



News Release

For Information Contact:

Marshall H. Bridges, Senior Vice President and Chief Financial Officer (563) 272-7400

Matthew S. McCall, Vice President, Investor Relations and Corporate Development (563) 275-8898

HNI CORPORATION REPORTS EARNINGS FOR FIRST QUARTER FISCAL YEAR 2021

MUSCATINE, Iowa (April 28, 2021) – **HNI Corporation** (NYSE: HNI) today announced sales for the first quarter ended April 3, 2021 of \$484.3 million and net income of \$15.0 million. GAAP net income (loss) per diluted share was \$0.34, compared to \$(0.56) in the prior year. Non-GAAP net income per diluted share was \$0.36, compared to \$0.21 in the prior year. GAAP to non-GAAP reconciliations follow the financial statements in this release.

First Quarter Highlights

- **Strong results in Residential Building Products:** First quarter 2021 revenue grew 39 percent on a year-over-year basis, and operating margin expanded 600 basis points from prior-year, pre-COVID levels. This fueled a greater than 90 percent year-over-year increase in segment operating profit to a first quarter record of \$39.8 million.
- **Signs of improvement in Workplace Furnishings:** First quarter 2021 revenue was down approximately 12 percent from the first quarter of 2020, on an organic basis. This rate of decline was the lowest since the beginning of the pandemic.
- **Strong incremental margins:** Non-GAAP consolidated operating income increased 67 percent year-over-year (or \$9.4 million) to \$23.3 million on two percent organic revenue growth (or \$6.8 million). This equated to a 60 percent incremental operating margin, which was primarily driven by volume leverage in the Residential Building Products segment and solid cost control in the Workplace Furnishings segment, as both segments benefited from the Corporation's annual cost savings initiatives and cost actions taken last year to combat pandemic pressures.
- **High-quality balance sheet:** Quarter-ending debt levels were \$176 million, essentially unchanged from last quarter and down from \$230 million at the end of the first quarter of last year. The gross leverage ratio at the end of the first quarter of 2021 was approximately 0.9x, slightly improved from last

quarter and last year. Cash totaled \$94 million as of the end of the first quarter of 2021, more than double the \$35 million reported in the first quarter of 2020.

“This quarter, our members again demonstrated much of what is unique about HNI. We delivered substantial profit improvement, highlighted by strong revenue growth and expanded profitability in Residential Building Products. Although the pandemic continues to negatively impact demand in Workplace Furnishings, particularly in the contract market, we benefited from our reset cost structure and improving top-line performance in our brands focused on small to mid-sized customers. Overall, the first quarter shows the power of our diversified revenue streams, our ability to react quickly to changing market dynamics, and our overall operational capability,” stated Jeff Lorenger, Chairman, President, and Chief Executive Officer.

| HNI Corporation – Financial Performance | | | |
|--|--------------------|-------------------|----------|
| (Dollars in millions, except per share data) | | | |
| | Three Months Ended | | |
| | April 3, 2021 | March 28, 2020 | Change |
| GAAP | | | |
| Net Sales | \$484.3 | \$468.7 | 3.3% |
| Gross Profit % | 37.2% | 37.6% | -40 bps |
| SG&A % | 32.5% | 35.6% | -310 bps |
| Impairment Charges % | —% | 7.0% | |
| Operating Income (Loss) | \$22.6 | (\$23.7) | 195.2% |
| Operating Income (Loss) % | 4.7% | (5.1%) | 980 bps |
| Effective Tax Rate | 28.0% | 6.4% | |
| Net Income (Loss) % | 3.1% | (5.1%) | 820 bps |
| EPS – diluted | \$0.34 | (\$0.56) | 160.7% |
| Non-GAAP | | | |
| Gross Profit % | 37.2% | 37.6% | -40 bps |
| Operating Income | \$23.3 | \$13.9 | 67.3% |
| Operating Income % | 4.8% | 3.0% | 180 bps |
| EPS – diluted | \$0.36 | \$0.21 | 71.4% |

First Quarter Summary Comments

- Consolidated net sales increased 3.3 percent from the prior-year quarter to \$484.3 million. On an organic basis, sales increased 1.5 percent year-over-year. The acquisition of Design Public Group ("DPG") in the fourth quarter of 2020 increased year-over-year sales by \$6.4 million, and the acquisition of residential building products distributors in 2020 and 2021 increased year-over-year sales by \$2.4 million. A reconciliation of organic sales, a non-GAAP measure, follows the financial statements in this release.
- Gross profit margin decreased 40 basis points compared to the prior-year quarter. This decrease was primarily driven by lower Workplace Furnishings volume and unfavorable price-cost, partially offset by improved net productivity and higher Residential Building Products volume.

- Selling and administrative expenses as a percent of sales decreased 310 basis points compared to prior-year quarter. The decrease was driven by lower core SG&A, higher Residential Building Products volume, and freight and distribution productivity, partially offset by lower Workplace Furnishings volume and higher variable compensation. Included in current year quarter SG&A was \$0.7 million of one-time costs from exiting Workplace Furnishings showrooms, driven by conditions related to the COVID-19 pandemic. The prior-year quarter included \$5.0 million of one-time costs incurred as the result of the COVID-19 pandemic (of which \$1.6 million was recorded as a corporate charge).
- The Corporation recorded charges of \$32.7 million in the prior-year quarter related to the impairment of goodwill and intangible assets.
- Non-GAAP net income per diluted share was \$0.36 compared to \$0.21 in the prior-year quarter. The \$0.15 increase was due to higher Residential Building Products volume, lower core SG&A, and improved net productivity, partially offset by lower Workplace Furnishings volume, unfavorable price-cost, and higher variable compensation.

First Quarter Orders

- Orders in the Workplace Furnishings segment declined 10 percent year-over-year. Within the segment, orders to small to mid-sized customers were down less than the segment overall and improved through the quarter. Demand in the contract market remained soft with orders down over 20 percent. eCommerce and international both generated positive order growth.
- Normalized orders in the Residential Building Products segment increased 40 percent compared to the prior-year quarter. Remodel-retrofit activity and orders tied to new construction were both strong throughout the quarter.

| Workplace Furnishings – Financial Performance | | | |
|---|--------------------|-------------------|----------|
| (Dollars in millions) | | | |
| | Three Months Ended | | |
| | April 3, 2021 | March 28, 2020 | Change |
| GAAP | | | |
| Net Sales | \$302.7 | \$338.4 | (10.5%) |
| Operating Loss | (\$3.1) | (\$33.2) | 90.8% |
| Operating Loss % | (1.0%) | (9.8%) | 880 bps |
| Non-GAAP | | | |
| Operating Profit (Loss) | (\$2.4) | \$2.8 | (183.3%) |
| Operating Profit (Loss) % | (0.8%) | 0.8% | -160 bps |

- Workplace Furnishings net sales decreased 10.5 percent from the prior-year quarter to \$302.7 million. On an organic basis, sales decreased 12.4 percent year-over-year. The acquisition of DPG in the fourth quarter of 2020 increased sales by \$6.4 million compared to the prior-year quarter.
- Workplace Furnishings GAAP operating profit margin increased 880 basis points versus the prior-year quarter. On a non-GAAP basis, segment operating margin decreased 160 basis points year-over-year

driven by lower volume and unfavorable price-cost, partially offset by net productivity and lower core SG&A spend.

- The Workplace Furnishings segment recorded \$0.7 million of one-time costs in the current year quarter from exiting showrooms. The prior-year quarter included \$32.7 million of charges related to the impairment of goodwill and intangible assets, as well as \$3.4 million of one-time costs incurred as the result of the COVID-19 pandemic.

| Residential Building Products – Financial Performance | | | |
|---|--------------------|-------------------|---------|
| (Dollars in millions) | | | |
| | Three Months Ended | | |
| | April 3, 2021 | March 28, 2020 | Change |
| GAAP | | | |
| Net Sales | \$181.5 | \$130.3 | 39.3% |
| Operating Profit | \$39.8 | \$20.7 | 92.8% |
| Operating Profit % | 21.9% | 15.9% | 600 bps |
| Non-GAAP | | | |
| Operating Profit | \$39.8 | \$20.7 | 92.8% |
| Operating Profit % | 21.9% | 15.9% | 600 bps |

- Residential Building Products net sales increased 39.3 percent from the prior-year quarter to \$181.5 million. On an organic basis, sales increased 37.4 percent year-over-year. The impact of building products distributors acquired in 2020 and 2021 increased sales \$2.4 million compared to the prior-year quarter.
- Residential Building Products operating profit margin expanded 600 basis points, primarily driven by strong volume growth and SG&A leverage, partially offset by unfavorable price-cost and higher variable compensation.

Concluding Remarks

“As we look to the rest of the year, we are increasingly optimistic. We expect our strength in Residential Building Products to continue and see evidence our HNI-specific strategies are gaining momentum for the long-term. In Workplace Furnishings, we see improving conditions and expect revenue growth as we progress through the remainder of the year. Signs of improvement are strongest in our businesses focused on small to mid-sized customers, where we have a strong competitive position. Our opportunities to grow profits will improve as we move into the back half of the year.

I continue to be extremely proud of our HNI members. As we move into the next stage of the recovery, we do so as a stronger company—well positioned to grow revenue, expand margins, and generate cash flow,” Mr. Lorenger concluded.

Second Quarter 2021 Outlook

- **Residential Building Products revenue:** Recent order trends, housing construction activity, and expected benefits tied to multiple growth initiatives, combine to suggest growth rates in the low-30 percent range compared to the prior-year quarter.
- **Workplace Furnishings revenue:** Improving order trends driven by small to mid-sized customers, public sector activity, and a low prior year comparable suggest a growth rate, including acquisition impacts, in the low-teens on a year-over-year basis.
- **Profitability drivers:** Despite inflationary pressures, investments, and the return of temporary cost actions taken in the prior year, the Corporation expects the benefit of higher volume and net productivity to generate modest year-over-year profit growth, on a non-GAAP basis.

Conference Call

HNI Corporation will host a conference call on Thursday, April 29, 2021 at 10:00 a.m. (Central) to discuss first quarter fiscal year 2021 results. To participate, call 1-833-522-0258 – conference ID number 7988133. A live webcast of the call will be available on HNI Corporation's website at <http://www.hnicorp.com> (under Investors – News Releases & Events). A replay of the webcast will also be made available at that website address. An audio replay of the call will be available until Thursday, May 6, 2021, 10:59 p.m. (Central) by dialing 1-800-585-8367 or 416-621-4642 – Conference ID number 7988133.

About HNI Corporation

HNI Corporation (NYSE: HNI) is a manufacturer of workplace furnishings and residential building products, operating under two segments. The Workplace Furnishings segment is a leading global 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. More information can be found on the Corporation's website at www.hnicorp.com.

Forward-Looking Statements

This release contains "forward-looking" statements based on current expectations regarding future plans, events, outlook, objectives, financial performance, expectations for sales growth, and earnings per diluted share (GAAP and non-GAAP), including statements regarding the expected effects on our business, financial condition and results of operations from the COVID-19 pandemic. Forward-looking statements can be identified by words including "expect," "believe," "anticipate," "estimate," "may," "will," "would," "could," "confident", or other similar words, phrases, or expressions. Forward-looking statements involve known and unknown risks and uncertainties, which may cause the Corporation's actual future results and performance to differ materially from expected results. These risks include but are not limited to: the duration and scope of the COVID-19 pandemic, and its effect on people and the economy; 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; change in trade policy; changes in raw material, component, or commodity pricing; market acceptance and demand for 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; impacts of tax legislation; and force majeure events outside the Corporation's control. A description of these risks and additional risks can be found in the Corporation's annual and quarterly reports filed with the Securities and Exchange Commission on Forms 10-K and 10-Q. The Corporation assumes no obligation to update, amend, or clarify forward-looking statements, except as required by applicable law.

HNI Corporation and Subsidiaries
Condensed Consolidated Statements of Comprehensive Income
(In thousands, except per share data)
(Unaudited)

| | Three Months Ended | |
|--|--------------------|--------------------|
| | April 3, 2021 | March 28, 2020 |
| Net sales | \$ 484,293 | \$ 468,704 |
| Cost of sales | 304,347 | 292,686 |
| Gross profit | 179,946 | 176,018 |
| Selling and administrative expenses | 157,346 | 167,085 |
| Impairment charges | — | 32,661 |
| Operating income (loss) | 22,600 | (23,728) |
| Interest expense, net | 1,755 | 1,811 |
| Income (loss) before income taxes | 20,845 | (25,539) |
| Income taxes | 5,827 | (1,643) |
| Net income (loss) | 15,018 | (23,896) |
| Less: Net loss attributable to non-controlling interest | (1) | (1) |
| Net income (loss) attributable to HNI Corporation | <u>\$ 15,019</u> | <u>\$ (23,895)</u> |
| | | |
| Average number of common shares outstanding – basic | 43,163 | 42,628 |
| Net income (loss) attributable to HNI Corporation per common share – basic | <u>\$ 0.35</u> | <u>\$ (0.56)</u> |
| Average number of common shares outstanding – diluted | 43,584 | 42,628 |
| Net income (loss) attributable to HNI Corporation per common share – diluted | <u>\$ 0.34</u> | <u>\$ (0.56)</u> |
| | | |
| Foreign currency translation adjustments | \$ (132) | \$ (600) |
| Change in unrealized gains (losses) on marketable securities, net of tax | (100) | 59 |
| Change in derivative financial instruments, net of tax | 263 | (2,216) |
| Other comprehensive income (loss), net of tax | 31 | (2,757) |
| Comprehensive income (loss) | 15,049 | (26,653) |
| Less: Comprehensive loss attributable to non-controlling interest | (1) | (1) |
| Comprehensive income (loss) attributable to HNI Corporation | <u>\$ 15,050</u> | <u>\$ (26,652)</u> |

HNI Corporation and Subsidiaries
Condensed Consolidated Balance Sheets

(In thousands)
(Unaudited)

| | April 3, 2021 | January 2, 2021 |
|---|---------------------|---------------------|
| Assets | | |
| Current Assets: | | |
| Cash and cash equivalents | \$ 94,281 | \$ 116,120 |
| Short-term investments | 1,776 | 1,687 |
| Receivables | 198,039 | 207,971 |
| Allowance for doubtful accounts | (4,904) | (5,514) |
| Inventories | 154,176 | 137,811 |
| Prepaid expenses and other current assets | 42,204 | 37,660 |
| Total Current Assets | 485,572 | 495,735 |
| Property, Plant, and Equipment: | | |
| Land and land improvements | 29,989 | 29,691 |
| Buildings | 294,760 | 293,708 |
| Machinery and equipment | 580,398 | 578,643 |
| Construction in progress | 20,460 | 17,750 |
| | 925,607 | 919,792 |
| Less accumulated depreciation | 562,717 | 553,835 |
| Net Property, Plant, and Equipment | 362,890 | 365,957 |
| Right-of-use Finance Leases | 10,119 | 6,095 |
| Right-of-use Operating Leases | 66,897 | 70,219 |
| Goodwill and Other Intangible Assets | 455,486 | 458,896 |
| Other Assets | 24,617 | 21,130 |
| Total Assets | <u>\$ 1,405,581</u> | <u>\$ 1,418,032</u> |
| Liabilities and Equity | | |
| Current Liabilities: | | |
| Accounts payable and accrued expenses | \$ 367,072 | \$ 413,638 |
| Current maturities of long-term debt | 1,261 | 841 |
| Current maturities of other long-term obligations | 3,731 | 2,990 |
| Current lease obligations - Finance | 2,398 | 1,589 |
| Current lease obligations - Operating | 20,195 | 19,970 |
| Total Current Liabilities | 394,657 | 439,028 |
| Long-Term Debt | 174,545 | 174,524 |
| Long-Term Lease Obligations - Finance | 7,677 | 4,516 |
| Long-Term Lease Obligations - Operating | 50,222 | 53,249 |
| Other Long-Term Liabilities | 84,895 | 81,264 |
| Deferred Income Taxes | 75,824 | 74,706 |
| Equity: | | |
| HNI Corporation shareholders' equity | 617,436 | 590,419 |
| Non-controlling interest | 325 | 326 |
| Total Equity | 617,761 | 590,745 |
| Total Liabilities and Equity | <u>\$ 1,405,581</u> | <u>\$ 1,418,032</u> |

HNI Corporation and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

| | Three Months Ended | |
|---|--------------------|-------------------|
| | April 3, 2021 | March 28, 2020 |
| Net Cash Flows From (To) Operating Activities: | | |
| Net income (loss) | \$ 15,018 | \$ (23,896) |
| Non-cash items included in net income: | | |
| Depreciation and amortization | 20,463 | 19,487 |
| Other post-retirement and post-employment benefits | 332 | 364 |
| Stock-based compensation | 5,220 | 4,358 |
| Reduction in carrying amount of right-of-use assets | 6,537 | 5,599 |
| Deferred income taxes | 1,076 | 12,258 |
| Impairment of goodwill and intangible assets | — | 32,661 |
| Other – net | 1,315 | (2,252) |
| Net increase (decrease) in operating assets and liabilities | (51,436) | (81,573) |
| Increase (decrease) in other liabilities | 3,159 | (312) |
| Net cash flows from (to) operating activities | 1,684 | (33,306) |
| Net Cash Flows From (To) Investing Activities: | | |
| Capital expenditures | (16,197) | (8,488) |
| Proceeds from sale of property, plant, and equipment | 48 | 49 |
| Acquisition spending, net of cash acquired | (1,408) | (9,321) |
| Capitalized software | (2,767) | (4,671) |
| Purchase of investments | (598) | (1,456) |
| Sales or maturities of investments | 515 | 996 |
| Net cash flows from (to) investing activities | (20,407) | (22,891) |
| Net Cash Flows From (To) Financing Activities: | | |
| Payments of long-term debt | (118) | (15,000) |
| Proceeds from long-term debt | 547 | 70,129 |
| Dividends paid | (13,234) | (13,033) |
| Purchase of HNI Corporation common stock | — | (5,839) |
| Proceeds from sales of HNI Corporation common stock | 13,030 | 722 |
| Other – net | (3,341) | 2,558 |
| Net cash flows from (to) financing activities | (3,116) | 39,537 |
| Net increase (decrease) in cash and cash equivalents | (21,839) | (16,660) |
| Cash and cash equivalents at beginning of period | 116,120 | 52,073 |
| Cash and cash equivalents at end of period | <u>\$ 94,281</u> | <u>\$ 35,413</u> |

HNI Corporation and Subsidiaries
Reportable Segment Data
(In thousands)
(Unaudited)

| | Three Months Ended | |
|--|---------------------------|-----------------------------|
| | April 3, 2021 | March 28, 2020 |
| Net Sales: | | |
| Workplace furnishings | \$ 302,748 | \$ 338,386 |
| Residential building products | 181,545 | 130,318 |
| Total | <u>\$ 484,293</u> | <u>\$ 468,704</u> |
| Income (Loss) Before Income Taxes: | | |
| Workplace furnishings | \$ (3,071) | \$ (33,231) |
| Residential building products | 39,849 | 20,671 |
| General corporate | (14,178) | (11,168) |
| Operating Income | 22,600 | (23,728) |
| Interest expense, net | 1,755 | 1,811 |
| Total | <u>\$ 20,845</u> | <u>\$ (25,539)</u> |
| Depreciation and Amortization Expense: | | |
| Workplace furnishings | \$ 11,984 | \$ 11,332 |
| Residential building products | 2,410 | 2,306 |
| General corporate | 6,069 | 5,849 |
| Total | <u>\$ 20,463</u> | <u>\$ 19,487</u> |
| Capital Expenditures (including capitalized software): | | |
| Workplace furnishings | \$ 10,487 | \$ 7,101 |
| Residential building products | 4,710 | 2,973 |
| General corporate | 3,767 | 3,085 |
| Total | <u>\$ 18,964</u> | <u>\$ 13,159</u> |
| | As of April 3, 2021 | As of January 2, 2021 |
| Identifiable Assets: | | |
| Workplace furnishings | \$ 757,753 | \$ 762,780 |
| Residential building products | 390,520 | 381,550 |
| General corporate | 257,308 | 273,702 |
| Total | <u>\$ 1,405,581</u> | <u>\$ 1,418,032</u> |

Non-GAAP Financial Measures

This earnings release includes certain non-GAAP financial information as defined by Securities and Exchange Commission Regulation G. Pursuant to the requirements of this regulation, reconciliations of this non-GAAP financial information to HNI's financial statements as prepared in accordance with GAAP are included below and throughout this earnings release. This information gives investors additional insights into HNI's financial performance and operations. While HNI's management believes the non-GAAP financial measures are useful in evaluating HNI's operations, this information should be considered supplemental and not in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP. In addition, these measures may be different from non-GAAP financial measures used by other companies, limiting their usefulness for comparison purposes.

To supplement condensed consolidated financial statements, which are prepared and presented in accordance with GAAP, this earnings release uses the following non-GAAP financial measures: organic sales, gross profit, operating income (loss), operating profit (loss), income taxes, net income (loss), and net income (loss) per diluted share (i.e., EPS). These measures are adjusted from the comparable GAAP measures to exclude the impacts of the selected items as summarized in the table below. Generally, non-GAAP EPS is calculated using HNI's overall effective tax rate for the year, as this rate is reflective of the tax applicable to most non-GAAP adjustments.

The sales adjustments to arrive at the non-GAAP organic sales information included in this earnings release excludes the impact of acquiring DPG and residential building products distributors. The transactions excluded for purposes of our other non-GAAP financial information included in this earnings release include non-recurring costs related to the COVID-19 pandemic, and prior year impairments of goodwill and intangible assets.

| HNI Corporation Reconciliation | | | | | | |
|---------------------------------------|--------------------------|-------------------------------------|----------|--------------------------|-------------------------------------|----------|
| (Dollars in millions) | | | | | | |
| Three Months Ended | | | | | | |
| | April 3, 2021 | | | March 28, 2020 | | |
| | Workplace Furnishings | Residential Building Products | Total | Workplace Furnishings | Residential Building Products | Total |
| Sales as reported (GAAP) | \$ 302.7 | \$ 181.5 | \$ 484.3 | \$ 338.4 | \$ 130.3 | \$ 468.7 |
| % change from PY | (10.5%) | 39.3% | 3.3% | | | |
| Less: Acquisitions | 6.4 | 2.4 | 8.8 | — | — | — |
| Organic Sales (non-GAAP) | \$ 296.4 | \$ 179.1 | \$ 475.5 | \$ 338.4 | \$ 130.3 | \$ 468.7 |
| % change from PY | (12.4%) | 37.4% | 1.5% | | | |

HNI Corporation Reconciliation

(Dollars in millions, except per share data)

| | Three Months Ended April 3, 2021 | | | | |
|--------------------|-------------------------------------|------------------|--------|------------|---------|
| | Gross Profit | Operating Income | Tax | Net Income | EPS |
| As reported (GAAP) | \$ 179.9 | \$ 22.6 | \$ 5.8 | \$ 15.0 | \$ 0.34 |
| % of net sales | 37.2% | 4.7% | | 3.1% | |
| Tax % | | | 28.0% | | |
| COVID-19 costs | — | 0.7 | 0.2 | 0.5 | 0.01 |
| Results (non-GAAP) | \$ 179.9 | \$ 23.3 | \$ 6.0 | \$ 15.5 | \$ 0.36 |
| % of net sales | 37.2% | 4.8% | | 3.2% | |
| Tax % | | | 28.0% | | |

HNI Corporation Reconciliation

(Dollars in millions, except per share data)

| | Three Months Ended March 28, 2020 | | | | |
|--------------------|--------------------------------------|-------------------------|----------|-------------------|-----------|
| | Gross Profit | Operating Income (Loss) | Tax | Net Income (Loss) | EPS |
| As reported (GAAP) | \$ 176.0 | \$ (23.7) | \$ (1.6) | \$ (23.9) | \$ (0.56) |
| % of net sales | 37.6% | (5.1%) | | (5.1%) | |
| Tax % | | | 6.4% | | |
| Impairment charges | — | 32.7 | 4.0 | 28.7 | 0.67 |
| COVID-19 costs | — | 5.0 | 0.6 | 4.4 | 0.10 |
| Results (non-GAAP) | \$ 176.0 | \$ 13.9 | \$ 2.9 | \$ 9.2 | \$ 0.21 |
| % of net sales | 37.6% | 3.0% | | 2.0% | |
| Tax % | | | 24.1% | | |

Workplace Furnishings Reconciliation

(Dollars in millions)

| | Three Months Ended | | Percent Change |
|------------------------------------|--------------------|-------------------|----------------|
| | April 3, 2021 | March 28, 2020 | |
| Operating loss as reported (GAAP) | \$ (3.1) | \$ (33.2) | 90.8% |
| % of net sales | (1.0%) | (9.8%) | |
| Impairment charges | — | 32.7 | |
| COVID-19 costs | 0.7 | 3.4 | |
| Operating profit (loss) (non-GAAP) | \$ (2.4) | \$ 2.8 | (183.3%) |
| % of net sales | (0.8%) | 0.8% | |