

Non-GAAP Definitions

Management believes certain non-GAAP measures provide an alternative presentation of the results that more accurately reflect on-going Company operations. These measures should be considered in addition to, not a substitute for, the reported GAAP results.

Debt to Capital

Total debt divided by total debt plus equity. Management believes this is an important measure in evaluating our balance sheet strength and is important in managing our credit ratios and financing relationships.

Lease-Adjusted Debt to Capital

Total debt plus net present value of operating leases plus investors' undivided interest in sale of receivables divided by total debt plus net present value of operating leases plus investors' undivided interest in sale of receivables plus equity. Management believes this is an important measure in evaluating the total amount of leverage in our capital structure including off-balance sheet obligations.

**Debt /Capital
Reconciliation to GAAP**

(Dollars in millions except for percentages)

	Dec 31 2006	June 30 2007
Debt (a)	\$6,780	\$7,236
Equity	<u>15,312</u>	<u>15,445</u>
Total Capital (b)	\$22,092	\$22,681
Debt to Capital (a/b)	30.7%	31.9%

**Lease Adjusted Debt /Capital
Reconciliation to GAAP**

(Dollars in millions except for percentages)

	Dec 31 2006	June 30 2007
Debt	\$6,780	\$7,236
Sale of Receivables Facility	600	600
Net Present Value of Leases	<u>3,513</u>	<u>3,275</u>
Total Lease Adjusted Debt (a)	\$10,893	\$11,111
Equity	<u>15,312</u>	<u>15,445</u>
Total Capital (b)	\$26,205	\$26,556
Lease Adjusted Debt to Capital (a/b)	41.6%	41.8%