

Atkore Inc. Announces First Quarter 2022 Results

- Net sales of \$840.8 million, up 64.5% versus prior year
- Net income per diluted share increased by \$2.57 versus prior year to \$4.32; Adjusted net income per diluted share increased by \$2.70 versus prior year to \$4.58
- Net income increased by \$119.8 million versus prior year to \$204.8 million; Adjusted EBITDA increased by \$156.0 million versus prior year to \$293.0 million
- Full-year Net sales expected to be up mid-single digit percentages compared to fiscal year 2021
- Full-year Adjusted EBITDA outlook increased to \$875 million - \$925 million; Full-year Adjusted net income per diluted share outlook increased to \$12.80 - \$13.60

HARVEY, IL. — January 31, 2022 (BUSINESS WIRE) - Atkore Inc. (the “Company” or “Atkore”) (NYSE: ATKR) announced earnings for its fiscal 2022 first quarter ended December 24, 2021.

“Atkore delivered record results this quarter despite a challenging operating environment,” said Bill Waltz, Atkore President and Chief Executive Officer. “The commitment of our team and our focus on executing the Atkore Business System drove margin expansion in each of our segments. We were particularly pleased with the positive volume growth in our international markets led by solid demand and growth from data center projects. During the quarter, we completed the acquisitions of Sasco Tubes & Roll Forming Inc. and Four Star Industries, adding further metal framing and High Density Polyethylene (HDPE) conduit manufacturing capabilities to our portfolio. We also repurchased \$105 million of Atkore common stock, in keeping with our commitment to return capital to shareholders. We look forward to continuing to build on our momentum and creating value for our shareholders and other stakeholders.”

Waltz continued, “Given our strong start to the year and current market dynamics, we are raising our fiscal 2022 outlook for Adjusted EBITDA to \$875 - \$925 million. Looking ahead, we will continue to invest in new products, marketing and business development to help improve Atkore’s position for the future.”

2022 First Quarter Results

(in thousands)	Three months ended			
	December 24, 2021	December 25, 2020	Change	% Change
Net sales				
Electrical	\$ 641,683	\$ 387,145	\$ 254,538	65.7 %
Safety & Infrastructure	200,510	124,765	75,745	60.7 %
Eliminations	(1,392)	(828)	(564)	68.1 %
Consolidated operations	<u>\$ 840,801</u>	<u>\$ 511,082</u>	<u>\$ 329,719</u>	<u>64.5 %</u>
Net income	<u>\$ 204,843</u>	<u>\$ 85,066</u>	<u>\$ 119,777</u>	<u>140.8 %</u>
Adjusted EBITDA				
Electrical	\$ 279,547	\$ 133,273	\$ 146,274	109.8 %
Safety & Infrastructure	27,432	14,252	13,180	92.5 %
Unallocated	(13,969)	(10,535)	(3,434)	32.6 %
Consolidated operations	<u>\$ 293,010</u>	<u>\$ 136,990</u>	<u>\$ 156,020</u>	<u>113.9 %</u>

Net sales increased by \$329.7 million, or 64.5%, to \$840.8 million for the three months ended December 24, 2021, compared to \$511.1 million for the three months ended December 25, 2020. The increase in Net sales is primarily attributed to increased average selling prices across the Company’s products of \$368.0 million and increased Net sales of \$10.7 million due to the acquisitions of Queen City Plastics and FRE Composites Group in the prior year. These increases are offset by decreased sales volume of \$50.7 million across varying product categories within both the Electrical and the Safety & Infrastructure segments. Pricing for PVC products, as well as other parts of the business, is expected to return to more normal historical levels over time, but that time is uncertain.

Gross profit increased by \$165.6 million, or 87.5%, to \$354.8 million for the three months ended December 24, 2021, as compared to \$189.2 million for the prior-year period. Gross margin increased to 42.2% for the three months ended December 24, 2021, as compared to 37.0% for the prior-year period. Gross profit increased primarily due to higher average selling prices of \$368.0 million, partially offset by higher input costs of steel, copper and PVC resin of \$172.2 million.

Net income increased by \$119.8 million, or 140.8%, to \$204.8 million for the three months ended December 24, 2021 compared to \$85.1 million for the prior-year period primarily due to higher gross profit and lower interest expense, partially offset by higher selling, general and administrative costs, and income tax expense.

Adjusted EBITDA increased by \$156.0 million, or 113.9%, to \$293.0 million for the three months ended December 24, 2021 compared to \$137.0 million for the three months ended December 25, 2020. The increase was primarily due to higher gross profit.

Net income per diluted share prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") was \$4.32 for the three months ended December 24, 2021, as compared to \$1.75 in the prior-year period. Adjusted net income per diluted share increased by \$2.70 to \$4.58 for the three months ended December 24, 2021, as compared to \$1.88 in the prior year period. The increase in diluted earnings per share and adjusted net income per share is primarily attributed to higher net income.

Segment Results

Electrical

Net sales increased by \$254.5 million, or 65.7%, to \$641.7 million for the three months ended December 24, 2021 compared to \$387.1 million for the three months ended December 25, 2020. The increase in Net sales is primarily attributed to increased average selling prices of \$265.8 million across the Electrical product lines and increased Net sales of \$10.6 million from the prior period acquisitions of Queen City Plastics and FRE Composites Group. These increases were offset by decreased sales volume of \$23.4 million. Pricing for PVC products, as well as other parts of the business, is expected to return to more normal historical levels over time, but that time is uncertain.

Adjusted EBITDA for the three months ended December 24, 2021 increased by \$146.3 million, or 109.8%, to \$279.5 million from \$133.3 million for the three months ended December 25, 2020. Adjusted EBITDA margins increased to 43.6% for the three months ended December 24, 2021 compared to 34.4% for the three months ended December 25, 2020. The increase in Adjusted EBITDA and Adjusted EBITDA margins was largely due to higher average selling prices over input costs.

Safety & Infrastructure

Net sales increased by \$75.7 million, or 60.7%, for the three months ended December 24, 2021 to \$200.5 million compared to \$124.8 million for the three months ended December 25, 2020. The increase is primarily attributed to increased average selling prices of \$102.2 million driven by higher input costs of steel offset by lower volumes of \$27.4 million primarily driven by decreases in the mechanical pipe product line.

Adjusted EBITDA increased by \$13.2 million, or 92.5%, to \$27.4 million for the three months ended December 24, 2021 compared to \$14.3 million for the three months ended December 25, 2020. Adjusted EBITDA margins increased to 13.7% for the three months ended December 24, 2021 compared to 11.4% for the three months ended December 25, 2020. The Adjusted EBITDA increase is primarily due to the price increases, partially offset by lower volume, discussed above.

Full-Year Outlook

Based on market trends and Atkore's continued execution, the Company is increasing its outlook for Adjusted EBITDA and Adjusted net income per diluted share for fiscal year 2022. The Company continues to expect Net Sales to be up approximately mid-single digit percentages versus fiscal year 2021. The Company expects Adjusted EBITDA to be in the range of \$875 million to \$925 million, and Adjusted net income per diluted share to be in the range of \$12.80 - \$13.60. The Company notes that this perspective may vary due to changes in assumptions or market conditions and other factors described under "Forward-Looking Statements."

Reconciliations of the forward-looking full-year 2022 outlook for Adjusted EBITDA and Adjusted net income per diluted share are not being provided as the Company does not currently have sufficient data to accurately estimate the variables and individual adjustments for such reconciliations.

Conference Call Information

Atkore management will host a conference call today, January 31, 2022, at 8 a.m. Eastern time, to discuss the Company's financial results. The conference call may be accessed by dialing (833) 968-2233 (domestic) or (825) 312-2056 (international). The call will be available for replay until February 21, 2022. The replay can be accessed by dialing (800) 585-8367 for domestic callers, or for international callers, (416) 621-4642. The passcode for the live call and the replay is 9613489.

Interested investors and other parties can also listen to a webcast of the live conference call by logging onto the Investor Relations section of the Company's website at <https://investors.atkore.com>. The online replay will be available on the same website immediately following the call.

To learn more about the Company, please visit the Company's website at <https://investors.atkore.com>.

About Atkore Inc.

Atkore is forging a future where our employees, customers, suppliers, shareholders and communities are building better together – a future focused on serving the customer and powering and protecting the world. With a global network of manufacturing and distribution facilities worldwide, Atkore is a leading provider of electrical, safety and infrastructure solutions. To learn more, please visit www.atkore.com.

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Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Federal Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements relating to financial outlook. Some of the forward-looking statements can be identified by the use of forward-looking terms such as "believes," "expects," "may," "will," "shall," "should," "would," "could," "seeks," "aims," "projects," "is optimistic," "intends," "plans," "estimates," "anticipates" or other comparable terms. Forward-looking statements include, without limitation, all matters that are not historical facts. Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be beyond our control. We caution you that forward-looking statements are not guarantees of future performance or outcomes and that actual performance and outcomes, including, without limitation, our actual results of operations, financial condition and liquidity, and the development of the market in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this press release. In addition, even if our results of operations, financial condition and cash flows, and the development of the market in which we operate, are consistent with the forward-looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods.

A number of important factors, including, without limitation, the risks and uncertainties discussed or referenced under the caption “Risk Factors” in our Annual Report on Form 10-K, filed with the U.S. Securities and Exchange Commission (“SEC”) on November 18, 2021 could cause actual results and outcomes to differ materially from those reflected in the forward-looking statements. Additional factors that could cause actual results and outcomes to differ from those reflected in forward-looking statements include, without limitation: declines in, and uncertainty regarding, the general business and economic conditions in the United States and international markets in which we operate; weakness or another downturn in the United States non-residential construction industry; widespread outbreak of diseases, such as the novel coronavirus (“COVID-19”) pandemic; changes in prices of raw materials; pricing pressure, reduced profitability, or loss of market share due to intense competition; availability and cost of third-party freight carriers and energy; high levels of imports of products similar to those manufactured by us; changes in federal, state, local and international governmental regulations and trade policies; adverse weather conditions; increased costs relating to future capital and operating expenditures to maintain compliance with environmental, health and safety laws; reduced spending by, deterioration in the financial condition of, or other adverse developments, including inability or unwillingness to pay our invoices on time, with respect to one or more of our top customers; increases in our working capital needs, which are substantial and fluctuate based on economic activity and the market prices for our main raw materials, including as a result of failure to collect, or delays in the collection of, cash from the sale of manufactured products; work stoppage or other interruptions of production at our facilities as a result of disputes under existing collective bargaining agreements with labor unions or in connection with negotiations of new collective bargaining agreements, as a result of supplier financial distress, or for other reasons; changes in our financial obligations relating to pension plans that we maintain in the United States; reduced production or distribution capacity due to interruptions in the operations of our facilities or those of our key suppliers; loss of a substantial number of our third-party agents or distributors or a dramatic deviation from the amount of sales they generate; security threats, attacks, or other disruptions to our information systems, or failure to comply with complex network security, data privacy and other legal obligations or the failure to protect sensitive information; possible impairment of goodwill or other long-lived assets as a result of future triggering events, such as declines in our cash flow projections or customer demand and changes in our business and valuation assumptions; safety and labor risks associated with the manufacture and in the testing of our products; product liability, construction defect and warranty claims and litigation relating to our various products, as well as government inquiries and investigations, and consumer, employment, tort and other legal proceedings; our ability to protect our intellectual property and other material proprietary rights; risks inherent in doing business internationally; changes in foreign laws and legal systems, including as a result of Brexit; our inability to introduce new products effectively or implement our innovation strategies; our inability to continue importing raw materials, component parts and/or finished goods; the incurrence of liabilities and the issuance of additional debt or equity in connection with acquisitions, joint ventures or divestitures and the failure of indemnification provisions in our acquisition agreements to fully protect us from unexpected liabilities; failure to manage acquisitions successfully, including identifying, evaluating, and valuing acquisition targets and integrating acquired companies, businesses or assets; the incurrence of additional expenses, increases in the complexity of our supply chain and potential damage to our reputation with customers resulting from regulations related to “conflict minerals”; disruptions or impediments to the receipt of sufficient raw materials resulting from various anti-terrorism security measures; restrictions contained in our debt agreements; failure to generate cash sufficient to pay the principal of, interest on, or other amounts due on our debt; challenges attracting and retaining key personnel or high-quality employees; future changes to tax legislation; failure to generate sufficient cash flow from operations or to raise sufficient funds in the capital markets to satisfy existing obligations and support the development of our business; and other risks and factors described from time to time in documents that we file with the SEC. The Company assumes no obligation to update the information contained herein, which speaks only as of the date hereof.

Non-GAAP Financial Information

This press release includes certain financial information, not prepared in accordance with Generally Accepted Accounting Principles in the United States (“GAAP”). Because not all companies calculate non-GAAP financial information identically (or at all), the presentations herein may not be comparable to other similarly titled measures used by other companies. Further, these measures should not be considered substitutes for the performance measures derived in accordance with GAAP. See non-GAAP reconciliations below in this press release for a reconciliation of these measures to the most directly comparable GAAP financial measures.

Adjusted EBITDA and Adjusted EBITDA Margin

We use Adjusted EBITDA and Adjusted EBITDA Margin in evaluating the performance of our business and in the preparation of our annual operating budgets as indicators of business performance and profitability. We believe Adjusted EBITDA and Adjusted EBITDA Margin allow us to readily view operating trends, perform analytical comparisons and identify strategies to improve operating performance.

We define Adjusted EBITDA as net income (loss) before: depreciation and amortization, interest expense, net, income tax expense (benefit), restructuring charges, stock-based compensation, loss on extinguishment of debt, certain legal matters, transaction costs, and other items, such as inventory reserves and adjustments, realized or unrealized gain (loss) on foreign currency impacts of intercompany loans and related forward currency derivatives, loss on disposal of property, plant and equipment, insurance recovery related to damages of property, plant and equipment and release of indemnified uncertain tax positions. We define Adjusted EBITDA Margin as Adjusted EBITDA as a percentage of Net sales.

We believe Adjusted EBITDA and Adjusted EBITDA Margin, when presented in conjunction with comparable GAAP measures, are useful for investors because management uses Adjusted EBITDA and Adjusted EBITDA Margin in evaluating the performance of our business.

Adjusted Net Income and Adjusted Net Income per Share

We use Adjusted net income and Adjusted net income per share in evaluating the performance of our business and profitability. Management believes that these measures provide useful information to investors by offering additional ways of viewing the Company's results that, when reconciled to the corresponding GAAP measure provide an indication of performance and profitability excluding the impact of unusual and or non-cash items. We define Adjusted net income as net income before stock-based compensation, loss on extinguishment of debt, intangible asset amortization, certain legal matters and other items, and the income tax expense or benefit on the foregoing adjustments that are subject to income tax. We define Adjusted net income per share as basic and diluted net income per share excluding the per share impact of stock-based compensation, intangible asset amortization, certain legal matters and other items, and the income tax expense or benefit on the foregoing adjustments that are subject to income tax.

Leverage Ratio - Net debt/Adjusted EBITDA

We define leverage ratio as the ratio of net debt (total debt less cash and cash equivalents) to Adjusted EBITDA on a trailing twelve-month ("TTM") basis. We believe the leverage ratio is useful to investors as an alternative liquidity measure.

Free Cash Flow

We define free cash flow as net cash provided by (used in) operating activities, less capital expenditures. We believe that Free Cash Flow provides meaningful information regarding the Company's liquidity.

ATKORE INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended	
<u>(in thousands, except per share data)</u>	December 24, 2021	December 25, 2020
Net sales	\$ 840,801	\$ 511,082
Cost of sales	485,993	321,891
Gross profit	354,808	189,191
Selling, general and administrative	78,151	61,078
Intangible asset amortization	8,229	8,260
Operating income	268,428	119,853
Interest expense, net	6,918	8,254
Other income, net	(308)	(431)
Income before income taxes	261,818	112,030
Income tax expense	56,975	26,964
Net income	<u>\$ 204,843</u>	<u>\$ 85,066</u>
Net income per share		
Basic	\$ 4.38	\$ 1.78
Diluted	\$ 4.32	\$ 1.75

ATKORE INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

<u>(in thousands, except share and per share data)</u>	<u>December 24, 2021</u>	<u>September 30, 2021</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 498,959	\$ 576,289
Accounts receivable, less allowance for current and expected credit losses of \$2,847 and \$2,510, respectively	541,685	524,926
Inventories, net	362,099	285,989
Prepaid expenses and other current assets	45,906	34,248
Total current assets	1,448,649	1,421,452
Property, plant and equipment, net	276,858	275,622
Intangible assets, net	251,375	241,204
Goodwill	211,928	199,048
Right-of-use assets, net	40,884	41,113
Deferred tax assets	35,045	29,693
Other long-term assets	2,554	1,967
Total Assets	\$ 2,267,293	\$ 2,210,099
Liabilities and Equity		
Current Liabilities:		
Accounts payable	233,921	243,164
Income tax payable	74,508	72,953
Accrued compensation and employee benefits	29,805	57,437
Customer liabilities	98,563	80,324
Lease obligations	11,652	11,785
Other current liabilities	51,570	59,273
Total current liabilities	500,019	524,936
Long-term debt	758,924	758,386
Long-term lease obligations	30,076	30,236
Deferred tax liabilities	18,141	16,746
Pension liabilities	3,168	3,819
Other long-term liabilities	14,344	11,240
Total Liabilities	1,324,672	1,345,363
Equity:		
Common stock, \$0.01 par value, 1,000,000,000 shares authorized, 45,394,463 and 45,997,159 shares issued and outstanding, respectively	455	461
Treasury stock, held at cost, 290,600 and 290,600 shares, respectively	(2,580)	(2,580)
Additional paid-in capital	485,839	506,921
Retained earnings	488,966	388,660
Accumulated other comprehensive loss	(30,059)	(28,726)
Total Equity	942,621	864,736
Total Liabilities and Equity	\$ 2,267,293	\$ 2,210,099

ATKORE INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended	
(in thousands)	December 24, 2021	December 25, 2020
Operating activities:		
Net income	\$ 204,843	\$ 85,066
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	20,046	19,044
Deferred income taxes	(5,720)	1,117
Stock-based compensation	3,427	5,522
Amortization of right-of-use assets	3,124	3,352
Other non-cash adjustments to net income	4,050	1,703
Changes in operating assets and liabilities, net of effects from acquisitions		
Accounts receivable	(12,301)	(45,382)
Inventories	(75,091)	(20,326)
Prepaid expenses and other current assets	(11,591)	(2,692)
Accounts payable	(13,335)	13,060
Accrued and other liabilities	(23,171)	3,280
Other, net	2,911	22,532
Net cash provided by operating activities	97,192	86,276
Investing activities:		
Capital expenditures	(9,358)	(8,229)
Proceeds from sale of properties and equipment	432	1,122
Acquisition of businesses, net of cash acquired	(36,098)	(7,186)
Other, net	—	35
Net cash used in investing activities	(45,024)	(14,258)
Financing activities:		
Repayments of long-term debt	—	(40,000)
Issuance of common stock, net of shares withheld for tax	(24,505)	(3,927)
Repurchase of common stock	(104,543)	(35,037)
Other, net	—	(17)
Net cash used for financing activities	(129,048)	(78,981)
Effects of foreign exchange rate changes on cash and cash equivalents	(450)	2,912
Decrease in cash and cash equivalents	(77,330)	(4,051)
Cash and cash equivalents at beginning of period	576,289	284,471
Cash and cash equivalents at end of period	\$ 498,959	\$ 280,420
Supplementary Cash Flow information		
Capital expenditures, not yet paid	\$ 1,501	\$ 306
Operating lease right-of-use assets obtained in exchange for lease liabilities	\$ 1,066	\$ 850
Acquisitions of businesses, not yet paid	\$ 2,864	\$ —
Free Cash Flow:		
Net cash provided by operating activities	\$ 97,192	\$ 86,276
Capital expenditures	(9,358)	(8,229)
Free Cash Flow:	\$ 87,834	\$ 78,047

ATKORE INC.
ADJUSTED EBITDA

The following table presents reconciliations of Adjusted EBITDA to net income for the periods presented:

(in thousands)	Three months ended	
	December 24, 2021	December 25, 2020
Net income	\$ 204,843	\$ 85,066
Interest expense, net	6,918	8,254
Income tax expense	56,975	26,964
Depreciation and amortization	20,046	19,044
Stock-based compensation	3,427	5,522
Other ^(a)	801	(7,860)
Adjusted EBITDA	<u>\$ 293,010</u>	<u>\$ 136,990</u>

(a) Represents other items, such as inventory reserves and adjustments, loss on disposal of property, plant and equipment, insurance recovery related to damages of property, plant and equipment, release of indemnified uncertain tax positions, gain on purchase of business, realized or unrealized gain (loss) on foreign currency impacts of intercompany loans and related forward currency derivatives, restructuring costs and transaction costs.

ATKORE INC.
SEGMENT INFORMATION

The following table presents reconciliations of Net sales and calculations of Adjusted EBITDA Margin by segment for the periods presented:

(in thousands)	Three months ended					
	December 24, 2021			December 25, 2020		
	Net sales	Adjusted EBITDA	Adjusted EBITDA Margin	Net sales	Adjusted EBITDA	Adjusted EBITDA Margin
Electrical	\$ 641,683	\$ 279,547	43.6 %	\$ 387,145	\$ 133,273	34.4 %
Safety & Infrastructure	200,510	27,432	13.7 %	124,765	14,252	11.4 %
Eliminations	(1,392)			(828)		
Consolidated operations	<u>\$ 840,801</u>			<u>\$ 511,082</u>		

ATKORE INC.
ADJUSTED NET INCOME PER SHARE

The following table presents reconciliations of Adjusted net income to net income for the periods presented:

(in thousands, except per share data)	Three months ended	
	December 24, 2021	December 25, 2020
Net income	\$ 204,843	\$ 85,066
Stock-based compensation	3,427	5,522
Intangible asset amortization	8,229	8,260
Other ^(a)	(643)	(8,142)
Pre-tax adjustments to net income	11,013	5,640
Tax effect	(2,753)	(1,410)
Adjusted net income	\$ 213,103	\$ 89,296
Diluted weighted average common shares outstanding	46,575	47,547
Net income per diluted share	\$ 4.32	\$ 1.75
Adjusted net income per diluted share	\$ 4.58	\$ 1.88

(a) Represents other items, such as inventory reserves and adjustments, loss on disposal of property, plant and equipment, insurance recovery related to damages of property, plant and equipment, release of indemnified uncertain tax positions and realized or unrealized gain (loss) on foreign currency impacts of intercompany loans and related forward currency derivatives.

**ATKORE INC.
LEVERAGE RATIO**

The following table presents reconciliations of Net debt to Total debt for the periods presented:

(\$ in thousands)	December 24, 2021	September 30, 2021	June 25, 2021	March 26, 2021	December 25, 2020	September 30, 2020
Short-term debt and current maturities of long-term debt	\$ —	\$ —	\$ 4,000	\$ —	\$ —	\$ —
Long-term debt	758,924	758,386	780,489	765,049	764,379	803,736
Total debt	758,924	758,386	784,489	765,049	764,379	803,736
Less cash and cash equivalents	498,959	576,289	397,142	304,469	280,420	284,471
Net debt	\$ 259,965	\$ 182,097	\$ 387,347	\$ 460,580	\$ 483,959	\$ 519,265
TTM Adjusted EBITDA ^(a)	\$ 1,053,570	\$ 897,547	\$ 702,815	\$ 492,274	\$ 385,915	\$ 326,635
Total debt/TTM Adjusted EBITDA	0.7 x	0.8 x	1.1 x	1.6 x	2.0 x	2.5 x
Net debt/TTM Adjusted EBITDA	0.2 x	0.2 x	0.6 x	0.9 x	1.3 x	1.6 x

(a) TTM Adjusted EBITDA is equal to the sum of Adjusted EBITDA for the trailing four quarter period. [The reconciliation of Adjusted EBITDA for the quarter ended December 25, 2020 can be found in Exhibit 99.1 to form 8-K filed February 2, 2021 and is incorporated by reference herein.](#) [The reconciliation of Adjusted EBITDA for the quarter ended June 25, 2021 can be found in Exhibit 99.1 to form 8-K filed August 3, 2021 and is incorporated by reference herein.](#) [The reconciliation of Adjusted EBITDA for the quarter ended March 26, 2021 can be found in Exhibit 99.1 to form 8-K filed April 29, 2021 and is incorporated by reference herein.](#) [The reconciliation of Adjusted EBITDA for the year ended September 30, 2021 and September 30, 2020 can be found in Exhibit 99.1 to form 8-K filed November 18, 2021 and is incorporated by reference herein.](#)

**ATKORE INC.
TRAILING TWELVE MONTHS ADJUSTED EBITDA**

The following table presents a reconciliation of Adjusted EBITDA for the trailing twelve months ended December 24, 2021:

(in thousands)	TTM	Three months ended			
	December 24, 2021	December 24, 2021	September 30, 2021	June 25, 2021	March 26, 2021
Net income	\$ 707,634	\$ 204,843	\$ 202,561	\$ 175,297	\$ 124,933
Interest expense, net	31,563	6,918	8,139	8,090	8,416
Income tax expense	222,155	56,975	65,222	61,654	38,304
Depreciation and amortization	79,559	20,046	20,082	20,166	19,265
Stock-based compensation	14,952	3,427	2,889	3,768	4,868
Loss on the extinguishment of debt	4,202	—	—	4,202	—
Other ^(a)	(6,495)	801	(5,962)	1,087	(2,421)
Adjusted EBITDA	<u>\$ 1,053,570</u>	<u>\$ 293,010</u>	<u>\$ 292,931</u>	<u>\$ 274,264</u>	<u>\$ 193,365</u>

(a) Represents other items, such as inventory reserves and adjustments, loss on disposal of property, plant and equipment, insurance recovery related to damages of property, plant and equipment, release of indemnified uncertain tax positions, gain on purchase of business, realized or unrealized gain (loss) on foreign currency impacts of intercompany loans and related forward currency derivatives, restructuring costs and transaction costs.