VERTIV™

Earnings Conference Call

Second Quarter

2020 Results

August 5, 2020

Architects of Continuity™

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This presentation also includes certain non-GAAP financial measures, such as EBITDA, Adj. EBITDA, organic net sales, and free cash flow, that may not be directly comparable to other similarly titled measures used by other companies and therefore may not be comparable among companies. The Company has provided reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures and our reconciliations on pages 14-18 of this presentation and our current earnings release dated August 5, 2020, which are available on the Company's website at www.vertiv.com. Information reconciling certain forward-looking GAAP measures to non-GAAP measures related to 2020 guidance, including organic sales growth, adjusted EBITDA, adjusted EPS and adjusted EBITDA margin, 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, including, for net income and diluted EPS, the allocation and impacts of restructuring activities currently planned for Q3 2020, as discussed under "2021 Outlook" above. 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.

Dave Cote: Continuing to strengthen the foundation

Executing during the downturn

- Mentality of “plan for the worst and hope for the best”
- Tight cost controls but not at the expense of our customers
- Innovation spending is critical

Fixed costs constant

- Easier to say than do
- Process and business operating systems a must

Growth mindset

- Supporting growth while controlling costs – achieving two conflicting objectives at the same time
- Customer focus at all times
- Seed planting for future years is a must

Strategy development

- Crucial to make strategy a part of everyday business
- Each product area, region and function needs to have a plan

All foundational elements are taking hold at Vertiv

Key messages

Demand remains strong despite second quarter top-line headwinds primarily driven by COVID

- Backlog at record high $1.8 billion. Second quarter orders up 2% from last year – up 5% organically.
- Lower net sales from prior year driven by negative COVID impacts and timing of larger projects in Americas and EMEA

Second quarter adjusted EBITDA of $145M relatively flat from prior year despite $128M lower sales

- Adjusted EBITDA margin of 14.4% increased 150 bp from last year driven by higher contribution margin and lower fixed costs
- Second quarter favorably impacted by approximately $30M from COVID cost actions initiated at beginning of quarter

Supply chain and manufacturing disruptions related to COVID improved through the second quarter

Strong liquidity of $530M at the end of June. Generated second quarter free cash flow of $62M.

Expect third quarter 4 - 6% organic net sales and 7 - 14% adjusted EBITDA growth from prior year

2021 Outlook: anticipate top-line growth and focus on keeping fixed costs constant

- Strong backlog and market support growth expectations for 2021. New product introductions to further accelerate growth.
- Will announce restructuring action plans in third quarter which could generate $50 - $70 million fixed cost benefit
- Expect $50 - $70 million cash costs to support restructuring. Costs to be evaluated for likely third quarter restructuring charge.

Customer demand remains strong while margin initiatives continue to gain traction

Note: see “Non-GAAP Financial Measures” beginning on slide 14 of the Appendix.

Market environment

Industry segment status by region overview

SEGMENT	Vertiv Sales Exposure	AMERICAS	APAC	EMEA
CLOUD / HYPERSCALE	~20%	🟢	🟢	🟢
COLOCATION		🟢	🟢	🟢
ENTERPRISE / SMALL & MEDIUM BUSINESS	~55%	🔴	🟡	🔴
COMMUNICATION NETWORKS	~20%	🟢	🟢	🟡
COMMERCIAL & INDUSTRIAL	~5%	🟡	🟡	🔴

Cloud, colocation and telecom markets showing growth across each region. COVID19 impacts on Enterprise & small/medium business still being felt in AMER, EMEA and parts of APAC

Demand and supply update

CUSTOMER DEMAND

- Overall demand strong with order rates ahead of 2019 and record backlog
- Second quarter orders up 2% (5% organically) driven by strong growth in APAC offset by declines in Americas and EMEA
- Larger project-based order rates on track – Cloud, Colocation and Telecom continue ramp to increased data demands
- Softness in ITEI Channel flow sales with enterprise and small/med business
- Site access in several markets continue to be challenging…namely areas like Singapore, India and others

PRODUCTION & SUPPLY CHAIN

- Majority of our operations are running normally
- Mexico and India continue to be hot spots with workforce challenges being addressed daily
- Working vigorously with supply base to limit disruption:
  - India and Mexico related supplier shutdowns
- Constraints in the trades industry (civil works, electricians, etc.) being felt by customers

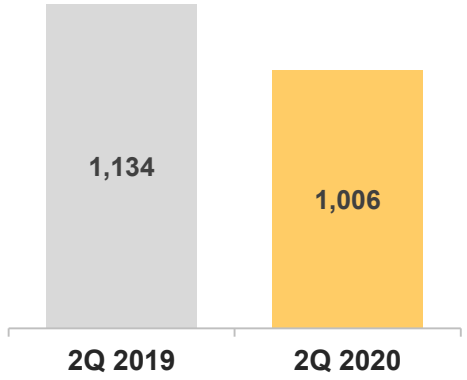
Uncertainty continues in some geographies, but macro trends continue to be favorable

Second quarter 2020 financial results

$Millions

Net Sales

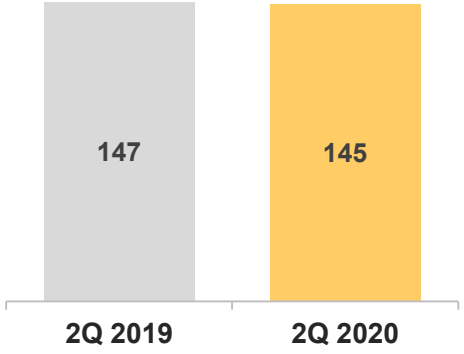
Down 11.3%
Organic (8.8%)



- − Organic sales decline of $100M driven by Americas and EMEA
- + APAC market recovery underway
- + Orders increased +5% organically from prior year and +2% total
- − $28M unfavorable foreign exchange

Adjusted EBITDA

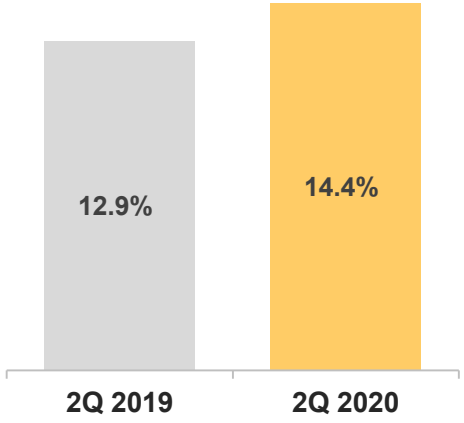
Down $2M



- − $42M unfavorable volume impact
- + $20M due to improved contribution margin from productivity, pricing, and better execution on larger projects in Americas and EMEA drive improved contribution margin
- + $30M benefit from COVID-19 fixed cost reduction actions
- − $7M unfavorable impact of FX

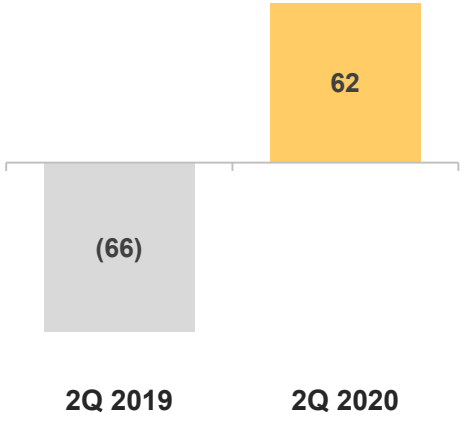
Adjusted EBITDA Margin

Up 150 bp



Free Cash Flow

Up $128M



- + Lower interest payments ($59M) from debt paydown and refinancing
- + Smaller trade working capital increase ($31M). Some timing benefit at end of 2Q.
- + Lower spending on capital expenditures ($8M) and transformation investments ($16M)

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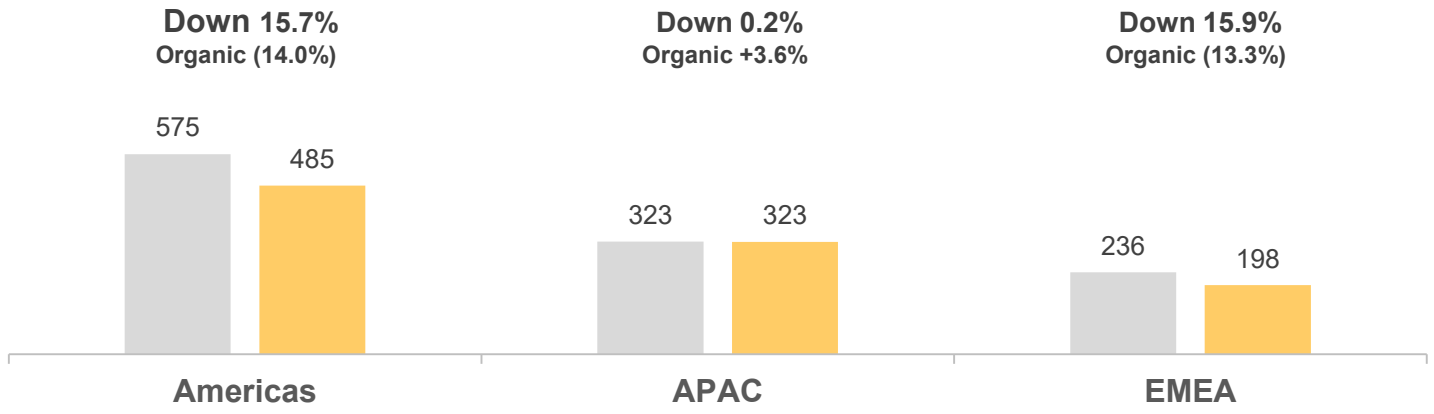
Note: see “Non-GAAP Financial Measures” beginning on slide 14 of the Appendix.

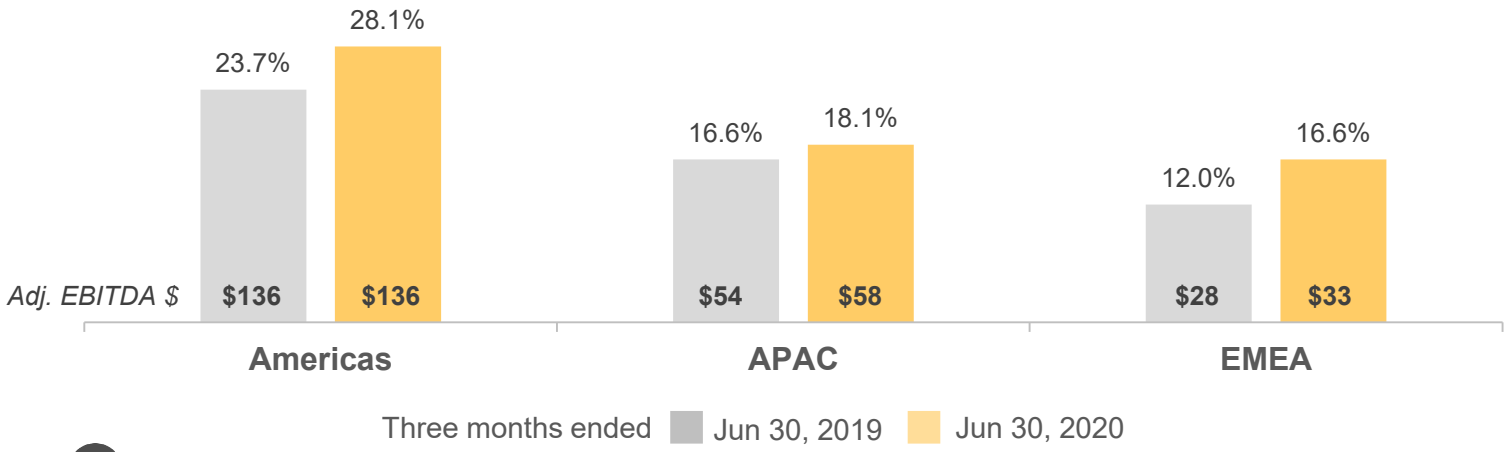
Second quarter 2020 segment results

$Millions

Net Sales



Adjusted EBITDA as a % sales



Americas

- Sales decline driven by COVID-19 and lower Infrastructure & Solutions large project demand
- Contribution margin improvements (mix, productivity and pricing) and fixed costs savings partially offset by the impact of deleveraging

APAC

- Strong sales recovery in China led by data center, 5G projects, and wind power
- Growth in India and Asia negatively impacted by Covid-19 lockdowns
- Reduction in discretionary spend and other fixed costs drives adjusted EBITDA improvement

EMEA

- Sales negatively impacted by COVID-19 (site availability and customer push-outs) and timing of larger projects
- Significant benefits from restructuring programs and COVID related actions reduce fixed costs

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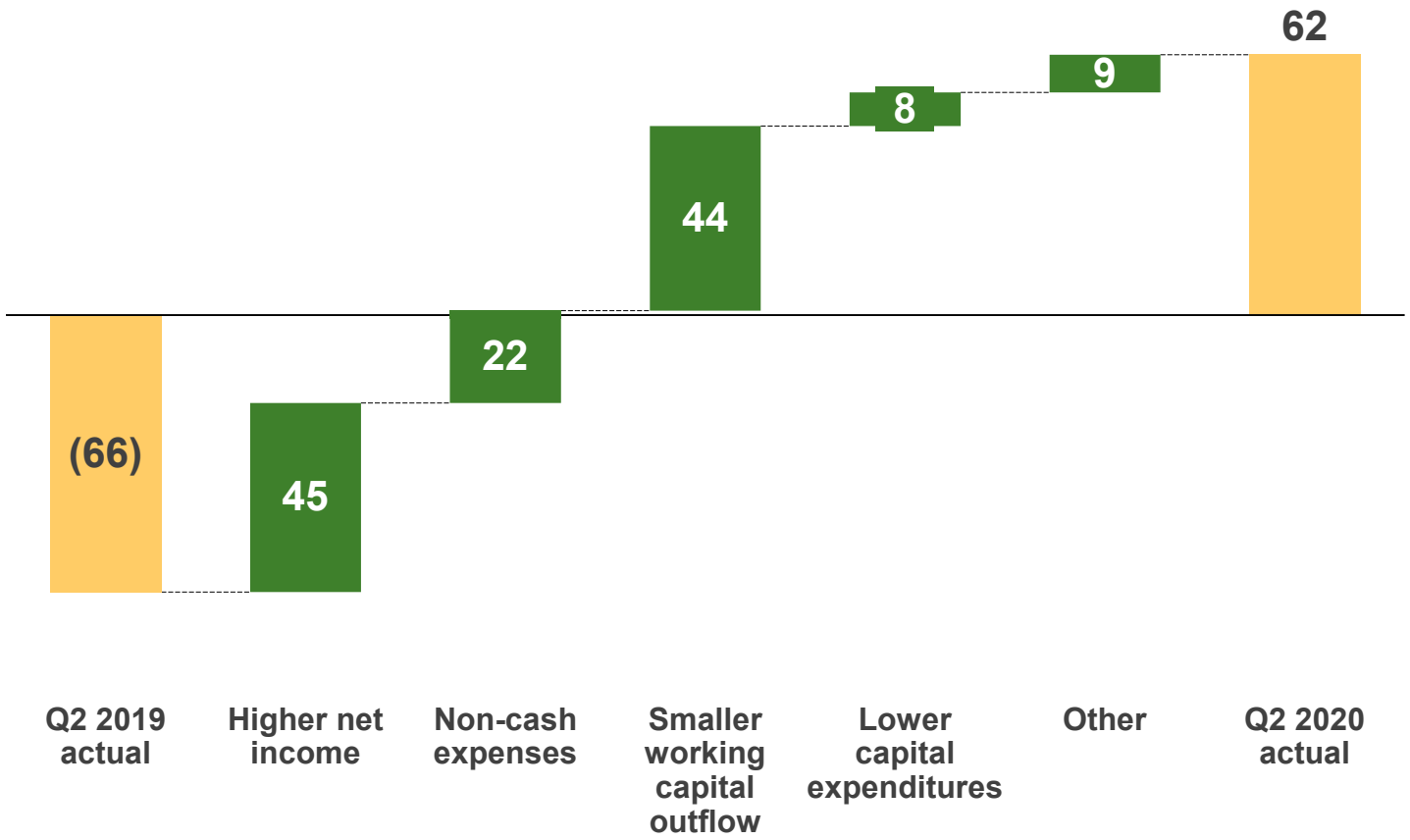
Note: see “Non-GAAP Financial Measures” beginning on slide 14 of the Appendix.

Second quarter 2020 free cash flow & liquidity

$Millions



- Strong liquidity of $530M at end of June. $365M unrestricted cash and $165M availability on ABL.
- Second quarter free cash flow higher than internal expectations, and ***we expect strong free cash flow in second half of year consistent with timing in prior years***
- Second quarter free cash flow of $62M — $128M higher than last year's second quarter
  - Net income improved $45M in part due to lower interest expense. Cash interest payments down $59M from last year's second quarter.
  - Non-cash expenses include $12M ERP impairment and $7M adjustment to tax receivable agreement
  - Benefit from lower working capital outflow in part due to timing of cash receipts at end of quarter
  - Lower capital expenditures driven by timing as spending deferred due to COVID-19 uncertainty

Free cash flow calculated as net cash provided by operating activities *less* capital expenditures *less* investments in capitalized software *plus* proceeds from disposition of PP&E

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Note: see "Non-GAAP Financial Measures" beginning on slide 14 of the Appendix.

Third quarter 2020 financial guidance

Guidance

Net sales

$1,090M - $1,115M

Up 4 - 6% organic from 3Q 2019 & 8% - 11% sequentially from 2Q 2020

Adjusted EBITDA

$145M - $155M

Up 7 - 14% from 3Q 2019

Adjusted EBITDA margin

13.3% - 13.9%

Up from 12.7% 3Q 2019

Adjusted EPS

$0.25 - $0.28

What we expect in third quarter 2020

- Organic net sales expectations by region: AMER relatively flat. APAC and EMEA higher by "mid to upper single digits."
- Expect $20M FX headwinds from last year's third quarter – primarily Americas and APAC
- Adjusted EBITDA margins improve ~90 bps (at midpoint) from third quarter 2019 due to fixed cost leverage. Fixed costs relatively flat while sales growing 4 - 6%.
- Anticipate higher fixed costs from second quarter 2020 due to lower favorable impact from COVID-19 cost actions and continued ramp-up in R&D and growth initiative spending

Based upon what we know today and assuming Jul trends continue into Aug and Sep, projecting solid top-line and adjusted EBITDA growth from last year's third quarter

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Note: see "Non-GAAP Financial Measures" beginning on slide 14 of the Appendix.

Early thoughts on 2021

MARKET OUTLOOK & REVENUE

- Expect to see solid demand from the cloud and colocation customers as data usage continues to grow
- Enterprise market is “too early to call” based on recession bounce back, but upside here could exist
- Telecom market should be healthy as 5G rollouts continue
- Current backlog of $1.8B will translate into sales throughout 2021
- New product introduction through our increasing Vertiv Product Development (VPD) initiatives will start during 2021

CONTRIBUTION MARGIN & FIXED COSTS

- Continue focus on contribution margin enhancement through pricing and productivity initiatives
- Targeting “fixed costs constant” for 2021 while continuing to fund higher R&D and growth initiative spending and offsetting inflation and other fixed cost headwinds
- 2021 planning is on-going. However, anticipate announcing restructuring actions in third quarter that could drive $50 - $70 million fixed cost benefit in 2021.

While it is still early, based upon what we know today, 2021 is shaping up nicely for both top-line and profitability

Key messages

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Appendix

Non-GAAP Financial Measures

Reconciliation from Net loss to EBITDA and adjusted EBITDA

($M | 6/30)	2Q20	2Q19	YTD 2Q20	YTD 2Q19
Net income (loss)	$26.2	$(18.9)	$(242.7)	$(93.3)
Interest expense	30.1	78.7	99.1	156.4
Income tax expense	14.3	16.0	28.0	34.5
Depreciation and amortization	50.0	51.0	100.5	100.6
EBITDA	120.6	126.8	(15.1)	198.2
Loss on extinguishment of debt (a)	-	-	174.0	-
SPAC transaction costs (b)	-	-	21.4	-
Equity-based compensation (c)	2.5	-	3.2	-
Subtotal transaction-related adjustments	*2.5*	-	*198.6*	-
Costs to achieve operational initiatives (d)	2.7	10.1	4.3	21.2
Digital project implementation costs (e)	5.2	8.5	10.1	24.7
Transition costs (f)	1.1	3.6	3.6	9.0
Foreign currency (gains) (g)	-	(5.3)	-	(1.8)
Advisory fee (h)	-	2.4	0.5	3.7
Impact of purchase accounting (i)	0.4	0.4	0.9	0.9
Loss on asset disposals (j)	-	0.1	-	0.5
Subtotal transformation-related adjustments	*9.4*	*19.8*	*19.4*	*58.2*
Capitalized software write-off (k)	12.3	-	12.3	-
Subtotal other adjustments	*12.3*	-	*12.3*	-
Total adjustments	*$24.2*	*$19.8*	*$230.3*	*$58.2*
Adjusted EBITDA	**$144.8**	**$146.6**	**$215.2**	**$256.4**

COMMENTARY

a) Represents costs incurred in the refinancing and pay down of the Company's long-term debt. Includes $99.0M write-off of deferred financing fees and $75.0M early redemption premium on high interest notes, for a total refinancing cost of $174.0M.

b) Represents transaction costs related to the reverse merger with GS Acquisition Holding Corp (GSAH) which closed on February 7, 2020 (the "Reverse Merger").

c) Concurrent with the closing of the Reverse Merger, represents compensation expense related to equity awards granted to certain employees and directors of the business.

d) Cost to achieve operational initiatives encompass both transformation efforts and restructuring, as a result of major activities designed to enhance the efficiency of a business unit, department or function. Restructuring costs include expenses associated with Vertiv's efforts to improve operational efficiency and deploy assets to remain competitive on a worldwide basis. Transformation efforts primarily include third party advisory and consulting fees that relate to activities contemplated in connection with the separation from Emerson Electric ("Emerson") in 2016 and are expected to be significantly complete by 2020. Due to the volatility of restructuring and transformation costs and because these costs were incremental and materially related to specific transformative activities after its separation from Emerson, Vertiv does not view these costs as indicative of future ongoing operations of the business.

e) Investments in global digital and IT systems to drive efficiency, speed and cost reductions. These adjustments are substantially comprised of acquiring and implementing critical information and accounting systems required post separation from Emerson. The projects for each of these initiatives span multiple years due to the significance and complexity of the activities. However, Vertiv does not believe that these costs are indicative of ongoing operations.

f) Beginning in Q1 2020, transition costs primarily relate to SOX implementation which is a public company cost resulting from the Reverse Merger. Historically, transition costs were primarily made up of professional fees and other costs related to establishing the business as a stand-alone company, including rebranding, following the separation from Emerson. Expenses to facilitate the separation from Emerson were incurred the first three years post separation and therefore are not indicative of future ongoing operations of the business.

g) Beginning in Q1 2020 and going forward, we are not adjusting for foreign currency gains and losses which were $2.8M and $4.6 during the three and six months ended June 30, 2020, respectively. Historically, we adjusted foreign currency gains and losses as well as losses on hedges of balance sheet exposures that did not receive deferral accounting in order to provide further clarity to trends in our business.

h) Advisory fee paid to an affiliate of Vertiv, inclusive of fees associated with specific financing arrangements. The current period amount was pro-rated for the period prior to the Reverse Merger. Such fee has not continued following the Reverse Merger.

i) Represents the purchase accounting related to fair value adjustments to deferred revenue, inventory and rent expense on the opening balance sheets of business acquisitions. Vertiv believes that such adjustment is useful to investors to better identify trends in our business.

j) Beginning in Q1 2020 and going forward, we have not adjusted for gains and losses on asset disposals.

k) Represents the write-off of capitalized software costs that were incurred due to a strategic shift related to the Company's ERP platform that was being implemented in the Americas segment.

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Source: Company filings and Management estimates

Non-GAAP Financial Measures

Reconciliation of segment EBIT to adjusted EBITDA by region

(A) Earnings From Continuing Operations Before Interest and Taxes

($M | 6/30)	2Q20	2Q19	YTD 2Q20	YTD 2Q19
Americas	$95.5	$101.1	$157.0	$188.1
APAC	44.5	46.2	58.1	66.6
EMEA	19.9	16.7	35.7	37.3
Corporate and Other	(89.3)	(88.2)	(366.4)	(194.4)
Earnings before interest and taxes	**70.6**	**75.8**	**(115.6)**	**97.6**
Interest expense, net	(30.1)	(78.7)	(99.1)	(156.4)
Gain (loss) before income taxes	40.5	(2.9)	(214.7)	(58.8)

(C) EBITDA Adjustments

($M | 6/30)	2Q20	2Q19	YTD 2Q20	YTD 2Q19
Americas	$11.1	$4.3	$19.8	$10.9
APAC	5.0	(1.4)	11.0	4.0
EMEA	7.1	5.8	12.6	11.5
Global Business Units, IT & Corporate	1.0	11.2	186.9	32.0
Total	$24.2	$19.9	$230.3	$58.4

(B) Depreciation & Amortization

($M | 6/30)	2Q20	2Q19	YTD 2Q20	YTD 2Q19
Americas	$29.8	$30.7	$59.7	$61.6
APAC	8.8	8.9	17.4	17.9
EMEA	5.9	5.9	11.8	11.8
Global Business Units, IT & Corporate	5.5	5.5	11.6	9.3
Total	$50.0	$51.0	$100.5	$100.6

(A) + (B) + (C) = Adjusted EBITDA by region

($M | 6/30)	2Q20	2Q19	YTD 2Q20	YTD 2Q19
Americas	$136.4	$136.1	$236.5	$260.6
APAC	58.3	53.7	86.5	88.5
EMEA	32.9	28.4	60.1	60.6
Global Business Units, IT & Corporate	(82.8)	(71.5)	(167.9)	(153.1)
Total	$144.8	$146.7	$215.2	$256.6

Note: Segment EBIT is the measure of profitability disclosed in Note 14 to the unaudited condensed consolidated financial statements for the quarter ended June 30, 2020.

Source: Management estimates

Non-GAAP Financial Measures

Reconciliation of Organic Net Sales and Free Cash Flow

Reconciliation of Net Sales to Organic Net Sales

($M | 6/30)	2Q20	2Q19	%	Organic %	YTD 2Q20	YTD 2Q19	%	Organic %
Americas	$484.7	$575.1	(15.7)	(14.0)	$951.4	$1,129.7	(15.8)	(14.5)
APAC	322.8	323.3	(0.2)	3.6	546.7	582.3	(6.1)	(2.7)
EMEA	198.2	235.7	(15.9)	(13.3)	404.9	476.9	(15.1)	(12.5)
Total	$1,005.7	$1,134.1	(11.3)	(8.8)	$1,903.0	$2,188.9	(13.1)	(10.9)

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

($M | 6/30)	2Q20	2Q19	YTD 2Q20	YTD 2Q19
Net cash provided by (used for) operating activities	$73.0	($47.9)	($121.7)	($81.6)
Less: Capital expenditures	(6.5)	(12.3)	(13.2)	(23.0)
Less: Investments in capitalized software	(4.4)	(6.7)	(6.2)	(10.6)
Plus: Proceeds from disposition of PP&E	-	1.2	-	5.0
Free cash flow	$62.1	($65.7)	($141.1)	($110.2)

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Source: Management estimates

Non-GAAP Financial Measures

Reconciliation of GAAP Financial Performance to Non-GAAP Adjusted: **Second Quarter**

($M, except EPS | QTD 6/30/2020)	Net Sales	Operating profit	Other deductions, net	Interest expense, net	Income tax expense	Net earnings (loss)	Diluted EPS[1]	Non-GAAP Adjusted EBITDA[2]
GAAP	$1,005.7	$120.1	$49.5	$30.1	$14.3	$26.2	$0.08	$120.6
EBITDA adjustments [3]	-	10.1	1.8	-	-	11.9	0.04	11.9
Capitalized software write-off	-	-	12.3	-	-	12.3	0.04	12.3
Intangible amortization	-	-	32.2	-	-	32.2	0.10	n/a
Pro forma share count [1]	-	-	-	-	-	-	(0.02)	n/a
Non-GAAP Adjusted	$1,005.7	$130.2	$3.2	$30.1	$14.3	$82.6	$0.24	$144.8

($M, except EPS | QTD 6/30/2019)	Net Sales	Operating profit	Other deductions, net	Interest expense, net	Income tax expense	Net earnings (loss)	Diluted EPS[4]	Non-GAAP Adjusted EBITDA[5]
GAAP	$1,134.1	$103.9	$28.1	$78.7	$16.0	$(18.9)	$(0.16)	$126.8
EBITDA adjustments	0.4	22.4	(2.6)	-	-	19.8	0.17	19.8
Intangible amortization	-	-	32.4	-	-	32.4	0.27	n/a
Pro forma share count [4]	-	-	-	-	-	-	(0.18)	n/a
Non-GAAP Adjusted	$1,134.5	$126.3	($1.7)	$78.7	$16.0	$33.3	$0.10	$146.6

(1) GAAP Diluted EPS based on 331.1 million shares. Non-GAAP Adjusted EPS based on pro forma share count of 340.0 million diluted shares (includes 328.4 million shares outstanding and 11.6 million potential dilutive shares).
(2) Adjusted EBITDA of $120.6M is calculated as: net income of $26.2M, plus interest expense of $30.1M, plus income tax expense of $14.3M, plus depreciation and amortization of $50.0M.
(3) Includes one-time transformational investments of $9.4M and non-cash equity compensation of $2.5M.
(4) GAAP Diluted EPS based on 118.3 million shares. Non-GAAP Adjusted EPS based on pro forma share count of 340.0 million diluted shares (includes 328.4 million shares outstanding and 11.6 million potential dilutive shares). We believe that this presentation facilitates comparison to the current period due to the impact of the reverse merger.
(5) Adjusted EBITDA of $126.8M is calculated as: net loss of $18.9M, plus interest expense of $78.7M, plus income tax expense of $16.0M, plus depreciation and amortization of $51.0M.

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Source: Management estimates

Non-GAAP Financial Measures

Reconciliation of GAAP Financial Performance to Non-GAAP Adjusted: **YTD Second Quarter**

($M, except EPS | YTD 6/30/2020)	Net Sales	Operating profit	Loss on Debt & Other deductions, net	Interest expense, net	Income tax expense	Net earnings (loss)	Diluted EPS[1]	Non-GAAP Adjusted EBITDA[2]
GAAP	$1,903.0	$142.2	$257.8	$99.1	$28.0	($242.7)	($0.85)	($15.1)
EBITDA adjustments[3]	-	21.3	1.3	-	-	22.6	0.08	22.6
Loss on extinguishment of debt[4]	-	-	174.0	-	-	174.0	0.61	174.0
SPAC transaction costs[5]	-	21.4	-	-	-	21.4	0.08	21.4
Capitalized software write-off	-	-	12.3	-	-	12.3	0.04	12.3
Intangible amortization	-	-	64.6	-	-	64.6	0.23	n/a
Pro forma share count [1]	-	-	-	-	-	-	(0.04)	n/a
Non-GAAP Adjusted	$1,903.0	$184.9	$5.6	$99.1	$28.0	$52.2	$0.15	$215.2

($M, except EPS | YTD 6/30/2019)	Net Sales	Operating profit	Other deductions, net	Interest expense, net	Income tax expense	Net earnings (loss)	Diluted EPS[3]	Non-GAAP Adjusted EBITDA[7]
GAAP	$2,188.9	$164.6	$67.0	$156.4	$34.5	$(93.3)	$(0.79)	$198.2
EBITDA adjustments	0.9	56.2	2.0	-	-	58.2	0.49	58.2
Intangible amortization	-	-	65.2	-	-	65.2	0.55	n/a
Pro forma share count [6]	-	-	-	-	-	-	(0.16)	n/a
Non-GAAP Adjusted	$2,189.8	$220.8	$(0.2)	$156.4	$34.5	$30.1	$0.09	$256.4

(1) GAAP Diluted EPS based on 284.5 million shares. Non-GAAP Adjusted EPS based on pro forma share count of 338.5 million diluted shares (average pro forma diluted shares of 337.0M for the three months ended March 30, 2020 and 340.0M for the three months ended June 30, 2020). While warrants and stock options were anti-dilutive for the current six month period, we believe that this presentation facilitates a more comprehensive view due to the impact of the reverse merger.
(2) Adjusted EBITDA of $(15.1)M is calculated as: net loss of $(242.7)M plus interest expense of $99.1M, plus income tax expense of $28.0M, plus depreciation and amortization of $100.5M.
(3) Includes one-time transformational investments of $19.4M and non-cash equity compensation of $3.2M.
(4) Includes $99.0M non-cash write-off of deferred financing fees and $75.0M early redemption premium on high interest notes.
(5) One-time costs related to execution of the business combination with GSAH.
(6) GAAP Diluted EPS based on 118.3 million shares. Non-GAAP Adjusted EPS based on pro forma share count of 338.5 million diluted shares (average pro forma diluted shares of 337.0M for the three months ended March 30, 2020 and 340.0M for the three months ended June 30, 2020). We believe that this presentation facilitates comparison to the current period due to the impact of the reverse merger.
(7) Adjusted EBITDA of $198.2M is calculated as: net loss of $93.3M plus interest expense of $156.4M, plus income tax expense of $34.5M, plus depreciation and amortization of $100.6M.

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Source: Management estimates