

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

	Three Months Ended November 30,		Six Months Ended November 30,	
	2020	2019	2020	2019
Net sales	\$ 731,092	\$ 827,637	\$ 1,434,001	\$ 1,683,496
Cost of goods sold	595,618	707,026	1,185,169	1,445,594
Gross margin	135,474	120,611	248,832	237,902
Selling, general and administrative expense	82,129	88,543	164,325	179,366
Impairment of long-lived assets	3,815	-	13,739	40,601
Restructuring and other expense (income), net	7,596	(50)	9,444	405
Incremental expenses related to Nikola gains	4,570	-	54,081	-
Operating income	37,364	32,118	7,243	17,530
Other income (expense):				
Miscellaneous income, net	376	636	827	1,331
Interest expense	(7,548)	(7,315)	(15,138)	(16,795)
Equity in net income of unconsolidated affiliates	25,631	47,346	49,265	72,113
Gains (loss) on investment in Nikola	(143,780)	-	652,362	-
Loss on extinguishment of debt	-	-	-	(4,034)
Earnings (loss) before income taxes	(87,957)	72,785	694,559	70,145
Income tax expense (benefit)	(19,445)	15,863	144,333	15,678
Net earnings (loss)	(68,512)	56,922	550,226	54,467
Net earnings attributable to noncontrolling interests	5,532	4,836	7,595	7,157
Net earnings (loss) attributable to controlling interest	\$ (74,044)	\$ 52,086	\$ 542,631	\$ 47,310
Basic				
Average common shares outstanding	52,988	55,059	53,532	55,150
Earnings (loss) per share attributable to controlling interest	\$ (1.40)	\$ 0.95	\$ 10.14	\$ 0.86
Diluted				
Average common shares outstanding	52,988	56,072	54,439	56,205
Earnings (loss) per share attributable to controlling interest	\$ (1.40)	\$ 0.93	\$ 9.97	\$ 0.84
Common shares outstanding at end of period	52,754	55,094	52,754	55,094
Cash dividends declared per share	\$ 0.25	\$ 0.24	\$ 0.50	\$ 0.48

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

	<u>November 30,</u> <u>2020</u>	<u>May 31,</u> <u>2020</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 713,130	\$ 147,198
Receivables, less allowances of \$1,291 and \$1,521 at November 30, 2020 and May 31, 2020, respectively	441,936	341,038
Inventories:		
Raw materials	152,824	234,629
Work in process	82,747	76,497
Finished products	68,872	93,975
Total inventories	304,443	405,101
Income taxes receivable	3,247	8,376
Assets held for sale	12,893	12,928
Investment in Nikola	143,850	-
Prepaid expenses and other current assets	68,371	68,538
Total current assets	1,687,870	983,179
Investments in unconsolidated affiliates	209,952	203,329
Operating lease assets	30,007	31,557
Goodwill	320,014	321,434
Other intangible assets, net of accumulated amortization of \$86,489 and \$92,774 at November 30, 2020 and May 31, 2020, respectively	174,376	184,416
Other assets	32,842	34,956
Property, plant and equipment:		
Land	23,592	24,197
Buildings and improvements	292,544	302,796
Machinery and equipment	1,082,979	1,055,139
Construction in progress	63,526	52,231
Total property, plant and equipment	1,462,641	1,434,363
Less: accumulated depreciation	890,317	861,719
Total property, plant and equipment, net	572,324	572,644
Total assets	<u>\$ 3,027,385</u>	<u>\$ 2,331,515</u>
Liabilities and equity		
Current liabilities:		
Accounts payable	\$ 337,976	\$ 247,017
Accrued compensation, contributions to employee benefit plans and related taxes	101,812	64,650
Dividends payable	14,843	14,648
Other accrued items	51,439	49,974
Current operating lease liabilities	10,954	10,851
Income taxes payable	39,990	949
Current maturities of long-term debt	160	149
Total current liabilities	557,174	388,238
Other liabilities	85,105	75,786
Distributions in excess of investment in unconsolidated affiliate	107,951	103,837
Long-term debt	707,340	699,516
Noncurrent operating lease liabilities	23,695	25,763
Deferred income taxes, net	115,649	71,942
Total liabilities	1,596,914	1,365,082
Shareholders' equity - controlling interest	1,276,899	820,821
Noncontrolling interests	153,572	145,612
Total equity	1,430,471	966,433
Total liabilities and equity	<u>\$ 3,027,385</u>	<u>\$ 2,331,515</u>

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

	Three Months Ended		Six Months Ended	
	November 30,		November 30,	
	2020	2019	2020	2019
Operating activities:				
Net earnings (loss)	\$ (68,512)	\$ 56,922	\$ 550,226	\$ 54,467
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:				
Depreciation and amortization	21,560	22,596	43,771	46,773
Impairment of long-lived assets	3,815	-	13,739	40,601
Provision for (benefit from) deferred income taxes	(31,776)	6,843	39,255	3,345
Bad debt (income) expense	(159)	143	(65)	311
Equity in net income of unconsolidated affiliates, net of distributions	4,608	(19,879)	(2,149)	(14,797)
Net (gain) loss on sale of assets	7,271	(17)	7,673	601
Stock-based compensation	4,854	3,280	9,710	7,275
(Gains) loss on investment in Nikola	143,779	-	(652,362)	-
Charitable contribution of Nikola shares	-	-	20,653	-
Loss on extinguishment of debt	-	-	-	4,034
Changes in assets and liabilities:				
Receivables	3,580	(5,456)	(78,614)	9,525
Inventories	4,623	43,601	90,245	87,883
Accounts payable	48,176	(20,743)	95,330	(57,977)
Accrued compensation and employee benefits	13,960	9,619	37,812	(13,596)
Income taxes payable	(44,623)	(118)	39,041	(1,132)
Other operating items, net	(3,728)	7,369	10,551	1,216
Net cash provided by operating activities	107,428	104,160	224,816	168,529
Investing activities:				
Investment in property, plant and equipment	(16,073)	(28,381)	(48,944)	(50,555)
Proceeds from sale of Nikola shares	-	-	487,859	-
Acquisitions, net of cash acquired	(75)	(29,283)	(75)	(29,283)
Proceeds from sale of assets	21,580	23	21,580	9,199
Net cash provided (used) by investing activities	5,432	(57,641)	460,420	(70,639)
Financing activities:				
Proceeds from long-term debt, net of issuance costs	-	(134)	-	101,464
Principal payments on long-term obligations and debt redemption costs	(96)	(490)	(193)	(154,467)
Proceeds from issuance of common shares, net of tax withholdings	2,294	(3,811)	1,144	(7,024)
Payments to noncontrolling interests	-	(1,453)	(560)	(1,453)
Repurchase of common shares	(38,563)	-	(92,883)	(29,599)
Dividends paid	(13,433)	(13,954)	(26,812)	(26,914)
Net cash used by financing activities	(49,798)	(19,842)	(119,304)	(117,993)
Increase (decrease) in cash and cash equivalents	63,062	26,677	565,932	(20,103)
Cash and cash equivalents at beginning of period	650,068	45,583	147,198	92,363
Cash and cash equivalents at end of period	\$ 713,130	\$ 72,260	\$ 713,130	\$ 72,260

WORTHINGTON INDUSTRIES, INC.
SUPPLEMENTAL DATA
(In thousands, except volume)

This supplemental information is provided to assist in the analysis of the results of operations.

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>November 30,</u>		<u>November 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Volume:				
Steel Processing (tons)	1,023,979	1,004,847	1,952,423	1,896,234
Pressure Cylinders (units)	19,180,746	21,608,356	40,923,811	41,792,044
Net sales:				
Steel Processing	\$ 468,723	\$ 516,937	\$ 899,743	\$ 1,040,312
Pressure Cylinders	262,284	290,136	533,188	594,532
Other	85	20,564	1,070	48,652
Total net sales	<u>\$ 731,092</u>	<u>\$ 827,637</u>	<u>\$ 1,434,001</u>	<u>\$ 1,683,496</u>
Material cost:				
Steel Processing	\$ 313,330	\$ 370,760	\$ 618,917	\$ 767,202
Pressure Cylinders	108,930	127,112	224,647	253,982
Selling, general and administrative expense:				
Steel Processing	\$ 38,769	\$ 37,482	\$ 74,367	\$ 72,998
Pressure Cylinders	44,677	48,749	88,134	95,215
Operating income (loss):				
Steel Processing	\$ 37,824	\$ 17,172	\$ 51,441	\$ 23,340
Pressure Cylinders	3,305	15,647	11,947	45,270
Other	(322)	(1,919)	(1,081)	(47,051)
Segment operating income	40,807	30,900	62,307	21,559
Unallocated corporate and other	1,127	1,218	(983)	(4,029)
Incremental expenses related to Nikola gains	(4,570)	-	(54,081)	-
Total operating income	<u>\$ 37,364</u>	<u>\$ 32,118</u>	<u>\$ 7,243</u>	<u>\$ 17,530</u>
Equity income (loss) by unconsolidated affiliate:				
WAVE	\$ 17,280	\$ 41,738	\$ 34,936	\$ 65,655
ClarkDietrich	5,411	4,917	10,307	9,007
Serviacero Worthington	1,861	803	3,170	1,557
ArtiFlex	1,253	1,134	1,145	1,340
Other	(174)	(1,246)	(293)	(5,446)
Total equity income	<u>\$ 25,631</u>	<u>\$ 47,346</u>	<u>\$ 49,265</u>	<u>\$ 72,113</u>

WORTHINGTON INDUSTRIES, INC.
SUPPLEMENTAL DATA
(In thousands, except volume)

The following provides detail of Pressure Cylinders volume and net sales by principal class of products.

	Three Months Ended November 30,		Six Months Ended November 30,	
	2020	2019	2020	2019
Volume (units):				
Consumer products	15,915,466	18,675,057	33,772,607	35,573,447
Industrial products	3,265,076	2,932,923	7,150,881	6,217,378
Oil & gas equipment	204	376	323	1,219
Total Pressure Cylinders	<u>19,180,746</u>	<u>21,608,356</u>	<u>40,923,811</u>	<u>41,792,044</u>
Net sales:				
Consumer products	\$ 121,618	\$ 128,065	\$ 254,400	\$ 247,545
Industrial products	134,020	130,334	262,245	282,952
Oil & gas equipment	6,646	31,737	16,543	64,035
Total Pressure Cylinders	<u>\$ 262,284</u>	<u>\$ 290,136</u>	<u>\$ 533,188</u>	<u>\$ 594,532</u>

The following provides detail of impairment of long-lived assets and restructuring and other expense (income), net included in operating income by segment.

	Three Months Ended November 30,		Six Months Ended November 30,	
	2020	2019	2020	2019
Impairment of long-lived assets:				
Steel Processing	\$ -	\$ -	\$ -	\$ -
Pressure Cylinders	3,815	-	13,739	-
Other	-	-	-	40,601
Total impairment of long-lived assets	<u>\$ 3,815</u>	<u>\$ -</u>	<u>\$ 13,739</u>	<u>\$ 40,601</u>
Restructuring and other expense (income), net:				
Steel Processing	\$ 375	\$ -	\$ 1,846	\$ (26)
Pressure Cylinders	7,257	-	7,571	-
Other	(36)	(50)	27	431
Total restructuring and other expense (income), net	<u>\$ 7,596</u>	<u>\$ (50)</u>	<u>\$ 9,444</u>	<u>\$ 405</u>