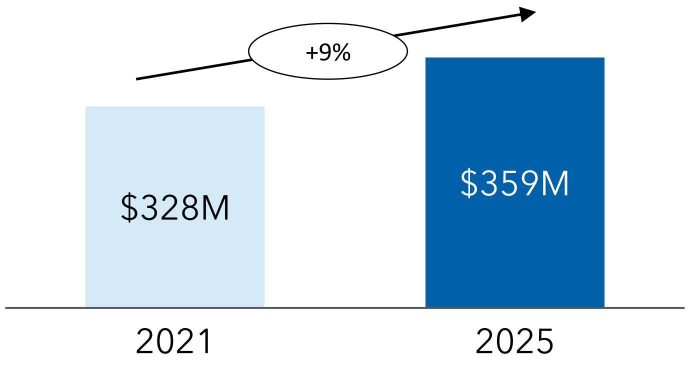


Note:
1. Total Annual Revenue for Households with a Security System. Parks Associates, "Residential Security Forecast 2025", December 2025.

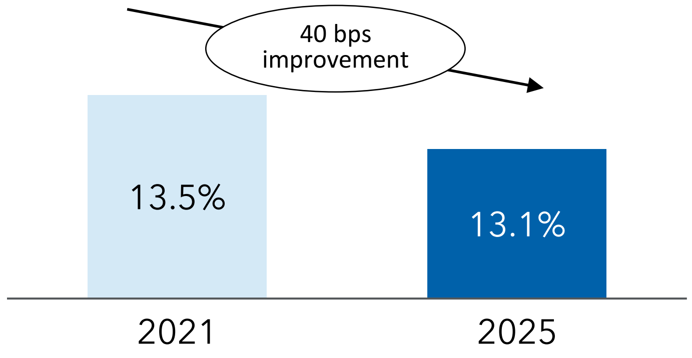
We have grown our recurring revenue base, reduced attrition, and improved subscriber acquisition efficiency

- **Stable subscriber base** underpins resilient and durable recurring revenue model
- **Improved attrition** resulting from product and service investments, strengthening engagement and loyalty
- **Upselling** of more comprehensive systems improves installation revenue and customer lifetime value

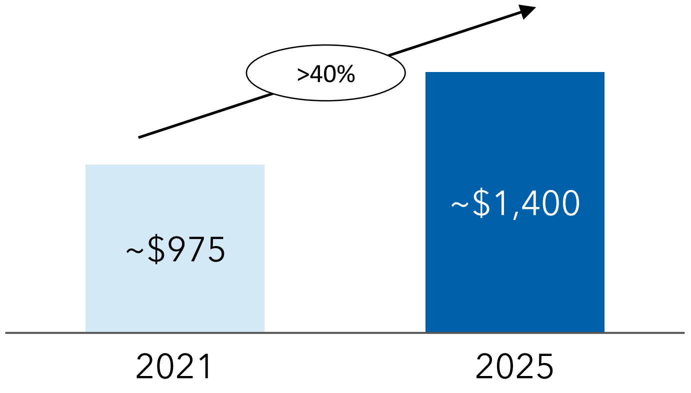
RECURRING MONTHLY REVENUE



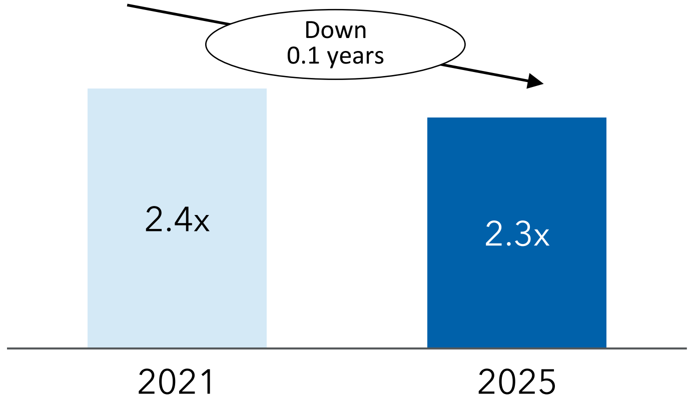
ATTRITION



INSTALLATION REVENUE PER UNIT



REVENUE PAYBACK



2.

Redefining Smart Home Security

We are transforming the delivery of peace of mind to accelerate growth and improve efficiency

The future of peace of mind is always-on protection, combining human expertise with artificial intelligence

Always-on protection

AI-driven presence sensing, monitoring, and video, coupled with ADT's human expertise

Real-time and split-second response

Contextual life safety, during the critical seconds that matter most, and during your everyday

Protection that lives and evolves with you

Hyper-personalized, tailored to lifestyles and life stages (individuals & businesses), at home, at work, or on-the-go

For everyone

Solution flexibility to make the ultimate peace of mind stress-free and available to everyone

We are executing focused initiatives to advance our strategy

1 Product Technology

Proprietary ecosystem advanced by ambient sensing

2 Service Excellence

Best-in-class service powered by people and strengthened by AI

3 Customer Acquisition

Diverse sales channels with expanded and optimized go-to-market

GROWTH

LOYALTY

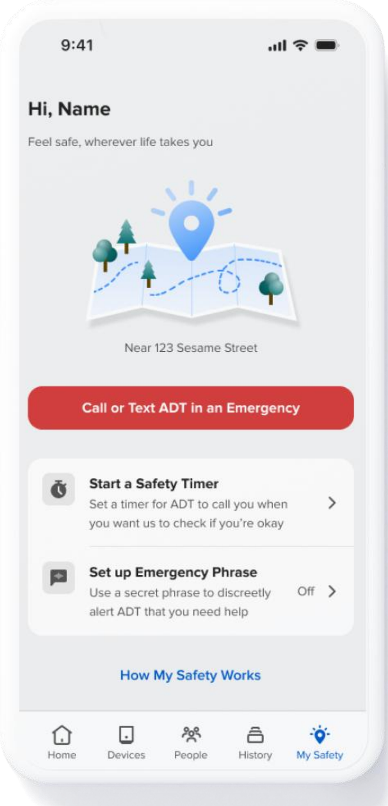
EFFICIENCY

ADT+ technology roadmap expands use cases and engagement

We are innovating and expanding the ADT+ ecosystem

- Live Light illuminated sign integrated into ADT+, guides first responders in alarm events
- My Safety on-the-go security drives app engagement and enhances customer experience
- Origin AI acquisition provides a foundation for ambient home safety, occupancy, fall detection, and smart aging
- Expansion of ADT+ offering to Dealer channel
- Low-cost camera integration to expand and diversify portfolio for DIY-oriented or more price sensitive customers
- Meaningful cost reduction for core security hardware via design and vendor optimization

My Safety



Extending trusted safety beyond the home

Live Light ™

Making protection visible at the curb – when every second counts

We are strengthening our SMB and DIY portfolios

Providing intelligent capabilities and flexible acquisition models for SMB

- AI deterrence with real-time adaptive verbal warnings, video search capabilities, and remote video monitoring
- Visual verification to reduce false alarms and accelerate response time
- Simplification of pricing to win video-first and cost-conscious business customers

Integrating cost-effective, feature-rich products to improve DIY offering

- Flexible monitoring plans and hardware to meet needs of price-conscious customers
- Seamless installation and onboarding experience – designed ground up

SMB Channel: AI Deterrence

Proactively deter threats to keep customers and their properties safe

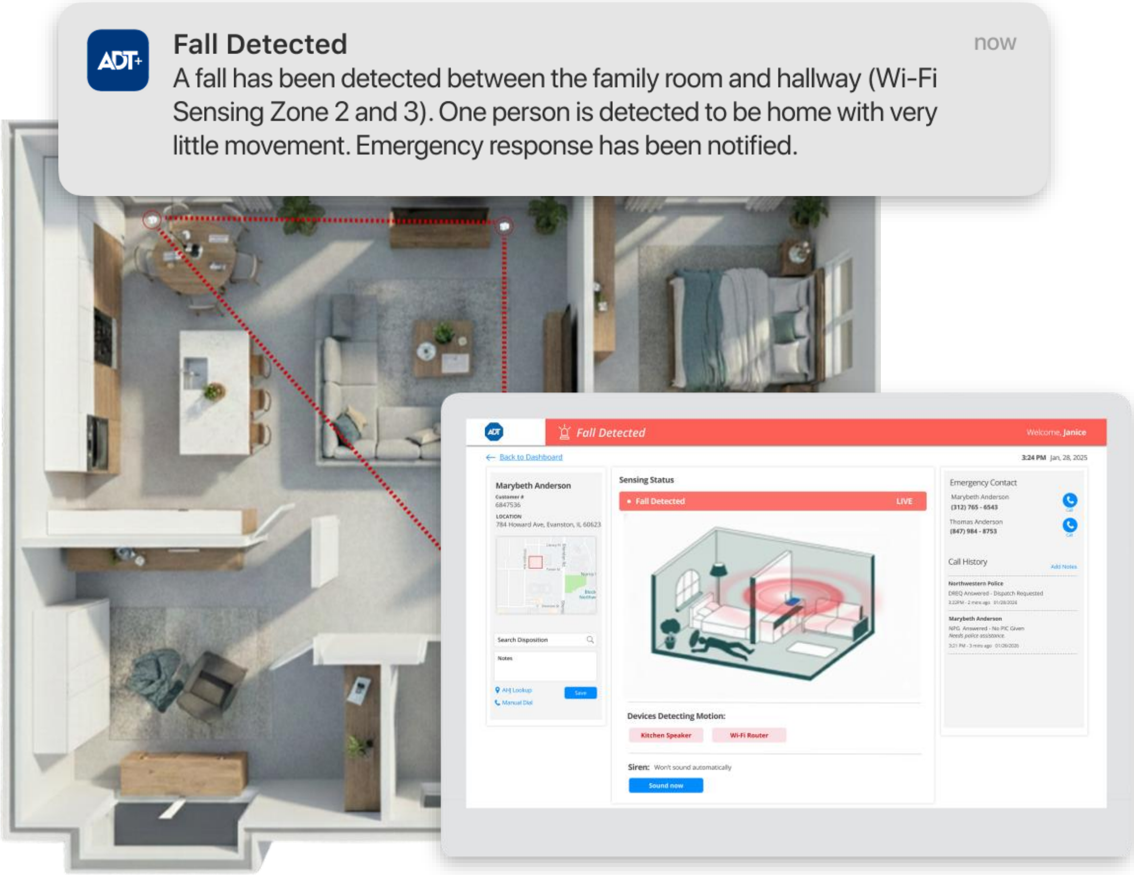
Ambient sensing represents a significant advancement in smart home security

ORIGIN℠

AI Sensing – A New Layer of Intelligence

- Interprets WiFi signals to deliver continuous awareness of presence, movement, and change, enabling proactive protection
- Classifies human motion without relying on cameras, audio, or wearables, safeguarding customer privacy
- Reduces false alarms and enables prioritized response during alarm events with real-time understanding of human presence and motion

Presence sensing enables new safety and smart home use cases



Illustrative ADT Agent View

Enables new use cases and features

- Extends home security to detect motion, occupancy, and human presence
- Expansion into smart aging use cases such as detecting activity/ inactivity or fall detection without a wearable
- Wellness monitoring for breathing, sleeping, and gait change

Improves customer peace of mind and privacy

- Richer context available to monitoring agents, customers, or first responders when human presence is detected during alarm events
- Determines human presence solely through motion intelligence, without images or audio, protecting customer privacy

Enables differentiated growth and economics

- Potential to extend into new markets, including aging-in-place
- Opens licensing opportunities internationally (e.g., Verisure) and with partners in the U.S.
- Potential to replace motion detectors, door and window sensors, and other devices, reducing overall hardware requirements

Our service footprint and response time are unmatched

Recent improvements have strengthened customer service and efficiency

- ✓ **Virtual service** via remote video-based diagnosis enabling resolution of ~50% of service visits, eliminating truck rolls
- ✓ **AI integration at call centers** to increasingly resolve chats and calls with virtual agents
- ✓ First national provider to deploy **AVS-01 and Next-gen 911**, enabling faster and smarter emergency response
- ✓ Continuous enhancements of industry-leading **24/7/365 always-on** monitoring and customer support

Unrivaled commitment to best-in-class customer service at scale

9,400
field service and call center professionals

45k
daily customer service calls

<10
seconds to respond to alarm signals

Our best-in-class service is powered by people and further strengthened by AI

1. Smarter customer interactions

- AI expansion across chat and increasingly complex voice interactions
- Interaction mapping and transcription to better understand customer needs
- “Next best action” prompts to guide agent conversations

2. Guided, self-service resolution

- AI-powered in-app troubleshooting and guided setup
- Faster issue resolution with reduced errors
- Increased digital containment of service interactions

3. Intelligent operations & workforce optimization

- AI-enabled field productivity and service efficiency
- Continuous performance optimization across service teams
- AI-supported hiring and training to improve workforce effectiveness

Our customer acquisition approach is driven by our strong brand, compelling offerings, and commitment to protecting customers

Recent initiatives have strengthened our customer acquisition ecosystem

- ✓ Expanded "Tech Engineer" model to configure, sell, and install customer systems during single home visit
- ✓ Launched new sales program specifically targeting reactivation of ADT locations with prior service
- ✓ Leveraged hyper-localized market models to optimize headcount and coverage
- ✓ Refreshed advertising messaging through "When Every Second Counts" campaign
- ✓ Established bulk account acquisition model to acquire and integrate high-quality customer portfolios

Our brand and selling presence is unmatched, enabling varying means of efficiently acquiring customers

90%	2,300	~140	60%
Brand Awareness[1]	Sales and Solutions Advisors	Authorized Dealers	of 2025 New Acquisition Transactions Include Upsell Equipment

Note:
1. ADT Brand Health Scorecard Report, Dec. 2025

We are expanding our routes to market and optimizing our channel strategy

Ecommerce, retail, and 3rd party distribution

- Active presence in online and retail channels with launch of new DIY offering
- Next-gen 3rd party distribution go-to-market model
- Enhanced capabilities to grow via bulk purchases and acquisitions

Sales effectiveness + AI tools

- Speech analytics & AI-backed SMS to improve conversion
- Customer referral & lead gen partnership programs
- AI consultative sales with next-best-action prompting
- Intelligent propensity & field prospecting tools

Advertising efficiency

- Multiple buyer journeys and dynamic landing pages
- Creative asset creation; tailoring content to resonate with different customer segments
- Optimization of channel mix to reduce marketing and commission costs

We expect our strategic initiatives to drive **GROWTH,** increase brand **LOYALTY,** and increase customer acquisition **EFFICIENCY**

1 Product Technology

2 Service Excellence

3 Customer Acquisition

GROWTH

LOYALTY

EFFICIENCY

2030 objectives to improve key operating metrics

7M+ Subscribers
+1M new households

~11% Attrition
200 bps improvement

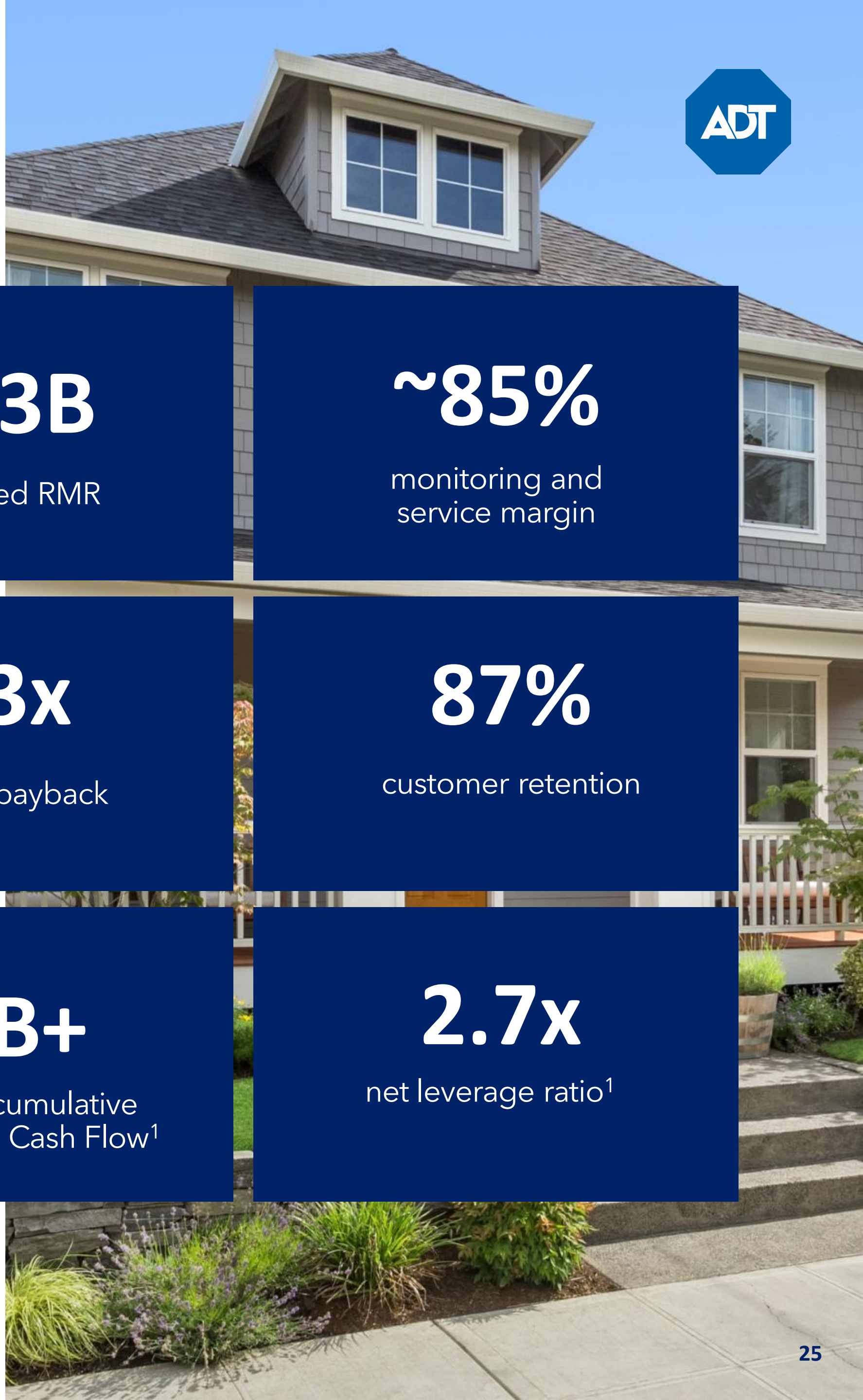
~2x Revenue Payback
improved efficiency

3.

Delivering Shareholder Value

We have built a strong financial foundation

- **Durable financial performance** underpinned by recurring revenue and high margins
- **Strong core subscriber economics**, with improved retention and acquisition efficiency
- Substantial **growth in adjusted free cash flow**
- **Reduced leverage** and improved capital structure strengthen liquidity and flexibility
- **Enhanced shareholder returns** through higher dividend and more share repurchases
- **Multi-year framework emphasizes** growth with significant cash generation



$4.3B
annualized RMR

~85%
monitoring and service margin

2.3x
revenue payback

87%
customer retention

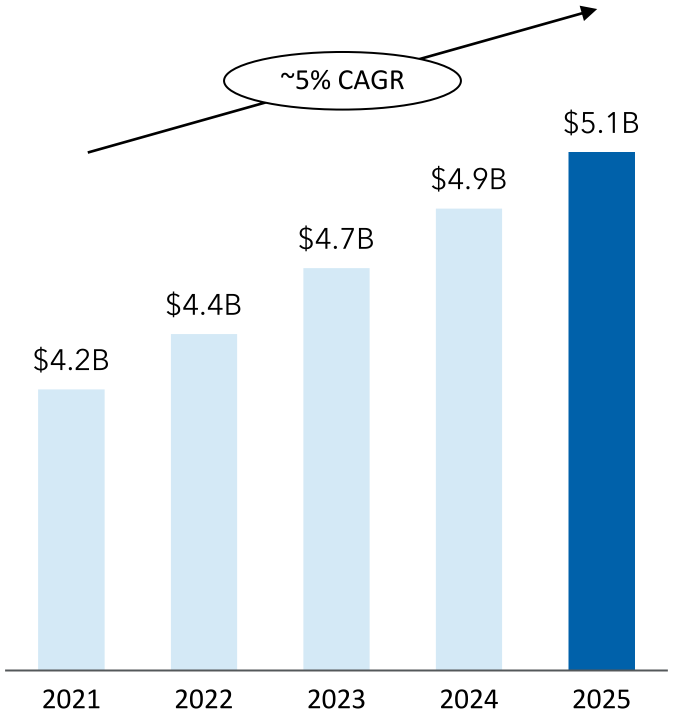
$3B+
FY21-FY25 cumulative Adjusted Free Cash Flow[1]

2.7x
net leverage ratio[1]

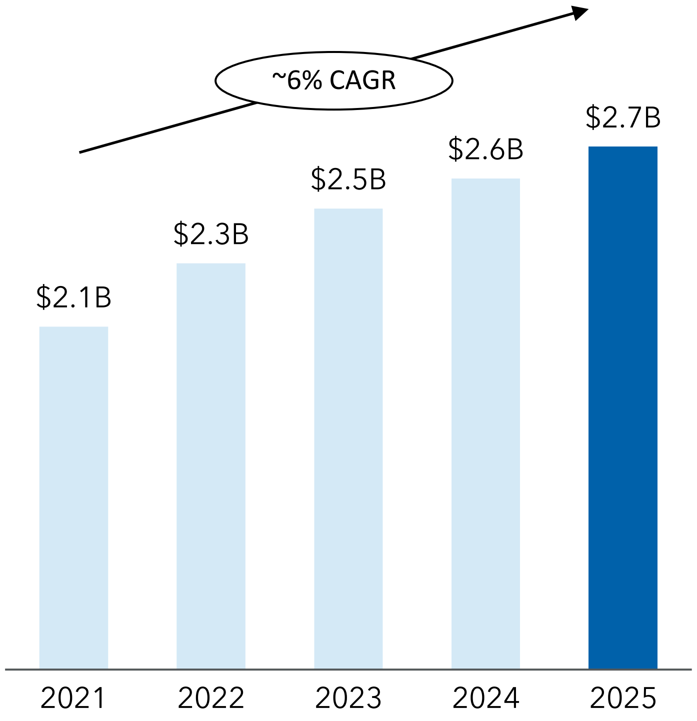
Note:
1. Cumulative Adjusted Free Cash Flow includes interest rate swaps. Reconciliations for the Non-GAAP measures Adjusted Free Cash Flow (incl. interest rate swaps) and Net Leverage Ratio are available at the end of this presentation.

We have delivered strong growth in revenue and profitability

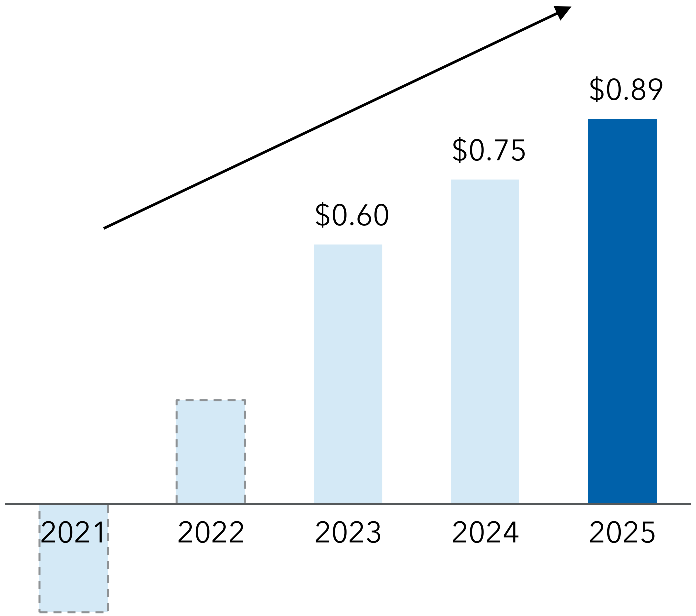
TOTAL REVENUE



ADJUSTED EBITDA



ADJUSTED EPS

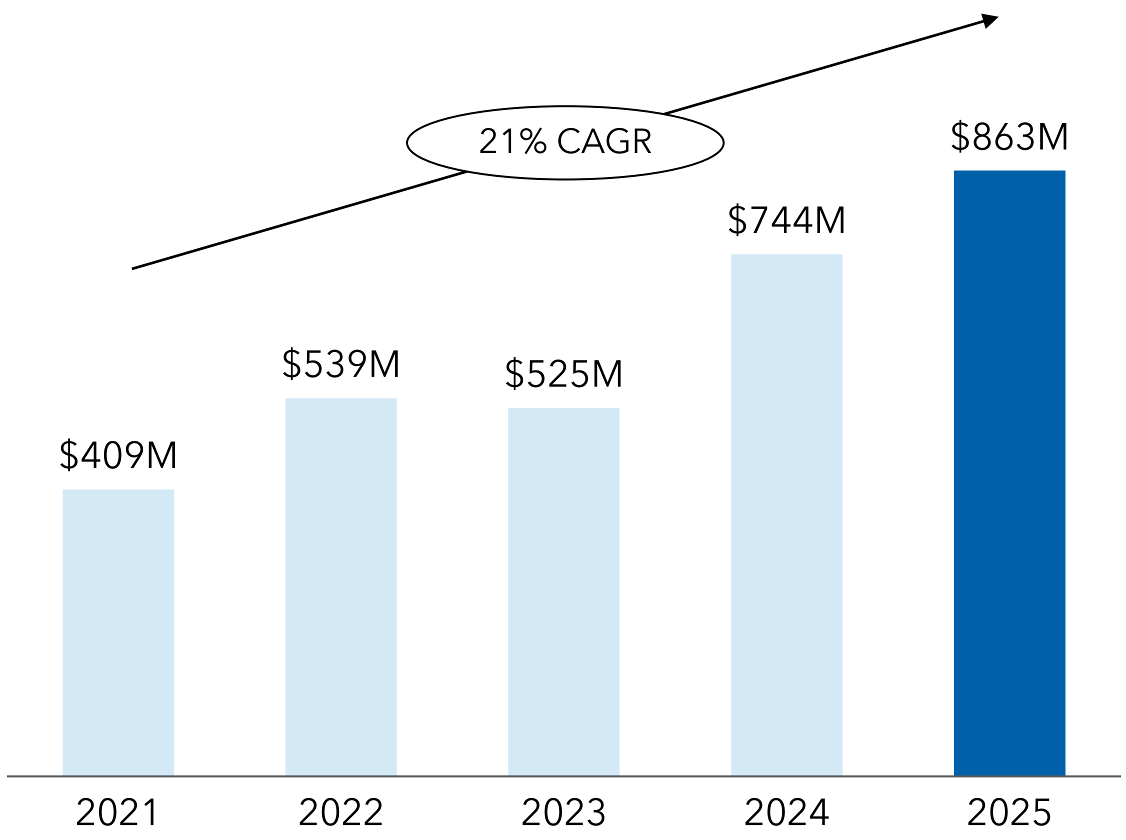


Steady growth in key financial measures

Note: Reconciliations for the Non-GAAP measures Adjusted EBITDA and Adjusted EPS are available at the end of this presentation. Adjusted EBITDA for 2022 - 2025 represents Adjusted EBITDA from continuing operations, which reflects results of the Company's former Consumer and Small Business ("CSB") segment. Adjusted EBITDA for 2021 represents CSB Adjusted EBITDA, which was the Company's segment profit measure for that period and was calculated in accordance with GAAP. The Company has not previously disclosed Adjusted EPS from continuing operations for 2021 or 2022. The representative boxes for these years are included to demonstrate the directional trend of the metric and improvement over time.

We have doubled our free cash flow generation

ADJUSTED FREE CASH FLOW
(including interest rate swaps)



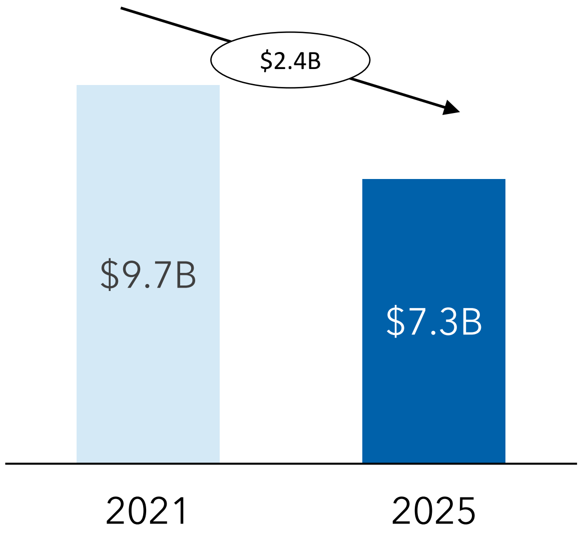
$3B+ cumulative Adjusted Free Cash Flow since 2021

- Prioritized cash generation, with disciplined subscriber acquisition spend and technology and infrastructure investments
- Increased recurring monthly revenue by +9%, while reducing net cash subscriber acquisition costs
- Prudently deployed capital to repay debt, significantly reducing our cash interest expense
- Margins have remained consistent despite inflationary headwinds

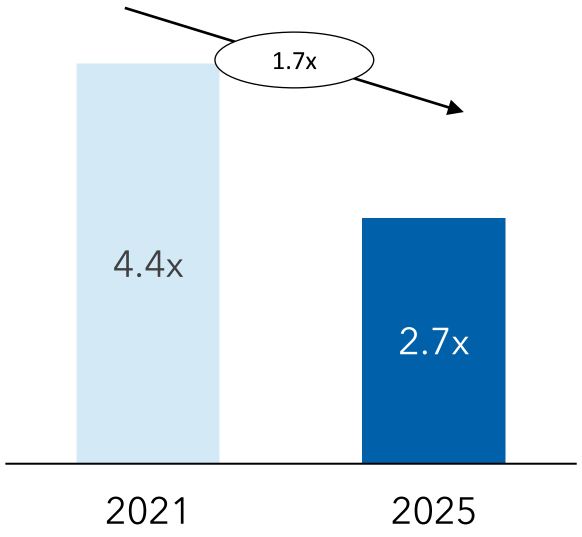
Note: Adjusted Free Cash Flow includes cash flows attributable to the former commercial business through Oct. 2, 2023, the date of sale, and discontinued solar business through the second quarter of 2024; a reconciliation is available at the end of this presentation.

We have significantly reduced leverage and enhanced our capital structure

NET DEBT



NET LEVERAGE RATIO



OPTIMIZED DEBT FACILITIES

5 year	4.3%	98%	BB/Ba3
weighted avg. maturity	avg. effective interest rate	fixed via swaps	credit ratings

Improved capital structure enabling capital allocation flexibility

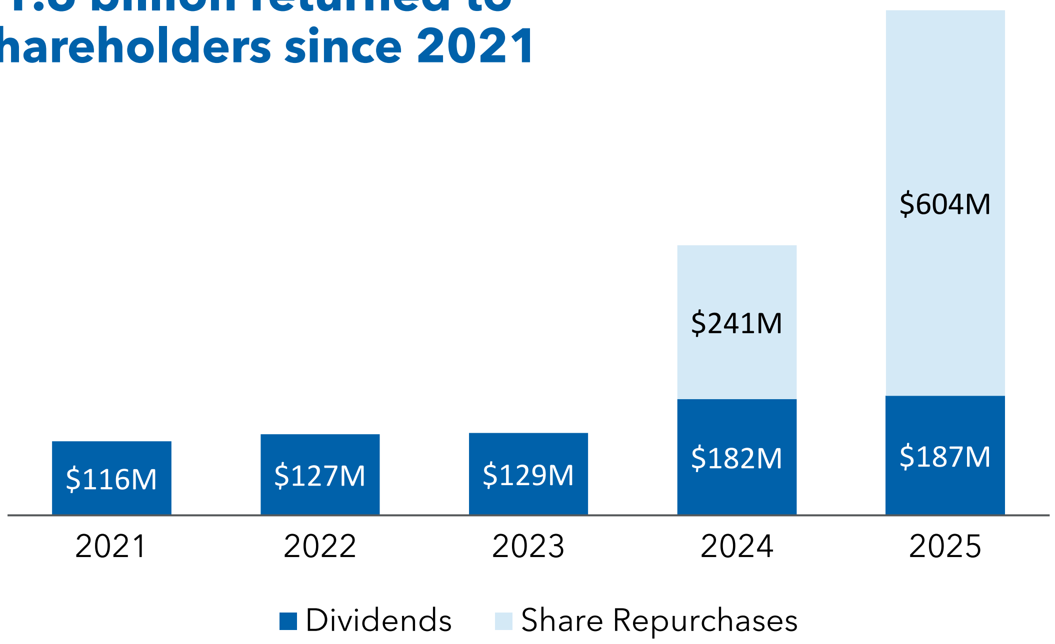
- Executed multiple refinancing and repricing transactions
- Repaid $2.4B, including proceeds from Commercial Divestiture
- Converted full capital structure to first lien
- Upsized revolving credit facility to $800M, currently undrawn

Note: LTM Adjusted EBITDA used in net leverage ratio for 2021 reflects historical amounts including the commercial and solar businesses. Reconciliations for the Non-GAAP measures Net Debt and Net Leverage Ratio are available at the end of this presentation.

We are committed to shareholder returns through our balanced approach to capital allocation

CAPITAL RETURNS[1]

$1.6 billion returned to shareholders since 2021



Capital allocation priorities

Share repurchases
Highly attractive at recent share prices

Dividends
Maintaining regular quarterly dividend

Leverage
Targeting continued leverage reduction to below 2.5x

M&A
Potential opportunistic acquisitions to accelerate technology development or expand footprint

Newly authorized 3-year $1.5 billion share repurchase program

Note:
1. Excludes $1.2B of share repurchases made in 2022 in connection with the State Farm strategic investment and excise tax payments associated with repurchases.

Our multi-year framework is enabled by 2026 initiatives and investments

- **Multi-year framework** for strong revenue growth, with adjusted EPS growing faster than revenue and adjusted FCF growing faster than adjusted EBITDA
- **2026 initiatives** and investments focused on expanding TAM, enhancing customer loyalty, and improving efficiency

	2026 Outlook	Multi-Year Framework
Total Revenue	Flat	**~5%**
Adjusted EPS	Flat	**~10%**
Adjusted FCF (including interest rate swaps)	20%+	**10%+**

Our compelling value creation algorithm generates strong long-term total shareholder returns

Well positioned to deliver strong total shareholder returns

ADT is a compelling investment, well-positioned for durable long-term value creation and strong shareholder returns

- **Most trusted brand** in smart home security
- **Stable recurring subscriber base** generates significant durable and resilient recurring revenue
- **National footprint and scale** with industry-leading monitoring and service infrastructure
- **Proprietary technology platform** enables expanded and unique use cases and features
- **Differentiated** with innovative offerings, unrivaled safety, and premium customer experience
- **Significant free cash flow** generation and efficient capital structure enables financial flexibility
- **Committed to strong shareholder returns** via investments in growth and direct returns of capital

4.

2025 Financial Results

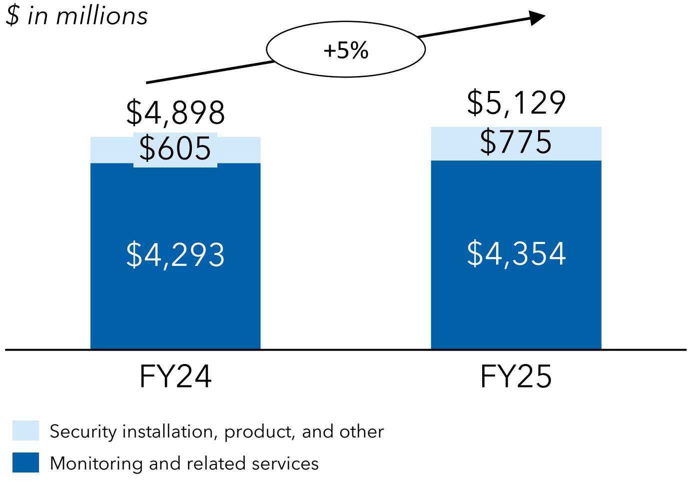
2025 highlights

$5.1B **Total Revenue** *Up 5%*	**$2.7B** **Adjusted EBITDA** *Up 4%*	**$0.89** **Adjusted EPS** *Up 19%*
2.3 years **Revenue Payback** *Up 0.1*	**$863M** **Adjusted Free Cash Flow** *(incl. interest rate swaps)* *Up 16%*	**2.7x** **Net Leverage Ratio** *Down 0.2x*

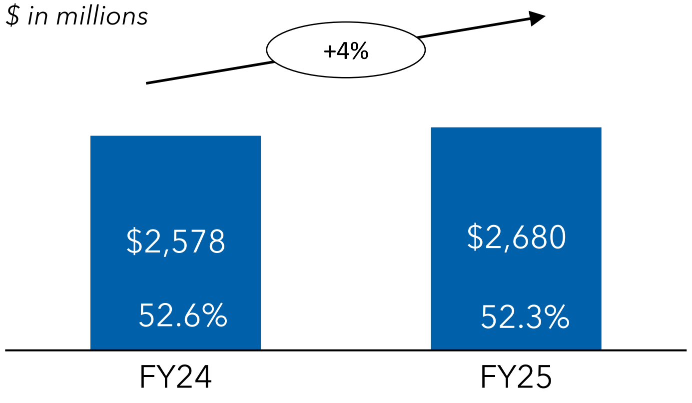
Note: All variances are on a year-over-year basis. Reconciliations for the Non-GAAP measures Adjusted EBITDA, Adjusted EPS, Adjusted Free Cash Flow (incl. interest rate swaps) and Net Leverage Ratio are available at the end of this presentation.

Key full year financials

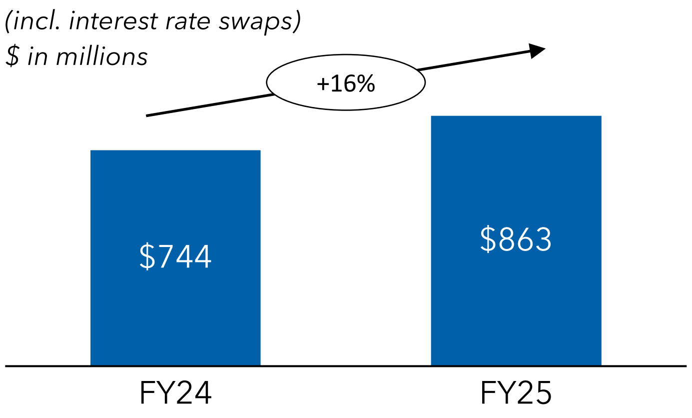
TOTAL REVENUE



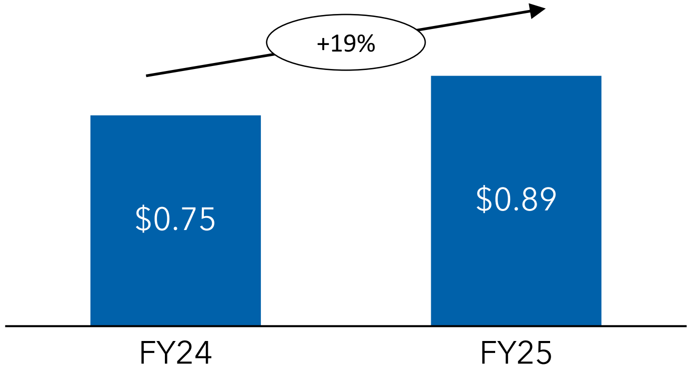
ADJUSTED EBITDA & MARGIN



ADJUSTED FREE CASH FLOW



ADJUSTED EPS



Highlights

- Strong results; all metrics within or above original guidance ranges
- Increase in revenue primarily due to mix of pro install outright sales and average pricing
- Earnings growth driven by RMR, higher installation margin, and continued cost efficiencies while investing for growth
- Improved cash generation from earnings growth, lower SAC spend, and timing of working capital
- Returned $791 million to shareholders via share repurchases and dividends

Note: Adjusted Free Cash Flow includes cash flows attributable to the discontinued solar business through the second quarter of 2024. Reconciliations for the Non-GAAP measures Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, and Adjusted Free Cash Flow (incl. interest rate swaps) are available at the end of this presentation.

Additional key metrics

	FY25	FY24	Y/Y %
Ending Subscriber Count	6.1M	6.4M	(4%)
End of Period RMR including wholesale	$359M	$359M	0%
Gross RMR Additions	$47.6M	$49.7M	(4%)
Gross Unit Additions	792K	836K	(5%)
Gross Revenue Attrition	13.1%	12.7%	40 bps
LTM Revenue Payback	2.3x	2.2x	0.1x
Net Cash SAC	$1,303M	$1,392M	(6%)

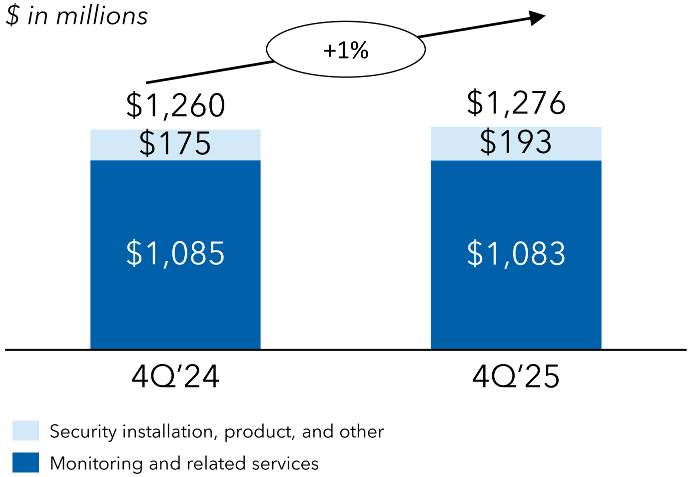
Highlights

- RMR reflects higher average pricing in core customer segments, offset by $2.6M reduction from Multifamily Divestiture
- Higher average pricing on new adds driven by favorable mix of pro install products & services
- Lower SAC spend, driven by strong unit economics, and lower gross adds volume
- Elevated attrition driven by non-pay cancellations

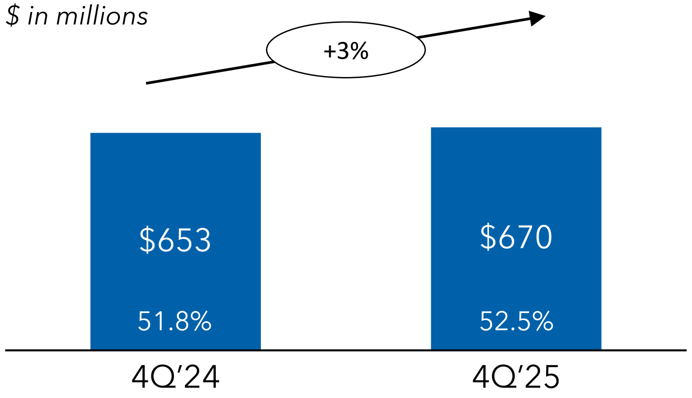
Note: Operating metrics presented exclude wholesale customers who outsource their monitoring to ADT unless otherwise noted. Gross Unit Additions represent Residential and Small Business. Net Cash Subscriber Acquisition Costs (SAC) represents the estimated cash expenditures for sales and installation, net of inflows received. Prior year metrics include legacy Multifamily business, which was divested on October 1, 2025.

Key quarterly financials & metrics

TOTAL REVENUE

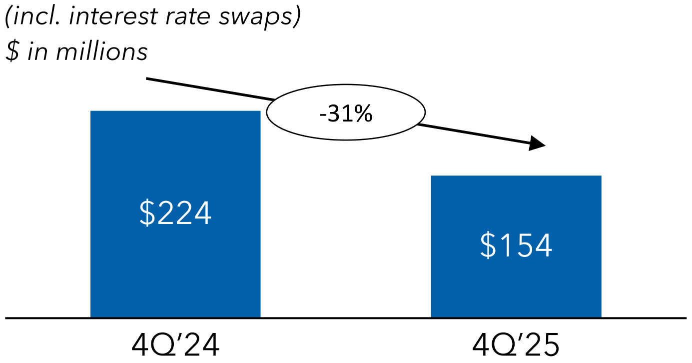


ADJUSTED EBITDA & MARGIN

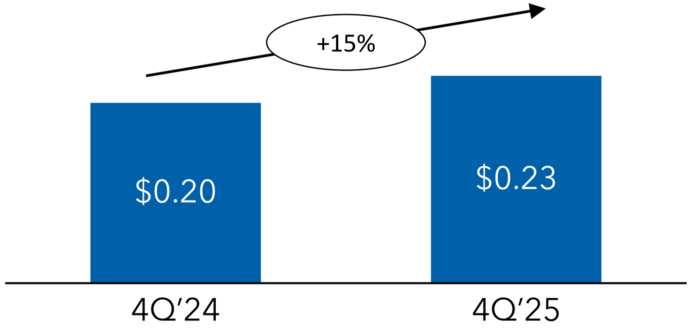


	4Q'25	4Q'24	Y/Y %
Gross RMR Additions	$10.3M	$11.1M	(7%)
Gross Unit Additions	169K	186K	(9%)
Net Cash SAC	$277M	$320M	(14%)

ADJUSTED FREE CASH FLOW



ADJUSTED EPS

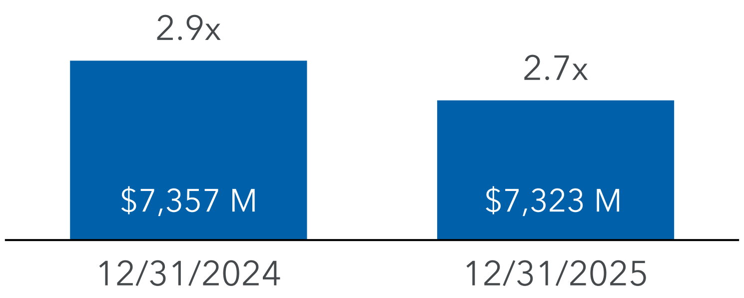


Note: Operating metrics presented exclude wholesale customers who outsource their monitoring to ADT unless otherwise noted. Gross Unit Additions represent Residential and Small Business. Net Cash Subscriber Acquisition Costs (SAC) represents the estimated cash expenditures for sales and installation, net of inflows received. Prior year metrics include legacy Multifamily business, which was divested on October 1, 2025. Reconciliations for the Non-GAAP measures Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, and Adjusted Free Cash Flow (incl. interest rate swaps) are available at the end of this presentation.

Capital structure and maturity profile

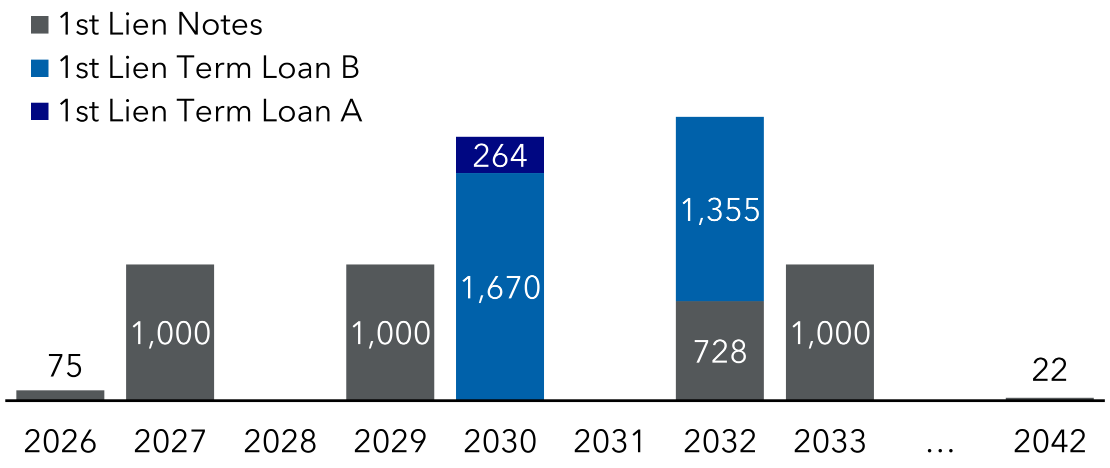
- **2.7x Net Leverage Ratio**, down from 2.9x in prior year
- **Strong liquidity** position with **undrawn $800M revolver facility** and $81M cash on hand at year end
- **2025 transactions strengthened debt profile** by reducing **average cost of debt to 4.3%** and **extending $2.5B of maturities**
  - New issuances: ~$1.5B 2032 Term Loan B (S+175), $1B 2033 notes (5.875%); ~$0.3B Term Loan A (S+150)
  - Repayments: $1.3B 2028 notes (6.25%), ~$1.3B 2026 notes (5.75%), $0.2B 2030 Term Loan B (S+200)
- Expect to repay remaining $75M of 2026 notes with cash on hand and/or operating cash generated

NET DEBT AND LEVERAGE RATIOS[1]



	12/31/2024	12/31/2025
Net Debt / Adj. EBITDA prior to subscriber acquisition	2.6x	2.5x
Net Debt / Annualized RMR	1.7x	1.7x

DEBT MATURITY PROFILE[2]



Note:

1. LTM Adjusted EBITDA reflects continuing operations only. The leverage ratio under our credit agreement includes certain defined adjustments and may differ from the ratio presented above. Reconciliations for the Non-GAAP measures Net Debt and Net Leverage Ratios are available at the end of this presentation.
2. Excludes annual mandatory amortization on Term Loans ($42M-$51M/year in 2026-2030; $15M in 2031), receivables facility, and finance leases. Excludes any amount drawn on our $800M revolver facility, which is zero as of 12/31/2025.

Appendix

Additional Financial Information & Non-GAAP Reconciliations

Financial & Operating Measures

($ in millions)	Dec. 31, 2025	Sept. 30, 2025	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024	Sept. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
	For the Three Months Ended								For the Twelve Months Ended	
Financial Measures										
Monitoring and related services (M&S)	$1,083	$1,098	$1,090	$1,083	$1,085	$1,078	$1,068	$1,063	$4,354	$4,293
Security installation, product, and other	$193	$200	$197	$184	$175	$166	$136	$127	$775	$605
Total Revenue	**$1,276**	**$1,298**	**$1,287**	**$1,267**	**$1,260**	**$1,244**	**$1,205**	**$1,190**	**$5,129**	**$4,898**
Adjusted EBITDA	**$670**	**$676**	**$674**	**$661**	**$653**	**$659**	**$629**	**$638**	**$2,680**	**$2,578**
Adjusted EBITDA Margin (% Revenue)	*52.5%*	*52.1%*	*52.3%*	*52.1%*	*51.8%*	*53.0%*	*52.2%*	*53.6%*	*52.3%*	*52.6%*
Adjusted Income (Loss) from continuing operations	**$186**	**$187**	**$191**	**$186**	**$176**	**$183**	**$156**	**$171**	**$750**	**$685**
Adjusted EPS	$0.23	$0.23	$0.23	$0.21	$0.20	$0.20	$0.17	$0.19	$0.89	$0.75
GAAP Income (Loss) from continuing operations	**$146**	**$144**	**$168**	**$142**	**$197**	**$132**	**$126**	**$164**	**$601**	**$619**
GAAP EPS	$0.17	$0.17	$0.19	$0.16	$0.21	$0.14	$0.13	$0.17	$0.68	$0.66
Operating Measures										
Gross RMR Additions	$10.3	$12.5	$14.3	$10.6	$11.1	$14.7	$12.5	$11.4	$47.6	$49.7
Gross Unit Additions	169K	210K	242K	172K	186K	250K	212K	187K	792K	836K
LTM Gross Customer Revenue Attrition	13.1%	13.0%	12.8%	12.6%	12.7%	12.8%	12.9%	13.1%	13.1%	12.7%
LTM Revenue Payback (in years) (1)	2.3x	2.3x	2.3x	2.3x	2.2x	2.2x	2.2x	2.1x	2.3x	2.2x
End of Period RMR (including Wholesale)	$359	$362	$363	$360	$359	$359	$355	$353	$359	$359
End of Period RMR (excluding Wholesale)	*$354*	*$358*	*$358*	*$355*	*$355*	*$354*	*$351*	*$349*	*$354*	*$355*

Note: Operating measures exclude wholesale customers who outsource their monitoring to ADT, unless otherwise noted. Gross Unit Additions represent Residential and Small Business.
1. LTM Revenue Payback measures the approximate time, in years, required to recover our net SAC through contractual monthly recurring fees.

Adjusted Free Cash Flow Detail

($ in millions)	Dec. 31, 2025	Sept. 30, 2025	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024	Sept. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
	For the Three Months Ended								For the Twelve Months Ended	
Adjusted Free Cash Flow										
Adjusted EBITDA	$670	$676	$674	$661	$653	$659	$629	$638	$2,680	$2,578
Net Expensed SAC	$46	$61	$48	$51	$52	$68	$69	$72	$206	$262
Net Cash SAC [1]	($277)	($355)	($369)	($302)	($320)	($414)	($357)	($300)	($1,303)	($1,392)
Cash Taxes	($4)	($41)	($100)	$2	($1)	($4)	($16)	($1)	($142)	($22)
Cash Interest	($126)	($129)	($64)	($155)	($60)	($181)	($75)	($141)	($474)	($457)
Capital and Software Expenditures [2]	($60)	($53)	($49)	($60)	($55)	($55)	($73)	($54)	($221)	($238)
Working Capital & Other	($112)	$35	$118	$12	($64)	$65	$52	($125)	$53	($72)
Adjusted Free Cash Flow	**$139**	**$192**	**$257**	**$210**	**$205**	**$137**	**$229**	**$89**	**$798**	**$659**
Interest Rate Swaps	$15	$16	$16	$16	$19	$22	$22	$22	$65	$85
Adjusted Free Cash Flow (incl. interest rate swaps)	**$154**	**$208**	**$274**	**$226**	**$224**	**$158**	**$251**	**$111**	**$863**	**$744**
Selected Items Detail										
Non-capitalized Net SAC	$38	$59	$3	$55	$52	$52	$47	$19	$155	$170
Capitalized Net SAC	$238	$296	$366	$247	$268	$363	$311	$281	$1,148	$1,222
Net Cash SAC [1]	**$277**	**$355**	**$369**	**$302**	**$320**	**$414**	**$357**	**$300**	**$1,303**	**$1,392**
memo: Net Expensed SAC	*$46*	*$61*	*$48*	*$51*	*$52*	*$68*	*$69*	*$72*	*$206*	*$262*

Note:
1. Differs from contractual amounts, due to the timing of cash receipts and repayments under the terms of our consumer financing program, as well as other non-cash add-backs.
2. Capital expenditures include software investments presented in operating cash flow in GAAP cash flow statement and exclude special items primarily related to third-party costs that are one-time or unusual in nature.

Net Subscriber Acquisition Cost Calculation

($ in millions)	For the three months ended December 31, 2025 Capitalized	For the three months ended December 31, 2025 Non-capitalized	For the three months ended December 31, 2025 Total	For the twelve months ended December 31, 2025 Total
Selling, Advertising, and Commissions	$93	$68	$160	$662
Security Installation, Product, and Other Cost	-	$81	$81	$341
Capitalized Direct SAC	$89	-	$89	$396
Capitalized Dealer SAC	$109	-	$109	$596
Upfront Cash Proceeds	($51)	($110)	($162)	($692)
Net Cash SAC	**$238**	**$38**	**$277**	**$1,303**

Note: Upfront cash proceeds in non-capitalized SAC differ from contractual amounts, due to the timing of cash receipts and repayments under the terms of our consumer financing program, as well as other non-cash add-backs.

Statements of Operations

(in millions, except per share data)	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	$ Change	% Change	Twelve Months Ended December 31, 2025	Twelve Months Ended December 31, 2024	$ Change	% Change
Revenue:								
Monitoring and related services	$ 1,083	$ 1,085	$ (2)	—%	$ 4,354	$ 4,293	$ 61	1%
Security installation, product, and other	193	175	18	10%	775	605	170	28%
Total revenue	1,276	1,260	16	1%	5,129	4,898	230	5%
Cost of revenue *(exclusive of depreciation and amortization shown separately below):*								
Monitoring and related services	161	157	4	3%	642	617	25	4%
Security installation, product, and other	81	78	4	5%	341	230	111	48%
Total cost of revenue	242	234	7	3%	983	847	136	16%
Selling, general, and administrative expenses	360	380	(19)	(5)%	1,470	1,500	(31)	(2)%
Depreciation and intangible asset amortization	341	341	—	—%	1,367	1,343	24	2%
Operating income (loss)	333	305	27	9%	1,309	1,208	101	8%
Interest expense, net	(110)	(82)	(28)	(34)%	(459)	(441)	(18)	(4)%
Other income (expense)	(8)	3	(11)	N/M	(16)	48	(64)	N/M
Income (loss) from continuing operations before income taxes	215	227	(12)	(5)%	834	815	19	2%
Income tax benefit (expense)	(68)	(29)	(39)	N/M	(233)	(196)	(38)	(19)%
Income (loss) from continuing operations	146	197	(51)	(26)%	601	619	(19)	(3)%
Income (loss) from discontinued operations, net of tax	(1)	(7)	6	88%	(5)	(118)	114	96%
Net income (loss)	$ 145	$ 190	$ (45)	(23)%	$ 596	$ 501	$ 95	19%
Common Stock:								
Income (loss) from continuing operations per share - basic	$ 0.18	$ 0.22			$ 0.72	$ 0.69		
Income (loss) from continuing operations per share - diluted	$ 0.17	$ 0.21			$ 0.68	$ 0.66		
Net income (loss) per share - basic	$ 0.18	$ 0.21			$ 0.72	$ 0.56		
Net income (loss) per share - diluted	$ 0.17	$ 0.20			$ 0.67	$ 0.52		
Weighted-average shares outstanding - basic	762	832			778	847		
Weighted-average shares outstanding - diluted	825	895			841	909		
Class B Common Stock:								
Income (loss) from continuing operations per share - basic	$ 0.18	$ 0.22			$ 0.72	$ 0.69		
Income (loss) from continuing operations per share - diluted	$ 0.17	$ 0.21			$ 0.68	$ 0.66		
Net income (loss) per share - basic	$ 0.18	$ 0.21			$ 0.72	$ 0.56		
Net income (loss) per share - diluted	$ 0.17	$ 0.20			$ 0.67	$ 0.52		
Weighted-average shares outstanding - basic	55	55			55	55		
Weighted-average shares outstanding - diluted	55	55			55	55		

Note: Amounts may not sum due to rounding.

Balance Sheets

in millions	December 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 81	$ 96
Restricted cash and restricted cash equivalents	28	108
Accounts receivable, net	385	394
Inventories, net	202	197
Prepaid expenses and other current assets	250	211
Total current assets	946	1,005
Property and equipment, net	243	247
Subscriber system assets, net	2,791	2,981
Intangible assets, net	4,818	4,854
Goodwill	4,886	4,904
Deferred subscriber acquisition costs, net	1,452	1,324
Other assets	683	735
Total assets	$ 15,819	$ 16,051
Liabilities and stockholders' equity		
Current liabilities:		
Current maturities of long-term debt	$ 310	$ 196
Accounts payable	107	154
Deferred revenue	244	248
Accrued expenses and other current liabilities	337	635
Current liabilities of discontinued operations	15	32
Total current liabilities	1,013	1,264
Long-term debt	7,379	7,511
Deferred subscriber acquisition revenue	2,084	2,068
Deferred tax liabilities	1,267	1,167
Other liabilities	282	224
Noncurrent liabilities of discontinued operations	14	16
Total liabilities	12,040	12,250
Total stockholders' equity	3,779	3,801
Total liabilities and stockholders' equity	$ 15,819	$ 16,051

Note: Amounts may not sum due to rounding.

Statements of Cash Flows

in millions	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	Twelve Months Ended December 31, 2025	Twelve Months Ended December 31, 2024
Cash flows from operating activities:				
Net income (loss)	$ 145	$ 190	$ 596	$ 501
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and intangible asset amortization	341	341	1,367	1,345
Amortization of deferred subscriber acquisition costs	66	59	253	225
Amortization of deferred subscriber acquisition revenue	(90)	(89)	(358)	(346)
Share-based compensation expense	12	9	55	49
Deferred income taxes	95	52	142	140
Provision for losses on receivables and inventory	46	69	202	215
Loss on extinguishment of debt	8	5	19	5
Goodwill, intangible, and other asset impairments	—	3	15	24
(Gain) Loss on sale of business	—	10	—	10
Unrealized (gain) loss on interest rate swap contracts	14	(16)	71	45
Other non-cash items, net	20	(88)	73	(34)
Changes in operating assets and liabilities, net of effects of acquisitions and dispositions:				
Deferred subscriber acquisition costs	(93)	(95)	(381)	(366)
Deferred subscriber acquisition revenue	51	56	225	252
Other, net	(243)	(46)	(394)	(178)
Net cash provided by (used in) operating activities	374	460	1,884	1,885
Cash flows from investing activities:				
Dealer generated customer accounts and bulk account purchases	(109)	(112)	(596)	(586)
Subscriber system asset expenditures	(89)	(117)	(396)	(523)
Purchases of property and equipment	(50)	(34)	(176)	(164)
Proceeds (payments) from divestiture of businesses	51	3	51	(18)
Proceeds (payments) from interest rate swaps	—	(2)	(2)	(8)
Other investing, net	—	—	2	3
Net cash provided by (used in) investing activities	(197)	(261)	(1,118)	(1,295)
Cash flows from financing activities:				
Proceeds from long-term borrowings	1,613	98	2,952	1,069
Repayment of long-term borrowings, including call premiums	(1,735)	(98)	(3,012)	(1,186)
Proceeds from receivables facility	62	39	269	229
Repayment of receivables facility	(60)	(54)	(234)	(257)
Proceeds (payments) from interest rate swaps	16	21	67	93
Repurchases of common stock, including excise tax	—	(147)	(607)	(241)
Dividends on common stock	(45)	(50)	(187)	(182)
Payments on finance leases	(10)	(6)	(30)	(29)
Proceeds (payments) from opportunity fund	(78)	(7)	(78)	(7)
Other financing, net	(2)	5	(2)	(4)
Net cash provided by (used in) financing activities	(239)	(199)	(862)	(515)
Cash and cash equivalents and restricted cash and restricted cash equivalents:				
Net increase (decrease)	(62)	(1)	(96)	74
Beginning balance	171	205	204	130
Ending balance	$ 109	$ 204	$ 109	$ 204

Note: Amounts may not sum due to rounding.

Non-GAAP Measures

ADT sometimes uses information ("non-GAAP financial measures") that is derived from the consolidated financial statements, but that is not presented in accordance with accounting principles generally accepted in the U.S. ("GAAP"). Under SEC rules, non-GAAP financial measures may be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results.

The following information includes definitions of the Company's non-GAAP financial measures used in this presentation, reasons management believes these measures are useful to investors regarding the Company's financial condition and results of operations, additional purposes, if any, for which management uses the non-GAAP financial measures, and limitations to using these non-GAAP financial measures, as well as reconciliations of these non-GAAP financial measures to the most comparable GAAP measures. Each non-GAAP financial measure is presented following the corresponding GAAP measure so as not to imply that more emphasis should be placed on the non-GAAP measure. The limitations of non-GAAP financial measures are best addressed by considering these measures in conjunction with the appropriate GAAP measures. In addition, computations of these non-GAAP measures may not be comparable to other similarly titled measures reported by other companies.

With regard to the Company's financial guidance for 2026 and long-range outlook, the Company is not providing quantitative reconciliations for forward-looking Adjusted EPS to GAAP diluted income (loss) per share from continuing operations or Adjusted Free Cash Flow (including interest rate swaps) to GAAP net cash provided by operating activities, which are the most directly comparable respective GAAP measures. These GAAP measures cannot be reliably predicted or estimated without unreasonable effort due to their dependence on future uncertainties, such as the adjustment of items used in the following reconciliations. Additionally, information not currently available to the Company about other adjusting items could have a potentially unpredictable and potentially significant impact on future GAAP financial results.

Unless otherwise noted, non-GAAP measures herein reflect the results of the Company's continuing operations. Through the second quarter of 2024, Free Cash Flow, Adjusted Free Cash Flow, and Adjusted Free Cash Flow (including interest rate swaps) reflect the results of both continuing and discontinued operations. Beginning in the third quarter of 2024, all remaining cash flows attributable to activities of the solar business have been excluded from these measures as the business was substantially wound down.

GAAP to Non-GAAP Reconciliations

Free Cash Flow, Adjusted Free Cash Flow, and Adjusted Free Cash Flow including interest rate swaps

The Company defines Free Cash Flow as cash flows from operating activities less cash outlays related to capital expenditures. The Company defines capital expenditures to include accounts purchased through the Company's network of authorized dealers or third parties outside of the authorized dealer network, subscriber system asset expenditures, and purchases of property and equipment. These items are subtracted from cash flows from operating activities because they represent long-term investments that are required for normal business activities.

The Company defines Adjusted Free Cash Flow as Free Cash Flow adjusted for net cash flows related to (i) net proceeds or payments from the Company's consumer receivables facility; (ii) restructuring and integration payments; (iii) integration-related capital expenditures; and (iv) transaction costs and other payments or receipts that may mask operating results or business trends. Adjusted Free Cash Flow including interest rate swaps reflects Adjusted Free Cash Flow plus net cash settlements on interest rate swaps presented outside of net cash provided by (used in) operating activities.

The Company believes the presentations of these non-GAAP measures are appropriate to provide investors with useful information about the Company's ability to repay debt, pay dividends, repurchase shares, and make other investments. The Company believes the presentation of Adjusted Free Cash Flow is also a useful measure of the cash flow attributable to normal business activities, inclusive of the net cash flows associated with the acquisition of subscribers, as well as the Company's ability to repay debt, pay dividends, repurchase shares, and make other investments. Further, Adjusted Free Cash Flow including interest rate swaps is a useful measure of Adjusted Free Cash Flow inclusive of all cash interest.

There are material limitations to using these non-GAAP measures. These non-GAAP measures adjust for cash items that are ultimately within management's discretion to direct, and therefore, may imply that there is less or more cash available than the most comparable GAAP measure. These non-GAAP measures are not intended to represent residual cash flow for discretionary expenditures since debt repayment requirements and other non-discretionary expenditures are not deducted.

The non-GAAP measures in the table below include cash flows associated with both continuing and discontinued operations, as applicable during the periods presented, consistent with the GAAP presentation on the Statement of Cash Flows.

	Three Months Ended								Twelve Months Ended				
(in millions)	Dec. 31, 2025	Sep. 30, 2025	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021
Net cash provided by (used in):													
Operating activities	$ 374	$ 480	$ 564	$ 467	$ 460	$ 498	$ 563	$ 364	$ 1,884	$ 1,885	$ 1,658	$ 1,888	$ 1,650
Investing activities	$ (197)	$ (298)	$ (364)	$ (258)	$ (261)	$ (402)	$ (333)	$ (300)	$ (1,118)	$ (1,295)	$ 242	$ (1,533)	$ (1,696)
Financing activities	$ (239)	$ (163)	$ (138)	$ (321)	$ (199)	$ (41)	$ (200)	$ (75)	$ (862)	$ (515)	$ (2,144)	$ (15)	$ (128)
Net cash provided by (used in) operating activities	$ 374	$ 480	$ 564	$ 467	$ 460	$ 498	$ 563	$ 364	$ 1,884	$ 1,885	$ 1,658	$ 1,888	$ 1,650
Dealer generated customer accounts and bulk account purchases	(109)	(157)	(224)	(107)	(112)	(214)	(142)	(118)	(596)	(586)	(589)	(622)	(675)
Subscriber system asset expenditures	(89)	(98)	(104)	(105)	(117)	(123)	(143)	(141)	(396)	(523)	(631)	(735)	(695)
Purchases of property and equipment	(50)	(43)	(38)	(45)	(34)	(43)	(47)	(41)	(176)	(164)	(176)	(177)	(168)
Free Cash Flow	$ 126	$ 182	$ 198	$ 209	$ 197	$ 119	$ 231	$ 65	$ 716	$ 612	$ 262	$ 355	$ 112
Net proceeds (payments) from receivables facility	2	1	44	(12)	(15)	(1)	(20)	8	35	(28)	81	156	123
Radio conversion costs, net[1]	—	—	—	—	—	—	—	—	—	—	(5)	4	198
Restructuring and integration payments[2]	2	2	3	5	3	4	12	13	12	33	43	17	11
Tax payments associated with gain on divestitures	—	—	—	—	—	—	—	—	—	—	25	—	—
Other, net[3]	9	6	12	7	20	14	7	2	35	42	35	26	21
Adjusted Free Cash Flow	$ 139	$ 192	$ 257	$ 210	$ 205	$ 137	$ 229	$ 89	$ 798	$ 659	$ 442	$ 558	$ 465
Interest rate swaps presented outside operating activities	15	16	16	16	19	22	22	22	65	85	83	(19)	(56)
Adjusted Free Cash Flow (including interest rate swaps)	$ 154	$ 208	$ 274	$ 226	$ 224	$ 158	$ 251	$ 111	$ 863	$ 744	$ 525	$ 539	$ 409

Note: Amounts may not sum due to rounding.

1. Represents net payments associated with replacing cellular technology used in many of our security systems pursuant to a replacement program
2. During 2024, and 2023, primarily includes costs related to the Solar business. During 2022, primarily includes CSB restructuring costs and Solar integration costs.
3. During 2025 and 2024, primarily includes net outflows related to the former Solar Business and third-party costs associated with implementation of a new ERP system that the Company will not continue to incur once the ERP system is fully implemented. During the three months ended December 2024, also includes settlement costs associated with the termination of our pension plan. During 2023, primarily includes separation costs associated with the Commercial Divestiture. During 2022, primarily includes costs related to the ADT Solar acquisition. During 2021, primarily includes costs related to the Company's radio replacement program.

GAAP to Non-GAAP Reconciliations

Adjusted EBITDA from Continuing Operations ("Adjusted EBITDA") and Adjusted EBITDA Margin from Continuing Operations ("Adjusted EBITDA Margin")

The Company defines Adjusted EBITDA as income (loss) from continuing operations adjusted for (i) interest; (ii) taxes; (iii) depreciation and amortization, including depreciation of subscriber system assets and other fixed assets and amortization of dealer and other intangible assets; (iv) amortization of deferred costs and deferred revenue associated with subscriber acquisitions; (v) share-based compensation expense; (vi) merger, restructuring, integration, and other items; (vii) impairment charges; and (viii) other non-cash or non-routine adjustments not necessary to operate the business. The Company believes the presentation of Adjusted EBITDA is useful to investors to measure the operational strength and performance of its business. The Company believes Adjusted EBITDA is useful as it provides investors additional information about operating profitability adjusted for certain non-cash items, non-routine items the Company does not expect to continue at the same level in the future, as well as other items not core to its operations. Further, the Company believes Adjusted EBITDA provides a meaningful measure of operating profitability because the Company uses it for evaluating business performance, making budgeting decisions, and comparing performance against other peer companies using similar measures. There are material limitations to using Adjusted EBITDA as it does not include certain significant items which directly affect income (loss) from continuing operations (the most comparable GAAP measure). The discussion above is also applicable to Adjusted EBITDA margin, which is calculated as Adjusted EBITDA as a percentage of total revenue.

	Three Months Ended								Twelve Months Ended			
(in millions unless otherwise noted)	Dec. 31, 2025	Sep. 30, 2025	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Income (loss) from continuing operations	$ 146	$ 144	$ 168	$ 142	$ 197	$ 132	$ 126	$ 164	$ 601	$ 619	$ 450	$ 312
Interest expense, net	110	113	116	121	82	162	110	87	459	441	570	263
Income tax expense (benefit)	68	55	59	51	29	50	60	56	233	196	161	88
Depreciation and intangible asset amortization	341	348	339	340	341	335	334	333	1,367	1,343	1,335	1,600
Amortization of deferred subscriber acquisition costs	66	64	62	60	59	56	55	55	253	225	188	154
Amortization of deferred subscriber acquisition revenue	(90)	(90)	(90)	(89)	(89)	(88)	(86)	(83)	(358)	(346)	(302)	(235)
Share-based compensation expense	12	11	12	21	9	10	21	8	55	49	39	53
Merger, restructuring, integration, and other[1]	—	6	3	4	9	2	2	12	13	24	39	10
Goodwill impairment[2]	—	12	—	—	—	—	—	—	12	—	—	—
Unrealized gain (loss) on interest rate swaps[3]	4	4	4	4	3	5	3	7	15	18	17	—
Loss on extinguishment of debt	8	5	—	6	—	—	5	—	19	5	17	—
Other, net[4]	5	5	1	1	11	(5)	—	(1)	12	5	(32)	60
Adjusted EBITDA	$ 670	$ 676	$ 674	$ 661	$ 653	$ 659	$ 629	$ 638	$ 2,680	2,578	$ 2,481	$ 2,305
Selling (incl. Commissions) and Advertising									281	291		
Security Installations costs									341	230		
Security Installation revenue									(416)	(259)		
Adjusted EBITDA prior to subscriber acquisition									$ 2,886	$ 2,840		
Income (loss) from continuing operations to total revenue ratio	*11%*	*11%*	*13%*	*11%*	*16%*	*11%*	*10%*	*14%*	*12%*	*13%*	*10%*	*7%*
Adjusted EBITDA Margin (as % of total revenue)	*53%*	*52%*	*52%*	*52%*	*52%*	*53%*	*52%*	*54%*	*52%*	*53%*	*53%*	*53%*
Total revenue	1,276	1,298	1,287	1,267	1,260	1,244	1,205	1,190	5,129	4,898	4,653	4,382

Note: Amounts may not sum due to rounding. Amounts are recast to reflect the presentation of the solar and commercial businesses as discontinued operations. 2021 is not presented as it is the CSB segment profit measure in accordance with GAAP.

1. During 2025 and 2024, primarily relates to restructuring costs. During 2023, includes integration and third-party strategic optimization costs, as well as restructuring costs.
2. Represents a goodwill impairment charge associated with the Multifamily Divestiture.
3. Represents unrealized gain / loss related to interest rate swaps presented in other income (expense).
4. During 2023, primarily includes, the gain on sale of a business and other investment. During 2022, represents the change in fair value of other financial instruments.

GAAP to Non-GAAP Reconciliations

Historical Adjusted EBITDA (including discontinued operations)

Historical Adjusted EBITDA includes results of the Company's continuing and discontinued operations and reflects the calculation of the measure prior to the Company reporting results of the commercial and solar businesses as discontinued operations. The Company believes the presentation of historical Adjusted EBITDA provides useful information to investors about the Company's measure of Adjusted EBITDA prior to the results of the commercial and solar businesses being reported as discontinued operations. The Company also uses this measure in certain calculations such as historical leverage ratio.

The Company defines historical Adjusted EBITDA as net income or loss adjusted for (i) interest; (ii) taxes; (iii) depreciation and amortization, including depreciation of subscriber system assets and other fixed assets and amortization of dealer and other intangible assets; (iv) amortization of deferred costs and deferred revenue associated with subscriber acquisitions; (v) share-based compensation expense; (vi) merger, restructuring, integration, and other; (vii) losses on extinguishment of debt; (viii) radio conversion costs net of any related incremental revenue earned; (ix) adjustments related to acquisitions, such as contingent consideration and purchase accounting adjustments, or dispositions; (x) impairment charges; and (xi) other income/gain or expense/loss items such as changes in fair value of certain financial instruments or financing and consent fees.

There are material limitations to using historical Adjusted EBITDA as it does not reflect certain significant items, which directly affect net income or loss (the most comparable GAAP measure).

(in millions)	Twelve Months Ended December 31, 2021
Net income (loss)	$ (341)
Interest expense, net	458
Income tax expense (benefit)	(130)
Depreciation and intangible asset amortization	1,915
Amortization of deferred subscriber acquisition costs	126
Amortization of deferred subscriber acquisition revenue	(172)
Share-based compensation expense	61
Merger, restructuring, integration, and other	38
Loss on extinguishment of debt	37
Radio conversion costs, net	211
Non-cash acquisition-related adjustments and other, net	10
Historical Adjusted EBITDA	$ 2,213

Note: Amounts may not sum due to rounding.

GAAP to Non-GAAP Reconciliations

Adjusted Income (Loss) from Continuing Operations ("Adjusted Income (Loss)") and Adjusted Diluted Income (Loss) per Share from Continuing Operations ("Adjusted Diluted Income (Loss) per Share" or "Adjusted EPS")

The Company defines Adjusted Income (Loss) as income (loss) from continuing operations adjusted for (i) share-based compensation expense; (ii) merger, restructuring, integration, and other items; (iii) impairment charges; (iv) unrealized (gains) or losses on interest rate swaps; (v) other non-cash or non-routine adjustments not necessary to operate our business; and (vi) the impact these items have on taxes. The Company defines Adjusted EPS as diluted income (loss) from continuing operations per share adjusted for the per share amounts related to (i) share-based compensation expense; (ii) merger, restructuring, integration, and other items; (iii) impairment charges; (iv) unrealized (gains) or losses on interest rate swaps; (v) other non-cash or non-routine adjustments not necessary to operate our business; and (vi) the impact these items have on taxes.

Adjusted EPS equals Adjusted Income (Loss) divided by diluted weighted-average shares outstanding of common stock as calculated in accordance with GAAP. When the control number for the GAAP calculation is negative, diluted weighted-average shares outstanding of common stock does not include the assumed conversion of Class B common stock and other potential shares, such as share-based compensation awards, to shares of common stock. The Company believes Adjusted Income (Loss) and Adjusted EPS are benchmarks used by analysts and investors who follow the industry for comparison of its performance with other companies in the industry, although these measures may not be directly comparable to similar measures reported by other companies. The Company believes the presentation of Adjusted EPS is useful to investors as it provides additional information about how our management evaluates the business. Beginning in 2025, management and the Board also use Adjusted EPS to evaluate the performance of employees (including members of management) and the Company as a whole, as well as to allocate resources.

There are material limitations to using these measures, as they do not reflect certain significant items which directly affect income (loss) from continuing operations and related per share amounts (the most comparable GAAP measures).

(in millions, except per share data)	Three Months Ended								Twelve Months Ended		
	Dec. 31, 2025	**Sep. 30, 2025**	**Jun. 30, 2025**	**Mar. 31, 2025**	**Dec. 31, 2024**	**Sep. 30, 2024**	**Jun. 30, 2024**	**Mar. 31, 2024**	**Dec. 31, 2025**	**Dec. 31, 2024**	**Dec. 31, 2023**
Income (loss) from continuing operations	$ 146	$ 144	$ 168	$ 142	$ 197	$ 132	$ 126	$ 164	$ 601	$ 619	$ 450
Share-based compensation expense	12	11	12	21	9	10	21	8	55	49	39
Merger, restructuring, integration, and other[1]	—	6	3	4	9	2	2	12	13	24	39
Goodwill impairment[2]	—	12	—	—	—	—	—	—	12	—	—
Interest rate swaps, net[3]	14	15	17	25	(16)	63	8	(10)	71	45	64
Loss on extinguishment of debt	8	5	—	6	—	—	5	—	19	5	17
Other, net	6	5	1	1	11	(5)	—	(1)	12	5	(32)
Tax adjustments[4]	1	(11)	(10)	(13)	(35)	(18)	(6)	(2)	(32)	(62)	(27)
Adjusted Income (Loss)	$ 187	$ 187	$ 191	$ 186	$ 176	$ 183	$ 156	$ 171	$ 750	$ 685	$ 549
Diluted weighted-average shares outstanding of Common Stock[5]:	825	828	840	871	895	913	909	918	841	909	919
Diluted income (loss) from continuing operations per share of Common Stock	$ 0.17	$ 0.17	$ 0.19	$ 0.16	$ 0.21	$ 0.14	$ 0.13	$ 0.17	$ 0.68	$ 0.66	$ 0.47
Share-based compensation expense	0.01	0.01	0.01	0.02	0.01	0.01	0.02	0.01	0.06	0.05	0.04
Merger, restructuring, integration, and other[1]	—	0.01	—	—	0.01	—	—	0.01	0.02	0.03	0.04
Goodwill impairment[2]	—	0.01	—	—	—	—	—	—	0.01	—	—
Interest rate swaps, net[3]	0.02	0.02	0.02	0.03	(0.02)	0.07	0.01	(0.01)	0.08	0.05	0.07
Loss on extinguishment of debt	0.01	0.01	—	0.01	—	—	—	—	0.02	0.01	0.02
Other, net	0.01	0.01	—	—	0.02	(0.01)	—	—	0.04	0.01	(0.04)
Tax adjustments[4]	—	(0.01)	(0.01)	(0.01)	(0.04)	(0.02)	(0.01)	—	(0.04)	(0.07)	(0.03)
Adjusted EPS	$ 0.23	$ 0.23	$ 0.23	$ 0.21	$ 0.20	$ 0.20	$ 0.17	$ 0.19	$ 0.89	$ 0.75	$ 0.60

Note: Amounts may not sum due to rounding. Amounts are recast to reflect the presentation of the solar and commercial business as discontinued operations.

1. During 2025 and 2024, primarily relates to restructuring costs. During 2023, includes integration and third-party costs related to the strategic optimization of the Solar business operations following the ADT Solar acquisition as well as restructuring costs.
2. Represents a goodwill impairment charge associated with the Multifamily Divestiture.
3. Primarily includes the unrealized (gains) or losses on interest rate swaps presented in interest expense, net and other income (expense).
4. Represents the tax impact on adjustments, using the federal and state blended statutory rate. During the fourth quarter of 2024, also includes tax reserve releases of approximately $30 million associated with The ADT Security Company's separation from Tyco.
5. Refer to the Company's Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K for further discussion regarding the computation of diluted weighted-average shares outstanding of common stock.

GAAP to Non-GAAP Reconciliations

Leverage Ratios

Net Leverage Ratio, Net Leverage Ratio prior to subscriber acquisition, and Net Debt / Annualized RMR are calculated as the ratio of net debt to last twelve months ("LTM") Adjusted EBITDA from continuing operations, LTM Adjusted EBITDA from continuing operations prior to subscriber acquisition, and annualized RMR, respectively. Net debt is calculated as total debt excluding the Receivables Facility, including capital leases, minus cash and cash equivalents. Refer to the discussion on Adjusted EBITDA for descriptions of the differences between Adjusted EBITDA and income (loss) from continuing operations, which is the most comparable GAAP measure. The Company believes these measures are useful measures of the Company's credit position and progress towards leverage targets. There are material limitations to using these measures as the Company may not always be able to use cash to repay debt on a dollar-for-dollar basis.

(in millions)	Dec. 31, 2025	Dec. 31, 2024
Total debt (book value)	$ 7,690	$ 7,707
LTM Income (loss) from continuing operations	$ 601	$ 619
Debt to income (loss) from continuing operations ratio	**12.8x**	**12.4x**

(in millions)	Dec. 31, 2025	Dec. 31, 2024
Revolver	$ —	$ —
Term loans	3,531	1,984
First lien and ADT notes	3,825	4,100
Receivables facility	443	408
Finance leases and other	48	69
Total first lien debt	**$ 7,847**	**$ 6,561**
Second lien notes	—	1,300
Total debt[(1)]	**$ 7,847**	**$ 7,861**
Less: Cash and cash equivalents	(81)	(96)
Less: Receivables Facility	(443)	(408)
Net debt	**$ 7,323**	**$ 7,357**
LTM Adjusted EBITDA from continuing operations	$ 2,680	$ 2,578
Net leverage ratio	**2.7x**	**2.9x**
LTM Adjusted EBITDA from continuing operations prior to subscriber acquisition	$ 2,886	$ 2,840
Net leverage ratio prior to subscriber acquisition	**2.5x**	**2.6x**
Annualized RMR	$ 4,304	$ 4,313
Net Debt / Annualized RMR	**1.7x**	**1.7x**

Note: Amounts may not sum due to rounding.

1. Debt instruments are stated at face value.

GAAP to Non-GAAP Reconciliations

Historical Leverage Ratios (including discontinued operations)

Net Leverage Ratio (historical), Net Leverage Ratio prior to subscriber acquisition (historical), and Net Debt / Annualized RMR (historical) is calculated as the ratio of net debt to last twelve months ("LTM") Historical Adjusted EBITDA, LTM Historical Adjusted EBITDA prior to subscriber acquisition, and annualized RMR, respectively. Net debt is calculated as total debt excluding the Receivables Facility, including capital leases, minus cash and cash equivalents. Refer to the discussion on Historical Adjusted EBITDA for descriptions of the differences between Historical Adjusted EBITDA and net income (loss), which is the most comparable GAAP measure. The Company believes Net Leverage Ratio is a useful measure of the Company's credit position and progress towards leverage targets. There are material limitations to using Net Leverage Ratio as the Company may not always be able to use cash to repay debt on a dollar-for-dollar basis.

Historical Leverage Ratio includes results of the Company's continuing and discontinued operations and reflects the calculation of the measure prior to the Company reporting results of the commercial and solar businesses as discontinued operations.

(in millions)		Dec. 31, 2021
Total debt (book value)	$	9,693
LTM net income (loss)	$	(341)
Debt to net income (loss) ratio		**(28.4x)**

(in millions)		Dec. 31, 2021
Revolver	$	25
Term loans		2,758
First lien and ADT notes		5,550
Receivables facility		199
Finance leases and other		98
Total first lien debt		**8,630**
Second lien notes		1,300
Total debt[(1)]		**9,930**
Less: Cash and cash equivalents		(24)
Less: Receivables Facility		(199)
Net debt	**$**	**9,706**
LTM Historical Adjusted EBITDA	$	2,213
Net leverage ratio		**4.4x**

Note: Amounts may not sum due to rounding.

1. Debt instruments are stated at face value.

For More Information

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