



VERTIV™

Second Quarter 2022 Results

August 3, 2022

Architects of Continuity™

VRT
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The forward-looking statements contained or incorporated by reference in this presentation are based on current expectations and beliefs concerning future developments and their potential effects on Vertiv. There can be no assurance that future developments affecting Vertiv will be those that Vertiv has anticipated. Vertiv undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. These forward looking statements involve a number of risks, uncertainties (some of which are beyond Vertiv's control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward looking statements. Should one or more of these risks or uncertainties materialize, or should any of the assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. Vertiv has previously disclosed risk factors in its Securities and Exchange Commission ("SEC") reports, including those set forth in Vertiv's Annual Report on Form 10-K for the fiscal year ended December 31, 2021. These risk factors and those identified elsewhere in this presentation, among others, could cause actual results to differ materially from historical performance and include, but are not limited to: risks relating to the continued growth of Vertiv's customers' markets; disruption of Vertiv's customers' orders or Vertiv's customers' markets; less favorable contractual terms with large customers; risks associated with governmental contracts; failure to mitigate risks associated with long-term fixed price contracts; competition in the infrastructure technologies industry; failure to obtain performance and other guarantees from financial institutions; failure to realize sales expected from Vertiv's backlog of orders and contracts; failure to properly manage Vertiv's supply chain or difficulties with third-party manufacturers; our ability to forecast changes in prices, including due to inflation in material, freight and/or labor costs, and timely implement measures necessary to mitigate the impacts of any such changes; risks associated with our significant backlog, including that the impacts of any measures taken to mitigate inflation will not be reflected in our financial statements immediately; failure to meet or anticipate technology changes; risks associated with information technology disruption or security; risks associated with the implementation and enhancement of information systems; failure to realize the expected benefit from any rationalization, restructuring and improvement efforts; Vertiv's ability to realize cost savings in connection with Vertiv's restructuring program; disruption of, or changes in, Vertiv's independent sales representatives, distributors and original equipment manufacturers; changes to tax law; ongoing tax audits; costs or liabilities associated with product liability; the global scope of Vertiv's operations; risks associated with Vertiv's sales and operations in emerging markets; risks associated with future legislation and regulation of Vertiv's customers' markets both in the U.S. and abroad; Vertiv's ability to comply with various laws and regulations, and the costs associated with legal compliance; adverse outcomes to any legal claims and proceedings filed by or against Vertiv; risks associated with current or potential litigation or claims against Vertiv; Vertiv's ability to protect or enforce its proprietary rights on which its business depends; third-party intellectual property infringement claims; liabilities associated with environmental, health and safety matters, including risks associated with the COVID-19 pandemic; failure to realize the value of goodwill and intangible assets; exposure to fluctuations in foreign currency exchange rates; exposure to increases in interest rates set by central banking authorities; failure to maintain internal controls over financial reporting; the unpredictability of Vertiv's future operational results, including the ability to grow and manage growth profitably; potential net losses in future periods; Vertiv's level of indebtedness and the ability to incur additional indebtedness; Vertiv's ability to comply with the covenants and restrictions contained in our credit agreements including restrictive covenants that restrict operational flexibility; Vertiv's ability to comply with the covenants and restrictions contained in our credit agreements that is not fully within our control; Vertiv's ability to access funding through capital markets; the significant ownership and influence certain stockholders have over Vertiv; risks associated with Vertiv's obligations to pay portions of the tax benefits relating to pre-business combination tax assets and attributes; resales of Vertiv's securities may cause volatility in the market price of our securities; Vertiv's organizational documents contain provisions that may discourage unsolicited takeover proposals; Vertiv's certificate of incorporation includes a forum selection clause, which could discourage or limit stockholders' ability to make a claim against it; the ability of Vertiv's subsidiaries to pay dividends; volatility in Vertiv's stock price due to various market and operational factors; risks associated with the failure of industry analysts to provide coverage of Vertiv's business or securities; the ability of Vertiv to grow and manage growth profitably, maintain relationships with customers and suppliers and retain its management and key employees; factors relating to the business, operations and financial performance of Vertiv and its subsidiaries, including: global economic weakness and uncertainty; Vertiv's ability to attract, train and retain key members of its leadership team and other qualified personnel; the adequacy of Vertiv's insurance coverage; a failure to benefit from future acquisitions; risks associated with Vertiv's limited history of operating as an independent company; and other risks and uncertainties indicated in Vertiv's SEC reports or documents filed or to be filed with the SEC by Vertiv. Forward-looking statements included in this presentation speak only as of the date of this presentation or any earlier date specified for such statements. All subsequent written or oral forward-looking statements attributable to Vertiv or persons acting on Vertiv's behalf may be qualified in their entirety by this Cautionary Statement Regarding Forward-Looking Statements.

This presentation also includes certain non-GAAP financial measures, such as organic net sales growth, adjusted operating profit, adjusted operating margin, adjusted diluted EPS and free cash flow, that may not be directly comparable to other similarly titled measures used by other companies and therefore may not be comparable among companies. The Company has provided reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures and our reconciliations on pages 18-24 of this presentation and our current earnings release dated August 3, 2022, which are available on the Company's website at investors.vertiv.com. Information reconciling certain forward-looking GAAP measures to non-GAAP measures related to Q3, Q4, second half and full year 2022 guidance, including organic net sales growth, adjusted operating margin, and free cash flow, is not available without unreasonable effort due to high variability, complexity and uncertainty with respect to forecasting and quantifying certain amounts that are necessary for such reconciliations. For the same reasons, we are unable to compute the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on our future GAAP financial results.

Second quarter 2022 key messages

Organic net sales up 8% compared to last year's second quarter with strong growth across all geographic regions. Second quarter orders up 17% from prior year with 11% from higher volumes, 10% from higher pricing and (4%) foreign exchange headwind.

Second quarter adjusted operating profit of \$82M exceeded mid-point of guidance range. Down \$52M from last year's second quarter primarily driven by the Americas due to unfavorable price-cost, higher fixed costs and other cost headwinds.

Pricing in second quarter consistent with expectations while material and freight inflation was slightly higher. No change to pricing plan; however, Q3 inflation expected to be slightly higher than previously anticipated. Already implemented price actions expected to deliver \$360M FY benefit.

Supply chain challenges persist notably for electronic components. Good visibility to alternative fan supply at beginning of fourth quarter supporting launch of new thermal manufacturing facility in Monterrey, Mexico.

Larger than expected net use of cash in second quarter. Still managing challenges with inventory planning notably in the Americas. Reducing expectation for full year free cash flow to range of (\$25M) - \$25M.

Reducing full year adjusted operating profit guidance to \$475M - \$500M, down \$37.5M at the mid-point including \$25M from foreign exchange. Some rebalancing between 3Q and 4Q. We believe a strong 4Q will position us well for 2023.

2Q adj. op. profit above guidance mid-point ♦ Reducing guidance in part due to FX ♦ Expecting strong 4Q & 2023

Market Environment

SEGMENT	 AMERICAS		 APAC		 EMEA	
	April-22	August-22	April-22	August-22	April-22	August-22
CLOUD / HYPERSCALE						
COLOCATION						
ENTERPRISE / SMALL & MEDIUM BUSINESS						
COMMUNICATION NETWORKS						
COMMERCIAL & INDUSTRIAL						

Orders remain strong notwithstanding continued aggressive pricing actions

Customer demand and supply chain update

CUSTOMER DEMAND & PRICING UPDATE

- Overall market demand remains robust. ***Second quarter orders up ~17% compared to same period last year including ~10% due to higher pricing.***
- Continued strength in cloud and colocation markets with larger project-based orders. Enterprise and IT channel segments remain consistent.
- ***Backlog a new record level of \$4.4B*** at end of June, ~39% higher than end of 2021. New backlog added with ~10% embedded price increase.
- ~\$80M (~6%) price realization in second quarter was flat to prior guidance and reflects a \$40M lift from first quarter
- ~75% of second half pricing is included in the current backlog with ~25% to be realized on book and ship orders from price actions already in place

SUPPLY CHAIN & INFLATION UPDATE

- Supply chain challenges – notably for electronic components – continued in second quarter. Expect continued pressure into first half 2023.
- Significant progress in qualifying and validating new alternative fan suppliers for thermal products. Expect volume benefit at beginning of fourth quarter.
- Commodity and freight outlook trending favorably, but spot buys for electronic components continue and incurring higher costs for alternative supply
- Actual 2Q material and freight inflation slightly above prior expectation, with increases expected to extend into Q3. We expect the recent favorable commodity price moves (generally on one-quarter lag) to provide benefit in 2023.

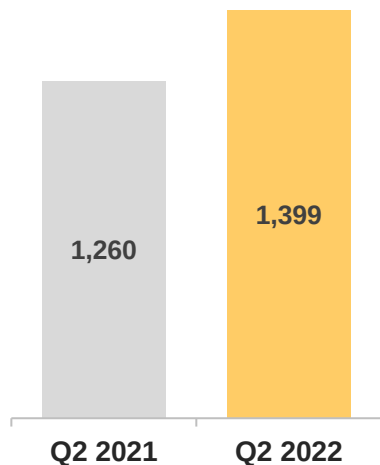
Market demand continues to be strong and alternate supply coming on-line to drive 2H volume growth

Second quarter 2022 financial results

\$Millions

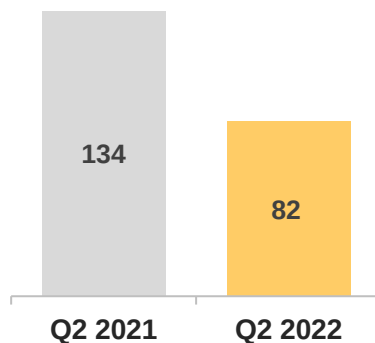
Net Sales

Up ~11%
Organic up ~8%



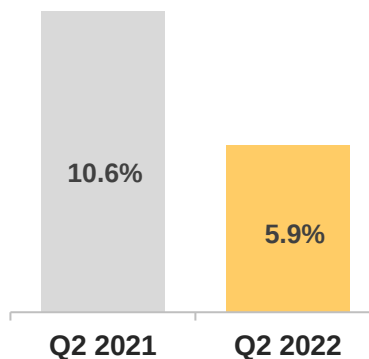
Adj. Operating Profit

Down \$52M



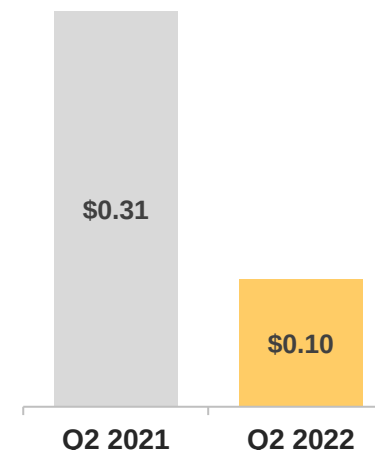
Adj. Operating Margin

Down 470 bps



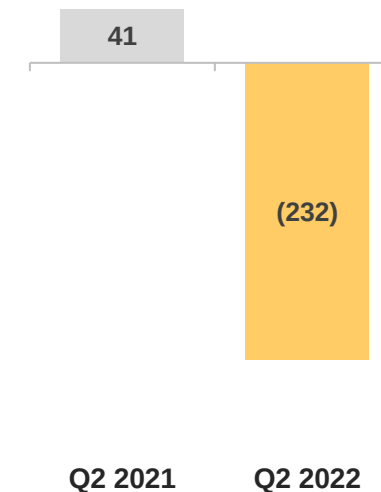
Adj. Diluted EPS

Down \$0.21



Free Cash Flow

Down \$273M



- + ~\$114M acquired sales from E&I
- + ~\$80M pricing benefit
- + ~\$20M higher volume
- ~(\$60M) FX translation
- ~(\$17M) divested sales

- + ~\$80M pricing benefit
- + ~\$18M acquired adjusted operating profit from E&I
- + ~\$7M higher volume
- ~(\$90M) material and freight inflation
- ~(\$45M) FX and other
- ~(\$20M) fixed costs (including capacity and R&D investments and IT project timing)

- (\$0.14) lower adj. op. profit
- (\$0.04) higher interest expense
- (\$0.03) tax expense timing

Net E&I impact ~0.01 benefit

- (\$120M) higher TWC (primarily A/R build due to sales increase)
- (\$59M) accrued expense timing
- (\$52M) lower adj. op. profit
- (\$24M) higher cash interest

Liquidity: \$457M



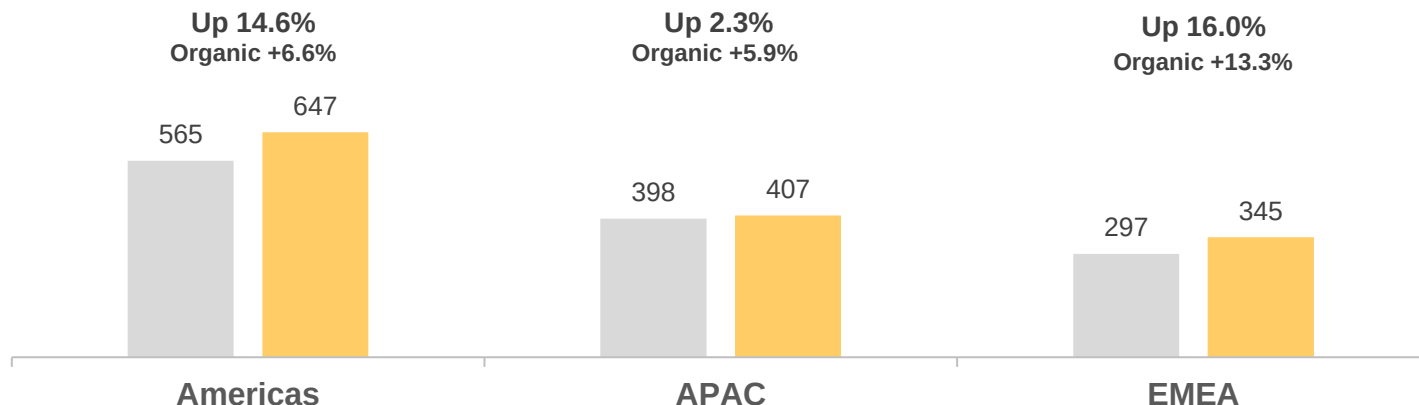
Note: see "Non-GAAP Financial Measures" beginning on slide 17 of the Appendix. Free cash flow equals cash from operations less net capital expenditures.

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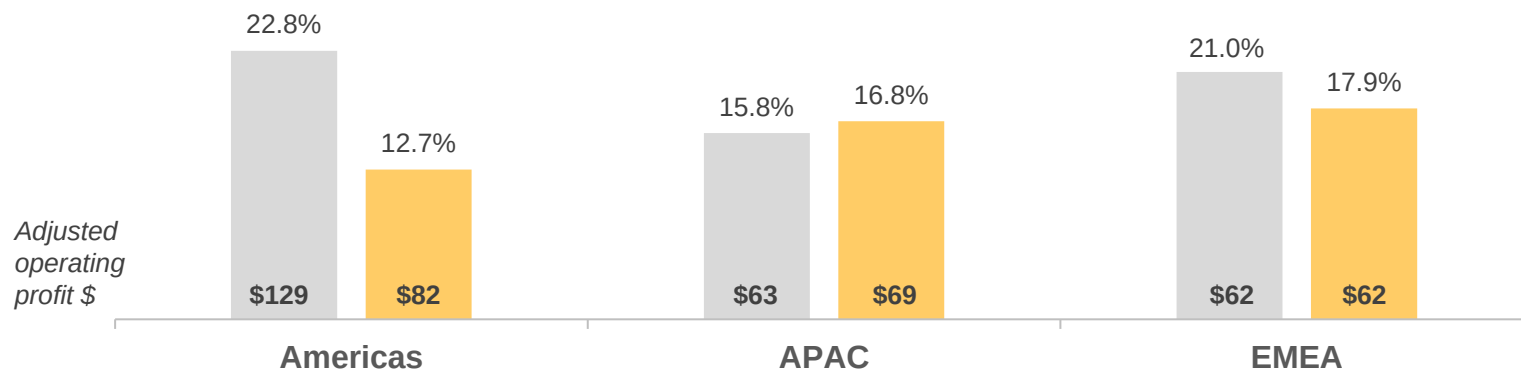
Second quarter 2022 segment results

\$Millions

Net sales



Adjusted operating margin



Three months ended Jun 30, 2021 Jun 30, 2022

Americas

- Organic growth driven by price realization with volume relatively flat. E&I added ~\$47M. FX headwind (~\$2M).
- Operating margins lower due to unfavorable price-cost, higher fixed costs and other cost headwinds

APAC

- Organic growth driven by price realization and volume increase outside of China. China volume slightly down due in part to Covid lockdowns. FX headwind (~\$14M).
- Operating margin improved on lower fixed costs, volume leverage and slightly favorable price-cost.

EMEA

- Organic growth driven equally by volume and pricing. Acquired sales from E&I of ~\$67M and divested sales of ~\$17M. FX headwind of (~\$43M).
- Operating margin reduced as price realization did not fully offset impacts of materials and freight inflation.

Corporate

- Corporate fixed costs up \$12M driven largely by timing of IT project spending and ER&D investments



Note: see "Non-GAAP Financial Measures" beginning on slide 17 of the Appendix. See our press release dated August 3, 2022 for a full segment reconciliation.

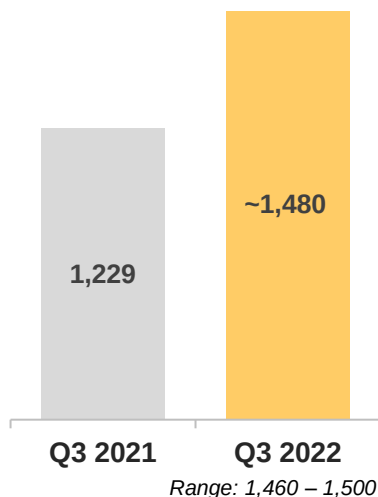
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Third quarter 2022 financial guidance

\$Millions; midpoint of guidance range unless otherwise specified

Net Sales

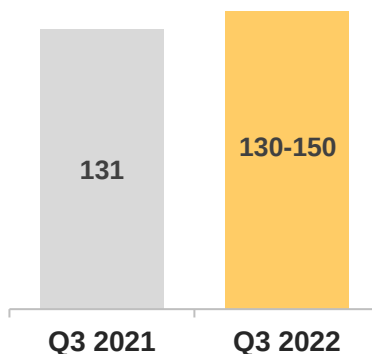
Up 20%
Organic up 19%



- + ~\$130M higher volume
- + ~\$110M pricing benefit
- + ~\$105M acquired sales from E&I
- ~(\$70M) FX translation
- ~(\$25M) divested sales

Adj. Operating Profit

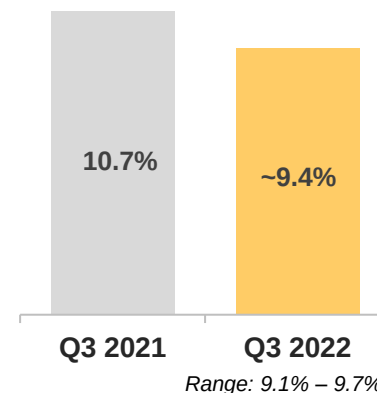
Down \$1 - Up \$19M



- + ~\$110M pricing benefit
- + ~\$45M higher volume
- + ~\$15M acquired adjusted operating profit from E&I
- ~(\$70M) material and freight inflation
- ~(\$40M) FX and other
- ~(\$30M) one-time fixed cost benefits in 2021
- ~(\$20M) fixed costs (including operations/capacity and R&D investments)

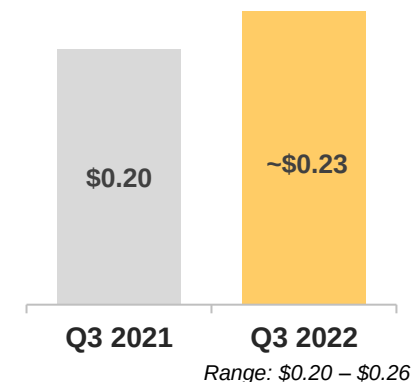
Adj. Operating Margin

Down 130 bps



Adj. Diluted EPS

Up \$0.03



- + ~\$0.03 higher adj. operating profit
- + ~\$0.05 tax expense timing
- ~(\$0.04) interest expense
- ~(\$0.01) share count

Net E&I impact neutral

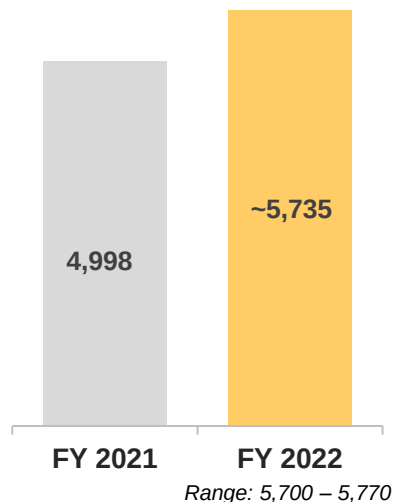
Q3 expected to show step-change in profitability vs. Q2 as we build toward strong 2022 exit run-rate

Full year 2022 financial guidance

\$Millions; midpoint of guidance range unless otherwise specified

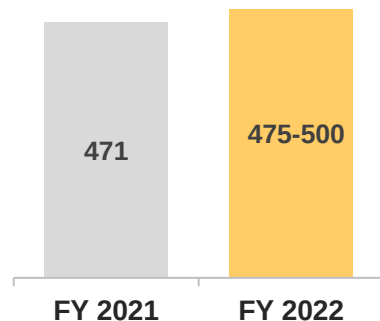
Net Sales

Up 15%
Organic +13.5%



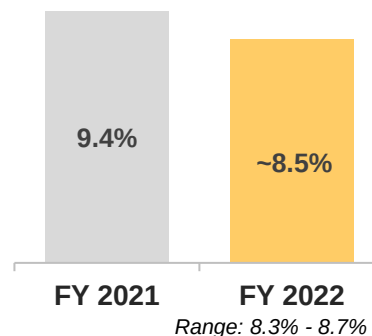
Adj. Operating Profit

Up 1 - 6%



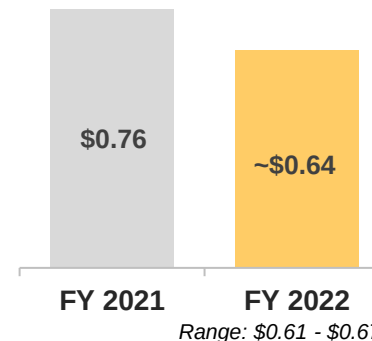
Adj. Operating Margin

Down 90 bps



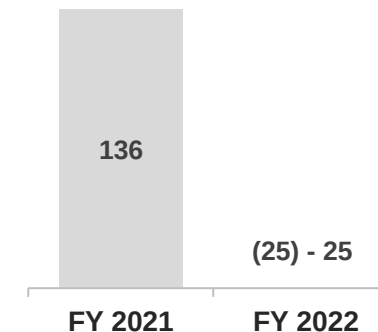
Adj. Diluted EPS

Down \$0.12



Free Cash Flow

Down \$111 - \$161



- + ~\$435M 2022 E&I sales
- + ~\$360M pricing
- + ~\$305M volume
- ~(\$220M) FX headwind
- ~(\$80M) divested sales
- ~(\$65M) 2021 E&I sales

- + ~\$360M pricing
- + ~\$105M volume
- + ~\$60M net adjusted operating profit E&I (~\$67M FY 2022 less \$7M FY 2021)
- ~(\$290M) material & freight inflation
- ~(\$105M) FX, divestitures & other
- ~(\$70M) fixed costs including operations/capacity & R&D investments
- ~(\$45M) one-time fixed cost benefits in 2021

- + ~\$0.04 higher adj. operating profit
- ~(\$0.14) interest expense
- ~(\$0.02) share count

Net E&I impact ~\$0.01 benefit

- + ~\$25M higher EBITDA
- + ~\$40M 2021 M&A costs
- ~(\$95M) working capital / other
- ~(\$55M) higher cash interest
- ~(\$25M) higher net capex
- ~(\$15M) higher cash taxes
- ~(\$9M) ELI litigation settlement

Full year adjusted operating profit reduced from prior guidance in part due to FX

Full year bridge from prior guidance

\$Millions; midpoint of guidance range unless otherwise specified

	Net Sales				Adjusted Operating Profit			
	Q2	Q3	Q4	FY	Q2	Q3	Q4	FY
April Guidance	\$ 1,335	\$ 1,530	\$ 1,680	\$ 5,700	\$ 80	\$ 190	\$ 243	\$ 525
FX	(35)	(55)	(70)	(160)	~(5)	~(10)	~(10)	~(25)
Vol	100	35	95	230	~37	~10	~35	~82
Pricing	-	-	-	-	-	-	-	-
Material inflation	-	-	-	-	~(10)	~(10)	-	~(20)
E&I	(1)	(30)	(5)	(36)	~3	~(15)	-	~(12)
Fixed costs	-	-	-	-	~(5)	~(10)	~(15)	~(30)
Other cost headwinds	-	-	-	-	~(18)	~(15)	-	~(33)
	64	(50)	19	(31)	2	(50)	11	(37)
Updated Guidance	\$ 1,399	\$ 1,480	\$ 1,699	\$ 5,735	\$ 82	\$ 140	\$ 254	\$ 488

- Foreign exchange driven by declines in EUR (~10%) and CNY (~6%) rates vs. prior guidance assumptions
- Volume estimates higher on improved supply environment including alternate fan supply
- Price-cost slightly unfavorable as inflation in 2Q and 3Q is slightly higher than previous expectation
- E&I sales reduced as supply challenges push some deliveries into 2023
- Fixed costs increase primarily driven by timing of incremental spend to support volume ramp in 2H 2022 and 2023 including launch costs for the Monterrey, MX facility
- Other cost headwinds largely driven by customer support costs and higher sales incentives in AMER

Full year adjusted operating profit guidance reduced by ~\$37M at the mid-point including \$25 from FX

Sequential Q3 to Q4 bridge

\$Millions; midpoint of guidance range unless otherwise specified

	<u>Net Sales</u>	<u>AOP</u>
Q3 Guidance	\$ 1,480	\$ 140
Volume	~165	~58
Pricing	~35	~35
E&I	~20	~10
Other	-	~10
	<u>220</u>	<u>113</u>
Q4 Guidance	<u>\$ 1,700</u>	<u>\$ 253</u>

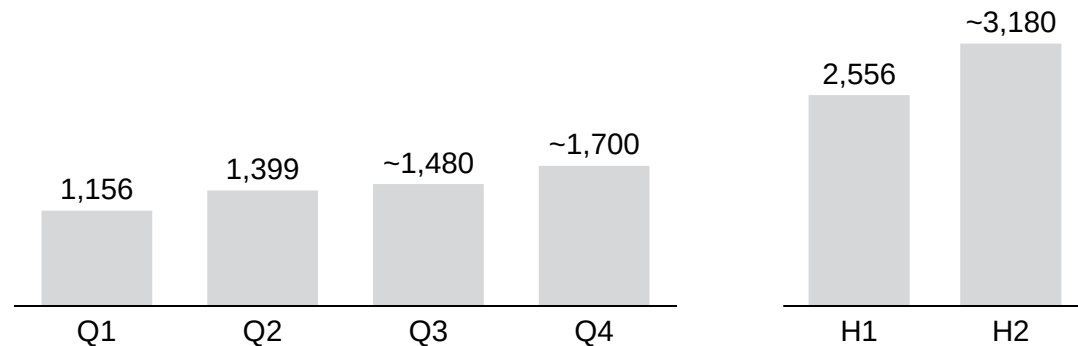
- Volume increase driven by improved supply and ramp of Monterrey, Mexico facility in AMER as well as normal seasonality in China and EMEA
- SIOP and other process enhancements in Americas have improved visibility to capacity and supply constraints
- Pricing benefits accelerate in Q4 as a larger portion of the sales are from orders taken in 2022 at higher pricing
- E&I volumes increase from improved supply with additional margin benefit due to improved price-cost position
- Material and freight increases moderating - guidance assumes similar cost levels for both Q3 and Q4
- Other drivers include favorable region mix and lower cost headwinds partially offset by slightly higher fixed costs

Sequential improvement from Q3 driven largely by increased volumes and executed price increases

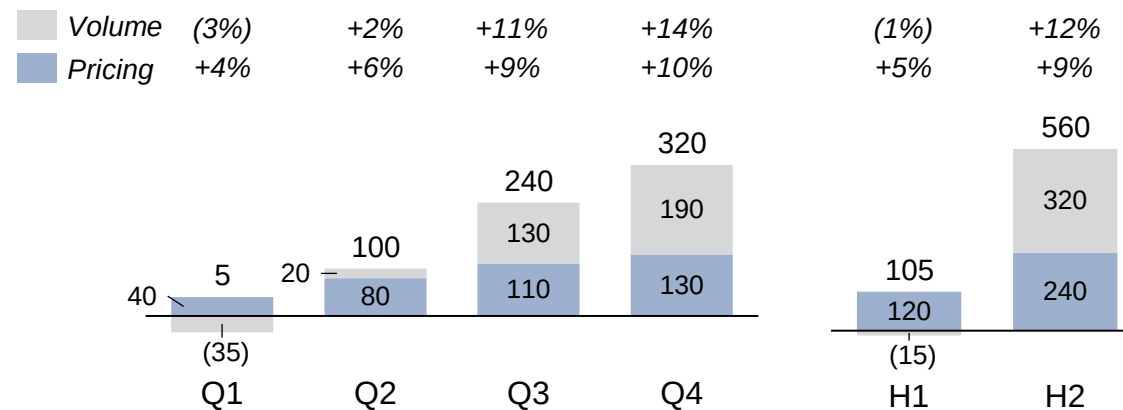
2022 financial guidance by quarter

\$Millions; midpoint of guidance range unless otherwise specified

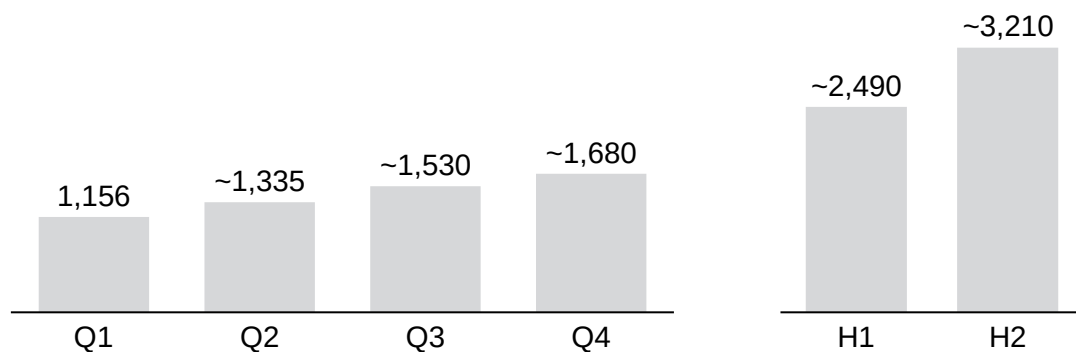
Updated Guidance – Net Sales



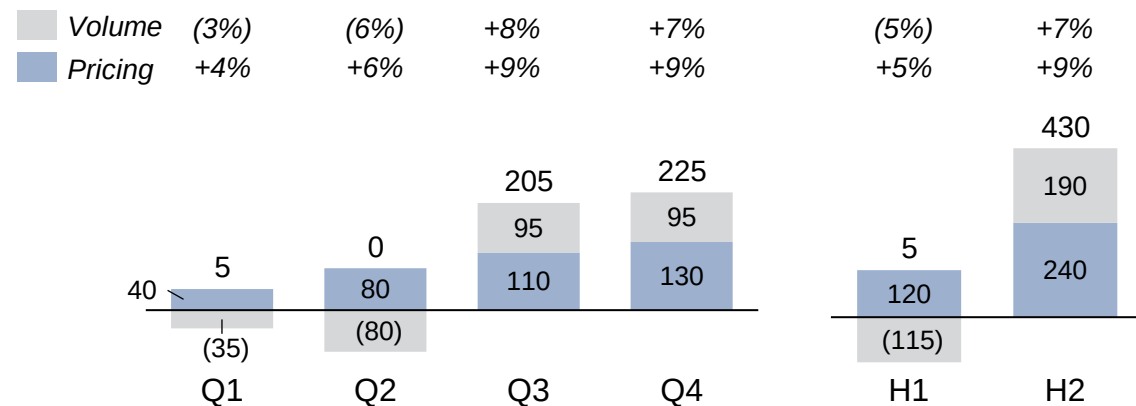
Updated Guidance – Organic Sales Growth from 2021



April Guidance – Net Sales



April Guidance – Organic Sales Growth from 2021

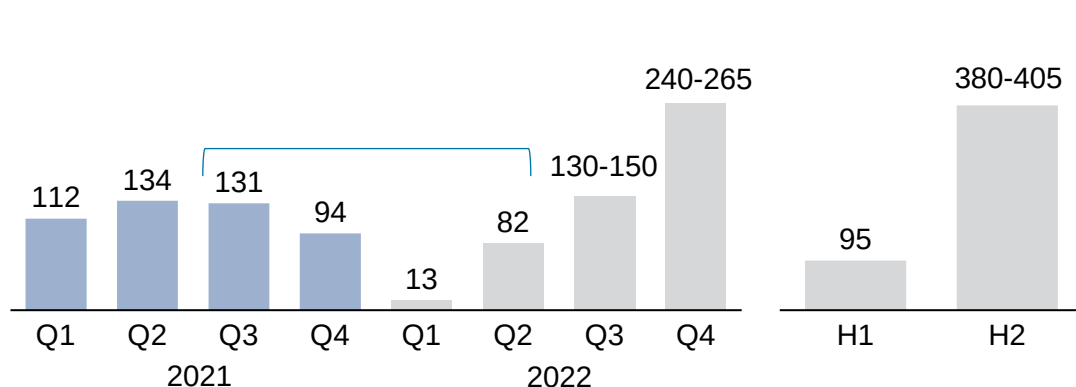


Second half sales down slightly as FX headwind more than offsets incremental volume growth

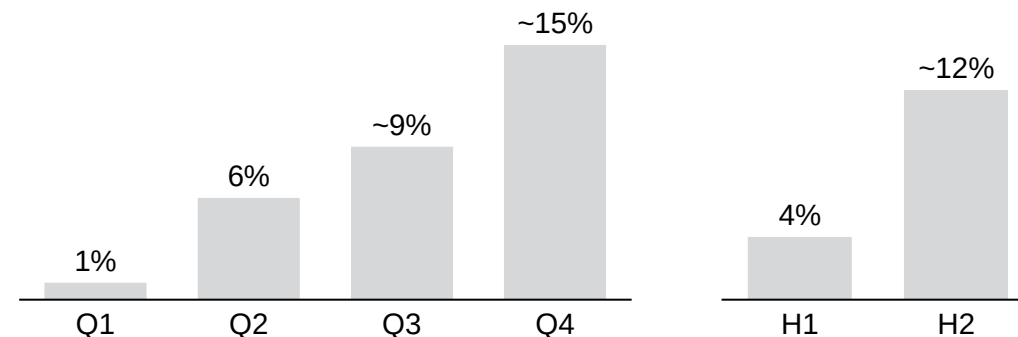
2022 financial guidance by quarter

\$Millions; midpoint of guidance range unless otherwise specified

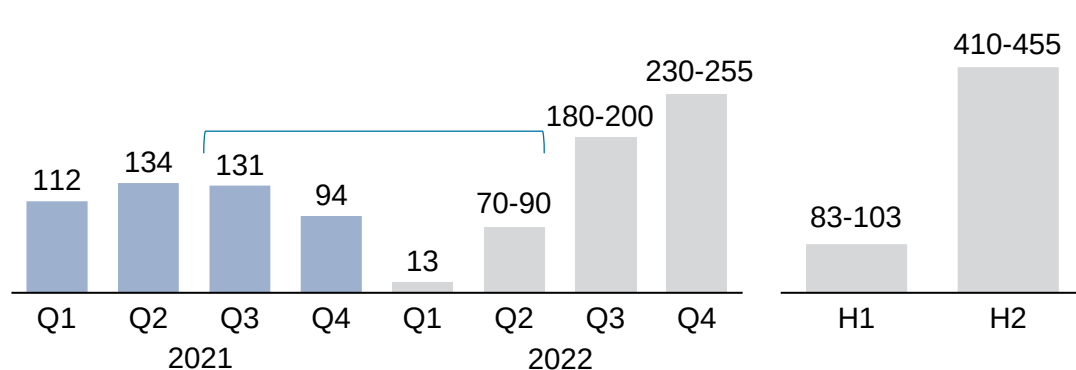
Updated Guidance - Adjusted Operating Profit



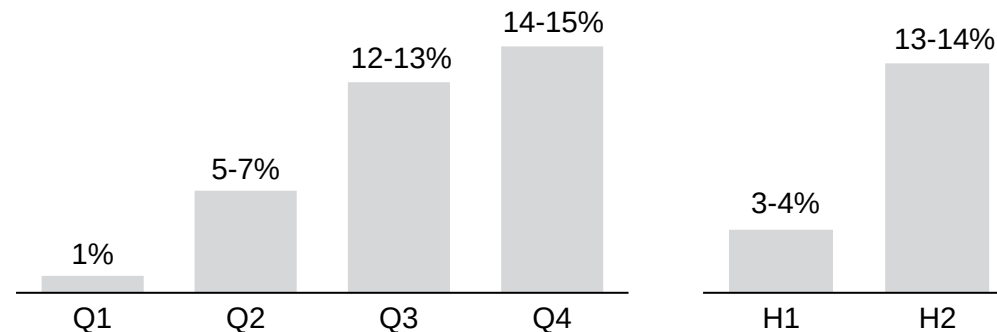
Updated Guidance - Adjusted Operating Margin



April Guidance - Adjusted Operating Profit



April Guidance - Adjusted Operating Margin

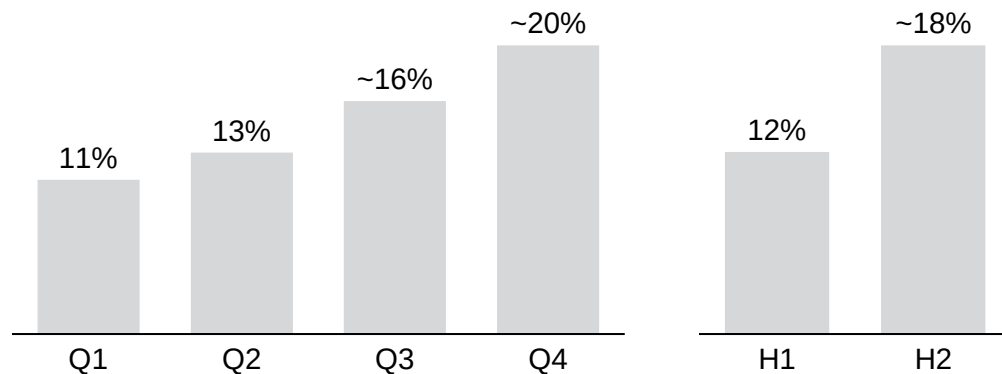


Second half adjusted operating profit guidance reduced ~\$40M (including ~\$20M due to FX)

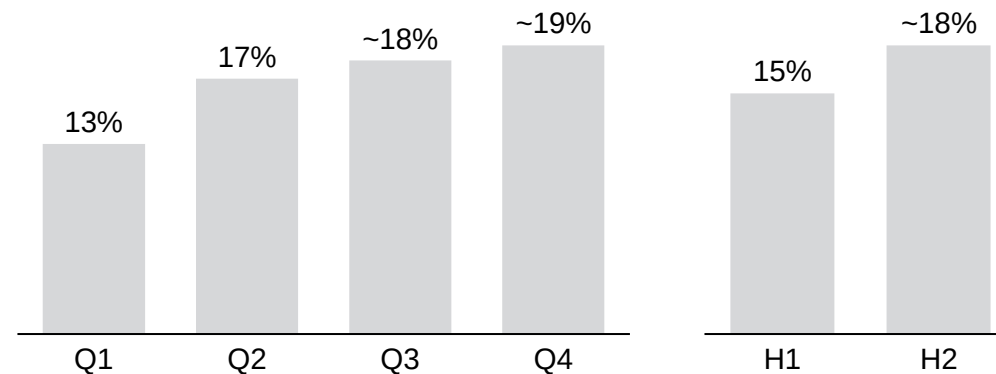
2022 regional adjusted operating margin progression

midpoint of guidance range unless otherwise specified

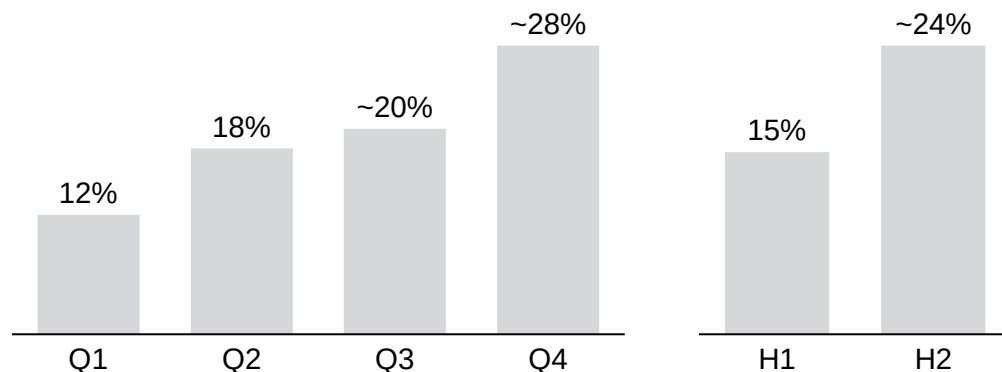
Americas



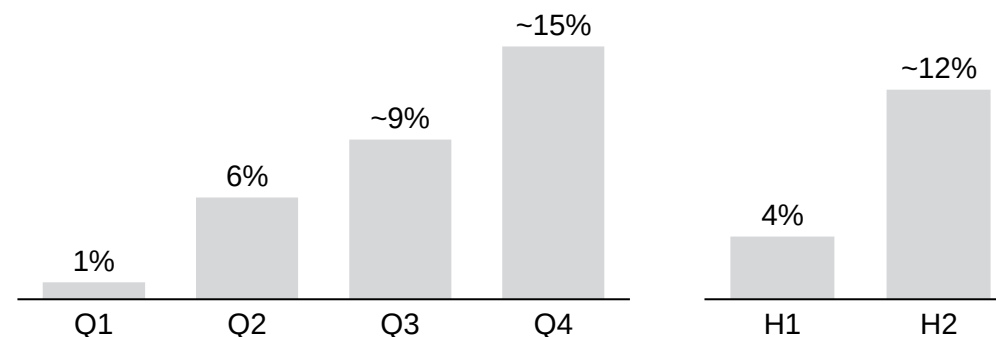
APAC



EMEA



Total Vertiv



Sequential quarterly margin improvement expected in all regions as overall margins recover by year-end

Expecting strong 2023

MARKET UPDATE

- Cloud revenue growing at each major cloud company highlighting the robust underlying demand
- Colocation metrics continue to be strong across the board
- A balanced supply / demand environment should continue
- Edge demand should bode well for enterprise and IT channel customers
- 5G rollouts remain a focus for most telecom operators
- We do not believe recession risks will significantly impact data center markets through 2023

REASONS FOR OPTIMISM

- Sequential adjusted operating margin improvement expected in all regions through 2022
- Order growth remains strong with expected year-end backlog ~40% higher than year-end 2021
- Alternate supply coming on-line in Q3/Q4 should support additional volume lift in 2023
- Global commodities and freight costs are moderating
- Taking orders with strong embedded pricing that are expected to provide a sequential benefit as we work down existing backlog
- Supply availability and targeted actions expected to reduce inventory and improve cash conversion cycle
- SIOP improvements and other process changes in the Americas should improve visibility and predictability

End markets remain strong ♦ Pricing ahead of inflation ♦ Expect ~50% increase in adj. operating profit in 2023

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Larger than expected net use of cash in second quarter. Still managing challenges with inventory planning notably in the Americas. Reducing expectation for full year free cash flow to range of (\$25M) - \$25M.

Reducing full year adjusted operating profit guidance to \$475M - \$500M, down \$37.5M at the mid-point including \$25M from foreign exchange. Some rebalancing between 3Q and 4Q. We believe a strong 4Q will position us well for 2023.

2Q adj. op. profit above guidance mid-point ♦ Reducing guidance in part due to FX ♦ Expecting strong 4Q & 2023

Non-GAAP financial reconciliations



Non-GAAP financial measures –second quarter results

Reconciliation of segment operating profit (loss) to operating profit (loss) and adjusted operating profit (loss)

(\$M 2 nd QUARTER)	2Q22	2Q21
Americas	\$82.5	\$128.6
Asia Pacific	68.5	62.8
Europe, Middle East & Africa	61.8	62.4
Total reportable segments	\$212.8	\$253.8
Foreign currency gain (loss)	(2.9)	(4.1)
Corporate and other	(127.9)	(115.6)
Total corporate, other and elimination	(130.8)	(119.7)
Amortization of intangibles	(55.8)	(31.9)
Operating profit (loss)	\$26.2	\$102.2
Amortization of intangibles	55.8	31.9
Adjusted operating profit (loss)	\$82.0	\$134.1

Reconciliation of Net Sales to Organic Net Sales

(\$M 2 nd QUARTER)	2Q22	2Q21	Δ%	Organic Δ%
Americas	\$647.2	\$564.9	14.6%	6.6%
APAC	407.2	398.0	2.3%	5.9%
EMEA	345.0	297.4	16.0%	13.3%
Total	\$1,399.4	\$1,260.3	11.0%	7.9%

Reconciliation from operating profit (loss) margin to adjusted operating profit (loss) margin

(\$M 2 nd QUARTER)	2Q22	2Q21	Δ
Net sales	\$1,399.4	\$1,260.3	\$139.1
Operating profit	26.2	102.2	(76.0)
Operating margin	1.9%	8.1%	(6.2)%
Amortization of intangibles	55.8	31.9	23.9
Adjusted operating profit	82.0	134.1	(52.1)
Adjusted operating margin	5.9%	10.6%	(4.7)%

Reconciliation of Net cash provided by (used for) operating activities to Free Cash Flow

(\$M 2 nd QUARTER)	2Q22	2Q21
Net cash provided by (used for) operating activities	\$(205.7)	\$59.3
Less: Capital expenditures	(23.1)	(13.6)
Less: Investments in capitalized software	(3.6)	(4.3)
Free cash flow	\$(232.4)	\$41.4

Note: Segment operating profit (loss) is the measure of profitability disclosed in Note 13 to the unaudited condensed consolidated financial statements for the quarter ended June 30, 2022.



Source: Management estimates

Non-GAAP financial measures – second quarter results (cont.)

Reconciliation of diluted EPS to adjusted diluted EPS and operating profit (loss) to adjusted operating profit (loss)

(\$M, except EPS 2 nd QUARTER 2022)	Operating profit (loss)	Interest expense, net	Loss on extinguishment of debt	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽¹⁾
GAAP	\$26.2	\$33.4	-	\$(38.9)	\$11.4	\$20.3	\$0.05
Intangible amortization	55.8	-	-	-	-	55.8	0.15
Change in warrant liability	-	-	-	38.9	-	(38.9)	(0.10)
Non-GAAP Adjusted	\$82.0	\$33.4	-	-	\$11.4	\$37.2	\$0.10
(\$M, except EPS 2 nd QUARTER 2021)	Operating profit (loss)	Interest expense, net	Loss on extinguishment of debt	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽²⁾
GAAP	\$102.2	\$20.0	-	\$71.2	\$1.3	\$9.7	\$0.03
Intangible amortization	31.9	-	-	-	-	31.9	0.09
Change in warrant liability	-	-	-	(71.2)	-	71.2	0.20
Pro forma share count ⁽²⁾	-	-	-	-	-	-	(0.01)
Non-GAAP Adjusted	\$134.1	\$20.0	-	-	\$1.3	\$112.8	\$0.31

(1) Diluted EPS and adjusted diluted EPS based on 377.3 million shares (includes 376.6 million basic shares and 0.7 million dilutive stock options and restricted stock units). We believe that this presentation is more representative of operating results by removing the impact of warrant liability accounting and the associated impact on diluted share count.

(2) Diluted EPS based on 356.7 million shares (includes 352.2 million basic shares and 4.5 million potential dilutive stock options and restricted stock units). Adjusted diluted EPS based on pro-forma share count 362.1 million shares (includes 352.2 million basic shares and 9.9 million potential dilutive warrants, stock options and restricted stock units). We believe that this presentation is more representative of operating results by removing the impact of merger and acquisition related costs, warrant liability accounting, and the associated impact on diluted share count.

Non-GAAP financial measures – 2022 guidance

At midpoint of guidance range

Reconciliation of diluted EPS to adjusted diluted EPS and operating profit (loss) to adjusted operating profit (loss)

(\$M, except EPS 3 rd QUARTER 2022 ⁽¹⁾)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽²⁾
GAAP	\$85.0	\$37.0	\$ -	\$17.0	\$31.0	\$0.08
Intangible amortization	55.0	-	-	-	55.0	0.15
Non-GAAP Adjusted	\$140.0	\$37.0	\$ -	\$17.0	\$86.0	\$0.23

(\$M, except EPS FULL YEAR 2022 ⁽¹⁾)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽³⁾
GAAP	\$270.0	\$141.0	(\$133.8)	\$103.0	\$159.8	\$0.42
Change in warrant liability	-	-	133.8	-	(133.8)	(0.35)
Intangible amortization	217.5	-	-	-	217.5	0.57
Non-GAAP Adjusted	\$487.5	\$141.0	\$ -	\$103.0	\$243.5	\$0.64

(1) Information reconciling certain forward-looking GAAP measures to non-GAAP measures related to 2022 guidance, including organic net sales growth and free cash flow, is not available without unreasonable effort due to high variability, complexity and uncertainty with respect to forecasting and quantifying certain amounts that are necessary for such reconciliations. For the same reasons, we are unable to compute the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on our future GAAP financial results.

(2) Diluted EPS and adjusted diluted EPS based on ~377.4 million shares (includes ~377.2 million basic shares and a weighted average of ~0.2 million potential dilutive stock options and restricted stock units)

(3) Diluted EPS and adjusted diluted EPS based on ~378.3 million shares (includes ~376.8 million basic shares and a weighted average of ~1.5 million potential dilutive stock options and restricted stock units)

Non-GAAP financial measures – 2022 guidance continued

At midpoint of guidance range

Reconciliation of diluted EPS to adjusted diluted EPS and operating profit (loss) to adjusted operating profit (loss)

(\$M, except EPS 4 th QUARTER 2022 ⁽¹⁾)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽²⁾
GAAP	\$204.0	\$41.3	\$ -	\$62.7	\$100.0	\$0.26
Intangible amortization	49.0	-	-	-	49.0	0.13
Non-GAAP Adjusted	\$253.0	\$41.3	\$ -	\$62.7	\$149.0	\$0.39

(\$M, except EPS 2 nd HALF 2022 ⁽¹⁾)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽³⁾
GAAP	\$289.0	\$78.3	\$ -	\$79.7	\$131.0	\$0.35
Intangible amortization	104.0	-	-	-	104.0	\$0.27
Non-GAAP Adjusted	\$393.0	\$78.3	\$ -	\$79.7	\$235.0	\$0.62

(1) Information reconciling certain forward-looking GAAP measures to non-GAAP measures related to 2022 guidance, including organic net sales growth and free cash flow, is not available without unreasonable effort due to high variability, complexity and uncertainty with respect to forecasting and quantifying certain amounts that are necessary for such reconciliations. For the same reasons, we are unable to compute the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on our future GAAP financial results.

(2) Diluted EPS and adjusted diluted EPS based on ~381.2 million shares (includes ~377.6 million basic shares and a weighted average of ~3.6 million potential dilutive stock options and restricted stock units)

(3) Diluted EPS and adjusted diluted EPS based on ~379.3 million shares (includes ~377.4 million basic shares and a weighted average of ~1.9 million potential dilutive stock options and restricted stock units)



Source: Management estimates

Non-GAAP financial measures –FY21 and 1Q22 results

Reconciliation from operating profit (loss) margin to adjusted operating profit (loss) margin

(\$M 3 rd QUARTER)	1Q21	2Q21	3Q21	4Q21	FY21	1Q22
Net sales	\$1,098.4	\$1,260.3	\$1,228.9	\$1,410.5	\$4,998.1	\$1,156.4
Operating profit	79.8	102.2	81.8	(3.9)	259.9	(45..2)
Operating margin	7.3%	8.1%	6.7%	(0.3)%	5.2%	(3.9%)
Amortization of intangibles	31.8	31.9	31.6	49.0	144.3	57.7
Mergers and acquisitions costs	-	-	18.0	30.1	48.1	-
Litigation settlement costs	-	-	-	18.7	18.7	-
Adjusted operating profit	111.6	134.1	131.4	93.9	471.0	12.5
Adjusted operating margin	10.2%	10.6%	10.7%	6.7%	9.4%	1.1%

Reconciliation of Net cash provided by (used for) operating activities to Free Cash Flow

(\$M 3 rd QUARTER)	1Q21	2Q21	3Q21	4Q21	FY21	1Q22
Net cash provided by (used for) operating activities	\$60.7	\$59.3	\$54.4	\$36.5	\$210.9	(\$132.2)
Less: Capital expenditures	(16.8)	(13.6)	(12.9)	(30.1)	(73.4)	(15.1)
Less: Investments in capitalized software	(1.1)	(4.3)	(4.1)	(1.7)	(11.2)	(3.1)
Plus: proceeds from disposition of PP&E	-	-	6.1	3.7	9.8	-
Free cash flow	\$42.8	\$41.4	\$43.5	\$8.4	\$136.1	(\$150.4)

Non-GAAP financial measures –FY21 and 1Q22 results

Reconciliation of segment operating profit (loss) to operating profit (loss) and adjusted operating profit (loss)

(\$M)	1Q21	2Q21	3Q21	4Q21	FY21	1Q22
Americas	\$126.4	\$128.6	\$113.4	\$72.8	\$441.2	\$57.9
Asia Pacific	53.1	62.8	69.4	68.1	253.4	41.5
Europe, Middle East & Africa	33.4	62.4	59.0	62.8	217.6	33.2
Total reportable segments	212.9	253.8	\$241.8	\$203.7	\$912.2	\$132.6
Foreign currency gain (loss)	6.9	(4.1)	(4.9)	(1.1)	(3.2)	1.3
Corporate and other	(108.2)	(115.6)	(123.5)	(157.5)	(504.8)	(121.4)
Total corporate, other and elimination	(101.3)	(119.7)	(128.4)	(158.6)	(508.0)	(120.1)
Amortization of intangibles	(31.8)	(31.9)	(31.6)	(49.0)	(144.3)	(57.7)
Operating profit (loss)	\$79.8	\$102.2	\$81.8	(\$3.9)	\$259.9	(\$45.2)
Amortization of intangibles	31.8	31.9	31.6	49.0	144.3	57.7
Mergers and acquisitions costs	-	-	18.0	30.1	48.1	-
Litigation settlement costs	-	-	-	18.7	18.7	-
Adjusted operating profit (loss)	\$111.6	\$134.1	\$131.4	\$93.9	\$471.0	\$12.5

Reconciliation of Net Sales to Organic Net Sales

(\$M 1 st QUARTER)	1Q22	1Q21	Δ%	Organic Δ%
Americas	\$535.1	\$501.5	6.7%	3.3%
APAC	332.8	357.4	(6.9)%	(6.7)%
EMEA	288.5	239.5	20.5%	5.1%
Total	\$1,156.4	\$1,098.4	5.3%	0.4%

Non-GAAP financial measures – 3rd quarter 2021

Reconciliation of GAAP diluted EPS to Non-GAAP adjusted diluted EPS and operating profit (loss) to adjusted operating profit (loss)

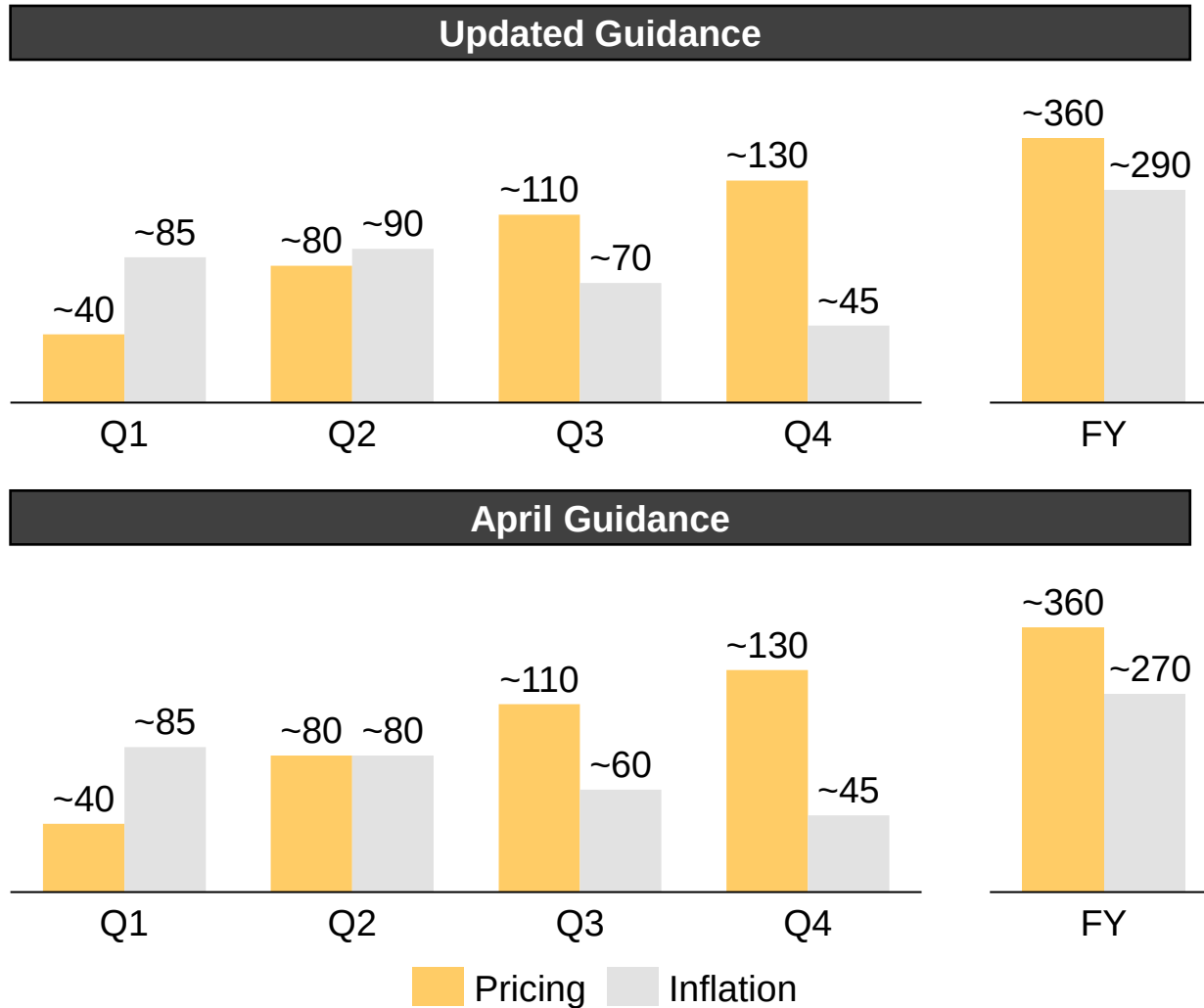
(\$M, except EPS 3 rd QUARTER 2021)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽¹⁾
GAAP	\$81.8	\$22.4	(\$32.5)	\$35.7	\$56.2	\$0.15
Intangible amortization	31.6	-	-	-	31.6	0.09
Change in warrant liability	-	-	32.5	-	(32.5)	(0.09)
Merger and acquisitions costs ⁽²⁾	18.0	-	-	-	18.0	0.05
Non-GAAP Adjusted	\$131.4	\$22.4	-	\$35.7	\$73.3	\$0.20

(1) GAAP Diluted and Non-GAAP Adjusted EPS based on 363.2 million shares (includes 352.5 million basic shares and 4.7 million potential dilutive stock options and restricted stock units and 6.0 million dilutive warrants). We believe that this presentation is more representative of operating results by removing the impact of warrant liability accounting and merger and acquisition related costs.

(2) Includes ~\$9M cash expenses and ~\$9M asset impairment related to Heavy Industrial UPS business.

2022 pricing and inflation guidance by quarter

\$Millions – year-over-year impact excluding E&I

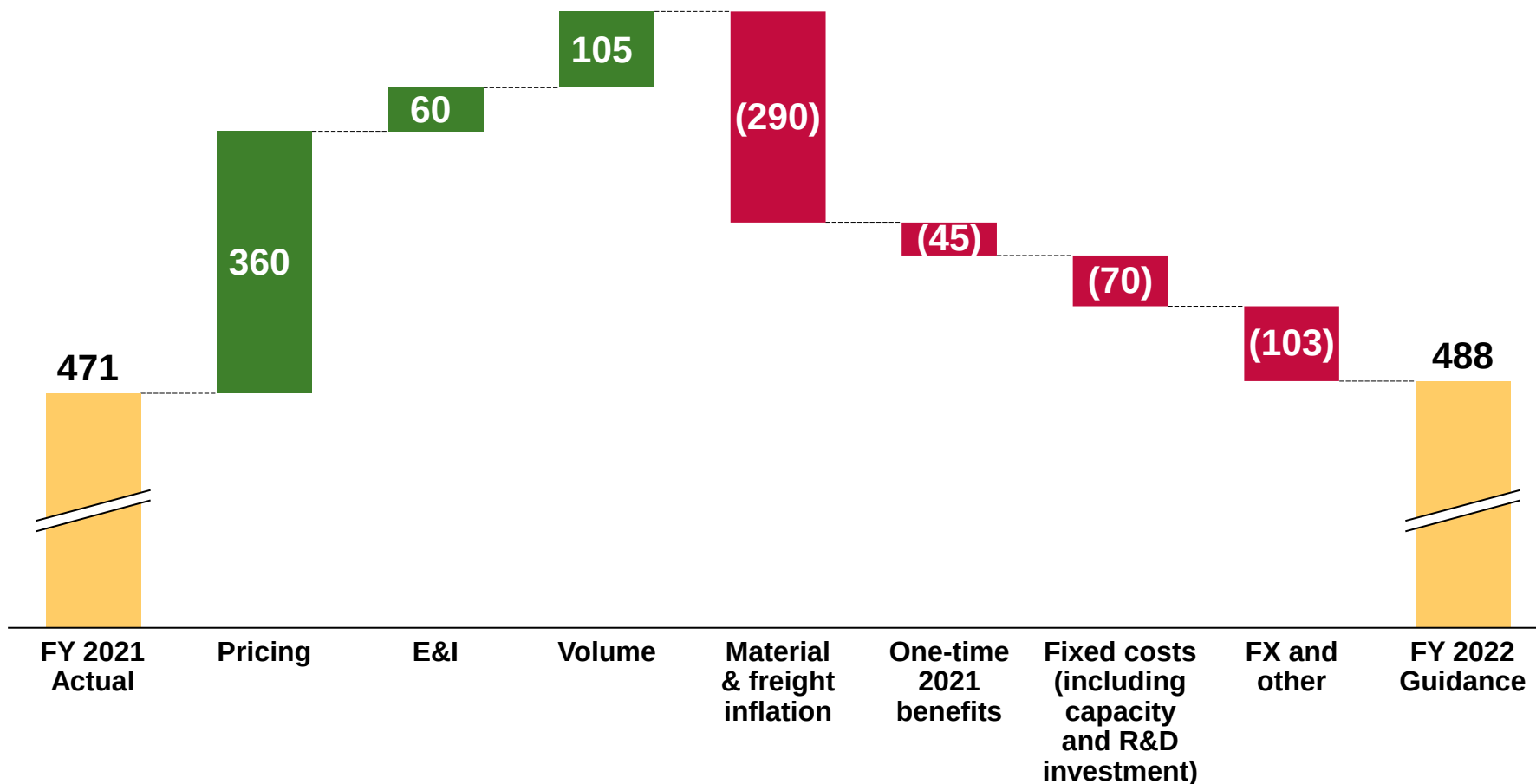


- Second quarter inflation was slightly higher than prior outlook driven largely by electronic components
- Second quarter pricing of \$80M (6%) was at prior guidance and represented a \$40M sequential improvement from the first quarter
- ~75% of second half pricing is included in the current backlog with ~25% resulting from already implemented price actions on our 2H book and ship business
- Second half price-cost slightly unfavorable to prior guidance due to higher costs in AMER extending into Q3

Pricing benefit expected to accelerate in second half as share of sales from year-end 2021 backlog falls

Full year 2022 adjusted operating profit vs. 2021

\$Millions; FY 2022 at midpoint of guidance



- Pricing includes ~\$120M actual, ~\$180M in Q2 2022 backlog and ~\$60M in expected book and ship orders
- E&I 2022 adjusted operating profit of ~\$67M less ~\$7M in 2021
- Volume benefit of ~\$305M higher sales
- Material and freight inflation assumes wrap around of Dec 2021 run rate (~\$160M) plus ~\$130M of new 2022 cost increases
- 2021 one-time benefits include lower than target bonus expense, hiring freeze and other non-recurring items
- Fixed costs includes investments in R&D (~\$20M) and capacity to support growth in and beyond 2022
- Other includes ~\$35M FX headwind, divestiture of Heavy Industrial UPS business, unfavorable mix, labor inflation and other cost headwinds

Key FX rates and other modeling assumptions

\$Millions unless otherwise specified

2H Assumptions	
USD / CNY	\$0.1492
USD / EUR	\$1.0184
USD / GBP	\$1.1922
USD / INR	\$0.0127
1-mo LIBOR (Q3)	2.50%
1-mo LIBOR (Q4)	3.35%

Sales Exposure by Currency	
CNY	15%
EUR	12%
GBP	8%
INR	6%
Other non-USD	15%
Total non-USD	56%
USD	44%

FX impact vs. prior year

	Q1	Q2	Q3	Q4	FY
Sales	(~20)	(~60)	(~70)	(~70)	(~220)
Adj. OP	(~2)	(~9)	(~10)	(~13)	(~35)

FX impact vs. prior guidance

	Q1	Q2	Q3	Q4	FY
Sales	-	(~35)	(~55)	(~70)	(~160)
Adj. OP	-	(~5)	(~9)	(~11)	(~25)

