



Where Intelligence Meets Infrastructure®

Earnings Conference Call

2025 First Quarter December 31, 2024

February 5, 2025

*These slides are not intended to be a stand-alone presentation,
but are for use in conjunction with the earnings call*



Non-GAAP Measures

In an effort to provide investors with additional information regarding the Company's results as determined by accounting principles generally accepted in the United States ("GAAP"), the Company also provides non-GAAP information that management believes is useful to investors. These non-GAAP measures have limitations as analytical tools, and securities analysts, investors and other interested parties should not consider any of these non-GAAP measures in isolation or as a substitute for analysis of the Company's results as reported under GAAP. These non-GAAP measures may not be comparable to similarly titled measures used by other companies.

Adjusted net income, adjusted net income per diluted share, adjusted operating income, adjusted operating margin, adjusted EBITDA and adjusted EBITDA margin are non-GAAP measures that the Company presents as performance measures because management uses these measures to evaluate the Company's underlying performance on a consistent basis across periods and to make decisions about operational strategies. Management also believes these measures are frequently used by securities analysts, investors and other interested parties in the evaluation of the Company's recurring performance.

Net debt and net debt leverage are non-GAAP measures that the Company presents as liquidity measures because management uses them to evaluate its capital management and financial position, and the investment community commonly uses them as measures of indebtedness. Free cash flow is a non-GAAP liquidity measure used to assist management and investors in analyzing the Company's ability to generate liquidity from its operating activities.

The calculations of these non-GAAP measures and reconciliations to GAAP results are included as an attachment to this presentation, which has been posted online at www.muellerwaterproducts.com. The Company does not reconcile forward-looking non-GAAP measures to the comparable GAAP measures, as permitted by Regulation S-K, as certain items, e.g., expenses related to corporate development activities, transactions, pension expenses/(benefits), corporate restructuring and non-cash asset impairment, may have not yet occurred, are out of the Company's control or cannot be reasonably predicted without unreasonable efforts. Additionally, such reconciliation would imply a degree of precision and certainty regarding relevant items that may be confusing to investors. Such items could have a substantial impact on GAAP measures of the Company's financial performance.

Forward-Looking Statements

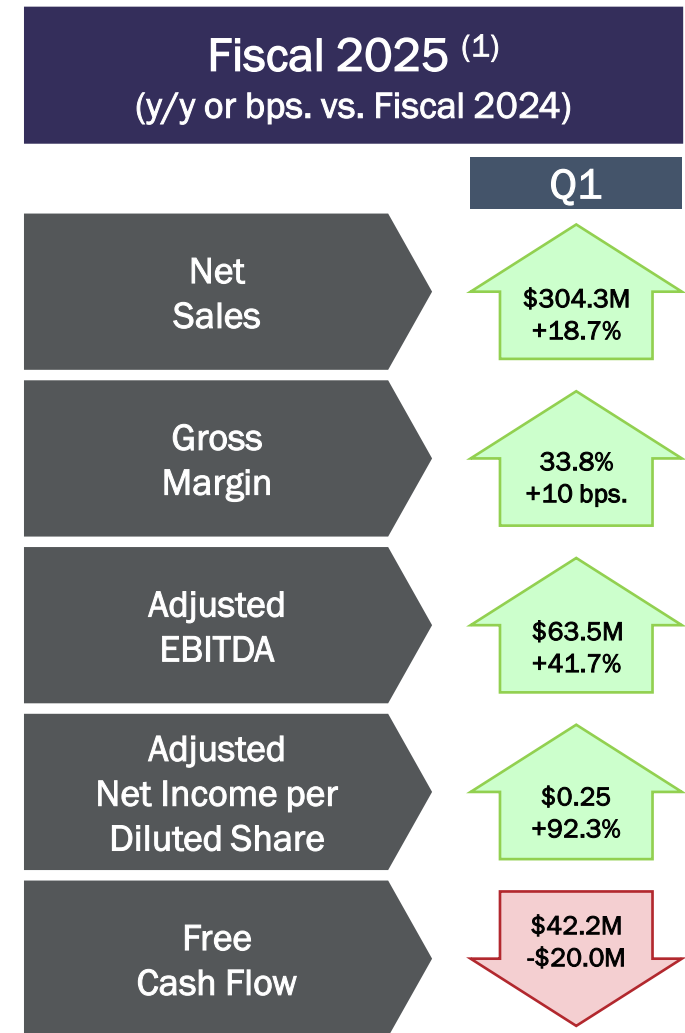
This presentation contains certain statements that may be deemed “forward-looking statements” within the meaning of the federal securities laws. All statements that address activities, events or developments that the Company intends, expects, plans, projects, believes or anticipates will or may occur in the future are forward-looking statements, including, without limitation, statements regarding outlooks, projections, forecasts, expectations, commitments, trend descriptions and the ability to capitalize on trends, value creation, Board of Directors and committee composition plans, long-term strategies and the execution or acceleration thereof, operational improvements, inventory positions, the benefits of capital investments, financial or operating performance, including driving increased margins, operational and commercial initiatives, capital allocation and growth strategy plans, and the demand for the Company’s products. Forward-looking statements are based on certain assumptions and assessments made by the Company in light of the Company’s experience and perception of historical trends, current conditions and expected future developments.

Actual results and the timing of events may differ materially from those contemplated by the forward-looking statements due to a number of factors, including, without limitation, logistical challenges and supply chain disruptions, geopolitical conditions, including the Israel-Hamas war, public health crises, or other events; inventory and in-stock positions of our distributors and end customers; an inability to realize the anticipated benefits from our operational initiatives, including our large capital investments in Decatur, Illinois, plant closures, and reorganization and related strategic realignment activities; an inability to attract or retain a skilled and diverse workforce, including executive officers, increased competition related to the workforce and labor markets; an inability to protect the Company’s information systems against further service interruption, risks resulting from possible future cybersecurity incidents, misappropriation of data or breaches of security; failure to comply with personal data protection and privacy laws; cyclical and changing demand in core markets such as municipal spending, residential construction, and natural gas distribution; government monetary or fiscal policies; the impact of adverse weather conditions; the impact of manufacturing and product performance; the impact of wage, commodity and materials price inflation; foreign exchange rate fluctuations; the impact of higher interest rates; the impact of warranty charges and claims, and related accommodations; the strength of our brands and reputation; an inability to successfully resolve significant legal proceedings or government investigations; compliance with environmental, trade and anti-corruption laws and regulations; climate change and legal or regulatory responses thereto; changing regulatory, trade and tariff conditions; the failure to integrate and/or realize any of the anticipated benefits of acquisitions or divestitures; an inability to achieve some or all of our goals and commitments in environmental and sustainability programs; and other factors that are described in the section entitled “RISK FACTORS” in Item 1A of the Company’s most recent Annual Report on Form 10-K and later filings on Form 10-Q, as applicable.

Forward-looking statements do not guarantee future performance and are only as of the date they are made. The Company undertakes no duty to update its forward-looking statements except as required by law. Undue reliance should not be placed on any forward-looking statements. You are advised to review any further disclosures the Company makes on related subjects in subsequent Forms 10-K, 10-Q, 8-K and other reports filed with the U.S. Securities and Exchange Commission.

First Quarter Highlights

- Pleased with strong start to the year where we achieved record first quarter results for Adj. EBITDA and Adj. Net Income per Diluted Share
 - Exceeded net sales growth expectations (+18.7% y/y) as we experienced healthy order levels supported by resilient end-market demand and focus on delivering outstanding customer service
 - Disciplined execution on higher volumes led to a record first quarter Adj. EBITDA and 340 bps. y/y improvement in Adj. EBITDA margin
 - Achieved record first quarter Adj. Net Income per Diluted Share of \$0.25 (+92.3% y/y)
 - Generated \$42M of Free Cash Flow after allocating \$12M toward capital expenditures due to great execution from our teams
- Increasing guidance for 2025 Net Sales and Adj. EBITDA to primarily reflect strong Q1 results and benefits from recent price actions
 - Updated guidance does not include any potential cost increases or impacts associated with the recently announced tariffs; latest price actions were communicated prior to the recently announced tariffs
- Teams continue to execute at a high level, including delivering benefits from manufacturing and supply chain efficiencies
- Confident we can execute our key strategies while managing external challenges



(1) See Appendix for reconciliation of non-GAAP measures (Adjusted EBITDA, Adjusted Net Income per Diluted Share, Free Cash Flow) to their corresponding GAAP measures.

Commercial and Operational Insights

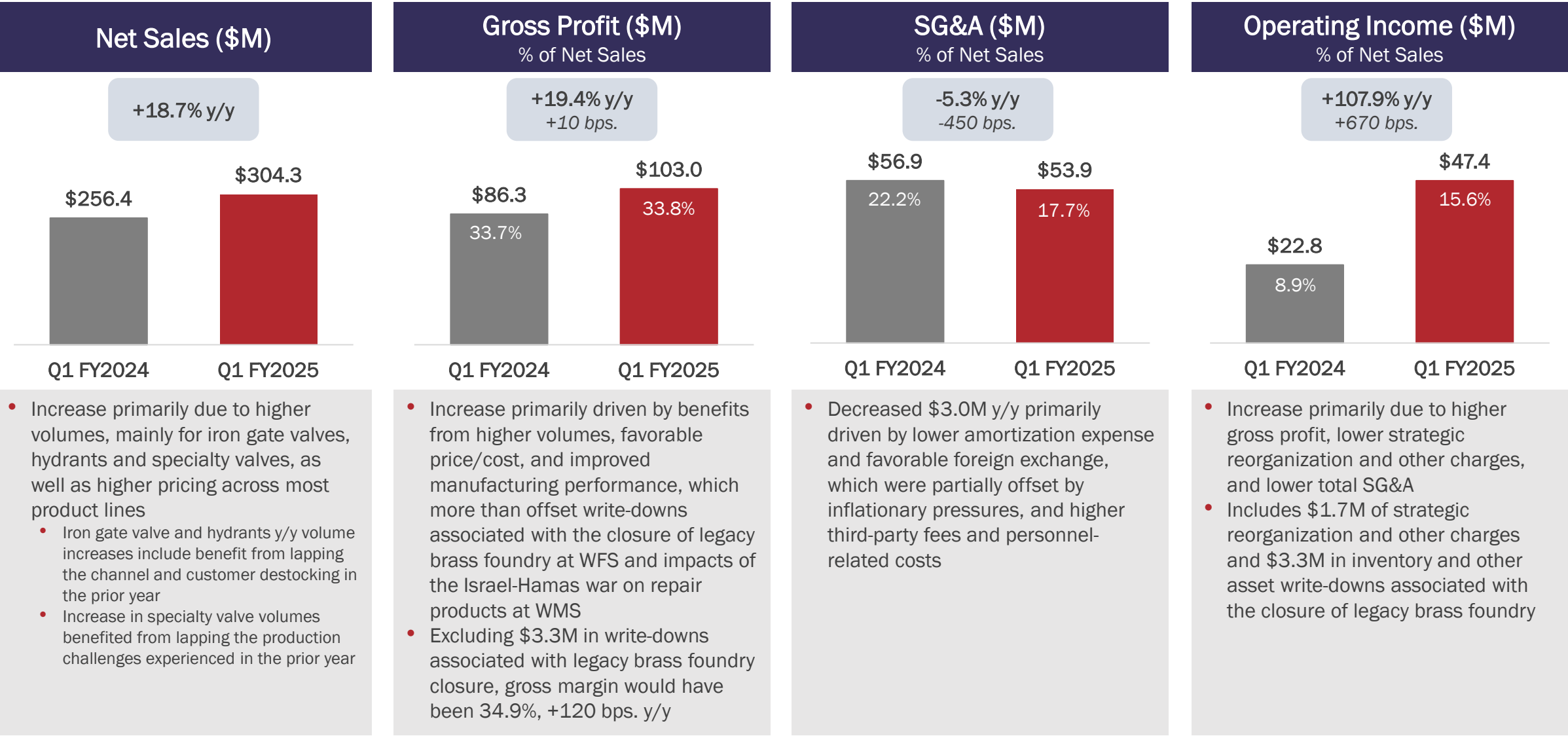
- Order levels exceeded expectations, mainly for short-cycle iron gate valves and hydrants
 - Strong execution of commercial and operations teams enabled us to do a great job fulfilling orders
- Achieved milestone for Mueller and transitioned production to our state-of-the-art foundry when we ceased melting and casting operations at legacy brass foundry at end of Q1
 - Continue to expect the closure of foundry to generate an 80 to 100 bps. annualized improvement in our gross margin starting in the second half of 2025
- Continued to experience headwinds for Krausz repair products during Q1, as expected
 - Expect to continue to experience margin headwinds throughout the year, with our customers and employees as main priorities, as we reduce backlog levels through increased production
- Poised to benefit from disciplined investments in our commercial and operational capabilities, along with the closure of the legacy brass foundry
 - For 2025, increased expectations imply more than a 200 bps. y/y improvement in gross margin at the midpoint of our annual guidance



Learn More About Our
State-of-the-Art Brass Foundry

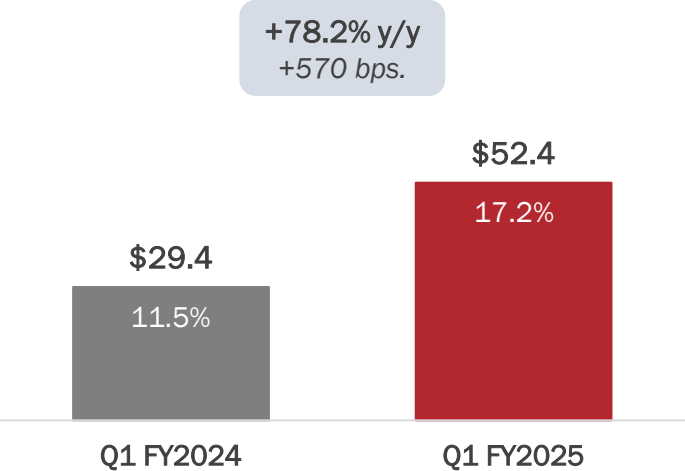
https://youtu.be/KJZdIMQ3ARs?si=AJMFVrml_Vj1_K3o

Consolidated GAAP Results (Q1 FY2025)



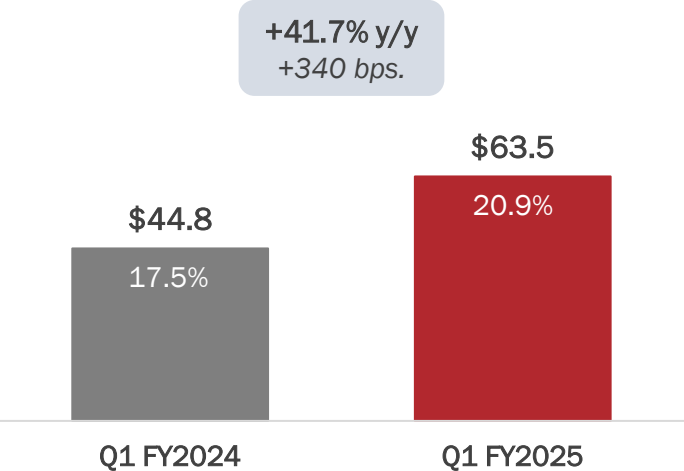
Consolidated Non-GAAP Results (Q1 FY2025) ⁽¹⁾

Adj. Operating Income (\$M) % of Net Sales



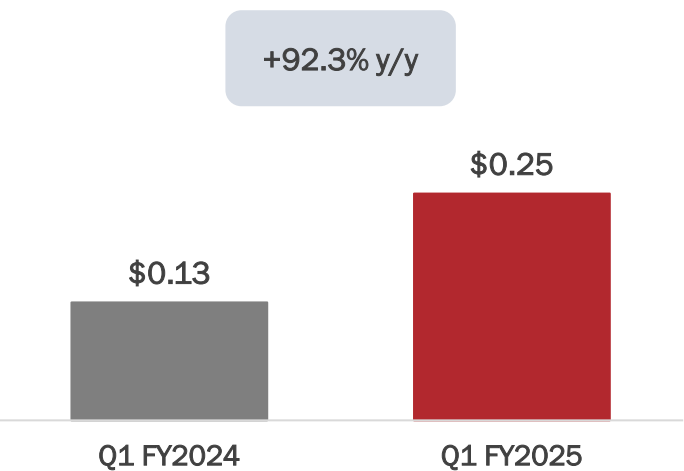
- Increase \$23.0M primarily due to higher gross profit and lower total SG&A expenses
- Adj. Operating Margin improved 570 bps. y/y to 17.2%, which is a record first quarter level

Adj. EBITDA (\$M) % of Net Sales



- Adj. EBITDA increased \$18.7M y/y and Adj. EBITDA margin increased 340 bps. to 20.9%
 - Includes no pension expense other than service compared with an expense of \$0.9M in the prior year
- Achieved first quarter record levels for adjusted EBITDA and adjusted EBITDA margin
- LTM Q1 FY2025 Adj. EBITDA of \$303.4M with 22.3% margin, which is a 560 bps. improvement compared with the prior 12-month period

Adj. Net Income per Diluted Share



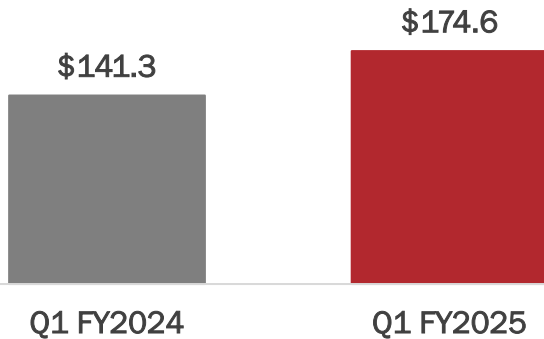
- Increased Q1 Adj. Net Income per Diluted Share 92.3% y/y to \$0.25, which is record for first quarter
 - Net interest expense decreased \$1.7M y/y to \$1.6M primarily due to higher interest income
 - Effective tax rate increased to 22.9% primarily due to \$1.6M income tax benefit in the prior year quarter associated with the expiration of an uncertain tax position, which was offset by the release of a \$1.6M indemnification receivable in Other expense; effective tax rate for the first quarter was comparable to the prior year quarter excluding the benefit

(1) See Appendix for reconciliation of non-GAAP measures to their corresponding GAAP measures.

Water Flow Solutions (WFS) Segment Results (Q1 FY2025)

Net Sales (\$M)

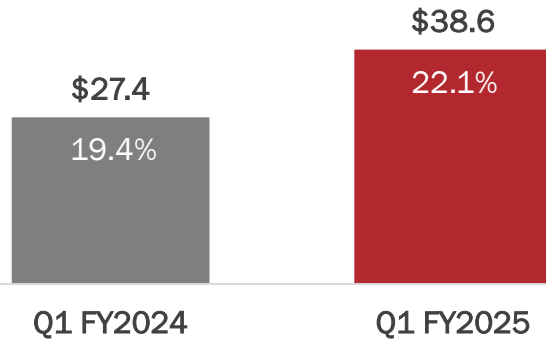
+23.6% y/y



- Increase primarily due to higher volumes of iron gate and specialty valves as well as higher pricing across most product lines
 - With normalized lead times, net sales growth for iron gate valves benefited from healthy order levels, as well as lapping low orders and shipments in the prior year, which were primarily due to channel and customer inventory destocking
 - Specialty valve volumes benefited from lapping the production challenges experienced in the prior year

Adj. Operating Income (\$M) ⁽¹⁾ % of Net Sales

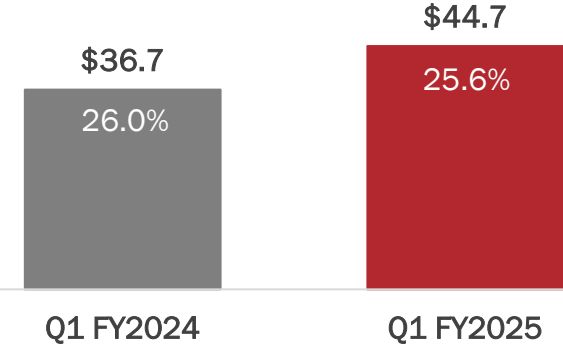
+40.9% y/y
+270 bps.



- Increased \$11.2M y/y as benefits from higher volumes, lower amortization and favorable price/cost more than offset higher SG&A expenses and unfavorable manufacturing performance
 - Manufacturing performance included inefficiencies associated with operating two brass foundries and prior year benefits associated with serving elevated backlog for service brass products during the prior year quarter
- Adj. Operating Margin improved 270 bps. y/y to 22.1%

Adj. EBITDA (\$M) ⁽¹⁾ % of Net Sales

+21.8% y/y
-40 bps.



- Increased \$8.0M y/y as benefits from higher volumes and favorable price/cost more than offset higher SG&A expenses and unfavorable manufacturing performance
- Adj. EBITDA Margin decreased 40 bps. y/y to 25.6%

(1) See Appendix for reconciliation of non-GAAP measures to their corresponding GAAP measures.

Water Management Solutions (WMS) Segment Results (Q1 FY2025)

Net Sales (\$M)

+12.7% y/y

\$115.1

\$129.7

Q1 FY2024

Q1 FY2025

- Increase primarily due to higher volumes of hydrants as well as higher pricing across most product lines
 - Similar to iron gate valves, net sales growth for hydrants benefited from normalized lead times and healthy order levels, as well as lapping low orders and shipments in the prior year quarter, which were primarily due to channel and customer inventory destocking

Adj. Operating Income (\$M) ⁽¹⁾ % of Net Sales

+82.8% y/y
+820 bps.

\$15.1

13.1%

Q1 FY2024

\$27.6

21.3%

Q1 FY2025

- Increased \$12.5M y/y compared with the prior year quarter, as benefits from higher volumes, favorable manufacturing performance, lower SG&A expenses, including amortization, and favorable price/cost more than offset the impacts of the Israel-Hamas war on repair products
- Adj. Operating Margin increased 820 bps. y/y to 21.3%

Adj. EBITDA (\$M) ⁽¹⁾ % of Net Sales

+47.5% y/y
+590 bps.

\$22.1

19.2%

Q1 FY2024

\$32.6

25.1%

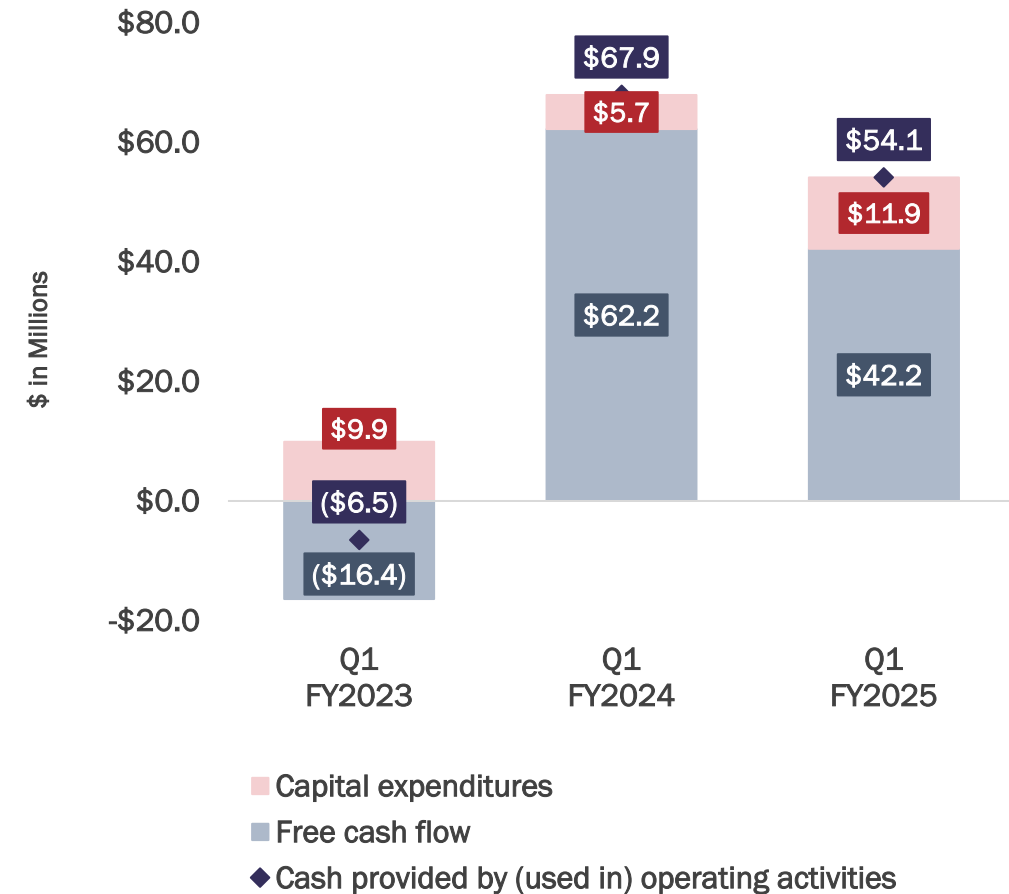
Q1 FY2025

- Increased \$10.5M y/y as benefits from higher volumes, favorable manufacturing performance, lower SG&A expenses and favorable price/cost, more than offset the impacts of the Israel-Hamas war on repair products
- Adj. EBITDA Margin increased 590 bps. y/y to 25.1%

(1) See Appendix for reconciliation of non-GAAP measures to their corresponding GAAP measures.

Free Cash Flow (Q1 Fiscal 2025)

- Delivered \$54.1M of net cash provided by operating activities in Q1 compared with \$67.9M in prior year
 - Decrease primarily driven by changes in working capital, including other current liabilities such as incentive compensation, partially offset by higher net income
 - Payables increased in Q1 FY2024 largely related to delays caused by the cybersecurity incident
- Invested \$11.9M in capital expenditures in Q1 compared with \$5.7M in prior year
 - Increase was primarily driven by increased expenditures in our foundries and timing of spending in the prior year
- Generated \$42.2M of free cash flow compared with \$62.2M in prior year
 - Achieved 108% free cash flow as % of adjusted net income, exceeding expectations



(1) See Appendix for reconciliation of non-GAAP measures to their corresponding GAAP measures.

Strong Balance Sheet and Liquidity

Ample capacity, liquidity and flexibility to support our strategic priorities, including acquisitions

Credit Rating	- Moody’s: Ba1 Corporate and Notes Ratings, Stable Outlook - S&P: BB Corporate and Notes Ratings, Positive Outlook	Debt Maturities <table><caption>Debt Maturities (FYE \$ in millions)</caption><thead><tr><th>Fiscal Year</th><th>Debt Maturities (\$M)</th></tr></thead><tbody><tr><td>FY2025</td><td>0</td></tr><tr><td>FY2026</td><td>0</td></tr><tr><td>FY2027</td><td>0</td></tr><tr><td>FY2028</td><td>0</td></tr><tr><td>FY2029</td><td>450</td></tr></tbody></table>	Fiscal Year	Debt Maturities (\$M)	FY2025	0	FY2026	0	FY2027	0	FY2028	0	FY2029	450
Fiscal Year	Debt Maturities (\$M)													
FY2025	0													
FY2026	0													
FY2027	0													
FY2028	0													
FY2029	450													
Debt Structure	\$450M of 4.0% Senior Notes (mature June 2029) - Asset based lending agreement (“ABL”) provides up to \$175M revolving credit facility subject to borrowing base (SOFR + 10 bps. + 150 to 175 bps.) with none outstanding (matures March 2029)													
Net Debt Leverage & Liquidity	\$111.3M net debt with total debt of \$449.5M and total cash of \$338.2M as of December 31, 2024 ⁽¹⁾ - Net debt leverage at 0.4x as of December 31, 2024 - No debt financing maturities prior to June 2029 \$501.2M of total liquidity, including \$163.0M of excess availability under the ABL as of December 31, 2024													
Financial Covenants	- No financial maintenance covenants on 4.0% Senior Notes - ABL not subject to any financial maintenance covenants unless excess availability is less than the greater of \$17.5M and 10% of the Loan Cap; consolidated Fixed Charge Ratio permitted to be <1x unless threshold is triggered													

(1) 4.0% Senior Notes include \$3.0M of deferred financing costs.

Fiscal 2025 Outlook ⁽¹⁾

- Increasing net sales expectations to be between \$1,370M and \$1,390M (+4.2% to +5.7% y/y)
 - \$30M increase vs. prior guidance at the midpoint of the range reflects Q1 performance, expected benefits from recent price actions for many of our products and current expectations for end market demand
- Increasing adjusted EBITDA expectations to be between \$310M and \$315M (+8.9% to +10.6% y/y)
 - \$10M increase vs. prior guidance at the midpoint of the range reflects Q1 performance and updated expectations for net sales and total SG&A expenses
 - Achieves a 22.6% adjusted EBITDA margin for the year, at the midpoint of the range, reflecting 90 bps. y/y improvement
 - Continue to expect second half 2025 Adj. EBITDA margin to be higher than the first half
- Maintaining free cash flow expectations to be >80% of adjusted net income, including \$45M to \$50M of capital expenditures
- Updated guidance does not include any potential impacts from the recently announced tariffs

Fiscal 2025 Metrics ⁽¹⁾	
Consolidated Net Sales (y/y Growth)	\$1,370M to \$1,390M (+4.2% to +5.7%)
Adjusted EBITDA ⁽²⁾ (y/y Growth)	\$310M to \$315M (+8.9% to +10.6%)
Total SG&A Expenses ⁽³⁾	\$240M to \$244M
Net Interest Expense	\$10.5M to \$11.5M
Effective Income Tax Rate	25% to 27%
Depreciation and Amortization ⁽³⁾	\$43M to \$45M
Capital Expenditures	\$45M to \$50M
Free Cash Flow % of Adjusted Net Income	>80%

(1) Provided with Q1FY25 earnings press release on February 4, 2025.

(2) Pension expense other than service expected to be a \$0.2M benefit to adjusted EBITDA in FY2025 vs. \$4.0M expense in FY2024.

(3) In 2025, annual amortization expense will decrease by approximately \$18M due to customer relationship intangibles from 2005 becoming fully amortized.

Closing Comments

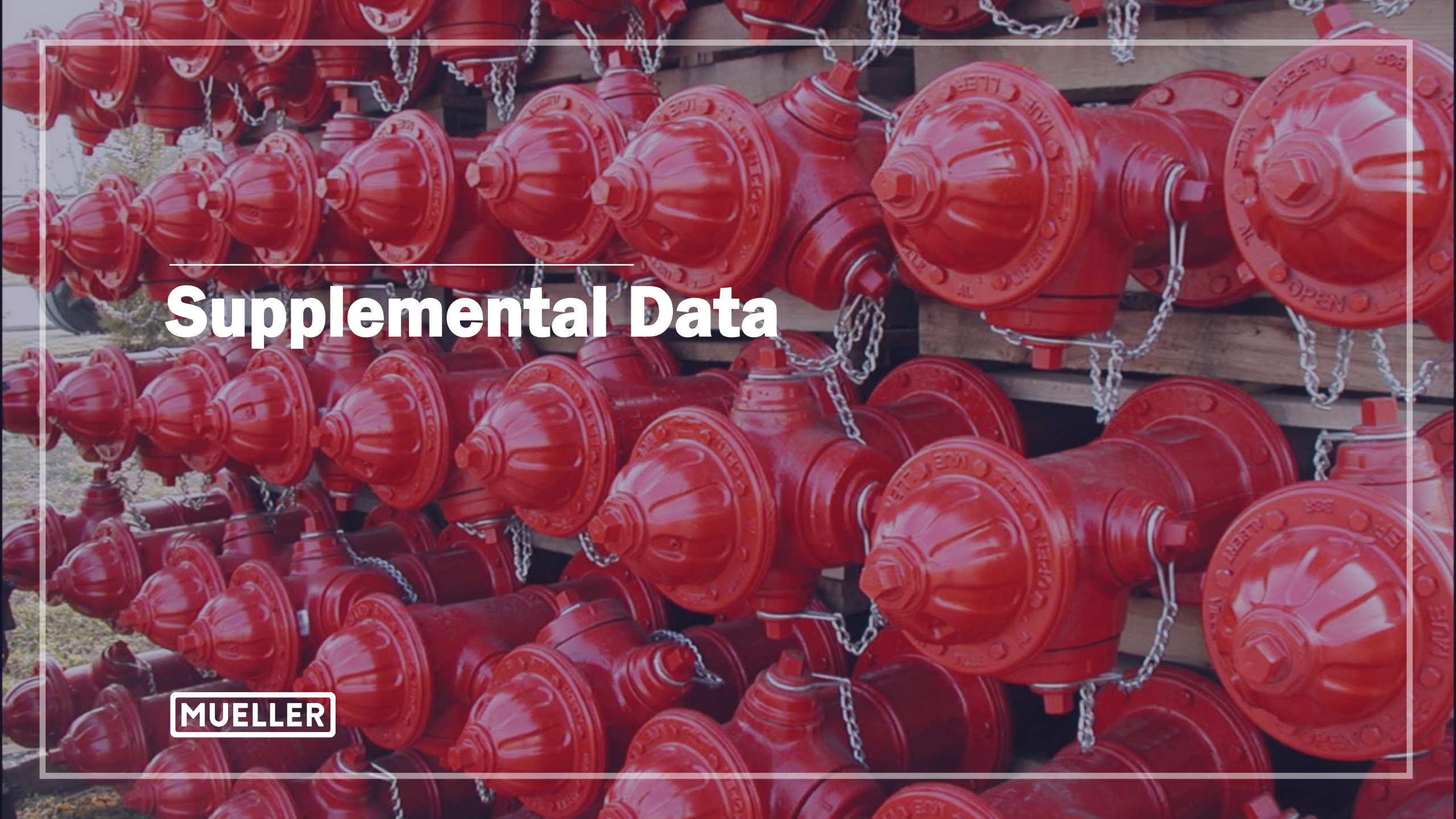
- Thank you to all our employees around the world for their focused execution to start the year, and their continued dedication and passion for helping our customers and communities is the engine for our future success
- Pleased to be increasing annual guidance for 2025; however, mindful of the uncertain external environment, including potential policy changes
- Poised to drive net sales growth and future margin improvements beyond 2025 thanks to our teams' disciplined focus on serving customers and delivering on key strategic priorities
 - Positioned ourselves to accelerate sales growth and capture the benefits from favorable long-term end-market growth trends through product innovation and service.
 - Driving operational improvements to deliver the benefits from capital investments and expand capabilities
 - Increasing collaboration and teamwork throughout the organization to create a culture of talent development, enabling us to execute on our strategic opportunities and make Mueller a preferred place to work
- Confident that the actions we are taking to execute our strategy will further strengthen Mueller for the long term





Q&A

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Supplemental Data

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Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

	Three months ended December 31, 2024			
	Water Flow Solutions	Water Management Solutions	Corporate	Consolidated
	(dollars in millions, except per share amounts)			
Net sales	\$ 174.6	\$ 129.7	\$ —	\$ 304.3
Gross profit ⁽¹⁾	\$ 55.1	\$ 47.9	\$ —	\$ 103.0
Selling, general and administrative expenses	19.8	20.3	13.8	53.9
Strategic reorganization and other charges ⁽²⁾	—	0.3	1.4	1.7
Operating income (loss)	\$ 35.3	\$ 27.3	\$ (15.2)	\$ 47.4
Operating margin	20.2 %	21.0 %		15.6 %
Capital expenditures	\$ 5.7	\$ 6.2	\$ —	\$ 11.9
Net income				\$ 35.3
Net income margin				11.6 %
Reconciliation of non-GAAP to GAAP performance measures:				
Net income				\$ 35.3
Strategic reorganization and other charges ⁽²⁾				1.7
Inventory and other asset restructuring write-down				3.3
Income tax expense of adjusting items ⁽³⁾				(1.1)
Adjusted net income				\$ 39.2
Weighted average diluted shares outstanding				157.5
Net income per diluted share				\$ 0.22
Strategic reorganization and other charges per diluted share				0.01
Inventory and other asset restructuring write-down per diluted share				0.02
Income tax expense of adjusting items per diluted share ⁽³⁾				—
Adjusted net income per diluted share				\$ 0.25

(1) Gross profit includes \$3.3 million in Inventory and other asset write-downs associated with the closure of our legacy brass foundry in Decatur, Illinois, as we transition operations to the new foundry.

(2) Strategic reorganization and other charges primarily relate to expenses associated with our leadership transition and severance.

(3) The income tax expense of adjusting items reflects an effective tax rate of 22.9% and may be subject to rounding.

Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

Three months ended December 31, 2024				
	Water Flow Solutions	Water Management Solutions	Corporate	Consolidated
	(dollars in millions, except per share amounts)			
Net income				\$ 35.3
Income tax expense ⁽⁴⁾				10.5
Interest expense, net ⁽⁴⁾				1.6
Operating income (loss)	\$ 35.3	\$ 27.3	\$ (15.2)	47.4
Strategic reorganization and other charges ⁽²⁾	—	0.3	1.4	1.7
Inventory and other asset restructuring write-down	3.3	—	—	3.3
Adjusted operating income (loss)	38.6	27.6	(13.8)	52.4
Depreciation and amortization	6.1	5.0	—	11.1
Adjusted EBITDA	\$ 44.7	\$ 32.6	\$ (13.8)	\$ 63.5
Adjusted operating margin	22.1 %	21.3 %		17.2 %
Adjusted EBITDA margin	25.6 %	25.1 %		20.9 %
Adjusted EBITDA	\$ 44.7	\$ 32.6	\$ (13.8)	\$ 63.5
Three prior quarters' adjusted EBITDA	181.0	106.4	(47.5)	239.9
Trailing twelve months' adjusted EBITDA	\$ 225.7	\$ 139.0	\$ (61.3)	\$ 303.4
Reconciliation of net debt to total debt (end of period):				
Current portion of long-term debt				\$ 0.8
Long-term debt				448.7
Total debt				449.5
Less cash and cash equivalents				338.2
Net debt				\$ 111.3
Debt leverage (debt divided by trailing twelve months' adjusted EBITDA)				1.5x
Net debt leverage (net debt divided by trailing twelve months' adjusted EBITDA)				0.4x
Reconciliation of free cash flow to net cash provided by operating activities:				
Net cash provided by operating activities				\$ 54.1
Less capital expenditures				11.9
Free cash flow				\$ 42.2

(1) Gross profit includes \$3.3 million in Inventory and other asset write-downs associated with the closure of our legacy brass foundry in Decatur, Illinois, as we transition operations to the new foundry.

(2) Strategic reorganization and other charges primarily relate to expenses associated with our leadership transition and severance.

(3) The income tax expense of adjusting items reflects an effective tax rate of 22.9% and may be subject to rounding.

(4) The Company does not allocate interest or income taxes to its segments.

Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

Three months ended December 31, 2023			
	Water Flow Solutions	Water Management Solutions	Corporate
	(dollars in millions, except per share amounts)		
			Consolidated
Net sales	\$ 141.3	\$ 115.1	\$ —
Gross profit	\$ 46.6	\$ 39.7	\$ —
Selling, general and administrative expenses	19.2	24.6	13.1
Strategic reorganization and other charges ⁽¹⁾	0.2	—	6.4
Operating income (loss)	\$ 27.2	\$ 15.1	\$ (19.5)
Operating margin	19.2 %	13.1 %	8.9 %
Capital expenditures	\$ 3.9	\$ 1.8	\$ —
Net income			\$ 14.3
Net income margin			5.6 %
Reconciliation of non-GAAP to GAAP performance measures:			
Net income			\$ 14.3
Strategic reorganization and other charges ⁽¹⁾			6.6
Income tax expense of adjusting items ⁽²⁾			(1.0)
Adjusted net income			\$ 19.9
Weighted average diluted shares outstanding			156.7
Net income per diluted share			\$ 0.09
Strategic reorganization and other charges per diluted share			0.04
Income tax expense of adjusting items per diluted share ⁽²⁾			—
Adjusted net income per diluted share			\$ 0.13

(1) Strategic reorganization and other charges primarily relate to expenses associated with our leadership transition, transaction-related expenses, as well as cybersecurity incidents expense.

(2) The income tax expense of adjusting items reflects an effective tax rate of 15.4% and may be subject to rounding.

Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

Three months ended December 31, 2023				
	Water Flow Solutions	Water Management Solutions	Corporate	Consolidated
	(dollars in millions, except per share amounts)			
Net income				\$ 14.3
Income tax expense ⁽³⁾				2.6
Other expense				1.6
Interest expense, net ⁽³⁾				3.3
Pension expense other than service ⁽³⁾				1.0
Operating income (loss)	\$ 27.2	\$ 15.1	\$ (19.5)	22.8
Strategic reorganization and other charges ⁽¹⁾	0.2	—	6.4	6.6
Adjusted operating income (loss)	27.4	15.1	(13.1)	29.4
Pension expense other than service ⁽³⁾	—	—	(1.0)	(1.0)
Depreciation and amortization	9.3	7.0	0.1	16.4
Adjusted EBITDA	\$ 36.7	\$ 22.1	\$ (14.0)	\$ 44.8
Adjusted operating margin	19.4 %	13.1 %		11.5 %
Adjusted EBITDA margin	26.0 %	19.2 %		17.5 %
Adjusted EBITDA	\$ 36.7	\$ 22.1	\$ (14.0)	\$ 44.8
Three prior quarters' adjusted EBITDA	80.5	116.3	(38.9)	157.9
Trailing twelve months' adjusted EBITDA	\$ 117.2	\$ 138.4	\$ (52.9)	\$ 202.7
Reconciliation of net debt to total debt (end of period):				
Current portion of long-term debt				\$ 0.6
Long-term debt				446.8
Total debt				447.4
Less cash and cash equivalents				216.7
Net debt				\$ 230.7
Debt leverage (debt divided by trailing twelve months' adjusted EBITDA)				2.2x
Net debt leverage (net debt divided by trailing twelve months' adjusted EBITDA)				1.1x
Reconciliation of free cash flow to net cash provided by operating activities:				
Net cash provided by operating activities				\$ 67.9
Less capital expenditures				5.7
Free cash flow				\$ 62.2

(1) Strategic reorganization and other charges primarily relate to expenses associated with our leadership transition, transaction-related expenses, as well as cybersecurity incidents expense.

(2) The income tax expense of adjusting items reflects an effective tax rate of 15.4% and may be subject to rounding.

(3) The Company does not allocate interest, income taxes or pension amounts other than service to its segments.