



**SUPERIOR INDUSTRIES INTERNATIONAL, INC.**

**INVESTOR PRESENTATION**

**MAY 23, 2018**

# Forward-Looking Statements and Non-GAAP Financial Measures

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## Forward-Looking Statements

This presentation and webcast 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, Quarterly Report on Form 10-Q for the quarter ended March 31, 2018 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 presentation and webcast. 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 presentation and webcast.

## Use of Non-GAAP Financial Measures

In addition to the results reported in accordance with GAAP included throughout this presentation and webcast, this presentation and webcast refer 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 and webcast 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.

# Superior At-a-Glance Today

#1

OEM WHEEL  
SUPPLIER IN NA<sup>(1)</sup>

#1

AFTERMARKET WHEEL  
SUPPLIER IN EU<sup>(1)</sup>

#3

OEM WHEEL  
SUPPLIER IN EU<sup>(1)</sup>

~21.4M

2018E WHEEL  
SHIPMENTS<sup>(2)</sup>



~\$1.48B

2018E COMBINED  
REVENUE<sup>(2)</sup>

A Leader  
ALUMINUM WHEELS  
FOR LIGHT VEHICLES

Aftermarket  
Brands

**ATS**  
Leichtmetallräder

**riAL**  
LEICHTMETALLFELGEN

**ALUTEC**  
Leichtmetallfelgen

**ANZIO**  
WHEELS

Safety

SAFETY CRITICAL  
PRODUCT

9

PRODUCTION  
FACILITIES

60+

YEARS IN THE  
AUTOMOTIVE  
INDUSTRY

(1) Company estimate; includes aluminum wheels for light vehicles only  
(2) Based on the midpoint of FY2018 Outlook provided on May 9, 2018

# Our Priorities

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Capitalize on secular trends



Expand customer opportunities



Invest in new technologies / capabilities



Build best-in-class organization

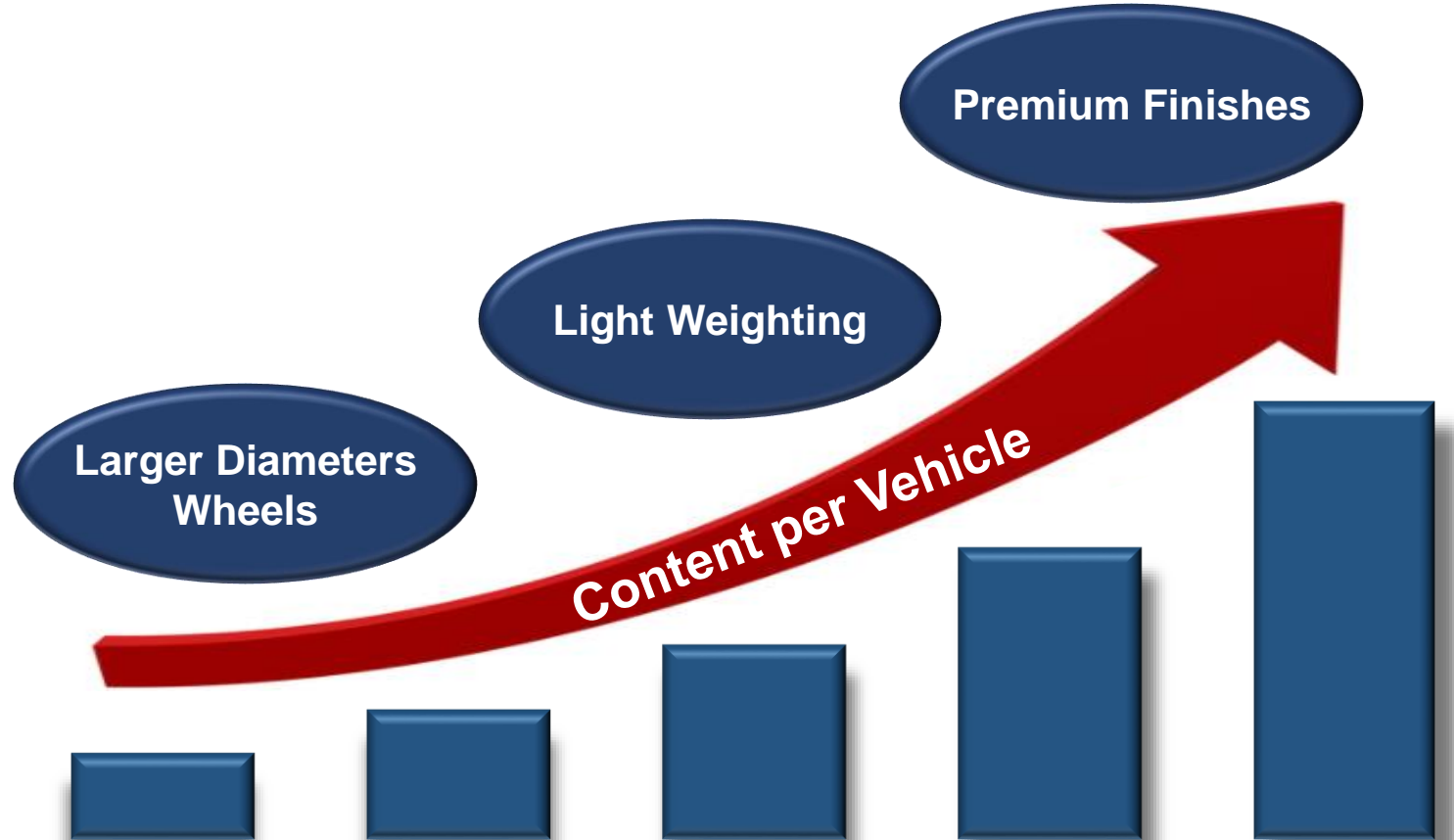


Drive margins and cash flow

Generate Profitable  
Growth and  
Deliver Value to  
Shareholders

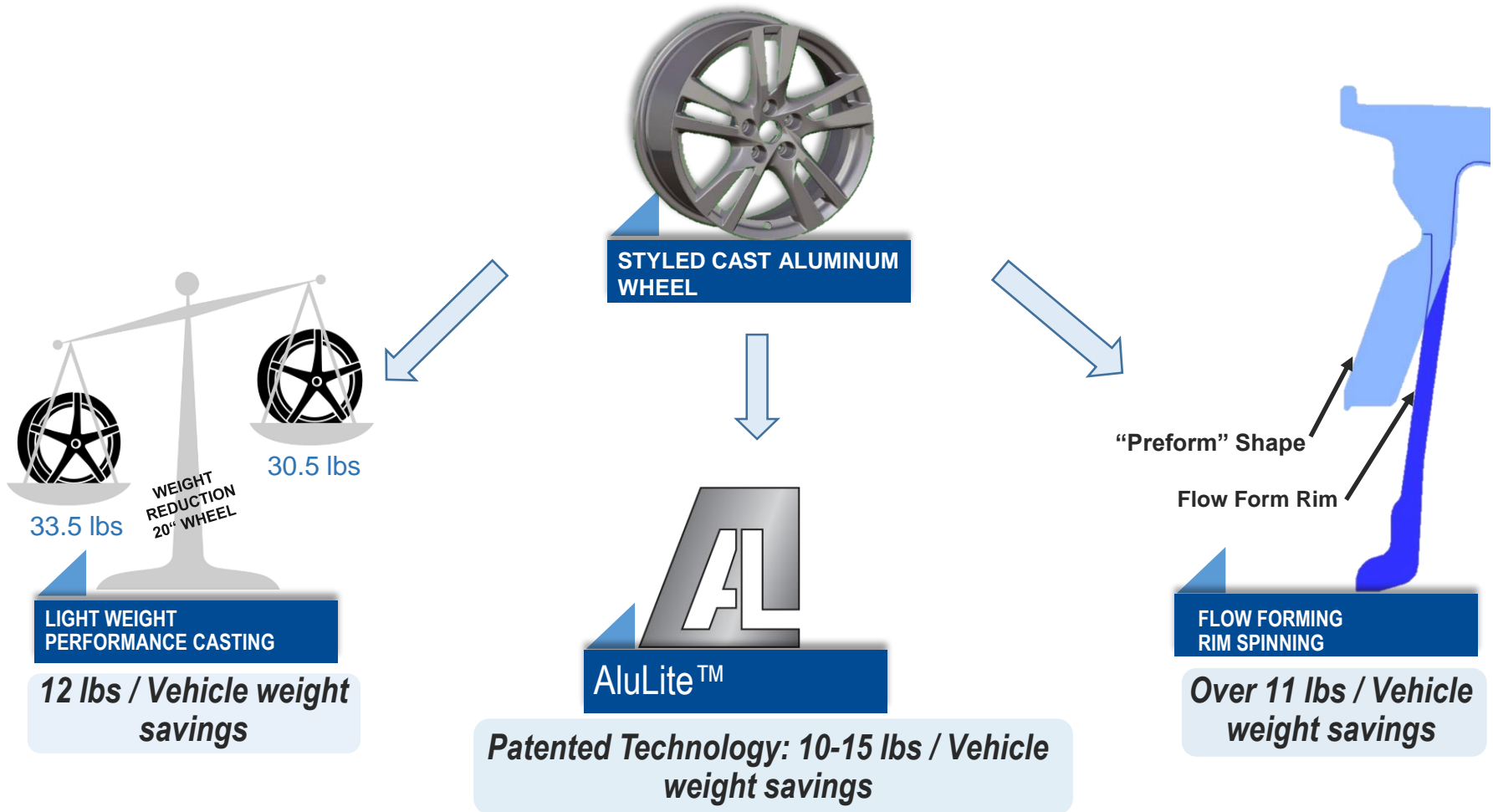
# Secular Tailwinds – Driving Increase in Addressable Market

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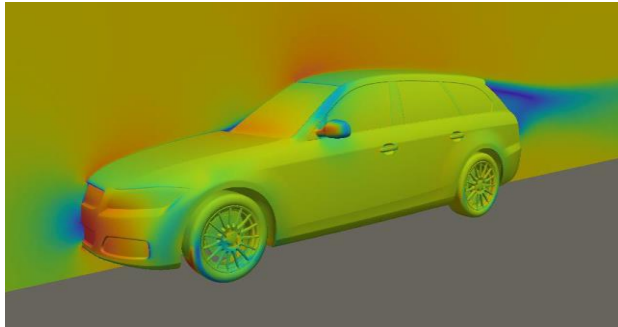
**↑ Content per Vehicle = ↑ Addressable Market**

# Light Weighting Technology Portfolio



- Fuel efficiency and CO<sub>2</sub> emissions standards driving need for light weighting technologies

# Fuel Efficiency / CO<sub>2</sub> Emissions – Aerodynamic Design



*Computation Fluid  
Dynamics (CFD)  
Simulation*



*Current design approach potentially compromises style & weight to improve 'Aero' performance*



**AERODYNAMIC DECORATIVE  
INSERTS**

*Potential savings\* up to  
3gm CO<sub>2</sub>/KM*

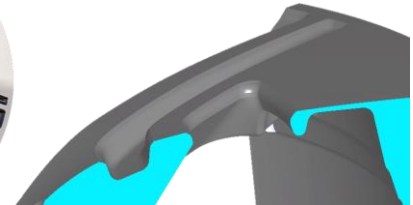


*New design and texture  
possibilities*



**AluLite™ Aero Design**

*Light Weight technology to  
improve 'Aero' performance*



\*RWTH (University of Aachen) for the federal department of Trade and Industry, Reduction of CO<sub>2</sub> Emissions for passenger Cars and Light vehicle trucks after 2020

# Premium Finishing Trends



**SURFACE PRINT**  
WHITE/ RED ON BLACK WHEEL

- First to market with multi-color contour surface printing in Europe
- Production starting 2018 in Europe



**LASER ETCH**  
ENGRAVING

- State of the art fully automated equipment
- Production starting 2019 in North America



**DECORATIVE ACCENTS**  
5-AXIS MILLING

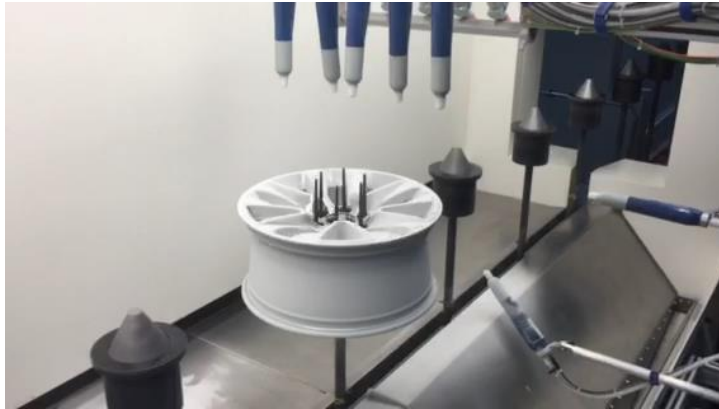


- State of the 5- Axis Milling equipment
- Production starting 2018 in North America

# Premium Finishing: PVD (Physical Vapor Deposition)



PVD BRIGHT FINISH  
CHROME LOOK



- First wheel supplier in the North America and Europe to develop OEM quality in-house PVD capability. Fully automated production with in-line vacuum & plasma chambers
- 1M unit capacity

# Future Trends: Electrification & Aluminum Wheels



**BMW i8**  
**20" Aluminum Wheels Standard**



**TESLA Model S**  
**19" Aluminum Wheels Standard**



**KARMA Revero**  
**21" Aluminum Wheels Standard**

- 100% Aluminum wheel penetration rate\* on premium electric cars
- Premium styling and finishing a high priority
- Superior pad printing technology, aero-inserts & AluLite™ being considered on future platforms



**TOYOTA Prius**  
**15" & 17" Aluminum Wheels Standard**



**CHEVY Volt**  
**17" Aluminum Wheels Standard**



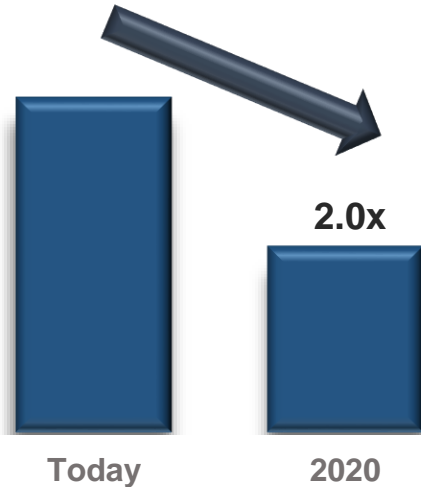
**NISSAN Leaf**  
**16" Steel wheel w/cover  
17" Aluminum Wheels Standard**

- High aluminum wheel penetration rate on entry level electric cars
- Styling and finishing a high priority

\* Superior competitive benchmark database for the car models shown

# Capital Allocation Priorities

## Capital Structure



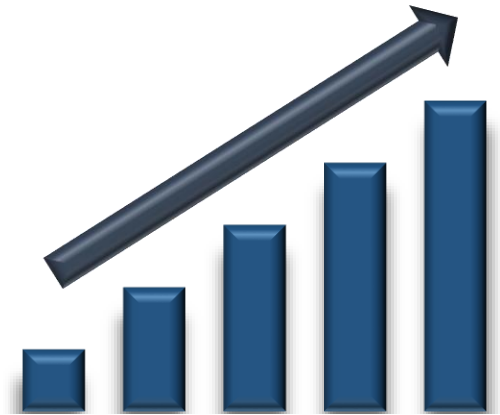
- Utilize cash flow to pay down debt – no prepayment penalties on term loan
- Favorable debt maturities
- Optimize balance sheet – evaluate lowest cost financing options

## Organic Investment



- Focus on global automotive trends and high ROIC projects
- Finishing capabilities
- Operational excellence initiatives

## Value to Shareholders



- Dividends to shareholders
- Strategic initiatives
  - JVs / Acquisitions

# Key Investment Highlights

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Strong Secular Tailwinds



Competitive Footprint



Diversified Customers, Geographies and Segments



Electric / Internal Combustion Agnostic



Delivering Innovation and Technology

# 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

# 2018 Financial Outlook<sup>(1)</sup>

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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>(2)</sup>	\$800M - \$835M
Adjusted EBITDA <sup>(3)</sup>	\$185M - \$200M
Capital Expenditures	Approximately \$95M
Cash Flow from Operations	\$160M - \$180M
Effective Tax Rate	10% - 15%

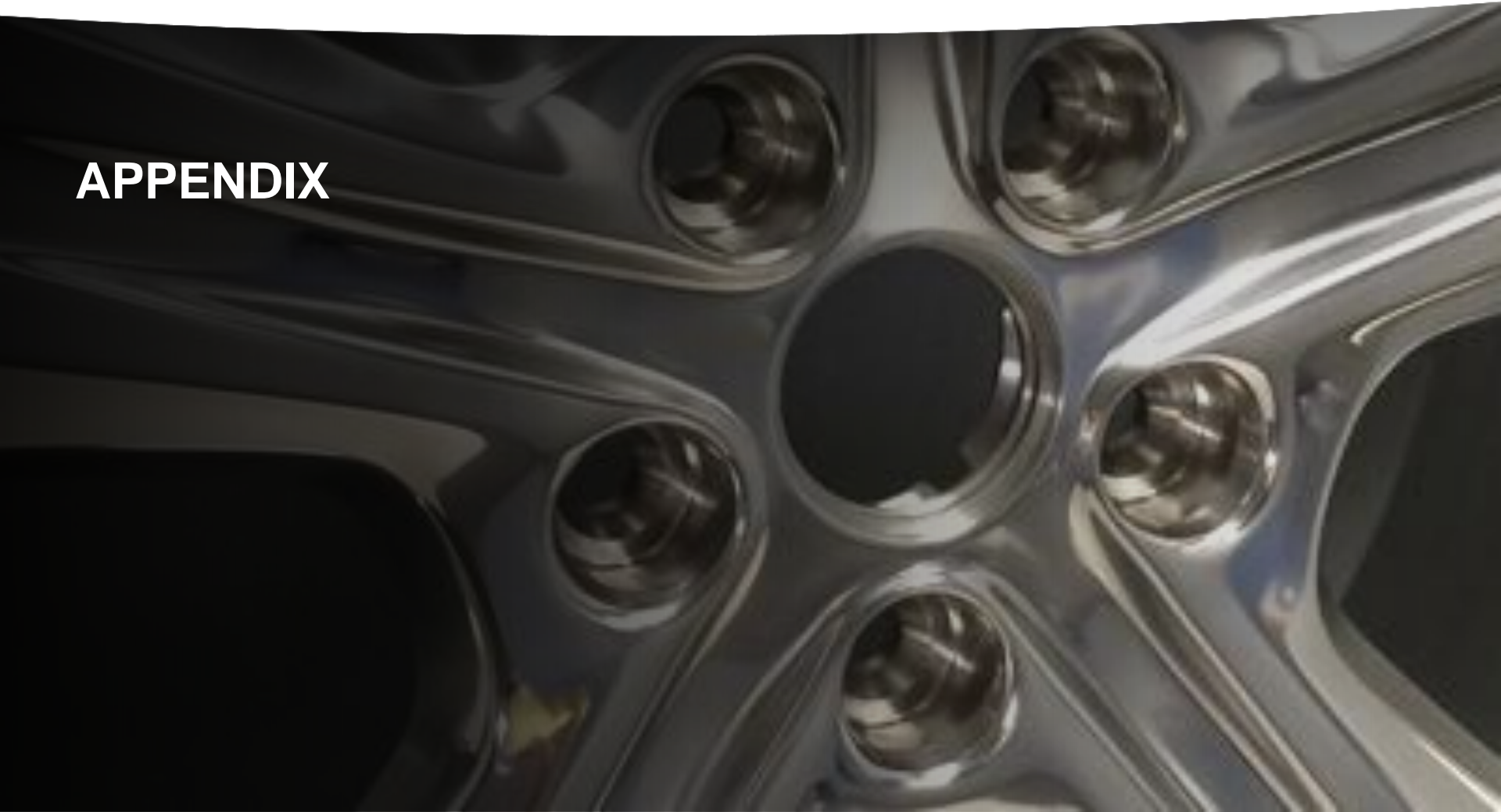
(1) FY 2018 Outlook as provided on May 9, 2018

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

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



# APPENDIX



# Reconciliation of Non-GAAP Financial Measures

Unaudited

## Value Added Sales

	<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)
Value Added Sales	<u>\$ 207.4</u>	<u>\$ 95.5</u>

## Adjusted EBITDA

	<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
	<u>\$ 41.9</u>	<u>\$ 16.0</u>
Adjusted EBITDA	<u>\$ 52.2</u>	<u>\$ 19.1</u>

## Outlook for Full Year 2018 Value-Added Sales

	<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)
Value-Added Sales Outlook	<u>\$ 800.0</u>	<u>\$ 835.0</u>