

The year-to-year improvements in margins and pre-tax income in GBS were driven by the continued mix shift to higher-value offerings, the yield from delivery productivity improvements and a currency benefit from leveraging the global delivery resource model. We continued to invest in our services offerings and skills necessary to assist our clients on their cloud journey.

**GAAP Reconciliation**

The following table provides a reconciliation of our consolidated gross profit and gross margin as reported under GAAP to our operating earnings presentation which is a non-GAAP measure. Management's calculation of operating (non-GAAP) earnings, as presented, may