



AI-Enabled Marketplace Digitizing Manufacturing

Q2 2024 Earnings Presentation | August 8, 2024



Safe Harbor

This presentation contains forward-looking statements. All statements other than statements of historical facts contained in this presentation, including statements regarding the Company's future results of operations and financial position, business strategy, ability to maintain existing, and establish new, strategic partnerships or other arrangements with buyers or suppliers on the Company's platform, the potential market size for the Company's platform and other solutions and plans and objectives of management for future operations are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified and some of which are beyond the Company's control, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in the Company's forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Except as required by applicable law, the Company does not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

This presentation also contains estimates and other statistical data from both independent third parties and the Company relating to market size and growth and other data about the Company's industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. While the Company believes the estimates and statistical data from these independent third parties are reliable as of the date of this presentation, it has not independently verified, and makes no representation as to the adequacy, fairness, accuracy or completeness of any information obtained from these third parties. Neither the Company nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions and estimates of the Company's future performance and the future performance of the markets in which the Company operates are necessarily subject to a high degree of uncertainty and risk.

In light of the foregoing, you are urged not to rely on any forward-looking statement or third-party data in reaching any conclusion or making any investment decision about any securities of the Company.

This presentation contains non-GAAP financial measures and key metrics relating to the Company's past performance. These non-GAAP financial measures are presented in addition to, and not as a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus its nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the Company's non-GAAP financial measures as a tool for comparison. The Company has provided a reconciliation of measures to the most directly comparable GAAP measures, which is available in the Appendix.

Rapid Growth, Digitizing & Transforming Manufacturing

\$502M

LTM Revenue

- Q2 2024 increased, +19% YoY
- Q2 2024 Marketplace growth +25% YoY

\$196M

LTM Gross Profit

- Q2 2024 Gross Profit, +21% YoY
- Q2 2024 Marketplace Gross Margin 33.5% +180bps YoY
- Q2 2024 Marketplace Gross Profit +33% YoY

61K+

Q2 2024 Active Buyers¹

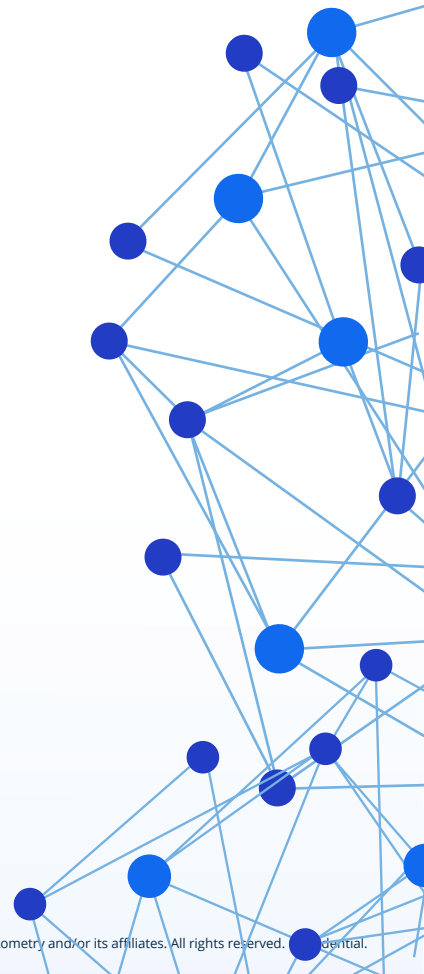
- Large, rapidly growing and diverse buyer base

~7K

Q2 2024 Active Paying Suppliers²

- Leading marketing, analytics, and information solutions for Suppliers

1. Active Buyers defined as the number of Buyers who have made at least one purchase on Xometry's marketplace during the last twelve months.
2. Active Paying Suppliers defined as individuals or businesses who have purchased one or more of our supplier services, including digital marketing services, data services, financial services or supplies on our platforms during the last twelve months.



Key Highlights of the Quarter

Strong Q2 2024 Financial Performance

Record revenue of \$133M driven by 25% Marketplace revenue growth.

Record gross profit of \$52.9M driven by 33% Marketplace gross profit growth.

Record Marketplace gross margin of 33.5% +180bps YOY powered by AI/supplier optimization.

Record Supplier Services gross margin of 88.9% via Thomas core advertising.

Record low Adj EBITDA loss, 2.0% of revenue. Adj. EBITDA +70% YOY.

Progress on Key Growth Initiatives

Focusing on enterprise as Marketplace Accounts with LTM spend >\$50K increased 24% YoY. Increasing Teamspace adoption.

Expanding marketplace menu with new Instant Quote categories coming in Q3.

International growth +31% YoY, driven by Europe and expanding Asia Pacific.

Modernizing Thomas advertising model to improve monetization and advertiser penetration.

Financial Outlook

Strong durable growth outlook given massive global TAM/low penetration rates.

Increasing market share through key growth initiatives.

Increasing Marketplace gross margin driving faster **gross profit dollar growth**.

Targeting Adj. EBITDA profitability at ~\$600M, expect 20%+ incremental margins.

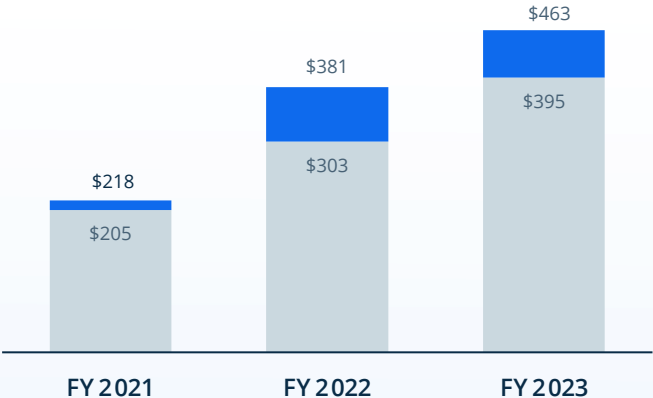
Asset light marketplace model with low CAPEX and limited working capital requirements. Expect strong FCF conversion.

Significant Growth at Scale

\$ in millions

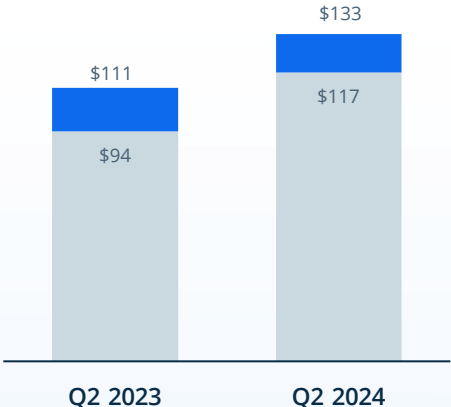
Annual Revenue

- \$463M FY23 Total Revenue, +22% YoY Growth
- \$395M FY23 Marketplace Revenue
- +30% YoY Marketplace Revenue Growth



Quarterly Revenue

- \$133M Q2 2024 Total Revenue +19% YoY Growth
- \$117M Q2 2024 Marketplace Revenue
- +25% YoY Marketplace Revenue Growth



Marketplace

Supplier Services

Large and Growing Marketplace of Buyers and Suppliers

- Marketplace growth has been driven by efficiently matching supplier capacity with buyer demand

Active Buyers^{1,2}



Active Suppliers^{3,4}



1. Active Buyers defined as the number of Buyers who have made at least one purchase on Xometry's marketplace during the last twelve months.
2. We adjusted the number of our 2022 and 2023 Active Buyers in 2024 to reflect an immaterial correction.
3. Active Suppliers defined as the Suppliers that have used Xometry's platform at least once during the last twelve months to manufacture a product or buy tools or supplies.

4. We adjusted the number of our 2022 Active Suppliers in 2023 to reflect an immaterial correction.

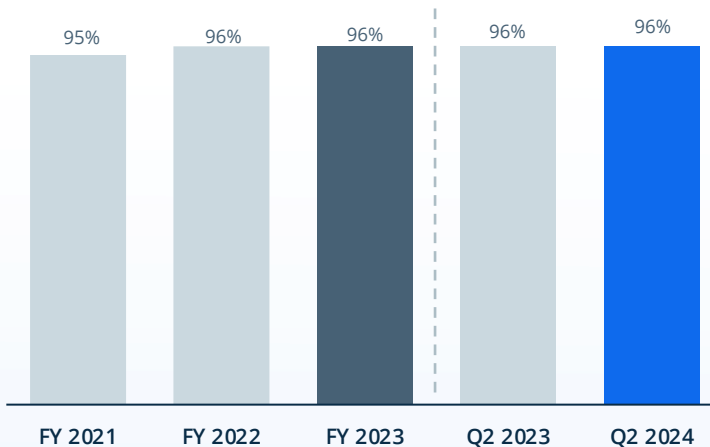
Expanding Wallet Share, Sticky Customer Base

- Growth in Marketplace Accounts with LTM spend of at least \$50K reflects Xometry embedding itself in supply chains
- Reliable land and expand customer dynamics drive Xometry's highly recurring revenue from existing customers

Accounts with LTM Spend of \$50K or More¹



Revenue from Existing Xometry Accounts²

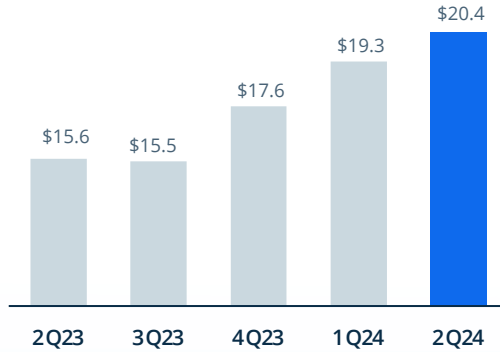


1. Accounts with Last Twelve-Month, or LTM, Spend of at Least \$50,000 defined as an account that has spent at least \$50,000 on Xometry's marketplace during the last twelve months.
2. Existing Accounts defined as an account where at least one Buyer has made a purchase on Xometry's marketplace.

Rapidly Growing Global Marketplace

Strong International Revenue Growth

- Q2 2024 +31%

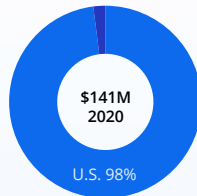


Expanding Global Footprint

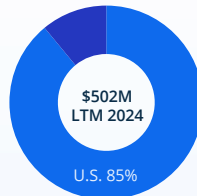


- ✓ 15 Languages
- ✓ 6 Currencies

Rapid International Expansion and Increasing Percentage of Revenue



International
2% / \$3M



International
15% / \$73M LTM

Increasing Value from Existing Marketplace Accounts¹

Revenue \$ in millions for global accounts

New Account Cohorts Through 2023

New Accounts	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
2016	\$3.3M	\$5.4M	\$7.6M	\$13.7M	\$21.1M	\$30.1M	\$35.6M	\$42.2M
2017	\$5.6M	\$8.8M	\$11.6M	\$16.1M	\$26.5M	\$39.7M	\$43.1M	
2018	\$10.2M	\$18.7M	\$15.6M	\$21.4M	\$26.6M	\$28.4M		
2019	\$14.8M	\$19.4M	\$26.0M	\$32.7M	\$31.8M			
2020 ²	\$18.5M	\$32.6M	\$35.7M	\$37.6M				
2021	\$31.2M	\$47.9M	\$52.4M					
2022	\$42.6M	\$66.5M						
2023	\$50.2M							

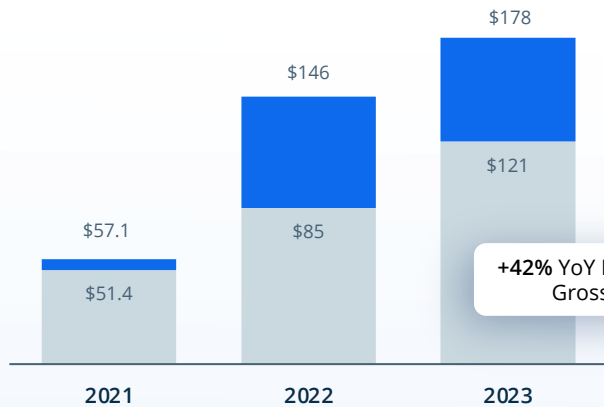
Strong Gross Profit Growth

\$ in millions

Annual Gross Profit and Margin

Annual Gross Margin: 26.2% (2021), 38.3% (2022), 38.5% (2023)

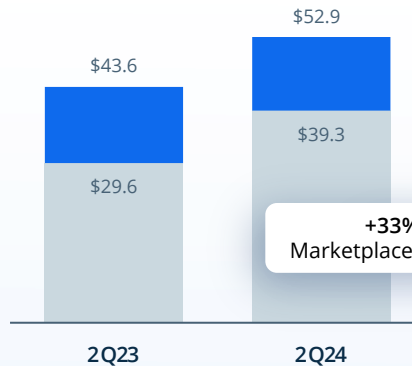
Annual Marketplace Gross Margin: 25.1% (2021), 28.2% (2022), 30.8% (2023)



Quarterly Gross Profit and Margin

Quarterly Gross Margin: 39.2% (2023), 39.9% (2024)

Quarterly Marketplace Gross Margin: 31.7% (2023), 33.5% (2024)



Marketplace
Supplier Services

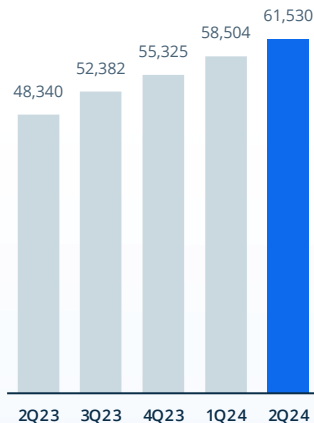
Strong Marketplace Buyer Metrics

Improving advertising efficiency

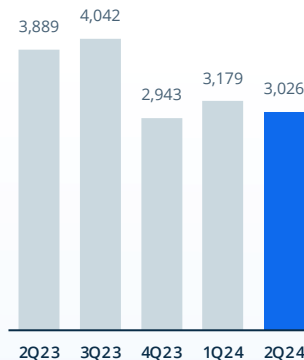


- Q2 2024 Active Buyer +27% YoY
- Q2 Marketplace Advertising Spend +9% YoY
- Efficiency in paid search and SEO
- Increasing brand awareness

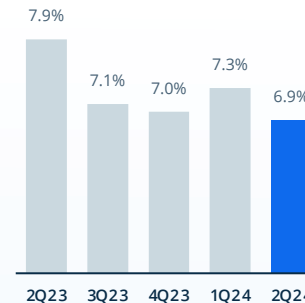
Active Buyers^{1,2}



Net Active Buyer Adds²



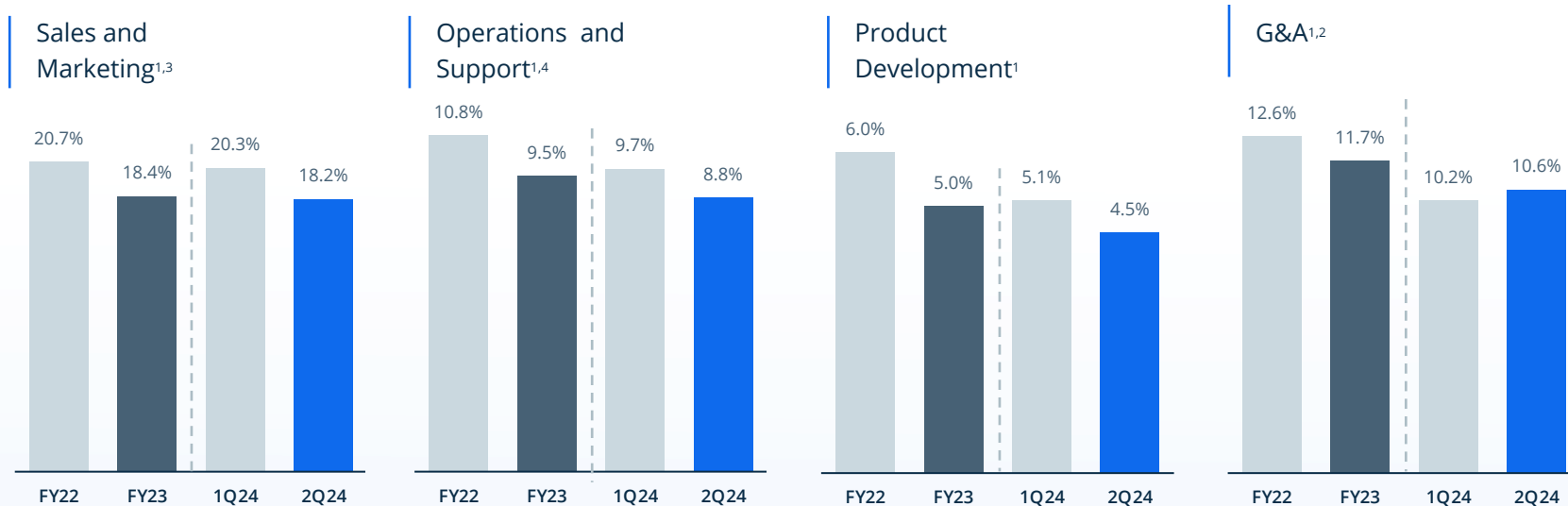
Advertising % of Marketplace Revenue



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2. We adjusted the number of our 2023 Active Buyers in 2024 to reflect an immaterial correction.

Non-GAAP Operating Expenses, Strong Q2 2024 Leverage

% of Revenue

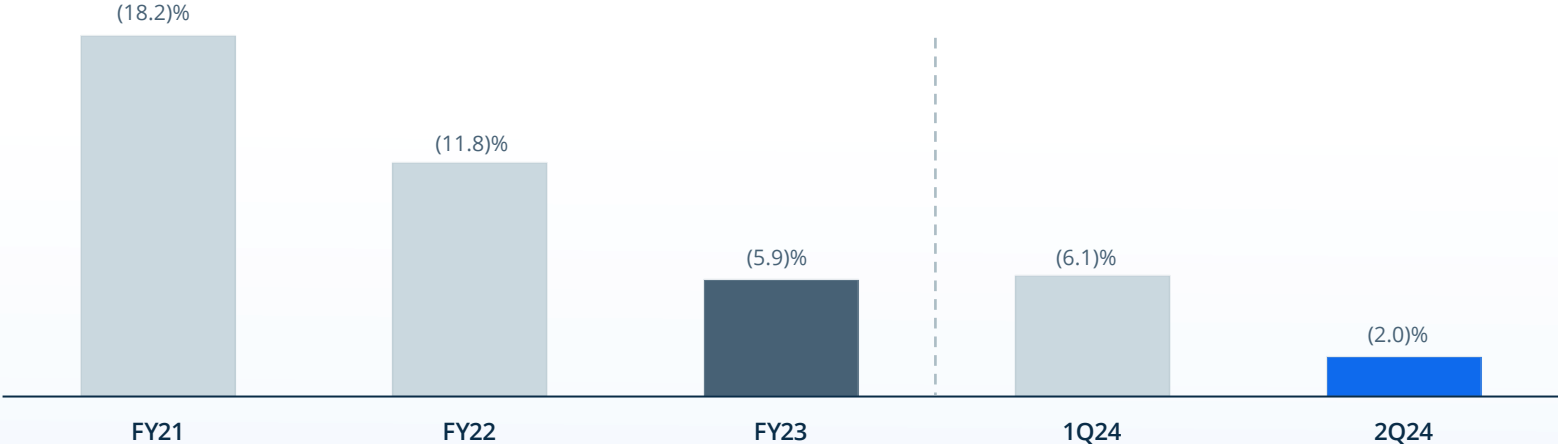


1. Excludes stock-based compensation, payroll taxes related to stock-based compensation, depreciation, amortization, and restructure charges.
 2. Excludes charitable contribution, amortization of in-place lease asset, acquisition and other adjustments, and lease abandonments.
 3. Excludes one-time, non-cash adjustment related to purchase accounting from the Thomas acquisition.
 4. Excludes costs to exit the tools and materials business.

Improving Operating Leverage

- Strong Q2 operating leverage driven by U.S. Marketplace.
- Strong incremental Adj. EBITDA margin of ~25% in 1H 2024.

Adj. EBITDA¹ and Margin



1. We define Adjusted EBITDA as net loss, adjusted for interest expense, interest and dividend income and other expenses, income tax provision (benefit), and certain other non-cash or non-recurring items impacting net loss from time to time, principally comprised of depreciation and amortization, amortization of lease intangible, stock-based compensation, payroll tax expense related to stock-based compensation, lease abandonment, charitable contributions of common stock, income from unconsolidated joint venture, impairment of assets, restructuring charges, costs to exit the tools and materials business, and acquisition and other adjustments not reflective of the Company's ongoing business, such as adjustments related to purchase accounting, the revaluation of contingent consideration, transaction costs, and executive severance.

Note: See the appendix for reconciliation to the nearest GAAP measure.

Guidance

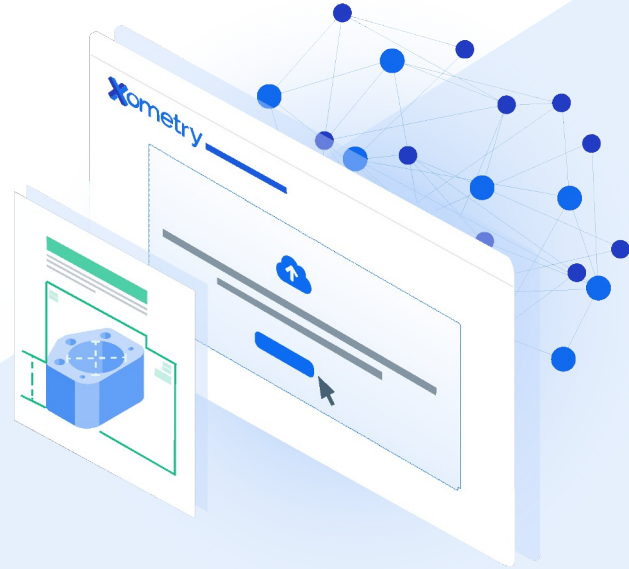
\$ in millions

	Q3 2024	
	Low	High
Revenue	\$136	\$138
Adjusted EBITDA	\$(3.5)	\$(1.5)

NOTE
<ul style="list-style-type: none"> • Expect Q3 2024 revenue growth of 14%-16% YoY to \$136-138 million. Expect Q3 2024 Marketplace growth of approximately 18-20% YoY. • Expect Q3 2024 Adjusted EBITDA loss of \$1.5-\$3.5 million. • Reaffirm 2024 Marketplace growth of at least 20% YoY and expect Supplier Services to be down approximately 10%. • For 2024, we expect improved operating leverage YoY partly offset by international and enterprise growth investments.

Note: Reconciliation of Adjusted EBITDA on a forward-looking basis to net loss, the most directly comparable GAAP measure, is not available without unreasonable efforts due to the high variability and complexity and low visibility with respect to the charges excluded from this non-GAAP measure; in particular, the effects of stock-based compensation expense specific to equity compensation awards that are directly impacted by unpredictable fluctuations in Xometry's stock price. Xometry expects the variability of the above charges to have a significant, and potentially unpredictable, impact on its future GAAP financial results.

Xometry Overview



Xometry Marketplace: Global Supply Chain Solution

Enabling Buyers to instantly access manufacturing capabilities through our Marketplace.



Buyers

- Digital procurement
- Instant access to supply chain solutions
- Optimal pricing & lead time



Suppliers

- Digitally sell capacity
- Access global demand at minimal cost
- Improve asset utilization and profitability

Xometry Marketplace: Investment Highlights

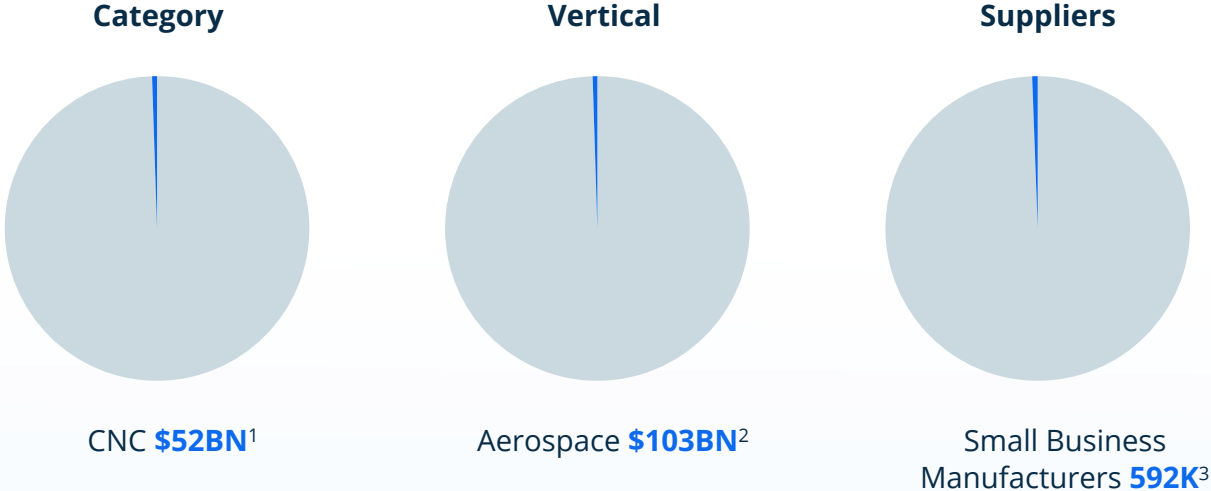
- Leading digital marketplace for custom manufacturing
- Large TAM with less than 1% penetration and long runway for growth
- Track record of compounding growth in Buyers and Suppliers, driving strong revenue and gross profit
- AI-enabled technology platform powered by proprietary datasets creates sustainable competitive moat
- Demonstrating consistent 20%+ incremental Adj EBITDA with clear path to profitability
- Clear strategy for growth, expanding our networks and marketplace menu, deepening enterprise engagement, growing internationally, and enhancing supplier services

Leading Digital Marketplace for Custom Manufacturing



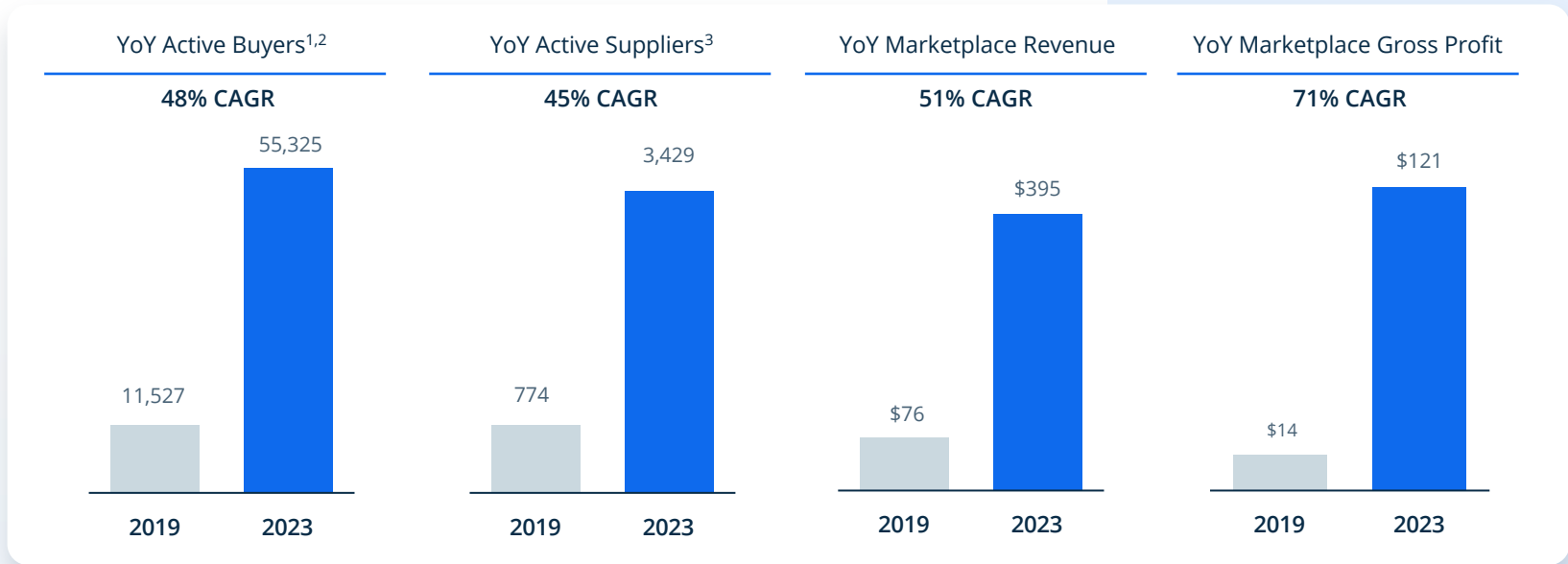
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2. Active Paying Suppliers defined as individuals or businesses who have purchased one or more of our supplier services, including digital marketing services, data services, financial services or supplies on our platforms during the last twelve months.

Less than 1% Penetration Rates, Long Runway for Growth



1. Beroe Inc.
2. Precedence Research
3. SBA.gov

Marketplace Network Effects Drive Compounding Growth

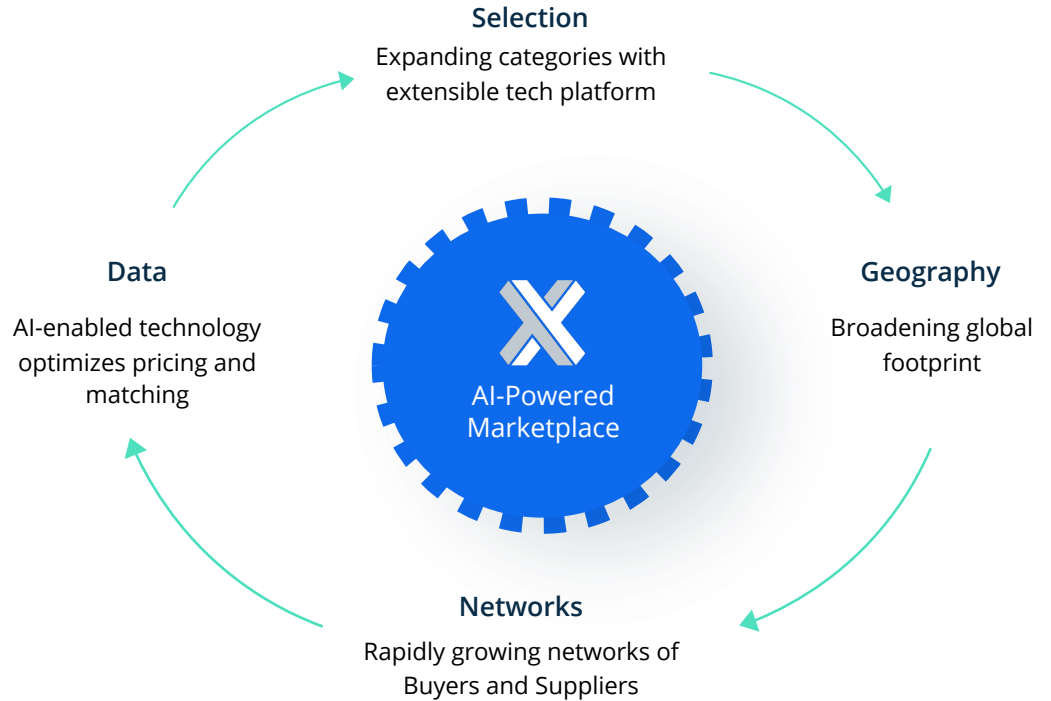


1. We define Active Buyers as the number of Buyers who have made at least one purchase on our marketplace in the twelve months.
2. We adjusted the number of our 2023 Active Buyers in 2024 to reflect an immaterial correction.
3. Active Suppliers defined as the Suppliers that have used Xometry's platform at least once during the last twelve months to manufacture a product or buy tools or materials.

AI Powers Xometry's Platform

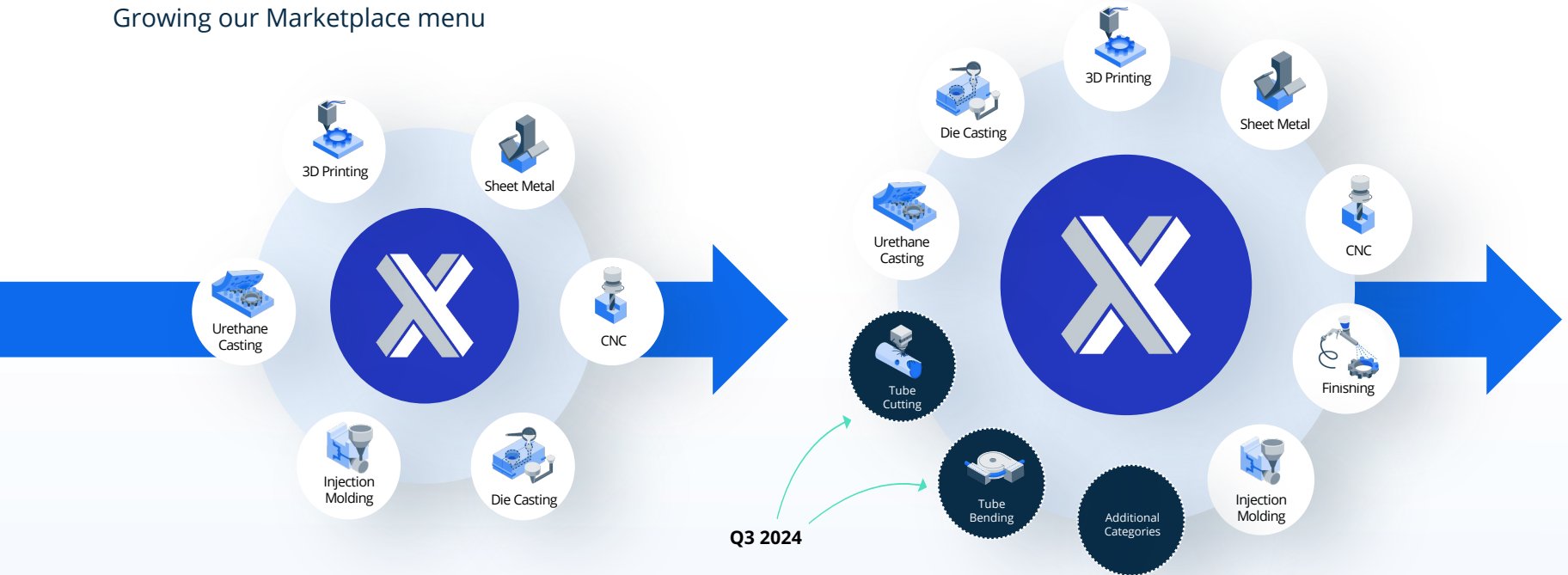
Machine learning driven AI platform powered by proprietary datasets creates sustainable competitive moat

Expanding Our Competitive Moat

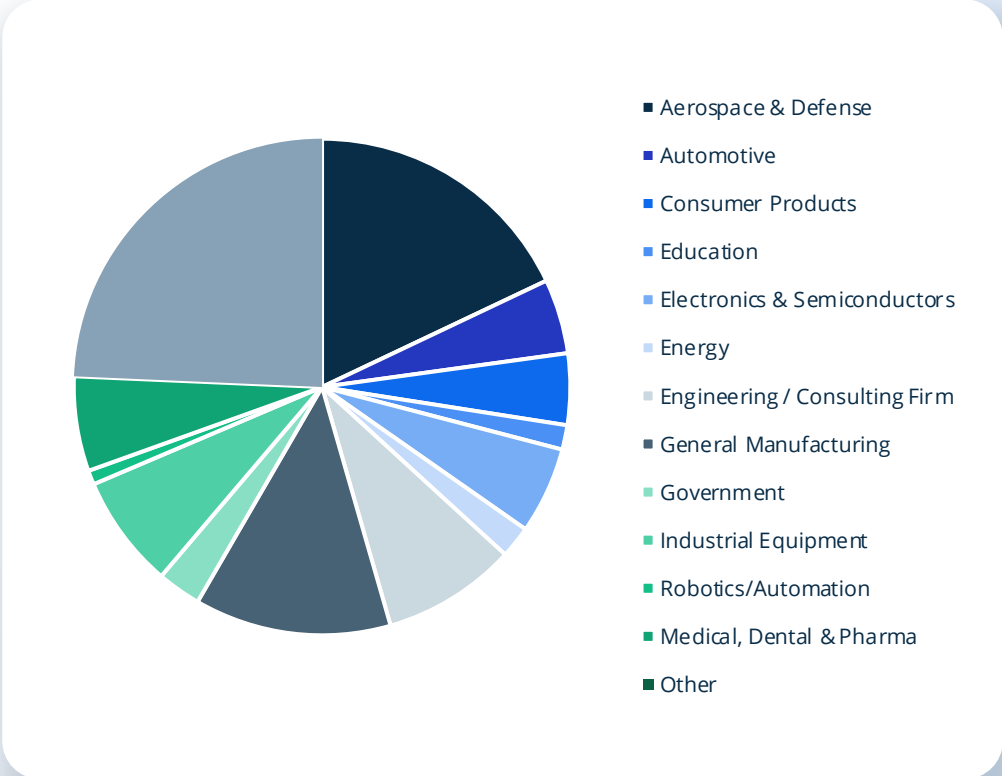


Expanding Selection with Extensible Technology Platform

Growing our Marketplace menu

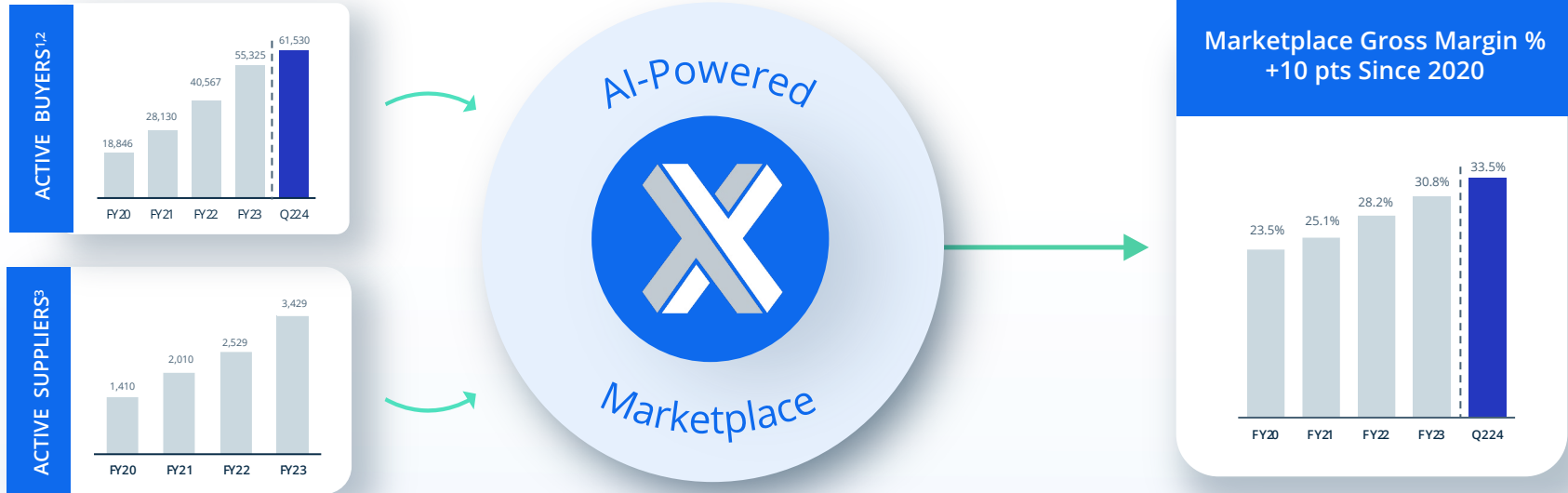


Strength and Breadth Across Many End Markets



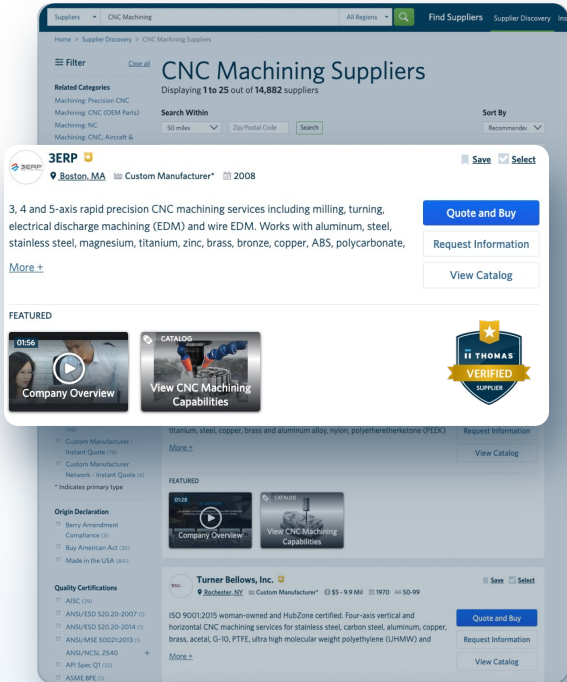
AI Fuels Marketplace Gross Margin Expansion

More quotes and orders matched with more suppliers drives higher gross margin








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Thomas: Leading Manufacturing Digital Advertising Platform



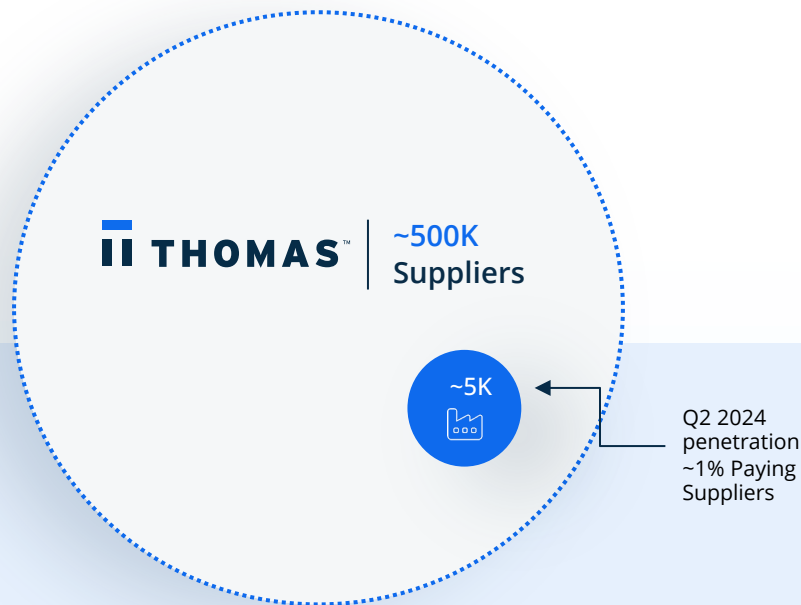
Advertising & Marketing Services (AMS)

-  Advertising Supported Platform
-  ~5K Premium Paying Suppliers
-  1.4M Registered Users
-  78K Categories
-  Suite of Marketing Services

Attractive Financial Profile

AMS Revenue ~\$60M FY23.
Gross Margin 85%+

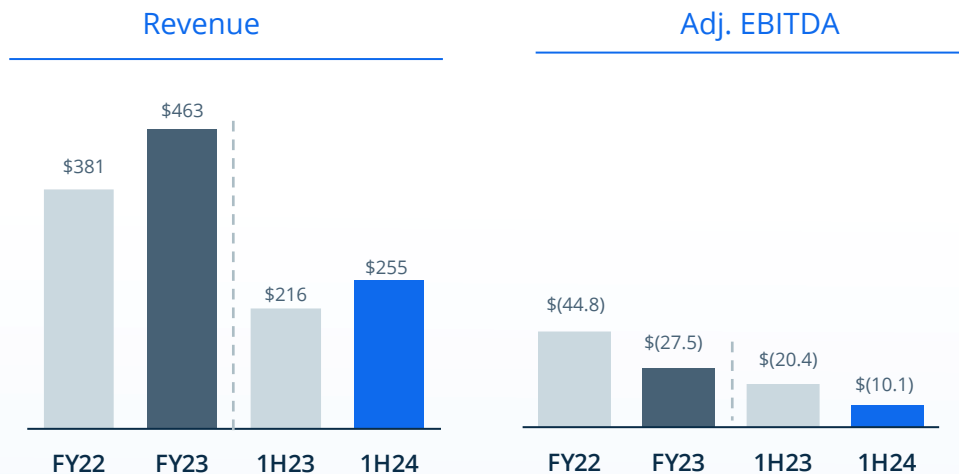
Significant Monetization and Penetration Opportunities



- Enhance experience for both Buyers and Suppliers
- Increase Advertiser penetration and engagement on the platform from ~500K suppliers
- Improve platform monetization with dynamic bidding platform
- Drive more value to advertisers through budget setting and ROAS performance review

Path to Profitability

Demonstrated strong incremental Adj EBITDA margin of ~20-25%



FY22-23: Adj. EBITDA Δ / Revenue Δ = ~20%

1H23-24: Adj. EBITDA Δ / Revenue Δ = ~25%

Financial Drivers

- ~\$600M annual revenue run rate to reach Adj. EBITDA profitability
- Expect total Gross Margin of 38-40%
- Strong Adj EBITDA margin flow through of 20%+ above \$600M
- Asset light model, expect CAPEX of ~\$5M/quarter (capitalized software)
- Expect strong conversion from Adj. EBITDA to Free Cash Flow

Clear Strategy for Growth



Expanding Buyer
and Supplier
networks



Driving deeper
enterprise
management



Further expanding
marketplace
menu



Growing
internationally



Enhancing Thomas
Supplier Services

Long-Term Margin Outlook

	% of Revenue
Gross Margin	40 - 45%
Operating Expenses	15 - 20%
Adjusted EBITDA Margin ¹	20 - 30%

1. We define Adjusted EBITDA as net loss, adjusted for interest expense, interest and dividend income and other expenses, income tax provision (benefit), and certain other non-cash or non-recurring items impacting net loss from time to time, principally comprised of depreciation and amortization, amortization of lease intangible, stock-based compensation, payroll tax expense related to stock-based compensation, lease abandonment, charitable contributions of common stock, income from unconsolidated joint venture, impairment of assets, restructuring charges, costs to exit the tools and materials business, and acquisition and other adjustments not reflective of the Company's ongoing business, such as adjustments related to purchase accounting, the revaluation of contingent consideration, transaction costs, and executive severance.

Appendix



Adjusted EBITDA Reconciliation

\$ in thousands

	FY 2021	FY 2022	FY 2023	Q1 2024	Q2 2024
Revenue	\$ 218,336	\$ 380,921	\$ 463,406	\$ 122,690	\$ 132,595
Adjusted EBITDA:					
Net loss	\$ (61,381)	\$ (79,043)	\$ (67,465)	\$ (16,604)	\$ (13,704)
Add (deduct):					
Interest expense, interest and dividend income and other expenses (income)	2,736	2,486	(5,312)	(1,156)	(1,341)
Depreciation and amortization ⁽¹⁾	3,596	7,819	10,738	3,153	3,256
Amortization of lease intangible	—	1,332	950	180	180
Provision (benefit) for income taxes	—	36	(353)	—	(10)
Stock-based compensation ⁽²⁾	7,395	19,172	22,118	6,036	8,125
Payroll taxes expense related to stock-based compensation ⁽³⁾	—	—	—	—	780
Lease abandonment ⁽⁴⁾	—	—	8,706	—	—
Acquisition and other ⁽⁵⁾	5,696	(676)	824	686	—
Charitable contribution of common stock	2,242	2,272	1,029	343	314
Income from unconsolidated joint venture	(41)	(570)	(446)	(97)	(234)
Impairment of assets	—	824	397	—	—
Restructuring charge ⁽⁶⁾	—	1,549	738	—	—
Costs to exit the tools and materials business	—	—	586	—	—
Adjusted EBITDA	\$ (39,757)	\$ (44,799)	\$ (27,490)	\$ (7,459)	\$ (2,634)
Percentage of revenue	-18.2%	-11.8%	-5.9%	-6.1%	-2.0%

1. Represents depreciation expense of the Company's long-lived tangible assets and amortization expense of its finite-lived intangible assets, as included in the Company's GAAP results of operations.
2. Represents the non-cash expense related to stock-based awards granted to employees, as included in the Company's GAAP results of operations.
3. In the second quarter of 2024, we changed the definition of Adjusted EBITDA to exclude payroll tax expense related to stock-based compensation. For prior periods, this amount was considered de minimus and, accordingly, we have not adjusted the Adjusted EBITDA amounts for such periods.
4. Amount is recorded in general and administrative.
5. Includes adjustments related to purchase accounting, the revaluation of contingent consideration, transaction costs, and executive severance.
6. Costs associated with a reduction in workforce.

Reconciliation of Non-GAAP Operating Expenses – Sales and Marketing

\$ in thousands

	FY 2022	FY 2023	Q1 2024	Q2 2024
Revenue	\$ 380,921	\$ 463,406	\$ 122,690	\$ 132,595
GAAP Expense - Sales and Marketing	\$ 84,371	\$ 93,688	\$ 27,200	\$ 27,487
Add (deduct):				
Depreciation and amortization ⁽¹⁾	(3,102)	(3,162)	(797)	(796)
Stock-based compensation ⁽²⁾	(3,875)	(4,909)	(1,520)	(2,400)
Payroll tax expense related to stock-based compensation	—	—	—	(167)
Acquisition and other ⁽³⁾	1,932	(214)	—	—
Restructuring charge ⁽⁴⁾	(506)	(224)	—	—
Non-GAAP Sales and Marketing Expense	\$ 78,820	\$ 85,179	\$ 24,883	\$ 24,124
Percentage of revenue	20.7%	18.4%	20.3%	18.2%

1. Represents depreciation expense of the Company's long-lived tangible assets and amortization expense of its finite-lived intangible assets, as included in the Company's GAAP results of operations.
2. Represents the non-cash expense related to stock-based awards granted to employees, as included in the Company's GAAP results of operations.
3. Includes adjustments related to purchase accounting, the revaluation of contingent consideration, transaction costs, and executive severance.
4. Costs associated with a reduction in workforce.

Reconciliation of Non-GAAP Operating Expenses – Operations and Support

\$ in thousands

	FY 2022	FY 2023	Q1 2024	Q2 2024
Revenue	\$ 380,921	\$ 463,406	\$ 122,690	\$ 132,595
GAAP Expense - Operations and Support	\$ 48,628	\$ 52,372	\$ 14,047	\$ 14,173
Add (deduct):				
Depreciation and amortization ⁽¹⁾	(57)	(174)	(36)	(37)
Stock-based compensation ⁽²⁾	(6,886)	(7,719)	(2,092)	(2,241)
Payroll tax expense related to stock-based compensation	—	—	—	(251)
Restructuring charge ⁽³⁾	(432)	(230)	—	—
Costs to exit the tools and materials business	—	(380)	—	—
Non-GAAP Operations and Support Expense	\$ 41,253	\$ 43,869	\$ 11,919	\$ 11,644
Percentage of revenue	10.8%	9.5%	9.7%	8.8%

1. Represents depreciation expense of the Company's long-lived tangible assets and amortization expense of its finite-lived intangible assets, as included in the Company's GAAP results of operations.
2. Represents the non-cash expense related to stock-based awards granted to employees, as included in the Company's GAAP results of operations.
3. Costs associated with a reduction in workforce.

Reconciliation of Non-GAAP Operating Expenses – Product Development

\$ in thousands

	FY 2022	FY 2023	Q1 2024	Q2 2024
Revenue	\$ 380,921	\$ 463,406	\$ 122,690	\$ 132,595
GAAP Expense - Product Development	\$ 31,013	\$ 34,462	\$ 9,590	\$ 10,018
Add (deduct):				
Depreciation and amortization ⁽¹⁾	(3,483)	(5,974)	(1,913)	(2,017)
Stock-based compensation ⁽²⁾	(4,300)	(5,345)	(1,416)	(1,834)
Payroll tax expense related to stock-based compensation	—	—	—	(254)
Restructuring charge ⁽³⁾	(458)	(117)	—	—
Non-GAAP Product Development Expense	\$ 22,772	\$ 23,026	\$ 6,261	\$ 5,913
Percentage of revenue	6.0%	5.0%	5.1%	4.5%

1. Represents depreciation expense of the Company's long-lived tangible assets and amortization expense of its finite-lived intangible assets, as included in the Company's GAAP results of operations.
2. Represents the non-cash expense related to stock-based awards granted to employees, as included in the Company's GAAP results of operations.
3. Costs associated with a reduction in workforce.

Reconciliation of Non-GAAP Operating Expenses – General and Administrative

\$ in thousands

	FY 2022	FY 2023	Q1 2024	Q2 2024
Revenue	\$ 380,921	\$ 463,406	\$ 122,690	\$ 132,595
GAAP Expense - General and Administrative	\$ 58,246	\$ 70,916	\$ 14,922	\$ 16,488
Add (deduct):				
Depreciation and amortization ⁽¹⁾	(1,095)	(1,256)	(222)	(225)
Amortization of lease intangible	(1,332)	(950)	(180)	(180)
Stock-based compensation ⁽²⁾	(4,111)	(4,145)	(1,008)	(1,650)
Payroll tax expenses related to stock-based compensation	—	—	—	(108)
Lease abandonment ⁽³⁾	—	(8,706)	—	—
Acquisition and other ⁽⁴⁾	(1,256)	(612)	(686)	—
Charitable contribution of common stock	(2,272)	(1,029)	(343)	(314)
Restructuring charge ⁽⁵⁾	(153)	(167)	—	—
Non-GAAP General and Administrative Expense	\$ 48,027	\$ 54,051	\$ 12,483	\$ 14,011
Percentage of revenue	12.6%	11.7%	10.2%	10.6%

1. Represents depreciation expense of the Company's long-lived tangible assets and amortization expense of its finite-lived intangible assets, as included in the Company's GAAP results of operations.
2. Represents the non-cash expense related to stock-based awards granted to employees, as included in the Company's GAAP results of operations.
3. Amount is recorded in general and administrative.
4. Includes adjustments related to purchase accounting, the revaluation of contingent consideration, transaction costs, and executive severance.
5. Costs associated with a reduction in workforce.

Reconciliation of Non-GAAP Cost of Revenue

\$ in thousands

	FY 2022	FY 2023	Q1 2024	Q2 2024
Revenue	\$ 380,921	\$ 463,406	\$ 122,690	\$ 132,595
Cost of Revenue	\$ 234,930	\$ 285,147	\$ 74,788	\$ 79,718
Add (deduct):				
Depreciation and amortization ⁽¹⁾	(82)	(172)	(185)	(181)
Costs to exit the tools and materials business	—	(206)	—	—
Non-GAAP Cost of Revenue	\$ 234,848	\$ 284,769	\$ 74,603	\$ 79,537

1. Represents depreciation expense of the Company's long-lived tangible assets and amortization expense of its finite-lived intangible assets, as included in the Company's GAAP results of operations.