STABILUS ANNUAL GENERAL MEETING

Dr. Stephan Kessel, CEO, Chairman of the Management Board

Luxembourg, February 13th, 2019
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Agenda

1. Stabilus at a glance
2. STAR 2025
3. FY2018 results
Agenda

1. Stabilus at a glance

2.

3.
**STABILUS at a glance**

**Turnover by Regions**

FY2018 revenue: €962.6m

**Asia and RoW**
€123.1m
13% of revenue
+ 19.5% y/y

**Europe**
€491.3m
51% of revenue
+ 7.7% y/y

**NAFTA**
€348.1m
36% of revenue
w/o FX: 375.4m
+7.0% y/y

**In all kinds of industries**

- **Automotive**
- **Construction machinery**
- **Agriculture**
- **Marine**
- **Medical applications**
- **Truck / Bus**
- **Domestic**
- **Engineering**
- **Railway**
- **Aviation**
- **Commercial furniture**
- **Solar**

FX: currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. FX rate of 1.19$/$€ in FY18 versus 1.10$/$€ in FY17.
Favorable revenue breakdown, higher adj. EBIT margin

<table>
<thead>
<tr>
<th>% of revenue breakdown</th>
<th>Adj. EBIT (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial 36%</td>
<td>FY2017</td>
</tr>
<tr>
<td>Automotive 64%</td>
<td>137.6</td>
</tr>
<tr>
<td>FY2018</td>
<td></td>
</tr>
<tr>
<td>Industrial 37%</td>
<td></td>
</tr>
<tr>
<td>Automotive 63%</td>
<td>149.3</td>
</tr>
</tbody>
</table>

% margin:
- FY17: 15.1%
- FY18: 15.5%

y-o-y: 8.5%
Broad motion control product portfolio
Agenda

2. STAR 2025
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.
Markus Schädlich joined Stabilus Management Board

- Since 2018/07 President Asia Pacific
  - 2015 – 2018 JOST, President Asia
  - 2010 – 2015 JOST, President Japan
  - 2005 – 2015 Consulting Firm, Asia
    (M&A, Strategy, Restructuring, Interim-Management)

- Focus on strong growing Asian countries

- Asian Strategy
  - Powerise and Industrial Growth
  - Global Product Management
  - ASEAN Footprint
  - M&A / Partnerships
  - Organizational Development
Stabilus is well positioned to benefit from current mega trends in Industrial Business

<table>
<thead>
<tr>
<th>Global mega trends</th>
<th>Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ergonomic Lifestyle &amp; Mobility</td>
<td>Focused Business Development Groups</td>
</tr>
<tr>
<td>Logistics (Transport, Storage, Sorting)</td>
<td>Holistic Approach to the segment</td>
</tr>
<tr>
<td></td>
<td>Significant growth potential from current and future applications</td>
</tr>
</tbody>
</table>
Door actuator – an automotive product to meet future trends

- Door Actuator DA.90
- Start of Production in 2019
Front Runner for new comfort features in electrical Vehicles

- Rotational Damper
  - Vehicle Seating
  - Vehicle Interior
  - Vehicle flaps and covers
Agenda

3. FY2018 results
## FY2018 highlights

**Fiscal year-end September**

| **Revenue** | Revenue up by 5.8% to €962.6m (+€52.6m vs. FY17); revenue growth w/o FX: +8.8% y/y
|             | Asia / Pacific and RoW up by 19.5% y/y, Europe up by 7.7% y/y, NAFTA - 0.7% y/y (+ 7.0% y/y w/o FX)
|             | Automotive Powerise + 10.3% y/y, Commercial Furniture + 8.6% y/y, Vibration & Velocity Control + 8.2% y/y, Capital Goods + 7.6% y/y and Automotive Gas Spring + 0.5% y/y |
| **Adj. EBIT** | Adj. EBIT\(^1\) up by 8.5% to €149.3m (vs. €137.6m in FY17)
|             | Adj. EBIT margin at 15.5% (vs. 15.1% in FY17) |
| **Profit** | Profit at €105.4m in FY18 (vs. €79.2m in FY17)
|             | Profit margin at 10.9% (vs. 8.7% in FY17)
|             | Earnings per share at €4.27 (vs. €3.21 in FY17) |
| **Net leverage ratio** | Net leverage ratio\(^1\) at 1.1x (vs. 1.5x as of end FY17)
|             | Net financial debt\(^1\) at €199.2m |

Note:

\(^1\) For definition/calculation of KPIs like adj. EBIT, net leverage ratio etc. refer to our financial reports and quarterly statements under [www.ir.stabilus.com](http://www.ir.stabilus.com).

FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.16$/$ in Q4 FY18 versus 1.18$/$ in Q4 FY17. Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.
Stabilus Share Price Performance

Closing price
Sept 29, 2017
€76.79

Closing price
Sept 28, 2018
€71.10

Stabilus
SDAX (Price index)
DAXsector All Automobile (Price index)
DAXsector Industrial (Price index)
Stabilus Share Price Performance

Development of Stabilus share price since IPO

First trading day
May 23, 2014
€22.75

Closing price
Sept 28, 2018
€71.10
## Q1 FY2019 highlights

### Fiscal year-end September

| **Revenue** | Revenue down by 2.4% to €225.0m (- €5.6m vs. Q1 FY18); revenue change w/o FX: - 3.6% y/y  
NAFTA + 0.1% y/y, Europe - 2.9% y/y and Asia / Pacific and RoW - 7.4% y/y  
Capital Goods - 0.2% y/y, Automotive Gas Spring - 2.0% y/y, Automotive Powerise - 3.9% y/y and Vibration & Velocity Control - 5.2% y/y |
| **Adj. EBIT** | Adj. EBIT¹ at €30.8m (vs. €33.9m in Q1 FY18), down 9.1%  
Adj. EBIT margin at 13.7% (vs. 14.7% in Q1 FY18) |
| **Profit** | Profit at €17.7m in Q1 FY19 (vs. €21.7m in Q1 FY18, thereof €4.1m lower income taxes due to non-recurring remeasurement of the deferred tax positions, as a consequence of the US tax reform in Dec 2017)  
Profit margin at 7.9% (vs. 9.4% in Q1 FY18) |
| **Net leverage ratio** | Net leverage ratio¹ at 1.0x (vs. 1.4x as of end Q1 FY18 and 1.1x as of end FY18)  
Net financial debt¹ at €187.8m |
| **Outlook** | FY2019 revenue outlook: c. 2% y/y revenue growth (at constant $/€ rate vs. FY18 of 1.19)  
FY2019 adj. EBIT margin forecast: c. 15% |

Note:

¹ For definition/calculation of KPIs like adj. EBIT, net leverage ratio etc. refer to our financial reports and quarterly statements under [www.ir.stabilus.com](http://www.ir.stabilus.com).

FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.14$/$ in Q1 FY19 versus 1.18$/$ in Q1 FY18.

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

- Acquisition of system supplier with strong aircraft industry competence
- Excellent opportunity to strengthen Stabilus’ motion control portfolio
- Visible over-average growth and profitability perspective

#### Key products

<table>
<thead>
<tr>
<th>Luggage bins</th>
<th>Seats</th>
<th>Lavatories</th>
<th>Cockpits</th>
<th>Engine cowlings</th>
<th>Airstairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lift Assist Unit (LAU)</td>
<td>GAs Lox</td>
<td>Mini Spring Actuators (MSA)</td>
<td>Primary Flight Control Dampers</td>
<td>Struts – Lift Assist and Hold Open Rods (LA and HOR)</td>
<td>Handrails</td>
</tr>
<tr>
<td>Hydraulic Dampers</td>
<td>Control cables</td>
<td>Primary Flight Control Dampers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mounting hardware for hydraulic dampers</td>
<td>Crew Seat Damper</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>E-Latch</td>
<td></td>
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</table>

- General Aerospace
  - Lavatories: Mini Spring Actuators (MSA)
  - Cockpits: Primary Flight Control Dampers
  - Engine cowlings: Struts – Lift Assist and Hold Open Rods (LA and HOR)
  - Airstairs: Handrails
The global commercial aircraft market is expected to grow at a CAGR of about 3.5% until 2037.

### Aircraft market

<table>
<thead>
<tr>
<th>Total aircrafts in use</th>
<th>2017 - 2037</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>k units</strong></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>24.4</td>
</tr>
<tr>
<td>2037</td>
<td>48.5*</td>
</tr>
</tbody>
</table>

### Aircraft interior

**Commercial aircraft cabin interior market**

- **CAGR:** +5.9%

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>US$ bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>27.0</td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td>40.2</td>
<td></td>
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</tbody>
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### Trends

- Increasing share of middle class population in APAC
- Rising demand for air travel
- Enhancing efficiency (weight reduction)
- Attracting new customers by more comfort
- Growing investments in infrastructure in emerging countries to connect secondary cities with prime aviation hubs
- Replacement of older fleets

- Enhancement primarily in seat segment for more comfort, flexibility & convenience
- More comfort and room during long-distance flights
- Strong focus on modern and innovative interior

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General Aerospace has excellent position to address the aircraft market and to exploit the high potential of this market.
CLEVERS

- Acquisition to establish industrial and IAM sales in Argentina
- Market entry in high-margin business in South America
- Clevers has well established sales and customer relationships with industrial customers in Argentina and surrounding countries
- Tailor-made production with fast and flexible delivery

<table>
<thead>
<tr>
<th>Products</th>
</tr>
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<tbody>
<tr>
<td>Gas Spring</td>
</tr>
<tr>
<td>Adjustable Gas Spring</td>
</tr>
<tr>
<td>Traction Gas Spring</td>
</tr>
<tr>
<td>Seat Dampers</td>
</tr>
</tbody>
</table>