



# Third Quarter 2020 Earnings Conference Call

2 November 2020



# Forward-looking Statements and Non-GAAP Financial Measures



## Forward-Looking Statements

This presentation and webcast contain statements that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that do not relate solely to historical or current facts and can generally be identified by the use of future dates or words such as "may," "should," "could," "will," "expects," "seeks to," "anticipates," "plans," "believes," "estimates," "foresee," "intends," "outlook," "predicts," "projects," "projecting," "potential," "targeting," "will likely result" or "continue" or the negative of such terms and other comparable terminology. These statements also include, but are not limited to, the 2020 outlook included herein, the impact of COVID-19 on our future business results, operations and prospects, Superior's strategic and operational initiatives, product mix and overall cost improvement and are based on current or revised expectations, estimates, and projections about Superior's business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties, and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements due to numerous factors, risks, and uncertainties discussed in Superior's Securities and Exchange Commission filings and reports, including Superior's current Annual Report on Form 10-K, and other reports from time to time filed with the Securities and Exchange Commission. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this webcast and presentation.

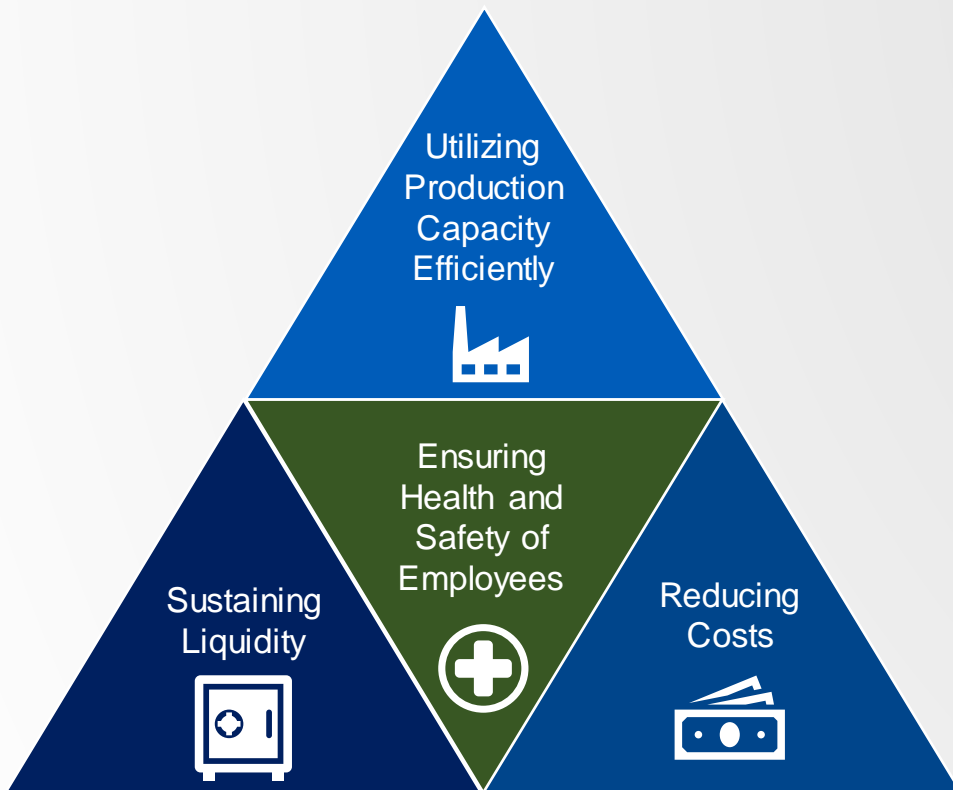
## Use of Non-GAAP Financial Measures

In addition to the results reported in accordance with GAAP included throughout this presentation, this presentation refers to "Adjusted EBITDA," which Superior has defined as earnings before interest and expense, income taxes, depreciation, amortization, restructuring charges and other closure costs, impairments of long-lived assets and investments, changes in fair value of redeemable preferred stock embedded derivative, acquisition and integration costs, certain hiring and separation related costs, proxy contest fees, gains associated with early debt extinguishment and accounts receivable factoring fees. This presentation also refers to "Value-Added Sales," which Superior defines as net sales less the value of aluminum and services provided by outsourced service providers that are included in net sales.

Management believes these non-GAAP measures are useful to management and may be useful to investors in their analysis of Superior's financial position and results of operations. Further, management uses these non-GAAP financial measures for planning and forecasting purposes. This non-GAAP financial information is provided as additional information for investors and is not in accordance with or an alternative to GAAP and may be different from similar measures used by other companies.

For reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, see the appendix of this presentation.

# Strong Execution in a Challenging Environment



## Ensuring Health and Safety of Employees:

Effective safety protocols

## Reducing Costs:

Margin expansion and earnings growth

## Sustaining Liquidity:

Record level of liquidity

## Utilizing Production Capacity Efficiently:

No disruptions with selective restarts

***COVID-19 response playbook in place if shutdowns reoccur***

## ***Cost and Cash Actions Deliver Margin Expansion and Strong Cash Flow***

### UNIT SHIPMENTS

**4.4M**

(10%) year-over-year

### NET SALES

**\$317M**

(10%) year-over-year

### VALUE-ADDED SALES<sup>(1)</sup>

**\$192M**

(4%) year-over-year<sup>(2)</sup>

### NET INCOME

**\$11M**

+\$18M year-over-year

### ADJUSTED EBITDA<sup>(1)</sup>

**\$47M**

24% of Value-Added Sales<sup>(1)</sup>

### **Third Quarter Performance:**

- Adj. EBITDA<sup>(1)</sup> margin expanded +440 basis points
- Y-o-Y Adj. EBITDA<sup>(1)</sup> grew 20%, despite lower volume
- Executed \$40M temporary and permanent cost actions
- Record liquidity<sup>(3)</sup> of \$336M; net debt<sup>(4)</sup> at \$519M
- Content growth accelerating: >=19" approx. 40% of sales
- Value-Added Sales<sup>(1)</sup> per wheel increased 7% Y-o-Y<sup>(2)</sup>

### **Operational Update:**

- Employee safety remains top priority
- Significant improvement in NA operating performance
- Manufacturing efficiency above pre-COVID-19 levels
- Consistent delivery in a challenging operating environment

### **2020 Outlook:**

- Release schedules indicate continued demand
- Permanent/structural cost improvements to benefit Q4
- Monitoring COVID-19 and mandated lockdowns

(1) Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see appendix for reconciliation to the most comparable GAAP measures

(2) Excludes impact of FX

(3) Includes cash and availability on committed revolving credit facilities

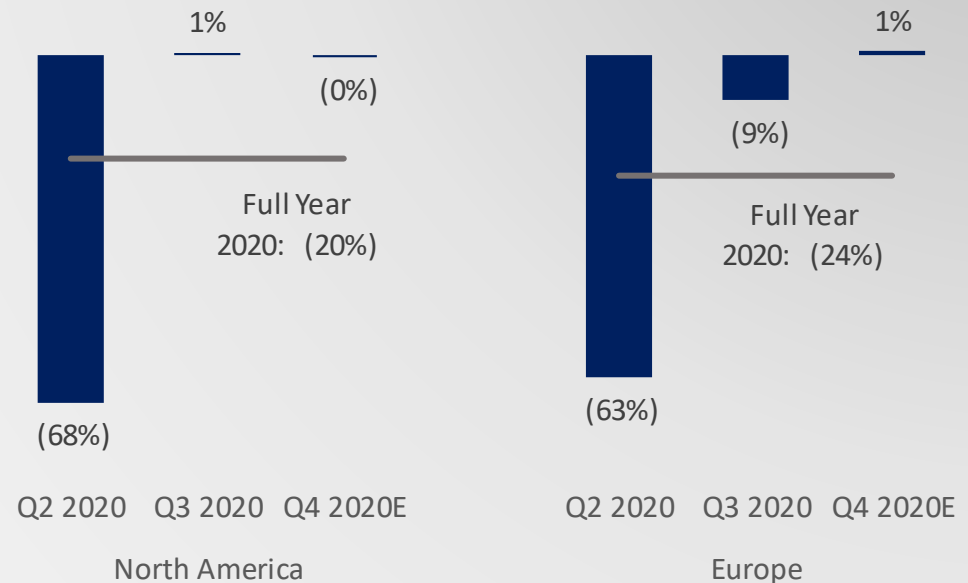
(4) Defined as total funded debt less cash

# Automotive Production Recovering from Significant COVID-19 Impact



- North America Q3 industry production flat Y-o-Y supported by low inventory levels
- Europe Q3 industry production significantly improved from Q2, but still declined 9% Y-o-Y
- Fourth quarter IHS<sup>(1)</sup> forecast indicates a relatively flat Y-o-Y production environment in both regions
- Uncertainty in production environment and demand remains due to COVID-19 resurgence

## Industry Light Vehicle Production Y-o-Y Change<sup>(1)</sup>



(1) Source: IHS Automotive as reported October 16, 2020; Europe based on Western and Central Europe

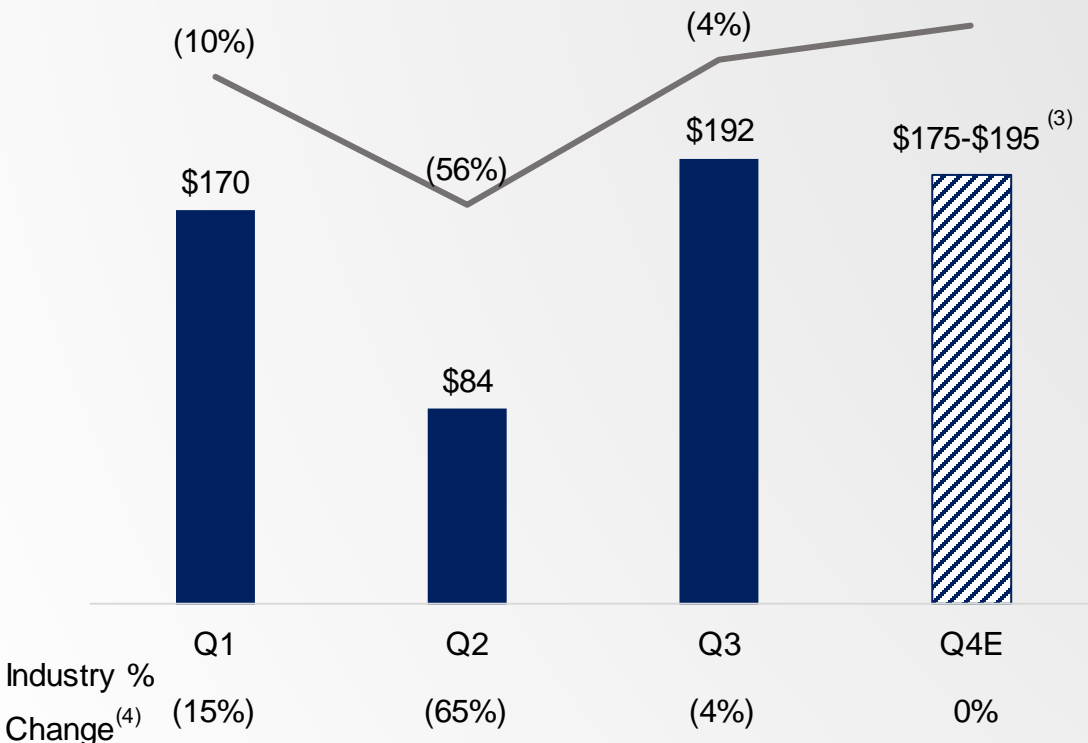
# Top-line Recovery Supported by Content Growth



## Sustained Growth Over Market Driven by Secular Tailwinds and Mix Shift

(\$ in millions)

### Superior Value-Added Sales<sup>(1)</sup> and Y-o-Y Change<sup>(2)</sup>



- Demand for portfolio of large diameter wheel mix and premium content remains robust
- Customer release schedules in North America continue to reflect consumer demand and limited inventory in the market
- Customer release schedules in Europe continue to reflect ongoing recovery

(1) Value-Added Sales is a non-GAAP financial measure; see appendix for reconciliations to the most comparable GAAP measures

(2) Change in Value-Added Sales excluding impact of FX

(3) Based on Q4 2020 financial outlook

(4) Source: IHS Automotive as reported October 16, 2020; based on North America and Western and Central Europe

# Shareholder Value Creation Roadmap



## Continued Execution of Long-Term Value Creation Initiatives



(1) Adjusted EBITDA is a non-GAAP financial measure; see appendix for reconciliation to the most comparable GAAP measure

# Solid Execution and Expansion of Technology Portfolio Serving both ICE and EV Platforms



## Execution of PVD Launch on Ford F-150



### Physical Vapor Deposition

A cleaner alternative to chrome plating

***Received Ford's Annual  
Excellence award for  
performance during launch***

## New Electric Vehicle Award



### North America OEM

Significant award for a Battery Electric  
Vehicle platform

***Validation of Superior's  
relevance on both ICE/EV  
platforms***



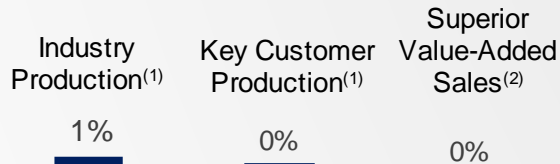


# Third Quarter Sales and Financial Results

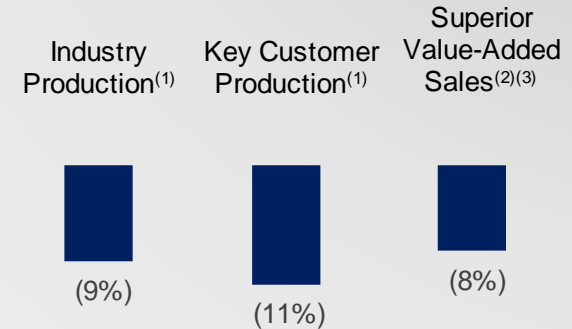
# Third Quarter Industry Production and Superior Sales Results



## North America Results



## Europe Results



## Superior's Global Sales

Industry Production<sup>(1)</sup>  
(4%)

Superior Value-Added Sales<sup>(2)(3)</sup> (4%)

Superior Decline in Line with Market<sup>(1)(2)(3)</sup>

(1) Source: IHS Automotive as reported October 16, 2020; Europe based on Western and Central Europe  
 (2) Value-Added Sales is a non-GAAP financial measure; see appendix for a reconciliation to the most comparable GAAP measure  
 (3) Excludes impact of FX

# Third Quarter 2020 Financial Summary



(\$ in millions and units in thousands)

	Three Months		Nine Months	
	3Q 2020	3Q 2019	YTD 2020	YTD 2019
<b>Units</b>				
North America	2,392	2,505	5,452	7,618
Europe	1,970	2,346	5,285	7,162
<b>Global</b>	<b>4,362</b>	<b>4,851</b>	<b>10,737</b>	<b>14,780</b>
<b>Net Sales</b>				
North America	\$ 166.7	\$ 188.1	\$ 381.2	\$ 553.6
Europe	150.4	163.9	381.9	508.6
<b>Global</b>	<b>\$ 317.1</b>	<b>\$ 352.0</b>	<b>\$ 763.1</b>	<b>\$ 1,062.2</b>
<b>Value-Added Sales <sup>(1)</sup></b>				
North America	\$ 93.4	\$ 93.5	\$ 204.6	\$ 270.1
Europe	99.1	101.9	242.2	311.8
<b>Global</b>	<b>\$ 192.5</b>	<b>\$ 195.5</b>	<b>\$ 446.8</b>	<b>\$ 581.9</b>
<b>Net Income (Loss)</b>	<b>\$ 11.1</b>	<b>\$ (6.6)</b>	<b>\$ (222.2)</b>	<b>\$ 2.6</b>
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$ 46.7</b>	<b>\$ 38.9</b>	<b>\$ 82.6</b>	<b>\$ 131.3</b>
<b>Diluted Earnings (Loss) Per Share <sup>(2)</sup></b>	<b>\$ 0.12</b>	<b>\$ (0.57)</b>	<b>\$ (9.66)</b>	<b>\$ (0.84)</b>

(1) Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see appendix for reconciliations to the most comparable GAAP measures

(2) See Impact of Acquisition and Non-Recurring Items on EPS and reconciliation from net income to diluted EPS in the appendix of this presentation

# Cost and Cash Flow Initiatives Supporting Margin Improvement and Cash Flow



## Margin Enhancement/Cost Actions

- Footprint rationalization
- Procurement savings - global buy
- Investment to reduce electrical expense
- Indirect labor headcount reductions
- Direct labor force reductions
- Compensation and benefit reductions
- Furloughs
- Travel restrictions
- Consultants and other third-party spending reductions

## Cash Flow Actions

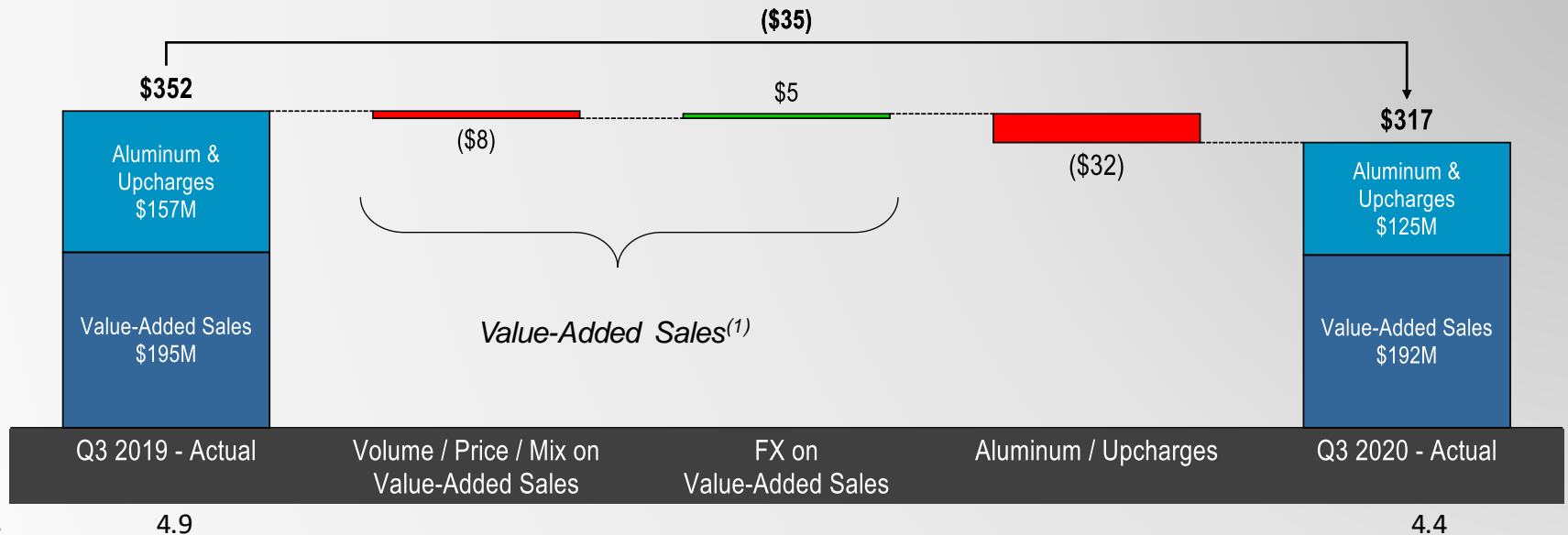
- Payment term negotiations
- Inventory reductions
- Expanded factoring offsetting higher Accounts Receivable
- Prioritization of capital expenditures

***Cost and cash flow actions supported significant margin improvement and increased cash flow***

# Third Quarter 2020 Year-over-Year Sales Bridge



(\$ and units in millions)



## Value-Added Sales<sup>(1)</sup>

- Volume / Price / Mix: Volume reduction partially offset by improved mix
- FX: Driven by stronger EUR/USD (1.17 vs. 1.11 in prior year period)

## Aluminum/Upcharges

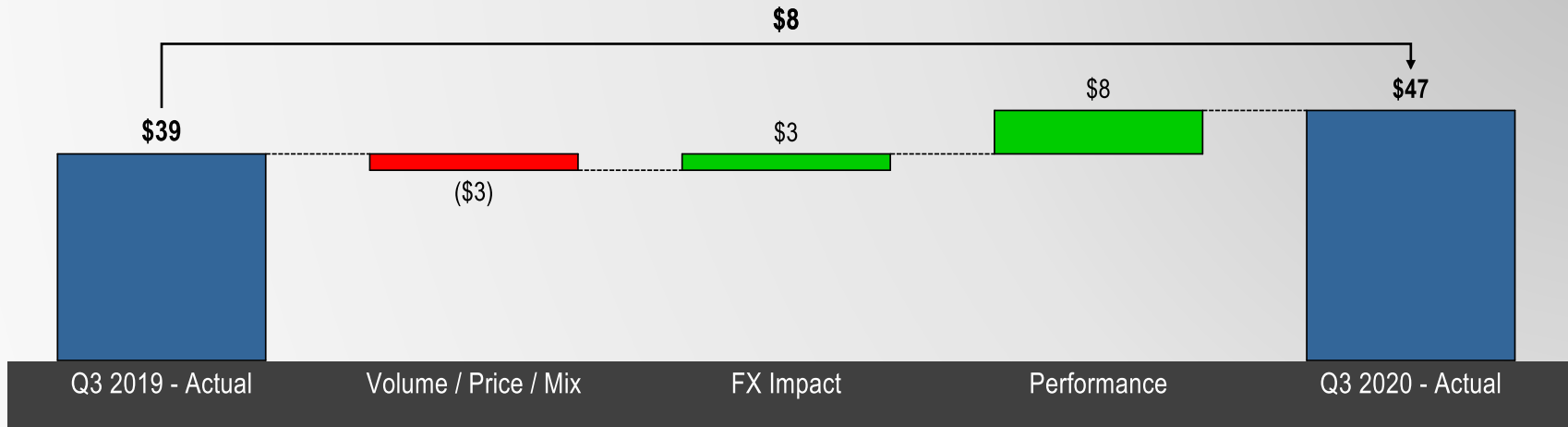
- Reflects lower unit shipment volumes and decrease in aluminum prices, partially offset by larger diameter wheels with more premium content

(1) Value-Added Sales is a non-GAAP measure; see appendix for reconciliation to net sales

# Third Quarter 2020 Year-over-Year Adj. EBITDA<sup>(1)</sup> Bridge



(\$ in millions)



Adj. EBITDA % of Value-Added Sales<sup>(1)</sup> 19.9%

24.3%

- Volume / Price / Mix: Reflects decrease in volume partially offset by content growth
- FX: Favorable currency exchange rates
- Performance: Reflects margin-enhancement initiatives – permanent and temporary cost reductions, rationalizing of manufacturing footprint, lower energy prices, and temporary government incentives

(1) Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see appendix for reconciliation to the most comparable GAAP measures

# Third Quarter 2020 Cash Flow



## *Profitability and Cash Initiatives Delivering Results*

	Q3	
	2020	2019
<b>Cash Flow from Operating Activities</b>		
<ul style="list-style-type: none"> <li>Y-o-Y improvement supported by higher profit and favorable working capital (supplier negotiations and expanded factoring offsetting higher Accounts Receivable)</li> </ul>	\$100M	\$33M
<b>Cash Used by Investing Activities</b>		
<ul style="list-style-type: none"> <li>Y-o-Y improvement driven by focusing capital expenditures, extending capital projects, and negotiating terms</li> </ul>	(\$10M)	(\$19M)
<b>Cash Used by Financing Activities</b>		
<ul style="list-style-type: none"> <li>Net repayments of outstanding indebtedness of \$111M</li> <li>Preferred dividends of \$3M</li> </ul>	(\$114M)	(\$20M)
	<b>Net Change in Cash<sup>(1)</sup></b>	
	(\$20M)	(\$8M)
	<b>Free Cash Flow<sup>(2)</sup></b>	
	\$86M	\$5M

(1) Includes impact of FX

(2) Free Cash Flow is defined as the sum of Operating, Investing, and Financing Activities before Debt Repayments and net Revolver changes

# Capital Structure Overview



## Capital Structure as of September 30, 2020

(\$ in millions)

<b>Total Cash</b>	<b>\$ 111</b>
U.S. \$160M Revolving Credit Facility	-
Europe €60M Revolving Credit Facility	-
Term Loan B	349
Equipment Loans	23
Capital Leases	3
<b>Total Senior Secured Debt</b>	<b>\$ 375</b>
Senior Unsecured Notes	255
<b>Total Debt</b>	<b>\$ 630</b>
<b>Net Debt</b>	<b>\$ 519</b>
<b>TPG Preferred Equity</b>	<b>\$ 175</b>

- Net debt<sup>(1)</sup> lower by \$77M from Q2 2020
- Record available liquidity of \$336M<sup>(2)</sup>
- Compliant with all covenants and going forward do not currently foresee a breach of covenants under debt agreements
- During the quarter, Superior repaid the outstanding amounts on its U.S. and European revolving credit facilities

(1) Defined as total funded debt less cash

(2) Includes cash and availability on committed revolving credit facilities

(3) Adjusted EBITDA for covenant calculation purposes is subject to certain adjustments as permitted in the credit agreements



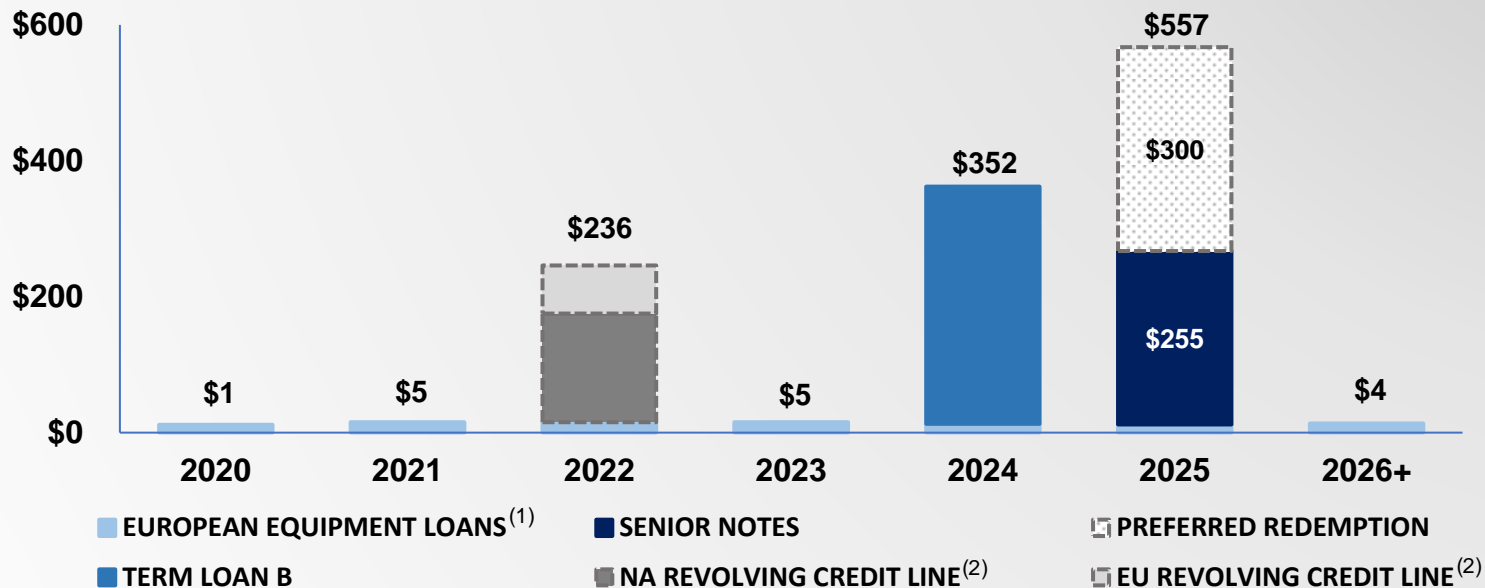
# Debt Maturity Profile



## No Significant Near-Term Maturities of Funded Indebtedness

### Debt Amortization and Maturity and Optional Preferred Equity Redemption

(\$ in millions)



(1) Europe equipment loans mature Mar. 31, 2024 and Sep. 30, 2027

(2) Revolving credit lines currently \$0 drawn

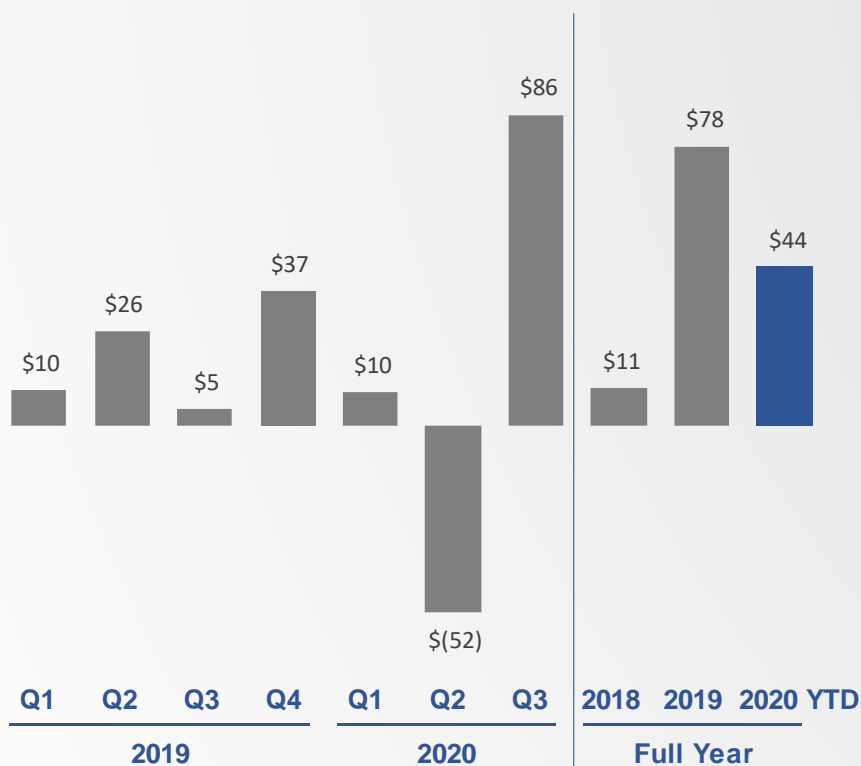
Note: Excludes capital leases.

# Cash Flow and Liquidity Progression

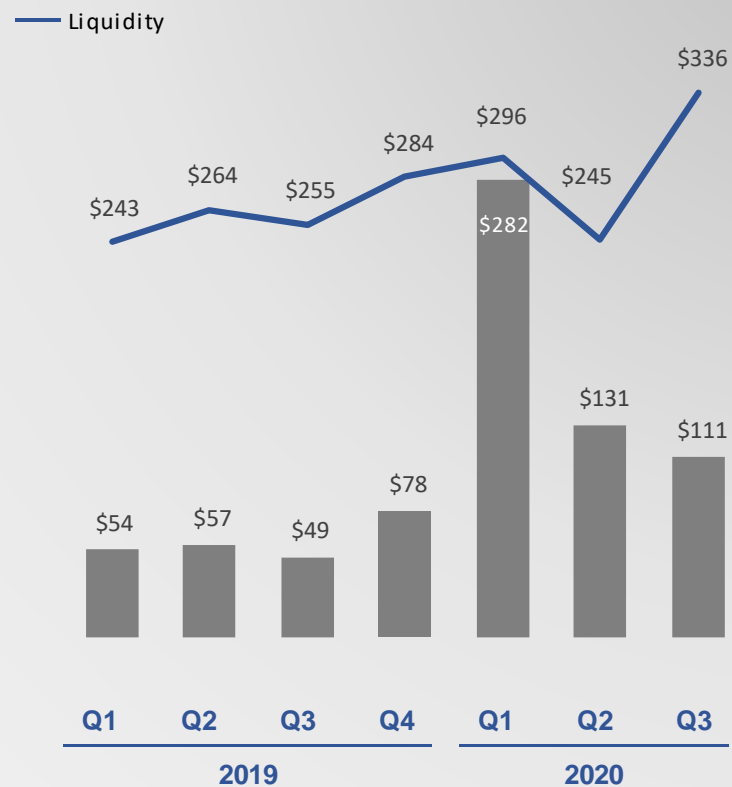


(\$ in millions)

## Free Cash Flow<sup>(1)</sup>



## Cash Balance and Available Liquidity<sup>(2)</sup>



(1) Free Cash Flow is defined as the sum of Operating, Investing, and Financing Activities before Debt Repayments and net Revolver changes

(2) Includes cash and availability on committed revolving credit facilities

- Previously provided target to be free cash flow neutral for full year 2020
- Outlook is based on the latest IHS industry production forecast for the fourth quarter, which is a decline of 0.4% in North America and an increase of 0.8% in Western and Central Europe <sup>(1)</sup>

Key Metrics	Q4 2020 Outlook	Implied FY 2020
Unit Volume	4.15M – 4.45M	14.9M – 15.2M
Net Sales	\$300M – \$325M	\$1.06B – \$1.09B
Value-Added Sales <sup>(2)</sup>	\$175M – \$195M	\$622M – \$642M
Adjusted EBITDA <sup>(2)</sup>	\$40M – \$46M	\$123M – \$129M

- Superior now anticipates free cash flow, defined as the sum of operating, investing, and financing activities before net debt repayment, to be positive for full year 2020, an improvement relative to the Company's prior free cash flow neutral outlook for full year 2020

(1) Source: IHS Automotive as reported October 16, 2020; Europe based on Western and Central Europe

(2) Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see appendix for reconciliations to the most comparable GAAP measures



# Appendix

# Income Statement



(\$ in millions, except Earnings per Share and Unit Shipments)

(Dollars in Millions, Units in Thousands)

Unaudited

	Three Months		Nine Months	
	3Q 2020	3Q 2019	YTD 2020	YTD 2019
	Actual	Actual	Actual	Actual
Unit Shipments (000s)	4,362	4,851	10,737	14,780
Net Sales	\$ 317.1	\$ 352.0	\$ 763.1	\$ 1,062.2
Value-Added Sales <sup>(1)</sup>	192.5	195.5	446.8	581.9
Gross Profit	32.0	16.0	32.3	89.2
SG&A	12.7	16.3	36.5	46.7
Impairment of Goodwill and Indefinite-Lived Intangibles	0.0	-	193.6	-
Income (Loss) from Operations	\$ 19.2	\$ (0.2)	\$ (197.9)	\$ 42.4
Interest Expense, net	(10.4)	(11.8)	(34.4)	(35.5)
Other (Expense) Income, net	(1.6)	0.6	(0.9)	3.4
Income (Loss) Before Income Taxes	\$ 7.2	\$ (11.4)	\$ (233.3)	\$ 10.3
Income Tax Benefit (Provision)	3.9	4.8	11.1	(7.7)
Net Income (Loss)	\$ 11.1	\$ (6.6)	\$ (222.2)	\$ 2.6
Diluted Earnings (Loss) Per Share	\$ 0.12	\$ (0.57)	\$ (9.66)	\$ (0.84)
Adjusted EBITDA <sup>(1)</sup>	\$ 46.7	\$ 38.9	\$ 82.6	\$ 131.3
% of Value-Added Sales	24.3%	19.9%	18.5%	22.6%

(1) Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see appendix for reconciliations to the most comparable GAAP measures

# Balance Sheet



(\$ in millions)

Unaudited

(Dollars in Millions)

## ASSETS

	<u>9/30/2020</u>	<u>12/31/2019</u>
Cash & Short Term Investments	\$ 111.1	\$ 77.9
Accounts Receivable, net	77.7	76.8
Inventories, net	141.3	168.5
Income Taxes Receivable	4.1	4.6
Other Current Assets	16.3	26.4
<b>Total Current Assets</b>	<b>\$ 350.5</b>	<b>\$ 354.2</b>
Property, Plant & Equipment, net	507.0	529.3
Deferred Income Taxes, net	53.3	38.6
Goodwill	-	184.8
Intangibles	112.3	137.1
Other Assets	55.8	67.9
<b>Total Assets</b>	<b>\$ 1,079.0</b>	<b>\$ 1,311.9</b>

## LIABILITIES & EQUITY

Accounts Payable	\$ 149.8	\$ 123.1
Current Portion of Long-term Debt	6.0	4.0
Accrued Expenses	72.9	60.9
Income Taxes Payable	2.2	3.1
<b>Total Current Liabilities</b>	<b>\$ 230.9</b>	<b>\$ 191.1</b>
Long-term Debt (Less Current Portion)	611.7	611.0
Non-Current Liabilities	88.8	90.6
Redeemable Preferred Shares	174.6	161.0
European Noncontrolling Redeemable Equity	1.6	6.5
<b>Total Shareholders' Equity (Deficit)</b>	<b>\$ (28.6)</b>	<b>\$ 251.7</b>
<b>Total Liabilities &amp; Equity (Deficit)</b>	<b>\$ 1,079.0</b>	<b>\$ 1,311.9</b>

# Statement of Cash Flow



(\$ in millions)

Unaudited

	Three Months		Nine Months	
	3Q 2020	3Q 2019	YTD 2020	YTD 2019
Net Income (Loss)	\$ 11.1	\$ (6.6)	\$ (222.2)	\$ 2.6
Depreciation and Amortization	24.8	30.8	73.1	77.5
Income tax, Non-cash changes	(5.4)	(5.1)	(19.4)	(3.5)
Impairments of Goodwill and Indefinite-Lived Intangibles	-	-	193.6	-
Stock-based Compensation	0.5	1.8	0.7	3.7
Amortization of Debt Issuance Costs	0.9	1.2	3.1	3.7
Other Non-cash items	1.0	2.1	(1.5)	0.4
Changes in Operating Assets and Liabilities:				
Accounts Receivable	(13.9)	(7.9)	(4.1)	(30.5)
Inventories	12.2	11.7	29.3	9.0
Other Assets and Liabilities	10.3	7.7	11.5	20.3
Accounts Payable	58.7	0.5	27.4	11.2
Income Taxes	(0.6)	(3.5)	0.7	7.9
<b>Cash Flow Provided by Operating Activities</b>	<b>\$ 99.6</b>	<b>\$ 32.7</b>	<b>\$ 92.5</b>	<b>\$ 102.3</b>
Capital Expenditures	(10.8)	(18.9)	(33.6)	(47.6)
Proceeds from Sale of Property, Plant and Equipment	0.9	-	0.9	-
Other Investing Activities	-	-	-	9.6
<b>Cash Flow Used by Investing Activities</b>	<b>\$ (10.0)</b>	<b>\$ (18.9)</b>	<b>\$ (32.7)</b>	<b>\$ (38.0)</b>
Proceeds from the Issuance of Long-term Debt	-	-	11.7	-
Debt Repayment	(0.8)	(10.8)	(24.9)	(35.0)
Cash Dividends	(3.4)	(6.3)	(10.2)	(19.2)
Purchase of Non-controlling Redeemable Shares	-	(2.5)	(5.0)	(3.9)
Payments Related to Tax Withholdings for Stock-Based Compensation	-	-	-	(0.1)
Proceeds from Borrowings on Revolving Credit Facility	100.0	25.8	313.8	69.6
Repayments of Borrowings on Revolving Credit Facility	(209.9)	(25.8)	(316.9)	(69.6)
Other Financing Activities	(0.2)	(0.4)	(0.7)	(1.0)
<b>Cash Flow Used by Financing Activities</b>	<b>\$ (114.3)</b>	<b>\$ (20.0)</b>	<b>\$ (32.1)</b>	<b>\$ (59.2)</b>
Effect of Exchange Rate on Cash	5.0	(1.5)	5.5	(3.3)
<b>Net Change in Cash</b>	<b>\$ (19.6)</b>	<b>\$ (7.6)</b>	<b>\$ 33.2</b>	<b>\$ 1.8</b>
<b>Cash - Beginning</b>	<b>130.7</b>	<b>56.9</b>	<b>77.9</b>	<b>47.5</b>
<b>Cash - Ending</b>	<b>\$ 111.1</b>	<b>\$ 49.3</b>	<b>\$ 111.1</b>	<b>\$ 49.3</b>

# Reconciliation of Earnings per Share Calculation



(\$ in millions, except Earnings per Share)

Unaudited

	Three Months		Nine Months	
	3Q 2020	3Q 2019	YTD 2020	YTD 2019
<b>Basic EPS Calculation<sup>(1)</sup></b>				
Net Income (Loss)	\$ 11.1	\$ (6.6)	\$ (222.2)	\$ 2.6
Less: Accretion of Preferred Stock	(4.6)	(4.2)	(13.6)	(12.2)
Less: Redeemable Preferred Stock Dividends	(3.4)	(3.4)	(10.2)	(11.1)
Less: European Noncontrolling Redeemable Equity Dividends	(0.1)	(0.1)	(0.1)	(0.5)
<b>Numerator</b>	<b>\$ 3.0</b>	<b>\$ (14.3)</b>	<b>\$ (246.1)</b>	<b>\$ (21.2)</b>
<b>Denominator:</b> Weighted Avg. Shares Outstanding	<b>25.6</b>	<b>25.1</b>	<b>25.5</b>	<b>25.1</b>
<b>Basic Earnings (Loss) Per Share</b>	<b>\$ 0.12</b>	<b>\$ (0.57)</b>	<b>\$ (9.66)</b>	<b>\$ (0.84)</b>
<b>Diluted EPS Calculation<sup>(1)</sup></b>				
Net Income (Loss)	\$ 11.1	\$ (6.6)	\$ (222.2)	\$ 2.6
Less: Accretion of Preferred Stock	(4.6)	(4.2)	(13.6)	(12.2)
Less: Redeemable Preferred Stock Dividends	(3.4)	(3.4)	(10.2)	(11.1)
Less: European Noncontrolling Redeemable Equity Dividends	(0.1)	(0.1)	(0.1)	(0.5)
<b>Numerator</b>	<b>\$ 3.0</b>	<b>\$ (14.3)</b>	<b>\$ (246.1)</b>	<b>\$ (21.2)</b>
Weighted Avg. Shares Outstanding-Basic	25.6	25.1	25.5	25.1
Dilutive Stock Options and Restricted Stock Units	0.1	-	-	-
<b>Denominator:</b> Weighted Avg. Shares Outstanding	<b>25.7</b>	<b>25.1</b>	<b>25.5</b>	<b>25.1</b>
<b>Diluted Earnings (Loss) Per Share</b>	<b>\$ 0.12</b>	<b>\$ (0.57)</b>	<b>\$ (9.66)</b>	<b>\$ (0.84)</b>

(1) Basic earnings per share is computed by dividing net income (loss) attributable to Superior, after deducting preferred dividends and accretion and European non-controlling redeemable equity dividends, by the weighted average number of common shares outstanding. For purposes of calculating diluted earnings per share, the weighted average shares outstanding includes the dilutive effect of outstanding stock options and time and performance based restricted stock units under the treasury stock method. The redeemable preferred shares are not included in the diluted earnings per share because the conversion would be anti-dilutive for the periods ended September 30, 2020 and 2019



# Impact of Acquisition, Restructuring and Other Items on EPS



(\$ in millions, except Earnings per Share)

Unaudited

	Three Months		Nine Months		Location on Inc. Stat.
	3Q 2020	3Q 2019	YTD 2020	YTD 2019	
<b>Before Tax Impact on Net Income (Loss)</b>					
Acquisition, Integration, Certain Hiring & Separation Costs	\$ (0.8)	\$ (0.4)	\$ (2.1)	\$ (1.7)	SG&A
Acquisition, Integration, Certain Hiring & Separation Costs	(0.9)	(1.6)	(5.5)	(3.1)	COGS
Restructuring Costs	(2.1)	(5.4)	(6.2)	(5.4)	COGS
Debt Extinguishment Gains	0.0	1.0	0.0	3.4	Other Income
Change in Fair Value of Preferred Derivative	0.0	(1.0)	0.0	(0.3)	Other Income
Impairment of Goodwill and Indefinite-Lived Intangibles	0.0	-	(193.6)	-	Operating Income
<b>Total Before Tax Impact on Net Income (Loss)</b>	<b>\$ (3.8)</b>	<b>\$ (7.4)</b>	<b>\$ (207.5)</b>	<b>\$ (7.1)</b>	
<b>After Tax Impact on Net Income (Loss)</b>	<b>\$ (3.1)</b>	<b>\$ (12.3)</b>	<b>\$ (202.3)</b>	<b>\$ (12.2)</b>	
<b>Impact on Earnings (Loss) Per Share</b>	<b>\$ (0.12)</b>	<b>\$ (0.49)</b>	<b>\$ (7.94)</b>	<b>\$ (0.49)</b>	

# Reconciliation of Non-GAAP Financial Measures



(\$ in millions)

## Value-Added Sales

Net Sales  
Less: Aluminum Value and Outside Service Provider Costs  
Value-Added Sales

Three Months		Nine Months	
3Q 2020	3Q 2019	YTD 2020	YTD 2019
\$ 317.1	\$ 352.0	\$ 763.1	\$ 1,062.2
(124.6)	(156.6)	(316.2)	(480.3)
<u>\$ 192.5</u>	<u>\$ 195.5</u>	<u>\$ 446.8</u>	<u>\$ 581.9</u>

Net Income (Loss)  
Adjusting Items:  
- Interest Expense, net  
- Income Tax (Benefit) Provision  
- Depreciation  
- Amortization  
- Acquisition, Integration, Hiring/Separation/Restructuring Costs, and Other  
- Factoring Fees  
- Impairment of Goodwill and Indefinite-Lived Intangibles

Three Months		Nine Months	
3Q 2020	3Q 2019	YTD 2020	YTD 2019
\$ 11.1	\$ (6.6)	\$ (222.2)	\$ 2.6
10.4	11.8	34.4	35.5
(3.9)	(4.8)	(11.1)	7.7
18.3	24.2	54.4	57.4
6.5	6.6	18.8	20.1
3.8	6.4	13.8	6.8
0.4	0.2	0.8	0.8
-	1.0	193.6	0.3
<u>\$ 35.6</u>	<u>\$ 45.4</u>	<u>\$ 304.7</u>	<u>\$ 128.6</u>
<u>\$ 46.7</u>	<u>\$ 38.9</u>	<u>\$ 82.6</u>	<u>\$ 131.3</u>

Adjusted EBITDA

## Outlook for Q4 2020 Value-Added Sales

Net Sales Outlook  
Less: Aluminum Value and Outside Service Provider Costs  
Value-Added Sales Outlook

Q4 2020 Outlook Range		Implied Full Year 2020	
\$ 300.0	\$ 325.0	\$ 1,063.1	\$ 1,088.1
(125.0)	(130.0)	(441.3)	(446.3)
<u>\$ 175.0</u>	<u>\$ 195.0</u>	<u>\$ 621.8</u>	<u>\$ 641.8</u>

Unaudited