

WABASH™

WNC
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Fourth Quarter 2023 Earnings Release

Changing How the World Reaches You®

February 1, 2024

Safe Harbor Statement & Non-GAAP Financial Measures

This presentation contains certain forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements convey Wabash National Corporation's (the "Company") current expectations or forecasts of future events. All statements contained in this presentation other than statements of historical fact are forward-looking statements. These forward-looking statements include, among other things, all statements regarding the Company's outlook for trailer and truck body shipments, backlog, expectations regarding demand levels for trailers, truck bodies, non-trailer equipment and our other diversified product offerings, pricing, profitability and earnings, cash flow and liquidity, opportunity to capture higher margin sales, new product innovations, our growth and diversification strategies, our expectations for improved financial performance during the course of the year and our expectations with regards to capital allocation. These and the Company's other forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those implied by the forward-looking statements. Without limitation, these risks and uncertainties include the highly cyclical nature of our business, uncertain economic conditions including the possibility that customer demand may not meet our expectations, our backlog may not reflect future sales of our products, increased competition, reliance on certain customers and corporate partnerships, risks of customer pick-up delays, shortages and costs of raw materials including the impact of tariffs or other international trade developments, risks in implementing and sustaining improvements in the Company's manufacturing operations and cost containment, dependence on industry trends and timing, supplier constraints, labor costs and availability, customer acceptance of and reactions to pricing changes, costs of indebtedness, and our ability to execute on our long-term strategic plan. Readers should review and consider the various disclosures made by the Company in this presentation and in the Company's reports to its stockholders and periodic reports on Forms 10-K and 10-Q.

We cannot give assurance that the expectations reflected in our forward-looking statements will prove to be correct. Our actual results could differ materially from those anticipated in these forward-looking statements. All written and oral forward-looking statements attributable to us are expressly qualified in their entirety by the factors we disclose that could cause our actual results to differ materially from our expectations.

In addition to disclosing financial results calculated in accordance with United States generally accepted accounting principles (GAAP), the financial information included in this presentation contains non-GAAP financial measures, including operating EBITDA, free cash flow, adjusted operating income and margin, adjusted net income attributable to common stockholders, adjusted diluted earnings per share, adjusted segment EBITDA, and adjusted segment EBITDA margin. These non-GAAP measures should not be considered a substitute for, or superior to, financial measures and results calculated in accordance with GAAP, including net income, and reconciliations to GAAP financial statements should be carefully evaluated.

Operating EBITDA includes noncontrolling interest & excludes loss from unconsolidated entity and is defined as earnings before interest, taxes, depreciation, amortization, stock-based compensation, debt transactions (including any loss on extinguishment charges), impairment and other, net, and other non-operating income and expense. Management believes providing operating EBITDA is useful for investors to understand the Company's performance and results of operations period to period with the exclusion of the items identified above. Management believes the presentation of operating EBITDA, when combined with the GAAP presentations of operating income and net income, is beneficial to an investor's understanding of the Company's operating performance. A reconciliation of operating EBITDA to net income, the most comparable GAAP financial measure, is included in the appendix to this presentation.

Free cash flow is defined as net cash provided by (used in) operating activities minus cash payments for capital expenditures minus expenditures for revenue generating assets. Management believes providing free cash flow is useful for investors to understand the Company's performance and results of cash generation period to period with the exclusion of the item identified above. Management believes the presentation of free cash flow, when combined with the GAAP presentations of cash provided by operating activities, is beneficial to an investor's understanding of the Company's operating performance. A reconciliation of free cash flow to cash used in operating activities, the most comparable GAAP financial measure, is included in the appendix to this presentation.

Adjusted operating income and margin, non-GAAP financial measures, exclude certain costs, expenses, other charges, gains or income that are included in the determination of operating income under U.S. GAAP, but that management would not consider important in evaluating the quality of the Company's operating results as they are not indicative of the Company's core operating results or may obscure trends useful in evaluating the Company's continuing activities. Accordingly, the Company presents adjusted operating income and margin excluding these special items to help investors evaluate our operating performance and trends in our business consistent with how management evaluates such performance and trends. Further, the Company presents adjusted operating income and margin to provide investors with a better understanding of the Company's view of our results as compared to prior periods. Adjusted operating income margin is calculated by dividing adjusted operating income by total net sales. A reconciliation of adjusted operating income to operating income, the most comparable GAAP financial measure, is included in the appendix to this presentation. There are no adjustments for any period presented.

Adjusted net income attributable to common stockholders and adjusted diluted earnings per share reflects no adjustments for any period presented. Management believes providing adjusted measures and excluding certain items facilitates comparisons to the Company's prior year periods and, when combined with the GAAP presentation of net income and diluted net income per share, is beneficial to an investor's understanding of the Company's performance. A reconciliation of adjusted net income attributable to common stockholders and adjusted diluted earnings per share to net income attributable to common stockholders and diluted earnings per share, the most comparable GAAP financial measures, are included in the appendix to this presentation.

Adjusted segment EBITDA, a non-GAAP financial measure, includes noncontrolling interest & excludes loss from unconsolidated entity and is calculated by adding back segment depreciation and amortization expense to segment operating income, and excludes certain costs, expenses, other charges, gains or income that are included in the determination of operating income under GAAP, but that management would not consider important in evaluating the quality of the Company's segment operating results as they are not indicative of each segment's core operating results or may obscure trends useful in evaluating the segment's continuing activities. Adjusted segment EBITDA Margin is calculated by dividing Adjusted segment EBITDA by segment total net sales. A reconciliation of adjusted segment EBITDA to income from operations, the most comparable GAAP financial measure, is included in the appendix to this presentation.

Information reconciling any forward-looking Operating EBITDA, Operating EBITDA Margin, Adjusted Operating Income, Adjusted Operating Income Margin, Free Cash Flow, Adjusted EBITDA Margin, and Adjusted EPS to GAAP financial measures is unavailable to us without unreasonable effort. We cannot provide reconciliations of the above noted forward looking non-GAAP measures to GAAP financial measures because certain items required for such reconciliations are outside of our control and/or cannot be reasonably predicted. Preparation of such reconciliations would require a forward-looking balance sheet, statement of income and statement of cash flows, prepared in accordance with GAAP, and such forward-looking financial statements are unavailable to us without unreasonable effort.

CEO Highlights

- 1** Wabash Achieved Record Financial Performance in 2023 with Sales of \$2.5B and EPS of \$4.81
- 2** Strategic Progress Has Been Characterized by Connections, Relationships and Networks
- 3** Wabash Marketplace JV with Fernweh Group Moving Quickly to Scale Digital Capabilities
- 4** Strong Conviction in Sustainability of Execution; Expect to Exceed 2023 Financial Results Once Transportation Market Conditions Strengthen
- 5** Total Backlog Steady at \$1.9B; 12-Month Backlog Up \$100M Sequentially to \$1.6B
- 6** Initiating 2024 EPS Outlook with range of \$2.00 to \$2.50; Midpoint \$2.25

Changing How the World Reaches You[®]

Q4 2023 Consolidated Financial Performance

New Shipments

Revenue	\$596M
Operating Income	\$61.1M
Operating Margin	10.3%
Net Income Attributable to Common Stockholders	\$50.4M
Diluted EPS Attributable to Common Stockholders	\$1.07



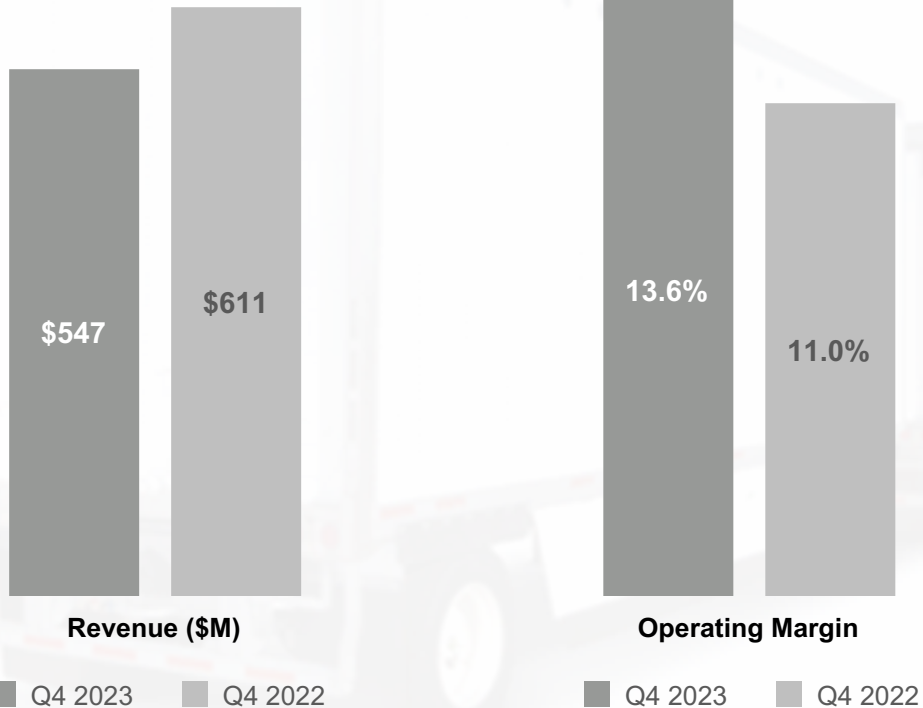
10,075 Trailers



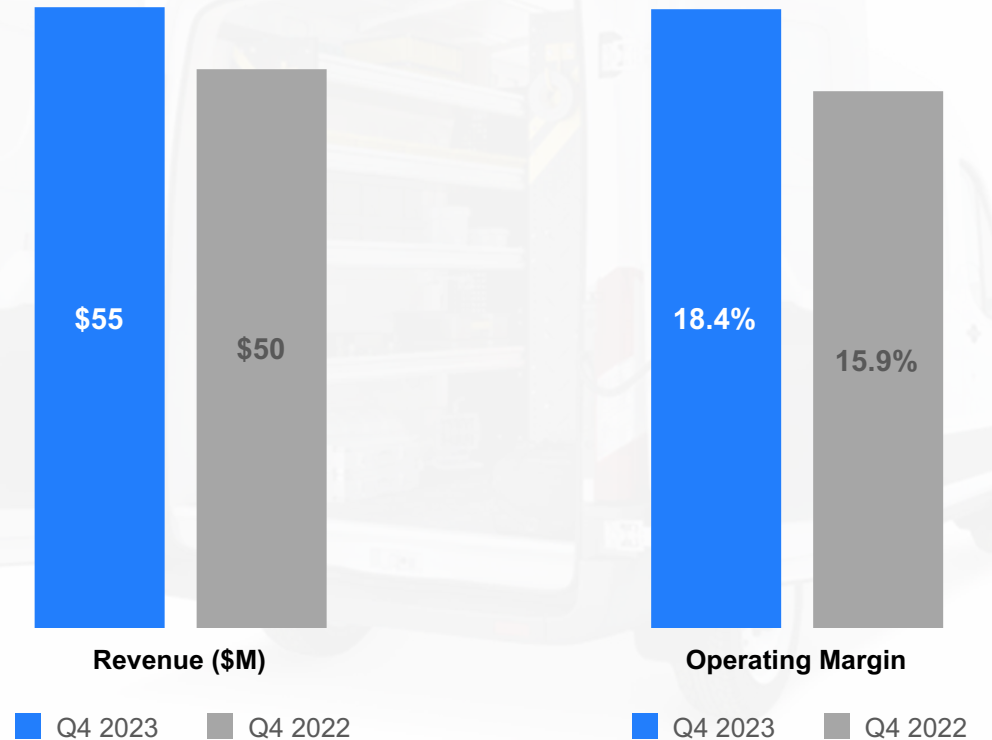
4,075 Truck Bodies

Q4 2023 Segment Financial Performance

Transportation Solutions



Parts & Services



Cash Flow & Capital Allocation Summary

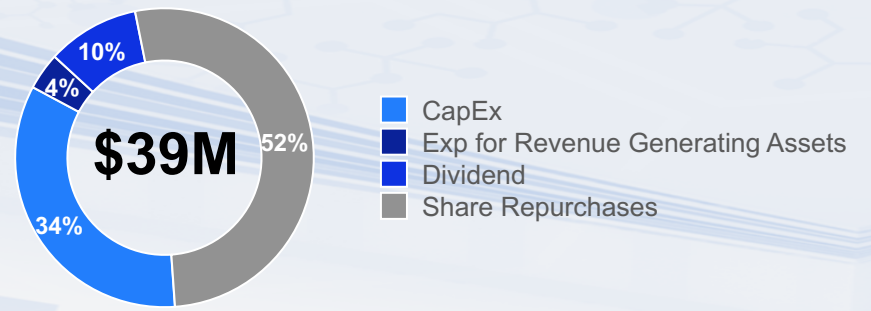
- Strong year-to-date Operating Cash Flow aided by more efficient Q4 inventory levels

Cash Flow

(\$M)	Q4 2023	Q4 2022
Net cash provided by operating activities	\$114.9	\$51.9
Cash payments for capital expenditures	\$(13.0)	\$(14.8)
Expenditures for revenue generating assets	\$(1.6)	\$—
Free Cash Flow¹	\$100.3	\$37.1

Q4 Capital Allocation

Capex	\$13M
Expenditures for Revenue Generating Assets	\$2M
Share Repurchases	\$20M
Dividend	\$4M

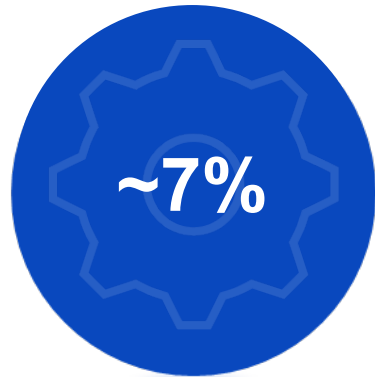


6 1 Free cash flow is defined as net cash provided by operating activities minus cash payments for capital expenditures minus expenditures for revenue generating assets. **WABASH™**
 A reconciliation of free cash flow to cash provided by operating activities, the most comparable GAAP measure, is included in the appendix to this presentation.

2024 Financial Outlook



Revenue
(midpoint)



**Operating
Margin**



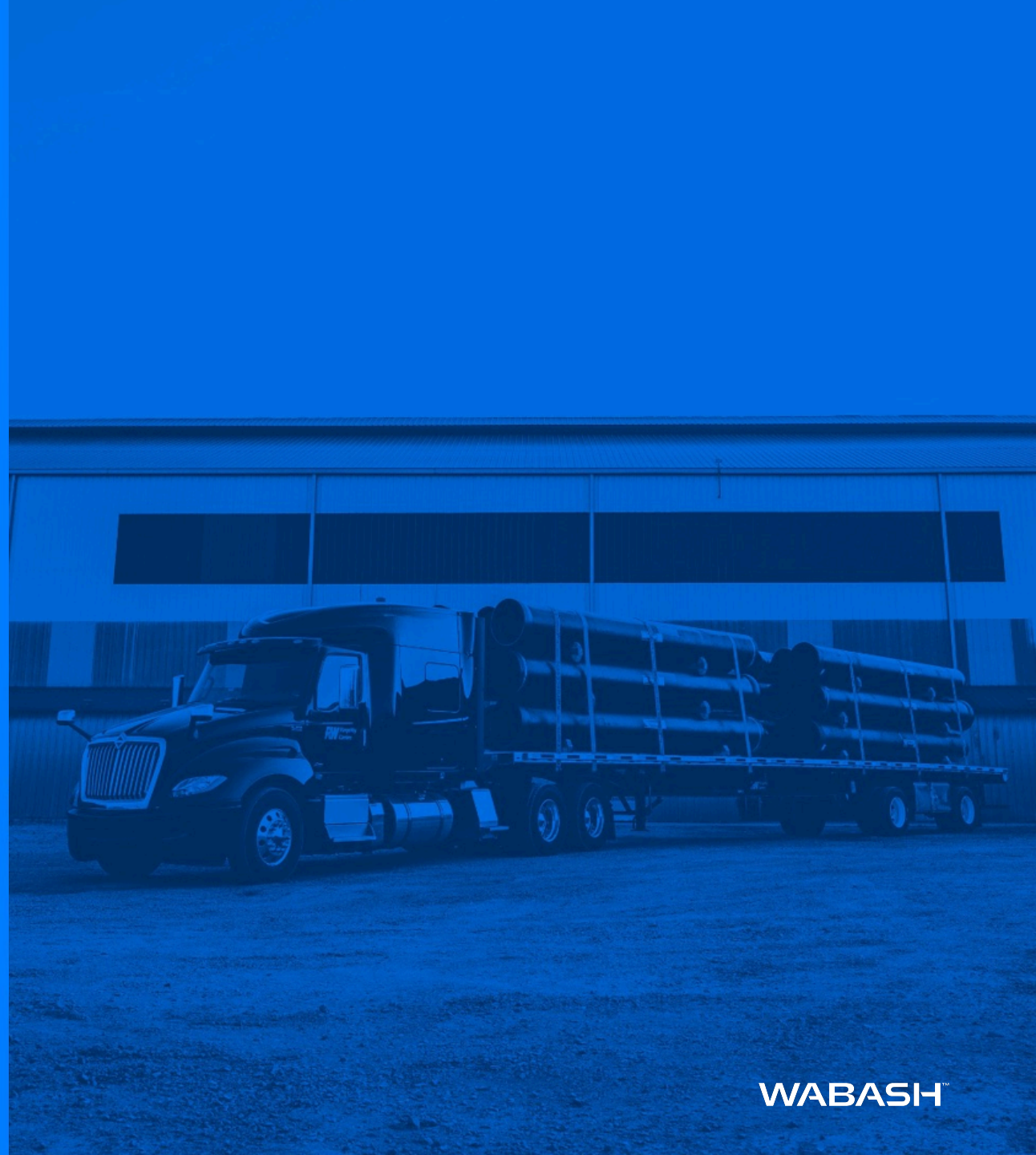
EPS
(midpoint)

OTHER KEY METRICS

- Revenue Range: \$2.2 - \$2.4B
- SG&A: ~7% of Sales
- Intangible Amortization: \$12M
- Interest Expense: \$20M
- Marketplace JV Expense: \$6.5M
- Capex: \$70 - 80M
- Tax Rate: 25.5%

A Meaningful Step Forward in Through The Cycle Financial Performance

Appendix



WABASH™

Consolidated Balance Sheets

Unaudited - dollars in thousands	December 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 179,271	\$ 58,245
Accounts receivable, net	182,990	255,577
Inventories	267,635	243,870
Prepaid expenses and other	51,457	34,927
Total current assets	681,353	592,619
Property, plant, and equipment, net	325,444	271,116
Goodwill	188,409	188,434
Intangible assets, net	86,418	99,231
Investment in unconsolidated entity	1,647	—
Other assets	79,543	52,123
Total assets	<u>\$ 1,362,814</u>	<u>\$ 1,203,523</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ —	\$ —
Accounts payable	156,608	189,141
Other accrued liabilities	195,601	158,327
Total current liabilities	352,209	347,468
Long-term debt	396,465	395,818
Deferred income taxes	17,013	27,758
Other non-current liabilities	47,028	34,354
Total liabilities	812,715	805,398
Commitments and contingencies		
Noncontrolling interest	603	512
Total Wabash National Corporation stockholders' equity	549,496	397,613
Total liabilities, noncontrolling interest, and equity	<u>\$ 1,362,814</u>	<u>\$ 1,203,523</u>

Consolidated Statements of Operations

Unaudited - dollars in thousands	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Net sales	\$ 596,100	\$ 657,449	\$ 2,536,500	\$ 2,502,129
Cost of sales	487,877	562,852	2,038,313	2,179,438
Gross profit	108,223	94,597	498,187	322,691
General and administrative expenses	37,464	27,962	146,658	113,083
Selling expenses	6,368	5,733	26,532	27,070
Amortization of intangible assets	3,203	3,185	12,813	15,211
Impairment and other, net	86	(7)	235	685
Income from operations	61,102	57,724	311,949	166,642
Other income (expense):				
Interest expense	(4,941)	(5,184)	(19,854)	(20,525)
Other, net	1,687	895	3,393	318
Other expense, net	(3,254)	(4,289)	(16,461)	(20,207)
Loss from unconsolidated entity	(803)	—	(803)	—
Income before income tax	57,045	53,435	294,685	146,435
Income tax expense	6,541	11,834	62,830	33,665
Net income	50,504	41,601	231,855	112,770
Net income attributable to noncontrolling interest	122	139	603	512
Net income attributable to common stockholders	\$ 50,382	\$ 41,462	\$ 231,252	\$ 112,258
Net income attributable to common stockholders per share:				
Basic	\$ 1.10	\$ 0.86	\$ 4.92	\$ 2.31
Diluted	\$ 1.07	\$ 0.84	\$ 4.81	\$ 2.25
Weighted average common shares outstanding (in thousands):				
Basic	45,938	47,964	47,011	48,626
Diluted	46,931	49,550	48,030	49,881
Dividends declared per share	\$ 0.08	\$ 0.08	\$ 0.32	\$ 0.32

Consolidated Statements of Cash Flows

Unaudited - dollars in thousands	Year Ended December 31,	
	2023	2022
Cash flows from operating activities:		
Net income	\$ 231,855	\$ 112,770
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	32,507	31,758
Amortization of intangibles	12,813	15,211
Net loss (gain) on sale of property, plant and equipment and business divestiture	235	(635)
Deferred income taxes	(13,459)	(7,614)
Stock-based compensation	11,799	9,746
Non-cash interest expense	946	868
Equity in loss of unconsolidated entity	803	—
Impairment	—	1,339
Changes in operating assets and liabilities		
Accounts receivable	72,587	(79,066)
Inventories	(23,765)	(6,249)
Prepaid expenses and other	(10,727)	1,069
Accounts payable and accrued liabilities	5,775	46,085
Other, net	(1,878)	(1,198)
Net cash provided by operating activities	319,491	124,084
Cash flows from investing activities:		
Cash payments for capital expenditures	(98,093)	(57,086)
Expenditures for revenue generating assets	(5,535)	—
Proceeds from sale of assets	154	1,781
Investment in unconsolidated entity	(2,450)	—
Net cash used in investing activities	(105,924)	(55,305)
Cash flows from financing activities:		
Net cash used in financing activities	(92,541)	(82,312)
Net increase (decrease) in cash, cash equivalents, and restricted cash	121,026	(13,533)
Cash, cash equivalents, and restricted cash at beginning of period	58,245	71,778
Cash, cash equivalents, and restricted cash at end of period	\$ 179,271	\$ 58,245

Q4 QTD Segment Information

(Unaudited - dollars in thousands)

Wabash National Corporation				
Three Months Ended December 31,	2023	2022		
Units Shipped				
New trailers	10,075	13,135		
New truck bodies	4,075	3,250		
Used trailers	35	15		
Three Months Ended December 31,	Transportation Solutions	Parts & Services	Corporate and Eliminations	Consolidated
2023				
New trailers	\$ 438,113	\$ —	\$ (1,321)	\$ 436,792
Used trailers	—	2,582	—	2,582
Components, parts and service	—	34,689	—	34,689
Equipment and other	108,868	17,955	(4,786)	122,037
Total net external sales	<u>\$ 546,981</u>	<u>\$ 55,226</u>	<u>\$ (6,107)</u>	<u>\$ 596,100</u>
Gross profit	\$ 94,766	\$ 13,457	\$ —	\$ 108,223
Income (loss) from operations	\$ 74,593	\$ 10,145	\$ (23,636)	\$ 61,102
Adjusted income (loss) from operations ¹	\$ 74,593	\$ 10,145	\$ (23,636)	\$ 61,102
2022				
New trailers	\$ 536,376	\$ 330	\$ (313)	\$ 536,393
Used trailers	—	523	—	523
Components, parts and service	—	34,554	—	34,554
Equipment and other	74,712	14,238	(2,971)	85,979
Total net external sales	<u>\$ 611,088</u>	<u>\$ 49,645</u>	<u>\$ (3,284)</u>	<u>\$ 657,449</u>
Gross profit	\$ 83,326	\$ 11,271	\$ —	\$ 94,597
Income (loss) from operations	\$ 66,998	\$ 7,899	\$ (17,173)	\$ 57,724
Adjusted income (loss) from operations ¹	\$ 66,998	\$ 7,899	\$ (17,173)	\$ 57,724

¹ Adjusted operating income (loss), a non-GAAP financial measure, excludes certain costs, expenses, other charges, gains or income that are included in the determination of operating income (loss) under U.S. GAAP, but that management would not consider important in evaluating the quality of the Company's operating results as they are not indicative of the Company's core operating results or may obscure trends useful in evaluating the Company's continuing activities. Accordingly, the Company presents adjusted operating income (loss) excluding these special items to help investors evaluate our operating performance and trends in our business consistent with how management evaluates such performance and trends. Further, the Company presents adjusted operating income (loss) to provide investors with a better understanding of the Company's view of our results as compared to prior periods.

Q4 YTD Segment Information

(Unaudited - dollars in thousands)

Twelve Months Ended December 31,	Wabash National Corporation	
	2023	2022
Units Shipped		
New trailers	44,450	52,035
New truck bodies	16,070	14,800
Used trailers	90	95

Twelve Months Ended December 31,	Transportation Solutions	Parts & Services	Corporate and Eliminations	Consolidated
2023				
New trailers	\$ 1,924,700	\$ —	\$ (5,901)	\$ 1,918,799
Used trailers	—	4,978	—	4,978
Components, parts and service	—	148,256	—	148,256
Equipment and other	413,904	67,639	(17,076)	464,467
Total net external sales	<u>\$ 2,338,604</u>	<u>\$ 220,873</u>	<u>\$ (22,977)</u>	<u>\$ 2,536,500</u>
Gross profit	\$ 439,864	\$ 58,323	\$ —	\$ 498,187
Income (loss) from operations	\$ 366,928	\$ 44,649	\$ (99,628)	\$ 311,949
Adjusted income (loss) from operations ¹	\$ 366,928	\$ 44,649	\$ (99,628)	\$ 311,949

2022				
New trailers	\$ 2,012,428	\$ 1,722	\$ (1,286)	\$ 2,012,864
Used trailers	—	2,905	—	2,905
Components, parts and service	—	139,762	—	139,762
Equipment and other	308,486	49,087	(10,975)	346,598
Total net external sales	<u>\$ 2,320,914</u>	<u>\$ 193,476</u>	<u>\$ (12,261)</u>	<u>\$ 2,502,129</u>
Gross profit	\$ 277,842	\$ 44,849	\$ —	\$ 322,691
Income (loss) from operations	\$ 209,942	\$ 30,558	\$ (73,858)	\$ 166,642
Adjusted income (loss) from operations ¹	\$ 209,942	\$ 30,558	\$ (73,858)	\$ 166,642

¹ Adjusted operating income (loss), a non-GAAP financial measure, excludes certain costs, expenses, other charges, gains or income that are included in the determination of operating income (loss) under U.S. GAAP, but that management would not consider important in evaluating the quality of the Company's operating results as they are not indicative of the Company's core operating results or may obscure trends useful in evaluating the Company's continuing activities. Accordingly, the Company presents adjusted operating income (loss) excluding these special items to help investors evaluate our operating performance and trends in our business consistent with how management evaluates such performance and trends. Further, the Company presents adjusted operating income (loss) to provide investors with a better understanding of the Company's view of our results as compared to prior periods.

Reconciliation of Adjusted Segment Operating Income¹

Unaudited - dollars in thousands	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Transportation Solutions				
Income from operations	\$ 74,593	\$ 66,998	\$ 366,928	\$ 209,942
Adjustments:				
N/A	—	—	—	—
Adjusted operating income	74,593	66,998	366,928	209,942
Adjusted operating income margin	13.6%	11.0%	15.7%	9.0%
Parts & Services				
Income from operations	10,145	7,899	44,649	30,558
Adjustments:				
N/A	—	—	—	—
Adjusted operating income	10,145	7,899	44,649	30,558
Adjusted operating income margin	18.4%	15.9%	20.2%	15.8%
Corporate				
Loss from operations	(23,636)	(17,173)	(99,628)	(73,858)
Adjustments:				
N/A	—	—	—	—
Adjusted operating loss	(23,636)	(17,173)	(99,628)	(73,858)
Consolidated				
Income from operations	61,102	57,724	311,949	166,642
Adjustments:				
N/A	—	—	—	—
Adjusted operating income	\$ 61,102	\$ 57,724	\$ 311,949	\$ 166,642
Adjusted operating income margin	10.3%	8.8%	12.3%	6.7%

¹ Adjusted operating income (loss), a non-GAAP financial measure, excludes certain costs, expenses, other charges, gains or income that are included in the determination of operating income (loss) under U.S. GAAP, but that management would not consider important in evaluating the quality of the Company's operating results as they are not indicative of the Company's core operating results or may obscure trends useful in evaluating the Company's continuing activities. Accordingly, the Company presents adjusted operating income (loss) excluding these special items to help investors evaluate our operating performance and trends in our business consistent with how management evaluates such performance and trends. Further, the Company presents adjusted operating income (loss) to provide investors with a better understanding of the Company's view of our results as compared to prior periods. Adjusted operating income margin is calculated by dividing adjusted operating income by total net sales. There are no adjustments for any period presented.

Reconciliation of Adjusted Net Income Attributable to Common Stockholders and Adjusted Diluted EPS

Unaudited - dollars in thousands

Adjusted Net Income Attributable to Common Stockholders ¹ :	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Net income attributable to common stockholders	\$ 50,382	\$ 41,462	\$ 231,252	\$ 112,258
Adjustments:				
N/A	—	—	—	—
Adjusted net income attributable to common stockholders	<u>\$ 50,382</u>	<u>\$ 41,462</u>	<u>\$ 231,252</u>	<u>\$ 112,258</u>
Adjusted Diluted Earnings Per Share¹:				
Diluted earnings per share	\$ 1.07	\$ 0.84	\$ 4.81	\$ 2.25
Adjustments:				
N/A	—	—	—	—
Adjusted diluted earnings per share	<u>\$ 1.07</u>	<u>\$ 0.84</u>	<u>\$ 4.81</u>	<u>\$ 2.25</u>
Weighted average diluted shares outstanding	<u>46,931</u>	<u>49,550</u>	<u>48,030</u>	<u>49,881</u>

¹ Adjusted net income attributable to common stockholders and adjusted diluted earnings per share reflect no adjustments for any period presented.

Reconciliation of Operating EBITDA and Free Cash Flow

Unaudited - dollars in thousands

Operating EBITDA ¹ :	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Net income	\$ 50,504	\$ 41,601	\$ 231,855	\$ 112,770
Income tax expense	6,541	11,834	62,830	33,665
Interest expense	4,941	5,184	19,854	20,525
Depreciation and amortization	12,635	9,704	45,320	46,969
Stock-based compensation	2,987	2,379	11,799	9,746
Impairment and other, net	86	(7)	235	685
Other, net	(1,687)	(895)	(3,393)	(318)
Loss from unconsolidated entity	803	—	803	—
Operating EBITDA	<u>\$ 76,810</u>	<u>\$ 69,800</u>	<u>\$ 369,303</u>	<u>\$ 224,042</u>

Free Cash Flow ² :	Twelve Months Ended December 31,	
	2023	2022
Net cash provided by operating activities	\$ 319,491	\$ 124,084
Cash payments for capital expenditures	(98,093)	(57,086)
Expenditures for revenue generating assets	(5,535)	—
Free cash flow	<u>\$ 215,863</u>	<u>\$ 66,998</u>

- 1 Operating EBITDA includes noncontrolling interest & excludes loss from unconsolidated entity and is defined as earnings before interest, taxes, depreciation, amortization, stock-based compensation, debt transactions (including any losses on debt extinguishment), impairment and other, net, and other non-operating income and expense.
- 2 Free cash flow is defined as net cash provided by (used in) operating activities minus cash payments for capital expenditures minus expenditures for revenue generating assets.

Reconciliation of Adjusted Segment EBITDA¹ and Adjusted Segment EBITDA Margin¹

Unaudited - dollars in thousands

Three Months Ended December 31	Transportation Solutions		Parts & Services	
	2023	2022	2023	2022
Income from operations	\$ 74,593	\$ 66,998	\$ 10,145	\$ 7,899
Depreciation and amortization	11,138	8,458	598	480
Impairment and other, net	86	(1)	—	(5)
Adjusted segment EBITDA	<u>\$ 85,817</u>	<u>\$ 75,455</u>	<u>\$ 10,743</u>	<u>\$ 8,374</u>
Adjusted segment EBITDA margin	15.7 %	12.3 %	19.5 %	16.9 %

Unaudited - dollars in thousands

Twelve Months Ended December 31	Transportation Solutions		Parts & Services	
	2023	2022	2023	2022
Income from operations	\$ 366,928	\$ 209,942	\$ 44,649	\$ 30,558
Depreciation and amortization	40,443	41,187	2,201	2,717
Impairment and other, net	235	(361)	—	—
Adjusted segment EBITDA	<u>\$ 407,606</u>	<u>\$ 250,768</u>	<u>\$ 46,850</u>	<u>\$ 33,275</u>
Adjusted segment EBITDA Margin	17.4 %	10.8 %	21.2 %	17.2 %

¹ Adjusted segment EBITDA, a non-GAAP financial measure, includes noncontrolling interest & excludes loss from unconsolidated entity and is calculated by adding back segment depreciation and amortization expense to segment operating income, and excludes certain costs, expenses, other charges, gains or income that are included in the determination of operating income under GAAP, but that management would not consider important in evaluating the quality of the Company's segment operating results as they are not indicative of each segment's core operating results or may obscure trends useful in evaluating the segment's continuing activities. Adjusted segment EBITDA margin is calculated by dividing Adjusted segment EBITDA by segment total net sales.