ASTEC INDUSTRIES | NEWS RELEASE

UPDATED and REVISED ASTEC INDUSTRIES REPORTS FOURTH QUARTER AND FULL YEAR 2019 RESULTS

UPDATED BY ASTEC INDUSTRIES, INC.

CHATTANOOGA, Tenn. (March 17, 2020) – In the press release for the fourth quarter and full year 2019, gross profit, restructuring and impairment charges, income taxes, net income, earnings per share and certain balance sheet items, including inventory, have all been updated to reflect a change in the accounting treatment of our GEFCO business. In the earlier press release, GEFCO's net assets were treated as "assets held for sale" and its net assets were reduced to their estimated fair value based upon early indications of interest from potential purchasers. Currently, the sale of the GEFCO business under the terms and timing contained in the early indications of interest is unlikely. As a result, the value of the GEFCO's assets is now accounted for as "assets held and used." The Company's current plan is to exit the GEFCO oil and gas business and continue to operate and pursue an exit strategy for the GEFCO water and geothermal well business. The related oil and gas inventories on hand at December 31, 2019 have been reduced to their net realizable value considering the Company's planned exit.

The updated and revised release reads:

ASTEC INDUSTRIES REPORTS FOURTH QUARTER AND FULL YEAR 2019 RESULTS

Fourth Quarter 2019 Highlights (all comparisons are made to the prior year fourth quarter):

- **Net Sales decreased 10.7% to $283.2M**
- **Gross profit of 9.7%; adjusted gross profit of 21.2% decreased 280 bps**
- **EPS loss of $0.81; adjusted EPS of $0.36 decreased from $0.61 a year ago**
- **Adjusted EBITDA of $13.7M decreased 51.0%; adjusted EBITDA margin of 4.9% declined 390bps**

2019 Highlights (all comparisons are made to the prior year):

- **Net sales were relatively flat; adjusted net sales decreased 7.8% to $1.15B**
- **Gross profit of 20.5%; adjusted gross profit of 21.9% decreased 190bps**
- **EPS of $0.98; adjusted EPS of $1.55 decreased from $2.94 a year ago**
- **Adjusted EBITDA of $67.1M decreased 42.3%; adjusted EBITDA margin of 5.8% declined 350bps**
- **Began restructuring initiatives related to strategic pillars for profitable growth – Simplify, Focus and Grow**

Fourth Quarter 2019 Results

Fourth quarter net sales of $283.2 million decreased 10.7% compared to $317.0 million for the fourth quarter of 2018. Domestic sales of $209.6 million decreased 15.5% from $248.2 million a year ago, while International sales of $73.6 million increased 7.0% from $68.8 million in the fourth quarter of 2018. Excluding the impact of foreign currency, net sales decreased 10.4%.

Backlog as of December 31, 2019 of $263.7 million decreased by $81.3 million, or 23.6% compared to the backlog of $344.9 million a year ago. Domestic backlog decreased by 25.4% to $194.5 million from $260.7 million in 2018. International backlog of $69.2 million decreased compared to $84.2 million last year. Although we experienced a decline in each segment, weakness was concentrated in the Aggregate and Mining Group as dealers had increased their inventory levels throughout 2018 to meet demand but then began to destock in 2019.

An operating loss of $26.9 million compared to a loss of $69.4 million in the fourth quarter 2018. In relation to the Company's efforts to simplify the organization, the Company incurred a $1.8 million pre-tax restructuring charge, or $0.06 per diluted share for the fourth quarter. The restructuring items are related to the closure of our German operation, the transfer of the CEI products to Heatec and RexCon and the planned exit of GEFCO's oil and gas product line. In the fourth quarter of 2019, after considering new management's revised inventory control and working capital control objectives, the Company's assessment of the age, quantities on hand, market acceptance of the equipment, the Company's exit of the GEFCO oil and gas business and other related factors, it was determined that various specific equipment models in each of the Company's business units and certain other inventories required additions to their net realizable value reserves. The fourth quarter results include a pre-tax inventory write-down of $32.6 million or $1.11 per diluted share. Fourth quarter adjusted operating income of $7.4 million decreased 65.0% compared to $21.2 million a year ago. Adjusted operating margin of 2.6% declined 410 basis points from 6.7% in fourth quarter 2018. Adjusted operating income declined primarily due to the lower volumes. SGA&E expenses declined 4.0% on a dollar basis but increased as a percent of sales 130 basis points to 18.6% from 17.3% in the fourth quarter of 2018 due to the decline in sales.

Adjusted EBITDA of $13.7 million decreased 51.0% compared to $28.0 million a year ago. Adjusted EBITDA margin of 4.9% declined 390 basis points from 8.8% in fourth quarter 2018.

Net loss of $18.4 million or $0.81 per diluted share, compared to a net loss of $47.0 million or $2.08 per diluted share for the fourth quarter of 2018. Excluding unusual items and restructuring charges mentioned above, adjusted net income of $8.3 million decreased 40.8% compared to the same period a year ago. Adjusted EPS of $0.36 decreased 41.0% compared to $0.61 last year.

"Fourth quarter results showed continued softness in North America that was partially offset by an increase in international sales. Despite the temporary headwinds, I am encouraged by the progress we are making towards our strategic initiatives to Simplify, Focus and Grow the organization," stated Barry Ruffalo, CEO of Astec Industries, Inc. "As noted, we are exiting the GEFCO oil and gas product lines while continuing to operate and pursue an exit plan for the GEFCO water and geothermal well drilling business. This will further simplify the organization. Additionally, we have taken important steps to restructure the Company and streamline business units to increase internal transparency and improve the decision-making process. These collective actions are important in building the foundation for the future success of Astec Industries."

Full Year 2019 Results

Net sales for 2019 were $1,169.6 million, or relatively flat when compared to 2018. Domestic sales decreased 0.8% to $908.5 million from $915.8 million a year ago, while International sales increased 2.1% to $261.1 million from $255.8 million in 2018. Excluding the impact of foreign currency, net sales increased 0.6%.

Operating income of $25.1 million compares to a loss of $86.4 million in 2018. The Company incurred a total of $35.8 million in pre-tax restructuring charges and inventory write-downs for 2019, or $1.24 per diluted share. Adjusted operating income of $40.9 million decreased 53.4% compared to $87.8 million in 2018. Adjusted operating margin of 3.6% declined 340 basis points from 7.0% in 2018. Adjusted operating income declined primarily because of a reduction in gross margin of 190 basis points to 21.9% from 23.8% in 2018.

Adjusted EBITDA of $67.1 million decreased 42.3% compared to $116.3 million in 2018. Adjusted EBITDA margin of 5.8% declined 350 basis points from 9.3% in 2018.

Net income of $22.3 million or $0.98 per diluted share, compared to a net loss of $60.4 million or $2.64 per diluted share in 2018. Adjusted net income of $35.2 million decreased 47.7% compared to 2018. Adjusted EPS of $1.55 decreased 47.3% compared to $2.94 last year.

The Company identified certain material weaknesses in its internal control over financial reporting. As a result, the Company needs additional time to complete the compilation of information and finalization of its assessment of the effectiveness of internal control over financial reporting for its consolidated financial statements and related disclosures to be filed as part of the 2019 Form 10-K. The Company has filed a Form 12b-25 with the Securities and Exchange Commission in order to extend the due date of its 2019 Annual Report on Form 10-K for 15 days, as permitted by Rule 12b-25 under the Securities Exchange Act.

About Astec Industries, Inc.

Astec Industries, Inc., (www.astecindustries.com), is a manufacturer of specialized equipment for asphalt road building, aggregate processing and concrete production. Astec's manufacturing operations are divided into three primary business segments: road building, (Infrastructure Group); aggregate processing and mining equipment (Aggregate and Mining Group); and a diversified portfolio of equipment used in various industries including energy-related markets (Energy Group).

Forward-Looking Statements

The information contained in this press release contains "forward-looking statements" (within the meaning of the Private Securities Litigation Reform Act of 1995) regarding the future performance of the Company, including statements about the effects on the Company from (i) restructuring initiatives, (ii) the potential sale of the GEFCO water and geothermal well business, (iii) increases in international demand, and (iv) product demand in North America. These forward-looking statements reflect management's expectations and are based upon currently available information, and the Company undertakes no obligation to update or revise such statements. These statements are not guarantees of performance and are inherently subject to risks and uncertainties, many of which cannot be predicted or anticipated. Future events and actual results, financial or otherwise, could differ materially from those expressed in or implied by the forward-looking statements. Important factors that could cause future events or actual results to differ materially include: general uncertainty in the economy, oil, gas and liquid asphalt prices, rising steel prices, decreased funding for highway projects, the relative strength/weakness of the dollar to foreign currencies, production capacity, general business conditions in the industry, demand for the Company's products, seasonality and cyclicality in operating results, seasonality of sales volumes or lower than expected sales volumes, lower than expected margins on custom equipment orders, competitive activity, tax rates and the impact of future legislation thereon, and those other factors listed from time to time in the Company's reports filed with the Securities and Exchange Commission, including but not limited to the Company's annual report on Form 10-K for the year ended December 31, 2018.

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Astec Industries, Inc.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	Dec 2019	Dec 2018
Assets		
Current assets		
Cash and cash equivalents	$ 48,857	$ 25,821
Investments	1,547	1,946
Receivables and contract assets, net	124,847	133,978
Inventories	294,536	355,944
Prepaid expenses and other	36,517	43,302
Total current assets	506,304	560,991
Property and equipment, net	190,363	192,448
Other assets	103,831	102,018
Total assets	$ 800,498	$ 855,457
Liabilities and equity		
Current liabilities		
Accounts payable - trade	$ 57,162	$ 70,614
Other current liabilities	115,605	118,617
Total current liabilities	172,767	189,231
Long-term debt, less current maturities	690	59,709
Non-current liabilities	24,554	21,227
Total equity	602,487	585,290
Total liabilities and equity	$ 800,498	$ 855,457

Astec Industries, Inc.
Condensed Consolidated Statements of Operations
(in thousands, except per share data)
(unaudited)

	Three Months Ended Dec 31		Twelve Months Ended Dec 31	
	2019	2018	2019	2018
Net sales	$ 283,224	$ 317,005	$ 1,169,613	$ 1,171,599
Cost of sales	255,843	318,636	930,205	1,035,833
Gross profit (loss)	27,381	(1,631)	239,408	135,766
Selling, general, administrative & engineering expenses	52,554	54,732	211,148	209,127
Restructuring and asset impairment charges	1,773	13,060	3,204	13,060
Income (loss) from operations	(26,946)	(69,423)	25,056	(86,421)
Interest expense	(68)	(557)	(1,367)	(1,045)
Other	250	11	1,629	1,783
Income (loss) before income taxes	(26,764)	(69,969)	25,318	(85,683)
Income taxes	(8,409)	(22,932)	3,012	(25,234)
Net income (loss) attributable to controlling interest	$ (18,355)	$ (47,037)	$ 22,306	$ (60,449)

Earnings (loss) per Common Share				
Net income (loss) attributable to controlling interest				
Basic	$ (0.81)	$ (2.08)	$ 0.99	$ (2.64)
Diluted	$ (0.81)	$ (2.08)	$ 0.98	$ (2.64)
Weighted average common shares outstanding				
Basic	22,531	22,582	22,515	22,902
Diluted	22,531	22,582	22,674	22,902

Astec Industries, Inc.
Segment Revenues and Profits (Losses)
For the three months ended December 31, 2019 and 2018
(in thousands)
(unaudited)

	Infrastructure Group	Aggregate and Mining Group	Energy Group	Corporate	Total
2019 Revenues	115,671	91,981	75,170	402	283,224
2018 Revenues	124,930	116,064	76,011	-	317,005
Change $	(9,259)	(24,083)	(841)	402	(33,781)
Change %	(7.4%)	(20.7%)	(1.1%)	-	(10.7%)
2019 Gross Profit	11,220	13,041	1,465	1,655	27,381
2019 Gross Profit %	9.7%	14.2%	1.9%	411.7%	9.7%
2018 Gross Profit (Loss)	(41,462)	30,347	9,375	109	(1,631)
2018 Gross Profit (Loss) %	(33.2%)	26.1%	12.3%	-	(0.5%)
Change	52,682	(17,306)	(7,910)	1,546	29,012
2019 Loss	(3,158)	(179)	(11,069)	(4,019)	(18,425)
2018 Profit (Loss)	(69,833)	10,796	(13,336)	22,015	(50,358)
Change $	66,675	(10,975)	2,267	(26,034)	31,933
Change %	95.5%	(101.7%)	17.0%	(118.3%)	63.4%

Segment revenues are reported net of intersegment revenues. Segment gross profit (loss) is net of profit on intersegment revenues. A reconciliation of total segment losses to the Company's net loss attributable to controlling interest is as follows (in thousands):

	Three months ended December 31		
	2019	2018	Change $
Total loss for all segments	$ (18,425)	$ (50,358)	$ 31,933
Recapture of intersegment profit	64	3,263	(3,199)
Net loss attributable to non-controlling interest	6	58	(52)
Net loss attributable to controlling interest	$ (18,355)	$ (47,037)	$ 28,682

Astec Industries, Inc.
Segment Revenues and Profits (Losses)
For the year ended December 31, 2019 and 2018
(in thousands)
(unaudited)

	Infrastructure Group	Aggregate and Mining Group	Energy Group	Corporate	Total
2019 Revenues	492,118	404,971	272,122	402	1,169,613
2018 Revenues	442,289	453,164	276,146	-	1,171,599
Change $	49,829	(48,193)	(4,024)	402	(1,986)
Change %	11.3%	(10.6%)	(1.5%)	-	(0.2%)
2019 Gross Profit	105,012	84,917	47,673	1,806	239,408
2019 Gross Profit %	21.3%	21.0%	17.5%	449.3%	20.5%
2018 Gross Profit (Loss)	(37,357)	112,972	59,751	400	135,766
2018 Gross Profit (Loss) %	(8.4%)	24.9%	21.6%	-	11.6%
Change	142,369	(28,055)	(12,078)	1,406	103,642
2019 Profit (Loss)	36,106	22,790	556	(38,440)	21,012
2018 Profit (Loss)	(112,954)	45,464	3,070	1,586	(62,834)
Change $	149,060	(22,674)	(2,514)	(40,026)	83,846
Change %	132.0%	(49.9%)	(81.9%)	(2523.7%)	133.4%

Segment revenues are reported net of intersegment revenues. Segment gross profit (loss) is net of profit on intersegment revenues. A reconciliation of total segment profits (losses) to the Company's net income (loss) attributable to controlling interest is as follows (in thousands):

	Twelve months ended December 31		
	2019	2018	Change $
Total profit (loss) for all segments	$ 21,012	$ (62,834)	$ 83,846
Recapture of intersegment profit	1,162	2,090	(928)
Net loss attributable to non-controlling interest	132	295	(163)
Net income (loss) attributable to controlling interest	$ 22,306	$ (60,449)	$ 82,755

Astec Industries, Inc.
Backlog by Segment
December 31, 2019 and 2018
(in thousands)
(unaudited)

	Infrastructure Group	Aggregate and Mining Group	Energy Group	Total
2019 Backlog	139,081	74,127	50,497	263,705
2018 Backlog	149,437	130,691	64,834	344,962
Change $	(10,356)	(56,564)	(14,337)	(81,257)
Change %	(6.9%)	(43.3%)	(22.1%)	(23.6%)

Glossary

In its earnings release, Astec refers to various GAAP (U.S. generally accepted accounting principles) and non-GAAP financial measures. These non-GAAP measures may not be comparable to similarly titled measures being disclosed by other companies. Non-GAAP financial measures should be considered in addition to, and not in lieu of, GAAP financial measures. Nonetheless, this non-GAAP information can be useful in understanding the Company's operating results and the performance of its core businesses.

The amounts described below are unaudited, reported in thousands of U.S. Dollars (Except Share data), and as of or for the periods indicated.

Q4 2019 GAAP to Non-GAAP Reconciliation Table

	As Reported (GAAP)	Restructuring and Unusual Charges	As Adjusted (Non-GAAP)
Consolidated			
Net Sales	$ 283,224	$ -	$ 283,224
GP	27,381	32,605	59,986
GP%	9.7%		21.2%
Op Income (Loss)	(26,946)	34,378	7,432
Income Tax (Benefit) Expense	(8,409)	7,760	(649)
Net Income (Loss)	(18,355)	26,618	8,263
EPS	(0.81)	1.17	0.36
EBITDA	(20,630)	34,378	13,748
Free Cash Flow	22,870	1,892	24,762
Infrastructure			
Net Sales	115,671	-	115,671
GP	11,220	12,098	23,318
GP%	9.7%		20.2%
EBITDA	(2,656)	12,479	9,823
Aggregate and Mining			
Net Sales	91,981	-	91,981
GP	13,041	4,260	17,301
GP%	14.2%		18.8%
EBITDA	97	4,511	4,608
Energy			
Net Sales	75,170	-	75,170
GP	1,465	16,247	17,712
GP%	1.9%		23.6%
EBITDA	(9,180)	17,388	8,208

Q4 2018 GAAP to Non-GAAP Reconciliation Table

	As Reported (GAAP)	Restructuring and Unusual Charges	As Adjusted (Non-GAAP)
Consolidated			
Net Sales	$ 317,005	$ -	$ 317,005
GP	(1,631)	77,574	75,943
GP%	(0.5%)		24.0%
Op Income (Loss)	(69,423)	90,634	21,211
Income Tax (Benefit) Expense	(22,932)	29,628	6,696
Net Income (Loss)	(47,037)	61,005	13,968
EPS	(2.08)	2.69	0.61
EBITDA	(62,603)	90,634	28,031
Infrastructure			
Net Sales	124,930	-	124,930
GP	(41,462)	69,792	28,330
GP%	(33.2%)		22.7%
EBITDA	(63,515)	71,663	8,148
Aggregate and Mining			
Net Sales	116,064	-	116,064
GP	30,347	294	30,641
GP%	26.1%		26.4%
EBITDA	13,224	294	13,518
Energy			
Net Sales	76,011	-	76,011
GP	9,375	7,487	16,862
GP%	12.3%		22.2%
EBITDA	(11,708)	18,677	6,969

FYE 2019 GAAP to Non-GAAP Reconciliation Table			
	As Reported (GAAP)	**Restructuring and Unusual Charges**	**As Adjusted (Non-GAAP)**
Consolidated			
Net Sales	$ 1,169,613	$ (20,000)	$ 1,149,613
Domestic Sales	908,466	(20,000)	888,466
International Sales	261,147	-	261,147
GP	239,408	12,630	252,038
GP%	20.5%		21.9%
Op Income	25,056	15,833	40,889
Income Tax (Benefit) Expense	3,012	2,938	5,950
Net Income	22,306	12,895	35,201
EPS	0.98	0.57	1.55
EBITDA	51,306	15,833	67,139
Free Cash Flow	90,278	(14,380)	75,898

FYE 2018 GAAP to Non-GAAP Reconciliation Table			
	As Reported (GAAP)	**Restructuring and Unusual Charges**	**As Adjusted (Non-GAAP)**
Consolidated			
Net Sales	$ 1,171,599	$ 74,778	$ 1,246,377
Domestic Sales	915,814	74,778	990,592
International Sales	255,785	-	255,785
GP	135,766	161,185	296,951
GP%	11.6%		23.8%
Op Income (Loss)	(86,421)	174,245	87,824
Income Tax (Benefit) Expense	(25,234)	46,502	21,268
Net Income (Loss)	(60,449)	127,744	67,295
EPS	(2.64)	5.58	2.94
EBITDA	(57,897)	174,245	116,348

ASTEC INDUSTRIES, INC.

4Q19 Earnings Presentation

MARCH 16, 2020

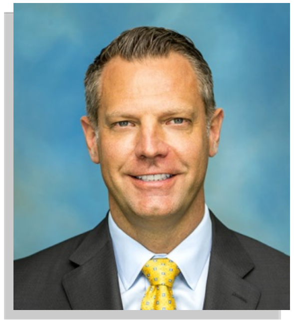
SIMPLIFY • FOCUS • GROW

Safe Harbor

The information contained in this presentation and discussion contains “forward-looking statements” (within the meaning of the Private Securities Litigation Reform Act of 1995) regarding the future performance of the Company, including statements about the effects on the Company from (i) restructuring initiatives, (ii) the potential sale of the GEFCO business, (iii) increases in international demand, and (iv) product demand in North America. These forward-looking statements reflect management’s expectations and are based upon currently available information, and the Company undertakes no obligation to update or revise such statements. These statements are not guarantees of performance and are inherently subject to risks and uncertainties, many of which cannot be predicted or anticipated. Future events and actual results, financial or otherwise, could differ materially from those expressed in or implied by the forward-looking statements. Important factors that could cause future events or actual results to differ materially include: general uncertainty in the economy, oil, gas and liquid asphalt prices, rising steel prices, decreased funding for highway projects, the relative strength/weakness of the dollar to foreign currencies, production capacity, general business conditions in the industry, demand for the Company’s products, seasonality and cyclicality in operating results, seasonality of sales volumes or lower than expected sales volumes, lower than expected margins on custom equipment orders, competitive activity, tax rates and the impact of future legislation thereon, and those other factors listed from time to time in the Company’s reports filed with the Securities and Exchange Commission, including but not limited to the Company’s annual report on Form 10-K for the year ended December 31, 2018.

ASTEC OVERVIEW & 4Q19 HIGHLIGHTS

BARRY RUFFALO | PRESIDENT & CEO



2019 Highlights

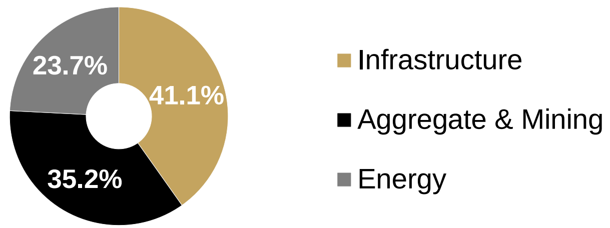
Design, Manufacture and Provide Innovative, Productive, Reliable, Eco-friendly and Safe Equipment to Drive Value for Customers and Shareholders

KEY STATISTICS[1]

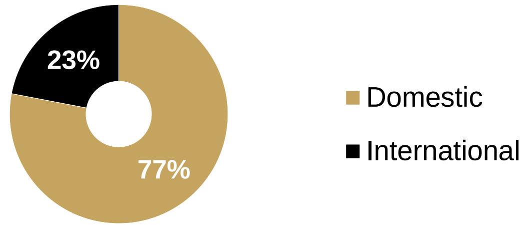
Founded	1972
Headquarters	Chattanooga, TN
Employees	~3,900
Global Locations	25 in 8 Countries
Market-cap	$947M
Product Categories	100+

2019 REVENUE MIX | ~$1.15B[2]

By Segment



By Geography



[1] As of 12/31/19; [2] Ex-pellets.

4Q19 Financial Performance

INCOME STATEMENT

- Revenues decreased 10.7% to $283.2M
- Adj. Gross Profit[1] decreased 280 bps to 21.2%
- Adj. EBITDA[1] decreased 51.0% to $13.7M
- Adj. EBITDA[1] margin decreased 390 bps to 4.9%
- Adj. EPS[1] decreased 41.0% to $0.36

BALANCE SHEET AND CASH FLOW

- Adj. FCF of $24.8M
- Adj. FCF Conversion[2] of 300%
- Cash position $48.9M
- Dividends of $2.5M or $0.11 per share

Note: All comparisons are YoY, unless otherwise stated. [1] See Appendix for GAAP to Non-GAAP reconciliation table. [2] Calculated by dividing LTM Adjusted FCF by Adjusted Net Income.

2019 Financial Performance

INCOME STATEMENT

- Adj. Revenues decreased 7.8% to $1.15B
- Adj. Gross Profit decreased 190 bps to 21.9%
- Adj. EBITDA[1] decreased 42.3% to $67.1M
- Adj. EBITDA[1] margin decreased 350 bps to 5.8%
- Adj. EPS[1] decreased 47.2% to $1.55

BALANCE SHEET AND CASH FLOW

- YTD Adj. FCF of $75.9M
- YTD Adj. FCF Conversion[2] of 216%
- Cash position $48.9M
- Dividends of $9.9M or $0.44 per share

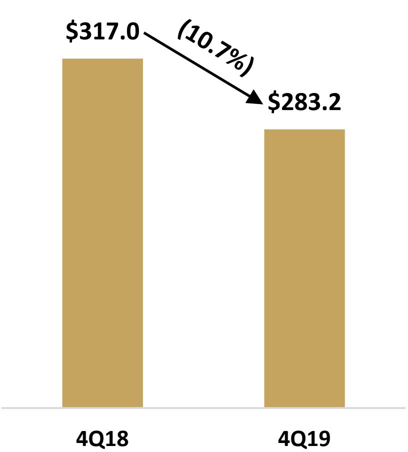
Note: All comparisons are YoY, unless otherwise stated. [1] See Appendix for GAAP to Non-GAAP reconciliation table. [2] Calculated by dividing LTM Adjusted FCF by Adjusted Net Income.

TOTAL COMPANY & SEGMENT FINANCIAL RESULTS

BECKY WEYENBERG | CHIEF FINANCIAL OFFICER

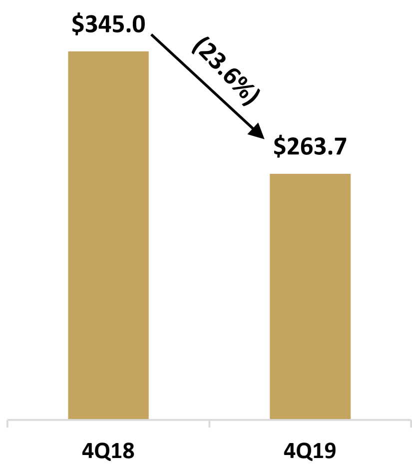
4Q19 Financial Results ($M, except per share data)

REVENUES



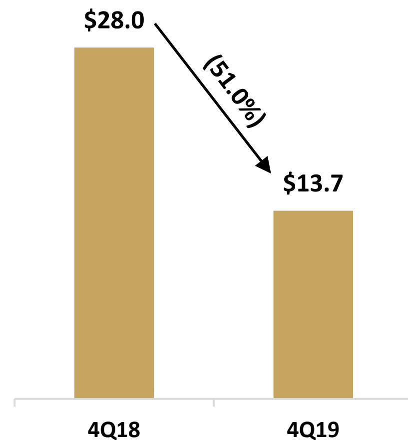
- Equipment sales decreased $48.9M or 21.4%
- Parts sales increased $6.9M or 9.5%
- Domestic sales decreased $38.5M or 15.5%
- International sales increased $4.8M or 6.9%
- Excluding the impact of foreign currency, sales decreased 10.4%

BACKLOG



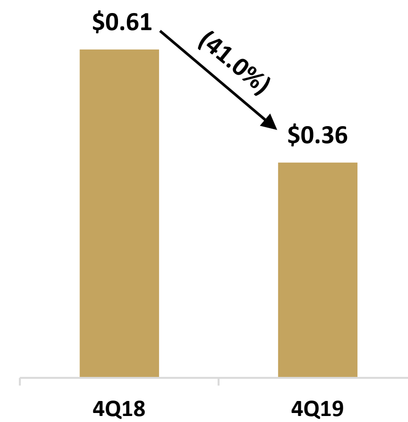
- Order intake decreased in oil and gas due to sustained low oil prices
- Road building orders decreased due to lower dealer activity
- Order intake normalized in aggregates following a peak in Q4 2018

ADJUSTED EBITDA[1]



- Adjusted EBITDA decreased due to decreased gross profit primarily driven by an increase in under-absorbed Mfg. overheads of $4.0M
- Adj. EBITDA margin of 4.9% decreased 390 bps
- SGA&E decreased 4.0% driven by lower commissions, consulting fees and payroll

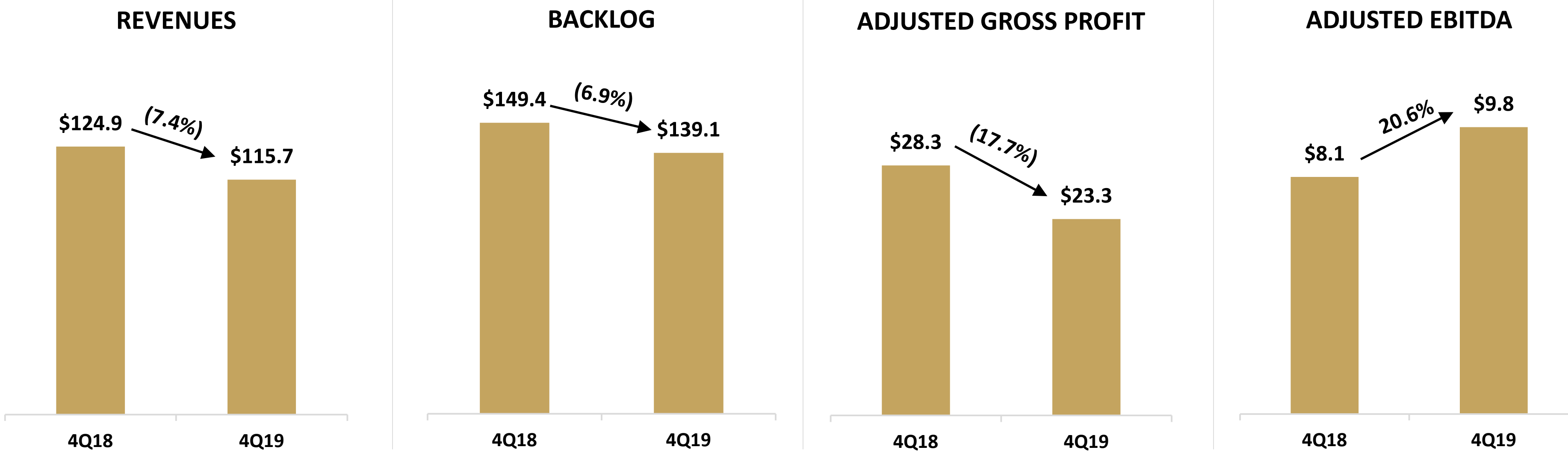
ADJUSTED EPS[1]



- $1.8M of restructuring costs
- Adjusted net effective tax rate for the quarter was (8.5%)
- Adjusted effective tax rate for the year was 14.5%

[1] See Appendix for GAAP to Non-GAAP reconciliation table.

Infrastructure | 4Q19 Financial Performance ($M)



- Revenues decrease driven by weakness in domestic equipment, partially offset by increase in parts
- Equipment sales decreased $9.7M or 11.7%
- Parts sales increased $2.8M or 9.0%
- Domestic sales decreased $9.6M or 9.0%

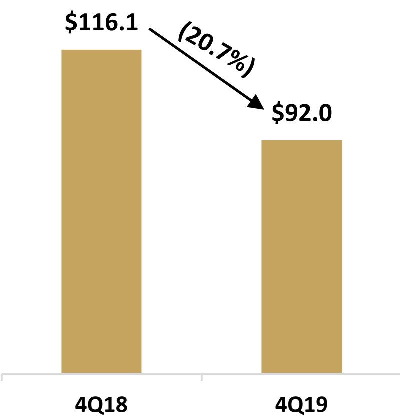
- Road building orders decreased due to lower dealer activity and a softer US market

- Infrastructure gross profit impacted by an increase in under absorption of $3.2M
- Adjusted gross profit of 20.2% decreased 250 bps

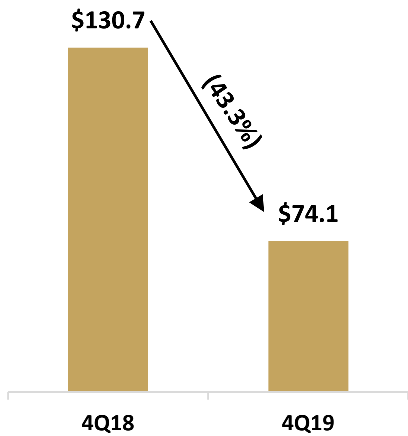
- Adjusted EBITDA of $9.8M excludes $12.5M of unusual items
- Adjusted EBITDA margin of 8.5% increased 200 bps
- Benefit from $4.1M drop in SGA&E due to reduced commissions and consulting fees

Aggregate & Mining | 4Q19 Financial Performance ($M)

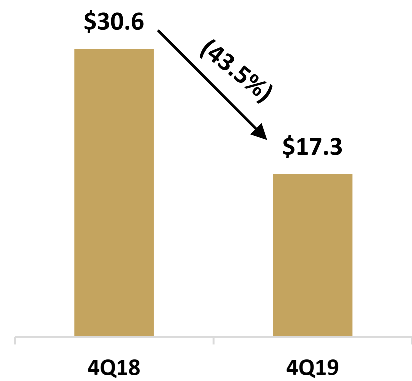
REVENUES



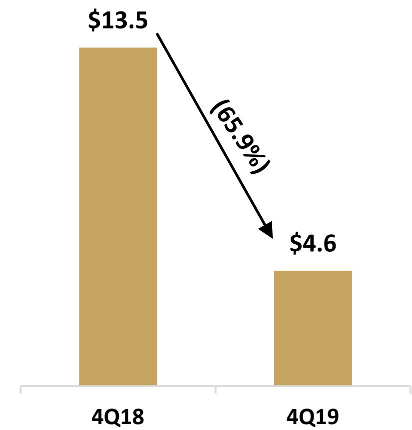
BACKLOG



ADJUSTED GROSS PROFIT



ADJUSTED EBITDA



- Revenues decreased in aggregate equipment due primarily to lower dealer activity
- Equipment sales were down $28.7M or 34.1%
- Parts sales were up $1.3M or 4.6%
- International sales decreased $2.8M or 6.7%
- Domestic sales decreased $21.3M or 28.6%

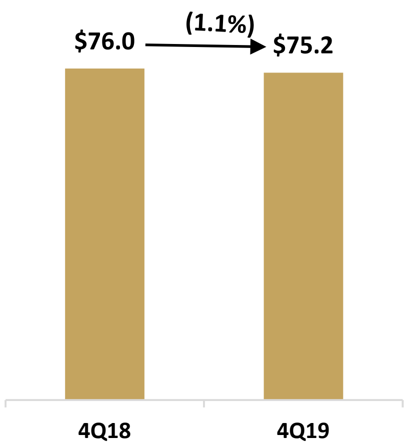
- Order intake normalized in aggregates following a peak in Q4 2018

- Gross profit impacted by increase of $0.9M in under absorption
- Adjusted gross profit of 18.8% decreased 760 bps

- Adjusted EBITDA margin of 5.0% decreased 660 bps due to gross profit compression
- Benefit from $4.3M drop in SGA&E due to reduced commissions, payroll and consulting fees

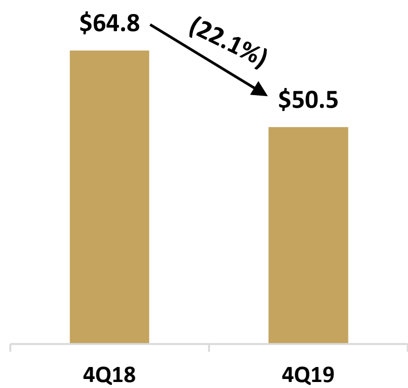
Energy | 4Q19 Financial Performance ($M)

REVENUES



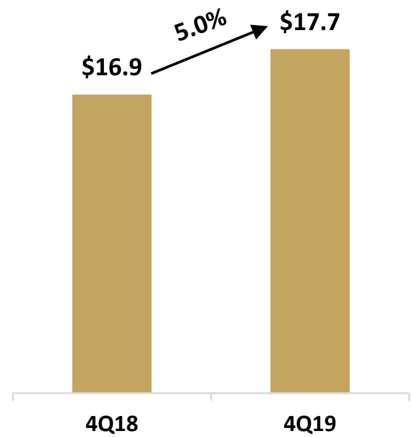
- Equipment sales were down $10.7M or 17.3%
- Parts sales were up $2.6M or 20.3%
- International sales increased $6.8M or 77.0%
- Domestic sales decreased $7.7M or 11.4%

BACKLOG



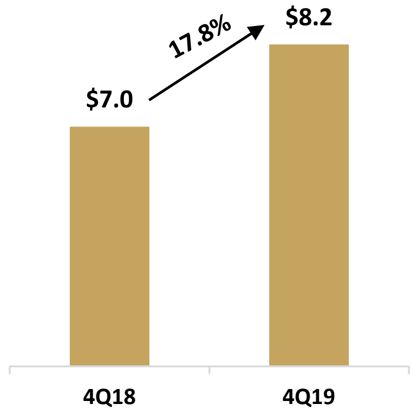
- Order intake decreased in oil and gas due to sustained low oil prices

ADJUSTED GROSS PROFIT



- Adjusted gross profit of 23.6% increased 140 bps

ADJUSTED EBITDA



- Adjusted EBITDA margin of 10.9% increased 170 bps
- Benefit from $0.5M drop in SGA&E due to reduced consulting fees

Focused on Maintaining a Strong Balance Sheet

SUMMARY BALANCE SHEET

($M)	12/31/19	12/31/18
Cash and Cash Equivalents	$ 48.9	$ 25.8
Total Current Assets	$ 506.3	$ 561.0
Total Assets	$ 800.5	$ 855.5
Total Current Liabilities	$ 172.8	$ 189.2
Total Debt	$ 2.0	$ 60.1
Total Liabilities and Equity	$ 800.5	$ 855.5

KEY HIGHLIGHTS

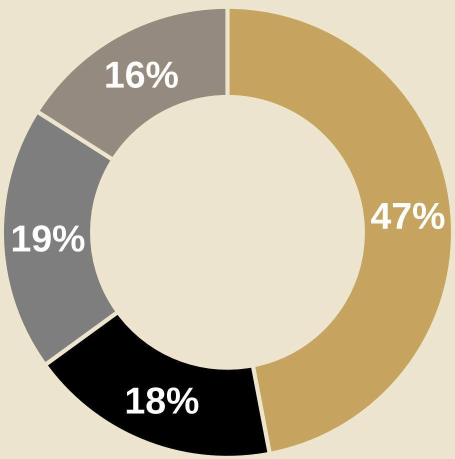
- Overall strength of the balance sheet provides the financial flexibility to accomplish long-term strategic initiatives
- Inventory turnover improved to 2.6x from 2.5x a year ago
- Cash position improved by 89.2%
- Total liquidity available of $190.5M

FOCUSED ON MAINTAINING A STRONG BALANCE SHEET

Disciplined Capital Deployment Framework

Use of Cash Over Last 3 Years

~$150M



- Plant, Property & Equipment
- Acquisitions
- Dividends
- Share Repurchases

Reinvestments

- Internal investments meeting return objectives of >14% ROIC

Acquisitions

- Future acquisitions to align with growth strategy and meet financial criteria

Returns to Shareholders

- Dividend of $0.11 per share
- $150M repurchase program authorized
- Repurchased $24M in 2018

CONTINUALLY EVALUATE STRATEGY TO ENSURE A BALANCED APPROACH

Aligned Strategy for Profitable Growth

SIMPLIFY

- Leveraging global footprint and scale while maintaining strong customer relationships
- Reduce organizational structure complexity
- Consolidate and rationalize footprint and product portfolio
- Optimize supply chain by leveraging size and scale of business

FOCUS

- Strengthen customer-centric approach by providing a holistic set of solutions
- Drive commercial excellence
- Embrace and streamline operational excellence processes
- Enhance accountability through a performance-based culture with aligned KPIs and incentives

GROW

- Reinvigorate innovation with a new product development approach
- Leverage technology and digital connectivity to enhance customer experience
- Capitalize on global growth opportunities
- Allocate capital effectively to drive greatest shareholder value

Transformation Progress

2019 - 2020

2019 - 2021

2020 - 2021+

SIMPLIFY	FOCUS	GROW
✓ Changed from subsidiary structure to align by product groups ✓ Refreshed executive leadership team and board members ✓ Executed Astec Strategic Procurement initiative consolidating supply chain ✓ Assessing 1Q20 re-segmentation to streamline reporting structure	✓ Hired SVP of Operational Excellence and Chief Information Officer ✓ Aligned financial metrics to management incentives ▪ Implementing Enterprise Data Analytic Platform system to consolidate reporting ▪ Instill operational excellence across organization ▪ Optimize product portfolio	✓ Hired SVP of Innovation ▪ Enhance customer engagement ▪ Global expansion ▪ Profitable Growth ▪ Margin Improvement

Company Targets

	Long-term Goals
Revenue Growth	5% - 10%
EBITDA Margin	> 12%
EPS Growth	> 10%
FCF Conversion[1]	> 100% Net Income
ROIC	> 14%

- Create Value for Shareholders
- Alignment to Incentive Plan
- Stand through Cycles

[1] Calculated by dividing LTM Adjusted FCF by Adjusted Net Income.

Q&A

Contact Information

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APPENDIX

Income Statement

Astec Industries, Inc.
Condensed Consolidated Statements of Operations
(in thousands, except per share data)
(unaudited)

	Three Months Ended Dec 31		Twelve Months Ended Dec 31	
	2019	2018	2019	2018
Net sales	$ 283,224	$ 317,005	$ 1,169,613	$ 1,171,599
Cost of sales	255,843	318,636	930,205	1,035,833
Gross profit (Loss)	27,381	(1,631)	239,408	135,766
Selling, general, administrative & engineering expenses	52,554	54,732	211,148	209,127
Restructuring and asset impairment charges	1,773	13,060	3,204	13,060
Income (Loss) from operations	(26,946)	(69,423)	25,056	(86,421)
Interest expense	(68)	(557)	(1,367)	(1,045)
Other	250	11	1,629	1,783
Income (Loss) before income taxes	(26,764)	(69,969)	25,318	(85,683)
Income taxes	(8,409)	(22,932)	3,012	(25,234)
Net income (Loss) attributable to controlling interest	$ (18,355)	$ (47,037)	$ 22,306	$ (60,449)

Earnings (Loss) per Common Share				
Net income (Loss) attributable to controlling interest				
Basic	$ (0.81)	$ (2.08)	$ 0.99	$ (2.64)
Diluted	$ (0.81)	$ (2.08)	$ 0.98	$ (2.64)
Weighted average common shares outstanding				
Basic	22,531	22,582	22,515	22,902
Diluted	22,531	22,582	22,674	22,902

Balance Sheet

Astec Industries, Inc.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	Dec 2019	Dec 2018
Assets		
Current assets		
Cash and cash equivalents	$ 48,857	$ 25,821
Investments	1,547	1,946
Receivables and contract assets, net	124,847	133,978
Inventories	294,536	355,944
Prepaid expenses and other	36,517	43,302
Total current assets	506,304	560,991
Property and equipment, net	190,363	192,448
Other assets	103,831	102,018
Total assets	$ 800,498	$ 855,457
Liabilities and equity		
Current liabilities		
Accounts payable - trade	$ 57,162	$ 70,614
Other current liabilities	115,605	118,617
Total current liabilities	172,767	189,231
Long-term debt, less current maturities	690	59,709
Non-current liabilities	24,554	21,227
Total equity	602,487	585,290
Total liabilities and equity	$ 800,498	$ 855,457

Q4 GAAP to Non-GAAP Reconciliation Table

Q4 2019 GAAP to Non-GAAP Reconciliation Table

Consolidated	As Reported (GAAP)	Restructuring and Unusual Charges	As Adjusted (Non-GAAP)
Net Sales	$ 283,224	$ -	$ 283,224
GP	27,381	32,605	59,986
GP%	9.7%		21.2%
Op Income (Loss)	(26,946)	34,378	7,432
Income Tax (Benefit) Expense	(8,409)	7,760	(649)
Net Income (Loss)	(18,355)	26,618	8,263
EPS	(0.81)	1.17	0.36
EBITDA	(20,630)	34,378	13,748
Free Cash Flow	22,870	1,892	24,762
Infrastructure			
Net Sales	115,671	-	115,671
GP	11,220	12,098	23,318
GP%	9.7%		20.2%
EBITDA	(2,656)	12,479	9,823
Aggregate and Mining			
Net Sales	91,981	-	91,981
GP	13,041	4,260	17,301
GP%	14.2%		18.8%
EBITDA	97	4,511	4,608
Energy			
Net Sales	75,170	-	75,170
GP	1,465	16,247	17,712
GP%	1.9%		23.6%
EBITDA	(9,180)	17,388	8,208

Q4 2018 GAAP to Non-GAAP Reconciliation Table

Consolidated	As Reported (GAAP)	Restructuring and Unusual Charges	As Adjusted (Non-GAAP)
Net Sales	$ 317,005	$ -	$ 317,005
GP	(1,631)	77,574	75,943
GP%	(0.5%)		24.0%
Op Income (Loss)	(69,423)	90,634	21,211
Income Tax (Benefit) Expense	(22,932)	29,628	6,696
Net Income (Loss)	(47,037)	61,005	13,968
EPS	(2.08)	2.69	0.61
EBITDA	(62,603)	90,634	28,031
Infrastructure			
Net Sales	124,930	-	124,930
GP	(41,462)	69,792	28,330
GP%	(33.2%)		22.7%
EBITDA	(63,515)	71,663	8,148
Aggregate and Mining			
Net Sales	116,064	-	116,064
GP	30,347	294	30,641
GP%	26.1%		26.4%
EBITDA	13,224	294	13,518
Energy			
Net Sales	76,011	-	76,011
GP	9,375	7,487	16,862
GP%	12.3%		22.2%
EBITDA	(11,708)	18,677	6,969

FY GAAP to Non-GAAP Reconciliation Table

FYE 2019 GAAP to Non-GAAP Reconciliation Table

Consolidated	As Reported (GAAP)	Restructuring and Unusual Charges	As Adjusted (Non-GAAP)
Net Sales	$ 1,169,613	$ (20,000)	$ 1,149,613
Domestic Sales	908,466	(20,000)	888,466
International Sales	261,147	-	261,147
GP	239,408	12,630	252,038
GP%	20.5%		21.9%
Op Income	25,056	15,833	40,889
Income Tax (Benefit) Expense	3,012	2,938	5,950
Net Income	22,306	12,895	35,201
EPS	0.98	0.57	1.55
EBITDA	51,306	15,833	67,139
Free Cash Flow	90,278	(14,380)	75,898

FYE 2018 GAAP to Non-GAAP Reconciliation Table

Consolidated	As Reported (GAAP)	Restructuring and Unusual Charges	As Adjusted (Non-GAAP)
Net Sales	$ 1,171,599	$ 74,778	$ 1,246,377
Domestic Sales	915,814	74,778	990,592
International Sales	255,785	-	255,785
GP	135,766	161,185	296,951
GP%	11.6%		23.8%
Op Income (Loss)	(86,421)	174,245	87,824
Income Tax (Benefit) Expense	(25,234)	46,502	21,268
Net Income (Loss)	(60,449)	127,744	67,295
EPS	(2.64)	5.58	2.94
EBITDA	(57,897)	174,245	116,348