



Q1 2019 Earnings Call

May 8th, 2019

CECO
ENVIRONMENTAL

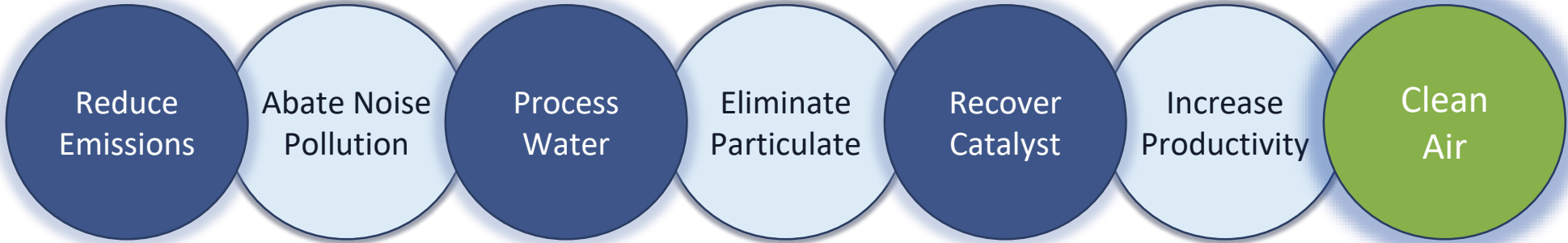


Forward Looking Statement and Non-GAAP Information

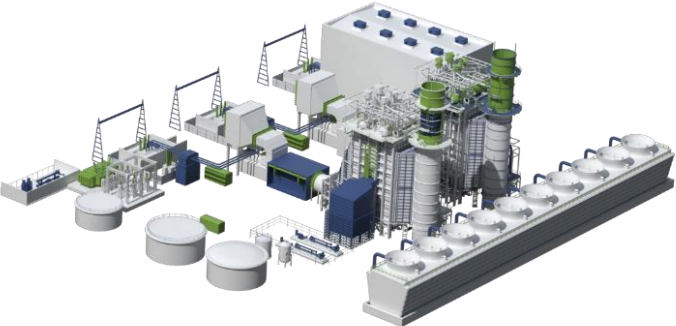
Any statements contained in this presentation other than statements of historical fact, including statements about management's beliefs and expectations, are forward-looking statements and should be evaluated as such. These statements are made on the basis of management's views and assumptions regarding future events and business performance. Words such as "estimate," "believe," "forecast," "anticipate," "expect," "intend," "plan," "target," "project," "should," "may," "will" and similar expressions are intended to identify forward-looking statements. Forward-looking statements (including oral representations) involve risks and uncertainties that may cause actual results to differ materially from any future results, performance or achievements expressed or implied by such statements. These risks and uncertainties include, but are not limited to: our ability to successfully realize the expected benefits of our restructuring program; liabilities arising from faulty services or products that could result in significant professional or product liability, warranty, or other claims; our ability to successfully integrate acquired businesses and realize the synergies from acquisitions, as well as a number of factors related to our business including economic and financial market conditions generally and economic conditions in CECO's service areas; dependence on fixed price contracts and the risks associated therewith, including actual costs exceeding estimates and method of accounting for contract revenue; fluctuations in operating results from period to period due to cyclical or seasonality of the business; the effect of growth on CECO's infrastructure, resources, and existing sales; the ability to expand operations in both new and existing markets; the potential for contract delay or cancellation; changes in or developments with respect to any litigation or investigation; failure to meet timely completion or performance standards that could result in higher cost and reduced profits or, in some cases, losses on projects; the potential for fluctuations in prices for manufactured components and raw materials; the substantial amount of debt incurred in connection with our acquisitions and our ability to repay or refinance it or incur additional debt in the future; the impact of federal, state or local government regulations; economic and political conditions generally; and the effect of competition in the energy, environmental and fluid handling and filtration industries. These and other risks and uncertainties are discussed in more detail in CECO's filings with the Securities and Exchange Commission, including our reports on Form 10-K and Form 10-Q. Many of these risks are beyond management's ability to control or predict. Should one or more of these risks or uncertainties materialize, or should the assumptions prove incorrect, actual results may vary in material aspects from those currently anticipated. Investors are cautioned not to place undue reliance on such forward-looking statements as they speak only to our views as of the date the statement is made. All forward-looking statements attributable to CECO or persons acting on behalf of CECO are expressly qualified in their entirety by the cautionary statements and risk factors contained in this presentation and CECO's respective filings with the Securities and Exchange Commission. Furthermore, forward-looking statements speak only as of the date they are made. Except as required under the federal securities laws or the rules and regulations of the Securities and Exchange Commission, CECO undertakes no obligation to update or review any forward-looking statements, whether as a result of new information, future events or otherwise.

While CECO reports its results in accordance with generally accepted accounting principles in the U.S. (GAAP), comments made during this conference call and these materials may include the following "non-GAAP" financial measures; non-GAAP gross profit, non-GAAP operating income, non-GAAP net income, adjusted EBITDA, adjusted free cash flow, adjusted net free cash flow, non-GAAP gross profit margin; non-GAAP operating margin, non-GAAP earnings per basic and diluted share, adjusted EBITDA margin and selected measures expressed on a constant currency basis. These measures are included to provide additional useful information regarding CECO's financial results and are not a substitute for their comparable GAAP measures. Explanations of these non-GAAP measures and reconciliations of these non-GAAP measures to their directly comparable GAAP measures are included in the accompanying "Supplementary Non-GAAP Financial Measures." Descriptions of many of these non-GAAP measures are also included in CECO's SEC reports.

Responding to a low carbon economy with solutions for a cleaner, safer world

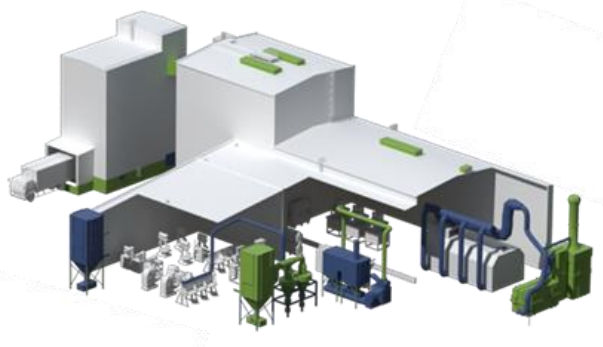


CECO Solutions:



Energy

- De-NOx
- Silencers
- Dampers
- Expansion Joints
- Separators
- FCC Cyclones
- Gas Turbine Exhaust Systems



Industrial

- Dust Collectors
- Cyclones
- Thermal Oxidizers
- Scrubbers
- VOC Concentrators
- Ventilation Systems



Fluid Handling

- High-Temperature Pumps
- Fiberglass Pumps
- Filtration Systems

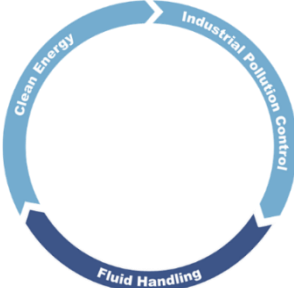
Winning value proposition and 4-3-3 operational strategy to drive Growth

4 Value Creation Enablers



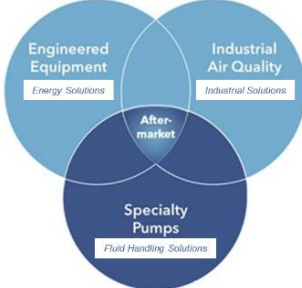
Nimble & Responsive Organization

3 Compelling End Markets



Low Carbon Economy Tightening Emissions

3 Core Growth Platforms



Solutions Oriented Application Development

Acknowledged as the “Go-To Resource” for sustainable solutions

Momentum remains strong in Q1'19 as organic growth continues to shine

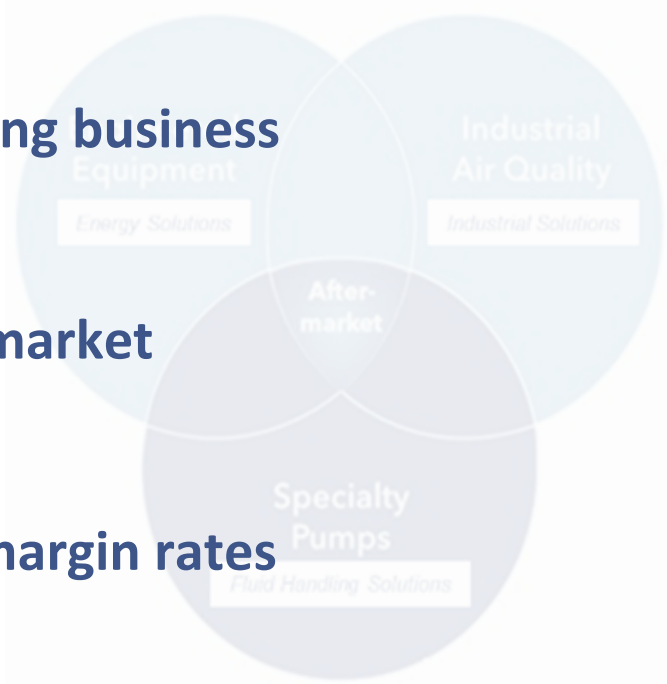
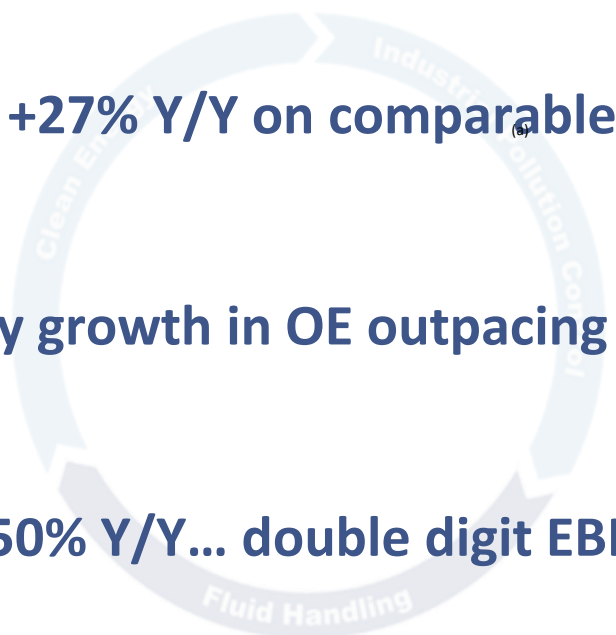
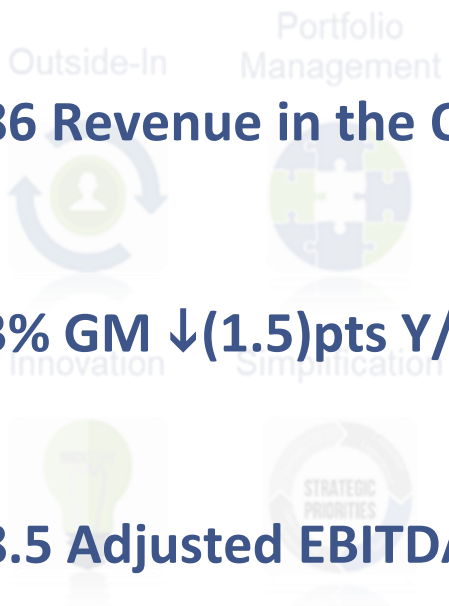
(a)

- ✓ **\$97 organic Orders in Q1 +8% Y/Y and +34% sequentially**
 - ✓ **\$86 Revenue in the Quarter up +27% Y/Y on comparable ongoing business**
 - ✓ **33% GM ↓(1.5)pts Y/Y driven by growth in OE outpacing Aftermarket**
 - ✓ **\$8.5 Adjusted EBITDA up over 50% Y/Y... double digit EBITDA margin rates**
- **Free Cash Flow lagged in the quarter with a \$14 Use of Cash on accounts receivable timing**

4 Value Creation Enablers

3 Compelling End Markets

3 Core Growth Platforms



(a) Organic excludes Divestitures
(b) Unless otherwise noted, financials on a Reported Basis

CECO solutions create unique value for Customers and big benefits for the Environment

Small-Scale LNG Production Facility



SCR & Noise emissions for on-site Power Gen

CECO Peerless / Aarding

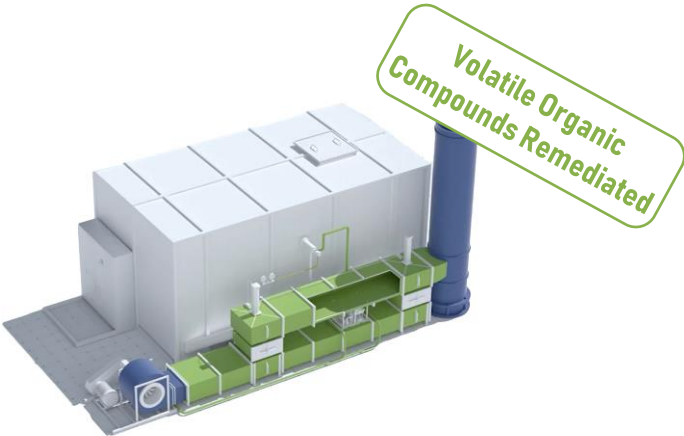


- Total solution capability



- ~85 tons NOx and ~3 tons CO p.a.

Bio-Plastic Bottle Making



RTO & Scrubber for Clean Air

CECO Adwest / Fisher-Klosterman



- Cost effective customer solution



- ~2,180 tons of VOCs p.a.

Home Hardware Finishing



Filtration equipment for Plating process

CECO Mefiag



- Application engineering expertise



- ~6.3MM gallons of chemicals p.a.



CECO Value Proposition



Environmental Benefits

(a) SCR: Selective Catalytic Recovery
(b) RTO: Regenerative Thermal Oxidizer

Industrial Solutions team delivers big with customer execution in strong market

(\$MM)

Refinery

→ '19 Outlook

Q1 Orders: \$17 | (29)%
 TTM Orders: \$60 | +45%



FCC Cyclones

Midstream O&G

→ '19 Outlook

Q1 Orders: \$21 | +38%
 TTM Orders: \$75 | +21%



Gas & Oily Water Separation

Power Gen: Natural Gas

→ '19 Outlook

Q1 Orders: \$13 | +9%
 TTM Orders: \$79 | +21%



Noise Attenuation & NoX Emissions

Power Gen: Solid Fuel

→ '19 Outlook

Q1 Orders: \$5 | (24)%
 TTM Orders: \$16 | +7%



Dampers & Expansion Joints

Industrial Solutions

→ '19 Outlook

Q1 Orders: \$32 | +52%
 TTM Orders: \$88 | +6%



- Scrubbers
- Oxidizers
- Mist Elimination
- Separation
- Dust Collectors
- Ventilation
- Fume Exhaust
- Cyclones

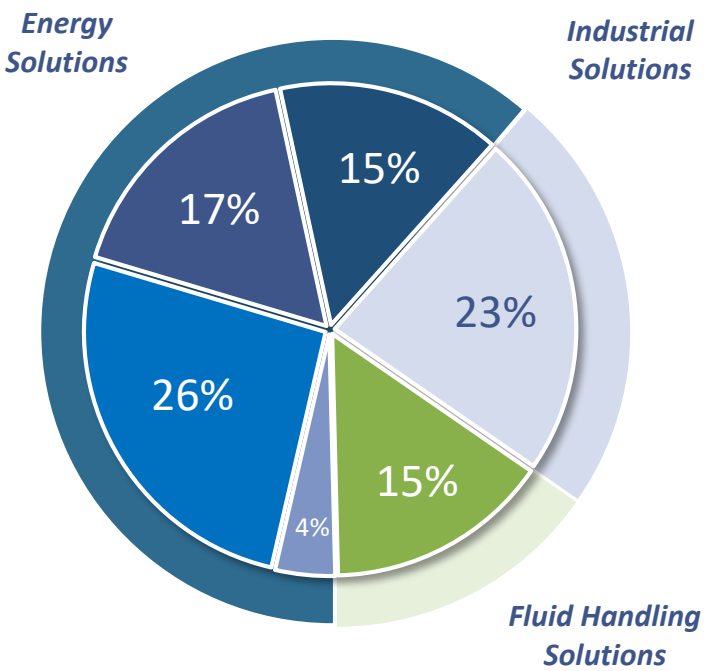
Industrial: Fluid Handling

→ '19 Outlook

Q1 Orders: \$10 | (18)%
 TTM Orders: \$48 | +3%



Pumps



2018 Revenue Mix

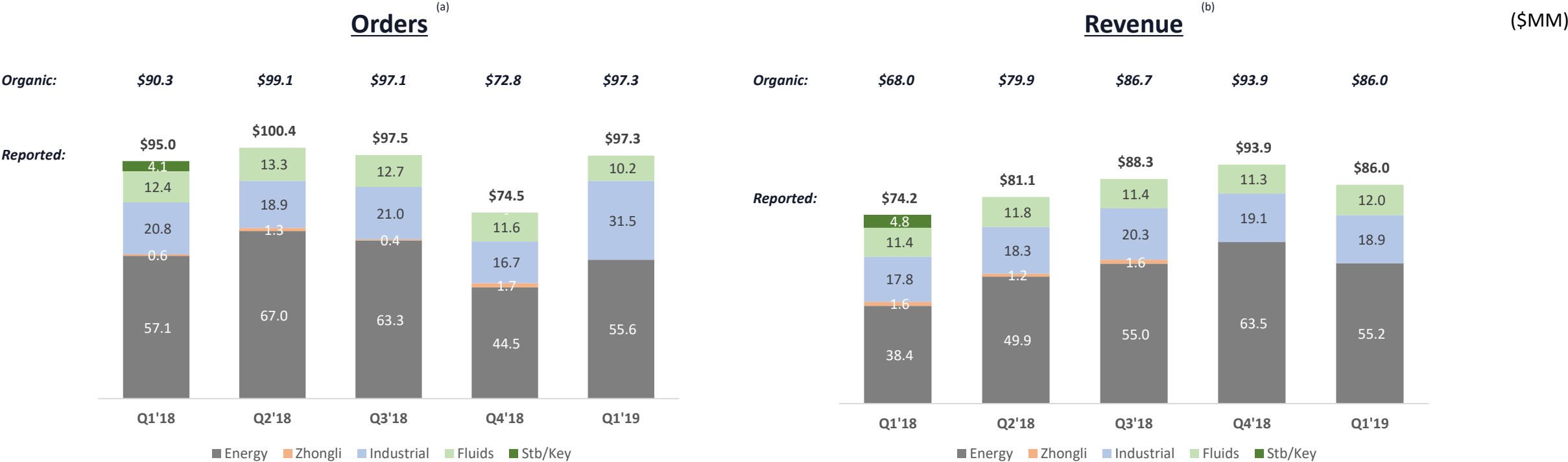
(a) 2018 Revenue Mix excludes divestitures
 (b) Y/Y Comparisons excludes Divestitures



Q1 2019 Financials



Organic Orders up over prior year and sequentially



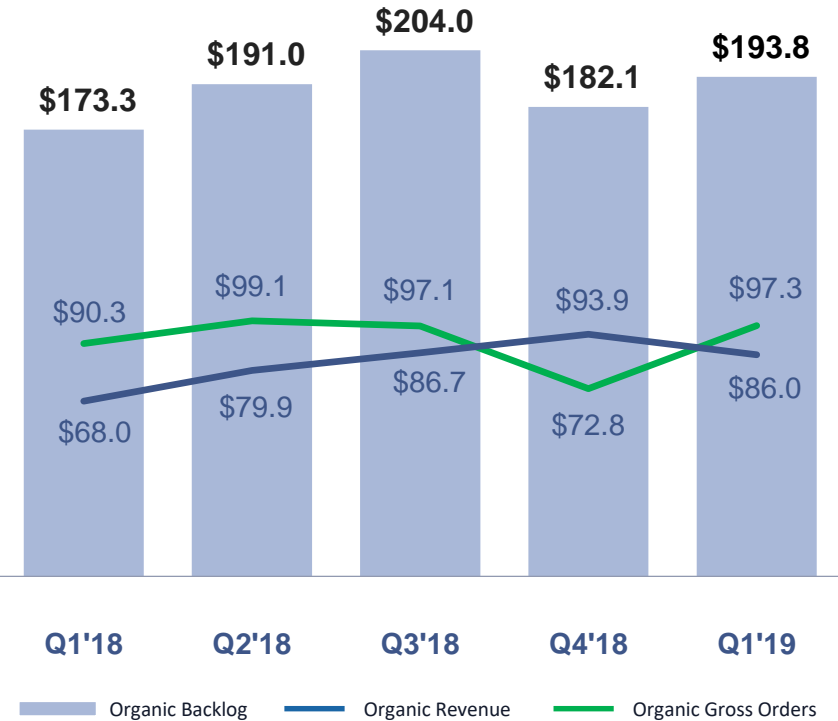
- Industrials Orders outperformed with several new customer solution wins
- Energy Orders up +20% sequentially on Midstream team execution; down (3)% Y/Y but growing optimism in Power Gen segment
- Revenue up +27% Y/Y on strength of growing backlog; down (8)% sequentially on project timing and customer milestones



(a) Orders on a Gross Reported basis, no cancellations in the period
 (b) Segment Eliminations excluded from graph

Backlog robust & healthy as markets continue to grow and team executes

(\$MM)



- Grew organic backlog by **\$20 million** year over year **[+12%]**
- Book-Bill Ratio of **1.1x** on trailing twelve months basis

Book/Bill	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19
	1.30	1.19	1.12	0.78	1.13



(a) Current & Historic Backlog/Revenue/Gross excludes Strobic, Keystone, and Zhongli divestitures (i.e. Organic)
 (b) Starting Backlog – Revenue + Gross Orders – Cancellations +/- FX = Ending Backlog. FX typically +/- ~\$1-3 per quarter.

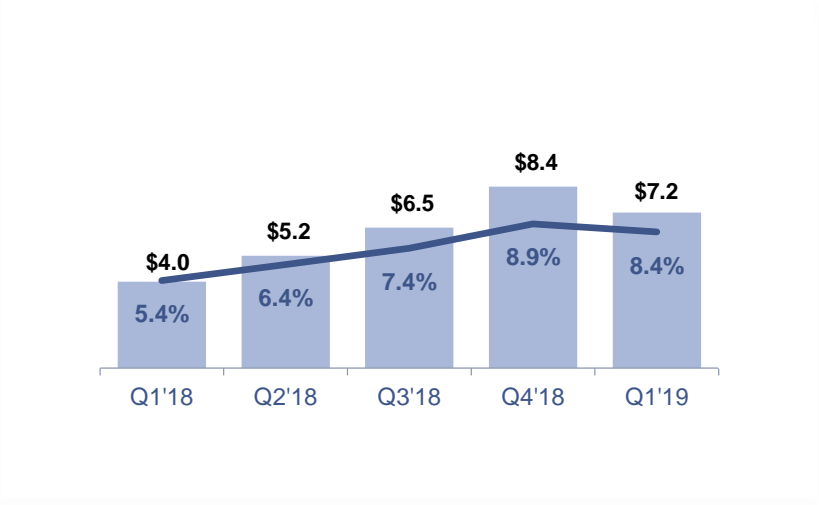
Solid growth coupled with strong execution leads to year over year gains

(\$MM)

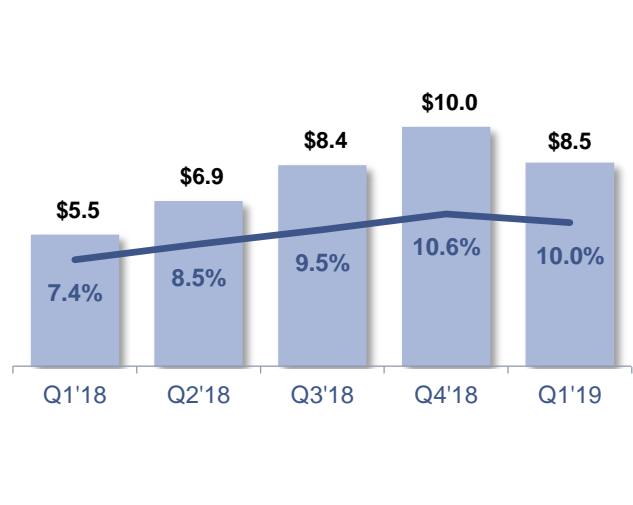
Non-GAAP Gross Profit



Non-GAAP Operating Income



Adjusted EBITDA



- Non-GAAP Gross Margins returned to +33% levels on strength of execution in Backlog
- Non-GAAP Operating Income +80% Y/Y and (14)% sequentially on volume
- Adjusted EBITDA +52% Y/Y and (15)% sequentially

(a) Reported Basis

Continued execution demonstrated in Q1'19 operating results

(\$MM)

	<u>Q1'19</u>	<u>Y/Y</u>	<u>Y/Y</u> ^(a)
GAAP:		<i>Reported</i>	<i>Organic</i>
Orders	\$ 97.3	2.4%	7.7%
Revenue	\$ 86.0	16.1%	27.2%
Gross Profit	\$ 28.4	10.9%	
-%	33.0%	-1.5pts	
Op Income	\$ 4.9	-59.8%	
-%	5.7%	-10.8pts	
Diluted EPS	\$ 0.05	-71%	

Non-GAAP:

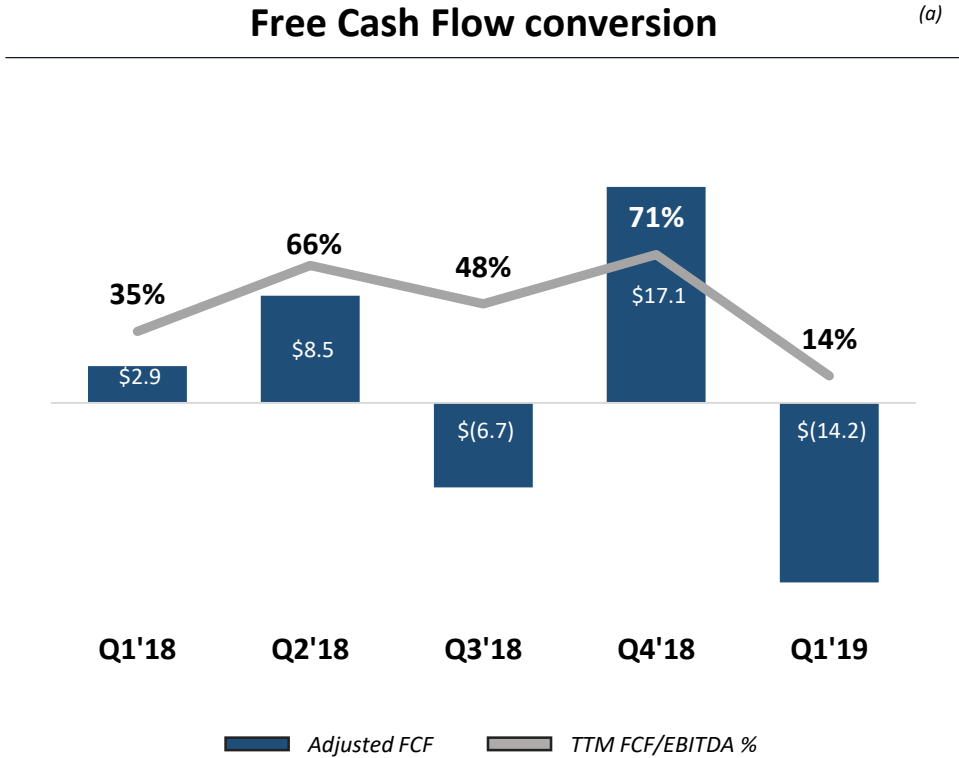
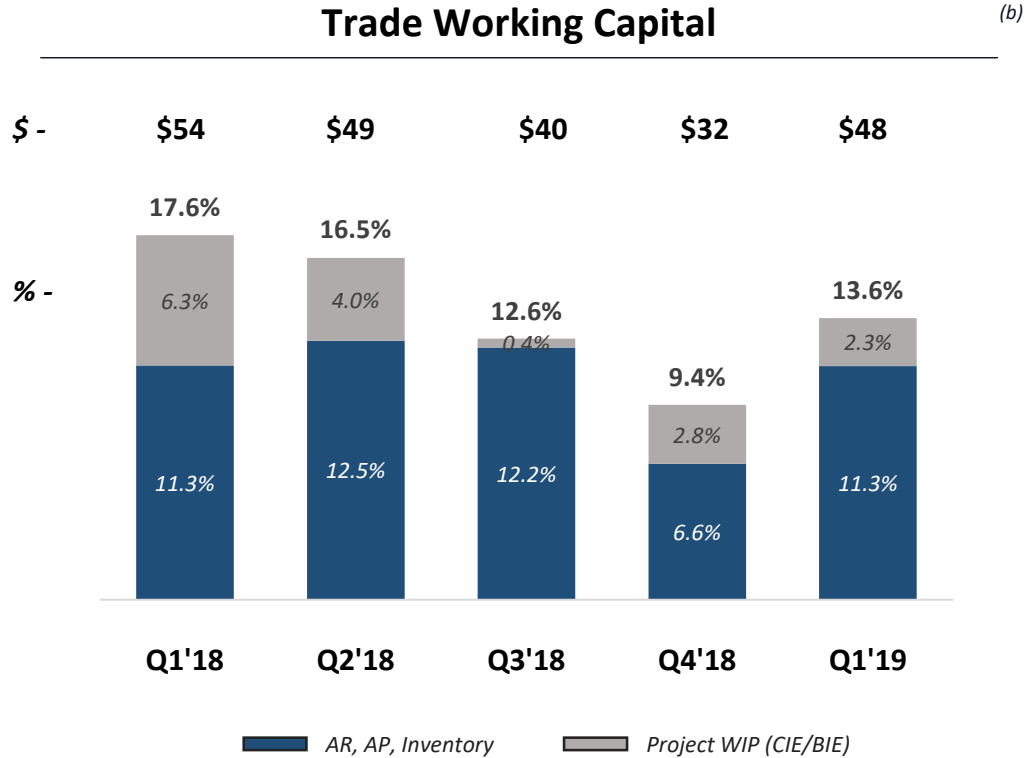
Gross Profit	\$ 28.4	10.9%
-%	33.0%	-1.5pts
Op Income	\$ 7.2	80.0%
-%	8.4%	3pts
Diluted EPS	\$ 0.12	140%
Adj. EBITDA\$	\$ 8.5	51.8%
-%	10%	2.4pts

- Orders up on improved end markets and market share capture in Industrials segment
- Revenue increased 27% on organic basis due to a robust backlog
- GM% a healthy 33% was up 1.3 pts Q/Q and down (1.5)pts Y/Y on OE/AM and project mix
- GAAP Op Income down (60)% or \$(7) from Q1'18 due to prior period gain on divestitures

-
- \$7.2 Non-GAAP OI up 80% Y/Y on increased volume and solid operating leverage
 - \$8.5 adjusted EBITDA + 52% Y/Y and EBITDA margin rate expanded by +2 pts
 - \$0.12 Non-GAAP EPS was +140% Y/Y on volume... TY'19 Non-GAAP ETR estimated at ~25%

Cash flow underperformed due to AR timing, optimistic of Q2 rebound

(\$MM)



- Sequential increase driven by Energy accounts receivables
- As of April close, \$7MM of past dues have been collected

- Quarter 1 is historically a Use of Cash; no risk of collections

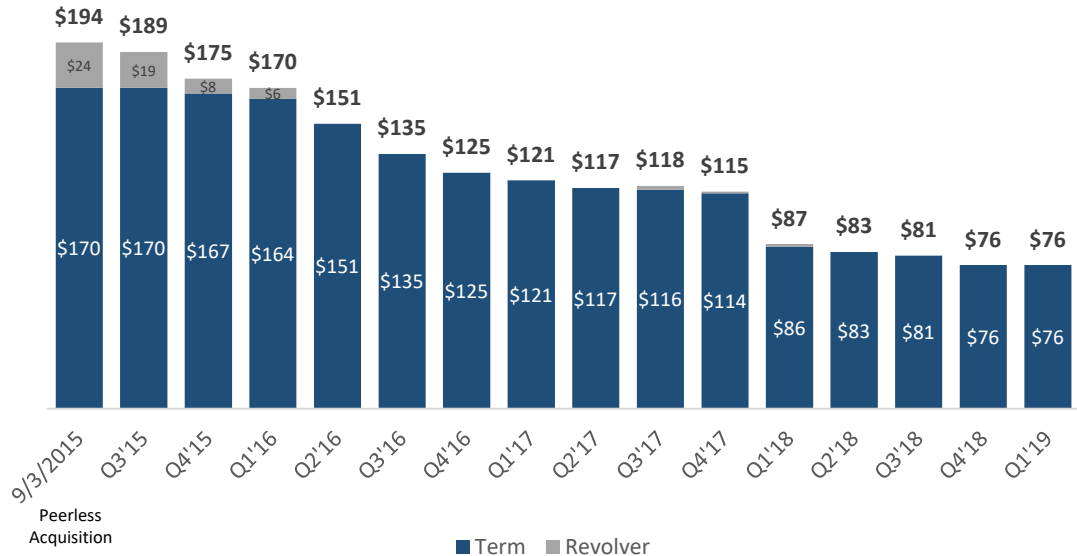


(a) Adjusted Free Cash Flow = Cash Flow From Operations less Earnouts classified as Operating Cash Flow less CAPEX spend
 (b) W/C includes: Trade AR, Trade AP, Inventory and Cost/Billings of on TTM Revenue; Reported Basis

Strong & Healthy balance sheet from continued debt reduction

(\$MM)

Debt Reduction History



Leverage at record low since Peerless acquisition

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19
Term Debt	\$ 85.7	\$ 83.1	\$ 81.1	\$ 76.1	\$ 76.1
Revolver	1.5	-	-	-	-
Other ^(a)	-	-	-	-	-
Total Indebtedness	\$ 87.2	\$ 83.1	\$ 81.1	\$ 76.1	\$ 76.1
Cash	34.0	35.9	31.5	43.7	29.0
Bank Defined EBITDA ^(b)	5.5	8.5	9.4	11.0	8.7
TTM Bank Defined EBITDA	\$ 30.7	\$ 28.7	\$ 30.7	\$ 34.4	\$ 37.6
Bank Defined Leverage	2.84x	2.89x	2.64x	2.21x	2.03x
Net Debt/TTM Adj. EBITDA ^(c)	1.73x	1.64x	1.61x	0.94x	1.25x

- Gross leverage ratio comfortably at 2.0x level
- Cash on hand split 20% North America and 80% International

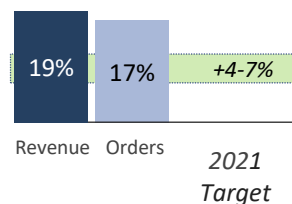
(a) Other commitments includes Netherlands overdraft facility and China debt facility
 (b) Bank Defined EBITDA is based on our Credit Agreements
 (c) Net Debt is Total Indebtedness less Cash

Making investments and executing to exceed 2021 targets

Grow Revenue organically 2X market ^{(a) / (b)}

- Outside-In leadership
- OE and Aftermarket focus
- Innovations with value

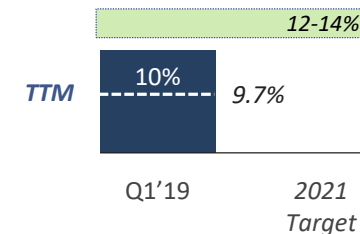
YoY Growth% (TTM)



Expand EBITDA margins ^(c)

- Customer value => GM%
- SG&A op leverage
- Complexity cost out

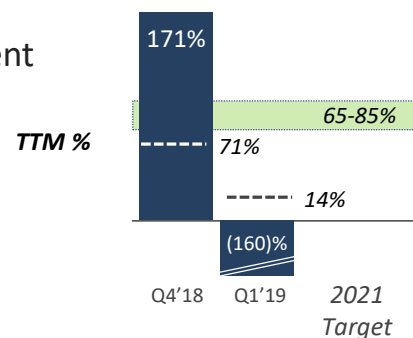
EBITDA%



Consistently convert EBITDA to Cash ^(c)

- Asset light model
- Working capital management

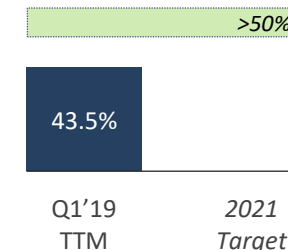
FCF/EBITDA



Superior Return on Tangible Capital ^{(c) / (d)}

- Low Asset Intensity %
- Greater value = ↑ margins

ROTC%



(a) Global GDP growth and management estimates

(b) Organic excludes Divestitures from both 2018 and Prior Year Results

(c) Reported Basis

(d) ROTC defined as Non-GAAP NOPAT / (Working Capital – Cash + net PP&E); reference appendix

CECO strategy and execution aimed at delivering top tier shareholder returns

Q1'19 Recap

- ✓ Strong execution to start 2019
- ✓ Pipeline healthy and growing
- ✓ Solid progress toward '21 financial targets

On-Going Priorities

- ✓ Take share in attractive Air Quality markets
- ✓ Invest in innovation and new technologies
- ✓ Accelerate value creation with targeted M&A

Supplemental Materials

Non-GAAP Reconciliation

Non-GAAP Gross Profit and Margin

<i>(dollars in millions)</i>	Annual 2013	Annual 2014	Annual 2015	Annual 2016	Annual 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Annual 2018	Q1 2019	TTM
Gross profit as reported in accordance with GAAP	\$ 61.6	\$ 84.8	\$ 109.2	\$ 134.9	\$ 113.2	\$ 25.9	\$ 27.2	\$ 28.7	\$ 29.8	\$ 111.5	\$ 28.4	\$ 114.1
<i>Gross profit margin in accordance with GAAP</i>	31.2%	32.2%	29.7%	32.4%	32.8%	34.9%	33.5%	32.5%	31.7%	33.1%	33.0%	32.7%
Legacy design repairs	\$ -	\$ -	\$ -	\$ -	\$ 2.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory valuation adjustment	\$ 1.1	\$ -	\$ 0.5	\$ 0.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plant, property and equipment valuation adjustment	\$ 0.2	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-GAAP gross profit	\$ 62.9	\$ 85.4	\$ 110.3	\$ 135.6	\$ 115.8	\$ 25.9	\$ 27.2	\$ 28.7	\$ 29.8	\$ 111.5	\$ 28.4	\$ 114.1
<i>Non- GAAP Gross profit margin</i>	31.9%	32.4%	30.0%	32.5%	33.6%	34.9%	33.5%	32.5%	31.7%	33.1%	33.0%	32.7%

Non-GAAP Operating Income and Margin

<i>(dollars in millions)</i>	Annual 2012	Annual 2013	Annual 2014	Annual 2015	Annual 2016	Annual 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Annual 2018	Q1 2019	TTM
Operating income as reported in accordance with GAAP	\$ 16.7	\$ 7.0	\$ 21.7	\$ 4.9	\$ (25.4)	\$ 8.0	\$ 12.1	\$ 2.6	\$ (10.4)	\$ 5.7	\$ 10.0	\$ 4.9	\$ 2.8
<i>Operating margin in accordance with GAAP</i>	12.4%	3.5%	8.2%	1.3%	-6.1%	2.3%	16.3%	3.2%	-11.8%	6.1%	3.0%	5.7%	0.8%
Legacy design repairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory valuation adjustment	\$ -	\$ 1.1	\$ -	\$ 0.5	\$ 0.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plant, property and equipment valuation adjustment	\$ -	\$ 0.2	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gain on insurance settlement	\$ -	\$ -	\$ -	\$ -	\$ (1.0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Acquisition and integration expenses	\$ -	\$ 7.2	\$ 1.3	\$ 7.9	\$ 0.5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization	\$ -	\$ 4.7	\$ 7.6	\$ 12.3	\$ 13.9	\$ 11.5	\$ 2.6	\$ 2.5	\$ 2.3	\$ 2.3	\$ 9.7	\$ 2.2	\$ 9.3
Earn-out expenses	\$ -	\$ 2.1	\$ 2.5	\$ 13.3	\$ 6.3	\$ (4.4)	\$ 0.3	\$ -	\$ (0.3)	\$ -	\$ -	\$ -	\$ (0.3)
Intangible asset impairment	\$ -	\$ -	\$ -	\$ 3.3	\$ 57.9	\$ 7.2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Gain) Loss on divestitures, net of selling costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (11.2)	\$ 0.1	\$ 15.1	\$ 0.4	\$ 4.4	\$ 0.1	\$ 15.7
Restructuring expense (income)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.9	\$ 0.2	\$ -	\$ (0.2)	\$ -	\$ -	\$ -	\$ (0.2)
Executive transition expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility exit expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal reserves	\$ -	\$ 3.5	\$ 0.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-GAAP operating income	\$ 16.7	\$ 25.8	\$ 34.0	\$ 42.8	\$ 52.9	\$ 28.3	\$ 4.0	\$ 5.2	\$ 6.5	\$ 8.4	\$ 24.1	\$ 7.2	\$ 27.3
<i>Non-GAAP Operating margin</i>	12.4%	13.1%	12.9%	11.6%	12.7%	8.2%	5.4%	6.4%	7.4%	8.9%	7.1%	8.4%	7.8%

Non-GAAP Net Income, Adjusted EBITDA and Margin

<i>(dollars in millions)</i>	Annual 2013	Annual 2014	Annual 2015	Annual 2016	Annual 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Annual 2018	Q1 2019	TTM
Net income as reported in accordance with GAAP	\$ 6.6	\$ 13.1	\$ (5.6)	\$ (38.2)	\$ (3.0)	\$ 5.8	\$ (0.9)	\$ (12.9)	\$ 0.9	\$ (7.1)	\$ 1.9	\$ (11.0)
Legacy design repairs	\$ -	\$ -	\$ -	\$ -	\$ 2.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory valuation adjustment	\$ 1.1	\$ -	\$ 0.5	\$ 0.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plant, property and equipment valuation adjustment	\$ 0.2	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gain on insurance settlement	\$ -	\$ -	\$ -	\$ (1.0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Acquisition and integration expenses	\$ 7.2	\$ 1.3	\$ 7.9	\$ 0.5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization	\$ 4.7	\$ 7.6	\$ 12.3	\$ 13.9	\$ 11.5	\$ 2.6	\$ 2.5	\$ 2.3	\$ 2.3	\$ 9.7	\$ 2.2	\$ 9.3
Earn-out expenses	\$ 2.1	\$ 2.5	\$ 13.3	\$ 6.3	\$ (4.4)	\$ 0.3	\$ -	\$ (0.3)	\$ -	\$ -	\$ -	\$ (0.3)
Intangible asset impairment	\$ -	\$ -	\$ 3.3	\$ 57.9	\$ 7.2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Gain) Loss on divestitures, net of selling costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (11.2)	\$ 0.1	\$ 15.1	\$ 0.4	\$ 4.4	\$ 0.1	\$ 15.7
Restructuring expense (income)	\$ -	\$ -	\$ -	\$ -	\$ 1.9	\$ 0.2	\$ -	\$ (0.2)	\$ -	\$ -	\$ -	\$ (0.2)
Executive transition expenses	\$ -	\$ -	\$ -	\$ -	\$ 1.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility exit expenses	\$ -	\$ -	\$ -	\$ -	\$ 0.2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal reserves	\$ 3.5	\$ 0.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred financing fee adjustment	\$ -	\$ -	\$ 0.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Foreign currency remeasurement	\$ (1.1)	\$ 2.9	\$ 2.5	\$ 0.8	\$ (2.1)	\$ (0.2)	\$ 1.0	\$ -	\$ -	\$ 0.8	\$ 0.6	\$ 1.6
Tax benefit of expenses	\$ (4.6)	\$ (3.7)	\$ (7.1)	\$ (7.4)	\$ (5.7)	\$ 4.4	\$ (0.9)	\$ (0.5)	\$ (0.6)	\$ 2.4	\$ (0.7)	\$ (2.7)
Non-GAAP net income	\$ 19.7	\$ 24.6	\$ 28.0	\$ 33.5	\$ 9.5	\$ 1.9	\$ 1.8	\$ 3.6	\$ 3.0	\$ 10.3	\$ 4.1	\$ 12.5
Depreciation	\$ 1.6	\$ 3.1	\$ 3.5	\$ 4.5	\$ 3.9	\$ 0.8	\$ 0.9	\$ 1.0	\$ 0.8	\$ 3.5	\$ 0.6	\$ 3.3
Non-cash stock compensation	\$ 1.1	\$ 1.7	\$ 1.9	\$ 2.3	\$ 2.3	\$ 0.6	\$ 0.8	\$ 0.9	\$ 0.8	\$ 3.1	\$ 0.8	\$ 3.3
Other (income)/expense	\$ 0.1	\$ (0.6)	\$ (0.4)	\$ (1.1)	\$ 2.0	\$ 0.6	\$ (0.6)	\$ (0.6)	\$ 0.2	\$ (0.4)	\$ -	\$ (1.0)
Gain on insurance settlement	\$ -	\$ -	\$ -	\$ 1.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest expense	\$ 1.5	\$ 3.1	\$ 5.7	\$ 7.7	\$ 6.7	\$ 1.9	\$ 1.8	\$ 1.7	\$ 1.7	\$ 7.1	\$ 1.5	\$ 6.7
Income tax expense	\$ 4.5	\$ 6.8	\$ 9.7	\$ 12.7	\$ 10.1	\$ (0.3)	\$ 2.2	\$ 1.8	\$ 3.5	\$ 7.2	\$ 1.5	\$ 9.0
Adjusted EBITDA	\$ 28.5	\$ 38.7	\$ 48.4	\$ 60.6	\$ 34.5	\$ 5.5	\$ 6.9	\$ 8.4	\$ 10.0	\$ 30.8	\$ 8.5	\$ 33.8
Adjusted EBITDA margin	14.4%	14.7%	13.2%	14.5%	10.0%	7.4%	8.5%	9.5%	10.6%	9.1%	9.9%	9.7%
Basic Shares Outstanding	20,116,991	25,750,972	28,791,662	33,979,549	34,445,256	34,592,803	34,669,810	34,779,125	34,812,714	34,714,395	34,835,550	34,774,300
Diluted Shares Outstanding	20,719,951	26,196,901	28,791,662	33,979,549	34,697,744	34,641,390	34,785,726	34,779,125	35,298,212	34,988,461	35,360,042	35,055,776
Earnings (loss) per share:												
Basic	\$ 0.33	\$ 0.51	\$ (0.19)	\$ (1.12)	\$ (0.09)	\$ 0.17	\$ (0.03)	\$ (0.37)	\$ 0.03	\$ (0.20)	\$ 0.05	\$ (0.32)
Diluted	\$ 0.32	\$ 0.50	\$ (0.19)	\$ (1.12)	\$ (0.09)	\$ 0.17	\$ (0.03)	\$ (0.37)	\$ 0.03	\$ (0.20)	\$ 0.05	\$ (0.32)
Non-GAAP earnings per share:												
Basic	\$ 0.98	\$ 0.95	\$ 0.97	\$ 0.99	\$ 0.28	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.09	\$ 0.30	\$ 0.12	\$ 0.36
Diluted	\$ 0.95	\$ 0.94	\$ 0.97	\$ 0.99	\$ 0.27	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.08	\$ 0.29	\$ 0.12	\$ 0.35

Return on Tangible Capital

<i>(dollars in millions)</i>	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019
Non-GAAP Operating Income	3.5	4.0	5.2	6.5	8.4	7.2
<i>Other non-cash adjustments, not in Non-GAAP:</i>						
Add: Non-cash stock compensation	0.5	0.6	0.8	0.9	0.8	0.8
Adjusted Non-GAAP Operating Income	4.0	4.6	6.0	7.4	9.2	8.0
Cash Operating Taxes (assumed 27% rate)	-0.9	-1.1	-1.4	-1.8	-2.3	-1.9
Net Operating Profit After Taxes (NOPAT)	3.1	3.5	4.6	5.6	6.9	6.1
TTM NOPAT	23.1	18.7	15.7	16.8	20.6	23.2
Net Tangible Capital	70.3	62.8	58.1	50.4	34.8	43.9
TTM ROTC	36.8%	31.0%	25.4%	27.0%	39.2%	43.5%

- (a) Net Tangible Capital = (Currents Assets – Cash + PP&E) – (Current Liabilities less Current Debt)
 (b) TTM ROTC % = NOPAT / (Current Quarter End Net Tangible Capital + Prior Year Quarter End Net Tangible Capital)/2)

Organic Revenue

<i>(dollars in millions)</i>	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Annual 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Annual 2018	Q1 2019	TTM
Revenue as reported in accordance with GAAP	\$ 92.7	\$ 93.9	\$ 85.0	\$ 73.5	\$ 345.1	\$ 74.1	\$ 81.1	\$ 88.2	\$ 93.9	\$ 337.3	\$ 86.0	\$ 349.2
<i>Less revenue attributable to divestitures</i>	\$ (6.7)	\$ (8.9)	\$ (10.5)	\$ (8.5)	\$ (34.6)	\$ (6.5)	\$ (1.2)	\$ (1.6)	\$ -	\$ (9.3)	\$ -	\$ (2.8)
Organic revenue	\$ 86.0	\$ 85.0	\$ 74.5	\$ 65.0	\$ 310.5	\$ 67.6	\$ 79.9	\$ 86.6	\$ 93.9	\$ 328.0	\$ 86.0	\$ 346.4