



Valmont Announces Capital Allocation Priorities

February 18, 2025

New \$700 Million Authorization for Share Repurchases

Increase of Quarterly Dividend to \$0.68 per Share

OMAHA, Neb.--(BUSINESS WIRE)-- Valmont® Industries, Inc. (NYSE: VMI), a global leader that provides products and solutions to support vital infrastructure and advance agricultural productivity, today announced an update to its capital allocation priorities aimed at accelerating growth and increasing shareholder returns.

"Valmont anticipates generating significant cash flow in the coming years as we execute our strategic growth and margin expansion initiatives. We are pleased that our Board has approved a \$700 million share repurchase authorization and an increase in our quarterly dividend," said Thomas Liguori, Executive Vice President and Chief Financial Officer. "These decisions underscore our confidence in Valmont's long-term strategy and commitment to shareholder returns."

The capital allocation priorities are intended to present a balanced approach to maintaining disciplined investments in organic and inorganic growth opportunities while delivering meaningful capital returns to shareholders over the next three to five years. These priorities are expected to be supported by the Company's projected cash flow generation.

Key features include the following:

- Approximately 50% of operating cash flow allocated to high-return growth opportunities, focused on:
 - Capital expenditures for strategic capacity expansion, primarily in the Infrastructure segment, to maintain and increase manufacturing output and efficiency while driving innovation to better serve customers
 - Acquisitions that strategically augment the Company's competitive position, with a focus on sustainable growth and premium returns on invested capital (ROIC)
- Approximately 50% of operating cash flows will be allocated to shareholder returns through the form of share repurchases and dividends. The Board of Directors has approved the following steps to enable this goal:
 - A new \$700 million share repurchase authorization, representing approximately 10% of the Company's current market capitalization
 - A 13% increase in the quarterly dividend to \$0.68 per share (\$2.72 annualized), payable on April 15, 2025, to shareholders of record on March 28, 2025. The Company anticipates increasing its dividend annually in the first quarter of each year, at a pace aligned with expected longer-term earnings growth
- As part of its capital allocation framework, the Company intends to maintain its Investment Grade credit rating, with a long-term target for net leverage of 2.5X or less, while capable of temporarily flexing leverage higher if the opportunity for exceptionally impactful, larger transactions arises

The Company is authorized to repurchase up to \$700 million of its outstanding common stock from time to time, by means of open-market purchases through any method or program, including through Rule 10b5-1 trading plans, or through privately negotiated transactions. The purchases will be funded from available cash balances and ongoing cash flows and will be made subject to market and economic conditions. The Company is not obligated to make any repurchases and may discontinue the program at any time. The new authorization, which has no stated expiration date, will be added to the current authorization, of which approximately \$66 million remained as of December 28, 2024. Valmont currently has approximately 20.2 million shares outstanding.

The Company's goal of returning 50% of operating cash flow to shareholders is subject to various factors, including industry and market conditions, the price of the Company's common stock, and alternative uses of capital. Actual shareholder returns may vary over time. There can be no guarantee as to the timing of the declaration and payment of any dividends, or the amount thereof, which is at the discretion of the Board.

About Valmont Industries, Inc.

For nearly 80 years, Valmont has been a global leader that provides products and solutions to support vital infrastructure and advance agricultural productivity. We are committed to customer-focused innovation that delivers lasting value. Learn more about how we're *Conserving Resources. Improving Life.*® at [valmont.com](https://www.valmont.com).

Concerning Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on assumptions made by management, considering its experience in the industries where Valmont operates, perceptions of historical trends, current conditions, expected future developments, and other relevant factors. It is

important to note that these statements are not guarantees of future performance or results. They involve risks, uncertainties (some of which are beyond Valmont's control), and assumptions. While management believes these forward-looking statements are based on reasonable assumptions, numerous factors could cause actual results to differ materially from those anticipated. These factors include, among other things, risks described in Valmont's reports to the Securities and Exchange Commission ("SEC"), the Company's actual cash flows and net income, future economic and market circumstances, industry conditions, company performance and financial results, operational efficiencies, availability and price of raw materials, availability and market acceptance of new products, product pricing, domestic and international competitive environments, geopolitical risks, and actions and policy changes by domestic and foreign governments. The Company cautions that any forward-looking statements in this release are made as of its publication date and does not undertake to update these statements, except as required by law.

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Source: Valmont Industries, Inc.