



## Apogee Enterprises Announces Restructuring and Cost Reduction Actions

August 11, 2021

- *Actions are beginning steps in executing the company's new enterprise strategy*
- *These moves will strengthen customer focus, simplify operations, improve execution, and enable a more competitive cost structure*

MINNEAPOLIS--(BUSINESS WIRE)--Aug. 11, 2021-- **Apogee Enterprises, Inc. (Nasdaq: APOG)** today announced plans to realign and simplify its business structure, bring a stronger focus to serving customers, enable a more competitive cost model, and better position the company for future growth and improved profitability. These actions are the initial steps in executing the company's new enterprise strategy, which include:

- Focusing the Architectural Glass segment to emphasize premium, high-performance products. As a result, the company will close the Viracon facility in Statesboro, Georgia. Work currently performed in Statesboro will be transitioned to the company's facility in Owatonna, Minnesota, which has adequate capacity to support the additional activity. The company will also exit the Velocity business and close its facility in Dallas, Texas.
- Align Architectural Framing Systems (AFS) into two business units, to increase focus on target markets, better serve customers, improve operational execution, and reduce overall costs:
  - Storefront and Finishing Solutions, will offer storefront, entrance, and stick curtainwall solutions, along with coating and related services for architectural products. Primary brands will include Alumicor, Linetec, and Tubelite.
  - Window and Wall Systems, will provide window and wall solutions targeting mid-size to large architectural projects. This business will sell under the EFCO and Wausau Window & Wall brands.
- Moving the Sotawall business, which is currently a part of AFS, into the Architectural Services segment. This will unify Apogee's market offerings for larger, custom façade projects. The combined business will primarily focus on the integrated design, manufacture, and installation of curtainwall projects. This transition is expected to be completed in the first quarter of fiscal year 2023. Until that time, Sotawall will continue to report its financial results as a part of AFS.

"Through our enterprise strategy work, we are developing a roadmap for Apogee to become the economic leader in our target markets, bringing the best value to our customers," said Ty R. Silberhorn, Chief Executive Officer. "Our goals are to focus on the most attractive long-term opportunities, while ensuring we have the operating model and capabilities needed to consistently deliver profitable growth. The actions we are announcing today will better align our organization and cost structure to achieve these objectives."

The company will begin executing these actions immediately and expects to be substantially completed in the first quarter of fiscal 2023. When completed, the restructuring actions announced today are expected to reduce the company's workforce by approximately 400 employees. These actions build on the company's previously announced restructuring and cost savings initiatives. In October 2020, the company announced that it had identified opportunities for \$10 to \$20 million of annualized cost savings, to be achieved by the end of fiscal 2023. With today's announcement, the company now expects to achieve \$20 to \$30 million of annualized savings by the end of fiscal 2023.

The company expects pre-tax charges between \$30 million to \$35 million related to today's announcement, primarily for asset impairments and severance. The company will record these charges as they are incurred and anticipates the majority will be recorded in the second quarter of fiscal 2022. Excluding these expected charges, the company is maintaining its previous guidance for fiscal 2022 of adjusted earnings between \$2.20 to \$2.40 per diluted share.

### About Apogee Enterprises, Inc.

Apogee Enterprises, Inc. (Nasdaq: APOG) delivers distinctive solutions for enclosing commercial buildings and framing art. Headquartered in Minneapolis, MN, we are a leader in architectural products and services, providing architectural glass, aluminum framing systems and installation services for buildings, as well as value-added glass and acrylic for custom picture framing and displays. For more information, visit [www.apog.com](http://www.apog.com).

### Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "anticipate," "intend," "estimate," "forecast," "project," "plans," "goals," "should" and similar expressions are intended to identify "forward-looking statements". These statements reflect Apogee management's expectations or beliefs as of the date of this release. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In particular, statements regarding the Company's restructuring and cost-savings plans disclosed in this release constitute forward-looking statements. These forward-looking statements are subject to significant risks that could cause actual results to differ materially from the expectations reflected in the forward-looking statements. Such risks include, without limitation, that: we may be unable to achieve our anticipated results from the business restructuring initiatives; implementation of the cost-saving and business restructuring initiatives may take more time or cost more than expected; the anticipated cost saving initiatives may not be achieved, or they may be materially less than anticipated; and the restructuring may result in disruption in delivery of services to our customers. More information concerning potential factors that could affect future financial results is included in the company's Annual Report on Form 10-K for the fiscal year ended February 27, 2021 and in subsequent filings with the U.S. Securities and Exchange Commission.

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