



Verra Mobility Q1 Investor Presentation

For the Quarter Ended March 31, 2019

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, run rate synergies and cost items, 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 inability to launch new products or services or to profitably expand into new markets; (2) changes in applicable laws or regulations; (3) the possibility that Verra Mobility may be adversely affected by other economic, business or competitive factors; (4) the inability to recognize the anticipated benefits of the business combination with Gores Holdings, II, Inc.; and (5) 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.

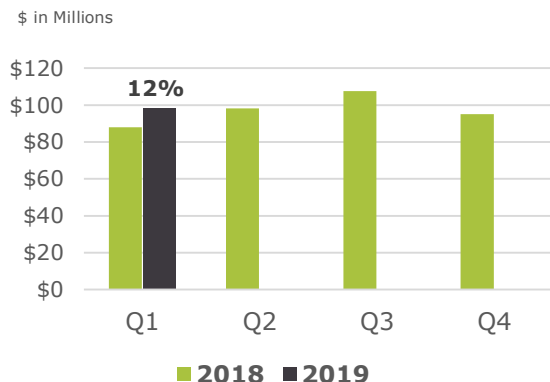
Non-GAAP Financial Information

This presentation uses certain non-GAAP financial information, including earnings before interest, taxes, depreciation and amortization (“EBITDA”) and adjusted EBITDA, which further excludes certain non-cash expenses, loss on extinguishment of debt and other transactions management believes are not indicative of Verra Mobility’s business. 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. These financial measures are not recognized measures under GAAP and they are not intended to be and should not be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. EBITDA, adjusted EBITDA and adjusted EBITDA margin are non-GAAP financial measures as defined by SEC rules. This non-GAAP financial information may be determined or calculated differently by other companies. A reconciliation of Verra Mobility’s non-GAAP financial information to GAAP financial information is provided in the Appendix hereto and in Verra Mobility’s Form 8-K, filed with the SEC, with the earnings press release for the period indicated.

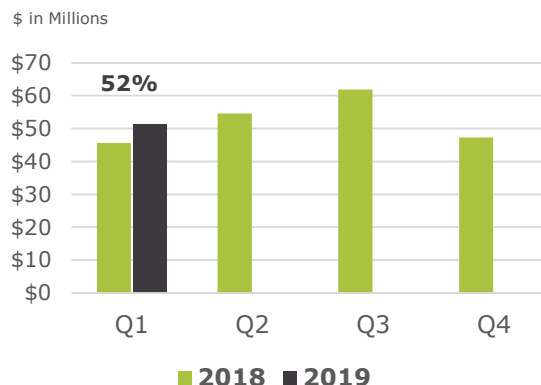
Consolidated Q1 Results

For the Quarter Ended March 31, 2019

Pro Forma Adj. Revenue and YoY Growth



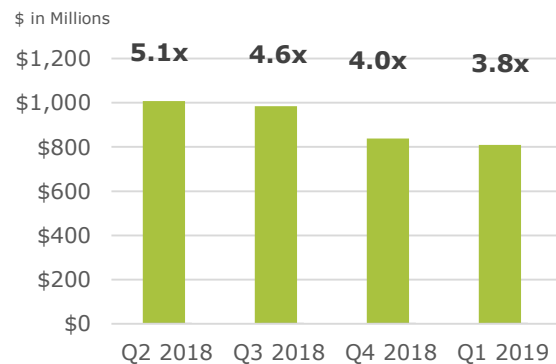
Pro Forma Adj. EBITDA and Margin



Q1 2019 Commentary

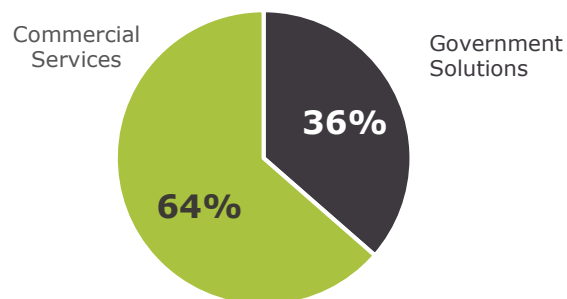
- Grew total revenue by \$10.5 million to \$98.5 million in Q1 2019 from \$88.0 million in Q1 2018
- Adjusted EBITDA of \$51.3 million, up from \$45.6 million in the same quarter of 2018
- Generated cash flow from operations of \$37.4 million

Net Debt and Leverage



Leverage calculated as net debt divided by TTM Pro Forma Adjusted EBITDA for each period

Q1 Revenue by Segment



Basis of Presentation:

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

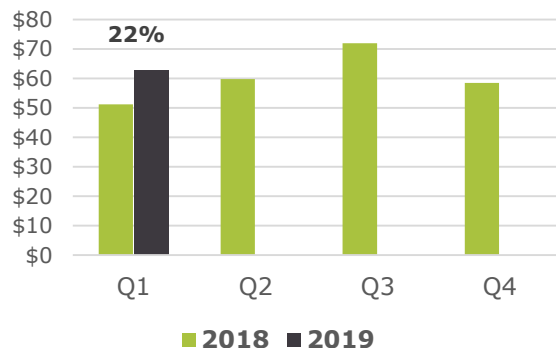
Consolidated Q1 Results by segment

For the Quarter Ended March 31, 2019

Commercial Services

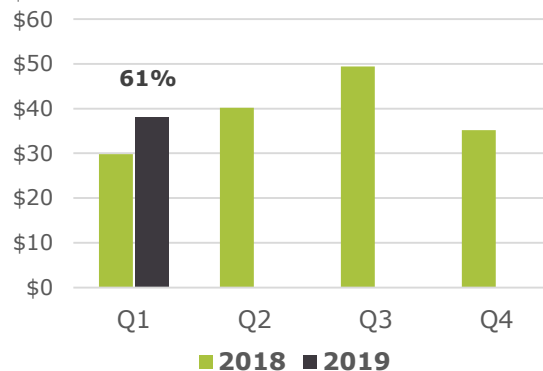
Pro Forma Adj. Revenue and YoY Growth

\$ in Millions



Adj. EBITDA and Margin

\$ in Millions



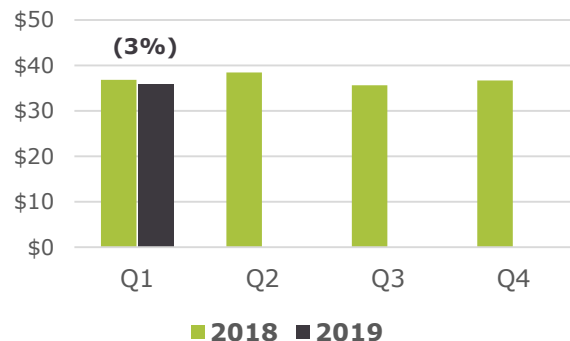
Commercial Services Commentary

- Revenue of \$62.6M in Q1 increased 22% from the same quarter in the prior year
- Revenue grow was generated by improvement in both billable days and toll usage
- Adjusted EBITDA of \$38.0 million in the quarter improved from \$29.8 million in same period of the prior year
- Adjusted EBITDA margins expanded from 58% in Q1 of 2018 to 61% in the Q1 2019
- Margin expansion is the result of improved revenue and integration synergies

Government Solutions

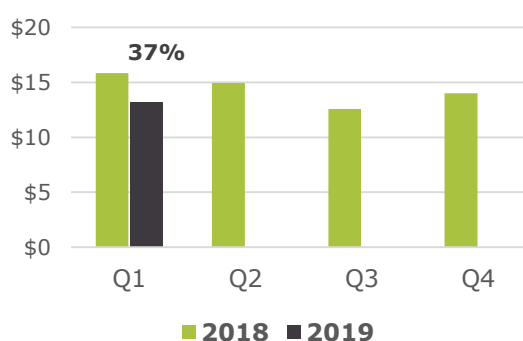
Revenue and YoY Growth

\$ in Millions



Adj. EBITDA and Margin

\$ in Millions



Government Solutions Commentary

- Revenue of \$35.9 million in Q1 decreased by 3% from the same quarter in the prior year
- The decrease in revenue was primarily driven by declines in red light due to the loss of the Miami program in 2018, offset by growth in speed products
- Adjusted EBITDA of \$13.2 million declined from \$15.8 million in the prior year. The decrease was the result of lower revenue and higher corporate allocations; operating costs were relatively flat year over year

Appendix

Quarterly Results of Operations

Unaudited (\$ in thousands)	Q1 2018		Pro Forma		Q1 2018		Q2 2018		Q3 2018		Q4 2018		Q1 2019		TTM			
	As Reported		HTA	EPC	Pro Forma		As Reported		As Reported		As Reported		As Reported		Q1 2019			
Service revenue	\$	69,006	\$	15,828	\$	2,954	\$	87,788	\$	97,044	\$	105,204	\$	93,822	\$	98,070	\$	394,140
Product sales		235		-		-		235		1,153		2,399		1,283		391		5,226
Total revenue		69,241		15,828		2,954		88,023		98,197		107,602		95,105		98,461		399,366
Cost of service revenue		831		-		361		1,193		1,651		1,735		1,570		1,389		6,346
Cost of product sales		172		-		-		172		878		1,375		1,022		276		3,551
Operating expenses		23,681		4,362		810		28,853		28,800		27,820		28,583		29,337		114,540
Selling, general and administrative expenses		33,276		12,270		610		46,156		27,588		21,687		53,518		20,551		123,343
Depreciation, amortization, impairment, and (gain) loss on disposal of assets, net		18,544		398		27		18,969		27,496		28,790		28,523		28,941		113,750
Total costs and expenses		76,504		17,030		1,808		95,342		86,412		81,407		113,216		80,495		361,530
Income from operations		(7,263)		(1,202)		1,147		(7,318)		11,785		26,195		(18,110)		17,966		37,836
Interest expense		12,646		33		0		12,679		19,579		20,313		17,011		16,033		72,937
Loss on extinguishment of debt		10,151		-		-		10,151		-		-		16,335		-		16,335
Other (income) expense, net		(1,293)		-		(6)		(1,298)		(2,766)		(2,942)		(1,794)		(2,207)		(9,709)
Total other expense		21,505		33		(6)		21,532		16,814		17,371		31,553		13,826		79,563
Income (loss) before income taxes		(28,768)		(1,235)		1,152		(28,850)		(5,029)		8,825		(49,663)		4,140		(41,728)
Income tax provision (benefit)		(6,610)		10		238		(6,362)		(234)		2,312		(11,709)		1,320		(8,311)
Net income	\$	(22,158)	\$	(1,245)	\$	914	\$	(22,489)	\$	(4,795)	\$	6,513	\$	(37,954)	\$	2,820	\$	(33,416)
Bridge to Adj EBITDA																		
Net Income	\$	(22,158)	\$	(1,245)	\$	914	\$	(22,489)	\$	(4,795)	\$	6,513	\$	(37,954)	\$	2,820	\$	(33,416)
Interest Expense		12,646		33		0		12,679		19,579		20,313		17,011		16,033		72,937
Income tax provision expense (benefit)		(6,610)		10		238		(6,362)		(234)		2,312		(11,709)		1,320		(8,311)
Depreciation and Amortization		18,550		398		27		18,975		27,497		28,792		28,508		28,939		113,735
EBITDA		2,428		(804)		1,179		2,803		42,047		57,929		(4,144)		49,112		144,945
Transaction and other related		18,104		11,467		-		29,571		5,816		1,669		30,855		-		38,340
Transformation expense		1,740		-		-		1,740		5,393		905		727		0		7,025
Loss on extinguishment of debt		10,151		-		-		10,151		-		-		16,335		-		16,335
Sponsor Fees and expenses		1,358		-		-		1,358		1,342		1,433		1,250		0		4,025
Non-cash amortization of contract inducement		-		-		-		-		-		-		-		-		-
Stock-based compensation		-		-		-		-		-		-		2,272		2,143		4,415
Adjusted EBITDA		33,781		10,663		1,179		45,624		54,598		61,936		47,295		51,256		215,085

Quarterly Segment Results of Operations

Commercial Services

Unaudited (\$ in thousands)	For the Three Months Ended				
	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018	March 31, 2019
Segment Revenue					
Verra Mobility Commercial Services	32,447	59,771	71,972	58,422	62,588
HTA	15,828	-	-	-	-
EPC	2,954	-	-	-	-
Other	-	-	-	-	-
Adjusted Pro Forma Revenue	<u>51,229</u>	<u>59,771</u>	<u>71,972</u>	<u>58,422</u>	<u>62,588</u>
Segment EBITDA					
Verra Mobility Commercial Services	2,322	36,716	49,419	33,166	38,037
HTA	(804)	-	-	-	-
EPC	1,179	-	-	-	-
Other	27,100	2,985	-	1,067	-
Adjusted Pro Forma EBITDA	<u>29,797</u>	<u>39,701</u>	<u>49,419</u>	<u>34,233</u>	<u>38,037</u>

Government Solutions

Unaudited (\$ in thousands)	For the Three Months Ended				
	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018	March 31, 2019
Segment Revenue					
Verra Mobility Government Solutions	<u>36,794</u>	<u>38,426</u>	<u>35,630</u>	<u>36,684</u>	<u>35,873</u>
Segment EBITDA					
Verra Mobility Government Solutions	<u>15,844</u>	<u>14,677</u>	<u>12,542</u>	<u>13,080</u>	<u>13,221</u>