

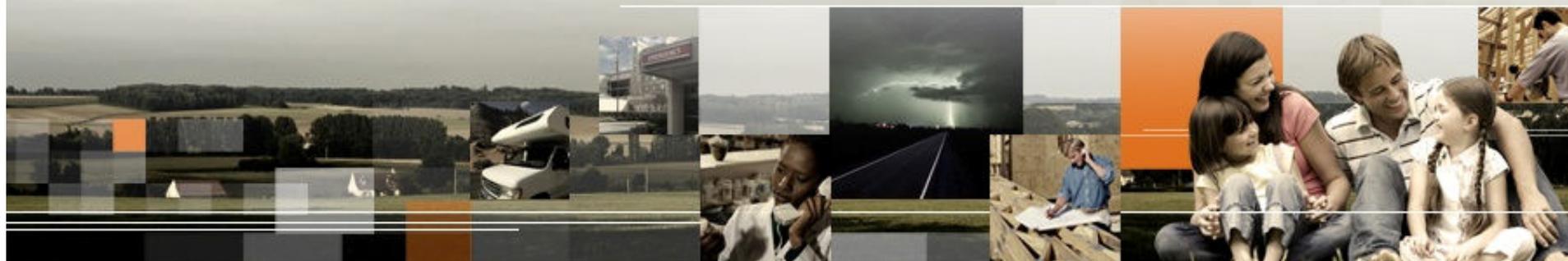
Acquisition of Magnum Products

Conference Call

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October 4, 2011



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," "project," "plan," "intend," "believe," "confident," "may," "should," "can have," "likely," "future" 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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Magnum Business Overview



Fast Facts

- Founded in 1988
- Headquartered in Berlin, WI with 330 employees and over 200,000 square feet in manufacturing & distribution space
- Leading manufacturer of light towers, mobile generators and pumps sold to rental centers, independent dealers and government agencies
- Strong customer relationships and brand reputation built on superior customer service and support
- Lean operating culture capable of responding quickly to customer and market opportunities
- Unaudited revenues of \$108 million and adjusted EBITDA of \$14 million in LTM period June 30, 2011



Magnum Family of Light Towers



Magnum MMG55 49 kW Mobile Diesel Generator



Magnum MMG55FH Flip Hood 52 kW Mobile Diesel Generator



Magnum MLG20 Diesel Generator



MTP 4000D Dry Prime Pump

Access to Incremental Distribution and End Markets

- Construction

- Energy

- Government / Military



Supporting the “Powering Ahead” Strategy

Acquisition of Magnum Products supports three of the four key objectives from our “Powering Ahead” strategic plan



	Powering Ahead Objective	Strategic Goal	Magnum’s Impact
	Grow Industrial Market Share	Broaden industrial product offering; target new end-markets	Provides incremental access to new industrial distribution channels and end markets
	Diversify Demand with New Products & End Markets	Greater percentage of net sales from new power products	Adds light towers, mobile generators and pumps to product portfolio
	Enter New Geographies	Penetrate new markets and geographies	Adds certain product design expertise well suited for international markets

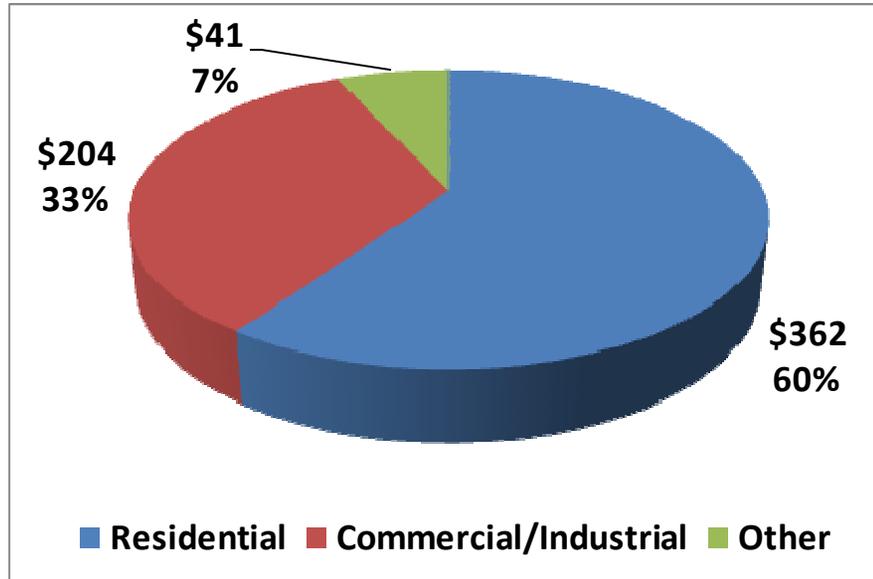
Strategic Rationale for Acquiring Magnum

- **Broadens Generac's Industrial product offering and strengthens position in power equipment markets**
 - Incremental product offering for Generac's distribution
- **Adds new sales channels and end markets including industrial rental yards, road and commercial construction, energy, and government / military end markets (GSA)**
- **Leverages Generac's global sourcing & vertical manufacturing capabilities**
- **Adds “prime” equipment expertise – design, manufacture & service**
 - Supports potential domestic & international growth in non-standby applications
- **Attractive ROI and strong utilization of current cash position**

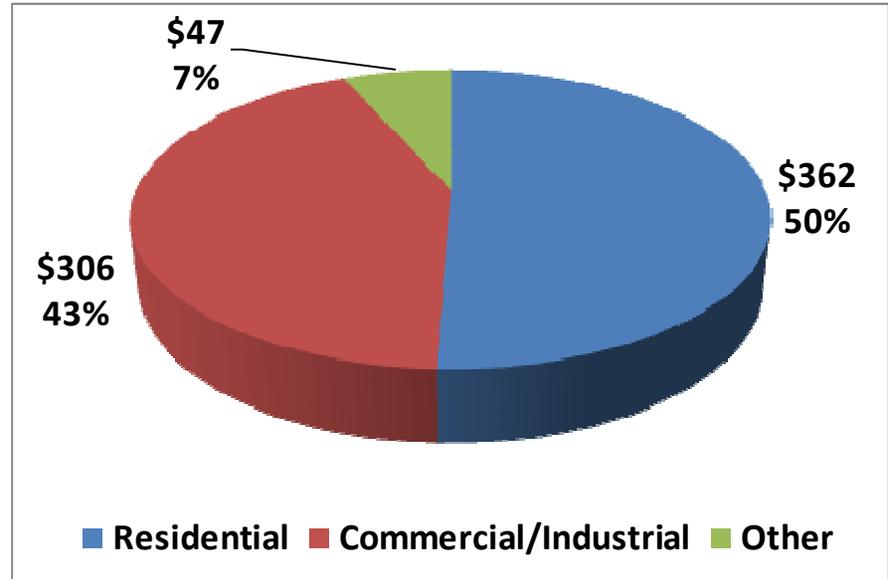
Balances Sales Mix between Residential and C&I

Generac Sales by Product Class

Generac (Stand Alone) LTM 6/30/11



Pro Forma LTM 6/30/11



Integration & Key Opportunities

OPPORTUNITIES

- Revenue synergies as a result of significant opportunities to leverage each companies' respective sales channels and cross-sell products
- Cost synergies will be phased in beginning in fiscal 2012 with future cost synergies expected to be approximately \$2 million annually on a run-rate basis, starting 2013
 - Primarily based on material synergies from leveraging Generac's global supply chain and vertical manufacturing capabilities
 - Overlap of major cost components between Magnum and Generac industrial products

INTEGRATION

- Magnum will continue to operate its existing manufacturing facility in Berlin, Wisconsin
- Will maintain Magnum's brands and sales force given company's strong reputation in its markets
- Experienced integration team consisting of members of both companies created and focused on execution of detailed integration plan for first twelve months

Transaction Overview

TRANSACTION VALUE

- Approximately \$80 million; subject to customary, post-close working capital adjustment
- Modest earn-out based on future performance of a certain product line currently in development

FINANCING

- Cash on hand

STRUCTURE

- Transaction structured as an asset purchase
- Expected to create additional tax shield

Financial Impact

Pro Forma 4Q'11 Revenue Impact

- Between \$25-30 million

Pro Forma 4Q'11 Adjusted EPS Impact

- Between \$0.03-\$0.04 per share, excluding ~ \$1mm in transaction costs

Cost Synergies (excludes revenue synergies)

- Begins in 2012, and should be complete during 2013
- Approximately \$2 million annually on a run-rate basis

Leverage

- Pro forma leverage as of 6/30/11 w/ credit agreement cost synergies – 3.7x... nearly leverage neutral

Non-GAAP Financial Measures

Adjusted EBITDA

The computation of Adjusted EBITDA is based on the definition of EBITDA contained in Generac's credit agreement, dated as of November 10, 2006. Included in Generac's earnings releases, to supplement the Company's financial results presented in accordance with US GAAP, Generac provides a reconciliation to show the computation of Adjusted EBITDA, taking into account certain charges and gains that were taken during the periods presented. Transaction costs, amortization of definite-lived intangible assets and the write-up of inventory basis all related to the Magnum Products transaction will be included in the Adjusted EBITDA reconciliation and added back for Adjusted EBITDA purposes.

Adjusted Earnings Per Share

To further supplement Generac's financial results presented in accordance with US GAAP, the Company provides a reconciliation to show the computation of Adjusted Net Income and Adjusted Earnings Per Share in its earnings releases. Adjusted net income is defined as Net income before provision (benefit) for income taxes adjusted for the following items: cash income tax (expense) benefit, amortization of intangible assets, amortization of deferred loan costs related to the Company's debt, intangible impairment charges, and certain non-cash gains. Transaction costs, amortization of definite-lived intangible assets and the write-up of inventory basis all related to the Magnum Products transaction will be included in the Adjusted Net Income reconciliation and added back for Adjusted Net Income purposes.

The presentation of this additional information is not meant to be considered in isolation of, or as a substitute for, results prepared in accordance with US GAAP. Please see our earnings releases and SEC filings for additional discussion of the basis for Generac's reporting of Non-GAAP financial measures.