

**WORTHINGTON INDUSTRIES, INC.**  
**CONSOLIDATED STATEMENTS OF EARNINGS**  
(In thousands, except per share amounts)

	<b>Three Months Ended November 30,</b>		<b>Six Months Ended November 30,</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Net sales	\$ 958,226	\$ 871,266	\$ 1,946,333	\$ 1,719,503
Cost of goods sold	837,292	731,187	1,682,402	1,446,646
Gross margin	120,934	140,079	263,931	272,857
Selling, general and administrative expense	84,668	89,425	175,309	177,674
Impairment of goodwill and long-lived assets	-	8,289	2,381	8,289
Restructuring and other expense (income), net	402	(9,694)	(534)	(7,390)
Operating income	35,864	52,059	86,775	94,284
Other income (expense):				
Miscellaneous income, net	1,432	1,321	1,697	1,669
Interest expense	(9,472)	(10,038)	(19,200)	(18,845)
Equity in net income of unconsolidated affiliates	21,087	16,445	51,095	43,751
Earnings before income taxes	48,911	59,787	120,367	120,859
Income tax expense	11,119	18,165	25,617	31,163
Net earnings	37,792	41,622	94,750	89,696
Net earnings attributable to noncontrolling interests	3,790	2,219	5,806	4,759
<b>Net earnings attributable to controlling interest</b>	<b>\$ 34,002</b>	<b>\$ 39,403</b>	<b>\$ 88,944</b>	<b>\$ 84,937</b>
<b><u>Basic</u></b>				
Average common shares outstanding	57,716	61,503	58,226	61,976
<b>Earnings per share attributable to controlling interest</b>	<b>\$ 0.59</b>	<b>\$ 0.64</b>	<b>\$ 1.53</b>	<b>\$ 1.37</b>
<b><u>Diluted</u></b>				
Average common shares outstanding	59,338	63,468	60,013	64,044
<b>Earnings per share attributable to controlling interest</b>	<b>\$ 0.57</b>	<b>\$ 0.62</b>	<b>\$ 1.48</b>	<b>\$ 1.33</b>
Common shares outstanding at end of period	56,957	60,755	56,957	60,755
Cash dividends declared per share	\$ 0.23	\$ 0.21	\$ 0.46	\$ 0.42

**WORTHINGTON INDUSTRIES, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(In thousands)

	<u>November 30,</u> <u>2018</u>	<u>May 31,</u> <u>2018</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 93,027	\$ 121,967
Receivables, less allowances of \$650 and \$632 at November 30, 2018 and May 31, 2018, respectively	518,006	572,689
Inventories:		
Raw materials	267,871	237,471
Work in process	111,158	122,977
Finished products	109,713	93,579
Total inventories	488,742	454,027
Income taxes receivable	18,079	1,650
Assets held for sale	7,395	30,655
Prepaid expenses and other current assets	62,367	60,134
Total current assets	1,187,616	1,241,122
Investments in unconsolidated affiliates	221,701	216,010
Goodwill	342,126	345,183
Other intangible assets, net of accumulated amortization of \$82,659 and \$74,922 at November 30, 2018 and May 31, 2018, respectively	205,142	214,026
Other assets	21,570	20,476
Property, plant and equipment:		
Land	24,066	24,229
Buildings and improvements	308,549	300,542
Machinery and equipment	1,045,864	1,030,720
Construction in progress	45,077	32,282
Total property, plant and equipment	1,423,556	1,387,773
Less: accumulated depreciation	839,274	802,803
Total property, plant and equipment, net	584,282	584,970
<b>Total assets</b>	<u>\$ 2,562,437</u>	<u>\$ 2,621,787</u>
<b>Liabilities and equity</b>		
Current liabilities:		
Accounts payable	\$ 406,444	\$ 473,485
Accrued compensation, contributions to employee benefit plans and related taxes	69,611	96,487
Dividends payable	14,348	13,731
Other accrued items	57,864	57,125
Income taxes payable	1,276	4,593
Current maturities of long-term debt	1,387	1,474
Total current liabilities	550,930	646,895
Other liabilities	73,053	74,237
Distributions in excess of investment in unconsolidated affiliate	122,806	55,198
Long-term debt	748,392	748,894
Deferred income taxes, net	81,001	60,188
Total liabilities	1,576,182	1,585,412
Shareholders' equity - controlling interest	868,672	918,769
Noncontrolling interests	117,583	117,606
Total equity	986,255	1,036,375
<b>Total liabilities and equity</b>	<u>\$ 2,562,437</u>	<u>\$ 2,621,787</u>

**WORTHINGTON INDUSTRIES, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)

	<b>Three Months Ended November 30,</b>		<b>Six Months Ended November 30,</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>Operating activities:</b>				
Net earnings	\$ 37,792	\$ 41,622	\$ 94,750	\$ 89,696
Adjustments to reconcile net earnings to net cash provided by operating activities:				
Depreciation and amortization	23,525	26,283	48,018	51,648
Impairment of goodwill and long-lived assets	-	8,289	2,381	8,289
Provision for (benefit from) deferred income taxes	3,289	(583)	22,223	7,351
Bad debt (income) expense	32	41	253	(21)
Equity in net income of unconsolidated affiliates, net of distributions	14,182	2,952	4,163	(4,803)
Net (gain) loss on assets	(312)	(10,680)	2,403	(9,255)
Stock-based compensation	3,456	3,787	6,612	7,194
Changes in assets and liabilities, net of impact of acquisitions:				
Receivables	40,838	(46,097)	54,247	16,581
Inventories	5,866	9,871	(37,471)	(24,825)
Prepaid expenses and other current assets	(13,249)	3,622	(21,668)	4,765
Other assets	(1,194)	(626)	(1,260)	(976)
Accounts payable and accrued expenses	(71,711)	(21,577)	(100,496)	(48,368)
Other liabilities	2,190	2,478	994	5,461
<b>Net cash provided by operating activities</b>	<b>44,704</b>	<b>19,382</b>	<b>75,149</b>	<b>102,737</b>
<b>Investing activities:</b>				
Investment in property, plant and equipment	(21,741)	(23,678)	(41,175)	(41,691)
Acquisitions, net of cash acquired	-	(523)	-	(285,028)
Distributions from unconsolidated affiliates	55,201	-	55,201	-
Proceeds from sale of assets	170	16,312	20,447	16,739
<b>Net cash provided (used) by investing activities</b>	<b>33,630</b>	<b>(7,889)</b>	<b>34,473</b>	<b>(309,980)</b>
<b>Financing activities:</b>				
Net proceeds from short-term borrowings, net of issuance costs	-	302	-	600
Proceeds from long-term debt, net of issuance costs	-	(594)	-	197,685
Principal payments on long-term debt	(371)	(220)	(801)	(439)
Payments for issuance of common shares, net of tax withholdings	(658)	(722)	(4,749)	(3,996)
Payments to noncontrolling interests	(4,007)	(3,196)	(6,327)	(3,916)
Repurchase of common shares	(63,581)	(67,448)	(100,433)	(112,524)
Dividends paid	(13,533)	(13,256)	(26,252)	(26,034)
<b>Net cash provided (used) by financing activities</b>	<b>(82,150)</b>	<b>(85,134)</b>	<b>(138,562)</b>	<b>51,376</b>
Decrease in cash and cash equivalents	(3,816)	(73,641)	(28,940)	(155,867)
Cash and cash equivalents at beginning of period	96,843	195,855	121,967	278,081
<b>Cash and cash equivalents at end of period</b>	<b>\$ 93,027</b>	<b>\$ 122,214</b>	<b>\$ 93,027</b>	<b>\$ 122,214</b>

**WORTHINGTON INDUSTRIES, INC.**  
**SUPPLEMENTAL DATA**  
(In thousands, except volume)

This supplemental information is provided to assist in the analysis of the results of operations.

	<u>Three Months Ended</u> <u>November 30,</u>		<u>Six Months Ended</u> <u>November 30,</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Volume:				
Steel Processing (tons)	950,977	921,961	1,934,067	1,890,291
Pressure Cylinders (units)	20,143,311	23,321,823	41,942,409	43,763,099
Net sales:				
Steel Processing	\$ 635,043	\$ 538,390	\$ 1,295,530	\$ 1,081,881
Pressure Cylinders	294,447	300,862	594,800	570,673
Engineered Cabs	28,729	30,404	55,981	62,350
Other	7	1,610	22	4,599
Total net sales	<u>\$ 958,226</u>	<u>\$ 871,266</u>	<u>\$ 1,946,333</u>	<u>\$ 1,719,503</u>
Material cost:				
Steel Processing	\$ 482,915	\$ 380,328	\$ 961,002	\$ 759,548
Pressure Cylinders	133,442	129,981	272,186	250,612
Engineered Cabs	12,632	14,934	24,943	29,151
Selling, general and administrative expense:				
Steel Processing	\$ 33,959	\$ 33,543	\$ 73,996	\$ 70,071
Pressure Cylinders	44,805	46,312	91,578	91,780
Engineered Cabs	4,463	4,233	8,925	8,502
Other	1,441	5,337	810	7,321
Total selling, general and administrative expense	<u>\$ 84,668</u>	<u>\$ 89,425</u>	<u>\$ 175,309</u>	<u>\$ 177,674</u>
Operating income (loss):				
Steel Processing	\$ 25,016	\$ 41,130	\$ 64,676	\$ 74,002
Pressure Cylinders	14,758	24,675	29,491	35,133
Engineered Cabs	(3,371)	(1,587)	(7,682)	(1,948)
Other	(539)	(12,159)	290	(12,903)
Total operating income	<u>\$ 35,864</u>	<u>\$ 52,059</u>	<u>\$ 86,775</u>	<u>\$ 94,284</u>
Equity income (loss) by unconsolidated affiliate:				
WAVE	\$ 18,419	\$ 13,729	\$ 40,427	\$ 35,957
ClarkDietrich	(460)	374	3,014	1,081
Serviacero Worthington	2,639	1,514	6,256	4,488
ArtiFlex	412	865	1,163	2,348
Other	77	(37)	235	(123)
Total equity income	<u>\$ 21,087</u>	<u>\$ 16,445</u>	<u>\$ 51,095</u>	<u>\$ 43,751</u>

**WORTHINGTON INDUSTRIES, INC.**  
**SUPPLEMENTAL DATA**  
(In thousands, except volume)

The following provides detail of Pressure Cylinders volume and net sales by principal class of products.

	<b>Three Months Ended November 30,</b>		<b>Six Months Ended November 30,</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Volume (units):				
Consumer products	16,980,934	19,498,496	34,709,912	35,852,923
Industrial products	3,162,063	3,822,608	7,231,559	7,908,754
Oil & gas equipment	314	719	938	1,422
Total Pressure Cylinders	<u>20,143,311</u>	<u>23,321,823</u>	<u>41,942,409</u>	<u>43,763,099</u>
Net sales:				
Consumer products	\$ 117,194	\$ 123,236	\$ 234,017	\$ 231,917
Industrial products	152,018	152,407	304,865	289,100
Oil & gas equipment	25,235	25,219	55,918	49,656
Total Pressure Cylinders	<u>\$ 294,447</u>	<u>\$ 300,862</u>	<u>\$ 594,800</u>	<u>\$ 570,673</u>

The following provides detail of impairment of goodwill and long-lived assets and restructuring and other expense (income), net included in operating income by segment.

	<b>Three Months Ended November 30,</b>		<b>Six Months Ended November 30,</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Impairment of goodwill and long-lived assets:				
Steel Processing	\$ -	\$ -	\$ -	\$ -
Pressure Cylinders	-	964	2,381	964
Engineered Cabs	-	-	-	-
Other	-	7,325	-	7,325
Total impairment of goodwill and long-lived assets	<u>\$ -</u>	<u>\$ 8,289</u>	<u>\$ 2,381</u>	<u>\$ 8,289</u>
Restructuring and other expense (income), net:				
Steel Processing	\$ -	\$ (10,335)	\$ (9)	\$ (10,056)
Pressure Cylinders	402	488	(525)	2,365
Engineered Cabs	-	(82)	-	(78)
Other	-	235	-	379
Total restructuring and other expense (income), net	<u>\$ 402</u>	<u>\$ (9,694)</u>	<u>\$ (534)</u>	<u>\$ (7,390)</u>