



FISCAL 2023 FOURTH QUARTER AND FULL YEAR RESULTS

October 4, 2023



FORWARD LOOKING STATEMENTS

This presentation and related conference call and webcast include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (the “Act”). Forward-looking statements use words such as “expect,” “believe,” “intend,” “anticipate,” “indicative,” “projection,” “predict,” “plan,” “may,” “could,” “should,” “would,” “potential,” and words of similar meaning, as well as other words or expressions referencing future events, conditions, or circumstances. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Act. Statements that describe or relate to the Company’s plans, goals, intentions, strategies, or financial outlook, and statements that do not relate to historical or current fact, are examples of forward-looking statements. Examples of forward-looking statements in this presentation include, without limitation, statements relating to our full-year fiscal 2024 guidance and expected financial performance.

Forward-looking statements are not guarantees of future performance. Our forward-looking statements are based on our current beliefs, expectations, and assumptions, which may not prove to be accurate, and are subject to known and unknown risks and uncertainties, many of which are outside of our control. These risks and uncertainties could cause actual results to differ materially from our historical experience and management’s present expectations or projections. These risks and uncertainties are discussed in our filings with the U.S. Securities and Exchange Commission, including our most recent annual report on Form 10-K (including, but not limited to, Part I, Item 1a Risk Factors), quarterly reports on Form 10-Q, and current reports on Form 8-K. Any forward-looking statement speaks only as of the date on which it is made. You are cautioned not to place undue reliance on any forward-looking statements. Except as required by law, we undertake no obligation to publicly update or release any revisions to these forward-looking statements to reflect any events or circumstances after the date of this presentation, conference call and webcast or to reflect the occurrence of unanticipated events, whether as a result of new information, future events, or otherwise.

NON-GAAP FINANCIAL MEASURES



We disclose the following non-generally accepted accounting principles ("GAAP") financial measures: "adjusted gross profit", "adjusted gross profit margin", "adjusted operating profit" and "adjusted operating profit margin" for total company and by segment; "adjusted net income;" "adjusted diluted earnings per share ("EPS") "earnings before interest, taxes, depreciation, and amortization ("EBITDA");" and "adjusted EBITDA." These non-GAAP financial measures are provided to enhance the reader's overall understanding of the Company's current financial performance and prospects for the future. Specifically, management believes that these non-GAAP measures provide useful information to investors by excluding or adjusting items for amortization of acquired intangible assets, share-based payment expense, impairments of investments, supplier recovery charge and special charges associated with continued efforts to streamline the organization and integrate recent acquisitions, and a loss on sale of business. Management typically adjusts for these items for internal reviews of performance and uses the above non-GAAP measures for baseline comparative operational analysis, decision making, and other activities. Management believes these non-GAAP measures provide greater comparability and enhanced visibility into the Company's results of operations as well as comparability with many of its peers, especially those companies focused more on technology and software. Non-GAAP financial measures included in this news release should be considered in addition to, and not as a substitute for or superior to, results prepared in accordance with GAAP.

The most directly comparable GAAP measures for adjusted gross profit and adjusted gross profit margin for total company are "gross profit" and "gross profit margin," respectively, which include supplier recovery charge. Adjusted gross profit margin is adjusted gross profit divided by net sales. The most directly comparable GAAP measures for adjusted operating profit

and adjusted operating profit margin for total company and by segment are "operating profit" and "operating profit margin," respectively, which include amortization of acquired intangible assets share-based payment expense, supplier recovery charge and special charges. Adjusted operating profit margin is adjusted operating profit divided by net sales for total company and by segment. The most directly comparable GAAP measures for adjusted net income and adjusted diluted EPS are "net income" and "diluted EPS," respectively, which include the impact of amortization of acquired intangible assets, share-based payment expense, impairments of investments, supplier recovery charge, special charges, and a loss on sale of business. Adjusted diluted EPS is adjusted net income divided by diluted weighted average shares outstanding. The most directly comparable GAAP measure for EBITDA is "net income", which includes the impact of net interest expense, income taxes, depreciation, and amortization of acquired intangible assets. The most directly comparable GAAP measure for adjusted EBITDA is "net income", which includes the impact of net interest expense, income taxes, depreciation, amortization of acquired intangible assets, share-based payment expense, supplier recovery charges, special charges, and miscellaneous (income) expense, net. A reconciliation of each measure to the most directly comparable GAAP measure is available in this news release, except for forward-looking measures of adjusted diluted EPS where a reconciliation to the corresponding GAAP measure is not available without unreasonable effort due to the variability, complexity, and limited visibility of certain assumptions within, as well as the methodology used to estimate, the 2024 non-GAAP outlook measure. The Company's non-GAAP financial measures may not be comparable to similarly titled non-GAAP financial measures used by other companies, have limitations as an analytical tool, and should not be considered in isolation or as a substitute for GAAP financial measures. Our presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that our future results will be unaffected by other unusual or non-recurring items.

FISCAL 2023 FOURTH QUARTER PERFORMANCE

(\$ in Millions Except Per Share Data)

Demonstrated Excellent Execution

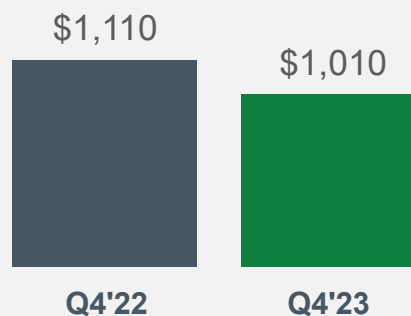
Improved Year-over-Year
Adjusted Operating Profit Margin

Increased Year-over-Year
Adjusted Diluted Earnings Per Share

Generated Strong Cash Flow

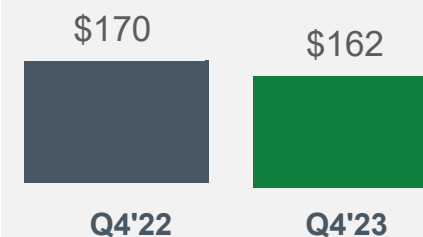
Net Sales

(9%)



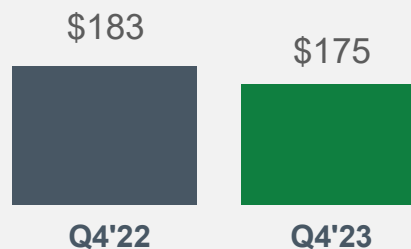
Adj. Operating Profit¹

(4%)



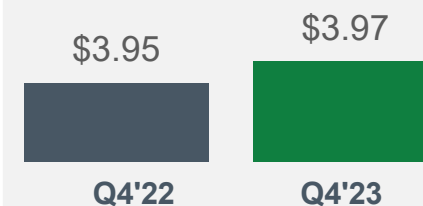
Adj. EBITDA¹

(4%)



Adj. Diluted EPS¹

1%



¹ Adjusted Operating Profit, Adjusted EBITDA and Adjusted Diluted EPS for each period presented are reconciled in the Appendix

FISCAL 2023 FOURTH QUARTER SEGMENT PERFORMANCE



Lighting and Lighting Controls (ABL)

Providing sustainable, inspiring, and intelligent lighting solutions that enrich the communities where people live, learn, work, and play.

Intelligent Spaces Group (ISG)

Using technology to make spaces smarter, safer, and greener.

Net Sales

\$944M
11% Decline VPY

\$72M
17% Growth VPY

Adj. Operating Profit¹

\$159M
2% Decline VPY

\$14M
3% Decline VPY

Adj. Operating Profit Margin¹

16.8%

19.7%



¹ Adjusted Operating Profit and Adjusted Operating Profit Margin for each period presented are reconciled in the Appendix

FISCAL 2023 FULL YEAR CAPITAL ALLOCATION

\$578M

Operating Cash Flow

\$67M

CapEx

\$269M

Share Repurchases

Capital Allocation Priorities

1. Growth in Current Businesses
2. Acquisitions
3. Maintain Dividend
4. Share Repurchases

FISCAL 2023 IN SUMMARY

(\$ in Millions Except Per Share Data)

Strong Financial Performance in Fiscal 2023
Despite a Challenging Sales Environment in
Lighting

Continued to Grow and Invest in the
Intelligent Spaces Group

Increased Adjusted Diluted EPS

Generated Strong Cash Flow and Allocated
Capital Effectively

Net Sales

(1%)

\$4,006

\$3,952



FY'22

FY'23

Adj. Operating Profit¹

2%

\$588

\$597



FY'22

FY'23

Adj. EBITDA¹

1%

\$642

\$649



FY'22

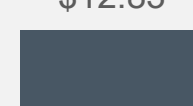
FY'23

Adj. Diluted EPS¹

10%

\$12.83

\$14.05



FY'22

FY'23

¹ Adjusted Operating Profit, Adjusted EBITDA and Adjusted Diluted EPS for each period presented are reconciled in the Appendix

FISCAL 2024 OUTLOOK

2024 Guidance¹

AYI Net Sales Range	\$3.7B to \$4.0B
<i>ABL Net Sales</i>	<i>Down Low to Mid-Single Digits</i>
<i>ISG Net Sales</i>	<i>Up Mid Teens</i>
Adjusted Diluted EPS Range	\$13.00 to \$14.50

Assumptions

Net Interest	~\$10M - \$15M
Effective GAAP Tax Rate	~23.5%
Amortization of Acquired Intangible Assets	~\$40M
Share-Based Payment Expense	~\$40M - \$45M
Share Repurchases	~\$40M - \$60M
Depreciation	~\$50M
Capital Expenditures	~\$70M to \$75M

¹ Management estimates are based on multiple quantitative and qualitative inputs and contains forward-looking information; please see Forward Looking Statements on slide 2



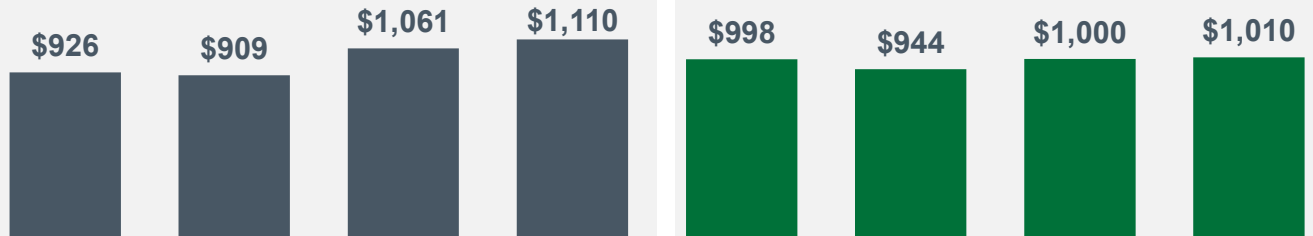
APPENDIX

and Non-GAAP Reconciliations



AYI: QUARTERLY TRENDS

Net Sales (\$ in Millions, Except Per Share Data)



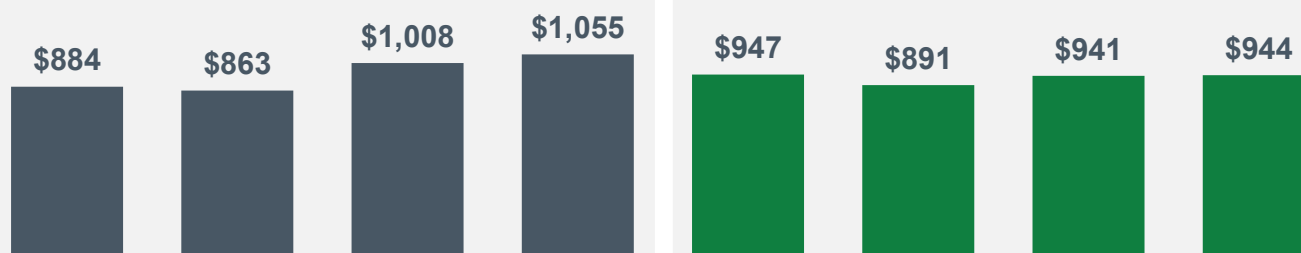
	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23
Net Sales Growth	16.9%	17.1%	17.9%	11.8%	7.8%	3.8%	(5.7%)	(9.0%)
Gross Profit Margin	41.7%	41.7%	42.0%	41.7%	41.7%	43.1%	44.7%	43.8%
Adjusted Gross Profit Margin ¹	41.7%	41.7%	42.0%	41.7%	41.7%	43.1%	44.7%	45.1%
Operating Margin	12.4%	11.3%	13.5%	13.5%	10.9%	11.8%	14.3%	10.9%
Adjusted Operating Profit Margin ¹	14.4%	13.5%	15.3%	15.3%	14.0%	14.0%	16.3%	16.1%
Diluted EPS	\$2.46	\$2.13	\$3.07	\$3.48	\$2.29	\$2.57	\$3.28	\$2.63
Adjusted Diluted EPS ¹	\$2.85	\$2.57	\$3.52	\$3.95	\$3.29	\$3.06	\$3.75	\$3.97

¹ Adjusted Gross Profit Margin, Adjusted Operating Profit Margin and Adjusted Diluted EPS for each period presented are reconciled on slides 13,14 and 15



ABL: QUARTERLY TRENDS

Net Sales (\$ in Millions)



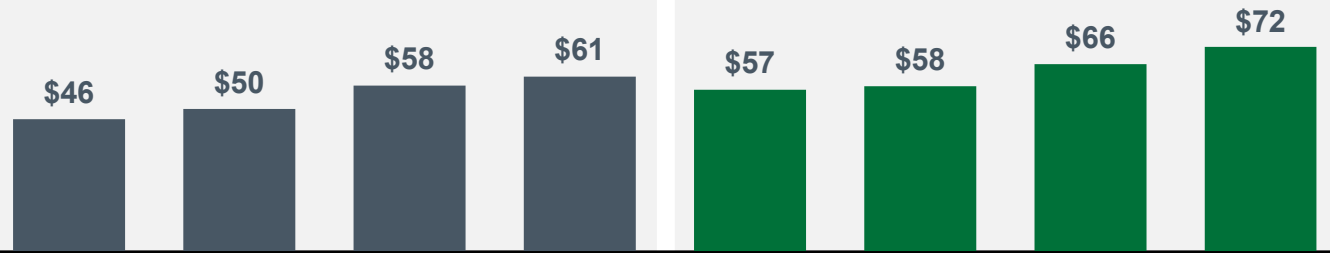
	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23
Net Sales Growth	17.3%	17.1%	18.6%	11.4%	7.2%	3.2%	(6.7%)	(10.5%)
Operating Profit Margin	14.5%	13.5%	14.8%	14.4%	12.5%	13.9%	15.9%	12.5%
Adjusted Operating Profit Margin ¹	15.6%	14.7%	15.8%	15.3%	14.7%	15.0%	17.0%	16.8%

¹ Adjusted Operating Profit Margin for ABL for each period presented is reconciled on slide 17



ISG: QUARTERLY TRENDS

Net Sales (\$ in Millions)



	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23
Net Sales Growth	13.7%	15.5%	5.2%	21.6%	22.4%	16.4%	12.9%	17.1%
Operating Profit Margin	4.3%	2.4%	15.8%	16.8%	13.6%	10.8%	13.1%	13.1%
Adjusted Operating Profit Margin ¹	13.1%	11.2%	23.3%	23.8%	21.3%	18.6%	19.5%	19.7%

¹ Adjusted Operating Profit Margin for ISG for each period presented is reconciled on slide 18



AYI QUARTERLY RECONCILIATION OF NON-GAAP MEASURES:

Adjusted Gross Profit and Adjusted Gross Profit Margin (\$ in Millions)

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Full Year	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Gross Profit (GAAP)	\$416.5	\$385.8	\$406.7	\$379.3	\$447.3	\$445.1	\$442.7	\$462.5	\$1,713.2	\$1,672.7
Gross Profit (GAAP) Margin	41.7%	41.7%	43.1%	41.7%	44.7%	42.0%	43.8%	41.7%	43.3%	41.8%
+ Supplier recovery charge	—	—	—	—	—	—	13.0	—	13.0	—
Adjusted Gross Profit	\$416.5	\$385.8	\$406.7	\$379.3	\$447.3	\$455.1	\$455.7	\$462.5	\$1,726.2	\$1,672.7
Adjusted Gross Profit Margin	41.7%	41.7%	43.1%	41.7%	44.7%	42.0%	45.1%	41.7%	43.7%	41.8%



AYI QUARTERLY RECONCILIATION OF NON-GAAP MEASURES:

Adjusted Operating Profit and Adjusted Operating Profit Margin (\$ in Millions)

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Full Year	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Operating Profit (GAAP)	\$108.9	\$115.1	\$111.5	\$102.3	\$143.3	\$142.7	\$109.7	\$149.6	\$473.4	\$509.7
Operating Profit (GAAP) Margin	10.9%	12.4%	11.8%	11.3%	14.3%	13.5%	10.9%	13.5%	12.0%	12.7%
+ Amortization of acquired intangible assets ⁽¹⁾	13.6	10.3	9.3	10.3	9.2	10.2	10.0	10.2	42.1	41.0
+ Share-based payment expense	10.7	7.6	11.3	10.0	10.4	9.9	9.6	9.9	42.0	37.4
+ Supplier recovery charge	—	—	—	—	—	—	13.0	—	13.0	—
+ Special charges	6.9	—	—	—	—	—	20.0	—	26.9	—
Adjusted Operating Profit	\$140.1	\$133.0	\$132.1	\$122.6	\$162.9	\$162.8	\$162.3	\$169.7	\$597.4	\$588.1
Adjusted Operating Profit Margin	14.0%	14.4%	14.0%	13.5%	16.3%	15.3%	16.1%	15.3%	15.1%	14.7%

¹ Amortization expense for the first quarter of fiscal 2023 includes accelerated amortization of \$4.0 million for certain discontinued brands



AYI QUARTERLY RECONCILIATION OF NON-GAAP MEASURES:

Adjusted Net Income and Adjusted Diluted Earnings Per Share

(\$ in Millions, Except Per Share Data)

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Full Year	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net Income (GAAP)	\$74.9	\$87.6	\$83.2	\$75.3	\$105.0	\$105.7	\$82.9	\$115.4	\$346.0	\$384.0
+ Amortization of acquired intangible assets ⁽¹⁾	13.6	10.3	9.3	10.3	9.2	10.2	10.0	10.2	42.1	41.0
+ Share-based payment expense	10.7	7.6	11.3	10.0	10.4	9.9	9.6	9.9	42.0	37.4
+ Supplier recovery charge	—	—	—	—	—	—	13.0	—	13.0	—
+ Loss on sales of a business	11.2	—	—	—	—	—	—	—	11.2	—
+ Special charges	6.9	—	—	—	—	—	20.0	—	26.9	—
+ Impairments of investments	—	—	—	—	—	—	2.5	—	2.5	—
Total pre-tax adjustments to net income	42.4	17.9	20.6	20.3	19.6	20.1	55.1	20.1	137.7	78.4
Income tax effects	(9.8)	(4.2)	(4.8)	(4.6)	(4.5)	(4.5)	(12.6)	(4.7)	(31.7)	(18.0)
Adjusted net income	\$107.5	\$101.3	\$99.0	\$91.0	\$120.1	\$121.3	\$125.4	\$130.8	\$452.0	\$444.4
Diluted weighted average number of shares outstanding	32.7	35.5	32.4	35.4	32.0	34.4	31.6	33.2	32.2	34.6
Diluted Earnings Per Share	\$2.29	\$2.46	\$2.57	\$2.13	\$3.28	\$3.07	\$2.63	3.48	\$10.76	\$11.08
Adjusted Diluted Earnings Per Share	\$3.29	\$2.85	\$3.06	\$2.57	\$3.75	\$3.52	\$3.97	\$3.95	\$14.05	\$12.83

¹ Amortization expense for the first quarter of fiscal 2023 includes accelerated amortization of \$4.0 million for certain discontinued brands



AYI QUARTERLY RECONCILIATION OF NON-GAAP MEASURES:

EBITDA and Adjusted EBITDA

(\$ in Millions)

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Full Year	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net Income (GAAP)	\$74.9	\$87.6	\$83.2	\$75.3	\$105.0	\$105.7	\$82.9	\$115.4	\$346.0	\$384.0
+ Interest expense, net	6.6	5.9	5.7	6.0	3.9	6.2	2.7	6.8	18.9	24.9
+ Income tax expense	18.3	21.3	26.3	22.9	33.7	32.3	22.4	33.4	100.7	109.9
+ Depreciation	12.9	14.0	12.7	13.3	12.7	13.3	12.8	13.2	51.1	53.8
+ Amortization ⁽¹⁾	13.6	10.3	9.3	10.3	9.2	10.2	10.0	10.2	42.1	41.0
EBITDA (Non-GAAP)	126.3	139.1	137.2	127.8	164.5	167.7	130.8	179.0	558.8	613.6
+ Share-based payment expense	10.7	7.6	11.3	10.0	10.4	9.9	9.6	9.9	42.0	37.4
+ Miscellaneous expense (income), net	9.1	0.3	(3.7)	(1.9)	0.7	(1.5)	1.7	(6.0)	7.8	(9.1)
+ Supplier recovery charge	—	—	—	—	—	—	13.0	—	13.0	—
+ Special charges	6.9	—	—	—	—	—	20.0	—	26.9	—
Adjusted EBITDA (Non-GAAP)	\$153.0	\$147.0	\$144.8	\$135.9	\$175.6	\$176.1	\$175.1	\$182.9	\$648.5	\$641.9

¹ Amortization expense for the first quarter of fiscal 2023 includes accelerated amortization of \$4.0 million for certain discontinued brands



ABL QUARTERLY RECONCILIATION OF NON-GAAP MEASURES:

Segment Breakdown (ABL)

(\$ in Millions)

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Full Year	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Operating Profit (GAAP)	\$118.1	\$128.1	\$123.6	\$116.5	\$150.0	\$149.6	\$117.8	\$151.4	\$509.5	\$545.6
Operating Profit (GAAP) Margin	12.5%	14.5%	13.9%	13.5%	15.9%	14.8%	12.5%	14.4%	13.7%	14.3%
+ Amortization of acquired intangible assets ⁽¹⁾	10.5	7.1	6.2	7.1	6.1	7.0	6.5	7.0	29.3	28.2
+ Share-based payment expense	3.3	3.0	3.5	3.3	3.6	3.2	3.3	3.3	13.7	12.8
+ Supplier recovery charge	6.9	—	—	—	—	—	13.0	—	13.0	—
+ Special Charges	—	—	—	—	—	—	18.1	—	25.0	—
Adjusted Operating Profit	\$138.8	\$138.2	\$133.3	\$126.9	\$159.7	\$159.8	\$158.7	\$161.7	\$590.5	\$586.6
Adjusted Operating Profit Margin	14.7%	15.6%	15.0%	14.7%	17.0%	15.8%	16.8%	15.3%	15.9%	15.4%

¹ Amortization expense for fiscal 2023 includes accelerated amortization of \$4.0 million for certain discontinued brands



ISG QUARTERLY RECONCILIATION OF NON-GAAP MEASURES:

Segment Breakdown (ISG)

(\$ in Millions)

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Full Year	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Operating Profit (GAAP)	\$7.7	\$2.0	\$6.3	\$1.2	\$8.6	\$9.2	\$9.4	\$10.3	\$32.1	\$22.7
Operating Profit (GAAP) Margin	13.6%	4.3%	10.8%	2.4%	13.1%	15.8%	13.1%	16.8%	12.7%	10.5%
+ Amortization of acquired intangible assets	3.1	3.2	3.1	3.2	3.1	3.2	3.5	3.2	12.8	12.8
+ Share-based payment expense	1.3	0.9	1.4	1.2	1.1	1.2	1.3	1.1	5.2	4.4
Adjusted Operating Profit	12.1	\$6.1	10.8	\$5.6	12.8	\$13.6	\$14.2	\$14.6	\$50.1	\$39.9
Adjusted Operating Profit Margin	21.3%	13.1%	18.6%	11.2%	19.5%	23.3%	19.7%	23.8%	19.8%	18.5%