

Reconciliation of Non-GAAP Measures to GAAP Measures

The table below reconciles the non-GAAP financial measures of core operating loss, core operating margins and core loss per share with the most directly comparable GAAP financial measures of loss from operations, operating margins and diluted loss per share.

(Dollars in millions, except per share data)

Years ended December 31,	2022	2021	2020
Revenues	\$66,608	\$62,286	\$58,158
Loss from operations, as reported	(\$3,547)	(\$2,902)	(\$12,767)
Operating margins	(5.3)%	(4.7)%	(22.0)%
Pension FAS/CAS service cost adjustment ⁽¹⁾	(\$849)	(\$882)	(\$1,024)
Postretirement FAS/CAS service cost adjustment ⁽¹⁾	(294)	(291)	(359)
FAS/CAS service cost adjustment ⁽¹⁾	(\$1,143)	(\$1,173)	(\$1,383)
Core operating loss (non-GAAP)	(\$4,690)	(\$4,075)	(\$14,150)
Core operating margins (non-GAAP)	(7.0)%	(6.5)%	(24.3)%
Diluted loss per share, as reported	(\$8.30)	(\$7.15)	(\$20.88)
Pension FAS/CAS service cost adjustment ⁽¹⁾	(1.43)	(1.50)	(1.80)
Postretirement FAS/CAS service cost adjustment ⁽¹⁾	(0.49)	(0.49)	(0.63)
Non-operating pension expense ⁽²⁾	(1.47)	(0.91)	(0.60)
Non-operating postretirement expense ⁽²⁾	(0.10)		0.03
Provision for deferred income taxes on adjustments ⁽³⁾	0.73	0.61	0.63
Core loss per share (non-GAAP)	(\$11.06)	(\$9.44)	(\$23.25)
Weighted average diluted shares (in millions)	595.2	588.0	569.0

⁽¹⁾ FAS/CAS service cost adjustment represents the difference between the FAS pension and postretirement service costs calculated under GAAP and costs allocated to the business segments. This adjustment is excluded from Core operating loss (non-GAAP).

⁽²⁾ Non-operating pension and postretirement expenses represent the components of net periodic benefit costs other than service cost. These expenses are included in Other income, net and are excluded from Core loss per share (non-GAAP).

⁽³⁾ The income tax impact is calculated using the U.S. corporate statutory tax rate.