



NYSE: SUP

**Fourth Quarter and Full Year 2010
Earnings Conference Call
March 16, 2011**

Superior Industries International



Forward Looking Statements

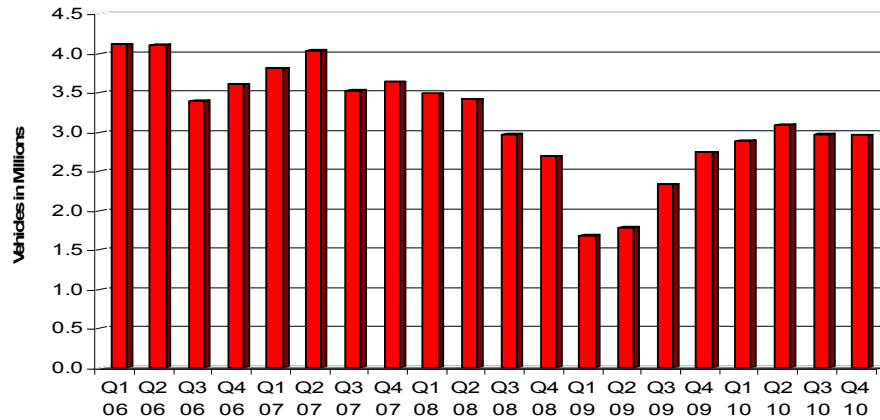
Any forward-looking statements made in this web cast or contained in this presentation are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Actual results could differ materially because of issues and uncertainties that need to be considered in evaluating our financial outlook. We assume no obligation to update publicly any forward-looking statements. Conditions, issues and uncertainties that may be discussed from time-to-time include, but are not limited to, global competition, product pricing, domestic and foreign market demand, commodity prices including metal and energy, foreign currency, manufacturing capacity and our strategic and operating plans. Please refer to the company's SEC filings, including our Annual Report on Form 10-K, for a complete discussion on forward-looking statements and risk factors that may cause actual events to differ from these forward-looking statements.



North American Vehicle Production vs. Superior Shipments

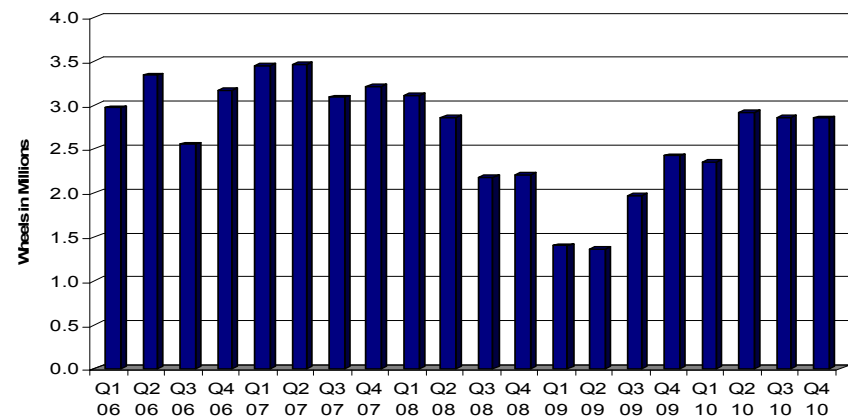
2010 was a year of significant recovery for both the industry and Superior

North American Light Vehicle Production



Source: Wards Automotive Group
Includes Passenger Cars, Light Trucks and SUVs

Superior Shipped Units



Source: Superior Internal data

Description (all units in millions)

		NA Light Vehicle Production	Superior Shipments
- Q4 total units:	2009	2.8	2.4
	2010	3.0	2.8
	2010 vs. 2009	+7%	+18%
- Total year units:	2009	8.6	7.2
	2010	11.9	11.0
	2010 vs. 2009	+39%	+54%



Key Sources of Volume Growth

Market tailwinds blew especially strong for Superior

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- **Our overall growth against the market partially reflects strong positions at GM and Chrysler, and strength in light-duty trucks (including SUV's)**
 - GM year-over-year share gain = 2 pts.
 - Chrysler year-over-year share gain = 2 pts.
 - Light-duty truck growth 48 % - 18 pts. > passenger cars and 8 pts. > overall market
- **Superior also benefitted from specific program positions – examples include:**
 - GMT 900, Ford F- Series, GM Malibu, Ford Fiesta, Cadillac SRX, Nissan Sentra, Toyota Avalon
 - Unit shipments to international brands increased significantly, reducing domestic concentration by almost 4 pts.



2010 Significant Highlights - Sales

Strong demand, improved market position and significant volume growth led to positive sales gains in 2010.

	(Millions)		Variance - Plus (Minus)	
	2010	2009	Amount	Percent
- <u>Volume (wheels shipped):</u>				
Q4	2.8	2.4	0.4	18%
Full year	11.0	7.2	3.8	54%
<hr/>				
- <u>Net sales:</u>				
Q4: Total	\$191	\$145	\$46	32%
Volume			\$25	
Program development			\$46	\$ (1)
Price/mix				\$22
Aluminum content - price				\$14
Price/mix excluding aluminum			\$22	\$ 8
<hr/>				
FY: Total	\$720	\$419	\$301	72%
Volume			\$219	
Program development			\$301	\$ --
Price/mix				\$ 82
Aluminum content - price				\$ 63
Price/mix excluding aluminum			\$82	\$ 19



2010 Significant Highlights – Operating Leverage

Higher sales and improved operating leverage drove significant gross profit gains for 2010.

				<u>Variance - Plus (Minus)</u>	
		<u>2010</u>	<u>2009</u>	<u>Amount</u>	<u>Percent</u>
- Shipments (millions):	Q4	2.8	2.4	0.4	18%
	Full year	11.0	7.2	3.8	54%
- Production (millions):	Q4	3.0	2.4	0.6	25%
	Full year	11.2	6.8	4.4	64%
- Capacity utilization (%)	Q4	98%	75%	23pts.	
	Full year	91%	52%	39 pts	

		<u>Income (Expense)</u>		<u>Percent to Sales</u>	
		<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
- Gross profit :	Q4: Total reported	\$29.0	\$12.2	15.2	8.4
	Plant closures	1.1	(4.8)	(0.6)	3.3
	Natural gas contracts	0.9	0.5	(0.5)	(0.3)
	Depreciation	(6.8)	(7.4)	3.6	5.1
	Operating leverage (Note 1)	n/a	n/a	17.7	16.5
	FY: Total reported	\$89.2	\$(10.2)	12.4	(2.4)
	Plant closures	(2.1)	(18.8)	0.3	4.5
	Natural gas contracts	1.9	(2.5)	(0.3)	0.6
	Depreciation	(29.1)	(30.8)	4.0	7.4
	Operating leverage (Note 1)	n/a	n/a	16.4	10.1

Note (1) – This measurement is consider a “Non-GAAP Financial Measure” – see slide no. 16



Full-year Statement of Operations – Other Comments

- SG&A expense increased \$5.6M for the full year 2010, but fell 1.5 pts. measured against net sales.
 - Close to one-third of the \$ increase was for higher incentive compensation expense
 - ERP system implementation also represents about one-third of the increase
 - The remainder is for a combination of bad debt reserve increase and fixed assets
- Impairment adjustments were \$10.7M lower in 2010
 - FY 2009 expense was \$11.8M - Fayetteville (eroded market/business conditions) and idled fixed assets held for sale
 - FY 2010 expense was \$1.2M - market adjustment for closed facilities
- Interest and other income was \$0.8M higher for FY 2010 - Refunds on taxes other than income tax partially offset by lower interest rates
- The effective income tax rate continues a trend of significant difference from the statutory rate - 2010 rate = 5.2%; 2009 = 60.2%
 - 2010 reflects release of valuation allowance primarily for realized NOL benefits
 - 2009 reflects establishing valuation allowance due to question of realization of deferred tax assets
 - Policy is to release deferred tax allowance after (i) 3 years of cumulative taxable income, and (ii) sustained profitability evidenced by at least two consecutive years of taxable income, subject to review of specific facts and circumstance related to realization



Balance Sheet Comments

- Cash and short-term investments reached \$152M at year-end 2010, +\$11M over 2009
- Net accounts receivable + \$28M year-over year
 - Trade receivables +\$24M due to stronger sales
 - Receivable from Otto Fuchs +\$3M for JV windup
- Inventories + \$27M from December 2009 - reflects higher production level to meet market demand
- Working capital and current ratio remained strong at \$311M and 5.4:1 at the end of 2010
- Change in Investments due to sale of Suoftec interest



Cash Flow Comments

- The net increase in cash was \$11M for 2010
- The continued payments of dividends (\$17M), capital spending (\$9M) and a substantial increase in accounts receivable + inventory - accounts payable (\$42M) to support increased business activity remained well supported by operating results
- Other significant year-over-year changes by line-item fundamentally related to non-cash items previously described



4th Quarter Statement of Operations

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

	4th Quarter		Increase (Decrease)	
	2010	2009	Amount	Percent
Unit Shipments (000s)	2,850	2,424	426	18%
Total Revenues	\$ 191,030	\$ 145,041	\$ 45,989	32%
Gross Profit	\$ 28,999	\$ 12,178	\$ 16,821	138%
% of Revenues	15.2%	8.4%	6.8%	
SG&A Expenses	6,549	6,251	298	5%
% of Revenues	3.4%	4.3%	-0.9%	
Impairments and Other Charges	1,003	-		
Operating Income	21,447	5,927	15,520	262%
% of Revenues	11.2%	4.1%	7.1%	
Interest and Other Income, net	652	1,280	(628)	-49%
Foreign Exchange Gains	447	116	331	285%
Income Before Income Taxes and Equity Earnings in JV	22,546	7,323	15,223	208%
Income Tax (Provision) Benefit	(288)	6,368	(6,656)	-105%
Suoftec Equity Loss	-	(17,622)	17,622	100%
Net Income (Loss)	\$ 22,258	\$ (3,931)	26,189	666%
Income (Loss) Per Share	\$ 0.82	\$ (0.15)	\$ 0.97	

Unaudited



Full Year 2010 Statement of Operations

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

	December Year-to-Date		Increase (Decrease)	
	<u>2010</u>	<u>2009</u>	<u>Amount</u>	<u>Percent</u>
Unit Shipments (000s)	10,989	7,158	3,831	54%
Total Revenues	\$ 719,500	\$ 418,846	\$ 300,654	72%
Gross Profit (Loss)	\$ 89,237	\$ (10,169)	\$ 99,406	978%
% of Revenues	12.4%	-2.4%	14.8%	
SG&A Expenses	28,285	22,645	5,640	25%
% of Revenues	3.9%	5.4%	-1.5%	
Impairments and Other Charges	1,153	11,804	(10,651)	-90%
Operating Income (Loss)	59,799	(44,618)	104,417	234%
% of Revenues	8.3%	-10.7%	19.0%	
Loss on Sale of Suoftec	(4,110)	-	(4,110)	
Interest and Other Income, net	2,967	2,202	765	35%
Foreign Exchange Losses	(1,173)	(839)	(334)	40%
Income (Loss) Before Income Taxes and Equity Earnings in JV	57,483	(43,255)	100,738	233%
Income Tax Provision	(2,993)	(26,047)	23,054	-89%
Suoftec Equity Losses	(2,847)	(24,840)	21,993	-89%
Net Income (Loss)	\$ 51,643	\$ (94,142)	\$ 145,785	155%
Income (Loss) Per Share	\$ 1.93	\$ (3.53)	\$ 5.46	

Unaudited



Impairments, Plant Closures, etc. - Q4 and FY 2010

(US\$ in Thousands)

	4th Quarter		December Year-to-Date	
	2010	2009	2010	2009
Income (Loss) Before Income Taxes and Equity Earnings	\$ 22,546	\$ 7,323	\$ 57,483	\$ (43,255)
Impairments and Other Charges	\$ (1,003)	\$ -	\$ (1,153)	\$ (11,804)
Plant Closure Related Costs	1,127	(4,680)	(2,109)	(13,990)
Severance and Workforce Reduction Costs	-	(149)	-	(5,066)
Gain (Loss) on Gas Contracts	859	484	1,903	(2,465)
Total Impact of the Above Items	\$ 983	\$ (4,345)	\$ (1,359)	\$ (33,325)
[Note (1)] Income (Loss) Before Income Taxes, Equity Earnings, Impairments, Plant Closures, etc.	\$ 21,563	\$ 11,668	\$ 58,842	\$ (9,930)

Unaudited

- Note (1) – This measurement is consider a “Non-GAAP Financial Measure” – see slide no. 16



Summary Balance Sheets

(US\$ in Millions)

	December <u>2010</u>	December <u>2009</u>	Increase <u>(Decrease)</u>
<u>ASSETS</u>			
Cash & S-T Investments	\$ 151.6	\$ 140.5	\$ 11.1
Accounts Receivable, net	116.7	89.0	27.7
Inventories, net	74.9	47.6	27.3
Other Current Assets	38.4	31.0	7.4
Total Current Assets	381.6	308.1	73.5
Property, Plant & Equipment	167.2	180.1	(12.9)
Investments	4.5	23.6	(19.1)
Other Assets	19.1	30.1	(11.0)
Total Assets	\$ 572.4	\$ 541.9	\$ 30.5
<u>LIABILITIES & EQUITY</u>			
Accounts Payable	\$ 30.2	\$ 24.6	\$ 5.6
Other Current Liabilities	40.3	42.2	(1.9)
Total Current Liabilities	70.5	66.8	3.7
Non-Current Liabilities	88.4	101.8	(13.4)
Shareholders' Equity	413.5	373.3	40.2
Total Liabilities & Equity	\$ 572.4	\$ 541.9	\$ 30.5

Unaudited



Summary Cash Flow Statements

(US\$ in Millions)

	December Year-to-Date		Increase
	<u>2010</u>	<u>2009</u>	<u>(Decrease)</u>
Net Income (Loss)	\$ 51.6	\$ (94.1)	\$ 145.7
Depreciation	29.1	30.8	(1.7)
Impairments and Other Charges	1.2	11.8	(10.6)
Suoftec Equity Losses	2.8	24.8	(22.0)
Loss on Sale of Suoftec Investment	4.1	-	4.1
Accounts Receivable	(22.1)	4.2	(26.3)
Inventories	(25.8)	24.1	(49.9)
Deferred Income Taxes	8.6	39.8	(31.2)
Other Operations Related Items	(18.9)	(19.1)	0.2
Cash Flow from Operations	30.6	22.3	8.3
Cash Dividends	(17.1)	(17.1)	-
Capital Expenditures	(9.3)	(8.5)	(0.8)
Proceeds from Sale of Suoftec	4.9	-	4.9
Investment in Synergies	(4.5)	-	(4.5)
Long-Term Certificates of Deposit	4.1	(4.1)	8.2
All Other	2.4	1.0	1.4
Net Increase (Decrease)	11.1	(6.4)	17.5
Cash & ST Investments - Beginning	140.5	146.9	(6.4)
Cash & ST Investments - Ending	\$ 151.6	\$ 140.5	\$ 11.1

Unaudited



Conclusion

- Automotive market conditions in North America improved significantly in 2010
- The Company's financial results also improved significantly due to
 - Strong position in the market
 - Substantial increase in shipments
 - Major restructuring actions taken previous to 2010 in response to the preceding industry downturn
 - Improved cost leverage as increased customer demand was absorbed despite rapid growth and prior factory closures
- Demand levels thus far are remaining strong
- Liquidity remains strong and the company continues to generate cash



Non-GAAP Financial Measures

This slide presentation contains a financial measure on page 6 -- “2010 Significant Highlights - Gross Profit” -- determined by methods other than in accordance with U.S. GAAP. This measure is labeled “Operating leverage”, and is presented as additional information to explain the impact of certain elements of cost performance and the comparison of gross profit for the time periods presented. We define Operating Leverage as gross profit divided by net sales after adjustment to exclude the effect on reported gross profit of plant closures, changes associated with natural gas contracts not qualifying for hedge accounting under FAS no. 133, and depreciation. Page 12 - “Impairments, Plant Closures, etc. - Q4 and FY 2010” - also contains a non-GAAP financial measure which is labeled “Income (Loss) Before Income Taxes, Equity Earnings, Impairments, Plant Closures, etc.”. Management uses this non-GAAP financial measure to assess the performance of our core business. We believe this non-GAAP financial measure provides meaningful additional information about our operating results, because these items are often episodic in nature and can obscure our core operating results. These non-GAAP financial measures should not be considered as a substitute for operating results determined in accordance with U.S. GAAP and may not be comparable to other similarly titled measures of other companies.