



Executing Vision 2025

Investor & Analyst Day

October 3, 2018

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 Sun Hydraulics Corporation (“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 cyclicalities 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 7. “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” in the Company’s Form 10-Q for the quarter ended June 30, 2018, and Item 1. “Business” and Item 1A. “Risk Factors” in the Company’s Form 10-K for the year ended December 30, 2017. 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.

Today's Presenting Team



Wolfgang Dangel
Helios Technologies
President and CEO



Tricia Fulton
Helios Technologies
CFO



Joel Edwards
Faster
Senior VP / GM



Rick Martich
Enovation Controls
VP, Operations



Gary Gotting
Sun Hydraulics
Global Lead, CVT Product
Management & Marketing

Executing Vision 2025

1. Advancing global technology leadership
 - Broadening product and solutions offering organically
 - Penetrating geographic white space organically
 - Acquiring strategically complementary businesses – technology and geographic breadth
 - Achieving synergies among existing and acquired businesses
2. Near-term focus on margin expansion
 - Actions to moderate earnings volatility
 - Initiatives to mitigate margin pressure
3. Expanding capacity for regional customer service
 - In the region, for the region
4. Capital structure to support growth
 - Focusing on capital allocation goals and working capital initiatives



Introducing Helios Technologies

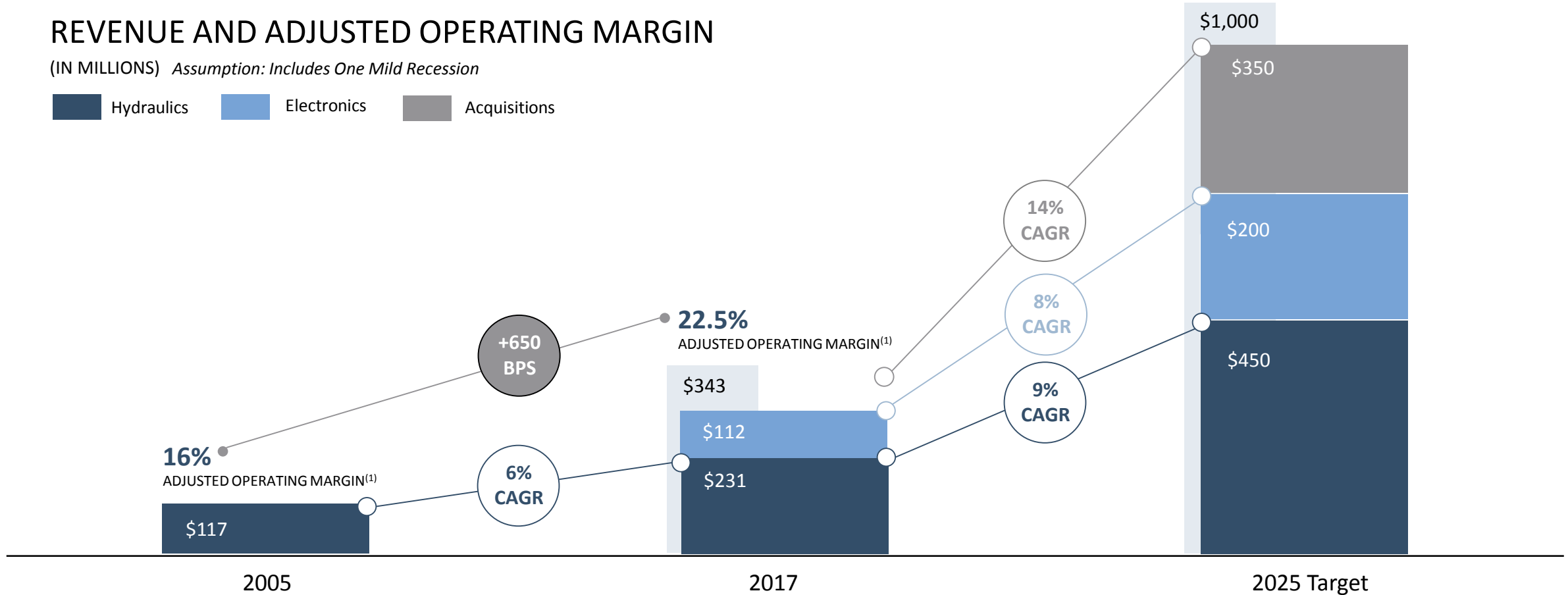
Wolfgang Dangel
Helios Technologies
President & CEO

Lookback to 2017: Vision 2025 Pathway

REVENUE AND ADJUSTED OPERATING MARGIN

(IN MILLIONS) Assumption: Includes One Mild Recession

Hydraulics Electronics Acquisitions



Vision 2025 Metric Floors: **\$1B** REVENUE / **>20%** ADJUSTED OPERATING MARGIN / **>24%** EBITDA MARGIN

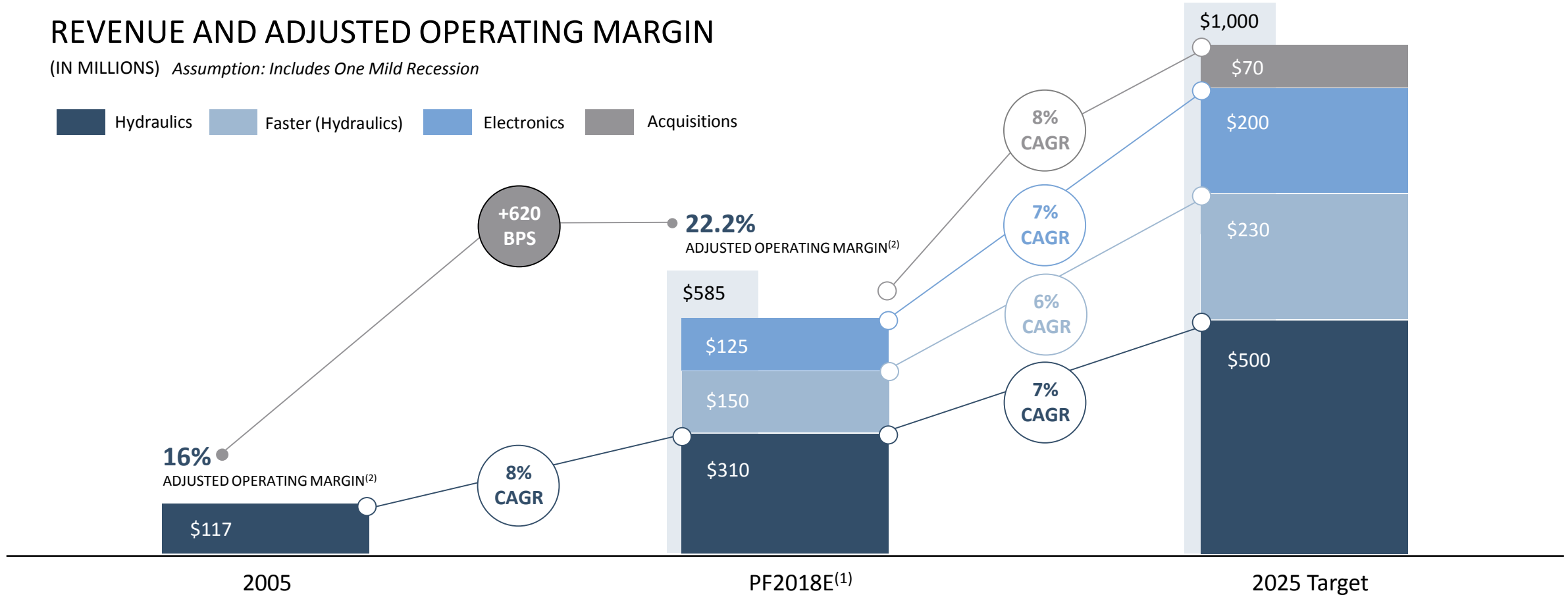
(1) See Supplemental Information for definition of Adjusted Operating Margin and reconciliation from GAAP and other disclaimers regarding non-GAAP information

Current Vision 2025: Pathway to Superior Growth

REVENUE AND ADJUSTED OPERATING MARGIN

(IN MILLIONS) Assumption: Includes One Mild Recession

Hydraulics Faster (Hydraulics) Electronics Acquisitions



Vision 2025 Metric Floors: **\$1B** REVENUE / **>20%** ADJUSTED OPERATING MARGIN / **>24%** EBITDA MARGIN

(1) Represents midpoint of 2018 guidance as of August 6, 2018, adjusted to 2018 pro forma to reflect full year results for Faster and Custom Fluidpower
 (2) See Supplemental Information for definition of Adjusted Operating Margin and reconciliation from GAAP and other disclaimers regarding non-GAAP information

ACHIEVE GLOBAL technology leadership **IN THE**
INDUSTRIAL GOODS SECTOR by 2025 **WITH CRITICAL MASS**
EXCEEDING \$1B in sales

WHILE MAINTAINING superior profitability & financial strength.

DESIGNER AND MANUFACTURER OF INTELLIGENT SYSTEMS & CONTROLS

Strategic Transactions Since 2017 Investor Day

October 2017

- » Introduced XMD Electro-Hydraulic Drivers

December 2017

- » Merged High Country Tek (HCT) with Enovation Controls

April 2018

- » Established new \$500 million senior secured credit facilities

August 2018

- » Announced business name change to Helios Technologies

August 2018

- » Opened new facility in South Korea

September 2017

October 2018

October 2017

- » Launched FLEx™ Series Solenoid Valves & Coils

January 2018

- » Raised \$240 million net proceeds from follow-on offering

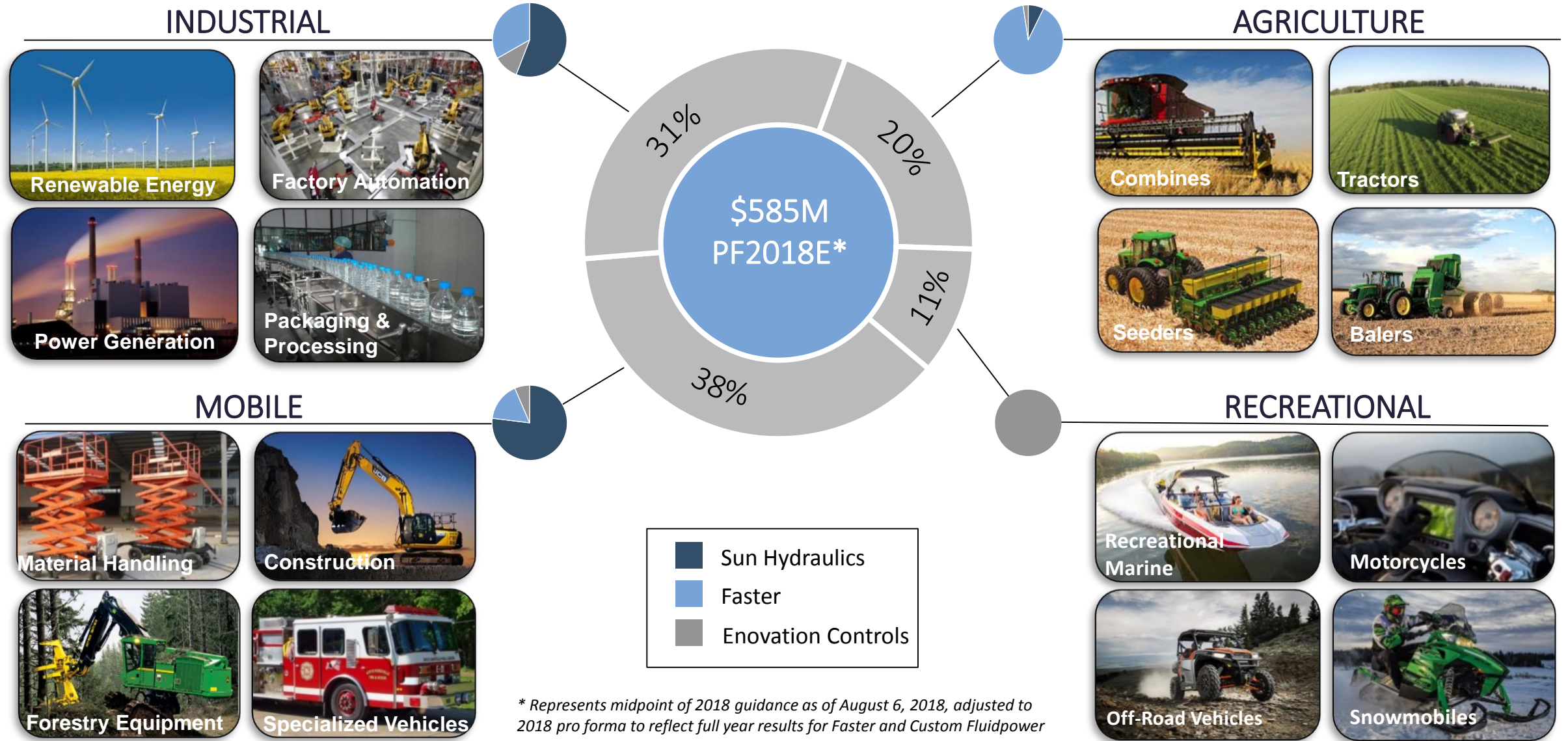
April 2018

- » Completed acquisition of Faster Group for \$530 million USD

August 2018

- » Completed acquisition of Custom Fluidpower for \$26 million USD

Diversified End Markets

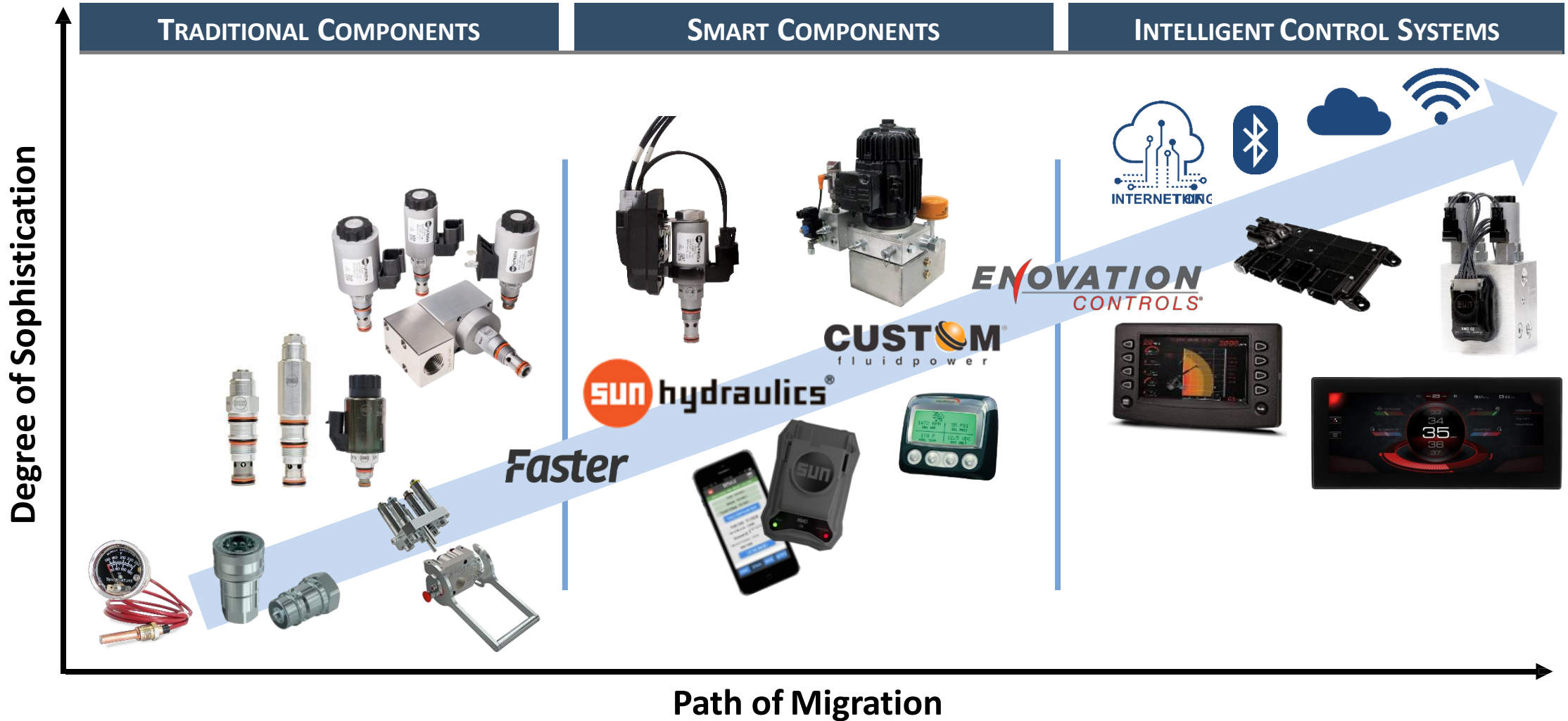


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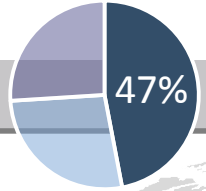
Strategic Execution

Evolving from best-in-class component supplier to an intelligent control systems provider

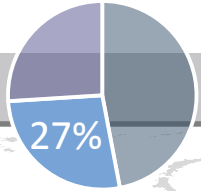


Growing Global Reach

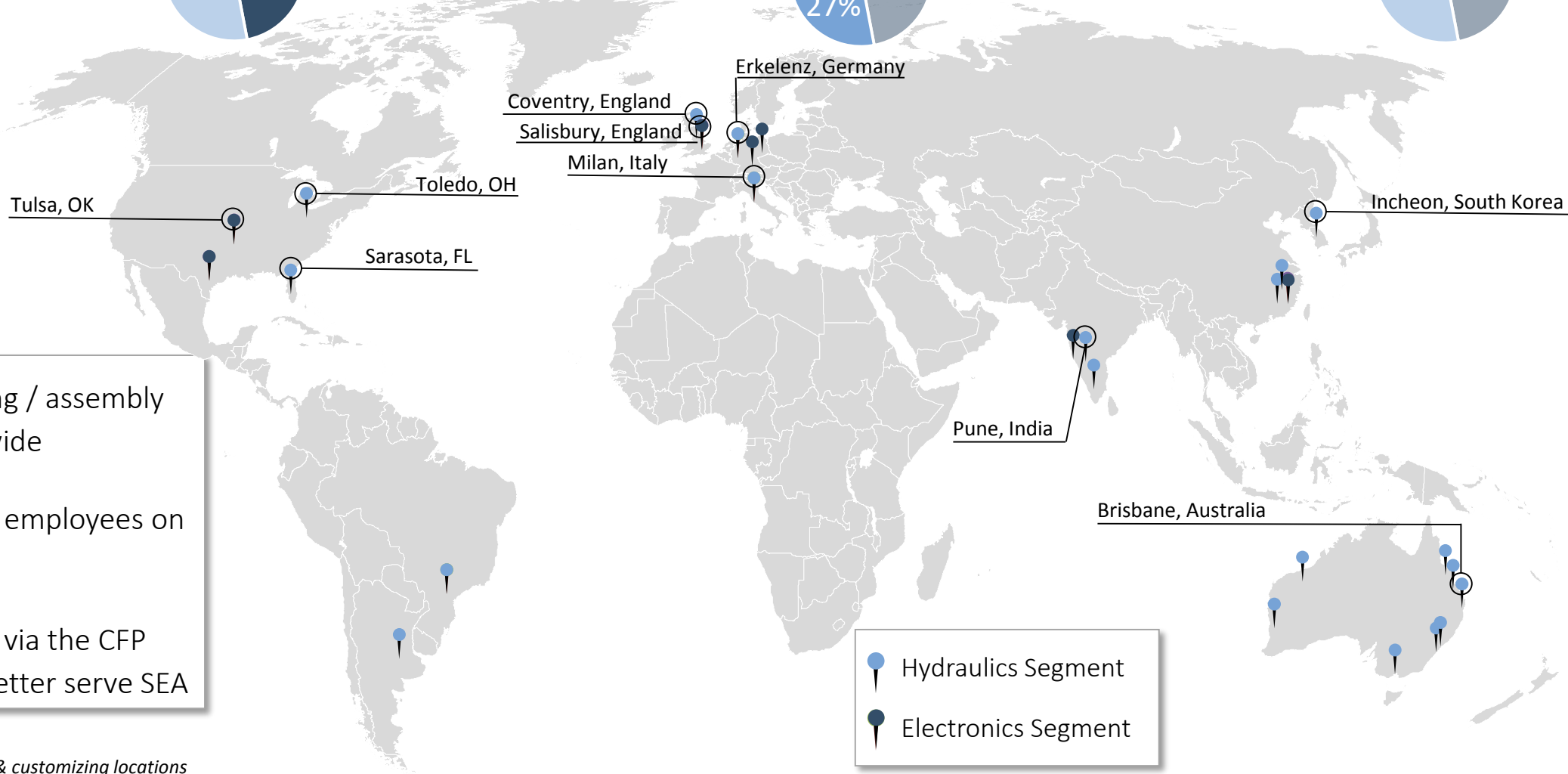
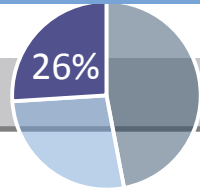
Americas (1)



EMEA (1)

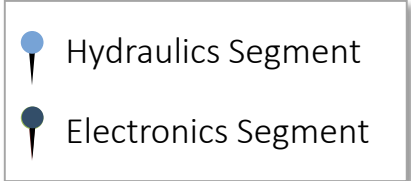


APAC (1)



- **9** manufacturing / assembly facilities worldwide
- **1,900+** total employees on 5 continents
- **8** new facilities via the CFP acquisition to better serve SEA

Note: As of August 1st, 2018
 ○ Denotes manufacturing & customizing locations
 (1) Denotes 2018E Pro Forma



Faster: Strategic Rationale



Strategic Rationale

Aligns with Long-Term Strategic Vision

- Advances global technology leadership
- Contributes toward revenue goal of \$1 billion by 2025
- Enhances superior profitability and cash flows



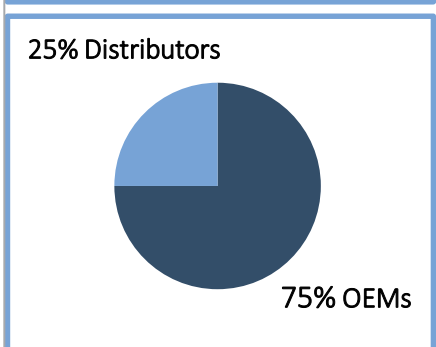
Diversifies Helios

- Strengthens end market positions in global agriculture, construction equipment, and industrial markets
- Broadens product offering and geographic footprint
- Adds manufacturing footprint in Europe



Strengthens Technology Leadership

- Holds 80+ registered patents; continues to add new patents annually via strong R&D focus
- Innovative culture drives new product development
- Strong commercial and technical relationships with global OEMs



Custom Fluidpower: Strategic Rationale



Strategic Rationale	Aligns with Long-Term Strategic Vision	<ul style="list-style-type: none"> • Complements global technology leadership with “in the region capabilities” • Key building block to continue successful penetration in APAC region and particularly SEA (Southeast Asia) • Contributes toward revenue goal of \$1 billion by 2025 	 <p>HELIOS Vision 2025 ACHIEVE GLOBAL technology leadership in the INDUSTRIAL GOODS SECTOR by 2025 WITH CRITICAL MASS EXCEEDING \$1B in sales WHILE MAINTAINING superior profitability & financial strength. DESIGNER AND MANUFACTURER OF INTELLIGENT SYSTEMS & CONTROLS</p>
	Strengthens Helios' APAC Platform	<ul style="list-style-type: none"> • Differentiated due to in house engineering and design capability • Deepens electro-mechanical technical expertise • Strong service component delivers additional value to customers 	 <p>Mechanical + Electrical = Electro-Mechanical</p>
	Teeing Up Future Success in Region	<ul style="list-style-type: none"> • Significantly enhanced footprint to serve high growth APAC market • Regional value-add capabilities supports pursuit of APAC white space • Complements other regional investments (e.g. new plant in South Korea) • Strengthens regional connectivity with OEMs and end users 	

Creating a Larger & More Diversified Technology Platform

Pro Forma Combination Overview

HELIOS TECHNOLOGIES + Faster⁽¹⁾

+

CUSTOM⁽¹⁾⁽²⁾
fluid power

HELIOS TECHNOLOGIES + Faster⁽¹⁾ + CUSTOM⁽¹⁾⁽²⁾
fluid power

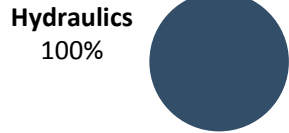
2018E PF Revenue (\$MM)

~\$530MM - \$545MM

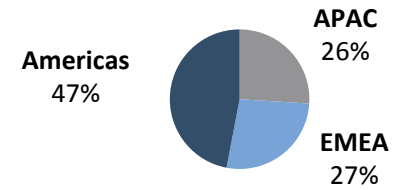
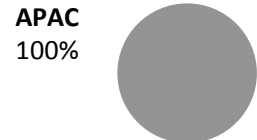
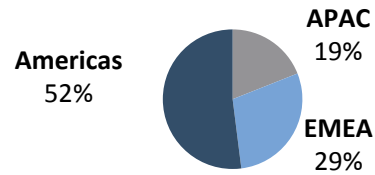
~\$50MM

~\$580MM - \$595MM

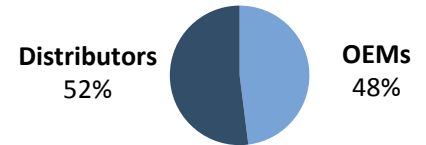
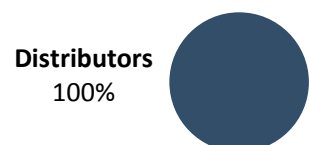
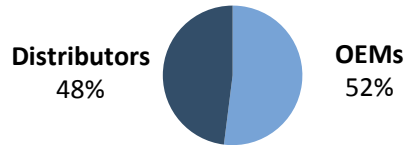
Enhanced Product Offering



Broader Geographic Reach



Greater Access to OEMs



⁽¹⁾ SNHY 2018 Guidance as of August 6, 2018; above is pro forma for Faster for full year 2018; Faster estimated 2018 revenue converted at an exchange rate of \$1.235 / €1.000

⁽²⁾ Custom Fluid Power estimated 2018 revenue converted at an exchange rate of \$1.3511 AUD / \$1.00 USD

Acquisition Synergy Strategy



ADDITIONAL SALES CHANNELS

Adding to a strong portfolio of sales channel partners for distribution, reselling, and system integration of Helios products



SHARING OPERATIONAL EXCELLENCE

Idea sharing and use of best practices between operationally strong businesses



ENHANCED GEOGRAPHIC COVERAGE

Strategically acquiring companies to cover current geographic “white spots”



ELECTRO-HYDRAULIC DEVELOPMENT

Pooling the strengths of various business segments for fast, innovative development of electro-hydraulic products



GLOBAL, DIVERSE WORKFORCE

Emphasis on adding companies with technically skilled employees

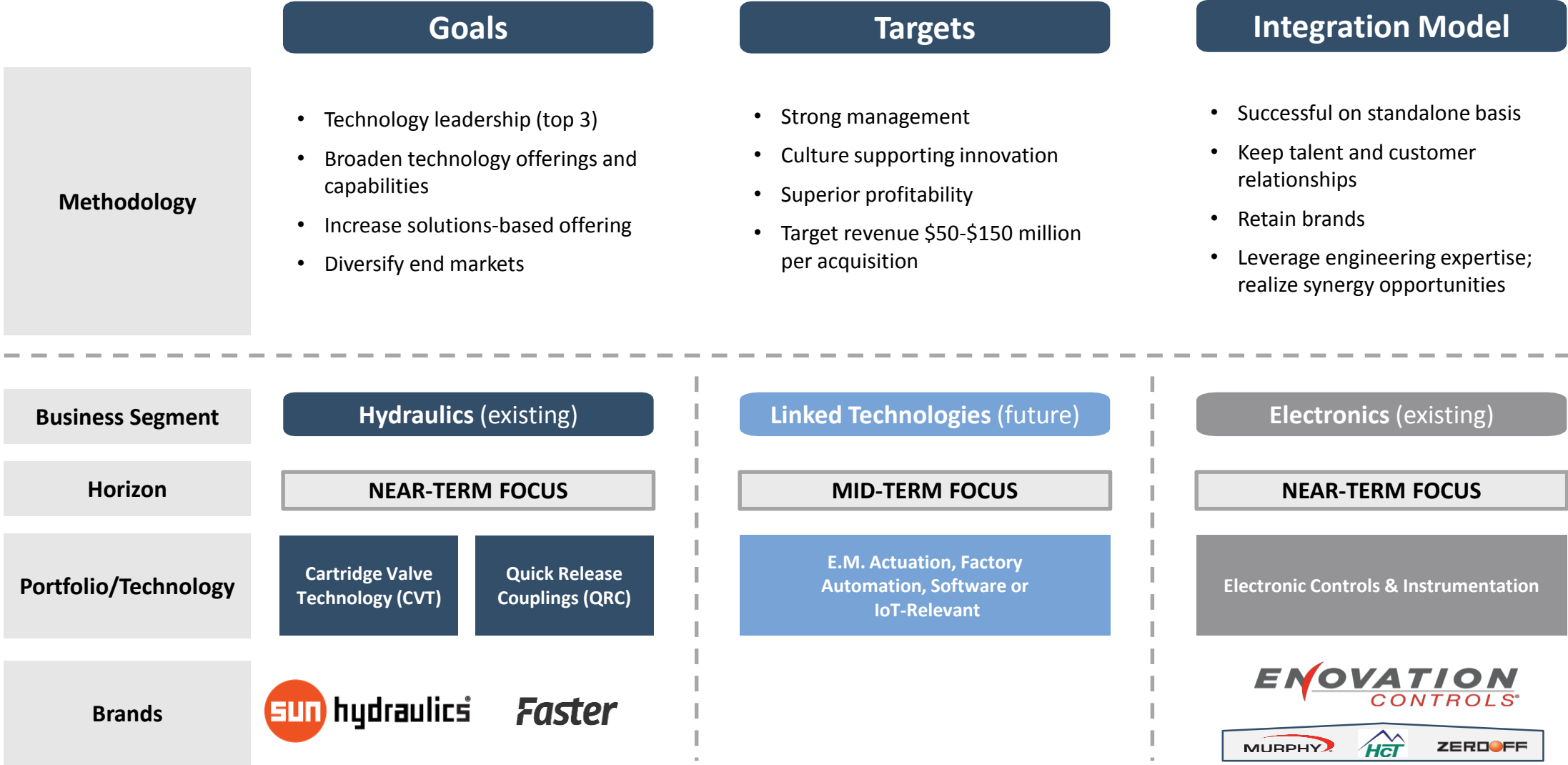


LINKED TECHNOLOGIES

Discipline towards the “3 bucket approach” to add technologies that are complimentary to one another



Disciplined Acquisition Strategy





Faster – Easier to Connect

Joel Edwards

Faster

Senior VP / GM

Advancing Global Technology Leadership



Hydraulic & Electro-Hydraulic Valves and Manifolds

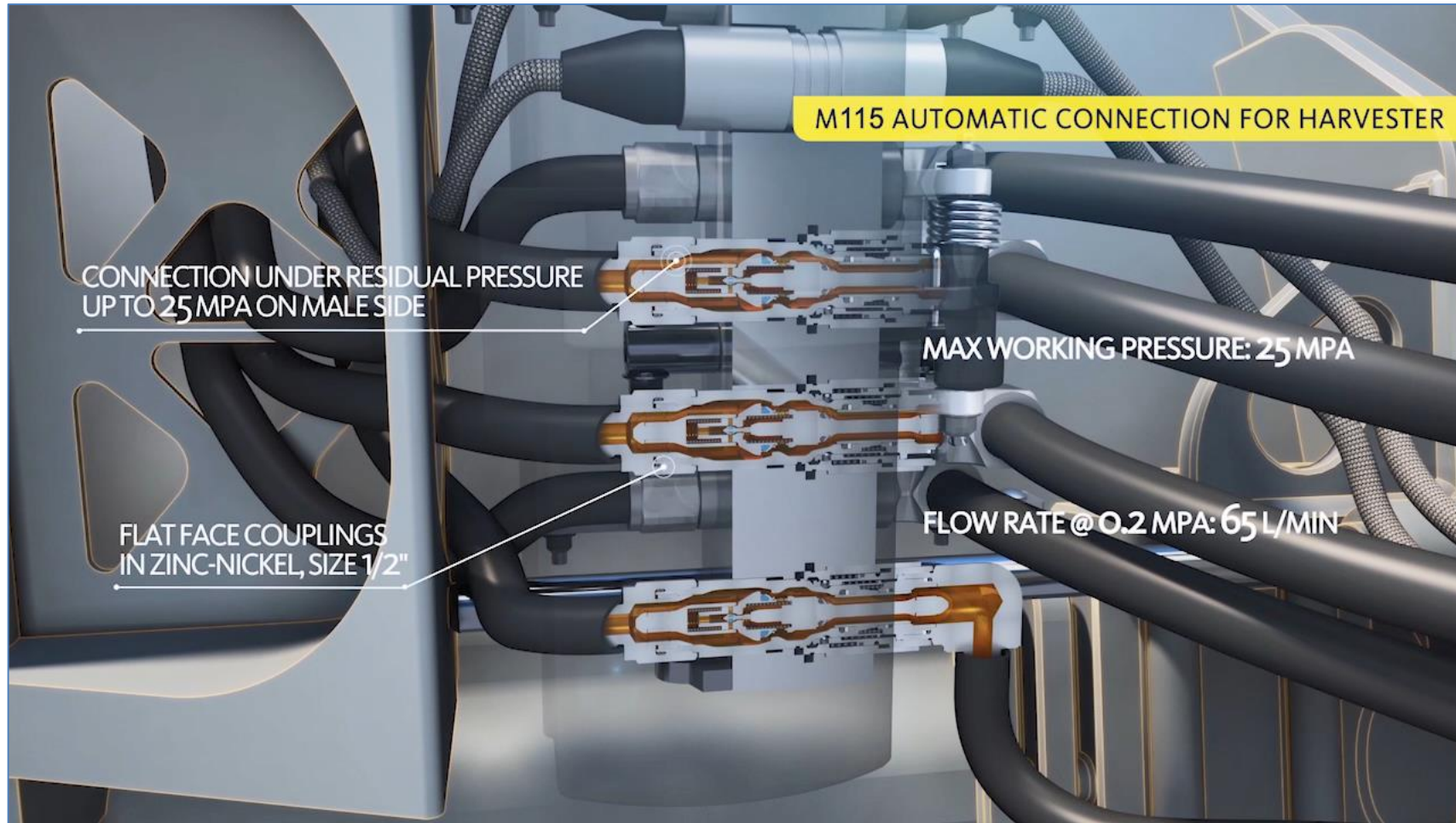


Hydraulic Connections & Multi-Connector Solutions



Electronic Controls & Displays


Video




Global Reference in Quick-Release Hydraulic Couplings


Portfolio of highly engineered coupling solutions

Agriculture (AG)





Push-Pull





MultiFaster

FASTER created


FASTER invention

Construction (CE)






Flat Face



FHV



Block coupler

FASTER patent

Industrial (IND)





High Pressure



Refrigeration



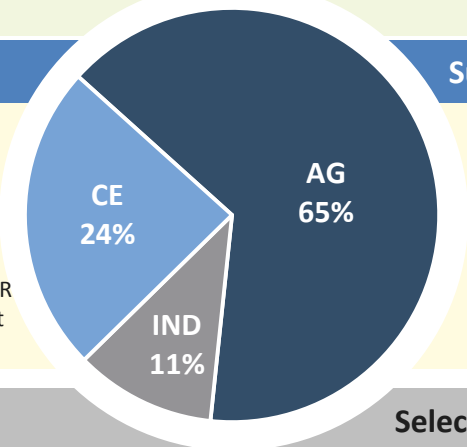
Ultra High Pressure



Heavy Duty

Impressive and loyal blue-chip customer base

Long-term relationships with the leading agriculture OEMs

Supplying a broad range of OEMs in construction

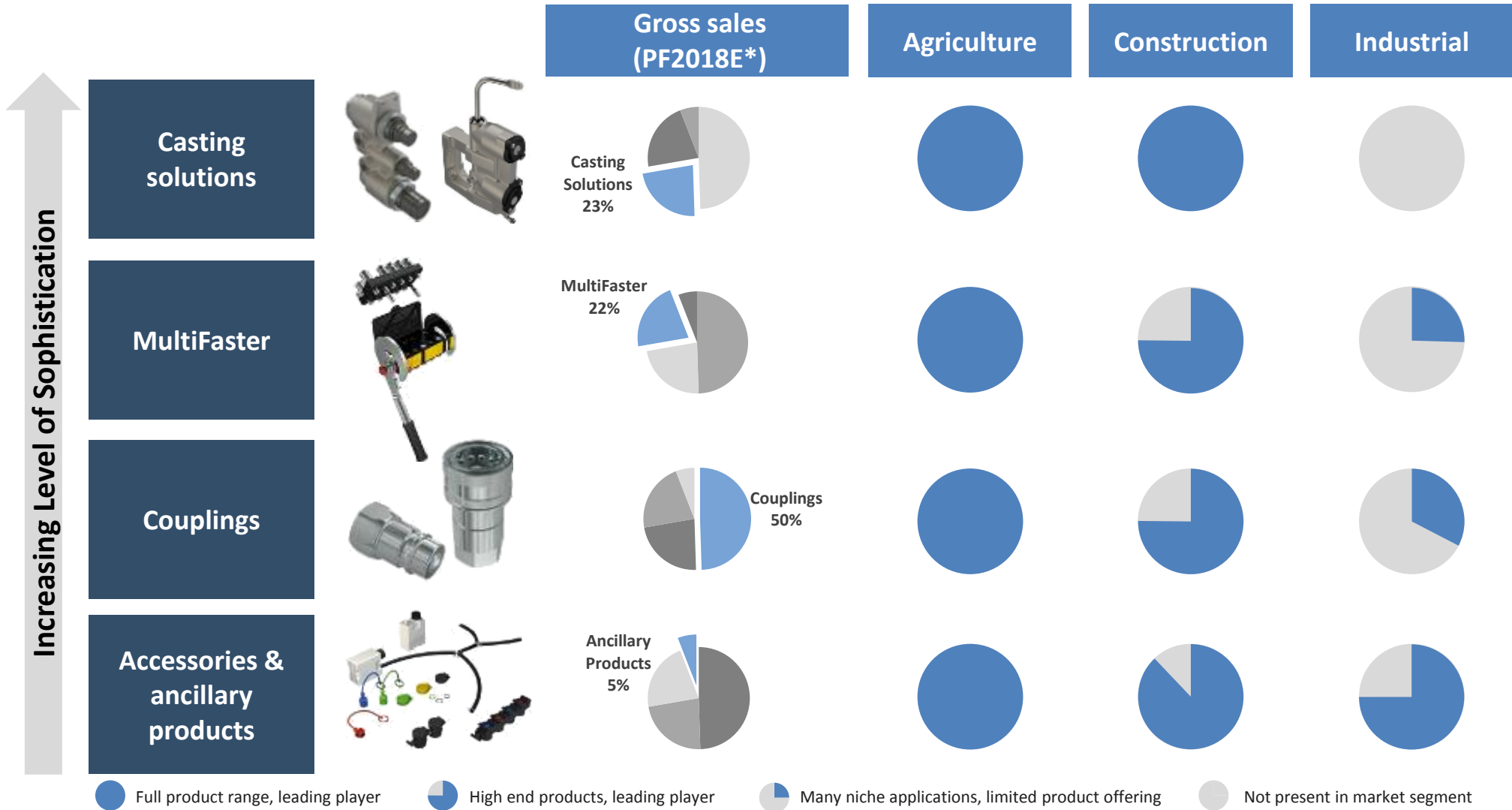


Select group of industrial customers



Note: End market sales split based on company estimates and customer interviews

Most Complete Product Range in Agriculture and Construction



* Represents midpoint of 2018 Faster guidance included in Hydraulics segment, as of August 2, 2018, adjusted to 2018 pro forma to reflect full year results

Global Commercial Presence

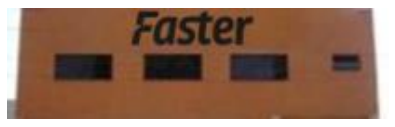
Americas

Toledo OH, USA (1992)



- ✓ Production (assembly)
- ✓ Sales and marketing
- ✓ Application engineering
- ✓ Purchasing and quality control
- ✓ Warehouse and logistics

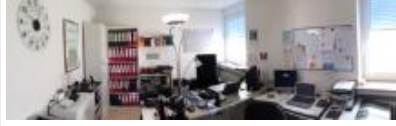
São Paulo, Brazil (2007)



- ✓ Sales
- ✓ Warehouse and logistics

EMEA

Langenfeld, Germany (1992)



- ✓ Sales

Rivolta d'Adda (Milan), Italy (1951)



- ✓ Faster headquarters
- ✓ Production
- ✓ R&D
- ✓ Sales and marketing
- ✓ Purchasing and quality control
- ✓ Warehouse and logistics

APAC

Shanghai, China (2007)



- ✓ Sales
- ✓ Application engineering
- ✓ Warehouse and logistics

Pune, India (2006)



- ✓ Production (machining)
- ✓ Sales
- ✓ Application engineering
- ✓ Purchasing and quality control
- ✓ Warehouse and logistics

Core Manufacturing Processes, Value-Add Capabilities



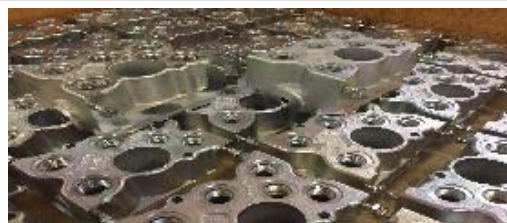
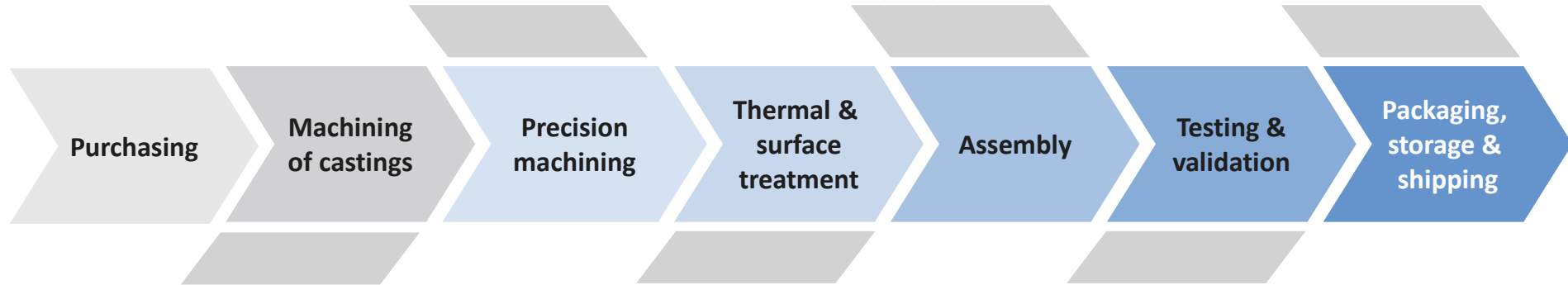
- High volume, just-in-time manufacturing processes
- Productive and precise technology
- Enables high-performance designs



- Automated assembly technology developed in-house
- Integrated testing process
- Ensures 'built-in' quality



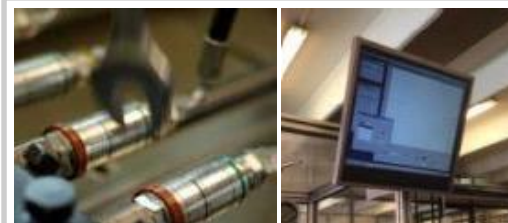
- Custom packages, sub-assembly, kits
- Global logistical capabilities
- Tailored supply solutions to meet specific customer needs



- Own casting machining capabilities in India provide competitive advantage
- Provides significant cost savings



- Plating specification control in-house
- Induction hardening and zinc plating completely outsourced
- Leverages economy of scale



- Integrated testing of solutions

Leading Global Market Positions

#2 Global position
in hydraulic
quick release couplings

Agriculture

#1 **Faster**

Construction

#2 **Faster**

Industrial

Top 10 **Faster**

Driving Connection Technology

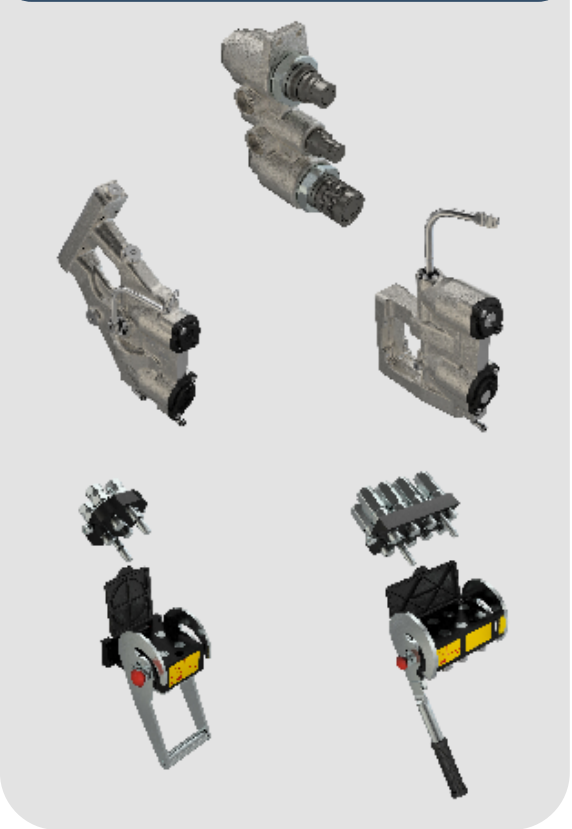
Past

Hydraulic couplings



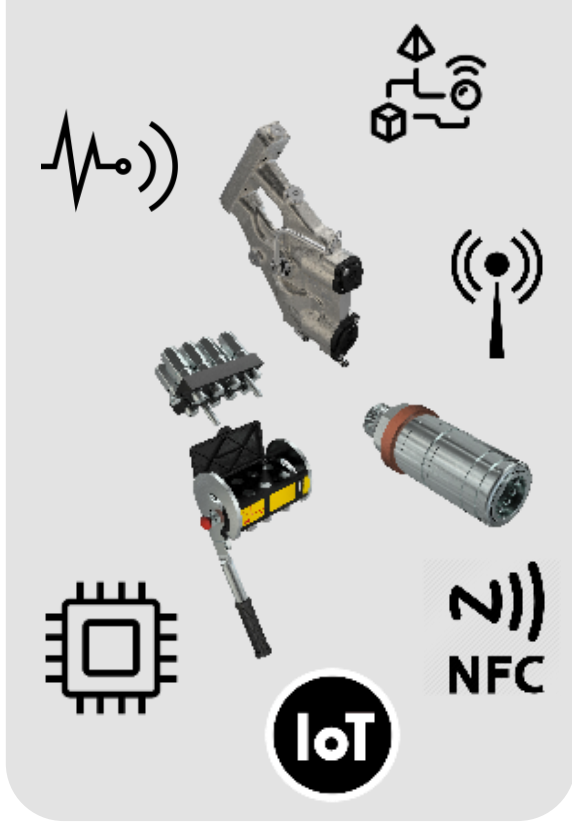
Today

Hydraulic coupling solutions



Future

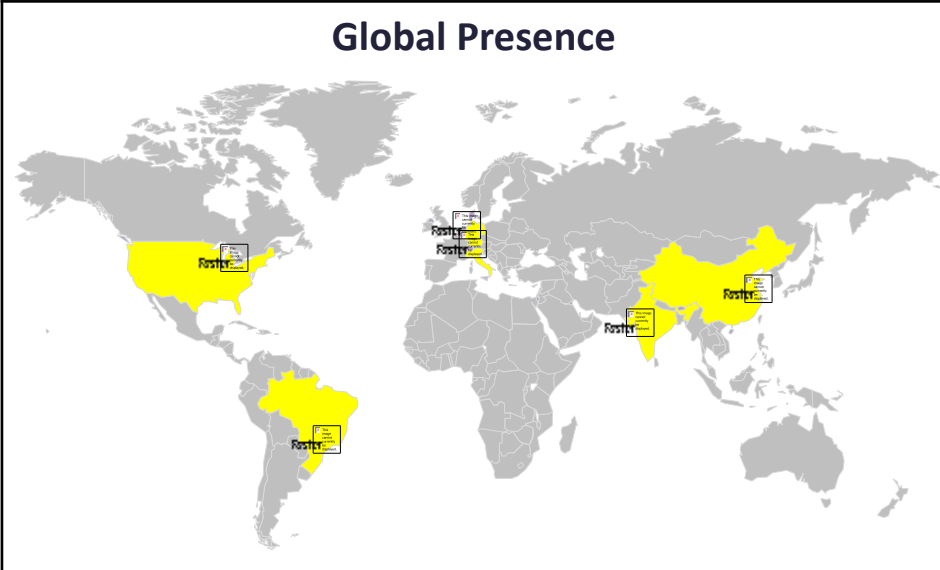
E-volved hydraulic coupling solutions



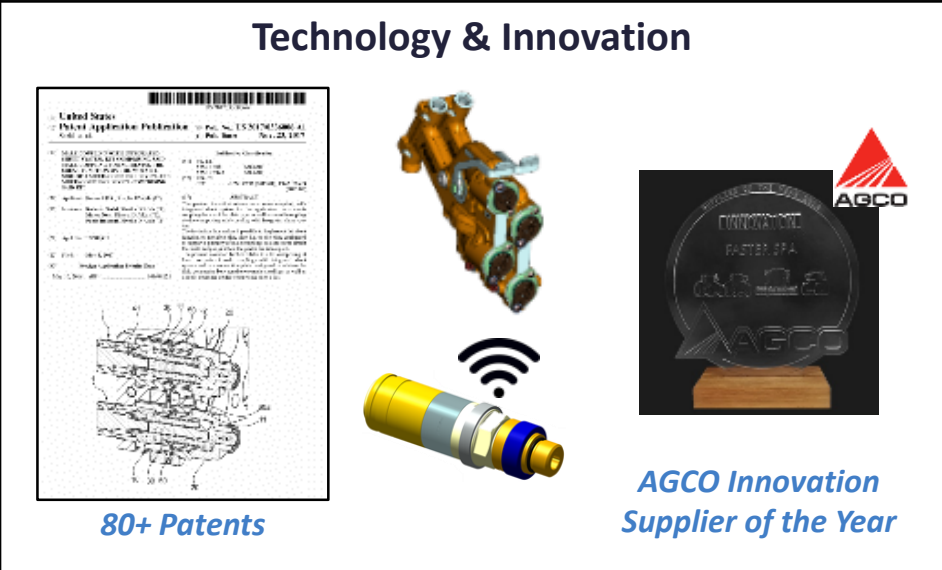
Collaboration Opportunities with Sun Hydraulics & Enovation Controls

Key Differentiators

Global Presence



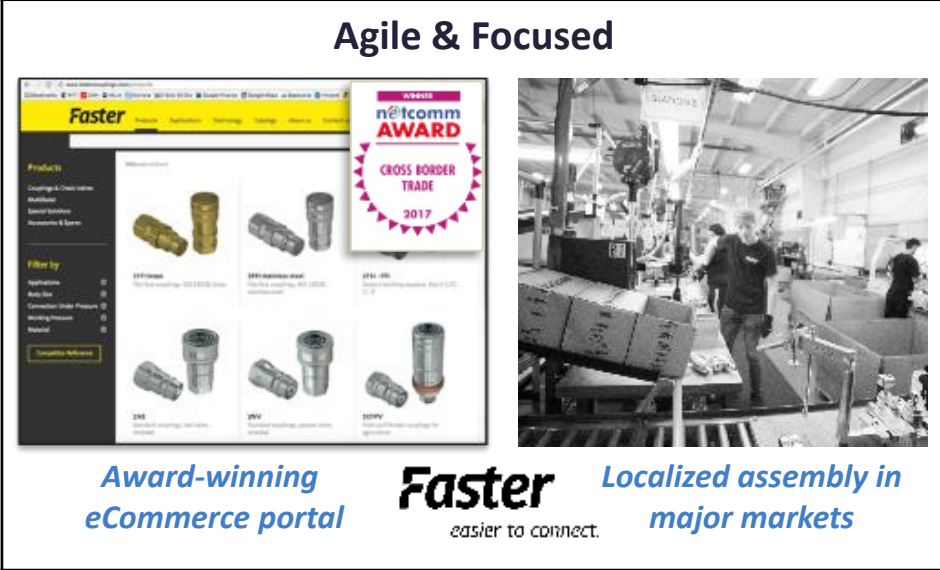
Technology & Innovation



80+ Patents

AGCO Innovation Supplier of the Year

Agile & Focused

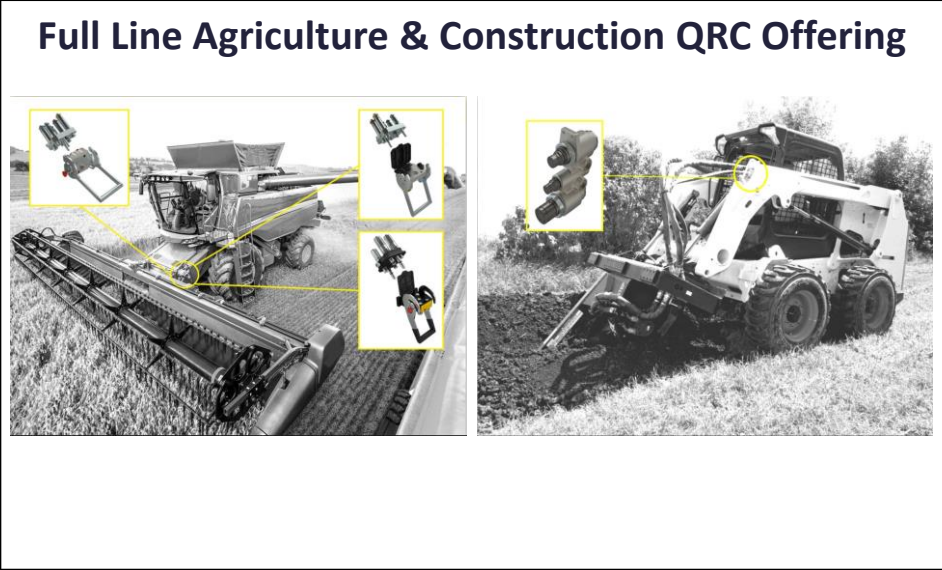


Award-winning eCommerce portal

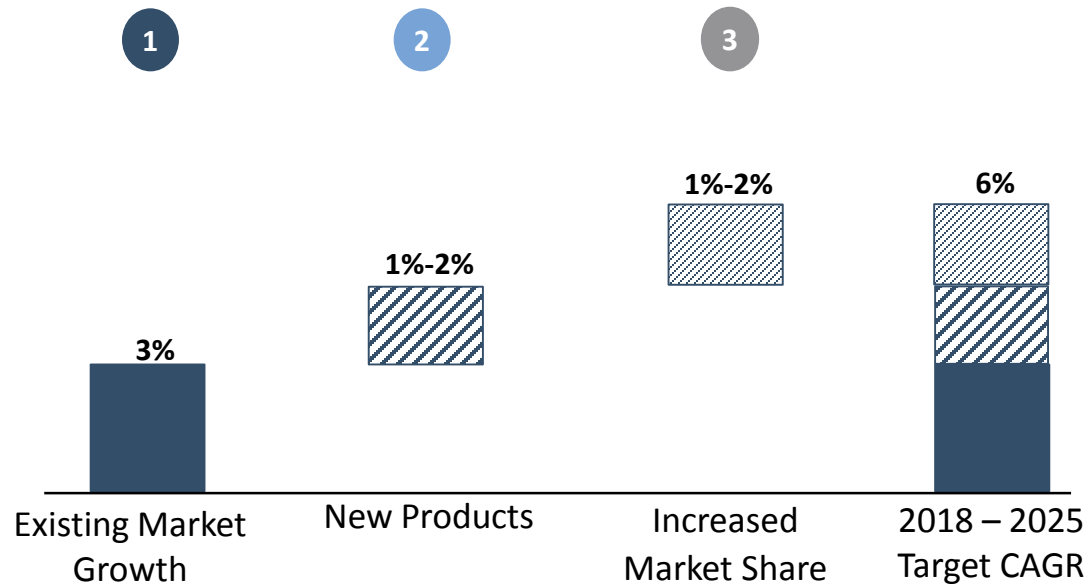
Faster *easier to connect.*

Localized assembly in major markets

Full Line Agriculture & Construction QRC Offering



Faster Organic Growth Goals



1) Existing Market Growth

- Growing middle-class population, enhanced food demand, more productive equipment driving **Agriculture growth**
- Population growth, increased wealth in emerging markets, global infrastructure needs driving **Construction growth**

2) New Products

- Increased use of solutions vs single couplers
- Automatic connection solutions for harvester, skid steers, excavators
- Leverage **sensor integration** synergy with Enovation Controls

3) Increased Market Share

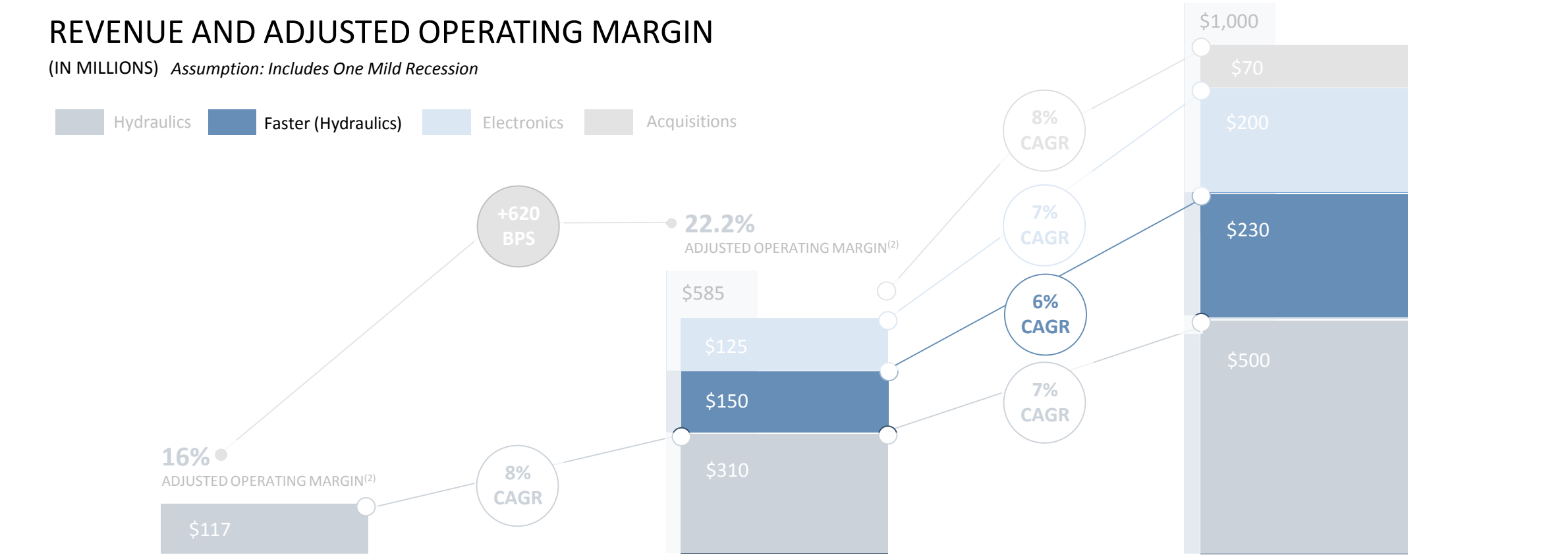
- Serve **upcoming tractor producers** in emerging markets
- Marketing and product promotion to **Construction market**
- **Distribution focus** – service, tools, leverage of Sun channels
- Sign on **traditional Sun Hydraulics channel partners** to carry Faster product line

Current Vision 2025: Pathway to Superior Growth

REVENUE AND ADJUSTED OPERATING MARGIN

(IN MILLIONS) Assumption: Includes One Mild Recession

Hydraulics Faster (Hydraulics) Electronics Acquisitions



Vision 2025 Metric Floors: **\$1B** REVENUE / **>20%** ADJUSTED OPERATING MARGIN / **>24%** EBITDA MARGIN

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Conquering Complexity for Our Customers

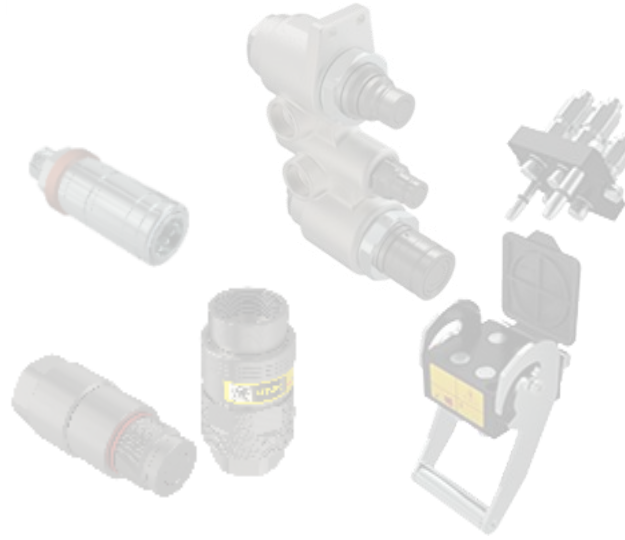
Rick Martich

Enovation Controls
Vice President, Operations

Advancing Global Technology Leadership



Hydraulic &
Electro-Hydraulic
Valves and Manifolds



Hydraulic Connections &
Multi-Connector Solutions



Electronic Controls
& Displays

Video



Diverse End Markets

Conquering Complex System Challenges



We Exist to *Conquer Complexity*

CLEAR A PATH *TO CATALYZE OUR CUSTOMERS' SUCCESS*

We fearlessly engage in any effort to eliminate our customers' risk and clear a path to their success. We immerse ourselves in our customers' world, reveal unknowns and deliver integrated solutions.

QUESTION EVERYTHING *TO CULTIVATE EXCELLENCE*

We embrace a sense of healthy paranoia in which quality and performance must be proven and never assumed. We constantly ask "What have we missed?" We hold each other accountable to the highest standards and will not rest without resolution.

ENRICH LIVES *TO UNLEASH POTENTIAL*

We strive to laugh often and find meaning in our individual and collective efforts. We attract, develop and recognize exceptional people and inspire them to be their best at home, at work and in our communities.

BE RELENTLESS *TO WIN*

We are tenacious, tireless and never discouraged in the pursuit of our goals. When we encounter roadblocks, we intensify our focus to break through. We relentlessly strive for perfection to drive flawless execution.

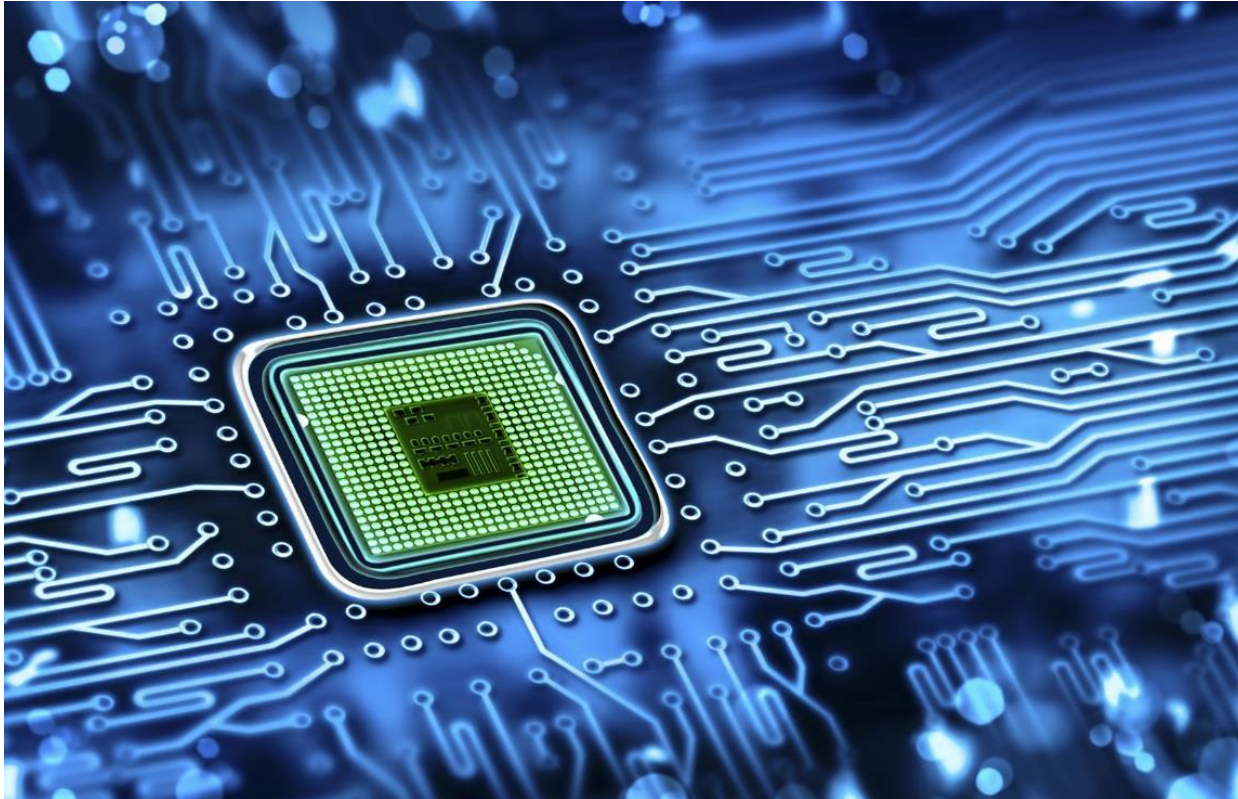
CHALLENGE CONVENTION *TO CHANGE THE GAME*

We step back to question assumptions, capture the learning and embrace new perspectives. We ask "Are we solving the right problem?" We skillfully leverage our expertise and platforms to rapidly generate solutions that separate us from the competition.

DO THE RIGHT THING *TO LIVE IN INTEGRITY*

We treat everyone with respect and foster a culture of humility and trust. We humbly own what is perfect and what is flawed. Honesty, hard work and fairness are central to everything we do.

Carve Out



“Our SMT lines allow us to rapidly prototype and test innovative product technologies, thus enabling speed to market and empowering us to clear a path for our customers’ success.”

Operations Update

Completed “Carve Out” – Complex Separation of Business Infrastructure

- Manufacturing lines transitioned and footprint reset during period of tremendous growth
- Scaled PCBA* production in Tulsa from nothing to \$125M in < 12 months
- Separated shared HR, Finance/Accounting, and IT infrastructures
- Established required business controls for SOX compliance
- Recertified to the ISO9001:2015 standard
- High Country Tek successfully consolidated into Tulsa operations during this same period



* PCBA: printed circuit board assembly

Market Strategy - Swarming

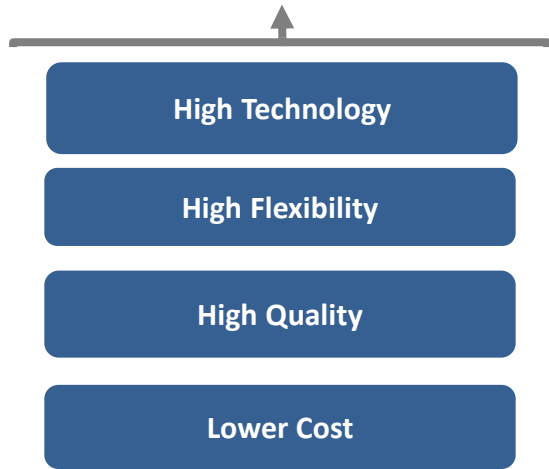


“We offer an intense understanding of complex applications and system challenges because, at our core, we exist to conquer complexity. We clear a path to our customers’ success by engaging in any effort to remove their risk along the development path.”

Compelling Value Proposition

Unique “Middle Market” strategy that encompasses flexibility, speed-to-market, and low-cost production

The “Middle Market” Value Equation

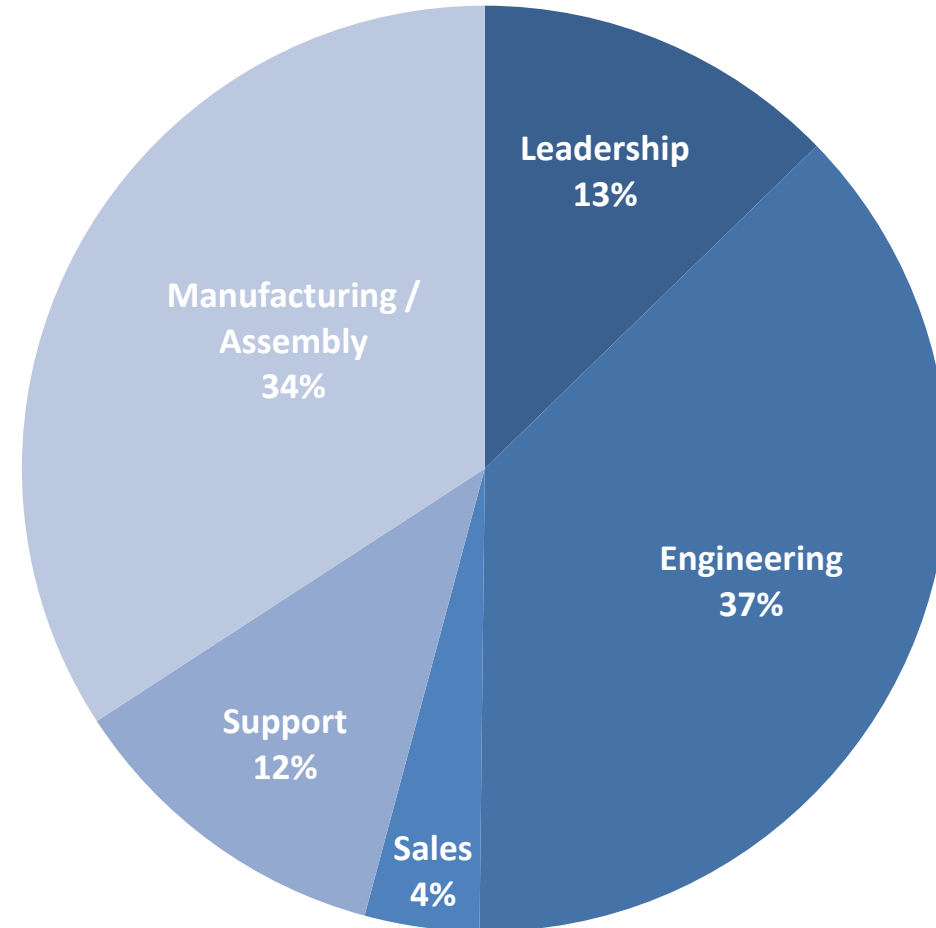


Solutions can represent a small portion of overall cost of the end-use application, but are essential to system functionality while delivering a large share of the total value.

Experienced Personnel Critical to Success

Unparalleled depth of software, embedded software, hardware and sustaining engineering teams

- Heavily Engineering Driven
 - Customized products
 - Cradle-to-grave development
 - Vertical integration
- Deep Application Knowledge
 - Sales – engineering – customer
 - Swarming



Dynamic & Diverse Product Portfolio

*Leverage platform product development,
shortening time to market*

DISPLAYS AND ACCESSORIES



CONTROLLERS AND PANELS

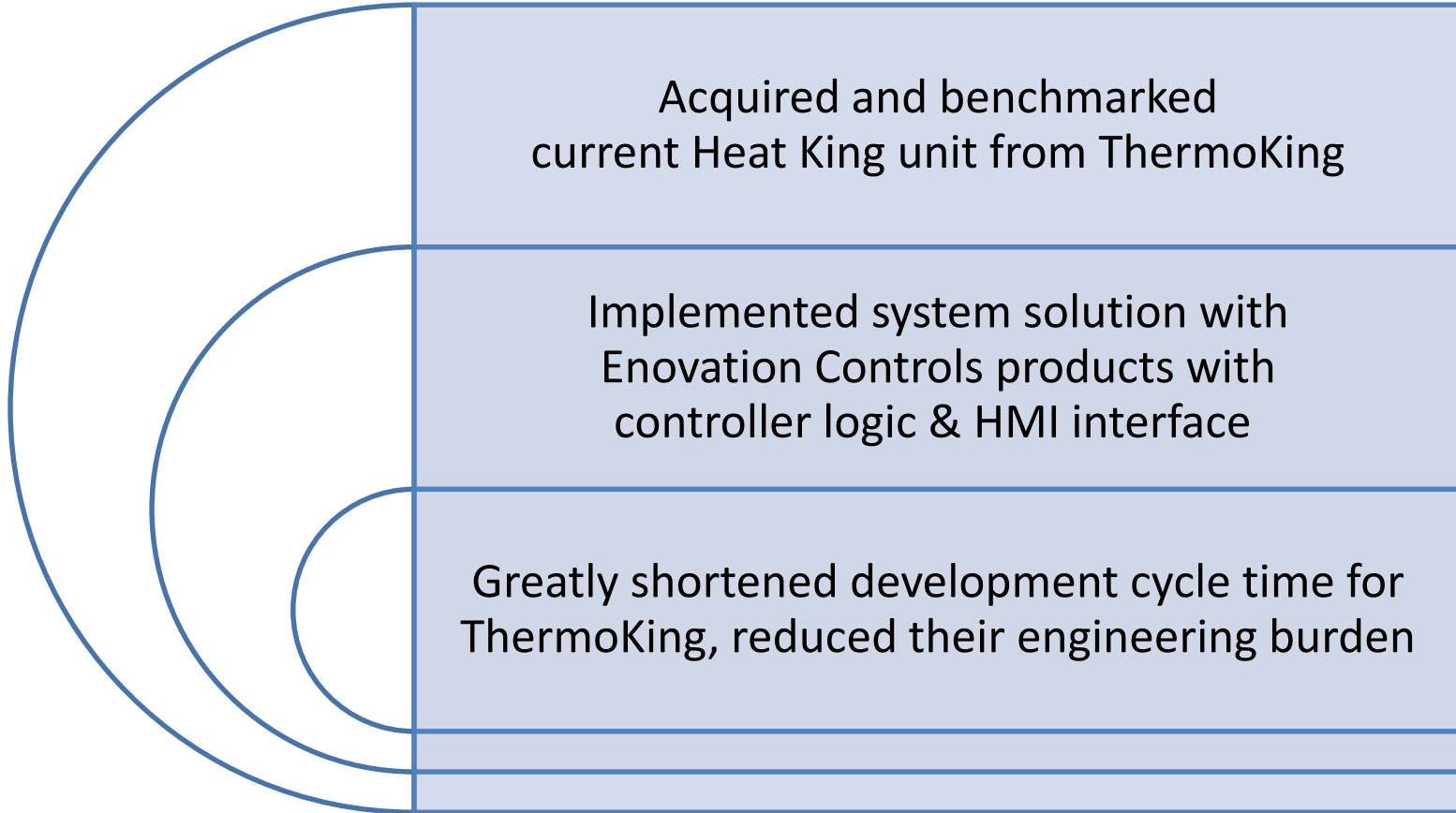


Fortune Global 500 Customer Base

*We take pride in our loyal, long-term partnerships
across diverse markets*



Electronics Success Story - ThermoKing



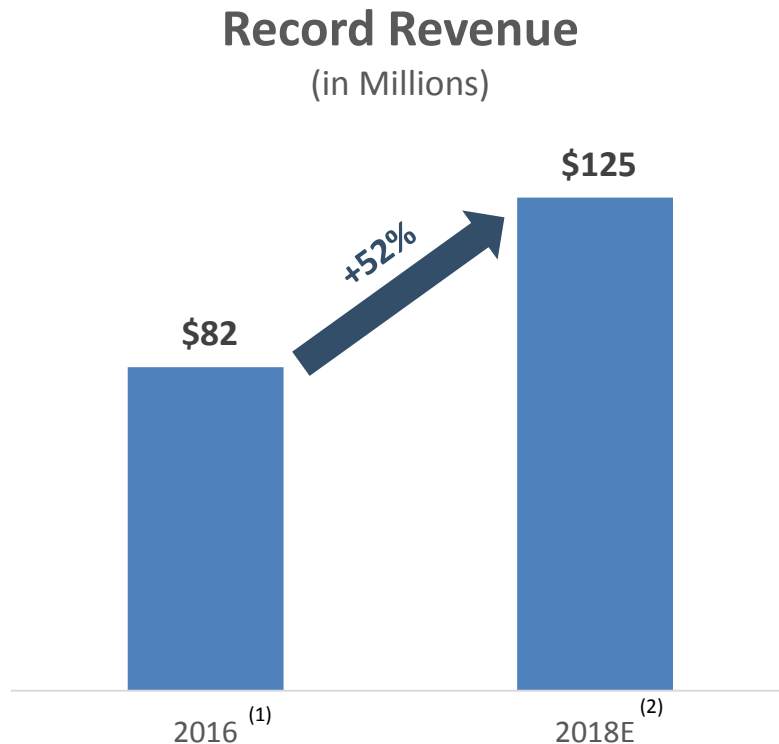
Ongoing Synergies



“Helios Technologies defines the company as the combined determination of three powerful brands, Sun Hydraulics, Enovation Controls and Faster Group, to solve complex system challenges for their customers by providing smart solutions.”

Electronics Synergies

Intense Focus on Expanding Successful Business Model



- Adoption of combined customer swarming strategy across more diverse OEMs
- Expanded international footprint, focusing on common opportunities
- Pursued high-performing Sun distributors to strengthen channel sales program
- APAC business synergized in China with opening of Sun Murphy Trading in Shanghai
- Increased focus on India, going to market with combined efforts

⁽¹⁾ 2016 includes the full year ended December 31, 2016; Helios acquired Enovation Controls effective December 5, 2016

⁽²⁾ 2018E reflects midpoint of 2018 revenue guidance for the Electronics segment, as of August 6, 2018

Electronics Synergies

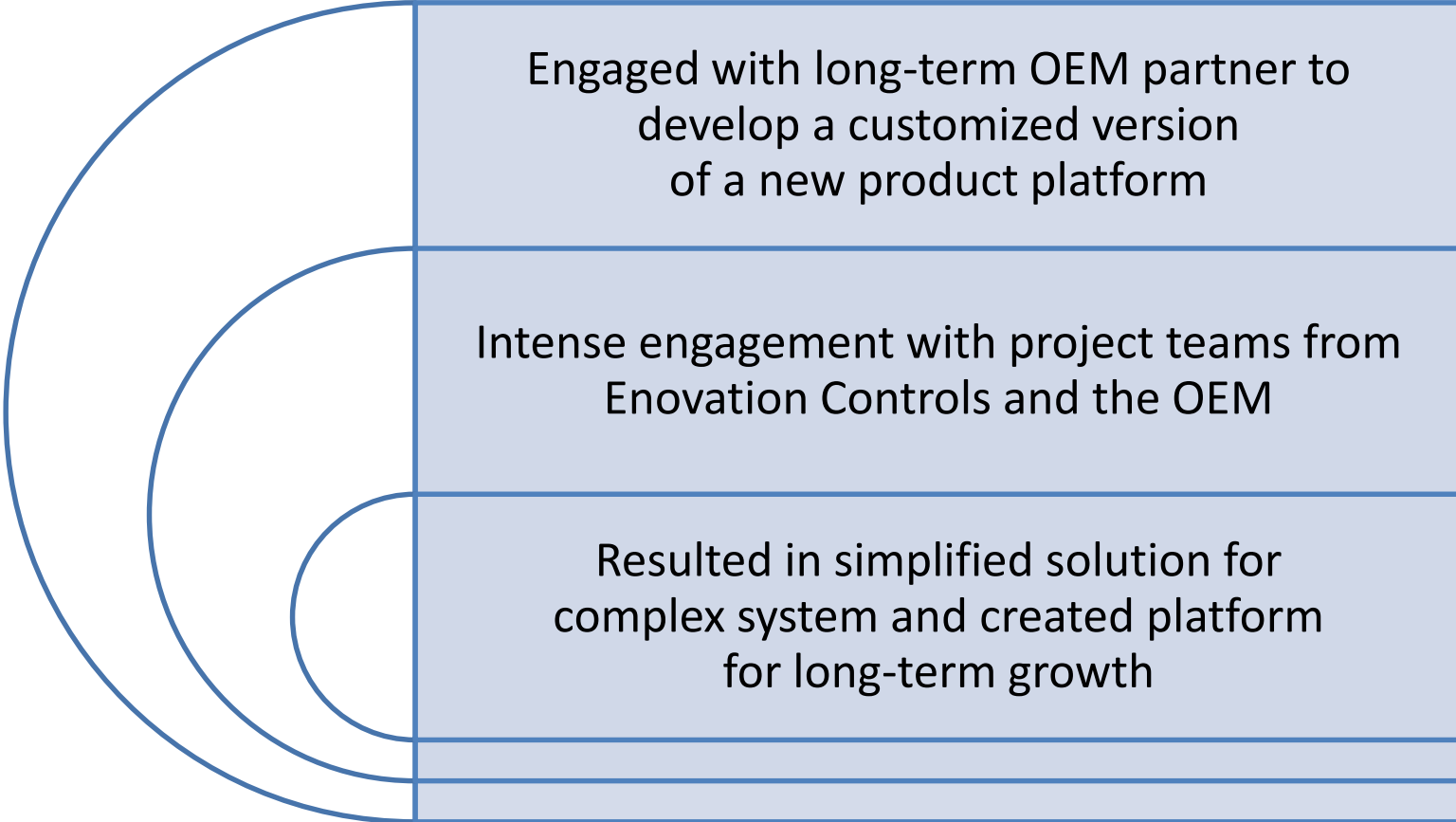
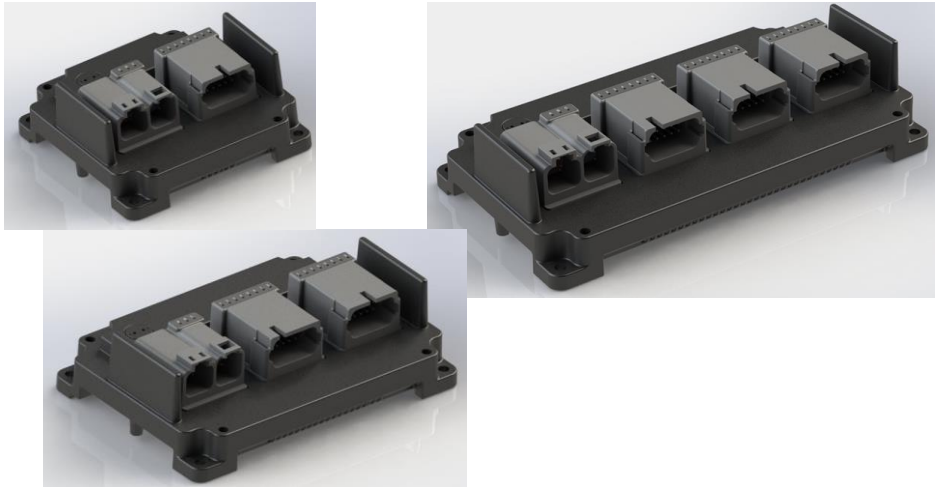
Synergistic Approach to Success

- Pursuing common opportunities with new product development
- XMD product launch – first of its kind jointly engineered by Sun and Enovation Controls
- Mobile controller platform development – joint effort between Sun and Enovation Controls

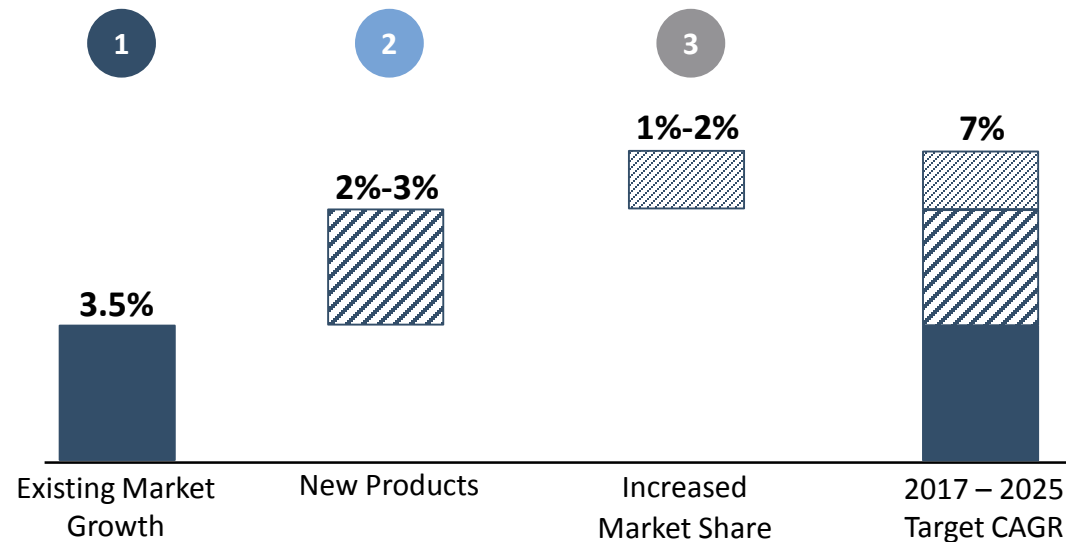


Electronics Synergies

Leveraging Existing Platform to Solve New Complex Problems



Electronics Segment Organic Growth Goals



1) Existing Market Growth

- **Industrial production**, market recovery

2) New Products

- Proactive and consistent outreach to the **middle market** with expanded content
- Conquer complexity with **new product designs/content**
- Penetrate existing and new markets with similar applications

3) Increased Market Share

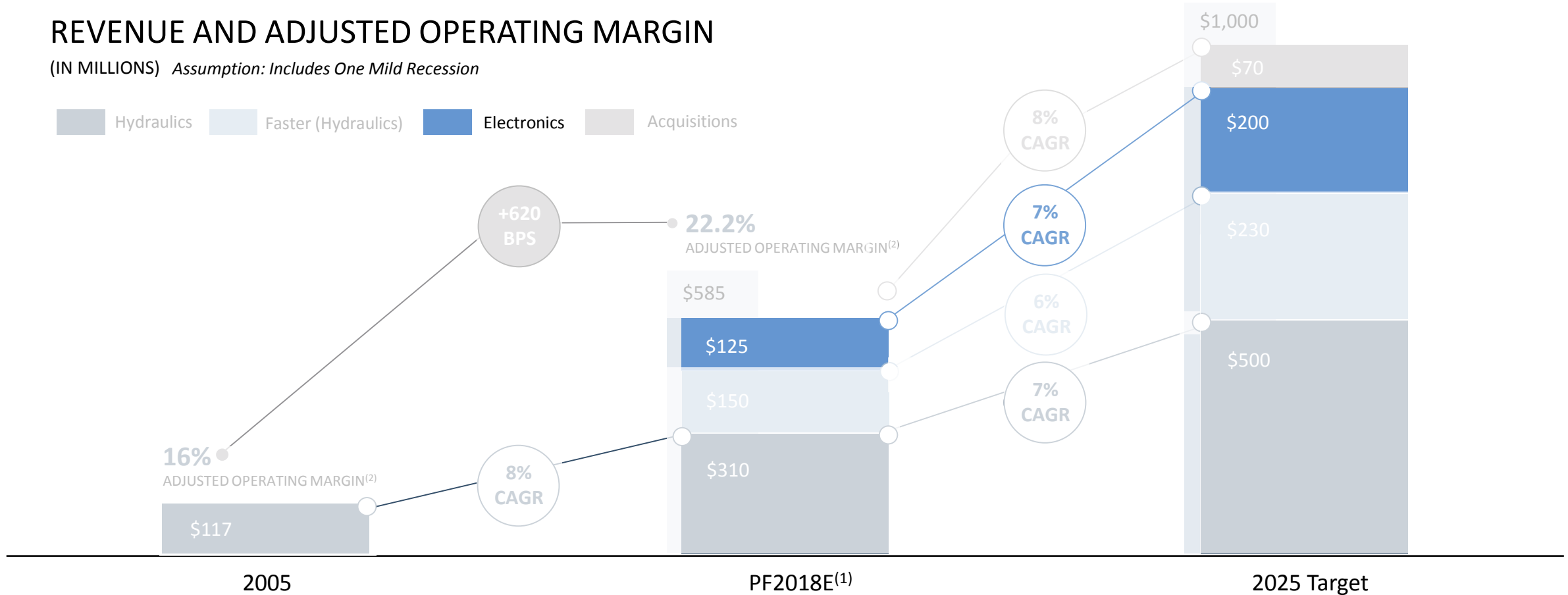
- Penetrate new OEMs **globally**
 - Coordinate with Hydraulics segment internationally
- Grow **systems** sales to existing OEMs customers
- Add new **channel partners**

Current Vision 2025: Pathway to Superior Growth

REVENUE AND ADJUSTED OPERATING MARGIN

(IN MILLIONS) Assumption: Includes One Mild Recession

Hydraulics Faster (Hydraulics) Electronics Acquisitions



Vision 2025 Metric Floors: **\$1B** REVENUE / **>20%** ADJUSTED OPERATING MARGIN / **>24%** EBITDA MARGIN

(1) Represents midpoint of 2018 guidance as of August 6, 2018, adjusted to 2018 pro forma to reflect full year results for Faster and Custom Fluidpower
 (2) See Supplemental Information for definition of Adjusted Operating Margin and reconciliation from GAAP and other disclaimers regarding non-GAAP information



One Reliable Source, Endless Solutions

Gary Gotting

Sun Hydraulics

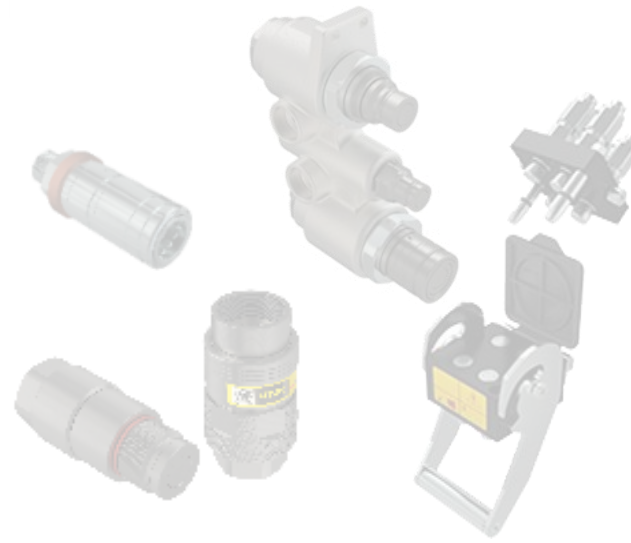
Global Lead, CVT Product
Management and Marketing

Advancing Global Technology Leadership



Hydraulic & Electro-Hydraulic Valves and Manifolds

Faster



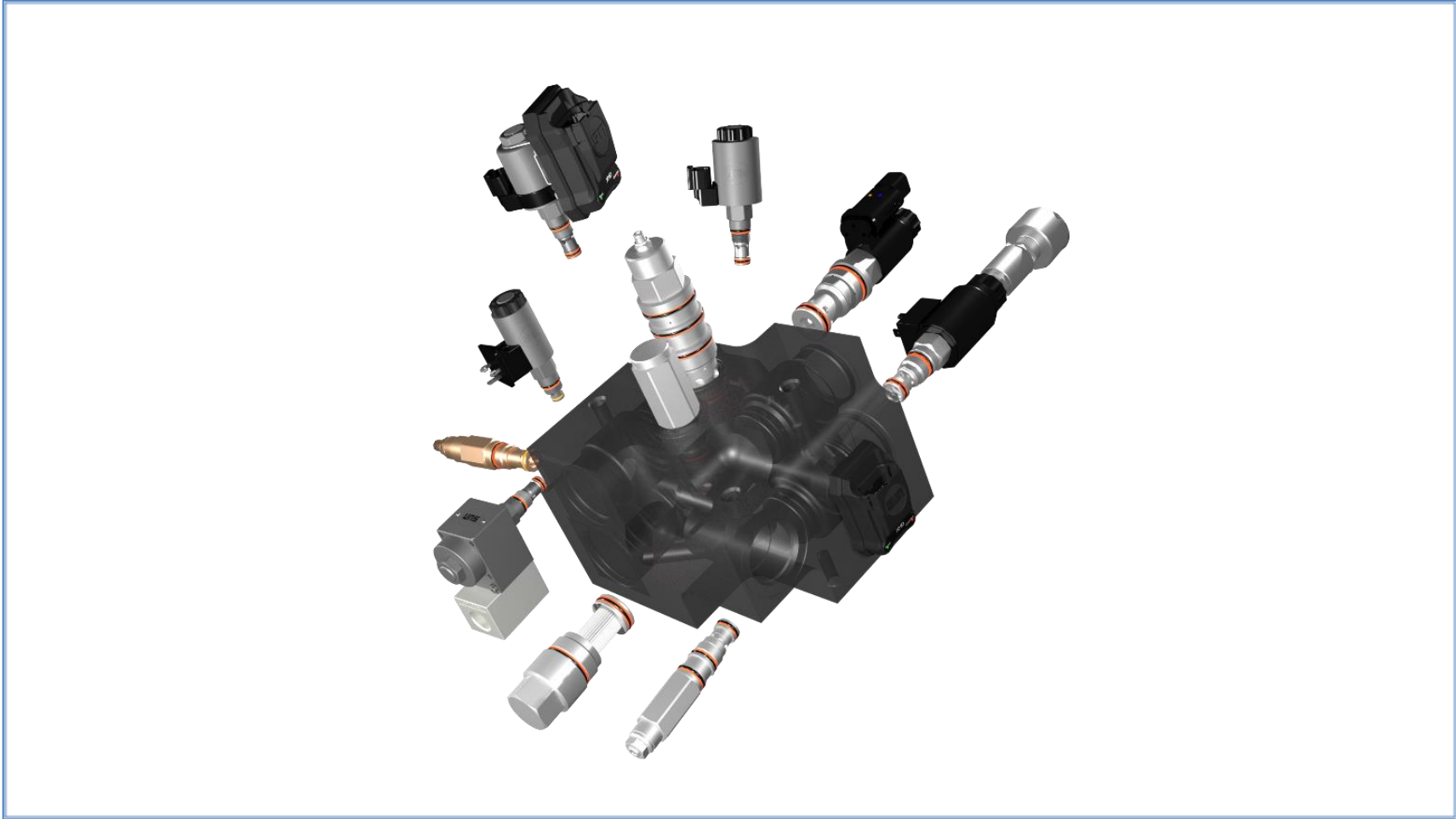
Hydraulic Connections & Multi-Connector Solutions

ENOVATION
CONTROLS



Electronic Controls & Displays

Video



Evolving Competitive Environment

CVT Market Drivers

- ✓ Market shift to electro hydraulics
- ✓ Improved safety, reliability and repeatability
- ✓ Increased productivity and performance
- ✓ Longer operational life, less maintenance
- ✓ Lower total cost of installed ownership
- ✓ Higher operating pressure and zero leaks
- ✓ Reduced noise, vibration and harshness
- ✓ Increasing environmental regulations

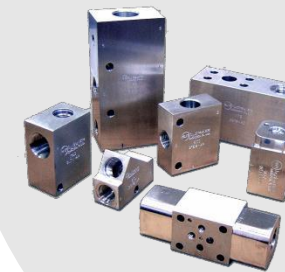
CVT Product Offering



Cartridges



Electro-Hydraulics



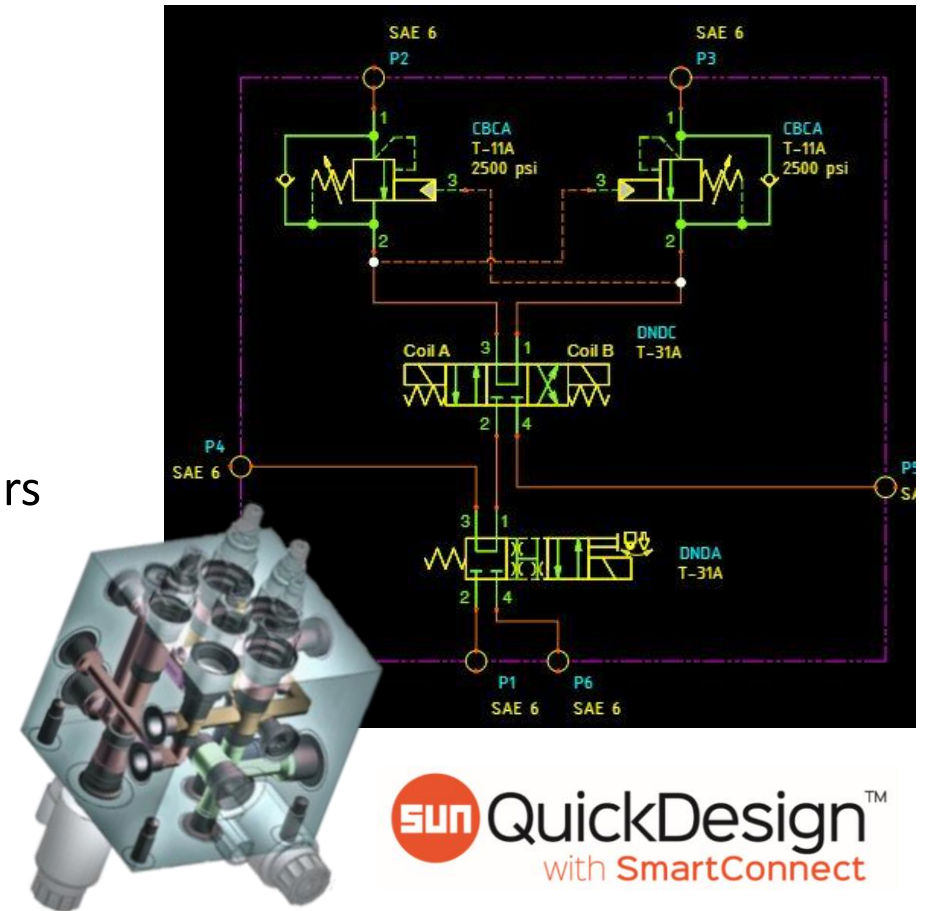
Manifolds



Integrated Packages

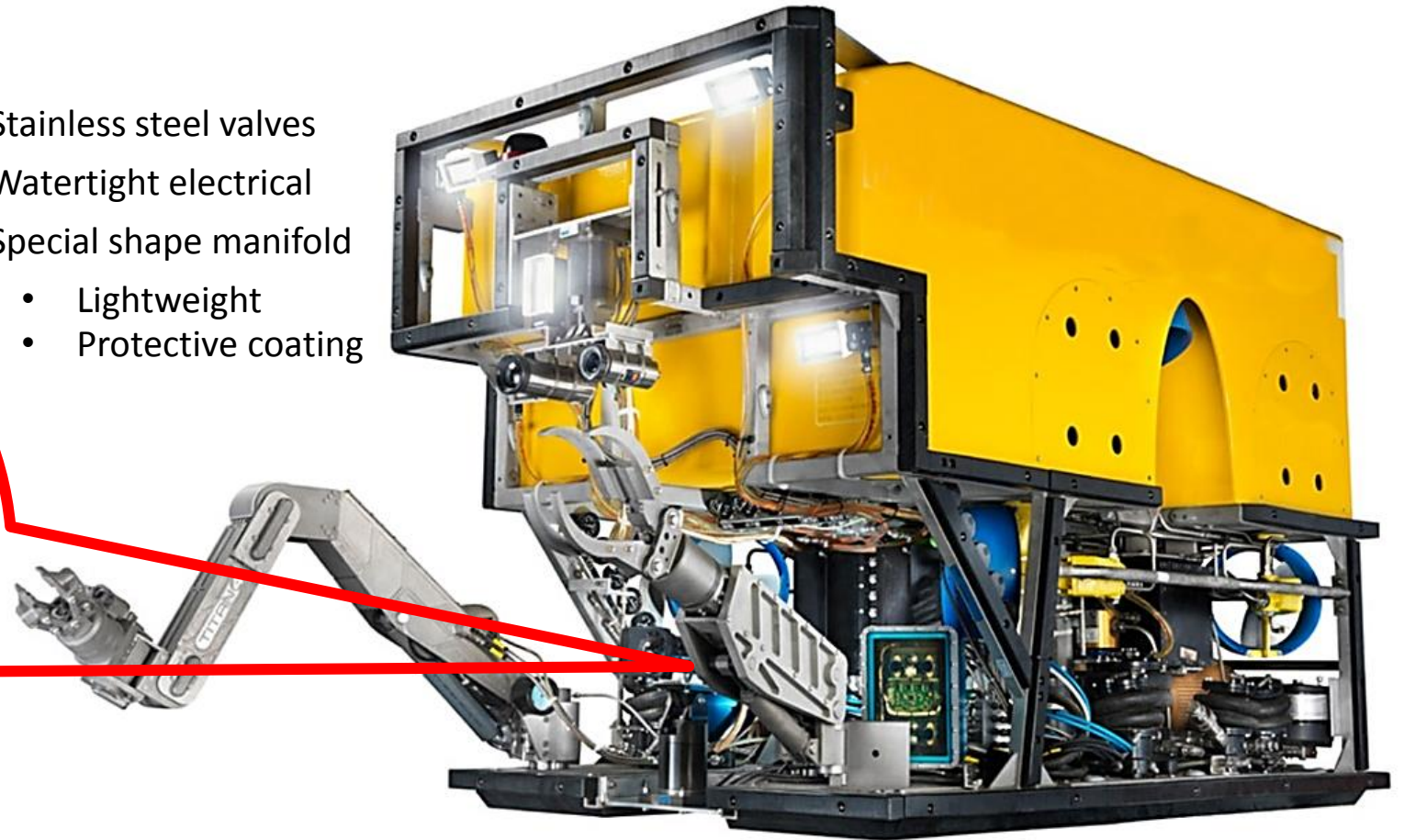
Industry Leading Sales & Design Tool

- Customer controlled, automated manifold design design tool
- 24/7/365 global access, secure, web-based software
- *Intuitive simplicity of use...* key development criteria
- Applies hydraulic safety design rules at all times
- Complete drawing package returned to customer within 24 hours
- Drops directly into Sun manufacturing systems
- Complete prototype manifolds with expedited delivery



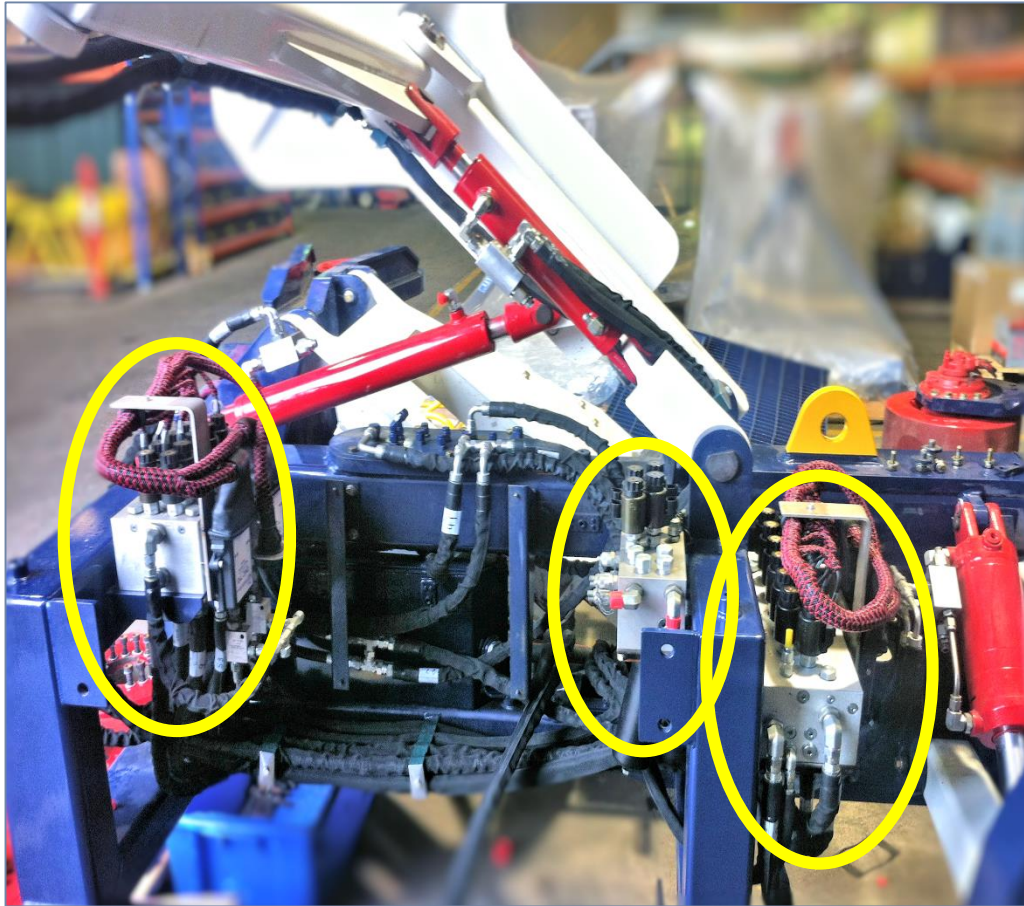
Underwater Remote Operated Vehicles (ROV)

- Stainless steel valves
- Watertight electrical
- Special shape manifold
 - Lightweight
 - Protective coating



Used for undersea work on diversified applications

Tire Handler for Oversized Equipment



CUSTOM
fluidpower

- Full machine function control
- Multiple Integrated packages
- Integrated electro-hydraulics
- Flexible customer functionality



Synergistic Product Development



FLeX Phase II

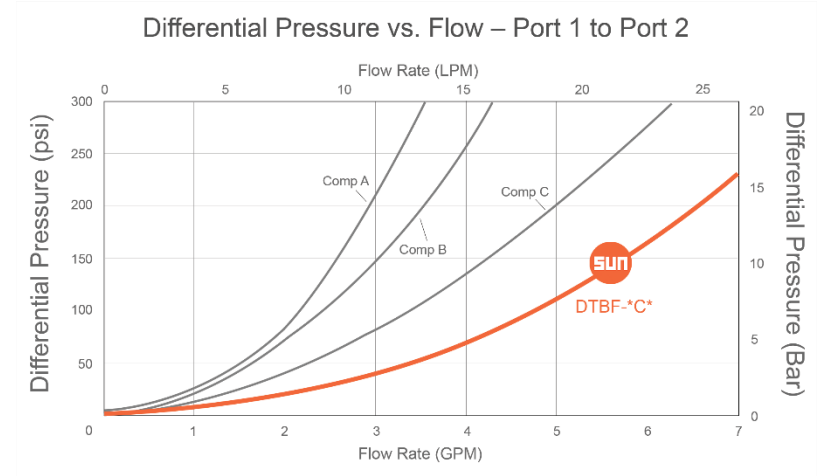


- Continuing to add functionality
- Unique functions offered
- 10+ patentable features
- ALL 'clean sheet' designs
- Designed for LEAN assembly
- Fast design to market timeline
- Clear and valuable user advantages

FLeX Phase I

- 11 initial functions
- 2 Sun cavities
- **21 valves launched over the past 10 months**

- 6 more functions
- 4 Sun cavities (2 new)
- **+20 valves to launch over the next 10 months**



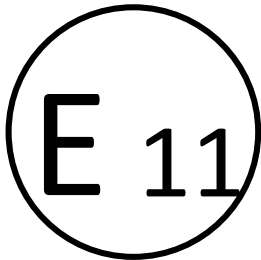
Innovative eProducts

XMD today....

- First jointly developed product by Sun Hydraulics and Enovation Controls
- Optimized to new FLeX valve products, compliments entire Sun roadmap
- Bluetooth compatible, safe and secure
- Quick setup and configurable to specific functions
- Electrically robust, mechanically tough – fluid power market ready

Controllers of tomorrow.... eProduct development

- Market defined product specifications – controllers and user software
- Intuitive, simple user interface to configure and program eProducts and screens
- Products aimed at systems usage and synergistic growth across all Helios companies



IP69K

“In the Region, for the Region”

A much stronger global focus in years ahead

From this...



To this...



New South Korea Plant - 2018



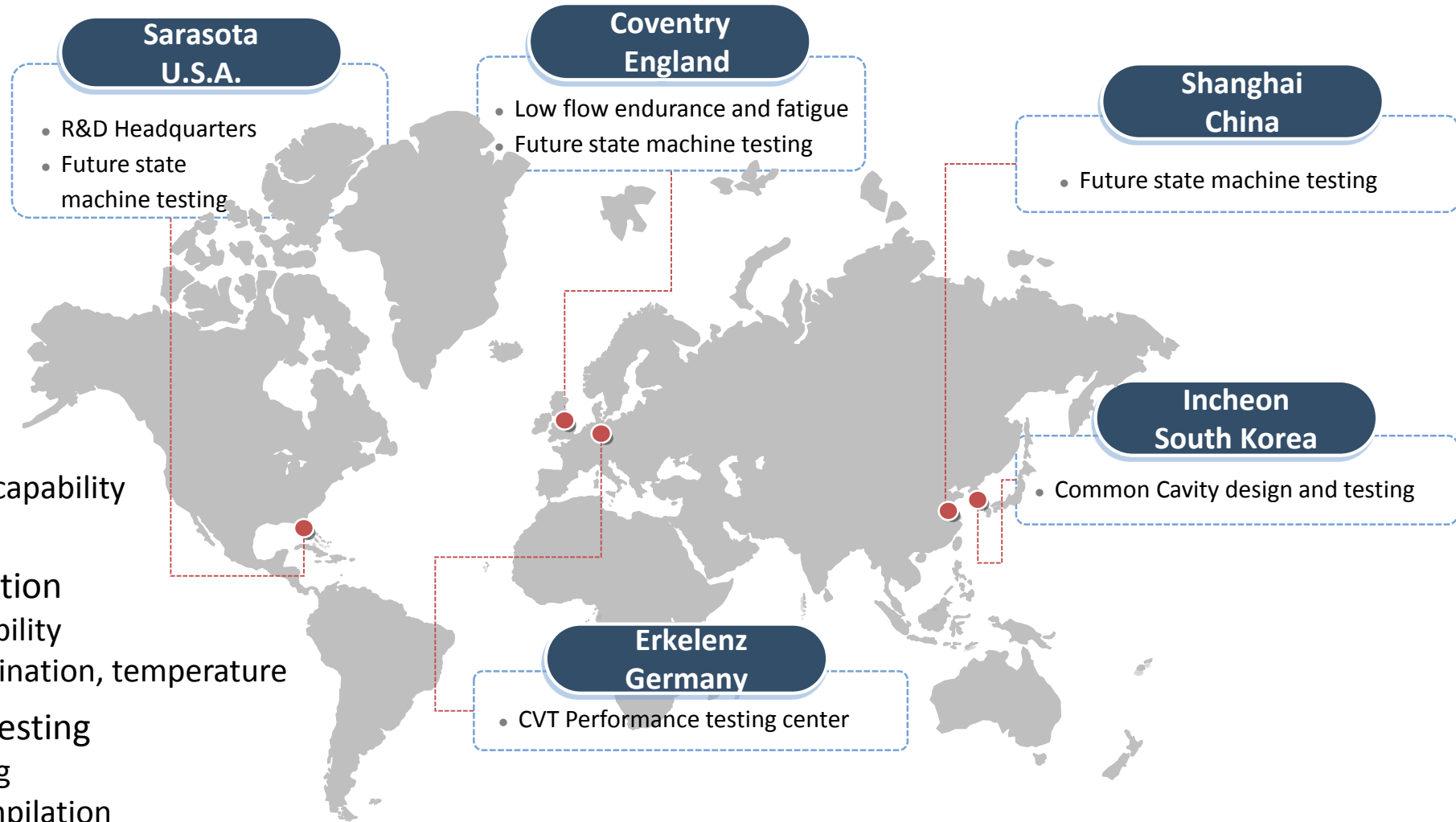
- First manufacturing investment in APAC region
- New operational plant from greenfield site in 11 months
- Establishing supply base for the region

New China Plant - 2020



- Ongoing investment in APAC region
- Building shell in place – regional portfolio analysis ongoing
- New plant operational 2020

CVT Global R&D Overview



- Improved 'systems' testing
 - Higher pressures and flows capability
 - Simulation and fatigue
- Component testing and validation
 - Seals, springs, fluid compatibility
 - Environmental – i.e. contamination, temperature
- Expanded product durability testing
 - Higher speed product cycling
 - Better data capture and compilation
 - More comprehensive analysis tools

LEAN Manufacturing & Streamlining



Distance between plants: 2.3m/3.7Km



Manufacturing Rationalization:

- Manufacturing consolidation to be completed Q1 2019
- R&D center plans and updates to be completed Q4 2019

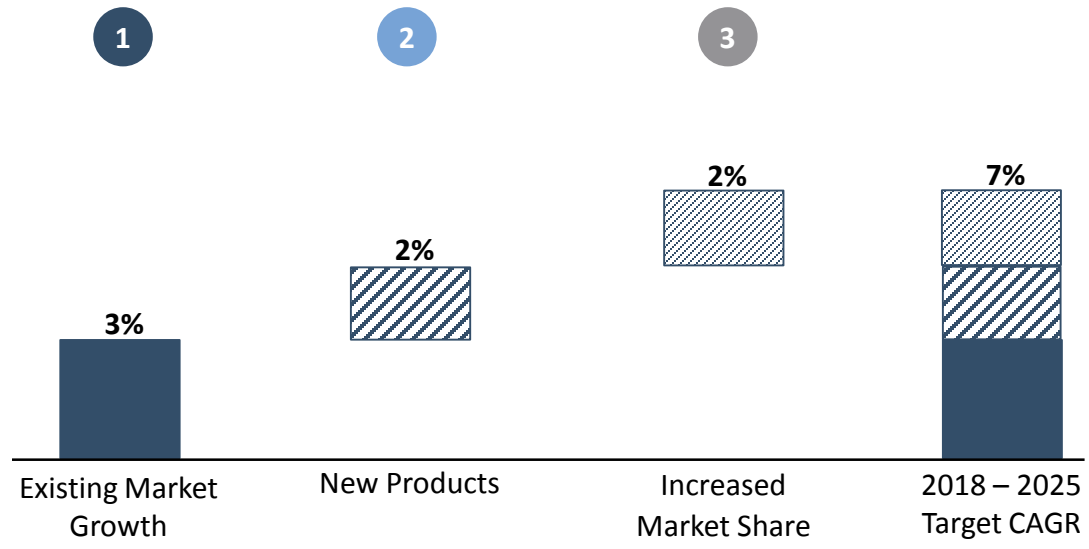
Manufacturing Principles:

- 'U' Cell continuous flow manufacturing
- Cross-cell trained workers
- Optimized build and test equipment and processes
- Product verification by all digital equipment

Key Impacts:

- Increase in overall production available capacity
- Productivity and efficiency improvements
- Enhanced CVT product throughput
- Streamlined raw materials to dispatch logistics

Sun Hydraulics Organic Growth Goals



1) Existing Market Growth

- **Industrial Production** is a key driver of market growth

2) New Products

- More **electro-hydraulic** CVT products
- **Sensor integration** and usage – IoT/Industry 4.0
- **eProducts** expansion
- Systems and **integrated packages**

3) Increased Market Share

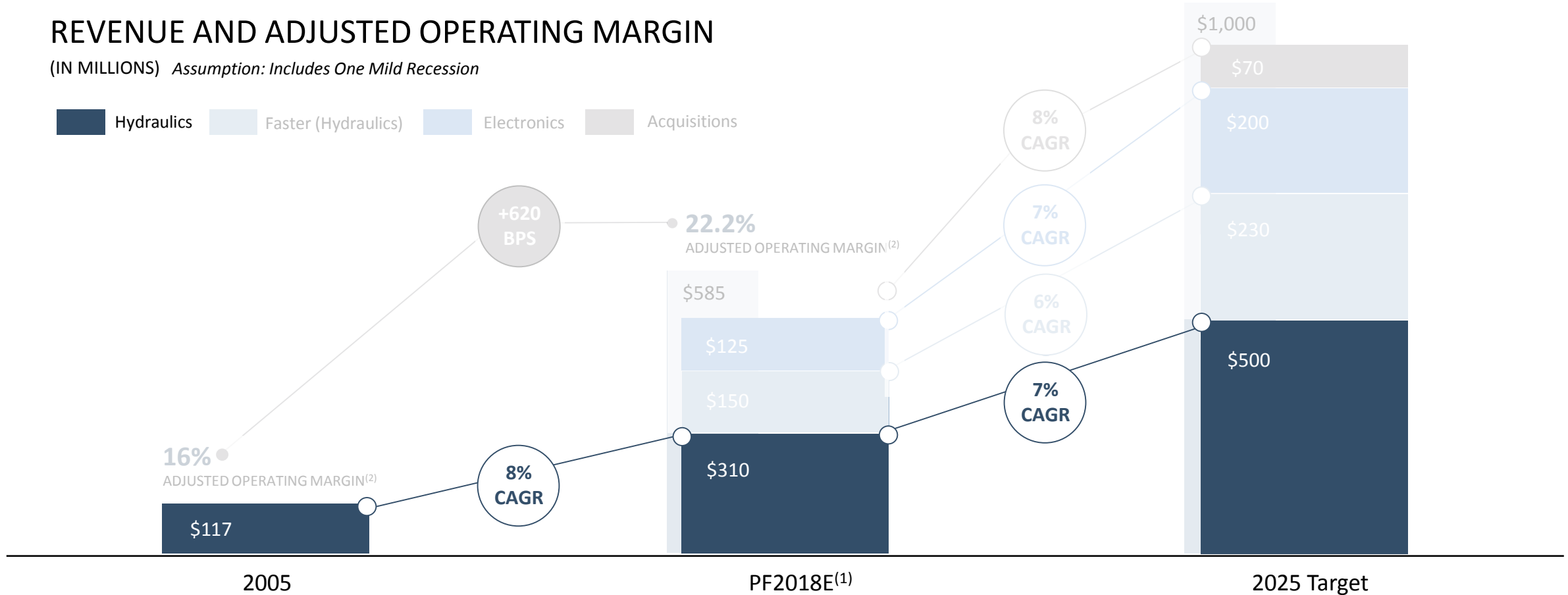
- Added channel partners in **Southeast Asia** (8 in 2 years)
- Enrolling new customers in **new markets, regions**
- Distributor mind-share – introduction of **regional application specialists (RAS)** in the Americas

Current Vision 2025: Pathway to Superior Growth

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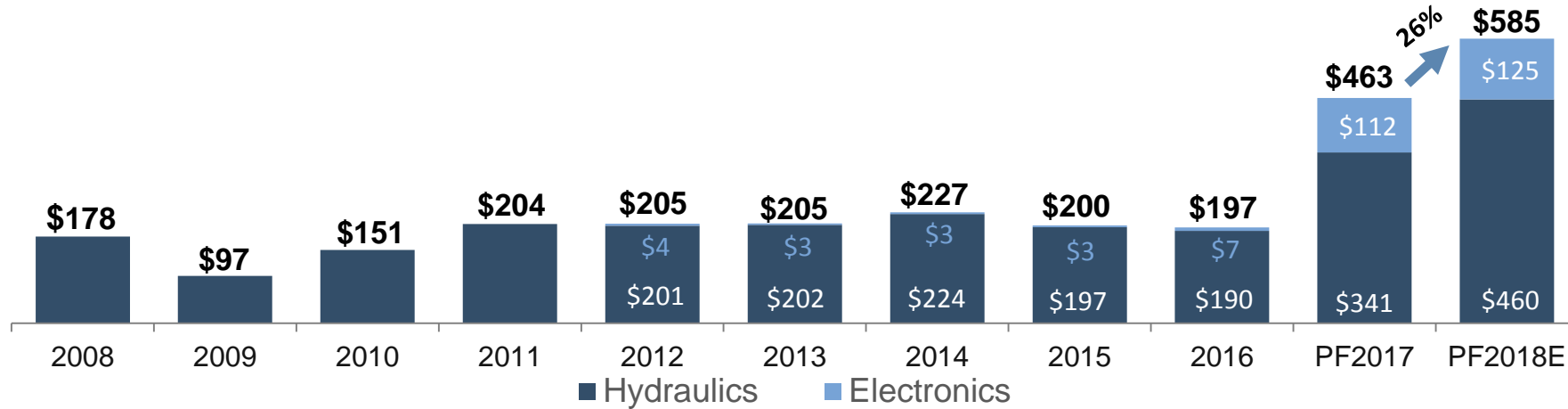


Financial Overview

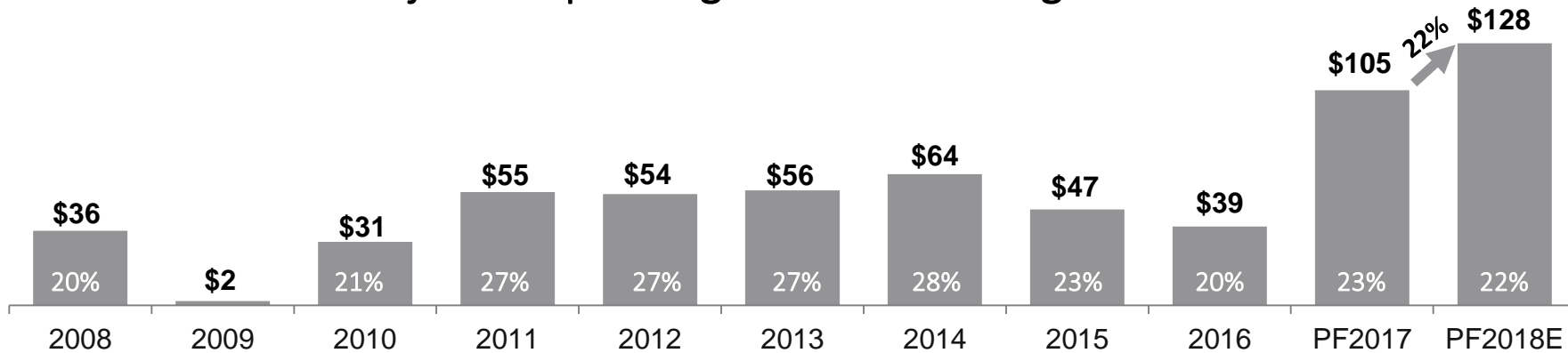
Tricia Fulton
Helios Technologies
Chief Financial Officer

Driving Sustained Value Thru Profitable Growth

Revenue by Segment⁽¹⁾



Adjusted Operating Income and Margin⁽¹⁾⁽²⁾



(1) PF2018E reflects midpoint of 2018 Helios guidance as of August 6, 2018, pro forma for Faster Group and Custom Fluidpower: PF2017 and PF2018E accounts for full year contribution of Faster Group acquisition that closed April 5, 2018; PF2018 accounts for a full year of contribution of Custom Fluid Power acquisition that closed August 1, 2018

(2) See Supplemental Information for definition of Adjusted Operating Income and Margin, and reconciliation from GAAP and other disclaimers regarding non-GAAP information

- More flexible cost structure
 - Temporary work force ~ 10%, facilitates adjustments as needed
 - Streamlining Sarasota CVT operations
 - Ongoing LEAN initiative across all functions and locations
 - Compensation structure includes variable portion related to KPIs
- More diversified revenue base
 - Broader end markets, including counter- or less-cyclical markets
- Aligning product design, manufacturing and customer service geographically
 - “In the region, for the region”
 - Enhances customer interface
 - Addresses foreign exchange exposure

Hydraulics

- Manufacturing capacity:
 - Sarasota plant consolidation now at advanced stage
- Manufacturing security:
 - Plant footprint expansion outside N.A.
 - Italy, South Korea & China
- Supplier issues:
 - LTAs now active at all key suppliers
 - Global supplier base being evaluated and engaged
 - New tariffs being evaluated
- Margin erosion:
 - Price increase actioned as of July 1, 2018
 - Potential for other price adjustments as needed
 - Tariff coverage

Electronics

- Manufacturing capacity and capability:
 - Carve out complete & pivot to optimization
 - Six months of improving efficiencies
 - Targeted make/buy initiative
 - Inline SPI automation in SMT to improve quality & throughput
- Supplier issues:
 - Identified alternate sources and engineering alternates for scarce commodities
 - Global supplier base being evaluated and engaged for cost improvements
 - New tariffs being evaluated
- Margin erosion:
 - Aggressive scrap reduction targets have been met and progress continues
 - Tariff surcharges to be implemented on October 1
 - Potential for price adjustment January 1, 2019

Enovation Controls

- Goal: \$5 million of EBIDTA synergies by 2020
 - Consolidated Helios' HCT electronics business into Enovation Controls
 - Leveraging electronics engineering skills to design innovative CVT products
 - Introducing Enovation Controls OEM customers to Sun
 - Introducing Sun distribution channel partners to Enovation Controls

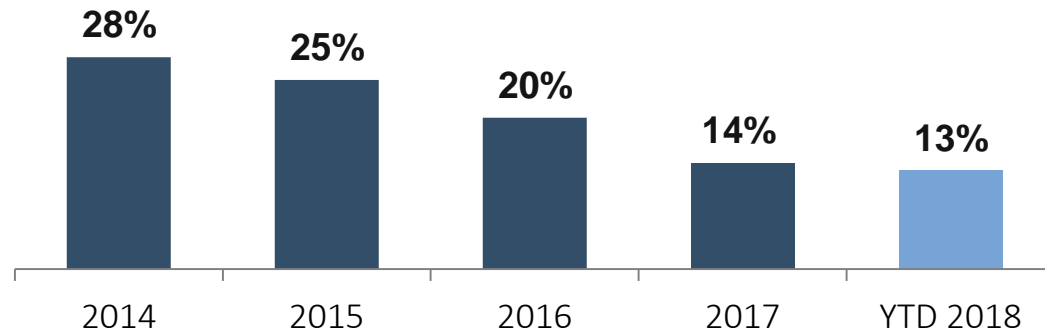
Faster

- Goal : \$7.5 million of EBIDTA synergies by 2022
 - Introducing Faster OEM customers to Sun and Enovation Controls
 - Introducing Sun distribution channel partners and Enovation Controls OEMs to Faster
 - Leveraging Faster manufacturing base to establish CVT manufacturing in EMEA region
 - Leveraging electronics engineering skills to design innovative quick release coupling products

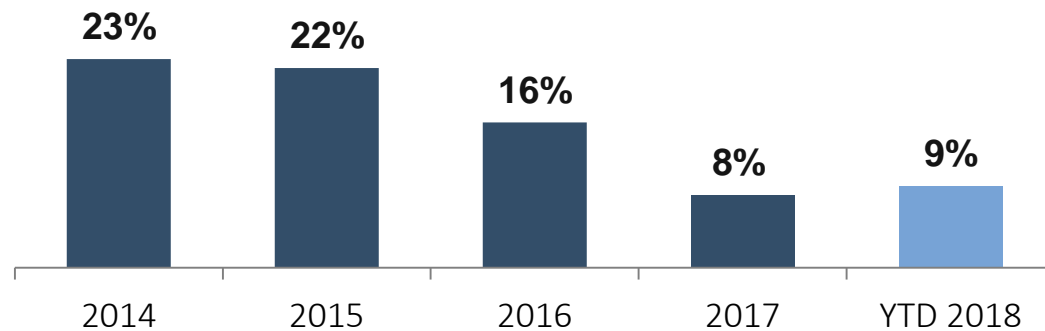
Custom Fluidpower

- Goal: \$2 million of EBIDTA synergies by 2022
 - Utilize CFP base and systems expertise in Australia to penetrate Southeast Asia market for all Helios businesses
 - Introduce Enovation Controls and Faster product lines for use in CFP systems and to CFP customers

Operating Cash Flow as a % of Revenue



Free Cash Flow⁽¹⁾ as a % of Revenue



⁽¹⁾ Free cash flow defined as cash flow from operating activities less capital expenditures

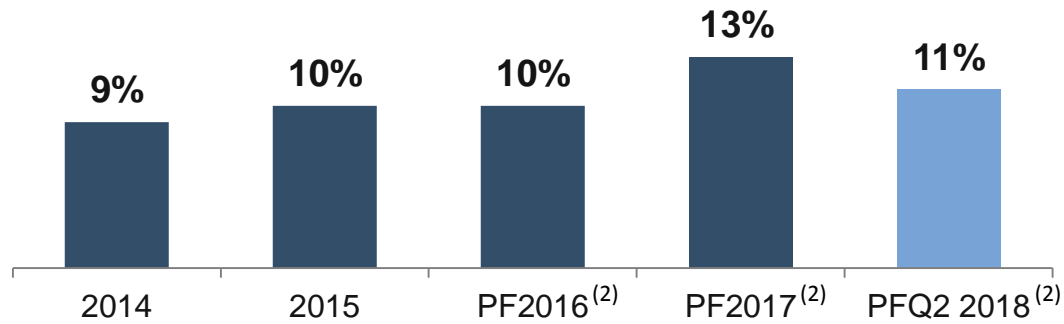
Goals:

- 1) Operating cash flow as a % of Revenue >15%
- 2) Free cash flow⁽¹⁾ as a % of Revenue > 10%

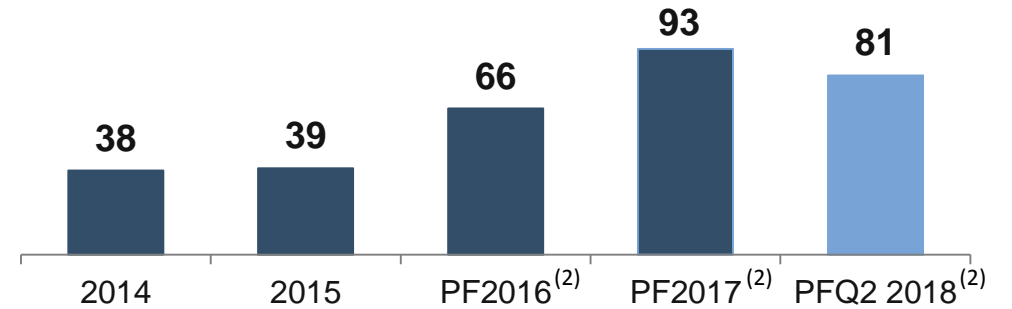
Initiatives:

- Inventory – Review of DOH by part for better utilization, scheduling and purchasing
- Accounts receivable – Removal of special terms; return to standard terms for all
- Accounts payable – Pay within terms, but not early; renegotiate suppliers with short or non-standard terms

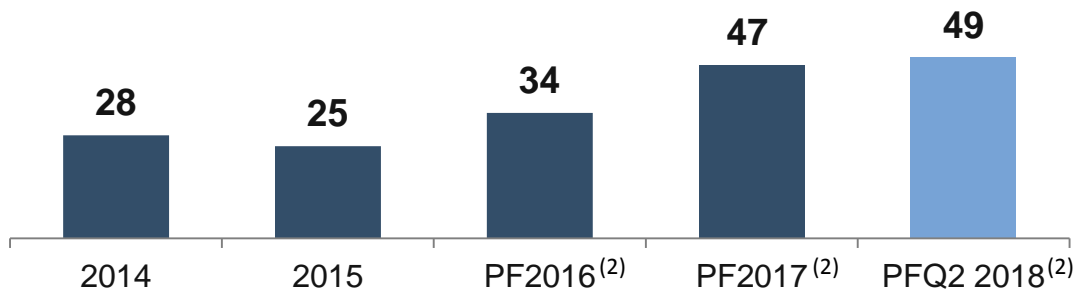
Operating Working Capital Utilization⁽¹⁾



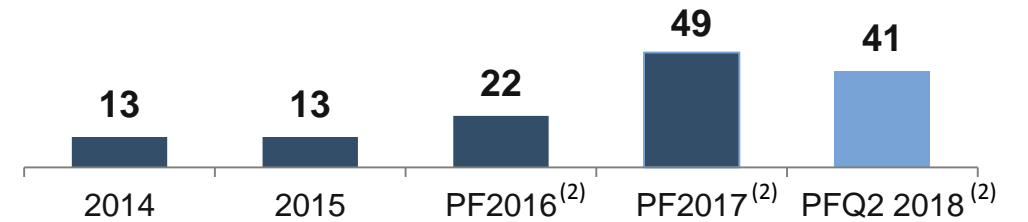
Inventory Days-on-Hand



Receivable Days Sales Outstanding



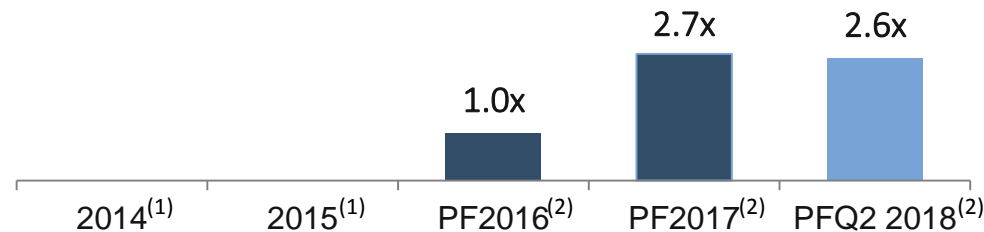
Days Payable Outstanding



⁽¹⁾ Operating Working Capital Utilization defined as current assets less current liabilities, excluding cash, short-term investments and short-term debt, divided by revenue for the respective period

⁽²⁾ Based on pro forma sales and COGS; PF2016 includes pre-acquisition Enovation Controls data; PF2017 and PFQ2 2018 includes pre-acquisition Faster data

Net Debt/Adjusted EBIDTA



Leverage Goal:

1) Net debt/adjusted EBIDTA <2x

Initiatives:

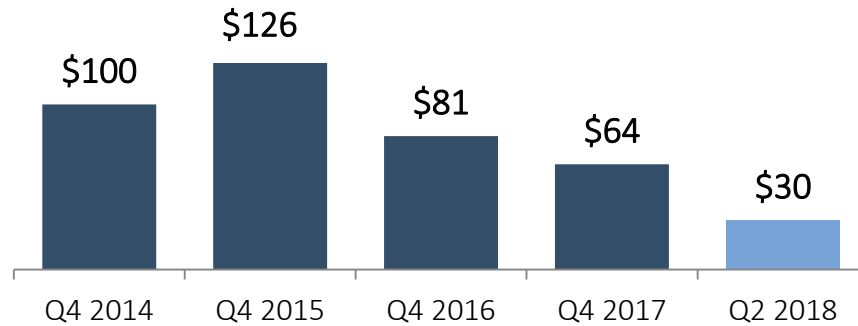
- Drive superior operating profitability
- Achieve targeted synergies
- Effectively manage cash flows
- Apply disciplined capital structure
- Achieve consistent operating results

⁽¹⁾ Net Debt/Adjusted EBIDTA was not meaningful for 2014 or 2015 due to zero debt balances

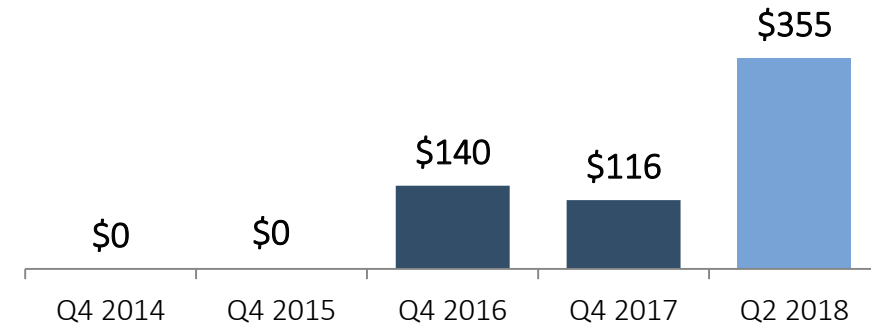
⁽²⁾ Based on pro forma operating results; PF2016 includes pre-acquisition Enovation Controls data; PF2017 and PFQ2 2018 include pre-acquisition Faster data

(\$ in millions)

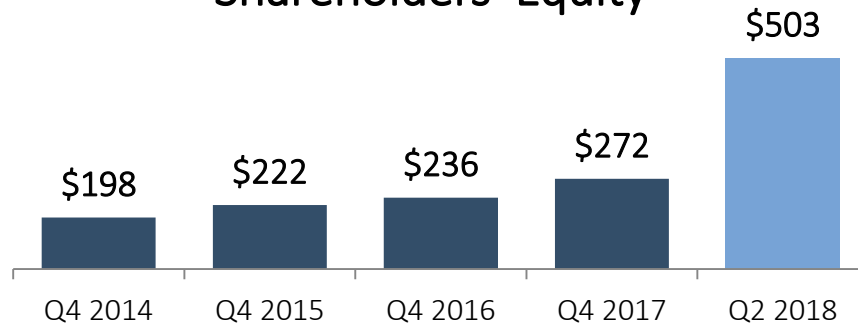
Cash and Short-term Investments



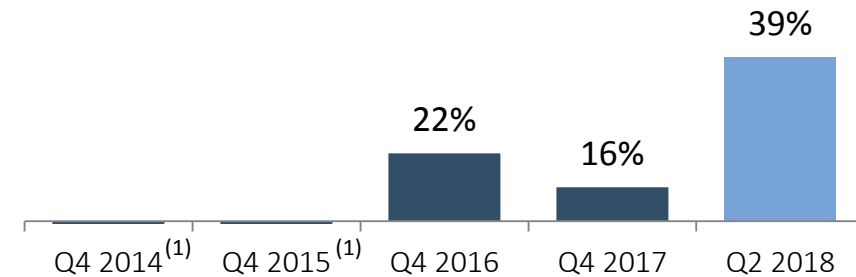
Total Debt



Shareholders' Equity



Net Debt/Total Capitalization



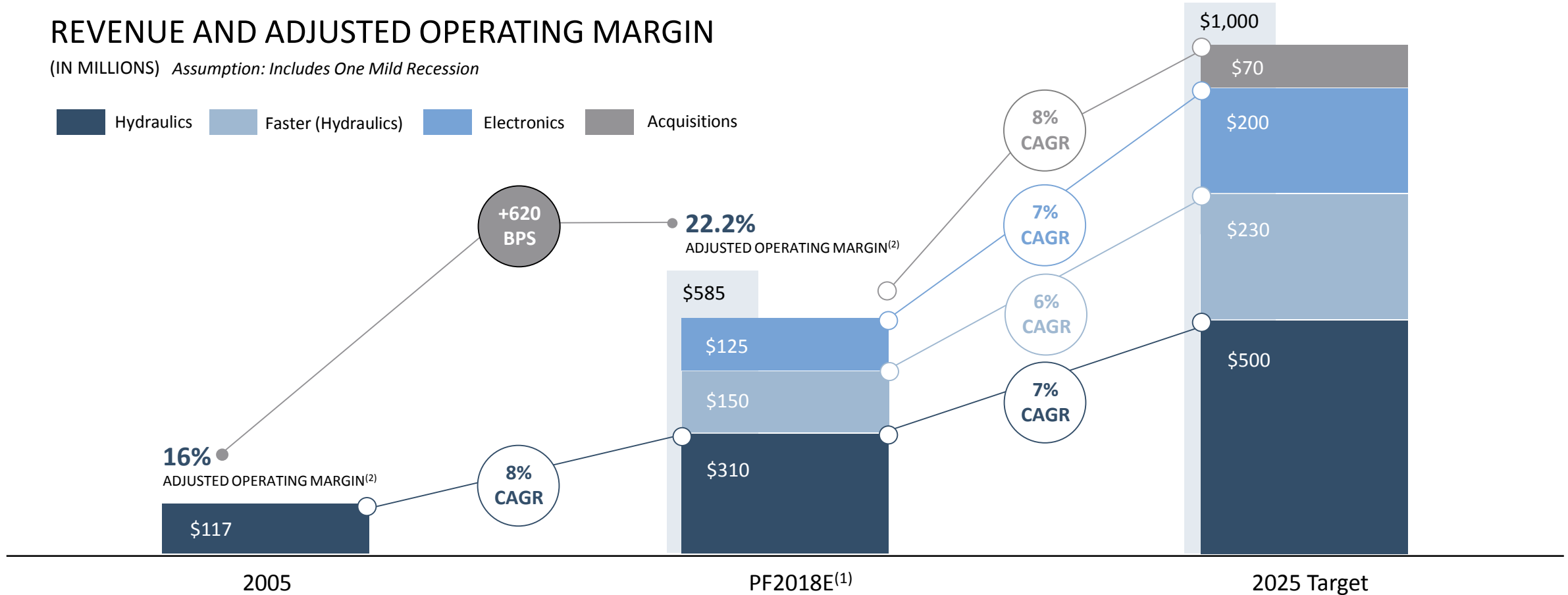
⁽¹⁾ Net Debt/Total Capitalization was not meaningful for 2014 or 2015 due to zero debt balances

Current Vision 2025: Pathway to Superior Growth

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Executing Vision 2025

1. Advancing global technology leadership
 - Broadening product and solutions offering organically
 - Penetrating geographic white space organically
 - Acquiring strategically complementary businesses – technology and geographic breadth
 - Achieving synergies among existing and acquired businesses
2. Near-term focus on margin expansion
 - Actions to moderate earnings volatility
 - Initiatives to mitigate margin pressure
3. Expanding capacity for regional customer service
 - In the region, for the region
4. Capital structure to support growth
 - Focusing on capital allocation goals and working capital initiatives



Executing Vision 2025
Investor & Analyst Day
October 3, 2018



Supplemental Information

Adjusted Operating Income Reconciliation

(Unaudited)

(\$ in thousands)

	Year ended										PF 2017	PF 2018
	Dec 27, 2008	Jan 2, 2010	Jan 1, 2011	Dec 31, 2011	Dec 29, 2012	Dec 28, 2013	Dec 27, 2014	Jan 2, 2016	Dec 31, 2016	Dec 30, 2017		
GAAP operating income	\$ 36,337	\$ 2,143	\$ 31,039	\$ 55,269	\$ 54,409	\$ 56,171	\$ 64,071	\$ 46,891	\$ 34,459	\$ 61,491	\$ 61,491	\$ 115,661
Acquisition-related amortization of intangible assets	-	-	-	-	-	-	-	-	1,545	8,423	8,423	-
Acquisition-related amortization of inventory step-up	-	-	-	-	-	-	-	-	1,021	1,774	1,774	-
Acquisition and financing-related expenses ⁽¹⁾	-	-	-	-	-	-	-	-	1,537	1,019	1,019	-
Restructuring charges ⁽²⁾	-	-	-	-	-	-	-	-	-	1,462	1,462	-
One-time operational items ⁽³⁾	-	-	-	-	-	-	-	-	-	2,907	2,907	-
Faster Group pro-forma for Jan 2018 thru Mar 2018	-	-	-	-	-	-	-	-	-	-	27,499	10,466
Custom Fluidpower pro-forma for 2017 and Jan 2018 thru Jul 2018	-	-	-	-	-	-	-	-	-	-	-	2,174
Non-GAAP adjusted operating income	\$ 36,337	\$ 2,143	\$ 31,039	\$ 55,269	\$ 54,409	\$ 56,171	\$ 64,071	\$ 46,891	\$ 38,562	\$ 77,076	\$ 104,575	\$ 128,301
GAAP operating margin	20.4%	2.2%	20.6%	27.1%	26.6%	27.4%	28.1%	23.4%	17.5%	17.9%		
Non-GAAP Adjusted operating margin	20.4%	2.2%	20.6%	27.1%	26.6%	27.4%	28.1%	23.4%	17.5%	22.5%	PF 22.7%	PF 21.9%

(1) Includes expenses associated with the Company's acquisition and financing activities to support its strategy

(2) Includes charges to consolidate the Company's High Country Tek business into its Enovation Controls business, \$431 of which is included in cost of sales

(3) Includes standard costing adjustments; temporary workforce, material outsourcing, and freight charges to recover from impact of Hurricane Irma; scrap and inventory issues attributable to the carve-out of Enovation Controls from its former organization

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, Sun believes that providing non-GAAP information such as adjusted operating income and adjusted operating margin are important for investors and other readers of Helios' financial statements, as they are used as analytical indicators by Sun'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.

Adjusted EBITDA Reconciliation

(Unaudited)

(\$ in thousands)

	Year Ended				6 Months Ended
	December 27, 2014	January 2, 2016	December 31, 2016	December 30, 2017	June 30, 2018
Net income	\$ 43,775	\$ 33,138	\$ 23,304	\$ 31,558	\$ 18,707
Interest expense (income), net	(1,592)	(1,422)	(790)	3,781	4,634
Income tax provision	21,967	16,092	11,597	15,986	6,407
Depreciation and amortization	8,718	9,557	11,318	19,190	17,076
EBITDA	72,868	57,365	45,429	70,515	46,824
Acquisition-related amortization of inventory step-up	-	-	1,021	1,774	3,125
Acquisition and financing-related expenses (1)	-	-	1,537	1,019	4,927
Restructuring charges (2)	-	-	-	1,462	170
One-time operational items (3)	-	-	-	2,907	2,535
Change in fair value of contingent consideration	-	-	-	9,476	653
Adjusted EBITDA	\$ 72,868	\$ 57,365	\$ 47,987	\$ 87,153	\$ 58,234
Adjusted EBITDA margin	32.0%	28.6%	24.4%	25.4%	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, Sun believes that providing non-GAAP information such as Adjusted EBITDA and Adjusted EBITDA margin are important for investors and other readers of Helios' financial statements, as they are used as analytical indicators by Sun'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.