
WABASH™
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Second Quarter 2022 Earnings Release
Changing How the World Reaches You®
July 27, 2022

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 and margin, adjusted net income attributable to common stockholders, adjusted diluted 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, and reconciliations to GAAP financial statements should be carefully evaluated.

Operating EBITDA includes noncontrolling interest 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 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. 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 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. A reconciliation of adjusted operating income to operating income, the most comparable GAAP financial measure, is included in the appendix to this presentation.

Adjusted net income attributable to common stockholders and adjusted diluted earnings per share reflects adjustments for debt transactions and the impact of sales and divestitures, 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 and diluted net income per share, is beneficial to an investor's understanding of the Company's performance. A reconciliation of adjusted net income and adjusted earnings per diluted share to net income and net income per diluted share is included in the appendix to this presentation.

Adjusted segment EBITDA, a non-GAAP financial measure, includes noncontrolling interest 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 is included in the appendix to this presentation.

CEO Highlights

1. Investor Meeting Opportunity to Describe New Strategy, Reorganization, Rebranding and Illuminate Growth Initiatives and Financial Targets
2. Trailers as a Service Platform Provides Lease Access with Maintenance & Repair Support to Assist in Trailer Pools/Power-Only
3. Record Q2 Revenue and Continued Sequential Improvement in Profitability
4. Closely Watching Macro; Customer Conversations Remain Robust as Current Environment Continues to be Constrained
5. Record Second Quarter Backlog of $2.3B Significantly Outpaced Normal Seasonality
6. Reiterating 2022 Outlook of $2.5B Revenue and $1.90 EPS



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Q2 2022 Consolidated Financial Performance

Revenue	$643M
Operating Income	$35.9M
Operating Margin	5.6%
Net Income Attributable to Common Stockholders	$22.6M
Diluted EPS	$0.46

New Shipments



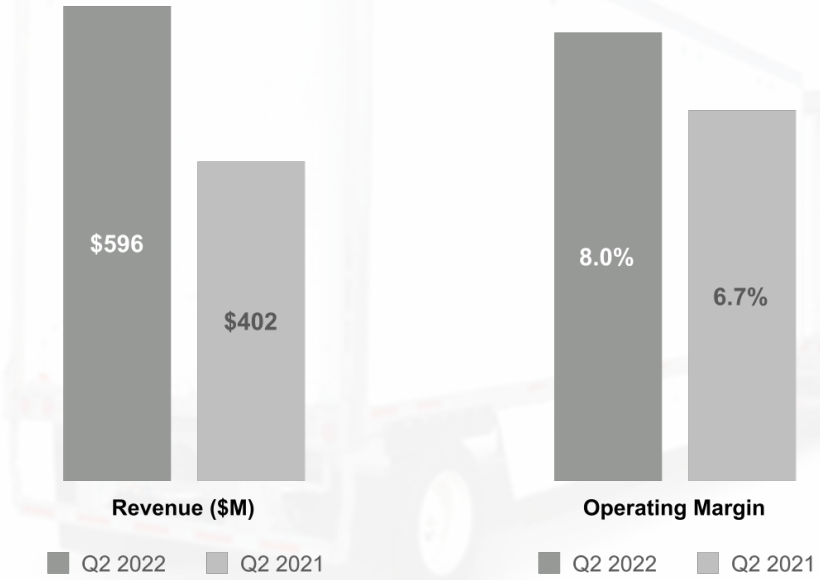
13,670 Trailers



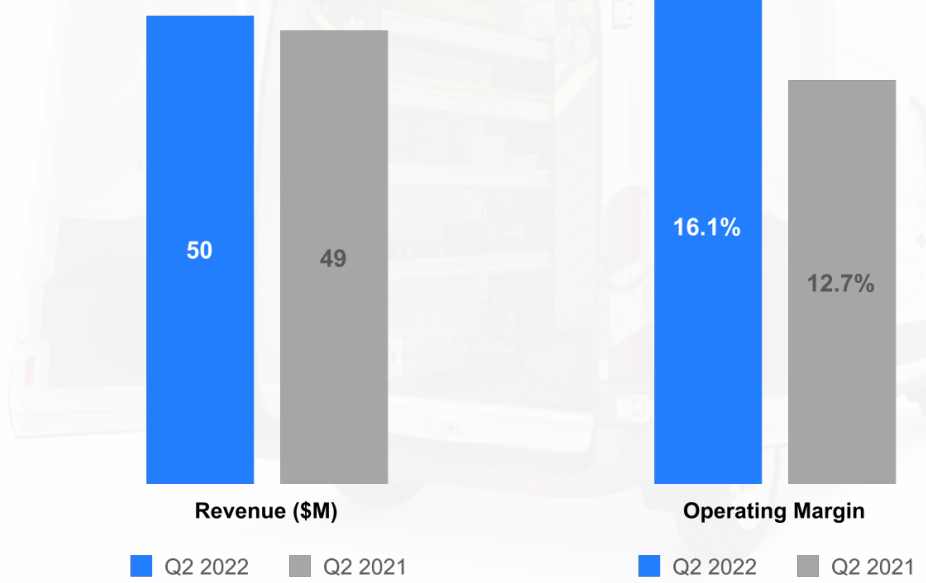
3,970 Truck Bodies

Q2 2022 Segment Financial Performance

Transportation Solutions



Parts & Services[1]



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1 Q2 2021 operating margin excludes the gain on sale of Extract Technology.

Cash Flow & Capital Allocation Summary

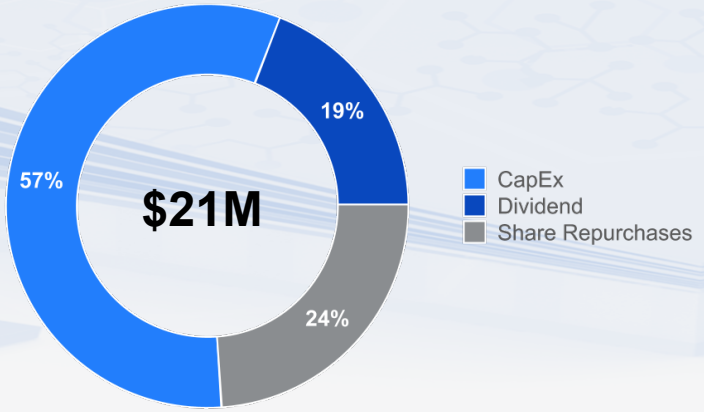
Cash Flow

- Significant free cash flow generated in Q2, aided by release of working capital

($M)	Q2 2022	Q2 2021
Net cash provided by (used in) operating activities	$117	$9
Cash payments for capital expenditures	$(12)	$(7)
Free Cash Flow[1]	$105	$2

Q2 Capital Allocation

Capex	$12M
Dividend	$4M
Share Repurchases	$5M



1 Free cash flow is defined as net cash used in operating activities minus cash payments for capital expenditures. A reconciliation of free cash flow to cash used in operating activities is included in the appendix to this presentation.

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2022 Financial Outlook



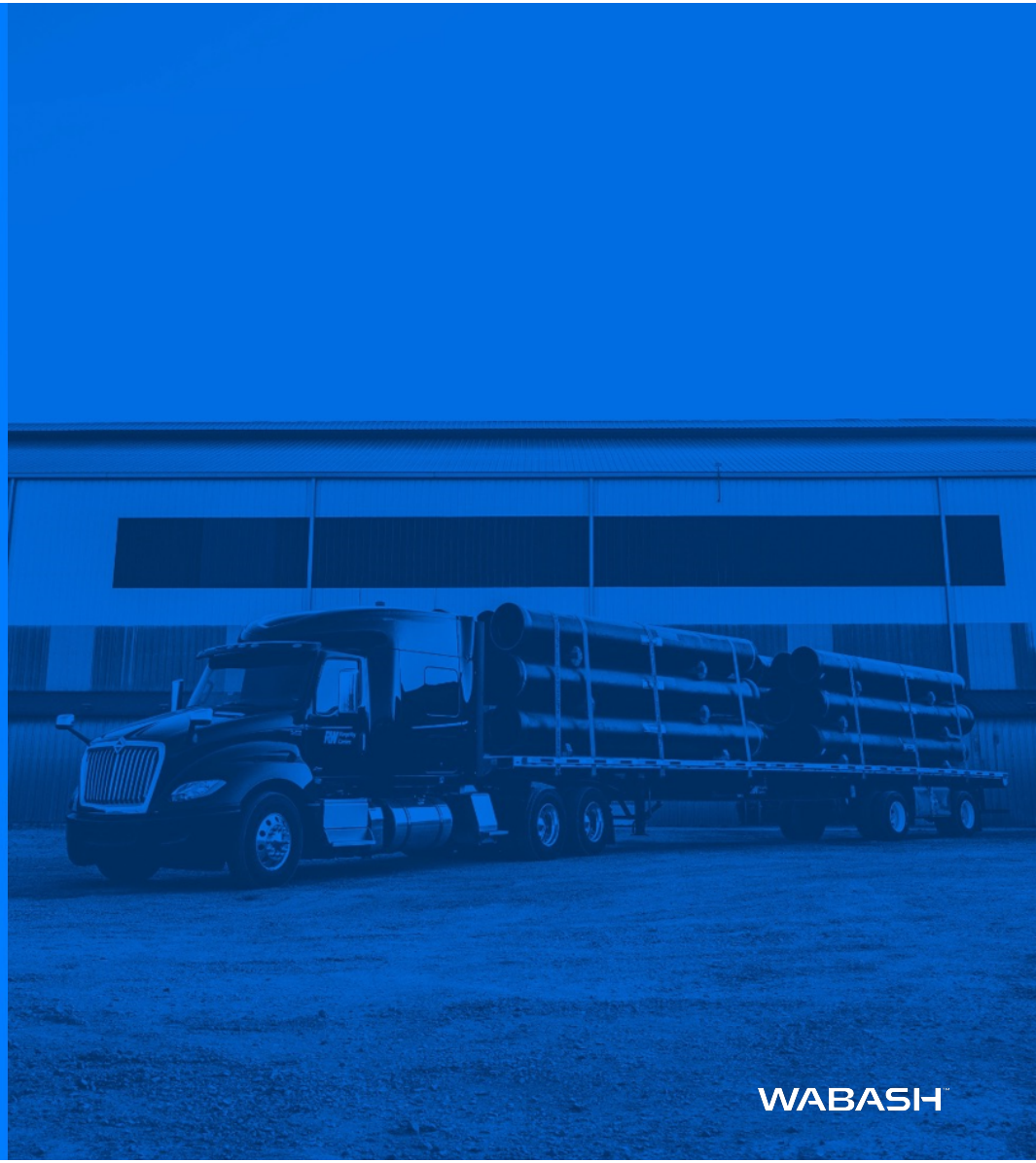
OTHER KEY METRICS

- SG&A: 5.5 - 6.0% of Sales
- Intangible Amortization: ~$15M
- Interest Expense: ~$20M
- Capex: $80-90M
- Tax Rate: ~26%

A Meaningful Step Forward in Financial Results

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Appendix



Condensed Consolidated Balance Sheets

Unaudited - dollars in thousands	June 30, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 138,484	$ 71,778
Accounts receivable, net	231,625	176,511
Inventories, net	305,338	237,621
Prepaid expenses and other	31,980	43,795
Total current assets	707,427	529,705
Property, plant, and equipment, net	242,636	232,425
Goodwill	188,440	188,443
Intangible assets, net	105,599	114,441
Other assets	46,203	42,057
Total assets	$ 1,290,305	$ 1,107,071
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt	$ —	$ —
Current portion of finance lease obligations	—	59
Accounts payable	304,761	173,950
Other accrued liabilities	127,927	115,316
Total current liabilities	432,688	289,325
Long-term debt	454,506	428,315
Deferred income taxes	33,864	36,019
Other non-current liabilities	30,889	27,873
Total liabilities	951,947	781,532
Commitments and contingencies		
Noncontrolling interest	187	—
Total Wabash National Corporation stockholders' equity	338,171	325,539
Total liabilities, noncontrolling interest, and equity	$ 1,290,305	$ 1,107,071

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Condensed Consolidated Statements of Operations

Unaudited - dollars in thousands	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net sales	$ 642,769	$ 449,422	$ 1,189,530	$ 841,425
Cost of sales	564,735	393,814	1,053,441	738,651
Gross profit	78,034	55,608	136,089	102,774
General and administrative expenses	30,944	22,907	57,276	45,774
Selling expenses	7,376	6,065	13,585	12,730
Amortization of intangible assets	3,803	5,799	8,842	11,597
Impairment and other, net	3	(1,847)	343	(1,226)
Income from operations	35,908	22,684	56,043	33,899
Other income (expense):				
Interest expense	(5,218)	(6,034)	(10,131)	(12,184)
Other, net	(327)	(413)	(398)	(427)
Other expense, net	(5,545)	(6,447)	(10,529)	(12,611)
Income before income tax expense	30,363	16,237	45,514	21,288
Income tax expense	7,624	3,985	10,701	5,819
Net income	22,739	12,252	34,813	15,469
Net income attributable to noncontrolling interest	187	—	187	—
Net income attributable to common stockholders	$ 22,552	$ 12,252	$ 34,626	$ 15,469
Net income attributable to common stockholders per share:				
Basic	$ 0.46	$ 0.24	$ 0.71	$ 0.30
Diluted	$ 0.46	$ 0.24	$ 0.70	$ 0.29
Weighted average common shares outstanding (in thousands):				
Basic	49,034	51,272	49,019	51,697
Diluted	49,535	51,989	49,662	52,472

Condensed Consolidated Statements of Cash Flows

Unaudited - dollars in thousands	Six Months Ended June 30,	
	2022	2021
Cash flows from operating activities		
Net income	$ 34,813	$ 15,469
Adjustments to reconcile net income to net cash provided by (used in) operating activities		
Depreciation	16,482	12,881
Amortization of intangibles	8,842	11,597
Net gain on sale of property, plant and equipment and business divestiture	(642)	(2,043)
Loss on debt extinguishment	—	452
Deferred income taxes	(139)	(1,799)
Stock-based compensation	4,647	4,216
Impairment	986	817
Non-cash interest expense	426	591
Accounts receivable	(55,114)	(25,758)
Inventories	(67,717)	(89,733)
Prepaid expenses and other	814	2,500
Accounts payable and accrued liabilities	142,869	56,074
Other, net	(3,593)	1,650
Net cash provided by (used in) operating activities	82,674	(13,086)
Cash flows from investing activities		
Cash payments for capital expenditures	(22,369)	(11,063)
Proceeds from the sale of assets	1,445	20,978
Net cash (used in) provided by investing activities	(20,924)	9,915
Cash flows from financing activities		
Net cash provided by (used in) financing activities	4,956	(78,461)
		$

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Q2 QTD Segment Information

(Unaudited - dollars in thousands)

Three Months Ended June 30,	Wabash National Corporation 2022	2021
Units Shipped		
New trailers	13,670	11,595
New truck bodies	3,970	4,800
Used trailers	40	15

Three Months Ended June 30,	Transportation Solutions	Parts & Services	Corporate and Eliminations	Consolidated
2022				
New trailers	$ 508,430	$ 188	$ (361)	$ 508,257
Used trailers	—	1,120	—	1,120
Components, parts and service	—	37,473	—	37,473
Equipment and other	87,552	11,614	(3,247)	95,919
Total net external sales	$ 595,982	$ 50,395	$ (3,608)	$ 642,769
Gross profit	$ 66,055	$ 11,830	$ 149	$ 78,034
Income (loss) from operations	$ 47,973	$ 8,138	$ (20,203)	$ 35,908
Adjusted income (loss) from operations[1]	$ 47,973	$ 8,138	$ (20,203)	$ 35,908
2021				
New trailers	$ 321,833	$ —	$ —	$ 321,833
Used trailers	—	378	—	378
Components, parts and service	—	34,260	—	34,260
Equipment and other	80,344	14,114	(1,507)	92,951
Total net external sales	$ 402,177	$ 48,752	$ (1,507)	$ 449,422

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.

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Q2 YTD Segment Information

(Unaudited - dollars in thousands)

Six Months Ended June 30,	Wabash National Corporation 2022	2021
Units Shipped		
New trailers	25,545	21,255
New truck bodies	7,510	9,570
Used trailers	60	55

Six Months Ended June 30,	Transportation Solutions	Parts & Services	Corporate and Eliminations	Consolidated
2022				
New Trailers	$ 946,393	$ 242	$ (672)	$ 945,963
Used Trailers	—	1,689	—	1,689
Components, parts and service	—	71,037	—	71,037
Equipment and other	151,654	24,135	(4,948)	170,841
Total net external sales	$ 1,098,047	$ 97,103	$ (5,620)	$ 1,189,530
Gross profit	$ 113,737	$ 22,352	$ —	$ 136,089
Income (loss) from operations	$ 79,670	$ 14,927	$ (38,554)	$ 56,043
Adjusted income (loss) from operations[1]	$ 79,670	$ 14,927	$ (38,554)	$ 56,043
2021				
New Trailers	$ 590,763	$ —	$ —	$ 590,763
Used Trailers	165	1,225	—	1,390
Components, parts and service	—	26,362	—	26,362
Equipment and other	156,368	69,760	(3,218)	222,910
Total net external sales	$ 747,296	$ 97,347	$ (3,218)	$ 841,425

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.

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Reconciliation of Adjusted Segment Operating Income[1]

Unaudited - dollars in thousands	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Transportation Solutions				
Income from operations	$ 47,973	$ 26,815	$ 79,670	$ 43,438
Adjustments:				
N/A	—	—	—	—
Adjusted operating income	47,973	26,815	79,670	43,438
Parts & Services				
Income from operations	8,138	8,061	14,927	14,445
Adjustments:				
Gain on divestiture of Extract Technology	—	(1,874)	—	(1,874)
Adjusted operating income	8,138	6,187	14,927	12,571
Corporate				
Loss from operations	(20,203)	(12,192)	(38,554)	(23,984)
Adjustments:				
N/A	—	—	—	—
Adjusted operating loss	(20,203)	(12,192)	(38,554)	(23,984)
Consolidated				
Income from operations	35,908	22,684	56,043	33,899
Adjustments:				
Gain on divestiture of Extract Technology	—	(1,874)	—	(1,874)
Adjusted operating income	$ 35,908	$ 20,810	$ 56,043	$ 32,025

1 Adjusted operating income, a non-GAAP financial measure, excludes 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 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 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 Attributable to Common Stockholders and Adjusted Diluted EPS

Unaudited - dollars in thousands

Adjusted Net Income Attributable to Common Stockholders[1]:	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2022	**2021**	**2022**	**2021**
Net income attributable to common stockholders	$ 22,552	$ 12,252	$ 34,626	$ 15,469
Adjustments:				
Loss on debt extinguishment	—	452	—	452
Gain on divestiture of Extract Technology	—	(1,874)	—	(1,874)
Tax effect of aforementioned items	—	327	—	327
Adjusted net income attributable to common stockholders	$ 22,552	$ 11,157	$ 34,626	$ 14,374

Adjusted Diluted Earnings Per Share[1]:	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2022	**2021**	**2022**	**2021**
Diluted earnings per share	$ 0.46	$ 0.24	$ 0.70	$ 0.29
Adjustments:				
Loss on debt extinguishment	—	0.01	—	0.01
Gain on divestiture of Extract Technology	—	(0.04)	—	(0.04)
Tax effect of aforementioned items	—	—	—	0.01
Adjusted diluted earnings per share	$ 0.46	$ 0.21	$ 0.70	$ 0.27
Weighted average diluted shares outstanding (in thousands)	49,535	51,989	49,662	52,472

1 Adjusted net income attributable to common stockholders and adjusted diluted earnings per share reflect adjustments for debt transactions and the impact of sales and divestitures, and the related tax effects of these adjustments.

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,**	
	2022	**2021**	**2022**	**2021**
Net income	$ 22,739	$ 12,252	$ 34,813	$ 15,469
Income tax expense	7,624	3,985	10,701	5,819
Interest expense	5,218	6,034	10,131	12,184
Depreciation and amortization	12,060	12,248	25,324	24,478
Stock-based compensation	2,370	2,184	4,647	4,216
Impairment and other, net	3	(1,847)	343	(1,226)
Other, net	327	413	398	427
Operating EBITDA	$ 50,341	$ 35,269	$ 86,357	$ 61,367

Free Cash Flow[2]:	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2022	**2021**	**2022**	**2021**
Net cash provided by (used in) operating activities	$ 117,241	$ 9,318	$ 82,674	$ (13,086)
Cash payments for capital expenditures	(12,420)	(6,898)	(22,369)	(11,063)
Free cash flow	$ 104,821	$ 2,420	$ 60,305	$ (24,149)

1 Operating EBITDA includes noncontrolling interest 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.

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Reconciliation of Adjusted Segment EBITDA[1] and Adjusted Segment EBITDA Margin[1]

Unaudited - dollars in thousands

Three Months Ended June 30,	Transportation Solutions 2022	Transportation Solutions 2021	Parts & Services 2022	Parts & Services 2021
Income from operations	$ 47,973	$ 26,815	$ 8,138	$ 8,061
Depreciation and amortization	10,705	10,452	643	1,298
Impairment and other, net	2	7	—	(1,855)
Adjusted segment EBITDA	$ 58,680	$ 37,274	$ 8,781	$ 7,504
Adjusted segment EBITDA margin	9.8 %	9.3 %	17.4 %	15.4 %

Unaudited - dollars in thousands

Six Months Ended June 30,	Transportation Solutions 2022	Transportation Solutions 2021	Parts & Services 2022	Parts & Services 2021
Income from operations	$ 79,670	$ 43,438	$ 14,927	$ 14,445
Depreciation and amortization	22,238	20,837	1,678	2,613
Impairment and other, net	(619)	826	(10)	(2,052)
Adjusted segment EBITDA	$ 101,289	$ 65,101	$ 16,595	$ 15,006
Adjusted segment EBITDA margin	9.2 %	8.7 %	17.1 %	15.4 %

1 Adjusted segment EBITDA, a non-GAAP financial measure, includes noncontrolling interest 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.