PARTICIPANTS

Corporate Participants

Renee L. Campbell – Senior Vice President-Capital Markets & Risk/Treasurer, Valmont Industries, Inc.
Avner M. Applbaum – President, Chief Executive Officer & Director, Valmont Industries, Inc.
John L. Schwietz – Chief Financial Officer & Executive Vice President, Valmont Industries, Inc.

Other Participants

Christopher Moore – Analyst, CJS Securities, Inc.
Nathan Jones – Analyst, Stifel, Nicolaus & Co., Inc.
Brian Drab – Analyst, William Blair & Co. LLC
Brent Thielman – Analyst, Oppenheimer & Co., Inc.
Tomohiko Sano – Analyst, JPMorgan Securities LLC

MANAGEMENT DISCUSSION SECTION

Operator: Greetings. Welcome to Valmont Industries Incorporated Second Quarter 2026 Earnings Conference Call. At this time, all participants are in a listen-only mode. A question-and-answer session will follow the presentation. We ask that you please limit yourself to one question and one brief follow-up question and return to the queue. [Operator Instructions] Please note this conference is being recorded.

I will now turn the conference over to your host, Renee Campbell, Senior Vice President Capital Markets & Risk. Ms. Campbell, you may begin.

Renee L. Campbell, Senior Vice President-Capital Markets & Risk/Treasurer, Valmont Industries, Inc.

Good morning, everyone, and thank you for joining us. With me today are Avner Applbaum, President and Chief Executive Officer; John Schwietz, Executive Vice President and Chief Financial Officer; and Eric Johnson, Chief Accounting Officer.

Earlier this morning, we issued a press release announcing our second quarter 2026 results. Both the release and the presentation for today's webcast are available on the investors page of our website at valmont.com. A replay of the webcast will be available later this morning. To stay updated with Valmont's latest news releases and information, please sign up for email alerts on our investor site.

We'll begin today's call with prepared remarks and then open it up for questions. Please note that this call is subject to our disclosure on forward-looking statements, which is outlined on slide 2 of the presentation and will be read in full after Q&A.

With that, I'd now like to turn the call over to Avner.

Avner M. Applbaum, President, Chief Executive Officer & Director, Valmont Industries, Inc.

Thank you, Renee. Good morning, everyone, and thank you for joining us. Turning to slide 4, we delivered a strong second quarter that reflects the dedication of the global Valmont team and the execution of our strategy. Net sales increased 6.5%, adjusted operating margins expanded 130 basis points, and adjusted earnings per share grew 25.8%. Based on this performance, we are raising our full-year sales and earnings outlook.

Infrastructure delivered another high quality quarter, led by 34% growth in North America Utility and 17% growth in Coatings. Commercial execution, pricing discipline and ongoing investments in capacity and throughput continue to translate durable customer demand into profitable growth.

Agriculture also performed well, despite challenging market conditions. While sales remained under pressure, disciplined pricing and cost management drove another quarter of operating margin improvement, demonstrating the resilience of the business through this cycle. Overall, our results demonstrate that the investments we are making, the operational improvements we're implementing, and our capital allocation strategy are driving stronger financial performance and positioning the business for sustainable, profitable growth.

Turning to slide 5. The quarter we just delivered is a good example of how these value drivers are translating into stronger financial performance. We're investing where we see the greatest opportunities to create value, especially in utility, where capacity expansion and throughput improvements are supporting profitable growth.

Across the rest of the portfolio, we're focused on improving commercial execution and operational performance to enhance returns through the cycle. At the same time, our approach to capital allocation ensures we're investing behind our highest return opportunities while maintaining financial flexibility to create long-term shareholder value. These value drivers are embedded in how we operate the business every day, and you'll hear examples of each as we walk through our markets and financial results.

Turning to slide 6. I'd like to review the current market environment and how our infrastructure businesses are performing within it, beginning with North America Utility. The favorable outlook for our business is being driven by a robust market environment. Demand continues to be supported by investment in grid modernization, power demand, data centers and electrification. Our conversations with customers reinforce that this is the early stages of a multiyear investment cycle.

We are focused on delivering value through differentiated customer support, industry-leading innovation and continued improvements in system throughput. North America Coatings is benefiting from the same infrastructure investments, driving our utility business. With one of the industry's largest galvanizing networks, we improve the durability, reliability and lifecycle performance of steel infrastructure. This business is benefiting from higher internal volumes and growing third-party infrastructure demand.

In North America Lighting and Transportation, transportation markets remain healthy while lighting is impacted by softer residential and commercial construction activity. Our priority is improving on time delivery for our customers and manufacturing reliability. In North America Telecom, customer investment activity has moderated as carrier take a more selective approach to capital spending following the peak of the 5G deployment cycle. We expect these conditions to persist through the balance of 2026.

Our strategy is designed to strengthen performance across our portfolio, and telecom is a good example of that in action. Even with lower sales, we've maintained strong profitability through commercial execution, operational improvements and disciplined cost management. Over time, we remain confident that increasing data consumption, spectrum deployment and the need to expand network capacity will support future investment in wireless infrastructure.

Turning to International, we continue to leverage our local manufacturing footprint, engineering expertise and long-standing customer relationships to participate in infrastructure investment across our global markets. We're also executing on our strategic initiatives to strengthen these businesses. While it is still early in the process, we're encouraged by the progress we're seeing and expect these initiatives to continue supporting improved performance through the balance of the year.

Turning to slide 7, global agriculture market conditions remain challenged. In North America, tighter farm economics remain a constraint on capital spending and are contributing to cautious grower sentiment. In Brazil, the recently announced government crop plan, reduced financing rate for irrigation equipment, although overall funding allocated to irrigation is below last year's level. We are managing the business with discipline and remain confident in the long-term fundamental of the Brazilian market.

In the Middle East, the primary business impacts are timing delays of certain customer projects as a result of the ongoing conflict in the region. While the underlying dynamics differ across regions, we expect the overall operating environment for agriculture to persist through the balance of the year. We are managing the business with discipline while investing in higher value opportunities, including aftermarket and technology solutions that enhance grower productivity. That strategy is strengthening the quality and resilience of the business, with aftermarket parts sales growing approximately 6% and technology services increasing 7% in the second quarter, despite softer equipment demand.

I'll now turn the call over to John to review our second quarter financial results and updated 2026 outlook.

John L. Schwietz, Chief Financial Officer & Executive Vice President, Valmont Industries, Inc.

Thank you, Avner. Good morning, everyone. Our second quarter results reflect solid execution across the business, led by strong performance in North America Utility and our focus on operational discipline. Before turning to the financials, my comments going forward will compare to the adjusted results for 2025 as outlined in the Reg G disclosures in the press release and presentation appendix. I'll begin with our consolidated results before discussing our segment performance and updated outlook.

Turning to slide 9. Net sales of $1.12 billion increased by 6.5% year-over-year, driven by sales growth in infrastructure, notably in North America Utility. Operating income increased to $166.1 million and operating margin expanded 130 basis points to 14.8%, reflecting stronger operating performance across both segments. Our tax rate remained steady at approximately 26%. Diluted earnings per share was $6.14, a 25.8% increase from prior year.

Moving to our segment results on slide 10. Beginning with infrastructure, sales of $879 million grew 14.8% year-over-year. North America Utility sales increased 33.9%, driven by higher pricing and volume growth supported by a robust market environment. Sales in North America Lighting and Transportation declined 2.4% due to lower volumes. North America Coatings sales increased 16.6%, supported by healthy infrastructure and data center demand. North America Telecom sales decreased 26.1%, reflecting lower carrier spending as customers shifted capital allocation priorities.

International sales increased 7.4% due to favorable foreign exchange impacts and a slight increase in volume. Operating income increased to $154 million, with operating margins expanding 130 basis points to 17.6%, driven by higher utility pricing and volumes. This strength was partially offset by higher inflationary input costs, primarily materials.

Turning to slide 11. Second quarter agriculture sales decreased 15.8% year-over-year to $244 million. North America sales declined 2.3%, as reduced volumes were partially offset by favorable pricing. International sales decreased 28.9%, driven primarily by lower Middle East volumes. Outside of the Middle East, sales across our international markets were relatively flat.

Importantly, operating margin was 16.5% in the quarter, improving 90 basis points year-over-year, supported by disciplined cost and risk management. These actions to improve efficiency and performance position us to expand margins when ag markets recover.

Moving to slide 12 for cash liquidity and capital allocation. We delivered another quarter of healthy operating cash flow of $148 million. We ended the quarter with approximately $139 million of cash while net debt leverage remained close to 1 times. We are deploying capital in line with our balanced capital allocation strategy. During the quarter, we invested $36 million in capital expenditures, primarily to support utility capacity expansion. We repaid the remaining $60 million outstanding on our revolving credit facility and returned $75 million to shareholders through $60 million of share repurchases and $15 million in dividends.

At quarter end, approximately $451 million remained available under our current share repurchase authorization. This balanced deployment of capital reflects our focus on investing in the highest return growth opportunities while maintaining financial flexibility and returning capital to shareholders.

Turning to our 2026 outlook on slide 13. We are increasing our full-year guidance. Net sales are now projected to be between $4.3 billion and $4.45 billion. At the midpoint, this represents approximately 6.7% revenue growth for the year. We are increasing our infrastructure sales outlook to be between $3.4 billion to $3.5 billion, while maintaining our agriculture outlook.

In infrastructure, the higher sales outlook is driven by continued strength in North America Utility and Coatings. We expect volume growth to remain healthy through the balance of the year. Pricing is expected to remain favorable, although the year-over-year contribution will moderate as prior contractual pricing actions are fully annualized.

Our agriculture outlook remains unchanged and continues to reflect the normal North America seasonal pattern of lower sales in the second half of the year. We are increasing our diluted earnings per share outlook to a range of $22.25 to $23.50. At the midpoint, this represents nearly 20% growth in adjusted EPS. The higher EPS outlook reflects continued strength in North America Utility and Coatings, supported by volume growth and favorable pricing. While we expect raw material and freight costs to remain elevated to the balance of the year, pricing actions and operational execution are expected to support infrastructure operating margins at levels consistent with the first half of 2026.

In Agriculture, consistent with normal seasonality, we expect operating margins to moderate in the second half. Our capital expenditure outlook remains unchanged at $170 million to $200 million. Spending will be weighted towards the second half of the year as we continue investing in capacity expansion to support future growth.

Moving to slide 14. While it's only been a little more than a month since Investor Day, our second quarter results already provide tangible examples of the progress we're making against that roadmap. We are investing in our utility business through capacity expansion and operational improvements. Across the rest of the portfolio, we're advancing commercial initiatives, engineering excellence and technology investments that improve productivity and support future growth.

Combined with our capital allocation approach, our second quarter results demonstrate the early progress we're making against that roadmap.

Turning to slide 15. Our long-term financial framework outlines the outcomes we're working to achieve. Using 2025 as the baseline, we're targeting 7% annual sales growth, expansion of operating margins to 17%, double-digit annual EPS growth, and the return on invested capital of 21% by the end of 2029. The progress we've discussed today gives us continued confidence in achieving these objectives in creating long-term value for our shareholders.

With that, I will now turn the call over to Renee.

Renee L. Campbell, Senior Vice President-Capital Markets & Risk/Treasurer, Valmont Industries, Inc.

Thank you, John. At this time, the operator will open up the call for questions.

QUESTION AND ANSWER SECTION

Operator: Thank you. At this time, we'll be conducting a question-and-answer session. [Operator Instructions] Our first question is from Chris Moore with CJS Securities. Please proceed.

<Q – Chris Moore – CJS Securities, Inc.>: Hey, good morning, guys. Congrats on another strong quarter. Maybe we'll just start with telecom, obviously a soft quarter. I'm just, just trying to understand a little bit better on, on visibility here. You know, for example, in January of 2026, could you see that Q2 would be soft. I know you talked about, you know, we're at the 5G peak. Could you see that that Q2 would be soft as of January?

<A – Avner Applbaum – Valmont Industries, Inc.>: Chris, thank you for the question. The answer is this is a business that has low visibility. It is a quick turn business, doesn't typically have a backlog. And what we've seen from the carrier is that they've actually shifted their spending. We know there have been some significant leadership changes within these carriers and they are looking at their expenditures and they're navigating their financial situations as they're being disciplined around their spend.

Now, having said that, we are embedded with these customers. We have daily conversation with them. We're aligned with their programs. And we have a strong value proposition for these carriers around our engineering expertise and our quick turn. So the short answer is, no, we did not see this. We actually, at this point, expecting to see this year at, you know, down at the teens for the telecom business. We do know that the carriers will continue to spend. They will continue to build out the spectrum. And as they will continue with their build out, we'll continue to support them.

<Q – Chris Moore – CJS Securities, Inc.>: Got it. Very helpful. And maybe as my follow-up, just in terms of ag in the Middle East, I know you have the Dubai facility that's more of a distribution facility that was operating at really minimal levels. Can you just talk a little bit more in terms of what's happening there? It sounds like more project timing but anything else that you could talk about in terms of kind of expectations within the Middle East?

<A – Avner Applbaum – Valmont Industries, Inc.>: Of course. And just as a clarification, we actually do manufacture out of our Dubai facility. We do have a very solid, flexible model to ensure we can flex up and down as we need to scale up for projects.

Right now, we're seeing very little activity in the region due to the conflict. The customers are delaying projects. We continue to be in touch with them. But at this point, our expectations are that this will remain for the short horizon. And we do believe these projects will take place. There's still a strong demand for food security in the region. So the long term is very compelling and we're well-positioned within that region.

But as of today, projects have been being delayed. And of course, the cost to support these projects at this time is extremely expensive with the situation there. So, our expectations for the year is to be minimal projects and as things evolve, we'll update accordingly.

<Q – Chris Moore – CJS Securities, Inc.>: Got it. I appreciate it. I'll jump back in the line.

Operator: Our next question is from Nathan Jones with Stifel. Please proceed.

<Q – Nathan Jones – Stifel, Nicolaus & Co., Inc.>: Good morning, everyone.

<A – Avner Applbaum – Valmont Industries, Inc.>: Good morning.

<A – Renee Campbell – Valmont Industries, Inc.>: Good morning, Nathan.

<Q – Nathan Jones – Stifel, Nicolaus & Co., Inc.>: I'll follow up on ag. You know, outside of the disruptions in the Middle East, I think you said other international markets were roughly flat. The domestic market was down low single digits. So, I'm sure there's some price in that and the volumes, maybe a little bit worse. Are there – is there any way why you're seeing, any green shoots in terms of the ag market or potentially hitting a bottom here? You know, any signs of anything good happening in any of those businesses?

<A – Avner Applbaum – Valmont Industries, Inc.>: Yeah, I think the – I wouldn't say that we're seeing any green shoots today, but we are seeing stabilization within these businesses. If you really look at outside of the Middle East, our businesses are pretty much flat. So we are seeing stabilization. The grower economics are still strained, both in North America and Brazil based on where the grains are today, the input cost financing out in Brazil.

So the market remained strained in the near-term. What we're focusing is on our value proposition. We have the largest dealer network. We have a very large install base to support our aftermarket and technology. And as I mentioned, we've actually seen a single-digit growth in both our technology and aftermarket offering. We actually had a very good start to the year with our additional connections, technology connections, increasing our ecosystem with our growers.

So we're – yeah, it looks like right now, it's been very stable for us and we're continuing to focus on the areas that we could control and continue driving value for our growers. And as we all know, the long-term looks extremely positive for this business.

<Q – Nathan Jones – Stifel, Nicolaus & Co., Inc.>: I think you've clearly seen some improvement and made some progress on the margin side in the ag business this year, despite the lack of volume. But I guess the follow up question is, can you talk about what you think a sustainable level of margin would be at this level of volume? And then given the improvements that you've made to the business, what kind of incremental margins that we should see in the ag business when we eventually see the next upcycle? Thanks for taking the questions.

<A – John Schwietz – Valmont Industries, Inc.>: Yeah, thank you, Nathan. Good question. So we were pleased with the results in Q2 of 16.5%. And so those Q2 margins were reflective of actions that we've taken to take out structural cost, but also to strengthen risk management. The year-over-year comparison, of course, benefited from the non-recurrence of some bad debt expense in Brazil. As to answer your question about the sustainability for Q2, for a Q2, we consider 16% to be sustainable.

Now as we look ahead to the back half of the year, you're very familiar with this business. There is a seasonality component as the mix shifts away from North America. So, we expect compression in our margins in the back half. We expect to be in the low teens in the back half of the year.

To your question about what does this look like once there's a recovery, sort of, a broader question, we did address this a bit in Investor Day, as you know, and we targeted about – we thought about a three-point growth in terms of a recovery for margins. So, we would continue to hold that view.

Operator: Our next question is from Brian Drab with William Blair. Please proceed.

<Q – Brian Drab – William Blair & Co. LLC>: Good morning. Thanks for taking my questions. I just wanted to focus on the infrastructure business for a moment and in the volume versus pricing that you saw. And if you can talk about the jump from first quarter infrastructure revenue closer to $800 million and then almost $880 million in the second quarter. And it's just a very significant jump, I'm wondering how much of that was price versus volume?

And then the follow-up or I'll just ask the follow-up now like the related question is, seemed like that, if I'm doing the math right, that the incremental margins were a little bit lower than what – on the sequential basis than they have been, you know, so you've got a big jump in revenue. But really not the commensurate operating margin that I would have expected, I guess, it's just a little bit lower.

So I'm just wondering if there's anything going on there that you can talk about in that split between price and volume?

<A – John Schwietz – Valmont Industries, Inc.>: Yes, thanks for the question, Brian. So we'll talk about this sequentially as you outlined in your question. So, yes, we did have sequential growth. The sequential growth in infrastructure was driven mostly by price, but there was also a volume component there as well.

The sequential incremental margins, I think what we're seeing here in terms of that bit of compression sequentially is the fact that we're seeing material cost inflation really accelerate. And we're seeing that impact us in the short term here in Q2 and we expect that in Q3 as well.

That is sequential. As you know, as you look at this from a year-over-year perspective, of course, incrementals are very strong and growth is very strong in both price and volume.

<Q – Brian Drab – William Blair & Co. LLC>: Yeah, absolutely. Okay, thanks. I'll follow up more later. Thank you.

<A – John Schwietz – Valmont Industries, Inc.>: Thank you.

Operator: Our next question is from Brent Thielman with Oppenheimer & Company. Please proceed.

<Q – Brent Thielman – Oppenheimer & Co., Inc.>: Hey, great. Thanks. Yeah, I had a follow up on the Infrastructure margins. And I guess the follow up is, could we still expect to see better second half Infrastructure segment margins, even with the telecom business working against you right now, because internet contributes relatively high margins to you?

<A – John Schwietz – Valmont Industries, Inc.>: Thanks for your question. So as we outlined in our comments earlier, our expectation is that the back half of Infrastructure margins are consistent with the first half. We maintain that view. And really, as you mentioned, it's a modest impact from the telecom side and so that is a little bit of compression. It is a highly accretive product line, as you know.

But also really the impact is, again, that accelerated material cost inflation that we're seeing. Steel is up 27% to 30% year-to-date. Diesel is up 45% year-to-date, depending on what you look at. The teams are doing a very good job of offsetting those cost increases with price and managing the costs, but there's still pretty significant costs in the short term. And so we remain consistent with our view that the back half will look like the first half from a profitability perspective.

<A – Avner Applbaum – Valmont Industries, Inc.>: Yeah. And I'd like to just jump in and add a couple of comments. One on telecom. Yes, it is – it's our most accretive business, but we took significant actions to improve the profitability of this business and it remains to be extremely profitable even at the lower volume. And that has been part of our element of our strength and driver of our ultimate strategy. So we're very pleased with the continued strength in the telecom margins.

The second point I want to bring up, we are all seeing the inflationary pressure, but what's important to understand is it's a manageable cost. There is timing between how we increase our pricing and how the cost impact our P&L, but it is not changing any of our customer demand. It does not impact our competitive position or the long-term margin trajectory. So, I really see this as a short-term impact on our financials.

<Q – Brent Thielman – Oppenheimer & Co., Inc.>: Okay. And then as a follow-up, I can't remember a time when the Utility business didn't see a relatively material step up in the second half versus the first half. Is there anything we need to be thinking about in terms of pull forward in the first half or other factors that might influence that? Or is that what we should be embedding in here as we work through our models for the second half?

<A – John Schwietz – Valmont Industries, Inc.>: So if you look at your models, the increase in guidance, the midpoint guidance that we have on sales, you can assume that that is broadly from the Utility side. So that would insinuate, as you know, the math would insinuate growth in the second half versus the first half.

<A – Avner Applbaum – Valmont Industries, Inc.>: Yeah. And I'll add, you know, as you look at seasonality and I mean, right now, it's really the – it's the capacity, right? I mean, it's – right now it's capacity constrained and it's the system capacity anywhere from engineering to manufacturing. And that's going to really going to determine the level of growth. We're very confident in the numbers that John mentioned, but it's really going to be more on the supply end versus the demand end.

And then I will just make one more point is the demand environment continues to be robust and strong across all parts of the Utility business, transmission, distribution and substation, it's evident by our backlog. But overall, the market continues to be extremely strong.

<Q – Brent Thielman – Oppenheimer & Co., Inc.>: Okay. And if I could real quickly, should we think there's any proportionate difference between transmission, distribution and substation, within that group in the second half?

<A – Avner Applbaum – Valmont Industries, Inc.>: No, not materially. No.

<Q – Brent Thielman – Oppenheimer & Co., Inc.>: Okay, great. Thank you.

Operator: [Operator Instructions] Our next question is from Tomo Sano with JPMorgan. Please proceed.

<Q – Tomo Sano – JPMorgan Securities LLC>: Hi. Good morning, everyone.

<A – Avner Applbaum – Valmont Industries, Inc.>: Good morning.

<A – Renee Campbell – Valmont Industries, Inc.>: Hi, Tomo.

<Q – Tomo Sano – JPMorgan Securities LLC>: Thank you. I'd like to double click on second half pricing for Infrastructure business, please. I'm on slide 18 and how are the price realizations and the input costs, tariffs with the environment evolving, including time lag? What is your base case for Infrastructure margin trajectory in the second half, please?

<A – John Schwietz – Valmont Industries, Inc.>: Okay. Thank you for the question, Tomo. So I'll answer your second question first and then we'll go to your first. Our expectation for the second half of infrastructure margins are to be consistent with the first half. So the dynamics on the pricing and the cost side, so Q2, of course, was an exceptional quarter for Utility at 33.9%. That, as you know, was driven mainly by price. But volume was also important at double digits.

So the Q2 pricing we want to mention was – did benefit from a very favorable mix of customer in contracts. And so as we look, as we mentioned in our prepared remarks, as we look ahead, we expect that pricing will remain positive in terms of contribution in the second half. But it will moderate in terms of its year-over-year growth for us.

So pricing, we expect to continue to grow. And meanwhile, as we mentioned and as you can see on that graph there, material price inflation is coming in. And so we think net-net that we'll be able to cover that with our price increases and that we will be consistent in the second half with our first half margins.

<Q – Tomo Sano – JPMorgan Securities LLC>: Thank you. And one follow-up. You said international commercial operational initiatives are beginning to improve performance in Infrastructure business. What is – like, what is this showing first, a gross margin win rate, lead times and utilizations and what KPI should we track next quarter?

<A – Avner Applbaum – Valmont Industries, Inc.>: Yeah, thank you for the question. And we've just actually started the journey with our international businesses and during Investor Day we did share, Greg was up there sharing kind of how we're focusing on our strength and part of the business. And it's a broad approach from anywhere from a product line management through our operations, our engineering.

So we are taking here a pretty broad approach to improving the business. It's really going to show up in two areas when you look at the financial, it's going to show up on top line as we focus on the value proposition we can provide for our customers and making sure we're operating in markets where they value what we have to offer and it can also show up on the bottom line on the margins. I think those are the main KPIs that we focus on.

Still early days. We're pleased with what we're seeing. It's probably going to be more materially as you go into 2027 is when we're going to see really the benefits to start materialize in the financials.

<Q – Tomo Sano – JPMorgan Securities LLC>: Thank you, Avner. Appreciate it.

Operator: We have reached the end of our question-and-answer session. I will now turn the call over to Renee Campbell for closing remarks.

Renee L. Campbell, Senior Vice President-Capital Markets & Risk/Treasurer, Valmont Industries, Inc.

Thank you for joining us today. A replay of this call will be available for playback on our website and by phone for the next seven days. We look forward to speaking with you again next quarter.

Unverified Participant

These slides and the accompanying oral discussion contain 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, including tariffs.

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.

The company's guidance includes certain non-GAAP financial measures, adjusted diluted earnings per share and adjusted effective tax rate presented on a forward-looking basis. These measures are typically calculated by excluding the impact of items such as foreign exchange, acquisitions, divestitures, realignment or restructuring expenses, goodwill or intangible asset impairment, changes in tax law or rates, change in redemption value of redeemable non-controlling interests and other non-recurring items.

Reconciliations to the most directly comparable GAAP financial measures are not provided as the company cannot do so without unreasonable effort due to the inherent uncertainty and difficulty in predicting the timing and financial impact of such items. For the same reasons, the company cannot assess the likely significance of unavailable information, which could be material to future results.

Operator: Thank you. This will conclude today's conference. You may disconnect your lines at this time and thank you for your participation.