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# News Release

## HNI CORPORATION REPORTS FOURTH QUARTER AND FISCAL YEAR 2024 RESULTS

### *Full-year EPS grew double-digits for the third consecutive year*

- Q4 EPS surpasses expectations as productivity gains accelerated
- Strong 2024 EPS—GAAP \$2.88 (+164% YoY) / non-GAAP \$3.06 (+15% YoY)
- Full-year operating income margin (GAAP and non-GAAP) reaches highest level since 2005
- Elevated EPS visibility through 2026 from initiatives already underway
- Net sales growth anticipated to return in 2025 in both segments

MUSCATINE, Iowa (February 20, 2025) – **HNI Corporation** (NYSE: HNI) today announced net sales of \$2.526 billion and net income of \$139.5 million for the full year ended December 28, 2024. Fourth quarter net sales and net income were \$642.5 million and \$38.3 million, respectively.

### Highlights

- **Solid full-year earnings growth and margin expansion.** Full-year non-GAAP EPS increased 15.5 percent year-on-year despite lower net sales. Consolidated operating margin expanded 450 basis points on a GAAP basis and 130 basis points on a non-GAAP basis versus 2023. The performance was driven by profit transformation initiatives, synergy benefits, and price-cost strategies. Non-GAAP to GAAP reconciliations follow the financial statements in this release.
- **Elevated earnings visibility in 2025 and 2026.** The Corporation continues to expect significant savings from the Kimball International (“KII”) acquisition synergies and from the ramp-up of its Mexico facility to benefit the 2025-2026 period. These two initiatives are expected to contribute an additional \$0.70 to \$0.80 of EPS over the next two years.
- **2025 outlook points to a return of net sales growth.** Workplace Furnishings order rates, backlog levels, and pre-order metrics remain encouraging. Fourth quarter Residential Building Products orders grew eight percent compared to the prior year, with quarter-to-date growth continuing. Segment backlog is up double-digits year-on-year. Given these positive indicators and improving business sentiment, consolidated net sales growth is expected to return in 2025. Most of the increase is expected to come from Workplace Furnishings, with year-over-year growth rates increasing as the year progresses.
- **Strong balance sheet and cash flow.** Operating cash flow exceeded \$225 million in 2024 and year-ending gross debt leverage was 1.1x, as calculated in accordance with the Corporation’s debt agreements. That ratio was unchanged from the end of the third quarter of 2024. The Corporation deployed cash flow by further accelerating stock repurchase activity in the fourth quarter, while

maintaining its longstanding quarterly dividend. For the year, gross buybacks and dividends paid totaled \$129 million.

“Our strong full-year results, in both segments, demonstrate the strength of our strategies and customer-first business model. Our members delivered another year of excellent operational and financial performance. Full-year non-GAAP EPS grew more than 15 percent year-over-year, our third straight year of double-digit earnings growth. Our earnings per share reached a new record in 2024.

“In the Workplace Furnishings segment, our profit transformation plan and recognition of KII synergies delivered 44 percent full-year segment non-GAAP operating profit growth. Segment non-GAAP operating profit margin of 9.5 percent expanded to the highest annual level since 2007. While our fourth quarter profitability was impacted by lower year-on-year net sales, pre-order metrics continue to show improvement, backlog levels are up, and return-to-office plans are gaining momentum, all pointing to a return of net sales growth in 2025. And we are increasingly focusing our investments on driving growth in this segment.

“In Residential Building Products, we expanded segment non-GAAP operating profit margin 50 basis points for the full year, despite a challenging housing market that impacted net sales in the fourth quarter and fiscal year. Our results demonstrate the dedication of our members and strength of our business model. We believe in the long-term opportunities tied to the broader housing market, and in the strength of our market-leading positions and profitable operating model. And we continue to invest accordingly.

“Again in 2024, we demonstrated our ability to manage through all parts of the economic cycle. And we expect continued strong results going forward, driven largely by our margin expansion efforts. However, ongoing economic volatility—tied to tariff uncertainty and rising inflation expectations, still-elevated interest rates, and weaker consumer sentiment—points to ongoing demand volatility in 2025,” stated Jeff Lorenger, Chairman, President, and Chief Executive Officer.

## HNI Corporation — Fourth Quarter Results

| <b>HNI Corporation – Fourth Quarter Financial Performance</b> |                      |                      |          |
|---------------------------------------------------------------|----------------------|----------------------|----------|
| (Dollars in millions, except per share data)                  |                      |                      |          |
|                                                               | Three Months Ended   |                      | Change   |
|                                                               | December 28,<br>2024 | December 30,<br>2023 |          |
| <b>GAAP</b>                                                   |                      |                      |          |
| Net Sales                                                     | \$642.5              | \$679.8              | (5.5%)   |
| Gross Profit %                                                | 40.5%                | 40.2%                | 30 bps   |
| SG&A %                                                        | 31.6%                | 31.0%                | 60 bps   |
| Restructuring and Impairment Charges %                        | 0.4%                 | 4.6%                 | -420 bps |
| Operating Income                                              | \$54.6               | \$30.7               | 78.0%    |
| Operating Income %                                            | 8.5%                 | 4.5%                 | 400 bps  |
| Effective Tax Rate                                            | 22.5%                | 0.0%                 |          |
| Net Income %                                                  | 6.0%                 | 3.3%                 | 270 bps  |
| EPS – diluted                                                 | \$0.79               | \$0.48               | 64.6%    |
| <b>Non-GAAP</b>                                               |                      |                      |          |
| Gross Profit %                                                | 40.9%                | 40.2%                | 70 bps   |
| Operating Income                                              | \$59.7               | \$66.1               | (9.7%)   |
| Operating Income %                                            | 9.3%                 | 9.7%                 | -40 bps  |
| Effective Tax Rate                                            | 22.5%                | 19.5%                |          |
| EPS – diluted                                                 | \$0.87               | \$0.98               | (11.2%)  |

## HNI Corporation — Fourth Quarter Summary Comments

- **Consolidated net sales** decreased 5.5 percent from the prior-year quarter to \$642.5 million. Soft market conditions in Workplace Furnishings and Residential Building Products drove year-over-year net sales down at similar rates in both segments.
- **Gross profit** as a percent of sales expanded 30 basis points compared to the prior-year quarter, driven by improved net productivity, partially offset by lower sales volume and higher restructuring costs recorded to cost of sales as a result of factory consolidation initiatives in Workplace Furnishings.
- **Selling and administrative expenses** as a percent of sales increased 60 basis points from the prior-year quarter. This increase was driven by reduced net sales, partially offset by lower variable compensation in the current year and prior-year KII acquisition-related expenses of \$3.6 million.
- **Restructuring and impairment charges** totaled \$2.5 million in the current-year quarter, primarily in connection with factory consolidation initiatives in Workplace Furnishings. In the prior-year quarter, the Corporation incurred \$31.4 million of restructuring and impairment charges, primarily from goodwill and intangible asset impairments related to small business units in the Workplace Furnishings segment.
- **Net income per diluted share** was \$0.79 compared to \$0.48 in the prior-year quarter. On a non-GAAP basis, net income per diluted share declined to \$0.87 from \$0.98 in the prior-year quarter, primarily driven by lower sales volume, partially offset by improved net productivity, lower variable compensation, favorable price-cost, and reduced interest expense.

- **Income tax rate** comparability versus the prior-year quarter was impacted by the effects of the Kimball International acquisition and impairment charges in 2023.

## HNI Corporation — Full-Year Results

| <b>HNI Corporation — Full-Year Financial Performance</b> |                      |                      |          |
|----------------------------------------------------------|----------------------|----------------------|----------|
| (Dollars in millions, except per share data)             |                      |                      |          |
|                                                          | Twelve Months Ended  |                      | Change   |
|                                                          | December 28,<br>2024 | December 30,<br>2023 |          |
| <b>GAAP</b>                                              |                      |                      |          |
| Net Sales                                                | \$2,526.4            | \$2,434.0            | 3.8%     |
| Gross Profit %                                           | 40.9%                | 39.0%                | 190 bps  |
| SG&A %                                                   | 32.5%                | 33.4%                | -90 bps  |
| Restructuring and Impairment Charges %                   | 0.2%                 | 1.8%                 | -160 bps |
| Operating Income                                         | \$206.5              | \$90.3               | 129%     |
| Operating Income %                                       | 8.2%                 | 3.7%                 | 450 bps  |
| Effective Tax Rate                                       | 22.2%                | 24.1%                |          |
| Net Income %                                             | 5.5%                 | 2.0%                 | 350 bps  |
| EPS – diluted                                            | \$2.88               | \$1.09               | 164%     |
| <b>Non-GAAP</b>                                          |                      |                      |          |
| Gross Profit %                                           | 41.1%                | 39.0%                | 210 bps  |
| Operating Income                                         | \$217.8              | \$178.1              | 22.3%    |
| Operating Income %                                       | 8.6%                 | 7.3%                 | 130 bps  |
| Effective Tax Rate                                       | 22.2%                | 21.3%                |          |
| EPS – diluted                                            | \$3.06               | \$2.65               | 15.5%    |

The following table presents results for (1) the Corporation’s legacy business, excluding the impacts of KII (“Legacy HNI”) and (2) KII. Please refer to non-GAAP reconciliations, which follow the financial statements in this release for further information on the adjustments made to calculate non-GAAP performance.

| <b>HNI Corporation – Full-Year Impact of Kimball International Acquisition</b> |                     |         |                  |                   |         |                   |
|--------------------------------------------------------------------------------|---------------------|---------|------------------|-------------------|---------|-------------------|
| (Dollars in millions, except per share data)                                   |                     |         |                  |                   |         |                   |
|                                                                                | Twelve Months Ended |         |                  |                   |         |                   |
|                                                                                | December 28, 2024   |         |                  | December 30, 2023 |         |                   |
|                                                                                | Legacy HNI          | KII     | Consolidated HNI | Legacy HNI        | KII*    | Consolidated HNI* |
| <b>GAAP</b>                                                                    |                     |         |                  |                   |         |                   |
| Net Sales                                                                      | \$1,932.0           | \$594.4 | \$2,526.4        | \$2,072.6         | \$361.4 | \$2,434.0         |
| Gross Profit                                                                   | \$791.1             | \$242.3 | \$1,033.4        | \$798.6           | \$149.6 | \$948.3           |
| Gross Profit %                                                                 | 40.9%               | 40.8%   | 40.9%            | 38.5%             | 41.4%   | 39.0%             |
| Restructuring and Impairment                                                   | \$5.9               | \$0.3   | \$6.2            | \$35.8            | \$9.0   | \$44.8            |
| Operating Income                                                               | \$138.6             | \$67.9  | \$206.5          | \$78.9            | \$11.3  | \$90.3            |
| Operating Income %                                                             | 7.2%                | 11.4%   | 8.2%             | 3.8%              | 3.1%    | 3.7%              |
| EPS - diluted                                                                  |                     |         | \$2.88           |                   |         | \$1.09            |
| <b>Non-GAAP</b>                                                                |                     |         |                  |                   |         |                   |
| Gross Profit                                                                   | \$795.4             | \$243.0 | \$1,038.4        | \$799.5           | \$149.6 | \$949.2           |
| Gross Profit %                                                                 | 41.2%               | 40.9%   | 41.1%            | 38.6%             | 41.4%   | 39.0%             |
| Operating Income                                                               | \$148.9             | \$68.9  | \$217.8          | \$145.3           | \$32.8  | \$178.1           |
| Operating Income %                                                             | 7.7%                | 11.6%   | 8.6%             | 7.0%              | 9.1%    | 7.3%              |
| EPS - diluted                                                                  | \$2.55              |         | \$3.06           | \$2.50            |         | \$2.65            |

\*2023 fiscal year results reflect seven months of KII and approximately three and a half months of KII's Poppin business that was divested in the third quarter of 2023.

#### HNI Corporation — Full-Year Summary Comments

- **Consolidated net sales** increased 3.8 percent from the prior year to \$2.526 billion. On an organic basis, net sales decreased 5.1 percent compared to the prior year. The prior-year acquisition of Kimball International increased year-over-year sales by \$228.0 million, while the prior-year divestiture of Kimball's Poppin business decreased year-over-year sales by \$11.1 million. A reconciliation of organic net sales, a non-GAAP financial measure, to net sales follows the financial statements in this release.
- **Gross profit** as a percent of sales expanded 190 basis points compared to the prior year. This increase was driven by improved net productivity and favorable price-cost, partially offset by lower organic net sales volume.
- **Selling and administrative expenses** as a percent of sales decreased 90 basis points compared to the prior year. This decrease was driven by \$41.2 million of prior-year KII acquisition-related expenses and current-year acquisition-related cost synergies, partially offset by lower organic net sales volume.
- **Restructuring and impairment costs** in the current year of \$6.2 million were primarily incurred in connection with factory consolidation initiatives in Workplace Furnishings and reorganization efforts in Residential Building Products. Prior-year restructuring and impairment charges were primarily comprised of \$31.0 million of goodwill and intangible asset impairments related to small business units in the Workplace Furnishings segment and \$9.8 million incurred in connection with the divestiture of Poppin.
- **Net income per diluted share** was \$2.88 compared to \$1.09 in the prior year. On a non-GAAP basis, net income per diluted share increased to \$3.06 compared to \$2.65 in the prior year, driven by improved net

productivity, favorable price-cost, and the net benefit of the Kimball International acquisition, partially offset by lower organic net sales volume.

### Workplace Furnishings — Fourth Quarter and Full-Year Results

| <b>Workplace Furnishings – Financial Performance</b> |                    |                   |         |                     |                   |         |
|------------------------------------------------------|--------------------|-------------------|---------|---------------------|-------------------|---------|
| (Dollars in millions)                                |                    |                   |         |                     |                   |         |
|                                                      | Three Months Ended |                   |         | Twelve Months Ended |                   |         |
|                                                      | December 28, 2024  | December 30, 2023 | Change  | December 28, 2024   | December 30, 2023 | Change  |
| <b>GAAP</b>                                          |                    |                   |         |                     |                   |         |
| Net Sales                                            | \$462.9            | \$490.7           | (5.7%)  | \$1,888.0           | \$1,740.3         | 8.5%    |
| Operating Income                                     | \$30.7             | \$9.5             | 225%    | \$169.1             | \$68.6            | 146%    |
| Operating Income %                                   | 6.6%               | 1.9%              | 470 bps | 9.0%                | 3.9%              | 510 bps |
| <b>Non-GAAP</b>                                      |                    |                   |         |                     |                   |         |
| Operating Income                                     | \$35.7             | \$40.4            | (11.4%) | \$179.2             | \$124.5           | 44.0%   |
| Operating Income %                                   | 7.7%               | 8.2%              | -50 bps | 9.5%                | 7.2 %             | 230 bps |

The following tables present results for (1) the Corporation’s legacy workplace furnishings business, excluding the impacts of KII (“Legacy Workplace”) and (2) KII. Please refer to non-GAAP reconciliations, which follow the financial statements in this release for further information on the adjustments made to calculate non-GAAP performance.

| <b>Workplace Furnishings – Full-Year Impact of Kimball International Acquisition</b> |                     |         |                 |                   |         |                  |
|--------------------------------------------------------------------------------------|---------------------|---------|-----------------|-------------------|---------|------------------|
| (Dollars in millions)                                                                |                     |         |                 |                   |         |                  |
|                                                                                      | Twelve Months Ended |         |                 |                   |         |                  |
|                                                                                      | December 28, 2024   |         |                 | December 30, 2023 |         |                  |
|                                                                                      | Legacy Workplace    | KII     | Total Workplace | Legacy Workplace  | KII*    | Total Workplace* |
| <b>GAAP</b>                                                                          |                     |         |                 |                   |         |                  |
| Net Sales                                                                            | \$1,293.6           | \$594.4 | \$1,888.0       | \$1,378.8         | \$361.4 | \$1,740.3        |
| Operating Income                                                                     | \$101.2             | \$67.9  | \$169.1         | 57.3              | 11.3    | \$68.6           |
| Operating Income %                                                                   | 7.8%                | 11.4%   | 9.0%            | 4.2%              | 3.1%    | 3.9%             |
| <b>Non-GAAP</b>                                                                      |                     |         |                 |                   |         |                  |
| Operating Income                                                                     | \$110.3             | \$68.9  | \$179.2         | \$91.6            | \$32.8  | \$124.5          |
| Operating Income %                                                                   | 8.5%                | 11.6%   | 9.5%            | 6.6%              | 9.1%    | 7.2%             |

\*2023 fiscal year results reflect seven months of KII and approximately three and a half months of KII's Poppin business that was divested in the third quarter of 2023.

### Workplace Furnishings — Fourth Quarter Summary Comments

- **Workplace Furnishings net sales** decreased 5.7 percent from the prior-year quarter to \$462.9 million, driven by soft market conditions in most customer channels.
- **Workplace Furnishings operating profit margin** of 6.6 percent expanded 470 basis points versus the prior-year period, driven by a \$24.5 million decrease in restructuring and impairment charges. On a non-GAAP basis, segment operating profit margin of 7.7 percent compressed 50 basis points, driven by lower sales volume, partially offset by improved net productivity and lower core SG&A.

### Workplace Furnishings — Full-Year Summary Comments

- **Workplace Furnishings net sales** increased 8.5 percent from the prior year to \$1.888 billion. On an organic basis, net sales decreased 4.0 percent from the prior year. The impact of the Kimball International acquisition in the second quarter of 2023 increased sales by \$228.0 million over the prior year, while the divestiture of the Poppin business in the third quarter of 2023 decreased sales \$11.1 million year-over-year.
- **Workplace Furnishings operating profit margin** of 9.0 percent improved 510 basis points, driven by a \$33.3 million decrease in restructuring and impairment charges and prior-year KII acquisition-related expenses of \$12.5 million. On a non-GAAP basis, segment operating profit margin of 9.5 percent expanded 230 basis points year-over-year, primarily driven by enhanced net productivity, favorable impacts of the Kimball International acquisition, and improved price-cost, partially offset by lower organic net sales volume.

### Residential Building Products — Fourth Quarter and Full-Year Results

| Residential Building Products – Financial Performance |                    |                   |         |                     |                   |        |
|-------------------------------------------------------|--------------------|-------------------|---------|---------------------|-------------------|--------|
| (Dollars in millions)                                 |                    |                   |         |                     |                   |        |
|                                                       | Three Months Ended |                   |         | Twelve Months Ended |                   |        |
|                                                       | December 28, 2024  | December 30, 2023 | Change  | December 28, 2024   | December 30, 2023 | Change |
| <b>GAAP</b>                                           |                    |                   |         |                     |                   |        |
| Net Sales                                             | \$179.6            | \$189.1           | (5.0%)  | \$638.4             | \$693.7           | (8.0%) |
| Operating Income                                      | \$39.8             | \$42.1            | (5.5%)  | \$110.8             | \$116.6           | (5.0%) |
| Operating Income %                                    | 22.2%              | 22.3%             | -10 bps | 17.4%               | 16.8%             | 60 bps |
| <b>Non-GAAP</b>                                       |                    |                   |         |                     |                   |        |
| Operating Income                                      | \$39.8             | \$42.1            | (5.5%)  | \$111.9             | \$117.8           | (5.0%) |
| Operating Income %                                    | 22.2%              | 22.3%             | -10 bps | 17.5%               | 17.0%             | 50 bps |

### Residential Building Products — Fourth Quarter Summary Comments

- **Residential Building Products net sales** decreased 5.0 percent from the prior-year quarter to \$179.6 million. Remodel-retrofit sales declined at a higher rate than new construction.
- **Residential Building Products operating profit margin** of 22.2 percent decreased 10 basis points, driven by lower sales volume, partially offset by favorable price-cost and lower variable compensation.

## Residential Building Products — Full-Year Summary Comments

- **Residential Building Products net sales** decreased 8.0 percent from the prior year to \$638.4 million. Remodel-retrofit sales declined at a higher rate than new construction.
- **Residential Building Products operating profit margin** of 17.4 percent increased 60 basis points due to improved net productivity, favorable price-cost, lower variable compensation, and favorable product mix, partially offset by lower sales volume. Segment non-GAAP operating profit margin was 17.5 percent, an improvement of 50 basis points year-over-year.

## Fourth Quarter Orders

- **In the Workplace Furnishings segment**, orders in the fourth quarter were up two percent compared to the prior-year period on an organic basis. Orders from contract customers performed better than those from small-to-medium-sized customers.
- **Orders in the Residential Building Products segment** increased eight percent compared to the fourth quarter of 2023, driven partially by prior-year comparisons related to remodel-retrofit channel inventory correction in 2023. Remodel-retrofit orders outperformed those from the new construction channel.

## Outlook

- **First quarter demand environment.** The Corporation expects first quarter 2025 net sales in Workplace Furnishings to decrease at a low-to-mid single-digit rate year-over-year. In Residential Building Products, first quarter 2025 net sales are expected to increase mid-single digits compared to the same period in 2024.
- **First quarter non-GAAP earnings per share.** When including the anticipated impact of tariffs, non-GAAP earnings per share in the first quarter of 2025 are expected to decrease slightly from 2024 levels. Excluding a temporary drag from tariffs, the Corporation would have expected first quarter non-GAAP earnings per share to increase modestly driven by increasing productivity, partially offset by investments.
- **2025 net sales outlook.** For the full year 2025, the Corporation expects year-over-year net sales growth in the low-to-mid single digits in both segments. In Workplace Furnishings, the benefits of improving pre-order, order, and backlog metrics are expected to drive net sales growth beginning in the second quarter, with year-over-year growth rates improving as the year progresses. In Residential Building Products, the majority of the year-over-year growth is expected late in 2025, as comparisons ease.
- **Double-digit EPS growth in 2025, and elevated earnings growth visibility through 2026.** The Corporation expects another year of double-digit EPS growth in 2025, driven by KII synergies, the ramp-up of the Mexico facility, and increased profits from net sales growth. The remaining \$0.70 to \$0.80 of incremental EPS benefit from KII and Mexico are expected to be evenly distributed between 2025 and 2026, providing strong earnings visibility over the next two years. For the full year, the Corporation expects to fully offset any tariff-driven pressures.
- **Balance sheet.** The Corporation's low leverage and strong cash flow generation will provide substantial capacity for capital deployment. Current priorities for capital deployment are reinvesting in the business, funding dividends, pursuing share buybacks, and exploring M&A opportunities.

## **Concluding Remarks**

“Over the last three years, our strategies and the dedication of our members have driven non-GAAP EPS growth of nearly 90 percent and expanded consolidated operating margin by 400 basis points despite an unstable macroeconomic environment. In Workplace Furnishings, our profit transformation initiatives and the addition of Kimball International have expanded operating margin more than 800 basis points, and segment operating profit has grown \$165 million from 2021 levels. Our ongoing profit transformation initiatives and expectations of improving net sales growth point to continued year-over-year profit and margin improvement.

“In Residential Building Products, we have effectively managed our cost structure to navigate housing market volatility caused by elevated interest rates and affordability pressures. Despite these challenges, our non-GAAP operating profit margin in 2024 expanded 50 basis points, while we continued to invest in long-term growth initiatives, enhancing customer connectivity, and building leading brands. As demand trends recover, we are uniquely positioned to drive high-margin growth in this business.

“Our balance sheet is in great shape and our cash flow remains consistent and strong. Our members remain focused on expanding margins in Workplace Furnishings and driving long-term high-margin net sales growth in Residential Building Products.

“As we enter 2025, despite ongoing macroeconomic uncertainty and demand volatility, we maintain elevated earnings visibility through 2026 and have a renewed focus on driving net sales growth,” concluded Mr. Lorenger.

### **Conference Call**

HNI Corporation will host a conference call on Thursday, February 20, 2025 at 10:00 a.m. (Central) to discuss fourth quarter and fiscal year 2024 results. To participate, call 1-855-761-5600 – conference ID number 7175411. Both a live webcast and webcast replay will be available on HNI Corporation’s website at <https://investors.hnicorp.com/events-and-presentations>.

### **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](http://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 Corporation’s expectations for net sales and EPS, future levels of demand, anticipated macroeconomic conditions, expected differences in seasonality and its results on the Corporation’s results of operations, the anticipated benefits and cost synergies of the acquisition of Kimball International, and future levels of productivity. 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. Actual results could differ materially from those anticipated in the forward-looking statements and from historical results due to the risks and uncertainties described elsewhere in this release, including but not limited to: the Corporation’s ultimate realization of the anticipated benefits of the acquisition of Kimball International; disruptions in the global supply chain; the effects of prolonged periods of inflation and rising interest rates; labor shortages; the levels of office furniture needs and housing starts; overall demand for the Corporation’s products; general economic and market conditions in the United States and internationally; industry and competitive conditions; the consolidation and concentration of the Corporation’s customers; the Corporation’s reliance on its network of independent dealers; 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; cybersecurity threats, including those posed by potential ransomware attacks; impacts of tax legislation; and force majeure events outside the Corporation’s control, including those that may result from the effects of climate change. 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 millions, except per share data)

|                                                                          | (Unaudited)          |                      |                      |                      |
|--------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                                                          | Three Months Ended   |                      | Twelve Months Ended  |                      |
|                                                                          | December 28,<br>2024 | December 30,<br>2023 | December 28,<br>2024 | December 30,<br>2023 |
| Net sales                                                                | \$ 642.5             | \$ 679.8             | \$ 2,526.4           | \$ 2,434.0           |
| Cost of sales                                                            | 382.1                | 406.7                | 1,493.0              | 1,485.7              |
| Gross profit                                                             | 260.4                | 273.1                | 1,033.4              | 948.3                |
| Selling and administrative expenses                                      | 203.3                | 211.0                | 820.7                | 813.2                |
| Restructuring and impairment charges                                     | 2.5                  | 31.4                 | 6.2                  | 44.8                 |
| Operating income                                                         | 54.6                 | 30.7                 | 206.5                | 90.3                 |
| Interest expense, net                                                    | 5.1                  | 7.9                  | 27.2                 | 25.5                 |
| Income before income taxes                                               | 49.5                 | 22.7                 | 179.3                | 64.8                 |
| Income taxes                                                             | 11.2                 | 0.0                  | 39.8                 | 15.6                 |
| Net income                                                               | 38.3                 | 22.7                 | 139.5                | 49.2                 |
| Less: Net income attributable to non-controlling interest                | 0.0                  | 0.0                  | 0.0                  | 0.0                  |
| Net income attributable to HNI Corporation                               | <u>\$ 38.3</u>       | <u>\$ 22.7</u>       | <u>\$ 139.5</u>      | <u>\$ 49.2</u>       |
| <br>                                                                     |                      |                      |                      |                      |
| Average number of common shares outstanding – basic                      | 47.5                 | 46.7                 | 47.4                 | 44.5                 |
| Net income attributable to HNI Corporation per common share – basic      | <u>\$ 0.81</u>       | <u>\$ 0.49</u>       | <u>\$ 2.95</u>       | <u>\$ 1.11</u>       |
| <br>                                                                     |                      |                      |                      |                      |
| Average number of common shares outstanding – diluted                    | 48.6                 | 47.7                 | 48.5                 | 45.4                 |
| Net income attributable to HNI Corporation per common share – diluted    | <u>\$ 0.79</u>       | <u>\$ 0.48</u>       | <u>\$ 2.88</u>       | <u>\$ 1.09</u>       |
| <br>                                                                     |                      |                      |                      |                      |
| Foreign currency translation adjustments                                 | \$ (0.3)             | \$ (0.0)             | \$ (0.4)             | \$ (0.2)             |
| Change in unrealized gains (losses) on marketable securities, net of tax | (0.2)                | 0.3                  | 0.1                  | 0.4                  |
| Change in pension and post-retirement liability, net of tax              | 1.1                  | (0.0)                | 1.1                  | (0.0)                |
| Change in derivative financial instruments, net of tax                   | 1.6                  | (2.7)                | 1.6                  | (2.8)                |
| Other comprehensive income (loss), net of tax                            | 2.2                  | (2.4)                | 2.4                  | (2.6)                |
| Comprehensive income                                                     | 40.5                 | 20.3                 | 141.9                | 46.6                 |
| Less: Comprehensive income attributable to non-controlling interest      | 0.0                  | 0.0                  | 0.0                  | 0.0                  |
| Comprehensive income attributable to HNI Corporation                     | <u>\$ 40.5</u>       | <u>\$ 20.3</u>       | <u>\$ 141.9</u>      | <u>\$ 46.6</u>       |

*Amounts may not sum due to rounding.*

**HNI Corporation and Subsidiaries**  
**Condensed Consolidated Balance Sheets**

(In millions)  
(Unaudited)

|                                                   | December 28,<br>2024 | December 30,<br>2023 |
|---------------------------------------------------|----------------------|----------------------|
| <b>Assets</b>                                     |                      |                      |
| Current Assets:                                   |                      |                      |
| Cash and cash equivalents                         | \$ 22.5              | \$ 28.9              |
| Short-term investments                            | 6.4                  | 5.6                  |
| Receivables                                       | 248.4                | 247.1                |
| Allowance for doubtful accounts                   | (2.0)                | (3.5)                |
| Inventories, net                                  | 194.3                | 196.6                |
| Prepaid expenses and other current assets         | 54.9                 | 61.3                 |
| Total Current Assets                              | 524.5                | 535.9                |
| Property, Plant, and Equipment:                   |                      |                      |
| Land and land improvements                        | 58.5                 | 58.9                 |
| Buildings                                         | 407.9                | 406.8                |
| Machinery and equipment                           | 685.9                | 705.8                |
| Construction in progress                          | 25.9                 | 22.2                 |
|                                                   | 1,178.2              | 1,193.7              |
| Less accumulated depreciation                     | (648.6)              | (638.5)              |
| Net Property, Plant, and Equipment                | 529.6                | 555.2                |
| Right-of-use Finance Leases                       | 14.3                 | 12.2                 |
| Right-of-use Operating Leases                     | 121.8                | 115.2                |
| Goodwill and Other Intangible Assets, net         | 624.3                | 651.9                |
| Other Assets                                      | 60.7                 | 58.4                 |
| Total Assets                                      | \$ 1,875.1           | \$ 1,928.8           |
| <b>Liabilities and Equity</b>                     |                      |                      |
| Current Liabilities:                              |                      |                      |
| Accounts payable and accrued expenses             | \$ 391.2             | \$ 418.7             |
| Current maturities of debt                        | 50.3                 | 7.5                  |
| Current maturities of other long-term obligations | 2.3                  | 7.3                  |
| Current lease obligations - Finance               | 5.6                  | 4.4                  |
| Current lease obligations - Operating             | 28.1                 | 25.9                 |
| Total Current Liabilities                         | 477.5                | 463.7                |
| Long-Term Debt                                    | 294.3                | 428.3                |
| Long-Term Lease Obligations - Finance             | 8.9                  | 7.9                  |
| Long-Term Lease Obligations - Operating           | 109.6                | 104.0                |
| Other Long-Term Liabilities                       | 72.9                 | 78.0                 |
| Deferred Income Taxes                             | 71.6                 | 85.1                 |
| Total Liabilities                                 | 1,034.7              | 1,167.0              |
| Equity:                                           |                      |                      |
| HNI Corporation shareholders' equity              | 840.1                | 761.4                |
| Non-controlling interest                          | 0.3                  | 0.3                  |
| Total Equity                                      | 840.4                | 761.8                |
| Total Liabilities and Equity                      | \$ 1,875.1           | \$ 1,928.8           |

*Amounts may not sum due to rounding.*

HNI Corporation and Subsidiaries  
**Condensed Consolidated Statements of Cash Flows**

(In millions)

(Unaudited)

|                                                                       | Twelve Months Ended  |                      |
|-----------------------------------------------------------------------|----------------------|----------------------|
|                                                                       | December 28,<br>2024 | December 30,<br>2023 |
| Net Cash Flows From (To) Operating Activities:                        |                      |                      |
| Net income                                                            | \$ 139.5             | \$ 49.2              |
| Non-cash items included in net income:                                |                      |                      |
| Depreciation and amortization                                         | 107.8                | 94.9                 |
| Other post-retirement and post-employment benefits                    | 1.1                  | 1.1                  |
| Stock-based compensation                                              | 17.4                 | 16.5                 |
| Deferred income taxes                                                 | (14.1)               | (0.6)                |
| Asset impairment charges                                              | —                    | 31.5                 |
| Other – net                                                           | 5.5                  | 5.1                  |
| Net increase (decrease) in cash from operating assets and liabilities | (19.1)               | 76.5                 |
| Decrease in other liabilities                                         | (11.4)               | (6.6)                |
| Net cash flows from (to) operating activities                         | 226.7                | 267.5                |
| Net Cash Flows From (To) Investing Activities:                        |                      |                      |
| Capital expenditures                                                  | (50.6)               | (78.1)               |
| Acquisition spending, net of cash acquired                            | —                    | (369.7)              |
| Capitalized software                                                  | (2.3)                | (1.0)                |
| Purchase of investments                                               | (3.2)                | (5.7)                |
| Sales or maturities of investments                                    | 4.7                  | 5.4                  |
| Net proceeds from sale of subsidiary                                  | —                    | 2.7                  |
| Other – net                                                           | 0.4                  | 1.6                  |
| Net cash flows from (to) investing activities                         | (51.0)               | (444.8)              |
| Net Cash Flows From (To) Financing Activities:                        |                      |                      |
| Payments of debt                                                      | (420.6)              | (436.0)              |
| Proceeds from debt                                                    | 328.2                | 684.0                |
| Dividends paid                                                        | (63.6)               | (58.5)               |
| Purchase of HNI Corporation common stock                              | (65.8)               | (0.3)                |
| Proceeds from sales of HNI Corporation common stock                   | 51.2                 | 2.3                  |
| Other – net                                                           | (11.6)               | (2.8)                |
| Net cash flows from (to) financing activities                         | (182.2)              | 188.8                |
| Net increase (decrease) in cash and cash equivalents                  | (6.4)                | 11.5                 |
| Cash and cash equivalents at beginning of period                      | 28.9                 | 17.4                 |
| Cash and cash equivalents at end of period                            | \$ 22.5              | \$ 28.9              |

*Amounts may not sum due to rounding.*

HNI Corporation and Subsidiaries  
**Reportable Segment Data**

(In millions)

(Unaudited)

|                                                               | Three Months Ended   |                      | Twelve Months Ended           |                               |
|---------------------------------------------------------------|----------------------|----------------------|-------------------------------|-------------------------------|
|                                                               | December 28,<br>2024 | December 30,<br>2023 | December 28,<br>2024          | December 30,<br>2023          |
| <b>Net Sales:</b>                                             |                      |                      |                               |                               |
| Workplace Furnishings                                         | \$ 462.9             | \$ 490.7             | \$ 1,888.0                    | \$ 1,740.3                    |
| Residential Building Products                                 | 179.6                | 189.1                | 638.4                         | 693.7                         |
| Total                                                         | <u>\$ 642.5</u>      | <u>\$ 679.8</u>      | <u>\$ 2,526.4</u>             | <u>\$ 2,434.0</u>             |
| <b>Cost of Sales:</b>                                         |                      |                      |                               |                               |
| Workplace furnishings                                         | \$ 285.2             | \$ 304.3             | \$ 1,140.6                    | \$ 1,091.8                    |
| Residential building products                                 | 96.9                 | 102.4                | 352.4                         | 393.9                         |
| Total                                                         | <u>\$ 382.1</u>      | <u>\$ 406.7</u>      | <u>\$ 1,493.0</u>             | <u>\$ 1,485.7</u>             |
| <b>Selling and Administrative Expenses:</b>                   |                      |                      |                               |                               |
| Workplace furnishings                                         | \$ 144.5             | \$ 147.9             | \$ 573.3                      | \$ 537.3                      |
| Residential building products                                 | 42.9                 | 44.5                 | 174.0                         | 183.2                         |
| General corporate                                             | 16.0                 | 18.6                 | 73.4                          | 92.6                          |
| Total                                                         | <u>\$ 203.3</u>      | <u>\$ 211.0</u>      | <u>\$ 820.7</u>               | <u>\$ 813.2</u>               |
| <b>Restructuring and Impairment Charges:</b>                  |                      |                      |                               |                               |
| Workplace furnishings                                         | \$ 2.5               | \$ 29.1              | \$ 5.1                        | \$ 42.5                       |
| Residential building products                                 | —                    | —                    | 1.1                           | —                             |
| General corporate                                             | —                    | 2.3                  | —                             | 2.3                           |
| Total                                                         | <u>\$ 2.5</u>        | <u>\$ 31.4</u>       | <u>\$ 6.2</u>                 | <u>\$ 44.8</u>                |
| <b>Operating Income (Loss):</b>                               |                      |                      |                               |                               |
| Workplace Furnishings                                         | \$ 30.7              | \$ 9.5               | \$ 169.1                      | \$ 68.6                       |
| Residential Building Products                                 | 39.8                 | 42.1                 | 110.8                         | 116.6                         |
| General corporate                                             | (16.0)               | (20.9)               | (73.4)                        | (94.9)                        |
| Total                                                         | <u>\$ 54.6</u>       | <u>\$ 30.7</u>       | <u>\$ 206.5</u>               | <u>\$ 90.3</u>                |
| <b>Interest Expense, Net</b>                                  | 5.1                  | 7.9                  | 27.2                          | 25.5                          |
| <b>Income Before Income Taxes</b>                             | <u>\$ 49.5</u>       | <u>\$ 22.7</u>       | <u>\$ 179.3</u>               | <u>\$ 64.8</u>                |
| <b>Depreciation and Amortization Expense:</b>                 |                      |                      |                               |                               |
| Workplace Furnishings                                         | \$ 19.2              | \$ 17.8              | \$ 73.5                       | \$ 59.5                       |
| Residential Building Products                                 | 3.6                  | 3.5                  | 14.3                          | 13.7                          |
| General corporate                                             | 4.9                  | 5.2                  | 20.1                          | 21.6                          |
| Total                                                         | <u>\$ 27.7</u>       | <u>\$ 26.5</u>       | <u>\$ 107.8</u>               | <u>\$ 94.9</u>                |
| <b>Capital Expenditures (including capitalized software):</b> |                      |                      |                               |                               |
| Workplace Furnishings                                         | \$ 6.5               | \$ 12.2              | \$ 36.2                       | \$ 62.7                       |
| Residential Building Products                                 | 2.2                  | 2.5                  | 8.2                           | 12.6                          |
| General corporate                                             | 0.9                  | 1.6                  | 8.4                           | 3.7                           |
| Total                                                         | <u>\$ 9.7</u>        | <u>\$ 16.3</u>       | <u>\$ 52.9</u>                | <u>\$ 79.1</u>                |
| <b>Identifiable Assets:</b>                                   |                      |                      | As of<br>December 28,<br>2024 | As of<br>December 30,<br>2023 |
| Workplace Furnishings                                         |                      |                      | \$ 1,282.6                    | \$ 1,311.4                    |
| Residential Building Products                                 |                      |                      | 465.8                         | 467.1                         |
| General corporate                                             |                      |                      | 126.7                         | 150.3                         |
| Total                                                         |                      |                      | <u>\$ 1,875.1</u>             | <u>\$ 1,928.8</u>             |

*Amounts may not sum due to rounding.*

## **Non-GAAP Financial Measures**

This earnings release includes certain non-GAAP financial measures as defined by Securities and Exchange Commission Regulation G. Pursuant to the requirements of this regulation, reconciliations of historical non-GAAP financial measures to the most directly comparable historical GAAP measures are included below. 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 similarly titled non-GAAP financial measures used by other companies, limiting their usefulness for comparison purposes.

To supplement the condensed consolidated financial statements and our segment results, which are prepared and presented in accordance with GAAP, this earnings release contains the following non-GAAP financial measures for full year or interim periods: organic net sales and non-GAAP gross profit, operating income, operating profit, income taxes, effective tax rate, net income, and net income 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 tables below. Generally, non-GAAP EPS is calculated using HNI's overall effective tax rate for the period, as this rate is reflective of the tax applicable to most non-GAAP adjustments. In the prior year and prior-year quarter, the effective tax rate used to calculate non-GAAP EPS differs from the GAAP effective tax rate primarily due to the impact of nondeductible charges associated with the acquisition of Kimball International. Additionally, non-GAAP EPS for the Legacy HNI business is calculated by excluding the impact of new issuances of HNI common stock and HNI restricted stock units made in connection with the acquisition of Kimball International.

The sales adjustments to arrive at the non-GAAP organic net sales information presented in this earnings release relate to the exclusion of net sales of KII for a portion of the current full-year period, and Poppin for the prior full-year period. The transactions excluded for purposes of other non-GAAP financial information included in this earnings release include: professional fees and other costs related to the acquisition of Kimball International; restructuring charges recorded to cost of sales comprised of accelerated depreciation, asset disposals, inventory valuation adjustments, and relocation and new facility setup costs in the Workplace Furnishings segment; current- and prior-period costs associated with the exit of Poppin; current-period costs associated with factory consolidation initiatives in the Workplace Furnishings segment; current-period restructuring activities related to the Residential Building Products segment; prior-period restructuring and impairment costs in the Workplace Furnishings segment related to goodwill and intangible asset impairments, the sale of an office building, and the disposal of information technology assets; and prior-period impairment charges related to an equity investment held at corporate.

This earnings release refers to our expectations regarding non-GAAP EPS. The Corporation is unable to provide a reconciliation of this forward-looking non-GAAP measure to future EPS without unreasonable effort due to the uncertainty regarding, and to the potential variability of, many of the costs and expenses that could potentially impact EPS calculated on a GAAP basis. These items include, but are not limited to, impairments, financial impacts from changes in legal, regulatory, and tax requirements, charges related to actions taken to improve future profitability, and the impact of acquisitions and divestitures, if any. These items necessary to reconcile forward-looking non-GAAP EPS to EPS could be material and have a significant impact on the Corporation's results computed in accordance with GAAP.

| <b>HNI Corporation Reconciliation</b>   |                          |                                     |            |                          |                                     |            |
|-----------------------------------------|--------------------------|-------------------------------------|------------|--------------------------|-------------------------------------|------------|
| (Dollars in millions)                   |                          |                                     |            |                          |                                     |            |
| Twelve Months Ended                     |                          |                                     |            |                          |                                     |            |
|                                         | December 28, 2024        |                                     |            | December 30, 2023        |                                     |            |
|                                         | Workplace<br>Furnishings | Residential<br>Building<br>Products | Total      | Workplace<br>Furnishings | Residential<br>Building<br>Products | Total      |
| Net sales as reported (GAAP)            | \$ 1,888.0               | \$ 638.4                            | \$ 2,526.4 | \$ 1,740.3               | \$ 693.7                            | \$ 2,434.0 |
| % change from PY                        | 8.5%                     | (8.0%)                              | 3.8%       |                          |                                     |            |
| Less: Kimball International acquisition | 228.0                    | —                                   | 228.0      | —                        | —                                   | —          |
| Less: Poppin divestiture                | —                        | —                                   | —          | 11.1                     | —                                   | 11.1       |
| Organic net sales (non-GAAP)            | \$ 1,660.0               | \$ 638.4                            | \$ 2,298.4 | \$ 1,729.2               | \$ 693.7                            | \$ 2,422.9 |
| % change from PY                        | (4.0%)                   | (8.0%)                              | (5.1%)     |                          |                                     |            |

| <b>HNI Corporation Reconciliation</b>        |              |                  |         |            |         |
|----------------------------------------------|--------------|------------------|---------|------------|---------|
| (Dollars in millions, except per share data) |              |                  |         |            |         |
| Three Months Ended                           |              |                  |         |            |         |
| December 28, 2024                            |              |                  |         |            |         |
|                                              | Gross Profit | Operating Income | Tax     | Net Income | EPS     |
| As reported (GAAP)                           | \$ 260.4     | \$ 54.6          | \$ 11.2 | \$ 38.3    | \$ 0.79 |
| % of net sales                               | 40.5%        | 8.5%             |         | 6.0%       |         |
| Tax %                                        |              |                  | 22.5%   |            |         |
| Restructuring charges                        | 2.5          | 5.1              | 1.1     | 4.0        | 0.08    |
| Results (non-GAAP)                           | \$ 262.9     | \$ 59.7          | \$ 12.3 | \$ 42.3    | \$ 0.87 |
| % of net sales                               | 40.9%        | 9.3%             |         | 6.6%       |         |
| Tax %                                        |              |                  | 22.5%   |            |         |

**HNI Corporation Reconciliation**

(Dollars in millions, except per share data)

Three Months Ended

December 30, 2023

|                       | Gross Profit | Operating Income | Tax     | Net Income | EPS     |
|-----------------------|--------------|------------------|---------|------------|---------|
| As reported (GAAP)    | \$ 273.1     | \$ 30.7          | \$ 0.0  | \$ 22.7    | \$ 0.48 |
| % of net sales        | 40.2%        | 4.5%             |         | 3.3%       |         |
| Tax %                 |              |                  | 0.0%    |            |         |
| Restructuring charges | 0.4          | (0.7)            | (0.3)   | (0.4)      | (0.01)  |
| Impairment charges    | —            | 32.5             | 6.9     | 25.6       | 0.54    |
| Acquisition costs     | —            | 3.6              | 4.7     | (1.1)      | (0.02)  |
| Results (non-GAAP)    | \$ 273.5     | \$ 66.1          | \$ 11.3 | \$ 46.8    | \$ 0.98 |
| % of net sales        | 40.2%        | 9.7%             |         | 6.9%       |         |
| Tax %                 |              |                  | 19.5%   |            |         |

**HNI Corporation Reconciliation**

(Dollars in millions, except per share data)

Twelve Months Ended

December 28, 2024

|                       | Gross Profit | Operating Income | Tax     | Net Income | EPS     |
|-----------------------|--------------|------------------|---------|------------|---------|
| As reported (GAAP)    | \$ 1,033.4   | \$ 206.5         | \$ 39.8 | \$ 139.5   | \$ 2.88 |
| % of net sales        | 40.9%        | 8.2%             |         | 5.5%       |         |
| Tax %                 |              |                  | 22.2%   |            |         |
| Restructuring charges | 5.0          | 11.3             | 2.5     | 8.8        | 0.18    |
| Results (non-GAAP)    | \$ 1,038.4   | \$ 217.8         | \$ 42.3 | \$ 148.3   | \$ 3.06 |
| % of net sales        | 41.1%        | 8.6%             |         | 5.9%       |         |
| Tax %                 |              |                  | 22.2%   |            |         |

### HNI Corporation Reconciliation

(Dollars in millions, except per share data)

Twelve Months Ended

December 30, 2023

|                           | Gross<br>Profit | Operating<br>Income | Tax     | Net<br>Income | EPS     |
|---------------------------|-----------------|---------------------|---------|---------------|---------|
| As reported (GAAP)        | \$ 948.3        | \$90.3              | \$ 15.6 | \$ 49.2       | \$ 1.09 |
| % of net sales            | 39.0%           | 3.7%                |         | 2.0%          |         |
| Tax %                     |                 |                     | 24.1%   |               |         |
| Restructuring charges     | 0.9             | 12.4                | 2.6     | 9.7           | 0.21    |
| Impairment charges        | —               | 33.3                | 7.1     | 26.2          | 0.58    |
| Acquisition costs         | —               | 41.2                | 7.0     | 34.2          | 0.75    |
| Cost reduction initiative | —               | 1.0                 | 0.2     | 0.8           | 0.02    |
| Results (non-GAAP)        | \$ 949.2        | \$ 178.1            | \$ 32.5 | \$ 120.1      | \$ 2.65 |
| % of net sales            | 39.0%           | 7.3%                |         | 4.9%          |         |
| Tax %                     |                 |                     | 21.3%   |               |         |

### HNI Corporation Reconciliation

(Dollars in millions)

Twelve Months Ended

December 28, 2024

|                                                 | Legacy<br>HNI | KII      | Consolidated<br>HNI |
|-------------------------------------------------|---------------|----------|---------------------|
| Gross profit as reported (GAAP)                 | \$ 791.1      | \$ 242.3 | \$ 1,033.4          |
| % of net sales                                  | 40.9%         | 40.8%    | 40.9%               |
| Restructuring charges recorded to cost of sales | 4.3           | 0.7      | 5.0                 |
| Gross profit (non-GAAP)                         | \$ 795.4      | \$ 243.0 | \$ 1,038.4          |
| % of net sales                                  | 41.2%         | 40.9%    | 41.1%               |
| Operating income as reported (GAAP)             | \$ 138.6      | \$ 67.9  | \$ 206.5            |
| % of net sales                                  | 7.2%          | 11.4%    | 8.2%                |
| Restructuring charges                           | 10.3          | 1.0      | 11.3                |
| Operating income (non-GAAP)                     | \$ 148.9      | \$ 68.9  | \$ 217.8            |
| % of net sales                                  | 7.7%          | 11.6%    | 8.6%                |

| <b>HNI Corporation Reconciliation</b>                 |                     |                  |
|-------------------------------------------------------|---------------------|------------------|
| (Dollars in millions, except per share data)          |                     |                  |
| Twelve Months Ended                                   |                     |                  |
| December 28, 2024                                     |                     |                  |
| <b>GAAP (as reported):</b>                            | Legacy HNI          | Consolidated HNI |
| Operating income                                      | \$ 138.6            | \$ 206.5         |
| Interest expense, net                                 | 6.1                 | 27.2             |
| Income taxes (22.2%)                                  | 29.4                | 39.8             |
| Net income                                            | \$ 103.2            | \$ 139.5         |
| Average number of common shares outstanding – diluted | 43.7 <sup>(1)</sup> | 48.5             |
| EPS - Diluted                                         | \$ 2.36             | \$ 2.88          |
| <b>Non-GAAP:</b>                                      |                     |                  |
| Operating income                                      | \$ 148.9            | \$ 217.8         |
| Interest expense, net                                 | 6.1                 | 27.2             |
| Income taxes (22.2%)                                  | 31.7                | 42.3             |
| Net income                                            | \$ 111.2            | \$ 148.3         |
| Average number of common shares outstanding – diluted | 43.7 <sup>(1)</sup> | 48.5             |
| EPS - Diluted                                         | \$ 2.55             | \$ 3.06          |

(1) The average number of common shares outstanding – diluted for the Legacy HNI business is calculated by excluding the full year average impacts of new issuances of HNI common stock (4.7 million) and dilutive HNI restricted stock units (0.06 million) as a result of the acquisition of Kimball International.

| <b>HNI Corporation Reconciliation</b>           |            |          |                  |
|-------------------------------------------------|------------|----------|------------------|
| (Dollars in millions)                           |            |          |                  |
| Twelve Months Ended                             |            |          |                  |
| December 30, 2023                               |            |          |                  |
|                                                 | Legacy HNI | KII      | Consolidated HNI |
| Gross profit as reported (GAAP)                 | \$ 798.6   | \$ 149.6 | \$ 948.3         |
| % of net sales                                  | 38.5%      | 41.4%    | 39.0%            |
| Restructuring charges recorded to cost of sales | 0.9        | —        | 0.9              |
| Gross profit (non-GAAP)                         | \$ 799.5   | \$ 149.6 | \$ 949.2         |
| % of net sales                                  | 38.6%      | 41.4%    | 39.0%            |
| Operating income as reported (GAAP)             | \$ 78.9    | \$ 11.3  | \$ 90.3          |
| % of net sales                                  | 3.8%       | 3.1%     | 3.7%             |
| Restructuring charges                           | 3.4        | 9.0      | 12.4             |
| Impairment charges                              | 33.3       | —        | 33.3             |
| Cost reduction initiative                       | 1.0        | —        | 1.0              |
| Acquisition costs                               | 28.6       | 12.5     | 41.2             |
| Operating income (non-GAAP)                     | \$ 145.3   | \$ 32.8  | \$ 178.1         |
| % of net sales                                  | 7.0%       | 9.1%     | 7.3%             |

| <b>HNI Corporation Reconciliation</b>                 |                     |                  |       |
|-------------------------------------------------------|---------------------|------------------|-------|
| (Dollars in millions, except per share data)          |                     |                  |       |
|                                                       | Twelve Months Ended |                  |       |
|                                                       | December 30, 2023   |                  |       |
|                                                       | Legacy HNI          | Consolidated HNI |       |
| <b>GAAP (as reported):</b>                            |                     |                  |       |
| Operating income                                      | \$ 78.9             | \$               | 90.3  |
| Interest expense, net                                 | 10.1                |                  | 25.5  |
| Income taxes (24.1%)                                  | 16.6                |                  | 15.6  |
| Net income                                            | \$ 52.2             | \$               | 49.2  |
| Average number of common shares outstanding – diluted | 42.5 <sup>(1)</sup> |                  | 45.4  |
| EPS - Diluted                                         | \$ 1.23             | \$               | 1.09  |
| <b>Non-GAAP:</b>                                      |                     |                  |       |
| Operating income                                      | \$ 145.3            | \$               | 178.1 |
| Interest expense, net                                 | 10.1                |                  | 25.5  |
| Income taxes (21.3%)                                  | 28.8                |                  | 32.5  |
| Net income                                            | \$ 106.3            | \$               | 120.1 |
| Average number of common shares outstanding – diluted | 42.5 <sup>(1)</sup> |                  | 45.4  |
| EPS - Diluted                                         | \$ 2.50             | \$               | 2.65  |

(1) The average number of common shares outstanding – diluted for the Legacy HNI business is calculated by excluding the full year average impacts of new issuances of HNI common stock (2.8 million) and dilutive HNI restricted stock units (0.05 million) as a result of the acquisition of Kimball International.

| <b>Workplace Furnishings Reconciliation</b> |                    |                   |                |  |
|---------------------------------------------|--------------------|-------------------|----------------|--|
| (Dollars in millions)                       |                    |                   |                |  |
|                                             | Three Months Ended |                   |                |  |
|                                             | December 28, 2024  | December 30, 2023 | Percent Change |  |
| Operating income as reported (GAAP)         | \$ 30.7            | \$ 9.5            | 225%           |  |
| % of net sales                              | 6.6%               | 1.9%              |                |  |
| Restructuring charges                       | 5.0                | (1.5)             |                |  |
| Impairment charges                          | —                  | 31.0              |                |  |
| Acquisition costs                           | —                  | 1.4               |                |  |
| Operating income (non-GAAP)                 | \$ 35.7            | \$ 40.4           | (11.4%)        |  |
| % of net sales                              | 7.7%               | 8.2%              |                |  |

| <b>Workplace Furnishings Reconciliation</b> |          |                 |                   |         |                 |          |
|---------------------------------------------|----------|-----------------|-------------------|---------|-----------------|----------|
| (Dollars in millions)                       |          |                 |                   |         |                 |          |
| Twelve Months Ended                         |          |                 |                   |         |                 |          |
| December 28, 2024                           |          |                 | December 30, 2023 |         |                 |          |
| Legacy Workplace                            | KII      | Total Workplace | Legacy Workplace  | KII     | Total Workplace |          |
| Operating income as reported (GAAP)         | \$ 101.2 | \$ 67.9         | \$ 169.1          | \$ 57.3 | \$ 11.3         | \$ 68.6  |
| % of net sales                              | 7.8%     | 11.4%           | 9.0%              | 4.2%    | 3.1%            | 3.9%     |
| Restructuring charges                       | 9.1      | 1.0             | 10.1              | 2.6     | 9.0             | 11.6     |
| Impairment charges                          | —        | —               | —                 | 31.8    | —               | 31.8     |
| Cost reduction initiative                   | —        | —               | —                 | (0.1)   | —               | (0.1)    |
| Acquisition costs                           | —        | —               | —                 | —       | 12.5            | 12.5     |
| Operating income (non-GAAP)                 | \$ 110.3 | \$ 68.9         | \$ 179.2          | \$ 91.6 | \$ 32.8         | \$ 124.5 |
| % of net sales                              | 8.5%     | 11.6%           | 9.5%              | 6.6%    | 9.1%            | 7.2%     |

| <b>Residential Building Products Reconciliation</b> |                   |                   |                |
|-----------------------------------------------------|-------------------|-------------------|----------------|
| (Dollars in millions)                               |                   |                   |                |
| Twelve Months Ended                                 |                   |                   |                |
|                                                     | December 28, 2024 | December 30, 2023 | Percent Change |
| Operating income as reported (GAAP)                 | \$110.8           | \$116.6           | (5.0%)         |
| % of net sales                                      | 17.4%             | 16.8%             |                |
| Restructuring charges                               | 1.1               | —                 |                |
| Cost reduction initiative                           | —                 | 1.3               |                |
| Operating income (non-GAAP)                         | \$111.9           | \$117.8           | (5.0%)         |
| % of net sales                                      | 17.5%             | 17.0%             |                |

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