WABASH NATIONAL CORPORATION
2021 Q2 EARNINGS RELEASE

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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 a continued or prolonged shutdown or reduction of our operations, substantially reduced customer orders or sales volumes and supply disruptions due to the coronavirus (COVID-19) outbreak, the continued integration of Supreme into the Company's business, adverse reactions to the transaction by customers, suppliers or strategic partners, uncertain economic conditions including the possibility that customer demand may not meet our expectations, 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 and costs of indebtedness. 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, adjusted operating income (loss), adjusted net income (loss), adjusted earnings per share, free cash flow, 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 (loss), and reconciliations to GAAP financial statements should be carefully evaluated.

Operating EBITDA is defined as earnings before interest, taxes, depreciation, amortization, stock-based compensation, 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 (loss) and net income (loss), is beneficial to an investor's understanding of the Company's operating performance. A reconciliation of operating EBITDA to net income (loss) is included in the appendix to this presentation.

Free cash flow is defined as net cash provided by (used in) operating activities minus capital expenditures. 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) provided by operating activities is included in the appendix to this presentation.

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.A reconciliation of adjusted operating income (loss) to operating income (loss), the most comparable GAAP financial measure, is included in the appendix to this presentation.

Adjusted net income (loss) and adjusted earnings per diluted (2021) and basic (2020) share reflect adjustments for the impact of sales and divestitures, debt transactions, and non-cash impairment, and the related tax effects of these adjustments. 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 (loss) and diluted (2021) and basic (2020) net income (loss) per share, is beneficial to an investor's understanding of the Company's performance. A reconciliation of adjusted net income (loss) and adjusted earnings per diluted (2021) and basic (2020) share to net income (loss) and net income (loss) per diluted (2021) and basic (2020) share is included in the appendix to this presentation.

Adjusted segment EBITDA, a non-GAAP financial measure, is calculated by adding back segment depreciation and amortization expense to segment operating income (loss), and excludes certain costs, expenses, other charges, gains or income that are included in the determination of operating income (loss) 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 (loss) from operations is included in the appendix to this presentation.

CEO HIGHLIGHTS

Q2 2021 Perspective

- Pleased with results for the quarter
- Wabash navigating well through a difficult manufacturing environment
- Q2 EPS above our expectations

Org Structure & Strategy

- New organizational structure increasing collaboration and coordination
- Extract Technology divestiture brings portfolio further in line with strategy
- Chief Strategy Officer position to accelerate growth opportunities

Market Update

- Indicators point to continuation of strong freight conditions
- Backlog remains strong - up 77% YoY
- Material cost, labor, chip shortages continue to be challenges

2021 Outlook

- 2021 sales outlook range of $1.9B to $2.0B, $1.95B midpoint
- 2021 EPS outlook adjusted $0.03 lower for Extract Technology divestiture
- 2021 EPS outlook range of $.67 to $.77, $.72 midpoint

Q2 2021 CONSOLIDATED FINANCIAL PERFORMANCE

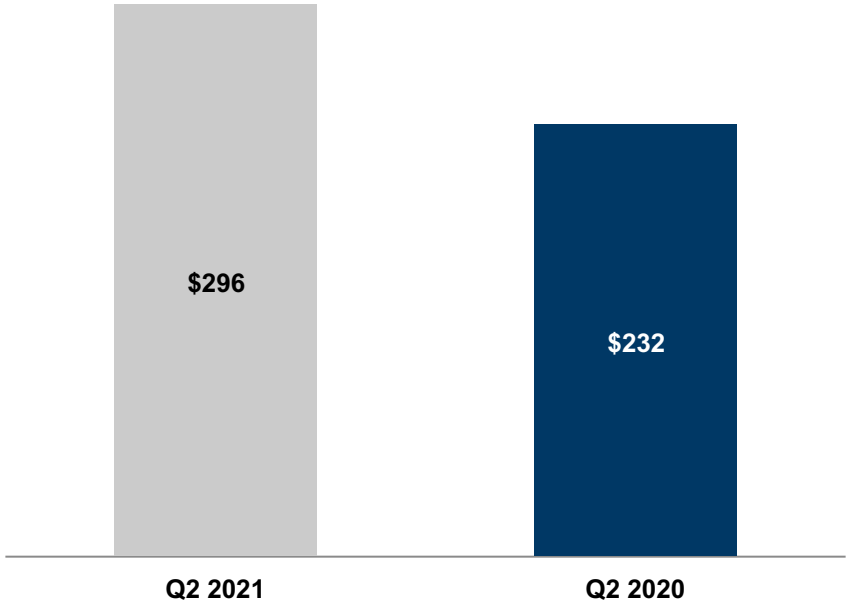
	2Q21 Results	2Q20 Results
Revenue grows as operations ramp	$449M Net Sales	$339M Net Sales
New Trailer Shipments increase 38% YoY	11,590 New Trailer Shipments	8,400 New Trailer Shipments
Gross Margin shows year over year expansion	12.4% Gross Margin	10.1% Gross Margin
Op margins continue to improve on strong cost control	4.6% Adjusted Non-GAAP Operating Margin*	1.8% Operating Margin
Meaningful step up in Q2 EPS generation	$0.21 Adjusted Non-GAAP Earnings Per Share**	$0.00 Earnings Per Share

*Q2 2021 adjusted non-GAAP operating income reflects adjustments for the loss on debt extinguishment and gain on the divestiture of Extract Technology. A reconciliation of adjusted operating income to operating income is included in the appendix to this presentation.

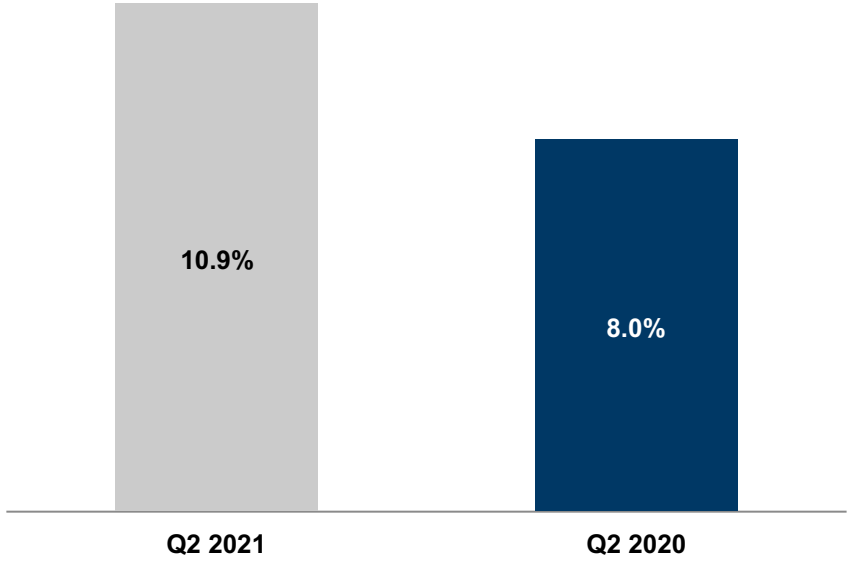
**Q2 2021 adjusted non-GAAP earnings per share reflects adjustments for the loss on debt extinguishment and gain on the divestiture of Extract Technology and the related tax effects of these adjustments. A reconciliation of adjusted earnings per share to earnings per share is included in the appendix to this presentation.

COMMERCIAL TRAILER PRODUCTS

Revenue
+28%

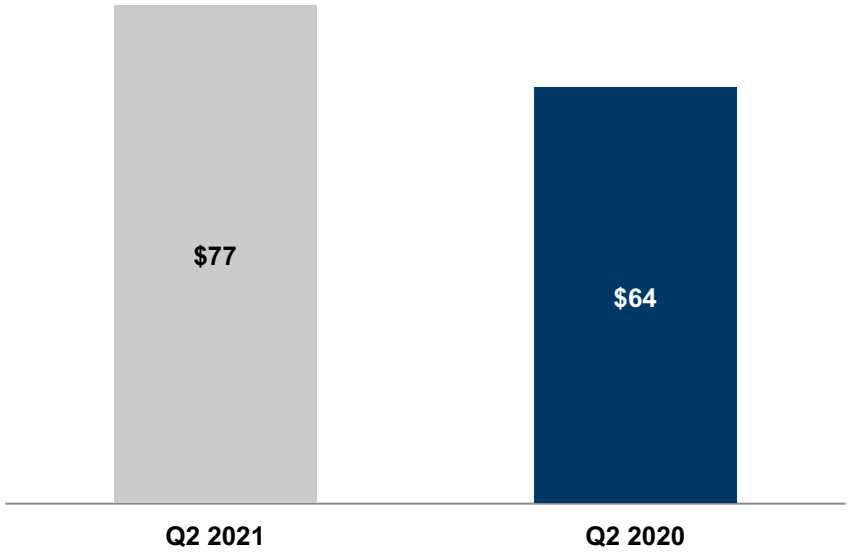


Operating Margin
+290 bps

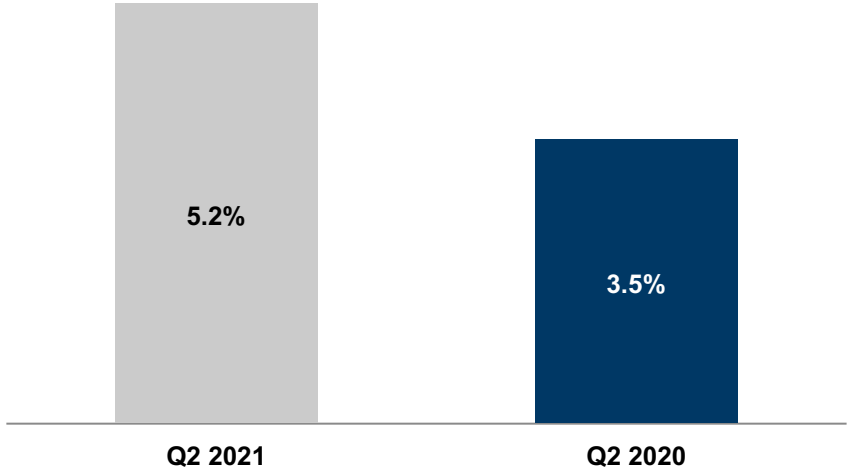


DIVERSIFIED PRODUCTS GROUP

Revenue
+20%



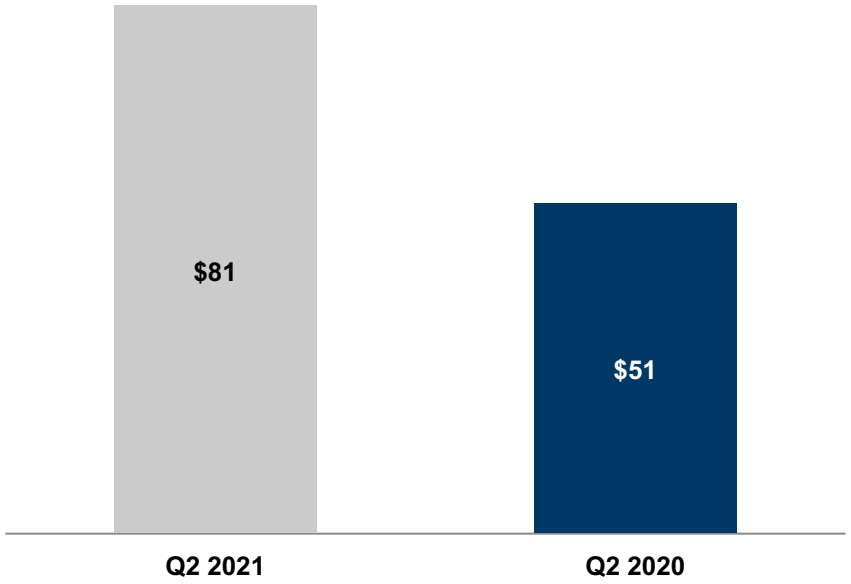
Adjusted Operating Margin*
+170 bps



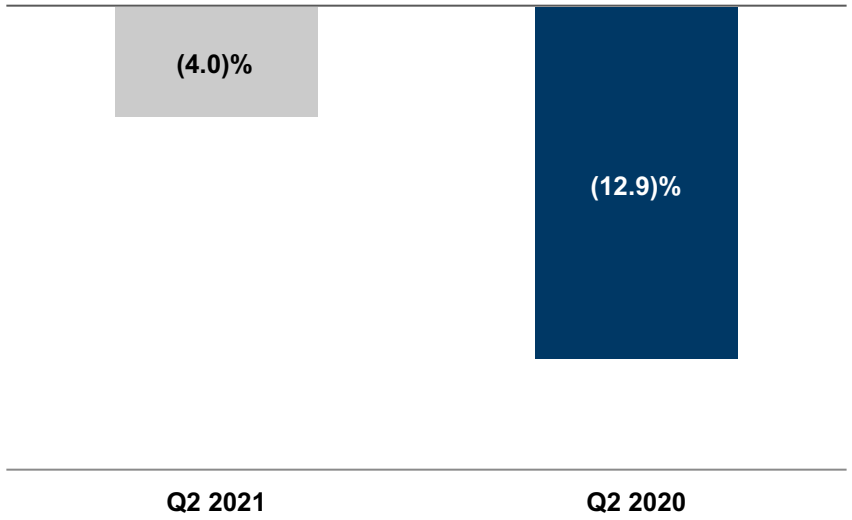
*Q2 2021 operating margin reflects an adjustment for the gain on the divestiture of Extract Technology. A reconciliation of adjusted operating income to operating income is included in the appendix to this presentation.

FINAL MILE PRODUCTS

Revenue
+59%



Operating Margin
+890 bps



Cash Flow, Balance Sheet & Capital Allocation Summary

Q2 Cash Generation

- $9.3M Operating Cash
- $6.9M Capital Expenditure
- $2.4M Free Cash Flow

Balance Sheet

- $136M Cash*
- $168M Revolver
- $304M Total Liquidity

Capital Allocation

Q2 2021

- $30M Debt Reduction
- $22M Share Repurchase
- $7M Capital Expenditure
- $4M Dividend

Moving Forward

- Capex
- Maintain Dividend
- Evaluate Debt Reduction, Share Repurchases and M&A

*Includes $1.7M of restricted cash

2021 GUIDANCE

Key Metrics	
Sales **$1.9B-$2.0B** **Midpoint: $1.95B**	**Operating Margin** **3.65% to 4.15%** **Midpoint: 3.9%**
EPS **Range: $0.67-0.77** **Midpoint: $0.72**	**Other** **New Trailer Shipments: 47k-49k** **SG&A: $118-122M** **Intangibles Amortization: ~$24M** **Interest Expense: ~$24M** **CapEx: $55-60M** **Tax Rate: 27-28%**



APPENDIX

CONDENSED CONSOLIDATED BALANCE SHEETS

Unaudited - dollars in thousands	June 30, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	$ 134,375	$ 217,677
Accounts receivable, net	121,390	101,301
Inventories, net	252,550	163,750
Prepaid expenses and other	79,669	63,036
Total current assets	587,984	545,764
Property, plant, and equipment, net	207,369	209,676
Goodwill	188,438	199,560
Intangible assets, net	154,048	166,887
Other assets	42,661	39,583
Total assets	$ 1,180,500	$ 1,161,470
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt	$ —	$ —
Current portion of finance lease obligations	206	348
Accounts payable	171,377	104,425
Other accrued liabilities	110,966	130,980
Total current liabilities	282,549	235,753
Long-term debt	418,900	447,979
Finance lease obligations	—	30
Deferred income taxes	52,517	46,777
Other non-current liabilities	26,554	26,052
Total liabilities	780,520	756,591
Total stockholders' equity	399,980	404,879
Total liabilities and stockholders' equity	$ 1,180,500	$ 1,161,470

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Unaudited - dollars in thousands	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net sales	$ 449,422	$ 339,153	$ 841,425	$ 726,227
Cost of sales	393,814	304,832	738,651	655,163
Gross profit	55,608	34,321	102,774	71,064
General and administrative expenses	22,907	19,633	45,774	45,825
Selling expenses	6,065	4,886	12,730	12,884
Amortization of intangible assets	5,799	5,493	11,597	10,988
Impairment and other, net	(1,847)	(1,690)	(1,226)	105,424
Income (loss) from operations	22,684	5,999	33,899	(104,057)
Other income (expense):				
Interest expense	(6,034)	(5,882)	(12,184)	(12,154)
Other, net	(413)	285	(427)	405
Other expense, net	(6,447)	(5,597)	(12,611)	(11,749)
Income (loss) before income tax expense (benefit)	16,237	402	21,288	(115,806)
Income tax expense (benefit)	3,985	548	5,819	(9,013)
Net income (loss)	$ 12,252	$ (146)	$ 15,469	$ (106,793)
Net income (loss) per share:				
Basic	$ 0.24	$ 0.00	$ 0.30	$ (2.01)
Diluted	$ 0.24	$ 0.00	$ 0.29	$ (2.01)
Weighted average common shares outstanding (in thousands):				
Basic	51,272	52,874	51,697	53,015
Diluted	51,989	52,874	52,472	53,015
Dividends declared per share	$ 0.08	$ 0.08	$ 0.16	$ 0.16

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited - dollars in thousands	Six Months Ended June 30,	
	2021	2020
Cash flows from operating activities		
Net income (loss)	$ 15,469	$ (106,793)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities		
Depreciation	12,881	11,657
Amortization of intangibles	11,597	10,988
Net gain on sale of property, plant and equipment and business divestiture	(2,043)	(1,690)
Loss on debt extinguishment	452	—
Deferred income taxes	(1,799)	(2,648)
Stock-based compensation	4,216	416
Impairment	817	107,114
Non-cash interest expense	591	535
Accounts receivable	(25,758)	48,785
Inventories	(89,733)	(14,154)
Prepaid expenses and other	2,500	(8,195)
Accounts payable and accrued liabilities	56,074	(22,126)
Other, net	1,650	(1,235)
Net cash (used in) provided by operating activities	(13,086)	22,654
Cash flows from investing activities		
Capital expenditures	(11,063)	(10,921)
Proceeds from the sale of assets and business divestiture	20,978	2,725
Net cash provided by (used in) investing activities	9,915	(8,196)
Cash flows from financing activities		
Net cash used in financing activities	(78,461)	(18,981)
Net decrease in cash, cash equivalents, and restricted cash	(81,632)	(4,523)
Cash, cash equivalents, and restricted cash at beginning of period	217,677	140,516
Cash, cash equivalents, and restricted cash at end of period	$ 136,045	$ 135,993

Q2 QTD Segment Information

Unaudited - dollars in thousands

Three Months Ended June 30,	Commercial Trailer Products	Diversified Products	Final Mile Products	Corporate and Eliminations	Consolidated
2021					
New trailers shipped	11,090	500	—	—	11,590
Used trailers shipped	—	15	—	—	15
New trailers	$ 287,741	$ 34,090	$ —	$ —	$ 321,831
Used trailers	19	359	—	—	378
Components, parts and service	5,529	27,544	3,965	(4,282)	32,756
Equipment and other	3,053	14,585	77,058	(239)	94,457
Total net sales	$ 296,342	$ 76,578	$ 81,023	$ (4,521)	$ 449,422
Gross profit	$ 38,623	$ 12,151	$ 6,147	$ (1,313)	$ 55,608
Income (loss) from operations	$ 32,299	$ 5,824	$ (3,247)	$ (12,192)	$ 22,684
Adjusted income (loss) from operations[1]	$ 32,299	$ 3,950	$ (3,247)	$ (12,192)	$ 20,810
2020					
New trailers shipped	8,000	400	—	—	8,400
Used trailers shipped	185	35	—	—	220
New trailers	$ 218,753	$ 28,176	$ —	$ —	$ 246,929
Used trailers	2,273	1,323	—	—	3,596
Components, parts and service	9,571	22,166	2,453	(7,884)	26,306
Equipment and other	1,657	12,286	48,379	—	62,322
Total net sales	$ 232,254	$ 63,951	$ 50,832	$ (7,884)	$ 339,153
Gross profit	$ 22,392	$ 10,761	$ 1,963	$ (795)	$ 34,321
Income (loss) from operations	$ 18,599	$ 2,242	$ (6,569)	$ (8,273)	$ 5,999
Adjusted income (loss) from operations[1]	$ 18,599	$ 2,242	$ (6,569)	$ (8,273)	$ 5,999

1 See reconciliation on page 16.

Q2 YTD Segment Information

Unaudited - dollars in thousands

Six Months Ended June 30,	Commercial Trailer Products	Diversified Products	Final Mile Products	Corporate and Eliminations	Consolidated
2021					
New trailers shipped	20,340	920	—	—	21,260
Used trailers shipped	15	40	—	—	55
New trailers	$ 526,406	$ 64,356	$ —	$ —	$ 590,762
Used trailers	184	1,206	—	—	1,390
Components, parts and service	11,470	57,510	7,688	(10,125)	66,543
Equipment and other	5,991	27,514	150,400	(1,175)	182,730
Total net sales	$ 544,051	$ 150,586	$ 158,088	$ (11,300)	$ 841,425
Gross profit	$ 65,858	$ 27,254	$ 12,603	$ (2,941)	$ 102,774
Income (loss) from operations	$ 53,164	$ 11,913	$ (7,194)	$ (23,984)	$ 33,899
Adjusted income (loss) from operations[1]	$ 53,164	$ 10,039	$ (7,194)	$ (23,984)	$ 32,025
2020					
New trailers shipped	16,525	1,050	—	—	17,575
Used trailers shipped	220	70	—	—	290
New trailers	$ 456,654	$ 71,488	$ —	$ —	$ 528,142
Used trailers	2,591	2,533	—	—	5,124
Components, parts and service	18,843	48,248	6,175	(14,984)	58,282
Equipment and other	5,141	24,640	104,927	(29)	134,679
Total net sales	$ 483,229	$ 146,909	$ 111,102	$ (15,013)	$ 726,227
Gross profit	$ 46,235	$ 25,902	$ 1,719	$ (2,792)	$ 71,064
Income (loss) from operations	$ 34,470	$ (3,828)	$ (114,610)	$ (20,089)	$ (104,057)
Adjusted income (loss) from operations[1]	$ 34,847	$ 7,143	$ (18,844)	$ (20,089)	$ 3,057

1 See reconciliation on page 16.

RECONCILIATION OF ADJUSTED SEGMENT AND OPERATING INCOME[1]

Unaudited - dollars in thousands	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Commercial Trailer Products				
Income from operations	$ 32,299	$ 18,599	$ 53,164	$ 34,470
Adjustments:				
Impairment	—	—	—	377
Adjusted operating income	32,299	18,599	53,164	34,847
Diversified Products				
Income (loss) from operations	5,824	2,242	11,913	(3,828)
Adjustments:				
Impairment	—	—	—	10,971
Gain on divestiture of Extract Technology	(1,874)	—	(1,874)	—
Adjusted operating income	3,950	2,242	10,039	7,143
Final Mile Products				
Loss from operations	(3,247)	(6,569)	(7,194)	(114,610)
Adjustments:				
Impairment	—	—	—	95,766
Adjusted operating loss	(3,247)	(6,569)	(7,194)	(18,844)
Corporate				
Loss from operations	(12,192)	(8,273)	(23,984)	(20,089)
Consolidated				
Income (loss) from operations	22,684	5,999	33,899	(104,057)
Adjustments:				
Impairment	—	—	—	107,114
Gain on divestiture of Extract Technology	(1,874)	—	(1,874)	—
Adjusted operating income	$ 20,810	$ 5,999	$ 32,025	$ 3,057

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 NET INCOME (LOSS) AND ADJUSTED EARNINGS PER SHARE

Unaudited - dollars in thousands

Adjusted Net Income (Loss)[1]:	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2021	**2020**	**2021**	**2020**
Net income (loss)	$ 12,252	$ (146)	$ 15,469	$ (106,793)
Adjustments:				
Loss on debt extinguishment	452	—	452	—
Impairment	—	—	—	107,114
Gain on divestiture of Extract Technology	(1,874)	—	(1,874)	—
Tax effect of aforementioned items	327	—	327	(2,786)
Adjusted net income (loss)	$ 11,157	$ (146)	$ 14,374	$ (2,465)

Adjusted Diluted (2021) and Basic (2020) Earnings Per Share[1]:	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2021	**2020**	**2021**	**2020**
Diluted (2021) and basic (2020) earnings per share	$ 0.24	$ 0.00	$ 0.29	$ (2.01)
Adjustments:				
Loss on debt extinguishment	0.01	—	0.01	—
Impairment	—	—	—	2.01
Gain on divestiture of Extract Technology	(0.04)	—	(0.04)	—
Tax effect of aforementioned items	—	—	0.01	(0.05)
Adjusted diluted (2021) and basic (2020) earnings per share	$ 0.21	$ 0.00	$ 0.27	$ (0.05)
Weighted average diluted (2021) and basic (2020) shares outstanding (in thousands)	51,989	52,874	52,472	53,015

1 Adjusted net income (loss) and adjusted earnings per diluted (2021) and basic (2020) share reflect adjustments for the impact of sales and divestitures, debt transactions, and non-cash impairment, and the related tax effects of these adjustments. 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 (loss) and diluted (2021) and basic (2020) net income (loss) per share, is beneficial to an investor's understanding of the Company's performance.

RECONCILIATION OF OPERATING EBITDA AND FREE CASH FLOW

Unaudited - dollars in thousands

Operating EBITDA[1]:	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2021	**2020**	**2021**	**2020**
Net income (loss)	$ 12,252	$ (146)	$ 15,469	$ (106,793)
Income tax expense (benefit)	3,985	548	5,819	(9,013)
Interest expense	6,034	5,882	12,184	12,154
Depreciation and amortization	12,248	11,526	24,478	22,645
Stock-based compensation	2,184	1,333	4,216	416
Impairment and other, net	(1,847)	(1,690)	(1,226)	105,424
Other, net	413	(285)	427	(405)
Operating EBITDA	$ 35,269	$ 17,168	$ 61,367	$ 24,428

Free Cash Flow[2]:	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2021	**2020**	**2021**	**2020**
Net cash provided by (used in) operating activities	$ 9,318	$ 32,708	$ (13,086)	$ 22,654
Capital expenditures	(6,898)	(4,643)	(11,063)	(10,921)
Free cash flow	$ 2,420	$ 28,065	$ (24,149)	$ 11,733

1 Operating EBITDA is defined as earnings before interest, taxes, depreciation, amortization, stock-based compensation, 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 (loss) and net income (loss), is beneficial to an investor's understanding of the Company's operating performance.

2 Free cash flow is defined as net cash provided by (used in) operating activities minus capital expenditures. 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.

RECONCILIATION OF ADJUSTED SEGMENT EBITDA[1] AND ADJUSTED SEGMENT EBITDA MARGIN[1]

Unaudited - dollars in thousands

	Commercial Trailer Products		Diversified Products		Final Mile Products	
Three Months Ended June 30, 2021	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Income (loss) from operations	$ 32,299	$ 18,599	$ 5,824	$ 2,242	$ (3,247)	$ (6,569)
Depreciation and amortization	3,211	2,946	3,961	4,613	4,577	3,577
Impairment and other, net	(4)	(1,767)	(1,841)	—	1	80
Adjusted segment EBITDA	$ 35,506	$ 19,778	$ 7,944	$ 6,855	$ 1,331	$ (2,912)
Adjusted segment EBITDA margin	12.0 %	8.5 %	10.4 %	10.7 %	1.6 %	(5.7)%

Unaudited - dollars in thousands

	Commercial Trailer Products		Diversified Products		Final Mile Products	
Six Months Ended June 30, 2021	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Income (loss) from operations	$ 53,164	$ 34,470	$ 11,913	$ (3,828)	$ (7,194)	$ (114,610)
Depreciation and amortization	6,248	5,679	8,061	9,114	9,141	7,132
Impairment and other, net	181	(1,394)	(1,413)	10,971	6	95,847
Adjusted segment EBITDA	$ 59,593	$ 38,755	$ 18,561	$ 16,257	$ 1,953	$ (11,631)
Adjusted segment EBITDA margin	11.0 %	8.0 %	12.3 %	11.1 %	1.2 %	(10.5)%

1 Adjusted segment EBITDA, a non-GAAP financial measure, is calculated by adding back segment depreciation and amortization expense to segment operating income (loss), and excludes certain costs, expenses, other charges, gains or income that are included in the determination of operating income (loss) 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.