

Investor Overview

Q3 2025

October 2025

XPO



Forward-looking statements

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements relating to our full year 2025 expectations of gross capex, interest expense, pension income, adjusted effective tax rate, and diluted share count, and future financial targets of North American LTL revenue CAGR, adjusted EBITDA CAGR, adjusted operating ratio improvement, and capex as a percentage of revenue. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as “anticipate,” “estimate,” “believe,” “continue,” “could,” “intend,” “may,” “plan,” “potential,” “predict,” “should,” “will,” “expect,” “objective,” “projection,” “forecast,” “goal,” “guidance,” “outlook,” “effort,” “target,” “trajectory” or the negative of these terms or other comparable terms. These forward-looking statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances.

These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to a material difference include the risks discussed in our filings with the SEC, and the following: the effects of business, economic, political, legal, and regulatory impacts or conflicts upon our operations; supply chain disruptions and shortages, strains on production or extraction of raw materials, cost inflation and labor and equipment shortages; our ability to align our investments in capital assets, including equipment, service centers, and warehouses to our customers’ demands; our ability to implement our cost and revenue initiatives and realize growth and expansion as a result of those initiatives; the effectiveness of our action plan, and other management actions, to improve our North American LTL business; our ability to continue insourcing linehaul in ways that enhance our network efficiency and productivity; the anticipated impact of a freight market recovery on our business; our ability to capture profitable share gains, facilitate yield growth, and improve margins during an upcycle; our ability to benefit from a sale, spin-off or other divestiture of one or more business units or to successfully integrate and realize anticipated synergies, cost savings and profit opportunities from acquired companies; goodwill impairment; issues related to compliance with data protection laws, competition laws, and intellectual property laws; fluctuations in currency exchange rates, fuel prices and fuel surcharges; the expected benefits of the spin-offs of GXO Logistics, Inc. and RXO, Inc.; our ability to develop and implement proprietary technology and suitable information technology systems; the impact of potential cyber-attacks and information technology or data security breaches or failures; our ability to repurchase shares on favorable terms; our indebtedness; our ability to raise debt and equity capital; fluctuations in interest rates; seasonal fluctuations; our ability to maintain positive relationships with our network of third-party transportation providers; our ability to attract and retain management talent and key employees including qualified drivers; labor matters; litigation; competition; and our ability to deliver improve pricing growth driven by service quality.

All forward-looking statements set forth in this document are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to or effects on us or our business or operations. Forward-looking statements set forth in this document speak only as of the date hereof, and we do not undertake any obligation to update forward-looking statements except to the extent required by law.

Non-GAAP financial measures

This presentation contains non-GAAP financial measures. For a description of these non-GAAP financial measures, including reconciliations to the most comparable measure under GAAP, see the Appendix to this presentation.

Third quarter 2025 highlights

XPO adjusted EBITDA of \$342 million, up 6%¹ YoY

XPO adjusted diluted EPS of \$1.07, up 11%¹ YoY

LTL adjusted operating income of \$217 million, up 10% YoY

LTL adjusted operating ratio of 82.7%, improved by 150 bps YoY and 350 bps over the past two years

LTL adjusted EBITDA of \$308 million, up 9% YoY

LTL linehaul miles outsourced to third-party carriers reduced by 770 bps YoY

LTL yield, excluding fuel, up 5.9% YoY and increased sequentially

LTL revenue per shipment, excluding fuel, increased sequentially for the 11th consecutive quarter

LTL damage claims ratio of 0.3%, with underlying damages at a record low

LTL on-time performance improved YoY for the 14th consecutive quarter

Record-high LTL adjusted operating income and EBITDA in a historically soft freight environment

¹ Excluding a gain on a past investment in a private company that was sold in Q3'24
Refer to "Financial Reconciliations" and "Non-GAAP Financial Measures" sections in Appendix for related information

Third quarter 2025 performance

REVENUE	\$2.11 billion
OPERATING INCOME	\$164 million ¹
NET INCOME	\$82 million ¹
DILUTED EARNINGS PER SHARE	\$0.68 ¹
ADJUSTED NET INCOME	\$128 million
ADJUSTED DILUTED EPS	\$1.07
ADJUSTED EBITDA	\$342 million
CASH FLOW FROM OPERATING ACTIVITIES	\$371 million

BY SEGMENT

NORTH AMERICAN LTL

REVENUE	\$1.26 billion
ADJUSTED EBITDA	\$308 million
ADJUSTED OPERATING RATIO	82.7%

EUROPEAN TRANSPORTATION

REVENUE	\$857 million
ADJUSTED EBITDA	\$38 million

¹Third quarter 2025 includes a \$35 million charge (\$27 million after-tax or -\$0.23 per share) related to environmental and product liability claims involving a former subsidiary of Con-way, which was sold prior to XPO's acquisition of Con-way in 2015. Refer to "Financial Reconciliations" and "Non-GAAP Financial Measures" sections in Appendix for related information.

Our LTL strategy is driving significant margin and earnings expansion

1

Provide best-in-class service

2

Invest in network for the long-term

3

Accelerate yield growth

4

Drive cost efficiencies

Targets for LTL Growth, Profitability and Efficiency, 2021-2027

Revenue CAGR of 6% to 8%

Adjusted EBITDA CAGR of 11% to 13%

Adjusted operating ratio improvement of at least 600 bps

Strong position in North American LTL





A leading carrier in a compelling industry

5% CAGR: North American LTL industry revenue

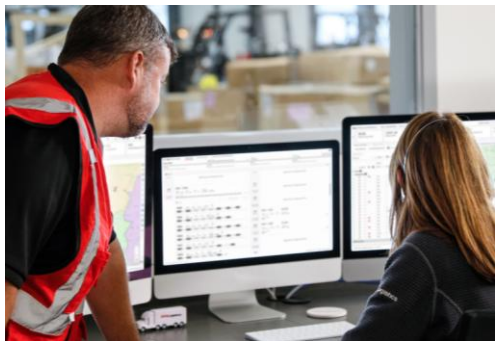
- \$53 billion bedrock industry for the US economy, with over 75% share held by top 10 LTL players
- Diverse demand across verticals, with secular growth drivers
- Attractive pricing environment for over a decade, with positive YoY industry pricing each year
- Strong service quality is key gating factor for yield growth and margin expansion
- Industry service center capacity has declined over the past decade

Sources: Third-party research; company filings

Note: Revenue CAGR for periods 2010–2024; industry size and market share data for 2024

XPO

A major player in the supply-chain ecosystem



\$4.9 billion

2024 revenue

9%

2024 industry share

4th largest

LTL carrier by 2024 revenue

14.6%

of 2024 revenue allocated
to gross capex

37,000

customers served

661 million

2024 linehaul miles run

13 million

2024 shipments

18 billion

2024 pounds of freight

23,000

employees

13,000

drivers

34,000

trailers

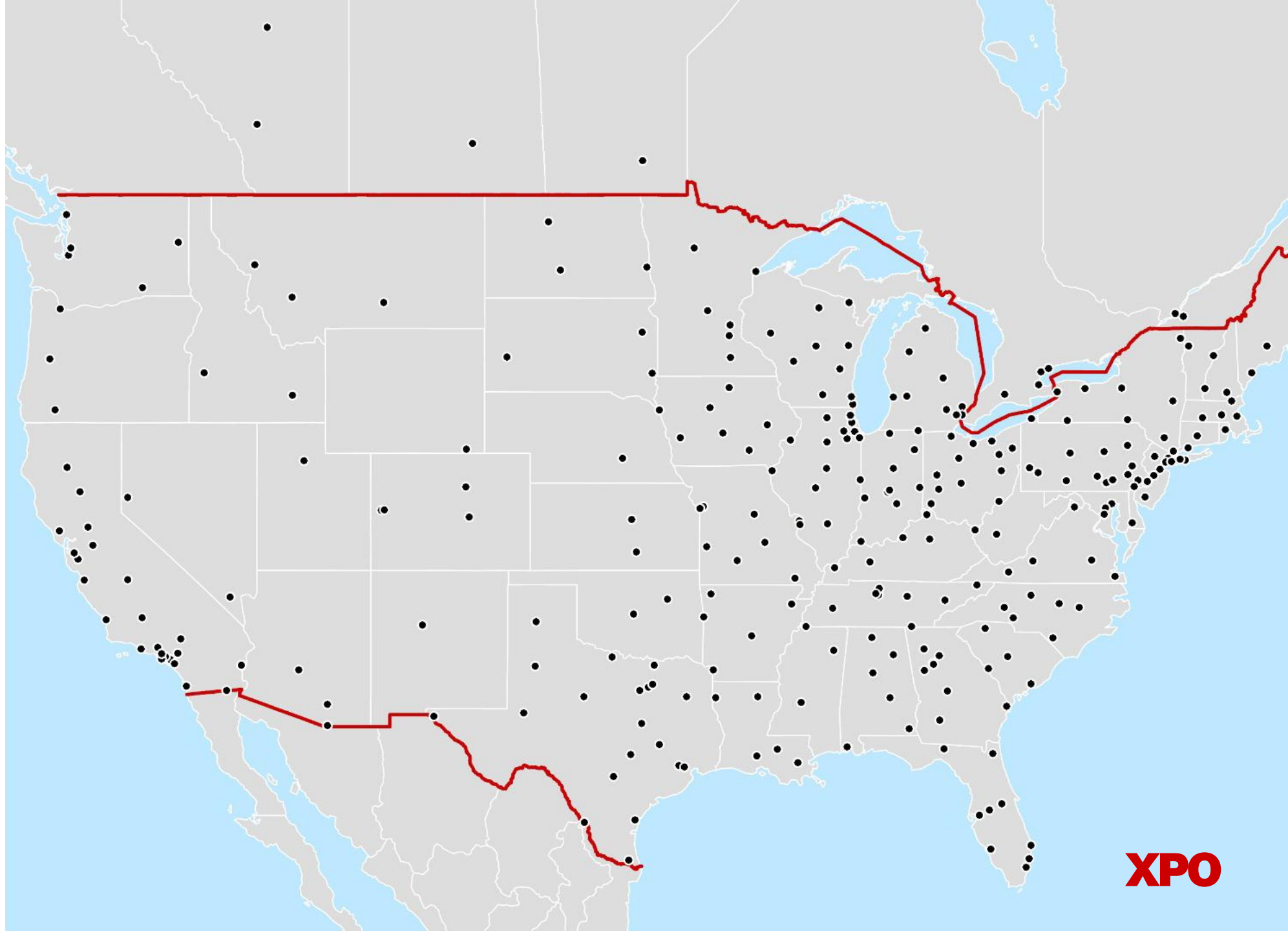
300

service centers

Note: Company data for North American LTL segment only as of September 30, 2025, unless otherwise noted as 2024 (full year)

Expansive network of service centers covering 99% of US zip codes

- 300 service centers¹
- Cross-border and offshore capabilities
- Strategic investments in high-demand markets



¹ As of September 30, 2025

Strategic mix of blue-chip and local customers



Long-standing relationships – average tenure of top 10 customers is 18 years

Note: Company data for North American LTL segment only as of September 30, 2025; selected customers shown

LTL growth plan and levers



Executing on four key levers

▶ Provide best-in-class service

- Continually strengthening our value proposition through a world-class service culture
 - Incentivizing employees to deliver outstanding service quality for customers
 - Implementing tools for operational excellence in linehaul, dock, and pickup-and-delivery
-

▶ Invest in network for the long-term

- Targeting capex of 8% to 12% of revenue on average through 2027
 - Expanding linehaul fleet with tractors and in-house trailer manufacturing
 - Investing in network capacity to further improve service and leverage efficiencies
-

▶ Accelerate yield growth

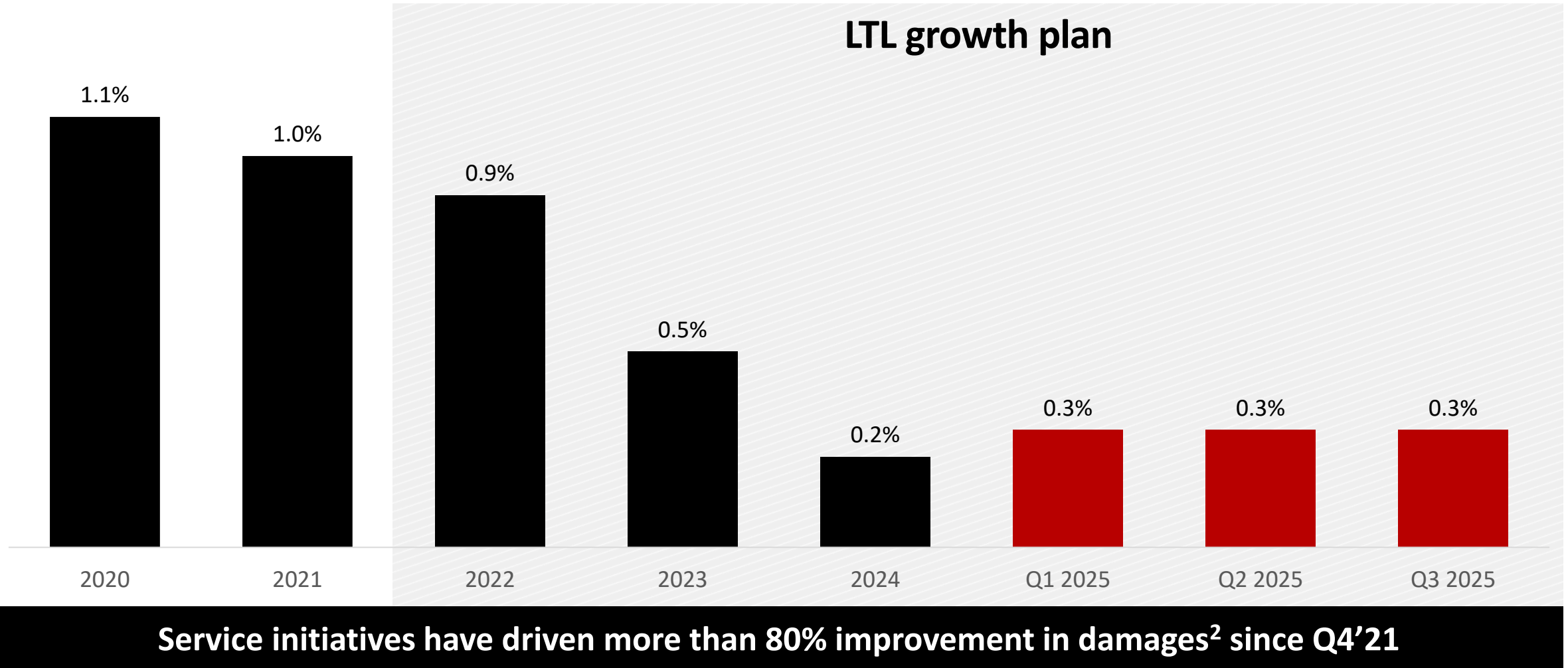
- Aligning price earned with increasing service excellence
 - Expanding accessorial revenue from premium service offerings
 - Growing share of higher-yielding local channel with scaled-up local salesforce
-

▶ Drive cost efficiencies

- Expanding use of AI in proprietary technology to enhance productivity
- Insourcing linehaul miles to increase network efficiency and mitigate future truckload rate increases
- Investing in fleet to drive lower maintenance costs and improved reliability

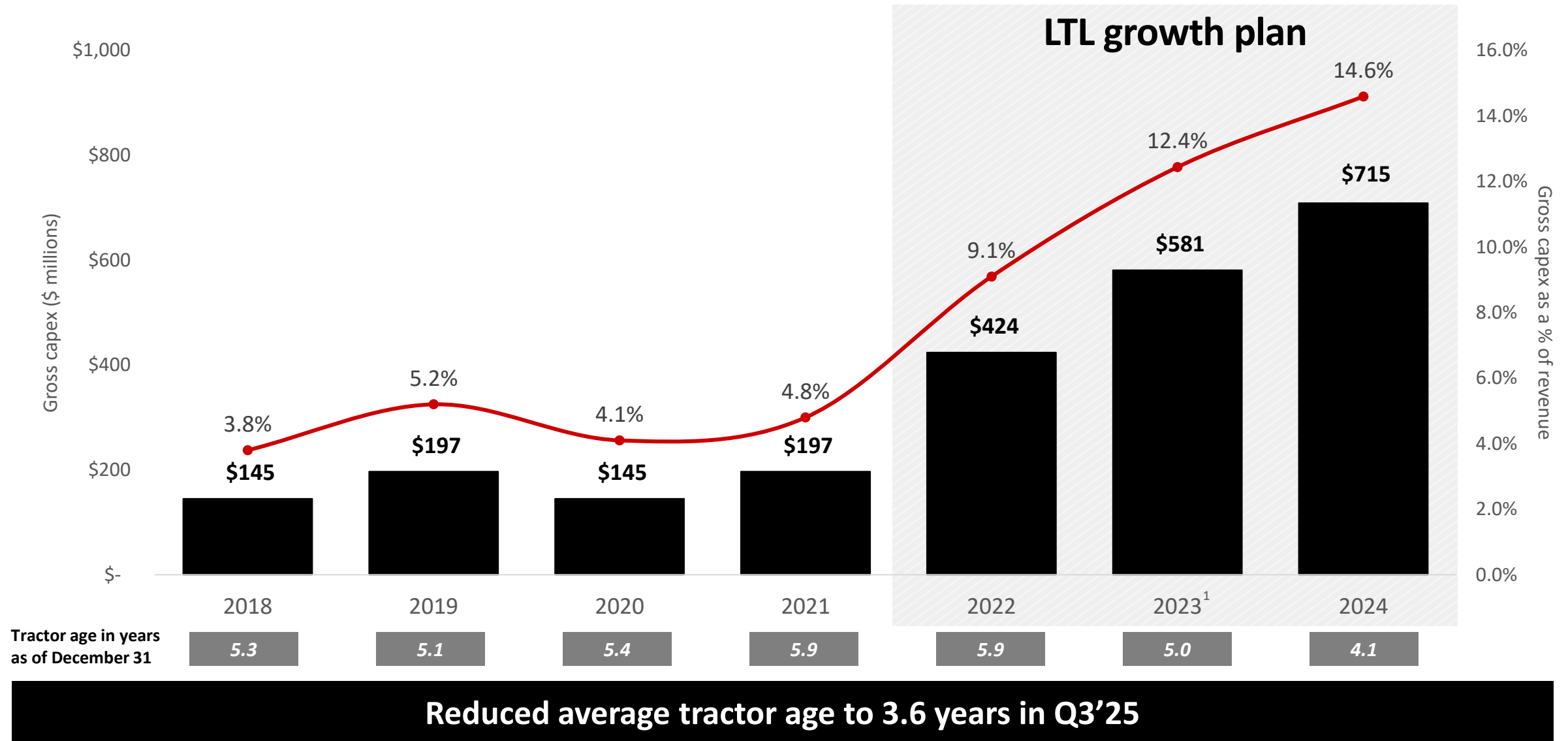
Delivering meaningful service improvements

Damage claims as a % of LTL revenue¹



¹ Based on claims payment data
² Based on damage frequency data

Investing in capacity that supports growth and high returns

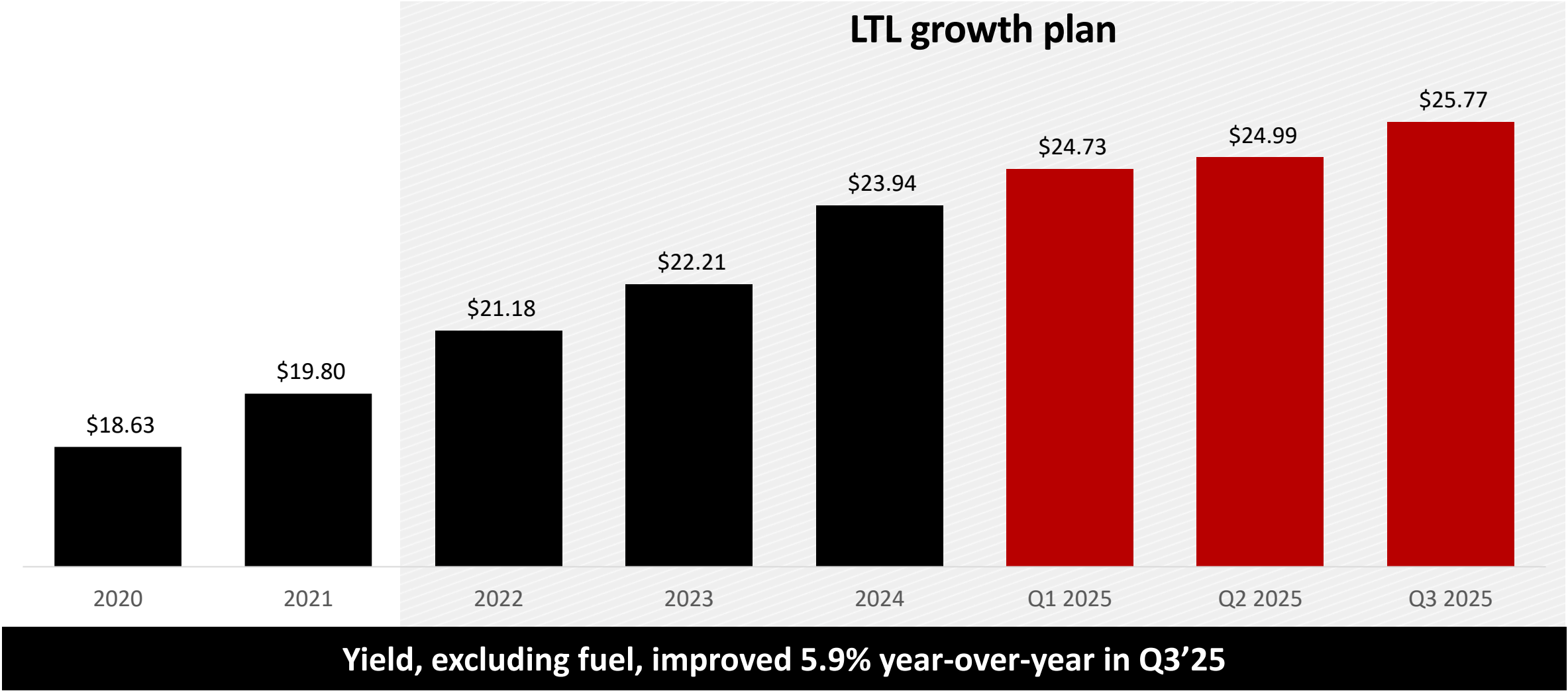


Note: Gross capex and revenue for North American LTL segment only
¹ Excludes the company's December 2023 acquisition of 28 service centers



Earning price by delivering value through service excellence

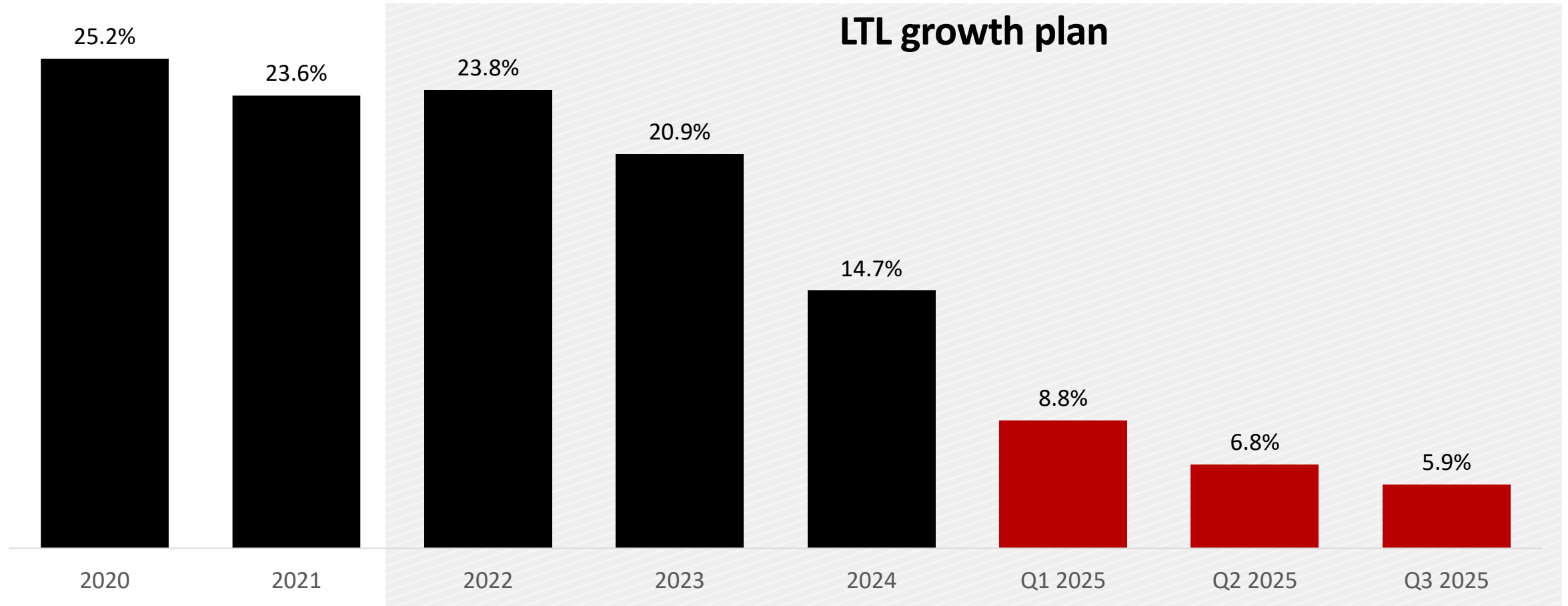
Gross revenue per hundredweight (excluding fuel surcharges)



Note: Gross revenue per hundredweight excludes the adjustment required for financial statement purposes in accordance with the company's revenue recognition policy

Insourcing linehaul miles supports higher incremental margins in an upcycle

Linehaul miles outsourced to third-party carriers, as a % of total linehaul miles



Reduced miles outsourced to third-party carriers by 770 bps year-over-year in Q3'25

11% to 13% adjusted EBITDA CAGR in North American LTL 2021-2027

Expected components and contributions

Combination of volume gains + pricing over inflation	▶ 6% to 7%
Operating costs optimized through technology	▶ 3% to 4%
Linehaul insourced from third parties	▶ 2%
	11% to 13%

Appendix



European Transportation segment

Unique pan-European transportation platform holds leading positions in key geographies

- In France: the #1 full truckload (FTL) broker and the #1 pallet network (LTL) provider
- In Iberia (Spain and Portugal): the #1 FTL broker and the #1 LTL provider
- In the UK: a top-tier dedicated truckload provider, and the largest single-owner LTL network
- Serves a diverse base of customers with consumer, trade and industrial markets, including many sector leaders that have long-tenured relationships with XPO
- Range of services includes dedicated truckload, LTL, FTL brokerage, warehousing, managed transportation, last mile and freight forwarding, as well as multimodal solutions that are customized to reduce CO₂e emissions

2025 planning assumptions

For the full year 2025, the company expects:

- Total company gross capex of \$600 million to \$700 million
- Interest expense of \$220 million to \$230 million
- Pension income of approximately \$6 million
- Adjusted effective tax rate of 24% to 25%
- Diluted share count of 120 million

Refer to “Non-GAAP Financial Measures” on page 27 of this document



Financial reconciliations

The following table reconciles XPO's net income for the periods ended September 30, 2025 and 2024 to adjusted EBITDA for the same periods.

Reconciliation of net income to adjusted EBITDA

In millions (Unaudited)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Change %	2025	2024	Change %
Net income	\$ 82	\$ 95	-13.7%	\$ 257	\$ 312	-17.6%
Debt extinguishment loss	-	-		5	-	
Interest expense	54	56		166	170	
Income tax provision	30	40		89	60	
Depreciation and amortization expense	134	126		388	365	
Pre-Con-way acquisition environmental matter ⁽¹⁾	35	-		35	-	
Legal matter ⁽²⁾	-	-		(13)	-	
Transaction and integration costs	1	13		7	39	
Restructuring costs	6	3		26	17	
Adjusted EBITDA	\$ 342	\$ 333	2.7%	\$ 960	\$ 964	-0.4%

Amounts may not add due to rounding

¹ Relates to environmental and product liability claims involving a former subsidiary of Con-way, which was sold prior to XPO's acquisition of Con-way in 2015, as described in the Current Report on Form 8-K filed with the SEC on October 23, 2025

² Reflects the settlement of claims against certain truck manufacturers related to purchases by our European Transportation segment covering periods prior to 2015

Refer to "Non-GAAP Financial Measures" section on page 27 of this document



Financial reconciliations (cont.)

The following table reconciles XPO's net income for the periods ended September 30, 2025 and 2024 to adjusted net income for the same periods.

Reconciliation of adjusted net income and adjusted diluted earnings per share

In millions, except per share data
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income	\$ 82	\$ 95	\$ 257	\$ 312
Debt extinguishment loss	-	-	5	-
Amortization of acquisition-related intangible assets	15	14	43	43
Pre-Con-way acquisition environmental matter ⁽¹⁾	35	-	35	-
Legal matter ⁽²⁾	-	-	(13)	-
Transaction and integration costs	1	13	7	39
Restructuring costs	6	3	26	17
Income tax associated with the adjustments above ⁽³⁾	(12)	(5)	(21)	(18)
European legal entity reorganization ⁽⁴⁾	-	2	1	(40)
Adjusted net income	\$ 128	\$ 122	\$ 340	\$ 354
Adjusted diluted earnings per share	\$ 1.07	\$ 1.02	\$ 2.85	\$ 2.95
Weighted-average common shares outstanding				
Diluted weighted-average common shares outstanding	120	120	120	120

Amounts may not add due to rounding

¹ Relates to environmental and product liability claims involving a former subsidiary of Con-way, which was sold prior to XPO's acquisition of Con-way in 2015, as described in the Current Report on Form 8-K filed with the SEC on October 23, 2025

² Reflects the settlement of claims against certain truck manufacturers related to purchases by our European Transportation segment covering periods prior to 2015

³ The income tax rate applied to reconciling items is based on the GAAP annual effective tax rate, excluding discrete items, non-deductible compensation, losses for which no tax benefit can be recognized, and contribution- and margin-based taxes

⁴ Reflects a tax benefit recognized in the second quarter of 2024 and the subsequent adjustments recognized related to a legal entity reorganization within our European Transportation business

Refer to "Non-GAAP Financial Measures" section on page 27 of this document



Financial reconciliations (cont.)

The following table reconciles XPO's operating income attributable to its North American less-than-truckload ("LTL") segment for the periods ended September 30, 2025 and 2024 to adjusted operating income, adjusted operating ratio and adjusted EBITDA.

Reconciliation of North American LTL adjusted operating income, adjusted operating ratio and adjusted EBITDA

In millions (Unaudited)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Change %	2025	2024	Change %
Revenue (excluding fuel surcharge revenue)	\$ 1,060	\$ 1,055	0.5%	\$ 3,112	\$ 3,130	-0.6%
Fuel surcharge revenue	194	195	-0.5%	555	613	-9.5%
Revenue	1,255	1,251	0.3%	3,667	3,743	-2.0%
Salaries, wages and employee benefits	648	642	0.9%	1,907	1,894	0.7%
Purchased transportation	30	58	-48.3%	99	204	-51.5%
Fuel, operating expenses and supplies ⁽¹⁾	225	231	-2.6%	679	710	-4.4%
Operating taxes and licenses	17	17	0.0%	50	49	2.0%
Insurance and claims	27	21	28.6%	77	63	22.2%
Losses on sales of property and equipment	2	3	-33.3%	4	7	-42.9%
Depreciation and amortization	98	89	10.1%	283	257	10.1%
Transaction and integration costs	-	-	0.0%	-	1	-100.0%
Restructuring costs	-	-	0.0%	4	2	100.0%
Operating income	208	188	10.6%	565	556	1.6%
Operating ratio ⁽²⁾	83.4%	85.0%		84.6%	85.1%	
Amortization expense	9	9		27	27	
Transaction and integration costs	-	-		-	1	
Restructuring costs	-	-		4	2	
Gains on real estate transactions	-	-		(2)	-	
Adjusted operating income	\$ 217	\$ 198	9.6%	\$ 594	\$ 587	1.2%
Adjusted operating ratio ⁽³⁾	82.7%	84.2%		83.8%	84.3%	
Depreciation expense	89	80		256	229	
Pension income	2	6		5	19	
Gains on real estate transactions	-	-		2	-	
Adjusted EBITDA ⁽⁴⁾	\$ 308	\$ 284	8.5%	\$ 857	\$ 836	2.5%

Amounts may not add due to rounding

¹ Fuel, operating expenses and supplies includes fuel-related taxes

² Operating ratio is calculated as $(1 - (\text{operating income} / \text{revenue}))$ using the underlying unrounded amounts

³ Adjusted operating ratio is calculated as $(1 - (\text{adjusted operating income} / \text{revenue}))$ using the underlying unrounded amounts; adjusted operating margin is the inverse of adjusted operating ratio

⁴ Adjusted EBITDA is used by our chief operating decision maker to evaluate segment profit (loss) in accordance with ASC 280

Refer to "Non-GAAP Financial Measures" on page 27 of this document



Financial reconciliations (cont.)

The following table reconciles XPO's net income for the periods ended September 30, 2025 and 2024 to adjusted EBITDA excluding investment income for the same periods.

Reconciliation of net income to adjusted EBITDA excluding investment income

In millions (Unaudited)	Three Months Ended September 30,		
	2025	2024	Change %
Net income	\$ 82	\$ 95	-13.7%
Debt extinguishment loss	-	-	
Interest expense	54	56	
Income tax provision	30	40	
Depreciation and amortization expense	134	126	
Pre-Con-way acquisition environmental matter ⁽¹⁾	35	-	
Legal matter ⁽²⁾	-	-	
Transaction and integration costs	1	13	
Restructuring costs	6	3	
Adjusted EBITDA	\$ 342	\$ 333	2.7%
Investment income ⁽³⁾	-	9	
Adjusted EBITDA, excluding investment income	\$ 342	\$ 324	5.6%

Amounts may not add due to rounding

¹ Relates to environmental and product liability claims involving a former subsidiary of Con-way, which was sold prior to XPO's acquisition of Con-way in 2015, as described in the Current Report on Form 8-K filed with the SEC on October 23, 2025

² Reflects the settlement of claims against certain truck manufacturers related to purchases by our European Transportation segment covering periods prior to 2015

³ Represents gain from a past investment in a private company which was sold during the third quarter of 2024

Refer to "Non-GAAP Financial Measures" on page 27 of this document

Financial reconciliations (cont.)

The following table reconciles XPO's net income for the periods ended September 30, 2025 and 2024 to adjusted net income excluding investment income for the same periods.

Reconciliation of adjusted net income excluding investment income and adjusted diluted earnings per share excluding investment income

	Three Months Ended	
	September 30,	
	2025	2024
Net income	\$ 82	\$ 95
Debt extinguishment loss	-	-
Amortization of acquisition-related intangible assets	15	14
Pre-Con-way acquisition environmental matter ⁽¹⁾	35	-
Legal matter ⁽²⁾	-	-
Transaction and integration costs	1	13
Restructuring costs	6	3
Income tax associated with the adjustments above ⁽³⁾	(12)	(5)
European legal entity reorganization ⁽⁴⁾	-	2
Adjusted net income	\$ 128	\$ 122
Investment income ⁽⁵⁾	-	9
Adjusted net income, excluding investment income	\$ 128	\$ 113
 Adjusted diluted earnings per share, excluding investment income	 \$ 1.07	 \$ 0.96
 Weighted-average common shares outstanding		
Diluted weighted-average common shares outstanding	120	120

Amounts may not add due to rounding

¹ Relates to environmental and product liability claims involving a former subsidiary of Con-way, which was sold prior to XPO's acquisition of Con-way in 2015, as described in the Current Report on Form 8-K filed with the SEC on October 23, 2025

² Reflects the settlement of claims against certain truck manufacturers related to purchases by our European Transportation segment covering periods prior to 2015

³ The income tax rate applied to reconciling items is based on the GAAP annual effective tax rate, excluding discrete items, non-deductible compensation, losses for which no tax benefit can be recognized, and contribution- and margin-based taxes

⁴ Reflects a tax benefit recognized in the second quarter of 2024 and the subsequent adjustments recognized related to a legal entity reorganization within our European Transportation business

⁵ Represents gain from a past investment in a private company which was sold during the third quarter of 2024

Refer to "Non-GAAP Financial Measures" on page 27 of this document



Financial reconciliations (cont.)

The following table reconciles XPO's operating income attributable to its North American less-than-truckload ("LTL") segment for the periods ended September 30, 2025 and 2023 to adjusted operating income and adjusted operating ratio.

Reconciliation of North American LTL adjusted operating income and adjusted operating ratio

In millions (Unaudited)	Three Months Ended September 30,	
	2025	2023
Revenue (excluding fuel surcharge revenue)	\$ 1,060	\$ 1,005
Fuel surcharge revenue	194	223
Revenue	1,255	1,228
Salaries, wages and employee benefits	648	616
Purchased transportation	30	97
Fuel, operating expenses and supplies ⁽¹⁾	225	244
Operating taxes and licenses	17	11
Insurance and claims	27	20
Losses on sales of property and equipment	2	4
Depreciation and amortization	98	75
Operating income	208	161
Operating ratio ⁽²⁾	83.4%	86.8%
Amortization expense	9	9
Adjusted operating income	\$ 217	\$ 170
Adjusted operating ratio ⁽³⁾	82.7%	86.2%

Amounts may not add due to rounding

¹ Fuel, operating expenses and supplies includes fuel-related taxes

² Operating ratio is calculated as (1 - (operating income divided by revenue)) using the underlying unrounded amounts

³ Adjusted operating ratio is calculated as (1 - (adjusted operating income divided by revenue)) using the underlying unrounded amounts; adjusted operating margin is the inverse of adjusted operating ratio

Refer to "Non-GAAP Financial Measures" on page 27 of this document



Non-GAAP financial measures

As required by the rules of the Securities and Exchange Commission ("SEC"), we provide reconciliations of the non-GAAP financial measures contained in this document to the most directly comparable measures under GAAP, which are set forth in the financial tables attached to this document.

This document contains the following non-GAAP financial measures: adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA") on a consolidated basis; adjusted EBITDA excluding investment income on a consolidated basis; adjusted net income; adjusted net income excluding investment income; adjusted diluted earnings per share ("adjusted EPS"); adjusted EPS excluding investment income; adjusted operating income for our North American Less-Than-Truckload segment; adjusted operating ratio for our North American Less-Than-Truckload segment; and adjusted effective tax rate.

We believe that the above adjusted financial measures facilitate analysis of our ongoing business operations because they exclude items that may not be reflective of, or are unrelated to, XPO and its business segments' core operating performance, and may assist investors with comparisons to prior periods and assessing trends in our underlying businesses. Other companies may calculate these non-GAAP financial measures differently, and therefore our measures may not be comparable to similarly titled measures of other companies. These non-GAAP financial measures should only be used as supplemental measures of our operating performance.

Adjusted EBITDA, adjusted EBITDA excluding investment income, adjusted net income, adjusted net income excluding investment income, adjusted EPS, adjusted EPS excluding investment income, adjusted operating income and adjusted operating ratio include adjustments for transaction and integration costs, as well as restructuring costs, and other adjustments as set forth in the attached tables. Transaction and integration adjustments are generally incremental costs that result from an actual or planned acquisition, divestiture or spin-off and may include transaction costs, consulting fees, stock-based compensation, retention awards, internal salaries and wages (to the extent the individuals are assigned full-time to integration and transformation activities) and certain costs related to integrating and converging IT systems. Restructuring costs primarily relate to severance costs associated with business optimization initiatives. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and evaluating XPO's and each business segment's ongoing performance.

We believe that adjusted EBITDA and adjusted EBITDA excluding investment income improve comparability from period to period by removing the impact of our capital structure (interest and financing expenses), asset base (depreciation and amortization), tax impacts and other adjustments as set out in the attached tables that management has determined are not reflective of core operating activities and thereby assist investors with assessing trends in our underlying businesses. We believe that adjusted net income, adjusted net income excluding investment income, adjusted EPS and adjusted EPS excluding investment income improve the comparability of our operating results from period to period by removing the impact of certain costs and gains that management has determined are not reflective of our core operating activities, including amortization of acquisition-related intangible assets, transaction and integration costs, restructuring costs and other adjustments as set out in the attached tables. We believe that adjusted operating income and adjusted operating ratio improve the comparability of our operating results from period to period by removing the impact of certain transaction and integration costs and restructuring costs, as well as amortization expense and other adjustments as set out in the attached tables. We believe that adjusted effective tax rate improves comparability of our effective tax rate, by excluding the tax effect of special items.

With respect to our targets for: (i) the North American less-than-truckload segment's adjusted EBITDA CAGR and adjusted operating ratio for the six-year period 2021 through 2027 and (ii) the 2025 adjusted effective tax rate, a reconciliation of these non-GAAP measures to the corresponding GAAP measures is not available without unreasonable effort due to the variability and complexity of the reconciling items described above that we exclude from these non-GAAP target measures. The variability of these items may have a significant impact on our future GAAP financial results and, as a result, we are unable to prepare the forward-looking statement of income and statement of cash flows in accordance with GAAP that would be required to produce such a reconciliation.