

FIRST QUARTER
BUSINESS UPDATE

MAY 6, 2026

carter's

OSHKOSH *Bigosh*

little planet.

Otter AVENUE.

SKIP*HOP

FIRST QUARTER 2026 RESULTS

GAAP BASIS

\$ in millions, except EPS	Q1 2026	% of Net Sales	Q1 2025	% of Net Sales	Change
Net sales	\$681		\$630		8%
Gross profit	294	43.1%	291	46.2%	1%
Royalty income, net	5	0.7%	5	0.8%	(13%)
SG&A	270	39.6%	270	42.9%	-
Operating income	28	4.2%	26	4.1%	9%
Interest expense and other, net	9	1.3%	5	0.8%	81%
Income before taxes	20	2.9%	21	3.4%	(7%)
Income tax provision	6	0.8%	6	0.9%	(5%)
Net income	\$14	2.1%	\$16	2.5%	(8%)
Diluted EPS	\$0.39		\$0.43		(9%)
Weighted-average shares outstanding	35		35		-
EBITDA ¹	\$42	6.2%	\$39	6.2%	7%

¹ Non-GAAP measure; see reconciliation to GAAP in Supplemental Information.

Note: Results may not be additive due to rounding.

NON-GAAP ADJUSTMENTS¹

\$ in millions, except EPS

First Quarter	2026				2025			
	Operating Income	% Net Sales	Net Income	Diluted EPS	Operating Income	% Net Sales	Net Income	Diluted EPS
As reported (GAAP)	\$28.4	4.2%	\$14.3	\$0.39	\$26.1	4.1%	\$15.5	\$0.43
Operating model improvement costs	-		-	-	3.2		2.4	0.07
Leadership transition costs	-		-	-	6.1		5.8	0.16
As adjusted	\$28.4	4.2%	\$14.3	\$0.39	\$35.4	5.6%	\$23.8	\$0.66

¹ Certain measures are presented on an adjusted basis, a non-GAAP presentation; see reconciliation to GAAP in Supplemental Information.
 Note: Results may not be additive due to rounding.

ADJUSTED FIRST QUARTER 2026 RESULTS¹

\$ in millions, except EPS

	Q1 2026	<i>% of Net Sales</i>	Q1 2025	<i>% of Net Sales</i>	Change
Net sales	\$681		\$630		8%
Gross profit	294	43.1%	291	46.2%	1%
Royalty income, net	5	0.7%	5	0.8%	(13%)
Adjusted SG&A	270	39.6%	261	41.4%	3%
Adjusted operating income	28	4.2%	35	5.6%	(20%)
Interest expense and other, net	9	1.3%	5	0.8%	81%
Adjusted income before taxes	20	2.9%	31	4.9%	(35%)
Adjusted income tax provision	6	0.8%	7	1.1%	(20%)
Adjusted net income	\$14	2.1%	\$24	3.8%	(40%)
Adjusted diluted EPS	\$0.39		\$0.66		(41%)
Weighted-average shares outstanding	35		35		-
Adjusted EBITDA	\$42	6.2%	\$49	7.7%	(14%)

¹ Certain measures are presented on an adjusted basis, a non-GAAP presentation; see reconciliation to GAAP in Supplemental Information.

Note: Results may not be additive due to rounding.

FIRST QUARTER 2026 SEGMENT RESULTS

\$ in millions

	Net Sales			Operating Income			Operating Margin	
	2026	2025	\$ Change	2026	2025	\$ Change	2026	2025
U.S. Retail	\$332	\$294	\$38	\$9	\$2	\$7	2.7%	0.8%
U.S. Wholesale	251	250	1	37	55	(19)	14.6%	22.1%
International	97	85	12	4	(0)	4	4.3%	(0.3%)
Total before Corporate expenses	681	630	51	50	57	(7)	7.3%	9.1%
Corporate expenses	-	-	-	(22)	(22)	0	(3.2%)	(3.5%)
Total¹	\$681	\$630	\$51	\$28	\$35	(\$7)	4.2%	5.6%

¹ See reconciliation of segment operating income and operating margin to consolidated operating income and operating margin in Supplemental Information.
 Note: Results may not be additive due to rounding.

FIRST QUARTER 2026 PERFORMANCE – U.S. RETAIL

2026 vs. 2025

Sales

- **Net sales +13% vs. LY**
 - Demand creation investments driving increased consumer engagement
 - Significant traffic growth in both stores and eCommerce
 - Earlier and stronger Easter performance
 - AUR +LSD, Units +LDD
- **Positive year-over-year comp growth across all apparel brands and all size segments**
- **Comparable sales +10.5%**
 - Fourth consecutive quarter of comparable sales growth; second consecutive quarter of growth on a two-year basis
 - Positive store and eCommerce comps, driven by increased traffic and average transaction size
- **Continued active consumer count growth (+MSD)**
- **Acquiring more Gen-Z consumers, who are spending more on higher AUR product**

Profitability

- **Operating margin 2.7% (+190 bps vs. LY)**
 - Improvement in realized pricing, benefits from productivity initiatives
 - Partially offset by higher tariffs

Disney Winnie the Pooh



OSHKOSH
B'gosh

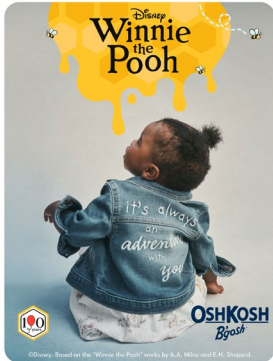


Disney baby B'gosh

Celebrate 100 years of the Hundred Acre Wood with timeless OshKosh style and the storybook charm of Disney's Winnie the Pooh.



Winnie the Pooh x OshKosh B'gosh
Two iconic brands came together to celebrate timeless style & storybook charm.



©Disney. Based on the "Winnie the Pooh" works by A.A. Milne and E.H. Shepherd.

Carter's: Just dropped! Two iconic brands came together to celebrate timeless style & storybook charm.





©Disney. Based on the "Winnie the Pooh" works by A.A. Milne and E.H. Shepherd.





- deborah_n_decker 2d This is giving storybook baby energy 🥰💕 the vintage Disney details are everything. Reply Hide
- thedaintierlife 3d This is SO precious 🥰 Reply Hide
- grace_c99 4d · ❤️ by author Obsessed with it!! Reply Reply with a reel Hide 1
- minnonikki 4d · ❤️ by author @mindyworld this stuff is so cute!! Reply Reply with a reel Hide 1
- jahsimcarsonloudpage 4d · ❤️ by author Aw Reply Reply with a reel Hide 1
- clayricethomson 4d · ❤️ by author Omg the front pocket of both those overalls?! 🥰🥰🥰 obsessed. Reply Reply with a reel Hide 1




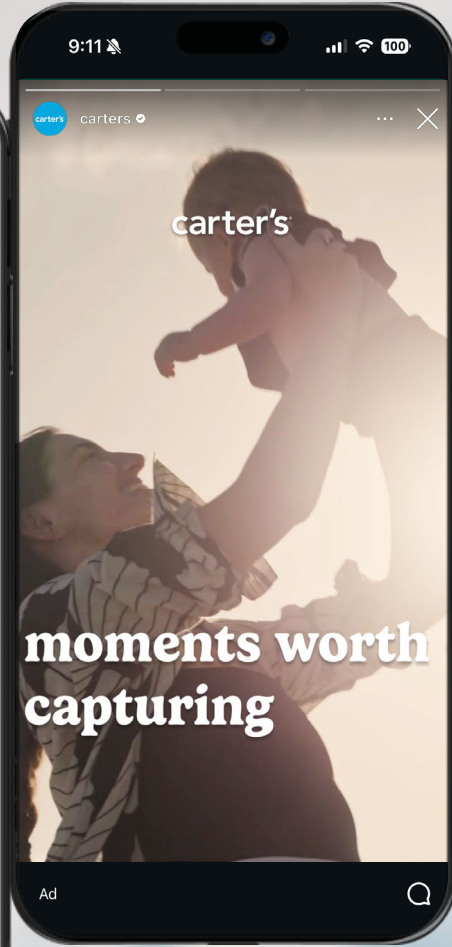
 **taylorgrace** My mom just got me a couple for baby girl 🥰
♥️ they're so cute!
11w Reply

 **motleebree** Your Easter collection is so cute. We don't know what we want to buy yet. Too many cute options 🥰🥰
8w Reply

 **theabbeybunch** We sure do love our carters outfits 🥰
9w 2 likes Reply

 **nailcamasmr** Wait these sets are so adorable!
9w Reply

 **dejaallaccess** I can picture my little in these cute fits.
9w Reply



FIRST QUARTER SEGMENT PERFORMANCE

2026 vs. 2025

U.S. WHOLESALE

- **Net sales +1% vs. LY (units -MSD)**
 - Exclusive Brands growth
 - *Little Planet* growth
- **Operating margin 14.6% (-750 bps vs. LY)**
 - Higher realized pricing, offset by
 - Incremental tariff costs
 - Investments in product make
- **Planning improved demand and profitability in second-half 2026**

INTERNATIONAL

- **Net sales: +14% (units +MSD); +8% constant currency**
 - Mexico total sales +42%
 - +21% retail comp
 - New store growth
 - Favorable FX impact
 - Canada total sales +10%
 - Retail comp growth in stores and eCommerce
- **Operating margin 4.3% (+460 bps vs. LY)**
 - Favorable product costs (FX)
 - Productivity savings



Continued Growth in Mexico



BALANCE SHEET & CASH FLOW

\$ in millions

Balance Sheet (Q1 End)

	2026	2025
Cash	\$473	\$321
Accounts receivable, net	197	204
Inventory, net	466	474
Accounts payable	189	199
Long-term debt, net	567	498
Operating lease liabilities ¹	629	624

Cash Flow (Q1)

	2026	2025
Operating cash flow	\$6	(\$49)
Capital expenditures	(7)	(10)
Free cash flow ²	(\$1)	(\$59)
Dividends	\$9	\$29
Share repurchases	-	-
Total capital distributed	\$9	\$29

- **Total liquidity \$1.1 billion**
- **Inventories (2%) vs. LY**
 - Tariff impact on ending inventory: +\$26 million
 - Inventory, excluding tariff impact, (7%) vs. LY

- **Operating cash flow reflects improved working capital and favorable timing of interest payments vs prior year**
- **\$9 million in dividends paid in Q1**

¹ Sum of current and non-current operating lease liabilities. ² Non-GAAP measure.

U.S. TARIFF SUMMARY

Historical Context

- **Import duties paid: ~\$110 million**
- **Effective tariff rate: ~13%**

2026 Original Planning Assumptions

- **2026 Plan assumed full year impact and continuation of IEEPA tariff rates**

	2026 Plan	
Gross incremental tariffs (IEEPA)	~\$210M	Incremental Y/Y impact of ~\$150M
Total import duties (including incremental IEEPA tariffs shown above)	~\$320M	
Effective total tariff rate	~36%	

Current Outlook

- **IEEPA tariffs levied on goods received through February 24, 2026; these higher costs will be recognized in the P&L as goods are sold through ~July 2026**
- **After Supreme Court decision, tariffs were reduced to an incremental 10% over historical baseline (by country)**
- **Current outlook reflects +10% incremental tariffs on first half imports and the elimination of the India Russian-oil-related tariff for the balance of the year; assumes incremental IEEPA-level tariffs on second half imports**



2026
OUTLOOK

FISCAL YEAR 2026 OUTLOOK

52 WEEKS vs. 53 WEEKS 2025

NET SALES

- **Net sales: low single-digit to mid single-digit percentage growth** (FY2025: \$2.898 billion)

U.S. Retail	U.S. Wholesale	International
Low single-digit growth <i>Comp sales up mid-single-digits</i>	Mid single-digit growth	Mid single-digit growth

PROFITABILITY & CASH FLOW

Adjusted¹

Operating Income	Diluted EPS	Operating Cash Flow	CapEx
Low to mid single-digit growth <i>(FY2025: \$176 million)</i>	Low double-digit to mid-teens decline <i>(FY2025: \$3.47)</i>	~\$110 million to \$120 million	~\$55 million

KEY ASSUMPTIONS²

- **Earnings contributions weighted to the second half** (greater projected net tariff impacts and investment spending in the first half relative to the second half)
- **Lower gross margin rate** (incremental tariff costs partially offset by higher pricing, other tariff mitigation actions, and productivity savings)
- **Low single-digit increase in SG&A** (organizational restructuring and store fleet rationalization savings offset by investments in demand creation, information technology, and other cost inflation across the business)
- **Net interest expense ~\$40 million** (increase reflects Q4 2025 Sr. Notes refinancing)
- **Effective tax rate ~22%**
- **Average number of shares outstanding ~36 million**

¹ See prior year reconciliations to GAAP in Supplemental Information. ² Comparisons vs. prior year unless otherwise noted.

SECOND QUARTER 2026 OUTLOOK

NET SALES

- **Net sales: low single-digit percentage growth** (Q2 2025: \$585 million)

U.S. Retail	U.S. Wholesale	International
Low single-digit growth <i>Comp sales up mid-single-digits</i>	Mid to high single-digit growth	Comparable year-over-year

PROFITABILITY¹

Adjusted Operating Income	Adjusted Diluted EPS
\$11 million to \$13 million <i>(Q2 2025: \$12 million)</i>	\$0.02 to \$0.06 <i>(Q2 2025: \$0.17)</i>

KEY ASSUMPTIONS²

- **Earlier Easter holiday** (2026 vs 2025)
- **Lower gross margin rate** (higher net incremental tariff costs, partly offset by higher planned pricing, supply chain mitigation actions, and productivity improvements)
- **Low single-digit increase in SG&A** (organizational restructuring savings offset by investments in demand creation and other cost inflation across the business)
- **Net interest expense ~\$10 million** (y/y increase reflects Q4 2025 Sr. Notes refinancing)
- **Average number of shares outstanding ~36 million**

¹ See prior year reconciliations to GAAP in Supplemental Information. ² Comparisons vs. prior year unless otherwise noted.

THANK
YOU



SUPPLEMENTAL INFORMATION



RECONCILIATION OF REPORTED TO ADJUSTED EARNINGS

\$ in millions, except EPS

First Quarter Fiscal 2026	SG&A	% of net sales	Operating Income	% of net sales	Income Tax Provision	Net Income	Diluted EPS
As reported (GAAP)	\$270.0	39.6%	\$28.4	4.2%	\$5.5	\$14.3	\$0.39
Operating model improvement costs (b)	-		-		-	-	-
Leadership transition costs (c)	-		-		-	-	-
As adjusted (a)	\$270.0	39.6%	\$28.4	4.2%	\$5.5	\$14.3	\$0.39

First Quarter Fiscal 2025	SG&A	% of net sales	Operating Income	% of net sales	Income Tax Provision	Net Income	Diluted EPS
As reported (GAAP)	\$270.3	42.9%	\$26.1	4.1%	\$5.8	\$15.5	\$0.43
Operating model improvement costs (b)	(3.2)		3.2		0.8	2.4	0.07
Leadership transition costs (c)	(6.1)		6.1		0.3	5.8	0.16
As adjusted (a)	\$261.0	41.4%	\$35.4	5.6%	\$6.9	\$23.8	\$0.66

- (a) In addition to the results provided in this earnings release in accordance with GAAP, the Company has provided adjusted, non-GAAP financial measurements that present SG&A, operating income, income taxes, net income, and net income on a diluted share basis excluding the adjustments discussed above. The Company believes these adjustments provide a meaningful comparison of the Company's results and afford investors a view of what management considers to be the Company's core performance. The adjusted, non-GAAP financial measurements included in this earnings release should not be considered as an alternative to net income or as any other measurement of performance derived in accordance with GAAP. The adjusted, non-GAAP financial measurements are presented for informational purposes only and are not necessarily indicative of the Company's future condition or results of operations.
- (b) Primarily related to third-party consulting costs.
- (c) Related to costs associated with the transition of our former CEO, including accelerated vesting of outstanding time-based restricted stock awards.

Note: Results may not be additive due to rounding.

RECONCILIATION OF TOTAL SEGMENT OPERATING INCOME TO CONSOLIDATED OPERATING INCOME

\$ in millions

	Fiscal Quarter Ended			
	April 4, 2026		March 29, 2025	
		<i>% of net sales</i>		<i>% of net sales</i>
Total segment operating income ^(a)	\$50.0	7.3%	\$57.4	9.1%
Unallocated corporate expenses ^(b)	(21.5)		(22.0)	
Subtotal	\$28.4	4.2%	\$35.4	5.6%
Leadership transition costs ^(c)	-		(6.1)	
Operating model improvement costs ^(d)	-		(3.2)	
Consolidated operating income	\$28.4	4.2%	\$26.1	4.1%

- (a) In fiscal 2024, the Company changed its measure of segment profitability to segment operating income. Segment operating income includes net sales, royalty income, and related cost of goods sold and selling, general, and administrative expenses attributable to each segment. Segment operating income excludes unallocated corporate expenses as well as specific charges that are not directly attributable to segment operations, including restructuring costs and impairment charges related to goodwill and indefinite-lived intangible assets, which were included in our previous measure of segment profitability.
- (b) Unallocated corporate expenses include corporate overhead expenses that are not directly attributable to one of our business segments and include unallocated accounting, finance, legal, human resources, and information technology expenses, occupancy costs for our corporate headquarters, and other benefit and compensation programs, including performance-based compensation.
- (c) Related to costs associated with the transition of our former CEO, including accelerated vesting of outstanding time-based restricted stock awards.
- (d) Primarily related to third-party consulting costs.

Note: Results may not be additive due to rounding.

RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA

\$ in millions

	Fiscal Quarter Ended		Four Fiscal Quarters Ended
	April 4, 2026	March 29, 2025	April 4, 2026
Net income	\$14.3	\$15.5	\$90.6
Interest expense	11.8	7.8	38.2
Interest income	(3.3)	(3.1)	(13.6)
Tax expense	5.5	5.8	21.7
Depreciation and amortization	13.6	13.3	55.6
EBITDA	\$42.0	\$39.3	\$192.6
Adjustments to EBITDA			
Leadership transition costs ^(a)	\$ -	(\$6.1)	\$1.9
Operating model improvement costs ^(b)	-	(3.2)	11.0
Organizational restructuring ^(c)	-	-	9.8
Loss on extinguishment of debt ^(d)	-	-	1.7
Pension plan settlement ^(e)	-	-	8.8
Total adjustments	-	(9.3)	33.2
Adjusted EBITDA	\$42.0	\$48.6	\$225.8

(a) Related to costs associated with the transition of our former CEO, including accelerated vesting of outstanding time-based restricted stock awards.

(b) Primarily related to third-party consulting costs.

(c) Related to charges for severance and other termination benefits as a result of organizational restructuring.

(d) Related to redemption of the \$500 million senior notes due 2027 and cash-flow based revolving credit facility.

(e) Non-cash charge for settlement of the OshKosh B'Gosh Pension Plan.

Note: Results may not be additive due to rounding.

FIRST QUARTER RECONCILIATION OF ADJUSTED NET INCOME ALLOCABLE TO COMMON SHAREHOLDERS

	Fiscal Quarter Ended	
	April 4, 2026	March 29, 2025
Weighted-average number of common and common equivalent shares outstanding:		
Basic number of common shares outstanding	35,493,430	35,312,090
Dilutive effect of equity awards	2,545	1,923
Diluted number of common and common equivalent shares outstanding	35,495,975	35,314,013

\$ in thousands, except EPS	Fiscal Quarter Ended			
	As reported on a GAAP Basis		As adjusted (a)	
	April 4, 2026	March 29, 2025	April 4, 2026	March 29, 2025
Basic net income per common share:				
Net income	\$14,336	\$15,539	\$14,336	\$23,750
Income allocated to participating securities	(393)	(285)	(393)	(468)
Net income available to common shareholders	\$13,943	\$15,254	\$13,943	\$23,282
Basic net income per common share	\$0.39	\$0.43	\$0.39	\$0.66
Diluted net income per common share:				
Net income	\$14,336	\$15,539	\$14,336	\$23,750
Income allocated to participating securities	(393)	(285)	(393)	(468)
Net income available to common shareholders	\$13,943	\$15,254	\$13,943	\$23,282
Diluted net income per common share	\$0.39	\$0.43	\$0.39	\$0.66

(a) In addition to the results provided in this earnings release in accordance with GAAP, the Company has provided adjusted, non-GAAP financial measurements that present per share data excluding the adjustments presented above. The Company excluded approximately \$8.2 million in after-tax expenses from these results for the fiscal quarter ended March 29, 2025.

Note: Results may not be additive due to rounding.

NET SALES CONSTANT CURRENCY RECONCILIATION

\$ in millions

	Fiscal Quarter Ended					
	Reported Net Sales April 4, 2026	Impact of Foreign Currency Translation	Constant- Currency Net Sales April 4, 2026	Reported Net Sales March 29, 2025	Reported Net Sales % Change	Constant- Currency Net Sales % Change
Consolidated net sales	\$681.1	\$5.6	\$675.5	\$629.8	8.1%	7.3%
International segment net sales	\$97.5	\$5.6	\$91.9	\$85.3	14.3%	7.7%

The Company evaluates its net sales on both an “as reported” and a “constant currency” basis. The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates that occurred between the comparative periods. Constant currency net sales results are calculated by translating current period net sales in local currency to the U.S. dollar amount by using the currency conversion rate for the prior comparative period. The Company consistently applies this approach to net sales for all countries where the functional currency is not the U.S. dollar. The Company believes that the presentation of net sales on a constant currency basis provides useful supplemental information regarding changes in our net sales that were not due to fluctuations in currency exchange rates and such information is consistent with how the Company assesses changes in its net sales between comparative periods.

Note: Results may not be additive due to rounding.

STORE COUNT RECONCILIATION

	U.S	Canada	Mexico	Total
Store count at March 29, 2025	802	191	64	1,057
Openings	23	5	10	38
Closings	(21)	(4)	(2)	(27)
Store count at January 3, 2026	804	192	72	1,068
Openings	3	0	1	4
Closings	(9)	(1)	0	(10)
Store count at April 4, 2026	798	191	73	1,062

FORWARD LOOKING STATEMENTS & OTHER INFORMATION

Statements in this presentation that are not historical fact and use predictive words such as “estimates”, “outlook”, “guidance”, “expect”, “believe”, “intend”, “designed”, “target”, “plans”, “may”, “will”, “are confident” and similar words are forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995). These forward-looking statements and related assumptions involve risks and uncertainties that could cause actual results and outcomes to differ materially from any forward-looking statements or views expressed in this press release. These risks and uncertainties include, but are not limited to, those disclosed in Part II, Item 1A. “Risk Factors” of the Company’s Quarterly Report on Form 10-Q for the fiscal quarter ended April 4, 2026 and Part I, Item 1A. “Risk Factors” of the Company’s Annual Report on Form 10-K for the fiscal year ended January 3, 2026, and otherwise in our reports and filings with the Securities and Exchange Commission, as well as the following factors: changes in global economic and financial conditions, and the resulting impact on consumer confidence and consumer spending, as well as other changes in consumer discretionary spending habits; risks related to public health crises; risks related to the organizational restructuring plan, including, but not limited to, our ability to achieve the expected savings from the plan and to fully implement the plan; risks related to consumer tastes and preferences, as well as fashion trends; the failure to protect our intellectual property; the diminished value of our brands, potentially as a result of negative publicity or unsuccessful branding and marketing efforts; delays, product recalls, or loss of revenue due to a failure to meet our quality standards; risks related to uncertainty regarding the future of international trade agreements and the United States’ position on international trade, as well as significant political, trade, and regulatory developments and other circumstances beyond our control; the roll-back of incremental tariffs imposed under the International Emergency Economic Powers Act (the “incremental tariffs”) and any additional actions taken in response to their roll-back, including, but not limited to, tariffs imposed pursuant to Section 122 of the Trade Act of 1974 (the “122 tariffs”) and potential tariffs imposed under Section 301 of the Trade Act of 1974; our ability to recover refunds of incremental tariff amounts or other tariff amounts paid; increased competition in the marketplace; ongoing political and economic conflicts that could impact our global and domestic operations, including, but not limited to, the conflict between the United States, Israel, and Iran; financial difficulties for one or more of our major customers; identification of locations and negotiation of appropriate lease terms for our retail stores; distinct risks facing our eCommerce business; failure to forecast demand for our products and our failure to manage our inventory; increased margin pressures, including increased cost of materials and labor and our inability to successfully increase prices to offset these increased costs; continued inflationary pressures with respect to labor and raw materials and global supply chain constraints that have, and could continue, to affect freight, transit, and other costs; fluctuations in foreign currency exchange rates; unseasonable or extreme weather conditions; risks associated with corporate responsibility issues; our foreign sourcing arrangements; a relatively small number of vendors supply a significant amount of our products; disruptions in our supply chain, including increased transportation and freight costs; our ability to effectively source and manage inventory; problems with our Braselton, Georgia distribution facility; pending and threatened lawsuits; a breach of our information technology systems and the loss of personal data or a failure to implement new information technology systems successfully; unsuccessful expansion into international markets; failure to comply with various laws and regulations; failure to properly manage strategic initiatives; retention of key individuals; acquisition and integration of other brands and businesses; failure to achieve sales growth plans and profitability objectives to support the carrying value of our intangible assets; our continued ability to meet obligations related to our debt; changes in our tax obligations, including additional customs, duties or tariffs; our continued ability to declare and pay a dividend; volatility in the market price of our common stock; and the cost or effort required for our shareholders to bring certain claims or actions against us, as a result of our designation of the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings. Except for any ongoing obligations to disclose material information as required by federal securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. The inclusion of any statement in this presentation does not constitute an admission by the Company or any other person that the events or circumstances described in such statement are material.

The Company’s outlook (and related assumptions) for the second quarter and full-year fiscal 2026 include an anticipated non-GAAP adjustment related to CEO transition costs of approximately \$2 million to \$3 million. If the Company were to receive refunds of previously paid tariffs, the Company intends to treat such refunds as non-GAAP adjustments in the appropriate period.

We do not reconcile forward-looking adjusted operating income or adjusted diluted earnings per share to their most directly comparable GAAP measures because we cannot predict with reasonable certainty the ultimate outcome of certain components of such reconciliations that are not within our control due to factors described above, or others that may arise, without unreasonable effort. For these reasons, we are unable to assess the probable significance of the unavailable information, which could materially impact the amount of future operating income or diluted EPS, the most directly comparable GAAP metrics to adjusted operating income and adjusted diluted earnings per share, respectively.