



**FIRST QUARTER 2018**  
**EARNINGS CONFERENCE CALL**  
**MAY 9, 2018**



# Forward-Looking Statements and Non-GAAP Financial Measures

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## 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 2018 Outlook included herein, the Company's ability to integrate its European operations acquired in 2017, and the Company's strategic and operational initiatives, 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 31, 2017 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, income taxes, depreciation, amortization, plant closure costs, acquisition and integration costs, and change in fair value of preferred derivative, 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 in accordance with 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 discussed 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 Item 10(e) of Regulation S-K, we have not quantitatively reconciled differences between Adjusted EBITDA presented in our updated 2018 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.

# First Quarter 2018 Highlights

## Key Metrics

**5.5M**

UNITS  
SHIPPED

**\$386M**

NET  
SALES

**\$207M**

VALUE-ADDED  
SALES<sup>(1)</sup>

**\$52M**

ADJUSTED  
EBITDA<sup>(1)</sup>

**\$37.46**

VALUE-ADDED  
SALES / WHEEL<sup>(1)</sup>

## Year-over Year Highlights

- Record shipments up 95% and record Value-Added Sales up 117% due to inclusion of European operations and solid market performance
- Balanced revenue generation with 53% North America / 47% Europe
- Value-Added Sales per wheel increased 12%
- Adjusted EBITDA growth of 173% supported by improvements in North America
- Significant progress on integration; \$12M of actioned synergies
- Reaffirming 2018 Outlook

(1) Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see appendix for a reconciliation to the most comparable GAAP measure

# First Quarter 2018 Vehicle Production and Shipment Trends

NORTH AMERICA  
LIGHT VEHICLE  
PRODUCTION

↓(2.7%)<sup>(1)</sup>

SUPERIOR  
NORTH AMERICA  
SHIPMENTS

↓(0.2%)<sup>(2)</sup>

## Superior's North America Shipments

- Delivered stronger than market shipments driven by new programs

EUROPE  
LIGHT VEHICLE  
PRODUCTION

↓(1.5%)<sup>(1)</sup>

SUPERIOR  
EUROPE  
SHIPMENTS

↑ 2.8%<sup>(3)</sup>

## Superior's Europe Shipments

- Record quarterly shipments to OEMs driven by strong demand and new facility ramp
- Record first quarter aftermarket sales

## OVERALL SHIPMENT OUTPERFORMANCE

(1) Source: IHS Automotive; Europe based on Western Europe as reported by IHS

(2) Based on the period from January 1 to March 31; fiscal first quarter of 2017 was December 25, 2016 to March 26, 2017

(3) Excludes sales to aftermarket customers

# First Quarter 2018 Financial Summary

(\$ in millions, except Earnings per share)

	1Q18 Actual			1Q17	% Change
	NA	EU	Global	Actual	
Unit Shipments	3,035	2,502	5,537	2,843	95%
Net Sales	\$204.1	\$182.3	\$386.4	\$174.2	122%
Value-Added Sales <sup>(1)</sup>	\$102.5	\$104.9	\$207.4	\$95.5	117%
Adjusted EBITDA <sup>(1)</sup>	\$24.4	\$27.8	\$52.2	\$19.1	173%
Net Income			\$10.3	\$3.1	232%
Diluted Earnings Per Share			\$0.07	\$0.12	(42%)

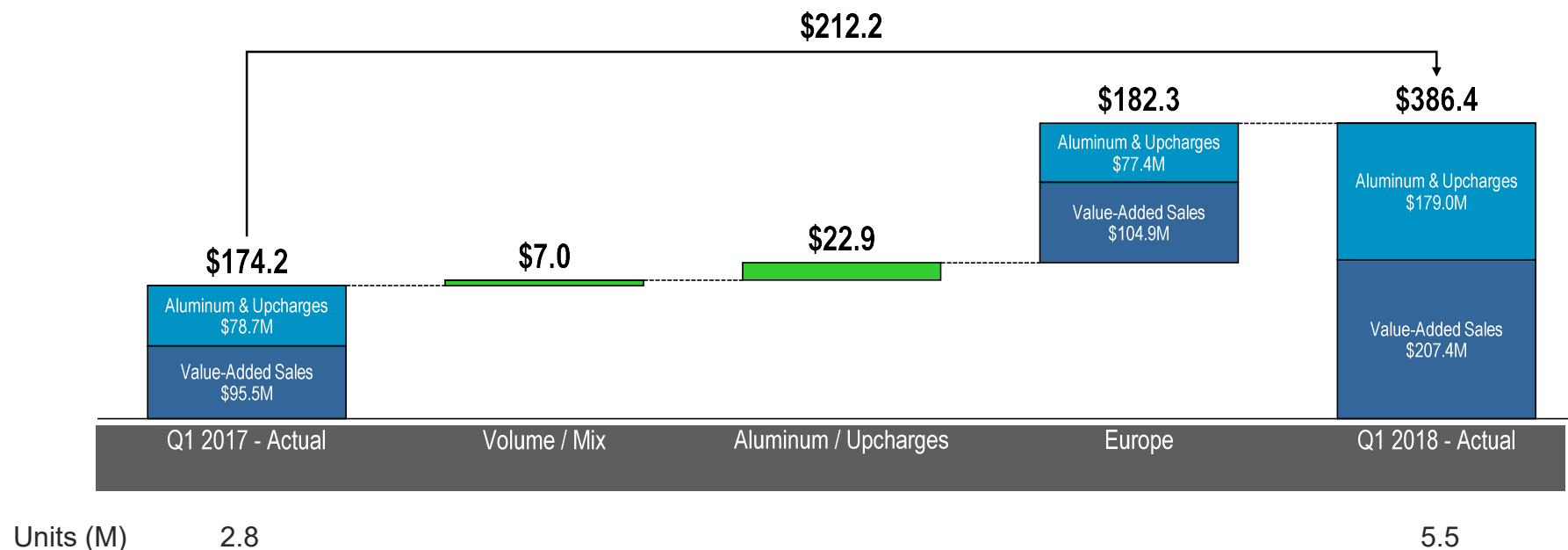
Unaudited

(1) Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see appendix for a reconciliation to the most comparable GAAP measure

(2) See Impact of Acquisition-related Items on EPS in the appendix of this presentation

# First Quarter 2018 Year-over-Year Net Sales Bridge

(\$ in millions)

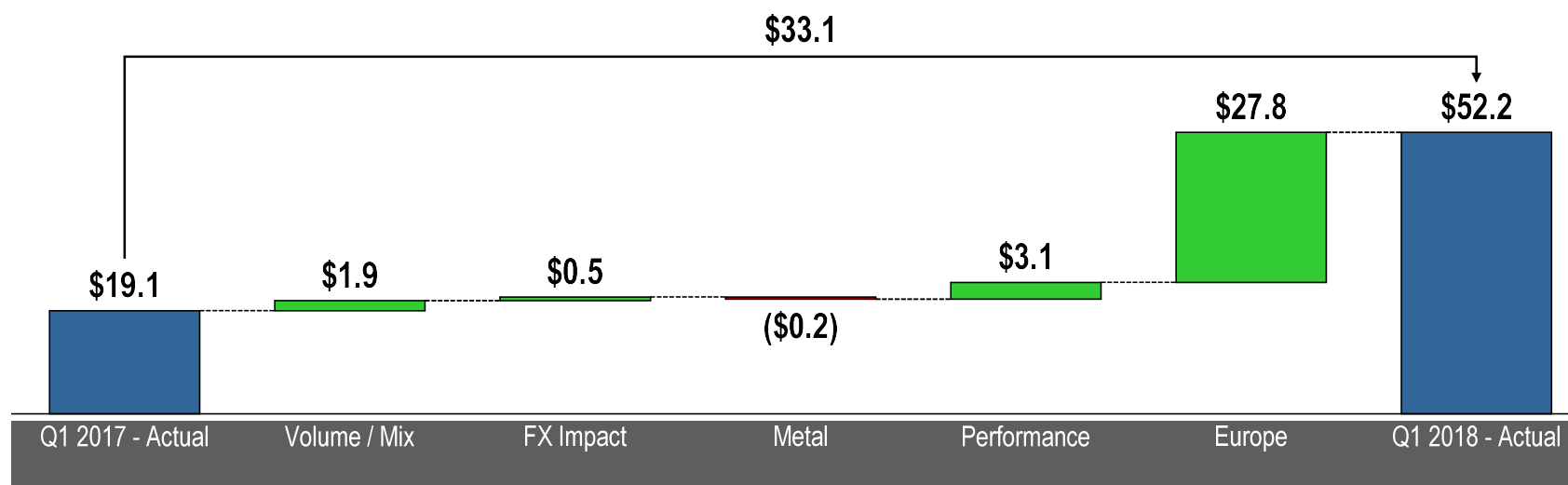


- Volume / Mix: North America volume up 192K units with Value-Added Sales<sup>(1)</sup> / wheel improvement
- Aluminum / Upcharges: North America average aluminum price increased ~\$0.20 / lb. from prior year

(1) Value-Added Sales is a non-GAAP measure; see appendix for reconciliation to net sales

# First Quarter 2018 Year-over-Year Adj. EBITDA<sup>(1)</sup> Comparison

(\$ in millions)



Value-Added  
Sales Margin 20%

25%

- Volume / Mix: North America volume up 192K units
- Performance: Improved cost performance primarily driven by Mexico operations

(1) Adjusted EBITDA is a non-GAAP measure; see appendix for a reconciliation to net income

# First Quarter Cash Flow, Liquidity and Capital Allocation

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## Operating Cash Flow

- Cash generated of \$14.4M

## Investing Activities

- Capital expenditures of \$22.7M supporting both maintenance and growth initiatives

## Financing Activities

- Paid dividends of \$9.5M

## Liquidity / Capital Allocation

- Total available capacity on credit lines of \$194M
- Debt reduction / investment in the business top-priority
- Target 2.0x Net Debt to Adjusted EBITDA by 2020



# 2018 Financial Outlook

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Key Metrics	2018 Outlook
Unit Volume (000s)	21,250 - 21,600
Net Sales	\$1.45B - \$1.50B
Value-Added Sales <sup>(1)</sup>	\$800M - \$835M
Adjusted EBITDA <sup>(2)</sup>	\$185M - \$200M
Capital Expenditures	Approximately \$95M
Cash Flow from Operations	\$160M - \$180M
Effective Tax Rate	10% - 15%

(1) Value-Added Sales is a non-GAAP financial measure; see appendix for a reconciliation to the most comparable GAAP measure

(2) Adjusted EBITDA is a non-GAAP financial measure; see "Use of Non-GAAP Financial Measures" on slide 2

**APPENDIX**

# First Quarter 2018 Income Statement

(\$ in millions, except Earnings per Share)

	Three Months	
	1Q 2018	1Q 2017
	Actual	Actual
Unit Shipments (000s)	5,537	2,843
Net Sales	\$386.4	\$174.2
Value Added Sales <sup>(1)</sup>	207.4	95.5
Gross Profit	\$50.0	\$19.2
SG&A Expenses <sup>(2)</sup>	(22.4)	(\$15.3)
<i>% of Net Sales</i>	<i>5.8%</i>	<i>8.8%</i>
Income from Operations	\$27.6	\$3.9
Interest expense, net	(11.9)	(0.3)
Other expense, net	(2.9)	(0.3)
Change in Fair Value of Preferred Derivative	0.9	-
Income Before Income Taxes	\$13.7	\$3.3
Income Tax Provision	(3.4)	(0.2)
Net Income	10.3	3.1
Diluted Earnings per Share	\$0.07	\$0.12
Adjusted EBITDA <sup>(1)</sup>	\$52.2	\$19.1
<i>% of Value-Added Sales</i>	<i>25.2%</i>	<i>20.0%</i>

Unaudited

<sup>(1)</sup> Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see appendix for a reconciliation to the most comparable GAAP measure

<sup>(2)</sup> Includes acquisition-related expenses

# Summary Balance Sheet

(\$ in millions)

Unaudited

<b><u>ASSETS</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2017</u></b>
Cash & Short Term Investments	\$24.1	\$47.1
Accounts Receivable, net	197.5	160.2
Inventories, net	183.3	174.0
Income Taxes Receivable	10.1	6.9
Other Current Assets	33.8	29.2
<b>Total Current Assets</b>	<b>448.8</b>	<b>417.4</b>
Property, Plant & Equipment, net	552.2	536.7
Goodwill	312.4	304.8
Intangibles	201.6	203.5
Deferred Income Taxes, net	57.0	54.3
Other Assets	45.8	34.6
<b>Total Assets</b>	<b>\$1,617.8</b>	<b>\$1,551.3</b>
<b><u>LIABILITIES &amp; EQUITY</u></b>		
Accounts Payable	\$127.3	\$118.4
Accrued Expenses	76.0	68.8
Current Portion of Long-term Debt	3.3	4.0
Income Taxes Payable	1.7	3.9
<b>Total Current Liabilities</b>	<b>208.3</b>	<b>195.1</b>
Long-term Debt (Less Current Portion)	687.1	679.6
Non-Current Liabilities	93.6	86.2
Redeemable Preferred Shares	148.9	144.7
Uniwheels Noncontrolling Redeemable Equity	55.6	-
Shareholders' Equity	424.3	393.8
Noncontrolling Interest	-	51.9
<b>Total Shareholders' Equity</b>	<b>424.3</b>	<b>445.7</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$1,617.8</b>	<b>\$1,551.3</b>

# First Quarter 2018 Statement of Cash Flow

(\$ in millions)

		Three Months Ended	
		1Q18	1Q17
<b>Cash Flow Provided (Used) by Operating Activities</b>		<b>\$14.4</b>	<b>(\$1.6)</b>
Capital Expenditures		(22.7)	(16.9)
Unaudited	<b>Cash Flow Provided (Used) by Investing Activities</b>	<b>(\$22.7)</b>	<b>(\$16.9)</b>
	Debt Repayment	(1.8)	-
	Cash Dividends	(9.5)	(4.5)
	Stock Repurchases	-	(5.0)
	Payments Related to Tax Withholdings for Stock-Based Compensation	(0.6)	(1.0)
	<b>Cash Flow Provided (Used) by Financing Activities</b>	<b>(\$11.9)</b>	<b>(\$10.5)</b>
Effect of Exchange Rate on Cash		(2.9)	-
<b>Net Change in Cash</b>		<b>(\$23.1)</b>	<b>(\$29.0)</b>
<b>Cash - Beginning</b>		<b>46.4</b>	<b>57.8</b>
<b>Cash - Ending</b>		<b>\$23.3</b>	<b>\$28.8</b>

# Reconciliation of Earnings per Share Calculation

(\$ in millions, except Earnings per Share)

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	Three Months	
	1Q 2018	1Q 2017
<b><u>Basic EPS Calculation</u></b>		
Net Income	\$ 10.3	\$ 3.1
Less: Accretion of preferred stock	(4.1)	-
Less: Redeemable preferred stock dividends	(3.9)	-
Less: Dividends to Uniwheels Noncontrolling Redeemable Equity	(0.6)	-
<b>Numerator</b>	<b>\$ 1.7</b>	<b>\$ 3.1</b>
<b>Denominator:</b> Weighted avg. shares outstanding	<b>24.9</b>	25.0
<b>Basic income per share</b>	<b>\$ 0.07</b>	<b>\$ 0.12</b>
<b><u>Diluted EPS Calculation</u></b>		
Net Income	\$ 10.3	\$ 3.1
Less: Accretion of preferred stock	(4.1)	-
Less: Redeemable preferred stock dividends	(3.9)	-
Less: Dividends to Uniwheels Noncontrolling Redeemable Equity	(0.6)	-
<b>Numerator</b>	<b>\$ 1.7</b>	<b>\$ 3.1</b>
Weighted avg shares outstanding-Basic	24.9	25.0
Dilutive stock options and restricted stock units	0.1	0.1
<b>Denominator:</b> Weighted avg. shares outstanding	<b>25.0</b>	25.1
<b>Diluted income per share</b>	<b>\$ 0.07</b>	<b>\$ 0.12</b>

# Impact of Acquisition-related Items on EPS

(\$ in millions, except Earnings per Share)

	<b>Q1 2018 Before Tax Net Income Impact</b>	<b>Location on Income Statement</b>
M&A and Integration Costs	(3.2)	SG&A
Change in Fair Value of Preferred Derivative	0.9	Other Income
<b>Total Impact</b>	<b>\$ (2.3)</b>	
<b>After Tax Net Income Impact</b>	<b>\$ (2.0)</b>	
<b>Impact to Earnings Per Share</b>	<b>\$ (0.08)</b>	

Unaudited

# Reconciliation of Non-GAAP Financial Measures

<u>Value Added Sales</u>	<u>Three Months</u>	
	<u>1Q 2018</u>	<u>1Q 2017</u>
Net Sales	\$ 386.4	\$ 174.2
Less:		
Aluminum Value and Outside Service Provider Costs	(179.0)	(78.7)
<b>Value Added Sales</b>	<b>\$ 207.4</b>	<b>\$ 95.5</b>

<u>Adjusted EBITDA</u>	<u>Three Months</u>	
	<u>1Q 2018</u>	<u>1Q 2017</u>
Net Income	\$ 10.3	\$ 3.1
Adjusting Items:		
- Interest Income, net	11.9	0.3
- Income Tax Provision	3.4	0.2
- Depreciation	17.5	8.4
- Amortization	6.8	-
- M&A and Integration Costs	3.2	6.9
- Change in Fair Value of Preferred Derivative	(0.9)	-
- Closure Costs (Excluding Accelerated Depreciation)	-	0.2
	<b>\$ 41.9</b>	<b>\$ 16.0</b>
<b>Adjusted EBITDA</b>	<b>\$ 52.2</b>	<b>\$ 19.1</b>

<u>Outlook for Full Year 2018 Value-Added Sales</u>	<u>Outlook Range</u>	
Net Sales Outlook	\$ 1,450.0	\$ 1,500.0
Less:		
Aluminum Value and Outside Service Provider Costs	(650.0)	(665.0)
<b>Value-Added Sales Outlook</b>	<b>\$ 800.0</b>	<b>\$ 835.0</b>

Unaudited



