

Non-GAAP Financial Measures – Last Mile Revenue Growth

The schedule below presents organic revenue for our Last Mile business, which represents a non-GAAP financial measure. We provide a reconciliation of this measure to the most directly comparable measure calculated in accordance with United States generally accepted accounting principles ("GAAP"). We believe that presenting organic revenue improves the comparability of our operating results from period to period by excluding the impact of the following items: direct postal injection revenue, a business which ceased operations in the first quarter of 2019, and fuel surcharges. We believe comparability is improved because these items are not reflective of our normalized operating activities. Other companies may calculate organic revenue differently and, therefore, our measure may not be comparable to similarly titled measures of other companies. Organic revenue is not a measure of financial performance or liquidity under GAAP and should not be considered in isolation or as an alternative to total revenue or other similar measures determined in accordance with GAAP. Items excluded from organic revenue are significant and necessary components of the operations of our business, and, therefore, organic revenue should only be used as a supplemental measure of our operating performance.

XPO Logistics, Inc.
Reconciliation of GAAP Revenue to Organic Revenue for Last Mile
(Unaudited)
(In millions)

	Last Mile	
	Three Months Ended March 31,	
	2020	2019
Revenue	\$ 201	\$ 224
Fuel	(2)	(2)
Direct postal injection revenue	-	(40)
Organic Revenue	\$ 199	\$ 182
Organic Revenue Growth ⁽¹⁾	8.7%	

⁽¹⁾ Organic revenue growth is calculated as the relative change in year-over-year organic revenue, expressed as a percentage of 2019 organic revenue.