

Sysco Corporation and its Consolidated Subsidiaries
Non-GAAP Reconciliation (Unaudited)
Impact of Certain Items

The discussion of our results includes certain non-GAAP financial measures, including EBITDA and adjusted EBITDA, that we believe provide important perspective with respect to underlying business trends. Other than EBITDA and free cash flow, any non-GAAP financial measures will be denoted as adjusted measures to remove (1) restructuring charges; (2) expenses associated with our various transformation initiatives; (3) severance charges; and (4) acquisition-related costs consisting of: (a) intangible amortization expense and (b) acquisition costs and due diligence costs related to our acquisitions. Adjustments provided herein for fiscal 2026 results of operations also remove the impact of a charge associated with a legal matter. No similar charge was applicable in fiscal 2025.

The results of our operations can be impacted due to changes in exchange rates applicable in converting local currencies to U.S. dollars. We measure our results on a constant currency basis. Constant currency operating results are calculated by translating current-period local currency operating results with the currency exchange rates used to translate the financial statements in the comparable prior-year period to determine what the current-period U.S. dollar operating results would have been if the currency exchange rate had not changed from the comparable prior-year period. We also measure our sales growth excluding the impact of our joint venture in Mexico which was divested in the second quarter of fiscal year 2025.

Management believes that adjusting its operating expenses, operating income, operating margin, net earnings and diluted earnings per share to remove these Certain Items, presenting its results on a constant currency basis, and adjusting its sales results to exclude the impact of its joint venture in Mexico provides an important perspective with respect to our underlying business trends and results. It provides meaningful supplemental information to both management and investors that (1) is indicative of the performance of the company's underlying operations and (2) facilitates comparisons on a year-over-year basis.

Sysco has a history of growth through acquisitions and excludes from its non-GAAP financial measures the impact of acquisition-related intangible amortization, acquisition costs and due-diligence costs for those acquisitions. We believe this approach significantly enhances the comparability of Sysco's results for fiscal year 2026 and fiscal year 2025.

Set forth below is a reconciliation of sales, operating expenses, operating income, net earnings and diluted earnings per share to adjusted results for these measures for the periods presented. Individual components of diluted earnings per share may not be equal to the total presented when added due to rounding. Adjusted diluted earnings per share is calculated using adjusted net earnings divided by diluted shares outstanding.

Sysco Corporation and its Consolidated Subsidiaries
Non-GAAP Reconciliation (Unaudited)
Impact of Certain Items, 3Q26 vs. 3Q25
(Dollars in Millions, Except for Share and Per Share Data)

	13-Week Period Ended Mar. 28, 2026	13-Week Period Ended Mar. 29, 2025	Change in Dollars	%/bps Change
Sales (GAAP)	\$ 20,519	\$ 19,598	\$ 921	4.7%
Impact of currency fluctuations (1)	(252)		(252)	-1.3%
Comparable sales using a constant currency basis (Non-GAAP)	<u>\$ 20,267</u>	<u>\$ 19,598</u>	<u>\$ 669</u>	<u>3.4%</u>
Cost of sales (GAAP)	\$ 16,707	\$ 16,017	\$ 690	4.3%
Gross profit (GAAP)	\$ 3,812	\$ 3,581	\$ 231	6.5%
Impact of currency fluctuations (1)	(58)		(58)	-1.7%
Comparable gross profit adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u>\$ 3,754</u>	<u>\$ 3,581</u>	<u>\$ 173</u>	<u>4.8%</u>
Gross margin (GAAP)	18.58%	18.27%		31 bps
Impact of currency fluctuations (1)	-0.06%			-6 bps
Comparable gross margin adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u>18.52%</u>	<u>18.27%</u>		<u>25 bps</u>
Operating expenses (GAAP)	\$ 3,193	\$ 2,900	\$ 293	10.1%
Impact of restructuring, transformational project, and other costs (2)	(94)	(50)	(44)	-88.0%
Impact of acquisition-related costs (3)	(55)	(42)	(13)	-31.0%
Operating expenses adjusted for Certain Items (Non-GAAP)	3,044	2,808	236	8.4%
Impact of currency fluctuations (1)	(51)		(51)	-1.8%
Comparable operating expenses adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u>\$ 2,993</u>	<u>\$ 2,808</u>	<u>\$ 185</u>	<u>6.6%</u>
Operating expense as a percentage of sales (GAAP)	15.56%	14.80%		76 bps
Impact of certain items adjustments	-0.72%	-0.47%		-25 bps
Adjusted operating expense as a percentage of sales (Non-GAAP)	<u>14.84%</u>	<u>14.33%</u>		<u>51 bps</u>
Operating income (GAAP)	\$ 619	\$ 681	\$ (62)	-9.1%
Impact of restructuring, transformational project, and other costs (2)	94	50	44	88.0%
Impact of acquisition-related costs (3)	55	42	13	31.0%
Operating income adjusted for Certain Items (Non-GAAP)	768	773	(5)	-0.6%
Impact of currency fluctuations (1)	(7)		(7)	-1.0%
Comparable operating income adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u>\$ 761</u>	<u>\$ 773</u>	<u>\$ (12)</u>	<u>-1.6%</u>
Operating margin (GAAP)	3.02%	3.47%		-45 bps
Operating margin adjusted for Certain Items (Non-GAAP)	3.74%	3.94%		-20 bps
Operating margin adjusted for Certain Items on a constant currency basis (Non-GAAP)	3.75%	3.94%		-19 bps
Net earnings (GAAP)	\$ 340	\$ 401	\$ (61)	-15.2%
Impact of restructuring, transformational project, and other costs (2)	94	50	44	88.0%
Impact of acquisition-related costs (3)	55	42	13	31.0%
Tax impact of restructuring, transformational project, and other costs (4)	(23)	(13)	(10)	-76.9%
Tax impact of acquisition-related costs (4)	(14)	(11)	(3)	-27.3%
Net earnings adjusted for Certain Items (Non-GAAP)	<u>\$ 452</u>	<u>\$ 469</u>	<u>\$ (17)</u>	<u>-3.6%</u>
Diluted earnings per share (GAAP)	\$ 0.71	\$ 0.82	\$ (0.11)	-13.4%
Impact of restructuring, transformational project, and other costs (2)	0.20	0.10	0.10	100.0%
Impact of acquisition-related costs (3)	0.11	0.09	0.02	22.2%
Tax impact of restructuring, transformational project, and other costs (4)	(0.05)	(0.03)	(0.02)	-66.7%
Tax impact of acquisition-related costs (4)	(0.03)	(0.02)	(0.01)	-50.0%
Diluted earnings per share adjusted for Certain Items (Non-GAAP) (5)	<u>\$ 0.94</u>	<u>\$ 0.96</u>	<u>\$ (0.02)</u>	<u>-2.1%</u>
Diluted shares outstanding	481,188,586	489,331,460		

(1) Represents a constant currency adjustment, which eliminates the impact of foreign currency fluctuations on the current year results.

(2) Fiscal 2026 includes \$43 million related to restructuring costs, severance charges, and costs associated with a legal matter and \$51 million related to various transformation initiative costs, primarily consisting of supply chain transformation costs and changes to our business technology strategy. Fiscal 2025 includes \$15 million related to restructuring and severance charges and \$35 million related to various transformation initiative costs, primarily consisting of supply chain transformation costs and changes to our business technology strategy.

(3) Fiscal 2026 includes \$42 million of intangible amortization expense and \$13 million in acquisition and due diligence costs. Fiscal 2025 includes \$32 million of intangible amortization expense and \$10 million in acquisition and due diligence costs.

(4) The tax impact of adjustments for Certain Items is calculated by multiplying the pretax impact of each Certain Item by the statutory rates in effect for each jurisdiction where the Certain Item was incurred.

(5) Individual components of diluted earnings per share may not add up to the total presented due to rounding. Total diluted earnings per share is calculated using adjusted net earnings divided by diluted shares outstanding.

Sysco Corporation and its Consolidated Subsidiaries
Segment Results
Non-GAAP Reconciliation (Unaudited)
Impact of Certain Items on Applicable Segments, 3Q26 vs. 3Q25
(Dollars in Millions)

	13-Week Period Ended Mar. 28, 2026	13-Week Period Ended Mar. 29, 2025	Change in Dollars	%/bps Change
U.S. FOODSERVICE OPERATIONS				
Sales (GAAP)	\$ 14,234	\$ 13,800	\$ 434	3.1%
Gross Profit (GAAP)	\$ 2,738	\$ 2,603	\$ 135	5.2%
Gross Margin (GAAP)	19.24%	18.86%		38 bps
Operating expenses (GAAP)	\$ 1,966	\$ 1,849	\$ 117	6.3%
Impact of restructuring, transformational project, and other costs (1)	(39)	(16)	(23)	NM
Impact of acquisition-related costs (2)	(19)	(20)	1	5.0%
Operating expenses adjusted for Certain Items (Non-GAAP)	<u>\$ 1,908</u>	<u>\$ 1,813</u>	<u>\$ 95</u>	<u>5.2%</u>
Operating income (GAAP)	\$ 772	\$ 754	\$ 18	2.4%
Impact of restructuring, transformational project, and other costs (1)	39	16	23	NM
Impact of acquisition-related costs (2)	19	20	(1)	-5.0%
Operating income adjusted for Certain Items (Non-GAAP)	<u>\$ 830</u>	<u>\$ 790</u>	<u>\$ 40</u>	<u>5.1%</u>
INTERNATIONAL FOODSERVICE OPERATIONS				
Sales (GAAP)	\$ 3,885	\$ 3,457	\$ 428	12.4%
Impact of currency fluctuations (3)	(249)		(249)	-7.2%
Comparable sales using a constant currency basis (Non-GAAP)	<u>\$ 3,636</u>	<u>\$ 3,457</u>	<u>\$ 179</u>	<u>5.2%</u>
Gross Profit (GAAP)	\$ 834	\$ 728	\$ 106	14.6%
Impact of currency fluctuations (3)	(57)		(57)	-7.9%
Comparable gross profit using a constant currency basis (Non-GAAP)	<u>\$ 777</u>	<u>\$ 728</u>	<u>\$ 49</u>	<u>6.7%</u>
Gross Margin (GAAP)	21.47%	21.06%		41 bps
Impact of currency fluctuations (3)	-0.10%			-10 bps
Comparable gross margin using a constant currency basis (Non-GAAP)	<u>21.37%</u>	<u>21.06%</u>		<u>31 bps</u>
Operating expenses (GAAP)	\$ 751	\$ 632	\$ 119	18.8%
Impact of restructuring and transformational project costs (4)	(39)	(13)	(26)	NM
Impact of acquisition-related costs (2)	(22)	(19)	(3)	-15.8%
Operating expenses adjusted for Certain Items (Non-GAAP)	690	600	90	15.0%
Impact of currency fluctuations (3)	(50)		(50)	-8.3%
Comparable operating expenses adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u>\$ 640</u>	<u>\$ 600</u>	<u>\$ 40</u>	<u>6.7%</u>
Operating income (GAAP)	\$ 83	\$ 96	\$ (13)	-13.5%
Impact of restructuring and transformational project costs (4)	39	13	26	NM
Impact of acquisition-related costs (2)	22	19	3	15.8%
Operating income adjusted for Certain Items (Non-GAAP)	144	128	16	12.5%
Impact of currency fluctuations (3)	(7)		(7)	-5.5%
Comparable operating income adjusted for Certain Items using a constant currency basis (Non-GAAP)	<u>\$ 137</u>	<u>\$ 128</u>	<u>\$ 9</u>	<u>7.0%</u>
SYGMA				
Sales (GAAP)	\$ 2,137	\$ 2,084	\$ 53	2.5%
Gross Profit (GAAP)	163	166	(3)	-1.8%
Gross Margin (GAAP)	7.63%	7.97%		-34 bps
Operating expenses (GAAP)	\$ 145	\$ 149	\$ (4)	-2.7%
Operating income (GAAP)	18	17	1	5.9%

Sysco Corporation and its Consolidated Subsidiaries
Segment Results
Non-GAAP Reconciliation (Unaudited)
Impact of Certain Items on Applicable Segments, 3Q26 vs. 3Q25
(Dollars in Millions)

	13-Week Period Ended Mar. 28, 2026	13-Week Period Ended Mar. 29, 2025	Change in Dollars	%/bps Change
OTHER				
Sales (GAAP)	\$ 263	\$ 257	\$ 6	2.3%
Gross Profit (GAAP)	\$ 68	\$ 60	\$ 8	13.3%
Gross Margin (GAAP)	25.86%	23.35%		251 bps
Operating expenses (GAAP)	\$ 61	\$ 63	\$ (2)	-3.2%
Operating income (loss) (GAAP)	7	(3)	10	NM
GLOBAL SUPPORT CENTER				
Gross profit (GAAP)	\$ 9	\$ 24	\$ (15)	-62.5%
Operating expenses (GAAP)	\$ 270	\$ 207	\$ 63	30.4%
Impact of restructuring and transformational project costs (5)	(16)	(21)	5	23.8%
Impact of acquisition related costs (6)	(14)	(3)	(11)	NM
Operating expenses adjusted for Certain Items (Non-GAAP)	<u>\$ 240</u>	<u>\$ 183</u>	<u>\$ 57</u>	<u>31.1%</u>
Operating loss (GAAP)	\$ (261)	\$ (183)	\$ (78)	-42.6%
Impact of restructuring and transformational project costs (5)	16	21	(5)	-23.8%
Impact of acquisition related costs (6)	14	3	11	NM
Operating loss adjusted for Certain Items (Non-GAAP)	<u>\$ (231)</u>	<u>\$ (159)</u>	<u>\$ (72)</u>	<u>-45.3%</u>
TOTAL SYSCO				
Sales (GAAP)	\$ 20,519	\$ 19,598	\$ 921	4.7%
Gross Profit (GAAP)	\$ 3,812	\$ 3,581	\$ 231	6.5%
Gross Margin (GAAP)	18.58%	18.27%		31 bps
Operating expenses (GAAP)	\$ 3,193	\$ 2,900	\$ 293	10.1%
Impact of restructuring, transformational project, and other costs (1)(4)(5)	(94)	(50)	(44)	-88.0%
Impact of acquisition-related costs (2)(6)	(55)	(42)	(13)	-31.0%
Operating expenses adjusted for Certain Items (Non-GAAP)	<u>\$ 3,044</u>	<u>\$ 2,808</u>	<u>\$ 236</u>	<u>8.4%</u>
Operating income (GAAP)	\$ 619	\$ 681	\$ (62)	-9.1%
Impact of restructuring, transformational project, and other costs (1)(4)(5)	94	50	44	88.0%
Impact of acquisition-related costs (2)(6)	55	42	13	31.0%
Operating income adjusted for Certain Items (Non-GAAP)	<u>\$ 768</u>	<u>\$ 773</u>	<u>\$ (5)</u>	<u>-0.6%</u>

(1) Primarily represents severance charges, transformation initiative costs, and costs associated with a legal matter.

(2) Fiscal 2026 and fiscal 2025 include intangible amortization expense and acquisition costs.

(3) Represents a constant currency adjustment, which eliminates the impact of foreign currency fluctuations on current year results.

(4) Includes restructuring and transformation initiative costs primarily in Europe.

(5) Includes various transformation initiative costs, primarily consisting of changes to our business technology strategy.

(6) Represents due diligence costs.

NM represents that the percentage change is not meaningful.

Sysco Corporation and its Consolidated Subsidiaries
Non-GAAP Reconciliation (Unaudited)
Free Cash Flow, YTD26 vs. YTD25
(In Millions)

Free cash flow represents net cash provided from operating activities less purchases of plant and equipment and includes proceeds from sales of plant and equipment. Sysco considers free cash flow to be a liquidity measure that provides useful information to management and investors about the amount of cash generated by the business after the purchases and sales of buildings, fleet, equipment and technology, which may potentially be used to pay for, among other things, strategic uses of cash including dividend payments, share repurchases and acquisitions. However, free cash flow may not be available for discretionary expenditures, as it may be necessary that we use it to make mandatory debt service or other payments. Free cash flow should not be used as a substitute for the most comparable GAAP financial measure in assessing the company's liquidity for the periods presented. An analysis of any non-GAAP financial measure should be used in conjunction with results presented in accordance with GAAP. In the table that follows, free cash flow for each period presented is reconciled to net cash provided by operating activities.

	39-Week Period Ended Mar. 28, 2026	39-Week Period Ended Mar. 29, 2025	Change in Dollars
Net cash provided by operating activities (GAAP)	\$ 1,463	\$ 1,317	\$ 146
Additions to plant and equipment	(461)	(532)	71
Proceeds from sales of plant and equipment	131	169	(38)
Free Cash Flow (Non-GAAP)	\$ 1,133	\$ 954	\$ 179

Sysco Corporation and its Consolidated Subsidiaries**Non-GAAP Reconciliation (Unaudited)****Impact of Certain Items on Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)**

EBITDA represents net earnings (loss) plus (i) interest expense, (ii) income tax expense and benefit, (iii) depreciation and (iv) amortization. The net earnings (loss) component of our EBITDA calculation is impacted by Certain Items that we do not consider representative of our underlying performance. As a result, in the non-GAAP reconciliations below for each period presented, adjusted EBITDA is computed as EBITDA plus the impact of Certain Items, excluding certain items related to interest expense, income taxes, depreciation and amortization. Sysco's management considers growth in this metric to be a measure of overall financial performance that provides useful information to management and investors about the profitability of the business, as it facilitates comparison of performance on a consistent basis from period to period by providing a measurement of recurring factors and trends affecting our business. Additionally, it is a commonly used component metric used to inform on capital structure decisions. Adjusted EBITDA should not be used as a substitute for the most comparable GAAP financial measure in assessing the company's financial performance for the periods presented. An analysis of any non-GAAP financial measure should be used in conjunction with results presented in accordance with GAAP. In the tables that follow, adjusted EBITDA for each period presented is reconciled to net earnings.

Sysco Corporation and its Consolidated Subsidiaries

Non-GAAP Reconciliation (Unaudited)

Impact of Certain Items on Earnings Before Interest, Taxes, Depreciation and Amortization (3Q26 vs.3Q25)

(In Millions)

	13-Week Period Ended Mar. 28, 2026	13-Week Period Ended Mar. 29, 2025	Change in Dollars	%/bps Change
Net earnings (GAAP)	\$ 340	\$ 401	\$ (61)	-15.2%
Interest (GAAP)	168	149	19	12.8%
Income taxes (GAAP)	105	122	(17)	-13.9%
Depreciation and amortization (GAAP)	251	238	13	5.5%
EBITDA (Non-GAAP)	\$ 864	\$ 910	\$ (46)	-5.1%
Certain Item adjustments:				
Impact of restructuring, transformational project, and other costs (1)	93	49	44	89.8%
Impact of acquisition-related costs (2)	13	10	3	30.0%
EBITDA adjusted for Certain Items (Non-GAAP) (3)	\$ 970	\$ 969	\$ 1	0.1%
Other expense (income), net	6	9	(3)	-33.3%
Depreciation and amortization, as adjusted (Non-GAAP) (4)	(208)	(205)	(3)	-1.5%
Operating income adjusted for Certain Items (Non-GAAP)	\$ 768	\$ 773	\$ (5)	-0.6%

⁽¹⁾ Fiscal 2026 and 2025 include charges related to restructuring and severance, as well as various transformation initiative costs, primarily consisting of supply chain transformation costs and changes to our business technology strategy, excluding charges related to accelerated depreciation. In addition, fiscal 2026 includes charges associated with a legal matter.

⁽²⁾ Fiscal 2026 and fiscal 2025 include acquisition and due diligence costs.

⁽³⁾ In arriving at adjusted EBITDA, Sysco does not adjust out interest income of \$6 million and \$7 million or non-cash stock compensation expense of \$31 million and \$15 million in fiscal 2026 and fiscal 2025, respectively.

⁽⁴⁾ Fiscal 2026 includes \$251 million in GAAP depreciation and amortization expense, less \$43 million of Non-GAAP depreciation and amortization expense primarily related to acquisitions. Fiscal 2025 includes \$238 million in GAAP depreciation and amortization expense, less \$33 million of Non-GAAP depreciation and amortization expense primarily related to acquisitions.

Projected Adjusted EBITDA Guidance

Adjusted EBITDA is a non-GAAP financial measure; however, we cannot predict with certainty the particular certain items that would be excluded from the calculation of this measure for future periods. Due to these uncertainties, we cannot provide a quantitative reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure without unreasonable effort. However, we expect to calculate adjusted EBITDA for future periods in the same manner as the reconciliations provided for the historical periods herein.

Sysco Corporation and its Consolidated Subsidiaries
Non-GAAP Reconciliation (Unaudited)
Net Debt to Adjusted EBITDA
(In Millions)

Net Debt to Adjusted EBITDA is a non-GAAP financial measure frequently used by investors and credit rating agencies. It is an important measure used by management to evaluate our access to liquidity, and we believe it is a representation of our financial strength. Our Net Debt to Adjusted EBITDA ratio is calculated using a numerator of our debt minus cash and cash equivalents, divided by the sum of the most recent four quarters of Adjusted EBITDA. In the table that follows, we have provided the calculation of our debt and net debt as a ratio of Adjusted EBITDA.

	March 28, 2026
Current maturities of long-term debt	\$ 1,190
Long-term debt	12,818
Total Debt (GAAP)	14,008
Cash & Cash Equivalents	(1,900)
Net Debt (Non-GAAP)	\$ 12,108
Net Earnings for the previous 12 months (GAAP)	\$ 1,736
Adjusted EBITDA for the previous 12 months (Non-GAAP) ⁽¹⁾	\$ 4,327
Total Debt/Net Earnings Ratio (GAAP)	8.07
Total Debt/Adjusted EBITDA Ratio (Non-GAAP)	3.24
Net Debt/Adjusted EBITDA Ratio (Non-GAAP)	2.80

⁽¹⁾ Refer to Impact of Certain Items on Earnings Before Interest, Taxes, Depreciation and Amortization (Trailing Twelve Months) Non-GAAP Reconciliation.

Sysco Corporation and its Consolidated Subsidiaries
Non-GAAP Reconciliation (Unaudited)
Impact of Certain Items on Earnings Before Interest, Taxes, Depreciation and Amortization (Trailing Twelve Months)
(In Millions)

	13-Week Period Ended Mar. 28, 2026	13-Week Period Ended Dec. 27, 2025	13-Week Period Ended Sep. 27, 2025	13-Week Period Ended Jun. 28, 2025	Total
Net earnings (GAAP)	\$ 340	\$ 389	\$ 476	\$ 531	\$ 1,736
Interest (GAAP)	168	173	172	166	679
Income taxes (GAAP)	105	121	124	186	536
Depreciation and amortization (GAAP)	251	240	233	234	958
EBITDA (Non-GAAP)	\$ 864	\$ 923	\$ 1,005	\$ 1,117	\$ 3,909
Certain Item adjustments:					
Impact of restructuring, transformational project, and other costs (1)	93	55	54	74	276
Impact of acquisition-related costs (2)	13	23	11	3	50
Impact of goodwill impairment	-	-	-	92	92
EBITDA adjusted for Certain Items (Non-GAAP) (3)	\$ 970	\$ 1,001	\$ 1,070	\$ 1,286	\$ 4,327

(1) Includes charges related to restructuring and severance, as well as various transformation initiative costs, primarily consisting of supply chain transformation costs and changes to our business technology strategy, excluding charges related to accelerated depreciation. In addition, the 13-week period ended Mar. 28, 2026 includes charges associated with a legal matter.

(2) Includes acquisition and due diligence costs.

(3) In arriving at adjusted EBITDA, Sysco does not adjust out interest income of \$6 million or non-cash stock compensation expense of \$31 million in Q3 fiscal 2026, interest income of \$5 million or non-cash stock compensation expense of \$33 million in Q2 fiscal 2026, interest income of \$6 million or non-cash stock compensation expense of \$31 million in Q1 fiscal 2026, and interest income of \$8 million or non-cash stock compensation expense of \$19 million in Q4 fiscal 2025.

Net Debt to Adjusted EBITDA Leverage Ratio Targets

We expect to target our net debt to adjusted EBITDA leverage ratio forecast in fiscal 2026. We cannot predict with certainty when we will achieve these results or whether the calculation of our EBITDA will be on an adjusted basis in future periods to exclude the effect of certain items. Due to these uncertainties, we cannot provide a quantitative reconciliation of these potentially non-GAAP measures to the most directly comparable GAAP measure without unreasonable effort. However, we expect to calculate these adjusted results, if applicable, in the same manner as the reconciliations provided for the historical periods that are presented herein.

Form of calculation:

Current maturities of long-term debt

Long term debt

Total Debt (GAAP)

Less cash and cash equivalents

Net Debt (Non-GAAP)

Net earnings (GAAP)

Interest (GAAP)

Income taxes (GAAP)

Depreciation and amortization (GAAP)

EBITDA (Non-GAAP)

Certain Item adjustments:

Impact of restructuring and transformational project costs

Impact of acquisition-related intangible amortization

EBITDA adjusted for Certain Items (Non-GAAP)

Total Debt to Net Earnings Ratio (GAAP)

Total Debt to Adjusted EBITDA Ratio (Non-GAAP)

Net Debt to Adjusted EBITDA Ratio (Non-GAAP)

Projected Adjusted EPS Guidance

Adjusted earnings per share is a non-GAAP financial measure; however, we cannot predict with certainty the magnitude or scope of certain items that would be included in the most directly comparable GAAP measure for the relevant future periods, and such items may be significant. Due to these uncertainties, we cannot provide a quantitative reconciliation of projected adjusted EPS to the most directly comparable GAAP financial measure without unreasonable effort. However, we expect to calculate adjusted earnings per share for future periods in the same manner as the reconciliations provided for the historical periods herein.

Free Cash Flow Guidance

Free cash flow represents a non-GAAP financial measure; however, we cannot predict with certainty the magnitude or scope of the reconciling items that would be included in the most directly comparable GAAP measure for the relevant future periods, and such items may be significant. Due to these uncertainties, we cannot provide a quantitative reconciliation of free cash flow to the most directly comparable GAAP financial measure without unreasonable effort. However, we expect to calculate free cash flow for future periods in the same manner as the reconciliations provided for the historical periods herein.

Form of calculation:

Net cash provided by operating activities (GAAP)

Additions to plant and equipment

Proceeds from sales of plant and equipment

Free Cash Flow (Non-GAAP)