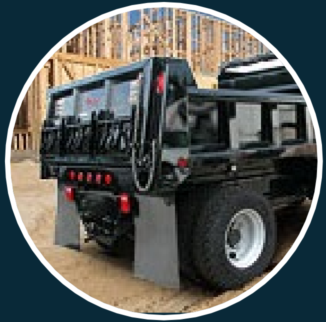
FEDERAL SIGNAL
Moves. Cleans. Protects.





Disciplined Growth

Investor Presentation March 2022

Safe Harbor Statement

This presentation contains unaudited financial information and forward-looking statements. Statements that are not historical are forward-looking statements and may contain words such as “may”, “will” ,“believe”, “expect”, “anticipate”, “intend”, “plan”, “project”, “estimate”, and “objective” or similar terminology, concerning the company’s future financial performance, business strategy, plans, goals and objectives. These expressions are intended to identify forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include information concerning the Company’s possible or assumed future performance or results of operations and are not guarantees. While these statements are based on assumptions and judgments that management has made in light of industry experience as well as perceptions of historical trends, current conditions, expected future developments and other factors believed to be appropriate under the circumstances, they are subject to risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements to be materially different. Such risks and uncertainties include, but are not limited to: direct and indirect impacts of the coronavirus pandemic and the associated government response, risks and adverse economic effects associated with emerging geopolitical conflicts, product and price competition, supply chain disruptions, work stoppages, availability and pricing of raw materials, cybersecurity risks, risks associated with acquisitions such as integration of operations and achieving anticipated revenue and cost benefits, foreign currency exchange rate changes, interest rate changes, increased legal expenses and litigation results, legal and regulatory developments and other risks and uncertainties described in filings with the Securities and Exchange Commission. Such forward-looking statements are made as of the date hereof and we undertake no obligation to update these forward-looking statements regardless of new developments or otherwise.

This presentation also contains certain measures that are not in accordance with U.S. generally accepted accounting principles (“GAAP”). The non-GAAP financial information presented herein should be considered supplemental to, and not a substitute for, or superior to, financial measures calculated in accordance with GAAP. The Company has provided this supplemental information to investors, analysts, and other interested parties to enable them to perform additional analyses of operating results, to illustrate the results of operations giving effect to the non-GAAP adjustments shown in the reconciliations, and to provide an additional measure of performance which management considers in operating the business. A reconciliation of these items to the most comparable GAAP measures is provided in our filings with the SEC and/or in the Appendix to this presentation.

Federal Signal at a Glance

- Founded in 1901, joined NYSE in 1969 (“FSS”)
- Diversified industrial manufacturer of specialized vehicles for maintenance and infrastructure markets such as street sweepers, sewer cleaners, vacuum/hydro-excavators (“safe-digging trucks”), industrial vacuum loaders, waterblasting equipment, road-marking and line-removal equipment, dump truck bodies, trailers and metal extraction support equipment; as well as safety and security products including audible and visual warning devices
- Leading brands of premium, value-adding products and systems, with supporting aftermarket business
- Headquartered in Oak Brook, Illinois with 20 principal manufacturing facilities worldwide
- Strong operating cash flow generation has facilitated organic growth investment, cash returns to stockholders and M&A in recent years

100 FASTEST GROWING COMPANIES 2020 FORTUNE

CRAIN'S CHICAGO BUSINESS 2020 NOTABLE WOMEN IN MANUFACTURING

WORLD SWEEPING ASSOCIATION 2020 Award of Excellence in Power Sweeping ELGIN

CRAIN'S LARGEST PUBLICLY TRADED COMPANIES 2019

CHICAGO INNOVATION AWARDS 2016 WINNER

NASCAR GREEN OFFICIAL SWEEPER

EcoInfused Technology

Why Federal Signal?

Composition of Businesses	• Clearly-defined strategy, with two groups – ESG and SSG – each of which have strong growth potential through a combination of organic initiatives and M&A
End Market Exposures	• Typical annual revenue mix of ~50% publicly-funded / ~50% industrial • Publicly-funded revenues derived from sale of essential products to municipalities in the U.S., Canada, Europe and Latin America; sewer cleaner purchases typically funded through water taxes • Within industrial, markets at different points in the cycle such as construction, utility, oil and gas, infrastructure, waste, rendering, landscaping, military
Revenue Streams	• Balanced portfolio of new and used equipment sales and other aftermarket offerings including parts, rentals and service • Aftermarket revenues represented ~30% of ESG's sales in 2021
Financial Position	• Low debt leverage; Strong balance sheet • Healthy cash flow generation
Opportunity for M&A	• Completed three acquisitions in 2021 • Ample opportunity for further M&A due to strong financial position, active pipeline and clear view of what we are looking for in acquisition candidates
Operational Performance	• Consistent performance within target EBITDA margin ranges • Focus on operational excellence, with Eighty-Twenty Improvement ("ETI") initiatives the cornerstone of our operational philosophies
New Product Development ("NPD")	• Revamped, customer-focused NPD process, introducing more new products at a faster pace • Of our total R&D spend in 2021, approximately 20% was dedicated to electrification projects

Completed Three Acquisitions in 2021

OSW Equipment (February 2021)

- OSW is a leading manufacturer of dump truck bodies and custom upfitter of truck equipment and trailers. The acquisition also includes the operations of OSW's wholly owned subsidiaries Northend Truck Equipment and Western Truck Body



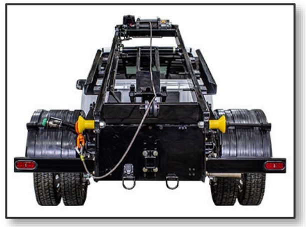
Ground Force Worldwide (October 2021)

- Ground Force Worldwide is a leading manufacturer of specialty material handling vehicles that support the extraction of metals



Deist Industries (December 2021)

- Deist Industries designs, manufactures and sells interchangeable truck body systems for class 3-7 vehicles in the work truck industry and a full line of waste hauling products, including front/rear loading containers and specialty roll-off containers



Environmental Solutions Group (ESG)

Have established a platform serving maintenance and infrastructure markets to provide customers with a comprehensive suite of products and services

Application	Street sweeping	Sewer cleaning	Safe digging	Industrial cleaning	Road Marking	Materials Hauling	Metal Extraction Support
Brands	ELGIN	VACTOR	TRUVAC, WESTECH	Jetstream, ELGIN, GUZZLER, VACTOR	MRL, HighMark	Travis, DURACLASS, J-CRAFT, OX BODIES, NTE, Rugby, CRYSTEEL, SWITCH-N-GO, Bucks	GROUND FORCE WORLDWIDE
Products							
End Markets and Channels	Publicly-funded Dealer	Publicly-funded* Dealer	Industrial Utility Oil & Gas Dealer / Direct	Industrial Direct	Transportation, Infrastructure, Publicly-funded Direct	Construction, Industrial, Landscaping, Publicly-funded Dealer / Direct	Industrial Direct

Addressable Market** ~$4.25B

Routes to Market

Rental/Aftermarket

FS Depot, FS Solutions

Provide parts / service / refurbishment / rental offering through the network of 20+ locations in US and Canada

Dealer Network

US Dealer Network + Largest Canadian distributor of maintenance equipment to municipalities

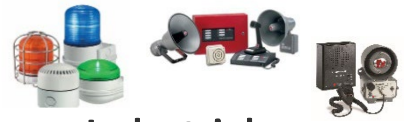
Distribution

US Distribution Network + For ESG products and other OEM's products such as snow-removal equipment and garbage trucks

* Typically funded through water taxes
**Management estimates

Safety and Security Systems Group (SSG)

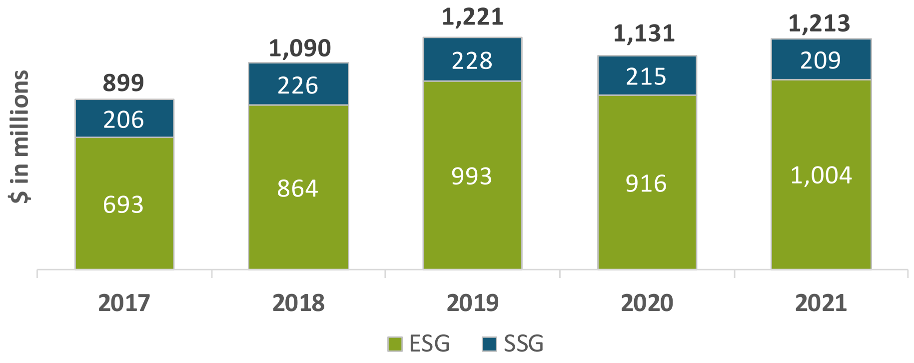
Serves the needs of government and industrial verticals for audible and visual safety and security notification devices

	Public Safety and Security	Signaling	Systems
Application	Lights and siren products for Police, Fire and Heavy Duty (HD) end markets	Audible and visual signaling devices	Warning Systems Public Address General Alarming (PAGA)
Brands	FEDERAL SIGNAL Safety and Security Systems Heavy Duty FEDERAL SIGNAL Safety and Security Systems Public Safety Systems FEDERAL SIGNAL VAMA	FEDERAL SIGNAL Safety and Security Systems Signaling Victor	FEDERAL SIGNAL Safety and Security Systems Systems
Products			
End Markets and Channels	Publicly-funded Industrial Distributor	Industrial Oil & Gas Commercial Heavy Industry Manufacturing Indirect	Publicly-funded Oil & Gas Commercial Direct
Addressable Market *	$1.0 B	$600 M	$1.0 B

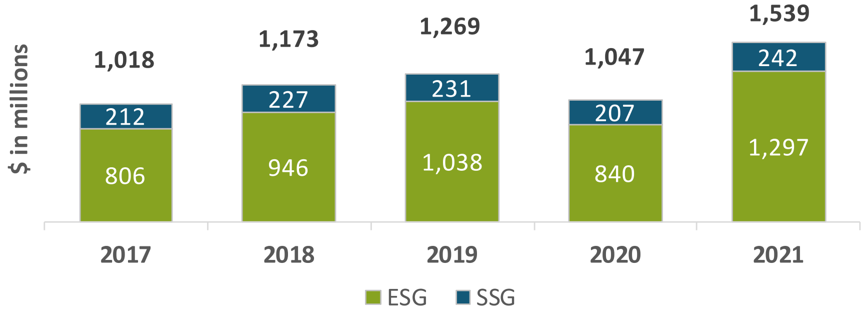
** Management estimates*

Financial Overview

Net Sales

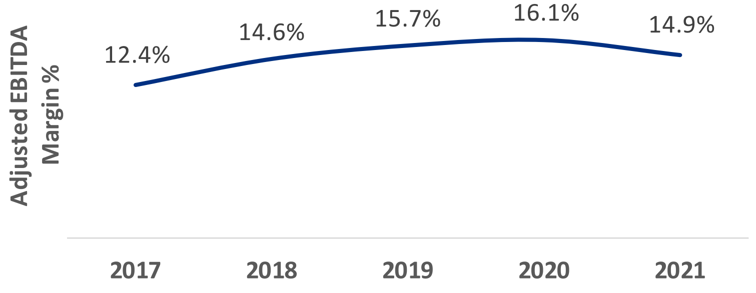


Orders



Adjusted EBITDA Margin*

(Consolidated)



Target EBITDA Margin ranges[1]

- ESG: 15% - 18%
- SSG: 15% - 18%
- Consolidated: 12% - 16%
  - Historical EBITDA margins and targets place Federal Signal in the top tier of its peer group of specialty vehicle manufacturers

(1) Underlying assumptions: Absence of extraordinary factors affecting demand from end-markets; No unusual hearing loss litigation expenses

Full Year 2021 Highlights[2]:

- Net sales of $1.21B, up $82M, or 7%
- Operating income of $130.7M
- Adjusted EBITDA* of $180.5M
- Adjusted EBITDA margin* of 14.9%
- GAAP EPS of $1.63, up $0.07, or 4%
- Adjusted EPS* of $1.75, up $0.08, or 5%
- Orders of $1.54B, up $492 M or 47%
- Record backlog of $629 M, up $325M, or 107% vs. Q4 2020
- Operating cash flow of $102M
- Cash and cash equivalents of ~$41M and $209M of credit facility availability
- Net debt of ~$242M [3]

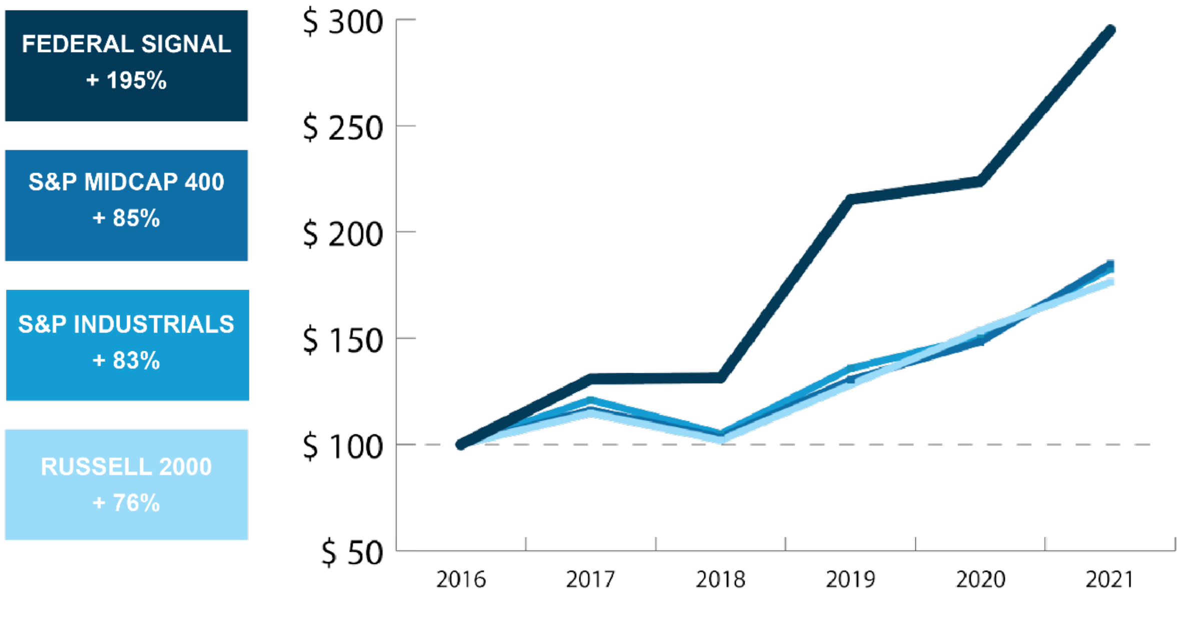
(2) Comparisons to full year 2020, unless noted otherwise
(3) Net debt is a non-GAAP measure, computed as total debt of $282.8M, less total cash and cash equivalents of $40.5M

*Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted EPS are non-GAAP measures. See Appendix for additional information, including reconciliation to GAAP measures.

Positioned for Long-Term Growth

With continued focus on organic growth and M&A, and margin performance above that of many of our peers, our financial framework aims to create long-term shareholder value

Cumulative Returns to Stockholders



This graph assumes that the value of the investment in the Company's common stock, and in each index, was $100 on December 31, 2016 and assumes reinvestment of all dividends through December 31, 2021.

Long-Term Organic Revenue Growth + **Value-Added Acquisitions**

(Couple of % points > GDP)

High Single Digit Revenue Growth

EBITDA Margin Targets:

ESG: 15-18%
SSG: 15-18%
Consolidated: 12-16%

Cash Conversion: ~100% of net income

ROIC > Cost of Capital

Appendix

I. Non-GAAP Measures

II. Investor Information

Appendix I: Non-GAAP Measures (Adjusted EPS)

($ in millions, except per share data)	Year Ended December 31, 2021	2020
Income from continuing operations	$ 100.6	$ 96.1
Add (less):		
Income tax expense	17.0	28.5
Income before income taxes	117.6	124.6
Add (less):		
Acquisition and integration-related (benefits) expenses	(2.1)	2.1
Pension-related charges (1)	10.6	2.3
Restructuring	-	1.3
Coronavirus-related expenses (2)	1.2	2.3
Purchase accounting effects (3)	0.7	0.7
Adjusted income before income taxes	128.0	133.3
Adjusted income tax expense (4)	(19.6)	(30.3)
Adjusted income from continuing operations	**$ 108.4**	**$ 103.0**
Diluted EPS	$ 1.63	$ 1.56
Adjusted diluted EPS	**$ 1.75**	**$ 1.67**

(1) Pension-related charges in the year ended December 31, 2021 include $10.3 million of pension settlement charges incurred in connection with a pension annuitization project. In addition, during the twelve months ended December 31, 2021 and 2020, the Company recorded charges of $0.3 million and $2.3 million, respectively, in connection with the withdrawal from multi-employer pension plans. Such charges are included as a component of Other (income) expense, net on the Consolidated Statements of Operations.

(2) Coronavirus-related expenses in the years ended December 31, 2021 and 2020 relate to direct expenses incurred in connection with the Company's response to the coronavirus pandemic, that are incremental to, and separable from, normal operations. Such expenses primarily relate to incremental paid time off provided to employees and costs incurred to implement enhanced workplace safety protocols.

(3) Purchase accounting effects in the years ended December 31, 2021 and 2020 relate to adjustments to exclude the step-up in the valuation of equipment acquired in recent business combinations that was sold during the periods presented.

(4) Adjusted income tax expense for the years ended December 31, 2021 and 2020 was recomputed after excluding the impact of acquisition and integration-related (benefits) expenses, pension-related charges, restructuring activity, coronavirus-related expenses, and purchase accounting effects, where applicable.

Adjusted income from continuing operations and earnings per share ("EPS")

The Company believes that modifying its 2021 and 2020 income from continuing operations and diluted EPS provides additional measures which are representative of the Company's underlying performance and improves the comparability of results across reporting periods. During the years ended December 31, 2021 and 2020, adjustments were made to reported GAAP income from continuing operations and diluted EPS to exclude the impact of acquisition and integration-related (benefits) expenses, pension-related charges, restructuring activity, coronavirus-related expenses and purchase accounting effects, where applicable.

Appendix I: Non-GAAP Measures (Adjusted EBITDA)

($ in millions)	2017	2018	2019	2020	2021
Income from continuing operations	$ 60.5	$ 93.7	$ 108.4	$ 96.1	$ 100.6
Add (less):					
Interest expense	7.3	9.3	7.9	5.7	4.5
Pension settlement charges	6.1	-	-	-	10.3
Hearing loss settlement charges	1.5	0.4	-	-	-
Acquisition and integration-related expenses (benefits)	2.7	1.5	2.5	2.1	(2.1)
Coronavirus-related expenses	-	-	-	2.3	1.2
Restructuring	0.6	-	-	1.3	-
Executive severance costs	0.7	-	-	-	-
Purchase accounting effects (a)	4.4	0.7	0.2	0.3	0.3
Other (income) expense, net	(0.8)	0.6	0.6	1.1	(1.7)
Income tax expense	0.5	17.9	30.2	28.5	17.0
Depreciation and amortization	30.0	36.4	41.5	44.8	50.4
Deferred gain recognition (b)	(2.0)	(1.9)	-	-	-
Adjusted EBITDA	**$ 111.5**	**$ 158.6**	**$ 191.3**	**$ 182.2**	**$ 180.5**
Net Sales	**$ 898.5**	**$ 1,089.5**	**$ 1,221.3**	**$ 1,130.8**	**$ 1,213.2**
Adjusted EBITDA Margin	**12.4%**	**14.6%**	**15.7%**	**16.1%**	**14.9%**

(a) Excludes purchase accounting effects reflected in depreciation and amortization of $0.4 M, $0.5 M, $0.6 M, $0.4 M and $0.4 M for 2017, 2018, 2019, 2020 and 2021, respectively.

(b) Adjustment to exclude recognition of a deferred gain associated with historical sale lease-back transactions. Effective with the adoption of the new lease accounting standard in 2019, recognition of this gain was eliminated.

Adjusted EBITDA and adjusted EBITDA margin

The Company uses adjusted EBITDA and adjusted EBITDA margin as additional measures which are representative of its underlying performance and to improve the comparability of results across reporting periods. We believe that investors use versions of these metrics in a similar manner. For these reasons, the Company believes that adjusted EBITDA and adjusted EBITDA margin are meaningful metrics to investors in evaluating the Company's underlying financial performance. Adjusted EBITDA is a non-GAAP measure that represents the total of income from continuing operations, interest expense, pension settlement charges, hearing loss settlement charges, acquisition and integration-related expenses (benefits), coronavirus-related expenses, restructuring activity, executive severance costs, purchase accounting effects, other income/expense, income tax expense, depreciation and amortization expense, and the impact of adoption of a new lease accounting standard, where applicable. Consolidated adjusted EBITDA margin is a non-GAAP measure that represents the total of income from continuing operations, interest expense, pension settlement charges, hearing loss settlement charges, acquisition and integration-related expenses (benefits), coronavirus-related expenses, restructuring activity, executive severance costs, purchase accounting effects, other income/expense, income tax expense, depreciation and amortization expense, and the impact of adoption of a new lease accounting standard, where applicable, divided by net sales for the applicable period(s). Other companies may use different methods to calculate adjusted EBITDA and adjusted EBITDA margin.

Appendix II: Investor Information

Stock Ticker: **NYSE:FSS**

Company website: federalsignal.com/investors

HEADQUARTERS

1415 West 22nd Street, Suite 1100
Oak Brook, IL 60523

INVESTOR RELATIONS CONTACTS

630-954-2000

Ian Hudson
SVP & Chief Financial Officer
IHudson@federalsignal.com

FEDERAL SIGNAL

Moves. Cleans. Protects.