



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 2010 results on Wednesday, July 28, 2010, 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)			
	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2010	2009	2010	2009
<u>Earnings before interest, other expense (income), taxes, depreciation and amortization</u>				
Net income (loss) attributable to Stoneridge, Inc. and subsidiaries	\$ 4,193	\$ (19,764)	\$ 5,699	\$ (31,344)
Interest expense, net	5,630	5,538	11,236	11,035
Equity in earnings of investees	(1,611)	(903)	(2,302)	(1,478)
Other expense (income), net	(749)	639	(1,699)	645
Provision (benefit) for income taxes	731	197	(758)	(1,911)
Depreciation and amortization ^(A)	4,929	5,206	9,723	10,267
Earnings before interest, other expense (income), taxes, depreciation and amortization	<u>\$ 13,123</u>	<u>\$ (9,087)</u>	<u>\$ 21,899</u>	<u>\$ (12,786)</u>
<u>Operating cash flow, net of capital additions</u>				
Operating cash flow	\$ (160)	\$ (3,798)	\$ (7,433)	\$ (2,600)
Less: Capital additions	(3,444)	(2,798)	(7,063)	(6,743)
Operating cash flow, net of capital additions	<u>\$ (3,604)</u>	<u>\$ (6,596)</u>	<u>\$ (14,496)</u>	<u>\$ (9,343)</u>

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