

Fourth Quarter and Full Year 2021 Results

Acuity Brands (AYI)





Forward Looking Statements

This presentation and the related conference call and webcast and press-release include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are based on management’s beliefs and assumptions and information currently available to management. Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be beyond our control. We caution you that the forward-looking information presented in this press release is not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking information contained in this press release. In addition, forward-looking statements are statements other than those of historical fact and may include statements relating to goals, plans, market conditions and projections regarding Acuity Brands’ strategy, and specifically include statements made in this press release regarding: ongoing customer inventory rebalancing and achievement of growth and efficiencies.

Generally, forward-looking statements can be identified by the use of forward-looking terminology such as “may,” “plan,” “seek,” “comfortable with,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe” or “continue” or the negative thereof or variations thereon or similar terminology. A number of important factors could cause actual events to differ materially from those contained in or implied by the forward-looking statements, including those factors discussed in our annual report on Form 10-K for the fiscal year ended August 31, 2020, filed on October 23, 2020¹ and those described from time to time in our other filings with the U.S. Securities and Exchange Commission (the “SEC”), which can be found at the SEC’s website www.sec.gov. Any forward-looking information presented herein is made only as of the date of this press release, and we do not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of events, or otherwise.

¹ The independent registered public accounting firm’s audit report with respect to the Company’s fiscal year-end financial statements will not be issued until the Company files its annual report on Form 10-K, including its evaluation of the effectiveness of internal controls over financial reporting. Accordingly, the financial results reported in this earnings release are preliminary pending completion of the audit



Non-GAAP Financial Measures

This presentation and the related conference call and webcast and press release include the following non-generally accepted accounting principles (“GAAP”) financial measures: “adjusted gross profit,” “adjusted gross profit margin,” “adjusted SD&A expenses,” “adjusted SD&A expenses as a percent of net sales,” “adjusted operating profit” and “adjusted operating profit margin” for total company and by segment, “adjusted other expense,” “adjusted net income,” and “adjusted diluted Earnings per Share (“EPS”). These non-GAAP financial measures are provided to enhance the reader’s overall understanding of the Company’s current financial performance and prospects for the future. Specifically, management believes that these non-GAAP measures provide useful information to investors by excluding or adjusting items for acquisition-related items, amortization of acquired intangible assets, share-based payment expense, impairments on investments, and special charges associated with continued efforts to streamline the organization and integrate recent acquisitions. Management typically adjusts for these items for internal reviews of performance and uses the above non-GAAP measures for baseline comparative operational analysis, decision making, and other activities.

Management believes these non-GAAP measures provide greater comparability and enhanced visibility into the Company’s results of operations as well as comparability with many of its peers, especially those companies focused more on technology and software. Non-GAAP financial measures included in this news release should be considered in addition to, and not as a substitute for or superior to, results prepared in accordance with GAAP. A reconciliation of each measure to the most directly comparable GAAP measure is available in this news release. The Company’s non-GAAP financial measures may not be comparable to similarly titled non-GAAP financial measures used by other companies, have limitations as an analytical tool, and should not be considered in isolation or as a substitute for GAAP financial measures. Our presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that our future results will be unaffected by other unusual or non-recurring items.



Fiscal 2021 Key Achievements

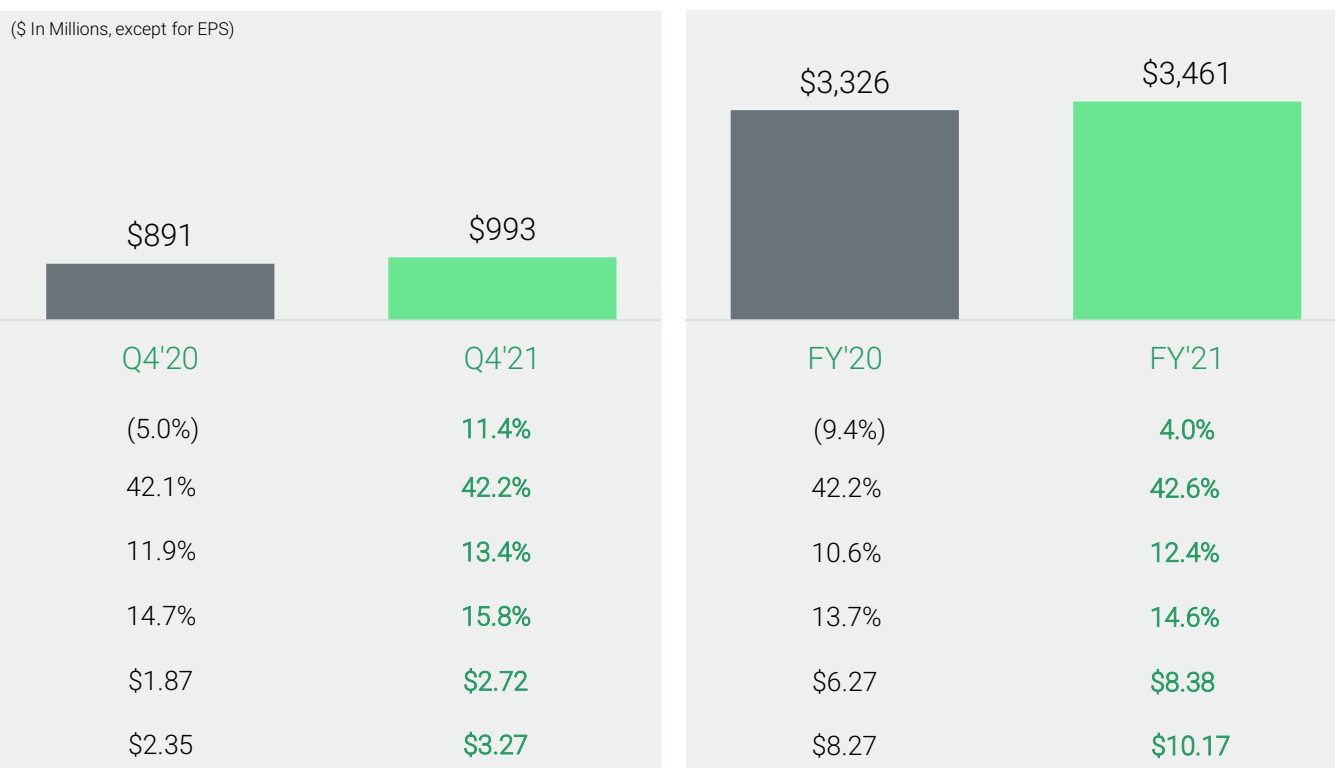
Improvement Throughout 2021

- Returned the Company to Growth
- Expanded Gross Margin by 40 Basis Points for Full Year 2021
- Realigned the Businesses into Lighting and Lighting Controls and the Intelligent Spaces Group
- Generated Strong Cash Flow and Allocated Capital to Create Permanent Value for Shareholders
- Held First Investor Day
- Built a Strong and Diverse Leadership Team
- Made Significant Progress Around ESG
- Positioned the Company Well for 2022 and Beyond

AYI: Fourth Quarter and Full Year 2021

Sales and Margin Improvement

Net Sales

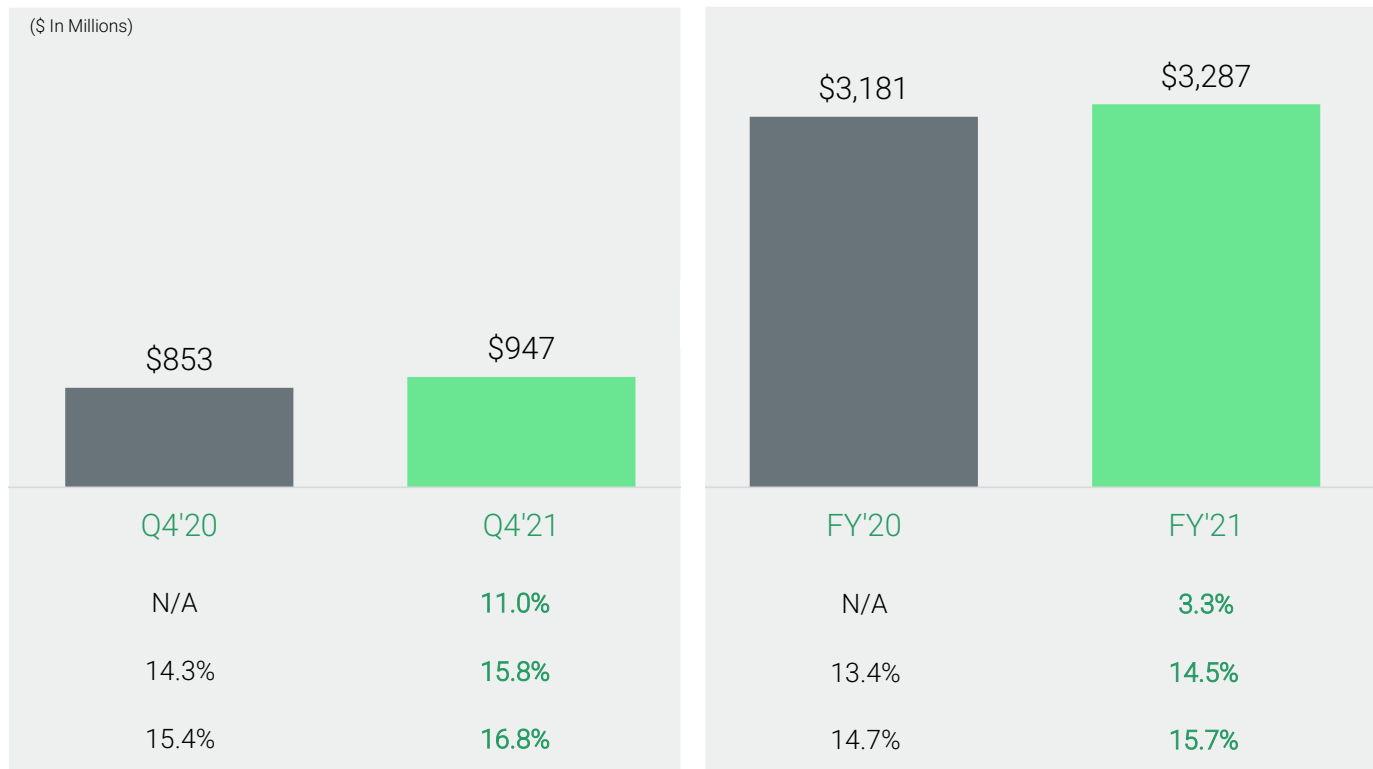


¹ Adjusted Operating Profit and Adjusted Diluted EPS for the Fourth Quarter are Reconciled in Our Appendix on Slides 15 and 16 and for the Full Year on Slides 19 and 20

ABL: Fourth Quarter and Full Year 2021

Focus on Product Vitality and Service

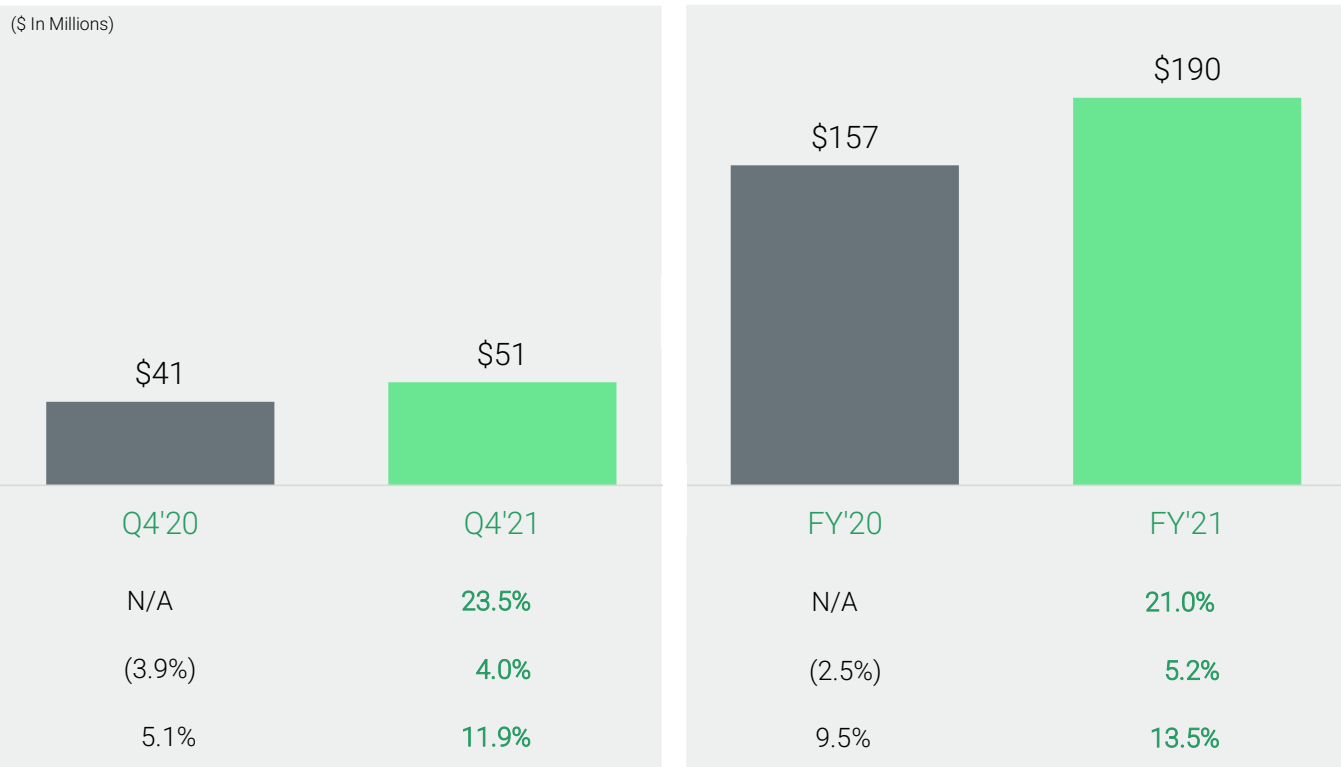
Net Sales



ISG: Fourth Quarter and Full Year 2021

Making Spaces Smarter, Safer and Greener

Net Sales



Full Year 2021 Capital Allocation

Creating Value for Shareholders

\$409M

Operating Cash Flow

\$44M

CapEx

\$435M

Share Repurchase

Capital Allocation Priorities

Reinvestment in Growth

Working Capital
CapEx

M&A

Osram Digital Systems
Rockpile Ventures

Dividend

Maintained

Share Repurchases

3.8M Shares

OUTLOOK



2022 Financial Framework

Optimism Heading into Full Year 2022

- ABL Full Year Revenue Growth: High Single Digits
- ISG Full Year Revenue Growth: Mid-Teens
- AYI Full Year Gross Profit Margin: 42+ Percent
- Capital Allocation Priorities
 - Investment in Growth
 - Investment in M&A
 - Maintain Dividend
 - Share Repurchases

Other

- AYI Full Year Tax Rate: ~23 Percent
- AYI Full Year Capital Expenditure: ~1.5 Percent of Net Sales

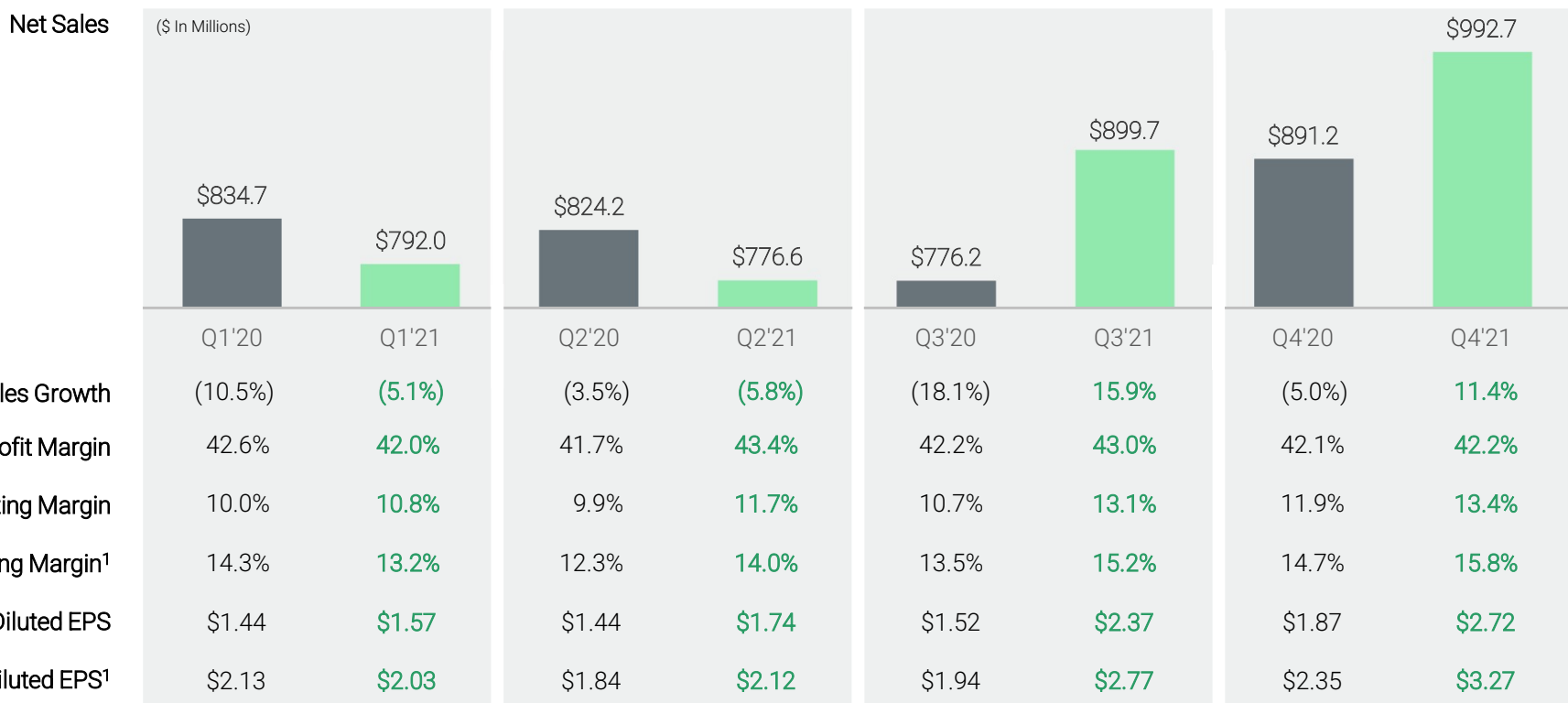
Appendix

and Non-GAAP Reconciliations

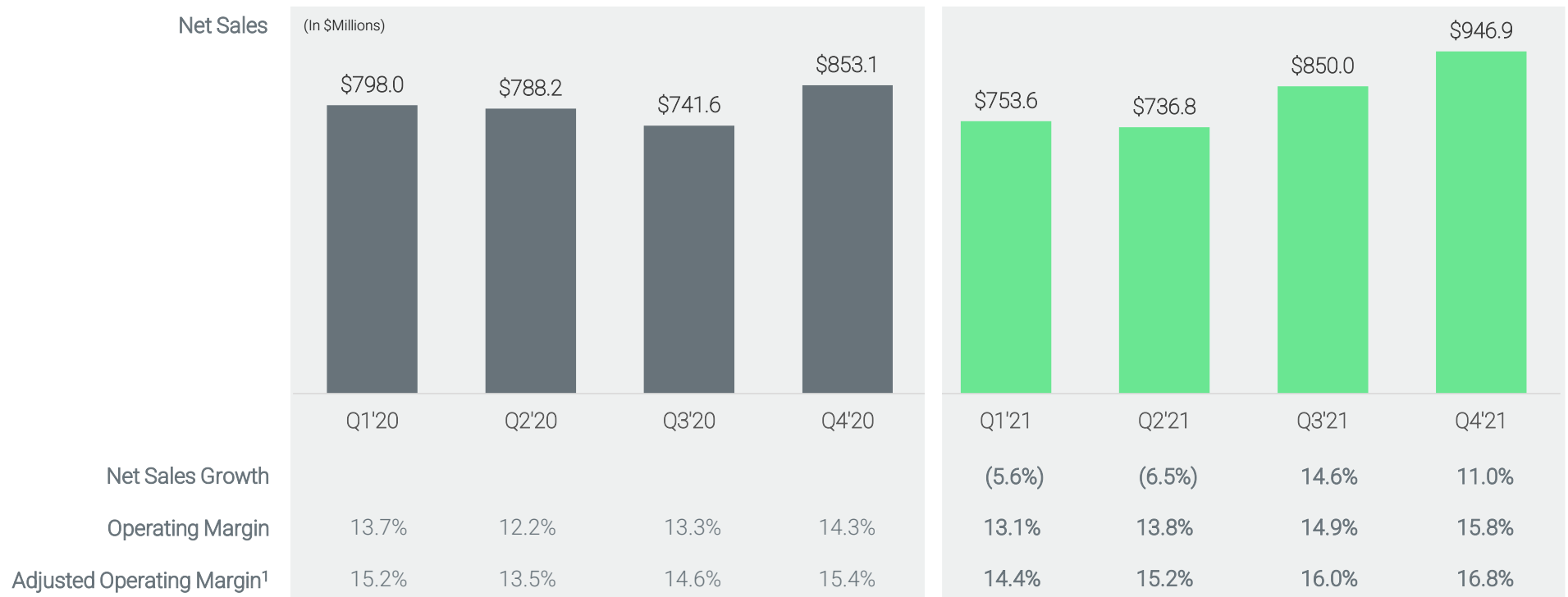


AYI Quarterly Performance

Improvement throughout 2021



ABL Quarterly Trends



AcuityBrands. ¹ Adjusted Operating Profit and Adjusted Operating Profit Margin for ABL is Reconciled, on Slide 17

ISG Quarterly Trends

Net Sales

(In \$Millions)



Net Sales Growth

Operating Margin

Adjusted Operating Margin¹

Q1'20 Q2'20 Q3'20 Q4'20

Q1'21 Q2'21 Q3'21 Q4'21

3.3% (8.7%) (0.5%) (3.9%)

14.5% 5.4% 13.3% 5.1%

3.8% 10.7% 46.9% 23.5%

(0.2%) 1.8% 13.0% 4.0%

9.1% 11.1% 20.0% 11.9%

AYI Quarterly Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

(In \$Millions)

	Fourth Quarter		Third Quarter		Second Quarter		First Quarter	
	Aug. 31, 2021	Aug. 31, 2020	May 31, 2021	May 31, 2020	Feb. 28, 2021	Feb. 29, 2020	Nov. 30, 2020	Nov. 30, 2019
Operating Profit (GAAP)	\$132.8	\$105.9	\$118.1	\$83.0	\$91.0	\$81.4	\$85.7	\$83.6
Operating Profit (GAAP) Margin	13.4%	11.9%	13.1%	10.7%	11.7%	9.9%	10.8%	10.0%
+ Amortization of acquired intangible assets	10.3	10.9	10.2	10.8	10.1	10.4	10.1	9.6
+ Share-based payment expense	10.2	5.7	7.1	7.8	7.5	8.0	7.7	16.7
+ Acquisition-related items ¹	1.3	-	0.9	-	-	0.3	-	2.2
+ Special Charges	1.8	8.2	0.5	3.3	0.3	1.6	0.7	6.9
Adjusted Operating Profit	\$156.4	\$130.7	\$136.8	\$104.9	\$108.9	\$101.7	\$104.2	\$119.0
Adjusted Operating Profit Margin	15.8%	14.7%	15.2%	13.5%	14.0%	12.3%	13.2%	14.3%

AYI Quarterly Reconciliation of Non-GAAP Measures: Adjusted Net Income and Adjusted Earnings Per Share

(In Millions Except Per Share Data)

	Fourth Quarter		Third Quarter		Second Quarter		First Quarter	
	Aug. 31, 2021	Aug. 31, 2020	May 31, 2021	May 31, 2020	Feb. 28, 2021	Feb. 29, 2020	Nov.30, 2020	Nov.30, 2019
Net Income (GAAP)	\$98.1	\$73.7	\$85.7	\$60.4	\$62.9	\$57.2	\$59.6	\$57.0
+ Amortization of acquired intangible assets	10.3	10.9	10.2	10.8	10.1	10.4	10.1	9.6
+ Share-based payment expense	10.2	5.7	7.1	7.8	7.5	8.0	7.7	16.7
+ Acquisition-related items ¹	1.3	-	0.9	-	-	0.3	-	2.2
+ Special Charges	1.8	8.2	0.5	3.3	0.3	1.6	0.7	6.9
+ Impairments of investments	2.0	-	-	-	-	-	4.0	-
Total pre-tax adjustments to net income	25.6	24.8	18.7	21.9	17.9	20.3	22.5	35.4
Income tax effects	(6.0)	(5.7)	(4.0)	(5.1)	(4.1)	(4.4)	(5.2)	(8.2)
Adjusted net income	\$117.7	\$92.8	\$100.4	\$77.2	\$76.7	\$73.1	\$76.9	\$84.2
Diluted weighted average number of shares outstanding	36.0	39.5	36.2	39.7	36.2	39.7	37.8	39.6
Diluted Earnings Per Share	\$2.72	\$1.87	\$2.37	\$1.52	\$1.74	\$1.44	\$1.57	\$1.44
Adjusted Diluted Earnings Per Share	\$3.27	\$2.35	\$2.77	\$1.94	\$2.12	\$1.84	\$2.03	\$2.13

ABL Quarterly Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

(In \$Millions)

	Fourth Quarter		Third Quarter		Second Quarter		First Quarter	
	Aug. 31, 2021	Aug. 31, 2020	May 31, 2021	May 31, 2020	Feb. 28, 2021	Feb. 29, 2020	Nov. 30, 2020	Nov. 30, 2019
Operating Profit (GAAP)	\$149.3	\$121.8	\$126.5	\$98.6	\$102.0	\$95.8	\$98.4	\$109.6
Operating Profit (GAAP) Margin	15.8%	14.3%	14.9%	13.3%	13.8%	12.2%	13.1%	13.7%
+ Amortization of acquired intangible assets	7.1	7.2	6.9	6.9	6.9	6.8	7.0	6.5
+ Share-based payment expense	2.7	2.3	2.4	2.9	3.0	3.9	2.9	4.3
+ Acquisition-related items ¹	-	-	-	-	-	0.1	-	1.1
Adjusted Operating Profit	\$159.1	\$131.3	\$135.8	\$108.4	\$111.9	\$106.6	\$108.3	\$121.5
Adjusted Operating Profit Margin	16.8%	15.4%	16.0%	14.6%	15.2%	13.5%	14.4%	15.2%

ISG Quarterly Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

Segment Breakdown (ISG)

(In \$Millions)

	Fourth Quarter		Third Quarter		Second Quarter		First Quarter	
	Aug. 31, 2021	Aug. 31, 2020	May 31, 2021	May 31, 2020	Feb. 28, 2021	Feb. 29, 2020	Nov. 30, 2020	Nov. 30, 2019
Operating Profit (Loss) (GAAP)	\$2.0	(\$1.6)	\$7.2	(\$0.2)	\$0.8	(\$3.4)	(\$0.1)	\$1.3
<i>Operating Profit (Loss) (GAAP) Margin</i>	4.0%	(3.9%)	13.0%	(0.5%)	1.8%	(8.7%)	(0.2%)	3.3%
+ Amortization of acquired intangible assets	3.2	3.7	3.3	3.9	3.2	3.6	3.1	3.1
+ Share-based payment expense	0.8	-	0.6	1.3	0.8	1.9	0.7	1.3
Adjusted Operating Profit (Loss)	\$6.0	\$2.1	\$11.1	\$5.0	\$4.8	\$2.1	\$3.7	\$5.7
Adjusted Operating Profit Margin	11.9%	5.1%	20.0%	13.3%	11.1%	5.4%	9.1%	14.5%

AYI Full Year Reconciliation of Non-GAAP Measures: Adjusted Net Income and Adjusted Earnings Per Share

(In Millions Except Per Share Data)

	<u>Aug. 31, 2021</u>	<u>Aug. 31, 2020</u>
Net Income (GAAP)	\$306.3	\$248.3
+ Amortization of acquired intangible assets	40.7	41.7
+ Share-based payment expense	32.5	38.2
+ Acquisition-related items ¹	2.2	2.5
+ Special Charges	3.3	20.0
+ Impairments of investments	6.0	-
Total pre-tax adjustments to net income	84.7	102.4
Income tax effects	(19.3)	(23.4)
Adjusted net income	\$371.7	\$327.3
Diluted weighted average number of shares outstanding	36.6	39.6
Diluted Earnings Per Share	\$8.38	\$6.27
Adjusted Diluted Earnings Per Share	\$10.17	\$8.27

AcuityBrands. ¹ Acquisition-Related Items Include Profit in Inventory and Professional Fees.

AYI Full Year Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

(In \$Millions)

	Aug.31, 2021	Aug.31, 2020
Operating Profit (GAAP)	\$427.6	\$353.9
<i>Operating Profit (GAAP) Margin</i>	12.4%	13.7%
+ Amortization of acquired intangible assets	40.7	41.7
+ Share-based payment expense	32.5	38.2
+ Acquisition-related items ¹	2.2	2.5
+ Special Charges	3.3	20.1
Adjusted Operating Profit	\$506.3	\$456.3
<i>Adjusted Operating Profit Margin</i>	14.6%	13.7%

ABL and ISG Full Year Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

(In \$Millions)

	ABL		ISG	
	Aug.31, 2021	Aug.31, 2020	Aug.31, 2020	Aug.31, 2019
Operating Profit (GAAP)	\$476.2	\$425.8	\$9.9	(\$3.9)
<i>Operating Profit (GAAP) Margin</i>	14.5%	13.4%	5.2%	(2.5)%
+ Amortization of acquired intangible assets	27.9	27.4	12.8	14.3
+ Share-based payment expense	11.0	13.4	2.9	4.5
+ Acquisition-related items ¹	-	1.2		
+ Special Charges				
Adjusted Operating Profit	\$515.1	\$467.8	\$25.6	\$14.9
<i>Adjusted Operating Profit Margin</i>	15.7%	14.7%	13.5%	9.5%

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Fiscal 2021 Key Achievements

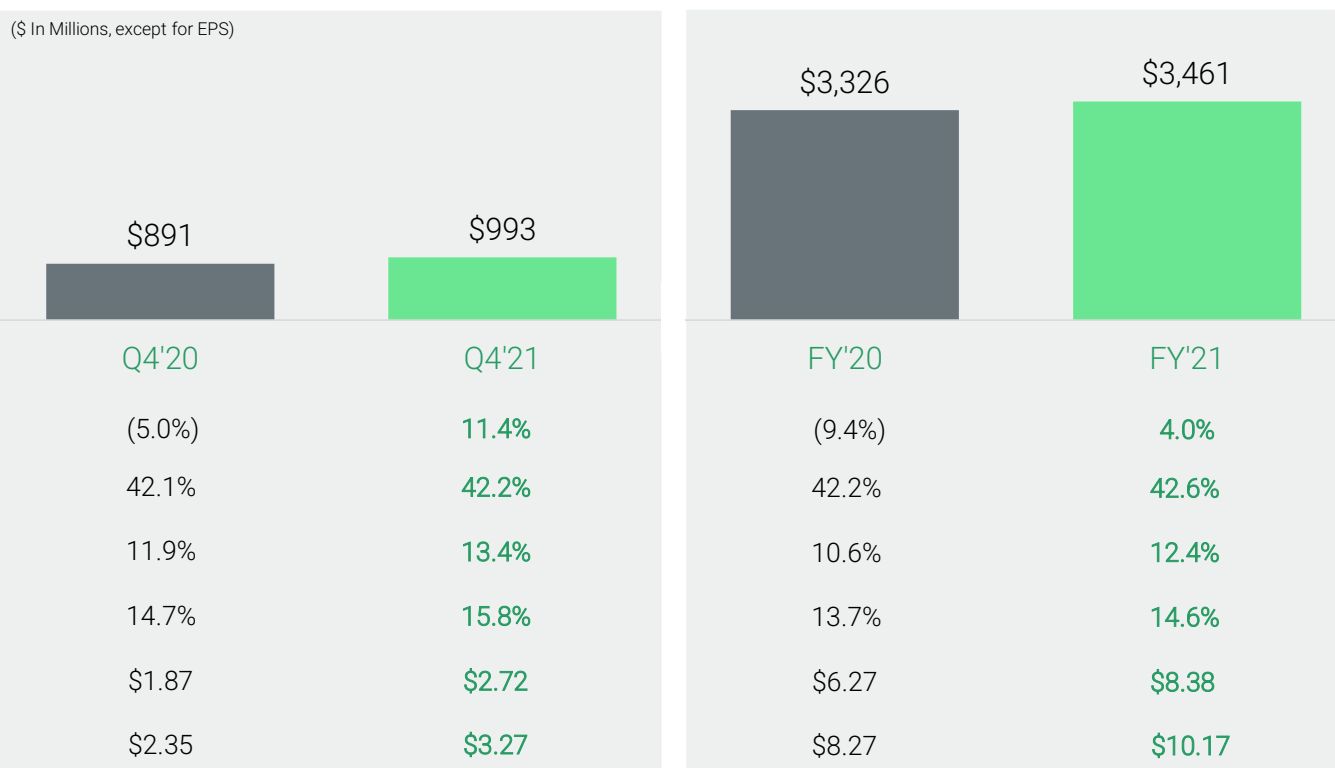
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Sales and Margin Improvement

Net Sales

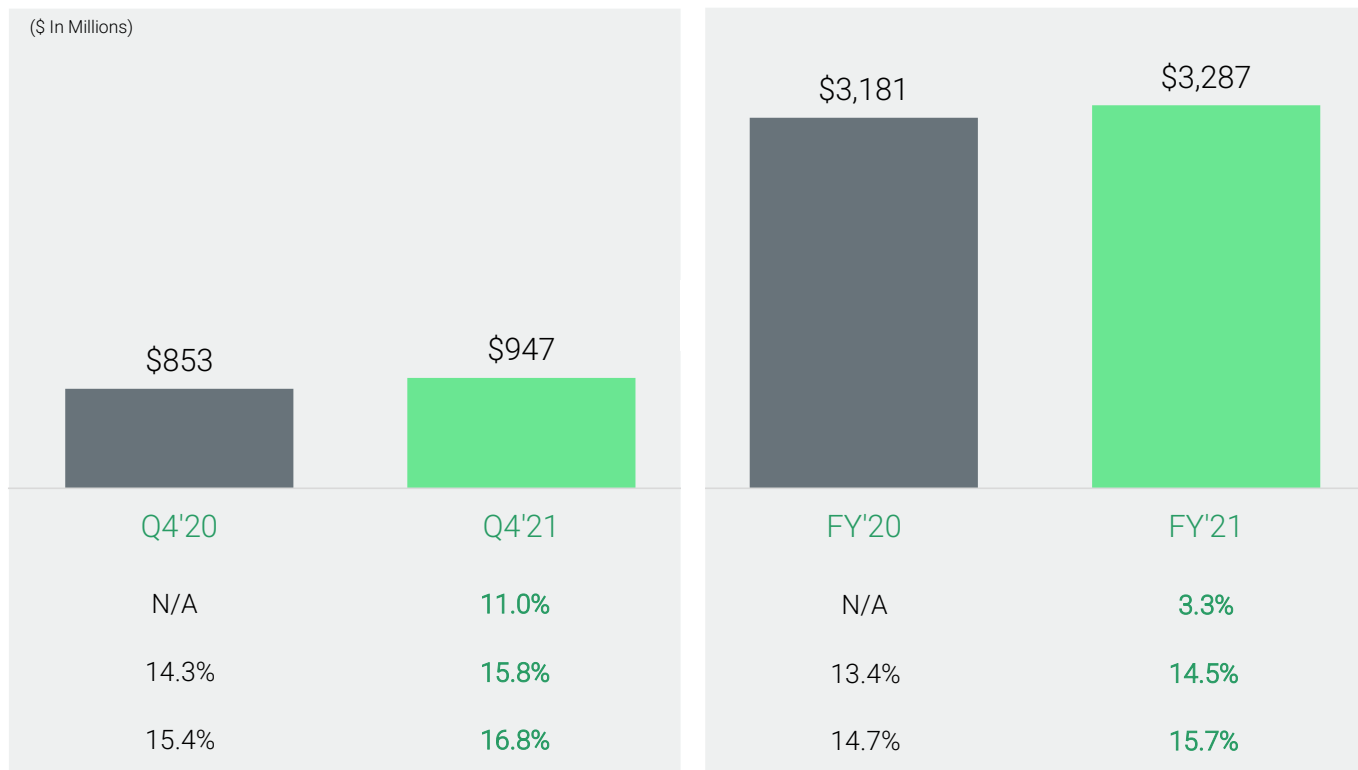


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ABL: Fourth Quarter and Full Year 2021

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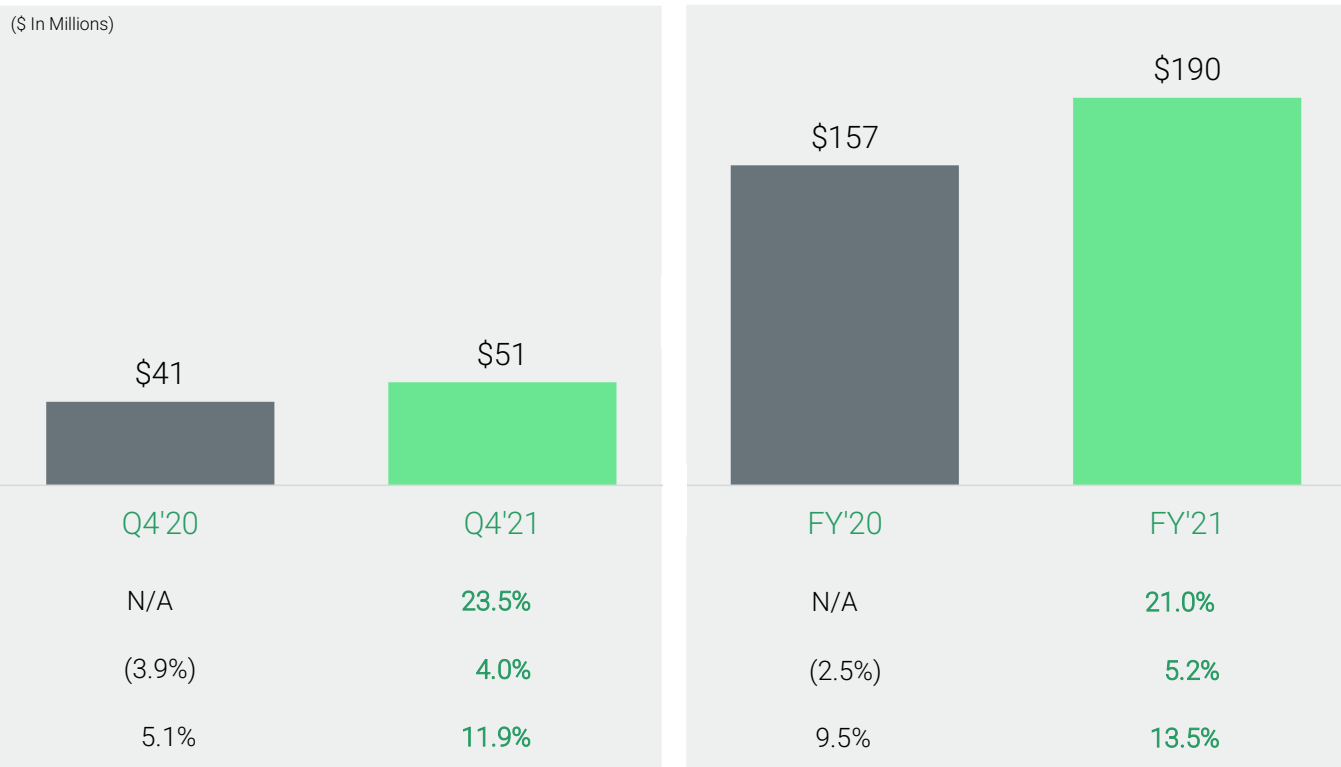
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ISG: Fourth Quarter and Full Year 2021

Making Spaces Smarter, Safer and Greener

Net Sales



Full Year 2021 Capital Allocation

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Working Capital
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Rockpile Ventures

Dividend

Maintained

Share Repurchases

3.8M Shares

OUTLOOK



2022 Financial Framework

Optimism Heading into Full Year 2022

- ABL Full Year Revenue Growth: High Single Digits
- ISG Full Year Revenue Growth: Mid-Teens
- AYI Full Year Gross Profit Margin: 42+ Percent
- Capital Allocation Priorities
 - Investment in Growth
 - Investment in M&A
 - Maintain Dividend
 - Share Repurchases

Other

- AYI Full Year Tax Rate: ~23 Percent
- AYI Full Year Capital Expenditure: ~1.5 Percent of Net Sales

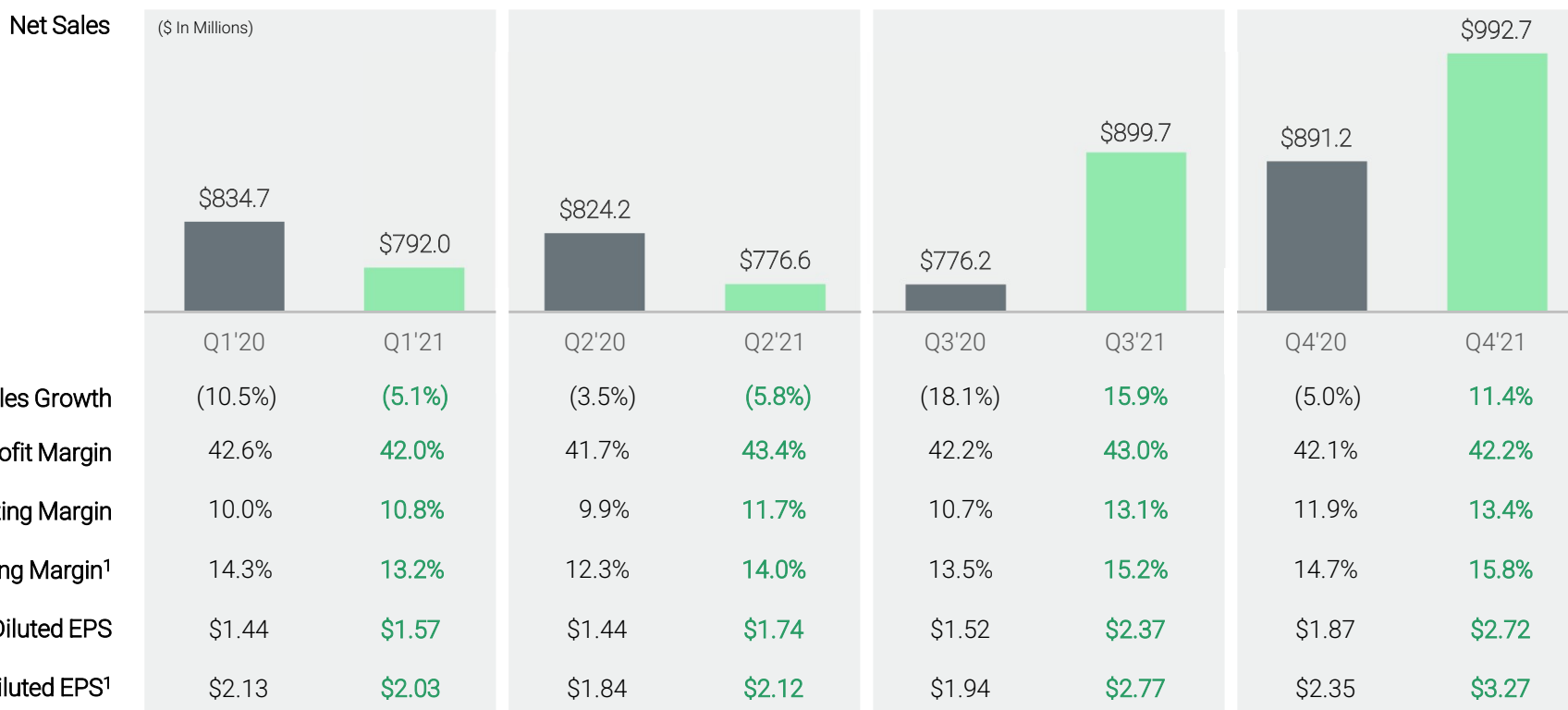
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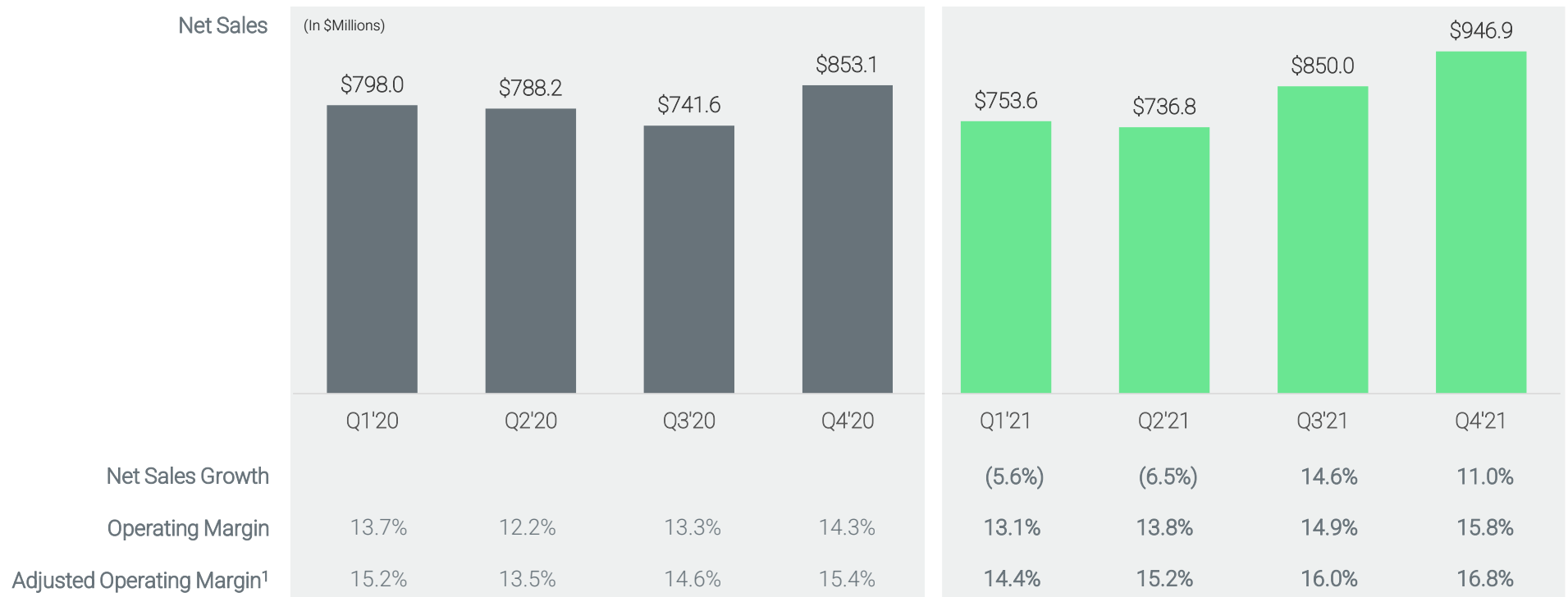


AYI Quarterly Performance

Improvement throughout 2021



ABL Quarterly Trends

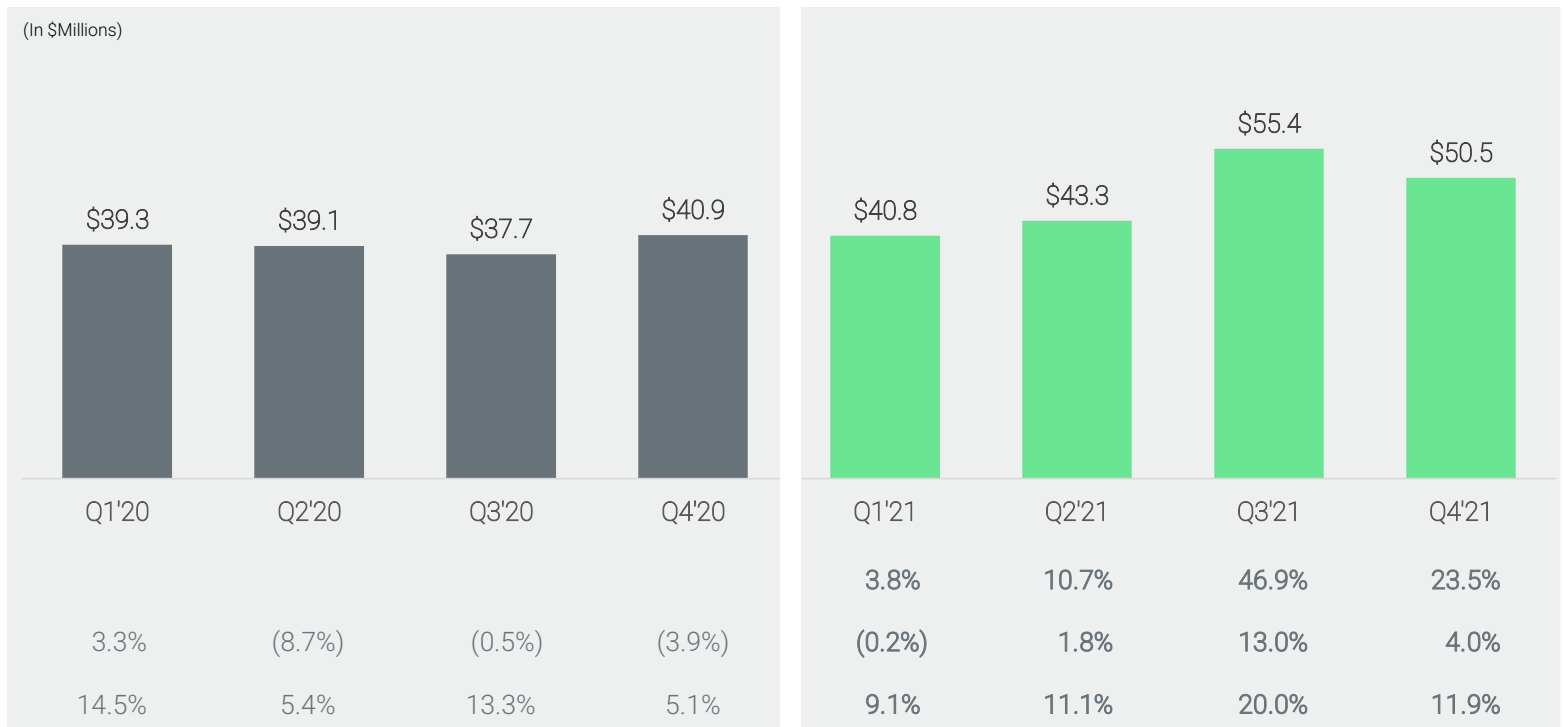


AcuityBrands. ¹ Adjusted Operating Profit and Adjusted Operating Profit Margin for ABL is Reconciled, on Slide 17

ISG Quarterly Trends

Net Sales

(In \$Millions)



AYI Quarterly Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

(In \$Millions)

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Operating Profit (GAAP) Margin	13.4%	11.9%	13.1%	10.7%	11.7%	9.9%	10.8%	10.0%
+ Amortization of acquired intangible assets	10.3	10.9	10.2	10.8	10.1	10.4	10.1	9.6
+ Share-based payment expense	10.2	5.7	7.1	7.8	7.5	8.0	7.7	16.7
+ Acquisition-related items ¹	1.3	-	0.9	-	-	0.3	-	2.2
+ Special Charges	1.8	8.2	0.5	3.3	0.3	1.6	0.7	6.9
Adjusted Operating Profit	\$156.4	\$130.7	\$136.8	\$104.9	\$108.9	\$101.7	\$104.2	\$119.0
Adjusted Operating Profit Margin	15.8%	14.7%	15.2%	13.5%	14.0%	12.3%	13.2%	14.3%

AYI Quarterly Reconciliation of Non-GAAP Measures: Adjusted Net Income and Adjusted Earnings Per Share

(In Millions Except Per Share Data)

	Fourth Quarter		Third Quarter		Second Quarter		First Quarter	
	Aug. 31, 2021	Aug. 31, 2020	May 31, 2021	May 31, 2020	Feb. 28, 2021	Feb. 29, 2020	Nov.30, 2020	Nov.30, 2019
Net Income (GAAP)	\$98.1	\$73.7	\$85.7	\$60.4	\$62.9	\$57.2	\$59.6	\$57.0
+ Amortization of acquired intangible assets	10.3	10.9	10.2	10.8	10.1	10.4	10.1	9.6
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+ Special Charges	1.8	8.2	0.5	3.3	0.3	1.6	0.7	6.9
+ Impairments of investments	2.0	-	-	-	-	-	4.0	-
Total pre-tax adjustments to net income	25.6	24.8	18.7	21.9	17.9	20.3	22.5	35.4
Income tax effects	(6.0)	(5.7)	(4.0)	(5.1)	(4.1)	(4.4)	(5.2)	(8.2)
Adjusted net income	\$117.7	\$92.8	\$100.4	\$77.2	\$76.7	\$73.1	\$76.9	\$84.2
Diluted weighted average number of shares outstanding	36.0	39.5	36.2	39.7	36.2	39.7	37.8	39.6
Diluted Earnings Per Share	\$2.72	\$1.87	\$2.37	\$1.52	\$1.74	\$1.44	\$1.57	\$1.44
Adjusted Diluted Earnings Per Share	\$3.27	\$2.35	\$2.77	\$1.94	\$2.12	\$1.84	\$2.03	\$2.13

ABL Quarterly Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

(In \$Millions)

	Fourth Quarter		Third Quarter		Second Quarter		First Quarter	
	Aug. 31, 2021	Aug. 31, 2020	May 31, 2021	May 31, 2020	Feb. 28, 2021	Feb. 29, 2020	Nov. 30, 2020	Nov. 30, 2019
Operating Profit (GAAP)	\$149.3	\$121.8	\$126.5	\$98.6	\$102.0	\$95.8	\$98.4	\$109.6
Operating Profit (GAAP) Margin	15.8%	14.3%	14.9%	13.3%	13.8%	12.2%	13.1%	13.7%
+ Amortization of acquired intangible assets	7.1	7.2	6.9	6.9	6.9	6.8	7.0	6.5
+ Share-based payment expense	2.7	2.3	2.4	2.9	3.0	3.9	2.9	4.3
+ Acquisition-related items ¹	-	-	-	-	-	0.1	-	1.1
Adjusted Operating Profit	\$159.1	\$131.3	\$135.8	\$108.4	\$111.9	\$106.6	\$108.3	\$121.5
Adjusted Operating Profit Margin	16.8%	15.4%	16.0%	14.6%	15.2%	13.5%	14.4%	15.2%

ISG Quarterly Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

Segment Breakdown (ISG)

(In \$Millions)

	Fourth Quarter		Third Quarter		Second Quarter		First Quarter	
	Aug. 31, 2021	Aug. 31, 2020	May 31, 2021	May 31, 2020	Feb. 28, 2021	Feb. 29, 2020	Nov. 30, 2020	Nov. 30, 2019
Operating Profit (Loss) (GAAP)	\$2.0	(\$1.6)	\$7.2	(\$0.2)	\$0.8	(\$3.4)	(\$0.1)	\$1.3
Operating Profit (Loss) (GAAP) Margin	4.0%	(3.9%)	13.0%	(0.5%)	1.8%	(8.7%)	(0.2%)	3.3%
+ Amortization of acquired intangible assets	3.2	3.7	3.3	3.9	3.2	3.6	3.1	3.1
+ Share-based payment expense	0.8	-	0.6	1.3	0.8	1.9	0.7	1.3
Adjusted Operating Profit (Loss)	\$6.0	\$2.1	\$11.1	\$5.0	\$4.8	\$2.1	\$3.7	\$5.7
Adjusted Operating Profit Margin	11.9%	5.1%	20.0%	13.3%	11.1%	5.4%	9.1%	14.5%

AYI Full Year Reconciliation of Non-GAAP Measures: Adjusted Net Income and Adjusted Earnings Per Share

(In Millions Except Per Share Data)

	<u>Aug. 31, 2021</u>	<u>Aug. 31, 2020</u>
Net Income (GAAP)	\$306.3	\$248.3
+ Amortization of acquired intangible assets	40.7	41.7
+ Share-based payment expense	32.5	38.2
+ Acquisition-related items ¹	2.2	2.5
+ Special Charges	3.3	20.0
+ Impairments of investments	6.0	-
Total pre-tax adjustments to net income	84.7	102.4
Income tax effects	(19.3)	(23.4)
Adjusted net income	\$371.7	\$327.3
Diluted weighted average number of shares outstanding	36.6	39.6
Diluted Earnings Per Share	\$8.38	\$6.27
Adjusted Diluted Earnings Per Share	\$10.17	\$8.27

AcuityBrands. ¹ Acquisition-Related Items Include Profit in Inventory and Professional Fees.

AYI Full Year Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

(In \$Millions)

	Aug.31, 2021	Aug.31, 2020
Operating Profit (GAAP)	\$427.6	\$353.9
<i>Operating Profit (GAAP) Margin</i>	12.4%	13.7%
+ Amortization of acquired intangible assets	40.7	41.7
+ Share-based payment expense	32.5	38.2
+ Acquisition-related items ¹	2.2	2.5
+ Special Charges	3.3	20.1
Adjusted Operating Profit	\$506.3	\$456.3
<i>Adjusted Operating Profit Margin</i>	14.6%	13.7%

ABL and ISG Full Year Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

(In \$Millions)

	ABL		ISG	
	Aug.31, 2021	Aug.31, 2020	Aug.31, 2020	Aug.31, 2019
Operating Profit (GAAP)	\$476.2	\$425.8	\$9.9	(\$3.9)
<i>Operating Profit (GAAP) Margin</i>	14.5%	13.4%	5.2%	(2.5)%
+ Amortization of acquired intangible assets	27.9	27.4	12.8	14.3
+ Share-based payment expense	11.0	13.4	2.9	4.5
+ Acquisition-related items ¹	-	1.2		
+ Special Charges				
Adjusted Operating Profit	\$515.1	\$467.8	\$25.6	\$14.9
<i>Adjusted Operating Profit Margin</i>	15.7%	14.7%	13.5%	9.5%

Fourth Quarter and Full Year 2021 Results

Acuity Brands (AYI)





Forward Looking Statements

This presentation and the related conference call and webcast and press-release include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are based on management’s beliefs and assumptions and information currently available to management. Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be beyond our control. We caution you that the forward-looking information presented in this press release is not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking information contained in this press release. In addition, forward-looking statements are statements other than those of historical fact and may include statements relating to goals, plans, market conditions and projections regarding Acuity Brands’ strategy, and specifically include statements made in this press release regarding: ongoing customer inventory rebalancing and achievement of growth and efficiencies.

Generally, forward-looking statements can be identified by the use of forward-looking terminology such as “may,” “plan,” “seek,” “comfortable with,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe” or “continue” or the negative thereof or variations thereon or similar terminology. A number of important factors could cause actual events to differ materially from those contained in or implied by the forward-looking statements, including those factors discussed in our annual report on Form 10-K for the fiscal year ended August 31, 2020, filed on October 23, 2020¹ and those described from time to time in our other filings with the U.S. Securities and Exchange Commission (the “SEC”), which can be found at the SEC’s website www.sec.gov. Any forward-looking information presented herein is made only as of the date of this press release, and we do not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of events, or otherwise.

¹ The independent registered public accounting firm’s audit report with respect to the Company’s fiscal year-end financial statements will not be issued until the Company files its annual report on Form 10-K, including its evaluation of the effectiveness of internal controls over financial reporting. Accordingly, the financial results reported in this earnings release are preliminary pending completion of the audit



Non-GAAP Financial Measures

This presentation and the related conference call and webcast and press release include the following non-generally accepted accounting principles (“GAAP”) financial measures: “adjusted gross profit,” “adjusted gross profit margin,” “adjusted SD&A expenses,” “adjusted SD&A expenses as a percent of net sales,” “adjusted operating profit” and “adjusted operating profit margin” for total company and by segment, “adjusted other expense,” “adjusted net income,” and “adjusted diluted Earnings per Share (“EPS”). These non-GAAP financial measures are provided to enhance the reader’s overall understanding of the Company’s current financial performance and prospects for the future. Specifically, management believes that these non-GAAP measures provide useful information to investors by excluding or adjusting items for acquisition-related items, amortization of acquired intangible assets, share-based payment expense, impairments on investments, and special charges associated with continued efforts to streamline the organization and integrate recent acquisitions. Management typically adjusts for these items for internal reviews of performance and uses the above non-GAAP measures for baseline comparative operational analysis, decision making, and other activities.

Management believes these non-GAAP measures provide greater comparability and enhanced visibility into the Company’s results of operations as well as comparability with many of its peers, especially those companies focused more on technology and software. Non-GAAP financial measures included in this news release should be considered in addition to, and not as a substitute for or superior to, results prepared in accordance with GAAP. A reconciliation of each measure to the most directly comparable GAAP measure is available in this news release. The Company’s non-GAAP financial measures may not be comparable to similarly titled non-GAAP financial measures used by other companies, have limitations as an analytical tool, and should not be considered in isolation or as a substitute for GAAP financial measures. Our presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that our future results will be unaffected by other unusual or non-recurring items.



Fiscal 2021 Key Achievements

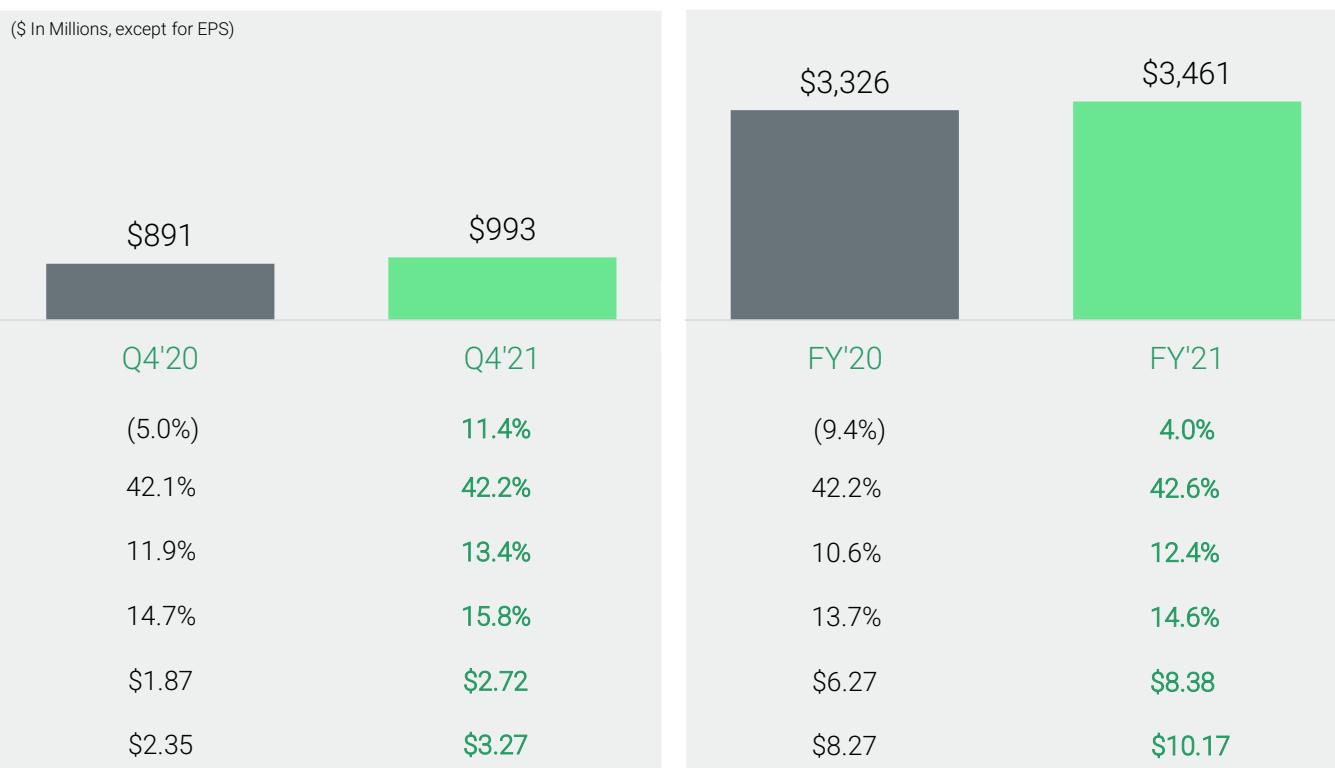
Improvement Throughout 2021

- Returned the Company to Growth
- Expanded Gross Margin by 40 Basis Points for Full Year 2021
- Realigned the Businesses into Lighting and Lighting Controls and the Intelligent Spaces Group
- Generated Strong Cash Flow and Allocated Capital to Create Permanent Value for Shareholders
- Held First Investor Day
- Built a Strong and Diverse Leadership Team
- Made Significant Progress Around ESG
- Positioned the Company Well for 2022 and Beyond

AYI: Fourth Quarter and Full Year 2021

Sales and Margin Improvement

Net Sales

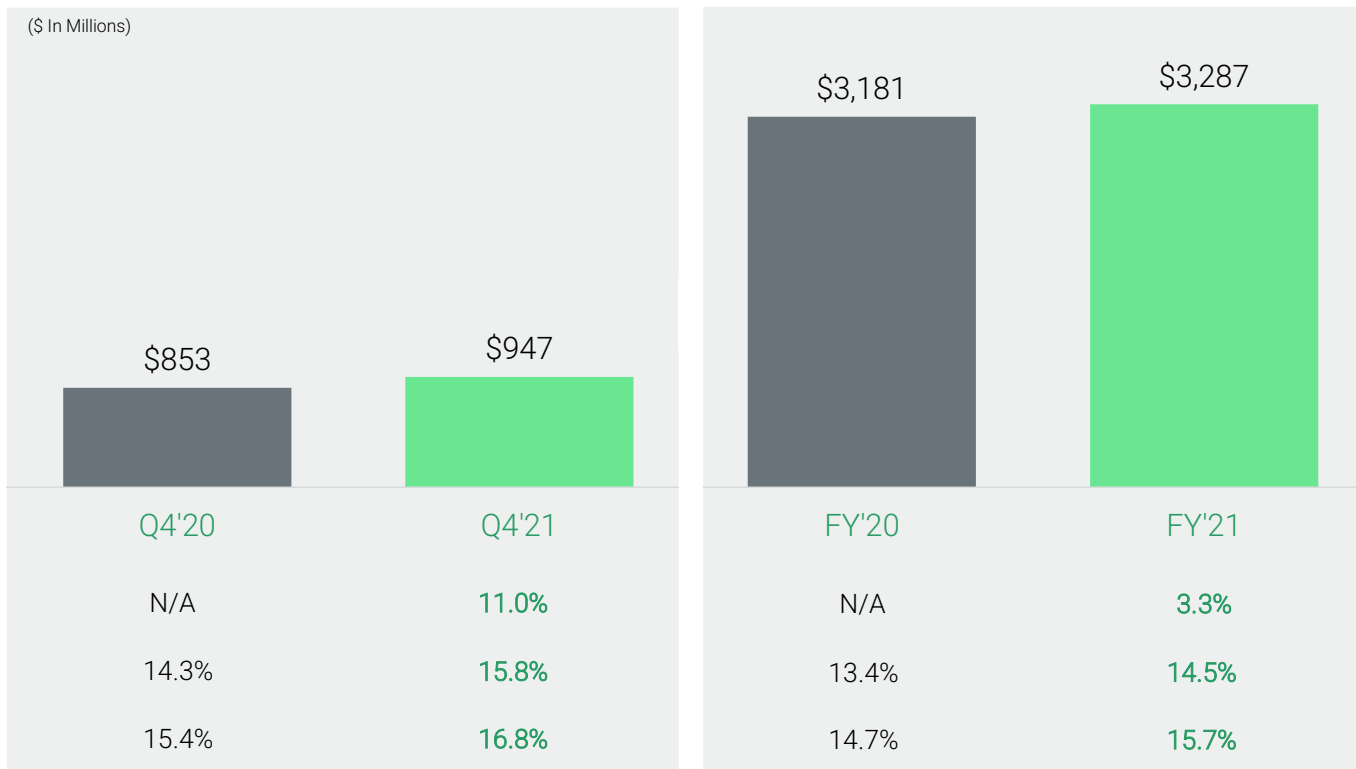


¹ Adjusted Operating Profit and Adjusted Diluted EPS for the Fourth Quarter are Reconciled in Our Appendix on Slides 15 and 16 and for the Full Year on Slides 19 and 20

ABL: Fourth Quarter and Full Year 2021

Focus on Product Vitality and Service

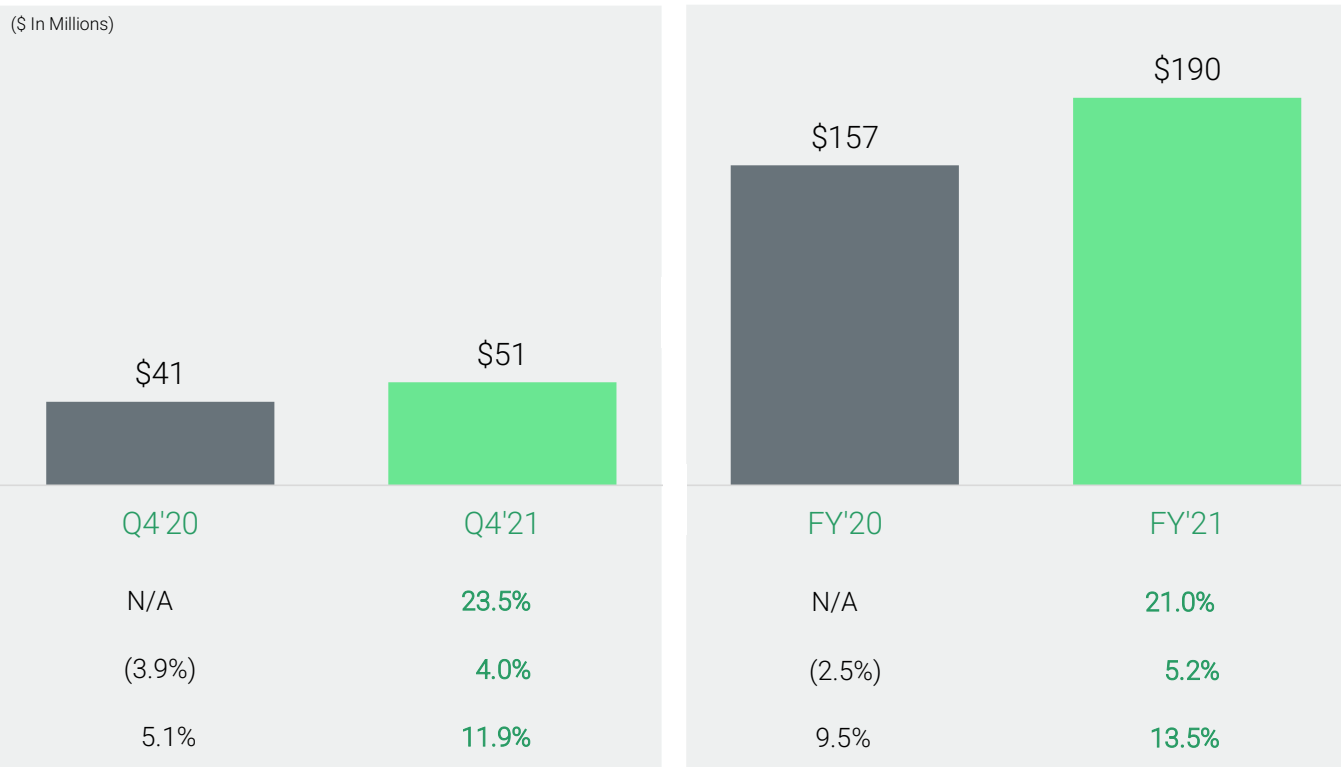
Net Sales



ISG: Fourth Quarter and Full Year 2021

Making Spaces Smarter, Safer and Greener

Net Sales



Full Year 2021 Capital Allocation

Creating Value for Shareholders

\$409M

Operating Cash Flow

\$44M

CapEx

\$435M

Share Repurchase

Capital Allocation Priorities

Reinvestment in Growth

Working Capital
CapEx

M&A

Osram Digital Systems
Rockpile Ventures

Dividend

Maintained

Share Repurchases

3.8M Shares

OUTLOOK



2022 Financial Framework

Optimism Heading into Full Year 2022

- ABL Full Year Revenue Growth: High Single Digits
- ISG Full Year Revenue Growth: Mid-Teens
- AYI Full Year Gross Profit Margin: 42+ Percent
- Capital Allocation Priorities
 - Investment in Growth
 - Investment in M&A
 - Maintain Dividend
 - Share Repurchases

Other

- AYI Full Year Tax Rate: ~23 Percent
- AYI Full Year Capital Expenditure: ~1.5 Percent of Net Sales

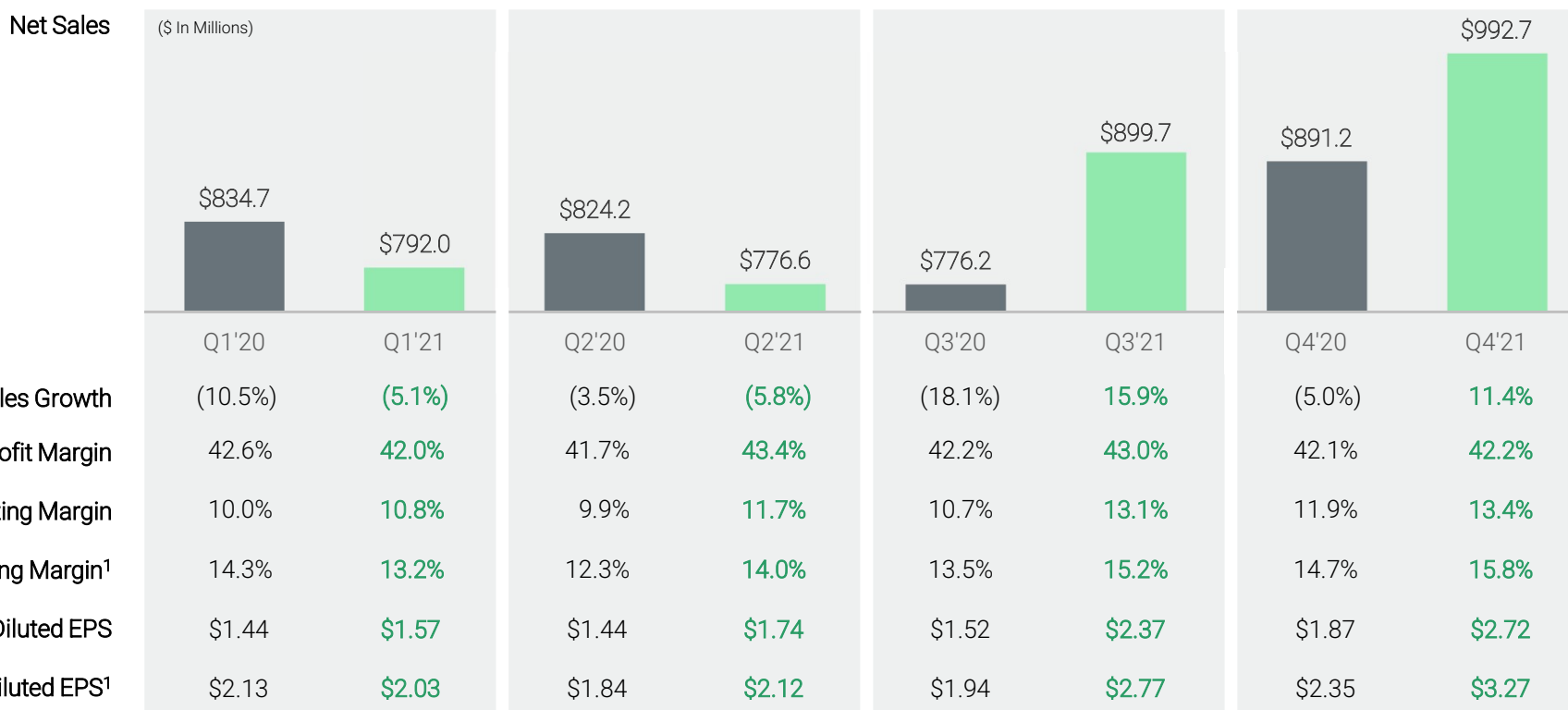
Appendix

and Non-GAAP Reconciliations

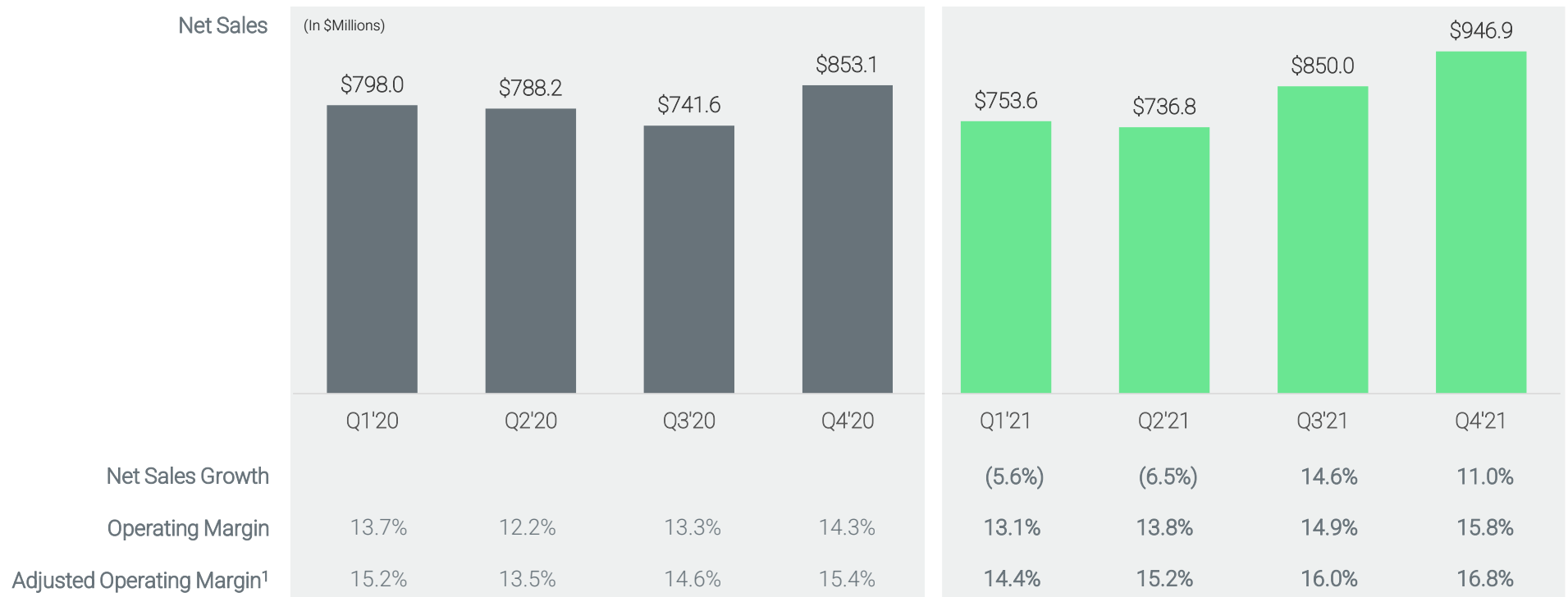


AYI Quarterly Performance

Improvement throughout 2021



ABL Quarterly Trends

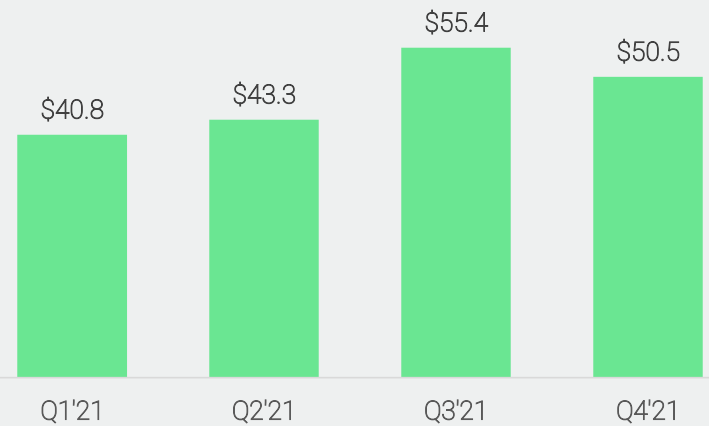


AcuityBrands. ¹ Adjusted Operating Profit and Adjusted Operating Profit Margin for ABL is Reconciled, on Slide 17

ISG Quarterly Trends

Net Sales

(In \$Millions)



	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Net Sales Growth					3.8%	10.7%	46.9%	23.5%
Operating Margin	3.3%	(8.7%)	(0.5%)	(3.9%)	(0.2%)	1.8%	13.0%	4.0%
Adjusted Operating Margin ¹	14.5%	5.4%	13.3%	5.1%	9.1%	11.1%	20.0%	11.9%

AYI Quarterly Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

(In \$Millions)

	Fourth Quarter		Third Quarter		Second Quarter		First Quarter	
	Aug. 31, 2021	Aug. 31, 2020	May 31, 2021	May 31, 2020	Feb. 28, 2021	Feb. 29, 2020	Nov. 30, 2020	Nov. 30, 2019
Operating Profit (GAAP)	\$132.8	\$105.9	\$118.1	\$83.0	\$91.0	\$81.4	\$85.7	\$83.6
Operating Profit (GAAP) Margin	13.4%	11.9%	13.1%	10.7%	11.7%	9.9%	10.8%	10.0%
+ Amortization of acquired intangible assets	10.3	10.9	10.2	10.8	10.1	10.4	10.1	9.6
+ Share-based payment expense	10.2	5.7	7.1	7.8	7.5	8.0	7.7	16.7
+ Acquisition-related items ¹	1.3	-	0.9	-	-	0.3	-	2.2
+ Special Charges	1.8	8.2	0.5	3.3	0.3	1.6	0.7	6.9
Adjusted Operating Profit	\$156.4	\$130.7	\$136.8	\$104.9	\$108.9	\$101.7	\$104.2	\$119.0
Adjusted Operating Profit Margin	15.8%	14.7%	15.2%	13.5%	14.0%	12.3%	13.2%	14.3%

AYI Quarterly Reconciliation of Non-GAAP Measures: Adjusted Net Income and Adjusted Earnings Per Share

(In Millions Except Per Share Data)

	Fourth Quarter		Third Quarter		Second Quarter		First Quarter	
	Aug. 31, 2021	Aug. 31, 2020	May 31, 2021	May 31, 2020	Feb. 28, 2021	Feb. 29, 2020	Nov.30, 2020	Nov.30, 2019
Net Income (GAAP)	\$98.1	\$73.7	\$85.7	\$60.4	\$62.9	\$57.2	\$59.6	\$57.0
+ Amortization of acquired intangible assets	10.3	10.9	10.2	10.8	10.1	10.4	10.1	9.6
+ Share-based payment expense	10.2	5.7	7.1	7.8	7.5	8.0	7.7	16.7
+ Acquisition-related items ¹	1.3	-	0.9	-	-	0.3	-	2.2
+ Special Charges	1.8	8.2	0.5	3.3	0.3	1.6	0.7	6.9
+ Impairments of investments	2.0	-	-	-	-	-	4.0	-
Total pre-tax adjustments to net income	25.6	24.8	18.7	21.9	17.9	20.3	22.5	35.4
Income tax effects	(6.0)	(5.7)	(4.0)	(5.1)	(4.1)	(4.4)	(5.2)	(8.2)
Adjusted net income	\$117.7	\$92.8	\$100.4	\$77.2	\$76.7	\$73.1	\$76.9	\$84.2
Diluted weighted average number of shares outstanding	36.0	39.5	36.2	39.7	36.2	39.7	37.8	39.6
Diluted Earnings Per Share	\$2.72	\$1.87	\$2.37	\$1.52	\$1.74	\$1.44	\$1.57	\$1.44
Adjusted Diluted Earnings Per Share	\$3.27	\$2.35	\$2.77	\$1.94	\$2.12	\$1.84	\$2.03	\$2.13

ABL Quarterly Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

(In \$Millions)

	Fourth Quarter		Third Quarter		Second Quarter		First Quarter	
	Aug. 31, 2021	Aug. 31, 2020	May 31, 2021	May 31, 2020	Feb. 28, 2021	Feb. 29, 2020	Nov. 30, 2020	Nov. 30, 2019
Operating Profit (GAAP)	\$149.3	\$121.8	\$126.5	\$98.6	\$102.0	\$95.8	\$98.4	\$109.6
Operating Profit (GAAP) Margin	15.8%	14.3%	14.9%	13.3%	13.8%	12.2%	13.1%	13.7%
+ Amortization of acquired intangible assets	7.1	7.2	6.9	6.9	6.9	6.8	7.0	6.5
+ Share-based payment expense	2.7	2.3	2.4	2.9	3.0	3.9	2.9	4.3
+ Acquisition-related items ¹	-	-	-	-	-	0.1	-	1.1
Adjusted Operating Profit	\$159.1	\$131.3	\$135.8	\$108.4	\$111.9	\$106.6	\$108.3	\$121.5
Adjusted Operating Profit Margin	16.8%	15.4%	16.0%	14.6%	15.2%	13.5%	14.4%	15.2%

ISG Quarterly Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

Segment Breakdown (ISG)

(In \$Millions)

	Fourth Quarter		Third Quarter		Second Quarter		First Quarter	
	Aug. 31, 2021	Aug. 31, 2020	May 31, 2021	May 31, 2020	Feb. 28, 2021	Feb. 29, 2020	Nov. 30, 2020	Nov. 30, 2019
Operating Profit (Loss) (GAAP)	\$2.0	(\$1.6)	\$7.2	(\$0.2)	\$0.8	(\$3.4)	(\$0.1)	\$1.3
Operating Profit (Loss) (GAAP) Margin	4.0%	(3.9%)	13.0%	(0.5%)	1.8%	(8.7%)	(0.2%)	3.3%
+ Amortization of acquired intangible assets	3.2	3.7	3.3	3.9	3.2	3.6	3.1	3.1
+ Share-based payment expense	0.8	-	0.6	1.3	0.8	1.9	0.7	1.3
Adjusted Operating Profit (Loss)	\$6.0	\$2.1	\$11.1	\$5.0	\$4.8	\$2.1	\$3.7	\$5.7
Adjusted Operating Profit Margin	11.9%	5.1%	20.0%	13.3%	11.1%	5.4%	9.1%	14.5%

AYI Full Year Reconciliation of Non-GAAP Measures: Adjusted Net Income and Adjusted Earnings Per Share

(In Millions Except Per Share Data)

	<u>Aug. 31, 2021</u>	<u>Aug. 31, 2020</u>
Net Income (GAAP)	\$306.3	\$248.3
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Adjusted net income	\$371.7	\$327.3
Diluted weighted average number of shares outstanding	36.6	39.6
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AYI Full Year Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

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	Aug.31, 2021	Aug.31, 2020
Operating Profit (GAAP)	\$427.6	\$353.9
<i>Operating Profit (GAAP) Margin</i>	12.4%	13.7%
+ Amortization of acquired intangible assets	40.7	41.7
+ Share-based payment expense	32.5	38.2
+ Acquisition-related items ¹	2.2	2.5
+ Special Charges	3.3	20.1
Adjusted Operating Profit	\$506.3	\$456.3
<i>Adjusted Operating Profit Margin</i>	14.6%	13.7%

ABL and ISG Full Year Reconciliation of Non-GAAP Measures: Adjusted Operating Profit and Adjusted Operating Profit Margin

(In \$Millions)

	ABL		ISG	
	Aug.31, 2021	Aug.31, 2020	Aug.31, 2020	Aug.31, 2019
Operating Profit (GAAP)	\$476.2	\$425.8	\$9.9	(\$3.9)
<i>Operating Profit (GAAP) Margin</i>	14.5%	13.4%	5.2%	(2.5)%
+ Amortization of acquired intangible assets	27.9	27.4	12.8	14.3
+ Share-based payment expense	11.0	13.4	2.9	4.5
+ Acquisition-related items ¹	-	1.2		
+ Special Charges				
Adjusted Operating Profit	\$515.1	\$467.8	\$25.6	\$14.9
<i>Adjusted Operating Profit Margin</i>	15.7%	14.7%	13.5%	9.5%