

FY2017 PRELIMINARY RESULTS

November 27, 2017

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2. Results by region
3. Results by market
4. Outlook
5. STAR 2025
6. Appendix

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FY2017 Highlights (preliminary figures)

Fiscal year-end September

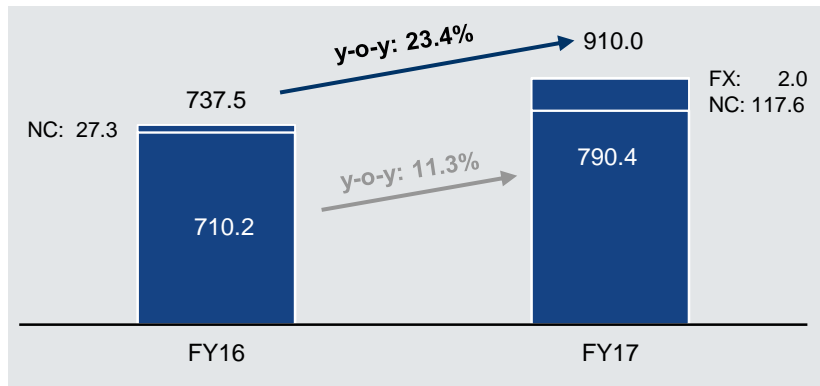
Revenue	<ul style="list-style-type: none"> ➤ Revenue up by 23.4% to €910.0m (+€172.5m vs. FY16) ➤ Growth in all regions: Europe (+25.3%), NAFTA (+21.3%), as well as Asia / Pacific and RoW (+22.2%) ➤ Growth in Powerise (+24.5%), Capital Goods (+19.5%), as well as Gas Spring (+6.4%)
Adj. EBIT	<ul style="list-style-type: none"> ➤ Adj. EBIT¹ up by 40.8% to €137.6m (+€39.9m vs. FY16) ➤ Adj. EBIT margin at 15.1% (vs. FY16 margin of 13.2%)
Profit	<ul style="list-style-type: none"> ➤ Profit after tax up from €48.0m in FY16 to €79.2m in FY17 (+€31.2m vs. FY16) ➤ Profit margin at 8.7% (vs. FY16 margin of 6.5%) ➤ Earnings per share at €3.21 (FY16: €2.21)
Net leverage ratio	<ul style="list-style-type: none"> ➤ €50m early / voluntary repayment of senior loans in Q4 FY17 (repayment of €62.5m in 12M FY17) ➤ Net leverage ratio¹ at 1.5x (vs. 2.5x end FY2016) ➤ Net financial debt¹ at €274.4m
Outlook	<ul style="list-style-type: none"> ➤ FY2018 revenue guidance: <ul style="list-style-type: none"> ➤ organic and at constant fx rates vs. FY17 (i.e. at 1.10 \$/€) ~ 7.1% y-o-y growth ➤ assuming 1.15 \$/€, ~ €960m (~ 5.5% y-o-y change) ➤ FY2018 adj. EBIT margin guidance: ca. 15.5%

Note:

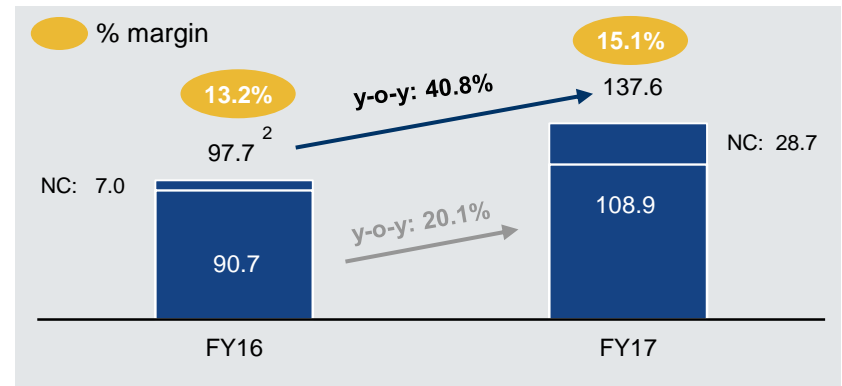
¹ For definition/calculation of KPIs like adj. EBIT, net leverage ratio etc. refer to appendix and/or our financial reports under www.ir.stabililus.com. Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

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

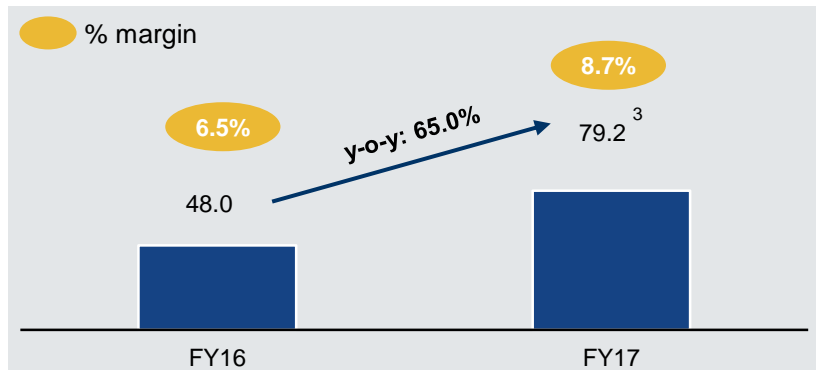
Revenue (€m)



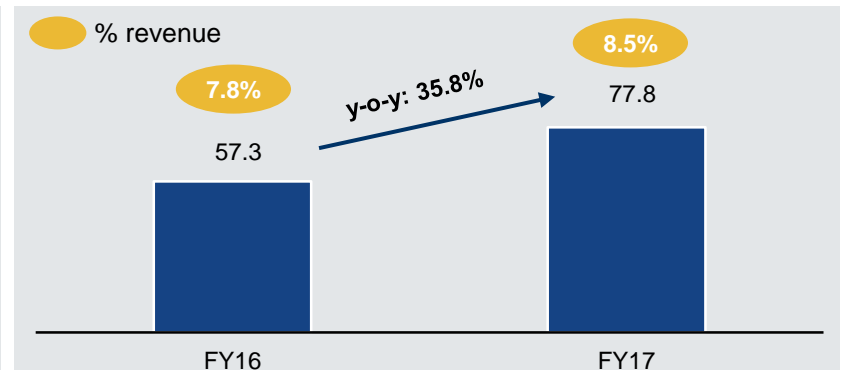
Adj. EBIT (€m)



Profit (€m)



Adj. FCF¹ (€m)



Note: **FX** = currency effect resulting from translation of NAFTA revenue (w/o NC) from USD to EUR. Avg. fx rate of 1.10\$/€ in FY17 versus 1.11\$/€ in FY16. **NC** = contribution of 'new companies' ACE, Hahn Gasfedern, Fabreeka / Tech Products (acquired in June 2016). ¹ **Adj. FCF** = free cash flow before acquisitions. See appendix for further details. ² Adjustments for pension interest charges in EBIT are discontinued from Q1 FY17 on, i.e. there is no adjustment for €0.8m pension interest in FY17. For comparison reasons, FY16 adj. EBIT was reduced in this presentation by €1.1m (FY16 pension interest). ³ FY17 net finance result comprised non-cash items: €22.1m gains from changes in carrying amounts of financial liabilities and €(16.5)m net foreign exchange loss.

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2. Results by region

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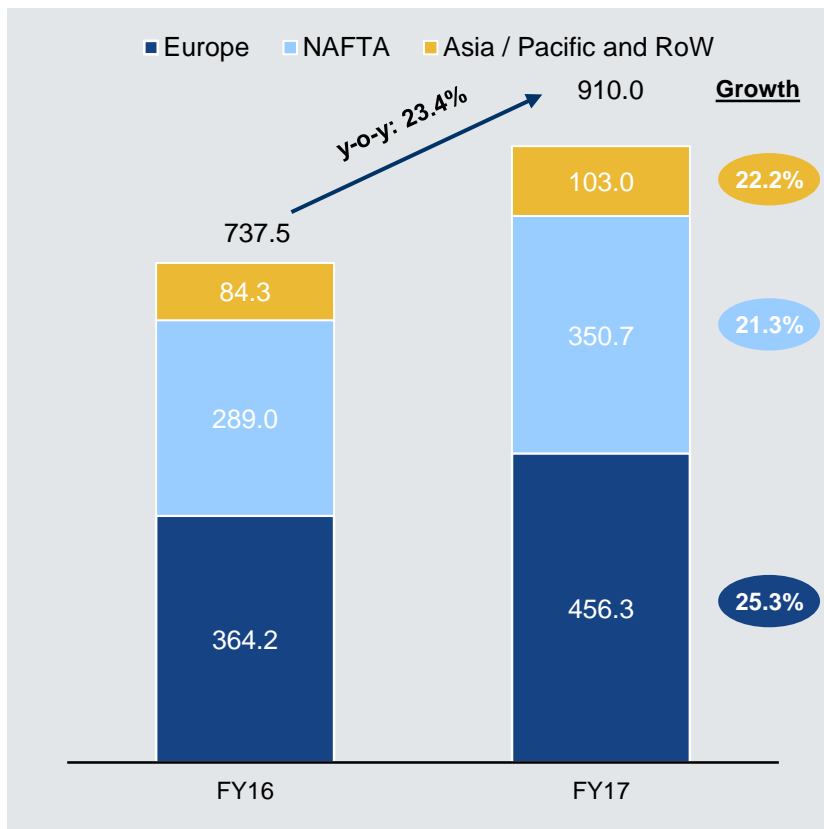
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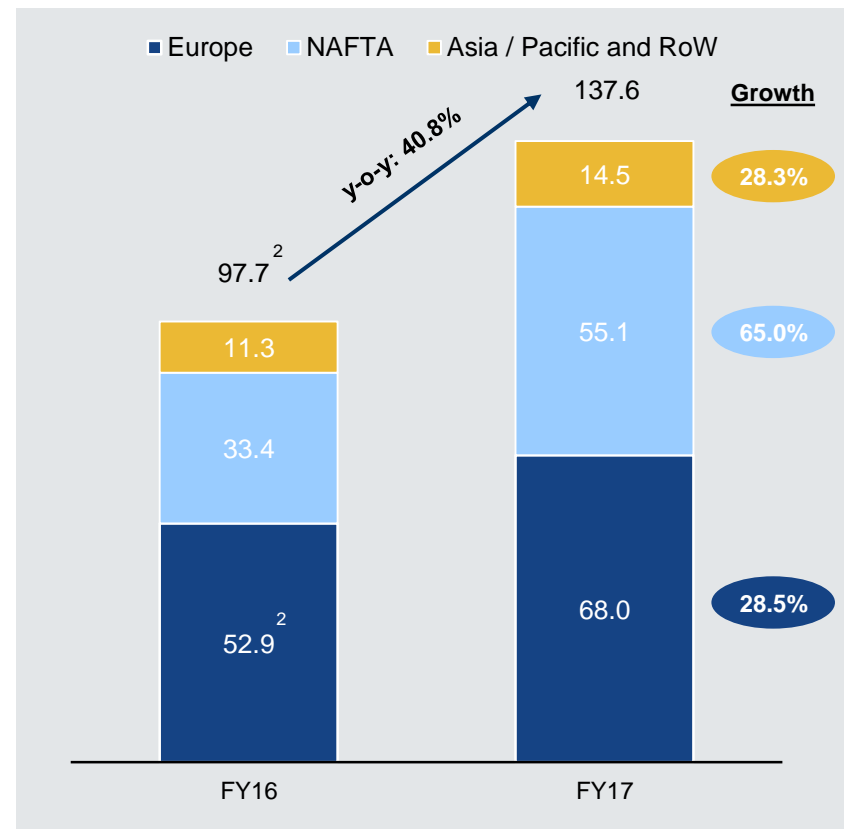
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FY2017 revenue and adj. EBIT growth – by region (y-o-y)

Revenue by region¹ (€m)



Adj. EBIT by region (€m)



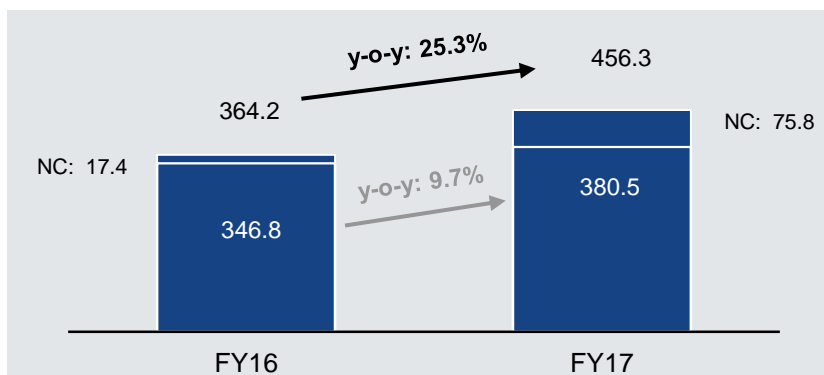
Note: Stabilus fiscal year-end is September. Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

¹ Billed-from view, without intersegment revenue.

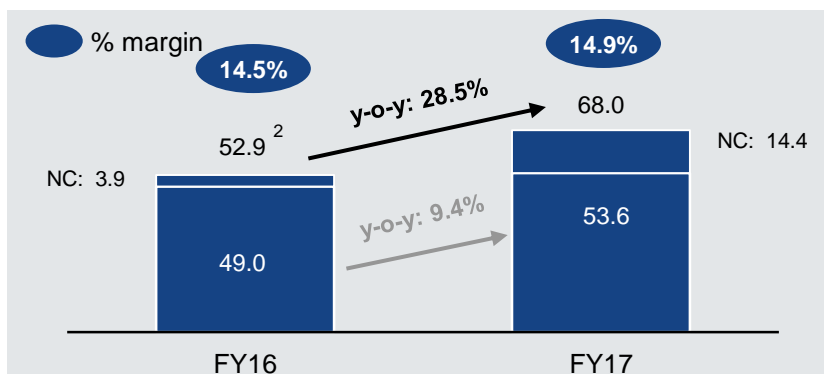
² Adjustments for pension interest charges in EBIT are discontinued from Q1 FY17 on, i.e. there is no adjustment for €0.8m pension interest in FY17. For comparison reasons, FY16 adj. EBIT was reduced in this presentation by €1.1m (FY16 pension interest).

Europe

Revenue¹ (€m)



Adj. EBIT (€m)



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 €0.8m pension interest in FY17. For comparison reasons, FY16 adj. EBIT was reduced here by €1.1m (FY16 pension interest).

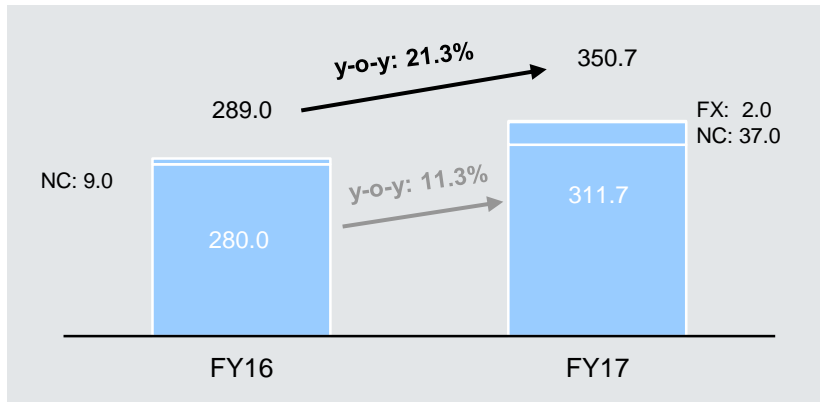
NC = contribution of 'new companies' ACE, Hahn Gasfedern, Fabreeka / Tech Products (acquired in June 2016).

Key highlights

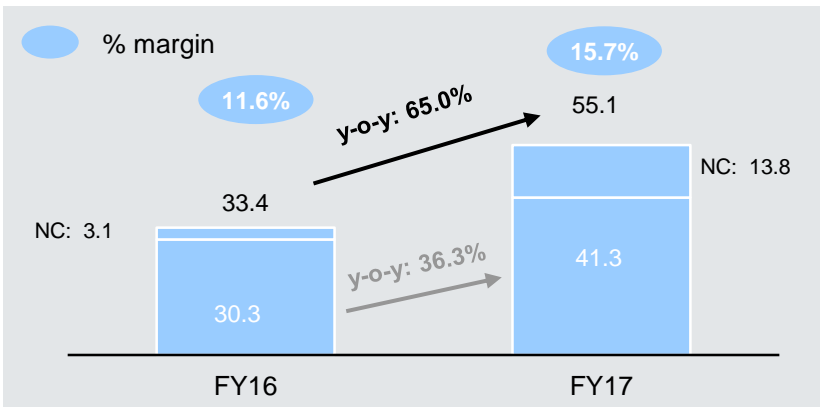
- Europe car production in FY17 at 22.0m units, i.e. +2.7% vs. FY16
- Europe's revenue grew by 25.3% y/y
- Excluding the contribution of new companies, Europe's revenue increased by 9.7% and was primarily driven by our automotive business: Powerise revenue grew by 22.5% to €100.1m (FY16: €81.7m) and Gas Spring revenue grew by 7.7% to €150.2m (FY16: €139.4m)
- Adj. EBIT increased by 28.5% (9.4% not considering the June 2016 acquisition)
- Excluding the contribution of new companies, Europe's EBIT margin was stable at 14.1% vs. FY16

NAFTA

Revenue¹ (€m)



Adj. EBIT (€m)



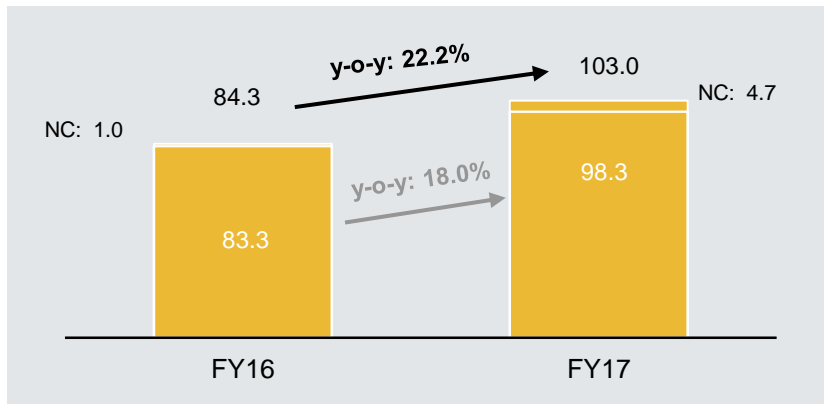
Key highlights

- NAFTA car production in FY17 at 17.4m units, i.e. -2.2% vs. FY16
- NAFTA's revenue grew by 21.3%
- Excluding the contribution of new companies and \$/€ currency translation effect, NAFTA's revenue grew by 11.3% and was primarily driven by our Powerise business: NAFTA's Powerise revenue increased by 22.5% to €137.4m in FY17 (vs. €112.2m in FY16)
- Adj. EBIT increased by 65.0% (36.3% not considering NC): Excluding the contribution of new companies adj. EBIT margin increased from 10.8% to 13.2%, with previous year being impacted by higher provisioning

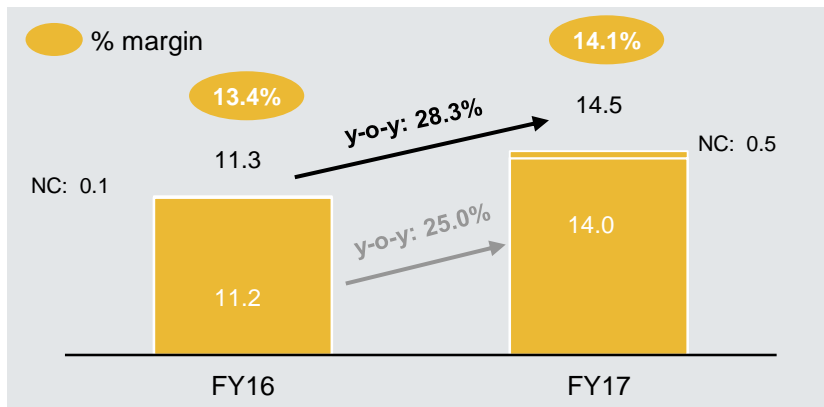
Note: Stabilus fiscal year-end is September. ¹ External revenue only. FX = currency effect resulting from translation of NAFTA revenue (w/o NC) from USD to EUR. Avg. fx rate of 1.10\$/€ in FY17 versus 1.11\$/€ in FY16. NC = contribution of 'new companies' ACE, Hahn Gasfedern, Fabreka / Tech Products (acquired in June 2016).

Asia / Pacific and RoW

Revenue¹ (€m)



Adj. EBIT (€m)



Key highlights

- Asia/Pacific and RoW car production in FY17 at 55.5m units, i.e. +6.5% vs. FY16 (China: +5.9%, Japan/Korea: +4.8%, South America: +17.2%)
- Asia/Pacific and RoW's revenue grew by 22.2%
- Excluding the contribution of new companies, Asia/Pacific and RoW's revenue increased by 18.0%, primarily driven by our automotive business: Gas Spring revenue grew by €8.7m to €81.4m (vs. 72.7m in FY16) and Powerise revenue by €4.4m to €5.8m (vs. €1.4m in FY16)
- Adj. EBIT increased by 28.3% (25% without new companies)

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).

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3. Results by market

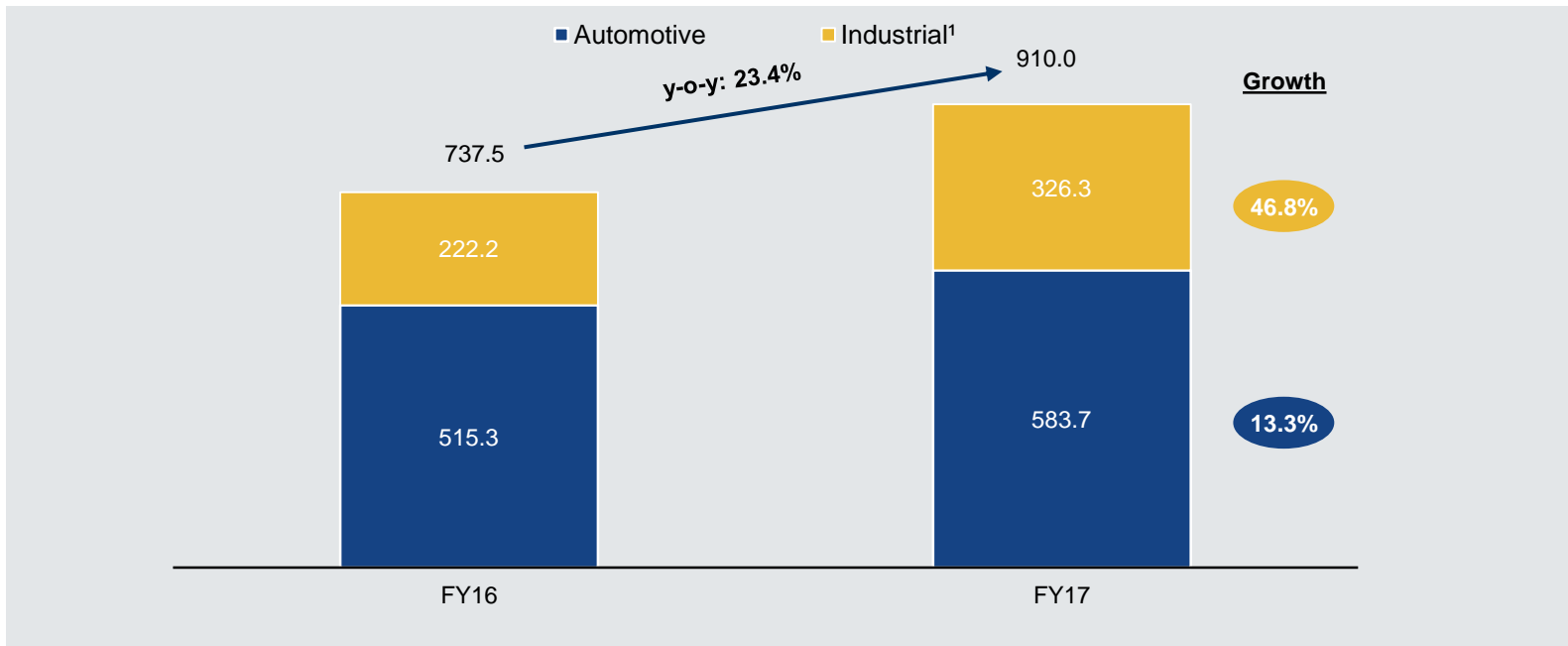
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FY2017 revenue growth – by market / business (y-o-y)

Revenue by business (€m)



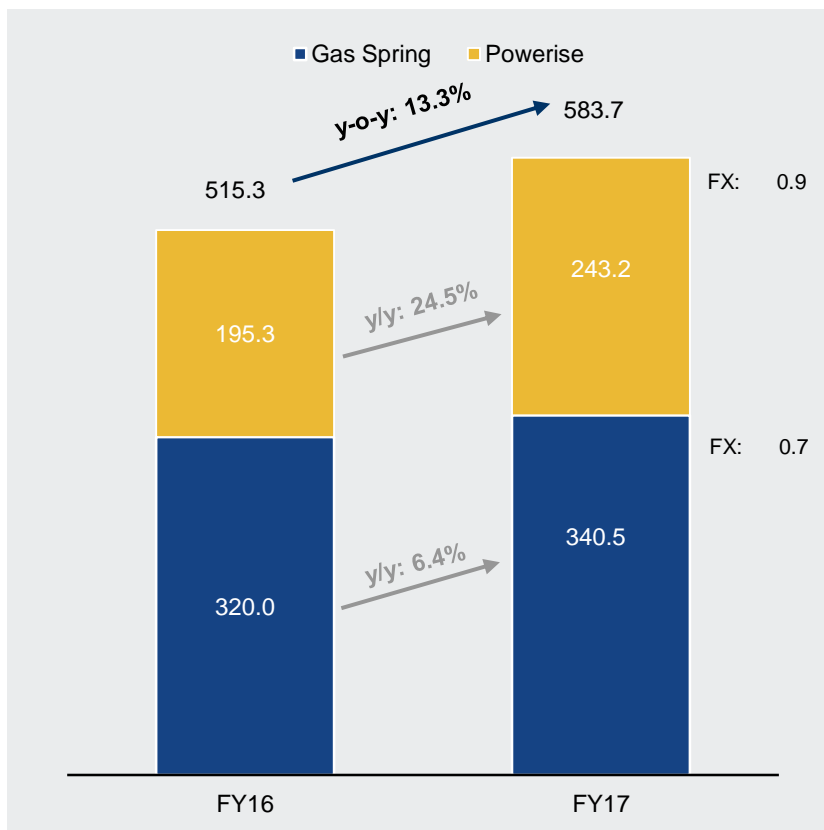
Note: Stabilus fiscal year-end is September.

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.

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

Revenue (€m)



Key highlights

- Global car production in FY17 at 94.9m (FY16: 91.4m), i.e. +3.9% vs. previous fiscal year
- Automotive revenue increased by 13.3% (13.0% without \$/€ currency translation effect)
- Continuing consumer trend towards SUV's supports our overall automotive revenue development
- Automotive Gas Spring revenue increased by 6.4% (6.2% without \$/€ currency translation effect)
- 24.5% growth (24.1% without \$/€ currency translation effect) in Powerise reflects production ramp-ups and new product launches across various OEMs in FY17

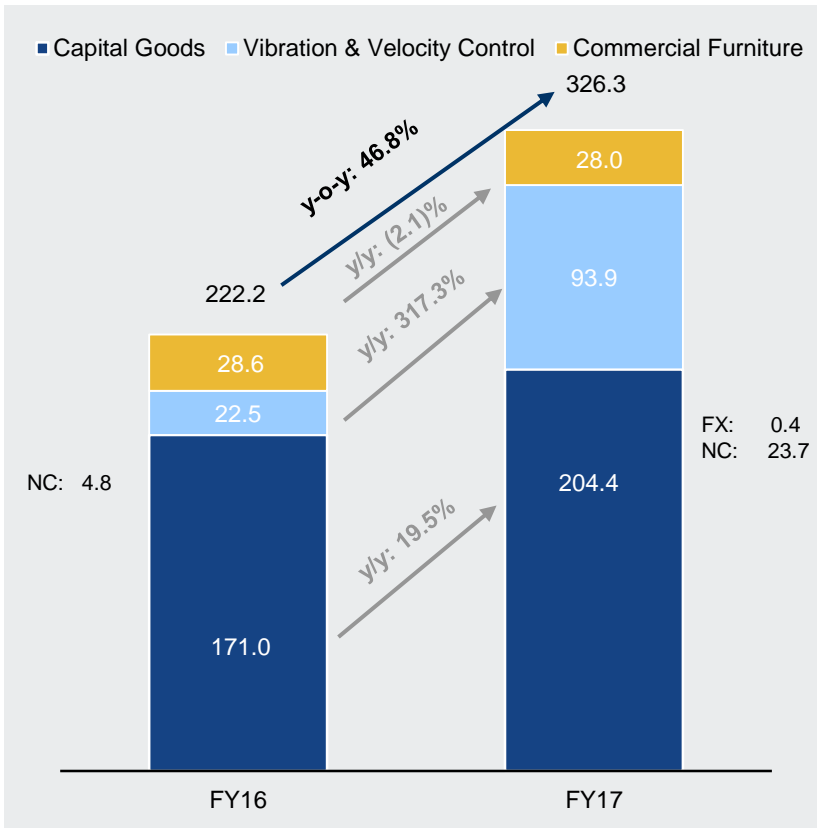
Note: Stabilus fiscal year-end is September.

FX = currency effect resulting from translation of NAFTA revenue (w/o NC) from USD to EUR. Avg. fx rate of 1.10\$/€ in FY17 versus 1.11\$/€ in FY16.

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

Revenue (€m)



Key highlights

- Revenue contribution of new companies:
 - Hahn Gasfedern (part of Capital Goods unit): €4.8m in Q4 FY16 and €23.7m in FY17
 - ACE, Fabreeka / Tech Products (new business unit Vibration & Velocity Control): €22.5m in Q4 FY16 and €93.9m in FY17
- Growth in Capital Goods business at 19.5%, excluding contribution of Hahn Gasfedern as well as \$/€ currency translation effect at 8.5%
- Growth in the segments independent aftermarket, bus/truck/transportation, agricultural machinery, solar dampers, medical technology, equipment & machinery, automation/packaging and fluid power

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 1.10\$/€ in FY17 versus 1.11\$/€ in FY16.

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

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Outlook

	FY2017 Preliminary	FY2018 Guidance
Revenue	€910.0m	~ €975m (@ 1.10 \$/€) ~ €960m (@ 1.15 \$/€)
% Growth	11.3% at constant avg. \$/€ rate and excl. NC 23.4% change	~ 7.1% at constant avg. \$/€ rate of 1.10 ~ 5.5% change
% Adj. EBIT margin	15.1%	~ 15.5%

Comments

- Revenue guidance for FY2018:
 - ~ 7.1% y-o-y growth at constant avg. \$/€ rate (vs. FY17) of 1.10 to approx. €975m
 - ~ 5.5% y-o-y change at current avg. \$/€ rate of 1.15 to approx. €960m
 - Decrease of US\$/€ avg. fx rate by 0.10 \$/€ leads to a revenue increase by approx. €30m and vice versa. E.g., 1.20 \$/€ → ~ 945m (~ 3.8% y/y), 1.10 \$/€ → ~ 975m (~ 7.1% y/y), 1.00 \$/€ → ~ €1,005m (~ 10.4% y/y)
- FY2018 adj. EBIT margin estimated at ca. 15.5%

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 1.10\$/€ in FY17 versus 1.11\$/€ in FY16.

NC = contribution of 'new companies' ACE, Hahn Gasfedern, Fabreeka / Tech Products (acquired in June 2016) in Q4 FY16 and Q1-Q4 FY17.

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STAR 2025 – Stabilus long-term strategy

VISION: In 2025 Stabilus is the leading motion control company.



SUSTAINABLE GROWTH

Stabilus strives to achieve an average sales increase of more than 6% p.a. through 2025.



ONE STABILUS

Sustainable success depends on the performances of all of our employees. To this end, we want to form the strongest team possible.



GLOBALIZATION

Stabilus strives to achieve a balanced regional presence. We form a strong, global team.



INNOVATION

Stabilus is developing and practicing a strong culture of innovation. It is the foundation for long-term, successful growth.



EXCELLENCE

Stabilus strives for excellence in all of its procedures, manufacturing processes and products.

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Revenue by region and customer market (year ended Sept 30, 2017)

External revenue (€m)				
	FY2016 Actual	FY2017 Preliminary	Change	% change
Automotive Gas Spring	139.4	150.2	10.8	7.7%
Automotive Powerise	81.7	100.1	18.4	22.5%
Industrial / Capital Goods ¹	106.7	130.7	24.0	22.5%
Vibration & Velocity Control	12.6	52.2	39.6	>100.0%
Commercial Furniture (former Swivel Chair)	23.8	23.1	(0.7)	(2.9)%
Europe	364.2	456.3	92.1	25.3%
Automotive Gas Spring	108.0	108.8	0.8	0.7%
Automotive Powerise	112.2	137.4	25.2	22.5%
Industrial / Capital Goods	55.1	62.7	7.6	13.8%
Vibration & Velocity Control	9.0	37.0	28.0	>100.0%
Commercial Furniture (former Swivel Chair)	4.7	4.8	0.1	2.1%
NAFTA	289.0	350.7	61.7	21.3%
Automotive Gas Spring	72.7	81.4	8.7	12.0%
Automotive Powerise	1.4	5.8	4.4	>100.0%
Industrial / Capital Goods	9.2	11.0	1.8	19.6%
Vibration & Velocity Control	1.0	4.7	3.7	>100.0%
Commercial Furniture (former Swivel Chair)	0.1	0.1	-	0.0%
Asia / Pacific and RoW	84.3	103.0	18.7	22.2%
Total Automotive Gas Spring	320.0	340.5	20.5	6.4%
Total Automotive Powerise	195.3	243.2	47.9	24.5%
Total Industrial / Capital Goods ¹	171.0	204.4	33.4	19.5%
Total Vibration & Velocity Control	22.5	93.9	71.4	>100.0%
Total Commercial Furniture (former Swivel Chair)	28.6	28.0	(0.6)	(2.1)%
Total	737.5	910.0	172.5	23.4%

Note: ¹ Acquisition effect: Industrial / Capital Goods revenue includes revenue of Hahn Gasfedern (acquired in June 2016): €4.8m in Q4 FY16 and €23.7m in Q1-Q4 FY17. Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

P&L overview (year ended September 30, 2017)

P&L (€m)				
	FY2016 Actual	FY2017 Preliminary	Change	% change
Revenue	737.5	910.0	172.5	23.4%
COGS	(547.7)	(637.2)	(89.5)	16.3%
Gross Profit	189.8	272.9	83.1	43.8%
<i>% margin</i>	25.7%	30.0%		
R&D	(26.6)	(38.2)	(11.6)	43.6%
S&M	(55.5)	(80.4)	(24.9)	44.9%
G&A	(33.9)	(35.3)	(1.4)	4.1%
Other income/expenses	2.8	(0.5)	(3.3)	<(100.0)%
EBIT	76.6	118.4	41.8	54.6%
<i>% margin</i>	10.4%	13.0%		
Adjustments ¹	21.0	19.2	(1.8)	(8.6)%
Adj. EBIT¹	97.7	137.6	39.9	40.8%
<i>% margin</i>	13.2%	15.1%		

Advisory	3.9	-
PPA adjustments (2010 PPA)	12.7	10.8
PPA adjustments (2016 PPA) ²	4.4	8.4
Total adjustments¹	21.0	19.2

Note: ¹ Adjusted EBIT represents profit from operating activities (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 (PPA). Adjustments for pension interest charges in EBIT are discontinued from Q1 FY17 on, i.e. there is no adjustment for €0.8m pension interest in FY17. For comparison reasons, FY16 adj. EBIT was reduced here by €1.1m (FY16 pension interest).

² FY2016 PPA adjustment of €4.4m comprised €2.3m inventory step-up charge (one-time) and €2.1m D&A PPA.

Balance sheet overview

Balance sheet (€m)				
	Sept 2016 Actual	Sept 2017 Preliminary	Change	% change
Property, plant and equipment	167.6	169.7	2.1	1.3%
Goodwill	197.5	194.2	(3.3)	(1.7)%
Other intangible assets	295.8	268.9	(26.9)	(9.1)%
Inventories	74.7	85.3	10.6	14.2%
Trade receivables	97.6	105.1	7.5	7.7%
Other assets	29.2	38.7	9.5	32.5%
Cash	75.0	68.1	(6.9)	(9.2)%
Total assets	937.4	930.0	(7.4)	(0.8)%
Equity incl. minorities	262.9	336.4	73.5	28.0%
Debt (incl. accrued interest)	401.1	322.0	(79.1)	(19.7)%
Pension plans and similar obligations	58.7	53.2	(5.5)	(9.4)%
Deferred tax liabilities	60.6	60.0	(0.6)	(1.0)%
Trade accounts payable	80.4	79.1	(1.3)	(1.6)%
Other liabilities	73.7	79.3	5.6	7.6%
Total equity and liabilities	937.4	930.0	(7.4)	(0.8)%
<i>Net leverage ratio¹</i>	2.5x	1.5x		

Note:

¹ Net leverage ratio = net financial debt / adj. EBITDA LTM. Net financial debt defined as principal amount of senior facilities less cash: (€455m - €50m - €62.5m) - €68.1m = €274.4m. Adj. EBITDA LTM = last-twelve-month adjusted earnings before interest, taxes, depreciation and amortization. Refer also to our financial reports at www.ir.stabilus.com for further details.

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 (year ended Sept 30, 2017)

Cash Flow Statement (€m)

	FY2016 Actual	FY2017 Preliminary	Change	% change
Cash flow from operating activities	110.4	121.9	11.5	10.4%
Cash flow from investing activities ²	(348.8)	(44.1)	304.7	(87.4)%
Cash flow from financing activities ³	276.1	(83.7)	(359.8)	<(100.0)%
Net increase / (decrease) in cash	37.7	(5.9)	(43.6)	<(100.0)%
Effect of movements in exchange rates	(2.1)	(1.0)	1.1	(52.4)%
Cash as of beginning of the period	39.5	75.0	35.5	89.9%
Cash as of end of the period	75.0	68.1	(6.9)	(9.2)%

Free Cash Flow (€m)

	FY2016 Actual (a)	FY2016 Adjusted ¹ (b)	FY2017 Preliminary (c)	Change (c)-(b)	% change [(c)-(b)] / (b)
Cash flow from operating activities	110.4	110.4	121.9	11.5	10.4%
Cash flow from investing activities ²	(348.8)	(53.1)	(44.1)	9.0	(16.9)%
Free cash flow	(238.4)	57.3	77.8	20.5	35.8%

Note:

¹ Adjusted = excluding effects from the acquisition of ACE, Hahn Gasfedern, Fabreeka / Tech Products and refinancing of senior facilities. No adjustment for transaction cost payments.

² FY16 cash outflow for investing activities of €348.8m comprised cash outflow for the acquisition of ACE, Hahn Gasfedern, Fabreeka / Tech Products of €295.7m, incl. proceeds from currency hedging (=€302.5m-€6.8m). Adjusted for acquisition effect, FY16 cash outflow for investing activities amounted to €53.1m.

³ FY16 cash flow from financing activities of €276.1m comprised cash inflow from refinancing of senior facilities and capital increase of €296.6m (=€455m+€115m-€115m-€50m-€267.5m+€159.1m). Adjusted for refinancing effect, FY16 cash outflow for financing activities amounted to €20.5m. FY17 cash flow from financing activities of €83.5m comprised €12.4m dividend payments and €62.5m payments for redemption of senior facilities.

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

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