

First quarter results FY2017

February 13, 2017



Disclaimer

Stabilus S.A. (the “Company“, later “Stabilus”) has prepared this presentation solely for your information. It should not be treated as giving investment advice. Neither the Company, nor any of its directors, officers, employees, direct or indirect shareholders and advisors nor any other person shall have any liability whatsoever for any direct or indirect losses arising from any use of this presentation.

While the Company has taken all reasonable care to ensure that the facts stated in this presentation are accurate and that the opinions contained in it are fair and reasonable, this presentation is selective in nature. Any opinions expressed in this presentation are subject to change without notice and neither the Company nor any other person is under any obligation to update or keep current the information contained in this presentation. Where this presentation quotes any information or statistics from any external source, you should not interpret that the Company has adopted or endorsed such information or statistics as being accurate. This presentation contains forward-looking statements, which involve risks, uncertainties and assumptions that could cause actual results, performance or events to differ materially from those described in, or expressed or implied by, such statements. These statements reflect the Company’s current knowledge and its expectations and projections about future events and may be identified by the context of such statements or words such as “anticipate,” “believe”, “estimate”, “expect”, “intend”, “plan”, “project” and “target”. No obligation is assumed to update any such statement.

Agenda

1. Financial highlights
2. Results by region
3. Results by market
4. Outlook
5. Appendix

First quarter results FY2017

1. Financial highlights

2.

3.

4.

5.

Highlights Q1 FY2017

Fiscal year-end September

Revenue	<ul style="list-style-type: none">• Revenue up by 25.9% to €210.7mm (+€43.4mm vs. Q1 FY16)• Growth in all regions with Asia / Pacific and RoW (+36.7%) , Europe (+27.0%) as well as NAFTA (+21.2%)• Growth in Powerise (+25.6%), Capital Goods (+15.6%), Gas Spring (+6.5%)
Adj. EBIT	<ul style="list-style-type: none">• Adj. EBIT up by 42.0% to €29.4mm (+€8.7mm vs. Q1 FY16)• Adj. EBIT margin at 14.0% (vs. Q1 FY16 margin of 12.4%)
Profit	<ul style="list-style-type: none">• Profit after tax up by 120.7% to €29.8mm (+€16.3mm vs. Q1 FY16)• Profit margin at 14.1% (vs. Q1 FY16 margin of 8.1%)
Net leverage ratio	<ul style="list-style-type: none">• Net leverage ratio¹ at 2.3x, pro-forma² at approx. 2.1x (vs. 2.5x and pro-forma² 2.1x end FY2016)• Net financial debt at €325.3mm; €10mm redemption of senior facilities in Q1 FY17
Outlook	<ul style="list-style-type: none">• FY2017 guidance unchanged:<ul style="list-style-type: none">• Revenue: €865mm assuming US\$/€ avg. rate in FY17 of 1.15 \$/€, €880mm assuming 1.10 \$/€• Adj. EBIT margin: 13%-14%

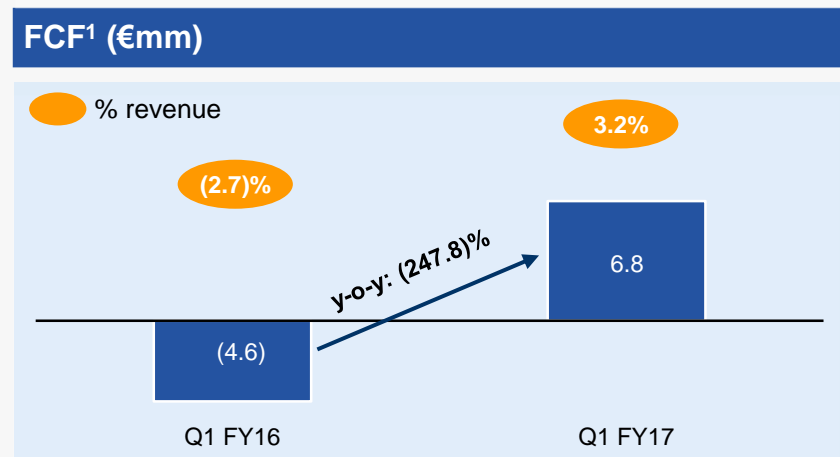
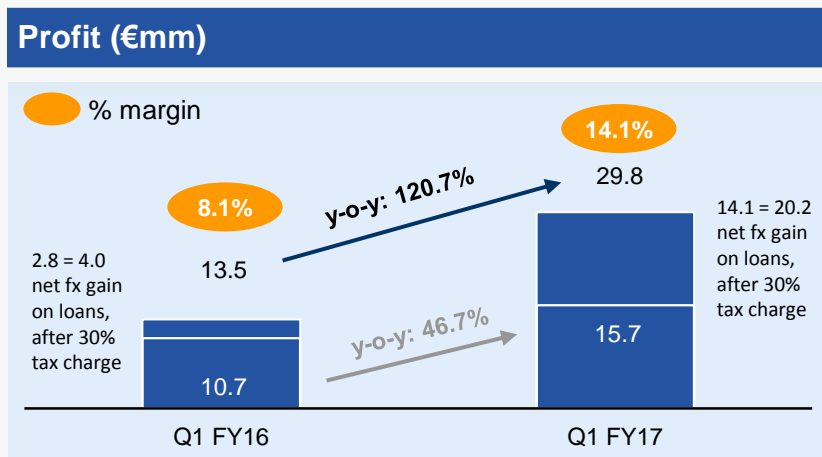
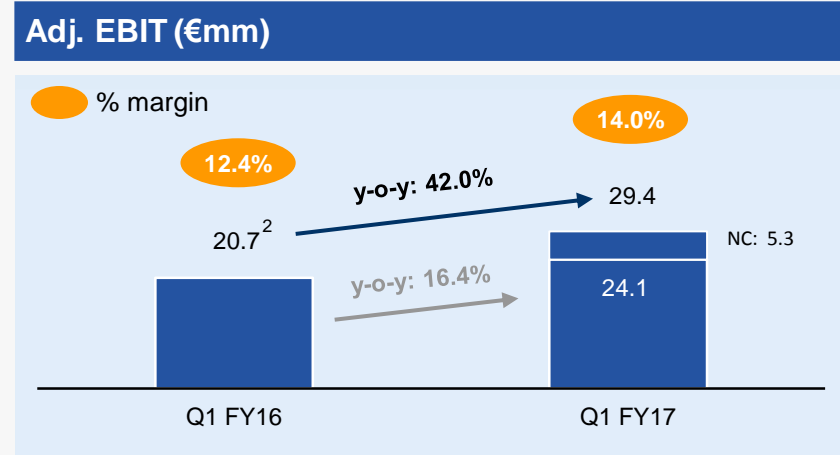
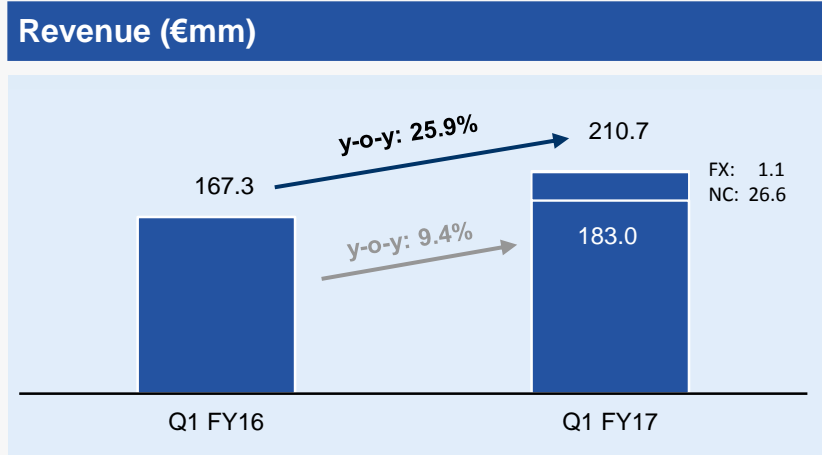
Note:

¹ Net leverage ratio = net financial debt / adj. EBITDA LTM. Net financial debt defined as principal amount of senior facilities less cash.

² Pro-forma, i.e. considering earnings of acquired companies. Adj. EBITDA LTM: €143.1mm + €13.5mm (1/2 of €27.0mm) = €156.6mm.

Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

Stabilus shows strong operating performance in Q1 FY2017 (y-o-y)



Note: **FX** = currency effect resulting from translation of NAFTA revenue (w/o NC) from USD to EUR. Avg. fx rate of 1.08\$/€ in Q1 FY17 versus 1.10\$/€ in Q1 FY16. **NC** = contribution of 'new companies' ACE, Hahn Gasfedern, Fabreeka / Tech Products (acquired in June 2016). ¹ **FCF** = cash flow from operating activities plus cash flow from investing activities. See page 20 for further details. ² Adjustments for pension interest charges in EBIT are discontinued from Q1 FY17 on, i.e. there is no adjustment for €0.3mm pension interest in Q1 FY17. For comparison reasons, the Q1 FY16 adj. EBIT was reduced in this presentation by €0.3mm.

First quarter results FY2017

1.

2. Results by region

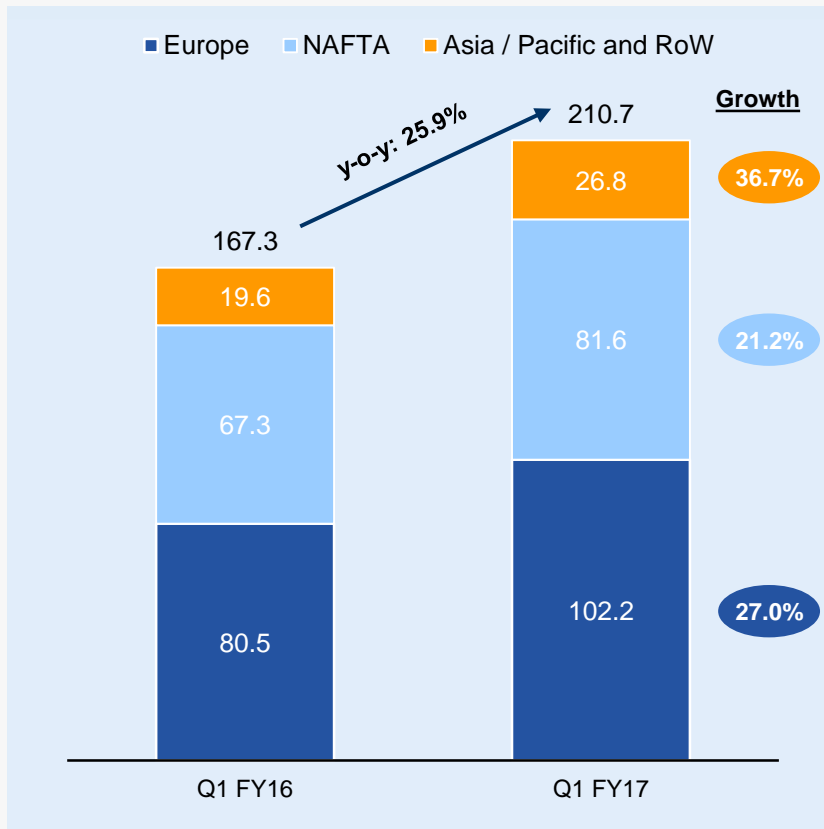
3.

4.

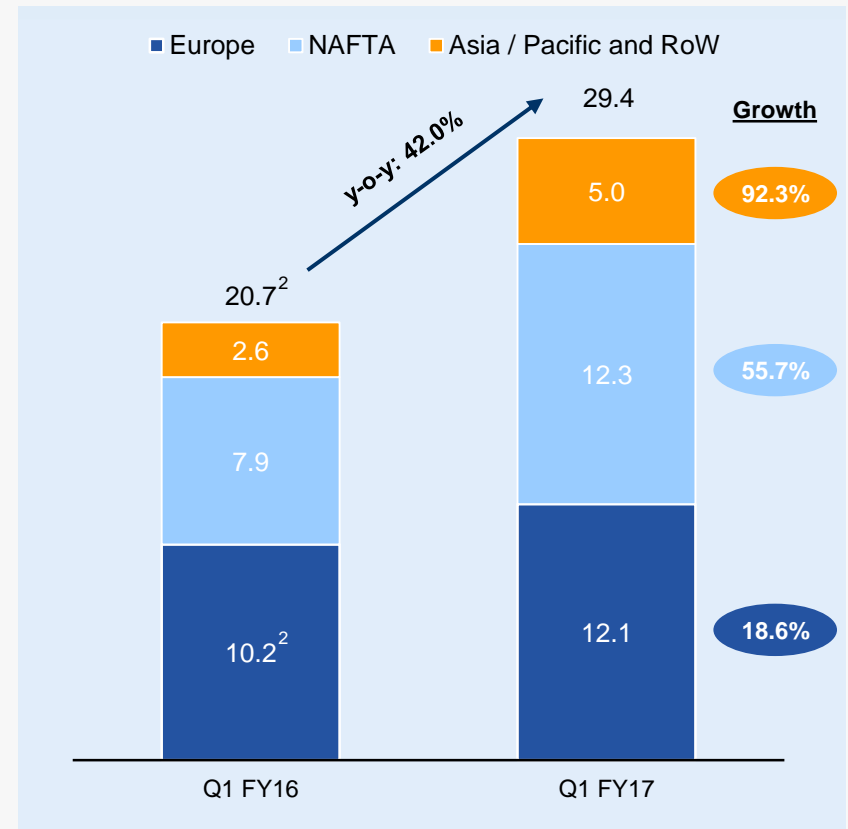
5.

Q1 FY2017 revenue and adj. EBIT growth – by region (y-o-y)

Revenue by region¹ (€mm)



Adj. EBIT by region (€mm)



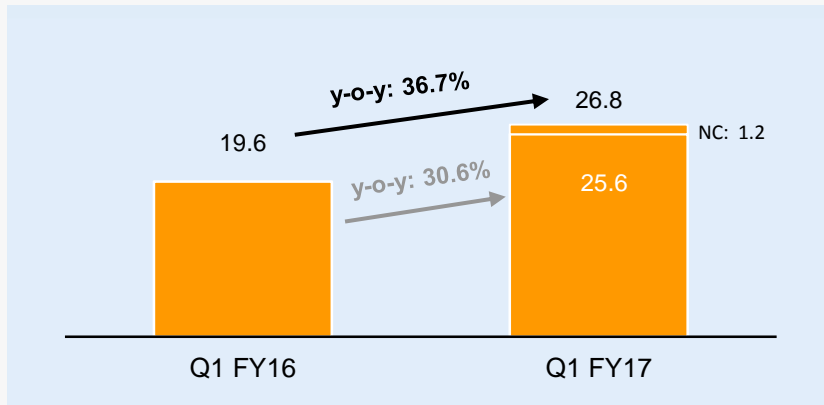
Note: Stabilus fiscal year-end is September. Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

¹ Billed-from view, without intersegment revenue.

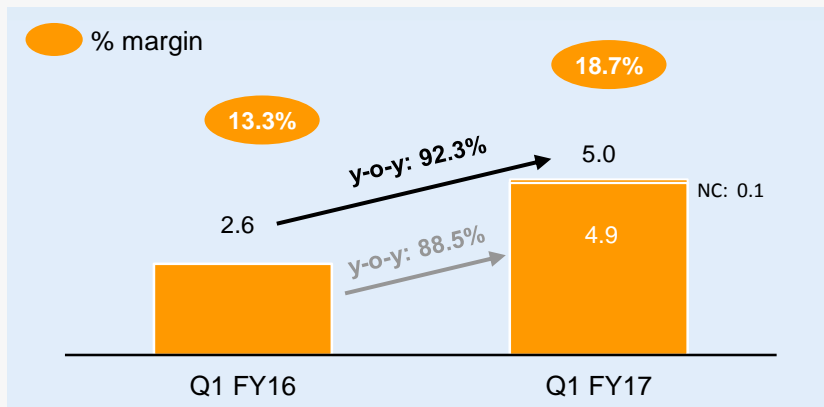
² Adjustments for pension interest charges in EBIT are discontinued from Q1 FY17 on, i.e. there is no adjustment for €0.3mm pension interest in Q1 FY17. For comparison reasons, the Q1 FY16 adj. EBIT was reduced in this presentation by €0.3mm (Q1 FY16 pension interest).

Asia / Pacific and RoW – Q1 FY2017 revenue and adj. EBIT growth (y-o-y)

Revenue¹ (€mm)



Adj. EBIT (€mm)



Note: Stabilus fiscal year-end is September.

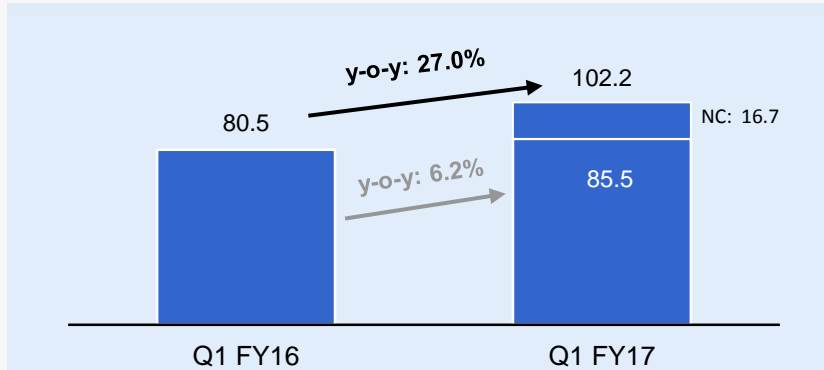
¹ External revenue only. NC = contribution of 'new companies' ACE, Hahn Gasfedern, Fabreeka / Tech Products (acquired in June 2016).

Key highlights

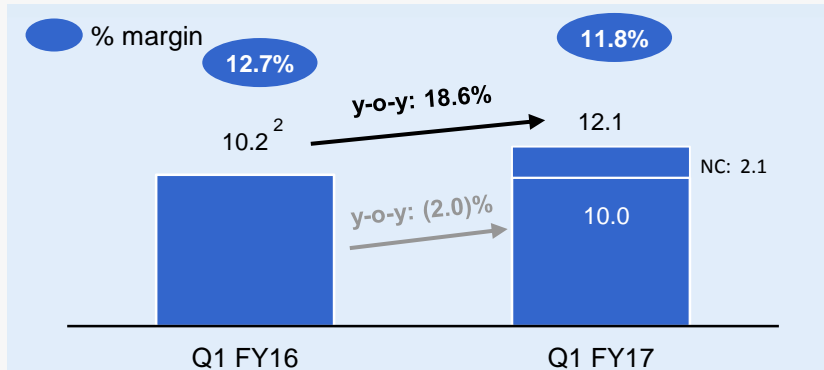
- Asia/Pacific and RoW car production in Q1 FY17 at 15.0mm units, i.e. +8.6% vs. Q1 FY16 (China: +12.2%, Japan/Korea: -0.2%, South America: +4.2%)
- Revenue growth (+€7.2mm or +36.7% y/y) in Q1 FY17: +€4.5mm Gas Spring, +€1.0mm Powerise, +0.6mm Capital Goods (+33.3% vs. Q1FY16)
- Excluding the contribution of new companies of €1.2mm, Asia and RoW's revenue improved by 30.6%
- China's Q1 FY17 revenue at €17.2mm (+35.2% y/y); Korea's at €3.7mm(+27.2 % y/y), Brazil's revenue at €1.5mm (+46.1% y/y)
- EBIT margin improvement from 13.3% to 18.7%

Europe – Q1 FY2017 revenue and adj. EBIT growth (y-o-y)

Revenue¹ (€mm)



Adj. EBIT (€mm)



Note: Stabilus fiscal year-end is September.

¹ External revenue only. ² Adjustments for pension interest charges in EBIT are discontinued from Q1 FY17 on, i.e. there is no adjustment for €0.3mm pension interest in Q1 FY17. For comparison reasons, the Q1 FY16 adj. EBIT was reduced in this presentation by €0.3mm (Q1 FY16 pension interest).

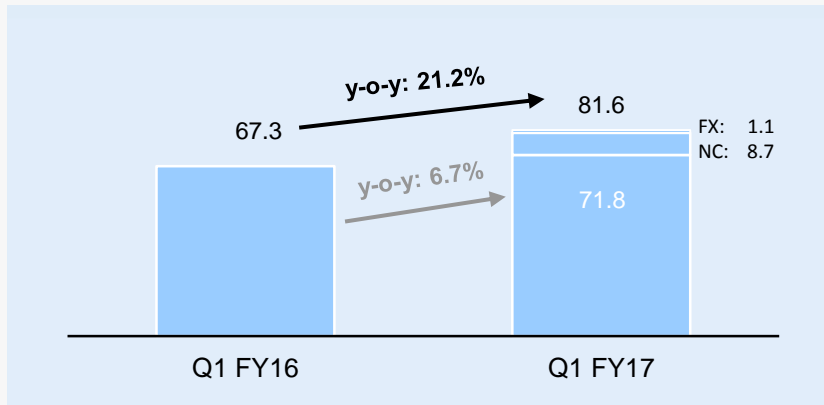
NC = contribution of 'new companies' ACE, Hahn Gasfedern, Fabreeka / Tech Products (acquired in June 2016).

Key highlights

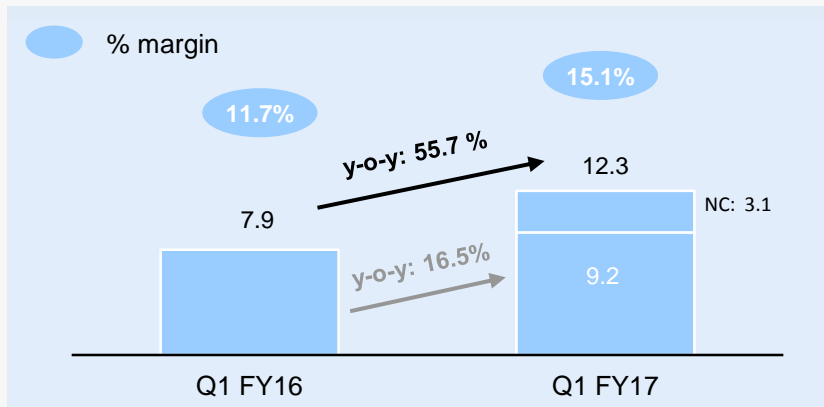
- Car production in Q1 FY17 at 5.3mm units, i.e. +2.3% vs. Q1 FY16
- Europe's revenue growth (+€21.7mm or +27.0% y/y) is primarily driven by our Powerise business: Powerise revenue increased by 23.4% to €21.6mm (Q1 FY16: 17.5mm)
- Excluding the contribution of new companies (€16.7mm), Europe's revenue grew by 6.2% y/y
- Europe's Q1FY17 profitability is impacted by higher R&D costs as we increased our efforts
- New companies were burdened by the strong USD (due to their strong intercompany sourcing from the US) and IT integration cost

NAFTA – Q1 FY2017 revenue and adj. EBIT growth (y-o-y)

Revenue¹ (€mm)



Adj. EBIT (€mm)



Key highlights

- NAFTA car production in Q1 FY17 at 4.4mm units, i.e. +1.2% vs. Q1 FY16
- NAFTA's revenue growth (+€14.3mm or +21.2%) is primarily driven by our Powerise business: Powerise revenue increased by 23.2% to €30.8mm in Q1 FY17 (vs. €25.0mm in Q1 FY16)
- Excluding the contribution of new companies (€8.7mm) and \$/€ currency translation effect (€1.1mm), NAFTA's revenue increased by 6.7% y/y
- Adj. EBIT increased by 55.7% (16.5% not considering the new companies)
- Adj. EBIT margin of 'old companies' improved from 11.7% to 12.8% (pre fx related revenue change)

Note: Stabilus fiscal year-end is September. ¹ External revenue only. FX = currency effect resulting from translation of NAFTA revenue (w/o NC) from USD to EUR. Avg. fx rate of 1.08\$/€ in Q1 FY17 versus 1.10\$/€ in Q1 FY16. NC = contribution of 'new companies' ACE, Hahn Gasfedern, Fabreeka / Tech Products (acquired in June 2016).

First quarter results FY2017

1.

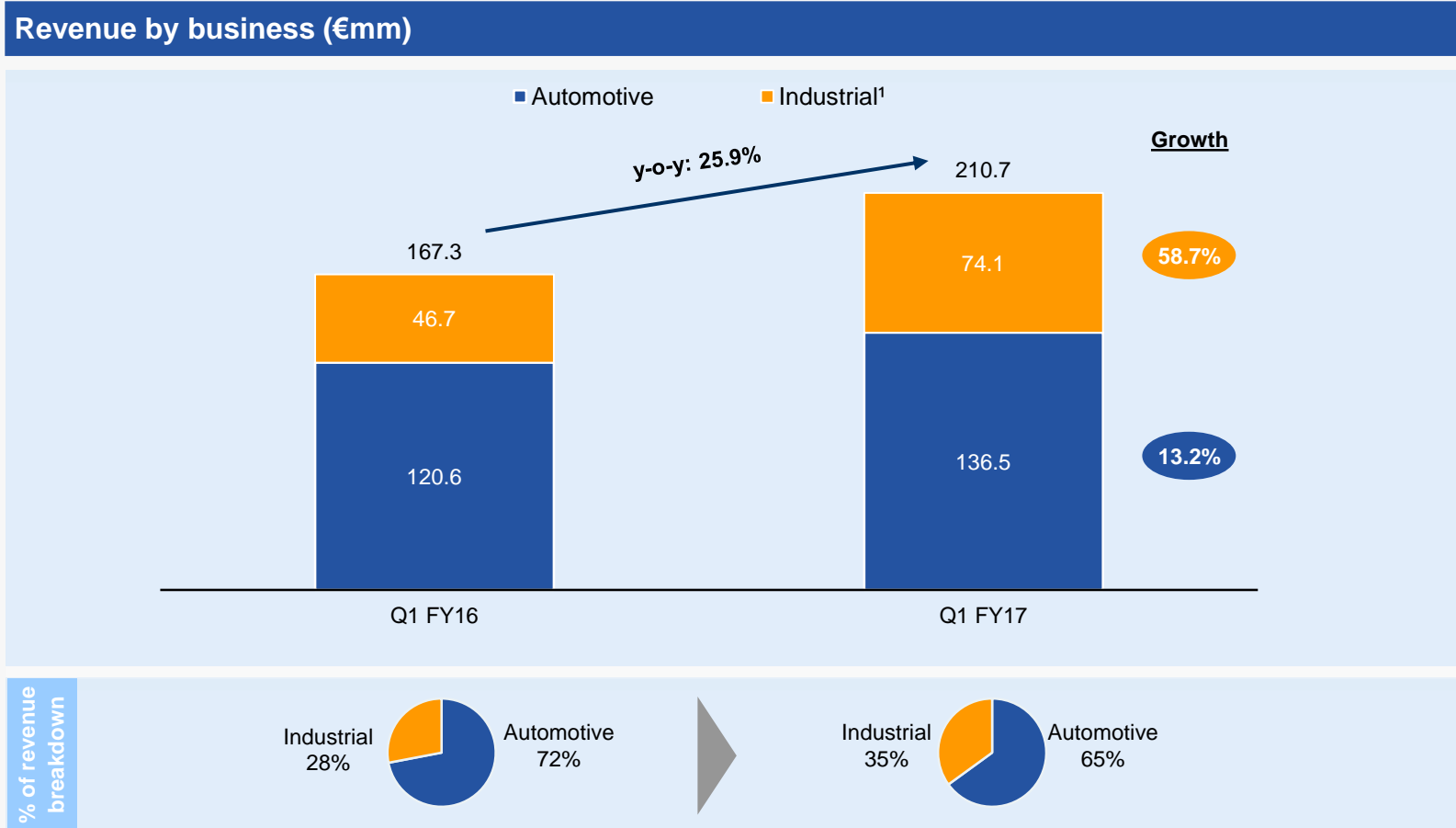
2.

3. Results by market

4.

5.

Q1 FY2017 revenue growth – by business (y-o-y)



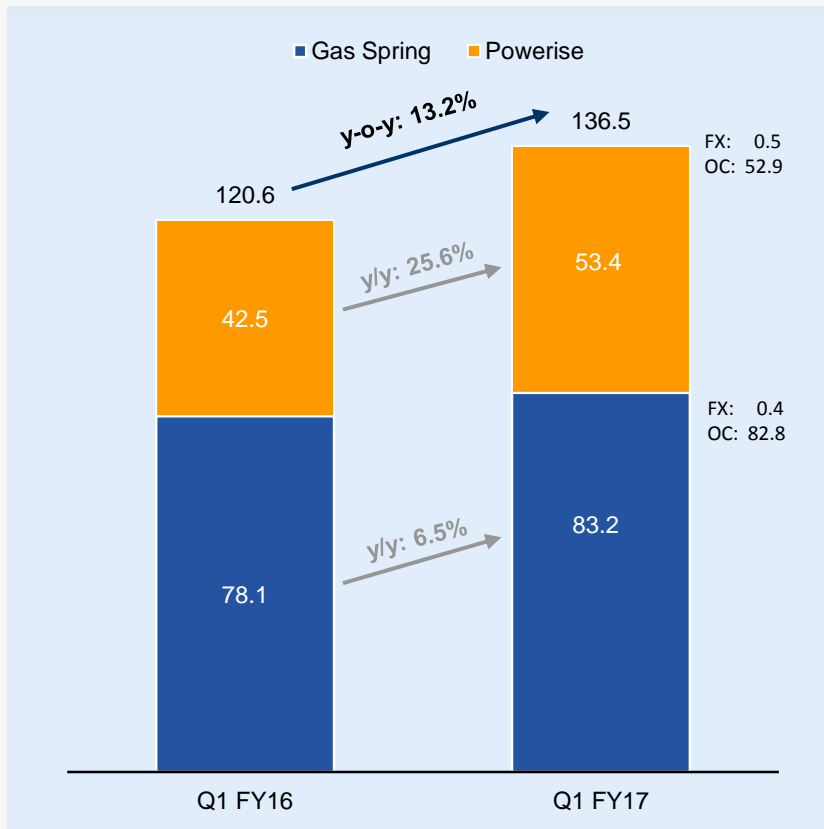
Note: Stabilus fiscal year-end is September.

¹ Industrial including Capital Goods, Vibration & Velocity Control and Commercial Furniture (former Swivel Chair) revenue.

Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

Q1 FY2017 revenue growth – Automotive business (y-o-y)

Revenue (€mm)



Key highlights

- Global car production in Q1 FY17 up to 24.7mm (+5.8% vs. 23.3mm in Q1 FY16)
- Automotive revenue increased by 13.2% (12.5% without \$/€ currency translation effect)
- Continuing consumer trend towards SUV's supports automotive revenue development
- Automotive Gas Spring revenue increased by 6.5% (6.0% without \$/€ currency translation effect)
- 25.6% growth (24.5% without \$/€ currency translation effect) in Powerise reflects production ramp-ups and new product launches across various OEMs since Q1 FY16

Note: Stabilus fiscal year-end is September.

FX = currency effect resulting from translation of NAFTA revenue (w/o NC) from USD to EUR. Avg. fx rate of 1.08\$/€ in Q1 FY17 versus 1.10\$/€ in Q1 FY16.

NC = contribution of 'new companies' ACE, Hahn Gasfedern, Fabreeka / Tech Products (acquired in June 2016).

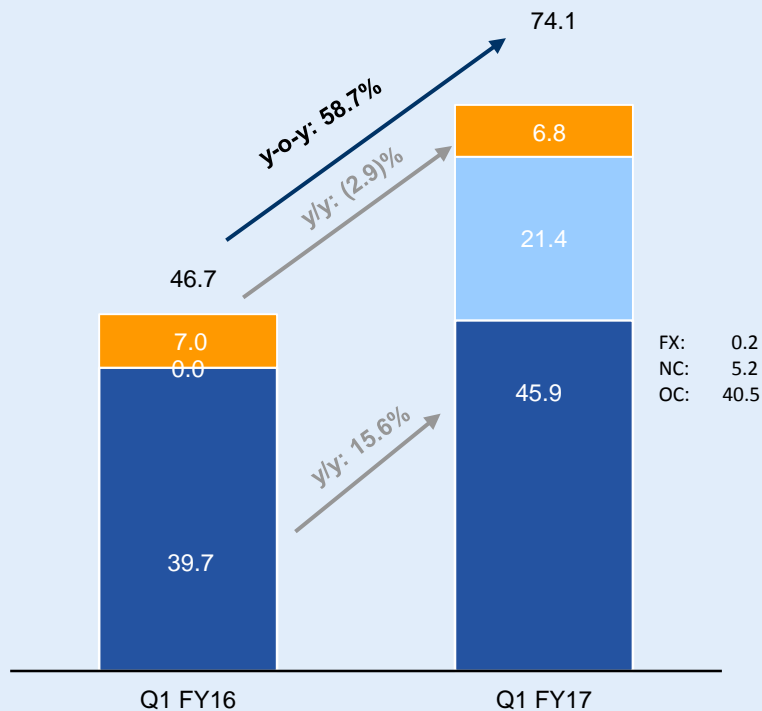
OC = contribution of 'old companies', excluding \$/€ currency conversion effect.

Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

Q1 FY2017 revenue growth – Industrial business (y-o-y)

Revenue (€mm)

■ Capital Goods ■ Vibration & Velocity Control ■ Commercial Furniture



Key highlights

- The acquired entity Hahn Gasfedern (€5.2mm revenue in Q1 FY17) is part of Capital Goods unit; ACE, Fabreeka / Tech Products form a new business unit *Vibration & Velocity Control* (€21.4mm revenue in Q1 FY17)
- Growth in Capital Goods business at 15.6%, excluding contribution of Hahn Gasfedern and \$/€ currency translation effect at 2.0%
- Swivel Chair business unit has been renamed in *Commercial Furniture* to better reflect the addressable market

Note: Stabilus fiscal year-end is September.

FX = currency effect resulting from translation of NAFTA revenue (w/o NC) from USD to EUR. Avg. fx rate of 1.11\$/€ in FY16 versus 1.16\$/€ in FY15.

NC = contribution of 'new companies' ACE, Hahn Gasfedern, Fabreeka / Tech Products (acquired in June 2016).

OC = contribution of 'old companies', excluding \$/€ currency conversion effect.

Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

First quarter results FY2017

1.

2.

3.

4. Outlook

5.

Outlook FY2017: Financial performance

	FY2016 Actual	FY2017 Guidance
Revenue	€737.5mm	€865mm
% Growth	20.6% (14.2% organic)	~17%
% Adj. EBIT margin	13.4%	13%-14%

Comments

- On track to deliver another record year, aiming for ambitious revenue and EBIT targets
- Powerise continues to be a clear growth driver
- Revenue guidance for FY2017: €865mm with US\$/€ avg. fx rate assumption for FY2017 of 1.15 \$/€
 - + €15mm to €880mm at 1.10 \$/€,
 - - €14mm to €851mm at 1.20 \$/€.
- Adj. EBIT margin guidance: 13%-14%.

First quarter results FY2017

1.

2.

3.

4.

5. Appendix

Q1 FY2017 P&L overview (3M ended December 31, 2016)

P&L (€mm)		
	Q1 FY2016 Actual	Q1 FY2017 Actual
Revenue	167.3	210.7
COGS	(126.9)	(150.8)
Gross Profit	40.4	59.9
<i>% margin</i>	24.1%	28.4%
R&D	(5.8)	(7.9)
S&M	(11.2)	(19.9)
G&A	(6.6)	(9.0)
Other income/expenses	0.8	1.1
EBIT	17.5	24.1
<i>% margin</i>	10.5%	11.4%
Adjustments ¹	3.2	5.3
Adj. EBIT¹	20.7	29.4
<i>% margin</i>	12.4%	14.0%

PPA adjustments (2010 PPA)	3.2	3.2
PPA adjustments (2016 PPA)	-	2.1
Total adjustments¹	3.2	5.3

Note: ¹ Adjustments for pension interest charges in EBIT are discontinued from Q1 FY17 on, i.e. there is no adjustment for €0.3mm pension interest in Q1 FY17. For comparison reasons, the Q1 FY16 adj. EBIT was reduced in this presentation by €0.3mm (Q1 FY16 pension interest).

Balance sheet overview

Balance sheet (€mm)		
	September 2016 Actual	December 2016 Actual
Property, plant and equipment	167.6	168.7
Goodwill	197.5	201.2
Other intangible assets	295.8	294.8
Inventories	74.7	78.3
Trade receivables	97.6	97.9
Other assets	29.2	30.2
Cash	75.0	69.7
Total assets	937.4	940.8
Equity incl. minorities	262.9	286.9
Debt (incl. accrued interest)	401.1	391.4
Pension plans and similar obligations	58.7	54.6
Deferred tax liabilities	60.6	66.5
Trade accounts payable	80.4	67.4
Other liabilities	73.7	74.0
Total equity and liabilities	937.4	940.8
<i>Net leverage ratio¹</i>	2.5x	2.3x
<i>Net leverage ratio – pro-forma²</i>	~ 2.1x	~ 2.1x

Note:

¹ Net leverage ratio = net financial debt / adj. EBITDA LTM. Net financial debt defined as principal amount of senior facilities less cash.

² Pro-forma, i.e. considering earnings of acquired companies. Adj. EBITDA LTM: €143.1mm + €13.5mm (1/2 of €27.0mm) = €156.6mm.

Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

Cash flow overview and free cash flow (3M ended December 31, 2016)

Cash Flow Statement (€mm)		
	Q1 FY2016 Actual	Q1 FY2017 Actual
Cash flow from operating activities	8.8	16.3
Cash flow from investing activities	(13.4)	(9.5)
Cash flow from financing activities	(1.6)	(12.5)
Net increase / (decrease) in cash	(6.2)	(5.7)
Effect of movements in exchange rates	0.4	0.4
Cash as of beginning of the period	39.5	75.0
Cash as of end of the period	33.8	69.7

Free Cash Flow (€mm)		
	Q1 FY2016 Actual	Q1 FY2017 Actual
Cash flow from operating activities	8.8	16.3
Cash flow from investing activities	(13.4)	(9.5)
Free cash flow	(4.6)	6.8
Payments for interest	(1.4)	(2.4)
Free cash flow after interest payments	(6.0)	4.4

Note:

Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

External revenue by region and customer market (3M ended December 31, 2016)

External revenue (€mm)		
	Q1 FY2016 Actual	Q1 FY2017 Actual
Automotive Gas Spring	32.9	33.7
Automotive Powerise	17.5	21.6
Industrial / Capital Goods ¹	24.3	29.8
Vibration & Velocity Control	-	11.5
Commercial Furniture (former Swivel Chair)	5.7	5.6
Europe	80.5	102.2
Automotive Gas Spring	27.5	27.3
Automotive Powerise	25.0	30.8
Industrial / Capital Goods	13.6	13.6
Vibration & Velocity Control	-	8.7
Commercial Furniture (former Swivel Chair)	1.2	1.2
NAFTA	67.3	81.6
Automotive Gas Spring	17.7	22.2
Automotive Powerise	-	1.0
Industrial / Capital Goods	1.8	2.4
Vibration & Velocity Control	-	1.2
Commercial Furniture (former Swivel Chair)	-	-
Asia / Pacific and RoW	19.6	26.8
Total Automotive Gas Spring	78.1	83.2
Total Automotive Powerise	42.5	53.4
Total Industrial / Capital Goods ¹	39.7	45.9
Total Vibration & Velocity Control	-	21.4
Total Commercial Furniture (former Swivel Chair)	7.0	6.8
Total	167.3	210.7

Note: ¹ In Q1 FY17 Industrial / Capital Goods revenue includes €5.2mm revenue of Hahn Gasfedern.

Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.