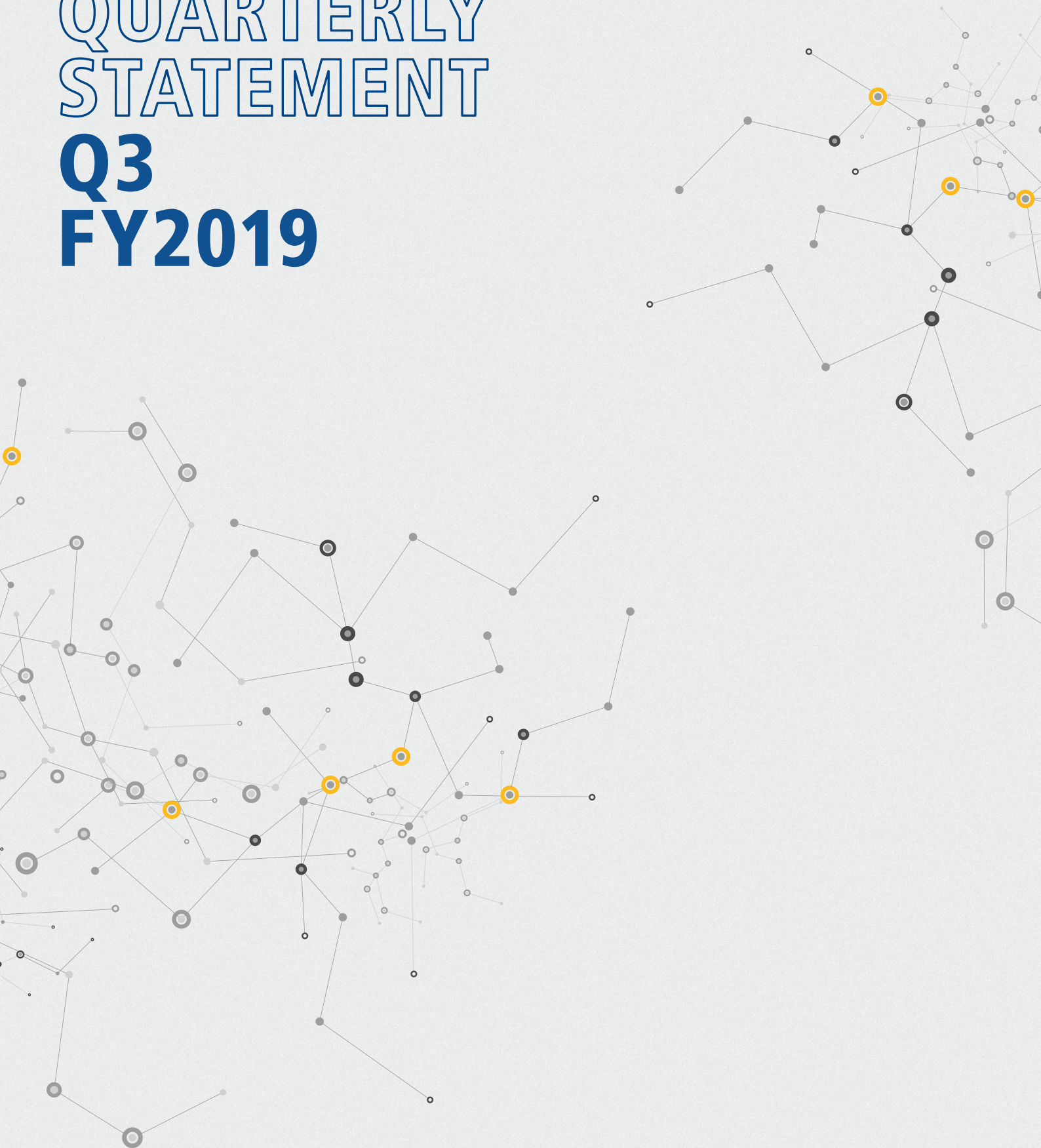


QUARTERLY STATEMENT Q3 FY2019



KEY FIGURES

T_001

Three months ended June 30,				
IN EUR MILLIONS	2019	2018	CHANGE	% CHANGE
Revenue	241.6	250.2	(8.6)	(3.4)%
EBIT	29.6	35.1	(5.5)	(15.7)%
Adjusted EBIT	37.1	39.5	(2.4)	(6.1)%
Profit for the period	19.3	25.3	(6.0)	(23.7)%
EBIT as % of revenue	12.2%	14.0%		
Adjusted EBIT as % of revenue	15.4%	15.8%		
Profit in % of revenue	8.0%	10.1%		
Nine months ended June 30,				
IN EUR MILLIONS	2019	2018	CHANGE	% CHANGE
Revenue	705.7	731.7	(26.0)	(3.6)%
EBIT	86.7	99.6	(12.9)	(13.0)%
Adjusted EBIT	103.5	112.7	(9.2)	(8.2)%
Profit for the period	57.4	72.6	(15.2)	(20.9)%
Capital expenditure	(42.6)	(27.6)	(15.0)	54.3%
Free cash flow (FCF)	11.1	71.9	(60.8)	(84.6)%
Adjusted FCF	50.4	71.9	(21.5)	(29.9)%
EBIT as % of revenue	12.3%	13.6%		
Adjusted EBIT as % of revenue	14.7%	15.4%		
Profit in % of revenue	8.1%	9.9%		
Capital expenditure as % of revenue	6.0%	3.8%		
FCF in % of revenue	1.6%	9.8%		
Adjusted FCF in % of revenue	7.1%	9.8%		
Net leverage ratio	1.2x	1.2x		

CONTENTS

3	INTERIM MANAGEMENT STATEMENT	20	ADDITIONAL INFORMATION
3	Results of Operations	20	Financial Calendar
8	Development of Operating Segments	20	Disclaimer
10	Financial Position		
11	Liquidity	21	INFORMATION RESOURCES
14	Risks and Opportunities		
14	Subsequent Events		
14	Outlook		
15	SUPPLEMENTARY FINANCIAL INFORMATION		
15	Consolidated Statement of Comprehensive Income		
16	Consolidated Statement of Financial Position		
18	Consolidated Statement of Cash Flows		
19	Segment Reporting		

Highlights 9M FY2019

CONTINUED WEAK MARKET ENVIRONMENT: – 3.6% REVENUE

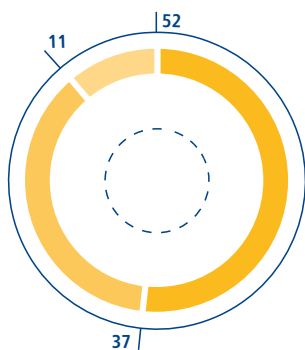
- Revenue down by €–26.0 million or –3.6% to €705.7 million
- Revenue in NAFTA (+0.2%) (at constant US dollar rates (–5.3%)), Europe (–3.7%) and Asia/Pacific RoW (–13.7%)
- Revenue in Vibration & Velocity Control (+3.2%), Industrial/Capital Goods (+0.8%), Automotive Gas Spring (–3.7%) and Powerise® (–10.0%)

NEW CEO APPOINTED / THREE ACQUISITIONS CLOSED SUCCESSFULLY

- Dr. Michael Büchsner is appointed as new CEO of Stabilus per October 1, 2019
- Successfully closed the acquisition of General Aerospace GmbH in April 2019
- Successfully closed the acquisition of Piston Amortisör Sanayi ve Ticaret Anonim Sirket, Turkey and Clevers S.R.L., Argentina in June 2019

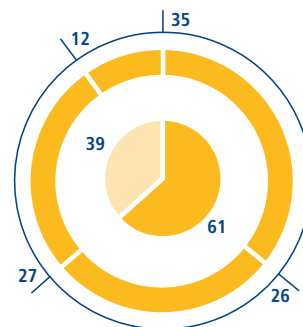
Revenue by Region in 9M FY2019

(location of Stabilus company)



52% — Europe
37% — NAFTA
11% — Asia/Pacific and RoW

Revenue by Market in 9M FY2019



61% — Automotive Business
35% — Automotive Gas Spring
26% — Automotive Powerise®

39% — Industrial Business
27% — Industrial/Capital Goods
12% — Vibration & Velocity Control

INTERIM MANAGEMENT STATEMENT

for the three and nine months ended June 30, 2019

ALTERNATIVE PERFORMANCE MEASURES (APMS) IN THE INTERIM GROUP MANAGEMENT REPORT FOR THE NINE MONTHS OF FISCAL YEAR 2019

In accordance with the European Securities and Markets Authority (ESMA) guidelines on Alternative Performance Measures the Stabilus Group provides a definition, the rationale for use and a reconciliation of APMs used. The Group uses the following APMs: organic growth, adjusted EBIT, free cash flow (FCF), adjusted free cash flow and net leverage ratio. The calculation of the net leverage ratio is based on net financial debt and adjusted EBITDA which are also considered APMs.

The APMs organic growth and adjusted FCF are used for the first time to provide information adjusted for effects from acquisitions. These APMs are presented because we believe it helps understanding our operating performance.

Organic growth is defined as growth in revenue adjusted for the effects from material acquisitions and divestments and at constant US dollar exchange rates.

The definitions and required disclosures of all other APMs are provided in the relevant sections of this quarterly statement.

RESULTS OF OPERATIONS

THIRD QUARTER AND FIRST NINE MONTHS OF FISCAL YEAR 2019

The tables below set out Stabilus Group's consolidated income statement for the third quarter and the first nine months of fiscal year 2019 and 2018:

Income statement

T_002

IN € MILLIONS	Three months ended June 30,			
	2019	2018	Change	% change
Revenue	241.6	250.2	(8.6)	(3.4)%
Cost of sales	(172.8)	(177.0)	4.2	(2.4)%
Gross profit	68.9	73.2	(4.3)	(5.9)%
Research and development expenses	(9.2)	(10.1)	0.9	(8.9)%
Selling expenses	(21.0)	(20.4)	(0.6)	2.9%
Administrative expenses	(8.3)	(9.4)	1.1	(11.7)%
Other income	0.6	2.0	(1.4)	(70.0)%
Other expenses	(1.4)	(0.2)	(1.2)	> 100%
Profit from operating activities (EBIT)	29.5	35.1	(5.6)	(16.0)%
Finance income	0.1	2.3	(2.2)	(95.7)%
Finance costs	(3.0)	(2.1)	(0.9)	42.9%
Profit / (loss) before income tax	26.6	35.3	(8.7)	(24.6)%
Income tax income / (expense)	(7.3)	(10.0)	2.7	(27.0)%
Profit / (loss) for the period	19.3	25.3	(6.0)	(23.7)%

Income statement

T_003

IN € MILLIONS	Nine months ended June 30,		Change	% change
	2019	2018		
Revenue	705.7	731.7	(26.0)	(3.6)%
Cost of sales	(503.0)	(512.7)	9.7	(1.9)%
Gross profit	202.6	219.0	(16.4)	(7.5)%
Research and development expenses	(28.9)	(31.8)	2.9	(9.1)%
Selling expenses	(62.3)	(61.2)	(1.1)	1.8%
Administrative expenses	(26.3)	(28.8)	2.5	(8.7)%
Other income	3.0	3.0	–	0.0%
Other expenses	(1.5)	(0.6)	(0.9)	> 100.0%
Profit from operating activities (EBIT)	86.7	99.6	(12.9)	(13.0)%
Finance income	0.8	1.5	(0.7)	(46.7)%
Finance costs	(6.8)	(9.0)	2.2	(24.4)%
Profit / (loss) before income tax	80.7	92.1	(11.4)	(12.4)%
Income tax income / (expense)	(23.3)	(19.5)	(3.8)	19.5%
Profit / (loss) for the period	57.4	72.6	(15.2)	(20.9)%

Revenue

Group's total revenue developed as follows:

Revenue by region (location of Stabilus company)

T_004

IN € MILLIONS	Three months ended June 30,		Change	% change
	2019	2018		
Europe ¹⁾	124.5	128.8	(4.3)	(3.3)%
NAFTA ¹⁾	90.4	88.9	1.5	1.7%
Asia / Pacific and RoW ¹⁾	26.8	32.5	(5.7)	(17.5)%
Revenue ¹⁾	241.6	250.2	(8.6)	(3.4)%

¹⁾ Revenue breakdown by location of Stabilus company (i.e. "billed-from view").

Revenue by region (location of Stabilus company)

T_005

IN € MILLIONS	Nine months ended June 30,		Change	% change
	2019	2018		
Europe ¹⁾	363.0	376.9	(13.9)	(3.7)%
NAFTA ¹⁾	262.5	261.9	0.6	0.2%
Asia / Pacific and RoW ¹⁾	80.2	92.9	(12.7)	(13.7)%
Revenue ¹⁾	705.7	731.7	(26.0)	(3.6)%

¹⁾ Revenue breakdown by location of Stabilus company (i.e. "billed-from view").

Total revenue of €705.7 million in the first nine months of fiscal year 2019 decreased by €(26.0) million or (3.6)% compared to the first nine months of fiscal year 2018.

The decrease in Group revenue in the first nine months of fiscal year 2019 primarily occurred in our entities in Europe (€(13.9) million or (3.7)%), organic growth (4.7)% and Asia / Pacific and RoW (€(12.7) million or (13.7)%).

Revenue from our NAFTA entities increased slightly by €0.6 million or 0.2%. The entities which are located in the NAFTA region were positively impacted by the relatively stronger US dollar (average rate per €1: \$1.13 in 9M FY2019 versus \$1.20 in 9M FY2018). The currency translation effect amounted to €14.5 million, i.e. NAFTA's organic revenue growth was (5.3)%.

Revenue by market

T_006

IN € MILLIONS	Three months ended June 30,			
	2019	2018	Change	% change
Automotive Gas Spring	84.6	89.1	(4.5)	(5.1)%
Automotive Powerise®	61.5	71.6	(10.1)	(14.1)%
Automotive business	146.1	160.7	(14.6)	(9.1)%
Industrial / Capital Goods ¹⁾	66.0	63.9	2.1	3.3%
Vibration & Velocity Control	29.5	25.6	3.9	15.2%
Industrial business	95.5	89.5	6.0	6.7%
Revenue	241.6	250.2	(8.6)	(3.4)%

¹⁾ As of October 1, 2018, our Commercial Furniture business unit was integrated into Industrial/Capital Goods business. The presentation of prior year figures was changed accordingly.

Revenue by market

T_007

IN € MILLIONS	Nine months ended June 30,			
	2019	2018	Change	% change
Automotive Gas Spring	250.1	259.8	(9.7)	(3.7)%
Automotive Powerise®	183.6	203.9	(20.3)	(10.0)%
Automotive business	433.7	463.7	(30.0)	(6.5)%
Industrial / Capital Goods ¹⁾	192.5	191.0	1.5	0.8%
Vibration & Velocity Control	79.5	77.0	2.5	3.2%
Industrial business	272.0	268.0	4.0	1.5%
Revenue	705.7	731.7	(26.0)	(3.6)%

¹⁾ As of October 1, 2018, our Commercial Furniture business unit was integrated into Industrial/Capital Goods business. The presentation of prior year figures was changed accordingly.

The revenue of our Automotive business decreased by €(30.0) million or (6.5)% from €463.7 million in the first nine months of fiscal year 2018 to €433.7 million in the first nine months of fiscal year 2019. This is particularly due to the weaker global automotive industry reflecting ongoing uncertainties triggered by e.g. WLTP, Brexit and international trade conflicts, especially between the US and China.

This affects both our Automotive Powerise® business which decreased by €(20.3) million or (10.0)% from €203.9 million to €183.6 million and our Automotive Gas Spring business which decreased by €(9.7) million or (3.7)% from €259.8 million to €250.1 million.

The revenue of our Industrial business increased by €4.0 million or 1.5% from €268.0 million in the first nine months of fiscal year 2018 to €272.0 million in the first nine months of fiscal year 2019. General Aerospace GmbH is consolidated since the beginning of April 2019 as part of the Vibration & Velocity business. It contributed €4.0 million revenue.

Industrial / Capital Goods revenue increased by €1.5 million or 0.8%. Our Vibration & Velocity business increased by €2.5 million or 3.2% and organically decreased by €(3.2) million or (4.2)%. Ongoing market uncertainties together with the current macroeconomic situation and the volatility in the global markets resulted in a slowdown of the industrial business in the first nine months of fiscal year 2019. Our broad customer portfolio helps to mitigate the impact of this weaker demand.

Cost of sales and overhead expenses

COST OF SALES

Cost of sales decreased from €(512.7) million in the first nine months of fiscal year 2018 by (1.9)% to €(503.0) million in first nine months of fiscal year 2019. The decrease in cost of sales (1.9)% is lower than the decrease in revenue (3.6)%. This is reflecting a weaker fixed cost absorption as certain fixed cost elements are not reduced in line with revenue. Consequently, the cost of sales as a percentage of revenue increased by 120 basis points to 71.3% (PY: 70.1%) and the gross profit margin declined to 28.7% (PY: 29.9%).

R&D EXPENSES

R&D expenses (net of R&D cost capitalization) decreased by (9.1)% from €(31.8) million in the first nine months of fiscal year 2018 to €(28.9) million in the first nine months of fiscal year 2019 reflecting impairment charges in the prior year as well as capitalization of cost related to specific customer projects in the current fiscal year. As a percentage of revenue, R&D expenses decreased by 20 basis points to 4.1% (PY: 4.3%). The capitalization of R&D expenses increased from €(6.3) million in the first nine months of fiscal year 2018 to €(10.5) million in the first nine months of fiscal year 2019, following increased workload to doors actuators, as well as Powerise® for new customers.

SELLING EXPENSES

Selling expenses increased from €(61.2) million in the first nine months of fiscal year 2018 by 1.8% to €(62.3) million in the first nine months of fiscal year 2019. This increase is due to the selling expenses of the entities acquired in Q3 FY2019. As a percentage of revenue, selling expenses increased by 40 basis points to 8.8% (PY: 8.4%).

ADMINISTRATIVE EXPENSES

Administrative expenses decreased from €(28.8) million in the first nine months of fiscal year 2018 by (8.7)% to €(26.3) million in the first nine months of fiscal year 2019. This includes €0.7 million non-recurring advisory costs which are directly related to the acquisition of General Aerospace, Clevers and Piston. As a percentage of revenue, administrative expenses decreased by 20 basis points to 3.7% (PY: 3.9%).

OTHER INCOME AND EXPENSE

Other income remained unchanged at €3.0 million in the first nine months of fiscal year 2018 compared to the first nine months of fiscal year 2019. This mainly comprises foreign currency translation gains from the operating business.

Other expenses increased from €(0.6) million in the first nine months of fiscal year 2018 by €(0.9) million to €(1.5) million in the first nine months of fiscal year 2019.

FINANCE INCOME AND COSTS

Finance income decreased from €1.5 million in the first nine months of fiscal year 2018 to €0.8 million in the first nine months of fiscal year 2019.

Finance costs decreased from €(9.0) million in the first nine months of fiscal year 2018 to €(6.8) million in the first nine months of fiscal year 2019. Finance costs in the first nine months of fiscal year 2019 were primarily due to ongoing interest expense of €(6.4) million (PY: €(6.2) million) especially related to the euro term loan facility. Thereof, an amount of €(2.7) million (PY: €(2.8) million) is cash interest. In addition, an amount of €(3.7) million (PY: €(3.6) million) is due to the amortization of debt issuance cost and the amortization of the adjustment of the carrying value by using the effective interest rate method.

Finance costs in the first nine months of fiscal year 2018 were impacted by net foreign exchange losses especially due to the relatively weaker US dollar (closing rate per €1: \$1.18 as at September 30, 2017, versus \$1.20 as of June 30, 2018) amounting to €(2.4) million.

INCOME TAX EXPENSE

The income tax expense increased from €(19.5) million in the first nine months of fiscal year 2018 to €(23.3) million in the first nine months of fiscal year 2019. The Stabilus Group's effective tax rate in the first nine months of fiscal year 2019 is 28.9% (PY: 21.2%). In the first nine months of fiscal year 2019 the income tax expenses were negatively influenced by tax charges for dividend upstreaming within the Stabilus Group. The lower tax rate in the prior year was due to the non-recurring positive effect from the remeasurement of the deferred tax positions following the US tax reform signed in December 2017 with an amount of €3.9 million. In addition, the prior year was also positively influenced by the changed financing and legal structure of our US operations. As a consequence a non-recurring net tax benefit amounting to €4.3 million has been recognized in the first nine months of fiscal year 2018 reflecting the release of deferred tax liabilities for unrealized foreign exchange gains and the recoverability of interest expense from prior years.

EBIT AND ADJUSTED EBIT

The following table shows a reconciliation of EBIT (earnings before interest and taxes) to adjusted EBIT for the third quarter and the first nine months of fiscal year 2019 and 2018:

Adjusted EBIT represents EBIT, adjusted for exceptional non-recurring items (e.g. restructuring or one-time advisory costs) and depreciation / amortization of fair value adjustments from purchase price allocations (PPAs).

Adjusted EBIT is presented because we believe it helps understanding our operating performance.

The adjustments for advisory amounting to €0.7 million in the first nine months of fiscal year 2019 relate to transaction cost for the acquisition of General Aerospace, Clevers and Piston. The adjustment for environmental protection measures relates to remediation costs in the US.

The PPA adjustments amounting to €14.6 million in the current year contain €6.9 million (PY: €7.0 million) related to the April 2010 PPA and €6.3 million (PY: €6.1 million) related to the June 2016 PPA. €1.4 million relate to the acquisition of General Aerospace GmbH, thereof €0.7 million relate to the inventory step-up.

Reconciliation of EBIT to adjusted EBIT

T_008

IN € MILLIONS	Three months ended June 30,			
	2019	2018	Change	% change
Profit from operating activities (EBIT)	29.6	35.1	(5.5)	(15.7)%
PPA adjustments – depreciation and amortization	5.8	4.4	1.4	31.8%
Environmental protection measures	1.5	–	1.5	n/a
Advisory	0.2	–	0.2	n/a
Adjusted EBIT	37.1	39.5	(2.4)	(6.1)%

IN € MILLIONS	Nine months ended June 30,			
	2019	2018	Change	% change
Profit from operating activities (EBIT)	86.7	99.6	(12.9)	(13.0)%
PPA adjustments – depreciation and amortization	14.6	13.1	1.5	11.5%
Environmental protection measures	1.5	–	1.5	n/a
Advisory	0.7	–	0.7	n/a
Adjusted EBIT	103.5	112.7	(9.2)	(8.2)%

DEVELOPMENT OF OPERATING SEGMENTS

The Stabilus Group is organized and managed primarily on a regional level. The three reportable operating segments of the Group are Europe, NAFTA, Asia / Pacific and RoW.

The tables below set out the development of our operating segments for the third quarter and the first nine months of fiscal year 2019 and 2018:

Operating segments

T_009

IN € MILLIONS	Three months ended June 30,			
	2019	2018	Change	% change
Europe				
External revenue ¹⁾	124.5	128.8	(4.3)	(3.3)%
Intersegment revenue ¹⁾	7.0	8.0	(1.0)	(12.5)%
Total revenue ¹⁾	131.5	136.8	(5.3)	(3.9)%
Adjusted EBIT	18.6	19.3	(0.7)	(3.6)%
as % of total revenue	14.1%	14.1%		
as % of external revenue	14.9%	15.0%		
NAFTA				
External revenue ¹⁾	90.4	88.9	1.5	1.7%
Intersegment revenue ¹⁾	5.9	6.5	(0.6)	(9.2)%
Total revenue ¹⁾	96.3	95.4	0.9	0.9%
Adjusted EBIT	15.5	14.3	1.2	8.4%
as % of total revenue	16.1%	15.0%		
as % of external revenue	17.1%	16.1%		
Asia / Pacific and RoW				
External revenue ¹⁾	26.8	32.5	(5.7)	(17.5)%
Intersegment revenue ¹⁾	–	–	–	n/a
Total revenue ¹⁾	26.8	32.5	(5.7)	(17.5)%
Adjusted EBIT	2.9	5.9	(3.0)	(50.8)%
as % of total revenue	10.8%	18.2%		
as % of external revenue	10.8%	18.2%		

¹⁾ Revenue breakdown by location of Stabilus company (i.e. "billed-from view").

IN € MILLIONS	Nine months ended June 30,			
	2019	2018	Change	% change
Europe				
External revenue ¹⁾	363.0	376.9	(13.9)	(3.7)%
Intersegment revenue ¹⁾	21.2	24.5	(3.3)	(13.5)%
Total revenue ¹⁾	384.2	401.4	(17.2)	(4.3)%
Adjusted EBIT	52.9	58.1	(5.2)	(9.0)%
as % of total revenue	13.8%	14.5%		
as % of external revenue	14.6%	15.4%		
NAFTA				
External revenue ¹⁾	262.5	261.9	0.6	0.2%
Intersegment revenue ¹⁾	19.2	19.1	0.1	0.5%
Total revenue ¹⁾	281.7	281.0	0.7	0.2%
Adjusted EBIT	42.4	39.2	3.2	8.2%
as % of total revenue	15.1%	14.0%		
as % of external revenue	16.2%	15.0%		
Asia / Pacific and RoW				
External revenue ¹⁾	80.2	92.9	(12.7)	(13.7)%
Intersegment revenue ¹⁾	0.1	0.1	–	0.0%
Total revenue ¹⁾	80.3	93.0	(12.7)	(13.7)%
Adjusted EBIT	8.2	15.4	(7.2)	(46.8)%
as % of total revenue	10.2%	16.6%		
as % of external revenue	10.2%	16.6%		

¹⁾ Revenue breakdown by location of Stabilus company (i.e. "billed-from view").

The external revenue generated by our European companies decreased from €376.9 million in the first nine months of fiscal year 2018 by (3.7)% to €363.0 million in the first nine months of fiscal year 2019. The organic growth of our European companies was (4.7)%. The decrease is driven by our Automotive business. The continuing soft vehicle production in Europe with weak demand in the first nine months of fiscal year 2019 resulted in reduced revenue. The Automotive Powerise® business decreased by €(10.1) million or (12.1)% and the Automotive Gas Spring business by (8.1) million or (6.8)%. The decrease was slightly offset by the Industrial business which grew by €4.2 million or 2.4%. The organic growth of the Industrial business was 0.1%. The adjusted EBIT of the European segment decreased by (9.0)% or €(5.2) million and the adjusted EBIT margin, i.e. adjusted EBIT in percent of external revenue, decreased in the first nine months of fiscal year 2019 by 80 basis points to 14.6% (PY: 15.4%).

The external revenue of our companies located in the NAFTA region increased slightly from €261.9 million in the first nine months of fiscal year 2018 by 0.2% to €262.5 million in the first nine months of fiscal year 2019. The Automotive Gas Spring business contributed €4.8 million and our Industrial business contributed €1.7 million to NAFTA's development which was offset by €(5.9) million from the Powerise® business. The currency translation effect from measuring NAFTA's revenue at constant US dollar rates (average rate per €1: \$1.13 in 9M FY2019 versus \$1.20 in 9M FY2018) amounted to €14.5 million reflecting an organic growth of (5.3)%. Organic growth of the Automotive business was (6.1)% (Automotive Gas Spring 0.2% and Powerise® business (10.9)%). Organic growth of the Industrial business was (3.5)% (Industrial Capital/ Goods (3.8)% and Vibration and Velocity business (3.0)%). Adjusted EBIT of the NAFTA segment increased by 8.2% or €3.2 million and the adjusted EBIT margin increased in the first nine months of fiscal year 2019 by 120 basis points to 16.2% (PY: 15.0%).

The external revenue of our companies located in the Asia / Pacific and RoW region decreased from €92.9 million in the first nine months of fiscal year 2018 by (13.7)% to €80.2 million in the first nine months of fiscal year 2019. This decrease was mainly driven by the Automotive business by €(10.7) million or (13.9)% (Powerise® business (25.5)% and Automotive Gas Spring business (6.4)%). This development reflects the weak light vehicle sales due to the

overall uncertainties regarding the economic development, especially in China. The Industrial business decreased from €15.1 million by (15.3)% to €13.1 million. The adjusted EBIT of the Asia / Pacific and RoW segment decreased by €(7.2) million or (46.8)% and the adjusted EBIT margin decreased in the first nine months of fiscal year 2019 by 640 basis points to 10.2% (PY: 16.6%).

FINANCIAL POSITION

Balance sheet

T_010

IN € MILLIONS	June 30, 2019	Sept 30, 2018	Change	% change
Assets				
Non-current assets	699.0	640.7	58.3	9.1%
Current assets	370.3	369.8	0.5	0.1%
Total assets	1,069.3	1,010.4	58.9	5.8%
Equity and liabilities				
Equity	470.8	426.5	44.3	10.4%
Non-current liabilities	443.6	422.9	20.7	4.9%
Current liabilities	154.9	161.0	(6.1)	(3.8)%
Total liabilities	598.5	583.9	14.6	2.5%
Total equity and liabilities	1,069.3	1,010.4	58.9	5.8%

TOTAL ASSETS

The Group's balance sheet total increased from €1,010.4 million as of September 30, 2018, by 5.8% to €1,069.3 million as of June 30, 2019.

NON-CURRENT ASSETS

Our non-current assets increased from €640.7 million as of September 30, 2018, by 9.1% or €58.3 million to €699.0 million as of June 30, 2019. This is primarily due to identifiable non-current assets amounting to €44.8 million and goodwill amounting to €15.8 million from business combinations (i.e. acquisitions of General Aerospace, Piston and Clevers). In addition property, plant and equipment increased by €14.8 million. This reflects additions of €32.2 million for ongoing capacity expansion projects, thereof €4.2 million for a new building, partly offset by depreciation. In

addition, non-current assets were further reduced by the ongoing amortization of other intangible assets from the purchase price allocations amounting to €(14.7) million.

CURRENT ASSETS

Current assets increased slightly from €369.8 million as of September 30, 2018, by 0.1% or €0.5 million to €370.3 million as of June 30, 2019. This was driven by an increase in trade accounts receivable amounting to €11.3 million and in inventories amounting to €3.2 million, thereof €5.9 million and €5.3 million from business combinations. This increase was offset by a decrease of the cash balance €(16.8) million primarily due to the payment of the consideration for acquisitions in April and June amounting to €(39.3) million as well as the dividend payment amounting to €(24.7) million in February 2019.

EQUITY

The Group's equity increased from €426.5 million as of September 30, 2018, by €44.3 million to €470.8 million as of June 30, 2019. This increase results from the profit of €57.4 million that was generated in the first nine months of fiscal year 2019 and from other comprehensive income of €(0.5) million. Other comprehensive income comprises unrealized actuarial losses on pensions (net of tax) amounting to €(3.2) million and unrealized gains from foreign currency translation amounting to €2.7 million. In addition, retained earnings increased by €0.8 million from the first-time application of IFRS 9. In the second quarter of fiscal year 2019 dividends amounting to €(24.7) million were paid to our shareholders. Remaining minority shareholders from the acquisition of General Aerospace, Piston and Clevers increased non-controlling interests by €11.3 million.

NON-CURRENT LIABILITIES

Non-current liabilities increased from €422.9 million as of September 30, 2018, by (4.9)% or €(20.7) million to €443.6 million as of June 30, 2019. This was due to the increase of deferred tax liabilities by €13.1 million from business combinations which were partly offset by the amortization of the purchase price allocations. The

financial liabilities increased by €8.7 million, thereof €5.1 million bank loans recognized as part of the business combinations. The amortization of debt issuance costs and the amortization of the adjustment of the carrying value by using the effective interest rate method resulted in a further increase of €3.5 million. Pension liabilities increased by €3.2 million as a consequence of the decreased discount rate (June 30, 2019: 1.48% versus September 30, 2018: 2.00%).

CURRENT LIABILITIES

Current liabilities decreased from €161.0 million as of September 30, 2018, by €(6.1) million or (3.8)% to €154.9 million as of June 30, 2019. This decrease was essentially driven by a significant reduction of our trade accounts payables by €(7.0) million or (8.4)% as a consequence of a reduced business volume and using shorter payment cycles for trade payables to benefit from early payment discounts. Additions to trade accounts payable from business combinations amount to €3.2 million. In addition, current tax liabilities decreased by €(6.0) million. This decrease was partly offset by an increase in financial liabilities by €4.2 million, thereof €2.7 million additions from business combinations.

LIQUIDITY

Cash flow

IN € MILLIONS	T_011			
	Nine months ended June 30,			
	2019	2018	Change	% change
Cash flow from operating activities	92.3	98.9	(6.6)	(6.7)%
Cash flow from investing activities	(81.2)	(27.0)	(54.2)	> 100.0%
Cash flow from financing activities	(28.4)	(24.0)	(4.4)	18.3%
Net increase / (decrease) in cash	(17.3)	47.9	(65.2)	< (100.0)%
Effect of movements in exchange rates on cash held	0.5	(0.1)	0.6	< (100.0)%
Cash as of beginning of the period	143.0	68.1	74.9	> 100.0%
Cash as of end of the period	126.2	115.8	10.4	9.0%

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities decreased from €98.9 million in the first nine months of fiscal year 2018 by €(6.6) million to €92.3 million in the first nine months of fiscal year 2019. This decrease is a consequence of a reduced business volume and essentially affected all line items presented in the operating cash flow section, e.g. trade accounts payables decreased by €(11.2) million and trade accounts receivable increased by €3.6 million.

CASH FLOW FROM INVESTING ACTIVITIES

Cash outflow for investing activities increased from €(27.0) million in the first nine months of fiscal year 2018 by €(54.2) million to €(81.2) million in the first nine months of fiscal year 2019. This increase is attributable to the acquisitions of assets and liabilities within the business combinations amounting to €39.3 million (net cash acquired). In addition, the increase is due to higher capital expenditures in property, plant and equipment of €10.9 million, thereof an investment in a production building amounting to €4.2 million. The increase also reflects capital expenditures carried over from fiscal year 2018 to fiscal year 2019. Further-

more, the cash outflow for intangible assets increased by €4.1 million to €10.4 million.

CASH FLOW FROM FINANCING ACTIVITIES

The cash outflow from financing activities increased from €(24.0) million in the first nine months of fiscal year 2018 by €(4.4) million to €(28.4) million in the first nine months of fiscal year 2019. This was especially due to increased dividends of €(24.7) million (PY: €(19.8) million) paid to our shareholders in February 2019. The cash interest in the first nine months of fiscal year 2019 was €(0.1) million lower compared to the first nine months of fiscal year 2018. In addition we repaid financial liabilities amounting to €(0.7) million in the first nine months of fiscal year 2019.

FREE CASH FLOW (FCF)

Free cash flow (FCF) is defined as the total of cash flow from operating and investing activities. The Group considers FCF as an essential alternative performance measure as it aids in the evaluation of the Group's ability to generate cash which can be used for further investments. The following table sets out the composition of FCF.

Free cash flow

IN € MILLIONS	Nine months ended June 30,			
	2019	2018	Change	% change
Cash flow from operating activities	92.3	98.9	(6.6)	(6.7)%
Cash flow from investing activities	(81.2)	(27.0)	(54.2)	> 100.0%
Free cash flow	11.1	71.9	(60.8)	(84.6)%

T_012

ADJUSTED FREE CASH FLOW

Adjusted free cash flow is defined as the total of cash flow from operating and investing activities before acquisitions.

The adjusted free cash flow decreased from €71.9 million in the first nine months of fiscal year 2018 to €50.4 million in the first nine months of fiscal year 2019.

Adjusted Free Cash Flow

IN € MILLIONS	Nine months ended June 30,			
	2019	2018	Change	% change
Cash flow from operating activities	92.3	98.9	(6.6)	(6.7)%
Cash flow from investing activities before acquisitions	(41.9)	(27.0)	(14.9)	55.2%
Adjusted FCF	50.4	71.9	(21.5)	(29.9)%

T_013

NET LEVERAGE RATIO

The net leverage ratio is defined as net financial debt divided by adjusted EBITDA for the last twelve months (adjusted EBITDA LTM).

Net financial debt is the nominal amount of financial debt, i.e. current and non-current financial liabilities, less cash and cash equivalents. Adjusted EBITDA is defined as adjusted EBIT before depreciation / amortization and before exceptional non-recurring items (e.g. restructuring or one-time advisory costs).

The net leverage ratio is presented because we believe it is a useful indicator to evaluate the Group's debt leverage and financing structure.

The net leverage ratio remains unchanged at 1.2x for the twelve months ending June 30, 2018, compared to the twelve months ending June 30, 2019. See the following table:

Net leverage ratio

T_014

IN € MILLIONS	June 30, 2019	June 30, 2018	Change	% change
Financial debt	351.7	342.4	9.3	2.7%
Cash and cash equivalents	(126.2)	(115.8)	(10.4)	9.0%
Net financial debt	225.5	226.6	(1.1)	(0.5)%
Adjusted EBITDA (LTM ended June 30)	182.1	187.3	(5.2)	(2.8)%
Net leverage ratio ¹⁾	1.2x	1.2x		

¹⁾ The net leverage ratio is defined as net financial debt divided by adjusted EBITDA for the last twelve months.

Financial debt

T_015

IN € MILLIONS	June 30, 2019	June 30, 2018
Financial liabilities (non-current)	327.6	318.9
Financial liabilities (current)	5.3	1.1
Adjustment carrying value	18.8	22.2
Financial debt	351.7	342.2

Adjusted EBITDA (LTM ended June 30)

T_016

IN € MILLIONS	June 30, 2019	June 30, 2018	Change	% change
Profit from operating activities (EBIT)	120.6	129.5	(8.9)	(6.9)%
Depreciation	26.4	25.0	1.4	5.6%
Amortization	32.2	32.8	(0.6)	(1.8)%
EBITDA	179.2	187.3	(8.1)	(4.3)%
Advisory	0.7	–	0.7	n/a
Environmental protection measures	1.5	–	1.5	n/a
PPA adjustments – inventory step-up	0.7	–	0.7	n/a
Adjusted EBITDA	182.1	187.3	(5.2)	(2.8)%

RISKS AND OPPORTUNITIES

We refer to the risk-related disclosures in the Group Management Report and in the audited Consolidated Financial Statements as of and for the fiscal year ended September 30, 2018.

OUTLOOK

Due to the continuing challenging market environment in the automotive industry we expect revenue to be between €950 million and €960 million for fiscal year 2019. This is in line with current market expectations. Previously, the company had expected revenue to be at the level of approximately €960 million for fiscal year 2019. The forecasted adjusted EBIT margin remains unchanged at approximately 15%.

SUBSEQUENT EVENTS

As of August 1, 2019, there were no other events or developments that could have materially affected the measurement and presentation of Group's assets and liabilities as of June 30, 2019.



Mark Wilhelms
Management Board



Andreas Schröder



Andreas Sievers



Markus Schädlich

SUPPLEMENTARY FINANCIAL INFORMATION

as of and for the three and nine months ended June 30, 2019

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the three and nine months ended June 30, 2019 (unaudited)

Consolidated Statement of Comprehensive Income

T_017

IN € THOUSANDS	Three months ended June 30,		Nine months ended June 30,	
	2019	2018 ³⁾	2019	2018 ³⁾
Revenue	241,635	250,162	705,676	731,709
Cost of sales	(172,779)	(177,007)	(503,035)	(512,728)
Gross profit	68,856	73,155	202,641	218,981
Research and development expenses	(9,244)	(10,133)	(28,887)	(31,803)
Selling expenses	(20,962)	(20,389)	(62,308)	(61,183)
Administrative expenses	(8,324)	(9,372)	(26,343)	(28,802)
Other income ³⁾	646	1,994	3,044	2,966
Other expenses ³⁾	(1,436)	(182)	(1,471)	(566)
Profit from operating activities	29,536	35,073	86,676	99,593
Finance income	119	2,305	779	1,500
Finance costs	(3,065)	(2,098)	(6,742)	(9,027)
Profit / (loss) before income tax	26,590	35,280	80,713	92,066
Income tax income / (expense)	(7,280)	(10,007)	(23,296)	(19,464)
Profit / (loss) for the period	19,310	25,273	57,417	72,602
thereof attributable to non-controlling interests	(131)	(7)	(196)	(103)
thereof attributable to shareholders of Stabilus	19,441	25,280	57,613	72,705
Other comprehensive income / (expense)				
Foreign currency translation difference ¹⁾	(5,301)	6,876	2,655	2,855
Unrealized actuarial gains and losses ²⁾	(2,354)	(257)	(3,195)	627
Other comprehensive income / (expense), net of taxes	(7,655)	6,619	(540)	3,482
Total comprehensive income / (expense) for the period	11,655	31,893	56,877	76,084
thereof attributable to non-controlling interests	(131)	(7)	(196)	(103)
thereof attributable to shareholders of Stabilus	11,786	31,900	57,073	76,187
Earnings per share (in €):				
basic	0.79	1.02	2.33	2.94
diluted	0.79	1.02	2.33	2.94

¹⁾ Item that may be reclassified ('recycled') to profit and loss at a future point in time when specific conditions are met.

²⁾ Item that will not be reclassified to profit and loss.

³⁾ The comparative figures for other income and expenses have been adjusted for the change of the presentation of foreign currency translation gains and losses. These have been presented on a gross basis in the past. This has been changed to a net presentation. The accompanying Notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as of June 30, 2019 (unaudited)

Consolidated Statement of Financial Position

T_018

IN € THOUSANDS	June 30, 2019	Sept 30, 2018
Assets		
Property, plant and equipment	194,047	179,225
Goodwill	212,020	195,231
Other intangible assets	279,508	247,181
Other assets	1,815	3,951
Deferred tax assets	11,623	15,088
Total non-current assets	699,013	640,676
Inventories	93,968	90,763
Trade accounts receivable	122,581	111,271
Current tax assets	4,474	5,292
Other financial assets	7,509	3,407
Other assets	15,605	16,033
Cash and cash equivalents	126,159	143,000
Total current assets	370,296	369,766
Total assets	1,069,309	1,010,442

Consolidated Statement of Financial Position

T_018

IN € THOUSANDS	June 30, 2019	Sept 30, 2018
Equity and liabilities		
Issued capital	247	247
Capital reserves	225,848	225,848
Retained earnings	258,837	225,090
Other reserves	(25,152)	(24,612)
Equity attributable to shareholders of Stabilus	459,780	426,573
Non-controlling interests	11,028	(50)
Total equity	470,808	426,523
Financial liabilities	327,636	318,921
Other financial liabilities	236	520
Provisions	2,896	3,402
Pension plans and similar obligations	55,388	52,180
Deferred tax liabilities	57,411	47,847
Total non-current liabilities	443,567	422,870
Trade accounts payable	76,173	83,171
Financial liabilities	5,300	1,100
Other financial liabilities	11,169	10,867
Current tax liabilities	10,407	16,366
Provisions	36,601	34,920
Other liabilities	15,284	14,625
Total current liabilities	154,934	161,049
Total liabilities	598,501	583,919
Total equity and liabilities	1,069,309	1,010,442

The accompanying Notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the nine months ended June 30, 2019 (unaudited)

Consolidated Statement of Cash Flows

T_019

IN € THOUSANDS	Nine months ended June 30,	
	2019	2018
Profit / (loss) for the period	57,417	72,602
Income tax expense	23,297	19,464
Net finance result	5,963	7,527
Interest received	242	209
Depreciation and amortization (incl. impairment losses)	43,672	42,939
Gains / losses from the disposal of assets	(93)	(57)
Changes in inventories	1,466	(1,356)
Changes in trade accounts receivable	(3,556)	(21,061)
Changes in trade accounts payable	(11,156)	(1,377)
Changes in other assets and liabilities	6,065	1,807
Changes in provisions	(3,635)	3,708
Income tax payments	(27,379)	(25,543)
Cash flow from operating activities	92,303	98,862
Proceeds from disposal of property, plant and equipment	727	647
Purchase of intangible assets	(10,420)	(6,295)
Purchase of property, plant and equipment	(32,197)	(21,330)
Acquisition of assets and liabilities within the business combination, net of cash acquired	(39,327)	–
Cash flow from investing activities	(81,217)	(26,978)
Receipts from financial liabilities	–	6,427
Payments for redemption of financial liabilities	(669)	(347)
Payments for redemption of senior facilities	–	(6,427)
Payments for finance leases	(290)	(1,039)
Dividends paid	(24,700)	(19,760)
Dividends paid to non-controlling interests	(62)	(38)
Payments for interest	(2,701)	(2,837)
Cash flow from financing activities	(28,422)	(24,021)
Net increase / (decrease) in cash and cash equivalents	(17,336)	47,863
Effect of movements in exchange rates on cash held	495	(140)
Cash and cash equivalents as of beginning of the period	143,000	68,123
Cash and cash equivalents as of end of the period	126,159	115,846

The accompanying Notes form an integral part of these Consolidated Financial Statements.

SEGMENT REPORTING

Segment information for the nine months ended June 30, 2019, and 2018 is as follows:

Segment reporting

T_020

	Europe		NAFTA		Asia / Pacific and RoW	
	Nine months ended June 30,		Nine months ended June 30,		Nine months ended June 30,	
IN € THOUSANDS	2019	2018	2019	2018	2019	2018
External revenue ¹⁾	362,998	376,937	262,513	261,888	80,165	92,884
Intersegment revenue ¹⁾	21,166	24,526	19,223	19,095	89	115
Total revenue ¹⁾	384,164	401,463	281,736	280,983	80,254	92,999
Depreciation and amortization (incl. impairment losses)	(22,516)	(22,310)	(9,811)	(9,174)	(4,385)	(4,495)
EBIT	46,592	54,358	38,925	36,915	8,119	15,280
Adjusted EBIT	52,912	58,066	42,366	39,217	8,236	15,393

	Total segments		Other / Consolidation		Stabilus Group	
	Nine months ended June 30,		Nine months ended June 30,		Nine months ended June 30,	
IN € THOUSANDS	2019	2018	2019	2018	2019	2018
External revenue ¹⁾	705,676	731,709	–	–	705,676	731,709
Intersegment revenue ¹⁾	40,478	43,736	(40,478)	(43,736)	–	–
Total revenue ¹⁾	746,154	775,445	(40,478)	(43,736)	705,676	731,709
Depreciation and amortization (incl. impairment losses)	(36,712)	(35,979)	(6,960)	(6,960)	(43,672)	(42,939)
EBIT	93,636	106,553	(6,960)	(6,960)	86,676	99,593
Adjusted EBIT	103,514	112,676	–	–	103,514	112,676

¹⁾ Revenue breakdown by location of Stabilus company (i.e. "billed-from view").

ADDITIONAL INFORMATION

FINANCIAL CALENDAR

Financial calendar

T_021

DATE ¹⁾²⁾	PUBLICATION / EVENT
August 5, 2019	Publication of the third-quarter results for fiscal year 2019 (Quarterly Statement Q3 FY19)
November 15, 2019	Publication of preliminary financial results for fiscal year 2019
December 13, 2019	Publication of full year results for fiscal year 2019 (Annual Report 2019)
February 3, 2020	Publication of the first-quarter results for fiscal year 2020 (Quarterly Statement Q1 FY20)
February 12, 2020	Annual General Meeting
May 4, 2020	Publication of the second-quarter results for fiscal year 2020 (Interim Report Q2 FY20)
August 3, 2020	Publication of the third-quarter results for fiscal year 2020 (Quarterly Statement Q3 FY20)
November 13, 2020	Publication of preliminary financial results for fiscal year 2020
December 11, 2020	Publication of full year results for fiscal year 2020 (Annual Report 2020)

¹⁾ We cannot rule out changes of dates. We recommend checking them on our website in the Investor Relations/ Financial Calendar section (www.ir.stabilus.com).

²⁾ Please note that our fiscal year (FY) comprises a twelve-month period from October 1st until September 30th of the following calendar year, e.g. the fiscal year 2019 comprises a year ended September 30, 2019.

DISCLAIMER

Forward-looking statements

This quarterly statement contains forward-looking statements that relate to the current plans, objectives, forecasts and estimates of the management of Stabilus S.A. These statements take into account only information that was available up to and including the date that this quarterly statement was prepared. The management of Stabilus S.A. makes no guarantee that these forward-looking statements will prove to be right. The future development of Stabilus S.A. and its subsidiaries and the results that are actually achieved are subject to a variety of risks and uncertainties which could cause actual events or results to differ significantly from those reflected in the forward-looking statements. Many of these factors are beyond the control of Stabilus S.A. and its subsidiaries and therefore cannot be precisely predicted. Such factors include, but are not limited to, changes in economic conditions and the competitive situation, changes in the law, interest rate or exchange rate fluctuations, legal disputes and investigations, and the

availability of funds. These and other risks and uncertainties are set forth in the Group Management Report. However, other factors could also have an adverse effect on our business performance and results. Stabilus S.A. neither intends nor assumes any separate obligation to update forward-looking statements or to change these to reflect events or developments that occur after the publication of this quarterly statement.

Rounding

Certain numbers in this quarterly statement have been rounded up or down. There may therefore be discrepancies between the actual totals of the individual amounts in the tables and the totals shown as well as between the numbers in the tables and the numbers given in the corresponding analyses in the text of the quarterly statement. All percentage changes and key figures in the quarterly statement were calculated using the underlying data in millions of euros rounded to one decimal place (€ millions).

INFORMATION RESOURCES

Further information including news, reports and publications can be found in the Investor Relations section of our website at www.ir.stabilus.com.

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