

### 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 2017 outlook included herein, and the Company's strategic and operational initiatives, including obtaining integration synergies, 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 25, 2016, 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 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.



### Transaction Announcement Summary



Commence tender offer for 100% of outstanding shares of UNIWHEELS AG on 3/23/2017

Accretive transaction creates one of the largest automotive OEM aluminum wheel suppliers globally

Funding provided by consortium of banks and strategic investor, TPG Growth

Total equity purchase price, assuming 100% tender, is approximately \$715 million

#### **UNIWHEELS At a Glance**





#### **UNIWHEELS Overview**

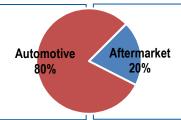


#### **Automotive OEM Business**

## Aftermarket Business

Segments and Brands





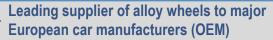








Business



- Design and production with low-pressure die casting technology
- Supplier to car manufacturers in the OE segment



## Market-leading alloy wheel manufacturer for European aftermarket

- Distribution to major tire/wheel distributors, retailers as well as leading car dealers
- Broad product portfolio, ranging from economy to premium forged and motorsports (e.g. DTM)

Selected Customers



























## Compelling Investment Thesis





- #1 North American aluminum wheel manufacturer
- Deep, long-standing relationships with leading global OEM's
- Competitive cost manufacturing footprint; new plant built in 2015
- · Culture of innovation















- **Creates a leading OEM supplier of** aluminum wheels and leading supplier of aftermarket wheels
- · Diversified customer base and geographic reach
- · Larger platform for investment in innovative products
- Bolsters human capital with two highly-skilled teams
- Combines complementary R&D, engineering capabilities, and process technologies
- · Immediately accretive; significant efficiency benefits from scale
- Aligns with Superior's growth strategy



- #3 European OEM supplier; #1 European aftermarket supplier
- Deep, long-standing relationships with European OEMs
- Competitive cost manufacturing footprint; new plant built in 2016
- Culture of innovation



















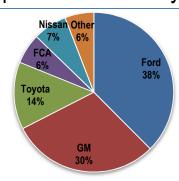




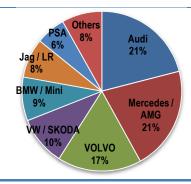
#### **Diversified Customer Base**



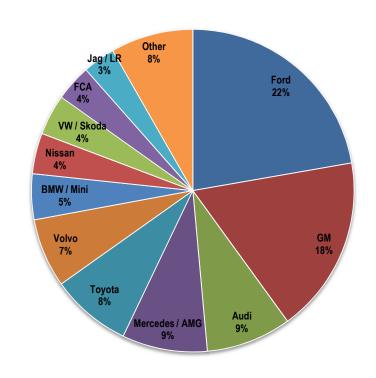
### 2016 Superior Revenue by Customer



### 2016 UNIWHEELS Revenue by Customer



#### Combined Revenue by Customer



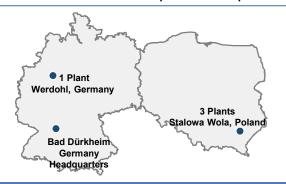
## Globally Competitive Manufacturing Capabilities



#### Superior North American Footprint



#### **UNIWHEELS European Footprint**



#### Superior New Mexican Facility (Opened 2015)

- CAPACITY:
  - -~2.75M wheels
- PREMIUM AND STANDARD WHEELS





#### UNIWHEELS New Polish Facility (Opened 2016)

- CAPACITY:
  - $-\sim$ 2.0M wheels
- PREMIUM AND STANDARD WHEELS





## Complementary Innovative Cultures



Increasing Wheel Diameters

**Complex Surfaces** 

**Lightweight Technologies** 





**Increasing Options** 

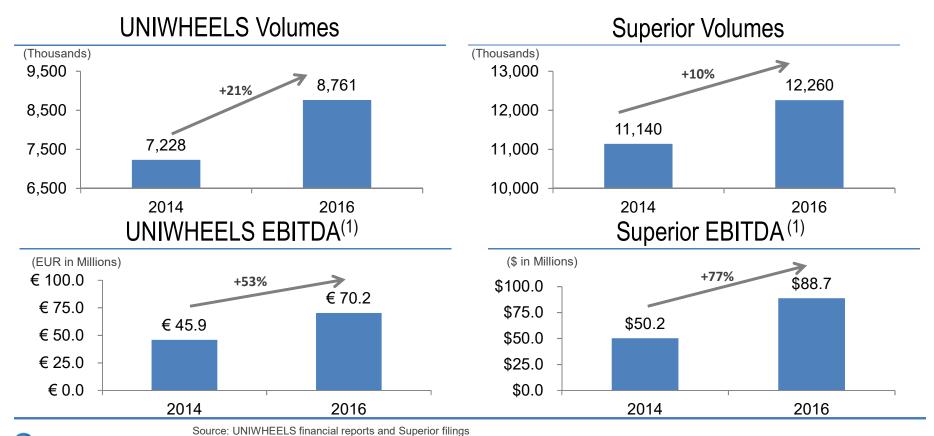
Customization

Regulatory trends



#### Similar Track Records of Growth

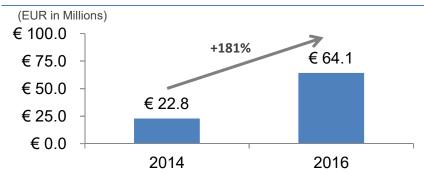




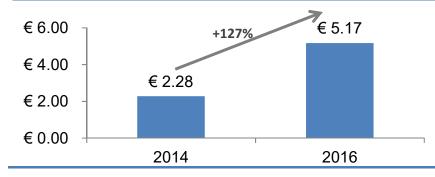
### Similar Track Records of Enhanced Profitability



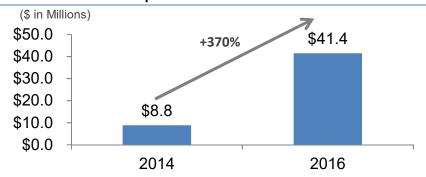




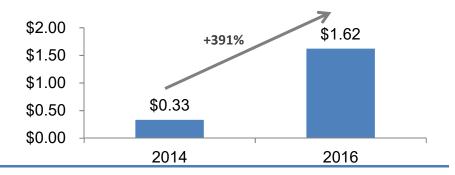
### **UNIWHEELS Earnings Per Share**



### **Superior Net Income**



#### Superior Earnings Per Share





#### **Transaction Details**



Superior will commence tender offer on 3/23/2017 for 100% of UNIWHEELS AG's shares outstanding ("SO")

Agreement with UNIWHEELS Malta (61% owner of SO) to tender its shares for 226.5zl per share

Tender offer for 39% held by public shareholders for approximately 236zl per share, equivalent to the 3-Month volume-weighted average price (VWAP)

Total equity purchase price, assuming 100% tender, estimated to be \$715 million

Tender offer expected to close around end of May 2017; not conditioned on any antitrust approval

Anticipate \$15M in annual run-rate synergies by 2020 from operational efficiencies

### Overview of Transaction Financing



#### Debt Financing<sup>(1)</sup>

- Transaction to be financed with \$660M of funded debt
  - \$400M Senior Secured Term Loan B
  - \$260M of Senior Unsecured Notes
- \$150M revolver

### Equity Financing

- \$150M Preferred Equity purchased by TPG Growth
  - \$100M Series A Convertible Redeemable Preferred stock
  - \$50M Series B Preferred stock
- Preferred dividends payable in cash or "in-kind" (PIK), at Superior's election
- Participation rights on common dividends
- One new Director to be nominated by TPG to Superior's Board of Directors
- Subsequent shareholder vote to approve conversion of Series B to Series A

<sup>(1)</sup> Assumes acquisition of 100% of UNIWHEELS' shares outstanding

### Capital Structure and Allocation Priorities



3.7x net debt to EBITDA<sup>(1)</sup> at the close of the transaction

Long-term targeted leverage of 2.0x net debt to EBITDA

Investment in business and debt paydown top priorities

Anticipate reduction of annual dividend from \$0.72 cents/share to \$0.36 cents/share post close

Transaction diversifies business and mitigates risks

<sup>(1)</sup> Includes addback for expedited freight costs incurred during 2016

## **Summary Investment Thesis**



Accretive transaction creates one of the largest global automotive OEM supplier of aluminum wheels

Diversified customer base and geographic reach

Larger platform for further investment to design / manufacture innovative products

Bolsters human capital with two highly-skilled teams

**Expect significant efficiency benefits from scale** 

Aligns with Superior's growth strategy



# Appendix



#### Reconciliation of Non-GAAP Financial Measures



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

<u>EBITDA</u>	Twelve Months Ended					
	Dec. 25, 201	6	Dec. 27, 2015		Dec. 28, 2014	
Net Income	\$ 41	.4	\$	23.9	\$	8.8
Addbacks:						
- Interest Expense (Income), net	(0.	2)		(0.1)		(1.1)
- Income Tax Provision (Benefit)	13	.3		11.3		6.9
- Depreciation	34	.3		34.5		35.6
	47	4		45.8		41.4
EBITDA	\$ 88	.7	\$	69.7	\$	50.2

EBITDA is a key measure that is not calculated according to GAAP. EBITDA is defined as earnings before interest income and expense, income taxes, depreciation, and amortization. We use EBITDA as an important indicator of the operating performance of our business. 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 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. 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.