



JBT Q2 2021 Earnings Call

July 2021

Forward-Looking and Non-GAAP Statements



These slides and the accompanying presentation contain “forward-looking” statements, including statements about management’s expectations regarding trends in the food and air transportation markets, strategic initiatives, acquisition strategies and long-term goals, which represent management’s best judgment as of the date hereof, based on currently available information. Actual results may differ materially from those contained in such forward-looking statements.

JBT Corporation’s (the “Company”) most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q, filed with the Securities and Exchange Commission, include information concerning risks and uncertainties, including the factors set forth under “Item 1A. Risk Factors”, that may cause actual results to differ from those anticipated by these forward-looking statements. The Company undertakes no obligation to update or revise these forward-looking statements to reflect new events or uncertainties.

Non-GAAP financial measures are provided to enhance investors’ overall understanding of JBT’s financial performance by eliminating effects of certain items that are not comparable from one period to the next. In addition, this information is used by management as a basis for evaluating performance and for the planning and forecasting of future periods. This information is not intended to be a substitute for, nor should it be considered in isolation of, financial measures prepared in accordance with U.S. GAAP.

Key Takeaways From Second Quarter 2021



Capturing Robust Demand with Record Orders

- We outperformed our expectations in terms of revenue (largely due to better than expected shipments) and earnings, and generated record orders
- Material cost inflation, supply chain disruptions and now labor costs and shortages have intensified
- Demand from retail remains strong and the recovery in food service is accelerating
- We continue to see encouraging signs of recovery at AeroTech

Strong Cash Flow Generation Continues

- Strong free cash flow performance in the quarter
- Continued good collection of AR and customer deposits, and a slower than expected investment in inventory due to supply chain constraints
- We anticipate that the balance sheet will expand in the second half of the year
- We expect free cash flow conversion for the year to remain north of 100 percent

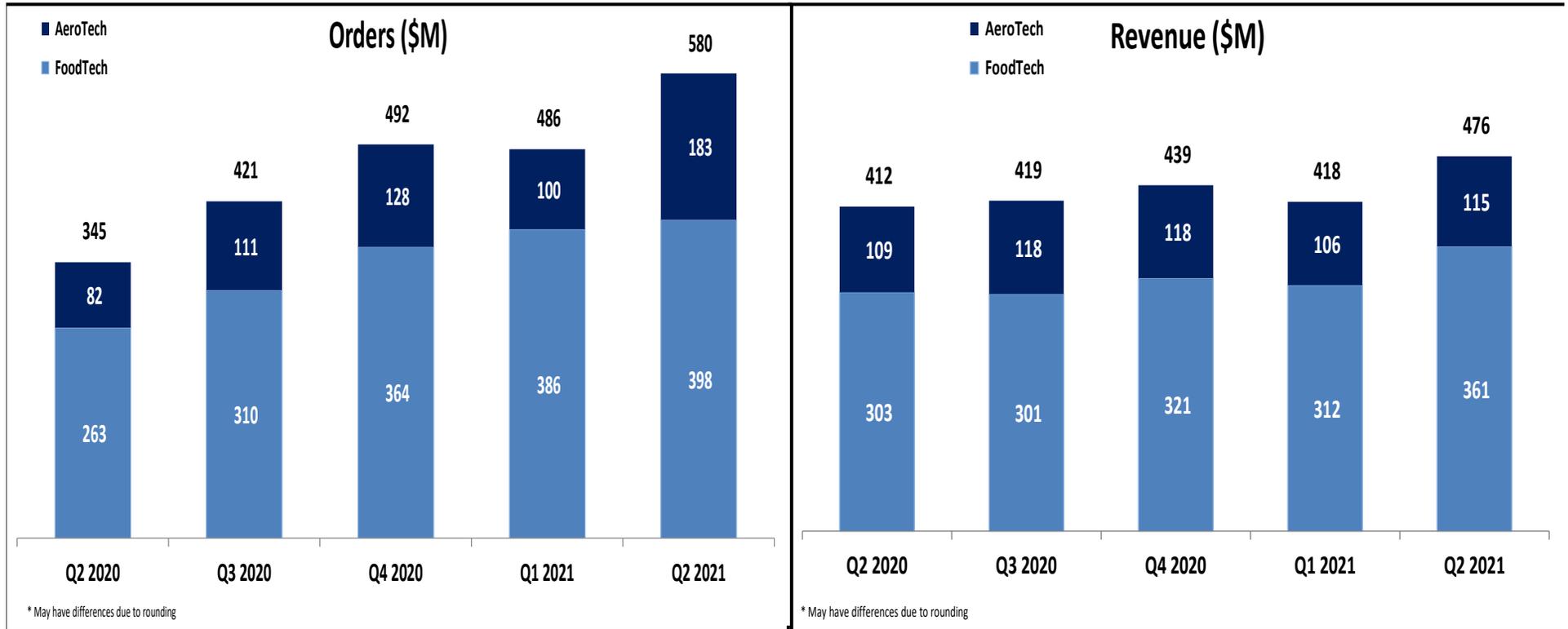
Focused on Organic Growth & M&A

- Issued a convertible note offering, generating net proceeds of over \$350 million
- Closed its previously announced acquisition of Prevenio, expanding our recurring revenue and ability to address food safety needs for customers
- Accelerating investment in our digital strategy and iOPS platform that builds intelligence into our products and services
- Liquid Foods business within FoodTech rebranded to Diversified Food & Health to reflect expanded business focus

Updated Guidance Outlook

- Adjusting full-year guidance to reflect robust commercial activity, increased cost pressures and supply chain disruptions
- All in, expect total revenue expansion of 10 to 13 percent for the full year
- EPS: \$4.15 - \$4.35
- Adj. EPS: \$4.60 - \$4.80
- Current issues including the rate of vaccination and new variants of the COVID-19 virus could result in a slower recovery than currently anticipated in the full-year 2021 outlook

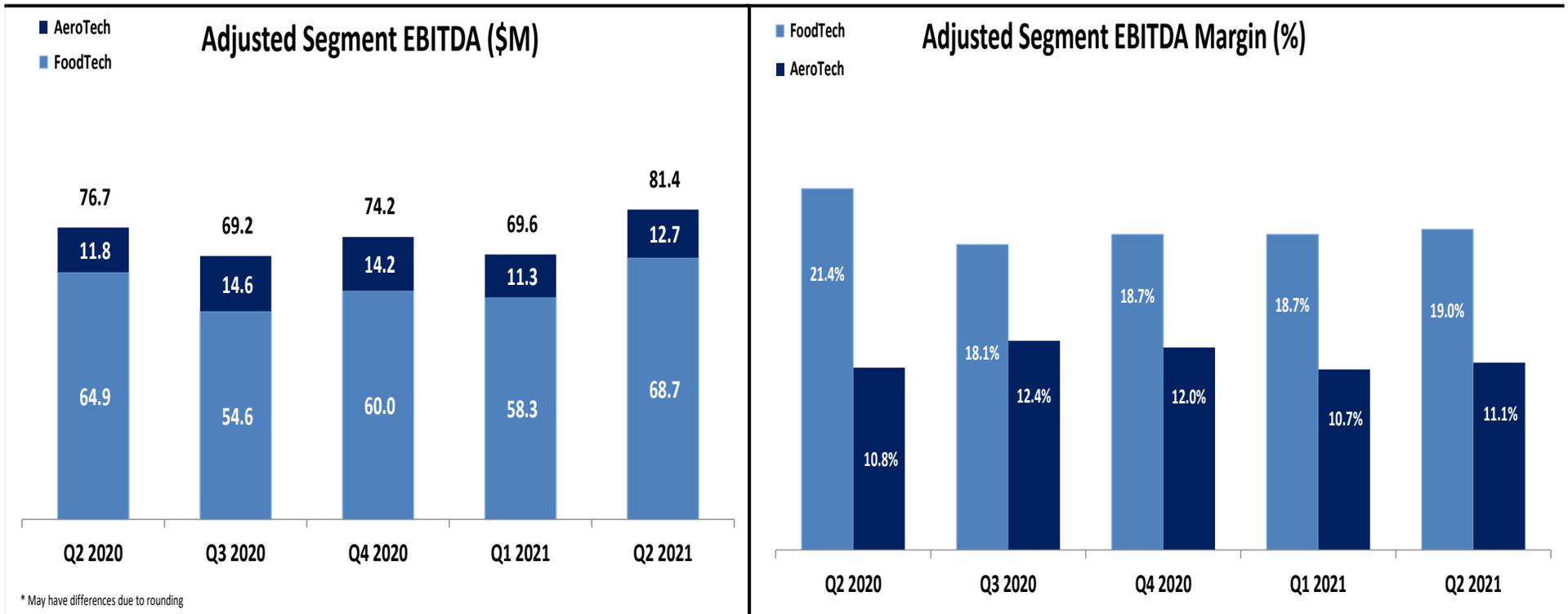
Financial Performance – Orders and Revenue



FoodTech trends – continued strength in retail demand and recovery in foodservice, combined with several large AGV orders drove inbound; strong operational execution driving outperformance in revenue.

AeroTech trends – record orders as a result of major projects on the infrastructure side of our business, and seasonal strength including demand for cargo loaders and deicers. We see encouraging signs of continued recovery in commercial airlines.

Financial Performance - Segment EBITDA¹

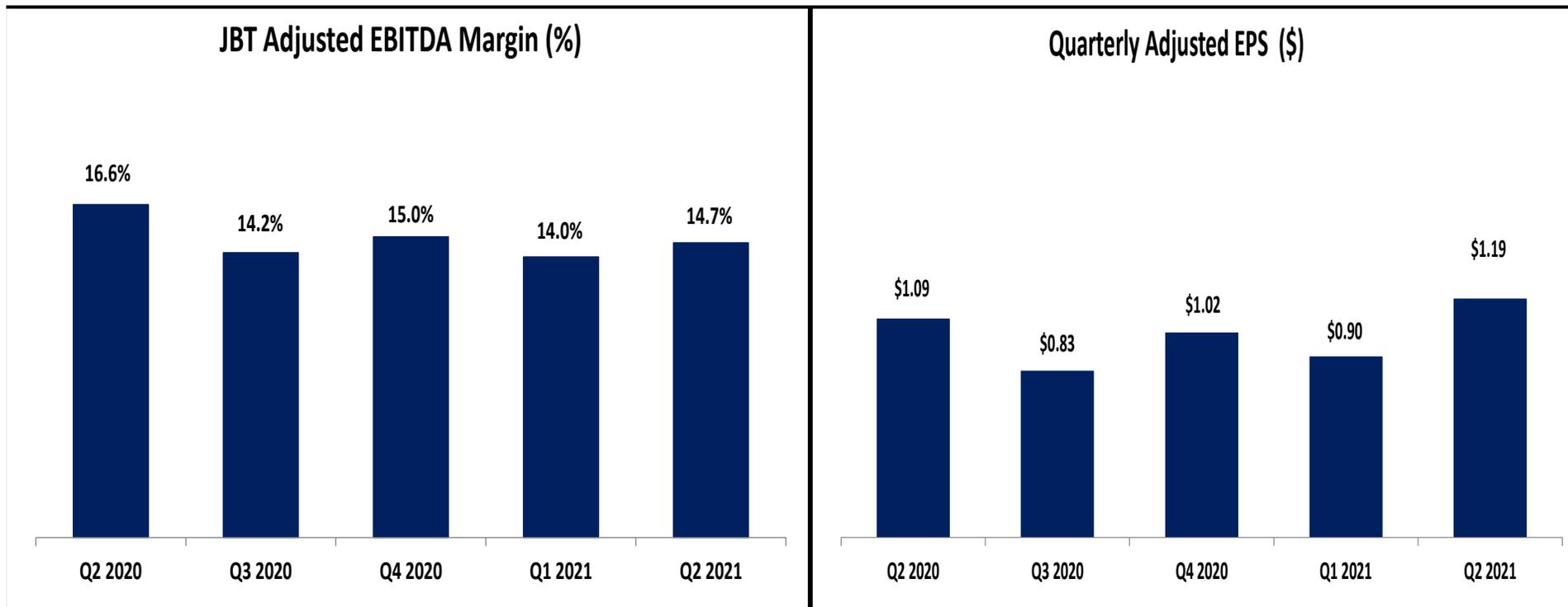


FoodTech trends – profitability within guidance as we continue to be impacted by the increasing cost pressures related to material cost inflation, supply chain disruptions and labor challenges across.

AeroTech trends – profitability exceeded guidance in the quarter due to a favorable mix within recurring revenue, offset by the aforementioned macro challenges.

¹ Non-GAAP figure. Please see appendix for reconciliation.

Financial Performance - JBT Adjusted EBITDA¹ and Adjusted EPS¹

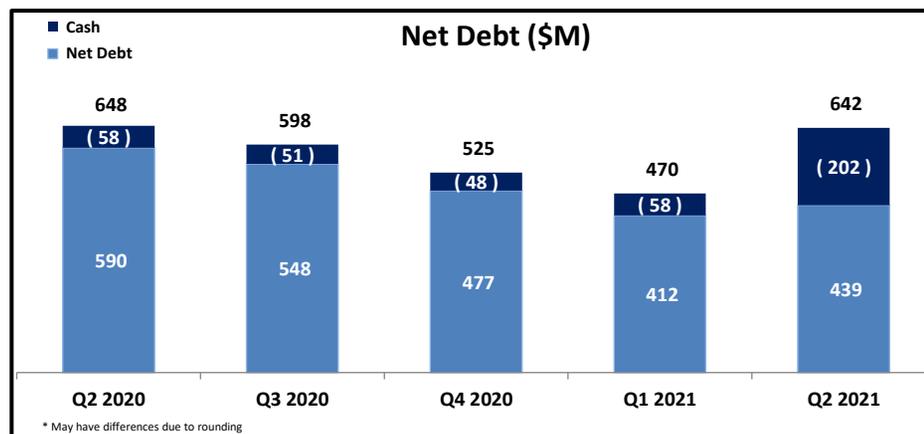


Stable recurring revenue streams and solid operating discipline helps to offset challenging macro environment.

¹ Non-GAAP figure. See appendix for reconciliation.



Strong Balance Sheet



Key Metrics – as of June 30, 2021

Net Debt / Adjusted EBITDA¹	1.7x
Financial Liquidity²	\$491M
Free Cash Flow - YTD	\$112M
Pro Forma Net Debt / Adj. EBITDA³	~2.3x

Capital Deployment Priorities

- Increasing capex to support JBT's digital strategy
- Investing in high ROI new product development and growth initiatives
- Strategic acquisitions
- Quarterly dividends
- Debt reduction
- Share repurchases to offset dilution from management stock-based compensation

Strong Balance Sheet to Support Growth

¹ Non-GAAP figure. See Appendix for reconciliation.

² Financial Liquidity is defined as cash plus borrowing capacity under our credit facilities.

³ Figures pro forma for the acquisition of Prevenio in early July.

Updated Full Year Guidance



- For full-year 2021, the Company raised revenue growth guidance to 14 - 16 percent at FoodTech, including 2 percent from foreign exchange translation and 2 percent from acquisitions.
- Margin guidance range was updated with projected operating margins of 14.0 - 14.75 percent and adjusted EBITDA margins in the 19.0 - 19.75 percent range.
- At AeroTech, the Company narrowed its revenue growth guidance to 1 - 4 percent compared to 2020. Operating and adjusted EBITDA margin guidance remains unchanged at 10.75 - 11.25 percent and 12.0 - 12.5 percent, respectively.
- All in, JBT expects total revenue expansion of 10 to 13 percent for the full year.
- Corporate expense is expected to be approximately 2.7 percent of revenue. Interest expense for 2021 is forecasted at \$9 million to \$10 million and the tax rate is expected to be approximately 25 percent prior to the \$4 million discrete item associated with a UK tax law change.
- Full-year, adjusted EBITDA is expected to be \$280 million to \$290 million.
- Earnings per diluted share guidance for full year 2021 is \$4.15 - \$4.35 on a GAAP basis and \$4.60 - \$4.80 on an adjusted basis.



Closed July 2, 2021

Prevenio

Prevenio is a leading provider of innovative food safety solutions primarily enhancing JBT's recurring revenue portfolio and investment in solutions that support its customers' daily operations

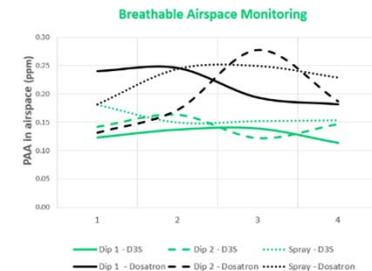
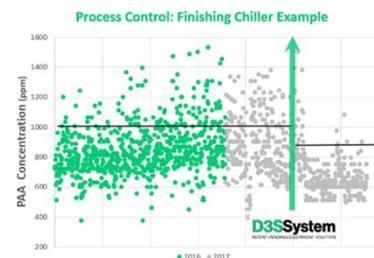
Strategic Fit / Rationale

- Prevenio offers a unique anti-microbial delivery system driving optimal food safety performance in our customers' operations
- Solution significantly enhances food safety and integrity, and creates a safer work environment for its customers and their employees
- Consumption-driven demand, and its predominantly contractual and recurring sales add to the stability of JBT top-line growth



Overview

- Headquartered in Bridgewater, New Jersey, with a full-service lab in Bogart, Georgia specializing in microbiology focused on both field and R&D testing
- Purchase price was ~170 million
- Run rate annual revenue at the end of 2021 of approximately \$50 million with EBITDA margins in the mid-20s





JBT Q2 2021 Earnings Call – Appendix

Non-GAAP financial measures are provided to enhance investors' overall understanding of our financial performance by eliminating effects of certain items that are not comparable from one period to the next. In addition, this information is used by management as a basis for evaluating performance and for the planning and forecasting of future periods. This information is not intended to be a substitute for, nor should it be considered in isolation of, financial measures prepared in accordance with U.S. GAAP.

Reconciliation of Operating Profit to Adjusted EBITDA



(In millions)

	JBT FoodTech				
	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Operating profit	\$ 51.5	\$ 41.5	\$ 43.0	\$ 37.9	\$ 49.0
Restructuring related costs					
Restructuring expense	-	-	-	-	-
Inventory impairment due to restructuring	-	-	-	-	-
M&A related cost	0.3	0.5	0.6	0.7	0.3
Management succession costs	-	-	-	-	-
Adjusted operating profit	51.8	42.0	43.6	38.6	49.3
Depreciation and amortization	16.9	16.3	16.4	16.0	15.6
Adjusted EBITDA	\$ 68.7	\$ 58.3	\$ 60.0	\$ 54.6	\$ 64.9
Total revenue	\$ 360.7	\$ 311.8	\$ 321.0	\$ 301.0	\$ 302.8
Operating profit %	14.3%	13.3%	13.4%	12.6%	16.2%
Adjusted operating profit %	14.4%	13.5%	13.6%	12.8%	16.3%
Adjusted EBITDA %	19.0%	18.7%	18.7%	18.1%	21.4%

Reconciliation of Operating Profit to Adjusted EBITDA



(In millions)

JBT AeroTech

	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Operating profit	\$ 12.1	\$ 9.9	\$ 12.7	\$ 11.4	\$ 10.3
Restructuring related costs					
Restructuring expense	-	-	-	-	-
Inventory impairment due to restructuring	-	-	-	1.9	-
M&A related cost	-	-	-	-	-
Management succession costs	-	-	-	-	-
Adjusted operating profit	12.1	9.9	12.7	13.3	10.3
Depreciation and amortization	0.6	1.4	1.5	1.3	1.5
Adjusted EBITDA	\$ 12.7	\$ 11.3	\$ 14.2	\$ 14.6	\$ 11.8
Total revenue	\$ 114.8	\$ 106.0	\$ 118.4	\$ 118.2	\$ 108.7
Operating profit %	10.5%	9.3%	10.7%	9.6%	9.5%
Adjusted operating profit %	10.5%	9.3%	10.7%	11.3%	9.5%
Adjusted EBITDA %	11.1%	10.7%	12.0%	12.4%	10.9%

Reconciliation of Operating Profit to Adjusted EBITDA



(In millions)

	JBT Consolidated				
	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Operating profit	\$ 47.3	\$ 37.8	\$ 43.5	\$ 28.3	\$ 47.6
Restructuring related costs					
Restructuring expense	1.0	1.0	0.9	7.1	2.1
Inventory impairment due to restructuring	-	-	-	1.9	-
M&A related cost	3.5	1.4	1.4	0.9	1.0
Management succession costs	-	-	1.3	3.5	-
Adjusted operating profit	51.8	40.2	47.1	41.7	50.7
Depreciation and amortization	18.3	18.3	18.6	18.0	17.7
Adjusted EBITDA	\$ 70.1	\$ 58.5	\$ 65.7	\$ 59.7	\$ 68.4
Total revenue	\$ 475.5	\$ 417.8	\$ 439.4	\$ 419.2	\$ 411.5
Operating profit %	9.9%	9.0%	9.9%	6.8%	11.6%
Adjusted operating profit %	10.9%	9.6%	10.7%	9.9%	12.3%
Adjusted EBITDA %	14.7%	14.0%	15.0%	14.2%	16.6%

Reconciliation of Diluted Earnings Per Share to Adjusted Diluted Earnings Per Share



(In millions)

	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Income from continuing operations as reported	\$ 30.5	\$ 27.0	\$ 30.1	\$ 17.2	\$ 32.5
Non-GAAP adjustments					
Restructuring related costs					
Restructuring expense	1.0	1.0	0.9	7.1	2.1
Inventory impairment due to restructuring	-	-	-	1.9	-
M&A related cost	3.5	1.4	1.4	0.9	1.0
Management succession costs	-	-	1.3	3.5	-
Impact on tax provision from Non-GAAP adjustments	(1.1)	(0.6)	(1.1)	(4.0)	(0.7)
Impact on tax provision from remeasurement of deferred taxes from material tax rate changes	4.4	-	-	-	-
Adjusted income from continuing operations	\$ 38.3	\$ 28.8	\$ 32.6	\$ 26.6	\$ 34.9
Income from continuing operations as reported	\$ 30.5	\$ 27.0	\$ 30.1	\$ 17.2	\$ 32.5
Total shares and dilutive securities	32.1	32.1	32.1	32.1	32.0
Diluted earnings per share from continuing operations	\$ 0.95	\$ 0.84	\$ 0.94	\$ 0.54	\$ 1.01
Adjusted income from continuing operations	\$ 38.3	\$ 28.8	\$ 32.6	\$ 26.6	\$ 34.9
Total shares and dilutive securities	32.1	32.1	32.1	32.1	32.0
Adjusted diluted earnings per share from continuing operations	\$ 1.19	\$ 0.90	\$ 1.02	\$ 0.83	\$ 1.09

Leverage Ratio Calculations



(In millions)	As of June 30, 2021
Total debt	\$ 641.7
Cash and cash equivalents	(202.3)
Net debt	439.4
Other items considered debt under the credit agreement	24.5
Consolidated total indebtedness	\$ 463.9
Last four quarters Adjusted EBITDA	\$ 254.0
Other adjustments net to earnings under the credit agreement	(18.5)
Consolidated EBITDA	\$ 235.5
Bank leverage ratio (Consolidated Total Indebtedness / Consolidated EBITDA)	2.0x
Net debt to Adjusted EBITDA	1.7x

Reconciliation of Free Cash Flow



(In millions)	YTD	TTM			
	Q2 2021	Q2 2021	FY 2020	FY 2019	FY 2018
Cash provided by continuing operating activities	\$ 130.3	\$ 281.3	\$ 252.0	\$ 110.6	\$ 154.6
Less: Capital expenditures	\$ 20.3	38.4	34.3	37.9	39.8
Plus: Proceeds from disposal of assets	\$ 1.7	1.5	1.5	2.1	2.9
Plus: Pension contributions	\$ 0.5	12.6	12.5	8.0	19.5
Free cash flow	\$ 112.2	\$ 257.0	\$ 231.7	\$ 82.8	\$ 137.2
Net income	\$ 57.5	\$ 104.8	\$ 108.8	\$ 129.0	\$ 104.1
Free cash flow %	195%	245%	213%	64%	132%

Reconciliation of Segment Operating Profit to Adjusted EBITDA



(In millions)	For the three months ended June 30, 2021		For the six months ended June 30, 2021	
	FoodTech	AeroTech	FoodTech	AeroTech
Operating profit	\$ 51.5	\$ 12.1	\$ 93.0	\$ 22.0
M&A related costs ¹	0.3	-	0.8	-
Adjusted operating profit	51.8	12.1	93.8	22.0
Depreciation and amortization	16.9	0.6	33.2	2.0
Adjusted EBITDA	\$ 68.7	\$ 12.7	\$ 127.0	\$ 24.0

(In millions)	For the three months ended June 30, 2020		For the six months ended June 30, 2020	
	FoodTech	AeroTech	FoodTech	AeroTech
Operating profit	\$ 49.0	\$ 10.3	\$ 89.7	\$ 28.8
M&A related costs ¹	0.3	-	0.3	-
Adjusted operating profit	49.3	10.3	90.0	28.8
Depreciation and amortization	15.6	1.5	31.2	2.7
Adjusted EBITDA	\$ 64.9	\$ 11.8	\$ 121.2	\$ 31.5

¹ includes integration costs, amortization of inventory step-up, earn out adjustments to fair value, and transaction costs