



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 2006 results on Friday, July 28, 2006, 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)	
	For the Thirteen Weeks Ended	
	July 1, 2006	July 2, 2005
<u>Earnings before interest, other income, taxes, depreciation and amortization</u>		
Net income.....	\$ 4,890	\$ 2,815
Interest expense, net.....	5,833	6,048
Equity in earnings of investees.....	(1,550)	(1,074)
Other expense (income), net.....	1,745	(595)
Provision for income taxes.....	1,906	1,815
Depreciation and amortization.....	6,433	6,553
Earnings before interest, other income, taxes, depreciation and amortization.....	<u>\$ 19,257</u>	<u>\$ 15,562</u>
<u>Operating cash flow, net of fixed asset additions</u>		
Operating cash flow.....	\$ 5,994	\$ 10,289
Less: Capital additions.....	(6,587)	(8,311)
Operating cash flow, net of fixed asset additions.....	<u>\$ (593)</u>	<u>\$ 1,978</u>