NEWS RELEASE

Astec Reports Third Quarter 2026 Results

2026-11-05

Third Quarter 2026 Overview (all comparisons are made to the corresponding prior year third quarter unless otherwise specified):

- Net sales of $352.4 million, increased 0.7%
- Net loss attributable to controlling interest of $12.2 million; Adjusted net loss of $0.3 million
- EBITDA of $11.4 million; Adjusted EBITDA of $18.9 million
- Diluted EPS of $(0.53); Adjusted EPS of $(0.01)
- Operating cash flow of $70.2 million year to date; Free cash flow of $48.0 million year to date
- Backlog of $670.5 million grew 49.2%

CHATTANOOGA, Tenn., Nov. 05, 2026 (GLOBE NEWSWIRE) -- Astec Industries, Inc. (Nasdaq: ASTE) announced today its financial results for the third quarter ended September 30, 2026.

"Third quarter financial results were less than expected as ongoing macroeconomic uncertainty caused a pause in orders earlier in the year by select asphalt plant customers. This, combined with inflationary headwinds, impacted our sales, mix, absorption and margins during the third quarter. Despite this temporary pause and the delayed renewal of the U.S. federal highway bill, underlying demand rebounded in the third quarter as evidenced by our 49.2% growth in backlog," said Jaco van der Merwe, Chief Executive Officer.

"We are revising our full year 2026 Adjusted EBITDA guidance from the previous range of $160 million to $175 million to $140 million to $150 million," said Brian Harris, Chief Financial Officer. "Positive cash flow and disciplined capital allocation yielded an Adjusted EBITDA to net debt ratio of 2.3x, which was within our target range of 1.5x to 2.5x."

(in millions, except per share and percentage data)	GAAP			Adjusted		
	3Q 2026	3Q 2025	Change	3Q 2026	3Q 2025	Change
Net sales	$ 352.4	$ 350.1	0.7%			
Infrastructure Solutions	189.0	193.2	(2.2)%			
Materials Solutions	163.4	156.9	4.1%			
Backlog	670.5	449.5	49.2%			
Infrastructure Solutions	381.5	259.5	47.0%			
Materials Solutions	289.0	190.0	52.1%			
(Loss) income from operations	(3.3)	1.1	(400.0)%	12.1	20.6	(41.3)%
Operating margin	(0.9)%	0.3%	(120)bps	3.4%	5.9%	(250)bps
Effective tax rate	(28.1)%	17.6%	(4,570)bps	106.9%	25.0%	8,190 bps
Net (loss) income attributable to controlling interest	(12.2)	(4.2)	(190.5)%	(0.3)	10.8	(102.8)%
Diluted EPS	(0.53)	(0.18)	(194.4)%	(0.01)	0.47	(102.1)%
EBITDA (a non-GAAP measure)	11.4	13.8	(17.4)%	18.9	27.1	(30.3)%
EBITDA margin (a non-GAAP measure)	3.2%	3.9%	(70)bps	5.4%	7.7%	(230)bps

Segment Results

Our reportable segments comprise sites based upon the nature of the products produced or services provided, the type of customer for the products, the similarity of economic characteristics, the manner in which management reviews results and the nature of the production process, among other considerations.

Infrastructure Solutions - Design, engineer, manufacture and market a complete line of asphalt plants, concrete plants and their related components and ancillary equipment, including industrial automation controls and telematics platforms, as well as asphalt and road construction equipment, industrial thermal systems, land clearing, recycling and other heavy equipment, along with aftermarket parts.

- Net sales of $189.0 million decreased 2.2% compared to the same period the prior year. The decrease was primarily driven by net unfavorable volume and mix partially offset by favorable pricing. Backlog increased 47.0%. Implied orders increased sequentially by $77.6 million, or 38.0%, to $281.9 million. The book-to-bill ratio was 149%.
- Segment Operating Adjusted EBITDA of $15.3 million decreased 36.0% and Segment Operating Adjusted EBITDA margin of 8.1% decreased 430 basis points compared to the third quarter of the prior year largely due to the impact of inflation on materials, labor and overhead.

Materials Solutions - Design and manufacture hard and soft rock processing equipment, in addition to servicing and supplying parts for the aggregate, civil construction, energy, mining, hydro-electric, recycling, ports and bulk material handling markets.

- Net sales of $163.4 million increased by 4.1% primarily due to favorable pricing coupled with net favorable volume and mix. Backlog increased 52.1%. Implied orders decreased sequentially by $115.8 million, or 45.3%,

to $139.9 million. The book-to-bill ratio stood at 86%.

- Segment Operating Adjusted EBITDA of $13.9 million decreased $1.5 million, or 9.7%, and Segment Operating Adjusted EBITDA margin of 8.5% decreased 130 basis points versus the same period in 2025 primarily due to the impact of inflation on materials, labor and overhead and increased selling, general and administrative expenses. These decreases were partially offset by the net sales impact of favorable pricing and unfavorable volume and mix.

Liquidity and Cash Flow

- Our total liquidity was $267.2 million, consisting of $63.2 million of cash and cash equivalents available for operating purposes and $204.0 million available for additional borrowings under our revolving credit facility.
- Operating Cash Flow in the quarter was $17.4 million and Free Cash Flow in the quarter was $10.7 million.

Third Quarter Capital Allocation

- Capital expenditures of $6.7 million.
- Dividend payment of $0.13 per share.

Investor Conference Call and Webcast

Astec will conduct a conference call and live webcast today, November 5, 2026, at 9:00 A.M. Eastern Time, to review its third quarter 2026 financial results.

To access the call toll free (North America) dial +1 (833) 461-5787 or (International) +1 (585) 542-9983, meeting ID: 435 095 470 on Thursday, November 5, 2026, at least 10 minutes prior to the scheduled time for the call.

International dial-ins can be accessed at: **https://help.events.q4inc.com/eahc/international-dial-in-numbers**

You may also access a live webcast of the call, and twelve month replay, at:
https://events.q4inc.com/attendee/435095470

You will need to give your name and company affiliation and reference Astec.

A transcript of the conference call will be made available under the Investor Relations section of the Astec Industries, Inc. website at **www.astecindustries.com** within 5 business days after the call.

About Astec

Astec, (www.astecindustries.com), is a manufacturer of specialized equipment for asphalt road building, aggregate

processing and concrete production. Astec's manufacturing operations are divided into two primary business segments: Infrastructure Solutions that includes asphalt and concrete plants, thermal and storage solutions; and Materials Solutions that includes aggregate processing equipment. Astec also operates a line of controls and automation products designed to deliver enhanced productivity through improved equipment performance.

Safe Harbor Statements under the Private Securities Litigation Reform Act of 1995

This News Release contains forward-looking statements within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Such statements relate to, among other things, income, earnings, cash flows, changes in operations, operating improvements, businesses in which we operate, the United States and global economies and guidance for fiscal 2026. Statements in this News Release that are not historical are hereby identified as "forward-looking statements" and may be indicated by words or phrases such as "anticipates," "supports," "plans," "projects," "expects," "believes," "should," "would," "could," "forecast," "management is of the opinion," use of the future tense and similar words or phrases. These forward-looking statements are based largely on management's expectations, which are subject to a number of known and unknown risks, uncertainties and other factors discussed and described in our most recent Annual Report on Form 10-K, including those risks described in Part I, Item 1A. Risk Factors thereof, and in other reports filed subsequently by us with the Securities and Exchange Commission, including those risks described in Part II, Item 1A in our most recent Quarterly Report on Form 10-Q, which may cause actual results, financial or otherwise, to be materially different from those anticipated, expressed or implied by the forward-looking statements. All forward-looking statements included in this document are based on information available to us on the date hereof, and we assume no obligation to update any such forward-looking statements to reflect future events or circumstances, except as required by law.

Non-GAAP Measures

In an effort to provide investors with additional information regarding the Company's results, the Company refers to various GAAP (U.S. generally accepted accounting principles) and non-GAAP financial measures which management believes provide useful information to investors. These non-GAAP measures have no standardized meaning prescribed by U.S. GAAP and therefore are unlikely to be comparable to the calculation of similar measures for other companies. Management of the Company does not intend these items to be considered in isolation or as a substitute for the related GAAP measures. Nonetheless, this non-GAAP information can be useful in understanding the Company's operating results and the performance of its core business. Management of the Company uses both GAAP and non-GAAP financial measures to establish internal budgets and targets to evaluate the Company's financial performance against such budgets and targets. A reconciliation of these non-GAAP measures to the most directly comparable GAAP measure is included in the tables.

When we provide guidance for Adjusted EBITDA we do not provide a reconciliation of the U.S. GAAP measures as we are unable to predict with a reasonable degree of certainty the actual impact of the non-GAAP adjustment items. By their very nature, non-GAAP adjusted items are difficult to anticipate with precision because they are generally associated with unexpected and unplanned events that impact our Company and its financial results. Therefore, we are unable to provide a reconciliation of these measures without unreasonable efforts.

For Additional Information Contact:
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Astec Industries Inc.
Condensed Consolidated Statements of Operations
(In millions, except shares in thousands and per share amounts; unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net sales	$ 352.4	$ 350.1	$ 1,156.8	$ 1,009.8
Cost of sales	270.1	265.9	868.6	744.9
Gross profit	82.3	84.2	288.2	264.9
Operating expenses:				
Selling, general and administrative expenses	84.2	83.3	259.9	222.2
Restructuring and other operating charges (gains), net	1.4	(0.2)	2.2	(0.3)
Total operating expenses	85.6	83.1	262.1	221.9
(Loss) income from operations	(3.3)	1.1	26.1	43.0
Other expenses:				
Interest expense	(7.2)	(7.3)	(21.7)	(11.4)
Other income, net	0.9	1.1	3.8	5.6
(Loss) income before income taxes	(9.6)	(5.1)	8.2	37.2
Income tax provision (benefit)	2.7	(0.9)	8.7	10.3
Net (loss) income	(12.3)	(4.2)	(0.5)	26.9
Net loss (income) attributable to noncontrolling interest	0.1	—	0.1	(0.1)
Net (loss) income attributable to controlling interest	$ (12.2)	$ (4.2)	$ (0.4)	$ 26.8
Earnings per common share				
Basic	$ (0.53)	$ (0.18)	$ (0.02)	$ 1.17
Diluted	(0.53)	(0.18)	(0.02)	1.16
Weighted average shares outstanding				
Basic	23,048	22,890	23,001	22,867
Diluted	23,048	22,890	23,001	23,063

Astec Industries Inc.
Reportable Segment Net Sales and Operating Adjusted EBITDA

(In millions, except percentage data; unaudited)

Reportable segment net sales exclude intersegment sales.

	Three Months Ended September 30,			
	2026	2025	$ Change	% Change
Revenues from external customers				
Infrastructure Solutions	$ 189.0	$ 193.2	$ (4.2)	(2.2) %
Materials Solutions	163.4	156.9	6.5	4.1%
Net sales	$ 352.4	$ 350.1	$ 2.3	0.7%
Segment Operating Adjusted EBITDA				
Infrastructure Solutions	$ 15.3	$ 23.9	$ (8.6)	(36.0) %
Materials Solutions	13.9	15.4	(1.5)	(9.7) %
Segment Operating Adjusted EBITDA - Reportable Segments	29.2	39.3		
Reconciliation of Segment Operating Adjusted EBITDA to "Loss before income taxes"				
Corporate and Other	(10.3)	(12.2)		
Transformation program	(4.8)	(5.2)		
Restructuring and other related charges	(1.4)	0.2		
Acquisition and integration costs	(1.3)	(8.3)		
Interest expense, net	(6.4)	(6.6)		
Depreciation and amortization	(14.5)	(12.3)		
Net loss attributable to noncontrolling interest	(0.1)	—		
Loss before income taxes	$ (9.6)	$ (5.1)		

Segment Operating Adjusted EBITDA Margin	2026	2025	Change
Infrastructure Solutions	8.1%	12.4%	(430) bps
Materials Solutions	8.5%	9.8%	(130) bps

(Continued)Astec Industries Inc.
Reportable Segment Net Sales and Operating Adjusted EBITDA (Continued)
(In millions, except percentage data; unaudited)

	Nine Months Ended September 30,			
	2026	2025	$ Change	% Change
Revenues from external customers				
Infrastructure Solutions	$ 654.3	$ 633.8	$ 20.5	3.2%
Materials Solutions	502.5	376.0	126.5	33.6%
Net sales	$ 1,156.8	$ 1,009.8	$ 147.0	14.6%
Segment Operating Adjusted EBITDA				
Infrastructure Solutions	$ 83.0	$ 99.0	$ (16.0)	(16.2) %
Materials Solutions	44.9	34.9	10.0	28.7%
Segment Operating Adjusted EBITDA - Reportable Segments	127.9	133.9		
Reconciliation of Segment Operating Adjusted EBITDA to "Income before income taxes"				
Corporate and Other	(36.1)	(37.8)		
Transformation program	(13.2)	(15.5)		
Restructuring and other related charges	(2.6)	0.2		
Acquisition and integration costs	(5.4)	(10.5)		
Interest expense, net	(19.2)	(8.5)		
Depreciation and amortization	(43.1)	(24.7)		
Net (loss) income attributable to noncontrolling interest	(0.1)	0.1		
Income before income taxes	$ 8.2	$ 37.2		

Segment Operating Adjusted EBITDA Margin	2026	2025	Change
Infrastructure Solutions	12.7%	15.6%	(290) bps
Materials Solutions	8.9%	9.3%	(40) bps

Astec Industries Inc.
Condensed Consolidated Balance Sheets
(In millions; unaudited)

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash, cash equivalents and restricted cash	$ 64.4	$ 72.0
Investments	1.5	2.1
Trade receivables, contract assets and other receivables, net	220.5	218.7
Inventories, net	484.4	466.0
Other current assets, net	62.6	57.8
Total current assets	833.4	816.6
Property, plant and equipment, net	239.2	222.3
Other long-term assets	344.8	328.3
Total assets	$ 1,417.4	$ 1,367.2
Liabilities		
Current liabilities:		
Accounts payable	$ 113.3	$ 93.5
Customer deposits	101.1	83.7
Other current liabilities	146.0	150.8
Total current liabilities	360.4	328.0
Long-term debt	345.2	319.6
Other long-term liabilities	35.5	38.0
Total equity	676.3	681.6
Total liabilities and equity	$ 1,417.4	$ 1,367.2

Astec Industries Inc.
Condensed Consolidated Statements of Cash Flows
(In millions; unaudited)

	Nine Months Ended September 30,	
	2026	2025
Cash flows from operating activities:		
Net (loss) income	$ (0.5)	$ 26.9
Adjustments to reconcile net (loss) income to net cash provided by operating activities	71.2	53.7
Distributions to deferred compensation programs' participants	(0.3)	(0.9)
Change in operating assets and liabilities	(0.2)	(54.4)
Net cash provided by operating activities	70.2	25.3
Cash flows from investing activities:		
Acquisitions, net of cash acquired	(68.2)	(248.5)
Expenditures for property and equipment	(22.2)	(12.0)
Proceeds from sale of property and equipment	0.6	0.2
Proceeds from insurance	0.1	—
Purchase of investments	(1.0)	(0.8)
Sale of investments	0.3	0.7
Net cash used in investing activities	(90.4)	(260.4)
Cash flows from financing activities:		
Payment of dividends	(8.9)	(8.9)
Proceeds from borrowings on credit facilities and bank loans	139.3	454.8
Repayments of borrowings on credit facilities and bank loans	(113.5)	(222.5)
Payment of debt issuance costs	—	(10.4)
Sale of Company stock by deferred compensation programs, net	—	0.1
Withholding tax paid upon vesting of share-based compensation awards	(3.8)	(0.7)
Net cash provided by financing activities	13.1	212.4
Effect of exchange rates on cash	(0.5)	1.2
Decrease in cash, cash equivalents and restricted cash	(7.6)	(21.5)
Cash, cash equivalents and restricted cash, beginning of period	72.0	90.8
Cash, cash equivalents and restricted cash, end of period	$ 64.4	$ 69.3

We present certain non-GAAP information that can be useful in understanding our operating results and the performance of our core business. We use both GAAP and non-GAAP financial measures to establish internal budgets and targets and to evaluate financial performance against such budgets and targets.

Beginning with the announcement of results for the first quarter of 2026, we have included the gain or loss on sale of property and equipment in the presentation of Adjusted income from operations, Adjusted net income attributable to controlling interest, Adjusted EPS and Adjusted EBITDA. Prior periods have been revised to reflect this change.

We exclude the costs and related tax effects, which are based on the statutory tax rate applicable to each respective item unless otherwise noted below, of the following items as we do not believe they are indicative of our core business operations:

- Transformation program - Incremental costs related to the execution of our ongoing strategic transformation initiatives which may include personnel costs, third-party consultant costs, duplicative systems usage fees, administrative costs, accelerated depreciation and amortization on certain long-lived assets and other similar type charges. These costs are included in "Cost of sales" and "Selling, general and administrative expenses", as appropriate, in the Consolidated Statements of Operations.
- Restructuring and other related charges - Charges related to restructuring activities, to the extent that they are experienced, may include personnel termination actions and reorganization efforts to simplify and consolidate our operations. These costs are recorded in "Restructuring and other operating charges (gains), net" in the Consolidated Statements of Operations.
- Goodwill impairment - Goodwill impairment charges, to the extent that they are experienced, are recorded in "Goodwill impairment" in the Consolidated Statements of Operations.
- Asset impairment - Asset impairment charges, to the extent that they are experienced, are recorded in "Restructuring and other operating charges (gains), net" in the Consolidated Statements of Operations.
- Amortization of acquired intangible assets - Non-cash charges related to the amortization of acquired intangible assets. These costs are typically included in "Selling, general and administrative expenses" in the Consolidated Statements of Operations.
- Acquisition and integration costs - Costs associated with the pursuit of acquisition opportunities or the effected acquisition and integration of acquired businesses. These costs are typically included in "Cost of sales" and "Selling, general and administrative expenses" in the Consolidated Statements of Operations.

Astec Industries Inc.
GAAP vs Non-GAAP Adjusted Income from Operations Reconciliations
(In millions, except percentage data; unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net sales	$ 352.4	$ 350.1	$ 1,156.8	$ 1,009.8
(Loss) income from operations	$ (3.3)	$ 1.1	$ 26.1	$ 43.0
Adjustments:				
Transformation program	4.8	5.2	13.2	15.6
Restructuring and other related charges	1.4	(0.2)	2.6	(0.2)
Amortization of acquired intangible assets	7.9	6.2	23.6	7.5
Acquisition and integration costs	1.3	8.3	5.4	10.5
Adjusted income from operations	$ 12.1	$ 20.6	$ 70.9	$ 76.4
Adjusted operating margin	3.4%	5.9%	6.1%	7.6%

Astec Industries Inc.
GAAP vs Non-GAAP Adjusted EPS Reconciliations
(In millions, except per share amounts; unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net (loss) income attributable to controlling interest	$ (12.2)	$ (4.2)	$ (0.4)	$ 26.8
Adjustments:				
Transformation program	4.8	5.2	13.2	15.6
Restructuring and other related charges	1.4	(0.2)	2.6	(0.2)
Amortization of acquired intangible assets	7.9	6.2	23.6	7.5
Acquisition and integration costs	1.3	8.3	5.4	10.5
Income tax impact of adjustments	(3.5)	(4.5)	(10.4)	(7.7)
Adjusted net (loss) income attributable to controlling interest	$ (0.3)	$ 10.8	$ 34.0	$ 52.5
Diluted EPS	$ (0.53)	$ (0.18)	$ (0.02)	$ 1.16
Adjustments:				
Transformation program[(a)]	0.21	0.23	0.58	0.67
Restructuring and other related charges	0.06	(0.01)	0.11	(0.01)
Amortization of acquired intangible assets	0.34	0.27	1.03	0.33
Acquisition and integration costs	0.06	0.36	0.23	0.46
Income tax impact of adjustments	(0.15)	(0.20)	(0.45)	(0.33)
Adjusted EPS	$ —	$ 0.47	$ 1.48	$ 2.28

[(a)]Calculation includes the impact of a rounding adjustment

Astec Industries Inc.
EBITDA and Adjusted EBITDA Reconciliations
(In millions, except percentage data; unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net sales	$ 352.4	$ 350.1	$ 1,156.8	$ 1,009.8

Net (loss) income attributable to controlling interest	$ (12.2)	$ (4.2)	$ (0.4)	$ 26.8
Interest expense, net	6.4	6.6	19.2	8.5
Depreciation and amortization	14.5	12.3	43.1	24.7
Income tax provision (benefit)	2.7	(0.9)	8.7	10.3
EBITDA	11.4	13.8	70.6	70.3
EBITDA margin	3.2%	3.9%	6.1%	7.0%
Adjustments:				
Transformation program	4.8	5.2	13.2	15.5
Restructuring and other related charges	1.4	(0.2)	2.6	(0.2)
Acquisition and integration costs	1.3	8.3	5.4	10.5
Adjusted EBITDA	$ 18.9	$ 27.1	$ 91.8	$ 96.1
Adjusted EBITDA margin	5.4%	7.7%	7.9%	9.5%

Astec Industries Inc.
Free Cash Flow Reconciliation
(In millions; unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net cash provided by (used in) operating activities	$ 17.4	$ (8.1)	$ 70.2	$ 25.3
Expenditures for property and equipment	(6.7)	(4.2)	(22.2)	(12.0)
Free cash flow	$ 10.7	$ (12.3)	$ 48.0	$ 13.3

Source: Astec Industries, Inc.