Armstrong World Industries
Investor Presentation

September 2025

Safe Harbor Statement

Disclosures in this presentation contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, those relating to future financial and operational results, market and broader economic conditions and guidance. Those statements provide our future expectations or forecasts and can be identified by our use of words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “outlook,” “target,” “predict,” “may,” “will,” “would,” “could,” “should,” “seek,” and other words or phrases of similar meaning in connection with any discussion of future operating or financial performance or results, including full year guidance. Forward-looking statements, by their nature, address matters that are uncertain and involve risks because they relate to events and depend on circumstances that may or may not occur in the future. As a result, our actual results may differ materially from our expected results and from those expressed in our forward-looking statements. A more detailed discussion of the risks and uncertainties that could cause our actual results to differ materially from those projected, anticipated or implied is included in the “Risk Factors” and “Management’s Discussion and Analysis” sections of our reports on Form 10-K and Form 10-Q filed with the U.S. Securities and Exchange Commission (“SEC”), including our report for the quarterly period ended June 30, 2025. Forward-looking statements speak only as of the date they are made. We undertake no obligation to update any forward-looking statements beyond what is required under applicable securities law.

In addition, we will be referring to non-Generally Accepted Accounting Principles in the United States (“GAAP”) financial measures within the meaning of SEC Regulation G.

A reconciliation of the differences between these measures with the most directly comparable financial measures calculated in accordance with GAAP is included within this presentation and available on the Investor Relations page of our website at www.armstrongceilings.com.

The full year guidance in this presentation is effective only as of the date it was given, July 29, 2025, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance.

Basis of Presentation Explanation

Results throughout this presentation are presented on a normalized basis.

We remove the impact of certain discrete expenses and income in certain measures including adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“EBITDA”), adjusted diluted earnings per share (“EPS”) and adjusted free cash flow. The Company excludes certain acquisition related expenses (i.e. – impact of adjustments related to the fair value of inventory, contingent third-party professional fees, changes in the fair value of contingent consideration and deferred compensation accruals[1] for acquisitions). The Company also excludes all acquisition-related intangible amortization from adjusted net earnings and in calculations of adjusted diluted EPS. Examples of other excluded items have included plant closures, restructuring charges and related costs, impairments, separation costs and other cost reduction initiatives, environmental site expenses and environmental insurance recoveries, endowment level charitable contributions, the impact of defined benefit plan settlements, gains and losses on sales or impairment of fixed assets, and certain other gains and losses. The Company also excludes income/expense from its U.S. Retirement Income Plan (“RIP”) in the non-GAAP results as it represents the actuarial net periodic benefit credit/cost recorded. For all periods presented, the Company was not required to and did not make cash contributions to the RIP based on guidelines established by the Pension Benefit Guaranty Corporation, nor does the Company expect to make cash contributions to the plan in 2025. Adjusted free cash flow is defined as cash from operating and investing activities, adjusted to remove the impact of cash used or proceeds received for acquisitions and divestitures, environmental site expenses and environmental insurance recoveries. Management's adjusted free cash flow measure includes returns of investment from WAVE and cash proceeds received from the settlement of company-owned life insurance policies, which are presented within investing activities on our consolidated statement of cash flows.

Investors should not consider non-GAAP measures as a substitute for GAAP measures.

Excluding adjusted diluted EPS, non-GAAP figures are rounded to the nearest million and corresponding percentages are based on unrounded figures.

Operating Segments: “MF”: Mineral Fiber, “AS”: Architectural Specialties, “UC”: Unallocated Corporate

All dollar figures throughout the presentation are in $ millions, except per share data, and all comparisons are versus the applicable prior-year period unless otherwise noted. Figures may not sum due to rounding.

1. The deferred compensation accruals were for cash and stock awards that are recorded over each awards’ respective vesting period, as such payments were subject to the sellers’ and employees’ continued employment with the Company.

Armstrong World Industries, Inc.

NYSE AWI

An Americas leader in the design and manufacturing of innovative interior & exterior architectural applications including ceilings, specialty walls and exterior metal solutions

For more than 160 years, **we have built our business on trust and integrity**

20 Operating Facilities[2]

~3,700 Employees

Headquartered in **Lancaster, PA**

FULL YEAR 2024 CONSOLIDATED RESULTS[1]

NET SALES	ADJUSTED EBITDA*	ADJUSTED DILUTED EPS*	ADJUSTED FREE CASH FLOW*
$1,446M	$486M	$6.31	$298M

Mineral Fiber

NET SALES	ADJ. EBITDA*
$986M	$406M

JOINT VENTURE

WAVE

WORTHINGTON ARMSTRONG VENTURE

Architectural Specialties

NET SALES	ADJ. EBITDA*
$460M	$82M

Key Verticals and contribution to AWI Net Sales**

EDUCATION	OFFICE	HEALTHCARE	RETAIL	TRANSPORTATION
30%	30%	20%	10%	10%

*Non-GAAP measure. See appendix for reconciliation to nearest GAAP measure. | **Based on internal company estimates. | 1. Includes impacts from Unallocated Corporate segment. | 2. Excluding 7 WAVE facilities.

The Armstrong Purpose

Making a positive difference in the spaces where we...

LIVE

WORK

LEARN

HEAL

PLAY

It matters to us, and it matters to our stakeholders

Sustainability is Integral to Our Success

Our Approach

Three Pillars guide our sustainability program, each with their own ambitions.
We aim to lead a transformation in the design and building of spaces so that occupants, owners, operators and communities can thrive.

Healthy and Circular Products

We are committed to responsible sourcing and to providing transparency in our products. In addition, we will design our products to minimize waste and pollution, support circularity and contribute to the regeneration of natural systems.

Healthy Planet

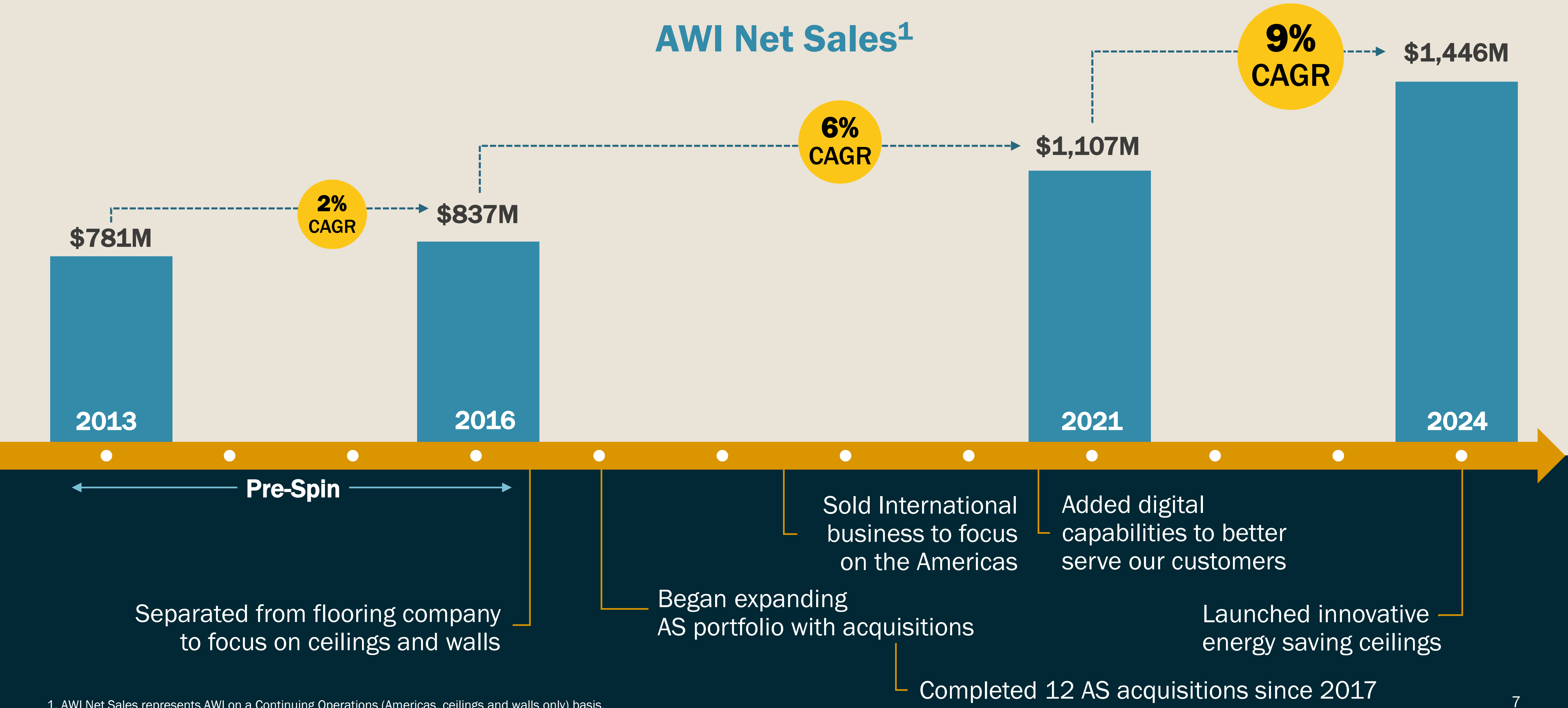
Our electricity will be either directly or indirectly sourced through renewable energy, and we will reduce carbon, GHG waste and water impacts of our products and solutions.

Thriving People and Communities

Our workforce will be safe, diverse, inclusive and fulfilled, and we will actively contribute to our local communities.

Additional Resources: AWI Sustainability Website | 2025 Sustainability Report

Creating a Differentiated and Focused Building Products Company



1. AWI Net Sales represents AWI on a Continuing Operations (Americas, ceilings and walls only) basis.

Why Invest in AWI?

Unique company in an attractive industry

Complementary, high performing segments

Consistent & focused growth strategy

Strong financial returns

Value Creation for Shareholders

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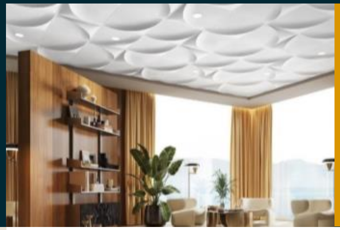
Uniquely Positioned to Win in an Attractive Category

Ceiling and wall solutions matter in designing high-performing spaces

Attractive Category

Ceilings and wall category has distinctive attributes in the building products industry

- **Consolidated industry structure** with exposure to diverse end markets
- **Large Mineral Fiber installed base** (est. at ~40 Billion ft^2)* generates stable and repeating repair & remodel demand
- **Highly specified,** high-value products with few cost-effective substitutes
- Customers demonstrate brand loyalty; **rewarding performance, service and innovation**
- Ceilings are an integral part of evolving solutions to meet increasing demand for **total indoor environmental quality**



Why We Win

As the industry leader, AWI is advantageously positioned to win within this category

- **Strong and trusted brand**
- **Broadest, most innovative** product portfolio
- **Specification excellence** through deep and long-standing relationships with architects and designers
- Large manufacturing **scale** with **strong exclusive distribution partners**
- **Operational excellence** supporting **best-in-class** service and quality
- A culture that fosters **empowerment, innovation, teamwork and execution** across functional areas

*Based on internal company estimates.

Diverse End Markets Drive Stability Throughout Cycles

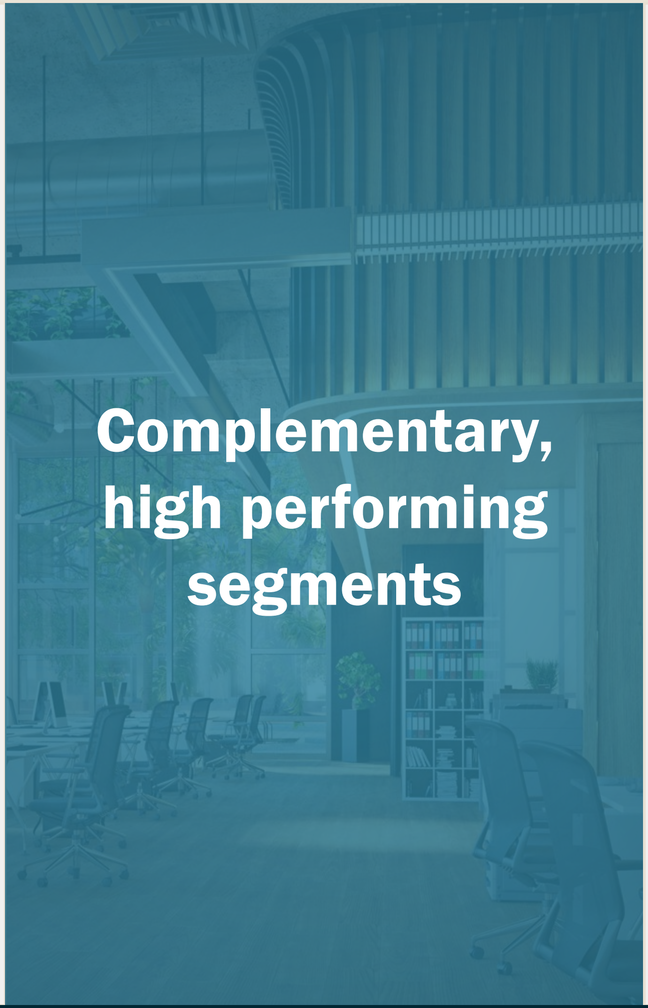
End Market Vertical Outlook*

% AWI Sales by Vertical**		Outlook*	Market Insights
10%	Retail	Slightly Negative	Lingering headwinds from online shopping balanced by population shifts to suburbs and multi-use in urban areas.
10%	Transportation	Positive	Funding infusion from Infrastructure Investment and Jobs Act totaling $15 billion[1] for airports through 2026.
20%	Healthcare	Slightly Positive	Continued growth in hospitals and urgent care centers driven by demographic shifts.
30%	Office	Neutral	New construction starts, increasing back-to-office mandates and data center growth offsetting lingering economic uncertainty.
30%	Education	Positive	Healthy state & local government funding partially offset by demographic trends.

*12-to-24-month outlook based on internal company estimates and Dodge data and analytics, excluding indirect tariff-related impacts. | **Based on internal company estimates. | 1. According to the Federal Aviation Administration.

Why Invest in AWI?

Unique company in an attractive industry



Consistent & focused growth strategy

Strong financial returns

Value Creation for Shareholders

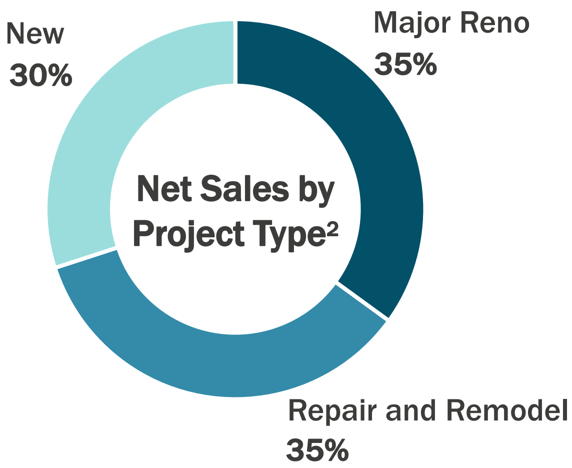
Complementary Segments With Strong Profitability

Mineral Fiber (MF) Segment

4%
5-Year Net Sales CAGR[1]

$986M
2024 Net Sales

41%
2024 Adj. EBITDA Margin*



Key Attributes

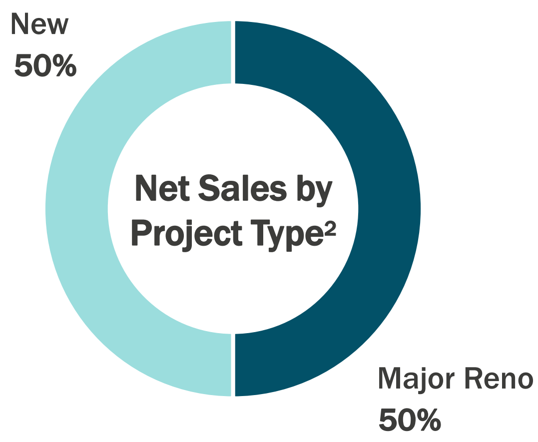
- Consistent AUV growth supported by innovation
- Targeted manufacturing productivity of ~3% annually
- Diverse verticals and project types lessen cyclicality
- Equity earnings contribution from WAVE

Architectural Specialties (AS) Segment

17%
5-Year Net Sales CAGR[1]

$460M
2024 Net Sales

18%
2024 Adj. EBITDA Margin*



Key Attributes

- Leveraged to major renovation and new construction
- High design, custom projects for statement spaces
- Lower capital requirements
- Strong growth and margin expansion opportunities

*Non-GAAP Measure. Reconciliations provided in the appendix of this presentation. | 1. CAGR represents 2019 to 2024 results. | 2. Based on internal company estimates.

Successful Joint Venture Creates Important Competitive Advantage

WAVE leverages the strengths and expertise of both parent companies

Armstrong® World Industries

Go to market expertise

WORTHINGTON ENTERPRISES

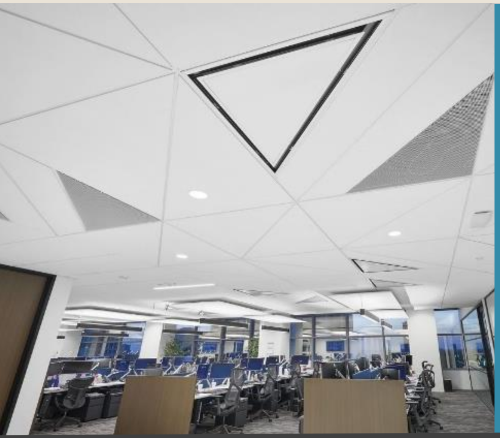
Steel procurement and supply chain management expertise

WAVE
WORTHINGTON ARMSTRONG VENTURE

- Established in **1992 — 50/50** joint venture
- **North American market leader** in ceiling suspension system (grid) and integrated solutions
- **Innovation** mindset
- **Nearly $500 million** in sales in 2024
- Over **$750 million** of cash dividends to AWI since 2017
- **7 U.S. plants**
- **~450** employees




Together Our Segments Enable the AWI Total Customer Experience



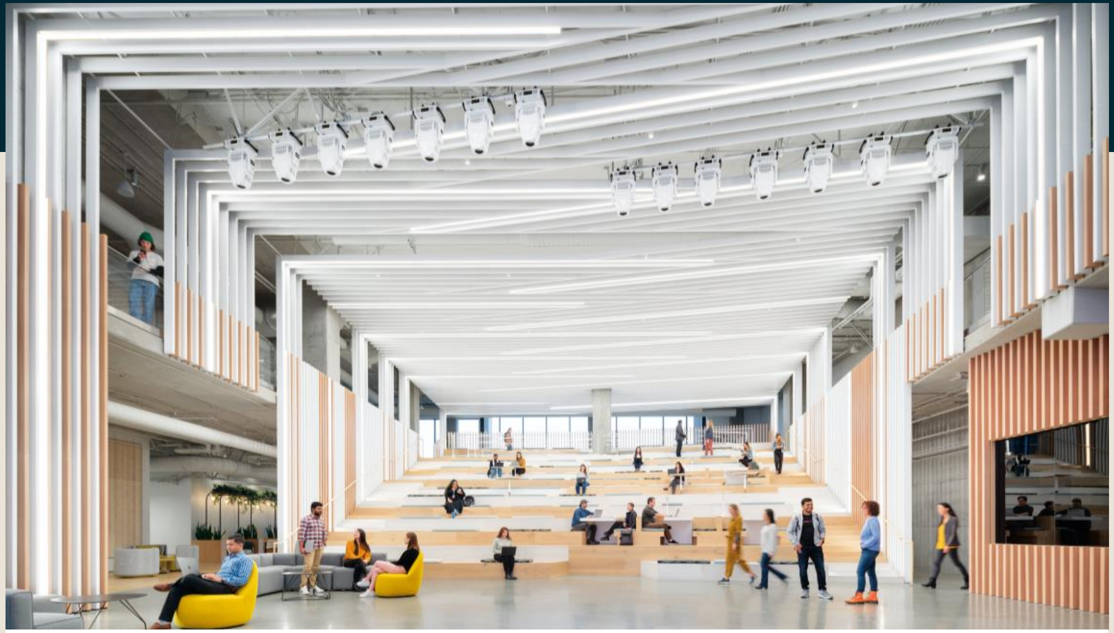
Mineral Fiber

Architectural Specialties

AWI is uniquely positioned to efficiently deliver a broad range of innovative, highly-specified solutions to our customers

AWI is the Supplier of Choice for Large, Complex Projects

Adobe North Tower, San Jose, CA



CISCA Award Winner

ProjectWorks®

[Check out the full project here!]

Products Specified

AS: MetalWorks™ Custom Blades	AS: Arktura® Vapor® Cluster
AS: Turf® Custom Grid	AS: Arktura® Vapor® Frequency
AS: Tectum®	AS: WoodWorks®
MF: DesignFlex®	WAVE: Axiom®
MF: AirAssure®	

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Consistent & focused growth strategy

Strong financial returns

Value Creation for Shareholders

Consistent and Focused Strategy That Drives Value for Stakeholders

GROWTH STRATEGY

- Market-driven **product innovation**
- Customer-centric **growth initiatives**
- **Acquisitions** to build greater market opportunity

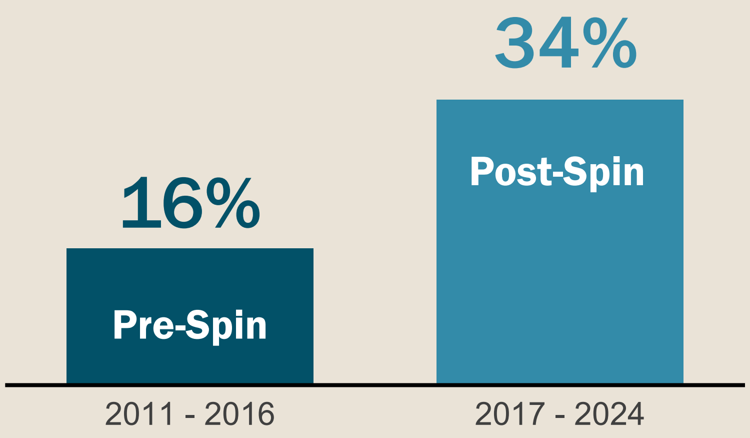
EXPECTED OUTCOMES

- Enhances our competitive advantage
- Expands volume and AUV growth potential
- Strengthens our financial returns
- Creates shareholder value

New Products and Features Consistently Rewarded by the Market

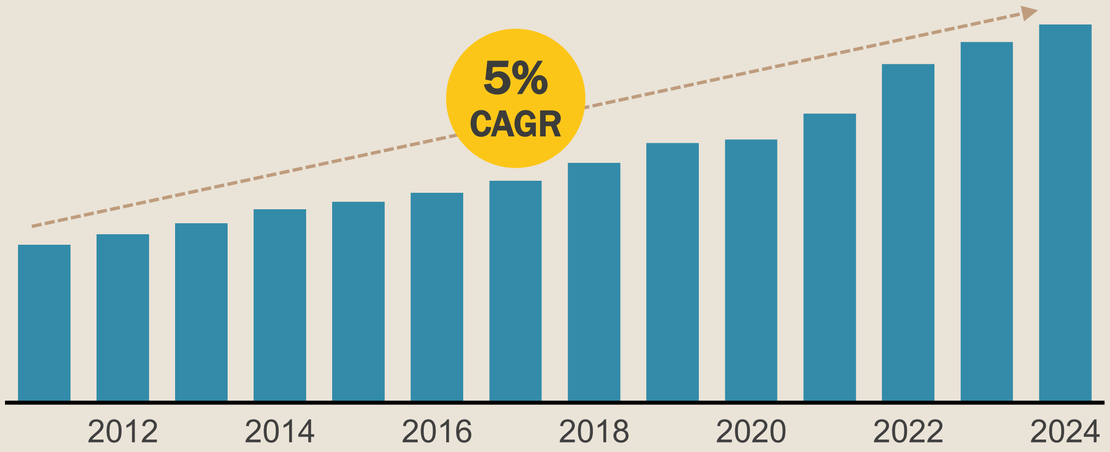
Demonstrated Innovation Focus

Product Vitality Index[1]



Proven Ability to Consistently Deliver AUV Growth

Mineral Fiber AUV (Average Unit Value)[2]



Innovation focused on emerging market needs

Key Innovation Attributes

- Sustainability
- Labor Efficiency
- Fire Safety
- Acoustics
- Aesthetics

1. Product Vitality Index represents the percent of total sales from products introduced in the last 5 years. Pre-Spin and Post-Spin refers to the separation from Armstrong Flooring, Inc., completed on April 1, 2016.
2. US and Canada Mineral Fiber Commercial only.

Next Innovation Focus: Reducing Energy Use and Carbon in the Built Environment

Solutions Aligned With Market Needs

Deliver Energy Savings

Reduce building HVAC costs and energy consumption by as much as 15%[1]

Enable LEED® Credits

Contributes to decarbonization-focused credits in multiple areas

Achieve Sustainability Goals

Reduce embodied and operational carbon emissions for building owners and operators

Recent Product Launches

Templok® Energy Saving Ceiling Panels

Improves thermal comfort, reduces heating and cooling needs, and contributes to a more efficient HVAC operation, resulting in a more sustainable, resilient space. May qualify for 40% or 50% federal tax credit, improving project ROI.

Ultima® Low Embodied Carbon (LEC) Ceiling Panels

Offers 43% reduction[2] in embodied carbon using sustainably sourced, wood-generated biochar that sequesters carbon resulting in a lower global warming potential.

Energy Savings Case Studies

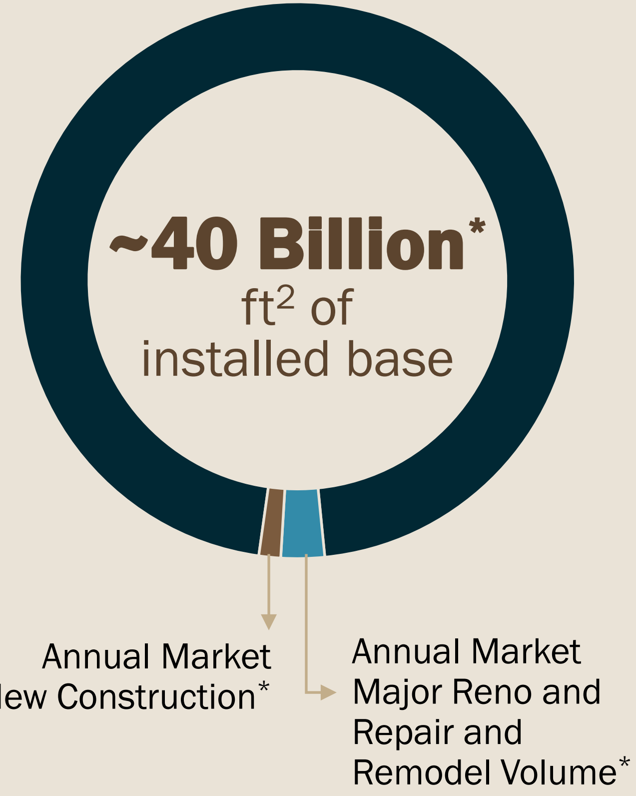
Los Angeles Office Energy Modeling

New Hampshire High School

1. Cooling energy savings according to research estimates measured in lab tests. Results may vary. | 2. Reduction in cradle-to-gate stages (A1-A3) impacts compared to standard Ultima® Panels.

Strategic Initiatives Support Volume and AUV Growth

Large Installed Base Provides Sizable Opportunity to Influence Demand



STRATEGIC GROWTH INITIATIVES

	kanopi By Armstrong Ceilings	ProjectWorks®	Sustainable, Energy Efficient Buildings
Description	Digital platform to deliver end-to-end ceiling solutions, accessing untouched demand	Automated design service to deepen customer relationships, strengthen specifications & lower construction costs	Focus on energy saving products, construction efficiency, circularity and IEQ (indoor environmental quality)… a secular tailwind for renovation
Key stakeholders	Facility managers, small business owners, DIY	Designers, architects, contractors, owners	Building owners and occupants, designers, architects, energy service companies

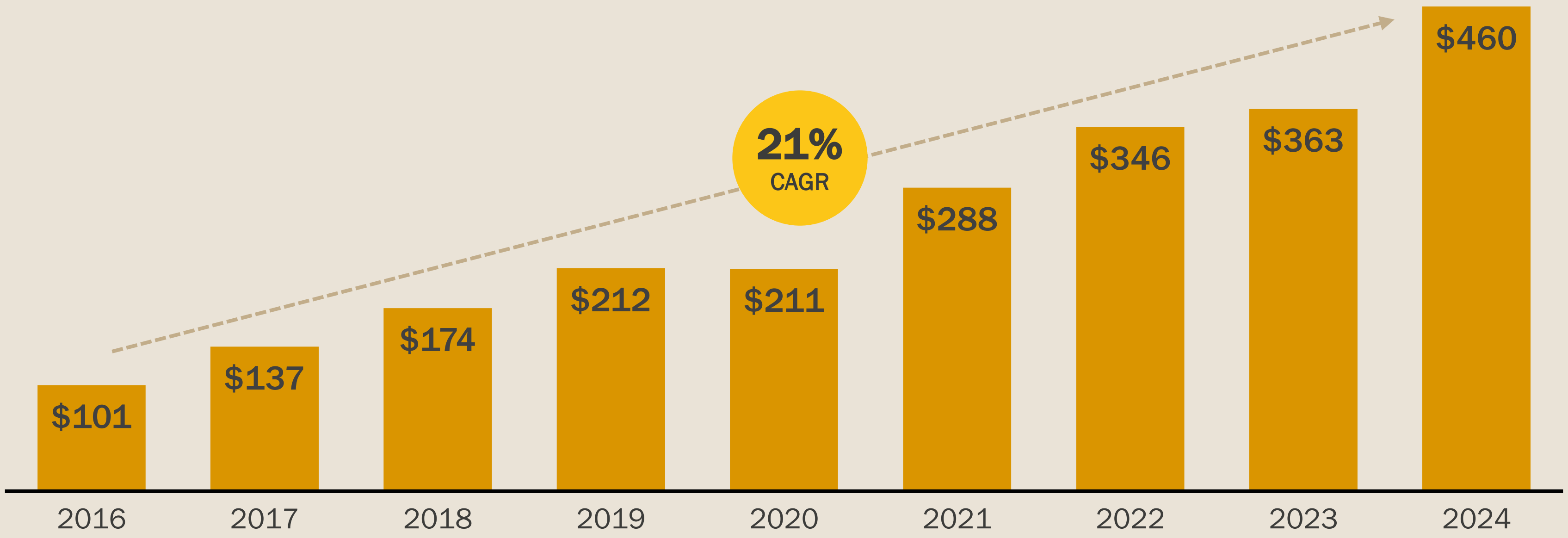
GROWTH IMPACT

Volume	Repair and Remodel	New and Major Reno	New, Major Reno, Repair and Remodel
AUV	Medium	High	High

*Based on internal company estimates.

Driving Profitable AS Topline Growth Through Both Acquisitions and Market Penetration

AS Segment Net Sales



Acquisitions

TECTUM INC. The Noise Control Solution
Steel Ceilings Inc.
PLASTERFORM Architectural Castings
MRK Industries
ACGI
TURF
MóZ
ARKTURA
GC PRODUCTS
BŌK MODERN
3form
ZAHNER

AWI's scale and focus drive synergies to enhance profitability and create value

EBITDA multiples:

~9x
pre-synergy

~7x
post-synergy[1]

1. 2023 and 2024 acquisition post-synergies are based on future expected results.

Recent Acquisitions[1] Expand Our Product Portfolio and Capabilities

3form®

At-a-Glance

A design-driven category leader in translucent finishings

$90M+
sales in 2024

~390
employees

2
production facilities

ZAHNER®

At-a-Glance

Leader in the design, fabrication and engineering of highly crafted exterior architectural metal solutions

$45M+
sales in 2024

~160
employees

2
production facilities

1. Armstrong completed the acquisition of 3form, LLC ("3form") in April 2024 and the acquisition of A. Zahner Company ("Zahner") in December 2024.

Advancing External Metal Capabilities to Unlock an Additional $1B Architectural Specialties Market Opportunity

Prior…

~$1.5B
TAM[1]

Interior Applications

Primarily interior metal, wood, felt, glass reinforced gypsum and translucents

BŌK MODERN
July
2023

December
2024
ZAHNER®

Looking forward…

$2.5B+
TAM[1]

Interior Applications
+
Exterior Metal

1. "TAM": Total Addressable Market. Based on internal company estimates.

Why Invest in AWI?

Unique company in an attractive industry

Complementary, high performing segments

Consistent & focused growth strategy

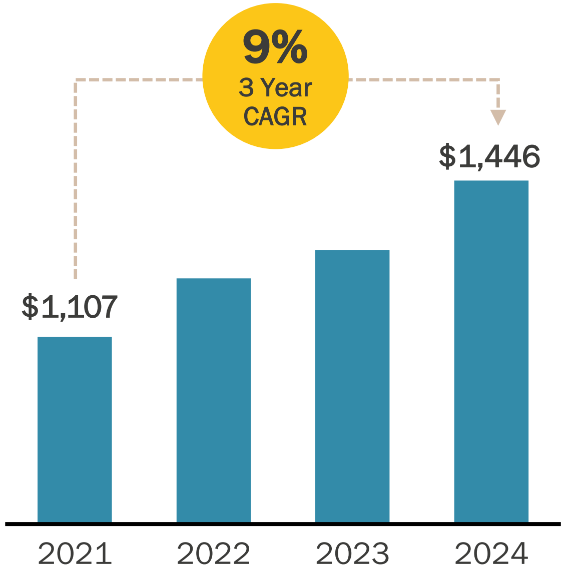
Strong financial returns

Value Creation for Shareholders

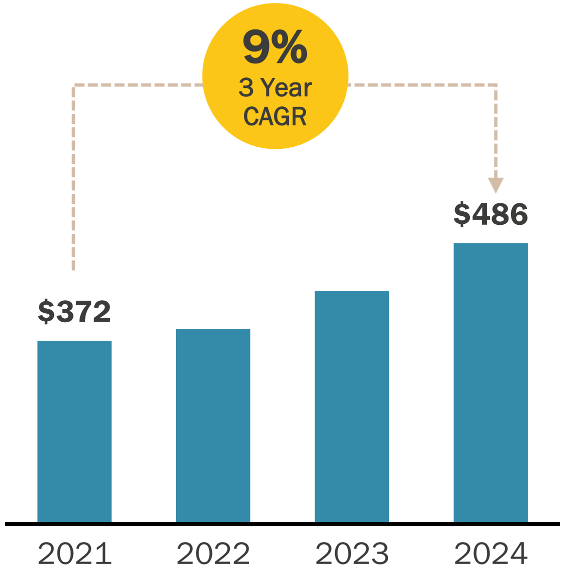
Resilient Business Model Creates Value for Shareholders

Delivering exceptional results despite a tough macro environment

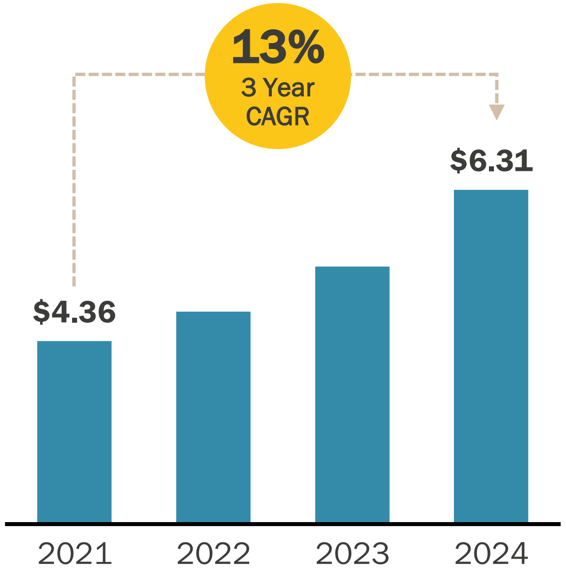
Net Sales ($M)



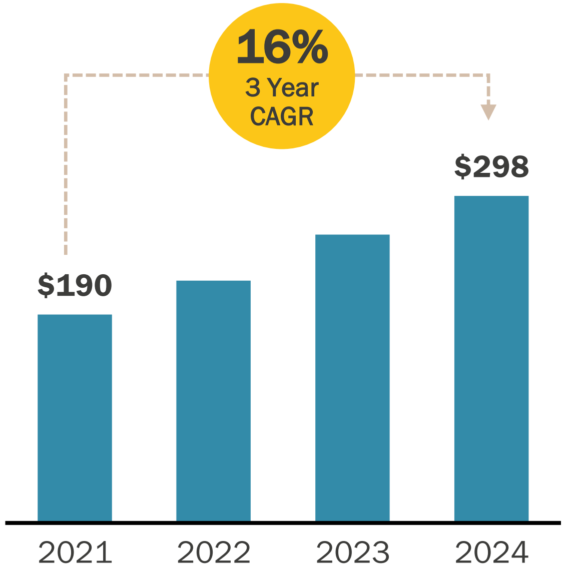
Adjusted EBITDA* ($M)



Adjusted Diluted EPS*



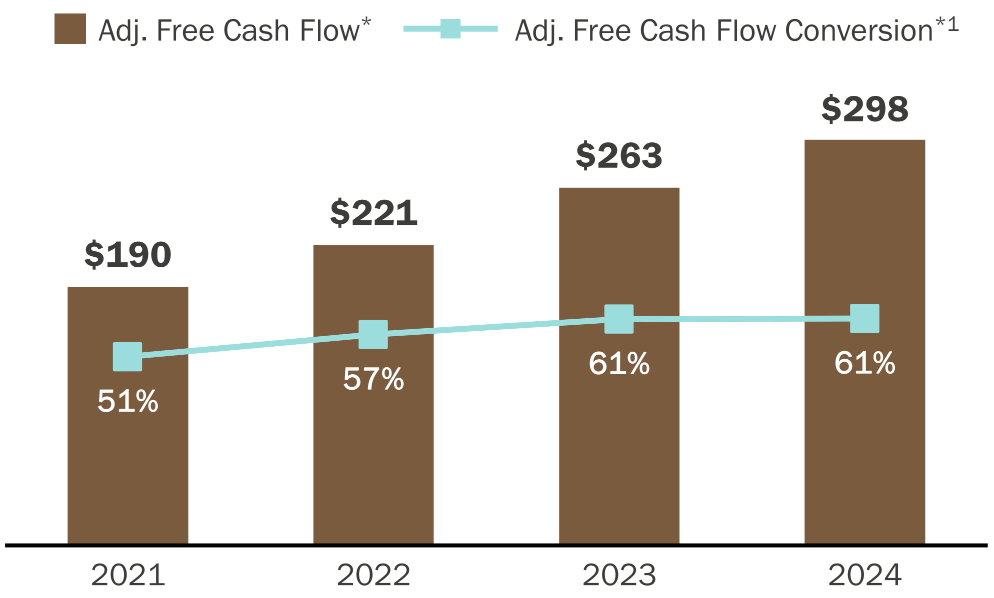
Adj Free Cash Flow* ($M)



*Non-GAAP measure. See appendix for reconciliation to the nearest GAAP measure.

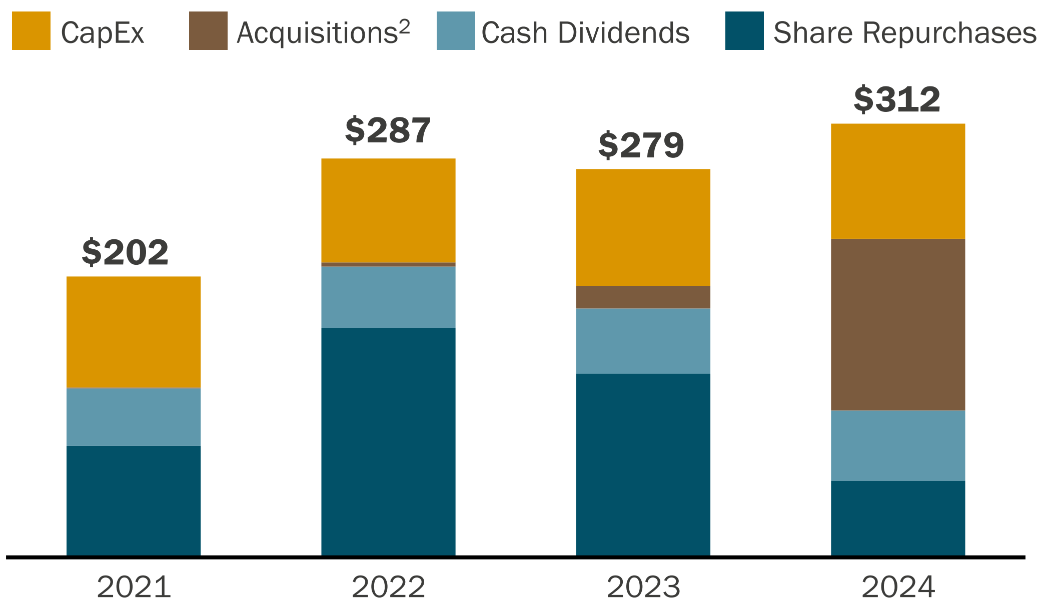
Strong Cash Flow Profile Supports All Capital Allocation Priorities

~$1B of Adj. Free Cash Flow*
generated since 2021



($M)

Balanced Approach To Capital Allocation



Capital Allocation Priorities

1 **Reinvesting into the business**

2 **Strategic acquisitions & partnerships**

3 **Returning cash to shareholders**

*Non-GAAP measure. See appendix for reconciliation to the nearest GAAP measure. | 1. Adj. Free Cash Flow Conversion represents Adjusted Free Cash Flow as a percentage of Adjusted EBITDA.
2. Reflects cash paid for acquisitions, net of or inclusive of cash acquired, recorded as a component of cash (used for) provided by investing activities. 2023 excludes the acquisition of software-related intellectual property.

Creating Value for Shareholders

AWI Investor Value Proposition

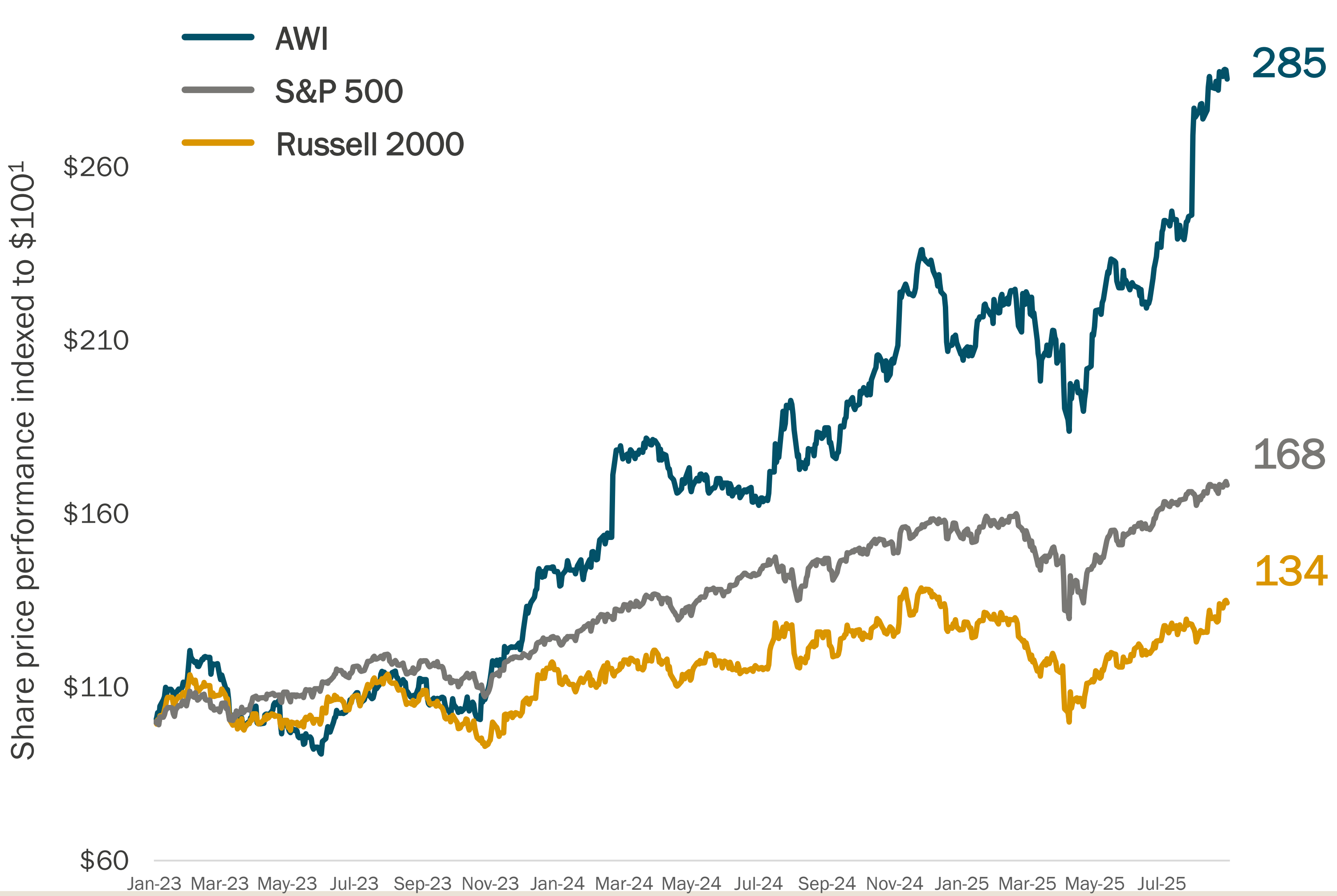
Unique company in an attractive industry

Complementary, high performing segments

Consistent & focused growth strategy

Strong financial returns

AWI vs S&P 500 and Russell 2000



1. The performance shown in the chart assumes $100 invested on December 31, 2022 through August 31, 2025, with dividends reinvested, and it should not be considered indicative of future performance.

Raising Full Year 2025 Guidance[1]

Remaining focused on solid execution and margin expansion

Net Sales	Adj. EBITDA*
$1,600M to $1,630M 11% to 13% YoY Prior: $1,570M to $1,610M 9% to 11% YoY	$545M to $560M 12% to 15% YoY Prior: $525M to $545M 8% to 12% YoY

Adj. Diluted EPS*	Adj. Free Cash Flow*
$7.15 to $7.30 13% to 16% YoY Prior: $6.85 to $7.15 9% to 13% YoY	$330M to $345M 11% to 16% YoY Prior: $315M to $335M 6% to 12% YoY

Commentary[2]

- Still expecting a softer second half … Mineral Fiber volume flat to down low-single-digits for the year
- Expect Mineral Fiber AUV growth >6% … delivering Adj. EBITDA margin* expansion
- WAVE equity earnings to grow high-single digits
- Strong execution and order intake supports improved organic Architectural Specialties' outlook for the full year
- 2024 acquisitions of 3form and Zahner performing better than expected

*Non-GAAP measure. See appendix for reconciliation to nearest GAAP measure.
1. As issued on July 29, 2025.
2. Additional assumptions available in the appendix of this presentation.

Appendix

Updating Full Year 2025 Assumptions[1]

Segment	Net Sales	Adjusted EBITDA Margin*
Mineral Fiber	~5% growth	~ 43% (prior: ~42%)
Architectural Specialties	>25% growth (prior: >20%)	~ 19% (prior: ~18%)

Consolidated Metrics	Full Year 2025
Capital expenditures	$100M to $110M (prior: $90M-$100M)
Depreciation and amortization	$117M to $122M (prior: $115M-$120M)
Interest expense	~$35M
Book / cash tax rate[2]	~24% / ~22% (prior: ~24% / ~25%)
Shares outstanding	~43 to 44M
Cash return of investment from joint venture	$108M to $116M

Shipping Days vs Prior Year	2024	2025
Q1	-	(1)
Q2	-	-
Q3	+1	-
Q4	+1	-
Full Year	+2	(1)

*Non-GAAP measure.
1. As issued on July 29, 2025.
2. Normalized cash tax rate including impact of 2025 tax reform.

2021 – 2024 Adjusted EBITDA Reconciliation

	For the Twelve Months Ended December 31,			
	2021	2022	2023	2024
Net Sales	**$1,107**	**$1,233**	**$1,295**	**$1,446**
Net earnings	**$183**	**$203**	**$224**	**$265**
Less: Net (loss) earnings from discontinued operations	(2)	3	-	-
Earnings from continuing operations	**$185**	**$200**	**$224**	**$265**
Add: Income tax expense, as reported	57	58	75	82
Earnings from continuing operations before tax	**$243**	**$258**	**$298**	**$347**
Add: Interest/other income and expense, net	17	21	25	27
Operating income	**$260**	**$279**	**$324**	**$374**
Add: RIP expense[1]	5	4	3	2
Add: Cost reduction initiatives and other	-	-	3	-
Add: Net environmental expenses	-	-	-	2
Add: Acquisition-related impacts[2]	10	19	11	4
Add: Loss on sales of fixed assets, net[3]	-	-	-	1
Adjusted operating income	**$275**	**$301**	**$340**	**$383**
Add: Depreciation and amortization	97	84	89	103
Adjusted EBITDA	**$372**	**$385**	**$430**	**$486**
Operating income margin (Operating income % of net sales)	23.5%	22.6%	25.0%	25.9%
Adjusted EBITDA margin (Adj. EBITDA % of net sales)	33.6%	31.2%	33.2%	33.6%

1. RIP expense represents only the plan service cost that is recorded within Operating income. For all periods presented, we were not required to and did not make cash contributions to our RIP.
2. Represents the impact of acquisition-related adjustments for the fair value of inventory, contingent third-party professional fees, changes in fair value of contingent consideration, deferred compensation and restricted stock expenses.
3. Includes the impact of a loss on sale of an undeveloped parcel of land adjacent to our corporate headquarters, partially offset by a gain on sale of our idled Mineral Fiber plant in St. Helens, Oregon.

2021 – 2024 Adjusted Diluted Earnings per Share Reconciliation

	For the Twelve Months Ended December 31,			
	2021	2022	2023	2024
Earnings from continuing operations	**$185**	**$200**	**$224**	**$265**
Add: Income tax expense, as reported	57	58	75	82
Earnings from continuing operations before income taxes	**$243**	**$258**	**$298**	**$347**
(Less): RIP (credit)[1]	-	(1)	(1)	(1)
Add: Net environmental expenses	-	-	-	2
Add: Cost reduction initiatives and other	-	-	3	-
Add: Acquisition-related impacts[2]	10	19	11	4
Add: Acquisition-related amortization[3]	21	8	6	11
Add: Loss on sales of fixed assets, net[4]	-	-	-	1
Adjusted earnings from continuing operations before income taxes	**$274**	**$283**	**$318**	**$364**
(Less): Adjusted income tax expense[5]	(65)	(63)	(79)	(86)
Adjusted earnings from continuing operations	**$209**	**$220**	**$238**	**$277**
Diluted Shares Outstanding	47.9	46.4	44.8	44.0
Tax Rate[6]	24%	22%	25%	24%
Diluted earnings (loss) per share from continuing operations	**$3.86**	**$4.30**	**$4.99**	**$6.02**
Adjusted Diluted Earnings per share from continuing operations	**$4.36**	**$4.74**	**$5.32**	**$6.31**

1. RIP (credit) represents the entire actuarial net periodic pension (credit) recorded as a component of earnings from continuing operations. For all periods presented, we were not required to and did not make cash contributions to our RIP.
2. Represents the impact of acquisition-related adjustments for the fair value of inventory, contingent third-party professional fees, changes in fair value of contingent consideration, deferred compensation and restricted stock expenses.
3. Represents acquisition-related intangible amortization, including customer relationships, developed technology, software, trademarks and brand names, non-compete agreements and other intangibles.
4. Includes the impact of a loss on sale of an undeveloped parcel of land adjacent to our corporate headquarters, partially offset by a gain on sale of our idled Mineral Fiber plant in St. Helens, Oregon.
5. Adjusted income tax expense is calculated using the tax rate multiplied by the adjusted earnings from continuing operations before income taxes.
6. All years presented reflect the effective tax rate as reported.

2021 – 2024 Adjusted Free Cash Flow Reconciliation

	Year Ended December 31,			
	2021	2022	2023	2024
Net cash provided by operating activities	**$187**	**$182**	**$234**	**$267**
Net cash (used for) provided by investing activities	**($14)**	**$28**	**($10)**	**($79)**
Net cash provided by operating and investing activities	**$173**	**$211**	**$223**	**$188**
Add: Acquisitions, net	1	3	27	129
Add: Payments related to the sale of international, net[1]	12	-	-	-
(Less)/Add: Net environmental (recoveries) expenses	(1)	1	1	-
Add: Arktura deferred compensation[2]	5	5	8	6
Add: Contingent consideration in excess of acquisition-date fair value[2]	-	2	5	-
(Less): Proceeds from sales of facilities[3]	-	-	-	(24)
Adjusted Free Cash Flow	**$190**	**$221**	**$263**	**$298**
Net cash provided by operating & investing activities % of net sales	15.7%	17.1%	17.2%	13.0%
Adjusted Free Cash Flow as a % of net sales	17.2%	17.9%	20.3%	20.6%
Adjusted Free Cash Flow as a % of Adjusted EBITDA	51%	57%	61%	61%

1. Includes related income tax payments.
2. Deferred compensation and contingent consideration payments related to acquisitions that were recorded as components of net cash provided by operating activities.
3. Proceeds related to the sale of Architectural Specialties design center, our idled Mineral Fiber plant in St. Helens, Oregon and undeveloped land adjacent to our corporate headquarters.

2024 Segment Adjusted EBITDA Reconciliation

	Year Ended December 31,		
	MF	AS	UC
	2024	2024	2024
Net sales	**$986**	**$460**	-
Operating income (loss)	**$323**	**$55**	**($4)**
Add: RIP expense[1]	-	-	2
Add: Acquisition-related impacts[2]	-	3	-
Add: Loss on sales of fixed assets, net[3]	1	-	-
Add: Net environmental expenses	2	-	-
Adjusted operating income (loss)	**$325**	**$59**	**($1)**
Add: Depreciation and amortization	80	23	-
Adjusted EBITDA	**$406**	**$82**	**($1)**
Operating income margin (Operating income % of net sales)	32.7%	12.0%	NM
Adjusted EBITDA margin (Adj. EBITDA % of net sales)	41.2%	17.8%	NM

1. RIP expense represents only the plan service cost related to the RIP that is recorded within Operating Income. For all periods presented, we were not required to and did not make cash contributions to our RIP.
2. Represents the impact of acquisition-related adjustments for the fair value of acquired inventory and changes in fair value of contingent consideration.
3. Includes the impact of a loss on sale of an undeveloped parcel of land adjacent to our corporate headquarters, partially offset by a gain on sale of our idled Mineral Fiber plant in St. Helens, Oregon.

2025 Adj. EBITDA Guidance Reconciliation

	Full Year 2025	
	Low	High
Net earnings	**$300**	**$304**
Add: Income tax expense	92	97
Earnings before income taxes	**$392**	**$402**
Add: Interest expense	34	36
Add: Other non-operating (income), net	(2)	(1)
Operating income	**$425**	**$436**
Add: RIP expense[1]	2	2
Adjusted operating income	**$427**	**$438**
Add: Depreciation and amortization	117	122
Adjusted EBITDA	**$545**	**$560**

1. RIP expense represents only the plan service cost that is recorded within Operating income. We do not expect to make cash contributions to our RIP.
2. Net cash provided by operating activities is based on a normalized cash tax rate including the impact of 2025 tax reform.
3. RIP cost represents the entire actuarial net periodic pension cost recorded as a component of net earnings. We do not expect to make any cash contributions to our RIP.
4. Represents acquisition-related intangible amortization, including customer relationships, developed technology, software, trademarks and brand names, non-compete agreements, trade secrets and other intangibles.
5. Adjusted income tax expense is based on an adjusted effective tax rate of approximately 24%, multiplied by adjusted earnings before income taxes.
6. Adjusted diluted EPS guidance for 2025 is calculated based on approximately 43 to 44 million of diluted shares outstanding.

2025 Adj. Free Cash Flow Guidance Reconciliation

	Full Year 2025	
	Low	High
Net cash provided by operating activities[2]	**$322**	**$339**
Add: Return of investment from joint venture	108	116
(Less): Capital expenditures	(100)	(110)
Adjusted Free Cash Flow	**$330**	**$345**

2025 Adj. Diluted EPS Guidance Reconciliation

	Full Year 2025	
	Low	High
Net earnings	$300	$304
Add: Income tax expense	92	97
Earnings before income taxes	$392	$402
Add: RIP cost[3]	1	1
Add: Acquisition-related amortization[4]	16	18
Adjusted earnings before income taxes	$410	$421
(Less): Adjusted income tax expense[5]	(99)	(103)
Adjusted net earnings	$311	$318
Diluted net earnings per share	$6.93	$6.99
Adjusted diluted net earnings per share[6]	**$7.15**	**$7.30**