



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 third quarter 2009 results on Thursday, October 29, 2009, 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, except per share data, unaudited)			
	For the Three Months Ended		For the Nine Months Ended	
	September 30,		September 30,	
	2009	2008	2009	2008
<u>Earnings before interest, other income, taxes, depreciation and amortization</u>				
Net income (loss).....	\$ (843)	\$ (364)	\$ (32,187)	\$ 10,867
Interest expense, net.....	5,559	5,049	16,594	15,301
Equity in earnings of investees.....	(3,386)	(4,371)	(4,864)	(11,206)
Other expense (income), net.....	(198)	(234)	447	814
Provision (benefit) for income taxes.....	1,502	855	(409)	10,029
Depreciation and amortization ^(A)	4,984	6,440	15,251	20,858
Earnings before interest, other income, taxes, depreciation and amortization.....	\$ 7,618	\$ 7,375	\$ (5,168)	\$ 46,663
<u>Operating cash flow, net of fixed asset additions</u>				
Operating cash flow.....	\$ 22	\$ 18,094	\$ (2,578)	\$ 30,668
Less: Capital additions.....	(2,036)	(6,315)	(8,779)	(17,956)
Operating cash flow, net of fixed asset additions.....	\$ (2,014)	\$ 11,779	\$ (11,357)	\$ 12,712
<u>Adjusted net income (loss) per share before restructuring related expenses</u>				
Net income (loss).....	\$ (843)	\$ (364)	\$ (32,187)	\$ 10,867
Total restructuring related expenses, net of tax benefits ^(B)	859	3,790	2,642	8,900
Adjusted net income (loss) before restructuring related expenses.....	\$ 16	\$ 3,426	\$ (29,545)	\$ 19,767
Diluted adjusted net income (loss) per share before restructuring related expenses.....	\$ 0.00	\$ 0.15	\$ (1.25)	\$ 0.83
Diluted weighted average shares outstanding.....	23,761	23,405	23,580	23,728

^(A) These amounts represent depreciation and ammortization on fixed and certain intangible assets.

^(B) Statutory tax rates were used for all U.S. and Swedish restructuring initiatives. No tax benefit was recognized for U.K. restructuring initiatives.