

Stabilus S.A.

STABILUS

Annual General Meeting – February 18, 2015

CEO Speech

Speech at the Annual General Meeting of Stabilus S.A.

February 18, 2015 in Luxembourg, Grand Duchy of Luxembourg

Dietmar Siemssen, Chairman of the Management Board

The spoken word is binding

Dear Shareholders,

Dear Representatives of Shareholders,

Dear Ladies and Gentlemen,

Welcome to the first Annual General Meeting of Stabilus.

The new Stabilus growth strategy called STAR - which is derived from Stabilus Reloaded - was implemented almost four years ago. The four key areas at that time were

- Profitable growth
- Globalization
- Excellence and
- Innovation

Its consistent implementation has brought us not only our third record year in a row but also led us to our IPO last May. To be precise May 23, 2014. I am very glad and proud that we managed to convince our investors and shareholders of the power and energy of Stabilus which was the key to today's first annual general meeting.

Annual General Meeting – February 18, 2015

CEO Speech

I would like to thank you, our shareholders, for your confidence and hope that you will continue with us further on our road to further success.

But I also thank all employees of Stabilus as their great performance, commitment and engagement made this possible.

I also would like to mention the last owner of Stabilus who currently holds 20% of the shares: Triton. They were the ones to create the frame conditions and were the drivers of the successful IPO.

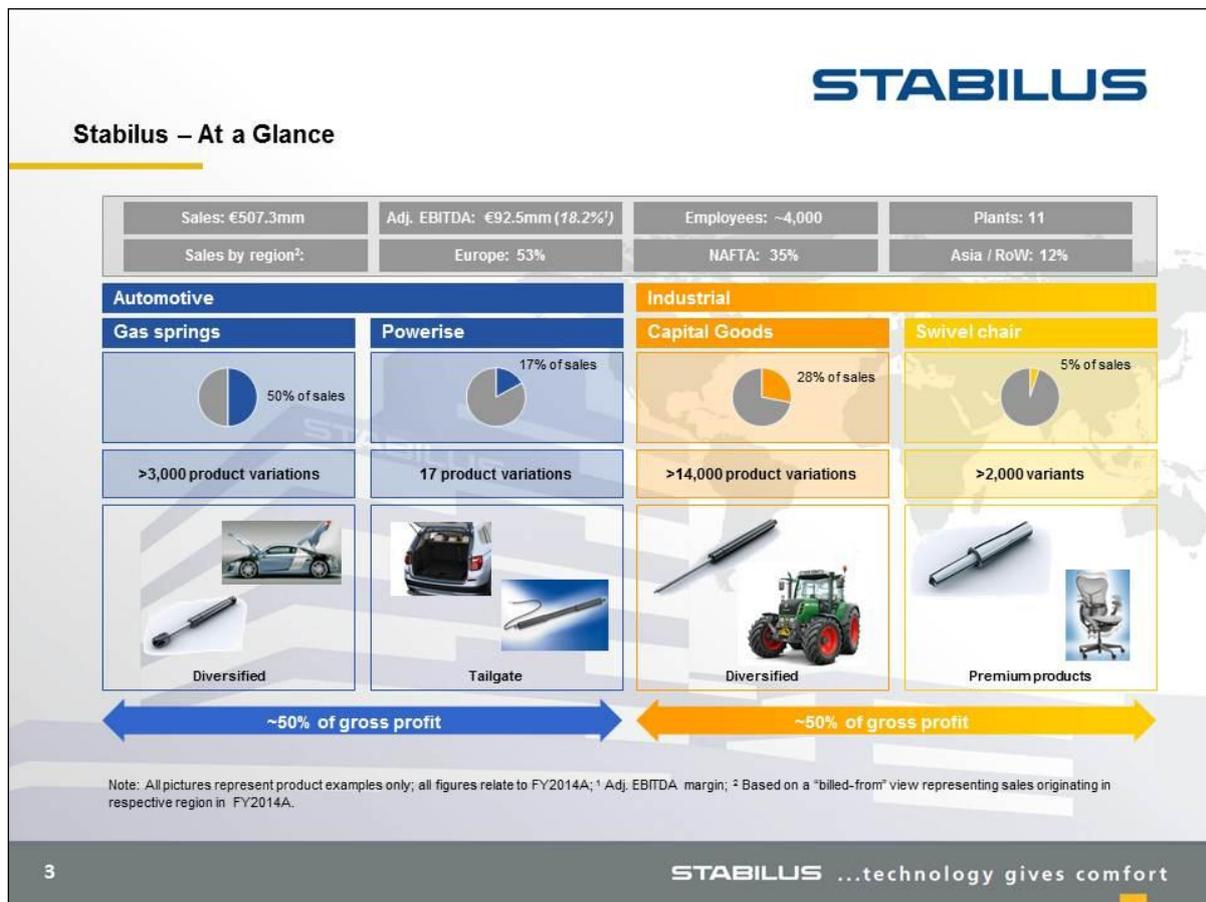
Entering the stock exchange also meant changes.

Stabilus has created an Investor Relations department, which is based in Luxembourg. Some of our investors may have already been in contact with Andreas Schröder at my right hand side in relation to our earnings calls, roadshows or other inquiries.

Since our listing on the Frankfurt Stock Exchange, Stabilus has participated in three Sector Conferences (with Commerzbank, Kepler Cheuvreux and J. P. Morgan) as well as in numerous Roadshow meetings with various investors. Besides the four analysts covering us since the IPO, Hauck Aufhäuser has joined as our fifth analyst in autumn 2014. This means that different sources of information are available to our investors.

Less visible to our investors, but no less important is our Supervisory Board, represented by our Chairman Mr. Udo Stark. He will introduce the role of the Supervisory Board to you later.

Following our IPO, we have extended our compliance role, which is also covering topics like Internal Audit and overall compliance. In the compliance program, we have introduced “blackout periods” for example and adopted our internal rules to meet the demands of a listed company.



We have demonstrated our expertise for eight decades: In the automotive industry, in the furniture sector, in house and building technology and even on medical products as well as rehabilitation technology. Our gas springs, dampers and electromechanical drives optimize opening and closing, lifting and lowering as well as damping and adjusting actions. In other words we help the ergonomics of many applications in private and professional life. Indeed Stabilus products are an integral part of everyday life.

Stabilus is by far the world market leader for gas springs and dampers and has reached in recent years the top three ranking within a manufacturing of electromechanical drives for trunk lids.

Our turnover comes roughly by 50% out of Europe, 1/3rd from the NAFTA region and Asia and the rest of the world make up for slightly more than 10%. Asia is a strong growth area and therefore the share continues to rise.

Our products are built into more than 100 car brands in the **automotive** sector. The market share of our gas springs is 70% worldwide. The market share in Asia,

Annual General Meeting – February 18, 2015

CEO Speech

especially in Japan, Korea, India and China still offers growth potential. We expect to grow with the market and grow into the market. We are expanding by increasing our share of wallet with Japanese, Chinese and Korean OEMs and winning local customers in China and India. Additionally new applications and newly developed products will help us further.

Another growth driver is our electromechanical drive, the **Powerise**. It is used to open and close trunk lids automatically by the push of a button. This market is growing strongly and our market share is also increasing. We tripled our turnover with this product within the last three years and are expecting this growth to continue, as the option of an automatic trunk lid was offered initially only in luxury cars and is now available in more and more mid-size volume models.

In the **industrial** sector we serve more than 2,500 customers with over 1,000 applications. We are constantly identifying new applications with our existing products and are also developing new products.

One region receives special attention: Asia. The growth potential here is obvious, as the mega trend of higher ergonomics plays a major role. We have increased our market presence with an extended salesforce and local R&D competence. Further with the new production facilities that are ramped up this year we will be able to serve the local industry market as of the end of 2015.

The aftermarket shows great potential as Stabilus is the OEM supplier of various applications. We are optimizing the specific requirements like warehouse, software, product management to meet the specific demands.

Our Business unit **swivel chair** is growing via the newly implemented Blue Line, a new cost efficient product line that has increased our competitiveness considerably. The turnaround activities are also supported by an increased customer orientation and by improvement of the global footprint. Stabilus is the last supplier of gas springs for swivel chairs outside of China and is gaining speed again in competitiveness as well as in costs.

Stabilus makes tasks comfortable and increases health and safety standards.

STABILUS

Stabilus is best positioned to benefit from current mega trends

STABILUS

Global mega trends

| Increasing demand for comfort | Aging of population | Increasing health & safety standards |
|---|---|---|
| <ul style="list-style-type: none"> • Products cater to buy comfort requirements in both automotive and industrial • Current luxury applications to become must have features  | <ul style="list-style-type: none"> • Products cater to demand for support and automation • Significant growth potential from current and future applications  | <ul style="list-style-type: none"> • Products cater to increase support / safety requirements • Opportunities from ergonomic and individual applications  |

4 **STABILUS ...technology gives comfort**

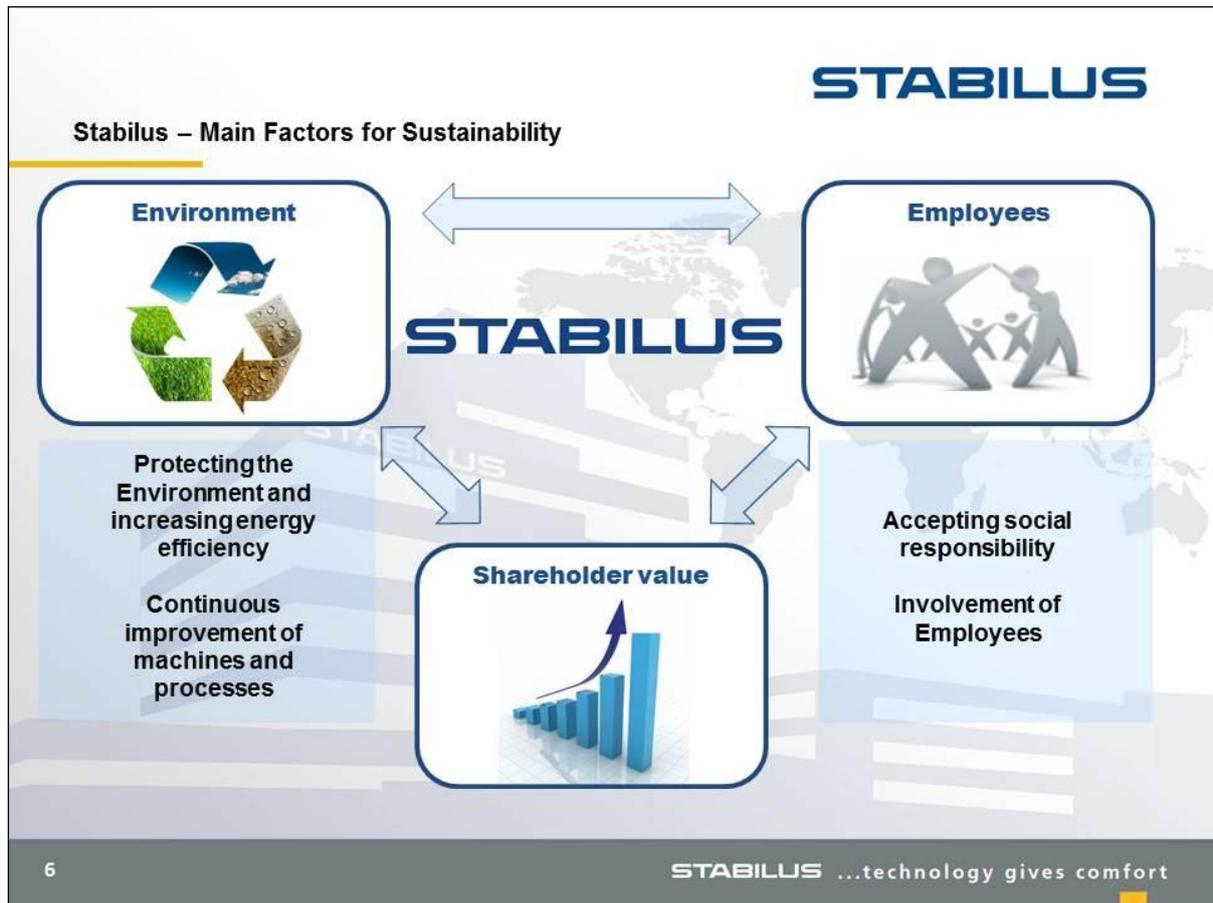
We benefit from several mega trends that support the demand for our products. The focus on ergonomics e.g. height adjustable solutions for work places and longer human life expectancy with the requirement to take the weight and load out of your daily life. Everybody values the convenience of being able to operate things without effort.

The slide features the Stabilus logo in the top right corner. Below it, the text "Stabilus – Leadership in Cost and Quality" is displayed. A horizontal line separates this from the main title "Leader in Cost & Quality". The background shows a world map. Five key initiatives are highlighted in rounded rectangular boxes: "Cost Improvement" with a green arrow and "STABILUS Cost Engineering"; "Quality Initiative" with a yellow star and "GO FOR QUALITY"; "Capex Reduction" with a yellow star and "CAPEX75"; "Innovation" with a word cloud; and "Process Reengineering" with red gears and "STABILUS". At the bottom left is the number "5" and at the bottom right is the slogan "STABILUS ...technology gives comfort".

We are best in class when it comes to quality, reliability, cost and application know-how and costs. A key focus is to further strengthen our leadership in cost and quality. Stabilus is the only player with a global footprint, fully automated production lines and highly efficient processes. I would like to point out that we manufacture our machines in-house and have the same standards worldwide and therefore assure the same high quality no matter where our products are manufactured.

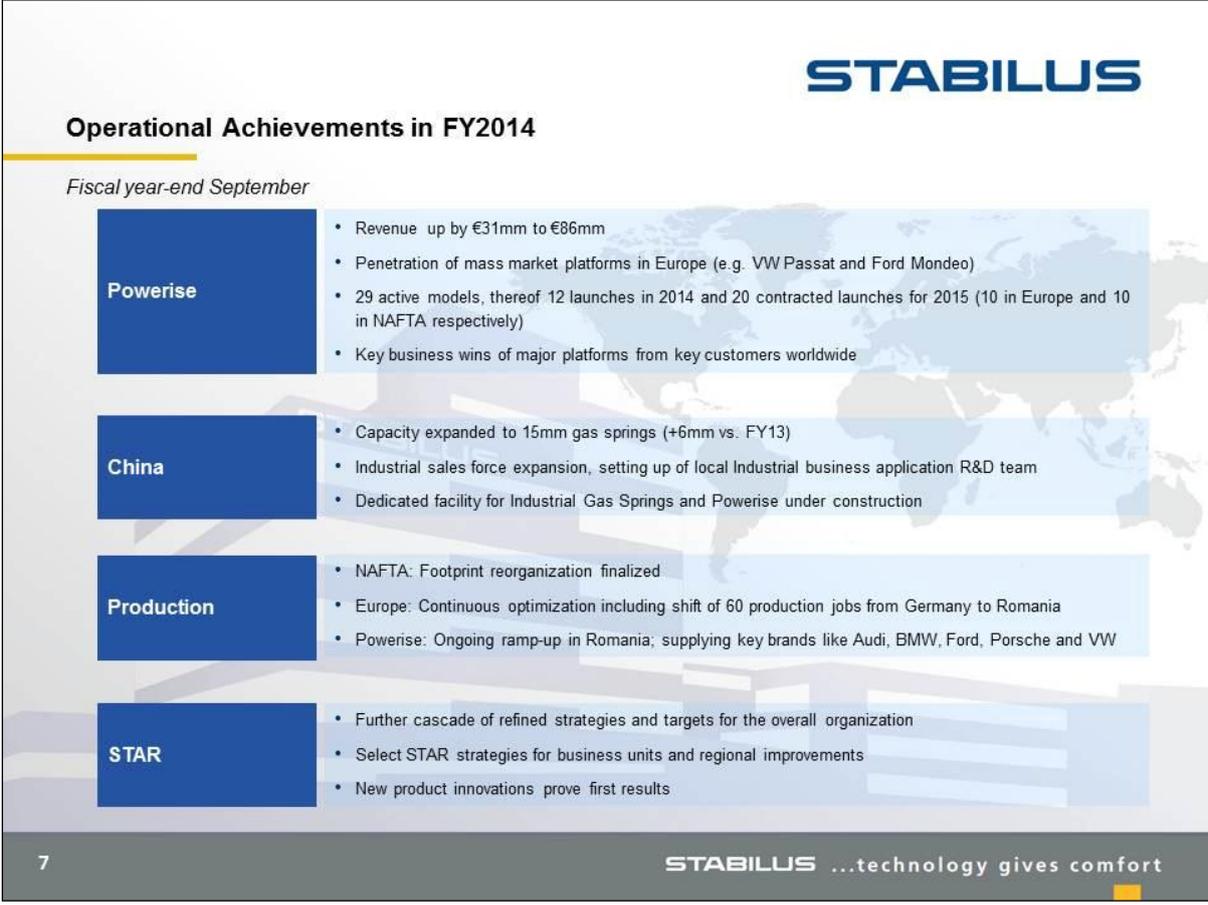
An important part in our strategy process STAR are projects in this direction. Capex 75 initiative, where we reduce our costs for investments in new capacity, or more general cost improvement, cost engineering, process reengineering and quality initiatives with all the common targets of continuous improvement.

The very large volumes we produce allow us to be very price efficient and give us an advantage resulting in a benefit for our customers.



Sustainability is a further important aspect for Stabilus. The demand towards quality, safety, comfort and environmental compatibility of our products rises constantly. We meet the European Eco-Audit demands (EMAS) as well as the worldwide valid environmental management system according to DIN EN ISO 14001 and have been certified through its auditors ever since 1997. This includes not only the materials and products but also the production processes and all facilities. Stabilus proves that it cares about energy-saving and water protection measures as well as the recycling of all types of materials.

Sustainability means for us not only to have a focus on efficiency but we also care for our position in the society. Our employees are our main asset. We educate employees in eleven professional fields and offer further multiple trainings. In order to fill the management positions of the future we educate young professionals in our high-potential program “Rising STAR”. We consider our suppliers and customers as partners. The management responsibility is not only to maintain the company, but to generate long term profitable growth and hence secure the workplace of our employees.



STABILUS

Operational Achievements in FY2014

Fiscal year-end September

| | |
|-------------------|---|
| Powerise | <ul style="list-style-type: none"> • Revenue up by €31mm to €86mm • Penetration of mass market platforms in Europe (e.g. VW Passat and Ford Mondeo) • 29 active models, thereof 12 launches in 2014 and 20 contracted launches for 2015 (10 in Europe and 10 in NAFTA respectively) • Key business wins of major platforms from key customers worldwide |
| China | <ul style="list-style-type: none"> • Capacity expanded to 15mm gas springs (+6mm vs. FY13) • Industrial sales force expansion, setting up of local Industrial business application R&D team • Dedicated facility for Industrial Gas Springs and Powerise under construction |
| Production | <ul style="list-style-type: none"> • NAFTA: Footprint reorganization finalized • Europe: Continuous optimization including shift of 60 production jobs from Germany to Romania • Powerise: Ongoing ramp-up in Romania; supplying key brands like Audi, BMW, Ford, Porsche and VW |
| STAR | <ul style="list-style-type: none"> • Further cascade of refined strategies and targets for the overall organization • Select STAR strategies for business units and regional improvements • New product innovations prove first results |

7 STABILUS ...technology gives comfort

Let me come to the fiscal year 2014. An exciting year were we surpassed for the first time the sales of half a billion euros. On May 23 we rang the bell at the stock exchange in Frankfurt. Allow me to say so: That was a thrilling step! And a highly motivated team was involved to the max beforehand to get to that point. Despite that additional effort Stabilus continued to push further all operational tasks and made further big steps on our growth path defined in the STAR initiative.

Very successful was the development of our Powerise segment. The revenue went up by €31 million to €86 million.

Successful new launches in both Europe and NAFTA supported our strong growth. The trend towards to mass-market platforms became visible in Europe with launches of e.g. VW Passat and Ford Mondeo. Besides the pure sales aspect we also booked key business wins of major platforms from key customers worldwide.

In our growth market China we've successfully launched our fully automated line leading to a capacity expansion of 9 million to now 15 million gas springs per year.

Annual General Meeting – February 18, 2015

CEO Speech

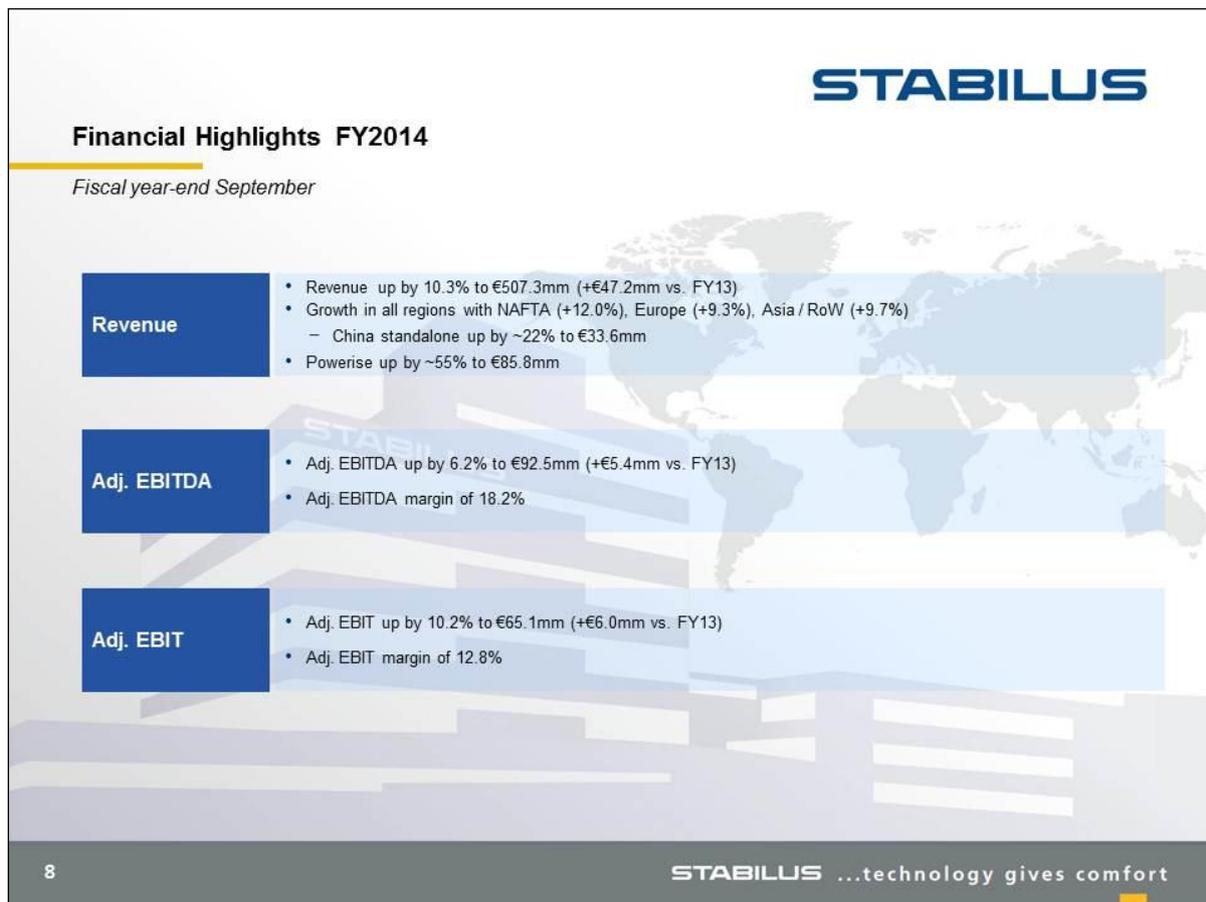
In the Industry sector we see a lot of potential in China thus the salesforce was expanded and a local industrial business application R&D Team was set up. The dedicated new facility for industrial gas springs and later also for the Powerise is under construction.

Other steps forward in the production area were taken in various regions of the world. The NAFTA footprint reorganization that kept us busy especially in the first half of the fiscal year 2014 was successfully finalized.

The continuous optimization of the footprint in Europe included a shift of 60 production jobs from Germany to Romania for more manual workplaces.

A key driver of Stabilus is our strategy process STAR for Stabilus reloaded. This year we were able to further cascade our refined strategy and targets into the overall organization.

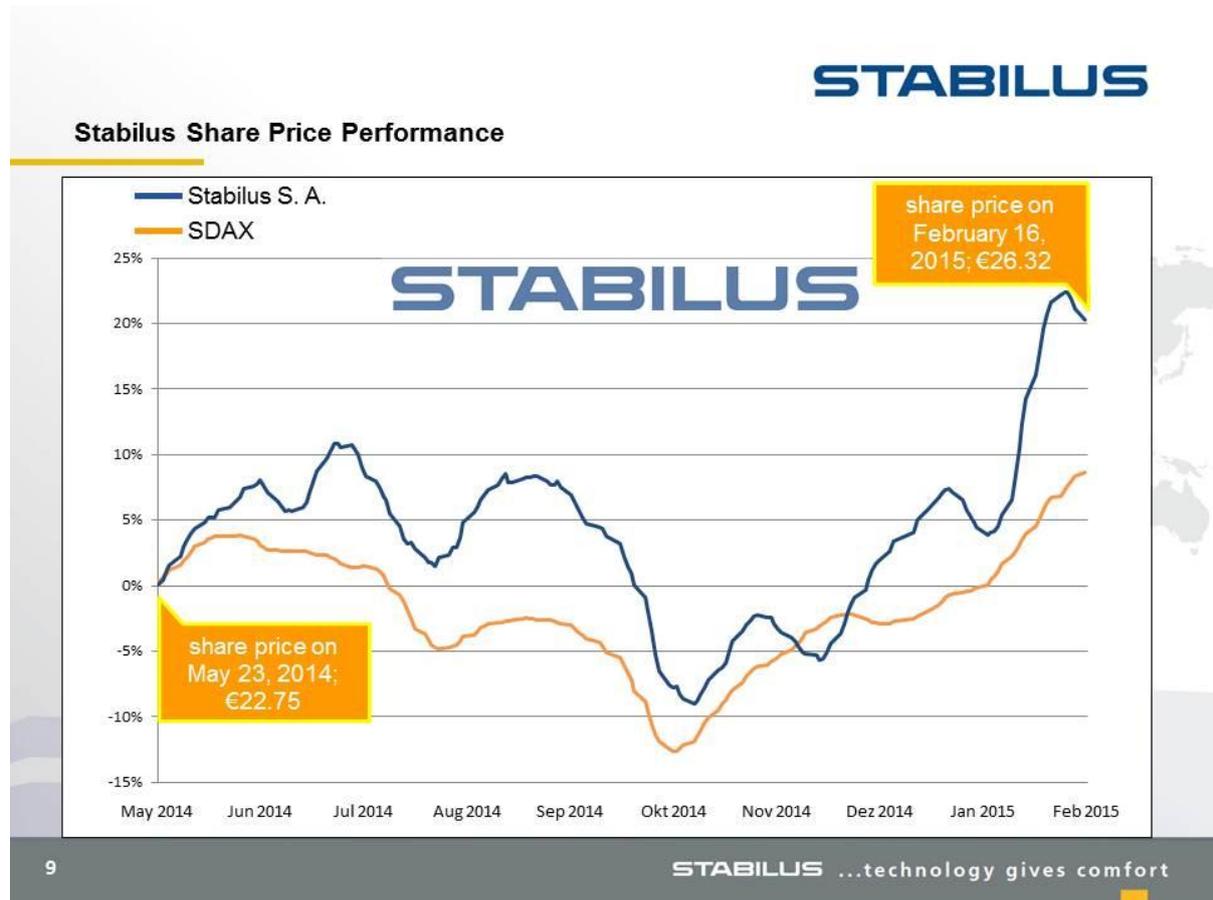
Selected STAR strategies for business units, regions and functions have been initiated and also our new product-innovation process is yielding first results.



It was clear to us before, that money will be needed for investments to fulfill the orders that were already placed by the automotive industry. It was therefore easy to predict that in the first year no dividends were to be distributed. This statement was already included in the prospectus published in May last year.

The total revenue in the fiscal year 2014 increased by 10.3% compared to the previous fiscal year. The increase is reflected in all regional areas - NAFTA up 12.0%, Europe up 9.3% and Asia / Pacific and rest of world up 9.7% respectively.

The adjusted EBITDA result was €92.5 million. €5.4 million or 6.2% more than previous fiscal year leading to an EBITDA margin of 18.2%. The adjusted EBIT result was €65.1 million. €6.0 Mio € or 10.2% more than in the previous fiscal year leading to an adjusted EBIT margin of 12.8%.



Ever since the IPO in May our share has outperformed the SDAX. The publication of our 2014 results as well as our 2015 guidance have pushed the share value further since the beginning of December. Information on a refinancing was initially received with caution, but lead to a rise in mid-January. Currently the closing price is €26.32. Overall, we can be proud of a positive share price development.



Strategic priorities for FY 2015

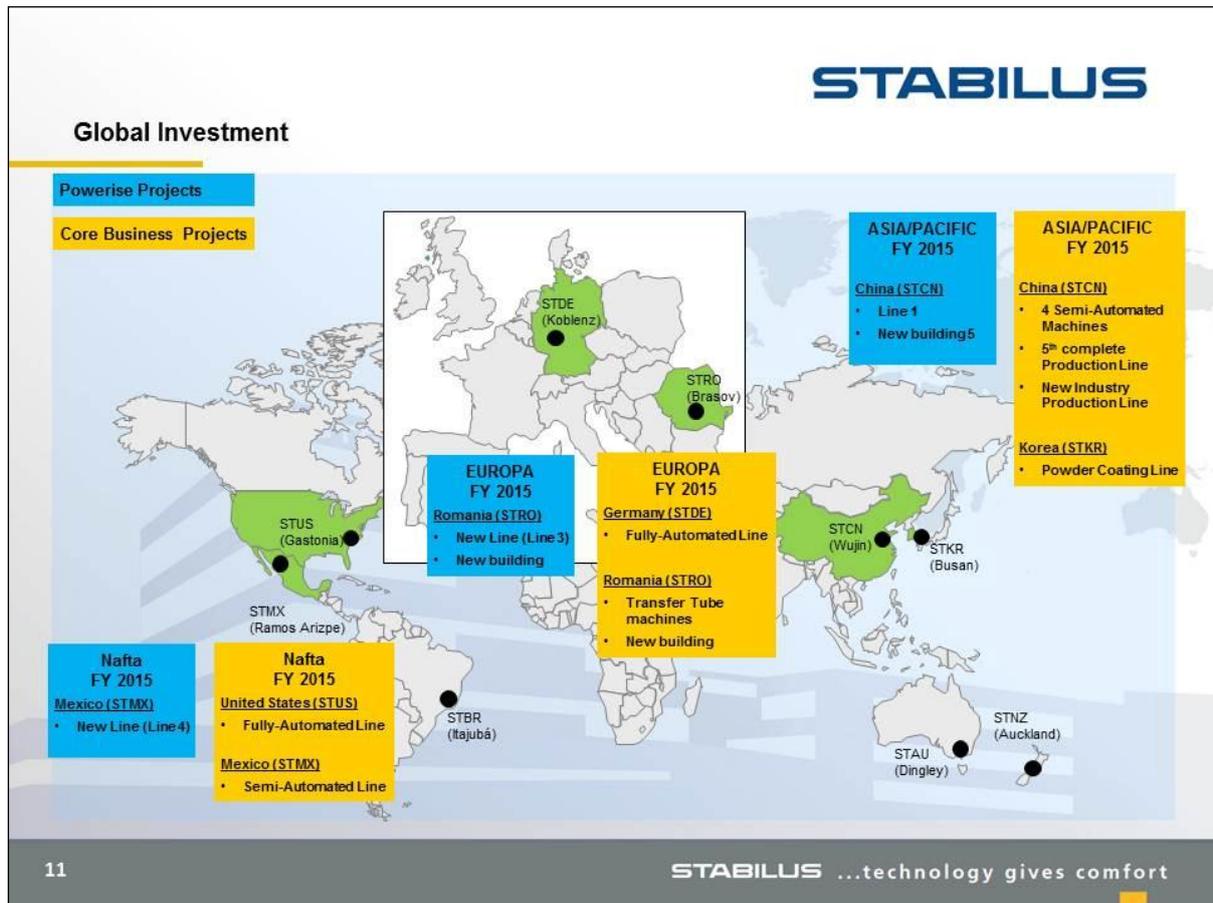
| | |
|-------------------|---|
| Asia | <ul style="list-style-type: none">• Further implement and expand Asia growth plan• Fully establish and expand local production and sales force capabilities• Expand local business in Powerise and Industrial |
| Powerise | <ul style="list-style-type: none">• Further capitalize on extremely strong end-market momentum• Winning key platforms and driving market share• Production footprint optimization towards mass production |
| Industrial | <ul style="list-style-type: none">• Focus on product and application innovation• Transfer of Powerise solutions into industrial applications |

10

STABILUS ...technology gives comfort

The fiscal year of Stabilus begins in October. This is why we have already published our Q1 results for 2015 with another record result.

This year we will continue to roll out our growth strategy called STAR. Right now we are systematically breaking down selected STAR strategies in the regions, functions and our business units.



Besides our strategic priorities we are investing continuously in our production plants in all regions to ensure that we can satisfy the rising order volumes with on-time delivery and the customary high quality level that is expected of Stabilus. At present we are extending our plants in China, Mexico and Romania. New capacities for Powerise and gas spring are added in all regions.

Our further strategic priorities have a clear focus on Asia.

China - Automotive Step 3+4

STABILUS



Building 3
Finished:
Dec. 2013 / Jan. 2014



12 **STABILUS ...technology gives comfort**

China - Industrial + Powerise

STABILUS



Building 5
Planned Finishing Date:
September / October 2015



13 **STABILUS ...technology gives comfort**

Romania - Transfer of Tube Production from Germany

STABILUS



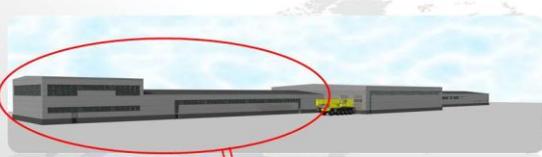
Building Extension
Planned Finishing Date:
February 2015



14 **STABILUS ...technology gives comfort**

Romania - Powerise Line 3

STABILUS



Building Extension
Planned Finishing Date:
June 2015

15 **STABILUS ...technology gives comfort**

Korea - Powder Coating Line

STABILUS



SOP Date :
July 2015



16 **STABILUS ...technology gives comfort**

STABILUS

New Product Launches

| | |
|--|--|
| <p>Drop gate damper improves quality appearance</p>  | <p>Dampening of solar panel movements</p>  |
| <p>Supporting comfort needs</p>  | <p>Height adjustable mattress eases service in hotels</p>  |

17 **STABILUS ...technology gives comfort**

Our products facilitate ease of operation in all kinds of places. As a component and system supplier, we are also responsible for a growing number of applications. The high demand of our customers and our competence to fulfill it in cooperation with our customers and suppliers separates us from our competitors.

The innovations shown are just some out of many examples of the successful cooperation with our partners: Our drop-gate damper EZ-Down that supports the customer when lowering the pick-up gates, our quite new and very successful damper for solar panel movements, as well as gas springs for high-end ironing boards and our solution for height adjustable mattresses providing ergonomically and easier service in hotels.

The slide features the STABILUS logo in the top right corner. Below it, the title 'Potential refinancing of senior secured notes' is displayed. A blue horizontal bar contains the subtitle 'Description of senior secured notes and impacts from refinancing'. A vertical blue bar on the left side of the main content area is labeled 'Refinancing'. The main content area contains a bulleted list of details. The background of the slide includes a faint world map and a stylized building graphic at the bottom.

STABILUS

Potential refinancing of senior secured notes

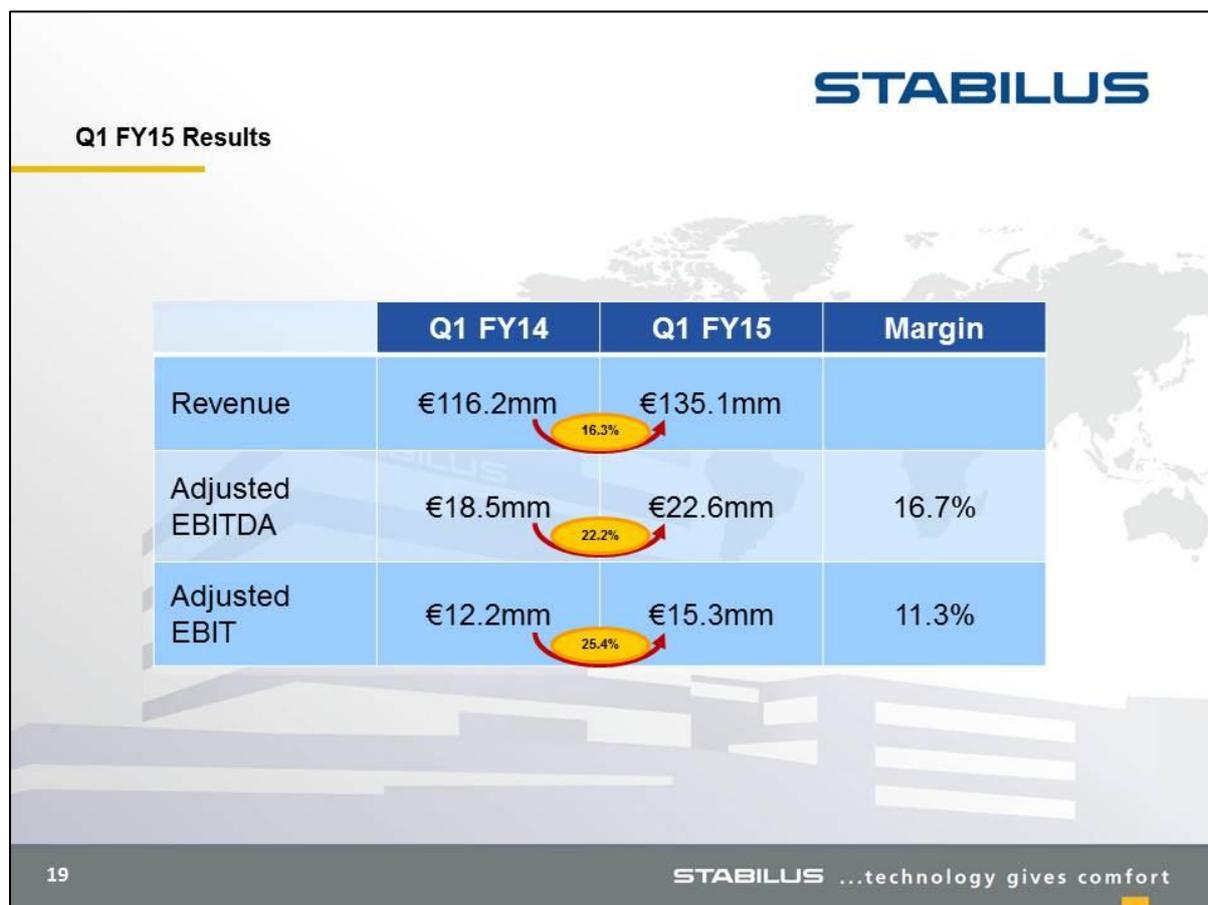
Description of senior secured notes and impacts from refinancing

Refinancing

- New Financing opportunity
 - Signed loan contract with a total of €320mm (€270mm term loan facility and €50mm RCF)
 - Euribor + 2.0% margin (at current leverage level)
 - 5 + 1 year duration
 - Annualized cash interest savings of **~€13mm starting** June 2015
 - Bank fee, implementation and early redemption cost on current financing of ~€15mm

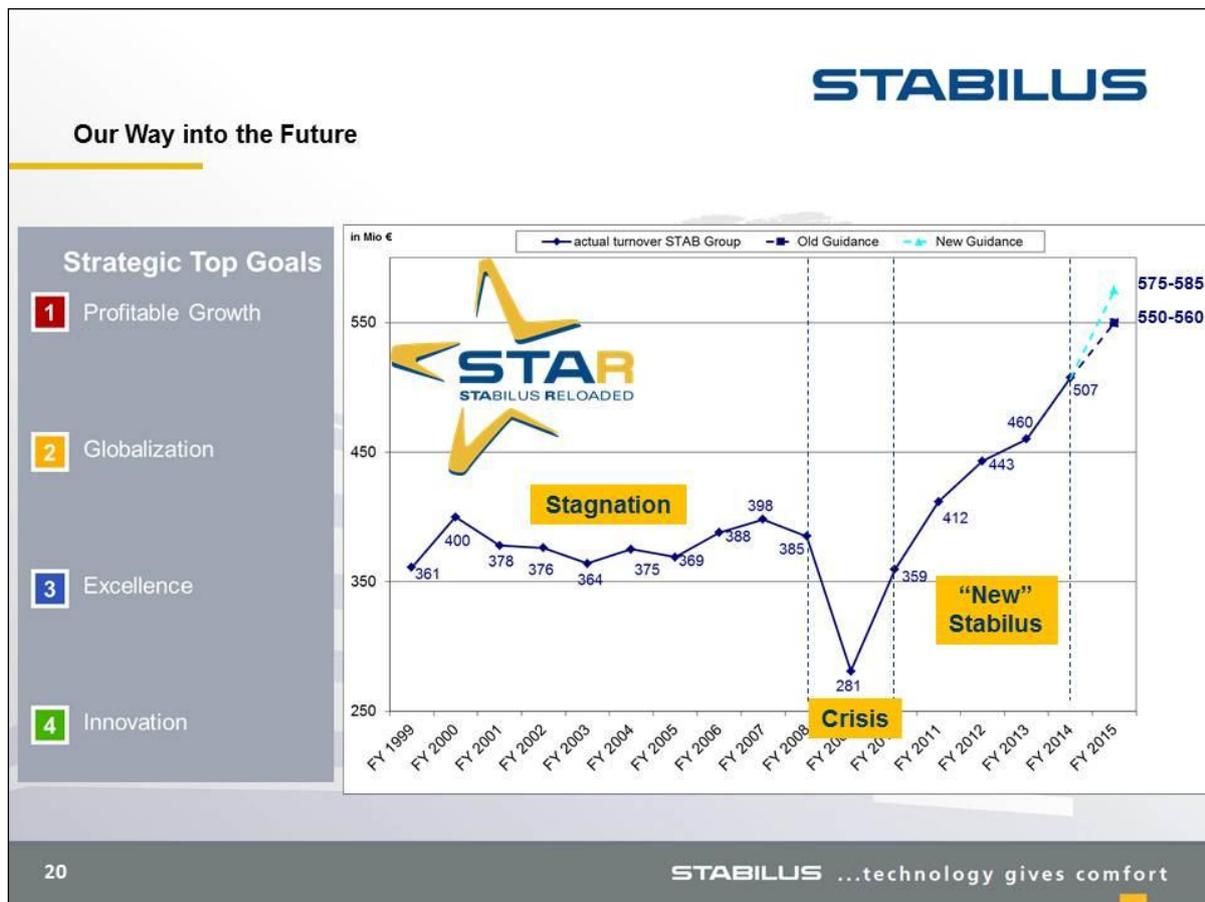
18 **STABILUS ...technology gives comfort**

An additional and very important step for 2015 will be the refinancing of our senior secured loans which is planned for June. This refinancing will lead us into a very sound financial position. Currently the interest rate is 7.75%. The refinancing will give access to money at the rate of EURIBOR plus 2%. In absolute figures this measure can reduce our interest payments by €13 million per year in comparison to the current financing structure.



First quarter showed a strong YoY increase of approx. 16% to €135.1 million including approx. €4.0 million positive effects resulting from the strong US-\$. Even after this adjustment, we still show a strong increase in sales.

EBITDA showed a strong growth of c. 22% this quarter versus last year. With an expected US-\$ sales of US-\$ 260 million in the FY2015, we will benefit from a stronger US-\$. At EBIT level, we will benefit from the NAFTA result dollar translation. With our strong natural hedging, we have reduced the transactional risks for the group.



We had started our planning process for 2015 between February and April 2014. Back then, the strong development of the US-\$ was not predictable. Assuming an average exchange rate of €1.00 = US-\$1.20, for the fiscal year 2015, we are expecting a turnover of approx. €575 million to €585 million for the fiscal year 2015, which corresponds to a growth rate of up to 15%. The FX rate effect is up to €25 million.

Ladies and gentlemen, allow me now to conclude my speech for today.

I have just given you all information on last year’s results and an outlook beyond the ongoing fiscal year. We have many exiting plans for the future. I sincerely hope you will remain with us to enjoy the benefits of them and welcome you back here again next year for our second annual meeting.

Thanks for your attention. I will be glad to answer your questions now.