

Advanced Energy - Non-GAAP Financials

Quarterly Trend

(\$000's)

All figures from Continuing Operations

| | 2017 Q1 | 2017 Q2 | 2017 Q3 | 2017 Q4 | 2018 Q1 | 2018 Q2 | 2018 Q3 | 2018 Q4 | 2019 Q1 | 2019 Q2 | 2019 Q3 |
|-------------------------------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Revenue | 149.4 | 165.9 | 176.6 | 179.2 | 195.6 | 196.0 | 173.1 | 154.2 | 140.7 | 134.8 | 175.1 |
| Backlog | 91.9 | 106.6 | 115.7 | 133.6 | 145.7 | 103.9 | 91.5 | 74.7 | 61.7 | 57.1 | 300.6 |
| Gross Profit | 79.2 | 87.5 | 92.6 | 98.5 | 104.0 | 101.6 | 86.5 | 76.1 | 66.1 | 64.3 | 76.4 |
| Gross Margin | 53.0% | 52.8% | 52.4% | 55.0% | 53.2% | 51.8% | 50.0% | 49.4% | 47.0% | 47.7% | 43.6% |
| Research & Development | 12.3 | 14.3 | 14.4 | 16.0 | 17.1 | 18.9 | 18.3 | 20.5 | 20.9 | 21.6 | 24.2 |
| Selling, general and administrative | 19.3 | 20.4 | 21.8 | 21.5 | 24.2 | 22.9 | 23.8 | 27.0 | 24.9 | 25.4 | 29.3 |
| Total OPEX | 31.5 | 34.8 | 36.2 | 37.4 | 41.3 | 41.9 | 42.2 | 47.5 | 45.8 | 47.0 | 53.5 |
| OPEX % | 21.1% | 21.0% | 20.5% | 20.9% | 21.1% | 21.4% | 24.4% | 30.8% | 32.5% | 34.9% | 30.5% |
| Operating Income | 47.6 | 52.7 | 56.4 | 61.1 | 62.7 | 59.8 | 44.3 | 28.6 | 20.4 | 17.3 | 22.9 |
| Operating Income % | 31.9% | 31.8% | 31.9% | 34.1% | 32.0% | 30.5% | 25.6% | 18.6% | 14.5% | 12.8% | 13.1% |
| EBITDA | 56.6 | 55.1 | 59.0 | 142.9 | 66.3 | 64.1 | 48.3 | 32.7 | 22.6 | 19.6 | 26.5 |
| EBITDA % | 37.9% | 33.2% | 33.4% | 79.8% | 33.9% | 32.7% | 27.9% | 21.2% | 16.1% | 14.6% | 15.1% |
| Other (Income)/Expense | (0.3) | 0.1 | (0.2) | (0.6) | (0.0) | 0.5 | (0.4) | (0.9) | (0.7) | (0.7) | (1.2) |
| Income Before Taxes | 47.9 | 52.7 | 56.6 | 61.6 | 62.7 | 59.2 | 44.7 | 29.5 | 21.1 | 18.0 | 24.1 |
| Tax Provision/(Benefit) | 6.0 | 3.4 | 8.5 | 9.2 | 9.2 | 9.8 | 3.6 | 0.7 | (1.3) | 0.9 | 3.4 |
| Tax Rate | 12.6% | 6.5% | 15.1% | 15.0% | 14.7% | 16.5% | 7.9% | 2.4% | -6.0% | 4.8% | 14.0% |
| Non-GAAP Net Income/(Loss) | 41.9 | 49.2 | 48.0 | 52.4 | 53.5 | 49.4 | 41.2 | 28.0 | 22.4 | 17.2 | 20.9 |
| Net Income % | 28.0% | 29.7% | 27.2% | 29.2% | 27.3% | 25.2% | 23.8% | 18.2% | 15.9% | 12.7% | 11.9% |
| Non-GAAP EPS | 1.04 | 1.22 | 1.20 | 1.31 | 1.34 | 1.25 | 1.05 | 0.73 | 0.58 | 0.45 | 0.54 |
| Average Shares Outstanding | 40.2 | 40.3 | 40.2 | 40.1 | 40.0 | 39.6 | 39.2 | 38.6 | 38.4 | 38.5 | 38.5 |
| Operating Cash Flow | 42.7 | 64.0 | 33.7 | 49.6 | 34.9 | 53.0 | 30.6 | 32.9 | 6.9 | 11.5 | 10.5 |
| Headcount | 1,638 | 1,725 | 1,793 | 1,876 | 2,139 | 2,184 | 2,111 | 2,259 | 2,151 | 2,072 | 11,063 |
| Reconciliation to GAAP: | | | | | | | | | | | |
| Non-GAAP Net Income/(Loss) | 41.9 | 49.2 | 48.0 | 52.4 | 53.5 | 49.4 | 41.2 | 28.0 | 22.4 | 17.2 | 20.9 |
| Equity Compensation | (3.4) | (3.9) | (3.5) | (1.8) | (4.3) | (1.9) | (1.0) | (2.1) | (3.0) | (0.9) | (0.9) |
| Amortization of Intangible Assets | (1.0) | (1.0) | (1.2) | (1.2) | (1.3) | (1.3) | (1.4) | (1.8) | (2.0) | (1.9) | (3.0) |
| Acquisition-Related Costs | - | (0.2) | - | - | (0.4) | (0.3) | (0.9) | (0.8) | (1.5) | (1.5) | (7.9) |
| Other One-Time Charges | (3.5) | - | 39.1 | (79.2) | (2.3) | (0.3) | (3.6) | (5.6) | (1.9) | 12.9 | (1.7) |
| Tax Effects | 1.4 | 1.6 | 1.4 | 0.8 | 1.1 | 0.7 | 0.8 | 1.6 | 1.4 | (2.3) | (0.1) |
| GAAP Net Income (Loss) | 35.4 | 45.9 | 83.8 | (29.0) | 46.4 | 46.4 | 35.2 | 19.2 | 15.4 | 23.4 | 7.3 |
| EPS | 0.88 | 1.14 | 2.09 | (0.73) | 1.16 | 1.17 | 0.90 | 0.50 | 0.40 | 0.61 | 0.19 |