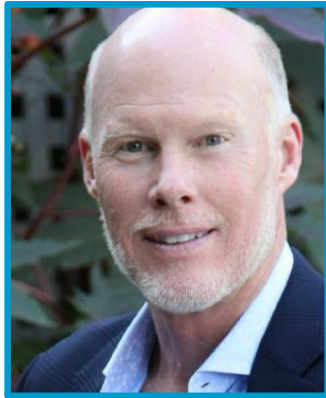

TENNANT COMPANY

Earnings Release Conference Call
Second Quarter 2019

Wednesday, July 31, 2019

| On the Call Today



Chris Killingstad
President and CEO



Keith Woodward
Senior VP and CFO

Forward-Looking Statements & Non-GAAP Measures

Our remarks this morning and our answers to questions may contain forward-looking statements regarding the company's expectations of future performance. Such statements are subject to risks and uncertainties, and our actual results may differ materially from those contained in the statements. These risks and uncertainties are described in today's news release and the documents we file with the Securities and Exchange Commission. We encourage you to review those documents, particularly our Safe Harbor statement, for a description of the risks and uncertainties that may affect our results.

Additionally, on this conference call we will discuss non-GAAP measures that include or exclude special or non-operational items. For each non-GAAP measure, we also provide the most directly comparable GAAP measure. There were special non-GAAP items in the second quarter of 2018 and 2019. Our 2019 second quarter earnings release includes a reconciliation of these non-GAAP measures to our GAAP results.

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Second Quarter 2019 – Strategy

- Company in transition
 - Shifting from strategic expansion
 - Focus on unlocking the benefits of broader platform and driving profitable growth
- Balancing reasonable growth with stronger EBITDA expansion
- Three Strategic Pillars
 - Winning where we have a competitive advantage
 - Reducing complexity and building scalable processes
 - Building on our position as an innovation leader
- Strength within the quarter
 - Revenue
 - Adjusted EBITDA
 - Adjusted EPS

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Second Quarter 2019 – Sales | Adjusted EPS

Q2 '19 Organic Growth of +3.8%

	Q2 '19	Q2 '18	CHANGE
SALES	\$299.7 M	\$292.2 M	+2.6%
EPS Adjusted*	\$1.13	\$0.82	+37.8%

Q2 2019 Results

- Exceeded internal expectations
- Second-quarter 2019 reported adjusted net earnings grew 37.7% to \$20.8 million

Second Quarter 2019 – Geographies

The Americas

- Sales increased 6.0%, or +7.8% organically, driven by:
 - Broad-based strength across region
 - Strategic Accounts, Service, Parts and Consumables
 - Walmart autonomous T7 announcement

EMEA

- Sales declined 7.4%, or -2.9% organically, driven by:
 - Continued market uncertainty across the region
 - Integration efforts remain on track

APAC

- Sales increased 12.7%, or -0.5% organically, driven by:
 - Timing shifts between Q1 and Q2, and weaker sales in Korea

Second Quarter 2019 – Sales | Adjusted Gross Margin

	Q2 '19	Q2 '18	CHANGE
SALES	\$299.7 M	\$292.2 M	+2.6%
Gross Margin <small>Adjusted*</small>	41.4%	40.1%	+130 bps

2019 Adjusted Results

- 130 bps improvement
 - Positive pricing actions
 - Favorable sales mix
 - Mitigation efforts to offset macro headwinds

Second Quarter 2019 – Sales | S&A

	Q2 '19	Q2 '18	CHANGE
SALES	\$299.7 M	\$292.2 M	+2.6%
S&A Expense (% of sales) - Adjusted*	29.0%	29.8%	(80 bps)

- Operational rigor and tight expense management contributed to leverage YOY

Second Quarter 2019 – EBITDA | Other Financial Metrics

	Q2 '19	Q2 '18	CHANGE
Adjusted EBITDA*	\$41.8M	\$35.7 M	+17.1%
Adjusted EBITDA Margin*	13.9%	12.2%	+170 bps

Second Half 2019 Reflects

- EBITDA margin in the second half of 2019 to be lower than the first half due to:
 - Strategic investments in service organization, operations and R&D
 - Headwinds in form of specific regional market uncertainty, inflation, tariffs and other cost-of-goods pressure

Second Quarter Results

- Tax rate of 11.7%
- Cash used in operations of \$22.5 million
- Cash dividends of \$4 million
- Reduced our outstanding debt by \$5.8 million

2019 Guidance

- Full Year Sales of \$1.150 billion to \$1.165 billion (3% to 4% organic)
- Adjusted Earnings per Share of \$2.65 to \$2.85
 - GAAP Earnings per Share of \$1.80 to \$2.00
- Adjusted EBITDA of \$131 million to \$135 million
- Other Key Assumptions
 - Capital expenditures of approximately \$35 to \$40 million
 - An effective tax rate of approximately 16%

Questions

Thank You