HELIOS TECHNOLOGIES

formerly known as Sun Hydraulics

Investor Presentation

August 2018

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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 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 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.

Growing Global Industrial Technology Leader

Hydraulics

Leading designer and manufacturer of high-performance screw-in hydraulic cartridge valves, electro-hydraulics, manifolds, integrated package solutions, and quick-release hydraulic coupling solutions

Electronics

Global provider of innovative electronic control, display and instrumentation solutions for recreational and off-highway vehicles, stationary and power generation equipment

Founded: 1970	**IPO: 1997**	**Nasdaq: SNHY**	
Market Capitalization	$1.5 billion	Common Shares Outstanding	31.6 million
Recent Price	$48.94	Regular Annualized Dividend / Yield	$0.36 / 0.74%
52 Week Range	$45.29 - $70.83	Institutional Ownership	84.0%
Average trading Volume (Trailing three months)	125k	Insider Ownership	10.0%

Source: Capital IQ as of August 21, 2018; Ownership as of latest filings

Vision 2015

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

Megatrends Impacting Our Global Markets

Globalization

Sophistication of Safe Machinery & Equipment

Computing Power

Global Needs Will Drive These Trends

Population Growth

Urbanization & Environment

Productivity & Efficiencies

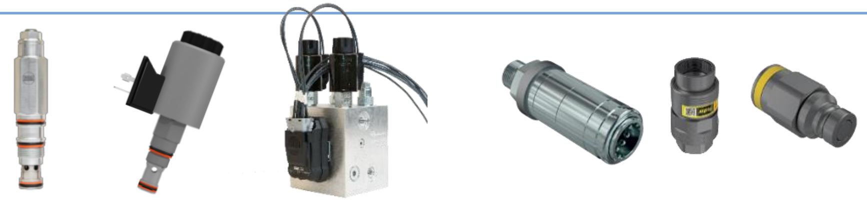
Automation

Electrification & Digitalization

Energy Saving

COMPREHEND THE THREATS & OPPORTUNITIES: ADJUST AND ALIGN

Smart Solutions For Demanding Applications

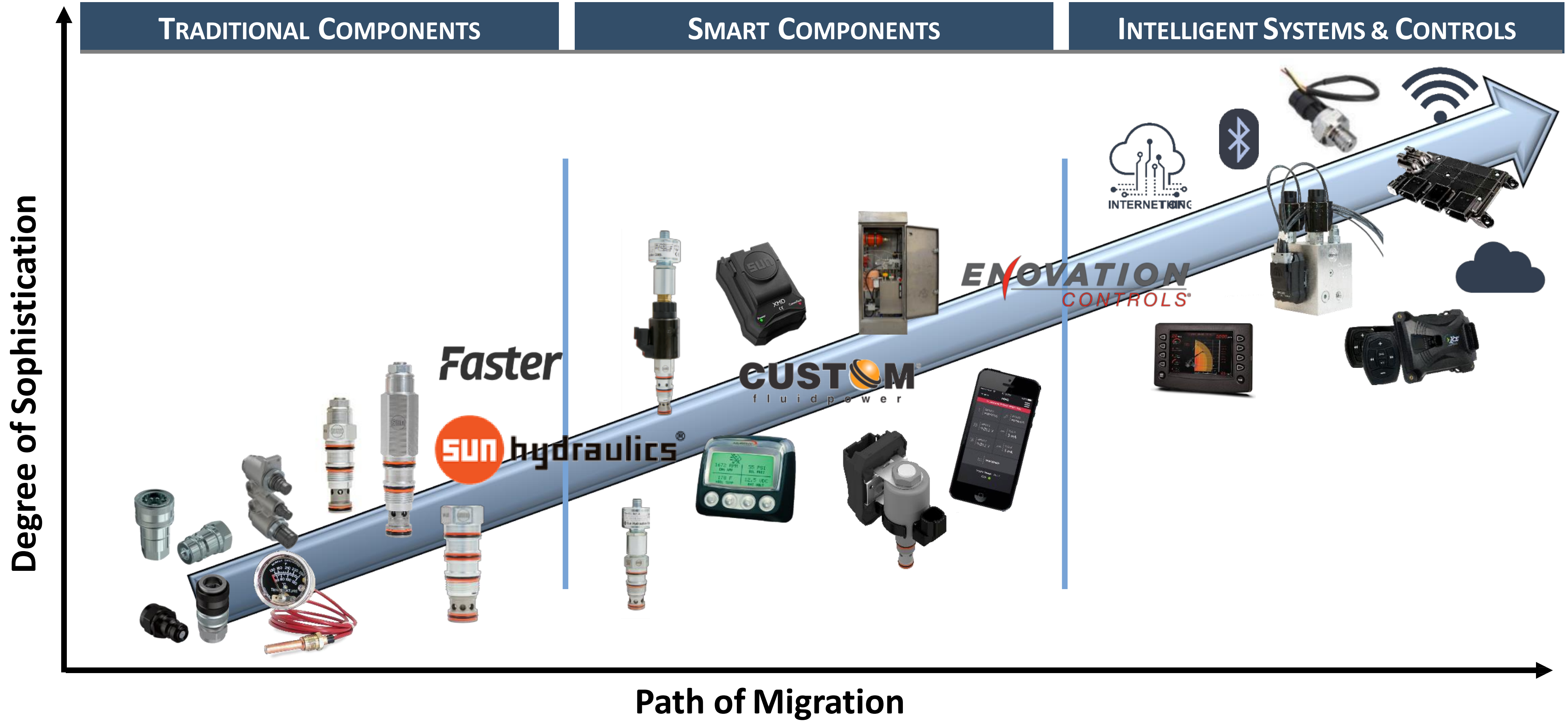
	Hydraulics (~75%)	Electronics (~25%)
2018E Revenue[1]	$388-398MM	$122-127MM
2018E Adjusted Operating Margin[1][2]	21.7% - 23.0% Margin	
Brands	sun hydraulics, Faster, CUSTOM fluidpower	ENOVATION CONTROLS, HCT Electro-Hydraulic Control Solutions, MURPHY, ZEROOFF
Key Technologies	 Sun designs and manufactures screw-in hydraulic cartridge valves, manifolds, and integrated fluid power packages and subsystem, while Faster is focused on quick-release hydraulic coupling solutions.	 Designs and manufactures sophisticated digital control solutions
Key End Markets	Mobile, Industrial & Agriculture Applications	Mobile, Industrial & Recreational Applications

(1) Guidance for 2018 as of August 6, 2018 (includes Faster since its April 5, 2018 acquisition and Custom Fluidpower since its August 1, 2018 acquisition)

(2) See Supplemental Information for definition of Adjusted Operating Income and Margin, reconciliation from GAAP and disclaimers regarding the use of non-GAAP financial measures

Strategic Execution

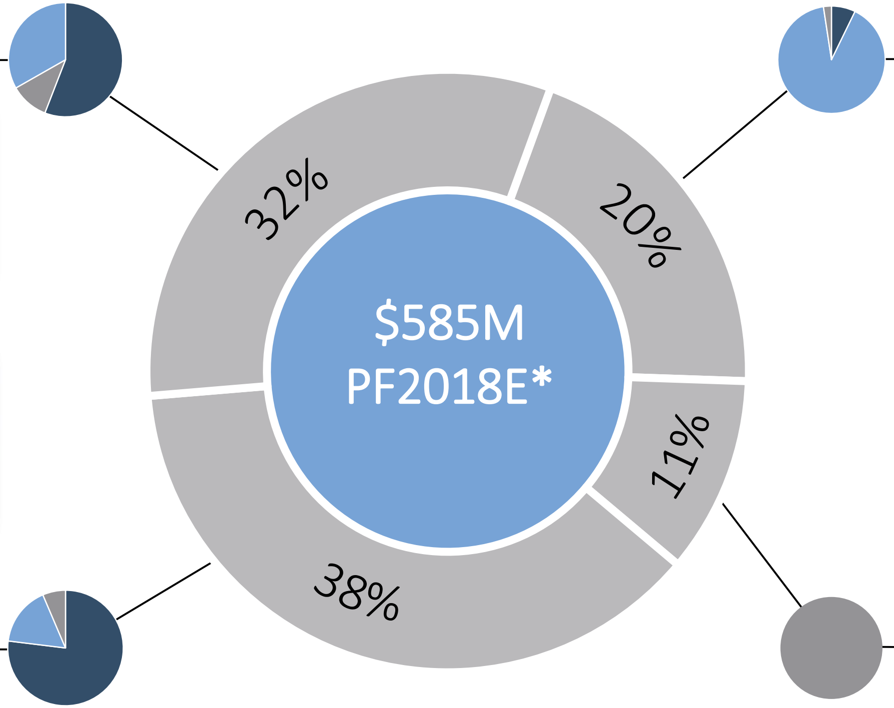
Evolving from best-in-class component supplier to an intelligent systems & controls provider



Market Breakdown

INDUSTRIAL

AGRICULTURE



MOBILE

RECREATIONAL

- Sun Hydraulics
- Faster
- Enovation Controls

** 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*

High Growth, High Margin, M&A-Focused

20%+
Organic Revenue Growth (1)
2017

20%+
Adj. Operating Margin (2)
2017

50%+
M&A Revenue Growth (3)
2017

Key Factors Driving Superior Growth and Margins

1. **Leading technology positions in fast growing industrial sectors in hydraulics and intelligent controls**
2. **Portfolio of premium brands**
3. **Highly engineered product design and manufacturing capabilities**
4. **Global presence with "in the region, for the region" strategy**

(1) Calculated as 2017 Revenue of $342.8MM divided by PF2016 Revenue of $275.3MM; PF2016 accounts for full year contribution of Enovation Controls acquisition that closed December 5, 2016
(2) See Supplemental Information for definition of Adjusted Operating Margin and reconciliation from GAAP and other disclaimers regarding non-GAAP information
(3) M&A growth driven by Electronics segment growth due to Enovation Controls acquisition

Custom Fluidpower Transaction Summary

Transaction Description	• Acquisition of 100% of Custom Fluidpower, which will be reported as part of Helios' Hydraulics segment • Leading Australian fluid power distributor and custom-design solutions provider • Asset light distribution / services / solutions model • Creates a stronger and globally diversified industrial technology platform • Transaction signed and closed August 1, 2018
Consideration	• Enterprise value of $26 million (1) • 5.6x EV / EBITDA 2018E (2) • Funded with ~36% cash ($9.3 million) / ~64% equity (333,065 shares)
Synergies	• Additional revenue upside in APAC • Expected EBITDA margin of >15% and $2 million of EBITDA synergies (~8% of EV) by 2022 • Strong commercial and technical relationships with global OEMS
Financial Impact	• Expected to be EPS accretive in year one • Transaction ROIC exceeds cost of capital in year one • Helios Technologies maintains a strong balance sheet with net debt / LTM EBITDA of 2.6x (2) • Optimal capital allocation / prudent capital structure

(1) CFP financials converted at an exchange rate of $1.3511 AUD / 1.000 USD

(2) CFP fiscal year ended June 30, 2018

Strategic Rationale for Custom Fluidpower

HELIOS TECHNOLOGIES + CUSTOM fluidpower

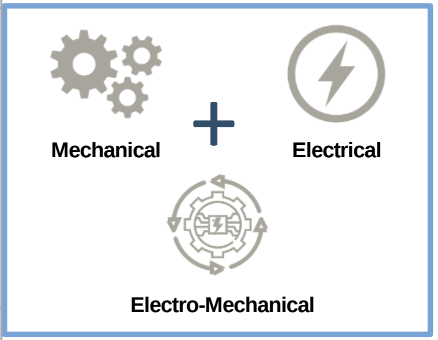
Strategic Rationale

Aligns with Long-Term Strategic Vision

- 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

Strengthens Helios’ APAC Platform

- Differentiated due to in house engineering and design capability
- Deepens electro-mechanical technical expertise
- Strong service component delivers additional value to customers



Teeing Up Future Success in Region

- 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

Acquisition of Faster Group

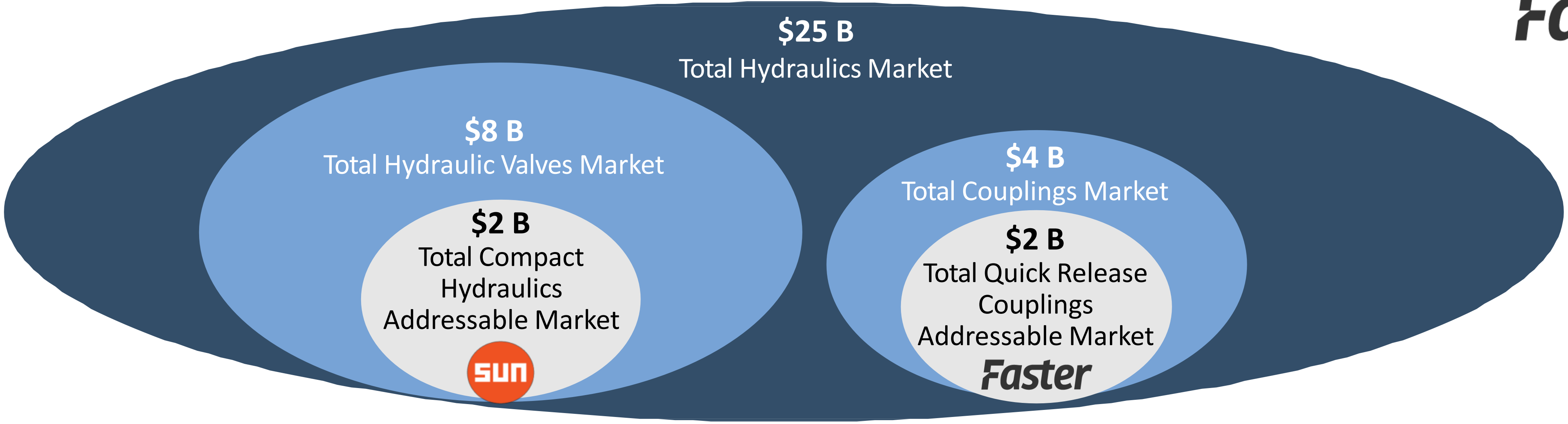
Company Overview	• Privately-owned, Italy-based company that designs, manufactures and distributes a variety of quick-release hydraulic couplings for a range of agricultural and industrial vehicles and machinery
Purchase Price	• €430 million, or approximately $528[(1)] million, plus other charges and deductions as set forth in the Purchase Agreement, funded with $175 million of cash and $358 million of debt

Strategic Rationale	• Meets Long-Term Strategic Vision:
	  • Advances global technology leadership
	  • Contributes toward revenue goal of $1 billion by 2025
	  • Enhances superior profitability and cash flows
	• Diversifies Sun:
	  • 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:
	  • Faster 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

Closing Date	• Share Purchase Agreement executed February 19th • Closed April 5, 2018
Financial Metrics	• Revenue: 2017: $130 million[(1)] 2018: expecting 16%-16.5% growth • EBITDA: 2017: ~$36 million[(1)] 2018: expecting ~27%-28% • Expected Run-Rate Synergies: ~$7.5 million by 2022

(1) *Faster Group's 2017 financial results, euro converted to USD at 1.235*

Hydraulics Industry



Addressable Markets – Hydraulics

Source: Schmitt Consulting Engineers

Evolving Hydraulics Product Offering to Address Hydraulics Market Demands

Broad Hydraulics Product Offering

Cartridges

Electro-Hydraulics

Couplings

Manifolds

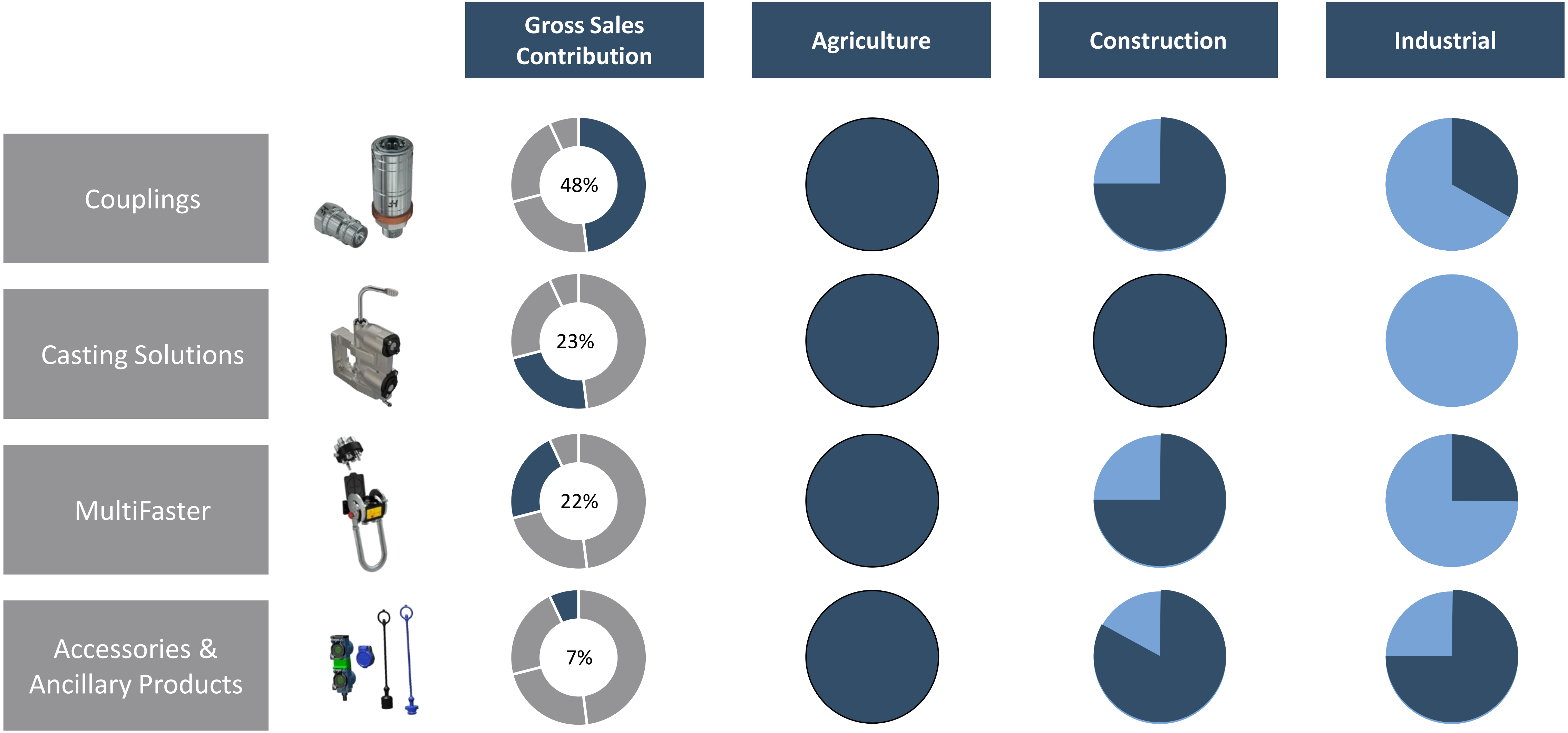
Integrated Packages

MultiFaster

Hydraulics Market Drivers

- ✓ Increased productivity and performance
- ✓ Improved safety and reliability
- ✓ Shift to electrohydraulic actuation & tuning
- ✓ Reduced noise, vibration and harshness
- ✓ Environmental regulation
- ✓ Zero leaks
- ✓ Fast and convenient ways to repeatedly connect/disconnect fluid lines

Faster: Most Complete Product Offering in its Industry



Custom Fluidpower: Positioned to Access APAC Market

Australia's Largest Independent Fluid Power Solutions Distributor

- **Custom Fluidpower (CFP) is Australia's largest independently-owned fluid power distributor and custom-design solutions provider** with a strong customer focus and emphasis on delivering value-add services
- **Headquarters**: Newcastle, Australia
- **Global Footprint**: 8 branches across Australia
- **Financials:** FY2018 $46 millions revenue; 9.7% EBITDA[(1)(2)]
- **Employees**: ~160

Serving a Broad Set of Industrial End Markets


Mining


Exploration


Energy / Oil & Gas


Marine


Materials Handling


Agriculture


Construction


Aerospace

Offering a Complete Range of Value-Add Services…

<u>Select Services</u>

- Hydraulic manifold design and manufacturing
- Total circuit design and supply
- IoT and automation packages
- Power unit / system manufacturing and installation
- Turn key projects, site installation, commissioning and training
- Asset management, on-site component life and performance monitoring

…to Deliver Customized Engineered Solutions

<u>Case Study: Custom Brake Power Unit</u>

- Custom design for client application, utilizing Sun Hydraulics manifolds and valves
- Leveraged CFP's unique braking technology to deliver consistent braking pressure performance over lifetime of unit
- New design increased braking responsiveness to 0.2 seconds

CUSTOM SAFE BRAKES
INTELLIGENT BRAKING.

Note: (1) CFP fiscal year ended June 30, 2018 (2) CFP financials converted at an exchange rate of $1.3511 AUD / 1.000 USD

HELIOS TECHNOLOGIES

Global CVT* Hydraulics Customer Base

sun hydraulics

Loyal, long-standing channel partners growing globally, forging new relationships

CVT Hydraulics Distributors
(~80% of Hydraulics Sales)

CMA/Flodyne/Hydradyne – Your Premier Resource for Automation; Electrical, Hydraulic, Pneumatic and Motion Control	30+ years
CPS Certified Power Solutions – A Certified Power Business	40+ years
HPS Hydra-Power Systems, Inc.	40+ years
Hydraulic Controls Inc.	40+ years
Hydrotech Motion Control Solutions	30+ years
IFP Iowa Fluid Power – Hydraulics & Pneumatics	30+ years
Kawasaki	20+ years
Lynch Fluid Controls Inc.	20+ years
Price Engineering	40+ years
Successsun hydraulics Press Co., Ltd	<10 years
Womack Machine Supply Co.	40+ years

- ✓ ***55 of 86 distributors located outside the U.S.***
- ✓ ***Strong technical capabilities in drive and control technology***

CVT Hydraulics OEMS
(~20% of Hydraulics Sales)

ARBURG, Bobcat, Cummins, DOOSAN, HYUNDAI Heavy Industries Co., Ltd., JCB, LIEBHERR, SANY, VOLVO

** Cartridge Valve Technology*

Faster: A Leading Provider of Engineered Coupling Solutions

HELIOS TECHNOLOGIES

Faster

Portfolio of Highly Engineered Coupling Solutions

Agriculture Equipment (AG)

Push-Pull

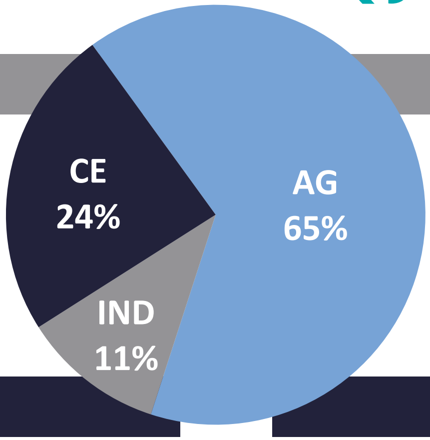
MultiFaster

Construction Equipment (CE)

Flat Face

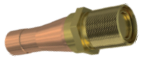
FHV

Block Coupler



Industrial (IND)

High Pressure



Refrigeration

Ultra High Pressure

Heavy Duty

Impressive and Loyal Blue-chip OEM Customer Base

Long-tern Relationships with the Leading Agricultural OEMs

AGCO, CLAAS, CNH Industrial, John Deere, Kubota, Lovol, Mahindra, YTO

Supplying a Broad Range of EOMs in CE

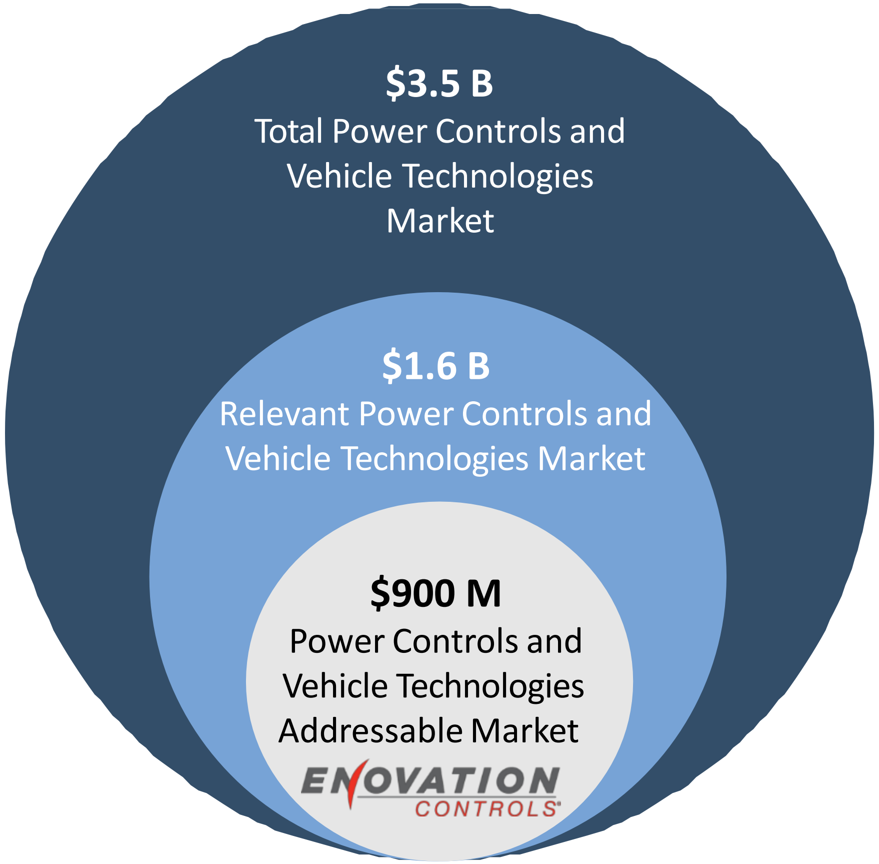
CAT, CNH Industrial, Doosan, Bobcat, Kobelco, Komatsu, Kubota, Wacker Neuson, XCMG

Select Group of Industrial Customers

Actuant, Danieli, Hi-Force Hydraulic Tools, Spir Star, Trevi Group, Vertiv

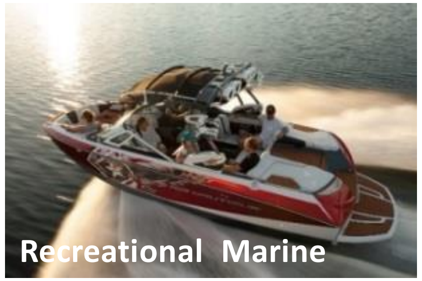
Note: Faster segment breakdown per 2017 MP forecast.

Electronic Controls Industry



Source: Management Estimates

Addressable Markets – Electronics



Enhanced Position in Electronics through Enovation Controls Acquisition

Acquisition Rationale[1]

Met Long-Term Strategic Vision

- Improve and expand technology offering
- Offer integrated solution
- Advance electrification and digitization offering across platform

Diversifies Helios

- New end markets in consumer and transportation
- New customers include blue-chip names in powersport, off-highway and power gear
- Provides entry to a highly specialized and fragmented market

Added Talent

- Experienced engineering and technical team
- Sales team with strong customer relationships and insight
- Track record of new product development and technical innovation

- ✓ Significant expansion in growing electronics market
- ✓ Strengthened new product development capabilities
- ✓ Earnings-accretive in 2017
- ✓ Growth-accretive in 2017

(1) Enovation Controls acquisition closed December 5, 2016

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Creative Electronics Product Development

ENOVATION CONTROLS

Displays & Infotainment

Panels & Controllers

Devices / Accessories

Solving complex system challenges on aggressive timelines with intense application expertise and customer focus

Electronics Customer Base

Loyal, long-term partnerships with Global OEMs across multiple markets, which accounts for 90% of Electronics Revenue

Vehicle Technologies ("VT")

Power Controls ("PC")

- ✓ ***Products Specified on Platform***
- ✓ ***Collaborative Engineering Process***
- ✓ ***Deep relationships***

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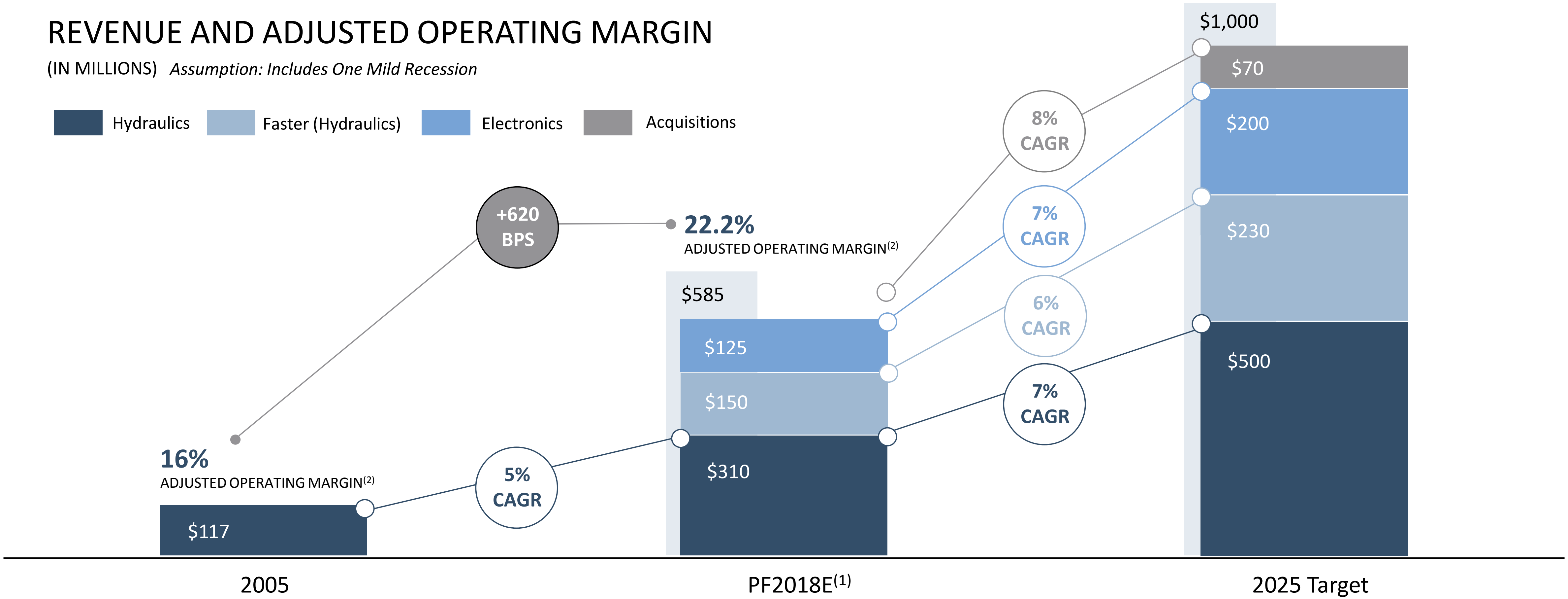
Achieving Our Vision 2025

Vision 2025: Pathway to Superior Growth

REVENUE AND ADJUSTED OPERATING MARGIN

(IN MILLIONS) *Assumption: Includes One Mild Recession*

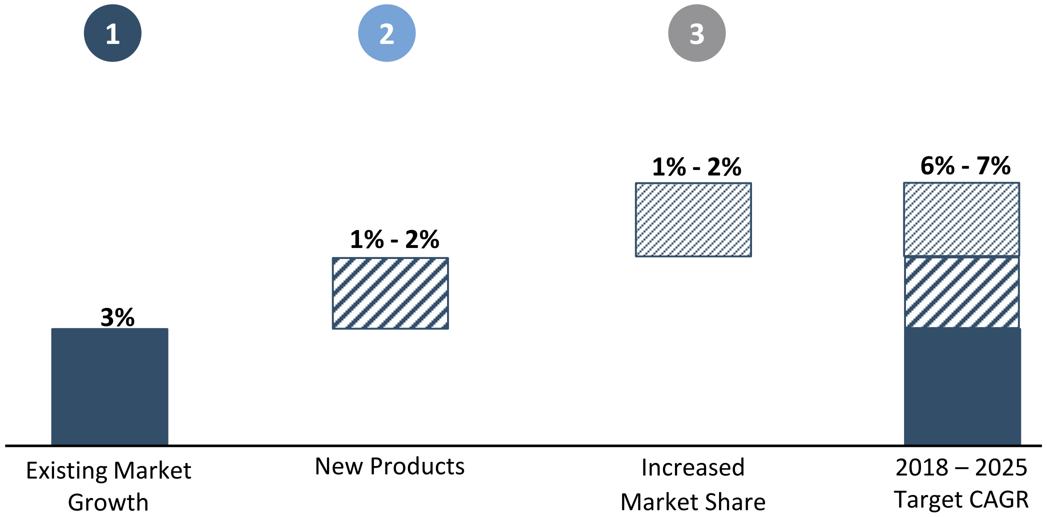


Vision 2025 Metric Floors: **$1B** REVENUE / **>20%** ADJUSTED OPERATING MARGIN / **>24%** EBITDA MARGIN

(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*

Reaching Vision 2025 Revenue Goals

Hydraulics Segment



1) Existing Market Growth

- Industrial Production is a key driver of market growth

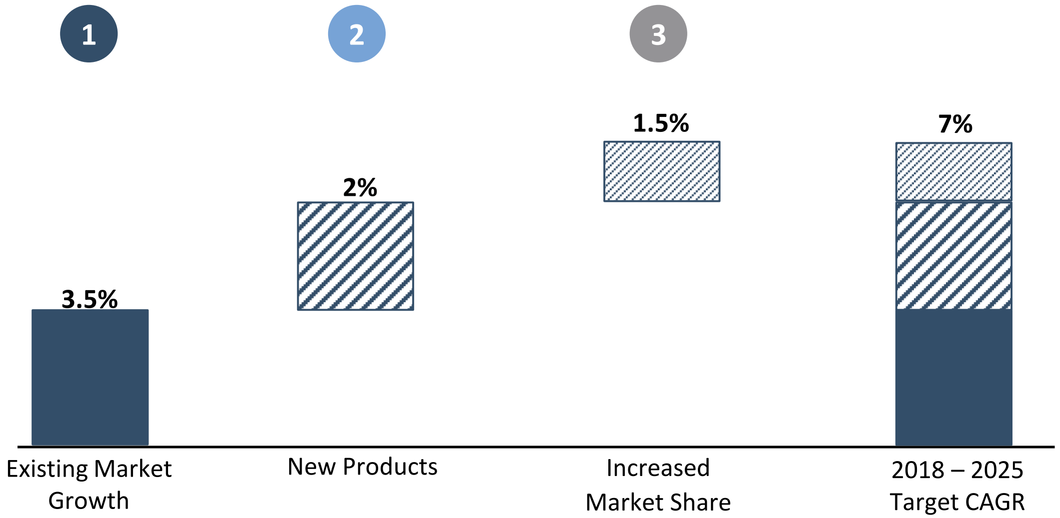
2) New Products

- Launch new product programs
- Expand core products

3) Increased Market Share

- Add new channel partners
- Deepen wallet share with existing customers:
  - More applications
  - More platforms
- Gain new customers

Electronics Segment



1) Existing Market Growth

- Industrial Production +

2) New Products

- Proactive and consistent outreach to the middle market with expanded content
  - Reduce complexity with new product designs/content
  - 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

Creating a Larger & More Diversified Technology Platform

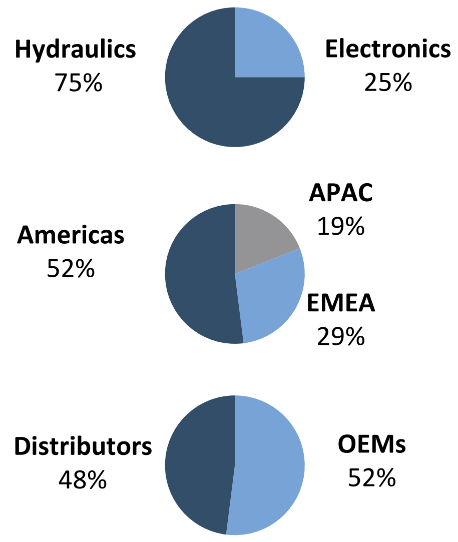
Pro Forma Combination Overview

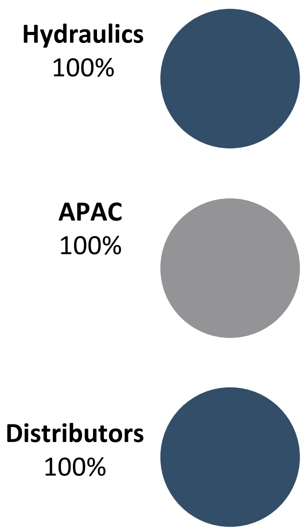
	Helios + Faster (1)	+ Custom Fluid Power (1)(2)	= Helios + Faster (1) + Custom Fluid Power (1)(2)
2018E PF Revenue ($MM)	~$530MM - $545MM	~$50MM	~$580MM - $595MM

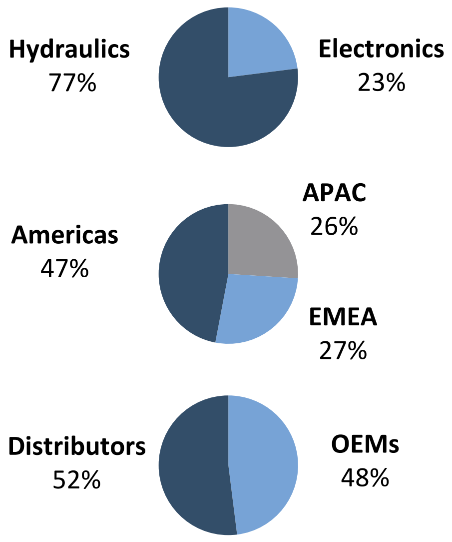
Enhanced Product Offering

Broader Geographic Reach

Greater Access to OEMs







(1) *SNHY 2018 Guidance as of August 6, 2018; above is proforma 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*

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Disciplined Acquisition Strategy

Methodology

Goals

- Technology leadership
- Broaden technology offerings and capabilities
- Achieve target return thresholds
- Increase solutions-based offering
- Diversify end markets

Targets

- Strong management
- Solid customer relationships
- Quality products
- Culture supporting innovation
- Lean or strong operational capabilities
- Superior profitability
- Target revenue $50-$150 million per acquisition

Integration Model

- Successful on standalone basis
- Drive innovative culture
- Keep talent and customer relationships
- Retain brands
- Leverage engineering expertise
- Realize synergy opportunities

Business Segment	Hydraulics	Linked Technologies	Electronics
Horizon	NEAR-TERM FOCUS	MID-TERM FOCUS	NEAR-TERM FOCUS
Portfolio/Technology	Cartridge Valve Technology (CVT), Quick Release Couplings (QRC); Adjacent Hydraulics Product Portfolio	E.M. Actuation, Factory Automation, Software or IoT-Relevant	Electronic Controls & Instrumentation
Brands	sun hydraulics; Faster; CUSTOM fluid power		ENOVATION CONTROLS; MURPHY; ZERO OFF; HCT Electro-Hydraulic Control Solutions

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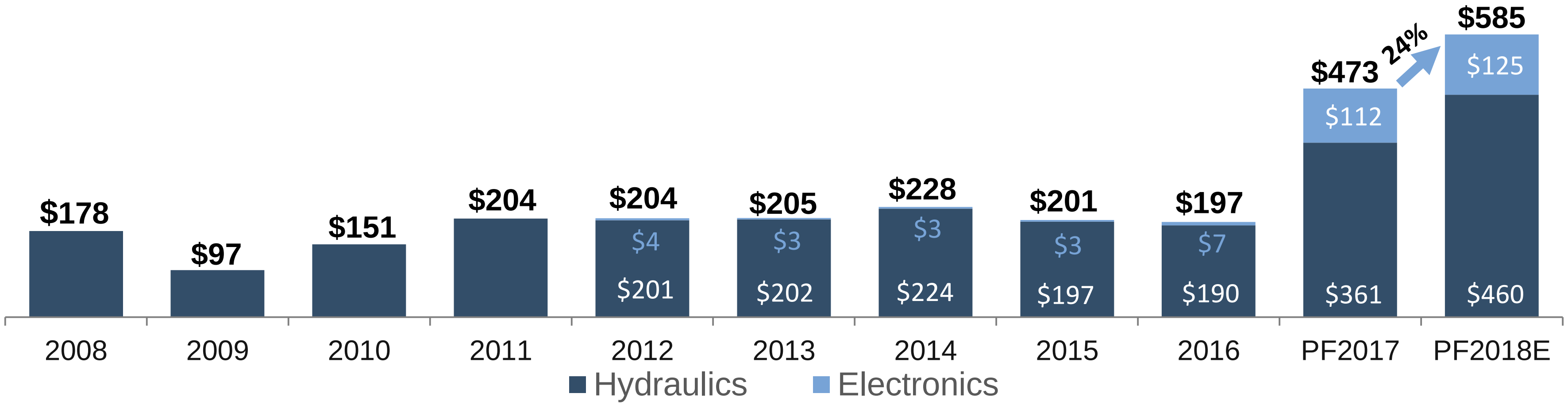
Financial Overview

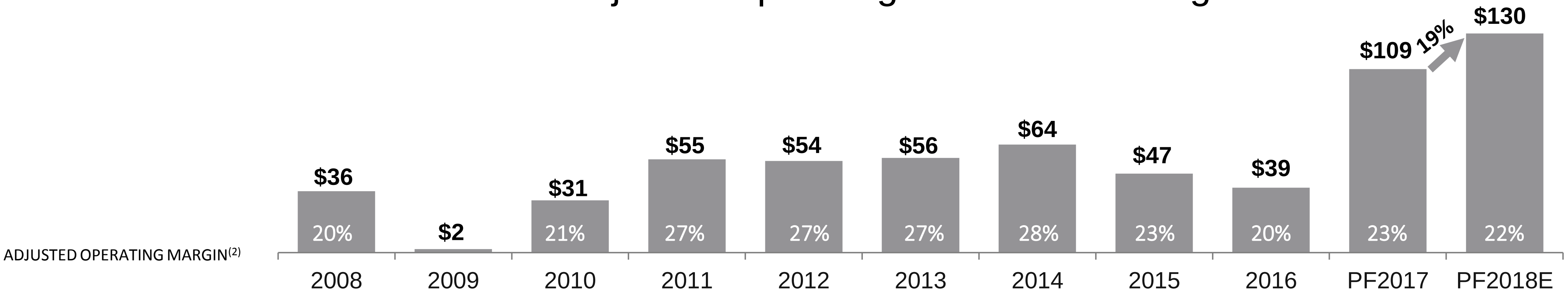
Need for Change to Drive Growth

($ in millions)

Revenue by Segment



Adjusted Operating Income and Margin(2)

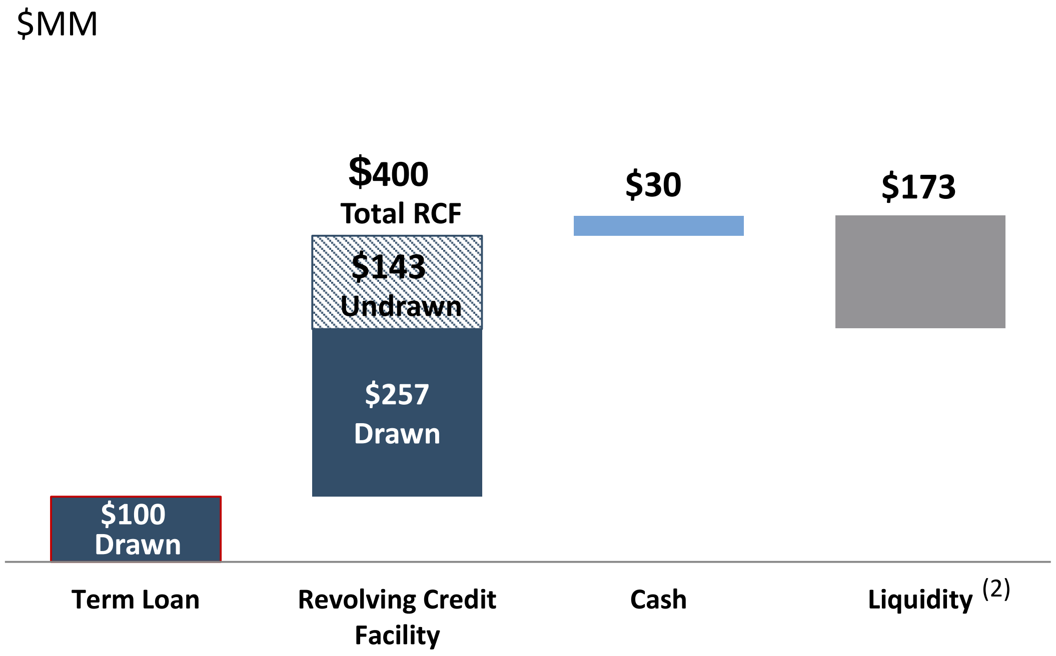


(1) *PF2018E reflects midpoint of 2018 Helios guidance as of August 6, 2018, pro forma for Faster Group and Custom Fluidpower: PF2017 and PF2018E accounts for full year contribution of Faster Group acquisition that closed April 5, 2018; PF2018 accounts for a full year of contribution of Custom Fluid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

Capital Allocation Focused on Growth

Capital Structure(1)



- Total Debt / PF Adj. EBITDA (1): 2.9x
- Net Debt / PF Adj. EBITDA (1): 2.7x

Capital Allocation Priorities

1) Organic Growth

- Double organically (existing businesses)
- New product development
- Integrate electronics and hydraulics know-how
- Support product platform

2) Acquisitive Growth

- Faster Group acquisition closed April 2018 – funded with ~$175M cash, $358M debt
- Custom Fluidpower acquisition closed August 2018 – funded with ~ $9M cash, $17M SNHY shares

3) Support Dividend

- Continue quarterly cash dividend

(1) *Information as June 30, 2018; pro-forma adjusted EBITDA assuming a full year contribution of Faster Group and Custom Fluidpower; see Supplemental Information for definition of Adjusted EBITDA, reconciliation from GAAP and disclaimers regarding the use of non-GAAP financial information*

(2) *Liquidity is based on actual cash and borrowing capacity as of June 30, 2018; revolving credit facility also allows for a $200 million accordion not reflected above. On August 1, approximately $9 million of cash was used to fund the cash portion of the Custom Fluidpower acquisition*

Commitment to Shareholder Value Creation

1. Leading positions in fast growing industrial sectors of hydraulics and intelligent controls
2. Portfolio of premium brands
3. Highly engineered product design and manufacturing capabilities
4. Proven growth strategy and execution (organic + M&A)
5. Upside from future acquisitions articulated by Vision 2025: technology leadership, target $1B sales, expanding profitability
6. Best-in-class financial profile and discipline: high growth, high margins, high M&A growth
7. Management team with proven track record of delivering results

Defined Vision
Designed Transformation

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Supplemental Information

Culture of Innovation

Technology leader

Smart product innovation

Small solutions; big results

Emphasis on quality, reliability

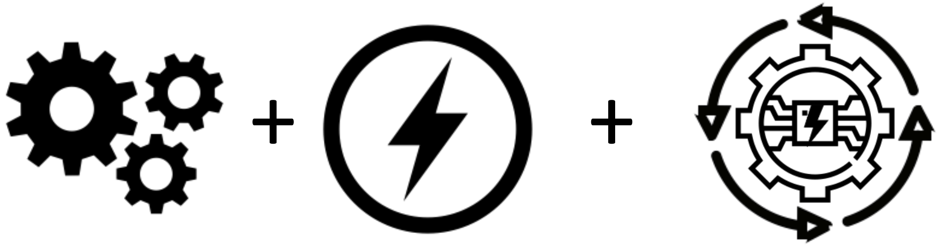
Fast, dependable delivery

Expert technical support

Superior customer service

Making new connections

- ✓ Two major product launches in 2017, including the first joint product launch between Sun and Enovation
- ✓ Planned launch of hydraulic FLeX Phases 2 & 3 in 2018
- ✓ Deep pipeline of 10 new electronic products slated for launch by the end of 2018
- ✓ Planning nine 2018 QRC product launches
- ✓ 220+ degreed engineers



Mechanical **Electrical** **Electro-Mechanical**

Full Spectrum of Technical Expertise

Segment Data

($ in thousands)	Three Months Ended June 30, 2018	Three Months Ended July 1, 2017	Six Months Ended June 30, 2018	Six Months Ended July 1, 2017
Sales:				
Hydraulics	$ 103,634	$ 60,818	$ 166,243	$ 114,940
Electronics	32,534	28,517	67,243	55,748
Consolidated	$ 136,168	$ 89,335	$ 233,486	$ 170,688
Gross profit and margin:				
Hydraulics	$ 39,422	$ 25,576	$ 62,870	$ 47,599
	38.0%	*42.1%*	*37.8%*	*41.4%*
Electronics	14,107	13,007	28,276	25,552
	43.4%	*45.6%*	*42.1%*	*45.9%*
Corporate and other	(3,125)	-	(3,125)	(1,774)
Consolidated	$ 50,404	$ 38,583	$ 88,021	$ 71,377
	37.0%	*43.2%*	*37.7%*	*41.8%*
Operating income and margin:				
Hydraulics	$ 25,401	$ 16,359	$ 38,844	$ 30,131
	24.5%	*27.0%*	*23.3%*	*26.2%*
Electronics	6,532	6,419	13,639	12,655
	20.0%	*22.5%*	*20.2%*	*22.8%*
Corporate and other	(14,930)	(2,077)	(18,226)	(6,301)
Consolidated	$ 17,003	$ 20,701	$ 34,257	$ 36,485
	12.5%	*23.2%*	*14.7%*	*21.4%*

Sales by Geographic Region & Segment

(Unaudited)

2018 Sales by Geographic Region and Segment

($ in millions)

	Q1	% of Total	Q2	% of Total	2018	% of Total
Americas:						
Hydraulics	$ 26.4		$ 39.7		$ 66.1	
Electronics	30.1		27.9		58.0	
Consol. Americas	56.5	58%	67.6	50%	124.1	53%
EMEA:						
Hydraulics	19.6		40.5		60.1	
Electronics	2.7		2.7		5.4	
Consol. EMEA	22.3	23%	43.2	32%	65.5	28%
APAC:						
Hydraulics	16.6		23.4		40.0	
Electronics	1.9		2.0		3.9	
Consol. APAC	18.5	19%	25.4	18%	43.9	19%
Total	$ 97.3		$ 136.2		$ 233.5	

2017 Sales by Geographic Region and Segment

($ in millions)

	Q1	% of Total	Q2	% of Total	Q3	% of Total	Q4	% of Total	2017	% of Total
Americas:										
Hydraulics	$ 24.7		$ 28.2		$ 25.3		$ 25.6		$ 103.8	
Electronics	22.6		24.5		26.8		21.1		95.0	
Consol. Americas	47.3	58%	52.7	59%	52.1	59%	46.7	56%	198.8	58%
EMEA:										
Hydraulics	17.1		16.6		16.1		16.4		66.2	
Electronics	3.0		2.6		2.9		2.4		10.9	
Consol. EMEA	20.1	25%	19.2	22%	19.0	22%	18.8	22%	77.1	22%
APAC:										
Hydraulics	12.3		16.0		15.2		17.1		60.6	
Electronics	1.7		1.4		1.7		1.5		6.3	
Consol. APAC	14.0	17%	17.4	19%	16.9	19%	18.6	22%	66.9	20%
Total	$ 81.4		$ 89.3		$ 88.0		$ 84.1		$ 342.8	

Adjusted Operating Income Reconciliation

(Unaudited)

($ in thousands)	Year ended									Pro forma	
	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	PF 2017	PF 2018E [4]
GAAP operating income	**$ 36,337**	**$ 2,143**	**$ 31,039**	**$ 55,269**	**$ 54,409**	**$ 56,171**	**$ 64,071**	**$ 46,891**	**$ 34,459**	**$ 61,491**	**$ 115,661**
Acquisition-related amortization of intangible assets	-	-	-	-	-	-	-	-	1,545	8,423	-
Acquisition-related amortization of inventory step-up	-	-	-	-	-	-	-	-	1,021	1,774	-
Acquisition and financing-related expenses [1]	-	-	-	-	-	-	-	-	1,537	1,019	-
Restructuring charges [2]	-	-	-	-	-	-	-	-	-	1,462	-
One-time operational items [3]	-	-	-	-	-	-	-	-	-	2,907	-
Faster Group pro forma for Jan 2018 thru Mar 2018	-	-	-	-	-	-	-	-	-	31,714	10,339
Custom Fluidpow er pro forma for Jan 2018 thru Jul 2018	-	-	-	-	-	-	-	-	-	-	3,949
Non-GAAP adjusted operating income	**$ 36,337**	**$ 2,143**	**$ 31,039**	**$ 55,269**	**$ 54,409**	**$ 56,171**	**$ 64,071**	**$ 46,891**	**$ 38,562**	**$ 108,790**	**$ 129,949**
GAAP operating margin	*20.4%*	*2.2%*	*20.6%*	*27.1%*	*26.6%*	*27.4%*	*28.1%*	*23.4%*	*17.5%*		
Non-GAAP Adjusted operating margin	*20.4%*	*2.2%*	*20.6%*	*27.1%*	*26.6%*	*27.4%*	*28.1%*	*23.4%*	*17.5%*	*PF 23%*	*PF 22.2%*

(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 attrbutable to the carve-out of Enovation Controls from its former organization

(4) All PF 2018E numbers are Non-GAAP estimates based on guidance provided August 6, 2018

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)	Three Months Ended		Six Months Ended	
	June 30, 2018	July 1, 2017	June 30, 2018	July 1, 2017
Net income	**$ 6,796**	**$ 7,284**	**$ 18,707**	**$ 17,495**
Interest expense (income), net	4,151	964	4,634	1,589
Income tax provision	2,424	3,620	6,407	8,548
Depreciation and amortization	12,347	4,764	17,076	9,855
EBITDA	**25,718**	**16,632**	**46,824**	**37,487**
Acquisition-related amortization of inventory step-up	3,125	-	3,125	1,774
Acquisition and financing-related expenses	3,731	-	4,927	200
Restructuring charges	59	-	170	-
Foreign currency forward contract loss	2,030	-	2,535	-
Change in fair value of contingent consideration	251	8,191	653	8,191
Adjusted EBITDA	**$ 34,914**	**$ 24,823**	**$ 58,234**	**$ 47,652**
Adjusted EBITDA margin	*25.6%*	*27.8%*	*24.9%*	*27.9%*

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.

Adjusted Net Income Reconciliation

(Unaudited)

($ in thousands)	Three Months Ended June 30, 2018	Three Months Ended July 1, 2017	Six Months Ended June 30, 2018	Six Months Ended July 1, 2017
Net income	**$ 6,796**	**$ 7,284**	**$ 18,707**	**$ 17,495**
Acquisition-related amortization of inventory step-up	3,125	-	3,125	1,774
Acquisition and financing-related expenses	3,731	-	4,927	200
Restructuring charges	59	-	170	-
Foreign currency forward contract loss	2,030	-	2,535	-
Change in fair value of contingent consideration	251	8,191	653	8,191
Tax effect of above	(2,299)	(2,703)	(2,853)	(3,354)
Adjusted net income	**$ 13,693**	**$ 12,772**	**$ 27,264**	**$ 24,306**
Adjusted net income per diluted share	**$ 0.43**	**$ 0.47**	**$ 0.89**	**$ 0.90**

Non-GAAP Financial Measure:

Adjusted net income per diluted share is adjusted net income divided by diluted weighted average common shares outstanding. Adjusted net income and adjusted 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, Sun believes that providing non-GAAP information such as adjusted net income and adjusted net income per diluted share is important for investors and other readers of Sun's financial statements, as they are used as analytical indicators by Helios' management to better understand operating performance. Because adjusted net income and adjusted net income per diluted share are non-GAAP measures and are thus susceptible to varying calculations, adjusted net income and adjusted net income per diluted share, as presented, may not be directly comparable to other similarly titled measures used by other companies.