



Raymond James

46th Annual Institutional Investors Conference

Jay Mazelsky

President and Chief Executive Officer
IDEXX Laboratories, Inc.

March 3, 2025

IDEXX

Safe Harbor Disclaimer

The following presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on management's current expectations and beliefs, as well as a number of assumptions concerning future events. These statements are subject to risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in, or implied by, the forward-looking statements. Forward-looking statements contained in the presentation include discussions about our total addressable sector opportunity and total addressable opportunities of certain of our products, services and offerings, growth potential and opportunities for our business and industry, industry and sector trends, our innovation-driven strategy and plans, expectations regarding the development, launch and menu and capability expansions of new and existing products, services and solutions, including associated timelines, future premium instrument placement opportunities, business plans and prospects, future operating and financial performance and other future events. No forward-looking statement can be guaranteed. You are cautioned not to put undue reliance on such forward-looking statements, which speak only as of today's date. The Company assumes no obligation, and expressly disclaims any obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The reports filed by the Company pursuant to United States securities laws contain discussions of the risks, uncertainties and other factors that could cause actual results to differ materially from those expressed in, or implied by, the forward-looking statements and you should carefully evaluate forward-looking statements together with the many risks, uncertainties and other factors that affect our business, particularly the matters described under the headings "Business," "Risk Factors," "Legal Proceedings," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Quantitative and Qualitative Disclosures About Market Risks," in our most recent Annual Report on Form 10-K, as well as any subsequent filings on Forms 10-Q and 8-K. You are advised to review the Company's filings with the United States Securities and Exchange Commission (which are available from the SEC's EDGAR database at www.sec.gov and via the Company's website at www.idexx.com).

We refer in this presentation to our 2025 outlook communicated on February 3, 2025. These references speak only as of the date on which they were communicated and shall not be deemed to be a reiteration or affirmation of the guidance or an indication that our expectations have not changed since that time. We also refer in this presentation to our long-term financial model, including revenue growth potential, long-term EPS growth potential and potential average annual comparable operating margin gain. None of these references constitute and shall not be deemed to be the Company's outlook, guidance or projections.

Non-GAAP Financial Measures

In this presentation, we refer to certain non-GAAP financial measures. While we believe that these non-GAAP financial measures are useful in evaluating our business, this information should be considered as supplemental in nature and should not be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. In addition, these non-GAAP financial measures may not be the same as similarly titled measures reported by other companies. For a reconciliation to the most comparable GAAP financial measures, we refer you to our footnotes and the Appendix to this presentation, which also refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2024, available at www.idexx.com/investors.

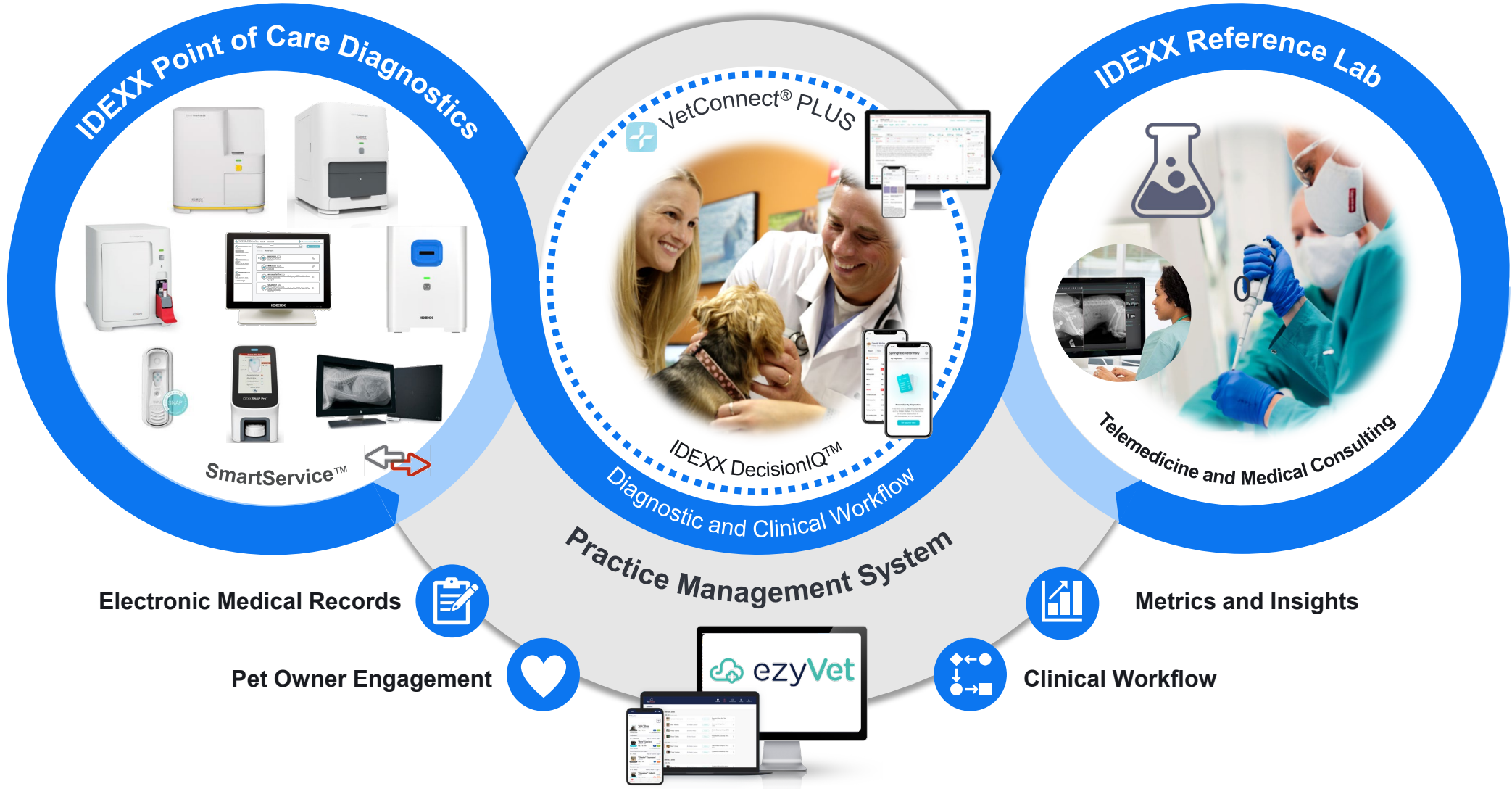
Please refer to additional footnotes in the Appendix.

Innovation-Driven Growth

- + Significant global testing opportunity to raise standards of care (\$45B+ TAM)
- + Innovation-driven growth strategy
 - + Novel new Point of Care platforms
 - + Testing for major disease franchises
 - + Broad suite of customer facing software
- + Faster IDEXX customer growth driven by commercial partnership
- + Long-term durable 10%+ organic revenue growth potential with high ROIC

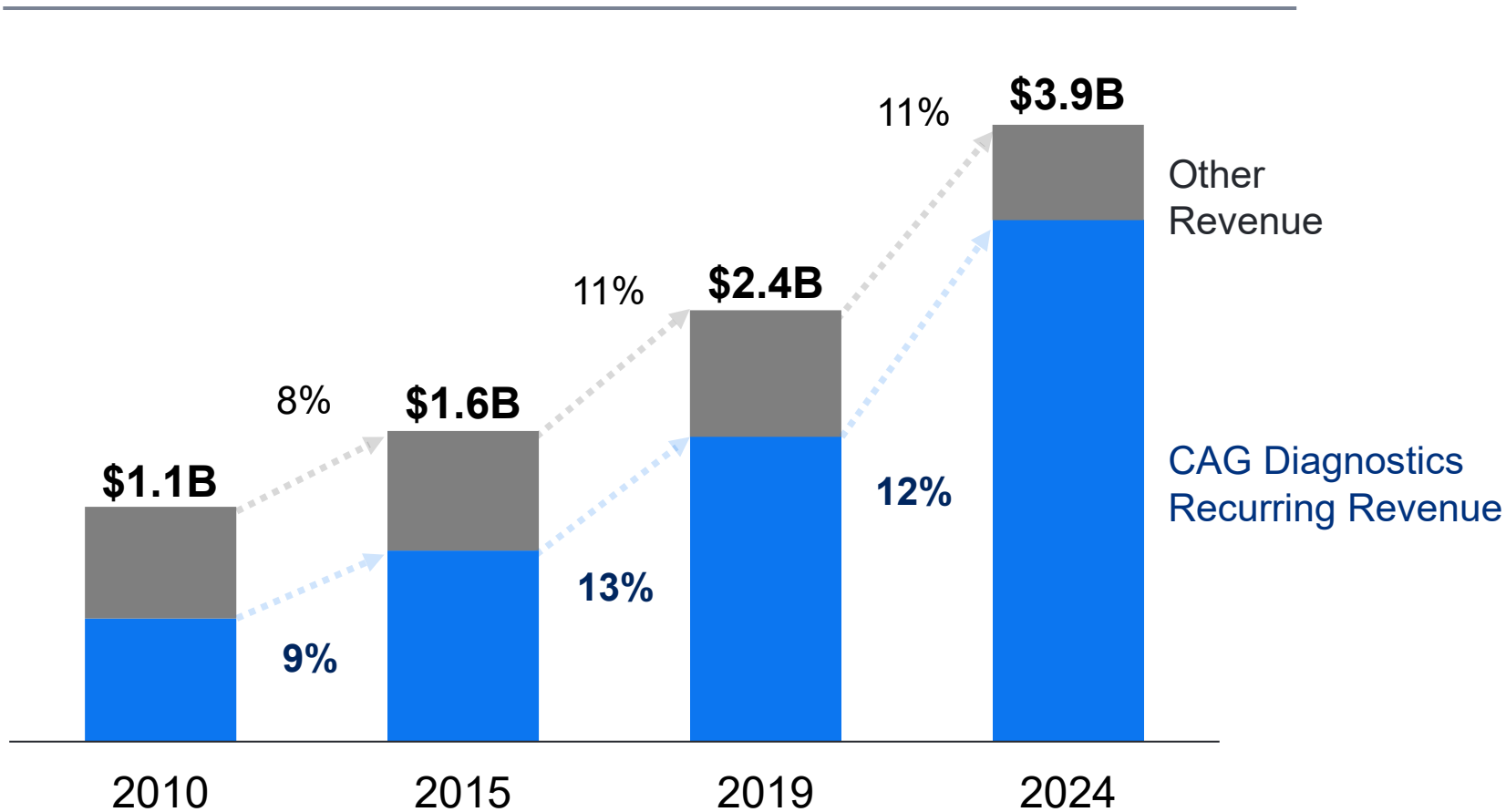


IDEXX Solutions Deliver Exceptional Customer Value



Consistent Strategy Yields High Long-term Revenue Growth Driven by Strong CAG Diagnostics Recurring Revenue Gains

IDEXX Revenue and Normalized Organic Revenue CAGRs (\$B)^{1,3}



Sustained Strong Growth Supported by Key Growth Drivers

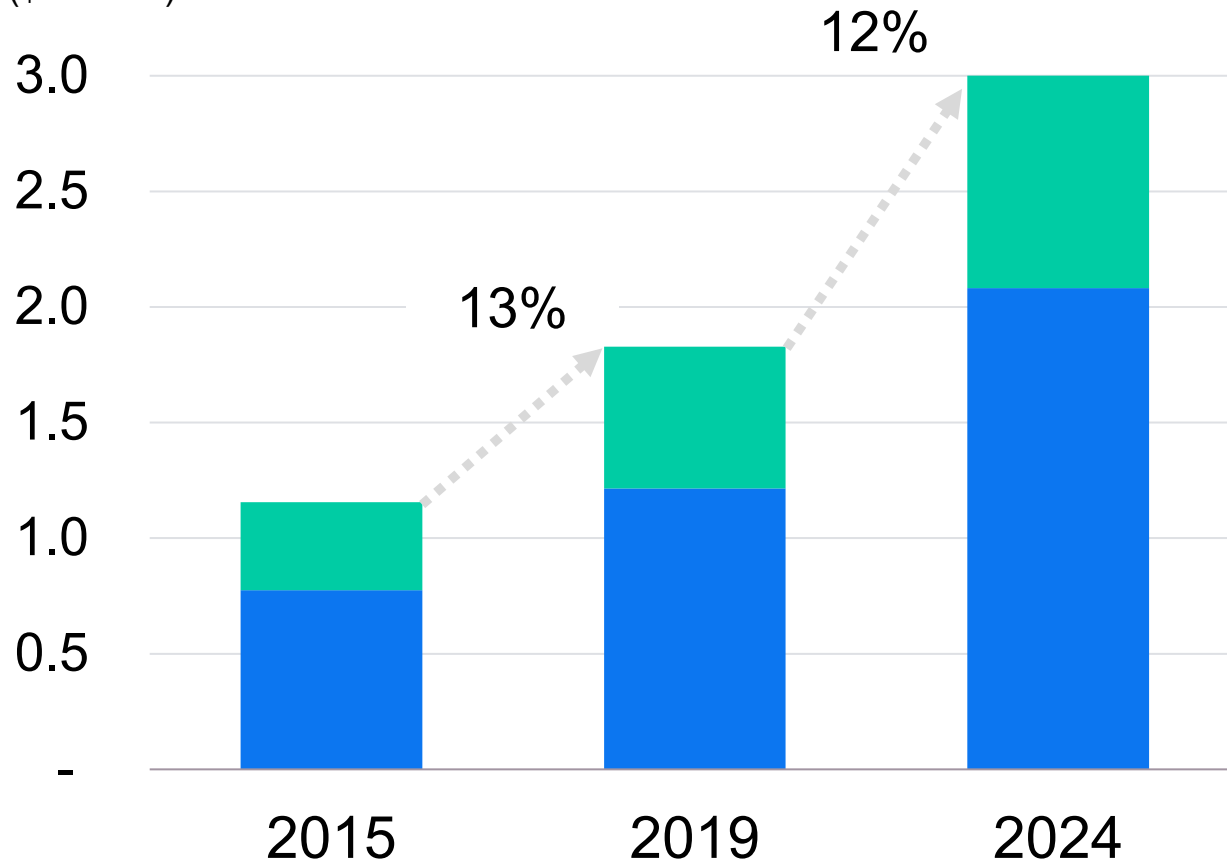
- + Dx Innovation: diagnostic menu, new and existing platform extensions, integrated software
- + Direct commercial model with subject matter experts and supporting ecosystem
- + Geographic expansion
- + Sizeable software business with 15%+ growth potential

^{1,3} Non-GAAP financial measure, please refer to Appendix for descriptive footnotes.

Significant Global Expansion of CAG Dx Recurring Revenues

CAG Diagnostics Recurring Organic Revenue CAGRs²

(\$ Billions)



Organic Revenue CAGR²

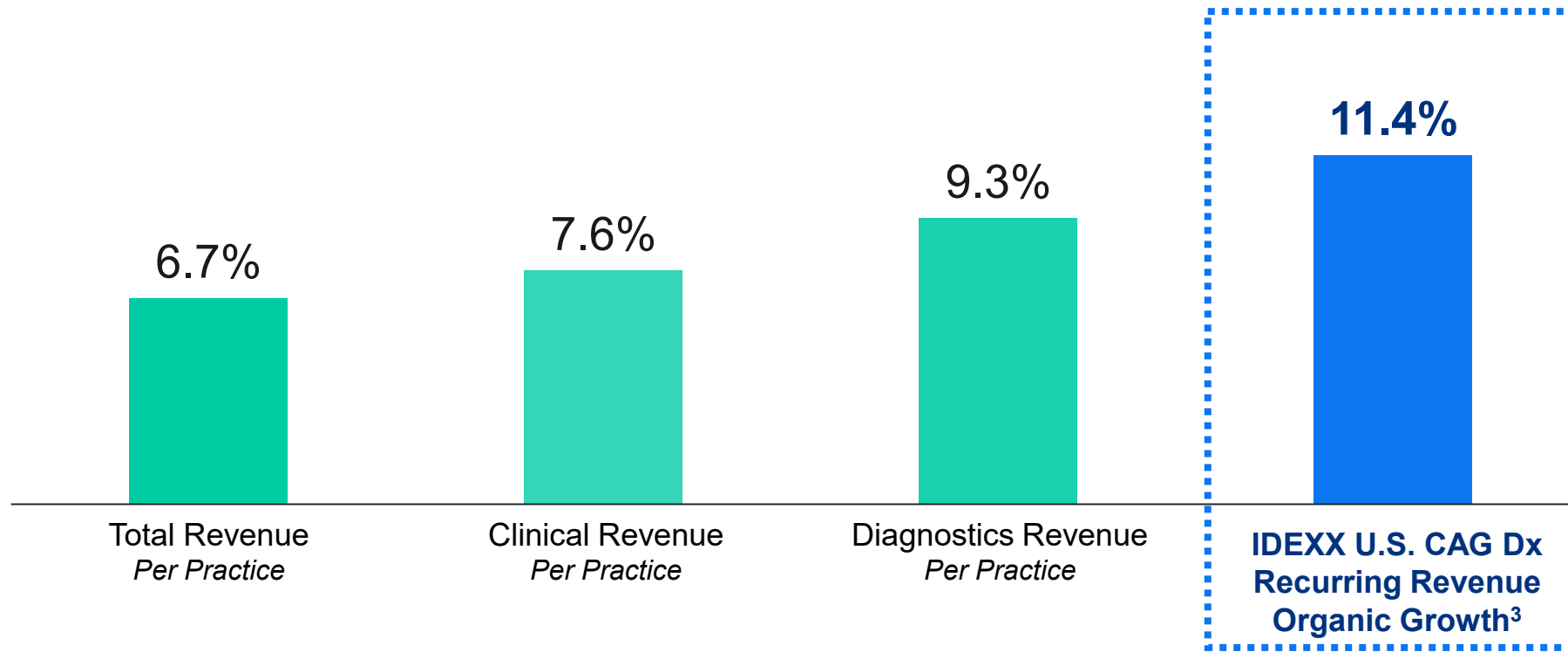
	2015 – 2019	2019 – 2024
International	14%	13%
U.S.	12%	11%

² Non-GAAP financial measure, please refer to Appendix for descriptive footnotes.

IDEXX Growth has Outpaced Sector Growth



IDEXX U.S. CAG Dx Recurring Revenue Organic Growth and
U.S. Sector Revenue Growth per Practice*
(2019 – 2024 CAGR)



³ Non-GAAP financial measure, please refer to Appendix for descriptive footnotes.

* Note that we estimate net new practice formation adds ~1% of incremental sector growth per year beyond per practice growth.

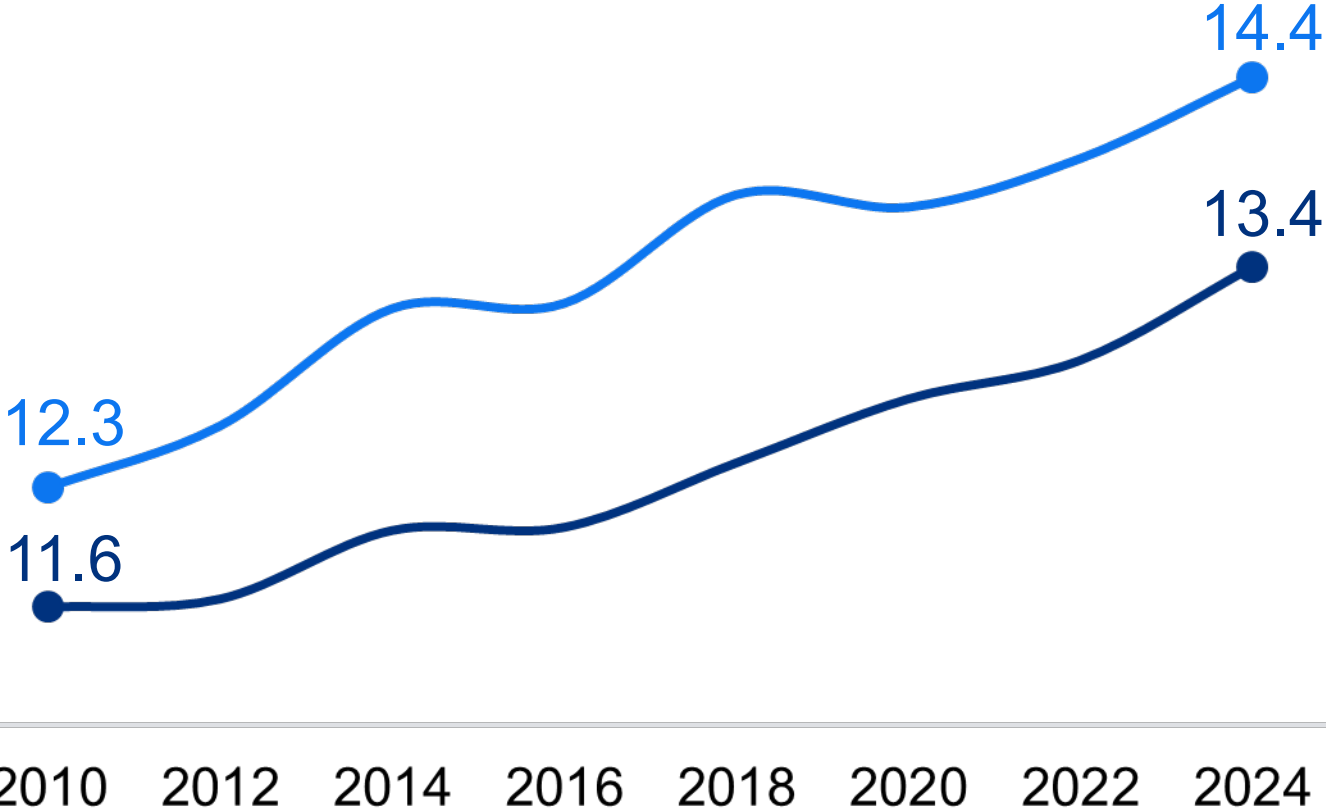
Source: Analysis based on IDEXX Practice Intelligence data n = ~7,800 practices. Clinical revenue is associated with clinical visits, where the reason for visit involves an interaction between a veterinary clinician and a pet, including wellness and non-wellness visit types.

Pets are Living Appreciably Longer – Benefiting Diagnostics



Average Patient Lifespan 2010 – 2024*

+ **22% increase**
in lifetime diagnostic spend per patient**



 **+2.2 years**
 **18%**

 **+1.8 years**
 **16%**

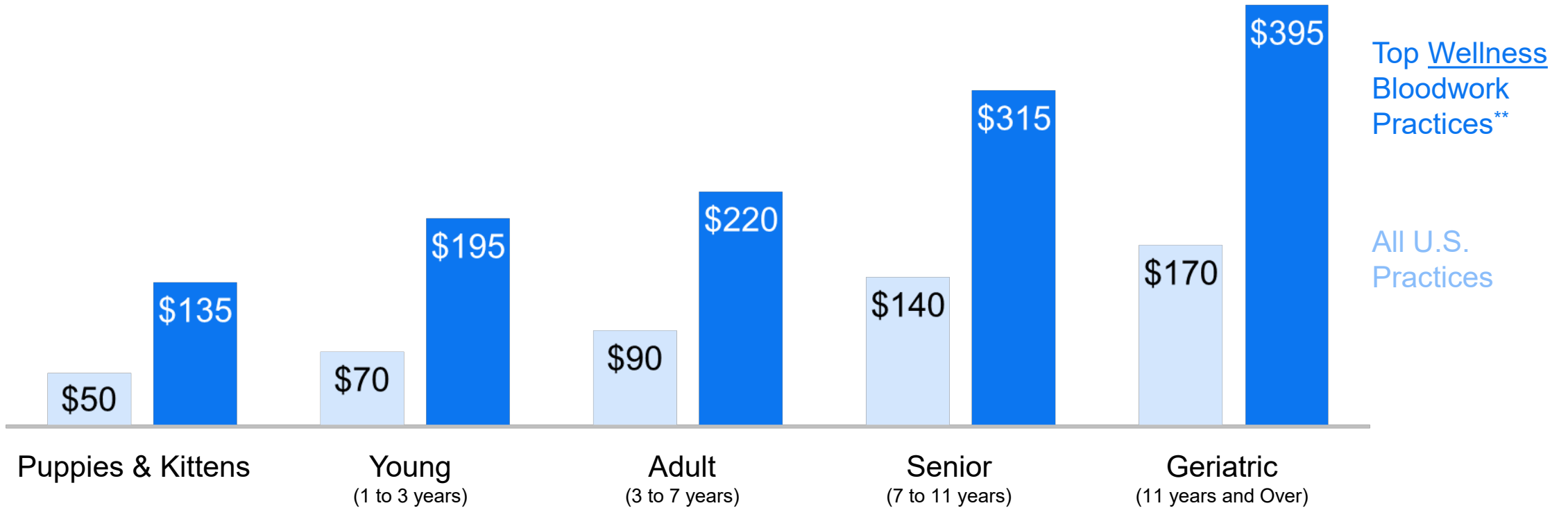
* Based on an analysis of IDEXX Practice Intelligence data from 2 million canine and feline patients with recorded deaths from 2010 through 2024. Lifespan reflects median patient age at time of death.

**Assuming constant annual spend per-patient, by age cohort over the full period.

Spending on Pet Health and Diagnostics Grows as Pets Age

Top Practices Use ~2x More Diagnostics Than Their Peers

U.S. Average Annual Practice Diagnostic Revenue Per Active Patient by Age Segment*

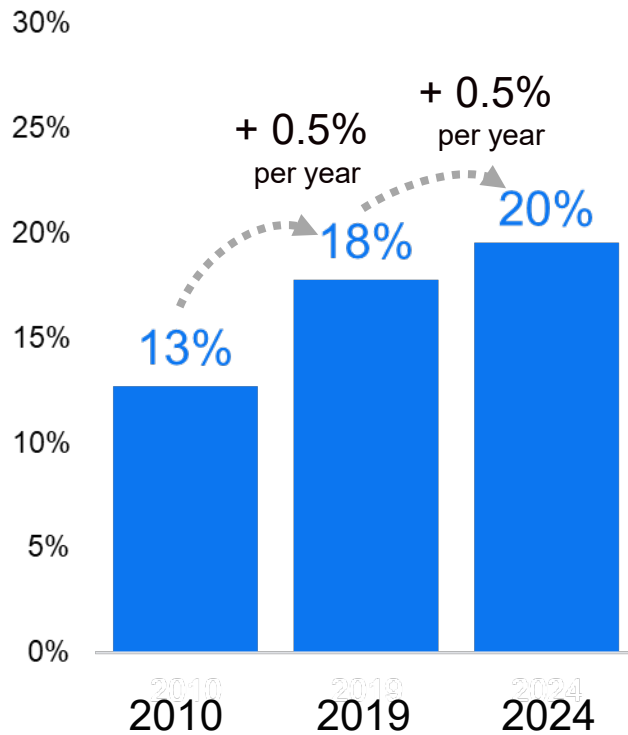


* Analysis based on 2024 IDEXX Practice Intelligence data from ~7,600 practices, weighted to be representative of the U.S based on practice size and region. ** Top practices defined based on percentage of wellness visits that include bloodwork.

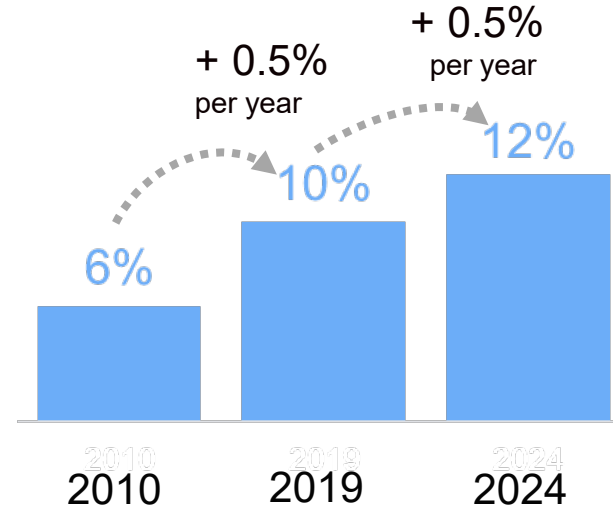
Estimates are for the overall number of active patients by age segment, not specifically for those receiving diagnostics. Revenue figures are rounded to the nearest \$5.

Significant Opportunity to Increase Standard of Care

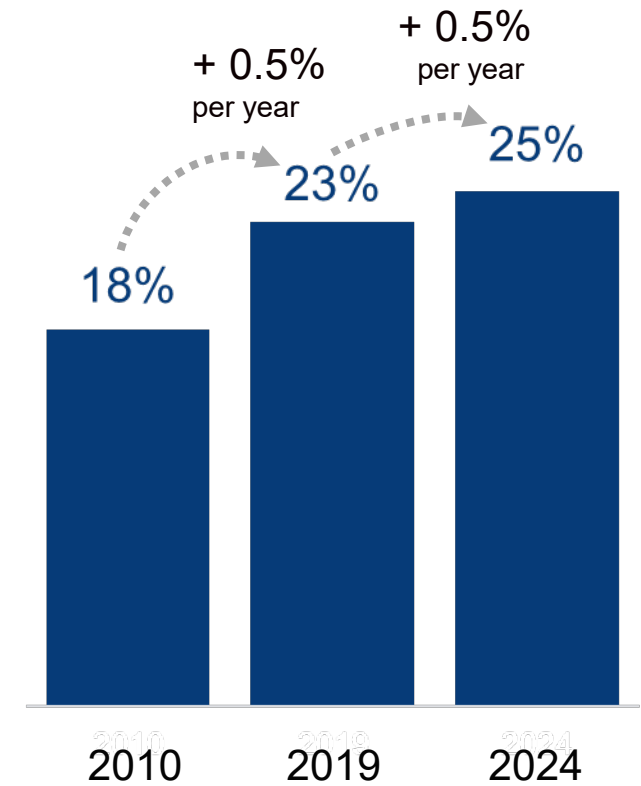
% of U.S. Clinical Visits including Bloodwork



% of U.S. Wellness Clinical Visits including Bloodwork



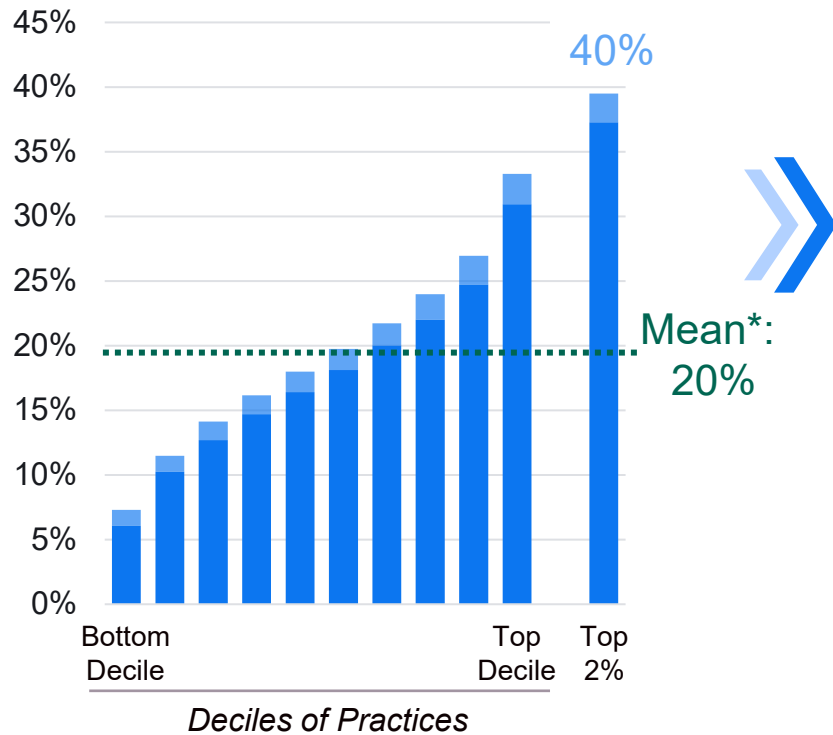
% of U.S. Non-wellness Clinical Visits including Bloodwork



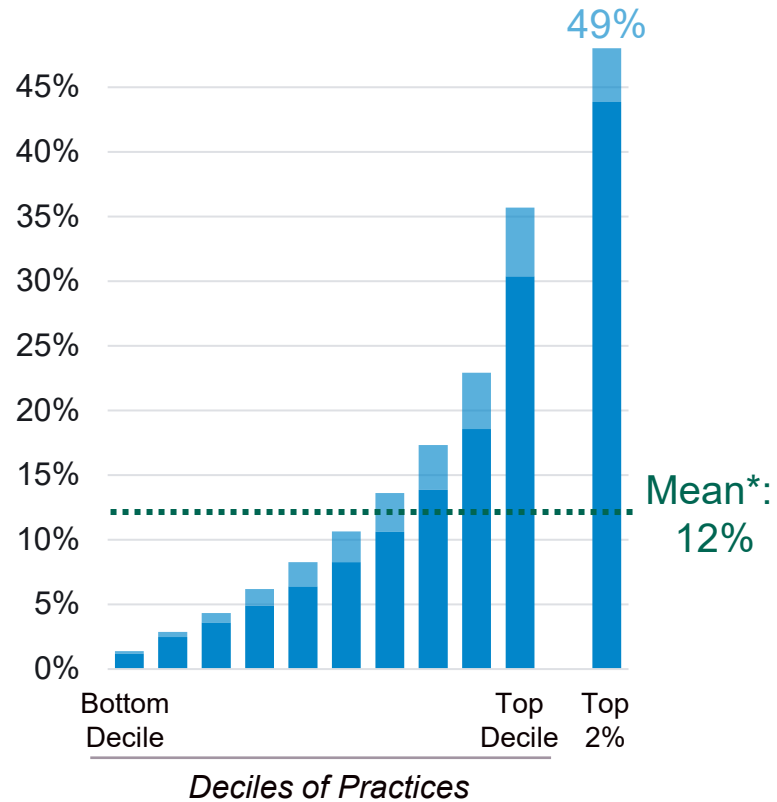
Source: Based on an analysis of IDEXX Practice Intelligence data from ~2,200 to 4,700 practices. Bloodwork includes chemistry and / or hematology testing. 'Clinical visits' are those where the reason for visit involves an interaction between a veterinary clinician and a pet, including wellness and non-wellness visit types. Percentages rounded to the nearest 1% and average annual changes rounded to nearest 0.5%.

Significant Range of Diagnostic Use Points to Long-term Growth Opportunity

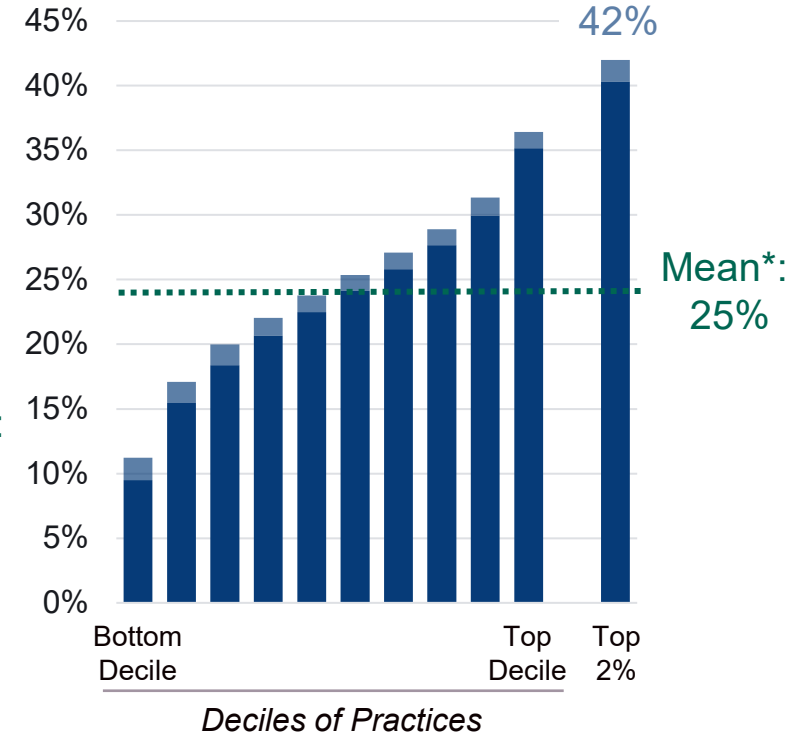
% of Clinical Visits including Bloodwork, 2019 & 2024



% of Wellness Visits including Bloodwork, 2019 & 2024



% of Non-wellness Visits including Bloodwork, 2019 & 2024



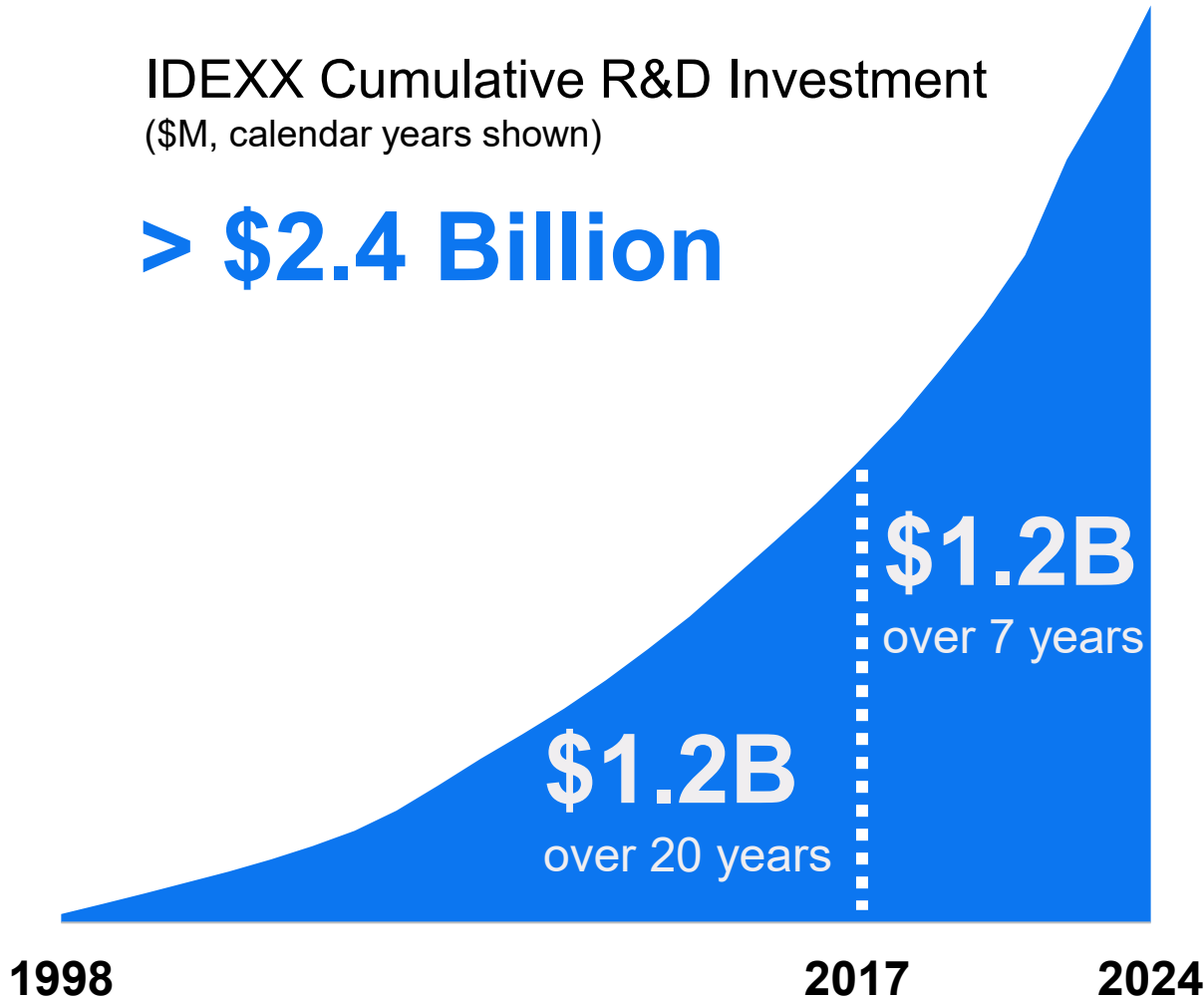
*Mean represents the mean % of clinical visits including bloodwork in 2024.

Source: Based on analysis of IDEXX Practice Intelligence data (n = 4,700 practices). 'Clinical visits' are those where the reason for visit involves an interaction between a veterinary clinician and a pet, including wellness and non-wellness visit types. Bloodwork includes chemistry and / or hematology testing.

Expanding Investment Drives Accelerated Pace of Innovation

IDEXX Cumulative R&D Investment
(\$M, calendar years shown)

> **\$2.4 Billion**



Areas of Expertise

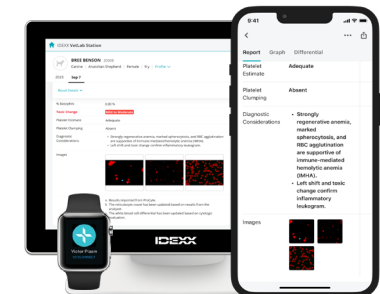
Instrument Platforms



Differentiated Assays



Software, Data and Connectivity



IDEXX's Significant Next Wave of Innovation

Point of Care



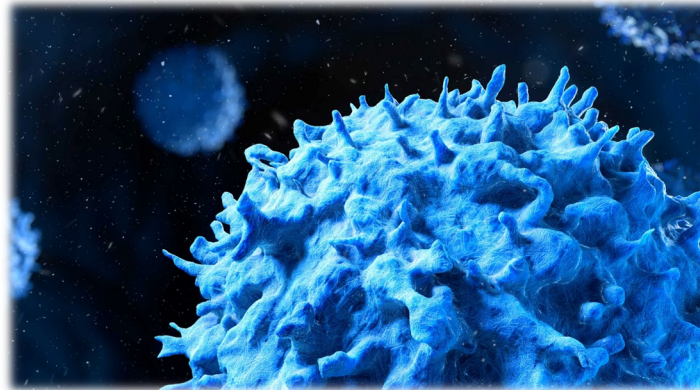
Catalyst® Pancreatic Lipase & Catalyst® SmartQC®



Next Gen UA Analyzer

Reference Labs

IDEXX Cancer Dx™ Screening Test and Aid in Diagnosis



Fecal Dx™ Expansion
with Flea Tapeworm and
Cystoisospora



IDEXX Cystatin B Test
Detects kidney injury in dogs
and cats

Software



New IDEXX VetLab® Station



Expanding Real-time Insights at the Point of Care



**Technology
for Life**

2014



Catalyst One®

Trusted Accuracy
Reference lab quality

2016



SediVue® Dx

Ease of Use
Intuitive, load and go

2020



ProCyte One®

2024



IDEXX inVue Dx™

End-to-End Integration
Workflow optimization

Future



Future Platform

IDEXX inVue Dx Transforms Point of Care Cytology

~1,600 Pre-orders
Through December
2024

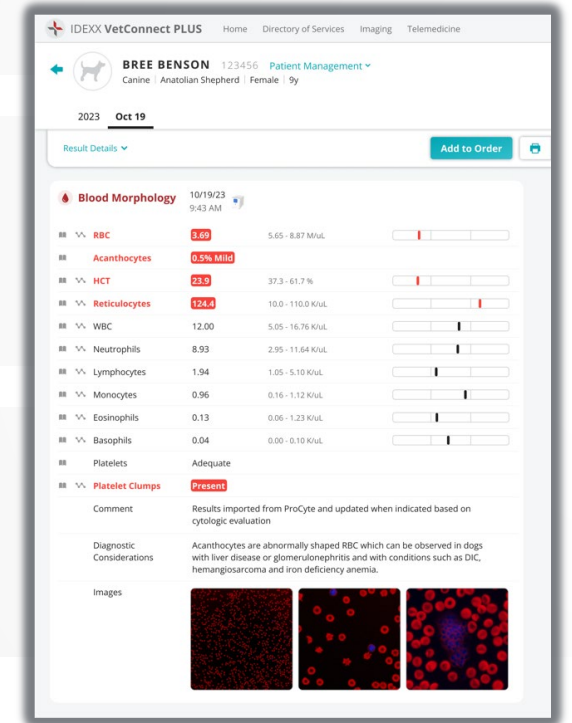
Targeting
4,500+
placements
in 2025



Revolutionary, Slide-free
Workflow

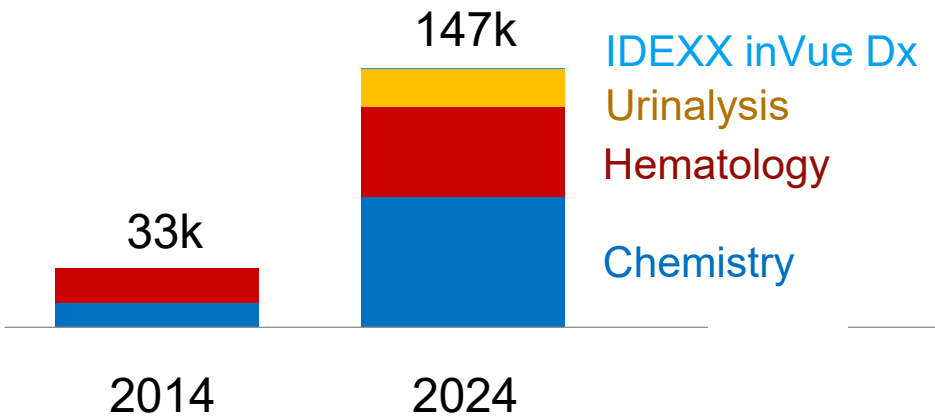
Deeper
Insights

Results in
~10 Minutes

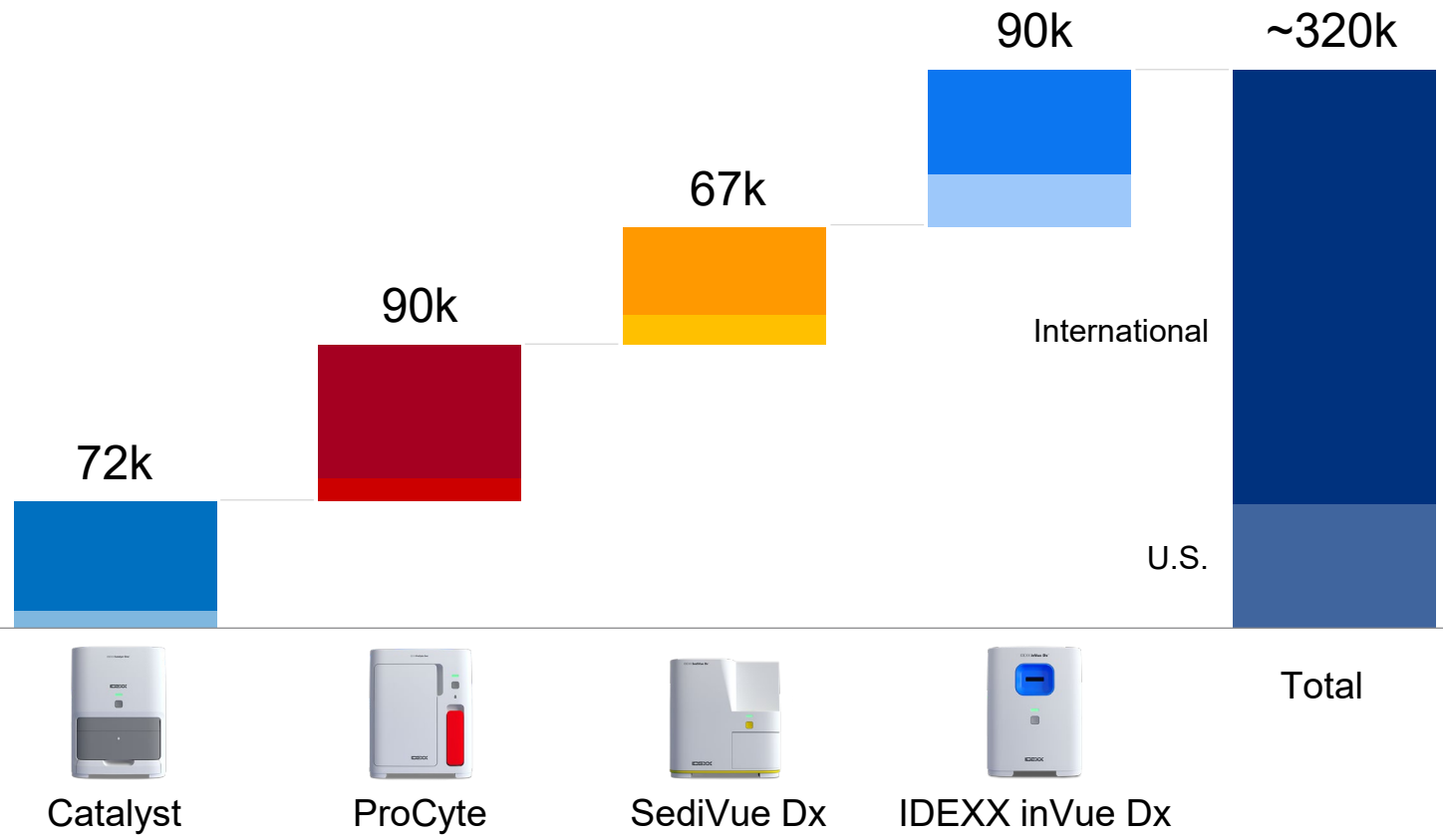


Significant Opportunity for Additional Instrument Placements

Global IDEXX Premium Instrument Installed Base*

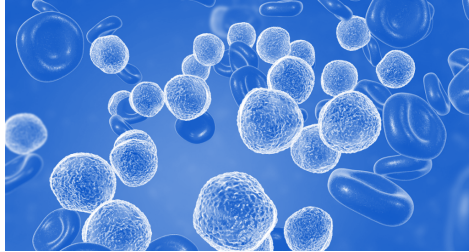


Global Incremental IDEXX Premium Instrument Placement Opportunity**



*All figures are rounded. Premium chemistry includes IDEXX Catalyst Dx® and Catalyst One® Chemistry Analyzers. Premium hematology includes ProCyte Dx®, ProCyte One®, and LaserCyte® Hematology Analyzers. Premium Urinalysis includes SediVue Dx® Urine Sediment Analyzer **All figures are rounded. Excludes practices too small to be likely candidates for chemistry analyzer placement at this time. Second placement opportunities are excluded.

Oncology is a New Multi-Billion Dollar Diagnostic Opportunity



~\$2.5B
Opportunity*

Oncology

IDEXX has the most comprehensive testing portfolio to address largest cause of pet mortality

- + IDEXX Cancer Dx™ (2025)
- + Digital Cytology (2020)
- + Teleradiology (2009)
- + Histology (1994)
- + Clinical Pathology (1994)



Cancer is **detected in later stages** when **treatment options are more limited**

*Total addressable revenue opportunity estimated based on bottom-up modeling at manufacturer or service provider level. Assumes current proportion of household-owned dogs and/or cats visiting the veterinary practice for wellness and/or non-wellness visits and estimated average manufacturer revenue for appropriate diagnostics used in each type of visit. Note that this global opportunity is estimated as of 2023 and is anticipated to grow over time based on the known underlying drivers, e.g., clinical visit growth per practice, net new practice formation and net price realization.

Pet Parents and Veterinarians Want Early Cancer Detection

Pet Parents

CONCERN

61%

are concerned about the **risk of cancer** in their dog



Veterinarians

LIKELIHOOD

89%

answered “Likely” to adding a **cancer screening** to wellness protocols

INTEREST

73%

are interested in having a **cancer screening test** for their pet

IMPACT

86%

indicated cancer screening would have a “**Positive Impact**” on their practice

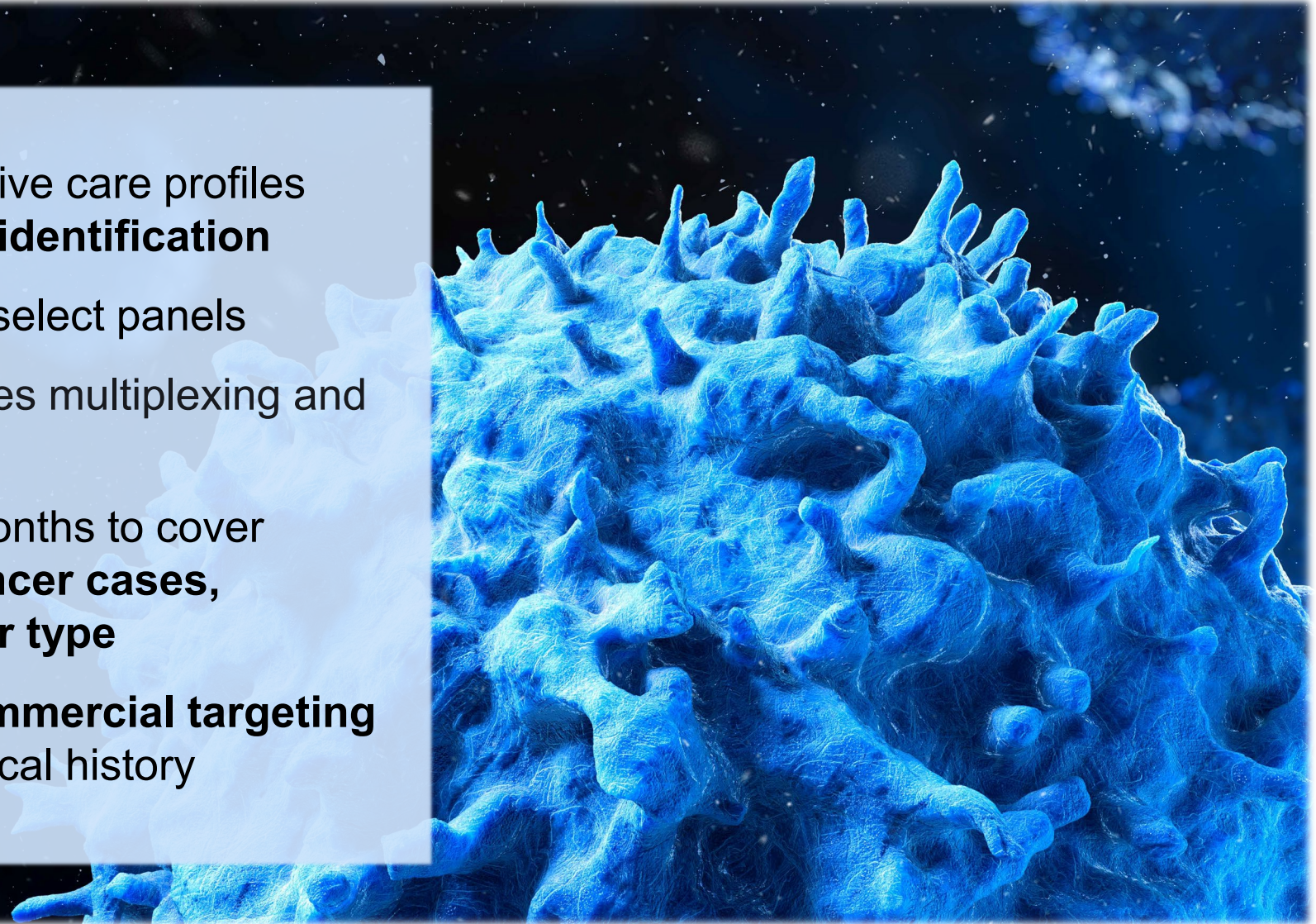
Source: IDEXX Quantitative Research with Dog Owners, May 2024 (n = 480)

Source: IDEXX Quantitative Research with General Practitioners, April 2024 (n = 319)

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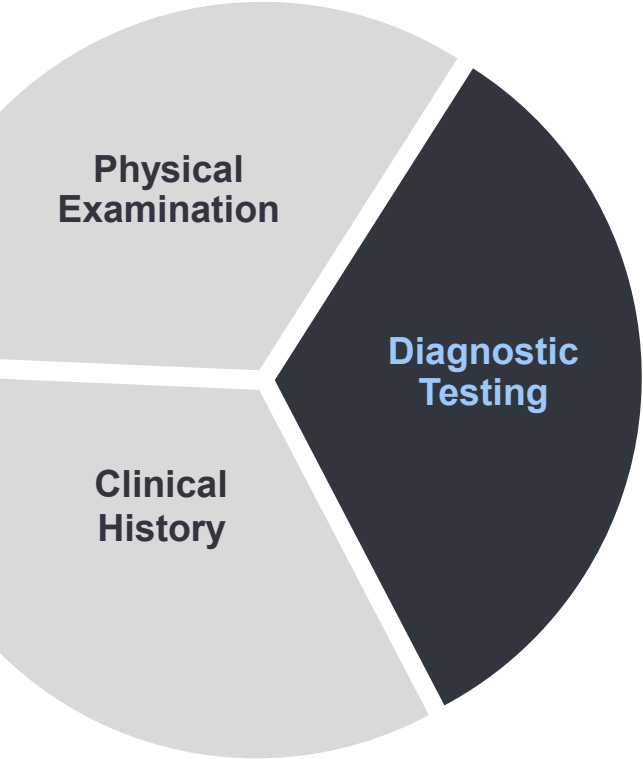
IDEXX Cancer Dx Launches with Lymphoma **Late March 2025**

- + **Affordable** inclusion in preventive care profiles enables **earlier detection and identification**
- + **As low as \$15** when added to select panels
- + **Proprietary technology** enables multiplexing and phenotyping
- + **Panel will expand** over ~36 months to cover majority (>50%) of canine cancer cases, providing detection by cancer type
- + **Software and data enable commercial targeting** based on breed, age, and medical history

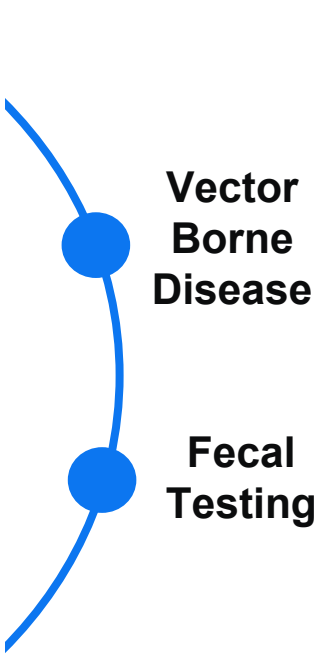


Addition of Cancer Screening will Inspire Broader Dx Inclusion

Preventive Healthcare Today...



Current Dx inclusion rates **47%***



12%**

Complete Blood Count

...and with the next chapter

Cancer Screening

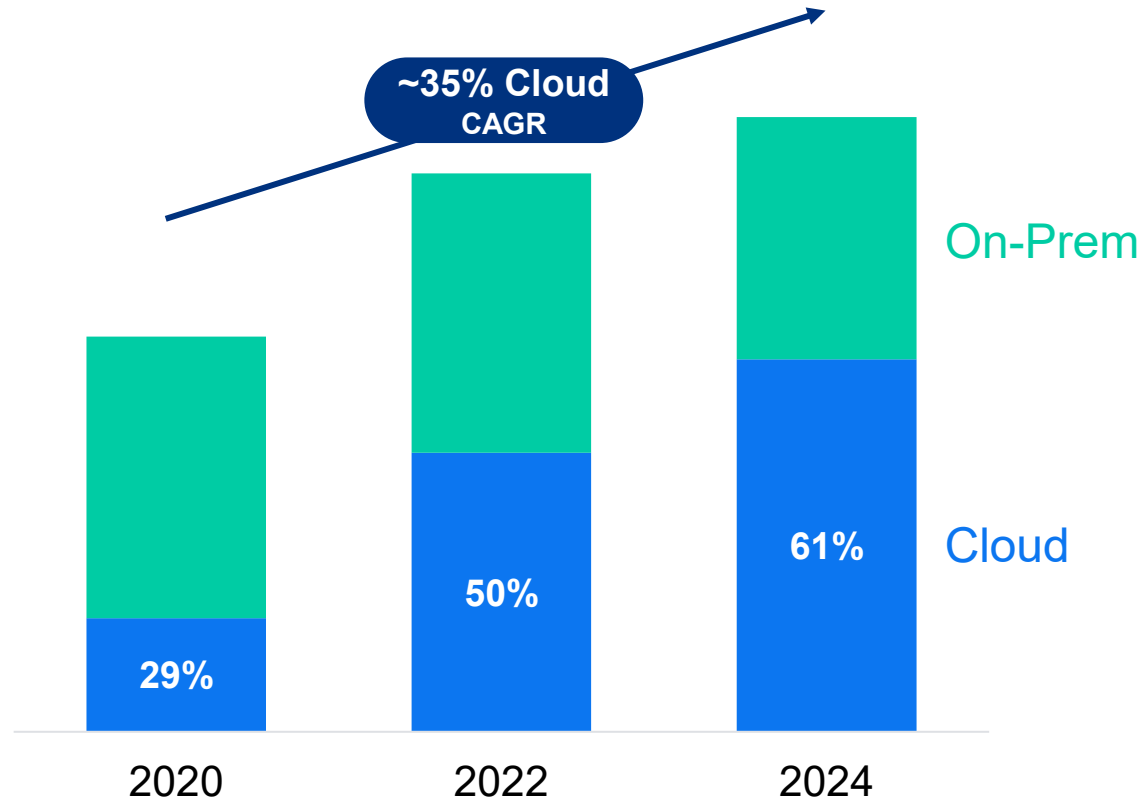


IDEXX Cancer Diagnostics included in a preventive care panel for at-risk dogs

*Percentage of U.S. wellness clinical visits with at least one in-house or reference laboratory diagnostic test, excluding radiography, in 2024
 **Percentage of U.S. wellness clinical visits with bloodwork (chemistry and / or hematology testing) in 2024
 Source: Based on an analysis of IDEXX Practice Intelligence data from ~2,200 to 4,700 practices. Clinical visits are those where the reason for visit involves an interaction between a veterinary clinician and a pet, including wellness and non-wellness visit types. Percentages rounded to the nearest 1%.

Strategic Software Portfolio has Excellent Momentum and Opportunity

Total IDEXX PIMS Installed Base (global):
Cloud vs. On-premise*

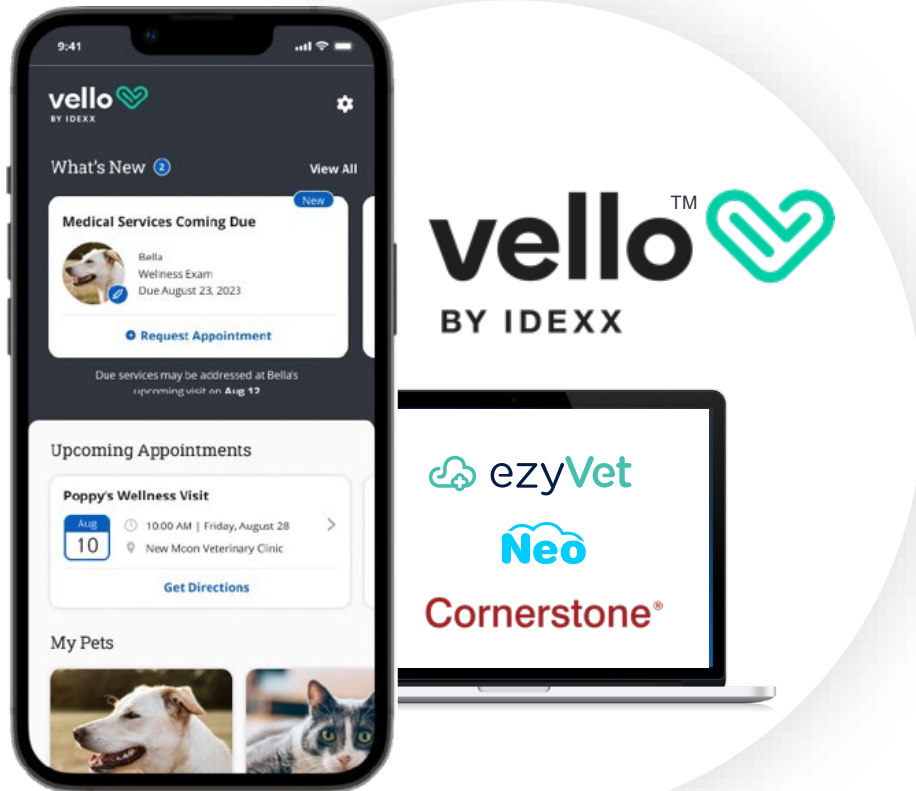


- + Vertical **SaaS business model**
- + **98% cloud placements in 2024**
- + **15%+ annual recurring revenue growth potential with attractive margins**
- + **\$250 million recurring revenue**** in 2024 (~6% of total company revenue)
- + Ability to **grow organically and through acquisitions** (new services, features)

*ezyVet bookings and install base included only starting in 2021 post-acquisition

**Veterinary software, services and diagnostic imaging systems recurring revenue

Vello: The Clinically-Enabled Pet-Owner Engagement Platform



BEFORE THE VISIT

- Online appointment scheduling
- Automated reminders
- Pre-appointment instructions
- Visit preparation (financing, diagnostics opt-in, education, etc.)



DURING THE VISIT

- Digital check-in / wait-times
- Automated prompts
- Patient records / comms are fully integrated inside IDEXX PIMS

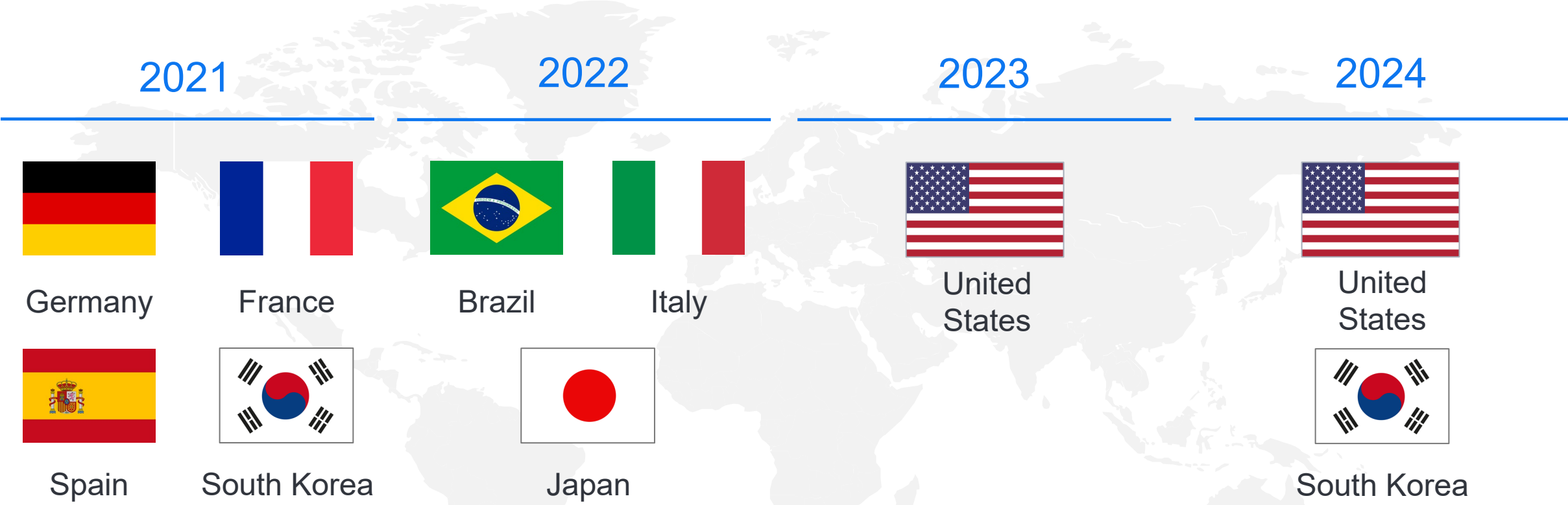


AFTER THE VISIT

- Easy follow-up via 2-way text messages
- Follow-up scheduling / forward booking
- Downloadable medical records

100% Digital End-to-End Personalized Visit Journeys

Commercial Expansions Develop Global Opportunity



Sales Operations



Global Commercial Systems



Education & Training



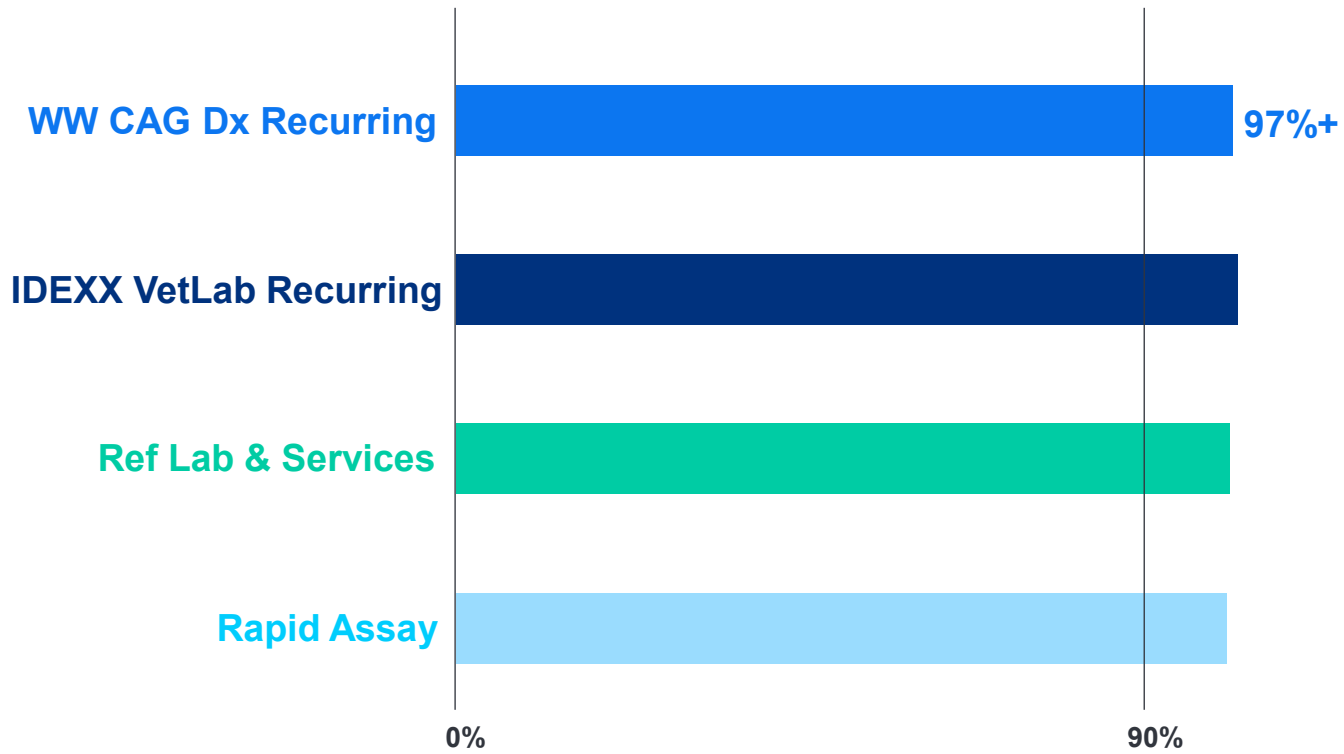
Marketing



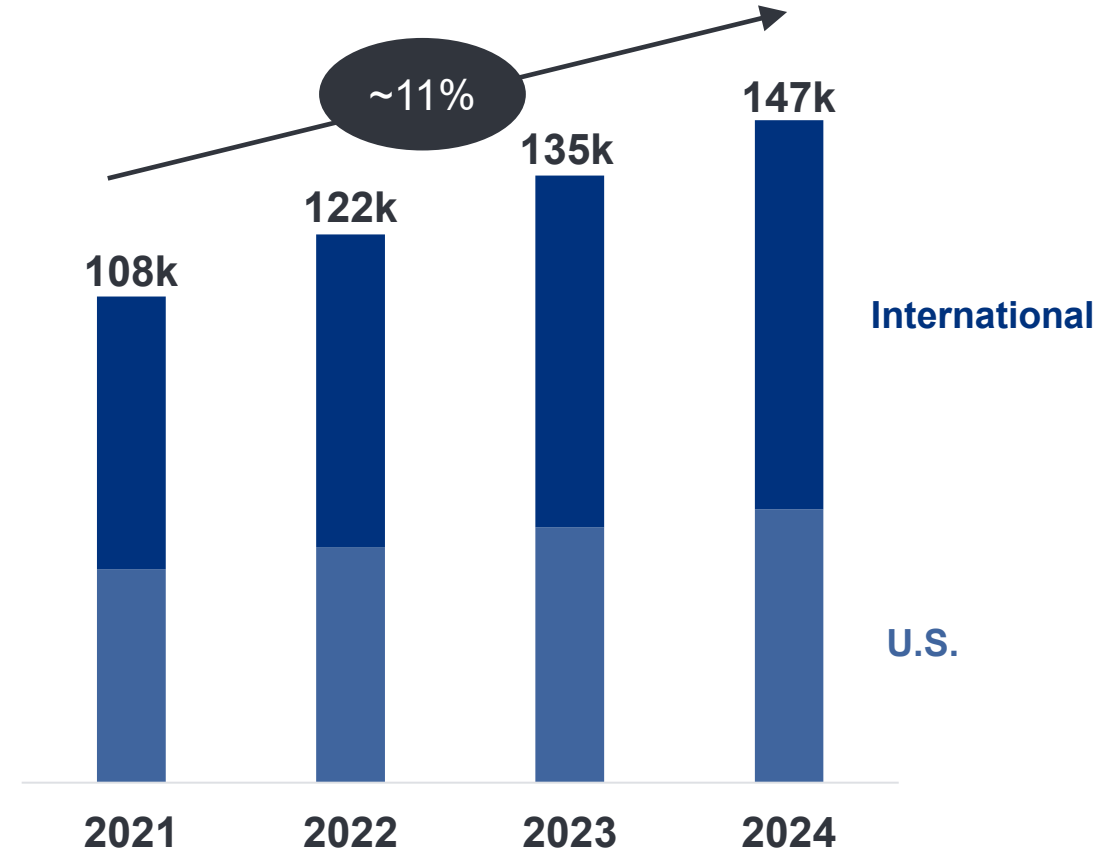
Global Customer Support

High Customer Retention Contributes to Installed Base Growth

Worldwide 2024 CAG Dx Recurring Customer Revenue Retention Rates



Worldwide Premium Instrument Installed Base*



*All figures are rounded.

Strong Long-term Financial Performance and Potential

IDEXX Long-Term Financial Performance 2019 - 2024



Revenue

+ 11%

Organic Revenue CAGR³



Operating Margin

+150 bps

Average Annual Comparable
Operating Margin
Expansion⁵



EPS

+ 20%

Average Annual
Comparable EPS
Growth⁶

Multi-Year Goals*

Organic Growth
10%+

Annual Operating Margin
Gains**
50 – 100 bps

Annual EPS Growth**
15% - 20%

ROIC⁷ **45.8%** in 2024

* Our multi-year goals represent annual gains assuming foreign currency exchange rates remain the same and excluding year-over-year changes in share-based compensation tax benefits and non-recurring or unusual items

** Average annual comparable gains or growth

^{3, 5, 6, 7} Non-GAAP financial measure, please refer to Appendix for descriptive footnotes.

Appendix

Footnotes

¹ IDEXX Reportable Segment Revisions and Divested Revenues: Prior to January 1, 2015, our Companion Animal Group (“CAG”) segment included herd testing diagnostic services processed within and managed by our CAG reference laboratories. We have transitioned the responsibility for these diagnostic services to our LPD segment to more effectively align our business with the nature and customers of these livestock services. Revenue and revenue growth calculations have been retrospectively revised to reflect this change in the composition of our reportable segments. The impact on CAG Diagnostics recurring revenue growth was not material.

² Organic Revenue Growth and CAGR: Organic revenue growth and CAGR are non-GAAP financial measures and represent the percentage change in revenue for a measurement period, as compared to the prior year period(s), excluding the impact of changes in foreign currency exchange rates, certain business acquisitions, and divestitures. Management believes that reporting organic revenue growth and CAGR provides useful information to investors by facilitating easier comparisons of our revenue performance with prior and future periods and to the performance of our peers. Organic revenue growth and CAGR should be considered in addition to, and not as replacements of or superior measures to, revenue growth and CAGR reported in accordance with GAAP. The percentage change in revenue resulting from acquisitions represents revenues during the current year period, limited to the initial 12 months from the date of the acquisition, that are directly attributable to business acquisitions. Effective January 1, 2018, we exclude only acquisitions that are considered to be a business (consistent with ASU 2017-01, *Business Combinations: (Topic 805) Clarifying the Definition of a Business*) from organic revenue growth. For more detail on what acquisitions we consider to be a business in computing organic growth, please see *Management’s Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations and Trends – Non-GAAP Financial Measures*, contained in the *Company’s Annual Report on Form 10-K* for the year ended December 31, 2024, available at www.idexx.com/investors. See tables included in Footnote 3, *Normalized Organic Revenue Growth* for reconciliation of Total Company, CAG Diagnostics Recurring, U.S. CAG Diagnostics Recurring, and International CAG Diagnostics Recurring organic revenue growth to reported growth.

³ Normalized Organic Revenue Growth: Normalized organic revenue growth and CAGR are non-GAAP financial measures that represent organic revenue growth and CAGR as defined in note 2 above, normalized for the effects of our transition to an all-direct sales strategy in the U.S., which was effected fully by January 1, 2015, on revenue growth for the relevant period(s) in 2014 and 2015. Management believes that reporting normalized organic revenue growth and CAGR is a more useful way to measure business performance because it enables better period-over-period comparisons of the fundamental financial results by excluding one-time transitional growth rate impacts. Normalized organic revenue growth and CAGR should be considered in addition to, and not as replacements of or superior measures to, revenue growth or CAGR reported in accordance with GAAP. As part of our transition to an all-direct sales strategy in the U.S. in 2015, we began to capture additional revenue that was previously earned by our distribution partners, net of other changes related to this all-direct strategy, such as free next-day shipping and a new returns policy for expired product. We refer to this net additional revenue as distributor margin capture, and 2015 revenue has been adjusted ~\$40 million to exclude this impact. Amounts presented may not recalculate due to rounding.

	CAGR		
Total Company	2010-2015	2015-2019	2019-2024
Reported Growth	8%	11%	10%
Currency Impact ⁴	-1%	0%	-1%
Acquisition Impact	0%	0%	0%
Organic Revenue Growth	9%	11%	11%
Margin Capture Adjustment	1%		
Normalized Organic Revenue Growth	8%	11%	11%

	CAGR		
CAG Diagnostics Recurring	2010-2015	2015-2019	2019-2024
Reported Growth	9%	12%	11%
Currency Impact ⁴	-1%	0%	0%
Acquisition Impact	0%	0%	0%
Organic Revenue Growth	10%	13%	12%
Margin Capture Adjustment	1%		
Normalized Organic Revenue Growth	9%	13%	12%

	CAGR	
U.S. CAG Diagnostics Recurring	2015-2019	2019-2024
Reported Growth	12%	11%
Acquisition Impact	0%	0%
Organic Revenue Growth	12%	11.4%

	CAGR	
International CAG Diagnostics Recurring	2015-2019	2019-2024
Reported Growth	13%	11%
Currency Impact ⁴	1%	-1%
Acquisition Impact	0%	0%
Organic Revenue Growth	14%	13%

Footnotes

⁴ Constant Currency: Adjustments to GAAP financial measures for “currency impacts” or “Change from currency” are non-GAAP financial measures which exclude the impact of changes in foreign currency exchange rates and are consistent with how management evaluates our performance and comparisons with prior and future periods. We estimated the net impacts of currency on our revenue, operating profit, and EPS results by restating results to the average exchange rates or exchange rate assumptions for the comparative period, which includes adjusting for the estimated impacts of foreign currency hedging transactions and certain impacts on our effective tax rates. Because currency impacts are calculated using current comparative period rates they may vary from previously reported amounts. See Footnote 2, *Organic Revenue Growth and CAGR*, and Footnote 3, *Normalized Organic Revenue Growth and CAGR* for further details of currency impacts on revenue growth. See Footnote 5, *Comparable Operating Margin Gain (or Expansion)*, and Footnote 6, *Comparable EPS Growth*, for further details of currency impacts on operating margin gain and EPS growth, respectively.

⁵ Comparable Operating Margin Gain (or Expansion): Comparable operating margin gain (or expansion) is a non-GAAP financial measure and excludes the impact of changes in foreign currency exchange rates and non-recurring or unusual items (if any). Comparable Operating Margin Gain (or Expansion) for a measurement period is calculated using the measurement period’s comparable Operating Margin and the prior base period’s comparable Operating Margin excluding change from currency. Management believes that reporting comparable operating margin gain (or expansion) provides useful information to investors because it enables better period-over-period comparisons of the fundamental financial results by excluding items that vary independent of performance and provides greater transparency to investors regarding key metrics used by management. Comparable operating margin gain (or expansion) should be considered in addition to, and not as a replacement of or superior measure to, operating margin gain reported in accordance with GAAP. The reconciliation of comparable operating margin gain (or expansion) is provided in the table below. Amounts presented may not recalculate due to rounding.

	For the Year Ended December 31,						
	2019	2020	2021	2022	2023	2024	2019 - 2024 Average Annual
Operating Margin (as reported)	23.0%	25.7%	29.0%	26.7%	30.0%	29.0%	
Comparability Adjustments (bps):							
<i>Change from currency⁴</i>	10	(30)	10	10	(60)		
<i>CEO transition charges</i>	(60)						
<i>Ongoing litigation matter</i>		(100)				(160)	
Comparable operating margin	23.4%	27.0%	28.8%	26.6%	30.6%	30.6%	
Comparable operating margin gains		340 bps	220 bps	-240 bps	390 bps	60 bps	150 bps

Footnotes

⁶ Comparable EPS Growth: Comparable EPS growth is a non-GAAP financial measure and represents the percentage change in earnings per share (diluted) ("EPS") for a measurement period, as compared to the prior base period, net of the impact of changes in foreign currency exchange rates from the prior base period and excluding the tax benefits of share-based compensation activity under ASU 2016-09, *Compensation-Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*, and non-recurring or unusual items. Comparable EPS growth for a measurement period is calculated using the measurement period's comparable EPS and the prior base period's comparable EPS excluding change from currency. Management believes comparable EPS growth is a more useful way to measure the Company's business performance than EPS growth because it enables better period-over-period comparisons of the fundamental financial results by excluding items that vary independent of performance and provide greater transparency to investors regarding a key metric used by management. Comparable EPS growth should be considered in addition to, and not as a replacement of or a superior measure to, EPS growth reported in accordance with GAAP. The reconciliation of this non-GAAP financial measure is provided in the table below. Amounts presented may not recalculate due to rounding.

	For the Year Ended December 31,						2019 - 2024 Average Annual
	2019	2020	2021	2022	2023	2024	
<i>EPS growth (as reported)</i>	15%	37%	28%	-7%	25%	7%	18%
Earnings per share (diluted)	\$ 4.89	\$ 6.71	\$ 8.60	\$ 8.03	\$ 10.06	\$ 10.67	
<i>Change from currency⁴</i>	(0.05)	(0.06)	0.16	(0.22)	(0.24)	(0.05)	
<i>Share-based compensation activity</i>	0.22	0.45	0.38	0.15	0.16	0.24	
<i>CEO transition charges</i>	(0.14)						
<i>Switzerland Tax Reform</i>		0.25					
<i>Ongoing litigation matter</i>		(0.24)				(0.56)	
Comparable EPS	\$ 4.86	\$ 6.31	\$ 8.06	\$ 8.10	\$ 10.14	\$ 11.04	
Comparable EPS Growth		31%	29%	-1%	29%	12%	20%

Footnotes

7 After-Tax Return on Invested Capital, Excluding Cash and Investments (“ROIC”): After-tax return on invested capital, excluding cash and investments, is a non-GAAP financial measure that represents our after-tax income from operations, divided by our average invested capital, excluding cash and investments, using beginning and ending balance sheet values. After-tax return on invested capital, excluding cash and investments, and after-tax income from operations and average invested capital, excluding cash and investments, are not measures of financial performance under GAAP and should be considered in addition to, and not as replacements of or superior measures to, return on assets, net income, total assets or other financial measures reported in accordance with GAAP. Management believes that reporting after-tax return on invested capital, excluding cash and investments, provides useful information to investors for evaluating the efficiency and effectiveness of our use of capital. The reconciliation of this non-GAAP financial measure is as follows:

	For the Year Ended December 31,	
Numerator (amounts in millions)	2023	2024
Income from operations (as reported)		\$ 1,128
After-tax income from operations *		\$ 903
	As of December 31,	
Denominator (dollar amounts in millions)	2023	2024
Total shareholders' equity	\$ 1,485	\$ 1,595
Credit facility	\$ 250	\$ 250
Long-term debt	\$ 698	\$ 618
Deferred income tax assets	\$ (107)	\$ (126)
Deferred income tax liabilities	\$ 7	\$ 11
Total invested capital	\$ 2,332	\$ 2,349
Less cash & cash equivalents	\$ 454	\$ 288
Total invested capital, excluding cash and investments	\$ 1,878	\$ 2,060
Average invested capital, excluding cash and investments **		\$ 1,969
After-tax return on invested capital, excluding cash and investments		45.8%

* After-tax income from operations represents income from operations reduced by our reported effective tax rate.

** Average invested capital, excluding cash and investments, represents the average of the amount of total invested capital, excluding cash and investments.