



Q4 2023 Earnings Call

FEBRUARY 21, 2024



Forward-looking statements

Safe Harbor Statement

Statements included in this presentation that are not a description of historical facts are forward-looking statements. Words or phrases such as “believe,” “may,” “could,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “seek,” “plan,” “expect,” “should,” “would” or similar expressions are intended to identify forward-looking statements, and are based on Rogers’ current beliefs and expectations. This release contains forward-looking statements regarding our plans, objectives, outlook, goals, strategies, future events, future net sales or performance, capital expenditures, future restructuring, plans or intentions relating to expansions, business trends and other information that is not historical information. All forward-looking statements are based upon information available to us on the date of this release and are subject to risks, uncertainties and other factors, many of which are outside of our control, which could cause actual results to differ materially from those indicated by the forward-looking statements. Other risks and uncertainties that could cause such results to differ include the following, without limitation: failure to capitalize on, volatility within, or other adverse changes with respect to the Company's growth drivers, such as delays in adoption or implementation of new technologies; failure to successfully execute on our long-term growth strategy as a standalone company; uncertain business, economic and political conditions in the United States (U.S.) and abroad, particularly in China, South Korea, Germany, Belgium, England and Hungary, where we maintain significant manufacturing, sales or administrative operations; the trade policy dynamics between the U.S. and China reflected in trade agreement negotiations and the imposition of tariffs and other trade restrictions, as well as the potential for U.S.-China supply chain decoupling; fluctuations in foreign currency exchange rates; our ability to develop innovative products and the extent to which our products are incorporated into end-user products and systems and the extent to which end-user products and systems incorporating our products achieve commercial success; the ability and willingness of our sole or limited source suppliers to deliver certain key raw materials, including commodities, to us in a timely and cost-effective manner; intense global competition affecting both our existing products and products currently under development; business interruptions due to catastrophes or other similar events, such as natural disasters, war, including the ongoing conflict between Russia and Ukraine, terrorism or public health crises; the impact of sanctions, export controls and other foreign asset or investment restrictions; failure to realize, or delays in the realization of anticipated benefits of acquisitions and divestitures due to, among other things, the existence of unknown liabilities or difficulty integrating acquired businesses; our ability to attract and retain management and skilled technical personnel; our ability to protect our proprietary technology from infringement by third parties and/or allegations that our technology infringes third party rights; changes in effective tax rates or tax laws and regulations in the jurisdictions in which we operate; failure to comply with financial and restrictive covenants in our credit agreement or restrictions on our operational and financial flexibility due to such covenants; the outcome of ongoing and future litigation, including our asbestos-related product liability litigation or risks arising from the terminated DuPont Merger; changes in environmental laws and regulations applicable to our business; and disruptions in, or breaches of, our information technology systems. Should any risks and uncertainties develop into actual events, these developments could have a material adverse effect on the Company. For additional information about the risks, uncertainties and other factors that may affect our business, please see our most recent annual report on Form 10-K and any subsequent reports filed with the Securities and Exchange Commission, including quarterly reports on Form 10-Q. Rogers Corporation assumes no responsibility to update any forward-looking statements contained herein except as required by law.



Non-GAAP and Additional Information

Non-GAAP Information

This presentation includes the following financial measures that are not presented in accordance with generally accepted accounting principles in the United States of America (“GAAP”):

- (1) Adjusted operating income, which the Company defines as operating income excluding acquisition-related amortization of intangible assets and discrete items, which are acquisition and related integration costs, dispositions, gains or losses on the sale or disposal of property, plant and equipment, restructuring, severance, impairment and other related costs, non-routine shareholder advisory costs, (income) costs associated with terminated merger, UTIS fire (recovery) charges and the related income tax effect on these items (collectively, “discrete items”);
- (2) Adjusted operating margin, which the Company defines as adjusted operating income as a percentage of total net sales;
- (3) Adjusted operating expenses, which the Company defines as operating expenses excluding acquisition-related amortization of intangible assets and discrete items;
- (4) Adjusted net income, which the Company defines as net income (loss) excluding amortization of acquisition intangible assets, pension settlement charges and discrete items;
- (5) Adjusted earnings per diluted share, which the Company defines as earnings per diluted share excluding amortization of acquisition intangible assets, pension settlement charges and discrete items, divided by adjusted weighted average shares outstanding – diluted;
- (6) Adjusted EBITDA, which the Company defines as net income (loss) excluding interest expense, net, income tax expense (benefit), depreciation and amortization, stock-based compensation expense, pension settlement charges and discrete items;
- (7) Adjusted EBITDA Margin, which the Company defines as the percentage that results from dividing Adjusted EBITDA by total net sales;
- (8) Free Cash Flow, which the Company defines as net cash provided by (used in) operating activities less non-acquisition capital expenditures.

Management believes adjusted operating income, adjusted operating margin, adjusted operating expenses, adjusted net income, adjusted earnings per diluted share, adjusted EBITDA and adjusted EBITDA margin are useful to investors because they allow for comparison to the Company’s performance in prior periods without the effect of items that, by their nature, tend to obscure the Company’s core operating results due to potential variability across periods based on the timing, frequency and magnitude of such items. As a result, management believes that these measures enhance the ability of investors to analyze trends in the Company’s business and evaluate the Company’s performance relative to peer companies.

Management also believes free cash flow is useful to investors as an additional way of viewing the Company’s liquidity and provides a more complete understanding of factors and trends affecting the Company’s cash flows. However, non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation from, or as alternatives to, financial measures prepared in accordance with GAAP. In addition, these non-GAAP financial measures may differ from, and should not be compared to, similarly named measures used by other companies. Reconciliations of the differences between these non-GAAP financial measures and their most directly comparable financial measures calculated in accordance with GAAP are set forth below.

Introductions



Colin Gouveia

President &
Chief Executive Officer



Ram Mayampurath

Senior Vice President &
Chief Financial Officer



Larry Schmid

Senior Vice President of
Global Operations & Supply Chain



Today's Key Messages

1

Macroeconomic headwinds persisted in Q4, contributing to lower sales and gross margin.

2

Delivered meaningful Restore strategy progress in 2023: improved gross margin and free cash flow, and bolstered organization.

3

Continued focus on positioning Rogers for growth when demand improves.

4

Extending timeline to achieve prior Investor Day financial targets to beyond 2025 to reflect current macro expectations and market factors.

**Drove Strong Operational and Financial Improvements In 2023
Continued Focus And Investments To Drive Growth**

2023 Highlights

Restore 

RESTORE PHASE OBJECTIVES



COST IMPROVEMENT

- Portfolio and operations improvements
- Optimize capacity footprint



MARGIN FOCUS

- 34% GM in Q2'23
- 35% GM in 2H'23



BOLSTER ORGANIZATION

- Hiring for critical skillsets
- Operational and supply chain excellence



POSITION FOR GROWTH

- New capacity to support growth
- Strengthen balance sheet

RESULTS ACHIEVED



- Adjusted cost structure to match demand
- Divested non-core, low-margin product line
- Drove cost savings with consolidation of smaller facilities



- >35% gross margin in Q3'23
- FY 2023 gross margin improved by 75 bps
- Reduced adjusted operating expenses*



- Hired VP Ops and CTO with proven track records
- Targeted hiring in operations and supply chain



- Secured new design wins
- Investment in power substrate factory in China
- Generated >\$70M in FCF*; paid down \$185M on revolver

Delivered On 2023 Restore Phase Initiatives Outlined at Investor Day



Operations Highlights And Priorities

- ✓ Results Achieved
- 🔍 Continuing Priority



HUMAN CAPITAL DEVELOPMENT

- ✓
 - Filled key leadership positions
 - Fortified foundational safety management systems
- 🔍
 - Drive our safety performance towards best in class



OPERATIONAL EXCELLENCE

- ✓
 - Significant manufacturing & procurement cost savings
 - Improved on-time delivery to customers
 - Improved integrated business planning process
- 🔍
 - Continued savings through sourcing strategies, operational efficiencies and yields



SUPPORT GROWTH

- ✓
 - ~10% capacity utilization improvement on constrained line
 - Initiated new capacity project - China curamik® facility
- 🔍
 - Internal qualification of China power substrate factory in 2024
 - Targeted yield, capacity and quality improvements

Delivered On 2023 Initiatives And Continuing to Drive Improved Profitability

Results Overview

Q4 2023 SUMMARY

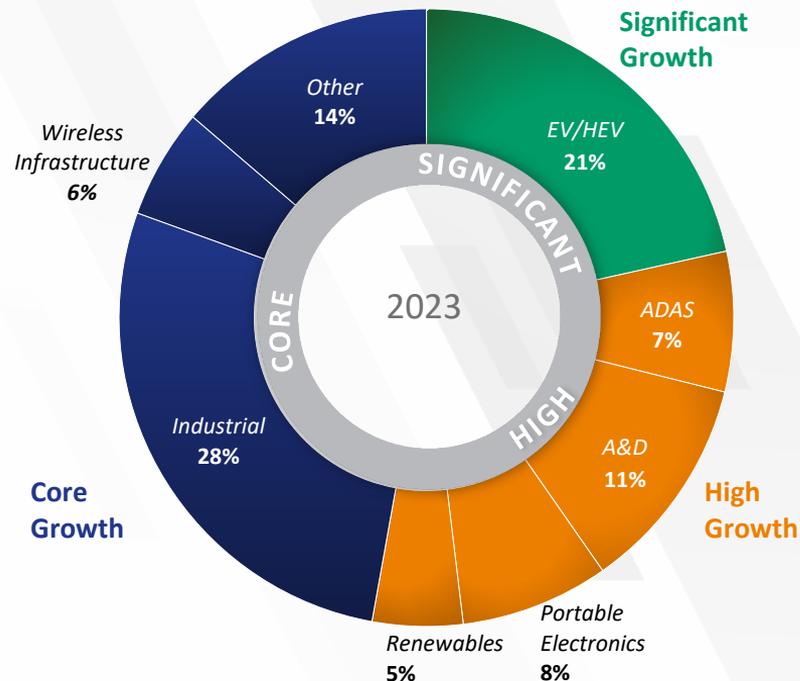
HIGHLIGHTS

- Higher Q4 EV/HEV market sales versus the prior quarter
- Strong full year sales growth in renewable energy and ADAS markets
- New design wins in EV/HEV, renewable energy and medical markets
- Operational improvement initiatives drove procurement savings

CHALLENGES

- Global contraction in manufacturing activity continued
- Macro headwinds resulted in further inventory destocking by customers and softness in many end markets
- Lower sales volumes led to a decline in gross margin and more than offset continuing cost improvement actions

REVENUE BY MARKET SEGMENT



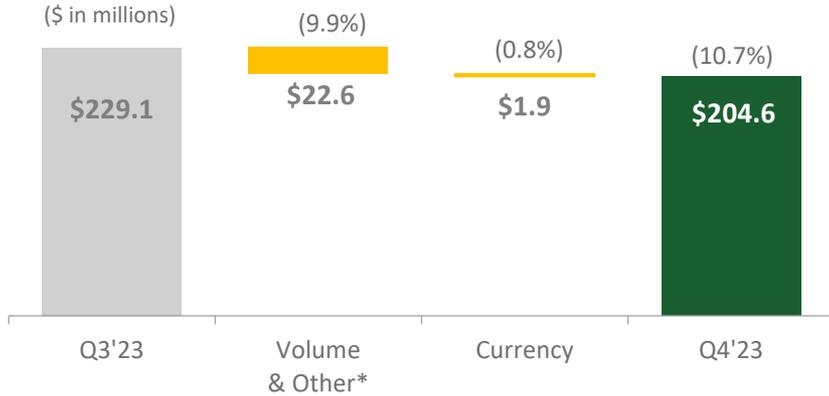
Percentages may not add due to rounding

Q4 and Full Year 2023 Financial Highlights

(in millions, except for EPS)	Q4 2023	Q3 2023	2023	2022
Net sales	\$204.6	\$229.1	\$908.4	\$971.2
Gross margin	\$67.4	\$80.4	\$307.1	\$321.0
Gross margin %	32.9%	35.1%	33.8%	33.1%
Operating income	\$30.5	\$27.1	\$85.3	\$144.4
Operating margin %	14.9%	11.8%	9.4%	14.9%
Adjusted operating income*	\$12.9	\$32.7	\$102.1	\$114.0
Adjusted operating margin %*	6.3%	14.3%	11.2%	11.7%
Net income	\$23.2	\$19.0	\$56.6	\$116.6
Net income % of net sales	11.3%	8.3%	6.2%	12.0%
Adjusted EBITDA*	\$23.4	\$45.4	\$147.7	\$160.2
Adjusted EBITDA margin %*	11.4%	19.8%	16.3%	16.5%
EPS	\$1.24	\$1.02	\$3.03	\$6.15
Adjusted EPS*	\$0.60	\$1.24	\$3.78	\$4.91

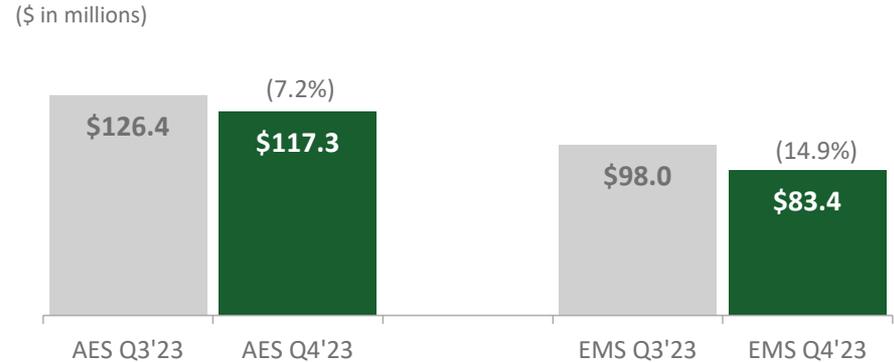
Q4 2023 Revenue Results

Consolidated Revenue QoQ



- Revenues of \$204.6 million decreased 10.7% versus Q3'23.
- Lower volume primarily from a decline in sales in the portable electronics and industrial markets.
- Unfavorable currency impact primarily from euro and RMB sales.

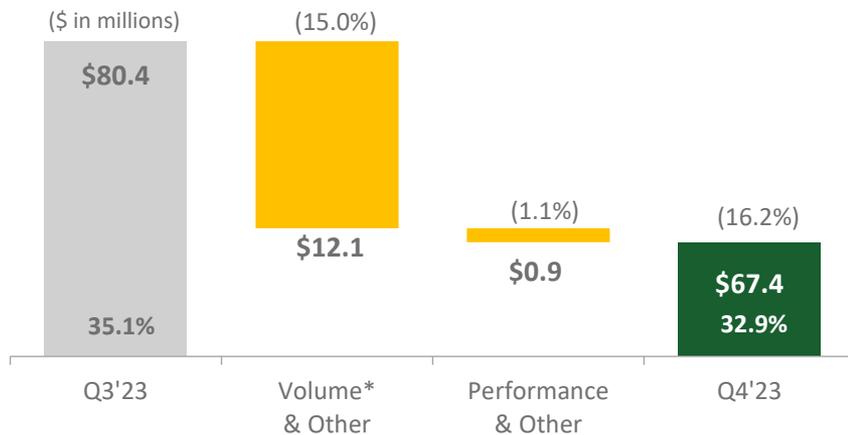
Revenue by Operating Segment QoQ**



- AES: Higher EV/HEV market sales more than offset by lower sales in the aerospace and defense (A&D), industrial and renewable energy markets. Unfavorable foreign currency \$1.3 million.
- EMS: Higher EV/HEV market sales more than offset by lower sales in portable electronics and general industrial markets. Unfavorable foreign currency of \$0.6 million.

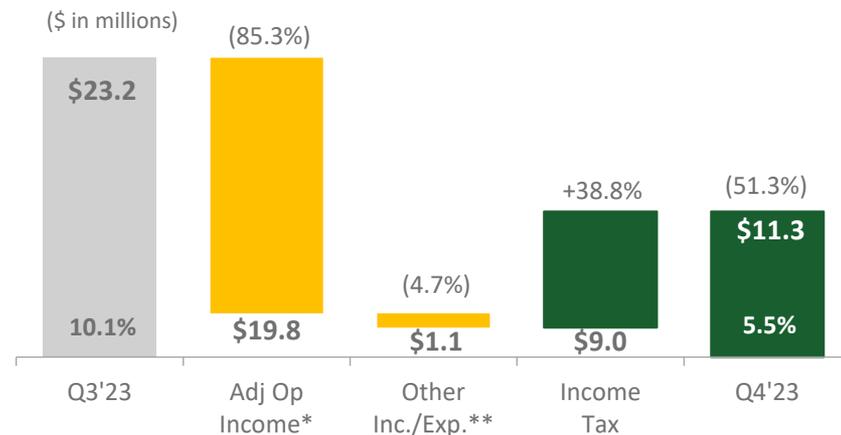
Q4 2023 Gross Margin and Adjusted Net Income*

Q4 Gross Margin



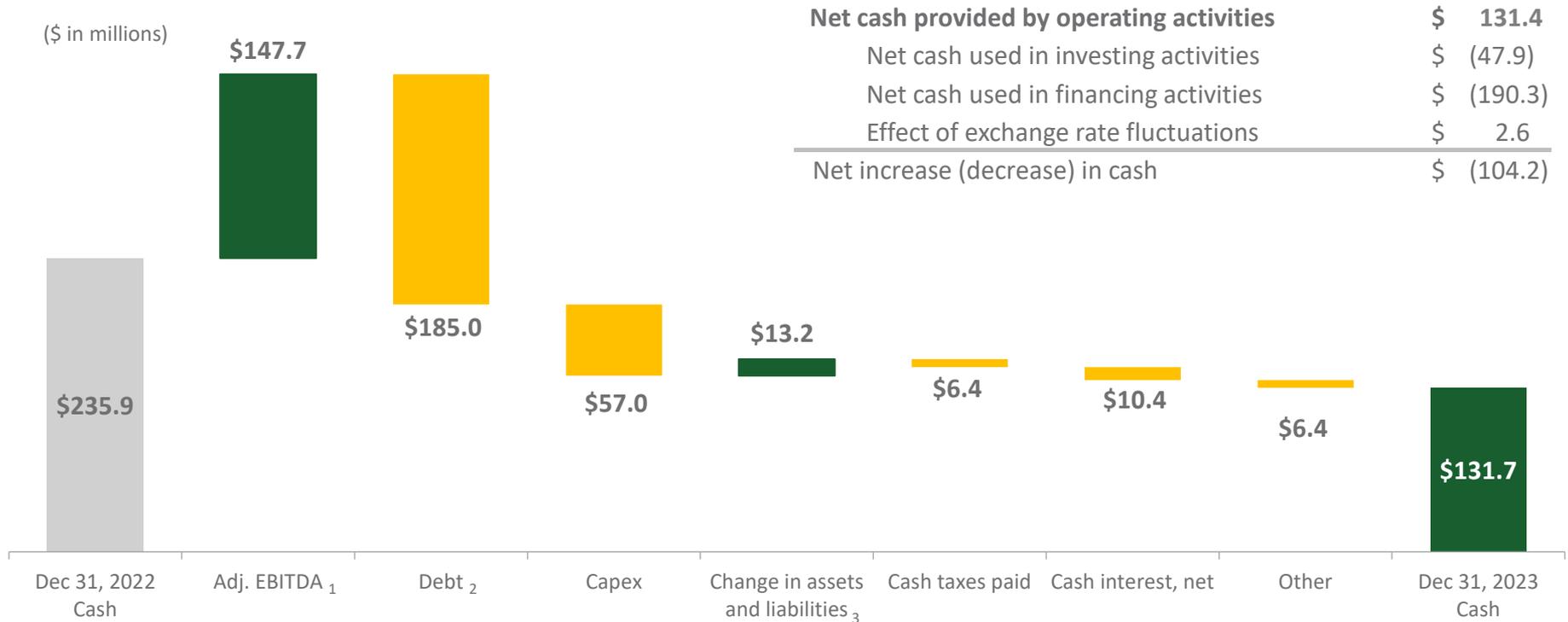
- Demand slowdown accelerated across the businesses in addition to unfavorable mix headwinds.
- Under-absorbed costs from lower production volume, more than offsetting procurement savings.

Adjusted Net Income*



- Adjusted Op Income*: Decline due to lower gross margin and higher adjusted operating expenses.
- Other Income/Expense**: Decrease due to losses on foreign currency transactions partially offset by lower interest expense.

Cash Utilization



1 - See reconciliation of adjusted EBITDA to GAAP net income in the appendix.

2 - Represents proceeds from borrowings under revolving credit facility less repayment of debt principal and finance lease obligations.

3 - Change in assets and liabilities per the statements of cash flows.

Note: dollars may not add due to rounding.

Q1 2024 Guidance

Net sales \$205M - \$215M

Gross Margin 32.0% - 33.0%

EPS \$0.30 - \$0.50

Adjusted EPS* \$0.45 - \$0.65



Multi-Year Financial Targets

Extending timeline to achieve previously communicated targets beyond 2025

Net Sales
\$1.2B - \$1.3B

Gross Margin
38% - 40%

Adjusted EBITDA*
24% - 26%

Adjusted EPS*
\$8.50 - \$9.50

WHAT HAS CHANGED

- Persistent challenges in the global manufacturing economy, with recovery expected to be gradual
- Lack of near-term visibility to rate of electric vehicle growth as OEMs globally reassess production plans
- Moderated outlook in some high growth & core markets

WHAT HAS NOT CHANGED

- Long-term growth opportunity in the EV/HEV market
- Leveraging repeatable engagement model to solve customers' most challenging problems
- Leading technology and market positions
- Targeted investments to support growth plans

Market Growth Expectations Over Multi-Year Period

LOW SINGLE
DIGIT
GROWTH RATE

CORE GROWTH

*Near-term headwinds from macro
Gradual market stabilization & growth*



Industrial



Wireless
Infrastructure



Other
Markets

MID SINGLE
DIGIT
GROWTH RATE

HIGH GROWTH

*Led by A&D & renewable energy markets
Lower ADAS & portable electronics growth rate*



Renewable
Energy



Portable
Electronics



Aerospace
& Defense



ADAS

HIGH TEENS
PLUS
GROWTH RATE

SIGNIFICANT GROWTH

*Phase 1 of new power substrate factory
EMS battery pad design wins ramp*



Electric Vehicles



Appendix

Q4 2023: Adjusted operating expenses reconciliation*

(\$ in millions)	Q3 2023	Q3 2023	Q4 2023	Q4 2023
GAAP operating expenses and margin	\$53.2	23.2%	\$36.8	18.0%
Acquisitions and divestiture related costs:				
Acquisition and related integration costs	\$0.0	0.0%	\$0.0	0.0%
Dispositions	\$0.7	0.3%	(\$1.1)	(0.5%)
Loss/(gain) on sale or disposal of assets	\$0.2	0.1%	\$1.9	0.9%
Restructuring, business realignment and other cost saving initiatives:				
Restructuring, severance, impairment and other related costs	(\$2.3)	(1.0%)	(\$1.4)	(0.7%)
Non-routine shareholder advisory costs	\$0.0	0.0%	(\$0.6)	(0.3%)
(Income) costs associated with terminated merger	(\$1.4)	(0.6%)	(\$1.1)	(0.5%)
Utis fire (recovery)/charges	\$0.7	0.3%	\$23.6	11.5%
Asbestos related charges	\$0.0	0.0%	(\$0.2)	(0.1%)
Total discrete items	(\$2.2)	(1.0%)	\$21.0	10.3%
Operating expenses adjusted for discrete items	\$51.1	22.3%	\$57.8	28.3%
Acquisition intangible amortization	(\$3.4)	(1.5%)	(\$3.3)	(1.6%)
Adjusted operating expenses and margin	\$47.7	20.8%	\$54.5	26.6%

Note: percentages and dollars may not add due to rounding.

*GAAP operating expenses include (i) selling, general and administrative expenses, (ii) research and development expenses, (iii) restructuring and impairment charges and (iv) other operating (income) expense, net per condensed consolidated statements of operations.

Q4 2023: Adjusted operating income and margin reconciliation

(\$ in millions)	Q3 2023	Q3 2023	Q4 2023	Q4 2023
GAAP operating income and margin	\$27.1	11.8%	\$30.5	14.9%
Acquisitions and divestiture related costs:				
Acquisition and related integration costs	\$0.0	0.0%	\$0.0	0.0%
Dispositions	(\$0.7)	(0.3%)	\$1.1	0.5%
Loss/(gain) on sale or disposal of assets	(\$0.2)	(0.1%)	(\$1.9)	(0.9%)
Restructuring, business realignment and other cost saving initiatives:				
Restructuring, severance, impairment and other related costs	\$2.3	1.0%	\$1.4	0.7%
Non-routine shareholder advisory costs	\$0.0	0.0%	\$0.6	0.3%
(Income) costs associated with terminated merger	\$1.4	0.6%	\$1.1	0.5%
Utis fire (recovery)/charges	(\$0.7)	(0.3%)	(\$23.6)	(11.5%)
Asbestos related charges	\$0.0	0.0%	\$0.2	0.1%
Total discrete items	\$2.2	1.0%	(\$21.0)	(10.3%)
Operating income and margin adjusted for discrete items	\$29.3	12.8%	\$9.5	4.6%
Acquisition intangible amortization	\$3.4	1.5%	\$3.3	1.6%
Adjusted operating income and margin	\$32.7	14.3%	\$12.9	6.3%

Q4 2023: Adjusted net income and margin reconciliation

(\$ in millions)	Q3 2023	Q3 2023	Q4 2023	Q4 2023
GAAP net income and margin	\$19.0	8.3%	\$23.2	11.3%
Acquisitions and divestiture related costs:				
Acquisition and related integration costs	\$0.0	0.0%	\$0.0	0.0%
Acquisition intangible amortization	\$3.4	1.5%	\$3.3	1.6%
Dispositions	(\$0.7)	(0.3%)	\$1.1	0.5%
Loss/(gain) on sale or disposal of assets	(\$0.2)	(0.1%)	(\$1.9)	(0.9%)
Restructuring, business realignment and other cost saving initiatives:				
Restructuring, severance, impairment and other related costs	\$2.3	1.0%	\$1.4	0.7%
Non-routine shareholder advisory costs	\$0.0	0.0%	\$0.6	0.3%
(Income) costs associated with terminated merger	\$1.4	0.6%	\$1.1	0.5%
Utis fire (recovery)/charges	(\$0.7)	(0.3%)	(\$23.6)	(11.5%)
Asbestos related charges	\$0.0	0.0%	\$0.2	0.1%
Pension settlement charges	\$0.0	0.0%	\$0.1	0.0%
Income tax effect of non-GAAP adjustments and intangible amortization	(\$1.4)	(0.6%)	\$5.6	2.7%
Adjusted net income and margin	\$23.2	10.1%	\$11.3	5.5%

Q4 2023: Adjusted earnings per share reconciliation

	Q3 2023	Q4 2023
GAAP earnings per diluted share	\$1.02	\$1.24
Acquisitions and divestiture related costs:		
Acquisition and related integration costs	\$0.00	\$0.00
Dispositions	(\$0.03)	\$0.13
Loss/(gain) on sale or disposal of assets	(\$0.01)	(\$0.07)
Restructuring, business realignment and other cost saving initiatives:		
Restructuring, severance, impairment and other related costs	\$0.09	\$0.06
Non-routine shareholder advisory costs	\$0.00	\$0.03
(Income) costs associated with terminated merger	\$0.06	\$0.05
Utis fire (recovery)/charges	(\$0.03)	(\$0.97)
Asbestos related charges	\$0.00	\$0.01
Pension settlement charges	\$0.00	\$0.01
Total discrete items	\$0.09	(\$0.77)
Earnings per diluted share adjusted for discrete items	\$1.11	\$0.47
Acquisition intangible amortization	\$0.13	\$0.14
Adjusted earnings per diluted share	\$1.24	\$0.60

Q4 2023: Adjusted EBITDA and margin reconciliation

(\$ in millions)	Q3 2023	Q4 2023
GAAP net income	\$19.0	\$23.2
Interest expense, net	\$2.3	\$1.4
Income tax expense	\$7.2	\$5.4
Depreciation	\$8.1	\$7.9
Amortization	\$3.4	\$3.3
Stock-based compensation expense	\$3.8	\$3.4
Acquisitions and divestiture related costs:		
Acquisition and related integration costs	\$0.0	\$0.0
Dispositions	(\$0.7)	\$1.1
Loss/(gain) on sale or disposal of assets	(\$0.2)	(\$1.9)
Restructuring, business realignment and other cost saving initiatives:		
Restructuring, severance, impairment and other related costs	\$2.3	\$1.4
Non-routine shareholder advisory costs	\$0.0	\$0.6
(Income) costs associated with terminated merger	\$0.9	\$0.7
Utis fire (recovery)/charges	(\$0.7)	(\$23.6)
Asbestos related charges	\$0.0	\$0.2
Pension settlement charges	\$0.0	\$0.1
Adjusted EBITDA	\$45.4	\$23.4
Divided by total net sales	\$229.1	\$204.6
Adjusted EBITDA margin	19.8%	11.4%

Q4 2023: Free cash flow reconciliation

(\$ in millions)	Q3 2023	Q4 2023
Net cash provided by operating activities	\$42.0	\$71.9
Non-acquisition capital expenditures	(\$6.7)	(\$22.5)
Free cash flow	\$35.3	\$49.4

2023: Adjusted operating expenses reconciliation*

(\$ in millions)	2022	2022	2023	2023
GAAP operating expenses	\$176.6	18.2%	\$221.8	24.4%
Acquisitions and divestiture related costs:				
Acquisition and related integration costs	(\$0.8)	(0.1%)	(\$0.1)	0.0%
Dispositions	(\$3.2)	(0.3%)	(\$1.6)	(0.2%)
Loss/(gain) on sale or disposal of assets	(\$0.5)	(0.0%)	\$2.6	0.3%
Restructuring, business realignment and other cost saving initiatives:				
Restructuring, severance, impairment and other related costs	(\$71.4)	(7.4%)	(\$20.2)	(2.2%)
Non-routine shareholder advisory costs	\$0.0	0.0%	(\$8.3)	(0.9%)
(Income) costs associated with terminated merger	\$120.3	12.4%	(\$6.0)	(0.7%)
Utis fire (recovery)/charges	\$2.4	0.2%	\$30.5	3.4%
Asbestos related charges	(\$0.1)	0.0%	(\$0.2)	0.0%
Total discrete items	\$46.8	4.8%	(\$3.4)	(0.4%)
Operating income and margin adjusted for discrete items	\$223.4	23.0%	\$218.3	24.0%
Acquisition intangible amortization	(\$16.4)	(1.7%)	(\$13.4)	(1.5%)
Adjusted operating expenses	\$207.1	21.3%	\$205.0	22.6%

Note: percentages and dollars may not add due to rounding.

*GAAP operating expenses include (i) selling, general and administrative expenses, (ii) research and development expenses, (iii) restructuring and impairment charges and (iv) other operating (income) expense, net per condensed consolidated statements of operations.

2023: Adjusted operating income and margin reconciliation

(\$ in millions)	2022	2022	2023	2023
GAAP operating income and margin	\$144.4	14.9%	\$85.3	9.4%
Acquisitions and divestiture related costs:				
Acquisition and related integration costs	\$0.8	0.1%	\$0.1	0.0%
Dispositions	\$3.2	0.3%	\$1.6	0.2%
Loss/(gain) on sale or disposal of assets	\$0.5	0.0%	(\$2.6)	(0.3%)
Restructuring, business realignment and other cost saving initiatives:				
Restructuring, severance, impairment and other related costs	\$71.4	7.4%	\$20.2	2.2%
Non-routine shareholder advisory costs	\$0.0	0.0%	\$8.3	0.9%
(Income) costs associated with terminated merger	(\$120.3)	(12.4%)	\$6.0	0.7%
Utis fire (recovery)/charges	(\$2.4)	(0.2%)	(\$30.5)	(3.4%)
Asbestos related charges	\$0.1	0.0%	\$0.2	0.0%
Total discrete items	(\$46.8)	(4.9%)	\$3.4	0.4%
Operating income and margin adjusted for discrete items	\$97.6	10.0%	\$88.7	9.8%
Acquisition intangible amortization	\$16.4	1.7%	\$13.4	1.5%
Adjusted operating income and margin	\$114.0	11.7%	\$102.1	11.2%

2023: Segment adjusted operating income and margin reconciliation

(\$ in millions)	AES 2023	AES 2023	EMS 2023	EMS 2023
GAAP operating income and margin	\$2.6	0.5%	\$76.1	20.1%
Acquisitions and divestiture related costs:				
Acquisition and related integration costs	\$0.0	0.0%	\$0.1	0.0%
Dispositions	(\$0.0)	0.0%	\$1.6	0.4%
Loss/(gain) on sale or disposal of assets	(\$2.5)	(0.5%)	(\$0.0)	0.0%
Restructuring, business realignment and other cost saving initiatives:				
Restructuring, severance, impairment and other related costs	\$13.3	2.6%	\$7.0	1.8%
Non-routine shareholder advisory costs	\$6.0	1.2%	\$2.3	0.6%
(Income) costs associated with terminated merger	\$4.3	0.8%	\$1.6	0.4%
Utis fire (recovery)/charges	\$0.0	0.0%	(\$30.5)	(8.0%)
Asbestos related charges	\$0.2	0.0%	\$0.1	0.0%
Total discrete items	\$21.2	4.2%	(\$17.8)	(4.7%)
Operating income and margin adjusted for discrete items	\$23.8	4.7%	\$58.3	15.4%
Acquisition intangible amortization	\$2.1	0.4%	\$11.3	3.0%
Adjusted operating income and margin	\$26.0	5.1%	\$69.6	18.4%

2023: Adjusted net income and margin reconciliation

(\$ in millions)	2022	2022	2023	2023
GAAP net income and margin	\$116.6	12.0%	\$56.6	6.2%
Acquisitions and divestiture related costs:				
Acquisition and related integration costs	\$0.8	0.1%	\$0.1	0.0%
Acquisition intangible amortization	\$16.4	1.7%	\$13.4	1.5%
Dispositions	\$3.2	0.3%	\$1.6	0.2%
Loss/(gain) on sale or disposal of assets	\$0.5	0.0%	(\$2.6)	(0.3%)
Restructuring, business realignment and other cost saving initiatives:				
Restructuring, severance, impairment and other related costs	\$71.4	7.4%	\$20.2	2.2%
Non-routine shareholder advisory costs	\$0.0	0.0%	\$8.3	0.9%
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Utis fire (recovery)/charges	(\$2.4)	(0.2%)	(\$30.5)	(3.4%)
Asbestos related charges	\$0.0	0.0%	\$0.2	0.0%
Pension settlement charges	\$0.0	0.0%	\$0.1	0.0%
Income tax effect of non-GAAP adjustments and intangible amortization	\$6.8	0.7%	(\$2.8)	(0.3%)
Adjusted net income and margin	\$93.0	9.6%	\$70.7	7.8%

2023: Adjusted earnings per share reconciliation

	2022	2023
GAAP earnings per diluted share	\$6.15	\$3.03
Acquisitions and divestiture related costs:		
Acquisition and related integration costs	\$0.03	\$0.01
Dispositions	\$0.13	\$0.15
Loss/(gain) on sale or disposal of assets	\$0.02	(\$0.11)
Restructuring, business realignment and other cost saving initiatives:		
Restructuring, severance, impairment and other related costs	\$2.90	\$0.82
Non-routine shareholder advisory costs	\$0.00	\$0.34
(Income) costs associated with terminated merger	(\$4.88)	\$0.25
Utis fire (recovery)/charges	(\$0.10)	(\$1.25)
Asbestos related charges	\$0.00	\$0.01
Pension settlement charges	\$0.00	\$0.01
Total discrete items	(\$1.91)	\$0.22
Earnings per diluted share adjusted for discrete items	\$4.25	\$3.25
Acquisition intangible amortization	\$0.66	\$0.54
Adjusted earnings per diluted share	\$4.91	\$3.78

2023: Adjusted EBITDA and margin reconciliation

(\$ in millions)	2022	2023
GAAP net income	\$116.6	\$56.6
Interest expense, net	\$9.5	\$10.1
Income tax expense	\$23.8	\$19.7
Depreciation	\$29.5	\$37.7
Amortization	\$16.4	\$13.4
Stock-based compensation expense	\$11.8	\$14.3
Acquisitions and divestiture related costs:		
Acquisition and related integration costs	\$0.8	\$0.1
Dispositions	\$3.2	\$1.6
Loss/(gain) on sale or disposal of assets	\$0.5	(\$2.6)
Restructuring, business realignment and other cost saving initiatives:		
Restructuring, severance, impairment and other related costs	\$70.9	\$14.6
Non-routine shareholder advisory costs	\$0.0	\$8.3
(Income) costs associated with terminated merger	(\$120.3)	\$4.0
Utis fire (recovery)/charges	(\$2.4)	(\$30.5)
Asbestos related charges	\$0.1	\$0.2
Pension settlement charges	\$0.0	\$0.1
Adjusted EBITDA	\$160.2	\$147.7
Divided by total net sales	\$971.2	\$908.4
Adjusted EBITDA margin	16.5%	16.3%



Q1 2024: Guidance Reconciliation

(\$ in millions)	Q1 2024
GAAP earnings per diluted share	\$0.30 – \$0.50
Discrete items	\$0.03
Acquisition intangible amortization	\$0.12
Adjusted earnings per diluted share	\$0.45 - \$0.65