

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

	Three Months Ended May 31,		Twelve Months Ended May 31,	
	2022	2021	2022	2021
Net sales	\$ 1,520,305	\$ 978,319	\$ 5,242,219	\$ 3,171,429
Cost of goods sold	1,352,582	752,171	4,527,403	2,532,351
Gross margin	167,723	226,148	714,816	639,078
Selling, general and administrative expense	104,642	99,925	399,568	351,145
Impairment of long-lived assets	-	-	3,076	13,739
Restructuring and other (income) expense, net	(2,314)	18,441	(17,096)	56,097
Incremental expenses related to Nikola gains	-	(2,676)	-	50,624
Operating income	65,395	110,458	329,268	167,473
Other income (expense):				
Miscellaneous income, net	651	797	2,714	2,163
Interest expense	(8,167)	(7,650)	(31,337)	(30,346)
Equity in net income of unconsolidated affiliates	53,041	42,386	213,641	123,325
Gains on investment in Nikola	-	-	-	655,102
Earnings before income taxes	110,920	145,991	514,286	917,717
Income tax expense	24,963	27,449	115,022	176,267
Net earnings	85,957	118,542	399,264	741,450
Net earnings attributable to noncontrolling interests	5,705	4,987	19,878	17,655
Net earnings attributable to controlling interests	<u>\$ 80,252</u>	<u>\$ 113,555</u>	<u>\$ 379,386</u>	<u>\$ 723,795</u>
Basic				
Weighted average common shares outstanding	48,780	51,587	49,940	52,701
Earnings per share attributable to controlling interest	<u>\$ 1.65</u>	<u>\$ 2.20</u>	<u>\$ 7.60</u>	<u>\$ 13.73</u>
Diluted				
Weighted average common shares outstanding	49,701	52,862	50,993	53,917
Earnings per share attributable to controlling interest	<u>\$ 1.61</u>	<u>\$ 2.15</u>	<u>\$ 7.44</u>	<u>\$ 13.42</u>
Common shares outstanding at end of period	48,380	51,330	48,380	51,330
Cash dividends declared per share	\$ 0.28	\$ 0.28	\$ 1.12	\$ 1.03

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

	May 31,	
	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 34,485	\$ 640,311
Receivables, less allowances of \$1,292 and \$608 at May 31, 2022 and May 31, 2021, respectively	857,493	639,964
Inventories:		
Raw materials	323,609	266,208
Work in process	255,019	183,413
Finished products	180,512	115,133
Total inventories	759,140	564,754
Income taxes receivable	20,556	1,958
Assets held for sale	20,318	51,956
Prepaid expenses and other current assets	93,661	69,049
Total current assets	1,785,653	1,967,992
Investments in unconsolidated affiliates	327,381	233,126
Operating lease assets	98,769	35,101
Goodwill	401,469	351,056
Other intangible assets, net of accumulated amortization of \$93,973 and \$80,513 at May 31, 2022 and May 31, 2021, respectively	299,017	240,387
Other assets	34,394	30,566
Property, plant and equipment:		
Land	51,483	21,744
Buildings and improvements	303,269	271,196
Machinery and equipment	1,196,806	1,046,065
Construction in progress	59,363	53,903
Total property, plant and equipment	1,610,921	1,392,908
Less: accumulated depreciation	914,581	877,891
Total property, plant and equipment, net	696,340	515,017
Total assets	\$ 3,643,023	\$ 3,373,245
Liabilities and equity		
Current liabilities:		
Accounts payable	\$ 668,438	\$ 567,392
Short-term borrowings	47,997	-
Accrued compensation, contributions to employee benefit plans and related taxes	117,530	137,698
Dividends payable	15,988	16,536
Other accrued items	70,125	52,250
Current operating lease liabilities	11,618	9,947
Income taxes payable	300	3,620
Current maturities of long-term debt	265	458
Total current liabilities	932,261	787,901
Other liabilities	115,991	82,824
Distributions in excess of investment in unconsolidated affiliate	81,149	99,669
Long-term debt	696,345	710,031
Noncurrent operating lease liabilities	88,183	27,374
Deferred income taxes, net	115,132	113,751
Total liabilities	2,029,061	1,821,550
Shareholders' equity - controlling interest	1,480,752	1,398,193
Noncontrolling interests	133,210	153,502
Total equity	1,613,962	1,551,695
Total liabilities and equity	\$ 3,643,023	\$ 3,373,245

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

	Three Months Ended May 31,		Twelve Months Ended May 31,	
	2022	2021	2022	2021
Operating activities:				
Net earnings	\$ 85,957	\$ 118,542	\$ 399,264	\$ 741,450
Adjustments to reconcile net earnings to net cash provided by operating activities:				
Depreciation and amortization	28,248	21,990	98,827	87,654
Impairment of long-lived assets	-	-	3,076	13,739
Provision for (benefit from) deferred income taxes	5,839	(4,304)	19,175	4,822
Bad debt expense (income)	63	(95)	959	(255)
Equity in net income of unconsolidated affiliates, net of distributions	(30,487)	(16,881)	(113,583)	(32,318)
Net (gain) loss on sale of assets	(2,320)	18,293	(16,150)	53,607
Stock-based compensation	4,141	4,692	16,100	19,129
Gains on investment in Nikola	-	-	-	(655,102)
Charitable contribution of Nikola shares	-	-	-	20,653
Changes in assets and liabilities, net of impact of acquisitions:				
Receivables	4,123	(112,535)	(151,328)	(223,254)
Inventories	111,323	(163,149)	(118,490)	(169,740)
Accounts payable	(38,737)	157,593	12,230	315,222
Accrued compensation and employee benefits	23,576	27,134	(29,348)	75,725
Income taxes payable	(4,490)	(33,896)	(5,977)	2,671
Other operating items, net	(22,398)	22,923	(44,643)	20,376
Net cash provided by operating activities	<u>164,838</u>	<u>40,307</u>	<u>70,112</u>	<u>274,379</u>
Investing activities:				
Investment in property, plant and equipment	(22,796)	(16,857)	(94,600)	(82,178)
Purchase of noncontrolling interest in WSP - Taylor	(6,811)	-	(6,811)	-
Acquisitions, net of cash acquired	548	203	(376,713)	(129,615)
Proceeds from sale of assets, net of selling costs	4,032	25,259	39,936	45,854
Proceeds from sale of Nikola shares	-	-	-	634,449
Net cash provided (used) by investing activities	<u>(25,027)</u>	<u>8,605</u>	<u>(438,188)</u>	<u>468,510</u>
Financing activities:				
Net proceeds from (repayments of) short-term borrowings	(63,912)	-	41,726	-
Principal payments on long-term obligations	(11)	(330)	(565)	(622)
Proceeds from issuance of common shares, net of tax withholdings	236	4,872	(6,280)	6,581
Payments to noncontrolling interests	(19,724)	(2,880)	(35,160)	(10,690)
Repurchase of common shares	(52,406)	(46,804)	(180,248)	(192,054)
Dividends paid	(13,833)	(12,964)	(57,223)	(52,991)
Net cash used by financing activities	<u>(149,650)</u>	<u>(58,106)</u>	<u>(237,750)</u>	<u>(249,776)</u>
Increase (decrease) in cash and cash equivalents	(9,839)	(9,194)	(605,826)	493,113
Cash and cash equivalents at beginning of year	44,324	649,505	640,311	147,198
Cash and cash equivalents at end of year	<u>\$ 34,485</u>	<u>\$ 640,311</u>	<u>\$ 34,485</u>	<u>\$ 640,311</u>

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 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 May 31, 2022 and 2021.

Three Months Ended May 31, 2022					
	Operating Income	Earnings Before Income Taxes	Income Tax Expense (Benefit)	Net Earnings Attributable to Controlling Interest ⁽¹⁾	Earnings per Diluted Share
GAAP	\$ 65,395	\$ 110,920	\$ 24,963	\$ 80,252	\$ 1.61
Restructuring and other income, net	(2,314)	(2,314)	570	(1,847)	(0.03)
Non-GAAP	\$ 63,081	\$ 108,606	\$ 24,393	\$ 78,405	\$ 1.58
Three Months Ended May 31, 2021					
	Operating Income	Earnings Before Income Taxes	Income Tax Expense (Benefit)	Net Earnings Attributable to Controlling Interest ⁽¹⁾	Earnings per Diluted Share
GAAP	\$ 110,458	\$ 145,991	\$ 27,449	\$ 113,555	\$ 2.15
Restructuring and other expense, net	18,441	18,441	(7,413)	10,998	0.20
Incremental expenses related to Nikola gains	(2,676)	(2,676)	1,544	(1,132)	(0.02)
Non-GAAP	\$ 126,223	\$ 161,756	\$ 33,318	\$ 123,421	\$ 2.33
<i>Change</i>	\$ (63,142)	\$ (53,150)	\$ (8,925)	\$ (45,016)	\$ (0.75)

The following provides a reconciliation to adjusted operating income and adjusted earnings per diluted share from the most comparable GAAP measures for the year ended May 31, 2022 and 2021.

Twelve Months Ended May 31, 2022					
	Operating Income	Earnings Before Income Taxes	Income Tax Expense (Benefit)	Net Earnings Attributable to Controlling Interest ⁽¹⁾	Earnings per Diluted Share
GAAP	\$ 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)
Non-GAAP	\$ 315,248	\$ 500,266	\$ 112,874	\$ 372,300	\$ 7.30
Twelve Months Ended May 31, 2021					
	Operating Income	Earnings Before Income Taxes	Income Tax Expense (Benefit)	Net Earnings Attributable to Controlling Interest ⁽¹⁾	Earnings per Diluted Share
GAAP	\$ 167,473	\$ 917,717	\$ 176,267	\$ 723,795	\$ 13.42
Impairment of long-lived assets	13,739	13,739	(3,200)	10,539	0.20
Restructuring and other expense, net	56,097	56,097	(29,450)	26,421	0.50
Incremental expenses related to Nikola gains	50,624	50,624	(10,241)	40,383	0.75
Gains on investment in Nikola	-	(655,102)	136,035	(519,067)	(9.63)
Non-GAAP	\$ 287,933	\$ 383,075	\$ 83,123	\$ 282,071	\$ 5.24
<i>Change</i>	\$ 27,315	\$ 117,191	\$ 29,751	\$ 90,229	\$ 2.06

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 twelve months ended May 31, 2022 and 2021 has been provided along with a reconciliation of adjusted EBIT to the most comparable GAAP measure, which is operating income for purposes of measuring segment profit:

	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
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, net	827	(245)	99	80	(110)	651
Equity in net income of unconsolidated affiliates ⁽¹⁾	6,922	-	43,634	-	2,485	53,041
Less: Net earnings attributable to noncontrolling interests ⁽²⁾	5,809	-	-	-	-	5,809
Adjusted earnings before interest and taxes	<u>\$ 16,536</u>	<u>\$ 29,489</u>	<u>\$ 63,567</u>	<u>\$ (1,676)</u>	<u>\$ 3,048</u>	<u>\$ 110,964</u>

	Three Months Ended May 31, 2021					
	Steel Processing	Consumer Products	Building Products	Sustainable Energy Solutions	Other	Consolidated
Volume (tons/units)	1,099,477	21,518,383	3,389,854	252,366	-	n/a
Sales	\$ 655,177	\$ 157,492	\$ 123,689	\$ 40,908	\$ 1,053	\$ 978,319
Operating income (loss)	\$ 94,333	\$ 19,344	\$ 8,043	\$ (6,448)	\$ (4,814)	\$ 110,458
Restructuring and other expense, net	79	(78)	256	10,293	7,891	18,441
Incremental expenses related to Nikola gains	-	-	-	-	(2,676)	(2,676)
Adjusted operating income	94,412	19,266	8,299	3,845	401	126,223
Miscellaneous income, net	(127)	(264)	104	11	1,073	797
Equity in net income of unconsolidated affiliates ⁽¹⁾	8,571	-	32,824	-	991	42,386
Less: Net earnings attributable to noncontrolling interests ⁽²⁾	5,025	-	-	-	-	5,025
Adjusted earnings (loss) before interest and taxes	<u>\$ 97,831</u>	<u>\$ 19,002</u>	<u>\$ 41,227</u>	<u>\$ 3,856</u>	<u>\$ 2,465</u>	<u>\$ 164,381</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 of \$104 and \$38 for the three months ended May 31, 2022 and 2021, respectively.

	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
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, net	862	(76)	240	64	1,624	2,714
Equity in net income of unconsolidated affiliates ⁽³⁾	29,787	-	176,498	-	7,356	213,641
Less: Net earnings attributable to noncontrolling interests ⁽⁴⁾	15,093	-	-	-	-	15,093
Adjusted earnings (loss) before interest and taxes	<u>\$ 203,272</u>	<u>\$ 94,302</u>	<u>\$ 216,608</u>	<u>\$ (6,236)</u>	<u>\$ 8,564</u>	<u>\$ 516,510</u>

Twelve months ended May 31, 2021

	Sustainable					Consolidated
	Steel Processing	Consumer Products	Building Products	Energy Solutions	Other	
Volume (tons/units)	4,066,773	74,656,594	11,181,873	897,261	33,419	n/a
Sales	\$ 2,059,397	\$ 523,697	\$ 402,038	\$ 134,890	\$ 51,407	\$ 3,171,429
Operating income (loss)	\$ 208,648	\$ 74,901	\$ 12,584	\$ (5,535)	\$ (123,125)	\$ 167,473
Impairment of long-lived assets	-	506	1,423	-	11,810	13,739
Restructuring and other income, net	1,883	41	256	10,293	43,624	56,097
Incremental expenses related to Nikola gains	-	-	-	-	50,624	50,624
Adjusted operating income (loss)	210,531	75,448	14,263	4,758	(17,067)	287,933
Miscellaneous income, net	(371)	(512)	194	203	2,649	2,163
Equity in net income of unconsolidated affiliates ⁽³⁾	15,965	-	103,447	-	3,913	123,325
Less: Net earnings attributable to noncontrolling interests ⁽⁴⁾	17,950	-	-	-	-	17,950
Adjusted earnings (loss) before interest and taxes	<u>\$ 208,175</u>	<u>\$ 74,936</u>	<u>\$ 117,904</u>	<u>\$ 4,961</u>	<u>\$ (10,505)</u>	<u>\$ 395,471</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 \$4,785 and \$(295) for the year ended May 31, 2022 and 2021, respectively.

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

	Three Months Ended		Twelve Months Ended	
	May 31,		May 31,	
	2022	2021	2022	2021
WAVE	\$ 20,755	\$ 24,460	\$ 87,426	\$ 78,869
ClarkDietrich	22,879	8,365	89,072	24,578
Serviacero Worthington	6,922	8,571	29,787	15,965
ArtiFlex	2,806	1,596	7,590	4,475
Cabs	(321)	(606)	(234)	(562)
Total equity income	<u>\$ 53,041</u>	<u>\$ 42,386</u>	<u>\$ 213,641</u>	<u>\$ 123,325</u>