

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

The company reports its financial results in accordance with accounting principles generally accepted in the United States (“GAAP” or referred to herein as “reported”). To supplement our consolidated financial statements reported on a GAAP basis, we provide the following non-GAAP financial measures: “comparable net revenues,” “comparable currency neutral net revenues,” “organic revenues,” “comparable cost of goods sold,” “comparable operating margin,” “underlying operating margin,” “comparable operating income,” “comparable currency neutral operating income,” “comparable EPS,” “comparable currency neutral EPS,” “underlying effective tax rate” and “free cash flow,” each of which is defined below. Management believes these non-GAAP financial measures provide investors with additional meaningful financial information that should be considered when assessing our underlying business performance and trends. Further, management believes these non-GAAP financial measures also enhance investors’ ability to compare period-to-period financial results. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the company’s reported results prepared in accordance with GAAP. Our non-GAAP financial measures do not represent a comprehensive basis of accounting. Therefore, our non-GAAP financial measures may not be comparable to similarly titled measures reported by other companies. Reconciliations of each of these non-GAAP financial measures to GAAP information are also included below. Management uses these non-GAAP financial measures in making financial, operating, compensation and planning decisions and in evaluating the company’s performance. Disclosing these non-GAAP financial measures allows investors and management to view our operating results excluding the impact of items that are not reflective of the underlying operating performance.

DEFINITIONS

- “Currency neutral operating results” are determined by dividing or multiplying, as appropriate, our current period actual U.S. dollar operating results, by the current period actual exchange rates (that include the impact of current period currency hedging activities), to derive our current period local currency operating results. We then multiply or divide, as appropriate, the derived current period local currency operating results by the foreign currency exchange rates (that also include the impact of the comparable prior period currency hedging activities) used to translate the company’s financial statements in the comparable prior year period to determine what the current period U.S. dollar operating results would have been if the foreign currency exchange rates had not changed from the comparable prior year period.
- “Structural changes” generally refer to acquisitions and divestitures of bottling operations, including the impact of intercompany transactions between our operating segments.
- “Comparable net revenues” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below). “Comparable currency neutral net revenues” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below) as well as the impact of changes in foreign currency exchange rates. Management believes the comparable net revenues (non-GAAP) growth measure and the comparable currency neutral net revenues (non-GAAP) growth measure provide investors with useful supplemental information to enhance their understanding of the company’s revenue performance and trends by improving their ability to compare our period-to-period results. “Organic revenues” is a non-GAAP financial measure that excludes or has otherwise been adjusted for the impact of acquisitions, divestitures and structural changes, as applicable, and the impact of changes in foreign currency exchange rates. Management believes the organic revenue (non-GAAP) growth measure provides users with useful supplemental information regarding the company’s ongoing revenue performance and trends by presenting revenue growth excluding the impact of foreign exchange as well as the impact of acquisitions, divestitures and structural changes. In 2021, the company acquired the remaining ownership interest in BODYARMOR. The impact of acquiring BODYARMOR has been included in acquisitions, divestitures and structural changes in our analysis of net operating revenues on a consolidated basis as well as for the North America operating segment for the three months ended April 1, 2022.
- “Comparable cost of goods sold” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below). Management believes comparable cost of goods sold (non-GAAP) provides users with useful supplemental information regarding the company’s ongoing cost of goods sold by improving their ability to compare our period-to-period results.

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

- “Comparable operating income” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below). “Comparable currency neutral operating income” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below) and the impact of changes in foreign currency exchange rates. “Comparable operating margin” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below). “Underlying operating margin” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below), the impact of changes in foreign currency exchange rates, and the impact of acquisitions, divestitures and structural changes, as applicable. Management uses these non-GAAP financial measures to evaluate the company’s performance and make resource allocation decisions. Further, management believes the comparable operating income (non-GAAP) growth measure, comparable currency neutral operating income (non-GAAP) growth measure, comparable operating margin (non-GAAP) measure and underlying operating margin (non-GAAP) measure enhance its ability to communicate the underlying operating results and provide investors with useful supplemental information to enhance their understanding of the company’s underlying business performance and trends by improving their ability to compare our period-to-period financial results.
- “Comparable EPS” and “comparable currency neutral EPS” are non-GAAP financial measures that exclude or have otherwise been adjusted for items impacting comparability (discussed further below). Comparable currency neutral EPS (non-GAAP) has also been adjusted for the impact of changes in foreign currency exchange rates. Management uses these non-GAAP financial measures to evaluate the company’s performance and make resource allocation decisions. Further, management believes the comparable EPS (non-GAAP) and comparable currency neutral EPS (non-GAAP) growth measures enhance its ability to communicate the underlying operating results and provide investors with useful supplemental information to enhance their understanding of the company’s underlying business performance and trends by improving their ability to compare our period-to-period financial results.
- “Underlying effective tax rate” is a non-GAAP financial measure that represents the estimated annual effective income tax rate on income before income taxes, which excludes or has otherwise been adjusted for items impacting comparability (discussed further below).
- “Free cash flow” is a non-GAAP financial measure that represents net cash provided by operating activities less purchases of property, plant and equipment. Management uses this non-GAAP financial measure to evaluate the company’s performance and make resource allocation decisions.

ITEMS IMPACTING COMPARABILITY

The following information is provided to give qualitative and quantitative information related to items impacting comparability. Items impacting comparability are not defined terms within GAAP. Therefore, our non-GAAP financial information may not be comparable to similarly titled measures reported by other companies. We determine which items to consider as “items impacting comparability” based on how management views our business; makes financial, operating, compensation and planning decisions; and evaluates the company’s ongoing performance. Items such as charges, gains and accounting changes which are viewed by management as impacting only the current period or the comparable period, but not both, or as pertaining to different and unrelated underlying activities or events across comparable periods, are generally considered “items impacting comparability.” Items impacting comparability include, but are not limited to, asset impairments, charges related to our strategic realignment initiatives, charges related to our productivity and reinvestment initiatives, and transaction gains/losses including associated costs, in each case when exceeding a U.S. dollar threshold. Also included are our proportionate share of similar items incurred by our equity method investees, timing differences related to our economic (non-designated) hedging activities, and timing differences related to unrealized mark-to-market adjustments of equity securities and trading debt securities, regardless of size. In addition, we provide the impact that changes in foreign currency exchange rates had on our financial results (“currency neutral operating results” defined above).

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

Strategic Realignment

In August 2020, the company announced strategic steps to transform our organizational structure in an effort to better enable us to capture growth in the fast-changing marketplace. The company has transformed into a networked global organization comprised of operating units, category leads, platform services and the center. The operating units are highly interconnected with more consistency in their structure and a focus on eliminating duplication of resources and scaling new products more quickly. The global marketing category leadership teams primarily focus on innovation as well as marketing efficiency and effectiveness. The center provides strategy, governance and scale for global initiatives. The operating units, global marketing category leadership teams, and the center are supported by platform services, which focuses on providing efficient and scaled global services and capabilities including, but not limited to, governance, transactional work, data management, consumer analytics, digital commerce and social/digital hubs. During the three months ended April 1, 2022, the company recorded income of \$1 million, primarily related to a revision to estimated severance costs accrued in the prior year. During the three months ended April 2, 2021, the company recorded a net charge of \$147 million, primarily related to severance costs and pension settlement charges associated with our strategic realignment initiatives.

Productivity and Reinvestment

During the three months ended April 1, 2022 and April 2, 2021, the company recorded charges of \$10 million and \$18 million, respectively. The costs incurred were primarily related to certain remaining initiatives designed to further simplify and standardize our organization.

Equity Investees

During the three months ended April 1, 2022 and April 2, 2021, the company recorded net gains of \$5 million and \$37 million, respectively. These amounts represent the company's proportionate share of significant operating and nonoperating items recorded by certain of our equity method investees.

Transaction Gains/Losses

During the three months ended April 1, 2022, the company recognized a gain of \$12 million related to the sale of a portion of our ownership interest in an unconsolidated bottling operation. The company also recorded a net loss of \$24 million as a result of one of our equity method investees issuing additional shares of its stock.

During the three months ended April 1, 2022 and April 2, 2021, the company recorded charges of \$22 million and \$4 million, respectively, related to the remeasurement of our contingent consideration liability to fair value in conjunction with our acquisition of fairlife, LLC in 2020.

Other Items

Economic (Non-Designated) Hedges

The company uses derivatives as economic hedges primarily to mitigate the foreign exchange risk for certain currencies, certain interest rate risk, and the price risk associated with the purchase of materials used in our manufacturing processes as well as the purchase of vehicle fuel. Although these derivatives were not designated and/or did not qualify for hedge accounting, they are effective economic hedges. The changes in fair values of these economic hedges are immediately recognized in earnings.

The company excludes the net impact of mark-to-market adjustments for outstanding hedges and realized gains/losses for settled hedges from our non-GAAP financial information until the period in which the underlying exposure being hedged impacts our condensed consolidated statement of income. Management believes this adjustment provides meaningful information related to the impact of our economic hedging activities. During the three months ended April 1, 2022 and April 2, 2021, the net impact of the company's adjustment related to our economic hedging activities resulted in a decrease of \$146 million and an increase of \$121 million, respectively, to our non-GAAP income before income taxes.

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

Unrealized Gains and Losses on Equity and Trading Debt Securities

The company excludes the net impact of unrealized gains and losses resulting from mark-to-market adjustments on our equity and trading debt securities from our non-GAAP financial information until the period in which the underlying securities are sold and the associated gains or losses are realized. Management believes this adjustment provides meaningful information related to the impact of our investments in equity and trading debt securities. During the three months ended April 1, 2022 and April 2, 2021, the net impact of the company's adjustment related to unrealized gains and losses on our equity and trading debt securities resulted in an increase of \$130 million and a decrease of \$125 million, respectively, to our non-GAAP income before income taxes.

Extinguishment of Long-Term Debt

During the three months ended April 2, 2021, the company recorded charges of \$58 million related to the extinguishment of long-term debt.

Other

During the three months ended April 1, 2022 and April 2, 2021, the company recorded net charges of \$12 million and \$19 million, respectively, related to restructuring our manufacturing operations in the United States. Additionally, during the three months ended April 1, 2022, the company recorded a net gain of \$5 million, which includes the reimbursement of distributor termination fees for BODYARMOR recorded in the prior year partially offset by various transition and transaction costs, employee retention costs and the amortization of noncompete agreements.

During the three months ended April 2, 2021, the company recorded charges of \$9 million related to tax litigation.

Certain Tax Matters

During the three months ended April 1, 2022, the company recorded \$54 million of excess tax benefits associated with the company's stock-based compensation arrangements. The company also recorded net income tax expense of \$34 million for changes to our uncertain tax positions, including interest and penalties, and recorded a net tax benefit of \$4 million associated with return to provision adjustments.

During the three months ended April 2, 2021, the company recorded \$21 million of excess tax benefits associated with the company's stock-based compensation arrangements and recorded a net tax benefit of \$6 million related to a change in a tax law in a foreign jurisdiction. The company also recorded net income tax expense of \$13 million for changes to our uncertain tax positions, including interest and penalties, as well as for various discrete tax items and recorded income tax expense of \$7 million associated with return to provision adjustments.

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

(In millions except per share data)

Three Months Ended April 1, 2022								
	Net operating revenues	Cost of goods sold	Gross profit	Gross margin	Selling, general and administrative expenses	Other operating charges	Operating income	Operating margin
Reported (GAAP)	\$ 10,491	\$ 4,091	\$ 6,400	61.0%	\$ 2,967	\$ 28	\$ 3,405	32.5%
Items Impacting Comparability:								
Strategic Realignment	—	—	—		—	1	(1)	
Productivity and Reinvestment	—	—	—		—	(10)	10	
Equity Investees	—	—	—		—	—	—	
Transaction Gains/Losses	—	—	—		—	(22)	22	
Other Items	11	142	(131)		—	3	(134)	
Certain Tax Matters	—	—	—		—	—	—	
Comparable (Non-GAAP)	\$ 10,502	\$ 4,233	\$ 6,269	59.7%	\$ 2,967	\$ —	\$ 3,302	31.4%

Three Months Ended April 2, 2021								
	Net operating revenues	Cost of goods sold	Gross profit	Gross margin	Selling, general and administrative expenses	Other operating charges	Operating income	Operating margin
Reported (GAAP)	\$ 9,020	\$ 3,505	\$ 5,515	61.1%	\$ 2,669	\$ 124	\$ 2,722	30.2%
Items Impacting Comparability:								
Strategic Realignment	—	—	—		—	(93)	93	
Productivity and Reinvestment	—	—	—		—	(18)	18	
Equity Investees	—	—	—		—	—	—	
Transaction Gains/Losses	—	—	—		—	(4)	4	
Other Items	(1)	51	(52)		—	(9)	(43)	
Certain Tax Matters	—	—	—		—	—	—	
Comparable (Non-GAAP)	\$ 9,019	\$ 3,556	\$ 5,463	60.6%	\$ 2,669	\$ —	\$ 2,794	31.0%

	Net operating revenues	Cost of goods sold	Gross profit	Selling, general and administrative expenses	Other operating charges	Operating income
% Change — Reported (GAAP)	16	17	16	11	(77)	25
% Currency Impact	(4)	(3)	(5)	(3)	—	(6)
% Change — Currency Neutral (Non-GAAP)	20	20	21	15	—	31
% Change — Comparable (Non-GAAP)	16	19	15	11	—	18
% Comparable Currency Impact (Non-GAAP)	(4)	(3)	(5)	(3)	—	(6)
% Change — Comparable Currency Neutral (Non-GAAP)	20	22	19	15	—	24

Note: Certain columns may not add due to rounding. Certain growth rates may not recalculate using the rounded dollar amounts provided.

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

(In millions except per share data)

Three Months Ended April 1, 2022								
	Interest expense	Equity income (loss) — net	Other income (loss) — net	Income before income taxes	Income taxes ¹	Effective tax rate	Net income ³	Diluted net income per share
Reported (GAAP)	\$ 182	\$ 262	\$ (105)	\$ 3,458	\$ 665	19.2%	\$ 2,781	\$ 0.64
Items Impacting Comparability:								
Strategic Realignment	—	—	—	(1)	—		(1)	—
Productivity and Reinvestment	—	—	—	10	2		8	—
Equity Investees	—	(5)	—	(5)	1		(6)	—
Transaction Gains/Losses	—	—	12	34	(5)		39	0.01
Other Items	6	—	131	(9)	(7)		(2)	—
Certain Tax Matters	—	—	—	—	24		(24)	(0.01)
Comparable (Non-GAAP)	\$ 188	\$ 257	\$ 38	\$ 3,487	\$ 680	19.5%²	\$ 2,795	\$ 0.64

Three Months Ended April 2, 2021								
	Interest expense	Equity income (loss) — net	Other income (loss) — net	Income before income taxes	Income taxes ¹	Effective tax rate	Net income ³	Diluted net income per share
Reported (GAAP)	\$ 442	\$ 279	\$ 138	\$ 2,763	\$ 508	18.4%	\$ 2,245	\$ 0.52
Items Impacting Comparability:								
Strategic Realignment	—	—	54	147	32		115	0.03
Productivity and Reinvestment	—	—	—	18	6		12	—
Equity Investees	—	(37)	—	(37)	(4)		(33)	(0.01)
Transaction Gains/Losses	—	—	—	4	1		3	—
Other Items	(247)	—	(122)	82	19		63	0.01
Certain Tax Matters	—	—	—	—	7		(7)	—
Comparable (Non-GAAP)	\$ 195	\$ 242	\$ 70	\$ 2,977	\$ 569	19.1%	\$ 2,398	\$ 0.55

	Interest expense	Equity income (loss) — net	Other income (loss) — net	Income before income taxes	Income taxes ¹	Net income ³	Diluted net income per share
% Change — Reported (GAAP)	(59)	(6)	—	25	31	24	23
% Change — Comparable (Non-GAAP)	(3)	6	(47)	17	20	17	16

Note: Certain columns may not add due to rounding. Certain growth rates may not recalculate using the rounded dollar amounts provided.

¹ The income tax adjustments are the calculated income tax benefits (charges) at the applicable tax rate for each of the items impacting comparability with the exception of certain tax matters discussed above.

² This does not include the impact of the ongoing tax litigation with the U.S. Internal Revenue Service, if the company were not to prevail.

³ This represents net income attributable to shareowners of The Coca-Cola Company.

THE COCA-COLA COMPANY AND SUBSIDIARIES
Reconciliation of GAAP and Non-GAAP Financial Measures
(UNAUDITED)

Diluted Net Income Per Share:

% Change — Reported (GAAP)

% Currency Impact

% Change — Currency Neutral (Non-GAAP)

% Impact of Items Impacting Comparability (Non-GAAP)

% Change — Comparable (Non-GAAP)

% Comparable Currency Impact (Non-GAAP)

% Change — Comparable Currency Neutral (Non-GAAP)

Three Months Ended April 1, 2022
23
(9)
32

7
16
(8)
24

Note: Certain columns may not add due to rounding.

THE COCA-COLA COMPANY AND SUBSIDIARIES
Reconciliation of GAAP and Non-GAAP Financial Measures
(UNAUDITED)
(In millions)

Net Operating Revenues by Operating Segment and Corporate:

		Three Months Ended April 1, 2022								
		Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Eliminations	Consolidated
Reported (GAAP)		\$ 1,833	\$ 1,214	\$ 3,590	\$ 1,411	\$ 729	\$ 2,044	\$ 25	\$ (355)	\$ 10,491
Items Impacting Comparability:										
	Other Items	(2)	15	—	(2)	—	—	—	—	11
	Comparable (Non-GAAP)	\$ 1,831	\$ 1,229	\$ 3,590	\$ 1,409	\$ 729	\$ 2,044	\$ 25	\$ (355)	\$ 10,502

		Three Months Ended April 2, 2021								
		Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Eliminations	Consolidated
Reported (GAAP)		\$ 1,623	\$ 909	\$ 2,937	\$ 1,402	\$ 570	\$ 1,896	\$ 17	\$ (334)	\$ 9,020
Items Impacting Comparability:										
	Other Items	—	—	—	(1)	—	—	—	—	(1)
	Comparable (Non-GAAP)	\$ 1,623	\$ 909	\$ 2,937	\$ 1,401	\$ 570	\$ 1,896	\$ 17	\$ (334)	\$ 9,019

		Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Eliminations	Consolidated
% Change — Reported (GAAP)		13	34	22	1	28	8	45	(6)	16
	% Currency Impact	(9)	(6)	0	(5)	(6)	(5)	(2)	—	(4)
	% Change — Currency Neutral (Non-GAAP)	22	39	22	5	34	12	47	—	20
	% Acquisitions, Divestitures and Structural Changes	0	0	8	0	0	0	0	—	3
	% Change — Organic Revenues (Non-GAAP)	22	39	14	5	34	12	47	—	18
% Change — Comparable (Non-GAAP)		13	35	22	1	28	8	45	—	16
	% Comparable Currency Impact (Non-GAAP)	(9)	(4)	0	(5)	(6)	(5)	(2)	—	(4)
	% Change — Comparable Currency Neutral (Non-GAAP)	22	39	22	5	34	12	47	—	20

Note: Certain columns may not add due to rounding. Certain growth rates may not recalculate using the rounded dollar amounts provided.

THE COCA-COLA COMPANY AND SUBSIDIARIES
Reconciliation of GAAP and Non-GAAP Financial Measures
(UNAUDITED)
(In millions)

Operating Income (Loss) by Operating Segment and Corporate:

		Three Months Ended April 1, 2022							
		Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Consolidated
Reported (GAAP)		\$ 1,007	\$ 760	\$ 1,056	\$ 664	\$ 51	\$ 193	\$ (326)	\$ 3,405
Items Impacting Comparability:									
Strategic Realignment		(1)	—	—	—	—	—	—	(1)
Productivity and Reinvestment		—	—	—	—	—	—	10	10
Transaction Gains/Losses		—	—	—	—	—	—	22	22
Other Items		(2)	15	(155)	(2)	1	(5)	14	(134)
Comparable (Non-GAAP)		\$ 1,004	\$ 775	\$ 901	\$ 662	\$ 52	\$ 188	\$ (280)	\$ 3,302

		Three Months Ended April 2, 2021							
		Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Consolidated
Reported (GAAP)		\$ 820	\$ 552	\$ 792	\$ 686	\$ 26	\$ 141	\$ (295)	\$ 2,722
Items Impacting Comparability:									
Strategic Realignment		50	11	12	13	—	—	7	93
Productivity and Reinvestment		—	—	—	—	—	—	18	18
Transaction Gains/Losses		—	—	—	—	—	—	4	4
Other Items		—	—	(46)	(1)	3	(8)	9	(43)
Comparable (Non-GAAP)		\$ 870	\$ 563	\$ 758	\$ 698	\$ 29	\$ 133	\$ (257)	\$ 2,794

		Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Consolidated
% Change — Reported (GAAP)		23	38	33	(3)	94	37	(10)	25
% Currency Impact		(11)	(7)	0	(5)	(5)	(7)	1	(6)
% Change — Currency Neutral (Non-GAAP)		34	45	33	2	99	45	(12)	31
% Impact of Items Impacting Comparability (Non-GAAP)									
% Change — Comparable (Non-GAAP)		7	0	14	2	19	(5)	(2)	7
% Change — Comparable Currency Impact (Non-GAAP)		15	38	19	(5)	75	42	(9)	18
% Change — Comparable Currency Neutral (Non-GAAP)		(10)	(5)	0	(5)	(5)	(8)	2	(6)
% Change — Comparable Currency Neutral (Non-GAAP)		26	42	19	0	79	50	(10)	24

Note: Certain columns may not add due to rounding. Certain growth rates may not recalculate using the rounded dollar amounts provided.

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

(In millions unless noted)

Operating Margin:

	Three Months Ended April 1, 2022	Three Months Ended April 2, 2021	Basis Point Growth (Decline)
Reported Operating Margin (GAAP)	32.45 %	30.18 %	227
Items Impacting Comparability (Non-GAAP)	1.01 %	(0.79)%	
Comparable Operating Margin (Non-GAAP)	31.44 %	30.97 %	47
Comparable Currency Impact (Non-GAAP)	(0.41)%	0.00 %	
Comparable Currency Neutral Operating Margin (Non-GAAP)	31.85 %	30.97 %	88
Impact of Acquisitions, Divestitures and Structural Changes on Comparable Currency Neutral Operating Margin (Non-GAAP)	(0.84)%	0.02 %	
Underlying Operating Margin (Non-GAAP)	32.69 %	30.95 %	174

Free Cash Flow:

	Three Months Ended April 1, 2022	Three Months Ended April 2, 2021	\$ Change
Net Cash Provided by Operating Activities (GAAP)	\$ 623	\$ 1,636	\$ (1,013)
Purchases of Property, Plant and Equipment (GAAP)	(217)	(216)	(1)
Free Cash Flow (Non-GAAP)	\$ 406	\$ 1,420	\$ (1,014)

Projected 2022 Free Cash Flow (In billions):

	Year Ending December 31, 2022
Net Cash Provided by Operating Activities (GAAP)¹	\$ 12.0
Purchases of Property, Plant and Equipment (GAAP)	(1.5)
Projected Free Cash Flow (Non-GAAP)	\$ 10.5

¹ This does not include the impact of the ongoing tax litigation with the U.S. Internal Revenue Service, if the company were not to prevail.