Second Quarter Fiscal 2019 Earnings Call

May 8, 2019

BrightView

Inspiring people.
Nurturing landscapes.

Introductory Information

This presentation contains forward looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, contained in this presentation, including statements regarding our financial outlook, industry, strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management, are forward-looking statements. The words “outlook,” “guidance,” “believes,” “expects,” “may,” “will,” “should,” “seeks,” “intends,” “plans,” “estimates,” or “anticipates,” or similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. By their nature, forward-looking statements: speak only as of the date they are made; are not statements of historical fact or guarantees of future performance; and are subject to risks, uncertainties, assumptions, or changes in circumstances that are difficult to predict or quantify. Our expectations, beliefs, and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs and projections will result or be achieved and actual results may vary materially from what is expressed in or indicated by the forward-looking statements. The forward-looking statements contained in this presentation reflect our current views with respect to future events, and we assume no obligation to update any forward-looking statements.

Factors that could cause actual results to differ materially from those projected include, but are not limited to the following: general economic and financial conditions; competitive industry pressures; the failure to retain certain current customers, renew existing customer contracts and obtain new customer contracts; a determination by customers to reduce their outsourcing or use of preferred vendors; the dispersed nature of our operating structure; our ability to implement our business strategies and achieve our growth objectives; acquisition and integration risks; the seasonal nature of our landscape maintenance services; our dependence on weather conditions; increases in prices for raw materials and fuel; product shortages and the loss of key suppliers; our ability to accurately estimate costs of a contract; the conditions and periodic fluctuations of real estate markets, including residential and commercial construction; our ability to retain our executive management and other key personnel; our ability to attract and retain trained workers and third-party contractors and re-employ seasonal workers; any failure to properly verify employment eligibility of our employees; subcontractors taking actions that harm our business; our recognition of future impairment charges; laws and governmental regulations, including those relating to employees, wage and hour, immigration, human health and safety and transportation; environmental, health and safety laws and regulations; the distraction and impact caused by litigation, of adverse litigation judgments or settlements resulting from legal proceedings; increase in on-job accidents involving employees; any failure, inadequacy, interruption, security failure or breach of our information technology systems; any failure to protect the security of personal information about our customers, employees and third parties; our ability to adequately protect our intellectual property; occurrence of natural disasters, terrorist attacks or other external events; our ability to generate sufficient cash flow to satisfy our significant debt service obligations; our ability to obtain additional financing to fund future working capital, capital expenditures, investments or acquisitions, or other general corporate requirements; restrictions imposed by our debt agreements that limit our flexibility in operating our business; increases in interest rates increasing the cost of servicing our substantial indebtedness; and counterparty creditworthiness risk or risk of non-performance with respect to derivative financial instruments.

Additional factors that could cause our results to differ materially from those described in the forward-looking statements can be found under “Item 1A. Risk Factors” in our Form 10-K for the fiscal year ended September 30, 2018 as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC’s website at www.sec.gov.

This presentation also contains non-GAAP financial measures, as defined in Regulation G, adopted by the SEC, including Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Free Cash Flow. We provide reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measure within this presentation and in our Form 8-K announcing our quarterly earnings, which can be found on the SEC’s website at www.sec.gov and our website at www.brightview.com. We are not providing a quantitative reconciliation of our Adjusted EBITDA outlook to the corresponding GAAP information because it is not possible to predict with a reasonable degree of certainty the actual impact of certain items that would be included in GAAP results.

Quarter Highlights and Business Update

Andrew Masterman | President and Chief Executive Officer

Cedars-Sinai Medical Center – Los Angeles, CA

Executive Summary

- Strong Second Quarter Fiscal 2019 Results
- National Scale Supports Long-Term Predictability of Results
- Positive Outlook for both Maintenance and Development
- Maintaining 2019 Full-Year Guidance
- Two New Independent Board Members to Help Guide Strategy

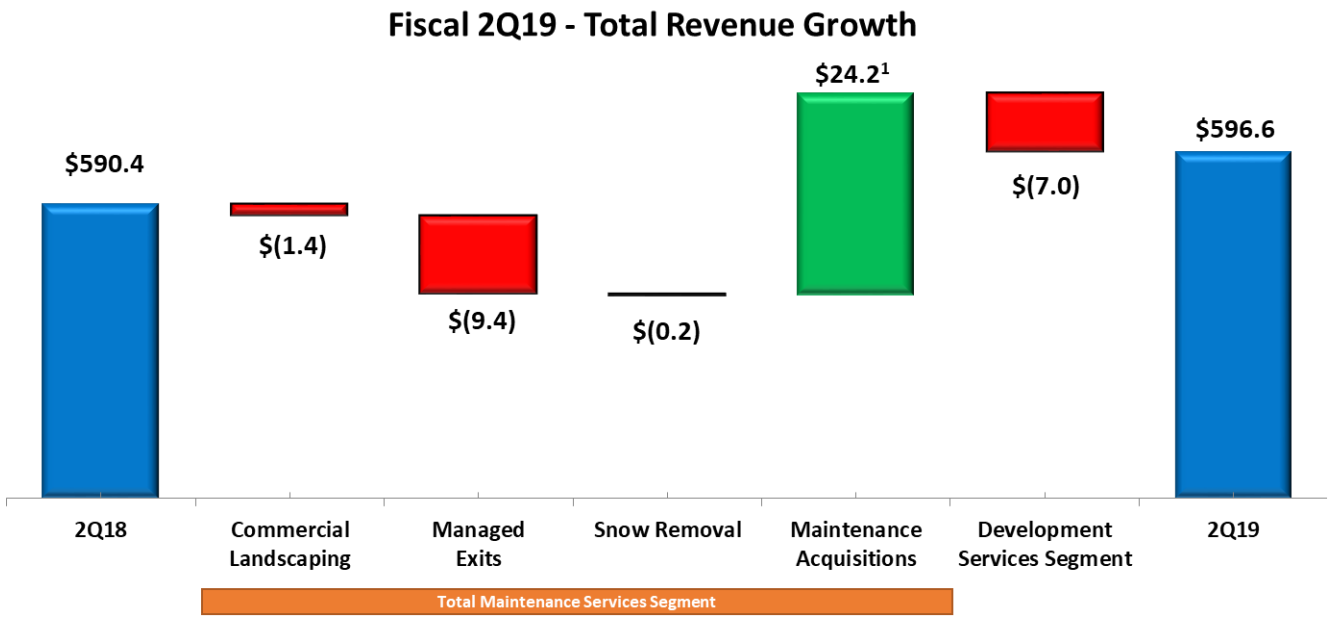
2Q FY2019 Revenue

(Numbers $M)	2Q19	2Q18	Commentary

Total Revenue	$596.6	$590.4	• **1.1% Increase**
			  • (+) Maintenance Revenue
			  • (-) Development Revenue

Maintenance Services	$473.3	$460.1	• **2.9% Increase**
			  • (+) Acquisitions
			  • (-) Managed Exits

Development Services	$124.0	$131.1	• **(5.4%) Decrease**
			  • (+) New projects and acquisitions
			  • (-) Large project comps and weather delays



Figures are in $ millions, totals may not sum due to inter-company eliminations
[1]Landscape Services ($22.6) and Snow Removal Services ($1.6)

2Q FY2019 Adjusted EBITDA

(Numbers $M)	2Q19	2Q18	Commentary

Total Adj. EBITDA	$61.1	$51.6	• **18.4% Increase**
			  • 10.2% Adjusted EBITDA margin
			  • 150 basis point expansion

Maintenance Services	$65.0	$58.3	• **11.5% Increase**
			  • 13.7% Adjusted EBITDA margin
			  • 100 basis point expansion

Development Services	$11.0	$12.9	• **(14.3%) Decrease**
			  • 8.9% Adjusted EBITDA margin
			  • 90 basis point contraction

Corporate Expenses	($14.9)	($19.5)	• **23.8% Decrease**
			  • Timing of expenses in the prior year quarter
			  • Continued focus on efficiency initiatives

- Maintenance Services Segment
  - Continued focus on efficiencies
  - Benefit of Managed Exits from small and/or low-profitability accounts
- Development Services Segment
  - Comparison with wind-down of large projects included in 2Q18 results

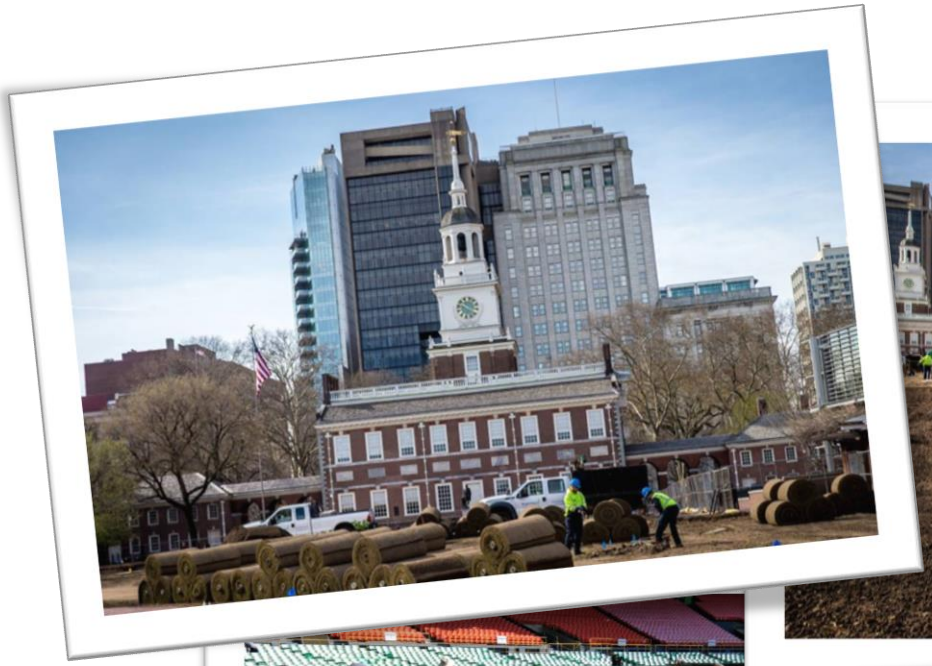
Investments for Future Growth and Profitability

- Electronic Time Capture roll-out to Development Segment

- Enhanced CRM capabilities

- New Corporate HQ and BrightView National Training Center

Important Partnerships



Financial Review and Outlook

John Feenan | Chief Financial Officer

Agnes Scott College – Atlanta, GA

FY2019 Financial Guidance[1]

Total Revenue	Adjusted EBITDA	Net Capital Expenditures
$2,400M - $2,470M Predictable Drivers	**$310M - $318M** Profitable Growth	**~2.5% of Revenue** Long-Term Average

Full Year 2019 Assumptions

- ***Acquisitions:*** expected to contribute at least $75 million to fiscal 2019 revenue
- ***EBITDA Margin:*** expected to be 10 to 30 basis points higher versus full year fiscal 2018
- ***Net Debt / Adjusted EBITDA ratio:*** expected to be around 3.5x by the end of fiscal 2019

[1]Our financial guidance contains forward-looking statements and is subject to risks and uncertainties. See "Introductory Information".

2Q FY2019 Results

Revenue Δ YoY	Adj. EBITDA Δ YoY	Adj. EBITDA Margin[1] Δ YoY (bps)
$596.6 M	**$61.1 M**	**10.2%**
Up 1.1%	Up 18.4%	Up 150 bps

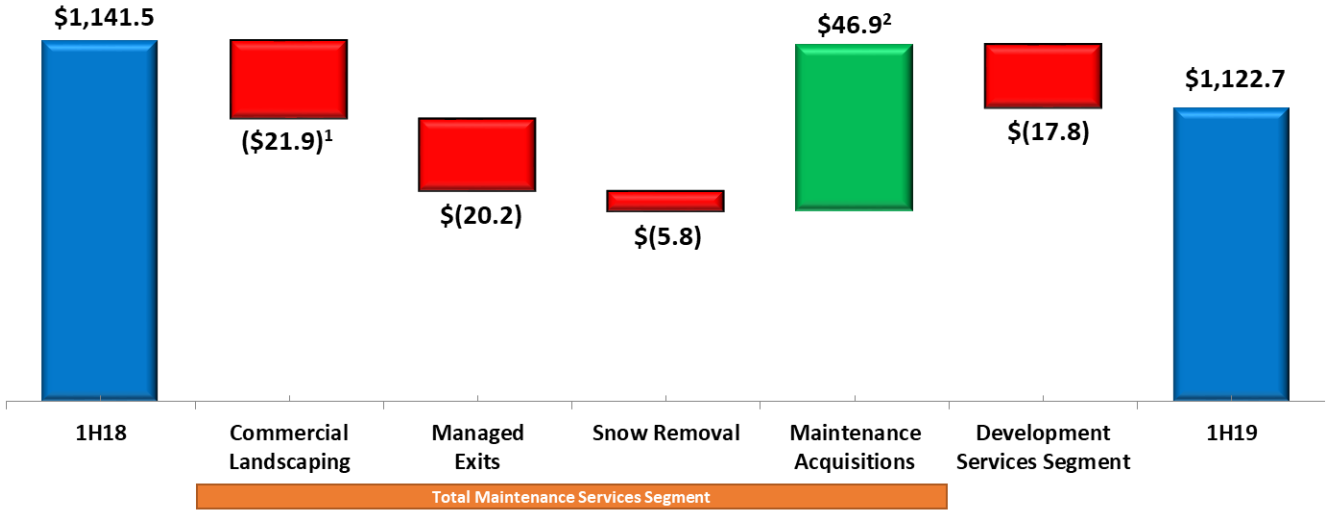
- Maintenance Services – Revenue up 2.9% / Adj. EBITDA up 11.5%
  - \+ Strong on Strong Acquisitions – revenue and profitability impacts
  - \+ Managed Exits – margin impact
  - \- Managed Exits – revenue impact
  - ➢ Underlying landscape maintenance revenue improved throughout the quarter
- Development Services – Revenue down 5.4% / Adj. EBITDA down 14.3%
  - \- Comparison with 2Q18 high-margin, large projects – revenue and profitability impacts
  - \- Weather delays continued impacting projects during the quarter
  - ➢ Bookings in place for 2nd half of 2019 to deliver positive revenue growth for the full year

[1]We define Adjusted EBITDA Margin as Adjusted EBITDA divided by Net Service Revenues.

1H FY2019 Results

(Numbers $M)	Revenue		Adjusted EBITDA	
	1H19	1H18	1H19	1H18
Total BrightView	$1,122.7	$1,141.5	$111.2	$118.0
Maintenance Services	$865.8	$866.8	$113.7	$118.9
Development Services	$258.4	$276.2	$28.1	$33.3
Corporate Expenses	-	-	($30.5)	($34.2)

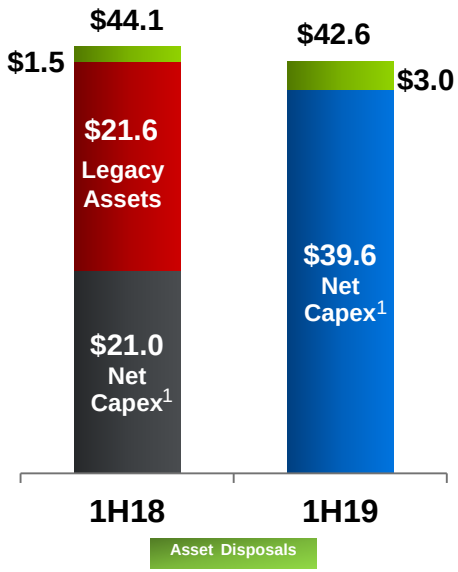
Fiscal 1H19- Total Revenue Growth



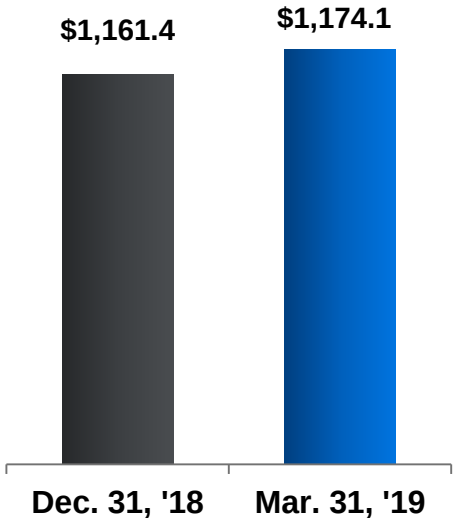
Figures are in $ millions, totals may not sum due to inter-company eliminations
[1]Underlying Commercial Landscaping ($4.4) and Hurricanes ($17.5)
[2]Landscape Services ($45.1) and Snow Removal Services ($1.8)

Capital Expenditures and Net Debt

Capital Expenditures



Net Debt[2]



Net CapEx / Total Revenue:

1.8% in 1H18 vs. 3.5% in 1H19

Expect Full-Year Fiscal 2019 around 2.5%

Net Debt / Adjusted EBITDA

4.1x at 1Q19 vs. 4.0x at 2Q19

Expect to be around 3.5x at FYE '19

Focusing on Debt Reduction and Cash Generation in 2nd Half 2019

[1] Net capital expenditures excludes the acquisition of legacy ValleyCrest land and buildings for $21.6mm in 1Q18 and is net of proceeds from sale of property & equipment.
[2] Net Debt includes total long-term debt, net of original issue discount, and capital lease obligations net of cash and equivalents

Supporting the Long-Term Strategy

- Stable and Predictable Business over Long-Term
- Positive Underlying Business Trends
- Favorable 2nd Half Outlook in Both Segments
- Committed to Generating Long-Term Stockholder Value

Closing Remarks

Andrew Masterman | President and Chief Executive Officer

National Mall | Washington D.C.

Closing Remarks

- 2Q19 Adjusted EBITDA Performance Among the Best Ever
- Positive Trends in Both Operating Segments
- Acquired Companies are Contributing to Positive Results
- Favorable Operating Environment Moving Forward
- Strengthening BrightView's Business to Generate Long-Term Value

Questions & Answers

Rose Fitzgerald Kennedy Greenway – Boston, MA

Appendix

Rose Fitzgerald Kennedy Greenway – Boston, MA

Non-GAAP to GAAP Reconciliation

(in millions)*	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018	Six Months Ended March 31, 2019	Six Months Ended March 31, 2018
Adjusted EBITDA				
Net loss	$ (3.6)	$ (22.1)	$ (12.4)	$ (2.7)
Plus:				
Interest expense, net	18.9	25.1	36.1	50.0
Income tax benefit	(1.3)	(7.9)	(4.5)	(59.4)
Depreciation expense	21.7	17.7	41.0	38.8
Amortization expense	13.8	29.3	28.9	60.4
Establish public company financial reporting compliance (a)	1.3	0.2	1.7	2.8
Business transformation and integration costs (b)	4.7	2.1	8.9	18.9
Expenses related to initial public offering (c)	—	2	—	2
Equity-based compensation (d)	5.6	4.3	11.5	5.8
Management fees (e)	—	0.7	—	1.3
Adjusted EBITDA	**$ 61.1**	**$ 51.6**	**$ 111.2**	**$ 118.0**

(*) Amounts may not total due to rounding.

Non-GAAP to GAAP Reconciliation (Con't)

BrightView

(in millions)*	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018	Six Months Ended March 31, 2019	Six Months Ended March 31, 2018
Adjusted Net Income				
Net loss	$ (3.6)	$ (22.1)	$ (12.4)	$ (2.7)
Plus:				
Amortization expense	13.8	29.3	28.9	60.4
Establish public company financial reporting compliance (a)	1.3	0.2	1.7	2.8
Business transformation and integration costs (b)	4.7	2.1	8.9	18.9
Expenses related to initial public offering (c)	—	2.1	—	2.1
Equity-based compensation (d)	5.6	4.3	11.5	5.8
Management fees (e)	—	0.7	—	1.3
Income tax adjustment (f)	(6.2)	(9.1)	(12.6)	(67.7)
Adjusted Net Income	**$ 15.6**	**$ 7.5**	**$ 26.0**	**$ 21.0**
Free Cash Flow and Adjusted Free Cash Flow				
Cash flows from operating activities	$ 58.3	$ (3.3)	$ 64.7	$ 79.2
Minus:				
Capital expenditures	25.3	14.3	42.6	44.1
Plus:				
Proceeds from sale of property and equipment	1.2	0.8	3.0	1.5
Free Cash Flow	**$ 34.2**	**$ (16.8)**	**$ 25.1**	**$ 36.6**
Plus:				
ValleyCrest land and building acquisition (g)	—	—	—	21.6
Adjusted Free Cash Flow	**$ 34.2**	**$ (16.8)**	**$ 25.1**	**$ 58.2**

(*) Amounts may not total due to rounding.

Non-GAAP to GAAP Reconciliation (Con't)

BrightView

(a) Represents costs incurred to establish public company financial reporting compliance, including costs to comply with the requirements of Sarbanes-Oxley and the accelerated adoption of the new revenue recognition standard (ASU 2014-09 – Revenue from Contracts with Customers), and other miscellaneous costs.

(b) Business transformation and integration costs consist of (i) severance and related costs; (ii) vehicle fleet rebranding costs; (iii) business integration costs and (iv) information technology infrastructure transformation costs and other.

(c) Represents expenses incurred for the IPO.

	Three Months Ended March 31,		Six Months Ended March 31,	
(in millions)*	2019	2018	2019	2018
Severance and related costs	$ 1.0	$ (0.4)	$ 1.5	$ 2.2
Rebranding of vehicle fleet	0.1	1.9	0.4	12.1
Business integration	2.7	0.2	3.7	0.2
IT Infrastructure transformation and other	0.9	0.4	3.3	4.4
Business transformation and integration costs	**$ 4.7**	**$ 2.1**	**$ 8.9**	**$ 18.9**

(d) Represents equity-based compensation expense recognized for equity incentive plans outstanding, including $3.1 and $7.0 million related to the IPO in the three and six months ended March 31, 2019, respectively.

(e) Represents fees paid pursuant to a monitoring agreement terminated on July 2, 2018 in connection with the completion of our IPO.

(f) Represents the tax effect of pre-tax items excluded from Adjusted Net Income and the removal of the applicable discrete tax items, which collectively result in a reduction of income tax. The tax effect of pre-tax items excluded from Adjusted Net Income is computed using the statutory rate related to the jurisdiction that was impacted by the adjustment after taking into account the impact of permanent differences and valuation allowances. Discrete tax items include changes in laws or rates, changes in uncertain tax positions relating to prior years and changes in valuation allowances. The six months ended March 31, 2018 amount includes a $41.4 million benefit recognized as a result of the reduction in the U.S. corporate income tax rate from 35% to 21% under the Tax Act.

	Three Months Ended March 31,		Six Months Ended March 31,	
(in millions)*	2019	2018	2019	2018
Tax impact of pre-tax income adjustments	$ 6.1	$ 7.9	$ 11.9	$ 25.9
Discrete tax items	0.1	1.2	0.7	41.8
Income tax adjustment	**$ 6.2**	**$ 9.1**	**$ 12.6**	**$ 67.7**

(g) Represents the acquisition of legacy ValleyCrest land and buildings in October 2017.

(*) Amounts may not total due to rounding.

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