

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

	Three Months Ended November 30,		Six Months Ended November 30,	
	2021	2020	2021	2020
Net sales	\$ 1,232,861	\$ 731,092	\$ 2,343,679	\$ 1,434,001
Cost of goods sold	1,048,270	595,618	1,939,714	1,185,169
Gross margin	184,591	135,474	403,965	248,832
Selling, general and administrative expense	96,130	82,129	191,981	164,325
Impairment of long-lived assets	-	3,815	-	13,739
Restructuring and other (income) expense, net	(2,004)	7,596	(14,278)	9,444
Incremental expenses related to Nikola gains	-	4,570	-	54,081
Operating income	90,465	37,364	226,262	7,243
Other income (expense):				
Miscellaneous income, net	1,040	376	1,670	827
Interest expense	(7,312)	(7,548)	(15,030)	(15,138)
Equity in net income of unconsolidated affiliates	60,218	25,631	113,134	49,265
Gains (loss) on investment in Nikola	-	(143,780)	-	652,362
Earnings (loss) before income taxes	144,411	(87,957)	326,036	694,559
Income tax expense (benefit)	31,226	(19,445)	71,376	144,333
Net earnings (loss)	113,185	(68,512)	254,660	550,226
Net earnings attributable to noncontrolling interests	2,884	5,532	11,868	7,595
Net earnings (loss) attributable to controlling interest	\$ 110,301	\$ (74,044)	\$ 242,792	\$ 542,631
 Basic				
Average common shares outstanding	50,381	52,988	50,618	53,532
Earnings (loss) per share attributable to controlling interest	\$ 2.19	\$ (1.40)	\$ 4.80	\$ 10.14
 Diluted				
Average common shares outstanding	51,214	52,988	51,532	54,439
Earnings (loss) per share attributable to controlling interest	\$ 2.15	\$ (1.40)	\$ 4.71	\$ 9.97
 Common shares outstanding at end of period	 50,334	 52,754	 50,334	 52,754
Cash dividends declared per share	\$ 0.28	\$ 0.25	\$ 0.56	\$ 0.50

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

	<u>November 30,</u> <u>2021</u>	<u>May 31,</u> <u>2021</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 225,194	\$ 640,311
Receivables, less allowances of \$790 and \$608 at November 30, 2021 and May 31, 2021, respectively	736,738	639,964
Inventories:		
Raw materials	420,511	266,208
Work in process	247,772	183,413
Finished products	171,305	115,133
Total inventories	839,588	564,754
Income taxes receivable	1,574	1,958
Assets held for sale	34,721	51,956
Prepaid expenses and other current assets	72,952	69,049
Total current assets	1,910,767	1,967,992
Investments in unconsolidated affiliates	291,397	233,126
Operating lease assets	93,628	35,101
Goodwill	370,191	351,056
Other intangible assets, net of accumulated amortization of \$86,459 and \$80,513 at November 30, 2021 and May 31, 2021, respectively	267,564	240,387
Other assets	32,451	30,566
Property, plant and equipment:		
Land	21,319	21,744
Buildings and improvements	273,483	271,196
Machinery and equipment	1,086,453	1,046,065
Construction in progress	68,423	53,903
Total property, plant and equipment	1,449,678	1,392,908
Less: accumulated depreciation	898,044	877,891
Total property, plant and equipment, net	551,634	515,017
Total assets	<u>\$ 3,517,632</u>	<u>\$ 3,373,245</u>
Liabilities and equity		
Current liabilities:		
Accounts payable	\$ 610,278	\$ 567,392
Accrued compensation, contributions to employee benefit plans and related taxes	105,879	137,698
Dividends payable	15,794	16,536
Other accrued items	60,484	52,250
Current operating lease liabilities	10,888	9,947
Income taxes payable	16,555	3,620
Current maturities of long-term debt	280	458
Total current liabilities	820,158	787,901
Other liabilities	78,789	82,824
Distributions in excess of investment in unconsolidated affiliate	97,833	99,669
Long-term debt	701,892	710,031
Noncurrent operating lease liabilities	83,887	27,374
Deferred income taxes, net	101,982	113,751
Total liabilities	1,884,541	1,821,550
Shareholders' equity - controlling interest	1,479,797	1,398,193
Noncontrolling interests	153,294	153,502
Total equity	1,633,091	1,551,695
Total liabilities and equity	<u>\$ 3,517,632</u>	<u>\$ 3,373,245</u>

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

	Three Months Ended		Six Months Ended	
	November 30,		November 30,	
	2021	2020	2021	2020
Operating activities:				
Net earnings (loss)	\$ 113,185	\$ (68,512)	\$ 254,660	\$ 550,226
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:				
Depreciation and amortization	21,090	21,560	43,154	43,771
Impairment of long-lived assets	-	3,815	-	13,739
Provision for (benefit from) deferred income taxes	1,309	(31,776)	2,675	39,255
Bad debt expense (income)	335	(159)	514	(65)
Equity in net income of unconsolidated affiliates, net of distributions	(31,274)	4,608	(64,492)	(2,149)
Net (gain) loss on sale of assets	(496)	7,271	(13,202)	7,673
Stock-based compensation	4,248	4,854	7,551	9,710
(Gains) loss on investment in Nikola	-	143,779	-	(652,362)
Charitable contribution of Nikola shares	-	-	-	20,653
Changes in assets and liabilities, net of impact of acquisitions:				
Receivables	(89,817)	3,580	(121,685)	(78,614)
Inventories	(97,182)	4,623	(260,864)	90,245
Accounts payable	(47,594)	48,176	(926)	95,330
Accrued compensation and employee benefits	14,358	13,960	(31,819)	37,812
Income taxes payable	(22,922)	(44,623)	12,935	39,041
Other operating items, net	15,656	(3,728)	2,583	10,551
Net cash (used) provided by operating activities	(119,104)	107,428	(168,916)	224,816
Investing activities:				
Investment in property, plant and equipment	(24,234)	(16,073)	(48,159)	(48,944)
Acquisitions, net of cash acquired	(3,000)	(75)	(107,750)	(75)
Proceeds from sale of assets	5,136	21,580	31,821	21,580
Proceeds from sale of Nikola shares	-	-	-	487,859
Net cash (used) provided by investing activities	(22,098)	5,432	(124,088)	460,420
Financing activities:				
Principal payments on long-term obligations	(10)	(96)	(402)	(193)
Proceeds from issuance of common shares, net of tax withholdings	(2,694)	2,294	(6,785)	1,144
Payments to noncontrolling interests	(2,879)	-	(12,076)	(560)
Repurchase of common shares	(12,702)	(38,563)	(73,587)	(92,883)
Dividends paid	(14,565)	(13,433)	(29,263)	(26,812)
Net cash used by financing activities	(32,850)	(49,798)	(122,113)	(119,304)
Increase (decrease) in cash and cash equivalents	(174,052)	63,062	(415,117)	565,932
Cash and cash equivalents at beginning of period	399,246	650,068	640,311	147,198
Cash and cash equivalents at end of period	\$ 225,194	\$ 713,130	\$ 225,194	\$ 713,130

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 adjusted operating income and adjusted net earnings per diluted share attributable to controlling interest, which generally exclude impairment and restructuring charges as well as other items that management believes are not reflective of, and thus should not be included when evaluating the performance of its ongoing operations. Additionally, the Company presents adjusted operating income and adjusted earnings before interest and taxes attributable to controlling interest (“adjusted EBIT”) for purposes of evaluating segment performance. These represent non-GAAP financial measures and are used by management to evaluate the Company’s performance, engage in financial and operational planning and determine incentive compensation because it believes that these measures provide additional perspective and, in some circumstances are more closely correlated to, the performance of the Company’s ongoing operations.

The following provides a reconciliation to adjusted operating income and adjusted earnings per diluted share from the most comparable GAAP measures for the three months ended November 30, 2021 and 2020.

Three Months Ended November 30, 2021					
	Operating Income	Earnings Before Income Taxes	Income Tax Expense	Net Earnings Attributable to Controlling Interest ⁽¹⁾	Earnings per Diluted Share
GAAP	\$ 90,465	\$ 144,411	\$ 31,226	\$ 110,301	\$ 2.15
Restructuring and other income, net	(2,004)	(2,004)	410	(1,513)	(0.03)
Non-GAAP	\$ 88,461	\$ 142,407	\$ 30,816	\$ 108,788	\$ 2.12
Three Months Ended November 30, 2020					
	Operating Income	Earnings Before Income Taxes	Income Tax Expense (Benefit)	Net Earnings (Loss) Attributable to Controlling Interest ⁽¹⁾	Earnings (Loss) per Diluted Share
GAAP	\$ 37,364	\$ (87,957)	\$ (19,445)	\$ (74,044)	\$ (1.40)
Impairment of long-lived assets	3,815	3,815	(894)	2,921	0.06
Restructuring and other expense, net	7,596	7,596	(1,736)	5,719	0.11
Incremental expenses related to Nikola gains	4,570	4,570	(1,081)	3,489	0.07
Loss on investment in Nikola	-	143,780	(30,737)	113,043	2.11
Non-GAAP	\$ 53,345	\$ 71,804	\$ 15,003	\$ 51,128	\$ 0.95
<i>Change</i>	\$ 35,116	\$ 70,603	\$ 15,813	\$ 57,660	\$ 1.17

The following provides a reconciliation to adjusted operating income and adjusted earnings per diluted share from the most comparable GAAP measures for the six months ended November 30, 2021 and 2020.

Six Months Ended November 30, 2021					
	Operating Income	Earnings Before Income Taxes	Income Tax Expense	Net Earnings Attributable to Controlling Interest ⁽¹⁾	Earnings per Diluted Share
GAAP	\$ 226,262	\$ 326,036	\$ 71,376	\$ 242,792	\$ 4.71
Restructuring and other income, net	(14,278)	(14,278)	1,890	(6,361)	(0.12)
Non-GAAP	\$ 211,984	\$ 311,758	\$ 69,486	\$ 236,431	\$ 4.59

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

Six Months Ended November 30, 2020

	Earnings				Earnings per Diluted Share
	Operating Income	Before Income Taxes	Income Tax Expense (Benefit)	Net Earnings Attributable to Controlling Interest ⁽¹⁾	
GAAP	\$ 7,243	\$ 694,559	\$ 144,333	\$ 542,631	\$ 9.97
Impairment of long-lived assets	13,739	13,739	(3,197)	10,542	0.19
Restructuring and other expense, net	9,444	9,444	(2,138)	7,049	0.13
Incremental expenses related to Nikola gains	54,081	54,081	(11,030)	43,051	0.79
Gains on investment in Nikola	-	(652,362)	135,459	(516,903)	(9.49)
Non-GAAP	<u>\$ 84,507</u>	<u>\$ 119,461</u>	<u>\$ 25,239</u>	<u>\$ 86,370</u>	<u>\$ 1.59</u>
<i>Change</i>	\$ 127,477	\$ 192,297	\$ 44,247	\$ 150,061	\$ 3.00

¹ Excludes the impact of the noncontrolling interest.

To further assist in the analysis of segment results for the periods presented, the following volume and sales information for the three and six months ended November 30, 2021 and 2020 has been provided along with a reconciliation of adjusted EBIT to the most comparable GAAP measure, which is operating income (loss) for purposes of measuring segment profit:

Three Months Ended November 30, 2021

	Sustainable					Consolidated
	Steel Processing	Consumer Products	Building Products	Energy Solutions	Other	
Volume (tons/units)	1,067,589	18,698,589	2,565,025	155,001	-	n/a
Sales	\$ 937,842	\$ 140,793	\$ 121,125	\$ 33,101	\$ -	\$ 1,232,861
Operating income	\$ 66,070	\$ 17,425	\$ 4,606	\$ 714	\$ 1,650	\$ 90,465
Restructuring and other income, net	(182)	-	-	-	(1,822)	(2,004)
Adjusted operating income (loss)	65,888	17,425	4,606	714	(172)	88,461
Miscellaneous income, net	17	159	218	82	564	1,040
Equity in net income of unconsolidated affiliates ⁽¹⁾	8,823	-	49,894	-	1,501	60,218
Less: Net earnings attributable to noncontrolling interests ⁽²⁾	2,803	-	-	-	-	2,803
Adjusted earnings before interest and taxes	<u>\$ 71,925</u>	<u>\$ 17,584</u>	<u>\$ 54,718</u>	<u>\$ 796</u>	<u>\$ 1,893</u>	<u>\$ 146,916</u>

Three Months Ended November 30, 2020

	Sustainable					Consolidated
	Steel Processing	Consumer Products	Building Products	Energy Solutions	Other	
Volume (tons/units)	1,023,979	16,657,815	2,264,576	247,289	11,066	n/a
Sales	\$ 468,723	\$ 117,513	\$ 93,989	\$ 34,023	\$ 16,844	\$ 731,092
Operating income (loss)	\$ 37,824	\$ 17,408	\$ 3,202	\$ 1,465	\$(22,535)	\$ 37,364
Impairment of long-lived assets	-	-	-	-	3,815	3,815
Restructuring and other expense, net	375	120	-	-	7,101	7,596
Incremental expenses related to Nikola gains	-	-	-	-	4,570	4,570
Adjusted operating income (loss)	38,199	17,528	3,202	1,465	(7,049)	53,345
Miscellaneous income, net	(5)	(96)	70	69	338	376
Equity in net income of unconsolidated affiliates ⁽¹⁾	1,861	-	22,692	-	1,078	25,631
Less: Net earnings attributable to noncontrolling interests ⁽²⁾	5,674	-	-	-	-	5,674
Adjusted earnings (loss) before interest and taxes	<u>\$ 34,381</u>	<u>\$ 17,432</u>	<u>\$ 25,964</u>	<u>\$ 1,534</u>	<u>\$ (5,633)</u>	<u>\$ 73,678</u>

⁽¹⁾ See supplemental break-out of equity income by unconsolidated affiliate in the table below.

⁽²⁾ Excludes the noncontrolling interest portion of restructuring (charges) gains of \$81 and \$(142) for the three months ended November 30, 2021 and 2020, respectively.

WORTHINGTON INDUSTRIES, INC.
NON-GAAP FINANCIAL MEASURES / SUPPLEMENTAL DATA
(In thousands, except volume)
(Continued)

	Six Months Ended November 30, 2021					Consolidated
	Steel Processing	Consumer Products	Building Products	Sustainable Energy Solutions	Other	
Volume (tons/units)	2,129,877	40,086,729	5,450,736	285,677	-	n/a
Sales	\$ 1,760,652	\$ 288,576	\$ 235,868	\$ 58,583	\$ -	\$ 2,343,679
Operating income (loss)	\$ 179,552	\$ 37,931	\$ 10,440	\$ (1,639)	\$ (22)	\$ 226,262
Restructuring and other income, net	(12,313)	-	-	(143)	(1,822)	(14,278)
Adjusted operating income (loss)	167,239	37,931	10,440	(1,782)	(1,844)	211,984
Miscellaneous income, net	47	209	144	22	1,248	1,670
Equity in net income of unconsolidated affiliates ⁽³⁾	18,172	-	92,887	-	2,075	113,134
Less: Net earnings attributable to noncontrolling interests ⁽⁴⁾	5,841	-	-	-	-	5,841
Adjusted earnings (loss) before interest and taxes	<u>\$ 179,617</u>	<u>\$ 38,140</u>	<u>\$ 103,471</u>	<u>\$ (1,760)</u>	<u>\$ 1,479</u>	<u>\$ 320,947</u>

	Six Months Ended November 30, 2020					Consolidated
	Steel Processing	Consumer Products	Building Products	Sustainable Energy Solutions	Other	
Volume (tons/units)	1,952,423	35,478,377	4,986,611	437,197	21,626	n/a
Sales	\$ 899,743	\$ 251,135	\$ 182,092	\$ 61,880	\$ 39,151	\$ 1,434,001
Operating income (loss)	\$ 51,441	\$ 40,832	\$ 2,763	\$ 822	\$ (88,615)	\$ 7,243
Impairment of long-lived assets	-	506	1,423	-	11,810	13,739
Restructuring and other income, net	1,846	120	-	-	7,478	9,444
Incremental expenses related to Nikola gains	-	-	-	-	54,081	54,081
Adjusted operating income (loss)	53,287	41,458	4,186	822	(15,246)	84,507
Miscellaneous income, net	(48)	(117)	(92)	151	933	827
Equity in net income of unconsolidated affiliates ⁽³⁾	3,170	-	45,243	-	852	49,265
Less: Net earnings attributable to noncontrolling interests ⁽⁴⁾	7,852	-	-	-	-	7,852
Adjusted earnings (loss) before interest and taxes	<u>\$ 48,557</u>	<u>\$ 41,341</u>	<u>\$ 49,337</u>	<u>\$ 973</u>	<u>\$ (13,461)</u>	<u>\$ 126,747</u>

⁽³⁾ See supplemental break-out of equity income by unconsolidated affiliate in the table below

⁽⁴⁾ Excludes the noncontrolling interest portion of impairment and restructuring (charges) gains of \$6,027 and \$(257) for the three months ended November 30, 2021 and 2020, respectively.

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

	Three Months Ended November 30,		Six Months Ended November 30,	
	2021	2020	2021	2020
WAVE	\$ 22,415	\$ 17,280	\$ 48,086	\$ 34,936
ClarkDietrich	27,479	5,411	44,801	10,307
Serviacero Worthington	8,823	1,861	18,172	3,170
ArtiFlex	1,815	1,253	3,023	1,145
Other	(314)	(174)	(948)	(293)
Total equity income	<u>\$ 60,218</u>	<u>\$ 25,631</u>	<u>\$ 113,134</u>	<u>\$ 49,265</u>