

## NON-GAAP FINANCIAL MEASURES

### Return on Invested Capital

We calculate Return on Invested Capital (ROIC) using trailing four quarter results. We define ROIC as Net income adjusted for Interest and other non-operating expenses, net (net of taxes at the effective tax rate), divided by the sum of average Long-term debt, net, average Short-term borrowings and the current portion of long-term debt and average Total stockholders' equity from our financial statements. We have included ROIC as a supplemental disclosure, because we believe that it may be used by our investors, industry analysts and others as a measure of the efficiency and effectiveness of our use of capital.

ROIC is not a measure of financial performance under GAAP. We believe ROIC should be considered in addition to, not as a substitute for, operating income or loss, net income or loss, cash flows provided by or used in operating, investing and financing activities or other income statement, balance sheet or cash flow statement line items reported in accordance with GAAP. Other companies may calculate ROIC differently than we do, which may limit its usefulness as a comparative measure.

The table below presents our calculation of ROIC at December 31, 2020 and 2019.

(Unaudited)	<b>Year Ended December 31,</b>	
(in thousands)	<b>2020</b>	<b>2019</b>
<b>Numerator (trailing four quarters total):</b>		
Net income	\$ 366,738	\$ 261,575
Interest and other non-operating expenses, net	12,353	23,772
Less: taxes on Interest and other non-operating expenses, net at 18.9% and 17.7%, respectively	(2,335)	(4,208)
	<u>\$ 376,756</u>	<u>\$ 281,139</u>
<b>Denominator (average of trailing four quarters):</b>		
Long-term debt, net	\$ 432,829	\$ 595,247
Short-term borrowings and current portion of long-term debt	12,373	17,323
Total stockholders' equity	<u>516,040</u>	<u>346,049</u>
	<u>\$ 961,242</u>	<u>\$ 958,619</u>
Return on invested capital	39.2 %	29.3 %