

Fiscal 2024 Second-Quarter Business Update

// May 7, 2024

COMPASS MINERALS

Forward-Looking Statements and Other Disclaimers



This presentation may contain forward-looking statements, including, without limitation, statements about future valuations, cash generation, production and inventory levels, cost structure, capital intensity and allocation, debt levels, balance sheet improvement, and SG&A costs; the company's fire retardant business, including its economics, potential customers, products in development, any operational field evaluations with the USFS, and capital requirements; and the company's outlook for 2024, including its expectations regarding demand, sales volumes, revenue, Adjusted EBITDA, corporate and other expense, depreciation, depletion and amortization, interest expense, tax rates, and capital expenditures. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. The company uses words such as "may," "would," "could," "should," "will," "likely," "expect," "anticipate," "believe," "intend," "plan," "forecast," "outlook," "project," "estimate" and similar expressions suggesting future outcomes or events to identify forward-looking statements or forward-looking information. These statements are based on the company's current expectations and involve risks and uncertainties that could cause the company's actual results to differ materially. The differences could be caused by a number of factors, including without limitation (i) weather conditions, (ii) inflation, the cost and availability of transportation for the distribution of the company's products and foreign exchange rates, (iii) pressure on prices and impact from competitive products, (iv) any inability by the company to successfully implement its strategic priorities or its cost saving or enterprise optimization initiatives, and (v) the risk that the company may not realize the expected financial or other benefits from its ownership of Fortress North America. For further information on these and other risks and uncertainties that may affect the company's business, see the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the company's Annual Report on Form 10-K for the period ended Sept. 30, 2023 and its Quarterly Reports on Form 10-Q for the quarters ended Dec. 31, 2023 and Mar. 31, 2024, filed or to be filed with the SEC, as well as the company's other SEC filings. The company undertakes no obligation to update any forward-looking statements made in this press release to reflect future events or developments, except as required by law. Because it is not possible to predict or identify all such factors, this list cannot be considered a complete set of all potential risks or uncertainties.

Strategic Focus



Path to Valuation Recovery

Intense Focus on Cash Generation

- Increase cash available for debt reduction through discontinuing dividend
- Optimize working capital and increase cash flow by lowering production, allowing company to benefit from lower inventory levels in coming deicing season

Intensified Cost & Capital Discipline

- Improve cost structure across the organization
- Reduce the capital intensity of our operating assets
- Drive standardization of MRO evaluation methods across all operating sites to optimize investments

Strengthen Balance Sheet

- Reduce absolute debt levels
- Lower interest expense and improve borrowing costs over time

Return Capital to Shareholders

- When deleveraging targets are achieved, return capital to shareholders via share repurchases and/or dividends



Cash Flow-Enhancing Actions

Immediate: Discontinue Dividend Payments

- Board of directors has determined it is in the best interest of shareholders to cease paying a quarterly dividend, freeing approximately $25 million annually

Underway: Curtail Production to Monetize Inventory

- Production has been curtailed at Goderich mine to position the company to substantially reduce inventory levels in the coming deicing season; each 10-day reduction in days of inventory outstanding (DIOs) represents an opportunity to harvest $20 to $25 million in cash
- Approximately 22% of the mine's represented workforce has been temporarily laid off as part of this initiative to reduce production in a cost-effective manner
- Curtailment done in such a way as to optimize production and operating schedules to allow greater flexibility in production levels in the future

Underway: Advance SG&A Rationalization

- The company has begun a multifaceted restructuring initiative to reduce selling, general and administrative (SG&A) costs with a focus on achieving industry cost competitiveness by year-end fiscal 2025
- Efforts include recent headcount reductions at the corporate headquarters and rationalization of corporate and functional support costs across the organization

Ongoing: Revamp Capital Investment Framework

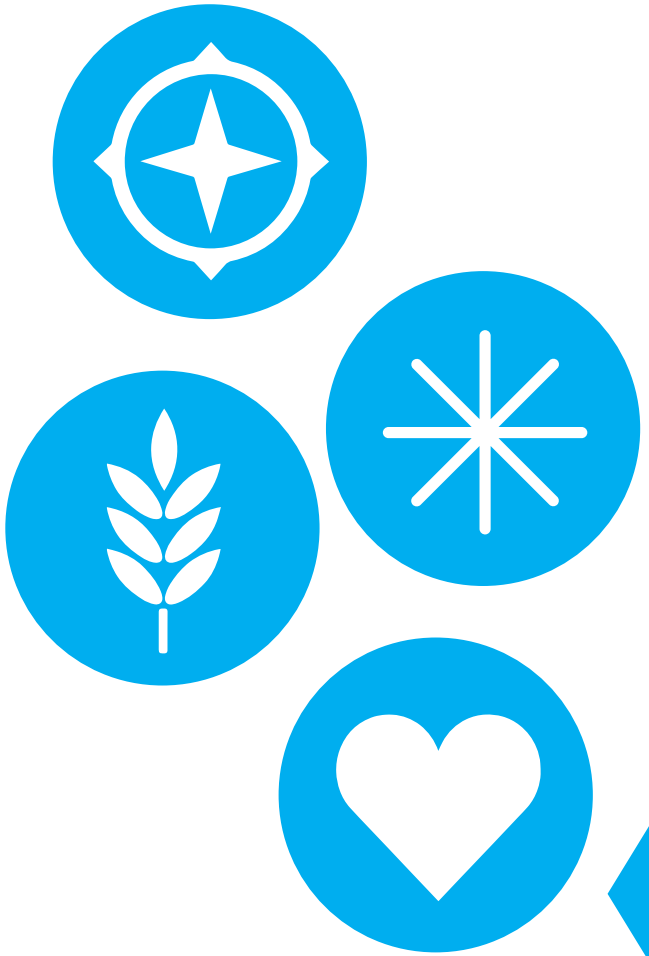
- Implement a governance structure and prioritization process that will improve capital efficiency and standardize MRO capex prioritization methods across all operating sites



Second-Quarter Fiscal 2024 Results



Second-Quarter Fiscal 2024 Overview



- Total operating loss of $45.8 million in the second quarter, compared to operating income of $47.9 million in the prior-year quarter
- Reported net loss of $48.0 million in second quarter compared to a net loss of $21.6 million in the prior year
- Adjusted EBITDA[1] increased 13% year over year to $87.3 million, which includes a non-cash gain of $24.3 million related to the decline in the valuation of the Fortress contingent liability discussed below
- The Salt segment reported a 9% and 7% decrease year over year in both operating earnings and adjusted EBITDA1, respectively, led by 21% lower sales volumes; per-unit profitability improved with adjusted EBITDA per ton increasing 19% to $23.95
- Plant Nutrition sales volume increased 23% year over year to 74 thousand tons, reflecting the normalization of demand in core West Coast markets
- Recognized a quarterly loss on impairments, of $106.6 million related primarily to write downs of goodwill and intangible assets related to the Fortress business and a goodwill impairment in the Plant Nutrition segment
- Reported other operating income of $21.2 million during the quarter, which primarily reflects the decline in the valuation of the contingent consideration liability associated with the Fortress acquisition given recent challenges facing the magnesium chloride-based product line in the fire-retardants business

[1] Adjusted EBITDA is a non-GAAP financial measure. See appendix for reconciliation to net income (loss), the most directly comparable GAAP financial measure.

Second-Quarter Fiscal 2024 Consolidated Results

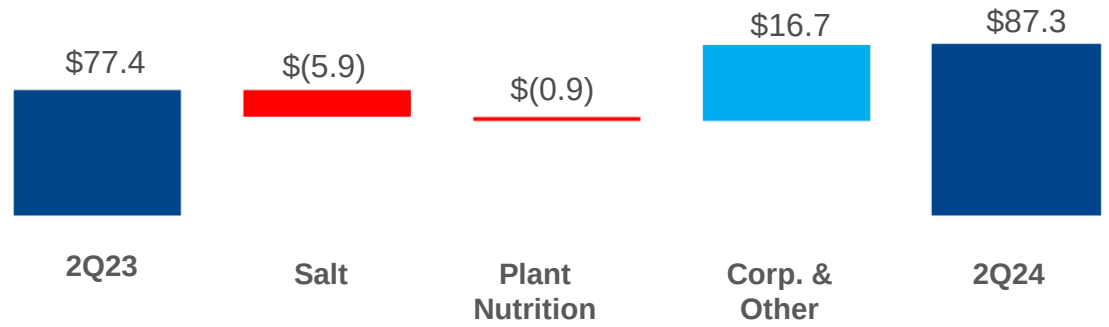
Commentary

- **Consolidated financial results for the quarter reflect the impact of one of the mildest winters in 25 years in our served North American markets and challenges in fire-retardant business**
- **Reported 2Q24 adjusted EBITDA[1] of $87.3 MM, which includes $24.3 MM of non-cash gain resulting from the revaluation of the Fortress contingent liability**

Consolidated Results	2Q24
Revenue (y/y change)	-11%
Adjusted EBITDA[1] (y/y change)	+13%
Adjusted EBITDA[1] margin	24.0%

2Q24 Reported Adjusted EBITDA[1]

(in millions)

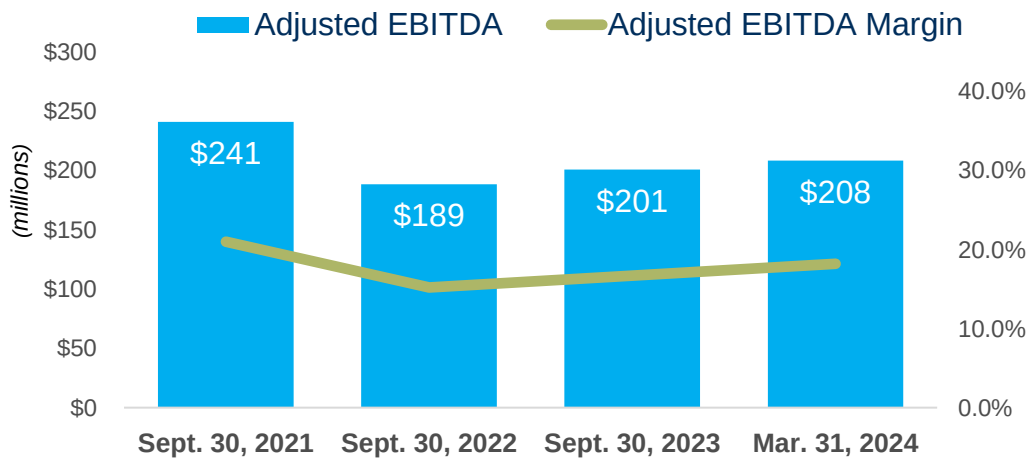


2Q24 Adjusted EBITDA[1], excl Gain on Reval. of Cont. Consideration Liab.

(in millions)



Historical TTM Adjusted EBITDA[1] and Margin



[1] Adjusted EBITDA from continuing operations is a non-GAAP financial measure. See appendix for reconciliation to net income (loss), the most directly comparable GAAP financial measure.

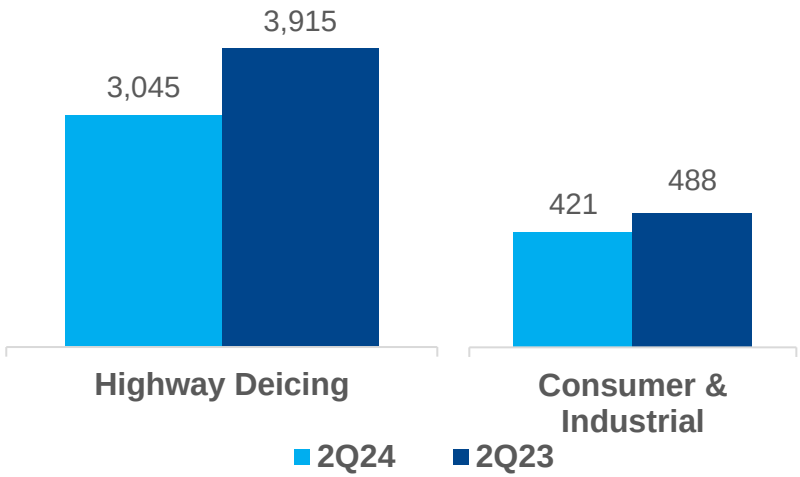
Second-Quarter Fiscal 2024 Salt Results

($ in millions)	2Q24	2Q23	%Δ
Revenue	$310.4	$360.5	-13.9%
Adj. EBITDA[1]	$83.0	$88.9	-6.6%
Adj. EBITDA[1] margin	26.7%	24.7%	+2.0 pts
Average price per ton	$90/ton	$82/ton	9%

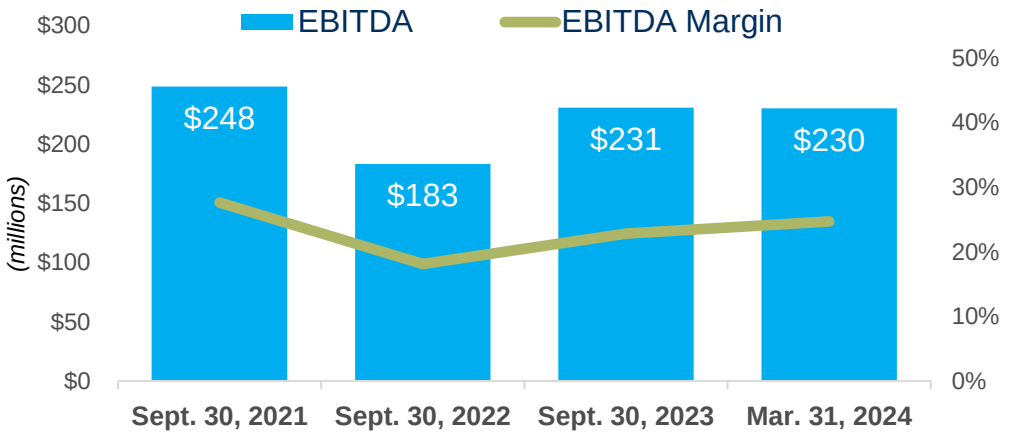
2Q24 Highlights

- **Salt revenue down 14% year over year on lower sales volumes in both highway deicing and consumer and industrial (C&I) due primarily to mild winter weather across served North American markets**
- **Salt segment average selling price up 9% year over year; highway deicing pricing up 7% and C&I pricing up 11%**
- **All-in product costs per ton up 9% due to change in sales mix and lower sales volumes to absorb costs**
- **Adjusted EBITDA[1] per ton increased 19% on a per-ton basis year over year on higher average selling prices, reflecting successful execution of value-over-volume Salt commercial strategy**
- **Improved adjusted EBITDA[1] margin by 200 basis points compared to prior-year quarter**

Sales Volumes
(in thousands of short tons)



Historical TTM Adj. EBITDA[1] and Margin



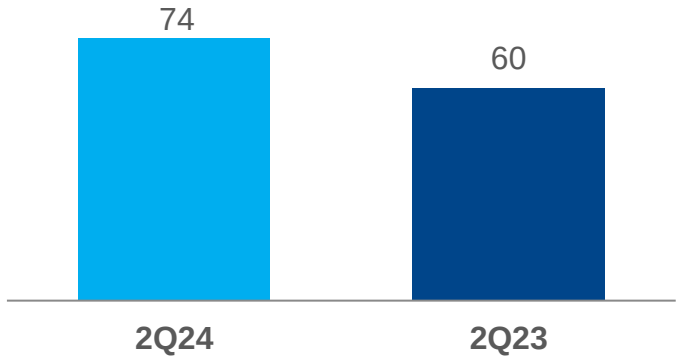
[1] Non-GAAP financial measure. See appendix for reconciliation to net income (loss), the most directly comparable GAAP financial measure.

Second-Quarter Fiscal 2024 Plant Nutrition Results

($ in millions)	2Q24	2Q23	%Δ
Revenue	$50.1	$47.7	5.0%
Adj. EBITDA[1]	$6.9	$7.8	-11.5%
Adj. EBITDA[1] margin	13.8%	16.4%	-2.6pts
Average price per ton	$680/ton	$796/ton	-15%

Sales Volumes

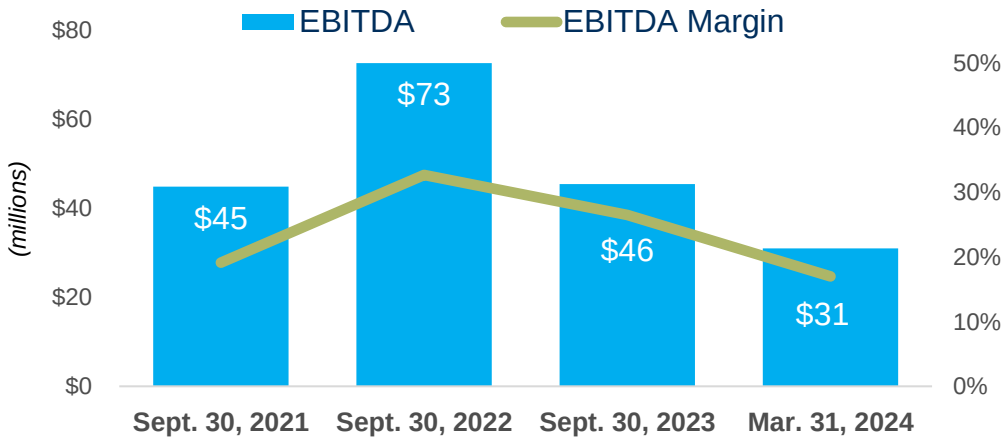
(in thousands of short tons)



2Q24 Highlights

- **Sales volumes increased 23% as demand normalized following abnormal weather in 2023 that adversely impacted sales**
- **Potassium-based fertilizers continue to reflect a rebalancing of global supply and demand, resulting in an average sales price decline of 15% year over year; 2Q24 pricing rose sequentially after five consecutive quarters of declining prices**
- **Revenue improved 5% year over year on higher sales volumes despite lower sales prices**
- **Distribution costs per unit decreased 12% year over year due primarily to higher sales volumes driving better absorption**
- **Reported all-in product costs per ton reflect the non-cash $51 MM impairment of goodwill in the Plant Nutrition segment; excluding this charge, all-in product costs per ton were down 12% due to higher absorption of fixed costs on higher sales**

Historical TTM Adj. EBITDA[1] and Margin



[1] Non-GAAP financial measure. See appendix for reconciliation to net income (loss), the most directly comparable GAAP financial measure.

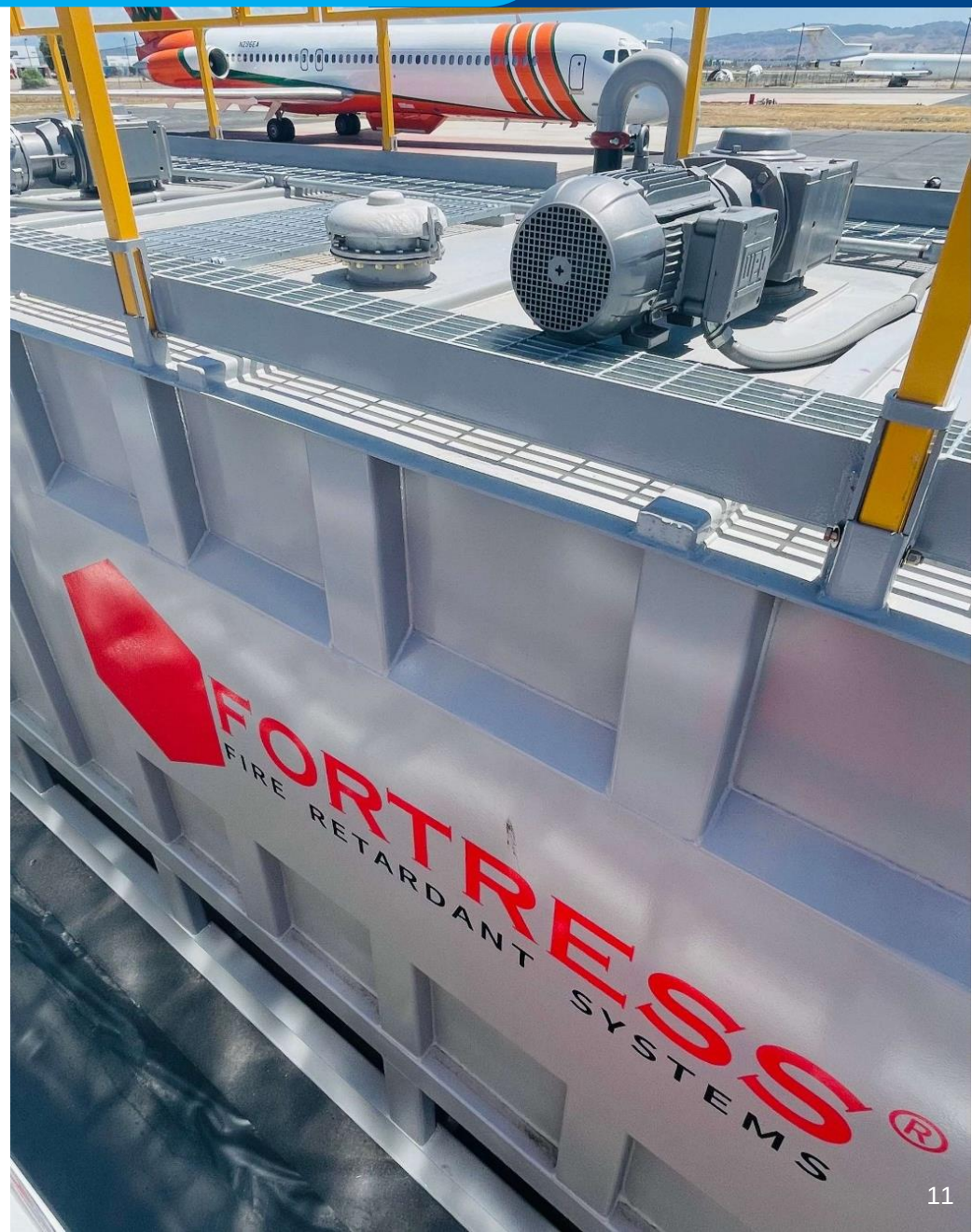
Fire-Retardant Business Update

2Q24 Recap: Challenges with Magnesium Chloride-based Fire Retardants and Related Impacts

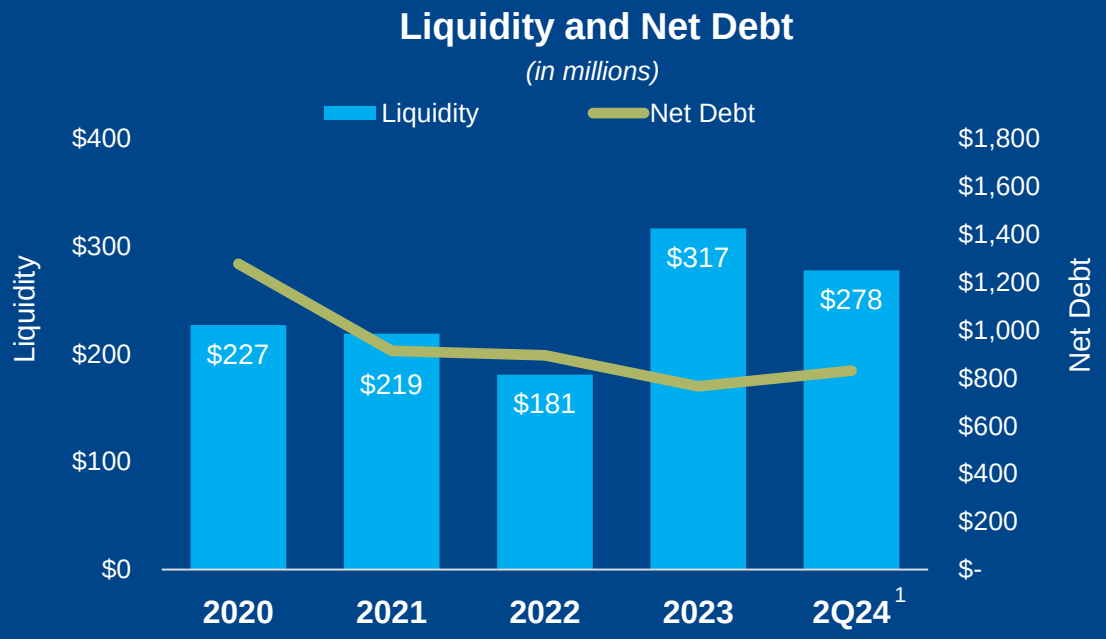
- In March of 2024 Compass Minerals was informed of obstacles impacting the utilization of magnesium chloride-based fire retardants in aerial firefighting
- No U.S. Forest Service (USFS) contract was awarded for the 2024 fire season pending further evaluation and testing of magnesium chloride-based fire retardants
- Due to the uncertain business outlook for these products, recognized a non-cash $56 MM impairment of goodwill and intangible assets in 2Q24; additionally, reduced the estimated liability related to the contingent consideration for the Fortress acquisition, resulting in a non-cash gain of approximately $24 MM in the quarter

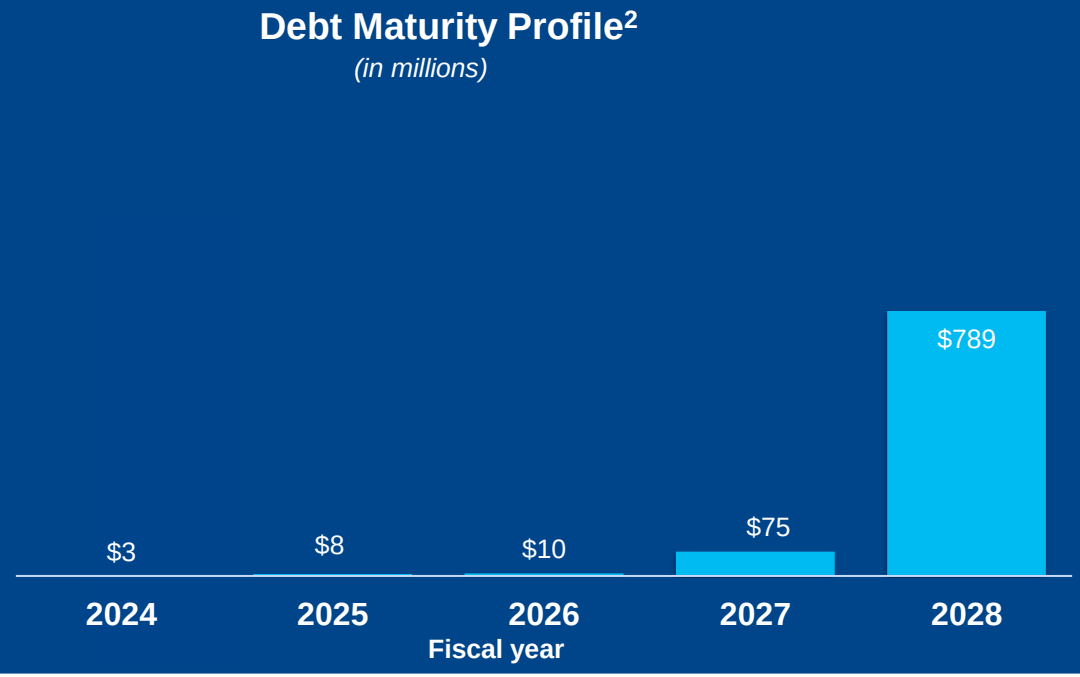
What's Next?: Consider Alternative Paths Forward

- Given developments over the last several weeks, the company is evaluating various alternatives regarding the path forward for this business



Charting a Prudent Financial Path Forward





- **Amended credit agreement in March 2024 to provide covenant relief and allow greater flexibility over a wider range of operating scenarios**
- **Focused on continuous balance sheet improvement**
  - Discontinuing quarterly dividend payments, monetizing inventory through curtailment of production at Goderich mine and undertaking an SG&A cost-saving initiative to provide cash that can be used to delever
- **Strong liquidity & attractive debt maturity profile**
  - $277.7 million as of March 31, 2024 comprised of $40.0 million in cash and $237.7 million available under revolving credit facility

[1] Represents Dec. 31 for 2020; Sept. 30 for 2021, 2022 and 2023.
[2] As of Mar. 31, 2024.



Outlook & Guidance

Salt Outlook and Guidance

Long-Term Attributes

- Resilient, recession-resistant demand profile
- Difficult to replicate asset base with important logistical advantages
  - New mine development rarely economically feasible
  - Convenient access to water transportation
  - Extensive depot network
- Attractive markets
  - Highway deicing in North America and the U.K.
  - Consumer and industrial in North America

Near-Term Initiatives

- Immediately curtail production at Goderich mine to drive inventory down in coming deicing season
- Advance Goderich mine plan to drive improved sustainability and cost efficiencies

Guidance Commentary

- *Guidance range being tightened to reflect the mild winter weather experienced in this year's highway deicing season*
- *Production curtailment at Goderich will result in incremental expenses of ~$14 MM in 2024 that will be split evenly in 3Q24 and 4Q24, including accelerated recognition of a portion of fixed production costs that normally would be inventoried*

	2024 Range	
Highway Deicing volumes *(thousands of tons)*	7,300	7,400
Consumer and industrial volumes *(thousands of tons)*	1,900	2,000
FY24 Total Volumes *(thousands of tons)*	9,200	9,400
FY24 Revenue *(in millions)*	$900	$920
FY24 Adj. EBITDA *(in millions)*	$200	$210

Plant Nutrition Outlook and Guidance

Long-Term Attributes

- Largest producer of SOP in the Western Hemisphere
- Unique solar evaporation asset in Ogden, Utah, provides competitive advantages
  - Well positioned to serve specialty crops, particularly on the west coast of U.S.
  - Strategic forward-deploy warehouse network
- Attractive markets
  - High-value and chloride-sensitive crops in North America
  - Diversified end markets insulated from the volatility of commodity row crops in North America

Near-Term Initiatives

- Identify opportunities to lower unit costs
- Effective execution of Ogden production strategy focused on consistently delivering safe, reliable and sustainable production
- Continue to optimize the value of premium potassium product portfolio

Fiscal 2024 Plant Nutrition Guidance		
	2024 Range	
FY24 Volumes *(thousands of tons)*	280	310
FY24 Revenue *(in millions)*	$170	$205
FY24 EBITDA *(in millions)*	$15	$30

Guidance Commentary

- *Company has maintained pricing discipline despite price weakness in substitute products*
- *Sale volumes tracking toward lower end of guidance range*

Consolidated Guidance Summary

	2024 Adj. EBITDA Range *(in millions)*	
Salt	$200	$210
Plant Nutrition	15	30
Fortress[1]	2	3
Lithium	~(5)	~(5)
Other[2]	(52)	(47)
Corporate	(55)	(49)
TOTAL	$160	$191





	2024 Capital Expenditure Range *(in millions)*	
Sustaining	$80	$90
Lithium[3]	~30	~30
Fortress	5	10
TOTAL	$115	$130

Other Consolidated Modeling Information *(in millions of dollars unless otherwise noted)*	2024 Range	
Interest expense, net of interest income	$65	$70
Depreciation, depletion and amortization	$100	$110
Effective tax rate (excl. valuation allowance and impairments)	0%	5%

[1] Fortress contribution includes adjusted EBITDA carried over from its calendar year 2023 USFS take-or-pay contract as well as ongoing overhead costs; no assumptions with respect to 2024 activity with the USFS have been assumed.
[2] Other includes the non-cash impact of the decline in the valuation of the contingent consideration liability associated with the Fortress acquisition, which was a gain of approximately $21.4 million through Mar. 31, 2024.
[3] Lithium expenditures principally relate to items committed to or made prior to the suspension of further investment in the lithium project in November 2023.

Appendix



Special Items

Special Items Impacting Three Months Ended March 31, 2024

(unaudited, in millions, except per share data)

Item Description	Segment	Line Item	Amount	Tax Effect[1]	After Tax	EPS Impact
Restructuring charges	Corporate and Other	Other operating expense	$2.1	$---	$2.1	$0.05
Restructuring charges	Salt	COGS & SG&A	0.4	---	0.4	0.01
Restructuring charges	Plant Nutrition	COGS & SG&A	0.6	---	0.6	0.01
Impairments	Corporate and Other	COGS & Loss on impairments	57.1	---	57.1	1.36
Goodwill impairment	Plant Nutrition	Loss on impairments	51.0	---	51.0	1.22
Total			$111.2	$---	$111.2	$2.65

Special Items Impacting Six Months Ended March 31, 2024

(unaudited, in millions, except per share data)

Item Description	Segment	Line Item	Amount	Tax Effect[1]	After Tax	EPS Impact
Restructuring charges	Corporate and Other	Other operating expense	$4.6	$---	$4.6	$0.11
Restructuring charges	Salt	COGS & SG&A	0.4	---	0.4	0.01
Restructuring charges	Plant Nutrition	COGS & SG&A	0.6	---	0.6	0.01
Impairments	Corporate and Other	COGS & Loss on impairments	131.9	---	131.9	3.18
Goodwill impairment	Plant Nutrition	Loss on impairments	51.0	---	51.0	1.23
Total			$188.5	$---	$188.5	$4.54

[1] There were no substantial income tax benefits related to these items given the U.S. valuation allowances on deferred tax assets

Reconciliation of Non-GAAP Information

Reconciliation for Adjusted Operating Earnings *(unaudited, in millions)*	Three months ended March 31,		Six months ended March 31,	
	2024	2023	2024	2023
Operating (loss) earnings	$ (45.8)	$ 47.9	$ (101.1)	$ 75.8
Restructuring charges[1]	3.1	3.3	5.6	3.3
Loss on impairments[2]	108.1	---	182.9	---
Accrued loss and legal costs related to SEC investigation[3]	---	(0.4)	---	(0.1)
Adjusted operating earnings	$ 65.4	$ 50.8	$ 87.4	$ 79.0
Sales	364.0	411.1	705.7	763.5
Operating margin	(12.6)%	11.7%	(14.3)%	9.9%
Adjusted operating margin	18.0%	12.4%	12.4%	10.3%

[1] The company incurred severance and related charges for reductions in workforce and changes to executive leadership and additional restructuring costs related to the termination of the company's lithium development project.
[2] The company recognized impairments of goodwill, long-lived assets and inventory related to Fortress; and goodwill related to Plant Nutrition for the three and six months ended March 31, 2024. The company also recognized the impairment of long-lived assets related to the termination of the lithium development project for the six months ended March 31, 2024. Impairments of long-lived assets and goodwill are include in loss on impairments, while the impairment of inventory is included in product cost, both on the Consolidated Statements of Operations.
[3] The company recognized costs, net of reimbursements, related to the settled SEC investigation.

Reconciliation of Non-GAAP Information

Reconciliation for Adjusted Net Earnings (Loss) *(unaudited, in millions)*	*Three months ended March 31,*		*Six months ended March 31,*	
	2024	2023	2024	2023
Net loss	$ (48.0)	$ (21.6)	$ (123.1)	$ (21.9)
Restructuring charges[1]	3.1	3.3	5.6	3.3
Loss on impairments[2]	108.1	---	182.9	---
Accrued loss and legal costs related to SEC investigation[3]	---	(0.4)	---	(0.1)
Adjusted net earnings (loss)	$ 63.2	$ (18.7)	$ 65.4	$ (18.7)
Net loss per diluted share	$ (1.16)	$ (0.53)	$ (2.99)	$ (0.55)
Adjusted net earnings (loss) per diluted share	$ 1.49	$ (0.46)	$ 1.55	$ 0.47
Weighted-average common shares outstanding (in thousands):				
Diluted	41,306	41,110	41,255	40,423

[1] The company incurred severance and related charges for reductions in workforce and changes to executive leadership and additional restructuring costs related to the termination of the company's lithium development project.
[2] The company recognized impairments of goodwill, long-lived assets and inventory related to Fortress; and goodwill related to Plant Nutrition for the three and six months ended March 31, 2024. The company also recognized the impairment of long-lived assets related to the termination of the lithium development project for the six months ended March 31, 2024
[3] The company recognized costs, net of reimbursements, related to the settled SEC investigation.

Reconciliation of Non-GAAP Information

Reconciliation for EBITDA and Adjusted EBITDA *(unaudited, in millions)*	*Three months ended March 31,*		*Six months ended March 31,*	
	2024	2023	2024	2023
Net loss	$ (48.0)	$ (21.6)	$ (123.1)	$ (21.9)
Interest expense	17.1	14.2	32.9	28.1
Income tax (benefit) expense	(13.1)	55.1	(11.3)	67.0
Depreciation, depletion and amortization	26.8	24.5	52.3	48.4
EBITDA	$ (17.2)	$ 72.2	$ (49.2)	$ 121.6
Adjustments to EBITDA:				
Stock-based compensation - non cash	(4.9)	3.1	7.0	13.7
Interest income	(0.2)	(1.9)	(0.6)	(3.0)
(Gain) loss on foreign exchange	(2.5)	(0.2)	(0.6)	2.3
Restructuring charges[1]	3.1	3.7	5.6	3.7
Loss on impairments[2]	108.1	---	182.9	---
Accrued loss and legal costs related to SEC investigation[3]	---	(0.4)	---	(0.1)
Other expense, net	0.9	0.9	1.6	1.0
Adjusted EBITDA	$ 87.3	$ 77.4	$ 146.7	$ 139.2

[1] The company incurred severance and related charges for reductions in workforce and changes to executive leadership and additional restructuring costs related to the termination of the company's lithium development project.
[2] The company recognized impairments of goodwill, long-lived assets and inventory related to Fortress; and goodwill related to Plant Nutrition for the three and six months ended March 31, 2024. The company also recognized the impairment of long-lived assets related to the termination of the lithium development project for the six months ended March 31, 2024.
[3] The company recognized costs, net of reimbursements, related to the settled SEC investigation.

Salt Segment Performance

Salt Segment Performance *(in millions, except for sales volumes and prices per short ton)*	*Three months ended March 31,*		*Six months ended March 31,*	
	2024	2023	2024	2023
Sales	$ 310.4	$ 360.5	$ 584.7	$ 668.6
Operating earnings	$ 66.4	$ 73.1	$ 116.9	$ 120.2
Operating margin	21.4%	20.3%	20.0%	18.0%
Adjusted operating earnings[1]	$ 66.8	$ 74.1	$ 117.3	$ 121.2
Adjusted operating margin[1]	21.5%	20.6%	20.1%	18.1%
EBITDA[1]	$ 82.6	$ 87.9	$ 148.3	$ 148.9
EBITDA[1] margin	26.6%	24.4%	25.4%	22.3%
Adjusted EBITDA[1]	$ 83.0	$ 88.9	$ 148.7	$ 149.9
Adjusted EBITDA margin[1]	26.7%	24.7%	25.4%	22.4%
Sales volumes (in thousands of tons):				
Highway deicing	3,045	3,915	5,311	6,816
Consumer and industrial	421	488	1,010	1,108
Total Salt	3,466	4,403	6,321	7,924
Average sales price (per ton):				
Highway deicing	$ 74.72	$ 69.90	$ 72.86	$ 68.07
Consumer and industrial	$ 196.93	$ 177.77	$ 195.77	$ 184.63
Total Salt	$ 89.55	$ 81.87	$ 92.50	$ 84.37

[1] Non-GAAP financial measure. Reconciliations follow in these tables.

Salt Reconciliation of Non-GAAP Information

Reconciliation for Salt Segment Adjusted Operating Earnings
(unaudited, in millions)

	Three months ended March 31,		Six months ended March 31,	
	2024	2023	2024	2023
Reported GAAP segment operating earnings	$ 66.4	$ 73.1	$ 116.9	$ 120.2
Restructuring charges[1]	0.4	1.0	0.4	1.0
Segment adjusted operating earnings	$ 66.8	$ 74.1	$ 117.3	$ 121.2
Segment sales	310.4	360.5	584.7	668.6
Segment operating margin	21.4%	20.3%	20.0%	18.0%
Segment adjusted operating margin	21.5%	20.6%	20.1%	18.1%

Reconciliation for Salt Segment EBITDA and Adjusted EBITDA
(unaudited, in millions)

	Three months ended March 31,		Six months ended March 31,	
	2024	2023	2024	2023
Reported GAAP segment operating earnings	$ 66.4	$ 73.1	$ 116.9	$ 120.2
Depreciation, depletion and amortization	16.2	14.8	31.4	28.7
Segment EBITDA	$ 82.6	$ 87.9	$ 148.3	$ 148.9
Restructuring charges[1]	0.4	1.0	0.4	1.0
Segment adjusted EBITDA	$ 83.0	$ 88.9	$ 148.7	$ 149.9
Segment sales	310.4	360.5	584.7	668.6
Segment EBITDA margin	26.6%	24.4%	25.4%	22.3%
Segment adjusted EBITDA margin	26.7%	24.7%	25.4%	22.4%

[1] The company incurred severance and related charges related to a reduction of its workforce.

Plant Nutrition Segment Performance

Plant Nutrition Segment Performance *(in millions, except for sales volumes and prices per short ton)*	*Three months ended March 31,*		*Six months ended March 31,*	
	2024	2023	2024	2023
Sales	$ 50.1	$ 47.7	$ 99.8	$ 89.3
Operating (loss) earnings	$ (53.4)	$ (0.7)	$ (55.7)	$ 10.3
Operating margin	(106.6)%	(1.5)%	(55.8)%	11.5%
Adjusted operating (loss) earnings[1]	$ (1.8)	$ (0.3)	$ (4.1)	$ 10.7
Adjusted operating margin[1]	(3.6)%	(0.6)%	(4.1)%	12.0%
EBITDA[1]	$ (44.7)	$ 7.4	$ (38.6)	$ 26.7
EBITDA[1] margin	(89.2)%	15.5%	(38.7)%	29.9%
Adjusted EBITDA[1]	$ 6.9	$ 7.8	$ 13.0	$ 27.1
Adjusted EBITDA margin[1]	13.8%	16.4%	13.0%	30.3%
Sales volumes (in thousands of tons):	74	60	149	105
Average sales price (per ton):	$ 680.24	$ 795.87	$ 670.22	$ 850.84

[1] Non-GAAP financial measure. Reconciliations follow in these tables.

Plant Nutrition Reconciliation of Non-GAAP Information

Reconciliation for Plant Nutrition Segment Adjusted Operating Earnings
(unaudited, in millions)

	Three months ended March 31,		Six months ended March 31,	
	2024	2023	2024	2023
Reported GAAP segment operating (loss) earnings	$ (53.4)	$ (0.7)	$ (55.7)	$ 10.3
Restructuring charges[1]	0.6	0.4	0.6	0.4
Loss on goodwill impairment[2]	51.0	---	51.0	---
Segment adjusted operating (loss) earnings	$ (1.8)	$ (0.3)	$ (4.1)	$ 10.7
Segment sales	50.1	47.7	99.8	89.3
Segment operating margin	(106.6)%	(1.5)%	(55.8)%	11.5%
Segment adjusted operating margin	(3.6)%	(0.6)%	(4.1)%	12.0%

Reconciliation for Plant Nutrition Segment EBITDA and Adjusted EBITDA
(unaudited, in millions)

	Three months ended March 31,		Six months ended March 31,	
	2024	2023	2024	2023
Reported GAAP segment operating (loss) earnings	$ (53.4)	$ (0.7)	$ (55.7)	$ 10.3
Depreciation, depletion and amortization	8.7	8.1	17.1	16.4
Segment EBITDA	$ (44.7)	$ 7.4	$ (38.6)	$ 26.7
Restructuring charges[1]	0.6	0.4	0.6	0.4
Loss on goodwill impairment[2]	51.0	---	51.0	---
Segment adjusted EBITDA	$ 6.9	$ 7.8	$ 13.0	$ 27.1
Segment sales	50.1	47.7	99.8	89.3
Segment EBITDA margin	(89.2)%	15.5%	(38.7)%	29.9%
Segment adjusted EBITDA margin	13.8%	16.4%	13.0%	30.3%

[1] The company incurred severance and related charges related to a reduction of its workforce.
[2] The company recognized a goodwill impairment during the three and six months ended March 31, 2024.