

**WORTHINGTON INDUSTRIES, INC.**  
**CONSOLIDATED STATEMENTS OF EARNINGS**  
(In thousands, except per share amounts)

	Three Months Ended May 31,		Twelve Months Ended May 31,	
	2023	2022	2023	2022
Net sales	\$ 1,228,864	\$ 1,520,305	\$ 4,916,392	\$ 5,242,219
Cost of goods sold	984,496	1,352,582	4,253,080	4,527,403
Gross margin	244,368	167,723	663,312	714,816
Selling, general and administrative expense	111,554	104,642	428,872	399,568
Impairment of long-lived assets	1,800	-	2,596	3,076
Restructuring and other income, net	(13)	(2,314)	(4,571)	(17,096)
Separation costs	8,455	-	24,048	-
Operating income	122,572	65,395	212,367	329,268
Other income (expense):				
Miscellaneous income (expense)	1,127	651	(1,227)	2,714
Interest expense, net	(4,514)	(8,167)	(26,759)	(31,337)
Equity in net income of unconsolidated affiliates	55,492	53,041	160,987	213,641
Earnings before income taxes	174,677	110,920	345,368	514,286
Income tax expense	40,514	24,963	76,198	115,022
Net earnings	134,163	85,957	269,170	399,264
Net earnings attributable to noncontrolling interests	4,260	5,705	12,642	19,878
Net earnings attributable to controlling interests	<u>\$ 129,903</u>	<u>\$ 80,252</u>	<u>\$ 256,528</u>	<u>\$ 379,386</u>
<b>Basic</b>				
Weighted average common shares outstanding	48,643	48,780	48,566	49,940
<b>Earnings per share attributable to controlling interest</b>	<u>\$ 2.67</u>	<u>\$ 1.65</u>	<u>\$ 5.28</u>	<u>\$ 7.60</u>
<b>Diluted</b>				
Weighted average common shares outstanding	49,779	49,701	49,386	50,993
<b>Earnings per share attributable to controlling interest</b>	<u>\$ 2.61</u>	<u>\$ 1.61</u>	<u>\$ 5.19</u>	<u>\$ 7.44</u>
Common shares outstanding at end of period	48,659	48,380	48,659	48,380
Cash dividends declared per share	\$ 0.31	\$ 0.28	\$ 1.24	\$ 1.12

**CONSOLIDATED BALANCE SHEETS**  
**WORTHINGTON INDUSTRIES, INC.**  
(In thousands)

	May 31,	
	2023	2022
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 454,946	\$ 34,485
Receivables, less allowances of \$3,383 and \$1,292 at May 31, 2023 and May 31, 2022, respectively	692,887	857,493
Inventories		
Raw materials	264,568	323,609
Work in process	183,248	255,019
Finished products	160,152	180,512
Total inventories	607,968	759,140
Income taxes receivable	4,198	20,556
Assets held for sale	3,381	20,318
Prepaid expenses and other current assets	104,957	93,661
Total current assets	1,868,337	1,785,653
Investment in unconsolidated affiliates	252,591	327,381
Operating lease assets	99,967	98,769
Goodwill	414,820	401,469
Other intangible assets, net of accumulated amortization of \$107,167 and \$93,973 at May 31, 2023 and May 31, 2022, respectively	314,226	299,017
Other assets	25,323	34,394
Property, plant and equipment:		
Land	49,697	51,483
Buildings and improvements	308,669	303,269
Machinery and equipment	1,263,962	1,196,806
Construction in progress	45,165	59,363
Total property, plant and equipment	1,667,493	1,610,921
Less: accumulated depreciation	991,839	914,581
Total property, plant and equipment, net	675,654	696,340
<b>Total assets</b>	<b>\$ 3,650,918</b>	<b>\$ 3,643,023</b>
<b>Liabilities and equity</b>		
Current liabilities:		
Accounts payable	\$ 528,920	\$ 668,438
Short-term borrowings	2,813	47,997
Accrued compensation, contributions to employee benefit plans and related taxes	93,810	117,530
Dividends payable	18,330	15,988
Other accrued items	53,362	70,125
Current operating lease liabilities	12,608	11,618
Income taxes payable	7,451	300
Current maturities of long-term debt	264	265
Total current liabilities	717,558	932,261
Other liabilities	113,286	115,991
Distributions in excess of investment in unconsolidated affiliate	117,297	81,149
Long-term debt	689,718	696,345
Noncurrent operating lease liabilities	89,982	88,183
Deferred income taxes	101,449	115,132
Total liabilities	1,829,290	2,029,061
Shareholders' equity - controlling interest	1,696,011	1,480,752
Noncontrolling interests	125,617	133,210
Total equity	1,821,628	1,613,962
<b>Total liabilities and equity</b>	<b>\$ 3,650,918</b>	<b>\$ 3,643,023</b>

**WORTHINGTON INDUSTRIES, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)

	<b>Three Months Ended</b>		<b>Twelve Months Ended</b>	
	<b>May 31,</b>		<b>May 31,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Operating activities:</b>				
Net earnings	\$ 134,163	\$ 85,957	\$ 269,170	\$ 399,264
Adjustment to reconcile net earnings to net cash provided by operating activities:				
Depreciation and amortization	28,292	28,248	112,800	98,827
Impairment of long-lived assets	1,800	-	2,596	3,076
Provision for (benefit from) deferred income taxes	4,670	5,839	(15,528)	19,175
Bad debt expense (income)	(1,678)	63	2,108	959
Equity in net income of unconsolidated affiliates, net of distributions	(4,545)	(30,487)	79,870	(113,583)
Net loss (gain) on sale of assets	530	(2,320)	(4,458)	(16,150)
Stock-based compensation	5,420	4,141	19,178	16,100
Changes in assets and liabilities, net of impact of acquisitions:				
Receivables	(17,386)	4,123	143,089	(151,328)
Inventories	(6,843)	111,323	160,116	(118,490)
Accounts payable	45,089	(38,737)	(150,400)	12,230
Accrued compensation and employee benefits	10,206	23,576	(23,226)	(29,348)
Income taxes payable	7,450	(4,490)	7,150	(5,977)
Other operating items, net	22,066	(22,398)	22,899	(44,643)
<b>Net cash provided by operating activities</b>	<b>229,234</b>	<b>164,838</b>	<b>625,364</b>	<b>70,112</b>
<b>Investing activities:</b>				
Investment in property, plant and equipment	(17,651)	(22,796)	(86,366)	(94,600)
Purchase of noncontrolling interest in WSP - Taylor	-	(6,811)	-	(6,811)
Investment in non-marketable equity securities	(500)	-	(770)	-
Acquisitions, net of cash acquired	-	548	(56,088)	(376,713)
Net proceeds from the sale of investment in ArtiFlex	-	-	35,795	-
Proceeds from sale of assets, net of selling costs	108	4,032	35,653	39,936
<b>Net cash used by investing activities</b>	<b>(18,043)</b>	<b>(25,027)</b>	<b>(71,776)</b>	<b>(438,188)</b>
<b>Financing activities:</b>				
Net proceeds from (repayments of) short-term borrowings	(791)	(63,912)	(45,183)	41,726
Principal payments on long-term obligations	(776)	(11)	(6,685)	(565)
Proceeds from issuance of common shares, net of tax withholdings	1,631	236	(1,780)	(6,280)
Payments to noncontrolling interests	(8,475)	(19,724)	(20,235)	(35,160)
Repurchase of common shares	-	(52,406)	-	(180,248)
Dividends paid	(15,078)	(13,833)	(59,244)	(57,223)
<b>Net cash used by financing activities</b>	<b>(23,489)</b>	<b>(149,650)</b>	<b>(133,127)</b>	<b>(237,750)</b>
Increase (decrease) in cash and cash equivalents	187,702	(9,839)	420,461	(605,826)
Cash and cash equivalents at beginning of period	267,244	44,324	34,485	640,311
<b>Cash and cash equivalents at end of period</b>	<b>\$ 454,946</b>	<b>\$ 34,485</b>	<b>\$ 454,946</b>	<b>\$ 34,485</b>

**WORTHINGTON INDUSTRIES, INC.**  
**NON-GAAP FINANCIAL MEASURES / SUPPLEMENTAL DATA**  
(In thousands, except volume and per share amounts)

The Company reports its financial results in accordance with accounting principles generally accepted in the United States (GAAP). The Company also presents certain non-GAAP financial measures including adjusted operating income, adjusted net earnings attributable to controlling interest and adjusted net earnings per diluted share attributable to controlling interest, and for purposes of evaluating segment performance, adjusted earnings before interest and taxes attributable to controlling interest (“adjusted EBIT”) and adjusted earnings before interest, taxes, depreciation and amortization attributable to controlling interest (“adjusted EBITDA”). These non-GAAP financial measures typically exclude impairment and restructuring charges (gains), but may also exclude other items that management believes are not reflective of, and thus should not be included when evaluating the performance of the Company’s ongoing operations. Management uses these non-GAAP financial measures to evaluate the Company’s performance, engage in financial and operational planning, and determine incentive compensation and believes these non-GAAP financial measures provide useful information to investors because they provide additional perspective of the performance of the Company’s ongoing operations. Additionally, management believes these non-GAAP financial measures provide useful information to investors because they allow for meaningful comparisons and analysis of trends in the Company’s businesses and enables investors to evaluate operations and future prospects in the same manner as management.

The following provides a reconciliation to adjusted operating income, adjusted net earnings attributable to controlling interest and adjusted earnings per diluted share attributable to controlling interest from the most comparable GAAP measures for the three months ended May 31, 2023 and 2022.

**Three Months Ended May 31, 2023**

	Operating Income	Earnings Before Income Taxes	Income Tax Expense (Benefit)	Net Earnings Attributable to Controlling Interest <sup>(1)</sup>	Earnings per Diluted Share
<b>GAAP</b>	\$ 122,572	\$ 174,677	\$ 40,514	\$ 129,903	\$ 2.61
Impairment of long-lived assets	1,800	1,800	(405)	1,395	0.03
Restructuring and other income, net	(13)	(13)	(25)	(38)	-
Separation costs <sup>(2)</sup>	8,455	8,455	(1,565)	6,890	0.13
Sale-leaseback gain in equity income <sup>(3)</sup>	-	(2,063)	472	(1,591)	(0.03)
<b>Non-GAAP</b>	<u>\$ 132,814</u>	<u>\$ 182,856</u>	<u>\$ 42,037</u>	<u>\$ 136,559</u>	<u>\$ 2.74</u>

**Three Months Ended May 31, 2022**

	Operating Income	Earnings Before Income Taxes	Income Tax Expense (Benefit)	Net Earnings Attributable to Controlling Interest <sup>(1)</sup>	Earnings per Diluted Share
<b>GAAP</b>	\$ 65,395	\$ 110,920	\$ 24,963	\$ 80,252	\$ 1.61
Restructuring and other income, net	(2,314)	(2,314)	570	(1,847)	(0.03)
<b>Non-GAAP</b>	<u>\$ 63,081</u>	<u>\$ 108,606</u>	<u>\$ 24,393</u>	<u>\$ 78,405</u>	<u>\$ 1.58</u>

The following provides a reconciliation to adjusted operating income, adjusted net earnings attributable to controlling interest and adjusted earnings per diluted share attributable to controlling interest from the most comparable GAAP measures for the twelve months ended May 31, 2023 and 2022.

**Twelve Months Ended May 31, 2023**

	Operating Income	Earnings Before Income Taxes	Income Tax Expense (Benefit)	Net Earnings Attributable to Controlling Interest <sup>(1)</sup>	Earnings per Diluted Share
<b>GAAP</b>	\$ 212,367	\$ 345,368	\$ 76,198	\$ 256,528	\$ 5.19
Impairment of long-lived assets	2,596	2,596	(568)	1,913	0.04
Restructuring and other income, net	(4,571)	(4,571)	623	(2,098)	(0.04)
Separation costs <sup>(2)</sup>	24,048	24,048	(5,507)	18,541	0.38
Pension settlement charge <sup>(4)</sup>	-	4,774	(1,093)	3,681	0.07
Loss on sale of investment in ArtiFlex <sup>(5)</sup>	-	16,059	(3,678)	12,381	0.25
Sale-leaseback gain in equity income <sup>(3)</sup>	-	(2,063)	472	(1,591)	(0.03)
<b>Non-GAAP</b>	<u>\$ 234,440</u>	<u>\$ 386,211</u>	<u>\$ 85,949</u>	<u>\$ 289,355</u>	<u>\$ 5.86</u>

**Twelve Months Ended May 31, 2022**

	Operating Income	Earnings Before Income Taxes	Income Tax Expense (Benefit)	Net Earnings Attributable to Controlling Interest <sup>(1)</sup>	Earnings per Diluted Share
<b>GAAP</b>	\$ 329,268	\$ 514,286	\$ 115,022	\$ 379,386	\$ 7.44
Impairment of long-lived assets	3,076	3,076	(450)	1,486	0.03
Restructuring and other income, net	(17,096)	(17,096)	2,598	(8,572)	(0.17)
<b>Non-GAAP</b>	<u>\$ 315,248</u>	<u>\$ 500,266</u>	<u>\$ 112,874</u>	<u>\$ 372,300</u>	<u>\$ 7.30</u>

- (1) Excludes the impact of the noncontrolling interests.
- (2) Reflects direct and incremental costs incurred in connection with the anticipated tax-free spin-off of the Company's Steel Processing business, including audit, advisory, and legal costs and one-time costs to stand-up separate corporate functions.
- (3) During the three months ended May 31, 2023, our unconsolidated engineered cabs joint venture, Taxi Workhorse, recognized a pre-tax gain of \$10,315 related to a sale-leaseback transaction. Our portion of this gain, which is recorded in equity income, was \$2,063.
- (4) During August of 2023 the Company completed a pension lift-out transaction to transfer a portion of the total projected benefit obligation of The Gerstenslager Company Bargaining Unit Employees' Pension Plan to a third-party insurance company, resulting in a non-cash settlement charge of \$4,774 to accelerate a portion of the overall deferred pension cost.
- (5) On August 3, 2022, the Company sold its 50% noncontrolling equity investment in ArtiFlex Manufacturing, LLC, resulting in a pre-tax loss of \$16,059 during fiscal 2023.

To further assist in the analysis of segment results for the periods presented, the following volume and net sales information for the three and twelve months ended May 31, 2023 and 2022 has been provided along with a reconciliation of adjusted EBIT and adjusted EBITDA to the most comparable GAAP measure, which is operating income for purposes of measuring segment profit:

	<b>Three Months Ended May 31, 2023</b>					
	Steel Processing	Consumer Products	Building Products	Sustainable Energy Solutions	Other	Consolidated
Volume (tons/units)	1,025,075	20,109,755	2,747,620	162,894	n/a	n/a
Net Sales	\$ 860,062	\$ 181,175	\$ 142,189	\$ 45,438	n/a	\$ 1,228,864
Operating income (loss)	\$ 93,335	\$ 25,793	\$ 9,662	\$ 2,427	\$ (8,645)	\$ 122,572
Impairment of long-lived assets	1,800	-	-	-	-	1,800
Restructuring and other (income) expense	-	7	(20)	-	-	(13)
Separation costs	-	-	-	-	8,455	8,455
Adjusted operating income (loss)	95,135	25,800	9,642	2,427	(190)	132,814
Miscellaneous income (expense), net	1,126	(103)	(79)	181	2	1,127
Equity in net income of unconsolidated affiliates <sup>(1)</sup>	4,234	-	49,618	-	(423)	53,429
Less: Net earnings attributable to noncontrolling interests	4,260	-	-	-	-	4,260
Adjusted EBIT	96,235	25,697	59,181	2,608	(611)	183,110
Depreciation and amortization	16,407	4,059	4,610	1,697	1,519	28,292
Adjusted EBITDA	<u>\$ 112,642</u>	<u>\$ 29,756</u>	<u>\$ 63,791</u>	<u>\$ 4,305</u>	<u>\$ 908</u>	<u>\$ 211,402</u>
Adjusted EBIT margin	11.2%	14.2%	41.6%	5.7%	NM	14.9%
Adjusted EBITDA margin	13.1%	16.4%	44.9%	9.5%	NM	17.2%

- (1) Excludes a pre-tax gain of \$2,063 within Other related to a sale-leaseback transaction at our unconsolidated engineered cabs joint venture, Taxi Workhorse, during the three months ended May 31, 2023.

**Three Months Ended May 31, 2022**

	Steel Processing	Consumer Products	Building Products	Sustainable Energy Solutions	Other	Consolidated
Volume (tons/units)	1,042,465	22,008,912	3,469,962	181,026	n/a	n/a
Net Sales	\$ 1,119,808	\$ 186,212	\$ 172,945	\$ 41,335	\$ 5	\$ 1,520,305
Operating income (loss)	\$ 16,877	\$ 29,734	\$ 19,834	\$ (1,756)	\$ 706	\$ 65,395
Restructuring and other (income), net	(2,281)	-	-	-	(33)	(2,314)
Adjusted operating income (loss)	14,596	29,734	19,834	(1,756)	673	63,081
Miscellaneous income (expense), net	827	(245)	99	80	(110)	651
Equity in net income of unconsolidated affiliates	6,922	-	43,634	-	2,485	53,041
Less: Net earnings attributable to noncontrolling interests <sup>(2)</sup>	5,809	-	-	-	-	5,809
Adjusted EBIT	16,536	29,489	63,567	(1,676)	3,048	110,964
Depreciation and amortization	17,291	3,136	4,292	1,611	1,918	28,248
Adjusted EBITDA	\$ 33,827	\$ 32,625	\$ 67,859	\$ (65)	\$ 4,966	\$ 139,212
Adjusted EBIT margin	1.5%	15.8%	36.8%	-4.1%	NM	7.3%
Adjusted EBITDA margin	3.0%	17.5%	39.2%	-0.2%	NM	9.2%

(2) Excludes the noncontrolling interest portion of restructuring charges of \$104.

**Twelve Months Ended May 31, 2023**

	Steel Processing	Consumer Products	Building Products	Sustainable Energy Solutions	Other	Consolidated
Volume (tons/units)	3,842,828	78,234,587	10,532,434	573,853	n/a	n/a
Net Sales	\$ 3,497,896	\$ 686,319	\$ 586,059	\$ 146,118	n/a	\$ 4,916,392
Operating income (loss)	\$ 123,691	\$ 78,039	\$ 36,754	\$ 718	\$ (26,835)	\$ 212,367
Impairment of long-lived assets	2,112	-	484	-	-	2,596
Restructuring and other (income) expense	(4,204)	213	597	-	(1,177)	(4,571)
Separation costs	-	-	-	-	24,048	24,048
Adjusted operating income (loss)	121,599	78,252	37,835	718	(3,964)	234,440
Miscellaneous income (expense), net <sup>(3)</sup>	3,270	(205)	349	199	(66)	3,547
Equity in net income of unconsolidated affiliates <sup>(4)(5)</sup>	7,725	-	166,427	-	831	174,983
Less: Net earnings attributable to noncontrolling interests <sup>(6)</sup>	10,908	-	-	-	-	10,908
Adjusted EBIT	121,686	78,047	204,611	917	(3,199)	402,062
Depreciation and amortization	66,383	15,734	17,856	6,319	6,508	112,800
Adjusted EBITDA	\$ 188,069	\$ 93,781	\$ 222,467	\$ 7,236	\$ 3,309	\$ 514,862
Adjusted EBIT margin	3.5%	11.4%	34.9%	0.6%	NM	8.2%
Adjusted EBITDA margin	5.4%	13.7%	38.0%	5.0%	NM	10.5%

(3) Excludes within Other, the pre-tax settlement charge of \$4,774 related to the pension lift-out transaction discussed above.

(4) Excludes within Other, the pre-tax loss of \$16,059 related to the sale of our investment in ArtiFlex discussed above.

(5) Excludes within Other, the pre-tax gain of \$2,063 related to a sale-leaseback transaction at Workhorse discussed above.

(6) Excludes the noncontrolling interest portion of impairment of long-lived assets and restructuring gains of \$1,734.

**For the Twelve Months Ended May 31, 2022**

	Steel Processing	Consumer Products	Building Products	Sustainable Energy Solutions	Other	Consolidated
Volume (tons/units)	4,170,931	82,393,013	11,707,258	610,811	n/a	n/a
Net Sales	\$ 3,933,021	\$ 636,478	\$ 541,757	\$ 130,954	\$ 9	\$ 5,242,219
Operating income (loss)	\$ 199,120	\$ 94,378	\$ 39,905	\$ (6,157)	\$ 2,022	\$ 329,268
Impairment of long-lived assets	3,076	-	-	-	-	3,076
Restructuring and other income, net	(14,480)	-	(35)	(143)	(2,438)	(17,096)
Adjusted operating income (loss)	\$ 187,716	\$ 94,378	\$ 39,870	\$ (6,300)	\$ (416)	\$ 315,248
Miscellaneous income (expense), net	862	(76)	240	64	1,624	2,714
Equity in net income of unconsolidated affiliates	29,787	-	176,498	-	7,356	213,641
Less: Net earnings attributable to noncontrolling interests <sup>(7)</sup>	15,093	-	-	-	-	15,093
Adjusted EBIT	203,272	94,302	216,608	(6,236)	8,564	516,510
Depreciation and amortization	55,771	12,736	16,294	6,554	7,472	98,827
Adjusted EBITDA	\$ 259,043	\$ 107,038	\$ 232,902	\$ 318	\$ 16,036	\$ 615,337
Adjusted EBIT margin	5.2%	14.8%	40.0%	-4.8%	NM	9.9%
Adjusted EBITDA margin	6.6%	16.8%	43.0%	0.2%	NM	11.7%

(7) Excludes the noncontrolling interest portion of impairment and restructuring gains of \$4,785.

The following tables outlines our equity income (loss) by unconsolidated affiliate for the periods presented:

	Three Months Ended May 31,		Twelve Months Ended May 31,	
	2023	2022	2023	2022
WAVE	\$ 24,252	\$ 20,755	\$ 85,933	\$ 87,426
ClarkDietrich	25,366	22,879	80,494	89,072
Serviacero Worthington	4,234	6,922	7,725	29,787
ArtiFlex <sup>(1)</sup>	-	2,806	(13,700)	7,590
Workhorse	1,641	(321)	535	(234)
Total equity income	\$ 55,493	\$ 53,041	\$ 160,987	\$ 213,641

(1) On August 3, 2022, the Company sold its 50% interest in ArtiFlex.