



Community Chat With Worthington Steel, Future President, and CEO

Geoff Gilmore

June 14, 2023 | David Schollaert, Senior Analyst



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SMU developed its newsletter for active buyers and sellers of flat-rolled steel.

Prices | Momentum | Sentiment | Trends | Analysis

For more information visit www.steelmarketupdate.com

Upcoming Events



SMU Steel Summit 2023
 August 21-23, 2023 | Atlanta, Ga.
 Georgia International Convention Center

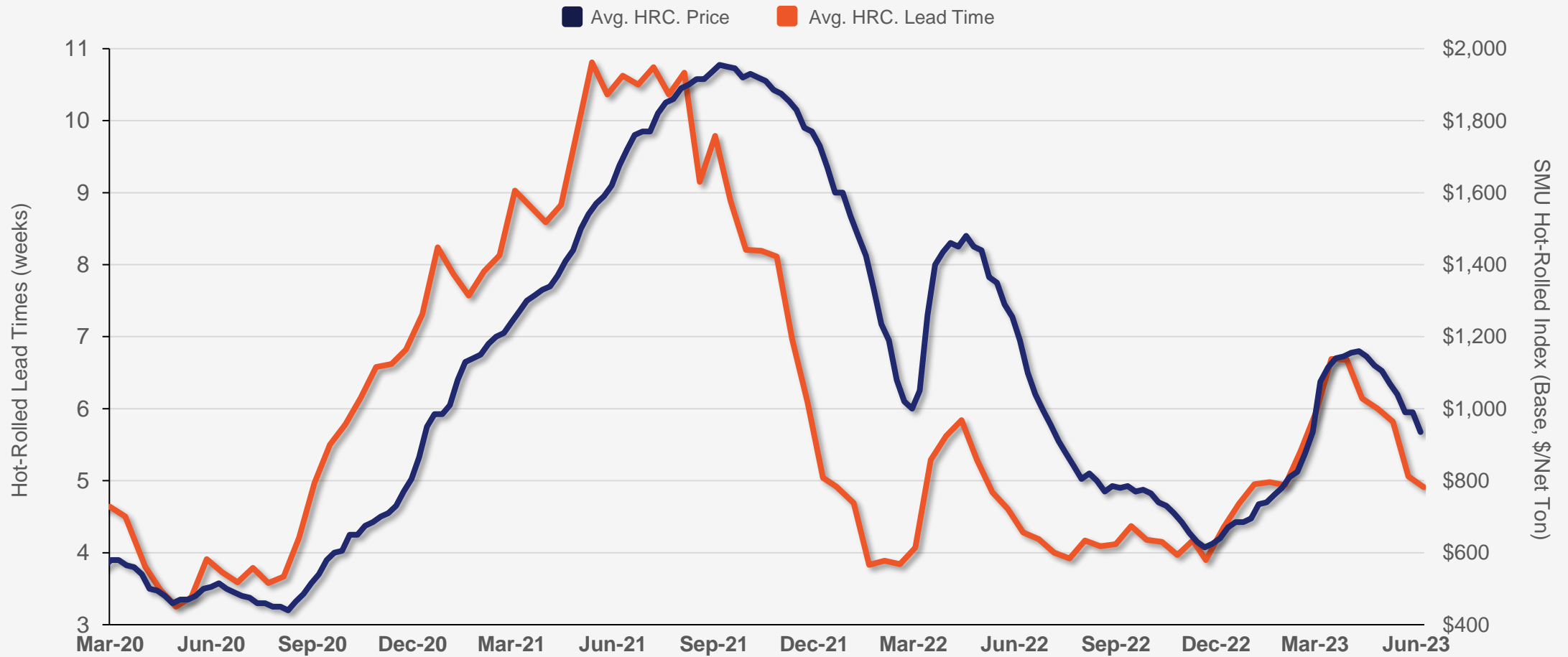


35th Tampa Steel Conference 2024
 January 28-30, 2024 | Tampa, Fla.
 JW Marriott Tampa Water Street

If you would like more information about any of our workshops and/or conferences, you may visit steelmarketupdate.com/events or e-mail our team at events@steelmarketupdate.com

Hot-Rolled Steel Prices vs Lead Times

SMU's hot-rolled steel prices and lead times, with data through June 7, 2023.





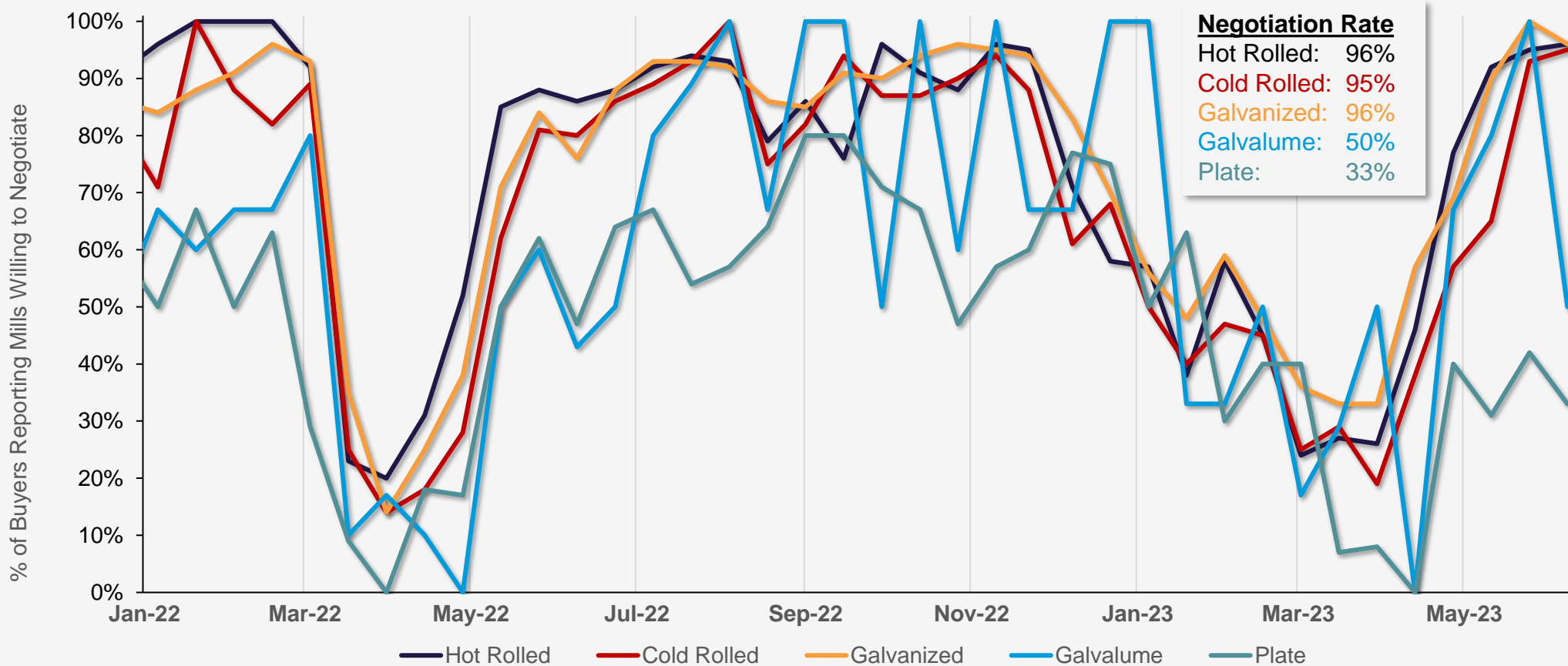
Steel Mill Lead Times by Product

SMU lead times on new steel orders by product through June 7, 2023.



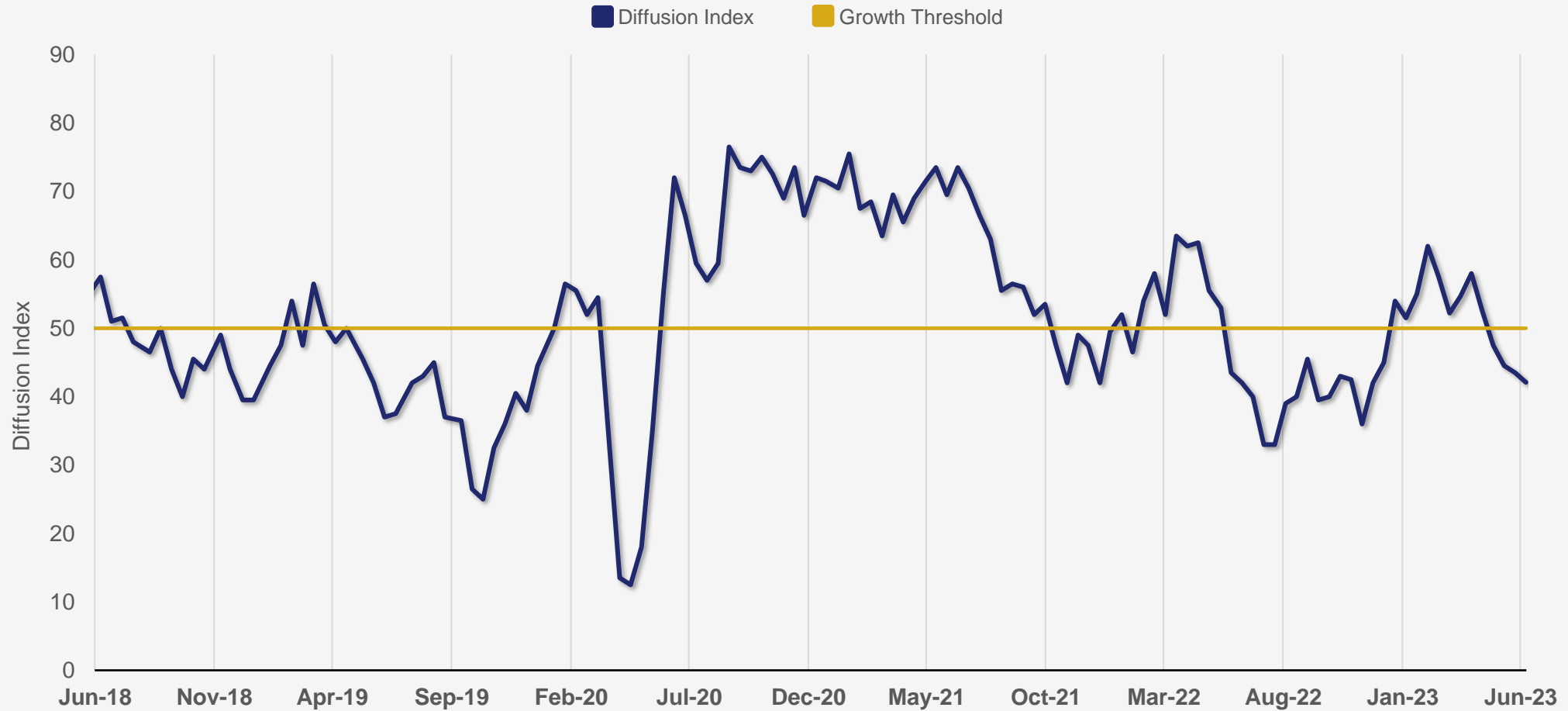
Steel Mill Negotiations

SMU's price negotiations on new steel orders by product through June 7, 2023.



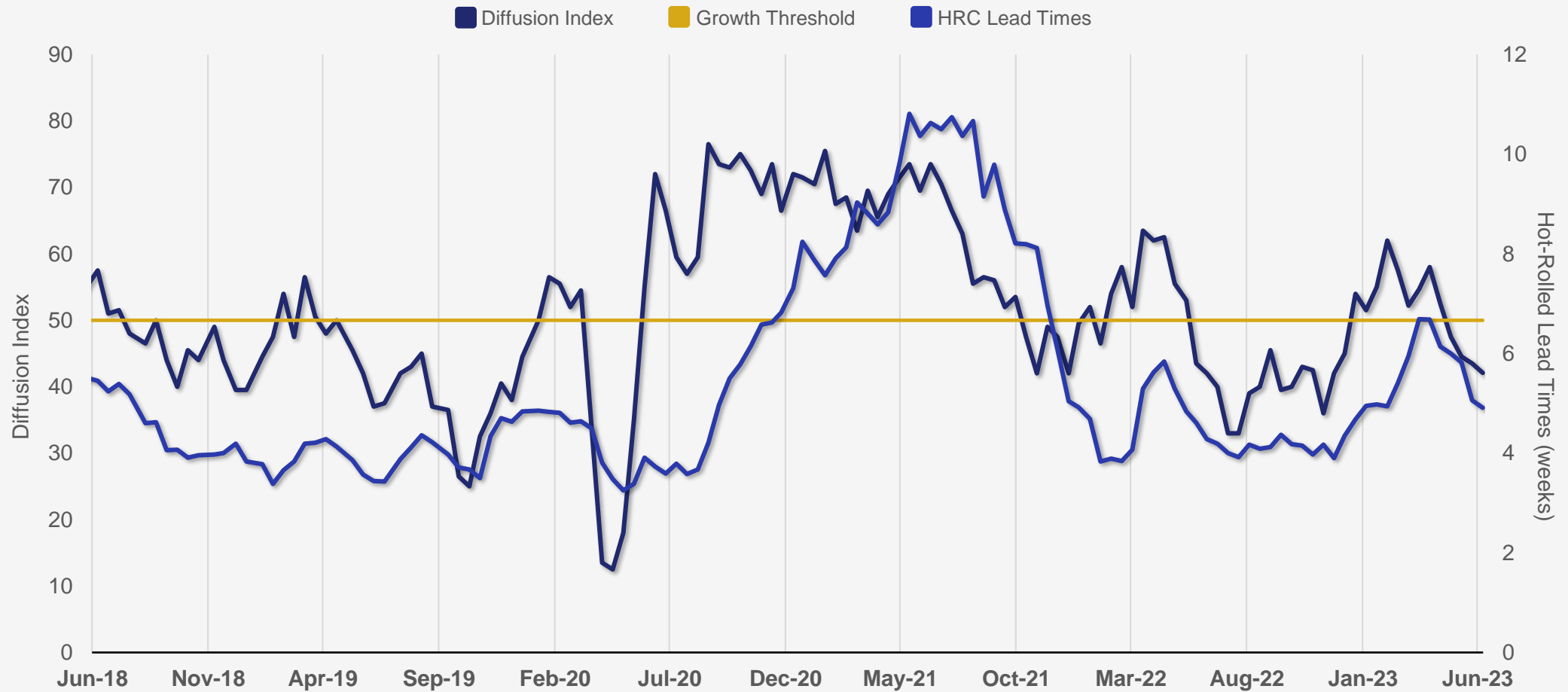
Steel Demand Index

SMU Steel Demand index – apparent demand for domestic flat-rolled steel through June 7, 2023.



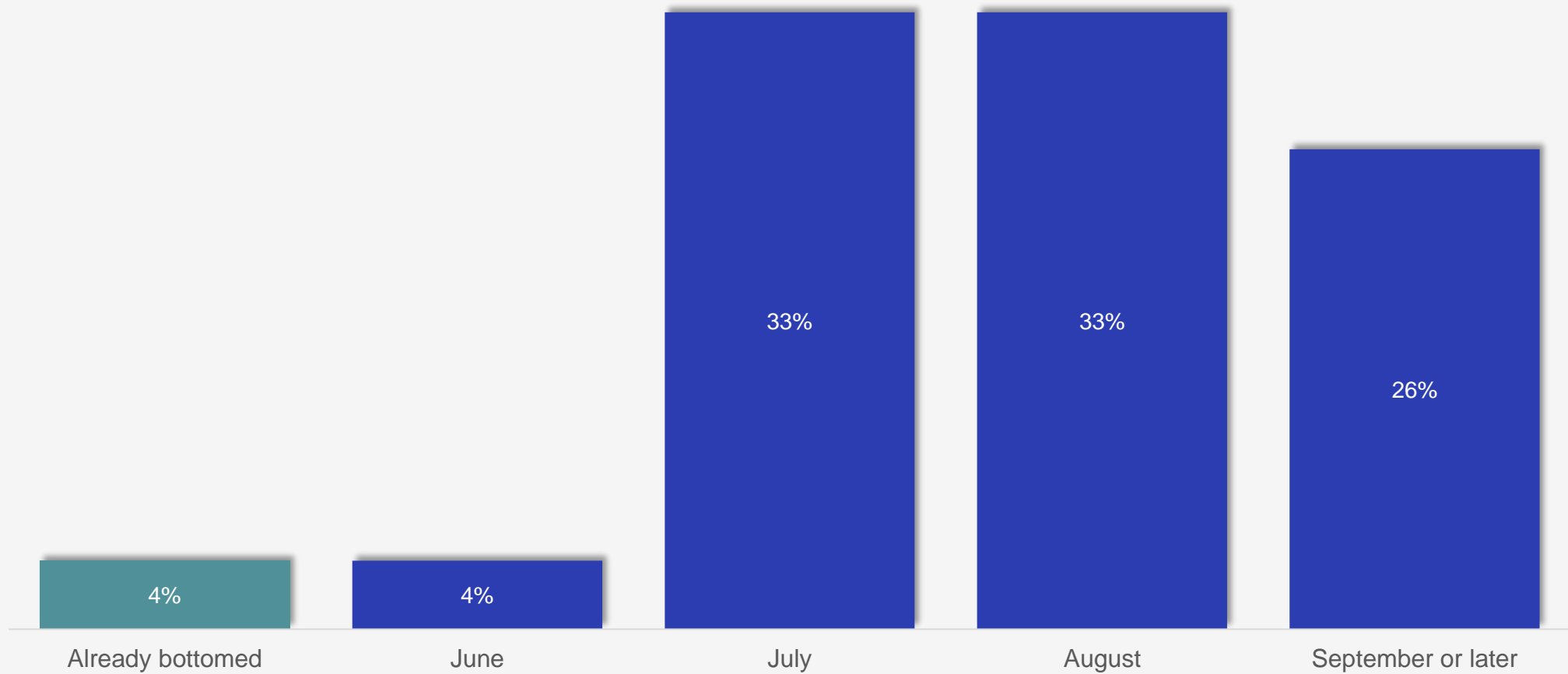
Steel Demand Index vs. HRC Lead Times

SMU Steel Demand index – apparent demand for domestic flat-rolled steel vs. hot-rolled coil lead times through June 7, 2023.



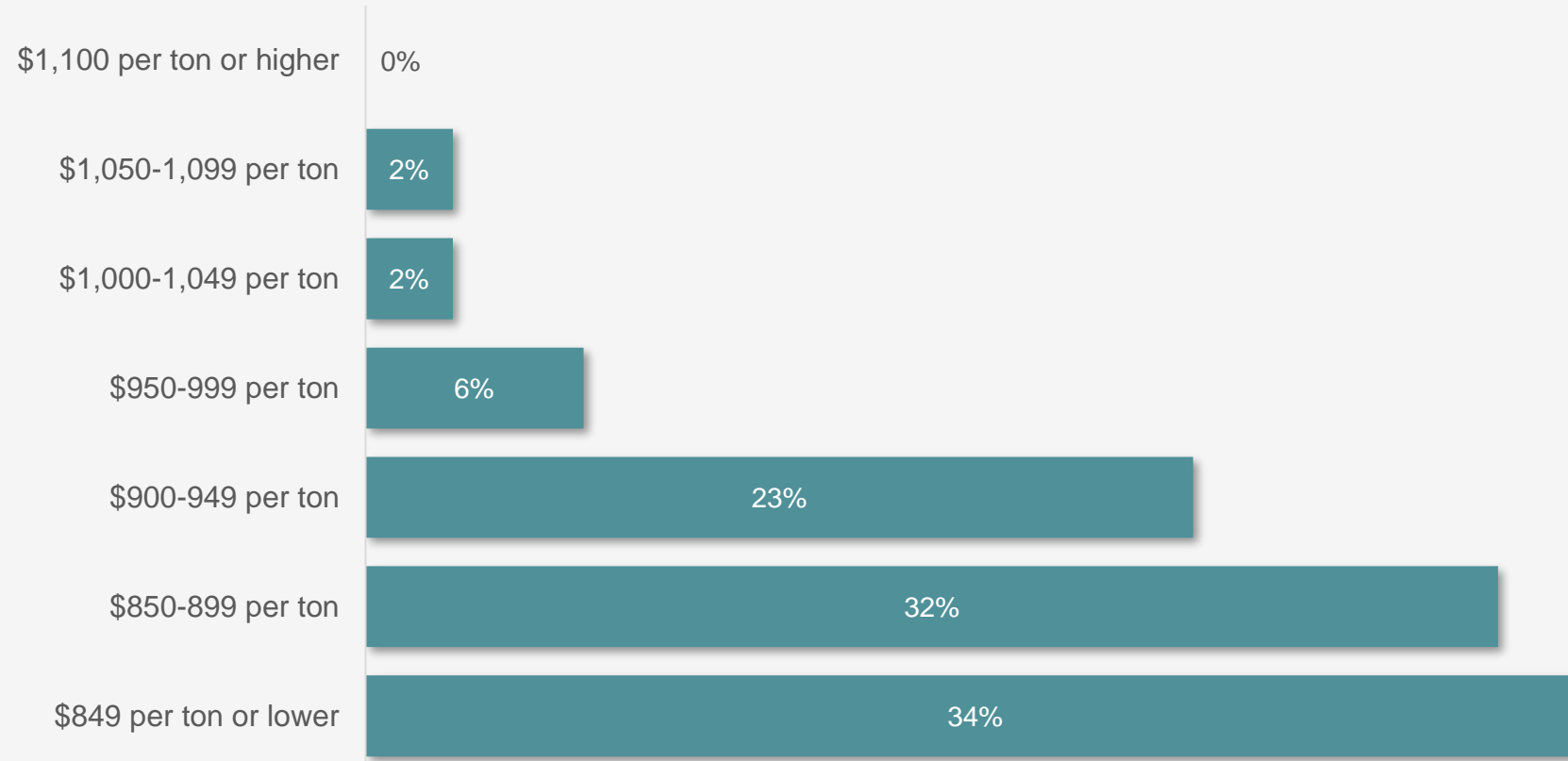
Hot Rolled Inflection Point

When do you think steel prices will bottom?



Future Hot Rolled Prices

Where do you think HRC prices will be in two months?



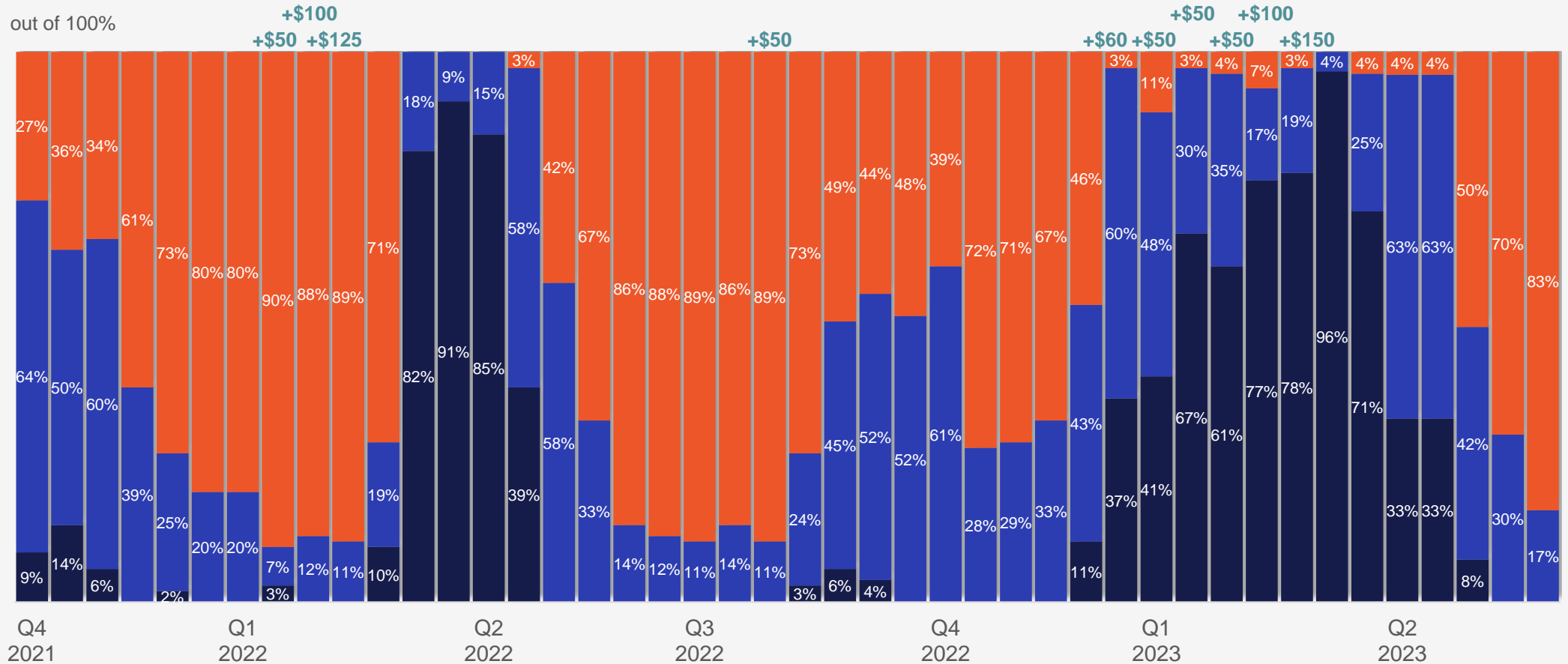
Service Center View of Selling Prices

Service Centers

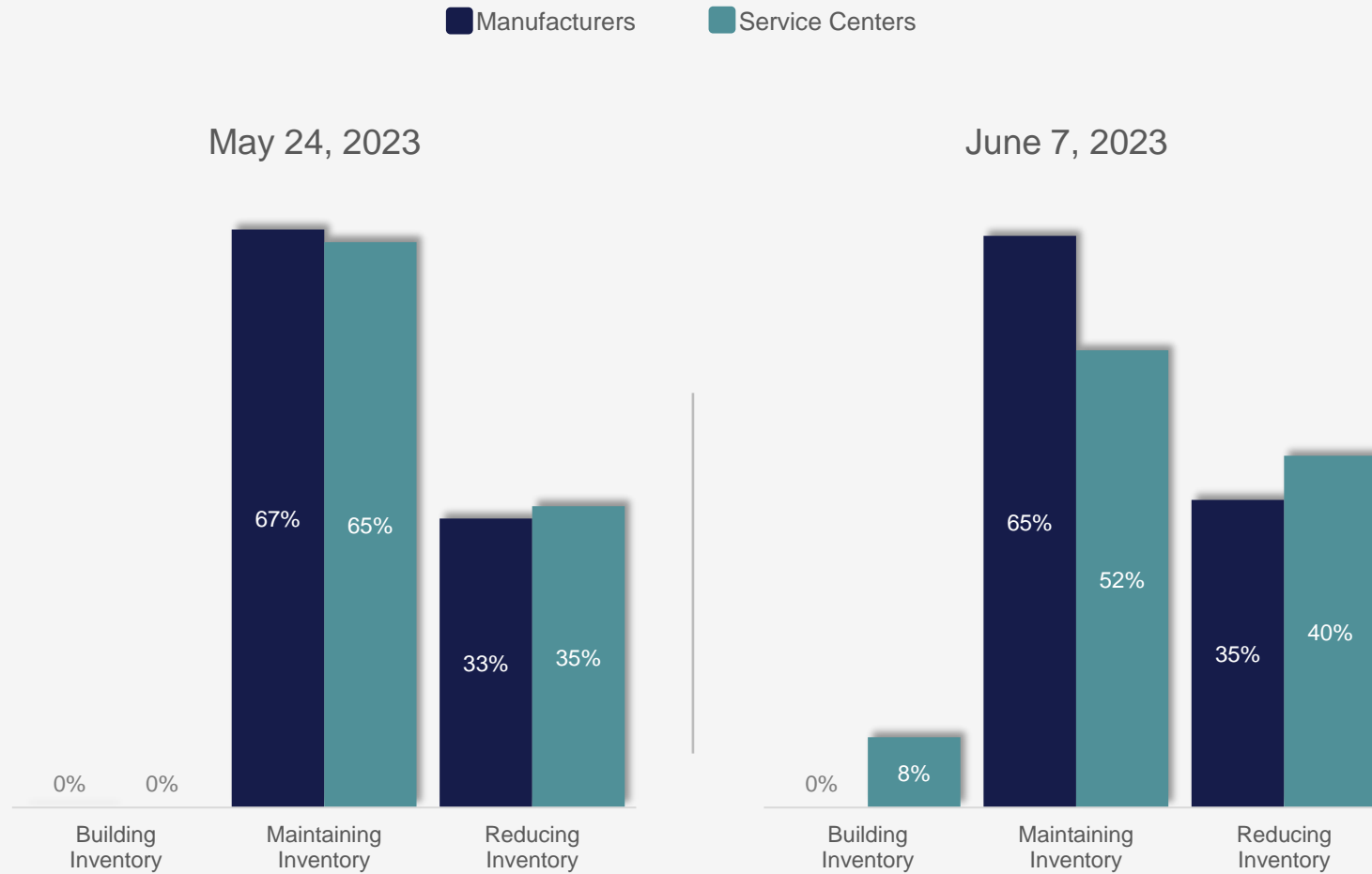
Compared to two weeks ago, how is your company handling spot pricing to your customers?

Historical Nucor flat rolled price increase announcements out of 100%

■ We are raising prices
 ■ We are keeping prices the same
 ■ We are lowering prices



Manufacturer and Service Center Inventory Buying Patterns

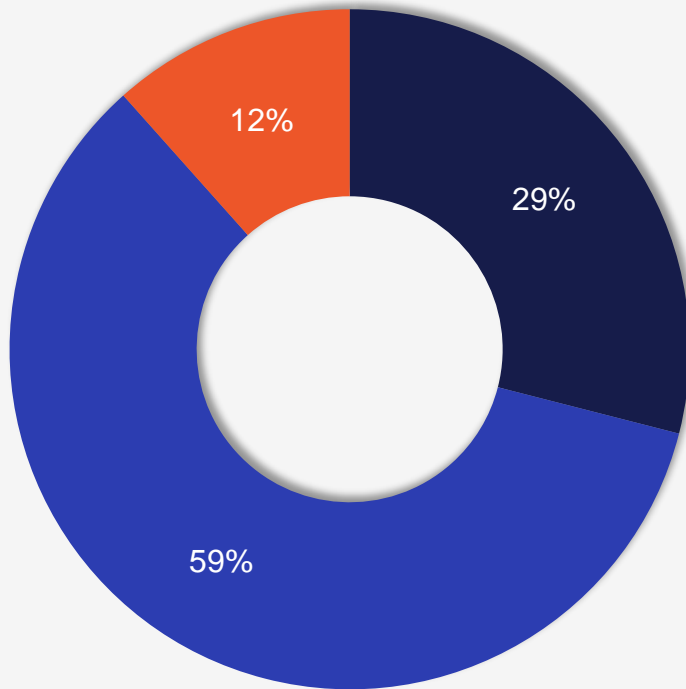


Business Forecasts

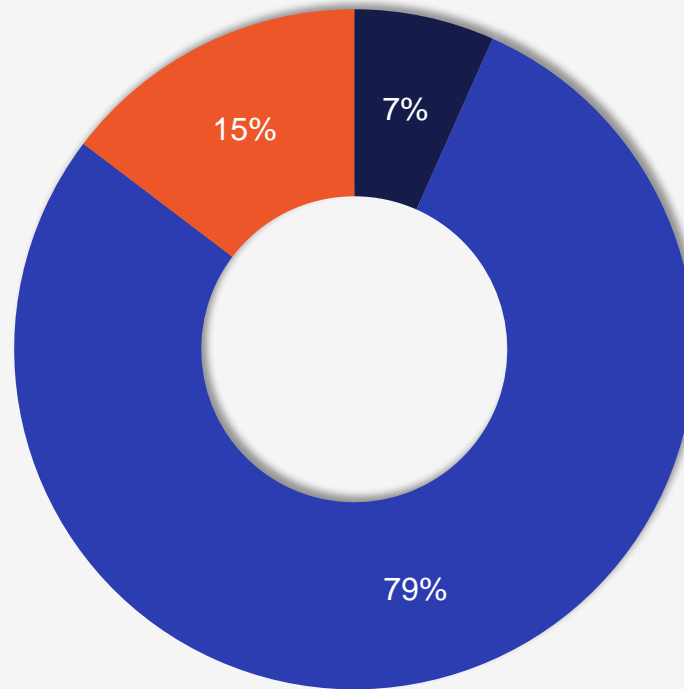
How did your company perform last month compared to your forecast?

■ We exceeded forecast
 ■ We met forecast
 ■ We did not meet forecast

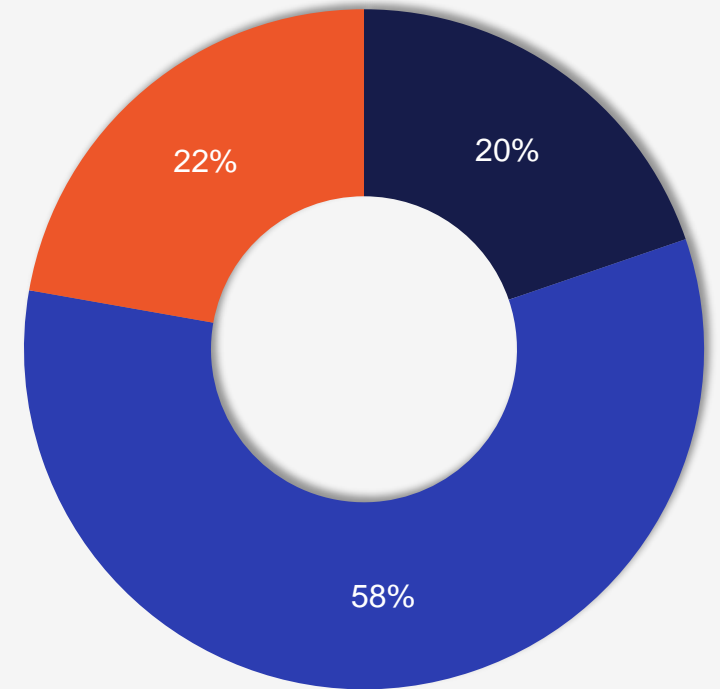
April 12, 2022



May 11, 2023



June 7, 2023



Geoff Gilmore



Geoff G. Gilmore was named executive vice president and chief operating officer of Worthington Industries in August 2018.

Gilmore joined Worthington Industries in 1998 as an inside sales representative in Steel Processing. Over the next 12 years, he took on sales roles of increasing responsibility, from a territory manager to commercial lead for all automotive sales. In April 2010, Gilmore was promoted to general manager of the Worthington Steel Delta, Ohio facility where he was responsible for overseeing the facility's manufacturing and sales operations. In July 2011, he was named vice president of purchasing for Worthington Industries responsible for all purchasing efforts across the Company including steel, commodity and OEM purchasing. In August 2012, he was named president of Worthington Steel. In June 2016 he was named president of Worthington Cylinders Corporation.

Gilmore earned his bachelor's degree from Valparaiso University and his MBA from The University of Michigan. He resides in Columbus, Ohio with his wife, Erika, and three children.

JUNE 14, 2023

SMU Community Chat

Geoff Gilmore

Executive Vice President and Chief Operating Officer

Future President and CEO of Worthington Steel



MAKERS OF BETTER

WORTHINGTON 2024: CREATING TWO MARKET-LEADING, INDEPENDENT PUBLIC COMPANIES BY EARLY 2024



NEW WORTHINGTON



Andy Rose

Chief Executive Officer – New Worthington
Current Chief Executive Officer & President
with 14 Years at Worthington Industries

- ✓ A market leader with premier brands in attractive end markets in Consumer Products, Building Products and Sustainable Energy Solutions
- ✓ High margins and asset-light business model enable strong cash flow generation
- ✓ Growth strategy driven by focus on sustainable, technology-enabled solutions disrupting mature markets

WORTHINGTON STEEL



Geoff G. Gilmore

Chief Executive Officer – Worthington Steel
Current Chief Operating Officer
with 24 Years at Worthington Industries

- ✓ A best-in-class, value-added steel processor with a blue chip customer base in growing end-markets
- ✓ A market-leader in electrical steel laminations and automotive lightweighting solutions capitalizing on electrification, sustainability and infrastructure spending
- ✓ Sophisticated supply chain and pricing solutions to manage complex programs for customers, grow market share and increase margins

Improved Strategic Focus and Differentiated Investment Theses



WORTHINGTON 2024 RATIONALE

**Significant
value
opportunity
for
shareholders**



**Enhanced
strategic focus
leveraging
supporting
resources**



**Tailored
capital
allocation
priorities
aligned to
strategies**



**Strengthened
ability to
attract,
retain, and
allocate
talent**



Worthington Steel

Overview

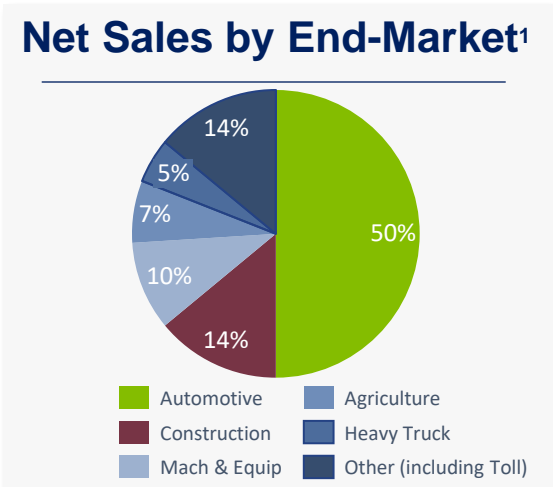
THE EVOLUTION OF BETTER
WORTHINGTON 2024 

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WORTHINGTON STEEL IS A BEST-IN-CLASS, VALUE-ADDED STEEL PROCESSOR IN GROWING END-MARKETS

Key Investment Highlights

- ✓ Proven management team that is focused on value creation
- ✓ One-of-a-kind business with a unique capability set and leading market positions across multiple value-added services, reliably solving complex supply chain challenges for blue chip customers
- ✓ Market-leading supplier to growing end markets including electric vehicles, electric grid modernization and renewable energy
- ✓ Sophisticated supply chain and price risk management solutions drive market share and margin enhancement
- ✓ Worthington Business System powers base business improvements, higher profitability and organic growth



¹ TTM as of Q3 FY2023. Sales exclude pro-rata share of unconsolidated JV sales.

A ONE-OF-A-KIND BUSINESS WITH A UNIQUE CAPABILITY SET

<p>#3</p>	<p>#1</p>	<p>#1</p>	<p>#1</p>	<p>#1</p>	<p>#2</p>
<p>Global Producer of Stamped Electrical Steel Laminations</p>	<p>Producer of Tailor Welded Blanks in North America</p>	<p>Trader of Steel Futures by Volume in North America</p>	<p>Network of Independent Picklers in North America</p>	<p>Independent Producer of Hot Dipped Galvanized Steel in North America</p>	<p>Independent flat rolled service center in Mexico</p>
					

Blue Chip Customer Recognition and Accolades



General Motors
Supplier of the Year 2020 & 2021



John Deere
2021 & 2022 Partner Level Supplier and inducted into the 10-year Hall of Fame



Schaeffler
2021 Schaeffler Supplier Excellence Award



Stellantis
2020 Raw Material Supplier of the Year



*Management estimates

ROBUST MANUFACTURING FOOTPRINT OFFERING DIFFERENTIATED, VALUE-ADDED SOLUTIONS

North America Region



● Wholly-Owned Facilities ● Joint-Venture-Owned Facilities

Asia Pacific Region



- ✓ 31 Manufacturing Facilities Primarily Located in North America¹
- ✓ Key Operations Strategically Located Proximate to Suppliers and Customers
- ✓ Unmatched Operating Footprint That is Difficult to Replicate
- ✓ Locations Minimizing Freight and Logistics Costs

Carbon Flat-Roll
Steel
Processing

Electrical Steel
Laminations

Tailor
Welded
Products







Value-Added Products and Services



¹ Includes Worthington Steel's consolidated and unconsolidated joint ventures.

POISED TO CAPITALIZE ON KEY END MARKET TRENDS



	Decarbonization of Transportation		Energy Transition		Infrastructure	
Offering / Products	<p>Tempel Electrical Steel Laminations</p>  <p>EV Traction Motors</p>	<p>TWB Tailored Blanks</p>  <p>Automotive Frames</p>	<p>Galvanized Steel</p>  <p>Solar panel racks</p>	<p>Tempel Electrical Steel Laminations</p>  <p>Transformer Cores</p>	<p>Tempel Electrical Steel Laminations</p>  <p>Transformer Cores</p>	<p>Galvanized Steel</p>  <p>Drainage Culvert / Renewables</p>
Key Trends	<ul style="list-style-type: none"> Worldwide transition to electric vehicles Lightweighting, via innovative processes and material combinations, remains a high priority for automotive OEMs Aggressive carbon reduction targets by automotive OEMs 		<ul style="list-style-type: none"> Transition to renewable energy sources such as hydro, solar, and wind Energy grid emergency back-up power supply 		<ul style="list-style-type: none"> Aging infrastructure and electrical grid in the US Increased government spending to improve the electrical grid and expand EV charging 	
Market Growth Drivers	<p>80% of passenger vehicles sold globally in 2030 expected to be battery or hybrid¹</p>		<p>\$25 Billion available in tax credits for manufacturers of renewable energy equipment²</p>		<p>\$1 Trillion infrastructure bill signed in 2021</p>	

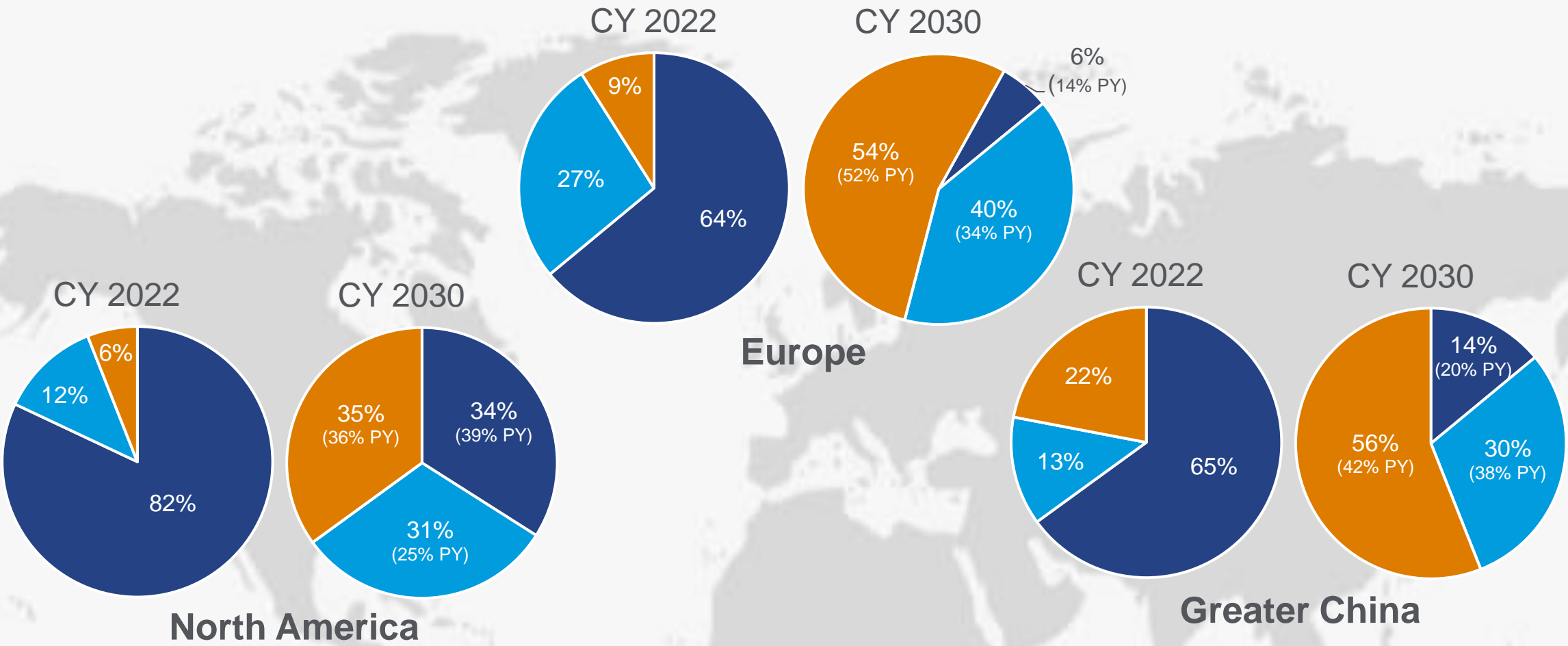


Sources: ¹ S&P Global Mobility, E-Motor Production Forecast, February 2023, includes mid and full hybrids.

² White House (Inflation Reduction Act Guidelines, January 2023).

THE AUTOMOTIVE MARKET FACING LARGEST FUNDAMENTAL CHANGE IN DECADES

PROJECTED VEHICLE PRODUCTION BY PROPULSION SYSTEM – 2022 VS. 2030

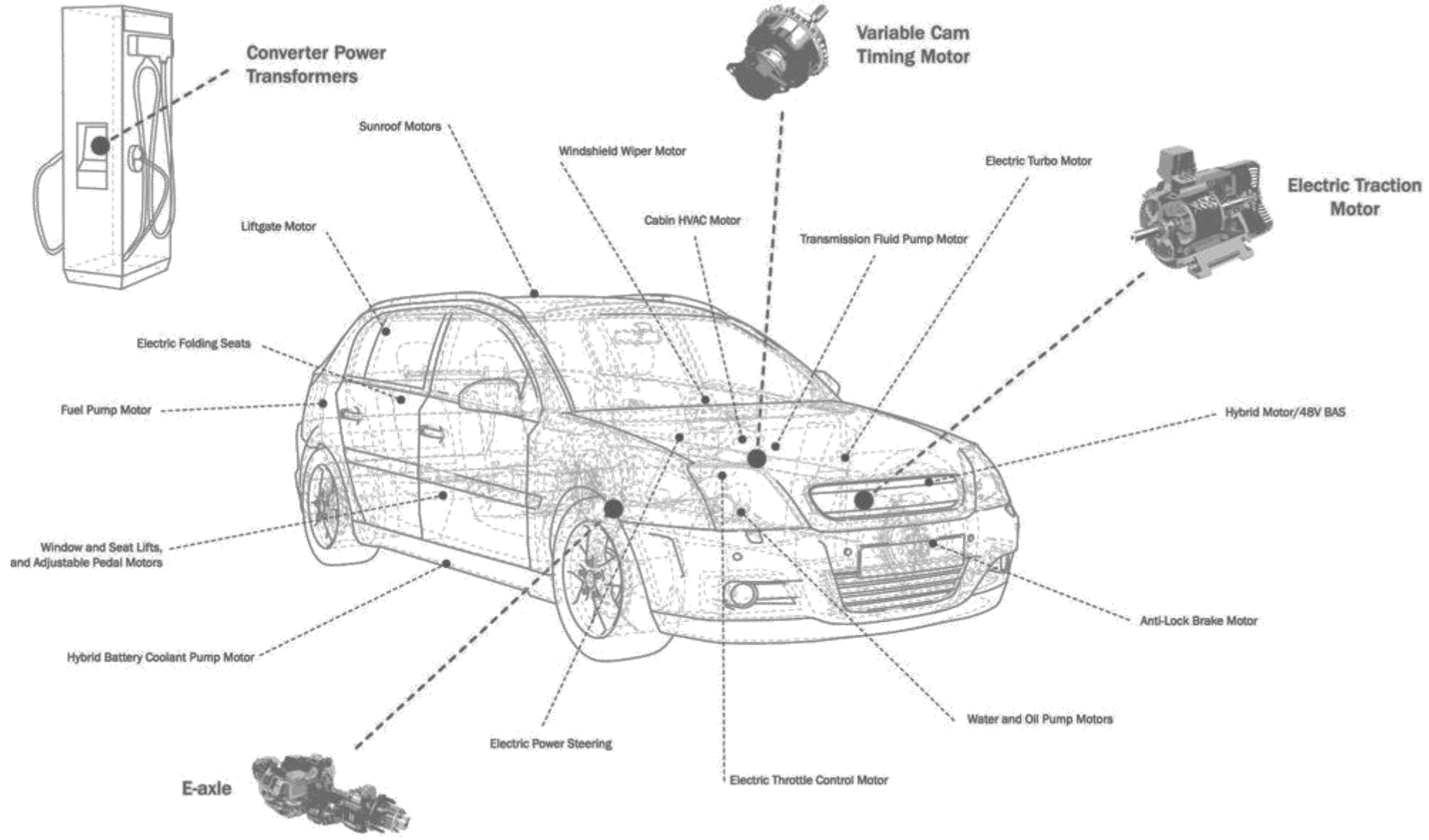


Source: IHS Markit

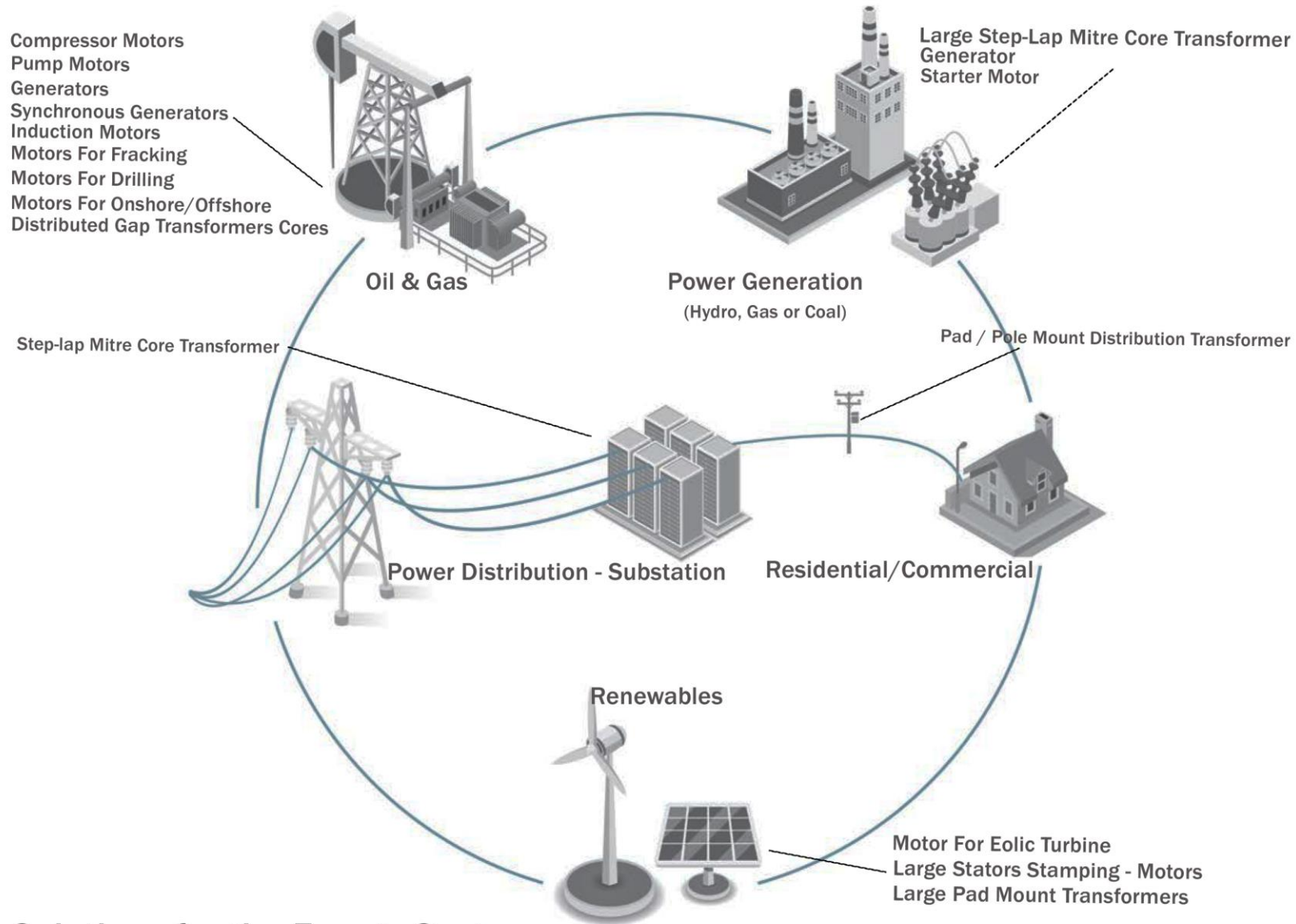
■ Internal Combustion ■ Hybrid ■ Electric Vehicle



WHERE DOES TEMPEL PARTICIPATE IN AUTOMOTIVE?



WHERE DOES TEMPEL PARTICIPATE IN ENERGY MARKET?



Solutions for the Energy Sector



POWERED BY THE WORTHINGTON BUSINESS SYSTEM



TRANSFORMATION

Leveraging Lean Practices and Technology for World-Class Operations

- Systematic approach to continuously identify business improvement opportunities
- On-going collaboration between sales, supply chain, and ops to reduce working capital and increase earnings
- Predictive analytics and automation to enhance operational efficiency, reduce unplanned downtime, and improve safety



INNOVATION

Tailored Customer Solutions

- Cross-functional teams developing sophisticated supply chain solutions
- Utilize the steel futures market to provide tailored commercial mechanisms
- Metallurgical expertise to co-develop custom metals solutions for customers



ACQUISITIONS

Acquired Strategic Capabilities Enabling Green Energy Transition

- Tempel specifically increases exposure to electrification megatrend in transportation
- Tempel directly participates in electrical grid modernization and upgrade
- TWB enables vehicle lightweighting for more fuel-efficiency and improved safety performance



BEST-IN-CLASS MANAGEMENT TEAM WITH EXTENSIVE INDUSTRY EXPERIENCE



Geoff Gilmore
President & Chief Executive Officer



Jeff Klingler
Executive VP & Chief Operating Officer



Tim Adams
VP & Chief Financial Officer



Michaune Tillman
VP & General Counsel



Nikki Ballinger
VP of Human Resources



Bill Wertz
VP Transformation & Chief Information Officer



Cliff Nastas
President of Tempel



Ivan Meltzer
President of TWB



Cliff Larivey
VP of Commercial, Purchasing & Price Risk Mgmt



Brad Kern
VP of Operations

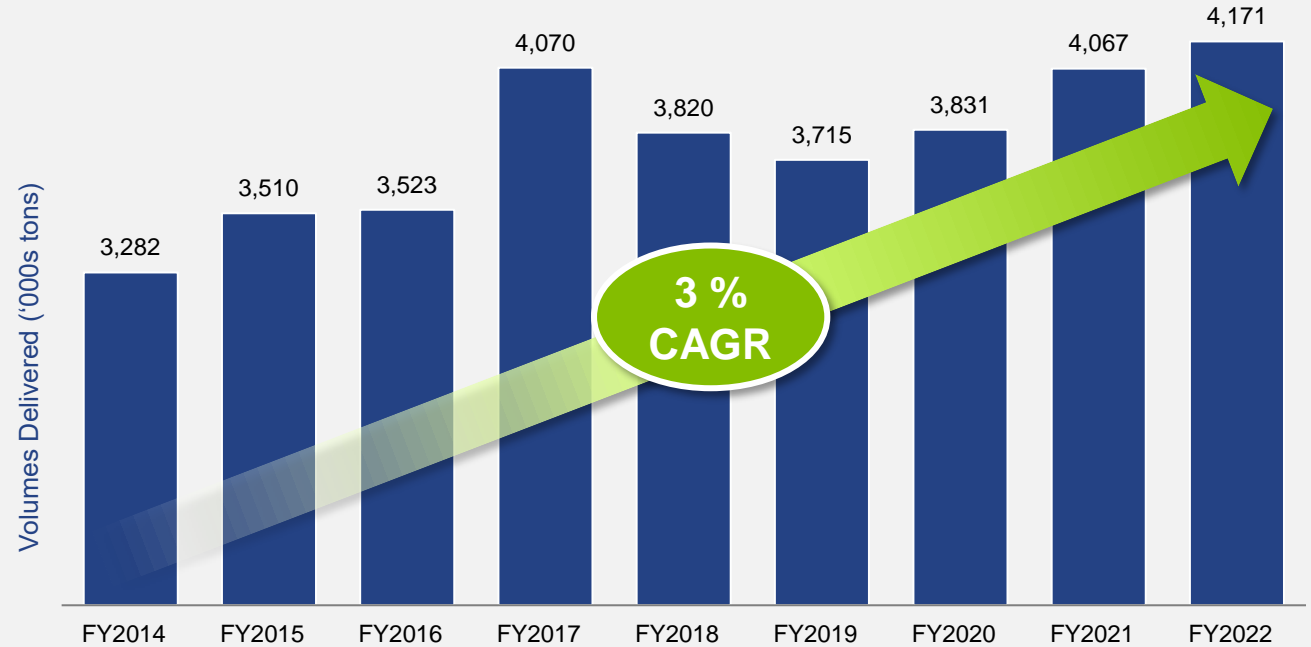


WHY WORTHINGTON STEEL WINS



Bolstering Worthington Steel's Differentiated Position as a Preferred Value-Added Partner to Customers

Customer-Centric Approach Drives Consistency in Volumes



NOTES

FORWARD LOOKING STATEMENTS. Worthington Industries, Inc. (the “Company” or “Worthington”) wishes to take advantage of the Safe Harbor provisions included in the Private Securities Litigation Reform Act of 1995 (the “Act”). Statements by the Company relating to the intended separation of Worthington’s Steel Processing business; the timing and method of the separation; the anticipated benefits of the separation; the expected financial and operating performance of, and future opportunities for, each company following the separation; the tax treatment of the transaction; the leadership of each company following the separation; and other non-historical matters constitute “forward-looking statements” within the meaning of the Act. Forward-looking statements may be characterized by terms such as “believe,” “anticipate,” “should,” “would,” “intend,” “plan,” “will,” “expect,” “estimate,” “project,” “positioned,” “strategy,” “targets,” “aims,” “seeks,” “sees” and similar expressions. Because they are based on beliefs, estimates and assumptions, forward-looking statements are inherently subject to risks and uncertainties that could cause actual results to differ materially from those projected. Any number of factors could affect actual results, including, without limitation, the final approval of the separation by our board of directors; the uncertainty of obtaining regulatory approvals in connection with the separation, including rulings from the Internal Revenue Service; the ability to satisfy the necessary closing conditions to complete the separation on a timely basis, or at all; our ability to successfully separate the two companies and realize the anticipated benefits of the separation; the risks, uncertainties and impacts related to the COVID-19 pandemic – the duration, extent and severity of which is impossible to predict, including the possibility of future resurgence in the spread of COVID-19 or variants thereof – and the availability, effectiveness and acceptance of vaccines, and other actual or potential public health emergencies and actions taken by governmental authorities or others in connection therewith; the effect of national, regional and global economic conditions generally and within major product markets, including significant economic disruptions from COVID-19, the actions taken in connection therewith and the implementation of related fiscal stimulus packages; the effect of conditions in national and worldwide financial markets, including inflation and increases in interest rates, and with respect to the ability of financial institutions to provide capital; the impact of tariffs, the adoption of trade restrictions affecting the Company’s products or suppliers, a United States withdrawal from or significant renegotiation of trade agreements, the occurrence of trade wars, the closing of border crossings, and other changes in trade regulations or relationships; changing oil prices and/or supply; product demand and pricing; changes in product mix, product substitution and market acceptance of the Company’s products; volatility or fluctuations in the pricing, quality or availability of raw materials (particularly steel), supplies, transportation, utilities, labor and other items required by operations (especially in light of COVID-19 and Russia’s invasion of Ukraine); the outcome of adverse claims experience with respect to workers’ compensation, product recalls or product liability, casualty events or other matters; effects of facility closures and the consolidation of operations; the effect of financial difficulties, consolidation and other changes within the steel, automotive (especially in light of the semi-conductor shortages), construction and other industries in which the Company participates; failure to maintain appropriate levels of inventories; financial difficulties (including bankruptcy filings) of original equipment manufacturers, end-users and customers, suppliers, joint venture partners and others with whom the Company does business; the ability to realize targeted expense reductions from headcount reductions, facility closures and other cost reduction efforts; the ability to realize cost savings and operational, sales and sourcing improvements and efficiencies, and other expected benefits from transformation initiatives, on a timely basis; the overall success of, and the ability to integrate, newly-acquired businesses and joint ventures, maintain and develop their customers, and achieve synergies and other expected benefits and cost savings therefrom; capacity levels and efficiencies, within facilities, within major product markets and within the industries in which the Company participates as a whole; the effect of disruption in the business of suppliers, customers, facilities and shipping operations due to adverse weather, casualty events, equipment breakdowns, labor shortages (especially in light of the COVID-19 pandemic), interruption in utility services, civil unrest, international conflicts (especially in light of Russia’s invasion of Ukraine), terrorist activities or other causes; changes in customer demand, inventories, spending patterns, product choices, and supplier choices; risks associated with doing business internationally, including economic, political and social instability (especially in light of Russia’s invasion of Ukraine), foreign currency exchange rate exposure and the acceptance of the Company’s products in global markets; the ability to improve and maintain processes and business practices to keep pace with the economic, competitive and technological environment; the effect of inflation and interest rate increases, which may negatively impact the Company’s operations and financial results; deviation of actual results from estimates and/or assumptions used by the Company in the application of its significant accounting policies; the level of imports and import prices in the Company’s markets; the impact of environmental laws and regulations or the actions of the United States Environmental Protection Agency or similar regulators which increase costs or limit the Company’s ability to use or sell certain products; the impact of increasing environmental, greenhouse gas emission and sustainability regulations; the impact of judicial rulings and governmental regulations, both in the United States and abroad, including those adopted by the United States Securities and Exchange Commission (“SEC”) and other governmental agencies as contemplated by the Coronavirus Aid, Relief and Economic Security (CARES) Act, the Consolidated Appropriations Act, 2021, the American Rescue Act of 2021, and the Dodd-Frank Wall Street Reform and the Consumer Protection Act of 2010; the effect of healthcare laws in the United States and potential changes for such laws, especially in light of the COVID-19 pandemic which may increase the Company’s healthcare and other costs and negatively impact the Company’s operations and financial results; the effect of tax laws in the U.S. and potential changes for such laws, which may increase the Company’s costs and negatively impact its operations and financial results; cyber security risks; the effects of privacy and information security laws and standards; and other risks described from time to time in the filings of Worthington Industries, Inc. with the SEC, including those described in “Part I — Item 1A. — Risk Factors” of Worthington’s Annual Report on Form 10-K for the fiscal year ended May 31, 2022, and its subsequent filings with the SEC. Forward-looking statements should be construed in the light of such risks. Readers are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date made. Worthington does not undertake, and hereby disclaim, any obligation to update any forward-looking statements, whether as a result of new information, future developments or otherwise.



Don't just read our data,
**see your company's
experience reflected in it.**

Contact info@steelmarketupdate.com to participate



Q & A





Thank You

Thanks for attending our Community Chat!

For information on subscribing to SMU, contact Lindsey Fox: lindsey@steelmarketupdate.com

To participate in our survey, contact us: info@steelmarketupdate.com

To become a data provider for our service center inventory report, contact Estelle Tran: estelle.tran@crugroup.com

To contact David Schollaert: david@steelmarketupdate.com

To contact Geoff Gilmore: geoff.gilmore@worthingtonindustries.com

Stay safe and stay tuned to Steel Market Update!



Next Community Chat with Wolfe Research managing director Timna Tanners

Tune in on July 12 at 11 am ET!