UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from_____to_____

Commission File Number: 001-32172

XPO, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**03-0450326**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
Five American Lane Greenwich, CT	**06831**
(Address of principal executive offices)	**(Zip Code)**

(855) 976-6951

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.001 per share	XPO	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 23, 2026, there were 116,508,895 shares of the registrant's common stock, par value $0.001 per share, outstanding.

XPO, Inc.

Quarterly Report on Form 10-Q

For the Quarterly Period Ended September 30, 2026

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Part I—Financial Information

Item 1. ***Financial Statements.***

XPO, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

(In millions, except per share data)	September 30, 2026	December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 260	$ 310
Accounts receivable, net of allowances of $41 and $40, respectively	1,250	1,035
Other current assets	249	285
Total current assets	1,759	1,630
Long-term assets		
Property and equipment, net of $2,481 and $2,360 in accumulated depreciation, respectively	3,679	3,664
Operating lease assets	798	777
Goodwill	1,524	1,547
Identifiable intangible assets, net of $617 and $580 in accumulated amortization, respectively	266	311
Other long-term assets	282	265
Total long-term assets	6,549	6,564
Total assets	$ 8,308	$ 8,194
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 485	$ 455
Accrued expenses	878	760
Short-term borrowings and current maturities of long-term debt	129	60
Short-term operating lease liabilities	170	166
Other current liabilities	123	113
Total current liabilities	1,785	1,555
Long-term liabilities		
Long-term debt	2,995	3,253
Deferred tax liability	524	482
Employee benefit obligations	82	86
Long-term operating lease liabilities	627	611
Other long-term liabilities	322	345
Total long-term liabilities	4,550	4,778
Stockholders' equity		
Common stock, $0.001 par value; 300 shares authorized; 117 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	—	—
Additional paid-in capital	834	1,160
Retained earnings	1,332	888
Accumulated other comprehensive loss	(192)	(187)
Total equity	1,973	1,861
Total liabilities and equity	$ 8,308	$ 8,194

Amounts may not add due to rounding.

See accompanying notes to condensed consolidated financial statements.

XPO, Inc.

Condensed Consolidated Statements of Income

(Unaudited)

(In millions, except per share data)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Revenue	$ 2,373	$ 2,111	$ 6,823	$ 6,146
Salaries, wages and employee benefits	949	876	2,759	2,579
Purchased transportation	451	424	1,338	1,250
Fuel, operating expenses and supplies	488	406	1,387	1,183
Operating taxes and licenses	20	21	63	61
Insurance and claims	32	43	107	118
(Gains) losses on sales of property and equipment	2	1	(6)	(2)
Depreciation and amortization expense	134	134	398	388
Pre-Con-way acquisition environmental matter	—	35	1	35
Legal matters	—	—	—	(13)
Transaction and integration costs	3	1	7	7
Restructuring costs	5	6	36	26
Operating income	288	164	733	513
Other income	(3)	(2)	(10)	(4)
Debt extinguishment loss	1	—	6	5
Interest expense	50	54	155	166
Income before income tax provision	240	112	582	346
Income tax provision	60	30	138	89
Net income	$ 181	$ 82	$ 444	$ 257
Earnings per share data				
Basic earnings per share	$ 1.55	$ 0.69	$ 3.79	$ 2.18
Diluted earnings per share	$ 1.53	$ 0.68	$ 3.75	$ 2.15
Weighted-average common shares outstanding				
Basic weighted-average common shares outstanding	117	118	117	118
Diluted weighted-average common shares outstanding	118	120	118	120

Amounts may not add due to rounding.

See accompanying notes to condensed consolidated financial statements.

XPO, Inc.

Condensed Consolidated Statements of Comprehensive Income

(Unaudited)

(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Net income	$ 181	$ 82	$ 444	$ 257
Other comprehensive income (loss), net of tax				
Foreign currency translation gain (loss), net of tax effect of $(2), $(1), $(6) and $19	$ 2	$ (9)	$ (7)	$ 39
Unrealized gain (loss) on financial assets/liabilities designated as hedging instruments, net of tax effect of $—, $—, $(1) and $—	—	—	1	(1)
Other comprehensive income (loss)	1	(9)	(6)	38
Comprehensive income	$ 182	$ 73	$ 438	$ 294

Amounts may not add due to rounding.

See accompanying notes to condensed consolidated financial statements.

XPO, Inc.

Condensed Consolidated Statements of Cash Flows

(Unaudited)

(In millions)	Nine Months Ended September 30, 2026	2025
Cash flows from operating activities		
Net income	$ 444	$ 257
Adjustments to reconcile net income to net cash from operating activities		
Depreciation and amortization	398	388
Stock compensation expense	45	46
Accretion of debt	8	8
Deferred tax expense	35	72
Gains on sales of property and equipment	(6)	(2)
Other	25	19
Changes in assets and liabilities		
Accounts receivable	(256)	(106)
Other assets	32	18
Accounts payable	47	(14)
Accrued expenses and other liabilities	133	76
Net cash provided by operating activities	906	760
Cash flows from investing activities		
Payment for purchases of property and equipment	(369)	(551)
Proceeds from sale of property and equipment	40	18
Payment for settlement of cross-currency swaps	(3)	—
Net cash used in investing activities	(331)	(532)
Cash flows from financing activities		
Proceeds from issuance of debt	885	—
Repayment of debt	(1,085)	(50)
Repayment of finance leases and other debt	(60)	(56)
Payment for debt issuance costs	(1)	(3)
Repurchase of common stock	(250)	(57)
Change in bank overdrafts	9	24
Payment for tax withholdings for restricted shares	(124)	(47)
Other	4	3
Net cash used in financing activities	(622)	(185)
Effect of exchange rates on cash, cash equivalents and restricted cash	1	(1)
Net increase (decrease) in cash, cash equivalents and restricted cash	(46)	42
Cash, cash equivalents and restricted cash, beginning of period	330	298
Cash, cash equivalents and restricted cash, end of period	$ 284	$ 341
Supplemental disclosure of cash flow information		
Unsettled repurchase of common stock	$ —	$ (3)
Leased assets obtained in exchange for new operating lease liabilities	191	155
Leased assets obtained in exchange for new finance lease liabilities	26	34
Assets recognized during construction period under financing arrangements	31	—
Cash paid for interest	145	158
Cash paid (received) for income taxes, net of refunds	58	(11)

Amounts may not add due to rounding.

See accompanying notes to condensed consolidated financial statements.

XPO, Inc.

Condensed Consolidated Statements of Changes in Equity

(Unaudited)

(Shares in thousands, dollars in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
Balance as of June 30, 2026	**117,083**	**$ —**	**$ 1,005**	**$ 1,151**	**$ (194)**	**$ 1,962**
Net income	—	—	—	181	—	181
Other comprehensive income (loss)	—	—	—	—	1	1
Exercise and vesting of stock compensation awards	191	—	—	—	—	—
Tax withholdings related to vesting of stock compensation awards	—	—	(36)	—	—	(36)
Retirement of common stock	(765)	—	(150)	—	—	(150)
Stock compensation expense	—	—	15	—	—	15
Balance as of September 30, 2026	**116,509**	**$ —**	**$ 834**	**$ 1,332**	**$ (192)**	**$ 1,973**

(Shares in thousands, dollars in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
Balance as of December 31, 2025	**116,954**	**$ —**	**$ 1,160**	**$ 888**	**$ (187)**	**$ 1,861**
Net income	—	—	—	444	—	444
Other comprehensive income (loss)	—	—	—	—	(6)	(6)
Exercise and vesting of stock compensation awards	817	—	—	—	—	—
Tax withholdings related to vesting of stock compensation awards	—	—	(124)	—	—	(124)
Retirement of common stock	(1,262)	—	(250)	—	—	(250)
Stock compensation expense	—	—	45	—	—	45
Other	—	—	2	—	—	2
Balance as of September 30, 2026	**116,509**	**$ —**	**$ 834**	**$ 1,332**	**$ (192)**	**$ 1,973**

(Shares in thousands, dollars in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
Balance as of June 30, 2025	**117,745**	**$ —**	**$ 1,233**	**$ 747**	**$ (199)**	**$ 1,781**
Net income	—	—	—	82	—	82
Other comprehensive income (loss)	—	—	—	—	(9)	(9)
Exercise and vesting of stock compensation awards	26	—	—	—	—	—
Tax withholdings related to vesting of stock compensation awards	—	—	(2)	—	—	(2)
Retirement of common stock	(388)	—	(50)	—	—	(50)
Stock compensation expense	—	—	16	—	—	16
Balance as of September 30, 2025	**117,384**	**$ —**	**$ 1,196**	**$ 829**	**$ (208)**	**$ 1,817**

(Shares in thousands, dollars in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
Balance as of December 31, 2024	**117,174**	**$ —**	**$ 1,274**	**$ 572**	**$ (246)**	**$ 1,601**
Net income	—	—	—	257	—	257
Other comprehensive income (loss)	—	—	—	—	38	38
Exercise and vesting of stock compensation awards	681	—	—	—	—	—
Tax withholdings related to vesting of stock compensation awards	—	—	(66)	—	—	(66)
Retirement of common stock	(471)	—	(60)	—	—	(60)
Stock compensation expense	—	—	46	—	—	46
Other	—	—	2	—	—	2
Balance as of September 30, 2025	**117,384**	**$ —**	**$ 1,196**	**$ 829**	**$ (208)**	**$ 1,817**

Amounts may not add due to rounding.

See accompanying notes to condensed consolidated financial statements.

XPO, Inc.

Notes to Condensed Consolidated Financial Statements

(Unaudited)

1. Description of Business and Basis of Presentation

Nature of Operations

XPO, Inc., together with its subsidiaries ("XPO," "we" or the "Company"), is a leading provider of freight transportation services. We use our proprietary technology to move goods efficiently through our customers' supply chains in North America and Europe. See Note 2—Segment Reporting for additional information on our operations.

Basis of Presentation

We prepared our Condensed Consolidated Financial Statements in accordance with U.S. generally accepted accounting principles ("GAAP") and on the same basis as the accounting policies described in our Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K"). The interim reporting requirements of Form 10-Q allow certain information and note disclosures normally included in annual consolidated financial statements to be condensed or omitted. These Condensed Consolidated Financial Statements should be read in conjunction with the 2025 Form 10-K.

The Condensed Consolidated Financial Statements are not audited but reflect all adjustments that are of a normal recurring nature and are necessary for a fair presentation of the financial condition, operating results and cash flows for the interim periods presented. Operating results for the nine months ended September 30, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026.

Within our Condensed Consolidated Financial Statements and the accompanying notes, certain amounts may not add due to the use of rounded numbers. Unless otherwise indicated, percentages presented are calculated from the underlying numbers in millions.

Restricted Cash

As of September 30, 2026 and December 31, 2025, our restricted cash included in Other long-term assets on our Condensed Consolidated Balance Sheets was $24 million and $20 million, respectively.

Trade Receivables Securitization and Factoring Programs

In our European Transportation business, we sell certain of our trade accounts receivable under securitization and factoring programs. We use trade receivables securitization and factoring programs to help manage our cash flows and offset the impact of extended payment terms for some of our customers.

The maximum amount of net cash proceeds available at any one time under our securitization program, inclusive of any unsecured borrowings, is €200 million (approximately $227 million as of September 30, 2026). As of September 30, 2026, the maximum amount available under the program was utilized. The weighted average interest rate was 3.95% as of September 30, 2026. The program expires in March 2029.

Information related to the trade receivables sold was as follows:

(In millions)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Securitization programs				
Receivables sold in period	$ 476	$ 487	$ 1,420	$ 1,407
Cash consideration	476	487	1,420	1,407
Factoring programs				
Receivables sold in period	21	15	64	52
Cash consideration	21	14	62	49

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The levels of inputs used to measure fair value are:

- Level 1—Quoted prices for identical instruments in active markets;
- Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets; and
- Level 3—Valuations based on inputs that are unobservable, generally utilizing pricing models or other valuation techniques that reflect management's judgment and estimates.

We base our fair value estimates on market assumptions and available information. The carrying values of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and current maturities of long-term debt approximated their fair values as of September 30, 2026 and December 31, 2025 due to their short-term nature and/or being receivable or payable on demand. The Level 1 cash equivalents include money market funds valued using quoted prices in active markets and cash deposited for the securitization program.

The fair value hierarchy of cash equivalents was as follows:

(In millions)	Carrying Value	Fair Value	Level 1
September 30, 2026	$ 220	$ 220	$ 220
December 31, 2025	285	285	285

For information on the fair value hierarchy of our derivative instruments and financial liabilities, see Note 5—Derivative Instruments and Note 6—Debt, respectively.

Accounting Pronouncements Issued but Not Yet Effective

In May 2026, the Financial Accounting Standards Board ("FASB") issued ASU 2026-02, "Environmental Credits and Environmental Credit Obligations (Topic 818)." This ASU establishes recognition, measurement, presentation and disclosure requirements for (i) environmental credits and (ii) compliance obligations that may be settled by using environmental credits and is effective for annual and interim periods beginning in 2028. Early adoption is permitted. We are currently evaluating the impact of the new standard.

In December 2025, the FASB issued ASU 2025-10, "Government Grants (Topic 832) – Accounting for Government Grants Received by Business Entities." This ASU provides recognition, measurement and presentation guidance for government grants received by business entities and is effective for annual and interim periods beginning in 2029. Early adoption is permitted. We are currently evaluating the impact of the new standard.

In September 2025, the FASB issued ASU 2025-06, "Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40)." The ASU updates the guidance on accounting for internal-use software costs by (i) removing all references to software development stages, and (ii) requiring that an entity capitalize software costs when both management has authorized and committed to funding the software project, and it is probable that the project will be completed and the software will be used to perform the function intended. This ASU is effective for annual and interim periods beginning in 2028. Early adoption is permitted. We are currently evaluating the impact of the new standard.

In November 2024, the FASB issued ASU 2024-03, "Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40)." The ASU requires new tabular disclosures disaggregating prescribed expense categories within relevant income statement captions. In addition, the ASU requires disclosure of the total amount of selling expenses and, in annual periods, an entity's definition of selling expenses, among other disclosure requirements. This ASU is effective for annual periods beginning in 2027, and for interim periods beginning January 1, 2028. Early adoption is permitted. We are currently evaluating the impact of the new standard, which is limited to financial statement disclosures.

2. Segment Reporting

We are organized into two reportable segments: North American LTL, the largest component of our business, and European Transportation.

In our North American LTL segment, we provide shippers with geographic density and day-definite domestic and cross-border services to the U.S., as well as Mexico, Canada and the Caribbean. Our North American LTL segment also includes the results of our trailer manufacturing operation.

In our European Transportation segment, we serve an extensive base of customers within the consumer, trade and industrial markets. We offer dedicated truckload, LTL, full truckload brokerage, warehousing, managed transportation, last mile, freight forwarding, and multimodal solutions.

Corporate includes corporate headquarters costs for executive officers and certain legal and financial functions, and other costs and credits not attributed to our reportable segments.

Our chief operating decision maker ("CODM") is our chairman and chief executive officer. Our CODM regularly reviews financial information at the operating segment level to allocate resources to the segments and to assess their performance. We include items directly attributable to a segment, and those that can be allocated on a reasonable basis, including corporate costs, in segment results reported to the CODM. We do not provide asset information by segment to the CODM.

Our CODM evaluates segment profit (loss) based on adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), which we define as income before debt extinguishment loss, interest expense, income tax provision, depreciation and amortization expense, legal matters, transaction and integration costs, restructuring costs and other adjustments.

Our CODM uses adjusted EBITDA to allocate resources, including property and equipment and financial or capital resources, to the segments and to assess their performance by monitoring budget-to-actual and year-over-year variances.

The following tables present revenue and significant segment expenses that are included within adjusted EBITDA:

	Three Months Ended September 30, 2026			
(In millions)	North American LTL	European Transportation	Corporate [1]	Total
Revenue	$ 1,473	$ 900	$ —	$ 2,373
Salaries, wages and employee benefits	720	225	4	949
Purchased transportation	40	411	—	451
Fuel, operating expenses and supplies	291	196	—	488
Operating taxes and licenses	16	4	—	20
Insurance and claims	18	15	—	32
(Gains) losses on sales of property and equipment	3	(1)	—	2
Pension (income) expense	(4)	—	—	(4)
Adjusted EBITDA	$ 389	$ 48	$ (4)	$ 433

	Three Months Ended September 30, 2025			
(In millions)	North American LTL	European Transportation	Corporate [1]	Total
Revenue	$ 1,255	$ 857	$ —	$ 2,111
Salaries, wages and employee benefits	648	224	4	876
Purchased transportation	30	394	—	424
Fuel, operating expenses and supplies	225	180	—	406
Operating taxes and licenses	17	4	—	21
Insurance and claims	27	16	—	43
(Gains) losses on sales of property and equipment	2	(1)	—	1
Pension (income) expense	(2)	—	—	(1)
Adjusted EBITDA	$ 308	$ 38	$ (4)	$ 342

	Nine Months Ended September 30, 2026			
(In millions)	North American LTL	European Transportation	Corporate [1]	Total
Revenue	$ 4,130	$ 2,694	$ —	$ 6,823
Salaries, wages and employee benefits	2,051	696	12	2,759
Purchased transportation	109	1,229	—	1,338
Fuel, operating expenses and supplies	803	584	—	1,387
Operating taxes and licenses	49	14	—	63
Insurance and claims	60	46	—	107
(Gains) losses on sales of property and equipment	(1)	(5)	—	(6)
Pension (income) expense	(11)	—	—	(11)
Other (income) expense	—	1	—	1
Adjusted EBITDA	$ 1,070	$ 129	$ (13)	$ 1,186

	Nine Months Ended September 30, 2025			
(In millions)	North American LTL	European Transportation	Corporate [1]	Total
Revenue	$ 3,667	$ 2,479	$ —	$ 6,146
Salaries, wages and employee benefits	1,907	660	12	2,579
Purchased transportation	99	1,151	—	1,250
Fuel, operating expenses and supplies	679	505	—	1,183
Operating taxes and licenses	50	11	—	61
Insurance and claims	77	42	—	118
(Gains) losses on sales of property and equipment	4	(6)	—	(2)
Pension (income) expense	(5)	—	—	(4)
Other (income) expense	—	1	(1)	—
Adjusted EBITDA	$ 857	$ 115	$ (12)	$ 960

(1) Primarily represents unallocated corporate costs.

The following table presents adjusted EBITDA by segment and provides a reconciliation to consolidated net income:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Adjusted EBITDA				
North American LTL	$ 389	$ 308	$ 1,070	$ 857
European Transportation	48	38	129	115
Corporate	(4)	(4)	(13)	(12)
Total Adjusted EBITDA	433	342	1,186	960
Less:				
Debt extinguishment loss	1	—	6	5
Interest expense	50	54	155	166
Income tax provision	60	30	138	89
Depreciation and amortization expense	134	134	398	388
Pre-Con-way acquisition environmental matter [1]	—	35	1	35
Legal matters [2]	—	—	—	(13)
Transaction and integration costs	3	1	7	7
Restructuring costs	5	6	36	26
Net Income	$ 181	$ 82	$ 444	$ 257

(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.

(2) Reflects the settlement of claims against certain truck manufacturers related to purchases by our European Transportation segment covering periods prior to our acquisition of Norbert Dentressangle SA in 2015.

The following table presents depreciation and amortization expense by segment:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Depreciation and amortization expense				
North American LTL	$ 101	$ 98	$ 298	$ 283
European Transportation	32	35	98	101
Corporate	1	1	3	3
Total	$ 134	$ 134	$ 398	$ 388

As of September 30, 2026 and December 31, 2025, we held long-lived tangible assets outside of the U.S., including right of use assets, of $880 million and $844 million, respectively.

3. Revenue Recognition

Our revenue disaggregated by geographic area based on sales office location was as follows:

(In millions)	Three Months Ended September 30, 2026		
	North American LTL	European Transportation	Total
Revenue			
United States	$ 1,441	$ —	$ 1,441
North America (excluding United States)	32	—	32
France	—	343	343
United Kingdom	—	334	334
Europe (excluding France and United Kingdom)	—	223	223
Total	$ 1,473	$ 900	$ 2,373

(In millions)	Three Months Ended September 30, 2025		
	North American LTL	European Transportation	Total
Revenue			
United States	$ 1,228	$ —	$ 1,228
North America (excluding United States)	27	—	27
France	—	331	331
United Kingdom	—	305	305
Europe (excluding France and United Kingdom)	—	220	220
Total	$ 1,255	$ 857	$ 2,111

(In millions)	Nine Months Ended September 30, 2026		
	North American LTL	European Transportation	Total
Revenue			
United States	$ 4,041	$ —	$ 4,041
North America (excluding United States)	89	—	89
France	—	1,050	1,050
United Kingdom	—	965	965
Europe (excluding France and United Kingdom)	—	679	679
Total	$ 4,130	$ 2,694	$ 6,823

(In millions)	Nine Months Ended September 30, 2025		
	North American LTL	European Transportation	Total
Revenue			
United States	$ 3,586	$ —	$ 3,586
North America (excluding United States)	81	—	81
France	—	981	981
United Kingdom	—	845	845
Europe (excluding France and United Kingdom)	—	653	653
Total	$ 3,667	$ 2,479	$ 6,146

4. Restructuring Charges

We engage in restructuring actions as part of our ongoing efforts to best use our resources and infrastructure. These actions primarily relate to business optimization initiatives and generally include severance and facility-related costs, including impairment of lease assets, as well as contract termination costs, and are intended to improve our efficiency and profitability.

Our restructuring-related activity was as follows:

		Nine Months Ended September 30, 2026		
(In millions)	Reserve Balance as of December 31, 2025	Charges Incurred	Payments	Reserve Balance as of September 30, 2026
Severance				
North American LTL	$ 1	$ —	$ (1)	$ —
European Transportation	3	25	(19)	9
Corporate	7	3	(8)	2
Total	$ 11	$ 28	$ (28)	$ 11

In addition to the severance charges noted in the table above, we recorded restructuring-related charges in our European Transportation segment, North American LTL segment and Corporate of $6 million, $2 million and $1 million, respectively, during the first nine months of 2026, which are primarily facility-related costs.

We expect that the majority of the cash outlays related to the severance charges incurred in the first nine months of 2026 will be completed within 12 months.

5. Derivative Instruments

In the normal course of business, we are exposed to risks arising from business operations and economic factors, including fluctuations in interest rates and foreign currencies. We use derivative instruments to manage the volatility related to these exposures. The objective of these derivative instruments is to reduce fluctuations in our earnings and cash flows associated with changes in foreign currency exchange rates and interest rates. These financial instruments are not used for trading or other speculative purposes. Historically, we have not incurred, and do not expect to incur in the future, any losses as a result of counterparty default.

The fair value of our derivative instruments and the related notional amounts were as follows:

		September 30, 2026			
		Derivative Assets		Derivative Liabilities	
(In millions)	Notional Amount	Balance Sheet Caption	Fair Value	Balance Sheet Caption	Fair Value
Derivatives designated as hedges					
Cross-currency swap agreements	$ 249	Other current assets	$ —	Other current liabilities	$ (24)
Cross-currency swap agreements	404	Other long-term assets	—	Other long-term liabilities	(27)
Interest rate swaps	550	Other current assets	—	Other current liabilities	—
Total			$ —		$ (51)

	December 31, 2025				
		Derivative Assets		Derivative Liabilities	
(In millions)	Notional Amount	Balance Sheet Caption	Fair Value	Balance Sheet Caption	Fair Value
Derivatives designated as hedges					
Cross-currency swap agreements	$ 284	Other current assets	$ —	Other current liabilities	$ (32)
Cross-currency swap agreements	369	Other long-term assets	—	Other long-term liabilities	(44)
Interest rate swaps	550	Other current assets	—	Other current liabilities	(2)
Total			$ —		$ (78)

The derivatives are classified as Level 2 within the fair value hierarchy. The derivatives are valued using inputs other than quoted prices, such as foreign exchange rates and yield curves.

The effect of derivative and nonderivative instruments designated as hedges on our Condensed Consolidated Statements of Income was as follows:

	Amount of Gain Recognized in Other Comprehensive Income (Loss) on Derivatives		Amount of Gain Reclassified from AOCI into Net Income		Amount of Gain Recognized in Income on Derivative (Amount Excluded from Effectiveness Testing)	
	Three Months Ended September 30,					
(In millions)	2026	2025	2026	2025	2026	2025
Derivatives designated as cash flow hedges						
Interest rate swaps	$ —	$ —	$ —	$ 1	$ —	$ —
Derivatives designated as net investment hedges						
Cross-currency swap agreements	7	5	—	—	2	3
Total	$ 7	$ 4	$ —	$ 1	$ 2	$ 3

	Amount of Gain (Loss) Recognized in Other Comprehensive Income (Loss) on Derivatives		Amount of Gain Reclassified from AOCI into Net Income		Amount of Gain Recognized in Income on Derivative (Amount Excluded from Effectiveness Testing)	
	Nine Months Ended September 30,					
(In millions)	2026	2025	2026	2025	2026	2025
Derivatives designated as cash flow hedges						
Interest rate swaps	$ 2	$ (1)	$ —	$ 1	$ —	$ —
Derivatives designated as net investment hedges						
Cross-currency swap agreements	24	(79)	—	—	7	8
Total	$ 26	$ (80)	$ —	$ 1	$ 7	$ 8

Cross-Currency Swap Agreements

We enter into cross-currency swap agreements to manage the foreign currency exchange risk related to our international operations by effectively converting our fixed-rate USD-denominated debt, including the associated interest payments, to fixed-rate, euro ("EUR")-denominated debt. The risk management objective of these transactions is to manage foreign currency risk relating to net investments in subsidiaries denominated in foreign currencies and reduce the variability in the functional currency equivalent cash flows of this debt.

During the term of the swap contracts, we receive interest on a quarterly basis from the counterparties based on USD fixed interest rates, and we pay interest, also on a quarterly basis, to the counterparties based on EUR fixed interest rates. At maturity, we will repay the original principal amount in EUR and receive the principal amount in USD. These agreements expire at various dates through 2028, including two swaps that were extended in October 2026.

We designated these cross-currency swaps as qualifying hedging instruments and account for them as net investment hedges. We apply the simplified method of assessing the effectiveness of our net investment hedging relationships. Under this method, for each reporting period, the change in the fair value of the cross-currency swaps is initially recognized in Accumulated other comprehensive income (loss) ("AOCI"). The change in the fair value due to foreign exchange remains in AOCI and the initial component excluded from effectiveness testing will initially remain in AOCI and then will be reclassified from AOCI to Interest expense each period in a systematic manner. Cash flows related to the periodic exchange of interest payments for these net investment hedges are included in Cash flows from operating activities on our Condensed Consolidated Statements of Cash Flows.

In March 2026, we paid approximately $3 million related to cross-currency swaps that were partially settled during the period. The fair value adjustments related to these swaps remain in AOCI and partially offset foreign currency translation adjustment losses on our net investments in foreign subsidiaries. The payments were included in Cash flows from investing activities on our Condensed Consolidated Statements of Cash Flows.

Interest Rate Hedging

We execute short-term interest rate swaps to mitigate variability in forecasted interest payments on our term loan facilities. The interest rate swaps convert floating-rate interest payments into fixed rate interest payments. We designated the interest rate swaps as qualifying hedging instruments and account for these derivatives as cash flow hedges. Our outstanding interest rate swaps mature in the fourth quarter of 2026.

We record gains and losses resulting from fair value adjustments to the designated portion of interest rate swaps in AOCI and reclassify them to Interest expense on the dates that interest payments accrue. Cash flows related to the interest rate swaps are included in Cash flows from operating activities on our Condensed Consolidated Statements of Cash Flows.

6. Debt

	September 30, 2026		December 31, 2025	
(In millions)	Principal Balance	Carrying Value	Principal Balance	Carrying Value
Term loan A facility	$ 500	$ 499	$ —	$ —
Term loan B facility	285	283	985	978
6.25% senior secured notes due 2028	830	826	830	825
7.125% senior notes due 2031	450	447	450	446
7.125% senior notes due 2032	585	578	585	577
6.70% senior debentures due 2034	300	234	300	230
Finance leases and other debt	257	257	257	257
Total debt	3,207	3,124	3,407	3,313
Short-term borrowings and current maturities of long-term debt	129	129	60	60
Long-term debt	$ 3,078	$ 2,995	$ 3,347	$ 3,253

The fair value of our debt and classification in the fair value hierarchy was as follows:

(In millions)	Fair Value	Level 1	Level 2
September 30, 2026	$ 3,216	$ 2,173	$ 1,043
December 31, 2025	3,499	2,254	1,246

We valued Level 1 debt using quoted prices in active markets and Level 2 debt using bid evaluation pricing models.

Revolving Credit Facility

Our revolving credit agreement provides for revolving credit commitments in an aggregate amount of $600 million (the "Revolving Credit Facility"), of which $200 million is available for issuances of letters of credit. The maturity date of the Revolving Credit Facility is April 30, 2030.

As of September 30, 2026, we have approximately $600 million available to draw under our Revolving Credit Facility, after considering outstanding letters of credit of less than $1 million, and we were in compliance with the Revolving Credit Facility's financial covenants.

Letters of Credit Facility

As of September 30, 2026, we have $131 million in aggregate face amount of letters of credit outstanding under our $200 million uncommitted secured evergreen letter of credit facility.

Term Loan A Facility

In May 2026, we entered into a Senior Secured Term Loan A Credit Agreement (the "Term Loan A Credit Agreement"). The agreement provides for a senior secured term loan A facility in an initial aggregate amount of $500 million, maturing on May 29, 2029 (the "Term Loan A Facility"). Proceeds from the Term Loan A Facility were drawn in full on the closing date and, together with the proceeds from the 2026 Term Loan B Facility, defined below, were used to repay borrowings under the prior term loan B credit agreement (the "Prior Term Loan B Facility").

The Term Loan A Facility bears interest at a rate per annum equal to, at the Company's option, either alternate base rate ("ABR") or Term Secured Overnight Financing Rate ("SOFR") plus (i) in the case of ABR loans, 0.25% or, (ii) in the case of Term SOFR loans, 1.25%, which, on or after September 30, 2026, shall be reduced by 0.125% upon achievement of a leverage ratio defined in the Term Loan A Credit Agreement. In the third year of the facility, the Term Loan A Facility is subject to amortization of principal, payable in quarterly installments, equal to 5% of the original principal amount per annum, which may be reduced by prepayments.

Subject to customary exceptions, the Term Loan A Facility includes customary prepayment requirements, representations and warranties, events of default, reporting and other affirmative and negative covenants, including limitations on indebtedness, liens, investments, dividends, repayments of junior financings and asset sales, and is secured by a lien on substantially all of our assets and the assets of our guarantors. Certain covenants under the Term Loan A Credit Agreement will terminate or be amended, and all guarantees and liens securing the facility will be released, upon the Company's achievement of investment grade ratings from at least two rating agencies.

As of September 30, 2026, we were in compliance with the Term Loan A Facility's financial covenants. The interest rate on our Term Loan A Facility was approximately 4.94% as of September 30, 2026.

Term Loan B Facility

In May 2026, we amended our Senior Secured Term Loan Credit Agreement ("Amended Term Loan B Credit Agreement"). Pursuant to the amendment, the lenders provided the Company a new tranche of Term B-4 loans in an initial aggregate principal amount of $385 million, maturing on February 1, 2031 (the "2026 Term Loan B Facility"). The proceeds from the 2026 Term Loan B Facility, together with the proceeds from the Term Loan A Facility, were used to repay $885 million of outstanding principal, representing all outstanding indebtedness under the Prior Term Loan B Facility.

The 2026 Term Loan B Facility bears interest at a rate per annum equal to, at the Company's option, either ABR or Term SOFR plus (i) in the case of ABR loans, 0.50% or, (ii) in the case of Term SOFR loans, 1.50%, which, after November 29, 2026, shall be reduced by 0.125% upon achievement of a leverage ratio defined in the Amended Term Loan B Credit Agreement.

The 2026 Term Loan B Facility includes customary prepayment requirements, representations and warranties, events of default, reporting and other affirmative and negative covenants, including limitations on indebtedness, liens, investments, dividends, repayments of junior financings and asset sales, subject to customary exceptions.

During the first half of 2026, prior to the May 2026 refinancing, we used cash on hand to repay $100 million of outstanding principal under the Prior Term Loan B Facility and, in July 2026, we used cash on hand to repay $100 million of outstanding principal under the 2026 Term Loan B Facility. In October 2026, we used cash on hand to repay $75 million of outstanding principal under the 2026 Term Loan B Facility, which was classified within Short-term borrowings and current maturities of long-term debt as of September 30, 2026.

In total, we used cash on hand to repay $275 million of outstanding principal under our term loans on a cumulative basis year to date as of October 29, 2026. For full year 2025, we used cash on hand to repay $115 million of outstanding principal under the Prior Term Loan B Facility.

We recorded a debt extinguishment loss of $6 million during the nine months ended September 30, 2026, primarily related to the May 2026 refinancing, and a debt extinguishment loss of $5 million during the nine months ended September 30, 2025, primarily related to the refinancing of our term loans in February 2025.

The interest rate on our 2026 Term Loan B Facility was approximately 5.19% as of September 30, 2026.

7. Stockholders' Equity

Share Repurchases

In March 2025, our Board of Directors authorized repurchases of up to $750 million of our common stock. The repurchase authorization permits us to purchase shares in both the open market and in private transactions, with the timing and number of shares dependent on a variety of factors, including price, general business and market conditions, alternative investment opportunities and funding considerations. We retire common shares that we repurchase upon settlement. The share repurchase program has no expiration date and may be utilized over time, with no obligation to repurchase any specific number of shares. We may suspend or discontinue this program at any time. This plan replaced our previous share repurchase plan, authorized in February 2019.

In the third quarter of 2026, we repurchased 765 thousand shares of common stock with an aggregate value of $150 million at an average price of $196.05 per share. In the first nine months of 2026, we repurchased 1.3 million shares of common stock with an aggregate value of $250 million at an average price of $198.05 per share. The share repurchases were funded by cash on hand. In the third quarter of 2025, we repurchased 388 thousand shares of common stock with an aggregate value of $50 million at an average price of $128.86 per share. In the first nine months of 2025, we repurchased 471 thousand shares of common stock with an aggregate value of $60 million at an average price of $127.37 per share. As of September 30, 2026, our remaining share repurchase authorization was $375 million, reflecting $375 million of cumulative repurchases to date under the program.

8. Earnings per Share

The computations of basic and diluted earnings per share were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions, except per share data)	2026	2025	2026	2025
Net income	$ 181	$ 82	$ 444	$ 257
Basic weighted-average common shares	117	118	117	118
Dilutive effect of stock-based awards	1	2	1	2
Diluted weighted-average common shares	118	120	118	120
Basic earnings per share	$ 1.55	$ 0.69	$ 3.79	$ 2.18
Diluted earnings per share	$ 1.53	$ 0.68	$ 3.75	$ 2.15

9. Commitments and Contingencies

We are involved, and expect to continue to be involved, in numerous proceedings arising out of the conduct of our business. These proceedings may include claims for property damage or personal injury incurred in connection with the transportation of freight, cargo damage or loss, environmental liability, commercial disputes, insurance coverage disputes and employment-related claims, including claims involving asserted breaches of employee restrictive covenants.

We establish accruals for specific legal proceedings when it is considered probable that a loss has been incurred and the amount of the loss can be reasonably estimated. We review and adjust, as appropriate, accruals for loss contingencies at least quarterly and as additional information becomes available. If a loss is not both probable and reasonably estimable, or if an exposure to loss exists in excess of the amount accrued, we assess whether there is at least a reasonable possibility that a loss, or additional loss, may have been incurred. If there is a reasonable possibility that a loss, or additional loss, may have been incurred, we disclose the estimate of the possible loss or range of loss if it is material and an estimate can be made, or disclose that such an estimate cannot be made. The determination as to whether a loss can be considered reasonably possible or probable is based on our assessment, together with legal counsel, regarding the ultimate outcome of the matter.

We believe that we have adequately accrued for the potential impact of loss contingencies that are probable and reasonably estimable. We do not believe that the ultimate resolution of any matters to which we are presently a party will have a material adverse effect on our results of operations, financial condition or cash flows. However, the results of these matters cannot be predicted with certainty, and an unfavorable resolution of one or more of these matters could have a material adverse effect on our financial condition, results of operations or cash flows. Legal costs incurred related to these matters are expensed as incurred.

We carry liability and excess umbrella insurance policies that we deem sufficient to cover potential legal claims arising in the normal course of conducting our operations as a transportation company. In the event we are required to satisfy a legal claim outside the scope of the coverage provided by insurance, our financial condition, results of operations or cash flows could be negatively impacted.

Insurance Contribution Litigation

We have been engaged in litigation in a case captioned Allianz Global Risks US Ins. Co. v. ACE Property & Casualty Ins. Co., et al., Multnomah County Circuit Court (Case No. 1204-04552) since we acquired Con-way in 2015. In April 2012, prior to the acquisition, Allianz Global Risks US Ins. Co. (“Allianz”) filed suit against eighteen insurance companies seeking contribution on environmental and product liability claims that Allianz agreed to defend and indemnify on behalf of its insured, Daimler Trucks North America (“DTNA”). These claims involved truck and part manufacturing plants of Freightliner, a former subsidiary of Con-way, which Con-way sold to DTNA in 1981. The defendants had insured Freightliner’s assets and Con-way and Freightliner had self-insured under fronting agreements with three of the defendant insurers, ACE, Westport, and General. Under those agreements, Con-way agreed to indemnify the fronting carriers for damages assessed under the fronting policies. Con-way’s captive insurer, Centron, was also a named defendant. In connection with the acquisition of Con-way, we became responsible for any potential liability of Con-way related to this matter.

After a seven-week jury trial in 2014, the jury found that Con-way and the fronting insurers never intended that the fronting insurers defend or indemnify any claims against Freightliner. In June 2015, Allianz appealed to the Oregon Court of Appeals. In May 2019, the Oregon Court of Appeals upheld the jury verdict. In September 2019, Allianz appealed to the Oregon Supreme Court. In March 2021, the Oregon Supreme Court reversed the jury verdict, holding that it was an error to allow the jury to decide how the parties intended the fronting policies to operate, and also holding that the trial court improperly instructed the jury concerning application of certain policy pollution exclusions. In July 2021, the matter was remanded to the trial court for further proceedings consistent with the Oregon Supreme Court's decision. In June 2023, the trial court decided the parties' cross-motions for summary judgment and determined that the fronting policies do provide coverage for the environmental and product liability claims. The pollution exclusion and allocation issues remained open. The trial on the pollution exclusion issue took place in October 2024, where the jury issued a favorable verdict, finding that the pollution exclusion applied to the General policy over several years for which Allianz seeks contribution. The trial addressing legal and factual issues relating to the allocation of defense and indemnity costs among the applicable insurance policies took place during the first half of 2025 and final hearings on allocation and potential application of prejudgment interest took place in October 2025 and early February 2026, respectively. A hearing on the final judgment occurred in May 2026, and the court entered its final judgment. In the third quarter of 2025, in anticipation of a final judgment, we revised our estimate for our share of the liability associated with this matter and recognized a charge of approximately $35 million, which included an allocation of defense and indemnity costs already incurred by Allianz as well as an estimate of future allocated defense and indemnity costs. The final judgment entered was in alignment with the amount accrued and the expected allocation of defense and indemnity costs already incurred by Allianz. The final judgment is now subject to appeal by Allianz as well as multiple defendants, with Notices of Appeal by Allianz and various defendants submitted in June 2026; the appeals have since been consolidated. No appellate schedule, including briefing schedule, has yet been established, nor have the portions of the final judgment which are subject to the appeals been identified.

This matter is solely related to a legacy Con-way truck manufacturing business and is unrelated to our current Less-than-Truckload operations.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations.***

Cautionary Statement Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q and other written reports and oral statements we make from time to time contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). 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. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual future results, levels of activity, performance or achievements to be materially different from our expected 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 those discussed below and the risks discussed in the Company's other filings with the Securities and Exchange Commission (the "SEC"). All forward-looking statements set forth in this Quarterly Report on Form 10-Q are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequence to or effects on the Company or its business or operations. The following discussion should be read in conjunction with the Company's unaudited Condensed Consolidated Financial Statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q, and with the audited consolidated financial statements and related notes thereto included in the Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K"). Forward-looking statements set forth in this Quarterly Report on Form 10-Q speak only as of the date hereof, and we do not undertake any obligation to update forward-looking statements to reflect subsequent events or circumstances, changes in expectations or the occurrence of unanticipated events, except to the extent required by law.

Executive Summary

XPO, Inc., together with its subsidiaries ("XPO," "we" or the "Company"), is a leading provider of freight transportation services, with company-specific avenues for value creation. We use our proprietary technology to move goods efficiently through our customers' supply chains in North America and Europe. As of September 30, 2026, we had approximately 38,000 employees serving approximately 55,000 customers through 575 owned and leased locations in 17 countries.

Our company has two reportable segments: North American Less-Than-Truckload ("LTL"), the largest component of our business, and European Transportation. Our North American LTL segment includes the results of our trailer manufacturing operation.

Within the tables presented, certain amounts may not add due to the use of rounded numbers. Unless otherwise indicated, percentages presented are calculated from the underlying numbers in millions.

North American LTL Segment

LTL in North America is a bedrock industry providing a critical service to the economy, with secular growth drivers, a favorable pricing environment and an established competitive landscape. XPO operates one of the largest LTL networks in North America, with approximately 9% share of the U.S. market, estimated to be $52 billion in 2025.

Our network serves approximately 38,000 shippers with critical geographic density and day-definite domestic services to approximately 99% of U.S. ZIP codes, as well as cross-border services to Mexico, Canada and the Caribbean. We operate the business to high service standards for on-time delivery and damage-free transport, while balancing our network to leverage our fixed costs. In 2025, we developed new linehaul models that use artificial intelligence (AI) to improve the efficiency of our freight flows, piloted routing innovations for pickup-and-delivery operations and continued to improve productivity with real-time labor analytics at the service center level. Our proprietary developments in intelligent automation and AI-enabled decision-making are directly enhancing profitability.

Our LTL business historically has generated a high return on invested capital and robust free cash flow, funding our ongoing investments in people, capacity and technology. For example, since implementing our growth plan in the fourth quarter of 2021, we have added more than 2,500 net new doors to our network, expanding our presence in high-growth markets while improving our operating ratio.

We have created a strategic growth opportunity by building more than 30% excess door capacity into our network. Additionally, we invest in advancing a host of XPO-specific initiatives that are largely independent of the macroeconomic environment. Our trailer manufacturing facility and commercial truck driver schools are self-reliant competitive advantages for our company, particularly when industry conditions make it difficult to source equipment or drivers.

This positions us to capture profitable market share gains and drive higher incremental margins as market conditions improve. LTL industry capacity is currently constrained below pre-pandemic levels in North America, and we believe that our combination of capacity and technology puts us in a unique position to respond quickly to rebounds in demand as the freight recession eases.

We expect our proprietary, AI-driven capabilities to become increasingly essential to how we operate, compete and create value in all these areas. For more information, see “Technology” below.

European Transportation Segment

XPO has a unique pan-European transportation platform with leading positions in key geographies and deep expertise in consumer, trade and industrial markets. We are the #1 full truckload broker and the #1 pallet network (LTL) provider in France; the #1 full truckload broker and the #1 LTL provider in Iberia (Spain and Portugal); and, in the U.K., we are a market leader in warehousing, a top-tier dedicated truckload provider and have the largest single-owner LTL network. Our extensive customer base includes many sector leaders that have long-tenured relationships with us.

Our full range of freight services in Europe encompasses dedicated truckload, LTL, full truckload brokerage, warehousing, managed transportation, last mile delivery, freight forwarding and, increasingly, multimodal solutions designed for specific customer needs. We use our proprietary technology to manage these services efficiently within our digital ecosystem in Europe.

The previously announced authorization by our Board of Directors to divest the European business remains in effect. There can be no assurance that the divestiture will occur, or of the terms or timing of a transaction.

Technology

One of the ways in which we deliver superior service to our customers is by empowering our employees with technology. Our industry is evolving, and customers want to de-risk their supply chains by forming relationships with reliable service providers that have invested in innovation.

We have built a highly scalable ecosystem on the cloud that deploys our software consistently across our operating footprint. In our North American LTL business, the caliber of our technology is mission-critical to our success; it optimizes pricing, linehaul, pickup-and-delivery and dock operations — the main components of the service we provide. We have been investing in proprietary AI technology and are implementing these initiatives across a number of high-impact applications where intelligent automation and better decision making are directly enhancing profitability. We see AI playing a major role in how we operate, price our services, compete, and create value over the long term.

An LTL network of our scale has hundreds of thousands of activities underway at any given time, all managed on our technology. For the trailing 12 months ended September 30, 2026, we moved approximately 17 billion pounds of freight 794 million miles, including moving linehaul freight an average of 2.6 million miles a day.

With intelligent route-building, we can reduce empty miles in our linehaul network and improve load factor. Our proprietary optimization models analyze massive amounts of data including volume, capacity, and dimensions and generate instructions to maximize trailer utilization, reduce cost, and enhance service. We use our real-time visualization tools to drive efficiencies with pickups and deliveries and a robust pricing platform for contractual account management.

Consolidated Summary Financial Table

	Three Months Ended September 30,		Percent of Revenue		Change	Nine Months Ended September 30,		Percent of Revenue		Change
(Dollars in millions)	2026	2025	2026	2025	2026 vs. 2025	2026	2025	2026	2025	2026 vs. 2025
Revenue	$ 2,373	$ 2,111	100.0 %	100.0 %	12.4 %	$ 6,823	$ 6,146	100.0 %	100.0 %	11.0 %
Salaries, wages and employee benefits	949	876	40.0 %	41.5 %	8.3 %	2,759	2,579	40.4 %	42.0 %	7.0 %
Purchased transportation	451	424	19.0 %	20.1 %	6.4 %	1,338	1,250	19.6 %	20.3 %	7.0 %
Fuel, operating expenses and supplies	488	406	20.6 %	19.2 %	20.2 %	1,387	1,183	20.3 %	19.2 %	17.2 %
Operating taxes and licenses	20	21	0.8 %	1.0 %	(4.8)%	63	61	0.9 %	1.0 %	3.3 %
Insurance and claims	32	43	1.3 %	2.0 %	(25.6)%	107	118	1.6 %	1.9 %	(9.3)%
(Gains) losses on sales of property and equipment	2	1	0.1 %	— %	100.0 %	(6)	(2)	(0.1)%	— %	200.0 %
Depreciation and amortization expense	134	134	5.6 %	6.3 %	— %	398	388	5.8 %	6.3 %	2.6 %
Pre-Con-way acquisition environmental matter	—	35	— %	1.7 %	(100.0)%	1	35	— %	0.6 %	(97.1)%
Legal matters	—	—	— %	— %	— %	—	(13)	— %	(0.2)%	(100.0)%
Transaction and integration costs	3	1	0.1 %	— %	200.0 %	7	7	0.1 %	0.1 %	— %
Restructuring costs	5	6	0.2 %	0.3 %	(16.7)%	36	26	0.5 %	0.4 %	38.5 %
Operating income	288	164	12.1 %	7.8 %	75.6 %	733	513	10.7 %	8.3 %	42.9 %
Other income	(3)	(2)	(0.1)%	(0.1)%	50.0 %	(10)	(4)	(0.1)%	(0.1)%	150.0 %
Debt extinguishment loss	1	—	— %	— %	NM	6	5	0.1 %	0.1 %	20.0 %
Interest expense	50	54	2.1 %	2.6 %	(7.4)%	155	166	2.3 %	2.7 %	(6.6)%
Income before income tax provision	240	112	10.1 %	5.3 %	114.3 %	582	346	8.5 %	5.6 %	68.2 %
Income tax provision	60	30	2.5 %	1.4 %	100.0 %	138	89	2.0 %	1.4 %	55.1 %
Net income	$ 181	$ 82	7.6 %	3.9 %	120.7 %	$ 444	$ 257	6.5 %	4.2 %	72.8 %

NM - Not meaningful.

Three and Nine Months Ended September 30, 2026 Compared with Three and Nine Months Ended September 30, 2025

Our consolidated revenue for the third quarter of 2026 increased 12.4% to $2.4 billion, compared with the same quarter in 2025. Our consolidated revenue for the first nine months of 2026 increased 11.0% to $6.8 billion, compared with the same period in 2025. Foreign currency movement decreased revenue by approximately 0.6 percentage points in the third quarter of 2026 and increased revenue by approximately 1.5 percentage points in the first nine months of 2026. The increase in revenue during the third quarter of 2026 and the first nine months of 2026 compared to the same periods in 2025, after taking into effect the impact of foreign currency movements, primarily

reflects higher revenue in both our North American LTL and European Transportation segments, further explained below, and includes the impact of higher revenue from fuel surcharges.

Salaries, wages and employee benefits includes compensation-related costs for our employees, including salaries, wages, incentive compensation, healthcare-related costs and payroll taxes, and covers drivers and dockworkers, operations and facility workers and employees in support roles and other positions. Salaries, wages and employee benefits for the third quarter of 2026 was $949 million, or 40.0% of revenue, compared with $876 million, or 41.5% of revenue, for the same quarter in 2025. Salaries, wages and employee benefits for the first nine months of 2026 was $2.8 billion, or 40.4% of revenue, compared with $2.6 billion, or 42.0% of revenue, for the same period in 2025. The year-over-year increase in both periods primarily reflects higher volumes, wage inflation and higher incentive compensation, partially offset by savings from our restructuring actions in Europe. As a percentage of revenue, the year-over-year decrease in both periods reflects leveraging compensation costs across a larger revenue base.

Purchased transportation includes costs of procuring third-party freight transportation. Purchased transportation for the third quarter of 2026 was $451 million, or 19.0% of revenue, compared with $424 million, or 20.1% of revenue, for the same quarter in 2025. Purchased transportation for the first nine months of 2026 was $1.34 billion, or 19.6% of revenue, compared with $1.25 billion, or 20.3% of revenue, for the same period in 2025. The year-over-year increase in both periods primarily reflects higher prices for purchased transportation, driven in part by higher fuel prices, partially offset by the insourcing of a greater proportion of linehaul from third-party transportation providers in our North American LTL segment. As a percentage of revenue, the year-over-year decrease in both periods reflects proportionally higher revenue growth.

Fuel, operating expenses and supplies includes the cost of fuel purchased for use in our vehicles as well as related taxes, maintenance and lease costs for our equipment, including tractors and trailers, costs related to operating our owned and leased facilities, bad debt expense, third-party professional fees, information technology expenses and supplies expense. Fuel, operating expenses and supplies for the third quarter of 2026 was $488 million, or 20.6% of revenue, compared with $406 million, or 19.2% of revenue, for the same quarter in 2025. Fuel, operating expenses and supplies for the first nine months of 2026 was $1.4 billion, or 20.3% of revenue, compared with $1.2 billion, or 19.2% of revenue, for the same period in 2025. The year-over-year increase in both periods, as well as the increase as a percentage of revenue, primarily reflects higher fuel costs.

Operating taxes and licenses includes tax expenses related to our vehicles and our owned and leased facilities as well as license expenses to operate our vehicles. Operating taxes and licenses for the third quarter of 2026 was $20 million, compared with $21 million for the same period in 2025. Operating taxes and licenses for the first nine months of 2026 was $63 million, compared with $61 million for the same period in 2025.

Insurance and claims includes costs related to vehicular and cargo claims for both purchased insurance and self-insurance programs. Insurance and claims for the third quarter of 2026 was $32 million, compared with $43 million for the same quarter in 2025. Insurance and claims for the first nine months of 2026 was $107 million, compared with $118 million for the same period in 2025. The year-over-year decrease in both periods was primarily related to vehicular reinsurance programs and lower claims expense.

(Gains) losses on sales of property and equipment for the third quarter of 2026 was a loss of $2 million, compared with a loss of $1 million for the same quarter in 2025. (Gains) losses on sales of property and equipment for the first nine months of 2026 was a gain of $6 million, compared with a gain of $2 million for the same period in 2025. The year-over-year increase in the first nine months of 2026 was due to the timing of gains on real estate transactions in our North American LTL segment.

Depreciation and amortization expense for the third quarter of 2026 was $134 million, compared with $134 million for the same quarter in 2025. Depreciation and amortization expense for the first nine months of 2026 was $398 million, compared with $388 million for the same period in 2025. The year-over-year increase in the first nine months of 2026 primarily reflects the impact of capital investments in property, tractors and trailers in our North American LTL segment.

Pre-Con-way acquisition environmental matter for the third quarter of 2025 and the first nine months of 2025 was a charge of $35 million. The charges related to this matter in 2026 were not material. This matter relates to environmental and product liability claims involving truck and part manufacturing plants of a former subsidiary of

Con-way, which they sold in 1981 long before XPO's acquisition of Con-way in 2015. The matter is solely related to a legacy Con-way truck manufacturing business and is unrelated to the operations of our North American LTL segment.

Legal matters for the third quarter of 2025 and the first nine months of 2025 was a gain of $0 million and $13 million, respectively, which reflects the settlement of claims against certain truck manufacturers related to purchases by our European Transportation segment covering periods prior to our acquisition of Norbert Dentressangle SA in 2015. There were no comparable gains in the first nine months of 2026.

Transaction and integration costs for the third quarter of 2026 were $3 million, compared with $1 million for the same quarter in 2025. Transaction and integration costs for the first nine months of 2026 were $7 million, compared with $7 million for the same period in 2025.

Restructuring costs for the third quarter of 2026 were $5 million, compared with $6 million for the same quarter in 2025. Restructuring costs for the first nine months of 2026 were $36 million, compared with $26 million for the same period in 2025. Restructuring costs in both periods primarily related to restructuring actions in our European Transportation segment. We engage in restructuring actions as part of our ongoing efforts to best use our resources and infrastructure. For more information, see Note 4—Restructuring Charges to our Condensed Consolidated Financial Statements.

Other income for the third quarter of 2026 was $3 million, compared with $2 million for the same quarter in 2025. Other income for the first nine months of 2026 was $10 million, compared with $4 million for the same period in 2025. The year-over-year increase in both periods primarily reflects an increase in net periodic pension income.

Debt extinguishment loss for the third quarter of 2026 was $1 million, compared with $0 million for the same period in 2025. Debt extinguishment loss for the first nine months of 2026 was $6 million, compared with $5 million for the same period in 2025. Debt extinguishment loss in both years primarily related to refinancings of our term loan facilities.

Interest expense decreased to $50 million for the third quarter of 2026, compared with $54 million for the same quarter in 2025. Interest expense decreased to $155 million for the first nine months of 2026, compared with $166 million for the same period in 2025. The year-over-year decrease is primarily due to the repayment of debt as well as lower interest rates on our variable rate debt.

Our effective income tax rates were 24.8% and 26.9% for the third quarters of 2026 and 2025, respectively, and 23.8% and 25.8% for the first nine months of 2026 and 2025, respectively. The effective income tax rates for the third quarter and nine-month periods of 2026 and 2025 were based on forecasted full-year effective income tax rates, adjusted for discrete items that occurred within the periods presented.

The decrease in our effective tax rate for the third quarter of 2026 compared to the same period in 2025 was primarily driven by a reduced impact from forecasted non-deductible executive compensation expense as a result of higher pre-tax income in 2026 compared to the same period in 2025. The primary items impacting the effective tax rate for the third quarter of 2026 were losses for which no tax benefit can be recognized and forecasted non-deductible executive compensation.

The decrease in our effective income tax rate for the first nine months of 2026 compared to the same period in 2025 was primarily driven by an increase in a discrete tax benefit from stock-based compensation and a change in estimate related to the discrete benefit associated with a legal entity reorganization in our European Transportation business that occurred in 2024, partially offset by losses for which no tax benefit can be recognized. The primary items impacting the effective tax rate for the first nine months of 2026 were losses for which no tax benefit can be recognized and forecasted non-deductible executive compensation partially offset by a discrete tax benefit from stock-based compensation.

The remaining cash refund we expect to receive in connection with the legal entity reorganization in our European Transportation business is $6 million. This amount is expected to be received in the fourth quarter of 2026 or 2027.

Segment Financial Results

Our chief operating decision maker ("CODM") regularly reviews financial information at the operating segment level to allocate resources to the segments and to assess their performance. For our North American LTL and European Transportation segments, our CODM evaluates segment profit (loss) based on adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), which we define as income before debt extinguishment loss, interest expense, income tax provision, depreciation and amortization expense, legal matters, transaction and integration costs, restructuring costs and other adjustments. Segment adjusted EBITDA includes an allocation of corporate costs. See Note 2—Segment Reporting to our Condensed Consolidated Financial Statements for further information and a reconciliation of adjusted EBITDA to consolidated net income.

North American Less-Than-Truckload Segment

	Three Months Ended September 30,		Percent of Revenue		Change	Nine Months Ended September 30,		Percent of Revenue		Change
(Dollars in millions)	2026	2025	2026	2025	2026 vs. 2025	2026	2025	2026	2025	2026 vs. 2025
Revenue	$ 1,473	$ 1,255	100.0 %	100.0 %	17.4 %	$ 4,130	$ 3,667	100.0 %	100.0 %	12.6 %
Adjusted EBITDA [1]	389	308	26.4 %	24.5 %	26.3 %	1,070	857	25.9 %	23.4 %	24.9 %
Depreciation and amortization	101	98	6.9 %	7.8 %	3.1 %	298	283	7.2 %	7.7 %	5.3 %

(1) Percent of Revenue is calculated using the underlying unrounded amounts.

Revenue in our North American LTL segment increased 17.4% to $1.5 billion for the third quarter of 2026, compared with $1.3 billion for the same quarter in 2025. Revenue in our North American LTL segment increased 12.6% to $4.1 billion for the first nine months of 2026, compared with $3.7 billion for the same period in 2025. Revenue included fuel surcharge revenue of $323 million and $194 million, respectively, for the third quarters of 2026 and 2025, and $838 million and $555 million, respectively, for the first nine months of 2026 and 2025. The increase in fuel surcharge revenue was primarily driven by higher diesel prices.

We evaluate the revenue performance of our LTL business using several commonly used metrics, including tonnage (weight per day in pounds) and yield, which is a commonly used measure of LTL pricing trends. We measure yield using gross revenue per hundredweight, excluding fuel surcharges. Impacts on yield can include weight per shipment and length of haul, among other factors, while impacts on tonnage can include shipments per day and weight per shipment. The following table summarizes our key revenue metrics:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Change %	2026	2025	Change %
Pounds per day (thousands)	68,494	65,236	5.0 %	67,502	66,158	2.0 %
Shipments per day	52,988	50,094	5.8 %	51,697	49,763	3.9 %
Average weight per shipment (in pounds)	1,293	1,302	(0.7)%	1,306	1,329	(1.8)%
Gross revenue per hundredweight, excluding fuel surcharges	$ 26.70	$ 25.77	3.6 %	$ 26.18	$ 25.16	4.0 %

Percentages presented are calculated using the underlying unrounded amounts. Table reflects the results of the North American Less-Than-Truckload segment.

The year-over-year increase in revenue, excluding fuel surcharge revenue, for both the third quarter and first nine months of 2026 reflects higher yield, primarily related to our improvements in service quality and the benefit of numerous pricing initiatives, and higher tonnage. The increase in tonnage for both the third quarter and first nine months of 2026 reflects higher shipments per day partially offset by lower average weight per shipment.

Adjusted EBITDA was $389 million for the third quarter of 2026, compared with $308 million for the same quarter in 2025. Adjusted EBITDA was $1.1 billion for the first nine months of 2026, compared with $857 million for the same period in 2025. The increase in adjusted EBITDA in both periods reflects higher yield, tonnage and fuel surcharge revenue, partially offset by wage inflation and higher fuel costs.

Depreciation and amortization expense increased to $101 million in the third quarter of 2026 compared with $98 million for the same quarter in 2025. Depreciation and amortization expense increased to $298 million in the first nine months of 2026 compared with $283 million for the same period in 2025. The year-over-year increase was primarily due to the impact of capital investments in property, tractors and trailers.

European Transportation Segment

	Three Months Ended September 30,		Percent of Revenue		Change	Nine Months Ended September 30,		Percent of Revenue		Change
(Dollars in millions)	2026	2025	2026	2025	2026 vs. 2025	2026	2025	2026	2025	2026 vs. 2025
Revenue	$ 900	$ 857	100.0 %	100.0 %	5.0 %	$ 2,694	$ 2,479	100.0 %	100.0 %	8.7 %
Adjusted EBITDA [1]	48	38	5.3 %	4.5 %	26.3 %	129	115	4.8 %	4.6 %	12.2 %
Depreciation and amortization	32	35	3.6 %	4.1 %	(8.6)%	98	101	3.6 %	4.1 %	(3.0)%

(1) Percent of Revenue is calculated using the underlying unrounded amounts.

Revenue in our European Transportation segment increased 5.0% to $900 million for the third quarter of 2026, compared with $857 million for the same quarter in 2025. Revenue increased 8.7% to $2.7 billion for the first nine months of 2026, compared with $2.5 billion for the same period in 2025. Foreign currency movement decreased revenue by approximately 1.4 percentage points in the third quarter of 2026 and increased revenue by approximately 3.7 percentage points in the first nine months of 2026. The change in revenue in both periods primarily reflects higher fuel revenue, improved pricing and the impact of foreign currency movements.

Adjusted EBITDA was $48 million for the third quarter of 2026, compared with $38 million for the same quarter in 2025. Adjusted EBITDA was $129 million for the first nine months of 2026, compared with $115 million for the same period in 2025. The increase in adjusted EBITDA in both the third quarter and the first nine months of 2026 primarily reflects higher revenue, partially offset by higher purchased transportation and fuel costs.

Depreciation and amortization expense decreased to $32 million in the third quarter of 2026, compared with $35 million for the same quarter in 2025. Depreciation and amortization expense decreased to $98 million in the first nine months of 2026, compared with $101 million for the same period in 2025.

Liquidity and Capital Resources

Our cash and cash equivalents balance was $260 million as of September 30, 2026, compared to $310 million as of December 31, 2025. Our principal existing sources of cash are: (i) cash generated from operations; (ii) borrowings up to $600 million available under our revolving credit agreement (the “Revolving Credit Facility”); and (iii) proceeds from the issuance of other debt. As of September 30, 2026, we have approximately $600 million available to draw under our Revolving Credit Facility, after considering outstanding letters of credit of less than $1 million. Additionally, we have a $200 million uncommitted secured evergreen letter of credit facility, under which we had issued $131 million in aggregate face amount of letters of credit as of September 30, 2026.

See Note 6—Debt to our Condensed Consolidated Financial Statements for further information.

As of September 30, 2026, total liquidity, comprised of cash and cash equivalents and availability under the Revolving Credit Facility, was approximately $860 million. We continually evaluate our liquidity requirements in light of our operating needs, growth initiatives and capital resources. We believe that our existing liquidity and sources of capital are sufficient to support our operations over the next 12 months and for the foreseeable future thereafter.

Trade Receivables Securitization and Factoring Programs

In our European Transportation business, we sell certain of our trade accounts receivable under securitization and factoring programs. We use trade receivables securitization and factoring programs to help manage our cash flows and offset the impact of extended payment terms for some of our customers. For more information, see Note 1—Description of Business and Basis of Presentation to our Condensed Consolidated Financial Statements.

The maximum amount of net cash proceeds available at any one time under our securitization program, inclusive of any unsecured borrowings, is €200 million (approximately $227 million as of September 30, 2026). As of September 30, 2026, the maximum amount available under the program was utilized. Under the securitization program, we service the receivables we sell on behalf of the purchasers. The program expires in March 2029.

Term Loan A Facility

In May 2026, we entered into a Senior Secured Term Loan A Credit Agreement (the "Term Loan A Credit Agreement"). The agreement provides for a senior secured term loan A facility in an initial aggregate amount of $500 million, maturing on May 29, 2029 (the "Term Loan A Facility"). Proceeds from the Term Loan A Facility were drawn in full on the closing date and, together with the proceeds from the 2026 Term Loan B Facility, defined below, were used to repay borrowings under the prior term loan B credit agreement (the "Prior Term Loan B Facility").

The Term Loan A Facility bears interest at a rate per annum equal to, at the Company's option, either alternate base rate ("ABR") or Term Secured Overnight Financing Rate ("SOFR") plus (i) in the case of ABR loans, 0.25% or, (ii) in the case of Term SOFR loans, 1.25%, which, on or after September 30, 2026, shall be reduced by 0.125% upon achievement of a leverage ratio defined in the Term Loan A Credit Agreement. In the third year of the facility, the Term Loan A Facility is subject to amortization of principal, payable in quarterly installments, equal to 5% of the original principal amount per annum, which may be reduced by prepayments.

Subject to customary exceptions, the Term Loan A Facility includes customary prepayment requirements, representations and warranties, events of default, reporting and other affirmative and negative covenants, including limitations on indebtedness, liens, investments, dividends, repayments of junior financings and asset sales, and is secured by a lien on substantially all of our assets and the assets of our guarantors. Certain covenants under the Term Loan A Credit Agreement will terminate or be amended, and all guarantees and liens securing the facility will be released, upon the Company's achievement of investment grade ratings from at least two rating agencies.

As of September 30, 2026, we were in compliance with the Term Loan A Facility's financial covenants. The interest rate on our Term Loan A Facility was approximately 4.94% as of September 30, 2026.

Term Loan B Facility

In May 2026, we amended our Senior Secured Term Loan Credit Agreement ("Amended Term Loan B Credit Agreement"). Pursuant to the amendment, the lenders provided the Company a new tranche of Term B-4 loans in an initial aggregate principal amount of $385 million, maturing on February 1, 2031 (the "2026 Term Loan B Facility"). The proceeds from the 2026 Term Loan B Facility, together with the proceeds from the Term Loan A Facility, were used to repay $885 million of outstanding principal, representing all outstanding indebtedness under the Prior Term Loan B Facility.

The 2026 Term Loan B Facility bears interest at a rate per annum equal to, at the Company's option, either ABR or Term SOFR plus (i) in the case of ABR loans, 0.50% or, (ii) in the case of Term SOFR loans, 1.50%, which, after November 29, 2026, shall be reduced by 0.125% upon achievement of a leverage ratio defined in the Amended Term Loan B Credit Agreement.

The 2026 Term Loan B Facility includes customary prepayment requirements, representations and warranties, events of default, reporting and other affirmative and negative covenants, including limitations on indebtedness, liens, investments, dividends, repayments of junior financings and asset sales, subject to customary exceptions.

During the first half of 2026, prior to the May 2026 refinancing, we used cash on hand to repay $100 million of outstanding principal under the Prior Term Loan B Facility and, in July 2026, we used cash on hand to repay $100 million of outstanding principal under the 2026 Term Loan B Facility. In October 2026, we used cash on hand to repay $75 million of outstanding principal under the 2026 Term Loan B Facility, which was classified within Short-term borrowings and current maturities of long-term debt as of September 30, 2026.

In total, we used cash on hand to repay $275 million of outstanding principal under our term loans on a cumulative basis year to date as of October 29, 2026. For full year 2025, we used cash on hand to repay $115 million of outstanding principal under the Prior Term Loan B Facility.

We recorded a debt extinguishment loss of $6 million during the nine months ended September 30, 2026, primarily related to the May 2026 refinancing, and a debt extinguishment loss of $5 million during the nine months ended September 30, 2025, primarily related to the refinancing of our term loans in February 2025.

The interest rate on our 2026 Term Loan B Facility was approximately 5.19% as of September 30, 2026.

Share Repurchases

In March 2025, our Board of Directors authorized repurchases of up to $750 million of our common stock. The repurchase authorization permits us to purchase shares in both the open market and in private transactions, with the timing and number of shares dependent on a variety of factors, including price, general business and market conditions, alternative investment opportunities and funding considerations. We retire common shares that we repurchase upon settlement. The share repurchase program has no expiration date and may be utilized over time, with no obligation to repurchase any specific number of shares. We may suspend or discontinue this program at any time. This plan replaced our previous share repurchase plan, authorized in February 2019.

In the third quarter of 2026, we repurchased 765 thousand shares of common stock with an aggregate value of $150 million at an average price of $196.05 per share. In the first nine months of 2026, we repurchased 1.3 million shares of common stock with an aggregate value of $250 million at an average price of $198.05 per share. The share repurchases were funded by cash on hand. In the third quarter of 2025, we repurchased 388 thousand shares of common stock with an aggregate value of $50 million at an average price of $128.86 per share. In the first nine months of 2025, we repurchased 471 thousand shares of common stock with an aggregate value of $60 million at an average price of $127.37 per share. As of September 30, 2026, our remaining share repurchase authorization was $375 million, reflecting $375 million of cumulative repurchases to date under the program.

Loan Covenants and Compliance

As of September 30, 2026, we were in compliance with the covenants and other provisions of our debt agreements. Any failure to comply with any material provision or covenant of these agreements could have a material adverse effect on our liquidity and operations.

Sources and Uses of Cash

	Nine Months Ended September 30,	
(In millions)	**2026**	**2025**
Net cash provided by operating activities	$ 906	$ 760
Net cash used in investing activities	(331)	(532)
Net cash used in financing activities	(622)	(185)

During the nine months ended September 30, 2026, we (i) generated cash from operating activities of $906 million and (ii) received proceeds of $885 million from the issuance of the Term Loan A Facility and the 2026 Term Loan B Facility. We used cash during the period primarily to: (i) repay $1.1 billion of outstanding principal under our term loan facilities; (ii) purchase property and equipment of $369 million; (iii) repurchase common stock of $250 million; (iv) make net payments of $124 million related to tax withholding obligations in connection with the vesting of stock compensation awards; and (v) repay $60 million of finance leases and other debt.

During the nine months ended September 30, 2025, we generated cash from operating activities of $760 million. We used cash during this period primarily to: (i) purchase property and equipment of $551 million; (ii) repurchase common stock of $57 million; (iii) repay $56 million of finance leases and other debt; (iv) repay $50 million of outstanding principal under the Prior Term Loan B Facility; and (v) make net payments of $47 million related to tax withholding obligations in connection with the vesting of stock compensation awards.

Cash flows from operating activities for the nine months ended September 30, 2026 increased by $146 million, compared with the same period in 2025. The increase primarily reflects higher net income of $187 million in the first nine months of 2026, compared with the same period in 2025, partially offset by lower deferred tax expense of $37 million in the first nine months of 2026, which is added back in the determination of operating cash flows.

Investing activities used $331 million of cash in the nine months ended September 30, 2026 and $532 million of cash in the nine months ended September 30, 2025. During the nine months ended September 30, 2026, we used $369 million to purchase property and equipment, as compared to a $551 million usage of cash in the same period in 2025. The decrease is due to planned reductions in capital expenditures in 2026 compared to 2025.

Financing activities used $622 million of cash in the nine months ended September 30, 2026 and $185 million of cash in the nine months ended September 30, 2025. The primary uses of cash from financing activities during the first nine months of 2026 were $1.1 billion to repay outstanding principal under our term loan facilities, $250 million to repurchase common stock, $124 million to make net payments for tax withholdings on vested stock compensation awards, and $60 million to repay finance leases and other debt. The primary uses of cash from financing activities during the first nine months of 2025 were $57 million to repurchase common stock, $56 million to repay finance leases and other debt, $50 million to repay outstanding principal under the Prior Term Loan B Facility, and $47 million to make net payments for tax withholdings on vested stock compensation awards, primarily during the first quarter of 2025. The primary source of cash from financing activities during the first nine months of 2026 was $885 million of proceeds from the issuance of the Term Loan A Facility and the 2026 Term Loan B Facility and $9 million of proceeds from bank overdrafts, compared to $24 million of proceeds from bank overdrafts in the same period of 2025.

Except as set forth above under Term Loan A Facility and Term Loan B Facility, there were no material changes to our December 31, 2025 contractual obligations during the nine months ended September 30, 2026. We anticipate full year gross capital expenditures to be between $500 million and $600 million in 2026, funded by cash on hand, cash generated from operations and available liquidity.

New Accounting Standards

Information related to new accounting standards is included in Note 1—Description of Business and Basis of Presentation to our Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk.*

We are exposed to market risk related to changes in interest rates, foreign currency exchange rates and commodity prices. There have been no material changes to our quantitative and qualitative disclosures about market risk during the nine months ended September 30, 2026, as compared with the quantitative and qualitative disclosures about market risk described in our 2025 Form 10-K.

Item 4. *Controls and Procedures.*

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as such term is defined in Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended, as of September 30, 2026. Based on that evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of September 30, 2026, such that the information required to be included in our Securities and Exchange Commission ("SEC") reports is: (i) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms relating to the Company, including our consolidated subsidiaries; and (ii) accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There have not been any changes in our internal control over financial reporting during the quarter ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II—Other Information

Item 1. *Legal Proceedings.*

For information related to our legal proceedings, refer to "Legal Proceedings" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 and Note 9—Commitments and Contingencies of Item 1, "Financial Statements" of this Quarterly Report on Form 10-Q.

Item 1A. *Risk Factors.*

There are no material changes to the risk factors previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds.*

There were no issuances of unregistered securities during the quarter ended September 30, 2026.

Issuer Purchases of Equity Securities

(In millions, except share and per share data)	Total Number of Shares Purchased [1]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs [2]
July 1, 2026 - July 31, 2026	39,655	$ 198.19	39,655	$ 517
August 1, 2026 - August 31, 2026	460,566	200.05	460,566	425
September 1, 2026 - September 30, 2026	264,857	188.77	264,857	375
Total	765,078	$ 196.05	765,078	$ 375

(1) Based on trade date.

(2) On March 27, 2025, we announced that our Board of Directors authorized repurchases of up to $750 million of our common stock. The program has no expiration date and may be utilized over time, with no obligation to repurchase any specific number of shares. We may suspend or discontinue the program at any time. For further details, refer to Note 7—Stockholders' Equity to our Condensed Consolidated Financial Statements.

Item 3. *Defaults Upon Senior Securities.*

None.

Item 4. *Mine Safety Disclosures.*

Not applicable.

Item 5. ***Other Information.***

Trading Plans

On August 13, 2026, Christopher Brown, Chief Accounting Officer, entered into a 10b5-1 trading plan. The trading plan for Mr. Brown provides for the potential sale of up to 7,000 shares of Company common stock. Mr. Brown's trading plan will be in effect until the earlier of (i) November 15, 2027 and (ii) the date upon the completion or expiration of all transactions under the trading plan.

On September 11, 2026, Mario Harik, Chairman and Chief Executive Officer, entered into a 10b5-1 trading plan. The trading plan for Mr. Harik provides for the potential sale of up to 67,200 shares of Company common stock. Mr. Harik's trading plan will be in effect until the earlier of (i) November 30, 2027 and (ii) the date upon the completion or expiration of all transactions under the trading plan.

Each of the trading plans was entered into during an open insider trading window and intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended, and the Company's policies regarding transactions in Company securities.

Executive Compensation Agreement

On October 29, 2026, the Company entered into a letter agreement and a Change in Control and Severance Agreement (together, the "Agreements") with Mario Harik, the Company's Chairman and Chief Executive Officer. The Agreements replace the employment agreement with Mr. Harik that was scheduled to expire on November 1, 2026 and provide for his continued employment as the Company's Chairman and Chief Executive Officer without a fixed term. The Agreements provide for an annual base salary of $1,150,000, a target annual bonus of 200% of base salary and annual long-term incentive awards, with a 2027 grant date value of $12,000,000. Mr. Harik is further bound by confidentiality, non-competition, non-solicitation and non-disparagement covenants, including a three-year non-compete covenant. The Agreements also provide for severance on a termination without cause or a resignation for good reason. Enhanced severance applies if the termination occurs in connection with a change of control, and all severance is subject to a release of claims. This description is qualified in its entirety by reference to the Agreements, which are filed as Exhibits 10.1 and 10.2 to this Quarterly Report on Form 10-Q.

Item 6. *Exhibits.*

Exhibit Number	Description
10.1 +*	Letter Agreement, dated October 29, 2026, between the registrant and Mario Harik.
10.2 +*	Change in Control and Severance Agreement, dated October 29, 2026, between the registrant and Mario Harik.
31.1*	Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2026.
31.2*	Certification of the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2026.
32.1**	Certification of the Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2026.
32.2**	Certification of the Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2026.
101.INS *	*XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.*
101.SCH *	*XBRL Taxonomy Extension Schema.*
101.CAL *	*XBRL Taxonomy Extension Calculation Linkbase.*
101.DEF *	*XBRL Taxonomy Extension Definition Linkbase.*
101.LAB *	*XBRL Taxonomy Extension Label Linkbase.*
101.PRE *	*XBRL Taxonomy Extension Presentation Linkbase.*
104 *	*Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).*

* Filed herewith.
** Furnished herewith.
\+ This exhibit is a management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

XPO, INC.

By: /s/ Mario Harik
Mario Harik
Chairman and Chief Executive Officer
(Principal Executive Officer)

By: /s/ Kyle Wismans
Kyle Wismans
Chief Financial Officer
(Principal Financial Officer)

Date: October 29, 2026