

# Alternative Performance Measures

October 2021 – September 2022

Logista

- **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. 2021 – 30 Sep. 2022	1 Oct. 2020 – 30 Sep. 2021
Revenue	11,463.6	10,816.8
Raw materials and consumables	(10,228.4)	(9,637.3)
<b>Gross Profit</b>	<b>1,235.2</b>	<b>1,179.5</b>

- **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 analyse and measure business performance.

€ million	1 Oct. 2021 – 30 Sep. 2022	1 Oct. 2020 – 30 Sep. 2021
<b>Adjusted EBIT</b>	<b>312.4</b>	<b>297.5</b>
(-) Restructuring costs	(10.9)	(9.3)
(-) Amortisation of assets from acquisitions	(52.7)	(52.2)
(+/-) Profit/(loss) on disposal and impairment	14.8	2.1
(+/-) Equity-accounted profit/(loss) and other	2.8	2.2
<b>EBIT</b>	<b>266.4</b>	<b>240.3</b>

- **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 analyse and measure the trend in profits obtained from the Group's ordinary business activities in a certain period.

€ million	1 Oct. 2021 – 30 Sep. 2022	1 Oct. 2020 – 30 Sep. 2021	% variation
Economic sales	1,235.2	1,179.5	4.7%
Adjusted EBIT	312.4	297.5	5.0%
<b>Economic Sales Margin</b>	<b>25.3%</b>	<b>25.2%</b>	<b>+10 p.b.</b>

- **Operating expenses:** these include the costs of logistics networks, commercial expenses, research expenses and head office expenses that are directly related to the revenues obtained by the Group in each period. It is the main figure used by the Group's Management to analyse and measure the performance of the costs structure. It does not include restructuring costs or amortisation of the assets derived from the acquisition of companies, because they are not directly related to the revenues obtained by the Group in each period.

Operating costs of each segment do not include the expenses of the corporate center. However, the expenses of the corporate center are included in the total Group's operating costs in order to show the operating behaviour of each geographical area.

- **Reconciliation with Annual Accounts**

M€	1 Oct. 2021 – 30 Sep. 2022	1 Oct. 2020 – 30 Sep. 2021
Logistics network costs	843.0	808.2
Commercial expenses	54.6	48.1
Research expenditure	1.9	2.5
Central office expenses	86.0	84.6
(-) Restructuring cost in operating expenses	(10.0)	(9.3)
(-) Amortisation of assets from acquisitions	(52.7)	(52.2)
<b>Operating costs or expenses in management accounts</b>	<b>922.8</b>	<b>882.0</b>

- **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 analyse 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 analyse and measure the Group's business efficiency.

- **Restructuring Costs:** costs incurred by the Group to enhance operational, administrative or commercial efficiency in the organisation, including those related to reorganisation, 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.