



Superior Industries
2017 Global Auto Industry Conference
January 11, 2017



Non-GAAP Financial Measures and Forward-Looking Statements



Forward-Looking Statements

This webcast and presentation contain 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 2016 and 2017 outlook included herein, and the Company's strategic and operational initiatives, including the resolution of operating inefficiencies, product mix and overall cost improvement 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 in the Company's Securities and Exchange Commission filings and reports, including the Company's Annual Report on Form 10-K for the year-ended December 27, 2015, Quarterly Reports on Form 10-Q and other reports from time to time filed with the Securities and Exchange Commission. 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 and presentation.

Use of Non-GAAP Financial Measures

In addition to the results reported in accordance with GAAP included throughout this presentation, this presentation refers to "Adjusted EBITDA," which we have defined as earnings before interest, taxes, depreciation, amortization, restructuring charges and impairments of long-lived assets and investments and "Value-Added Sales," which we define as net sales less pass-through charges primarily for the value of aluminum. Adjusted EBITDA as a percentage of value-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 value-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 these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, see the appendix of this presentation.

In reliance on the safe harbor provided under section 10(e) or Regulation S-K, we have not quantitatively reconciled differences between adjusted EBITDA presented in our 2016 and 2017 Outlook to net income, the most comparable GAAP measure, as Superior is unable to quantify certain amounts that would be required to be included in net income without unreasonable efforts and due to the inherent uncertainty regarding such variables. Superior also believes that such a reconciliation would imply a degree of precision that could potentially be confusing or misleading to investors. However, the magnitude of these amounts may be significant.

Superior – North American Leader in Aluminum Wheels



- North American leader in aluminum wheels for light vehicles
 - 100% OEM
 - 12.4M wheels sold 3Q16 LTM, 15% increase year-over-year
 - 98% of sales in North America
 - ~20% North America market share
- Four facilities in Mexico and one in Arkansas
- NYSE listed (SUP) since 1969
- Continuous dividend payout since 1982
- Strong balance sheet with no debt



Customers and Vehicle Segments

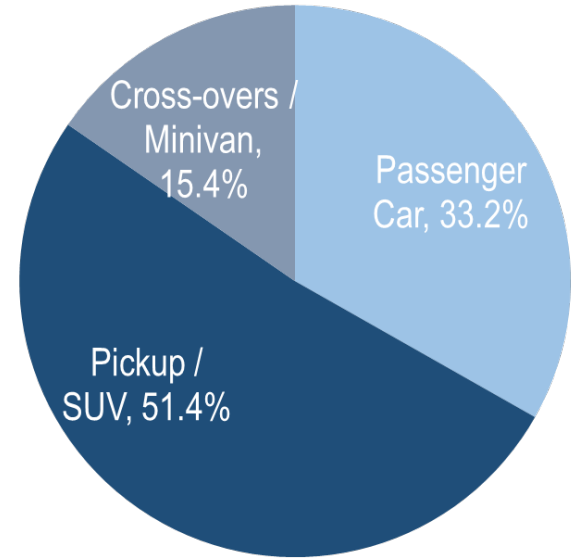


Customers



TOYOTA

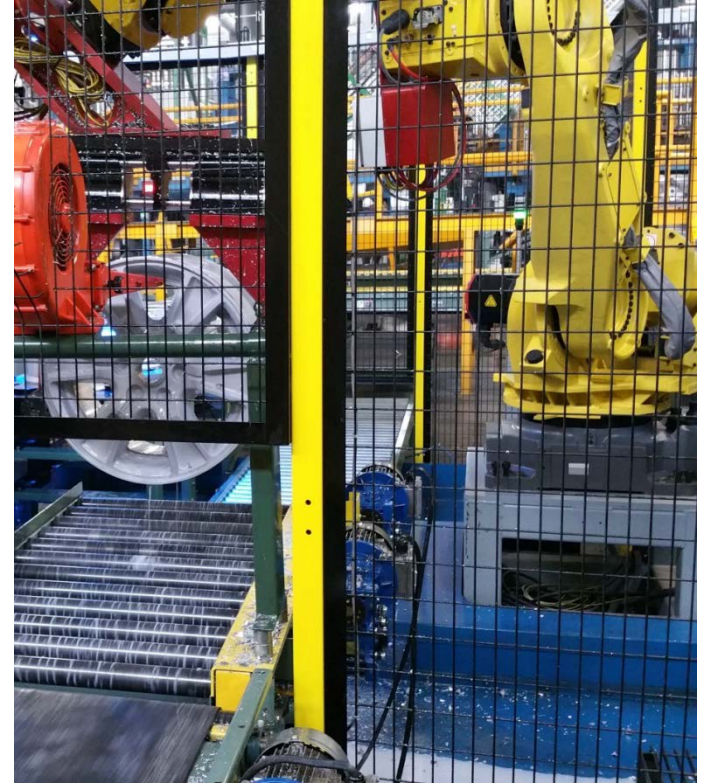
2016 Shipments by Segment



Superior Investment Thesis



- Wheel market trends create opportunity
- Driving operational and strategic transformation
- Financial flexibility to pursue balanced capital allocation



Wheel Market Trends – Wheels Provide Differentiation



- Consumers increasingly seeking customization, wheels offer key aesthetic differentiator
- Aftermarket-like styling relevant to OEMs at OEM production levels and standards
- Wheel options per platform increasing, allowing customers to segment market
- Lightweighting relevant to achieve fuel efficiency requirements
- Wheel design can provide improved vehicle handling and comfort

Wheel Market Trends – Offering and Capabilities



Physical Vapor Deposition
(PVD)



Sparkle Silver



Premium Matte Finish
with Tinted Clear Coat



Two Tone Machined Finish



Diamond Turned with
Accent Windows



AluLite™

Operational and Strategic Transformation



Completed

- Six of nine board members joined Board since December 2013
- New executive management team with 130 years combined auto experience
- Opened new manufacturing facility in Mexico in 2015
- Relocated headquarters to Michigan
- Opened shared services facility in Mexico
- Completed tax restructuring

Ongoing

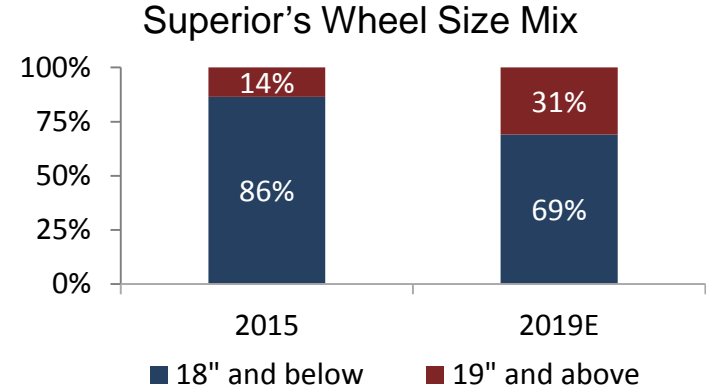
- Broadening product portfolio to provide next generation and premium products
- Investing in finishing capabilities
- Implementing initiatives to improve efficiency
- Continuing to strengthen team

Operational and Strategic Transformation – Revenue Growth



Organic

- Adding new and strengthening existing OEM customer relationships
- Winning larger, more complex, higher value-add wheels
- Investing in finishing capabilities in Mexico
- Developing proprietary lightweight designs



Strategic Acquisitions

- Evaluating acquisitions that add customers, capabilities, or geographies
- Focused on aluminum products and automotive suppliers

Operational and Strategic Transformation – Recent Awards



2015 GM Supplier of the Year award



2015 Toyota Quality Certificate
of Achievement Award



Mazda 2015 Supplier of
Excellence, a first for the Company

Financial Stability and Balanced Approach to Capital Allocation



- Clean balance sheet with no debt
- Strong track record of both dividends and share repurchase
 - Returned more than \$155M to shareholders over the last 5 years
 - Cash dividend since 1982 – currently approximately \$18M annually
 - \$50M stock repurchase program approved in January 2016; \$46.7M remaining (as of Q3 2016)
- Financial capacity to strategically pursue M&A prospects, JVs, and business alliances

Financial Performance Outlook for 2016



Key Metrics	2016 Outlook (provided 10/27/16)
Unit Volume (000s)	12,031 - 12,143
Net Sales	\$715M - \$725M
Value-Added Sales ⁽¹⁾	\$398M - \$403M
Adjusted EBITDA ⁽²⁾	\$80M - \$88M
Capital Expenditures	Approximately \$40M
Working Capital	Net use of funds
Effective Tax Rate	21% - 23%
Dividend Payments	Approximately \$20M

**Remain comfortable with 2016 outlook*

⁽¹⁾ Value-added sales is a non-GAAP measure defined as net sales less pass-through charges, primarily for the value of aluminum; see appendix for reconciliation to net sales

⁽²⁾ Adjusted EBITDA is a non-GAAP measure; see Non-GAAP Financial Measures and Forward-Looking Statements on slide two regarding the outlook

Financial Performance Outlook for 2017



Key Metrics	2017 Outlook (provided 1/11/17)
Unit Volume (000s)	12,000 - 12,250
Net Sales	\$730M - \$750M
Value-Added Sales ⁽¹⁾	\$400M - \$410M
Adjusted EBITDA ⁽²⁾	\$97M – \$105M
Capital Expenditures	Approximately \$50M
Working Capital	Net use of funds
Effective Tax Rate	25% - 28% range
Dividend Payments	Approximately \$18M

**Expect 1Q17 to be down 200K - 300K units compared to 1Q16*

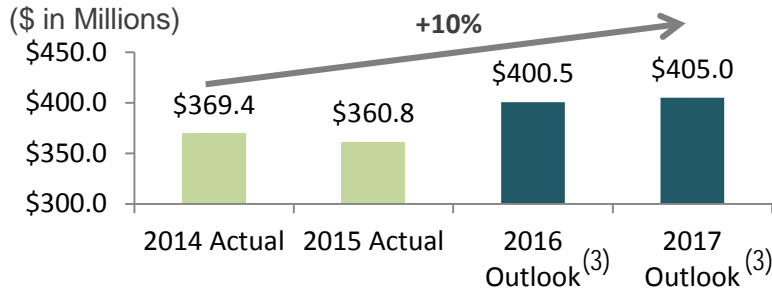
⁽¹⁾ Value-added sales is a non-GAAP measure defined as net sales less pass-through charges, primarily for the value of aluminum; see appendix for reconciliation to net sales

⁽²⁾ Adjusted EBITDA is a non-GAAP measure; see Non-GAAP Financial Measures and Forward-Looking Statements on slide two regarding the outlook

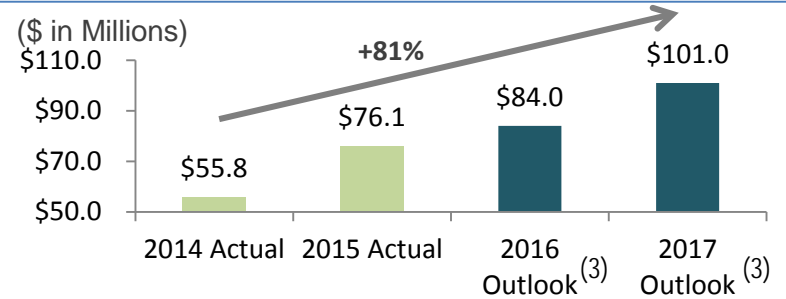
Key Financial Metrics



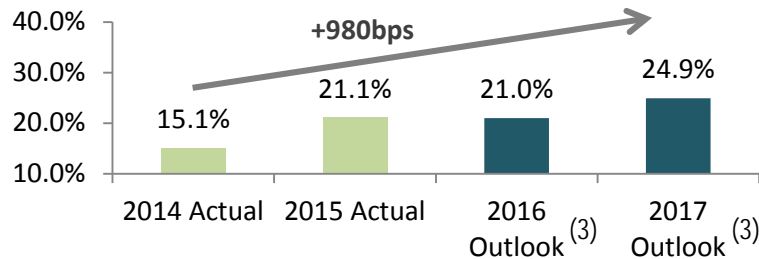
Value-Added Sales⁽¹⁾



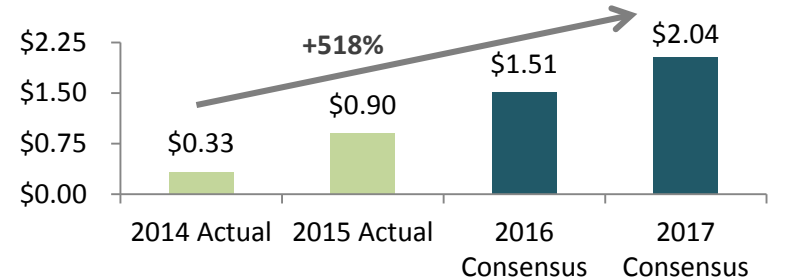
Adjusted EBITDA⁽²⁾



Adjusted EBITDA % of Value-Added Sales^(1,2)



Earnings Per Share



⁽¹⁾ Value-added sales is a non-GAAP measure defined as net sales less pass-through charges, primarily for the value of aluminum; see appendix for reconciliation to net sales

⁽²⁾ Adjusted EBITDA is a non-GAAP measure; see appendix for reconciliation of historical adjusted EBITDA to net income; see Non-GAAP Financial Measures and Forward-Looking Statements on slide two regarding the outlook. ⁽³⁾ Outlook based on midpoint of financial outlook provided on 10/27/16 for 2016 and 1/11/17 for 2017



Appendix

Third Quarter and Year-to-Date Income Statements



	Unaudited			
	3Q16 Actual	3Q15 Actual	September YTD 2016	September YTD 2015
(US\$ in Millions, except for units and per share amounts)				
Unit Shipments (000s)	2,912	2,778	9,163	8,030
Net Sales	\$ 175.6	\$ 175.7	\$ 544.4	\$ 533.3
Value-Added Sales ⁽¹⁾	\$ 98.8	\$ 87.9	\$ 302.3	\$ 257.8
Gross Profit	\$ 11.0	\$ 16.5	\$ 68.2	\$ 47.6
<i>% of Net Sales</i>	6.3%	9.4%	12.5%	8.9%
<i>% of Value-Added Sales</i>	11.1%	18.7%	22.6%	18.5%
SG&A Expenses	\$ 5.7	\$ 8.4	\$ 24.7	\$ 24.9
<i>% of Net Sales</i>	3.3%	4.8%	4.5%	4.7%
Operating Income	\$ 5.3	\$ 8.1	\$ 43.5	\$ 22.8
Interest Income, net	\$ 0.1	\$ 0.1	\$ 0.3	\$ 0.3
Other expenses, net	\$ (0.4)	\$ (0.4)	\$ (0.5)	\$ (0.9)
Income Before Income Taxes	\$ 4.9	\$ 7.6	\$ 43.2	\$ 21.9
Income Tax (Provision) Benefit	\$ 1.1	\$ (2.7)	\$ (9.6)	\$ (6.1)
Net Income	\$ 6.0	\$ 4.9	\$ 33.6	\$ 15.8
Income Per Share - Diluted	\$ 0.23	\$ 0.19	\$ 1.31	\$ 0.59
Adjusted EBITDA ⁽²⁾	\$ 13.8	\$ 17.1	\$ 69.8	\$ 50.8
<i>% of Net Sales</i>	7.8%	9.7%	12.8%	9.5%
<i>% of Value-Added Sales</i>	13.9%	19.5%	23.1%	19.7%

Unaudited

⁽¹⁾ Value-added sales is a non-GAAP measure defined as net sales less pass-through charges, primarily for the value of aluminum; see appendix for reconciliation to net sales

⁽²⁾ Adjusted for Rogers closure cost; 3Q16 (\$0.3M), 3Q15 (\$0.8M); YTD '16 (\$0.9M), YTD '15 (\$3.2M); see appendix for reconciliation to net income

Third Quarter and Year-to-Date Statements of Cash Flow



Unaudited

(US\$ in Millions)	Unaudited			
	3Q16 Actual	3Q15 Actual	September YTD 2016	September YTD 2015
Net Income	\$ 6.0	\$ 4.9	\$ 33.6	\$ 15.8
Depreciation	8.6	8.7	25.9	25.7
Accounts Receivable	(1.6)	(17.3)	(4.5)	(18.3)
Inventories	0.6	7.1	(12.2)	12.3
Prepaid Aluminum	2.8	(9.4)	0.7	(5.5)
Accounts Payable	(0.6)	13.0	(0.0)	8.9
Other Operations Related Items	(0.9)	7.1	(4.1)	0.4
Cash Flow from Operations	14.7	14.0	39.3	39.2
Cash Dividends	(4.6)	(4.8)	(13.8)	(14.4)
Capital Expenditures	(12.5)	(9.3)	(30.2)	(32.6)
Proceeds from Exercise of Stock Options	0.7	0.8	1.6	7.3
Stock Repurchase	(0.4)	(6.8)	(13.5)	(14.4)
All Other	0.3	(1.3)	0.4	2.4
Net Decrease	(1.7)	(7.4)	(16.2)	(12.5)
Cash - Beginning	37.5	57.3	52.0	62.5
Cash - Ending	\$ 35.8	\$ 49.9	\$ 35.8	\$ 49.9

Summary Balance Sheet



Unaudited

(US\$ in Millions)

	Unaudited	
	September 2016	December 2015
<u>ASSETS</u>		
Cash & Cash Equivalents	\$ 35.8	\$ 52.0
Short Term Investments	0.8	1.0
Accounts Receivable, net	112.6	112.6
Inventories, net	73.0	61.8
Prepaid Aluminum	11.8	12.4
Other Current Assets	13.5	6.1
Total Current Assets	247.5	245.8
Property, Plant & Equipment	227.6	234.6
Investments	2.0	2.0
Deferred Taxes	25.2	25.6
Other Assets	30.8	31.9
Total Assets	\$ 533.2	\$ 539.9
<u>LIABILITIES & EQUITY</u>		
Accounts Payable	\$ 20.2	\$ 20.9
Other Current Liabilities	46.7	52.9
Total Current Liabilities	66.9	73.9
Non-Current Liabilities	62.9	52.2
Shareholders' Equity	403.4	413.9
Total Liabilities & Equity	\$ 533.2	\$ 539.9

Reconciliation of Non-GAAP Financial Measures



SUPERIOR INDUSTRIES INTERNATIONAL, INC.
Non-GAAP Financial Measures
(Dollars in Thousands)

Value-Added Sales

	Three Months Ended		Nine Months Ended	
	Sep. 25, 2016	Sep. 27, 2015	Sep. 25, 2016	Sep. 27, 2015
Net Sales	\$ 175,580	\$ 175,656	\$ 544,354	\$ 533,325
Less:				
Aluminum Value and Outside Service Provider Costs	(76,781)	(87,715)	(242,026)	(275,488)
Value-added sales	<u>\$ 98,799</u>	<u>\$ 87,941</u>	<u>\$ 302,328</u>	<u>\$ 257,837</u>

Value-added sales is a key measure that is not calculated according to GAAP. Value-added sales represent net sales less the value of aluminum and services provided by outside service providers (OSP's) that are included in net sales. Arrangements with our customers allow us to pass on changes in aluminum prices and OSP costs; therefore, fluctuations in the underlying aluminum price and the use of OSP's generally do not directly impact our profitability. Accordingly, value-added sales is worthy of being highlighted for the benefit of users of our financial statements. Our intent is to allow users of the financial statements to consider our net sales information both with and without the aluminum and OSP cost components thereof.

Adjusted EBITDA

	Three Months Ended		Nine Months Ended	
	Sep. 25, 2016	Sep. 27, 2015	Sep. 25, 2016	Sep. 27, 2015
Net Income	\$ 5,974	\$ 4,946	\$ 33,602	\$ 15,814
Adjusting Items:				
- Interest Expense (Income), net	(41)	55	(152)	(87)
- Income Tax Provision (Benefit)	(1,064)	2,669	9,576	6,108
- Depreciation	8,607	8,672	25,888	25,696
- Closure Costs (Excluding Accelerated Depreciation)	294	752	903	3,240
	<u>7,796</u>	<u>12,148</u>	<u>36,215</u>	<u>34,957</u>
Adjusted EBITDA	<u>\$ 13,770</u>	<u>\$ 17,094</u>	<u>\$ 69,817</u>	<u>\$ 50,771</u>

Adjusted EBITDA is a key measure that is not calculated according to GAAP. Adjusted EBITDA is defined as earnings before interest income and expense, income taxes, depreciation, amortization, restructuring charges and other closure costs and impairments of long-lived assets and investments. We use adjusted EBITDA as an important indicator of the operating performance of our business. Adjusted EBITDA is used in our internal forecasts and models when establishing internal operating budgets, supplementing the financial results and forecasts reported to our Board of Directors and evaluating short-term and long-term operating trends in our operations. We believe the adjusted EBITDA financial measure assists in providing a more complete understanding of our underlying operational measures to manage our business, to evaluate our performance compared to prior periods and the marketplace, and to establish operational goals. Adjusted EBITDA is a non-GAAP financial measure and should not be considered in isolation or as a substitute for financial information provided in accordance with GAAP. This non-GAAP financial measure may not be computed in the same manner as similarly titled measures used by other companies.

Reconciliation of Non-GAAP Financial Measures



SUPERIOR INDUSTRIES INTERNATIONAL, INC.
Non-GAAP Financial Measure
(Dollars in Thousands)

Value Added Sales

Net Sales
Less
- Aluminum value
- Pass-through outsourcing costs charged to customers

Value added sales

Value-added sales is a key measure that is not calculated according to GAAP. Value-added sales represent net sales less the value of aluminum and services provided by outside service providers (OSP's) that are included in net sales. Arrangements with our customers allow us to pass on changes in aluminum prices and OSP costs; therefore, fluctuations in the underlying aluminum price and the use of OSP's generally do not directly impact our profitability. Accordingly, value-added sales is worthy of being highlighted for the benefit of users of our financial statements. Our intent is to allow users of the financial statements to consider our net sales information both with and without the aluminum and OSP cost components thereof.

Twelve Months Ended	
December 27, 2015	December 28, 2014
\$ 727,946	\$ 745,447
(321,975)	(330,756)
(45,125)	(45,336)
(367,100)	(376,092)
\$ 360,846	\$ 369,355

Adjusted EBITDA

Net Income
Adjusting Items:
- Interest income, net
- Provision for Income Taxes
- Depreciation
- Restructuring and closure costs
- Impairment of Long-lived Assets

Adjusted EBITDA

Adjusted EBITDA is a key measure that is not calculated according to GAAP. Adjusted EBITDA is defined as earnings before interest income and expense, income taxes, depreciation, amortization, restructuring charges and other closure costs and impairments of long-lived assets and investments. We use Adjusted EBITDA as an important indicator of the operating performance of our business. Adjusted EBITDA is used in our internal forecasts and models when establishing internal operating budgets, supplementing the financial results and forecasts reported to our Board of Directors and evaluating short-term and long-term operating trends in our operations. We believe the Adjusted EBITDA financial measure assists in providing a more complete understanding of our underlying operational measures to manage our business, to evaluate our performance compared to prior periods and the marketplace, and to establish operational goals. Adjusted EBITDA is a non-GAAP financial measure and should not be considered in isolation or as a substitute for financial information provided in accordance with GAAP. This non-GAAP financial measure may not be computed in the same manner as similarly titled measures used by other companies.

Twelve Months Ended	
December 27, 2015	December 28, 2014
\$ 23,944	\$ 8,803
(103)	(1,095)
11,339	6,899
34,530	35,582
6,343	3,064
-	2,500
52,109	46,950
\$ 76,053	\$ 55,753

Reconciliation of Non-GAAP Financial Measures



SUPERIOR INDUSTRIES INTERNATIONAL, INC.
Non-GAAP Financial Measures
(Dollars in Thousands)

Outlook for Full Year 2016 Value-Added Sales

Net Sales Outlook

Less:

Aluminum Value and Outside Service Provider Costs

Value-Added Sales Outlook

		Outlook Range	
		Low	High
\$	715,000	\$	725,000
	<u>317,000</u>		<u>322,000</u>
\$	<u>398,000</u>	\$	<u>403,000</u>

Outlook for Full Year 2017 Value-Added Sales

Net Sales Outlook

Less:

Aluminum Value and Outside Service Provider Costs

Value-Added Sales Outlook

		Outlook Range	
		Low	High
\$	730,000	\$	750,000
	<u>330,000</u>		<u>340,000</u>
\$	<u>400,000</u>	\$	<u>410,000</u>

Value-added sales is a key measure that is not calculated according to GAAP. Value-added sales represent net sales less the value of aluminum and services provided by outside service providers (OSP's) that are included in net sales. Arrangements with our customers allow us to pass on changes in aluminum prices and OSP costs; therefore, fluctuations in the underlying aluminum price and the use of OSP's generally do not directly impact our profitability. Accordingly, value-added sales is worthy of being highlighted for the benefit of users of our financial statements. Our intent is to allow users of the financial statements to consider our net sales information both with and without the aluminum and OSP cost components thereof.