



CREATING
PEAK VALUE

Apogee Enterprises, Inc.

Nasdaq: APOG

Fiscal 2026 First Quarter Earnings Call

June 27, 2025

Non-GAAP measures & forward-looking statements

This presentation contains measures of financial performance that are not defined by U.S. GAAP. We believe that these measures provide useful information and include these measures in other communications to investors. For each of these non-GAAP financial measures, we provide a reconciliation of the differences between the non-GAAP measure and the most directly comparable U.S. GAAP measure. These non-GAAP measures should be viewed in addition to, and not in lieu of, the comparable U.S. GAAP measure.

This presentation contains certain statements that are considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect our current views with respect to future events and financial performance. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "believe," "expect," "anticipate," "intend," "estimate," "forecast," "project," "should," "will," "continue" or similar words or expressions. All forecasts and projections in this presentation are "forward-looking statements," and are based on management's current expectations or beliefs of the Company's near-term results, based on current information available pertaining to the Company. From time to time, we may also provide oral and written forward-looking statements in other materials we release to the public, such as press releases, presentations to securities analysts or investors, or other communications by the Company. Any or all of our forward-looking statements in this presentation and in any public statements we make could be materially different from actual results.

Accordingly, we wish to caution investors that any forward-looking statements made by or on behalf of the Company are subject to uncertainties and other factors that could cause actual results to differ materially from such statements. These uncertainties and other risk factors include, but are not limited to, the risks and uncertainties set forth under the "Risk Factors" section of our Annual Report on Form 10-K, and in subsequent filings with the U.S. Securities and Exchange Commission.

We also wish to caution investors that other factors might in the future prove to be important in affecting the Company's results of operations. New factors emerge from time to time; it is not possible for management to predict all such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or a combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Agenda

Introductory remarks

Ty Silberhorn
Chief Executive Officer

Financial results and outlook

Matt Osberg
Chief Financial Officer

Q&A



FY2026 First Quarter Highlights

- Q1 results exceeded management expectations amid challenging market conditions and year-over-year headwinds
- Net sales growth of 4.6% driven by Performance Surfaces benefits from investments in capacity expansion and UW Solutions acquisition
- Architectural Services delivers 5th consecutive quarter of net sales growth
- Sequential improvement in revenue and adjusted EBITDA in Architectural Metals in Q1, building momentum for Q2
- Raising FY26 outlook for net sales and adjusted diluted EPS with year-over-year growth expected in the second half of the year

Net Sales

\$346.6M
+4.6% YoY

**Adjusted
EBITDA***

\$34.4M
(34.7)% YoY

**Adjusted
EBITDA
margin***

9.9%
(600) bps YoY

**Adjusted
diluted EPS***

\$0.56
(61.1)% YoY

*Non-GAAP financial measures, see reconciliation table

Q1 FY26 Consolidated Results

\$ in millions, except EPS	Q1 FY26	Q1 FY25	Change
Net Sales	\$346.6	\$331.5	4.6%
Adjusted EBITDA*	\$34.4	\$52.6	(34.7)%
Adjusted EBITDA margin*	9.9%	15.9%	
Adjusted diluted EPS*	\$0.56	\$1.44	(61.1)%

*Non-GAAP metric, see reconciliation table

Commentary

- Net Sales**
 - Net sales increase driven by \$22.0 million of inorganic sales from UW Solutions acquisition
 - Sales increase partially offset by lower volume in Architectural Glass and less favorable mix in Architectural Metals
- Adjusted EBITDA**
 - Decrease primarily driven by less favorable mix and higher aluminum costs in Architectural Metals, along with higher tariff expense in Architectural Services, partially offset by lower long-term incentive expense
- Adjusted Diluted EPS**
 - Decrease primarily driven by lower adjusted EBITDA, higher interest expense and higher adjusted effective tax rate

Segment Results

First Quarter FY2026

	Segment Net Sales \$M	Adjusted EBITDA Margin*
Architectural Metals <i>Year-over-year change</i>	\$128.6 <i>(3.4)%</i>	7.3% <i>(1,060) bps</i>
Architectural Services <i>Year-over-year change</i>	\$106.5 <i>7.6%</i>	5.7% <i>(90) bps</i>
Architectural Glass <i>Year-over-year change</i>	\$73.3 <i>(15.5)%</i>	18.3% <i>(500) bps</i>
Performance Surfaces <i>Year-over-year change</i>	\$42.3 <i>99.3%</i>	18.8% <i>(780) bps</i>

- *Adjusted EBITDA margin is a non-GAAP metric, see reconciliation table
- Segment net sales is defined as net sales for a certain segment and includes revenue related to intersegment transactions.
- Net sales intersegment eliminations are reported separately to exclude these sales from our consolidated total.

Cash Flow and Balance Sheet

\$ in millions	Q1 FY26	Q1 FY25
Cash flow from operations	\$(19.8)	\$5.5
Capital expenditures	\$(7.2)	\$(7.2)
Free cash flow*	\$(27.0)	\$(1.7)
Share repurchases	-	\$15.1
Dividends	\$5.5	\$5.4*
\$ in millions	May 31, 2025	Mar 1, 2025
Total debt	\$311.0	\$285.0
Cash & equivalents	\$32.8	\$41.4
Net debt**	\$278.2	\$243.6

*We declared dividends totaling \$5.4 million (\$0.25 per share) in the first quarter of fiscal 2025 that were paid in the second quarter of fiscal 2025.

**Consolidated Leverage Ratio, Free Cash Flow and Net Debt are Non-GAAP Financial Measure. See definitions at the end of this presentation.

Commentary

- Change in free cash flow was primarily driven by lower net earnings and an increase in cash used for working capital, including a net payment of \$13.7 million for the settlement of an arbitration award
- Returned \$5.5 million to shareholders in dividends
- Consolidated Leverage Ratio* of 1.6x (as defined in our credit agreement)
- No near-term debt maturities and strong liquidity

FY26 Outlook



Estimated Tariff Impact Summary

Tariff Summary assumes tariffs in place as of June 26, 2025

	DIRECT	INDIRECT
DESCRIPTION	<ul style="list-style-type: none">Tariffs incurred directly by the company to deliver products to customersPrimarily tariffs on aluminum products imported from CanadaServices: Impact from products fabricated in Canada with delivery into USMetals: Impact from products fabricated in Canada with delivery into US, and products fabricated in US imported to Canada	<ul style="list-style-type: none">Raw material cost inflation, primarily aluminumMore than 'typical' inflationary increases in prices from suppliersPotential impacts from supply chain disruptionsVolume declines from market softness and/or price increases
MITIGATION ACTIONS	<ul style="list-style-type: none">Optimizing manufacturing footprint in Fortify Phase 2; transition completed by end of Q2Restrict future sales from Canada into the US; transition completed by end of Q2	<ul style="list-style-type: none">Productivity initiativesSupply chain negotiations and diversificationInternal cost controlPrice increases where appropriateBalanced approach to price vs. volumeSales opportunities vs. foreign competitors
F26 ESTIMATED IMPACT (net of mitigation actions)	<ul style="list-style-type: none">~\$0.35-\$0.45 unfavorable EPS impact; majority in 1H~60% of the impact in Services segment, ~30% in Metals segment, remainder impacting Glass and SurfacesDoes not include material impacts from market softness or supply chain disruptions	

Increasing Full-Year FY26 Outlook

Net sales

\$1.40B - \$1.44B

(Previously \$1.37B – \$1.43B)

**Adjusted
diluted EPS***

\$3.80 to \$4.20

(Previously \$3.55 - \$4.10)

Additional details

- Building momentum with expectation of strong second half of FY2026, driven by Performance Surfaces and Glass
- Tariffs estimated to reduce full-year adjusted diluted EPS by \$0.35 to \$0.45 (previously \$0.45-\$0.55), primarily in the first half of FY26, before mitigation efforts take full effect
- Adjusted effective tax rate** of approximately 27.5%
- CapEx between \$35 million to \$40 million

*Non-GAAP metric, see reconciliation table

**Adjusted effective tax rate is a Non-GAAP Financial Measure. See definitions at the end of this presentation.

Summary

- Q1 results exceeded management expectations amid challenging market conditions and year-over-year headwinds
 - Sequential improvement in Architectural Metals
 - Strong revenue and execution in Architectural Services
- Positioned for a stronger second half, expected to deliver solid revenue growth
 - Led by Performance Surfaces revenue growth
 - Positive sales growth for Architectural Glass in Q3 and Q4
- Focused on what we can control to drive improved outcomes:
 - Tariff actions expected to substantially mitigate impact on the second half of FY26
 - Fortify Phase 2 is executing to plan
 - Active M&A pipeline to expand reach in products and geography
- Building positive momentum and raising FY26 outlook for net sales and adjusted diluted EPS with year-over-year growth expected in the second half



609 Main | Houston, TX
Photo credit: Harmon, Inc.

Q&A



Non-GAAP Financial Measures

- Adjusted net earnings, adjusted diluted EPS, and adjusted EBITDA are used by the Company to provide meaningful supplemental information about its operating performance by excluding amounts that are not considered part of core operating results to enhance comparability of results from period to period.
- Adjusted EBITDA represents adjusted net earnings before interest, taxes, depreciation, and amortization. We use adjusted EBITDA to assess segment performance and make decisions about the allocation of operating and capital resources by analyzing recent results, trends, and variances of each segment in relation to forecasts and historical performance.
- Free cash flow is defined as net cash provided by operating activities, minus capital expenditures. The Company considers this measure an indication of its financial strength. However, free cash flow does not fully reflect the Company's ability to freely deploy generated cash, as it does not reflect, for example, required payments on indebtedness and other fixed obligations.
- Net debt is a non-GAAP financial measure which the Company defines as total debt less cash and cash equivalents.
- Consolidated Leverage Ratio is calculated as Consolidated Funded Indebtedness minus Unrestricted Cash at the end of the current period, divided by Consolidated EBITDA (calculated as EBITDA plus certain non-cash charges and allowed addbacks, less certain non-cash income, plus the pro forma effect of acquisitions and certain pro forma run-rate cost savings for acquisitions and dispositions, as applicable for the trailing twelve months ended as of the current period). All capitalized and undefined terms used in this bullet are defined in the Company's credit agreement dated July 19, 2024. The Company is unable to present a quantitative reconciliation of forward-looking expected Consolidated Leverage Ratio to its most directly comparable forward-looking GAAP financial measure because such information is not available, and management cannot reliably predict all the necessary components of such GAAP financial measure without unreasonable effort or expense. In addition, the Company believes such reconciliation would imply a degree of precision that would be confusing or misleading to investors.
- Adjusted effective tax rate is a non-GAAP financial measure that reflects the tax burden on income after considering all of the specific non-GAAP adjustments. It is defined as income tax expense, less tax on adjusting items, divided by the adjusted earnings before income taxes.

Reconciliation of non-GAAP financial measures

Adjusted net earnings and adjusted diluted earnings per share

(Unaudited)

(In thousands)	Three Months Ended	
	May 31, 2025	June 1, 2024
Net (loss) income	\$ (2,688)	\$ 31,011
Acquisition-related costs ⁽¹⁾	349	—
Restructuring charges ⁽²⁾	15,350	1,122
Income tax impact on above adjustments ⁽³⁾	(1,161)	(275)
Adjusted net earnings	\$ 11,850	\$ 31,858
	Three Months Ended	
	May 31, 2025	June 1, 2024
Diluted (loss) earnings per share	\$ (0.13)	\$ 1.41
Acquisition-related costs ⁽¹⁾	0.02	—
Restructuring charges ⁽²⁾	0.72	0.05
Income tax impact on above adjustments ⁽³⁾	(0.05)	(0.01)
Adjusted diluted earnings per share	\$ 0.56	\$ 1.44
Weighted average diluted shares outstanding	21,338	22,061

(1) Acquisition-related costs include costs related to one-time expenses incurred to integrate the UW Solutions acquisition.

(2) Restructuring charges related to Project Fortify Phase 2.

(3) Income tax impact reflects the estimated blended statutory tax rate for the jurisdictions in which the charge or income occurred.

Note: Per share amounts are computed independently for each of the items presented so the sum of the items may not equal the total amount. See footnotes to non-GAAP reconciliation tables at the end of this presentation.

Reconciliation of non-GAAP financial measures

EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin

(Earnings before interest, taxes, depreciation, and amortization) (Unaudited)

	Three Months Ended May 31, 2025					
<i>(In thousands)</i>	Architectural Metals	Architectural Services	Architectural Glass	Performance Surfaces	Corporate and Other	Consolidated
Net income (loss)	\$ 3,669	\$ (6,193)	\$ 10,202	\$ 4,132	\$ (14,498)	\$ (2,688)
Interest expense (income), net	457	(52)	(145)	—	3,586	3,846
Income tax (benefit) expense	(44)	(8)	90	—	5,053	5,091
Depreciation and amortization	3,813	1,072	3,270	3,550	731	12,436
EBITDA	7,895	(5,181)	13,417	7,682	(5,128)	18,685
Acquisition-related costs ⁽¹⁾	—	—	—	277	72	349
Restructuring costs ⁽²⁾	1,471	11,248	—	—	2,631	15,350
Adjusted EBITDA	\$ 9,366	\$ 6,067	\$ 13,417	\$ 7,959	\$(2,425)	\$ 34,384
EBITDA margin	6.1 %	(4.9) %	18.3 %	18.2 %	(1.5) %	5.4 %
Adjusted EBITDA margin	7.3 %	5.7 %	18.3 %	18.8 %	(0.7) %	9.9 %

(1) Acquisition-related costs include costs related to one-time expenses incurred to integrate the UW Solutions acquisition.

(2) Restructuring charges related to Project Fortify Phase 2.

	Three Months Ended June 1, 2024					
<i>(In thousands)</i>	Architectural Metals	Architectural Services	Architectural Glass	Performance Surfaces	Corporate and Other	Consolidated
Net income (loss)	\$ 17,759	\$ 5,620	\$ 18,050	\$ 4,846	\$ (15,264)	\$ 31,011
Interest expense (income), net	570	3	(112)	—	(11)	450
Income tax expense (benefit)	6	—	(717)	—	10,774	10,063
Depreciation and amortization	4,507	950	3,010	796	713	9,976
EBITDA	22,842	6,573	20,231	5,642	(3,788)	51,500
Restructuring costs ⁽³⁾	998	—	—	—	124	1,122
Adjusted EBITDA	\$ 23,840	\$ 6,573	\$ 20,231	\$ 5,642	\$ (3,664)	\$ 52,622
EBITDA margin	17.2 %	6.6 %	23.3 %	26.6 %	(1.1) %	15.5 %
Adjusted EBITDA margin	17.9 %	6.6 %	23.3 %	26.6 %	(1.1) %	15.9 %

(3) Restructuring charges related to Project Fortify Phase 1.

Note: See footnotes to non-GAAP reconciliation tables at the end of this presentation.

Reconciliation of F26 Outlook Adjusted Diluted EPS

Adjusted diluted earnings per share (EPS) (Unaudited)

	Fiscal Year Ending February 28, 2026	
	Low Range	High Range
Diluted earnings per share	\$ 2.59	\$ 3.12
Acquisition-related costs ⁽¹⁾	0.14	0.09
Restructuring charges ⁽²⁾	1.20	1.11
Income tax impact on above adjustments per share ⁽³⁾	(0.13)	(0.12)
Adjusted diluted earnings per share	\$ 3.80	\$ 4.20

- (1) Acquisition-related costs include costs related to one-time expenses incurred to integrate the UW Solutions acquisition.
- (2) Restructuring charges related to Project Fortify Phase 2.
- (3) Income tax impact reflects the estimated blended statutory tax rate for the jurisdictions in which the charge or income occurred.

Note: Per share amounts are computed independently for each of the items presented so the sum of the items may not equal the total amount. See footnotes to non-GAAP reconciliation tables at the end of this presentation.

Long-Term Segment Margin Ranges

Shifting our segment long-term target margin ranges to adjusted EBITDA margin, to reflect our strategic focus on inorganic growth

	PREVIOUS ADJUSTED OPERATING MARGIN* TARGET	FY26 EST. D&A RUN RATE	UPDATED ADJUSTED EBITDA MARGIN* TARGET
Metals	10-15%	~3%	13-18%
Glass	10-15%	~4%	15-20%
Services	7-9%	~1%	8-10%
Surfaces	20%+	~7%	20-25%**

*Adjusted operating margin and Adjusted EBITDA margin are non-GAAP metrics, see appendix for more information

**Includes the dilutive effect of the UWS acquisition

Reconciliation of non-GAAP financial measures

Footnotes to non-GAAP reconciliation tables

(1) Acquisition-related costs include:

- Transaction costs related to the UW Solutions acquisition.
- Integration costs related to one-time expenses incurred to integrate the UW Solutions acquisition.
- Backlog amortization related to the value attributed to contracting the backlog purchased in the UW Solutions acquisition. These costs were amortized in SG&A over the period that the contracted backlog was shipped.
- Inventory step-up related to the incremental cost to value inventory acquired as part of the UW Solutions acquisition at fair value. These costs were expensed to cost of goods sold over the period the inventory was sold.

(2) Restructuring charges related to Project Fortify, including \$(0.2) million of employee termination costs and \$1.3 million of other costs incurred in the fourth quarter of fiscal 2025, and \$1.1 million of employee termination costs, and \$3.2 million of other costs incurred in fiscal 2025. Restructuring charges related to Project Fortify, including \$6.2 million of asset impairment charges, \$5.9 million of employee termination costs and \$0.3 million of other costs incurred in the fourth quarter of fiscal 2024. Restructuring charges in fiscal 2022 were related to the decision to exit certain operations in the Architectural Glass segment and reorganize operations within the Architectural Framing Systems (now Architectural Metals) segment.

(3) Impairment expense on intangible assets in the Architectural Metals Segment in the fourth quarter of fiscal 2025 and the fourth quarter of fiscal 2022.

(4) Expense related to an arbitration award, which represents the impact of the award amount net of existing reserves and estimated insurance proceeds.

(5) Realization of a New Markets Tax Credit (NMTC) benefit during the second quarter of fiscal 2024, which was recorded in other expense (income), net.

(6) Income tax impact reflects the estimated blended statutory tax rate for the jurisdictions in which the charge or income occurred.

(7) Average invested capital represents a trailing five quarter average of total assets less current liabilities (excluding current portion of long-term debt).

(8) ROIC is calculated by dividing net operating income after taxes by average invested capital.

(9) Adjusted ROIC calculated by dividing adjusted operating income after taxes by average invested capital

(10) Gain on the sale of a building and related fixed assets withing the Architectural Glass segment during the fourth quarter of fiscal 2022.

(11) Adjustment for impairment of minority equity investment is a result of the assignment for the benefit of creditors of all of the assets of a company in which Apogee held a minority interest. The impairment represented a write-down of Apogee's entire investment in the company.

(12) Worthless stock deduction and related discrete income tax benefits from the impairment of the Sotawall business, which was recorded in income tax expense.