



BUILDING A BETTER WORLD

Fiscal 2022 Second-Quarter Results

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Chairman and CEO

January 5, 2022

This presentation contains “forward-looking statements” relating to our business. These forward-looking statements, or other statements made by us, are made based on our expectations and beliefs concerning future events impacting us and are subject to uncertainties and factors (including those specified below), which are difficult to predict and, in many instances, are beyond our control. As a result, our actual results could differ materially from those expressed in or implied by any such forward-looking statements. These uncertainties and factors include (a) global markets and general economic conditions, including uncertainties surrounding the volatility in financial markets, the availability of capital and the effect of changes in interest rates, and the viability of banks and other financial institutions; (b) the prices, supply and availability of raw materials, including assorted pigments, resins, solvents, and other natural gas- and oil-based materials; packaging, including plastic and metal containers; and transportation services, including fuel surcharges; (c) continued growth in demand for our products; (d) legal, environmental and litigation risks inherent in our construction and chemicals businesses and risks related to the adequacy of our insurance coverage for such matters; (e) the effect of changes in interest rates; (f) the effect of fluctuations in currency exchange rates upon our foreign operations; (g) the effect of non-currency risks of investing in and conducting operations in foreign countries, including those relating to domestic and international political, social, economic and regulatory factors; (h) risks and uncertainties associated with our ongoing acquisition and divestiture activities; (i) the timing of and the realization of anticipated cost savings from restructuring initiatives and the ability to identify additional cost savings opportunities; (j) risks related to the adequacy of our contingent liability reserves; (k) risks relating to the Covid pandemic; (l) risks related to adverse weather conditions or the impacts of climate change and natural disasters; and (m) other risks detailed in our filings with the Securities and Exchange Commission, including the risk factors set forth in our Annual Report on Form 10-K for the year ended May 31, 2021, as the same may be updated from time to time. We do not undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the date of this presentation.

This presentation includes certain company data that do not directly conform to generally accepted accounting principles, or GAAP, and certain company data that has been restated for improved clarity, understanding and comparability, or pro forma. All non-GAAP data in this presentation are indicated by footnote. Tables reconciling such data with GAAP measures are available through our website, www.rpminc.com under Investor Information/Presentations.

Fiscal 2022 Second-Quarter Financial Results | Consolidated

Strong sales growth; earnings challenged by supply disruption and inflation



(\$ in millions, except per share amounts)	2Q 2022	2Q 2021	2Q 2020	% Change	
				F22 vs F21	F22 vs F20
Sales	\$1,640	\$1,486	\$1,401	+10.3%	+17.0%
EBIT ¹	\$187	\$179	\$119	+4.6%	+56.7%
Adjusted EBIT ¹	\$157	\$199	\$154	-21.0%	+2.4%
Adjusted EBIT Margin ¹	9.6%	13.4%	11.0%	-380 bps	-140 bps
Net Income	\$125	\$128	\$77	-2.2%	+62.1%
Diluted EPS	\$0.96	\$0.98	\$0.59	-2.0%	+62.7%
Adjusted Diluted EPS ¹	\$0.79	\$1.06	\$0.76	-25.5%	+3.9%

HIGHLIGHTS

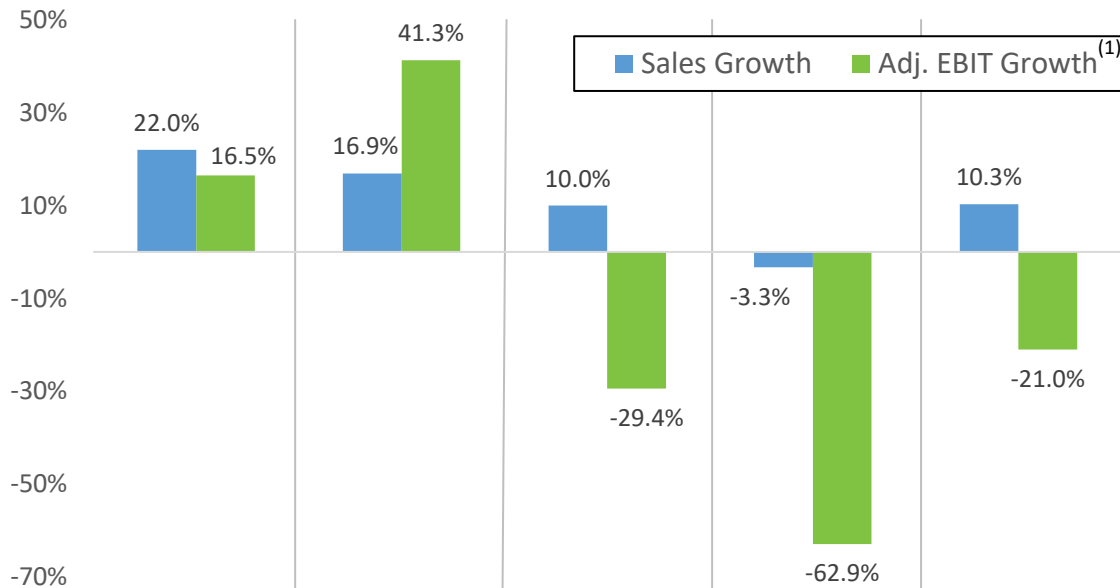
- Sales increased 10.3% to a Q2 record of \$1.64 billion, driven by robust demand for RPM’s paints, coatings, sealants and other building materials
- Consolidated adjusted EBIT decreased due to supply chain challenges, inflation and the Consumer Group’s difficult comparison to record results in the prior-year period when the segment’s adjusted EBIT was up 66% due to unprecedented demand during the pandemic
- Supply chain disruption and inflation were partially offset by price increases and operational improvements
- On a “double-stack” basis, comparing fiscal Q2-22 to pre-pandemic Q2-20, sales, EBIT, adjusted EBIT, net income, diluted EPS and adjusted diluted EPS all show growth — despite EBIT margin pressure

(1) EBIT, Adjusted EBIT, Adjusted EBIT Margin and Adjusted Diluted EPS are non-GAAP financial measures. Refer to Appendix for reconciliations between GAAP and non-GAAP measures.

3 of 4 Segments Overcame Supply Challenges to Grow Top Line in Q2-F22



Second-Quarter Ended November 30, 2021



HIGHLIGHTS

- CPG and PCG worked through supply challenges to post strong sales and earnings growth
- SPG and Consumer Group experienced shortages of semiconductor chips and alkyd resins, respectively
- Consumer Group performance also reflected tough prior-year comparison
- New Texas manufacturing facility is already having positive impact and improving fill rates:
 - Q2: started producing alkyd resins
 - Coming quarters: will expand production of several other high-growth product lines

	CPG	PCG	SPG	Consumer	Consolidated
Record Sales	✓	✓	✓	2 nd Highest	✓
Record Adjusted EBIT	✓	✓	-	-	-

(1) Adjusted EBIT Growth is a non-GAAP financial measure. Refer to Appendix for reconciliations between GAAP and non-GAAP measures.

Significant planned government spending in construction, infrastructure and Covid-19 to support meaningful growth and incremental upside for RPM given its leading presence in the construction and infrastructure end-markets

\$2.2 Trillion

CARES Act
March 2020

\$1.9 Trillion

American Rescue Plan
March 2021

\$1.2 Trillion

Infrastructure Investment and
Jobs Act
November 2021

\$340bn

State / Local Government
Funding

\$350bn

State / Local Gov' Funding

\$130bn

K-12 Schools

\$88bn

U.S. Airports

\$550bn

Incremental Surface
Transportation Spending



From homes and workplaces,



to infrastructure,



and precious landmarks...

...RPM's products are trusted by consumers and professionals worldwide to **beautify** structures, **protect** them from harsh environments, **prolong** their lifecycles and **enhance** their sustainability.

Sustainable Products:
Restoration



Talent Development:
RISE Roofing Training



Efficient Operations:
Water Reduction



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CONSTRUCTION PRODUCTS GROUP

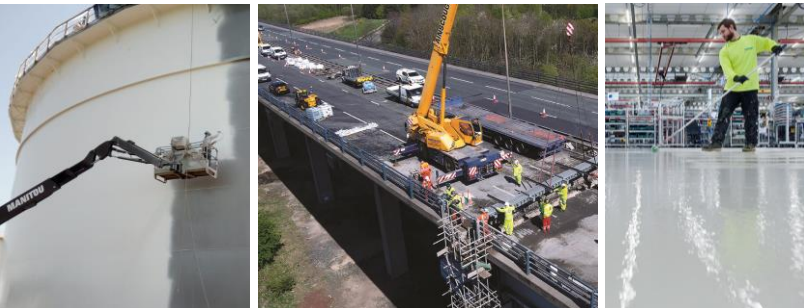


(\$ in millions, except per share amounts)	2Q 2022	2Q 2021	2Q 2020	% Change	
				F22 vs F21	F22 vs F20
Sales	\$614	\$504	\$500	+22.0%	+23.0%
EBIT ¹	\$132	\$74	\$59	+78.5%	+123.0%
Adjusted EBIT ¹	\$91	\$78	\$62	+16.5%	+47.7%
Adjusted EBIT Margin ¹	14.9%	15.6%	12.4%	-70 bps	+250 bps

- North American CPG businesses experienced strong top-line growth and positive mix, driven by innovation and differentiated restoration solutions
- Highest growth experienced in ICFs (Nudura), roofing systems, concrete admixtures and repair products, and commercial sealants
- Nudura ICF sales were particularly robust due to the product’s structural, labor and insulation benefits versus lumber, which is in short supply and experiencing skyrocketing costs
- Adjusted EBIT increased due to volume growth, operational improvements and selling price increases, which helped to offset raw material inflation

(1) EBIT, Adjusted EBIT, and Adjusted EBIT Margin are non-GAAP financial measures. Refer to Appendix for reconciliations between GAAP and non-GAAP measures.

PERFORMANCE COATINGS GROUP



(\$ in millions, except per share amounts)	2Q 2022	2Q 2021	2Q 2020	% Change	
				F22 vs F21	F22 vs F20
Sales	\$303	\$259	\$293	+16.9%	+3.4%
EBIT ¹	\$38	\$24	\$33	+56.4%	+13.0%
Adjusted EBIT ¹	\$40	\$28	\$37	+41.3%	+7.1%
Adjusted EBIT Margin ¹	13.1%	10.8%	12.6%	+230 bps	+50 bps

- Revenue and adjusted EBIT increased to record levels during the quarter
- Sales rebounded at nearly all major PCG business units, led by businesses providing polymer flooring systems, corrosion control coatings, raised flooring systems and those in emerging markets
- Decision support tools improved salesforce efficiencies and product mix
- Earnings outpaced sales, boosted by improved pricing, volume growth, operational improvements and product mix

(1) EBIT, Adjusted EBIT, and Adjusted EBIT Margin are non-GAAP financial measures. Refer to Appendix for reconciliations between GAAP and non-GAAP measures.

SPECIALTY PRODUCTS GROUP



(\$ in millions, except per share amounts)	2Q 2022	2Q 2021	2Q 2020	% Change	
				F22 vs F21	F22 vs F20
Sales	\$194	\$176	\$158	+10.0%	+22.4%
EBIT ¹	\$21	\$28	\$19	-27.6%	+9.9%
Adjusted EBIT ¹	\$21	\$30	\$23	-29.4%	-9.8%
Adjusted EBIT Margin ¹	10.8%	16.8%	14.7%	-600 bps	-390 bps

- SPG sales reached a record by capitalizing on strong demand in the outdoor recreation, furniture and OEM markets; the segment’s fluorescent pigments business also generated good top-line growth
- Lower margin was due to: (1) higher raw material and conversion costs due to supply disruptions, especially semiconductor chip shortages impacting disaster restoration equipment business, which resulted in an unfavorable product mix and production inefficiencies; (2) investments in long-term growth initiatives; and (3) higher legal expenses
- Continues to implement price increases during Q2-F22 and Q3-F22

(1) EBIT, Adjusted EBIT, and Adjusted EBIT Margin are non-GAAP financial measures. Refer to Appendix for reconciliations between GAAP and non-GAAP measures.

CONSUMER GROUP



(\$ in millions, except per share amounts)	2Q 2022	2Q 2021	2Q 2020	% Change	
				F22 vs F21	F22 vs F20
Sales	\$529	\$548	\$451	-3.3%	+17.4%
EBIT ¹	\$33	\$88	\$35	-62.6%	-4.3%
Adjusted EBIT ¹	\$34	\$91	\$55	-62.9%	-38.5%
Adjusted EBIT Margin ¹	6.4%	16.6%	12.1%	-1,020 bps	-570 bps

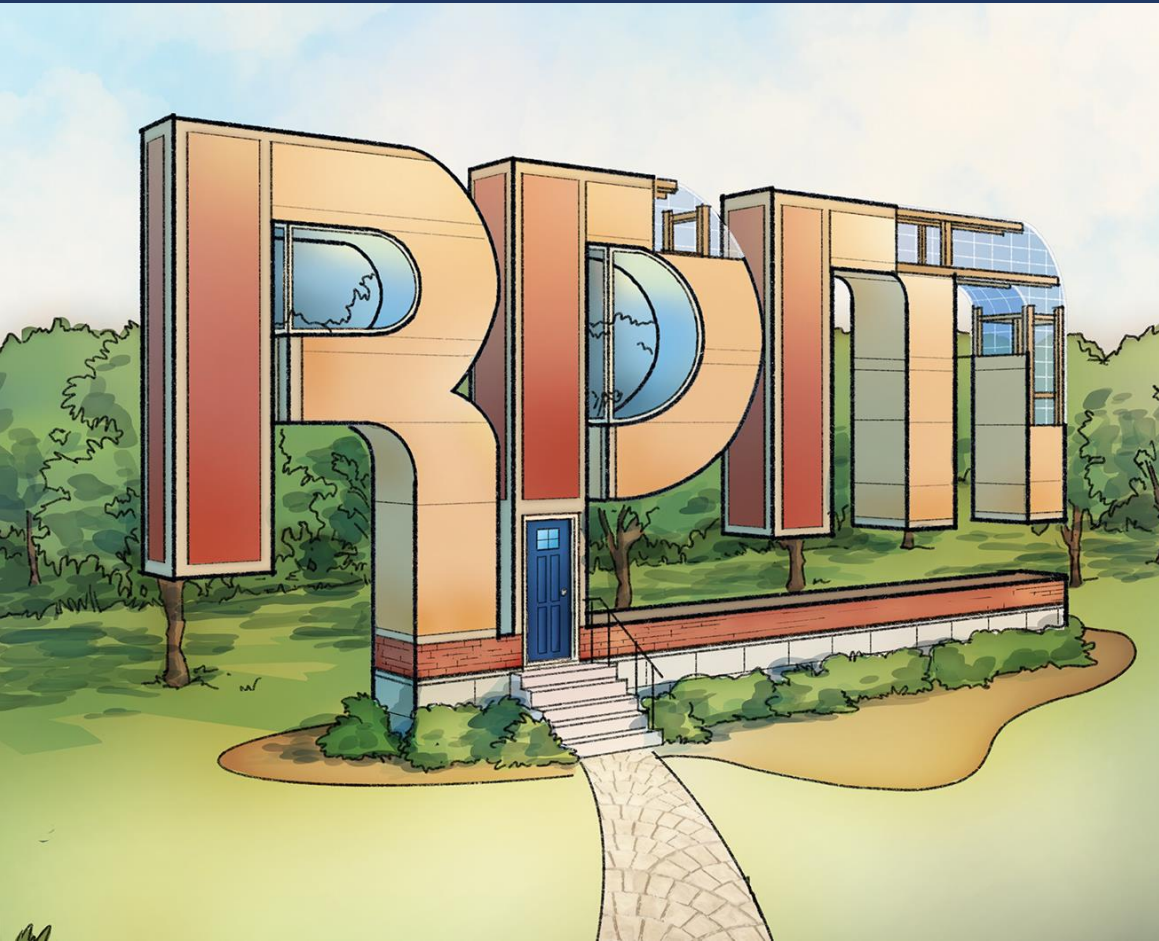
- Severe raw material shortages persisted, creating production outages that negatively impacted segment sales by ~\$100 million; expect sales to recover when conditions stabilize
- Segment faced tough prior-year comparisons when sales and earnings reached record levels driven by pandemic-related demand
- Q2-F22 sales were up 17.4% over pre-pandemic levels of Q2-F20
- Margins impacted by material, freight and labor inflation, as well as supply outages and outsourcing inefficiencies
- Securing additional price increases in Q3 and proactively qualifying new sources for raw materials, including RPM's new Texas manufacturing plant

(1) EBIT, Adjusted EBIT, and Adjusted EBIT Margin are non-GAAP financial measures. Refer to Appendix for reconciliations between GAAP and non-GAAP measures.

CATEGORY	OUTLOOK (YOY)
SALES Consolidated	Increase double digits
Construction Products Group	Increase high-double digits
Performance Coatings Group	Increase high-double digits
Specialty Products Group	Increase low-double digits vs. difficult prior-year comparison when growth was +15%
Consumer Group	Increase low-single digits vs. difficult prior-year comparison when growth was +20%
ADJUSTED EBIT Consolidated	Decrease 5-15% vs. difficult prior-year comparison when adjusted EBIT increased 30%

Factors Expected to Impact 3Q22 Results

- (+) Price increases rolling out
- (+) More MAP to Growth savings
- (+) Greater efficiencies through continuous improvement culture
- (+) Capitalizing on market opportunities and industry trends
- (-) Raw material, freight, & wage inflation
- (-) Impact of Omicron variant on productivity and supply chains
- (-) High prior-year comparisons
- (-) Above challenges to disproportionately impact Consumer Group



- Maintain a safe and productive working environment for employees through the continually changing Covid landscape
- Be agile in managing through supply challenges and leveraging resources across RPM to meet customer needs; once supply issues abate, we anticipate margins will recover towards pre-pandemic levels
- Remain focused on long-term growth and continue to invest in employee training and related initiatives that will drive the business forward:
 - operational improvements
 - developing innovative new products
 - strategic acquisitions
 - manufacturing capacity expansions
 - ERP systems and digital transformation



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APPENDIX

Reconciliations of
Non-GAAP to
GAAP Measures

January 5, 2022

Consolidated Statements of Income: Three Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Three Months Ended				
	November 30, 2021	%	November 30, 2020	%	% Change
Net Sales	\$ 1,639,538		\$ 1,485,915		10.3
Cost of Sales	1,056,924	64.5	899,743	60.6	
Gross Profit	582,614	35.5	586,172	39.4	
SG&A	437,709	26.7	399,418	26.9	
Restructuring Expense	2,977	0.2	4,918	0.3	
(Gain) on Sales of Assets, Net	(42,124)	(2.6)	-	-	
Other (Income) Expense, Net	(2,920)	(0.2)	3,133	0.2	
EBIT** (non-GAAP measure)	186,972	11.4	178,703	12.0	4.6
Interest Expense	21,002	1.3	21,266	1.4	
Investment Expense (Income), Net	2,816	0.1	(9,519)	(0.6)	
Income Before Taxes	163,154	10.0	166,956	11.2	
Provision for Income Taxes	38,038	2.4	39,072	2.6	
Net Income	125,116	7.6	127,884	8.6	(2.2)
Less: Net Income Attributable to Noncontrolling Interests	241	0.0	225	0.0	
Net Income Attributable to RPM Stockholders	\$ 124,875	7.6	\$ 127,659	8.6	(2.2)
Diluted EPS	\$ 0.96		\$ 0.98		(2.0)

NOTE – Refer to “Non-GAAP Financial Measures” slide for definition of EBIT.

Consolidated Statements of Income: Six Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Six Months Ended					
	November 30, 2021	%	November 30, 2020	%	% Change	
Net Sales	\$ 3,289,959		\$ 3,092,586		6.4	
Cost of Sales	2,093,994	63.6	1,852,759	59.9		
Gross Profit	1,195,965	36.4	1,239,827	40.1		
SG&A	856,676	26.0	795,370	25.7		
Restructuring Expense	3,988	0.1	9,151	0.3		
(Gain) on Sales of Assets, Net	(42,242)	(1.2)	-	-		
Other (Income) Expense, Net	(6,259)	(0.2)	6,251	0.2		
EBIT** (non-GAAP measure)	383,802	11.7	429,055	13.9	(10.5)	
Interest Expense	42,111	1.3	43,011	1.4		
Investment (Income), Net	(2,934)	(0.1)	(22,281)	(0.7)		
Income Before Taxes	344,625	10.5	408,325	13.2		
Provision for Income Taxes	84,714	2.6	99,655	3.2		
Net Income	259,911	7.9	308,670	10.0	(15.8)	
Less: Net Income Attributable to Noncontrolling Interests	454	0.0	416	0.0		
Net Income Attributable to RPM Stockholders	\$ 259,457	7.9	\$ 308,254	10.0	(15.8)	
Diluted EPS	\$ 2.00		\$ 2.37		(15.6)	

NOTE – Refer to “Non-GAAP Financial Measures” slide for definition of EBIT.

The following are the non-GAAP financial measures used in this presentation:

***Interest (Income) Expense, Net** includes the combination of interest (income) expense and investment (income) expense, net.

****EBIT** is defined as earnings (loss) before interest and taxes. Management uses EBIT, as defined, as a measure of operating performance, since interest (income) expense, net, essentially relates to corporate functions, as opposed to segment operations.

*****Adjusted EBIT** is defined as earnings (loss) before interest and taxes, adjusted for items that management does not consider to be indicative of ongoing operations. Management uses Adjusted EBIT, as defined, as a measure of operating performance, since interest expense, net, essentially relates to corporate functions, as opposed to segment operations. Tables reconciling this non-GAAP data with GAAP measures are available in the appendix of this presentation.

- (a) Charges recorded in Cost of Goods Sold related to inventory write-offs in connection with restructuring activities at our Consumer, Construction Products and Performance Coatings segments, partially offset by subsequent recoveries and revisions of accrual estimates.
- (b) Reflects restructuring charges, including headcount reductions, closures of facilities and related costs, and accelerated vesting of equity awards, all in relation to our Margin Acceleration Plan (“MAP to Growth”) and other cost-savings related initiatives.
- (c) Accelerated costs, including depreciation and amortization expense related to the shortened useful lives of facilities and equipment, ERP systems, and intangibles that are currently in use, but are in the process of being retired associated with various MAP to Growth initiatives including facility closures, exiting a business, and ERP consolidation.
- (d) Reflects subsequent collections of amounts previously written off to our allowance for doubtful accounts as a result of a change in market and leadership strategy.
- (e) Includes implementation costs associated with our ERP consolidation plan and decision support tools.
- (f) Comprises professional fees incurred in connection with our MAP to Growth.
- (g) Acquisition costs reflect amounts included in gross profit for inventory step-ups associated with completed acquisitions and third-party consulting fees incurred in evaluating potential acquisition targets.
- (h) Reflects unusual compensation costs that resulted from executive departures related to our MAP to Growth, including stock and deferred compensation plan arrangements, offset by subsequent revisions of accrual estimates.
- (i) Reflects unusual compensation costs, net of insurance proceeds that resulted from executive departures unrelated to our MAP to Growth.
- (j) Reflects gains incurred upon divestiture of a business.
- (k) Reflects subsequent recoveries of previously recorded charges related to the discontinuation of a product line targeting OEM markets and related prepaid asset and inventory write-off. This resulted from ongoing product line rationalization efforts in connection with our MAP to Growth.
- (l) Reflects the favorable adjustment as a result of the resolution of a contingent liability related to a FY18 charge to exit our Flowcrete business in China.
- (m) Reflects charges related to the Final Judgement entered by the court, resolving our legacy “SEC Investigation & Enforcement Action.”
- (n) Reflects the net gain associated with the sale and leaseback of certain real property assets within our CPG segment during Q2 2022.
- (o) Investment returns include realized net gains and losses on sales of investments and unrealized net gains and losses on equity securities, which are adjusted due to their inherent volatility. Management does not consider these gains and losses, which cannot be predicted with any level of certainty, to be reflective of the company's core business operations.

Reconciliation of "Reported" to "Adjusted" EPS: Three Months



(Unaudited)

<u>Reconciliation of Reported Earnings per Diluted Share to Adjusted Earnings per Diluted Share (All amounts presented after-tax):</u>	Three Months Ended	
	<u>November 30, 2021</u>	<u>November 30, 2020</u>
Reported Earnings per Diluted Share	\$ 0.96	\$ 0.98
Restructuring expense (b)	0.02	0.03
Accelerated expense - other (c)	-	0.02
ERP consolidation plan (e)	0.01	0.01
Professional fees (f)	0.03	0.05
Acquisition-related costs (g)	0.01	0.01
Unusual executive costs, net of insurance proceeds (i)	0.01	-
SEC Settlement (m)	-	0.01
(Gain) on Sales of Assets, Net (n)	(0.28)	-
Investment returns (o)	0.03	(0.05)
Adjusted Earnings per Diluted Share****	<u>\$ 0.79</u>	<u>\$ 1.06</u>

****Adjusted EPS is provided for the purpose of adjusting diluted earnings per share for items impacting earnings that are not considered by management to be indicative of ongoing operations.

NOTE – Refer to “Adjustments Detail” slide for further information on adjustments outlined above.

Reconciliation of "Reported" to "Adjusted" EPS: Six Months



(Unaudited)

Reconciliation of Reported Earnings per Diluted Share to Adjusted Earnings per Diluted Share (All amounts presented after-tax):

	<u>Six Months Ended</u>	
	<u>November 30, 2021</u>	<u>November 30, 2020</u>
Reported Earnings per Diluted Share	\$ 2.00	\$ 2.37
Inventory-related charges (a)	-	0.01
Restructuring expense (b)	0.03	0.06
Accelerated expense - other (c)	0.01	0.02
ERP consolidation plan (e)	0.01	0.01
Professional fees (f)	0.06	0.10
Acquisition-related costs (g)	0.01	0.01
Unusual costs triggered by executive departures (h)	-	0.02
Unusual executive costs, net of insurance proceeds (i)	0.02	-
SEC Settlement (m)	-	0.01
(Gain) on Sales of Assets, Net (n)	(0.28)	-
Investment returns (o)	0.01	(0.11)
Adjusted Earnings per Diluted Share****	\$ 1.87	\$ 2.50

****Adjusted EPS is provided for the purpose of adjusting diluted earnings per share for items impacting earnings that are not considered by management to be indicative of ongoing operations.

NOTE – Refer to “Adjustments Detail” slide for further information on adjustments outlined above.

EBIT** (Non-GAAP Measure): RPM Consolidated: Three Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Three Months Ended	
	November 30, 2021	November 30, 2020
Net Income	\$ 125,116	\$ 127,884
Provision for Income Taxes	38,038	39,072
Income Before Income Taxes	163,154	166,956
Interest Expense	21,002	21,266
Investment (Income) Expense, Net	2,816	(9,519)
EBIT** (non-GAAP measure)	186,972	178,703
Inventory-related charges (recoveries) (a)	15	(182)
Restructuring expense (b)	3,382	5,468
Accelerated expense - other (c)	460	2,479
Receivable (recoveries) (d)	(56)	(198)
ERP consolidation plan (e)	600	900
Professional fees (f)	5,526	8,494
Acquisition-related costs (g)	800	1,178
Unusual costs triggered by executive departures (h)	-	-
Unusual executive costs, net of insurance proceeds (i)	1,530	49
Divestitures (j)	22	677
Discontinued product line (k)	-	(9)
Adjustment to exit Flowcrete China (l)	-	(305)
SEC Settlement (m)	-	2,000
(Gain) on Sales of Assets, Net (n)	(41,906)	-
Adjusted EBIT*** (non-GAAP measure)	\$ 157,345	\$ 199,254
Net Sales	\$ 1,639,538	\$ 1,485,915
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	9.6%	13.4%

NOTE – Refer to “Non-GAAP Financial Measures” slide for definitions of non-GAAP measures identified (*) in the table above and “Adjustments Detail” slide for further information on adjustments outlined above.

EBIT** (Non-GAAP Measure): RPM Consolidated: Six Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Six Months Ended	
	November 30, 2021	November 30, 2020
Net Income	\$ 259,911	\$ 308,670
Provision for Income Taxes	84,714	99,655
Income Before Income Taxes	344,625	408,325
Interest Expense	42,111	43,011
Investment (Income), Net	(2,934)	(22,281)
EBIT** (non-GAAP measure)	383,802	429,055
Inventory-related charges (a)	(56)	478
Restructuring expense (b)	4,990	10,163
Accelerated expense - other (c)	838	4,014
Receivable write-offs (recoveries) (d)	(83)	(335)
ERP consolidation plan (e)	1,697	2,269
Professional fees (f)	10,229	16,771
Acquisition-related costs (g)	1,139	1,178
Unusual costs triggered by executive departures (h)	(7)	2,831
Unusual executive costs, net of insurance proceeds (i)	3,513	56
Divestitures (j)	-	668
Discontinued product line (k)	-	(384)
Adjustment to exit Flowcrete China (l)	-	(305)
SEC Settlement (m)	-	2,000
(Gain) on Sales of Assets, Net (n)	(41,906)	-
Adjusted EBIT*** (non-GAAP measure)	\$ 364,156	\$ 468,459
Net Sales	\$ 3,289,959	\$ 3,092,586
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	11.1%	15.1%

NOTE – Refer to “Non-GAAP Financial Measures” slide for definitions of non-GAAP measures identified (*) in the table above and “Adjustments Detail” slide for further information on adjustments outlined above.

EBIT** (Non-GAAP Measure): Construction Products Segment: Three Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Three Months Ended	
	November 30, 2021	November 30, 2020
Income Before Income Taxes	\$ 130,368	\$ 71,832
Add: Interest Expense, Net*	1,649	2,141
EBIT** (non-GAAP measure)	132,017	73,973
Inventory-related charges (a)	16	-
Restructuring expense (b)	911	2,447
Accelerated expense - other (c)	182	1,399
ERP consolidation plan (e)	107	68
Professional fees (f)	38	204
Divestitures (j)	18	676
Adjustment to exit Flowcrete China (l)	-	(305)
(Gain) on Sales of Assets, Net (n)	(41,906)	-
Adjusted EBIT*** (non-GAAP measure)	\$ 91,383	\$ 78,462
Net Sales	\$ 614,190	\$ 503,520
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	14.9%	15.6%

NOTE – Refer to “Non-GAAP Financial Measures” slide for definitions of non-GAAP measures identified (*) in the table above and “Adjustments Detail” slide for further information on adjustments outlined above.

EBIT** (Non-GAAP Measure): Construction Products Segment: Six Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Six Months Ended	
	November 30, 2021	November 30, 2020
Income Before Income Taxes	\$ 244,725	\$ 170,182
Add: Interest Expense, Net*	3,519	4,251
EBIT** (non-GAAP measure)	248,244	174,433
Inventory-related charges (recoveries) (a)	(59)	(51)
Restructuring expense (b)	1,131	3,492
Accelerated expense - other (c)	426	2,096
ERP consolidation plan (e)	605	185
Professional fees (f)	121	269
Divestitures (j)	-	668
Adjustment to exit Flowcrete China (l)	-	(305)
(Gain) on Sales of Assets, Net (n)	(41,906)	-
Adjusted EBIT*** (non-GAAP measure)	\$ 208,562	\$ 180,787
Net Sales	\$ 1,258,552	\$ 1,051,210
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	16.6%	17.2%

NOTE – Refer to “Non-GAAP Financial Measures” slide for definitions of non-GAAP measures identified (*) in the table above and “Adjustments Detail” slide for further information on adjustments outlined above.

EBIT** (Non-GAAP Measure): Performance Coatings Segment: Three Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Three Months Ended	
	November 30, 2021	November 30, 2020
Income Before Income Taxes	\$ 37,854	\$ 24,047
Add: Interest (Income), Net*	(247)	(9)
EBIT** (non-GAAP measure)	37,607	24,038
Restructuring expense (b)	377	1,542
Accelerated expense - other (c)	5	820
Receivable write-offs (recoveries) (d)	(56)	(198)
ERP consolidation plan (e)	491	636
Professional fees (f)	720	1,199
Unusual executive costs, net of insurance proceeds (i)	472	-
Adjusted EBIT*** (non-GAAP measure)	\$ 39,616	\$ 28,037
Net Sales	\$ 302,527	\$ 258,833
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	13.1%	10.8%

NOTE – Refer to “Non-GAAP Financial Measures” slide for definitions of non-GAAP measures identified (*) in the table above and “Adjustments Detail” slide for further information on adjustments outlined above.

EBIT** (Non-GAAP Measure): Performance Coatings Segment: Six Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Six Months Ended	
	November 30, 2021	November 30, 2020
Income Before Income Taxes	\$ 72,932	\$ 52,561
Add: Interest (Income) Expense, Net*	(331)	22
EBIT** (non-GAAP measure)	72,601	52,583
Inventory-related charges (a)	-	36
Restructuring expense (b)	1,266	2,898
Accelerated expense - other (c)	12	1,505
Receivable write-offs (recoveries) (d)	(83)	(335)
ERP consolidation plan (e)	1,091	765
Professional fees (f)	1,448	1,456
Acquisition-related costs (g)	339	-
Unusual executive costs, net of insurance proceeds (i)	472	-
Adjusted EBIT*** (non-GAAP measure)	\$ 77,146	\$ 58,908
Net Sales	\$ 588,122	\$ 518,622
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	13.1%	11.4%

NOTE – Refer to “Non-GAAP Financial Measures” slide for definitions of non-GAAP measures identified (*) in the table above and “Adjustments Detail” slide for further information on adjustments outlined above.

EBIT** (Non-GAAP Measure): Specialty Products Segment: Three Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Three Months Ended	
	November 30, 2021	November 30, 2020
Income Before Income Taxes	\$ 20,591	\$ 28,406
Add: Interest Expense, Net*	29	73
EBIT** (non-GAAP measure)	20,620	28,479
Restructuring expense (b)	55	495
Accelerated expense - other (c)	241	93
ERP consolidation plan (e)	-	115
Professional fees (f)	-	437
Adjusted EBIT*** (non-GAAP measure)	\$ 20,916	\$ 29,619
Net Sales	\$ 193,624	\$ 176,054
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	10.8%	16.8%

NOTE – Refer to “Non-GAAP Financial Measures” slide for definitions of non-GAAP measures identified (*) in the table above and “Adjustments Detail” slide for further information on adjustments outlined above.

EBIT** (Non-GAAP Measure): Specialty Products Segment: Six Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Six Months Ended	
	November 30, 2021	November 30, 2020
Income Before Income Taxes	\$ 45,147	\$ 48,855
Add: Interest Expense, Net*	64	155
EBIT** (non-GAAP measure)	45,211	49,010
Restructuring expense (b)	247	1,302
Accelerated expense - other (c)	393	224
ERP consolidation plan (e)	-	1,225
Professional fees (f)	-	1,886
Unusual costs triggered by executive departures (h)	(8)	46
Adjusted EBIT*** (non-GAAP measure)	\$ 45,843	\$ 53,693
Net Sales	\$ 375,679	\$ 334,078
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	12.2%	16.1%

NOTE – Refer to “Non-GAAP Financial Measures” slide for definitions of non-GAAP measures identified (*) in the table above and “Adjustments Detail” slide for further information on adjustments outlined above.

EBIT** (Non-GAAP Measure): Consumer Segment: Three Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Three Months Ended	
	November 30, 2021	November 30, 2020
Income Before Income Taxes	\$ 33,104	\$ 88,368
Add: Interest (Income) Expense, Net*	(73)	64
EBIT** (non-GAAP measure)	33,031	88,432
Inventory-related charges (recoveries) (a)	(1)	(182)
Restructuring expense (b)	528	985
Accelerated expense - other (c)	32	167
Professional fees (f)	7	94
Acquisition-related costs (g)	-	1,178
Unusual executive costs, net of insurance proceeds (i)	12	-
Divestitures (j)	4	-
Discontinued product line (k)	-	(9)
Adjusted EBIT*** (non-GAAP measure)	\$ 33,613	\$ 90,665
Net Sales	\$ 529,197	\$ 547,508
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	6.4%	16.6%

NOTE – Refer to “Non-GAAP Financial Measures” slide for definitions of non-GAAP measures identified (*) in the table above and “Adjustments Detail” slide for further information on adjustments outlined above.

EBIT** (Non-GAAP Measure): Consumer Segment: Six Months



(\$ in thousands, except per share and percent data)
(Unaudited)

	Six Months Ended	
	November 30, 2021	November 30, 2020
Income Before Income Taxes	\$ 79,019	\$ 221,089
Add: Interest (Income) Expense, Net*	(149)	127
EBIT** (non-GAAP measure)	78,870	221,216
Inventory-related charges (a)	3	493
Restructuring expense (b)	834	2,470
Accelerated expense - other (c)	7	189
ERP consolidation plan (e)	-	14
Professional fees (f)	16	217
Acquisition-related costs (g)	-	1,178
Unusual costs triggered by executive departures (h)	-	2,000
Unusual executive costs, net of insurance proceeds (i)	776	-
Discontinued product line (k)	-	(384)
Adjusted EBIT*** (non-GAAP measure)	\$ 80,506	\$ 227,393
Net Sales	\$ 1,067,606	\$ 1,188,676
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	7.5%	19.1%

NOTE – Refer to “Non-GAAP Financial Measures” slide for definitions of non-GAAP measures identified (*) in the table above and “Adjustments Detail” slide for further information on adjustments outlined above.