BofA Securities Leveraged Finance Conference

DECEMBER 2024

Forward Looking Statements

As a reminder, we will be presenting certain forward-looking statements in this presentation 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, 2024, which was filed with the U.S. Securities and Exchange Commission.

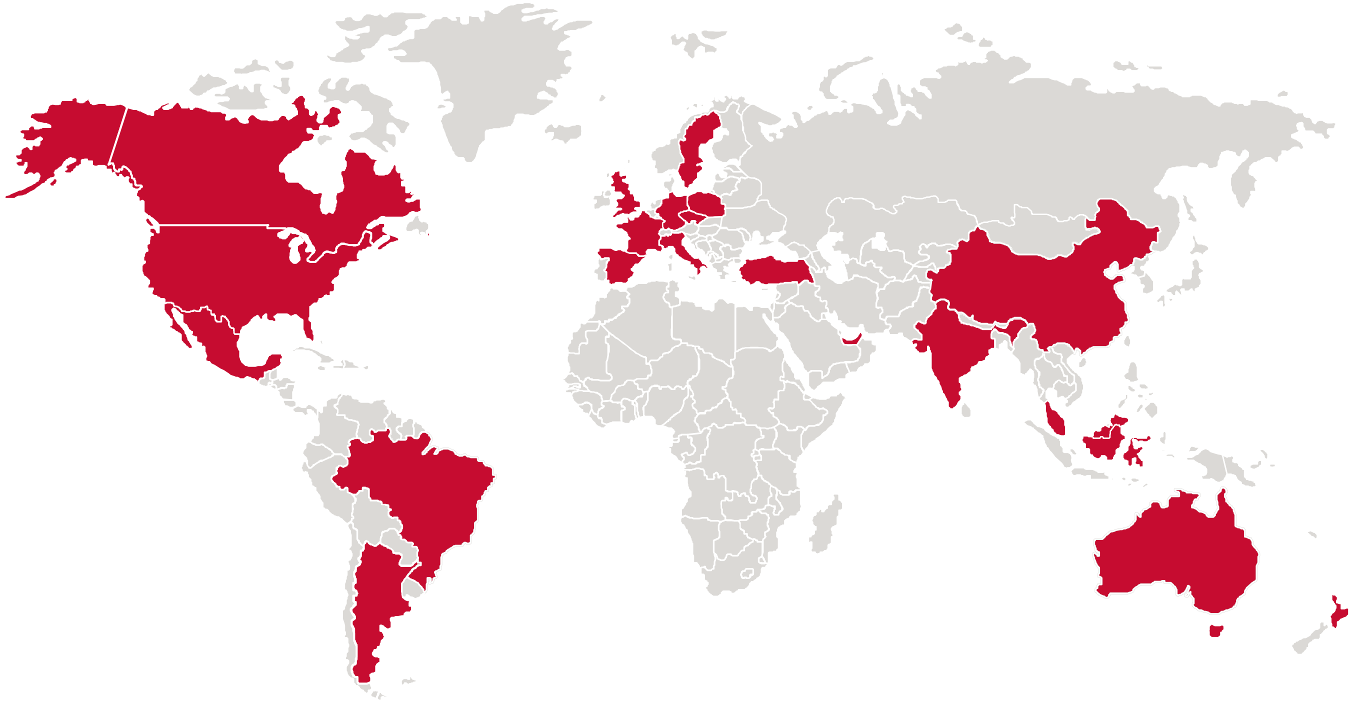
In addition, we will also be presenting certain non-GAAP financial measures. For an explanation of the differences between the comparable GAAP financial information and the non-GAAP information, please see our company's Form 8-K which includes our press release dated November 6, 2024, which is located on our website at www.enersys.com.

EnerSys at a Glance

FY 2024 KEY STATISTICS[1]

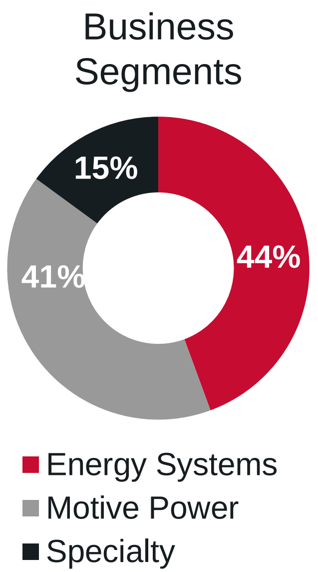
$4.1B	$450M	$507M	$8.35	10K+
Market Cap[2]	Adj. Operating Earnings[3]	Adj. EBITDA[3]	Adj. Diluted EPS[3]	Customers

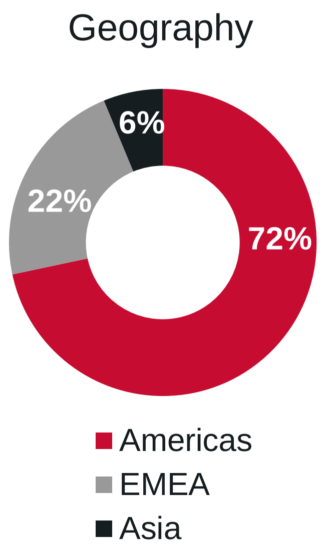
GLOBAL FACILITY BASE[4]



FY 2024 NET SALES

$3.6B





[1] FY 2024, year end March 31, 2024
[2] Market-Cap as of May 22, 2024
[3] Non-GAAP financial measure. Please refer to appendix for reconciliation
[4] Represents geographies with EnerSys manufacturing and distribution centers

Executing Our Strategic Vision | Significantly Transformed Portfolio

2016

Primarily traditional flooded lead-acid battery company

Limited scale with narrow set of end markets

- Established vision-driven culture
- Built teams to execute

- Innovated foundational modular platforms
  - Energy Storage
  - Power Electronics
  - Software

- Integrated Alpha and NorthStar acquisitions
- Deepened capabilities

- Developed EOS
- Reinforced continuous improvement mindset

- Improved new product development time
- Expanded product lines and end markets

TODAY

Innovating, Optimizing, and Accelerating integrated energy solutions offerings

Enhancing modular technology for additional scalability

Providing tailored energy solutions to critical end markets

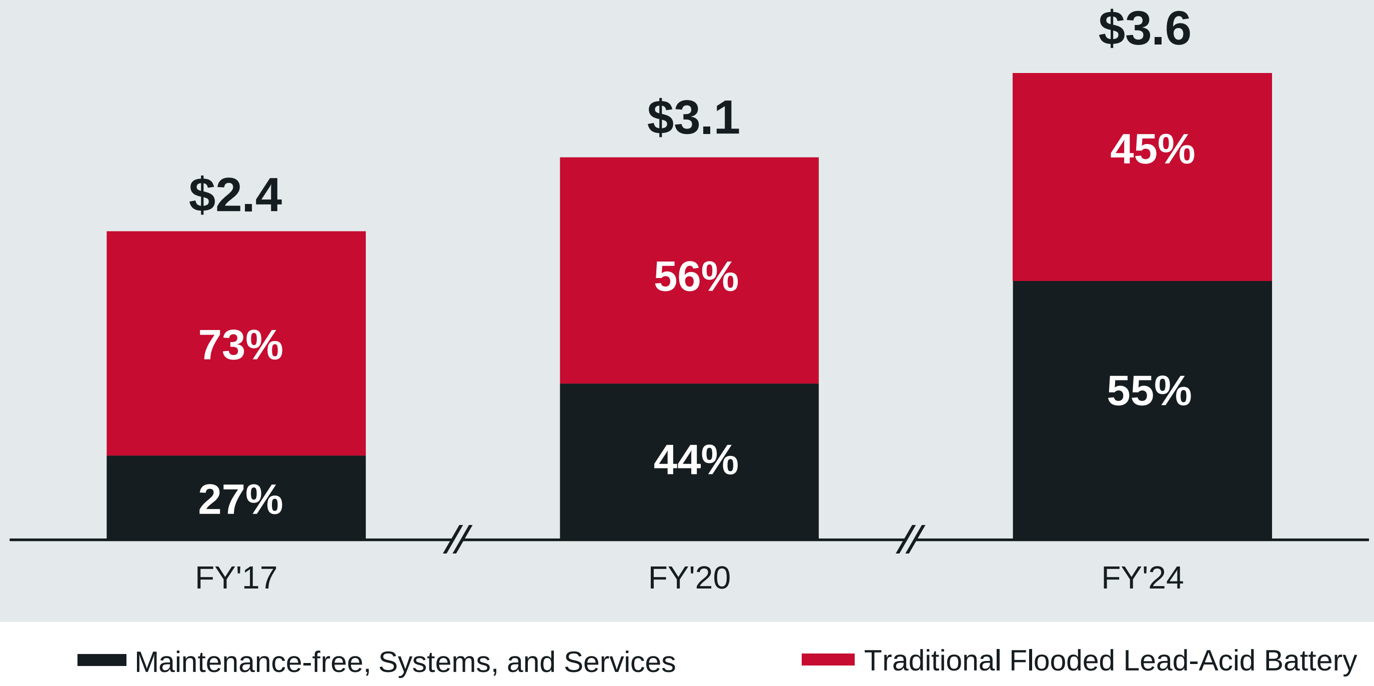
Compounding growth through differentiated end-to-end solutions

Putting the "Sys" in EnerSys

EOS: EnerSys Operating System

Product Portfolio Evolution | Transformed to End-to-End Energy Solutions Provider

NET SALES MIX
($B)



HIGHLIGHTS[1]

110 New Product Introductions

3.5x Faster New Product Development Time

75 UL Approvals

Executed Clear Strategy — Ready to Accelerate

December 2024

UL: Underwriters Laboratory
[1] FY'17 to FY'23

Business Segments

ENERGY SYSTEMS

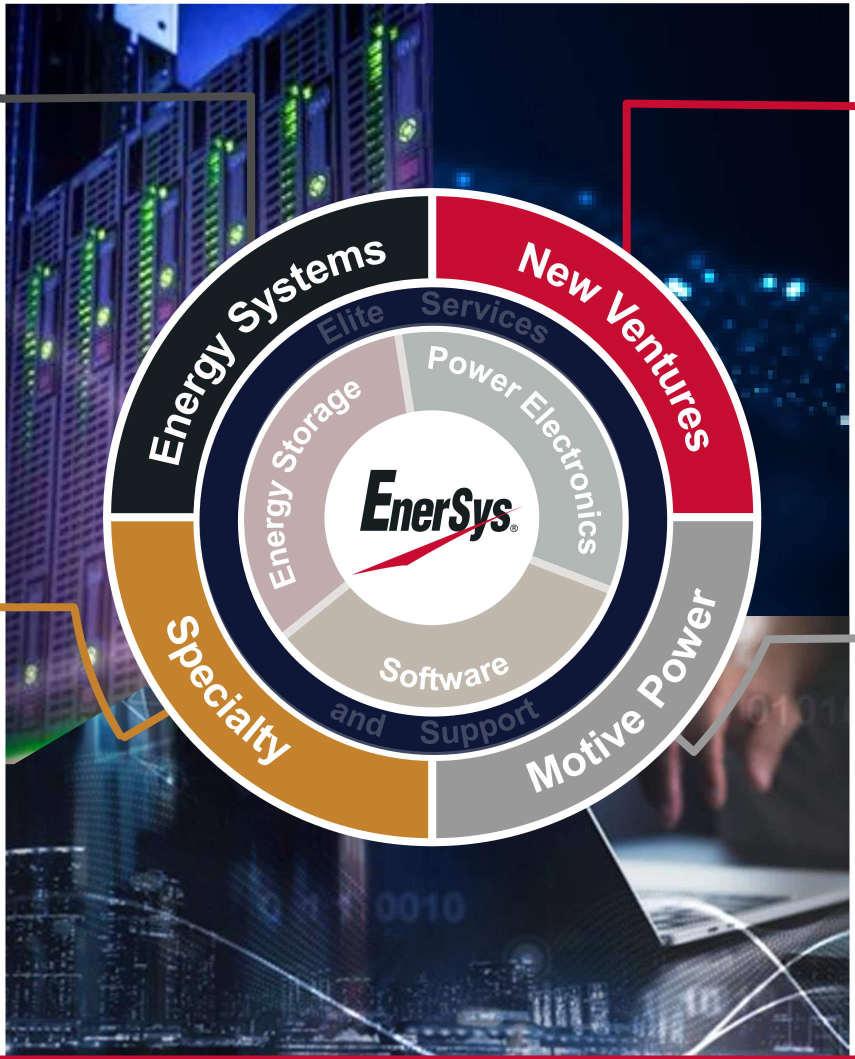
Power conversion, power distribution, and energy storage solutions

- Communications
- Data Centers
- Industrial Power and Utilities

SPECIALTY

Energy solutions for large over-the-road trucks, aerospace and defense, and premium automotive applications

- Transportation
- Aerospace and Defense



NEW VENTURES

Energy storage and management systems for demand charge reduction, utility back-up power, and dynamic fast charging

- Commercial Real Estate and Retail Operations

MOTIVE POWER

Power batteries and chargers for electric forklift trucks and other industrial electric powered vehicles

- Logistics and Warehousing

Premium Energy Solutions and Elite Services Powering 7 Diverse End Markets

Foundational Core Modular Platforms

ENERGY STORAGE

Lithium-ion

- Maintenance-free
- Longer cycle life
- Fastest charge rate
- Innovative safety technology
- High power density / heavy duty applications

TPPL

- Maintenance-free
- Light / medium applications

Flooded

- Industrial / harsh environment applications

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 EVs

SOFTWARE

- Edge computing
- Efficient data collection to the cloud
- Asset management software
- App support to manage health of assets
- Fleet management with automated service notifications
- Smart batteries
- Energy management

Differentiated Platforms with Enhanced Vertical Capabilities and Tailored Solutions

TPPL: Thin Plate Pure Lead

Addressing Global Megatrends in Attractive and Diverse End Markets

~$30B+
Serviceable Addressable Market[1]

$3.6B
EnerSys FY'24 Net Sales

Diverse End Markets

- Communications
- Data Centers
- Industrial Power & Utilities
- Logistics & Warehousing
- Transportation
- Aerospace & Defense
- Commercial Real Estate & Retail Operations

Energy Transition
- Modernizing energy grids, storage, and distribution
- Shifting market to EVs

Energy Security
- Increasing resiliency of electrical infrastructure and grid
- Growing need for reliability of mission-critical facilities

Connectivity
- Continuing to rollout 5G with path for 6G
- Expanding broadband to rural areas

Automation
- Challenging labor market and cost-efficiencies
- Implementing autonomy for scalability

Decarbonization
- Improving energy management and reducing emissions
- Evolving regulatory environment (e.g., Set Rule and IRA)

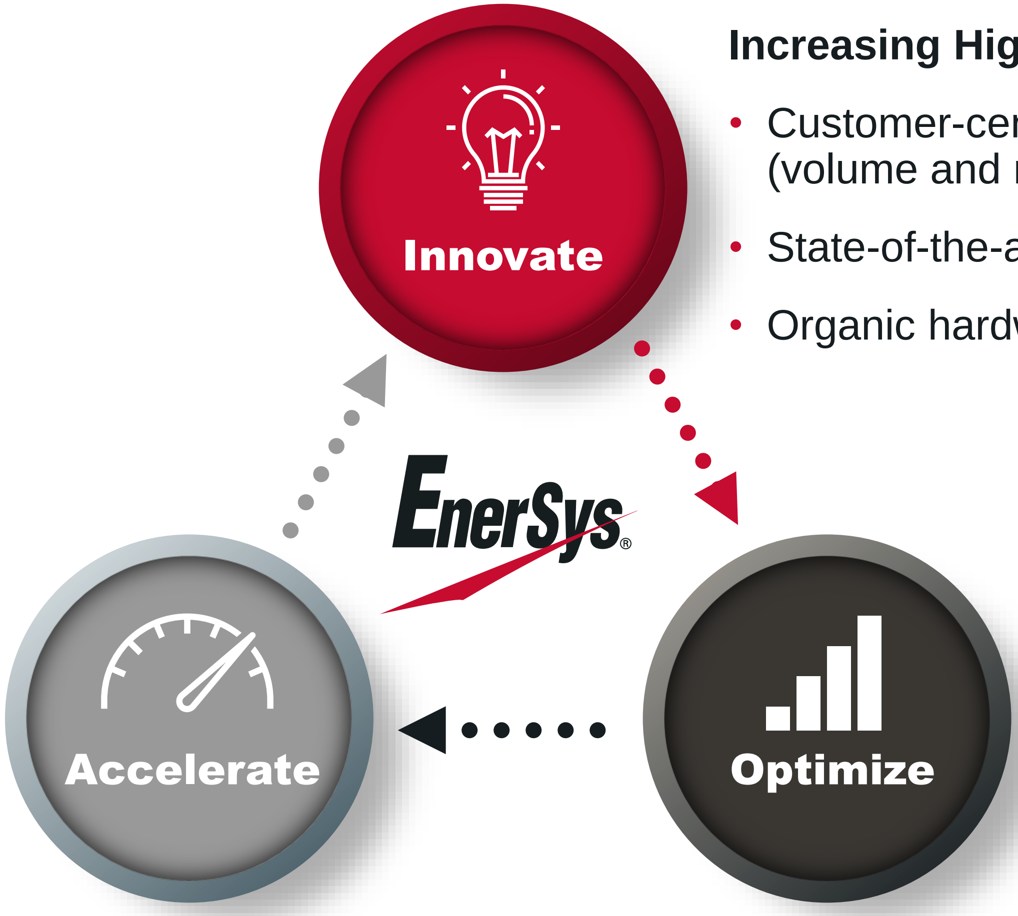
Megatrends Increasing Demand for Energy Solutions

[1] SAM includes existing markets we serve, excludes Fast Charge and Storage (FC&S); Source: Third-party research and Company estimates; IRA: Inflation Reduction Act

Strategic Priorities Driving Long Term Growth

Compounding Value Creation

- Fast Charge and Storage (FC&S)
- Scalable projects across Energy Systems, Motive Power, and Specialty
- Building new lithium-ion cell gigafactory dedicated to EnerSys products across all lines of business



Increasing Higher Value Solutions

- Customer-centric NPIs (volume and mix)
- State-of-the-art technology
- Organic hardware and software

Expanding Margins

- Operational excellence to maximize fixed asset base
- Maintenance-free solutions
- Aftermarket opportunities

Clear and Consistent Strategy with Sustainable Competitive Advantages

NPI: New Product Introductions; IRA: Inflation Reduction Act

New Lithium-Ion Cell Gigafactory

CONSTRUCTION TO BEGIN FY'26

Image: Artist Rendition

Project Overview

- 500,000 square foot, 5GWh capacity, lithium-ion cell production facility to be built[1] in Greenville, SC
- 100% capacity dedicated to EnerSys products across all lines of business, including specialized line for DOD[2] applications

Strategic and Financial Benefits

- ✓ Supports mix shift to higher performance lithium solutions
- ✓ Provides reliable, domestic supply of lithium-ion cells for EnerSys lithium batteries
- ✓ Meets stringent DOD requirements and strengthens customer relationship
- ✓ De-risks long-term revenue and earnings growth
- ✓ Insourcing lowers cost
- ✓ Strong financial return profile

Financial Highlights

Capital Investment

- $665M capital investment to construct and commission the plant over the next four years
- Includes $50M specialized production line for U.S. DOD applications
- Bulk of investment expected in FY'26-27

Project Funding

- $199M DOE[3] award negotiation announced[4]
- $200M local and state incentive package received
- $120M-$160M annual IRC 45X tax credits[5] - portion will help support plant development costs

Returns

- IRR > 20%; payback < 3 years post plant completion[1]

1) Construction intended to begin in CY25, commercial production operations expected to begin in CY28
2) U.S. Department of Defense
3) U.S. Department of Energy
4) Award selection is subject to final contract and funding negotiations between the DOE and EnerSys, which could take approximately 120 days to conclude
5) Program duration CY2023 – CY2032. Sunset period in final three years: 75% CY2030, 50% CY2031, 25% CY2032

Disciplined Capital Allocation Strategy

PRIORITIES		FY'21 – FY'24 ($M, cumulative)	YTD FY'25 ($M)
1 Invest in Organic Growth (CapEx)		~$320	$66
2 Strategic M&A		~$10	$208 *Bren-Tronics Acquisition*
3 Net Leverage[1]		1.0x – 2.5x	1.6x
4 Return of Capital	*Dividends*	~$120	***$19***
	Buybacks	~$275	***$75***

FUTURE PRIORITIES

- Continue TPPL capacity investments & end-to-end solutions
- Optimize EOS to drive additional operational efficiencies
- Accelerate domestic-sourced lithium strategy

- Innovate with incremental systems solutions
- Execute opportunistic tuck-in acquisitions

- Target low end of 2x – 3x long-term net leverage range

- Committed to competitive dividend yield that grows with earnings over time (excluding IRA funds)
- Offset share dilution

Investments Support Significant Shareholder Value Creation

TPPL: Thin Plate Pure Lead; EOS: EnerSys Operating System

[1] Non-GAAP financial measure. Please refer to appendix for reconciliation; Net leverage = Net Debt / Adj. EBITDA (per credit agreement)

Balance Sheet, Cash Flow and Leverage

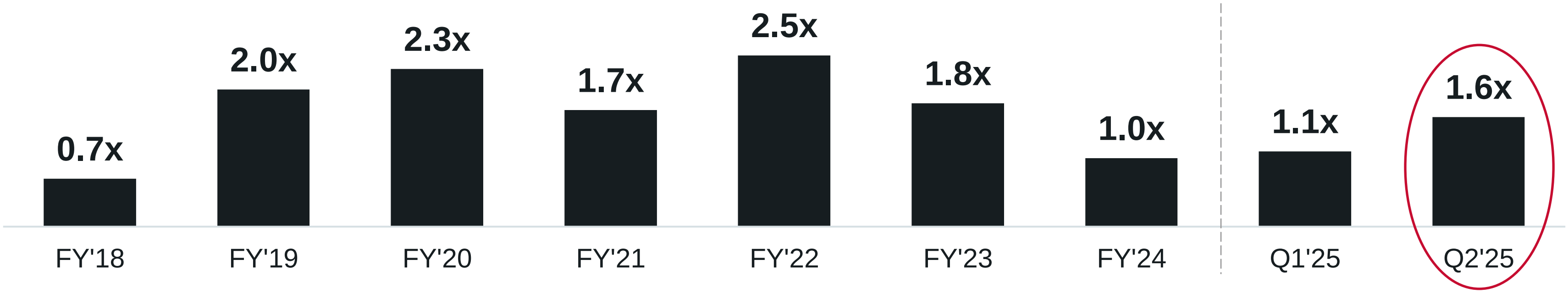
SELECTED BALANCE SHEET METRICS[1]

($M)	Q4'24	Q2'25
Cash and Cash Equivalents	$333	$408
Net Debt[3]	$511	$840
Net Leverage Ratio[3]	1.0x	1.6x
Primary Operating Capital[4]	$853	$979

SELECTED CASH FLOW METRICS[2]

($M)	Q2'24	Q2'25
Cash Flow from Operations	$111	$34
CapEx	($20)	($30)
Free Cash Flow[4]	$91	$3

NET LEVERAGE RATIO[3]



CREDIT RATINGS

S&P Global
- *BB+/stable outlook*

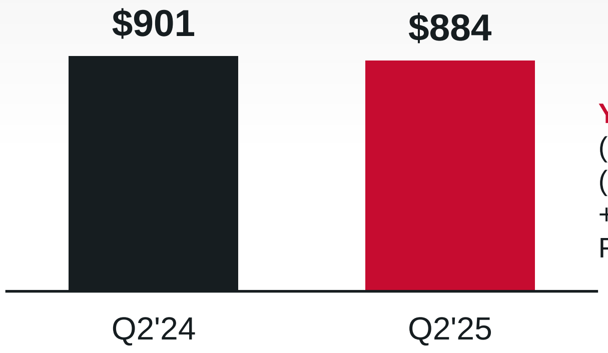
Moody's
- *Ba2/positive outlook*

Strong Balance Sheet Enabling Disciplined Capital Allocation Strategy

1) Balances as of periods ending March 31, 2024, and September 29, 2024
2) Periods ending October 1, 2023, and September 29, 2024
3) Net Debt includes finance lease obligations and letters of credit, net of cash and cash equivalents. Net leverage ratio = Net Debt / Adj EBITDA (per credit agreement). Please refer to appendix for reconciliations.
4) Primary Operating Capital (POC) was formerly referred to as Primary Working Capital (PWC) and is a non-GAAP measure. Free Cash Flow is a non-GAAP measure. Please refer to appendix for reconciliations.

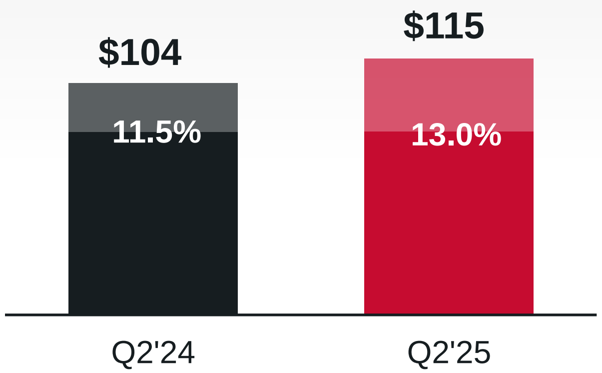
Q2'25 Results

NET SALES

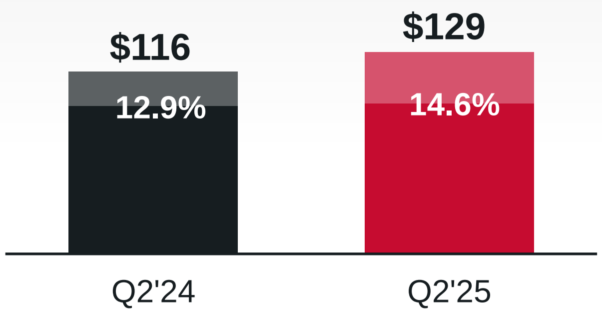


Y/Y Change
(3%) volume
(1%) price
+2% acquisition
Flat FX

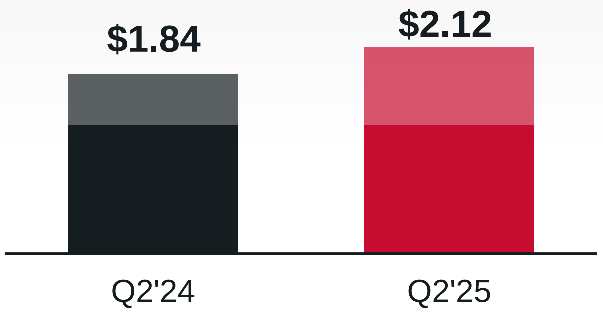
ADJ OP EARNINGS[1] & MARGIN



ADJ EBITDA[1] & MARGIN



ADJ DILUTED EPS[1]



Delivered Net Sales and Adj EPS[1] in Line with Guidance

1) Non-GAAP measure. Please refer to appendix for reconciliation.

($M, except EPS)

Prior Year IRA
Prior Year Base
Current Year IRA
Current Year Base

Looking Ahead: Q3'25 and FY'25 Guidance

	Q3'25	FY'25
Net Sales	**$920M – $960M**	**$3,675M – $3,765M**
Adj. EPS[1]	**$2.20 – $2.30**	**$8.75 – $9.05**
CapEx		**$100M – $120M**
Tax Rate *(pre-IRA)*		**20% – 21%**
IRA Benefit		**$120M – $160M**

ASSUMPTIONS

Q3'25

- Healthy demand in Motive Power, Data Center, and A&D
- Continued improvement in Communications demand
- Transportation aftermarket volume growth; Class 8 remains suppressed
- Incremental revenue and earnings from Bren-Tronics

FY'25

- ES Communications steady improvements but not at normalized levels
- MP healthy demand and continued maintenance-free conversions
- SP benefit from Bren-Tronics, healthy A&D, accelerating after market growth; and Class 8 OEM suppressed
- Full year benefit of ES FY'24 optimization initiatives
- Fast Charge & Storage first revenues
- OpEx discipline with incremental FC&S and lithium plant spending

[1] EnerSys does not provide a quantitative reconciliation for forward-looking statements. Please see our latest Form 8-K which includes our press release dated November 6, 2024, for more details.

Well-Positioned for Long-Term Profitable Growth

1. Provider of **highly differentiated energy solutions** with full suite of technologies for diverse end markets

2. Strategically aligned with megatrends in **large and growing markets**

3. **Resilient business model** positioned for strong cash flow generation, profitable growth, and margin expansion

4. Strong, flexible balance sheet with **clear capital allocation priorities** for accelerated earnings growth

5. Energized **leadership team focused on execution** and **continuous value creation** for all stakeholders

Q&A

Appendix

Inflation Reduction Act (IRA) Enables…

BACKGROUND

$369B in New Tax Credits

- Law in effect 1/1/23 - 12/31/32 with phase out years 8 - 10
- IRC 45X includes third party sales of U.S. manufactured battery cells and modules
- Battery Cell: $35/kWh for 100+Wh/L density and 12+Wh capacity
- Battery Module: $10/kWh for 7kWh+

ENERSYS COMMITMENT

Accelerating Lithium Strategy

- Invest in U.S. domestic energy growth
  - Securing domestic lithium cells
  - Building a lithium-ion cell gigafactory in the U.S. dedicated to EnerSys products
  - Timing: commercial production operations in FY’29
- Provide CapEx to further expand TPPL production capacity in U.S.
- *Lithium, TPPL, and flooded lead-acid battery products may qualify depending on energy density*

ANNUAL BENEFITS[1]

Recorded as reduction to COGS

~90% of EnerSys U.S. battery production currently qualifies

Expected Annual Value to EnerSys:
- 2023-2029 (years 1 – 7): ~$120 – $160M
- 2030-2032 (years 8 – 10)[2]: ~$60 – $80M

Proceeds will be used as law intended: *to further U.S. capacity of energy-dense batteries*

…Accelerated Investments in Qualifying Batteries, Including Domestic Lithium Strategy for FC&S and Maintenance-Free Offerings

[1] The expected figures are long term expectations for future periods and should not be viewed as a guarantee of future performance or guidance. Actual results may differ and such differences may be material.
[2] Using 50% of annual range of $120-160M, based on phase out of 75%, 50%, and 25% for years 8-10, respectively

Our Sustainability Goals & Commitments

GOALS & PROGRESS

ENERGY

Reduce energy intensity per kWh of storage produced by 25% by 2030.[1]

We have achieved a 15% improvement since 2020.

WATER

Reduce water intensity per kWh of storage produced by 25% by 2030.[1]

We have achieved a 6% improvement since 2020.

WASTE

We are working to establish a measurable waste goal aligned with stakeholders expectations.

99% recycling rate for lead batteries; with >95% of parts recyclable

FEMALE REPRESENTATION

Improve our female representation at the leadership level from 9% to 20%.[1]

We continue to trend positively toward our aspirations, increasing to 15% for female representation at the leadership level. We are also focused on ensuring a solid pipeline of gender-diverse talent at all levels of our organization.

MULTICULTURAL TALENT

Improve our multicultural talent representation at the leadership level from 16% to 25% in the U.S. by 2025.[1]

In 2023 we implemented several measures to attract and retain talent. A diverse employee base is a key part of our success.
However, our multicultural talent representation declined by 2%.

EMPLOYER OF CHOICE

Become recognized by at least three global indexes as a leading employer.

- In 2023, certified as a Great Place to Work in 18 countries
- Poland locations awarded a Top Employer certification for 2023-2024
- 2024 Military Friendly Employer Designation

AWARDS & RECOGNITION

SILVER | Top 15% ecovadis Sustainability Rating JAN 2024

Better Plants® U.S. DEPARTMENT OF ENERGY

MILITARY FRIENDLY® 2024 GOLD TOP 10 SUPPLIER DIVERSITY PROGRAM

MILITARY FRIENDLY® 2024 SILVER EMPLOYER

2024 MVS MOST VALUABLE SUPPLIER Awarded by MHEDA

GHG EMISSIONS GOALS

SCOPE 1

CO_2 neutral by 2040

2023 emissions down 4.2% since 2022, and down 25% since 2019.

SCOPE 2

CO_2 neutral by 2050

2023 emissions up 2.1% since 2022, and down 3.4% since 2021.

We expect a long-term decrease as the grid decarbonizes.

SCOPE 3

Develop full scope 3 GHG inventory.

Disclose CDP and TCFD.

We have disclosed Scope 3 emissions for 2022 and 2023.

Sustainability Disclosures Aligned with EU CSRD, GRI, IFRS, ISSB, SASB, and SDGs[2]

1 Compared to 2020
2 EU CSRD: European Sustainability Reporting Standards; GRI: Global Reporting Initiative; IFRS: International Financial Reporting Standards; ISSB: International Sustainability Standards Board; SASB: Sustainability Accounting Standards Board; SDGs: United Nations Sustainable Development Goals

Sustainability of Products and Services

- Driving profitability and growth, with focus on energy transition, electrification, and customer decarbonization goals
- Improving products and services for customers' sustainability needs
- Leveraging online customer portal to optimize battery recycling, reduce environmental impact, and increase profitability
- Collaboratively developing a circular lithium-ion battery recycling process

Helping Customers Meet their Business & Sustainability Goals While Simultaneously Achieving Ours

Non-GAAP Reconciliations

Reconciliations of GAAP to Non-GAAP Financial Measures

This presentation contains financial information determined by methods other than in accordance with U.S. Generally Accepted Accounting Principles, ("GAAP"). EnerSys' management uses the non-GAAP financial measures “adjusted Net earnings”, “adjusted Diluted EPS”, “adjusted operating earnings”, “adjusted EBITDA”, "adjusted EBITDA per credit agreement", "net debt", "net leverage ratio", “net sales at constant currency”, and "net sales growth rate at constant currency” as applicable, in their analysis of the Company's performance. Adjusted Net earnings and adjusted operating earnings measure, as used by EnerSys in past quarters and years, adjusts Net earnings and operating earnings determined in accordance with GAAP to reflect changes in financial results associated with the Company's restructuring initiatives and other highlighted charges and income items. Adjusted EBITDA is a key performance measure that our management uses to assess our operating performance. Because Adjusted EBITDA facilitates internal comparisons of our historical operating performance on a more consistent basis, we use this measure as an overall assessment of our performance, to evaluate the effectiveness of our business strategies and for business planning purposes. We calculate Adjusted EBITDA as net income before interest income, interest expense, other (income) expense net, provision (benefit) for income taxes, depreciation and amortization, further adjusted to exclude restructuring and exit activities, impairment of goodwill, indefinite-lived intangibles and other assets, acquisition activities and those charges and credits that are not directly related to operating unit performance. EBITDA is calculated as net income before interest income, interest expense, other (income) expense net, provision (benefit) for income taxes, depreciation and amortization. We define non-GAAP adjusted EBITDA per credit agreement as net earnings determined in accordance with GAAP for interest, taxes, depreciation and amortization, and certain charges or credits as permitted by our credit agreements, that were recorded during the periods presented. We define non-GAAP net debt as total debt, finance lease obligations and letters of credit, net of all cash and cash equivalents, as defined in the Third Amended Credit Facility on the balance sheet as of the end of the most recent fiscal quarter. We define non-GAAP net leverage ratio as non-GAAP net debt divided by last twelve months non-GAAP adjusted EBITDA per credit agreement. We define non-GAAP free cash flow as net cash provided by or used in operating activities less capital expenditures. Free cash flow is used by investors, financial analysts, rating agencies and management to help evaluate the Company’s ability to generate cash to pursue incremental opportunities aimed toward enhancing shareholder value. We define non-GAAP constant currency net sales as total net sales excluding the effect of foreign exchange rate movements, and we use it to determine the constant currency growth rate on a year-on-year basis. Non-GAAP constant currency revenues are calculated by translating current period revenues using the prior comparative periods’ actual exchange rates, rather than the actual exchange rates in effect during the current period. Constant currency net sales growth rate is calculated by determining the difference between current period non-GAAP constant currency net sales and current period reported net sales divided by prior period as reported net sales. Management believes the presentation of these financial measures reflecting these non-GAAP adjustments provides important supplemental information in evaluating the operating results of the Company as distinct from results that include items that are not indicative of ongoing operating results and overall business performance; in particular, those charges that the Company incurs as a result of restructuring activities, impairment of goodwill and indefinite-lived intangibles and other assets, acquisition activities and those charges and credits that are not directly related to operating unit performance, such as significant legal proceedings, amortization of Alpha and NorthStar related intangible assets and tax valuation allowance changes, including those related to the AHV (Old-Age and Survivors Insurance) Financing (TRAF) in Switzerland. Because these charges are not incurred as a result of ongoing operations, or are incurred as a result of a potential or previous acquisition, they are not as helpful a measure of the performance of our underlying business, particularly in light of their unpredictable nature and are difficult to forecast. Although we exclude the amortization of purchased intangibles from these non-GAAP financial measures, management believes that it is important for investors to understand that such intangible assets were recorded as part of purchase accounting and contribute to revenue generation.

Income tax effects of non-GAAP adjustments are calculated using the applicable statutory tax rate for the jurisdictions in which the charges (benefits) are incurred, while taking into consideration any valuation allowances. For those items which are non-taxable, the tax expense (benefit) is calculated at 0%.

EnerSys does not provide a quantitative reconciliation of the company’s projected range for fiscal 2027 adjusted operating earnings, adjusted EBITDA, or adjusted diluted earnings per share to operating earnings, EBITDA, or diluted earnings per share, respectively, which are the most directly comparable GAAP measures, in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. EnerSys' adjusted measures exclude certain items, including but not limited to certain non-cash, large and/or unpredictable charges and benefits, charges from restructuring and exit activities, impairment of goodwill and indefinite-lived intangibles, acquisition and disposition activities, legal judgments, settlements, or other matters, and tax positions, that are inherently uncertain and difficult to predict, can be dependent on future events that are less capable of being controlled or reliably predicted by management and are not part of the Company's routine operating activities can be dependent on future events that are less capable of being controlled or reliably predicted by management and are not part of the Company's routine operating activities. Due to the uncertainty of the occurrence or timing of these future excluded items, management cannot accurately forecast many of these items for internal use and therefore cannot create a quantitative reconciliation without unreasonable efforts.

These non-GAAP disclosures have limitations as an analytical tool, should not be viewed as a substitute for operating earnings, Net earnings or net income determined in accordance with GAAP, and should not be considered in isolation or as a substitute for analysis of the Company's results as reported under GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Management believes that this non-GAAP supplemental information will be helpful in understanding the Company's ongoing operating results. This supplemental presentation should not be construed as an inference that the Company's future results will be unaffected by similar adjustments to Net earnings determined in accordance with GAAP.

Non-GAAP Reconciliation

Q2 FY'25 ADJUSTED OPERATING EARNINGS

($ in millions)	Quarter ended September 29, 2024									
	Energy Systems		Motive Power		Specialty		Corporate and other		Total	
Net Sales	$	382.1	$	366.7	$	134.9	$	—	$	883.7
Operating Earnings	$	17.5	$	56.3	$	0.3	$	25.3	$	99.4
Inventory step up to fair value relating to recent acquisitions		—		—		1.9		—	$	1.9
Restructuring and other exit charges		0.7		1.1		0.4		—		2.2
Amortization of intangible assets		6.0		0.2		2.0		—		8.2
Integration costs		—		—		1.8		—		1.8
Acquisition activity expense		—		—		1.1		—		1.1
Adjusted Operating Earnings	$	24.2	$	57.6	$	7.5	$	25.3	$	114.6

($ in millions)	Quarter ended October 1, 2023									
	Energy Systems		Motive Power		Specialty		Corporate and other		Total	
Net Sales	$	422.5	$	355.2	$	123.3	$	—	$	901.0
Operating Earnings	$	16.8	$	49.6	$	3.3	$	18.9	$	88.6
Restructuring and other exit charges		2.2		3.5		1.5		—		7.2
Amortization of intangible assets		6.3		0.2		0.7		—		7.2
Integration costs		0.2		—		—		—		0.2
Acquisition activity expense		—		0.1		—		—		0.1
Other		0.1		—		0.1		—		0.2
Adjusted Operating Earnings	$	25.6	$	53.4	$	5.6	$	18.9	$	103.5

Increase (Decrease) as a % from prior year quarter	Energy Systems	Motive Power	Specialty	Corporate and other	Total
Net Sales	(9.6)%	3.2 %	9.3 %	— %	(1.9)%
Operating Earnings	4.4	13.5	(92.3)	33.8	12.2
Adjusted Operating Earnings	(4.7)	7.7	31.3	33.8	10.7

NM = Not Meaningful

Non-GAAP Reconciliation

FY'24 ADJUSTED OPERATING EARNINGS

($ in millions)	Twelve months ended March 31, 2024				
	Energy Systems	Motive Power	Specialty	Corporate and other	Total
Net Sales	$ 1,590.0	$ 1,456.2	$ 535.6	$ 0.0	$ 3,581.8
Operating Earnings	$ 15.5	$ 201.2	$ 17.6	$ 117.2	$ 351.5
Inventory adjustment relating to exit activities	17.1	—	3.1	—	20.2
Restructuring and other exit charges	8.9	11.6	7.6	—	28.1
Impairment of indefinite-lived intangibles	13.6	—	—	—	13.6
Amortization of intangible assets	24.5	0.7	2.8	—	28.0
Legal proceedings charge, net	3.7	—	—	—	3.7
Other	3.7	1.1	0.3	—	5.1
Adjusted Operating Earnings	$ 87.0	$ 214.6	$ 31.4	$ 117.2	$ 450.2

($ in millions)	Twelve months ended March 31, 2023				
	Energy Systems	Motive Power	Specialty	Corporate and other	Total
Net Sales	$ 1,738.1	$ 1,451.3	$ 519.1	$ 0.0	$ 3,708.5
Operating Earnings	$ 60.8	$ 165.2	$ 35.0	$ 17.3	$ 278.3
Inventory adjustment relating to exit activities	(0.2)	0.8	—	—	0.6
Restructuring and other exit charges	1.5	12.8	2.1	—	16.4
Impairment of indefinite-lived intangibles	0.1	—	0.4	—	0.5
Amortization of intangible assets	23.4	—	1.7	—	25.1
Other	0.6	0.6	0.1	—	1.3
Adjusted Operating Earnings	$ 86.2	$ 179.4	$ 39.3	$ 17.3	$ 322.2

Increase (Decrease) as a % from prior year	Energy Systems	Motive Power	Specialty	Corporate and other	Total
Net Sales	(8.5)%	0.3 %	3.2 %	NM	(3.4)%
Operating Earnings	(74.6)	21.9	(49.7)	NM	26.3
Adjusted Operating Earnings	0.8	19.6	(20.2)	NM	47.6

NM = Not Meaningful

Non-GAAP Reconciliation

Q2 FY'25 ADJUSTED EBITDA

($ in millions)	Quarter ended			
		September 29, 2024		October 1, 2023
Net Earnings		82.3	$	65.2
Depreciation		17.1		15.4
Amortization		8.2		7.2
Interest		12.5		12.2
Income Taxes		1.9		8.2
EBITDA		122.0		108.2
Non-GAAP adjustments		7.0		8.2
Adjusted EBITDA	$	129.0	$	116.4

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

($ in millions)	Quarter ended			
		September 29, 2024		October 1, 2023
Inventory step up to fair value relating to recent acquisitions		1.9		—
Restructuring and other exit charges		2.2		7.2
Integration Costs		1.8		0.2
Acquisition expense		1.1		0.1
Other		—		0.7
Non-GAAP adjustments	$	7.0	$	8.2

Non-GAAP Reconciliation

FY'24 ADJUSTED EBITDA

($ in millions)	Twelve months ended March 31, 2024		Twelve months ended March 31, 2023	
Net Earnings	$	269.1	$	175.8
Depreciation		64.0		60.4
Amortization		28.0		30.8
Interest		49.9		59.5
Income Taxes		23.1		34.8
EBITDA		434.1		361.3
Non-GAAP adjustments		72.7		26.2
Adjusted EBITDA	$	506.8	$	387.5

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

($ in millions)	Twelve months ended March 31, 2024		Twelve months ended March 31, 2023	
Inventory adjustment relating to exit activities	$	20.2	$	0.6
Restructuring and other exit charges		28.1		16.4
Impairment of indefinite-lived intangibles		13.6		0.5
Legal proceedings charge, net		3.7		—
Other		7.1		2.2
Remeasurement of monetary assets included in other (income) expense relating to exit from Russia operations		—		4.5
Asset Securitization Transaction Fees		—		0.6
Cost of funding to terminate net investment hedges		—		1.4
Non-GAAP adjustments	$	72.7	$	26.2

Non-GAAP Reconciliation

Q2 FY'25 ADJUSTED DILUTED EPS

(in millions, except share and per share amounts)	Quarter ended					
	September 29, 2024			October 1, 2023		
Net earnings reconciliation						
As reported Net Earnings	$	82.3		$	65.2	
Non-GAAP adjustments:						
Inventory step up to fair value relating to recent acquisitions		1.9	(1)		—	
Restructuring and other exit charges		2.2	(1)		7.2	(1)
Amortization of identified intangible assets		8.2	(2)		7.2	(2)
Acquisition expense		1.1	(3)		0.1	(3)
Integration costs		1.8	(4)		0.2	(4)
Other		—			0.7	
Tax benefit Varian		(6.8)			—	
Income tax effect of above non-GAAP adjustments		(4.2)			(4.1)	
Non-GAAP adjusted Net earnings	$	86.5		$	76.5	
Outstanding shares used in per share calculations						
Basic		40,165,080			40,922,959	
Diluted		40,863,205			41,684,634	
Non-GAAP adjusted Net earnings per share:						
Basic	$	2.15		$	1.87	
Diluted	$	2.12		$	1.84	
Reported Net earnings (Loss) per share:						
Basic	$	2.05		$	1.59	
Diluted	$	2.01		$	1.56	
Dividends per common share	$	0.240		$	0.225	

The following table provides the line of business allocation of the non-GAAP adjustments of items relating operating earnings (that are allocated to lines of business) shown in the reconciliation at left:

($ millions)	Quarter ended			
	September 29, 2024		October 1, 2023	
	Pre-tax		Pre-tax	
(1) Inventory step up to fair value relating to recent acquisitions - Specialty		1.9		—
(1) Restructuring and other exit charges - Energy Systems		0.7		2.2
(1) Restructuring and other exit charges - Motive Power		1.1		3.5
(1) Restructuring and other exit charges - Specialty		0.4		1.5
(2) Amortization of identified intangible assets - Energy Systems		6.0		6.3
(2) Amortization of identified intangible assets - Motive Power		0.2		0.2
(2) Amortization of identified intangible assets - Specialty		2.0		0.7
(3) Acquisition expense - Motive Power		—		0.1
(3) Acquisition expense - Specialty		1.1		—
(4) Integration costs - Energy Systems		—		0.2
(4) Integration costs - Specialty		1.8		—
Total Non-GAAP adjustments	$	15.2	$	14.7

Non-GAAP Reconciliation

FY'24 ADJUSTED DILUTED EPS

(in millions, except share and per share amounts)	Twelve months ended March 31, 2024			Twelve months ended March 31, 2023	
Net Earnings reconciliation					
As reported Net Earnings	$	269.1		$ 175.8	
Non-GAAP adjustments:					
Inventory adjustment relating to exit activities		20.2	(1)	0.6	(1)
Restructuring and other exit charges		28.1	(1)	16.4	(1)
Impairment of indefinite-lived intangibles		13.6	(2)	0.5	(2)
Loss on assets held for sale		—		—	
Amortization of identified intangible assets		28.0	(2)	25.1	(2)
Remeasurement of monetary assets included in other (income) expense relating to exit from Russia Operations		—		4.5	
Asset Securitization Transaction Fees		—		0.6	
Acquisition activity expense		—		—	
Cost of funding to terminate net investment hedges		—		1.4	
Financing fees related to debt modification		—		1.2	
Legal proceedings charge, net		3.7	(3)	—	
Other		7.8	(3)	2.2	
Income tax effect of above non-GAAP adjustments		(25.2)		(7.5)	
Financing fees related to debt modification	$	—		$ —	
Non-GAAP adjusted Net Earnings	$	345.3		$ 220.8	
Outstanding shares used in per share calculations					
Basic		40,669,392		40,809,235	
Diluted		41,371,439		41,326,755	
Non-GAAP adjusted Net Earnings per share:					
Basic	$	8.49		$ 5.41	
Diluted	$	8.35		$ 5.34	
Reported Net Earnings (Loss) per share:					
Basic	$	6.62		$ 4.31	
Diluted	$	6.50		$ 4.25	
Dividends per common share	$	0.850		$ 0.70	

The following table provides the line of business allocation of the non-GAAP adjustments of items relating operating earnings (that are allocated to lines of business) shown in the reconciliation at left:

($ millions)	Twelve months ended March 31, 2024	Twelve months ended March 31, 2023
	Pre-tax	Pre-tax
(1) Inventory adjustment relating to exit activities - Energy Systems	17.1	(0.2)
(1) Inventory adjustment relating to exit activities - Motive Power	—	0.8
(1) Inventory Adjustment relating to exit activities - Specialty	3.1	—
(1) Restructuring and other exit charges - Energy Systems	8.9	1.5
(1) Restructuring and other exit charges - Motive Power	11.6	12.8
(1) Restructuring and other exit charges - Specialty	7.6	2.1
(2) Impairment of indefinite-lived intangibles - Energy Systems	13.6	0.1
(2) Impairment of indefinite-lived intangibles - Specialty		0.4
(2) Amortization of identified intangible assets - Energy Systems	24.5	23.4
(2) Amortization of identified intangible assets - Motive Power	0.7	—
(2) Amortization of identified intangible assets - Specialty	2.8	1.7
(3) Legal proceedings charge, net - Energy Systems	3.7	
(3) Other - Energy Systems	3.7	—
(3) Other - Motive Power	1.1	—
(3) Other - Specialty	0.3	—
(5) Acquisition activity expense - Energy Systems	—	—
(5) Acquisition activity expense - Motive Power	—	—
(3) Other - Motive	—	—
(3) Other - Specialty	—	—
Total Non-GAAP adjustments	$ 98.7	$ 42.6

Non-GAAP Reconciliation

LEVERAGE RATIO BY YEAR

	Fiscal year ended March 31,						
($ in millions, except ratios)	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Net earnings as reported	$269.1	$175.8	$143.9	$143.3	$137.1	$160.5	$119.8
Add back:							
Depreciation and amortization	92.0	91.2	95.9	94.1	87.3	63.3	54.3
Interest expense	49.9	59.5	37.8	38.5	43.7	30.9	25
Income tax expense	23.1	34.8	30	26.8	9.9	21.6	118.5
EBITDA (non GAAP)	$434.1	$361.3	$307.5	$302.7	$278.0	$276.3	$317.6
Adjustments per credit agreement definitions[1]	85.8	51.7	51.5	56.3	123.6	139	23.2
Adjusted EBITDA (non-GAAP) per credit agreement[1]	$519.9	$413.0	$359.1	$359.0	$401.6	$415.3	$340.8
Total net debt[2]	$511.1	$736.0	$905.9	$615.0	$905.6	$835.8	$234.7
Leverage ratios:							
Total net debt/credit adjusted EBITDA ratio	1.0x	1.8x	2.5x	1.7x	2.3x	2.0x	0.7x

(1) The $85.8 million adjustment to EBITDA in the last twelve months ending March 31, 2024 primarily related to $30.6 million of non-cash stock compensation, $40.7 million of restructuring and other exit charges, impairment of indefinite-lived intangibles and write-down of other current assets of $13.6 million. The $51.7 million adjustment to EBITDA in fiscal 2023 primarily related to $26.4 million of non-cash stock compensation, $22.4 million of restructuring and other exit charges, impairment of indefinite-lived intangibles of $0.5 million, and $1.4 million for swap termination fees. The $51.5 million adjustment to EBITDA in fiscal 2022 primarily related to $24.3 million of non-cash stock compensation, $26.0 million of restructuring and other exit charges, indefinite-lived intangibles of $1.2 million. The $56.3 million adjustment to EBITDA in fiscal 2021 primarily related to $19.8 million of non-cash stock compensation, $33.2 million of restructuring and other exit charges, business integration costs of $7.3 million, partially offset by $3.9 million of gain ($4.4 million gain less insurance deductibles) relating to the final settlement of the Richmond, KY fire claim. The $123.6 million adjustment to EBITDA in fiscal 2020 primarily related to impairment of goodwill and other intangible assets of $44.2 million, $20.8 million of non-cash stock compensation, inclusion of $18.5 million of six months of pro forma earnings of NorthStar, $20.8 million of restructuring and other exit charges and $1.9 million of inventory adjustments (fair value step up relating to the NorthStar transaction), $14.3 million for insurance reimbursement for business interruption due to the Richmond, KY fire and other charges of $3.1 million. The $139.0 million adjustment to EBITDA in fiscal 2019 primarily related to the inclusion of $69.3 million of nine months of pro forma earnings of Alpha, $13.6 million for fees and expenses related to the Alpha transaction, $22.6 million of non-cash stock compensation, $23.2 million of non-cash restructuring and other exit charges and $10.3 million of inventory adjustments (including a fair value step up relating to the Alpha transaction of $7.2 million). The $23.2 million adjustment to EBITDA in fiscal 2018 primarily related to $19.5 million of non-cash stock compensation and $3.7 million of non-cash restructuring and other exit charges.

(2) Debt includes finance lease obligations and letters of credit and is net of all U.S. cash and cash equivalents and foreign cash and investments, as defined in the Fourth Amended Credit Facility. In fiscal 2024, the amounts deducted in the calculation of net debt were U.S. cash and cash equivalents and foreign cash investments of $333.3 million; In fiscal 2023, were $347.0 million, in fiscal 2022, were $402.5 million, in fiscal 2021, were $399 million, in fiscal 2020, were $262 million, in fiscal 2019, were $200 million, and in fiscal 2018, were $372 million.

Non-GAAP Reconciliation

LEVERAGE RATIO BY QUARTER

($ in millions, except ratios)	Last twelve months ended September 29, 2024	Last twelve months ended June 30, 2024
Net earnings as reported	$289.5	$272.4
Add back:		
Depreciation and amortization	95.6	92.9
Interest expense	46.0	45.2
Income tax expense	19.3	26.1
EBITDA (non GAAP)	$450.4	$436.6
Adjustments per credit agreement definitions(1)	79.9	81.5
Adjusted EBITDA (non-GAAP) per credit agreement(1)	$530.3	$518.1
Total net debt(2)	$839.6	$564.8
Leverage ratios:		
Total net debt/credit adjusted EBITDA ratio	1.6x	1.1x

(1) The $79.9 million adjustment to EBITDA in the last twelve months ending September 29, 2024 primarily related to $29.7 million of non-cash stock compensation, $38.9 million of restructuring and other exit charges, impairment of indefinite-lived intangibles and write-down of other current assets of $10.5 million. The $81.5 million adjustment to EBITDA in the last twelve months ending June 30, 2024 primarily related to $29.7 million of non-cash stock compensation, $40.4 million of restructuring and other exit charges, impairment of indefinite-lived intangibles and write-down of other current assets of $10.5 million.

(2) Debt includes finance lease obligations and letters of credit and is net of all U.S. cash and cash equivalents and foreign cash and investments, as defined in the Fourth Amended Credit Facility. In the last twelve months ending September 29, 2024, the amounts deducted in the calculation of net debt were U.S. cash and cash equivalents and foreign cash investments of $407.9 million. In the last twelve months ending June 30, 2024, the amounts deducted in the calculation of net debt were U.S. cash and cash equivalents and foreign cash investments of $344.1 million.

Non-GAAP Reconciliation

FREE CASH FLOW

($ in millions)	Quarter ended	
	September 29, 2024	October 1, 2023
Net cash provided by (used in) operating activities	$ 33.6	$ 110.8
Less Capital Expenditures	(30.4)	(19.8)
Free Cash Flow	3.2	91.0

($ in millions)	Quarter ended	
	September 29, 2024	October 1, 2023
Net cash provided by (used in) operating activities	$ 33.6	$ 110.8
Net earnings	82.3	65.2
Operating cash flow conversion %	40.8 %	169.9 %
Free cash flow	3.2	91.0
Adjusted net earnings	86.5	76.5
Adjusted free cash flow conversion %	3.7 %	119.0 %

Non-GAAP Reconciliation

ADJUSTED GROSS PROFIT AND GROSS MARGIN

($ in millions)	Quarter ended	
	September 29, 2024	October 1, 2023
Gross Profit as reported	$ 252.1	$ 239.6
Inventory step up to fair value relating to recent acquisitions	1.9	—
Adjusted Gross Profit	254.0	239.6
Gross Margin	28.5 %	26.6 %
Adjusted Gross Margin	28.7 %	26.6 %

Key Performance Indicator

PRIMARY OPERATING CAPITAL

As part of managing the performance of our business, we monitor the level of primary operating capital, and its ratio to net sales. We define primary operating capital as accounts receivable, plus inventories, minus accounts payable. The resulting net amount is divided by the trailing three-month net sales (annualized) to derive a primary operating capital percentage. We believe these three elements included in primary operating capital are most operationally driven, and this performance measure provides us with information about the asset intensity and operating efficiency of the business on a company-wide basis that management can monitor and analyze trends over time. Primary operating capital was $978.8 million (yielding a primary operating capital percentage of 27.7%) at September 29, 2024, $852.9 million (yielding a primary operating capital percentage of 23.4%) at March 31, 2024 and $990.2 million at October 1, 2023 (yielding a primary operating capital percentage of 27.5%). The primary operating capital percentage of 27.7% at September 29, 2024 increased by 420 basis points compared to March 31, 2024 and increased 10 basis points compared to October 1, 2023. The increase in primary operating capital percentage at September 29, 2024 compared to March 31, 2024 was primarily due to the addition of Bren-Tronics balances as well as increases to inventory for strategic build up and decreases to accounts payable levels due to timing of payments this quarter. Accounts receivable amounts increased comparatively mainly due to longer termed collections from customers compared to the fourth fiscal quarter of the prior fiscal year. The slight increase in primary operating capital percentage at September 29, 2024 compared to October 1, 2023 was increases from Bren-Tronics offset by reduction in accounts receivable due to higher collections and inventory due to improved inventory management actions and easing of supply chain constraints compared to the second quarter of fiscal 2024.

Primary operating capital and primary operating capital percentages at September 29, 2024, March 31, 2024 and October 1, 2023 are computed as follows:

($ in Millions)	September 29, 2024	March 31, 2024	October 1, 2023
Accounts receivable, net	$549.0	$524.7	$536.5
Inventory, net	763.5	697.7	776.5
Accounts payable	(333.7)	(369.5)	(322.8)
Total primary operating capital	978.8	852.9	990.2
Trailing 3 months net sales	883.7	910.7	901.0
Trailing 3 months net sales annualized	3,534.8	3,642.8	3,604.0
Primary operating capital as a % of annualized net sales	27.7 %	23.4 %	27.5 %

Thank you.

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