



ASTEC

Astec Inaugural Investor Day

December 10, 2020



CLEARANCE 13' 6"



Forward-Looking Statements

Certain statements contained in this press release relate to future events and expectations and are “forward-looking statements” (within the meaning of the Private Securities Litigation Reform Act of 1995) regarding the future performance of the Company. Words such as “believe,” “estimate,” “will be,” “will,” “would,” “may,” “expect,” “anticipate,” “plan,” “project,” “intend,” “could,” “should” or other similar words or expressions often identify forward-looking statements. However, the absence of these words does not mean that the statement is not forward-looking. All statements other than statements of historical fact are forward-looking statements, including, without limitation, statements regarding our outlook, projections, forecasts or trend descriptions. These statements do not guarantee future performance and speak only as of the date they are made, and we do not undertake to update our forward-looking statements.

Because forward-looking statements involve risks and uncertainties, actual results could differ materially. Such risks and uncertainties, many of which are beyond the control of the Company, include among others: the impact of the COVID-19 pandemic on the global demand for the Company’s products; the impacts of the COVID-19 pandemic on the Company’s financial condition and business operations; general uncertainty in the economy; pricing, demand and availability of steel, oil and liquid asphalt; decreased funding for highway projects; the relative strength/weakness of the dollar to foreign currencies; production capacity; general business conditions in the industry; demand for the Company’s products; seasonality and cyclicalities in operating results; seasonality of sales volumes or lower than expected sales volumes; lower than expected margins on custom equipment orders; competitive activity; tax rates and the impact of future legislation thereon; and those other factors, risks and uncertainties that are more specifically set forth from time to time in the Company’s reports filed with the Securities and Exchange Commission, including but not limited to the Company’s annual report on Form 10-K for the year ended December 31, 2019.

Non-GAAP Financial Measures

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

Agenda



9:00 am	Welcome and Opening Remarks Steve Anderson SVP of Administration & IR
	Company Overview and Strategic Direction Barry Ruffalo President & CEO
	New Codified Operational Excellence Model Greg Oswald SVP, Operational Excellence
	Innovation as a Competitive Advantage Scott Barker SVP, Innovation
	Materials Solutions Overview Tim Averkamp Group President
10:15 am	Q&A Session

10:35 am	Break
10:40 am	Infrastructure Solutions Jaco van der Merwe Group President
	Financial Overview and Outlook Becky Weyenberg CFO
	Closing Remarks Barry Ruffalo President & CEO
11:20 am	Q&A Session



Company Overview and Strategic Direction

Barry Ruffalo | President & CEO



Today's Key Themes



01

Leadership positions within attractive niche markets in industries benefitting from long-term secular trends including population growth, urbanization, and aging infrastructure

02

Industry-leading reputation for **innovation, high-quality products and superior customer service**

03

Recurring, high-margin aftermarket revenue driven by a large global installed base

04

Strong management team executing our **Simplify, Focus, and Grow** strategic pillars; investing in initiatives to drive profitable growth

05

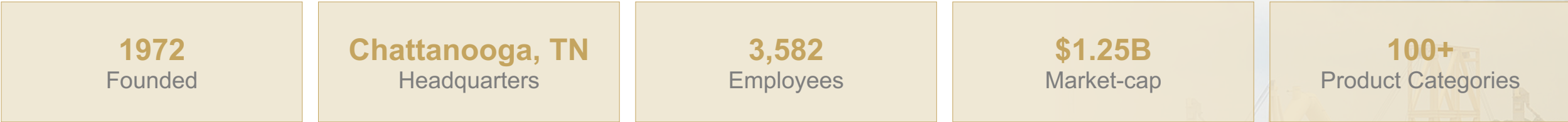
Introducing the OneASTEC Business Model, our operating model for continuous improvement





Built to Connect People, Processes and Products, Advancing Innovative Solutions from Rock to Road™ as OneASTE

Key Statistics¹



2019 Revenue Mix: \$1.15B²



¹ As of 9/30/2020. ² Ex-pellets.

Rock to Road™ | Simplification of Our Business Segments

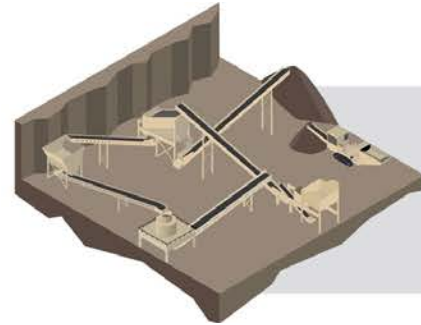


Materials Solutions

Key Products

Crushing and Screening • Washing and Classifying • Material Handling • Rock Breaker Technology • Plants and Systems

Leading Brands



Infrastructure Solutions

Key Products

Roadbuilding • Paving • Forestry • Recycling • Asphalt Plants • Concrete Plants • Burners and Heaters • Silos and Storage Tanks

Leading Brands

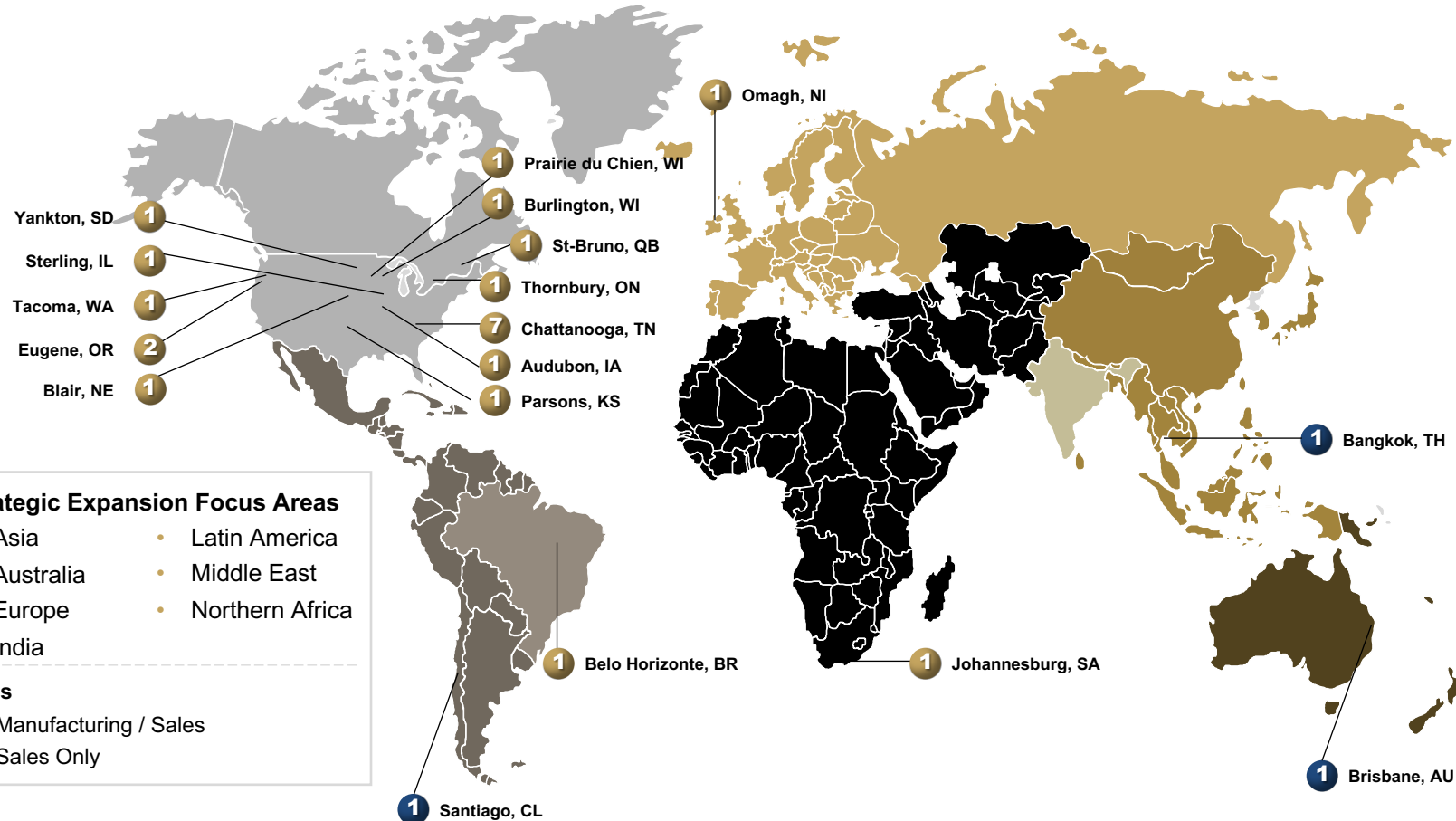


ENABLING MORE EFFECTIVE MANAGEMENT WITH TWO SEGMENT STRUCTURE

Leverage Actions Taken to Further Simplify the Business



Our Current Global Footprint



Ongoing Strategic Simplification Efforts

- ✓ **Reduced organizational structure complexity** through new business segment structure from three to two for more effective management
- ✓ **Consolidate and rationalize** footprint and product portfolio
- ✓ **Optimize supply chain** by leveraging size and scale of business

WELL POSITIONED TO LEVERAGE AND GROW STRATEGICALLY

Our Sustainable Competitive Advantages

Deep, Long-standing
**Customer
Relationships**



**Strong Customer
Service** Adding
Stability and Reduced
Risk to Business Model



Market Leader
(#1 to #3 Position) with
First-mover Agility



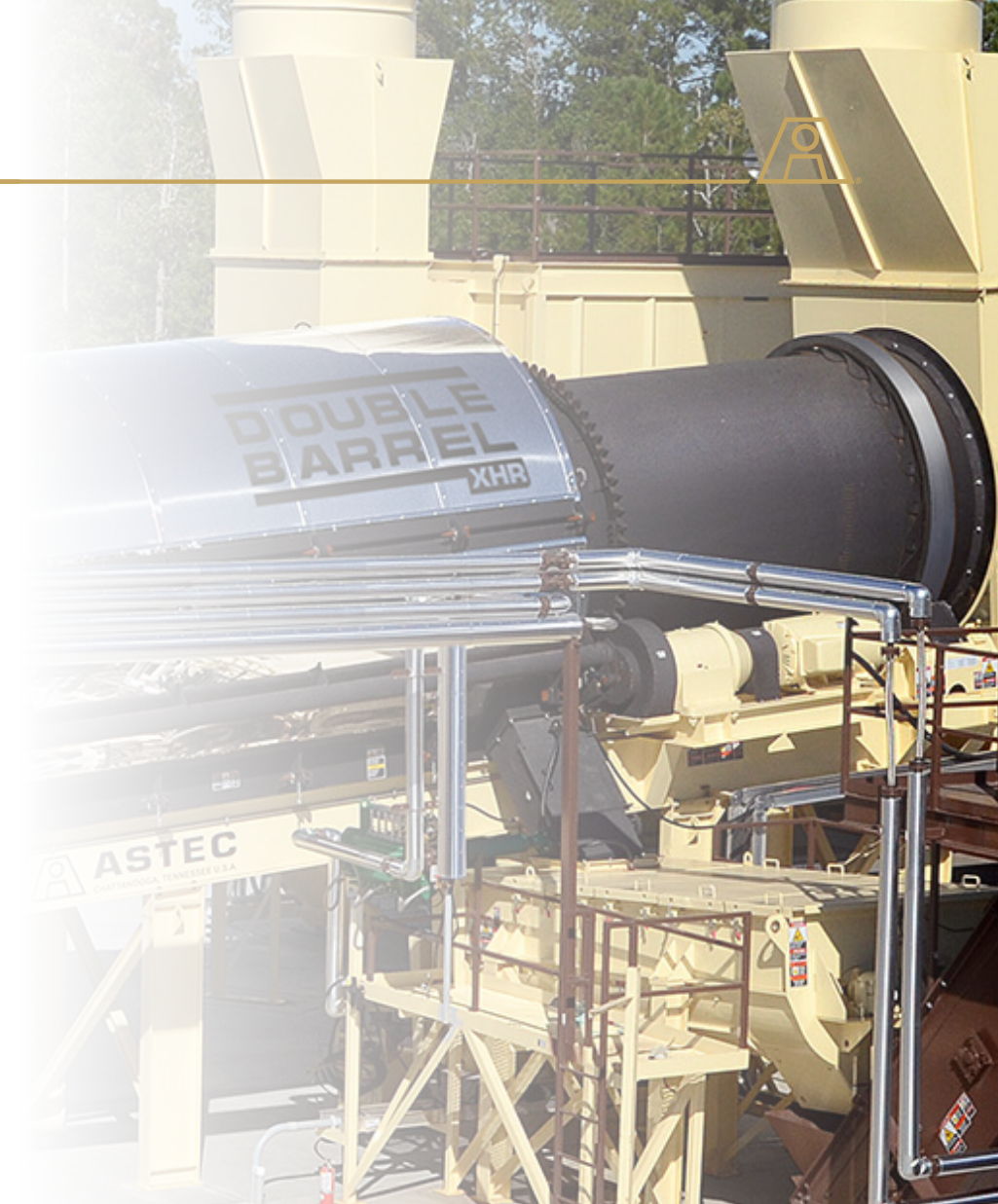
**Strong Management
Team** with International
Experience



**More Complete
Solutions Portfolio**
with Cross-selling
Capabilities as
OneASTEC



**Customer-centric
Innovation** and a
Culture of Continuous
Improvement



DIFFERENTIATED VALUE PROPOSITION FOR CUSTOMERS AND SHAREHOLDERS

New and Energized Management Team with Diverse Set of Experiences



Barry Ruffalo
President & CEO
Joined: 2019



Becky Weyenberg
Chief Financial Officer
2019



Matt Litchfield
Chief Information Officer
2019



Scott Barker
SVP, Innovation
2017



Reuben Srinivasan
SVP, Human Resources
2020



Greg Oswald
SVP, Operational
Excellence
2019



Steve Anderson
SVP of Administration & IR
1999



Anshu Pasricha
General Counsel &
Corporate Secretary
2020



Jaco van der Merwe
Group President
2016



Tim Averkamp
Group President
2019



Michael Norris
SVP, International &
Aftermarket Sales
2018



Todd Burchett
SVP, Strategic
Accounts
2020

▲ New to Astec within Two Years

300+ YEARS COMBINED INDUSTRY EXPERIENCE

Engaged and Accountable Board of Directors



William D. Gehl

Chairman of the Board

Chairman of Freightcar America,
Chairman of IBD Southeast Wisconsin

•

Further diversifying Board

△ Four new Board directors
within last two years



Barry Ruffalo

President & CEO,
Astec Industries Inc.



William Dorey

Former CEO & President,
Granite Construction, Inc.

•



Mary Howell

Founder and CEO,
Howell Strategy Group

• •



Daniel Frierson

Chairman and CEO,
Dixie Group, Inc.

• •



Brad Southern

CEO,
Louisiana-Pacific Corp.

• •



Jim Baker

Managing Partner,
River Associates
Investments, LLC

• •



William Sansom

Chairman & CEO,
The H.T. Hackney Co.

• •



Glen Tellock

President and CEO,
Lakeside Foods, Inc.

• •



Tracy Cook

President,
American Equipment
Company, Inc.

• •



Charles Potts

Chairman,
Heritage Construction
Materials

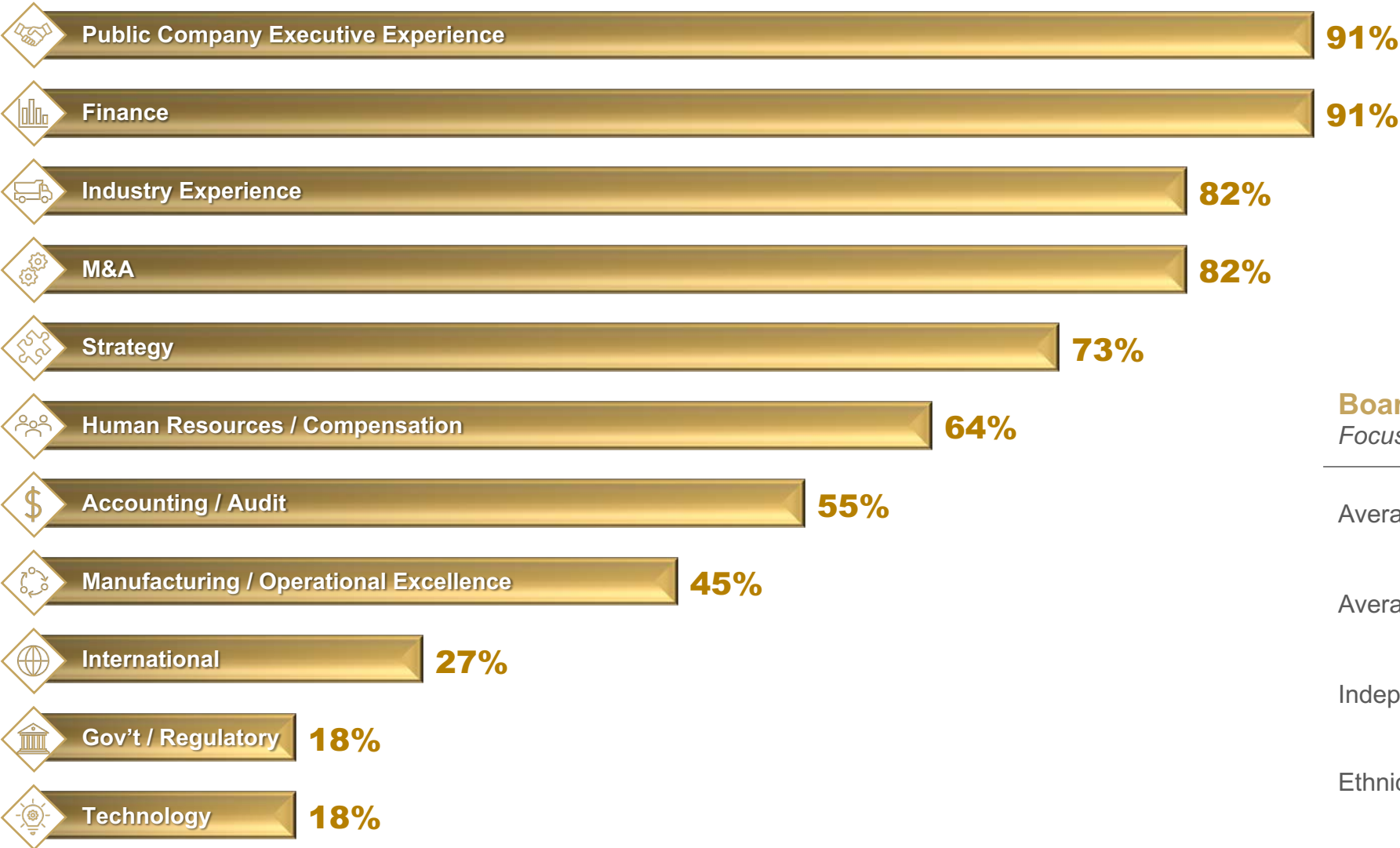
• •

Committee Composition: • Audit • Nominating and Corporate Governance • Compensation

Strong Depth and Breadth of Experience to Support Long-term Strategy



Board Skills Matrix



Board Attributes

Focused on Refreshing and Optimizing Talent

Average Age	~67 Years
Average Tenure	~11 Years
Independent Directors	91%
Ethnic and/or Gender Diversity	18%

Transformation Journey Continues with Significant Execution Thus Far



ASTEC | BUILT TO **CONNECT**

2019

- Barry Ruffalo joins Astec Industries as **President & CEO**

- Created **Simplify, Focus, and Grow** strategic pillars

- Infrastructure Solutions, integrated **five service teams into a unified service and construction team**; one support call center

- Rationalized two sites** in Hameln, Germany and Albuquerque, NM to further streamline operations

- Refreshed executive leadership team** with new CFO, CIO, SVP of Operational Excellence

2020

- Changed from subsidiary structure to **align by product groups**

- 1Q20 re-segmentation** to two segment reporting structure

- Acquired** BMH Systems, CON-E-CO, and Grathwol Automation

- Completed **divestiture of GEFECO** (Enid; O&G products)

- Executed Astec Strategic Procurement** initiative consolidating supply chain

- Aligned financial metrics** to management incentives and shareholder value creation

- Appointed new leaders:** General Counsel, SVP of HR, VP of Strategic Accounts, and Group President, Materials Solutions

- Reinvigorated focus on innovation;** new Innovation Council

- Closed** Mequon, WI facility to streamline operations

- Disciplined and **strategic M&A**

- Increase **Board diversity**

- Global expansion**

2021-2024+

- Further drive operational and commercial excellence** across organization

- Optimize product portfolio** with ongoing rationalization

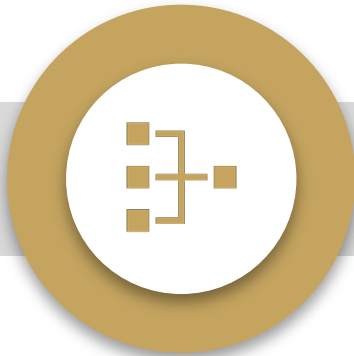
- Improve WC turns** – clear action plan in place

- Increasing **focus on connected products and telematics**

Our Profitable Growth Strategy Remains Consistent



SIMPLIFY



Leverage Actions Taken to Further Simplify the Business

- Leverage global footprint and scale while maintaining strong customer relationships
- Reduce organizational structure complexity
- Consolidate and rationalize footprint and product portfolio
- Optimize supply chain by leveraging size and scale of business

FOCUS



Utilize OneASTEC Business Model to Enhance Efficiency across the Organization

- Strengthen customer-centric approach by providing a holistic set of solutions
- Drive commercial excellence
- Embrace and streamline operational excellence processes
- Enhance accountability through a performance-based culture with aligned KPIs and incentives

GROW



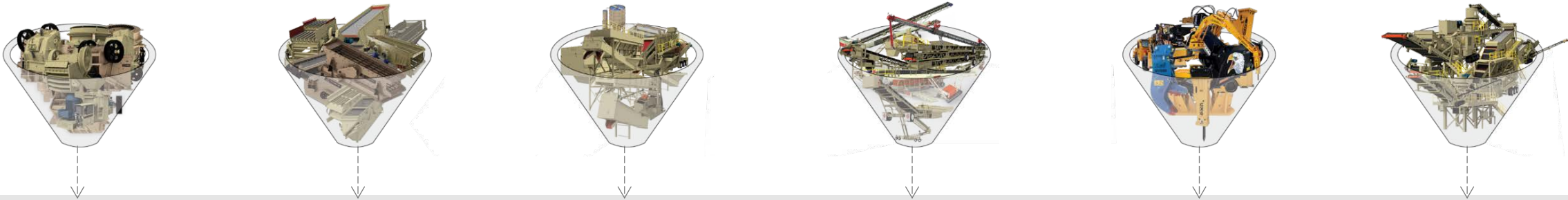
Drive Growth through Organic and Inorganic Opportunities (Rock to Road Continuum)

- Reinvigorate innovation with a new product development approach
- Leverage technology and digital connectivity to enhance customer experience
- Capitalize on global growth opportunities
- Allocate capital effectively to drive greatest shareholder value

Company-wide Product Simplification Example



Simplified Materials Solutions Offerings from Overlapping Subsidiary Companies to Six Product Families



Product Families with Additional Innovations Underway



Crushers



Screening



Washing & Classifying



Material Handling



Rock Breaker Technology



Plants & Systems

KEY BENEFITS

Operational

- ✓ Manufacturing Centers of Excellence (CoE) – consolidation and focused manufacturing will drive efficiency improvements
- ✓ Improved capacity planning and load leveling in order to meet just in time fulfillment
- ✓ More product out of less manufacturing footprint, decreasing floor space

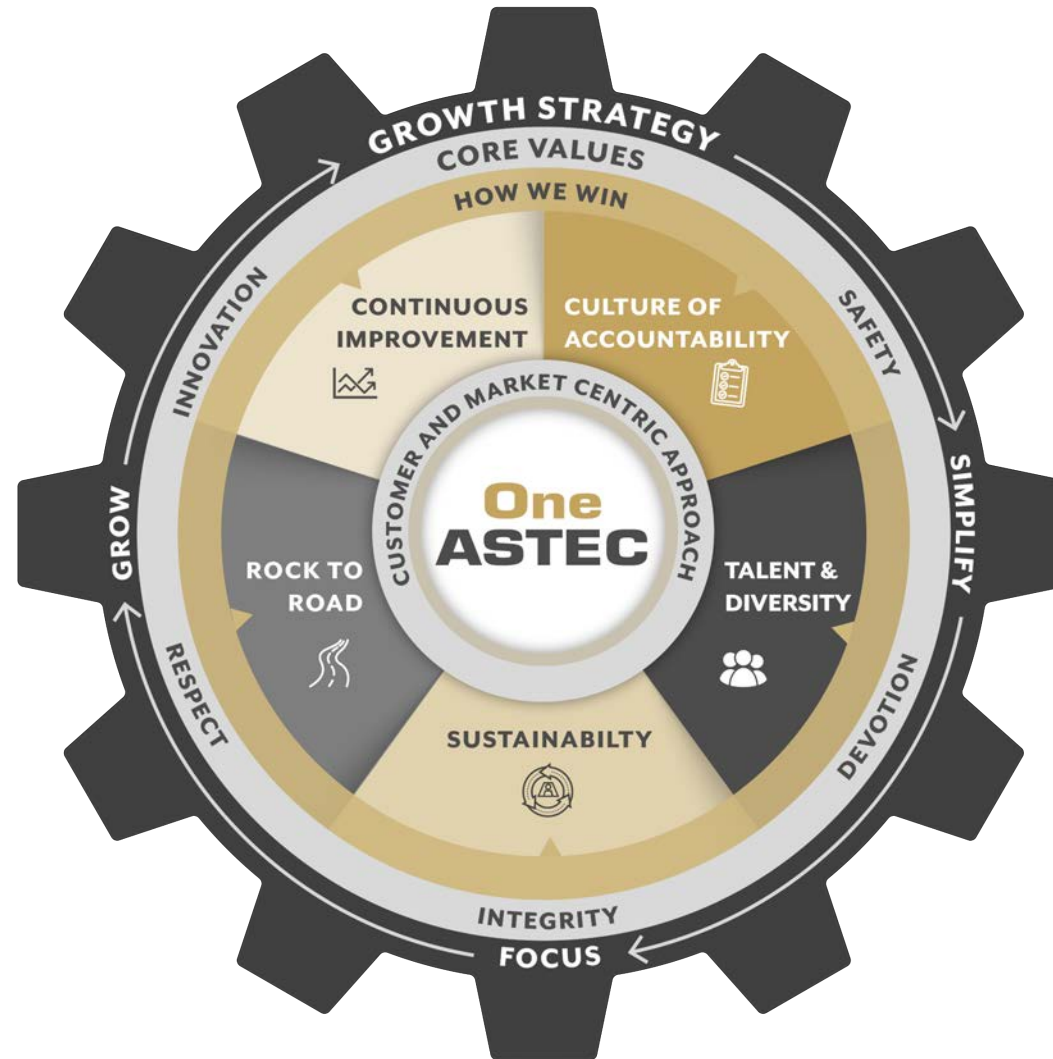
Financial

- ✓ Gross margin improvement
- ✓ Global product portfolio built closer to our customers resulting in improved overall manufacturing footprint and customer satisfaction with decreased lead times, lower logistics cost and localized product support
- ✓ Rapid NPD will increase velocity of new products to market with focus and standardization
- ✓ Improved inventory management due to fewer products and CoE model

Introducing the OneASTEC Business Model



ASTEC
BUILT TO CONNECT



Market Leadership

- Leadership positions within attractive niche markets
- Agility to execute in all market conditions
- Prepared for expansion of future markets due to:
 - Population growth
 - Emerging markets
 - Urbanization
 - Aging infrastructure

Financial Stability

- Strong balance sheet and liquidity with net cash position
- High-margin aftermarket revenue
- Return on Invested Capital (ROIC) focused
- Free Cash Flow (FCF) Conversion

Deep Customer Relationships

- Customer-driven innovation
- Technology leader with proven high-quality products
- Superior customer service and solutions

The Path to Growth

- Execution of strategy
- Cost savings initiatives underway
- New organizational structure

Driving Growth through Our Rock to Road Continuum



Reinvigorate innovation with new product development approach to increase our vitality index over time



Leverage technology and digital connectivity to **enhance customer experience**



Capitalize on **global growth opportunities**



Continued focus on **growing our aftermarket parts and service**

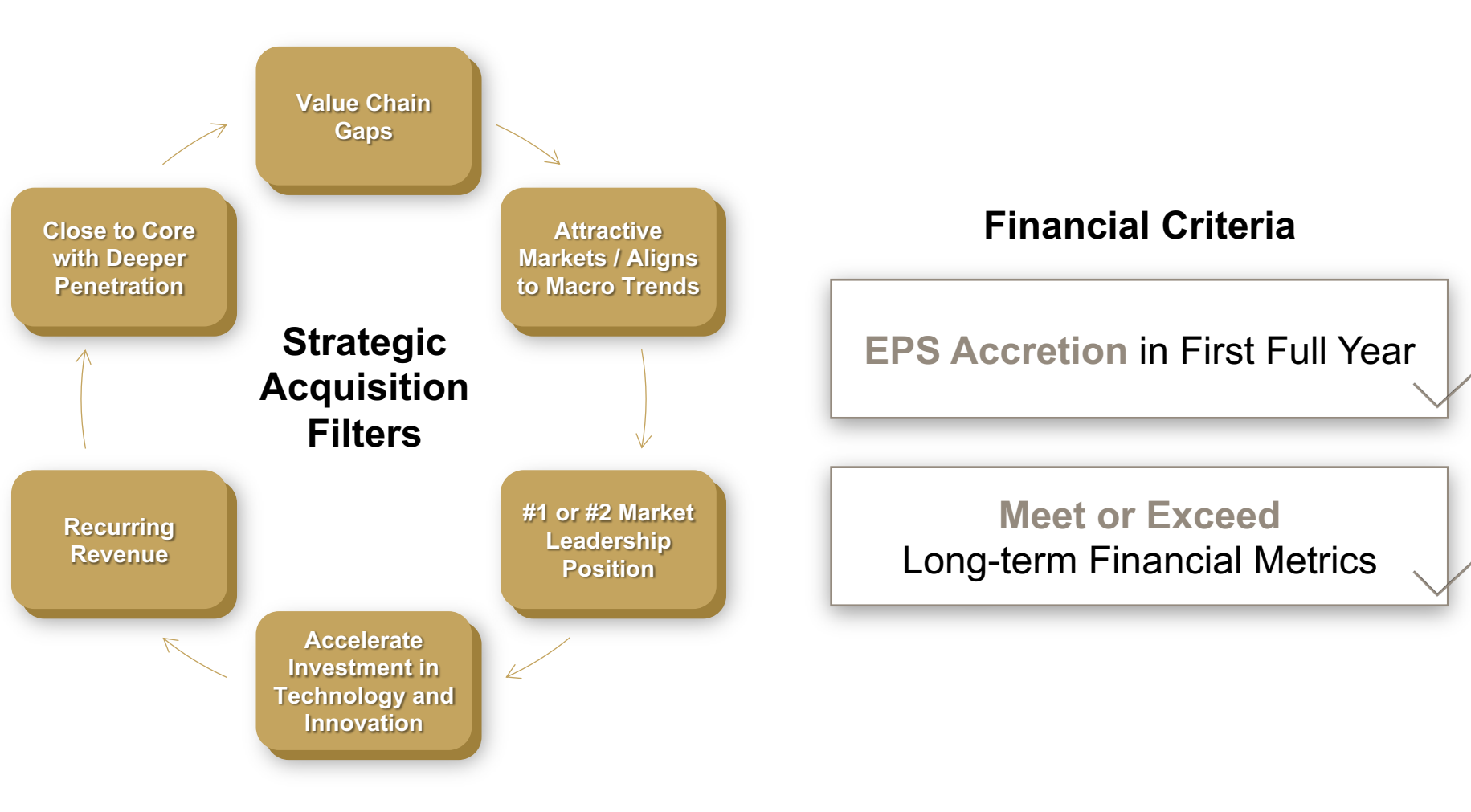


Allocate capital effectively to drive greatest shareholder value



INVESTING IN GROW INITIATIVES TO DRIVE PROFITABLE GROWTH

Strategic M&A Approach Aligns to Our Growth Strategy



CONTINUE TO FOCUS ON STRATEGIC ALIGNMENT AND FINANCIAL DISCIPLINE

Early Stages of Our ESG Journey



Environmental

- Continued respect for the environment
 - Solar project in Johannesburg, SA
- Reducing water usage and carbon footprint through energy efficiency upgrades
- Environmental initiatives team led by Greg Oswald, SVP of Operational Excellence



Social

- Safety-first culture with stringent internal processes and procedures in place
 - Goal: Zero Harm
 - Recognition by Chattanooga, TN Chamber of Commerce for safety
- Empowering employees to support communities where we operate and live through partnerships
 - Local high schools, technical schools, and community colleges
 - Local Chambers of Commerce, Rotary Club, and YMCAs
 - Salvation Army, Blood Assurance, Bethlehem Center, and food banks
- Social initiatives (e.g., D&I, human rights, and conflict minerals) team led by Reuben Srinivasan, SVP of HR



Governance

- Compensation of management and board aligned with shareholder interests
- Engaged board of directors
- Governance initiatives team led by Steve Anderson, SVP Administration and IR

EMBARKING ON A MATERIALITY ASSESSMENT... FURTHER UPDATES ON OUR ESG INITIATIVES TO COME

Progressing to Our Long-term Goals through Simplify, Focus, Grow Strategy



LONG-TERM GOALS

5% - 10%
REVENUE GROWTH

> 12%
EBITDA MARGIN

> 10%
EPS GROWTH

> 100%
Net Income
FCF CONVERSION¹

> 14%
ROIC



Create Value for Shareholders



Alignment to Incentive Plan



Stand through Cycles

THE OneASTEC BUSINESS MODEL TO FUEL STRONG FUTURE OPERATIONAL AND FINANCIAL PERFORMANCE

¹ Calculated by dividing LTM Adjusted FCF by Adjusted Net Income.



New Codified Operational Excellence Model

Greg Oswald | SVP, Operational Excellence





01

The **OneASTEC Business Model** is a **competitive advantage** deeply rooted in our culture and an operating model for **continuous improvement**

02

Leveraging a **strong foundation to drive sustainable profitable growth** while constructing repeatable processes for future success

03

Focusing on key areas: **continuous improvement, sustainability, talent and agility, and culture of accountability**

04

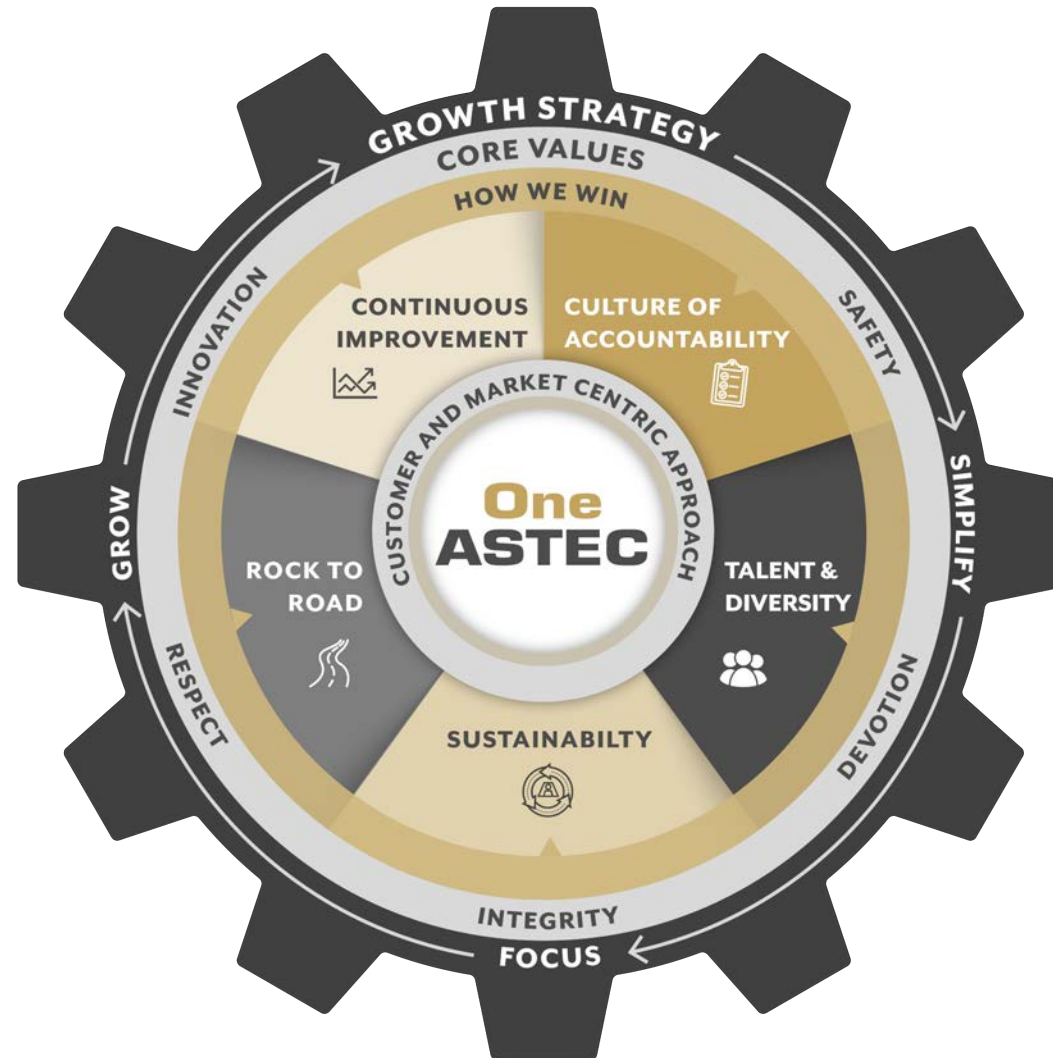
Early stages in our journey of achieving best-in-class operational excellence with focused initiatives, including procurement and S&OP





ASTEC

BUILT TO CONNECT



Market Leadership

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- Superior customer service and solutions

The Path to Growth

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- New organizational structure

Operational Excellence Strategic Priorities



Safety and Sustainability	Cost Reduction	Manufacturing Utilization and Planning
<ul style="list-style-type: none">• Focus on the quality leading indicators• Complete ownership of environmental compliance• Establish sustainability baseline and metrics• Resource conservation initiatives	<ul style="list-style-type: none">• Procurement initiatives• Unlock the value using lean tools and principles• Reducing scrap• Automation and technology enhancements• Manage By Facts (MBF) problem solving tool	<ul style="list-style-type: none">• Implement a robust S&OP company-wide process for consistent demand planning• Overall Equipment Effectiveness (OEE)• Reduce repair and maintenance cost• Improve direct labor and indirect labor efficiency
Operational Organization Effectiveness	Quality Improvements	Manufacturing Footprint
<ul style="list-style-type: none">• Pilot program for world class manufacturing• Visual factory• Improve inventory turns	<ul style="list-style-type: none">• Deploy TQM system• Reduce warranty cost• Cascade Total Welding Management program	<ul style="list-style-type: none">• Global manufacturing footprint optimization• Best cost country manufacturing strategy• Make vs. buy

ALIGNED TO OUR STRATEGIC PILLARS OF SIMPLIFY, FOCUS, AND GROW

Further Strengthening Our Model through Core Operating Tools



Strategic Deployment Process (SDP)

- ✓ Customer focused strategic breakthrough process improvements
- ✓ Major objectives with aligned resources
- ✓ Rigorous review process

Kaizen

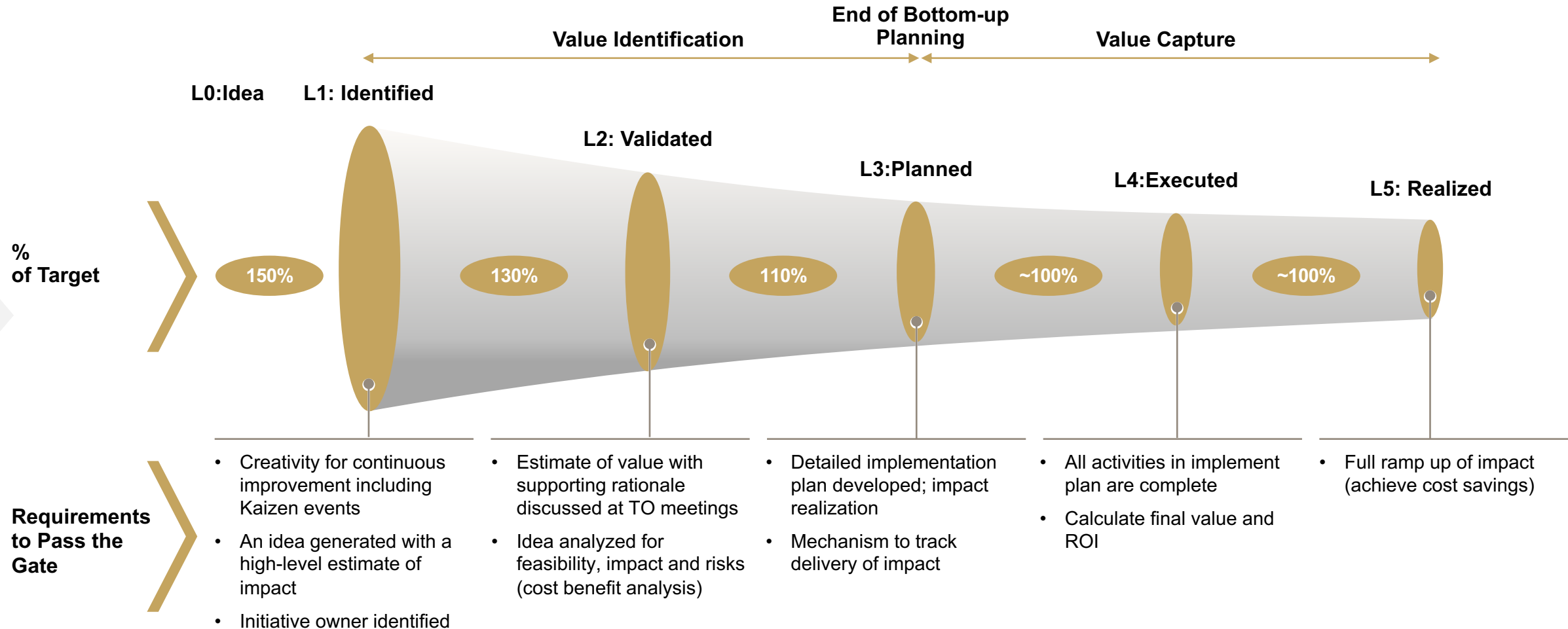
- ✓ Lean Roadmap
- ✓ 358+ events occurring yearly
- ✓ Rapid catalyst for change
- ✓ Supports breakthrough initiatives
- ✓ Cross-function process improvements

Daily Management (KPIs)

- ✓ Bi-weekly transformation office (TO) meetings
- ✓ Intense focus on KPIs throughout the business
- ✓ Relentless pursuit of SQDC
- ✓ How we sustain the gains

CONTINUOUS IMPROVEMENT MINDSET AND CULTURE

Leveraging Initiative Funnel to Drive Strong Results Across Our Organization



DISCIPLINED STOP GATES WITH A FOCUS ON VALUE-ADDED INITIATIVES

Kaizen Case Study | Improving OEE with OneASTEC



Background

- In 2020, began implementation of capacity utilization initiatives
- Several goals identified included maximizing OEE of burn tables; maximizing burn table performance resulted in a cost avoidance of ~\$500K across the organization

Our New Approach as OneASTEC

- Flexing the OneAstec muscle provides the opportunity to maximize our global footprint
- Share best practices across facilities at bi-weekly TO meetings with OEE targets for each site
- Leverage best sites for better utilization

Outcomes

50%+

Efficiency Improvement

30%+

Burn Table Reduction

SIGNIFICANT OPPORTUNITY TO APPLY PROCESS TO IMPROVE OEE FOR EVERY PIECE OF EQUIPMENT

Kaizen Case Study | Value Stream Mapping – Counterflow Drum



Background

- Formal Value Stream Mapping (VSM) Kaizen event completed including charter, current state map, Kaizen bursts, future state map, with Kaizen projects and immediate opportunities identified

Event Highlights

- Kanban system for flight clips – JIT inventory
- Weld cell in drum bay for the flight assemblies – reducing waste of motion
- Flight layout in drum etched – required information available at source
- Weld school – investing in our human capital
- Self-inspections – quality at the source
- Eliminate fit-up – reduction in labor required
- Eliminate double blasting – reduction in over processing

Outcomes

21%+

Lead Time Reduction

17%+

Labor Hour Reduction

SIGNIFICANT OPPORTUNITIES TO APPLY LEAN TOOLS IN ADMINISTRATIVE AND MANUFACTURING PROCESSES



LED Lighting Upgrades Completed at Several Sites

- ✓ Annual Energy Savings Generated: **4,436,792 kWh**
- ✓ Annual Savings: **\$417,665**



Solar PV 400kWp Project for Completion in 2021

- ✓ Annual Energy Savings Generated: **664,145 kWh**
- ✓ Annual Savings: **\$69,000**
- ✓ Installation will **Replace ~30% of Consumption**



WE ARE COMMITTED TO IDENTIFYING BASELINE KEY METRICS AND TARGETS IN 2021

Organizational Focus on Procurement



People, Culture and Organization

Aligned and centered global organization of engaged and reliable global supply chain network

Best-in-Class Supply Strategy

Agile category sourcing strategy with proactive supply base optimization, BCC sourcing and dependence reduction

Supplier Quality and Performance

Select suppliers aligned with strategy and monitor and improve performance

Cost Out and Cash In

Drive cost down and release cash

Complexity Reduction and Risk Mitigation

Mitigate supply disruption, cost, quality, compliance, and EHS risks

Data, Tools, Processes and Compliance

Fact-based and data-driven decision governed by standardized, simplified, controlled tools, and processes

ACCELERATE OPERATIONAL EXCELLENCE WITH ACCOUNTABILITY, SENSE OF URGENCY, AND PURPOSE

Key Takeaways



- 01** The **OneASTEC Business Model** is a **competitive advantage** deeply rooted in our culture and an operating model for **continuous improvement**
- 02** Leveraging a **strong foundation** to drive **sustainable profitable growth** while constructing repeatable processes for future success
- 03** Focusing on key areas: **continuous improvement, sustainability, talent and agility, and culture of accountability**
- 04** **Early stages in our journey** of achieving best-in-class operational excellence with focused initiatives, including procurement and S&OP





Innovation as a Competitive Advantage

Scott Barker | SVP, Innovation



Key Messages | Innovation as a Competitive Advantage



01

Reinvigorating innovation and **leveraging technology to unlock value**

02

Leveraging leading-edge technologies to **enhance customer experience**

03

Increasing our competitive advantages through **talent** and **new product offerings and solutions**

04

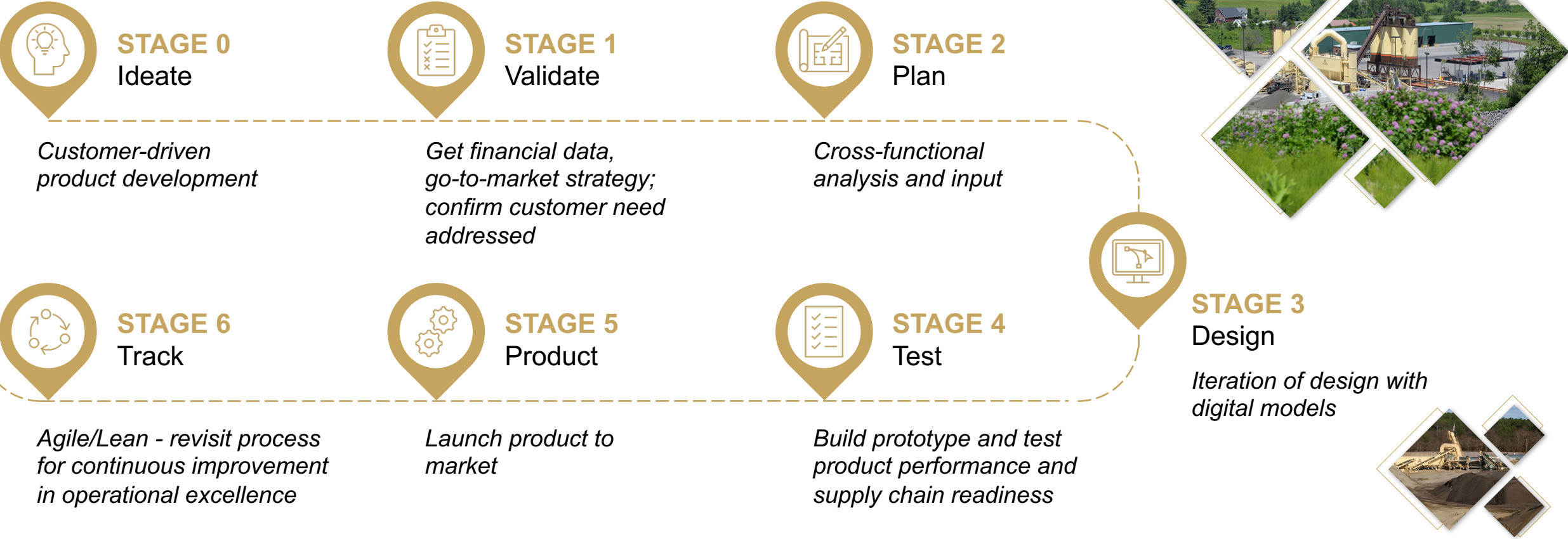
Accelerating our innovation journey with a focus on **connectivity** and **operational excellence**



Our Strategic Approach to Innovation

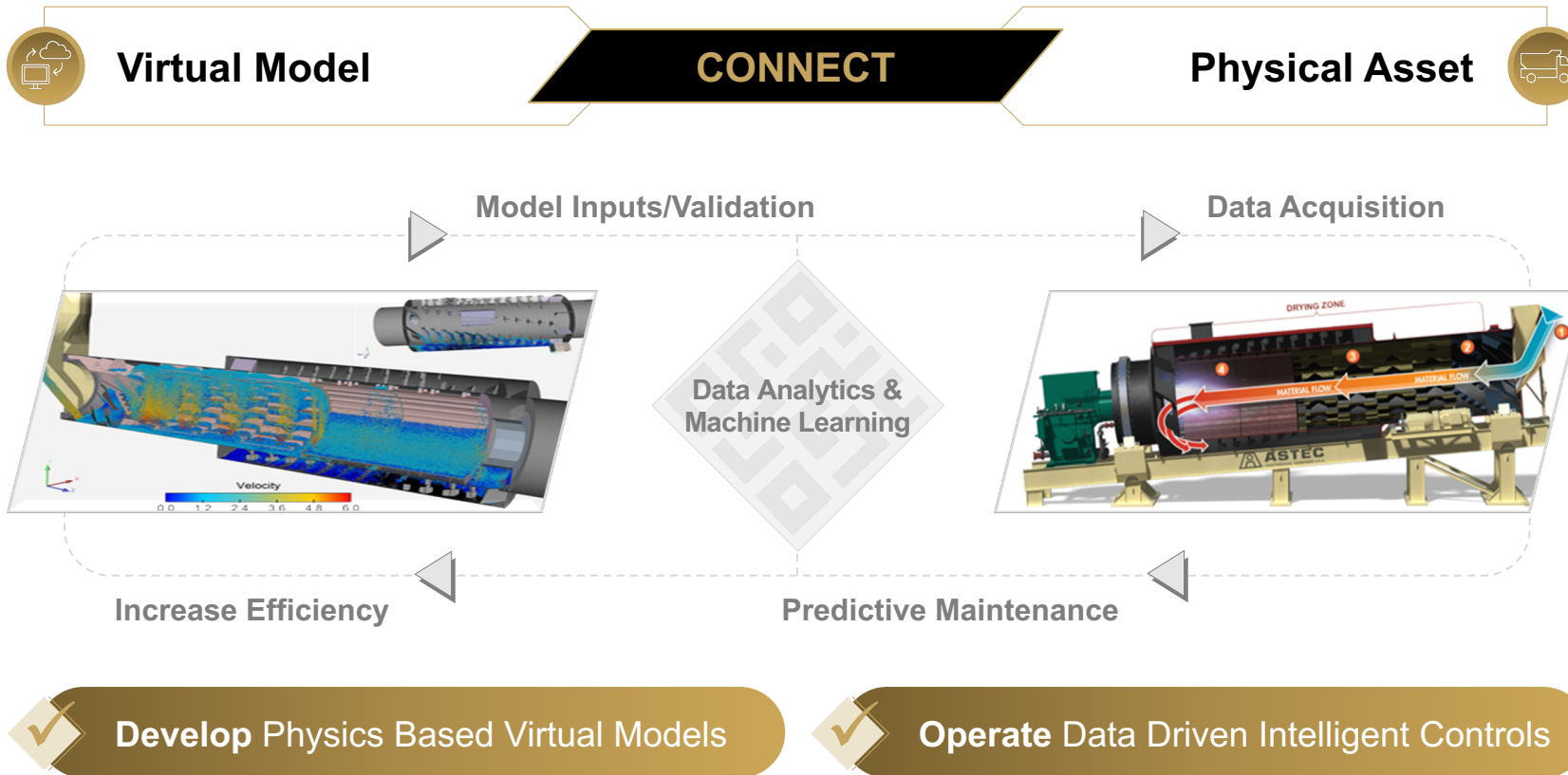


Leveraging Industry-leading Talent and Expertise at Every Stage



NEW PROCESS IMPLEMENTED WITH CONTINUOUS INPUT FROM CUSTOMER AT ALL POINTS OF STAGE GATE PROCESS

Effectively Use Simulation to Reduce Costs



Digital Twin Process

- Begin with load cases used in design (e.g., static / dynamic loads and vibration profiles)
- Increase accuracy utilizing in situ measurement
- Reduce risk and cost of development through virtual optimization
- Build data acquisition into equipment and leverage value of data
 - Real-time feedback and analytics
 - Remote access
 - Continuous process monitoring and improvement

REQUIRES ACCURATE AND CONSISTENT DATA GATHERED EFFICIENTLY

Enhancing Our Expertise in Controls and Automation through Telematics

Strategic Focus Areas

- ✓ **Industrial IoT:** provide customers a one-stop platform to view status of all equipment
- ✓ Utilize control systems to create **more efficient processes through automation**
- ✓ Leverage **data from mobile equipment** and **condition monitoring at our plants**
 - Allows customers to view their plants live
- ✓ Utilize data for **predictive maintenance**, which allows customers to recognize areas that require services and/or new parts
 - Measure pressures, temperatures, electrical pulses to predict failure and drive uptime with the goal of working toward zero downtime; focus on total cost of ownership
- ✓ **Introduction of SilobotsSM**
 - Magnetic robot with camera utilized to check for cracks / failures in a silo
 - Saves customer downtime and prevents safety issues



USE INNOVATION AND TECHNOLOGY TO DRIVE STRATEGIC GROWTH AND ADD VALUE FOR CUSTOMERS

Enhancing Customer Experience through OneASTEC Platforms



Unique Ability to Drive Complete Process for Customers

Phase I

Meet with Customers Directly and **Clarify Support Needs**

- One Platform across All Astec Product Categories

Phase II

Introduce New Features;
Allow Customers to Manage their Organization Better

- Plant Controls
- Telematics
- Custom Projects

Phase III

Partner with Customers on **Next Generation Solutions and Capabilities**

- Automation
- Cloud IT Solutions
- Analytics
- E-commerce

ASTEC | BUILT TO **CONNECT**

**Optimizing Operations
from Rock to Road**

PROVIDING MORE COMPLETE CUSTOMER SOLUTIONS WITH LIFECYCLE MANAGEMENT

Case Study | Connecting Innovation to the OneASTEC Business Model



Background

- Provide customers with data to manage their crews and jobsite
- Reduce downtime and increase production and efficiency
- Monitor quality and thickness of asphalt



Our Unique Approach and Innovative Solution

OneASTEC Telematics

- **Roadtec Telematics System:** two-way communication platform for equipment managers and service teams to work directly with machines
- Monitor **paving and milling production in real-time**
- View machine status live for **quick diagnostics**, including data-logging for intermittent problems
- **Track component wear based on tons** through machine and fuel burned
- **Monitor** exact location, fuel consumption, fault codes, time-to-service intervals, machine speed, grade and slope settings, or hydraulic pressures from any location
- **Remotely upload custom machine software** over-the-air to change machine capabilities

Outcomes

90%

Reduction in Repair Time

>50%

Increase in Equipment Utilization

<1 Year

Payback on Investment

“Simple, quick permanent repairs were accomplished before the Project Manager was even aware of an issue. This is definitely a ‘WIN/WIN’ situation.”

Equipment Superintendent
Midwestern Asphalt Company

LEVERAGE OneASTEC TELEMATICS ACROSS OTHER PRODUCTS; CONTINUE TO DEEPEN CUSTOMER RELATIONSHIPS

Key Takeaways



- 01** Reinvigorating innovation and **leveraging technology to unlock value**
- 02** Leveraging leading-edge technologies to **enhance customer experience**
- 03** Increasing our competitive advantages through **talent** and **new product offerings and solutions**
- 04** Accelerating our innovation journey with a focus on **connectivity** and **operational excellence**





Materials Solutions Overview

Tim Averkamp | Group President





01

Comprehensive product and systems solutions developed, delivered, and supported by strong **dealer distribution partners**

02

Transforming from decentralized business units to **Product Centers of Excellence**

03

Building on our **foundation of operational excellence** with the OneASTECC Business Model to drive efficiencies, consolidate manufacturing, and **leverage our global footprint**

04

Growing our solutions offerings through **customer-driven new product development** process for domestic and global markets



Materials Solutions Snapshot



Background

- Comprehensive solutions for aggregate, material handling, construction, recycling, demolition, and mining industries
- Strong application expertise and value built from deep customer connection and understanding
- Innovative equipment offering designed to minimize total cost of ownership and maximize customer bottom line
- Local customer sales and after market support through strong dealer distribution partners

Key Statistics (YTD 2020)

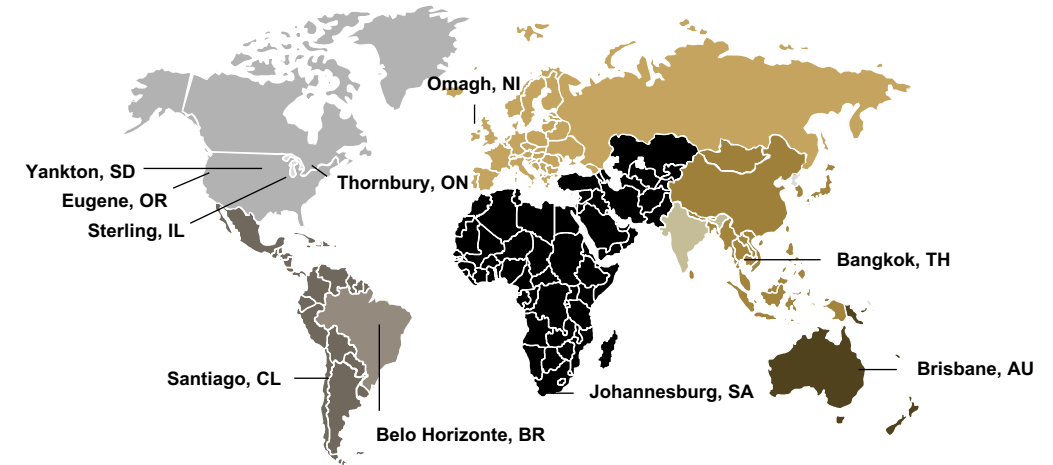
Net Sales **\$250.0M**

Adj. Gross Profit¹ **\$62.9M**

Backlog **\$69.5M**

Total Employees **946**

Our Global Footprint



Leading Family of Brands



FULL PRODUCT OFFERING TO COMPLEMENT OUR ROCK TO ROAD CONTINUUM

¹ See Appendix for GAAP to Non-GAAP reconciliation table.

Sustainable Competitive Advantages



Rock to Road
Product Portfolio

Intimate Customer
Relationships

Complete Systems
Offering

Strong Dealer
Distribution
and Support
Network

Industry-leading
Talent and
Expertise

Deeply Innovative
Mindset



WELL POSITIONED WITH OUR DIFFERENTIATED AND SUSTAINABLE VALUE PROPOSITION

Materials Solutions | Well Positioned to Capture Future Market Demand



Market Drivers

- Construction/Housing Starts
- Infrastructure Creation/Renewal
- Global Urbanization
- Emerging Markets



~\$8B

Total Areas of Opportunity

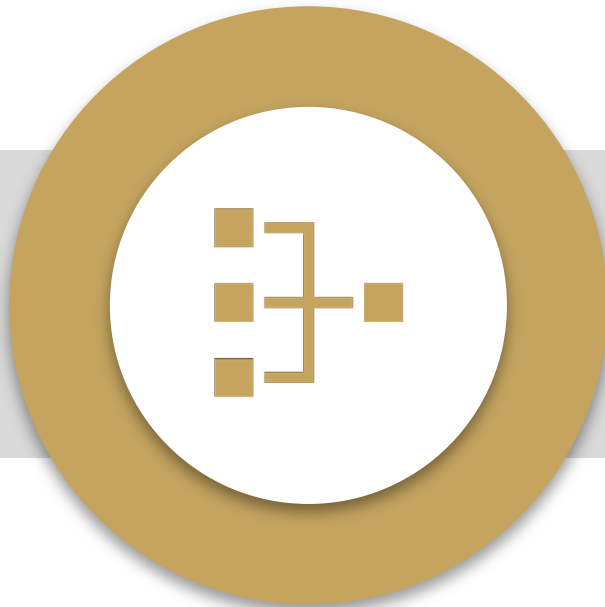
Focus Areas

- OneASTEC Globally
- Commercial Excellence
- Aftermarket Capture Rate & Growth
- Customer-driven Innovation
- Consistent with Rock to Road
- Operational Excellence

SOLID FOUNDATION AND EXPERTISE TO DEVELOP AND DELIVER SOLUTIONS AS OneASTEC



SIMPLIFY



FOCUS



GROW



Significant Progress Made with Further Simplification Opportunities



Accomplished

✓ OneASTEC transformation

✓ Restructured leadership team

- Functional group accountability
- No subsidiary silos

✓ Restructured Sales organization supporting the entire product portfolio

✓ Scrubbed portfolio for product overlap and redundancies

✓ Mequon, WI plant closure; leverage global footprint more efficiently

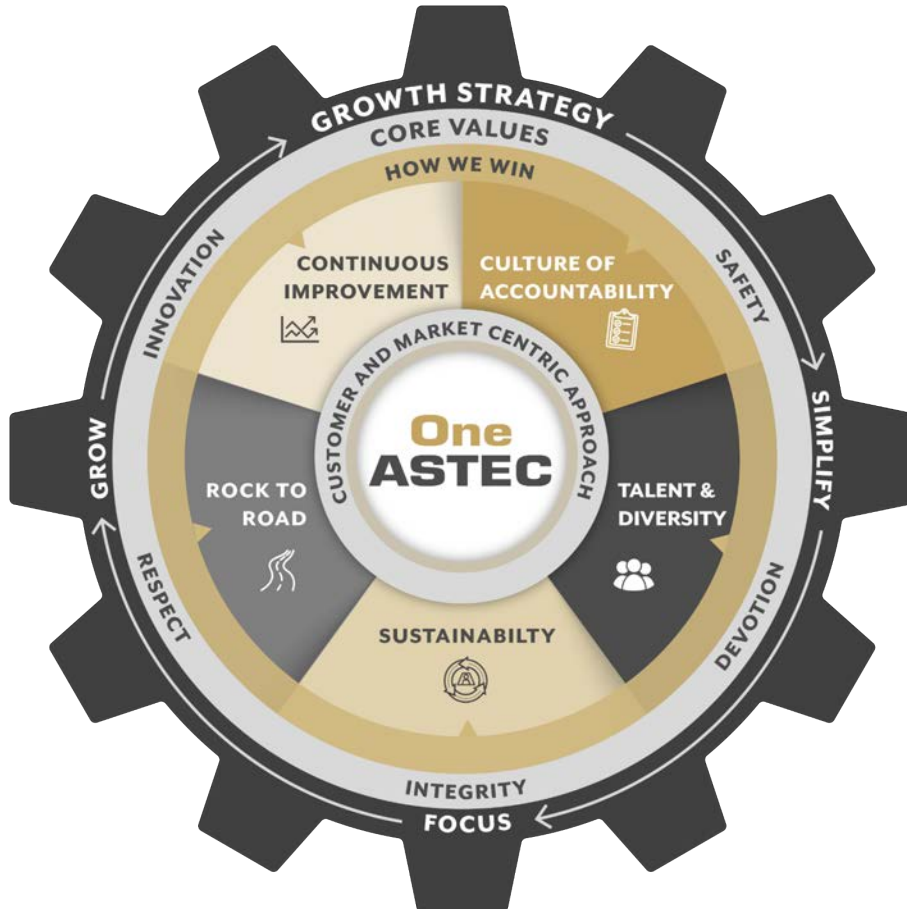
- Build closer to customers on a global scale
- Improved efficiency, balanced capacity and reduced manufacturing footprint

Future Simplification Opportunities

- + Rationalize product lines to drive operational and financial benefits
- + Strengthen dealer network leveraging OneASTEC market strategy
- + Standardized processes across all CoE
 - Going to one CAD system to leverage all engineers across all sites
 - Standardized part numbers across Astec
 - New product development
- + Capture back office synergies

STRONG EXECUTION WITH CONTINUOUS IMPROVEMENT MINDSET

Materials Solutions | Transforming Our Business to Meet Customer Needs



Relentless Focus on Customer

Customer Intimacy, Product Development, Total Solutions, Partner

Strong Leadership

Industry and Application Expertise, Best Practice Identification and Implementation

Operational Excellence via OneASTEC Business Model

SQDC, Efficiency, Planning, Processes, Continuous Improvement

Develop Manufacturing CoE & Leverage Global Footprint

Consolidate, Efficiency, Global Operations and Supply Base, Reduce LTs, Capacity

Commercial Excellence via OneASTEC Market Approach

Cross Selling, Strategic Accounts, Strong Dealer Distribution Sales and Support

CUSTOMER FOCUSED, INNOVATION, QUALITY, AND PROCESSES

Shifting to a Global Mindset



Strategic Growth in International Markets

- Improve Astec brand recognition through OneASTEC approach
- Build a strong distribution network
- Tailor NPD for international markets and customer needs

Aftermarket Sales Growth

- Focus on higher capture rates to improve margin
- Increase percentage of aftermarket revenue

Comm'l Excellence and Strategic Account Strategy

- Prioritize customer segments looking for a best-in-class solution
- Develop and enhance e-commerce platform

Talent Development and Retention

- Training, individual development plans – enterprise-wide / opportunities across groups

GOAL TO INCREASE INTERNATIONAL REVENUE OVER THE LONG-TERM

Case Study | Agility to Deliver a Complete Integrated Solution



Background

- Tight timeline to design and install new rock-crushing plant
- Total integrated systems solution
- Critical importance of local service and support

Our Unique Approach and Innovative Solution

- Supplied all products: crushers, feeders, screens, conveyors and sand screws
- Technology-integrated products with continuous upgrades
- Easy-to-use, electronically-controlled equipment
- Installation began in March 2020 and was completed in three months despite global pandemic



Outcomes

✓ **Quickness**



✓ **Quality**



✓ **Cost-effective**



“Astec did a fantastic job in a very tight time frame and they responded quickly and efficiently. When you work together, you can do great things in a short time frame.”

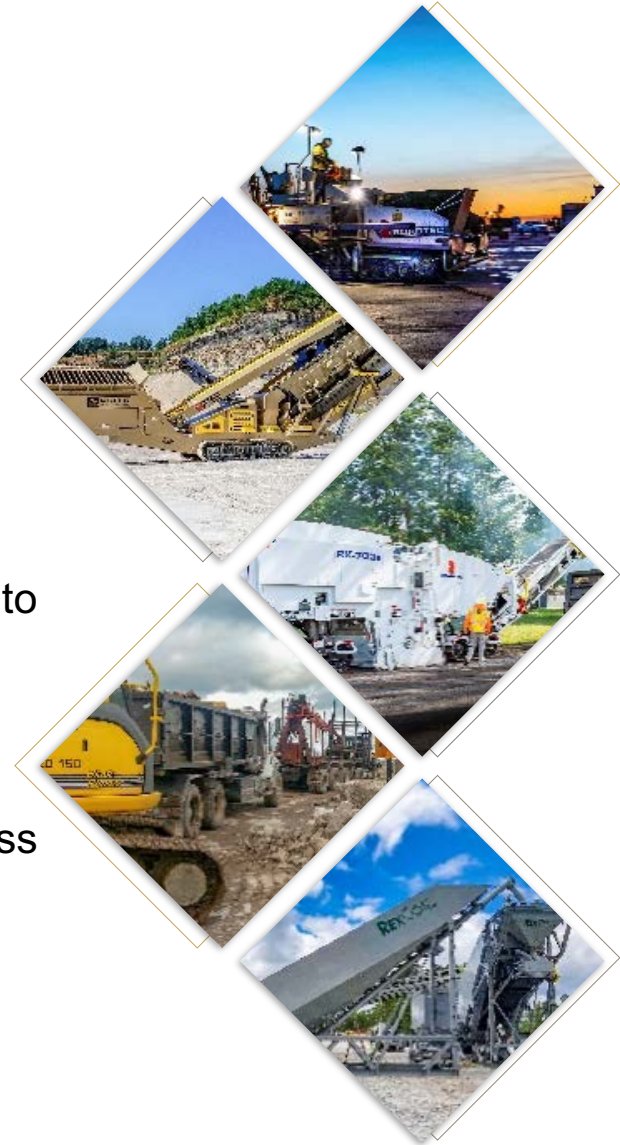
Midwest Quarry Customer

FURTHER DEEPENING CUSTOMER RELATIONSHIPS

Key Takeaways



- 01** Comprehensive product and systems solutions developed, delivered, and supported by strong dealer distribution partners
- 02** Transforming from decentralized business units to **Product Centers of Excellence**
- 03** Building on our **foundation of operational excellence** with the OneASTEC Business Model to drive efficiencies, consolidate manufacturing, and **leverage our global footprint**
- 04** Growing our solutions offerings through **customer-driven new product development** process for domestic and global markets





Q&A Session



BREAK



Infrastructure Solutions

Jaco van der Merwe | Group President



Key Messages | Infrastructure Solutions



01

Well positioned for compelling industry trends supporting growth across our portfolio of **innovative solutions** with **connectivity** and **telematics**

02

Deepening relationships through **customer-centric mentality**

03

Driving growth through both **organic** and **inorganic opportunities**, including aftermarket parts and international growth

04

Leveraging recent acquisitions and strong customer relationships for **cross-selling opportunities**

05

Building on our **foundation of operational excellence** with the OneASTEC Business Model



Infrastructure Solutions Snapshot



Background

- Design, manufacture and install the most comprehensive line of equipment solutions for the asphalt and concrete industries within Rock to Road value chain
- Provide technology and products to adjacent and complementary market segments
- Deliver sales, service, parts, logistics and construction services
- Built a reputation for engineered products with most advanced and innovative technologies
- Help customers to maximize performance and reduce total cost of ownership

Key Statistics (YTD 9/30/2020)

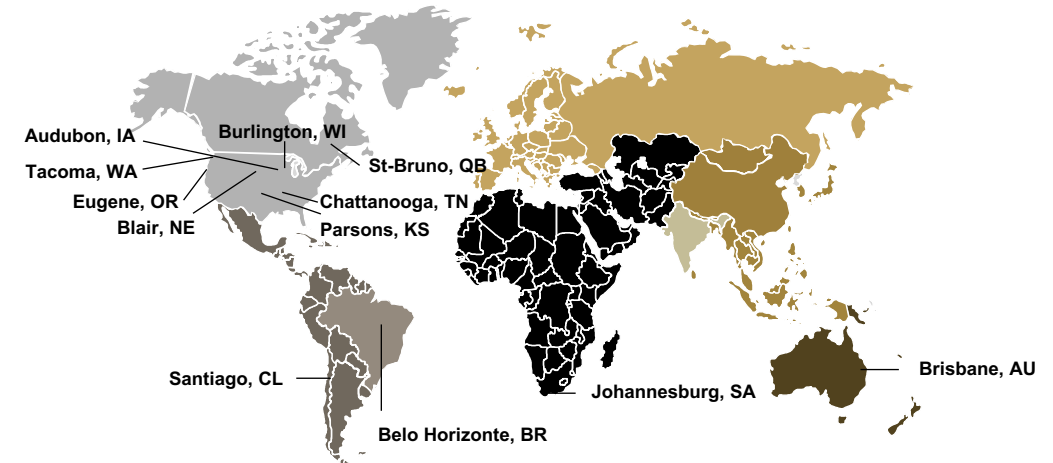
Net Sales **\$535.6M**

Adj. Gross Profit¹ **\$120.9M**

Backlog **\$149.0M**

Total Employees **2,140**

Our Global Footprint



Leading Family of Brands



UNMATCHED PRODUCT PORTFOLIO, MARKET PRESENCE AND SUPPORT

¹ See Appendix for GAAP to Non-GAAP reconciliation table.

Sustainable Competitive Advantages

Intimate Customer
Connections

Broad Range of
Innovative
Equipment
Solutions

Specialty
Engineering
Services

Aftermarket Sales
Capabilities

Total Cost of
Ownership
Mentality

Durability of Our
Business Model



WELL POSITIONED WITH OUR DIFFERENTIATED AND SUSTAINABLE VALUE PROPOSITION

OneASTECC Approach from Rock to Road



Infrastructure Solutions | Well Positioned to Capture Future Market Demand



Market Drivers

- Infrastructure Investment
- International Urbanization
- Increasing Demand for Connectivity and Real-time Information
- Eco-friendly NPD
- Emphasis on Total Cost of Ownership
- Strategic Account Focus
- Housing Starts



~\$5B

Total Areas of Opportunity

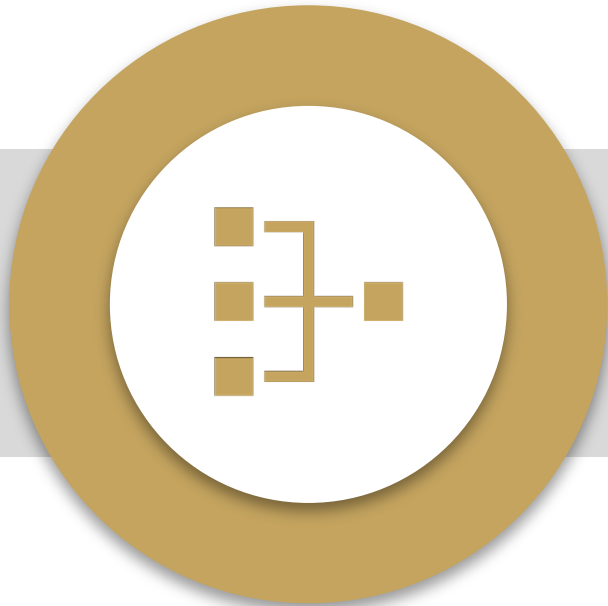
Focus Areas

- OneASTEC Globally
- Commercial Excellence
- Aftermarket Capture Rate & Growth
- Customer-driven Innovation
- Consistent with Rock to Road
- Automation & Telematics

SOLID FOUNDATION AND EXPERTISE TO DEVELOP AND DELIVER SOLUTIONS AS OneASTEC



SIMPLIFY



FOCUS



GROW



Significant Progress Made with Further Simplification Opportunities



Accomplished

✓ Commonality – OneASTEC transformation

- Manufacturing supply chain simplification

✓ Footprint consolidation

- 3 manufacturing site closures
 - Exit Energy business through GEFCO sale
 - Closure of CEI – integrated into two other facilities
 - Closure of Germany facility
- Integrated sales, service and engineering structures

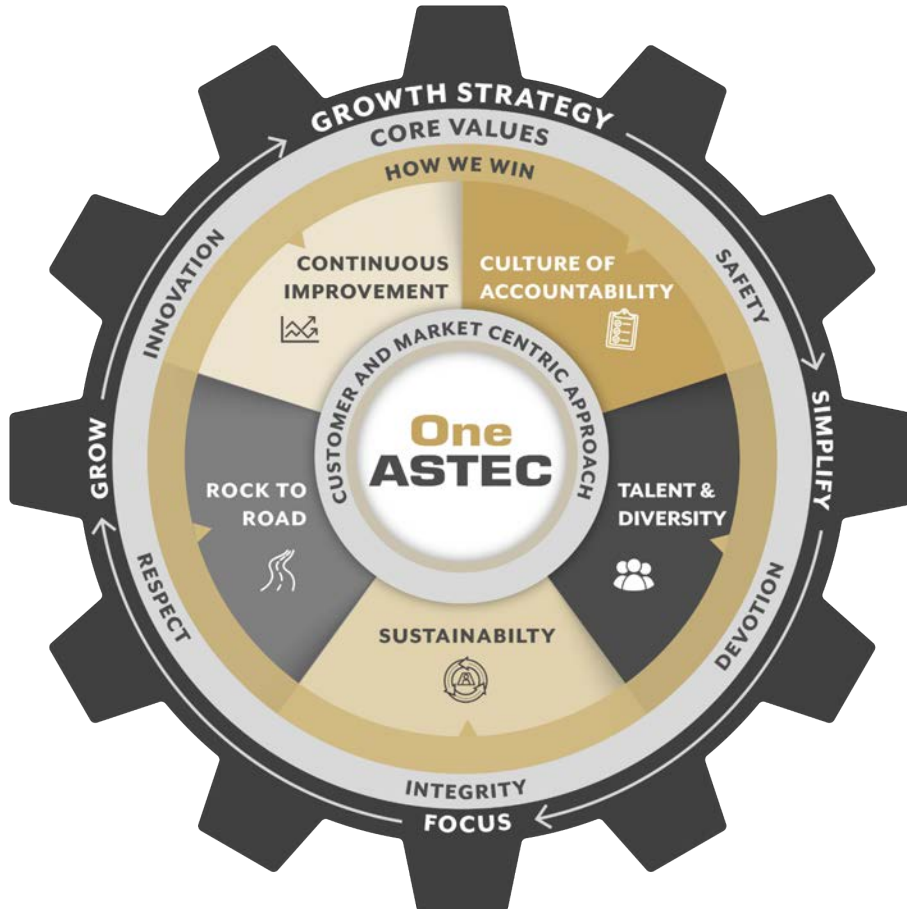
✓ Integrated sales and service team for direct sales channel (Asphalt and Concrete plants and related equipment)

Future Simplification Opportunities

- + Manufacturing operations, supply chain and procurement to be modern and lean
- + Brands and go-to-market approach as OneASTEC
 - Alignment of dealer selection and management for sales channel (Construction Machinery and Materials Solutions)
 - Duplicate integrated sales and service team approach within Canadian market as a result of BMH acquisition
- + Simplified pricing strategy focused on market-based demand and value pricing

OneASTEC – BUILT TO CONNECT

Infrastructure Solutions | Transforming Our Business to Meet Customer Needs



Strong Leadership

Blending Experiences, OneASTEC Sales Leadership and Commercial Excellence

Operational Excellence via OneASTEC Business Model

SQDC, Best Practices and World-class Manufacturing

Product Management Capabilities

Strategy, NPD, Co-development, Voice of Customer

Legacy of Innovation and Deep Engineering Expertise

Advanced R&D, New Product Development, Continuous Improvement Engineering

Product Support

Customer Support, Tools and Analytics, Technology Training

REDEFINED ORGANIZATIONAL STRUCTURE – CUSTOMER FOCUSED, INNOVATION, QUALITY AND PROCESSES

Case Study | Connecting Innovation to the OneASTEC Business Model



Background

- Product gap identified in international portfolio for Latin America and Brazil
- International sales team needed a highly portable mobile asphalt plant to grow market share in target regions
- Highly competitive market with price-sensitive customers

Our Unique Approach and Innovative Solution

- Use market feedback and voice-of-customer from Astec international sales team to design a high-quality product for target market
- Highly portable asphalt plant offers a competitive product without sacrificing performance
- Focus on value-added features for customer through reduced maintenance and production efficiency
- Leverage OneASTEC business model by evaluating multiple international manufacturing locations
- Initial design driven by customer input
- Incorporate big plant features and benefits to disrupt price-sensitive mobile market
- Focus on total cost of ownership

Outcomes

Increased
Int'l Market Share

Expanded
Product Portfolio

Strengthened
Int'l OneASTEC Brand

“The new Astec Ventura asphalt plant is going to be a ‘headache’ for the competition.”

Equipment Manager | Paraguay

DEEPENING RELATIONSHIP THROUGH CUSTOMER-DRIVEN INNOVATION

Case Study | Connecting Innovation to the OneASTEC Business Model



Background

- Compaction of asphalt pavement is the number one factor affecting service life
- Transporting asphalt from the plant causes issues such as delivery delays, cooling of material and bumping into the paver
- Having a uniform temperature is critical to achieving uniform compaction of the roadway and preventing pot-holes and other deterioration

Our Unique Approach and Innovative Solution

- Roadtec SB-3000 Shuttle Buggy® Material Transfer Vehicle
- Shuttle Buggy® MTV provides non-stop, non-contact paving and solves issues of cold material not compacting at the same rate
- Remixing asphalt to a uniform consistency
- Past and competitive designs locate the engine at the top of machine; SB-3000 improves safety with its ground-level engine access
- Customer-driven input to enhance operator comfort, visibility and safety; greatly improved with new mid-machine operator station, ability for single-person operation and station for ground operator

Outcomes

\$100K

Savings with
Single Operator

Easier

Transport

Unsurpassed

Accessibility

“You can tell Astec listened to their customers and delivered what they wanted.”

Major U.S. Contractor

EXPANDED CUSTOMER WALLET SHARE WITH VALUE-ADDED SOLUTION

Global Mindset with Integrated Salesforce to Present OneASTEC Solutions



Unlock Future Value with Commercial Excellence

GO-TO-MARKET STRATEGY

OneASTEC Channel Management

- Consolidate brand names and points of contact (e.g., strategic account team)
- Leverage strong asphalt reputation and salesforce to grow complementary business



Optimize Marketing Mix

- Become an 'influencer'
- Improve Astec's website, literature and presence



Customer Service Excellence

- Implement and drive Net Promoter Score (NPS) performance
- Build brand vision, values, loyalty and promise



Globally Optimize Dealer Network

- Strengthen local and international presence
- Establish and implement dealer management balanced scorecard



OFFERING

Improve Financing

- Increase access to customers who use financing

Sell Total Cost of Ownership

- Focus on value including service teams
- Improve technology offering

International Market Expansion

- Increased local presence and product offerings
- Filling product gaps and grow parts sales (e.g., asphalt batch plant and burners)

Expand Technology Offering

- Improve and expand telematics automation offer
- NPD focused on high-quality, complete plant packages with an emphasis on innovation

CLEAR STRATEGY TO CAPTURE GREATER MARKET SHARE

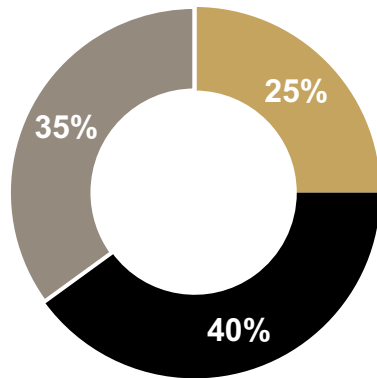
Expanding Capabilities through Recent Acquisitions



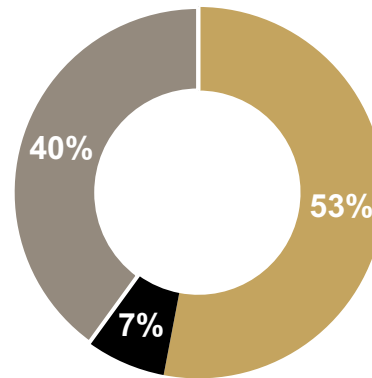
Recent Acquisitions Strengthen Infrastructure Portfolio

2019 Product Revenue Mix by Company

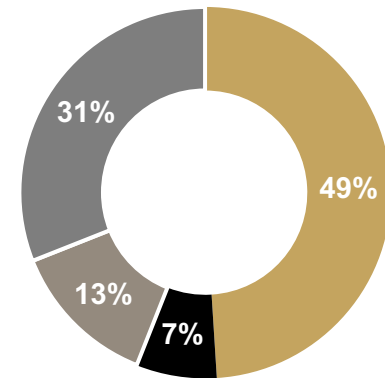
CON-E-CO



REXCON



**BMH
SYSTEMS**



■ Central Mix ■ Dry Batch Mix ■ Parts & Service ■ Other ¹

- New complementary brands and products lines from CON-E-CO and BMH Systems enable us to have a more comprehensive concrete plant offering with stronger dry batch revenue mix than legacy RexCon
- Asphalt plant cross selling opportunities
- First step to consolidate fragmented supplier market; strengthens our Latin America product portfolio
- Strong focus on product rationalization

CONSISTENT WITH OUR PROFITABLE GROWTH STRATEGY TO ENHANCE SHAREHOLDER VALUE

¹ Includes: Bagging, paste-fill, etc.

Key Takeaways



- 01** Well positioned for compelling industry trends supporting growth across our portfolio of innovative solutions with **connectivity** and **telematics**
- 02** Deepening relationships through **customer-centric mentality**
- 03** Driving growth through both **organic** and **inorganic opportunities**, including aftermarket parts and international growth
- 04** Leveraging recent acquisitions and strong customer relationships for **cross-selling opportunities**
- 05** Building on our **foundation of operational excellence** with the OneASTEC Business Model





Financial Overview and Outlook

Becky Weyenberg | CFO



Financial Organization Overview



Key Observations as New CFO

- Strong foundation with opportunities to enhance accountability and financial discipline
- First priority was to hire necessary talent to implement remediation plan to address material weaknesses
- Clear opportunity to centralize back office functions

Refreshed Our Purpose and Goals



Board and ELT focused on OneASTEC



Technology investments in new processes, standardization and systems to accelerate growth



Culture of accountability, clear strategic business plan to achieve short- and long-term goals



Simplify, Focus and Grow are strategic pillars for winning



Controls structure with financial rigor; talent management within finance organization

LEVERAGING CULTURE OF OPERATIONAL EXCELLENCE TO FURTHER IMPROVE OUR FINANCE FUNCTION

Key Messages | Financial Overview and Outlook



01

New finance leadership **proactively preparing for upside and downside scenarios**; controlling the controllable and continue to realize cost savings initiatives

02

Leveraging OneASTEC Business Model for operational excellence with **continuous improvement mindset** to drive **higher profitability and margins**

03

Controls structure with **financial rigor**

04

Well positioned to execute through challenging market conditions with our strong, **flexible balance sheet** and liquidity with net cash position

05

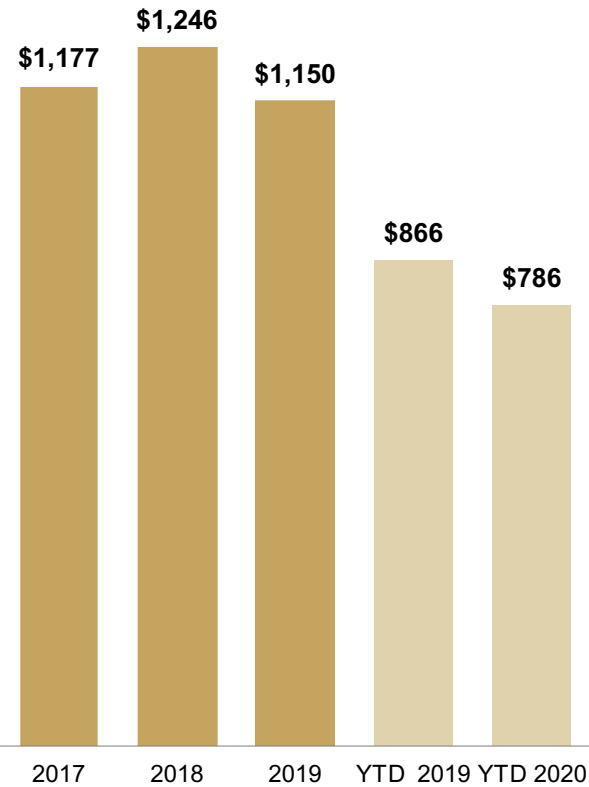
Disciplined approach to capital deployment with an emphasis on **reinvestment** and **strategic tuck-in M&A**; return excess cash to shareholders and **generate long-term stakeholder value**



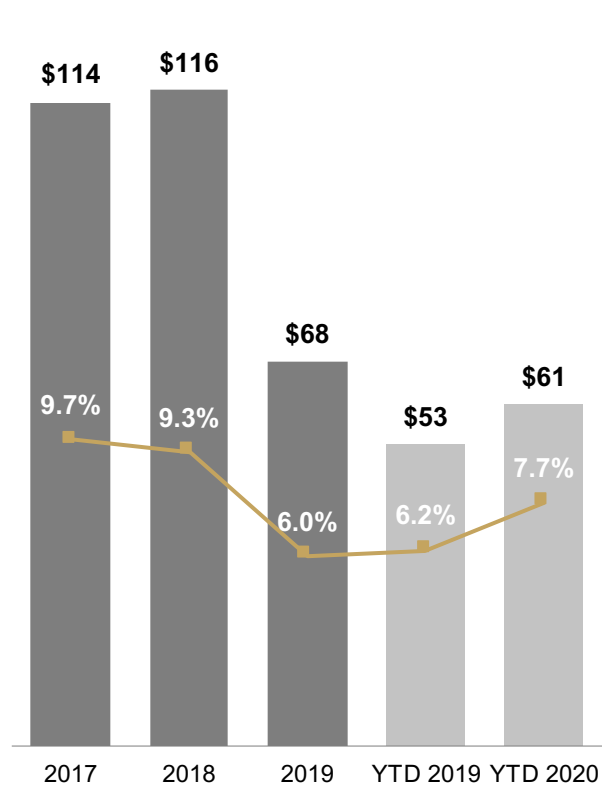
Historical Financial Performance (\$M, except per share data)



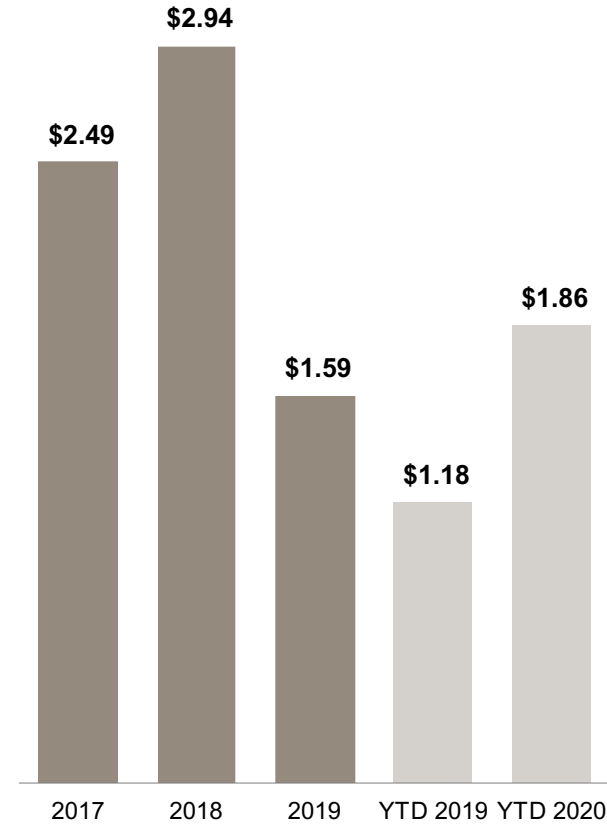
ADJ. REVENUES¹



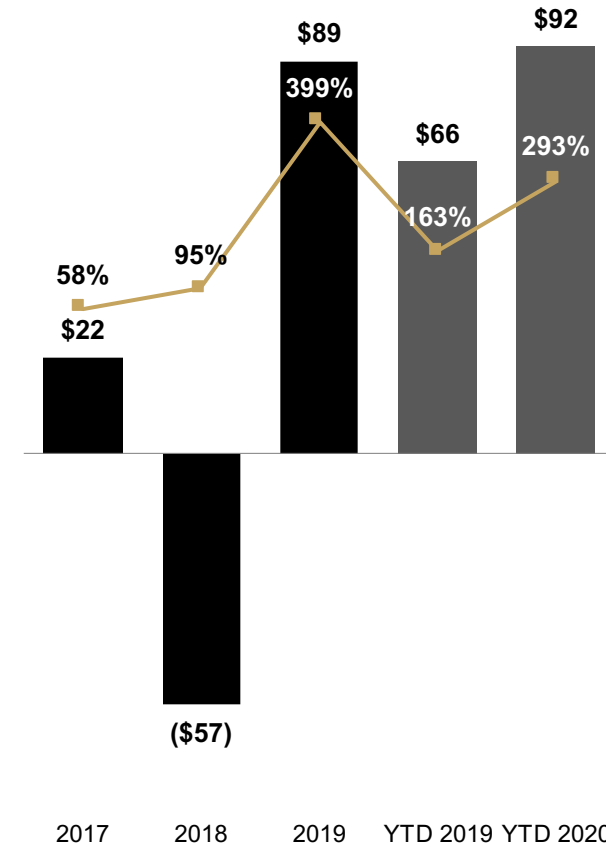
ADJ. EBITDA & MARGIN¹



ADJ. EPS¹



FCF² & CONVERSION (%)



EXECUTING ON OUR TRANSFORMATION WITH FINANCIAL RIGOR

¹ See Appendix for GAAP to Non-GAAP reconciliation table. Note: Numbers may not foot or cross-foot due to rounding. ² Decrease in operating cash flows relates to the payment of a \$68M settlement agreement with a wood pellet plant customer in 2018.

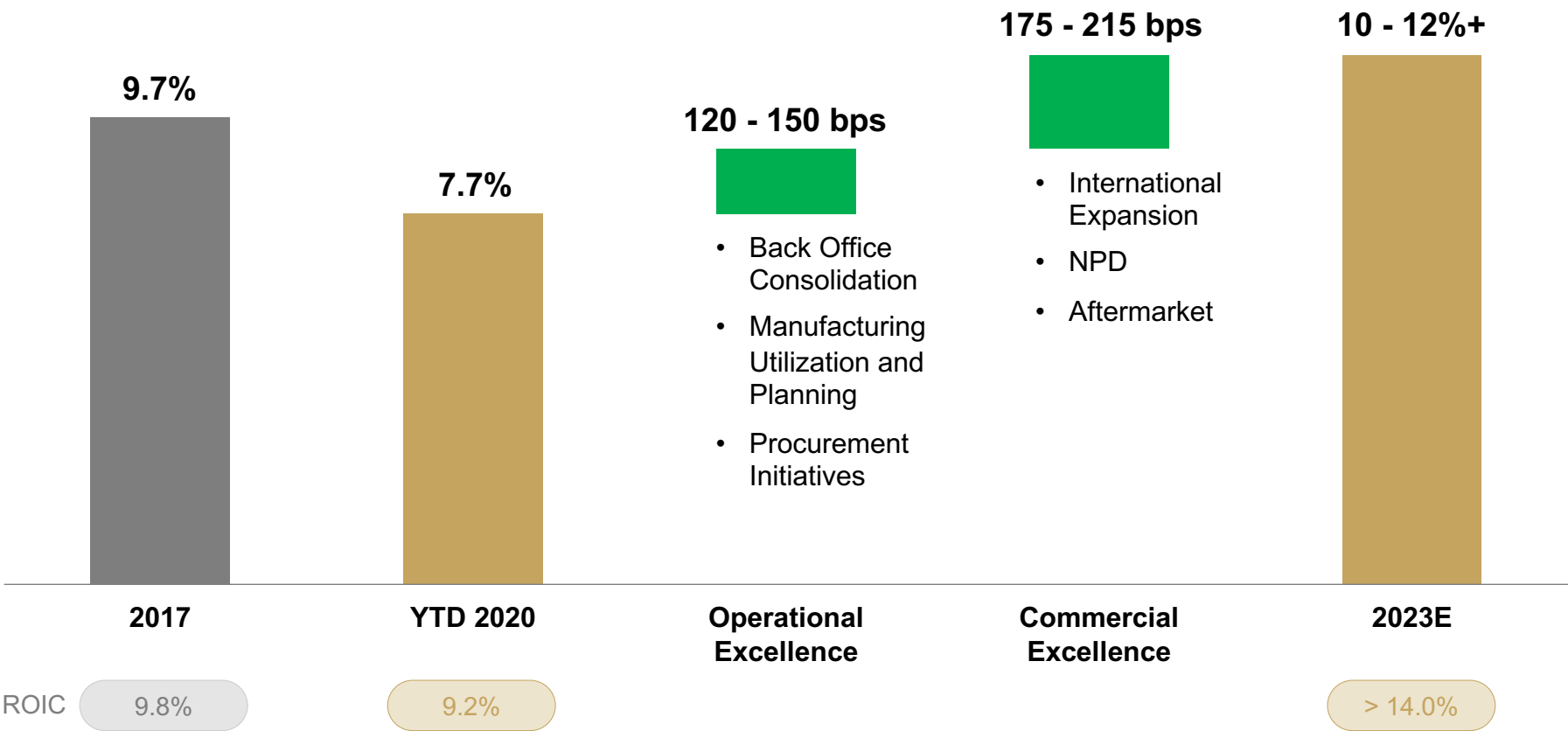
Strategic Transformation Has Driven Significant Margin Improvement



Commentary

- New leadership team focused on operational and commercial excellence to drive stronger ROIC
- Driving margin improvement in 2020 despite a challenging macro environment and reduced revenues
- Strong focus on supply chain management as part of our OneASTEC Business Model
- Margin bridge does not include upside from long-term infrastructure bill

EBITDA Margin Bridge



OVERALL COST SAVINGS DROVE 150 BPS OF YOY MARGIN IMPROVEMENT

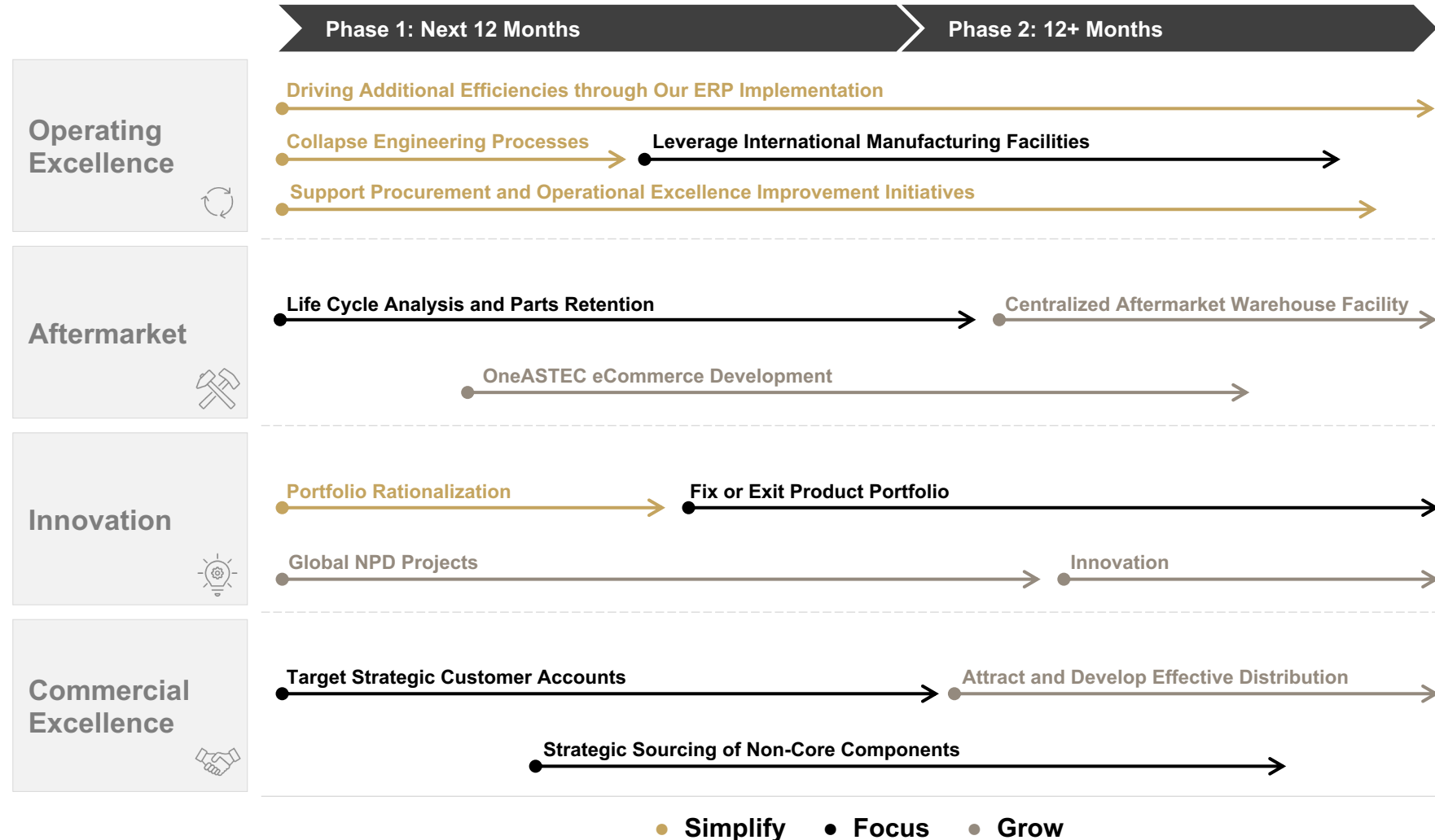
Strategic Milestones



Commentary

- Process and system improvements remain a top priority to facilitate effective resource deployment
- Aftermarket development involves parallel efforts around telematics implementation, TCO and operating analysis, and communication tools for customers and channel partners
- Product rationalization and focus is complemented by grouping talent and resources in a COE model
- Identification of value buyers targets attractive participation areas for our premium products and support

Implementation Process



Continue to Maintain Strong, Flexible Balance Sheet with Ample Liquidity

SUMMARY BALANCE SHEET

(\$M)	9/30/20
Cash and Cash Equivalents	\$ 108.5
Total Current Assets	\$ 533.2
Total Assets	\$ 819.7
Total Current Liabilities	\$ 161.2
Total Debt	\$ 0.9
Total Liabilities and Equity	\$ 819.7

(\$M)	9/30/20
Cash and Cash Equivalents	\$ 108.5
Available Credit	\$ 151.5
Total Available Liquidity	\$ 260.0

COMMENTARY

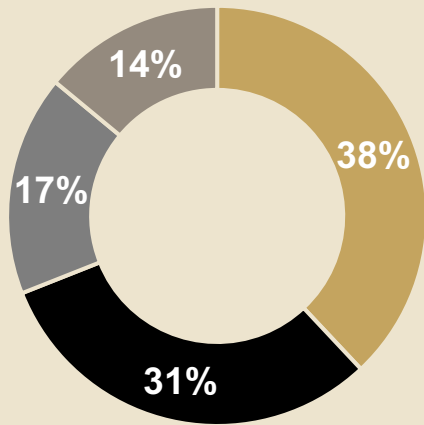
- Total Gross Inventory decreased \$98.9M compared to YTD 3Q19
- Total Net Inventory decreased \$95.4M compared to YTD 3Q19
- Cash decreased \$11.3M in the quarter, largely driven by acquisitions

REMAIN DISCIPLINED WITH A LONG-TERM NET DEBT TO EBITDA RANGE OF 1.5X TO 2.5X

Disciplined Capital Deployment Framework



Use of Cash Over Last 3 Years
~\$175M



- Plant, Property & Equipment
- Acquisitions
- Dividends
- Share Repurchases

Plant, Property & Equipment

- Internal investments meeting return objectives of >14% ROIC

Acquisitions

- Future acquisitions to align with growth strategy and meet financial criteria

Returns to Shareholders

- Dividend of \$0.11 per share
- \$150M repurchase program authorized
- Repurchased \$24M in 2018

Adjustments Given Current Environment

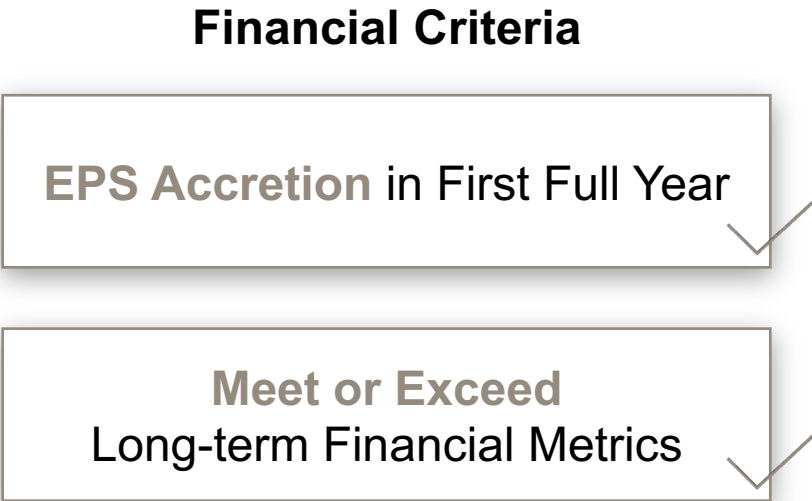
Continue to target >14% ROIC for new investments

Continue to focus on strategic alignment and financial discipline

No buybacks expected in near term

CONTINUALLY EVALUATE STRATEGY TO ENSURE A BALANCED APPROACH

Strategic M&A Approach Aligns to Our Growth Strategy



CONTINUE TO FOCUS ON STRATEGIC ALIGNMENT AND FINANCIAL DISCIPLINE

Progressing to Our Long-term Goals through Simplify, Focus, Grow Strategy



LONG-TERM GOALS

5% - 10%
REVENUE GROWTH

> 12%
EBITDA MARGIN

> 10%
EPS GROWTH

> 100%
Net Income
FCF CONVERSION¹

> 14%
ROIC



Create Value for Shareholders



Alignment to Incentive Plan



Stand through Cycles

THE OneASTEC BUSINESS MODEL TO FUEL STRONG FUTURE OPERATIONAL AND FINANCIAL PERFORMANCE

¹ Calculated by dividing LTM Adjusted FCF by Adjusted Net Income.

Key Takeaways



- 01** New finance leadership **proactively preparing for upside and downside scenarios**; controlling the controllable and continue to realize cost savings initiatives
- 02** Leveraging OneASTEC Business Model for operational excellence with **continuous improvement mindset** to drive **higher profitability and margins**
- 03** Controls structure with **financial rigor**
- 04** Well positioned to **execute through challenging market conditions** with our strong, flexible balance sheet and liquidity with net cash position
- 05** Disciplined approach to capital deployment with an emphasis on **reinvestment** and **strategic tuck-in M&A**; return excess cash to shareholders and **generate long-term stakeholder value**

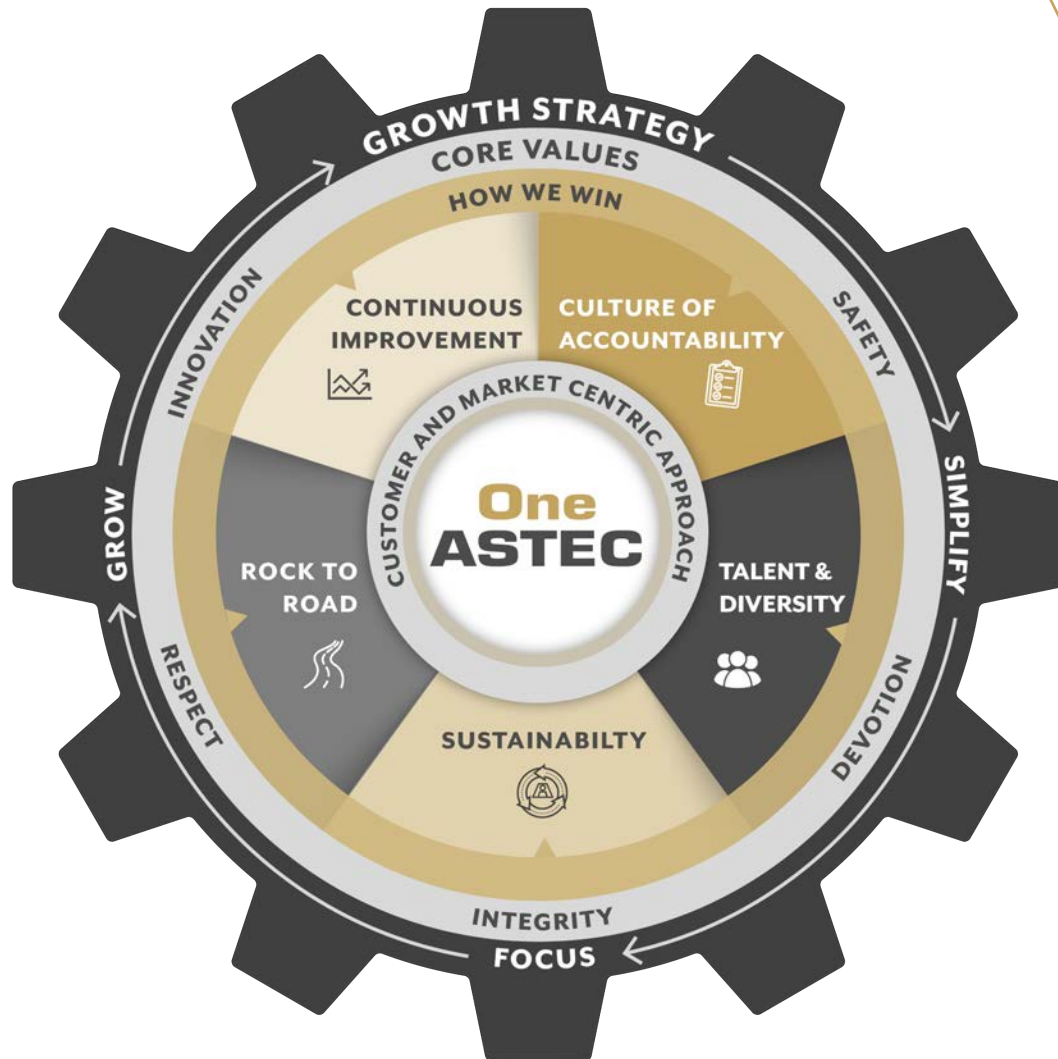




Closing Remarks

Barry Ruffalo | President & CEO





- 01** Leadership positions within attractive niche markets in industries benefitting from long-term secular trends including population growth, urbanization, and aging infrastructure
- 02** Industry-leading reputation for **innovation, high-quality products and superior customer service**
- 03** **Recurring, high-margin aftermarket revenue** driven by a large global installed base
- 04** **Strong management team** executing our **Simplify, Focus, and Grow** strategic pillars; investing in initiatives to drive profitable growth
- 05** **Introducing the OneASTEC Business Model**, our operating model for continuous improvement



Q&A Session



Appendix

Income Statement



	Nine Months Ended September 30,	
	2020	2019
<i>(In millions, except shares in thousands and per share amounts; unaudited)</i>		
Net sales	\$ 785.6	\$ 886.4
Cost of sales	601.5	674.4
Gross profit	184.1	212.0
Operating expenses:		
Selling, general and administrative	147.8	158.6
Restructuring and asset impairment charges	11.1	1.4
Total operating expenses	158.9	160.0
Operating income	25.2	52.0
Other income (expense):		
Interest expense	(0.3)	(1.3)
Other income, net of expenses	2.1	1.3
Income before income taxes	27.0	52.0
(Benefit) provision from income taxes	(4.5)	11.4
Net income	31.5	40.6
Net loss attributable to controlling interest	0.1	0.1
Net income attributable to controlling interest	\$ 31.6	\$ 40.7
Earnings per common share		
Basic	\$ 1.40	\$ 1.81
Diluted	1.38	1.79
Weighted-average shares outstanding		
Basic	22,593	22,510
Diluted	22,838	22,666

Balance Sheet



<i>(In millions; unaudited)</i>	September 30, 2020	December 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 108.5	\$ 48.9
Investments	3.8	1.5
Receivables, net	131.5	124.9
Inventories, net	261.5	294.5
Other current assets	27.9	36.5
Total current assets	533.2	506.3
Property, plant and equipment, net	182.8	190.4
Other long-term assets	103.7	103.8
Total assets	\$ 819.7	\$ 800.5
Liabilities		
Current liabilities:		
Accounts payable	\$ 53.1	\$ 57.2
Other current liabilities	108.1	115.6
Total current liabilities	161.2	172.8
Long-term debt	0.4	0.7
Other long-term liabilities	34.8	24.5
Total equity	623.3	602.5
Total liabilities and equity	\$ 819.7	\$ 800.5

Cash Flow Statement



(In millions; unaudited)

Cash flows from operating activities:

Net income

Adjustments to reconcile net income to net cash provided by operating activities:

Depreciation and amortization

Provision for doubtful accounts

Provision for warranties

Deferred compensation expense

Stock-based compensation

Deferred income tax provision

(Gain) loss on disposition of fixed assets

Asset impairment charge

Distributions to SERP participants

Change in operating assets and liabilities, net of effects of acquisitions:

(Purchase) sale of trading securities, net

Trade and other receivables

Inventories

Prepaid expenses and other assets

Accounts payable

Accrued payroll and related expenses

Accrued product warranty

Customer deposits

Prepaid and income taxes payable, net

Other

Net cash provided by operating activities

Cash flows from investing activities:

Business acquisitions, net of cash acquired

Expenditures for property and equipment

Proceeds from sale of property and equipment

Proceeds from sale of assets held for sale

Other

Net cash used by investing activities

Cash flows from financing activities:

Payment of dividends

Borrowings under bank loans

Repayments of bank loans

Sale of Company shares held by SERP

Withholding tax paid upon vesting of restricted stock units

Net cash used by financing activities

Effect of exchange rates on cash

Net change in cash and cash equivalents

Cash and cash equivalents, beginning of period

Cash and cash equivalents at end of period

Nine Months Ended September 30,

	2020	2019
\$	31.5	\$ 40.6
	19.4	19.7
	0.6	1.1
	7.1	7.0
	0.5	0.1
	4.8	2.1
	14.0	9.2
	(0.8)	0.3
	4.1	—
	(1.2)	(2.1)
	(0.5)	0.9
	(2.0)	18.2
	43.2	(1.3)
	5.8	0.8
	(8.0)	(8.9)
	1.0	—
	(7.3)	(8.0)
	(18.0)	(4.2)
	8.6	9.0
	0.6	(0.2)
	103.3	84.2
	(28.3)	—
	(10.9)	(17.9)
	2.9	0.3
	3.1	—
	0.3	1.4
	(32.9)	(16.2)
	(7.5)	(7.4)
	0.2	164.9
	(0.5)	(224.0)
	0.2	0.2
	(0.7)	(0.3)
	(8.3)	(66.7)
	(2.4)	(0.8)
	59.7	0.5
	48.9	25.8
\$	108.5	\$ 26.3

GAAP to Non-GAAP Reconciliation Table



Nine Months Ended September 30, 2020

(In millions, except per share amounts; unaudited)

Consolidated

	As Reported (GAAP)	Restructuring and Unusual Charges	As Adjusted (Non-GAAP)
Net Sales	\$ 785.6	\$ -	\$ 785.6
Gross Profit	184.1	4.4	188.5
Gross Profit Percentage	23.4%		24.0%
Op Income	25.2	15.5	40.7
Income Tax (Benefit) Expense	(4.5)	(3.5)	(1.0)
Net Income Attributable to Controlling Interest	31.6	11.0	42.5
EPS	1.38	0.48	1.86

Nine Months Ended September 30, 2019

(In millions, except per share amounts; unaudited)

Consolidated

	As Reported (GAAP)	Restructuring and Unusual Charges	As Adjusted (Non-GAAP)
Net Sales	\$ 886.4	\$ (20.0)	\$ 866.4
Gross Profit	212.0	(20.0)	192.0
Gross Profit Percentage	23.9%		22.2%
Op Income (Loss)	52.0	(18.6)	33.4
Income Tax Expense (Benefit)	11.4	(4.6)	6.8
Net Income (Loss) Attributable to Controlling Interest	40.7	(14.0)	26.7
EPS	1.79	(0.61)	1.18

GAAP to Non-GAAP Reconciliation Table



Year Ended December 31, 2019

(In millions, except per share amounts; unaudited)

Consolidated

	As Reported (GAAP)	Restructuring and Unusual Charges	As Adjusted (Non-GAAP)
Net Sales	\$ 1,169.6	\$ (20.0)	\$ 1,149.6
Gross Profit	246.5	6.5	253.0
Gross Profit Percentage	21.1%		22.0%
Op Income	23.9	17.9	41.8
Income Tax Expense	2.7	3.4	6.1
Net Income	21.5	14.5	36.0
EPS	0.95	0.64	1.59

Year Ended December 31, 2018

(In millions, except per share amounts; unaudited)

Consolidated

	As Reported (GAAP)	Restructuring and Unusual Charges	As Adjusted (Non-GAAP)
Net Sales	\$ 1,171.6	\$ 74.8	\$ 1,246.4
Gross Profit	135.8	161.2	297.0
Gross Profit Percentage	11.6%		23.8%
Op (Loss) Income	(86.4)	174.2	87.8
Income Tax (Benefit) Expense	(25.2)	46.5	21.3
Net (Loss) Income	(60.4)	127.7	67.3
EPS	(2.64)	5.58	2.94

Year Ended December 31, 2017

(In millions, except per share amounts; unaudited)

Consolidated

	As Reported (GAAP)	Restructuring and Unusual Charges	As Adjusted (Non-GAAP)
Net Sales	\$ 1,184.7	\$ (8.0)	\$ 1,176.8
Gross Profit	243.1	30.6	273.7
Gross Profit Percentage	20.5%		23.3%
Op Income	55.5	30.6	86.1
Income Tax Expense	19.6	10.6	30.3
Net Income	37.8	19.9	57.7
EPS	1.63	0.86	2.49

GAAP to Non-GAAP EBITDA and Adjusted EBITDA Reconciliation



(In millions; unaudited)

	Nine Months Ended September 30,		Year Ended December 31,		
	2020	2019	2019	2018	2017
Net income (loss) attributable to controlling interest	\$ 31.6	\$ 40.7	\$ 21.5	\$ (60.4)	\$ 37.8
Interest (income) expense	(0.4)	0.2	(0.2)	(0.1)	0.5
Depreciation and amortization	19.4	19.7	26.2	27.9	25.8
(Benefit) provision from income taxes	(4.5)	11.4	3.0	(25.2)	19.6
EBITDA	46.0	71.9	50.5	(57.9)	83.7
Restructuring charges and other	14.5	(18.6)	17.9	174.2	30.6
Adjusted EBITDA	\$ 60.5	\$ 53.4	\$ 68.4	\$ 116.4	\$ 114.2
Adjusted Net Sales	785.6	866.4	1,149.6	\$ 1,246.4	1,176.8
Adjusted EBITDA % of Adjusted Net Sales	7.7%	6.2%	6.0%	9.3%	9.7%

GAAP to Non-GAAP Adj. EPS Reconciliation



(In millions, except per share amounts; unaudited)

	Nine Months Ended September 30,		Year Ended December 31,		
	2020	2019	2019	2018	2017
Net income (loss) attributable to controlling interest	\$ 31.6	\$ 40.7	\$ 22.3	\$ (60.4)	\$ 37.8
Plus: Restructuring and other	12.8	(18.6)	15.8	163.1	30.6
Plus: Goodwill impairment	1.6	-	-	11.2	-
Less: (Provision) benefit from income taxes	(3.5)	4.6	(2.9)	(46.6)	(10.7)
Adjusted net income attributable to controlling interest	\$ 42.5	\$ 26.7	\$ 35.2	\$ 67.3	\$ 57.7
 Diluted EPS	 \$ 1.38	 \$ 1.79	 \$ 0.98	 \$ (2.64)	 \$ 1.63
Plus: Restructuring and other	0.56	(0.81)	0.70	7.11	1.32
Plus: Goodwill impairment	0.07	-	-	0.48	-
Less: (Provision) benefit from income taxes	(0.15)	0.20	(0.13)	(2.03)	(0.46)
Adjusted EPS	\$ 1.86	\$ 1.18	\$ 1.55	\$ 2.92	\$ 2.49

GAAP to Non-GAAP Reconciliation Table



(In millions; unaudited)

	Nine Months Ended September 30,		Year Ended December 31,		
	2020	2019	2019	2018	2017
Net cash provided (used) by operating activities	\$ 103.3	\$ 84.2	\$ 112.4	\$ (29.8)	\$ 41.9
Expenditures for property and equipment	(10.9)	(17.9)	(23.4)	(27.4)	(20.0)
Free cash flow	\$ 92.4	\$ 66.3	\$ 89.0	\$ (57.2)	\$ 21.9
Net income (loss) attributable to controlling interest	31.6	40.7	22.3	(60.4)	37.8
FCF % of net income (loss) attributable to controlling interest	292.8%	162.9%	399.3%	94.7%	57.8%

Presenter Biographies



Barry Ruffalo has served as President and CEO of Astec Industries since August 2019. Prior to joining Astec Industries, he was employed by Valmont Industries, a publicly-traded global producer of highly-engineered fabricated metal products, where he had served from 2015 to 2016 as EVP, Operational Excellence, from 2016 to 2017 as Group President-Energy & Mining, during 2017 as Group President-North America Structures/Energy/Mining and from 2018 to July 2019 as Group President of Global Engineered Support Structures. Preceding his career at Valmont Industries, from 2007 to 2013, Mr. Ruffalo served as President-Irrigation and from 2013 to 2015, as President-Infrastructure of Lindsay Corporation, a global leader in proprietary water management and road infrastructure products and services. He is 50.



Becky Weyenberg has served as CFO since December 2019. Prior to joining Astec Industries, she served from 2017 to 2019 as VP of Global Finance Operations for Welbilt, Inc., a publicly-traded global manufacturer of commercial foodservice equipment. Prior to her work with Welbilt, she served from 2015 to 2017 as CFO and Assistant GM for Berkeley Hall Club, a premier golf club in Bluffton, South Carolina. Previously, she served from 2006 to 2015 as VP, Global Processes, Standards and Shared Services and VP Finance, North American Region with AGCO Corporation, a publicly-traded global leader in the design manufacture and distribution of agricultural machinery. She is 56.

Presenter Biographies



Scott Barker has served as SVP, Innovation since November 2019. He previously served as Group President-Energy from January 2019 to November 2019 and as President of GEFCO, Inc. from April 2017 to January 2019. Before joining Astec Industries, he held several leadership roles including 15 years with Ingersoll Rand and 12 years with Atlas Copco, including Vice President of Operations for the Drilling solutions division, President of the Rocktec division, and President of the Underground Rock Excavation division. He is 57.



Greg Oswald has served as SVP of Global Operational Excellence since October 2019. Before joining Astec Industries, he was SVP, Global Operations at Lindsay Corporation from 2017 to 2019; VP of North America Operations from 2009 to 2017 and Director of Lean manufacturing from 2008 to 2009. He is 55.



Steve Anderson has served the company as Senior Vice President of Administration and Investor Relations since 2011 and 2003, respectively. He was Secretary of the Company from January 2007 to December 2020. Mr. Anderson has been a Director of Astec Insurance Company since 2007. He was Vice President of Astec Financial Services, Inc. from 1999 to 2002. Prior to his employment with the Company, Mr. Anderson spent a combined 14 years in commercial banking with SunTrust and AmSouth Banks. He is 57.

Presenter Biographies



Tim Averkamp has served as Group President since November 2019. Prior to joining Astec Industries, he worked for Deere & Company for 22 years in various leadership positions. His positions included President of the Transaxle Manufacturing of America Joint Venture (JV) business between Deere and Yanmar/Kanzaki, Director of Business Partner Integration (BPI) over Deere's JV businesses with Hitachi Construction Equipment Company, Director BPI over the partnership businesses with Bell Equipment, Engineering Manager Advanced R&D (Construction/Forestry Equipment), Product Marketing Manager, amongst other technical and commercial positions. He is 48.



Jaco van der Merwe has served as Group President, Infrastructure Solutions since January 2019 after having previously served as Group President-Energy since August 2016. From 1998 until 2016, he held various positions at Epiroc (formerly part of Atlas Copco), including Vice President Marketing for the Deephole Drilling group (2013-2016), President/General Manager for the Mining and Rock Excavation Customer Center (2010-2013), and various other division leadership positions. Mr. van der Merwe's career with Atlas Copco began as Quality Manager in 1998. Prior to joining Atlas Copco, he held various positions at Denel Aviation. He is 48.



Steve Anderson

SVP of Administration & IR

Phone: 423-553-5934

Email: sanderson@astecindustries.com