

INVESTOR PRESENTATION

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September 2020

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 statements about: our strategic focus areas; our diversified and resilient business, including steps taken to control the controllable and our position to capture large-scale opportunities such as HS2, data centers, pipelines, mining fleet replacement and autonomy adoption; ability to sustain reductions in our travel and discretionary costs; potential to reduce the cost of our regional administration and office footprint; the acceleration of our Canadian transformation journey; anticipated improvements in H2 for rental activity, machine utilization hours and product support revenue run rates; anticipated improvements in order intake from Q2 2020 levels; our medium-term outlook and growth drivers; the UK’s HS2 infrastructure project, including expected opening of phase 1 and phase 2, total industry opportunity, mobilization and delivery in 2020, potential meaningful upside to our UK business and the bulk of deliveries expected to begin in early 2021; capabilities of our digital earthworks performance solutions; the accelerating adoption of digital contactless channels; our 40% target for women in senior leadership roles; and the scope and duration of 4Refuel’s fuelling agreement with Aecon. No assurances can be given that the plans discussed in this presentation will result in sustained or improved financial performance or that we will be able to capitalize on opportunities listed. 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this presentation has been furnished for information only and is accurate at the time of presentation, but may later be superseded by more current information.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 and manage the impact of COVID-19. 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 operation.

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.

Monetary amounts are in Canadian dollars unless noted otherwise

Finning Overview

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

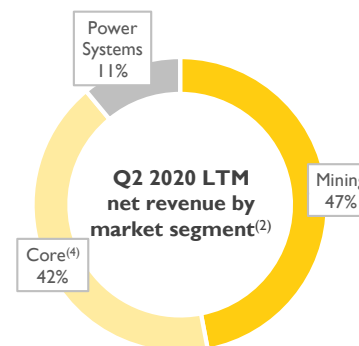
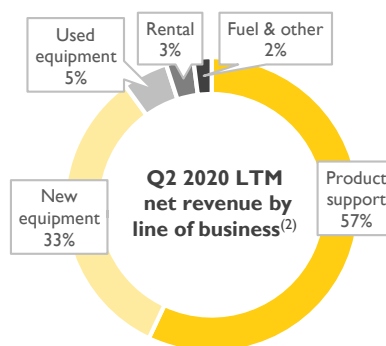
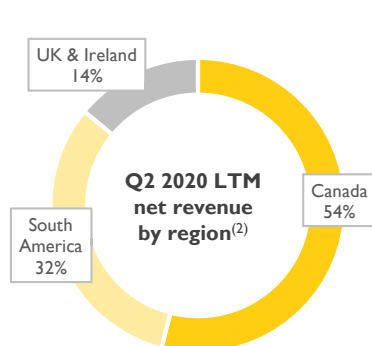


Market Statistics⁽¹⁾ - FTT (TSX)

Share price	19.64
Market Cap	3.2B
S&P/DBRS rating	BBB(+/high)
Annual dividend / share	0.82
Dividend yield	4.2%

2020 Q2 LTM Financial Statistics⁽²⁾

Net revenue ⁽³⁾	6.4B
EBITDA ⁽³⁾	671M
Adjusted EBITDA ⁽³⁾	661M
EPS	1.22
Adjusted EPS ⁽³⁾	1.19
Invested capital ⁽³⁾	3.5B
ROIC ⁽³⁾	10.0%
Adjusted ROIC ⁽³⁾	9.7%


CATERPILLAR


Consistently Invested
~\$1.8B annually in R&D

⁽¹⁾ At September 11, 2020

⁽²⁾ Last 12 months ended June 30, 2020

⁽³⁾ This is a non-GAAP financial measure. See slide 2 for more information

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

Caterpillar's 2019 Investor Day

Strategic Framework

PURPOSE

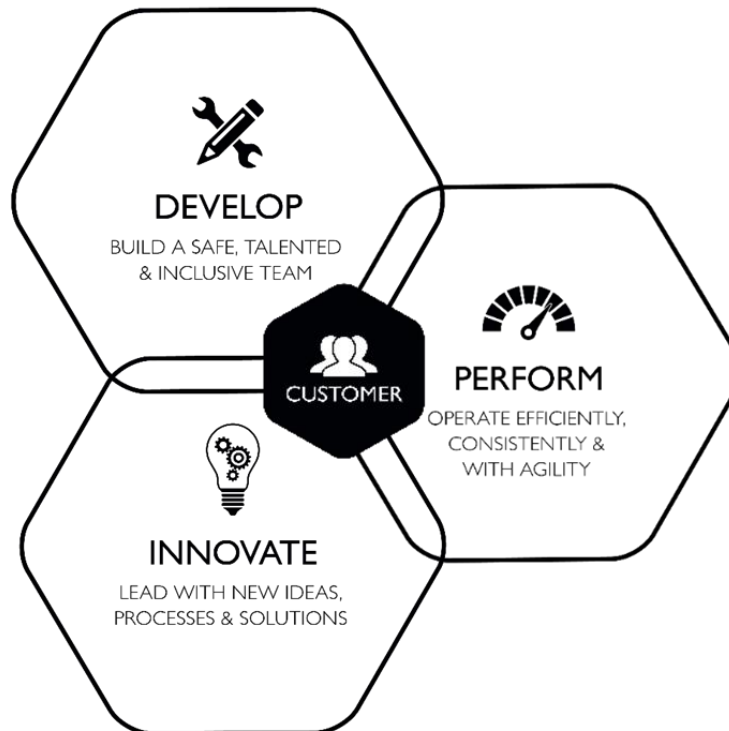
We believe in partnering and innovating to build and power a better world.

VISION

Leveraging our global expertise and insight, we are a trusted partner in transforming our customers' performance.

VALUES

We are trusted
We are collaborative
We are innovative
We are passionate



GLOBAL STRATEGIC PRIORITIES



Customer Centricity



Lean & Agile Global Finning



Global Supply Chain



Digital Enterprise



Growth and Diversification

Strategic Focus Areas

CAPTURE GROWTH

Lead Mining

- Ultra-class mining vehicles - autonomy, electric drive
- Integrated Knowledge Centres (IKCs)
- Mining fleet replacement

Grow Construction Product Support

- Strong alignment with Caterpillar growth plans
- Customer Value Agreements (CVAs)
- Asset connectivity / digital / e-commerce

Market Share
Customer Loyalty

IMPROVE PERFORMANCE

Transform Service

- Global service capabilities, governance, and processes
- Interdependent and leveraged service network in each region
- Improved customer outcomes and service profitability

Accelerate Supply Chain Capabilities

- Optimal omni-channel strategy to serve customer needs
- Enterprise-wide real-time inventory management
- Structural improvement in inventory turns in each regions

Lower Cost to Serve

- Standardized and optimized processes and functions
- Sustainable, lean, and agile cost structure
- Competitive and resilient mid-cycle business

ROIC
EPS
FCF⁽¹⁾

⁽¹⁾ This is a non-GAAP financial measure. See slide 2 for more information

Diversified and Resilient Business



Strong Business Model

- Resilient product support business (unprecedented slowdown in Q2 2020 is attributable to parked trucks and significant decline in machine utilization hours)
- Leaner cost structure vs prior downturns combined with expected productivity gains in Canada and South America
- Diversification by geography, industry, product - critical in a higher-risk environment



Controlling the Controllable

- Strong execution of cost and capital controls during challenging market conditions
- Acceleration of existing strategic plans to achieve improved productivity, profitability, and ROIC in the upcoming recovery phase
- Well positioned to capture large-scale opportunities, including HS2, data centres, pipelines, mining fleet replacement, and autonomy adoption



Technology

- Advanced digital and e-commerce capabilities
- Recent investment and strong offering facilitate accelerated technology adoption
- Extensive asset connectivity enables remote monitoring
- Technology - a great risk mitigator in a crisis



Healthy Balance Sheet

- \$1.8 billion total committed credit capacity⁽¹⁾
- Balanced debt maturity profile
- Significant headroom in net debt to total capital covenant
- Counter-cyclical free cash flow profile with material free cash flow in H1 2020

⁽¹⁾ As at June 30, 2020, the Company had less than \$160 million drawn on its \$1.8 billion global credit facility.

COVID-19 Lessons Provide Catalyst for Change



Employees

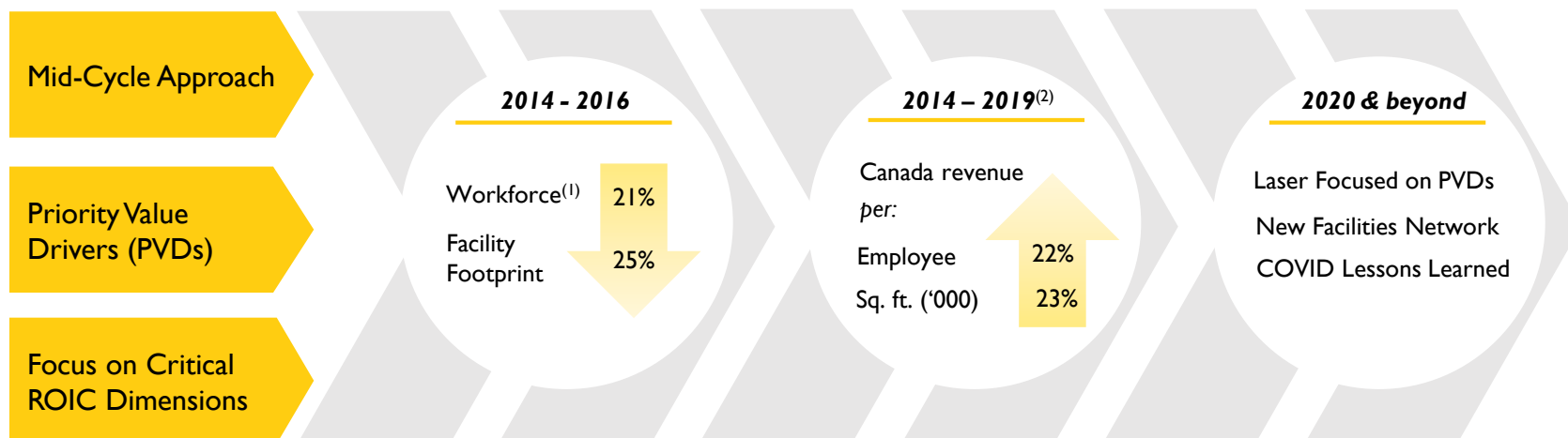
- Work from home works – 1/3rd of employees can efficiently work remotely
- Sustained reduction in travel and discretionary costs
- Improved employee productivity
- Potential to reduce the cost of regional administration and office footprint by leveraging shared services



Customers

- Accelerated customer adoption of alternative delivery (e.g. direct ship, online ordering, parts drop-boxes)
- Remote monitoring and diagnostics are effective and save labour costs and travel time
- Adoption of autonomy and preventative maintenance at mining sites, with fewer people on-site and safer operations

Accelerating Canada's Transformation Journey



H2 2020 Considerations

Accelerating existing strategic plans to drive improved productivity, profitability, and ROIC in a recovery



Market Recovery

- Expect rental activity, machine utilization hours, and product support revenue run rates to improve in H2 2020 from Q2 2020 levels
- Q3 2020 product support activity expected to remain below 2019 levels
- Expect improved order intake from Q2 2020 levels



Cost Savings to Drive Earnings

- Global restructuring expected to result in over \$100 million of annualized cost savings (about 1/3rd of these costs expected to return when market activity fully recovers)
- Benefitting from one common ERP system in South America, including lower cost to serve and productivity improvements
- Expect higher earnings on modestly lower revenue base in Q4 2020 compared to Q4 2019



Free Cash Flow

- 2020 net capital and rental fleet expenditures expected to be in \$90-\$140 million range
- Significant progress made monetizing surplus parts inventory in South America
- Expect strong free cash flow in 2020, on track to exceed 50% EBITDA to FCF conversion

Medium-Term Outlook

GROWTH DRIVERS		MEDIUM-TERM OUTLOOK
CANADA	Infrastructure investment (e.g. LNG, TMX, Keystone)	+
	Product support (e.g. IKC ¹ , rebuilds, CVAs ²)	+
	Mining equipment replacement	+
	Autonomy adoption	+
SOUTH AMERICA	Mining equipment replacement	+
	Autonomy adoption	+
	Construction product support growth	?
	Argentina oil & gas investment	-
UK & IRELAND	Infrastructure investment (e.g. HS2)	+
	Power systems projects (e.g. Data Centers, Power Capacity)	+

⁽¹⁾ Integrated Knowledge Centre

⁽²⁾ Customer Value Agreements

UK's HS2 – Largest Infrastructure Project in Europe

Combined Budget
Phases 1 and 2 **£100B**



High Speed Rail 2 (HS2) Construction Facts

Phase 1

- 230 km high speed rail line from London to Birmingham
- Earthwork to be completed by 2024
- Opening expected 2028 – 2031
- UK Government issued notice to proceed to contractors – April 15, 2020

200 construction sites

130 million tons of earth excavated

150 bridges

Phase 2

- High speed rail line to Manchester and Leeds
- Opening expected 2035 - 2040

110 embankments

50 viaducts

Phase 1

Total Industry Opportunity

£390M

- ~1,100 Machines
- Technology
- Repair & maintenance
- Professional services

2020

- April 15 notice to proceed
- Contractors signing deals with sub-contractors and suppliers
- Mobilization and delivery

Late 2020 - 2021

- Meaningful upside potential for our UK business
- Bulk of project deliveries expected to begin early 2021

Finning Digital Earthworks Performance Solutions

Enabling better knowledge and decision making based on real-time information linked to operational KPIs



Subscription based software model

Earthworks Service, Designed by Finning to Meet Customer Requirements

- ✓ Tracking of mass haul activity
- ✓ Efficient monitoring of load and haul fleet
- ✓ Progress of grading and compaction operations
- ✓ Resource management including asset monitoring, people development and fleet management
- ✓ Environmental management including fuel and carbon emissions
- ✓ Safety information on equipment usage
- ✓ All available through a single pane of glass

Earthmoving Principles



Move it once



Move it the shortest distance



Use the least amount of effort



Move it safely

PRODUCTIVITY



MASS HAUL TRACKING



PAYLOAD MONITORING



GRADING OPERATIONS



COMPACTION OPERATIONS

RESOURCE MANAGEMENT



INTEGRATED ASSET MONITORING



TRAINING AND DEVELOPMENT



FLEET MANAGEMENT

SAFETY, SUSTAINABILITY AND ENVIRONMENT



FUEL AND CARBON EMISSIONS



SAFETY

Advanced Digital and e-Commerce Capabilities

80% CAT Assets Connected
in Finning territories

Technology – a great risk mitigator in a crisis



- Machine Condition Monitoring
- Integrated Knowledge Centers (IKCs)
- Marketing Automation
- Digital Performance Solutions

Extensive asset connectivity enables remote monitoring by experts

- www.my.finning.com Customer Portal
- Branch Parts Interpretation Support
- Call Centre 24/7 Support
- Online Chat Support



- eCommerce on www.parts.cat.com
- Integrated Procurement
- 24/7 Call Centre Support
- Branches

Recent investments in strong omni channel offerings are paying off

- Digital Drop-Boxes for Parts
- Direct Shipping
- Branch Over the Counter
- Connected Field Service



Technology adoption by customers is accelerating



Sustainability Has Been a Long-Term Priority for Finning



E Reducing GHG emissions from facilities and fleets, enhancing waste management, and minimizing potential risks from spills

S Fostering a culture of safety and health, promoting meaningful inclusion of diverse talent and perspectives, and providing a living wage and opportunities for learning, growth, and engagement

G Strong ethics and good governance are essential to maintaining our reputation and being a trusted partner to our stakeholders

We have adopted a set of indigenous relations guiding principles for the business and also defined indigenous support in our community investment guidelines

Environment

- GHG emissions and energy use
- Waste management
- Environmental management (spills and wastewater)

People and Communities

- Safety and health
- Inclusion and diversity
- Employee & leadership development
- Labour relations
- Community investment

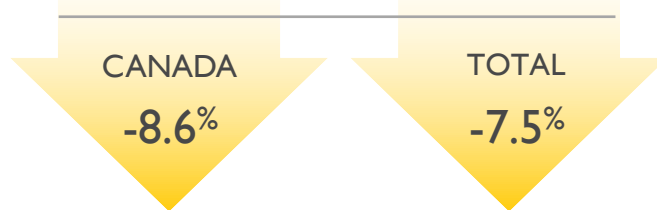
Products

- Customer safety
- Customer performance & loyalty
- Product stewardship
- Responsible supply chain

Sustainability – Performance Highlights

ENVIRONMENT

GHG Emissions 2019 vs 2017

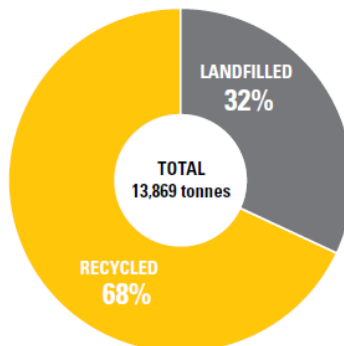


Began procuring 100% renewable electricity in the UK and Ireland



Retrofitted 15 facilities with LED lighting

Waste by Disposal Method



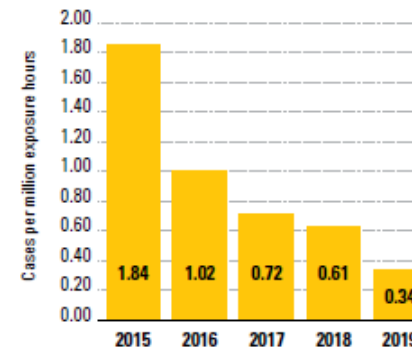
In 2019, we diverted 68% of our non-hazardous waste from landfills



In 2018 & 2019, OEM recycled ~ 7,300 tons of metal - enough to build another Eiffel Tower

PEOPLE & COMMUNITIES

SIGNIFICANT INCIDENT FREQUENCY (SIF)



Our SIF has decreased by 82% since 2015.

Leveraging Technology

New electronic job hazard assessment (eJHA) tool is supported by satellite-enabled communication devices so employees can use it in remote locations

We continue to invest in apprenticeship programs to ensure a healthy talent pool. We are adapting the programs in each region to meet the local requirements of our business.



Technical Training

~34 hours per employee in 2019



Over 200,000 youth engaged through STEM partnerships in 2019

Women on Board

33%

Women in senior leadership roles

24%

Target

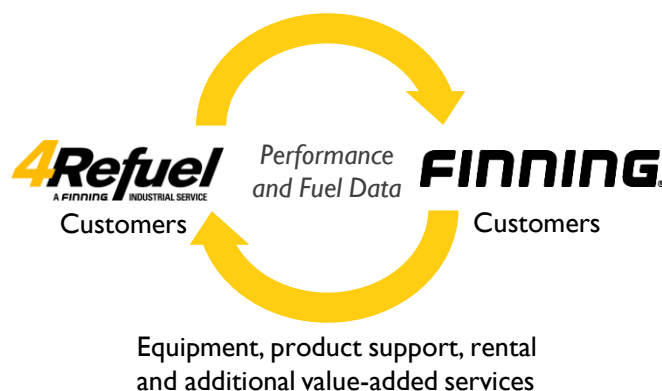
40%

4Refuel Provides Resiliency and Growth

Resilient Growth Platform

- Diversification across segments and regions
- Scalable and efficient cost structure to withstand lower business activity
- Use of data and analytics to expand offering and capture equipment, product support, and rental opportunities
- Alignment of sales and go-to-market channels between Finning and 4Refuel
- Improved operating efficiencies and cost synergies

On-site refueling services



⁽¹⁾ This is a non-GAAP financial measure, see slide 2 for more information

⁽²⁾ February 1, 2019 ⁽³⁾ Total recordable injury frequency

⁽⁴⁾ Purchase price of \$229 million, net of free cash flow since acquisition date, divided by Adjusted EBITDA for the last twelve months ended June 30, 2020

Strong Performance

- Expansion into new markets and customer wins
- Improved sales, cost, and capital management
- EBITDA growth in a challenging market environment
- Strong free cash flow conversion
- Significantly improved safety performance

Free Cash Flow⁽¹⁾
since acquisition date⁽²⁾

\$33M

Adjusted EBITDA⁽¹⁾
Q2/20 vs Q2/19

↑ 5%

TRIF⁽³⁾
Q2/20 vs Q2/19

↓ 19%

Return on Investment Focus

Effective Purchase
Multiple⁽⁴⁾

5.7x

EBITDA Synergies
current run rate

~\$3M

EBITDA to FCF
Conversion
over the cycle

50%

AECON

Fuelling agreement for AECON's portion of Coastal GasLink Project in Northern British Columbia

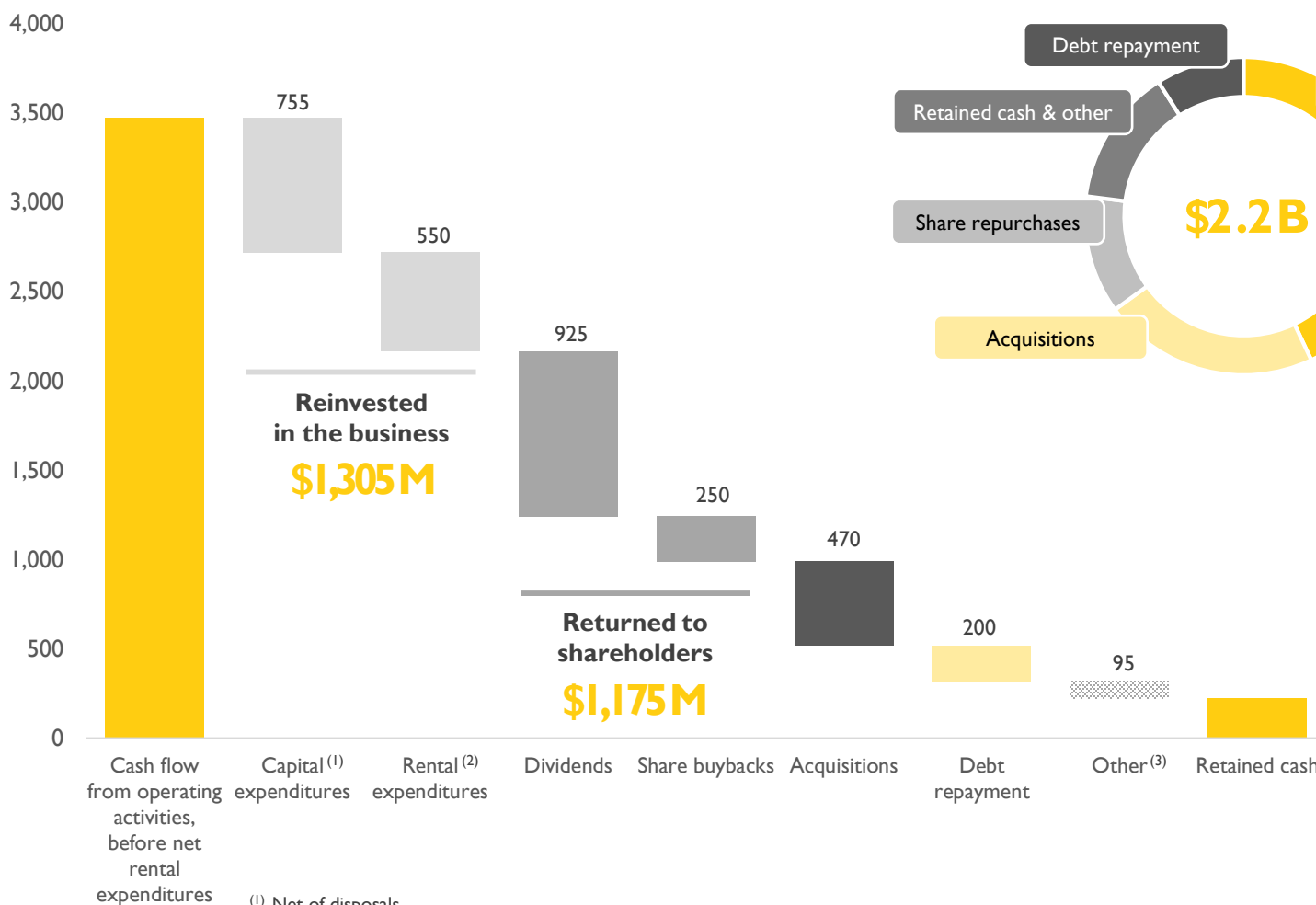


- Start date: July 2020
- Over 30 machines
- Continuous service, 5-8 hours of fuelling per day

Capital Allocation

Cumulative Capital Allocation – 2013 through H1 2020

(\$ millions)



⁽¹⁾ Net of disposals

⁽²⁾ Net of disposals, includes rental equipment with purchase options

⁽³⁾ Primarily capital lease payments

Cumulative Free Cash Flow – 2013 through H1 2020

