

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended September 30, 2020

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 001-37793



Atkore International Group Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

90-0631463

(IRS Employer Identification No.)

16100 South Lathrop Avenue, Harvey, Illinois 60426

(Address of principal executive offices) (Zip Code)

708-339-1610

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

| (Title of Each Class) | Trading symbol | (Name of Each Exchange on which Registered) |
|--|----------------|---|
| Common stock, par value \$0.01 per share | ATKR | New York Stock Exchange |

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large accelerated filer | <input checked="" type="checkbox"/> | Accelerated filer | <input type="checkbox"/> |
| Non-accelerated filer | <input type="checkbox"/> | Smaller reporting company | <input type="checkbox"/> |
| | | Emerging growth company | <input type="checkbox"/> |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the voting and non-voting common equity of Atkore International Group Inc. held by non-affiliates as of the close of business as of March 27, 2020 was \$965.1 million.

The number of shares of the registrant's common stock outstanding as of November 13, 2020 was 47,409,886 shares of common stock, par value \$0.01 per share.

Documents incorporated by reference:

Portions of the registrant's proxy statement to be filed with the United States Securities and Exchange Commission in connection with the registrant's 2021 annual meeting of stockholders (the "Proxy Statement") are incorporated by reference into Part III hereof. Such Proxy Statement will be filed within 120 days of the registrant's fiscal year ended September 30, 2020.

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PART I

Item 1. Business

The following discussion of our business contains "forward-looking statements," as discussed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" below. Our business, operations and financial condition are subject to various risks as set forth in Part I, Item 1A, "Risk Factors" below. The following information should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations, the Financial Statements and Supplementary Data and related notes and the Risk Factors included elsewhere in this Annual Report on Form 10-K.

Company Overview

Atkore International Group Inc. (collectively with all its subsidiaries referred to in this Annual Report on Form 10-K as "Atkore," the "Company," "we," "us" and "our") was incorporated in the State of Delaware on November 4, 2010. Atkore is the sole stockholder of Atkore International Holdings Inc. ("AIH"), which in turn is the sole stockholder of Atkore International, Inc. ("AII").


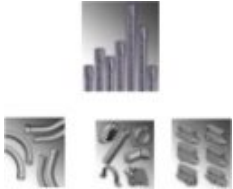




We are a leading manufacturer of Electrical Raceway products primarily for the non-residential construction and renovation markets and Mechanical Products and Solutions ("MP&S") for the construction and industrial markets. Electrical Raceway products form the critical infrastructure that enables the deployment, isolation and protection of a structure's electrical circuitry from the original power source to the final outlet. MP&S frame, support and secure component parts in a broad range of structures, equipment and systems in electrical, industrial and construction applications. We believe we hold #1 or #2 positions in the United States by net sales in the vast majority of our products. The quality of our products, the strength of our brands, our scale and national presence provide what we believe to be a unique set of competitive advantages that position us for profitable growth.



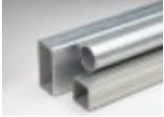

On February 5, 2019, the board of directors approved a share repurchase program, under which the Company may repurchase up to \$50.0 million of its outstanding common stock. As of September 30, 2020, there were \$35.0 million of authorized repurchases remaining. See Item 5, "Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities" for additional information.

Our products

Our principal Electrical Raceway products include electrical conduit and fittings, armored cable and fittings, cable trays and mounting systems and fittings, which are critical components of the electrical infrastructure for new construction and maintenance, repair and remodel ("MR&R") markets. Our MP&S principal products are metal framing and in-line galvanized mechanical tube. Our metal framing products are used in the installation of electrical systems and various support structures. In total, we operate 37 manufacturing facilities and 28 distribution facilities that enable us to efficiently receive materials from our suppliers and deliver products to our customers. In fiscal 2020, 89% of our net sales were to customers located in the United States.

An overview of our product offerings is provided below:

| Product Category | Sample Products | Brands | Sample Product Images | |
|---------------------------------------|--|---|---|---|
| Metal Electrical Conduit and Fittings | <p>Metal Conduit:</p> <ul style="list-style-type: none"> • Electrical Metallic Tubing (EMT) • Intermediate Metal Conduit (IMC) • Galvanized Rigid Conduit (GRC) <p>Metal Conduit Fittings:</p> <ul style="list-style-type: none"> • Elbows • Couplings • Nipples • Conduit Bodies | <p>Allied Tube & Conduit</p> <p>Columbia-MBF</p> <p>Konkore Fittings</p> |  | |
| | PVC Electrical Conduit & Fittings | <p>PVC Conduit:</p> <ul style="list-style-type: none"> • Rigid Non-Metallic Conduit (RNC) <p>PVC Conduit Fittings:</p> <ul style="list-style-type: none"> • Elbows • Couplings • Conduit Bodies • Duct spacers | <p>Allied Tube & Conduit</p> <p>Cor-Tek</p> <p>Heritage Plastics</p> |  |
| Corrosion Resistant Conduit | <ul style="list-style-type: none"> • Stainless conduit • PVC coated conduit • Aluminum conduit | <p>Calbond</p> <p>Calbrite</p> <p>Calconduit</p> |  | |
| Electrical Raceway | Flexible Electrical Conduit and Fittings | <p>Flexible Electrical Conduit:</p> <ul style="list-style-type: none"> • Flexible Metallic Conduit (FMC) • Liquidtight Flexible Metal Conduit (LFMC) • Liquidtight Flexible Non-Metallic Conduit (LNFC) • Flexible Metallic Tubing (FMT) <p>Flexible Electrical Conduit Fittings:</p> <ul style="list-style-type: none"> • Cord Connectors • Angle Connectors | <p>AFC Cable Systems</p> <p>Kaf-Tech</p> <p>Flexicon</p> |  |
| | Armored Cable and Fittings | <p>Armored Cable:</p> <ul style="list-style-type: none"> • Metal Clad Cable (MC) • Armor Clad Cable (AC) • Healthcare Facility Cable (HFC) <p>Armored Cable Fittings:</p> <ul style="list-style-type: none"> • Connectors • Service Entry Fittings | <p>AFC Cable Systems</p> <p>Kaf-Tech</p> |  |
| | Cable Tray & Cable Ladders | <ul style="list-style-type: none"> • Ladder Cable Tray • Hat Cable Tray • Channel Cable Tray • I Beam Cable Tray • Wire Basket Cable Tray | <p>Cope</p> <p>Marco</p> <p>Vergokan</p> <p>US Tray</p> |  |

| | Product Category | Sample Products | Brands | Sample Product Images |
|-----------------|--------------------------|--|---|---|
| MP&S | Metal Framing & Fittings | <ul style="list-style-type: none"> • Channel • Channel Fittings • Pipe Clamps/Hangers • Concrete Inserts | Power-Strut Unistrut |  |
| | Construction Services | <ul style="list-style-type: none"> • Design, Fabrication and Installation Services • Modular support structures • Fall protection | Unistrut Construction |  |
| | Mechanical Pipe | <ul style="list-style-type: none"> • In-line galvanized mechanical tube • Non-galvanized tube • Fabrication services | Allied Tube & Conduit |  |
| | Barbed Tape | <ul style="list-style-type: none"> • Security Confinement • Power Station • Military/Border • Law Enforcement | Razor Ribbon |  |

Marketing

Our products are primarily marketed by commissioned agents and sold directly to electrical and industrial distributors who resell our products under recognized brand names, including Allied Tube & Conduit, AFC Cable Systems, Heritage Plastics, Unistrut, Power-Strut, Cope and Calpipe as well as certain other sub-brands that are used regionally or in niche markets. Our commissioned agents are selected, trained and managed by our regional sales teams and supported by product managers who ensure that agents are adequately knowledgeable and sufficiently trained to represent our brands to our distribution customers. We stimulate end-user demand by promoting our products and solutions directly to architects, electrical engineers, electrical contractors and electrical code authorities. We also work directly with electrical contractors, who install Electrical Raceway products on new construction or renovation projects to assist them in selecting the most effective electrical raceway solution. In certain of the markets we serve, we market directly to electrical and industrial distributors, original equipment manufacturers ("OEMs") and governmental entities.

Distribution

We primarily sell and distribute our products through electrical, industrial and specialty distributors and OEMs. For many of the more than 13,000 electrical-distributor branches in the United States, our products are must-stock lines that form a staple of their business. We serve a diverse group of end markets, including new construction, MR&R and infrastructure, diversified industrials, alternative power generation, healthcare, data centers and government. End-users, which are typically electrical, industrial and mechanical contractors as well as OEMs, install our products during non-residential, residential and infrastructure construction and renovation projects or in assembly and manufacturing processes.

Distribution-based sales accounted for approximately 84% of our net sales for fiscal 2020. We distribute our products to electrical and industrial distributors from our manufacturing and distribution facilities as well as from over 40 dedicated distribution facilities operated by our agents. Our products are also stocked by electrical and industrial distributors who are located across the United States. Some of our products are purchased by OEMs and used as part of their products and solutions in applications such as utility solar framing, conveyor systems and fabric cover buildings. OEM sales accounted for approximately 16% of our net sales for fiscal 2020.

Our distribution footprint is concentrated in North America (the United States and Canada), with additional facilities in Australia, China, New Zealand and the United Kingdom.

Products are generally delivered to the dedicated distribution centers from our facilities and then subsequently delivered to the customer. In some instances, a product is delivered directly from our manufacturing facility to a customer or end-user. In many cases, our products are bundled and co-loaded when shipped. We contract with a wide range of transport providers to deliver our products, primarily via semi-tractor trailer.

Customers

Our sales and marketing processes are primarily focused on serving our immediate customers, including electrical, industrial and specialty distributors and OEMs. We believe customers view us as offering a strong value proposition based on our broad product offering, strong brands, short order cycle times, reliability and consistent product quality. For each of fiscal 2020, 2019 and 2018, approximately 89%, 88% and 90%, respectively, of our net sales were sold to customers located in the United States. Our net sales by geographic area were as follows:

| (in millions) | Fiscal Year Ended | | |
|----------------------|---------------------------|---------------------------|---------------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| United States | \$ 1,563 | \$ 1,689 | \$ 1,652 |
| International | 202 | 228 | 183 |
| Total | \$ 1,765 | \$ 1,917 | \$ 1,835 |

In fiscal 2020, our top ten customers accounted for approximately 37% of net sales. No single customer, even after consolidating all branches of such customer, which often make independent purchasing decisions, accounted for more than 10% of our net sales in fiscal 2020, 2019 or 2018. Our customers include global electrical distributors (such as Consolidated Electrical Distributors, Inc., Graybar Electric Company, Rexel, Sonepar S.A. and Wesco International, Inc.), independent electrical distributors including super-regional electrical distributors (such as U.S. Electrical Services Inc., Crescent Electric Supply Co. and United Electric Supply Company, Inc.) and members of buying groups (such as Affiliated Distributors, Inc. and IMARK Group, Inc.) as well as industrial distributors and big-box retailers (such as The Home Depot, Inc., Fastenal Company, HD Supply Holdings, Inc., McMaster-Carr Supply Co., Menard, Inc. and W.W. Grainger, Inc.).

Suppliers and Raw Materials

We use a variety of raw materials in the manufacture of our products. Our primary raw materials are steel, copper and polyvinyl chloride ("PVC") resin. We believe that sources for these raw materials are well-established, generally available on world markets and are in sufficient quantity that we may avoid disruption to our business if we encountered an interruption from one of our existing suppliers. Our primary suppliers of steel are ArcelorMittal, Cleveland-Cliffs and Nucor; our primary suppliers of copper are AmRod and Freeport McMoran; and our primary suppliers of PVC resin are Westlake, Formosa and Oxy Vinyls. We strive to maintain strong relationships with our suppliers.

Seasonality

In a typical year, our operating results are impacted by seasonality. Weather can impact the ability to pursue non-residential construction projects at any time of year in any geography, but historically, our slowest quarters have been the first and second fiscal quarters of each fiscal year when frozen ground and cold temperatures in many parts of the country can impede the start and pursuit of construction projects. Sales of our products have historically been higher in the third and fourth quarters of each fiscal year due to favorable weather and longer daylight conditions during these periods. Seasonal variations in operating results may also be significantly impacted by inclement weather conditions, such as cold or wet weather, which can delay construction projects as well as by adverse economic conditions or widespread detrimental public health conditions, including the pandemic caused by the spread of the novel coronavirus (COVID-19) in fiscal 2020 which resulted in delays in projects during the third and fourth quarters of the 2020 fiscal year.

Manufacturing

We currently manufacture products in 37 facilities and operate a total footprint of approximately 6 million square feet of manufacturing and distribution space in eight countries. Our headquarters are located in Harvey, Illinois, which is also the location of our largest manufacturing facility. Similar to our distribution footprint, our manufacturing footprint is currently concentrated in the United States, with additional facilities in Australia, Belgium, China, New Zealand, Russia and the United Kingdom.

With respect to our tube and conduit products, we believe we are a technology leader in the in-line galvanizing manufacturing process and have developed specialized equipment that enables us to produce a variety of low-cost high-quality galvanized tube products. Our subsidiary, Allied Tube & Conduit Corporation, or "Allied Tube," developed an in-line galvanizing technique (Flo-Coat) in which zinc is applied in a continuous process when the tube and pipe are formed. The Flo-Coat galvanizing process provides superior zinc coverage of fabricated metal products for rust prevention and lower cost manufacturing than traditional hot-dip galvanization.

Competition

The industries in which we operate are highly competitive. Our principal competitors range from national manufacturers to smaller regional manufacturers and differ by each of our product lines. We also face competition from manufacturers in Canada, Mexico and several other international markets, depending on the particular product. We believe our customers purchase from us because we provide value through the quality of our products and the timeliness of our delivery. Competition is generally on the basis of product offering, product innovation, quality, service and price.

There are many competitors in each of our segments. The main competitors in each of these segments are listed below:

Electrical Raceway: ABB Ltd., Eaton Corporation plc, nVent Electric plc, Hubbell Incorporated, Zekelman Industries, Inc., Republic Conduit, Inc., Southwire Company, LLC, and Encore Wire Corporation plc

Mechanical Products & Solutions:

- *Metal Framing:* B-Line (part of Eaton Corporation plc), Thomas & Betts (part of ABB Ltd.) and Haydon Corporation
- *Mechanical Tube:* Zekelman Industries, Inc.

Intellectual Property

Patents and other proprietary rights can be important to our business. We also rely on trade secrets, manufacturing know-how, continuing technological innovations, and licensing opportunities to maintain and improve our competitive position. We periodically review third-party proprietary rights, including patents and patent applications, in an effort to avoid infringement of third-party proprietary rights, identify licensing opportunities and monitor the intellectual property claims of others.

We own a portfolio of patents and trademarks. Other than licenses to commercially available third-party software, we do not believe that any of our licenses to third-party intellectual property are material to our business taken as a whole. Patents for individual products extend for varying periods according to the date of patent filing or grant and the legal term of patents in the various countries where patent protection is obtained. We rely on both trademark registration and common law protection for trademarks. Trademark rights may potentially extend indefinitely and are dependent upon national laws and use of the trademarks.

While we consider our patents and trademarks to be valued assets, we do not believe that our competitive position is dependent on patent or trademark protection or that our operations are dependent upon any single patent or group of related patents. We nevertheless face intellectual property-related risks. For more information on these risks, see Item 1A, "Risk Factors—Risks Related to Our Business—We may not be able to adequately protect our intellectual property rights in foreign countries, and we may become involved in intellectual property disputes."

Management of Information Technology Systems

Historically, information technology has not been a significant differentiator for us in our markets, however, we believe that ease of doing business with us will become increasingly important to our growth. Currently, we operate our business using widely commercially available hardware and software products with well-developed support services. In addition to these widely available IT products, we developed a new application for our agents which we believe will improve the overall order entry process. Additionally, during fiscal 2016, we invested more than \$6 million and installed and implemented a new general ledger and financial reporting system for the entire Company replacing a number of systems used in various parts of the Company. We have also chosen to migrate our email service and various other information technology services to a cloud computing platform hosted by Microsoft. During fiscal 2019, we completed the implementation of an integrated system for order management, advanced warehouse management, finished goods inventory management and accounts receivable. We have spent over \$15.3 million to date on this project, which went live in the fourth quarter of fiscal 2018.

Human Capital Resources

As of September 30, 2020, we employed approximately 3,700 total full-time equivalent employees of whom approximately 12% are temporary or contract workers. Our employees are primarily located in the United States, with about 19% employed at our international locations in Australia, Belgium, Canada, China, New Zealand, Russia and the United Kingdom.

As of September 30, 2020, approximately 24% of our domestic and international employees were represented by a union under a collective bargaining agreement. All unions are either located in the United States or Canada with no unions or Worker's Councils at any of our other locations abroad.

From time to time our collective bargaining agreements expire and come up for re-negotiation. On July 14, 2020, the Company and the United Steelworkers Union, representing approximately 350 employees, reached agreement on the terms of a new collective bargaining agreement for our largest facility in Harvey, Illinois, which expires in April 2024. We believe our relationship with our employees is good.

As part of our human capital resource objectives, we seek to recruit, retain and incentivize our employees by utilizing strategic workforce planning to forecast future needs, building and leveraging an inclusive leadership mindset, and applying a robust performance management process, including our onboarding and immersion program. The purpose of the onboarding and immersion program is to introduce new hires and transition employees to the Company and their roles to accelerate learning and exposure to key systems used at Atkore, provide clarity about Atkore's strategy, vision, mission and values, and ensure that every employee begins to develop a productive network of key stakeholders with whom they will interact during the performance of their jobs.

Regulatory Matters

Our facilities are subject to various federal, state, local and non-U.S. regulations including the protection of human health, safety and the environment. Among other things, these laws govern the use, storage, treatment, transportation, disposal and management of hazardous substances and wastes; regulate emissions or discharges of pollutants or other substances into the air, water, or otherwise into the environment; impose liability for the costs of investigating and remediating, and damages resulting from, present and past releases of hazardous substances and protect the health and safety of our employees.

We have incurred, and expect to continue to incur, capital expenditures in addition to ordinary course costs to comply with applicable current and future environmental, health and safety laws, such as those governing air emissions and wastewater discharges. In addition, government agencies could impose conditions or other restrictions in our environmental permits which increase our costs. These laws are subject to change, which can be frequent and material. More stringent federal, state or local environmental rules or regulations could increase our operating costs and expenses.

The cost of compliance with environmental, health and safety laws and capital expenditures required to meet regulatory requirements is not anticipated to have a material effect on our financial condition, results of operations, cash flows or competitive position.

In October 2013, the State of Illinois filed a complaint against our subsidiary Allied Tube, alleging violations of the Illinois Environmental Protection Act, or the "IEPA," relating to discharges to a storm sewer system that terminates at Allied Tube's Harvey, Illinois manufacturing facility. The State sought an injunction ordering Allied Tube to take immediate corrective

action to abate the alleged violations and civil penalties as permitted by applicable law. Allied Tube has reviewed management practices and made improvements to its diesel fuel storage and truck maintenance areas to resolve the State's claims. We entered into a consent order that required Allied Tube to pay a nominal penalty, install base low-flow oil and water separation equipment and take certain additional remedial actions to resolve the State's claims. The installation of the low-flow oil and water separation equipment is complete and certain additional remediation activities are in progress. We do not currently expect that any remaining obligations would have a material effect on our financial condition, results of operations or cash flows.

In August 2014, we received from the IEPA the terms of a proposed new stormwater discharge permit for our Harvey, Illinois manufacturing facility. Because the facility did not meet the zinc limit set forth in the proposed permit, the Company commenced negotiations with the IEPA to agree upon mutually acceptable discharge limits. During these negotiations, the facility was operating under an extension of the terms of our existing stormwater discharge permit. In October 2016, we received the final permit. A mutually agreed upon compliance plan is part of the permit, which was modified in December 2019 to accommodate trials of a metal coating technology that would nearly eliminate the largest source of zinc emissions from our galvanizing operations. We expect to achieve compliance in accordance with the negotiated schedule. The compliance plan includes studies to reduce zinc emitted from galvanizing manufacturing operations, implementation of more rigorous management practices, evaluation of the installation of passive/cost effective stormwater treatment and receiving stream studies to determine if a less stringent permit limit will be as protective of the water system as the current permit limit. Given the scope and time frame of the compliance plan, we do not expect that achieving compliance with either the stormwater discharge permit or the plan will have a material effect on our financial condition, results of operations or cash flows.

In April 2014, we received from the City of Phoenix the terms of an industrial wastewater discharge permit renewal that contains more rigorous wastewater discharge limits for our Phoenix, Arizona facility. We do not currently expect that any such obligations would have a material effect on our financial condition, results of operations or cash flows.

We are continually investigating, remediating or addressing contamination at our current and former facilities. For example, we are currently monitoring groundwater contamination at our Wayne, Michigan facility. Future remediation activities may be required to address contamination at or migrating from the Wayne, Michigan site. Many of our current and former facilities have a history of industrial usage for which additional investigation and remediation obligations could arise in the future and which could materially adversely affect our business, financial condition, results of operations or cash flows.

Impacts of COVID-19

The outbreak of the novel coronavirus (COVID-19) has continued to spread and is currently classified as a pandemic which is contributing to significant volatility and uncertainty in markets and the global economy. This heightened volatility and uncertainty makes it difficult for us to predict the extent of COVID-19's impact on our operations going forward.

As of the date of this filing, we have seen volume declines in our business across several product categories, as customers and end markets face some uncertainty and delays in timing of work. In particular, some construction site closures or project delays have occurred, and job sites have had to adjust to increased physical distancing and health-related precautions. Given the continued volatility within the economic impacts of the pandemic it is too early to make any judgment on how significant the COVID-19 effect will become.

Factors that contribute to our ability to adjust to the outbreak include currently being deemed an "essential business", benefiting from mostly localized supply chains, and continuing to take actions within our control to minimize the disruptive impacts of the outbreak. However, there can be no assurance that we will not be materially and adversely impacted in the future. The extent to which COVID-19 will impact our business will depend on future developments, which are highly uncertain and cannot be predicted with confidence.

Currently, none of our facilities are closed due to COVID-19 related developments. In response to COVID-19, we have implemented a variety of countermeasures to promote the health and safety of our employees during this pandemic, including health screening, physical distancing practices, enhanced cleaning, use of personal protective equipment, business travel restrictions, and remote work capabilities.

Available Information

We make available free of charge through our website, <http://investors.atkore.com/sec-filings>, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements, other reports filed under the Securities Exchange Act of 1934 ("Exchange Act"), and all amendments to those reports simultaneously or as soon as

reasonably practicable after such material is electronically filed with, or furnished to, the SEC. Our reports are also available free of charge on the SEC's website, www.sec.gov. References to our website in this Annual Report on Form 10-K do not constitute an incorporation by reference of any of the information found on our website, and such information is not a part of this or any other report we file with or furnish to the SEC.

Item 1A. Risk Factors

You should carefully consider the factors described below, in addition to the other information set forth in this Annual Report on Form 10-K. These risk factors are important to understanding the contents of this Annual Report on Form 10-K and of other reports. Our reputation, business, financial position, results of operations and cash flows are subject to various risks. The risks and uncertainties described below are not the only ones relevant to us. Additional risks and uncertainties not currently known to us or that we currently believe are immaterial may also adversely impact our reputation, business, financial position, results of operations and cash flows.

Risks Related to Our Business

Our business is affected by general business and economic conditions, which could materially and adversely affect our business, financial position, results of operations or cash flows.

Demand for our products is affected by a number of general business and economic conditions. A decline in the United States and international markets in which we operate could materially and adversely affect our business, financial position, results of operations or cash flows. Our profit margins, as well as overall demand for our products, could decline as a result of a large number of factors beyond our control, including economic recessions, the COVID-19 pandemic, changes in end-user preferences, consumer confidence, inflation, availability of credit, fluctuation in interest and currency exchange rates and changes in the fiscal or monetary policies of governments in the regions in which we operate.

During the United States economic recession which began in the second half of 2007 and continued through June of 2009, demand for our products declined significantly. Another economic downturn in any of the markets we serve may result in a reduction of sales and pricing for our products. If the creditworthiness of our customers declines, we could face increased credit risk and some, or many, of our customers may not be able to pay us amounts when they become due.

We cannot predict economic conditions, or the timing or strength of demand in our markets. Weakness in the markets in which we operate could have a material adverse effect on our business, financial condition, results of operations or cash flows. We may have to close underperforming facilities from time to time and market weakness will reduce demand for our products, possibly lead to excess capacity and may also reduce the price we are able to charge for our products. This, combined with an increase in excess capacity, could negatively impact our business, financial condition, results of operations or cash flows.

The non-residential construction industry accounts for a significant portion of our business, and a downturn in the non-residential construction industry could materially and adversely affect our business, financial position, results of operations or cash flows.

Our business is largely dependent on the non-residential construction industry. Approximately 39% of our net sales in fiscal 2020 were directly related to United States new non-residential construction. For new construction, we estimate that our product installation typically lags United States non-residential starts by six to twelve months. The United States non-residential construction industry is cyclical, with product demand based on numerous factors such as availability of credit, interest rates, general economic conditions, consumer confidence and other factors that are beyond our control. United States non-residential construction starts, as reported by Dodge, reached a historic low of 690 million square feet in our fiscal 2010 and increased to 1,091 million square feet in our fiscal 2020, which remains below historical levels.

From time to time we have been adversely affected in various parts of the country by declines in non-residential building construction starts due to, among other things, changes in tax laws affecting the real estate industry, interest rate increases and governmental restrictions relating to the COVID-19 pandemic. Continued uncertainty about current economic conditions will continue to pose a risk to our business, financial position, results of operations and cash flows, as participants in this industry may postpone spending in response to negative financial news and/or declines in income or asset values, which could have a continued material negative effect on the demand for our products.

Widespread detrimental public health conditions, and specifically the pandemic caused by the spread of COVID-19, have had and could continue to have a material adverse impact on our business, financial position, results of operations and cash flows.

We are closely monitoring developments related to the COVID-19 pandemic to assess its impact on our business. While we have implemented risk management and contingency plans and taken preventive measures and other precautions, no predictions of specific scenarios can be made with respect to the COVID-19 pandemic and such measures may not adequately protect our business from the impact of such events. These impacts include disruptions or restrictions on our employees' ability to travel as well as temporary closures of our facilities or the facilities of our customers, suppliers and other constituents of our supply chain. While still evolving, the COVID-19 pandemic has caused significant economic and financial turmoil both in the United States and around the world, and has led to a global recession. These conditions are expected to continue in the near term.

As of the date of this filing, we have seen volume declines in our business across several product categories, as customers and end markets face some uncertainty and delays in timing of work. In particular, some construction site closures or project delays have occurred, and job sites have had to adjust to increased physical distancing and health-related precautions. Given the continued uncertainty with respect to impacts of the pandemic, it is unknown how significant this will become. Further uncertainty and delays in our end-markets could have a material adverse impact on the demand for our products, some jurisdictions may raise taxes to help cover pandemic-related costs and disruptions to or adverse conditions in the financial industry could affect our ability to obtain financing on favorable terms or at all.

While our operations are currently considered an "essential business", the extent and duration of the impact of the COVID-19 pandemic remain highly uncertain and dependent on future developments that cannot be accurately predicted, such as the severity of the COVID-19 pandemic, the extent and effectiveness of containment actions, and the impacts of these and other factors on our operations and the global economy. We also cannot predict how legal and regulatory responses to concerns about the COVID-19 pandemic and related public health issues will impact our business. These and other factors could have a material adverse impact on our business, financial position, results of operations and cash flows and may cause us to revisit or revise estimates of future earnings or other guidance we have previously provided to the markets.

Furthermore, the heightened uncertainty within the macroeconomic environment has caused our stock price to decline and may cause our stock price to be highly volatile and decline further in the future, due in part to the volatility of the stock market and any general economic downturn.

The raw materials on which we depend in our production process may be subject to price increases which we may not be able to pass through to our customers, or to price decreases which may decrease the price levels of our products. As a result, such price fluctuations could materially and adversely affect our business, financial position, results of operations or cash flows.

Our results of operations are impacted by changes in commodity prices, primarily steel, copper and PVC resin. Historically, we have not engaged in material hedging strategies for raw material purchases. Substantially all of the products we sell (such as steel conduit, tubing and framing, copper wiring in our cables, and PVC conduit) are subject to price fluctuations because they are composed primarily of steel, copper or PVC resin, three industrial commodities that are subject to price volatility. This volatility can significantly affect our gross profit. We also watch the market trends of certain other commodities, such as zinc (used in the galvanization process for a number of our products), electricity, natural gas and diesel fuel, as such commodities can be important to us as they impact our cost of sales, both directly through our plant operations and indirectly through transportation and freight expense.

We may not always be completely successful in managing raw material market fluctuations in the future. In addition, in periods of declining prices for our raw materials we may face pricing pressure from our customers. We generally sell our products on a spot basis (and not under long-term contracts). Any increase in raw material prices that is not offset by an increase in our prices, or our inability to maintain price levels in an environment of declining raw material prices, could materially and adversely affect our business, financial position, results of operations or cash flows.

We operate in a competitive landscape, and increased competition could materially and adversely affect our business, financial position, results of operations or cash flows.

The principal markets that we serve are highly competitive. Competition is based primarily on product offering, product innovation, quality, service and price. Our principal competitors range from national manufacturers to smaller regional manufacturers and differ by each of our product lines. See Item 1, "Business—Competition." Some of our competitors may have greater financial and other resources than we do and some may have more established brand names in the markets we serve. The actions of our competitors may encourage us to lower our prices or to offer additional services or enhanced products at a higher cost to us, which could reduce our gross profit, net income or cash flows or may cause us to lose market share. Any of these consequences could materially and adversely affect our business, financial position, results of operations or cash flows.

Our operating results are sensitive to the availability and cost of freight and energy, which are important in the manufacture and transport of our products.

We are dependent on third-party freight carriers to transport many of our products. Our access to third-party freight carriers is not guaranteed, and we may be unable to transport our products at economically attractive rates in certain circumstances, particularly in cases of adverse market conditions or disruptions to transportation infrastructure. Our business, financial position, results of operations or cash flows could be materially and adversely affected if we are unable to pass all of the cost increases on to our customers, if we are unable to obtain the necessary energy supplies or if freight carrier capacity in our geographic markets were to decline significantly or otherwise become unavailable.

Our business, financial position, results of operations or cash flows could be materially and adversely affected by the level of similar product imports into the United States, as well as U.S. trade policy and practices.

A substantial portion of our revenue is generated through our operations in the United States. Although we have not been substantially impacted by imports historically, imports of products similar to those manufactured by us may reduce the volume of products sold by domestic producers and depress the selling prices of our products and those of our competitors.

We believe import levels are affected by, among other things, overall worldwide product demand, the trade practices of the U.S. and foreign governments, the cost of freight, the challenges involved in shipping, government subsidies to foreign producers and governmentally imposed trade restrictions, such as quotas, tariffs, and other trade barriers in the United States. Increased imports of products similar to those manufactured by us in the United States could materially and adversely affect our business, financial position, results of operations or cash flows.

We are indirectly subject to regulatory changes that may affect demand for our products.

The market for certain of our products is influenced by federal, state, local and international governmental regulations and trade policies (such as the Buy America regulations, American Recovery and Reinvestment Act of 2009, Underwriters Laboratories, National Electric Code and American Society of Mechanical Engineers) as well as other policies, including those imposed on the non-residential construction industry (such as the National Electrical Code and corresponding state and local laws based on the National Electrical Code). These regulations and policies are subject to change. In the event that there would be changes in the National Electrical Code and any similar state, local or non-U.S. laws, including changes that would allow for alternative products to be used in the non-residential construction industry or that would render less restrictive or otherwise reduce the current requirements under such laws and regulations, the scope of products that would serve as alternatives to products we produce would increase. As a result, competition in the industries in which we operate could increase, with a potential corresponding decrease in the demand for our products. In addition, in the event that changes in such laws would render current requirements more restrictive, we may be required to change our products or production processes to meet such increased restrictions, which could result in increased costs and cause us to lose market share. Any changes to such regulations, laws and policies could materially and adversely affect our business, financial position, results of operations or cash flows.

Our results of operations could be adversely affected by weather.

Although weather patterns affect our operating results throughout the year, adverse weather historically has reduced construction activity in our first and second fiscal quarters as construction activity declines due to inclement weather, frozen ground and shorter daylight hours. In contrast, our highest volume of net sales historically has occurred in our third and fourth fiscal quarters. If hurricanes, severe storms, floods, other natural disasters or similar events occur in the geographic regions in which we or our suppliers operate or through which deliveries must travel, our results of operations may be adversely affected.

We have incurred and continue to incur significant costs to comply with current and future environmental, health and safety laws and regulations, and our operations expose us to the risk of material environmental, health and safety liabilities and obligations.

We are subject to numerous federal, state, local and non-U.S. environmental, health and safety laws governing, among other things, the generation, use, storage, treatment, transportation, disposal and management of hazardous substances and wastes, emissions or discharges of pollutants or other substances into the environment, investigation and remediation of, and damages resulting from, releases of hazardous substances and the health and safety of our employees. We have incurred, and expect to continue to incur, capital expenditures in addition to ordinary course costs to comply with applicable current and future environmental, health and safety laws, such as those governing air emissions and wastewater discharges. In addition, government agencies could impose conditions or other restrictions in our environmental permits which increase our costs. These laws are subject to change, which can be frequent and material. More stringent federal, state or local environmental rules or regulations could increase our operating costs and expenses. Furthermore, our operations are governed by the United States Occupational Safety and Health Administration, or "OSHA." OSHA regulations may change in a way that increases our costs of operations. Our failure to comply with applicable environmental, health and safety laws and permit requirements could result in civil or criminal fines or penalties, enforcement actions, and regulatory or judicial orders enjoining or curtailing operations or requiring corrective measures such as the installation of pollution control equipment, which could materially and adversely affect our business, financial position, results of operations or cash flows.

From time to time, we may be held liable for the costs to address contamination at any real property we have ever owned, operated or used as a disposal site. We are currently, and may in the future be, required to investigate, remediate or otherwise address contamination at our current or former facilities. Many of our current and former facilities have a history of industrial usage for which additional investigation, remediation or other obligations could arise in the future and that could materially and adversely affect our business, financial position, results of operations or cash flows. For example, as we sell, close or otherwise dispose of facilities, we may need to address environmental issues at such sites, including any previously unknown contamination.

We could be subject to third-party claims for property damage, personal injury and nuisance or otherwise as a result of violations of, or liabilities under, environmental, health or safety laws or in connection with releases of hazardous or other materials at any current or former facility. We could also be subject to environmental indemnification or other claims in connection with assets and businesses that we have divested.

We cannot assure you that any costs relating to future capital and operating expenditures to maintain compliance with environmental, health and safety laws, as well as costs to address contamination or environmental claims, will not exceed any current estimates or adversely affect our business, financial position, results of operations or cash flows. In addition, any unanticipated liabilities or obligations arising, for example, out of discovery of previously unknown conditions or changes in law or enforcement policies, could materially and adversely affect our business, financial position, results of operations or cash flows.

We rely on a few customers for a significant portion of our net sales, and the loss of those customers or their inability or unwillingness to pay our invoices on time could materially and adversely affect our business, financial position, results of operations or cash flows.

Certain of our customers, in particular buying groups representing consortia of independent electrical distributors, national electrical distributors, OEMs, data centers and medical center general contractors are material to our business, financial position, results of operations and cash flows because they account for a significant portion of our net sales. In fiscal 2020, although no single customer accounted for more than 10% of our net sales, our ten largest customers (including buyers and distributors in buying groups) accounted for approximately 37% of our net sales. Our percentage of sales to our major customers may increase if we are successful in pursuing our strategy of broadening the range of products we sell to existing customers. In such an event, or in the event of any consolidation in certain segments we serve, including retailers selling building products, our sales may be increasingly sensitive to deterioration in the financial condition of, or other adverse developments with respect to, one or more of our top customers. Our top customers may also be able to exert influences on us with respect to pricing, delivery, payment or other terms.

The majority of our net sales are facilitated through the extension of credit to our customers, and a significant asset included in our working capital is accounts receivable from customers. As of September 30, 2020, one customer, Sonepar Management US, Inc., represented 11% of the Company's accounts receivable balance due to increased sales in the last 60 days of the year. As of September 30, 2019, no single customer represented more than 10% of the Company's accounts receivable balance. See Note 20, "Segment Information" to the accompanying consolidated financial statements included elsewhere in this Annual Report. If customers responsible for a significant amount of accounts receivable become insolvent or otherwise unable to pay for products and services, or become unwilling or unable to make payments in a timely manner, our business, financial position, results of operations or cash flows could be materially and adversely affected.

Our working capital requirements could result in us having lower cash available for, among other things, capital expenditures and acquisition financing.

Our working capital needs fluctuate based on economic activity and the market prices for our main raw materials, which are predominantly steel, copper and PVC resin. We require significant working capital to purchase these raw materials and sell our products efficiently and profitably to our customers. We are typically obligated to pay for our raw material purchases within 10 and 60 days of receipt, while we generally collect cash from the sale of manufactured products between 30 to 60 days from the point at which title and risk of loss transfers. If our working capital requirements increase and we are unable to finance our working capital on terms and conditions acceptable to us, we may not be able to obtain raw materials to respond to customer demand, which could result in a loss of sales. Our average working capital days during fiscal 2020 was 79 days.

If our working capital needs increase, the amount of liquidity we have at our disposal to devote to other uses will decrease. A decrease in liquidity could, among other things, limit our flexibility, including our ability to make capital expenditures and to complete acquisitions that we have identified, thereby materially and adversely affecting our business, financial condition, results of operations and cash flows.

Work stoppages and other production disruptions may adversely affect our operations and impair our financial performance.

As of September 30, 2020, approximately 24% of our domestic and international employees were represented with a collective bargaining agreement by labor unions. A work stoppage or other interruption of production could occur at our facilities or our suppliers' facilities as a result of disputes under existing collective bargaining agreements with labor unions or in connection with negotiations of new collective bargaining agreements, as a result of supplier financial distress, or for other reasons. Such work stoppages or interruptions could materially and adversely affect our business, financial position, results of operations or cash flows. See Item 1, "Business—Human Capital Resources."

We have financial obligations relating to pension plans that we maintain in the United States.

We provide pension benefits through a number of noncontributory and contributory defined benefit retirement plans covering eligible United States employees. As of September 30, 2020, we estimated that our pension plans were underfunded by approximately \$40.0 million, both of which are frozen and do not accrue any additional service cost. As such, the funded status is primarily impacted by the performance of the underlying assets supporting the plan and changes in interest rates or other factors, which may trigger additional cash contributions. Our pension obligations are calculated annually and are based on several assumptions, including then-prevailing conditions, which may change from year to year. If in any year our assumptions are inaccurate, we could be required to expend greater amounts than anticipated.

Unplanned outages at our facilities and other unforeseen disruptions could materially and adversely affect our business, financial position, results of operations or cash flows.

Our business depends on the operation of our manufacturing and distribution facilities. It is possible that we could experience prolonged periods of reduced production or distribution capacity due to interruptions in the operations of our facilities or those of our key suppliers. It is also possible that operations may be disrupted due to other unforeseen circumstances such as power outages, explosions, fires, floods, accidents, effects of the pandemic and severe weather conditions. Availability of raw materials and delivery of products to customers could be affected by logistical disruptions. To the extent that lost production or distribution capacity could not be compensated for at unaffected facilities and depending on the length of the outage, our sales and production costs could be adversely affected.

We rely on the efforts of agents and distributors to generate sales of our products.

We utilize various third-party agents and distributors to market, sell and distribute our products and to directly interface with our customers and end-users by providing customer service and support. No single agent or distributor accounts for a material percentage of our annual net sales. We do not have long-term contracts with our third-party agents and distributors, who could cease offering our products. In addition, many of our third-party agents and distributors with whom we transact business also offer the products of our competitors to our ultimate customers and they could begin offering our products with less prominence. The loss of a substantial number of our third-party agents or distributors or a dramatic deviation from the amount of sales they generate, including due to an increase in their sales of our competitors' products, could reduce our sales and could materially and adversely affect our business, financial position, results of operations or cash flows.

Interruptions in the proper functioning of our information technology, or "IT" systems, including from cybersecurity threats, could disrupt operations and cause unanticipated increases in costs or decreases in revenues, or both.

We use our information systems to, among other things, run and manage our manufacturing operations, manage inventories and accounts receivable, make purchasing decisions and monitor our results of operations, and process, transmit and store sensitive electronic data, including employee, supplier and customer records. As a result, the proper functioning of our IT systems is critical to the successful operation of our business. Our information systems include proprietary systems developed and maintained by us. In addition, we depend on IT systems of third parties, such as suppliers, retailers and OEMs to, among other things, market and distribute our products, develop new products and services, operate our website, host and manage our services, store data, process transactions, respond to customer inquiries and manage inventory and our supply chain. Although our IT systems are protected through physical and software safeguards and remote processing capabilities exist, our IT systems or those of third parties whom we depend upon are still vulnerable to natural disasters, power losses, unauthorized access, telecommunication failures and other problems. If critical proprietary or third-party IT systems fail or are otherwise unavailable, including as a result of system upgrades and transitions, our ability to manufacture, process orders, track credit risk, identify business opportunities, maintain proper levels of inventories, collect accounts receivable, pay expenses and otherwise manage our business would be adversely affected.

Cyber incidents can result from deliberate attacks or unintentional events. These incidents can include, but are not limited to, gaining unauthorized access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cybersecurity attacks in particular are becoming more sophisticated and more frequent and include, but are not limited to, malicious software, attempts to gain unauthorized access to data (either directly or through our vendors) and other cybersecurity attacks such as "denial of service" attacks, phishing, untargeted but sophisticated and automated attacks, and other disruptive software campaigns. We have been, and likely will continue to be, subject to potential damage from cybersecurity attacks. Despite our security measures, our IT systems and infrastructure or those of our third parties may be vulnerable to such cyber incidents. The result of these incidents could include, but are not limited to, disrupted operations, misstated or misappropriated financial data, theft of our intellectual property or other confidential information (including of our customers, suppliers and employees), liability for stolen assets or information, increased cyber security protection costs and reputational damage adversely affecting customer or investor confidence. In addition, if any information about our customers, including payment information, were the subject of a successful cybersecurity attack against us, we could be subject to litigation or other claims by the affected customers. We have incurred costs and may incur significant additional costs in order to implement the security measures we feel are appropriate to protect our IT systems.

We may be required to recognize goodwill, intangible assets or other long-lived asset impairment charges.

As of September 30, 2020, we had goodwill of \$188.2 million, intangible assets of \$255.3 million, and other long-lived assets of \$286.3 million. Goodwill and indefinite-lived intangible assets are not amortized and are subject to impairment testing at least annually. Future events, such as declines in our cash flow projections or customer demand, may cause impairments of our goodwill or long-lived assets based on factors such as the price of our common stock, projected cash flows, assumptions used, control premiums or other variables.

In addition, if we divest long-lived assets at prices below their asset value, we must write them down to fair value resulting in long-lived asset impairment charges, which could adversely affect our financial position or results of operations. For example, in fiscal 2015 we recorded asset impairments of \$27.9 million primarily related to our announced Fence and Sprinkler exit. See Note 14, "Goodwill and Intangible Assets" to the accompanying consolidated financial statements included elsewhere in this Annual Report. We cannot accurately predict the amount and timing of any impairment of assets, and we may be required to recognize goodwill or other asset impairment charges which could materially and adversely affect our results of operations. See "Item 8. Financial Statements and Supplementary Data".

We are subject to certain safety and labor risks associated with the manufacture and testing of our products.

As of September 30, 2020, we employed approximately 3,700 total full-time equivalent employees, a significant percentage of whom work at our 37 manufacturing facilities. Our business involves complex manufacturing processes and there is a risk that an accident resulting in property damage, personal injury or death could occur in one of our facilities. In addition, prior to the introduction of new products, our employees test such products under rigorous conditions, which could potentially result in injury or death. The outcome of any personal injury, wrongful death or other litigation is difficult to assess or quantify and the cost to defend litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith or negative effects on employee morale, could have a negative effect on our business, financial position, results of operations or

cash flows. In addition, any accident could result in manufacturing or product delays, which could negatively affect our business, financial position, results of operations or cash flows. See Item 8, "Financial Statements and Supplementary Data".

The nature of our business exposes us to product liability, construction defect and warranty claims and litigation as well as other legal proceedings, which could materially and adversely affect our business, financial position, results of operations or cash flows.

We are exposed to construction defect and product liability claims relating to our various products if our products do not meet customer expectations. Such claims and liabilities may arise out of the quality of raw materials or component parts we purchase from third-party suppliers, over which we do not have direct control, or due to our fabrication, assembly, or damage in shipment of our products. In addition, we warrant certain of our products to be free of certain defects and could incur costs related to paying warranty claims in connection with defective products. We cannot assure you that we will not experience material losses or that we will not incur significant costs to defend or pay for such claims.

While we currently maintain insurance coverage to address a portion of these types of liabilities, we cannot make assurances that we will be able to obtain such insurance on acceptable terms in the future, if at all, or that any such insurance will provide adequate coverage against potential claims. Further, while we intend to seek indemnification against potential liability for product liability claims from relevant parties, we cannot guarantee that we will be able to recover under any such indemnification agreements. Any claims that result in liability exceeding our insurance coverage and rights to indemnification by third parties could materially and adversely affect our business, financial position, results of operations or cash flows. Product liability claims can be expensive to defend and can divert the attention of management and other personnel for significant time periods, regardless of the ultimate outcome. For example, certain of our subsidiaries have been named as defendants in product liability lawsuits claiming that our ABF II anti-microbial coated sprinkler pipe allegedly caused environmental stress cracking in chlorinated PVC pipe. See Note 17, "Commitments and Contingencies" to the accompanying consolidated financial statements included elsewhere in this Annual Report. An unsuccessful product liability defense could be highly costly and accordingly result in a decline in revenues and profitability.

From time to time, we are also involved in government inquiries and investigations, as well as consumer, employment, tort proceedings and other litigation. We cannot predict with certainty the outcomes of these legal proceedings and other contingencies. The outcome of some of these legal proceedings and other contingencies could require us to take actions which would adversely affect our operations or could require us to pay substantial amounts of money. Additionally, defending against these lawsuits and proceedings may involve significant expense and diversion of management's attention and resources from other matters.

We may not be able to adequately protect our intellectual property rights in foreign countries, and we may become involved in intellectual property disputes.

Our use of contractual provisions, confidentiality procedures and agreements, and patent, trademark, copyright, unfair competition, trade secret and other laws to protect our intellectual property and other proprietary rights may not be adequate. We have registered intellectual property (mainly trademarks and patents) in more than 70 countries. Because of the differences in foreign trademark, patent and other intellectual property or proprietary rights laws, we may not receive the same protection in foreign countries as we would in the United States.

Litigation may be necessary to enforce our intellectual property rights or to defend against claims by third parties that our products infringe their intellectual property rights. Any litigation or claims brought by or against us could result in substantial costs and diversion of our resources. A successful intellectual property infringement suit against us could prevent us from manufacturing or selling certain products in a particular area, which could materially and adversely affect our business, financial position, results of operations or cash flows.

We face risks relating to doing business internationally that could materially and adversely affect our business, financial position, results of operations or cash flows.

Our business operates and serves customers in certain foreign countries, including Australia, Belgium, Canada, China, New Zealand, Russia and the United Kingdom. There are certain risks inherent in doing business internationally, including economic volatility and sustained economic downturns, difficulties in enforcing contractual and intellectual property rights, currency exchange rate fluctuations and currency exchange controls, import or export restrictions, sanctions and changes in trade regulations, difficulties in developing, staffing, and simultaneously managing a number of foreign operations as a result of distance, issues related to occupational safety and adherence to local labor laws and regulations, potentially adverse tax developments, longer payment cycles, exposure to different legal standards, political or social unrest, including terrorism, risks related to government regulation and uncertain protection and enforcement of our intellectual property rights, the presence of corruption in certain countries and higher than anticipated costs of entry.

One or more of these factors could materially and adversely affect our business, financial position, results of operations or cash flows.

Changes in foreign laws and legal systems could materially impact our business.

Evolving foreign laws and legal systems, including those that will occur as a result of the United Kingdom's withdrawal from the European Union ("Brexit"), may adversely affect global economic and market conditions and could contribute to volatility in the foreign exchange markets. Brexit, without trade agreements with Great Britain's largest trade partners, may adversely affect our UK businesses' revenues and could subject us to new regulatory costs and challenges, in addition to other adverse effects that we are unable to effectively anticipate.

Our inability to introduce new products effectively or implement our innovation strategies could adversely affect our ability to compete.

We continually seek to develop products and solutions that allow us to stay at the forefront of the needs of the Electrical Raceway and MP&S markets. The success of new products depends on a variety of factors, including but not limited to, timely and successful product development, the effective consummation of strategic acquisitions, market acceptance and demand, competitive response, protection of associated intellectual property and avoidance of third-party infringement of the Company's intellectual property, our ability to manage risks associated with product life cycles, the effective management of inventory and purchase commitments, the availability and cost of raw materials and the quality of our initial products during the initial period of introduction. Some of the foregoing factors are beyond our control and we cannot fully predict the ultimate success of the introduction of new products, especially in the early stages of innovation. In introducing new products and implementing our innovation strategies, any delays, unexpected costs, diversion of resources, loss of key employees or other setbacks could materially and adversely affect our business, financial position, results of operations or cash flows.

Our business, financial position or results of operations could be materially and adversely affected by the ability to import raw materials, component parts and/or finished goods from existing suppliers and otherwise without government regulations or restrictions incremental to those borne by the business today.

Our business, financial position or results of operations could be materially and adversely affected by our inability to continue importing raw materials, component parts and/or finished goods under the regulatory regime applicable to our business. Although we seek to have alternate sources and recover increases in input costs through price increases in our products, regulatory changes or other governmental actions could result in the need to change suppliers or incur cost increases that cannot, in the short term, or in some cases even the long term, be offset by our prices. Such changes could reduce our gross profit, net income and cash flow. Any of these consequences could materially and adversely affect our business, financial position, results of operations or cash flows.

In connection with acquisitions, joint ventures or divestitures, we may become subject to liabilities and required to issue additional debt or equity.

In connection with any acquisitions or joint ventures and agreements relating to Tyco's 2010 sale of a greater than 50% stake in the Company, we may acquire or become subject to liabilities such as legal claims, including but not limited to third-party liability and other tort claims; claims for breach of contract; employment-related claims; environmental liabilities, conditions or damage; permitting, regulatory or other compliance with law issues; liability for hazardous materials; or tax liabilities. If any of these liabilities are not adequately covered by insurance or an enforceable indemnity or similar agreement from a creditworthy counterparty, we may be responsible for significant out-of-pocket expenditures. In connection with any divestitures, we may incur liabilities for breaches of representations and warranties or failure to comply with operating covenants under any agreement for a divestiture. In addition, we may have to indemnify a counterparty in a divestiture for certain liabilities of the subsidiary or operations subject to the divestiture transaction. These liabilities, if they materialize, could materially and adversely affect our business, financial position, results of operations or cash flows.

In addition, if we were to undertake a substantial acquisition for cash, the acquisition would likely need to be financed in part through additional financing from banks, through public offerings or private placements of debt or equity securities or through other arrangements. Such acquisition financing might decrease our ratio of earnings to fixed charges and adversely affect other leverage criteria and our credit rating. We cannot assure you that the necessary acquisition financing would be available to us on acceptable terms if and when required. Moreover, acquisitions financed through the issuance of equity securities could cause our stockholders to experience dilution.

We may be unable to identify, acquire, close or integrate acquisition targets successfully.

Acquisitions are a component of our growth strategy; however, there can be no assurance that we will be able to continue to grow our business through acquisitions as we have done historically or that any businesses acquired will perform in accordance with expectations or that business judgments concerning the value, strengths and weaknesses of businesses acquired will prove to be correct. We will continue to analyze and evaluate the acquisition of strategic businesses or product lines with the potential to strengthen our industry position or enhance our existing product offering. We cannot assure you that we will identify or successfully complete transactions with suitable acquisition candidates in the future, nor can we assure you that completed acquisitions will be successful. If an acquired business fails to operate as anticipated or cannot be successfully integrated with our existing business, our business, financial condition, results of operations or cash flows could be materially and adversely affected.

Regulations related to "conflict minerals" may force us to incur additional expenses, may make our supply chain more complex and may result in damage to our reputation with customers.

As a public company, we are subject to the requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the "Dodd-Frank Act." The SEC has adopted requirements under the Dodd-Frank Act for companies that use certain minerals and metals, known as conflict minerals, in their products, whether or not these products are manufactured by third parties. These requirements require companies to conduct due diligence and disclose whether or not such minerals originate from the Democratic Republic of Congo and adjoining countries. There are costs associated with complying with these disclosure requirements, including for efforts to determine the sources of conflict minerals used in our products and other potential changes to products, processes or sources of supply as a consequence of such verification activities. In addition, compliance with these requirements could adversely affect the sourcing, supply and pricing of materials used in those products and we may face reputational challenges if we are unable to verify the origins for all "conflict minerals" used in products through the procedures we have implemented. We may also encounter challenges to satisfy customers that may require all of the components of products purchased to be certified as conflict free. If we are not able to meet customer requirements, customers may choose to disqualify us as a supplier.

Anti-terrorism measures and other disruptions to the raw material supply network could impact our operations and those of our suppliers.

Our ability to provide efficient distribution of products to our customers is an integral component of our overall business strategy. In the aftermath of terrorist attacks in the United States, federal, state and local authorities have implemented and continue to implement various security measures that affect the raw material supply network in the United States and abroad. If security measures disrupt or impede the receipt of sufficient raw materials to us and our suppliers, we may fail to meet the needs of our customers or may incur increased expenses to do so.

Risks Related to Our Indebtedness

Our indebtedness may adversely affect our financial health.

As of September 30, 2020, we had approximately \$811.5 million of total long-term consolidated indebtedness outstanding (including current portion) under AII's credit facilities ("Credit Facilities"), which consist of: (i) an asset-based credit facility ("ABL Credit Facility"); and (ii) the first lien term loan facility (the "First Lien Term Loan Facility"). As of September 30, 2020, AII had \$265.9 million of available borrowing capacity under the ABL Credit Facility and there were no outstanding borrowings (excluding \$9.5 million of letters of credit issued under the facility). Our indebtedness could have important consequences to you. Because of our indebtedness:

- our ability to obtain additional financing for working capital, capital expenditures, acquisitions, debt service requirements or general corporate purposes and our ability to satisfy our obligations with respect to our indebtedness may be impaired in the future;
- a large portion of our cash flow from operations may be dedicated to the payment of principal and interest on our indebtedness, thereby reducing the funds available to us for other purposes;
- we are exposed to the risk of increased interest rates because a significant portion of our borrowings are at variable rates of interest;
- it may be more difficult for us to satisfy our obligations to other creditors, resulting in possible defaults on, and acceleration of, such indebtedness;
- we may be more vulnerable to general adverse economic and industry conditions;
- we may be at a competitive disadvantage compared to our competitors with proportionately less indebtedness or with comparable indebtedness on more favorable terms and, as a result, they may be better positioned to withstand economic downturns;
- our ability to refinance indebtedness may be limited or the associated costs may increase;
- our flexibility to adjust to changing market conditions and ability to withstand competitive pressures could be limited; and
- we may be prevented from carrying out capital spending and restructurings that are necessary or important to our growth strategy and efforts to improve our operating margins.

Despite our indebtedness levels, we and our subsidiaries may incur substantially more indebtedness, which may increase the risks created by our indebtedness.

We and our subsidiaries may incur substantial additional indebtedness in the future. The terms of the credit agreements governing the Credit Facilities do not fully prohibit us or our subsidiaries from incurring additional debt. If our subsidiaries are in compliance with certain leverage or coverage ratios set forth in the agreements governing the Credit Facilities, they may be able to incur substantial additional indebtedness, which may increase the risks created by our current indebtedness. Subject to certain conditions and without the consent of the then existing lenders, the loans under the First Lien Term Loan Facility may be expanded (or a new term loan facility, revolving credit facility or letter of credit facility added) by up to \$235.0 million, plus an additional amount not to exceed specified leverage or coverage ratios. In addition, subject to certain conditions and without the consent of the then existing lenders, the loans under the ABL Credit Facility may be expanded by up to \$150 million, and the credit agreements governing the Credit Facilities allow for up to \$50.0 million of second lien facilities. As of September 30, 2020, we had an additional \$265.9 million in availability under the ABL Credit Facility.

Increases in interest rates would increase the cost of servicing our indebtedness and could reduce our profitability.

A significant portion of our outstanding indebtedness bears interest or will bear interest at variable rates. As a result, increases in interest rates would increase the cost of servicing our indebtedness and could materially and adversely affect our business, financial position, results of operations or cash flows. As of September 30, 2020, each one percentage point change in interest rates would have resulted in a change of approximately \$8.2 million in the annual interest expense on the First Lien Term Loan Facility. As of September 30, 2020, assuming availability was fully utilized, each one percentage point change in interest rates would have resulted in a change of approximately \$3.3 million in annual interest expense on the ABL Credit Facility. Additionally, if the ABL Credit Facility were fully utilized, the margin we pay on borrowings would increase by 0.5% from the current level and we would incur additional interest expense of \$1.6 million. The impact of increases in interest rates could be more significant for us than it would be for some other companies because of our indebtedness, thereby affecting our profitability.

Further, the United Kingdom's Financial Conduct Authority, which regulates LIBOR, has announced that it intends to stop encouraging or compelling banks to submit rates for the calculation of LIBOR rates after 2021 ("FCA Announcement"). The FCA Announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021 and, based on the foregoing, it appears likely that LIBOR will be discontinued or modified by 2021. It is not possible to predict the effect the FCA Announcement, any discontinuation, modification or other reforms to LIBOR or the establishment of alternative reference rates may have on LIBOR. Furthermore, the use of alternative reference rates or other reforms could adversely affect the interest rates payable under our current and/or future indebtedness bearing interest at variable rates.

A lowering or withdrawal of the ratings, outlook or watch assigned to our indebtedness by rating agencies may increase our future borrowing costs and reduce our access to capital.

Our indebtedness currently has a non-investment grade rating, and any rating, outlook or watch assigned could be lowered or withdrawn entirely by a rating agency if, in that rating agency's judgment, current or future circumstances relating to the basis of the rating, outlook or watch, such as adverse changes to our business, so warrant. Any future lowering of our ratings, outlook or watch likely would make it more difficult or more expensive for us to obtain additional debt financing.

The agreements and instruments governing our indebtedness contain restrictions and limitations that could significantly impact our ability to operate our business.

The Credit Facilities contain covenants that, among other things, restrict the ability of AII and its subsidiaries to incur additional indebtedness and create liens, pay dividends and make other distributions or to purchase, redeem or retire capital stock, purchase, redeem or retire certain junior indebtedness, make loans and investments, enter into agreements that limit AII's or its subsidiaries' ability to pledge assets or to make distributions or loans to us or transfer assets to us, sell assets, enter into certain types of transactions with affiliates, consolidate, merge or sell substantially all assets, make voluntary payments or modifications of junior indebtedness and enter into new lines of business.

The restrictions in the Credit Facilities may prevent us from taking actions that we believe would be in the best interest of our business and may make it difficult for us to execute our business strategy successfully or effectively compete with companies that are not similarly restricted. We may also incur future debt obligations that might subject us to additional restrictive covenants that could affect our financial and operational flexibility. Additionally, we may be required to make accelerated payments due to the covenants and restrictions contained in the Credit Facilities. We may be unable to refinance our indebtedness, at maturity or otherwise, on terms acceptable to us or at all.

The ability of AII to comply with the covenants and restrictions contained in the Credit Facilities may be affected by economic, financial and industry conditions beyond our control including credit or capital market disruptions. The breach of any of these covenants or restrictions could result in a default that would permit the applicable lenders to declare all amounts outstanding thereunder to be due and payable, together with accrued and unpaid interest. If we are unable to repay indebtedness, lenders having secured obligations, such as the lenders under the Credit Facilities, could proceed against the collateral securing the indebtedness. In any such case, we may be unable to borrow under the Credit Facilities and may not be able to repay the amounts due under such facilities. This could materially and adversely affect our business, financial position, results of operations or cash flows and could cause us to become bankrupt or insolvent.

Our ability to generate the significant amount of cash needed to pay interest and principal on our indebtedness and our ability to refinance all or a portion of our indebtedness or obtain additional financing depends on many factors beyond our control.

Atkore International Group Inc. ("AIG"), AIH, and AII are each holding companies, and as such they have no independent operations or material assets other than ownership of equity interests in their respective subsidiaries. AIG, AIH and AII each depend on their respective subsidiaries to distribute funds to them so that they may pay obligations and expenses, including satisfying obligations with respect to indebtedness. Our ability to make scheduled payments on, or to refinance our obligations under, our indebtedness depends on the financial and operating performance of our subsidiaries and their ability to make distributions and dividends to us, which, in turn, depends on their results of operations, cash flows, cash requirements, financial position and general business conditions and any legal and regulatory restrictions on the payment of dividends to which they may be subject, many of which may be beyond our control.

We may be unable to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal and interest on our indebtedness. If our cash flow and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets, seek to obtain additional equity capital or restructure our indebtedness. In the future, our cash flow and capital resources may not be sufficient for payments of interest on

and principal of our indebtedness, and such alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations.

The outstanding borrowings under the First Lien Term Loan Facility have a maturity date of December 22, 2023 and the ABL Credit Facility is scheduled to mature on August 28, 2023. We may be unable to refinance any of our indebtedness or obtain additional financing, particularly because of our indebtedness. Market disruptions, such as those experienced in relation to the COVID-19 pandemic, as well as our indebtedness levels, may increase our cost of borrowing or adversely affect our ability to refinance our obligations as they become due. If we are unable to refinance our indebtedness or access additional credit, or if short-term or long-term borrowing costs dramatically increase, our ability to finance current operations and meet our short-term and long-term obligations could be adversely affected.

If our subsidiary AII cannot make scheduled payments on its indebtedness, it will be in default and the lenders under the Credit Facilities could terminate their commitments to loan money or foreclose against the assets securing their borrowings, and we could be forced into bankruptcy or liquidation.

Risks Related to Our Common Stock

AIG is a holding company with no operations of its own, and it depends on its subsidiaries for cash to fund all of its operations and expenses, including to make future dividend payments, if any.

Our operations are conducted entirely through our subsidiaries, and our ability to generate cash to fund our operations and expenses, to pay dividends or to meet debt service obligations is highly dependent on the earnings and the receipt of funds from our subsidiaries through dividends or intercompany loans. Deterioration in the financial condition, earnings or cash flow of AII and its subsidiaries for any reason could limit or impair their ability to pay such distributions. Additionally, to the extent our subsidiaries are restricted from making such distributions under applicable law or regulation or under the terms of our financing arrangements, or are otherwise unable to provide funds to the extent of our needs, there could be a material adverse effect on our business, financial condition, results of operations or cash flows.

For example, the agreements governing the Credit Facilities significantly restrict the ability of our subsidiaries to pay dividends, make loans or otherwise transfer assets to us. Furthermore, our subsidiaries are permitted under the terms of the Credit Facilities to incur additional indebtedness that may restrict or prohibit the making of distributions, the payment of dividends or the making of loans by such subsidiaries to us.

The timing and amount of the Company's share repurchases are subject to a number of uncertainties.

In February 2019, the Company announced that its board of directors had approved a share repurchase program for the repurchase of up to an aggregate amount of \$50 million of the Company's common stock over a two year period. We expect that share repurchases under the program will be funded with cash on hand. The amount and timing of share repurchases will be based on a variety of factors. Important factors that could cause the Company to limit, suspend or delay its share repurchases include unfavorable trading market conditions, the price of the Company's common stock, the nature of other investment opportunities presented to us from time to time, the ability to obtain financing at attractive rates and the availability of U.S. cash. The share repurchase program does not obligate us to acquire any particular amount of common stock, and it may be terminated at any time at the Company's discretion.

Anti-takeover provisions in our amended and restated certificate of incorporation and amended and restated by-laws could discourage, delay or prevent a change of control of our company and may affect the trading price of our common stock.

Our third amended and restated certificate of incorporation ("amended and restated certificate of incorporation") and our third amended and restated by-laws, ("amended and restated by-laws") include a number of provisions that may discourage, delay or prevent a change in our management or control over us that stockholders may consider favorable. For example, our amended and restated certificate of incorporation and amended and restated by-laws collectively:

- authorize the issuance of "blank check" preferred stock that could be issued by our board of directors to thwart a takeover attempt;
- provide for a classified board of directors until the 2022 annual meeting, which divides our board of directors into three classes, with members of each class serving staggered three-year terms, except that those directors elected at the 2020 and 2021 annual meetings will be elected for one-year terms, which prevents stockholders from electing an entirely new board of directors at an annual meeting until the 2022 annual meeting;
- limit the ability of stockholders to remove directors;
- provide that vacancies on our board of directors, including vacancies resulting from an enlargement of our board of directors, may be filled only by a majority vote of directors then in office;
- prohibit stockholders from calling special meetings of stockholders;
- prohibit stockholder action by written consent, thereby requiring all actions to be taken at a meeting of stockholders; and
- establish advance notice requirements for nominations of candidates for election as directors or to bring other business before an annual meeting of our stockholders.

These provisions may prevent our stockholders from receiving the benefit from any premium to the market price of our common stock offered by a bidder in a takeover context. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our common stock if the provisions are viewed as discouraging takeover attempts in the future.

Our amended and restated certificate of incorporation and amended and restated by-laws may also make it difficult for stockholders to replace or remove our management. Furthermore, the existence of the foregoing provisions could limit the price that investors might be willing to pay in the future for shares of our common stock. These provisions may facilitate management entrenchment that may delay, deter, render more difficult or prevent a change in our control, which may not be in the best interests of our stockholders.

We do not currently intend to pay dividends on our common stock for the foreseeable future and, consequently, your ability to achieve a return on your investment depends on appreciation in the price of our common stock.

We do not currently intend to declare and pay dividends on our common stock for the foreseeable future. We currently intend to use our future earnings, if any, to repay debt, to fund our growth, to develop our business, for working capital needs and for general corporate purposes. Therefore, you are not likely to receive any dividends on your common stock for the foreseeable future, and the success of an investment in shares of our common stock depends upon any future appreciation in their value. There is no guarantee that shares of our common stock will appreciate in value or even maintain the price at which our stockholders have purchased their shares. Payments of dividends, if any, are at the sole discretion of our board of directors after taking into account various factors, including general and economic conditions, our financial condition and operating results, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions and implications of the payment of dividends by us to our stockholders or by our subsidiaries (including AII) to us, and such other factors as our board of directors may deem relevant. In addition, our operations are conducted almost entirely through our subsidiaries. As such, to the extent that we determine in the future to pay dividends on our common stock, none of our subsidiaries will be obligated to make funds available to us for the payment of dividends. Further, the agreements governing the Credit Facilities significantly restrict the ability of our subsidiaries to pay dividends or otherwise transfer assets to us. In addition, Delaware law imposes additional requirements that may restrict our ability to pay dividends to holders of our common stock.

Our amended and restated certificate of incorporation includes provisions limiting the personal liability of our directors for breaches of fiduciary duty under the DGCL.

Our amended and restated certificate of incorporation contains provisions permitted under the action asserting a claim arising under the General Corporation Law of the State of Delaware ("DGCL") relating to the liability of directors. These provisions eliminate a director's personal liability to the fullest extent permitted by the DGCL for monetary damages resulting from a breach of fiduciary duty, except in circumstances involving:

- any breach of the director's duty of loyalty;
- acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law;
- Section 174 of the DGCL (unlawful dividends); or
- any transaction from which the director derives an improper personal benefit.

The principal effect of the limitation on liability provision is that a stockholder will be unable to prosecute an action for monetary damages against a director unless the stockholder can demonstrate a basis for liability for which indemnification is not available under the DGCL. These provisions, however, should not limit or eliminate our rights or any stockholder's rights to seek non-monetary relief, such as an injunction or rescission, in the event of a breach of a director's fiduciary duty. These provisions do not alter a director's liability under federal securities laws. The inclusion of this provision in our amended and restated certificate of incorporation may discourage or deter stockholders or management from bringing a lawsuit against directors for a breach of their fiduciary duties, even though such an action, if successful, might otherwise have benefited us and our stockholders.

Our amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain litigation that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or stockholders.

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware is, to the fullest extent permitted by law, the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed to us or our stockholders by any of our directors, officers, other employees, agents or stockholders, (iii) any action asserting a claim arising out of or under the DGCL, or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware (including, without limitation, any action asserting a claim arising out of or pursuant to our amended and restated certificate of incorporation or our amended and restated by-laws) or (iv) any action asserting a claim that is governed by the internal affairs doctrine. As a stockholder in our company, you are deemed to have notice of and have consented to the provisions of our amended and restated certificate of incorporation related to choice of forum. The choice of forum provision in our amended and restated certificate of incorporation may limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or any of our directors, officers, other employees, agents or stockholders, which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could materially and adversely affect our business, financial position, results of operations or cash flows.

General Risk Factors

The market price of our common stock may be volatile and could decline.

The market price of our common stock may fluctuate significantly. Among the factors that could affect our stock price are:

- industry or general market conditions;
- domestic and international economic factors unrelated to our performance;
- changes in our customers' preferences;
- new regulatory pronouncements and changes in regulatory guidelines;
- lawsuits, enforcement actions and other claims by third parties or governmental authorities;
- actual or anticipated fluctuations in our quarterly operating results;
- changes in securities analysts' estimates of our financial performance or lack of research coverage and reports by industry analysts;
- action by institutional stockholders or other large stockholders, including future sales of our common stock;
- failure to meet any guidance given by us or any change in any guidance given by us, or changes by us in our guidance practices;
- announcements by us of significant impairment charges;
- speculation in the press or investment community;
- investor perception of us and our industry;
- changes in market valuations or earnings of similar companies;
- announcements by us or our competitors of significant contracts, acquisitions, dispositions or strategic partnerships;
- war, terrorist acts and epidemic disease;
- any future sales of our common stock or other securities;
- additions or departures of key personnel; and
- misconduct or other improper actions of our employees.

Stock markets have experienced extreme volatility in recent years, most recently due to the COVID-19 pandemic, that has been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our common stock. In the past, following periods of volatility in the market price of a company's securities, class action litigation has often been instituted against the affected company. Any litigation of this type brought against us could result in substantial costs and a diversion of our management's attention and resources, which could materially and adversely affect our business, financial position, results of operations or cash flows.

If securities or industry analysts do not publish research or publish misleading or unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock depends in part on the research and reports that securities or industry analysts publish about us or our business. If one or more of the analysts that covers our common stock downgrades our stock or publishes misleading or unfavorable research about our business, our stock price would likely decline. If one or more of the analysts ceases coverage of our common stock or fails to publish reports on us regularly, demand for our common stock could decrease, which could cause our common stock price or trading volume to decline.

If we are unable to hire, engage and retain key personnel, our business, financial position, results of operations or cash flows could be materially and adversely affected.

We are dependent, in part, on our continued ability to hire, engage and retain key employees at our operations around the world. Additionally, we rely upon experienced managerial, marketing and support personnel to effectively manage our business and to successfully promote our wide range of products. If we do not succeed in engaging and retaining key employees and other personnel, or if we do not succeed in facilitating transitions of new key personnel, we may be unable to meet our objectives and, as a result, our business, financial position, results of operations or cash flows could be materially and adversely affected.

Future tax legislation could materially impact our business.

The impact of the legislation could change as we analyze and apply additional regulations or guidance. In addition, other changes in international and domestic tax laws, including the reaction by states to federal legislation or the costs of responding to the pandemic, and changes in tax law enforcement, could negatively impact our tax provision, cash flow, and/or tax related balance sheet amounts. Changes in U.S. tax law could also have broader implications, including impacts to the economy, currency markets, inflation environment, consumer behavior, and/or competitive dynamics, which are difficult to predict, and may positively or negatively impact our business, financial position, results of operations or cash flows.

Future offerings of debt or equity securities which would rank senior to our common stock may adversely affect the market price of our common stock.

If, in the future, we decide to issue debt or equity securities that rank senior to our common stock, it is likely that such securities will be governed by an indenture or other instrument containing covenants restricting our operating flexibility. Additionally, any convertible or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of our common stock and may result in dilution to owners of our common stock. We and, indirectly, our stockholders, will bear the cost of issuing and servicing such securities. Because our decision to issue debt or equity securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Thus, holders of our common stock will bear the risk of our future offerings reducing the market price of our common stock and diluting the value of their stock holdings in us.

We may need to raise additional capital, and we cannot be sure that additional financing will be available.

To satisfy existing obligations and support the development of our business, we depend on our ability to generate cash flow from operations and to borrow funds and issue securities in the capital markets. We may require additional financing for liquidity, capital requirements or growth initiatives. We may not be able to obtain financing on terms and at interest rates that are favorable to us or at all. Any inability by us to obtain financing in the future could materially and adversely affect our business, financial position, results of operations or cash flows.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

Our corporate headquarters are located in owned premises at 16100 South Lathrop Avenue, Harvey, Illinois. We and our operating companies own and lease a variety of facilities, principally in the United States, for manufacturing, distribution and light assembly. Our manufacturing, distribution and assembly centers are strategically located to optimize route efficiency, market coverage and overhead. The following chart identifies the number of owned and leased facilities used by each of our reportable segments as of September 30, 2020. We believe that these facilities, when considered with our corporate headquarters, offices and warehouses are suitable and adequate to support the current needs of our business.

| Reportable Segment | Owned Facilities | Leased Facilities |
|---------------------------------|-----------------------------|------------------------------|
| Electrical Raceway | 10 | 36 |
| Mechanical Products & Solutions | 7 | 12 |

We believe that our facilities are well-maintained and are sufficient to meet our current and projected needs. We also have an ongoing process to continually review and update our real estate portfolio to meet changing business needs. Our two principal facilities are located in Harvey, Illinois and New Bedford, Massachusetts. Our owned manufacturing facility in Harvey, Illinois supports both our Electrical Raceway and MP&S segments. Our owned facility in New Bedford, Massachusetts supports our Electrical Raceway segment.

Item 3. Legal Proceedings

See Note 17, "Commitments and Contingencies" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Item 4. Mine Safety Disclosures

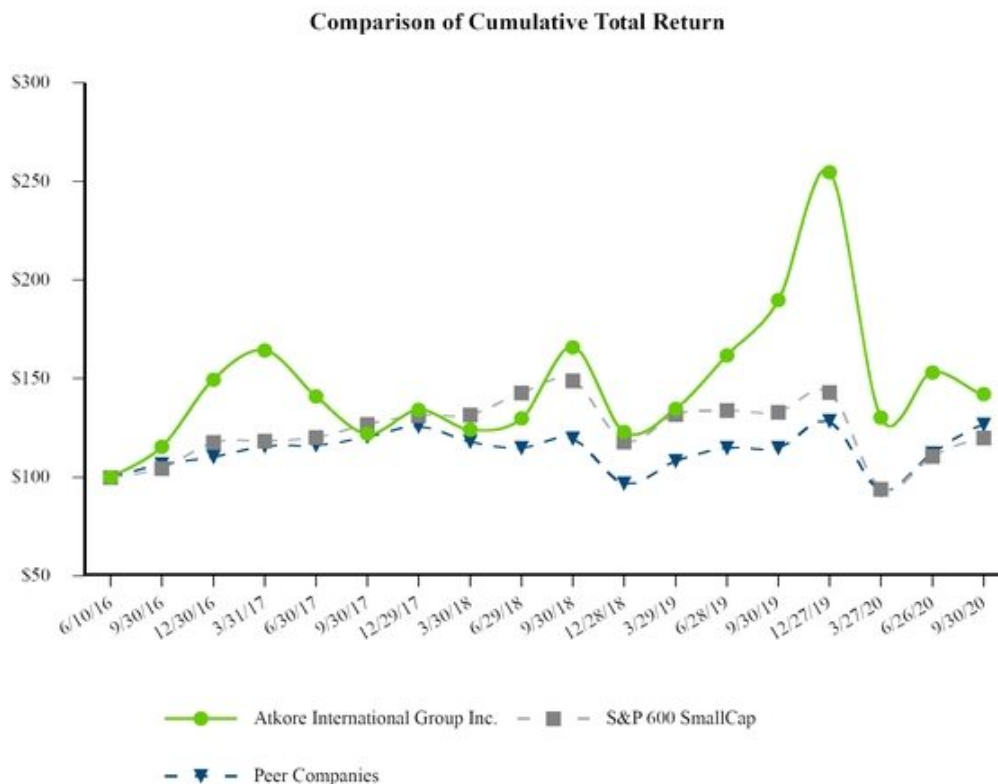
None.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities

Common Stock Market Prices

Shares of our common stock have traded on the NYSE under the symbol ATKR since June 10, 2016.



** Assumes \$100 invested on June 10, 2016 in stock or index, including reinvestment of dividends.

The following group of 10 public companies represents the Company's peer group:

- | | |
|--|--|
| <ul style="list-style-type: none"> • nVent Electric plc • Schneider Electric SE • ABB Ltd. Sponsored ADR • Acuity Brands • AZZ Inc. | <ul style="list-style-type: none"> • Eaton Corp. Plc • Hubbell Incorporated Class B • Littelfuse, Inc. • Legrand SA • Cornerstone Building Brands, Inc. |
|--|--|

Holders

As of November 13, 2020, there was one stockholder of record of our common stock. This number excludes stockholders whose stock is held in nominee or street name by brokers.

Dividend Policy

We have not and do not currently intend to declare or pay dividends on our common stock for the foreseeable future. We currently intend to use our future earnings, if any, to repay debt, to fund our growth, to develop our business, for working capital needs and for general corporate purposes. Our ability to pay dividends to holders of our common stock is significantly limited as a practical matter by the Credit Facilities insofar as we may seek to pay dividends out of funds made available to us by AII or its subsidiaries, because AII's debt instruments directly or indirectly restrict AII's ability to pay dividends or make loans to us. Any future determination to pay dividends on our common stock will be subject to the discretion of our board of directors and depends upon various factors, including our results of operations, financial condition, liquidity requirements, capital requirements, level of indebtedness, contractual restrictions with respect to payment of dividends, restrictions imposed by Delaware law, general business conditions and other factors that our board of directors may deem relevant.

Issuer Purchases of Equity Securities

The following table shows our purchases of our common stock during fiscal 2020 (in thousands, except per share data):

| Period | Total Number of Shares Purchased | Average Price Paid Per Share | Total Number of Shares Purchased as Part of Publicly Announced Program(1) | Maximum Value of Shares that May Yet Be Purchased Under the Program(1) |
|--|----------------------------------|------------------------------|---|--|
| September 30, 2019 to January 24, 2020 | — | \$ — | — | \$ 50,000 |
| January 25, 2020 to February 28, 2020 | 356 | \$ 38.18 | 356 | \$ 36,423 |
| February 29, 2020 - March 27, 2020 | 38 | \$ 37.85 | 38 | \$ 34,989 |
| March 28, 2020 - September 30, 2020 | — | \$ — | — | \$ 34,989 |
| Total | 394 | | 394 | |

(1) On February 5, 2019, the board of directors approved a share repurchase program, under which the Company may repurchase up to \$50.0 million of its outstanding common stock. As of September 30, 2020, there were \$35.0 million of authorized repurchases remaining. The share repurchase program will be funded from our available cash balances. This share repurchase program does not obligate us to acquire any particular amount of common stock, and it may be terminated at any time at our discretion.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table contains information, as of September 30, 2020, about the amount of common shares to be issued upon the exercise of outstanding options, performance share options ("PSUs") and restricted stock units ("RSUs") granted under the 2020 Omnibus Incentive Plan and the 2016 Omnibus Incentive Plan (together, the "Omnibus Incentive Plan").

| <u>(share amounts in thousands)</u> | Equity Compensation Plan Information | | |
|--|--|--|---|
| | Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (1) | Weighted Average Exercise Price of Outstanding Options | Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in (1)) |
| Equity compensation plans approved by shareholders | 2,205 | \$ 15.66 | 2,599 |
| Equity compensation plans not approved by shareholders | — | — | — |
| Total | 2,205 | \$ 15.66 | 2,599 |

(1) Includes 1,375 stock options, 425 PSUs and 405 RSUs granted to officers pursuant to the Omnibus Incentive Plan. Shares underlying RSUs and PSUs are deliverable without payment of any consideration, and therefore these awards have not been taken into account in calculating the weighted-average exercise price of outstanding options. PSUs are reflected at the target level of performance. For a description of the Omnibus Incentive Plan, see Note 6, "Stock Incentive Plan" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Recent Sales of Unregistered Securities

There were no sales of unregistered securities in fiscal 2020.

Item 6. Selected Financial Data

The following tables set forth selected historical financial data as of the dates and for the periods indicated. The selected historical consolidated financial data as of September 30, 2020 and September 30, 2019 and for the fiscal years ended September 30, 2020, September 30, 2019 and September 30, 2018 have been derived from our audited consolidated financial statements and related notes included elsewhere in this Annual Report. The selected historical consolidated financial data as of September 30, 2018, September 30, 2017 and September 30, 2016 and for the years ended September 30, 2017 and September 30, 2016 have been derived from our audited consolidated financial statements and related notes not included in this Annual Report. The selected financial data presented below should be read in conjunction with Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes included in Item 8, "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K. Our historical results are not necessarily indicative of the results to be expected for any future period.

| (in thousands, except per share data) | September 30, 2020 | September 30, 2019 (1) | September 30, 2018 (2) | September 30, 2017(3) | September 30, 2016 |
|---|--------------------|---------------------------|---------------------------|--------------------------|--------------------|
| Statement of Operations Data: | | | | | |
| Net sales | \$ 1,765,421 | \$ 1,916,538 | \$ 1,835,139 | \$ 1,503,934 | \$ 1,523,384 |
| Net income | \$ 152,302 | \$ 139,051 | \$ 136,645 | \$ 84,639 | \$ 58,796 |
| Net income per share | | | | | |
| Basic | \$ 3.15 | \$ 2.91 | \$ 2.59 | \$ 1.33 | \$ 0.94 |
| Diluted | \$ 3.10 | \$ 2.83 | \$ 2.48 | \$ 1.27 | \$ 0.94 |
| Balance Sheet Data (at end of period): | | | | | |
| Cash and cash equivalents | \$ 284,471 | \$ 123,415 | \$ 126,662 | \$ 45,718 | \$ 200,279 |
| Total assets | \$ 1,558,525 | \$ 1,436,995 | \$ 1,324,060 | \$ 1,215,092 | \$ 1,164,568 |
| Long-term obligations | \$ 903,945 | \$ 916,525 | \$ 929,254 | \$ 642,384 | \$ 702,500 |
| Total equity | \$ 378,410 | \$ 232,936 | \$ 122,059 | \$ 360,871 | \$ 257,246 |
| Cash Flow Data: | | | | | |
| Cash flows provided by (used in): | | | | | |
| Operating activities | \$ 248,762 | \$ 209,694 | \$ 145,703 | \$ 121,654 | \$ 156,646 |
| Investing activities | \$ (27,513) | \$ (133,101) | \$ 2,514 | \$ (205,833) | \$ (12,895) |
| Financing activities | \$ (61,179) | \$ (78,180) | \$ (65,931) | \$ (67,760) | \$ (23,908) |
| Other Financial Data: | | | | | |
| Capital expenditures | \$ 33,770 | \$ 34,860 | \$ 38,501 | \$ 25,122 | \$ 16,830 |

- (1) Includes results of operations of Verkogan, US Tray, Flytec and Cor-Tek from October 1, 2018, June 3, 2019, August 12, 2019 and August 21, 2019, respectively. See Note 3, "Acquisitions" to our audited consolidated financial statements included elsewhere in this Annual Report.
- (2) Includes results of operations of Cii from January 8, 2018. See Note 3, "Acquisitions" to our audited consolidated financial statements included elsewhere in this Annual Report. Includes results of operations of FlexHead until March 30, 2018. See Note 4, "Divestitures" to our audited consolidated financial statements included elsewhere in this Annual Report.
- (3) Includes results of operations of Marco, Flexicon and Calpipe from May 18, 2017, September 1, 2017, and September 29, 2017 respectively.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following information should be read in conjunction with the accompanying consolidated financial statements and related notes included in this Annual Report.

The following discussion may contain forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include those factors discussed below and elsewhere in this report, particularly in "Special Note Regarding Forward-Looking Statements and Information" and "Risk Factors" included elsewhere in this Annual Report. The percentages provided below reflect rounding adjustments. Accordingly, figures expressed as percentages when aggregated may not be the arithmetic sum of the percentages that precede them.

Business Factors Influencing our Results of Operations

We are a leading manufacturer of Electrical Raceway products primarily for the non-residential construction and renovation markets and MP&S for the construction and industrial markets. Electrical Raceway products form the critical infrastructure that enables the deployment, isolation and protection of a structure's electrical circuitry from the original power source to the final outlet. MP&S frame, support and secure component parts in a broad range of structures, equipment and systems in electrical, industrial and construction applications. We believe we hold #1 or #2 positions in the United States by net sales in the vast majority of our products. The quality of our products, the strength of our brands and our scale and presence provide what we believe to be a unique set of competitive advantages that position us for profitable growth.

The following factors may affect our results of operations in any given period:

Economic Conditions. Our business depends on demand from customers across various end markets, including wholesale distributors, OEMs, retail distributors and general contractors. Our products are primarily used by trade contractors in the construction and renovation of non-residential structures such as commercial office buildings, healthcare facilities and manufacturing plants. In fiscal 2020, 89% of our net sales were to customers located in the United States. As a result, our business is heavily dependent on the health of the United States economy, in general, and on United States non-residential construction activity, in particular. A stronger United States economy and robust non-residential construction generally increase demand for our products.

We believe that our business and demand for our products is influenced by two main economic indicators: United States gross domestic product, or "GDP," and non-residential construction starts, measured in square footage. The United States non-residential construction market has experienced modest growth over the past few years, in line with United States GDP. Our historic results have been positively impacted by growth in the non-residential construction market, as such growth leads to greater demand for our products. MR&R activity generally increases and represents a greater share of non-residential construction activity during challenging periods in the economic or construction cycle. During those periods, our MR&R demand as a percentage of total demand typically increases, providing a more consistent revenue stream for our business.

Raw Materials. We use a variety of raw materials in the manufacture of our products, which primarily include steel, copper and PVC resin. We believe that sources for these raw materials are well established, generally available and are in sufficient quantity that we may avoid disruption in our business. The cost to procure these raw materials is subject to price fluctuations, often as a result of macroeconomic conditions. Our cost of sales may be affected by changes in the market price of these materials, and to a lesser extent, other commodities, such as zinc, aluminum, electricity, natural gas and diesel fuel. The prices at which we sell our products may adjust upward or downward based on raw material price changes. We believe several factors drive the pricing of our products, including the quality of our products, the ability to meet customer delivery expectations and co-loading capabilities, as well as the prices of our raw material inputs. Historically, we have not engaged in hedging strategies for raw material purchases. Our results may be impacted by inventory sales at costs higher or lower than current prices we pay for similar items.

Working Capital. Our working capital requirements are impacted by our operational activities. Our inventory levels may be impacted from time to time, due to delivery lead times from our suppliers. We are typically obligated to pay for our raw material purchases within 10 and 30 days of their receipt, while we typically receive payment 30 to 60 days from the point we have satisfied the related performance obligation to the customer. Our average working capital days during fiscal 2020 was 79 days.

Seasonality. In a typical year, our operating results are impacted by seasonality. Historically, sales of our products have been higher in the third and fourth quarters of each fiscal year due to favorable weather for construction-related activities.

Recent Acquisitions. In addition to our organic growth, we have transformed the Company through acquisitions in recent years, allowing us to expand our product offerings with existing and new customers. In accordance with accounting principles generally accepted in the United States of America ("GAAP"), the results of our acquisitions are reflected in our financial statements from the date of each acquisition forward.

Our acquisition strategy has focused primarily on growing market share by complementing our existing portfolio with synergistic products and expanding into end-markets that we have not previously served. In total, we have invested \$101.5 million in acquisitions since 2018.

On January 8, 2018, we acquired the assets of Communications Integrators, Inc. ("Cii"), a manufacturer of modular, prefabricated power, voice and data distribution systems.

On October 1, 2018, we acquired Vergokan International NV ("Vergokan"), a leading manufacturer of cable tray and cable ladder systems, underfloor installations and industrial floor trunking that serves industrial, power and energy, commercial and infrastructure sectors in more than 45 countries.

On June 3, 2019, we acquired the assets of United Structural Products, LLC. ("U.S. Tray"), a manufacturer of welded aluminum and engineered-to-order cable trays.

On August 12, 2019 we acquired Flytec Systems Ltd. ("Flytec"), a manufacturer of metal surface trunking, including IP4X, perimeter systems, pedestal boxes, as well as underfloor installations and industrial floor trunking.

On August 21, 2019 we acquired Rocky Mountain Colby Pipe ("Cor-Tek"), a manufacturer of PVC conduit for electrical applications considered a leading innovator in cellular core extrusion technology.

We expect to continue to pursue synergistic acquisitions as part of our growth strategy to expand our product offerings. See Note 3, "Acquisitions" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Divestitures and Restructurings. Since 2011, we have continuously evaluated our operations to ensure that we are investing resources strategically. Our assessment has included existing operating performance, required levels of investment to improve performance and the overall complexities of doing business in certain markets and geographic regions. After careful consideration, we streamlined our business through a combination of business divestitures, asset sales and the exit of certain product lines.

Foreign Currencies. In fiscal 2020, approximately 11% of our net sales came from customers located outside the United States, most of which were foreign currency sales denominated in British pounds sterling, European euros, Canadian dollars, Australian dollars, Chinese yuan, Russian rubles and New Zealand dollars. The functional currency of our operations outside the United States is generally the local currency. Assets and liabilities of our non-U.S. subsidiaries are translated into United States dollars using period-end exchange rates. Foreign revenue and expenses are translated at the monthly average exchange rates in effect during the period. Foreign currency translation adjustments are included as a component of other comprehensive income (loss) within our statements of comprehensive income. See "Quantitative and Qualitative Disclosures about Market Risk—Foreign Currency Risk."

See Note 1, "Basis of Presentation and Summary of Significant Accounting Policies" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Emerging Industry Trends. In addition to United States GDP and non-residential construction starts, there are emerging industry trends that we believe will drive further demand for our products. These include new building technologies which enhance facility management, such as automation and LED lighting systems, as well as the rapid expansion of certain non-residential construction categories, for example, data centers. In recent years, technological advancements aimed at improving facility management have been driven by a number of factors, including integration and interoperability, the proliferation of the Internet and associated increases in data and power requirements and a desire to reduce costs through improved energy efficiency, lighting systems and operating effectiveness. We believe that these trends will drive greater needs for electrical capacity and circuitry, increasing the demand for many of our products. We also target high growth end-markets that are projected to experience rapid growth and to drive demand for our products, including our framing and support products. Based on third-party data, growth in the data center construction market in the United States is forecast to grow at a compound annual growth rate ("CAGR") of 7.9% to 10.0% between 2018 and 2022.

Reportable Segments

We operate our business through two operating segments which are also our reportable segments: Electrical Raceway and MP&S. Our operating segments are organized based on primary market channel and, in most instances, the end use of products. We review the results of our operating segments separately for the purposes of making decisions about resource allocation and performance assessment. We evaluate performance on the basis of net sales and Adjusted EBITDA. Both segments use Adjusted EBITDA as the primary measure of profit and loss. Segment Adjusted EBITDA is the income (loss) before income taxes, adjusted to exclude unallocated expenses, depreciation and amortization, interest expense, net, gain (loss) on extinguishment of debt, restructuring charges, stock-based compensation, certain legal matters, transaction costs, gain on purchase of business, gain on sale of a business and other items, such as inventory reserves and adjustments, loss on disposal of property, plant and equipment, insurance recovery related to damages of property, plant and equipment, release of indemnified uncertain tax positions, and realized or unrealized gain (loss) on foreign currency impacts of intercompany loans and related forward currency derivatives. See Note 20, "Segment Information" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Fiscal Periods

The Company has a fiscal year that ends on September 30. The Company's fiscal quarters typically end on the last Friday in December, March and June as it follows a 4-5-4 calendar.

Key Components of Results of Operations

Net sales

Net sales represents external sales of Electrical Raceway products to the non-residential construction and MR&R markets and MP&S products and solutions to the commercial and industrial markets. Net sales includes gross product sales and freight billed to our customers, net of allowances for rebates, sales incentives, trade promotions, product returns and discounts.

Cost of sales

Cost of sales includes all costs directly related to the production of goods for sale. These costs include direct material, direct labor, production related overheads, excess and obsolescence costs, lower-of-cost-or-market provisions, freight and distribution costs and the depreciation and amortization of assets directly used in the production of goods for sale.

Selling, general and administrative expenses

Selling, general and administrative expenses include payroll related expenses including salaries, wages, employee benefits, payroll taxes, variable cash compensation for both administrative and selling personnel and consulting and professional services fees. Also included are compensation expense for share-based awards, restructuring-related charges, third-party professional services and translation gains or losses for foreign currency trade transactions.

Results of Operations

Fiscal 2020 Compared to Fiscal 2019

The results of operations for the fiscal years ended September 30, 2020 and September 30, 2019 were as follows:

| (\$ in thousands) | Fiscal year ended | | Change (\$) | Change (%) |
|-------------------------------------|--------------------|--------------------|--------------|------------|
| | September 30, 2020 | September 30, 2019 | | |
| Net sales | \$ 1,765,421 | \$ 1,916,538 | \$ (151,117) | (7.9)% |
| Cost of sales | 1,274,107 | 1,419,338 | (145,231) | (10.2)% |
| Gross profit | 491,314 | 497,200 | (5,886) | (1.2)% |
| Selling, general and administrative | 219,496 | 240,660 | (21,164) | (8.8)% |
| Intangible asset amortization | 32,262 | 32,876 | (614) | (1.9)% |
| Operating income | 239,556 | 223,664 | 15,892 | 7.1 % |
| Interest expense, net | 40,062 | 50,473 | (10,411) | (20.6)% |
| Loss on extinguishment of debt | 273 | — | 273 | 100.0 % |
| Other income, net | (2,777) | (11,478) | 8,701 | (75.8)% |
| Income before income taxes | 201,998 | 184,669 | 17,329 | 9.4 % |
| Income tax expense | 49,696 | 45,618 | 4,078 | 8.9 % |
| Net income | \$ 152,302 | \$ 139,051 | \$ 13,251 | 9.5 % |

Net sales

| | Change (%) |
|------------------------|------------|
| Volume | (7.3)% |
| Average selling prices | (2.0)% |
| Foreign exchange | (0.1)% |
| Acquisitions | 1.5 % |
| Net sales | (7.9)% |

Net sales for fiscal 2020 decreased \$151.1 million to \$1,765.4 million, a decrease of 7.9%, compared to \$1,916.5 million for fiscal 2019. The decrease is primarily attributed to lower volume of \$140.3 million predominantly due to the impacts of COVID-19. The Company experienced volume declines in most of its product categories with the exception of the PVC electrical conduit and fittings product category within the Electrical Raceway segment and the mechanical pipe product category within the MP&S segment. Additionally, net sales decreased \$37.7 million due to lower average selling prices resulting from lower input costs of steel, which was partially offset by higher average selling prices resulting from higher input costs of PVC resin and copper. The decrease in net sales was partially offset by \$28.5 million of sales from the 2019 acquisitions.

Cost of sales

| | Change (%) |
|---------------------|-------------------|
| Volume | (7.3)% |
| Average input costs | (3.9)% |
| Foreign exchange | (0.3)% |
| Acquisitions | 1.9 % |
| Other | (0.6)% |
| Cost of sales | (10.2)% |

Cost of sales decreased \$145.2 million, or 10.2%, to \$1,274.1 million for fiscal 2020 compared to \$1,419.3 million for fiscal 2019. The decrease was primarily due to lower volume of \$103.8 million, the lower input costs of steel in excess of higher input costs of resin and copper of \$54.9 million, and \$10.3 million from favorable inventory adjustments related to changes in market prices. The decrease was partially offset by incremental costs related to the 2019 acquisitions of \$26.7 million.

Selling, general and administrative

Selling, general and administrative expenses decreased \$21.2 million, or 8.8%, to \$219.5 million for fiscal 2020 compared to \$240.7 million for fiscal 2019. The decrease was primarily due to cost savings as a result of COVID-19, in particular lower variable compensation of \$6.0 million, reduced travel costs of \$5.1 million and lower insurance costs of \$3.0 million. Additionally, due to sales volume declines associated with COVID-19, commissions expense decreased \$2.4 million. Lastly, the Company had a gain on the sale of property and equipment of \$3.8 million offsetting expenses during fiscal 2020.

Intangible asset amortization

Intangible asset amortization expense decreased \$0.6 million, or 1.9%, to \$32.3 million for fiscal 2020 compared to \$32.9 million for fiscal 2019. The decrease in intangible asset amortization is primarily due to certain assets that reached the end of their amortized lives by the conclusion of fiscal 2019, partially offset by additional amortization resulting from the fiscal 2019 acquisitions.

Interest expense, net

Interest expense, net, decreased \$10.4 million, or 20.6% to \$40.1 million for fiscal 2020, compared to \$50.5 million for fiscal 2019. The decrease is primarily due to lower interest rates and the Company's principal payments in fiscal 2019 and 2020 resulting in a lower principal balance in fiscal 2020 from which interest expense was derived. See Note 15, "Debt" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Other income, net

Other income, net decreased \$8.7 million to income of \$2.8 million for fiscal 2020, compared to income of \$11.5 million for fiscal 2019, primarily due to the \$7.4 million of income generated from a bargain purchase gain on the acquisition of Cor-Tek in fiscal 2019. See Note 3, "Acquisitions" and Note 8, "Other Income, net" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Income tax expense

Income tax expense increased \$4.1 million to \$49.7 million, compared to \$45.6 million for fiscal 2019. The Company's income tax rate decreased to 24.6% for fiscal 2020, compared to 24.7% for fiscal 2019. The decrease in the effective tax rate was primarily due a larger benefit from the exercise of stock options. The increase in tax expense, despite the decrease in the rate, is due to higher income before taxes. See Note 9, "Income Taxes" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Segment results

Electrical Raceway

| (\$ in thousands) | Fiscal year ended | | Change (\$) | Change (%) |
|------------------------|--------------------|--------------------|--------------|------------|
| | September 30, 2020 | September 30, 2019 | | |
| Net sales | \$ 1,331,275 | \$ 1,443,493 | \$ (112,218) | (7.8)% |
| Adjusted EBITDA | 299,485 | 292,585 | 6,900 | 2.4 % |
| Adjusted EBITDA Margin | 22.5% | 20.3% | | |

Net sales

| | Change (%) |
|------------------------|------------|
| Volume | (9.2)% |
| Average selling prices | (0.6)% |
| Foreign exchange | (0.1)% |
| Acquisitions | 2.0 % |
| Other | 0.1 % |
| Net sales | (7.8)% |

Net sales decreased by \$112.2 million, or 7.8%, to \$1,331.3 million for fiscal 2020 compared to \$1,443.5 million for fiscal 2019. Net sales decreased by \$132.9 million due to lower volume primarily attributed to the impacts of COVID-19. The Electrical Raceway segment experienced declines predominately in the armored cable and fittings and the metal electrical conduit and fittings product categories, partially offset by volume gains in the PVC electrical conduit and fittings product category. Additionally, net sales decreased by \$8.6 million as a result of lower average selling prices resulting from lower input costs of steel, partially offset by higher input costs for resin and copper. The decrease in net sales was also partially offset by the 2019 acquisitions, which contributed \$28.5 million in sales for fiscal 2020.

Adjusted EBITDA

Adjusted EBITDA increased \$6.9 million, or 2.4%, to \$299.5 million for fiscal 2020 compared to \$292.6 million for fiscal 2019. The increase in Adjusted EBITDA was largely due to the benefit of lower material costs, operational efficiencies, and the contributions from the 2019 acquisitions, in excess of volume declines attributed to COVID-19.

Mechanical Products & Solutions

| (\$ in thousands) | Fiscal year ended | | Change (\$) | Change (%) |
|------------------------|--------------------|--------------------|-------------|------------|
| | September 30, 2020 | September 30, 2019 | | |
| Net sales | \$ 436,700 | \$ 474,260 | \$ (37,560) | (7.9)% |
| Adjusted EBITDA | \$ 61,152 | \$ 70,040 | \$ (8,888) | (12.7)% |
| Adjusted EBITDA Margin | 14.0% | 14.8% | | |

Net sales

| | Change (%) |
|------------------------|------------|
| Volume | (1.6)% |
| Average selling prices | (6.1) |
| Other | (0.2) |
| Net sales | (7.9)% |

Net sales decreased \$37.6 million, or 7.9%, to \$436.7 million for fiscal 2020 compared to \$474.3 million for fiscal 2019. The decrease was primarily due to lower average selling prices driven by lower input prices for steel of \$29.1 million. Additionally, net sales decreased from lower sales volume of \$7.5 million as a result of the impacts of COVID-19 for most product categories with the exception of the mechanical pipe product category.

Adjusted EBITDA

Adjusted EBITDA decreased \$8.9 million, or 12.7%, to \$61.2 million for fiscal 2020 compared to \$70.0 million for fiscal 2019. The Adjusted EBITDA decrease is primarily due to the lower volume and the mix of products sold in the prior year period, partially offset by cost reductions in response to the impacts of COVID-19 on volume.

Fiscal 2019 Compared to Fiscal 2018

The results of operations for the fiscal years ended September 30, 2019 and September 30, 2018 were as follows:

| (\$ in thousands) | Fiscal year ended | | Change (\$) | Change (%) |
|-------------------------------------|--------------------|--------------------|-------------|------------|
| | September 30, 2019 | September 30, 2018 | | |
| Net sales | \$ 1,916,538 | \$ 1,835,139 | \$ 81,399 | 4.4 % |
| Cost of sales | \$ 1,419,338 | \$ 1,397,055 | 22,283 | 1.6 % |
| Gross profit | \$ 497,200 | \$ 438,084 | 59,116 | 13.5 % |
| Selling, general and administrative | \$ 240,660 | \$ 226,282 | 14,378 | 6.4 % |
| Intangible asset amortization | \$ 32,876 | \$ 32,104 | 772 | 2.4 % |
| Operating income | \$ 223,664 | \$ 179,698 | 43,966 | 24.5 % |
| Interest expense, net | \$ 50,473 | \$ 40,694 | 9,779 | 24.0 % |
| Other income, net | \$ (11,478) | \$ (27,348) | 15,870 | (58.0)% |
| Income before income taxes | \$ 184,669 | \$ 166,352 | 18,317 | 11.0 % |
| Income tax expense | \$ 45,618 | \$ 29,707 | 15,911 | 53.6 % |
| Net income | \$ 139,051 | \$ 136,645 | \$ 2,406 | 1.8 % |

Net sales

| | Change (%) |
|------------------------|------------|
| Volume | 1.4 % |
| Average selling prices | 0.9 % |
| Foreign exchange | (0.5)% |
| Acquisitions | 2.6 % |
| Net sales | 4.4 % |

Net sales for fiscal 2019 increased \$81.4 million to \$1,916.5 million, an increase of 4.4% compared to \$1,835.1 million for fiscal 2018. Net sales increased \$46.8 million due to higher sales resulting from the 2019 acquisitions, net of a decrease of \$9.4 million resulting from the divestiture of Flexhead. Additionally, net sales increased \$24.8 million from higher sales volumes primarily in the Electric Raceway segment. Net sales also increased by \$16.8 million due to higher average selling prices resulting from higher market prices for all product categories primarily in the Mechanical Products & Solutions segment.

Cost of sales

| | Change (%) |
|---------------------|------------|
| Volume | 1.2 % |
| Average input costs | (3.4)% |
| Foreign exchange | (0.4)% |
| Acquisitions | 2.7 % |
| Other | 1.5 % |
| Cost of sales | 1.6 % |

Cost of sales increased \$22.3 million, or 1.6% to \$1,419.3 million for fiscal 2019 compared to \$1,397.1 million for fiscal 2018. The increase was primarily due to additional costs of \$38.3 million resulting from the 2019 acquisitions, net of the reduction of costs resulting from the FlexHead divestiture of \$6.3 million. Additionally, the increase was due to inventory adjustments related to changes in market prices of \$9.8 million as well as volume increases of \$17.2 million and higher freight costs of \$8.0 million. These increases were partially offset by \$48.0 million of lower material input costs primarily driven by lower steel costs.

Selling, general and administrative

Selling, general and administrative expenses increased \$14.4 million, or 6.4%, to \$240.7 million for fiscal 2019 compared to \$226.3 million for fiscal 2018. The increase was primarily due to additional selling, general and administrative costs of \$5.9 million resulting from the 2019 acquisitions and \$4.8 million of increased spending on productivity initiatives and growth investments, partially offset by a \$2.8 million decrease in stock-based compensation expense driven by higher forfeitures.

Intangible asset amortization

Intangible asset amortization expense increased \$0.8 million, or 2.4% to \$32.9 million for fiscal 2019 compared to \$32.1 million for fiscal 2018 due to the 2019 acquisitions, partially offset by the sale of the assets of FlexHead. See Note 3, "Acquisitions" and Note 4, "Divestitures" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Interest expense, net

Interest expense, net, increased \$9.8 million, or 24.0% to \$50.5 million for fiscal 2019, compared to \$40.7 million for fiscal 2018. The increase is primarily due to our debt refinancing transactions on February 2, 2018, which resulted in additional borrowings of \$425.0 million. See Note 15, "Debt" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Other income, net

Other income, net decreased \$15.9 million, or 58.0%, to income of \$11.5 million for fiscal 2019, compared to income of \$27.3 million for fiscal 2018, primarily due to the prior year gain on the sale of FlexHead of \$27.6 million versus the \$7.4 million of income generated from a bargain purchase gain on the acquisition of Cor-Tek in fiscal 2019. This decrease is partially offset by gains from undesignated foreign currency derivative instruments of \$5.4 million in fiscal 2019 versus gains of \$0.1 million in fiscal 2018. See Note 3, "Acquisitions", Note 4, "Divestitures" and Note 8, "Other Income, net" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Income tax expense

Income tax expense increased \$15.9 million, to \$45.6 million, compared to \$29.7 million for fiscal 2018. The Company's income tax rate increased to 24.7% for fiscal 2019, compared to 17.9% for fiscal 2018. The increase in the effective tax rate was primarily due to the increase of the state income tax expense, the prior year tax benefits related to the remeasurement of the deferred tax liabilities as a result of the TCJA and the Section 199 deduction, and a larger prior year net tax benefit from the release of indemnified tax positions and exercise of stock options. See Note 9, "Income Taxes" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Segment results

Electrical Raceway

| (\$ in thousands) | Fiscal year ended | | Change (\$) | Change (%) |
|------------------------|--------------------|--------------------|-------------|------------|
| | September 30, 2019 | September 30, 2018 | | |
| Net sales | \$ 1,443,493 | \$ 1,366,611 | \$ 76,882 | 5.6% |
| Adjusted EBITDA | 292,585 | 255,260 | 37,325 | 14.6% |
| Adjusted EBITDA Margin | 20.3% | 18.7% | | |

Net sales

| | Change (%) |
|------------------|------------|
| Volume | 2.0 % |
| Foreign exchange | (0.5)% |
| Acquisitions | 4.1 % |
| Net sales | 5.6 % |

Net sales increased \$76.9 million, or 5.6%, to \$1,443.5 million for fiscal 2019 compared to \$1,366.6 million for fiscal 2018. Net sales increased by \$56.2 million due to higher sales resulting from the acquisitions during fiscal 2019. Additionally, net sales increased \$26.9 million due to higher sales volumes primarily within the flexible electrical and PVC electrical conduit and fittings product categories.

Adjusted EBITDA

Adjusted EBITDA increased \$37.3 million, or 14.6%, to \$292.6 million for fiscal 2019 compared to \$255.3 million for fiscal 2018. The increase was largely due to \$15.0 million of incremental income from higher sales, operational efficiencies of \$12.5 million and \$7.3 million of incremental income resulting from the 2019 acquisitions.

Mechanical Products & Solutions

| (\$ in thousands) | Fiscal year ended | | Change (\$) | Change (%) |
|------------------------|--------------------|--------------------|-------------|------------|
| | September 30, 2019 | September 30, 2018 | | |
| Net sales | \$ 474,260 | \$ 470,153 | \$ 4,107 | 0.9% |
| Adjusted EBITDA | \$ 70,040 | \$ 51,339 | \$ 18,701 | 36.4% |
| Adjusted EBITDA Margin | 14.8% | 10.9% | | |

Net sales

| | Change (%) |
|------------------------|------------|
| Volume | (0.5)% |
| Average selling prices | 3.4 % |
| Divestiture | (2.0)% |
| Net sales | 0.9 % |

Net sales increased \$4.1 million, or 0.9%, to \$474.3 million for fiscal 2019 compared to \$470.2 million for fiscal 2018. The increase was primarily due to higher average selling prices driven by higher market prices for all product categories of \$16.2 million, partially offset by a reduction of \$9.4 million due to the sale of FlexHead in the second quarter of fiscal 2018 as well as a reduction of \$2.5 million from lower sales volumes primarily within the mechanical pipe product category.

Adjusted EBITDA

Adjusted EBITDA increased \$18.7 million, or 36.4%, to \$70.0 million for fiscal 2019 compared to \$51.3 million for fiscal 2018. Adjusted EBITDA increased primarily due to higher gross profit of \$15.0 million and \$3.8 million of operational efficiencies, partially offset by a reduction of \$1.9 million due to the sale of FlexHead in the second quarter of fiscal 2018.

Liquidity and Capital Resources

We believe we have sufficient liquidity to support our ongoing operations and to invest in future growth and create value for stockholders. Our cash and cash equivalents were \$284.5 million as of September 30, 2020, of which \$63 million was held at non-U.S. subsidiaries. Those cash balances at foreign subsidiaries may be subject to withholding or local country taxes if the Company's intention to permanently reinvest such income were to change and cash was repatriated to the United States. Our cash and cash equivalents increased \$161.1 million from September 30, 2019, primarily due to cash provided from operating activities, partially offset by debt repayments, capital expenditures and share repurchases.

In general, we require cash to fund working capital investments, acquisitions, capital expenditures, debt repayment, interest payments, taxes and share repurchases. We have access to the ABL Credit Facility to fund our operational needs. As of September 30, 2020, there were no outstanding borrowings under the ABL Credit Facility (excluding \$9.5 million of standby letters of credit issued under the ABL Credit Facility). The borrowing base was estimated to be \$275.4 million and approximately \$265.9 million was available under the ABL Credit Facility as of September 30, 2020.

Our use of cash may fluctuate during the year and from year to year due to differences in demand and changes in economic conditions primarily related to the prices of commodities we purchase.

Capital expenditures have historically been necessary to expand and update the production capacity and improve the productivity of our manufacturing operations.

Our ongoing liquidity needs are expected to be funded by cash on hand, net cash provided by operating activities and, as required, borrowings under the Credit Facilities. We expect that cash provided from operations and available capacity under the ABL Credit Facility will provide sufficient funds to operate our business, make expected capital expenditures and meet our liquidity requirements for at least the next twelve months, including payment of interest and principal on our debt.

Limitations on Distributions and Dividends by Subsidiaries

AIG, AII, and AIH are each holding companies, and as such have no independent operations or material assets other than ownership of equity interests in their respective subsidiaries. Each company depends on its respective subsidiaries to distribute funds to them so that they may pay obligations and expenses, including satisfying obligations with respect to indebtedness. The ability of our subsidiaries to make distributions and dividends to us depends on their operating results, cash requirements and financial and general business conditions, as well as restrictions under the laws of our subsidiaries' jurisdictions.

The agreements governing the Credit Facilities significantly restrict the ability of our subsidiaries, including AII, to pay dividends, make loans or otherwise transfer assets from AII and, in turn, to us. Further, AII's subsidiaries are permitted under the terms of the Credit Facilities to incur additional indebtedness that may restrict or prohibit the making of distributions, the payment of dividends or the making of loans by such subsidiaries to AII and, in turn, to us. The First Lien Term Loan Facility requires AII to meet a certain consolidated coverage ratio on an incurrence basis in connection with additional indebtedness. The ABL Credit Facility contains limits on additional indebtedness based on various conditions for incurring the additional debt. AII has been in compliance with the covenants under the agreements for all periods presented. See Note 15, "Debt" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Cash Flows

The table below summarizes cash flow information derived from our statements of cash flows for the fiscal years ended September 30, 2020 and September 30, 2019.

| (in thousands) | Fiscal year ended | | | |
|-----------------------------------|---------------------------|---------------------------|--------------------|-------------------|
| | September 30, 2020 | September 30, 2019 | Change (\$) | Change (%) |
| Cash flows provided by (used in): | | | | |
| Operating activities | \$ 248,762 | \$ 209,694 | \$ 39,068 | 18.6 % |
| Investing activities | (27,513) | (133,101) | 105,588 | (79.3)% |
| Financing activities | (61,179) | (78,180) | 17,001 | (21.7)% |

Operating activities

During fiscal 2020, operating activities provided \$248.8 million of cash, compared to \$209.7 million during fiscal year 2019. The \$39.1 million increase was primarily due to lower spending on working capital of \$19.2 million driven by improved collections and reduced purchases of inventory at lower prices as well as improved operating income of \$15.9 million, see "Results of Operations."

Investing activities

During fiscal 2020, we used \$27.5 million of cash for investing activities compared to \$133.1 million during fiscal 2019. The \$105.6 million decrease in cash used by investing activities is due primarily \$98.0 million in cash used for acquisitions in fiscal 2019 as well as the cash received from the sale of a property, plant and equipment in fiscal 2020 of \$3.9 million.

Financing Activities

During fiscal 2020, we used \$61.2 million for financing activities compared to \$78.2 million during fiscal 2019. Financing activities decreased \$17.0 million due to a reduction in debt repayments of \$21.0 million compared to fiscal 2019.

The table below summarizes cash flow information derived from our statements of cash flows for the fiscal years ended September 30, 2019 and September 30, 2018.

| (in thousands) | Fiscal year ended | | | |
|-----------------------------------|---------------------------|---------------------------|--------------------|-------------------|
| | September 30, 2019 | September 30, 2018 | Change (\$) | Change (%) |
| Cash flows provided by (used in): | | | | |
| Operating activities | \$ 209,694 | \$ 145,703 | 63,991 | 43.9 % |
| Investing activities | (133,101) | 2,514 | (135,615) | (5,394.4)% |
| Financing activities | (78,180) | (65,931) | (12,249) | 18.6 % |

Operating activities

During fiscal 2019, operating activities provided \$209.7 million of cash, compared to \$145.7 million during fiscal year 2018. The \$64.0 million increase was primarily due to improved operating income of \$44.0 million and working capital improvements \$31.0 million, see "Results of Operations." as well as lower spending on working capital driven by improved collections as well as reduced purchases of inventory at lower prices.

Investing activities

During fiscal 2019, we used \$133.1 million of cash of investing activities compared to \$2.5 million provided by investing activities during fiscal 2018. The \$135.6 million increase in cash used by investing activities is due primarily to \$98.0 million in cash used for acquisitions in fiscal 2019 compared to \$3.5 million in fiscal 2018 as well as the cash received from the sale of a business in fiscal 2018 of \$42.6 million.

Financing Activities

During fiscal 2019, we used \$78.2 million for financing activities compared to \$65.9 million in fiscal 2018. The \$12.2 million increase was due to the decrease in borrowings net of repayments of \$392.8 million in fiscal 2019 which includes the voluntary accelerated prepayment of \$40.0 million on our First Lien Term Loan Facility in the fourth quarter of fiscal 2019. Additionally, there was the incremental decrease in issuance of common stock of \$12.7 million in fiscal 2019 compared to fiscal 2018, partially offset by a decrease in share repurchases of \$387.4 million in fiscal 2019 compared to fiscal 2018.

Contractual Obligations

The following table presents our contractual obligations and commitments as of September 30, 2020.

| (\$ in thousands) | Less than 1 Year | 1-3 Years | 3-5 Years | More than 5 Years | Total |
|---|------------------|------------|------------|-------------------|--------------|
| First Lien Term Loan Facility due December 22, 2023 | \$ — | \$ — | \$ 812,120 | \$ — | \$ 812,120 |
| Interest payments (a) | 37,887 | 106,002 | 12,714 | — | 156,603 |
| Purchase commitments (b) | 130,923 | 1,841 | — | — | 132,764 |
| Total (c) | \$ 168,810 | \$ 107,843 | \$ 824,834 | \$ — | \$ 1,101,487 |

(a) Interest expense is estimated based on outstanding loan balances assuming principal payments are made according to the payment schedule and interest rates as of September 30, 2020 (3.75% for the First Lien Term Loan Facility).

(b) Represents purchases of raw materials in the normal course of business for which all significant terms have been confirmed.

(c) As of September 30, 2020, we had \$1.4 million of income tax liability, gross unrecognized tax benefits of \$1.4 million and gross interest and penalties of \$0.2 million. Of these amounts, \$1.6 million is classified as a non-current liability in the consolidated balance sheet. At this time, we are unable to make a reasonably reliable estimate of the timing for such payments in future years; therefore, such amounts have been excluded from the above contractual obligations table.

The ABL Credit Facility provides for a three-year senior secured revolving credit facility of up to \$325.0 million. As of September 30, 2020, there were no borrowings under the ABL Credit Facility. We have the ability to continually refinance amounts drawn on the ABL Credit Facility through its maturity on August 28, 2023, subject to borrowing base limitations.

The projected company pension contributions for fiscal 2021 is \$1.9 million.

In the normal course of business, we are liable for contract completion and product performance. In the opinion of management, such obligations will not significantly affect our financial condition, results of operations or cash flows.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet financing arrangements that we believe are reasonably likely to have a material current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Critical Accounting Policies and Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions relating to the reporting of results of operations, financial condition and related disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from those estimates under different assumptions or conditions. The following are our most critical accounting policies, which are those that require management's most difficult, subjective and complex judgments, requiring the need to make estimates about the effect of matters that are inherently uncertain and may change in subsequent periods.

The following discussion is not intended to represent a comprehensive list of our accounting policies. For a detailed discussion of the application of these and other accounting policies, see Note 1, "Basis of Presentation and Summary of Significant Accounting Policies" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Revenue Recognition

The Company's revenue arrangements primarily consist of a single performance obligation to transfer promised goods which is satisfied at a point in time when title, risks and rewards of ownership, and subsequently control have transferred to the customer. This generally occurs when the product is shipped to the customer, with an immaterial amount of transactions in which control transfers upon delivery. The Company primarily offers assurance-type standard warranties that do not represent separate performance obligations.

The Company has certain arrangements that require it to estimate at the time of sale the amounts of variable consideration that should not be recorded as revenue as certain amounts are not expected to be collected from customers, as well as an estimate of the value of products to be returned. The Company principally relies on historical experience, specific customer agreements, and anticipated future trends to estimate these amounts at the time of sale and to reduce the transaction price. These arrangements include sales discounts and allowances, volume rebates, and returned goods. Historically, adjustments related to these estimates have not been material.

Income Taxes

In determining income for financial statement purposes, we must make certain estimates and judgments. These estimates and judgments affect the calculation of certain tax liabilities and the determination of the recoverability of certain deferred tax assets, which arise from temporary differences between the tax and financial statement recognition of revenue and expense. Certain deferred tax assets are reviewed for recoverability and valued accordingly, considering available positive and negative evidence, including our past results, estimated future taxable income streams and the impact of tax planning strategies in the applicable tax paying jurisdiction. A valuation allowance is established to reduce deferred tax assets to the amount that is considered more likely than not to be realized. Valuations related to tax accruals and assets can be impacted by changes in accounting regulations, changes in tax codes and rulings, changes in statutory tax rates, and changes in our forecasted future taxable income. Any reduction in future taxable income, including but not limited to any future restructuring activities, may require that we record an additional valuation allowance against our deferred tax assets. An increase in the valuation allowance could result in additional income tax expense in such period and could have a significant impact on our future earnings.

In addition, the calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax regulations in a multitude of jurisdictions across our global operations. Certain tax positions may be considered uncertain requiring an assessment of whether an allowance should be recorded. Our provision for uncertain tax positions provides a recognition threshold based on an estimate of whether it is more likely than not that a position will be sustained upon examination. We measure our uncertain tax position as the largest amount of benefit that has greater than a 50% likelihood of being realized upon ultimate settlement. We record interest and penalties related to unrecognized tax benefits as a component of provision for income taxes.

We recognize potential liabilities and record tax liabilities for anticipated tax audit issues in the United States and other tax jurisdictions based on our estimate of whether, and the extent to which, additional taxes will be due. These tax liabilities are reflected net of related tax loss carryforwards. We adjust these reserves in light of changing facts and circumstances; however, due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the tax liabilities. If our estimate of tax liabilities proves to be less than the ultimate assessment, an additional charge to expense would result. If payment of these amounts ultimately proves to be less than the recorded amounts, the reversal of the liabilities would result in tax benefits being recognized in the period when we determine the liabilities are no longer necessary. See Note 9, "Income Taxes" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Pension and Postretirement Benefits

Our pension expense and obligations are developed from actuarial valuations. Two critical assumptions in determining pension expense and obligations are the discount rate and expected long-term return on plan assets. We evaluate these assumptions at least annually. Other assumptions reflect demographic factors such as retirement, mortality and turnover and are evaluated periodically and updated to reflect our actual experience. Actual results may differ from actuarial assumptions. The following table summarizes the impact of a 50 basis point increase of these assumptions on our operating income for fiscal 2020:

| <u>(in millions)</u> | <u>Operating Income</u> |
|----------------------|-------------------------|
| Discount rate | \$(0.1) |
| Return on assets | \$0.5 |

See Note 5, "Postretirement Benefits" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Indefinite-Lived Intangible Assets and Goodwill Impairments

Goodwill and other intangible assets primarily result from business acquisitions. The Company assesses the recoverability of goodwill and indefinite-lived trade names on an annual basis in accordance with Accounting Standards Codification ("ASC") 350 "Intangibles - Goodwill and Other." The measurement date is the first day of the fourth fiscal quarter, or more frequently, if events or circumstances indicate that it is more likely than not that the fair value of a reporting unit or the respective indefinite-lived trade name is less than the carrying value. The Company can elect to perform a quantitative or qualitative test of impairment.

For fiscal 2020, 2019 and 2018 Company performed a quantitative impairment assessment for goodwill. Additionally, the economic impacts of the COVID-19 outbreak were more substantial for the Company's reporting unit related to its operations in Europe, Middle East, and Africa (EMEA), due to the cross-border transactions that occur within those operations, the cross-border interactions needed to fully realize the synergies associated with recent in-region acquisitions and the COVID-19 related closing of these borders. The Company deemed the economic related developments of the outbreak to be a triggering event for the EMEA reporting unit as of March 27, 2020 and performed an interim goodwill impairment test as of that date. The Company calculated the fair value of its six reporting units considering three valuation approaches: (a) the income approach; (b) the guideline public company method; and (c) the comparable transaction method. The income approach calculates the fair value of the reporting unit using a discounted cash flow approach. Internally forecasted future cash flows, which the Company believes reasonably approximate market participant assumptions, are discounted using a weighted average cost of capital (Discount Rate) developed for each reporting unit. The Discount Rate is developed using market observable inputs, as well as considering whether or not there is a measure of risk related to the specific reporting unit's forecasted performance. The key uncertainties in these calculations are the assumptions used in determining the reporting unit's forecasted future performance, including revenue growth and EBITDA margins, as well as the perceived risk associated with those forecasts, along with selecting representative market multiples. Fair value under the guideline public company method is determined for each reporting unit by applying market multiples for comparable public companies to the reporting unit's financial results. Fair value under the comparable transaction method is determined based on exchange prices in actual transactions and on asking prices for controlling interests in public or private companies currently offered for sale by applying market multiples for comparable public companies to the unit's financial results. The key uncertainties in the guideline public company method and the comparable transaction method calculations are the assumptions used in determining the reporting unit's comparable public companies, comparable transactions and the selection of the market multiples.

The Company did not record any goodwill impairments in fiscal 2020, 2019 or 2018. As of September 30, 2020, the fair values of the reporting units exceeded their respective carrying amount by 10% or more. A 10% decrease in the discounted cash flows utilized in quantitative impairment assessment for each of the reporting units would not have changed our determination that the fair value of each reporting unit was in excess of its carrying value.

As noted above, ASC 350 also requires that the Company test the indefinite-lived intangible assets for impairment at least annually. Under ASC 350, if the carrying value of the indefinite-lived asset is higher than its fair value, then the asset is deemed to be impaired and the impairment charge is estimated as the excess carrying value over the fair value. The Company calculated the fair value of its indefinite-lived intangible assets using the income approach, specifically the relief-from-royalty method. The relief-from-royalty method is used to estimate the cost savings that accrue to the owner of an intangible asset who would otherwise have to pay royalties or license fees on revenues earned through the use of the asset. Internally forecasted revenues, which the Company believes reasonably approximate market participant assumptions, are multiplied by a royalty rate to arrive at the estimated net after tax cost savings. The royalty rate used in the analysis is based on an analysis of empirical, market-derived royalty rates for guideline intangible assets. The net after tax cost savings are discounted using the Discount Rate. The Discount Rate is developed using market observable inputs, as well as considering whether or not there is a measure of risk related to the specific indefinite lived intangible assets' forecasted performance. The key uncertainties in these calculations are the assumptions used in determining the revenue associated with each indefinite-lived intangible asset and the royalty rate.

During fiscal year 2020, 2019, and 2018 the results indicated all indefinite-lived intangible assets had significant excess of fair value over the carrying value. A reasonably possible change in the estimated revenues associated with the indefinite-lived intangible assets, selected royalty rates or the residual growth rate would not result in an impairment of any of these assets.

Inventories

We account for inventory valuation for a majority of the Company using the last-in, first-out ("LIFO") method measured at the lower of cost or market value. We utilize the LIFO method of valuing inventories because it reflects how we monitor and manage our business and it matches current costs and revenues. Valuation of inventory using the LIFO method is made at the end of our fiscal year based on inventory levels and costs at that time. Accordingly, interim LIFO calculations are based on estimates of expected year-end inventory levels and costs. Other inventories, consisting mostly of foreign inventories, are measured using first-in, first-out ("FIFO") costing methods. Inventory cost, regardless of valuation method, includes direct material, direct labor and manufacturing overhead costs. In circumstances where inventory levels are in excess of anticipated market demand, where inventory is deemed technologically obsolete or not marketable due to its condition or where the inventory cost for an item exceeds its market value, we record a charge to cost of goods sold and reduce the inventory to its market value.

Recent Accounting Pronouncements

See Note 1, "Basis of Presentation and Summary of Significant Accounting Policies" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

Special Note Regarding Forward-Looking Statements and Information

This Annual Report on Form 10-K contains forward-looking statements and cautionary statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are based on management's beliefs and assumptions and information currently available to management. Some of the forward-looking statements can be identified by the use of forward-looking terms such as "believes," "expects," "may," "will," "shall," "should," "would," "could," "seeks," "aims," "projects," "is optimistic," "intends," "plans," "estimates," "anticipates" or other comparable terms. Forward-looking statements include, without limitation, all matters that are not historical facts. They appear in a number of places throughout this Annual Report and include, without limitation, statements regarding our intentions, beliefs, assumptions or current expectations concerning, among other things, financial position; results of operations; cash flows; prospects; growth strategies or expectations; customer retention; the outcome (by judgment or settlement) and costs of legal, administrative or regulatory proceedings, investigations or inspections, including, without limitation, collective, representative or class action litigation; and the impact of prevailing economic conditions.

Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be beyond our control. We caution you that forward-looking statements are not guarantees of future performance or outcomes and that actual performance and outcomes, including, without limitation, our actual results of operations, financial condition and liquidity, and the development of the market in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this Annual Report. In addition, even if our results of operations, financial condition and cash flows, and the development of the market in which we operate, are consistent with the forward-looking statements contained in this Annual Report, those results or developments may not be indicative of results or developments in subsequent periods. A number of important factors, including, without limitation, the risks and uncertainties discussed or referenced under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, could cause actual results and outcomes to differ materially from those reflected in the forward-looking statements. Additional factors that could cause actual results and outcomes to differ from those reflected in forward-looking statements include, without limitation:

- declines in, and uncertainty regarding, the general business and economic conditions in the United States and international markets in which we operate;
- weakness or another downturn in the United States non-residential construction industry;
- widespread outbreak of diseases, such as the novel coronavirus (COVID-19) pandemic;
- changes in prices of raw materials;
- pricing pressure, reduced profitability, or loss of market share due to intense competition;
- availability and cost of third-party freight carriers and energy;
- high levels of imports of products similar to those manufactured by us;
- changes in federal, state, local and international governmental regulations and trade policies;
- adverse weather conditions;

- increased costs relating to future capital and operating expenditures to maintain compliance with environmental, health and safety laws;
- reduced spending by, deterioration in the financial condition of, or other adverse developments, including inability or unwillingness to pay our invoices on time, with respect to one or more of our top customers;
- increases in our working capital needs, which are substantial and fluctuate based on economic activity and the market prices for our main raw materials, including as a result of failure to collect, or delays in the collection of, cash from the sale of manufactured products;
- work stoppage or other interruptions of production at our facilities as a result of disputes under existing collective bargaining agreements with labor unions or in connection with negotiations of new collective bargaining agreements, as a result of supplier financial distress, or for other reasons;
- changes in our financial obligations relating to pension plans that we maintain in the United States;
- reduced production or distribution capacity due to interruptions in the operations of our facilities or those of our key suppliers;
- loss of a substantial number of our third-party agents or distributors or a dramatic deviation from the amount of sales they generate;
- security threats, attacks, or other disruptions to our information systems, or failure to comply with complex network security, data privacy and other legal obligations or the failure to protect sensitive information;
- possible impairment of goodwill or other long-lived assets as a result of future triggering events, such as declines in our cash flow projections or customer demand and changes in our business and valuation assumptions;
- safety and labor risks associated with the manufacture and in the testing of our products;
- product liability, construction defect and warranty claims and litigation relating to our various products, as well as government inquiries and investigations, and consumer, employment, tort and other legal proceedings;
- our ability to protect our intellectual property and other material proprietary rights;
- risks inherent in doing business internationally;
- changes in foreign laws and legal systems, including as a result of Brexit;
- our inability to introduce new products effectively or implement our innovation strategies;
- our inability to continue importing raw materials, component parts and/or finished goods;
- the incurrence of liabilities and the issuance of additional debt or equity in connection with acquisitions, joint ventures or divestitures and the failure of indemnification provisions in our acquisition agreements to fully protect us from unexpected liabilities;
- failure to manage acquisitions successfully, including identifying, evaluating, and valuing acquisition targets and integrating acquired companies, businesses or assets;
- the incurrence of additional expenses, increase in complexity of our supply chain and potential damage to our reputation with customers resulting from regulations related to "conflict minerals";
- disruptions or impediments to the receipt of sufficient raw materials resulting from various anti-terrorism security measures;
- restrictions contained in our debt agreements;
- failure to generate cash sufficient to pay the principal of, interest on, or other amounts due on our debt;
- challenges attracting and retaining key personnel or high-quality employees;
- future changes to tax legislation;
- failure to generate sufficient cash flow from operations or to raise sufficient funds in the capital markets to satisfy existing obligations and support the development of our business; and
- other risks and factors described in this report and from time to time in documents that we file with the SEC.

You should read this Annual Report completely and with the understanding that actual future results may be materially different from expectations. All forward-looking statements attributable to us or persons acting on our behalf that are made in this Annual Report are qualified in their entirety by these cautionary statements. These forward-looking statements are made only as of the date of this Annual Report, and we do not undertake any obligation, other than as may be required by law, to update or revise any forward-looking or cautionary statements to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, and changes in future operating results over time or otherwise.

Comparisons of results for current and any prior periods are not intended to express any future trends, or indications of future performance, unless expressed as such, and should only be viewed as historical data.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

In the normal course of conducting business, we are exposed to certain risks associated with potential changes in market conditions. These risks include fluctuations in interest rates, credit risks, commodity prices, including price fluctuations related to our primary raw materials and foreign currency translation rates.

Interest Rate Risk

The Credit Facilities bear interest at a floating rate. The ABL Credit Facility bears interest at a floating rate of LIBOR plus an applicable margin. The First Lien Term Loan Facility bears interest at the greater of LIBOR or 1.00% plus an applicable margin. As a result, we are exposed to fluctuations in interest rates to the extent of our net borrowings under the Credit Facilities, which were \$811.5 million at September 30, 2020. As of September 30, 2020, LIBOR exceeded 1.00%; therefore, each one percentage point change in interest rates would result in an approximately \$8.2 million change in the annual interest expense on our First Lien Term Loan Facility. As of September 30, 2020, assuming availability was fully utilized, each one percentage point change in interest rates would result in an approximately \$3.3 million change in annual interest expense on the ABL Credit Facility. Additionally, if the ABL Credit Facility were fully utilized, the margin we pay on borrowings would increase by 0.5% from the current level and we would incur additional interest expense of \$1.6 million.

Credit Risk

We are exposed to credit risk on accounts receivable balances. This risk is mitigated due to our large, diverse customer base. In fiscal 2020, our ten largest customers (including buyers and distributors in buying groups) accounted for approximately 37% of our net sales. However, no single customer comprised more than 10% of our consolidated net sales in fiscal 2020, 2019 or 2018. As of September 30, 2020, one customer, Sonepar Management US, Inc., represented 11% of the Company's accounts receivable balance due to increased sales in the last 60 days of the year. As of September 30, 2019, no single customer represented more than 10% of the Company's accounts receivable balance. See Note 20, "Segment Information" to the accompanying consolidated financial statements included elsewhere in this Annual Report.

We maintain provisions for potential credit losses and such losses to date have normally been within our expectations. We evaluate the solvency of our customers on an ongoing basis to determine if additional allowances for doubtful accounts receivable need to be recorded. We have historically not been exposed to a material amount of uncollectible receivable balances.

Commodity Price Risk

We are exposed to price fluctuations for our primary raw material commodities such as steel, copper and PVC resin. Our operating performance may be affected by both upward and downward price fluctuations. We are also exposed to fluctuations in petroleum costs as we deliver a substantial portion of the products we sell by truck. We seek to minimize the effects of inflation and changing prices through economies of purchasing and inventory management resulting in cost reductions and productivity improvements as well as price increases to maintain reasonable gross margins. Such commodity price fluctuations have from time to time produced volatility in our financial performance and could do so in the future.

Foreign Currency Risk

Because we conduct our business on an international basis in multiple currencies, we may be adversely affected by foreign exchange rate fluctuations. Although we report financial results in United States dollars, approximately 11% of our net sales and expenses are denominated in currencies other than the United States dollar, particularly British pounds sterling, European euros, Canadian dollars, Australian dollars, Chinese yuan, Russian rubles and New Zealand dollars. Fluctuations in exchange rates could therefore significantly affect our reported results from period to period as we translate results in local currencies into United States dollars. With the exception of certain foreign denominated intercompany loans, we generally do not use derivative instruments to hedge translation risks in the ordinary course of business, including the risk related to earnings of foreign subsidiaries. Due to limited cross border transactions, we do not experience material foreign exchange transactional gains or losses.

Item 8. Financial Statements and Supplementary Data

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Atkore International Group Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Atkore International Group Inc. and subsidiaries (the "Company") as of September 30, 2020 and 2019, the related consolidated statements of operations, comprehensive income, cash flows, and shareholders' equity, for each of the three years in the period ended September 30, 2020, and the related notes and the schedules listed in the Index at Part IV, Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended September 30, 2020, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of September 30, 2020, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated November 19, 2020, expressed an unqualified opinion on the Company's internal control over financial reporting.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, the Company has changed its method of accounting for leases in 2020 due to the adoption of Financial Accounting Standards Board Accounting Standards Codification 842, *Leases*, using the modified retrospective method.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the US federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill - Refer to Notes 1 and 14 to the financial statements

Critical Audit Matter Description

The Company's evaluation of goodwill for impairment involves the comparison of the fair value of each reporting unit to its carrying value. The Company's goodwill balance was \$188 million as of September 30, 2020. The Company considers three valuation approaches: (a) the income approach; (b) the guideline public company method; and (c) the comparable transaction

method to estimate the fair value of its reporting units. With respect to the income approach, management makes significant estimates and assumptions related to forecasts of future cash flows, including revenue growth, earnings before interest, income taxes, depreciation, and amortization (EBITDA) margins, and discount rates. The fair value of all reporting units exceeded their respective carrying values and, therefore, no impairment was recognized for the year ended September 30, 2020.

We identified goodwill for the Company's Europe, Middle East, and Africa reporting unit as a critical audit matter because the excess fair value over carrying value is low and minor changes to management's estimates and assumptions could result in an impairment being recognized. This required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists, when performing audit procedures to evaluate the reasonableness of management's estimates and assumptions related to forecasts of revenue growth, EBITDA margins, and the selection of the discount rate.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the forecasts of revenue growth and EBITDA margins ("forecasts"), and the selection of the discount rate for this reporting unit included the following, among others:

- We tested the design and operating effectiveness of controls over the annual and interim goodwill impairment assessments, including those over the forecasts and the selection of the discount rate.
- We evaluated management's ability to accurately forecast by comparing actual results to management's historical forecasts.
- We performed inquiries of the Company's executives and those outside of the accounting and finance functions to evaluate the forecasts.
- We evaluated the reasonableness of management's forecasts by comparing the forecasts to:
 - Historical results.
 - Internal communications to management and the Board of Directors.
 - Industry reports.
- With the assistance of our fair value specialists, we evaluated the reasonableness of the (1) valuation methodology and (2) discount rate by:
 - Evaluating whether the fair value models being used are appropriate considering the Company's circumstances and valuation premise identified.
 - Testing the source information and the mathematical accuracy of the calculations underlying the determination of the discount rate and developing a range of independent estimates and comparing those to the discount rate selected by management.

/s/ Deloitte & Touche LLP

Chicago, Illinois
November 19, 2020

We have served as the Company's auditor since 2011.

**ATKORE INTERNATIONAL GROUP INC.
CONSOLIDATED STATEMENTS OF OPERATIONS**

| (in thousands, except per share data) | Note | Fiscal Year Ended | | |
|--|-------------|---------------------------|---------------------------|---------------------------|
| | | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Net sales | | \$ 1,765,421 | \$ 1,916,538 | \$ 1,835,139 |
| Cost of sales | | 1,274,107 | 1,419,338 | 1,397,055 |
| Gross profit | | 491,314 | 497,200 | 438,084 |
| Selling, general and administrative | | 219,496 | 240,660 | 226,282 |
| Intangible asset amortization | 14 | 32,262 | 32,876 | 32,104 |
| Operating income | | 239,556 | 223,664 | 179,698 |
| Interest expense, net | | 40,062 | 50,473 | 40,694 |
| Loss on extinguishment of debt | 15 | 273 | — | — |
| Other income, net | 8 | (2,777) | (11,478) | (27,348) |
| Income before income taxes | | 201,998 | 184,669 | 166,352 |
| Income tax expense | 9 | 49,696 | 45,618 | 29,707 |
| Net income | | \$ 152,302 | \$ 139,051 | \$ 136,645 |
| Net income per share | | | | |
| Basic | 10 | \$ 3.15 | \$ 2.91 | \$ 2.59 |
| Diluted | 10 | \$ 3.10 | \$ 2.83 | \$ 2.48 |

See Notes to Consolidated Financial Statements

**ATKORE INTERNATIONAL GROUP INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

| (in thousands) | Note | Fiscal Year Ended | | |
|---|-------------|---------------------------|---------------------------|---------------------------|
| | | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Net income | | \$ 152,302 | \$ 139,051 | \$ 136,645 |
| Change in foreign currency translation adjustment | | 6,087 | (7,490) | (2,853) |
| Change in unrecognized (loss) income related to pension benefit plans | | (6,943) | (15,437) | 4,397 |
| Total other comprehensive (loss) income | 11 | (856) | (22,927) | 1,544 |
| Comprehensive income | | \$ 151,446 | \$ 116,124 | \$ 138,189 |

See Notes to Consolidated Financial Statements

**ATKORE INTERNATIONAL GROUP INC.
CONSOLIDATED BALANCE SHEETS**

| (in thousands, except share and per share data) | Note | September 30, 2020 | September 30, 2019 |
|--|-------------|---------------------------|---------------------------|
| Assets | | | |
| Current Assets: | | | |
| Cash and cash equivalents | | \$ 284,471 | \$ 123,415 |
| Accounts receivable, less allowance for doubtful accounts of \$3,168 and \$2,608, respectively | | 298,242 | 315,353 |
| Inventories, net | 12 | 199,095 | 226,090 |
| Prepaid expenses and other current assets | | 46,868 | 34,679 |
| Total current assets | | 828,676 | 699,537 |
| Property, plant and equipment, net | 13 | 243,891 | 260,703 |
| Intangible assets, net | 14 | 255,349 | 285,684 |
| Goodwill | 14 | 188,239 | 186,231 |
| Right-of-use assets, net | 2 | 38,692 | — |
| Deferred income taxes | 9 | 687 | 577 |
| Other long-term assets | | 2,991 | 4,263 |
| Total Assets | | \$ 1,558,525 | \$ 1,436,995 |
| Liabilities and Equity | | | |
| Current Liabilities: | | | |
| Accounts payable | | \$ 142,601 | \$ 150,681 |
| Income tax payable | | 1,360 | 2,157 |
| Accrued compensation and employee benefits | | 32,836 | 35,770 |
| Customer liabilities | | 35,802 | 44,983 |
| Lease obligations | 2 | 15,786 | — |
| Other current liabilities | | 47,785 | 53,943 |
| Total current liabilities | | 276,170 | 287,534 |
| Long-term debt | 15 | 803,736 | 845,317 |
| Long-term lease obligations | 2 | 24,143 | — |
| Deferred income taxes | 9 | 22,525 | 19,986 |
| Other long-term tax liabilities | | 1,619 | 3,669 |
| Pension liabilities | 5 | 40,023 | 34,509 |
| Other long-term liabilities | | 11,899 | 13,044 |
| Total Liabilities | | 1,180,115 | 1,204,059 |
| Equity: | | | |
| Common stock, \$0.01 par value, 1,000,000,000 shares authorized, 47,407,023 and 46,955,163 shares issued and outstanding, respectively | | 475 | 471 |
| Treasury stock, held at cost, 260,900 and 260,900 shares, respectively | | (2,580) | (2,580) |
| Additional paid-in capital | | 487,223 | 477,139 |
| Accumulated deficit | | (64,154) | (200,396) |
| Accumulated other comprehensive loss | 11 | (42,554) | (41,698) |
| Total Equity | | 378,410 | 232,936 |
| Total Liabilities and Equity | | \$ 1,558,525 | \$ 1,436,995 |

See Notes to Consolidated Financial Statements

**ATKORE INTERNATIONAL GROUP INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS**

| (in thousands) | Note | Fiscal year ended | | |
|---|-------------|---------------------------|---------------------------|---------------------------|
| | | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Operating activities | | | | |
| Net income | | \$ 152,302 | \$ 139,051 | \$ 136,645 |
| Adjustments to reconcile net income to net cash provided by operating activities | | | | |
| Gain on sale of a business | | — | — | (27,575) |
| Depreciation and amortization | | 74,470 | 72,347 | 66,890 |
| Amortization of debt issuance costs and original issue discount | | 1,876 | 1,804 | 1,542 |
| Deferred income taxes | 9 | 4,483 | (796) | (9,008) |
| Loss on extinguishment of debt | 15 | 273 | — | — |
| Provision for losses on accounts receivable and inventory | | 5,014 | 4,656 | 7,241 |
| Stock-based compensation expense | 6 | 13,064 | 11,798 | 14,664 |
| Amortization of right-of-use assets | 2 | 14,803 | — | — |
| Loss on disposal of property, plant & equipment, net | | 3,001 | — | — |
| Gain on purchase of business | 3 | — | (7,384) | — |
| Other adjustments to net income | | (844) | (1,938) | 2,023 |
| Changes in operating assets and liabilities, net of effects from acquisitions | | | | |
| Accounts receivable | | 16,920 | 6,026 | (44,419) |
| Inventories | | 24,642 | 9,002 | (36,528) |
| Prepaid expenses and other current assets | | (11,164) | (3,054) | (1,762) |
| Accounts payable | | (5,835) | (21,981) | 31,667 |
| Income taxes | | (6,261) | 4,511 | (3,179) |
| Accrued and other liabilities | | (32,942) | (2,782) | 7,243 |
| Other, net | | (5,040) | (1,566) | 259 |
| Net cash provided by operating activities | | 248,762 | 209,694 | 145,703 |
| Investing activities | | | | |
| Capital expenditures | | (33,770) | (34,860) | (38,501) |
| Insurance proceeds for properties, plant and equipment | | 2,337 | — | — |
| Proceeds from sale of properties, plant and equipment | | 3,920 | 80 | 349 |
| Proceeds from divestiture of business | | — | — | 42,631 |
| Acquisitions of businesses, net of cash acquired | 3 | — | (97,999) | (3,467) |
| Other, net | | — | (322) | 1,502 |
| Net cash (used for) provided by investing activities | | (27,513) | (133,101) | 2,514 |
| Financing activities | | | | |
| Borrowings under credit facility | 15 | — | 39,000 | 358,000 |
| Repayments under credit facility | 15 | — | (39,000) | (443,000) |
| Repayments of short-term debt | 15 | — | (20,980) | (8,150) |
| Issuance of long-term debt | 15 | — | — | 426,217 |
| Repayments of long-term debt | 15 | (40,000) | (40,000) | (1,217) |
| Issuance of common stock, net of taxes withheld | 6 | (2,972) | 7,374 | 20,110 |
| Repurchase of common stock | | (15,011) | (24,419) | (411,775) |

| (in thousands) | Note | Fiscal year ended | | |
|---|-------------|---------------------------|---------------------------|---------------------------|
| | | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Payments for debt financing costs and fees | 15 | (3,204) | — | (5,955) |
| Other, net | | 8 | (155) | (161) |
| Net cash used for financing activities | | (61,179) | (78,180) | (65,931) |
| Effects of foreign exchange rate changes on cash and cash equivalents | | 986 | (1,660) | (1,342) |
| Increase (decrease) in cash and cash equivalents | | 161,056 | (3,247) | 80,944 |
| Cash and cash equivalents at beginning of period | | 123,415 | 126,662 | 45,718 |
| Cash and cash equivalents at end of period | | \$ 284,471 | \$ 123,415 | \$ 126,662 |
| Supplementary Cash Flow information | | | | |
| Interest paid | | \$ 38,791 | \$ 49,879 | \$ 39,898 |
| Income taxes paid, net of refunds | | 50,993 | 38,698 | 41,601 |
| Capital expenditures, not yet paid | | 1,278 | 3,719 | 916 |

See Notes to Consolidated Financial Statements

ATKORE INTERNATIONAL GROUP INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the three year period ended September 30, 2020

| (in thousands) | Common Stock | | Treasury Stock | Additional Paid-in Capital | Accumulated Deficit | Accumulated Other Comprehensive Income (Loss) | Total Equity |
|--|---------------|---------------|-------------------|-------------------------------|------------------------|---|-------------------|
| | Shares | Amount | Amount | | | | |
| Balance as of September 30, 2017 | 63,305 | \$ 634 | \$ (2,580) | \$ 423,232 | \$ (42,433) | \$ (17,982) | \$ 360,871 |
| Net income | — | — | — | — | 136,645 | — | 136,645 |
| Other comprehensive income | — | — | — | — | — | \$ 1,544 | 1,544 |
| Stock-based compensation | — | — | — | 14,664 | — | — | 14,664 |
| Issuance of common stock | 2,795 | 28 | — | 20,082 | — | — | 20,110 |
| Repurchase of common stock | (19,020) | (190) | — | — | (411,585) | — | (411,775) |
| Balance as of September 30, 2018 | 47,080 | 472 | (2,580) | 457,978 | (317,373) | (16,438) | 122,059 |
| Net income | — | — | — | — | 139,051 | — | 139,051 |
| Other comprehensive income | — | — | — | — | — | (22,927) | (22,927) |
| Reclassification of stranded tax benefits (1) | — | — | — | — | 2,333 | (2,333) | — |
| Stock-based compensation | — | — | — | 11,798 | — | — | 11,798 |
| Issuance of common stock | 1,105 | 11 | — | 7,363 | — | — | 7,374 |
| Repurchase of common stock | (1,230) | (12) | — | — | (24,407) | — | (24,419) |
| Balance as of September 30, 2019 | 46,955 | 471 | (2,580) | 477,139 | (200,396) | (41,698) | 232,936 |
| Net income | — | — | — | — | 152,302 | — | 152,302 |
| Other comprehensive loss | — | — | — | — | — | (856) | (856) |
| ASU 2016-2 modified retrospective adoption | — | — | — | — | (1,053) | — | (1,053) |
| Stock-based compensation | — | — | — | 13,064 | — | — | 13,064 |
| Issuance of common stock | 846 | 8 | — | (2,980) | — | — | (2,972) |
| Repurchase of common stock | (394) | (4) | — | — | (15,007) | — | (15,011) |
| Balance as of September 30, 2020 | 47,407 | 475 | (2,580) | 487,223 | (64,154) | (42,554) | \$ 378,410 |

(1) Due to the adoption of ASU 2018-02.

See Notes to Consolidated Financial Statements

ATKORE INTERNATIONAL GROUP INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(dollars in thousands, except share and per share data)

1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

Organization and Ownership Structure — Atkore International Group Inc. (the "Company" or "Atkore") is a leading manufacturer of Electrical Raceway products primarily for the non-residential construction and renovation markets and Mechanical Products & Solutions ("MP&S") for the construction and industrial markets. Electrical Raceway products form the critical infrastructure that enables the deployment, isolation and protection of a structure's electrical circuitry from the original power source to the final outlet. MP&S frame, support and secure component parts in a broad range of structures, equipment and systems in electrical, industrial and construction applications.

The Company was incorporated in the State of Delaware on November 4, 2010. Atkore is the sole stockholder of Atkore International Holdings Inc. ("AIH"), which in turn is the sole stockholder of Atkore International, Inc. ("AII").

Holders of common stock are entitled to cast one vote for each share held of record on all matters submitted to a vote of the stockholders. Additionally, holders of common stock are entitled to receive, on a pro rata basis, dividends and distributions, if any, that the Company's board of directors may declare out of legally available funds, subject to preferences that may be applicable to preferred stock, if any.

Share Repurchase Program — In August 2017, the Company's board of directors approved a share repurchase program, under which the Company may repurchase up to an aggregate amount of \$75.0 million of its outstanding stock. As of December 28, 2018, there were no authorized repurchases remaining under the August 2017 repurchase program.

On February 5, 2019, the board of directors approved a share repurchase program, under which the Company may repurchase up to \$50.0 million of its outstanding common stock. As of September 30, 2020, there were \$35.0 million of authorized repurchases remaining.

Basis of Presentation — The accompanying audited consolidated financial statements of the Company and all of its subsidiaries included herein have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

The audited consolidated financial statements include the assets and liabilities used in operating the Company's business. All intercompany balances and transactions have been eliminated in consolidation. The results of companies acquired or disposed of are included in the audited consolidated financial statements from the effective date of acquisition or up to the date of disposal.

Fiscal Periods — The Company has a fiscal year that ends on September 30. The Company's fiscal quarters typically end on the last Friday in December, March and June as it follows a 4-5-4 calendar.

Use of Estimates — The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclose contingent assets and liabilities at the date of the consolidated financial statements and report the associated amounts of revenues and expenses. Actual results could differ materially from these estimates.

Summary of significant accounting policies

Revenue Recognition — The Company's revenue arrangements primarily consist of a single performance obligation to transfer promised goods which is satisfied at a point in time when title, risks and rewards of ownership, and subsequently control have transferred to the customer. This generally occurs when the product is shipped to the customer, with an immaterial amount of transactions in which control transfers upon delivery. The Company primarily offers assurance-type standard warranties that do not represent separate performance obligations.

The Company has certain arrangements that require it to estimate at the time of sale the amounts of variable consideration that should not be recorded as revenue as certain amounts are not expected to be collected from customers, as well as an estimate of the value of products to be returned. The Company principally relies on historical experience, specific

customer agreements, and anticipated future trends to estimate these amounts at the time of sale and to reduce the transaction price. These arrangements include sales discounts and allowances, volume rebates, and returned goods.

The Company has elected to utilize certain practical expedients available under GAAP. The Company records amounts billed to customers for reimbursement of shipping and handling costs within revenue. Shipping and handling costs associated with outbound freight after control over a product has transferred to a customer are accounted for as fulfillment costs and are included in cost of sales. Sales taxes and other usage-based taxes are excluded from revenue. The practical expedient not to disclose information about remaining performance obligations has also been elected as these obligations have an original duration of one year or less. The Company does not evaluate whether the selling price includes a financing interest component for contracts that are less than a year. The Company also expenses costs incurred to obtain a contract, primarily sales commissions, as all obligations will be settled in less than one year.

The Company typically receives payment 30 to 60 days from the point it has satisfied the related performance obligation. See Note 20, "Segment Information" for revenue disaggregated by geography and product categories.

Cost of Sales — The Company includes all costs directly related to the production of goods for sale in cost of sales in the statement of operations. These costs include direct material, direct labor, production related overheads, excess and obsolescence costs, lower of cost or market provisions, freight and distribution costs, and the depreciation and amortization of assets directly used in the production of goods for sale.

Selling, General and Administrative Expenses — These amounts primarily include payroll-related expenses for both administrative and selling personnel, compensation expense from stock-based awards, restructuring-related charges, third-party professional services and transactional gains or losses for foreign currency transactions, excluding the foreign exchange exposure for intercompany loan transactions, which is included in Other income, net.

Cash and Cash Equivalents — The Company considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts — The Company carries its accounts receivable at their face amounts less an allowance for doubtful accounts. The allowance for doubtful accounts receivable reflects the best estimate of losses inherent in the Company's accounts receivable portfolio determined on the basis of historical experience, specific allowances for known troubled accounts and other available evidence.

Inventories — Inventories are recorded at the lower of cost (primarily LIFO) or market value. The Company estimates losses for excess and obsolete inventory through an assessment of its net realizable value based on the aging of the inventory and an evaluation of the likelihood of recovering the inventory costs based on anticipated demand and selling price. See Note 12, "Inventories, net."

Property, Plant and Equipment — Property, plant and equipment, net, is recorded at cost less accumulated depreciation. Maintenance and repair expenditures are charged to expense when incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets as follows:

| | |
|-------------------------|--|
| Buildings | 4 to 40 years |
| Building improvements | 3 to 20 years |
| Machinery and equipment | 1 to 20 years |
| Leasehold improvements | Lesser of remaining term of the lease or useful life |
| Software | 2 to 10 years |

The internal and external costs incurred to develop internal use computer software during the application development stage of the implementation, including the design of the chosen path, are capitalized. Other costs, including expenses incurred during the preliminary project stage, training expenses, data conversion costs and expenses incurred in the post implementation stage are expensed in the period incurred. Capitalized costs are amortized ratably over the useful life of the software when the software becomes operational. Upgrades and enhancements to internal use software are capitalized only if the costs result in additional functionality. The Company does not plan to sell or market our internal use computer software to third parties.

Long-Lived Asset and Finite - Lived Intangible Asset Impairments — The Company reviews long-lived assets, including property, plant and equipment and finite-lived intangible assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of the asset may not be fully recoverable.

The Company groups assets at the lowest level for which cash flows are separately identified in order to measure an impairment. Recoverability of an asset or asset group is first measured by a comparison of the carrying amount to its estimated undiscounted future cash flows expected to be generated by the asset or asset group. If the carrying amount exceeds its estimated undiscounted future cash flows, an impairment charge is recognized as the amount by which the carrying amount of the asset or asset group exceeds the estimated fair value. If impairment is determined to exist, any related impairment loss is calculated based on the estimated fair value. Impairment losses on assets to be disposed of or held for sale, if any, are based on the estimated proceeds to be received, less costs of disposal.

The Company also considers potential impairment indicators associated with other finite-lived intangible assets, including its customer relationships, patents, and non-compete agreements. An impairment is recognized if the carrying value of an asset or asset group exceeds the estimated undiscounted future cash flows expected to result from the use of the asset or asset group and its eventual disposition. The Company's key customers are primarily wholesale and national distributors. The terms of these relationships are based on purchase orders and are not contractually based. Customer relationships are amortized on a straight-line basis over their useful lives, ranging from 6 to 14 years. The Company evaluates the appropriateness of remaining useful lives based on customer attrition rates. Other intangible assets are amortized on a straight-lined basis over their estimated useful lives, ranging from 1 to 20 years. The Company did not have a triggering event during fiscal 2020, 2019 and 2018.

Goodwill and Indefinite-Lived Intangible Asset Impairments — The Company assesses the recoverability of goodwill and indefinite-lived trade names on an annual basis in accordance with Accounting Standards Codification ("ASC") 350 "Intangibles - Goodwill and Other." The measurement date is the first day of the fourth fiscal quarter, or more frequently, if events or circumstances indicate that it is more likely than not that the fair value of a reporting unit or the respective indefinite-lived trade name is less than the carrying value. The Company can elect to perform a quantitative or qualitative test of impairment.

For fiscal 2020, 2019 and 2018 Company performed a quantitative impairment assessment for goodwill. Additionally, the economic impacts of the COVID-19 outbreak were more substantial for the Company's reporting unit related to its operations in Europe, Middle East, and Africa (EMEA), due to the cross-border transactions that occur within those operations, the cross-border interactions needed to fully realize the synergies associated with recent in-region acquisitions and the COVID-19 related closing of these borders. The Company deemed the economic related developments of the outbreak to be a triggering event for the EMEA reporting unit as of March 27, 2020 and performed an interim goodwill impairment test as of that date. The Company calculated the fair value of its six reporting units considering three valuation approaches: (a) the income approach; (b) the guideline public company method; and (c) the comparable transaction method. The income approach calculates the fair value of the reporting unit using a discounted cash flow approach. Internally forecasted future cash flows, which the Company believes reasonably approximate market participant assumptions, are discounted using a weighted average cost of capital (Discount Rate) developed for each reporting unit. The Discount Rate is developed using market observable inputs, as well as considering whether or not there is a measure of risk related to the specific reporting unit's forecasted performance. The key uncertainties in these calculations are the assumptions used in determining the reporting unit's forecasted future performance, including revenue growth and EBITDA margins, as well as the perceived risk associated with those forecasts, along with selecting representative market multiples. Fair value under the guideline public company method is determined for each reporting unit by applying market multiples for comparable public companies to the reporting unit's financial results. Fair value under the comparable transaction method is determined based on exchange prices in actual transactions and on asking prices for controlling interests in public or private companies currently offered for sale by applying market multiples for comparable public companies to the unit's financial results. The key uncertainties in the guideline public company method and the comparable transaction method calculations are the assumptions used in determining the reporting unit's comparable public companies, comparable transactions and the selection of the market multiples.

The Company did not record any goodwill impairments in fiscal 2020, 2019 or 2018.

As noted above, ASC 350 also requires that the Company test the indefinite-lived intangible assets for impairment at least annually. Under ASC 350, if the carrying value of the indefinite-lived asset is higher than its fair value, then the asset is deemed to be impaired and the impairment charge is estimated as the excess carrying value over the fair value. The Company calculated the fair value of its indefinite-lived intangible assets using the income approach, specifically the relief-from-royalty method. The relief-from-royalty method is used to estimate the cost savings that accrue to the owner of an intangible asset who would otherwise have to pay royalties or license fees on revenues earned through the use of the asset. Internally forecasted revenues, which the Company believes reasonably approximate market participant assumptions, are multiplied by a royalty rate to arrive at the estimated net after tax cost savings. The royalty rate used in the analysis is based on an analysis of empirical, market-derived royalty rates for guideline intangible assets. The net after tax cost savings are discounted using the Discount

Rate. The Discount Rate is developed using market observable inputs, as well as considering whether or not there is a measure of risk related to the specific indefinite lived intangible assets' forecasted performance. The key uncertainties in these calculations are the assumptions used in determining the revenue associated with each indefinite-lived intangible asset and the royalty rate.

The Company did not record any indefinite-lived asset impairments in fiscal 2020, 2019 or 2018.

Fair Value Measurements — Authoritative guidance for fair value measurements establishes a three-level hierarchy that ranks the quality and reliability of information used in developing fair value estimates. The hierarchy gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. In cases where two or more levels of inputs are used to determine fair value, a financial instrument's level is determined based on the lowest level input that is considered significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are summarized as follows:

Level 1-inputs are based upon quoted prices (unadjusted) in active markets for identical assets or liabilities which are accessible as of the measurement date.

Level 2-inputs are based upon quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and model-derived valuations for the asset or liability that are derived principally from or corroborated by market data for which the primary inputs are observable, including forward interest rates, yield curves, credit risk and exchange rates.

Level 3-inputs for the valuations are unobservable and are based on management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques such as option pricing models and discounted cash flow models.

Income Taxes and Uncertain Tax Positions — The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting and tax basis of assets and liabilities using enacted tax rates in effect for the year it is expected the differences will reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period of the enactment date.

The Company periodically assesses the realizability of the deferred tax assets. In making this determination management considers all available evidence, both positive and negative, including earnings history, expectations of future taxable income and available tax planning strategies. A valuation allowance is recorded to reduce the Company's deferred tax assets to the amount that is considered more likely than not to be realized. Changes in the required valuation allowance are recorded in income in the period such determination is made.

Certain tax positions may be considered uncertain requiring an assessment of whether an allowance should be recorded. Provisions for uncertain tax positions provide a recognition threshold based on an estimate of whether it is more likely than not that a position will be sustained upon examination. The Company measures its uncertain tax positions as the largest amount of benefit that is greater than a 50% likelihood of being realized upon examination. Interest and penalties related to unrecognized tax benefits are recorded as a component of income tax expense. See Note 9, "Income Taxes."

Leases — For fiscal 2019 and 2018, under ASC 840, all leases that are determined not to meet any of the capital lease criteria are classified as operating leases. Operating lease payments are recognized as an expense in the statement of operations on a straight-line basis over the lease term.

For fiscal 2020, as a result of the adoption of ASC 842, the Company recognizes if an arrangement is a lease at the inception of the contract. The Company determines which party has the right to control an asset during the contract term and recognizes a Right of Use ("ROU") asset and lease obligations based on the present value of the future minimum lease payments over the term of the lease. Refer to Note 2 for further discussion of the Company's accounting policy for leases.

Translation of Foreign Currency — For the Company's non-U.S. subsidiaries that report in a functional currency other than United States dollars, assets and liabilities are translated into United States dollars using year-end exchange rates. Revenue and expenses are translated at the monthly average exchange rates in effect during the fiscal year. Foreign currency translation adjustments are included as a component of accumulated other comprehensive loss within the consolidated statements of comprehensive income.

Recent Accounting Pronouncements

A summary of recently adopted Accounting Standards Update ("ASU")s are as follows. Adoption dates are on the first day of the fiscal year indicated below, unless otherwise specified.

| Adopted Guidance | | | | |
|--|--|---|------|---------------|
| ASU | Description of ASU | Impact to Atkore | Note | Adoption Date |
| <i>2016-02 Leases (Topic 842)</i> | The ASU requires companies to use a "right of use" lease model that assumes that each lease creates an asset (the lessee's right to use the leased asset) and a liability (the future rent payment obligations), which should be reflected on a lessee's balance sheet to fairly represent the lease transaction and the lessee's related financial obligations with terms of more than 12 months. | The Company adopted the guidance in the first quarter of 2020 using the modified retrospective method. See Note 2, "Leases" for further detail. | 2 | 2020 |
| <i>2018-14 Disclosure Framework - Changes to the Disclosure Requirements for Defined Benefit Plans</i> | The ASU amends ASC 715 to add, remove and clarify disclosure requirements related to defined benefit pension and other postretirement plans. | The Company elected to adopt the guidance early in the quarter ended September 30, 2020. There was no material impact to the consolidated financial statements as a result of the adoption of ASU 2018-14. See Note 5, "Post Retirement Benefits" for further detail. | 5 | 2020 |

A summary of guidance not yet adopted are as follows:

Guidance not yet adopted

| ASU | Description of ASU | Impact to Atkore | Effective Date |
|--|--|--|----------------|
| <i>2016-13 Financial Instruments - Credit Losses (Topic 326)</i> | The ASU adds to U.S. GAAP an impairment model (known as the current expected credit loss (CECL) model) that is based on expected losses rather than incurred losses. Under the new guidance, an entity recognizes as an allowance its estimate of expected credit losses, which the FASB believes will result in more timely recognition of such losses. | The Company adopted this standard in the first quarter of 2021. The adoption of the standard did not have a material impact on the Company's consolidated financial statements. The Company implemented the appropriate changes to business processes and controls to support recognition and disclosure under the new standard. | 2021 |
| <i>2019-12, Simplifying the accounting for income taxes (Topics 740)</i> | The ASU eliminates certain existing exceptions related to the general approach in ASC 740 relating to franchise taxes, reducing complexity in the interim period accounting for year to date loss limitations and changes in tax laws, and clarifying the accounting for transactions outside of business combination that result in a step up in the tax basis of goodwill. | Under evaluation. Based on procedures performed to date, the Company does not anticipate the adoption of this ASU to be material to the financial statements. | 2022 |
| <i>2020-04, Reference rate reform Topic 848: Facilitation of the effects of reference rate reform on financial reporting</i> | The ASU addresses constituents' concerns about certain accounting consequences that could result from the global markets' anticipated transition away from the use of the London Interbank Offered Rate (LIBOR) and other interbank offered rates to alternative reference rates. | Under evaluation. | 2022 |

2. LEASES

On October 1, 2019, we adopted Topic 842 using the modified retrospective transition method. Topic 842 requires the recognition of lease assets and liabilities for operating leases, in addition to the finance lease assets and liabilities previously recorded on our consolidated balance sheets. Beginning on October 1, 2019, our consolidated financial statements are presented in accordance with the revised policies, while prior period amounts are not adjusted and continue to be reported in accordance with our historical policies. The modified retrospective transition method required the cumulative effect, if any, of initially applying the guidance to be recognized as an adjustment to our accumulated deficit as of our adoption date. As a result of adopting Topic 842, we recognized additional operating lease assets and liabilities of \$45,519 and \$46,941 as of October 1, 2019. The discount rate primarily used to calculate that adjustment was the Company's incremental borrowing rate as of the adoption date, October 1, 2019, as a rate implicit in most contracts was not readily determinable. The Company recorded a cumulative effect adjustment of \$1,053 to accumulated deficit, net of tax, as a result of the adoption.

The Company elected the package of practical expedients permitted under the transition guidance within Topic 842, which allowed us to carry forward prior conclusions about lease identification, classification and initial direct costs for leases entered into prior to adoption of Topic 842. Additionally, for leases with a term of 12 months or less, the Company elected the short-term lease exemption, which allowed us to not recognize ROU assets or lease liabilities for qualifying leases existing at transition and new leases we may enter into in the future. Leases with an initial term of 12 months or less are classified as short-term leases and are not recorded on the consolidated balance sheets. The lease expense for short-term leases is recognized on a straight-line basis over the lease term.

The Company engages in leasing transactions to meet the needs of the business. The Company leases certain manufacturing facilities, warehouses and distribution centers, office space, forklifts, vehicles and other machinery and equipment. The determination to lease, rather than purchase, an asset is primarily contingent upon capital requirements, duration of the forecasted business investment, and asset availability.

The Company determines if an arrangement is a lease at inception and all arrangements deemed to be leases are subject to an assessment to determine the classification between finance and operating leases. The Company's significant assumptions and judgments in determining whether a contract is or contains a lease include establishing whether the supplier has the ability to use other assets to fulfill its service or whether the terms of the agreement enable the Company to control the use of a dedicated property, plant and equipment asset during the contract term. In the majority of the Company's contracts where it must identify whether a lease is present, it is readily determinable that the Company controls the use of the assets and obtains substantially all of the economic benefit during the term of the contract. In those contracts where identification is not readily determinable, the Company has determined that the supplier has either the ability to use another asset to provide the service or the terms of the contract give the supplier the rights to operate the asset at its discretion during the term of the contract, in which case the arrangement would not constitute a lease.

Right-of-use assets and lease obligations are recognized based on the present value of the future minimum lease payments over the lease term as of the commencement date. The Company's lease agreements have terms that include both lease and non-lease components. Lease component fees are included in the present value of future minimum lease payments. Conversely, non-lease components are not subject to capitalization and are expensed as incurred. Per Topic 842, the contractual interest rate is used to calculate the present value of the future minimum lease payments. However, the majority of the Company's leases do not provide an implicit rate. Therefore, the Company's significant assumption and judgments in determining the discount rate include determining the incremental borrowing rate. The Company's incremental borrowing rates are based on the term of the lease, the economic environment of the lease and the effect of collateralization. The valuation of the ROU asset also includes lease payments made in advance of the lease commencement date and initial direct costs incurred to secure the lease and is reduced for lease incentives. The lease terms include options to extend or terminate the lease when it is reasonably certain the Company will exercise the options.

The Company has certain leasing agreements, related to leased vehicles available to our sales personnel, that contain guaranteed residual value terms, which are not expected to be triggered. The Company's leasing portfolio does not contain any material restrictive covenants.

Leases

| (in thousands) | September 30, 2020 | |
|--|--------------------|---------------|
| Assets | | |
| Operating lease assets | \$ | 37,666 |
| Finance lease assets | | 2,999 |
| Total right-of-use assets, gross | \$ | 40,665 |
| Less: accumulated amortization | | (1,973) |
| Right-of-use assets, net | \$ | 38,692 |
| Liabilities | | |
| Current liabilities: | | |
| Current portion of operating lease liabilities | \$ | 15,356 |
| Current portion of finance lease liabilities | | 430 |
| Lease obligations | \$ | 15,786 |
| Noncurrent liabilities: | | |
| Operating lease liabilities | \$ | 23,354 |
| Finance lease liabilities | | 789 |
| Long-term lease obligations | \$ | 24,143 |
| Total lease obligations | \$ | 39,929 |

Lease Cost

The following table summarizes lease costs by type of cost for the fiscal year ended September 30, 2020. In the consolidated statements of operations, cost of sales and selling, general and administrative expenses included lease costs of \$14,295 and \$2,714 respectively.

| (in thousands) | Fiscal year ended September 30, 2020 | |
|---|---|---------------|
| Consolidated Statement of Operations Classification | Total | |
| Amortization of right-of-use assets | \$ | 14,803 |
| Interest on lease liabilities | | 41 |
| Variable lease costs | | 714 |
| Short term lease costs | | 1,451 |
| Total lease costs | \$ | 17,009 |

Maturity of Lease Liabilities

The Company's maturity analysis of its lease liabilities as of fiscal year ended September 30, 2020 is as follows:

| (in thousands) | Financing Leases | | Operating Leases | |
|---|------------------|--------------|------------------|---------------|
| 2021 | \$ | 422 | \$ | 12,902 |
| 2022 | | 406 | | 10,097 |
| 2023 | | 332 | | 7,228 |
| 2024 | | 89 | | 5,789 |
| 2025 | | 3 | | 3,451 |
| 2026 and after | | — | | 3,535 |
| Total lease payments | \$ | 1,252 | \$ | 43,002 |
| Less: Interest | | (33) | | (4,292) |
| Present value of lease liabilities | \$ | 1,219 | \$ | 38,710 |

Total rental expense on all operating leases was \$17,077 and \$17,403 in fiscal 2019, and 2018, respectively. The following represents the Company's future minimum rental payments at September 30, 2019, for agreements classified as operating leases under ASC 840 with non-cancelable terms in excess of one year:

| | | |
|---------------------|-----------|---------------|
| 2020 | \$ | 13,526 |
| 2021 | | 11,592 |
| 2022 | | 8,666 |
| 2023 | | 6,362 |
| 2024 | | 5,097 |
| 2025 and thereafter | | 6,938 |
| Total | \$ | 52,181 |

Lease Term and Discount Rate

| | Fiscal year ended September 30, 2020 |
|--|---|
| Weighted-average remaining lease term (years) | |
| Operating leases | 4.4 |
| Finance leases | 3.2 |
| Weighted-average discount rate | |
| Operating leases | 3.6% |
| Finance leases | 3.1% |

Other Information

| (in thousands) | Fiscal year ended September 30, 2020 |
|---|--------------------------------------|
| Cash paid for amounts included in the measurement of lease liabilities | |
| Operating cash flows from operating leases | 12,939 |
| Operating cash flows from finance leases | 26 |
| Financing cash flows from finance leases | 500 |

3. ACQUISITIONS

From time to time, the Company enters into strategic acquisitions in an effort to better service existing customers and to attain new customers. The Company had no acquisitions in the year ended September 30, 2020.

Fiscal 2019

On August 21, 2019, Atkore Plastic Pipe Corporation, a wholly-owned subsidiary of the Company acquired the assets of Rocky Mountain Pipe ("Cor-Tek"), a manufacturer of PVC conduit for electrical applications, and considered a leading innovator in cellular core extrusion technology for a purchase price of \$14,835. In connection with this acquisition, the Company recorded a bargain purchase gain of \$7,384, which is reported within other income, net in the Consolidated Statements Of Operations. The Company believes that it was able to acquire the net assets of Cor-Tek for less than fair value as a result of Cor-Tek's financial difficulties.

On August 12, 2019, Unistrut Limited, a wholly-owned subsidiary of the Company, acquired Flytec Systems Ltd. and its parent holding company, Modern Associates Ltd., (collectively "Flytec"), a manufacturer of metal surface trunking, including IP4X, perimeter systems, pedestal boxes, as well as underfloor installations and industrial floor trunking. The purchase price was immaterial to the Company.

On June 3, 2019, AFC Cable Systems, Inc., a wholly-owned subsidiary of the Company acquired the assets of United Structural Products, LLC. ("U.S. Tray"), a manufacturer of welded aluminum and engineered-to-order cable trays for a purchase price of \$25,507, net of cash received. The consolidated financial statements include the results of the acquired company from the acquisition date. Net sales and net income of the acquired company included in the consolidated statement of operations for fiscal 2019 were insignificant. As a result of the acquisition, the Company recognized \$7,295 of goodwill, \$14,800 of identifiable intangible assets and \$3,412 of working capital and other net other tangible assets.

On October 1, 2018, Allied Luxembourg S.a.r.l, a wholly-owned subsidiary of the Company acquired all of the outstanding stock of Vergokan International NV ("Vergokan") for a purchase price of \$57,899, net of cash received. Vergokan is a leading manufacturer of cable tray and cable ladder systems, underfloor installations and industrial floor trunking that serves industrial, power and energy, commercial and infrastructure sectors in more than 45 countries. This transaction provides Atkore with an expanded presence in Western Europe and strengthens the Company's electrical portfolio of cable management products within the Electrical Raceway segment.

The Company incurred approximately \$1,140 for acquisition related expenses for its 2019 acquisitions, which were recorded in selling, general, and administrative expenses. All the above acquisitions were funded with cash on hand.

Fiscal 2018

On January 8, 2018, AFC Cable Systems, Inc., a wholly-owned subsidiary of the Company, acquired the assets of Communications Integrators, Inc. ("Cii"), a manufacturer of modular, prefabricated power, voice and data distribution systems located in Tempe, Arizona for a total purchase price, including contingent consideration, of \$3,997. The Cii acquisition complements Atkore's existing modular and prewired products within the Electrical Raceway segment.

Purchase Price Allocations

The purchase price was allocated to tangible and intangible assets acquired and liabilities assumed, based on their fair values. The following table summarizes the Level 3 fair values assigned to the net assets acquired and liabilities assumed as of the acquisition date for fiscal 2019:

| (in thousands) | Vergokan | | Other | | Total | |
|--|-----------------|----------|--------------|---------|--------------|----------|
| Fair value of consideration transferred: | | | | | | |
| Cash consideration | \$ | 58,728 | \$ | 41,641 | \$ | 100,369 |
| Other liability consideration | | — | | 1,400 | | 1,400 |
| Total consideration transferred | | 58,728 | | 43,041 | | 101,769 |
| Fair value of assets acquired and liabilities assumed: | | | | | | |
| Cash | | 829 | | 1,541 | | 2,370 |
| Accounts receivable | | 8,761 | | 8,217 | | 16,978 |
| Inventories | | 11,434 | | 7,494 | | 18,928 |
| Intangible assets | | 12,621 | | 16,400 | | 29,021 |
| Fixed assets | | 32,490 | | 19,298 | | 51,788 |
| Accounts payable | | (18,716) | | (7,608) | | (26,324) |
| Gain on purchase of business | | — | | (7,384) | | (7,384) |
| Other | | 1,680 | | (3,412) | | (1,732) |
| Net assets acquired | | 49,099 | | 34,546 | | 83,645 |
| Excess purchase price attributed to goodwill acquired | \$ | 9,629 | \$ | 8,495 | \$ | 18,124 |

Goodwill recognized from the Vergokan acquisition is non-deductible for tax purposes. Goodwill recognized from the other acquisitions is tax-deductible and is amortized over 15 years for income tax purposes. The goodwill consists largely of the synergies and economies of scale from integrating these companies with existing businesses.

The following table summarizes the fair value of intangible assets as of the acquisition date:

| (\$ in thousands) | Vergokan | | Other | |
|--------------------------|-------------------|---|-------------------|---|
| | Fair Value | Weighted Average Useful Life (Years) | Fair Value | Weighted Average Useful Life (Years) |
| Customer relationships | \$ 10,535 | 12.0 | \$ 15,400 | 10.0 |
| Other | 2,086 | 9.0 | 1,000 | 9.0 |
| Total intangible assets | \$ 12,621 | | \$ 16,400 | |

Net sales and net income of the companies acquired during fiscal 2019 and 2018 are included in the consolidated statement of operations for fiscal 2019 and fiscal 2018 for the post-acquisition periods. Due to the immaterial nature of these acquisitions, both individually, and in the aggregate, the Company did not include the full year pro forma results of operations for the acquisition year or previous years.

4. DIVESTITURES

On March 30, 2018, the Company sold the assets of FlexHead Industries, Inc. and SprinkFLEX, LLC (together "Flexhead"). The Flexhead businesses manufacture commercial flexible sprinkler head connection products for use in a variety of markets, including industrial, commercial, cold storage, institutional and clean room applications. The cash consideration received, net assets divested and resulting gain on sale for the year ended September 30, 2018 are as follows:

| (in thousands) | Flexhead |
|----------------------------|-----------------|
| Cash consideration | \$ 42,631 |
| Net assets divested | 15,056 |
| Gain on sale of a business | \$ 27,575 |

Net assets divested included \$2,626 of goodwill.

5. POSTRETIREMENT BENEFITS

The Company has a number of non-contributory and contributory defined benefit retirement plans covering certain United States employees. Net periodic pension benefit cost is based on periodic actuarial valuations that use the projected unit credit method of calculation and is charged to the statements of operations on a systematic basis over the expected average remaining service lives of current participants. The benefits under the defined benefit plans are based on various factors, such as years of service and compensation. For all periods presented, all defined pension benefit plans are frozen, whereby participants no longer accrue credited service. The net periodic (benefit)/cost for the periods presented was as follows:

| (in thousands) | Fiscal Year Ended | | |
|--------------------------------|---------------------------|---------------------------|---------------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Interest cost | 3,739 | 4,665 | 4,098 |
| Expected return on plan assets | (6,331) | (6,372) | (6,416) |
| Amortization of actuarial loss | 888 | 101 | 343 |
| Net periodic (benefit) cost | \$ (1,704) | \$ (1,606) | \$ (1,975) |

The weighted-average assumptions used to determine net periodic pension (benefit) cost during the period were as follow:

| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
|--------------------------------|---------------------------|---------------------------|---------------------------|
| Discount rate | 3.1% | 4.2% | 3.7% |
| Expected return on plan assets | 6.3% | 6.3% | 6.4% |
| Rate of compensation increase | N/a | N/a | N/a |

The change in the benefit obligations, plan assets and the amounts recognized on the consolidated balance sheets was as follows (in thousands):

| | | |
|---|----|---------|
| <i>Change in benefit obligations:</i> | | |
| Balance as of September 30, 2018 | \$ | 120,957 |
| Interest cost | | 4,665 |
| Actuarial loss | | 17,463 |
| Benefits and administrative expenses paid | | (5,125) |
| Balance as of September 30, 2019 | | 137,960 |
| Interest cost | | 3,739 |
| Actuarial loss | | 10,476 |
| Benefits and administrative expenses paid | | (5,416) |
| Balance as of September 30, 2020 | \$ | 146,759 |

| | | |
|---|----|---------|
| <i>Change in plan assets:</i> | | |
| Balance as of September 30, 2018 | | 104,454 |
| Actual return on plan assets | | 3,043 |
| Employer contributions | | 1,079 |
| Benefits and administrative expenses paid | | (5,125) |
| Balance as of September 30, 2019 | | 103,451 |
| Actual return on plan assets | | 6,587 |
| Employer contributions | | 2,114 |
| Benefits and administrative expenses paid | | (5,416) |
| Balance as of September 30, 2020 | \$ | 106,736 |

| | | |
|--|----|----------|
| <i>Funded status:</i> | | |
| Funded status as of September 30, 2019 | \$ | (34,509) |
| Funded status as of September 30, 2020 | \$ | (40,023) |

| | | |
|--|---------------------------|---------------------------|
| (in thousands) | September 30, 2020 | September 30, 2019 |
| <i>Amounts recognized in the consolidated balance sheets consist of:</i> | | |
| Pension liabilities | \$ (40,023) | \$ (34,509) |
| Net amount recognized | \$ (40,023) | \$ (34,509) |

| | | |
|---|-------------|-------------|
| <i>Amounts recognized in accumulated other comprehensive loss (before income taxes) consist of:</i> | | |
| Net actuarial loss | \$ (42,367) | \$ (33,035) |
| Total loss recognized | \$ (42,367) | \$ (33,035) |

| | | |
|--|------|------|
| <i>Weighted-average assumptions used to determine pension benefit obligations at year end:</i> | | |
| Discount rate | 2.5% | 3.1% |
| Rate of compensation increase | N/a | N/a |

The Company elected to adopt the ASU 2018-14 early in the quarter ended September 30, 2020, which requires a narrative description of the reasons for significant gains and losses affecting the benefit obligation for the period. For the fiscal year ended 2020, the reduction in the discount rate from fiscal year 2019 to 2020 is the primary driver of the change in benefit obligations.

The following table summarizes the defined benefit pension plans with accumulated benefit obligations in excess of plan assets:

| (in thousands) | September 30, 2020 | | September 30, 2019 | |
|--------------------------------|---------------------------|---------|---------------------------|---------|
| Accumulated benefit obligation | \$ | 146,759 | \$ | 137,960 |
| Fair value of plan assets | | 106,736 | | 103,451 |

The following table summarizes the defined benefit pension plans with projected benefit obligations in excess of plan assets:

| (in thousands) | September 30, 2020 | | September 30, 2019 | |
|------------------------------|---------------------------|---------|---------------------------|---------|
| Projected benefit obligation | \$ | 146,759 | \$ | 137,960 |
| Fair value of plan assets | | 106,736 | | 103,451 |

In determining the expected return on plan assets, the Company considers the relative weighting of plan assets by class, historical performance of asset classes over long-term periods, asset class performance expectations as well as current and future economic conditions. The Company's investment strategy for its pension plans is to manage the plans on a going-concern basis. Current investment policy is to maximize the return on assets, subject to a prudent level of portfolio risk, for the purpose of enhancing the security of benefits for participants. For the pension plans, this policy targets a 60% allocation to equity securities and a 40% allocation to debt securities.

Pension plans have the following weighted-average asset allocations:

| Asset Category: | September 30, 2020 | | September 30, 2019 | |
|---------------------------|---------------------------|------|---------------------------|------|
| Equity securities | | 58% | | 58% |
| Debt securities | | 39% | | 40% |
| Cash and cash equivalents | | 3% | | 2% |
| Total | | 100% | | 100% |

The Company evaluates its defined benefit plans' asset portfolios for the existence of significant concentrations of risk, such as investments in a single entity, industry, foreign country and individual fund manager. As of September 30, 2020, there were no significant concentrations of risk in the Company's defined benefit plan assets.

The Company's plan assets are accounted for at fair value and are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value of assets and their placement within the fair value hierarchy levels. The Company's asset allocations are presented in the table below:

| (in thousands) | September 30, 2020 | | | September 30, 2019 | | |
|---------------------------------|---------------------------|----------------|--------------|---------------------------|----------------|--------------|
| | Level 1 | Level 2 | Total | Level 1 | Level 2 | Total |
| United States equity securities | \$ 30,738 | \$ 6,796 | \$ 37,534 | \$ 32,545 | \$ 6,429 | \$ 38,974 |
| Non-U.S. equity securities | 21,509 | 2,659 | 24,168 | 18,182 | 2,543 | 20,725 |
| Fixed income securities | 34,857 | 7,253 | 42,110 | 35,214 | 6,815 | 42,029 |
| Cash and cash equivalents | 2,924 | — | 2,924 | 1,723 | — | 1,723 |
| Total | \$ 90,028 | \$ 16,708 | \$ 106,736 | \$ 87,664 | \$ 15,787 | \$ 103,451 |

Equity securities consist primarily of publicly traded United States and non-U.S. equities. Publicly traded securities are valued at the last trade or closing price reported in the active market in which the individual securities are traded. Certain equity securities are held within commingled funds, which are valued at the unitized net asset value ("NAV") or percentage of the NAV as determined by the custodian of the fund. These values are based on the fair value of the underlying net assets owned by the fund.

Fixed income securities consist primarily of government and agency securities, corporate debt securities, and mortgage and other asset-backed securities. When available, fixed income securities are valued at the closing price reported in the active market in which the individual security is traded. Government and agency securities and corporate debt securities are valued using the most recent bid prices or occasionally the mean of the latest bid and ask prices when markets are less liquid. Asset-backed securities including mortgage-backed securities are valued using broker/dealer quotes when available. When quotes are not available, fair value is determined by utilizing a discounted cash flow approach, which incorporates other observable inputs such as cash flows, underlying security structure and market information including interest rates and bid evaluations of comparable securities. As of September 30, 2020 and September 30, 2019, the Company did not have any Level 3 pension assets. Certain fixed income securities are held within commingled funds, which are valued utilizing NAV as determined by the custodian of the fund. These values are based on the fair value of the underlying net assets owned by the fund.

Cash and cash equivalents consist primarily of short-term commercial paper, and other cash or cash-like instruments including settlement proceeds due from brokers, stated at cost, which approximates fair value.

Transfers between levels of the fair value hierarchy are recognized on the actual date of the event or circumstance giving rise to the transfer, which generally coincides with the Company's valuation process.

Contribution amounts are determined and funded based on laws and regulations and with the assistance of professionally qualified actuaries. The Company contributed \$2,114 and \$1,079 to its pension plans for the fiscal years ended September 30, 2020 and September 30, 2019. The Company anticipates that it will contribute at least the minimum required contribution of \$1,855 to its pension plans in fiscal 2021.

Benefit payments, which reflect future expected service as appropriate, are expected to be paid in each fiscal year as follows:

(in thousands)

| | | |
|--------------|----|--------|
| 2021 | \$ | 6,155 |
| 2022 | | 6,436 |
| 2023 | | 6,667 |
| 2024 | | 6,879 |
| 2025 | | 7,125 |
| 2026 to 2030 | | 37,448 |

Defined Contribution Retirement Plans — The Company also sponsors several defined contribution retirement plans - the 401(k) matching programs. Expense for the defined contribution plans is computed as a percentage of participants' compensation and was \$3,718, \$3,572 and \$3,600 for the fiscal years ended September 30, 2020, September 30, 2019 and September 30, 2018, respectively.

Multi-Employer Plan — The Company has a liability of \$5,345 as of September 30, 2020 and \$5,658 as of September 30, 2019 representing the Company's proportionate share of a multi-employer pension plan which was exited prior to fiscal 2017.

6. STOCK INCENTIVE PLAN

On November 21, 2019, the Company's board of directors approved the Atkore International Group Inc. 2020 Omnibus Incentive Plan (the "2020 Omnibus Incentive Plan"), which was subsequently approved by the Company's shareholders on January 30, 2020. The 2020 Omnibus Incentive Plan provides for stock purchases and grants of other equity awards, including non-qualified stock options, stock purchase rights, restricted stock, restricted stock units ("RSUs"), performance shares, performance stock units ("PSUs"), stock appreciation rights, dividend equivalents and other stock-based awards to directors, officers, other employees and consultants. The 2020 Omnibus Incentive Plan replaces and succeeds the Atkore International Group Inc. 2016 Omnibus Incentive Plan (the "2016 Omnibus Incentive Plan"). The Company no longer grants awards from the 2016 Omnibus Incentive Plan. Awards previously granted under the 2016 Omnibus Incentive Plan were unaffected by the termination. A maximum of 1.1 million shares of common stock is reserved for issuance under the 2020 Omnibus Incentive Plan, plus the number of shares of common stock remaining available for issuance under the 2016 Omnibus Incentive Plan as of the date of the Company's 2020 Annual Meeting of Stockholders. All awards have a ten year life. All share-based awards are expected to be fulfilled with new shares of common stock. Stock compensation expense is included in selling, general and administrative in the Company's consolidated statements of operations and was \$13,064, \$11,798 and \$14,664 for fiscal years 2020, 2019 and 2018, respectively. The total income tax benefit recognized for share-based compensation arrangements was \$3,014, \$2,949 and \$3,681 for fiscal years 2020, 2019 and 2018, respectively.

On May 4, 2018, the Company's board of directors modified the stock awards of a key executive. As part of the modification, the Board extended the date through which the key executive has the right to exercise vested options. In addition, the amendment also accelerated the service vesting period of certain of his unvested stock options, RSUs and PSUs. As a result of these modifications, the Company recorded the entire incremental stock-based compensation expense of approximately \$0.5 million during the year ended September 30, 2018.

Stock Options

In accordance with ASC 718 *Compensation - Stock Compensation*, stock compensation expense is recorded on a straight-line basis over the requisite service period (generally the vesting period), net of actual forfeitures based on the grant-date fair value of the option under the equity accounting method.

The assumptions used in the Black-Scholes option pricing model to value the options granted were as follows:

| | Fiscal Year Ended | | |
|-----------------------------------|--------------------|--------------------|--------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Expected dividend yield | —% | —% | —% |
| Expected volatility | 36% | 45% | 40% |
| Range of risk-free interest rates | 1.67% | 2.94% - 3.00% | 2.16% - 2.38% |
| Range of expected option lives | 6 years | 6 to 10 years | 1 to 6 years |

Dividends are not paid on the Company's common stock. For grants during fiscal year ended 2020, the expected volatility is based on the Company's stock price volatility. For grants and modifications during fiscal years ended 2019 and 2020, expected volatility is based on historical volatilities of comparable companies. The risk-free interest rate is based on the United States Treasury yield curve in effect at the time of the grant for periods corresponding with the expected life of the options. The expected life of options is estimated using the simplified method due to limited historical exercise activity. The Company does not estimate forfeitures, which are accounted for as they occur.

Stock option activity for the period September 30, 2017 to September 30, 2020 was as follows:

| | Shares (in thousands) | Weighted- Average Exercise Price | Weighted- Average Grant Date Fair Value | Aggregate Intrinsic Value (in thousands) | Weighted-Average Remaining Contractual Term (in years) |
|---|--------------------------|--|---|--|---|
| Outstanding as of September 30, 2017 | 5,158 | \$ 8.30 | | | |
| Granted | 185 | 20.01 | 8.33 | | |
| Exercised | (2,728) | 7.55 | | \$ 42,512 | |
| Forfeited | (10) | 8.28 | | | |
| Outstanding as of September 30, 2018 | 2,605 | 9.91 | | | |
| Granted | 342 | 23.45 | 11.35 | | |
| Exercised | (985) | 8.62 | | \$ 16,453 | |
| Forfeited | (126) | 12.64 | | | |
| Outstanding as of September 30, 2019 | 1,836 | 12.94 | | \$ 31,957 | |
| Granted | 67 | 37.24 | \$ 14.05 | | |
| Exercised | (508) | 8.55 | | \$ 14,548 | |
| Forfeited | (20) | 19.13 | | | |
| Outstanding as of September 30, 2020 | 1,375 | 15.66 | | 11,443 | 5.43 |
| Exercisable as of September 30, 2020 | 1,012 | \$ 11.99 | | \$ 11,013 | 4.48 |

As of September 30, 2020, there was \$1,289 of total unrecognized compensation expense related to non-vested options granted expected to be recognized over a weighted-average period of approximately 1.2 years. The total fair value of shares vested during fiscal years 2020, 2019 and 2018 was \$1,894, \$3,038 and \$9,757, respectively.

Cash received from stock option exercises for the fiscal years 2020, 2019 and 2018 was \$4,347, \$7,374 and \$20,110, respectively. The actual tax benefit for the tax deductions from stock option exercises totaled \$3,681, \$4,031 and \$11,478, respectively, for fiscal years 2020, 2019 and 2018. The Company does not settle any option exercises, under its current stock incentive plan, in cash.

Restricted Stock Units

Generally, RSUs granted under the 2020 Omnibus Incentive Plan vest ratably over three years. The fair value of RSU grants was based on the closing price of the Company's common stock on the date of grant. RSU compensation expense is recorded on a straight-line basis over the remaining vesting period.

Changes to the Company's nonvested RSU awards for the year ended September 30, 2020 were as follows:

| | Shares (in thousands) | Weighted-average grant- date fair value |
|---|--------------------------|--|
| Nonvested as of September 30, 2017 | 435 | \$ 19.65 |
| Granted | 334 | 20.86 |
| Vested | (90) | 21.95 |
| Forfeited | (29) | 20.57 |
| Nonvested as of September 30, 2018 | 650 | \$ 19.91 |
| Granted | 361 | 19.23 |
| Vested | (195) | 21.51 |
| Forfeited | (142) | 18.52 |
| Nonvested as of September 30, 2019 | 674 | 19.37 |
| Granted | 166 | 37.24 |
| Vested | (403) | 19.43 |
| Forfeited | (32) | 22.29 |
| Nonvested as of September 30, 2020 | 405 | \$ 26.44 |

As of September 30, 2020, there was \$5,185 of total unrecognized compensation expense related to non-vested RSUs granted, expected to be recognized over a weighted-average period of approximately 1.64 years. The total fair value of RSUs vested during fiscal years 2020, 2019 and 2018 was \$14,513, \$4,271 and \$1,969, respectively.

Performance Share Units

On November 27, 2017, November 29, 2018 and November 21, 2019, the Company awarded PSUs whose vesting is contingent upon meeting or exceeding certain market and performance conditions. The performance condition, which was based on an adjusted net income, represented 70% of the award and the market condition, which was based on Total Shareholder Return ("TSR") of the Company's common stock relative to a peer group represented the remaining 30%. All PSUs cliff vest at the end of three years based on the satisfaction of the performance conditions. Expense for the performance condition based award is recorded when the achievement of the performance condition is considered probable of achievement and is recorded on a straight-line basis over the requisite service period. If such performance criteria are not met, no compensation cost is recognized and any recognized compensation cost is reversed. Expense for the market condition based award is recorded on a straight-line basis over the explicit service period.

The grant-date fair value for the performance condition based awards represents the closing stock price on the date of grant. For the grants in fiscal 2020, 2019, and 2018, the closing stock price on the date of grant was \$37.24, \$17.90 and \$20.01, respectively. The grant-date fair value for the market condition based awards was determined using the Monte-Carlo method. The assumptions used in the Monte-Carlo method to value the performance share awards granted during the fiscal year ended September 30, 2020 were as follows:

| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
|------------------------------|--------------------|--------------------|--------------------|
| Expected dividend yield | —% | —% | —% |
| Range of expected volatility | 21.45-53.18 | 20.69 - 74.26 | 17.21 - 79.15 |
| Risk free interest rates | 1.59% | 2.84% | 1.83% - 2.54% |
| Expected life | 3 years | 3 years | 1 -3 years |
| Fair value | \$ 44.22 | 18.84 | \$ 13.90 - 26.68 |

Dividends are not paid on the Company's common stock. Expected volatility is based on historical volatilities of comparable companies. The risk-free interest rate is based on the United States Treasury yield curve in effect at the time of the grant for periods corresponding with the expected life of the award. The expected life of the award represents the weighted-average period of time that awards granted are expected to be outstanding, giving consideration to vesting schedules and expected exercise patterns. The Company does not estimate forfeitures, which are accounted for as they occur.

Changes to the Company's non-vested PSU awards for the year ended September 30, 2020 were as follows:

| | Shares (in thousands) | Weighted-average grant- date fair value |
|---|--------------------------|--|
| Nonvested as of September 30, 2017 | 181 | \$ 23.87 |
| Granted | 215 | 22.01 |
| Forfeited | (89) | 28.53 |
| Nonvested as of September 30, 2018 | 307 | \$ 21.22 |
| Granted | 242 | 18.17 |
| Forfeited | (94) | 20.55 |
| Nonvested as of September 30, 2019 | 455 | \$ 21.11 |
| Granted | 115 | 40.43 |
| Vested | (162) | 25.21 |
| Adjustment for achieved performance upon issuance | 31 | 21.68 |
| Forfeited | (14) | 22.82 |
| Nonvested as of September 30, 2020 | 425 | \$ 25.15 |

As of September 30, 2020, there was \$2,783 of total unrecognized compensation expense related to non-vested PSUs granted, expected to be recognized over a weighted-average period of approximately 1.60 years. There were no PSUs vested during fiscal years 2019 and 2018.

7. RESTRUCTURING CHARGES

Restructuring charges relate to the streamlining of the Company's cost structure and improving its operations. These actions primarily resulted in workforce reductions, lease termination costs, and other facility rationalization costs. Restructuring reserves are included as a component of other current liabilities.

| (in thousands) | Electrical Raceway | | Mechanical Products & Solutions | | Other/Corporate | | Total |
|----------------------------------|--------------------|------------|------------------------------------|-----------|-----------------|--|---------|
| | Severance (a) | Other (b) | Severance (a) | Other (a) | Severance (a) | | |
| Balance as of September 30, 2017 | \$ 449 | \$ — | \$ 278 | \$ 10 | \$ — | | \$ 737 |
| Charges | 536 | 1,130 | 97 | 179 | 98 | | 2,040 |
| Utilization | (787) | (820) | (178) | (160) | (98) | | (2,043) |
| Reversals | — | — | (191) | — | — | | (191) |
| Exchange rate effects | 14 | — | (6) | — | — | | 8 |
| Balance as of September 30, 2018 | \$ 212 | \$ 310 | \$ — | \$ 29 | \$ — | | \$ 551 |
| Charges | 1,047 | 2,544 | 213 | — | — | | 3,804 |
| Utilization | (867) | (2,854) | (68) | (29) | — | | (3,818) |
| Balance as of September 30, 2019 | \$ 392 | \$ — | \$ 145 | \$ — | \$ — | | \$ 537 |
| Charges | \$ 1,339 | \$ 1,892 | \$ 416 | — | 68 | | 3,715 |
| Utilization | \$ (1,175) | \$ (1,892) | \$ (429) | — | (52) | | (3,548) |
| Reversals | \$ (369) | \$ — | \$ (60) | — | (2) | | (431) |
| Exchange rate effects | \$ 18 | \$ — | \$ — | — | — | | 18 |
| Balance as of September 30, 2020 | \$ 205 | \$ — | \$ 72 | \$ — | \$ 14 | | \$ 291 |

(a) Fiscal 2020 charges are primarily related to a reduction in force implemented as part of adjusting to the macroeconomic impacts related to the outbreak of the novel coronavirus (COVID-19). Fiscal 2019 and 2018 charges are primarily related to Atkore's commitment to close and consolidate certain facilities as part of its continuing effort to realign its strategic focus.

(b) Primarily related to Atkore's commitment to close and consolidate certain facilities as part of its continuing effort to realign its strategic focus.

The Company expects to utilize all restructuring accruals as of September 30, 2020 within the next twelve months. The net restructuring charges included as a component of selling, general and administrative expense in the Company's consolidated statements of operations were as follows:

| (in thousands) | Fiscal Year Ended | | |
|----------------------------------|---------------------------|---------------------------|---------------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Total restructuring charges, net | \$ 3,284 | \$ 3,804 | \$ 1,849 |

8. OTHER INCOME, NET

Other income, net consisted of the following:

| (in thousands) | Fiscal Year Ended | | |
|--|---------------------------|---------------------------|---------------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Gain on purchase of business | \$ — | \$ (7,384) | \$ — |
| Gain on sale of a business | — | — | (27,575) |
| Undesignated foreign currency derivative instruments | 1,269 | (5,384) | (121) |
| Foreign exchange loss (gain) on intercompany loans | (2,342) | 2,975 | 1,500 |
| Debt modification costs | — | — | 892 |
| Pension-related benefits | (1,704) | (1,606) | (1,975) |
| Other | — | (79) | (69) |
| Other income, net | \$ (2,777) | \$ (11,478) | \$ (27,348) |

9. INCOME TAXES

On March 27, 2020, President Trump signed into U.S. federal law the Coronavirus Aid, Relief and Economic Security ("CARES") Act, which is aimed at providing emergency assistance and health care for individuals, families, and businesses affected by the COVID-19 pandemic and generally supporting the U.S. economy. The CARES Act, among other things, includes provisions related to refundable payroll tax credits, deferment of the employer portion of social security payments, net operating loss carry back periods, modifications to the net interest deduction limitations, and technical corrections to tax depreciation methods for qualified improvement property. There is no material impact to our consolidated financial statements as a result of this legislation.

On December 22, 2017, "H.R.1," also known as the Tax Cuts and Jobs Act ("TCJA") was signed into law. This legislation provided for significant changes to corporate taxation including, but not limited to, a reduction of the federal corporate tax rate from 35% to 21%, limitations on the deductibility of interest expense and executive compensation, full expensing of the costs of qualified property in the period of acquisition and the elimination of the domestic production activities deduction. The legislation also adopts a new quasi-territorial tax regime and imposes a one-time transition tax on deemed repatriated earnings of certain foreign subsidiaries.

As part of the enactment of TCJA, the Company recorded a global intangible low-taxed income ("GILTI") provision for the first time beginning in fiscal 2019. The GILTI provision of TCJA requires certain income earned by controlled foreign corporations ("CFCs") to be included currently in the gross income of the CFCs controlling U.S. shareholder. In accordance with accounting standards applicable to income taxes, there is allowed an accounting policy choice of either (1) treating taxes due on U.S. inclusions in taxable income related to GILTI as a current period expense when incurred (the "period cost method") or (2) factoring such amounts into the Company's measurement of its deferred taxes (the "deferred method"). The Company has elected the period method.

Significant components of income before income taxes and income tax expense for the fiscal years ended September 30, 2020, September 30, 2019 and September 30, 2018 consisted of the following:

| (in thousands) | September 30, 2020 | | September 30, 2019 | | September 30, 2018 | |
|--|---------------------------|---------|---------------------------|---------|---------------------------|---------|
| Components of income before income taxes: | | | | | | |
| United States | \$ | 201,784 | \$ | 170,780 | \$ | 155,453 |
| Non-U.S | | 214 | | 13,889 | | 10,899 |
| Income before income taxes | \$ | 201,998 | \$ | 184,669 | \$ | 166,352 |
| Income tax expense: | | | | | | |
| Current: | | | | | | |
| United States: | | | | | | |
| Federal | \$ | 32,335 | \$ | 31,431 | \$ | 26,586 |
| State | | 9,668 | | 9,800 | | 8,662 |
| Non-U.S: | | 3,210 | | 5,183 | | 3,467 |
| Current income tax expense | \$ | 45,213 | \$ | 46,414 | \$ | 38,715 |
| Deferred: | | | | | | |
| United States: | | | | | | |
| Federal | \$ | 5,102 | \$ | 1,123 | \$ | (7,149) |
| State | | 49 | | (340) | | (1,793) |
| Non-U.S: | | (668) | | (1,579) | | (66) |
| Deferred income (benefit) tax expense | | 4,483 | | (796) | | (9,008) |
| Income tax expense | \$ | 49,696 | \$ | 45,618 | \$ | 29,707 |

In addition to the change in the U.S. federal statutory rate, the mix of foreign and domestic losses, along with rate reconciling items as outlined below, impact the Company's effective tax rate. Differences between the statutory federal income tax rate and effective income tax rate are summarized below:

| (in thousands) | September 30, 2020 | | September 30, 2019 | | September 30, 2018 | |
|---|---------------------------|------|---------------------------|------|---------------------------|------|
| Statutory federal tax | | 21 % | | 21 % | | 25 % |
| Adjustments to reconcile to the effective income tax rate: | | | | | | |
| State income taxes | | 4 % | | 4 % | | 3 % |
| Change in tax rates | | — % | | — % | | (3)% |
| Domestic manufacturing deduction | | — % | | — % | | (2)% |
| Indemnified uncertain tax benefits | | — % | | — % | | (2)% |
| Stock-based compensation | | (2)% | | (1)% | | (3)% |
| Other | | 2 % | | 1 % | | — % |
| Effective income tax rate | | 25 % | | 25 % | | 18 % |

The Company's effective tax rate for fiscal 2020 differs from the statutory rate primarily due to state income taxes of \$7,690, current year valuation allowance expense of \$2,099 and limitations on executive compensation of \$1,243 partially offset by \$4,203 of excess tax benefit associated with the exercise of stock options.

The Company's effective tax rate for fiscal 2019 differs from the statutory rate primarily due to state income taxes of \$7,566, along with GILTI provisions of \$953 and withholding taxes of \$635, offset by the disallowed gain on the purchase of Cor-Tek of \$1,551 and \$1,537 of excess tax benefit associated with the exercise of stock options.

The Company's effective tax rate for fiscal 2018 differs from the statutory rate due to a \$5,466 benefit from the remeasurement of the deferred tax liabilities as a result of the TCJA, a \$4,091 excess tax benefit associated with the exercise of stock options, a net tax benefit of \$3,977 from the release of indemnified tax positions and a benefit of \$3,309 for the domestic manufacturing deduction, partially offset by \$5,675 of state income tax expense.

Deferred income taxes result from temporary differences between the amount of assets and liabilities recognized for financial reporting and tax purposes. The components of the net deferred income tax assets are as follows:

| (in thousands) | September 30, 2020 | | September 30, 2019 | |
|---|---------------------------|----------|---------------------------|----------|
| Deferred tax assets: | | | | |
| Accrued liabilities and reserves | \$ | 26,783 | \$ | 32,664 |
| Tax loss and credit carryforwards | | 15,637 | | 13,296 |
| Postretirement benefits | | 11,751 | | 10,315 |
| Inventory | | 5,240 | | 8,813 |
| Lease obligations | | 9,966 | | — |
| Other | | 174 | | 916 |
| | \$ | 69,551 | \$ | 66,004 |
| Deferred tax liabilities: | | | | |
| Property, plant and equipment | \$ | (17,648) | \$ | (21,312) |
| Intangible assets | | (44,774) | | (47,887) |
| Loss on investment | | (5,153) | | (4,790) |
| Right-of-use assets, net | | (9,546) | | — |
| Other | | (4,065) | | (3,660) |
| | \$ | (81,186) | \$ | (77,649) |
| Net deferred tax liability before valuation allowance | | (11,635) | | (11,645) |
| Valuation allowance | | (10,203) | | (7,764) |
| Net deferred tax liability | \$ | (21,838) | \$ | (19,409) |

As of September 30, 2020, the Company has \$44,169 of state net operating loss carryforwards which expire beginning in 2020 through 2035. In certain non-U.S. jurisdictions, the Company has net operating loss carryforwards of \$52,092 which have an expiration period ranging from five years to unlimited.

Valuation allowances have been established on net operating losses and other deferred tax assets in Australia, France, Asia Pacific, and other foreign and United States state jurisdictions, as a result of the Company's determination that there is less than 50% likelihood that these assets will be realized. Evidence for this determination includes three year cumulative loss positions, future reversal of temporary differences, and expectations of future losses. For fiscal 2019, the Company assessed the need for a continued valuation allowance against deferred tax assets in the Company's Asia Pacific business based on recent taxable income and the expected future performance of the business. As a result, the Company has released a \$550 valuation allowance against the deferred tax assets of the Asia Pacific business.

As of September 30, 2020, the Company had unrecognized tax benefits of \$1,614 which, if recognized, would positively benefit the effective tax rate. The Company recognizes interest and penalties related to unrecognized tax benefits in income tax expense. As of September 30, 2020 and September 30, 2019, the Company had accrued interest and penalties of \$188 and \$54, respectively, in the consolidated balance sheets.

A reconciliation of the beginning and ending amount of unrecognized tax benefit, excluding interest and penalties, is as follows:

| (in thousands) | For the period from September 30, 2017 to September 30, 2020 | |
|--|---|---------|
| Balance as of September 30, 2017 | \$ | 3,578 |
| Additions based on tax positions related to prior years | | 893 |
| Settlements | | (3,107) |
| Balance as of September 30, 2018 | | 1,364 |
| Additions based on tax positions related to prior years | | 244 |
| Settlements | | (814) |
| Balance as of September 30, 2019 | | 794 |
| Additions based on tax positions related to prior years | | 925 |
| Additions based on tax positions related to current year | | 122 |
| Settlements | | (227) |
| Balance as of September 30, 2020 | | 1,614 |

During fiscal 2020, the balance of unrecognized tax benefits increased by \$1,047 as a result of federal and various state jurisdictions' uncertain tax positions, partially offset by a decrease of \$227 as result of completing tax audits and the expiration of the statute of limitations in various state jurisdictions. The related accrued penalties and interest for uncertain tax positions increased by \$134.

During fiscal 2019, the balance of unrecognized tax benefits decreased by \$814 as a result of completing state tax audits and the expiration of the statute of limitations in federal and various state jurisdictions, partially offset by an increase of \$244, primarily related to various state jurisdictions' uncertain tax positions. The related accrued penalties and interest for uncertain tax positions decreased by \$25.

During fiscal 2018, the balance of unrecognized tax benefits decreased by \$3,107 as a result of Tyco completing tax audits and the expiration of the statute of limitations in various state jurisdictions, partially offset by an increase of \$893, primarily related to various state jurisdictions' uncertain tax positions. The related accrued penalties and interest for uncertain tax positions decreased by \$3,139.

Many of the Company's uncertain tax positions relate to tax years that remain subject to audit by the taxing authorities. The following tax years remain subject to examination by the major tax jurisdictions as follows:

| Jurisdiction | Years Open to Audit |
|---------------------|----------------------------|
| United States | 2018, 2019 and 2020 |

The Company's income tax returns are examined periodically by various taxing authorities. The Company is currently under examination in various state jurisdictions. Based on the current status of its income tax audits, the Company believes that it is reasonably possible that there would be no material changes to the unrecognized tax benefits in the next twelve months.

Other Income Tax Matters—Prior to the passage of the TCJA, foreign undistributed earnings were generally subject to U.S. taxation when repatriated. The TCJA imposed a one-time transition tax on previously untaxed accumulated earnings of foreign subsidiaries. The Company has accumulated earnings and profits deficit, therefore, does not anticipate an additional tax liability as a result of the transition tax. The TCJA adopts a new quasi-territorial tax regime that eliminates U.S. income taxes on dividends from foreign subsidiaries. The Company may still be liable for foreign taxes, such as withholding taxes, if earnings are repatriated.

For the fiscal year ended September 30, 2020, the Company recorded no additional liability for United States or non-U.S. income taxes on the undistributed income of subsidiaries or for unrecognized deferred tax liabilities for temporary differences related to basis differences in investments in subsidiaries, as such income is expected to be indefinitely reinvested, the investments are essentially permanent in duration, or the Company has concluded that no additional tax liability will arise as a result of the distribution of such income.

For the fiscal year ended September 30, 2019, the Company recorded a liability of \$635, for withholding taxes on the planned distribution of income from one of its Europe subsidiaries. The Company did not record income tax or non-income tax expense related to the remaining foreign earnings, and did not record any deferred tax liabilities for any basis differences in investments in subsidiaries as the earnings are expected to be indefinitely reinvested, the investments are essentially permanent in duration, or the Company has concluded that there will be no additional tax liability as a result of the distribution of the income.

As of September 30, 2020, certain subsidiaries had approximately \$59,719 of undistributed income that the Company intends to permanently reinvest. A liability could arise if the Company's intention to permanently reinvest such income were to change and amounts are distributed by such subsidiaries or if such subsidiaries are ultimately disposed of. It is not practicable to estimate the additional income taxes related to permanently reinvested income or the basis differences related to investments in subsidiaries.

The calculation of the Company's tax liabilities involves dealing with uncertainties in the application of complex tax regulations in a multitude of jurisdictions across its global operations. The Company records tax liabilities for anticipated tax audit issues in the United States and other tax jurisdictions based on the Company's estimate of whether, and the extent to which, additional taxes will be due. These tax liabilities are reflected net of related tax loss carry-forwards. The Company adjusts these reserves in light of changing facts and circumstances. However, due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from the Company's current estimate of the tax liabilities.

Under the terms of an investment agreement between the Company and Tyco, Tyco has agreed to indemnify and hold harmless the Company and its subsidiaries and their respective affiliates from and against any taxes of the Company with respect to any tax period ending on or before the closing of the Transactions, as well as all tax liabilities relating to events or transactions occurring on or prior to the closing date of the Transactions. In addition, the Company has agreed to indemnify and hold harmless Tyco and its affiliates from and against any liability for any taxes of the Company with respect to any post-Transactions tax period.

10. EARNINGS PER SHARE

The Company calculates basic and diluted earnings per common share using the two-class method. Under the two-class method, net earnings are allocated to each class of common stock and participating securities as if all of the net earnings for the period had been distributed. The Company's participating securities consist of share-based payment awards that contain a non-forfeitable right to receive dividends and therefore are considered to participate in undistributed earnings with common stockholders.

Basic earnings per common share excludes dilution and is calculated by dividing the net earnings allocable to common stock by the weighted-average number of common stock outstanding for the period. Diluted earnings per common share is calculated by dividing net earnings allocated to common stock by the weighted-average number of shares outstanding for the period, as adjusted for the potential dilutive effect of non-participating share-based awards.

The following table sets forth the computation of basic and diluted earnings per share:

| (in thousands, except per share data) | Fiscal Year Ended | | |
|---|---------------------------|---------------------------|---------------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Numerator: | | | |
| Net income | \$ 152,302 | \$ 139,051 | \$ 136,645 |
| Less: Undistributed earnings allocated to participating securities | 3,356 | 3,726 | 2,456 |
| Net income available to common shareholders | \$ 148,946 | \$ 135,325 | \$ 134,189 |
| Denominator: | | | |
| Basic weighted average common shares outstanding | 47,265 | 46,577 | 51,791 |
| Effect of dilutive securities: Non-participating employee stock options (1) | 779 | 1,200 | 2,298 |
| Diluted weighted average common shares outstanding | 48,044 | 47,777 | 54,089 |
| Basic earnings per share | \$ 3.15 | \$ 2.91 | \$ 2.59 |
| Diluted earnings per share | \$ 3.10 | \$ 2.83 | \$ 2.48 |

(1) Stock options to purchase approximately 0.3 million, 0.4 million, and 0.3 million shares of common stock were outstanding during the years ended September 30, 2020, September 30, 2019, and September 30, 2018, respectively, but were not included in the calculation of diluted earnings per share as the impact of these would have been anti-dilutive.

11. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following table presents the changes in accumulated other comprehensive loss by component, net of tax:

| (in thousands) | Defined benefit pension items | Currency translation adjustments | Total |
|--|--------------------------------------|---|--------------|
| Balance as of September 30, 2018 | \$ (6,048) | \$ (10,390) | \$ (16,438) |
| Other comprehensive loss before reclassifications | (15,513) | (7,490) | (23,003) |
| Amounts reclassified from accumulated other comprehensive loss | 76 | — | 76 |
| Net current period other comprehensive loss | (15,437) | (7,490) | (22,927) |
| Reclassification of stranded tax benefits ⁽¹⁾ | (2,333) | — | (2,333) |
| Balance as of September 30, 2019 | \$ (23,818) | \$ (17,880) | \$ (41,698) |
| Other comprehensive income (loss) before reclassifications | (7,604) | 6,087 | (1,517) |
| Amounts reclassified from accumulated other comprehensive loss | 661 | — | 661 |
| Net current period other comprehensive income (loss) | (6,943) | 6,087 | (856) |
| Balance as of September 30, 2020 | \$ (30,761) | \$ (11,793) | \$ (42,554) |

(1) Due to the adoption of ASU 2018-02 stranded tax benefits related to its pension plans were reclassified from Accumulated other comprehensive loss and into Accumulated deficit

The following is a summary of the amounts reclassified from accumulated other comprehensive loss to net income:

| (in thousands) | Fiscal Year Ended | | |
|--|---------------------------|---------------------------|---------------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Amortization of defined benefit pension items: | | | |
| Amortization of net loss (included within other income, net) | \$ 888 | \$ 101 | \$ 343 |
| Tax expense | (227) | (25) | (14) |
| Net reclassifications for the period | \$ 661 | \$ 76 | \$ 329 |

12. INVENTORIES, NET

A majority of the Company records inventory at the lower of cost (primarily last in, first out, or "LIFO") or market or net realizable value, as applicable. Approximately 73% and 72% of the Company's inventories are valued at the lower of LIFO cost or market at September 30, 2020 and September 30, 2019, respectively.

| (in thousands) | September 30, 2020 | September 30, 2019 |
|---|---------------------------|---------------------------|
| Purchased materials and manufactured parts, net | \$ 49,192 | \$ 52,742 |
| Work in process, net | 24,113 | 21,424 |
| Finished goods, net | 125,790 | 151,924 |
| Inventories, net | \$ 199,095 | \$ 226,090 |

Total inventories would be \$4,418 lower and \$3,138 higher than reported as of September 30, 2020 and September 30, 2019, respectively, if the first-in, first-out method was used for all inventories. During the year ended September 30, 2020, inventory quantities were reduced. This reduction resulted in a liquidation of LIFO inventory quantities carried at net lower costs prevailing in prior years as compared with the cost of 2020 purchases, the effect of which decreased cost of goods sold and increased operating income by approximately \$1,837.

As of September 30, 2020 and September 30, 2019, the excess and obsolete inventory reserve was \$14,533 and \$14,295, respectively.

13. PROPERTY, PLANT AND EQUIPMENT

As of September 30, 2020 and September 30, 2019, property, plant and equipment at cost and accumulated depreciation were as follows:

| (in thousands) | September 30, 2020 | September 30, 2019 |
|------------------------------------|---------------------------|---------------------------|
| Land | \$ 20,460 | \$ 19,897 |
| Buildings and related improvements | 129,538 | 127,061 |
| Machinery and equipment | 332,260 | 318,421 |
| Leasehold improvements | 9,862 | 9,055 |
| Software | 27,028 | 24,835 |
| Construction in progress | 22,736 | 21,264 |
| Property, plant and equipment | 541,884 | 520,533 |
| Accumulated depreciation | (297,993) | (259,830) |
| Property, plant and equipment, net | \$ 243,891 | \$ 260,703 |

Depreciation expense for fiscal years ended September 30, 2020, September 30, 2019 and September 30, 2018 totaled \$42,208, \$39,471 and \$34,786, respectively.

14. GOODWILL AND INTANGIBLE ASSETS

Goodwill — Changes in the carrying amount of goodwill are as follows:

| (in thousands) | Segment | | |
|---|---------------------------|--|--------------|
| | Electrical Raceway | Mechanical Products & Solutions | Total |
| Balance as of September 30, 2018 | \$ 133,566 | \$ 36,563 | \$ 170,129 |
| Goodwill acquired during year | 18,124 | — | 18,124 |
| Exchange rate effects | \$ (2,022) | \$ — | \$ (2,022) |
| Balance as of September 30, 2019 | \$ 149,668 | \$ 36,563 | \$ 186,231 |
| Exchange rate effects | 2,008 | — | 2,008 |
| Balance as of September 30, 2020 | \$ 151,676 | \$ 36,563 | \$ 188,239 |

Goodwill balances include \$3,924 and \$43,000 of accumulated impairment losses within the Electrical Raceway and MP&S segments, respectively, as of September 30, 2020 and September 30, 2019.

Intangible Assets — The following table provides the gross carrying value, accumulated amortization, and net carrying value for each major class of intangible assets:

| (in thousands) | Weighted Average Useful Life (Years) | September 30, 2020 | | | September 30, 2019 | | |
|--|---|-----------------------------|---------------------------------|---------------------------|-----------------------------|---------------------------------|---------------------------|
| | | Gross Carrying Value | Accumulated Amortization | Net Carrying Value | Gross Carrying Value | Accumulated Amortization | Net Carrying Value |
| Amortizable Intangible Assets: | | | | | | | |
| Customer relationships | 11 | \$ 355,735 | \$ (202,677) | \$ 153,058 | \$ 353,256 | \$ (171,777) | \$ 181,479 |
| Other | 7 | 19,086 | (9,675) | 9,411 | 19,086 | (7,761) | 11,325 |
| Total | | 374,821 | (212,352) | 162,469 | 372,342 | (179,538) | 192,804 |
| Indefinite-lived Intangible Assets: | | | | | | | |
| Trade names | | 92,880 | — | 92,880 | 92,880 | — | 92,880 |
| Total | | \$ 467,701 | \$ (212,352) | \$ 255,349 | \$ 465,222 | \$ (179,538) | \$ 285,684 |

Amortization expense for the fiscal years ended September 30, 2020, September 30, 2019 and September 30, 2018 was \$32,262, \$32,876 and \$32,104, respectively. Expected amortization expense for intangible assets over the next five years and thereafter is as follows (in thousands):

| | | |
|---------------------|----|--------|
| 2021 | \$ | 32,267 |
| 2022 | | 30,859 |
| 2023 | | 30,806 |
| 2024 | | 26,287 |
| 2025 | | 13,681 |
| 2026 and thereafter | | 28,569 |

Actual amounts of amortization may differ from estimated amounts due to additional intangible asset acquisitions, changes in estimated useful lives, impairment of intangible assets, and other events.

15. DEBT

Debt as of September 30, 2020 and September 30, 2019 was as follows:

| <u>(in thousands)</u> | <u>September 30, 2020</u> | <u>September 30, 2019</u> |
|---|---------------------------|---------------------------|
| First Lien Term Loan Facility due December 22, 2023 | 811,540 | \$ 851,361 |
| Deferred financing costs | (7,804) | (6,569) |
| Other | — | 525 |
| Total debt | \$ 803,736 | \$ 845,317 |
| Less: Current portion | — | — |
| Long-term debt | \$ 803,736 | \$ 845,317 |

During the three months ended March 29, 2019, the Company made an accelerated repayment of \$18,680 of principal on the First Lien Loan, which was calculated by a formula based on 2018 excess cash flows and a leverage ratio as defined within the Term Loan Agreement. During the three months ended September 30, 2019, the Company made a voluntary prepayment of \$40,000 of principal on the First Lien Loan. During the three months ended September 30, 2020, the Company made a voluntary prepayment of \$40,000 of principal on the First Lien Loan. The voluntary prepayments in the past two years resulted in the removal of all principal payment requirements until the contractual maturity of the debt in fiscal 2024.

As of September 30, 2020, future contractual maturities of long-term debt are as follows (in thousands):

| | | |
|---------------------|----|---------|
| 2021 | \$ | — |
| 2022 | | — |
| 2023 | | — |
| 2024 | | 812,120 |
| 2025 | | — |
| 2026 and thereafter | \$ | — |

Term Loan Facility — On April 9, 2014, AII entered into a credit agreement (the "Initial Credit Agreement") for a \$420,000 First Lien Term Loan Facility (the "Initial First Lien Term Loan Facility") and a credit agreement for a \$250,000 Second Lien Term Loan Facility (the "Second Lien Term Loan Facility." The Initial First Lien Term Loan Facility was priced at 99.50% and carried an interest rate of LIBOR plus 3.50% with a LIBOR floor of 1.00%. The Second Lien Term Loan Facility was priced at 99.00% and carried an interest rate of LIBOR plus 6.75% with a LIBOR floor of 1.00%.

On December 22, 2016, AII entered into an amendment to the Initial Credit Agreement, which amended and restated the Initial Credit Agreement and provided for a new \$500,000 first lien term loan facility and extended the maturity of the Initial Credit Agreement to December 22, 2023 (the "First Lien Term Loan Facility"). Loans under the First Lien Term Loan Facility bear interest at either LIBOR plus an applicable margin equal to 3.00% or an alternate base rate plus an applicable margin equal to 2.00% and are guaranteed by AII and the United States operating companies owned by AII. The First Lien Term Loan Facility amortizes at a rate of 1.00% per annum and was priced at 99.75%. AII used proceeds from the First Lien Term Loan Facility and approximately \$155,000 of available cash to (i) repay all outstanding loans under the Initial First Lien Term Loan Facility and the Second Lien Term Loan Facility and (ii) pay related fees and expenses, including accrued interest.

On February 2, 2018, AII entered into the (i) First Amendment to the Amended and Restated First Lien Credit Agreement, by and among AII, Deutsche Bank AG New York Branch, as administrative agent and collateral agent, and the other financial institutions party thereto to, among other things, decrease the interest margins applicable to the ABR Loans to 1.75% and Eurodollar Loans to 2.75%, and (ii) Increase Supplement (the "Increase Supplement") to, among other things, incur incremental first lien secured term loans in aggregate principal amount of \$425,000. The Company used the proceeds from the Increase Supplement to 1) repurchase approximately 17.2 million shares of common stock from the CD&R Investor for a total purchase price of approximately \$375,000, 2) repay \$42,000 of outstanding loans under the ABL Credit Facility (as defined below) and 3) pay \$5,800 in related fees and expenses. The revisions to the First Lien Term Loan were accounted for as a debt modification, resulting in immediate expensing of related financing costs of \$892 within other income, net on the consolidated statements of operations for the year ended September 30, 2018.

The First Lien Term Loan Facility contains customary covenants typical for this type of financing, including limitations on indebtedness, restricted payments including dividends, liens, restrictions on distributions from restricted subsidiaries, sales of assets, affiliate transactions, mergers and consolidations. The First Lien Term Loan Facility also contains customary events of default typical for this type of financing, including, without limitation, failure to pay principal and/or interest when due, failure to observe covenants, certain events of bankruptcy, the rendering of certain judgments, or the loss of any guarantee.

ABL Credit Facility — On December 22, 2016, AII entered into the Fifth Amendment to Credit Agreement and Third Amendment to and Reaffirmation of Guarantee and Collateral Agreement to amend its asset based credit facility (the "ABL Credit Facility"). The amendment, among other things, extended the maturity of the facility to December 22, 2021, decreased the interest rate margins applicable to loans under the facility to (i) in the case of United States dollar-denominated loans, either (x) LIBOR plus an applicable margin ranging from 1.25% to 1.75%, or (y) an alternate base rate plus an applicable margin ranging from 0.25% to 0.75% or (ii) in the case of Canadian dollar-denominated loans, either (x) the BA rate plus an applicable margin ranging from 1.25% to 1.75% or (y) a Canadian prime rate plus an applicable margin ranging from 0.25% to 0.75% and decreased the fee payable with respect to unutilized availability under the facility from 0.25% to 0.375% depending on the remaining availability under the facility.

On August 28 2020, AII amended the ABL Credit Facility (the "Amended ABL Facility"). The amendment, among other things, extended the maturity of the facility to August 28, 2023, and increased the interest rate margins applicable to loans under the facility to (i) in the case of United States dollar-denominated loans, either (x) LIBOR plus an applicable margin ranging from 1.75% to 2.25%, or (y) an alternate base rate plus an applicable margin ranging from 0.75% to 1.25%, each based on available loan commitments or (ii) in the case of Canadian dollar-denominated loans, either (x) the BA rate plus an applicable margin ranging from 1.75% to 2.25% or (y) a Canadian prime rate plus an applicable margin ranging from 0.75% to 1.25%, each based on available loan commitments. The Amended ABL Credit Facility bears a commitment fee, payable quarterly in arrears, of 0.375% per annum. The Amended ABL Credit Facility also bears customary letter of credit fees. The revisions to the ABL Credit Facility were accounted for as a debt extinguishment, resulting in immediate expensing of unamortized financing costs of \$273 for the year ended September 30, 2020.

In connection with AII causing Columbia-MBF to become a subsidiary guarantor for the Amended ABL Credit Facility, AII also caused Columbia-MBF to become a subsidiary guarantor for the First Lien Term Loan Facility.

The Amended ABL Credit Facility has aggregate commitments of \$325,000 and is guaranteed by AIH, the United States subsidiaries owned directly or indirectly by AII and certain other restricted subsidiaries of AII that AII causes to be a subsidiary guarantor from time to time including as of the closing date for the Amended ABL Credit Facility, Columbia-MBF, Inc., a corporation formed by amalgamation under the laws of Canada ("Columbia-MBF"). AII's availability under the ABL Credit Facility was \$265,899 and \$301,882 as of September 30, 2020 and September 30, 2019, respectively. Availability under the ABL Credit Facility is subject to a borrowing base equal to the sum of 85% of eligible accounts receivable plus the lesser of (i) 80% of eligible inventory of each borrower and guarantor, valued at the lower of cost and fairmarket value and (ii) 85% of the net orderly liquidation value of eligible inventory, subject to certain limitations. There were no borrowings outstanding under the ABL Credit Facility as of September 30, 2020 and September 30, 2019, respectively.

The Amended ABL Credit Facility contains customary representations and warranties and customary affirmative and negative covenants. Affirmative covenants include, without limitation, the timely delivery of quarterly and annual financial statements, certifications to be made by AIH, AII and each of its restricted subsidiaries, payment of obligations, maintenance of corporate existence and insurance, notices, compliance with environmental laws, and the grant of liens. The negative covenants are limited to the following: limitations on indebtedness, dividends and distributions, investments, acquisitions, prepayments or redemptions of subordinated indebtedness, amendments of subordinated indebtedness, transactions with affiliates, asset sales, mergers, consolidations and sales of all or substantially all assets, liens, negative pledge clauses, changes in line of business, changes in charter documents, hedging transactions and maintaining Canadian defined benefit pension plans. The negative covenants are subject to customary exceptions and also permit the payment of dividends and distributions, investments, permitted acquisitions, payments or redemptions of subordinated indebtedness, asset sales and consolidations and sales of all or substantially all assets upon satisfaction of a payment condition. There are no financial covenants included in the Amended ABL Credit Agreement, other than a springing minimum fixed charge coverage ratio of at least 1.0 to 1.0, which will be tested only when specified availability (as defined above) is less than the greater of (A) \$22,000 and (B) 10.0% of the lesser of (x) the then applicable borrowing base and (y) the then effective commitments under the Amended ABL Credit Facility, and continuing until such time as specified availability shall have been in excess of such threshold for a period of 30 consecutive days.

The First Lien Term Loan Facility and the ABL Credit Facility are secured by all of the assets of the U.S. subsidiaries of the Company and, as of the closing date for the Amended ABL Credit Facility, Columbia-MBF. The First Lien Term Loan Facility has priority over all real property, plant and equipment, intellectual property and capital stock of any U.S. subsidiary and Columbia-MBF and any documents or instruments evidencing the foregoing assets. The ABL Credit Facility has first priority over cash and cash equivalents, accounts receivable, inventory and other documents and instruments evidencing the foregoing assets.

16. FAIR VALUE MEASUREMENTS

Certain assets and liabilities are required to be recorded at fair value on a recurring basis.

The Company uses forward currency contracts to hedge the effects of foreign exchange relating to certain of the Company's intercompany receivables denominated in a foreign currency. These derivative instruments are not formally designated as hedges by the Company and the terms of these instruments range from six months to two years. Short-term forward currency contracts are recorded in prepaid expenses and other current assets or other current liabilities and long-term forward currency contracts are recorded in non-trade receivables or other long-term liabilities in the consolidated balance sheets. The fair value gains and losses are included in other income, net within the consolidated statements of operations. See Note 8, "Other Income, net" for further detail.

The total notional amounts of undesignated forward currency contracts were £43.3 million, £45.0 million and £49.1 million as of September 30, 2020, September 30, 2019 and September 30, 2018. Cash flows associated with derivative financial instruments are recognized in the operating section of the consolidated statements of cash flows. The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

The following table presents the recurring assets and liabilities measured at fair value as of September 30, 2020 and September 30, 2019 in accordance with the fair value hierarchy:

| (in thousands) | September 30, 2020 | | | September 30, 2019 | | |
|----------------------------|--------------------|---------|---------|--------------------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| Assets | | | | | | |
| Cash equivalents | \$ 209,421 | \$ — | \$ — | \$ 72,132 | \$ — | \$ — |
| Forward currency contracts | — | 2,209 | — | — | 3,420 | — |
| Liabilities | | | | | | |
| Forward currency contracts | — | \$ 102 | — | — | \$ — | — |

The Company's remaining financial instruments consist primarily of cash, accounts receivable and accounts payable whose carrying value approximate their fair value due to their short-term nature.

The estimated fair value of financial instruments not carried at fair value in the consolidated balance sheets were as follows:

| (in thousands) | September 30, 2020 | | September 30, 2019 | |
|---|--------------------|------------|--------------------|------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| First Lien Term Loan Facility due December 22, 2023 | \$ 812,120 | \$ 808,060 | \$ 852,120 | \$ 853,543 |
| Total debt | \$ 812,120 | \$ 808,060 | \$ 852,120 | \$ 853,543 |

In determining the approximate fair value of its long-term debt, the Company used the trading value among financial institutions, which were classified within Level 2 of the fair value hierarchy. The carrying value of the ABL Credit Facility approximates fair value due to it being market-linked variable rate debt.

17. COMMITMENTS AND CONTINGENCIES

The Company has obligations related to commitments to purchase certain goods. As of September 30, 2020, such obligations were \$130,932 for fiscal 2021, \$1,828 for fiscal 2022 and \$13 thereafter. These amounts represent open purchase orders for materials used in production.

Insurable Liabilities — The Company maintains policies with various insurance companies for its workers' compensation, product, property, general, auto, and executive liability risks. The insurance policies that the Company maintains have various retention levels and excess coverage limits. The establishment and update of liabilities for unpaid claims, including claims incurred but not reported, is based on management's estimate as a result of the assessment by the Company's claim administrator of each claim and an independent actuarial valuation of the nature and severity of total claims. The Company utilizes a third-party claims administrator to pay claims, track and evaluate actual claims experience, and ensure consistency in the data used in the actuarial valuation.

Legal Contingencies — The Company is a defendant in a number of pending legal proceedings, some of which were inherited from its former parent, Tyco International Ltd. ("Tyco"), including certain product liability claims. Several lawsuits have been filed against the Company and the Company has also received other claim demand letters alleging that the Company's anti-microbial coated steel sprinkler pipe, which the Company has not manufactured or sold for several years, is incompatible with chlorinated polyvinyl chloride and caused stress cracking in such pipe manufactured by third parties when installed together in the same sprinkler system, which the Company refers to collectively as the "Special Products Claims." After an analysis of claims experience, the Company reserved its best estimate of the probable and reasonably estimable losses related to these matters. The Company's total product liability reserves for Special Products Claims and other product liability matters were \$597 and \$2,424 as of September 30, 2020 and September 30, 2019, respectively. As of September 30, 2020, the Company believes that the range of reasonably possible losses for Special Products Claims and other product liabilities is between \$1,000 and \$8,000.

During fiscal 2019, after a court judgment was issued in one case between the Company and Tyco regarding the indemnification of expenses, fees and settlement amounts relating to the incompatibility issue, the Company and Tyco entered into a global settlement regarding the issue. The Company agreed to fund the total settlement in exchange for Tyco's agreement to cap the Company's Special Products Claim deductible at \$12,000, as opposed to the \$13,000 cap negotiated within the original indemnity agreement. In conjunction with the payment of that settlement, Tyco and the Company examined the Company's total Special Products Claim payments and agreed that with that settlement payment and payment of a few other legal fee invoices, all of which have now been paid, the Company had met its \$12,000 deductible obligation related to these Special Products Claims. Tyco, now Johnson Controls, Inc. ("JCI"), has a contractual obligation to indemnify the Company in respect of all remaining and future claims of incompatibility between the Company's antimicrobial coated steel sprinkler pipe and CPVC pipe used in the same sprinkler system. Tyco has defended and indemnified the Company on Special Products Claims as required.

At this time, the Company does not expect the outcome of the Special Products Claims proceedings, either individually or in the aggregate, to have a material adverse effect on its business, financial condition, results of operations or cash flows, and the Company believes that its reserves are adequate for all remaining contingencies for Special Products Claims.

During fiscal 2017, the U.S. Department of Commerce ruled on a scope request in relation to an Antidumping Duty Order for Malleable Iron Pipe Fittings from China. The ruling subjected certain of the Company's imports of conduit fittings within the Atkore Steel Components Inc. ("ASCI") business (acquired in November 2014) to antidumping duties, which are incremental to the duties previously paid upon importation. The Company appealed the scope decision and established an accrual of \$7,501 during the second quarter of fiscal 2017 for the related contingent liability with the related expense recorded in selling, general and administrative expenses in the Company's consolidated statements of operations which covers the post-acquisition period through the date of the scope ruling. On appeal, the Court of International Trade ordered the U.S. Department of Commerce to re-examine certain aspects of its prior scope ruling, and after doing so, the Department filed an amended scope ruling for the Court of International Trade's consideration. The amended scope ruling finds the ASCI products at issue in the matter to be outside the scope of the aforesaid Antidumping Duty Order. On August 3, 2018, the Court of International Trade sustained the U.S. Department of Commerce's new scope determination and entered judgment thereupon. The U.S. Department of Commerce did not appeal the ruling by the Court of International Trade by the October 2, 2018 deadline and in fiscal 2018, the Company reversed \$7,171 of the related accrual established during the second quarter of fiscal 2017.

During the year ended September 30, 2020, one of the Company's manufacturing facilities experienced a flood which resulted in damages to certain property, plant and equipment. This facility is covered under the Company's property and casualty loss and business interruption insurance policies. The Company has recorded an expense of \$6,046 for losses related to fully written off property, plant and equipment, with a related insurance recovery of \$5,046 within selling, general and administrative expenses in its consolidated statements of operations for the year ended September 30, 2020. The Company has begun to receive reimbursement and believes that, other than the \$1,000 deductible expense under the related insurance claim, it will be reimbursed for substantially all other property, plant and equipment losses in connection with the event under its current insurance policies.

In addition to the matters discussed above, from time to time, the Company is subject to a number of disputes, administrative proceedings and other claims arising out of the ordinary conduct of the Company's business. These matters generally relate to disputes arising out of the use or installation of the Company's products, product liability litigation, contract disputes, patent infringement accusations, employment matters, personal injury claims and similar matters. On the basis of information currently available to the Company, it does not believe that existing proceedings and claims will have a material adverse effect on its business, financial condition, results of operations or cash flows. However, litigation is unpredictable, and the Company could incur judgments or enter into settlements for current or future claims that could adversely affect its business, financial condition, results of operations or cash flows.

18. GUARANTEES

The Company has outstanding letters of credit totaling \$9,501 supporting workers' compensation and general liability insurance policies and surety bonds primarily related to performance guarantees on supply agreements and construction contracts, and payment of duties and taxes totaling \$19,468 as of September 30, 2020.

In disposing of assets or businesses, the Company often provides representations, warranties and indemnities to cover various risks including unknown damage to the assets, environmental risks involved in the sale of real estate, liability to investigate and remediate environmental contamination at waste disposal sites and manufacturing facilities, and unidentified tax liabilities and legal fees related to periods prior to disposition. The Company does not have the ability to estimate the

potential liability from such indemnities because they relate to unknown conditions. However, the Company has no reason to believe that these uncertainties would have a material adverse effect on the Company's business, financial condition, results of operations or cash flows.

In the normal course of business, the Company is liable for product performance and contract completion. In the opinion of management, such obligations will not have a material adverse effect on the Company's business, financial condition, results of operations or cash flows.

19. RELATED PARTY TRANSACTIONS

In December 2010, CD&R Allied Holdings, L.P. (the "CD&R Investor") acquired a majority stake in the Company (the "CD&R Acquisition"). In connection with the CD&R Acquisition, the Company, AIH and AII entered into a consulting agreement (the "Consulting Agreement") with CD&R. On January 22, 2018, the Company announced a stock repurchase transaction whereby the Company agreed to repurchase from the CD&R Investor, a related party, approximately 17.2 million shares of the Company's common stock, par value \$0.01 per share, at a per share price equal to \$21.77, for a total purchase price of \$375,000, subject to the terms and conditions set forth in the stock purchase agreement. Following the stock repurchase transaction in January 2018 and secondary offerings of the Company's common stock in February 2018 and May 2018, the CD&R Investor did not own any of the Company's common stock subsequent to May 2018.

Prior to the CD&R Investor selling all of its remaining shares of the Company in May 2018, transactions between the Company, CD&R and affiliates of CD&R were considered to be between related parties. In addition to the consulting fees referenced above, affiliates of CD&R own equity positions in one of the Company's customers. Net sales during fiscal 2018 to this customer were \$6,000.

20. SEGMENT INFORMATION

The Company has two operating segments, which are also its reportable segments. The Company's operating segments are organized based upon primary market channels and, in most instances, the end use of products.

Through its Electrical Raceway segment, the Company manufactures products that deploy, isolate and protect a structure's electrical circuitry from the original power source to the final outlet. These products, which include electrical conduit, armored cable, cable trays, mounting systems and fittings, are critical components of the electrical infrastructure for maintenance, repair and remodel markets. The vast majority of the Company's Electrical Raceway net sales are made to electrical distributors, who then serve electrical contractors and the Company considers both to be customers.

Through the MP&S segment, the Company provides products and services that frame, support and secure component parts in a broad range of structures, equipment and systems in electrical, industrial and construction applications. The Company's principal products in this segment are metal framing products and in-line galvanized mechanical tube. Through its metal framing business, the Company designs, manufactures and installs metal strut and fittings used to assemble mounting structures that support heavy equipment and electrical content in buildings and other structures.

Both segments use Adjusted EBITDA as the primary measure of profit and loss. Segment Adjusted EBITDA is the income (loss) before income taxes, adjusted to exclude unallocated expenses, depreciation and amortization, interest expense, net, gain (loss) on extinguishment of debt, restructuring charges, stock-based compensation, certain legal matters, transaction costs, gain on purchase of business, gain on sale of a business and other items, such as inventory reserves and adjustments, loss on disposal of property, plant and equipment, insurance recovery related to damages of property, plant and equipment, release of indemnified uncertain tax positions, and realized or unrealized gain (loss) on foreign currency impacts of intercompany loans and related forward currency derivatives.

Intersegment transactions primarily consist of product sales at designated transfer prices on an arm's-length basis. Gross profit earned and reported within the segment is eliminated in the Company's consolidated results. Certain manufacturing and distribution expenses are allocated between the segments on a pro rata basis due to the shared nature of activities. Recorded amounts represent a proportional amount of the quantity of product produced for each segment. Certain assets, such as machinery and equipment and facilities, are not allocated to each segment despite serving both segments. These shared assets are reported within the MP&S segment. We allocate certain corporate operating expenses that directly benefit our operating segments, such as insurance and information technology, on a basis that reasonably approximates an estimate of the use of these services.

| (in thousands) | Fiscal year ended | | | | | | | | |
|-------------------------|---------------------|---------------------|-----------------|---------------------|---------------------|-----------------|---------------------|---------------------|-----------------|
| | September 30, 2020 | | | September 30, 2019 | | | September 30, 2018 | | |
| | External Net Sales | Inter-segment Sales | Adjusted EBITDA | External Net Sales | Inter-segment Sales | Adjusted EBITDA | External Net Sales | Inter-segment Sales | Adjusted EBITDA |
| Electrical Raceway | \$ 1,328,721 | \$ 2,554 | \$ 299,485 | \$ 1,442,278 | \$ 1,215 | \$ 292,585 | \$ 1,365,067 | \$ 1,544 | \$ 255,260 |
| MP&S | 436,700 | — | \$ 61,152 | 474,260 | — | \$ 70,040 | 470,072 | 81 | \$ 51,339 |
| Eliminations | — | (2,554) | | — | (1,215) | | — | (1,625) | |
| Consolidated operations | <u>\$ 1,765,421</u> | <u>\$ —</u> | | <u>\$ 1,916,538</u> | <u>\$ —</u> | | <u>\$ 1,835,139</u> | <u>\$ —</u> | |

| (in thousands) | Capital Expenditures | | | Total Assets | | |
|-------------------------|----------------------|--------------------|--------------------|---------------------|---------------------|---------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| | Electrical Raceway | \$ 17,667 | \$ 19,856 | \$ 16,389 | \$ 835,629 | \$ 871,771 |
| MP&S | 13,870 | 13,934 | 14,267 | 215,350 | 252,708 | 291,164 |
| Unallocated | 2,233 | 1,070 | 7,845 | 507,546 | 312,516 | 281,872 |
| Consolidated operations | <u>\$ 33,770</u> | <u>\$ 34,860</u> | <u>\$ 38,501</u> | <u>\$ 1,558,525</u> | <u>\$ 1,436,995</u> | <u>\$ 1,324,060</u> |

Presented below is a reconciliation of operating segment Adjusted EBITDA to Income before income taxes:

| (in thousands) | Fiscal Year Ended | | |
|---------------------------------------|--------------------|--------------------|--------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Operating segment Adjusted EBITDA | | | |
| Electrical Raceway | \$ 299,485 | \$ 292,585 | \$ 255,260 |
| MP&S | 61,152 | 70,040 | 51,339 |
| Total | <u>\$ 360,637</u> | <u>\$ 362,625</u> | <u>\$ 306,599</u> |
| Unallocated expenses (a) | (34,002) | (38,217) | (35,050) |
| Depreciation and amortization | (74,470) | (72,347) | (66,890) |
| Interest expense, net | (40,062) | (50,473) | (40,694) |
| Gain (loss) on extinguishment of debt | (273) | — | — |
| Restructuring charges | (3,284) | (3,804) | (1,849) |
| Stock-based compensation | (13,064) | (11,798) | (14,664) |
| Certain legal matters | — | — | 4,833 |
| Transaction costs | (196) | (1,200) | (9,314) |
| Gain on purchase of business | — | 7,384 | — |
| Gain on sale of a business | — | — | 27,575 |
| Other (b) | 6,712 | (7,501) | (4,194) |
| Income before income taxes | <u>\$ 201,998</u> | <u>\$ 184,669</u> | <u>\$ 166,352</u> |

(a) Represents unallocated selling, general and administrative activities and associated expenses including, in part, executive, legal, finance, human resources, information technology, business development and communications, as well as certain costs and earnings of employee-related benefits plans, such as stock-based compensation and a portion of self-insured medical costs.

(b) Represents other items, such as inventory reserves and adjustments, loss on disposal of property, plant and equipment, insurance recovery related to damages of property, plant and equipment, release of indemnified uncertain tax positions and realized or unrealized gain (loss) on foreign currency impacts of intercompany loans and related forward currency derivatives.

The Company's long-lived assets and net sales by geography were as follows:

| (in thousands) | Long-lived assets | | | Net sales | | |
|-----------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| United States | \$ 203,694 | \$ 219,614 | \$ 201,101 | \$ 1,563,258 | \$ 1,689,194 | \$ 1,651,636 |
| Other Americas | 146 | 147 | 138 | 26,421 | 33,485 | 43,013 |
| Europe | 41,283 | 43,207 | 11,090 | 132,299 | 142,279 | 90,915 |
| Asia-Pacific | 1,759 | 1,998 | 2,386 | 43,443 | 51,580 | 49,575 |
| Total | \$ 246,882 | \$ 264,966 | \$ 214,715 | \$ 1,765,421 | \$ 1,916,538 | \$ 1,835,139 |

The table below shows the amount of net sales from external customers for each of the Company's product categories which accounted for 10% or more of consolidated net sales in any of the last three fiscal years:

| (in thousands) | Fiscal Year Ended | | |
|---------------------------------------|---------------------------|---------------------------|---------------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Metal Electrical Conduit and Fittings | \$ 484,476 | \$ 546,533 | \$ 517,935 |
| Armored Cable and Fittings | 306,460 | 360,494 | 336,388 |
| PVC Electrical Conduit & Fittings | 308,561 | 292,243 | 311,811 |
| Cable Tray & Cable Ladders | 193,306 | 199,303 | 145,795 |
| Other raceway products | 35,918 | 43,705 | 53,138 |
| Electrical Raceway | 1,328,721 | 1,442,278 | 1,365,067 |
| Mechanical Pipe | 244,902 | 259,613 | 253,381 |
| Other MP&S products | 191,798 | 214,647 | 216,691 |
| MP&S | 436,700 | 474,260 | 470,072 |
| Net sales | \$ 1,765,421 | \$ 1,916,538 | \$ 1,835,139 |

Risks and Concentrations

Concentration of Credit Risk — The Company extends credit to various customers in the retail and construction industries. Collection of trade receivables may be affected by changes in economic or other industry conditions and may, accordingly, impact the Company's overall credit risk. Although the Company generally does not require collateral, the Company performs ongoing credit evaluations of customers and maintains reserves for potential credit losses. As of September 30, 2020, one customer, Sonepar Management US, Inc., represented 11% of the Company's accounts receivable balance due to increased sales in the last 60 days of the year. As of September 30, 2019, no single customer represented more than 10% of the Company's accounts receivable balance. For fiscal 2020, 2019 and 2018, no single customer accounted for more than 10% of sales.

Concentration of Employees — As of September 30, 2020, approximately 24% of the Company's employees were represented by a union under a collective bargaining agreement. All unions are located in either the United States or Canada, with no unions or Worker's Councils at any of the other locations abroad. On July 14, 2020, the Company and the United Steelworkers Union, representing approximately 350 employees, reached agreement on the terms of a new collective bargaining agreement for our largest facility in Harvey, Illinois, which expires in April 2024. The Company believes its relationship with its employees is good.

21. QUARTERLY OPERATING RESULTS (UNAUDITED)

The following table presents unaudited selected quarterly financial data for the years ended September 30, 2020 and September 30, 2019. The operating results for any quarter are not necessarily indicative of the results of any future period.

| (in thousands, except per share data) | Three Months Ended | | | | | | | |
|---------------------------------------|--------------------|----------------|---------------|--------------------|-------------------|----------------|---------------|------------------------|
| | December 27, 2019 | March 27, 2020 | June 26, 2020 | September 30, 2020 | December 29, 2018 | March 30, 2019 | June 29, 2019 | September 30, 2019 (1) |
| Net sales | \$ 447,448 | \$ 455,654 | \$ 384,899 | \$ 477,420 | \$ 452,028 | \$ 469,309 | \$ 493,491 | \$ 501,710 |
| Gross profit | 116,844 | 131,603 | 95,813 | 147,054 | 110,256 | 117,088 | 126,134 | 143,722 |
| Net income | 34,790 | 39,193 | 24,078 | 54,241 | 26,949 | 29,555 | 36,550 | 45,997 |
| Net income per share | | | | | | | | |
| Basic (2) | \$ 0.72 | \$ 0.81 | \$ 0.50 | \$ 1.12 | \$ 0.56 | \$ 0.62 | \$ 0.77 | \$ 0.96 |
| Diluted (2) | 0.71 | 0.80 | 0.49 | 1.11 | 0.54 | 0.61 | 0.75 | 0.94 |

(1) Includes a \$7,384 gain on the acquisition of Cor-Tek. See Note 3, "Acquisitions" for additional information.

(2) The sum of the quarters may not equal the total of the respective year's earnings per share due to changes in the weighted average shares outstanding throughout the year.

22. SUBSEQUENT EVENTS

On October 22, 2020, the Company acquired the assets of Queen City Plastics, Inc., a manufacturer of PVC conduit, elbows and fittings for the electrical market for an estimated purchase price of \$7.3 million.

Subsequent to September 30, 2020, the Company repurchased 637,200 shares for \$15.0 million reducing the Company's share count to 47,409,886 as of November 13, 2020.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our President and CEO, William E. Waltz, and our Vice President and CFO, David P. Johnson, have evaluated our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act) as of the end of the period covered by this Annual Report on Form 10-K as required by Rule 13a-15(b) and Rule 15d-15(b) under the Exchange Act. Messrs. Waltz and Johnson have concluded that both the design and operation of our disclosure controls and procedures were effective as of September 30, 2020.

Changes in Internal Control over Financial Reporting

No changes in the Company's internal control over financial reporting, as defined in Rule 13a-15(f) or Rule 15d-15(f) under the Exchange Act, occurred during the fourth quarter of fiscal 2020 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal controls over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation and fair presentation of published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Company's management assessed, under the supervision and with the participation of our President and CEO, William E. Waltz, and our Vice President and CFO, David P. Johnson, the effectiveness of the Company's internal control over financial reporting as of September 30, 2020. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework (2013). Based on this assessment, management concluded that, as of September 30, 2020, the Company's internal control over financial reporting is effective based on those criteria.

The Company's independent registered public accounting firm, Deloitte and Touche LLP, has issued an audit report on the Company's internal control over financial reporting for fiscal 2020.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Atkore International Group Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Atkore International Group Inc. and subsidiaries (the “Company”) as of September 30, 2020, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 30, 2020, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended September 30, 2020, of the Company and our report dated November 19, 2020, expressed an unqualified opinion on those financial statements and included an explanatory paragraph regarding the Company’s adoption of Financial Accounting Standards Board Accounting Standards Codification 842, *Leases*.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the US federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Chicago, Illinois
November 19, 2020

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this Item for Atkore will be set forth in Atkore's Proxy Statement for the 2021 Annual Meeting of Stockholders, which information is hereby incorporated by reference. Atkore has omitted the information required by this Item pursuant to General Instruction G to the Form 10-K.

Item 11. Executive Compensation

The information required by this Item for Atkore will be set forth in Atkore's Proxy Statement for the 2021 Annual Meeting of Stockholders, which information is hereby incorporated by reference. Atkore has omitted the information required by this Item pursuant to General Instruction G to the Form 10-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this Item for Atkore will be set forth in Atkore's Proxy Statement for the 2021 Annual Meeting of Stockholders, which information is hereby incorporated by reference. Atkore has omitted the information required by this Item pursuant to General Instruction G to the Form 10-K.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item for Atkore will be set forth in Atkore's Proxy Statement for the 2021 Annual Meeting of Stockholders, which information is hereby incorporated by reference. Atkore has omitted the information required by this Item pursuant to General Instruction G to the Form 10-K.

Item 14. Principal Accounting Fees and Services

The information required by this Item for Atkore will be set forth in Atkore's Proxy Statement for the 2021 Annual Meeting of Stockholders, which information is hereby incorporated by reference. Atkore has omitted the information required by this Item pursuant to General Instruction G to the Form 10-K.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) Financial Statements, Schedules and Exhibits.

1. *Financial Statements*

| | |
|--|--------------------|
| Report of Independent Registered Public Accounting Firm contained in Item 8 of this Annual Report on Form 10-K. | 45 |
| Consolidated Statements Of Operations for the years ended September 30, 2020, September 30, 2019, and September 30, 2018 contained in Item 8 of this Annual Report on Form 10-K. | 47 |
| Consolidated Statements of Comprehensive Income for the years ended September 30, 2020, September 30, 2019, and September 30, 2018 contained in Item 8 of this Annual Report on Form 10-K. | 48 |
| Consolidated Balance Sheets for the years ended September 30, 2020, and September 30, 2019 contained in Item 8 of this Annual Report on Form 10-K. | 49 |
| Consolidated Statements of Cash Flows for the years ended September 30, 2020, September 30, 2019, and September 30, 2018 contained in Item 8 of this Annual Report on Form 10-K. | 50 |
| Consolidated Statements of Shareholders' Equity for the three year period ended September 30, 2020 contained in Item 8 of this Annual Report on Form 10-K. | 52 |
| Notes to the Consolidated Financial Statements contained in Item 8 of this Annual Report on Form 10-K. | 53 |

2. *Financial Statements Schedules*

The following information is filed as part of this Annual Report on Form 10-K and should be read in conjunction with the financial statements contained in Item 8 of this Annual Report on Form 10-K:

| | |
|---|---------------------|
| Schedule I-Atkore International Group Inc. (Parent) Condensed Financial Information | 97 |
| Schedule II-Valuation and Qualifying Accounts | 101 |

3. Exhibits

The exhibits filed with this report are listed on the Exhibit Index. Entries marked by the symbol † next to the exhibit's number identify management compensatory plans, contracts or arrangements.

Item 16. Form 10-K Summary

None.

Exhibit Index

| <u>Exhibit Number</u> | <u>Exhibit Description</u> |
|-----------------------|--|
| 3.1 | <u>Third Amended and Restated Certificate of Incorporation of Atkore International Group Inc., incorporated by reference to Exhibit 10.2 to Atkore International Group Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 29, 2019.</u> |
| 3.2 | <u>Third Amended and Restated By-Laws of Atkore International Group Inc., incorporated by reference to Exhibit 10.1 to Atkore International Group Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 29, 2019.</u> |
| 4.1 | <u>Form of Common Stock Certificate of Atkore International Group Inc., incorporated by reference to Exhibit 4.1 to Atkore International Group Inc.'s Registration Statement on Form S-1 filed on May 5, 2016.</u> |
| 4.2 | <u>Description of Capital Stock of Atkore International Group Inc., incorporated by reference to Exhibit 4.2 to Atkore International Group Inc.'s Amendment No. 1 on Form 10-K/A, filed on February 4, 2020, to amend Atkore International Group Inc.'s Annual Report on Form 10-K for the fiscal year ended September 30, 2019, initially filed on November 22, 2019.</u> |
| 10.2 | <u>Amended and Restated First Lien Credit Agreement, dated as of December 22, 2016, among Atkore International, Inc., Deutsche Bank AG New York Branch, as administrative agent, the other loan parties party thereto and the several banks and other financial institutions party thereto, incorporated by reference to Exhibit 10.2 to Atkore International Group Inc.'s Current Report on Form 8-K filed on December 22, 2016.</u> |
| 10.2.1 | <u>First Amendment to Amended and Restated First Lien Credit Agreement, dated as of February 2, 2018 among Atkore International, Inc., a Delaware corporation, Deutsche Bank AG New York Branch, as administrative agent and collateral agent, and the Lenders and other financial institutions party thereto, incorporated by reference to Exhibit 10.1 to Atkore International Group Inc.'s Current Report on Form 8-K filed on February 5, 2018.</u> |
| 10.2.2 | <u>Increase Supplement, dated as of February 2, 2018, to the Amended and Restated First Lien Credit Agreement, dated as of December 22, 2016 (as amended by the First Amendment to Amended and Restated First Lien Credit Agreement, dated as of February 2, 2018, and as further amended, supplemented, waived or otherwise modified from time to time), among Atkore International, Inc., a Delaware corporation, the several banks and other financial institutions from time to time parties thereto, and Deutsche Bank AG New York Branch, as administrative agent and collateral agent, incorporated by reference to Exhibit 10.2 to Atkore International Group Inc.'s Current Report on Form 8-K filed on February 5, 2018.</u> |
| 10.4 | <u>First Lien Guarantee and Collateral Agreement, dated as of April 9, 2014, made by Atkore International Holdings Inc., Atkore International, Inc., and certain subsidiaries of Atkore International, Inc. from time to time party thereto, in favor of Deutsche Bank AG New York Branch, as collateral agent and administrative agent for the banks and other financial institutions from time to time parties to the First Lien Credit Agreement, incorporated by reference to Exhibit 10.5 to Atkore International Group Inc.'s Registration Statement on Form S-1 filed on April 15, 2016.</u> |
| 10.4.1 | <u>Second Amendment to First Lien Credit Agreement and First Amendment to and Reaffirmation of Guarantee and Collateral Agreement, dated as of December 22, 2016, among Atkore International, Inc., Deutsche Bank AG New York Branch, as administrative agent, the other loan parties party thereto and the several banks and other financial institutions party thereto, incorporated by reference to Exhibit 10.1 to Atkore International Group Inc.'s Current Report on Form 8-K filed on December 22, 2016.</u> |
| 10.5 | <u>Intercreditor Agreement, dated as of December 22, 2010, between UBS AG, Stamford Branch, in its capacity as collateral agent for the ABL Credit Agreement lenders and Wilmington Trust FSB, in its capacity as collateral agent for the Noteholder Secured Parties, incorporated by reference to Exhibit 10.9 to AIH's Registration Statement on Form S-4 filed on August 12, 2011.</u> |
| 10.5.1 | <u>First Amendment and Waiver, dated as of April 9, 2014, to the Intercreditor Agreement, dated as of December 22, 2010, among UBS AG, Stamford Branch, in its capacity as ABL Agent and Deutsche Bank AG New York Branch, in its capacity as Note Agent, incorporated by reference to Exhibit 10.7.1 to Atkore International Group Inc.'s Registration Statement on Form S-1 filed on April 15, 2016.</u> |
| 10.6 | <u>Amended and Restated Credit Agreement, dated as of August 28, 2020, among Atkore International, Inc., the subsidiary borrowers from time to time party thereto, the several banks and other financial institutions from time to time party thereto and Wells Fargo Bank, National Association, as swingline lender, issuing lender, administrative agent and collateral agent, incorporated by reference to Exhibit 10.1 to Atkore International Group Inc.'s Current Report on Form 8-K filed on September 1, 2020.</u> |

- 10.7 [Amended and Restated Guarantee and Collateral Agreement, dated as of August 28, 2020, made by Atkore International Holdings Inc., Atkore International, Inc. and certain of its subsidiaries from time to time party thereto, in favor of Wells Fargo Bank, National Association, as collateral agent and administrative agent, incorporated by reference to Exhibit 10.2 to Atkore International Group Inc.'s Current Report on Form 8-K filed on September 1, 2020.](#)
- 10.8 [Canadian Guarantee and Collateral Agreement, dated as of August 28, 2020, made by Columbia-MBF Inc., in favor of Wells Fargo Bank, National Association, as collateral agent and administrative agent, incorporated by reference to Exhibit 10.3 to Atkore International Group Inc.'s Current Report on Form 8-K filed on September 1, 2020.](#)
- 10.9 [Canadian Term Loan Guarantee and Collateral Agreement, dated as of August 28, 2020, made by Columbia-MBF Inc. and certain subsidiaries of Atkore International, Inc. from time to time party thereto, in favor of Deutsche Bank AG New York Branch, as collateral agent, incorporated by reference to Exhibit 10.4 to Atkore International Group Inc.'s Current Report on Form 8-K filed on September 1, 2020.](#)
- 10.06† [Severance Policy, dated May 9, 2012, incorporated by reference to Exhibit 10.21 to AIH's Annual Report on Form 10-K for the year ended September 23, 2012.](#)
- 10.07† [Atkore International Group Inc. Stock Incentive Plan, incorporated by reference to Exhibit 10.15 to AIH's Registration Statement on Form S-4 filed on June 3, 2011.](#)
- 10.08† [Form of Employee Stock Option Agreement, incorporated by reference to Exhibit 10.16 to AIH's Registration Statement on Form S-4 filed on June 3, 2011.](#)
- 10.09† [Form of Employee Stock Subscription Agreement \(Purchased Shares\), incorporated by reference to Exhibit 10.17 to AIH's Registration Statement on Form S-4 filed on June 3, 2011.](#)
- 10.10† [Form of Director Indemnification Agreement, incorporated by reference to Exhibit 10.25 to Atkore International Group Inc.'s Registration Statement on Form S-1 filed on May 5, 2016.](#)
- 10.10.1† [Schedule of Signatories to a Director Indemnification Agreement.](#)
- 10.11† [Atkore International Group Inc. Annual Incentive Plan, incorporated by reference to Exhibit 10.26 to Atkore International Group Inc.'s Registration Statement on Form S-1 filed on May 5, 2016.](#)
- 10.12† [Atkore International Group Inc. 2020 Omnibus Incentive Plan, incorporated by reference to Annex A to Atkore International Group Inc.'s Definitive Proxy Statement on Schedule 14A filed on December 13, 2019.](#)
- 10.12.1† [Form of Employee Stock Option Agreement under the 2016 Omnibus Incentive Plan, incorporated by reference to Exhibit 10.28.1 to Atkore International Group Inc.'s Registration Statement on Form S-1 filed on May 5, 2016.](#)
- 10.12.2† [Form of Employee Restricted Stock Agreement under the 2016 Omnibus Incentive Plan, incorporated by reference to Exhibit 10.28.2 to Atkore International Group Inc.'s Registration Statement on Form S-1 filed on May 5, 2016.](#)
- 10.13† [Atkore International Group Inc. Non-Employee Director Compensation Program, incorporated by reference to Exhibit 10.29 to Atkore International Group Inc.'s Registration Statement on Form S-1 filed on May 5, 2016.](#)
- 10.14† [Form of Director Restricted Stock Unit Agreement under the 2016 Omnibus Equity Incentive Plan, incorporated by reference to Exhibit 10.30 to Atkore International Group Inc.'s Registration Statement on Form S-1 filed on May 5, 2016.](#)
- 10.15† [Form of Employee Stock Option Agreement under the Omnibus Incentive Plan, incorporated by reference to Exhibit 10.3 to Atkore International Group Inc.'s Quarterly Report on Form 10-Q for the quarter ended December 31, 2016, as amended.](#)
- 10.16† [Form of Employee Restricted Stock Agreement under the Omnibus Incentive Plan, incorporated by reference to Exhibit 10.4 to Atkore International Group Inc.'s Quarterly Report on Form 10-Q for the quarter ended December 31, 2016, as amended.](#)
- 10.17† [Form of Employee Performance Share Agreement under the Omnibus Incentive Plan, incorporated by reference to Exhibit 10.5 to Atkore International Group Inc.'s Quarterly Report on Form 10-Q for the quarter ended December 31, 2016, as amended.](#)

| | |
|----------|--|
| 10.18† | Severance and Retention Policy for Senior Management, effective July 10, 2017, incorporated by reference to Exhibit 10.1 to Atkore International Group Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2017. |
| 10.19 | Stock Purchase Agreement, dated January 19, 2018, by and among Atkore International Group Inc. and CD&R Allied Holdings, L.P., incorporated by reference to Exhibit 10.1 to Atkore International Group Inc.'s Current Report on Form 8-K filed on January 22, 2018. |
| 10.20 | Commitment Letter, dated January 19, 2018, by and among Atkore International Group Inc., Deutsche Bank AG New York Branch and Deutsche Bank Securities Inc. incorporated by reference to Exhibit 10.2 to Atkore International Group Inc.'s Current Report on Form 8-K filed on January 22, 2018. |
| 10.21 | Letter Agreement, dated as of January 24, 2018, by and among Atkore International, Inc., Deutsche Bank AG New York Branch, Deutsche Bank Securities, Inc., JPMorgan Chase Bank, N.A., UBS Securities LLC and UBS AG, Stamford Branch, incorporated by reference to Exhibit 10.1 to Atkore International Group Inc.'s Current Report on Form 8-K filed on January 24, 2018. |
| 10.22 | Letter Agreement, dated May 4, 2018, by and among William Waltz, Atkore International Inc. and Atkore International Group Inc., incorporated by reference to Exhibit 10.1 to Atkore International Group Inc.'s Quarterly Report on Form 10-Q filed on August 7, 2018. |
| 10.23 | Succession agreement dated June 7, 2019, incorporated by reference to Exhibit 10.1 to Atkore International Group Inc.'s Quarterly Report on Form 10-Q filed on August 7, 2019. |
| 21.1* | List of Subsidiaries of Atkore International Group Inc. as of September 30, 2020. |
| 23.1* | Consent of Deloitte & Touche LLP. |
| 31.1* | Certification of Chief Executive Officer of Atkore International Group Inc. pursuant to Rule 13a-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2* | Certification of Chief Financial Officer of Atkore International Group Inc. pursuant to Rule 13a-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1* | Certification of Chief Executive Officer of Atkore International Group Inc. pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2* | Certification of Chief Financial Officer of Atkore International Group Inc. pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS* | XBRL Instance Document (formatted as inline XBRL) |
| 101.SCH* | XBRL Taxonomy Extension Schema (formatted as inline XBRL) |
| 101.CAL* | XBRL Taxonomy Extension Calculation Linkbase |
| 101.DEF* | XBRL Taxonomy Extension Definition Linkbase |
| 101.LAB* | XBRL Taxonomy Extension Label Linkbase |
| 101.PRE* | XBRL Extension Presentation Linkbase |

104 Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* Filed herewith.

† Identifies each management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ATKORE INTERNATIONAL GROUP INC.

(Registrant)

Date: November 19, 2020 By: /s/ David P. Johnson
Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: November 19, 2020 By: /s/ Michael V. Schrock
Name: Michael V. Schrock
Title: Director and Chairman of the Board

Date: November 19, 2020 By: /s/ William E. Waltz
Name: William E. Waltz
Title: President and Chief Executive Officer, Director (Principal Executive Officer)

Date: November 19, 2020 By: /s/ David P. Johnson
Name: David P. Johnson
Title: Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

Date: November 19, 2020 By: /s/ Betty R. Johnson
Name: Betty R. Johnson
Title: Director

Date: November 19, 2020 By: /s/ Jeri L. Isbell
Name: Jeri L. Isbell
Title: Director

Date: November 19, 2020 By: /s/ Wilbert W. James Jr.
Name: Wilbert W. James Jr.
Title: Director

Date: November 19, 2020 By: /s/ Justin A. Kershaw
Name: Justin A. Kershaw
Title: Director

Date: November 19, 2020 By: /s/ Scott H. Muse
Name: Scott H. Muse
Title: Director

Date: November 19, 2020 By: /s/ William VanArsdale
Name: William VanArsdale
Title: Director

Date: November 19, 2020 By: /s/ A. Mark Zeffiro
Name: A. Mark Zeffiro
Title: Director

SCHEDULE I
ATKORE INTERNATIONAL GROUP INC. (PARENT)
CONDENSED FINANCIAL INFORMATION
CONDENSED BALANCE SHEETS

| (in thousands, except share and per share data) | September 30, 2020 | September 30, 2019 |
|--|---------------------------|---------------------------|
| Assets | | |
| Investment in subsidiary | \$ 378,410 | \$ 232,936 |
| Total Assets | 378,410 | 232,936 |
| Liabilities and Equity | | |
| Total Liabilities | \$ — | \$ — |
| Equity: | | |
| Common stock, \$0.01 par value, 1,000,000,000 shares authorized, 47,407,023 and 46,955,163 shares issued and outstanding, respectively | \$ 475 | \$ 471 |
| Treasury stock, held at cost, 260,900 and 260,900 shares, respectively | (2,580) | (2,580) |
| Additional paid-in capital | 487,223 | 477,139 |
| Accumulated deficit | (64,154) | (200,396) |
| Accumulated other comprehensive loss | (42,554) | (41,698) |
| Total Equity | 378,410 | 232,936 |
| Total Liabilities and Equity | \$ 378,410 | \$ 232,936 |

See Notes to Condensed Financial Information

SCHEDULE I
ATKORE INTERNATIONAL GROUP INC. (PARENT)
CONDENSED FINANCIAL INFORMATION
CONDENSED STATEMENTS OF OPERATIONS

| <u>(in thousands)</u> | Fiscal Year Ended | | |
|---|--------------------|--------------------|--------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Equity in net income of subsidiary | \$ 152,302 | \$ 139,051 | \$ 136,645 |
| Net income | 152,302 | 139,051 | 136,645 |
| Other comprehensive (loss) income of subsidiary, net of tax | (856) | (22,927) | 1,544 |
| Comprehensive income | <u>\$ 151,446</u> | <u>\$ 116,124</u> | <u>\$ 138,189</u> |

See Notes to Condensed Financial Information

SCHEDULE I
ATKORE INTERNATIONAL GROUP INC. (PARENT)
CONDENSED FINANCIAL INFORMATION
CONDENSED STATEMENTS OF CASH FLOWS

| (in thousands) | For the Year Ended | | |
|---|--------------------|--------------------|--------------------|
| | September 30, 2020 | September 30, 2019 | September 30, 2018 |
| Cash Flows from Operating Activities: | | | |
| Net cash provided by operating activities | \$ — | \$ — | \$ — |
| Cash Flows from Investing Activities: | | | |
| Distribution received from subsidiary | 17,983 | 24,419 | 411,775 |
| Distribution paid to subsidiary | — | (7,374) | (20,110) |
| Net cash provided by investing activities | 17,983 | 17,045 | 391,665 |
| Cash Flows from Financing Activities: | | | |
| Issuance of common stock, net of taxes withheld | (2,972) | 7,374 | 20,110 |
| Repurchase of common shares | (15,011) | (24,419) | (411,775) |
| Net cash used in financing activities | (17,983) | (17,045) | (391,665) |
| Net change in cash and cash equivalents | — | — | — |
| Cash and cash equivalents: | | | |
| Beginning | — | — | — |
| Ending | \$ — | \$ — | \$ — |

See Notes to Condensed Financial Information

SCHEDULE I
ATKORE INTERNATIONAL GROUP INC. (PARENT)
CONDENSED FINANCIAL INFORMATION
NOTES TO CONDENSED FINANCIAL INFORMATION
(dollars in thousands)

1. Description of Atkore International Group Inc.

Atkore International Group Inc. (the "Company," "Parent" or "Atkore") was incorporated in the State of Delaware on November 4, 2010. The Company is the stockholder of Atkore International Holdings Inc. ("AIH"), which is the sole stockholder of Atkore International, Inc. ("AII"). Prior to the transactions described below, all of the capital stock of AII was owned by Tyco International Ltd. ("Tyco"). The business of AII was operated as the Tyco Electrical and Metal Products ("TEMP") business of Tyco. Atkore was initially formed by Tyco as a holding company to hold ownership of TEMP.

On November 9, 2010, Tyco announced that it had entered into an agreement to sell a majority interest in TEMP to CD&R Allied Holdings, L.P. (the "CD&R Investor"), an affiliate of the private equity firm Clayton Dubilier & Rice, LLC ("CD&R"). On December 22, 2010, the transaction was completed and CD&R acquired shares of a newly created class of cumulative convertible preferred stock (the "Preferred Stock") of the Company. The Preferred Stock initially represented 51% of the Company's outstanding capital stock (on an as-converted basis). On December 22, 2010, the Company also issued common stock (the "Common Stock") to Tyco's wholly owned subsidiary, Tyco International Holding S.à.r.l. ("Tyco Seller"), that initially represented the remaining 49% of the Company's outstanding capital stock. Subsequent to December 22, 2010, the Company has operated as an independent, stand-alone entity.

On March 6, 2014, the Company entered into a non-binding letter of intent (the "Letter of Intent") with Tyco for the acquisition (the "Acquisition") of 40.3 million shares of Common Stock held by Tyco Seller. On April 9, 2014, the Company paid \$250,000 to Tyco Seller to redeem the shares, which were subsequently retired. The Company paid \$2,000 of expenses related to the share redemption.

In a separate transaction on the same date, the CD&R Investor converted its Preferred Stock and accumulated Preferred Dividends into Common Stock. As a result, Common Stock is the Company's sole issued and outstanding class of securities.

The Parent has no significant operations or assets other than its indirect ownership of the equity of AII. Accordingly, the Parent is dependent upon distributions from AII to fund its obligations. However, under the terms of the agreements governing AII's borrowings, AII's ability to pay dividends or lend to Atkore Holding or the Parent, is restricted. While certain exceptions to the paying dividends or lending funds restrictions exist, these restrictions have resulted in the restricted net assets (as defined in Rule 4-08(e)(3) of Regulation S-X) of the Company's subsidiaries exceeding 25% of the consolidated net assets of the Company and its subsidiaries. Atkore Holding has no obligations to pay dividends to the Parent except to pay specified amounts to Parent in order to fund the payment of the Parent's tax obligations.

2. Basis of Presentation

The accompanying condensed Parent only financial statements are required in accordance with Rule 4-08(e)(3) of Regulation S-X. The financial statements include the amounts of the Parent and its investment in its subsidiaries under the equity method and does not present the financial statements of the Parent and its subsidiaries on a consolidated basis. Under the equity method, investment in its subsidiaries is stated at cost plus contributions and equity in undistributed income (loss) of subsidiary less distributions received since the date of acquisition. These condensed Parent only financial statements should be read in conjunction with the Atkore International Group Inc. consolidated financial statements and their accompanying notes.

3. Dividends and Distributions from Subsidiaries

The Company received distributions of \$17,983, \$24,419, and \$411,775 from its subsidiaries for the years ended September 30, 2020, September 30, 2019 and September 30, 2018, respectively. The distributions received in fiscal 2019, 2018 and 2017 were used to repurchase shares of the Company's common stock. These dividends were permissible under an exception to the net asset restrictions of the agreements governing AII's borrowings, which allow for dividend payments from AII to AIH or the Parent for the purpose of repurchasing shares of Parent's common stock.

SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS

| (in thousands) | Balance at Beginning of Year | Additional (Charges)/Benefit to Income | Write offs and Other | Balance at End of Year |
|---|---|---|---------------------------------|-----------------------------------|
| Accounts Receivable Allowance for Doubtful Accounts: | | | | |
| For the fiscal year ended: | | | | |
| 2020 | \$ (2,608) | (1,990) | 1,431 | \$ (3,167) |
| 2019 | \$ (1,762) | (970) | 124 | \$ (2,608) |
| 2018 | \$ (1,239) | (389) | (134) | \$ (1,762) |
| Deferred Tax Valuation Allowance: | | | | |
| For the fiscal year ended: | | | | |
| 2020 | \$ (7,764) | (2,047) | (392) | \$ (10,203) |
| 2019 | \$ (7,427) | (346) | 9 | \$ (7,764) |
| 2018 | \$ (9,512) | 428 | 1,657 | \$ (7,427) |

ATKORE INTERNATIONAL GROUP INC.
Significant Subsidiaries
As of September 30, 2020

| Entity Name | Jurisdiction of Incorporation |
|---|--------------------------------------|
| Acroba S.A.S. | France |
| AFC Cable Systems, Inc. | Delaware |
| Allied Luxembourg S.a.r.l. | Luxembourg |
| Allied Metal Products (Changshu) Co., Ltd. | China |
| Allied Products UK Limited | United Kingdom |
| Allied Switzerland GmbH | Switzerland |
| Allied Tube & Conduit Corporation | Delaware |
| American Pipe & Plastics Holdings Group, Inc. | Delaware |
| American Pipe & Plastics, Inc. | New York |
| Atkore Construction Technologies NZ Limited | New Zealand |
| Atkore Foreign Holdings Inc. | Delaware |
| Atkore Holding IX (Denmark) Aps | Denmark |
| Atkore International Holdings Inc. | Delaware |
| Atkore International, Inc. | Delaware |
| Atkore Metal Products Pte Ltd. | Singapore |
| Atkore Plastic Pipe Corporation | Delaware |
| Atkore RMCP, Inc. | Delaware |
| Atkore Steel Components, Inc. | Delaware |
| Calpipe Industries, LLC | California |
| Columbia-MBF Inc. | Canada |
| FlexHead Industries, Inc. | Massachusetts |
| Flexicon Australia PTY Limited | Australia |
| Flexicon Limited | United Kingdom |
| Flytec Systems Limited | United Kingdom |
| Georgia Pipe Company | Georgia |
| Kalanda Enterprises Pty Limited | Australia |
| Marco Cable Management Limited | United Kingdom |
| Marco Gearing Limited | United Kingdom |
| Modern Associates Limited | United Kingdom |
| SprinkFLEX, LLC | Massachusetts |
| Standard Industries Co., Limited | Hong Kong |
| Swan Metal Skirtings Pty Limited | Australia |
| Tekflex Limited | United Kingdom |
| TKN, Inc. | Rhode Island |
| Unistrut (New Zealand) Holdings Pty Limited | Australia |
| Unistrut Australia Pty Limited | Australia |
| Unistrut International Corporation | Nevada |
| Unistrut Limited | United Kingdom |
| US Tray, Inc. | Delaware |
| Vergo Coating BVBA | Belgium |
| Vergo Galva NV | Belgium |
| Vergokan International NV | Belgium |
| Vergokan NV | Belgium |
| Vergokan OOO | Russia |
| Vergokan SAS | France |
| WPFY, Inc. | Delaware |

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-212045 on Form S-8 of our reports dated November 19, 2020, relating to the consolidated financial statements and financial statement schedules of Atkore International Group Inc. and subsidiaries, and the effectiveness of Atkore International Group Inc. and subsidiaries' internal control over financial reporting, appearing in this Annual Report on Form 10-K for the year ended September 30, 2020.

/s/ Deloitte & Touche LLP

Chicago, Illinois
November 19, 2020

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) OF THE EXCHANGE ACT, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, William E. Waltz, certify that:

1. I have reviewed this Annual Report on Form 10-K of Atkore International Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 19, 2020

/s/ William E. Waltz

William E. Waltz

President and Chief Executive Officer, Director (Principal Executive Officer)

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) OF THE EXCHANGE ACT, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David P. Johnson, certify that:

1. I have reviewed this Annual Report on Form 10-K of Atkore International Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 19, 2020

/s/ David P. Johnson

David P. Johnson

Vice President and Chief Financial Officer (Principal Financial Officer)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, William E. Waltz, the Chief Executive Officer of Atkore International Group Inc., certify that (i) the Annual Report on Form 10-K for the fiscal year ended September 30, 2020, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in such Annual Report on Form 10-K fairly presents, in all material respects, the financial condition and results of operations of Atkore International Group Inc.

Dated: November 19, 2020 /s/ William E. Waltz

William E. Waltz
President and Chief Executive Officer, Director (Principal Executive Officer)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, David P. Johnson, the Chief Financial Officer of Atkore International Group Inc., certify that (i) the Annual Report on Form 10-K for the fiscal year ended September 30, 2020, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in such Annual Report on Form 10-K fairly presents, in all material respects, the financial condition and results of operations of Atkore International Group Inc.

Dated: November 19, 2020 /s/ David P. Johnson

David P. Johnson
Vice President and Chief Financial Officer (Principal Financial Officer)