



FISCAL 2026 FOURTH-QUARTER RESULTS

OCTOBER 1, 2026



Mark Architectural Lighting™, Juno®, Gotham® Lighting: CIBC Square, Toronto



FORWARD LOOKING STATEMENTS

This presentation and related conference call and webcast contain “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 include, but are not limited to, statements that describe or relate to the Company’s plans, initiatives, projections, vision, goals, targets, commitments, expectations, objectives, prospects, strategies, or financial outlook, and the assumptions underlying or relating thereto. In some cases, we may use words such as “expect,” “believe,” “intend,” “anticipate,” “estimate,” “forecast,” “indicate,” “project,” “predict,” “plan,” “may,” “will,” “could,” “should,” “would,” “potential,” and words of similar meaning, as well as other words or expressions referencing future events, conditions, or circumstances to identify forward-looking statements. We intend these forward-looking statements to be covered by the safe harbor provisions for

forward-looking statements contained in the Act. 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, assumptions and other important factors, many of which are outside of our control and any of which could cause our actual results to differ materially from those expressed or implied by the forward-looking statements. 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, the sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations”), 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. This presentation is not comprehensive, and for that reason, should be read in

conjunction with such filings. 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" and "adjusted gross profit margin" and "adjusted operating profit" and "adjusted operating profit margin" for total company and by segment; for total company only we additionally include: "adjusted net income;" "adjusted diluted EPS;" "earnings before interest, taxes, depreciation and amortization ("EBITDA");" "EBITDA margin;" "adjusted EBITDA;" and "adjusted EBITDA margin." These non-GAAP financial measures are provided to enhance the reader's overall understanding of our 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 for items detailed in the appendix of this presentation.

We also provide "free cash flow" ("FCF") for total company to enhance the reader's understanding of our ability to generate additional cash from its 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 our 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 presentation 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 and by segment are "gross profit" and "gross profit margin," respectively, which include the adjustments detailed in the appendix. Adjusted gross profit margin is adjusted gross profit divided by net sales for total company and by segment. 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 the adjustments detailed in the appendix. 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 adjustments detailed in the appendix. 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 adjustments detailed in the appendix. EBITDA margin is EBITDA divided by net sales. The most directly comparable GAAP measure for adjusted EBITDA is "net income," which includes the

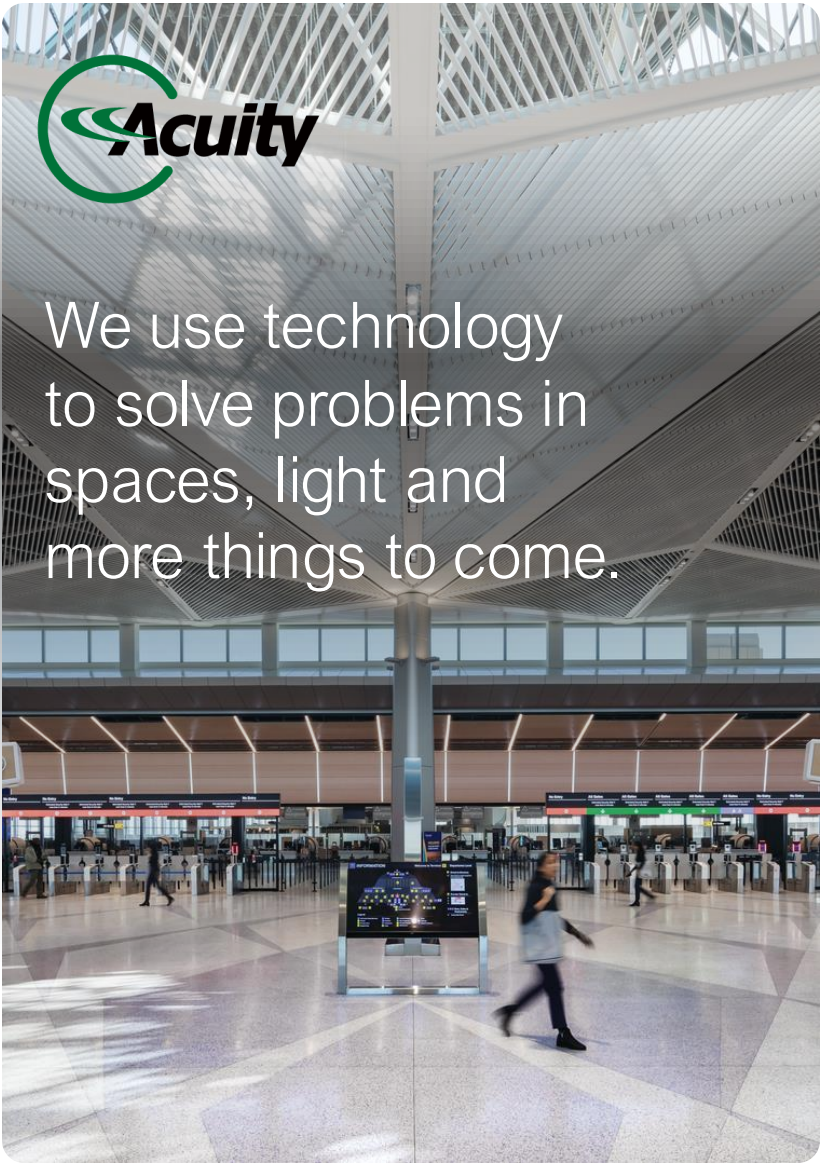
adjustments detailed in the appendix. Adjusted EBITDA margin is adjusted EBITDA divided by net sales. A reconciliation of each measure to the most directly comparable GAAP measure is available in the appendix of this presentation, except for forward-looking measures of adjusted diluted EPS where a reconciliation 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 2026 non-GAAP outlook measure.

We define FCF as net cash provided by operating activities less purchases of property, plant and equipment. A calculation of this measure is available in this presentation.

Our 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.



ABOUT ACUITY



OUR BUSINESS SEGMENTS

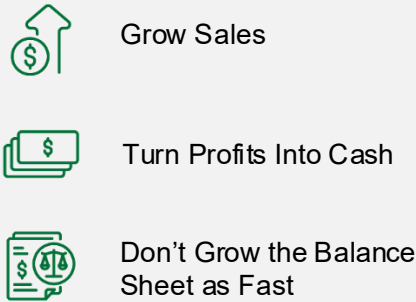


INNOVATORS | DISRUPTORS | BUILDERS

OUR VALUES



HOW WE CREATE VALUE



OUR OPERATING SYSTEM



AYI: FISCAL 2026 FOURTH QUARTER PERFORMANCE

Solid Execution

Increase Adjusted Operating Profit¹ by 3 Percent and Increased Adjusted Operating Profit Margin¹ 10 basis points to 18.7%

Increased Adjusted Diluted EPS¹ by 11 Percent Above Prior Year

Generated Strong YTD Cash Flow From Operations; Allocated \$287M to Share Repurchases

(\$ in Millions, Except Per Share Data)

NET SALES

3%

\$1,209

\$1,244

Q4'25

Q4'26

AYI ADJUSTED DILUTED EPS¹

11%

\$5.20

\$5.77

Q4'25

Q4'26

AYI ADJUSTED OPERATING PROFIT¹

3%

\$225

\$233

Q4'25

Q4'26

AYI YTD CASH FLOW FROM OPERATIONS

37%

\$601

\$826

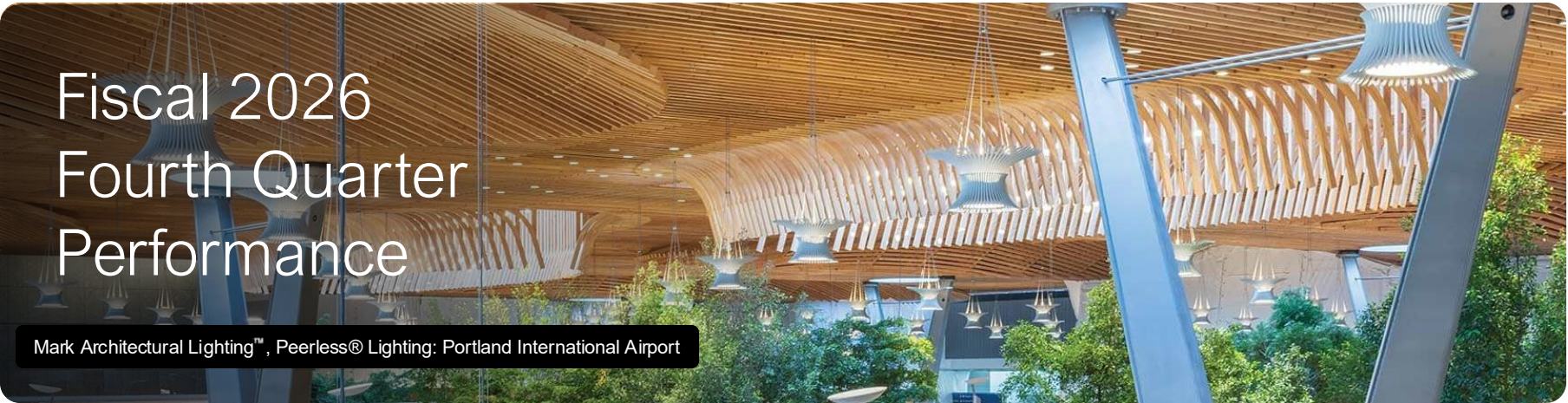
Q4'25

Q4'26

¹ AYI Adjusted Operating Profit, Adjusted Operating Profit Margin and Adjusted Diluted EPS are non-GAAP financial measures. See the Appendix for reconciliations to the most directly comparable financial measures calculated in accordance with GAAP. Note: Graphs not to scale

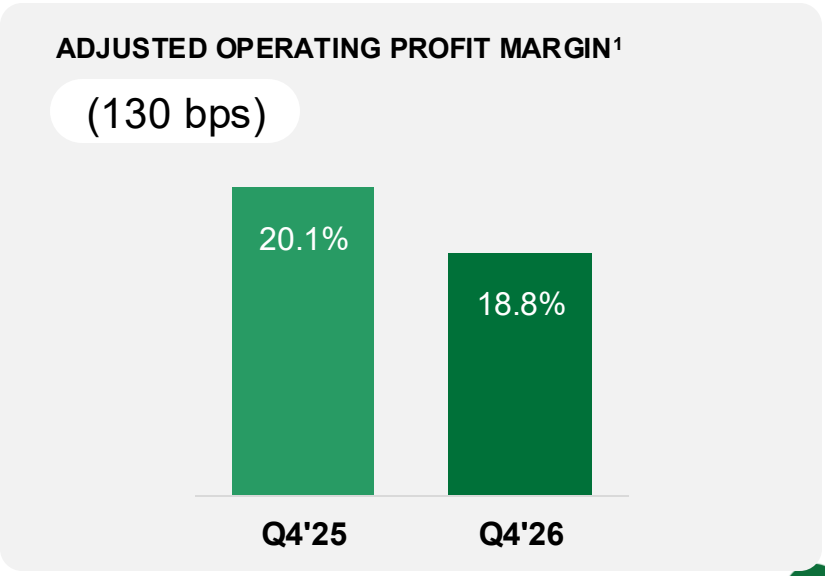
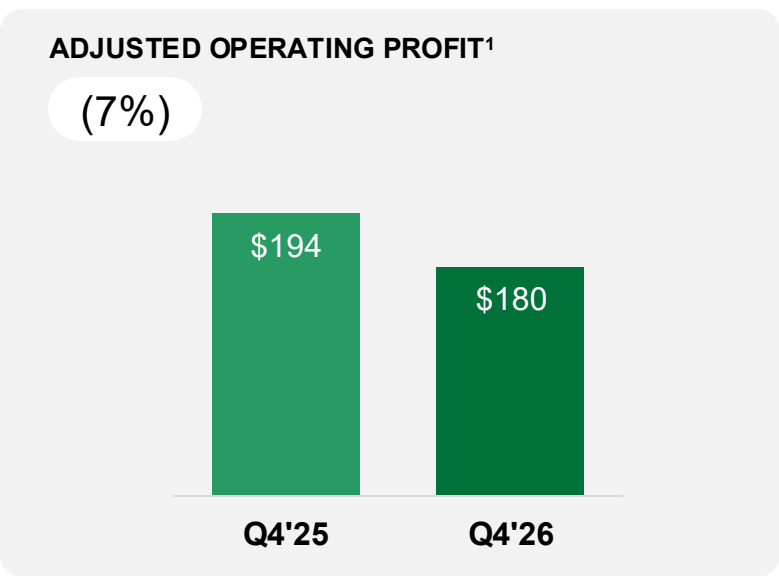
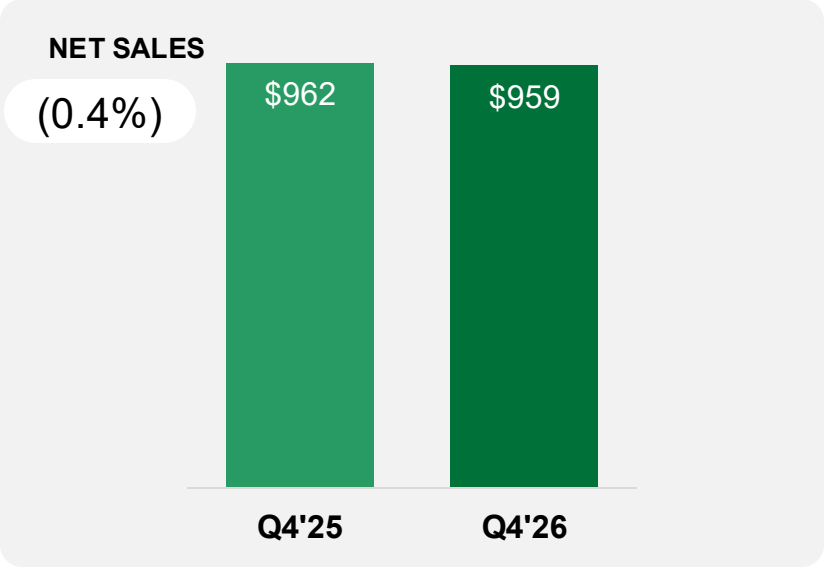


ABL: ACUITY BRANDS LIGHTING



PREDICTABLE, REPEATABLE, SCALABLE

(\$ in Millions)



¹ ABL Adjusted Operating Profit and Adjusted Operating Profit Margin are non-GAAP financial measures. See the Appendix for reconciliations to the most directly comparable financial measures calculated in accordance with GAAP.
Note: Graphs not to scale



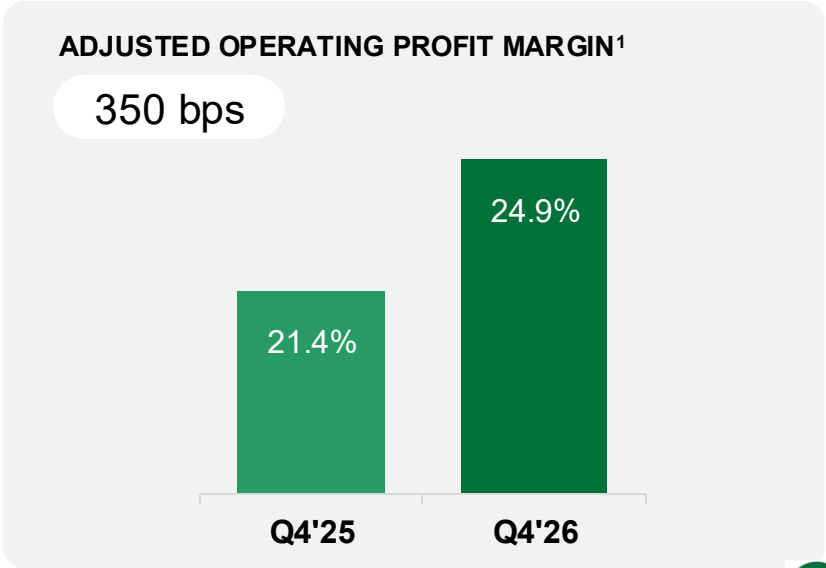
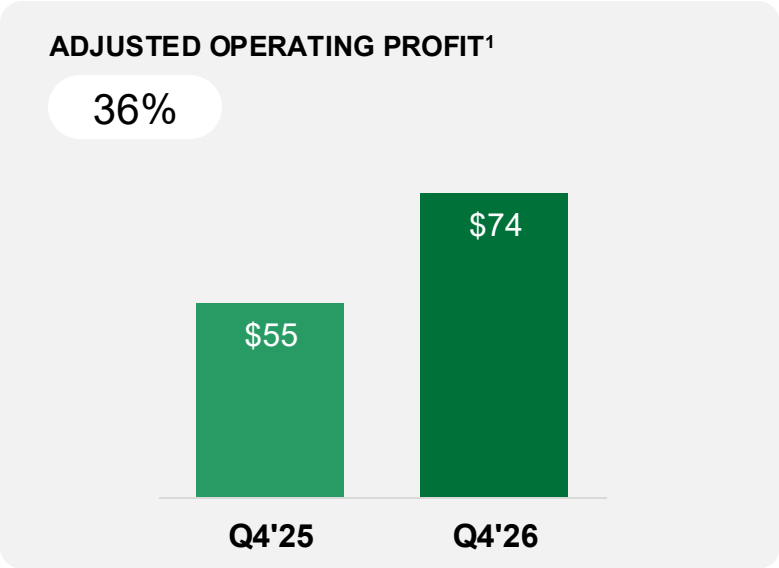
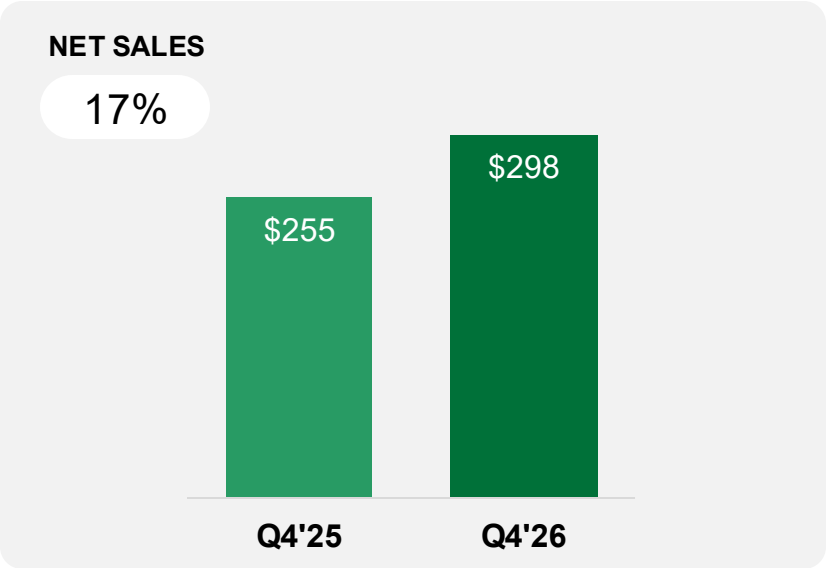
AIS: ACUITY INTELLIGENT SPACES



UNIQUE AND DISRUPTIVE
TECHNOLOGIES DRIVING
PRODUCTIVITY FOR PEOPLE
EXPERIENCING SPACES AND FOR
PEOPLE OPERATING THOSE SPACES

MAKING SPACES AUTONOMOUS

(\$ in Millions)



¹ Acuity Intelligent Spaces Adjusted Operating Profit and Adjusted Operating Profit Margin are non-GAAP financial measures. See the Appendix for reconciliations to the most directly comparable financial measures calculated in accordance with GAAP.
Note: Graphs not to scale

YTD FISCAL 2026 CAPITAL ALLOCATION PRIORITIES

1.



Invest for Growth in our Current Businesses

2.



Invest in M&A

3.



Increase our Dividend

4.



Repurchase Shares

YTD FISCAL 2026 ALLOCATION

\$826M

Cash Flow From Operations

\$78M

Capital Expenditures

\$287M

Share Repurchases

\$200M

Debt Repayment



FISCAL 2027 OUTLOOK

AYI Net Sales Range¹

\$4.7B to \$4.9B

ABL Net Sales

Flat to Low-Single-Digit Growth

AIS Net Sales

Low to Mid-Teen Growth

Adjusted Diluted EPS Range¹

\$20.50 to \$22.00

ADDITIONAL ASSUMPTIONS

Net Interest Expense

\$3M - \$5M

Effective GAAP Tax Rate

~23%

Amortization of Acquired Intangible Assets

~\$95M

Share-Based Payment Expense

\$60M - \$65M

Share Repurchases

\$40M - \$60M

Depreciation

~\$70M

Capital Expenditures

\$85M to \$100M

¹ Management estimates are based on multiple quantitative and qualitative inputs and contains forward-looking information; please see Forward Looking Statements on slide 2. We do not expect to update guidance on a quarterly basis.





QUARTERLY TRENDS

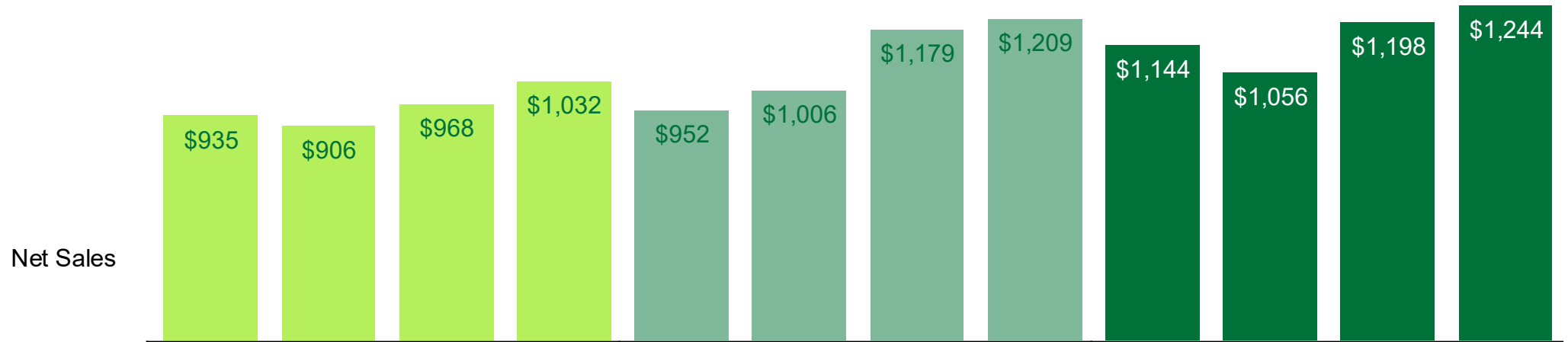


Luminus® Pelican: Application Rendering



AYI: QUARTERLY TRENDS

(\$ in Millions, Except Per Share Data)



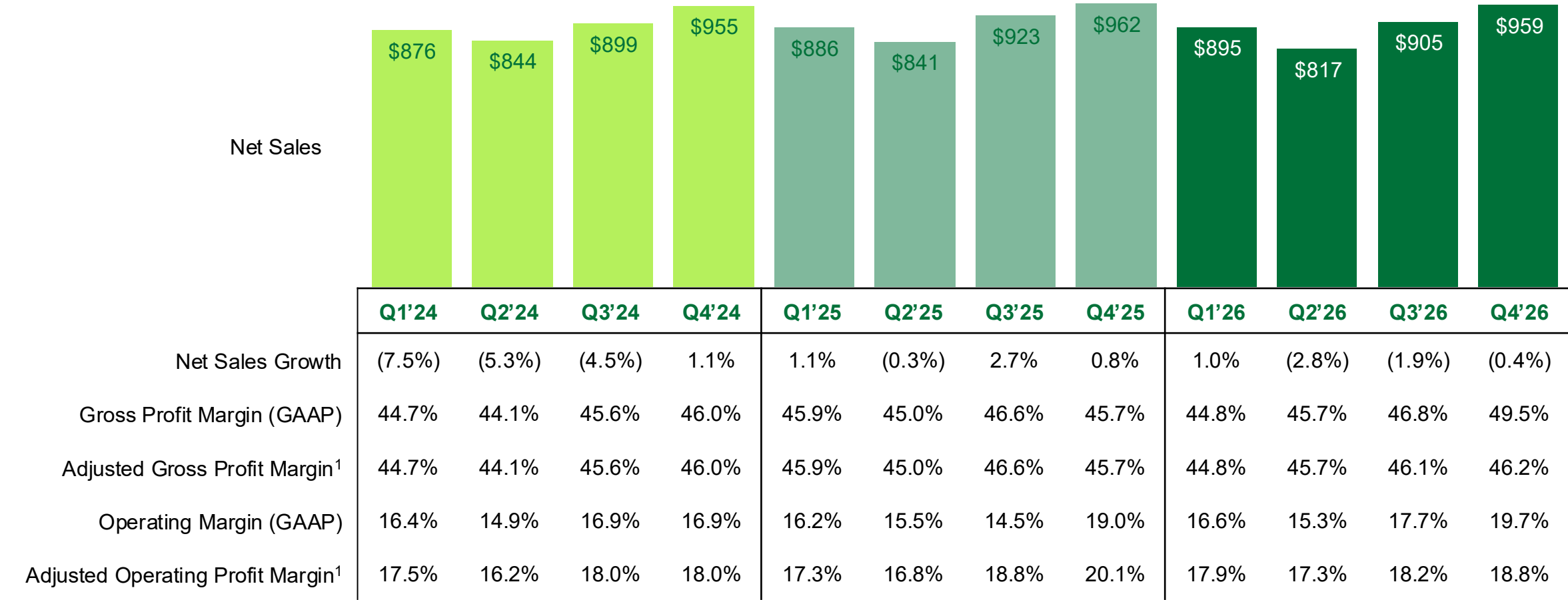
	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
Net Sales Growth	(6.3%)	(4.0%)	(3.2%)	2.2%	1.8%	11.1%	21.7%	17.1%	20.2%	4.9%	1.6%	2.9%
Gross Profit Margin (GAAP)	45.8%	45.5%	46.7%	47.3%	47.2%	46.5%	48.4%	48.9%	48.4%	49.3%	50.6%	53.8%
Adjusted Gross Profit Margin ¹	45.8%	45.5%	46.7%	47.3%	47.2%	47.5%	50.0%	48.9%	48.4%	49.3%	50.1%	50.2%
Operating Margin (GAAP)	14.2%	13.0%	15.0%	15.2%	14.0%	11.0%	11.9%	14.9%	14.0%	12.6%	16.1%	18.2%
Adjusted Operating Profit Margin ¹	16.5%	15.5%	17.3%	17.3%	16.7%	16.2%	18.8%	18.6%	17.2%	16.7%	18.7%	18.7%
Diluted Earnings per Share (GAAP)	\$3.21	\$2.84	\$3.62	\$3.77	\$3.35	\$2.45	\$3.12	\$3.61	\$3.82	\$3.09	\$4.56	\$5.63
Adjusted Diluted Earnings per Share ¹	\$3.72	\$3.38	\$4.15	\$4.30	\$3.97	\$3.73	\$5.12	\$5.20	\$4.69	\$4.14	\$5.31	\$5.77

¹ AYI Adjusted Gross Profit Margin, Adjusted Operating Profit Margin and Adjusted Diluted Earnings Per Share are non-GAAP financial measures. See the Appendix for reconciliations to the most directly comparable financial measures calculated in accordance with GAAP.



ABL: QUARTERLY TRENDS

(\$ in Millions)

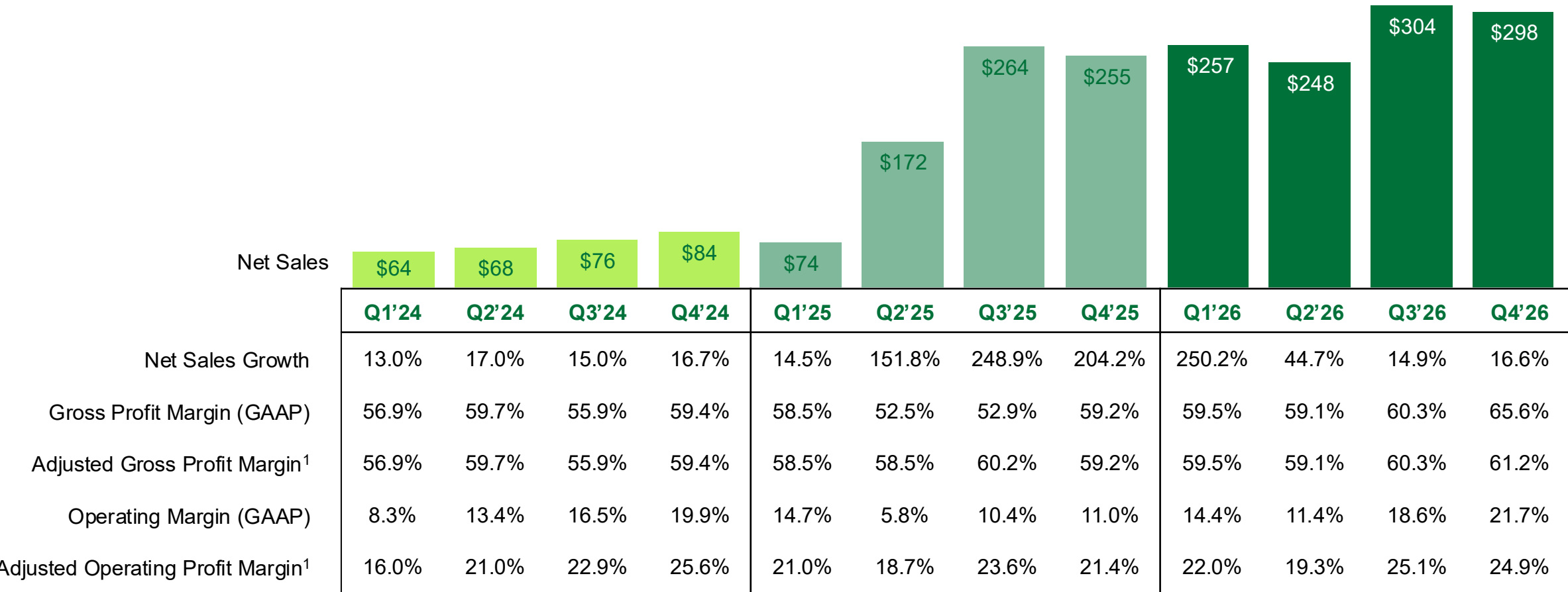


¹ ABL Adjusted Operating Profit Margin and Adjusted Gross Profit Margin are nonGAAP financial measures. See the Appendix for reconciliations to the most directly comparable financial measures calculated in accordance with GAAP.



AIS: QUARTERLY TRENDS

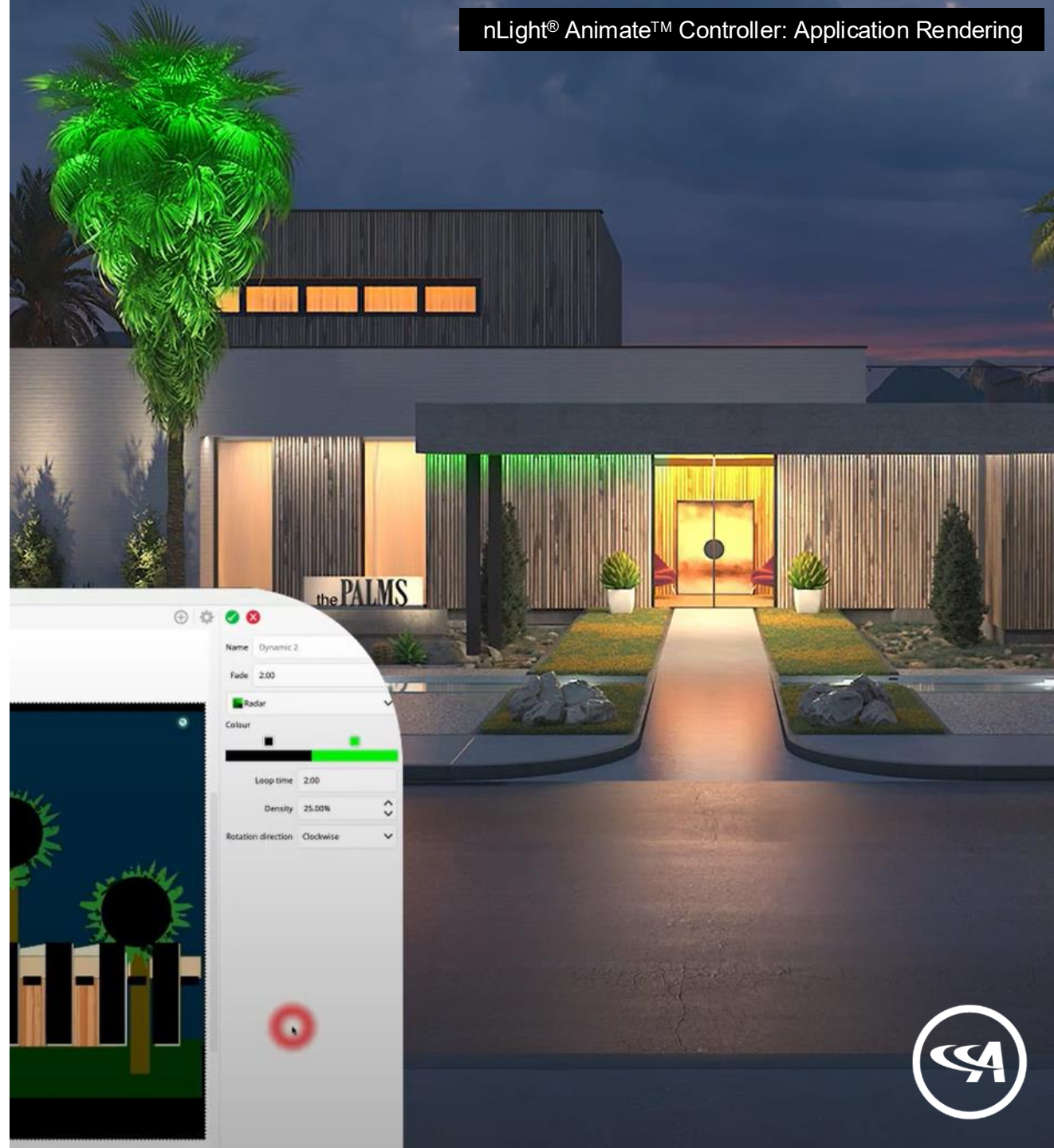
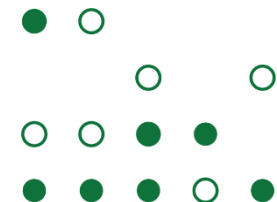
(\$ in Millions)



¹ AIS Adjusted Operating Profit Margin and Adjusted Gross Profit Margin are non-GAAP financial measures. See the Appendix for reconciliations to the most directly comparable financial measures calculated in accordance with GAAP.



APPENDIX



AYI: ADJUSTED GROSS PROFIT AND ADJUSTED GROSS PROFIT MARGIN

(\$ in Millions)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
Net Sales	\$935	\$906	\$968	\$1,032	\$952	\$1,006	\$1,179	\$1,209	\$1,144	\$1,056	\$1,198	\$1,244
Gross Profit (GAAP)	\$428	\$412	\$452	\$489	\$449	\$468	\$570	\$591	\$554	\$520	\$606	\$670
Gross Profit Margin (GAAP)	45.8%	45.5%	46.7%	47.3%	47.2%	46.5%	48.4%	48.9%	48.4%	49.3%	50.6%	53.8%
Adjustments												
Add-back: Acquired profit in inventory	-	-	-	-	-	10	19	-	-	-	-	-
Less: Tariff refund	-	-	-	-	-	-	-	-	-	-	(6)	(45)
Adjusted Gross Profit (Non-GAAP)	\$428	\$412	\$452	\$489	\$449	\$478	\$589	\$591	\$554	\$520	\$600	\$625
Adjusted Gross Profit Margin (Non-GAAP)	45.8%	45.5%	46.7%	47.3%	47.2%	47.5%	50.0%	48.9%	48.4%	49.3%	50.1%	50.2%

Note: May Not Foot Due to Rounding

AYI: ADJUSTED OPERATING PROFIT AND ADJUSTED OPERATING PROFIT MARGIN

(\$ in Millions)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
Net Sales	\$935	\$906	\$968	\$1,032	\$952	\$1,006	\$1,179	\$1,209	\$1,144	\$1,056	\$1,198	\$1,244
Operating Profit (GAAP)	\$133	\$118	\$145	\$157	\$133	\$110	\$140	\$181	\$160	\$133	\$193	\$227
<i>Operating Profit Margin (GAAP)</i>	14.2%	13.0%	15.0%	15.2%	14.0%	11.0%	11.9%	14.9%	14.0%	12.6%	16.1%	18.2%
<i>Adjustments</i>												
Add-back: Amortization of acquired intangible assets	10	10	10	10	9	17	20	31	23	24	23	23
Add-back: Stock-based compensation expense	11	12	12	12	12	11	11	11	13	13	14	10
Add-back: Special charges	-	-	-	-	-	-	30	-	-	6	-	18
Add-back: Acquisition-related costs	-	-	-	-	5	14	3	3	-	-	-	-
Add-back: Acquired profit in inventory	-	-	-	-	-	10	19	-	-	-	-	-
Less: Tariff refund	-	-	-	-	-	-	-	-	-	-	(6)	(45)
Adjusted Operating Profit (Non-GAAP)	\$154	\$140	\$167	\$179	\$159	\$163	\$222	\$225	\$196	\$176	\$224	\$233
<i>Adjusted Operating Profit Margin (Non-GAAP)</i>	16.5%	15.5%	17.3%	17.3%	16.7%	16.2%	18.8%	18.6%	17.2%	16.7%	18.7%	18.7%

Note: May Not Foot Due to Rounding



AYI: ADJUSTED NET INCOME AND ADJUSTED DILUTED EARNINGS PER SHARE

(\$ in Millions, Except Per Share Data)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
Net Sales	\$935	\$906	\$968	\$1,032	\$952	\$1,006	\$1,179	\$1,209	\$1,144	\$1,056	\$1,198	\$1,244
Net income (GAAP)	\$101	\$89	\$114	\$119	\$107	\$78	\$98	\$114	\$121	\$97	\$141	\$173
<i>Adjustments</i>												
Add-back: Amortization of acquired intangible assets	10	10	10	10	9	17	20	31	23	24	23	23
Add-back: Stock-based compensation expense	11	12	12	12	12	11	11	11	13	13	14	10
Add-back: Special charges	-	-	-	-	-	-	30	-	-	6	-	18
Add-back: Loss on sale of a business	-	-	-	-	-	-	-	-	-	-	-	-
Add-back: Impairment of investment	-	-	-	-	-	-	-	-	-	-	-	-
Add-back: Acquisition-related costs	-	-	-	-	5	14	3	3	-	-	-	-
Add-back: Acquired profit in inventory	-	-	-	-	-	10	19	-	-	-	-	-
Add-back: Pension settlement loss	-	-	-	-	-	-	-	31	-	-	-	-
Less: Tariff refund	-	-	-	-	-	-	-	-	-	-	(6)	(45)
Total pre-tax adjustments to Net income	21	22	22	22	25	53	82	76	36	43	30	6
Adjustment for tax effect	(5)	(5)	(5)	(5)	(6)	(12)	(19)	(17)	(8)	(10)	(7)	(1)
Less: One-time tax benefit	-	-	-	-	-	-	-	(8)	-	-	-	-
Adjusted Net Income (Non-GAAP)	\$117	\$106	\$131	\$136	\$126	\$118	\$162	\$164	\$148	\$130	\$164	\$178
<i>Diluted weighted average number of shares outstanding</i>	<i>31.4</i>	<i>31.4</i>	<i>31.5</i>	<i>31.5</i>	<i>31.8</i>	<i>31.7</i>	<i>31.6</i>	<i>31.5</i>	<i>31.6</i>	<i>31.4</i>	<i>31.0</i>	<i>30.8</i>
Diluted Earnings Per Share (GAAP)	\$3.21	\$2.84	\$3.62	\$3.77	\$3.35	\$2.45	\$3.12	\$3.61	\$3.82	\$3.09	\$4.56	\$5.63
Adjusted Diluted Earnings Per Share (Non-GAAP)	\$3.72	\$3.38	\$4.15	\$4.30	\$3.97	\$3.73	\$5.12	\$5.20	\$4.69	\$4.14	\$5.31	\$5.77

Note: May Not Foot Due to Rounding

NYSE: AYI 17



AYI: EBITDA AND ADJUSTED EBITDA

(\$ in Millions)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
Net Sales	\$935	\$906	\$968	\$1,032	\$952	\$1,006	\$1,179	\$1,209	\$1,144	\$1,056	\$1,198	\$1,244
Net Income (GAAP)	\$101	\$89	\$114	\$119	\$107	\$78	\$98	\$114	\$121	\$97	\$141	\$173
<i>Net Income as a Percent of Net Sales (GAAP)</i>	<i>10.8%</i>	<i>9.8%</i>	<i>11.8%</i>	<i>11.5%</i>	<i>11.2%</i>	<i>7.7%</i>	<i>8.3%</i>	<i>9.4%</i>	<i>10.5%</i>	<i>9.2%</i>	<i>11.8%</i>	<i>13.9%</i>
Interest expense (income), net	1	-	(2)	(4)	(4)	7	12	7	8	7	6	4
Income tax expense	30	28	34	34	28	25	27	24	32	26	44	47
Depreciation	13	13	13	13	13	14	15	15	15	15	18	16
Amortization	10	10	10	10	9	17	20	31	23	24	23	23
EBITDA (Non-GAAP)	155	140	169	172	152	140	172	191	199	169	232	263
<i>EBITDA Margin (Non-GAAP)</i>	<i>16.5%</i>	<i>15.5%</i>	<i>17.4%</i>	<i>16.6%</i>	<i>16.0%</i>	<i>13.9%</i>	<i>14.6%</i>	<i>15.8%</i>	<i>17.4%</i>	<i>16.0%</i>	<i>19.4%</i>	<i>21.1%</i>
Adjustments												
Miscellaneous expense (income), net	1	1	(1)	8	3	1	2	36	(1)	3	2	3
Share-based payment expense	11	12	12	12	12	11	11	11	13	13	14	10
Special charges	-	-	-	-	-	-	30	-	-	6	-	18
Acquisition-related costs	-	-	-	-	5	14	3	3	-	-	-	-
Acquired profit in inventory	-	-	-	-	-	10	19	-	-	-	-	-
Tariff refund	-	-	-	-	-	-	-	-	-	-	(6)	(45)
Adjusted EBITDA (Non-GAAP)	\$167	\$153	\$180	\$191	\$172	\$177	\$236	\$241	\$211	\$191	\$241	\$249
Adjusted EBITDA Margin (Non-GAAP)	17.8%	16.9%	18.6%	18.5%	18.0%	17.5%	20.0%	19.9%	18.5%	18.1%	20.1%	20.0%

Note: May Not Foot Due to Rounding



AYI: YEAR-TO-DATE CASH FLOW

(\$ in Millions)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
YTD Net cash provided by operating activities (GAAP)	\$190	\$293	\$445	\$619	\$132	\$192	\$399	\$601	\$141	\$230	\$520	\$826
YTD Purchases of property, plant, and equipment	(15)	(29)	(41)	(64)	(19)	(29)	(44)	(68)	(26)	(42)	(59)	(78)
Free Cash Flow (Non-GAAP)	\$175	\$264	\$404	\$555	\$113	\$163	\$355	\$533	\$115	\$188	\$462	\$748

Note: May Not Foot Due to Rounding



ABL: ADJUSTED GROSS PROFIT AND ADJUSTED GROSS PROFIT MARGIN

(\$ in Millions)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
Net Sales	\$876	\$844	\$899	\$955	\$886	\$841	\$923	\$962	\$895	\$817	\$905	\$959
Gross Profit (GAAP)	\$392	\$372	\$410	\$439	\$406	\$378	\$430	\$440	\$401	\$374	\$423	\$475
Gross Profit Margin (GAAP)	44.7%	44.1%	45.6%	46.0%	45.9%	45.0%	46.6%	45.7%	44.8%	45.7%	46.8%	49.5%
Adjustments												
Less: Tariff refund	-	-	-	-	-	-	-	-	-	-	(6)	(32)
Adjusted Gross Profit (Non-GAAP)	\$392	\$372	\$410	\$439	\$406	\$378	\$430	\$440	\$401	\$374	\$417	\$443
Adjusted Gross Profit Margin (Non-GAAP)	44.7%	44.1%	45.6%	46.0%	45.9%	45.0%	46.6%	45.7%	44.8%	45.7%	46.1%	46.2%

Note: May Not Foot Due to Rounding

ABL: ADJUSTED OPERATING PROFIT AND ADJUSTED OPERATING PROFIT MARGIN

(\$ in Millions)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
Net Sales	\$876	\$844	\$899	\$955	\$886	\$841	\$923	\$962	\$895	\$817	\$905	\$959
Operating Profit (GAAP)	\$144	\$126	\$152	\$162	\$143	\$130	\$134	\$183	\$149	\$125	\$161	\$189
Operating Profit Margin (GAAP)	16.4%	14.9%	16.9%	16.9%	16.2%	15.5%	14.5%	19.0%	16.6%	15.3%	17.7%	19.7%
Adjustments												
Add-back: Amortization of acquired intangible assets	7	7	7	7	6	7	6	6	6	7	6	6
Add-back: Stock-based compensation expense	4	4	4	4	4	4	4	4	5	4	4	2
Add-back: Special charge	-	-	-	-	-	-	30	-	-	6	-	15
Less: Tariff refund	-	-	-	-	-	-	-	-	-	-	(6)	(32)
Adjusted Operating Profit (Non-GAAP)	\$154	\$136	\$162	\$172	\$154	\$141	\$174	\$194	\$160	\$142	\$165	\$180
Adjusted Operating Profit Margin (Non-GAAP)	17.5%	16.2%	18.0%	18.0%	17.3%	16.8%	18.8%	20.1%	17.9%	17.3%	18.2%	18.8%

Note: May Not Foot Due to Rounding

AIS: ADJUSTED GROSS PROFIT AND ADJUSTED GROSS PROFIT MARGIN

(\$ in Millions)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
Net Sales	\$64	\$68	\$76	\$84	\$74	\$172	\$264	\$255	\$257	\$248	\$304	\$298
Gross Profit (GAAP)	\$37	\$41	\$42	\$50	\$43	\$90	\$140	\$151	\$153	\$147	\$183	\$195
Gross Profit Margin (GAAP)	56.9%	59.7%	55.9%	59.4%	58.5%	52.5%	52.9%	59.2%	59.5%	59.1%	60.3%	65.6%
Adjustments												
Add-back: Acquired profit in inventory	-	-	-	-	-	10	19	-	-	-	-	-
Less: Tariff refund	-	-	-	-	-	-	-	-	-	-	-	(13)
Adjusted Gross Profit (Non-GAAP)	\$37	\$41	\$42	\$50	\$43	\$100	\$159	\$151	\$153	\$147	\$183	\$182
Adjusted Gross Profit Margin (Non-GAAP)	56.9%	59.7%	55.9%	59.4%	58.5%	58.5%	60.2%	59.2%	59.5%	59.1%	60.3%	61.2%

Note: May Not Foot Due to Rounding

AIS: ADJUSTED OPERATING PROFIT AND ADJUSTED OPERATING PROFIT MARGIN

(\$ in Millions)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
Net Sales	\$64	\$68	\$76	\$84	\$74	\$172	\$264	\$255	\$257	\$248	\$304	\$298
Operating Profit (GAAP)	\$5	\$9	\$13	\$17	\$11	\$10	\$27	\$28	\$37	\$28	\$57	\$65
Operating Profit Margin (GAAP)	8.3%	13.4%	16.5%	19.9%	14.7%	5.8%	10.4%	11.0%	14.4%	11.4%	18.6%	21.7%
Adjustments												
Add-back: Amortization of acquired intangible assets	3	3	3	3	3	10	14	25	17	17	17	17
Add-back: Stock-based compensation expense	2	2	1	2	2	2	2	2	2	3	3	3
Add-back: Acquired profit in inventory	-	-	-	-	-	10	19	-	-	-	-	-
Add-back: Special charge	-	-	-	-	-	-	-	-	-	-	-	3
Less: Tariff refund	-	-	-	-	-	-	-	-	-	-	-	(13)
Adjusted Operating Profit (Non-GAAP)	\$10	\$14	\$17	\$22	\$15	\$32	\$62	\$55	\$57	\$48	\$76	\$74
Adjusted Operating Profit Margin (Non-GAAP)	16.0%	21.0%	22.9%	25.6%	21.0%	18.7%	23.6%	21.4%	22.0%	19.3%	25.1%	24.9%

Note: May Not Foot Due to Rounding