

GENERAC®

POWERING AHEAD

Investor Presentation

June 2013



Investor Relations Contacts

Aaron Jagdfeld

President & Chief Executive Officer

York Ragen

Chief Financial Officer

(262) 506-6064 InvestorRelations@generac.com

Michael Harris

Director – Finance and Investor Relations

(262) 544-4811 x2675 Michael.Harris@generac.com

GENERAC[®]

Forward Looking Statements

Certain statements contained in this presentation, as well as other information provided from time to time by Generac Holdings Inc. or its employees, may contain forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements.

Forward-looking statements give Generac's current expectations and projections relating to the Company's financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "forecast," "project," "plan," "intend," "believe," "confident," "may," "should," "can have," "likely," "future" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

Any such forward-looking statements are not guarantees of performance or results, and involve risks, uncertainties (some of which are beyond the Company's control) and assumptions. Although Generac believes any forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect Generac's actual financial results and cause them to differ materially from those anticipated in any forward-looking statements, including: demand for Generac products; frequency and duration of major power outages; availability, cost and quality of raw materials and key components used in producing Generac products; the impact on our results of the substantial increases in our outstanding indebtedness and related interest expense due to the dividend recapitalization completed in May 2012 and the proposed dividend recapitalization transaction being contemplated as announced in the Company's first quarter 2013 earnings release dated May 2, 2013; the possibility that the expected synergies, efficiencies and cost savings of the acquisition of the Ottomotores businesses or other acquisitions will not be realized, or will not be realized within the expected time period; the risk that the Ottomotores businesses or other acquisitions that we make will not be integrated successfully; competitive factors in the industry in which Generac operates; Generac's dependence on its distribution network; Generac's ability to invest in, develop or adapt to changing technologies and manufacturing techniques; loss of key management and employees; increase in product and other liability claims; and changes in environmental, health and safety laws and regulations.

Should one or more of these risks or uncertainties materialize, Generac's actual results may vary in material respects from those projected in any forward-looking statements. A detailed discussion of these and other factors that may affect future results is contained in Generac's filings with the Securities and Exchange Commission. Any forward-looking statement made by Generac in this presentation speaks only as of the date on which it is made. Generac undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

- **Best in class organic revenue growth**
- **Market leader with significant barriers to entry**
- **Superior financial profile**
- **Strong product, market and geographic expansion opportunities**

A large, solid green arrow pointing to the right, spanning most of the width of the slide. The text "Leading 'Industrial Technology' Company" is centered within the arrow in white font.

Leading “Industrial Technology” Company

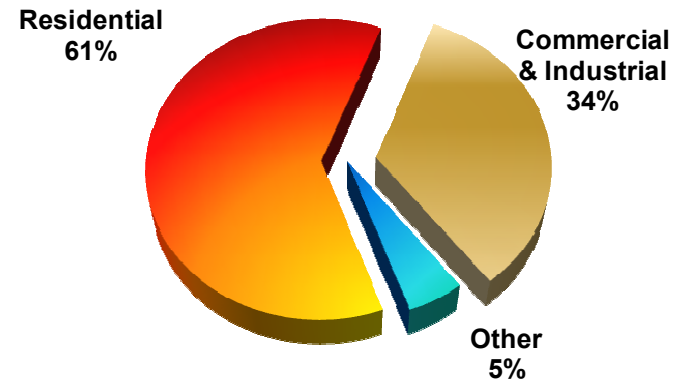
Generac Business Overview

GENERAC

About Generac –

- Founded in **1959**.
- A leading designer and manufacturer of a wide range of **generators** and **other engine powered products** serving residential, light commercial, industrial and construction markets.
- Products are **available internationally through a broad network** of independent dealers, retailers, wholesalers and equipment rental companies.
- Products marketed and distributed primarily under the **Generac, Magnum and Ottomotores** brand names.
- Approx **3,000 employees** at 12/31/2012, including Ottomotores.
- Over **1.6 million ft²** of manufacturing and distribution capacity located in **Wisconsin, Mexico and Brazil**.

**3/31/13 LTM Sales:
\$1.281 billion**



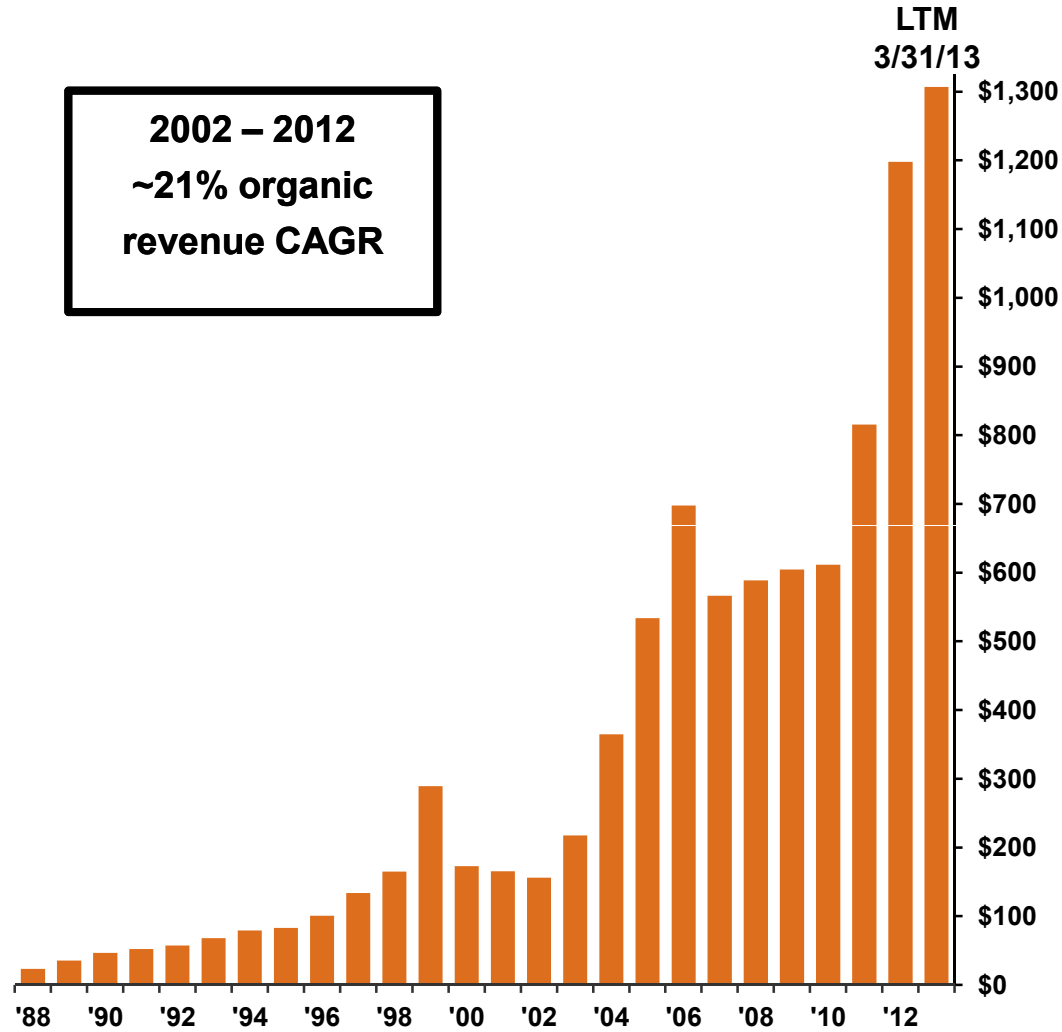
GENERAC[®]

MAGNUM[™]
A Generac Company

ottomotores
A Generac Company

Track Record of Innovation and Growth

2002 – 2012
~21% organic
revenue CAGR



History of Innovation Driving Organic Growth

- Commercialized affordable home standby generators and light-commercial generators
- Differentiated distribution model
- Over 200 engineers on staff as of 12/31/12, ~ 90 U.S. and international patents and patent applications
- Natural gas and Bi-Fuel™ expertise
- Modular Power System (MPS) approach for industrial applications
- Continued focus on new product introductions
- Largest new product roll-out in company history planned during 2013

Note: \$ amounts in millions. Represents gross sales excluding freight revenue. Excludes "Portable Product" sales prior to the division's divestiture in 1998. Figures include results from the Magnum Products acquisition completed on October 3, 2011 and the Ottomotores acquisition completed December 8, 2012.

Broad Product Offering

Residential Products



Product	End Markets Served
Power Washers	Light to medium duty use - mainly by consumers
Inverter Generators	Recreation and other light duty power uses
Portable Generators & Manual Transfer Switches	Emergency home backup, construction uses
Air-cooled Home Standby Generator	Emergency backup – small to medium homes
Liquid-cooled Home Standby Generator	Emergency backup – larger homes & small businesses

Industrial Products

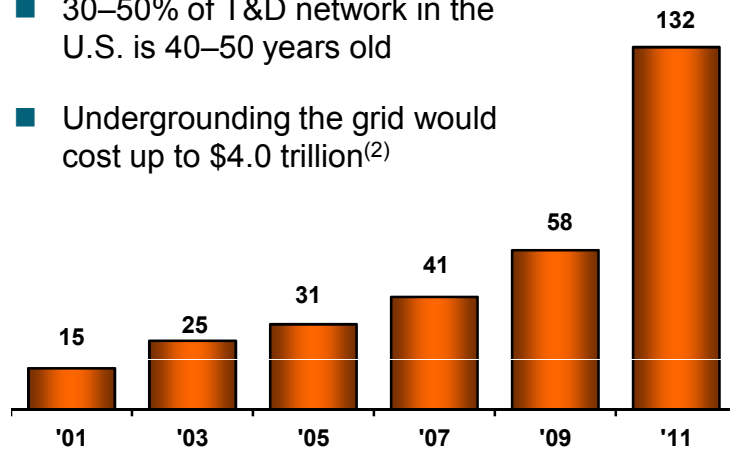


Product	End Markets Served
Light Towers	Temporary lighting for construction
Mobile Generators	Temporary power for construction, special events
Larger kW & Container Gensets	Emergency backup – international markets
Commercial Stationary Generators	Emergency backup – small to mid-sized retail, telecom, municipal
Industrial Stationary Generators	Emergency backup – large healthcare, telecom, municipal, manufacturing

Powerful Macro Trends Drive Home Standby Penetration Opportunity

Aging Grid driving Power Interruptions⁽¹⁾

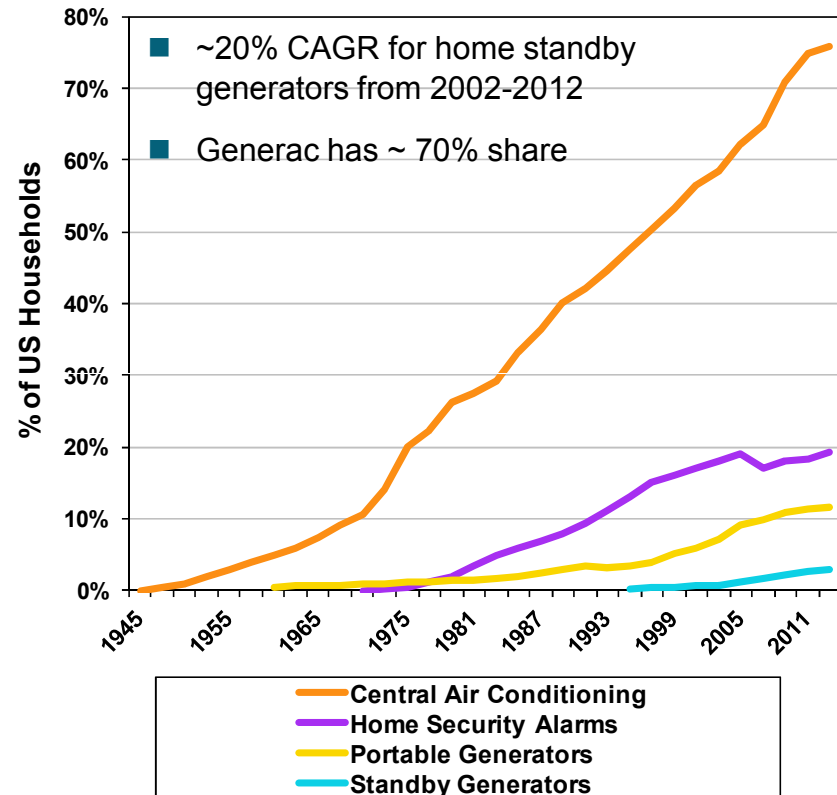
- 30–50% of T&D network in the U.S. is 40–50 years old
- Undergrounding the grid would cost up to \$4.0 trillion⁽²⁾



Aging Population fits Demographic⁽³⁾

- 75-80% of buyers age 50 and older
- 45-50% of homes valued under \$300k
- 85-90% retro-fit application

North American Penetration Opportunity⁽⁴⁾



Every 1% of increased penetration equals ~ \$2 billion of market opportunity

(1) Source: North American Electrical Reliability Council, U.S. Energy Information Administration. Affecting more than 50,000 customers.

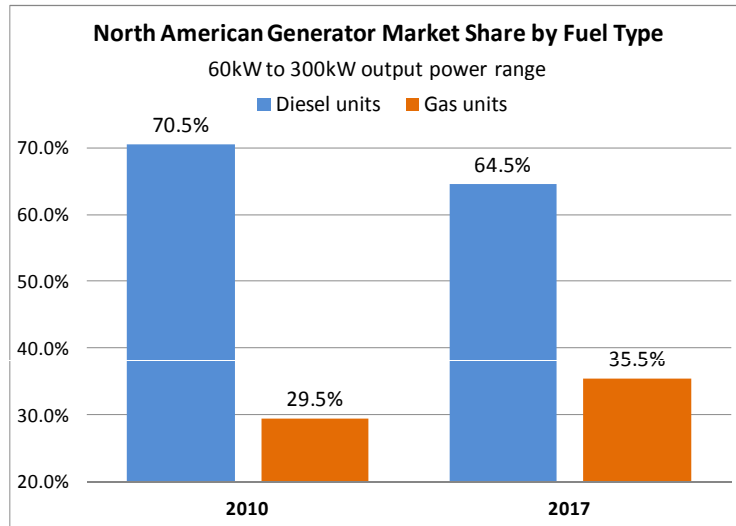
(2) At \$1mm/mile.

(3) Source: Company warranty registration data

(4) Source: Management estimates

Commercial Penetration and Industrial Market Share Opportunities

Secular Shift – Natural Gas vs. Diesel Market Growth

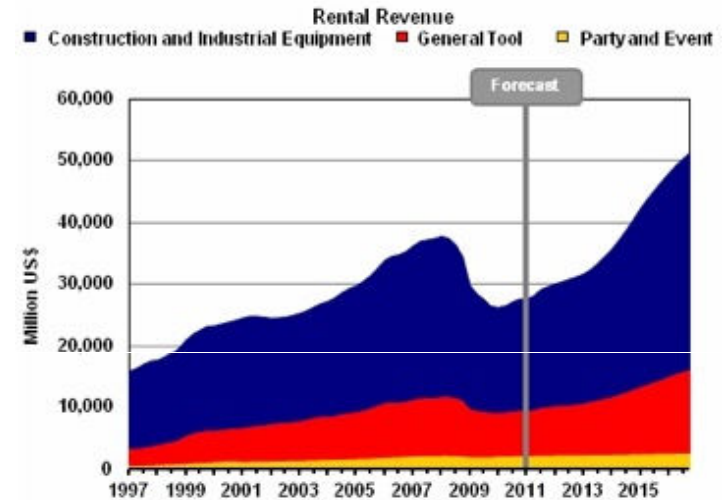


Source: Frost & Sullivan, Generac estimates

Key Advantages of Nat Gas gensets:

- Up to 35% less expensive - leading to improved ROI
- Eliminates diesel fuel storage, spillage, and spoilage issues
- Lower operating costs than diesel
- “Greener” solution
- GNRC is the largest natural gas genset OEM in North America

Secular Shift – Rental vs. Buy



Source: IHS Global Insight - January 2012 forecast



Ongoing secular shift toward equipment rentals:

- U.S. equipment rental industry projected to grow at over 10% CAGR from 2010-2016
- Construction and industrial equipment rental revenue projected to be fastest-growing category

Differentiated Distribution Model

Residential & Light Commercial Distribution:

Commercial & Industrial Distribution:

● = Over 5,000 Res/Comm Dealers

● = ~90 Industrial Dealer Locations

Res/Comm Dealers

National Retailers

Catalog and E-Commerce

Wholesalers

Private Label Partners



Industrial Dealers

National Accounts

Equipment Rental Yards

Gov't and Military

Established and diverse distribution model = growth driver & competitive advantage



Grow Residential Standby Generator Market

- *Awareness*
- *Availability*
- *Affordability*



Gain Industrial Market Share

- *Upgrade distribution*
- *Build relations with specifying engineers*
- *Expand product offering*
- *Increase awareness in “optional” standby power market*



Diversify End Markets with new products and services

- *Leverage brand*
- *Leverage distribution*
- *Leverage supply chain*



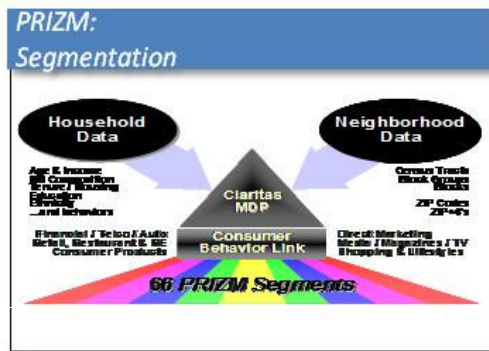
Enter New Geographies

- *Ottomotores local manufacturing, higher-power products and distribution*
- *Build additional distribution*
- *Focus on natural gas products*
- *Leverage Magnum distribution*

Growing Residential Standby Generator Market

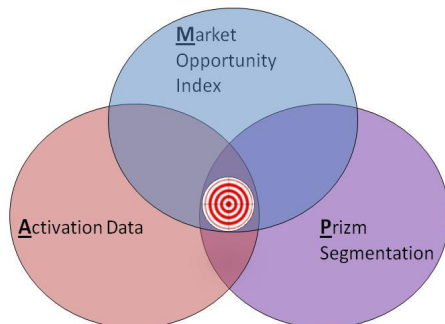
1. Researched the “Who” and “Why”

- Comprehensive study completed in Q4 2011 – gained critical segmentation and targeting insights



2. Finding the most “likely” prospect

- Combine industry leading targeting tool, activations, and power outage data to develop proprietary **A.M.P.**™ process



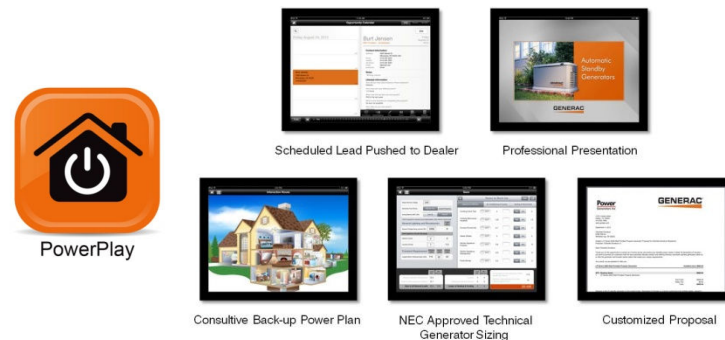
3. Turning Prospects into Sales Leads

- Driving prospects to consolidated points of contact – use Generac Lead Team to schedule leads



4. Improved In-Home Sales Process

- PowerPlay™** tablet-based application launched to improve in-home selling and improve lead closure rate



Gaining Commercial & Industrial Market Share

Create Commercial Market

- “Optional” standby power market remains underpenetrated – addressable market is upwards of 14 million buildings in the U.S.
- Natural gas generators create a compelling return on investment for small businesses as machines are up to 35% less in cost than traditional diesel solutions

Improve Specification Rate

- Focus on engineering community to improve rate of specification for Generac equipment
- Increases market participation for distribution as well as improving project closure rates by 50% when named in a “spec”

Expand Product Offering

- Current product line stops at 600kW in a single engine genset configuration
- Market for larger kW projects (>1mW) represents 40% of total backup power market in the U.S.

Cost of 4 hours outage per business ⁽¹⁾			Current and prospective customers	
Food Sales	<ul style="list-style-type: none"> ▪ Grocery and convenience stores 	\$26,234		
Food Service	<ul style="list-style-type: none"> ▪ Restaurants 	\$20,161		
Mercantile	<ul style="list-style-type: none"> ▪ Retail stores, pharmacies 	\$4,892		
Healthcare	<ul style="list-style-type: none"> ▪ Hospitals, nursing homes 	\$1,593		
Telecom	<ul style="list-style-type: none"> ▪ Wireless towers 	n/a		

⁽¹⁾ Source: SENTECH



Generac’s PowerTrip trailer is a 53 foot traveling classroom educating engineers on power generation



Gemini Technology



Modular Power Technology

Diversification of End Markets

Acquisitions Expand Product Offering

- Magnum products acquisition in October 2011 added mobile products including light towers, mobile generators and mobile pumps
- GenTran acquisition in February 2012 added manual transfer switches and accessories
- Ottomotores acquisition in December 2012 added larger kW and container gensets, switchgear and UPS's



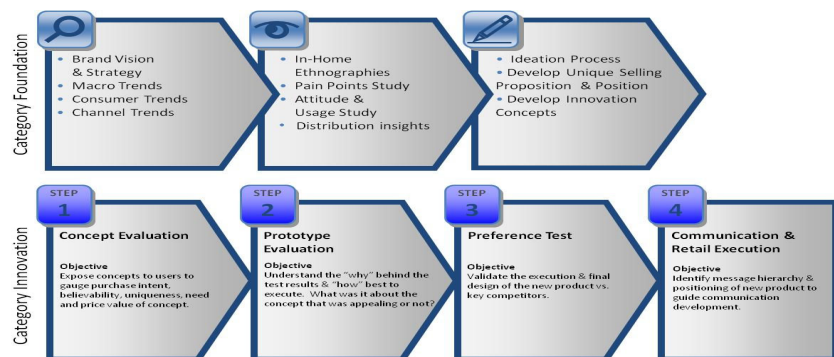
Organic Expansion Through Innovation

- Re-entry into power washer product category through innovation
- New OneWASH™ product launched in Q4 2012
- Mobile *Link*™ remote monitoring recently launched



New Products Selection Process

- Evaluating entry into additional “engine powered” product categories
- Leveraging key competencies in engines, lean cost structure, global sourcing, best-in-class consumer insights, and distribution channels



Entering New Geographies

GENERAC

Current Focus

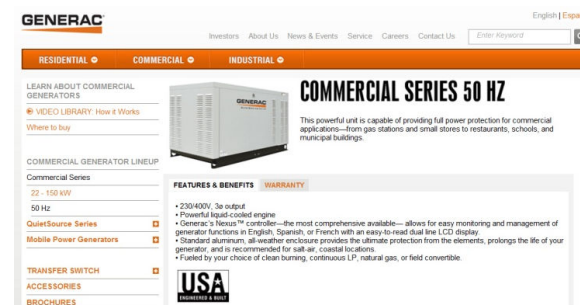
- Build Generac brand with a focus on natural gas products – residential & industrial
- Expanding sales and marketing team for Latin American market
- Establishing distribution in Australia, New Zealand, Russia, Ukraine and Asia

Evaluate Additional Markets

- Selection process created to evaluate additional markets to enter
- Focus on markets with right combination of population density, lower power quality, and access to natural gas

Adapt Product for Local Markets

- Develop product specific for local markets to improve access and competitiveness
- De-content products not requiring UL listing, EPA compliance or other U.S. specific regulations



Ottomotores provides enhanced platform and immediate scale for int'l initiatives

Acquisition of Ottomotores businesses

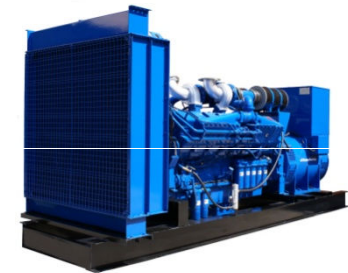
ottomotores

Fast Facts –

- Acquired on December 8, 2012
- Consists of Ottomotores Mexico, headquartered in Mexico City, and Ottomotores Brazil, located in Curitiba
- Over 500 employees and approx. 175,000 ft² in manufacturing and distribution space
- Major market share player in Latin American standby power market
- Diesel generators range from 15 kW to 2.5 MW – with a focus on larger kW and container gensets



1 MW Container Genset



2 MW Genset



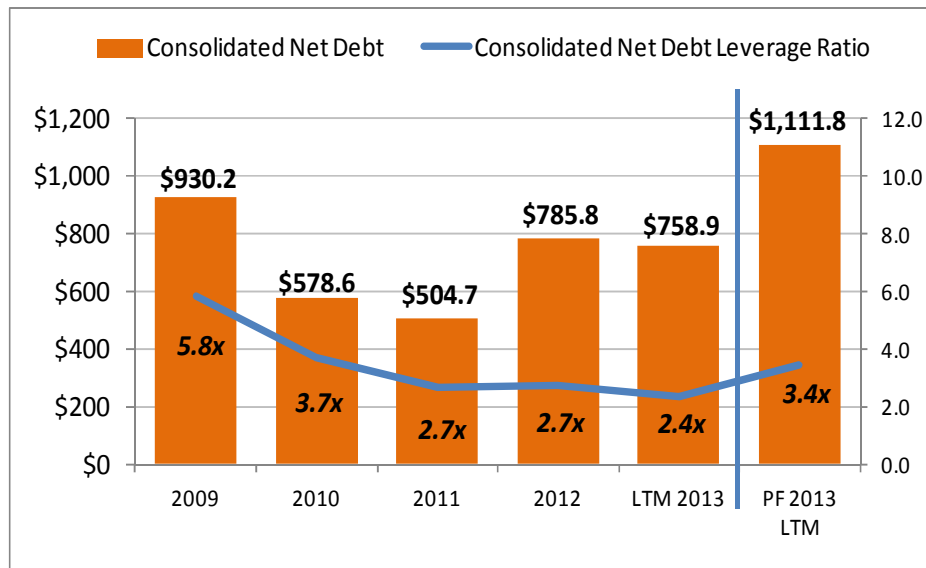
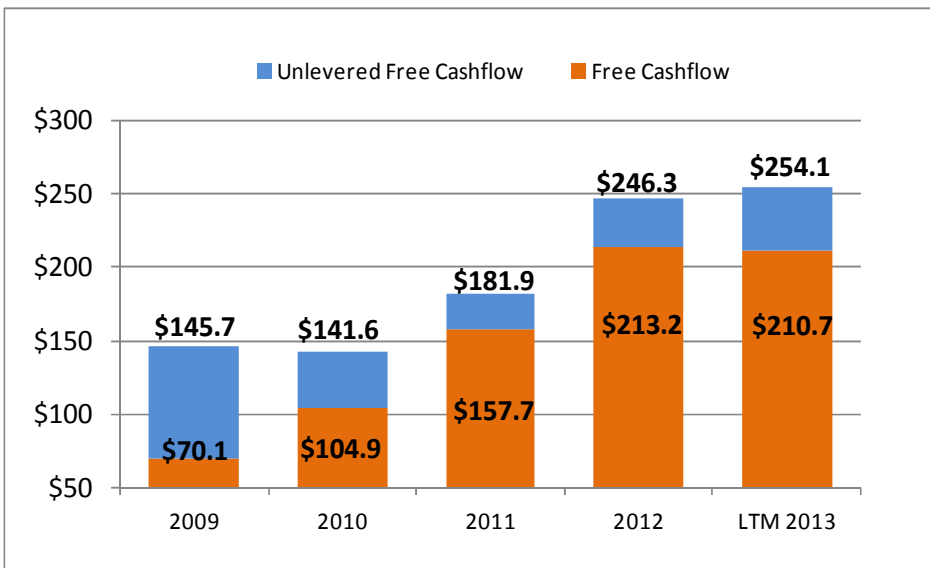
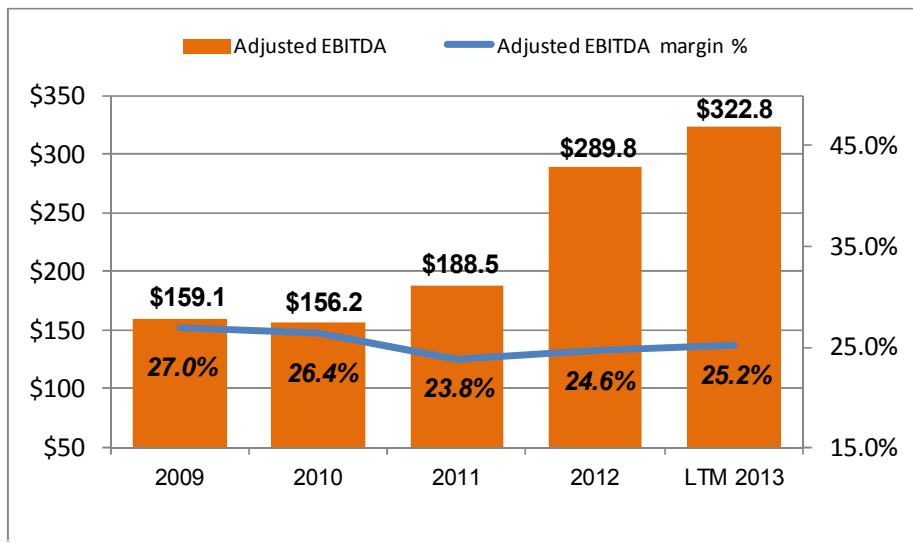
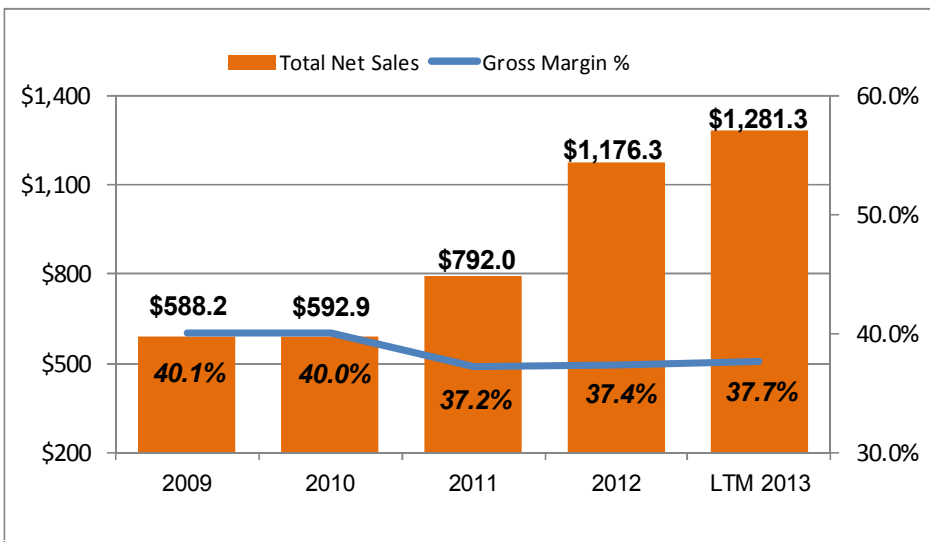
50 kVA
UPS

Strategic Rationale –

- \$45 million net purchase price funded w/ cash on balance sheet
- Provides essential elements of local manufacturing presence, access to higher-power gensets and additional distribution
- Initial goal of approx. \$2 million in annualized cost synergies toward 2H '13
- Opportunities to sell Generac residential and light commercial standby generators, as well as Magnum's mobile equipment into Latin American market
- Provides enhanced platform and immediate scale for international growth initiatives

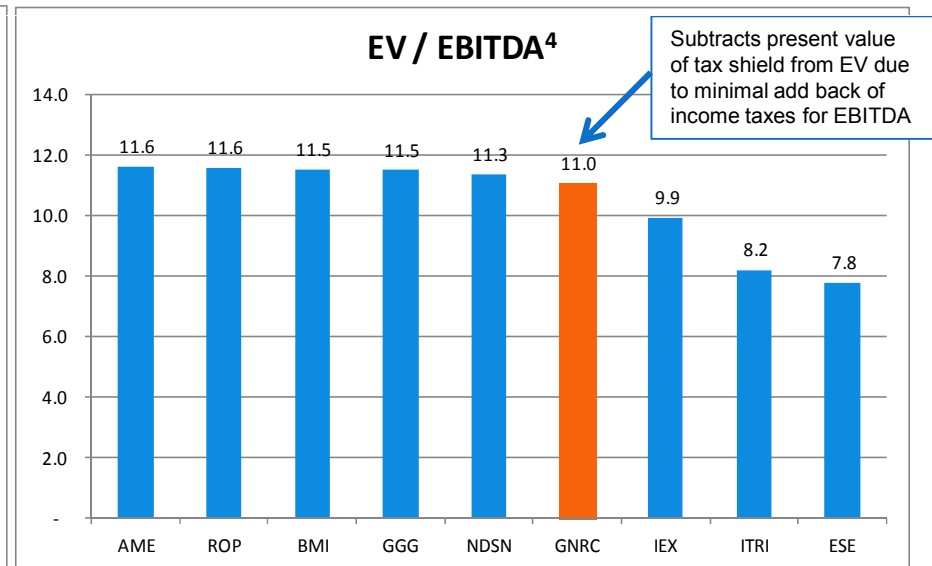
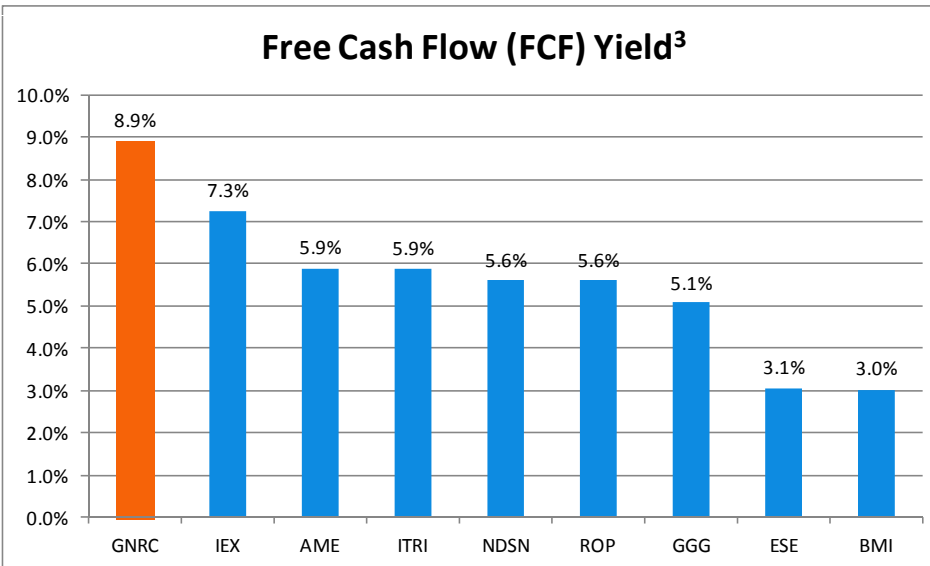
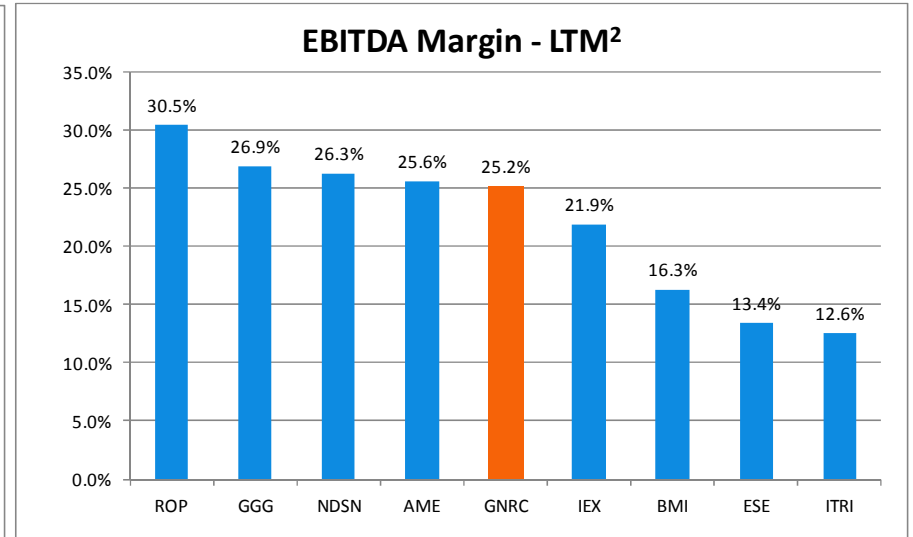
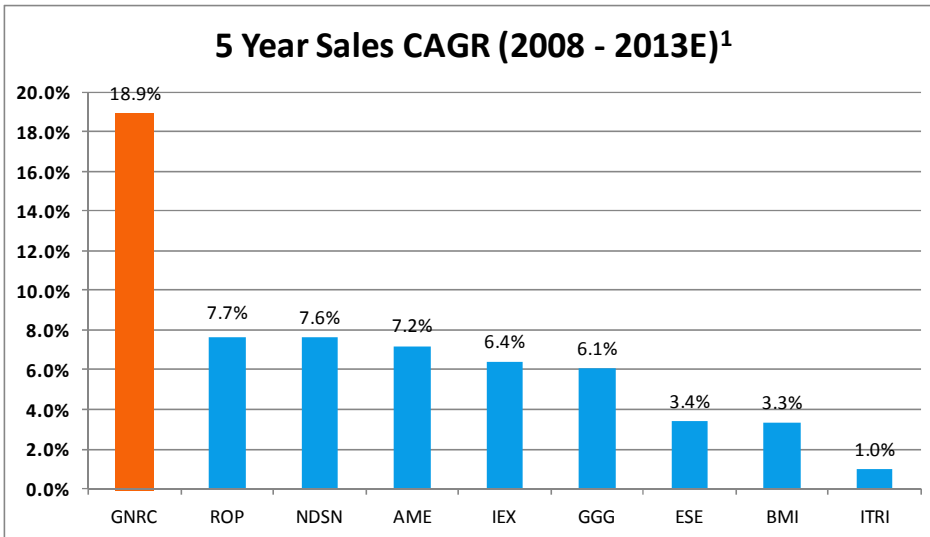
Aligns with three objectives of the “Powering Ahead” strategic plan

Financial Summary



Note: Unlevered free cash flow = free cash flow plus cash interest expense.

Relative Performance – Compared with Industrial Technology Peers



Source: Thomson One, Company Filings Note: Charts for Free Cash Flow Yield and Enterprise Value / NTM EBITDA use closing share prices as of June 21, 2013.

(1) Figures represent a five-year compound annual growth rate calculated by comparing the base year 2008 to the analyst consensus revenue forecast for 2013 for each company.

(2) Adjusted EBITDA figures were used for GNRC. For all other companies, EBITDA is calculated as Operating Income plus D&A .

(3) Determined by taking the ratio of FCF (Operating Cash Flow less Capex) to Market Capitalization.

(4) Based on recent enterprise value to consensus NTM EBITDA estimates. Figure for GNRC determined by subtracting the value of the tax shield in determining enterprise value.

2013 Business Outlook

GENERAC

Net sales: increase *low-to-mid teens rate* vs. a strong 2012

- Residential product sales: increase in the *low-single digit % range* – excluding the impact of event-driven portables, increase in the *high-single digit % range*
- C&I product sales: increase at a *high-single digit % rate* on organic basis for 2013; increase in the *low-30% range* with Ottomotores acquisition
- Average major outage could provide between \$20 to \$50 million of incremental net sales (or 2 to 4% additional growth) depending on several factors

Adjusted EBITDA: 2013 expected to increase in the *low teens % range* vs. 2012

- **Gross margins:** expected to be *approximately flat* versus 2012
- **As-reported operating expenses** – as percentage of sales excluding amortization: expected to be *slightly up* versus 2012

Continued strong Free Cash Flow conversion: *FCF = 95% of adjusted net income* from 2008-2012

Cash income taxes: approximately \$14 - \$15 million or cash tax rate of 6-7%; 37-39% on incremental pre-tax profits

Organic sales growth of 8-10% less ~ 3% portables headwind plus 7-9% from Ottomotores

PRIORITY USES OF CAPITAL

		Historical	Expected
1a	Publicly-stated gross leverage target of 2-3X EBITDA	<ul style="list-style-type: none"> 2.5X at end of Q1 2013 – post special dividend paid in June 2012 3.7X for dividend recap during Q2 2013 (pro-forma basis) 	<ul style="list-style-type: none"> Continue to focus on debt paydown Maintain strong liquidity profile
1b	Continue to invest in business	> 30% CAGR organic revenue over past 2 years	<ul style="list-style-type: none"> Support market-driven R&D Invest in high-ROI capital spending projects Capex consistently only ~ 2% of sales
2	Explore acquisitions for external growth	Magnum in Q4 2011 Gen-Tran in Q1 2012 Ottomotores in Q4 2012	<ul style="list-style-type: none"> Seek strategic, high-synergy acquisitions Accretive to adjusted earnings in first 12 months following close
3	Return of capital to shareholders	<ul style="list-style-type: none"> \$6.00 per share special dividend in Q2 2012 \$5.00 special dividend in Q2 2013 	<ul style="list-style-type: none"> As future cash flow permits, may consider further return of capital to shareholders

Generac (GNRC) – Investment Highlights

Best in class organic revenue growth

- **Over 20% CAGR** in organic revenue over the last 10 years
- Low penetration in key markets, especially home standby market that's less than 3.0% penetrated with **every 1% increase representing ~ \$2 billion market opportunity**
- **Key macro drivers:** aging and underinvested grid; favorable demographics; increasing number of power disruptions; natural gas gensets gaining share vs. diesel

Market leader with significant barriers to entry

- **~ 70% share** of domestic home standby market
- Unmatched multi-channel distribution led by **over 5,000 residential & light commercial dealers**
- Considerable **investment in R&D**

Superior financial profile

- GMs consistently in the **mid-to-high 30% range**, EBITDA margins in **low-to-mid 20% range**
- Favorable tax structure worth an **estimated \$4.50 to \$5.50 per share** in present value tax savings
- Strong track record of free cash flow conversion and de-levering balance sheet, with **FCF representing 95% of adjusted net income** from 2008-2012

Strong product, market and geographic expansion opportunities

- Proven track record in completing **accretive acquisitions and introducing new products**
- **Significant international market opportunity** – only ~ 2% of 2012 revenue outside of U.S. and Canada

Leading “Industrial Technology” Company

Appendix

Generac Leads the Residential Generator Market with Sustainable Competitive Advantages

GENERAC

Home Standby Generators

- Generac has led the growth in category with innovation – **current market share of 70%**
- Critical competitive advantages include:
 - Unmatched distribution network including over 5,000 dealer/installers, as well as wholesale, retail, online, and private label accounts
 - Broadest product line in the industry
 - 7x relative volumes and lean manufacturing drive strong margins at competitive prices
 - Control of the critical technology – engine, alternator, switches, and controls
 - Superior training and program support
- Competitors: Briggs & Stratton, Kohler, Cummins



Air-cooled
Home Standby



Liquid-cooled
Home Standby

Portable Generators & Power Washers

- Significant presence at retail drives brand recognition and provides entry-level choice for homeowners
- Generac re-entered the portable generator market in 2008 and now has a significant market share of approximately 25%⁽¹⁾
- Re-entered power washer market in 2011 and making early progress
- Competitors: Briggs & Stratton, TTI, Honda Power Equipment



Portable
Generators



Power Washers

(1) Source: Management estimates

Commercial Penetration and Industrial Market Share Opportunities

GENERAC

Commercial and Industrial (C&I) Macro Drivers

- Grid reliability and increasing costs from outages driving emergency backup power needs
- Industrial standby generator market driven by new construction and retrofit of infrastructure projects, mission critical, and other code driven applications
- Commercial driven more by optional standby applications – ROI is critical
- Mobile product demand driven by commercial and road construction, energy, and government agency spending on temporary lighting and power needs
- Timing and magnitude of capex plans for national account customers has impact

C&I Market Share and Growth Opportunities

- Natural gas gensets gaining share vs. diesel – up to 35% less expensive than comparable diesel (depending on power rating)
- Upgrade and expand distribution
- Increased international focus with Ottomotores
- Expand addressable market through new product development
- Build relations with specifying engineers
- Cross-selling opportunities with Magnum

Cost Effective & Innovative Solutions



Natural gas engine technology



Mobile generator solutions



Gaseous fueled generator solutions



Bi-Fuel technology



Gemini technology



Modular Power technology

Customers and Opportunities in Light Commercial and Industrial

Cost of 4 Hour Outage Per Business⁽¹⁾

Food Sales	■ Grocery and convenience stores	\$26,234
Food Service	■ Restaurants	\$20,161
Mercantile	■ Retail stores, pharmacies	\$4,892
Healthcare	■ Hospitals, nursing homes	\$1,593
Telecom	■ Wireless towers	n/a

Current and Prospective Customers



ROI Drives Market Opportunity

Light commercial

- Over 2 million locations in the U.S.
- Affordable price point for natural gas units
 - Up to 35% less expensive than comparable diesel generators

Industrial

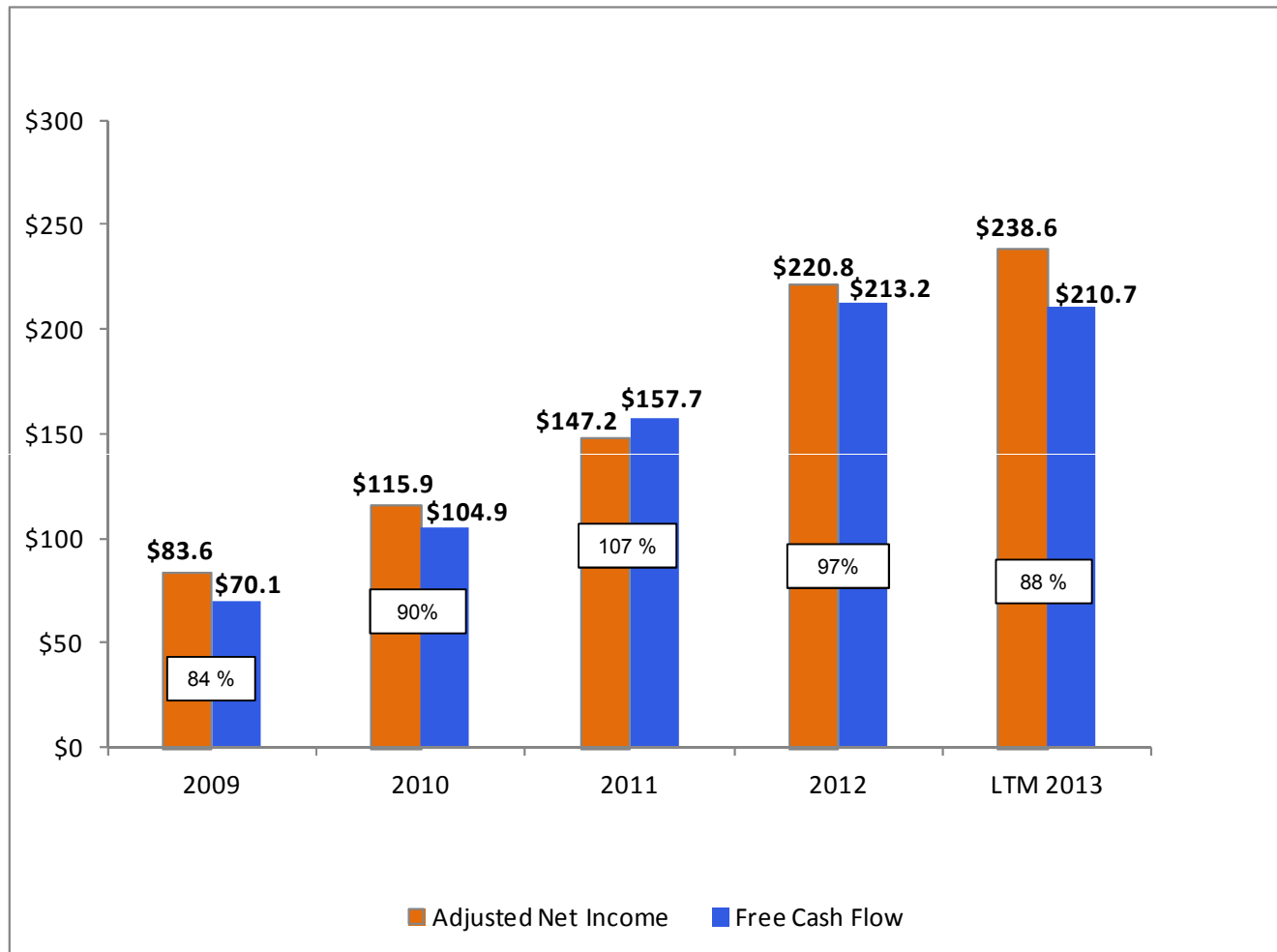
- Cost advantage of natural gas for many applications
- Modular applications increase affordability

Combination of power outage costs and increasing affordability have improved industrial and light commercial customers' ROI

(1) Source: SENTECH.

Strong Free Cash Flow Conversion

FCF as a % of Adjusted Net Income: 2008-2012 (cumulative) – 95%



Strong free cash flow will allow Generac to fund growth opportunities and easily service debt

Favorable Tax Attributes

Tax attributes and 338(h)10 election overview

- \$1.9 billion asset basis step-up created through 2006 acquisition of Generac and 2011 acquisition of Magnum
 - Each amortizes over 15 years
 - Reduces cash tax obligation by approx. \$49 million per year through 2020
- Current NOL balance of \$54 million as of December 31, 2012 provides cash benefit of up to \$19 million

(\$ mm)	Total	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022+
Annual tax amortization	\$1,136	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$106	\$14
Cash tax savings⁽¹⁾	\$437	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$41	\$4
Cash tax savings of NOLs⁽²⁾	\$19										
Grand total	\$456										

Results in present value tax savings of ~ \$300-360 million⁽³⁾ or \$4.50-\$5.50 per share

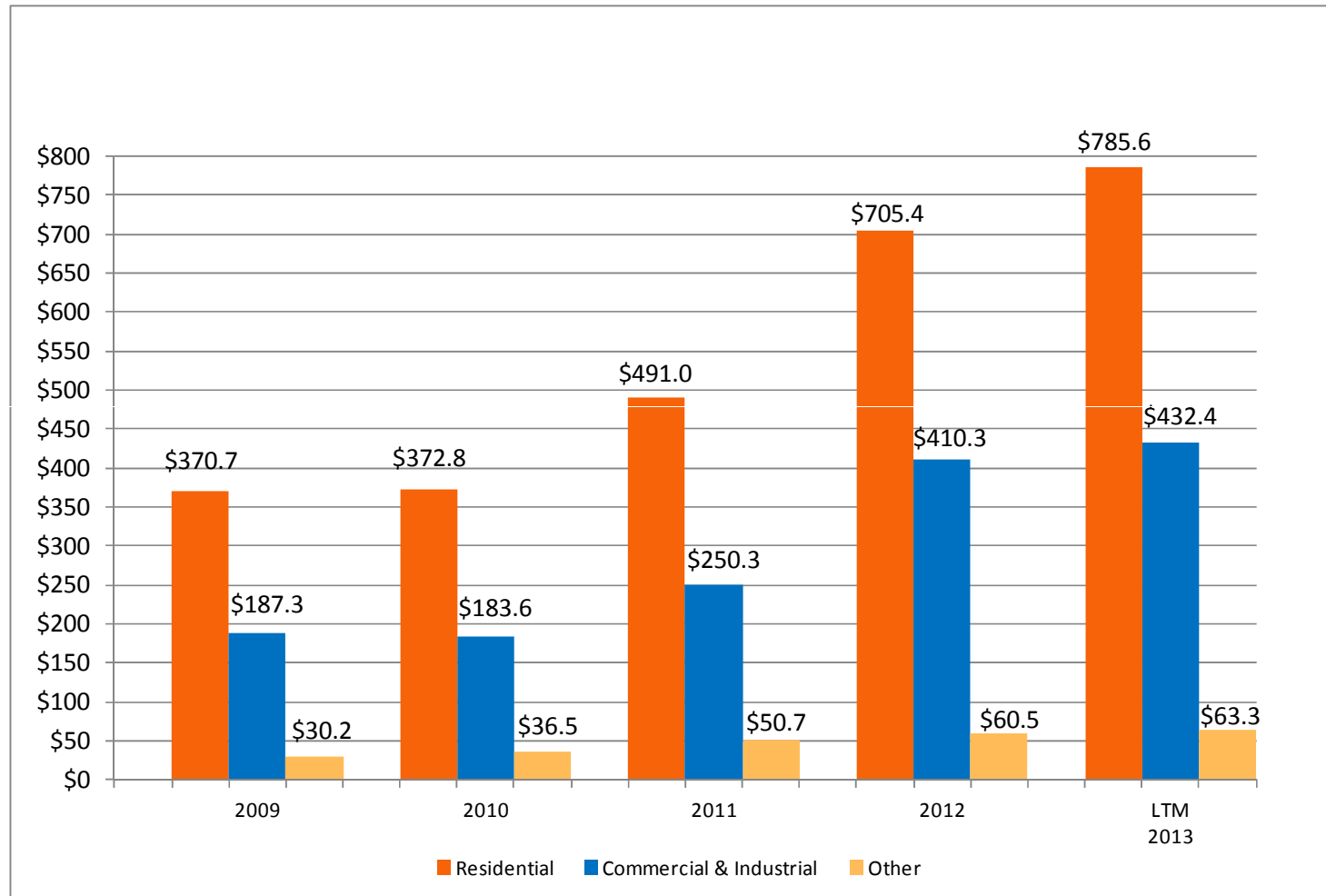
(1) Assuming continued profitability and no limitations at an assumed 38.5% federal and state tax rate.

(2) Calculated at a 35.0% federal tax rate on the \$54 million of federal NOL carry forward balance as of December 31, 2012.

(3) Based on annual discount rate of between 5 and 10%; includes both amortization of intangibles and NOL's.

Net Sales by Product Class

(\$ in millions)



Figures include results from Magnum Products acquisition completed on October 3, 2011 and the Ottomotores acquisition completed December 8, 2012.

Q1 2013 & LTM Financial Overview



(\$ in millions)

	Actual	Y/Y %	Actual	Y/Y %
	Q1 2013	Change	LTM Q1 2013	Change
Residential	\$ 255.2	45.8%	\$ 785.6	31.6%
Industrial	\$ 127.1	21.0%	\$ 432.4	39.1%
Other	\$ 17.2	19.2%	\$ 63.3	15.8%
Net Sales	\$ 399.6	35.7%	\$ 1,281.3	33.1%
Gross Profit	\$ 153.5	38.2%	\$ 482.9	34.7%
% Margin	38.4%		37.7%	
Adjusted EBITDA	\$ 108.8	43.5%	\$ 322.8	36.3%
% Margin	27.2%		25.2%	
Net Income ⁽¹⁾	\$ 50.7	68.6%	\$ 113.8	-67.5%
Adjusted Net Income	\$ 83.9	26.9%	\$ 238.6	21.6%
Adjusted EPS	\$ 1.21	25.2%	\$ 3.44	19.4%
Free Cash Flow	\$ 33.9	-6.9%	\$ 210.7	15.1%
Unlevered Free Cash Flow	\$ 50.5	18.3%	\$ 254.1	22.4%
Consolidated Net Debt			\$ 758.9	57.5%
Consolidated Net Debt Leverage Ratio			2.4x	

(1) Net income for LTM 2013 includes a normalized tax provision of \$72.8 million vs. a \$218.7 million income tax benefit in the prior year LTM period.

Adjusted EBITDA Reconciliation

GENERAC

(\$ in millions)

	2009	2010	2011	2012	LTM 2013
Reported net income	\$ 43.1	\$ 56.9	\$ 324.6	\$ 93.2	\$ 113.8
Interest expense	70.9	27.4	23.7	49.1	59.1
Depreciation and amortization	59.7	59.4	56.1	54.2	48.7
Income taxes provision (benefit)	0.3	0.3	(237.7)	63.1	72.8
Non-cash write-down and other charges	(1.6)	(0.3)	10.4	0.2	0.0
Non-cash share-based compensation expense	-	6.4	8.6	10.8	11.3
Loss on extinguishment of debt	-	4.8	0.4	14.3	11.8
Transaction costs and credit facility fees	1.2	1.0	1.7	4.1	4.3
Non-cash gains	(14.7)	-	-	-	-
Other	0.2	0.4	0.5	0.7	0.9
Adjusted EBITDA	\$ 159.1	\$ 156.2	\$ 188.5	\$ 289.8	\$ 322.8

Adjusted EBITDA Reconciliation



(\$ in thousands)

Net income to Adjusted EBITDA reconciliation	Three months ended March 31,		LTM Year Ended March 31,	
	2013 (unaudited)	2012 (unaudited)	2013 (unaudited)	2012 (unaudited)
Net income	\$ 50,674	\$ 30,060	\$ 113,837	\$ 349,859
Interest expense	15,675	5,674	59,115	23,391
Depreciation and amortization	8,750	14,218	48,692	56,678
Income taxes provision (benefit)	28,750	19,044	72,835	(218,726)
Non-cash write-down and other charges	(423)	(204)	28	9,750
Non-cash share-based compensation expense	2,931	2,439	11,272	9,085
Loss on extinguishment of debt	1,839	4,309	11,838	4,686
Transaction costs and credit facility fees	314	135	4,296	1,681
Other	291	127	895	390
Adjusted EBITDA	\$ 108,801	\$ 75,802	\$ 322,808	\$ 236,794

Adjusted Net Income & Free Cash Flow Reconciliations



(\$ in thousands)

Net income to Adjusted net income reconciliation

	Three Months Ended March 31,		LTM March 31,	
	2013 (unaudited)	2012 (unaudited)	2013 (unaudited)	2012 (unaudited)
Net income	\$ 50,674	\$ 30,060	\$ 113,837	\$ 349,859
Income taxes provision (benefit)	28,750	19,044	72,835	(218,726)
Income before provision (benefit) for income taxes	79,424	49,104	186,672	131,133
Amortization of intangible assets	6,185	12,225	39,827	57,907
Amortization of deferred financing costs and OID	1,177	506	4,430	1,990
Loss on extinguishment of debt	1,839	4,309	11,838	4,686
Transaction costs and credit facility fees	(253)	-	3,064	875
Adjusted net income before provision for income taxes	88,372	66,144	245,831	196,591
Cash income tax expense	(4,520)	(55)	(7,276)	(468)
Adjusted net income	\$ 83,852	\$ 66,089	\$ 238,555	\$ 196,123

Free Cash Flow Reconciliation

Net cash provided by operating activities	\$ 38,266	\$ 38,584	\$ 235,276	\$ 195,625
Expenditures for property and equipment	(4,322)	(2,138)	(24,576)	(12,629)
Free cash flow	\$ 33,944	\$ 36,446	\$ 210,700	\$ 182,996
Cash interest	16,534	6,223	43,390	24,578
Unlevered free cash flow	\$ 50,478	\$ 42,669	\$ 254,090	\$ 207,574