

nVent First Quarter 2020

Earnings Presentation

April 29, 2020



Forward-Looking Statement and Key Definitions

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

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KEY DEFINITIONS AND NOTES

Except as otherwise noted all references to 2020 and 2019 represent our results for the period indicated, presented on an adjusted basis. "Organic Sales" refers to GAAP revenue excluding (1) the impact of currency translation and (2) the impact of revenue from acquired businesses recorded prior to the first anniversary of the acquisition less the amount of sales attributable to divested product lines not considered discontinued operations. "Segment Income" represents Operating Income exclusive of non-cash intangible amortization, separation costs, certain acquisition related costs, costs of restructuring activities, impairments and other unusual non-operating items. Return on Sales ("ROS") equals Segment Income divided by Sales. See appendix for GAAP to non-GAAP reconciliations.

Our Near-Term Goals During COVID-19

1. We will focus first on the safety and well-being of our employees

2. We will continue business operations to serve our customers and support critical infrastructure

3. We will make nVent a stronger company, well-positioned to exit this crisis

Working together as One nVent

Executive Summary

COVID-19

- Deterioration of demand
- Well-positioned with a healthy capital structure
- Confident in the steps we are taking and expect to emerge stronger

Q1 '20

- Sales of \$521 million, down 3% and 8% organically
- ROS was 15.6%, contracting 230 bps
- Adjusted EPS of \$0.34, down 13%
- Improved Free Cash Flow performance

Q1 Segment Call-outs

- EFS grew sales 3% organically and expanded ROS by 90 bps
- Working capital improvements
- Thermal challenged with Oil & Gas declines and warmer than expected winter

2020 Outlook

- Withdrawing previously stated 2020 guidance
- Uncertain economic environment
- Global implications of “stay at home” are constantly evolving by geography

Taking actions to emerge stronger

nVent April Daily Organic Sales Rates Down ~20% YoY

Enclosures

- Sales down ~20% YoY

Thermal Management

- Sales down ~15% YoY

EFS

- Sales down ~25% YoY

North America

- Sales down ~25% YoY

Europe

- Sales down ~15% YoY

Asia

- Sales up ~15% YoY

Vertical Trends

- | | |
|---------------------------------------|---------------------------|
| + General Infrastructure | - Oil & Gas |
| + Utilities | - Commercial Construction |
| + Data Centers & Networking Solutions | - General Industrial |
| + Security & Defense | - Automotive |

Integrated Supply Chain

- As of today all plants and distribution centers are operational
- No major supply chain disruptions
- Implemented pandemic management checklist
- Initiating temperature testing and face mask programs
- Worked closely with authorities and followed local guidelines

Managing through the impact of COVID-19

Actions in Response to COVID-19

Targeting
~\$50M of cost
savings in
2020

- Temporarily reduced second quarter executive officer salaries (CEO 25%, other executive officers 20%) along with Board of Director fees
- Implemented two week furloughs and other actions globally, temporarily reduced salaries for other senior leaders by 10% in the second quarter
- Implemented a temporary hiring freeze
- Limiting discretionary spend across the organization
- Aligning cost structure to meet demand
- Includes carryover cost savings of \$15M

Near term
strategy to
preserve
cash

- Continue to focus on working capital initiatives
- Reduce and prioritize capital expenditures; preserve strategic investments
- Temporarily suspend share buybacks
- Maintain dividend
- Continue to assess bolt-on acquisitions

Taking actions to manage decrementals, preserve cash and be ready for recovery

Emerging Stronger

Customers

- Responding to new demand dynamics and customer needs
- Well-positioned with regional supply chains
- Partnering with distributors to extend reach with digital, vertical and marketing focus

New Products

- Continue to prioritize R&D investment
- 11 products launched in Q1 and over 10 planned for Q2
- Digitally enabled global training sessions including engineers, contractors and sales

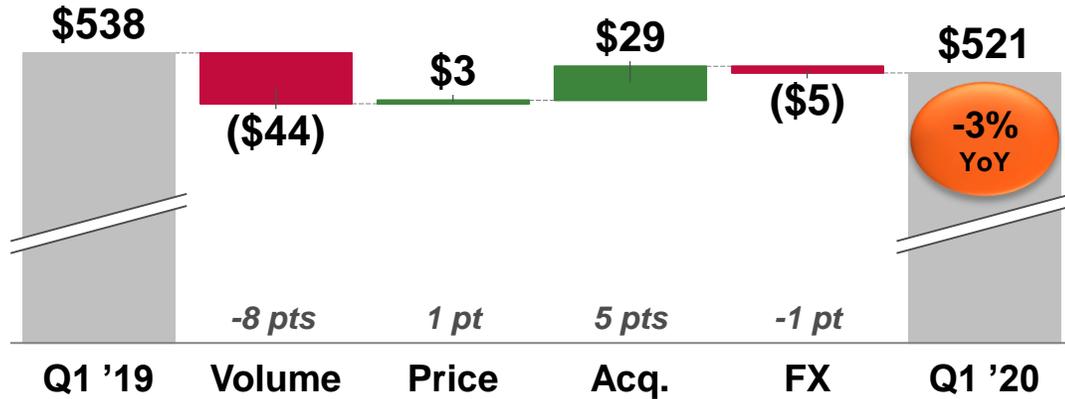
Digital Transformation

- Launching new Go-To-Market programs
 - Improved websites
 - Expanded sales and marketing tools
 - Enriched product data
- Established an Agile Project Delivery Practice to enable velocity and quality
- Driving back office process improvements and automation

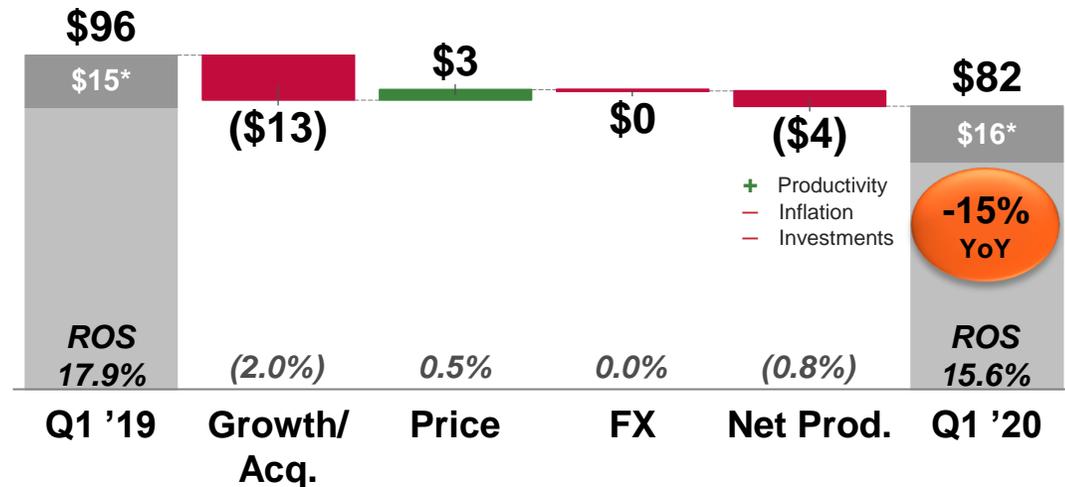
Accelerate performance and emerge stronger

Q1 '20 nVent Performance

Sales (\$ in millions)



Segment Income (\$ in millions)



Financial Highlights (YoY)

- **Sales down 3%, Organic down 8%**
 - Acquisitions added 5 points of growth
- **Price + productivity largely offset inflation**
- **Segment Income down 15%**
 - Return on sales down 230 bps
- **Adjusted EPS of \$0.34**
 - Down 13%
- **Free Cash Flow usage of \$2M**
 - Better than prior year
 - Targeting 100% conversion of FY adjusted net income
- **Other Items**
 - Adjusted tax rate of ~18%
 - Net interest expense of ~\$10M
 - Shares of ~171M

Q1 '20 Segment Performance

(\$M)	Sales	Segment Income	Commentary
Enclosures	<p>\$259 Up 1% Down 8% organic</p>	<p>\$41 Down 10% ROS 15.8% (-200bps)</p>	<ul style="list-style-type: none"> - Slowdown in the Industrial vertical - COVID-19 related volume declines impacted margin + Eldon contributed ~\$26M in Sales
Thermal Mgmt	<p>\$121 Down 17% Down 16% organic</p>	<p>\$20 Down 41% ROS 16.8% (-680bps)</p>	<ul style="list-style-type: none"> - Headwinds from oil price decline and COVID-19 - Commercial sales down low-double digits - Business mix and negative volume impacted margin + Backlog up strong double digits
EFS	<p>\$142 Up 3% Up 3% organic</p>	<p>\$34 Up 7% ROS 23.6% (+90bps)</p>	<ul style="list-style-type: none"> + Expanded ROS by 90 bps + Positive contributions from Price and Volume + Strong operational performance + Closed acquisition of WBT business

Strong EFS and Acquisition performance | Thermal challenged with O&G declines | COVID-19 impacted demand and operations

Healthy Liquidity Position

Credit Rating

- **BBB- (Stable) / BBB (Negative) from S&P and Fitch, respectively**

Debt Structure*

- **Total debt of \$1.2B**

Key Financial Covenant*

- **\$600M revolving credit facility with \$200M term loan**
 - Maximum net leverage ratio not to exceed 3.75x
 - Net leverage ratio at 2.3x as of 3/31/2020

Liquidity*

- **Balance sheet cash of \$188M**
- **\$285M currently drawn from revolving credit facility, \$315M undrawn capacity**
 - Includes \$150M proactive liquidity draw in March
- **Limited maturities until 2023**

Levers to Unlock Cash

- **Inventory:** Driving reduction initiatives across the segments
- **AP and AR:** Focused actions to optimize payment/customer terms
- **Tax:** Taking advantage of payment deferral opportunities and refunds in jurisdictions where we operate

Strong liquidity and multiple levers to preserve cash

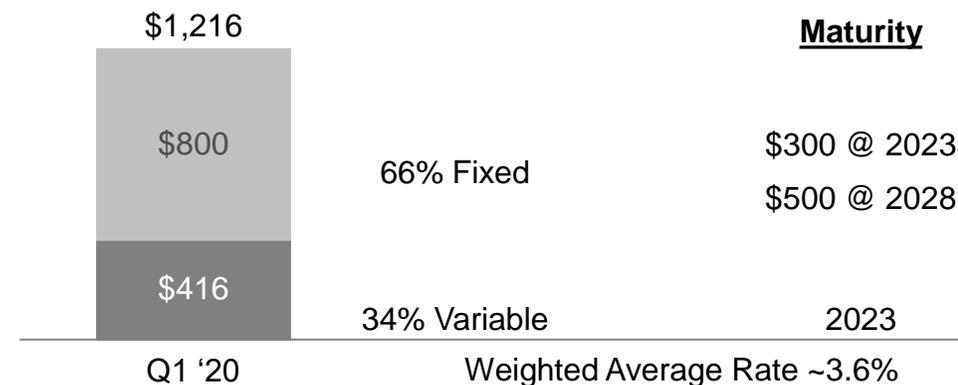
Balance Sheet and Cash Flow

CASH FLOW (\$M)

	Q1 2020	Q1 2019
Net Income	\$ 19	\$ 56
Amortization	16	15
Subtotal	\$ 35	\$ 71
Depreciation	10	8
Capital Expenditures	(10)	(9)
Working Capital	(66)	(82)
Other	30	(4)
Free Cash Flow - Total	\$ (2)	\$ (16)

- Reduced Capital Expenditures to ~\$40M
- D&A of ~\$110M + ~\$15M of Non-Cash Stock Compensation
- Net debt to EBITDA ratio of 2.3X
- \$315M revolver available

DEBT SUMMARY (\$M)



Note: Does not include \$185 of cash on hand at quarter-end and \$5 of unamortized debt issuance costs

DEBT ROLL-FORWARD (\$M)

Use of Cash:	Q1 2020	Q1 2019
Beginning Debt	\$ 1,065	\$ 942
Used (Generated) Cash	2	16
Share Repurchases	3	76
Dividends	30	31
Debt Repayments	(4)	(3)
Revolver Borrowings, net	150	-
Other	(35)	(123)
Ending Debt	\$ 1,211	\$ 939

Strong balance sheet

Withdrawing 2020 Guidance; Scenario Planning

- The Company is withdrawing its previous 2020 financial guidance due to the rapidly changing environment as the COVID-19 pandemic evolves
 - Will evaluate providing guidance later in the year
- Seeing current demand environment pointing to Mild to Moderate downturn in 2020
 - Expect Q2 2020 to be the weakest given current economic forecasts and negative absorption

Downturn Scenario*	Mild	Moderate	Severe
FY Sales Decline:	~10%	~20%	>30%
Margin Decrementals:	~30%	~35%	>40%
FCF Down:	~10-15%	~25-30%	>40%

Scenarios are presented for illustrative purposes; we cannot predict the ultimate impacts of COVID-19

Planning for uncertain times

Summary

Near-term goals focused on employees, customers and emerging stronger

Executing on downturn plan focused on ~\$50 million in expected cost reductions

Well-positioned with a healthy capital structure

Remain focused on long-term strategy

Confident in the actions we are taking to emerge stronger



**Appendix and
GAAP to Non-GAAP Measurements & Reconciliations**



Reported to Adjusted 2020 Reconciliation

nVent Electric plc
 Reconciliation of GAAP to non-GAAP financial measures for the quarter ended March 31, 2020
 excluding the effect of adjustments (Unaudited)

<i>In millions, except per-share data</i>	First Quarter	
Net sales	\$	520.9
Net income		18.6
Provision for income taxes		31.0
Income before income taxes		49.6
Other expense		0.8
Net interest expense		9.9
Operating income		60.3
<i>% of net sales</i>		11.6%
Adjustments:		
Restructuring and other		4.3
Acquisition transaction and integration costs		0.9
Intangible amortization		16.0
Segment income	\$	81.5
<i>Return on sales</i>		15.6%
Segment income	\$	81.5
Depreciation		9.6
EBITDA - as adjusted	\$	91.1
Net income - as reported	\$	18.6
Adjustments to operating income		21.2
Income tax adjustments		18.3
Net income - as adjusted	\$	58.1
Diluted earnings per ordinary share		
Diluted earnings per ordinary share - as reported	\$	0.11
Adjustments		0.23
Diluted earnings per ordinary share - as adjusted	\$	0.34

Reported to Adjusted 2019 Reconciliation

nVent Electric plc
Reconciliation of GAAP to non-GAAP financial measures for the year ended December 31, 2019
excluding the effect of 2019 adjustments (Unaudited)

<i>In millions, except per-share data</i>	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net sales	\$ 538.0	\$ 539.5	\$ 559.8	\$ 566.7	\$ 2,204.0
Net income	56.4	60.9	59.9	45.5	222.7
Provision for income taxes	9.7	13.2	13.7	(1.9)	34.7
Income before income taxes	66.1	74.1	73.6	43.6	257.4
Other expense	0.9	1.0	0.9	28.2	31.0
Net interest expense	10.5	11.9	11.6	10.7	44.7
Operating income	77.5	87.0	86.1	82.5	333.1
% of net sales	14.4%	16.1%	15.4%	14.6%	15.1%
Adjustments:					
Restructuring and other	3.6	2.7	11.2	6.7	24.2
Acquisition transaction and integration costs	-	-	1.9	0.5	2.4
Intangible amortization	15.1	15.1	15.4	15.8	61.4
Inventory step-up amortization	-	-	-	3.2	3.2
Segment income	\$ 96.2	\$ 104.8	\$ 114.6	\$ 108.7	\$ 424.3
Return on sales	17.9%	19.4%	20.5%	19.2%	19.3%
Segment income	\$ 96.2	\$ 104.8	\$ 114.6	\$ 108.7	\$ 424.3
Depreciation	8.4	8.8	8.9	9.3	35.4
EBITDA - as adjusted	\$ 104.6	\$ 113.6	\$ 123.5	\$ 118.0	\$ 459.7
Net income - as reported	\$ 56.4	\$ 60.9	\$ 59.9	\$ 45.5	\$ 222.7
Adjustments to operating income	18.7	17.8	28.5	26.2	91.2
Pension and other post-retirement mark-to-market loss	-	-	-	27.3	27.3
Income tax adjustments	(5.6)	(3.3)	(4.6)	(19.3)	(32.8)
Net income - as adjusted	\$ 69.5	\$ 75.4	\$ 83.8	\$ 79.7	\$ 308.4
Diluted earnings per ordinary share					
Diluted earnings per ordinary share - as reported	\$ 0.32	\$ 0.35	\$ 0.35	\$ 0.27	\$ 1.29
Adjustments	0.07	0.09	0.14	0.20	0.49
Diluted earnings per ordinary share - as adjusted	\$ 0.39	\$ 0.44	\$ 0.49	\$ 0.47	\$ 1.78

Organic Sales Growth & Free Cash Flow Reconciliation

nVent Electric plc
 Reconciliation of Net Sales Growth to Organic Net Sales Growth by Segment
 for the quarter ended March 31, 2020 (Unaudited)

	Q1 Net Sales Growth			
	Organic	Currency	Acq./Div.	Total
nVent	(7.5%)	(1.1%)	5.4%	(3.2%)
Enclosures	(8.3%)	(1.0%)	10.5%	1.2%
Thermal Management	(15.8%)	(1.2%)	—%	(17.0%)
Electrical & Fastening Solutions	2.5%	(0.8%)	1.6%	3.3%

Reconciliation of cash from operating activities to free cash flow (Unaudited)

<i>In millions</i>	Three months ended	
	March 31, 2020	March 31, 2019
Net cash provided by (used for) operating activities	\$ 6.7	\$ (13.1)
Capital expenditures	(10.2)	(9.2)
Proceeds from sale of property and equipment	1.1	6.0
Free cash flow	\$ (2.4)	\$ (16.3)