REV GROUP, INC.

Financial Report
Fiscal Second Quarter Ended
April 30, 2018

NYSE:REVG





June,7 2018

Cautionary Statements & Non GAAP Measures

Disclaimers

Note Regarding Non-GAAP Measures

REV Group reports its financial results in accordance with U.S. generally accepted accounting principles (“GAAP”). However, management believes that the evaluation of REV Group’s 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 REV Group believes are not indicative of its underlying operating performance. Adjusted Net Income represents net income, as adjusted for certain items described below that we believe are not indicative of our ongoing operating performance. REV Group believes that the use of Adjusted EBITDA and Adjusted Net Income provides additional meaningful methods of evaluating certain aspects of its operating performance from period to period on a basis that may not be otherwise apparent under GAAP when used in addition to, and not in lieu of, GAAP measures. See the Appendix to this presentation (and our other filings with the SEC) for reconciliations of Adjusted EBITDA and Adjusted Net Income to the most closely comparable financial measures calculated in accordance with GAAP.

Cautionary Statement About Forward-Looking Statements

This presentation contains statements that REV Group believes to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms “believes,” “estimates,” “anticipates,” “expects,” “strives,” “goal,” “seeks,” “projects,” “intends,” “forecasts,” “plans,” “may,” “will” or “should” or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout this presentation and include statements regarding REV Group’s intentions, beliefs, goals or current expectations concerning, among other things, its results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which we operate, including REV Group’s outlook for the full-year fiscal 2018. REV Group’s forward-looking statements are subject to risks and uncertainties, including those highlighted under “Risk Factors” and “Cautionary Note Regarding on Forward-Looking Statements” in REV Group’s public filings with the SEC and the other risk factors described from time to time in subsequent quarterly or annual reports on Forms 10-Q or 10-K, which may cause actual results to differ materially from those projected or implied by the forward-looking statement. Forward-looking statements are based on current expectations and assumptions and currently available data and are neither predictions nor guarantees of future events or performance. You should not place undue reliance on forward-looking statements, which only speak as of the date of this presentation. REV Group does not undertake to update or revise any forward-looking statements after they are made, whether as a result of new information, future events, or otherwise, expect as required by applicable law.

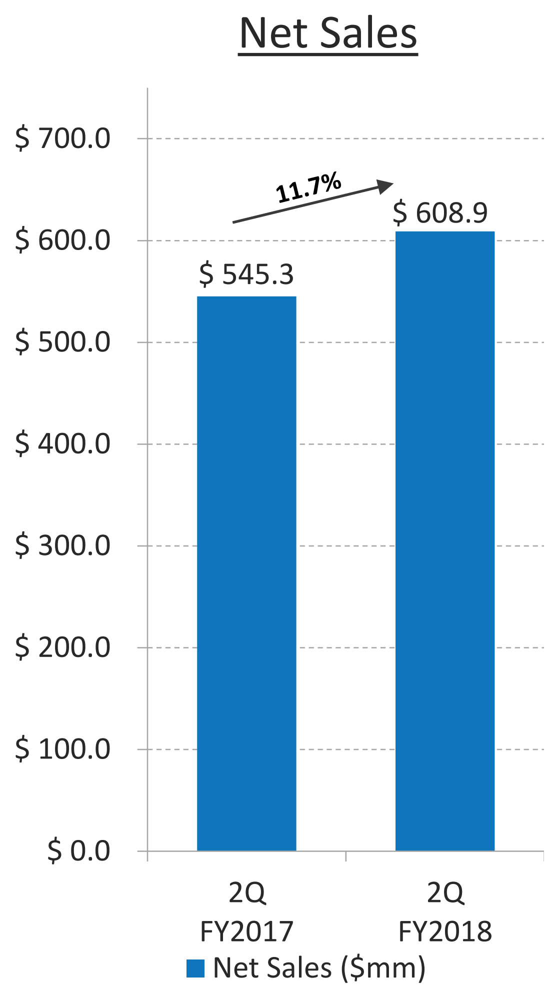
Summary

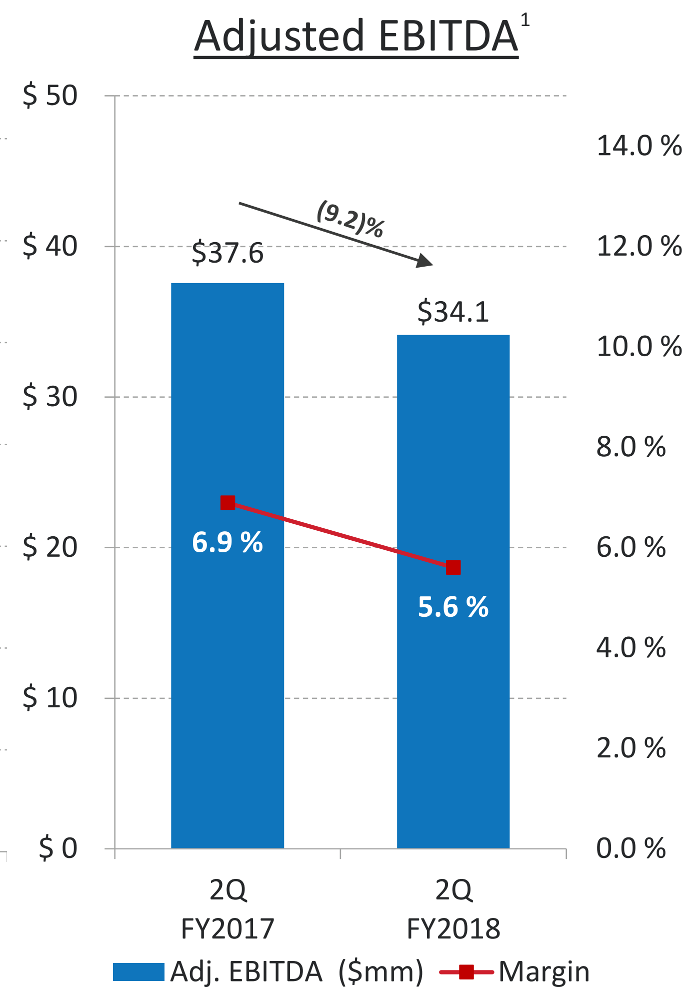
- Net Sales of $608.9 million, representing growth of 11.7% compared to the prior year quarter
- End markets and order activity remains constructive
  - Backlog of $1.3 billion vs. $1.1 billion at start of fiscal year and $990 million in prior year period
- 2Q Earnings results below expectations driven by several factors including material and service cost inflation, chassis disruptions, and an adverse product mix
- In response, have implemented strong actions to offset these issues:
  - Increased pricing across product categories to offset this inflation (estimated $7 million impact in fiscal 2018 2H given pre-existing backlog)
  - Cost, facility and headcount reductions totaling an estimated $20 million on annualized basis
- Revising fiscal year 2018 profitability guidance
  - $72 - $87 million net income (vs. $31 million prior year), $175 - $185 million adjusted EBITDA (vs. $163 million prior year), $94 - $105 million adjusted net income (vs. $76 million prior year)
- Continue to pursue intelligent capital allocation – repurchased approximately $5 million of stock in 2Q
- Welcome Ian Walsh as new REV COO

Consolidated 2Q FY2018 Results

SECOND QUARTER RESULTS REFLECT NEAR TERM SUPPLY CHAIN INEFFICIENCIES

- Strong 11.7% sales growth reflects the impact of acquisitions with increases in all segments except Commercial
- Adjusted Net Income[1] of $15.6 million, a decrease of 18% was the result of near-term supply chain inefficiencies, increased raw materials costs, and lower volumes of Class A RV's, school buses, and transit buses
- Adjusted EBITDA[1] of $34.1 million down 9.2% from prior year
- Implementing restructuring activities that will drive approximately $20.0 million in annualized cost savings; $1.9 restructuring charge incurred in 2Q



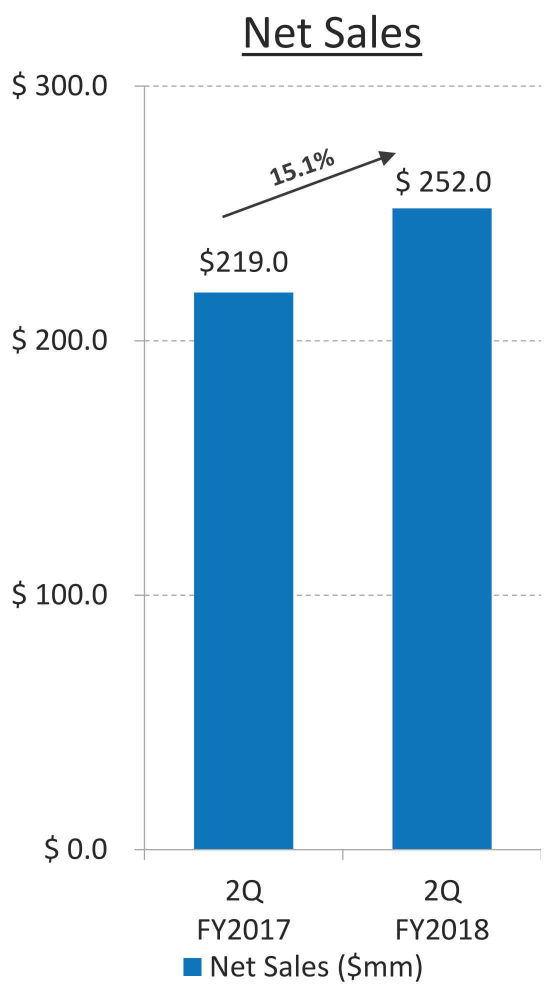


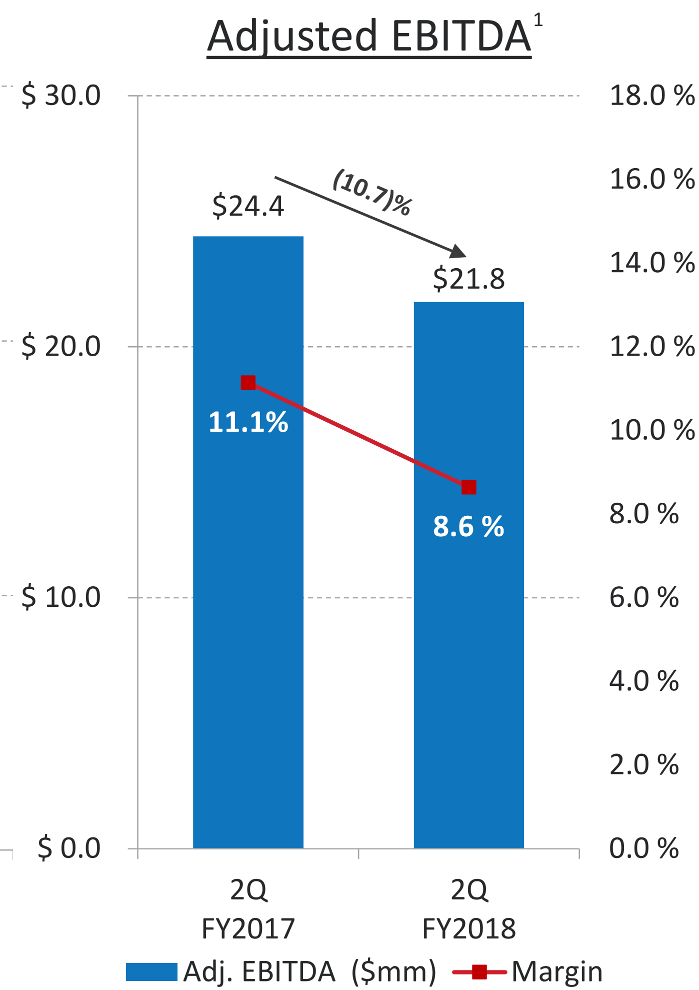
[1] *For a reconciliation of net income (loss) to Adjusted Net Income and Adjusted EBITDA, see the Appendix to this presentation.*

Fire & Emergency 2Q FY2018 Results

STRONG BACKLOG EXPECTED TO DRIVE GROWTH IN 2H OF YEAR

- Net Sales growth of 15.1% was driven by ambulance unit volumes, and the impact of the Ferrara acquisition
- F&E backlog at the end of the second quarter 2018 was up 7.4 percent to $633.8 million compared to $590.3 million at the end of fiscal year 2017
- Adjusted EBITDA decreased 10.7%, primarily driven by lower volume of higher content fire apparatus, increased input costs and a negative sales mix shift in certain ambulance businesses
- We see continued strength of demand in both the fire and ambulance markets; continue to maintain strong market share



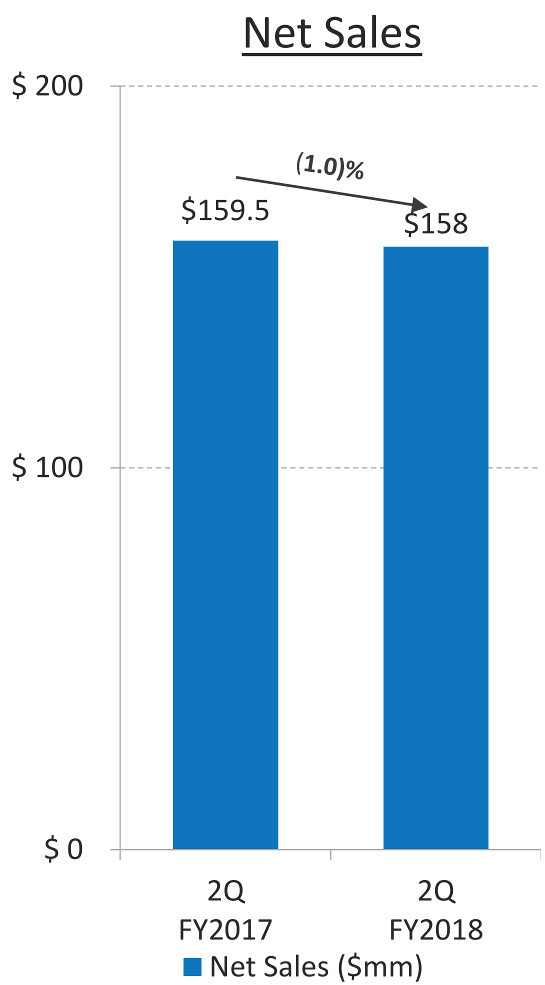


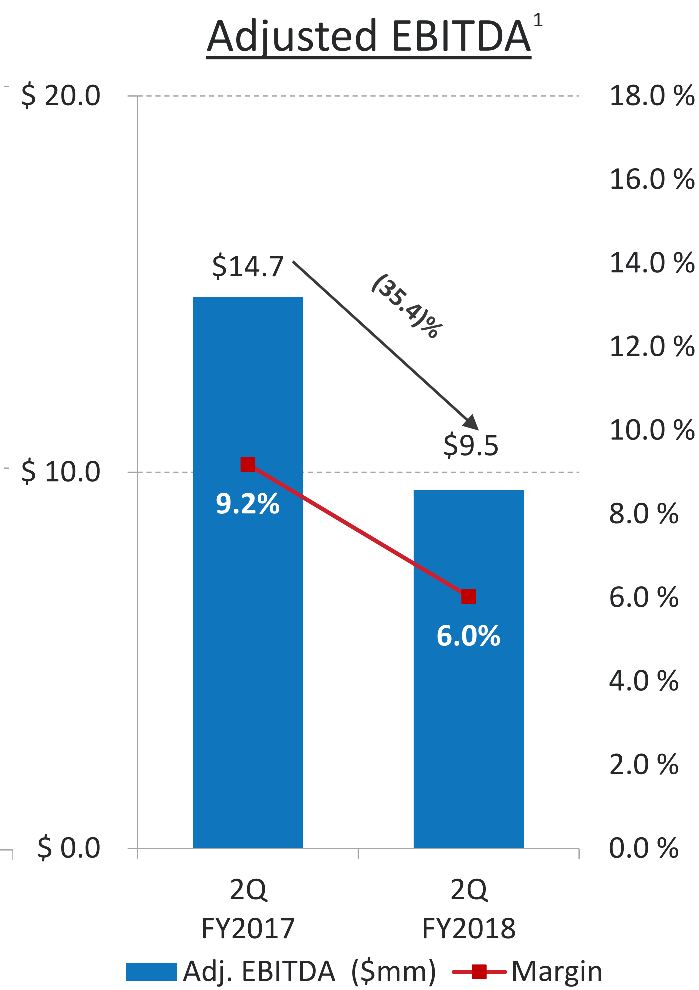
[1] *For a reconciliation of net income (loss) to Adjusted Net Income and Adjusted EBITDA, see the Appendix to this presentation.*

Commercial 2Q FY2018 Results

SALES IMPACTED BY LAG BETWEEN MAJOR CONTRACTS; BACKLOG STRENGTH IMPROVING WITH SOLID PIPELINE

- Net Sales decreased 1.0% over prior year driven by a decrease in transit bus and school bus units sold, partially offset by sales in shuttle bus, sweeper and mobility vans
- Commercial backlog is up 8.4% from last year, the segment has strong market share and it is continuously growing given favorable market trends
- Strong pipeline of sales opportunities; operational improvement initiatives coupled with a selective approach to sales expected to drive improved results
- Commercial Adjusted EBITDA[1] declined 35.4% year-over-year due to higher material and freight costs as well as mix shift away from transit and school bus
- Transit bus has a favorable outlook with the large Los Angeles County contract giving it a good sales base that will materialize starting in Fiscal 2019





[1] *For a reconciliation of net income (loss) to Adjusted Net Income and Adjusted EBITDA, see the Appendix to this presentation.*

Recreation 2Q FY2018 Results

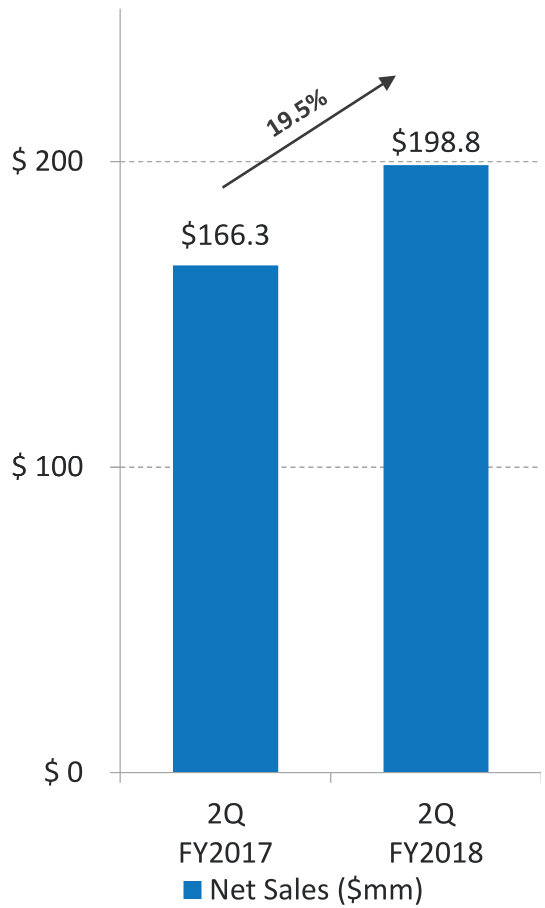
ADJUSTED EBITDA DRIVEN BY ACQUISITIONS AND FAVORABLE SALES MIX

- Sales grew 19.5% or $32.5 million, with growth from strong performance from acquisitions, increased Class C unit volume and an increase in the Company's molded fiberglass business

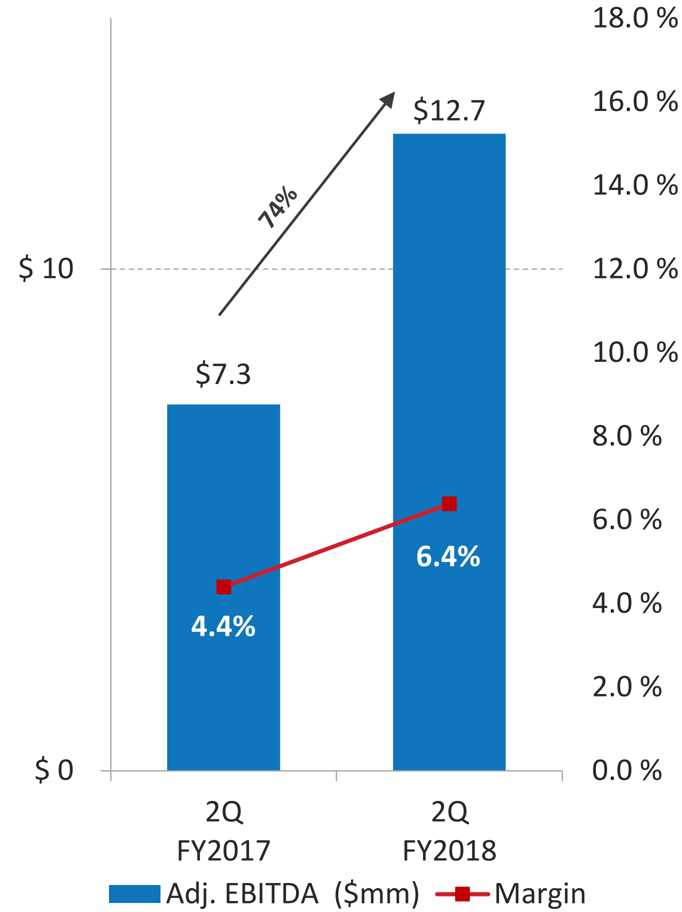
- Segment backlog at the end of the second quarter was $239.5 million, up 65% from the end of fiscal year 2017

- Adjusted EBITDA[1] grew 74%, significantly driven by acquisitions

Net Sales



Adjusted EBITDA[1]



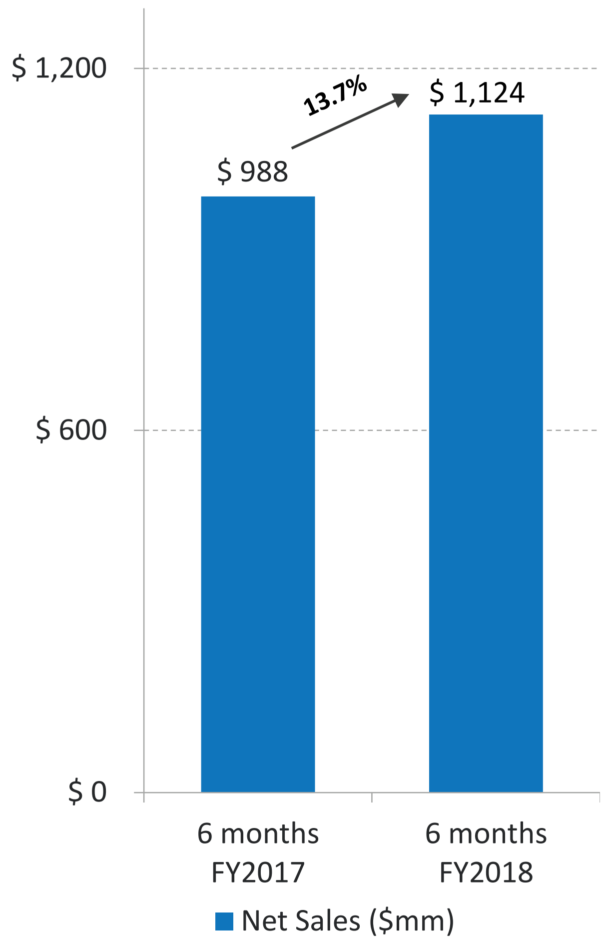
[1] For a reconciliation of net income (loss) to Adjusted Net Income and Adjusted EBITDA, see the Appendix to this presentation.

Consolidated YTD FY2018 Results

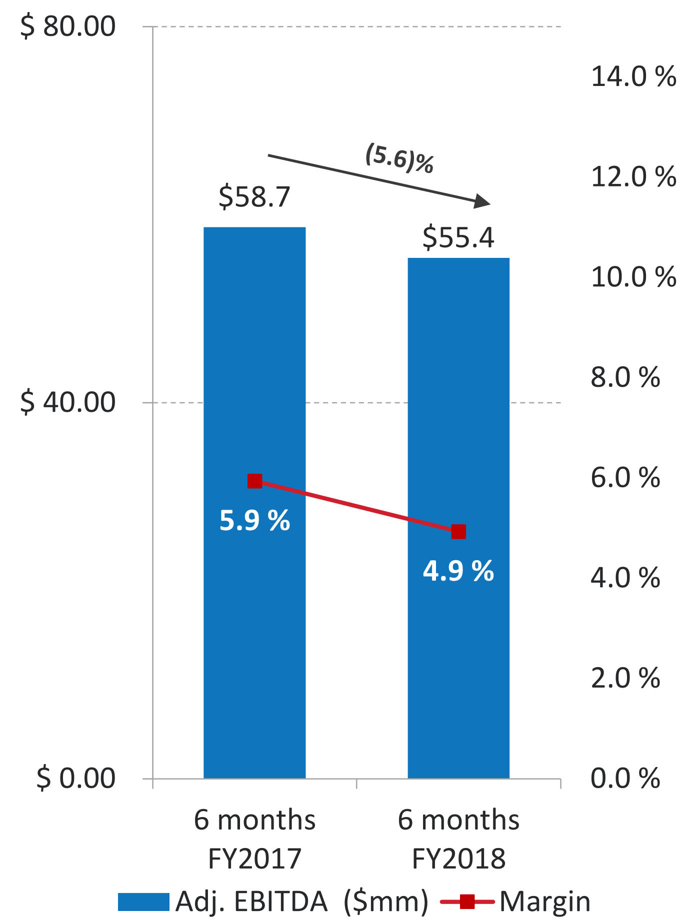
RESULTS REFLECT SOLID END-MARKET DEMAND WITH MARGINS IMPACTED BY INFLATION AND LESS ADVANTAGEOUS MIX

- Consolidated net sales saw an increase of $135.5 million primarily due to an increase in net sales of $62.9 million and $73.0 million in the Fire & Emergency and Recreation segments, respectively
- Total backlog as of April 30, 2018 of $1.27B vs $1.10B at the start of fiscal year and $990M in prior year second quarter
- Adjusted Net Income was $25.4 million, an increase of $0.5 million, or 2.2% over last year
- Adjusted EBITDA[1] was $55.4 million, a decrease of $3.3 million, or 5.6%, from $58.7

Net Sales



Adjusted EBITDA [1]



[1] *For a reconciliation of net income (loss) to Adjusted Net Income and Adjusted EBITDA, see the Appendix to this presentation.*

Balance Sheet & Net Working Capital Summary

$ in millions

	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Core Working Capital [1]	$ 531,041	$ 478,355	$ 566,564	$ 547,541
Less: Other Working Capital Items	(172,986)	(178,690)	(177,256)	(169,800)
Net Working Capital [2]	**$ 358,055**	**$ 299,665**	**$ 389,308**	**$ 377,740**
TTM Pro-Forma Sales	$ 2,285,429	$ 2,372,727	$ 2,494,547	$ 2,488,508
% of Core NWC to TTM PF Sales	23.2%	20.2%	22.7%	22.0%
Days Sales Outstanding	37	33	38	35
Inventory Turns	4.9	4.9	4.7	4.5
Days Payables Outstanding	27	29	28	28

- Seasonality of net working capital peaks in 1H, then reduces in Q3 to the lowest point at the end of Q4
- Net working capital as a percent of TTM Sales ~20% over last four quarters
- Days sales outstanding improved through Q2 2018 and is impacted by mix of end customers
- Inventory turns peak in second half due to business seasonality, while inventory builds in first half; focus on management of chassis inventory and raw materials going forward
- Leveraging the supply chain to manage days payables outstanding toward balance between price and terms
- Long-term opportunity to reduce net working capital required in the businesses to high teens percentage of TTM Sales over the next 24 – 36 months represents more than $100 million of working capital benefit

[1]Core working capital = accounts receivable, net + inventory, net – accounts payable
[2] Net working capital = current assets (excl. cash) – current liabilities (excl. current portion of long-term debt)

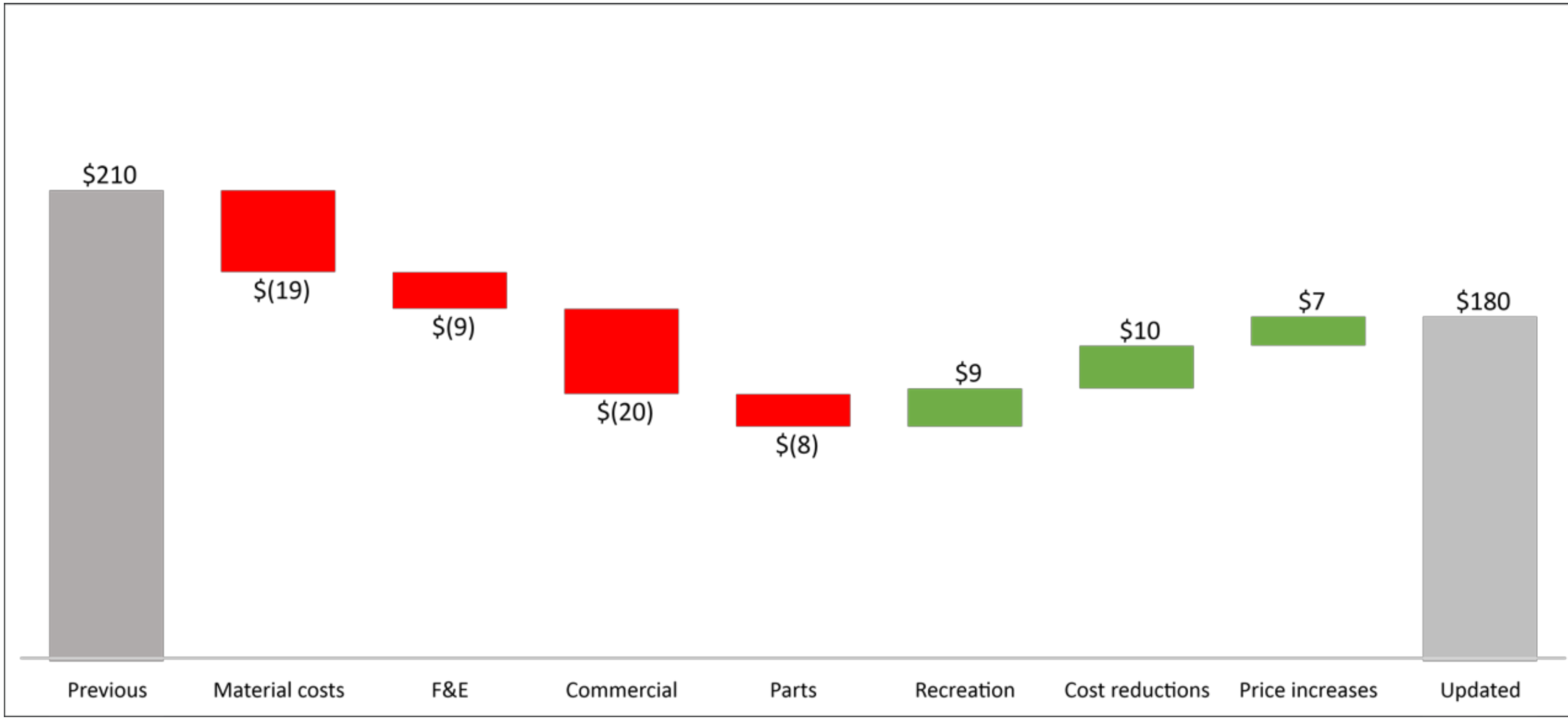
Full Year Fiscal 2018 Guidance Update

- Top-line growth of ~10%
- ~11% growth in Adjusted EBITDA in 2018 (mid-point)
- Long-term target continues to be >10% EBITDA margins

Previous Guidance	Revised Guidance	Prior Year Actual
Net Sales: $2.4 billion to $2.7 billion	Net Sales: $2.4 billion to $2.6 billion	Net Sales: $2.3 billion
Net Income: $90 million to $110 million	Net Income: $72 million to $87 million	Net Income: $31 million
Adjusted EBITDA: $200 million to $220 million	Adjusted EBITDA: $175 million to $185 million	Adjusted EBITDA: $163 million
Adjusted Net Income: $110 million to $125 million	Adjusted Net Income: $94 million to $105 million	Adjusted Net Income: $76 million

Full Year Updated EBITDA Guidance Bridge (mid-point of guidance ranges)

$ in millions

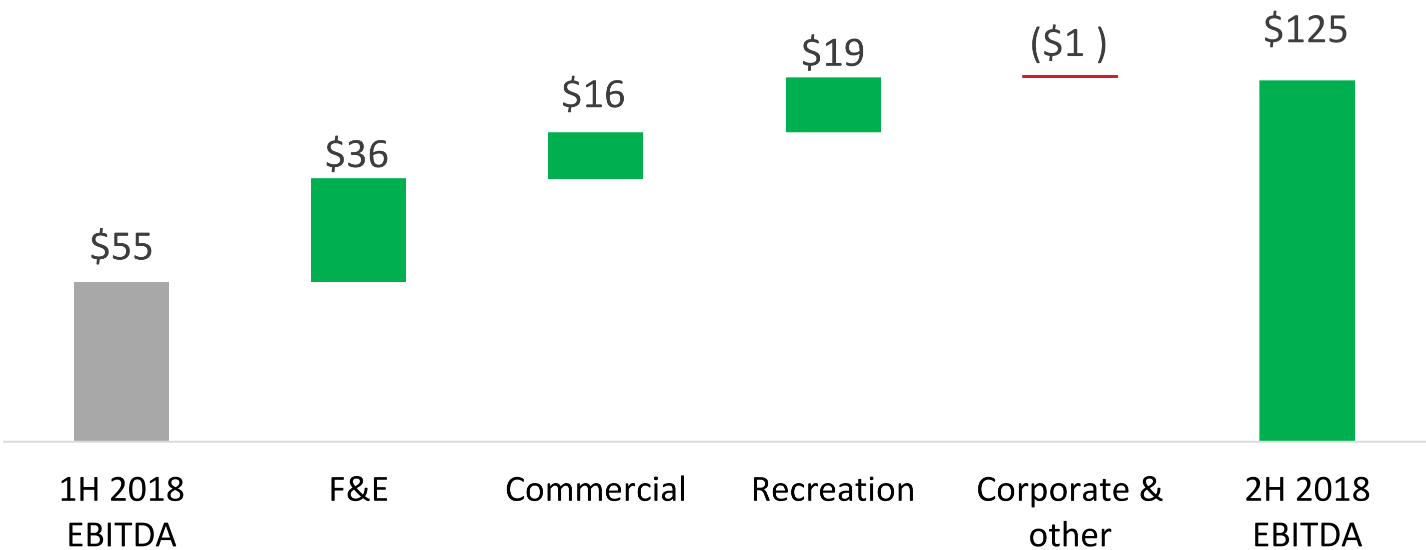


- Material cost increases related to tariff noise, strong end markets and inefficiencies in chassis supply
- F&E and Commercial revisions primarily relate to less favorable mix
- Parts sales growth slower than anticipated (still growth vs. 2017 but at lower rate)
- Cost reduction initiatives include headcount reductions, permanent SG&A spending reductions, facility closures/consolidations and reduction in other factory expenses
- Price increases implemented that will benefit current year

First Half to Second Half 2018 Adjusted EBITDA Bridge (new guidance mid-point)

$ in millions

Bars represent incremental EBITDA versus First Half

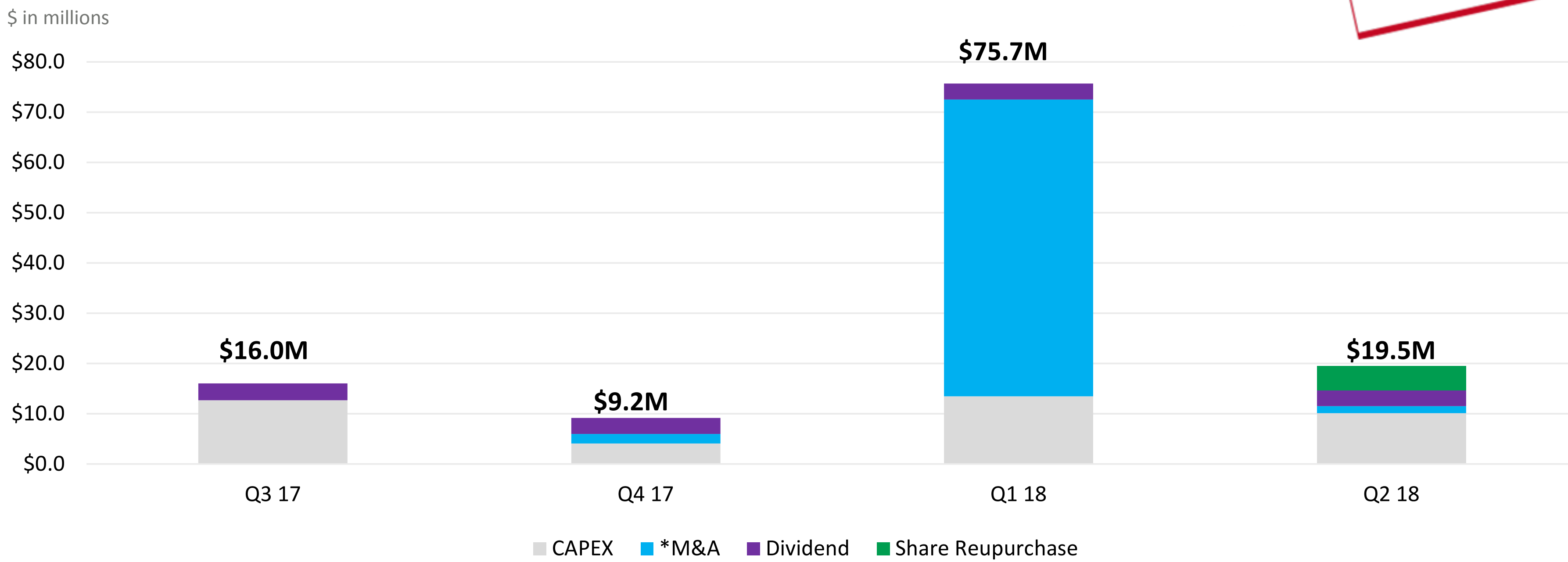


Sequential EBITDA growth drivers:

- F&E – normally stronger 2nd half in Fire and visibility through backlog; recovery of Ambulance margins due to volume and better mix plus ramp up of Brazil earnings
- Commercial – mainly School Bus & Terminal truck business seasonality; operational improvements in Shuttle Bus & Mobility businesses progressing
  - School Bus – strong traditional school bus business plus additional contractor opportunities later in the current year
  - Terminal Truck – later seasonal cycle than prior years
- RV – typically seasonal sales cycle

% of EBITDA in 2H	2017	2018
Fire & Emergency	62%	65%
Commercial	56%	69%
Recreation	72%	67%

Capital Allocation Summary



- Capital expenditures between $35 - $40 million for FY 2018 with less spent in second half
- $40.4 million invested in businesses over the last four quarters including machinery, facilities, parts business infrastructure and software
- Two acquisitions completed in LTM, along with two joint ventures benefiting all three segments
- Consistent dividend payer since IPO with additional return of capital via stock buyback begun in second quarter of fiscal 2018
- Continue to manage investment of capital to maximize growth and shareholder return and maintain conservative balance sheet

*M&A total includes JV activity

Key Initiatives in Second Half

- Ramp up businesses for strong second half of the year
- Manage cost increases and adjust pricing where and when possible
- Secure chassis supply
- Improve profitability of underperforming businesses
- Adjust Class A product offering and production cadence
- Continue to improve on our cost of quality
- Continue to incubate our international operations and initiatives
- Working capital management
- Continue to hire great talent

Ian Walsh Joins as New Chief Operating Officer

Ian Walsh comes to REV Group from Textron where he most recently served as President and Chief Executive Officer of TRU Simulation and Training Inc.

Ian brings 24 years of progressive experience from various positions held within Textron. Previous to that Ian served in the U.S. Marine Corps for 7 years

Ian earned his bachelor’s degree from Hamilton College and earned a Master of Public Administration degree from Harvard University’s John F. Kennedy School of Government and a Master of Business Administration degree from the Harvard Business School

Ian’s initial concentration will be on our Commercial Segment

Appendix

Reconciliation of 2Q Net Income (Loss) to Adj. EBITDA by Segment

REV GROUP, INC.
ADJUSTED EBITDA BY SEGMENT
(Unaudited; dollars in thousands)

	Three Months Ended April 30, 2018				
	Fire & Emergency	**Commercial**	**Recreation**	**Corporate & Other**	**Total**
Net Income (loss)	$ 16,347	$ 5,756	$ 9,370	$ (24,032)	$ 7,441
Depreciation & amortization	4,006	2,830	3,055	1,210	11,101
Interest expense, net	981	753	140	4,201	6,075
Provision for income taxes	2	2	—	2,875	2,879
EBITDA	21,336	9,341	12,565	(15,746)	27,496
Transaction expenses	1	—	—	514	515
Sponsor expenses	—	—	—	120	120
Restructuring costs	259	156	170	1,351	1,936
Stock-based compensation expense	—	—	—	1,947	1,947
Non-cash purchase accounting	—	33	—	—	33
Legal settlements	192	—	—	—	192
Deferred purchase price payment	—	—	—	1,854	1,854
Adjusted EBITDA	$ 21,788	$ 9,530	$ 12,735	$ (9,960)	$ 34,093

	Three Months Ended April 29, 2017				
	Fire & Emergency	**Commercial**	**Recreation**	**Corporate & Other**	**Total**
Net Income (loss)	$ 19,844	$ 12,089	$ 3,904	$ (29,024)	$ 6,813
Depreciation & amortization	2,819	1,748	2,599	687	7,853
Interest expense, net	954	491	53	1,918	3,416
Provision for income taxes	—	—	—	4,099	4,099
Loss on early extinguishment of debt	—	—	—	11,920	11,920
EBITDA	23,617	14,328	6,556	(10,400)	34,101
Transaction expenses	772	—	—	1,089	1,861
Sponsor expenses	—	—	—	207	207
Restructuring costs	—	335	—	—	335
Stock-based compensation expense	—	—	—	311	311
Non-cash purchase accounting	10	—	736	—	746
Adjusted EBITDA	$ 24,399	$ 14,663	$ 7,292	$ (8,793)	$ 37,561

Reconciliation of Net Income (Loss) to Adj. EBITDA by Segment

REV GROUP, INC.
ADJUSTED EBITDA BY SEGMENT
(Unaudited; dollars in thousands)

	Six Months Ended April 30, 2018				
	Fire & Emergency	Commercial	Recreation	Corporate & Other	Total
Net Income (loss)	$ 27,905	$ 6,224	$ 12,220	$ (29,486)	$ 16,863
Depreciation & amortization	8,518	5,571	5,923	2,106	22,118
Interest expense, net	2,029	1,398	259	7,807	11,493
Provision (benefit) for income taxes	1	2	—	(10,966)	(10,963)
EBITDA	38,453	13,195	18,402	(30,539)	39,511
Restructuring costs	315	156	2,424	3,094	5,989
Transaction expenses	157	—	—	1,913	2,070
Stock-based compensation expense	—	—	—	3,697	3,697
Non-cash purchase accounting expense	396	272	—	—	668
Sponsor expenses	—	—	—	315	315
Legal Settlements	622	280	—	—	902
Deferred purchase price payment	—	—	—	2,246	2,246
Adjusted EBITDA	$ 39,943	$ 13,903	$ 20,826	$ (19,274)	$ 55,398

	Six Months Ended April 29, 2017				
	Fire & Emergency	Commercial	Recreation	Corporate & Other	Total
Net Income (loss)	$ 32,542	$ 16,652	$ 4,044	$ (59,727)	$ (6,489)
Depreciation & amortization	5,628	3,678	4,756	1,212	15,274
Interest expense, net	2,126	1,308	94	7,365	10,893
Provision (benefit) for income taxes	4	—	—	(3,734)	(3,730)
Loss on early extinguishment of debt	—	—	—	11,920	11,920
EBITDA	40,300	21,638	8,894	(42,964)	27,868
Transaction expenses	772	—	—	1,467	2,239
Sponsor expenses	—	—	—	338	338
Restructuring costs	—	1,199	—	—	1,199
Stock-based compensation expense	—	—	—	25,817	25,817
Non-cash purchase accounting	40	—	1,171	—	1,211
Adjusted EBITDA	$ 41,112	$ 22,837	$ 10,065	$ (15,342)	$ 58,672

Reconciliation of YTD Q2 FY17 Net Income to Adj. Net Income

REV GROUP, INC.
ADJUSTED NET INCOME
(Unaudited; dollars in thousands)

	Three Months Ended		Six Months Ended	
	April 30, 2018	**April 29, 2017**	**April 30, 2018**	**April 29, 2017**
Net income (loss)	$ 7,441	$ 6,813	$ 16,863	$ (6,489)
Amortization of Intangible Assets	4,340	2,695	9,106	5,309
Restructuring Costs	1,936	335	5,989	1,199
Transaction Expenses	515	1,861	2,070	2,239
Stock-based Compensation Expense	1,947	311	3,697	25,817
Non-cash Purchase Accounting Expense	33	746	668	1,211
Loss on Early Extinguishment of Debt	—	11,920	—	11,920
Sponsor Expenses	120	207	315	338
Legal Settlements	192	—	902	—
Deferred Purchase Price Payment	1,854	—	2,246	—
Impact of Tax Rate Change	—	—	(10,414)	—
Income Tax Effect of Adjustments	(2,762)	(5,919)	(6,074)	(16,715)
Adjusted Net Income	$ 15,616	$ 18,969	$ 25,368	$ 24,829

REV GROUP, INC.
ADJUSTED EBITDA OUTLOOK RECONCILIATION
(Dollars in thousands)

	Fiscal Year 2018	
	Low	High
Net Income	$ 72,000	$ 87,000
Depreciation and Amortization	45,000	43,000
Interest Expense, net	23,000	21,000
Income Tax Expense	9,000	12,000
EBITDA	149,000	163,000
Restructuring Costs	7,000	6,000
Transaction Expenses	4,000	3,000
Stock-based Compensation Expense	6,000	5,000
Non-cash Purchase Accounting Expense	1,300	1,000
Legal Settlements	1,000	900
Sponsor Expenses	400	300
Deferred Purchase Price Payout	6,300	5,800
Adjusted EBITDA	$ 175,000	$ 185,000

REV GROUP, INC.
ADJUSTED NET INCOME OUTLOOK RECONCILIATION
(Dollars in thousands)

	Fiscal Year 2018	
	Low	**High**
Net Income	$ 72,000	$ 87,000
Amortization of Intangible Assets	17,500	15,500
Restructuring Costs	7,000	6,000
Transaction Expenses	4,000	3,000
Stock-based Compensation Expense	6,000	5,000
Non-cash Purchase Accounting Expense	1,300	1,000
Legal Settlements	1,000	900
Sponsor Expenses	400	300
Deferred Purchase Price Payout	6,300	5,800
One-time Benefit of U.S. Tax Reform	(10,400)	(10,400)
Income Tax Effect of Adjustments	(11,000)	(9,000)
Adjusted Net Income	$ 94,100	$ 105,100