



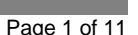
- Fourth quarter and full year net sales of \$652.9 million and \$2,403.7 million, respectively
- Fourth quarter and full year net loss of \$9.0 million and \$12.3 million, respectively
- Fourth quarter and full year net income of \$10.0 million and \$10.0 million, respectively
- Fourth quarter and full year net income of \$10.0 million and \$10.0 million, respectively
- Full year net cash provided by operating activities of \$105 to \$120 million
- Fiscal year 2020 operating income of \$50 to \$70 million

MILWAUKEE--(BUSINESS WIRE) --Polaris Inc. today announced that its Consolidated net sales for the first quarter of 2011 were \$1.1 billion, or \$1.1 billion, for the three months ended March 31, 2011, compared to \$1.0 billion, or \$1.0 billion, for the three months ended March 31, 2010. Recreation segment sales were \$0.7 billion, or \$0.7 billion, for the three months ended March 31, 2011, compared to \$0.6 billion, or \$0.6 billion, for the three months ended March 31, 2010. The increase in sales was primarily due to the sale of the new 2011 models of the snowmobiles, ATVs, and UTVs segments. Consolidated net income was \$0.1 billion, or \$0.1 billion, for the three months ended March 31, 2011, compared to \$0.1 billion, or \$0.1 billion, for the three months ended March 31, 2010, which was an increase of \$0.1 billion, or \$0.1 billion, for the three months ended March 31, 2011.

The Company's fourth quarter net loss included \$7.6 million of impairment charges on equity investments, net of income tax expense, as well as expenses related to the Company's restructuring activity as well as other items. Net loss for the fourth quarter 2019 was \$17.6 million, or \$0.26 per diluted share, compared to net loss for the fourth quarter 2018 of \$10.0 million, or \$0.15 per diluted share. Net loss for the full year 2019 was \$12.3 million, or \$0.20 per diluted share, compared to net loss for the full year 2018 of \$13.0 million, or \$0.20 per diluted share. Full year 2019 Adjusted Net Income was \$30.0 million, compared to \$72.7 million for the full year 2018, which represents a decline of 59 percent resulting from lower earnings from operations in the F&E and Recreation segments, partially offset by higher earnings in the Commercial segment, plus higher interest expense.

Adjusted EBITDA in the fourth quarter 2019 was \$19.3 million, compared to \$39.4 million in the fourth quarter 2018. The decrease in Adjusted EBITDA during the quarter was driven by lower profitability within the F&E and Recreation segments plus approximately \$6.0 million of unforeseen issues related to abnormally high medical care claims experience and inefficiencies due to the restructuring of one fire plant within the quarter, partially offset by higher sales and profitability in the Commercial segment. Full year 2019 Adjusted EBITDA was \$102.1 million, compared to \$148.0 million in full year 2018.

“Our businesses navigated tight labor markets and trade concerns to deliver results that would have been in the middle of our revised guidance range, absent the abnormally high health care cost experienced in the fourth quarter,” said Tim Sullivan, CEO REV Group. “Fire & Emergency backlog grew 18% year over year, we received a pair of significant multi-year municipal transit contracts and won top design awards at the Elkhart RV Open House. We feel



confident that the structural changes currently being implemented in Fire & Emergency and Recreation will position us to begin moving our performance back to more acceptable levels.”

## REV Group Fourth Quarter Segment Highlights

### Fire & Emergency Segment

Fire & Emergency (“F&E”) segment net sales were \$269.0 million in the fourth quarter 2019, an increase of \$18.5 million, or 7.4 percent, from \$250.5 million in the fourth quarter 2018. Net sales for the quarter were in line with our revised expectations. Production of fire and ambulance units increased sequentially however ambulance sales declined year over year as production against a large municipal order began late in the fourth quarter 2019 for delivery starting late in the first quarter of fiscal 2020. F&E net sales for full year 2019 were \$967.9 million, a decline of 1.2 percent from \$956.6 million in full year 2018 due primarily to irregular ambulance order timing and delayed timing of fire shipments due to inefficiencies at one fire facility. F&E backlog at the end of the fourth quarter 2019 was \$832.7 million, up 17.7 percent compared to \$707.5 million at the end of fiscal year 2018, and up 7.3 percent from \$775.7 million at the end of the third quarter 2019, reflecting the typically strong fourth quarter ordering pattern.

F&E segment Adjusted EBITDA was \$7.4 million in the fourth quarter 2019, compared to \$18.5 million in the fourth quarter 2018. The decrease in Adjusted EBITDA was primarily due to a reduction in gross profit margin resulting from labor inefficiencies during ongoing efforts to increase production capacity at our largest fire plant. Fourth quarter 2019 F&E segment Adjusted EBITDA margin was 2.8 percent, compared to 7.4 percent in the fourth quarter 2018. Full year 2019 Adjusted EBITDA margin was 7.7 percent, compared to 9.0 percent for full year 2018.

Mr. Sullivan commented throughout the year. As we and expect production footprint, and expect to set up for a strong second increased backlog. In the quarter and we believe contribute to year over

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F&E segment figured factory footprint will also reconfigure the believe these actions build against our order late in the first with expected to

### Commercial Segment

Commercial segment net sales were \$236.0 million in the fourth quarter 2019, an increase of \$23.6 million, or 10.8 percent, from \$212.4 million in the fourth quarter 2018. Net sales for the quarter were the result of increased production of transit bus units sold compared to the fourth quarter 2018. Commercial segment net sales for full year 2019 were \$920.0 million, a 12.8 percent increase from \$815.5 million in full year 2018. Commercial backlog at the end of the fourth quarter 2019 was \$317.3 million, a decrease of 16.8 percent compared to \$381.4 million at the end of fiscal year 2018 due primarily to delivery of buses under one large municipal contract, and seasonally down 19.7 percent from \$395.3 million at the end of the third quarter 2019. The backlog is not reflective of orders against the Chicago Pace award announced within the quarter or a recently received LA County add-on award which are expected to be recorded in backlog in the first quarter of fiscal 2020.

Commercial segment Adjusted EBITDA was \$16.3 million in the fourth quarter 2019, compared to \$9.6 million in the fourth quarter 2018. This increase was primarily due to favorable product mix as a result of higher volumes of transit bus units sold and higher profitability across many of the segment’s other businesses. Adjusted EBITDA margin was 7.9 percent of net sales in the fourth quarter 2019 compared to 5.3 percent in the fourth quarter 2018. Full year 2019 Adjusted EBITDA in the Commercial segment was \$56.0 million, compared to \$38.1 million in full year 2018. Commercial segment Adjusted EBITDA margin for full year 2019 was 7.8 percent of sales, compared to 6.0 percent for full year 2018.

Mr. Sullivan commented, “We are pleased to see a continuation of solid execution and margin improvement across much of the Commercial segment. During the fourth quarter 2019 we announced an incremental municipal transit bus award, and subsequent to fiscal year end we officially received a substantial municipal transit bus add-on award, which we believe provides a strong tailwind for the Bus division through fiscal 2020 and into fiscal 2021. However, we expect this will be partially offset as market visibility for the Specialty division is currently diminished and there was

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one larger commercial bus order in fiscal 2019 that will not recur. In addition, during the quarter the Company and Daimler have agreed in principal to sell the Company's interest in the Setra motor coach North America distribution joint venture to Daimler, which is expected to close by the end of the first quarter 2020."

## Recreation Segment

Recreation segment net sales were \$173.7 million in the fourth quarter 2019, a decrease of \$61.7 million, or 26.2 percent, from \$235.4 million in the fourth quarter 2018. The decrease in net sales was primarily due to lower net sales attributable to our Class A business, and to lesser extent, lower Super C, towable and camper unit sales. Recreation net sales for the full year 2019 were \$716.3 million, an 11.8 percent decrease from \$811.9 million in full year 2018. Recreation segment backlog at the end of the fourth quarter 2019 was \$167.0 million, which was down 42.6 percent from \$290.7 million at the end of fiscal year 2018, but up 28.8 percent sequentially from \$129.7 million at the end of the third quarter 2019.

Recreation segment Adjusted EBITDA was \$7.5 million in the fourth quarter 2019, compared to \$21.8 million in the fourth quarter 2018. The decrease in Adjusted EBITDA was due to decreased profitability in most categories due to lower wholesale shipments as dealers reduced inventories. Adjusted EBITDA margin of 4.3 percent of net sales in the fourth quarter 2019 decreased 500 basis points compared to 9.3 percent in the fourth quarter 2018. Full year 2019 Adjusted EBITDA in the Recreation segment was \$46.8 million, compared to \$60.4 million in full year 2018. Recreation segment Adjusted EBITDA margin for full year 2019 declined 90 basis points to 6.5 percent of sales, compared to 7.4 percent in full year 2018.

Mr. Sullivan commented that the transaction is expected to result in several design changes. The new product lineup was designed to be more competitive in the industry as wholesale prices are expected to decline. In addition, we believe that the transaction will result in fiscal 2020 that is not as strong as 2019.

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in September, the length of our new product line is going forward. In the profitability tailwind

## Working Capital, Liquidity

As of October 31, 2019, the Company has entered into a transaction with Daimler to distribute the Setra motor coach North America distribution joint venture. The transaction is expected to close by the end of the first quarter 2020.

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LC, a joint venture of the Company, is expected to be completed by the end of the first quarter 2020. The

Net working capital<sup>2</sup> for the fourth quarter 2019 was \$15.0 million at the end of fiscal year 2018, representing a decrease in net working capital of \$15.0 million, or 100 percent, from \$30.0 million at the end of fiscal year 2017. The decrease in net working capital was primarily due to an increase in raw materials inventory and an increase in the duration in our F&E segment.

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\$15.0 million at the end of fiscal year 2018, representing a decrease in net working capital of \$15.0 million, or 100 percent, from \$30.0 million at the end of fiscal year 2017. The decrease in net working capital was primarily due to an increase in raw materials inventory and an increase in the duration in our F&E segment.

The Company reduced net debt by \$35.4 million during the fiscal year. Cash and cash equivalents totaled \$3.3 million at October 31, 2019. Net debt<sup>3</sup> was \$373.3 million and the Company had \$225.7 million available under its ABL revolving credit facility as of October 31, 2019. Cash from the sale of other assets of \$24.0 million also contributed to the debt reduction within the fiscal year. Capital expenditures in the fourth quarter 2019 were \$6.7 million compared to \$8.7 million in the prior year quarter and totaled \$20.8 million for the full year 2019 compared to \$41.0 million for full year 2018. In addition, the Company reached an agreement with its banking partners during the quarter to adjust its net debt to EBITDA financial maintenance covenant to 4.0x from 3.5x through the end of the third quarter 2020.

During the quarter the Company did not repurchase any shares. During fiscal year 2019, the Company repurchased a total of 717,597 of its common shares for \$8.3 million, an average repurchase price of \$11.62 per share. Shares outstanding as of October 31, 2019 were 62,217,486.

## Fiscal 2020 Outlook

The Company also provided its initial outlook for fiscal year 2020, which includes the following performance



expectations:

- Full year 2020 revenue of \$2.45 to \$2.6 billion
- Net income of \$11 to \$31 million
- Adjusted EBITDA of \$105 to \$120 million
- Adjusted Net Income of \$32 to \$50 million
- Capital Expenditures of \$20 to \$25 million
- Interest expense of \$27 to \$31 million
- Effective tax rate of 26 percent to 28 percent
- Net cash provided by operating activities of \$50 to \$70 million, plus \$5 to \$10 million of net cash from sale of other assets

Mr. Sullivan concluded, “We continue to believe most of our end markets remain strong outside of Recreation and our Specialty division, and that we have taken necessary steps to improve execution and profitability in fiscal 2020. Our strategic review resulted in the decision to divest our interest in our North America motor coach distribution joint venture, as well as additional plant restructurings within our businesses. This strategic review process is ongoing, and we will continue to take any actions we feel necessary and appropriate to maximize shareholder value as we progress through fiscal year 2020.”

### Quarterly Dividend

Our board of directors has declared a dividend to holders of record on January 15, 2020, of \$0.20 per share of common stock.

### Conference Call

REV Group, Inc. will host a live webcast at 11:00 a.m. EST. A replay of the investor relations webcast will be available on the investor relations website. During the webcast, listeners can submit questions 15 minutes prior to the event. The question and answer session will begin at 11:15 a.m. EST.

### About REV Group

REV Group, Inc. (NYSE:REV) is a leading provider of commercial vehicles and related aftermarket parts and services. We serve a diversified customer base primarily in the United States through three segments: Fire & Emergency, Commercial and Recreation. We provide customized vehicle solutions for applications including: essential needs (ambulances, fire apparatus, school buses and municipal transit buses), industrial and commercial (terminal trucks, cut-away buses and street sweepers) and consumer leisure (recreational vehicles (“RVs”) and luxury buses). Our brand portfolio consists of 29 well-established principal vehicle brands including many of the most recognizable names within our served markets. Several of our brands pioneered their specialty vehicle product categories and date back more than 50 years.

### Note Regarding Non-GAAP Measures

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (“GAAP”). However, management believes that the evaluation of our ongoing operating results may be enhanced by a presentation of Adjusted EBITDA and Adjusted Net Income, which are non-GAAP financial measures. Adjusted EBITDA represents net income before interest expense, income taxes, depreciation and amortization as adjusted for certain non-recurring, one-time and other adjustments which we believe are not indicative of our underlying operating performance. Adjusted Net Income represents net income as adjusted for certain after-tax, non-recurring, one-time and other adjustments which we believe are not indicative of our underlying operating performance as well as for the add-back of non-cash intangible asset amortization and stock-based compensation.

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## Forward Looking Statements

Our forward-looking statements are subject to risks and uncertainties, including those highlighted under “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” in the Company’s 2023 Annual Report on Form 10-K, and in the Company’s 2023 SEC filings, which risks and uncertainties may cause actual results to differ materially from those reported or expected. You should not place undue reliance on the forward-looking statements contained in this document, which are based on the information currently available to the Company as of the date of this document. The Company does not undertake to update or revise the forward-looking statements contained in this document, and the Company does not assume any responsibility for a result of new information, future events or otherwise.

## Investors-REVG

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|                                      | October 31,<br>2019 | October 31,<br>2018 |
|--------------------------------------|---------------------|---------------------|
| ASSETS                               |                     |                     |
| Current assets:                      |                     |                     |
| Cash and cash equivalents            | \$ 3.3              | \$ 11.9             |
| Accounts receivable, net             | 253.5               | 266.9               |
| Inventories, net                     | 513.4               | 514.0               |
| Other current assets                 | 19.4                | 24.0                |
| Assets held for sale                 | 19.5                | 26.3                |
| Total current assets                 | 809.1               | 843.1               |
| Property, plant and equipment, net   | 201.7               | 214.3               |
| Goodwill                             | 159.8               | 161.8               |
| Intangible assets, net               | 159.9               | 174.6               |
| Other long-term assets               | 16.6                | 14.3                |
| Total assets                         | \$ 1,347.1          | \$ 1,408.1          |
| LIABILITIES AND SHAREHOLDERS' EQUITY |                     |                     |
| Current liabilities:                 |                     |                     |
| Current portion of long-term debt    | \$ 3.6              | \$ 1.3              |

|   |         |            |
|---|---------|------------|
| Accounts payable  | 200.8   | 218.1      |
| Customer advances   | 129.9   | 117.8      |
| Accrued warranty  | 16.1    | 19.0       |
| Other current liabilities   | 70.2    | 55.5       |
| Liabilities held for sale   | 15.4    | 5.5        |
| Total current liabilities   | 436.0   | 417.2      |
| Long-term debt, less current maturities   | 376.6   | 420.6      |
| Deferred income taxes   | 15.4    | 19.9       |
| Other long-term liabilities   | 13.9    | 18.0       |
| Total liabilities   | 841.9   | 875.7      |
| Commitments and contingencies   |         |            |
| Shareholders' Equity:   |         |            |
| Common stock (\$.001 par value, 605,000,000 shares authorized; 62,217,486 and 62,683,808 shares issued and outstanding, respectively) | 0.1     | 0.1        |
| Additional paid-in capital  | 490.8   | 492.1      |
| Retained earnings   | 15.8    | 40.6       |
| Accumulated other comprehensive loss  | (1.7)   | (1.4)      |
| Total REV's shareholders' equity  | 505.0   | 531.4      |
| Non-controlling interest  | 0.2     | 1.0        |
| Total shareholders' equity  | 505.2   | 532.4      |
| Total liabilities and shareholders' equity  | 1,347.1 | \$ 1,408.1 |

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|  | Months Ended     |           |           |         |
|--|------------------|-----------|-----------|---------|
|  | October 31, 2018 |           |           |         |
| Net sales  | \$ 2,381.3       |           |           |         |
| Cost of sales  | 2,103.3          |           |           |         |
| Gross profit   | 278.0            |           |           |         |
| Operating expenses:  |                  |           |           |         |
| Selling, general and administrative  | 182.8            |           |           |         |
| Research and development   | 6.5              |           |           |         |
| Amortization of intangible assets  | 4.0              | 4.5       | 17.2      | 18.1    |
| Restructuring  | 1.5              | 0.2       | 5.7       | 7.2     |
| Impairment charges   | 6.1              | 35.6      | 8.9       | 35.6    |
| Total operating expenses   | 66.7             | 91.4      | 235.9     | 250.2   |
| Operating (loss) income  | (5.0)            | (18.3)    | 15.9      | 27.8    |
| Interest expense, net  | 8.3              | 7.4       | 32.5      | 25.6    |
| (Loss) income before benefit for income taxes and non-controlling interest | (13.3)           | (25.7)    | (16.6)    | 2.2     |
| Benefit for income taxes   | (3.5)            | (3.7)     | (3.5)     | (10.8)  |
| Net (loss) income before non-controlling interest                          | (9.8)            | (22.0)    | (13.1)    | 13.0    |
| Less: net loss attributable to non-controlling interest                    | (0.8)            | —         | (0.8)     | —       |
| Net (loss) income  | \$ (9.0)         | \$ (22.0) | \$ (12.3) | \$ 13.0 |
| <b>(Loss) income per common share:</b>                                     |                  |           |           |         |
| Basic  | \$ (0.14)        | \$ (0.35) | \$ (0.20) | \$ 0.20 |
| Diluted  | \$ (0.14)        | \$ (0.35) | \$ (0.20) | \$ 0.20 |



|                                     |    |      |    |      |    |      |    |      |
|-------------------------------------|----|------|----|------|----|------|----|------|
| Dividends declared per common share | \$ | 0.05 | \$ | 0.05 | \$ | 0.20 | \$ | 0.20 |
|-------------------------------------|----|------|----|------|----|------|----|------|

#### Adjusted income per common share:

|         |    |      |    |      |    |      |    |      |
|---------|----|------|----|------|----|------|----|------|
| Basic   | \$ | 0.05 | \$ | 0.28 | \$ | 0.48 | \$ | 1.14 |
| Diluted | \$ | 0.05 | \$ | 0.28 | \$ | 0.48 | \$ | 1.11 |

#### Weighted Average Shares Outstanding:

|         |            |            |            |            |
|---------|------------|------------|------------|------------|
| Basic   | 62,532,440 | 63,101,433 | 62,789,165 | 63,966,977 |
| Diluted | 62,532,440 | 63,443,646 | 62,789,165 | 65,210,169 |

### REV GROUP, INC. AND SUBSIDIARIES

#### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)

#### Fiscal Year Ended

| October 31,<br>2019 | October 31,<br>2018 | October 31,<br>2017 |
|---------------------|---------------------|---------------------|
|---------------------|---------------------|---------------------|

#### Cash flows from operating activities:

|   |  |       |    |        |
|---|--|-------|----|--------|
| Net (loss) income   |  | 3.0   | \$ | 31.4   |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: |  |       |    |        |
| Depreciation and amortization   |  | 3.0   |    | 37.8   |
| Amortization of intangible assets   |  | 1.9   |    | 1.8    |
| Amortization of deferred compensation   |  | —     |    | 0.1    |
| Stock-based compensation  |  | 3.3   |    | 26.6   |
| Deferred income taxes   |  | 4.1   |    | 2.9    |
| Loss on early extinguishment of debt  |  | —     |    | 11.9   |
| Gain on sale of assets  |  | 3.0   |    | (1.2)  |
| Impairment charges  |  | 5.6   |    | —      |
| Changes in operating assets and liabilities:  |  |       |    |        |
| Receivables, net  |  | 2.3   |    | (39.7) |
| Inventories, net  |  | 4.5   |    | (61.9) |
| Other current assets  |  | 2.2   |    | (1.2)  |
| Accounts payable  |  | 3.1   |    | 54.7   |
| Accrued warranties  |  | 1.3   |    | (6.2)  |
| Customer advances   |  | 12.1  |    | (0.8)  |
| Other liabilities   |  | 24.6  |    | (23.6) |
| Long-term assets  |  | (3.1) |    | 1.0    |
| Net cash provided by (used in) operating activities   |  | 52.5  |    | (19.2) |

#### Cash flows from investing activities:

|   |        |         |         |
|---|--------|---------|---------|
| Purchase of property, plant and equipment           | (20.8) | (40.6)  | (54.0)  |
| Purchase of rental fleet vehicles                   | (3.0)  | (20.1)  | (17.7)  |
| Purchase of land in Riverside, CA                   | —      | —       | (7.6)   |
| Proceeds from sale of assets                        | 24.0   | 8.7     | 6.6     |
| Investment in China JV                              | —      | (7.6)   | —       |
| Acquisition of businesses, net of cash acquired     | —      | (60.0)  | (156.4) |
| Net cash provided by (used in) investing activities | 0.2    | (119.6) | (229.1) |

#### Cash flows from financing activities:

|   |        |        |       |
|---|--------|--------|-------|
| Net (repayments) proceeds from borrowings under April 2017 ABL Facility | (90.0) | 141.5  | 75.9  |
| Net proceeds from borrowings of Term Loan                               | 49.2   | 50.0   | 75.0  |
| Repayments on Term Loan   | (1.5)  | —      | —     |
| Payment of dividends  | (12.5) | (12.8) | (6.4) |
| Repurchase and retirement of common stock                               | (8.3)  | (53.3) | —     |
| Net proceeds from initial public offering                               | —      | —      | 253.6 |

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|   |        |         |         |
|---|--------|---------|---------|
| Payment of debt issuance costs  | (0.2)  | (1.0)   | (6.8)   |
| Repayment of long-term debt and capital leases                                | —      | —       | (180.0) |
| Senior Note prepayment premium  | —      | —       | (7.7)   |
| Proceeds from exercise of common stock options, net of employer payroll taxes | 0.6    | 9.5     | 2.6     |
| Other financing activities  | 1.4    | (1.0)   | (3.3)   |
| Net cash (used in) provided by financing activities                           | (61.3) | 132.9   | 202.9   |
| Net (decrease) increase in cash and cash equivalents                          | (8.6)  | (5.9)   | 7.0     |
| Cash and cash equivalents, beginning of year                                  | 11.9   | 17.8    | 10.8    |
| Cash and cash equivalents, end of year  | \$ 3.3 | \$ 11.9 | \$ 17.8 |

**REV GROUP, INC. AND SUBSIDIARIES**  
**SEGMENT INFORMATION**  
(In millions; unaudited)

(Unaudited)  
Three Months Ended October 31,      Twelve Months Ended October 31,  
2018

|                         |      |      |      |         |
|-------------------------|------|------|------|---------|
| Net Sales:              |      |      |      |         |
| Fire & Emergency        |      |      | \$   | 956.6   |
| Commercial              |      |      |      | 638.5   |
| Recreation              |      |      |      | 811.9   |
| Corporate & Other       |      |      | )    | (25.7)  |
| Total                   |      |      | \$   | 2,381.3 |
| Adjusted EBITDA:        |      |      |      |         |
| Fire & Emergency        |      |      | \$   | 86.0    |
| Commercial              |      |      |      | 38.1    |
| Recreation              |      |      |      | 60.4    |
| Corporate & Other       |      |      | )    | (36.5)  |
| Total                   |      |      | \$   | 148.0   |
| Adjusted EBITDA Margin: |      |      |      |         |
| Fire & Emergency        |      |      | %    | 9.0%    |
| Commercial              |      |      | %    | 6.0%    |
| Recreation              |      |      | %    | 7.4%    |
| Corporate & Other       |      |      |      | n/m     |
| Total                   | 3.0% | 6.0% | 4.2% | 6.2%    |

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|                     |                    |                    |
|---------------------|--------------------|--------------------|
|                     | <b>October 31,</b> | <b>October 31,</b> |
|                     | <b>2019</b>        | <b>2018</b>        |
| Period-End Backlog: |                    |                    |
| Fire & Emergency    | \$ 832.7           | \$ 707.5           |
| Commercial          | 317.3              | 381.4              |
| Recreation          | 167.0              | 290.7              |
| Total               | \$ 1,317.0         | \$ 1,379.6         |

**REV GROUP, INC. AND SUBSIDIARIES**  
**ADJUSTED EBITDA BY SEGMENT**  
(In millions; unaudited)

| Three Months Ended October 31, 2019 |            |            |                   |       |
|-------------------------------------|------------|------------|-------------------|-------|
| Fire & Emergency                    | Commercial | Recreation | Corporate & Other | Total |



|   |               |                |               |                  |                |
|---|---------------|----------------|---------------|------------------|----------------|
| Net (loss) income                           | \$ (1.7)      | \$ 10.5        | \$ 1.9        | \$ (19.7)        | \$ (9.0)       |
| Depreciation & amortization                 | 3.5           | 1.9            | 3.7           | 1.6              | 10.7           |
| Interest expense, net                       | 1.1           | 0.4            | —             | 6.7              | 8.2            |
| Benefit for income taxes                    | —             | —              | —             | (3.5)            | (3.5)          |
| <b>EBITDA</b>                               | <b>2.9</b>    | <b>12.8</b>    | <b>5.6</b>    | <b>(14.9)</b>    | <b>6.4</b>     |
| Transaction expenses                        | (0.3)         | (0.3)          | —             | 0.9              | 0.3            |
| Sponsor expense reimbursement               | 0.6           | —              | —             | 0.2              | 0.8            |
| Restructuring costs                         | 0.9           | 0.2            | 0.3           | 0.1              | 1.5            |
| Stock-based compensation expense            | —             | —              | —             | (0.1)            | (0.1)          |
| Legal matters                               | —             | —              | 1.0           | 1.3              | 2.3            |
| Impairment charges                          | 3.3           | 2.2            | 0.6           | —                | 6.1            |
| Losses attributable to assets held for sale | —             | 1.4            | —             | —                | 1.4            |
| Deferred purchase price payment             | —             | —              | —             | 0.6              | 0.6            |
| <b>Adjusted EBITDA</b>                      | <b>\$ 7.4</b> | <b>\$ 16.3</b> | <b>\$ 7.5</b> | <b>\$ (11.9)</b> | <b>\$ 19.3</b> |

### Three Months Ended October 31, 2018

|   | <b>Fire &amp; Emergency</b> | <b>Commercial</b> | <b>Recreation</b> | <b>Corporate &amp; Other</b> | <b>Total</b>   |
|---|-----------------------------|-------------------|-------------------|------------------------------|----------------|
| Net income (loss)                           | \$ 11.8                     | \$ (8.7)          | \$ 16.0           | \$ (41.1)                    | \$ (22.0)      |
| Depreciation & amortization                 | —                           | —                 | —                 | 2.3                          | 12.1           |
| Interest expense, net                       | —                           | —                 | —                 | 5.8                          | 7.2            |
| Provision for income taxes                  | —                           | —                 | —                 | (5.0)                        | (5.0)          |
| <b>EBITDA</b>                               | <b>—</b>                    | <b>—</b>          | <b>—</b>          | <b>(38.0)</b>                | <b>(7.7)</b>   |
| Transaction expenses                        | —                           | —                 | —                 | 0.7                          | 0.7            |
| Sponsor expense reimbursement               | —                           | —                 | —                 | 0.4                          | 0.4            |
| Restructuring costs                         | —                           | —                 | —                 | —                            | 0.2            |
| Stock-based compensation expense            | —                           | —                 | —                 | 1.2                          | 1.2            |
| Legal matters                               | —                           | —                 | —                 | 2.8                          | 2.8            |
| Impairment charges                          | —                           | —                 | —                 | 20.5                         | 35.6           |
| Losses attributable to assets held for sale | —                           | —                 | —                 | —                            | 4.3            |
| Deferred purchase price payment             | —                           | —                 | —                 | 1.9                          | 1.9            |
| <b>Adjusted EBITDA</b>                      | <b>—</b>                    | <b>—</b>          | <b>—</b>          | <b>(10.5)</b>                | <b>\$ 39.4</b> |

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Agree

(In millions; unaudited)

### Twelve Months Ended October 31, 2019

|   | <b>Fire &amp; Emergency</b> | <b>Commercial</b> | <b>Recreation</b> | <b>Corporate &amp; Other</b> | <b>Total</b> |
|---|-----------------------------|-------------------|-------------------|------------------------------|--------------|
| Net income (loss)                           | \$ 17.9                     | \$ 35.9           | \$ 26.7           | \$ (92.8)                    | \$ (12.3)    |
| Depreciation & amortization                 | 14.1                        | 8.5               | 15.6              | 7.2                          | 45.4         |
| Interest expense, net                       | 4.0                         | 2.0               | 0.2               | 26.2                         | 32.4         |
| Benefit for income taxes                    | —                           | —                 | —                 | (3.5)                        | (3.5)        |
| <b>EBITDA</b>                               | <b>36.0</b>                 | <b>46.4</b>       | <b>42.5</b>       | <b>(62.9)</b>                | <b>62.0</b>  |
| Transaction expenses                        | 0.1                         | (0.3)             | —                 | 1.2                          | 1.0          |
| Sponsor expense reimbursement               | 0.7                         | —                 | —                 | 0.7                          | 1.4          |
| Restructuring costs                         | 1.3                         | 0.2               | 2.0               | 2.2                          | 5.7          |
| Stock-based compensation expense            | —                           | —                 | —                 | 7.2                          | 7.2          |
| Legal matters                               | 1.8                         | —                 | 1.7               | 4.2                          | 7.7          |
| Impairment charges                          | 3.3                         | 5.0               | 0.6               | —                            | 8.9          |
| Losses attributable to assets held for sale | —                           | 4.7               | —                 | —                            | 4.7          |
| Deferred purchase price payment             | —                           | —                 | —                 | 3.5                          | 3.5          |

|   |                             |                   |                   |                              |                 |
|---|-----------------------------|-------------------|-------------------|------------------------------|-----------------|
| <b>Adjusted EBITDA</b>                      | <u>\$ 43.2</u>              | <u>\$ 56.0</u>    | <u>\$ 46.8</u>    | <u>\$ (43.9)</u>             | <u>\$ 102.1</u> |
| <b>Twelve Months Ended October 31, 2018</b> |                             |                   |                   |                              |                 |
|   | <b>Fire &amp; Emergency</b> | <b>Commercial</b> | <b>Recreation</b> | <b>Corporate &amp; Other</b> | <b>Total</b>    |
| Net income (loss)                           | \$ 60.7                     | \$ 7.1            | \$ 41.9           | \$ (96.7)                    | \$ 13.0         |
| Depreciation & amortization                 | 15.0                        | 9.7               | 13.4              | 7.4                          | 45.5            |
| Interest expense, net                       | 3.8                         | 2.2               | 0.5               | 18.8                         | 25.3            |
| Benefit for income taxes                    | —                           | —                 | —                 | (12.2)                       | (12.2)          |
| <b>EBITDA</b>                               | <b>79.5</b>                 | <b>19.0</b>       | <b>55.8</b>       | <b>(82.7)</b>                | <b>71.6</b>     |
| Transaction expenses                        | 0.2                         | —                 | —                 | 2.6                          | 2.8             |
| Sponsor expense reimbursement               | —                           | —                 | —                 | 0.9                          | 0.9             |
| Restructuring costs                         | 0.3                         | 0.2               | 2.6               | 3.9                          | 7.0             |
| Stock-based compensation expense            | —                           | —                 | —                 | 6.3                          | 6.3             |
| Non-cash purchase accounting expense        | 0.4                         | —                 | 0.5               | —                            | 0.9             |
| Legal matters                               | 0.7                         | 0.3               | —                 | 4.5                          | 5.5             |
| Impairment charges                          | 0.8                         | 12.8              | 1.5               | 20.5                         | 35.6            |
| Losses attributable to assets held for sale | 4.1                         | 5.8               | —                 | —                            | 9.9             |
| Deferred purchase price payment             | —                           | —                 | —                 | 6.0                          | 6.0             |
| First year public company costs             | —                           | —                 | —                 | 1.5                          | 1.5             |
| <b>Adjusted EBITDA</b>                      | <b>(36.5)</b>               | <b>\$ 148.0</b>   |                   |                              |                 |

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|   |  |               |                |                                      |                |
|---|--|---------------|----------------|--------------------------------------|----------------|
|   |  |               |                | <b>Five Months Ended October 31,</b> |                |
|   |  |               |                | <b>2019</b>                          | <b>2018</b>    |
| Net (loss) income                           |  |               |                | (12.3)                               | \$ 13.0        |
| Amortization of intangible assets           |  |               |                | 17.4                                 | 18.1           |
| Transaction expenses                        |  |               |                | 1.0                                  | 2.8            |
| Sponsor expense reimbursement               |  |               |                | 1.4                                  | 0.9            |
| Restructuring costs                         |  |               |                | 5.7                                  | 7.0            |
| Stock-based compensation expense            |  |               |                | 7.2                                  | 6.3            |
| Non-cash purchase accounting expense        |  |               |                | —                                    | 0.9            |
| Legal matters                               |  | 2.3           | 2.8            | 7.7                                  | 5.5            |
| Impairment charges                          |  | 6.1           | 35.6           | 8.9                                  | 35.6           |
| Losses attributable to assets held for sale |  | 1.4           | 4.3            | 4.7                                  | 9.9            |
| Deferred purchase price payment             |  | 0.6           | 1.9            | 3.5                                  | 6.0            |
| Impact of tax rate change                   |  | —             | 1.2            | —                                    | (11.3)         |
| Income tax effect of adjustments            |  | (4.6)         | (13.2)         | (15.2)                               | (23.5)         |
| First year public company costs             |  | —             | —              | —                                    | 1.5            |
| <b>Adjusted Net Income</b>                  |  | <b>\$ 3.3</b> | <b>\$ 17.6</b> | <b>\$ 30.0</b>                       | <b>\$ 72.7</b> |

**REV GROUP, INC. AND SUBSIDIARIES**  
**ADJUSTED EBITDA OUTLOOK RECONCILIATION**  
(In millions)

|            |    |      |    |                         |             |
|------------|----|------|----|-------------------------|-------------|
|            |    |      |    | <b>Fiscal Year 2020</b> |             |
|            |    |      |    | <b>Low</b>              | <b>High</b> |
| Net Income | \$ | 11.0 | \$ | 31.0                    |             |

|                                  |          |          |
|----------------------------------|----------|----------|
| Depreciation and amortization    | 45.0     | 40.0     |
| Interest expense, net            | 31.0     | 27.0     |
| Income tax expense               | 4.0      | 12.0     |
| EBITDA                           | 91.0     | 110.0    |
| Transaction expenses             | 1.0      | —        |
| Sponsor expense reimbursement    | 1.0      | 0.5      |
| Stock-based compensation expense | 8.0      | 7.0      |
| Legal matters                    | 3.5      | 2.5      |
| Deferred purchase price payment  | 0.5      | —        |
| Adjusted EBITDA                  | \$ 105.0 | \$ 120.0 |

**REV GROUP, INC. AND SUBSIDIARIES**  
**ADJUSTED NET INCOME OUTLOOK RECONCILIATION**  
(In millions)

|                                   | Fiscal Year 2020 |       |
|-----------------------------------|------------------|-------|
|                                   | Low              | High  |
| Net Income                        |                  | 31.0  |
| Amortization of intangible assets |                  | 15.5  |
| Transaction expenses              |                  | —     |
| Sponsor expense reimbursement     |                  | 0.5   |
| Stock-based compensation expense  |                  | 7.0   |
| Legal matters                     |                  | 2.5   |
| Deferred purchase price payment   |                  | —     |
| Income tax effect of adjustments  |                  | (6.5) |
| Adjusted Net Income               |                  | 50.0  |

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<sup>1</sup> REV Group, Inc. Adjusted Net Income is the

nearest GAAP measure.

<sup>2</sup> Net Working Capital (current assets less current liabilities, excluding long-term debt).

<sup>3</sup> Net Debt is defined as total debt less cash and cash equivalents.

are reconciled to their

ending current portion of

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