

Alternative Performance Measures

October 2022 – September 2023

- **Economic Sales:** equivalent to Gross Profit; used interchangeably by Group Management to refer to the figure obtained by subtracting Raw materials and consumables from Revenue.

Group management considers this figure to be a significant measure of the tariff revenue generated by distribution services that provides investors with a useful view of the Group's financial performance.

€ million	1 Oct. 2022 – 30 Sep. 2023	1 Oct. 2021 – 30 Sep. 2022
Revenue	12,427.5	11,463.6
Raw materials and consumables	(10,743.4)	(10,228.4)
Economic Sales (Gross Profit)	1,684.1	1,235.2

- **Adjusted Operating Profit (Adjusted EBIT):** This indicator is basically calculated by discounting from EBIT costs that are not directly related to the revenue obtained by the Group in each period, which facilitates the analysis of the Group's operating cost and margin trends.

Adjusted Operating Profit (Adjusted EBIT) is the main indicator employed by Group management to analyze and measure business performance.

€ million	1 Oct. 2022 – 30 Sep. 2023	1 Oct. 2021 – 30 Sep. 2022
Adjusted EBIT	365.8	312.4
(-) Restructuring costs	(13.7)	(10.9)
(-) Depreciation of assets acquired	(60.7)	(52.7)
(+/-) Profit/(loss) on disposal and impairment	(0.7)	14.8
(+/-) Equity-accounted profit/(loss) and other	2,5	2,8
EBIT	293.3	266.4

- **Adjusted EBIT Margin on Economic Sales:** calculated as Adjusted EBIT divided by Economic Sales (or, interchangeably, Gross Profit).

This ratio is the main indicator employed by Group Management to analyze and measure the trend in profits obtained from the Group's ordinary business activities in a certain period.

€ million	1 Oct. 2022 – 30 Sep. 2023	1 Oct. 2021 – 30 Sep. 2022	% variation
Economic sales	1,684.1	1,235.2	36.3%
Adjusted EBIT	365.8	312.4	17.1%
Economic Sales Margin	21.7%	25.3%	(3.6 p.p.)

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- **Operating Costs:** this term comprises logistics network costs, commercial expenses, research expenditure and central office expenses that are directly related to the Group's revenue in each period. It is the main figure used by Group management to analyze and measure cost structure trends. It does not include restructuring costs or depreciation charged on assets derived from the acquisitions, which are not directly related to the Group's revenue in each period.

Each segment's operating costs exclude corporate center expenditure, which is however included in the Group's total operating costs so as to show the operating performance of each geographic area.

M€	1 Oct. 2022 – 30 Sep. 2023	1 Oct. 2021 – 30 Sep. 2022
Logistics network costs	1,232.8	843.0
Commercial expenses	64.5	54.6
Research expenses	2.1	1.9
Head office expenses	93.4	86.0
(-) Restructuring costs	(13.7)	(10.9)
(-) Amortisation of acquired assets	(60.7)	(52.7)
Operating Costs or Expenses in management accounts	1,318.3	921.9

- **Non-Recurring Costs:** This term refers to costs which may be incurred in more than one period but are not continuous over time (unlike operating costs) and only affect the accounts at a given moment.

This figure helps Group Management to analyze and measure the Group's business trends during each period.

- **Recurring Operating Costs:** This term refers to costs incurred on a continuous basis that allow the Group's business to continue and are estimated as total operating costs less the non-recurring costs defined in the previous point.

This figure helps Group Management to analyze and measure the Group's business efficiency.

- **Restructuring Costs:** costs incurred by the Group to enhance operational, administrative or commercial efficiency in the organization, including those related to reorganization, lay-offs and the closure or transfer of warehouses or other facilities.

- **Non-Recurring Results:** this refers to results for the year that are not obtained continuously during the year and affect the accounts at a given time. They are included in EBIT.