

HNI Corporation

Investor Presentation – November 2024



HNI



Forward-Looking Statements

Statements in this presentation to the extent they are not statements of historical or present fact, including statements as to plans, outlook, objectives, and future financial performance, are "forward-looking" statements, within the meaning of Section 21 of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Words such as "anticipate," "believe," "could," "confident," "estimate," "expect," "forecast," "hope," "intend," "likely," "may," "plan," "possible," "potential," "predict," "project," "should," "will," "would," and variations of such words and similar expressions identify forward-looking statements.

Forward-looking statements involve known and unknown risks and uncertainties, which may cause the Corporation's actual results in the future to differ materially from expected results. The most significant factors known to the Corporation that may adversely affect the Corporation's business, operations, industries, financial position, or future financial performance are described in our Form 10K under the heading "Item 1A. Risk Factors." The Corporation cautions readers not to place undue reliance on any forward-looking statement, which is based necessarily on assumptions made at the time the Corporation provides such statement, and to recognize forward-looking statements are predictions of future results, which may not occur as anticipated. Actual results could differ materially from those anticipated in the forward-looking statements and from historical results due to the risks and uncertainties described elsewhere in our form 10K, including but not limited to: the Corporation's ultimate realization of the anticipated benefits of the acquisition of Kimball International; disruptions in the global supply chain; the effects of prolonged periods of inflation and rising interest rates; labor shortages; the levels of office furniture needs and housing starts; overall demand for the Corporation's products; general economic and market conditions in the United States and internationally; industry and competitive conditions; the consolidation and concentration of the Corporation's customers; the Corporation's reliance on its network of independent dealers; changes in trade policy; changes in raw material, component, or commodity pricing; market acceptance the Corporation's new products; changing legal, regulatory, environmental, and healthcare conditions; the risks associated with international operations; the potential impact of product defects; the various restrictions on the Corporation's financing activities; an inability to protect the Corporation's intellectual property; cybersecurity threats, including those posed by potential ransomware attacks; impacts of tax legislation; force majeure events outside the Corporation's control, including those that may result from the effects of climate change; and other risks as described under the heading "Item 1A. Risk Factors," as well as others that the Corporation may consider not material or does not anticipate at this time. The risks and uncertainties described in our Form 10K, including those under the heading "Item 1A. Risk Factors," are not exclusive and further information concerning the Corporation, including factors that potentially could have a material effect on the Corporation's financial results or condition, may emerge from time to time.

The Corporation assumes no obligation to update, amend, or clarify forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable law. The Corporation advises you, however, to consult any further disclosures made on related subjects in future quarterly reports on Form 10-Q and current reports on Form 8-K filed with or furnished to the SEC.

Investment Thesis



1 Margin Expansion

Focus on margin expansion in Workplace Furnishings. Strong progress through Q3:2024, with our profit transformation plan, synergies, and productivity offering additional opportunity.

2 Organic Revenue Growth

Driving category expansion in Residential Building Products; positioned to benefit from long-term market fundamentals. Unmatched breadth/depth advantage as Workplace market evolves.

3 Earnings visibility

KII synergies/WFs manufacturing network optimization and the ramp of new WFs facility in Mexico expected to yield total savings of \$80-85 million (\$45-\$50 million to benefit '25-'26).

4 Investment Opportunities

Unique investment opportunities to accelerate organic revenue growth and drive cost savings; M&A activity to augment organic growth efforts.

5 Financial Strength

Cash flow profile and balance sheet strength will support growth investment, M&A, share repurchase, and dividend growth.

6 Seasoned Management

CEO Jeff Lorenger: 25 years with HNI, Executive Vice President VP Berger: 27 years with HNI; five NEOs nearly 100 years of pertinent industry experience.

Company Overview



HNI Corporation is a manufacturer of workplace furnishings and residential building products. The company operates under two segments. The *workplace furnishings* segment is a leading designer and provider of commercial furnishings going to market under multiple unique brands. The *residential building products* segment is the nation's leading manufacturer and marketer of hearth products, which include a full array of gas, electric, wood, and pellet-burning fireplaces, inserts, stoves, facings, and accessories.

HNI Corporation At-A-Glance:

Ticker: HNI (NYSE)

Market Cap: ~\$2.7B (as of November 11, 2024)

Enterprise Value: ~\$3.0B (as of November 11, 2024)

TTM Revenue: \$2.6B

TTM Non-GAAP EBITDA: \$330M

2023 Cash Dividends: \$58.5MM

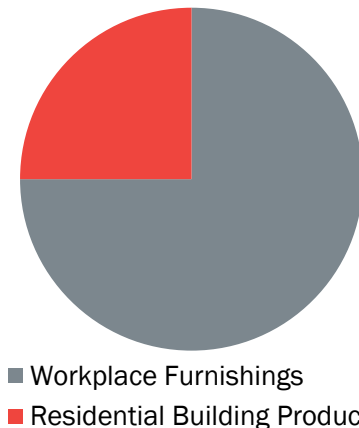
Five-Year Average Free Cash Flow: \$133M (>\$3.00/share)

Headquarters: Muscatine, Iowa

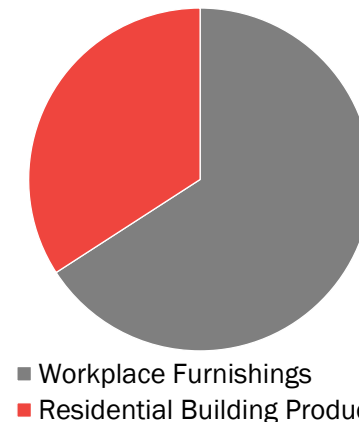
Manufacturing Facilities: United States, Mexico, and India

Sales Offices: United States and India

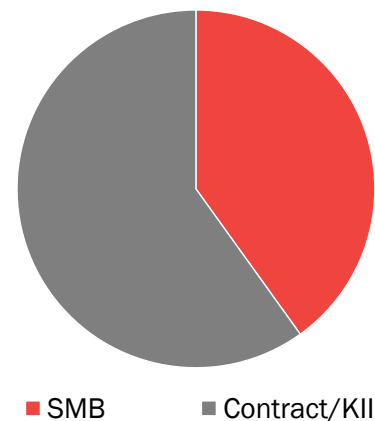
Segment Revenue Breakdown*



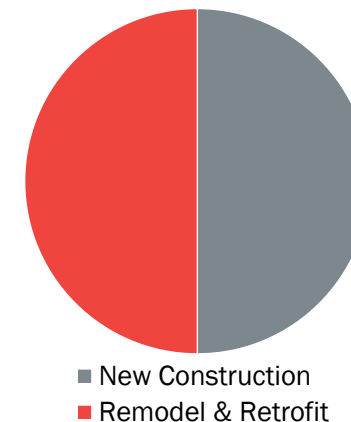
Segment Non-GAAP EBITDA Breakdown*



TTM Workplace Furnishings Revenue Mix*



TTM Residential Building Products Revenue Mix



*As of Q3:24; Segment EBITDA excludes General Corporate Expense

Profitable Growth Strategic Framework

While HNI’s unique **Member-Owner culture** remains our foundation, our corporate-wide focus and members’ efforts are centered on the following three pillars:



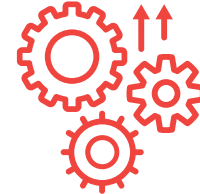
Customer 1st Mindset

- We are broadening our engagement in and influence of the customer buying journey.
- We are investing in data analytics, digital marketing, eCommerce capabilities, and market coverage.
- We are putting ourselves in our customers’ shoes, deepening our understanding of what they are looking for, and organizing our efforts to best meet their needs.
- Our customer-first mindset will allow us to identify and take advantage of new and developing market dynamics.



Effortless Winning Experiences

- Buying office furniture and hearth products can be complicated and time-consuming.
- Based on our work to understand the customer more deeply, we are making things easier.
- We have the scale and resources to lead this charge, and we are incorporating technology and digital assets to help customers more quickly and effortlessly navigate the buying process.
- We are creating effortless winning experiences for those partnering with HNI.



Own Operational Excellence

- All HNI member-owners embrace the principles of lean manufacturing as we always look to find a better, more efficient, and more environmentally friendly approach.
- Members scrutinize every facet of our business to identify areas of waste and then refine and streamline our approach.
- You can see this “rapid continuous improvement” (RCI) in action from the manufacturing floor to the administrative offices to our customer interactions.
- This RCI approach benefits all of our stakeholders as we focus on delivering annual productivity and cost savings, allowing us to grow earnings and invest in our future.

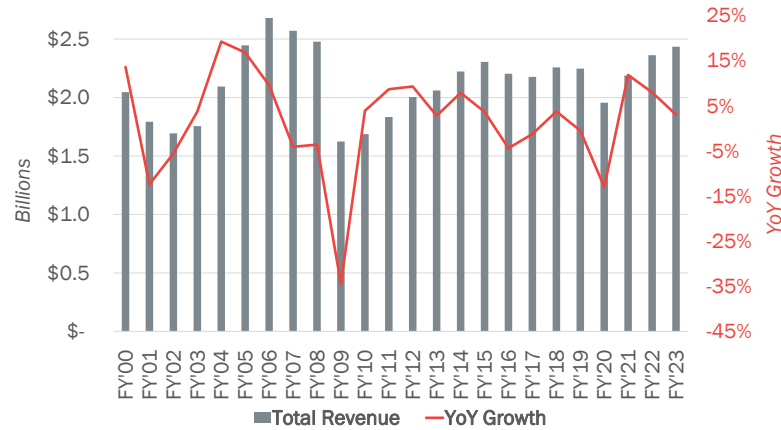


Track Record

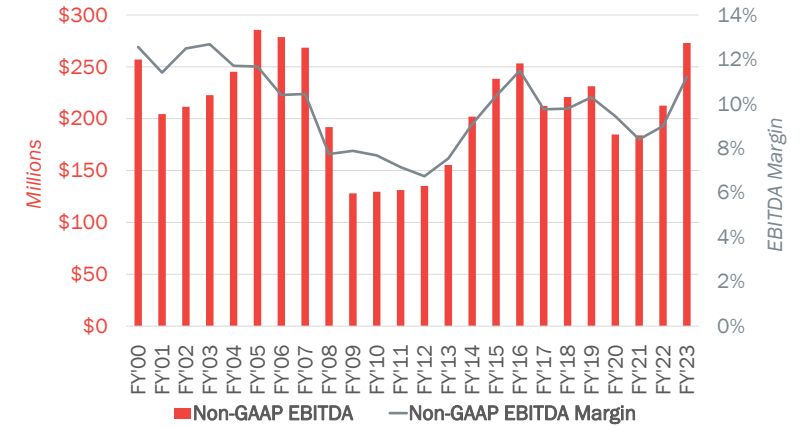


- Free cash flow consistently exceeds net income
- 68 years of continuous dividends
- Mid-teens median ROIC

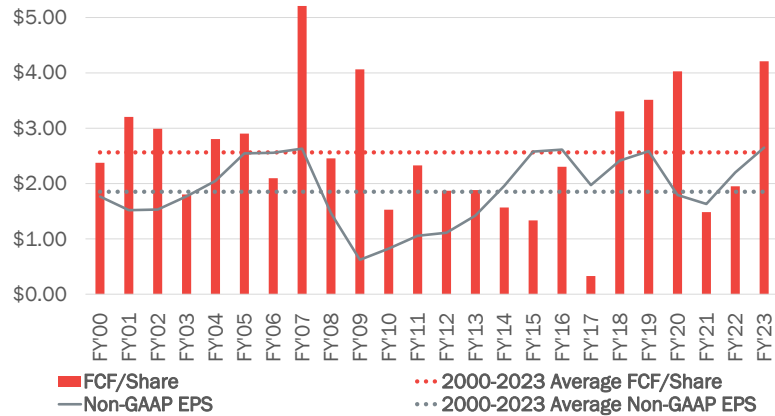
Revenue History



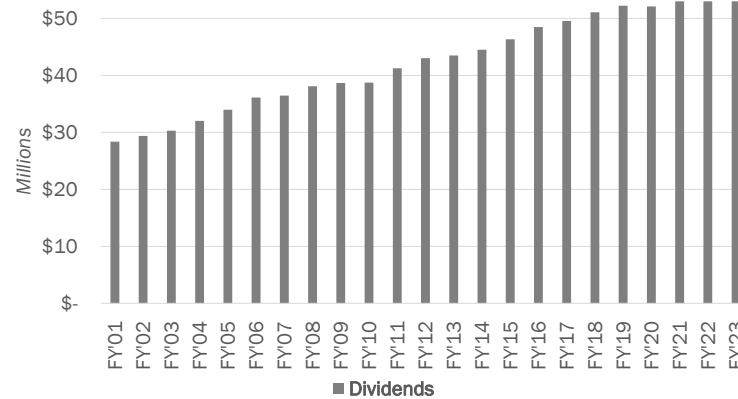
Non-GAAP EBITDA History



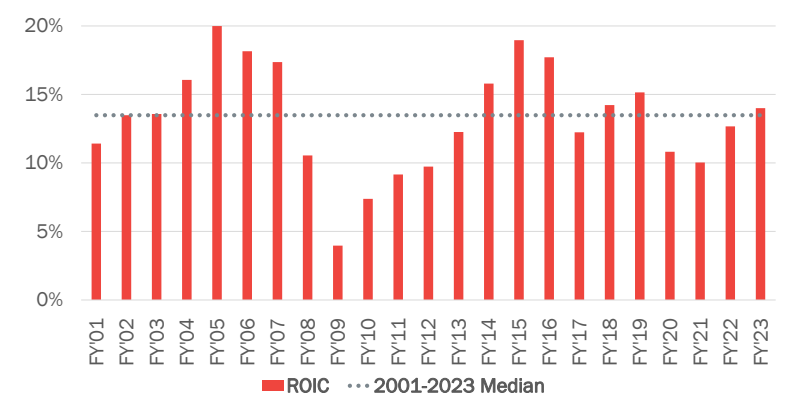
Free Cash Flow History



Dividend History



Non-GAAP ROIC History



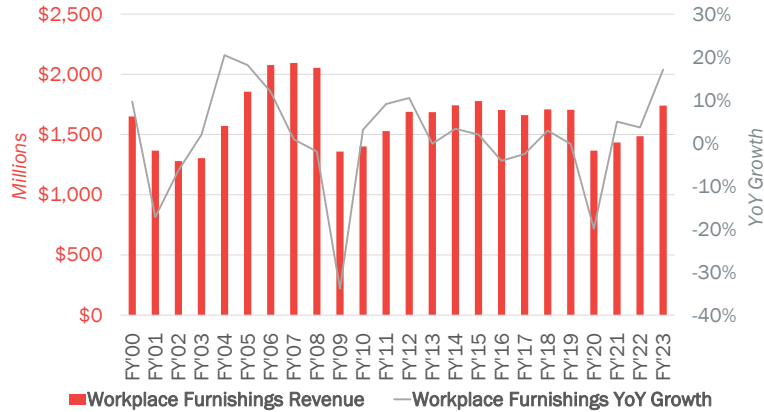
Workplace Furnishings



Workplace Furnishings Overview



Workplace Furnishings Revenue History



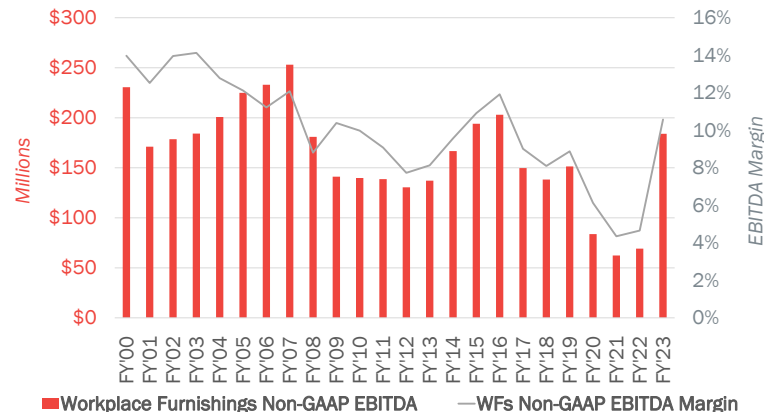
HNI is a leading global office furniture company

- Our brands are among the strongest, most widely known, and most well respected in our industry.
- The depth and breadth of our products, the scale and capability of our manufacturing, and the strength of our distribution enable us to provide the best office furniture solutions to meet the needs of every customer—from the largest multinational organizations to the local entrepreneur and consumer.

Brand positioning

- SMB (HON) – We are a leading open-line manufacturer of workplace furnishings for small and medium-sized businesses. Our product depth and breadth are unmatched in the space, while our products are among the most widely distributed through more than 600 dealers, distributors, and retailers nationwide.
- Contract (Allsteel, Gunlocke, and HBF) – Our Contract brands are “designed to do more.” We take a human-centric approach, offer versatile designs, and collaborate with our customers to transform workplaces to provide a rewarding experience for all customers, designers, and dealers involved.
- Kimball International (Kimball and National) – The 2023 addition of Kimball International’s brands to our line-up strengthens HNI’s Workplace Furnishings’ exposure to several important trends and markets—namely, ancillary products, attractive geographies, healthcare, and hospitality.

Workplace Furnishings EBITDA History

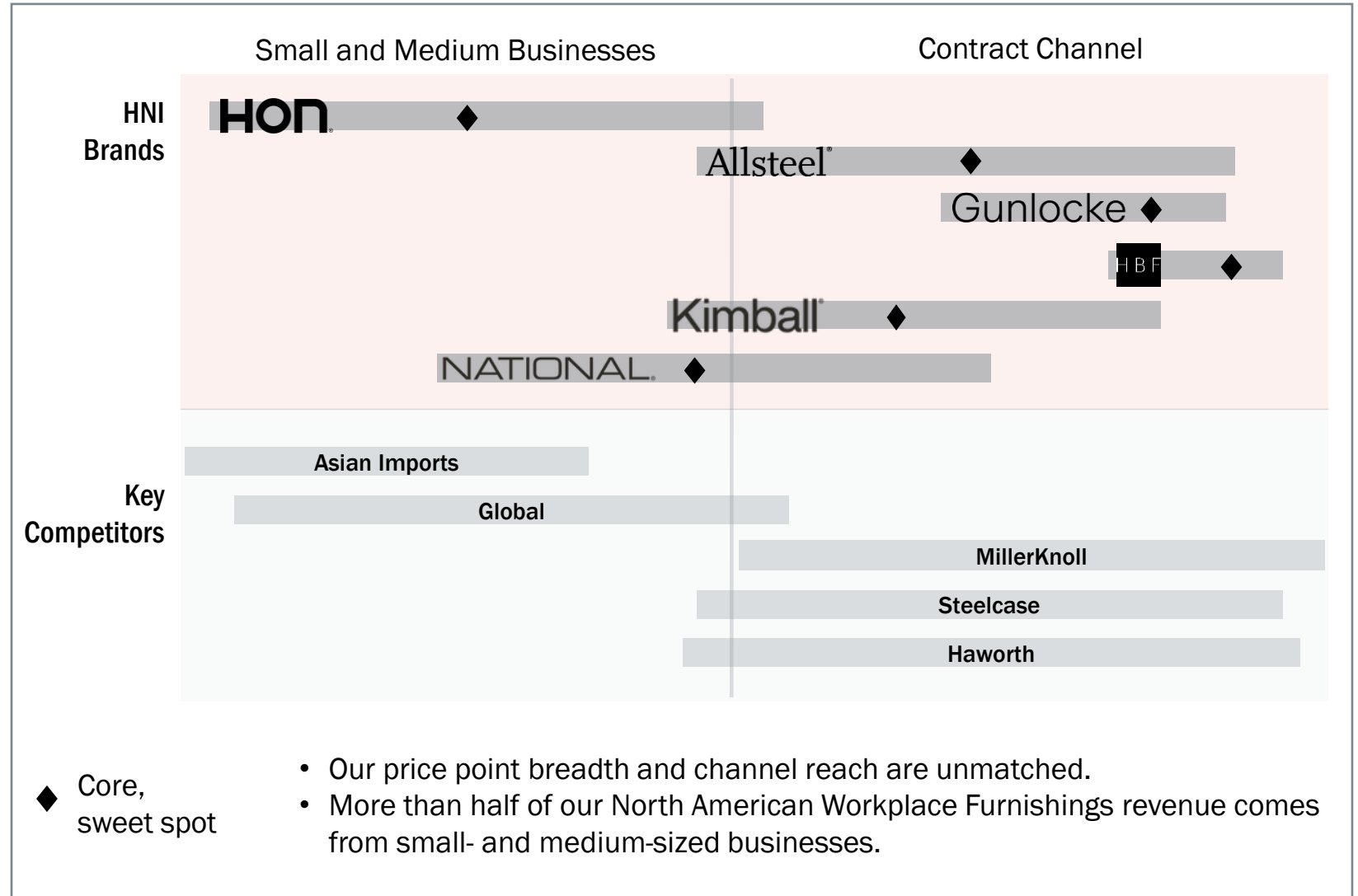
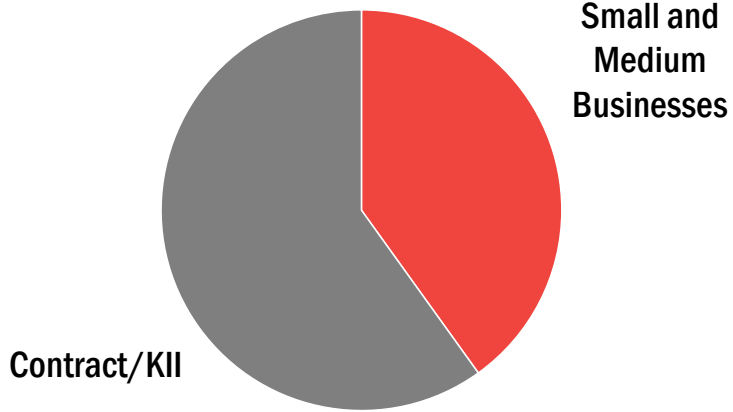


Diverse Revenue Streams

Workplace Furnishings



Workplace Furnishings
TTM Revenue Mix*

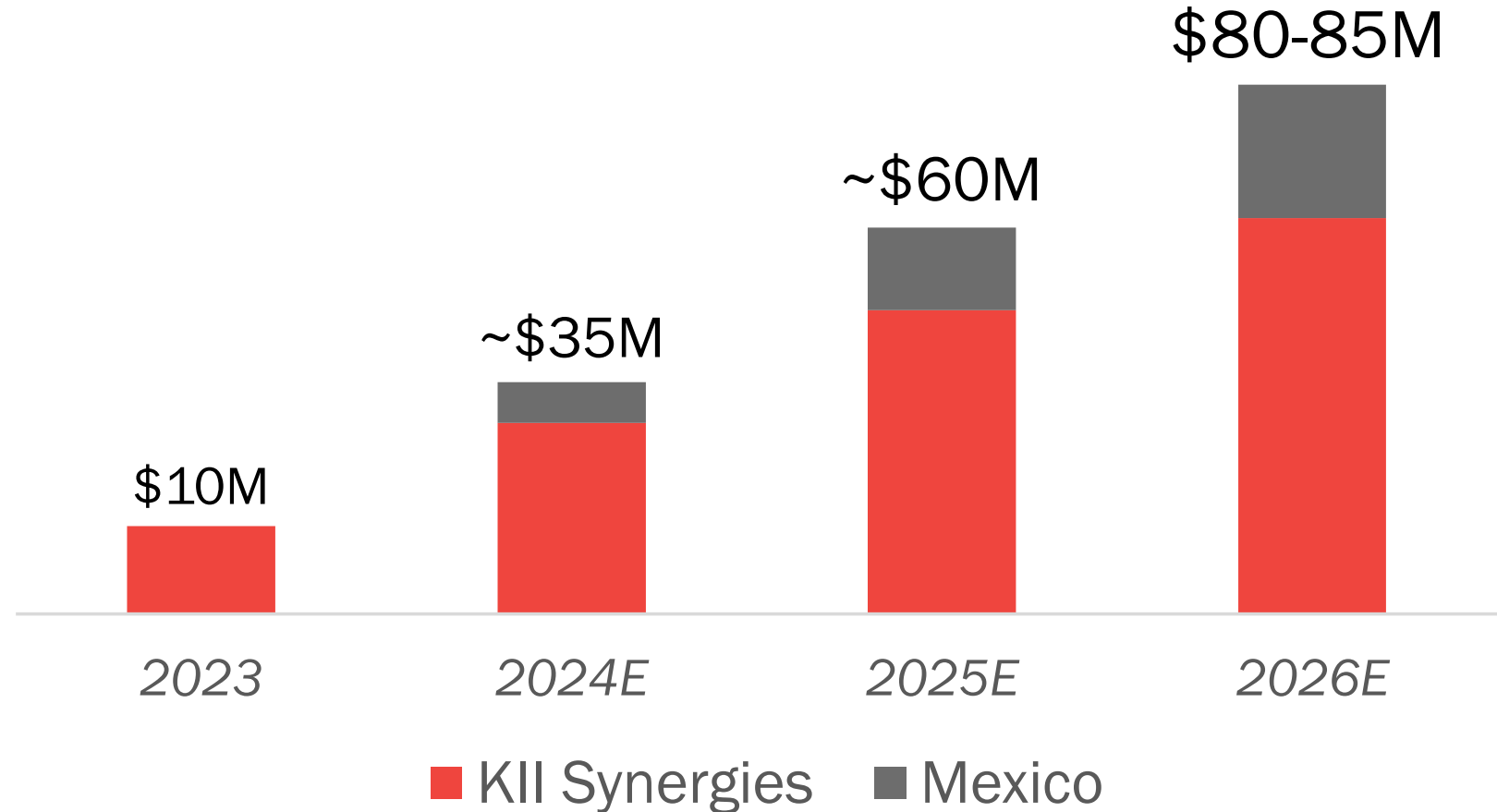


*As of Q3:24, assuming 12 months of Kimball International revenue **Other includes HNI International, HNI India, Design Public Group, and Kimball Hospitality

Workplace Furnishings Margin Expansion

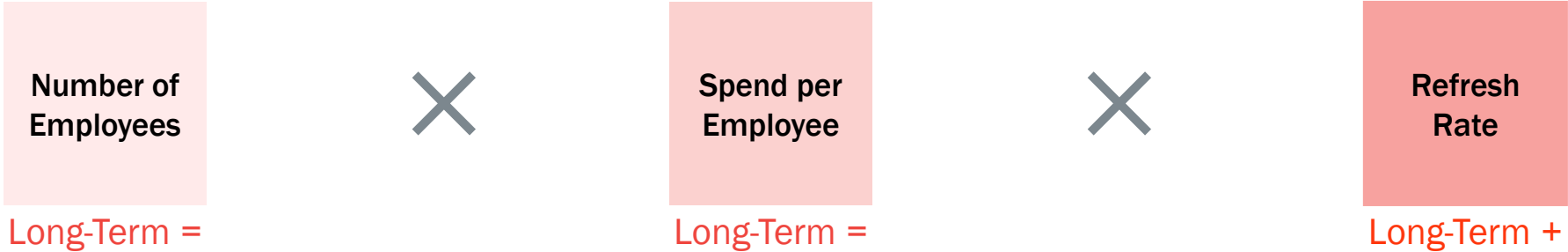
- **KII Synergies** –total synergies now expected to reach \$60 million by the end of 2026—more than double the initial projection provided when the deal was announced in mid-2023.
- **Hickory consolidation** – in May 2024, we announced plans to optimize our manufacturing network, which involves consolidating our Hickory, NC, manufacturing facility. Total savings of \$11 million by the end of 2026 are included in KII synergies.
- **Mexico facility ramp** – total net savings expected to reach \$20-\$25 million by the end of 2026.
- In total, savings are expected to reach \$80-\$85 million, as compared to 2023—with \$45-\$50 million of the benefit coming in 2025 and 2026...equal to \$0.70-\$0.80 of incremental EPS.

Key Margin Expansion Drivers



Secular Trends Drive Improving Demand Opportunity

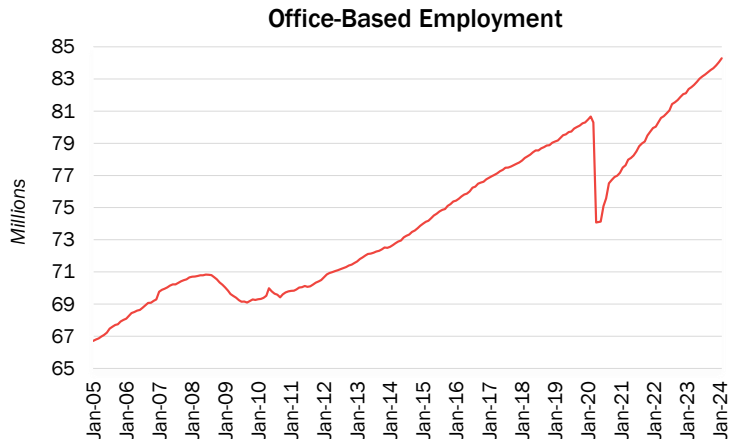
Workplace Furnishings



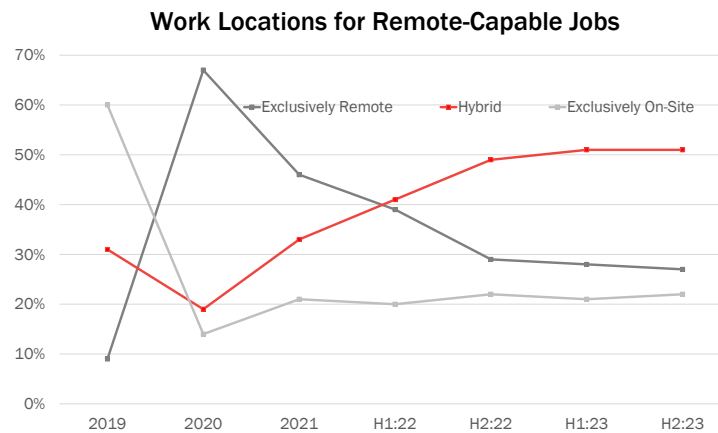
++ Number of office workers continues to grow
 -- Annual labor growth over next 10 years expected to moderate due to demographics and slowing population growth

== Spend per employee expected to remain flat; however, hybrid adoption to drive product mix shifts away from traditional workstations

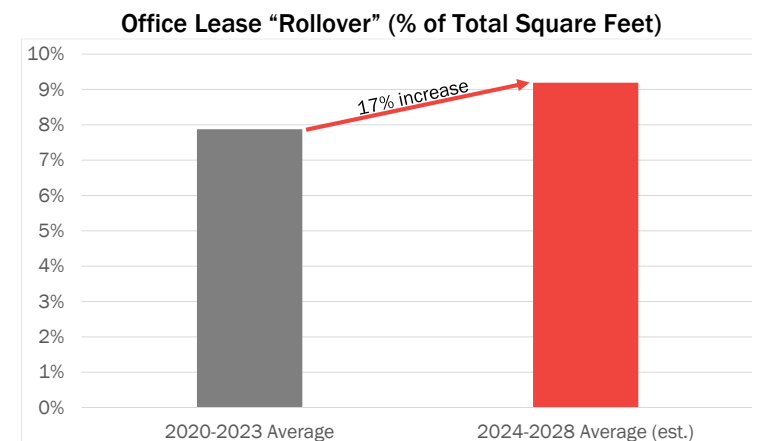
++ New (often off-cycle) investments to support hybrid and upgrades to encourage on-site work
 ++ Consolidations and moves with tenant favorable economics (increased rollover)



Source: Bureau of Labor Statistics



Source: Gallup



Source: Evercore

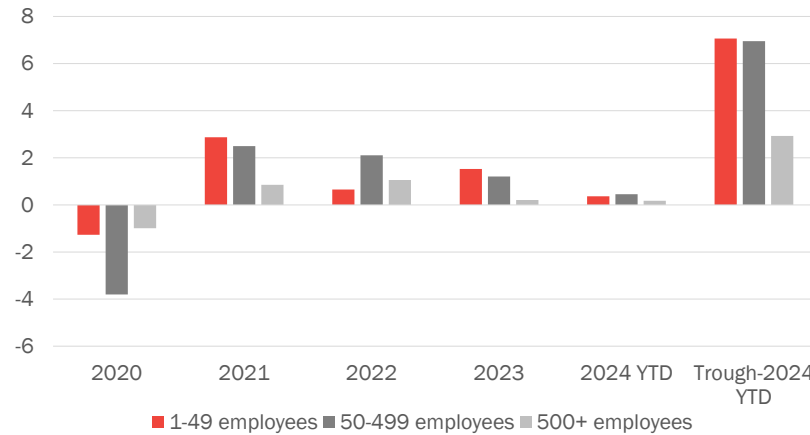
Macro Cyclical Drivers

Workplace Furnishings

- Small and medium businesses have accounted for majority of net post-pandemic hiring – large corporate yet to recover
- The commercial real estate sector is adjusting to the new normal—2023 is the first year in which more office inventory was removed than was added
- Return-to-office becoming more prevalent, especially in smaller markets where activity is essentially back to pre-pandemic levels – large markets yet to recover, but peak weekly card swipes >62%
- CEOs turned “optimistic” in the first quarter of 2024 for the first time in two years

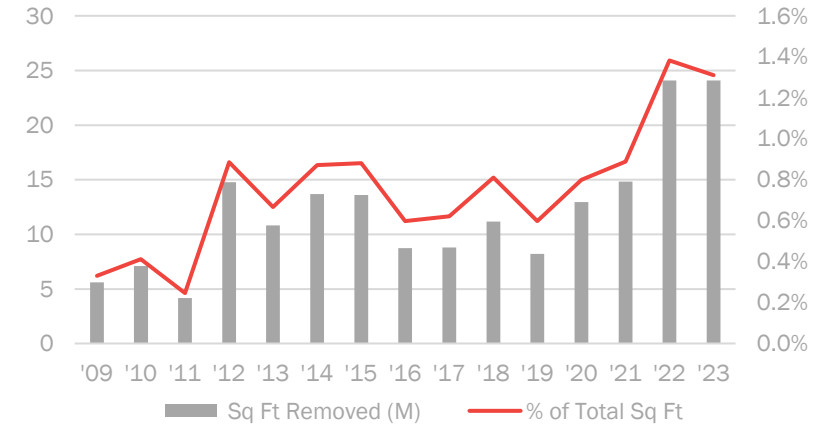


Employment Change by Firm Size (millions)



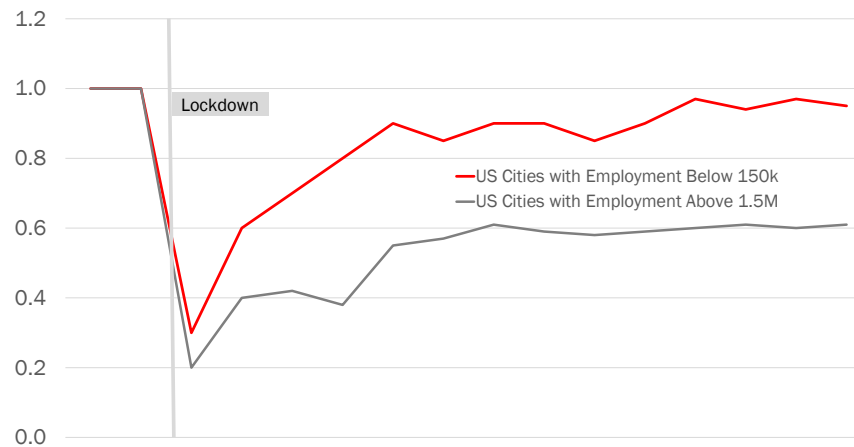
Source: ADP

Total Office Inventory Removed



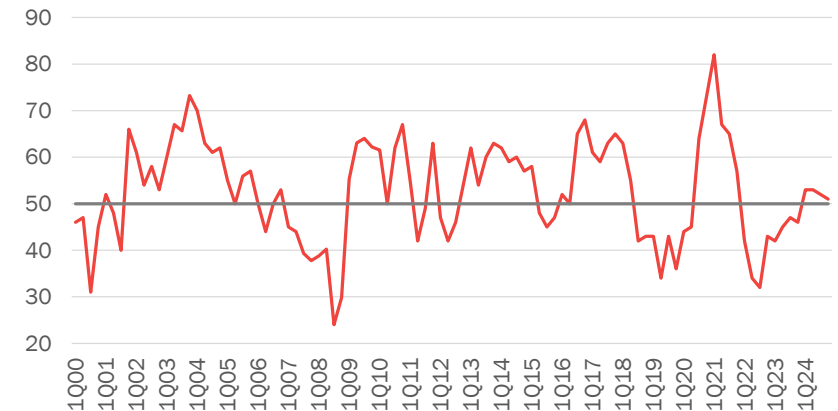
Source: Jones Lang LaSalle, CoStar

Visits to Central Business Districts (relative to January 2020)



Source: Becker Friedman Institute

CEO Confidence Index



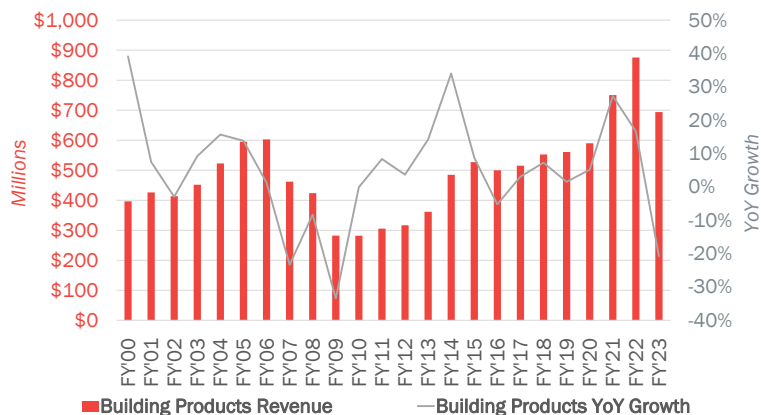
Source: The Conference Board

Residential Building Products

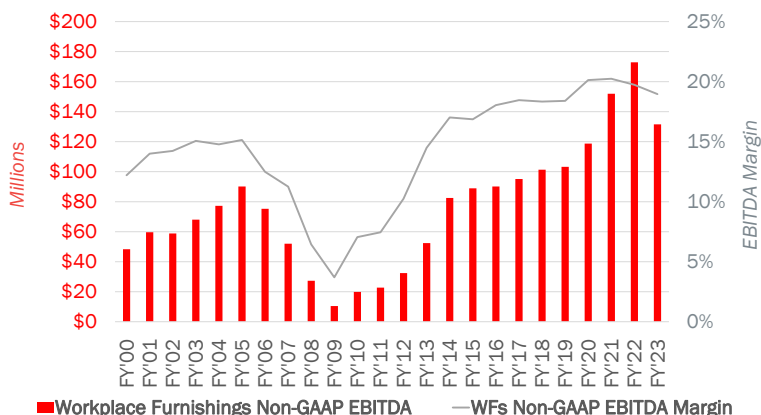
Residential Building Products



Residential Building Products Revenue History



Residential Building Products EBITDA History



HNI is the world leader in hearth products

- Our hearth brands are the strongest, most respected in the industry and include a full array of gas, electric, wood, and biomass burning fireplaces, inserts, stoves, facings, and accessories.
- Our regional distribution infrastructure offers unparalleled customer service and helps us attract the best trade partners.
- We are also the leading installing-distributor of hearth products. Approximately 20% of our business flows through our vertically-integrated installing distribution model. Our vertical integration provides us with unmatched ability to service builders and drive category growth.

Cost structure adjusted for current environment

- Higher mortgage rates, decreased housing affordability, and broader macroeconomic concerns have negatively impacted recent new construction and remodel/retrofit demand.
- However, we acted quickly, and our actions offset the volume pressures—allowing us to expand EBIT margin year-over-year in three of the past four quarters (despite revenue pressure), while we continued to invest for future growth.

Prepared for growth to return

- Our long-term strategic focus is unchanged. We have unique revenue growth opportunities by expanding our categories and taking advantage of our strong competitive position in markets with attractive long-term market dynamics.
- The housing market remains undersupplied and demographic trends support long-term demand growth. Additionally, an aging housing stock supports increased remodeling activity. We remain bullish about growth in this high margin, high-return business beyond 2024.

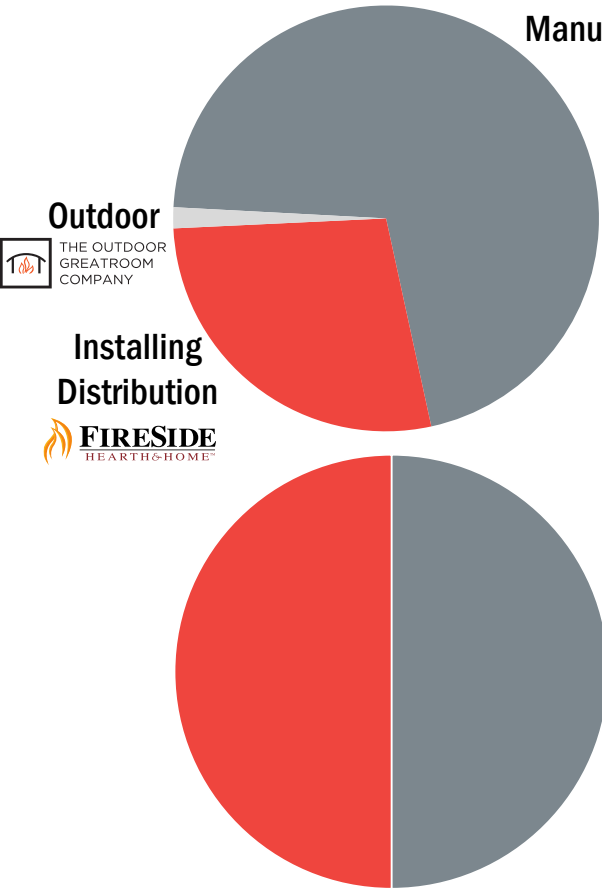
Diverse Revenue Streams

Building Products

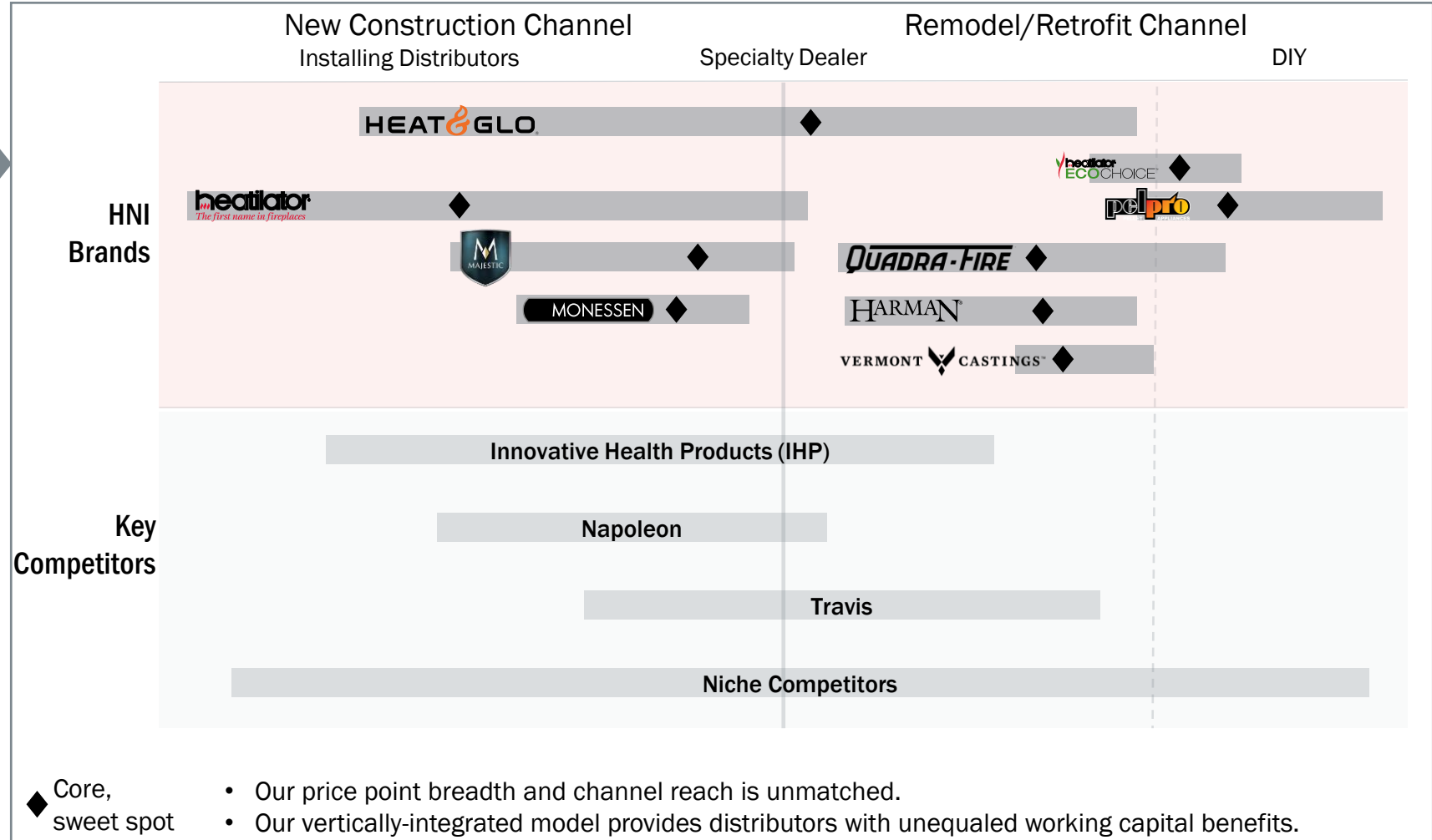


Building Products
TTM Revenue Mix

Manufacturing →



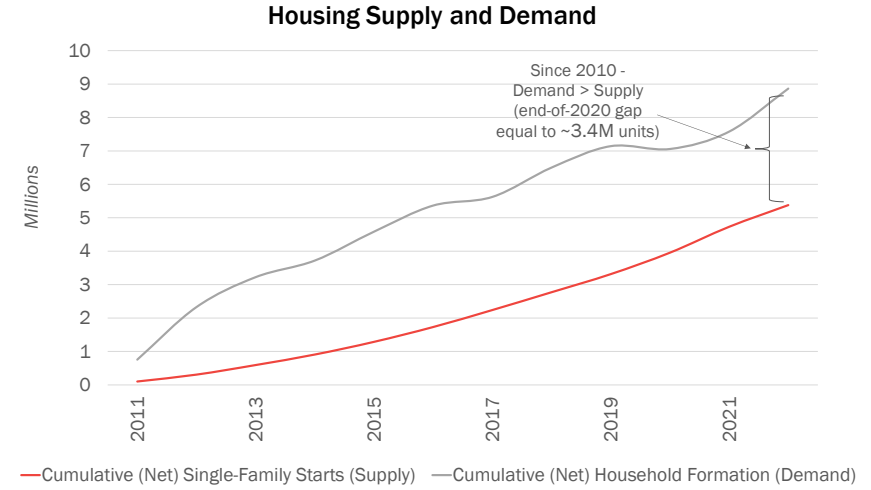
■ New Construction
■ Remodel & Retrofit



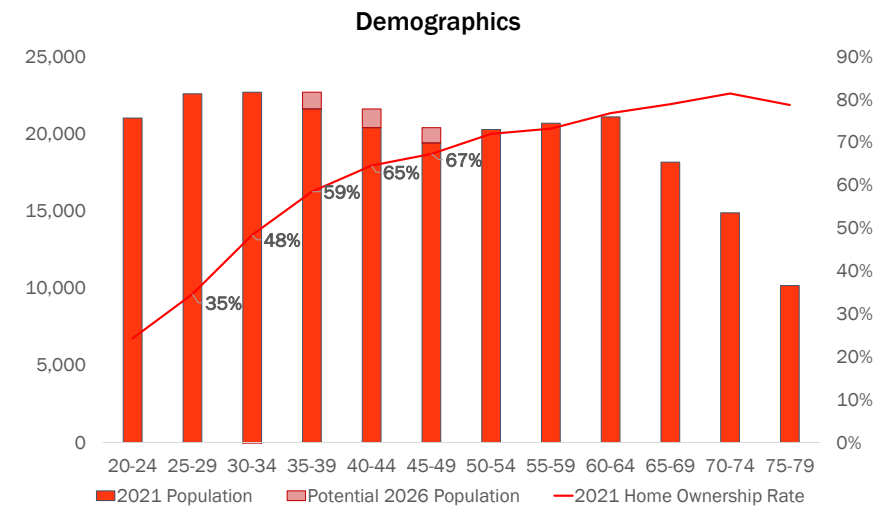
Secular Trends

Building Products

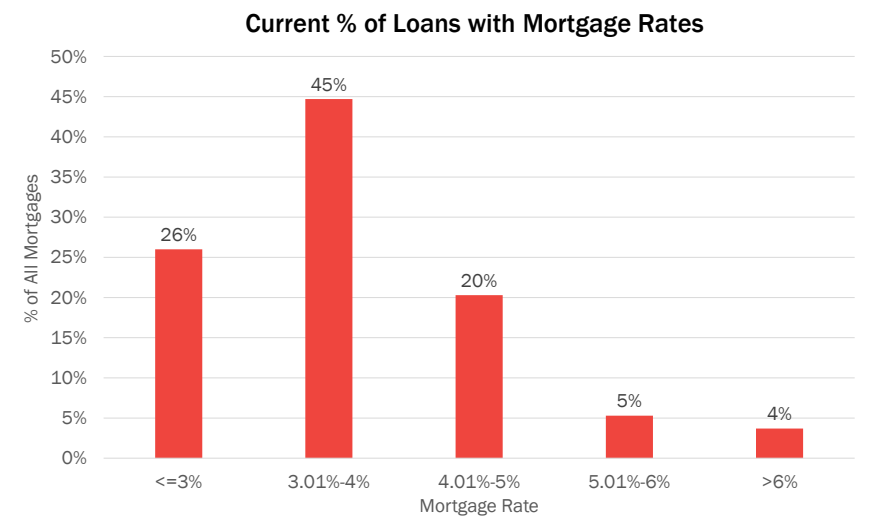
- Housing supply < demand – by as many as three million units
 - Post-2008 household deficit still above 1M (peak was 5M)
 - Deficit elimination + demolitions supports 1.8M starts '24-'26
 - Return to normal vacancies could add another 1M starts
- Mortgage rates create “lock-in” effect
 - 71% of all mortgage rates are below 4%
 - Approximately 35 points higher than a decade ago
 - This is positive for future remodel/retrofit activity
- Homes and people are aging
 - More millennials entering their prime home buying years
 - The median age of all homes in U.S. is ~40 years



Source: U.S. Census Bureau, BLS, The Benchmark Company



Source: U.S. Census Bureau, BLS, The Benchmark Company



Source: FHFA, Joyner Properties

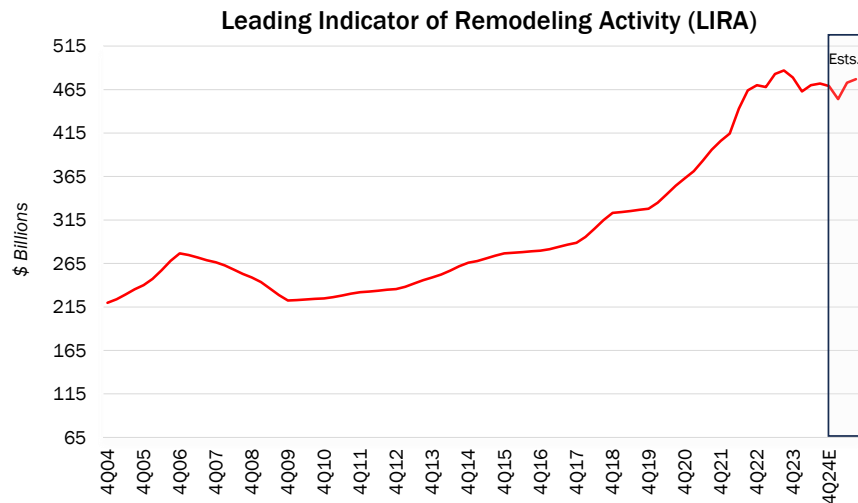
Macro Cyclical Drivers

Building Products

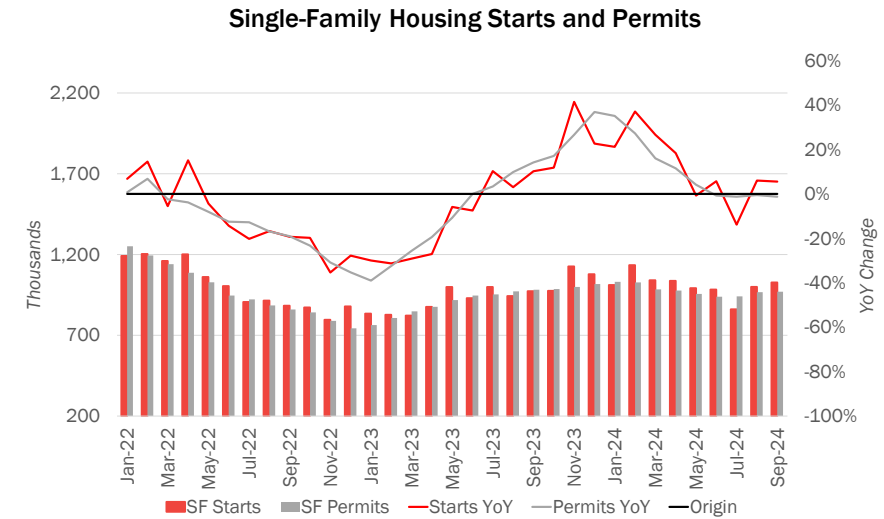


Positive demographic trends and historically low inventory levels support new construction

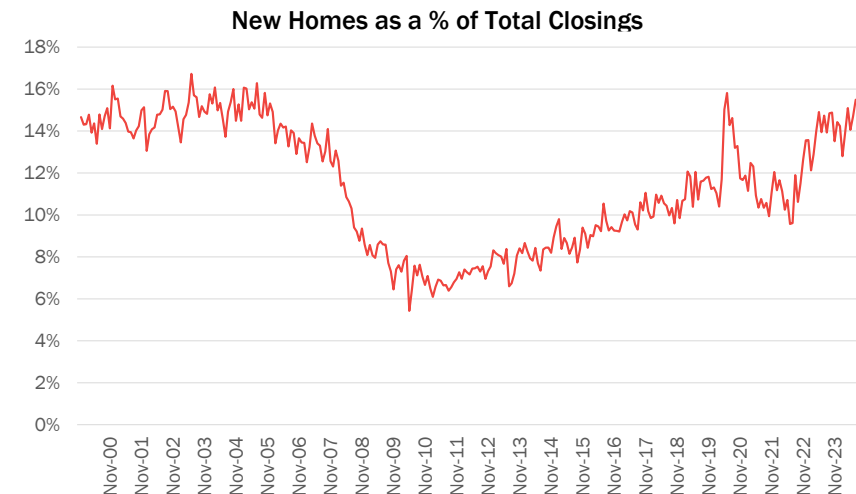
- Single-family permits and starts remain stable
- New homes as a % of total closings are near all-time highs; while the top-20 builders account for 34% of total closings, up from 28% in 2018
- Strong opportunity in remodel-retrofit (not as impacted by affordability concerns)



Source: Harvard Joint Center for Housing Studies



Source: U.S. Commerce Department



Source: National Association of Realtors

Strategic Initiatives

Building Products



New Home – Expand Category

- 66% of homebuyers identify fireplaces as a “must have” feature, but fewer than 40% choose one
- Enhancing the connection with prospective homebuyer – digital marketing and touch points, consumer marketing, architect outreach, and model home experience
- Expanding owned distribution to drive awareness initiatives and increase coverage
- Continuing to develop new solutions for changing home (electric, smart home automation, entry-level homes, etc.)

Remodel Retrofit – Expand Category

- Estimate fewer than 3% of all remodeling projects include a fireplace or stove
- Large market: more than 30 million older gas and wood burning fireplaces; homeowners generally unaware of how to convert old fireplaces to convenient, modern solutions
- Identifying target customers with data analytics; benefit from rich data set resulting from being longstanding industry leader
- Reaching homeowners through digital capabilities, consumer marketing, and improved end-to-end experience

Corporate Responsibility

Respecting People, Reducing Impacts, Redefining Tomorrow



HNI is committed to being a great place to work and a responsible corporate citizen. We continuously look for new and better ways to reduce our environmental impact, make a positive social contribution, and support the communities where we operate. We expanded on our initial goals from 2018 and have established, long-term CSR goals that focus on respecting our people and supporting our communities, reducing the impacts of our operations, and designing more sustainable products to redefine tomorrow. We continue to integrate corporate responsibility activities throughout our organization. HNI is making progress and important strides toward achieving our goals.

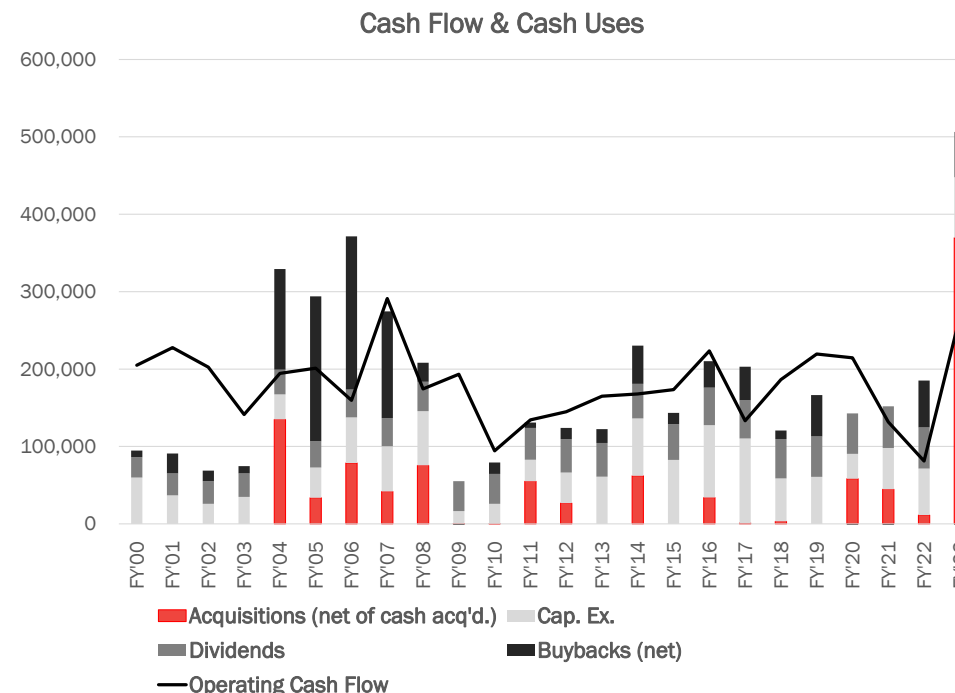
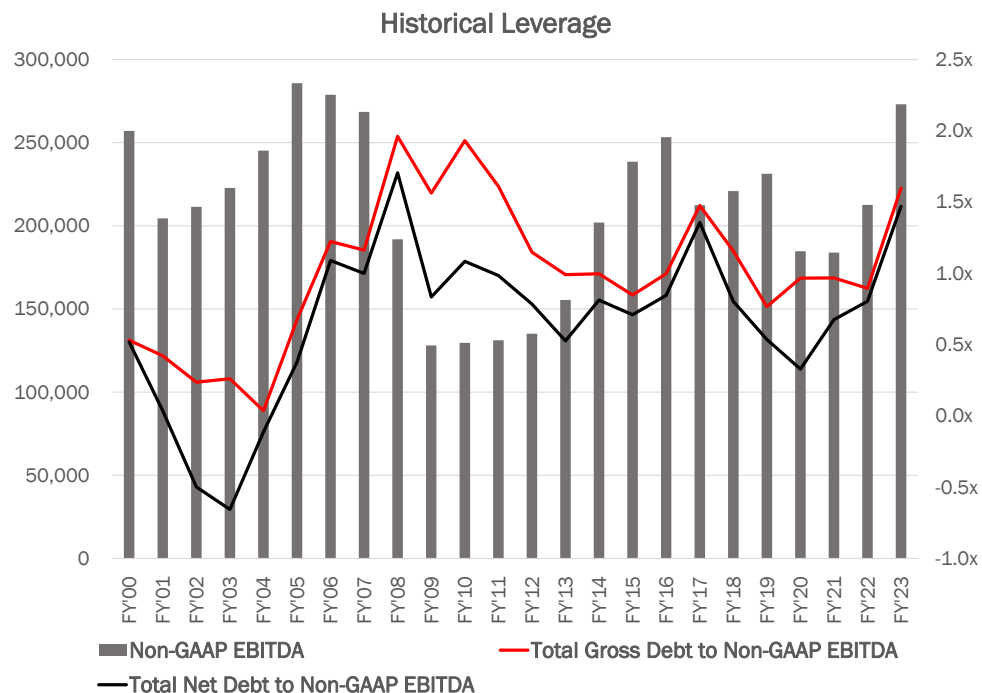
HNI received the following recognition:

- In December 2023, HNI was again named one of America's most responsible companies, ranking number 31 in Newsweek's annual list of America's 600 Most Responsible Companies. HNI is one of 156 companies to make the list in all five years of its existence.
- In October 2023, HNI was named to the U.S. News & World Report Best Companies to Work For list in the Miscellaneous Products & Services Industry, ranking among the top companies recognized for creating a positive work environment.
- In October 2023, HNI was recognized by the U.S. Department of Energy (DOE) for achieving its scope 1 and 2 emissions reduction goal as a partner in the Better Climate Challenge.

Goal Progress:

- We are focused on increasing diversity throughout the company and working to increase the number of women and ethnically diverse members serving at manager level and above. We also take pride in the diversity of our Board of Directors.
- Since 2020, we have aligned our emissions targets with the Science Based Targets initiative (SBTi) to reduce the impact of climate change. To achieve our climate change goals, we source 100% renewable electricity annually for our global operations, focus on energy efficiency in our facilities, and have reduced absolute combined Scope 1 and 2 greenhouse gas (GHG) emissions by 64% from the 2018 baseline.
- As of the end of 2022, we have four facilities that have achieved a landfill diversion rate above 90% and we continue to work toward the goal of zero waste to landfill for all manufacturing facilities.
- As of the end of 2022, we have eliminated over 47% of nonrecyclable foam packaging and move toward 100% recyclable packaging by 2025.

Balance Sheet and Cash Flow



Our capital priorities are:

1. Invest in the business, generating strong returns.
2. Maintain and modestly increase the dividend.
3. Repurchase shares.
4. Pursue value-enhancing acquisitions.

Note – leverage ratio as of Q2:24 was 1.1x, which compares to our leverage covenant of 3.5x gross debt-to-EBITDA.

The background image shows a modern living room with a brown leather sofa, a wooden coffee table, a fireplace with a fire, and large windows. The scene is dimly lit, with the primary light source being the fire in the fireplace.

Appendix – Non-GAAP Reconciliations

TTM Q2 2024 Non-GAAP EBITDA



	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Trailing 12 mos
Net income as reported (GAAP)	\$ 37,754	\$ 22,736	\$ 17,686	\$ 36,014	\$ 114,190
Restructuring charges	5,377	(687)	208	2,576	7,474
Impairment charges	212	32,486	-	-	32,698
Acquisition costs	2,836	3,604	44	(64)	6,421
Tax effect of above costs	(2,303)	(11,307)	(49)	(546)	(14,205)
Non-GAAP net income	43,876	46,832	17,889	37,980	146,577
Income taxes	11,918	11,312	4,368	10,535	38,132
Interest expense, net	9,393	7,923	7,648	7,433	32,398
Depreciation & amortization	26,207	26,519	26,419	26,385	105,531
Non-GAAP EBITDA	91,394	92,587	56,325	82,334	322,638
Poppin non-GAAP EBITDA	(2,744)	-	-	-	(2,744)
Non-GAAP EBITDA ex. Poppin	\$ 94,138	\$ 92,587	\$ 56,325	\$ 82,334	\$ 325,383

Non-GAAP Reconciliations



HNI Corporation Reconciliation (Dollars in millions)															
	Net income (loss) attributable to HNI Corp. as reported (GAAP)	Income taxes	Interest expense, net	Net income (loss) attr. to noncontrolling interest	Operating Income (EBIT) as reported (GAAP)	Non-GAAP Adjustments	Non-GAAP Operating Income (EBIT)	Depreciation and Amortization	Non-GAAP EBITDA	Debt	Debt / EBITDA (non-GAAP)	Cash	Net Debt	Net Debt / EBITDA (non-GAAP)	
FY 2000	\$ 106.2	\$ 59.7	\$ 12.1	\$ -	\$ 178.0	\$ -	\$ 178.0	\$ 79.0	\$ 257.1	\$136.5	0.5x	\$ 3.2	\$ 133.3	0.5x	
FY 2001	74.4	41.9	6.8	-	123.1	-	123.1	81.4	204.5	86.3	0.4x	78.8	7.5	0.0x	
FY 2002	91.4	49.2	2.1	-	142.7	-	142.7	68.8	211.4	49.9	0.2x	155.5	(105.6)	-0.5x	
FY 2003	98.1	52.8	(1.0)	-	150.0	-	150.0	72.8	222.7	29.3	0.1x	204.2	(174.9)	-0.8x	
FY 2004	113.7	65.3	(0.5)	-	178.5	-	178.5	66.7	245.2	3.3	0.0x	36.5	(33.2)	-0.1x	
FY 2005	138.2	77.7	0.8	(0.0)	216.7	3.5	220.2	65.5	285.7	143.4	0.5x	84.7	58.7	0.2x	
FY 2006	129.7	63.7	13.2	(0.1)	206.4	2.8	209.2	69.5	278.7	311.4	1.1x	37.3	274.1	1.0x	
FY 2007	119.9	57.3	16.9	(0.4)	193.7	6.7	200.4	68.2	268.5	295.0	1.1x	43.8	251.2	0.9x	
FY 2008	50.5	26.0	15.7	0.2	92.4	29.3	121.7	70.2	191.9	321.8	1.7x	49.3	272.5	1.4x	
FY 2009	(1.8)	(1.5)	11.7	0.2	8.6	44.6	53.2	74.9	128.0	200.0	1.6x	93.4	106.7	0.8x	
FY 2010	29.5	16.8	11.4	0.2	57.9	13.1	70.9	58.6	129.6	200.0	1.5x	109.7	90.4	0.7x	
FY 2011	46.0	24.4	11.3	(0.2)	81.5	3.4	84.9	46.3	131.2	180.5	1.4x	82.0	98.5	0.8x	
FY 2012	49.0	29.3	10.0	(0.6)	87.6	4.2	91.8	43.4	135.1	154.7	1.1x	49.0	105.7	0.8x	
FY 2013	63.7	33.3	9.3	(0.3)	106.0	2.8	108.8	46.6	155.4	150.6	1.0x	72.3	78.3	0.5x	
FY 2014	61.5	43.8	7.9	(0.3)	112.8	32.4	145.3	56.7	202.0	197.9	1.0x	37.2	160.7	0.8x	
FY 2015	105.4	51.8	6.5	(0.0)	163.7	17.3	180.9	57.6	238.5	190.5	0.8x	32.8	157.7	0.7x	
FY 2016	85.6	43.3	4.8	0.1	133.7	50.6	184.3	68.9	253.2	214.0	0.8x	38.6	175.4	0.7x	
FY 2017	89.8	(19.3)	6.1	0.1	76.7	62.8	139.4	72.9	212.3	276.6	1.3x	25.4	251.3	1.2x	
FY 2018	93.4	25.4	9.4	(0.1)	128.2	18.0	146.2	74.7	220.9	250.0	1.1x	78.1	171.9	0.8x	
FY 2019	110.5	32.2	8.6	(0.0)	151.3	2.6	153.9	77.4	231.3	175.2	0.8x	53.2	122.0	0.5x	
FY 2020	41.9	12.5	7.0	0.0	61.4	45.7	107.0	77.7	184.7	175.4	1.0x	117.8	57.6	0.3x	
FY 2021	59.8	18.5	7.2	(0.0)	85.4	15.4	100.7	83.1	183.9	177.8	1.0x	53.7	124.2	0.7x	
FY 2022	123.9	22.5	8.8	(0.0)	155.2	(26.9)	128.4	84.2	212.6	190.1	0.9x	19.4	170.7	0.8x	
FY 2023	49.2	15.6	25.5	0.0	90.3	87.8	178.1	94.9	273.0	435.8	1.6x	34.5	401.3	1.5x	

Non-GAAP Reconciliations



HNI Corporation Workplace Furnishings Reconciliation (Dollars in millions)					
	Operating Income (EBIT) As reported (GAAP)	Non-GAAP Adjustments	Non-GAAP Operating Income (EBIT)	Depreciation and Amortization	Non-GAAP EBITDA
FY 2000	\$ 171.6	\$ -	\$ 171.6	\$ 58.9	\$ 230.6
FY 2001	112.4	-	112.4	58.7	171.1
FY 2002	130.0	-	130.0	48.5	178.6
FY 2003	130.1	-	130.1	54.1	184.2
FY 2004	155.0	-	155.0	45.7	200.8
FY 2005	177.5	3.5	180.9	44.0	224.9
FY 2006	181.8	2.8	184.6	48.4	233.0
FY 2007	195.3	8.6	203.8	49.3	253.1
FY 2008	109.1	21.3	130.4	50.5	180.9
FY 2009	52.5	36.5	89.0	52.1	141.1
FY 2010	87.6	7.5	95.1	44.7	139.8
FY 2011	99.6	3.0	102.6	36.1	138.7
FY 2012	91.8	4.2	96.0	34.5	130.5
FY 2013	97.3	2.8	100.1	37.0	137.1
FY 2014	87.1	33.7	120.8	45.9	166.7
FY 2015	136.6	15.0	151.6	42.4	194.0
FY 2016	117.4	40.6	158.0	45.1	203.1
FY 2017	50.2	51.1	101.2	48.4	149.7
FY 2018	76.0	18.0	94.0	44.3	138.3
FY 2019	103.9	2.6	106.5	44.9	151.4
FY 2020	(5.0)	44.1	39.1	44.6	83.7
FY 2021	(0.5)	15.1	14.5	47.8	62.3
FY 2022	3.4	20.1	23.5	45.7	69.2
FY 2023	68.6	55.8	124.5	59.5	184.0

HNI Corporation Building Products Reconciliation (Dollars in millions)					
	Operating Income (EBIT) As reported (GAAP)	Non-GAAP Adjustments	Non-GAAP Operating Income	Depreciation and Amortization	Non-GAAP EBITDA
FY 2000	\$ 30.2	\$ -	\$ 30.2	\$ 18.1	\$ 48.3
FY 2001	39.3	-	39.3	20.4	59.7
FY 2002	44.9	-	44.9	14.0	58.8
FY 2003	54.4	-	54.4	13.6	68.0
FY 2004	62.2	-	62.2	15.1	77.2
FY 2005	74.8	-	74.8	15.3	90.1
FY 2006	58.7	-	58.7	16.6	75.3
FY 2007	36.4	1.1	37.5	14.5	52.0
FY 2008	11.5	0.6	12.1	15.2	27.3
FY 2009	(14.7)	6.1	(8.6)	19.0	10.4
FY 2010	2.9	5.5	8.4	11.5	19.9
FY 2011	14.8	0.4	15.2	7.6	22.7
FY 2012	26.5	-	26.5	6.0	32.4
FY 2013	46.7	-	46.7	5.8	52.4
FY 2014	77.1	-	77.1	5.4	82.5
FY 2015	78.2	2.3	80.4	8.4	88.9
FY 2016	70.0	7.7	77.6	12.5	90.1
FY 2017	83.6	1.4	85.0	10.1	95.1
FY 2018	91.4	1.8	93.1	8.2	101.3
FY 2019	94.3	-	94.3	8.9	103.2
FY 2020	109.3	-	109.3	9.4	118.7
FY 2021	141.9	-	141.9	10.0	151.9
FY 2022	158.7	1.5	160.3	12.6	172.9
FY 2023	116.6	1.3	117.8	13.7	131.6

Non-GAAP Reconciliations



HNI Corporation Non-GAAP ROIC Reconciliation (Dollars in millions)								
	Non-GAAP Operating Income (EBIT)	Non-GAAP Tax Rate	Non-GAAP Operating Profit After Tax (NOPAT)	Debt	Shareholders Equity	Invested Capital (Debt + Equity)	Average Invested Capital	Return on Invested Capital (NOPAT / Avg Invested Capital)
FY 2001	\$ 123.1	36.0%	\$ 78.8	\$ 86.3	\$ 592.7	\$ 679.0	\$ 690.3	11.4%
FY 2002	142.7	35.0%	\$ 92.7	49.9	646.9	696.8	687.9	13.5%
FY 2003	150.0	35.0%	\$ 97.5	29.3	709.9	739.2	718.0	13.6%
FY 2004	178.5	36.5%	\$ 113.4	3.3	669.2	672.5	705.8	16.1%
FY 2005	220.2	36.0%	\$ 140.9	143.4	594.1	737.5	705.0	20.0%
FY 2006	209.2	33.0%	\$ 140.2	311.4	496.4	807.8	772.7	18.2%
FY 2007	200.4	32.3%	\$ 135.6	295.0	458.9	753.9	780.9	17.4%
FY 2008	121.7	33.9%	\$ 80.4	321.8	449.0	770.8	762.3	10.5%
FY 2009	53.2	48.2%	\$ 27.5	200.0	419.6	619.7	695.2	4.0%
FY 2010	70.9	36.1%	\$ 45.3	200.0	408.5	608.5	614.1	7.4%
FY 2011	84.9	34.8%	\$ 55.3	180.5	419.3	599.8	604.2	9.2%
FY 2012	91.8	37.7%	\$ 57.2	154.7	420.7	575.4	587.6	9.7%
FY 2013	108.8	34.5%	\$ 71.3	150.6	436.4	587.0	581.2	12.3%
FY 2014	145.3	34.8%	\$ 94.7	197.9	414.5	612.4	599.7	15.8%
FY 2015	180.9	32.9%	\$ 121.4	190.5	477.3	667.8	640.1	19.0%
FY 2016	184.3	33.6%	\$ 122.5	214.0	501.0	715.0	691.4	17.7%
FY 2017	139.4	33.9%	\$ 92.2	276.6	514.6	791.2	753.1	12.2%
FY 2018	146.2	22.0%	\$ 114.1	250.0	563.3	813.3	802.2	14.2%
FY 2019	153.9	22.6%	\$ 119.1	175.2	584.4	759.6	786.4	15.2%
FY 2020	107.0	22.9%	\$ 82.5	175.4	590.7	766.1	762.8	10.8%
FY 2021	100.7	23.6%	\$ 76.9	177.8	590.0	767.8	767.0	10.0%
FY 2022	128.4	22.4%	\$ 99.6	190.1	616.5	806.6	787.2	12.7%
FY 2023	178.1	21.3%	\$ 140.2	435.8	761.4	1,197.2	1,001.9	14.0%

Non-GAAP Reconciliations



HNI Corporation Non-GAAP FCF Reconciliation (Dollars in millions)							
	Operating Cash Flow	Capital Expenditures	Capitalized Software	Proceeds from sale and license of PP&E, intangibles, and businesses	Free Cash Flow	FCF/Share	
FY 2000	\$ 204.9	\$ (59.8)	\$ (2.2)	\$ -	\$ 142.9	2.38	
FY 2001	227.8	(36.9)	(1.8)	-	189.2	3.20	
FY 2002	202.4	(25.9)	(0.1)	-	176.5	2.99	
FY 2003	141.3	(34.8)	(2.7)	1.8	105.6	1.80	
FY 2004	194.3	(32.4)	(3.4)	3.0	161.5	2.80	
FY 2005	201.2	(38.9)	(2.9)	0.3	159.7	2.90	
FY 2006	159.6	(58.9)	(1.0)	6.0	105.6	2.10	
FY 2007	291.2	(58.6)	(0.3)	12.1	244.4	5.21	
FY 2008	174.4	(70.1)	(1.4)	6.2	109.1	2.46	
FY 2009	193.2	(16.0)	(1.5)	6.7	182.4	4.06	
FY 2010	94.4	(25.7)	(1.0)	2.3	70.0	1.53	
FY 2011	134.3	(27.8)	(3.3)	3.3	106.4	2.33	
FY 2012	144.8	(39.5)	(20.8)	1.2	85.7	1.87	
FY 2013	165.0	(61.0)	(17.9)	0.4	86.5	1.88	
FY 2014	167.8	(74.3)	(38.4)	16.4	71.4	1.57	
FY 2015	173.4	(82.6)	(32.4)	2.2	60.6	1.33	
FY 2016	223.4	(93.4)	(26.2)	1.1	104.8	2.30	
FY 2017	133.1	(109.2)	(18.1)	9.0	14.8	0.33	
FY 2018	186.4	(55.6)	(8.0)	23.8	146.5	3.30	
FY 2019	219.4	(60.8)	(6.1)	0.3	152.8	3.51	
FY 2020	214.5	(32.3)	(9.5)	0.3	173.0	4.03	
FY 2021	131.6	(53.5)	(13.1)	0.2	65.3	1.48	
FY 2022	81.2	(60.0)	(8.4)	69.5	82.3	1.95	
FY 2023	267.5	(78.1)	(1.0)	2.7	191.1	4.21	




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