# TTM Technologies, Inc.
# Investor Presentation

November, 2022

TTM Technologies

Inspiring Innovation

# Disclaimers

**Forward-Looking Statements**

This communication may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements related to the future business outlook, events, and expected performance of TTM Technologies, Inc. ("TTM", "we" or the "Company"). The words "anticipate," "believe," "plan," "forecast," "foresee," "estimate," "project," "expect," "seek," "target," "intend," "goal" and other similar expressions, among others, generally identify "forward-looking statements," which speak only as of the date the statements were made and are not guarantees of performance. Actual results may differ materially from these forward-looking statements. Such statements relate to a variety of matters, including but not limited to the operations of TTM's businesses. These statements reflect the current beliefs, expectations and assumptions of the management of TTM, and we believe such statements to have a reasonable basis.

It is uncertain whether any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what impact they will have on the results of operations and financial condition of the Company. These forward-looking statements are based on assumptions that may not materialize, and involve certain risks and uncertainties, many of which are beyond our control, that could cause actual events or performance to differ materially from those indicated in such forward-looking statements. Factors, risks, trends, and uncertainties that could cause actual results to differ materially from those projected, anticipated, or implied in forward-looking statements include, but are not limited to potential changes in domestic or global economic conditions, demand for our products, market pressures on prices of our products, warranty claims, changes in product mix, contemplated significant capital expenditures and related financing requirements, our dependence upon a small number of customers, and other factors set forth in the Company's most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q and in the Company's other filings filed with the Securities and Exchange Commission (the "SEC"), including under the heading "Risk Factors", and which are available at the SEC's website at www.sec.gov.

TTM does not undertake any obligation to update any of these statements to reflect any new information, subsequent events or circumstances, or otherwise, except as may be required by law, even if experience or future changes make it clear that any projected results expressed in this communication or future communications to stockholders, press releases or Company statements will not be realized. In addition, the inclusion of any statement in this communication does not constitute an admission by us that the events or circumstances described in such statement are material.

**Use of Non-GAAP Financial Measures**

In addition to the financial statements presented in accordance with U.S. generally accepted accounting principles ("GAAP"), TTM uses certain non-GAAP financial measures, including EBITDA, Adjusted EBITDA, Non-GAAP Operating Income, Non-GAAP Net Income, Non-GAAP Operating Margin, Non-GAAP Gross Margin , Non-GAAP EPS and Adjusted Operating Cash Flow. We present non-GAAP financial information to enable investors to see TTM through the eyes of management and to provide better insight into our ongoing financial performance.

# Disclaimers (cont.)

A material limitation associated with the use of the above non-GAAP financial measures is that they have no standardized measurement prescribed by GAAP and may not be comparable to similar non-GAAP financial measures used by other companies. We compensate for these limitations by providing full disclosure of each non-GAAP financial measure and reconciliation to the most directly comparable GAAP financial measure. However, the non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP.

See Appendix for reconciliations of Adjusted EBITDA and Non-GAAP Operating Income to the most comparable GAAP metric.

**Data Used in This Presentation**

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

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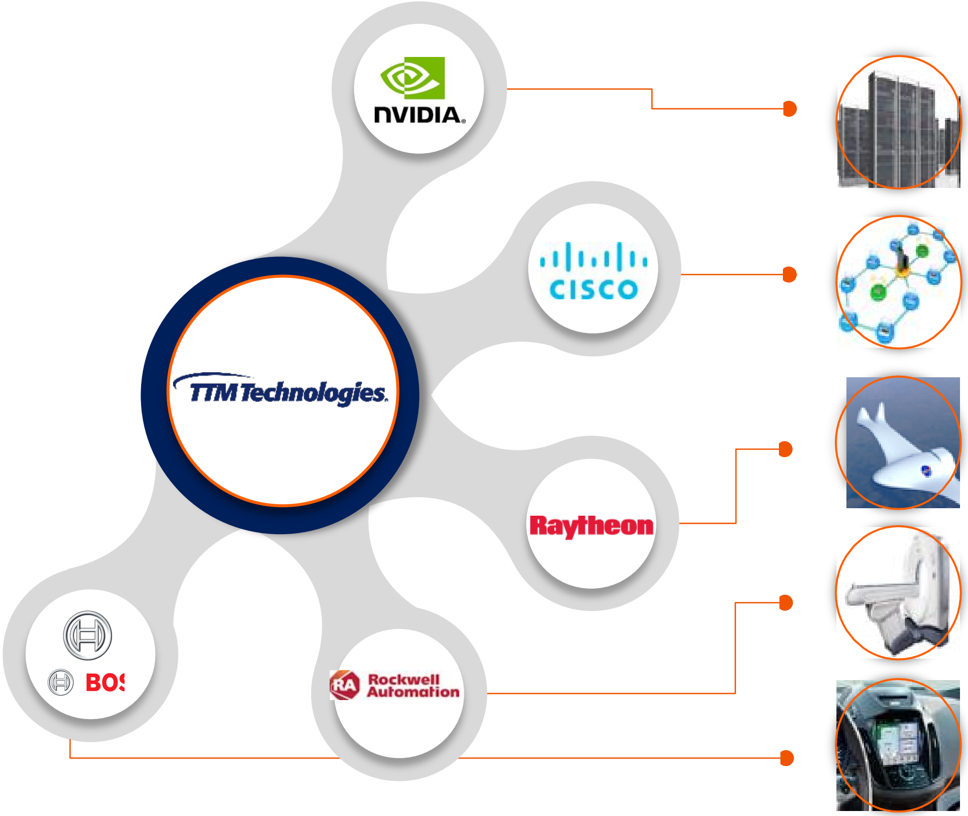
# Leading Technology Solutions provider of Engineered Systems, PCBs and Specialty Components

## Technology-enabled end markets and customers

Critical supplier to today's fastest growing technologies such as advanced defense radar, cloud infrastructure, 5G, automobile technology, semiconductor capital equipment and internet of things

Significant global footprint with 27 facilities and 16,700 employees[1]

**Scale:**
$2,506 mn FY21 revenue[1]




Data center and semiconductors

Networking and communications infrastructure

Aerospace and defense

Semiconductor Capital Equipment and Medical & Industrial Automation

Automotive Technology

[1] Pro-forma the acquisition of Telephonics that closed 6/27/22.

# Strategic Focus

## Diversification

- Diverse end markets
- Near term – Aerospace and Defense, Medical, Data Center Computing

## Differentiation

- Engineering depth
- Early engagement
- Technology breadth
- Global footprint

## Discipline

- Operational execution
- Earnings power
- Cash flow generation

# Recent Highlights

- Solid P&L performance despite COVID-19, inflationary environment, supply chain and labor challenges
- Organic revenues grew 9.6% 9M YTD, driven by commercial markets such as data center computing, medical, industrial and instrumentation and automotive
- Aerospace and defense market demand was strong with program backlog at $1.16 billion inclusive of Telphonics
- Non-GAAP earnings per share grew to $1.33 in 9M YTD 2022 from $0.94 in 9M YTD 2021
- Solid balance sheet
  - Cash flow from operations was $195.3M and free cash flow $119.2M 9M YTD 2022
  - Net debt/LTM EBITDA was 1.8x at the end of Q3'22 due to strong cash flow and EBITDA
- Completed $100 million stock repurchase program in Q2 2022
- Completed the acquisition of Telephonics at the end of Q2 2022
- Broke ground on new manufacturing facility in Malaysia in Q2 2022
- Published first Corporate Social Responsibility Report August 2022

# The Evolution of TTM Through Strategic Transactions

2002

### Acquires Honeywell ACI
- Networking/Communications
- High layer count

2010

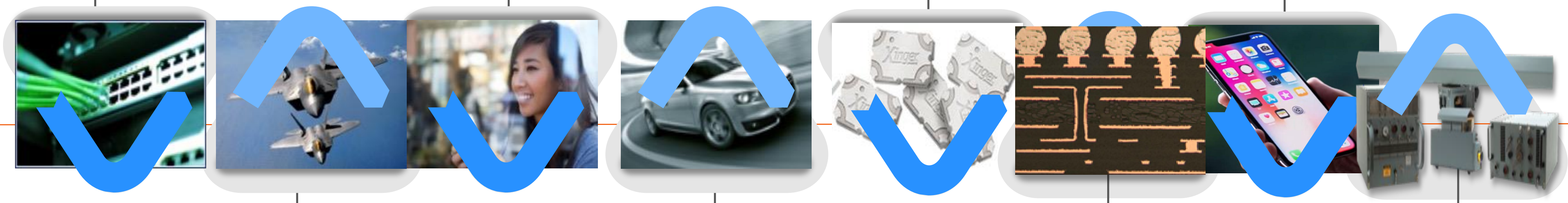
### Acquires Meadville PCB
- Cellular market
- Asia footprint

2018

### Acquires Anaren
- Build to Spec
- RF Technology

2020

### Divests Mobility & Restructures E-MS
- Stable end markets
- Financial flexibility



**$2.5B***

2006

### Acquires Tyco PCG
- Aerospace & Defense
- Diversification

2015

### Acquires ViaSystems
- Automotive
- Synergies

2019

### Acquires i3's assets
- Substrate like PCB technology
- Ultra high aspect ratio expertise
- Extensive patent portfolio

2022

### Acquires Telephonics
- Aerospace and Defense
- Engineered system solutions

| Increased scale and diversification | Increased differentiation and stability |
|---|---|

*$2.5 billion is 2021 revenues pro-forma the acquisition of Telephonics that closed 6/27/22

# TTM Continues to Transform the Business by Implementing Its Core Strategy of Differentiation

## Differentiating TTM

***Transformation to better business model continues***

**The result**

- Highly valued partner and satisfied customers
- Strong and diversified portfolio with leading technical capabilities across all markets
- Greater stability, less cyclicality and improved visibility

**Investing in engineering/technology and new regions**

- Engineered solutions with technical capabilities (Anaren, Telephonics) in stable and growing A&D end-market
- Footprint diversification (Penang, Malaysia)

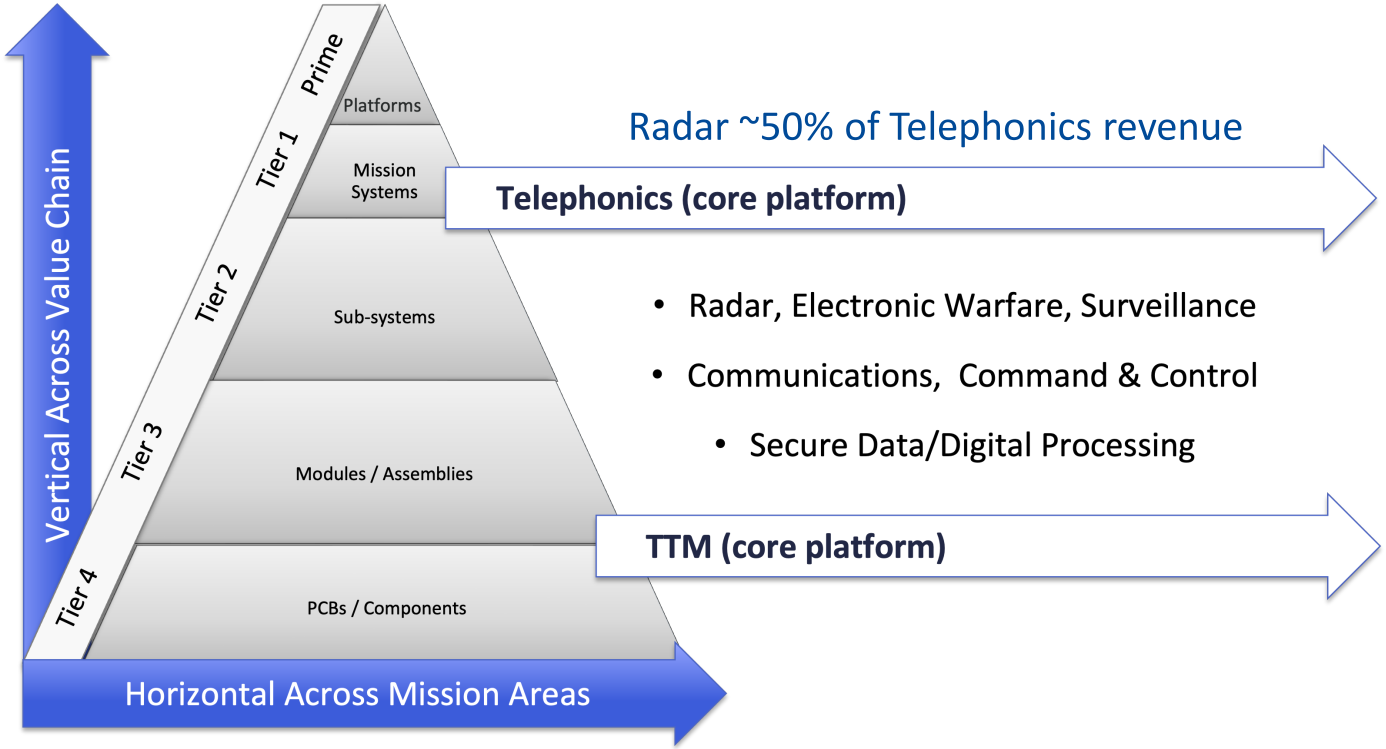
**Reducing exposure to cyclical consumer-oriented / commodity business**

- Mobility divestiture
- E-M Solutions restructuring

# Overview of TTM's Acquisition of Telephonics

- Establishes a $1B A&D business
  - ~40% of TTM consolidated revenues (PCB <50% of A&D revenues)
  - Benefits our customers through accelerated innovation, new capabilities, and enhanced manufacturing discipline
  - Expands RF/Microwave product strategy building upon prior acquisition of Anaren
- Significant value creation potential from revenue and cost synergies
  - Strong revenue synergies projected from new business opportunities, particularly in radar
  - Meaningful cost synergies expected from organizational alignment, corporate and back office integration, manufacturing and supply chain, product and technology alignment
- Compelling financial benefits
  - Immediately accretive to non-GAAP EPS
  - $12M of estimated annual run-rate cost synergies by the end of 2024

# Telephonics Overview




- Leading designer and manufacturer of defense electronics for maritime surveillance and other critical missions
- Strong installed base of integrated systems
- Product and technology roadmaps focused on next-gen platforms and existing program modernization
- Systems engineering expertise in RF/microwave
- Approximately 625 Employees, 25% engineers
- 100+ Platforms; majority sole sourced
- 95% of revenues from the aerospace and defense end market with ~25% international

Source: Griffon 10k for fiscal year 2021

# TTM Build New Manufacturing Facility in Malaysia

- Expand TTM manufacturing footprint in Asia outside China & HK
- Phase one capacity of $180M in 2024 with 25% expansion room for Phase two
- Step change in the use of manufacturing automation ($130M in capital investment) for advanced multilayer board production
- Address supply resiliency concerns from our customers & mitigate the geopolitical risk


# Strategic Focus

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## Discipline

- Operational execution
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- Cash flow generation

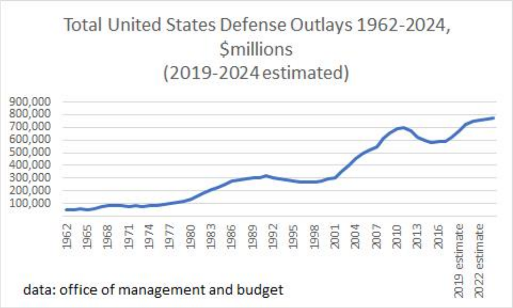
# End Market Growth Drivers and Outlook

| | FY 2021 Net Sales[1] | End Market Growth Drivers | 2021 – 2025 CAGR (3rd Party) | 2022 TTM View |
|---|---|---|---|---|
| **Aerospace & Defense**  | **40%** | Increased Use of AESA Radar & Increased Military Equipment Builds | **2-4%** | **In Line** |

Source: TTM filings, Prismark Partners Nov 2021, Company estimates

# Key Defense Megatrends

Growing
Defense Budgets




Bipartisan support of strong defense

Key Program ramps

>180 Defense Program ramps[1]

Increasing
AESA Radar Use

AESA CAGR > Radar CAGR

Increasing Supplier Consolidation

M&A and US footprint

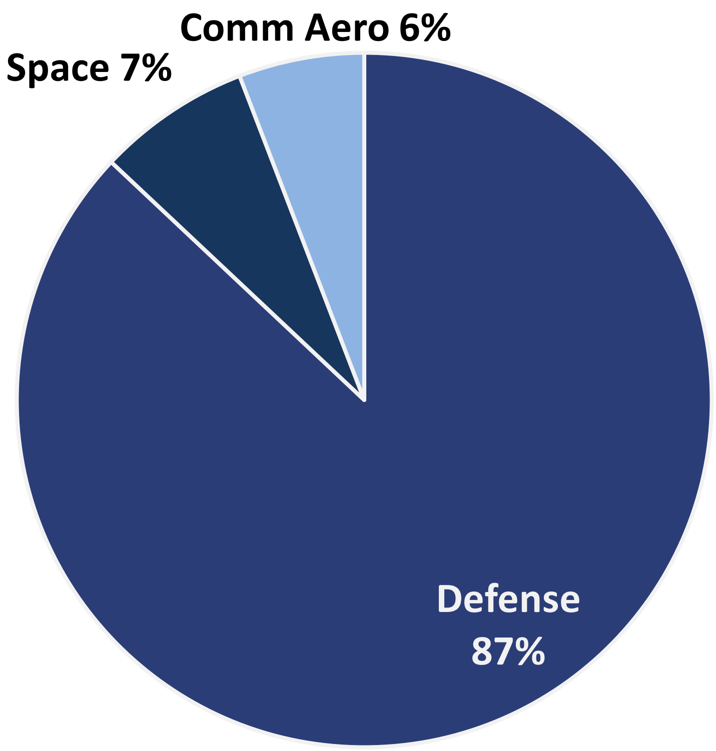
[1] Pro-forma the acquisition of Telephonics that closed 6/27/22.

# Aerospace & Defense Business At A Glance[1]

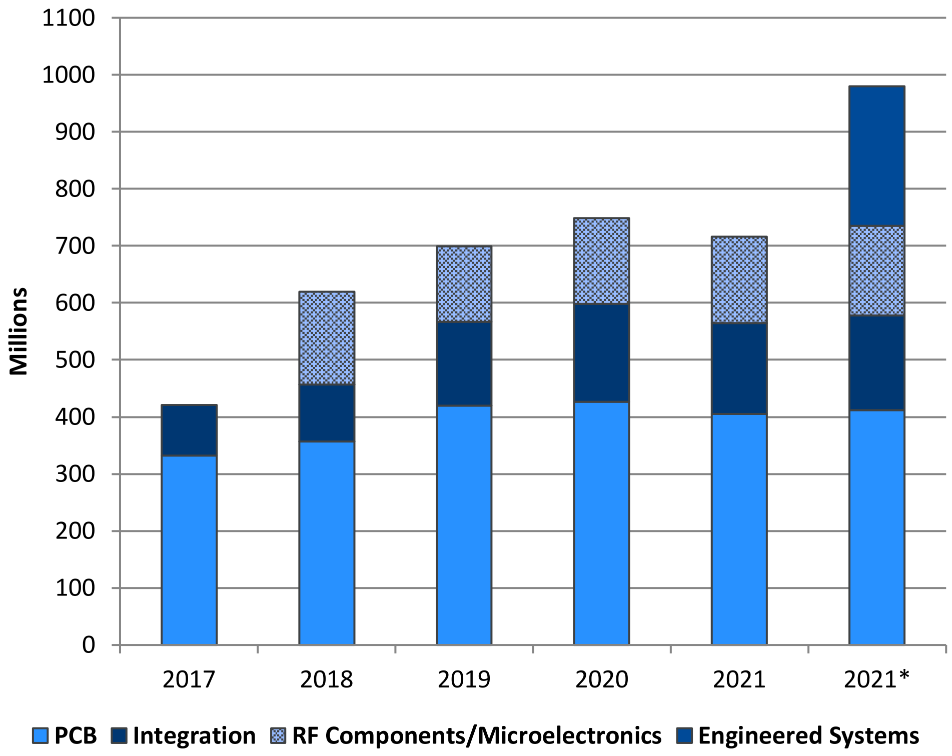
Q3 22

- Bookings $387.8 million
- Program backlog $1.16 billion
- Key defense programs alignment
- Engineered products focus

1H22 Market Mix




Estimated A&D Revenues by Product




***PCB less than 50% of A&D revenues**
**Pro-forma Telephonics**

[1] Pro-forma the acquisition of Telephonics that closed 6/27/22.

# Strong Defense Program Alignment





## Radar Systems

F-35
AMDR
Q-53
G/ATOR
F-16 (SABR)
Space Fence
**MH-60**
LRDR/HDR
JCREW
LTAMDS

## Missile Systems

APKWS
AMRAAM
JDAM
JAGM
Hellfire
Paveway
Patriot
Standard Missile

## Communication Systems

JTRS
Soldier Radio
Rifleman
Manpack
Project X
Multi Channel Hand Held (MCHH)
**KC-46**

## Space Systems

Orion
GPS III
MSP
OPIR
ESS/PTS
Viasat-3
GEO Comm

## Surveillance Systems

**AMDPCS**
**M5OAS**
**P-8**
**AN/UPR-4V**
**TPS-80**
**J/ADGE**
**AWACS E-3**

Bolded programs are Telephonics

# End Market Growth Drivers and Outlook

| | | FY 2021 Net Sales[1] | End Market Growth Drivers | 2021 – 2025 CAGR (3rd Party) | 2022 TTM View |
|---|---|---|---|---|---|
| **Aerospace & Defense** |  | **40%** | Increased Use of AESA Radar & Increased Military Equipment Builds | **2-4%** | **In Line[2]** |
| **Automotive** |  | **16%** | Electric & Autonomous Vehicle & Safety/ADAS/Infotainment | **3-6%** | **Above** |
| **Data Center Computing** |  | **13%** | Semiconductor Development & Data Center expansion | **1-3%** | **Above** |
| **Medical & Industrial Instrumentation** |  | **17%** | Patient Monitoring & Automated Test Equipment | **2-4%** | **Above** |
| **Networking & Communications** |  | **13%** | 5G Infrastructure Spend & Networking Infrastructure | **5-8%** | **Below** |

[1] Pro-forma the acquisition of Telephonics that closed 6/27/22.
[2] Organic revenue growth

Source: TTM filings, Prismark Partners Nov 2021, Company estimates

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# Broad Technology Suite Delivers Enhanced Value

**Transforming TTM Towards Highly Engineered Products and Advanced Technologies for Differentiation**

Designed and Engineered Products

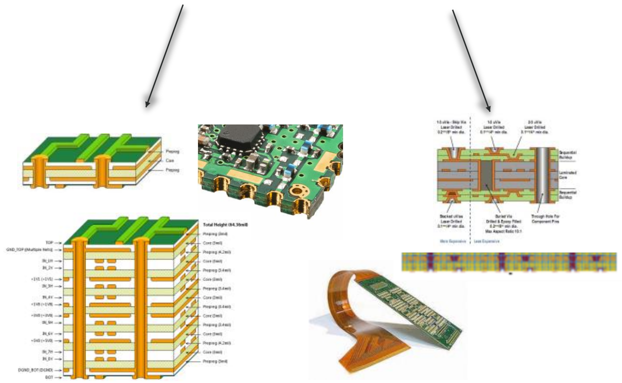
**PCB Conventional/Advanced**

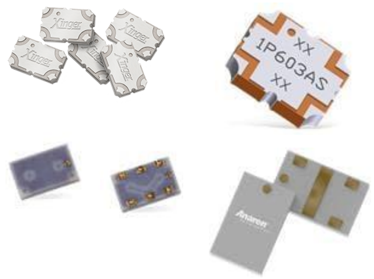
**RF Components**

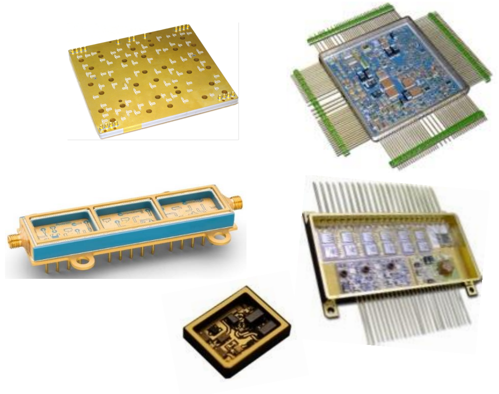
**Microelectronics and Subsystems**

**Radar**

**Communications Surveillance**







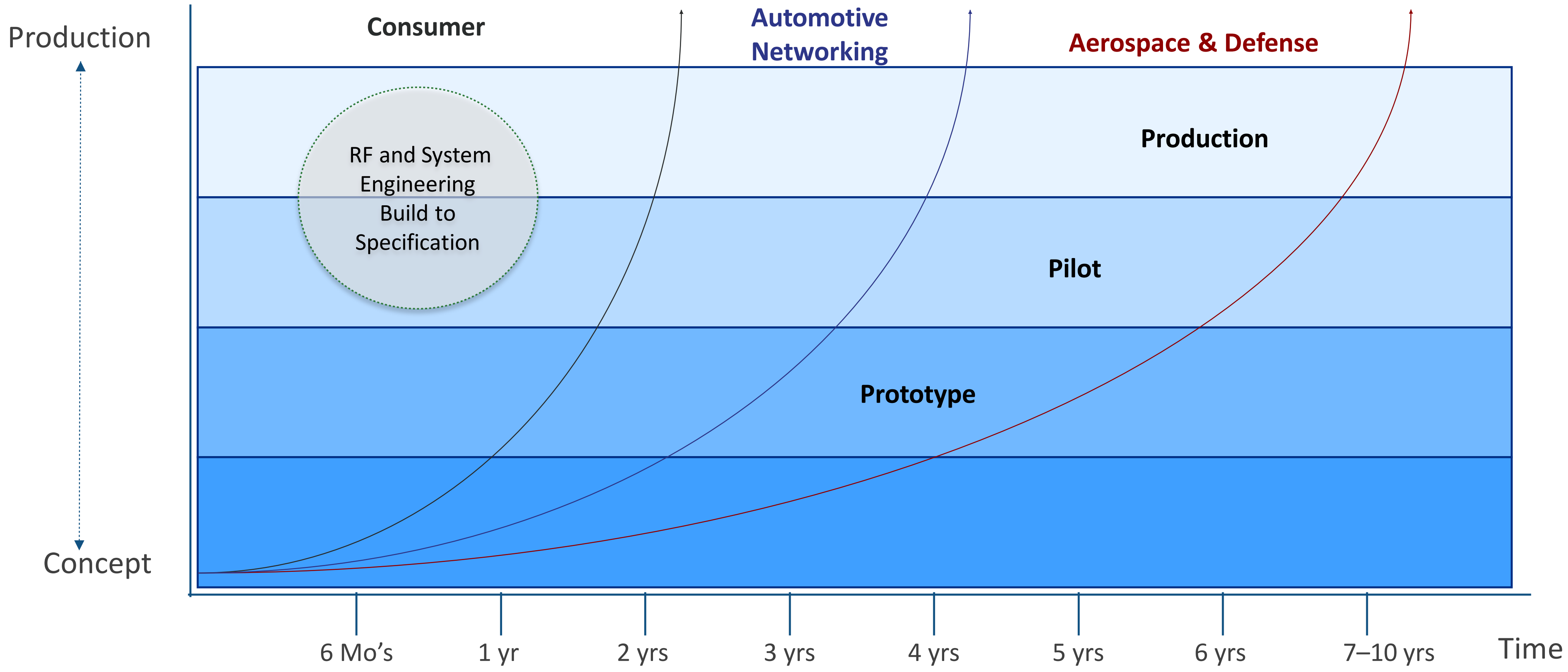
Aerospace and Defense

Commercial

**Designed and Engineered Products plus Advanced Technologies are 37% of 2021 Revenues[1]**

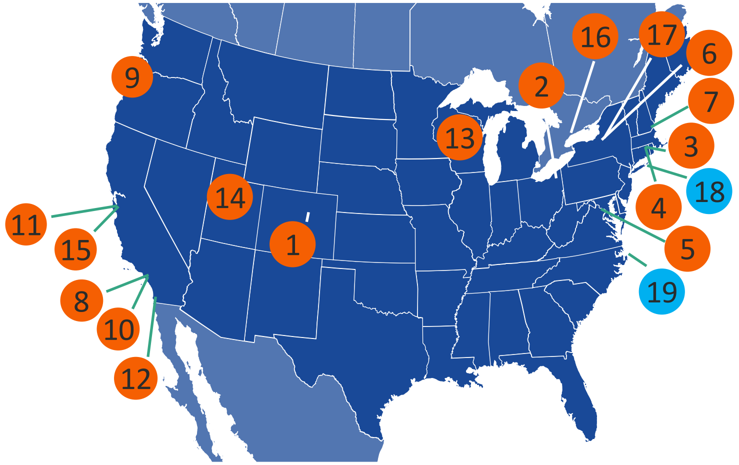
[1] Pro-forma the acquisition of Telephonics that closed 6/27/22

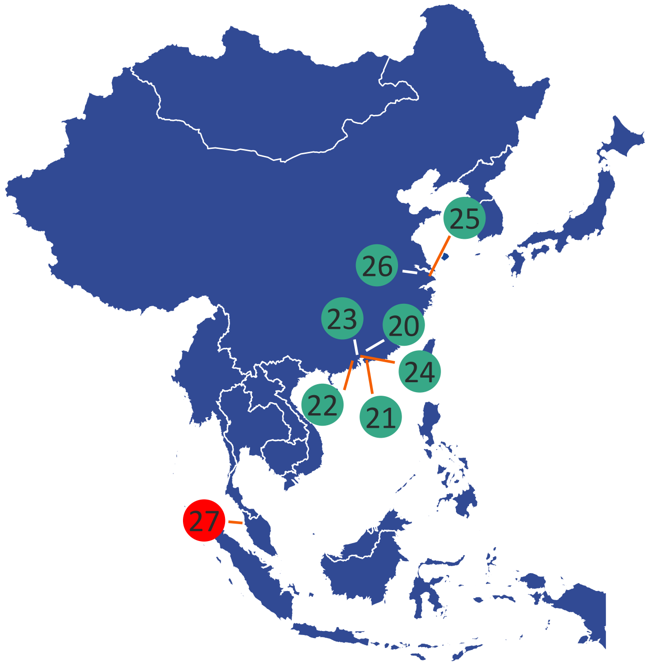
# Successful Customer Engagement Model…




Engaging customers from concept to production improve market share

# Global Manufacturing Footprint – Supports Customer Lifecycle Needs





## NA Operations

1 Denver - DEN
2 North Jackson - NJ
3 Stafford - ST
4 Stafford Springs - SS
5 Sterling - STE
6 Syracuse – SYR
7 Salem – SAL
8 Anaheim - ANA
9 Forest Grove - FG
10 Santa Ana - SA
11 Santa Clara - SC
12 San Diego - SD
13 Chippewa Falls - CF
14 Logan - LG
15 San Jose - SJ
16 Toronto - TOR
17 Syracuse - SYR-W
18 Huntington
19 Elizabeth City

## Asia Operations

20 Zhongshan - ZS
21 Guangzhou - GZ
22 Huiyang - HY
23 Hong Kong - OPCM
24 Dongguan - DMC
25 Shanghai - SH
26 Suzhou - SUZ
27 *Penang - PNG

*Pilot production planned to start in 2nd half of 2023

# Strategic Focus

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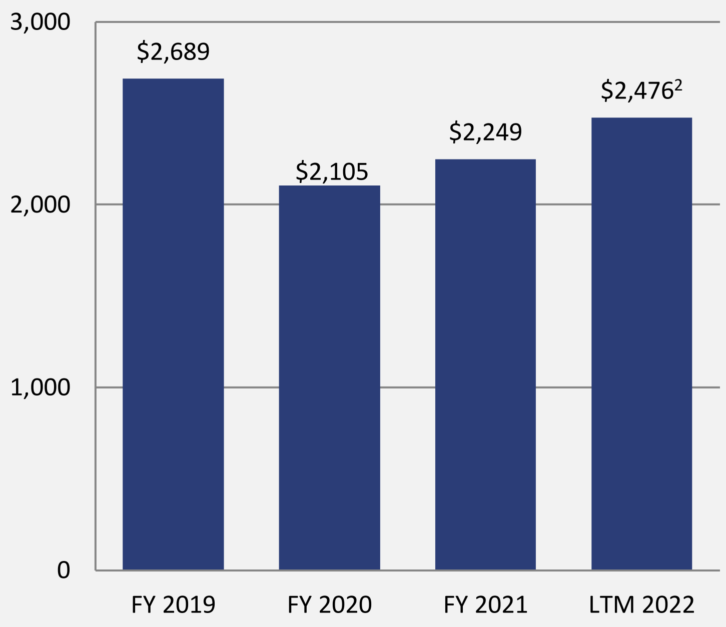
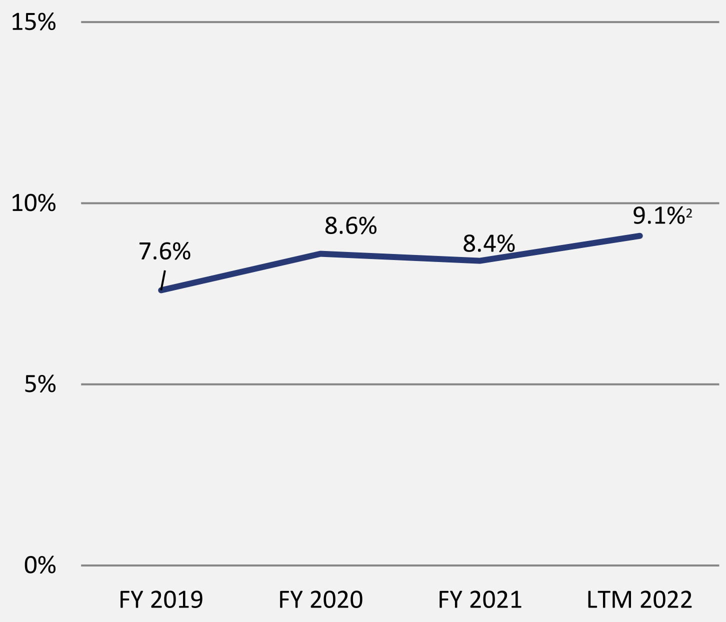
# Reported Annual Revenue, Operating Margins, and EPS

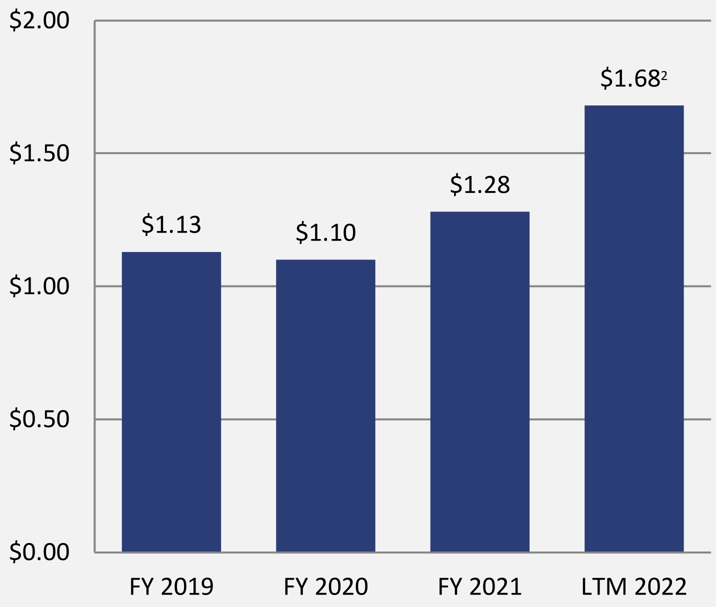
## Revenues ($ millions)




## Non-GAAP Operating Margin[1]




## Non-GAAP EPS[1]



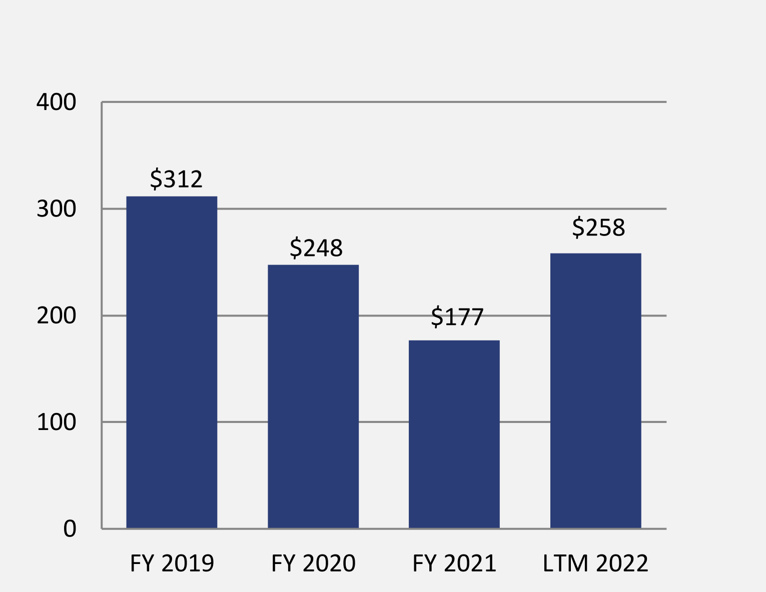

**Mobility sale in 2020 reduces revenues but improves margins**

[1]All TTM financials are reported non-GAAP. See Appendix for reconciliation

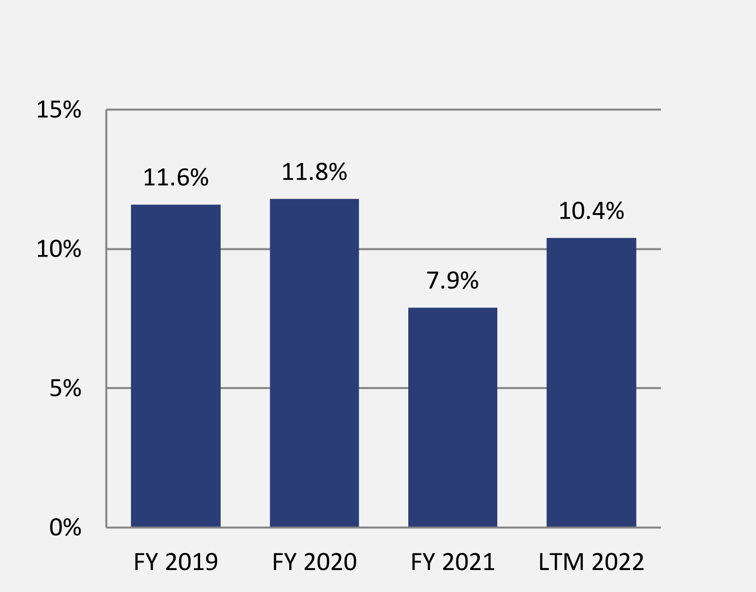
[2]LTM 2022 is last twelve months Q3'22 including one quarter of Telephonics which closed 6/27/22

# Strong Cash Flow Used to Repay Debt

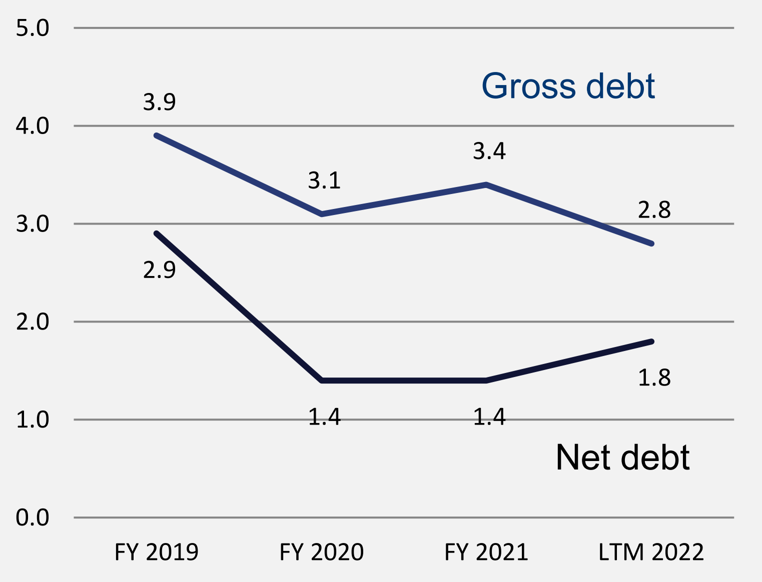
## Cash Flows from Ops ($mn)




## Cash Flows from Ops (% rev)




## Leverage (Debt/EBITDA[1])




[1]All TTM financials are reported non-GAAP. See Appendix for reconciliation

# Capital Allocation Strategy

- Invest in differentiation
  - New product and technology development
  - Strategic acquisitions to strengthen product portfolio
- Repay debt until <2x net debt/EBITDA
  - $400 million repayment of Term Loan B and $250 million convertible bond in 2020
  - Net debt/EBITDA to 1.8x at the end of Q3 2022
- Return of capital to shareholders
  - Completed entire $100 million stock buyback by May 3th, 2022
  - Near term priority is to strengthen the balance sheet

# TTM Going Forward

- Continued focus on markets with growth characteristics and favorable mega-trends
- Ongoing investment in differentiation:
  - RF and Advanced technology capabilities
  - A&D engineered products
  - Manufacturing footprint
- Strong Balance Sheet Management
  - Solid Operating cash flow
  - Working capital focus

TTM Technologies

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# Thank You

Inspiring Innovation

# Appendix

# Non-GAAP Reconciliations (TTM Consolidated)

| $ Millions (except where noted) | 2017 | 2018 | 2019 | 2019* | 2020* | 2021* |
|---|---|---|---|---|---|---|
| GAAP Gross Profit | $429.6 | $457.0 | $401.7 | $377.2 | $359.0 | $372.0 |
| Add back item: | | | | | | |
| Inventory markup | - | 4.9 | - | | | |
| Stock-based compensation | 2.3 | 2.9 | 3.2 | 3.1 | 3.9 | 4.7 |
| Accelerated Depreciation | | | | - | 5.8 | - |
| Amortization of intangibles | - | 3.3 | 4.8 | 4.8 | 5.5 | 5.6 |
| Other infrequent items | | | | | | (0.0) |
| **Non-GAAP Gross Profit** | **431.8** | **468.2** | **409.7** | **385.1** | **374.3** | **382.3** |
| GAAP Operating Income | 212.8 | 159.1 | 120.1 | 109.6 | 28.1 | 126.0 |
| Add back items: | | | | | | |
| Amortization of intangibles | 23.6 | 63.0 | 53.3 | 50.6 | 44.4 | 41.4 |
| Accelerated Depreciation | | | | 0.0 | 6.8 | - |
| Stock-based compensation | 18.3 | 20.7 | 16.8 | 16.8 | 16.1 | 17.7 |
| Impairment, restructuring, and acquisition-related charges | 3.6 | 18.8 | 13.9 | 12.3 | 86.2 | 5.4 |
| Inventory markup | - | 4.9 | - | - | - | - |
| Other infrequent items | (2.3) | - | - | (0.07) | (0.10) | (0.7) |
| **Non-GAAP Operating Income** | **255.9** | **266.5** | **204.1** | **189.3** | **181.4** | **189.7** |
| GAAP TTM Technologies Net Income (Loss) | 124.2 | 173.6 | 41.3 | 31.9 | (16.4) | 54.4 |
| Add back items: | | | | | | |
| Amortization of intangibles | 23.6 | 63.0 | 53.3 | 50.6 | 44.4 | 41.4 |
| Accelerated Depreciation | | | | 0.0 | 6.8 | - |
| Stock-based compensation | 18.3 | 20.7 | 16.8 | 16.8 | 16.1 | 17.7 |
| Non-cash interest expense | 11.1 | 14.8 | 14.3 | 14.3 | 17.5 | 2.1 |
| Impairment, restructuring, acquisition-related, and loss on extinguishment of debt | 4.3 | 19.3 | 13.9 | 12.3 | 86.2 | 20.6 |
| Inventory markup | - | 4.9 | - | - | - | - |
| Other infrequent items | (2.3) | - | (3.7) | (3.7) | (0.8) | (5.5) |
| Income tax effects | (12.1) | (105.9) | (15.3) | (15.0) | (37.0) | 7.4 |
| **Non-GAAP TTM Technologies Net Income** | **167.1** | **190.4** | **120.5** | **107.1** | **116.7** | **138.0** |
| **Non-GAAP EPS ($ per diluted share)** | **1.57** | **1.76** | **1.13** | **1.01** | **1.10** | **1.28** |
| GAAP Net Income (Loss) | 124.7 | 173.6 | 41.3 | 31.9 | (16.4) | 54.4 |
| Add back items: | | | | | | |
| Income tax provision | 15.2 | (83.8) | 4.9 | 2.4 | (29.9) | 15.6 |
| Interest expense | 53.9 | 79.0 | 83.2 | 82.1 | 73.2 | 45.5 |
| Amortization of intangibles | 23.6 | 63.0 | 53.3 | 50.6 | 44.4 | 41.4 |
| Depreciation expense | 150.8 | 162.7 | 166.6 | 93.4 | 99.6 | 85.9 |
| Stock-based compensation | 18.3 | 20.7 | 16.8 | 16.8 | 16.1 | 17.7 |
| Other infrequent items | (2.3) | - | (3.7) | (3.7) | (0.8) | (5.5) |
| Inventory markup | - | 4.9 | - | - | - | - |
| Impairment, restructuring, acquisition-related, and loss on extinguishment of debt | 4.3 | 18.8 | 13.9 | 12.3 | 86.2 | 20.6 |
| **Adjusted EBITDA** | **388.6** | **438.8** | **376.2** | **285.7** | **272.3** | **275.6** |

*Proforma excluding Mobility

Note: Numbers presented may not add up precisely to totals provided due to rounding.

# Non-GAAP Reconciliations (TTM Consolidated)

| | First Three Quarters 2022 | First Three Quarters 2021 |
|---|---|---|
| Non-GAAP gross profit reconciliation[3]: | | |
| GAAP gross profit | $ 336,563 | $ 274,689 |
| Add back item: | | |
| Amortization of definite-lived intangibles | 4,151 | 4,151 |
| Accelerated depreciation | 124 | - |
| Stock-based compensation | 4,147 | 3,310 |
| Unrealized loss on commodity hedge | 4,192 | 65 |
| Purchase accounting related inventory markup | 248 | - |
| Restructuring and other charges | - | 254 |
| Non-GAAP gross profit | $ 349,425 | $ 282,469 |
| Non-GAAP gross margin | 18.6% | 17.1% |
| | | |
| Non-GAAP operating income reconciliation[4]: | | |
| GAAP operating income | $ 112,848 | $ 92,923 |
| Add back items: | | |
| Amortization of definite-lived intangibles | 30,973 | 30,988 |
| Accelerated depreciation | 124 | - |
| Stock-based compensation | 14,131 | 12,503 |
| Gain on sale of assets | - | (421) |
| Unrealized loss on commodity hedge | 4,192 | 65 |
| Purchase accounting related inventory markup | 248 | - |
| Restructuring, acquisition-related and other charges | 12,805 | 4,550 |
| Non-GAAP operating income | $ 175,321 | $ 140,608 |
| Non-GAAP operating margin | 9.3% | 8.5% |
| | | |
| Non-GAAP net income and EPS reconciliation[5]: | | |
| GAAP net income | $ 88,566 | $ 46,027 |
| Add back items: | | |
| Amortization of definite-lived intangibles | 30,973 | 30,988 |
| Accelerated depreciation | 124 | - |
| Stock-based compensation | 14,131 | 12,503 |
| Non-cash interest expense | 1,609 | 1,613 |
| Gain on sale of assets | (827) | (991) |
| Change in fair value of warrant liabilities | (99) | (3,868) |
| Loss on extinguishment of debt | - | 15,217 |
| Unrealized loss on commodity hedge | 4,192 | 65 |
| Purchase accounting related inventory markup | 248 | - |
| Restructuring, acquisition-related and other charges | 12,805 | 4,550 |
| Income taxes[6] | (13,236) | (4,263) |
| Non-GAAP net income | $ 138,486 | $ 101,841 |
| Non-GAAP earnings per diluted share | $ 1.33 | $ 0.94 |
| | | |
| Adjusted EBITDA reconciliation[7]: | | |
| GAAP net income | $ 88,566 | $ 46,027 |
| Add back items: | | |
| Income tax provision | 11,203 | 3,402 |
| Interest expense | 33,011 | 33,615 |
| Amortization of definite-lived intangibles | 30,973 | 30,988 |
| Depreciation expense | 67,306 | 63,711 |
| Stock-based compensation | 14,131 | 12,503 |
| Gain on sale of assets | (827) | (991) |
| Change in fair value of warrant liabilities | (99) | (3,868) |
| Loss on extinguishment of debt | - | 15,217 |
| Unrealized loss on commodity hedge | 4,192 | 65 |
| Purchase accounting related inventory markup | 248 | - |
| Restructuring, acquisition-related and other charges | 12,805 | 4,550 |
| Adjusted EBITDA | $ 261,509 | $ 205,219 |
| Adjusted EBITDA margin | 13.9% | 12.4% |
| | | |
| Free cash flow reconciliation: | | |
| Operating cash flow | $ 195,314 | $ 114,263 |
| Capital expenditures, net | (76,095) | (61,069) |
| Free cash flow | $ 119,219 | $ 53,194 |

[3] Non-GAAP gross profit and gross margin measures exclude amortization of intangibles, accelerated depreciation, stock-based compensation expense, unrealized loss on commodity hedge, purchase accounting related inventory markup, restructuring and other charges.

[4] Non-GAAP operating income and operating margin measures exclude amortization of intangibles, accelerated depreciation, stock-based compensation expense, gain on sale of assets, unrealized loss on commodity hedge, purchase accounting related inventory markup, restructuring, acquisition-related costs, and other charges.

[5] This information provides non-GAAP net income and non-GAAP EPS, which are non-GAAP financial measures. Management believes that both measures -- which add back amortization of intangibles, accelerated depreciation, stock-based compensation expense, non-cash interest expense on debt (before consideration of capitalized interest), gain on sale of assets, change in fair value of warrant liabilities, loss on extinguishment of debt, unrealized loss on commodity hedge, purchase accounting related inventory markup, restructuring, acquisition-related costs, and other charges as well as the associated tax impact of these charges and discrete tax items -- provide additional useful information to investors regarding the Company's ongoing financial condition and results of operations.

[6] Income tax adjustments reflect the difference between income taxes based on a non-GAAP tax rate and a forecasted annual GAAP tax rate.

[7] Adjusted EBITDA is defined as earnings before interest expense, income taxes, depreciation, amortization of intangibles, stock-based compensation expense, gain on sale of assets, change in fair value of warrant liabilities, loss on extinguishment of debt, unrealized loss on commodity hedge, purchase accounting related inventory markup, restructuring, acquisition-related costs, and other charges. We present adjusted EBITDA to enhance the understanding of our operating results, and it is a key measure we use to evaluate our operations. In addition, we provide our adjusted EBITDA because we believe that investors and securities analysts will find adjusted EBITDA to be a useful measure for evaluating our operating performance and comparing our operating performance with that of similar companies that have different capital structures and for evaluating our ability to meet our future debt service, capital expenditures, and working capital requirements. However, adjusted EBITDA should not be considered as an alternative to cash flows from operating activities as a measure of liquidity or as an alternative to net income as a measure of operating results in accordance with accounting principles generally accepted in the United States of America.