



Fiscal 2024 Second-Quarter Results

January 4, 2024

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Forward-Looking Statements & Regulation G

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 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 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 a public health crisis similar to the Covid pandemic; (l) risks related to acts of war similar to the Russian invasion of Ukraine; (m) risks related to the transition or physical impacts of climate change and other natural disasters or meeting sustainability-related voluntary goals or regulatory requirements; (n) risks related to our use of technology, artificial intelligence, data breaches and data privacy violations; and (o) other risks detailed in our filings with the Securities and Exchange Commission, including the risk factors set forth in our Form 10-K for the year ended May 31, 2023, 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 filing 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.

Record Consolidated Q2-24 Sales and Adjusted EBIT

Q2-24 FINANCIAL HIGHLIGHTS

\$1.79B

RECORD Q2 SALES
UP SLIGHTLY FROM PY

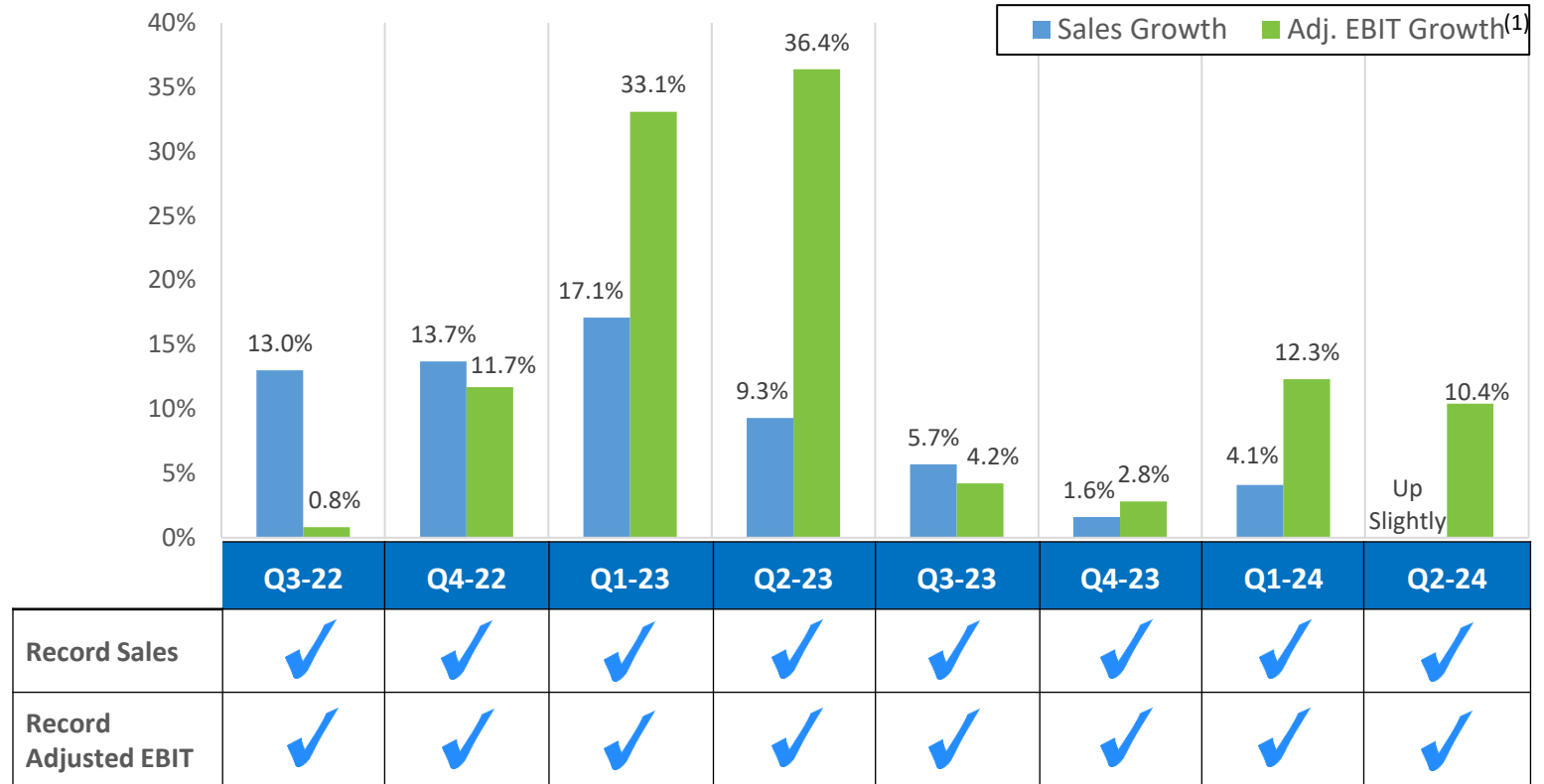
\$236.9M

RECORD Q2
ADJUSTED EBIT ¹
+10.4%

\$408.6M

ALL-TIME QUARTERLY RECORD
CASH FLOW FROM
OPERATING ACTIVITIES

Consolidated Sales and Adjusted EBIT Growth



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

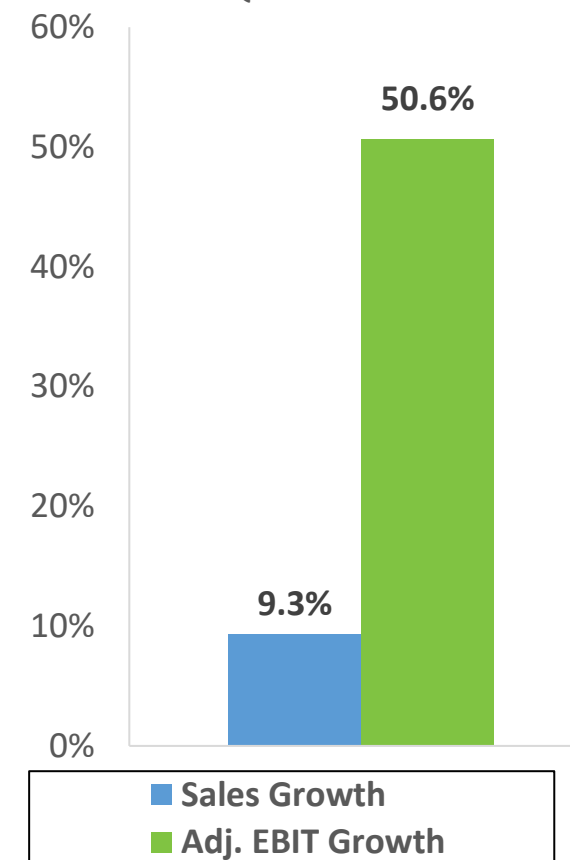
Strong Execution and MAP 2025 Drive Record Consolidated Results

	CPG	PCG	SPG	Consumer	Consolidated
Record Sales Q2-24	✓	✓			✓
Record Adjusted EBIT ¹ Q2-24	✓	✓		✓	✓

HIGHLIGHTS

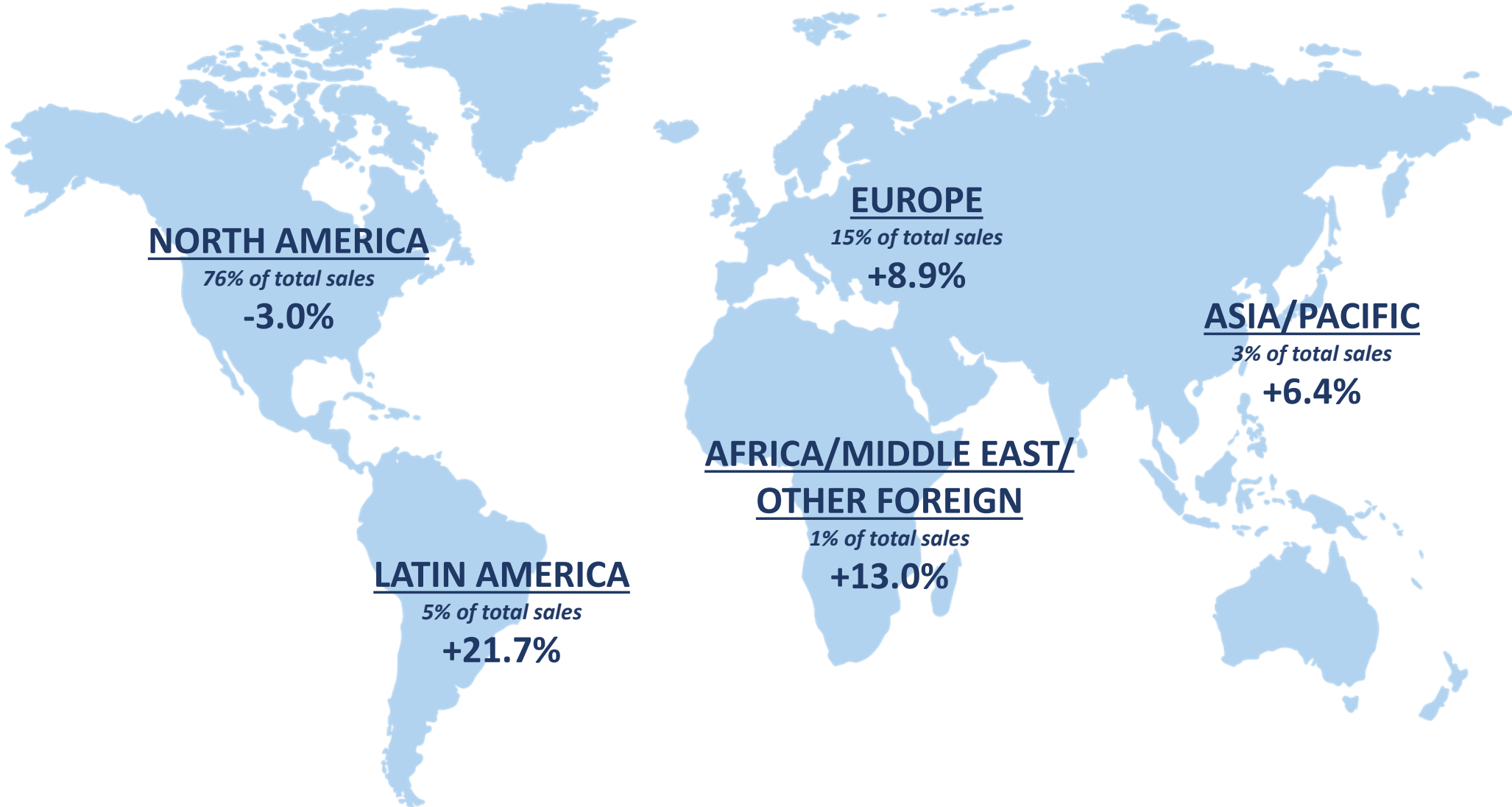
- Record Q2 consolidated sales with strength in infrastructure, reshoring and high-performance buildings
- Softness in DIY and specialty OEM end markets
- Positive pricing in all segments to catch up to inflation
- Record Q2 adjusted EBIT included 320 bps of gross margin improvement driven by MAP 2025 benefits, positive mix and improved fixed-cost utilization in CPG and PCG

2-Year Stacked Consolidated Q2 Growth



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

Sales Growth in USD by Region | Q2-24



Fiscal 2024 Second-Quarter Financial Results | Consolidated

Record Q2 sales and adjusted EBIT

(\$ in millions, except per share amounts)	Q2 2024	Q2 2023	% Change
Sales	\$1,792	\$1,792	Up slightly
EBIT ¹	\$221	\$196	+12.6%
Adjusted EBIT ¹	\$237	\$215	+10.4%
Adjusted EBIT Margin ¹	13.2%	12.0%	+120 bps
Net Income	\$146	\$131	+10.8%
Diluted EPS	\$1.13	\$1.02	+10.8%
Adjusted Diluted EPS ¹	\$1.22	\$1.10	+10.9%

KEY POINTS

- Record Q2 sales with volume growth in CPG & PCG and positive pricing in all segments
- Sales include a -0.3% organic decline, +0.5% from F/X and -0.2% from divestitures / acquisitions
- SG&A increase driven by incentives to sell higher margin products, investments in long-term growth initiatives and inflation, partially offset by expense reduction actions taken in Q4-23
- Record Q2 adjusted EBIT included 320 bp gross margin improvement, driven by MAP 2025, including the commodity cycle, positive mix and fixed-cost leverage at CPG / PCG
- \$592.4 million debt paydown over last 12 months helped limit impact of higher interest rates

(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.

Fiscal 2024 Second-Quarter Financial Results

CPG generates record sales and adjusted EBIT

CONSTRUCTION PRODUCTS GROUP



(\$ in millions, except margins)	Q2 2024	Q2 2023	% Change	Sales Components	
Sales	\$661.8	\$612.4	+8.1%	Organic	+6.1%
EBIT ¹	\$99.0	\$77.8	+27.1%	Acquisitions/ Divestitures	+0.6%
Adjusted EBIT ¹	\$99.6	\$79.0	+26.0%	F/X	+1.4%
Adjusted EBIT Margin ¹	15.1%	12.9%	+220 bps		

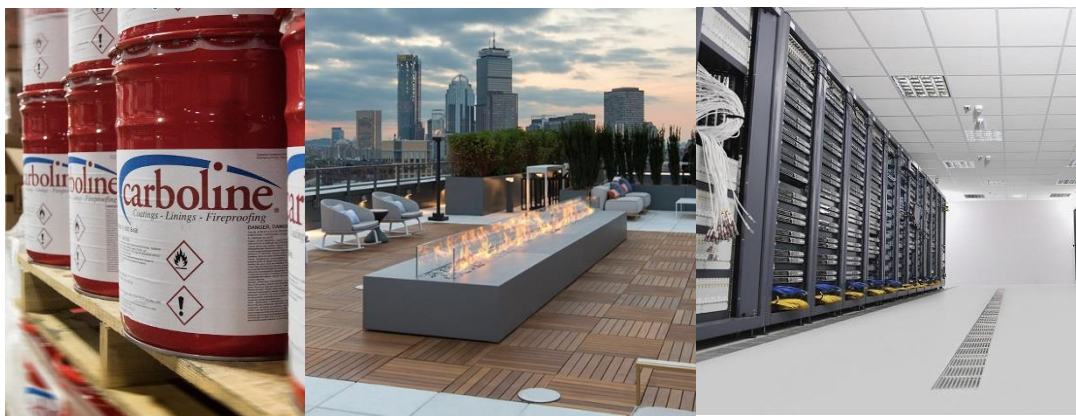
- Record Q2 sales led by growth in concrete admixtures, which benefited from increased demand from infrastructure and reshoring projects and market share gains
- Strength in high-performance building construction and renovation
- Growth in Europe, driven by new management team with more focused sales strategy
- Record Q2 adjusted EBIT from MAP 2025 benefits, favorable mix and improved fixed-cost leverage
- Variable compensation increased due to improved financial performance, partially offset by expense reduction actions implemented at the end of FY23

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

Fiscal 2024 Second-Quarter Financial Results

Record Q2 results driven by strong demand for engineered solutions and MAP 2025 benefits

PERFORMANCE COATINGS GROUP



(\$ in millions, except margins)	Q2 2024	Q2 2023	% Change	Sales Components	
Sales	\$374.9	\$356.8	+5.1%	Organic	+5.6%
EBIT ¹	\$60.1	\$46.4	+29.5%	Acquisitions/ Divestitures	-0.5%
Adjusted EBIT ¹	\$60.9	\$47.6	+28.0%	F/X	0.0%
Adjusted EBIT Margin ¹	16.2%	13.3%	+290 bps		

- Record Q2 sales driven by growth in engineered turnkey flooring systems serving reshoring projects and market share gains
- Strong growth in Asia/Pacific and Africa/Middle East, which all recently aligned under PCG
- All-time record adjusted EBIT driven by sales growth, favorable mix and improved fixed-cost leverage, which was enhanced by MAP 2025
- Growth in addition to strong prior-year results

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

Fiscal 2024 Second-Quarter Financial Results

Challenging market conditions in specialty OEM end markets

SPECIALTY PRODUCTS GROUP



(\$ in millions, except margins)	Q2 2024	Q2 2023	% Change	Sales Components	
Sales	\$177.0	\$212.1	-16.6%	Organic	-14.6%
EBIT ¹	\$10.0	\$27.4	-63.4%	Acquisitions/ Divestitures	-2.7%
Adjusted EBIT ¹	\$16.9	\$30.0	-43.5%	F/X	+0.7%
Adjusted EBIT Margin ¹	9.6%	14.1%	-450 bps		

- Weak demand in specialty OEM end markets, particularly those with residential exposure
- Non-core furniture warranty business divestiture in Q3-23 reduced sales and adjusted EBIT
- Challenging comparisons for disaster restoration business due to elevated hurricane response activity in Q2-23, which did not repeat
- Adjusted EBIT decline driven by the sales decline and unfavorable deleveraging, partially offset by expense reduction actions taken in Q4-23
- Investments in long-term growth initiatives weighed on EBIT margins
- Adjusted EBIT excluded a \$4.0 million expense related to an adverse legal ruling for a divested business

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



Fiscal 2024 Second-Quarter Financial Results

Soft DIY demand pressured sales; MAP 2025 drove adjusted EBIT growth

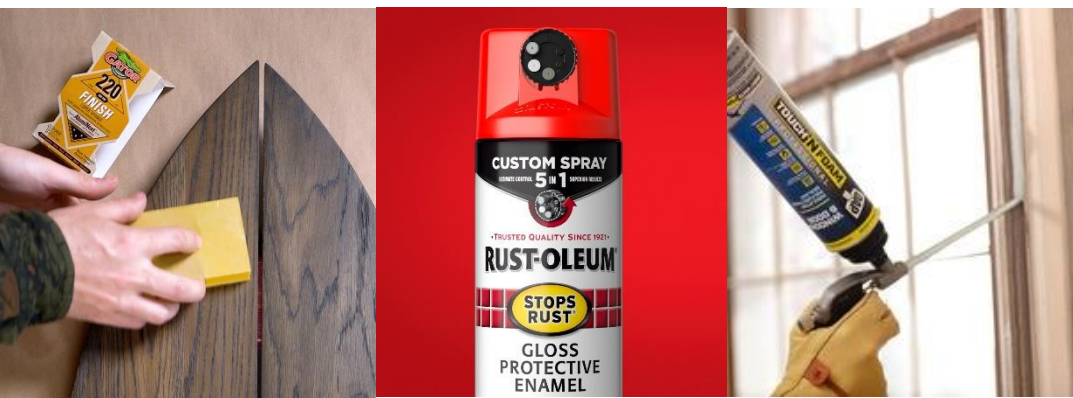
CONSUMER GROUP



(\$ in millions, except margins)	Q2 2024	Q2 2023	% Change	Sales Components	
Sales	\$578.7	\$610.4	-5.2%	Organic	-5.1%
EBIT ¹	\$97.2	\$93.9	+3.5%	Acquisitions/ Divestitures	0.0%
Adjusted EBIT ¹	\$96.4	\$94.2	+2.3%		
Adjusted EBIT Margin ¹	16.7%	15.4%	+130 bps	F/X	-0.1%

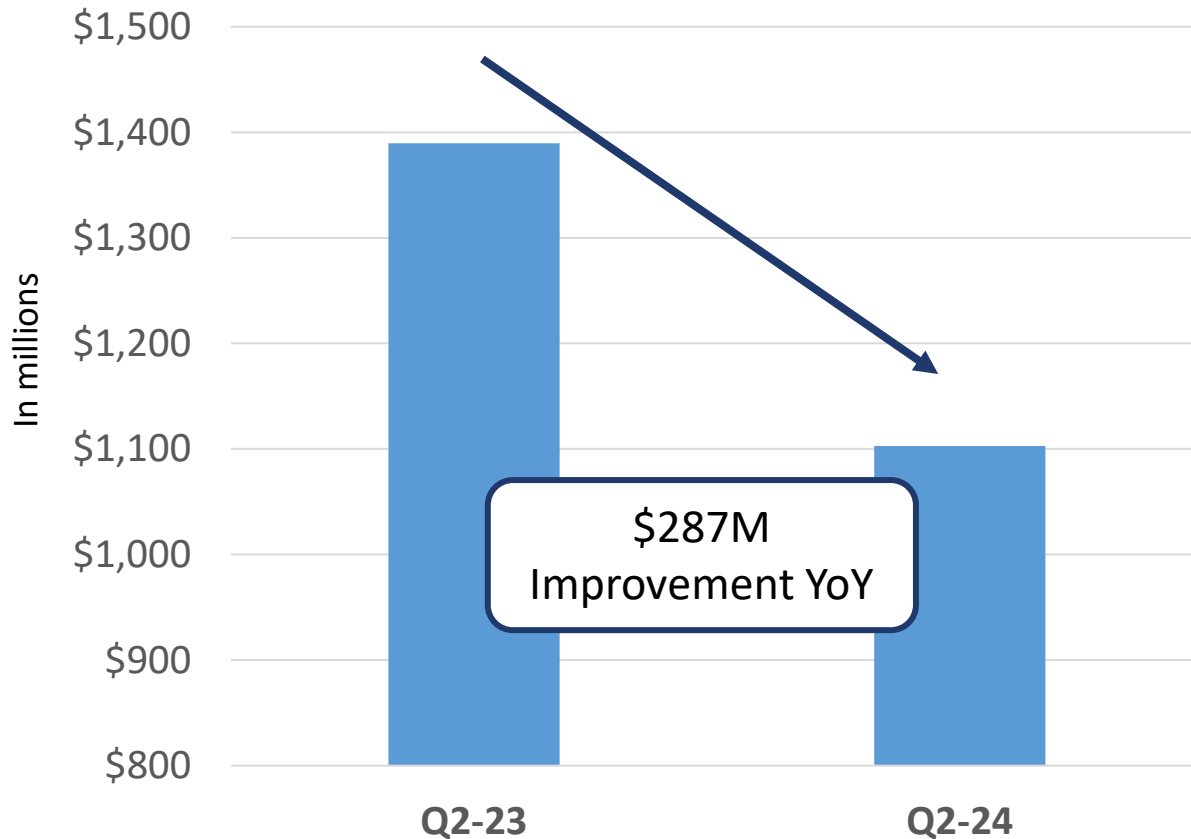
- Negative sales driven by reduced DIY takeaway at retail stores, as housing turnover hit multi-year lows, and retailers reducing inventories, partially offset by market share gains, strength in international markets, and increased pricing to catch up with inflation
- Record Q2 adjusted EBIT driven by MAP 2025 benefits and strength in international markets
- Q2-24 results are in addition to strong prior-year results, when sales and adjusted EBIT increased by 15.3% and 180.3%, respectively

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



Working Capital Management Results in All-Time Record Cash Flow from Operations

Inventories



Q2-24 Update

- Reduced inventories by \$286.8 million from Q2-23
- Record Q2-24 cash flow from operations +\$408.6 million compared to +\$167.4 million in Q2-23
- 1H-24 cash flow from operations +\$767.8 million, surpassing previous 12-month fiscal year record
- Paid \$113.3 million in dividends YTD
- Achieved 50th year of consecutive dividend increases
- Repurchased \$25.0 million of shares YTD
- \$592.4 million total debt reduction since Q2-23
- Strong liquidity of \$1.51 billion

RPM Innovation Center of Excellence

- Collaborative RPM facility to accelerate innovation
- Located in Greensboro, NC with access to significant R&D talent
- Speeds responsiveness to customers
- Eliminates need for duplicate equipment in multiple facilities



Shared resource for all RPM companies, particularly those with limited scale or local R&D talent

Fiscal 2024 Third-Quarter Guidance

CATEGORY	Q3-24 OUTLOOK (YOY)	PRIOR-YEAR RECORD
SALES Consolidated	Flat	✓
Construction Products Group	+MSD %	✓
Performance Coatings Group	+MSD %	✓
Specialty Products Group	-Mid Teen %	✓
Consumer Group	-LSD %	✓
ADJUSTED EBIT Consolidated	+25 % to 35 %	✓

LSD = Low Single Digit | MSD = Mid Single Digit

Expected Trends in Q3

- | | |
|--|---|
| (+) MAP 2025 improvements | (-) OEM weakness |
| (+) Less challenging prior-year comparisons | (-) DIY demand soft |
| (+) Commodity cycle benefits | (-) Mixed new construction demand |
| (+) Infrastructure / reshoring /
high-performance buildings | (-) Long-term growth / efficiency investments
weighing on short-term margins |
| (+) Resilient repair and maintenance demand | |
| (+) Market share gains | |
| (+) Strong growth outside U.S. | |

Fiscal Year 2024 Guidance

CATEGORY	FY24 OUTLOOK (YOY)	PRIOR-YEAR RESULTS	PRIOR-YEAR RECORD
SALES Consolidated	+LSD %	+8.2%	✓
ADJUSTED EBIT Consolidated	+LDD to +Mid-Teen %	+18.8%	✓

LSD = Low Single Digit | LDD = Low Double Digit

Expected FY24 Trends

- Continued MAP 2025 benefits
- Strength in infrastructure / reshoring
- Less-challenging comparisons in 2H-24
- Positive commodity cycle
- Continuing uncertainty around commercial construction

Expected FY24 Trends by Segment

CPG

- (+) Focus on repair and maintenance
- (+) Reshoring
- (+) Infrastructure
- (+) High performance buildings
- (-) Uncertain commercial construction

PCG

- (+) Reshoring
- (+) Infrastructure
- (-) Challenging comparisons

SPG

- (+) Easier 2H-24 comparisons
- (-) Weak OEM demand

Consumer

- (+) Market share gains
- (-) DIY softness
- (-) Reduced benefit from pricing



Appendix

Reconciliation of Non-GAAP to GAAP Measures

Consolidated Statements of Income: Three Months

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

	Three Months Ended				
	November 30, 2023	%	November 30, 2022	%	% Change
Net Sales	\$ 1,792,275		\$ 1,791,708		0.0
Cost of Sales	1,044,047	58.3	1,101,317	61.5	
Gross Profit	748,228	41.7	690,391	38.5	
SG&A	523,289	29.2	490,607	27.3	
Restructuring Expense	1,239	0.1	1,272	0.1	
Other Expense, Net	2,817	0.1	2,310	0.1	
EBIT** (non-GAAP measure)	220,883	12.3	196,202	11.0	12.6
Interest Expense	30,348	1.7	27,918	1.6	
Investment (Income), Net	(5,289)	(0.3)	(6,851)	(0.4)	
Income Before Taxes	195,824	10.9	175,135	9.8	
Provision for Income Taxes	50,009	2.8	43,593	2.5	
Net Income	145,815	8.1	131,542	7.3	10.9
Less: Net Income Attributable to Noncontrolling Interests	310	0.0	198	0.0	
Net Income Attributable to RPM Stockholders	\$ 145,505	8.1	\$ 131,344	7.3	10.8
Diluted EPS	\$ 1.13		\$ 1.02		10.8

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, 2023	%	November 30, 2022	%	% Change
Net Sales	\$ 3,804,132		\$ 3,724,028		2.2
Cost of Sales	2,227,287	58.5	2,289,166	61.5	
Gross Profit	1,576,845	41.5	1,434,862	38.5	
SG&A	1,054,321	27.7	975,812	26.2	
Restructuring Expense	7,737	0.3	2,626	0.1	
Other Expense, Net	5,371	0.1	4,726	0.1	
EBIT** (non-GAAP measure)	509,416	13.4	451,698	12.1	12.8
Interest Expense	62,166	1.6	54,629	1.5	
Investment (Income), Net	(17,728)	(0.4)	(3,187)	(0.1)	
Income Before Taxes	464,978	12.2	400,256	10.7	
Provision for Income Taxes	117,850	3.1	99,435	2.6	
Net Income	347,128	9.1	300,821	8.1	15.4
Less: Net Income Attributable to Noncontrolling Interests	541	0.0	464	0.0	
Net Income Attributable to RPM Stockholders	\$ 346,587	9.1	\$ 300,357	8.1	15.4
Diluted EPS	\$ 2.69		\$ 2.33		15.5

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

Non-GAAP Financial Measures

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 (income) 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.

Adjustments Detail

- a) Charges recorded in Cost of Goods Sold related to inventory write-offs in connection with restructuring activities at our Construction Products, Performance Coatings and Specialty Products segments.
- b) Reflects restructuring charges, including headcount reductions, impairments, closures of facilities and related costs, all in relation to our Margin Acceleration Plan (“MAP to Growth”) and our Margin Achievement Plan (“MAP 2025”), together MAP initiatives. This includes the current year loss on sale in connection with the divestiture of Universal Sealant's Bridgecare services division, a non-core business.
- c) Accelerated costs, including depreciation and amortization expense related to the shortened useful lives of facilities, equipment, ERP systems, and other intangible assets that are currently in use, but are in the process of being retired associated with various MAP initiatives including facility closures, ERP consolidation, and SKU rationalization.
- d) Reflects the increase in our allowance for doubtful accounts as a result of the divestiture of the non-core Universal Sealant’s Bridgecare service business within our PCG segment.
- e) Includes implementation costs associated with our ERP consolidation plan and other decision support tools.
- f) Comprises professional fees incurred in connection with our MAP initiatives.
- g) Sale of inventory that had previously been reserved for as a result of prior product line rationalization initiatives at PCG partially offset by inventory write-offs related to the discontinuation of certain product lines within our SPG segment. These amounts resulted from ongoing product line rationalization efforts in connection with our MAP initiatives.
- h) Reflects the gain associated with post-closing adjustments for the sale of the non-core furniture warranty business in the SPG segment in fiscal 2023.
- i) Business interruption insurance recovery at our Consumer segment related to lost sales and incremental costs incurred during fiscal 2021 and 2022 as a result of an explosion at the plant of a significant alkyd resin supplier.
- j) Represents incremental expense related to an adverse legal ruling from a case associated with a business that was divested in the prior year. We strongly disagree with the legal ruling and have filed an appeal
- k) 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>	<u>Three Months Ended</u>	
	<u>November 30, 2023</u>	<u>November 30, 2022</u>
Reported Earnings per Diluted Share	\$ 1.13	\$ 1.02
Restructuring expense (b)	0.01	0.01
ERP consolidation plan (e)	0.02	0.01
Professional fees (f)	0.04	0.09
Legal contingency adjustment on a divested business (j)	0.02	-
Investment returns (k)	-	(0.03)
Adjusted Earnings per Diluted Share****	\$ 1.22	\$ 1.10

****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)

<u>Reconciliation of Reported Earnings per Diluted Share to Adjusted Earnings per Diluted Share (All amounts presented after-tax):</u>	<u>Six Months Ended</u>	
	<u>November 30, 2023</u>	<u>November 30, 2022</u>
Reported Earnings per Diluted Share	\$ 2.69	\$ 2.33
Restructuring expense (b)	0.07	0.02
Accelerated expense - other (c)	0.01	-
Receivable write-offs (d)	0.03	-
ERP consolidation plan (e)	0.04	0.01
Professional fees (f)	0.12	0.20
(Gain) on sale of a business (h)	(0.01)	-
Business interruption insurance recovery (i)	(0.07)	-
Legal contingency adjustment on a divested business (j)	0.02	-
Investment returns (k)	(0.04)	0.02
Adjusted Earnings per Diluted Share****	\$ 2.86	\$ 2.58

****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 percent data)
(Unaudited)

	Three Months Ended	
	November 30, 2023	November 30, 2022
Net Income	\$ 145,815	\$ 131,542
Provision for Income Taxes	50,009	43,593
Income Before Income Taxes	195,824	175,135
Interest Expense	30,348	27,918
Investment (Income), Net	(5,289)	(6,851)
EBIT** (non-GAAP measure)	220,883	196,202
Inventory-related charges (a)	214	336
Restructuring expense (b)	1,270	1,591
Accelerated expense - other (c)	748	171
ERP consolidation plan (e)	3,418	1,048
Professional fees (f)	7,538	15,325
Discontinued product line (g)	(295)	-
Business interruption insurance recovery (i)	(836)	-
Legal contingency adjustment on a divested business (j)	3,953	-
Adjusted EBIT*** (non-GAAP measure)	\$ 236,893	\$ 214,673
Net Sales	\$ 1,792,275	\$ 1,791,708
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	13.2%	12.0%

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 percent data)
(Unaudited)

	Six Months Ended	
	November 30, 2023	November 30, 2022
Net Income	\$ 347,128	\$ 300,821
Provision for Income Taxes	117,850	99,435
Income Before Income Taxes	464,978	400,256
Interest Expense	62,166	54,629
Investment (Income), Net	(17,728)	(3,187)
EBIT** (non-GAAP measure)	509,416	451,698
Inventory-related charges (a)	347	412
Restructuring expense (b)	12,286	3,183
Accelerated expense - other (c)	1,439	258
Receivable write-offs (d)	4,588	-
ERP consolidation plan (e)	6,561	2,250
Professional fees (f)	19,817	32,137
Discontinued product line (g)	(249)	-
(Gain) on sale of a business (h)	(1,123)	-
Business interruption insurance recovery (i)	(11,128)	-
Legal contingency adjustment on a divested business (j)	3,953	-
Adjusted EBIT*** (non-GAAP measure)	\$ 545,907	\$ 489,938
Net Sales	\$ 3,804,132	\$ 3,724,028
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	14.4%	13.2%

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): Construction Products Segment: Three Months

(\$ in thousands, except percent data)
(Unaudited)

	Three Months Ended	
	November 30, 2023	November 30, 2022
Income Before Income Taxes	\$ 98,398	\$ 74,038
Add: Interest Expense, Net*	555	3,796
EBIT** (non-GAAP measure)	98,953	77,834
Restructuring expense (b)	388	67
Accelerated expense - other (c)	-	40
ERP consolidation plan (e)	272	554
Professional fees (f)	-	547
Adjusted EBIT*** (non-GAAP measure)	\$ 99,613	\$ 79,042
Net Sales	\$ 661,750	\$ 612,443
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	15.1%	12.9%

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 percent data)
(Unaudited)

	Six Months Ended	
	November 30, 2023	November 30, 2022
Income Before Income Taxes	\$ 238,850	\$ 180,793
Add: Interest Expense, Net*	3,951	4,576
EBIT** (non-GAAP measure)	242,801	185,369
Inventory-related charges (a)	-	24
Restructuring expense (b)	803	124
Accelerated expense - other (c)	-	127
ERP consolidation plan (e)	531	1,128
Professional fees (f)	75	986
Adjusted EBIT*** (non-GAAP measure)	\$ 244,210	\$ 187,758
Net Sales	\$ 1,444,539	\$ 1,318,856
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	16.9%	14.2%

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 percent data)
(Unaudited)

	Three Months Ended	
	November 30, 2023	November 30, 2022
Income Before Income Taxes	\$ 61,502	\$ 46,709
Add: Interest (Income), Net*	(1,425)	(332)
EBIT** (non-GAAP measure)	60,077	46,377
Restructuring expense (b)	337	126
ERP consolidation plan (e)	571	340
Professional fees (f)	180	725
Discontinued product line (g)	(295)	-
Adjusted EBIT*** (non-GAAP measure)	\$ 60,870	\$ 47,568
Net Sales	\$ 374,856	\$ 356,822
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	16.2%	13.3%

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 percent data)
(Unaudited)

	Six Months Ended	
	November 30, 2023	November 30, 2022
Income Before Income Taxes	\$ 106,323	\$ 96,110
Add: Interest (Income), Net*	(2,549)	(526)
EBIT** (non-GAAP measure)	103,774	95,584
Inventory-related charges (a)	80	-
Restructuring expense (b)	10,258	89
Receivable write-offs (d)	4,588	-
ERP consolidation plan (e)	1,156	879
Professional fees (f)	360	1,325
Discontinued product line (g)	(295)	-
Adjusted EBIT*** (non-GAAP measure)	\$ 119,921	\$ 97,877
Net Sales	\$ 753,369	\$ 720,540
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	15.9%	13.6%

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): Specialty Products Segment: Three Months

(\$ in thousands, except percent data)
(Unaudited)

	Three Months Ended	
	November 30, 2023	November 30, 2022
Income Before Income Taxes	\$ 10,145	\$ 27,431
Add: Interest (Income) Expense, Net*	(104)	7
EBIT** (non-GAAP measure)	10,041	27,438
Inventory-related charges (a)	214	336
Restructuring expense (b)	511	1,056
Accelerated expense - other (c)	748	131
ERP consolidation plan (e)	872	154
Professional fees (f)	581	838
Legal contingency adjustment on a divested business (j)	3,953	-
Adjusted EBIT*** (non-GAAP measure)	\$ 16,920	\$ 29,953
Net Sales	\$ 176,982	\$ 212,084
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	9.6%	14.1%

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): Specialty Products Segment: Six Months

(\$ in thousands, except percent data)
(Unaudited)

	Six Months Ended	
	November 30, 2023	November 30, 2022
Income Before Income Taxes	\$ 26,542	\$ 55,316
Add: Interest (Income) Expense, Net*	(203)	5
EBIT** (non-GAAP measure)	26,339	55,321
Inventory-related charges (a)	267	388
Restructuring expense (b)	1,177	2,221
Accelerated expense - other (c)	1,073	131
ERP consolidation plan (e)	1,583	154
Professional fees (f)	1,499	1,387
Discontinued product line (g)	46	-
(Gain) on sale of a business (h)	(1,123)	-
Legal contingency adjustment on a divested business (j)	3,953	-
Adjusted EBIT*** (non-GAAP measure)	\$ 34,814	\$ 59,602
Net Sales	\$ 357,933	\$ 414,781
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	9.7%	14.4%

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): Consumer Segment: Three Months

(\$ in thousands, except percent data)
(Unaudited)

	Three Months Ended	
	November 30, 2023	November 30, 2022
Income Before Income Taxes	\$ 98,066	\$ 93,873
Add: Interest (Income), Net*	(869)	(1)
EBIT** (non-GAAP measure)	97,197	93,872
Restructuring expense (b)	34	342
Business interruption insurance recovery (i)	(836)	-
Adjusted EBIT*** (non-GAAP measure)	\$ 96,395	\$ 94,214
Net Sales	\$ 578,687	\$ 610,359
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	16.7%	15.4%

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): Consumer Segment: Six Months

(\$ in thousands, except percent data)
(Unaudited)

	Six Months Ended	
	November 30, 2023	November 30, 2022
Income Before Income Taxes	\$ 229,895	\$ 210,562
Add: Interest (Income), Net*	(1,619)	(27)
EBIT** (non-GAAP measure)	228,276	210,535
Restructuring expense (b)	48	749
Accelerated expense - other (c)	366	-
Business interruption insurance recovery (i)	(11,128)	-
Adjusted EBIT*** (non-GAAP measure)	\$ 217,562	\$ 211,284
Net Sales	\$ 1,248,291	\$ 1,269,851
Adj EBIT*** as a % of Net Sales (non-GAAP measure)	17.4%	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.