Second Quarter 2019 Earnings

August 6, 2019

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, vision or projections of Helios Technologies, Inc. ("Helios" or 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) the Company's expectations regarding our sales, expenses, gross margins and other results of operations; (iv) trends affecting the Company's financial condition or results of operations; (v) the Company's ability to continue to control costs and to meet its liquidity and other financing needs; (vi) the declaration and payment of dividends; (vii) the Company's ability to respond to changes in customer demand domestically and internationally, including as a result of standardization; and (viii) potential challenges relating to changes in and compliance with governmental laws and regulations affecting our U.S. and international businesses. 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 hydraulics industry in particular, which directly affect 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, Enovation Controls and Faster Group; (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, compliance with anti-corruption laws and trade laws, including export and import compliance, 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 heading Item 1. "Business" and Item 1A. "Risk Factors" in the Company's Form 10-K for the year ended December 29, 2018. 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.

This presentation includes certain non-GAAP financial measures, which the Company believes are useful in evaluating our performance. You should not consider the presentation of this additional information in isolation or as a substitute for results prepared in accordance with GAAP. The Company has provided reconciliations of comparable GAAP to non-GAAP measures in tables found in the Supplemental Information portion of this presentation.

2019 Q2 Financial Results Highlights

- Sales of $144 million, up 6% over prior year
  - Custom Fluidpower: $12.6 million
  - Organic business sales declined 2%, excluding currency
  - Excluding currency, Hydraulics segment organic sales were flat, Electronics segment sales declined 7%
- Net income of $17.3 million; non-GAAP cash net income of $20.7 million, up 5%
  - Non-GAAP cash EPS of $0.65 per share, up 3%
- Adjusted operating income of $30.9 million, 21.5% of sales
- Adjusted EBITDA of $34.7 million, 24.1% of sales
- Net debt increased $10.5 million during Q2 vs 3/30/19, impacted by final Enovation Controls contingent consideration payment of $17.8 million
  - Net debt/Adjusted EBITDA of 2.4x[(1)] at 6/29/2019

(1) Based on pro forma adjusted EBITDA on a trailing twelve months basis, including Custom Fluidpower results for its pre-acquisition period

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Q2 2019 Business Highlights

- Electronics segment driving margin expansion despite lower sales
- Increased CVT capacity from consolidating Sarasota manufacturing facilities
  - Realized sequential margin improvement
  - Sales level lower than anticipated, impacted by mix
- New China facility opened ahead of schedule
  - Started shipping products to customers in June
  - Expect to increase output through the year
  - Strengthens ‘in the region, for the region’ initiative to support demand in growing China market
- Acquisition synergy realization continues
  - Began production of CVT components at Faster facilities in Europe and US

***Vision 2025:** $1 billion in sales, superior profitability and financial strength*

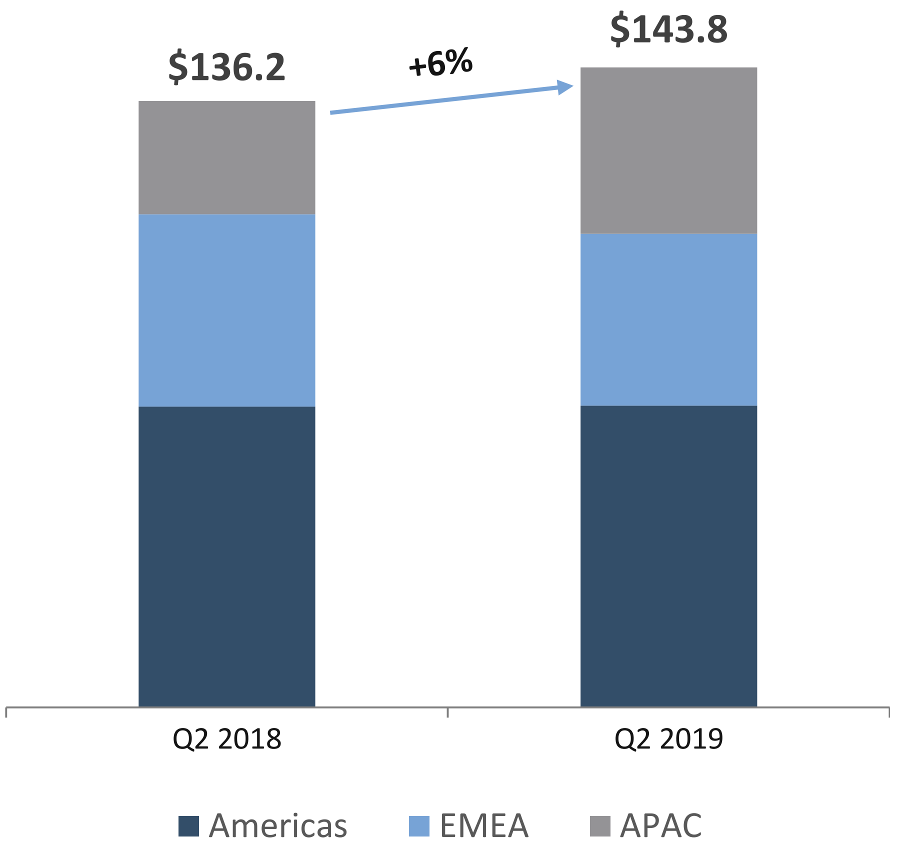
Financial Overview

Tricia L. Fulton
Chief Financial Officer

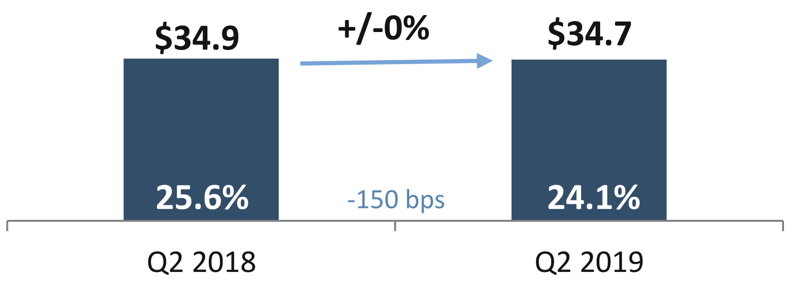
Q2 – Consolidated Results

($ in millions, except Adjusted EPS)

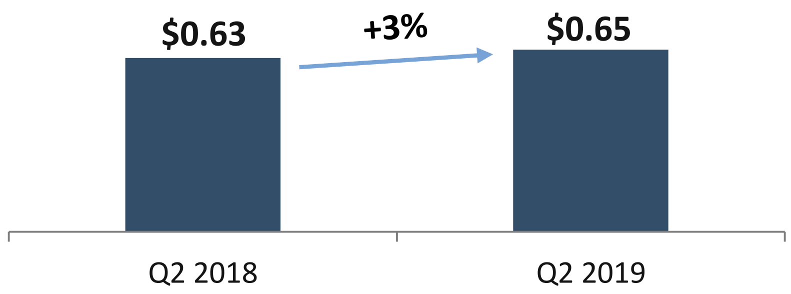
Sales



Adjusted EBITDA & Margin(1)



Non-GAAP Cash EPS(2)

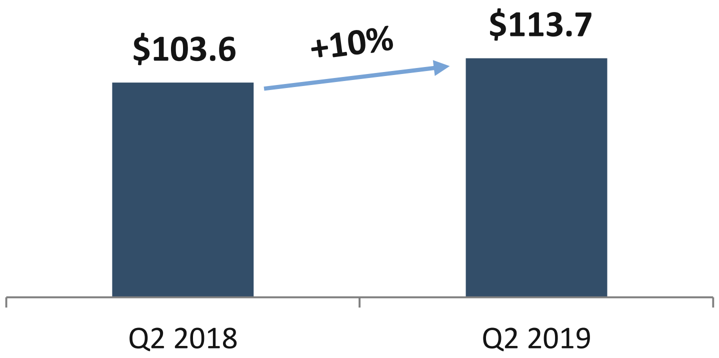


(1) See supplemental slide for Adjusted EBITDA reconciliation and other important disclaimers regarding Helios's use of Adjusted EBITDA
(2) See supplemental slide for Non-GAAP Cash Net Income reconciliation and other important disclaimers regarding Helios's use of Non-GAAP Cash Net Income and EPS

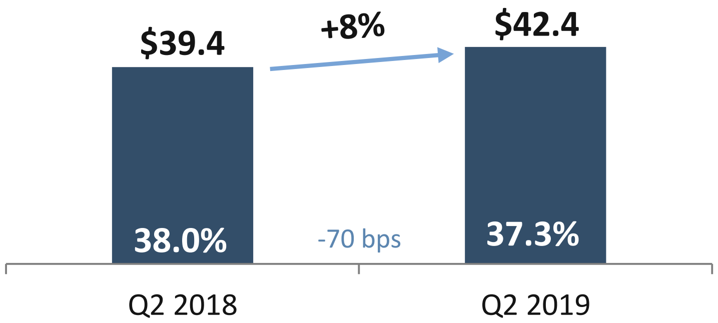
Q2 – Hydraulics Segment

($ in millions)

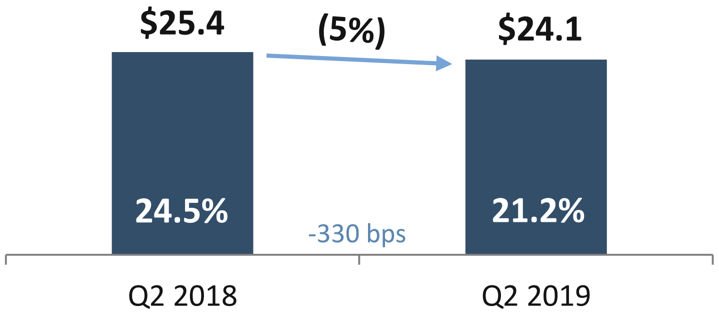
Sales



Gross Profit & Margin



Operating Income & Margin

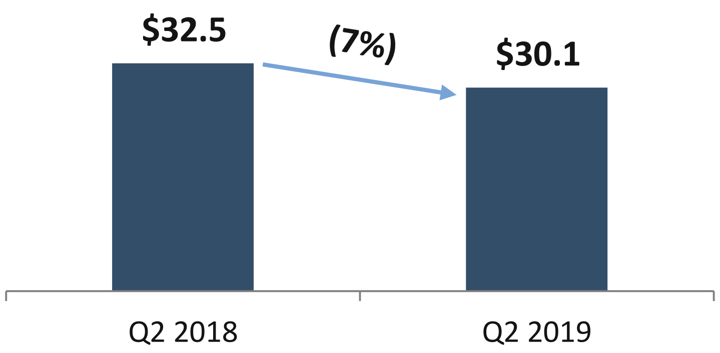


- Revenue growth driven by CFP acquisition
  - ➢ 2019 Q2 includes $12.6 million for acquisition revenue
  - ➢ Organic sales were flat, excluding $2.5 million unfavorable Fx
- Gross margin slightly declined quarter over quarter
  - ➢ Improved organic gross margin was offset by the impact of CFP's value-add integrator business model
- SEA expense increase includes $2.3 million for CFP, and investments to support growth and Helios structural changes

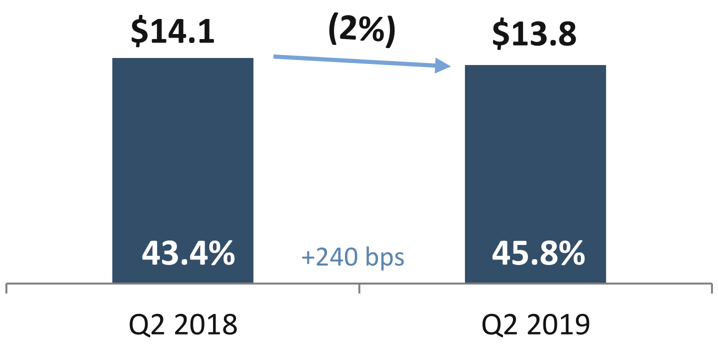
Q2 – Electronics Segment

($ in millions)

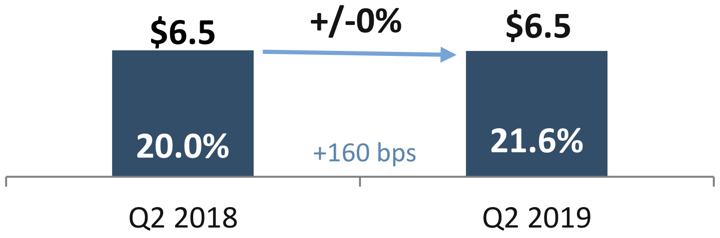
Sales



Gross Profit & Margin



Operating Income & Margin

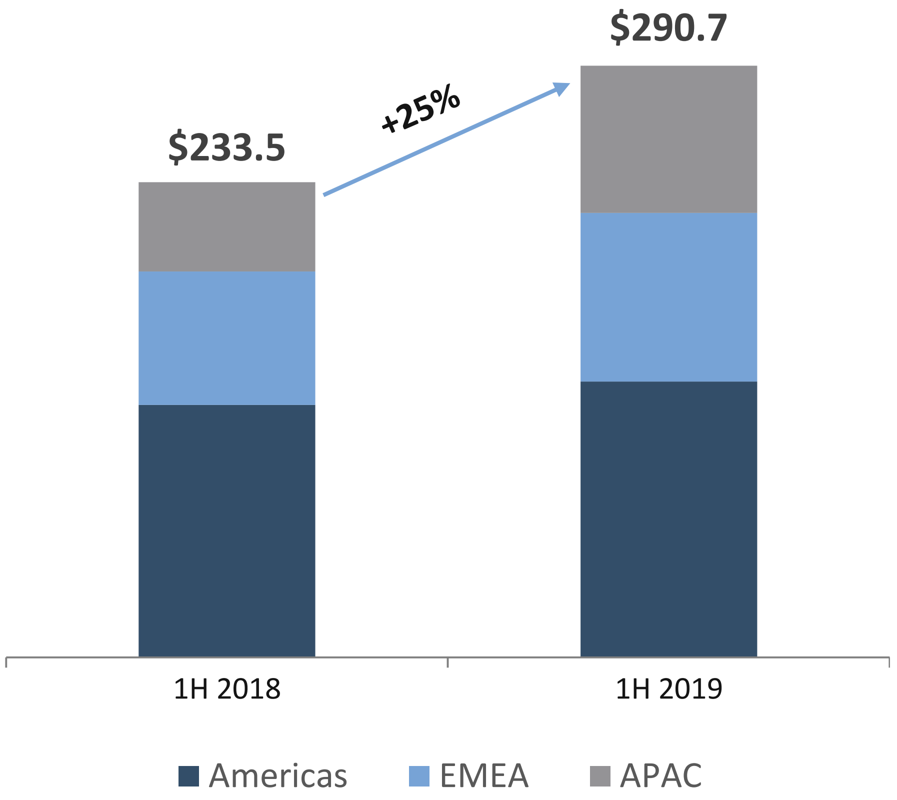


- Sales decreased by 7%, due to softer demand in recreational and oil and gas end markets as well as the impact of releasing certain contractual obligations to offer all products to a broader and more diversified customer base
- Significant year-over-year gross margin and operating margin improvement
  - Driven by cost management efforts, production efficiency, and price increases

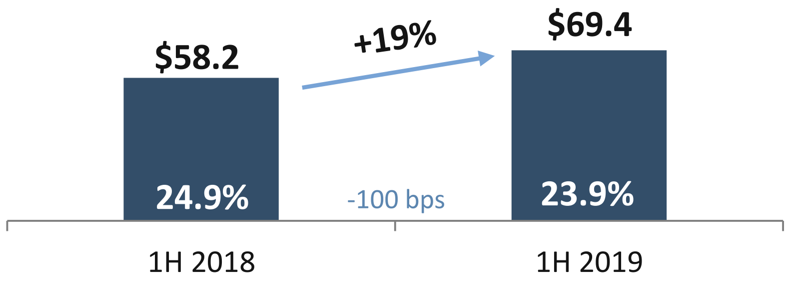
1H – Consolidated Results

($ in millions, except Adjusted EPS)

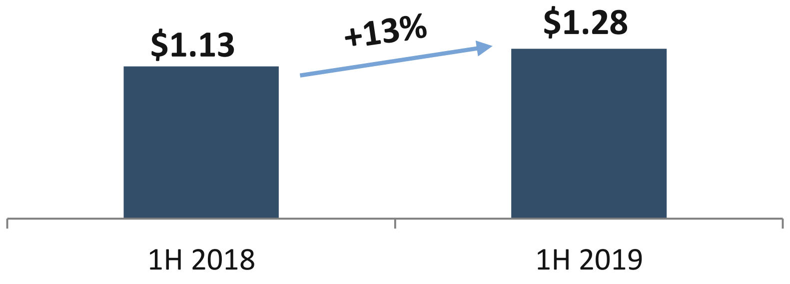
Sales



Adjusted EBITDA & Margin(1)



Non-GAAP Cash EPS(2)



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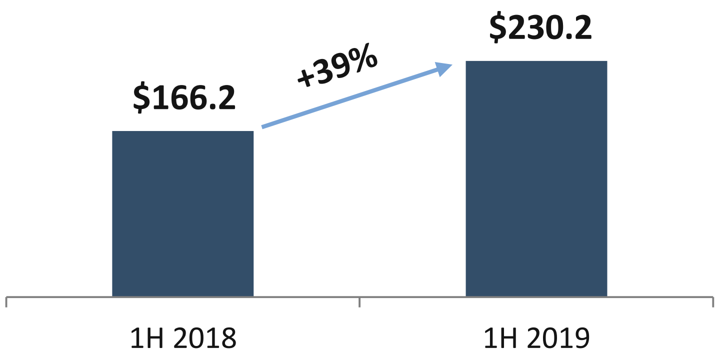
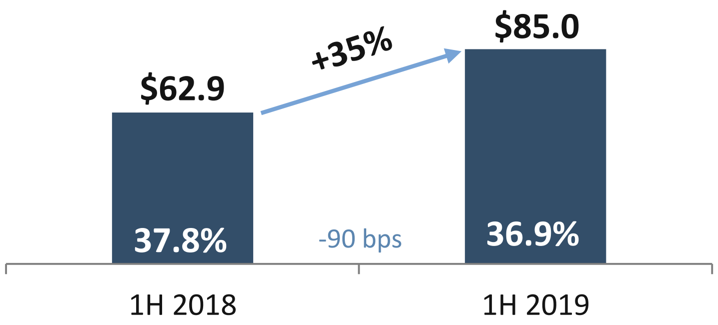
1H – Hydraulics Segment

($ in millions)

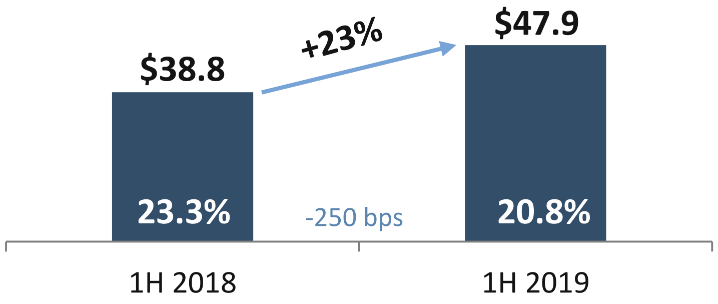
Sales



Gross Profit & Margin



Operating Income & Margin



- Revenue growth driven by acquisitions
  - 1H 2019 includes $61.6 million of Faster and CFP acquisition revenue
  - Organic sales grew $6.0 million, excluding $3.6 million unfavorable Fx
- Significant gross profit increase
  - Mainly resulting from acquisitions; organic margin improvement offset by CFP's value-add integrator business model
- SEA expense increase includes $10.5 million for the CFP and Faster acquisitions

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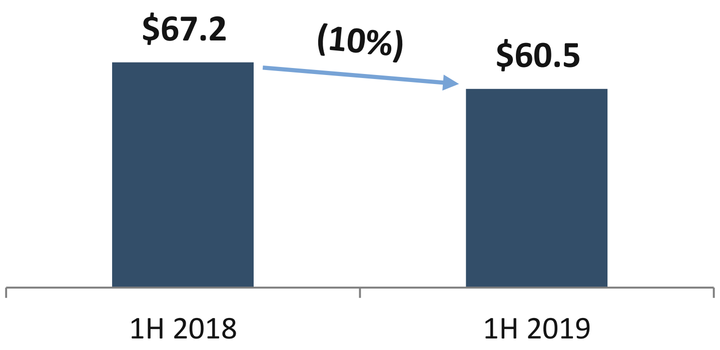
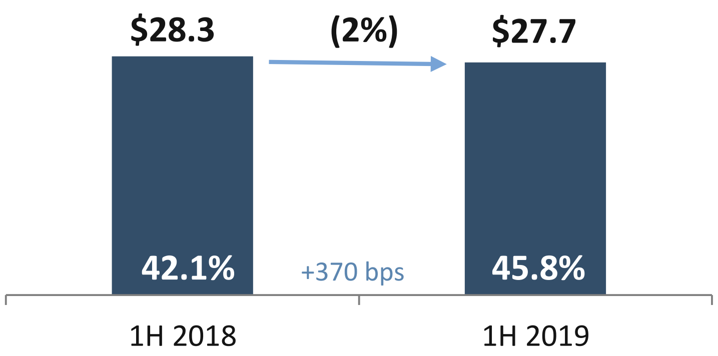
1H – Electronics Segment

($ in millions)

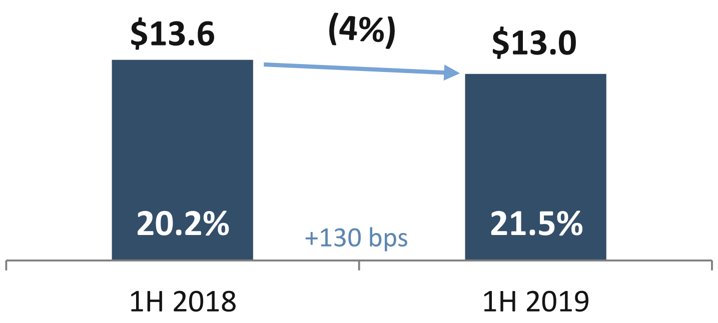
Sales



Gross Profit & Margin



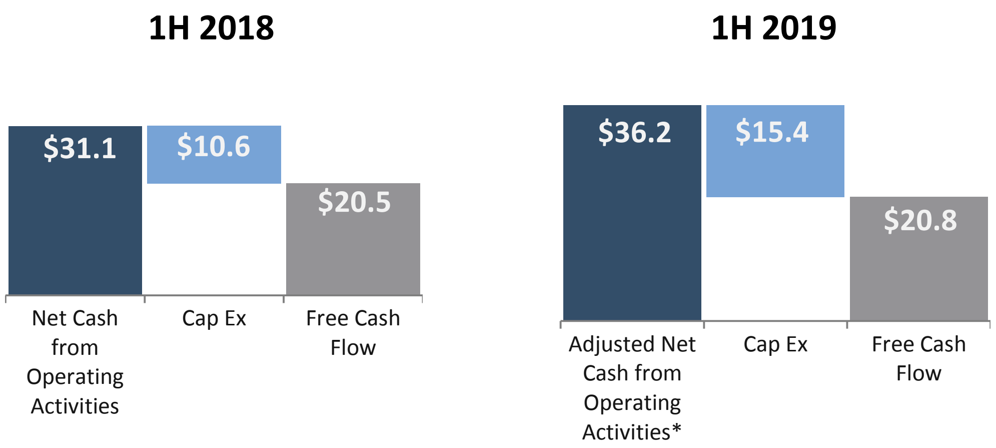
Operating Income & Margin



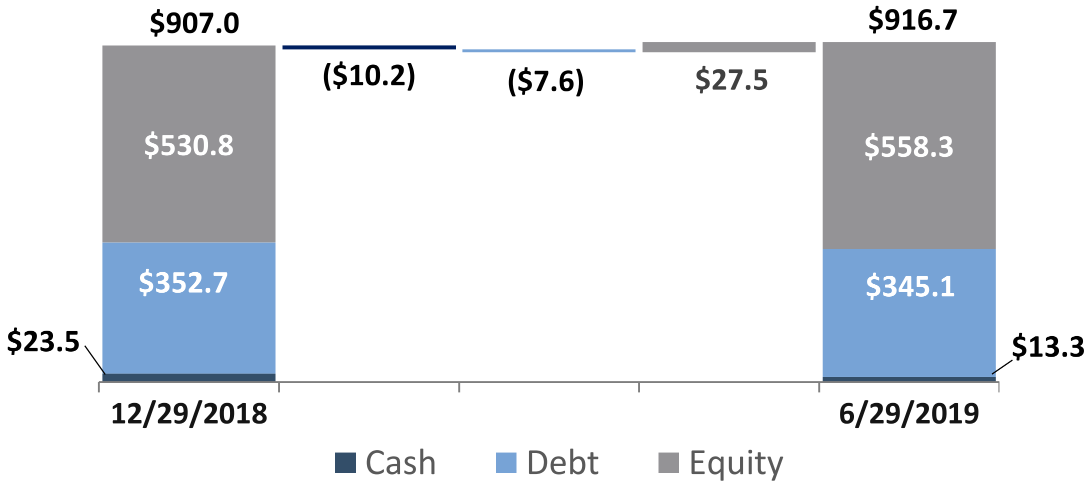
- Sales decreased due to
  - Softer demand in recreational and oil and gas markets and timing of model year rollouts
  - Intentional shift in customer base in Q1
- Significant year-over-year gross margin and operating margin improvement
  - Driven by production efficiency and cost management efforts

Cash Flow and Capitalization Review

($ in millions)



** See supplemental slide for adjusted net cash from operating activities reconciliation and other important disclaimers regarding Helios's use of adjusted net cash from operating activities*



Cash Flow Review

- Adjusted cash provided by operating activities benefited from improved cash from earnings, partially offset by working capital timing
- 1H 2019 CapEx included manufacturing technology enhancements, completion of CVT manufacturing consolidation project, equipment and leasehold improvements at the new China facility, equipment for new engineering center of excellence
- 2019 CapEx expected to be $30 million to $35 million(1)

Capitalization Review

- Contingent consideration payment of $17.8 million impacted cash and debt balances in Q2
- Net debt/Adjusted EBITDA was 2.4x(2) at 6/29/2019

(1) Guidance as of August 5, 2019
(2) Based on pro forma adjusted EBITDA on a trailing twelve months basis, including Custom Fluidpower results for its pre-acquisition period

Outlook

Wolfgang H. Dangel

President and Chief Executive Officer

Macro Outlook – Increased Uncertainty

- Geopolitical uncertainty impacting economic activity and foreign currency exchange rates
  - US/China trade war
  - Brexit
- Leading US indicators suggest currently slowing growth phase, expect soft landing
  - US Construction – residential construction currently weak, single-unit expected to recover later in 2019, multi-unit in 2020
  - US Manufacturing – majority trending along backside of cycle, especially automotive, expect to resume to accelerating growth in 2020
  - US Electronics – new orders slowing
- Nearly all major global economies in slowing growth or recession phase
  - Western Europe currently in mild recession
  - China currently in slowing growth phase, expect accelerating growth in 2020

Sources: ITR Economics™ TrendsReport™ July 2019 and Institute of Printed Circuits Association

2019 Helios Outlook

- Q3/Q4 consolidated quarterly revenue expected to be in line with cadence in Q1/Q2
- Oil & gas, agriculture, recreational, construction in APAC, and material handling end markets are softening
- Continuing investments in innovative manufacturing technologies and market-leading new products to drive growth and productivity improvements
- Challenging discretionary spending to adapt and adjust to the current environment
- Hydraulics
  - Changes in Fx rates – significant headwind
  - Strong backlog favorably impacts CVT product sales outlook for Q3 and Q4
  - Ramping up production output from new China facility
- Electronics
  - Timing of 2019 OEM customer new model launches impacted by slower ramp-up curve
  - Amended contractual obligations to provide all products to broader, global and diverse customer base

Updating 2019 Guidance*

	Previous 2019 Guidance	Updated 2019 Guidance	Change vs 2018 Actual
Consolidated revenue	$580 - $590 million	**$565 - $575 million**	11% - 13%
Hydraulics segment revenue	$464 - $469 million	**$453 - $458 million**	18% - 20%
Electronics segment revenue	$116 - $121 million	**$112 - $117 million**	(7)% - (11)%
GAAP EPS	$2.10 - $2.20	**$1.95 - $2.05**	31% - 38%
Non-GAAP cash EPS	$2.55 - $2.65	**$2.40 - $2.50**	4% - 9%
Adjusted EBITDA margin	24.0% - 24.5%	**23.5% - 24.0%**	(50) - (100) bps

** Guidance as of August 5, 2019*

See supplemental slides for Non-GAAP cash net income and adjusted EBITDA reconciliations and other important disclaimers regarding Helios Technologies' use of Non-GAAP cash net income and EPS and adjusted EBITDA and margin

Supplemental Information

Segment Data

($ in thousands)	Three Months Ended June 29, 2019 (Unaudited)	Three Months Ended June 30, 2018 (Unaudited)	Six Months Ended June 29, 2019 (Unaudited)	Six Months Ended June 30, 2018 (Unaudited)
Sales:				
Hydraulics	$ 113,710	$ 103,634	$ 230,173	$ 166,243
Electronics	30,132	32,534	60,520	67,243
Consolidated	$ 143,842	$ 136,168	$ 290,693	$ 233,486
Gross profit and margin:				
Hydraulics	$ 42,407	$ 39,422	$ 85,040	$ 62,870
	37.3%	*38.0%*	*36.9%*	*37.8%*
Electronics	13,820	14,107	27,695	28,276
	45.8%	*43.4%*	*45.8%*	*42.1%*
Corporate and other	-	(3,125)	-	(3,125)
Consolidated	$ 56,227	$ 50,404	$ 112,735	$ 88,021
	39.1%	*37.0%*	*38.8%*	*37.7%*
Operating income and margin:				
Hydraulics	$ 24,123	$ 25,401	$ 47,885	$ 38,844
	21.2%	*24.5%*	*20.8%*	*23.3%*
Electronics	6,488	6,532	13,000	13,639
	21.6%	*20.0%*	*21.5%*	*20.2%*
Corporate and other	(4,238)	(14,930)	(8,681)	(18,226)
Consolidated	$ 26,373	$ 17,003	$ 52,204	$ 34,257
	18.4%	*12.5%*	*18.0%*	*14.7%*

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Sales by Geographic Region & Segment

(Unaudited)

2019 Sales by Geographic Region and Segment

($ in millions)

	Q1	% of Total	Q2	% of Total	2019	% of Total
Americas:						
Hydraulics	$ 41.6		$ 41.2		$ 82.9	
Electronics	26.1		26.6		52.7	
Consol. Americas	67.7	46%	67.8	47%	135.6	47%
EMEA:						
Hydraulics	41.8		36.8		78.5	
Electronics	2.5		1.8		4.3	
Consol. EMEA	44.3	30%	38.6	27%	82.8	28%
APAC:						
Hydraulics	33.1		35.7		68.8	
Electronics	1.8		1.7		3.5	
Consol. APAC	34.9	24%	37.4	26%	72.3	25%
Total	$ 146.9		$ 143.8		$ 290.7	

2018 Sales by Geographic Region and Segment

($ in millions)

	Q1	% of Total	Q2	% of Total	Q3	% of Total	Q4	% of Total	2018	% of Total
Americas:										
Hydraulics	$ 26.4		$ 39.7		$ 38.4		$ 44.2		$ 148.7	
Electronics	30.1		27.9		27.4		23.5		108.9	
Consol. Americas	56.5	58%	67.6	50%	65.8	48%	67.7	49%	257.6	51%
EMEA:										
Hydraulics	19.6		40.5		34.6		34.9		129.6	
Electronics	2.7		2.7		2.7		2.0		10.1	
Consol. EMEA	22.3	23%	43.2	32%	37.3	28%	36.9	27%	139.7	27%
APAC:										
Hydraulics	16.6		23.4		31.1		32.4		103.5	
Electronics	1.9		2.0		1.6		1.7		7.2	
Consol. APAC	18.5	19%	25.4	18%	32.7	24%	34.1	24%	110.7	22%
Total	$ 97.3		$ 136.2		$ 135.8		$ 138.7		$ 508.0	

Adjusted Operating Income Reconciliation

(Unaudited)
($ in thousands)

	Three Months Ended		Six Months Ended	
	June 29, 2019	June 30, 2018	June 29, 2019	June 30, 2018
GAAP operating income	$ 26,373	$ 17,003	$ 52,204	$ 34,257
Acquisition-related amortization of intangible assets	4,484	8,015	8,945	10,004
Acquisition-related amortization of inventory step-up	-	3,125	-	3,125
Acquisition and financing-related expenses	-	3,731	11	4,927
Restructuring charges	-	59	-	170
Non-GAAP adjusted operating income	$ 30,857	$ 31,933	$ 61,160	$ 52,483
GAAP operating margin	*18.3%*	*12.5%*	*18.0%*	*14.7%*
Non-GAAP Adjusted operating margin	*21.5%*	*23.5%*	*21.0%*	*22.5%*

Non-GAAP Financial Measure:

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

Non-GAAP Cash Net Income Reconciliation

(Unaudited)
($ in thousands)

	Three Months Ended		Six Months Ended	
	June 29, 2019	June 30, 2018	June 29, 2019	June 30, 2018
Net income	$ 17,265	$ 6,796	$ 33,669	$ 18,707
Acquisition-related amortization of inventory step-up	-	3,125	-	3,125
Acquisition and financing-related expenses	-	3,731	11	4,927
Restructuring charges	-	59	-	170
Foreign currency forward contract loss	-	2,030	-	2,535
Change in fair value of contingent consideration	56	251	775	653
Amortization of intangible assets	4,545	8,076	9,066	10,124
Tax effect of above	(1,150)	(4,318)	(2,463)	(5,384)
Non-GAAP cash net income	$ 20,716	$ 19,750	$ 41,058	$ 34,857
Non-GAAP cash net income per diluted share	$ 0.65	$ 0.63	$ 1.28	$ 1.13

Non-GAAP Financial Measure:

Adjusted net income per diluted share is adjusted net income divided by diluted weighted average common shares outstanding. Cash net income per share is cash net income divided by diluted weighted average common shares outstanding. Adjusted net income, adjusted net income per diluted share, cash net income and cash net income per diluted share are not measures determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing non-GAAP information such as adjusted net income, adjusted net income per diluted share, cash net income and cash net income per diluted share is important for investors and other readers of Helios' s financial statements, as they are used as analytical indicators by Helios's management to better understand operating performance. Because adjusted net income, adjusted net income per diluted share, cash net income and cash net income per diluted share are non-GAAP measures and are thus susceptible to varying calculations, adjusted net income, adjusted net income per diluted share, cash net income, and cash net income per diluted share, as presented, may not be directly comparable to other similarly titled measures used by other companies.

Adjusted EBITDA Reconciliation

(Unaudited) *($ in thousands)*	Three Months Ended		Six Months Ended	
	June 29, 2019	June 30, 2018	June 29, 2019	June 30, 2018
Net income	$ 17,265	$ 6,796	$ 33,669	$ 18,707
Interest expense, net	4,048	4,151	8,433	4,634
Income tax provision	4,660	2,424	9,315	6,407
Depreciation and amortization	8,624	12,347	17,195	17,076
EBITDA	34,597	25,718	68,612	46,824
Acquisition-related amortization of inventory step-up		3,125		3,125
Acquisition and financing-related expenses	-	3,731	11	4,927
Restructuring charges	-	59	-	170
Foreign currency forward contract loss	-	2,030	-	2,535
Change in fair value of contingent consideration	56	251	775	653
Adjusted EBITDA	$ 34,653	$ 34,914	$ 69,398	$ 58,234
Adjusted EBITDA margin	*24.1%*	*25.6%*	*23.9%*	*24.9%*

Non-GAAP Financial Measure:

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

Adjusted Cash From Operating Activities Reconciliation

(Unaudited)
($ in thousands)

	Six Months Ended	
	June 29, 2019	June 30, 2018
Net cash provided by operating activities	$ 25,445	$ 31,117
Contingent consideration payment in excess of acquisition date fair value	10,731	-
Adjusted net cash provided by operating activities	$ 36,176	$ 31,117

Non-GAAP Financial Measure:

Adjusted cash from operating activities is cash from operating activities plus the portion of the contingent consideration payment that was in excess of acquisition date fair value relating to the Enovation Controls acquisition. Adjusted cash from operating activities is not a measure determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing non-GAAP information such as Adjusted cash from operating activities is important for investors and other readers of Helios's financial statements, as it is used as an analytical indicator by Helios's management to better understand operating performance. Because Adjusted cash from operating activities is a non-GAAP measure and is thus susceptible to varying calculations, Adjusted cash from operating activities, as presented, may not be directly comparable to other similarly titled measures used by other companies.

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August 6, 2019