EVOQUA
WATER TECHNOLOGIES

Second Quarter 2019 Earnings

May 10, 2019

TRANSFORMING WATER. ENRICHING LIFE.™

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This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All of these forward-looking statements are based on our current expectations, assumptions, estimates and projections. While we believe these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond our control. These and other important factors may cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements, or could affect our share price. Some of the factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include among other things, general global economic and business conditions; our ability to compete successfully in our markets; our ability to execute projects in a timely manner; our ability to accurately predict the timing of contract awards; material and other cost inflation and our ability to mitigate the impact of inflation by increasing selling prices and improving our productivity efficiencies; our ability to achieve the expected benefits of our restructuring actions and restructuring our business into two segments; our ability to continue to develop or acquire new products, services and solutions and adapt our business to meet the demands of our customers, comply with changes to government regulations and achieve market acceptance with acceptable margins; our ability to implement our growth strategy, including acquisitions and our ability to identify suitable acquisition targets; our ability to operate or integrate any acquired businesses, assets or product lines profitably or otherwise successfully implement our growth strategy; delays in enactment or repeals of environmental laws and regulations; the potential for us to become subject to claims relating to handling, storage, release or disposal of hazardous materials; risks associated with product defects and unanticipated or improper use of our products; the potential for us to incur liabilities to customers as a result of warranty claims or failure to meet performance guarantees; our ability to meet our customers' safety standards or the potential for adverse publicity affecting our reputation as a result of incidents such as workplace accidents, mechanical failures, spills, uncontrolled discharges, damage to customer or third-party property or the transmission of contaminants or diseases; litigation, regulatory or enforcement actions and reputational risk as a result of the nature of our business or our participation in large-scale projects; seasonality of sales and weather conditions; risks related to government customers, including potential challenges to our government contracts or our eligibility to serve government customers; the potential for our contracts with federal, state and local governments to be terminated or adversely modified prior to completion; risks related to foreign, federal, state and local environmental, health and safety laws and regulations and the costs associated therewith; risks associated with international sales and operations, including our operations in China; our ability to adequately protect our intellectual property from third-party infringement; our increasing dependence on the continuous and reliable operation of our information technology systems; risks related to our substantial indebtedness; our need for a significant amount of cash, which depends on many factors beyond our control; AEA's influence over us; and other factors described in the "Risk Factors" section in our Annual Report on Form 10-K for the fiscal year ended September 30, 2018, and in other periodic reports we file with the SEC. All statements other than statements of historical fact included in the presentation are forward-looking statements including, but not limited to, expected results for the quarter ending on June 30, 2019 and fiscal 2019, statements regarding our two-segment restructuring actions and expected restructuring charges and cost savings for fiscal 2019 and beyond. Any forward-looking statement that we make in this presentation speaks only as of May 10, 2019. We undertake no obligation to update or revise, or to publicly announce any update or revision to, any of the forward-looking statements made herein, whether as a result of new information, future events or otherwise. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this presentation.

Immaterial rounding differences may be present in the data included in this presentation.

Use of Non-GAAP Financial Measures - This presentation contains "non-GAAP financial measures," which are adjusted financial measures that are not calculated and presented in accordance with generally accepted accounting principles in the United States, or "GAAP." These non-GAAP adjusted financial measures are provided as additional information for investors. We believe these non-GAAP adjusted financial measures, such as organic revenue growth, adjusted net income, EBITDA, Adjusted EBITDA and free cash flow, are helpful to management and investors in highlighting trends in our operating results, because they exclude, among other things, certain results of decisions that are outside the control of management, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which we operate and capital investments. The presentation of this additional information is not meant to be considered in isolation or as a substitute for GAAP measures of revenue growth, net income (loss), or net cash provided by (used in) operating activities prepared in accordance with GAAP. For reconciliations of the non-GAAP adjusted financial measures used in this presentation to the nearest respective GAAP measures, see the Appendix to this presentation.

Q2 2019 Performance Highlights

Revenue

- **Demand outlook continues to be favorable**
- **Double digit year-to-date order growth in both segments**
- **ISS Double digit revenue growth, 5.9% organic; YTD organic 4.4%**
- **APT organic (3.5)%; impacted by quarterly variability; YTD organic 1.4%**

Profitability

- **Profitability driven by**
  - Service and aftermarket
  - Pricing actions being realized

Operational Execution

- **Two-segment realignment progress on-track**
- **FY 2019 free cash flow conversion target of 80%+ on-track**

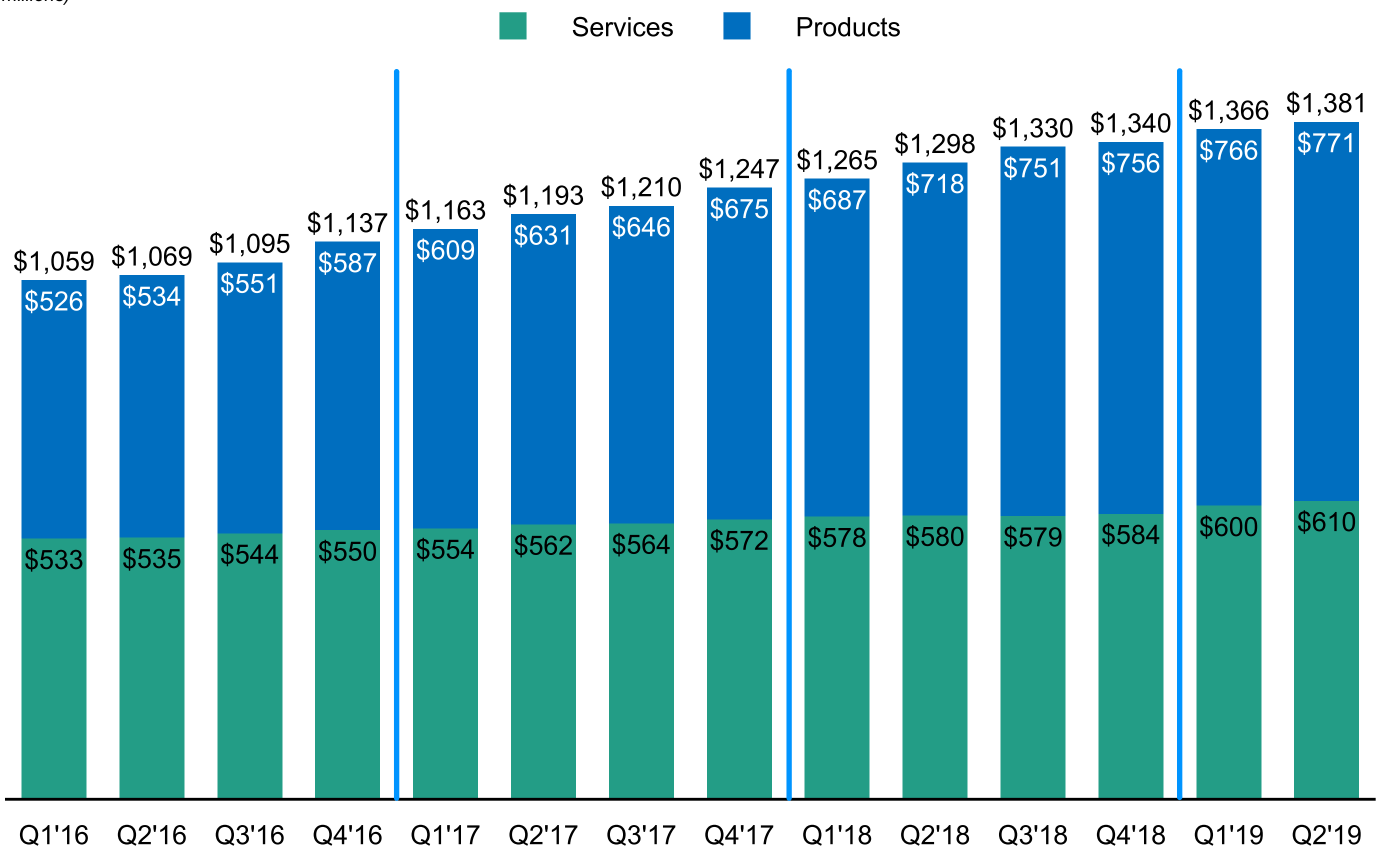
Outlook

- **Reaffirming FY 2019 guidance**

LTM revenue and profitability development

Rolling LTM revenue and Adjusted EBITDA

($ in millions)



	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19
Adj. EBITDA[(1)] ($M)	$119	$127	$142	$160	$172	$186	$196	$208	$210	$224	$227	$217	$215	$214
Adj. EBITDA[(1)] %	11.3%	11.8%	12.9%	14.1%	14.8%	15.6%	16.2%	16.7%	16.6%	17.3%	17.1%	16.2%	15.8%	15.5%

CAGR

8.5% Total

12.5% Products

4.2% Services

19.8% Adj. EBITDA

(1) For the definition of Adjusted EBITDA and a reconciliation to net income (loss), its most directly comparable financial measure presented in accordance with GAAP, see the Appendix hereto.

Two-Segment Realignment - Evolving Our Business

	FROM	TO
Integrated Solutions & Services	• Equipment Sale • Pay-Per-Service or Event • Regional Account Relations	• **Service & Solution Sale** • **Pay-Per-Usage (WaterOne®)** • **National Strategic Partners**
Applied Product Technologies	• Product Specific Distributors • Individual Product Silos	• **Leveraged Global Channel Partners** • **Application Focused Technology Platforms**

Customer and Company benefits are materializing

YTD March 2019

- **Both segments had double digit order growth**
  - **Includes outsourced water and capital orders with longer conversion cycle**
- **Order growth across multiple vertical markets and geographies**
- **Evoqua recently awarded the 2019 Digital Water Company of the Year by Global Water Intelligence**

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Two-Segment Realignment Update

Actions / Anticipated Spend Categories	Expected costs and annualized benefits (through 2020)		Progress through Q2 2019	
• Structural integration • Footprint and product rationalization • Operational efficiency programs	Cash costs	$17 - $22 million	Cash costs Non-cash charge	~$12 million ~$ 5 million
	Cash benefits	$15 - $20 million	Annualized expected cash benefits	~$16 million

Highlights

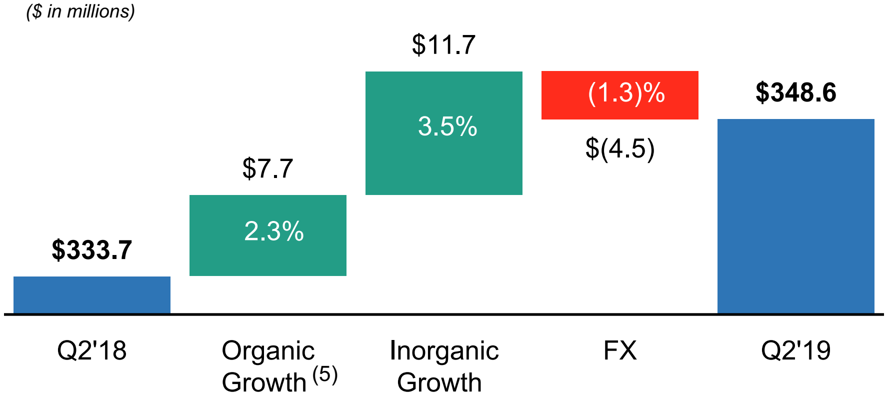
- Customer and operational benefits materializing
- Supports both growth and operational efficiency
- Non-cash charge related to product and facility rationalizations

Second Quarter 2019 Results

($ in millions)	Q2'18	Q2'19
Revenue	$333.7	$348.6
Gross Profit	$108.0	$95.6
Operating Profit(1)	$25.8	$11.5
Net Income	$13.0	$1.6
Adjusted Net Income(2)	$21.4	$17.1
Adjusted EBITDA(3)	$57.7	$56.7
Adjusted EBITDA margin(4)	17.3%	16.3%

Second Quarter 2019 Revenue

($ in millions)



Highlights

Second Quarter 2019

Revenue growth of 4.5%

- ISS revenues grew 10.9%
- APT revenues declined (5.7)%
- Order growth outpaced sales growth

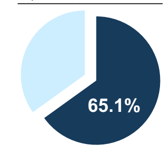
Adjusted EBITDA change of (1.7)%

- ISS grew 11.5%
  - Organic growth and acquisitions
- APT declined (24.6)%
  - Volume, mix, and large prior year high margin product shipments (quarterly variability)

(1) GAAP basis before adjustments which primarily includes non-cash foreign currency negative impact on intercompany loans of $(2.4) million period over period.
(2) For the definition of Adjusted Net Income and a reconciliation to net income, its most directly comparable financial measure presented in accordance with GAAP, see the Appendix hereto.
(3) For the definition of Adjusted EBITDA and a reconciliation to net income, its most directly comparable financial measure presented in accordance with GAAP, see the Appendix hereto.
(4) Adjusted EBITDA margin is defined as Adjusted EBITDA as a percentage of revenue.
(5) For the definition of organic growth and a reconciliation to revenue growth, its most directly comparable financial measure presented in accordance with GAAP, see the Appendix hereto.

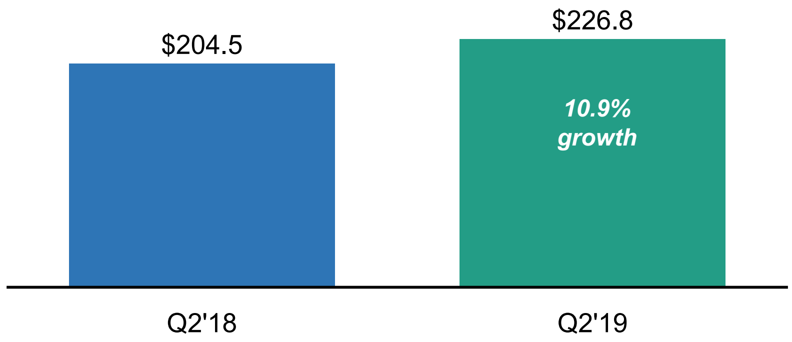
Integrated Solutions and Services Segment

Q2'19 revenue



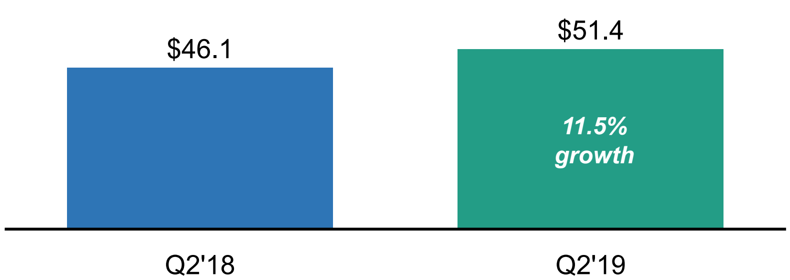
Revenue

($ in millions)



Adjusted EBITDA[1]

($ in millions)



Adjusted EBITDA margin[2]

	Q2'18	Q2'19
Adjusted EBITDA margin	*22.5%*	*22.7%*

Highlights

Second Quarter 2019

Revenue growth of 10.9%

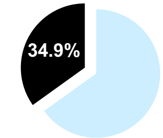
- Organic growth[3] of 5.9%
- Acquisition growth of 5.3%
- Digital water progress on-track
- Strong growth in microelectronics and food & beverage
- Growth in capital, service and aftermarket

Adjusted EBITDA growth of 11.5%

- Organic volume growth
- Service and aftermarket pull through
- Favorable mix Q2 2018
- Acquisitions

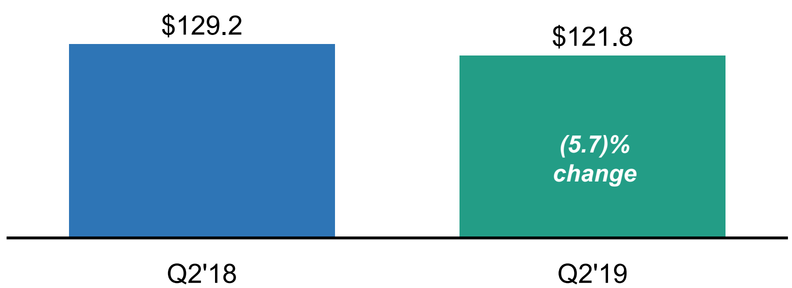
(1) For the definition of Adjusted EBITDA on a segment level and a reconciliation to operating profit (loss), its most directly comparable financial measure presented in accordance with GAAP, see the Appendix hereto.
(2) Adjusted EBITDA margin is defined as Adjusted EBITDA as a percentage of revenue.
(3) For the definition of organic growth and a reconciliation to revenue growth, its most directly comparable financial measure presented in accordance with GAAP, see the Appendix hereto.

Applied Product Technologies Segment



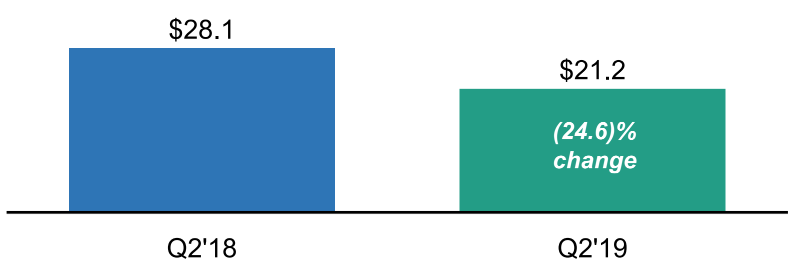
Revenue

($ in millions)



Adjusted EBITDA[1]

($ in millions)



Adjusted EBITDA margin[2]

21.7%	*17.4%*

Highlights

Second Quarter 2019

Revenue change of (5.7)%

- Organic change[3] of (3.5)%
- Acquisition growth of 0.6%
- FX impact of (2.8)%

Adjusted EBITDA change of (24.6)%

- Volume and mix driven primarily by large prior year high margin shipments (quarterly variability)
- Q2 2018 benefit of $3.6 million (primarily reduction of warranty obligation)

(1) For the definition of Adjusted EBITDA on a segment level and a reconciliation to operating profit (loss), its most directly comparable financial measure presented in accordance with GAAP, see the Appendix hereto.
(2) Adjusted EBITDA margin is defined as Adjusted EBITDA as a percentage of revenue.
(3) For the definition of organic growth and a reconciliation to revenue growth, its most directly comparable financial measure presented in accordance with GAAP, see the Appendix hereto.

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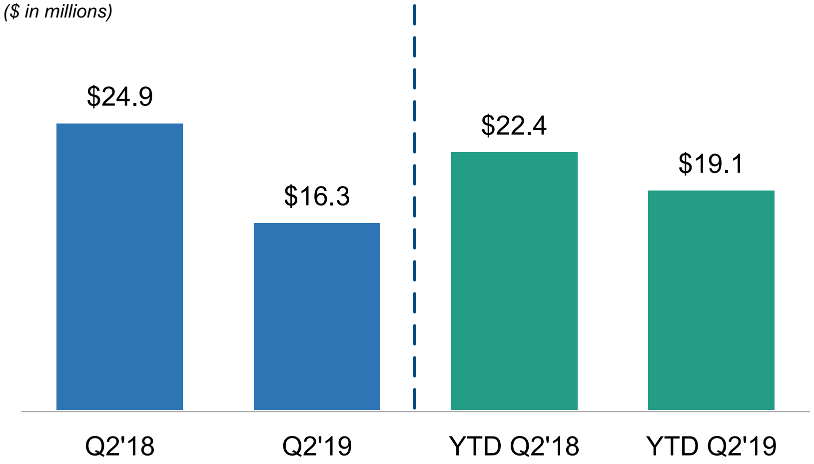
Cash generation

Free Cash Flow[1]



% Adjusted Net Income[4]

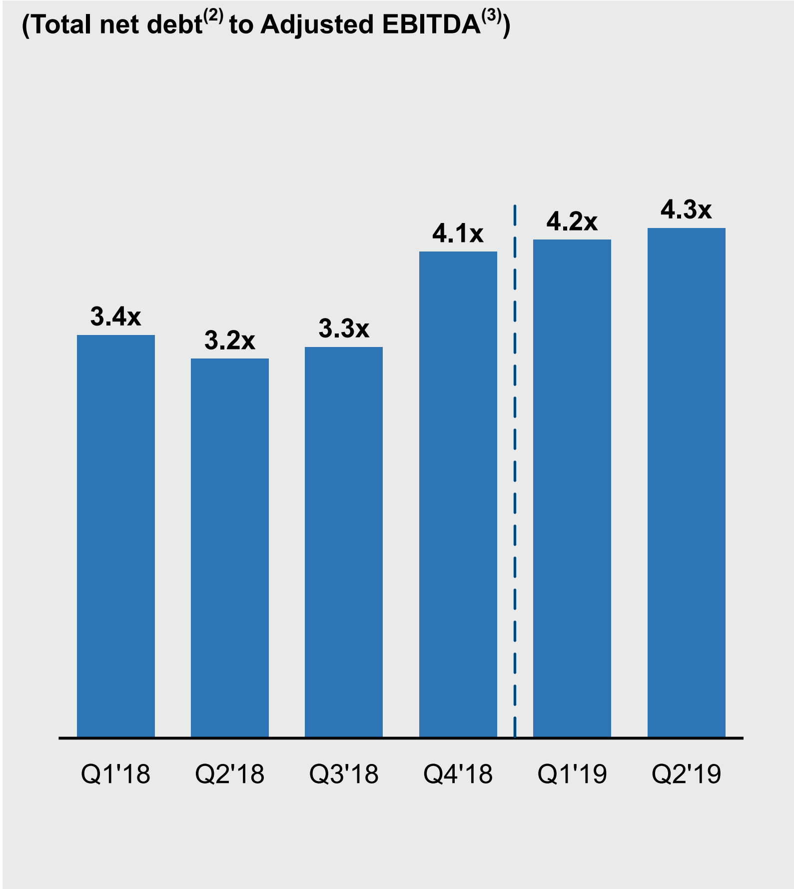
116.4%	*95.3%*	*75.2%*	*113.0%*

Highlights

Q2 Free Cash Flow impacted due to:

- $9 million increase in YTD CAPEX
  - $7 million of mobile asset financing
- FY 19 free cash flow target of 80%+ of adjusted net income

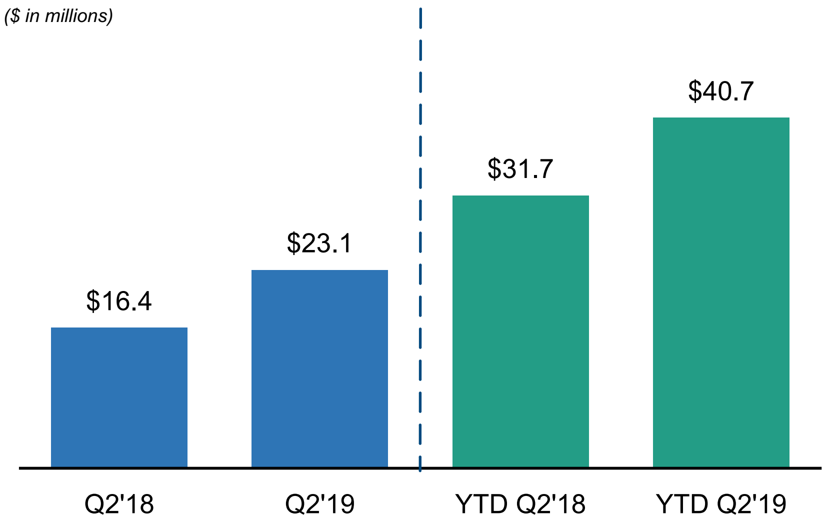
Leverage



(1) For the definition of Free Cash Flow and a reconciliation to operating cash flow, its most directly comparable financial measure presented in accordance with GAAP, see the Appendix hereto.
(2) Total net debt is total debt minus cash and cash equivalents.
(3) Adjusted EBITDA (with contributions from acquisitions) inclusive of completed acquisitions. For the definition of Adjusted EBITDA and a reconciliation to net income (loss), its most directly comparable financial measure presented in accordance with GAAP, see the Appendix hereto.
(4) For the definition of Adjusted Net Income and a reconciliation to net income (loss), its most directly comparable financial measure presented in accordance with GAAP, see the Appendix hereto.

Key cash flow drivers

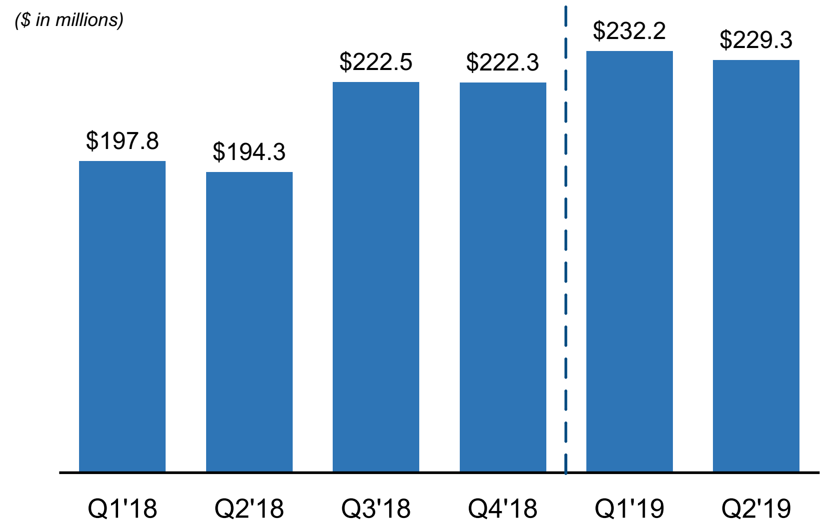
Capital expenditures



Capex as % revenues

4.9%	*6.6%*	*5.0%*	*6.1%*

Net working capital[1]



NWC as % revenues

15.5%	*15.0%*	*16.7%*	*16.6%*	*17.0%*	*16.6%*

Highlights

- **Q2 capex includes** ~$20 million for ISS
  - growth capex includes mobile assets, outsourced water projects, muni services
- **Maintenance capex ~2.5% of revenues** (mgmt estimates)

Highlights

- $9.0 million NWC from acquisitions in Q2 2019
- Working capital impacted by business mix and growth
- Includes product rationalization benefits

(1) Net working capital calculated as current assets less current liabilities, excluding cash, debt and the short-term portion of capital leases included in other current liabilities.

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2019 Full year current outlook reaffirmed

($ In millions)	Full Year Outlook
Revenue	$1.38 to $1.44 billion
YOY growth	~3% to 7%
Adjusted EBITDA(1)	$220 to $240
YOY growth	*~2% to 11%*

Q3 2019 commentary:

We expect third quarter Adjusted EBITDA to be approximately flat to up 8% sequentially over the second quarter 2019 Adjusted EBITDA ($57 to $61 million range)

Notes:

Excludes unannounced acquisitions

(1) For a definition of Adjusted EBITDA see the Appendix hereto. Due to the forward-looking nature of Adjusted EBITDA presented above, we cannot reliably predict certain of the necessary components of the most directly comparable forward-looking GAAP measures and are unable to present a quantitative reconciliation of such Adjusted EBITDA to its most directly comparable GAAP measure.

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Summary

- Two-segment realignment well underway; cost benefits materializing in 2H
- Strong and growing order book in both segments
- WaterOne® on-track; Capitalizing on our first mover advantage
- Order conversion timing a key variable to quarterly targets
- Free cash flow a priority
- Working capital initiatives gaining traction
- Continuing to invest in high return capex and tuck-in acquisitions

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Appendix

Non-GAAP measures

Management reviews key performance indicators including revenue, margins, segment operating income and margins, orders growth, working capital and backlog, among others. In addition, we consider certain non-GAAP measures to be useful to management and investors evaluating our operating performance for the periods presented, and to provide a tool for evaluating our ongoing operations, liquidity, management of assets and future prospects. This information can assist investors in assessing our financial performance and measures our ability to generate capital for deployment among competing strategic alternatives and initiatives, including but not limited to: dividends, acquisitions, share repurchases and debt repayment. These adjusted metrics are consistent with how management views our business and are used to make financial, operating, budgeting, planning and strategic decisions. These metrics, however, are not measures of financial performance under GAAP and should not be considered a substitute for revenue, operating income, net income, earnings per share (basic and diluted) or net cash from operating activities as determined in accordance with GAAP. We consider the following non-GAAP measures, which may not be comparable to similarly titled measures reported by other companies, to be key performance indicators:

“EBITDA” defined as earnings before interest, taxes, depreciation and amortization expense. “Adjusted EBITDA” reflects the adjustment to EBITDA to exclude certain other items, including restructuring and related business transformation costs, purchase accounting adjustment costs, non-cash stock based compensation, sponsor fees, transaction costs and other gains, losses and expenses. "Adjusted EBITDA" on a segment level further reflects the adjustment for the impact of certain other items that have been adjusted at the segment level.

“Free Cash Flow” defined as net cash from operating activities, as reported in the Statement of Cash Flows, less capital expenditures as well as adjustments for other significant items that impact current results which management believes are not related to our ongoing operations and performance. Our definition of free cash flow does not consider certain non-discretionary cash payments, such as debt.

“Adjusted net income” defined as net income adjusted to exclude certain other items, including restructuring and related business transformation costs, purchase accounting adjustment costs, non-cash stock based compensation, sponsor fees, transaction costs and other gains, losses and expenses.

"Organic revenue growth" defined as the year-over-year rate of change in revenues excluding the impact of foreign exchange, acquisitions and divestitures.

Excluding revenue, Evoqua provides guidance only on a non-GAAP basis due to the inherent difficulty in forecasting certain amounts that would be included in GAAP earnings, such as discrete tax items, without unreasonable effort.

Net Sales Growth by Driver

	Q2 FY19 Net Sales Growth % Change			
	GAAP Reported	Currency	Acquisitions/ Divestitures	Organic
Evoqua Water Technologies	4.5 %	(1.3)%	3.5%	2.3 %
Integrated Solutions & Services	10.9 %	(0.3)%	5.3%	5.9 %
Applied Product Technologies	(5.7)%	(2.8)%	0.6%	(3.5)%

	Q2 FY18 Net Sales Growth % Change			
	GAAP Reported	Currency	Acquisitions/ Divestitures	Organic
Evoqua Water Technologies	11.3 %	1.8 %	3.5%	6.0%
Integrated Solutions & Services	11.9 %	0.3 %	5.0%	6.6%
Applied Product Technologies	10.3 %	4.0 %	1.1%	5.2%

	Q1 FY18 Net Sales Growth % Change			
	GAAP Reported	Currency	Acquisitions/ Divestitures	Organic
Evoqua Water Technologies	6.1 %	1.0 %	3.4%	1.7 %
Integrated Solutions & Services	13.9 %	0.3 %	5.3%	8.3 %
Applied Product Technologies	(5.6)%	2.2 %	0.5%	(8.3)%

Adjusted EBITDA reconciliation - 2019

($ in millions)

		Q1'19		Q2'19		YTD FY'2019
Net (loss) income	**$**	**(16.3)**	**$**	**1.6**	**$**	**(14.7)**
Income tax benefit		(4.5)		(4.6)		(9.1)
Interest expense		14.4		14.5		28.9
Operating (loss) income	**$**	**(6.4)**	**$**	**11.5**	**$**	**5.1**
Depreciation and amortization		23.1		24.2		47.3
EBITDA	**$**	**16.7**	**$**	**35.7**	**$**	**52.4**
A Restructuring and related business transaction costs		5.7		8.3		14.0
B Share-based compensation		4.6		4.7		9.3
C Transaction costs		2.1		2.4		4.5
D Other (gains), losses and expenses		9.3		5.6		14.9
Adjusted EBITDA	**$**	**38.4**	**$**	**56.7**	**$**	**95.1**
Revenue	$	323.0	$	348.6	$	671.6
Adjusted EBITDA as a % of Revenue		**11.9%**		**16.3%**		**14.2%**

A Primarily comprised of severance, relocation, recruiting and other costs associated with the two-segment realignment and other various restructuring and efficiency initiatives.

B Represents non-cash share-based compensation.

C Removal of expenses associated with recent platform and tuck-in acquisitions and divestitures and post-acquisition integration costs of which $1.3 million in Q2'19 and YTD was non-cash.

D Add back of gains and losses associated with foreign exchange ($0.3 million loss in Q2'19; $5.0 million loss YTD*), expenses related to maintaining non-operational business locations ($0.1 million in Q2'19; $0.6 million YTD) and other unusual business expenses primarily consisting of the remediation of manufacturing defects caused by a third-party vendor ($0.3 million in Q2'19; $1.3 million YTD), product rationalization in our electro-chlorination business ($0.1 million benefit in Q2'19; $3.0 million expense YTD) and the write-off of inventory in our aquatics business associated with product rationalization and facility consolidation ($5.1 million in Q2'19; $5.1 million YTD*).

**Represents a non-cash item.*

Adjusted EBITDA reconciliation - 2018

($ in millions)

	FYE 9/30	Q1'18	Q2'18	Q3'18	Q4'18	FY2018
	Net (loss) income	**$ (3.0)**	**$ 13.0**	**$ 1.0**	**$ (3.1)**	**$ 7.9**
	Income tax (benefit) / expense	(4.4)	2.0	1.4	2.4	1.4
	Interest expense	17.2	10.8	12.4	17.1	57.5
	Operating profit	**$ 9.8**	**$ 25.8**	**$ 14.8**	**$ 16.4**	**$ 66.8**
	Depreciation and amortization	19.9	20.5	21.5	24.0	85.9
	EBITDA	**$ 29.7**	**$ 46.3**	**$ 36.3**	**$ 40.4**	**$ 152.7**
A	Restructuring and related business transaction costs	8.1	8.2	9.0	9.1	34.4
B	Share-based compensation	2.6	4.3	4.4	4.5	15.8
C	Sponsor fees	0.3	—	—	—	0.3
D	Transaction costs	0.5	0.8	4.7	1.6	7.6
E	Other (gains), losses and expenses	(1.3)	(1.9)	3.7	5.6	6.1
	Adjusted EBITDA	**$ 39.9**	**$ 57.7**	**$ 58.1**	**$ 61.2**	**$ 216.9**
	Revenue	$ 297.1	$ 333.6	$ 342.5	$ 366.3	$ 1,339.5
	Adjusted EBITDA as a % of Revenue	**13.4%**	**17.3%**	**17.0%**	**16.7%**	**16.2%**

A Primarily comprised of severance, relocation, recruiting and other costs associated with the voluntary separation program and other various restructuring and efficiency initiatives.

B Represents non-cash stock-based compensation related to option awards.

C Elimination of management fees paid to AEA during its ownership. AEA's management agreement terminated at the IPO closing.

D Removal of expenses associated with recent platform and tuck-in acquisitions and divestitures and post-acquisition integration costs.

E Add back of gains and losses associated with foreign exchange, recent asset sales, foreign exchange impact of headquarter allocations, expenses related to maintaining non-operational business locations, expenses incurred related to remediation of manufacturing defects caused by a third-party vendor and the write-off of obsolete inventory as part of the migration of an operational business unit to a new enterprise resource planning system.

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Adjusted EBITDA reconciliation - 2017

($ in millions)

FYE 9/30		Q1'17		Q2'17		Q3'17		Q4'17		FY2017
Net (loss) income	**$**	**(13.2)**	**$**	**4.9**	**$**	**1.8**	**$**	**13.0**	**$**	**6.4**
Income tax (benefit) / expense		(7.1)		(4.8)		12.2		7.1		7.4
Interest expense		14.8		11.9		12.5		16.3		55.4
Operating (loss) profit	**$**	**(5.5)**	**$**	**12.0**	**$**	**26.4**	**$**	**36.4**	**$**	**69.2**
Depreciation and amortization		18.6		18.9		18.3		22.1		77.9
EBITDA	**$**	**13.1**	**$**	**30.9**	**$**	**44.7**	**$**	**58.5**	**$**	**147.1**
A Restructuring and related business transaction costs		13.2		9.9		13.3		14.9		51.3
B Purchase accounting adjustment costs		0.2		—		—		—		0.2
C Share-based compensation		0.5		0.6		0.6		0.6		2.3
D Sponsor fees		1.0		1.0		1.0		1.1		4.2
E Transaction costs		1.4		2.4		1.9		1.7		7.3
F Other losses, (gains) and expenses		7.9		(0.8)		(6.5)		(5.4)		(4.7)
Adjusted EBITDA	**$**	**37.2**	**$**	**43.9**	**$**	**55.1**	**$**	**71.4**	**$**	**207.7**
Revenue	$	279.9	$	299.9	$	311.1	$	356.5	$	1,247.4
Adjusted EBITDA as a % of Revenue		**13.3%**		**14.6%**		**17.7%**		**20.0%**		**16.7%**

A Primarily comprised of severance, relocation, recruiting and other costs associated with the voluntary separation program and other various restructuring and efficiency initiatives.

B Reverses the impact from step-up to fair market value for inventory acquired with the purchase of Magneto.

C Represents non-cash stock-based compensation related to option awards.

D Elimination of management fees paid to AEA during its ownership. AEA's management agreement terminated at the IPO closing.

E Removal of expenses associated with recent platform and tuck-in acquisitions and divestitures and post-acquisition integration costs.

F Add back of gains and losses associated with foreign exchange and recent asset sales along with expenses related to maintaining non-operational business locations.

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Adjusted EBITDA reconciliation - 2016

($ in millions)

FYE 9/30	Q1'16	Q2'16	Q3'16	Q4'16	FY2016
Net (loss) income	**$ (2.7)**	**$ (0.9)**	**$ 16.5**	**$ 0.2**	**$ 13.0**
Income tax (benefit) / expense	(5.0)	(1.4)	(14.1)	2.0	(18.4)
Interest expense	9.0	9.0	11.5	13.1	42.5
Operating profit	**$ 1.3**	**$ 6.8**	**$ 13.8**	**$ 15.2**	**$ 37.2**
Depreciation and amortization	16.3	16.3	18.4	18.3	69.3
EBITDA	**$ 17.7**	**$ 23.0**	**$ 32.2**	**$ 33.5**	**$ 106.4**
A Restructuring and related business transaction costs	4.5	7.0	6.6	24.9	43.1
B Purchase accounting adjustment costs	—	—	—	1.3	1.3
C Share-based compensation	0.5	0.4	0.5	0.6	2.0
D Sponsor fees	0.8	1.1	1.0	0.9	3.8
E Transaction costs	0.1	2.4	1.4	1.4	5.4
F Other losses, (gains) and expenses	1.9	(4.1)	3.5	(3.2)	(1.9)
Adjusted EBITDA	**$ 25.4**	**$ 29.9**	**$ 45.2**	**$ 59.4**	**$ 160.1**
Revenue	$ 254.5	$ 270.0	$ 293.3	$ 319.4	$ 1,137.2
Adjusted EBITDA as a % of Revenue	**10.0%**	**11.1%**	**15.4%**	**18.6%**	**14.1%**

A Primarily comprised of severance, relocation, recruiting and other costs associated with the voluntary separation program and other various restructuring and efficiency initiatives.

B Reverses the impact from step-up to fair market value for inventory acquired with the purchase of Magneto.

C Represents non-cash stock-based compensation related to option awards.

D Elimination of management fees paid to AEA during its ownership. AEA's management agreement terminated at the IPO closing.

E Removal of expenses associated with recent platform and tuck-in acquisitions and divestitures and post-acquisition integration costs.

F Add back of gains and losses associated with foreign exchange and recent asset sales along with expenses related to maintaining non-operational business locations.

Segment Adjusted EBITDA reconciliation

($ in millions)	Q2'18		Q2'19	
	Integrated Solutions and Services	Applied Product Technologies	Integrated Solutions and Services	Applied Product Technologies
Operating Profit	$ 34.6	$ 24.1	$ 37.0	$ 11.3
D&A	11.5	4.0	14.3	4.5
Adjustments to EBITDA	—	—	0.1	5.4
Segment Adjusted EBITDA	**$ 46.1**	**$ 28.1**	**$ 51.4**	**$ 21.2**

	Six Months Ended March 31,			
	2018		2019	
	Integrated Solutions and Services	Applied Product Technologies	Integrated Solutions and Services	Applied Product Technologies
Operating Profit	$ 68.7	$ 32.2	$ 64.9	$ 15.8
D&A	22.6	7.9	28.3	8.8
Adjustments to EBITDA	—	—	1.1	10.5
Segment Adjusted EBITDA	**$ 91.3**	**$ 40.1**	**$ 94.3**	**$ 35.1**

Note: Segment Adjusted EBITDA is one of the primary metrics used by management to evaluate the financial performance of our business. Segment Adjusted EBITDA is defined as operating profit before depreciation, amortization and certain other adjustments distinct to the respective reported segments. Adjustments in the three and six months ended March 31, 2019 include - (1) costs and expenses in connection with certain restructuring initiatives primarily consisting of severance and relocation costs, (2) expenses related to the remediation of manufacturing defects caused by a third party vendor for which the Company is seeking restitution, distinct to the Applied Product Technologies segment, (3) expenses due to product rationalization in our electro-chlorination business, distinct to the Applied Product Technologies segment, and (4) expenses incurred as a result of the write-off of inventory in the aquatics business associated with product rationalization and facility consolidation, distinct to the Applied Product Technologies segment. In addition, the three and six months ended March 31, 2019 include costs associated with the achievement of earn-out targets on certain acquisitions in both segments and costs related to maintaining non-operational business locations, distinct to our Integrated Solutions and Services segment.

Free cash flow / Adjusted net income / EPS

($ in millions)		Q2'18		Q2'19		YTD Q2'18		YTD Q2'19
Operating Cash Flow	**$**	**36.3**	**$**	**23.2**	**$**	**41.9**	**$**	**27.3**
(+) EBITDA adjustments, excluding share-based compensation and gain on sale of property, net of tax[1]		5.3		12.1		12.5		24.7
(-) Capital Expenditures		(16.4)		(23.1)		(31.7)		(40.7)
(+) Financing related to growth capital expenditures		—		6.7		—		10.7
(-) Purchases of intangibles (e.g., software licenses)		(0.3)		(2.6)		(0.3)		(2.9)
Free Cash Flow	**$**	**24.9**	**$**	**16.3**	**$**	**22.4**	**$**	**19.1**
Operating Profit	**$**	**25.8**	**$**	**11.5**	**$**	**35.6**	**$**	**5.1**
Interest expense		(10.8)		(14.5)		(28.1)		(28.9)
Income tax (expense) benefit		(2.0)		4.6		2.4		9.1
Net Income (loss)	**$**	**13.0**	**$**	**1.6**	**$**	**10.0**	**$**	**(14.7)**
Adjustments, net of tax[1][2]		8.4		15.5		19.8		31.6
Adjusted Net Income	**$**	**21.4**	**$**	**17.1**	**$**	**29.8**	**$**	**16.9**
Earnings (Loss) Per Share								
Basic EPS	$	0.11	$	0.01	$	0.08	$	(0.13)
Diluted EPS	$	0.10	$	0.01	$	0.07	$	(0.13)
Adjusted Basic EPS[1]	$	0.18	$	0.15	$	0.25	$	0.14
Adjusted Diluted EPS[1]	$	0.18	$	0.14	$	0.24	$	0.14
Memo items:								
Blended statutory tax rate		26.0%		26.0%		26%		26.0%
Foreign currency (gain) loss primarily on intercompany loans	$	(2.1)	$	0.3	$	(3.7)	$	5.0
Basic # of shares (in millions)		113.8		114.5		113.8		114.5
Diluted # of shares (in millions)		119.2		118.7		119.5		114.5

(1) Refer to adjustments on the Adjusted EBITDA reconciliation on prior slides; also includes an adjustment of $2.1 million for incremental interest costs for the six months ended March 31, 2018, with all costs recognized in Q1'2018
(2) Refer to adjustments on the Adjusted EBITDA reconciliation on prior slides; also includes an adjustment of $5.1 million for the write-off of deferred financing fees and incremental interest costs for the six months ended March 31, 2018, with all costs recognized in Q1'2018.

Capital structure overview

($ in millions)	12/31/2017	3/31/2018	6/30/2018	9/30/2018	12/31/2018	3/31/2019
Cash and cash equivalents	$ 80.3	$ 75.7	$ 57.3	$ 82.4	$ 63.2	$ 66.8
Revolving Credit Facility	—	—	—	—	—	—
First Lien Term Facility	794.6	792.6	790.6	938.2	935.9	933.5
Mortgage	—	—	1.9	1.8	1.8	1.7
Equipment financing facilities	9.5	9.0	11.9	13.7	17.2	23.3
Capital leases	31.1	31.1	31.5	32.1	30.1	34.5
Total debt including capital leases	**835.3**	**832.7**	**835.9**	**985.8**	**985.0**	**993.0**
Less unamortized discount and lenders fees	(15.2)	(14.6)	(14.3)	(14.1)	(13.6)	(13.1)
Total net debt including capital leases(1)	**820.1**	**818.1**	**821.6**	**971.7**	**971.4**	**979.9**
Leverage Table calculation:						
Total net debt / Adjusted EBITDA(2)	3.6x	3.3x	3.4x	4.1x	4.2x	4.3x
Total net debt / Adjusted EBITDA (with contributions from acquisitions)(2)	3.4x	3.2x	3.3x	4.1x	4.2x	4.3x

(1) Total net debt is total debt minus cash and cash equivalents.
(2) Adjusted EBITDA (with contributions from acquisitions) inclusive of completed acquisitions. For the definition of Adjusted EBITDA and a reconciliation to net income (loss), its most directly comparable financial measure presented in accordance with GAAP, see elsewhere in this Appendix.

LTM Revenue and Adjusted EBITDA

($ in millions)

Revenue	FYE 9/30/2018	YTD Q2'18	YTD Q2'19	LTM 3/31/19
Evoqua Water Technologies	$ 1,339.5	$ (630.7)	$ 671.6	$ 1,380.4
Integrated Solutions & Services	$ 835.6	$ (396.4)	$ 437.3	$ 876.5
Applied Product Technologies	$ 503.9	$ (234.3)	$ 234.3	$ 503.9

Adjusted EBITDA	FYE 9/30/2018	YTD Q2'18	YTD Q2'19	LTM 3/31/19	LTM EBITDA Margin %
Evoqua Water Technologies	$ 216.9	$ (97.7)	$ 95.1	$ 214.3	15.5%
Integrated Solutions & Services	$ 189.4	$ (91.3)	$ 94.3	$ 192.4	22.0%
Applied Product Technologies	$ 92.0	$ (40.1)	$ 35.1	$ 87.0	17.3%

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