



**Second Quarter 2015
Earnings Conference Call**
August 05, 2015

Non-GAAP Financial Measures and Forward-Looking Statements



Forward-Looking Statements

This webcast and presentation contains statements that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward looking statements include all statements that do not relate solely to historical or current facts and can generally be identified by the use of future dates or words such as "may," "should," "could," "will," "expects," "seeks to," "anticipates," "plans," "believes," "estimates," "intends," "predicts," "projects," "potential" or "continue" or the negative of such terms and other comparable terminology. These statements also include, but are not limited to, the 2015 outlook and projections for reported net sales, value-added sales, EBITDA margin, capital expenditures and the change in working capital, and improving cost and operational efficiencies, and are based on current expectations, estimates and projections about the company's business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements due to numerous factors, risks and uncertainties discussed from time to time in the company's Securities and Exchange Commission filings and reports, including the company's most recent Annual Report on Form 10-K and subsequent filings. You are cautioned not to unduly rely on such forward looking statements when evaluating the information presented in this press release. Such forward-looking statements speak only as of the date on which they are made and the company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this webcast or presentation.

Use of Non-GAAP Financial Measures

In addition to the results reported in accordance with GAAP included throughout this earnings release, this release refers to "Adjusted EBITDA," which we have defined as earnings before interest, taxes, depreciation, amortization, restructuring charges and impairments of long-lived assets and "Value-Added Sales" which we define as net sales less upcharges primarily for the aluminum value in net sales. Adjusted EBITDA as a percentage of Valued Added Sales is a key measure that is not calculated according to GAAP. Adjusted EBITDA as a percentage of Value Added Sales is defined as Adjusted EBITDA divided by Valued Added Sales.

Management believes the non-GAAP financial measures used in this presentation are useful to both management and investors in their analysis of the Company's financial position and results of operations. Further, management uses these non-GAAP financial measures for planning and forecasting future periods. This non-GAAP financial information is provided as additional information for investors and is not in accordance with or an alternative to GAAP. These non-GAAP measures may be different from similar measures used by other companies.

For reconciliations of adjusted EBITDA and Value-Added Sales to the most directly comparable financial measures calculated and presented in accordance with GAAP, see the supplemental data pages attached to the Company's press release on Second Quarter 2015 Financial Results which, together with the press release, have been posted on the Company's website through the "Investors" link at www.supind.com.

We have not quantitatively reconciled differences between Valued-Added sales, EBITDA and EBITDA margins and their corresponding GAAP measures, in our 2015 Outlook, due to the inherent uncertainty regarding variables affecting the comparison of these forward-looking measures. The magnitude of these differences, however, may be significant.

Second Quarter Highlights

Financial Highlights

- **Significant improvement in performance, despite sales decline**
 - Net sales of \$183.9M; Value-added sales of \$88.2M
 - 7.6% decline in net sales, 11.5% decline in value-added sales
 - 269K, or 9.0% decline in unit shipments
 - Adjusted EBITDA of \$20.3M, 23.0% of Value-Added Sales, an increase of 730bps
 - 29.5% increase in adjusted EBITDA y-o-y
 - Lower costs related to previous plant closure and reallocation of production volume, lower energy costs, and increased cost performance across all manufacturing facilities
 - Net income of \$6.5M or \$0.24 per diluted share, an increase of 33.3% compared to \$0.18 per diluted share in 2Q14
 - Operating cash flow increased to \$26.2M in 2Q15
 - Unit shipments expected to increase in 2H15
 - Unit shipments increased 175K vs. 1Q15

Business Highlights

- **Focused on strengthening competitiveness and driving profitability**
 - Ramp-up at new facility in Mexico on plan
 - Successful ramp-up of new Mexican finishing facility, a joint venture with supplier partner
 - Relocation of corporate headquarters in Southfield, Michigan on track to be completed in 2015
- **Achieved record quality performance for June**
- **Pursuing new initiatives to drive productivity gains**
 - New favorable tax strategy, performance management process, ERP system, shared service center, and program management process
 - Adding incremental shifts at manufacturing facilities, increasing capacity and reducing bottlenecks
- **Continued commitment to returning cash to shareholders**
 - Paid quarterly dividend of \$0.18 per share
 - Repurchased 286K shares for \$5.5M in 2Q15
 - 557,643 shares repurchased for a total of \$10.4M through August 3, 2015 as part of the \$30M share repurchase program approved in October 2014

Strategic Priorities



Improving global competitiveness

Building on culture of product innovation and technology

Evaluating opportunities for disciplined growth and value creation

Balanced approach to capital allocation

Increasing visibility with financial community

Superior Shipments

2Q15 unit shipments declined by 9% year-over-year; improved by 7% vs. 1Q15

| Comparison | NA Light Vehicle Production | Superior Shipments |
|-----------------------|-----------------------------|--------------------|
| 2Q15 | 4.51 | 2.71 |
| 2Q14 | 4.38 | 2.98 |
| % Change (y-o-y) | 2.8% | (9.0%) |
| 1Q15 | 4.25 | 2.54 |
| % Change (sequential) | 6.1% | 6.9% |

- **SUP shipments totaled 2.71M, down 9% from prior-year period**
 - Declines in:
 - Chrysler Town and Country: down (113K) units, or (81%) y-o-y
 - Ford Edge: down (66K) units, or (63%) y-o-y
 - Nissan Maxima: down (47K) units, or (97%) y-o-y
 - K2XX: down (41K) units or (9%) y-o-y
 - Partially mitigated by increases in:
 - Ford Focus up 84K units; Mazda 2 up 45K units—both new programs in 2015
 - Toyota Highlander: up 35K units, or 31% y-o-y
 - Ford Fusion: up 27K units, or 28% y-o-y
- **Lower unit shipments had \$16.5M negative impact on net sales**
- **Sequential quarterly shipments increased 7%, outpacing growth in overall vehicle production**
 - Ford shipments increased 20% versus 1Q15 driven primarily by improvements in the F Series, Superior's largest program
- **Unit shipment volumes are expected to improve in 2H15 due to the ramp up in vehicle production of recently launched customer programs and new customer programs coming on-line**

Financial Highlights – Sales

Lower unit volumes drove majority of net sales decline in 2Q15 and YTD, partially offset by higher aluminum prices

| | Millions | | Variance | | Millions | | Variance | |
|---------------------------|----------|---------|----------|---------|----------|---------|----------|---------|
| | 2Q15 | 2Q14 | Amount | Percent | FY 2015 | FY 2014 | Amount | Percent |
| Volume (Wheels Shipped) | 2.71 | 2.98 | (0.27) | -9% | 5.25 | 5.81 | (0.56) | -10% |
| <hr/> | | | | | | | | |
| Net Sales: | | | | | | | | |
| Total | \$183.9 | \$199.0 | (\$15.1) | -8% | \$357.7 | \$382.4 | (\$24.7) | -6% |
| Volume | | | (\$16.5) | | | | (\$34.0) | |
| Project Development | | | (\$0.5) | | | | (\$0.6) | |
| Sales Adjustments | | | \$0.1 | | | | (\$0.8) | |
| Pass-Through Upcharges | | | (\$1.3) | | | | (\$4.9) | |
| Price / Mix | | | \$3.1 | | | | \$15.6 | |
| Aluminum Content - Price | | | \$5.6 | \$5.6 | | | \$19.6 | \$19.8 |
| Aluminum Content - Weight | | | \$0.0 | | | | \$0.2 | |
| FX Impact | | | (\$1.5) | | | | (\$2.7) | |
| Price / Mix Other | | | (\$1.0) | | | | (\$1.6) | |

Second Quarter EBITDA Comparison – Year-Over-Year



2Q15 Adjusted EBITDA increased 29% -- Reached 23% of Value-Added Sales (+ 730bps)



- **Volume / Mix** – Units shipped declined by 269K y-o-y, with slightly negative mix
- **FX Impact** – Change reflects Peso devaluation against US\$ net of hedges
- **Metal** – Unfavorable timing of aluminum pass through related to price adjustments with customers vs. suppliers
- **Cost Performance** – Largely driven by lower operating costs related to the previous plant closure and reallocation of production to other manufacturing facilities, as well as improved cost performance across all other manufacturing facilities
- **SG&A** – Higher legal and consulting expense, primarily related to the proxy contest, employee termination costs, and the combined effect of 2014 favorable impact from collecting aged accounts receivable previously reserved for and 2015 expense for the write-down of aged accounts receivable
- **Rogers Restructuring Cost** – \$1.2M of closure related expense, excluding depreciation

June YTD EBITDA Comparison – Year-Over-Year



June YTD Adjusted EBITDA increased 11% -- Reached 20% of Value-Added Sales (+ 410bps)



- **Volume / Mix** – Units shipped declined 562K with slightly negative mix
- **FX Impact** – Change reflects Peso devaluation against US\$ net of hedges
- **Metal** – Unfavorable timing of aluminum pass through related to price adjustments with customers vs. suppliers
- **Cost Performance** – Largely driven by lower operating costs related to the previous plant closure and reallocation of production to other manufacturing facilities, as well as improved cost performance across all other manufacturing facilities
- **Project Development** – Primarily driven by timing of development revenues
- **SG&A** – Higher legal and consulting expense, primarily related to the proxy contest, higher employee termination costs, and the combined effect of a 2014 favorable impact from collecting aged accounts receivable previously reserved for and 2015 expense for the write-down of aged accounts receivable
- **Rogers Restructuring Cost** – \$2.5M of closure related expense, excluding depreciation

Financial Highlights – Cash Flow

- **1H15 operating cash flow \$25.2M vs. \$1.5M in 1H14 - driven by 2Q15 improvement**
 - 2Q15 operating cash flow of \$26.2M, more than double \$12.2M in 2Q14
 - Majority of change driven by accounts receivable
 - **1H15 capital expenditures \$23.3M vs. \$55.5M in 1H14**
 - 2Q15 capital expenditures of \$8.4M compared to \$30.1M in 2014 - a \$21.7M (72%) decline

| | <u>2Q15</u> | <u>2Q14</u> |
|-----------------------|---------------|-----------------|
| ○ Existing facilities | \$ 7.6M | \$ 7.5M |
| ○ New facility | <u>\$.8M</u> | <u>\$ 22.6M</u> |
| ○ Total | \$ 8.4M | \$ 30.1M |
- **Dividends \$9.6M through June 2015 YTD and \$4.8M in 2Q15**
- **As part of the \$30M share repurchase program approved in October 2014**
 - 1H15 share repurchases - 395K shares / \$7.5M
 - 2Q15 share repurchases - 286K shares / \$5.5M
 - Program to date through August 3rd, 2015 share repurchases - 558K shares / \$10.4M all in 2015

2015 Outlook Unchanged



Key Metrics

2015 Outlook

Net Sales / EBITDA Margin

\$725 million - \$800 million / 100-200 basis point improvement in EBITDA margin

Value-Added Sales¹ / EBITDA Margin

\$325 million - \$360 million / 350-500 basis point improvement in value-added EBITDA margin

Capital Expenditures

Approximately \$40 million

Working Capital

Use of approximately \$10 million

Dividend Payments

Approximately \$20 million

Underlying Assumptions

- North American Light Vehicle Production will increase 2.2% to 17.4 million units²

2017 Goal is double digit EBITDA margins

⁽¹⁾ Value-Added Sales excludes Aluminum Costs

⁽²⁾ Based on IHS Projections

Comparative Income Statement – 2Q15

(US\$ in Thousands, except for units and per share amounts)

| | 2Q15 Actual | 2Q14 Actual | Variance Actual |
|---|----------------|----------------|--------------------|
| Unit Shipments | 2,713,483 | 2,982,772 | (269,289) |
| Total Revenues | \$ 183,940 | \$ 198,966 | \$ (15,026) |
| Value Added Revenue ⁽¹⁾ | \$ 88,219 | \$ 99,729 | \$ (11,510) |
| Gross Profit | \$ 19,920 | \$ 15,732 | \$ 4,188 |
| <i>% of Revenues</i> | 10.8% | 7.9% | 2.9% |
| <i>% of Value Added Revenue</i> | 22.6% | 15.8% | 6.8% |
| SG&A Expenses | \$ (8,881) | \$ (7,288) | \$ (1,593) |
| <i>% of Revenues</i> | -4.8% | -3.7% | -1.2% |
| Operating Income | \$ 11,039 | \$ 8,444 | \$ 2,595 |
| Interest Income, net | \$ 57 | \$ 311 | \$ (254) |
| Foreign Exchange Gain (Loss) | \$ (281) | \$ (174) | \$ (106) |
| Other Income (Expense), net | \$ (81) | \$ 81 | \$ (162) |
| Income Before Income Taxes | \$ 10,734 | \$ 8,662 | \$ 2,072 |
| Income Tax (Provision) Benefit | \$ (4,200) | \$ (3,623) | \$ (577) |
| Net Income | \$ 6,534 | \$ 5,039 | \$ 1,495 |
| Income Per Share - Diluted | \$ 0.24 | \$ 0.18 | \$ 0.06 |
| EBITDA | \$ 19,172 | \$ 15,685 | \$ 3,487 |
| <i>EBITDA % of Revenue</i> | 10.4% | 7.9% | 2.5% |
| <i>EBITDA % of Value Added Revenue</i> | 21.7% | 15.7% | 6.0% |
| EBITDA Adjusted ⁽²⁾ | \$ 20,307 | \$ 15,685 | \$ 4,621 |
| <i>EBITDA % Revenue Adjusted ⁽²⁾</i> | 11.0% | 7.9% | 3.2% |
| <i>EBITDA % Value Added Revenue Adjusted ⁽²⁾</i> | 23.0% | 15.7% | 7.3% |

Unaudited

Comparative Income Statement – 2H15



(US\$ in Thousands, except for units and per share amounts)

| | June 2015 YTD Actual | June 2014 YTD Actual | Variance Actual |
|--|----------------------------|----------------------------|--------------------|
| Unit Shipments | 5,251,828 | 5,813,720 | (561,892) |
| Total Revenues | \$ 357,669 | \$ 382,356 | \$ (24,687) |
| Value Added Revenue ⁽¹⁾ | \$ 169,896 | \$ 193,601 | \$ (23,704) |
| Gross Profit | \$ 31,142 | \$ 31,368 | \$ (226) |
| % of Revenues | 8.7% | 8.2% | 0.5% |
| % of Value Added Revenue | 18.3% | 16.2% | 2.1% |
| SG&A Expenses | \$ (16,433) | \$ (15,221) | \$ (1,212) |
| % of Revenues | -4.6% | -4.0% | -0.6% |
| Operating Income | \$ 14,709 | \$ 16,147 | \$ (1,438) |
| Interest Income, net | \$ 142 | \$ 660 | \$ (517) |
| Foreign Exchange Gain (Loss) | \$ (514) | \$ (180) | \$ (333) |
| Other Income (Expense), net | \$ (30) | \$ 95 | \$ (125) |
| Income Before Income Taxes | \$ 14,307 | \$ 16,721 | \$ (2,413) |
| Income Tax (Provision) Benefit | \$ (3,439) | \$ (6,860) | \$ 3,421 |
| Net Income | \$ 10,868 | \$ 9,861 | \$ 1,007 |
| Income Per Share - Diluted | \$ 0.40 | \$ 0.36 | \$ 0.04 |
| EBITDA | \$ 31,187 | \$ 30,457 | \$ 731 |
| EBITDA % of Revenue | 8.7% | 8.0% | 0.8% |
| EBITDA % of Value Added Revenue | 18.4% | 15.7% | 2.6% |
| EBITDA Adjusted ⁽²⁾ | \$ 33,677 | \$ 30,457 | \$ 3,220 |
| EBITDA % Revenue Adjusted ⁽²⁾ | 9.4% | 8.0% | 1.5% |
| EBITDA % Value Added Revenue Adjusted ⁽²⁾ | 19.8% | 15.7% | 4.1% |

Unaudited

Summary Balance Sheets

(US\$ in Millions)

| | June 2015 | December | Increase |
|--|-----------------|-----------------|-------------------|
| | <u>Actual</u> | <u>2014</u> | <u>(Decrease)</u> |
| <u>ASSETS</u> | | | |
| Cash & Cash Equivalents | \$ 57.3 | \$ 62.5 | \$ (5.2) |
| Short Term Investments | 1.2 | 3.8 | \$ (2.6) |
| Accounts Receivable, net | 102.4 | 102.5 | (0.1) |
| Inventories, net | 69.4 | 74.7 | (5.3) |
| Prepaid Aluminum | 18.4 | 14.4 | 4.0 |
| Other Current Assets | 17.4 | 18.1 | (0.7) |
| Total Current Assets | 266.1 | 276.0 | (9.9) |
| Property, Plant & Equipment | 247.6 | 255.0 | (7.4) |
| Investments | 2.0 | 2.0 | - |
| Deferred Taxes | 15.2 | 17.9 | (2.7) |
| Other Assets | 30.5 | 29.0 | 1.5 |
| Total Assets | \$ 561.4 | \$ 579.9 | \$ (18.5) |
| <u>LIABILITIES & EQUITY</u> | | | |
| Accounts Payable | \$ 22.9 | \$ 23.9 | \$ (1.0) |
| Other Current Liabilities | 43.7 | 48.0 | (4.3) |
| Total Current Liabilities | 66.6 | 71.9 | (5.3) |
| Non-Current Liabilities | 62.5 | 69.0 | (6.5) |
| Shareholders' Equity | 432.3 | 439.0 | (6.7) |
| Total Liabilities & Equity | \$ 561.4 | \$ 579.9 | \$ (18.5) |

Unaudited

Comparative Cash Flow Statement – 2H15



(US\$ in Millions)

| | Jun-15 YTD <u>Actual</u> | Jun-14 YTD <u>Actual</u> | Increase <u>(Decrease)</u> |
|--|-----------------------------|-----------------------------|-------------------------------|
| Net Income (Loss) | \$ 10.9 | \$ 9.9 | \$ 1.0 |
| Depreciation | 17.0 | 14.4 | 2.6 |
| Deferred Income Taxes & FIN 48 | (3.7) | 0.4 | (4.1) |
| Accounts Receivable | (1.0) | (23.3) | 22.3 |
| Inventories | 5.2 | (0.9) | 6.1 |
| Prepaid Aluminum | (4.0) | (4.6) | 0.6 |
| Accounts Payable and Accrued Liabilities | 3.3 | 4.3 | (1.0) |
| Other Operations Related Items | (2.5) | 1.3 | (3.8) |
| Cash Flow from Operations | 25.2 | 1.5 | 23.7 |
| Cash Dividends | (9.6) | (9.8) | 0.2 |
| Capital Expenditures | (23.3) | (55.5) | 32.2 |
| Proceeds from Exercise of Stock Options | 6.5 | 3.5 | 3.0 |
| Stock Repurchase | (7.5) | (13.0) | |
| Net Change in Maturing Investments | 2.6 | - | 2.6 |
| Proceeds from Sales of Fixed Assets | 1.8 | 0.1 | 1.7 |
| All Other | (0.8) | 0.6 | (1.4) |
| Net Increase (Decrease) | (5.1) | (72.6) | 67.5 |
| Cash - Beginning | 62.4 | 199.3 | (136.9) |
| Cash - Ending | \$ 57.3 | \$ 126.7 | \$ (69.4) |

Unaudited