

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**  
Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report: February 15, 2022  
(Date of earliest event reported)

**ALBANY INTERNATIONAL CORP.**

(Exact name of registrant as specified in its charter)

|   |   |   |
|---|---|---|
| <b>Delaware</b><br>(State or other jurisdiction<br>of incorporation)                          | <b>1-10026</b><br>(Commission<br>File Number) | <b>14-0462060</b><br>(I.R.S Employer<br>Identification No.) |
| <b>216 Airport Drive Rochester, New Hampshire</b><br>(Address of principal executive offices) |   | <b>03867</b><br>(Zip Code)                                  |
| Registrant's telephone number, including area code  |   | 603-330-5850  |
| None  |   |   |
| (Former name or former address, if changed since last report.)                                |   |   |

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

| <b>Title of each class</b>                           | <b>Trading<br/>Symbol(s)</b> | <b>Name of each exchange<br/>on which registered</b> |
|--|------------------------------|--|
| Class A Common Stock, \$0.001 par value<br>per share | AIN                          | The New York Stock Exchange (NYSE)                   |
| Class B Common Stock, \$0.001 par value<br>per share | AIN                          | The New York Stock Exchange (NYSE)                   |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act 1933 (230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (240.12b-2 of this chapter).

- Emerging growth company

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.

**Item 2.02. Results of Operations and Financial Condition.**

On February 15, 2022 Albany International issued a news release reporting fourth quarter 2021 financial results. The Company will host a webcast to discuss earnings at 9:00 a.m. Eastern Time on Wednesday February 16, 2022. The news release is furnished as Exhibit 99.1 to this report.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits. The following exhibit is being furnished herewith:

99.1 News release dated February 15, 2022 reporting fourth-quarter 2021 financial results.

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**ALBANY INTERNATIONAL CORP.**

By: /s/ Stephen M. Nolan

Name: Stephen M. Nolan  
Title: Chief Financial Officer and Treasurer  
(Principal Financial Officer)

Date: February 15, 2022

**EXHIBIT INDEX**

| <b><u>Exhibit No.</u></b> | <b><u>Description</u></b>   |
|---------------------------|---|
| 99.1                      | <a href="#">News release dated February 15, 2022 reporting fourth-quarter 2021 financial results.</a> |
| 104                       | Inline XBRL cover page.   |

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## Albany International Reports Fourth-Quarter 2021 Results

ROCHESTER, N.H.— (BUSINESS WIRE) -- February 15, 2022 — Albany International Corp. (NYSE:AIN) today reported operating results for its fourth quarter of 2021, which ended December 31, 2021.

"We are pleased to report another strong quarter, capping a great year in 2021," said Bill Higgins, President and Chief Executive Officer. "Our employees performed remarkably well throughout the year serving customers, winning new business, developing new products, and navigating supply chain and COVID challenges. For the year the Company generated record free cash flow and very healthy Adjusted EBITDA margins. The team has continued to demonstrate world-class operational performance in delivery, quality, and safety."

"Our Machine Clothing segment's execution and financial results continue to be exceptional. On strong sales and productivity, the segment's Adjusted EBITDA of approximately \$237 million was a record."

"Our Engineered Composites segment also performed very well in a challenging environment, with revenues of \$310 million and Adjusted EBITDA margins of 22%. The segment is winning significant new business, including the award of additional content on the CH-53K helicopter valued at more than \$300 million, and is building a foundation for long-term growth with development efforts on next-generation engine and airframe programs."

### For the fourth quarter ended December 31, 2021:

- Net sales were \$239.9 million, up 5.8%, or 6.4% after adjusting for currency translation, when compared to the prior year.
- Gross profit of \$96.1 million was 5.2% higher than the \$91.3 million reported for the same period of 2020.
- Selling, Technical, General, and Research (STG&R) expenses were \$53.2 million, compared to \$54.8 million in the same period of 2020.
- Operating income was \$41.7 million, compared to \$35.0 million in the prior year, an increase of 19.3%.
- The effective tax rate was 27.3%, compared to 13.5% for the fourth quarter of 2020. Fourth quarter 2020 effective tax rate was abnormally low due to the inclusion of a significant true up of earlier quarters' provisions.
- Net income attributable to the Company was \$28.6 million (\$0.89 per share), compared to \$27.5 million (\$0.85 per share) in the fourth quarter of 2020. Adjusted earnings per share (or Adjusted EPS, a non-GAAP measure) was \$0.86 per share, compared to \$0.89 per share for the same period of last year.
- Adjusted EBITDA (a non-GAAP measure) was \$60.6 million, compared to \$57.3 million in the fourth quarter of 2020, an increase of 5.8%.

Please see the tables below for a reconciliation of non-GAAP measures to their comparable GAAP measures.

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"We are in a solid position as we enter 2022," said Stephen Nolan, Chief Financial Officer. "We expect to sustain strong results despite the supply chain challenges and inflationary pressures we are facing as we enter the year. The Company is well positioned with a solid business base and advanced technologies that spur long-term growth."

#### Outlook for Full-Year 2022

Albany International announces its initial financial guidance for the full-year 2022:

- Total company revenue between \$920 and \$960 million;
  - Effective income tax rate, including tax adjustments, between 29% and 31%;
  - Total company depreciation and amortization of approximately \$75 million;
  - Capital expenditures in the range of \$75 to \$85 million;
  - GAAP and Adjusted earnings per share between \$2.80 and \$3.30;
  - Total company Adjusted EBITDA between \$215 to \$245 million;
  - Machine Clothing revenue between \$590 to \$610 million;
  - Machine Clothing Adjusted EBITDA between \$205 and \$225 million;
  - Albany Engineered Composites (AEC) revenue between \$330 to \$350 million; and
  - Albany Engineered Composites Adjusted EBITDA between \$65 to \$75 million.
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ALBANY INTERNATIONAL CORP.  
CONSOLIDATED STATEMENTS OF INCOME  
(in thousands, except per share amounts)  
(unaudited)

|   | Three Months Ended<br>December 31, |            | Twelve Months Ended<br>December 31, |            |
|---|------------------------------------|------------|-------------------------------------|------------|
|   | 2021                               | 2020       | 2021                                | 2020       |
| Net sales   | \$ 239,918                         | \$ 226,857 | \$ 929,240                          | \$ 900,610 |
| Cost of goods sold  | 143,843                            | 135,539    | 550,849                             | 529,538    |
| Gross profit  | 96,075                             | 91,318     | 378,391                             | 371,072    |
| Selling, general, and administrative expenses                     | 43,228                             | 45,742     | 160,127                             | 163,909    |
| Technical and research expenses                                   | 10,006                             | 9,043      | 38,922                              | 35,347     |
| Restructuring expenses, net                                       | 1,101                              | 1,547      | 1,331                               | 5,736      |
| Operating income  | 41,740                             | 34,986     | 178,011                             | 166,080    |
| Interest expense, net   | 3,370                              | 3,542      | 14,891                              | 13,584     |
| Aviation Manufacturing Jobs Protection (AMJP) grant               | —                                  | —          | (5,832)                             | —          |
| Other expense/(income), net                                       | (1,194)                            | (493)      | 3,021                               | 13,422     |
| Income before income taxes  | 39,564                             | 31,937     | 165,931                             | 139,074    |
| Income tax expense  | 10,788                             | 4,327      | 47,163                              | 41,831     |
| Net income  | 28,776                             | 27,610     | 118,768                             | 97,243     |
| Net income/(loss) attributable to the noncontrolling interest     | 140                                | 73         | 290                                 | (1,346)    |
| Net income attributable to the Company                            | \$ 28,636                          | \$ 27,537  | \$ 118,478                          | \$ 98,589  |
| Earnings per share attributable to Company shareholders - Basic   | \$ 0.89                            | \$ 0.85    | \$ 3.66                             | \$ 3.05    |
| Earnings per share attributable to Company shareholders - Diluted | \$ 0.88                            | \$ 0.85    | \$ 3.65                             | \$ 3.05    |
| Shares of the Company used in computing earnings per share:       |                                    |            |                                     |            |
| Basic   | 32,285                             | 32,339     | 32,348                              | 32,329     |
| Diluted   | 32,398                             | 32,365     | 32,463                              | 32,356     |
| Dividends declared per share, Class A and Class B                 | \$ 0.21                            | \$ 0.20    | \$ 0.81                             | \$ 0.77    |

ALBANY INTERNATIONAL CORP.  
CONSOLIDATED BALANCE SHEETS  
(in thousands, except share data)  
(unaudited)

|  | December 31, 2021 | December 31, 2020 |
|--|-------------------|-------------------|
| <b>ASSETS</b>  |                   |                   |
| Cash and cash equivalents  | \$ 302,036        | \$ 241,316        |
| Accounts receivable, net   | 191,985           | 188,423           |
| Contract assets, net   | 112,546           | 139,289           |
| Inventories  | 117,882           | 110,478           |
| Income taxes prepaid and receivable  | 1,958             | 5,940             |
| Prepaid expenses and other current assets  | 32,394            | 31,830            |
| Total current assets   | \$ 758,801        | \$ 717,276        |
| Property, plant and equipment, net   | 436,417           | 448,554           |
| Intangibles, net   | 39,081            | 46,869            |
| Goodwill   | 182,124           | 187,553           |
| Deferred income taxes  | 26,376            | 38,757            |
| Noncurrent receivables, net  | 31,849            | 36,265            |
| Other assets   | 81,416            | 74,662            |
| Total assets   | \$ 1,556,064      | \$ 1,549,936      |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>  |                   |                   |
| Accounts payable   | \$ 68,954         | \$ 49,173         |
| Accrued liabilities  | 124,325           | 125,459           |
| Current maturities of long-term debt   | —                 | 9                 |
| Income taxes payable   | 14,887            | 16,222            |
| Total current liabilities  | 208,166           | 190,863           |
| Long-term debt   | 350,000           | 398,000           |
| Other noncurrent liabilities   | 107,794           | 130,424           |
| Deferred taxes and other liabilities   | 12,499            | 10,784            |
| Total liabilities  | 678,459           | 730,071           |
| <b>SHAREHOLDERS' EQUITY</b>  |                   |                   |
| Preferred stock, par value \$5.00 per share; authorized 2,000,000 shares; none issued  | —                 | —                 |
| Class A Common Stock, par value \$.001 per share; authorized 100,000,000 shares; 40,760,577 issued in 2021 and 39,115,405 in 2020        | 41                | 39                |
| Class B Common Stock, par value \$.001 per share; authorized 25,000,000 shares; issued and outstanding 104 in 2021 and 1,617,998 in 2020 | —                 | 2                 |
| Additional paid in capital   | 436,996           | 433,696           |
| Retained earnings  | 863,057           | 770,746           |
| Accumulated items of other comprehensive income:   |                   |                   |
| Translation adjustments  | (105,880)         | (83,203)          |
| Pension and postretirement liability adjustments   | (38,490)          | (39,661)          |
| Derivative valuation adjustment  | (1,614)           | (9,544)           |
| Treasury stock (Class A), at cost; 8,665,090 shares in 2021 and 8,391,011 in 2020  | (280,143)         | (256,009)         |
| Total Company shareholders' equity   | 873,967           | 816,066           |
| Noncontrolling interest  | 3,638             | 3,799             |
| Total equity   | 877,605           | 819,865           |
| Total liabilities and shareholders' equity   | \$ 1,556,064      | \$ 1,549,936      |

ALBANY INTERNATIONAL CORP.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(in thousands)  
(unaudited)

|   | Three Months Ended December<br>31, |                   | Twelve Months Ended December<br>31, |                   |
|---|------------------------------------|-------------------|-------------------------------------|-------------------|
|   | 2021                               | 2020              | 2021                                | 2020              |
| <b>OPERATING ACTIVITIES</b>   |                                    |                   |                                     |                   |
| Net income  | \$ 28,776                          | \$ 27,610         | \$ 118,768                          | \$ 97,243         |
| Adjustments to reconcile net income to net cash provided by operating activities: |                                    |                   |                                     |                   |
| Depreciation  | 16,645                             | 16,039            | 65,130                              | 63,328            |
| Amortization  | 2,263                              | 2,360             | 9,125                               | 9,377             |
| Change in deferred taxes and other liabilities                                    | 5,159                              | (1,333)           | 12,181                              | 11,101            |
| Impairment of property, plant and equipment                                       | 293                                | 637               | 856                                 | 1,173             |
| Non-cash interest expense   | 282                                | (152)             | 875                                 | (290)             |
| Write-off of pension liability adjustments due to settlement/curtailment          | —                                  | 411               | —                                   | 411               |
| Compensation and benefits paid or payable in Class A Common Stock                 | 914                                | 909               | 3,146                               | 1,505             |
| Provision for credit losses from uncollected receivables and contract assets      | (141)                              | (36)              | (1,299)                             | 1,628             |
| Foreign currency remeasurement (gain)/loss on intercompany loans                  | (2,599)                            | (1,504)           | (3,150)                             | 14,246            |
| Fair value adjustment on foreign currency options                                 | —                                  | —                 | 169                                 | —                 |
| Changes in operating assets and liabilities that provided/(used) cash:            |                                    |                   |                                     |                   |
| Accounts receivable   | 6,558                              | 25,453            | (7,734)                             | 31,522            |
| Contract assets   | 3,276                              | (31,190)          | 25,446                              | (59,122)          |
| Inventories   | (104)                              | 6,358             | (9,942)                             | (13,685)          |
| Prepaid expenses and other current assets   | (3,442)                            | (822)             | (998)                               | (7,811)           |
| Income taxes prepaid and receivable   | 1,536                              | 775               | 3,944                               | 113               |
| Accounts payable  | 5,180                              | (95)              | 9,492                               | (15,586)          |
| Accrued liabilities   | 11,537                             | 4,207             | (774)                               | (3,856)           |
| Income taxes payable  | 608                                | 2,198             | (477)                               | 5,939             |
| Noncurrent receivables  | 1,523                              | 3,989             | 4,355                               | 4,158             |
| Other noncurrent liabilities  | (8,131)                            | (2,024)           | (13,713)                            | (2,437)           |
| Other, net  | (1,157)                            | 2,770             | 2,075                               | 1,296             |
| Net cash provided by operating activities   | <u>68,976</u>                      | <u>56,560</u>     | <u>217,475</u>                      | <u>140,253</u>    |
| <b>INVESTING ACTIVITIES</b>   |                                    |                   |                                     |                   |
| Purchases of property, plant and equipment  | (21,039)                           | (10,143)          | (52,793)                            | (41,463)          |
| Purchased software  | (512)                              | (772)             | (906)                               | (927)             |
| Net cash used in investing activities   | <u>(21,551)</u>                    | <u>(10,915)</u>   | <u>(53,699)</u>                     | <u>(42,390)</u>   |
| <b>FINANCING ACTIVITIES</b>   |                                    |                   |                                     |                   |
| Proceeds from borrowings  | —                                  | 5,000             | 8,000                               | 75,000            |
| Principal payments on debt  | —                                  | (25,004)          | (56,009)                            | (101,020)         |
| Principal payments on finance lease liabilities                                   | (371)                              | (416)             | (1,438)                             | (7,214)           |
| Debt acquisition costs  | —                                  | (2,432)           | —                                   | (2,432)           |
| Purchase of Treasury shares   | (23,449)                           | —                 | (23,449)                            | —                 |
| Taxes paid in lieu of share issuance  | —                                  | —                 | (998)                               | (490)             |
| Proceeds from options exercised   | —                                  | 30                | 153                                 | 55                |
| Dividends paid  | (6,476)                            | (6,144)           | (25,894)                            | (24,568)          |
| Net cash used in financing activities   | <u>(30,296)</u>                    | <u>(28,966)</u>   | <u>(99,635)</u>                     | <u>(60,669)</u>   |
| Effect of exchange rate changes on cash and cash equivalents                      | <u>(1,310)</u>                     | <u>9,333</u>      | <u>(3,421)</u>                      | <u>8,582</u>      |
| Increase in cash and cash equivalents   | 15,819                             | 26,012            | 60,720                              | 45,776            |
| Cash and cash equivalents at beginning of period                                  | 286,217                            | 215,304           | 241,316                             | 195,540           |
| Cash and cash equivalents at end of period  | <u>\$ 302,036</u>                  | <u>\$ 241,316</u> | <u>\$ 302,036</u>                   | <u>\$ 241,316</u> |

Financial tables and reconciliation of non-GAAP measures to comparable GAAP measures

The following tables present Net sales and the effect of changes in currency translation rates:

| (in thousands, except percentages) | Net sales as reported, Q4 2021 | (Decrease) due to changes in currency translation rates | Q4 2021 sales on same basis as Q4 2020 currency translation rates | Net sales as reported, Q4 2020 | % Change compared to Q4 2020, excluding currency rate effects |
|------------------------------------|--------------------------------|---|---|--------------------------------|---|
| Machine Clothing                   | \$ 156,717                     | \$ (995)  | \$ 157,712  | \$ 144,173                     | 9.4 %   |
| Albany Engineered Composites       | 83,201                         | (534)   | 83,735  | 82,684                         | 1.3 %   |
| Consolidated total                 | \$ 239,918                     | \$ (1,529)  | \$ 241,447  | \$ 226,857                     | 6.4 %   |

| (in thousands, except percentages) | Net sales as reported, YTD 2021 | Increase due to changes in currency translation rates | YTD 2021 sales on same basis as 2020 currency translation rates | Net sales as reported, YTD 2020 | % Change compared to 2020, excluding currency rate effects |
|------------------------------------|---------------------------------|---|---|---------------------------------|--|
| Machine Clothing                   | \$ 619,015                      | \$ 10,834   | \$ 608,181  | \$ 572,955                      | 6.1 %  |
| Albany Engineered Composites       | 310,225                         | 1,822   | 308,403   | 327,655                         | (5.9)%   |
| Consolidated total                 | \$ 929,240                      | \$ 12,656   | \$ 916,584  | \$ 900,610                      | 1.8 %  |

The following tables present Gross profit and Gross profit margin:

| (in thousands, except percentages) | Gross profit, Q4 2021 | Gross profit margin, Q4 2021 | Gross profit, Q4 2020 | Gross profit margin, Q4 2020 |
|------------------------------------|-----------------------|------------------------------|-----------------------|------------------------------|
| Machine Clothing                   | \$ 82,030             | 52.3 %                       | \$ 73,410             | 50.9 %                       |
| Albany Engineered Composites       | 14,045                | 16.9 %                       | 17,908                | 21.7 %                       |
| Consolidated total                 | \$ 96,075             | 40.0 %                       | \$ 91,318             | 40.3 %                       |

| (in thousands, except percentages) | Gross profit, YTD 2021 | Gross profit margin, YTD 2021 | Gross profit, YTD 2020 | Gross profit margin, YTD 2020 |
|------------------------------------|------------------------|-------------------------------|------------------------|-------------------------------|
| Machine Clothing                   | \$ 322,457             | 52.1 %                        | \$ 301,144             | 52.6 %                        |
| Albany Engineered Composites       | 55,934                 | 18.0 %                        | 69,928                 | 21.3 %                        |
| Consolidated total                 | \$ 378,391             | 40.7 %                        | \$ 371,072             | 41.2 %                        |



A reconciliation from operating income/(loss) (GAAP) to Adjusted EBITDA (non-GAAP) for the current-year and comparable prior-year periods has been calculated as follows:

**Three months ended December 31, 2021**

| (in thousands)  | Machine Clothing | Albany Engineered Composites | Corporate expenses and other | Total Company    |
|---|------------------|------------------------------|------------------------------|------------------|
| <b>Operating income/(loss) (GAAP)</b>   | \$ 53,923        | \$ 3,141                     | \$ (15,324)                  | \$ 41,740        |
| Interest, taxes, other income/(expense)                                       | —                | —                            | (12,964)                     | (12,964)         |
| <b>Net income/(loss) (GAAP)</b>   | <b>53,923</b>    | <b>3,141</b>                 | <b>(28,288)</b>              | <b>28,776</b>    |
| Interest expense, net   | —                | —                            | 3,370                        | 3,370            |
| Income tax expense  | —                | —                            | 10,788                       | 10,788           |
| Depreciation and amortization expense   | 4,919            | 13,076                       | 913                          | 18,908           |
| <b>EBITDA (non-GAAP)</b>  | <b>58,842</b>    | <b>16,217</b>                | <b>(13,217)</b>              | <b>61,842</b>    |
| Restructuring expenses, net   | 1,009            | 72                           | 20                           | 1,101            |
| Foreign currency revaluation (gains)/losses                                   | (151)            | (313)                        | (1,998)                      | (2,462)          |
| Acquisition/integration costs   | —                | 255                          | —                            | 255              |
| AMJP grant  | —                | 138                          | —                            | 138              |
| Pre-tax (income) attributable to noncontrolling interest                      | —                | (304)                        | —                            | (304)            |
| <b>Adjusted EBITDA (non-GAAP)</b>   | <b>\$ 59,700</b> | <b>\$ 16,065</b>             | <b>\$ (15,195)</b>           | <b>\$ 60,570</b> |
| <b>Adjusted EBITDA margin (Adjusted EBITDA divided by Net sales-non-GAAP)</b> | <b>38.1 %</b>    | <b>19.3 %</b>                | <b>—</b>                     | <b>25.2 %</b>    |

**Three months ended December 31, 2020**

| (in thousands)  | Machine Clothing | Albany Engineered Composites | Corporate expenses and other | Total Company    |
|---|------------------|------------------------------|------------------------------|------------------|
| <b>Operating income/(loss) (GAAP)</b>   | \$ 41,386        | \$ 8,787                     | \$ (15,187)                  | \$ 34,986        |
| Interest, taxes, other income/(expense)                                       | —                | —                            | (7,376)                      | (7,376)          |
| <b>Net income/(loss) (GAAP)</b>   | <b>41,386</b>    | <b>8,787</b>                 | <b>(22,563)</b>              | <b>27,610</b>    |
| Interest expense, net   | —                | —                            | 3,542                        | 3,542            |
| Income tax expense  | —                | —                            | 4,327                        | 4,327            |
| Depreciation and amortization expense   | 5,161            | 12,303                       | 935                          | 18,399           |
| <b>EBITDA (non-GAAP)</b>  | <b>46,547</b>    | <b>21,090</b>                | <b>(13,759)</b>              | <b>53,878</b>    |
| Restructuring expenses, net   | 1,332            | 215                          | —                            | 1,547            |
| Foreign currency revaluation (gains)/losses                                   | 3,009            | (372)                        | (1,134)                      | 1,503            |
| Acquisition/integration costs   | —                | 405                          | —                            | 405              |
| Pre-tax (income) attributable to noncontrolling interest                      | —                | (64)                         | —                            | (64)             |
| <b>Adjusted EBITDA (non-GAAP)</b>   | <b>\$ 50,888</b> | <b>\$ 21,274</b>             | <b>\$ (14,893)</b>           | <b>\$ 57,269</b> |
| <b>Adjusted EBITDA margin (Adjusted EBITDA divided by Net sales-non-GAAP)</b> | <b>35.3 %</b>    | <b>25.7 %</b>                | <b>—</b>                     | <b>25.2 %</b>    |

Twelve months ended December 31, 2021

| (in thousands)  | Machine Clothing  | Albany Engineered Composites | Corporate expenses and other | Total Company     |
|---|-------------------|------------------------------|------------------------------|-------------------|
| <b>Operating income/(loss) (GAAP)</b>   | \$ 215,654        | \$ 16,160                    | \$ (53,803)                  | \$ 178,011        |
| Interest, taxes, other income/(expense)                                       | —                 | —                            | (59,243)                     | (59,243)          |
| <b>Net income/(loss) (GAAP)</b>   | <b>215,654</b>    | <b>16,160</b>                | <b>(113,046)</b>             | <b>118,768</b>    |
| Interest expense, net   | —                 | —                            | 14,891                       | 14,891            |
| Income tax expense  | —                 | —                            | 47,163                       | 47,163            |
| Depreciation and amortization expense   | 20,191            | 50,402                       | 3,662                        | 74,255            |
| <b>EBITDA (non-GAAP)</b>  | <b>235,845</b>    | <b>66,562</b>                | <b>(47,330)</b>              | <b>255,077</b>    |
| Restructuring expenses, net   | 1,202             | 32                           | 97                           | 1,331             |
| Foreign currency revaluation (gains)/losses                                   | (307)             | 50                           | (1,185)                      | (1,442)           |
| AMJP grant  | —                 | 1,101                        | (5,832)                      | (4,731)           |
| Acquisition/integration costs   | —                 | 1,166                        | —                            | 1,166             |
| Pre-tax (income) attributable to noncontrolling interest                      | —                 | (510)                        | —                            | (510)             |
| <b>Adjusted EBITDA (non-GAAP)</b>   | <b>\$ 236,740</b> | <b>\$ 68,401</b>             | <b>\$ (54,250)</b>           | <b>\$ 250,891</b> |
| <b>Adjusted EBITDA margin (Adjusted EBITDA divided by Net sales-non-GAAP)</b> | <b>38.2 %</b>     | <b>22.0 %</b>                | <b>— %</b>                   | <b>27.0 %</b>     |

Twelve months ended December 31, 2020

| (in thousands)  | Machine Clothing  | Albany Engineered Composites | Corporate expenses and other | Total Company     |
|---|-------------------|------------------------------|------------------------------|-------------------|
| <b>Operating income/(loss) (GAAP)</b>   | \$ 190,805        | \$ 31,536                    | \$ (56,261)                  | \$ 166,080        |
| Interest, taxes, other income/(expense)                                       | —                 | —                            | (68,837)                     | (68,837)          |
| <b>Net income/(loss) (GAAP)</b>   | <b>190,805</b>    | <b>31,536</b>                | <b>(125,098)</b>             | <b>97,243</b>     |
| Interest expense, net   | —                 | —                            | 13,584                       | 13,584            |
| Income tax expense  | —                 | —                            | 41,831                       | 41,831            |
| Depreciation and amortization expense   | 20,304            | 48,496                       | 3,905                        | 72,705            |
| <b>EBITDA (non-GAAP)</b>  | <b>211,109</b>    | <b>80,032</b>                | <b>(65,778)</b>              | <b>225,363</b>    |
| Restructuring expenses, net   | 2,746             | 2,821                        | 169                          | 5,736             |
| Foreign currency revaluation (gains)/losses                                   | 1,743             | 130                          | 13,571                       | 15,444            |
| Former CEO termination costs  | —                 | —                            | 2,742                        | 2,742             |
| Acquisition/integration costs   | —                 | 1,272                        | —                            | 1,272             |
| Pre-tax loss attributable to noncontrolling interest                          | —                 | 1,348                        | —                            | 1,348             |
| <b>Adjusted EBITDA (non-GAAP)</b>   | <b>\$ 215,598</b> | <b>\$ 85,603</b>             | <b>\$ (49,296)</b>           | <b>\$ 251,905</b> |
| <b>Adjusted EBITDA margin (Adjusted EBITDA divided by Net sales-non-GAAP)</b> | <b>37.6 %</b>     | <b>26.1 %</b>                | <b>—</b>                     | <b>28.0 %</b>     |

Per share impact of the adjustments to earnings per share are as follows:

| Three months ended December 31, 2021<br>(in thousands, except per share amounts) | Pre tax<br>Amounts | Tax<br>Effect | After tax<br>Effect | Per share<br>Effect |
|--|--------------------|---------------|---------------------|---------------------|
| Restructuring expenses, net  | \$ 1,101           | \$ 332        | \$ 769              | 0.02                |
| Foreign currency revaluation (gains)/losses                                      | (2,462)            | (655)         | (1,807)             | (0.06)              |
| Acquisition/integration costs  | 255                | 76            | 179                 | 0.01                |
| AMJP grant   | 138                | 42            | 96                  | 0.00                |

| Three months ended December 31, 2020<br>(in thousands, except per share amounts) | Pre tax<br>Amounts | Tax<br>Effect | After tax<br>Effect | Per share<br>Effect |
|--|--------------------|---------------|---------------------|---------------------|
| Restructuring expenses, net  | \$ 1,547           | \$ 485        | \$ 1,062            | 0.03                |
| Foreign currency revaluation (gains)/losses                                      | 1,503              | 1,379         | 124                 | 0.00                |
| Acquisition/integration costs  | 405                | 121           | 284                 | 0.01                |

| Year ended December 31, 2021<br>(in thousands, except per share amounts) | Pre tax<br>Amounts | Tax<br>Effect | After tax<br>Effect | Per share<br>Effect |
|--|--------------------|---------------|---------------------|---------------------|
| Restructuring expenses, net  | \$ 1,331           | \$ 399        | \$ 932              | 0.02                |
| Foreign currency revaluation (gains)/losses                              | (1,442)            | (323)         | (1,119)             | (0.04)              |
| AMJP grant   | (4,731)            | (1,404)       | (3,327)             | (0.11)              |
| Acquisition/integration costs  | 1,166              | 349           | 817                 | 0.04                |

| Year ended December 31, 2020<br>(in thousands, except per share amounts) | Pre tax<br>Amounts | Tax<br>Effect | After tax<br>Effect | Per share<br>Effect |
|--|--------------------|---------------|---------------------|---------------------|
| Restructuring expenses, net  | \$ 5,736           | \$ 1,862      | \$ 3,874            | 0.11                |
| Foreign currency revaluation (gains)/losses (a)                          | 15,444             | 896           | 14,548              | 0.46                |
| Former CEO termination costs   | 2,742              | 713           | 2,029               | 0.06                |
| Acquisition/integration costs  | 1,272              | 380           | 892                 | 0.04                |

(a) In Q1 2020, the company recorded losses of approximately \$17 million in jurisdictions where it cannot record a tax benefit from the losses, which results in an unusual relationship between the pre-tax and after-tax amounts.

The following table provides a reconciliation of Earnings per share to Adjusted Earnings per share:

| Per share amounts (Basic)                   | Three months ended December 31, |         | Twelve months ended December 31, |         |
|---|---------------------------------|---------|----------------------------------|---------|
|   | 2021                            | 2020    | 2021                             | 2020    |
| Earnings per share (GAAP)                   | \$ 0.89                         | \$ 0.85 | \$ 3.66                          | \$ 3.05 |
| Adjustments, after tax:                     |                                 |         |                                  |         |
| Restructuring expenses, net                 | 0.02                            | 0.03    | 0.02                             | 0.11    |
| Foreign currency revaluation (gains)/losses | (0.06)                          | —       | (0.04)                           | 0.46    |
| AMJP grant                                  | —                               | —       | (0.11)                           | —       |
| Former CEO termination costs                | —                               | —       | —                                | 0.06    |
| Acquisition/integration costs               | 0.01                            | 0.01    | 0.04                             | 0.04    |
| Adjusted Earnings per share (non-GAAP)      | \$ 0.86                         | \$ 0.89 | \$ 3.57                          | \$ 3.72 |

The calculations of net debt are as follows:

| (in thousands)                       | December 31, 2021 | September 30, 2021 | June 30, 2021    | March 31, 2021    | December 31, 2020 |
|--------------------------------------|-------------------|--------------------|------------------|-------------------|-------------------|
| Current maturities of long-term debt | \$ —              | \$ —               | \$ —             | \$ 2              | \$ 9              |
| Long-term debt                       | 350,000           | 350,000            | 350,000          | 384,000           | 398,000           |
| <b>Total debt</b>                    | <b>350,000</b>    | <b>350,000</b>     | <b>350,000</b>   | <b>384,002</b>    | <b>398,009</b>    |
| Cash and cash equivalents            | 302,036           | 286,217            | 253,330          | 237,871           | 241,316           |
| <b>Net debt (non GAAP)</b>           | <b>\$ 47,964</b>  | <b>\$ 63,783</b>   | <b>\$ 96,670</b> | <b>\$ 146,131</b> | <b>\$ 156,693</b> |

The tables below provide a reconciliation of initial outlook for the full-year 2022 Adjusted EBITDA and Adjusted EPS (non-GAAP measures) to the comparable GAAP measures:

| Initial Outlook Full Year 2022 Adjusted EBITDA<br>(in millions) | Machine Clothing |        | AEC   |       |
|---|------------------|--------|-------|-------|
|   | Low              | High   | Low   | High  |
| Net income attributable to the Company (GAAP) (b)               | \$ 185           | \$ 204 | \$ 15 | \$ 24 |
| Income attributable to the noncontrolling interest              | —                | —      | —     | (1)   |
| Interest expense, net   | —                | —      | —     | —     |
| Income tax expense  | —                | —      | —     | —     |
| Depreciation and amortization                                   | 20               | 21     | 50    | 51    |
| EBITDA (non-GAAP)   | 205              | 225    | 65    | 74    |
| Restructuring expenses, net (c)                                 | —                | —      | —     | —     |
| Foreign currency revaluation (gains)/losses (c)                 | —                | —      | —     | —     |
| Acquisition/integration costs (c)                               | —                | —      | —     | —     |
| Pre-tax (income)/loss attributable to non-controlling interest  | —                | —      | —     | 1     |
| Adjusted EBITDA (non-GAAP)                                      | \$ 205           | \$ 225 | \$ 65 | \$ 75 |

(b) Interest, Other income/expense and Income taxes are not allocated to the business segments

| Initial Outlook Full Year 2022 Adjusted EBITDA<br>(in millions) | Total Company |        |
|---|---------------|--------|
|   | Low           | High   |
| Net income attributable to the Company (GAAP) (b)               | \$ 89         | \$ 105 |
| Income attributable to the noncontrolling interest              | —             | (1)    |
| Interest expense, net   | 13            | 16     |
| Income tax expense  | 39            | 48     |
| Depreciation and amortization                                   | 74            | 76     |
| EBITDA (non-GAAP)   | 215           | 244    |
| Restructuring expenses, net (c)                                 | —             | —      |
| Foreign currency revaluation (gains)/losses (c)                 | —             | —      |
| Acquisition/integration costs (c)                               | —             | —      |
| Pre-tax (income)/loss attributable to non-controlling interest  | —             | 1      |
| Adjusted EBITDA (non-GAAP)                                      | \$ 215        | \$ 245 |

| Forecast of Full Year 2022 Earnings per share (basic) (d) | Total Company |         |
|---|---------------|---------|
|   | Low           | High    |
| Net income attributable to the Company (GAAP) (b)         | \$ 2.80       | \$ 3.30 |
| Restructuring expenses, net (c)                           | —             | —       |
| Foreign currency revaluation (gains)/losses (c)           | —             | —       |
| Acquisition/integration costs (c)                         | —             | —       |
| Adjusted Earnings per share (non-GAAP)                    | \$ 2.80       | \$ 3.30 |

(c) Due to the uncertainty of these items, we are unable to forecast these items for 2022.

(d) Calculations based on estimated shares outstanding of 31.9 million.

## About Albany International Corp.

Albany International is a leading developer and manufacturer of engineered components, using advanced materials processing and automation capabilities, with two core businesses. Machine Clothing is the world's leading producer of custom-designed, consumable fabrics and process belts essential for the manufacture of all grades of paper products. Albany Engineered Composites is a growing designer and manufacturer of advanced materials-based engineered components for demanding aerospace applications, supporting both commercial and military platforms. Albany International is headquartered in Rochester, New Hampshire, operates 23 facilities in 11 countries, employs approximately 4,100 people worldwide, and is listed on the New York Stock Exchange (Symbol AIN). Additional information about the Company and its products and services can be found at [www.albint.com](http://www.albint.com).

### Non-GAAP Measures

This release, including the conference call commentary associated with this release, contains certain non-GAAP measures, including: net sales, and percent change in net sales, excluding the impact of currency translation effects (for each segment and on a consolidated basis); EBITDA and Adjusted EBITDA (for each segment and on a consolidated basis, represented in dollars or as a percentage of net sales); Net debt; and Adjusted earnings per share (or Adjusted EPS). Such items are provided because management believes that they provide additional useful information to investors regarding the Company's operational performance.

Presenting Net sales and increases or decreases in Net sales, after currency effects are excluded, can give management and investors insight into underlying sales trends. Net sales, or percent changes in net sales, excluding currency rate effects, are calculated by converting amounts reported in local currencies into U.S. dollars at the exchange rate of a prior period. These amounts are then compared to the U.S. dollar amount as reported in the current period.

EBITDA, Adjusted EBITDA and Adjusted EPS are performance measures that relate to the Company's continuing operations. EBITDA, or net income with interest, taxes, depreciation, and amortization added back, is a common indicator of financial performance used, among other things, to analyze and compare core profitability between companies and industries because it eliminates effects due to differences in financing, asset bases and taxes. The Company calculates EBITDA by removing the following from Net income: Interest expense, net, Income tax expense, Depreciation and amortization expense. Adjusted EBITDA is calculated by: adding to EBITDA costs associated with restructuring, former CEO termination costs, and inventory write-offs associated with discontinued businesses; adding charges and credits related to pension plan settlements and curtailments; adding (or subtracting) revaluation losses (or gains); subtracting income recognized associated with government grants; subtracting (or adding) gains (or losses) from the sale of buildings or investments; subtracting insurance recovery gains in excess of previously recorded losses; adding acquisition/integration costs and subtracting (or adding) Income (or loss) attributable to the non-controlling interest in Albany Safran Composites (ASC). Adjusted EBITDA may also be presented as a percentage of net sales by dividing it by net sales. An understanding of the impact in a particular quarter of specific restructuring costs, former CEO termination costs, government grants, acquisition/integration costs, currency revaluation, inventory write-offs associated with discontinued businesses, or other gains and losses, on net income (absolute as well as on a per-share basis), operating income or EBITDA can give management and investors additional insight into core financial performance, especially when compared to quarters in which such items had a greater or lesser effect, or no effect. Restructuring expenses, while frequent in recent years, are reflective of significant reductions in manufacturing capacity and associated headcount in response to shifting markets, and not of the profitability of the business going forward as restructured. Adjusted earnings per share (Adjusted EPS) is calculated by adding to (or subtracting from) net income attributable to the Company per share, on an after-tax basis: restructuring charges; former CEO severance costs; charges and credits related to pension plan settlements and curtailments; inventory write-offs associated with discontinued businesses; foreign currency revaluation losses (or gains); acquisition-related expenses; and losses (or gains) from the sale of investments.

EBITDA, Adjusted EBITDA, and Adjusted EPS, as defined by the Company, may not be similar to similarly named measures of other companies. Such measures are not considered measurements under GAAP, and should be considered in addition to, but not as substitutes for, the information contained in the Company's statements of income.

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*The Company discloses certain income and expense items on a per-share basis. The Company believes that such disclosures provide important insight into underlying quarterly earnings and are financial performance metrics commonly used by investors. The Company calculates the quarterly per-share amount for items included in continuing operations by using an income tax rate based on either the tax rates in specific countries or the estimated tax rate applied to total company results. The tax rate applied excludes income tax adjustments (discrete tax adjustments and the effect of changes in the estimated income tax rate). The after-tax amount is then divided by the weighted-average number of shares outstanding for each period. Year-to-date earnings per-share effects are determined by adding the amounts calculated at each reporting period.*

*Net debt is, in the opinion of the Company, helpful to investors wishing to understand what the Company's debt position would be if all available cash were applied to pay down indebtedness. The Company calculates Net debt by subtracting Cash and cash equivalents from Total debt. Total debt is calculated by adding Long-term debt, Current maturities of long-term debt, and Notes and loans payable, if any.*

#### Forward-Looking Statements

*This press release may contain statements, estimates, guidance or projections that constitute "forward-looking statements" as defined under U.S. federal securities laws. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "will," "should," "look for," "guidance," "guide," and similar expressions identify forward-looking statements, which generally are not historical in nature. Because forward-looking statements are subject to certain risks and uncertainties (including, without limitation, those set forth in the Company's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q), actual results may differ materially from those expressed or implied by such forward-looking statements.*

*Forward-looking statements in this release or in the webcast include, without limitation, statements about macroeconomic and paper-industry trends and conditions during 2021 and in future years; expectations in 2021 and in future periods of sales, EBITDA, Adjusted EBITDA (both in dollars and as a percentage of net sales), Adjusted EPS, income, gross profit, gross margin, cash flows and other financial items in each of the Company's businesses, and for the Company as a whole; the timing and impact of production and development programs in the Company's AEC business segment and the sales growth potential of key AEC programs, as well as AEC as a whole; the amount and timing of capital expenditures, future tax rates and cash paid for taxes, depreciation and amortization; future debt and net debt levels and debt covenant ratios; and changes in currency rates and their impact on future revaluation gains and losses. Furthermore, a change in any one or more of the foregoing factors could have a material effect on the Company's financial results in any period. Such statements are based on current expectations, and the Company undertakes no obligation to publicly update or revise any forward-looking statements.*

*Statements expressing management's assessments of the growth potential of its businesses, or referring to earlier assessments of such potential, are not intended as forecasts of actual future growth, and should not be relied on as such. While management believes such assessments to have a reasonable basis, such assessments are, by their nature, inherently uncertain. This release and earlier releases set forth a number of assumptions regarding these assessments, including historical results, independent forecasts regarding the markets in which these businesses operate, and the timing and magnitude of orders for our customers' products. Historical growth rates are no guarantee of future growth, and such independent forecasts and assumptions could prove materially incorrect in some cases.*

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