



Stoneridge, Inc.
Use of Non-GAAP Financial Information

In addition to the results reported in accordance with U.S. generally accepted accounting principles (“GAAP”) throughout the live Internet broadcast of Stoneridge’s conference call regarding second-quarter 2005 results on Tuesday, July 26, 2005, the Company has provided information regarding certain non-GAAP financial measures.

Set forth, as required by Regulation G, are reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP.

(in thousands)

	Three Months Ended	
	July 2, 2005	June 30, 2004
<u>Earnings before interest, other income, taxes, depreciation and amortization</u>		
Net income	\$ 2,815	\$ 9,282
Interest expense, net	6,048	6,245
Other income, net	(1,669)	(124)
Provision for income taxes	1,815	4,172
Depreciation and amortization	6,554	6,240
Earnings before interest, other income, taxes, depreciation and amortization	<u>\$ 15,563</u>	<u>\$ 25,815</u>

	Three Months Ended	
	July 2, 2005	June 30, 2004
<u>Operating cash flow, net of fixed asset additions</u>		
Operating cash flow	\$ 10,289	\$ 12,487
Less: Capital expenditures	(8,312)	(6,678)
Operating cash flow, net of fixed asset additions	<u>\$ 1,977</u>	<u>\$ 5,809</u>