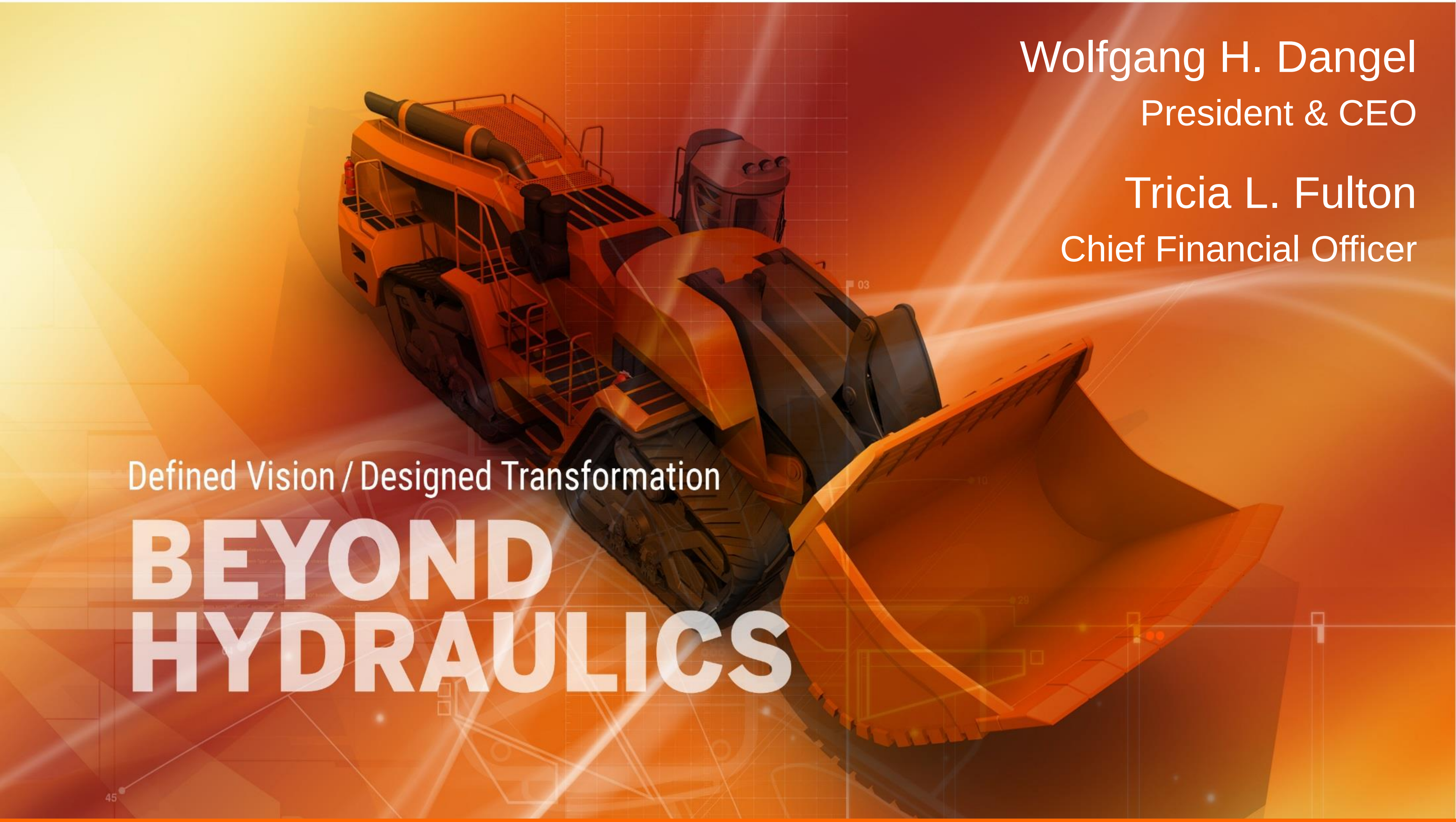
First Quarter 2017 Earnings

May 9, 2017

Wolfgang H. Dangel
President & CEO

Tricia L. Fulton
Chief Financial Officer



Safe Harbor Statement

This presentation and oral statements made by management in connection herewith that are not historical facts are "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934.

Forward-looking statements involve risks and uncertainties, and actual results may differ materially from those expressed or implied by such statements. They include statements regarding the intent, belief or current expectations, estimates or projections of the Company, its Directors or its Officers about the Company and the industry in which it operates, and assumptions made by management, and include among other items, (i) the Company's strategies regarding growth, including its intention to develop new products and make acquisitions; (ii) the Company's financing plans; (iii) trends affecting the Company's financial condition or results of operations; (iv) the Company's ability to continue to control costs and to meet its liquidity and other financing needs; (v) the declaration and payment of dividends; and (vi) the Company's ability to respond to changes in customer demand domestically and internationally, including as a result of standardization. Although the Company believes that its expectations are based on reasonable assumptions, it can give no assurance that the anticipated results will occur.

Important factors that could cause the actual results to differ materially from those in the forward-looking statements include, among other items, (i) the economic cyclicality of the capital goods industry in general and the impact on the Company's Hydraulics and Electronics segments, directly affecting customer orders, lead times and sales volume; (ii) fluctuations in global business conditions, including the impact of economic recessions in the U.S. and other parts of the world, (iii) conditions in the capital markets, including the interest rate environment and the availability of capital; (iv) changes in the competitive marketplace that could affect the Company's revenue and/or costs, such as increased competition, lack of qualified engineering, marketing, management or other personnel, and increased labor and raw materials costs; (v) risks related to the integration of the businesses of the Company; (vi) changes in technology or customer requirements, such as standardization of the cavity into which screw-in cartridge valves must fit, which could render the Company's products or technologies noncompetitive or obsolete; (vii) new product introductions, product sales mix and the geographic mix of sales nationally and internationally; and (viii) changes relating to the Company's international sales, including changes in regulatory requirements or tariffs, trade or currency restrictions, fluctuations in exchange rates, and tax and collection issues. Further information relating to factors that could cause actual results to differ from those anticipated is included but not limited to information under the headings Item 1. "Business," Item 1A. "Risk Factors," and Item 7. "Management's Discussion and Analysis of Financial Conditions and Results of Operations" in the Company's Form 10-K for the year ended December 31, 2016. The Company disclaims any intention or obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

First Quarter 2017 Highlights

- Sales of $81.4 million, up 59%, benefited from global market strength across all end markets
  - Sales grew progressively through quarter
- EPS of $0.38 per share, up 24%, driven by increased sales, partially offset by acquisition-related amortization and incremental interest expense
  - Enovation Controls was $0.04 accretive, net of $0.10/share of amortization and $0.02/share of interest expense
- Cash flow enabled debt pay-down of $16 million
- Enovation Controls' integration – proceeding as anticipated

Acquisition Integration – on Plan

- Enovation Controls Phase 1 Integration Plan Progress:
  - On track to achieve 2017 forecast
  - Leveraging knowledge of market intelligence between sales, engineering and purchasing groups of historical Sun and Enovation Controls' personnel
  - Process to develop concrete path to attain planned revenue and cost synergies well underway
  - Exchange of technology know-how for joint product development has begun as scheduled

Vision 2025

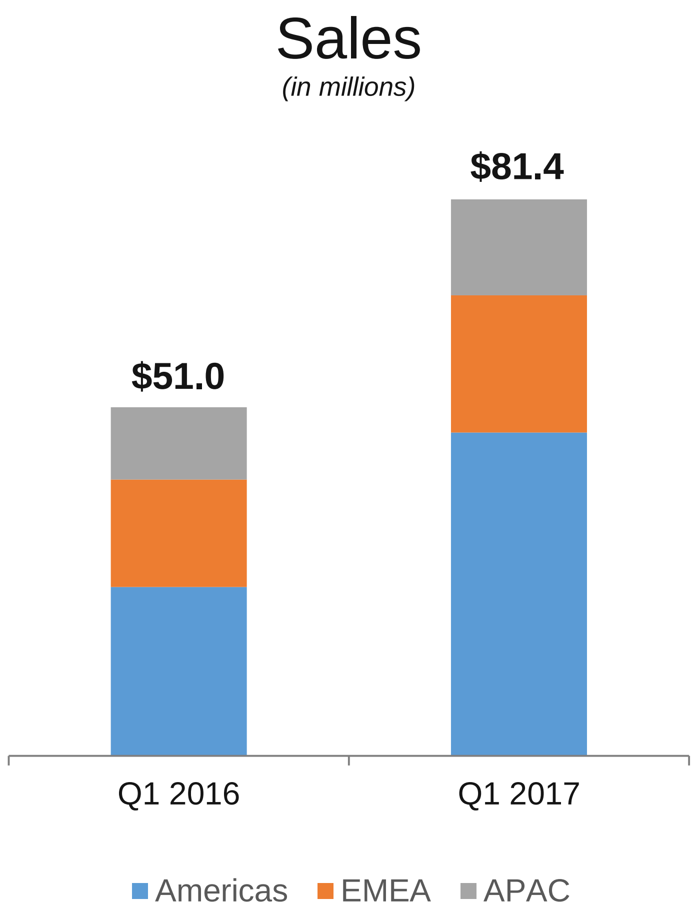
$1 billion in sales, superior profitability and financial strength

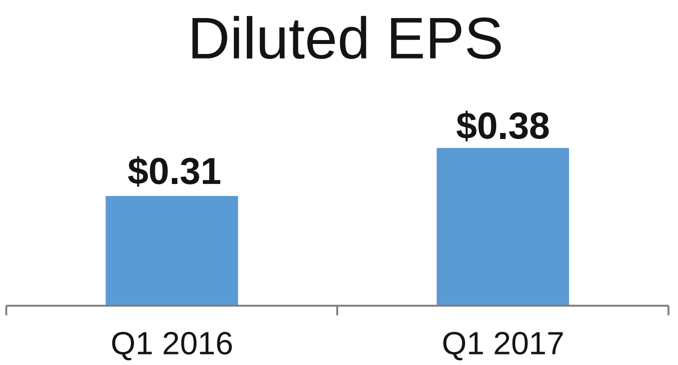
Financial Overview

Tricia L. Fulton

Chief Financial Officer

Q1 2017 – Acquisition Drives Results



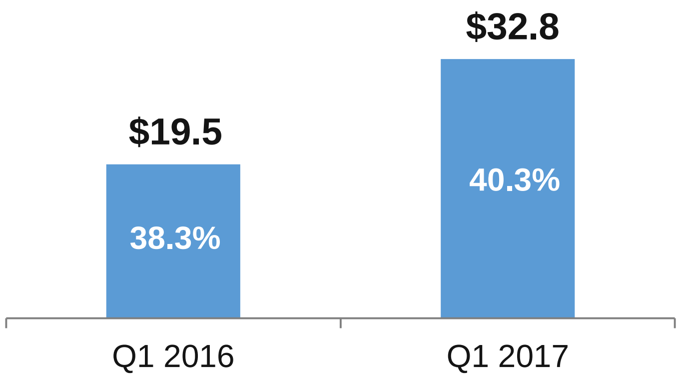


- Q1 2017 includes $26.6M of Enovation Controls' sales; core business' sales grew 7%
- Americas percentage of sales increased to 58%, from 48%
- Q1 2017 EPS impacted by $4.0 million ($0.10/share) of pre-tax acquisition-related amortization and $1.0 million ($0.03/share) of incremental interest expense

Q1 – Operating Results

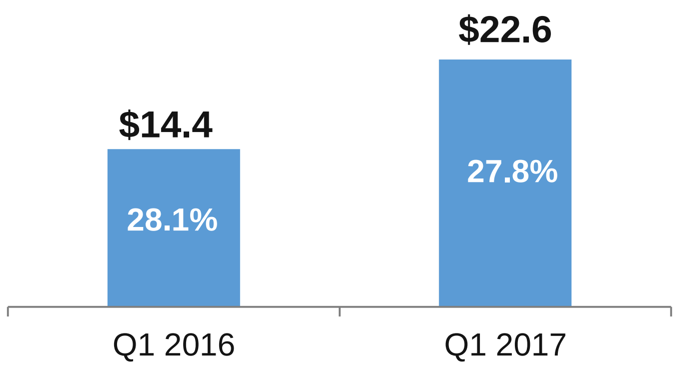
Gross Profit and Margin

($ in millions)



EBITDA and Margin[1]

($ in millions)

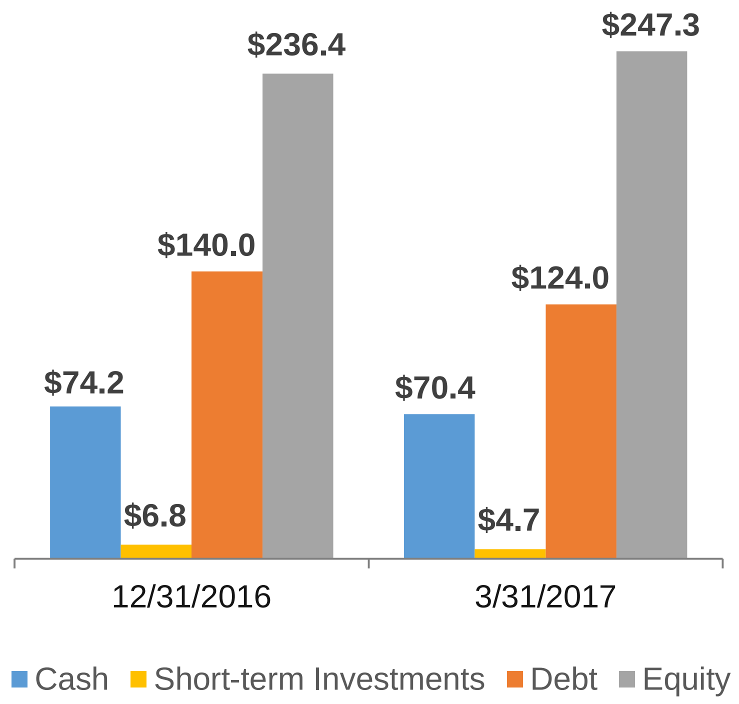


- Gross profit and margin benefited from sales volume and operational leverage, partially offset by $1.8 million of amortization for acquisition inventory step-up
- EBITDA favorably impacted by sales volume and gross profit, partially offset by higher SEA expenses, including $0.7 million of incremental CEO transition costs and professional fees

[1] *See supplemental slide for EBITDA reconciliation and other important disclaimers regarding Sun's use of EBITDA*

Capitalization Review

(in millions)



- Generated $12.4 million of cash from operating activities in 2017 first quarter, a 19% increase over prior-year quarter
- $16 million of debt paid down in Q1 2017
  - $176 million available on revolving credit facility, subject to leverage ratios
- Ongoing quarterly dividend anticipated
  - $0.09 per share

Outlook

Wolfgang H. Dangel

President and Chief Executive Officer

2017 Outlook

- Upside leading indicators point to 2017 business cycle rise
  - US New Homes Sold, US Capacity Utilization, G7 Composite Leading Indicator, rising trends globally
  - US economy – early stages of a new business cycle rising trend
  - Most of the rest of the world are positioned similarly
- Construction sector expected to accelerate in 2017, supported by strong recovery in industrial energy producer prices and recent investment in new energy projects
- Manufacturing sector is accelerating mildly, driving overall recovery in industrial economy
- North American electronics business indicators are strengthening

2017 Outlook, Continued

- Economic policies of the new U.S. Administration continue to be uncertain
- Recent elections in the Netherlands and France support stability of the EU
- Geo-political risks remain
  - Upcoming 2017 Germany election
  - Turkey/Syria
  - Ukraine/Russia
  - North Korea

2017 Guidance[1]

▪ Consolidated revenue	$295 - $310 million
• Hydraulics segment revenue	$205 - $215 million
• Electronics segment revenue	$90 - $95 million
▪ Consolidated operating margin	20% - 22%[2]
▪ Consolidated interest expense, before offsetting interest income	$4.2 - $4.7 million
▪ Effective tax rate	32% - 34%
▪ Capital expenditures	$8 - $10 million
▪ Depreciation	$12 - $13 million
▪ Amortization	$8 - $9 million

(1) 2017 guidance provided as of May 8, 2017
(2) Operating margin is before acquisition-related amortization expense

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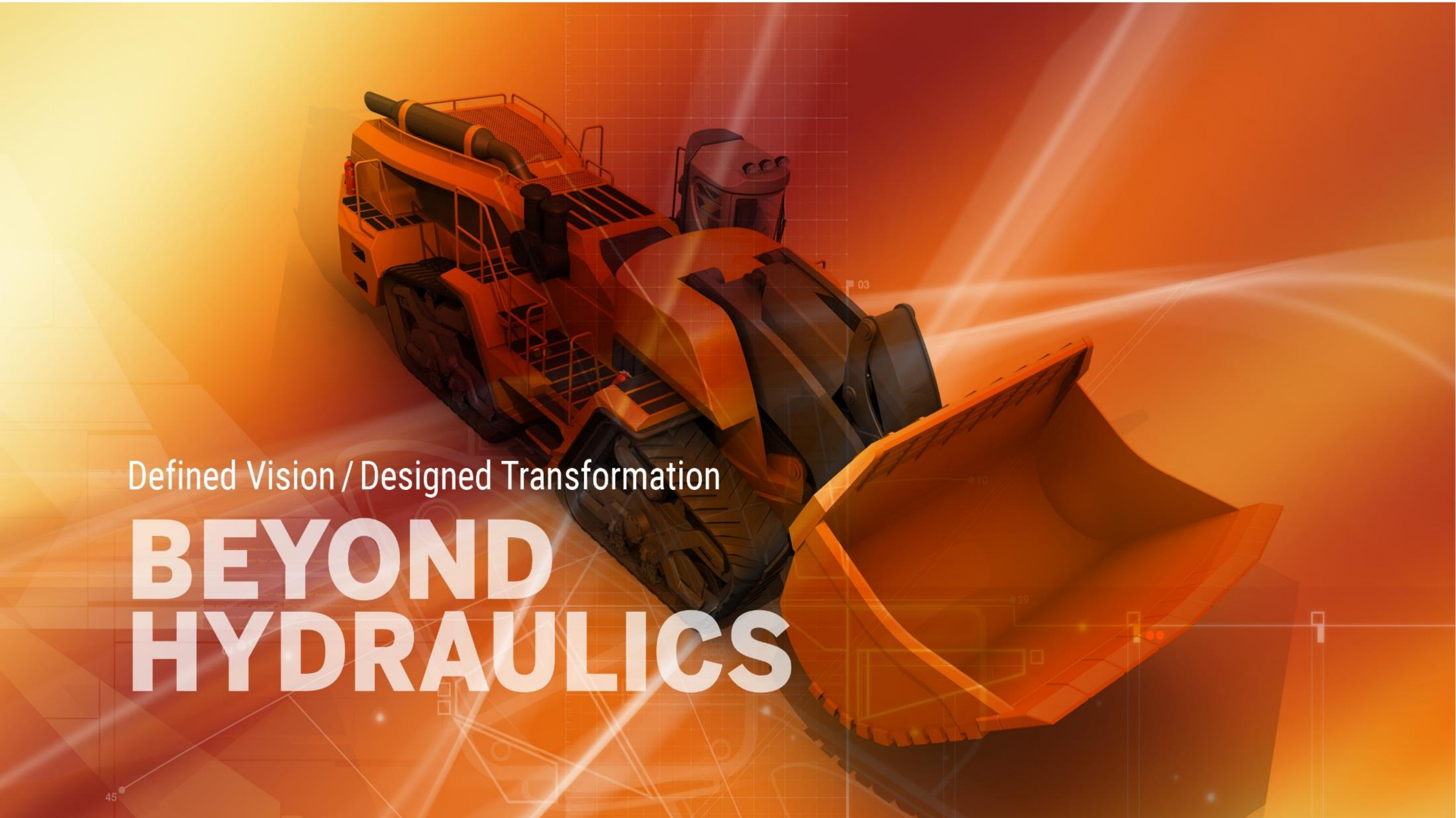

Supplemental Information

Segment Data

(Unaudited)

($ in thousands)	Three Months Ended April 1, 2017		Three Months Ended April 2, 2016	
Sales:				
Hydraulics	$	54,122	$	50,183
Electronics		27,231		845
Consolidated	$	81,353	$	51,028
Gross profit and margin:				
Hydraulics	$	22,120	$	19,263
		40.9%		*38.4%*
Electronics		12,449		278
		45.7%		*32.9%*
Corporate and other		(1,774)		-
Consolidated	$	32,794	$	19,541
		40.3%		*38.3%*
Operating income and margin:				
Hydraulics	$	13,772	$	11,926
		25.4%		*23.8%*
Electronics		6,236		(40)
		22.9%		*-4.8%*
Corporate and other		(4,224)		-
Consolidated	$	15,784	$	11,886
		19.4%		*23.3%*

Sales by Geographic Region & Segment

(Unaudited)

2017 Sales by Geographic Region and Segment
($ in millions)

	Q1	% of Total
Americas:		
Hydraulics	$ 24.7	
Electronics	22.6	
Consol. Americas	47.3	58%
EMEA:		
Hydraulics	17.1	
Electronics	3.0	
Consol. EMEA	20.1	25%
APAC:		
Hydraulics	12.3	
Electronics	1.7	
Consol. APAC	14.0	17%
Total	$ 81.4	

2016 Sales by Geographic Region and Segment
($ in millions)

	Q1	% of Total	Q2	% of Total	Q3	% of Total	Q4	% of Total	2016	% of Total
Americas:										
Hydraulics	$ 23.9		$ 22.5		$ 20.6		$ 21.1		$ 88.1	
Electronics	0.8		0.9		0.8		4.2		6.7	
Consol. Americas	24.7	48%	23.4	46%	21.4	47%	25.3	51%	94.8	48%
EMEA:										
Hydraulics	15.7		15.8		14.0		12.8		58.2	
Electronics	-		-		-		0.5		0.5	
Consol. EMEA	15.7	31%	15.8	31%	14.0	31%	13.3	27%	58.7	30%
APAC:										
Hydraulics	10.6		11.6		9.8		11.1		43.2	
Electronics	-		-		-		0.2		0.2	
Consol. APAC	10.6	21%	11.6	23%	9.8	22%	11.3	23%	43.4	22%
Total	$ 51.0		$ 50.8		$ 45.2		$ 49.9		$ 196.9	

EBITDA Reconciliation

(Unaudited)

($ in thousands)	Three Months Ended April 1, 2017		Three Months Ended April 2, 2016	
Net income.....................................	**$**	**10,211**	**$**	**8,208**
+ Net interest expense (income).......		625		(372)
+ Income taxes..............................		4,928		3,988
+ Depreciation and amortization........		6,865		2,527
EBITDA..	**$**	**22,629**	**$**	**14,351**
EBITDA margin............................		*27.8%*		*28.1%*

Non-GAAP Financial Measure:

EBITDA is defined as consolidated net income before net interest expense/income, income taxes, and depreciation and amortization. EBITDA margin is EBITDA divided by sales. EBITDA and EBITDA margin are not measures determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Sun believes that providing non-GAAP information such as EBITDA and EBITDA margin are important for investors and other readers of Sun's financial statements, as they are used as analytical indicators by Sun's management to better understand operating performance. Because EBITDA and EBITDA margin are non-GAAP measures and are thus susceptible to varying calculations, EBITDA and EBITDA margin, as presented, may not be directly comparable to other similarly titled measures used by other companies.