This presentation contains certain statements that are considered “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “project,” or “continue” or similar words or the negative thereof. These statements do not relate to strictly historical or current facts and provide current expectations of forecasts of future events. Any such expectations or forecasts of future events are subject to a variety of factors. We caution that forward-looking statements must be considered carefully and that actual results may differ in material ways due to risks and uncertainties both known and unknown. Information about factors that could materially affect our results can be found in Part I, Item 1A, Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2016, and in Part II, Item 1A Risk Factors in our most recent quarterly report on Form 10-Q. Shareholders and potential investors are urged to consider these factors in evaluating forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements.

We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Investors are advised to consult any further disclosures by us in our filings with the Securities and Exchange Commission and in other written statements on related subjects. It is not possible to anticipate or foresee all risk factors, and investors should not consider any list of such factors to be an exhaustive or complete list of all risks or uncertainties.
About Tennant Company

Tennant Company, a Minnesota corporation founded in 1870 and incorporated in 1909, is a world leader in designing, manufacturing and marketing solutions that empower customers to achieve quality cleaning performance, significantly reduce environmental impact and help create a cleaner, safer, healthier world.

72 consecutive years of cash dividends

45 consecutive years of increase in annual cash dividend payout

SOLID
Balance sheet

2016 Revenues: $809M
2016 Employees: 3,236

NYSE Symbol: TNC
OUR VISION

We will lead our global industry in sustainable cleaning innovation that empowers our customers to create a cleaner, safer and healthier world.
Competitive Landscape
2015 $5B Global Cleaning Equipment Market*

Tennant | Nobles | Alfa | Orbio
Nilfisk | Advance | Clarke | Viper
Karcher | Windsor | TecServ | ProChem
Hako | Minuteman | PowerBoss
Taski

42% of the market consists of others with a market share of 3% or less.

* Estimated market size in "constant currency" U.S. dollars for Tennant-like equipment categories and aftermarket.
Broad Portfolio of Quality Products
Strong Direct Sales & Service Organizations

Global Revenue by Sales Channel

- Direct: 75%
- Distribution: 25%

Distribution Partners
More than 80 countries around the world

Global Sales Employees

- Americas
- EMEA
- APAC

Global Direct Service Employees

- Americas
- EMEA
- APAC

Global Strategic Accounts
Cross-functional teams & market specialists

Factory-Service Direct
Locally based & factory-trained service technicians
Broad Range of Global Customers

MARKETS

BSC
MANUFACTURING
LOGISTICS AND WAREHOUSING
RETAIL
EDUCATION
HEALTHCARE
AVIATION AND TRANSPORT
MINING
AUTOMOTIVE
GOVERNMENT
FOOD AND BEVERAGE
HOSPITALITY
2016 Revenue of $809M

Net Sales by Geography
- Americas: 75%
- EMEA: 16%
- APAC: 9%

Net Sales by Product Group
- Parts & Consumables: 21%
- Service & Other: 14%
- Coatings: 4%
- Equipment*: 61%
- Equipment Mix:
  - Commercial: 52%
  - Industrial: 46%
  - Outdoor: 2%

*Equipment Mix

Americas :\[\text{Net Sales by Geography}\]
EMEA :\[\text{16\%}\]
APAC :\[\text{9\%}\]

Net Sales by Product Group
Parts & Consumables :\[\text{21\%}\]
Service & Other :\[\text{14\%}\]
Coatings :\[\text{4\%}\]
Equipment* :\[\text{61\%}\]

Equipment Mix:
Commercial :\[\text{52\%}\]
Industrial :\[\text{46\%}\]
Outdoor :\[\text{2\%}\]
We remain committed to Sales goal of $1 Billion and 12% or above Operating Profit Margin

- Reach new markets and new customers
- Deliver a strong product & technology pipeline
- Build Tennant’s e-Business capabilities
- Be disciplined about improving margins & controlling expenses
### Reinventing the future of cleaning.

<table>
<thead>
<tr>
<th>$1 BILLION IN SALES</th>
<th>&gt;12% OPERATING PROFIT</th>
<th>&gt;20% MARKET SHARE</th>
</tr>
</thead>
</table>

#### NEW PRODUCT INNOVATION

#### GO-TO-MARKET COVERAGE

#### EMERGING MARKET GROWTH

#### CORE MARKET GROWTH

---

#### BUILD/RUN the business

- Operations Efficiency
- CRM
- e-Commerce
- Attract/Retain Talent
- Sustainable Enterprise

#### GROW the business

- New Products & Technologies
- Sales & Service Coverage
- Emerging Markets
- Reconditioned Equipment
- Acquisitions

---

**Strategic Priorities**
Sales & Service Coverage
Increasing our Presence

3 COMPONENTS OF MARKET SHARE

Product Portfolio
Hit Rate
Market Coverage (Presence)

ENHANCED GO-TO-MARKET STRATEGY
VERTICAL MARKETS & MARKETING ANALYTICS

Industrial
Retail
Education
Healthcare
Emerging Markets

- Focused approach
- Long-term growth potential despite economic headwinds

Organic Sales Growth

- China
  - 2014: 15%
  - 2015: 5.5%
  - 2016: (5%)
  - 2017 First Half: 8.0%

- Latin America
  - 2014: 6.5%
  - 2015: (5.5%)
  - 2016: 13.0%
  - 2017 First Half: 5.0%
Operations Efficiency
Strategy Deployment to Drive Four Key Initiatives

VELOCITY & LEAN

SUPPLY CHAIN OPTIMIZATION

SERVICE LEVELS

QUALITY FOCUS

Be the absolute leader for serving the customer!
e-Commerce
Cleaning Solutions Made Easy Online

Good Experience
• Empower our customers
• Anticipate their needs
• Enhance their experience

Increase Revenue
• New customers
• New geographies
• Expand products

Lower Cost of Sale
• Self-service
• Reduce manual interventions
• Cost avoidance
Reconditioned Equipment
Attracting a New Set of Customers

New Commercial Recon Facility

New e-Commerce Website
Attract & Retain Talent

Tennant Employee Value Proposition

- Commitment to Innovation
- A Focus on Stewardship
- Rewarding work with opportunity for career growth
- Strong Legacy

Talent Management Focus

1. Build a world-class talent acquisition function
2. Develop leadership & key talent capabilities
3. Align high-performance culture with business strategy
4. Reward performance that creates value
# Our Focus Areas

## Tennant Corporate Sustainability Report

<table>
<thead>
<tr>
<th>Year</th>
<th>Tennant</th>
<th>Industry Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>DISCLOSURE SCORE: 68</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td>PERFORMANCE BAND: D</td>
<td>C</td>
</tr>
<tr>
<td>2014</td>
<td>DISCLOSURE SCORE: 80</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td>PERFORMANCE BAND: C</td>
<td>C</td>
</tr>
<tr>
<td>2015</td>
<td>DISCLOSURE SCORE: 95</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td>PERFORMANCE BAND: C</td>
<td>D</td>
</tr>
<tr>
<td>2016</td>
<td>SCORE: B</td>
<td>D</td>
</tr>
</tbody>
</table>
New Product Development
Strongest Product Pipeline Ever!

2012-2015
91

2016
10

2017 Plan
32
New Products Launched in 2017 First Quarter

- Launched new family of T500 commercial walk-behind scrubbers comprised of 20 new products and product variants
  - Five unique scrubbing heads on four different models
  - Smart-Fill™ automatic battery watering system
  - ec-H2O NanoClean® technology option
IRIS®
Web-based Fleet Management System

- Launched enhanced system
  - Monitor and manage machines with full visibility of user’s fleet
  - Track machine productivity and maintenance needs
  - Lower cost to clean
  - Pro-Panel™ LCD touch screen with on-demand tutorials
  - Zone Settings™ to help deliver predictable cleaning results
New Products Launched in 2017 Second Quarter

• Launched V3e compact dry canister vacuum
  • Three-stage HEPA filtration system
  • Low 68 decibel sound level
  • Increases operator productivity

• Introduced i-mop
  • Versatile walk-behind scrubber combines cleaning performance of auto-scrubber with agility of flat mop
ec-H2O NanoClean®
The Responsible Way to Clean

Next generation ec-H2O | Cleans more soils in more applications

ec-H2O™ SCRUBBERS | 2008 thru 2016

$1.1 billion+ cumulative revenue
88,000+ machines

Sales of $155M in 2016

8,000+ customers
30,000+ sites

HOW IT WORKS:
CLEAN TAP WATER IN SOLUTION TANK
ec-H2O NANOCLEAN™ E-CELL APPLIES STRONG ELECTRIC CHARGE
MILLIONS OF NANOBUBBLES ARE CREATED
NANOBUBBLES INTERACT WITH SOIL
DIRTY WATER OUT
ORBIO® Technologies
On-Site Generation Technology

Improving health and safety for the environment, employees and people in their care while reducing costs.

GENERATES cleaner & disinfectant/sanitizer on-site

FOCUS ON “3Cs”
CAMPUS | CHAINS | CONTRACTORS
Customer Insights
Reinventing the Way the World Cleans

Traditional Approach
Voice of customer & needs identification to shape new product development

NEW Thinking
• Acknowledge the reality of our customer’s business
• Deploy new tools for better insights
• Think solutions, not just products
• Objective research from innovation experts
• Challenge status quo – new lens for opportunities
• Embrace a holistic view of our customers
Advanced Product Development
Future Technologies

Asset Management
- Manage cleaning programs better
- Fleet management
- Lower cost-to-clean

Battery Technologies
- Lithium-Ion, Fuel Cell, etc.
- Improving cost & availability
- ROI for customer
- Reduced weight & footprint size

Water Recycling
- Sustainability
- Productivity
- Game-changing solution

Robotics (AGV)
- Addresses labor costs
- Largest potential growth opportunity
Acquisitions
Strategic Filters

- Sales & Service Coverage
- Underserved Markets
- Complementary Products
- Technology Platforms
2016 Third Quarter Acquisitions

• Acquired Florock® Brand
  • Expanded our commercial floor coatings business
  • Combination of Tennant Coatings and Florock opens new markets and strengthens value proposition

• Acquired Assets of Dofesa Barrido Mecanizado
  • Long-time distributor of Tennant equipment in central Mexico
  • Acquisition is a key investment for growth in Latin America
  • Enhances Tennant’s sales and service capabilities
2017 Second Quarter Acquisition of IPC Group

• Closed April 6, 2017
  • All-cash transaction $353M or €330M
  • IPC Group – privately held designer and manufacturer of innovative professional cleaning equipment, tools and other solutions, based in Italy
  • IPC Group 2016 annual sales of $206M or €186M

• Largest Acquisition in Tennant Company History
  • IPC acquisition results in annualized sales of over $1 Billion
  • Anticipate acquisition will be accretive to 2018 full year earnings per share

• Post-Acquisition Integration Underway
  • IPC achieved organic sales growth of 8% in 2017 Second Quarter
IPC Group Overview

Key Facts and Figures

- IPC Group produces machines and equipment for the professional cleaning sector
  - Cleaning machines: floor sweepers and scrubbers, vacuum cleaners, high-pressure washers and related aftermarket parts and services
  - Cleaning tools and supplies: trolleys, window cleaning tools and consumables
- 2016A Revenue: €186mm
- 2016A Adjusted EBITDA: €26mm (~14% margin)
- 5 manufacturing plants; 11 international branches with sales to over 100 countries
- ~1,000 Employees

Geographic Coverage

- Eagle
  - Eagan, Minnesota
- Soteco Benelux
  - Wommelgem
- Foma Norge
  - Langhus
- Gansow
  - Lüneburg
- ICA
  - Épône Cedex
- Industria e Comercio
  - Pinhais, Parana
- Cleaning España
  - Barcelona
- China Trade Corporation
  - Fa-Shan, Guangdong
- Western Floor PVT
  - New Delhi

2016A Revenue Mix

- Machinery: 59%
- Machinery Aftermarket: 22%
- Tools and Supplies: 19%
- High Pressure: 18%
- Sweeper & Scrubbers: 42%

2016A Revenue by Geography

- EMEA: 80%
- Americas: 11%
- RoW: 9%

2016A Revenue by Product

- Sweeper & Scrubbers: 42%
- High Pressure: 18%
- Cleaning Tools and Supplies: 19%
- Vacuum Cleaners: 21%
## IPC’s Diverse Product Portfolio

<table>
<thead>
<tr>
<th>Product</th>
<th>% of Net Sales by Equipment Type</th>
<th>Product Type</th>
<th>Description</th>
<th>Overlap with Existing TNC Products¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweepers and Scrubbers</td>
<td>42%</td>
<td>Ride On</td>
<td>• Scrubbers: 15L to 230L (tank size)</td>
<td><img src="overlap1.png" alt="Overlap" /></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Walk Behind</td>
<td>• Sweepers: 460mm to 1,200mm (brush size)</td>
<td><img src="overlap1.png" alt="Overlap" /></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Multiple Power Systems: Electric cables, batteries, diesel, petrol and hybrid</td>
<td><img src="overlap1.png" alt="Overlap" /></td>
</tr>
<tr>
<td>Vacuum Cleaners</td>
<td>21%</td>
<td>Dry</td>
<td>• Dry Vacuum Cleaners: 750W to 1,400W</td>
<td><img src="overlap1.png" alt="Overlap" /></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wet &amp; Dry</td>
<td>• Wet &amp; Dry Vacuum Cleaners: 1,300W to 3,600W</td>
<td><img src="overlap1.png" alt="Overlap" /></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Industrial</td>
<td>• Single motor to three motor models</td>
<td><img src="overlap1.png" alt="Overlap" /></td>
</tr>
<tr>
<td>Tools</td>
<td>19%</td>
<td>Trolleys</td>
<td>• Small surface, window cleaning and room cleaning</td>
<td><img src="overlap1.png" alt="Overlap" /></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Equipment</td>
<td>• Continuous need for supply of related consumables</td>
<td><img src="overlap1.png" alt="Overlap" /></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mops and Cloths</td>
<td>• Range of 2.5HP to 13HP</td>
<td><img src="overlap1.png" alt="Overlap" /></td>
</tr>
<tr>
<td>Pressure Washers</td>
<td>18%</td>
<td>Hot Water</td>
<td>• Diesel versions up to 900 liters per hour</td>
<td><img src="overlap1.png" alt="Overlap" /></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cold Water</td>
<td>• Gasoline versions up to 1,260 liters per hour</td>
<td><img src="overlap1.png" alt="Overlap" /></td>
</tr>
</tbody>
</table>

¹ Shaded area represents approximate level of overlap with existing Tennant products.
IPC Synergy Opportunities

• Incremental Sales
  • Complementary sales channels
  • Cross-selling to reach new customers with both brands: Tennant and IPC

• $10M Run-Rate Cost Synergies by 2019
  • Sourcing savings with greater volume to fewer vendors
  • Improving sales and service capabilities
  • Leveraging greater scale to improve operating efficiencies

• $10M Costs Necessary to Achieve Synergies
  • $6M in capital expenditures; $4M in redundancy costs
FINANCIAL Summary

Reinventing the future of cleaning.
## 2017 SECOND QUARTER

Organic Sales Decline 2.3% | Organic Sales up 3.1% in APAC

<table>
<thead>
<tr>
<th></th>
<th>Q2’17</th>
<th>Q2’16</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALES</strong></td>
<td>$270.8 M</td>
<td>$216.8 M</td>
<td>+24.9%</td>
</tr>
<tr>
<td><em><em>Adjusted</em> GROSS MARGIN</em>*</td>
<td>40.9%</td>
<td>43.9%</td>
<td>(300 bps)</td>
</tr>
<tr>
<td><strong>R&amp;D EXPENSE (% of sales)</strong></td>
<td>2.9%</td>
<td>3.9%</td>
<td>(100 bps)</td>
</tr>
<tr>
<td><em><em>Adjusted</em> S&amp;A EXPENSE (% of sales)</em>*</td>
<td>30.5%</td>
<td>29.6%</td>
<td>+90 bps</td>
</tr>
<tr>
<td><em><em>Adjusted</em> OPERATING PROFIT</em>*</td>
<td>$20.2 M</td>
<td>$22.6 M</td>
<td>(10.3%)</td>
</tr>
<tr>
<td><em><em>Adjusted</em> OPERATING PROFIT MARGIN</em>*</td>
<td>7.5%</td>
<td>10.4%</td>
<td>(290 bps)</td>
</tr>
<tr>
<td><em><em>Adjusted</em> EPS</em>*</td>
<td>$0.60</td>
<td>$0.85</td>
<td>(29.4%)</td>
</tr>
</tbody>
</table>

*Q2’17 results are adjusted to exclude inventory step-up of $6.2M pre-tax ($0.25 per share) in Gross Margin and IPC acquisition costs and pension charge of $4.9M pre-tax ($0.28 per share) in S&A Expense. EPS also excludes financing costs related to IPC acquisition of $6.2M pre-tax ($0.22 per share).
## 2017 FIRST HALF

Organic Sales Growth 1.0% | Organic Sales up 0.4% in Americas; up 4.3% in EMEA

<table>
<thead>
<tr>
<th></th>
<th>1H ‘17</th>
<th>1H ‘16</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$461.9 M</td>
<td>$396.7 M</td>
<td>+16.4%</td>
</tr>
<tr>
<td>Adjusted* GROSS MARGIN</td>
<td>41.2%</td>
<td>43.6%</td>
<td>(240 bps)</td>
</tr>
<tr>
<td>R&amp;D EXPENSE (% of sales)</td>
<td>3.5%</td>
<td>4.1%</td>
<td>(60 bps)</td>
</tr>
<tr>
<td>Adjusted* S&amp;A EXPENSE (% of sales)</td>
<td>31.5%</td>
<td>31.9%</td>
<td>(40 bps)</td>
</tr>
<tr>
<td>Adjusted* OPERATING PROFIT</td>
<td>$28.5 M</td>
<td>$29.7 M</td>
<td>(3.8%)</td>
</tr>
<tr>
<td>Adjusted* OPERATING PROFIT MARGIN</td>
<td>6.2%</td>
<td>7.5%</td>
<td>(130 bps)</td>
</tr>
<tr>
<td>Adjusted* EPS</td>
<td>$0.91</td>
<td>$1.10</td>
<td>(17.3%)</td>
</tr>
</tbody>
</table>

*1H ‘17 results are adjusted to exclude inventory step-up of $6.2M pre-tax ($0.25 per share) in Gross Margin and Restructuring Charge, IPC acquisition costs and pension charge of $15.8M pre-tax ($0.77 per share) in S&A Expense. EPS also excludes financing costs related to IPC acquisition of $7.4M pre-tax ($0.26 per share).
## 2017 FIRST HALF EBITDA

Adjusted Earnings Before Interest, Taxes, Depreciation & Amortization up 11%

<table>
<thead>
<tr>
<th></th>
<th>1H '17</th>
<th>1H '16</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SALES</td>
<td>$461.9 M</td>
<td>$396.7 M</td>
<td>+16.4%</td>
</tr>
<tr>
<td>Adjusted* OPERATING PROFIT</td>
<td>$28.5 M</td>
<td>$29.7 M</td>
<td>($1.2 M)</td>
</tr>
<tr>
<td>Adjusted* NON-INTEREST OTHER EXPENSE</td>
<td>($0.5 M)</td>
<td>($0.03 M)</td>
<td>($0.47 M)</td>
</tr>
<tr>
<td>Exclude DEPRECIATION</td>
<td>$11.0 M</td>
<td>$8.6 M</td>
<td>+$2.4 M</td>
</tr>
<tr>
<td>Exclude AMORTIZATION</td>
<td>$3.8 M</td>
<td>$0.2 M</td>
<td>+$3.6 M</td>
</tr>
<tr>
<td>Adjusted* EBITDA</td>
<td>$42.8 M</td>
<td>$38.5 M</td>
<td>+11.1%</td>
</tr>
<tr>
<td>Adjusted* EBITDA (% of Sales)</td>
<td>9.3%</td>
<td>9.7%</td>
<td>(40 bps)</td>
</tr>
</tbody>
</table>

*1H '17 results are adjusted to exclude inventory step-up of $6.2M pre-tax ($0.25 per share) in Gross Margin and Restructuring Charge, IPC acquisition costs and pension charge of $15.8M pre-tax ($0.77 per share) in S&A Expense. Also excludes financing costs related to IPC acquisition of $7.4M pre-tax ($0.26 per share).
1.0% Organic Sales Growth in 2017 First Half

- **Americas**: 1H17 Organic Sales 0.4%
- **EMEA**: 1H17 Organic Sales 4.3%
- **APAC**: 1H17 Organic Sales (0.5%)
First Quarter 2017 Restructuring

• To support key strategic growth initiatives and reduce costs to accelerate our ability to reach our 12% operating profit margin goal

• Approximate 3% net reduction in global workforce

• Restructuring charge of $8M pre-tax, or $0.32 per diluted share

• Savings anticipated to be $7M in 2017 and a total of $10M in 2018
  • Savings predominantly personnel costs
2016 Full Year
Organic Sales Growth 1.1% | Organic Sales up 2.4% in Americas, up 0.2% in EMEA

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SALES</td>
<td>$808.6 M</td>
<td>$811.8 M</td>
<td>(0.4%)</td>
</tr>
<tr>
<td>GROSS MARGIN</td>
<td>43.5%</td>
<td>43.0%</td>
<td>+50 bps</td>
</tr>
<tr>
<td>R&amp;D EXPENSE (% of sales)</td>
<td>4.3%</td>
<td>4.0%</td>
<td>+30 bps</td>
</tr>
<tr>
<td>Adjusted* S&amp;A EXPENSE (% of sales)</td>
<td>30.7%</td>
<td>30.6%</td>
<td>+10 bps</td>
</tr>
<tr>
<td>Adjusted* OPERATING PROFIT</td>
<td>$68.5 M</td>
<td>$68.1 M</td>
<td>+0.6%</td>
</tr>
<tr>
<td>Adjusted* OPERATING PROFIT MARGIN</td>
<td>8.5%</td>
<td>8.4%</td>
<td>+10 bps</td>
</tr>
<tr>
<td>Adjusted* DILUTED EPS</td>
<td>$2.59</td>
<td>$2.49</td>
<td>+4.0%</td>
</tr>
</tbody>
</table>

* 2015 results are adjusted to exclude restructuring charge in S&A of $3.7M pre-tax ($0.17 per diluted share) and non-cash long-lived asset impairment of $11.2M pre-tax ($0.58 per diluted share).
### 2016 Full Year “Constant Currency” View
(excludes estimated foreign exchange impact)

<table>
<thead>
<tr>
<th></th>
<th>2016 AS REPORTED</th>
<th>2016 CONSTANT(^{(1)}) CURRENCY</th>
<th>2015</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALES</strong></td>
<td>$808.6 M</td>
<td>$816.4 M</td>
<td>$811.8 M</td>
<td>+0.6%</td>
</tr>
<tr>
<td><strong>GROSS MARGIN</strong></td>
<td>43.5%</td>
<td>43.5%</td>
<td>43.0%</td>
<td>+50 bps</td>
</tr>
<tr>
<td>Adjusted*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OPERATING PROFIT</strong></td>
<td>$68.5 M</td>
<td>$69.9 M</td>
<td>$68.1 M</td>
<td>+2.6%</td>
</tr>
<tr>
<td>Adjusted*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OPERATING PROFIT MARGIN</strong></td>
<td>8.5%</td>
<td>8.6%</td>
<td>8.4%</td>
<td>+20 bps</td>
</tr>
<tr>
<td>Adjusted*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>DILUTED EPS</strong></td>
<td>$2.59</td>
<td>$2.63</td>
<td>$2.49</td>
<td>+5.6%</td>
</tr>
</tbody>
</table>

\(^{(1)}\)“Constant Currency”: estimated income statement which assumes no change in exchange rates from prior year.

2016 Organic Sales Growth of 1.1%: excluding change in exchange rates from prior year and impact from acquisition and divestiture.

* 2015 results are adjusted to exclude restructuring charge in S&A of $3.7M pre-tax ($0.17 per diluted share) and non-cash long-lived asset impairment of $11.2M pre-tax ($0.58 per diluted share).
1.1% Organic Sales Growth in 2016 Full Year

- **Americas**: 2016 Organic Sales 2.4%
- **EMEA**: 2016 Organic Sales 0.2%
- **APAC**: 2016 Organic Sales (10.0%)
History of Sales Growth
2010-2016 Average Organic Sales Growth of 6%

Organic Growth
8%  7%  6%  <1.5%>  <13%>  12%  10.5%  0%  3%  10.3%  4.3%  1.1%  1%–3%

NET SALES (in millions)

$553  $599  $664  $701  $596  $668  $754  $739  $752  $822  $812  $809

‘17 Guidance
$960M to $990M

Anticipated Organic Growth
Improved Profitability & Balance Sheet Leverage

Return on Invested Capital Improvement 2009 – 2016*

- On a “Constant Currency” basis, 2016 ROIC would have been 27.9%.
Balance Sheet now includes IPC Acquisition

Commitment To Shareholder Return

<table>
<thead>
<tr>
<th></th>
<th>FY '16</th>
<th>1H'16</th>
<th>1H'17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Receivables</td>
<td>149.1</td>
<td>154.6</td>
<td>199.9</td>
</tr>
<tr>
<td>Net Inventory</td>
<td>78.6</td>
<td>82.5</td>
<td>141.6</td>
</tr>
<tr>
<td>Cash from Operations</td>
<td>57.9</td>
<td>12.4</td>
<td>(2.5)</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>26.5</td>
<td>14.8</td>
<td>9.2</td>
</tr>
<tr>
<td>Dividends</td>
<td>14.3</td>
<td>7.1</td>
<td>7.5</td>
</tr>
<tr>
<td>Share Repurchases</td>
<td>12.8</td>
<td>12.8</td>
<td>0.0</td>
</tr>
<tr>
<td>Cash</td>
<td>58.0</td>
<td>27.9</td>
<td>53.3</td>
</tr>
<tr>
<td>Debt</td>
<td>36.2</td>
<td>21.2</td>
<td>411.0</td>
</tr>
</tbody>
</table>
Debt as of June 30, 2017

• $411 million of Debt comprised of:
  • $300 million Senior Unsecured Notes
  • $ 98 million outstanding of a $100 million Term Loan
  • $ 20 million outstanding under Revolving Credit Facility
  • An offsetting $7 million of debt issuance costs yet to be amortized

• 4.2% Overall Weighted Average Cost of Debt
## 2017 EPS & Sales Guidance

<table>
<thead>
<tr>
<th><strong>2016 ACTUAL</strong> As Reported</th>
<th><strong>$2.59 EPS</strong></th>
<th><strong>$808.6M SALES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2017 Financial Outlook</strong></td>
<td><strong>$2.30</strong></td>
<td><strong>to</strong> <strong>$2.50</strong></td>
</tr>
<tr>
<td>As Adjusted and “Constant Currency”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>As Reported</td>
<td><strong>$0.85</strong></td>
<td><strong>to</strong> <strong>$1.05</strong>/<strong>$960M to $990M</strong></td>
</tr>
</tbody>
</table>

### KEY EXPECTATIONS FOR 2017 (includes the impact of the April 2017 IPC Group acquisition)

- Net sales in the range of $960M to $990M versus $808.6M in 2016.
- Stable economy in North America, modest improvement in Europe, and challenging environment in APAC.
- Unfavorable foreign currency impact on sales of approximately 1%.
- Sales increase from acquisitions: 2016 Florock of approximately 0.8%; 2017 IPC range of 18.6% to 20.4%.
- Organic sales growth, excluding foreign currency exchange impact and acquisitions, in the range of 1% to 3%.
- Adjustments of $31.4M pre-tax, or $1.36 per share, non-recurring special items: $8.0M Restructuring Charge, $7.6M IPC acquisition costs, $7.4M IPC related financing costs, $8.2M IPC acquisition inventory step-up, $0.2M pension plan settlement charge.
- Foreign currency exchange headwinds estimated to negatively impact operating profit by approximately $2.5M, or approximately $0.10 EPS.
- Gross margin performance in the range of 41% to 42%.
- R&D expense in the range of 3% to 4% of sales.
- Effective tax rate of approximately 29%.
- Capital expenditures in the range of $25M to $30M.
Anticipate foreign currency & global economic volatility remain challenging

Tennant has never been positioned better in the market with its innovative product and technology portfolio and go-to-market strategy

We remain committed to our goals of $1 Billion in sales & a 12% or above operating profit margin