Non-GAAP Financial Measures

The schedule below presents net debt, net leverage and adjusted EBITDA, which represent non-GAAP financial measures. We provide reconciliations of these measures to the most directly comparable measures calculated in accordance with United States generally accepted accounting principles ("GAAP"). We believe that net debt and net leverage are important measures of our overall liquidity position and are calculated by removing cash and cash equivalents from our reported total debt and reporting net debt as a ratio of our reported adjusted EBITDA for the trailing twelve months ended September 30, 2026 and June 30, 2026. We believe that presenting adjusted EBITDA improves the comparability of our operating results from period to period by removing the impact of our capital structure (interest and financing expenses), asset base (depreciation and amortization), tax impacts and other adjustments as set out in the table that management has determined are not reflective of core operating activities and thereby assist investors with assessing trends in our underlying businesses. Other companies may calculate net leverage, net debt and adjusted EBITDA differently and, therefore, our measures may not be comparable to similarly titled measures of other companies. Net debt, net leverage and adjusted EBITDA should only be used as supplemental

XPO, Inc.
Reconciliations of Net Debt, Net Leverage and Adjusted EBITDA
(Unaudited)
(In millions)

	As of September 30, 2026	As of June 30, 2026
Reconciliation of Net Debt		
Total debt	$ 3,124	$ 3,206
Less: Cash and cash equivalents	260	298
Net debt	$ 2,864	$ 2,908

	Trailing Twelve Months Ended September 30, 2026	Trailing Twelve Months Ended June 30, 2026
Reconciliation of Net Leverage		
Net debt	$ 2,864	$ 2,908
Adjusted EBITDA	$ 1,498	$ 1,408
Net leverage	1.9x	2.1x

	Trailing Twelve Months Ended September 30, 2026	Nine Months Ended September 30, 2026	Year Ended December 31, 2025	Nine Months Ended September 30, 2025
Reconciliation of Net Income to Adjusted EBITDA				
Net income	$ 503	$ 444	$ 316	$ 257
Debt extinguishment loss	6	6	6	5
Interest expense	208	155	219	166
Income tax provision	171	138	121	89
Depreciation and amortization expense	532	398	521	388
Pre-Con-way acquisition environmental matter [1]	1	1	35	35
Legal matters [2]	-	-	(13)	(13)
Transaction and integration costs	8	7	8	7
Restructuring costs	69	36	59	26
Adjusted EBITDA	$ 1,498	$ 1,186	$ 1,272	$ 960

	Trailing Twelve Months Ended June 30, 2026	Six Months Ended June 30, 2026	Year Ended December 31, 2025	Six Months Ended June 30, 2025
Reconciliation of Net Income from Continuing Operations to Adjusted EBITDA				
Net income from continuing operations	$ 404	$ 263	$ 316	$ 175
Debt extinguishment loss	6	5	6	5
Interest expense	211	104	219	112
Income tax provision	141	79	121	59
Depreciation and amortization expense	532	265	521	254
Pre-Con-way acquisition environmental matter [1]	37	1	35	-
Legal matters [2]	-	-	(13)	(13)
Transaction and integration costs	7	4	8	6
Restructuring costs	70	31	59	20
Adjusted EBITDA	$ 1,408	$ 753	$ 1,272	$ 618

Amounts may not add due to rounding.

[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, as described in Note 17 to the Company's 2025 Annual Report on Form 10-K.

[2] Reflects the settlement of claims against certain truck manufacturers related to purchases by our European Transportation segment covering periods prior to 2015.

Non-GAAP Financial Measures

The schedule below presents free cash flow, 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 free cash flow is an important measure of our ability to repay maturing debt or fund other uses of capital. We calculate free cash flow as net cash provided by operating activities from continuing operations less net capital expenditures. Other companies may calculate free cash flow differently and, therefore, our measure may not be comparable to similarly titled measures of other companies. Free cash flow should only be used as a supplemental measure of our operating performance.

XPO, Inc.
Reconciliation of Cash Flows From Operating Activities to Free Cash Flow
(Unaudited)
(In millions)

	Three Months Ended
	September 30, 2026
Net cash provided by operating activities	$ 415
Payment for purchases of property and equipment	(131)
Proceeds from sale of property and equipment	7
Free cash flow	$ 291