



VERRA
MOBILITY™
Safe. Smart. Connected.

Credit Suisse Investor Conference

December 1, 2020

For the Quarter Ended September 30, 2020

Forward-looking statements

This presentation includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “forecast,” “intend,” “seek,” “target,” “anticipate,” “believe,” “expect,” “estimate,” “plan,” “outlook,” and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Such forward-looking statements include projected financial information.

Such forward-looking statements with respect to revenues, earnings, performance, strategies, prospects and other aspects of the business of Verra Mobility Corporation and its subsidiaries (collectively, “Verra Mobility”) are based on current expectations that are subject to risks and uncertainties.

A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward-looking statements. These factors include, but are not limited to: (1) the disruption to our business and results of operations as a result of the COVID-19 pandemic; (2) the impact of the COVID-19 pandemic on our revenues from key customers in the rental car industry and from photo enforcement programs; (3) customer concentration in our Commercial Services and Government Solutions segments; (4) decreases in the prevalence of automated photo enforcement or the use of tolling; (5) risks and uncertainties related to our government contracts, including but not limited to administrative hurdles, legislative changes, termination rights, audits and investigations; (6) decreased interest in outsourcing from our customers; (7) our ability to properly perform under our contracts and otherwise satisfy our customers; (8) our ability to compete in a highly competitive and rapidly evolving market; (9) our ability to keep up with technological developments and changing customer preferences; (10) the success of our new products and changes to existing products and services; (11) our ability to successfully integrate our recent or future acquisitions; (12) failures in or breaches of our networks or systems, including as a result of cyber-attacks; and (13) other risks and uncertainties indicated from time to time in documents filed or to be filed with the Securities and Exchange Commission (the “SEC”) by Verra Mobility.

You are cautioned not to place undue reliance upon any forward-looking statements, including the projections, which speak only as of the date made. Verra Mobility does not undertake any commitment to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

Use of Non-GAAP Financial Measures

This presentation includes non-GAAP financial measures, including earnings before interest, taxes, depreciation and amortization (“EBITDA”), Pro Forma Adjusted EBITDA, Free Cash Flow, Free Cash Flow Margin and Pro Forma Adjusted Revenue. Pro Forma Adjusted EBITDA is defined as EBITDA, as adjusted as described in this presentation for historical costs and estimated cost savings and synergies. Free Cash Flow is defined as EBITDA minus capital expenditures and Free Cash Flow Margin is defined as Free Cash Flow divided by revenue. Pro Forma Adjusted Revenue adjusts revenue for non-cash amortization of contract incentive and certain pre-acquisition results. You can find the reconciliation of these measures to the nearest comparable GAAP measures elsewhere in this presentation.

Verra Mobility believes that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Verra Mobility’s financial condition and results of operations. Verra Mobility’s management uses these non-GAAP measures to compare Verra Mobility’s performance to that of prior periods for trend analyses, for purposes of determining management incentive compensation, and for budgeting and planning purposes. These measures are used in monthly financial reports prepared for management and Verra Mobility’s board of directors. Verra Mobility believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. Management of Verra Mobility does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP.

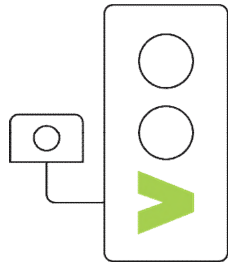
Other companies may calculate non-GAAP measures differently, and therefore the non-GAAP measures of Verra Mobility included in this presentation may not be directly comparable to similarly titled measures of other companies.

Verra Mobility

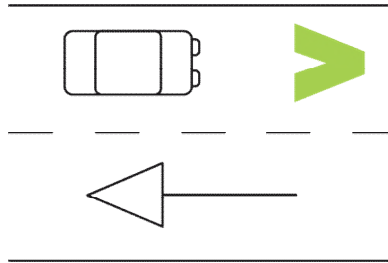
Who we are

SAFE. SMART. CONNECTED.

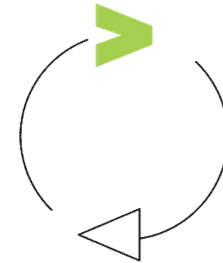
A global leader in smart transportation, we work alongside our customers to relentlessly develop customized technology solutions to solve complex transportation challenges.



Building safer cities
by installing, maintaining and managing leading technology that positively impacts driver behavior and enhances road safety.



Enabling smarter roadways
by providing the integrated technology to help rental car companies and large fleet operators manage tolls, violations, and vehicle title and registrations.



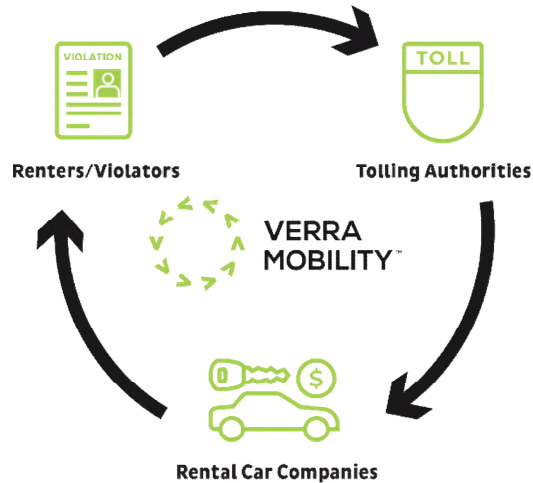
Developing more connected systems
by seamlessly connecting people, technology and data across the smart mobility ecosystem.

As mobility becomes more complex, connected and automated, Verra Mobility works behind the scenes to help make transportation safer and easier.

We operate in two business segments

Who we are

Commercial Services



What we do

The Commercial Services segment generates revenue by providing fully outsourced tolling and violations management and title and registration services to our customers through integrated technologies that both reduce cost and add value.

Who we serve

- Rental Car Companies (RACs)
- Fleet Management Companies (FMCs)
- Large Fleet Operators

\$201M Service Revenue*

Government Solutions



What we do

The Government Solutions segment generates revenue by contracting with municipalities and school districts to provide the hardware, software, installation, maintenance and support they need to identify, issue, enforce, and successfully adjudicate traffic violations.

Who we serve

- Municipalities
- Counties
- School districts
- Other governmental entities

\$149M Service Revenue*



* TTM Service Revenue for the period ending September 30, 2020

Commercial Services

Providing tolling, violation management and title/registration services

Toll Management

Rental fleet toll collection and management, reducing in-house administrative burdens while providing convenience to the driver – daily or flat fee

Commercial fleet toll collection and management driving value for customers

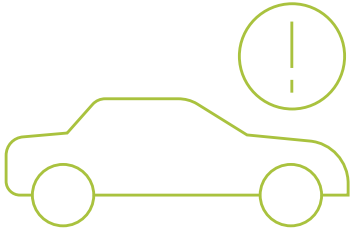


United States & a portion of Canada

Violations

Manage toll, parking and photo enforcement violations for rental car and commercial fleets, reducing violation-related expenses and late fees

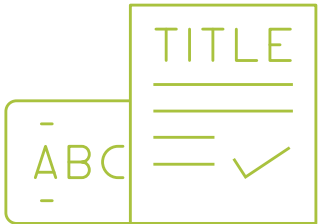
European toll and violation collection and management for issuing authorities for administrative fees



United States & Europe

Title and Registration

Rental car and commercial fleet title and registration for data management and services fee



United States

\$201M Service Revenue*

Government Solutions

Increasing road safety by changing driver behavior

Red-Light Safety Cameras

Capture and process images and video of vehicles running red lights



Speed Safety Cameras

Capture and process images and video of vehicles exceeding speed limits



Stop-Arm Safety Cameras

Capture and process images and video of vehicles illegally passing school buses



Bus Lane Cameras

Capture and process images and video of vehicles violating city bus lane restrictions



\$149M Service + \$56M Product = \$205M Total Revenue*

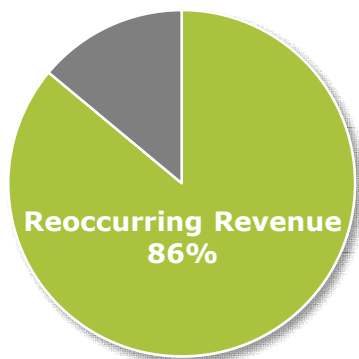


* TTM Revenue for the period ending September 30, 2020

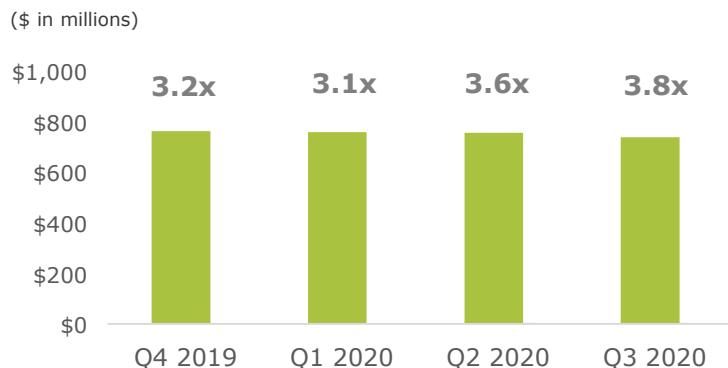
Proven financial performance

Strong revenue and profitability create beneficial cash flow

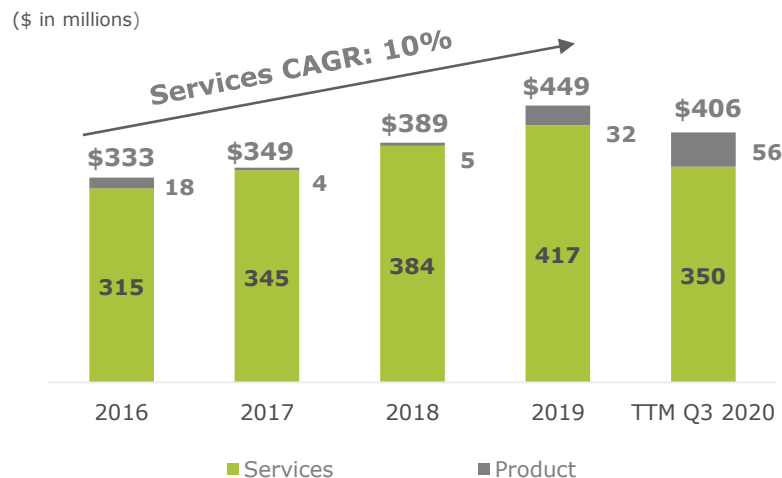
Highly Reoccurring Revenue



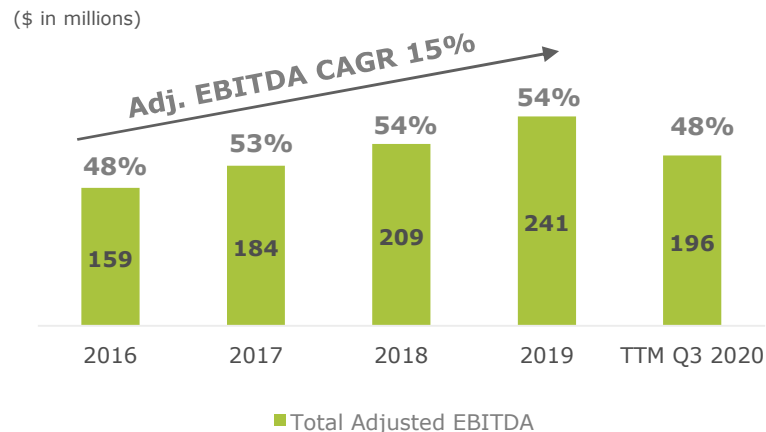
Net-Debt Leverage Ratio



Strong Pro Forma Revenue



Expanding Pro Forma EBITDA and Margins



Basis of Presentation: Verra Mobility made two acquisitions early in 2018; the data presented has been adjusted as if the acquisitions were included in the results for all periods. The unadjusted and adjusted pro forma results of operations are included in the appendix to this presentation. All pro forma adjustments are in the commercial services segment.

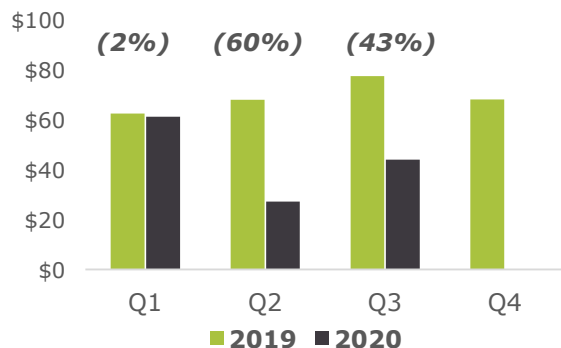
Q3 Results by Segment – Commercial Services

For the Quarter Ended September 30, 2020

Commercial Services

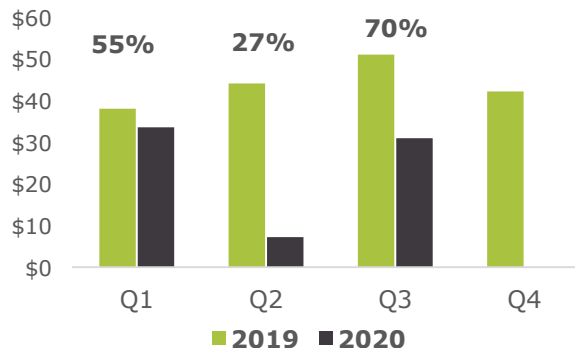
Revenue & YoY Growth

\$ in Millions



Adj. EBITDA & Margin %

\$ in Millions

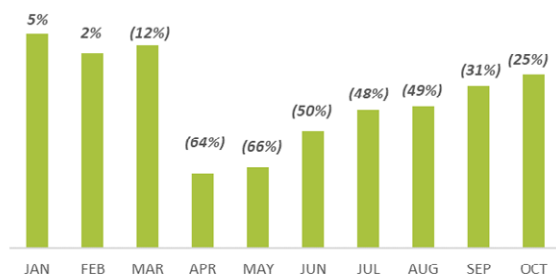


Commercial Services Commentary

- Revenue of \$44.2M in Q3 decreased 43.1% from the same quarter in the prior year
- Adjusted EBITDA of \$31.0M in the quarter decreased \$20.0M or 39.3% from the same period of the prior year
- Two Non-recurring items
 - In October, Hertz agreed to assume our contract and settled our pre-petition debt at a discount of \$1.7M. We reserved ~\$3M in prior quarts so there was a one-time pick up in SG&A
 - We recorded a \$2.8M benefit in other income resulting from a rep and warranty claim from an acquisition in prior years
 - Without these items EBITDA Margins would be 60%
- The CS segment is closely tied to the rental car industry and saw impacts in Q3 due to reduced demand resulting from Covid-19
- We are pleased with our revenue recovery and our EBITDA margins which are best in class during the worst times

2020 Trended Service Revenue & YoY Growth

\$ in Millions



Covid-19 Impact and Recent Trends

Our revenue is holding up better than that of our largest Rental Car customers

- Avis Budget Group reported revenues down 78% in April and 59% in June, while we were down 64% and 50% for the same periods

Our Revenue was supported by

- FMC make up a smaller percentage of our tolling revenue, but were only down 25% Q3 2020 verse same quarter in 2019
- Smaller RAC brands are showing some strength, Fox saw YoY growth in our product
- We see that RAC brands that have a larger percentage of revenue off-airport are holding up better than purely travel focused brands

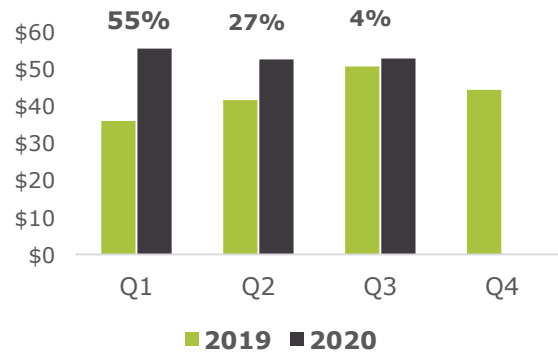
Q3 Results by Segment – Government Solutions

For the Quarter Ended September 30, 2020

Government Solutions

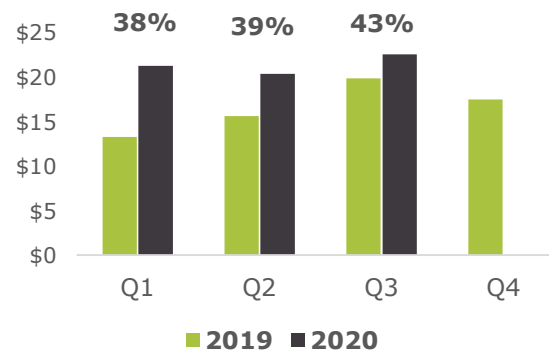
Revenue & YoY Growth

\$ in Millions



Adj. EBITDA & Margin %

\$ in Millions

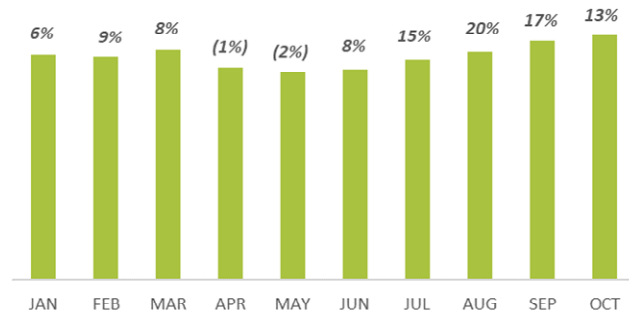


Government Solutions Commentary

- Revenue of \$52.8M in Q3 increased 4.2% from the same quarter in the prior year
- Service Revenue improved by \$5.7M. During the same period product revenue reduced \$3.6M.
- Adjusted EBITDA of \$22.5M in the quarter improved \$2.7M or 13.8% from the same period of the prior year. The increase was the result of improved service revenue in the quarter and management of cost

2020 Trended Service Revenue & YoY Growth

\$ in Millions



What to expect for Q4 2020

For the Quarter Ended September 30, 2020

Forecasting revenue and profitability in these uncertain times is very difficult and we won't provide specific guidance but can discuss some current trends.

- Total Service Revenue for Q3 2020 was \$83.0 million. We believe Q4 2020 should be similar.
- We installed and sold 180 camera systems in Q3 generating \$13.9 million in product revenue. We are installing the final 127 camera systems in Q4 to complete the 720-unit order for the full year 2020.
- Covid-19 has impacted our Commercial Service business more severely than our Government Solutions business, resulting in a larger portion of the company's revenue coming from the Government business which historically has lower margins than those of Commercial Services.



APPENDIX

Verra Mobility Adj. Pro Forma Revenue Reconciliation

2016 – 2018

Verra Mobility

Unaudited (\$ in millions)	2016	2017	2018 *
Verra Mobility (Pre-HTA, Pre-EPC) Adj. Revenue	\$233.4	\$232.4	\$370.1
HTA Adj. Revenue	88.3	103.7	15.8
EPC Reported Revenue	11.1	12.6	3.0
Verra Mobility Adj. Pro Forma Revenue	\$332.8	\$348.7	\$388.9

Verra Mobility Adj. Pro Forma Revenue Reconciliation

2016 – 2018

Unaudited (\$ in millions)	2016	2017	2018
Verra Mobility (Pre-HTA, Pre-EPC) Reported Services Revenue	\$212.5	\$228.2	\$365.1
Adjustments:			
Non-cash Amortization of Contract Incentive	1.8	0.3	0.0
Sunshine State Tag Agency, Inc. Pre-acquisition Results	0.8	0.0	0.0
Verra Mobility (Pre-HTA, Pre-EPC) Adjusted Services Revenue	\$215.2	\$228.5	\$365.1
Verra Mobility (Pre-HTA, Pre-EPC) Reported Product Revenue	18.2	3.9	5.1
Verra Mobility (Pre-HTA, Pre-EPC) Total Adjusted Revenue	\$233.4	\$232.4	\$370.1
HTA Reported Revenue	\$88.3	\$101.4	\$15.8
Adjustments:			
Non-cash Amortization of Contract Incentive	0.0	2.3	0.0
HTA Adjusted Revenue	\$88.3	\$103.7	\$15.8
EPC Reported Revenue	\$11.1	\$12.6	\$3.0
Total Adj. Pro Forma Revenue	\$332.8	\$348.7	\$388.9

Verra Mobility Adj. Pro Forma EBITDA Reconciliation

2016 – 2018

Verra Mobility

Unaudited (\$ in millions)	2016	2017	2018 *
Verra Mobility (Pre-HTA, Pre-EPC) Adj. EBITDA	\$87.1	\$97.9	\$197.6
HTA Adj. EBITDA	67.4	80.9	10.7
EPC Adj. EBITDA	4.0	5.0	1.2
Verra Mobility Adj. Pro Forma EBITDA	\$158.5	\$183.8	\$209.5

Verra Mobility (Pre-HTA, Pre-EPC) Adj. EBITDA Reconciliation

2016 – 2018

Verra Mobility (Pre-HTA, Pre-EPC)

Unaudited (\$ in millions)	2016	2017	2018
Net Income	\$29.0	\$19.5	(\$58.4)
Definitional Adjustments:			
Depreciation and amortization	33.8	45.7	103.3
Interest expense, net	2.7	21.7	69.6
Income taxes	18.7	(29.4)	(16.2)
Total definitional adjustments	\$55.2	\$38.0	\$156.7
Reported EBITDA	\$84.2	\$57.5	\$98.3
Adjustments:			
Transaction and other related expenses	1.2	32.0	56.4
Transformation expenses	0.0	3.9	8.8
Loss on extinguishment of debt	0.0	0.0	26.5
Sponsor Fees and expenses	0.0	4.2	5.4
Non-cash amortization of contract inducement	1.8	0.3	0.0
Stock-based compensation	0.0	0.0	2.3
Total adjustments	\$2.9	\$40.4	\$99.4
Adjusted EBITDA	\$87.1	\$97.9	\$197.6

HTA Adj. EBITDA Reconciliation

2015 – 2017

HTA

Unaudited (\$ in millions)	2015	2016	2017
Net Income	\$48.6	\$60.7	\$67.6
Definitional Adjustments:			
Depreciation and amortization	0.4	1.4	2.1
Interest expense, net	(0.0)	0.0	0.1
Income taxes	0.3	0.3	0.4
Total definitional adjustments	\$0.7	\$1.7	\$2.6
Reported EBITDA	\$49.4	\$62.4	\$70.2
Adjustments:			
Extraordinary adjustments - primarily seller expenses	0.0	0.0	2.5
Contract incentive - non-cash amortization	0.0	0.0	2.3
Gain/loss on sale of equipment, net	0.0	0.3	0.0
Pro forma cc rebates	2.3	2.7	3.5
Capitalized internal labor	2.0	2.0	2.0
Other	0.0	0.0	0.4
Total adjustments	4.3	5.0	10.7
Adjusted EBITDA	\$53.7	\$67.4	\$80.9

EPC Adj. EBITDA Reconciliation

2015 – 2017

EPC

Unaudited (\$ in millions)	2015	2016	2017
Net Income	\$2.9	\$2.3	\$3.6
Definitional Adjustments:			
Depreciation and amortization	0.0	0.0	0.0
Interest expense, net	(0.1)	(0.0)	(0.0)
Income taxes	0.8	0.4	1.0
Total definitional adjustments	\$0.8	\$0.4	\$1.0
Reported EBITDA	\$3.7	\$2.7	\$4.6
Adjustments:			
Extraordinary expenses add back	0.0	1.3	0.3
Legal fees – appointment of new directors	0.0	0.0	0.0
Board of directors fees add back	0.1	0.0	0.0
Total adjustments	0.1	1.3	0.3
Adjusted EBITDA	\$3.8	\$4.0	\$5.0

Verra Mobility Quarterly Results

2019 – 2020 Q3

Unaudited (\$ in millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Full Year 2019	Q1 2020	Q2 2020	Q3 2020	TTM Q3 2020
Service revenue	\$98.1	\$103.1	\$110.8	\$104.8	\$416.7	\$99.5	\$62.8	\$83.0	\$350.1
Product sales	0.4	6.5	17.5	7.6	32.0	17.2	17.0	13.9	55.8
Total revenue	\$98.5	\$109.6	\$128.2	\$112.5	\$448.7	\$116.7	\$79.8	\$96.9	\$405.9
Cost of service revenue	1.4	1.6	1.4	1.2	5.6	1.2	1.0	0.9	4.3
Cost of product sales	0.3	2.9	7.2	3.5	13.9	8.7	9.1	7.1	28.3
Operating expenses	29.3	31.8	33.0	31.5	125.6	32.3	26.7	26.5	117.0
Selling, general and administrative expenses	20.6	20.9	21.3	22.8	85.5	25.9	20.8	17.5	87.0
Depreciation, amortization, and (gain) loss on disposal of assets, net	28.9	28.8	28.7	29.3	115.8	29.2	29.2	29.6	117.3
Impairment of property and equipment	–	5.9	–	–	5.9	–	–	–	–
Total costs and expenses	\$80.5	\$91.9	\$91.6	\$88.3	\$352.3	\$97.3	\$86.8	\$81.6	\$354.0
Income (loss) from operations	18.0	17.6	36.7	24.2	96.5	19.4	(7.0)	15.3	51.9
Interest expense, net	16.0	15.7	14.9	14.1	60.7	12.5	9.5	9.6	45.7
Loss from tax receivable agreement adj	–	–	–	–	–	–	4.4	–	4.4
Other (income) expense, net	(2.2)	(3.3)	(2.7)	(2.9)	(11.2)	(2.9)	(1.5)	(5.0)	(12.4)
Total other expense	\$13.8	\$12.3	\$12.2	\$11.2	\$49.5	\$9.5	\$12.5	\$4.6	\$37.8
Income (loss) before income taxes	4.1	5.3	24.5	13.0	46.9	9.9	(19.4)	10.7	14.2
Income tax provision (benefit)	1.3	1.7	6.7	3.8	13.6	3.2	(4.0)	4.0	7.0
Net (loss) income	\$2.8	\$3.6	\$17.8	\$9.2	\$33.3	\$6.7	(\$15.4)	\$6.7	\$7.2
Bridge to adj. EBITDA									
Net (loss) income	\$2.8	\$3.6	\$17.8	\$9.2	\$33.3	\$6.7	(\$15.4)	\$6.7	\$7.2
Interest expense, net	16.0	15.7	14.9	14.1	60.7	12.5	9.5	9.6	45.7
Income tax provision (benefit)	1.3	1.7	6.7	3.8	13.6	3.2	(4.0)	4.0	7.0
Depreciation and amortization	28.9	28.9	28.7	29.1	115.6	29.3	29.2	29.4	116.9
EBITDA	\$49.1	\$49.8	\$68.1	\$56.2	\$223.2	\$51.6	\$19.3	\$49.7	\$176.7
Transaction and other related	–	1.1	0.3	0.9	2.4	0.5	0.1	0.1	1.7
Transformation expense	0.0	–	0.0	–	0.0	–	0.5	0.6	1.1
Sponsor Fees and expenses	0.0	–	–	0.0	0.0	–	–	–	0.0
Impairment of property and equipment	–	5.9	–	–	5.9	–	–	–	–
TRA adjustment	–	–	–	(0.1)	(0.1)	–	4.4	–	4.3
Stock-based compensation	2.1	2.8	2.5	2.6	10.0	2.8	3.3	3.2	11.8
Adjusted EBITDA	\$51.3	\$59.7	\$70.8	\$59.6	\$241.4	\$54.9	\$27.6	\$53.5	\$195.6

Segment Results of Operations

2019 - 2020 Q3

Commercial Services

Unaudited (\$ in millions)	Full Year 2019	Q1 2020	Q2 2020	Q3 2020	TTM Q3 2020
Segment Total Revenue					
Commercial Services	\$276.5	\$61.2	\$27.3	\$44.2	\$200.8
Segment Adj EBITDA					
Commercial Services	\$175.4	\$33.6	\$7.3	\$31.0	\$114.1

Government Solutions

Unaudited (\$ in millions)	Full Year 2019	Q1 2020	Q2 2020	Q3 2020	TTM Q3 2020
Segment Total Revenue					
Government Solutions	\$172.3	\$55.5	\$52.5	\$52.8	\$205.1
Segment Adj EBITDA					
Government Solutions Adj EBITDA	\$66.0	\$21.2	\$20.3	\$22.5	\$81.5



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Thank You

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