

The Generac logo consists of the word "GENERAC" in a bold, black, sans-serif font. A horizontal orange bar is positioned directly beneath the text. The logo is set against a white background that is part of a larger graphic overlay on the left side of the image.

GENERAC[®]

Investor Day

September 4, 2019

Generac's mission is to ensure peace of mind by developing power products and solutions that make the world safer, brighter and more productive.



Overview

Introduction	8:30am
Deep Dives	
Home standby penetration opportunity / California	9:00am
5G / Global telecom	9:30am
Beyond standby	9:45am
Break	10:00am
Clean Energy	10:15am
Financial Targets/ Capital Allocation	11:00am
Q&A	11:30am





Presenters

Aaron Jagdfeld
President and CEO

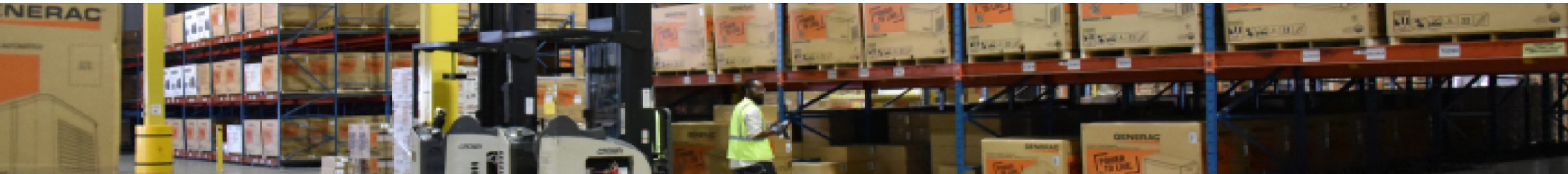


Russ Minick
Chief Marketing Officer



York Ragen
Chief Financial Officer





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," "optimistic" 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.

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statements, including: frequency and duration of power outages impacting demand for Generac products; availability, cost and quality of raw materials and key components used in producing Generac products; the impact on our results of possible fluctuations in interest rates, foreign currency exchange rates, commodities, product mix and regulatory tariffs; the possibility that the expected synergies, efficiencies and cost savings of our acquisitions will not be realized, or will not be realized within the expected time period; the risk that our acquisitions will not be integrated successfully; difficulties Generac may encounter as its business expands globally or enters new markets; 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 or recalls; failures or security breaches of our networks or information technology systems; and changes in environmental, health and safety, or product compliance laws and regulations affecting our products or operations..

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 ("SEC"), particularly in the Risk Factors section of our 2018 Annual Report on Form 10K and in its periodic reports on Form 10Q. Stockholders, potential investors and other readers should consider these factors carefully in evaluating the forward-looking statements. 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.



MISSION

Generac's mission is to ensure peace of mind by developing power products and solutions that make the world safer, brighter and more productive.



VISION

To be the global leader in power products through meaningful customer connections that result in innovative solutions.

VALUES

Integrity. We practice the highest ethical standards by honoring our commitments and treating everyone with fairness, trust and respect.

Innovation. We foster creativity and make significant investments in developing and applying new technologies and ideas to strengthen our market-leading positions.

People. We believe our success is directly tied to our employees' personal and professional growth. We recognize their achievements and share in our mutual success. We care about the safety and well being of our employees, their families, and our communities.

Environment. We are committed to developing environmentally responsible products and processes.

Agility. We move with urgency and precision to take advantage of market opportunities and out-execute competitors. We are progressive and focused on the future. With our scale and resources, we shape market dynamics, not react to them.

Excellence. We are committed to delivering quality and performance by continuously reaching for excellence in everything we do. We build great global teams and use our disciplined operating model to accelerate profitable growth.



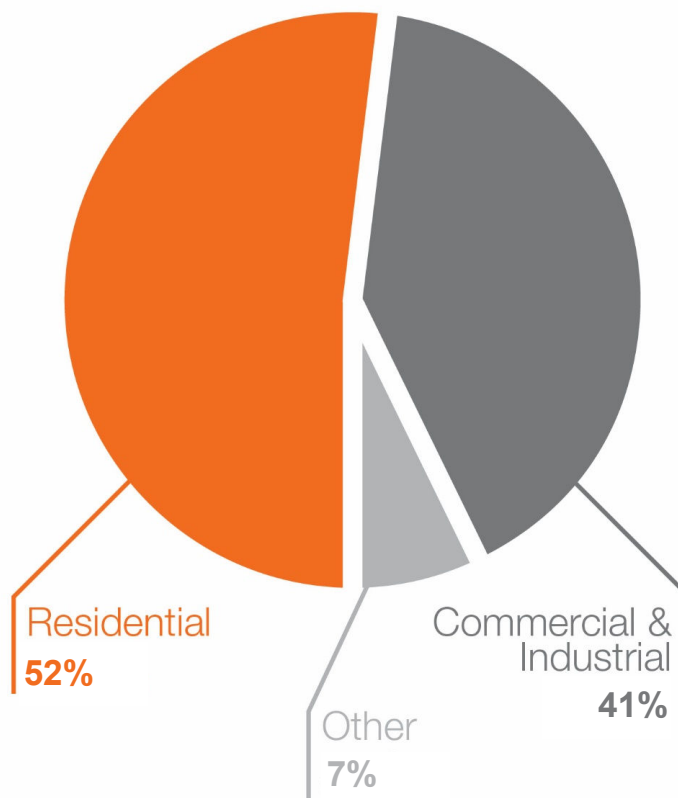
About Generac

Fiscal 2018 Net Sales

Residential

- | Domestic 95%
- | International 5%

-
- | Consumer Power ~90%
 - | Chore ~10%
 - | Clean energy



Commercial & Industrial

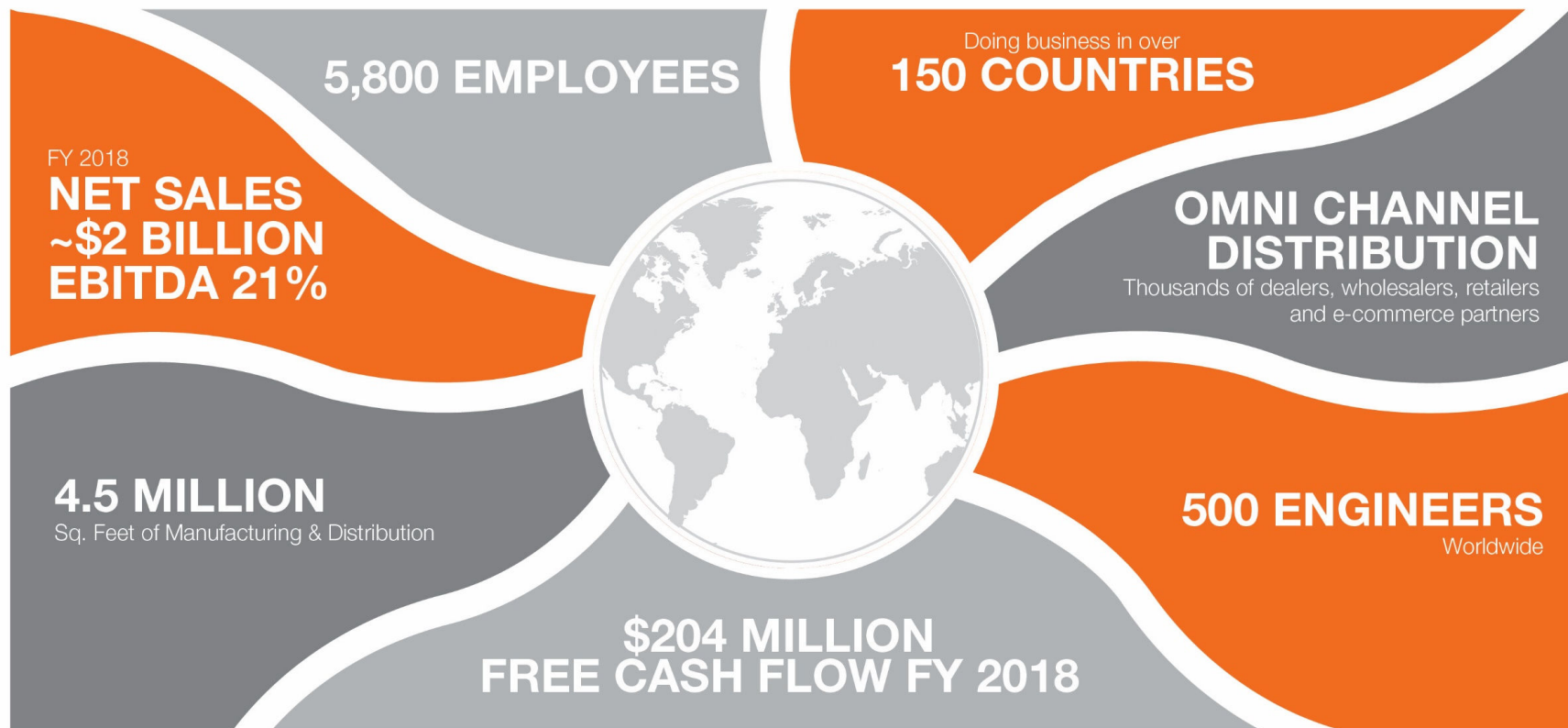
- | Domestic 57%
- | International 43%

-
- | C&I Stationary ~60%
 - | Telecom ~15%
 - | Mobile ~25%



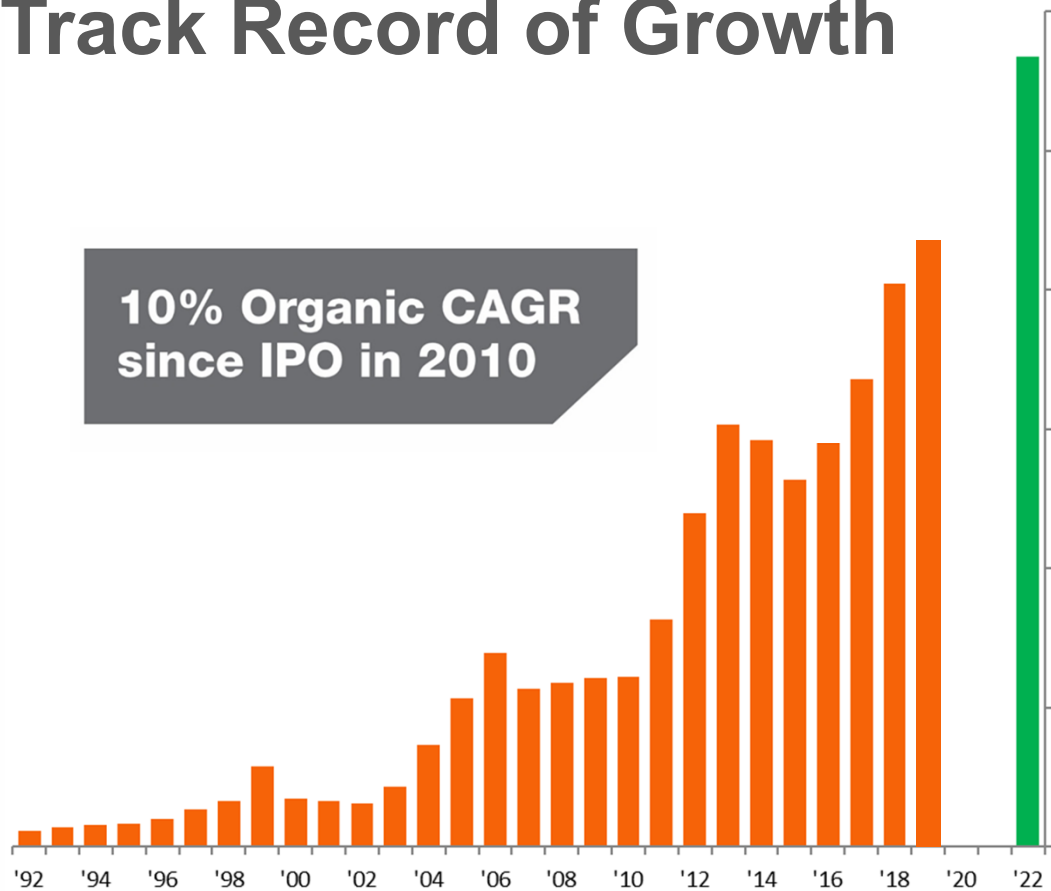
Generac By The Numbers

GENERAC | 60
YEARS



Track Record of Growth

10% Organic CAGR since IPO in 2010



New 2022 target = ~9-10% core sales growth CAGR off 2019E Base

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 acquisitions completed during 2011 - present; see slide titled "Summary of Acquisitions" for further details.

About Generac

Products:

HSB



Portables



Chore



Storage



C&I



Telecom



Mobile



Distribution:

Dealers
EW's
Retail
E-Comm

Retail
E-Comm
OPE

D2C
Retail
OPE

Dealers
Solar
Installers

Direct
Industrial
Distributers

Direct

Rental
EPC

Estimated Mkt share:

>75%

~25-30%

~30-35%

Future

~15%

~50%

~35%



2019 Enterprise Strategy

Grow:

Further expand market penetration in North America while establishing traction for these products

Lead:

Capitalize on the global growth of natural gas fuel as an available and affordable energy source. Leverage Generac's expertise in gaseous engines to expand applications beyond standby power.



Gain:

We gain share by innovating and we expand our opportunity for growth by doing the hard work of pioneering new products and markets.

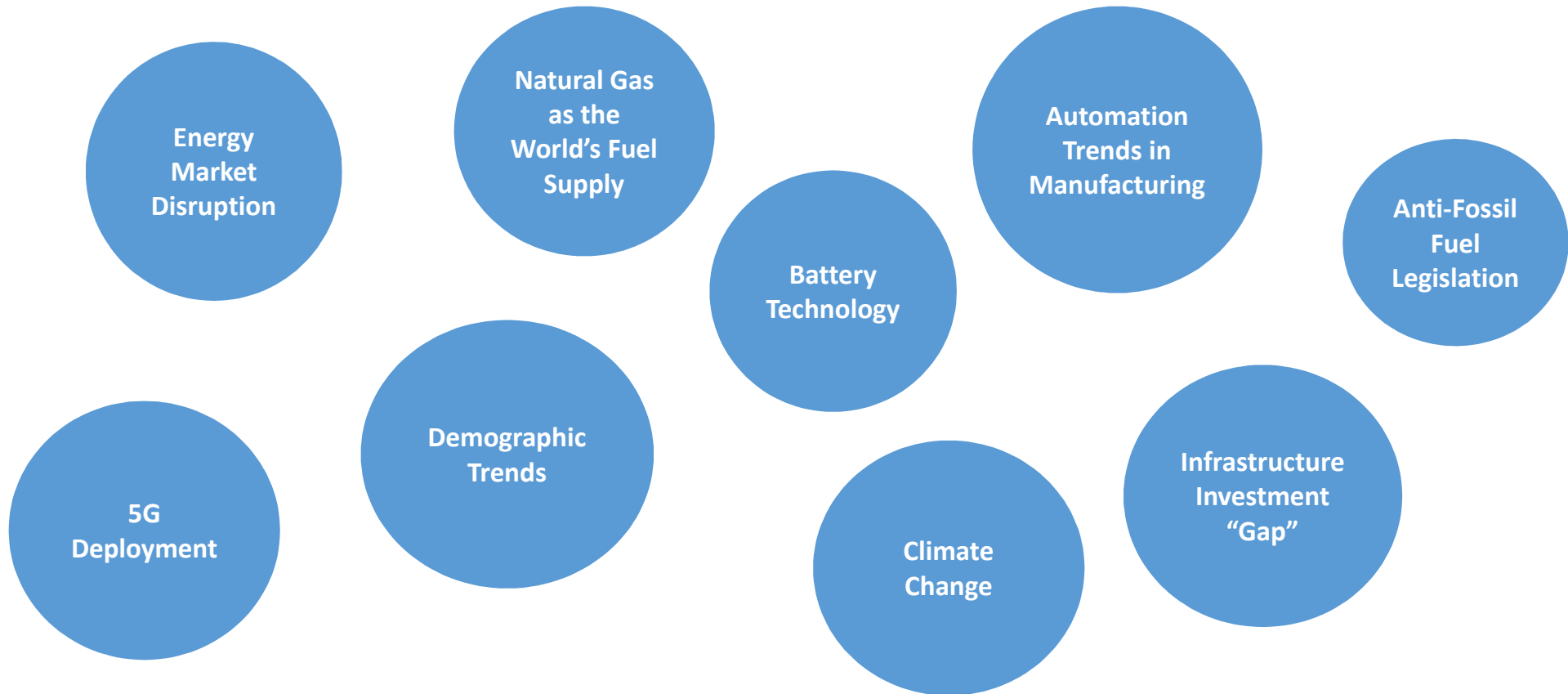
Connect:

By being connected to the devices we manufacture we will drive additional value to our customers and our partners over the product lifecycle.

POWERING OUR FUTURE



Strategy begins with a review of global “Mega Trends”



A decorative graphic consisting of a square filled with diagonal orange stripes.

Energy Markets Set for Dramatic Changes

Disruption of the traditional electrical utility model

Regulation - Driving Cost

- De-carbonization legislation leading push to renewables
- Legacy power generation assets will be more costly to operate

Technology – Enabling Change

- New capabilities to use information to reduce consumption
- Battery performance improving; costs decreasing

Natural Gas will be the world's fuel for baseload power

Supply – Huge Reserves

- Fracking revolution has only begun; abundance of supply globally
- Natural gas pricing will be stable and relatively low as a result

Demand - Increasing Uses

- Increasingly used for baseload power; displacing coal
- Distributed generation opportunities developing



Impacts of a Warming Climate

Attitudes around global warming are changing

Expect More Severe Weather

- | Rising air and water temperatures leading to stronger storms
- | Frequency of destructive storms will increase - 100-year storms could be every 5 years
- | Need to prepare for more floods, droughts, tropical systems and winter storms

Expect More Power Outages

- | 70% of all outages are caused by severe weather
- | Wildfire risks grow with extended drought conditions leading to more public safety shutoffs
- | No easy or cost-effective solution to protect the grid; problem will persist for decades

Expect More Subsidies and Regulation

- | Energy policy will continue to focus on renewables to reduce carbon intensity of supply
- | Grid balancing issues will arise from renewable mandates and EV demand
- | Will drive storage as a necessary part of the future energy landscape



Infrastructure - Investments Needed

Legacy infrastructure needs major investment cycle

- | **Overall US infrastructure gets a D+ grade**
 - | Roads, bridges, dams, airports, schools, water & energy systems are well beyond useful life
 - | Average age of components in the electrical grid are more than 50 years old
 - | Estimated cost of \$4.5 trillion needed by 2025 to bring infrastructure up to par
- | **Globally things aren't much better**
 - | Similar trends across the globe - investment "gaps" aren't US specific issue
 - | Public private partnerships more prevalent globally as a funding mechanism

Telecommunications infrastructure shifting to next generation

- | **5G will become telecommunications backbone**
 - | Move from 4G or LTE technology has already started; major investment cycle coming
 - | Could eventually displace common wired and wireless internet technologies
- | **Will enable new technologies**
 - | Increased wireless speed and bandwidth will allow for automated driving, drone delivery, etc.
 - | Network reliability will become even more critical; Five or even six "9's" required



Generac Strategic Themes

Power Quality Issues Continue to Increase

- | Aging grid & aging population dependent on power
- | 510 million outage hours in US over LTM (28% CAGR - 2014)
- | PG&E shutoffs could cause “Major Outage Events”

Home Standby Market Growth Opportunity is Massive

- | Only 4.5% of US HH's have a HSB today (TAM=52M HH's)
- | Every 1.0% of penetration is a \$2b market (at retail)
- | Generac's 75%+ share due to unique go to market strategy

Natural Gas Generators Driving Superior Growth Rates

- | Cleaner, greener & more cost effective for on-site power
- | US is ~40% gas gen sales annually and growing 2x diesel
- | Global opportunity is nascent – less than 1% of market

Rollout of 5G Will Require Improved Network Reliability

- | 5G will enable many new technologies - uptime critical
- | 330k US sites & only 1/3 have backup – Generac #1 supplier
- | Technology to rollout globally – Generac footprint can serve

Energy Storage & Monitoring Markets Developing Quickly

- | New markets focused on energy cost reduction
- | Battery cost and performance continue to improve
- | Generac uniquely positioned with distribution, marketing & brand



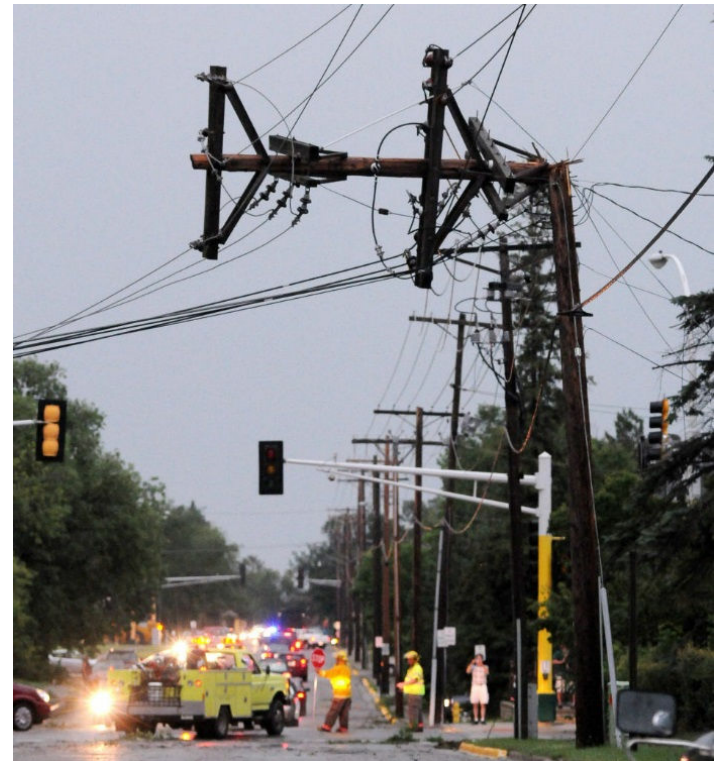
Residential Standby Power

GENERAC | 60 YEARS

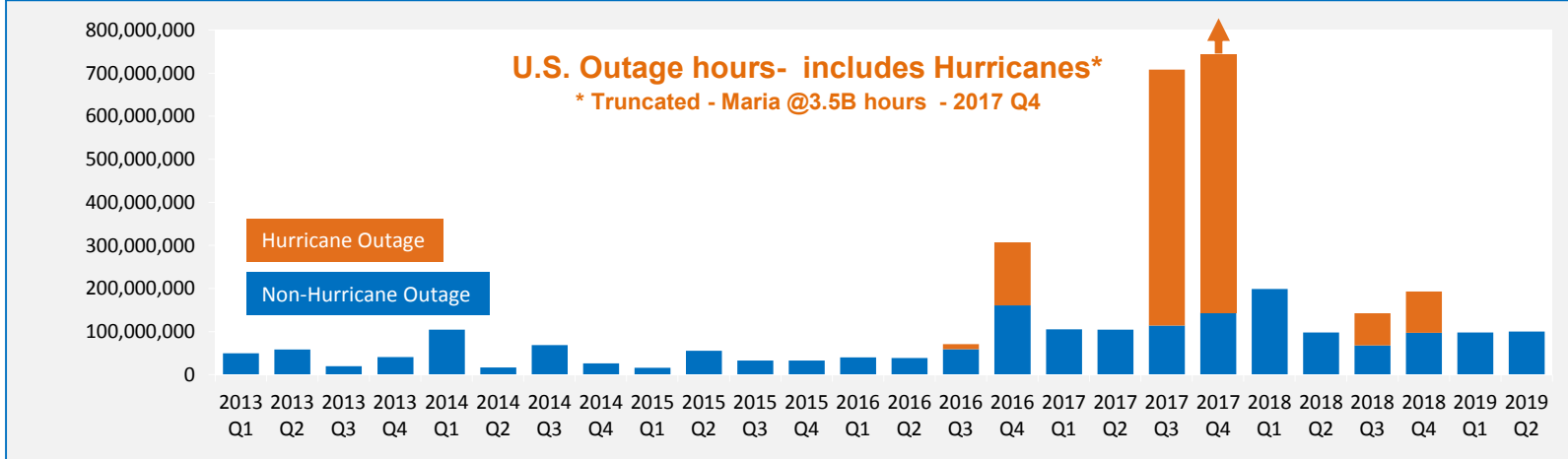
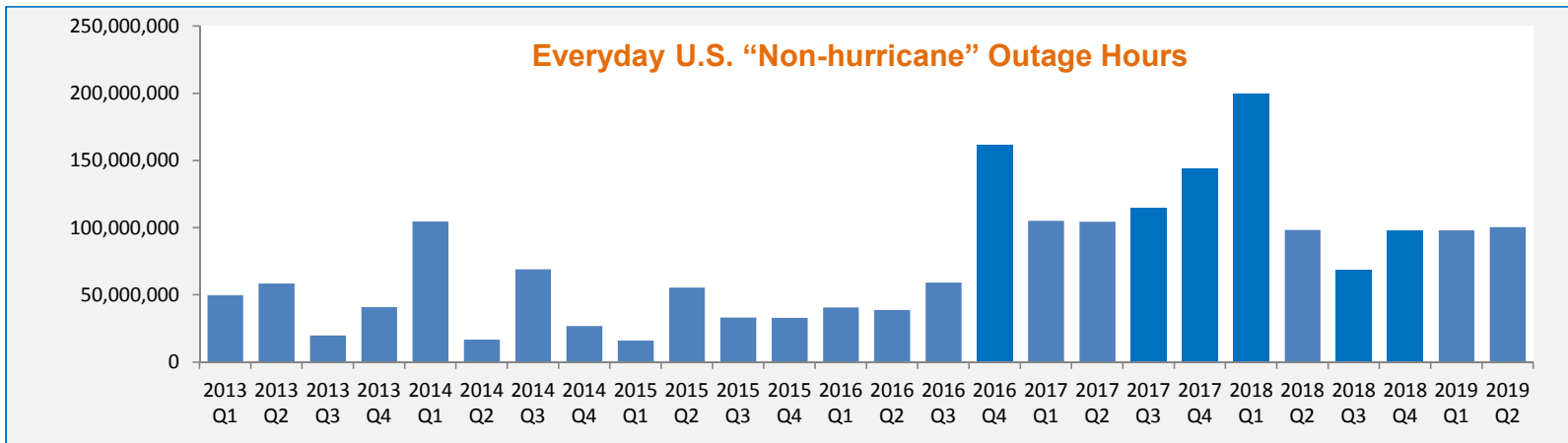
Grid Instability is Increasing

Outage Data

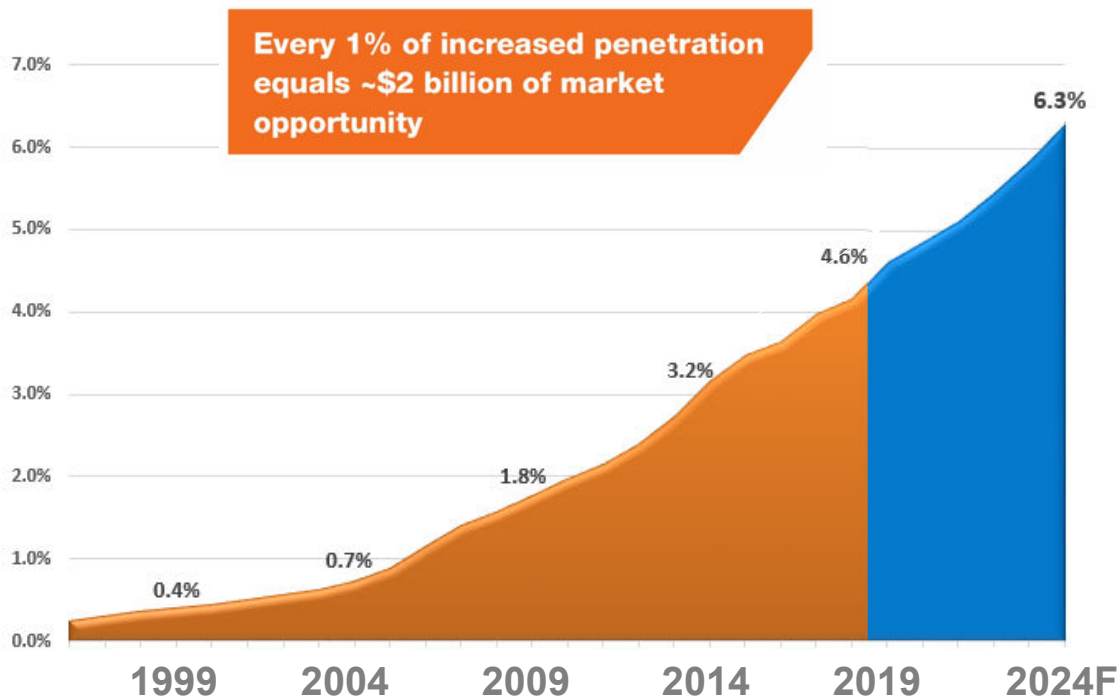
- | 510 million outage hrs. in US June 2019 LTM
- | Aging Grid at capacity – beyond 50+ year life*
- | \$673 billion investment needed to enhance Grid*
- | Outage frequency & duration are both increasing
- | Aging population dependent on power
- | California/PG&E “Creating outage events”
- | *ASCE (American Society of Civil Engineers April 2019 report & Report card)



Climate Extremes Driving Outages



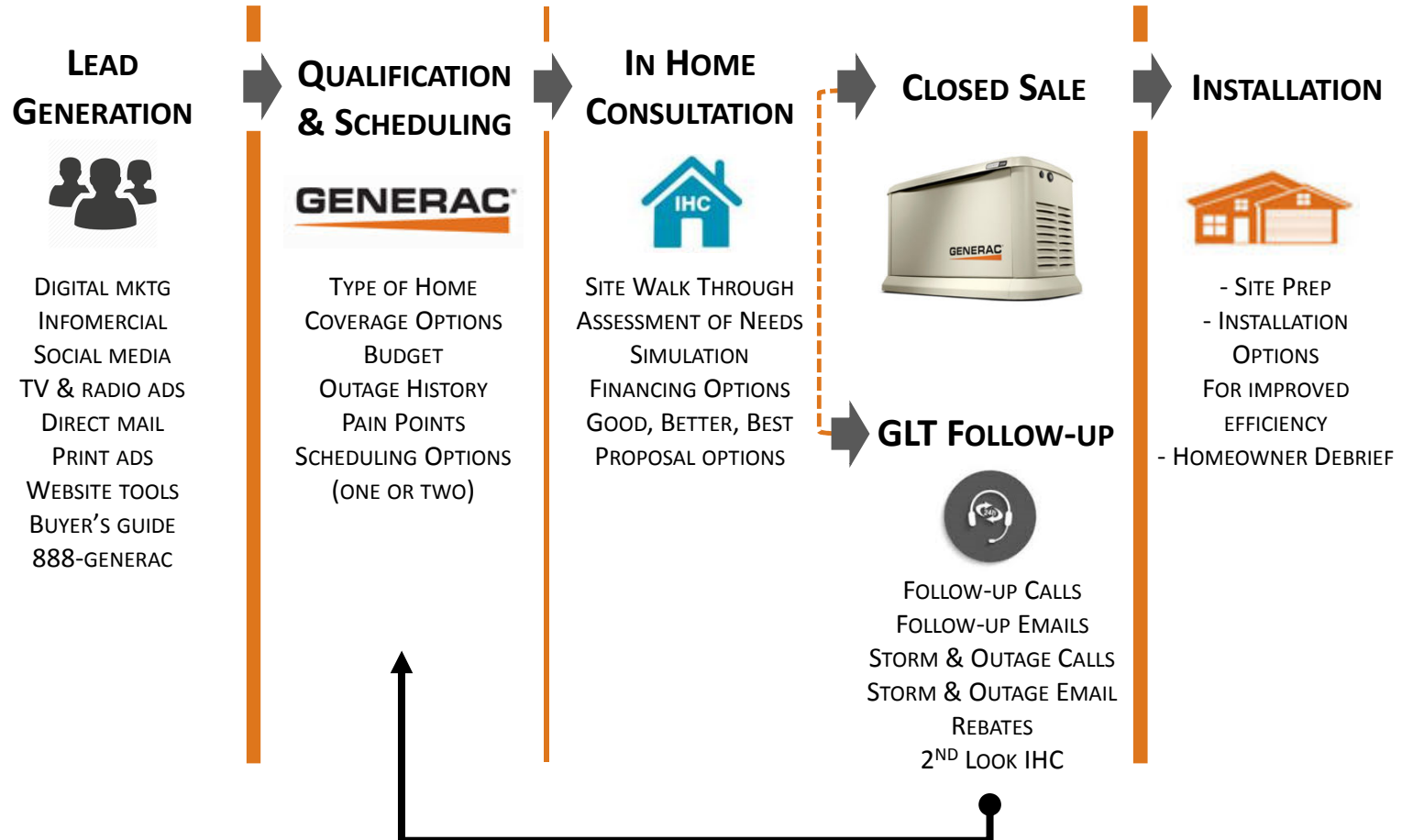
HSB Penetration Opportunity



Market Dynamics

- | Created the HSB category
- | ~10% CAGR growth since 2011
- | 77% share and growing
- | Brand synonymous with HSB category; People buy a “Generac” (not HSB)
- | Only tapped <5% of addressable market
 - | Untapped - 95%+ of US households
 - | Untapped – California
 - | Untapped - New Build
 - | Untapped - Connectivity
 - | Untapped - Unclosed IHC’s
- | Customer Demographics – Aging in place

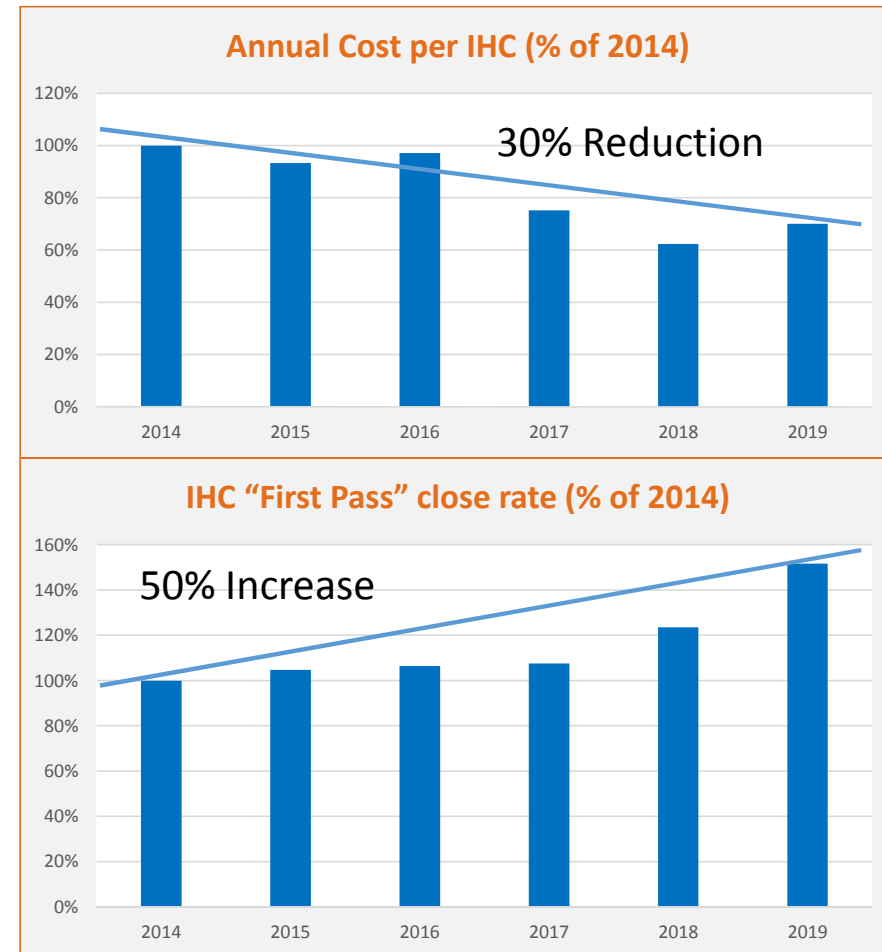
Proprietary HSB Demand Creation Process



IHC cost and close rate improving

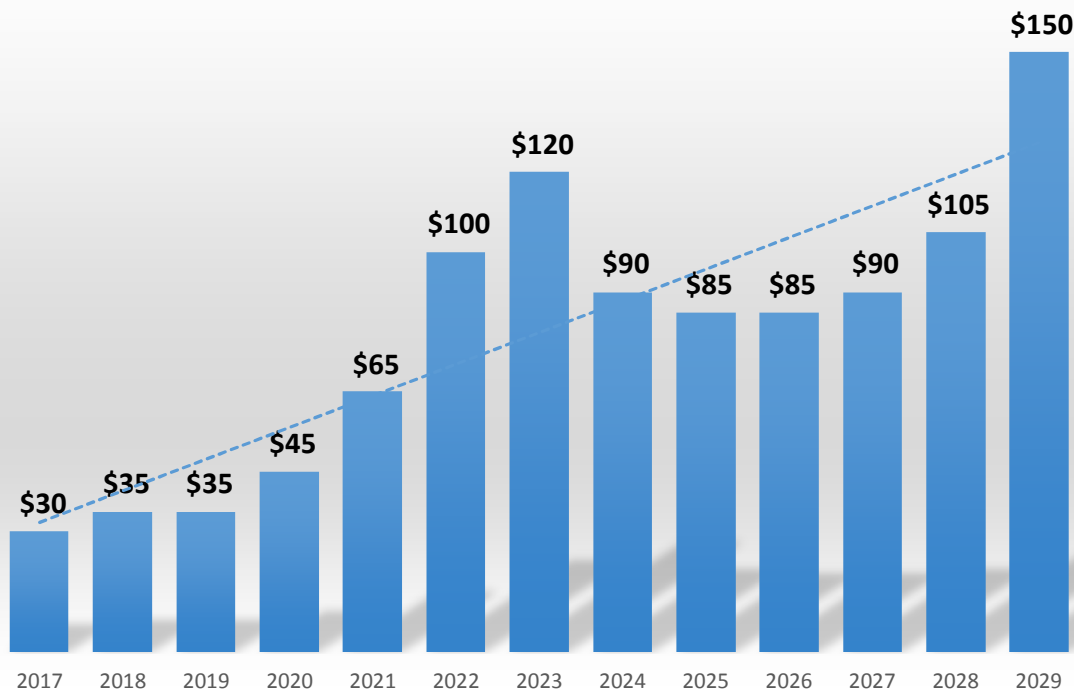
Recent Process Refinements

- | PowerPlay platform continuously updated
- | New Infomercial – 3rd “show” since 2014
- | Improved financing program
- | Better category awareness overall
- | Improved lead quality from better qualification
- | Training for dealers on selling & closing skills
- | Lead algorithms drive IHC’s to best dealers
- | Rigorous follow up process for unclosed IHC’s



Aged Generac Replacement Market

Replacement Opportunity
(In millions)

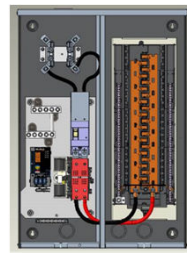


Aging Installed Base

- | Installed base of over 2 million units
- | Replacement market forming
- | Estimated 15-20 year HSB life
- | Current owners know HSB value
- | Complete data base of owner contact data
- | New features & technologies driving upgrades
- | Est. \$120m/yr – 2023, \$150m/yr – 2029
- | Assumes ~30% replacement take rate

Key Product Launches

Increasing Generac's product leadership dominance in 4 key areas



HSB – 2020 New technology

ATS – All new 2020 NEC line

HSB + Home Energy Monitor

LC Enhanced Performance

- **Launch Q4 2019**
- Larger alternators
- Updated engines & technology
- Easier installation
- Easier maintenance
- Cost outs to offset tariff pressure

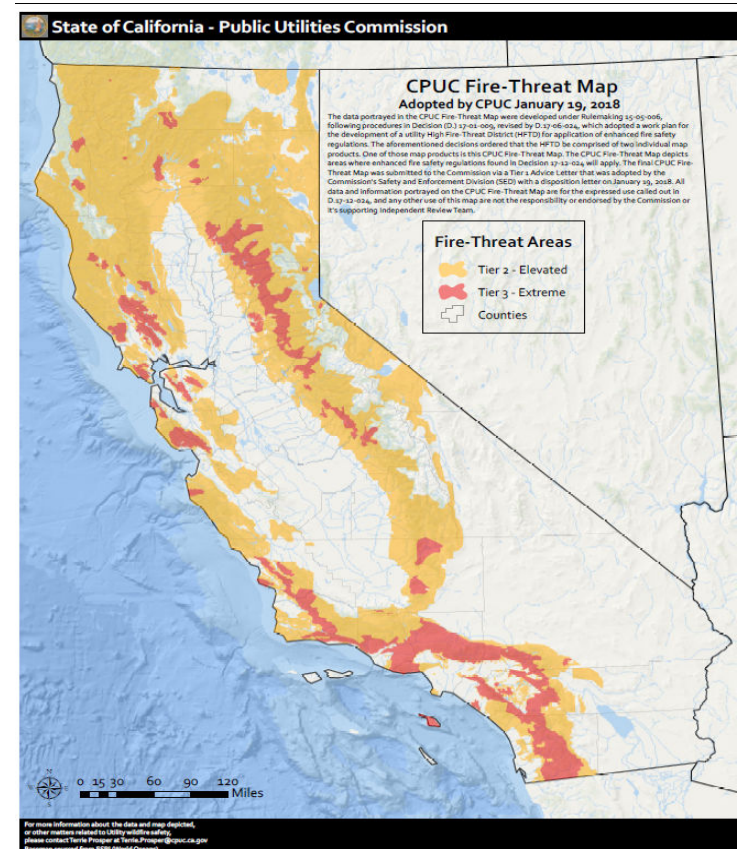
- **Launch Q4 2019**
- Complete 2020 Offering
- 1st NEC 2020 compliant switches
- Builder version for new construction
- California specific version
- Affordable

- **Launch Q4 2019**
- HEM capability (Neurio)
- Upsell new HSB customers
- Save on electricity
- Improved value proposition
- Basic integration with Mobile Link app

- **Launching Q1 2020**
- New Small Business focus
- Lower THD – Cleaner Energy
- Connectivity as a standard feature
- Upgraded environmental durability
- Enhanced delivery process

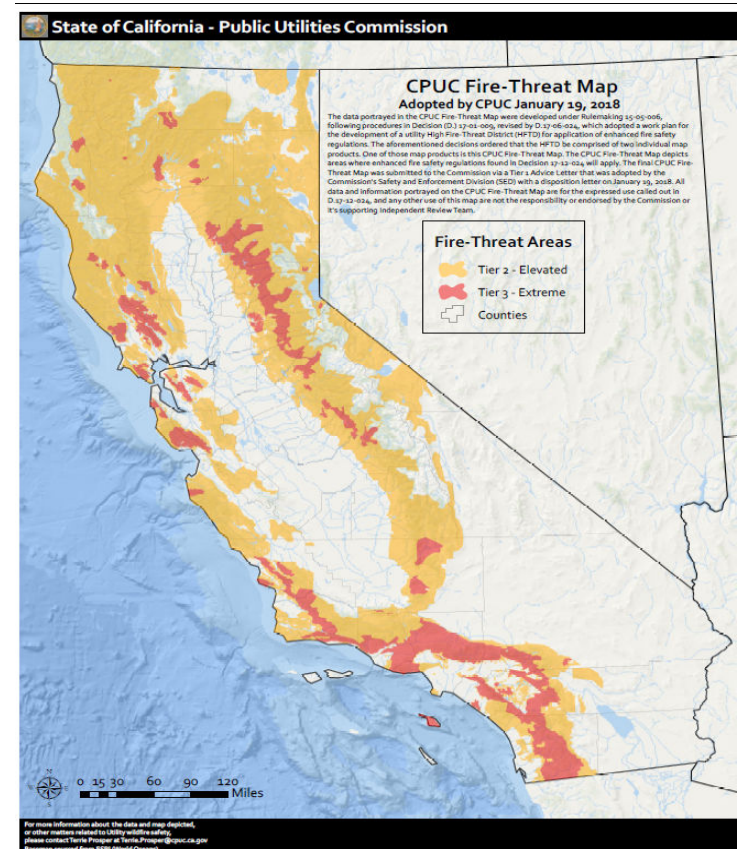
California Utility Shutoffs

- | Severe drought conditions over past decade have lead to massive increase in “fuel” for fires
- | Aging grid causing equipment failures that could ignite a fire
- | Utilities will de-energize grid when winds >25mph + humidity <20% +dry vegetation
- | >5 million meters in PG&E service area alone
- | Peak “season” for wildfires August - October
- | Dramatic increase in category awareness and interest in the last 90 days



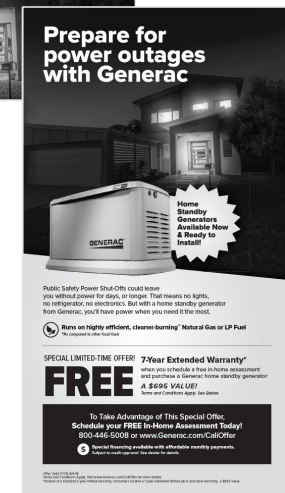
California Market Potential

- | 5th Largest Economy in the world
- | ~5 million homes in target audience
- | 5% penetration = ~250k homes
- | 5% penetration = ~\$1b in revenue
- | California should add ~\$100m by 2023
- | Raises U.S. market to ~\$1.3b+ by 2023
(with replacement included)



Driving Awareness in California

- | California focused infomercial
- | Billboards – Airport signage
- | Highly targeted digital & mail
- | Broadcast & OTT
- | Newspaper
- | Social & PR
- | Targeted dealer/ distributor materials
- | Special events
- | Retail displays



Growing California Distribution and Sales Leads

- | Dealer count has doubled so far in 2019
- | Wholesale and retail location expansion
- | Working direct with local utilities
- | New training centers opened
- | Adding warehouse capacity in California
- | **IHC's grew 400% over PY starting June**





Home Standby Potential Remains Massive

- | Significant HSB Upside - Penetration <5%
- | Growth is consistent across all regions
- | Grid instability and storms are increasing
- | Replacement market - \$2b+ over next 10yrs
- | CA market potential is large >\$1b+ over next 10yrs
- | Share continues to grow





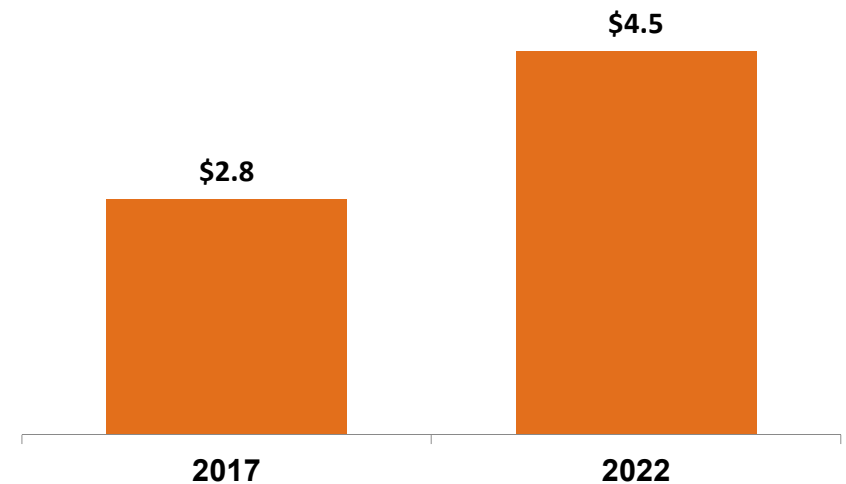
5G / Global Telecom

GENERAC | **60 YEARS**

Global Telecom Market Growing

- | Tower count has grown over 30% in 3yrs to ~4.6m by the end of 2018
- | Investment in telecom related power systems is expected to grow at >10% CAGR
- | Connectivity Drives Growth
 - | Internet of Things
 - | Consumption of services and data
- | Mobility provides access to remote locations
 - | Growth in coverage for existing markets
 - | Emerging markets can quickly adopt and deploy cellular communication solutions

Global Telecom Capex Spending (in billions)

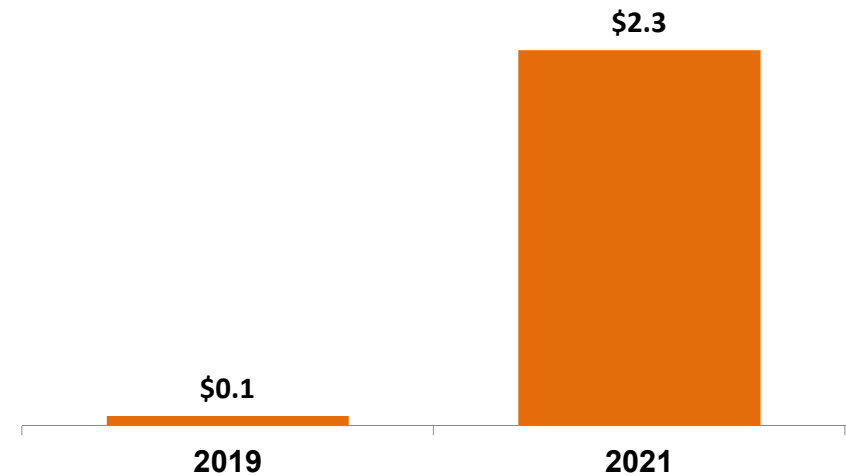


Source: Market&Markets

5G Technology Coming to Market

- | Faster speeds and greater bandwidth increasing wireless communication uses
 - | Primary communications
 - | Critical communications - emergency use
 - | Autonomous vehicles
 - | Drone delivery
- | 5G will require greater network reliability
 - | Further penetration of backup power at existing macro sites
 - | New macro site build out for added redundancy

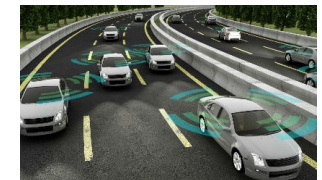
Global 5G Infrastructure Spending (in billions)



Source: Statista

5G Technology Improvements

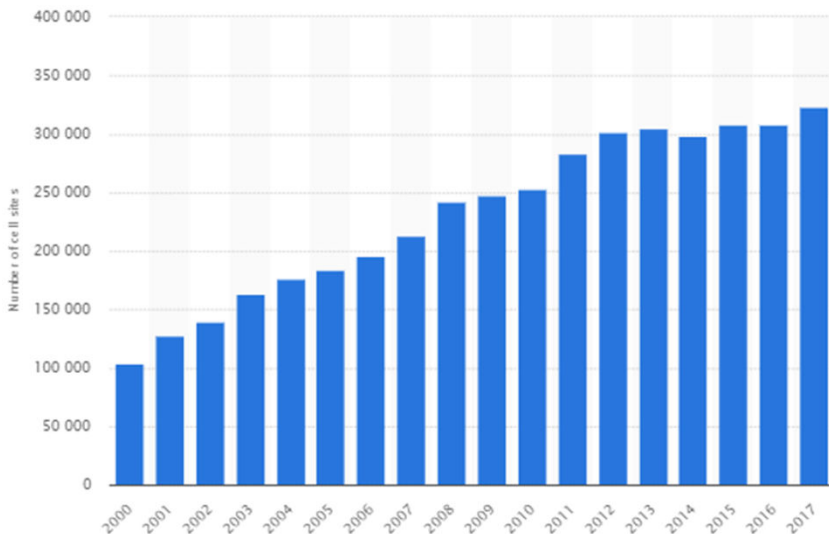
	3G	4G	5G
Download Speed	10 Megabits/second	50 Megabits/second	100 Megabits/second
Peak Download Speed	40 Megabits/second	1 Gigabit/second	10 Gigabits/second
Bandwidth	2 Megahertz	100 Megahertz	1,000 Megahertz
Latency	100-500 Milliseconds	20-30 Milliseconds	<10 Millisecond
Cell Tower Max Range	10 – 20 Miles	10 – 20 Miles	3,000 feet



- | 5G infrastructure to use “Hub and Spoke” model to meet additional coverage requirements
 - | Hub = current and new macro sites requiring higher generator penetration rates
 - | Spoke = new, smaller micro sites that might need battery or generator back-up

5G Market Opportunity – U.S.

- | Current macro cell sites >325k
- | Current generator penetration rate <40%



Estimated Telecom Market – Next 10 Years

	Macro Cell Sites
Increase penetration rate to 67%	80,000
New Macro Towers	50,000
Total	130,000

With Generac's >50% telecom market share, an approximately \$1.3 billion opportunity exists over the next decade

Generac is Positioned for Success

- | Generac is a primary supplier to all Tier 1 carriers in the US
 - | Customized solutions for each individual carrier's needs
 - | Largest support network in the industry with over 3,000 technicians
- | The acquisition of Selmec in Mexico positioned Generac as the market leading supplier of telecom backup power in LATAM
- | Pramac's global footprint of branches and dealer network serving over 150 countries aids market access

- | Broadest product and service offering in the industry
 - | Compact AC diesel and natural gas generators
 - | Compact DC generators with best in class performance
 - | Battery and solar hybrid generators designed for telecom
 - | Maintenance and repair programs tailored to each carrier
 - | EnergyView energy monitoring and management platform





 **Beyond Standby**

GENERAC | 60
YEARS

Power Markets are Changing

US electricity generation

- Natural gas has rapidly replaced coal and nuclear
- Growth of natural gas generation projected even as renewables continue to expand

Worldwide electricity generation

- Natural gas power generation is expected to grow by more than 50%
- Renewables are projected to more than double

Shift in where energy is produced

- The economics of behind the meter generation can drive material cost savings
- Grid instability driven by climate change and renewables requires alternative solutions to meet power needs
- Renewables create more opportunities for self reliance but in many cases cannot support energy needs in entirety

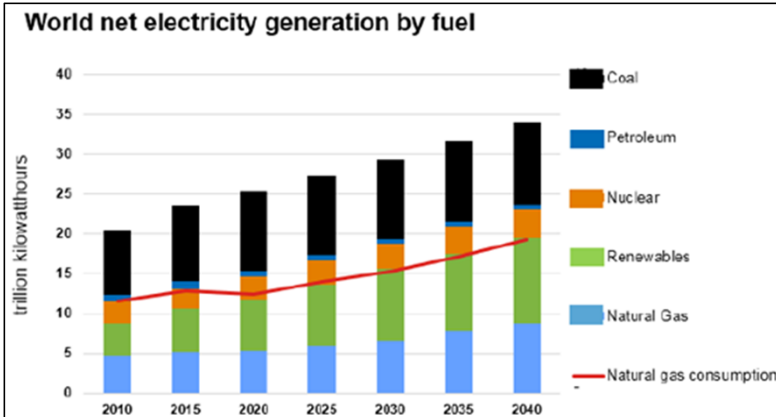
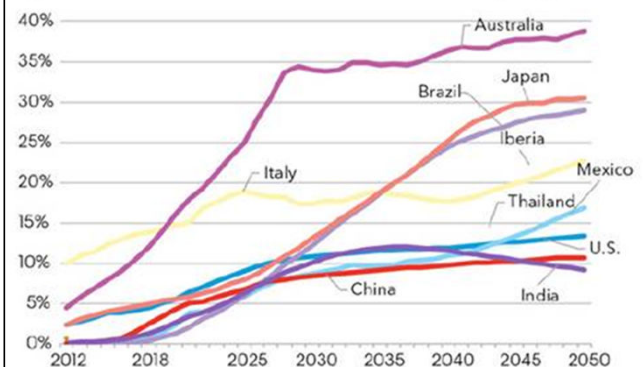


Figure 117: Decentralization ratio - the fraction of capacity behind-the-meter



Source: BloombergNEF. Note: Decentralization ratio is the ratio of non-grid-scale capacity (small-scale PV, batteries and demand response) to total installed capacity.

Global Shift to Natural Gas

Gas is a “cleaner” burning fuel

- 40% lower green house gas emissions than coal

- 25% lower green house gas emissions than diesel

North American transition is happening

- Growing supply of natural gas from US shale

- Technology has increased the ability to recover shale gas

- Power plants have quickly transitioned from coal to natural gas

- Gas infrastructure 99.8% resilient

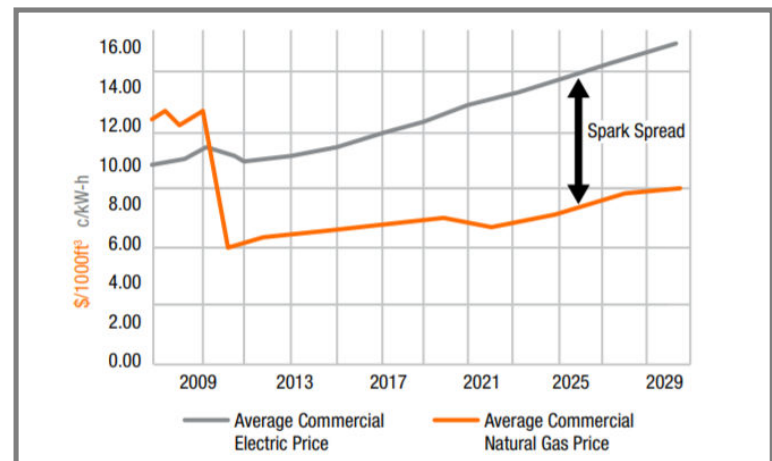
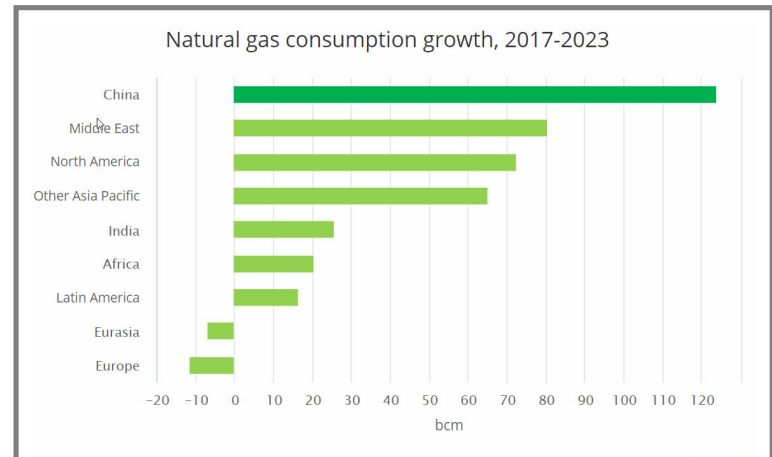
Global market dynamics are enabling natural gas expansion

- Infrastructure, access and production has improved

- LNG flexibility mitigates demand and seasonal shocks

- Asia markets are using gas for chemical feedstock, manufacturing and power generation

- Energy plans now include policy shift to natural gas



Generac – A Global Leader in Natural Gas

GENERAC | 60 YEARS

Products to address the changing power markets

- Deep technical expertise in natural gas engines and control technologies

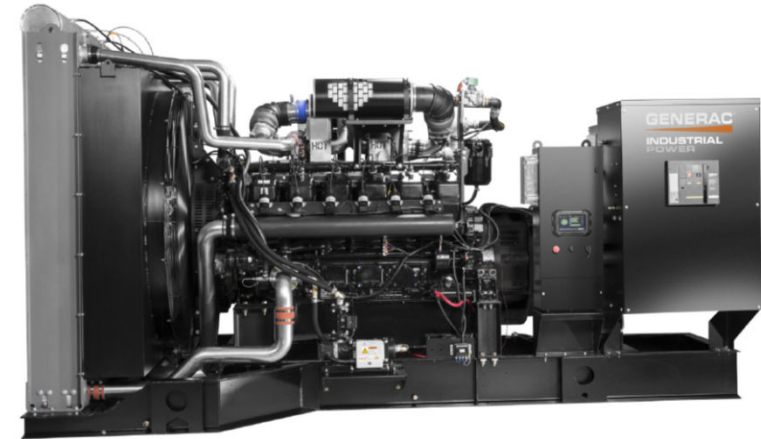
- Product lines expanded for higher kW and longer run time, allowing Generac to enter new “beyond standby” market segments

- Motortech acquisition has enabled the use of fuel system and ignition technologies enhancing reliability, durability and lower life cycle costs

Path to market is expanding

- Generac has added a dedicated commercial team of gas power generation experts specifically to develop “beyond standby” markets

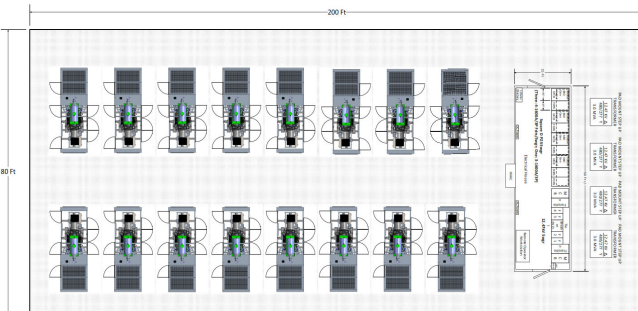
- Focus has been placed on developing both North American and global market opportunities



Early Success Stories

Providing Resiliency to Utility

- | 10 Megawatt facility to provide frequency regulation to balance renewable generation
- | Generac's gas solutions and paralleling capability delivered 20% cost savings to traditional solutions
- | Quick start capability (less than 10 seconds) added to network resiliency



Creating Energy Management Programs

- | Partnering with cooperatives and utilities to provide generator resiliency programs
- | Utilities avoid costly transmission charges
- | Facility owners gain the benefit of traditional standby



Standby to International Markets

- | Expanding core standby gas business into global markets
- | Early success being found in complicated solutions for diesel where regulations make gas easier to adopt to the site



15 Minute Break





Clean Energy

Russ Minick
Chief Marketing Officer



ESS: Rapidly Developing Market Opportunity

Mainstream acceptance of climate science driving aggressive emission reduction targets.

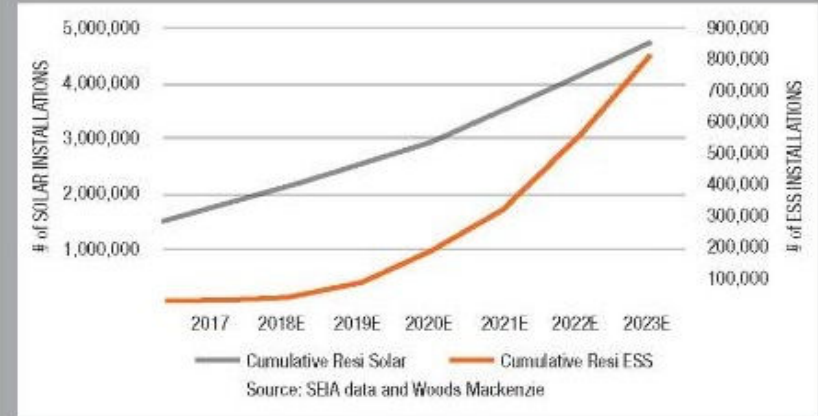
Solar and battery prices down approximately 60% since 2012 and projected to continue. As solar grows, the need for ESS becomes critical.

Universal homeowner desire to save money as utility bills continue rising annually. Preference to use renewable energy solutions.

Overall grid instability driving outages. Consumer desire for ESS for short-term resiliency increasing.

ESS leveraged as distributed energy resource of high interest for grid operators.

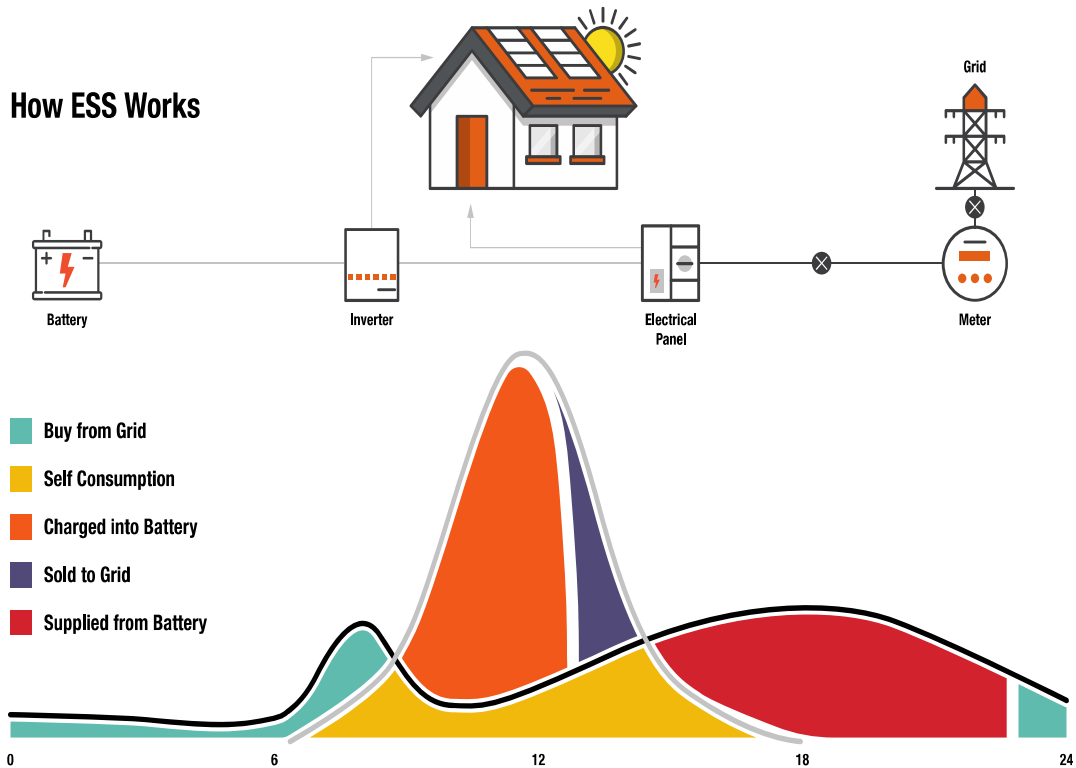
US Residential ESS Market \$2.3B; Global Market ~\$4.6B



Expecting over 100% CAGR from 2017 to 2023 results in a significant opportunity

How ESS Works

How ESS Works



Solar + Storage enables “optimized” home energy decisions

Time shift solar to off-set peak demand periods

Growth of solar net metering causing grid challenges

Battery provides short-term back-up power during outages

Clean Energy Homes are Here Today

Generac Home Energy Management System
 Reduces energy consumption by providing actionable insights of how home energy is consumed and how to save money.



Generac PWR Cell
 Stores excess solar power or low cost grid power so you can power your home during the evening peak hours, increasing ROI of solar investment.

Generac Standby Generator
 Reliable proven solution for energy back-up, powered by clean, abundant natural gas.

Why Generac

- | **Brand:** Generac is the leading brand of residential power solutions with millions of households protected
- | **Distribution:** Over 6,000 Generac dealers well positioned to sell, install and support ESS with an additional ~30,000 other distribution points (i.e. Retail, Wholesale, E-Comm)
- | **Demand Creation:** Generac has developed best in class demand creation capabilities, tools and infrastructure that drives efficient customer acquisition
- | **Technical Expertise:** Generac knows home electrical systems, power electronics, load management and all associated codes and standards (UL, CSA, NEC, CPSC, etc.)
- | **Utility Companies:** Generac has key relationships with utility companies who have high interest in residential behind the meter ESS

Battery Storage System Customer Value Proposition

GENERAC | 60 YEARS



SOLAR

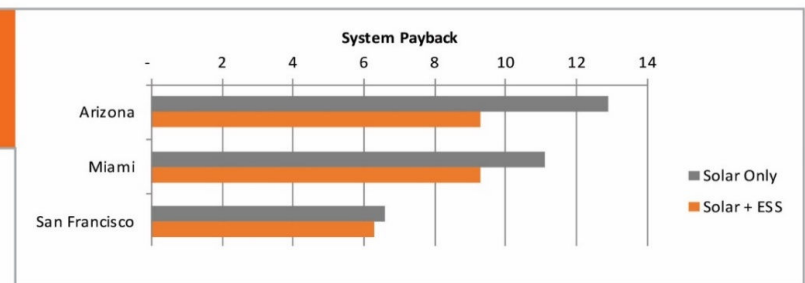


**GENERAC
PWRCELL BATTERY**



**HOME ENERGY
MONITORING SYSTEM**

Up to a 30% improvement
in payback of solar system



Profit generating
appliance after
payback period



Grid resiliency, green
tech, first adopter

95% of residential battery storage systems are installed with solar systems. Of those systems, the majority of consumers state they **highly value** the protection it provides from power outages

Source: NREL System Advisor Model, Management Estimates



Generac Clean Energy Investments

neurio HEMS (Home Energy Monitoring System)



Neurio Vancouver, BC
Acquired 03/13/2019

- | The leading energy data company focused on metering technology and sophisticated analytics to optimize energy use
- | Staffed by teams of data scientists, firmware and software engineers
- | In-house app development team

Combined we share a vision to develop groundbreaking technologies that modernize the way electricity is generated, stored, and used

Pika ENERGY ESS (Energy Storage System)



Pika Portland, Maine
Acquired 04/26/2019

- | Leading manufacturer of smart storage solutions and smart batteries
- | Founded by MIT engineers
- | Deep knowledge of power electronics
- | Innovative products with impressive I.P. portfolio



Clean Energy Value Proposition

Generac

- | #1 Brand in residential power with over 2M systems installed
- | Purpose built infrastructure & capabilities for residential energy
- | Operational excellence, quality and support



Trusted credible company, delivering home energy products for 60 years

Product Leadership

- | Innovative scalable battery storage product design
- | Energy monitoring combined with data science enables superior customer experience & ROI
- | Full system integrated operating system from rooftop to battery



Innovative consumer benefits combined with installer friendly insights

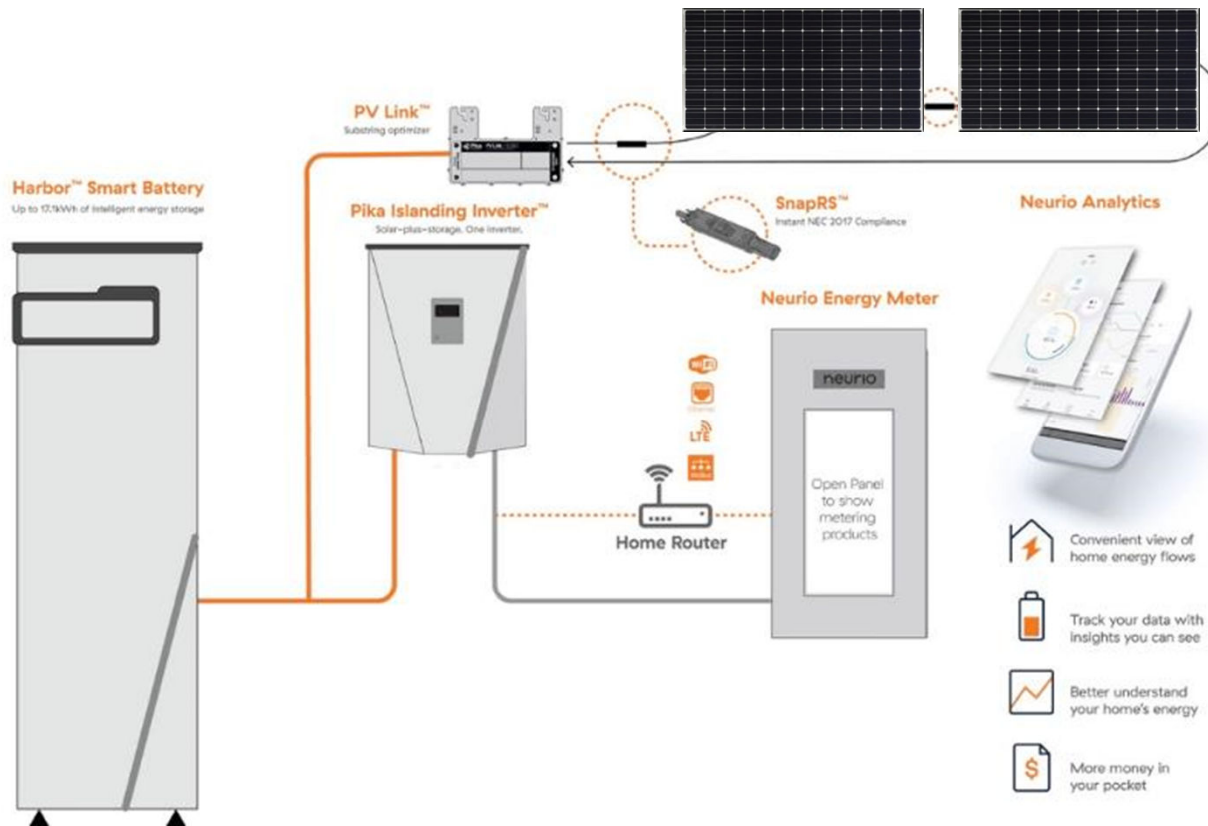
Market Creation

- | Unique “grow the market” philosophy
- | Lead generation processes that are innovative, efficient and proven
- | Equip aligned contractors and dealers with cutting edge design and selling tools



Not just another “appliance maker”, a true partner in growth and success

Integrated Product Ecosystem



Key Takeaways

- | Integrated Neuro metering enables a potential Home Energy Management subscription model
- | Plug-n-Play operating system provides an Apple-like experience
- | Generac participating in ALL solar + storage components except PV panels and panel mounting hardware

- Convenient view of home energy flows
- Track your data with insights you can see
- Better understand your home's energy
- More money in your pocket

Exclusive Scalability + Easy of Install



Useable Capacity

PWR 17



17.1

PWR 15



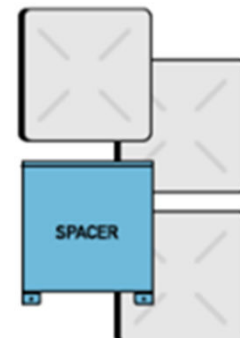
14.3

PWR 12



11.4

PWR 9



8.6



Initial Clean Energy Product Launches



Energy Storage System

Launch Q4 2019

- Sell through omni channel Generac distribution, large solar companies, and independent solar contractors
- CA Rule 21 compliant
- Includes optimizers and rapid shut down devices (NEC2017)
- Residential & Commercial 3-phase



Stand alone Home Energy Monitor

Launch Q4 2019

- Sell through omni channel Generac distribution including big box retail and e-comm
- B2B sales into home automation and security channels
- Approximate \$200 MSRP
- Installs in minutes



HSB + Home Energy Monitor

Launch Q4 2019

- Add value to HSB purchase
- Sell through Generac Distribution
- Sell to new HSB customers
- Assemble at Generac
- Basic Integration with Mobile Link app



ROW Products

Launching late 2020

- Key markets include Germany, Italy, Australia and Spain
- ROW engineering center in Italy

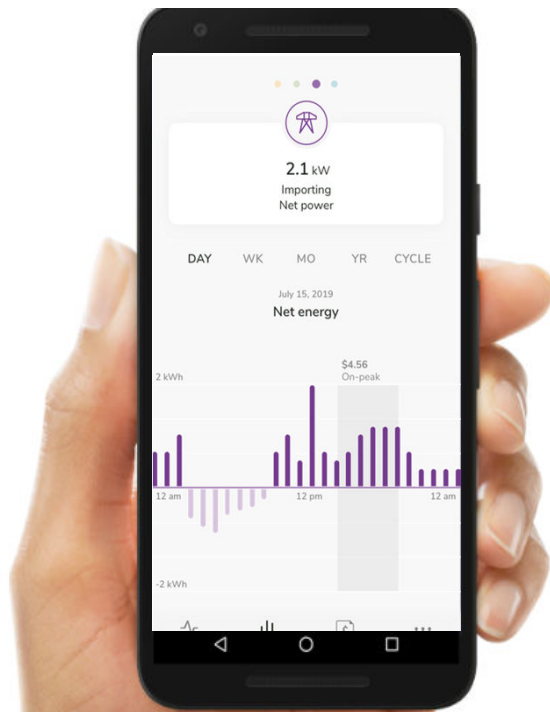
Power of Neurio inside



Real-Time Data Monitoring

See what's on, what it's costing you, make money saving decisions.

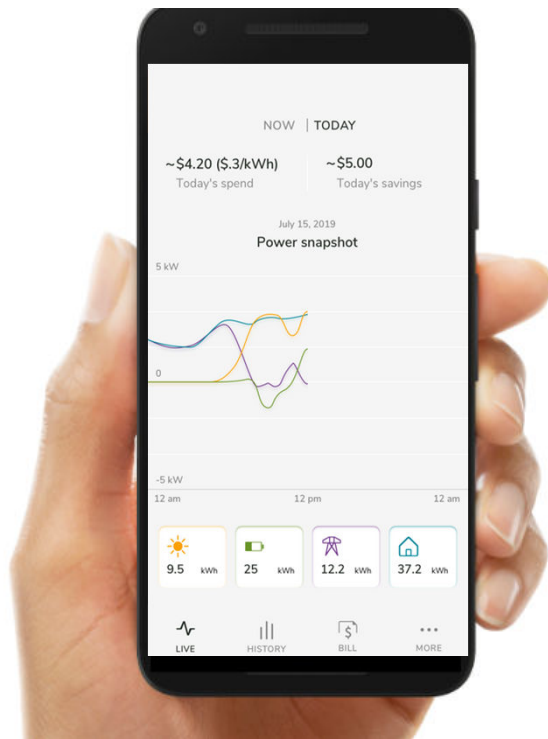
Power of Neurio inside



Always On

Always on determines how home energy use compares to similar homes.

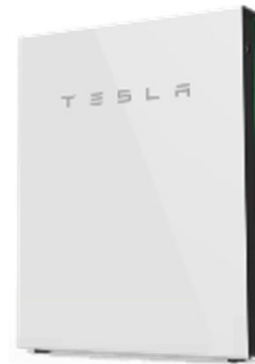
Power of Neurio inside



Energy Over Time

Drill down into historical data. Energy is aggregated over days, weeks or months.

ESS Competitive Landscape



	LG	TESLA	GENERAC PWRCELL
Usable Capacity	9.3kWh	13.5kWh	17.1kWh
Round Trip Efficiency	95%	90%	96.5%
Continuous Power	5kW	5kW	8kW
Surge Power	7kW	7kW	12kW
Scalable Capacity	N	N	Y
Heaviest Component <i>lbs / kg</i>	215/97.7	250/113.6	75/34.1



Clean Energy Strategic Sequencing

2019

Create and Enter

- Acquire and integrate Pika and Neurio
- Scale and harden product designs
- Establish best value supply chain
- Business launch at Solar Power International show
- Build & train North American distribution
- Begin shipping product in Q4
- Develop and launch lead generation processes

2020

Scale

- Scale the organization (NAM and ROW)
- Accelerated buildout of NAM distribution
- Penetrate California new home construction
- Ramp-up lead generation
- Launch home standby switch + home energy monitoring product
- Roll out retail presence
- Design and launch 50hz ROW
- Build ROW distribution partnerships

2021

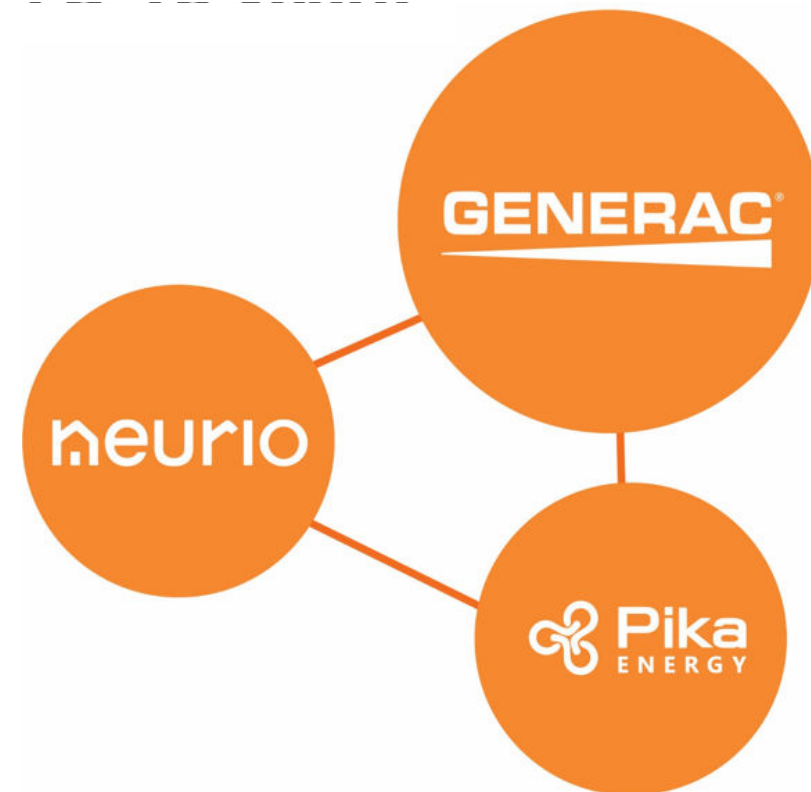
Expand

- Develop & launch grid services capabilities (VPP, DR, etc.)
- Drive global C&I penetration initiatives (sales force, distribution, etc.)
- Insource production of key components
- Create and launch premium HEM subscription business model
- Launch 2nd Generation ESS platform

ESS Is a Space We Believe Could Be as Meaningful as HSB in 5-10 Years

Clean energy investment highlights

- | Neurio and Pika are leaders in energy management and storage
- | Favorable environment for product adoption globally
- | Leverages Generac distribution and go-to-market strategies
- | Non seasonal business
- | Incremental platform for growth
- | Emerging market opportunity with no clear leader





Financial Framework

York Ragen

Chief Financial Officer

(262) 506-6064

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Key Take-Aways

ATTRACTIVE GROWTH PROFILE

- Compelling macro themes/opportunities
- Market leadership
- Dependable execution

STRONG MARGIN

- Product Innovation
- Leading go-to-market strategies

SIGNIFICANT CASH CONVERSION

- Profit is real

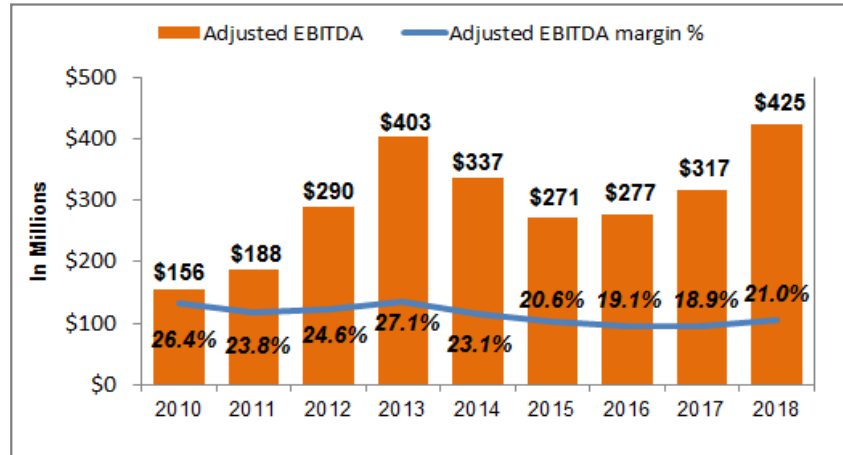
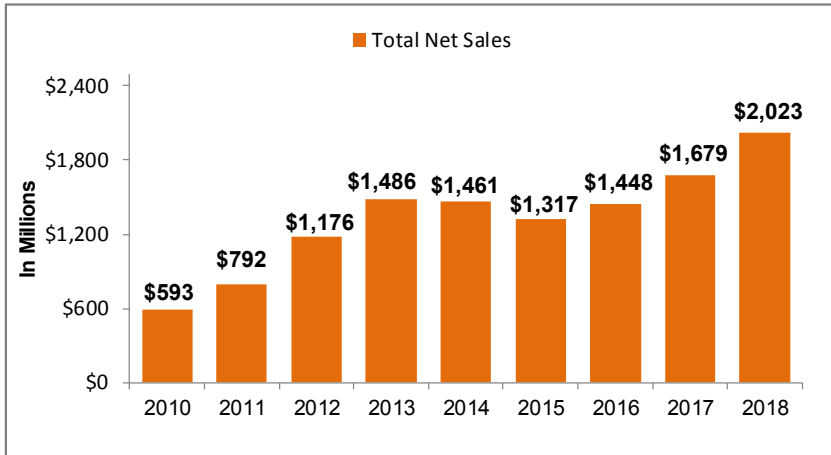
LEADS TO DISCIPLINED AND BALANCED CAPITAL ALLOCATION

ENGAGED STAKEHOLDERS

ACCELERATING SHAREHOLDER VALUE

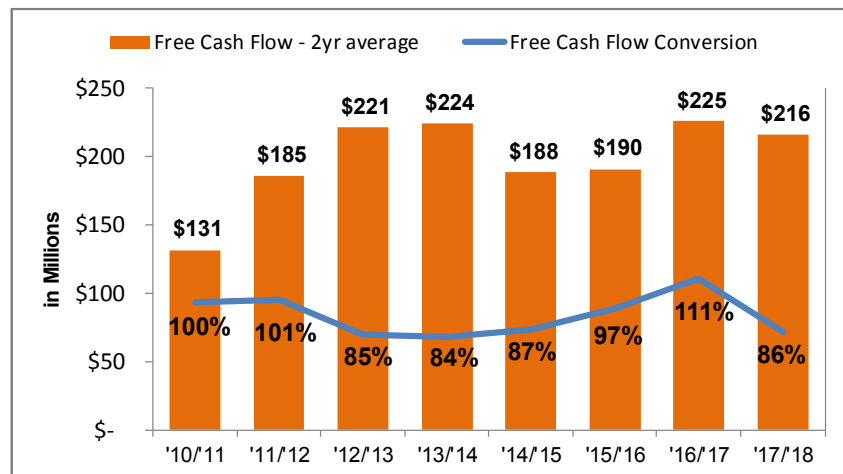
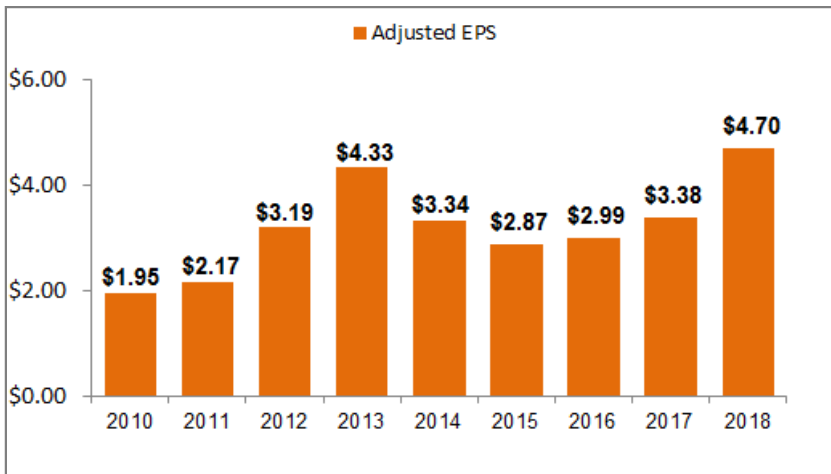
Financial Performance Since IPO

10%
Organic
CAGR



13%
CAGR

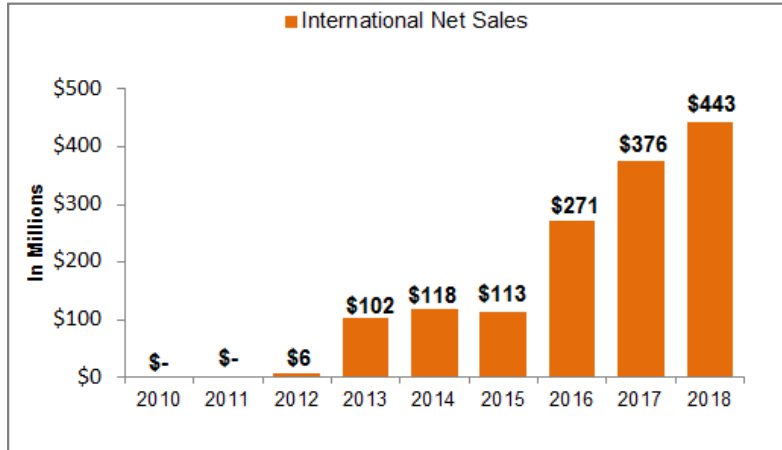
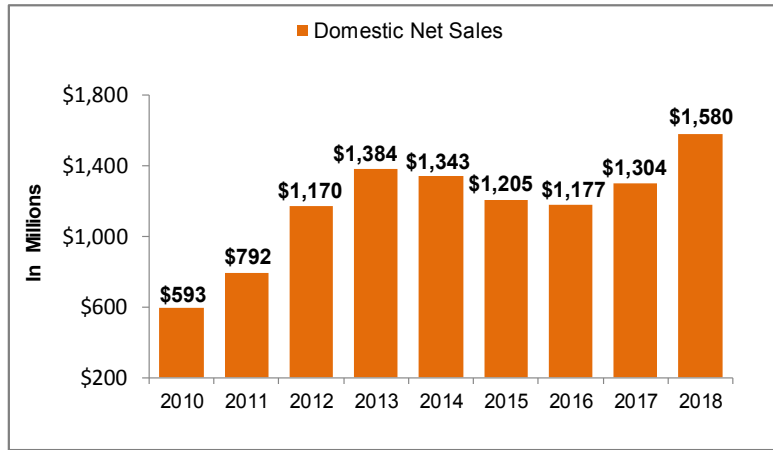
12%
CAGR



Financial Performance Since IPO

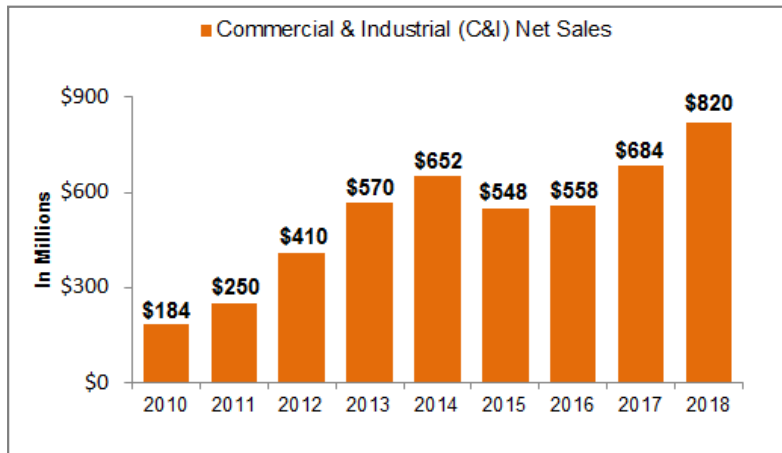
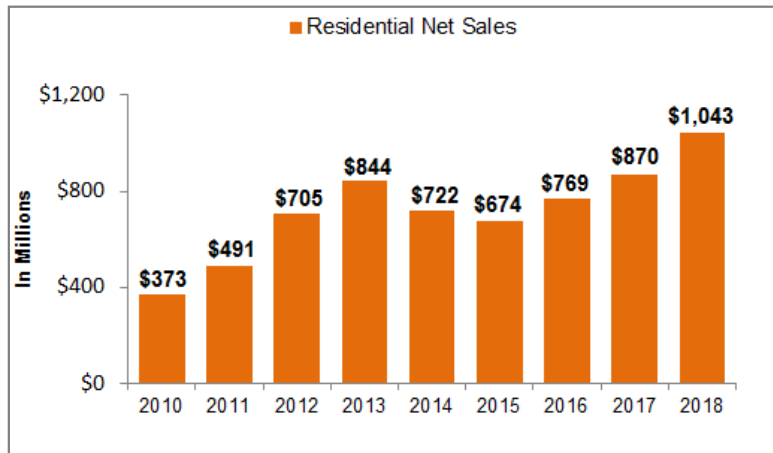
13%
CAGR

Net Sales by Segment



14%
CAGR

Net Sales by Product Class



21%
CAGR

Updated 3-Year Targets

Financial Metric	2019 Targets from 2017 Investor Day	2019 Guidance ⁽¹⁾ "Base Case"	New 2022 Targets
Net Sales	~\$1.7 billion	~\$2.15 billion	~\$2.8 billion
Adj EBITDA Margin ⁽²⁾	~20%	~20.0%	~21.0%
Cash Tax Rate ⁽³⁾	~18%	~17-18%	~26-27%
Interest Expense	\$39-\$40 million	\$41-\$42 million	\$43-\$44 million
Capital Spending %	2.0%-2.5% of sales	2.5% of sales	2.5% of sales
Free Cash Flow	>90% of Adj Net Income	80-90% of Adj Net Income	~85% of Adj Net Income

Significant out performance

~9-10% Core Sales growth CAGR

(1) Assumes mid-point of "Base Case" outlook as reported on **August 1, 2019**.
 (2) Calculated using adjusted EBITDA before deducting for non-controlling interest.
 (3) Annual tax shield of \$30 million remains in place through 2021.
 (4) Excludes potential M&A activity.

Updated 3-Year Targets: 2019E Base to 2022 Target

By Segment:

	Domestic	International	Total
Core Sales Growth:			
GDP & Initiatives	6 to 7%	7 to 8%	6 to 7%
Major Event	1%	0%	1%
Clean Energy	2%	2%	2%
Total	9 to 10%	9 to 10%	9 to 10%

By Product Class:

	Residential	Commercial & Industrial	Total
Core Sales Growth:			
GDP & Initiatives	6 to 7%	6 to 7%	6 to 7%
Major Event	1%	0%	1%
Clean Energy	4%	0%	2%
Total	11 to 12%	6 to 7%	9 to 10%

Key Initiatives:

- | **Consumer Power:** Grow dealer count; improve HSB close rate; replacement cycle; connectivity; new home penetration; California
- | **Clean Energy:** Combined capabilities of Generac, Pika & Neuroio to rapidly develop energy storage and energy management markets
- | **Chore:** Drive innovation through new product development; expand OPE & Hardware presence; optimized lead generation
- | **C&I Stationary:** Grow natural gas standby market; develop “Beyond Standby” market opportunities; increase market coverage via direct sales force; 5G driving increased telecom penetration
- | **C&I Mobile:** Channel and product line build-out; after-market support focus; national rental replacement cycle rebound
- | **International:** Grow natural gas markets; global telecom market; “Beyond Standby”; clean energy global opportunity

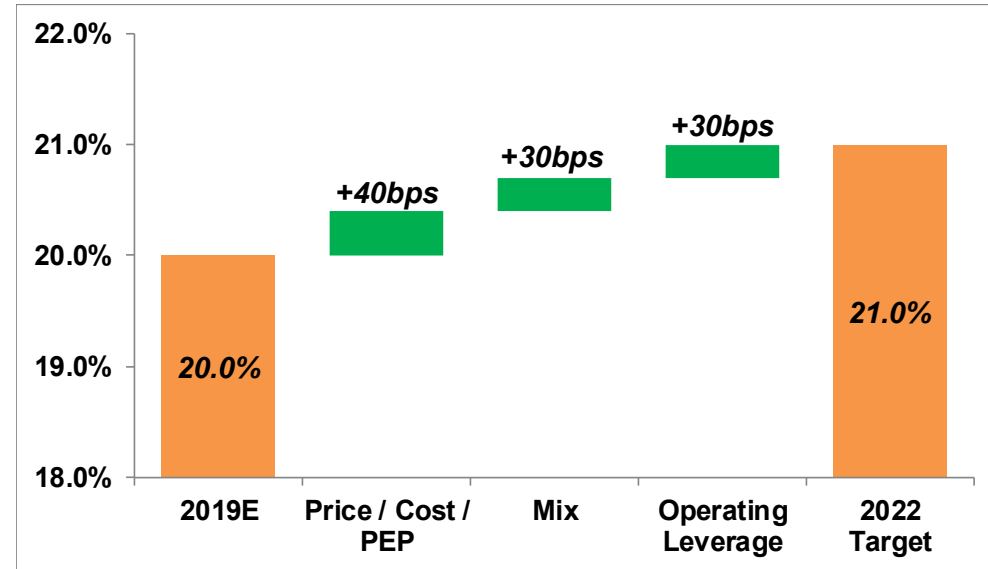
Adjusted EBITDA Margin Bridge

Updated 3-Year Targets: 2019E Base to 2022 Target

Consolidated:

- | ~20% 2019E → ~21% 2022 Target
- | Price / PEP (Profitability Enhancement Program) to more than offset inflationary cost pressures / tariffs
 - Corporate-wide focus on PEP Program drives margin improvement culture
- | Favorable mix given stronger Residential growth
- | Expect ~+30bps operating leverage on organic growth... scaling infrastructure to support growth

Adjusted EBITDA Margin



Domestic Segment

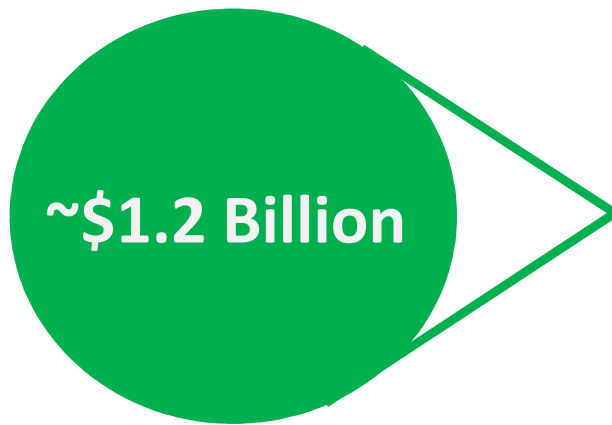
- | ~23-24% 2019E → ~23-24% 2022 Target

International Segment

- | ~8% 2019E → ~10-12% 2022 Target
before deducting for non-controlling interest

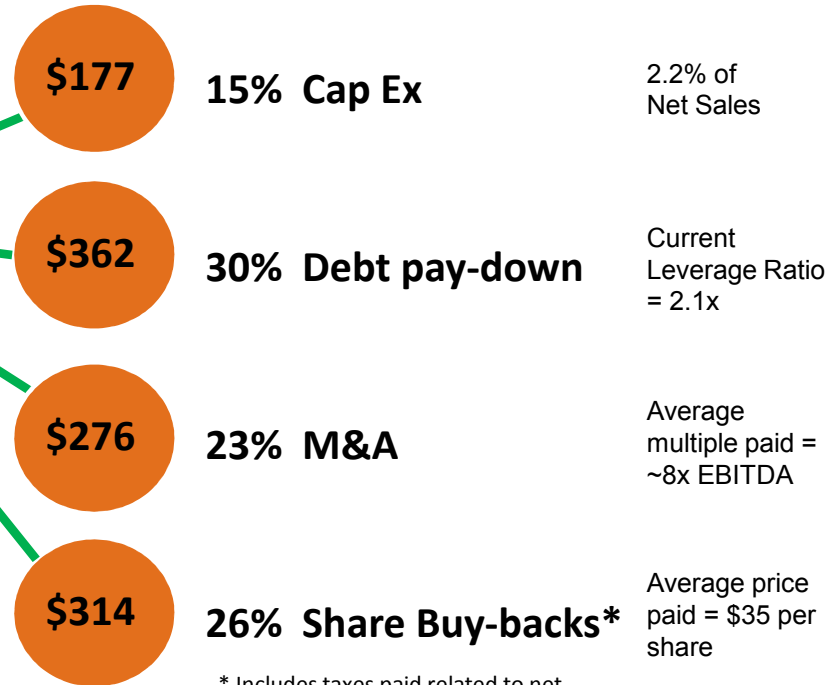
Historical Free Cash Flow

2014 - 2018 Cash Flow from Operations



**+90%
Free Cash Flow
Conversion of
Adj Net Income**

2014 - 2018 Uses of Cash (in millions)



- Secular growth profile
- Attractive EBITDA margins: 20+%
- Low Cost Debt: L+175
- Annual Tax Shield thru 2021: \$30M
- Asset-lite model: CAPEX ~2 - 2.5% of sales

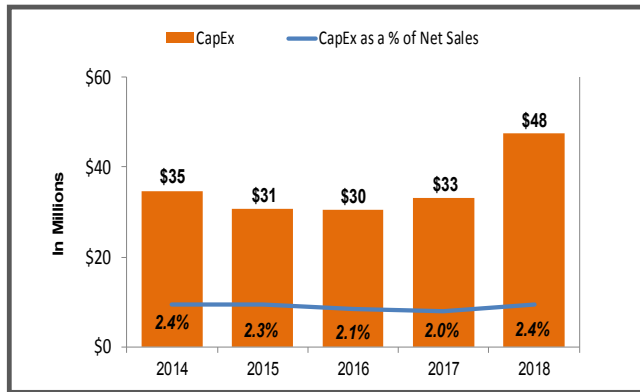
* Includes taxes paid related to net share settlement of equity awards

Significant cash flow leads to attractive capital deployment

Disciplined and Balanced Capital Allocation

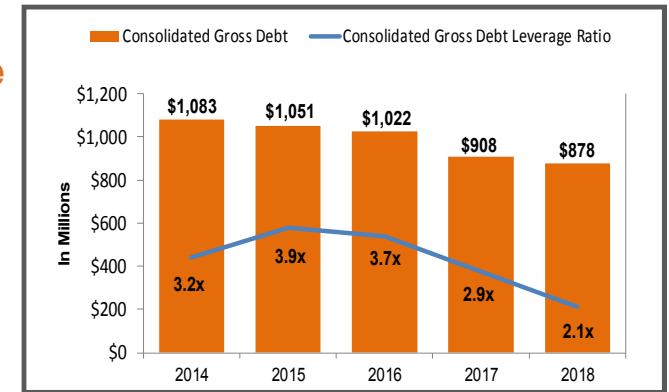
1. Organic Growth

Investment in technology, innovation, R&D capabilities, capacity expansion, global systems, automation



2. Maintaining Healthy Balance Sheet

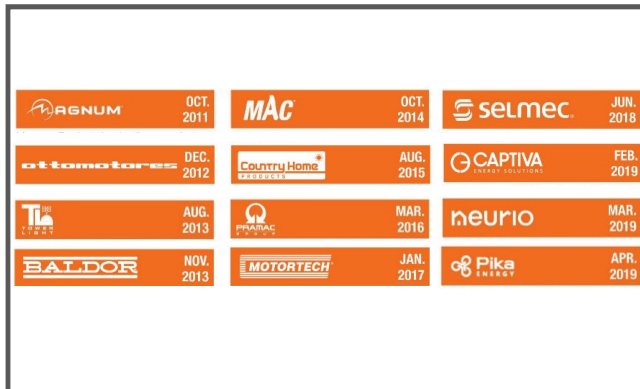
Target leverage 2-3x



3. Strategic M&A

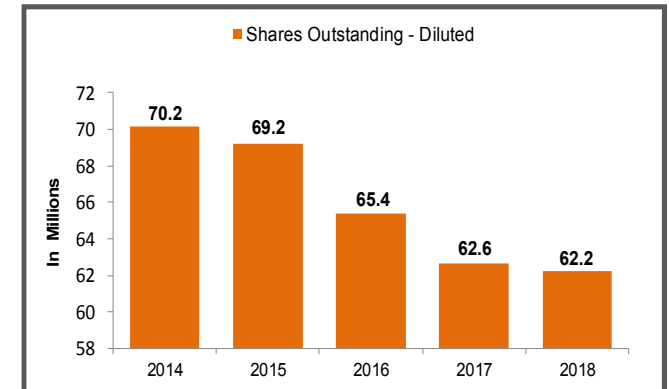
Accelerating “Powering Our Future” Strategy


Demonstrated ability to execute; 14 deals since 2011



4. Return of Capital

Opportunistic Share Buy-backs ~\$250M left on current share repurchase plan





Capital Structure & Liquidity

1. Expected strong Free Cash Flow generation:
~\$850M from 2020 thru 2022



2. Attractive Capital Structure:

Facility	Rate	Maturity	6/30/2019 Balance	6/30/2019 Rating
Term Loan B	L+175	May 2023	\$879M	Ba2/BB-
\$300M Revolver	L+1.375%	June 2023	\$26M	

** Total Gross Debt Leverage Ratio = 2.13x at 6/30/2019
 ** Term Loan B is 57% swapped fixed



3. Significant flexibility to execute on future shareholder-value enhancing opportunities (which are not included in long-range targets)

Key Take-Aways

ATTRACTIVE GROWTH PROFILE

- Compelling macro themes/opportunities
- Market leadership
- Dependable execution

STRONG MARGIN

- Product Innovation
- Leading go-to-market strategies

SIGNIFICANT CASH CONVERSION

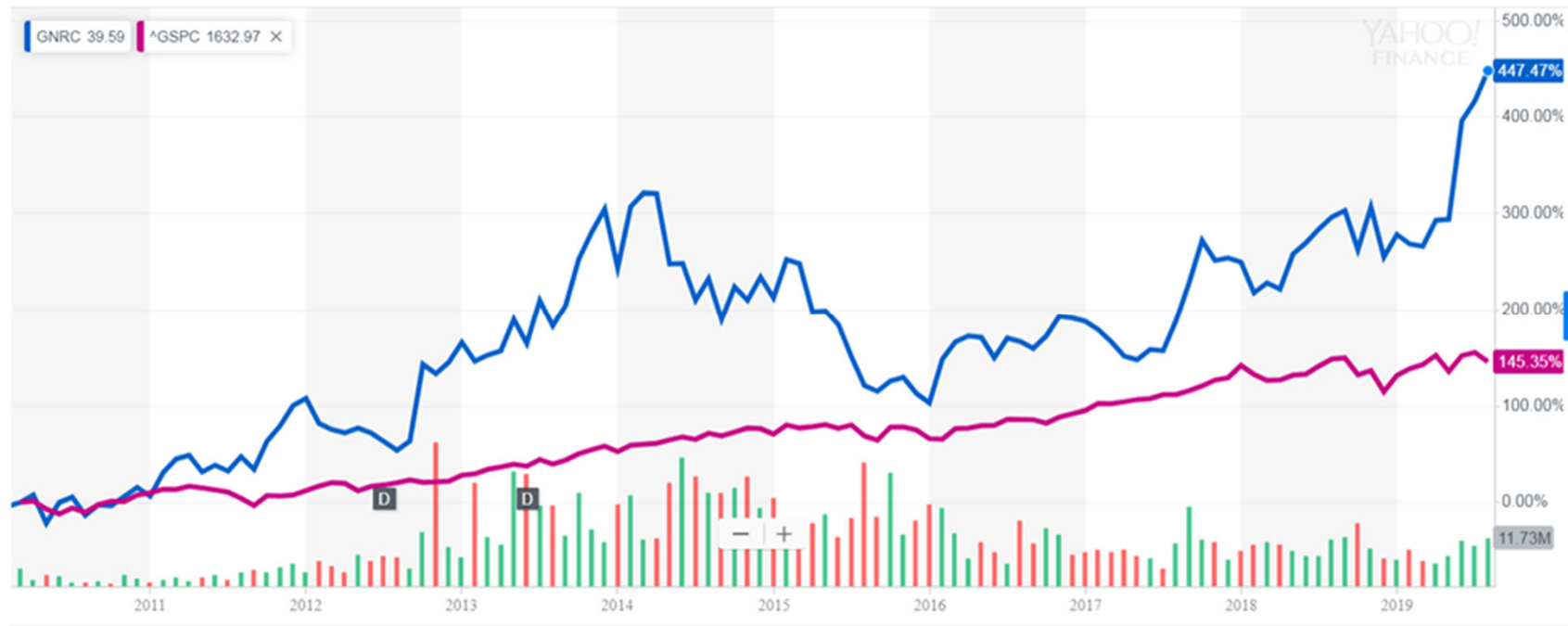
- Profit is real

LEADS TO
DISCIPLINED
AND BALANCED
CAPITAL
ALLOCATION

ENGAGED
STAKEHOLDERS

ACCELERATING
SHAREHOLDER
VALUE

Successful Strategy... Strong execution



+300% return over the S&P 500 since our IPO



Closing Remarks

Power quality issues continue to increase

Home standby market growth opportunity is massive

Natural gas generators driving superior growth rates

Rollout of 5G will require improved network reliability

Energy storage & monitoring markets developing quickly

2022 targets

| Net sales ~2.8B

| ~9-10% CAGR

| 21% EBITDA

| 850M free cash flow over
next three years

Q & A

GENERAC | **60 YEARS**





GENERAC®

Appendix

Adjusted EBITDA

Source: Company Filings



	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net income	\$56,913	\$324,643	\$93,223	\$174,539	\$174,613	\$77,747	\$97,178	\$159,557	\$241,220
Interest expense	27,397	23,718	49,114	54,435	47,215	42,843	44,568	42,667	40,956
Depreciation and amortization	59,440	56,123	54,160	36,774	34,730	40,333	54,418	51,988	47,408
Provision for income taxes	307	(237,677)	63,129	104,177	83,749	45,236	56,519	44,142	69,856
Non-cash write-down and other adjustments	(361)	10,400	247	78	(3,853)	3,892	357	2,923	3,532
Non-cash share-based compensation expense	6,363	8,646	10,780	12,368	12,612	8,241	9,493	10,205	14,563
Tradename and goodwill impairment	-	-	-	-	-	40,687	-	-	-
Loss on extinguishment of debt	4,809	377	14,308	15,336	2,084	4,795	574	-	1,332
(Gain) loss on change in contractual interest rate	-	-	-	-	(16,014)	2,381	2,957	-	-
Transaction costs and credit facility fees	1,019	1,719	4,117	3,863	1,851	2,249	2,442	2,145	3,883
Business optimization expenses	108	277	-	-	-	1,947	7,316	2,912	952
Sponsor Fees	56	-	-	-	-	-	-	-	-
Letter of Credit Fees	(26)	(33)	-	-	-	-	-	-	-
Other State Franchise Taxes	317	342	-	-	-	-	-	-	-
holding Company interest Income	(93)	(59)	-	-	-	-	-	-	-
Other	-	-	731	1,043	296	465	700	761	850
Adjusted EBITDA	\$156,249	\$188,476	\$289,809	\$402,613	\$337,283	\$270,816	\$276,522	\$317,300	\$424,552

Adjusted Net Income

Source: Company Filings



	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net income attributable to Generac Holdings Inc.	\$56,913	\$324,643	\$93,223	\$174,539	\$174,613	\$77,747	\$97,154	\$157,808	\$238,257
Net income attributable to noncontrolling interests	-	-	-	-	-	-	24	1,749	2,963
Net income	56,913	324,643	93,223	174,539	174,613	77,747	97,178	159,557	241,220
Provision for income taxes	307	(237,677)	63,129	104,177	83,749	45,236	56,519	44,142	69,856
Income before provision for income taxes	57,220	86,966	156,352	278,716	258,362	122,983	153,697	203,699	311,076
Amortization of intangible assets	51,808	48,020	45,867	25,819	21,024	23,591	32,953	28,861	22,112
Amortization of deferred finance costs and original issue discount	2,439	1,986	3,759	4,772	6,615	5,429	3,940	3,516	4,749
Tradename and goodwill impairment	-	9,389	-	-	-	40,687	-	-	-
Loss on extinguishment of debt	4,809	377	14,308	15,336	2,084	4,795	574	-	1,332
(Gain) loss on change in contractual interest rate	-	-	-	-	(16,014)	2,381	2,957	-	-
Transaction costs and other purchase accounting adjustments	-	875	3,317	2,842	(3,623)	2,710	5,653	1,706	2,578
Business optimization expenses	-	-	-	-	-	1,947	7,316	2,912	952
Adjusted net income before provision for income taxes	116,276	147,613	223,603	327,485	268,448	204,523	207,090	240,694	342,799
Cash income tax expense	(322)	(437)	(2,811)	(25,821)	(34,283)	(6,087)	(9,299)	(25,624)	(47,064)
Adjusted net income	115,954	147,176	220,792	301,664	234,165	198,436	197,791	215,070	295,735
Adjusted net income attributable to noncontrolling interests	-	-	-	-	-	-	2,219	3,201	3,522
Adjusted net income attributable to Generac Holdings Inc.	\$115,954	\$147,176	\$220,792	\$301,664	\$234,165	\$198,436	\$195,572	\$211,869	\$292,213