


Q4 and Fiscal Year 2017 Earnings Call

March 8th, 2018

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 cyclicality 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.

CECO ENVIRONMENTAL

2017 characterized by significant challenges and actions to redefine direction

Financials

4th Quarter

- $91.4 Orders +18% yoy and +29% sequentially
- $73.5 Revenue down (27)% yoy
- $3.5 Non-GAAP Op Income down (76)% yoy

Full Year '17

- $345 Revenue down (17)% yoy
- $35 Adjusted EBITDA down (43)% yoy
- 40% FCF/EBITDA conversion rate

Challenges

- Micro market recession in Power Generation Nat Gas
- 30 year trough in Refinery market
- Shifting markets in China impacting working capital
- Internal adjustments to ensure transparent financials
- Raised the bar on clean orders… $17 removed from backlog

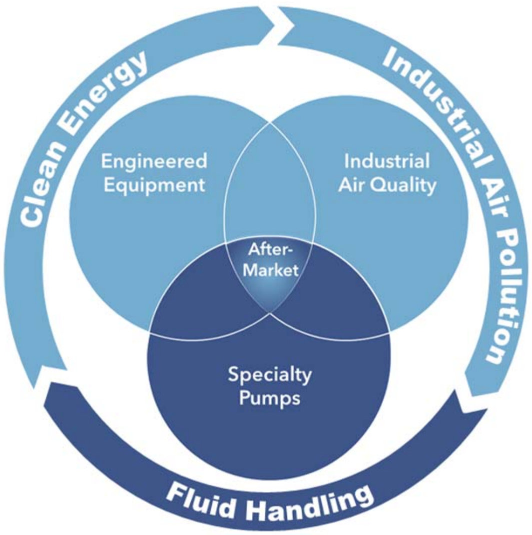
Actions

- ✓ Clarified strategic markets and growth platforms
- ✓ Re-shaped leadership team with outside-in orientation
- ✓ Credit facility adapted for growth investments

Strategic assessment completed and pivotal actions underway

CECO ENVIRONMENTAL

Comprehensive strategic assessment defines CECO path forward



Enabling industrial companies to grow with clean, safe, and more efficient solutions that protect our shared environment

Defines our "4-3-3 Operational Strategy" to win share and create shareholder value

CECO ENVIRONMENTAL

Transform CECO to lead in Air Quality and Fluid Handling solutions

4-3-3 Operating Strategy

4 Value Creation Enablers

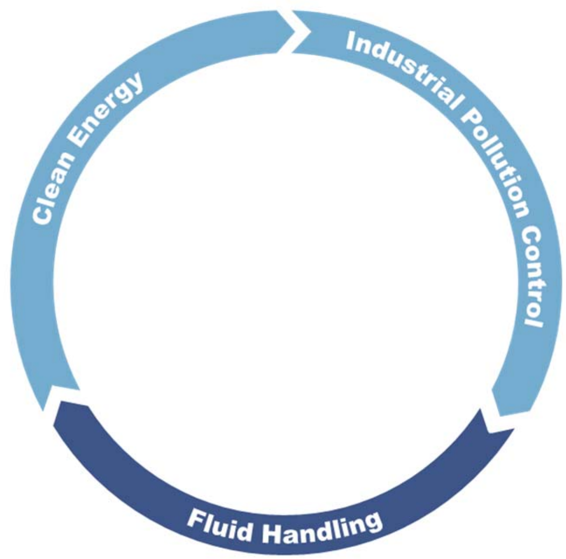
Outside-In

Portfolio Management

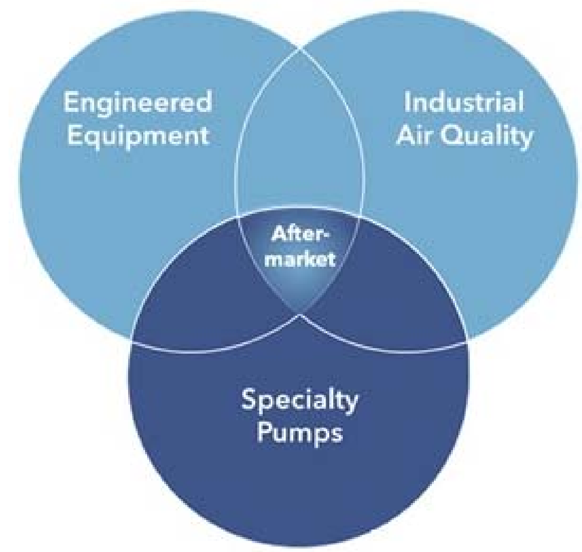
Innovation

Simplification

3 Compelling End Markets



3 Core Growth Platforms



CECO ENVIRONMENTAL

Air Quality products and solutions
Fluid Handling products and solutions

CECO value creation enablers to drive sustainable success

4 3 3

Outside-In Leadership

- Driving **cultural shift** with employees
- **Sales excellence** training
- **Brand Building, Public Relations,** and Demand Generation

✓ Leadership Academy | ✓ Talent Upgrades | ✓ Contract Wins

Active Portfolio Management

- Exit **non-core and low critical mass** products
- **Re-align** segmentation to Growth platforms
- **Selective M&A** that meets our criteria

✓ Sold Keystone | ➡ Advanced on additional non-core sales

Innovation

- Prioritize & Fund Ideas [i.e. **build a pipeline**]
- Steadfast **investment through downturn**
- Leverage **digital possibilities**

➡ In Process

Simplification

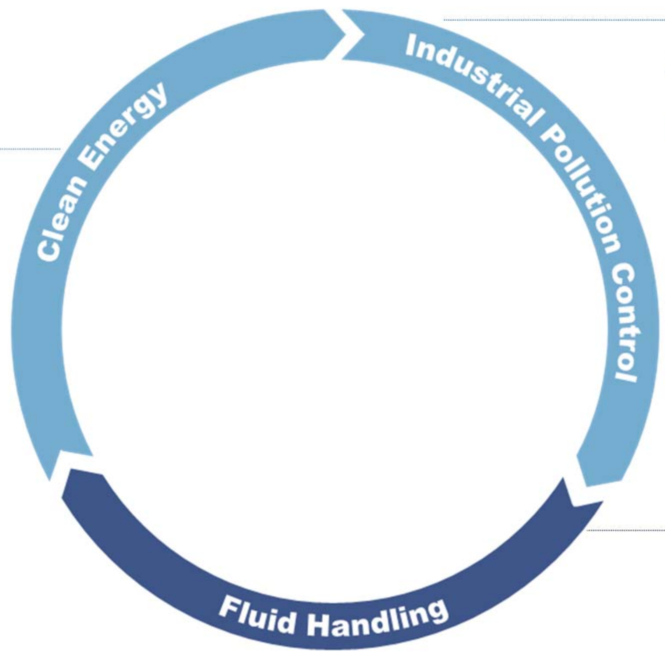
- Reduce **13 ERP's to at most 3**
- Reduce **64 Legal Entities by ~50%**
- Implement **CECO operating system**

✓ 10 Entities closed | ✓ 1 ERP closed

CECO ENVIRONMENTAL

Compelling end markets with significant growth potential

4 3 3



Clean Energy

Served available market: $2.8B

Estimated market share: ~8%

	Gas	Renewables	Mid/LNG	Refinery
5 Year CAGR%'s	~2%	~8%	+ +	~4%
Recent Market Activity	→	↗	↗	↗

Industrial Pollution Control

Served available market: $2.2B

Estimated market share: ~5%

	General	Chem/Pet-Chem	Battery/Renewables
5 Year CAGR%'s	~3%	~4%	+10%
Recent Market Activity	↗	↗	↗

Fluid Handling

Served available market $1.2B

Estimated market share: ~3%

	Water/Desal	Chem/Pet-Chem	O&G
5 Year CAGR%'s	~8%	~4%	+ +
Recent Market Activity	↗	↗	↗

Air Quality products and solutions

Fluid Handling products and solutions

CECO ENVIRONMENTAL

Investments underway in 3 platforms to deliver growth

4 3 3

Growth Platforms (-a) | Markets | Product Examples | Growth Agenda

Engineered Equipment

Markets: *Clean Energy*

Product Examples:


Silencers


Separators


Cyclones


SCR emissions

Growth Agenda:

- ✓ Cross-segment solution delivered largest simple-cycle natural gas-fired turbine ever built in the US
- ✓ Emtrol-Buell booked $10M+ in Q4
- ❑ Sales organization re-alignment underway
  - ✓ Strategic accounts
  - ✓ Regional structure & global teamwork

Market Penetration and Brand Differentiation

Industrial Air Quality

Markets: *Industrial Pollution Control*

Product Examples:


Oxidizers


Scrubbers


Ventilation

Growth Agenda:

- ❑ Build CECO brand & reputation
  - ✓ Rolled out Co-brand strategy to build on legacy of technical brands
  - ✓ Technical experts in air pollution control
- ❑ Extend lifetime value with customers
  - ✓ Field service technicians
  - – eParts catalog / digital upgrades
- ✓ Adding engineering & sales talent in China

Application Expertise and Customer Service

Specialty Pumps

Markets: *Fluid Handling*

Product Examples:


High Temp


Fiberglass


Systems

Growth Agenda:

- ❑ CAPEX to improve quality & lead times
  - ✓ First machines in place
- ❑ Grow international sales… footprint/brand
  - ✓ Launched CE/ATEX certified pump
- ❑ Improve customer experience
  - – Online pump configurator
  - – eCommerce capability

Operational Excellence and Customer Experience

Aftermarket

(-a) Growth Platforms align with End markets but do not represent reporting segmentation

CECO ENVIRONMENTAL

CECO ENVIRONMENTAL

Q4 and Fiscal Year 2017 Financials

Executed on decisive actions in Q4 to right-size for extended Power Gen decline

($MM)

Three Months Ended		Q4'17	Y/Y
GAAP:			
Orders	$	91.4	*17.6%*
Revenue	$	73.5	*-26.5%*
Gross Profit	$	25.6	*-28.3%*
-%		34.8%	*-0.9pts*
Op Profit	$	(8.2)	*-83.7%*
-%		-11.2%	*39.2pts*
Diluted EPS	$	(0.34)	*$ 1.15*
Net Cash from Ops	$	7.7	*-53.9%*
Non-GAAP: *(a)*			
Gross Profit	$	25.7	*-28.2%*
-%		35.0%	*-0.8pts*
Op Profit	$	3.5	*-76.2%*
-%		4.8%	*-9.9pts*
Diluted EPS	$	(0.05)	*$ (0.40)*
Adj. EBITDA$	$	4.9	*-69.9%*
-%		6.7%	*-9.6pts*

- Orders up 18% Y/Y on Refinery, Power Generation, and Air Quality growth
- Orders up 29% sequentially on Refinery end market improvement and Nat Gas Power Gen share gains
- Revenue down (26)% Y/Y on lower backlog through 1H'17
- GAAP OP includes: $(7) Goodwill charge, $(2) Restructuring charge, $1 Earnout Reduction
- Net Cash from Ops of $7.7 improved significantly Q/Q on AR collections but below capability

---

- Non-GAAP GM% solid at 35% but down (0.8) pts Y/Y on project mix
- $22.3 of SG&A +6% Y/Y on increased allowance for doubtful AR, mostly in China
- Non-GAAP OI% down (9.9) pts Y/Y on lower volume… Executed Q4 restructuring, $6 run-rate savings

End markets starting to improve, right-sizing China and Power Generation

CECO ENVIRONMENTAL

(a) Reference appendix for reconciliation of GAAP to Non-GAAP measures

2017 Financial results well below original expectations

($MM)

	Full Year		
		2017	Y/Y
GAAP:			
Orders	$	333.6	*-17.2%*
Revenue	$	345.1	*-17.2%*
Gross Profit	$	113.2	*-16.5%*
-%		32.8%	*0.3pts*
Op Profit	$	8.0	*FAV*
-%		2.3%	*8.4pts*
Diluted EPS	$	(0.09)	*$ 1.03*
Net Cash from Ops	$	6.6	*-90.5%*
Non-GAAP: *(a)*			
Gross Profit	$	115.8	*-14.6%*
-%		33.6%	*1.1pts*
Op Profit	$	28.3	*-46.3%*
-%		8.2%	*-4.4pts*
Diluted EPS	$	0.27	*$ (0.72)*
Adj. EBITDA$	$	34.5	*-43.1%*
-%		10.0%	*-4.5pts*

- Orders down (17)% or $(69) Y/Y with ~$(40) driven by Emtrol Buell Refinery market softness
  - FH&F orders up 8% or $5 Y/Y as US markets improved and international pumps sales increased
- Revenue down (17)% or $(72) Y/Y driven primarily by lower backlog in Power Generation
- GAAP Op Profit negatively impacted by Volume coupled with several non cash and one-time items
- $89 SG&A is +9% Y/Y on $4 bad debt expense and $2 prior year Insurance and Warranty settlements
- Cash from Ops includes $(7.8) of Earnouts; normalized for this convention, Cash from Ops was $14.4

- Non-GAAP GM% of 33.6% is up 1.1 pts Y/Y on FH&F, Aftermarket, and Project Mix
- Adjusted EBITDA down (43)% or $(26) Y/Y primarily driven by Volume compression
- Tax Reform drove $(1.6) expense… $(6.4) Transition Tax offset by $4.8 benefit from DTL's revalued at 21%

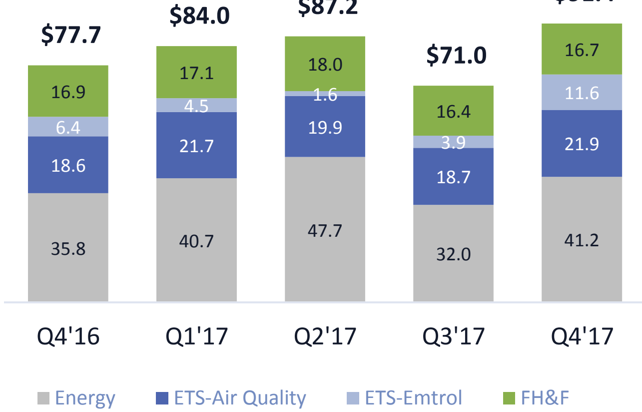
CECO ENVIRONMENTAL

(a) Reference appendix for reconciliation of GAAP to Non-GAAP measures

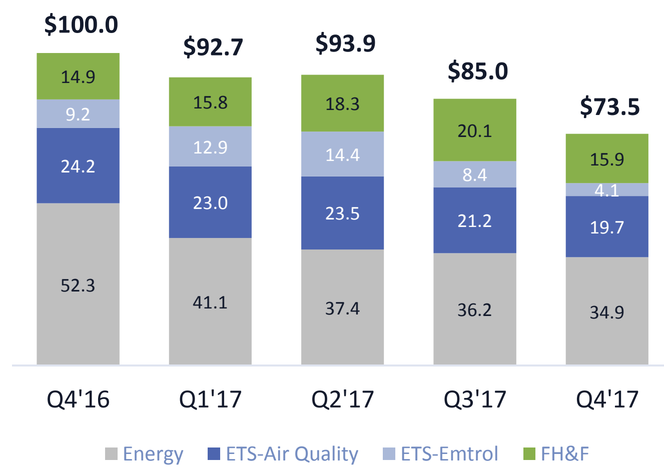
Sequential orders growth in all segments including rebound in refinery space

($MM)

Orders a)



Revenue b)



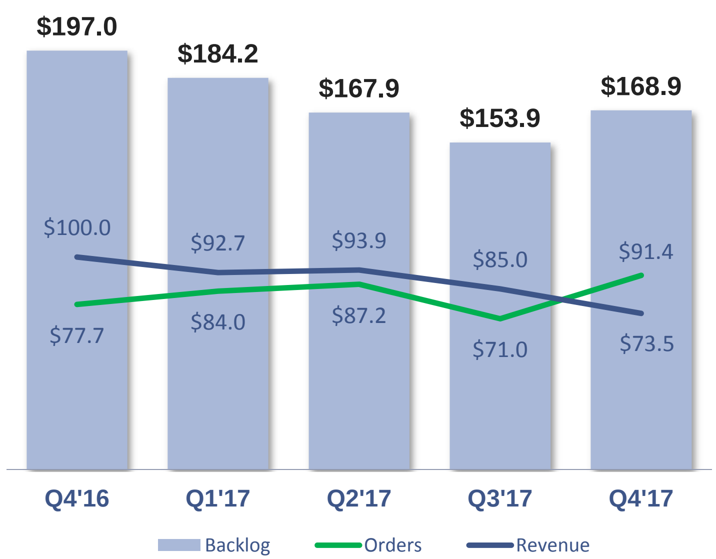
- Refinery based Emtrol Buell saw strongest orders since Q1'16 as deferred maintenance CAPEX has started to pick up.
- Energy orders up sequentially on SCR exhaust order announced… short term outlook for Nat Gas Power Gen still murky.
- Fluid Handling Q4 orders nearly flat Y/Y and sequentially… 2017 total year orders up +8% on strength of US industrial markets
- Air Quality orders +17% on Q4 and TY basis as customer capital spending shows signs of improvement

CECO ENVIRONMENTAL

a) Orders on Gross basis, excludes prior quarter cancellations
b) Segment Eliminations excluded from graph

Backlog improved on Energy share gains and recovery in refinery market demand

($MM)



Book/Bill Ratio:	0.77	0.91	0.93	0.84	1.24

- **1st favorable Book/Bill Ratio since Q1'16**… breaks 7 quarter slide
- Backlog is down $(28) Y/Y or (14)%
- Energy Backlog up $7 Y/Y or +6% primarily on SCR and Middle East growth
- Environmental Backlog down $(39) Y/Y or (46)% primarily on:
  - Refinery products down $(25) Y/Y or (60)%
  - Air Quality industrial ventilation products down $(14) Y/Y or (33)%
- $3 of Q4 backlog cancellations driven by China… $16.7 total for 2017

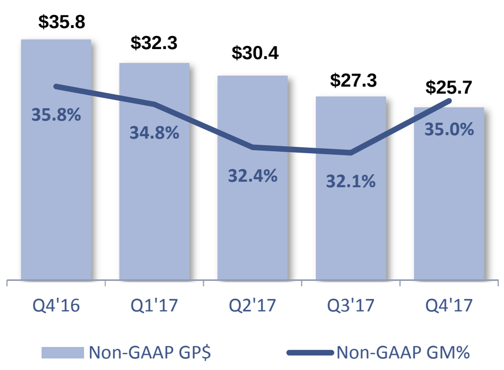
CECO ENVIRONMENTAL

(a) Gross Orders excludes Cancellations

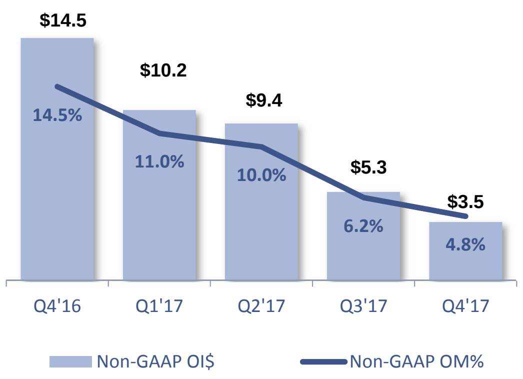
Profitability decline resulting from reduced volume in soft end markets

($MM)

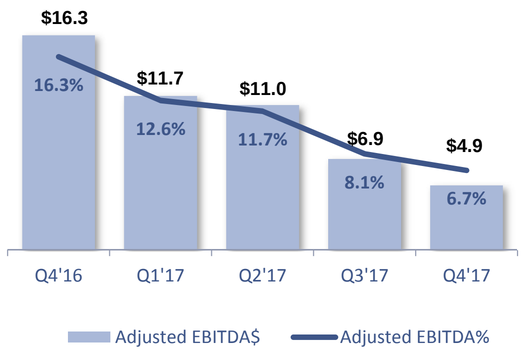
Non-GAAP Gross Profit



Non-GAAP Operating Income



Adjusted EBITDA



- YTD Gross Margins at 33.6% are up +1.1pts Y/Y on favorable mix towards FH&F and Aftermarket
- Sequential improvement in Gross Margins to 35.0% driven by project costing discipline and mix
- Operating and EBITDA Margins continue to be impacted by Volume compression

CECO ENVIRONMENTAL

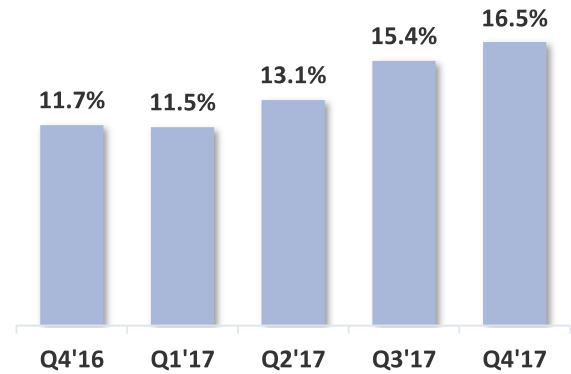
Free cash flow conversion rate at 40% in 2017… room for further improvement

($MM)

Free Cash Flow (a)

	FY'15	Q4'16	TY'16	Q4'17	TY'17
Net cash from operating activities	$12.6	$16.7	$69.6	$7.7	$6.6
Add: earn-outs classified as operating	--	-	-	-	7.8
Capital expenditures	(0.8)	(0.3)	(1.1)	(0.2)	(1.0)
Adjusted free cash flow	**$11.8**	**$16.4**	**$68.5**	**$7.5**	**$13.4**
FCF / EBITDA Conversion %	***24%***	***101%***	***113%***	***153%***	***40%***
Proceeds from PP&E sales	3.2	0.4	14.9	-	0.7
Dividends	(8.0)	(2.3)	(9.0)	-	(7.8)
Earn-out payments	(2.5)	-	(9.3)	-	(15.2)
Adjusted net free cash flow	**$4.5**	**$14.5**	**$65.1**	**$7.5**	**$(8.5)**

Working Capital (b)



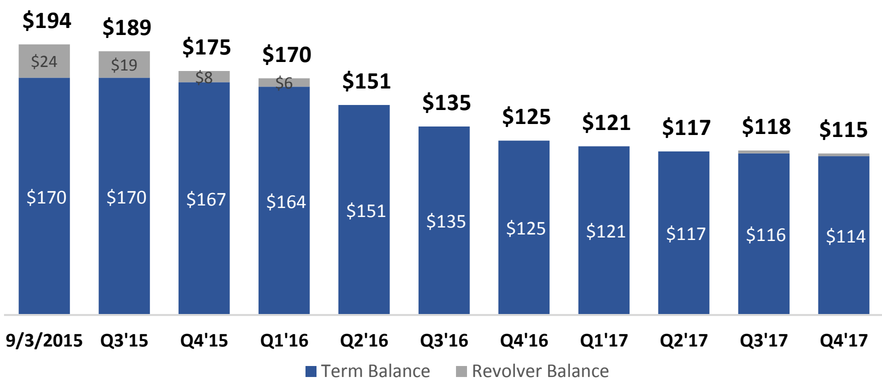
- Significant improvement in adjusted free cash flow in Q4 mostly on AR collections
- Increase in Working Capital % driven primarily by volume and mix of projects outpacing contract billing terms
- Accounts receivable in China and Inventory reduction actions in Specialty Pumps continue to be CECO's area of opportunity

CECO ENVIRONMENTAL

(a) 2016 includes gross proceeds of $14M from sale-leaseback of 3 facilities
(b) W/C includes: Trade AR, Trade AP, Inventory and Cost/Billings of Excess on Uncompleted contracts on TTM Revenue

Committed to reducing our debt and providing ample cushion for investment

US Debt Performance



Leverage Measures

	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
Term Debt	$ 135.2	$ 125.1	$ 121.0	$ 117.4	$ 115.9	$ 113.9
Revolver					2.0	1.0
Other (a)	1.7	1.3	1.3	0.2	1.6	3.1
Total Indebtedness	**$ 136.9**	**$ 126.4**	**$ 122.3**	**$ 117.6**	**$ 119.5**	**$ 118.0**
Cash (d)	44.3	48.0	46.4	28.9	25.7	34.0
TTM Bank Defined EBITDA (b)	**$ 56.5**	**$ 61.0**	**$ 59.2**	**$ 55.9**	**$ 47.3**	**$ 36.5**
Bank Defined Leverage	**2.42x**	**2.07x**	**2.07x**	**2.10x**	**2.53x**	**3.24x**
Net Debt/TTM Adj. EBITDA	1.64x	1.29x	1.28x	1.59x	1.98x	2.30x

- Made minimum debt service payment in Q4’17; Cash on hand is split 40% Domestic and 60% Foreign
- 3.2x bank defined leverage ratio in compliance with amended covenant
- Re-building balance sheet in anticipation of future growth opportunities

CECO ENVIRONMENTAL

(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
(d) Cash & Cash equivalents plus current & non-current restricted cash

Bringing transparency to significant accounting items impacting Q4'17 and TY'17

	GAAP$ EBIT Impact		
	Q4'17	**2017**	**Comments:**
Goodwill & Tradename Impairment	$(7.2)	$(7.2)	• Primarily Zhongli business unit under-performing and declining market
Earnout Liability Write-down	$0.9	$6.6	• 12/31/17 Earnout Liability recorded is $3… split $2 Zhongli, $1 Aarding
Doubtful Accounts Provision	$(1.7)	$(3.9)	• Primarily driven by aging of China accounts receivable
Restructuring Expense	$(1.9)	$(1.9)	• Includes RIF, facility exits and $0.7 related to china facility held for sale

Non-GAAP a better measure of performance

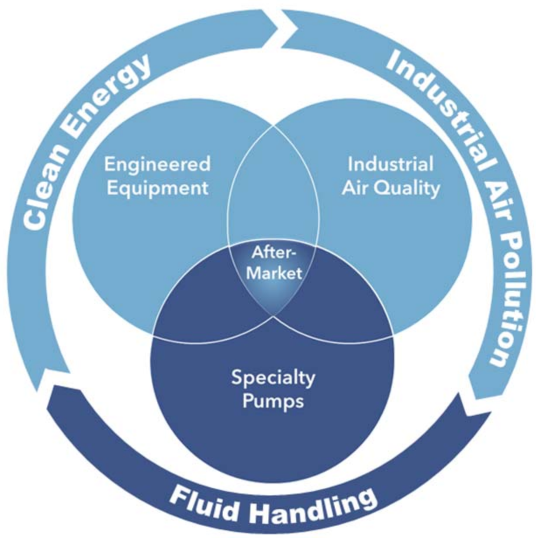
CECO ENVIRONMENTAL

CECO
ENVIRONMENTAL

2018 Momentum & Market Outlook

Early wins on 4-3-3 strategy and positive momentum

- ✓ Substantially re-shaped and strengthened Senior Leadership
- ✓ Active Portfolio management advancing
- ✓ Simplification actions to serve the customer
- ✓ Executed on Restructuring ahead of schedule
- ✓ 1st favorable Book to Bill ratio since Q1’16
- → Making investment in growth platforms



CECO ENVIRONMENTAL

Mixed market dynamics with refineries improving off 30 year trough

Refinery

2018 Outlook

2017 Orders: $22 | ↓(64)%

Cyclones

Power Gen: Natural Gas

2018 Outlook

2017 Orders: $67 | ↓(26)%

Silencers

SCR Emissions

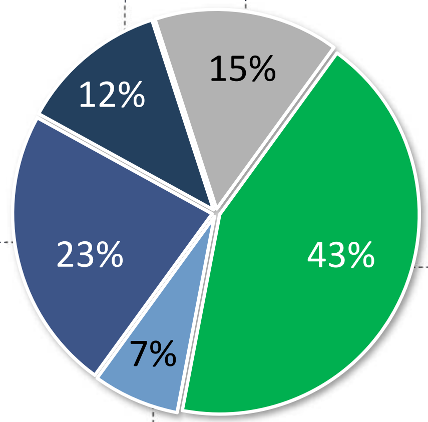
Power Gen: Solid Fuel

2018 Outlook

2017 Orders: $27 | ↓(36)%

Ball Mills

Dampers



2017 Revenue Mix

Midstream O&G

2018 Outlook

2017 Orders: $68 | +39%

Gas Separation

Oily Water

General Industrial

2018 Outlook

2017 Orders: $150 | ↓(11)%

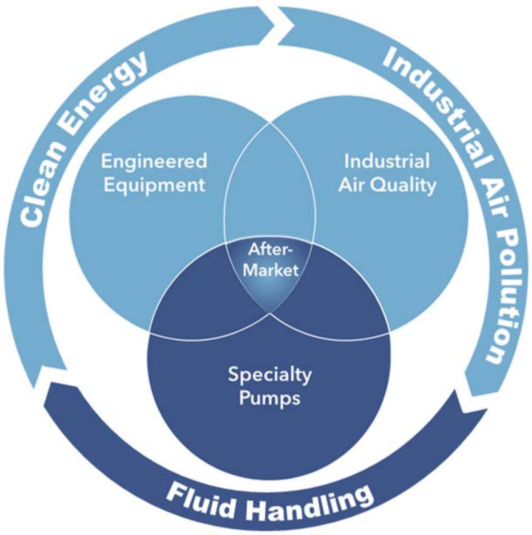
Air Quality

Pumps

CECO ENVIRONMENTAL

a) Orders on Gross basis, excludes cancellations

Comprehensive strategic assessment defines CECO path forward



Enabling industrial companies to grow with clean, safe, and more efficient solutions that protect our shared environment

Defines our "4-3-3 Operational Strategy" to win share and create shareholder value

CECO ENVIRONMENTAL

Supplemental Materials

Non-GAAP Reconciliation

Non-GAAP Gross Profit and Margin

(dollars in millions)	Annual 2012	Annual 2013	Annual 2014	Annual 2015	Annual 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Annual 2017
Gross profit as reported in accordance with GAAP	$ 42.4	$ 61.6	$ 84.8	$ 109.2	$ 134.9	$ 31.9	$ 28.5	$ 27.1	$ 25.6	$ 113.2
Gross profit margin in accordance with GAAP	*31.4%*	*31.2%*	*32.2%*	*29.7%*	*32.4%*	*34.4%*	*30.4%*	*31.9%*	*34.8%*	*32.8%*
Legacy design repairs	-	-	-	-	-	0.2	1.8	-	-	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	0.2	0.1	0.2	0.1	0.6
Non-GAAP gross profit	$ 42.4	$ 62.9	$ 85.4	$ 110.3	$ 135.6	$ 32.3	$ 30.4	$ 27.3	$ 25.7	$ 115.8
Non- GAAP Gross profit margin	*31.4%*	*31.9%*	*32.4%*	*30.0%*	*32.5%*	*34.8%*	*32.4%*	*32.1%*	*35.0%*	*33.6%*

CECO ENVIRONMENTAL

Non-GAAP Operating Income and Margin

(dollars in millions)	Annual 2012	Annual 2013	Annual 2014	Annual 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Annual 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Annual 2017
Operating income as reported in accordance with GAAP	$ 16.7	$ 7.0	$ 21.7	$ 4.9	$ 5.8	$ 8.6	$ 10.5	$ (50.5)	$ (25.6)	$ 1.4	$ 9.3	$ 5.6	$ (8.2)	$ 8.0
Operating margin in accordance with GAAP	*12.4%*	*3.5%*	*8.2%*	*1.3%*	*5.6%*	*7.7%*	*10.3%*	*-50.5%*	*-6.1%*	*1.5%*	*9.9%*	*6.6%*	*-11.2%*	*2.3%*
Legacy design repairs	-	-	-	-	-	-	-	-	-	0.2	1.8	-	-	2.0
Inventory valuation adjustment	-	1.1	-	0.5	0.1	-	-	-	0.1	-	-	-	-	-
Plant, property and equipment valuation adjustment	-	0.2	0.6	0.6	0.2	0.1	0.2	0.1	0.6	0.2	0.1	0.2	0.1	0.6
Gain on insurance settlement	-	-	-	-	-	(1.0)	-	-	(1.0)	-	-	-	-	-
Acquisition and integration expenses	-	7.2	1.3	7.9	-	0.4	0.1	-	0.5	-	-	-	-	-
Amortization and earn-out expenses	-	6.8	10.1	25.6	4.8	4.9	3.5	7.0	20.2	7.3	(2.2)	(0.5)	2.5	7.1
Intangible asset impairment	-	-	-	3.3	-	-	-	57.9	57.9	-	-	-	7.2	7.2
Restructuring expense	-	-	-	-	-	-	-	-	-	-	-	-	1.9	1.9
Executive transition expenses	-	-	-	-	-	-	-	-	-	0.9	0.4	-	-	1.3
Facility exit expenses	-	-	-	-	-	-	-	-	-	0.2	-	-	-	0.2
Legal reserves	-	3.5	0.3	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP operating income	$ 16.7	$ 25.8	$ 34.0	$ 42.8	$ 10.9	$ 13.0	$ 14.3	$ 14.5	$ 52.7	$ 10.2	$ 9.4	$ 5.3	$ 3.5	$ 28.3
Non-GAAP Operating margin	*12.4%*	*13.1%*	*12.9%*	*11.6%*	*10.6%*	*11.6%*	*14.1%*	*14.5%*	*12.6%*	*11.0%*	*10.0%*	*6.2%*	*4.8%*	*8.2%*

CECO ENVIRONMENTAL

Non-GAAP Net Income, Adjusted EBITDA and Margin

(dollars in millions)	Annual 2013	Annual 2014	Annual 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Annual 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Annual 2017
Net income as reported in accordance with GAAP	$ 6.6	$ 13.1	$ (5.6)	$ 3.1	$ 4.0	$ 5.8	$ (51.1)	$ (38.2)	$ -	$ 5.5	$ 3.0	$ (11.6)	$ (3.0)
Legacy design repairs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.2	$ 1.8	$ -	$ -	$ 2.0
Inventory valuation adjustment	1.1	-	$ 0.5	$ 0.1	$ -	$ -	$ -	$ 0.1	$ -	$ -	$ -	$ -	$ -
Plant, property and equipment valuation adjustment	0.2	0.6	$ 0.6	$ 0.2	$ 0.1	$ 0.2	$ 0.1	$ 0.6	$ 0.2	$ 0.1	$ 0.2	$ 0.1	$ 0.6
Gain on insurance settlement			$ -	$ -	$ (1.0)	$ -	$ -	$ (1.0)	$ -	$ -	$ -	$ -	$ -
Acquisition and integration expenses	7.2	1.3	$ 7.9	$ -	$ 0.4	$ 0.1	$ -	$ 0.5	$ -	$ -	$ -	$ -	$ -
Amortization and earn-out expenses	6.8	10.1	$ 25.6	$ 4.8	$ 4.9	$ 3.5	$ 7.0	$ 20.2	$ 7.3	$ (2.2)	$ (0.5)	$ 2.5	$ 7.1
Intangible asset impairment	-	-	$ 3.3	$ -	$ -	$ -	$ 57.9	$ 57.9	$ -	$ -	$ -	$ 7.2	$ 7.2
Restructuring expense	-	-	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1.9	$ 1.9
Executive transition expenses	-	-	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.9	$ 0.4	$ -	$ -	$ 1.3
Facility exit expenses	-	-	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.2	$ -	$ -	$ -	$ 0.2
Legal reserves	3.5	0.3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Deferred financing fee adjustment	-	-	$ 0.3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Foreign currency remeasurement	(1.1)	2.9	$ 2.5	$ (0.9)	$ 0.5	$ (0.2)	$ 1.4	$ 0.8	$ (0.3)	$ (1.2)	$ (0.5)	$ (0.1)	$ (2.1)
Tax benefit of expenses	(4.6)	(3.7)	$ (7.1)	$ (1.2)	$ (1.6)	$ (1.3)	$ (3.3)	$ (7.4)	$ (1.5)	$ (1.5)	$ (1.0)	$ (1.7)	$ (5.7)
Non-GAAP net income	$ 19.7	$ 24.6	$ 28.0	$ 6.1	$ 7.3	$ 8.1	$ 12.0	$ 33.5	$ 7.0	$ 2.9	$ 1.2	$ (1.7)	$ 9.5
Depreciation	1.6	3.1	$ 3.5	$ 1.2	$ 1.0	$ 1.2	$ 1.1	$ 4.5	$ 1.1	$ 1.0	$ 1.0	$ 0.9	$ 3.9
Non-cash stock compensation	1.1	1.7	$ 1.9	$ 0.6	$ 0.5	$ 0.6	$ 0.6	$ 2.3	$ 0.5	$ 0.7	$ 0.6	$ 0.5	$ 2.3
Goodwill impairment	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other (income)/expense	0.1	(0.6)	$ (0.4)	$ 0.1	$ (0.1)	$ 0.2	$ (1.3)	$ (1.1)	$ 0.4	$ 0.8	$ 0.6	$ 0.1	$ 2.0
Gain on insurance settlement			$ -	$ -	$ 1.0	$ -	$ -	$ 1.0	$ -	$ -	$ -	$ -	$ -
Interest expense	1.5	3.1	$ 5.7	$ 2.1	$ 2.0	$ 1.9	$ 1.7	$ 7.7	$ 1.7	$ 1.6	$ 1.6	$ 1.8	$ 6.7
Income tax expense	4.5	6.8	$ 9.7	$ 2.6	$ 3.8	$ 4.1	$ 2.2	$ 12.7	$ 1.0	$ 4.0	$ 1.9	$ 3.3	$ 10.1
Adjusted EBITDA	$ 28.5	$ 38.7	$ 48.4	$ 12.7	$ 15.5	$ 16.1	$ 16.3	$ 60.6	$ 11.7	$ 11.0	$ 6.9	$ 4.9	$ 34.5
Adjusted EBITDA margin	*14.4%*	*14.7%*	*13.2%*	*12.3%*	*13.8%*	*15.9%*	*16.3%*	*14.5%*	*12.6%*	*11.7%*	*8.1%*	*6.7%*	*10.0%*
Basic Shares Outstanding	20,116,991	25,750,972	28,791,662	33,928,052	33,946,117	33,983,708	34,280,940	33,979,549	34,215,519	34,473,688	34,518,622	34,568,508	34,445,256
Diluted Shares Outstanding	20,719,951	26,196,901	28,791,662	34,116,534	34,161,543	34,354,687	34,280,940	33,979,549	34,563,139	34,806,808	34,621,883	34,637,110	34,697,744
Earnings (loss) per share:													
Basic	$ 0.33	$ 0.51	$ (0.19)	$ 0.09	$ 0.12	$ 0.17	$ (1.49)	$ (1.12)	$ -	$ 0.16	$ 0.09	$ (0.34)	$ (0.09)
Diluted	$ 0.32	$ 0.50	$ (0.19)	$ 0.09	$ 0.12	$ 0.17	$ (1.49)	$ (1.12)	$ -	$ 0.16	$ 0.09	$ (0.33)	$ (0.09)
Non-GAAP earnings per share:													
Basic	$ 0.98	$ 0.95	$ 0.97	$ 0.18	$ 0.22	$ 0.24	$ 0.35	$ 0.99	$ 0.20	$ 0.08	$ 0.03	$ (0.05)	$ 0.28
Diluted	$ 0.95	$ 0.94	$ 0.97	$ 0.18	$ 0.21	$ 0.24	$ 0.35	$ 0.99	$ 0.20	$ 0.08	$ 0.03	$ (0.05)	$ 0.27

CECO ENVIRONMENTAL