WABASH NATIONAL CORPORATION
2021 Q3 EARNINGS RELEASE

WNC
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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) and margin, 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, debt issuance costs expensed within *General & administrative expenses* related to the closing of the New Term Loan Credit Agreement, 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 (used in) provided by 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.

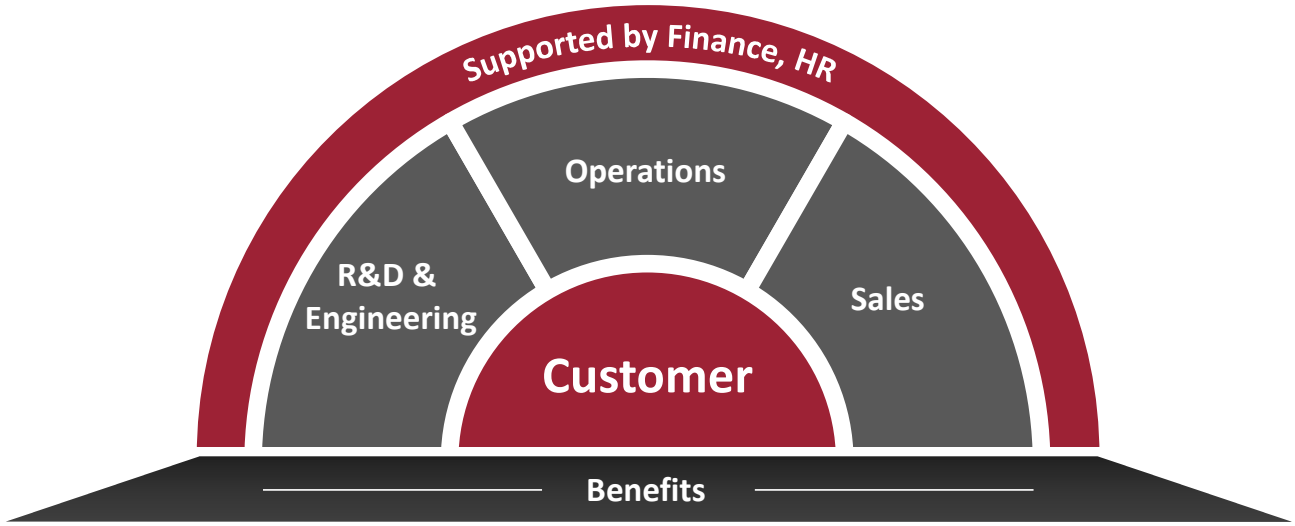
Adjusted operating income (loss) and margin, non-GAAP financial measures, exclude certain costs, expenses, other charges, gains or income that are included in the determination of operating income (loss) under U.S. GAAP, but that management would not consider important in evaluating the quality of the 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) 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 (loss) and margin 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 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 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 share to net income (loss) and net income (loss) per diluted 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.

ORGANIZATION NOW STRUCTURED TO SUPPORT FIRST TO FINAL MILE STRATEGY

New Customer-Centric Structure Collapses Silos to Surround Customer with Holistic Support



Employees

- Broader span of control, reducing organizational complexity
- Stronger company with greater focus on innovation and exciting growth markets
- Opportunities for career development across diverse transportation equipment markets

Customers

- Streamlined commercial structure facilitates ease of interaction for purchasing across portfolio
- Enhanced ability to innovate to support rapidly changing transportation needs
- Strategic partner with a diverse portfolio of transportation equipment

Shareholders

- Improved cost structure ($20M cost-out) through elimination of redundancies
- Accelerating growth through greater customer intimacy increasing share of wallet
- Enhanced focus on margin accretive Parts & Service initiative

PORTFOLIO & GROWTH

Portfolio Trimming Complete



Garsite Aviation Refueling



Beall Tank Trailers



Extract Technologies

Future Growth Focus

Cold Chain

- Expand share in markets driven by movement of goods through the temperature-controlled cold chain
- Bring differentiated solutions to create customer value by leveraging innovative technology offerings (Molded Structural Composite, eNow, Gruau refrigerated inserts)

eCommerce & Logistics Disruption

- Grow within the rapidly expanding market for home delivery of goods
- Augment truck body with refreshed product offerings
- Leverage portfolio of lighter-weight composite technology to partner with electric chassis manufacturers

Parts & Services

- Organic growth opportunities within trailer repair and truck body upfitting
- Unify parts & services revenue streams to drive alignment and growth focus

BRANDING UPDATE

Wabash National becomes…

WABASH

NEW GAAP REPORTABLE SEGMENTS

PREVIOUS STRUCTURE

Commercial Trailer Products
Dry and Refrigerated Van Trailers, Platform Trailers, Aftermarket Parts and Service

Diversified Products Group
Tank Trailers and Truck-Mounted Tanks, Composite Panels and Products, Food and Beverage Equipment, Aftermarket Parts and Service

Final Mile Products
Truck-Mounted Dry and Refrigerated Bodies, Service and Stake Bodies, FRP Panel Sales, Upfitting Parts and Services

DRIVERS OF SEGMENT CHANGE

STEMMING FROM STRATEGY REFRESH

Commercial Structure
Realignment of commercial organization around customers facilitates improved leverage across First to Final Mile portfolio

Operations Structure
Manufacturing moved to One-Wabash approach from siloed Strategic Business Units to support customer-centric commercial strategy

Parts & Service Strategy
New focus on recurrent revenue streams through unifying existing businesses and focusing resources on growth

Divestitures
Portfolio trimming includes non-core businesses: Garsite, Beall, and Extract

NEW STRUCTURE

Transportation Solutions
- Dry and Refrigerated Van Trailers
- Platform Trailers
- Tank Trailers
- Dry and Refrigerated Truck Bodies
- Service and Stake Bodies

Parts & Service
- Aftermarket Parts and Service
- Composite Panels and Products
- Engineered Products
- OE Component Parts
- Upfitting Parts and Services

STRATEGIC CAPACITY UPDATE

Progress Update

- Converting current refrigerated capacity to dry van capacity
- Progress on-track for dry van production to begin January 2023

Dry Van Demand Evolution

- Organizational restructuring to One Wabash commercial organization
- Strengthened indirect channel
- Long-term trend of trailer demand growth as carriers use assets to maximize driver time
- Evolution of trailer pools, including by private fleets and freight brokers

Dry Van Competitive Advancements

- 10-year supply agreement for aluminum extrusions
- Lightest-weight dry van in the industry by 100's of lbs

Future State: Refrigerated

- Transitioning conventional refrigerated van product to Molded Structural Composite technology
- MSC features improved thermal efficiency, lighter-weight design
- Exciting vehicle order from large national grocer for grocery home delivery

Dry Van Capacity Addition Expected to Generate $0.15 to $0.20 of EPS in 2023 and beyond

MARKET, BACKLOG & OUTLOOK HIGHLIGHTS

Market Conditions

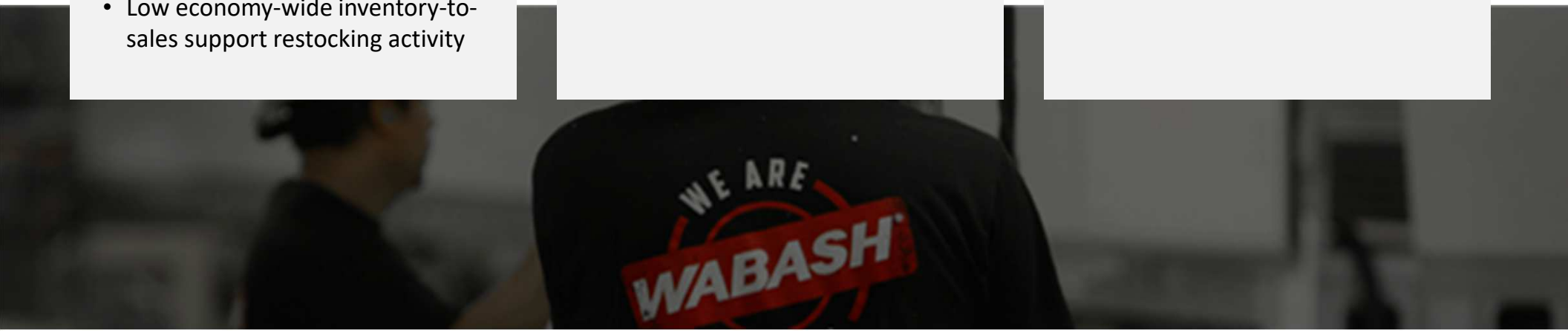
- Freight conditions remain robust
- Strong consumer spending and business investment continue to support the economy
- Low economy-wide inventory-to-sales support restocking activity

WNC Q3 Backlog

- All-time record backlog of $1.9B ending Q3 2021
- Sequential increase of $600M
- YoY increase of 87%

2022 Outlook

- Backlog strength allows initial EPS outlook for 2022
- Guiding to EPS of $1.70



Q3 2021 Consolidated Financial Performance

	3Q21 Results	3Q20 Results
Revenue grows as operations ramp	$483M Net Sales	$352M Net Sales
New Trailer Shipments increase 47% YoY	12,455 New Trailer Shipments	8,485 New Trailer Shipments
Gross Margin pressured by short-term price/cost	10.6% Gross Margin	12.3% Gross Margin
Op margins continue improvement on strong cost control	3.8% Operating Margin	2.7% Adjusted Non-GAAP Operating Margin[1]
Solid Q3 EPS generation	$0.22 Earnings Per Share	$0.09 Adjusted Non-GAAP Earnings Per Share[2]

[1]Q3 2020 adjusted non-GAAP operating income reflects an adjustment for debt issuance costs within *General & administrative expenses* related to the closing of the New Term Loan Credit Agreement. A reconciliation of adjusted operating income to operating income is included in the appendix to this presentation.

[2]Q3 2020 adjusted non-GAAP earnings per share reflects adjustments for debt issuance costs within *General & administrative expenses* related to the closing of the New Term Loan Credit Agreement and loss on debt extinguishment charges included in *Other, net*. A reconciliation of adjusted earnings per share to earnings per share is included in the appendix to this presentation.

CASH FLOW, BALANCE SHEET & CAPITAL ALLOCATION SUMMARY

YTD Cash Generation

- $(74)M Operating Cash
- $20M Capital Expenditure
- $(94)M Free Cash Flow[1]

Balance Sheet

- $49M Cash
- $220M Revolver
- $269M Total Liquidity

Capital Allocation

Q3 2021

- $14M Share Repurchase
- $9M Capital Expenditure
- $4M Dividend

Moving Forward

- Capex
- Maintain Dividend
- Share Repurchases and bolt-on M&A

[1] Free cash flow is defined as net cash (used in) provided by 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.

GUIDANCE

2021 Key Metrics

Sales
$1.80B-$1.85B

Midpoint: $1.83B

Adjusted Operating Margin[1]
3.4% to 3.6%

Midpoint: 3.5%

Adjusted EPS[2]
Range: $0.60-0.65

Other
SG&A: $112-116M
Intangibles Amortization: ~$23M
Interest Expense: ~$23M
CapEx: ~$50M
Tax Rate: ~23%

2022 Key Metrics

Sales
~$2.25B

Operating Margin
~6.0%

EPS
$1.70

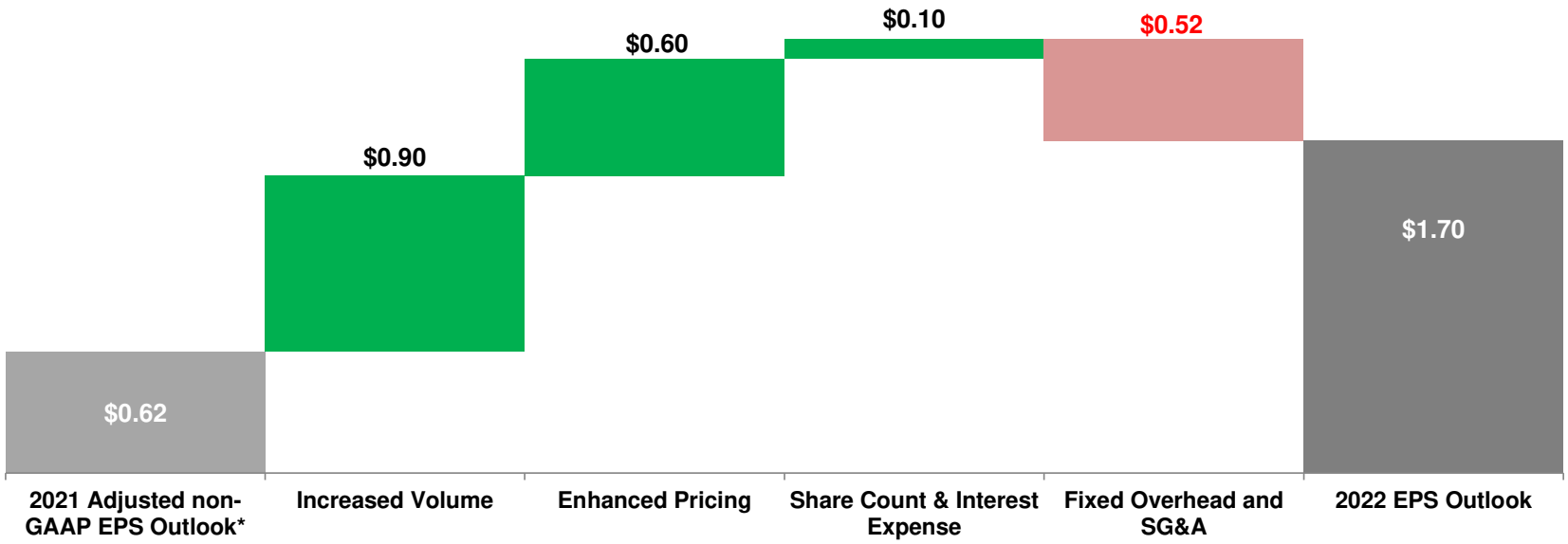
Other
SG&A: high-6% range of sales
Intangibles Amortization: ~$23M
Interest Expense: ~$20M
CapEx: $75-85M
Tax Rate: ~27%

[1]2021 Adjusted Operating Margin includes an adjustment for the impact of the divestiture of Extract Technology in Q2 2021. A reconciliation of adjusted operating income to operating income is included in the appendix to this presentation. 2022 Operating Margin assume no non-GAAP adjustments.

[2]2021 earnings per share outlook includes 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. 2022 earnings per share assumes no non-GAAP adjustments.



2022 EPS Bridge



2022 EPS Outlook Driven by Strong Run-Rate Production, Price/Cost Recovery, While Assuming No Improvement in Supply Chain Dynamics

*2021 earnings per share outlook includes 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. 2022 earnings per share assumes no non-GAAP adjustments.

Q&A

APPENDIX

CONDENSED CONSOLIDATED BALANCE SHEETS

Unaudited - dollars in thousands	September 30, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	$ 49,374	$ 217,677
Accounts receivable, net	213,808	101,301
Inventories, net	259,635	163,750
Prepaid expenses and other	59,347	63,036
Total current assets	582,164	545,764
Property, plant, and equipment, net	208,456	209,676
Goodwill	188,443	199,560
Intangible assets, net	148,418	166,887
Other assets	43,859	39,583
Total assets	$ 1,171,340	$ 1,161,470
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt	$ —	$ —
Current portion of finance lease obligations	119	348
Accounts payable	181,251	104,425
Other accrued liabilities	106,607	130,980
Total current liabilities	287,977	235,753
Long-term debt	419,130	447,979
Finance lease obligations	—	30
Deferred income taxes	49,465	46,777
Other non-current liabilities	28,574	26,052
Total liabilities	785,146	756,591
Total stockholders' equity	386,194	404,879
Total liabilities and stockholders' equity	$ 1,171,340	$ 1,161,470

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Unaudited - dollars in thousands	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net sales	$ 482,566	$ 351,584	$ 1,323,991	$ 1,077,811
Cost of sales	431,521	308,390	1,170,172	963,553
Gross profit	51,045	43,194	153,819	114,258
General and administrative expenses	20,966	22,749	66,740	68,574
Selling expenses	5,590	6,510	18,320	19,394
Amortization of intangible assets	5,631	5,496	17,228	16,484
Impairment and other, net	595	31	(631)	105,455
Income (loss) from operations	18,263	8,408	52,162	(95,649)
Other income (expense):				
Interest expense	(5,847)	(5,749)	(18,031)	(17,903)
Other, net	232	(57)	(195)	348
Other expense, net	(5,615)	(5,806)	(18,226)	(17,555)
Income (loss) before income tax expense (benefit)	12,648	2,602	33,936	(113,204)
Income tax expense (benefit)	1,640	(1,285)	7,459	(10,298)
Net income (loss)	$ 11,008	$ 3,887	$ 26,477	$ (102,906)
Net income (loss) per share:				
Basic	$ 0.22	$ 0.07	$ 0.52	$ (1.94)
Diluted	$ 0.22	$ 0.07	$ 0.51	$ (1.94)
Weighted average common shares outstanding (in thousands):				
Basic	49,974	52,912	51,116	52,980
Diluted	50,581	53,380	51,785	52,980
Dividends declared per share	$ 0.08	$ 0.08	$ 0.24	$ 0.24

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited - dollars in thousands	Nine Months Ended September 30,	
	2021	2020
Cash flows from operating activities		
Net income (loss)	$ 26,477	$ (102,906)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities		
Depreciation	19,593	18,656
Amortization of intangibles	17,228	16,484
Net gain on sale of property, plant and equipment and business divestiture	(1,447)	(1,669)
Loss on debt extinguishment	452	219
Deferred income taxes	(1,756)	(753)
Stock-based compensation	5,889	2,278
Impairment	817	107,114
Non-cash interest expense	882	807
Accounts receivable	(118,176)	68,095
Inventories	(96,818)	(14,596)
Prepaid expenses and other	1,054	(3,086)
Accounts payable and accrued liabilities	65,424	20,128
Other, net	6,152	(3,672)
Net cash (used in) provided by operating activities	(74,229)	107,099
Cash flows from investing activities		
Capital expenditures	(20,192)	(13,719)
Proceeds from the sale of assets and business divestiture	21,967	2,726
Net cash provided by (used in) investing activities	1,775	(10,993)
Cash flows from financing activities		
Net cash used in financing activities	(95,849)	(20,800)
Net (decrease) increase in cash, cash equivalents, and restricted cash	(168,303)	75,306
Cash, cash equivalents, and restricted cash at beginning of period	217,677	140,516
Cash, cash equivalents, and restricted cash at end of period	$ 49,374	$ 215,822

Q3 QTD Segment Information

Three Months Ended September 30,	Wabash National Corporation 2021	2020
Units Shipped		
New trailers	12,455	8,485
New truck bodies	3,780	3,600
Used trailers	15	140

Unaudited - dollars in thousands

Three Months Ended September 30,	Transportation Solutions	Parts & Service	Corporate and Eliminations	Consolidated
2021				
New trailers	$ 375,430	$ —	$ —	$ 375,430
Used trailers	—	465	—	465
Components, parts and service	—	31,974	(1,973)	30,001
Equipment and other	67,206	9,464	—	76,670
Total net sales	$ 442,636	$ 41,903	$ (1,973)	$ 482,566
Gross profit	$ 44,705	$ 8,268	$ (1,928)	$ 51,045
Income (loss) from operations	$ 25,970	$ 4,148	$ (11,855)	$ 18,263
Adjusted income (loss) from operations[1]	$ 25,970	$ 4,148	$ (11,855)	$ 18,263
2020				
New trailers	$ 251,998	$ 1,510	$ (444)	$ 253,064
Used trailers	505	1,456	—	1,961
Components, parts and service	—	29,369	(2,587)	26,782
Equipment and other	54,854	14,923	—	69,777
Total net sales	$ 307,357	$ 47,258	$ (3,031)	$ 351,584
Gross profit	$ 34,528	$ 10,113	$ (1,447)	$ 43,194
Income (loss) from operations	$ 13,522	$ 5,878	$ (10,992)	$ 8,408
Adjusted income (loss) from operations[1]	$ 13,522	$ 5,878	$ (9,836)	$ 9,564

1 See reconciliation on page 20.

Q3 YTD Segment Information

Nine Months Ended September 30,	Wabash National Corporation 2021	2020
Units Shipped		
New trailers	33,710	26,030
New truck bodies	13,330	10,130
Used trailers	70	430

Unaudited - dollars in thousands

Nine Months Ended September 30,	Transportation Solutions	Parts & Service	Corporate and Eliminations	Consolidated
2021				
New trailers	$ 966,193	$ —	$ —	$ 966,193
Used trailers	165	1,690	—	1,855
Components, parts and service	—	101,747	(5,205)	96,542
Equipment and other	223,815	35,586	—	259,401
Total net sales	$ 1,190,173	$ 139,023	$ (5,205)	$ 1,323,991
Gross profit	$ 129,776	$ 28,912	$ (4,869)	$ 153,819
Income (loss) from operations	$ 69,492	$ 18,509	$ (35,839)	$ 52,162
Adjusted income (loss) from operations[1]	$ 69,492	$ 16,635	$ (35,839)	$ 50,288
2020				
New trailers	$ 781,497	$ 3,098	$ (3,390)	$ 781,205
Used trailers	2,979	4,106	—	7,085
Components, parts and service	—	92,500	(7,437)	85,063
Equipment and other	169,673	34,785	—	204,458
Total net sales	$ 954,149	$ 134,489	$ (10,827)	$ 1,077,811
Gross profit	$ 87,195	$ 31,301	$ (4,238)	$ 114,258
Loss from operations	$ (43,098)	$ (21,466)	$ (31,085)	$ (95,649)
Adjusted income (loss) from operations[1]	$ 25,159	$ 17,391	$ (29,929)	$ 12,621

1 See reconciliation on page 20.

RECONCILIATION OF ADJUSTED SEGMENT AND OPERATING INCOME[1]

Unaudited - dollars in thousands	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Transportation Solutions				
Income (loss) from operations	$ 25,970	$ 13,522	$ 69,492	$ (43,098)
Adjustments:				
Impairment	—	—	—	68,257
Adjusted operating income	25,970	13,522	69,492	25,159
Parts & Service				
Income from operations	4,148	5,878	18,509	(21,466)
Adjustments:				
Gain on divestiture of Extract Technology	—	—	(1,874)	—
Adjusted operating income	4,148	5,878	16,635	17,391
Corporate				
Loss from operations	(11,855)	(10,992)	(35,839)	(31,085)
Adjustments:				
Debt transactions	—	1,156	—	1,156
Adjusted operating loss	(11,855)	(9,836)	(35,839)	(29,929)
Consolidated				
Income (loss) from operations	18,263	8,408	52,162	(95,649)
Adjustments:				
Impairment	—	—	—	107,114
Gain on divestiture of Extract Technology	—	—	(1,874)	—
Debt transactions	—	1,156	—	1,156
Adjusted operating income	$ 18,263	$ 9,564	$ 50,288	$ 12,621

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 AND ADJUSTED EARNINGS PER SHARE

Unaudited - dollars in thousands

Adjusted Net Income[1]:	**Three Months Ended September 30,**		**Nine Months Ended September 30,**	
	2021	**2020**	**2021**	**2020**
Net income (loss)	$ 11,008	$ 3,887	$ 26,477	$ (102,906)
Adjustments:				
Debt transactions	—	1,375	452	1,375
Impairment	—	—	—	107,114
Gain on divestiture of Extract Technology	—	—	(1,874)	—
Tax effect of aforementioned items	—	(564)	327	(3,350)
Adjusted net income	$ 11,008	$ 4,698	$ 25,382	$ 2,233

Adjusted Diluted Earnings Per Share[1]:	**Three Months Ended September 30,**		**Nine Months Ended September 30,**	
	2021	**2020**	**2021**	**2020**
Diluted earnings per share	$ 0.22	$ 0.07	$ 0.51	$ (1.94)
Adjustments:				
Debt transactions	—	0.03	0.01	0.03
Impairment	—	—	—	2.02
Gain on divestiture of Extract Technology	—	—	(0.04)	—
Tax effect of aforementioned items	—	(0.01)	0.01	(0.06)
Adjusted diluted earnings per share	$ 0.22	$ 0.09	$ 0.49	$ 0.04
Weighted average diluted shares outstanding (in thousands)	50,581	53,380	51,785	53,299

1 Adjusted net income and adjusted earnings per diluted 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 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 September 30,**		**Nine Months Ended September 30,**	
	2021	**2020**	**2021**	**2020**
Net income (loss)	$ 11,008	$ 3,887	$ 26,477	$ (102,906)
Income tax expense (benefit)	1,640	(1,285)	7,459	(10,298)
Interest expense	5,847	5,749	18,031	17,903
Depreciation and amortization	12,343	12,495	36,821	35,140
Stock-based compensation	1,673	1,862	5,889	2,278
Debt issuance costs expensed	—	1,156	—	1,156
Impairment and other, net	595	31	(631)	105,455
Other, net	(232)	57	195	(348)
Operating EBITDA	$ 32,874	$ 23,952	$ 94,241	$ 48,380

Free Cash Flow[2]:	**Three Months Ended September 30,**		**Nine Months Ended September 30,**	
	2021	**2020**	**2021**	**2020**
Net cash (used in) provided by operating activities	$ (61,143)	$ 84,445	$ (74,229)	$ 107,099
Capital expenditures	(9,129)	(2,798)	(20,192)	(13,719)
Free cash flow	$ (70,272)	$ 81,647	$ (94,421)	$ 93,380

1 Operating EBITDA is defined as earnings before interest, taxes, depreciation, amortization, stock-based compensation, debt issuance costs expensed within *General & administrative expenses* related to the closing of the New Term Loan Credit Agreement, impairment and other, net, and other non-operating income and expense (which includes loss on debt extinguishment charges). 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 (used in) provided by 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 (used in) 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

Three Months Ended September 30, 2021	Transportation Solutions		Parts & Service	
	2021	2020	2021	2020
Income from operations	$ 25,970	$ 13,522	$ 4,148	$ 5,878
Depreciation and amortization	10,617	10,278	1,062	1,337
Impairment and other, net	109	108	492	(156)
Adjusted segment EBITDA	$ 36,696	$ 23,908	$ 5,702	$ 7,059
Adjusted segment EBITDA margin	8.3 %	7.8 %	13.6 %	14.9 %

Unaudited - dollars in thousands

Nine Months Ended September 30, 2021	Transportation Solutions		Parts & Service	
	2021	2020	2021	2020
Income (loss) from operations	$ 69,492	$ (43,098)	$ 18,509	$ (21,466)
Depreciation and amortization	31,455	29,437	3,674	4,024
Impairment and other, net	935	66,231	(1,560)	39,229
Adjusted segment EBITDA	$ 101,882	$ 52,570	$ 20,623	$ 21,787
Adjusted segment EBITDA margin	8.6 %	5.5 %	14.8 %	16.2 %

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.

TRANSPORTATION SOLUTIONS AND PARTS & SERVICE SEGMENTS - SELECTED DATA

	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
REVENUE											
Transportation Solutions	$ 442,636	$ 402,300	$ 345,236	$ 361,279	$ 307,358	$ 302,687	$ 344,104	$ 533,640	$ 533,385	$ 572,376	$ 475,408
Parts & Service	$ 41,903	$ 48,633	$ 48,487	$ 44,985	$ 47,258	$ 40,354	$ 46,877	$ 50,023	$ 51,814	$ 60,224	$ 63,958
OPERATING INCOME (LOSS) AND ADJUSTED OPERATING INCOME[1]											
Transportation Solutions											
Operating income (loss)	$ 25,970	$ 26,848	$ 16,674	$ 13,396	$ 13,522	$ 9,069	$ (65,689)	$ 37,475	$ 41,687	$ 48,769	$ 25,958
Adjustments:											
Loss on divestiture of Beall brand	$ —	$ —	$ —	$ 2,119	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Impairment	$ —	$ —	$ —	$ —	$ —	$ —	$ 68,257	$ —	$ —	$ —	$ —
Adjusted operating income[1]	$ 25,970	$ 26,848	$ 16,674	$ 15,515	$ 13,522	$ 9,069	$ 2,568	$ 37,475	$ 41,687	$ 48,769	$ 25,958
Parts & Service											
Operating income (loss)	$ 4,148	$ 8,028	$ 6,333	$ 8,807	$ 5,878	$ 5,132	$ (32,476)	$ 5,356	$ 6,609	$ 9,275	$ 10,282
Adjustments:											
Gain on divestiture of Extract Technology	$ —	$ (1,874)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Gain on sale of Columbus branch	$ —	$ —	$ —	$ (2,257)	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Impairment	$ —	$ —	$ —	$ —	$ —	$ —	$ 38,857	$ —	$ —	$ —	$ —
Adjusted operating income[1]	$ 4,148	$ 6,154	$ 6,333	$ 6,550	$ 5,878	$ 5,132	$ 6,381	$ 5,356	$ 6,609	$ 9,275	$ 10,282
UNITS											
New trailers	12,455	11,595	9,660	10,585	8,485	8,425	9,120	14,980	14,470	14,965	13,095
New truck bodies	3,780	4,790	4,760	3,300	3,600	3,025	3,505	5,090	6,460	8,060	6,225
Used trailers	15	15	40	170	140	220	70	40	35	30	45

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.