valmont®

3Q 2023 Earnings Presentation

October 26, 2023

Disclosure Regarding Forward-Looking Statements

These slides contain (and the accompanying oral discussion will contain) “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from the results expressed or implied by such statements, including general economic and business conditions, conditions affecting the industries served by the Company and its subsidiaries, the overall market acceptance of such products and services, the integration of acquisitions and other factors disclosed in the Company’s periodic reports filed with the Securities and Exchange Commission, as well as future economic and market circumstances, industry conditions, company performance and financial results, operating 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 of domestic and foreign governments. Consequently, such forward-looking statements should be regarded as the Company’s current plans, estimates, and beliefs. The Company does not undertake and specifically declines any obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

CEO Opening Comments

Avner Applbaum

President and CEO

3Q 2023 Financials and Key Messages

$1.05B	(4.3%)	(2.3%)	11.5%	($2.34)	$4.12	$81M	$44M
Net Sales	Y/Y Net Sales	Operating Margin	Adj. Operating Margin[1]	GAAP Diluted EPS	Adj. Diluted EPS[1]	Operating Cash Flow	Cash Returned to Shareholders

01 The global Valmont team continued to perform well, delivering **solid third quarter adjusted operating margins and adjusted diluted earnings per share,** while navigating a mixed demand environment

02 **Infrastructure demand globally remains robust**, with several multi-year growth drivers across our markets; **global agriculture market fundamentals** remain relatively strong

03 **Operational excellence and pricing strategies** in both segments drove margin expansion and allows us to capture **the value we add** to customers

04 Announced necessary actions to **position Valmont for long-term success**, including an organizational realignment program and executive leadership changes

CONSERVING RESOURCES. IMPROVING LIFE.® valmont

[1] Please see Reg G reconciliation to GAAP measures at end of document.

Performing Well in Current Market Conditions

Infrastructure

- Benefiting from several long-term, secular growth drivers
- Utilities increasing capex spending to support grid hardening initiatives, power load growth and accelerate the energy transition
- Solar expects to see demand tailwinds from the Inflation Reduction Act ("IRA"); 10-year investment tax credit extension supports US demand; favorable policies support international demand
- Transportation market demand is supported by road construction investment; Future benefits expected from Infrastructure Investment and Jobs Act ("IIJA") although funding is slower than anticipated; muted commercial lighting demand
- Telecom softness as wireless carriers reduce capex spending following record levels of investment

Agriculture

- U.S. net farm income levels are expected to be relatively strong; however, as farmers see a decline from the substantial profit margins seen in 2021 and 2022, sentiment remains somewhat muted
- International market fundamentals remain robust
  - Another record quarter in Brazil; increasing levels of production and expansion of irrigated acres
  - Project pipeline is providing a multi-year line of sight; food security concerns, the ability to produce goods for export and growing populations driving demand; Egypt project shipments expected to continue through 2024

Investing in Capacity and Technology to Capture Attractive Industry Trends and Drive Above-Market Growth

Aligning Organization to Strategy and Improving Cost Structure

Reorganization and Early Retirement Program

- Create synergies and optimize our support structure for scale
- Simplify reporting lines
  - Better internal visibility and management decision-making
  - Drive accountability to achieve results
- Enable a more efficient and effective structure for driving long-term profitable growth while reducing costs

Ag Tech Impairment

- Slower adoption rate of Prospera’s agronomy technology solutions; near-term softness in North America
- Updated go-to-market approach; innovate with the purpose of meeting the immediate needs of irrigation customers
- Committed to staying the market leader and delivering advanced technology to our customers

Aligned Around Core Strategic Priorities

Delivering Profitable Growth

- Leveraging our competitive advantages that have enabled us to be the trusted partner of choice
- Grow through natural adjacencies and geographic expansion

Investing with Discipline

- Solving customers' most pressing challenges
- Strengthening core businesses
- Prioritizing high-value revenue that delivers high ROIC
- Continue to prioritize innovation and deliver advanced solutions to our customers

Executive Leadership Team

Avner M. Applbaum
President & Chief Executive Officer

Timothy P. Francis
Interim Chief Financial Officer

Diane M. Larkin
EVP, Global Operations

J. Timothy Donahue
Group President, Infrastructure

Aaron M. Schapper
Group President, Agriculture & Chief Strategy Officer

T. Mitchell Parnell
EVP, Chief Human Resources Officer

Renee L. Campbell
SVP, Investor Relations & Treasurer

Gene N. Padgett
SVP, Finance & Chief Accounting Officer

Ellen S. Dasher
VP, Global Taxation

R. Andrew Massey
VP, Chief Legal Officer & Corporate Secretary

Maximizing Financial Performance Through the Cycles

Financial Results and Outlook

Tim Francis

Interim CFO

CONSERVING RESOURCES. IMPROVING LIFE.® valmont

3Q 2023 Financial Summary

$M, except EPS	GAAP			Adjusted[1]		
	3Q 2023	3Q 2022	Y/Y	3Q 2023	3Q 2022	Y/Y
Net Sales	**1,050.3**	1,097.4	-4.3%	**1,050.3**	1,074.5	-2.3%
Operating Income (Loss)	**(24.2)**	110.0	NM	**120.8**	114.1	+5.9%
Operating Margin	**(2.3%)**	10.0%	NM	**11.5%**	10.6%	+90 bps
Net Earnings (Loss)	**(49.0)**	72.1	NM	**87.0**	75.3	+15.5%
Diluted EPS	**(2.34)**	3.34	NM	**4.12**	3.49	+18.1%

NM = "not meaningful"

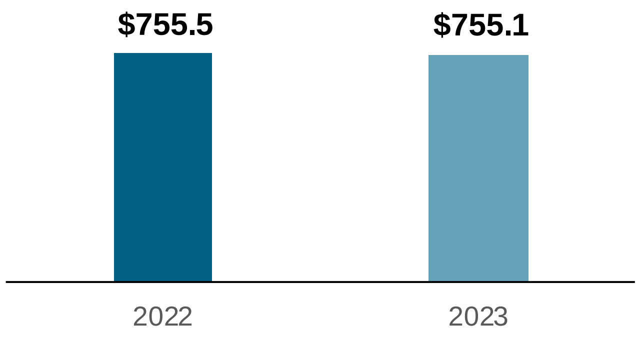
- Infrastructure sales comparable to last year, offset by lower Agriculture sales
- GAAP operating margin decreased to (2.3%); Adjusted[1] operating margin increased to 11.5% reflecting higher pricing and deliberate actions to improve COGS
- GAAP Diluted Earnings (Loss) per Share was ($2.34); Adjusted[1] Diluted Earnings per Share increased 18.1% to a third-quarter record of $4.12
- Initiated an organizational realignment program with estimated 2023 pre-tax cash expense in the range of $33 to $36 million
    - $16M in Infrastructure and the remainder split between Agriculture and Corporate

[1] Please see Reg G reconciliation to GAAP measures at end of document.

3Q 2023 Results | Infrastructure

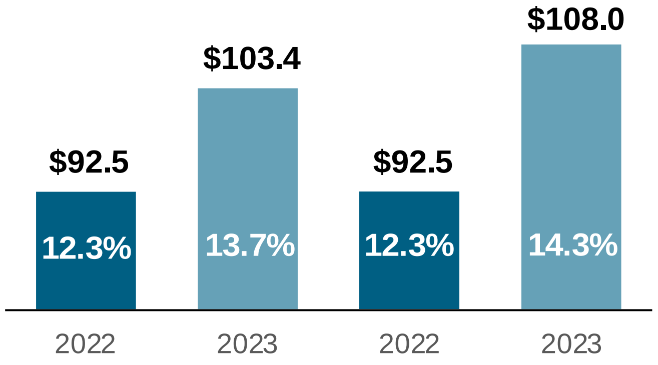
Sales ($M)

-0.1%



Operating Income ($M)

GAAP: +11.8% *Adjusted[1]: +16.8%*

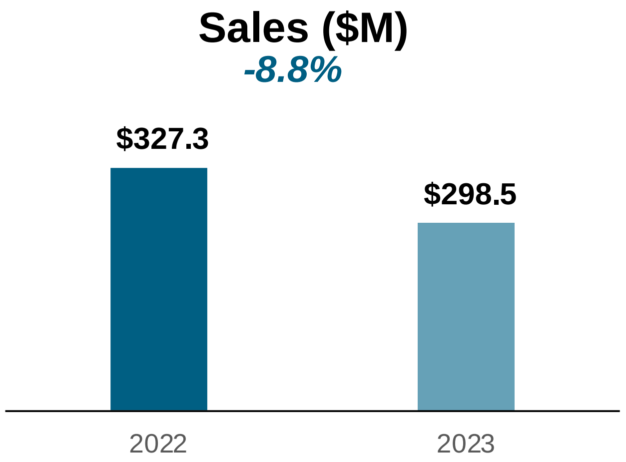


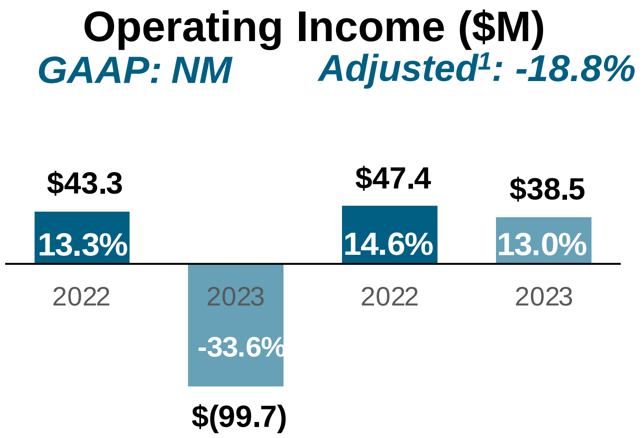
Sales ($M)	2023	2022	%
Transmission, Distribution, and Substation (TD&S)	$298.0	$304.8	-2%
Lighting and Transportation (L&T)	$252.6	$241.6	+5%
Coatings	$89.0	$92.0	-3%
Telecommunications	$59.6	$92.8	-36%
Solar	$55.9	$24.3	+130%

- Sales comparable to last year driven by higher volumes in Solar, L&T, and TD&S
- Lower Telecom volumes and lower pricing associated with a reduced cost of steel in TD&S more than offset higher pricing across the rest of the portfolio
- Operating margin improved 140 bps to 13.7% (14.3% adjusted[1]) as pricing not linked to steel commodity costs was higher and the company took deliberate actions to improve COGS

[1] Please see Reg G reconciliation to GAAP measures at end of document.

3Q 2023 Results | Agriculture





Sales ($M)	2023	2022	%
North America	$126.8	$178.6	-29%
International	$171.7	$148.7	+15%
Irrigation Equipment and Parts	$273.6	$303.0	-10%
Technology Products and Services	$24.9	$24.3	+2%

NM = "not meaningful"

- Sales down 8.8% as higher International volumes were more than offset by lower North America volumes
- North America sales were lower as farmer sentiment remained muted and 3Q 2022 benefited from ongoing delivery of elevated backlog
- International growth was led by higher project sales in EMEA, a record quarter in Brazil and higher sales in Argentina
- Recorded an impairment of goodwill and intangible assets in the agriculture technology reporting unit of $137.3M, which led to the operating loss in the quarter

[1] Please see Reg G reconciliation to GAAP measures at end of document.

YTD Cash Flow Highlights

$M	YTD 09/30/2023
Net Cash Flows from Operating Activities	$ 191
Net Cash Flows from Investing Activities	(89)
Net Cash Flows from Financing Activities	(111)
Net Cash Flows from Operating Activities	$ 191
Purchase of Property, Plant, & Equipment	(71)
Free Cash Flows	$ 120

Diligent Working Capital Management Drove Third Quarter Operating Cash Flows of $81.3M

Balanced Approach to Capital Allocation

2023 Year-to-Date Capital Deployment: $307M

Growing Our Business

Returning Cash To Shareholders

$71M	$32M	$167M	$37M
Capital Expenditures	Acquisitions	Share Repurchases	Dividends

$71M – Capital Expenditures

- Q3 Capex of $26M as we continue to invest in strategic capacity expansions
- Prioritize projects that deliver high ROIC
- Support Industry 4.0 technology to drive efficiency and productivity

$32M – Acquisitions

- Targeting high growth opportunities in end markets with favorable and global long-term demand trends
- Completed acquisition of HR products
- Returns exceeding cost of capital within 3 years

$167M – Share Repurchases

- Q3 Share Repurchase of $31.5M
- Additional $400M share repurchase authorization announced February 2023
- Opportunistic approach, supported by free cash flow
- ~$315M remains on current authorization

$37M – Dividends

- Q3 Dividends Paid of $12.6M
- 9% dividend increase announced February 2023
- Payout ratio target: 15% of earnings
- Current payout: ~15%

Strong Balance Sheet and Liquidity

As of September 30, 2023	
Cash	$173 M
Total Long-Term Debt	$977 M
Shareholders' Equity	$1,559 M
Total Debt to Adj. EBITDA[1]	1.53 x
Available Credit under Revolving Credit Facility[2]	$553 M
Cash	$173 M
Total Available Liquidity	**$726 M**

- **Long-term debt** mostly fixed-rate, with long-dated maturities to 2044 and 2054
- Total Debt to Adjusted EBITDA remains within our **desired range of 1.5 to 2.5 times**
- Strong and flexible balance sheet to support **balanced capital allocation strategy**

[1]See Adjusted EBITDA and Leverage Ratio at end of document. [2]$800M Total Revolver less borrowings and Standby LC's of $247M.

Updated Full Year 2023 Outlook and Key Assumptions[2]

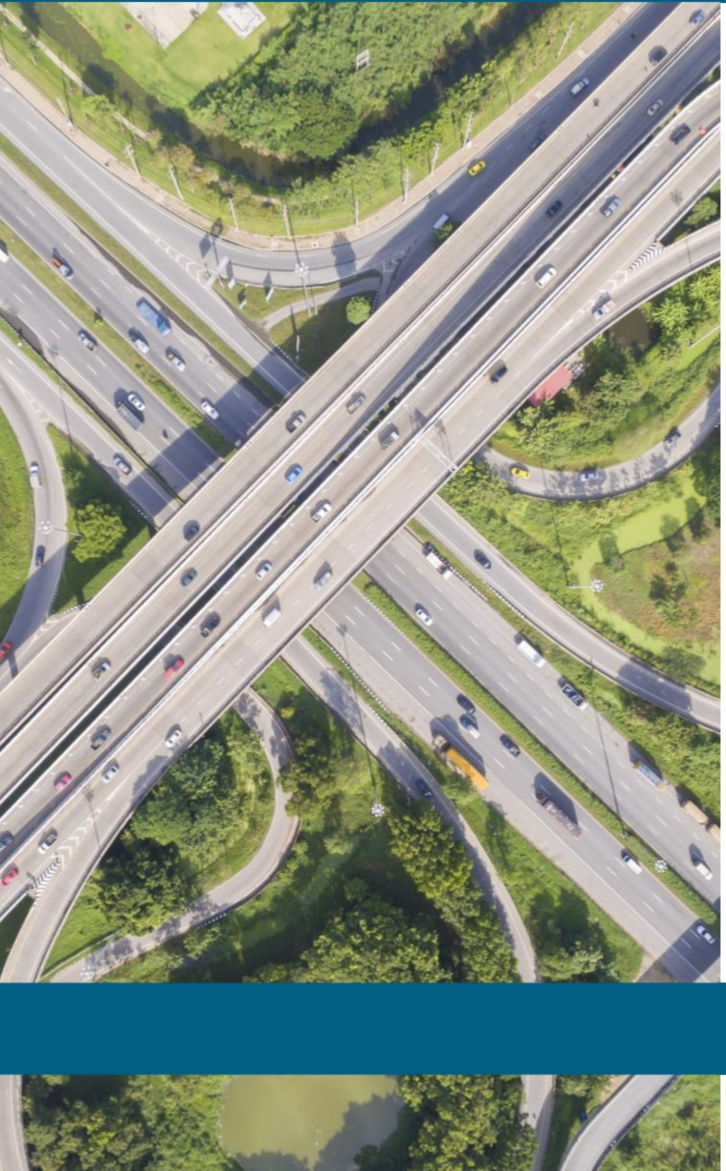
Previous Outlook with Updated Adjustments[1]	Revised Outlook[1]
0% – 2% Increase In Net Sales Y/Y	**(3%) – (4%)** Decrease In Net Sales Y/Y
$14.80 – $15.35 GAAP Diluted EPS	**$7.20 to $7.50** GAAP Diluted EPS
$14.80 – $15.35 Adj. Diluted EPS[2]	**$14.80 to $15.10** Adj. Diluted EPS[2]

Key Assumptions

- The previous adjusted EPS outlook has been updated to remove the adjustments associated with the Prospera technology intangible asset amortization and stock-based compensation; ~65 cents per diluted share[1]
- Expect full-year operating margin improvement compared to 2022
- 2022 sales include $100 million from the offshore wind energy structures business which was divested at the end of fiscal 2022
- GAAP effective tax rate of 36% to 36.5%; Adjusted effective tax rate of 26% to 26.5%
- Minimal expected foreign currency translation impact to net sales
- Capital expenditures expected to be in the range of $100 to $110 million to support strategic growth initiatives

[1] Exclusive of potential future restructuring activities. [2]Please see Reg G reconciliation to GAAP measures at end of document.

Valmont Team is Executing Our Strategy and Performing Well in Dynamic Market



Controlling what we can control to maximize financial performance

- Streamlining the organization to align with our strategy
- Fully realize benefits of ongoing strategic initiatives
- Enable a more efficient and effective structure for driving long-term profitable growth while reducing costs

Diversified portfolio with compelling long-term drivers

- Ongoing Infrastructure strength supported by multi-year secular demand drivers
- Favorable long-term demand trends in Agriculture
- Continued focus on delivering high-value solutions through investments in innovation

Focused strategy drives long-term shareholder value

- Capital allocation strategy; investing with discipline to strengthen our core businesses
- Innovation is introduced with the purpose of meeting the immediate needs of our customers

Q&A

Appendix

U.S. Electric Utilities Capital Expenditures

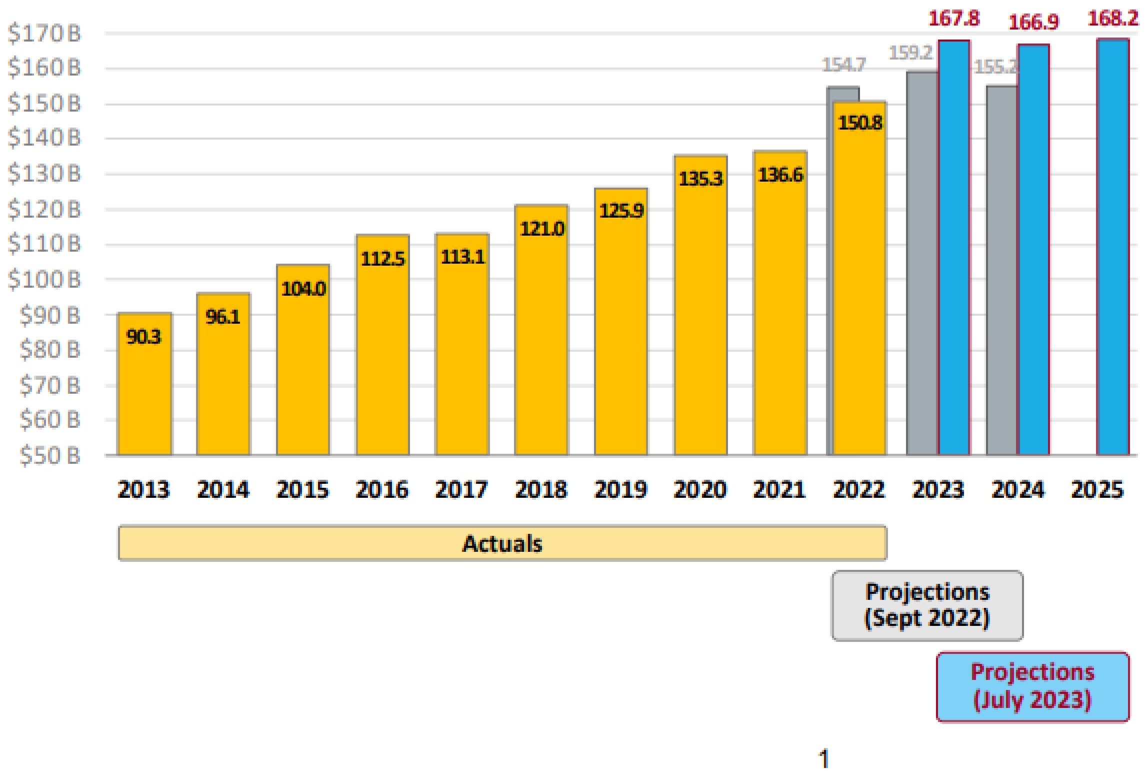


Chart represents total company spending of U.S. Investor-Owned Electric Utilities, consolidated at the parent or appropriate holding company.

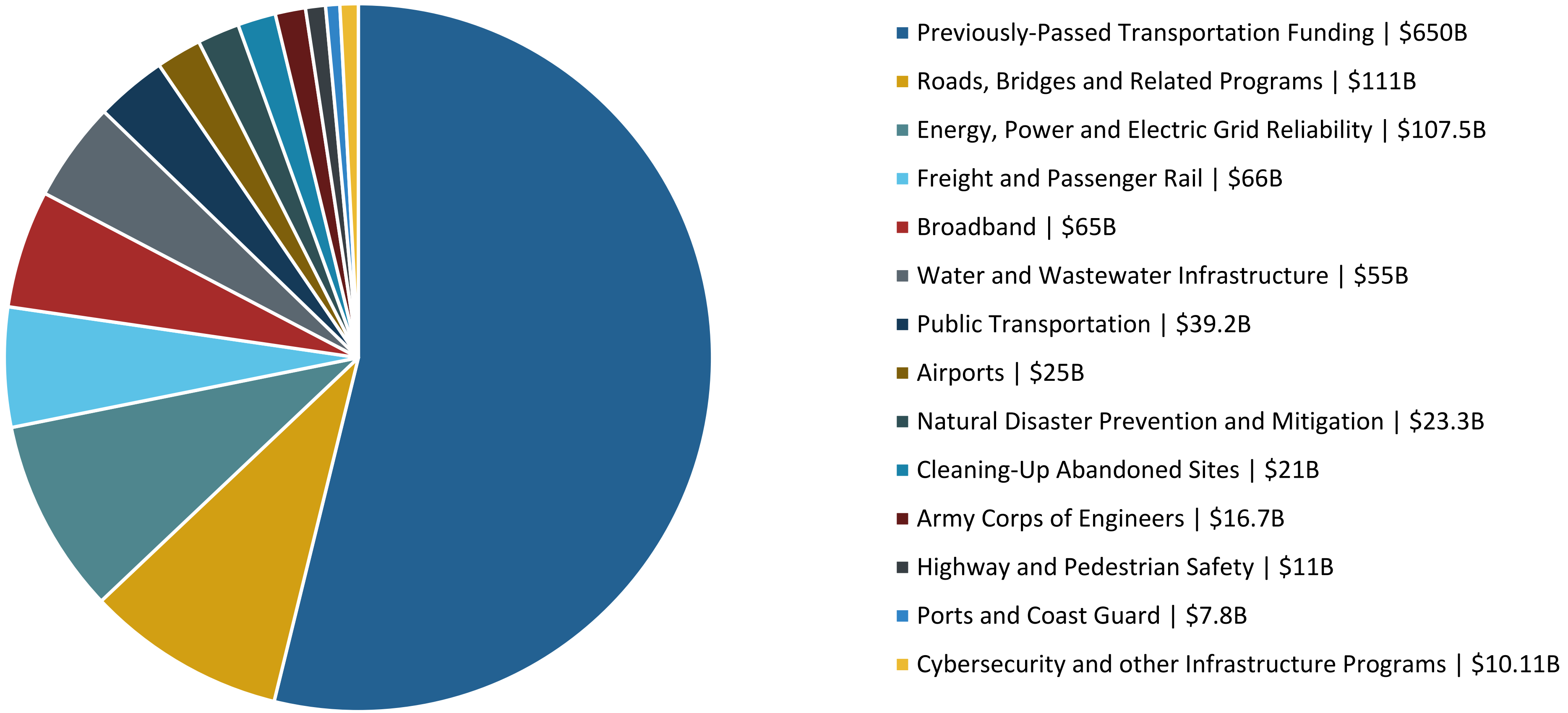
Note: At the industry level, CapEx tends to be overestimated for the current, or first, year's projection and underestimated for the two following years. We expect a continued level of elevated spending after accounting for the historical trend of over- and underestimation.

Source: EEI Finance Department, member company reports, and S&P Global Market Intelligence (updated July 2023).

EEI

Infrastructure Investment and Jobs Act (IIJA)

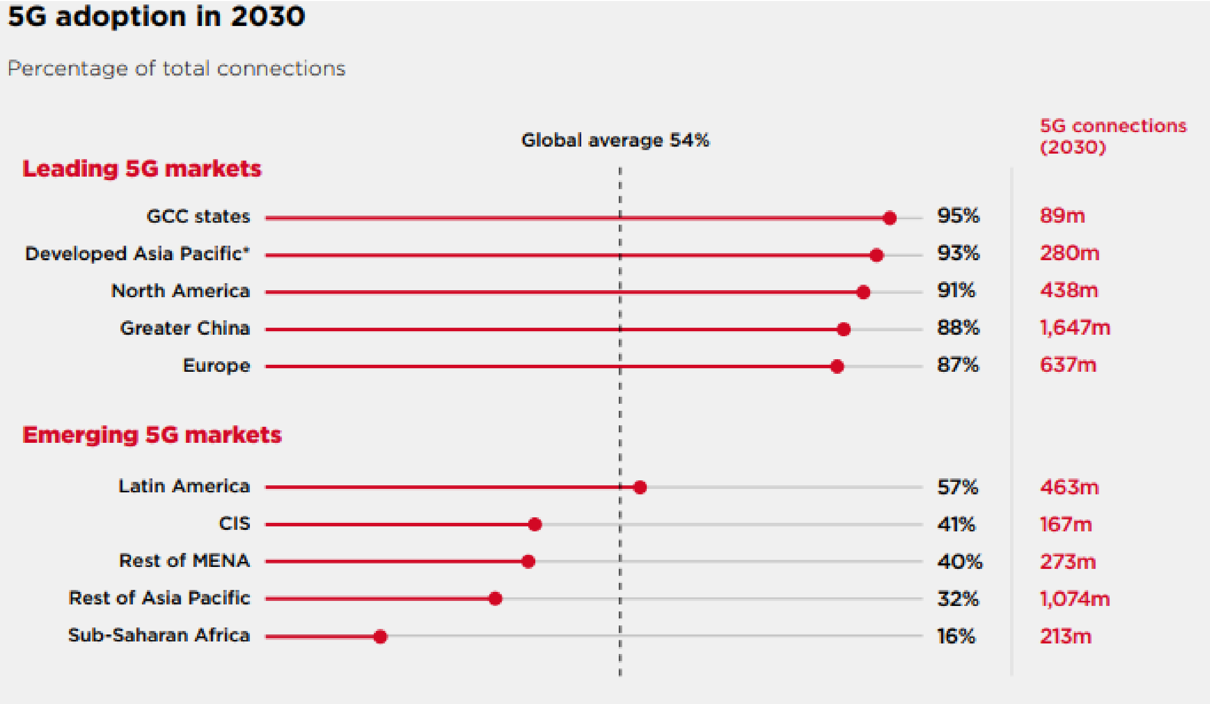
Infrastructure Investment and Jobs Act Spending Breakdown (In Order - Most to Least)

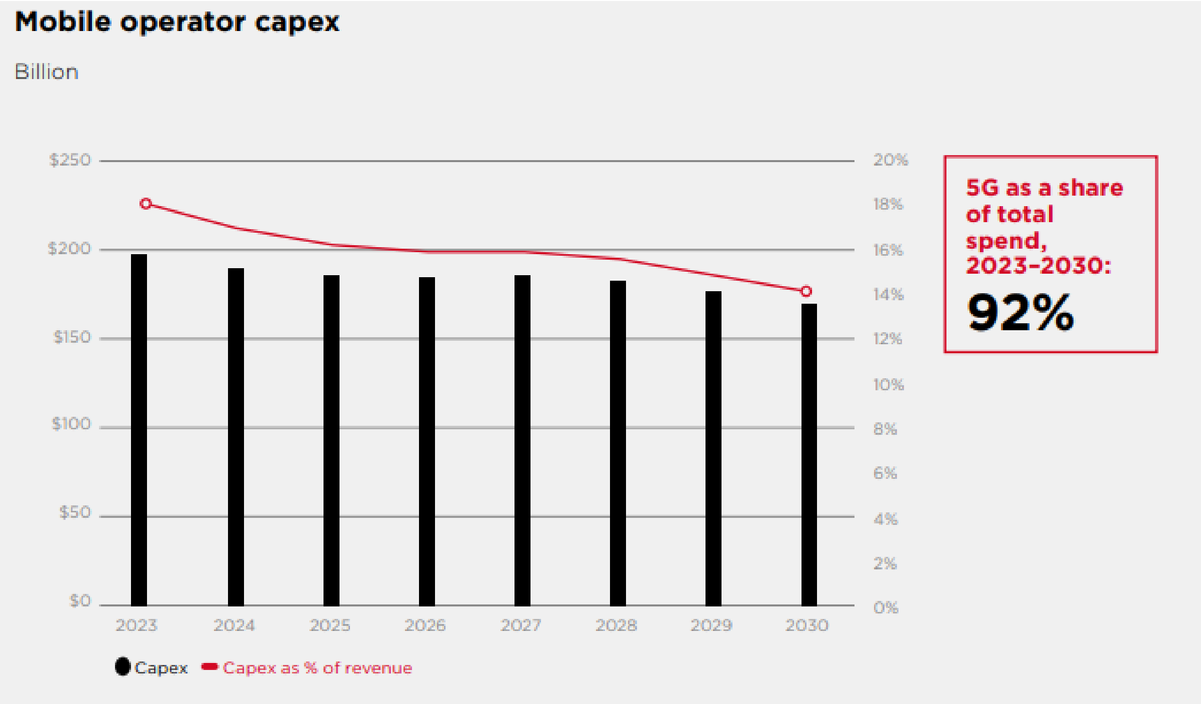


CONSERVING RESOURCES. IMPROVING LIFE.® valmont

Source: Grassley.senate.gov

5G Adoption and Capex Spend Forecasts

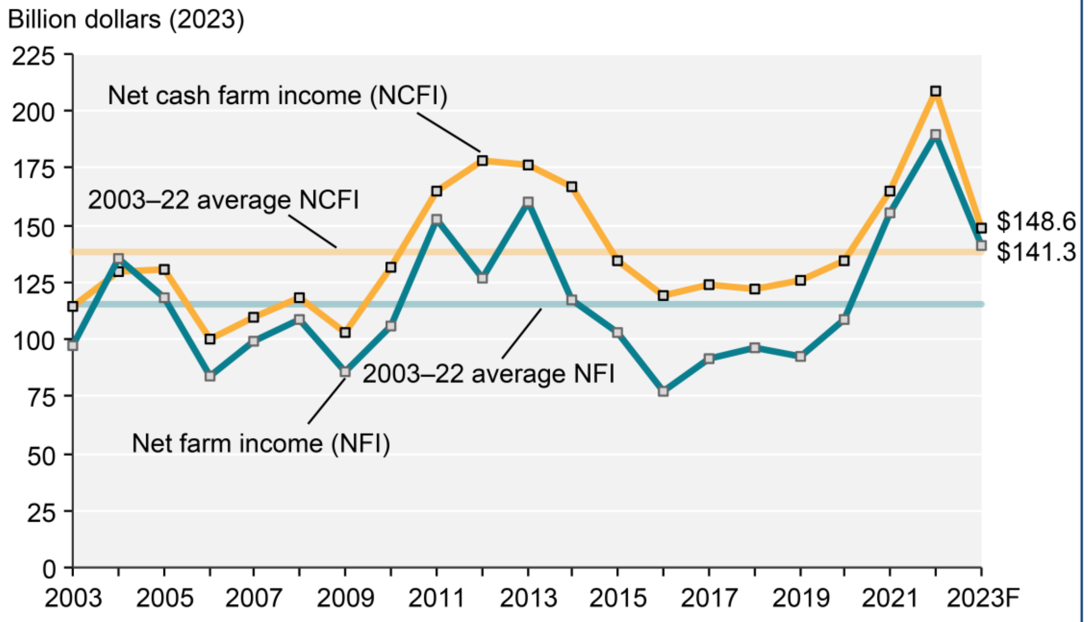




Source: GSMA Intelligence- The Mobile Economy 2023

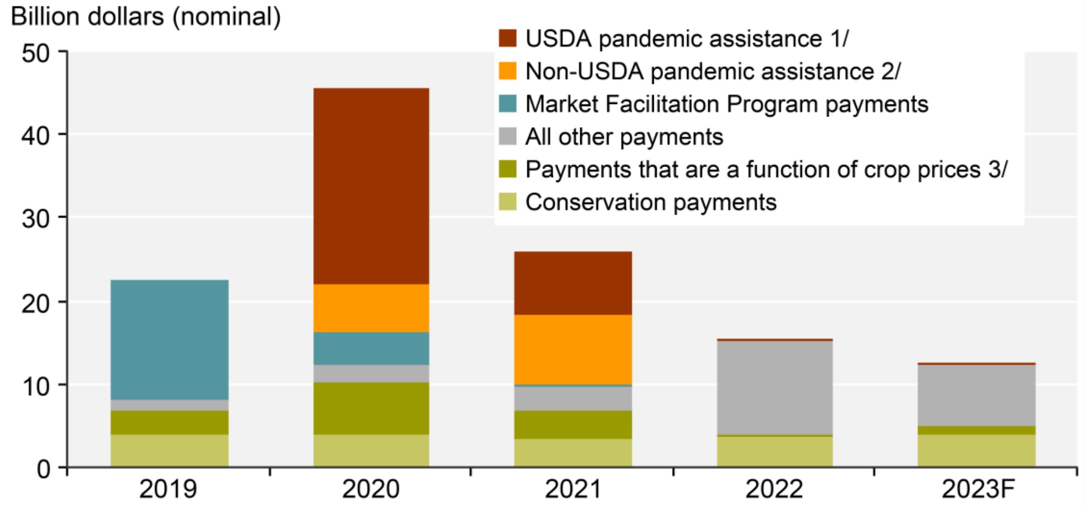
U.S. Net Cash Farm Income by Year

U.S. net farm income and net cash farm income, inflation adjusted, 2003–23F



Note: F = forecast. Values are adjusted for inflation using the U.S. Bureau of Economic Analysis Gross Domestic Product Price Index (BEA API series code: A191RG) rebased to 2023 by USDA, Economic Research Service.
Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.
Data as of August 31, 2023.

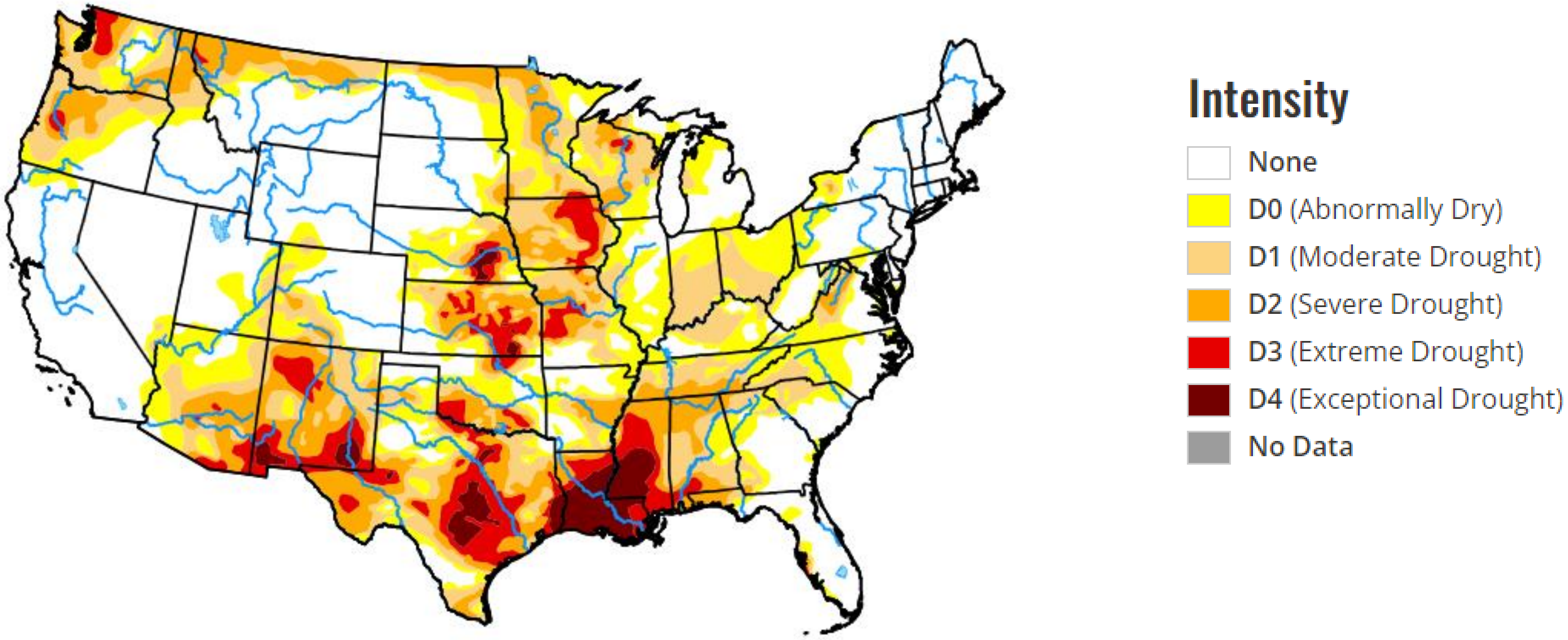
Direct Government payments to U.S. farm producers, 2019–23F



F = forecast.
1/ Includes payments from the Coronavirus Food Assistance Program and other USDA pandemic assistance for producers.
2/ Includes forgiven loans from the Paycheck Protection Program.
3/ Includes Price Loss Coverage, Agriculture Risk Coverage, loan deficiency payments (excluding grazeout payments), marketing loan gains, certificate exchange gains, and dairy payments.
Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.
Data as of August 31, 2023.

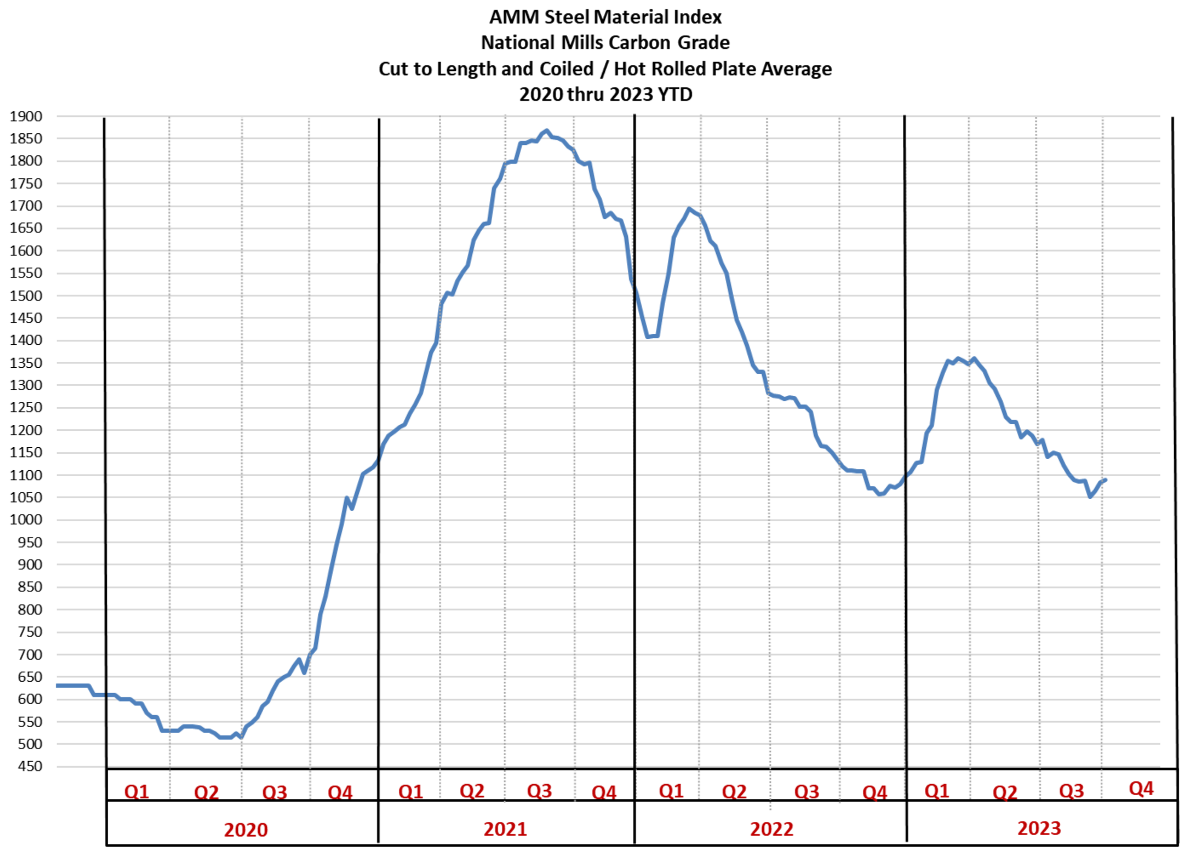
Source: USDA (August 31, 2023)

U.S. Drought Condition



Source: Drought Monitor (October 17, 2023)

Steel Material Index Trends 2020-2023 YTD



- The spike in steel costs during the first four months of the year is expected to slightly reduce our Infrastructure operating income margin for the second half of the year compared to the strong second quarter results
- Cost changes impact TD&S the most because of the contractual pricing mechanisms and strong backlog in that product line

Source: FastMarkets AMM

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Dollars in thousands, except per share amounts

The non-GAAP tables below disclose the impact of impairment of long-lived assets, realignment charges, intangible asset amortization (Prospera), and stock-based compensation recognized for the Prospera employees on fiscal 2023 results, as well as the impact of non-recurring tax benefit items on net earnings. Amounts may be impacted by rounding. We believe it is useful when considering company performance for the non-GAAP adjusted net earnings and operating income to be taken into consideration by management and investors with the related reported GAAP measures.

	Thirteen weeks ended September 30, 2023	Diluted earnings (loss) per share[1,2]	Thirty-nine weeks ended September 30, 2023	Diluted earnings per share[2]
Net earnings (loss) attributable to Valmont Industries, Inc. - as reported	$ (49,028)	$ (2.32)	$ 114,888	$ 5.40
Impairment of long-lived assets	140,844	6.67	140,844	6.62
Realignment charges	4,180	0.20	4,180	0.20
Prospera intangible asset amortization	—	—	3,290	0.15
Prospera stock-based compensation	—	—	4,278	0.20
Total adjustments, pre-tax	145,024	6.86	152,592	7.17
Tax effect of adjustments[3]	(5,432)	(0.26)	(6,524)	(0.31)
Non-recurring tax benefit items	(3,588)	(0.17)	(3,588)	(0.17)
Net earnings attributable to Valmont Industries, Inc. - adjusted	$ 86,976	$ 4.12	$ 257,368	$ 12.09
Average shares outstanding (000's) - diluted		21,131		21,290

[1]*In the third quarter of fiscal 2023, we reported a GAAP net loss. In periods in which we recognize a net loss, we exclude the impact of outstanding stock awards from the diluted loss per share calculation, as their inclusion would have an anti-dilutive effect. The adjusted diluted earnings per share calculation includes the impact of outstanding stock awards.*

[2]*Earnings (loss) per share includes rounding*

[3]*The tax effect of adjustments is calculated based on the income tax rate in each applicable jurisdiction*

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Dollars in thousands

The non-GAAP tables below disclose the impact of impairment of long-lived assets, realignment charges, intangible asset amortization (Prospera), and stock-based compensation recognized for the Prospera employees on fiscal 2023 results, as well as the impact of non-recurring tax benefit items on net earnings. Amounts may be impacted by rounding. We believe it is useful when considering company performance for the non-GAAP adjusted net earnings and operating income to be taken into consideration by management and investors with the related reported GAAP measures.

	Thirteen weeks ended September 30, 2023				
Operating Income (Loss) Reconciliation	**Infrastructure**	**Agriculture**	**Other**	**Corporate**	**Valmont**
Operating income (loss) - as reported	$ 103,401	$ (99,670)	$ —	$ (27,921)	$ (24,190)
Impairment of long-lived assets	3,571	137,273	—	—	140,844
Realignment charges	1,069	907	—	2,204	4,180
Adjusted operating income	$ 108,041	$ 38,510	$ —	$ (25,717)	$ 120,834
Net sales - as reported	753,626	296,669	—	—	1,050,295
Operating income (loss) as a % of net sales	13.7 %	(33.6) %	NM	NM	(2.3) %
Adj. operating income as a % of adj. net sales	14.3 %	13.0 %	NM	NM	11.5 %

	Thirty-nine weeks ended September 30, 2023				
Operating Income Reconciliation	**Infrastructure**	**Agriculture**	**Other**	**Corporate**	**Valmont**
Operating income - as reported	$ 313,703	$ 2,904	$ —	$ (88,598)	$ 228,009
Impairment of long-lived assets	3,571	137,273	—	—	140,844
Realignment charges	1,069	907	—	2,204	4,180
Prospera intangible asset amortization	—	3,290	—	—	3,290
Prospera stock-based compensation	—	4,278	—	—	4,278
Adjusted operating income	$ 318,343	$ 148,652	$ —	$ (86,394)	$ 380,601
Net sales - as reported	2,253,924	905,148	—	—	3,159,072
Operating income as a % of net sales	13.9 %	0.3 %	NM	NM	7.2 %
Adj. operating income as a % of adj. net sales	14.1 %	16.4 %	NM	NM	12.0 %

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Dollars in thousands, except per share amounts

The non-GAAP tables below disclose the impact of intangible asset amortization (Prospera) and stock-based compensation recognized for the Prospera employees on fiscal 2022 results. We believe the adjustments for Prospera allow for a better investor understanding of Agriculture segment performance related to traditional segment products. Amounts may be impacted by rounding. We believe it is useful when considering company performance for the non-GAAP adjusted net earnings and operating income to be taken into consideration by management and investors with the related reported GAAP measures.

	Thirteen weeks ended September 24, 2022	Diluted earnings per share[1]	Thirty-nine weeks ended September 24, 2022	Diluted earnings per share[1]
Net earnings attributable to Valmont Industries, Inc. - as reported	$ 72,112	$ 3.34	$ 210,531	$ 9.77
Prospera intangible asset amortization	1,645	0.08	4,935	0.23
Prospera stock-based compensation	2,530	0.12	7,523	0.35
Total adjustments, pre-tax	4,175	0.19	12,458	0.58
Tax effect of adjustments[2]	(974)	(0.05)	(2,106)	(0.10)
Net earnings attributable to Valmont Industries, Inc. - adjusted	$ 75,313	$ 3.49	$ 220,883	$ 10.25
Average shares outstanding (000's) - Diluted		21,605		21,546

[1]*Earnings per share includes rounding*

[2]*The tax effect of adjustments is calculated based on the income tax rate in each applicable jurisdiction*

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Dollars in thousands

The non-GAAP tables below disclose the impact of intangible asset amortization (Prospera) and stock-based compensation recognized for the Prospera employees on fiscal 2022 results. We believe the adjustments for Prospera allow for a better investor understanding of Agriculture segment performance related to traditional segment products. Amounts may be impacted by rounding. We believe it is useful when considering company performance for the non-GAAP adjusted net earnings and operating income to be taken into consideration by management and investors with the related reported GAAP measures.

	Thirteen weeks ended September 24, 2022				
Operating Income Reconciliation	**Infrastructure**	**Agriculture**	**Other**	**Corporate**	**Valmont**
Operating income - as reported	$ 92,465	$ 43,258	$ 1,107	$ (26,858)	$ 109,972
Prospera intangible asset amortization	—	1,645	—	—	1,645
Prospera stock-based compensation	—	2,530	—	—	2,530
Adjusted Operating Income	$ 92,465	$ 47,433	$ 1,107	$ (26,858)	$ 114,147
Net Sales - as reported	750,380	324,141	22,861	—	1,097,382
Adjusted Net Sales - as reported	750,380	324,141	—	—	1,074,521
Operating Income as a % of Net Sales	12.3 %	13.3 %	4.8 %	NM	10.0 %
Adjusted Operating Income as a % of Net Sales	12.3 %	14.6 %	4.8 %	NM	10.4 %
Adjusted Operating Income as a % of Adjusted Net Sales	12.3 %	14.6 %	NM	NM	10.6 %

	Thirty-nine weeks ended September 24, 2022				
Operating Income Reconciliation	**Infrastructure**	**Agriculture**	**Other**	**Corporate**	**Valmont**
Operating income - as reported	$ 254,908	$ 138,779	814	$ (70,968)	$ 323,533
Prospera intangible asset amortization	—	4,935	—	—	4,935
Prospera stock-based compensation	—	7,523	—	—	7,523
Adjusted Operating Income	$ 254,908	$ 151,237	$ 814	$ (70,968)	$ 335,991
Net Sales - as reported	2,144,669	1,002,118	66,947	—	3,213,734
Adjusted Net Sales - as reported	2,144,669	1,002,118	—	—	3,146,787
Operating Income as a % of Net Sales	11.9 %	13.8 %	1.2 %	NM	10.1 %
Adjusted Operating Income as a % of Net Sales	11.9 %	15.1 %	1.2 %	NM	10.5 %
Adjusted Operating Income as a % of Adjusted Net Sales	11.9 %	15.1 %	NM	NM	10.7 %

Reconciliation of Forecasted GAAP and Adjusted Earnings

Dollars in thousands, except per share amounts

The non-GAAP tables below disclose the impact on the range of estimated diluted earnings per share of the (1) impairment of long-lived assets, (2) realignment charges, and (3) non-recurring tax benefit items. We believe it is useful when considering company performance for the non-GAAP adjusted net earnings to be taken into consideration by management and investors with the related reported GAAP measures.

Reconciliation of Range of Net Earnings - 2023 Revised Guidance [1]	**Low End**	**High End**	**Adjustments**
Estimated net earnings - GAAP	*$ 154,000*	*$ 160,400*	
Impairment of long-lived assets, pre-tax			$ 141,000
Realignment charges, pre-tax			36,000
Total pre-tax adjustments			177,000
Estimated tax benefit from above expenses[2]			(12,900)
Non-recurring tax benefit items			(3,600)
Total Adjustments, after-tax			$ 160,500
Estimated net earnings - Adjusted	*$ 314,500*	*$ 320,900*	
Diluted Earnings Per Share Range - GAAP[3]	$ 7.20	$ 7.50	
Diluted Earnings Per Share Range - Adjusted[3]	$ 14.80	$ 15.10	

[1] See accompanying press release for our key assumptions

[2] The tax effect of adjustments is calculated based on the estimated income tax rate in each applicable jurisdiction

[3] Assumes weighted average shares outstanding of 21.3M, and includes rounding

Reconciliation of Forecasted GAAP and Adjusted Earnings

Dollars in thousands, except per share amounts

The non-GAAP tables below disclose the impact on the range of estimated diluted earnings per share of the (1) amortization of intangible assets (Prospera) and (2) stock-based compensation for Prospera employees. We believe it is useful when considering company performance for the non-GAAP adjusted net earnings to be taken into consideration by management and investors with the related reported GAAP measures.

Reconciliation of Range of Net Earnings - 2023 Previous Guidance [1]	**Low End**	**High End**	**Adjustments**
Estimated net earnings - GAAP	*$ 318,250*	*$ 330,050*	
Prospera intangible asset (proprietary technology) amortization, pre-tax			$ 6,600
Prospera stock-based compensation, pre-tax			9,800
Total pre-tax adjustments			16,400
Estimated tax benefit from above expenses[2]			(2,450)
Total Adjustments, after-tax			$ 13,950
Estimated net earnings - Adjusted	*$ 332,200*	*$ 344,000*	
Diluted Earnings Per Share Range - GAAP[3]	$ 14.80	$ 15.35	
Diluted Earnings Per Share Range - Adjusted[3]	$ 15.45	$ 16.00	

[1] See accompanying press release for our key assumptions

[2] The tax effect of adjustments is calculated based on the estimated income tax rate in each applicable jurisdiction

[3] Assumes weighted average shares outstanding of 21.5M, and includes rounding

Reconciliation of Forecasted GAAP and Adjusted Earnings

Dollars in thousands, except per share amounts

The non-GAAP tables below disclose the impact on the range of estimated diluted earnings per share of the (1) amortization of intangible assets (Prospera) and (2) stock-based compensation for Prospera employees. We believe it is useful when considering company performance for the non-GAAP adjusted net earnings to be taken into consideration by management and investors with the related reported GAAP measures.

Reconciliation of Range of Net Earnings - 2023 Revised Previous Guidance [1]	**Low End**	**High End**	**Adjustments**
Estimated net earnings - GAAP	*$ 318,250*	*$ 330,050*	
Prospera intangible asset (proprietary technology) amortization, pre-tax			$ —
Prospera stock-based compensation, pre-tax			—
Total pre-tax adjustments			—
Estimated tax benefit from above expenses[2]			—
Total Adjustments, after-tax			$ —
Estimated net earnings - Adjusted	*$ 318,250*	*$ 330,050*	
Diluted Earnings Per Share Range - GAAP[3]	$ 14.80	$ 15.35	
Diluted Earnings Per Share Range - Adjusted[3]	$ 14.80	$ 15.35	

[1] See accompanying press release for our key assumptions

[2] The tax effect of adjustments is calculated based on the estimated income tax rate in each applicable jurisdiction

[3] Assumes weighted average shares outstanding of 21.5M, and includes rounding

Reconciliation of Excluding Other Segment Net Sales

Dollars in thousands

Excluding Other segment net sales from the third quarter and first three quarters of fiscal 2022, which we refer to in this reconciliation as "Adjusted Net Sales" is a non-GAAP measure. The Other segment net sales were generated by the wind energy structures business which was divested in December 2022. Adjusted Net Sales should not be considered in isolation or as a substitute for net earnings, cash flows from operations or other income or cash flow data prepared in accordance with GAAP, or as a measure of our operating performance or liquidity. The table below shows how Adjusted Net Sales is calculated from our statements of earnings. Adjusted Net Sales is calculated as Net Sales less Other segment net sales. Adjusted Net Sales allows investors to analyze our operating performance in light of the amount of net sales less net sales of a divested business.

	Thirteen weeks ended			Thirty-nine weeks ended		
	September 30, 2023	September 24, 2022	Percent Change	September 30, 2023	September 24, 2022	Percent Change
Net sales	$ 1,050,295	$ 1,097,382	-4.3%	$ 3,159,072	$ 3,213,734	-1.7%
Less: Other segment net sales	—	(22,861)	NM	—	(66,947)	NM
Adjusted net sales	$ 1,050,295	$ 1,074,521	-2.3%	$ 3,159,072	$ 3,146,787	0.4%

Reconciliation of Adjusted Effective Tax Rate

Dollars in thousands

Excluding significant non-recurring items from the third quarter of fiscal 2023 from the calculation of effective tax rate, which we refer to as "Adjusted Effective Tax Rate", is a non-GAAP measure. Adjusted Effective Tax Rate should not be considered in isolation or as a substitute for the effective tax rate prepared in accordance with GAAP. The table below shows how Adjusted Effective Tax Rate is calculated from the Company's Statements of Operations. Adjusted Effective Tax Rate is calculated as total earnings (loss) before income taxes plus the significant non-recurring items of impairment of goodwill and intangible assets, realignment charges, and non-recurring tax benefit items. Adjusted Effective Tax Rate allows investors to analyze our effective tax rate in light of these non-recurring items.

	Thirteen weeks ended September 30, 2023		
	Earnings (loss) before income taxes and equity in loss of nonconsolidated subsidiaries	**Income tax expense**	**Effective tax rate**
As reported	$ (34,655)	$ 15,461	-44.6%
Impairment of long-lived assets	140,844	4,387	
Realignment charges	4,180	1,045	
Non-recurring tax benefit items	—	3,588	
Adjusted	$ 110,369	$ 24,481	22.2%

2013 – 2022 Historical Free Cash Flow[1,2]

Dollars in millions

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net cash flows from operating activities	$ 396.4	$ 174.1	$ 272.3	$ 232.8	$ 133.1	$ 153.0	$ 307.6	$ 316.3	$ 65.9	$ 326.3
Net cash flows from investing activities	(131.7)	(256.9)	(48.2)	(53.0)	(49.6)	(155.4)	(168.1)	(104.0)	(417.3)	(132.1)
Net cash flows from financing activities	(37.4)	(136.8)	(32.0)	(95.2)	(32.0)	(162.1)	(98.9)	(173.8)	133.5	(181.9)
Net cash flows from operating activities	$ 396.4	$ 174.1	$ 272.3	$ 232.8	$ 133.1	$ 153.0	$ 307.6	$ 316.3	$ 65.9	$ 326.3
Purchase of plant, property, and equipment	(106.8)	(73.0)	(45.5)	(57.9)	(55.3)	(72.0)	(97.4)	(106.7)	(107.8)	(93.3)
Free cash flows	289.7	101.1	226.8	174.9	77.8	81.0	210.2	209.6	(41.9)	233.0
Net earnings attributed to Valmont Industries, Inc.	$ 278.5	$ 183.9	$ 40.1	$ 175.5	$ 120.5	$ 101.8	$ 146.4	$ 140.7	$ 195.6	$ 250.9
Adjusted free cash flow net earnings attributed to Valmont Industries, Inc.	$ 295.1	$ 187.7	$ 131.7	$ 139.9	$ 162.7	$ 130.4	N/A	$ 159.8	$ 222.3	$ 284.2
Free Cash Flow Conversion - GAAP	1.04	0.55	5.66	1.00	0.65	0.80	1.44	1.49	(0.21)	0.93
Free Cash Flow Conversion - Adjusted	0.98	0.53	1.71	1.25	0.48	0.62	N/A	1.31	(0.19)	0.82
Reconciliation of Net Earnings to Adjusted Figures										
Net earnings attributed to Valmont Industries, Inc.	$ 278.5	$ 183.9	$ 40.1	$ 175.5	$ 120.5	$ 101.8	$ 146.4	$ 140.7	$ 195.6	$ 250.9
Loss from divestiture of offshore wind energy structures business	-	-	-	-	-	-	-	-	-	33.3
Change in valuation allowance against deferred tax assets	-	-	7.1	(20.7)	41.9	-	-	-	5.0	-
Impairment of long-lived assets	12.2	-	61.8	1.1	-	28.6	-	19.1	21.7	-
Reversal of contingent liability	-	-		(16.6)	-	-	-	-	-	-
Other non-recurring expenses (non-cash)	-	-	18.1			-	-	-	-	-
Deconsolidation of Delta EMD, after-tax and NCI	4.4	-	-	-	-	-	-	-	-	-
Noncash loss from Delta EMD shares	-	3.8	4.6	0.6	0.2	-	-	-	-	-
Adjusted free cash flow net earnings attributed to Valmont Industries, Inc.	$ 295.1	$ 187.7	$ 131.7	$ 139.9	$ 162.7	$ 130.4	$ 146.4	$ 159.8	$ 222.3	$ 284.2

CONSERVING RESOURCES. IMPROVING LIFE.® valmont

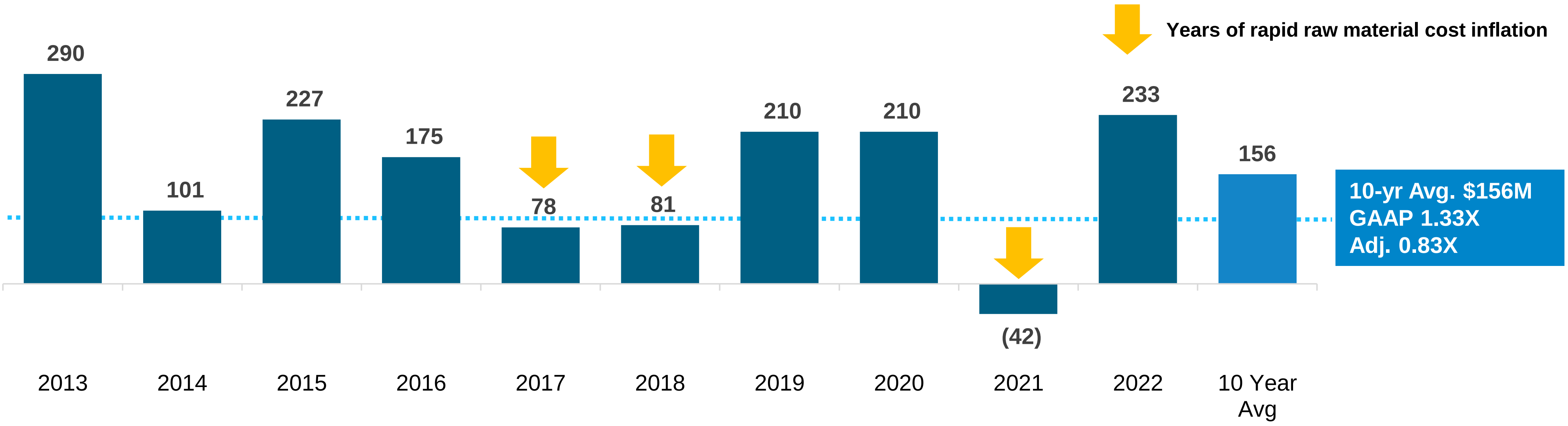
[1] Adjusted earnings for purposes of calculating FCF conversion may not agree to the adjusted net earnings. The difference is due to non-recurring expenses which were settled in cash in the year of occurrence as part of net cash flows from operating activities.

[2] We use the non-GAAP measure of FCF, which we define as GAAP net cash flows from operating activities reduced by capex. We believe that FCF is a useful performance measure for management and useful to investors as the basis for comparing our performance with other companies. Our measure of FCF may not be directly comparable to similar measures used by other companies.

Strong Free Cash Flow throughout the Cycle

Dollars in millions

2013 – 2022 Free Cash Flow[1]



Historical FCF Conversion by Year[1]

GAAP	1.04X	0.55X	5.66X	1.00X	0.65X	0.80X	1.44X	1.49X	(0.21X)	0.93X
Adj.	0.98X	0.53X	1.71X	1.25X	0.48X	0.62X	N/A	1.31X	(0.19X)	0.82X

[1] We use the non-GAAP measure of FCF, which we define as GAAP net cash flows from operating activities reduced by capex. We believe that FCF is a useful performance measure for management and useful to investors as the basis for comparing our performance with other companies. Our measure of FCF may not be directly comparable to similar measures used by other companies.

Calculation of Adjusted EBITDA and Leverage Ratio

Dollars in thousands

Certain of our debt agreements contain covenants that require us to maintain certain coverage ratios. Our Debt/Adjusted EBITDA may not exceed 3.5X Adjusted EBITDA (or 3.75X Adjusted EBITDA after certain material acquisitions) of the prior four fiscal quarters. See “Leverage Ratio” below.

	Four Fiscal Quarters Ended September 30, 2023
Net earnings attributable to Valmont Industries, Inc.	$ 155,220
Interest expense	54,750
Income tax expense	107,395
Depreciation and amortization expense	98,002
Stock based compensation	40,662
Loss on divestiture of offshore wind energy structures business	33,273
Impairment of long-lived assets	140,844
Restructuring costs	4,180
HR Products Pro-Forma EBITDA	24,921
Adjusted EBITDA	$ 659,247
Interest-bearing debt, excluding origination fees and discounts of $26,481	$ 1,008,321
Less: cash and cash equivalents in excess of $50 million	122,566
Net indebtedness	$ 885,755
Net indebtedness	$ 885,755
Leverage ratio	1.34
Interest-bearing debt, excluding origination fees and discounts of $26,481	$ 1,008,321
Total debt to adjusted EBITDA	1.53