



# Investor Presentation

NOVEMBER 2022

# Forward Looking Statements

As a reminder, we will be presenting certain forward-looking statements on this call that are based on Management's current expectations and views regarding future events and operating performance and are subject to uncertainties and changes in circumstances. Our actual results may differ materially from the forward-looking statements for a number of reasons. Our forward-looking statements are applicable only as of the date of this presentation. For a list of the factors which could affect our future results, including our earnings estimates, see forward-looking statements included in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," set forth in our Annual Report on Form 10-K for the fiscal year ended March 31, 2022, which was filed with the U.S. Securities and Exchange Commission.

In addition, we will also be presenting certain non-GAAP financial measures. For an explanation of the differences between the comparable GAAP financial information and the non-GAAP information, please see our company's Form 8-K which includes our press release dated November 9, 2022, which is located on our website at [www.enersys.com](http://www.enersys.com).

# Key Takeaways



We are a global **Industrial Technology** company delivering highly differentiated **Energy Solutions** to **Diverse End Markets**



Our **Proprietary Technologies and Services** play a critical role in the energy transition fueled by **Megatrends**



Our **Resilient Business Model** positions us well to **Capture Growth and Margin Expansion**

# EnerSys at a Glance (NYSE: ENS)

LEADING PROVIDER OF DIFFERENTIATED ENERGY SOLUTIONS

**\$3.4bn<sup>1</sup>**

Sales

**7.9%<sup>1</sup>**

Adj. Operating Margin

**\$4.47<sup>1</sup>**

Adj. Diluted EPS

**~11.4k<sup>1</sup>**

Total Employees

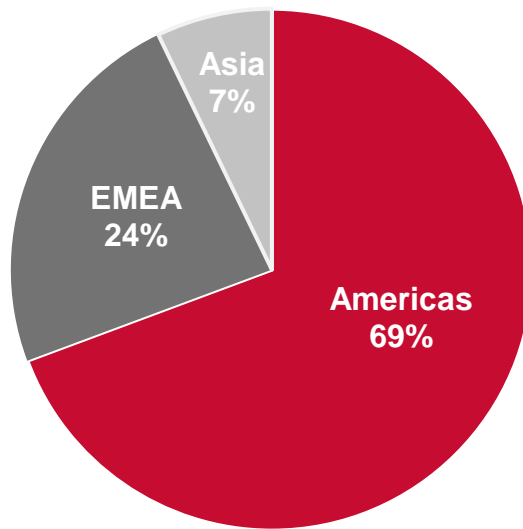
**10k+<sup>1</sup>**

Customers

**22%<sup>1</sup>**

Market Share<sup>2</sup>

## FY'22 SALES BY GEOGRAPHY



## GLOBAL FACILITY BASE<sup>3</sup>



Note: See appendix for non-GAAP reconciliation.

November 2022

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1. FY'22, year end March 31, 2022

2. Source: BCI, Eurobat industry reports and management estimates based on the markets where EnerSys participates. Market size and share are for batteries and chargers only. It excludes power solution and services to broadband, telecom and other markets, and the aerospace & defense and cabinet enclosures markets (each estimated at \$1 to \$2 billion).

3. Represents geographies with EnerSys manufacturing and distribution centers

# Technology Driven Portfolio Transformation

## 2010

- Traditional lead acid battery company
- Narrow set of end markets
- Limited scale

## 2022

- Integrated technology solutions across energy storage, power & electronics, and software & services
- Broad exposure to a wide range of end markets with secular growth trends
- Enhanced scale

## Growth Opportunities

- Expand capacity for premium products
  - Grow **Motive Power maintenance-free** solutions
  - Increase **Transportation market share**
- Leverage **5G and other megatrends** with proprietary technologies
  - Small Cell build out
  - Battery management and software platforms
  - Fast Charge & Storage launch
- Reduce costs through **EOS** and volume leverage

## Transformed Through Strategic Initiatives and Disciplined M&A

### Strategic Initiatives

- ✓ Expansion of TPPL product line
- ✓ Launched lithium platform
- ✓ End market / product diversification

### M&A



2010



2013



2015



2018



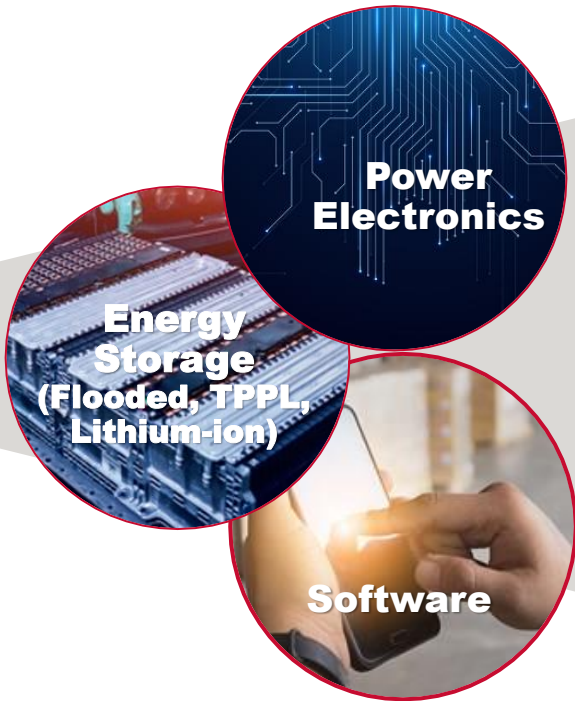
2019

# Leveraging Our Platforms Across All Segments

## 3 Core Technology Platforms

## 3 Business Segments

## 8 End Markets



- Telecom Networks
- Broadband Cable
- Industrial Power and Utilities
- Renewable Energy
- Data Centers
- Logistics and Warehousing
- Aerospace & Defense
- Transportation

# Technology to Meet Customer Needs

## Lithium-ion

- Maintenance-free, longer cycle life, fastest charge rate
- Innovative safety technology
- Ideal for use cases requiring high power density / long life and heavy-duty applications

## TPPL

- Virtually maintenance free
- Ideal for light-to-medium applications

## Flooded

- Ideal for industrial / harsh environment applications

**Energy Storage**

**EnerSys**

**Software**

- Edge computing, efficient data collection to the cloud
- Asset management software
- App support to manage health of assets
- Fleet management – automated service notifications
- Smart batteries

**Power Electronics**

- Advanced, high efficiency power conversion
- High voltage power transfer with power line communication for 5G small cells
- Wireless power transfer for automated warehouses
- Fast chargers for electric vehicles

Differentiated platforms with enhanced vertical capabilities to deliver the right solutions for our customers

# Technology Advancements

POWERING THE FUTURE, EVERYWHERE FOR EVERYONE

## CPUC Network Powering Program



*Advancing both TPPL and Lithium modules*

## Specialty Batteries



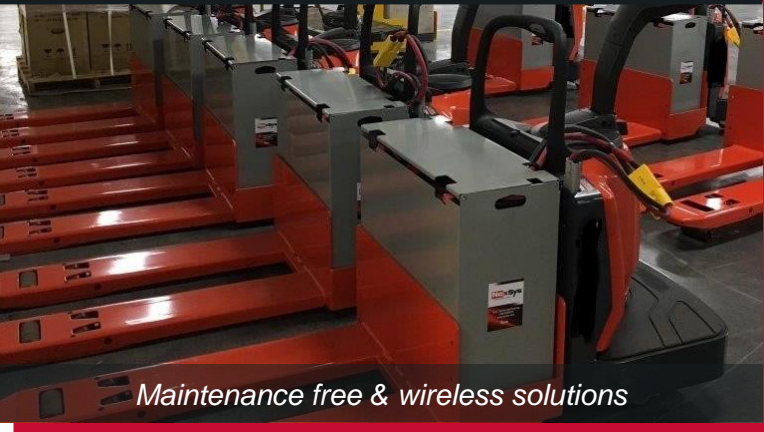
*Making history with specialty solutions*

## Fast Charge & Storage



*Upgraded on-site demo, near-production grade system*

## NexSys® TPPL and Li-ion Options



*Maintenance free & wireless solutions*

## TouchSafe



*Strategic collaboration to facilitate 5G small cell radios*



# EnerSys Lines of Business

A GLOBAL LEADER IN STORED ENERGY



## Energy Systems

\$1.5B FY'22 Revenue

Energy Systems focuses on the telecommunication and broadband, utility industries, renewables, and data center applications requiring stored energy solutions



## Motive Power

\$1.4B FY'22 Revenue

Motive Power batteries are utilized in electric forklift trucks, mining, and other commercial electric powered vehicles

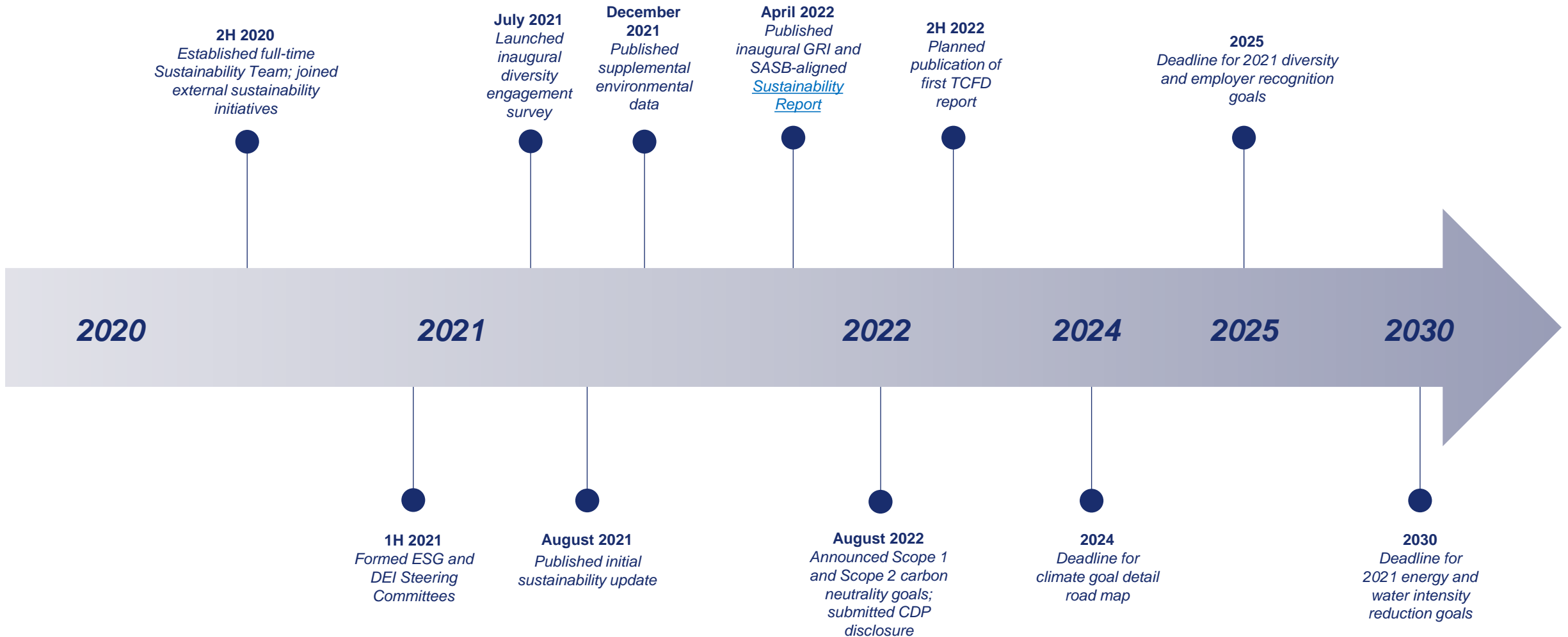


## Specialty

\$0.5B FY'22 Revenue

Specialty segment provides energy storage solutions to the aerospace, defense, and transportation industries

# Our Sustainability Journey



Our Board and management team continue to oversee and prioritize the evolution of our sustainability journey

# Our Sustainability Strategy

\$4M ANNUAL CAPITAL ALLOCATION OVER THE NEXT 5 YEARS

## Our Progress to Date

## Future Aspirations

1

### ENVIRONMENTAL STEWARDSHIP

- Detailed tracking of key environmental metrics including Scope 1 & 2; Scope 3 emission quantification underway
- Began tracking and disclosing the volume of water withdrawn at our manufacturing sites
- Partnered with trade associations and industry experts to develop a circular lithium-ion battery recycling process

- Targeting 25% reduction in energy intensity by 2030 (vs. 2020)
- Targeting 25% reduction in water intensity by 2030 (vs. 2020)
- Targeting Scope 1 greenhouse gas neutrality by 2040 and Scope 2 neutrality by 2050; announcing a comprehensive plan by August 2024

2

### OUR PEOPLE AND COMMUNITY

- Committed to embedding DEI in our business strategy
- Committed to providing employees with both formal and informal learning and development opportunities
- Created DEI Steering Committee and launched first diversity engagement survey (in 2021)

- Increasing our female representation at the leadership level from 9% in 2021 to 20% in 2025
- Increasing our representation of multicultural talent in the U.S. at the leadership level from 16% in 2021 to 25% in 2025
- Aspiring to become recognized by at least three global indexes as a leading employer by 2025

3

### SUSTAINABILITY GOVERNANCE

- Assigned Board-level oversight of sustainability
- Created ESG Steering Committee, consisting of senior management and subject matter experts from across the business
- Formed dedicated sustainability team that focuses on various environment and social topics
- Embedded sustainability considerations across supply chain

- Targeting publication of a TCFD-aligned report in 2022
- Continuing to analyze operations, governance, customer expectations and supply chain performance to better understand sustainability impacts and opportunities
- Participating in CDP process; submitted first response to CDP questionnaire

4

### SUSTAINABILITY OF PRODUCTS AND SERVICES

- Incorporated ESG considerations into development of products and services, specifically relating to the energy transition and decarbonization goals of customers
- On-going support for customer sustainability via increasingly efficient products that facilitate electrification / decarbonization
- Launched an online customer portal to improve the battery recycling process

- Working to establish a robust, ambitious and measurable goal around our products' sustainability in 2022

Expect long-term accretive returns on our investments



# Financial Update

# Q2'23 Results

(\$ millions, except EPS)	Q2'23	Key Takeaways
<b>Net Sales</b> (Y / Y Growth)	<b>\$899</b> 13.7%	<ul style="list-style-type: none"> <li>• Second highest quarterly revenue (in a seasonally slow Q2)               <ul style="list-style-type: none"> <li>• +19% y/y at Constant Currency “CC”</li> <li>• ~(\$45M) y/y FX pressure</li> </ul> </li> </ul>
<b>Adj. Operating Earnings &amp; % Margin</b>	<b>\$65.4</b> 7.3%	<ul style="list-style-type: none"> <li>• TPPL revenue approx +30% y/y</li> </ul>
<b>Adj. EBITDA &amp; % Margin</b>	<b>\$85.7</b> 9.5%	<ul style="list-style-type: none"> <li>• \$1.4B backlog, +38% y/y, robust demand across all segments</li> <li>• 120 bps q/q adj GM expansion</li> </ul>
<b>Adj. Diluted EPS</b>	<b>\$1.11</b>	<ul style="list-style-type: none"> <li>• Ooltewah plant closure executing as planned; on track to begin realizing savings in Q4'FY23; total annual cost savings ~\$8M</li> <li>• Successfully launched NexSys<sup>®</sup> customer day featuring TPPL and lithium-ion line tours with 300 global decision makers</li> <li>• Price/mix benefit of \$0.60 /sh significantly outpaced cost of (\$0.23) /sh</li> <li>• Early signs costs are beginning to plateau and some supply chain easing</li> </ul>

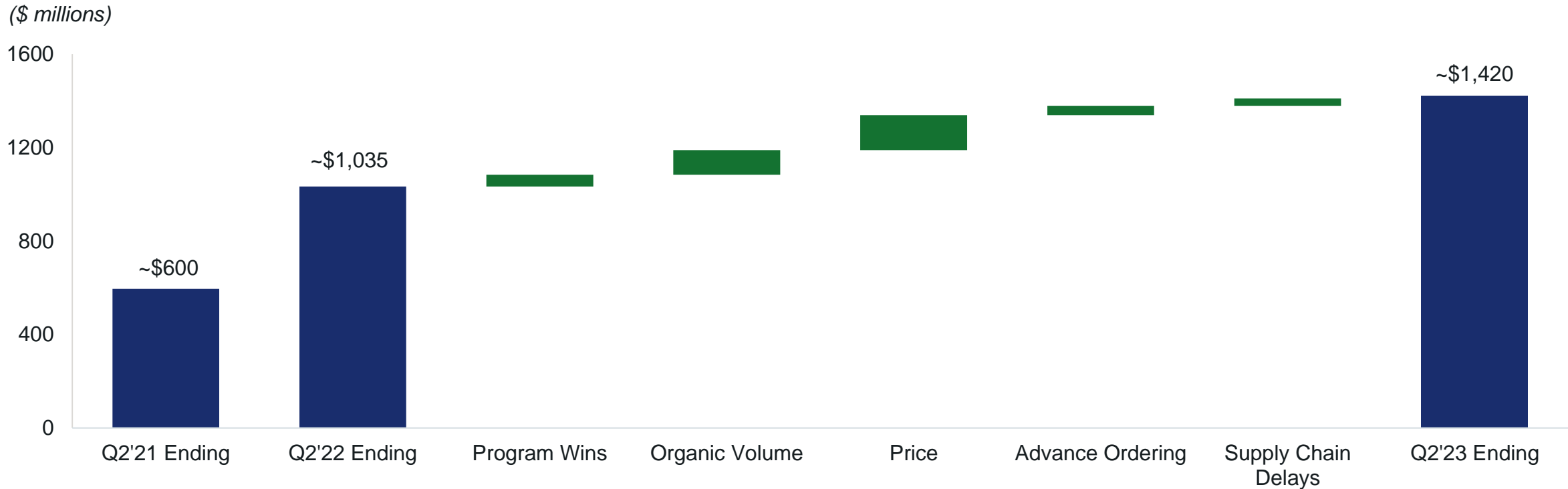
Note: See appendix for non-GAAP reconciliation.

November 2022

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# Record Backlog Drives Long-Term Growth

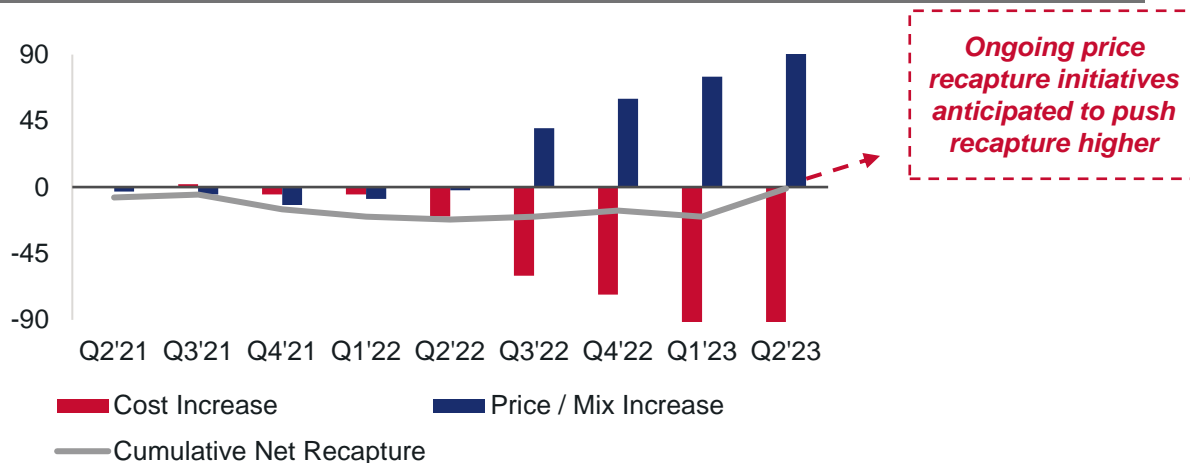
ORDER GROWTH & MACRO CONDITIONS DRIVING RECORD BACKLOG



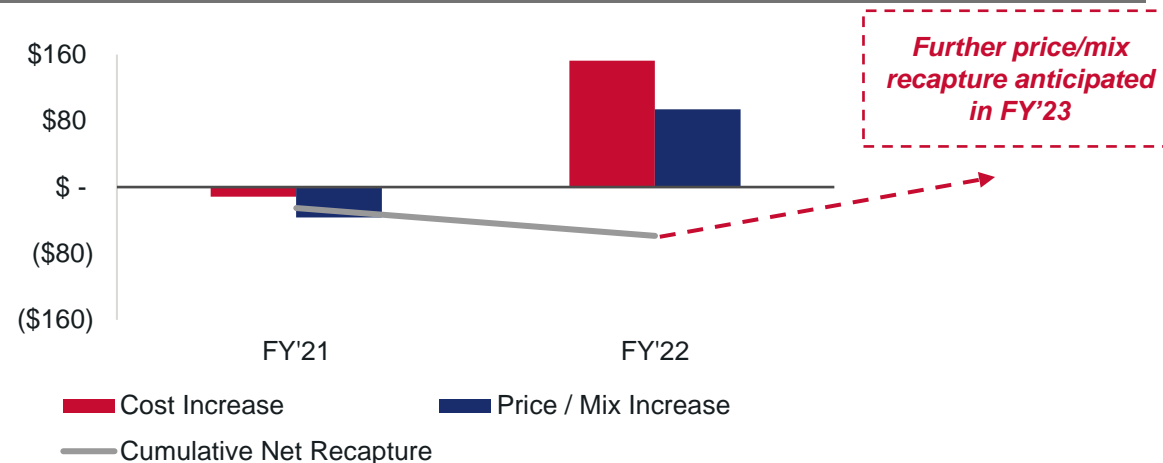
- Backlog >2x higher than historical levels
- ~40% of 12-month backlog increase from program wins and organic volume and ~40% increase from price, while the remaining 20% is comprised of advance orders and delayed shipments due to supply chain

# Price/Mix - Cost Recapture Gaining Traction

Price/Mix – Cost Recapture (q/q, \$ millions)



Price/Mix – Cost Recapture (y/y, \$ millions)



## Ongoing Price/Mix – Cost Recapture Initiatives

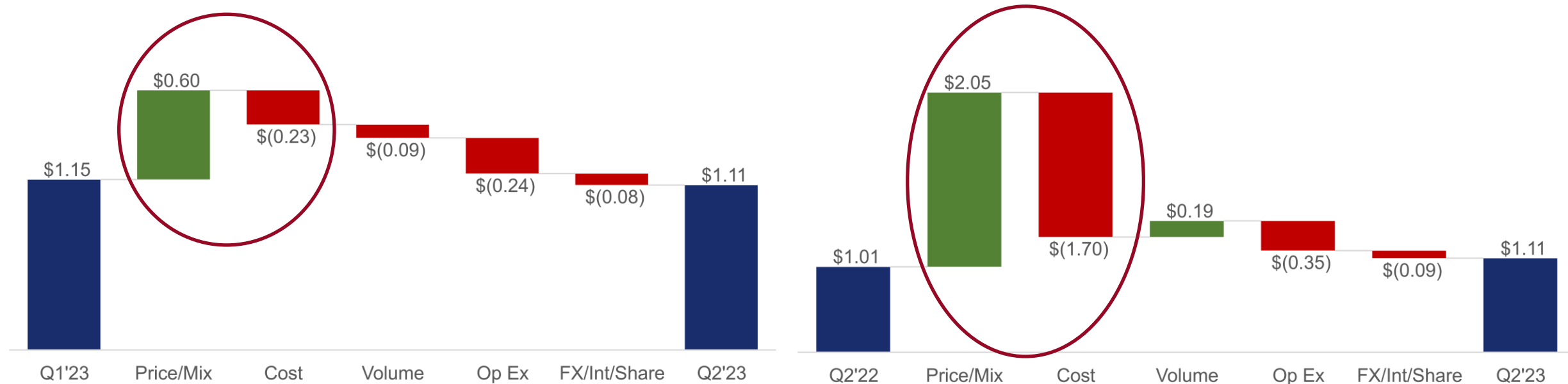
- Q2'23 price/mix of ~\$0.60 adj. EPS more than offset costs of ~\$0.23 adj. EPS
- Positive progress on anticipated price/mix-cost recapture
- \$0.15+ of quarterly adj. EPS price/mix-cost recapture opportunity when costs stabilize (vQ2'21)
- Footprint optimization, EOS savings, and richer mix driven by supply chain improvements should enable future margin expansion opportunity

## Q2'23 Segment Price/Mix Recapture Update

- Energy Systems prices catching up, still enduring ongoing supply chain constraints
- Motive Power continued tailwinds from maintenance-free conversions, commodity inflation continuing
- Specialty remains constrained by supply and labor challenges

# Adj EPS Bridge

Q2'23 SEQUENTIAL AND YEAR-OVER-YEAR



Costs beginning to stabilize; price/mix catching up



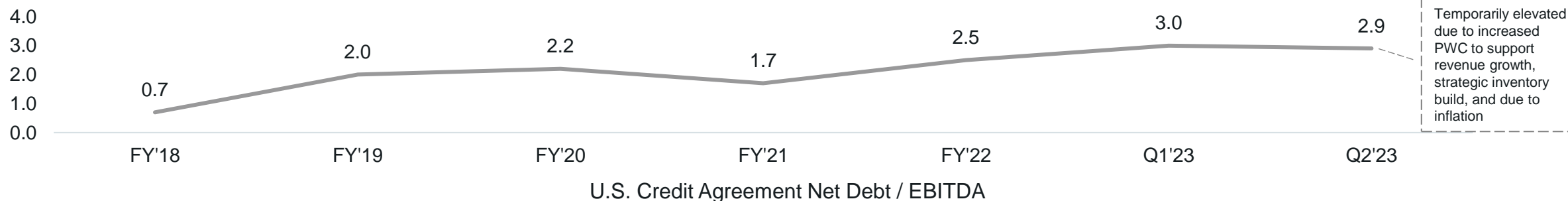
# Disciplined & Balanced Capital Allocation

Capital Allocation Priorities	FY'18 – FY'22 (cumulative) \$ millions	FY'23 YTD \$ millions
1 Invest in Organic Growth (CapEx)	~\$390	~\$40
2 Strategic M&A	~\$940 <i>(Alpha Technologies and NorthStar Battery)</i>	\$0
3 Return of Capital	~\$150 dividends ~\$370 buybacks	~\$14 dividends ~\$23 buybacks

## Healthy Balance Sheet

- 2 – 3x target leverage
- ~\$300M cash and cash equivalents
  - Strong cash generation outpaced by strategic inventory increase, PWC yields cash in recessionary periods
- Ample flexibility to support business investment
- Committed to consistent dividends through cycles
- ~\$185M outstanding repurchase authorization

## Historical Net Leverage



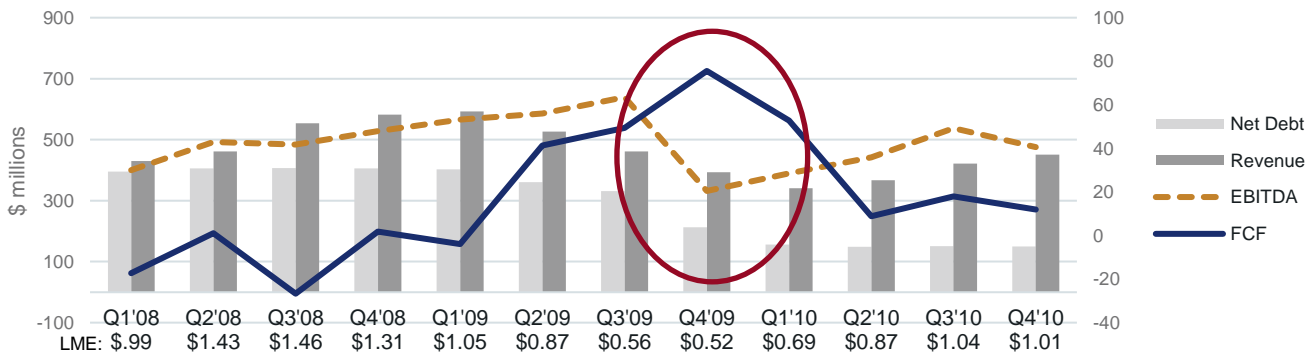
# Recession Playbook

## IMPACT & ACTIONS TO MITIGATE SLOWDOWN

### Key Takeaways:

1. Slowdown not evident yet, but being vigilant
2. Company has deep history of disciplined cost management & cash generation in recessionary periods
3. MP revenue would be most exposed
4. A recession today would be different for ENS:
  - Anomalous inventory investment would normalize
  - Backlog and pent-up demand would delay/soften decline
  - Stable/lower costs would drive catch-up profit improvement
  - Supply chain normalization would offer mix benefit
  - LME had more room to fall and MP was a larger % of revenue in the 2009 recession
5. Significant PWC would be monetized (>.5X leverage opp)
6. **Leadership knows the playbook and is prepared to act**

2009 Recession Quarterly Impact on Cash Flow



### LoB Resilience

- |                |  |
|----------------|--|
| All            | <ul style="list-style-type: none"> <li>• Extensive backlog &amp; pent-up demand buffers impact</li> <li>• Supply chain normalizing provides mix benefit</li> <li>• Stable inflation/lower commodity &amp; freight costs enable price catch up</li> </ul> |
| Energy Systems | <ul style="list-style-type: none"> <li>• GDP-independent cycle (5G buildout, infrastructure, RDOF, grid resiliency spend, etc. continues)</li> </ul>   |
| Specialty      | <ul style="list-style-type: none"> <li>• Aged OTR truck base w/pent-up demand delays slowdown</li> <li>• Low Trans mkt share enables growth</li> <li>• A&amp;D spend independent of GDP</li> </ul>   |
| Motive Power   | <ul style="list-style-type: none"> <li>• <i>Most exposed - trends with GDP</i></li> <li>• <i>Bolstered by movements from increased automation &amp; electrification of ICE forklifts</i></li> </ul>  |



### Slow-Down Levers

- | P&L:   | Cash Flow:  |
|--|---|
| <ul style="list-style-type: none"> <li>✓ Lower MP revenue; ES/Spec minimally affected</li> <li>✓ Mix benefit from normalized supply chains (electronics)</li> <li>✓ Price-cost recapture catch up</li> <li>✓ Delayed price elasticity on lower costs</li> <li>✓ Reduce OpEx</li> <li>✓ <i>Historically rapid AOE recovery</i></li> </ul> | <ul style="list-style-type: none"> <li>✓ Higher margins</li> <li>✓ Lower CapEx</li> <li>✓ Inv / AR monetization</li> <li>✓ Higher AP w/reduced supplier power</li> <li>✓ Hagen closure, Ooltewah closure, additional footprint optimization opportunities</li> <li>✓ <i>Significant Cash Inflow / Buy-Back Opportunity</i></li> </ul> |

\$M USD AA

# Focusing on What We Can Control

**1** *Pricing* – continue to execute pricing increases commensurate with cost increases

**2** *Redesign* – redesign products for component supply constraints (e.g., chips)

**3** *Operating Efficiencies* – reduce costs through EOS

**4** *Profitable Growth* – retain leading market position & grow share through expansion of technologically advanced products and increased TPPL capacity

**5** *Mitigate Supply Constraints* – onshore CMs, dual source & buffer sourcing with strategic inventory

# Compelling EnerSys Investment Case

BUILDING BLOCKS FOR CONTINUED SUCCESS

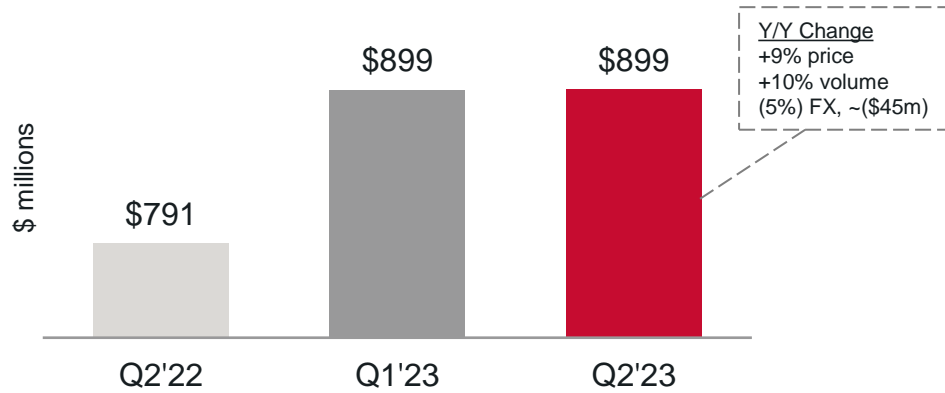
- 1** Provider of highly differentiated energy solutions
- 2** Full suite of technologies for a diverse set of end markets
- 3** Strategically aligned to large and growing markets fueled by industry megatrends
- 4** Healthy balance sheet with ample flexibility to invest in the business
- 5** Positioned for accelerated earnings growth when market conditions normalize
- 6** Strong leadership team focused on delivering long-term shareholder value



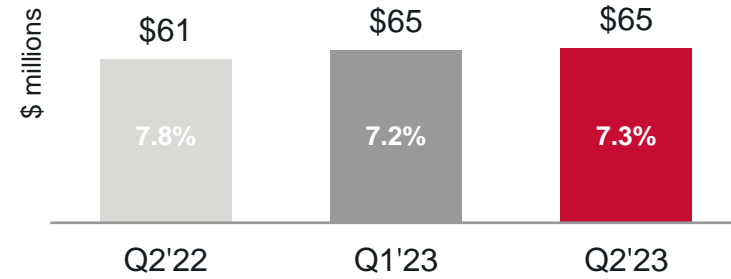
# Appendix

# Q2'23 Results

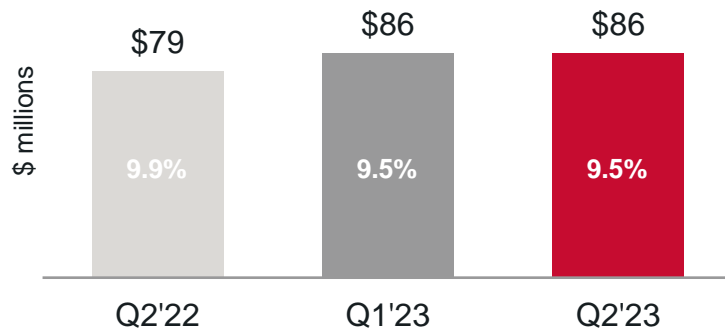
## Net Sales



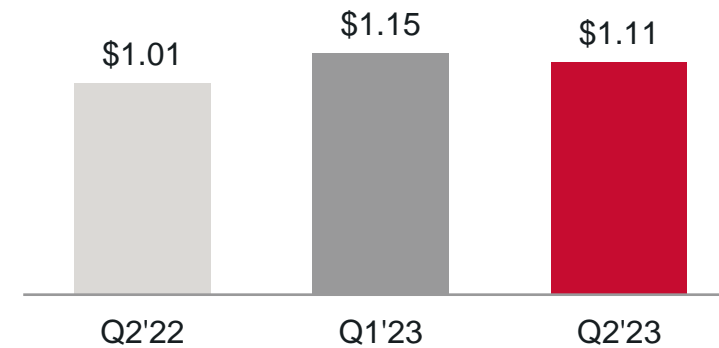
## Adj Operating Earnings & Margin



## Adj EBITDA & Margin



## Adj Diluted EPS






Note: See appendix for non-GAAP reconciliation.

November 2022

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# Q2'23 Segment Financial Highlights

\$MILLIONS; % AND BPS Y/Y GROWTH

	Net Sales		Adj. Op Earnings	Adj. Op Margin
 <p><b>Energy Systems</b></p>	<b>\$437</b>	Volume +14% Price +9% FX (5%) ----- Reported +18%	<b>\$16.4</b> +94%	<b>3.8%</b> +150 bps
 <p><b>Motive Power</b></p>		Volume +3% Price +9% FX (7%) ----- Reported +5%		
 <p><b>Specialty</b></p>	<b>\$124</b>	Volume +19% Price +7% FX (3%) ----- Reported +23%	<b>\$9.3</b> -22%	<b>7.5%</b> -430 bps

Note: See appendix for non-GAAP reconciliation. Rounding may cause totals not to foot.

November 2022

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# Inflation Reduction Act (IRA)

## FUNDING ALLOCATIONS ALIGN WITH ENERSYS TECHNOLOGY

<p><b>Direct Financial Opportunities</b></p>	<p><b>Manufacturing tax credit for battery cells</b>                  &gt;=100Wh/L (Section 45X)</p>	<p>Potential Annual Tax credits                  Jan 2023 – Dec 2032</p>	<ul style="list-style-type: none"> <li>• <b>Lithium / TPPL / Other products</b> in our product mix may qualify depending on energy density                         <ul style="list-style-type: none"> <li>• US Treasury/IRS will need to clarify in Notices or Regulations various definitions/requirements</li> <li>• Public comment period ended Friday 11/4/2022 – Treasury/IRS sought input on variety of topics</li> <li>• Treasury has indicated that they will prioritize issuing further guidance on this topic</li> </ul> </li> </ul>
<p><b>Market Growth Drivers</b></p>	<p>Incentive Tax Credits (ITC) –                  30% credit on cost of solar + storage</p>	<p>Accelerates market demand for renewables</p>	<ul style="list-style-type: none"> <li>• <b>Energy Systems – Mojave/Outback Renewable Products</b></li> </ul>
	<p>EV Tax Incentives</p>	<p>30% cost of commercial EVs/fleets                  \$7.5k per passenger vehicle</p>	<ul style="list-style-type: none"> <li>• <b>Specialty – Transportation Market</b></li> <li>• <b>Motive Power – Forklifts<sup>1</sup></b></li> <li>• <b>Fast Charge and Storage</b>  <i>(grid infrastructure requires stored energy, EVs need reliable fast charge)</i></li> </ul>

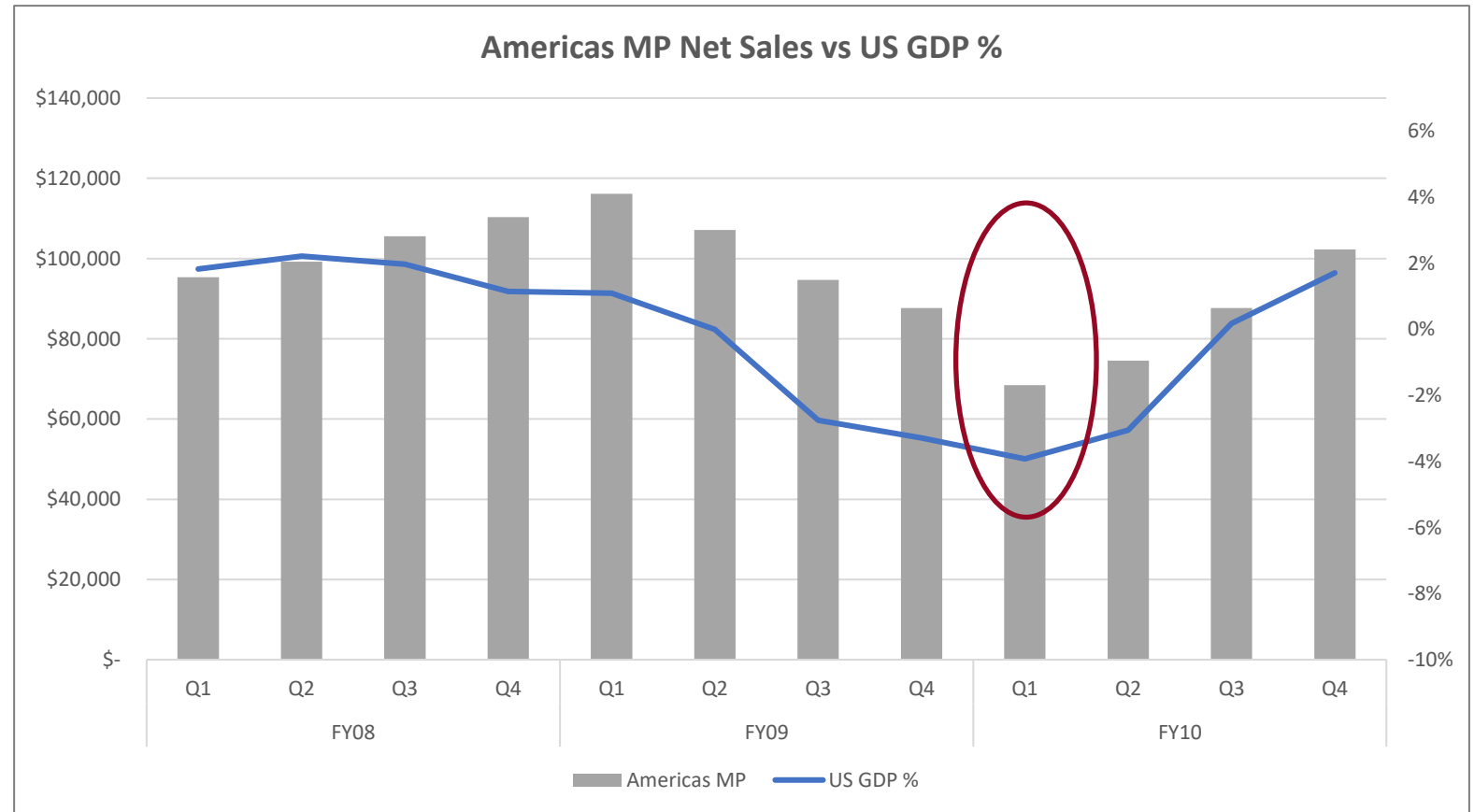


# Motive Power

## REVENUE HISTORICALLY TRENDS WITH GDP

### Motive Power Strengths vs Prior Cycles:

- Bolstered by movements from increased automation & electrification of ICE forklifts
- Higher margin NexSys® maintenance-free solutions increasing as percentage of revenue mix
- Operating efficiencies
  - Richmond DC expanded to centralize inventory, improve lead times and better serve our customers
  - Ooltewah closure - \$8m annual savings starting 2H'23
  - Sales and order automation transformation
  - Hagen closure - \$20m annual savings starting FY'21



# Non-GAAP Reconciliation

	Twelve months ended			
	(\$ millions)			
	March 31, 2022			
	Energy Systems	Motive Power	Specialty	Total
<b>Net Sales</b>	\$ 1,536.6	\$ 1,361.2	\$ 459.5	\$ 3,357.3
<b>Operating Earnings</b>	\$ 15.1	\$ 146.5	\$ 44.6	\$ 206.2
Inventory adjustment relating to exit activities	0.2	2.4	—	2.6
Restructuring and other exit charges	2.8	17.1	(1.1)	18.8
Impairment of indefinite-lived intangibles	0.5	0.7	—	1.2
Loss on assets held for sale	—	3.0	—	3.0
Amortization of identified intangible assets from recent acquisitions	23.6	—	1.8	25.4
Other	5.1	1.0	0.3	6.4
<b>Adjusted Operating Earnings</b>	\$ 47.3	\$ 170.7	\$ 45.6	\$ 263.6

# Non-GAAP Reconciliation

	Twelve months ended	
	<i>(in millions, except share and per share amounts)</i>	
	March 31, 2022	March 31, 2021
<b>Net Earnings reconciliation</b>		
As reported Net Earnings	\$ 143.9	\$ 143.3
Non-GAAP adjustments:		
Inventory adjustment relating to exit activities	2.6 (1)	—
Restructuring and other exit charges	18.8 (1)	40.4 (1)
Impairment of indefinite-lived intangibles	1.2 (2)	—
Loss on assets held for sale	3.0 (3)	—
Amortization of identified intangible assets from recent acquisitions	25.4 (4)	25.3 (4)
Acquisition activity expense	—	0.3 (5)
Other	6.4 (6)	1.8 (6)
Purchase accounting related tax	—	2.2
Income tax effect of above non-GAAP adjustments	(10.3)	(17.3)
Swiss Tax Reform	\$ —	\$ (1.9)
<b>Non-GAAP adjusted Net Earnings</b>	<b>\$ 191.0</b>	<b>\$ 194.1</b>
<b>Outstanding shares used in per share calculations</b>		
Basic	42,106,337	42,548,449
Diluted	42,783,373	43,224,403
<b>Non-GAAP adjusted Net Earnings per share:</b>		
Basic	\$ 4.54	\$ 4.56
Diluted	\$ 4.47	\$ 4.49
<b>Reported Net Earnings (Loss) per share:</b>		
Basic	\$ 3.42	\$ 3.37
Diluted	\$ 3.36	\$ 3.32
<b>Dividends per common share</b>	<b>\$ 0.70</b>	<b>\$ 0.70</b>

# Non-GAAP Reconciliation

The following table provides the line of business allocation of the non-GAAP adjustments shown in the reconciliation above:

	Twelve months ended	
	(\$ millions)	
	March 31, 2022	March 31, 2021
	Pre-tax	Pre-tax
(1) Inventory adjustment relating to exit activities - Energy Systems	0.2	—
(1) Inventory adjustment relating to exit activities - Motive Power	2.4	—
(1) Restructuring and other exit charges - Energy Systems	2.8	3.1
(1) Restructuring and other exit charges - Motive Power	17.1	36.9
(1) Restructuring and other exit charges - Specialty	(1.1)	0.4
(2) Impairment of indefinite-lived intangibles - Energy Systems	0.5	—
(2) Impairment of indefinite-lived intangibles - Motive	0.7	—
(3) Loss on assets held for sale - Motive	3.0	—
(4) Amortization of identified intangible assets from recent acquisitions - Energy Systems	23.6	23.5
(4) Amortization of identified intangible assets from recent acquisitions - Specialty	1.8	1.8
(5) Acquisition activity expense - Energy Systems	—	0.2
(5) Acquisition activity expense - Specialty	—	0.1
(6) Other - Energy Systems	5.1	1.5
(6) Other - Motive	1.0	0.3
(6) Other - Specialty	0.3	—
Total Non-GAAP adjustments	\$ 57.4	\$ 67.8

# Non-GAAP Reconciliation

	Quarter ended (\$ millions)			Six months ended (\$ millions)		
	October 2, 2022	October 3, 2021	Growth rate	October 2, 2022	October 3, 2021	Growth rate
<b>Energy Systems reported net sales</b>	\$ 437.0	\$ 369.8	18.2 %	\$ 845.6	\$ 741.0	14.1 %
<b>Exchange rate effect</b>	18.8			34.6		
<b>Energy Systems constant currency net sales</b>	<u>455.8</u>		23.2	<u>880.2</u>		18.8
<b>Motive Power reported net sales</b>	\$ 338.0	\$ 320.7	5.4 %	\$ 705.9	\$ 656.8	7.5 %
<b>Exchange rate effect</b>	23.5			42.8		
<b>Motive Power constant currency net sales</b>	<u>361.5</u>		12.7	<u>748.7</u>		14.0
<b>Specialty reported net sales</b>	\$ 124.4	\$ 100.9	23.3 %	\$ 246.9	\$ 208.5	18.5 %
<b>Exchange rate effect</b>	3.2			5.6		
<b>Specialty constant currency net sales</b>	<u>127.6</u>		26.5	<u>252.5</u>		21.2
<b>Total reported net sales</b>	\$ 899.4	\$ 791.4	13.7 %	\$ 1,798.4	\$ 1,606.3	12.0 %
<b>Exchange rate effect</b>	45.5			83.0		
<b>Total constant currency net sales</b>	<u>944.9</u>		19.4	<u>1,881.4</u>		17.1

# Non-GAAP Reconciliation

	Quarter ended (\$ millions)			
	October 2, 2022			
	Energy Systems	Motive Power	Specialty	Total
<b>Net Sales</b>	\$ 437.0	\$ 338.0	\$ 124.4	\$ 899.4
<b>Operating Earnings</b>	\$ 9.8	\$ 35.6	\$ 8.9	\$ 54.3
Inventory step up to fair value relating to recent acquisitions	—	—	—	—
Inventory adjustment relating to exit activities	—	1.5	—	1.5
Restructuring and other exit charges	0.8	2.5	—	3.3
Amortization of identified intangible assets from recent acquisitions	5.8	—	0.4	6.2
Other	—	0.1	—	0.1
<b>Adjusted Operating Earnings</b>	\$ 16.4	\$ 39.7	\$ 9.3	\$ 65.4

	Quarter ended (\$ millions)			
	October 3, 2021			
	Energy Systems	Motive Power	Specialty	Total
<b>Net Sales</b>	\$ 369.8	\$ 320.7	\$ 100.9	\$ 791.4
<b>Operating Earnings</b>	\$ 1.0	\$ 37.3	\$ 11.4	\$ 49.7
Inventory adjustment relating to exit activities	—	1.0	—	1.0
Restructuring and other exit charges	0.2	2.7	—	2.9
Amortization of identified intangible assets from recent acquisitions	5.9	—	0.5	6.4
Other	1.4	—	—	1.4
<b>Adjusted Operating Earnings</b>	\$ 8.5	\$ 41.0	\$ 11.9	\$ 61.4

Increase (Decrease) as a % from prior year quarter	Quarter ended			
	Energy Systems	Motive Power	Specialty	Total
Net Sales	18.2 %	5.4 %	23.3 %	13.7 %
Operating Earnings	NM	(4.6)	(22.2)	9.2
Adjusted Operating Earnings	94.3	(3.1)	(21.7)	6.7

NM = Not Meaningful

November 2022

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	Quarter ended (\$ millions)			
	July 3, 2022			
	Energy Systems	Motive Power	Specialty	Total
<b>Net Sales</b>	\$ 408.6	\$ 367.9	\$ 122.5	\$ 899.0
<b>Operating Earnings</b>	\$ 7.5	\$ 34.1	\$ 8.5	\$ 50.1
Restructuring and other exit charges	0.2	8.1	—	8.3
Amortization of identified intangible assets from recent acquisitions	6.0	—	0.4	6.4
<b>Adjusted Operating Earnings</b>	\$ 13.7	\$ 42.2	\$ 8.9	\$ 64.8

# Non-GAAP Reconciliation

	Quarter ended	
	(\$ millions)	
	October 2, 2022	October 3, 2021
Net Earnings	\$ 34.5	\$ 35.6
Depreciation	14.8	15.6
Amortization	8.0	8.3
Interest	15.4	9.6
Income Taxes	5.8	4.3
EBITDA	78.5	73.4
Non-GAAP adjustments	7.2	5.3
Adjusted EBITDA	\$ 85.7	\$ 78.7

The following table provides the non-GAAP adjustments shown in the reconciliation above:

	Quarter ended	
	(\$ millions)	
	October 2, 2022	October 3, 2021
Restructuring and other exit charges	\$ 4.8	\$ 3.9
Other	1.1	1.4
Remeasurement of monetary assets included in other (income) expense relating to exit from Russia operations	(0.1)	—
Cost of funding to terminate net investment hedges	1.4	—
Non-GAAP adjustments	\$ 7.2	\$ 5.3

	Quarter ended	
	(\$ millions)	
	July 3, 2022	
Net Earnings	\$ 31.0	
Depreciation	15.5	
Amortization	8.1	
Interest	11.6	
Income Taxes	5.8	
EBITDA	72.0	
Non-GAAP adjustments	13.5	
Adjusted EBITDA	\$ 85.5	

The following table provides the non-GAAP adjustments shown in the reconciliation above:

	Quarter ended	
	(\$ millions)	
	July 3, 2022	
Restructuring and other exit charges	\$ 8.3	
Remeasurement of monetary assets included in other (income) expense relating to exit from Russia operations	5.2	
Non-GAAP adjustments	\$ 13.5	

# Non-GAAP Reconciliation

	Quarter ended	
	<i>(in millions, except share and per share amounts)</i>	
	October 2, 2022	October 3, 2021
<b>Net Earnings reconciliation</b>		
As reported Net Earnings	\$ 34.5	\$ 35.6
Non-GAAP adjustments:		
Restructuring and other exit charges	4.8 (1)	3.9 (1)
Amortization of identified intangible assets from recent acquisitions	6.2 (2)	6.4 (2)
Remeasurement of monetary assets included in other (income) expense relating to exit from Russia operations	(0.1)	—
Cost of funding to terminate net investment hedges	1.4	—
Financing fees related to debt modification	1.2	—
Other	1.1	1.4
Income tax effect of above non-GAAP adjustments	(3.5)	(3.8)
<b>Non-GAAP adjusted Net Earnings</b>	<b>\$ 45.6</b>	<b>\$ 43.5</b>
<b>Outstanding shares used in per share calculations</b>		
Basic	40,740,989	42,575,576
Diluted	41,167,622	43,255,832
<b>Non-GAAP adjusted Net Earnings per share:</b>		
Basic	\$ 1.12	\$ 1.02
Diluted	\$ 1.11	\$ 1.01
<b>Reported Net Earnings (Loss) per share:</b>		
Basic	\$ 0.85	\$ 0.84
Diluted	\$ 0.84	\$ 0.82
<b>Dividends per common share</b>	<b>\$ 0.175</b>	<b>\$ 0.175</b>



# Non-GAAP Reconciliation

	Quarter ended			
	<i>(\$ millions)</i>			
	October 2, 2022		October 3, 2021	
	Pre-tax		Pre-tax	
(1) Inventory adjustment relating to exit activities - Motive Power	\$	1.5	\$	1.0
(1) Restructuring and other exit charges - Energy Systems		0.8		0.2
(1) Restructuring and other exit charges - Motive Power		2.5		2.7
(1) Restructuring and other exit charges - Specialty		—		—
(2) Amortization of identified intangible assets from recent acquisitions - Energy Systems		5.8		5.9
(2) Amortization of identified intangible assets from recent acquisitions - Specialty		0.4		0.5
<b>Total Non-GAAP adjustments</b>	<b>\$</b>	<b>11.0</b>	<b>\$</b>	<b>10.3</b>

# Non-GAAP Reconciliation

	Quarter ended	
	<i>(in millions, except share and per share amounts)</i>	
	July 3, 2022	July 4, 2021
<b>Net Earnings reconciliation</b>		
As reported Net Earnings	\$ 31.0	\$ 43.9
Non-GAAP adjustments:		
Restructuring and other exit charges	8.3 (1)	7.8 (1)
Amortization of identified intangible assets from recent acquisitions	6.4 (2)	6.4 (2)
Remeasurement of monetary assets included in other (income) expense relating to exit from Russia operations	5.2	—
Income tax effect of above non-GAAP adjustments	(3.4)	(3.7)
<b>Non-GAAP adjusted Net Earnings</b>	<b>\$ 47.5</b>	<b>\$ 54.4</b>
<b>Outstanding shares used in per share calculations</b>		
Basic	40,786,336	42,700,329
Diluted	41,352,646	43,537,344
<b>Non-GAAP adjusted Net Earnings per share:</b>		
Basic	\$ 1.16	\$ 1.28
Diluted	\$ 1.15	\$ 1.25
<b>Reported Net Earnings (Loss) per share:</b>		
Basic	\$ 0.76	\$ 1.03
Diluted	\$ 0.75	\$ 1.01
<b>Dividends per common share</b>	<b>\$ 0.175</b>	<b>\$ 0.175</b>

# Non-GAAP Reconciliation

	Quarter ended	
	(\$ millions)	
	July 3, 2022	July 4, 2021
	Pre-tax	Pre-tax
(1) Restructuring and other exit charges - Energy Systems	0.2	0.5
(1) Restructuring and other exit charges - Motive Power	8.1	8.5
(1) Restructuring and other exit charges - Specialty	—	(1.2)
(2) Amortization of identified intangible assets from recent acquisitions - Energy Systems	6.0	6.0
(2) Amortization of identified intangible assets from recent acquisitions - Specialty	0.4	0.4
Total Non-GAAP adjustments	<u>\$ 14.7</u>	<u>\$ 14.2</u>



# Thank you.

For more information visit  
us at [www.enersys.com](http://www.enersys.com)

#### **EnerSys Global Headquarters**

2366 Bernville Road  
Reading, PA 19605 | USA  
Tel. +1-610-208-1991  
+1-800-538-3627  
Fax +1-610-372-8613

#### **EnerSys EMEA**

EH Europe GmbH  
Baarerstrasse 18  
6300 Zug  
Switzerland

#### **EnerSys Asia**

152 Beach Road  
Gateway East Building #11- 08  
Singapore  
189721  
Tel: +65 6416-4800