

# First Quarter 2023 Earnings Presentation and Business Update

February 1, 2023



# Cautionary Statements



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This presentation contains forward-looking statements that are subject to known and unknown risks and uncertainties, many of which are beyond our control. All statements other than statements of historical fact included in this presentation are forward-looking statements. Forward-looking statements appearing throughout this presentation include, without limitation, statements regarding our intentions, beliefs, assumptions or current expectations concerning, among other things, financial position; results of operations; cash flows; prospects; growth strategies or expectations; customer retention; the outcome (by judgment or settlement) and costs of legal, administrative or regulatory proceedings, investigations or inspections, including, without limitation, collective, representative or any other litigation; and the impact of prevailing economic conditions. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "believes," "expects," "may," "will," "shall," "should," "would," "could," "seeks," "aims," "projects," "is optimistic," "intends," "plans," "estimates," "anticipates" and other comparable terms. 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 presentation. 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 presentation, 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 under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K and the Quarterly Report on Form 10-Q filed with the U.S. Securities and Exchange Commission, could cause actual results and outcomes to differ materially from those reflected in the forward-looking statements. Because of these risks, we caution that you should not place undue reliance on any of our forward-looking statements. New risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us. Further, any forward-looking statement speaks only as of the date on which it is made. We undertake no obligation to revise the forward-looking statements in this presentation after the date of this presentation.

Market data and industry information used throughout this presentation are based on management's knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon management's review of independent industry surveys, forecasts and publications and other publicly available information prepared by a number of third-party sources. All of the market data and industry information used in this presentation involves a number of assumptions and limitations which we believe to be reasonable, but you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information. While we believe the estimated market position, market opportunity and market size information included in this presentation are generally reliable, such information, which is derived in part from management's estimates and beliefs, is inherently uncertain and imprecise. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are subject to a high degree of uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties.

This presentation should be read along with the historical financial statements of Atkore, including the most recent audited financial statements. Historical results may not be indicative of future results.

We use non-GAAP financial measures to help us describe our operating and financial performance. These measures may include Adjusted EBITDA, Adjusted EBITDA margin (Adjusted EBITDA over Net sales), Net debt (total debt less cash and cash equivalents), Adjusted Net Income Per Share (also referred to as "Adjusted EPS"), Leverage ratio (net debt or total debt less cash and cash equivalents, over Adjusted EBITDA on trailing twelve month ("TTM") basis), Free Cash Flow (net cash provided by operating activities less capital expenditures) and Return on Capital to help us describe our operating and financial performance. These non-GAAP financial measures are commonly used in our industry and have certain limitations and should not be construed as alternatives to net income, total debt, net cash provided by operating activities, return on assets, and other income data measures as determined in accordance with generally accepted accounting principles in the United States, or GAAP, or as better indicators of operating performance. These non-GAAP financial measures as defined by us may not be comparable to similarly-titled non-GAAP measures presented by other companies. Our presentation of such non-GAAP financial measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. See the appendix to this presentation for a reconciliation of the non-GAAP financial measures presented herein to the most comparable financial measures as determined in accordance with GAAP.

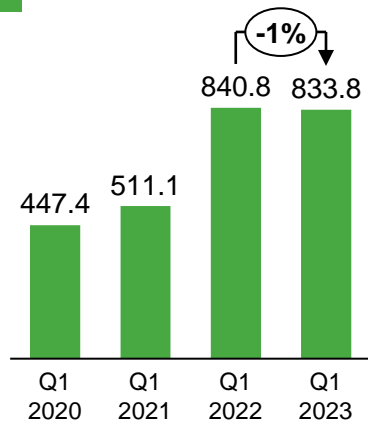
Fiscal Periods - The Company has a fiscal year that ends on September 30th. It is the Company's practice to establish quarterly closings using a 4-5-4 calendar. The Company's fiscal quarters typically end on the last Friday in December, March and June.

# Solid Start to FY23

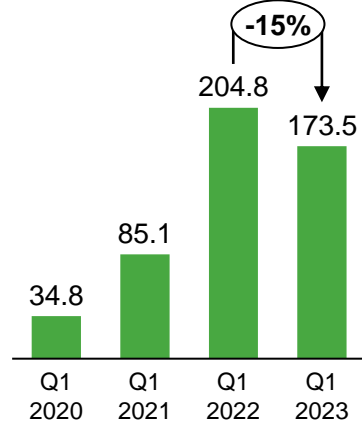


**Q1**  
2023

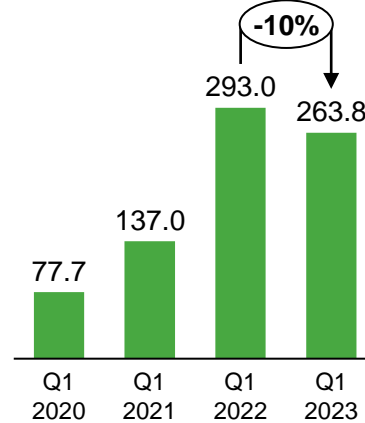
**Net Sales**  
\$M



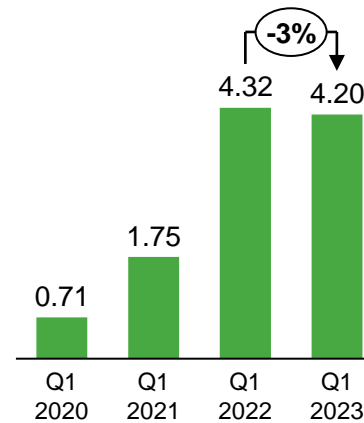
**Net Income**  
\$M



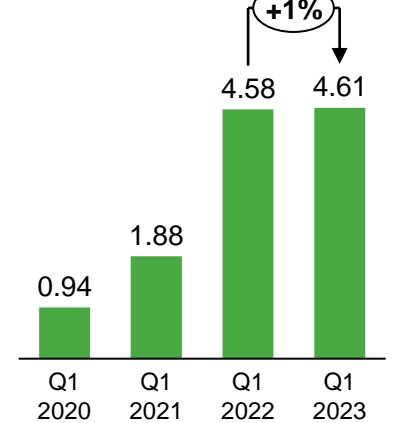
**Adjusted EBITDA<sup>1</sup>**  
\$M



**Diluted EPS**  
\$/share



**Adjusted Diluted EPS<sup>1</sup>**  
\$/share



## Business Update

- ▲ Solid start to FY23 with organic volume up over 5% in the quarter
- ▲ Executing capital allocation model; completed Elite Polymer Solutions acquisition in November, deployed \$35M in capital expenditures in Q1, repurchased \$150M in stock in Q1 2023, and have repurchased over \$100M in stock in Q2 2023
- ▲ Increasing Full Year 2023 Outlook for Adjusted EBITDA and Adjusted EPS
- ▲ Published 2022 Sustainability Report and continue to gain external recognition for our achievements and ESG progress



# Q1 Income Statement Summary



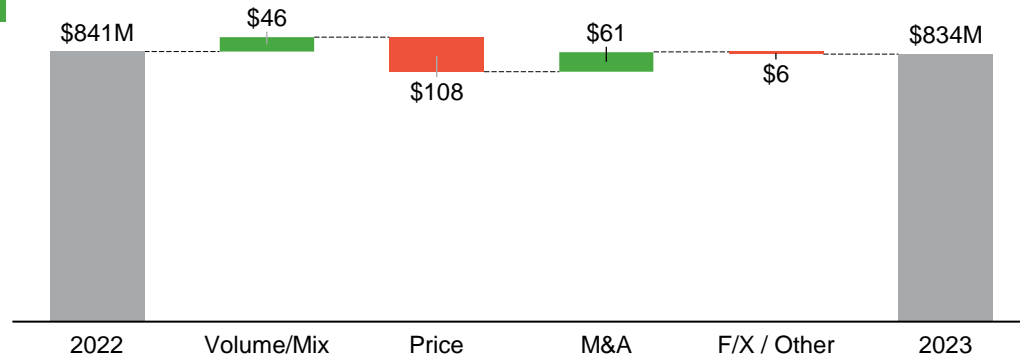
(\$'s in millions)	Q1 2023	Q1 2022	Y/Y Change	Y/Y % Change
Net Sales	\$833.8	\$840.8	(\$7.0)	(0.8%)
Operating Income	\$231.6	\$268.4	(\$36.8)	(13.7%)
Net Income	\$173.5	\$204.8	(\$31.4)	(15.3%)
Adjusted EBITDA <sup>1</sup>	\$263.8	\$293.0	(\$29.2)	(10.0%)
Adjusted EBITDA Margin <sup>2</sup>	31.6%	34.8%	(320 bps)	-
Net Income per Share (Diluted)	\$4.20	\$4.32	(\$0.12)	(2.8%)
Adjusted Net Income per Share <sup>1</sup> (Diluted)	\$4.61	\$4.58	\$0.03	0.7%

# Consolidated Atkore Bridges



**Q1**  
2023

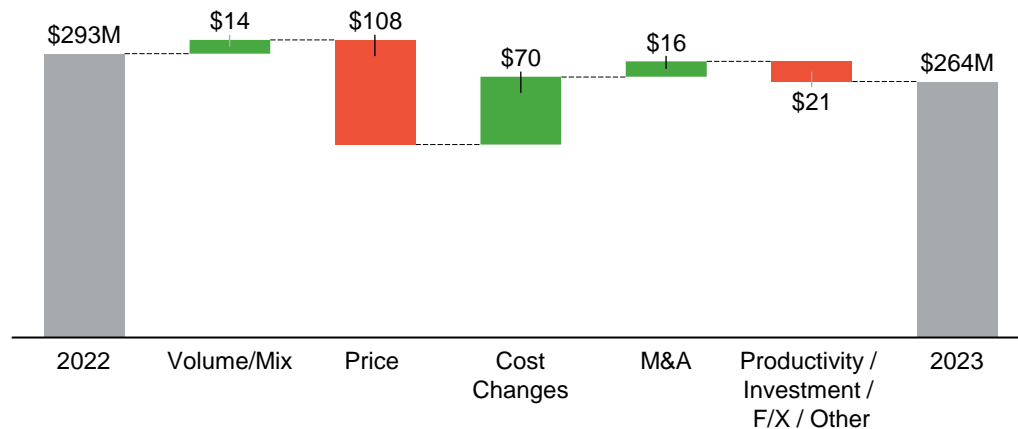
## Net Sales Bridge



## Net Sales % Change

Volume/Mix	+5.2%
Price	(12.4%)
Acquisitions	+7.0%
F/X / Other	(0.6%)
<b>Total</b>	<b>(0.8%)</b>

## Adjusted EBITDA Bridge<sup>1</sup>



## Highlights

- ▲ Volume growth led by data center and chip fabrication projects in North America and internationally
- ▲ Rebound in metal electrical conduit product volumes in the U.S.
- ▲ Strong contributions and execution from acquisitions completed over the past 12 months



# Segment Results



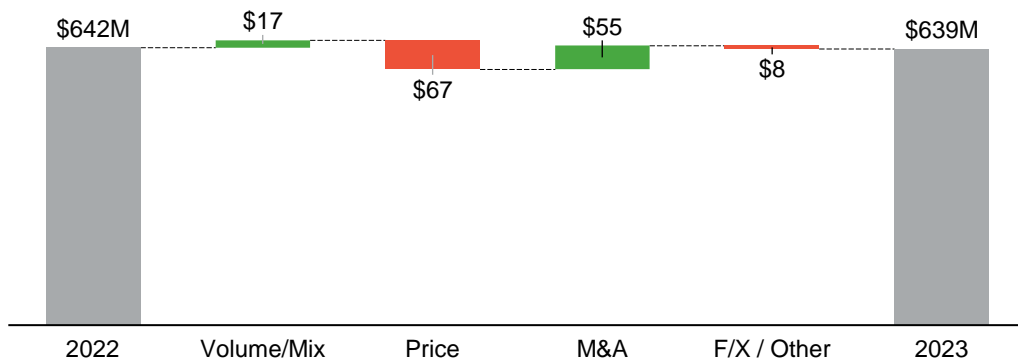
## Electrical

(\$'s in millions)	Q1 2023	Q1 2022	Y/Y Change
Net Sales	\$638.7	\$641.7	(0.5%)
Adjusted EBITDA	\$243.8	\$279.5	(12.8%)
Adjusted EBITDA Margin	38.2%	43.6%	(540 bps)

## Safety & Infrastructure

(\$'s in millions)	Q1 2023	Q1 2022	Y/Y Change
Net Sales	\$195.3	\$200.5	(2.6%)
Adjusted EBITDA	\$33.4	\$27.4	21.8%
Adjusted EBITDA Margin	17.1%	13.7%	+340 bps

### Q1 Net Sales Bridge



### Q1 Net Sales Bridge



# Updated FY2023 Outlook



Increasing FY2023 Outlook for Adjusted EBITDA and Adjusted EPS. Continue to expect mid-single digit percentage volume/mix growth for full year Net Sales versus prior year.

## Outlook Summary

Outlook Items for Consolidated Atkore	Q2 2023 Outlook	FY2023 Outlook	Updates to FY2023 Outlook	FY2023 Comments & Perspective
Net Sales	Down 5% – 10% vs. PY	Down 5% – 10% vs. PY	(5%) / –	<ul style="list-style-type: none"> <li>Accounting methodology associated with torque tube tax credits related to the Inflation Reduction Act may cause variability to Adjusted EBITDA, Adjusted EPS and tax rate assumptions and expectations</li> </ul>
Adjusted EBITDA <sup>1</sup>	\$245M – \$265M	\$950M – \$1,050M	+\$100M	
Adjusted EPS <sup>1</sup>	\$4.10 – \$4.45	\$15.85 – \$17.75	+\$2.75 / +\$2.85	
Interest Expense		~\$40M – \$50M		
Tax Rate		~24% – 26%	~(100 bps)	
Capital Expenditures		~\$200M		
Stock Repurchases		≥\$350M	+\$100M	
Diluted Shares Outstanding <sup>2</sup>		~40M	- / (1M)	

# Achieving Progress on our ESG Goals

Published 2022 Sustainability Report



**Climate, Carbon and GHG Emissions Goal:** Reduce Scope 1 and Scope 2 GHG intensity by 10% by 2025<sup>1</sup>



2020 Baseline

58.2

Metric Tons CO<sub>2</sub>e / Million \$

2022 Progress

54.1

Metric Tons CO<sub>2</sub>e / Million \$

2025 Target

52.4

Metric Tons CO<sub>2</sub>e / Million \$

**Health and Safety Goal:** Increase % of sites meeting their annual Team-Based Safety Observation (TBSO) targets to 80% by 2025



2020 Baseline

48%

2022 Progress

69%

2025 Target

80%

**Diversity, Equity, and Inclusion Goal:** Achieve 30% diversity across Senior Leadership by 2025



2020 Baseline

23%

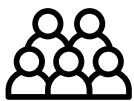
2022 Progress

27%

2025 Target

30%

**Employee Attraction, Development, and Retention Goal:** Increase participation in Employee Engagement and Alignment Survey to 80% by 2025



2020 Baseline

56%

2022 Progress

78%

2025 Target

80%

# Recent Recognition & Accolades



Great Place to Work®  
Certified for  
3<sup>rd</sup> year in a row



Top Workplaces  
USA Award for  
2<sup>nd</sup> year in a row



Ranked #195 out of 500  
largest U.S. public corporations  
for Newsweek's  
2023 America's Most  
Responsible Companies



Ranked #8 in Forbes'  
2023 Top 100 Best Mid-Sized  
Companies

# Appendix



# Segment Information



(in thousands)

	Three months ended					
	December 30, 2022			December 24, 2021		
	Net sales	Adjusted EBITDA	Adjusted EBITDA Margin	Net sales	Adjusted EBITDA	Adjusted EBITDA Margin
Electrical	\$ 638,705	\$ 243,836	38.2 %	\$ 641,683	\$ 279,547	43.6 %
Safety & Infrastructure	195,259	33,404	17.1 %	200,510	27,432	13.7 %
Eliminations	(143)			(1,392)		
Consolidated operations	<u>\$ 833,821</u>			<u>\$ 840,801</u>		

# Adjusted Earnings Per Share Reconciliation



## Consolidated Atkore Inc.

	Three months ended			
	December 30, 2022	December 24, 2021	December 25, 2020	December 27, 2019
<b>(in thousands, except per share data)</b>				
<b>Net income</b>	\$ 173,492	\$ 204,843	\$ 85,066	\$ 34,790
Stock-based compensation	5,270	3,427	5,522	3,123
Intangible asset amortization	12,796	8,229	8,260	8,113
Other <sup>(a)</sup>	99	(643)	(8,142)	2,836
Pre-tax adjustments to net income	18,165	11,013	5,640	14,072
Tax effect	(4,541)	(2,753)	(1,410)	(3,518)
<b>Adjusted net income</b>	<b>\$ 187,116</b>	<b>\$ 213,103</b>	<b>\$ 89,296</b>	<b>\$ 45,344</b>
Weighted-Average Diluted Common Shares Outstanding	40,613	46,575	47,547	47,999
Net income per diluted share	\$ 4.20	\$ 4.32	\$ 1.75	\$ 0.71
Adjusted net income per diluted share	\$ 4.61	\$ 4.58	\$ 1.88	\$ 0.94

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

# Net Income to Adjusted EBITDA Reconciliation



## Consolidated Atkore Inc.

	Three months ended			
	December 30, 2022	December 24, 2021	December 25, 2020	June 28, 2019
<b>(in thousands)</b>				
Net income	\$ 173,492	\$ 204,843	\$ 85,066	\$ 34,790
Interest expense, net	9,488	6,918	8,254	10,620
Income tax expense	48,559	56,975	26,964	7,340
Depreciation and amortization	25,967	20,046	19,044	18,730
Stock-based compensation	5,270	3,427	5,522	3,123
Other <sup>(a)</sup>	1,069	801	(7,860)	3,107
Adjusted EBITDA	<u>\$ 263,845</u>	<u>\$ 293,010</u>	<u>\$ 136,990</u>	<u>\$ 77,710</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, transaction and restructuring costs.

# Trailing Twelve Month Adjusted EBITDA



## Consolidated Atkore Inc.

	TTM	Three months ended			
	December 30, 2022	December 30, 2022	September 30, 2022	June 24, 2022	March 25, 2022
<b>(in thousands)</b>					
Net income	\$ 882,084	\$ 173,492	\$ 220,802	\$ 254,313	\$ 233,477
Interest expense, net	33,245	9,488	9,000	7,243	7,514
Income tax expense	281,770	48,559	66,557	88,041	78,613
Depreciation and amortization	90,336	25,967	23,947	20,428	19,994
Stock-based compensation	19,088	5,270	3,065	4,625	6,128
Other(a)	6,103	1,069	1,714	2,880	440
<b>Adjusted EBITDA</b>	<b>\$ 1,312,626</b>	<b>\$ 263,845</b>	<b>\$ 325,085</b>	<b>\$ 377,530</b>	<b>\$ 346,166</b>

(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, transaction and restructuring costs.

# Net Debt to Total Debt



## Consolidated Atkore Inc.

<u>(\$ in thousands)</u>	December 30, 2022	September 30, 2022	June 24, 2022	March 25, 2022	December 24, 2021	September 30, 2021
Long-term debt	761,074	760,537	759,999	759,461	758,924	758,386
Total debt	761,074	760,537	759,999	759,461	758,924	758,386
Less cash and cash equivalents	307,827	388,751	\$ 186,650	390,399	498,959	576,289
Net debt	\$ 453,247	\$ 371,786	\$ 573,349	\$ 369,062	\$ 259,965	\$ 182,097

# Free Cash Flow Reconciliation



Consolidated Atkore Inc.

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	Three months ended	
	December 30, 2022	December 24, 2021
<u>(in thousands)</u>		
Net cash provided by operating activities	\$ 198,851	\$ 97,192
Capital expenditures	(35,006)	(9,358)
<b>Free Cash Flow:</b>	<u>\$ 163,845</u>	<u>\$ 87,834</u>



Allied Tube & Conduit ▲ AFC Cable Systems ▲ Heritage Plastics ▲ Cii ▲ Unistrut ▲ US Tray  
Unistrut Construction ▲ Marco ▲ Calpipe Security ▲ Calbrite ▲ Calbond ▲ Flexicon ▲ Kaf-Tech  
Power-Strut ▲ Calconduit ▲ FRE Composites ▲ United Poly Systems ▲ Sasco Strut ▲ Columbia-MBF  
Elite Polymer Solutions ▲ Four Star Industries ▲ Eastern Wire + Conduit ▲ ACS/Uni-Fab ▲ Vergokan  
Northwest Polymers ▲ Cascade Poly Pipe + Conduit ▲ Razor Ribbon ▲ Queen City Plastics ▲ Cope

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