



Apogee Enterprises, Inc.

Fiscal 2020 Fourth Quarter Earnings Call

April 2, 2020

Non-GAAP measures & forward-looking statements

This presentation contains non-GAAP financial measures which the company uses to evaluate historical and prospective financial performance, measure operational profitability on a consistent basis, and provide enhanced transparency to the investment community. Definitions for these non-GAAP financial measures are included in today's press release and reconciliations to the most directly comparable GAAP measures are included at the end of this presentation.

This presentation also contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect Apogee management's expectations or beliefs as of the date of this release and actual results may differ as a result of various factors that could affect Apogee's business and financial results. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. More information about factors that could affect Apogee's business and financial results can be found in the company's filings with the U.S. Securities and Exchange Commission

Agenda

Introductory remarks and business update

Joe Puishys

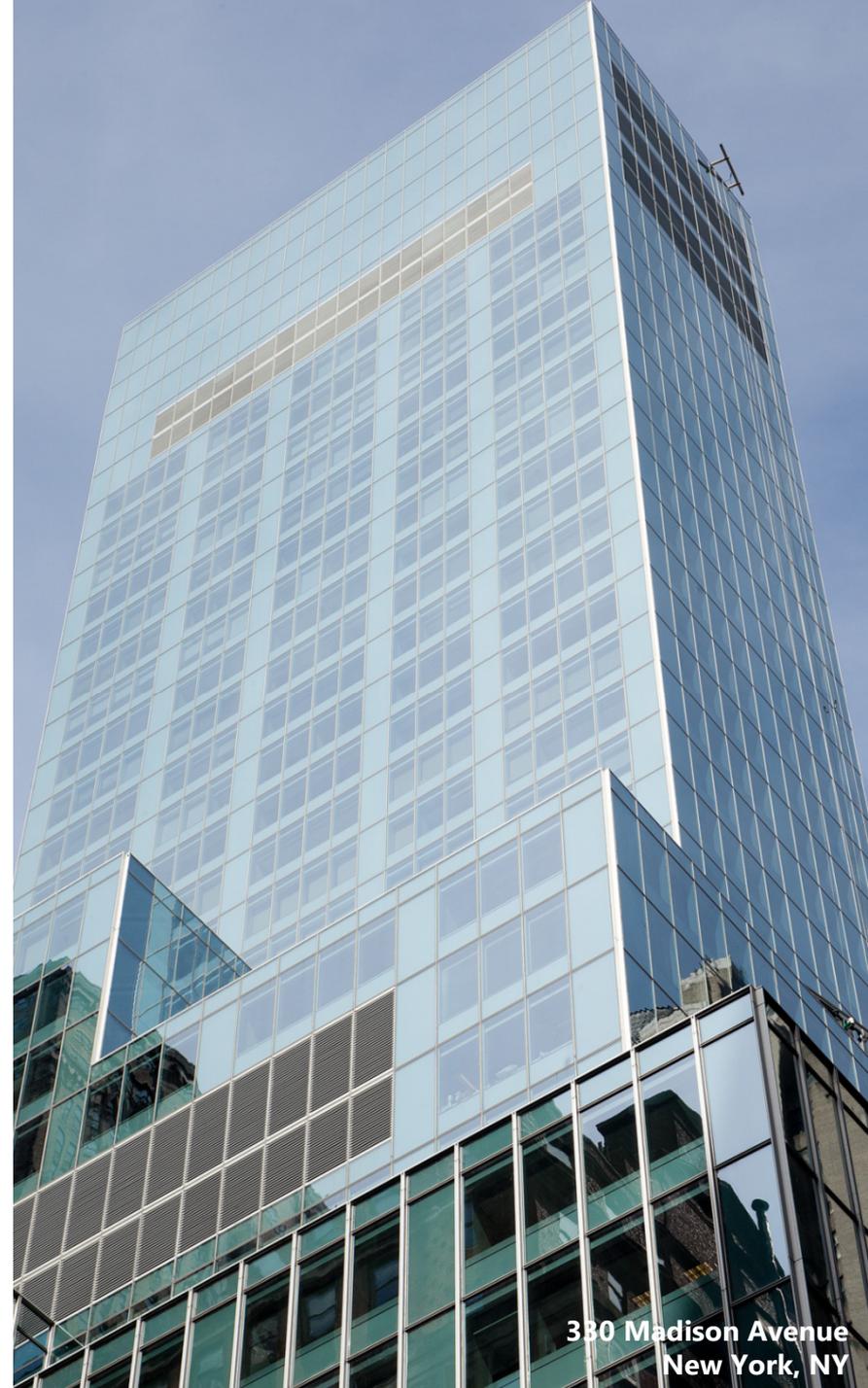
Chief Executive Officer

Financial results

Jim Porter

Executive Vice President and CFO

Q&A



380 Madison Avenue
New York, NY

FY2020 Fourth Quarter Highlights

- Earnings above prior guidance
- Strong order flow and backlog growth
 - Architectural Services backlog grew 9% to record \$660 million
 - Architectural Framing Systems backlog increased 14% to \$432 million
- Strong cash flow in the quarter, which drove full year free cash flow of \$56 million
- Reduced debt by \$33 million in Q4 and received commitment to extend term loan
- Significant progress on key strategic initiatives, including procurement savings program and other cost-reduction initiatives

Executing on what we can control
Closed the fiscal year with a strong foundation and good momentum

COVID-19 Response Plan

- Robust action plan, led by cross-functional response team
- Business continuity plans to maintain essential operations and meet customer needs
- Enhanced communications with employees and customers
- Site prevention activities including social distancing and heightened hygiene standards
- Restrictions on travel, visitors, and meetings
- Monitoring supply chain to ensure flow of critical materials
- Resources to assist affected employees

Focus is on the health & safety of our employees, while serving our customers

Business Update

- Not providing financial guidance due to uncertainty caused by COVID-19 situation
- Responding to rapidly changing project schedules and customer requirements
 - Apogee’s architectural segments are operating and serving customers’ needs
 - Large-Scale Optical seeing more significant near-term impact
- Procurement savings program and other cost-reduction initiatives announced last quarter are expected to deliver meaningful savings in fiscal 2021; maintain line of sight to \$30-\$40 million annual cost savings target when fully implemented
- Evaluating additional actions to manage costs and capacity as necessary
- Restricting capital expenditures to essential projects and suspending stock buybacks
- Strong cash flow and balance sheet provide significant financial flexibility

**Dealing with this period of uncertainty from a position of strength
Confident in our ability to adjust to market conditions**

FY2020 Q4 and Full-Year Consolidated Results

All numbers in \$M, except per share and where noted	4 th Quarter FY20	4 th Quarter FY19	Full-Year FY20	Full-Year FY19
Revenues	\$337.1	\$346.3	\$1,387	\$1,403
Operating income	15.6	(14.8)	87.8	67.3
Adjusted operating income*	17.6	31.2	90.0	116.3
Operating margin	4.6%	(4.3)%	6.3%	4.8%
Adjusted operating margin*	5.2%	9.0%	6.5%	8.3%
Adjusted EBITDA*	\$29.8	\$42.4	\$136.8	\$161.2
Interest and other expense, net	1.5	2.3	8.1	8.6
Tax rate	15.3%	29.5%	22.4%	22.1%
Earnings per diluted share	\$0.45	\$(0.45)	\$2.32	\$1.63
Adjusted EPS*	\$0.51	\$0.85	\$2.38	\$2.96

*See reconciliation of non-GAAP financial measures tables at the end of this presentation.

FY2020 Q4 and Full-Year Segment Results

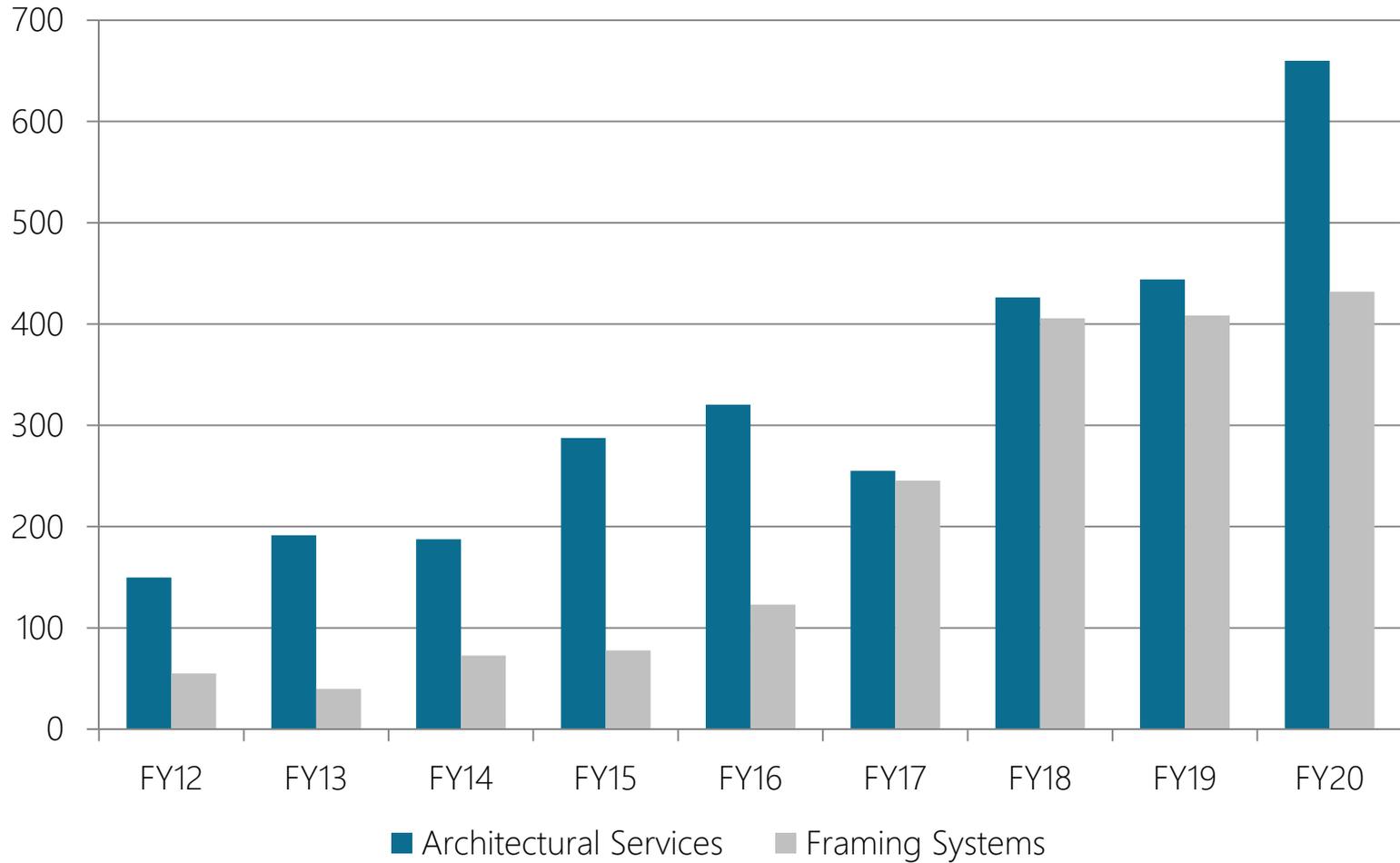
All numbers in \$M, except where noted

	4 th Quarter FY20	4 th Quarter FY19	Year-to-date FY20	Year-to-date FY19
Revenues				
Architectural Framing Systems	\$153.1	\$170.6	\$686.6	\$720.8
Architectural Glass	98.3	103.7	387.2	367.2
Architectural Services	73.4	66.3	269.1	286.3
Large-Scale Optical	21.5	24.0	87.9	88.5
Operating Margin				
Arch. Framing Systems	1.3%	3.6%	5.3%	6.9%
Arch. Framing Systems (adjusted)*	1.3%	5.6%	5.3%	8.0%
Architectural Glass	3.9%	7.1%	5.4%	4.5%
Architectural Services	11.6%	13.7%	8.8%	10.7%
Large-Scale Optical	33.0%	29.9%	25.8%	26.0%

*See reconciliation of non-GAAP financial measures tables at the end of this presentation.

Backlog Trend

Segment Backlog at Period End



Cash Flow and Balance Sheet

All numbers in \$M	FY2020	FY2019
Cash flow from operations	\$107.3	\$96.4
Capital expenditures	51.4	60.7
Free cash flow*	55.8	35.7
Share repurchases	25.1	43.3
Dividends paid	18.7	17.9
Total debt	217.9	245.7

*Free cash flow is defined as cash flow from operations less capital expenditures.

Concluding Remarks

- Closed FY20 with a solid fourth quarter
- Strong foundation and momentum in our business
- Focused on executing what we can control
- Strong cash flow and healthy financial position
- Taking action to deal with the effects of COVID-19
- Health & safety of our employees is top priority
- Confident we'll emerge from this situation positioned for future success



**One World Trade Center
New York, NY**



enterprises, inc.

Reconciliation of Non-GAAP Financial Measures

Adjusted Net Earnings and Adjusted Earnings per Diluted Common Share (Unaudited)

<i>In thousands</i>	Thirteen	Thirteen	Fifty-two	Fifty-two
	Weeks Ended	Weeks Ended	Weeks Ended	Weeks Ended
	February 29, 2020	March 2, 2019	February 29, 2020	March 2, 2019
Net earnings	\$ 11,958	\$ (12,084)	\$ 61,914	\$ 45,694
Cooperation agreement advisory costs	—	—	2,776	—
Acquired EFCO project matters	2,000	42,598	(635)	40,948
Amortization of short-lived acquired intangibles	—	239	—	4,894
Impairment charge	—	3,141	—	3,141
Income tax impact on above adjustments	(306)	(10,851)	(478)	(11,560)
Adjusted net earnings	\$ 13,652	\$ 23,043	\$ 63,577	\$ 83,117
	Thirteen	Thirteen	Fifty-two	Fifty-two
	Weeks Ended	Weeks Ended	Weeks Ended	Weeks Ended
	February 29, 2020	March 2, 2019	February 29, 2020	March 2, 2019
Earnings per diluted common share	\$ 0.45	\$ (0.45)	\$ 2.32	\$ 1.63
Cooperation agreement advisory costs	—	—	0.10	—
Acquired EFCO project matters	0.07	1.57	(0.02)	1.46
Amortization of short-lived acquired intangibles	—	0.01	—	0.17
Impairment charge	—	0.12	—	0.11
Income tax impact on above adjustments	(0.01)	(0.40)	(0.02)	(0.41)
Adjusted earnings per diluted common share	\$ 0.51	\$ 0.85	\$ 2.38	\$ 2.96

Reconciliation of Non-GAAP Financial Measures

Adjusted Operating Income and Adjusted Operating Margin (Unaudited)

Thirteen Weeks Ended February 29, 2020

<i>In thousands</i>	Framing Systems Segment		Corporate	Consolidated	
	Operating income	Operating margin	Operating loss	Operating income	Operating margin
Operating income (loss)	\$ 1,968	1.3%	\$ (5,720)	\$ 15,638	4.6 %
Acquired EFCO project matters	—	—	2,000	2,000	0.6%
Adjusted operating income (loss)	1,968	1.3%	(3,720)	17,638	5.2%

Thirteen Weeks Ended March 2, 2019

<i>In thousands</i>	Framing Systems Segment		Corporate	Consolidated	
	Operating income	Operating margin	Operating loss	Operating income	Operating margin
Operating income (loss)	\$ 6,107	3.6%	\$ (44,451)	\$ (14,778)	(4.3)%
Amortization of short-lived acquired intangibles	239	0.1%	—	239	0.1%
Acquired EFCO project matters	—	—	42,598	42,598	12.3%
Impairment charge	3,141	1.8%	—	3,141	0.9%
Adjusted operating income (loss)	\$ 9,487	5.6%	\$ (1,853)	\$ 31,200	9.0%

Reconciliation of Non-GAAP Financial Measures

Adjusted Operating Income and Adjusted Operating Margin (Unaudited)

Fifty-Two Weeks February 29, 2020

<i>In thousands</i>	Framing Systems Segment		Corporate	Consolidated	
	Operating income	Operating margin	Operating loss	Operating income	Operating margin
Operating income (loss)	\$ 36,110	5.3%	\$ (15,246)	\$ 87,848	6.3%
Cooperation agreement advisory costs	—	—	2,776	2,776	0.2%
Acquired EFCO project matters	—	—	(635)	(635)	—
Adjusted operating income (loss)	\$ 36,110	5.3%	\$ (13,105)	\$ 89,989	6.5%

Fifty-two Weeks Ended March 2, 2019

<i>In thousands</i>	Framing Systems Segment		Corporate	Consolidated	
	Operating income	Operating margin	Operating loss	Operating income	Operating margin
Operating income (loss)	\$ 49,660	6.9%	\$ (52,391)	\$ 67,284	4.8%
Amortization of short-lived acquired intangibles	4,894	0.7%	—	4,894	0.3%
Acquired EFCO project matters	—	—	40,948	40,948	2.9%
Impairment charge	3,141	0.4%	—	3,141	0.2%
Adjusted operating income (loss)	\$ 57,695	8.0%	\$ (11,443)	\$ 116,267	8.3%

Reconciliation of Non-GAAP Financial Measures

EBITDA and Adjusted EBITDA

(Unaudited)

<i>In thousands</i>	Thirteen		Fifty-two	
	Weeks Ended		Weeks Ended	
	February 29, 2020	March 2, 2019	February 29, 2020	March 2, 2019
Net earnings	\$ 11,958	\$ (12,084)	\$ 61,914	\$ 45,694
Income tax expense (benefit)	2,160	(5,062)	17,836	12,968
Interest and other expense, net	1,520	2,368	8,098	8,622
Depreciation and amortization	12,114	11,420	46,795	49,798
EBITDA	\$ 27,752	\$ (3,358)	\$ 134,643	\$ 117,082
Cooperation agreement advisory costs	—	—	2,776	—
Acquired EFCO project matters	2,000	42,598	(635)	40,948
Impairment charge	—	3,141	—	3,141
Adjusted EBITDA	\$ 29,752	\$ 42,381	\$ 136,784	\$ 161,171