

INVESTOR PRESENTATION

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Digital Capabilities To Drive Product Support Growth

RBC Fireside Chat - March 22, 2021

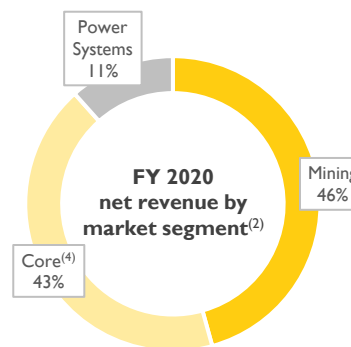
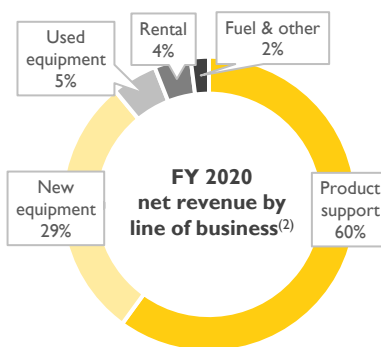
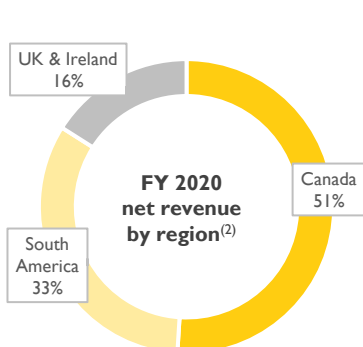
Finning Overview

- Largest Caterpillar dealer
- Unrivalled service since 1933
- Diversified by geography, customer base, product and sector
- ~12,000 employees

Market Statistics ⁽¹⁾ - FTT (TSX)	
Share price	32.58
Market Cap	5.3B
S&P/DBRS rating	BBB(+*/high)
Annual dividend / share	0.82
Dividend yield	2.5%



2020 Financial Statistics ⁽²⁾	
Revenue	6.2B
Net revenue ⁽³⁾	5.8B
EBIT	392M
EBITDA ⁽³⁾	700M
Adjusted EBITDA ⁽³⁾	636M
EPS	1.43
Adjusted EPS ⁽³⁾	1.14
Invested capital ⁽³⁾	3.1B
ROIC ⁽³⁾	11.4%
Adjusted ROIC ⁽³⁾	9.6%



Best Safety Performance
On Record in 2020



Total Incident Frequency

⁽¹⁾ At March 17, 2021

⁽²⁾ Year ended December 31, 2020

⁽³⁾ This is a non-GAAP financial measure. See slide 11 for more information

⁽⁴⁾ Core market segment includes construction, some coal and metals mining, forestry, agriculture, and government

Digital Journey Strengthens Customer Value Proposition

Invested Early In Digital

- Recognized shifting customer need, made strategic investments
- Created a Finning data and application platform
- Platform enables performance solutions and improved efficiencies

Positioned for Recovery

- Extensive machine connectivity
- Accelerated adoption of digitizing dealership and on-line channels
- Data-driven decision making
- Integrated Knowledge Centres and condition monitoring

Driving Growth

- Digital performance solutions
- Fuels product support growth
- Lowers cost to serve
- Improving the use of capital
- Increased competitiveness
- Improved customer loyalty



>70% CAT Assets Connected

in Finning territories

↑ 10% Customer Loyalty

2020 vs 2019

~40% Parts Transacted On-line

non-service parts

↑ 35% Customer Value Agreements

Canada (2020 vs 2019)

Digital Capabilities Amplify Our Growth Path

Customer Loyalty



- Integrated Knowledge Centre (IKC)
- Customer Value Agreements (CVAs)
- Prioritized Service Events

Market Share



- Autonomy
- Digital performance solutions
- Data-driven insights

Cost Structure



- Optimized facilities network – RRR model
- Online customer interface capabilities
- Employee productivity tools

Supply Chain



- Increased demand visibility
- Direct ship capabilities
- Data-driven sales and operational planning tools

Finning Autonomy

Imperial Oil



Kearl (oil sands)



797F

Fleet Size
As at Dec 2020

25 trucks

Teck



- Highland Valley Copper, Canada
- QB2, Chile



- 793D/F (Highland Valley Copper)
- 794AC (QB2)

Fleet Size
As at Dec 2020

- 20 trucks at Highland Valley Copper
- QB2 deliveries started in Q4/20

Autonomous Caterpillar trucks in Finning territories

~4%

As at Dec 2020

20%+ Productivity Improvement vs Conventional Fleet



SCALABLE

~100 trucks and 250+ auxiliary vs limited scalability of competitors' offering



INTEROPERABLE

with conventional and competitors' fleets



RETROFITTABLE

Caterpillar 789D, 793D, 793F, 794, 797F
Komatsu 930E-4



FASTER

uses Lidar and Predictive Path to travel faster than competitors' trucks

Watch the video showing how autonomous oil sands operation relies on proven technology and partnership approach



Canada – Optimized Facilities Network

Benefits

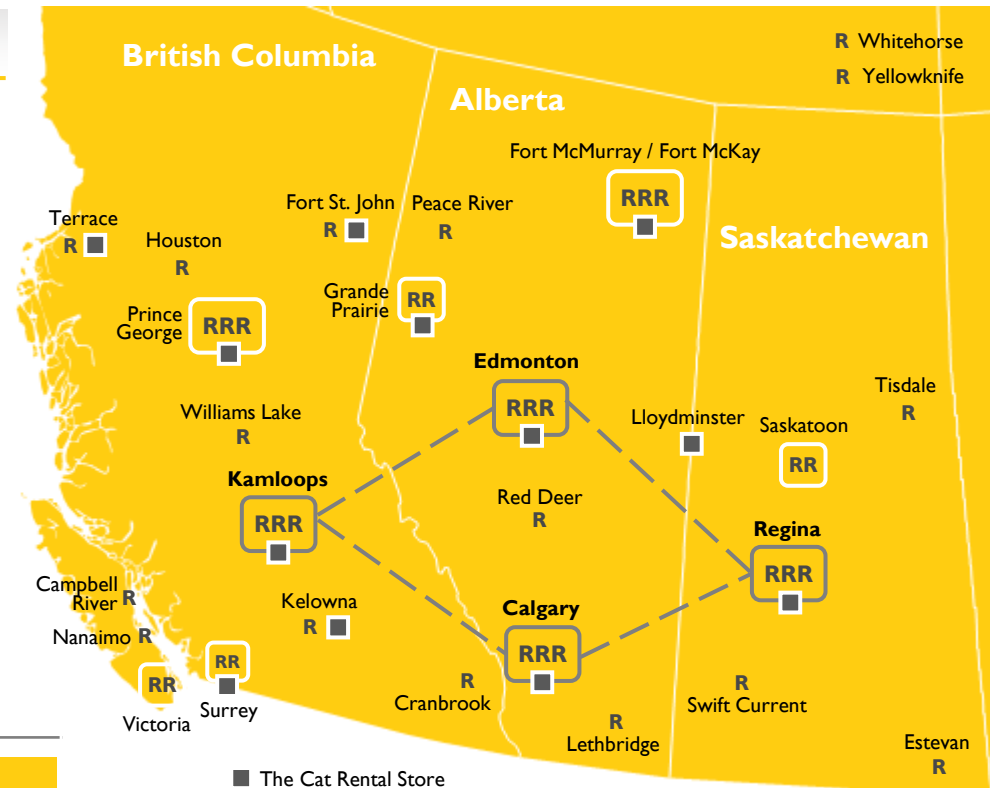
- Leverages remote monitoring and dispatch
- Integrated procurement and direct shipment fulfillment
- Data-driven inventory stocking strategies
- Improves customer turnaround and experience
- Maximizes labour productivity and quality
- Increases facility utilization
- Reduces environmental footprint

RRR Network Model

Response, Repair, Rebuild

	RRR	RR	R
Response	[Full bar]		
Repair	[Medium bar]	[Medium bar]	[Light bar]
Rebuild ⁽¹⁾	[Medium bar]		
Bay Capacity	10 +	5 - 10	2 - 4
Parts Supply	RDC ⁽²⁾ and Warehouse	Response Parts	Consumable Parts

⁽¹⁾ Component and equipment rebuilds ⁽²⁾ Regional parts distribution centres



Accelerated Customer Adoption of Digital Contactless Channels



24/7 call centre support



E-commerce on parts.cat.com



Integrated procurement



my.finning.com customer portal



Digital drop-boxes for parts

Improved Earnings Capacity in a Recovery

2021 Considerations

- 2021 outlook remains positive, led by strong recovery in Chile and UK, and improvements in order intake⁽¹⁾ and backlog⁽¹⁾
- Expect revenue growth in 2021, however remaining below 2019 levels
- On track to deliver more than \$100 million of annualized cost savings
- Expect 2021 earnings to exceed 2019
 - Assuming undisrupted market recovery and successful execution of profitability drivers
- Expect strong annual free cash flow⁽¹⁾ in 2021
 - EBITDA to FCF conversion⁽¹⁾ modestly below 50% due to increased inventory purchases

2021 Profitability Drivers



Operating leverage in a recovering market



Product support growth in all regions



Significant progress towards SG&A target



Effective allocation of capital

Mid-Cycle Targets

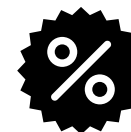
**EBITDA to FCF
Conversion**



~50%

2013 - 2020 average

**SG&A as % of
Net Revenue⁽¹⁾**



~17%

Free Cash Flow, Balance Sheet, Capital Allocation

2020 Highlights

- Improved working capital management
- Inventory turns⁽¹⁾ up 10% vs 2019
- 2020 net capex and rental fleet spend ~\$100 million
- Well positioned to make strategic investments early in the recovery

Free Cash Flow
2020

\$870^M

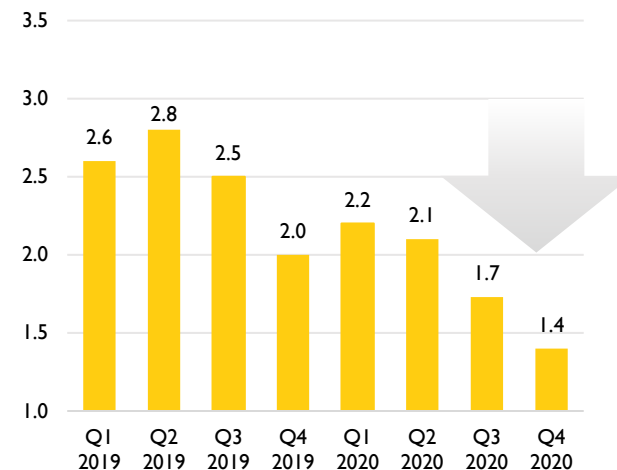
Net Debt to
Adj. EBITDA⁽¹⁾
Dec 31, 2020

1.4

EBITDA to FCF
Conversion
2020

~125%

Net Debt to Adjusted EBITDA (Ratio)



Capital Allocation Priorities

Organic Growth

Dividend Growth

Opportunistic Share Repurchases

Acquisition Opportunities

Further Debt Repayment

Inventory Purchasing

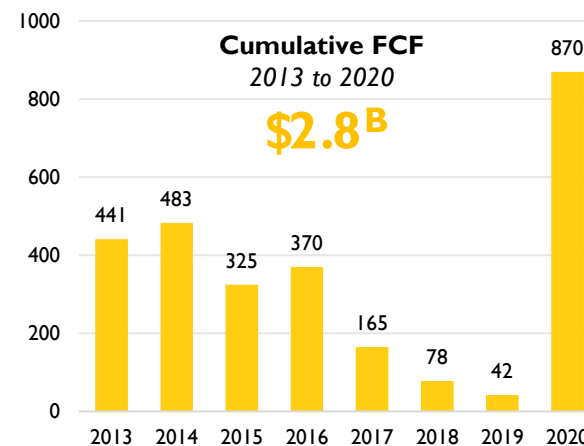
Strategic Investments

- Network
- Digital

4Refuel FCF in
2 years since
acquisition **\$50^M**

Saskatchewan
paid back in full **5 yrs**

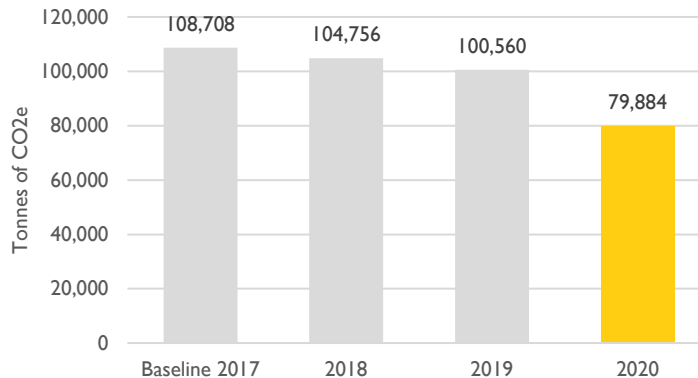
Free Cash Flow (\$ Millions)



Sustainability – Performance Highlights

ENVIRONMENT

Finning Absolute GHG Emissions



2020 emissions are significantly lower due to business impacts from Covid-19. Some emissions are likely to return as business impacts lessen.

Remanufacturing Reduces Environmental Footprint

2020 Statistics

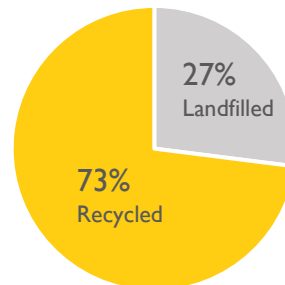
Components remanufactured **14,359**

Increase in remanufactured components vs 2019 **10%**

Tons of metal recycled **2,903**

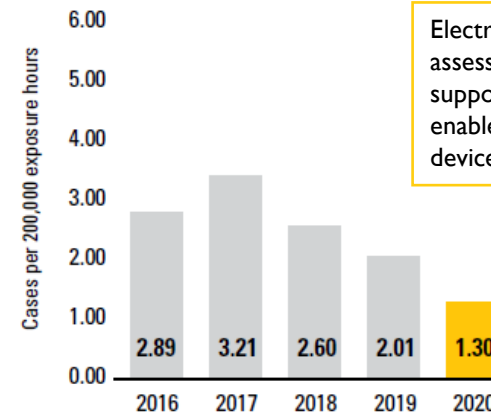
Equivalent to 34 Boeing 747 airplanes

Non-Hazardous Waste by Disposal Type



PEOPLE & COMMUNITIES

TOTAL INJURY FREQUENCY (TIF)



Electronic job hazard assessment (eJHA) tool supported by satellite-enabled communication devices in remote locations

Professional Development for all Roles

2020 Average Training Hours Per Employee



16

Technical



58

Sales



19

Leadership

In 2020, Finning was recognized by the UK government's Education and Skills Funding Agency as one of the Top 100 Apprenticeship Employers



Disclosures

Forward-looking information

This presentation includes “forward-looking information” (as defined in applicable Canadian securities legislation) that is based on expectations, estimates and projections that we believe are reasonable as of the date of this presentation, but may ultimately turn out to be incorrect. Forward looking information in this presentation includes: that we are positioned for recovery; our growth strategy through digital capabilities; all information on slide 7 regarding our outlook for 2021 described under “2021 Considerations”, our expected 2021 profitability drivers and our mid-cycle targets for EBITDA to FCF conversion and SG&A as a percentage of net revenue; that we are well positioned to make strategic investments early in the recovery; our capital allocation priorities listed on slide 8; and that some absolute GHG emissions are likely to return as business impacts lessen. No assurances can be given that the information in this presentation will result in sustained or improved financial performance, and past performance is not a guarantee of future performance. Information in this presentation has been furnished for information only and is accurate at the time of presentation but may later be superseded by more current information. Except as required by law, we do not undertake any obligation to update the information, whether as a result of new facts becoming known, future events occurring or otherwise.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors, and is based on a number of assumptions that we believe are reasonable as of the date of this presentation, which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Assumptions on which the forward-looking information is based include but are not limited to assumptions that: we will be able to execute on our strategic plans, take advantage of growth opportunities, control our costs, drive continuous cost efficiency in a recovering market, and manage the impact of COVID-19, and we are assuming an undisrupted market recovery, for example, undisrupted by COVID-19 impacts, commodity price volatility or social unrest, and successful execution of our profitability drivers listed on slide 7. Important information identifying and describing such risks, uncertainties, assumptions and other factors is contained in our most recently filed annual information form (AIF) and in our most recent annual and quarterly management’s discussion and analysis of financial results (MD&A), which are available on our website (www.finning.com) or under our profile on SEDAR (www.sedar.com).

We caution readers that the risks described in the AIF and MD&A are not the only risks that could impact the company. We cannot accurately predict the full impact that COVID-19 will have on our business, results of operations, financial condition or the demand for our services, due in part to the uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, the steps our customers or suppliers may take in current circumstances, including slowing or halting operations, the duration of travel and quarantine restrictions imposed by governments of affected countries and other steps that may be taken by such governments to respond to the pandemic. Additional risks and uncertainties not currently known to us or that are currently deemed to be immaterial may also have a material adverse effect on our business, financial condition, or results of operations.

Disclosures

Currency

Monetary amounts referred to in this presentation are in Canadian dollars unless noted otherwise. All variances and ratios in this presentation are based on the functional currency of each operation (Canada: CAD, South America: USD, UK & Ireland: GBP).

Non-GAAP financial measures

This presentation includes certain “non-GAAP financial measures”, which are called out the first time they are used. The non-GAAP financial measures do not have a standardized meaning under International Financial Reporting Standards (IFRS) and therefore may not be comparable to similar measures presented by other issuers. For additional information regarding these financial metrics, including definitions and reconciliations from each of these non-GAAP financial measures to their most directly comparable measure under Generally Accepted Accounting Principles, where available, see the heading “Description of Non-GAAP Financial Measures and Reconciliations” in our most recent MD&A. We believe that providing certain non-GAAP financial measures provides users of our consolidated financial statements with important information regarding the operational performance and related trends of our business. By considering these measures in combination with the comparable IFRS measures set out in the MD&A, we believe that users are provided a better overall understanding of our business and financial performance during the relevant period than if they simply considered the IFRS measures alone.

Reported financial metrics may be impacted by significant items we do not consider indicative of operational and financial trends either by nature or amount. Financial metrics that have been adjusted to take into account these items are referred to as “Adjusted” metrics. For a description of these significant items, please refer to our quarterly and annual MD&A for the period to which the relevant Adjusted metric relates.