



Second Quarter 2024 Results

July 24, 2024



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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; failure to achieve Vertiv's environmental, social, and governance goals; 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; 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; the ability of Vertiv to grow and manage growth profitably, maintain relationships with customers and suppliers and retain its management and key employees; Vertiv's ability to manage the succession of its 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 corporate transactions; 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 adjusted 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 on pages 13-21 of this presentation and our current earnings release dated July 24, 2024, 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 third quarter and full year 2024 guidance, including organic net sales growth, adjusted operating margin, and adjusted 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 2024 key messages

Organic net sales up ~14% compared to second quarter 2023 driven by double-digit growth in AMER and EMEA, and continued demand recovery in APAC.

Strong orders growth – up ~57%¹ from second quarter 2023 and up ~10%¹ from first quarter 2024; sequential growth primarily driven by large order timing. TTM orders up 37% vs. prior year. Book-to-bill ratio of ~1.4x for second quarter 2024.

Second quarter 2024 adjusted operating profit of \$382M is up 52% (\$131M) from second quarter 2023 driven by higher sales and stronger contribution margin. Adjusted operating margin of 19.6% up 510 bps compared to second quarter 2023.

Adjusted free cash flow of \$333M in second quarter 2024, up \$106M from second quarter 2023, primarily driven by higher adjusted operating profit and trade working capital improvement. Net leverage at ~1.8x at quarter-end.

Completed the repricing of existing seven-year \$2.1 billion Term Loan, reducing interest expense by ~61 bps and resulting in interest savings of ~\$13M per year.

Full-year organic net sales guidance of ~\$7.7B, up ~\$50M at midpoint vs. prior guidance, and adjusted operating profit guidance of ~\$1.44B, up ~\$85M at midpoint vs. prior guidance. Full-year adjusted free cash flow expected to be ~\$875M at midpoint.

Strong first half of 2024 • Raising guidance for all financial metrics • Continue momentum in to 2H24

Market environment outlook

SEGMENT	 AMERICAS		 APAC		 EMEA	
	Feb-2024	July-2024	Feb-2024	July-2024	Feb-2024	July-2024
CLOUD / HYPERSCALE						
COLOCATION						
ENTERPRISE / SMALL & MEDIUM BUSINESS						
COMMUNICATION NETWORKS						
COMMERCIAL & INDUSTRIAL						

Underlying market demand remains strong • Continued positivity in Cloud & Colocation, now globally with initial signs of China improvement • Americas Enterprise outlook up with early small-scale AI

Customer demand, operations, and procurement update

Customer demand

- **Second quarter orders exceeded expectations**, up ~57%¹ from second quarter 2023 and up ~10%¹ sequentially from first quarter 2024. Book-to-bill ratio of ~1.4x.
- **Second quarter Trailing Twelve Month (TTM) orders up ~37%¹ vs. prior year.** Larger AI-related order timing can impact quarter-to-quarter orders flow; comparing orders on a TTM basis is more representative of continued growth.
- **Backlog at the end of the second quarter 2024 (\$7.0B) up ~47%** vs. end of second quarter 2023 and up 11% vs. end of first quarter 2024.
- Anticipate 10% - 15% orders growth in third quarter 2024 from third quarter 2023. **Orders growth on a TTM basis at end of third quarter expected to remain strong, up 30% - 35% vs. prior year.**
- **AI-related demand continues to build sales pipeline and orders for shipment in 2025+, supporting long-term plans.** Order ship dates extend in to 2025+ as customers manage timing constraints including construction and power availability.

Operations and Procurement update

- **Geopolitical tensions remain a risk area.** We will continue to monitor and scenario plan to minimize potential disruption.
- **Supply chains have largely returned to normal.** Supplier lead-times continue to improve further optimizing our manufacturing lead-times.
- **Continued focus on building supply chain resilience** as we proactively multi-source key components, reinforce risk identification processes, and strengthen mitigation plans to support growth.
- **Copper and Aluminum prices remain inflated and uncertain** while steel prices declined slightly. Overall, commodity inflation remains a factor but not expected to be a significant risk to our price-cost projections.
- **Continued roll-out of Vertiv Operating System (VOS)** driving higher plant productivity and reduction in customer lead-times vs. year-end 2023. Relentless focus on operational excellence across the organization.
- **Expanded modular footprint in AMER 4x vs. prior year**, adding more modular data center production capabilities. Significant increase in AMER Thermal production capacity (vs. YE23) to support AI demand growth.

Building capacity to support AI-driven demand • Driving operational excellence across organization

Service is where execution and scalability intersects to enable AI infrastructure

Vertiv's vast global service network is ready to consult, startup and maintain critical resilience

- Providing unmatched Critical Digital Infrastructure 24/7 support with 300+ service centers and 3,750+ field service engineers ¹
- End-to-end service offering from consultation, installation, and commissioning to lifecycle contracts and predictive maintenance
- Strong growth trajectory while expanding profitability: Service & spares sales up ~9% and gross margins up 155 bps YTD vs. 2023



Why is Service critical for AI Deployment?

- Stakes are significantly higher in the IT rack and whitespace
- Complex system and intersection points that are unforgiving with the lack of thermal inertia
- Fluid management and quality are paramount
- Operators' on-site capabilities and capacity for this new technology is still limited

Vertiv is uniquely qualified and capable to navigate and deliver AI Infrastructure Services

- **Vertiv field service engineers** proactively being trained ahead of demand to support liquid cooling deployment and maintenance
- **Predictive maintenance services** utilizing telemetry to detect component anomalies and performance deviations alerting when intervention is needed
- **Expert on-site, campus-wide service models** tailored to customer needs

Customer
Use Case:



COMPASS
datacenters

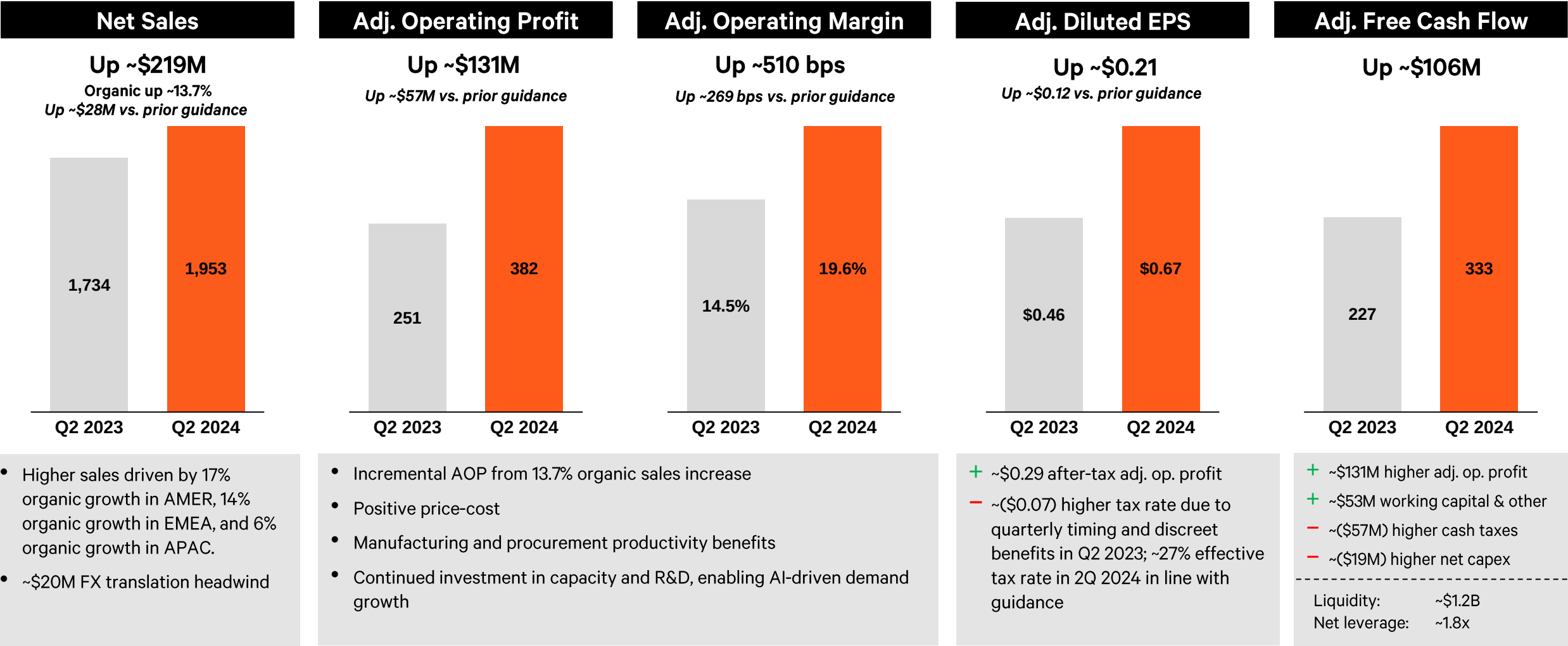
Vertiv staffed site based dedicated supervisors, technicians, parts inventory, and predictive maintenance connectivity on Compass' sites

Note: ¹ Company information as June 30, 2024

Vertiv services are ready with end-to-end services to fully support the growing and more complex needs of site resilience, optimization, and efficiency

Second quarter 2024 financial results

\$Millions; deltas to midpoint of guidance range



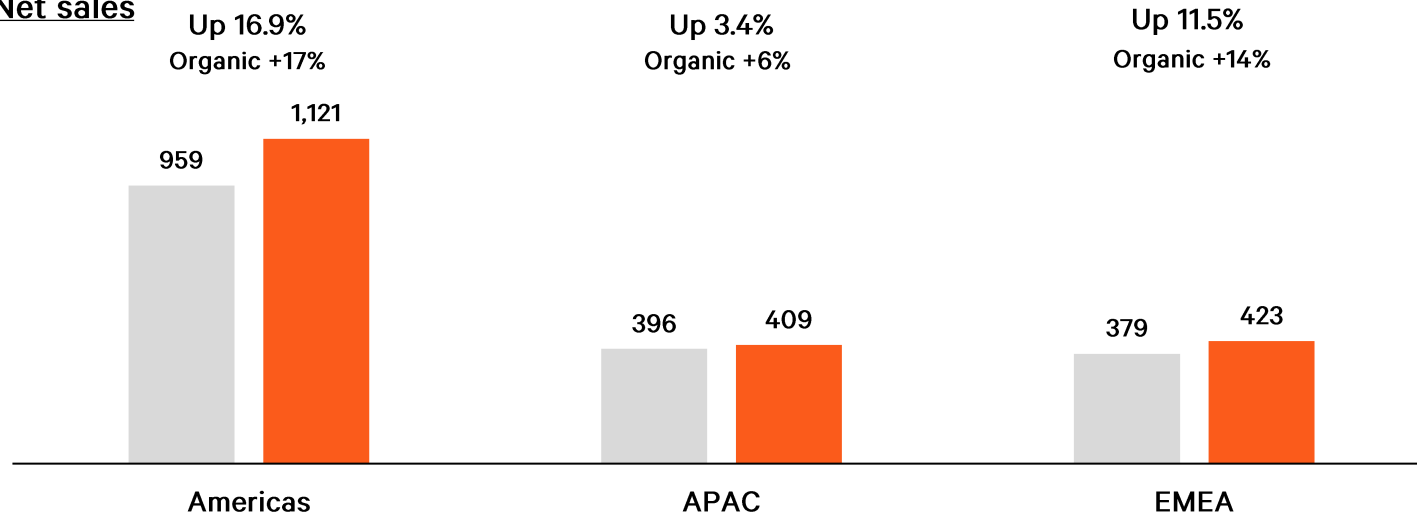
Strong second quarter results driven by organic growth and margin expansion



Second quarter 2024 financial results

\$Millions

Net sales



Americas

- Organic growth led by Hyperscale and Colocation markets with strong contribution from switchgear, busway and AC power products.
- Operating margin expansion primarily driven by favorable price-cost and operational productivity.

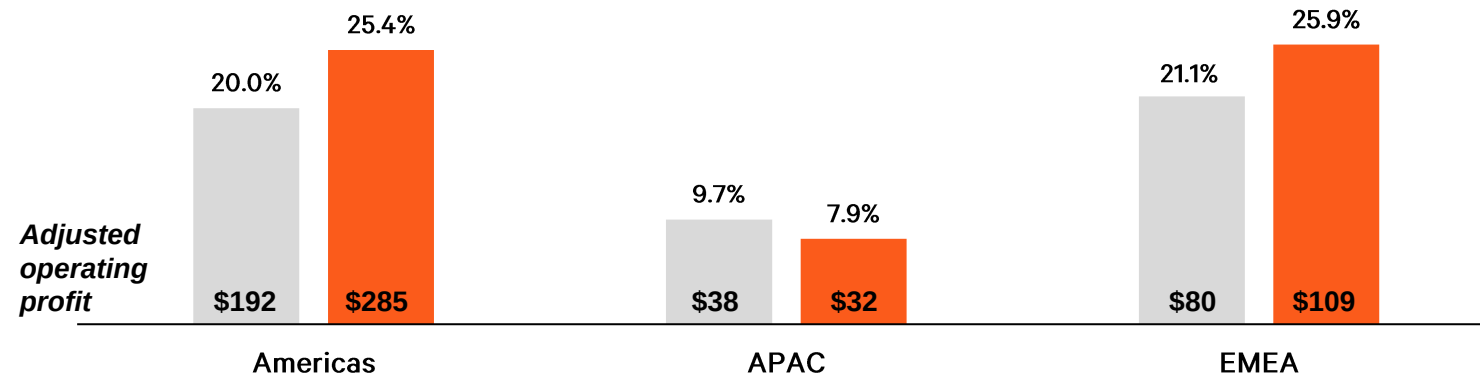
APAC

- Organic sales growth driven by stronger markets in India and Rest of Asia while China was slightly lower due to macroeconomic conditions.
- Margin decline primarily due to a one-time expense of ~\$6M and higher allocated R&D spend.

EMEA

- Sales growth driven by extended demand in Hyperscale and Colocation markets, specifically on Skid & Modular solutions.
- Operating margin expansion primarily driven by operational productivity and favorable price-cost.

Adjusted operating margin



Three months ended

■ June 30, 2023

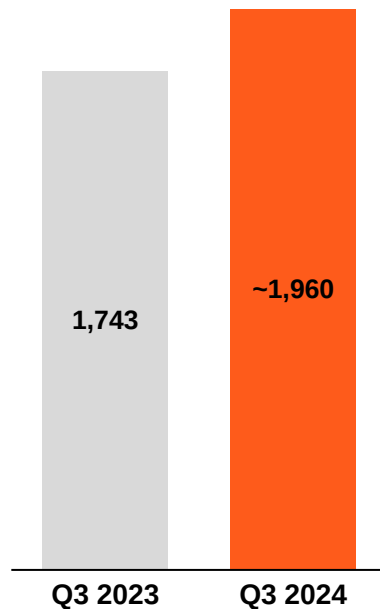
■ June 30, 2024

Third quarter 2024 financial guidance

\$Millions; midpoint of guidance range unless otherwise specified

Net Sales

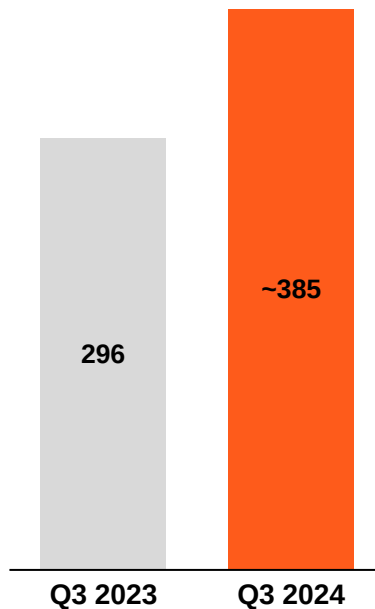
Up ~\$217M
Organic up ~14%



Range: \$1,935M - \$1,985M

Adj. Operating Profit

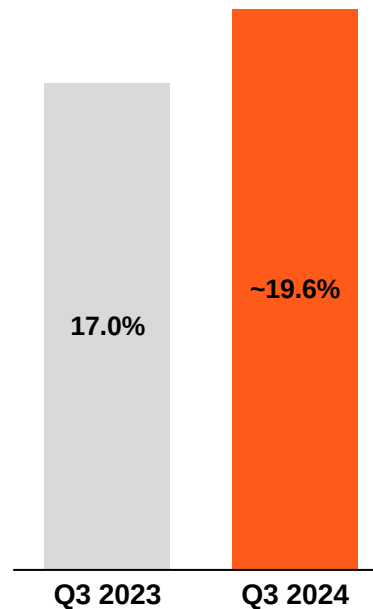
Up ~\$89M



Range: \$375M - \$395M

Adj. Operating Margin

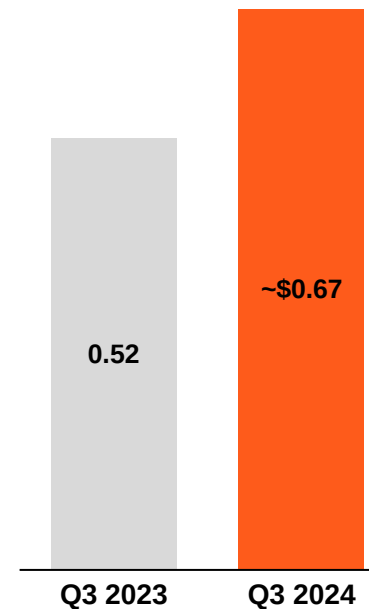
Up ~260 bps



Range: 19.4% - 19.8%

Adj. Diluted EPS

Up ~\$0.15



Range: \$0.65 - \$0.69

- Organic growth: low-teens across all regions
- ~\$20M FX translation headwind

- Incremental AOP from 14% organic sales increase
- Price-cost (material, freight, labor) tailwinds
- Continued manufacturing and procurement productivity
- Incremental ER&D and capacity investments to support growth plans

- + ~\$0.18 after-tax adj. operating profit
- + ~\$0.01 after-tax net interest expense
- + ~\$0.01 lower share count
- ~(\$0.04) income taxes

Anticipate continued organic sales growth and margin expansion

Full year 2024 financial guidance

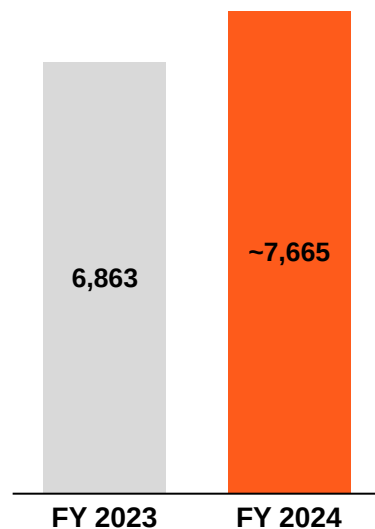
\$Millions; midpoint of guidance range unless otherwise specified

Net Sales

Up ~\$802M

Organic up ~13%

Up ~\$50M vs. prior guidance

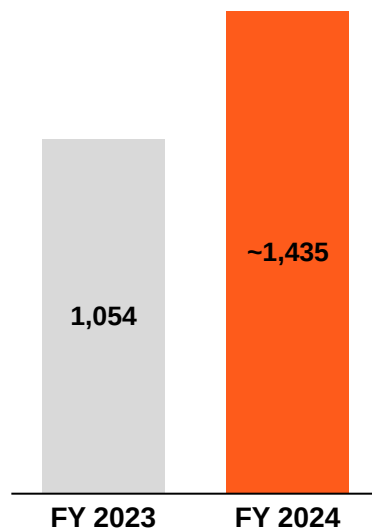


Range: \$7,590M - \$7,740M

Adj. Operating Profit

Up ~\$381M

Up ~\$85M vs. prior guidance

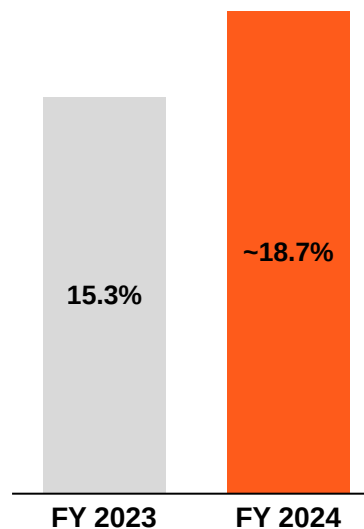


Range: \$1,410M - \$1,460M

Adj. Operating Margin

Up ~340 bps

Up ~100 bps vs. prior guidance

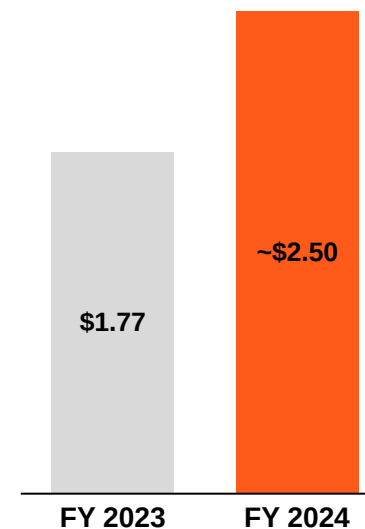


Range: 18.5% - 18.9%

Adj. Diluted EPS¹

Up ~\$0.73

Up ~\$0.18 vs. prior guidance

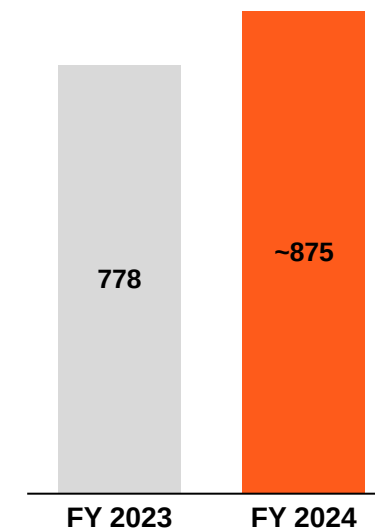


Range: \$2.47 - \$2.53

Adj. Free Cash Flow

Up ~\$97M

Up ~\$50M vs. prior guidance



Range: \$850M - \$900M

- Organic growth: AMER mid-teen, EMEA and APAC low double-digit
- Higher volume vs. prior guidance
- Includes \$70M FX headwind, \$25M higher than prior guidance

- Incremental AOP from 13% organic sales increase
- Price-cost tailwinds
- Continued manufacturing and procurement productivity
- Fixed cost leverage. Expected Incremental ER&D and capacity investment of ~\$75M.

- + ~\$0.78 after-tax adj. operating profit
- + ~\$0.03 after-tax net interest expense
- ~(\$0.07) income taxes
- ~(\$0.01) higher share count

- Versus Prior Guidance:
- + ~\$65M after-tax adjusted op. profit
 - + ~\$5M lower cash interest
 - ~(\$20M) working capital

Raising full-year financial guidance on higher organic sales growth and profitability expectations

Key takeaways

19.6% adj. operating margin in second quarter 2024 driven by higher contribution margin and fixed cost leverage. Exceeded guidance for second quarter across all financial metrics, continuing momentum from a strong first quarter.

Second quarter 2024 orders up ~57%¹ vs. second quarter 2023 and TTM orders up 37% vs. prior year. Book-to-bill ratio ~1.4x for the second quarter 2024. Strong orders pipeline supports both near-term and 2025+ growth plans.

Third quarter 2024 net sales guidance of \$1,935M - \$1,985M and adjusted operating profit guidance of \$375M - \$395M, up \$217M and \$89M at the midpoint, respectively, vs. third quarter 2023.

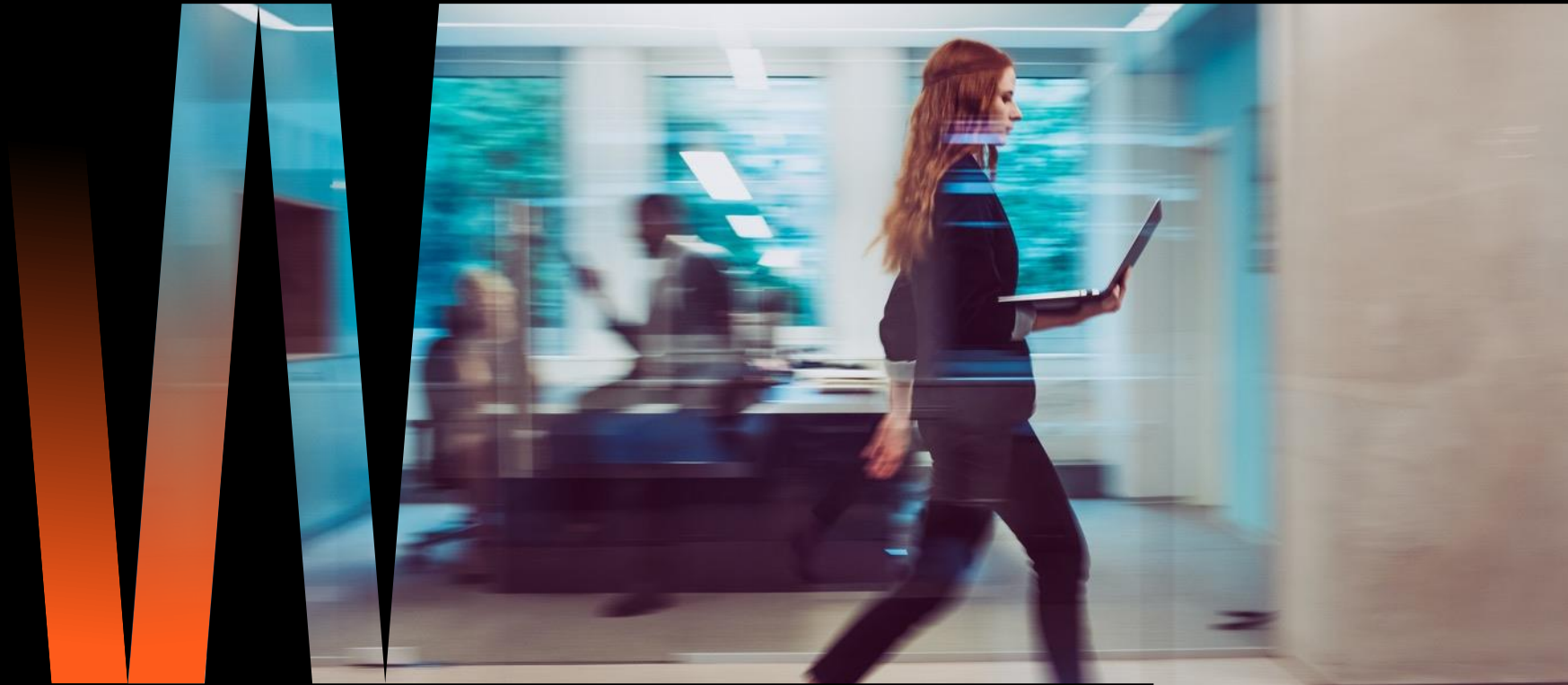
Raised full-year 2024 net sales guidance to \$7,590M - \$7,740M and adjusted operating profit guidance to \$1,410M - \$1,460M (up ~\$50M and \$85M at the midpoint vs prior guidance, respectively).

Raised adjusted full-year free cash flow guidance to \$850M - \$900M (up ~\$50M vs. prior guidance). Continue to invest in capacity growth while maintaining balance sheet flexibility for opportunistic capital deployment.

Investor Event planned for Monday, November 18th in conjunction with SC24: International Conference for High Performance Computing, Networking, Storage and Analysis in Atlanta, GA.

Raising full-year financial guidance • Strong backlog and orders growth support long-term plans

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)	2Q24	2Q23
Americas	\$285.1	\$191.7
Asia Pacific	32.3	38.2
Europe, Middle East & Africa	109.5	79.9
Total reportable segments	\$426.9	\$309.8
Foreign currency gain (loss)	(0.2)	(7.5)
Corporate and other	(44.9)	(51.1)
Total corporate, other and elimination	(45.1)	(58.6)
Operating profit (loss)	\$336.0	\$205.8
Amortization of intangibles	45.8	45.4
Adjusted operating profit (loss)	\$381.8	\$251.2

Net Sales and Organic Net Sales Change by Segment⁽¹⁾

(\$M 2 nd QUARTER)	2Q24	2Q23	Δ%	Organic Δ%
Americas	\$1,121.1	\$959.4	16.9%	17.2%
APAC	409.1	395.8	3.4%	5.7%
EMEA	422.6	378.9	11.5%	13.5%
Total	\$1,952.8	\$1,734.1	12.6%	13.7%

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

(\$M 2 nd QUARTER)	2Q24	2Q23	Δ
Net sales	\$1,952.8	\$1,734.1	\$218.7
Operating profit	336.0	205.8	130.2
Operating margin	17.2%	11.9%	5.3%
Amortization of intangibles	45.8	45.4	0.4
Adjusted operating profit	381.8	251.2	130.6
Adjusted operating margin	19.6%	14.5%	5.1%

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

(\$M 2 nd QUARTER)	2Q24	2Q23
Net cash provided by (used for) operating activities	\$378.4	\$253.6
Less: Capital expenditures	(34.1)	(25.8)
Less: Investments in capitalized software	(10.9)	(0.5)
Adjusted free cash flow	\$333.4	\$227.3

Note: Segment operating profit (loss) is the measure of profitability disclosed in Note 11 to the unaudited consolidated financial statements for the quarter ended June 30, 2024.

(1) Refer to the reconciliation on Slide 21 for the change in net sales to the change in organic net sales.

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 2024)	Operating profit (loss)	Interest expense, net	Loss on extinguishment of debt	Change in warrant liability	Income tax expense (benefit)	Net income (loss)	Diluted EPS ⁽¹⁾
GAAP	\$336.0	\$44.8	\$1.1	\$25.4	\$86.6	\$178.1	\$0.46
Intangible amortization	45.8	-	-	-	-	45.8	0.12
Change in warrant liability	-	-	-	(25.4)	(9.1)	34.5	0.09
Non-GAAP Adjusted	\$381.8	\$44.8	\$1.1	-	\$77.5	\$258.4	\$0.67
<i>Diluted shares (in millions)</i>							384.5

(\$M, except EPS 2 nd QUARTER 2023)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽²⁾
GAAP	\$205.8	\$46.9	\$46.0	\$29.7	\$83.2	\$0.22
Intangible amortization	45.4	-	-	-	45.4	0.12
Change in warrant liability	-	-	(46.0)	-	46.0	0.12
Non-GAAP Adjusted	\$251.2	\$46.9	-	\$29.7	\$174.6	\$0.46
<i>Diluted Shares (in millions)</i>						382.4

(1) Diluted EPS and adjusted diluted EPS is based on 384.5 million shares (includes 374.7 million basic shares and 9.8 million potential 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 EPS.

(2) Diluted EPS and adjusted diluted EPS based on 382.4 million shares (includes 379.9 million basic shares and 2.4 million potential 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 EPS.

Non-GAAP financial measures – third quarter 2024 guidance

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

(\$M, except EPS 3 rd QUARTER 2024 ⁽¹⁾)	Operating profit (loss)	Interest expense, net	Income tax expense	Net income (loss)	Diluted EPS ⁽²⁾
GAAP	\$341.0	\$41.0	\$104.0	\$196.0	\$0.51
Amortization of intangibles	44.0	-	-	44.0	0.11
Change in warrant liability	-	-	(20.0)	20.0	0.05
Non-GAAP Adjusted	\$385.0	\$41.0	\$84.0	\$260.0	\$0.67
<i>Diluted Shares (in millions)</i>					385.0

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

(\$M, except EPS 3 rd QUARTER 2023)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽³⁾
GAAP	\$250.9	\$43.5	\$61.6	\$51.7	\$94.1	\$0.24
Intangible amortization	45.5	-	-	-	45.5	0.12
Change in warrant liability	-	-	(61.6)	-	61.6	0.16
Non-GAAP Adjusted	\$296.4	\$43.5	-	\$51.7	\$201.2	\$0.52
<i>Diluted Shares (in millions)</i>						388.2

- (1) Information reconciling certain forward-looking GAAP measures to non-GAAP measures related to FY 2024 guidance, including organic net sales growth, adjusted operating margin and adjusted 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 385.0 million shares (includes 375.0 million basic shares and a weighted average 10.0 million potential dilutive stock options and restricted stock units).
- (3) Diluted EPS and adjusted diluted EPS based on 388.2 million shares (includes 380.9 million basic shares and 7.3 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.

Non-GAAP financial measures – fourth quarter 2024 guidance

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

(\$M, except EPS 4 th QUARTER 2024)	Operating profit (loss)	Interest expense, net	Income tax expense	Net income (loss)	Diluted EPS ⁽¹⁾
GAAP	\$376.0	\$41.0	\$117.0	\$218.0	\$0.56
Amortization of intangibles	44.0	-	-	44.0	0.11
Change in warrant liability	-	-	(19.0)	19.0	0.05
Non-GAAP Adjusted	\$420.0	\$41.0	\$98.0	\$281.0	\$0.72
Diluted Shares (in millions)					390.0

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

(\$M, except EPS 4 th QUARTER 2023)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Extinguishment of debt	Income tax expense	Net income (loss)	Diluted EPS ⁽²⁾
GAAP	\$285.2	\$42.9	\$54.5	\$0.5	\$(45.3)	\$232.6	\$0.60
Intangible amortization	45.2	-	-	-	-	45.2	0.12
Change in warrant liability	-	-	(54.5)	-	-	54.5	0.14
Nonrecurring tax benefit, net ⁽³⁾	-	-	-	-	115.0	(115.0)	(0.30)
Non-GAAP Adjusted	\$330.4	\$42.9	-	\$0.5	\$69.7	\$217.3	\$0.56
Diluted Shares (in millions)							390.5

(1) Diluted EPS and adjusted diluted EPS based on 390.0 million shares (includes 380.0 million basic shares and a weighted average 10.0 million potential dilutive stock options and restricted stock units).

(2) Diluted EPS and adjusted diluted EPS is based on 390.5 million shares (includes 381.6 million basic shares, 8.9 million potential dilutive stock options, restricted stock units and performance awards converted into RSUs upon achievement of the related performance target). 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.

(3) Nonrecurring tax benefit includes \$115.0 million of valuation allowance release as a result of the Company's updated assessment of the realization of deferred tax assets in certain countries.



Non-GAAP financial measures – FY 2024 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 FULL YEAR 2024)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Income tax expense	Net income (loss)	Diluted EPS ⁽¹⁾
GAAP	\$1,256.0	\$165.0	\$202.0	\$301.0	\$588.0	\$1.52
Intangible amortization	179.0	-	-	-	179.0	0.46
Change in warrant liability	-	-	(202.0)	-	202.0	0.52
Non-GAAP Adjusted	\$1,435.0	\$165.0	-	\$301.0	\$969.0	\$2.50
Diluted Shares (in millions)						387.0

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

(\$M, except EPS FULL YEAR 2023)	Operating profit (loss)	Interest expense, net	Change in warrant liability	Extinguishment of debt	Income tax expense	Net income (loss)	Diluted EPS ⁽²⁾
GAAP	\$872.2	\$180.1	\$157.9	\$0.5	\$73.5	\$460.2	\$1.19
Intangible amortization	181.3	-	-	-	-	181.3	0.47
Change in warrant liability	-	-	(157.9)	-	-	157.9	0.41
Nonrecurring tax benefit ⁽³⁾	-	-	-	-	115.0	(115.0)	(0.30)
Non-GAAP Adjusted	\$1,053.5	\$180.1	-	\$0.5	\$188.5	\$684.4	\$1.77
Diluted Shares (in millions)							386.2

(1) Diluted EPS and adjusted diluted EPS based on 387.0 million shares (includes 377.0 million basic shares and a weighted average 10.0 million potential dilutive stock options and restricted stock units).

(2) Diluted EPS and adjusted diluted EPS based on 386.2 million shares (includes 380.1 million basic shares and 6.1 million potential dilutive stock options, restricted stock units and performance awards converted into RSUs upon achievement of the related performance target). 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.

(3) Nonrecurring tax benefit includes \$115.0 million of valuation allowance release as a result of the Company's updated assessment of the realization of deferred tax assets in certain countries.

Non-GAAP financial measures: Q1 2023 – Q2 2024 results

Net Sales⁽¹⁾

(\$M)	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24
Americas	\$862.3	\$959.4	\$1,003.2	\$1,019.6	\$3,844.5	\$925.0	\$1,121.1
APAC	313.0	395.8	388.6	430.4	1,527.8	332.3	409.1
EMEA	345.8	378.9	350.8	415.4	1,490.9	381.8	422.6
Total	\$1,521.1	\$1,734.1	\$1,742.6	\$1,865.4	\$6,863.2	\$1,639.1	\$1,952.8

Adjusted operating profit (loss)⁽²⁾

(\$M)	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24
Americas	\$145.8	\$191.7	\$206.5	\$218.4	\$762.4	\$187.8	\$285.1
Asia Pacific	16.6	38.2	49.7	42.9	147.4	30.4	32.3
Europe, Middle East & Africa	46.1	79.9	76.7	95.0	297.7	70.3	109.5
Corporate ⁽³⁾	(33.0)	(58.6)	(36.5)	(25.9)	(154.0)	(39.9)	(45.1)
Adjusted operating profit (loss) Total	\$175.5	\$251.2	\$296.4	\$330.4	\$1,053.5	\$248.6	\$381.8

Adjusted operating margins⁽⁴⁾

(\$M)	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24
Americas	16.9%	20.0%	20.6%	21.4%	19.8%	20.3%	25.4%
Asia Pacific	5.3%	9.7%	12.8%	10.0%	9.6%	9.1%	7.9%
Europe, Middle East & Africa	13.3%	21.1%	21.9%	22.9%	20.0%	18.4%	25.9%
Vertiv	11.5%	14.5%	17.0%	17.7%	15.3%	15.2%	19.6%

(1) Segment net sales are presented excluding intercompany sales.

(2) Adjusted operating profit (loss) is only adjusted at the Corporate segment. There are no adjustments at the reportable segment level between operating profit (loss) and adjusted operating profit (loss).

(3) Corporate costs consist of headquarters management costs, stock-based compensation, other incentive compensation, change in fair value of warrant liabilities, asset impairments and costs that support centralized global functions including Finance, Treasury, Risk Management, Strategy & Marketing, and Legal.

(4) Adjusted operating margins calculated as adjusted operating profit (loss) divided by net sales.

(5) Table may not cross-foot due to rounding.

Non-GAAP financial measures: Q1 2023 – Q2 2024 results

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

(\$M)	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24
Net sales	\$1,521.1	\$1,734.1	\$1,742.6	\$1,865.4	\$6,863.2	\$1,639.1	\$1,952.8
Operating profit	130.3	205.8	250.9	285.2	872.2	202.6	336.0
Operating margin	8.6%	11.9%	14.4%	15.3%	12.7%	12.4%	17.2%
Amortization of intangibles	45.2	45.4	45.5	45.2	181.3	46.0	45.8
Adjusted operating profit	175.5	251.2	296.4	330.4	1,053.5	248.6	381.8
Adjusted operating margin⁽¹⁾	11.5%	14.5%	17.0%	17.7%	15.3%	15.2%	19.6%

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

(\$M)	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24
Net cash provided by (used for) operating activities	\$42.0	\$253.6	\$248.7	\$356.2	\$900.5	\$137.5	\$378.4
Less: Capital expenditures	(27.8)	(25.8)	(26.5)	(47.8)	(127.9)	(35.8)	(34.1)
Less: Investments in capitalized software	(2.0)	(0.5)	(0.9)	(3.3)	(6.7)	(0.7)	(10.9)
Plus: proceeds from disposition of PP&E	12.4	-	-	-	12.4	-	-
Adjusted free cash flow	\$24.6	\$227.3	\$221.3	\$305.1	\$778.3	\$101.0	\$333.4

(1) Adjusted operating margins calculated as adjusted operating profit (loss) divided by net sales.

Non-GAAP financial measures: Q1 2023 – Q2 2024 results

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

(\$M)	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24
Americas	\$145.8	\$191.7	\$206.5	\$218.4	\$762.4	\$187.8	\$285.1
Asia Pacific	16.6	38.2	49.7	42.9	147.4	30.4	32.3
Europe, Middle East & Africa	46.1	79.9	76.7	95.0	297.7	70.3	109.5
Total reportable segments	\$208.5	\$309.8	\$332.9	\$356.3	\$1,207.5	\$288.5	\$426.9
Foreign currency gain (loss)	(3.1)	(7.5)	(2.7)	(2.7)	(16.0)	(3.2)	(0.2)
Corporate and other	(29.9)	(51.1)	(33.8)	(23.2)	(138.0)	(36.7)	(44.9)
Total corporate, other and elimination	(33.0)	(58.6)	(36.5)	(25.9)	(154.0)	(39.9)	(45.1)
Amortization of intangibles	(45.2)	(45.4)	(45.5)	(45.2)	(181.3)	(46.0)	(45.8)
Operating profit (loss)	\$130.3	\$205.8	\$250.9	\$285.2	\$872.2	\$202.6	\$336.0
Amortization of intangibles	45.2	45.4	45.5	45.2	181.3	46.0	45.8
Adjusted operating profit (loss)	\$175.5	\$251.2	\$296.4	\$330.4	\$1,053.5	\$248.6	\$381.8

Net Sales and Organic Net Sales Change by Segment⁽¹⁾

(\$M 2 nd QUARTER)	2Q24	2Q23	Δ%	Organic Δ%
Americas	\$1,121.1	\$959.4	16.9%	17.2%
APAC	409.1	395.8	3.4%	5.7%
EMEA	422.6	378.9	11.5%	13.5%
Total	\$1,952.8	\$1,734.1	12.6%	13.7%

(1) Refer to the reconciliation on Slide 21 for the change in net sales to the change in organic net sales.

Non-GAAP financial measures – organic net sales growth reconciliation

Reconciliation of change in net sales to organic change in net sales

	Net Sales Δ	FX Δ	Organic growth	Organic Δ % ⁽¹⁾
(\$M 2 nd QUARTER 2024)				
Americas:	\$161.7	\$3.1	\$164.8	17.2%
Asia Pacific:	13.3	9.1	22.4	5.7%
EMEA:	43.7	7.4	51.1	13.5%
Total:	\$218.7	\$19.6	\$238.3	13.7%

(1) Organic growth percentage change is calculated as organic growth divided by comparable prior period net sales.

Key FX modeling assumptions

\$Millions unless otherwise specified

	2H24 Assumption
CNY / USD	7.27
USD / EUR	\$1.07
USD / GBP	\$1.28
INR / USD	83.33
1-mo SOFR	5.27%

FX translation impact¹ 2024 vs. 2023

	Q1	Q2	Q3	FY
Sales	(5)	(20)	~(20)	~(70)
Adj. OP	2	(3)	~(5)	~(10)

1) Excludes FX transaction gain / (loss) within regions

Share count assumptions

Millions of shares unless otherwise specified

GAAP	1Q	2Q	3Q	FY
Basic	379	375	375	377
Potential Dilutive Stock Options & RSUs	N/A	9	10	10
Diluted	379	384	385	387
<i>Pro-forma diluted shares*</i>	389			

** All potentially dilutive equity instruments for the first quarter 2024 were considered anti-dilutive – hence the N/A in the chart above.*

Warrants

There are ~5.3 million private warrants outstanding which expire in February 2025 that were not included in diluted share count in any quarter or full year 2023 or first and second quarter 2024 because their inclusion would have been anti-dilutive – primarily driven by the losses recognized on changes in fair value of warrants. If these warrants were not anti-dilutive, we estimate that the full year impact on diluted shares would be between 4.5 million to 4.8 million shares¹ depending upon several factors including timing of exercise.

Additional Tax Information

\$Millions

- The second quarter 2024 included an expense (~\$25M) related to a change in fair value of warrants. Although this expense is not considered in calculating GAAP tax expense for a full year, for individual quarters (per FIN18) it is considered in determining quarterly GAAP effective tax rate (ETR).
- The table to the right adjusts the estimated GAAP tax benefit included in our second quarter GAAP income tax expense – to calculate our adjusted ETR of ~27%.
- We did not adjust 2023 quarterly tax expense for the income tax effect of warrant liabilities as the impact on ETR, when combined with other tax attributes such as valuation allowance, was immaterial.
- Our third quarter guidance assumes no change in fair value of warrants; tax expense/benefit reflects the reversal of prior quarter adjustments made in determining quarterly GAAP ETR noted above.
- Our full year guidance for income tax expense does not include any estimated income tax benefit from change in fair value of warrants; therefore, no adjustment is made.

Effective Tax Rate (ETR) Reconciliation

			Guidance	
	1Q24	2Q24	3Q24	FY24
Income (loss) before income taxes (GAAP)	(13)	265	300	889
Change in fair value of warrant liabilities	177	25	-	202
Income (loss) before income taxes and warrant liabilities	164	290	300	1,091
Income tax expense (benefit) (GAAP)	(7)	87	104	301
Tax benefit from warrant liabilities in 1Q24	48	(16)	(16)	
Tax benefit from warrant liabilities in 2Q24		7	(4)	
Income tax expense excluding estimated tax benefits from warrants	41	78	84	301
Effective tax rate excluding estimated tax benefit from warrants	25%	27%	28%	28%

