reconciliation of non-GAAP EBIT and EBITDA

quarterly, fiscal 2019 to present

Background

We have presented earnings from continuing operations before interest expense and income taxes (EBIT) and earnings from continuing operations before interest expense, income taxes, depreciation, and amortization (EBITDA) as non-GAAP financial measures. We believe these measures provide meaningful information about our operational efficiency compared with our competitors by excluding the impact of differences in tax jurisdictions and structures, debt levels, and, for EBITDA, capital investment. These measures are not in accordance with, or an alternative to, generally accepted accounting principles in the United States (GAAP). The most comparable GAAP measure is net earnings from continuing operations. There was no impact from discontinued operations for 2020 and beyond; therefore, for 2020 to 2023 and interim periods therein, net earnings from continuing operations equals net earnings. EBIT and EBITDA should not be considered in isolation or as a substitution for analysis of our results as reported in accordance with GAAP. Other companies may calculate EBIT and EBITDA differently, limiting the usefulness of the measures for comparisons with other companies.

	2023			2022				2021			
(millions) (unaudited)	Q3	Q2	Q1	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Net earnings from continuing operations	$ 971	$ 835	$ 950	$ 876	$ 712	$ 183	$ 1,009	$ 1,544	$ 1,488	$ 1,817	$ 2,097
+ Provision for income taxes	264	237	254	167	197	34	240	473	423	553	512
+ Net interest expense	107	141	147	129	125	112	112	104	105	104	108
Earnings from continuing operations before interest expense and income taxes (EBIT)	1,342	1,213	1,351	1,172	1,034	329	1,361	2,121	2,016	2,474	2,717
+ Depreciation and amortization [(a)]	722	683	667	697	674	650	679	690	652	633	667
EBITDA	$ 2,064	$ 1,896	$ 2,018	$ 1,869	$ 1,708	$ 979	$ 2,040	$ 2,811	$ 2,668	$ 3,107	$ 3,384

	2020				2019			
(millions) (unaudited)	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Net earnings from continuing operations	$ 1,380	$ 1,014	$ 1,690	$ 284	$ 833	$ 706	$ 938	$ 792
+ Provision for income taxes	350	284	499	45	218	195	279	229
+ Net interest expense	106	632	122	117	118	113	120	126
Earnings from continuing operations before interest expense and income taxes (EBIT)	1,836	1,930	2,311	446	1,169	1,014	1,337	1,147
+ Depreciation and amortization [(a)]	637	603	604	641	699	637	624	644
EBITDA	$ 2,473	$ 2,533	$ 2,915	$ 1,087	$ 1,868	$ 1,651	$ 1,961	$ 1,791

[(a)] *Represents total depreciation and amortization, including amounts classified within Cost of Sales.*

reconciliation of non-GAAP EBIT and EBITDA

annual, fiscal 2018 to present

(millions) (unaudited)		2022		2021		2020		2019		2018
Net earnings from continuing operations	$	2,780	$	6,946	$	4,368	$	3,269	$	2,930
+ Provision for income taxes		638		1,961		1,178		921		746
+ Net interest expense		478		421		977		477		461
EBIT		3,896		9,328		6,523		4,667		4,137
+ Depreciation and amortization [a]		2,700		2,642		2,485		2,604		2,474
EBITDA	$	6,596	$	11,970	$	9,008	$	7,271	$	6,611

[a] *Represents total depreciation and amortization, including amounts classified within Cost of Sales.*

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