Exhibit D
FORMULAS FOR ASSET INTENSITY ADJUSTMENTS

Definitions of Variables:

AP = average accounts payable
AR = average trade accounts receivable, net of allowance for bad debt
cogs = cost of goods sold
INV = average inventory, stated on FIFO basis
opex = operating expenses (general, sales, administrative, and depreciation expenses)
PPE = property, plant, and equipment, net of accumulated depreciation
sales = net sales
tc = total cost (cogs + opex, as defined above)

h = average accounts payable or trade accounts receivable holding period, stated as a fraction of a year
i = interest rate
t = entity being tested
c = comparable

Equations:

If Cost of Goods Sold is controlled (generally, sales in denominator of PLI):

Receivables Adjustment (“RA”): \[
RA = \left(\frac{AR_t}{sales_t} \times sales_c\right) - AR_c \times \left(\frac{i}{1+(i \times h_t)}\right)
\]
Payables Adjustment (“PA”): \[
PA = \left(\frac{AP_t}{sales_t} \times sales_c\right) - AP_c \times \left(\frac{i}{1+(i \times h_t)}\right)
\]
Inventory Adjustment (“IA”): \[
IA = \left(\frac{INV_t}{sales_t} \times sales_c\right) - INV_c \times i
\]
PP&E Adjustment (“PPEA”): \[
PPEA = \left(\frac{PPE_t}{sales_t} \times sales_c\right) - PPE_c \times i
\]

If Sales are controlled (generally, costs in the denominator of PLI):¹

Receivables Adjustment (“RA”): \[
RA = \left(\frac{AR_t}{tc_t} \times tc_c\right) - AR_c \times \left(\frac{i}{1+(i \times h_t)}\right)
\]
Payables Adjustment (“PA”): \[
PA = \left(\frac{AP_t}{tc_t} \times tc_c\right) - AP_c \times \left(\frac{i}{1+(i \times h_t)}\right)
\]
Inventory Adjustment (“IA”): \[
IA = \left(\frac{INV_t}{tc_t} \times tc_c\right) - INV_c \times i
\]
PP&E Adjustment (“PPEA”): \[
PPEA = \left(\frac{PPE_t}{tc_t} \times tc_c\right) - PPE_c \times i
\]

Then Adjust Comparables as Follows:

adjusted sales_c = sales_c + RA
adjusted cogs_c = cogs_c + PA - IA
adjusted opex_c = opex_c - PPEA

¹Depending on the specific facts, the equations below may use total costs (“tc”) or cost of goods sold (“cogs”).