



4th Quarter Earnings Conference Call

May 30, 2019

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Director, President and Chief Executive Officer

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Forward-Looking Information

As a reminder, we will be presenting certain forward-looking statements on this call that are based on Management's current expectations and views regarding future events and operating performance and are subject to uncertainties and changes in circumstances. Our actual results may differ materially from the forward-looking statements for a number of reasons. Our forward-looking statements are applicable only as of the date of this presentation. For a list of the factors which could affect our future results, including our earnings estimates, see forward-looking statements included in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," set forth in our Annual Report on Form 10-K for the fiscal year ended March 31, 2019, which was filed with the U.S. Securities and Exchange Commission.

In addition, we will also be presenting certain non-GAAP financial measures. For an explanation of the differences between the comparable GAAP financial information and the non-GAAP information, please see our company's Form 8-K which includes our press release dated May 29th, 2019, which is located on our web site at www.enersys.com.

4th Quarter Fiscal 2019 Results

(\$ Millions)

	w/Alpha Q4 F'19	Legacy ENS Q4 F'19	Legacy ENS Q4 F'18
SALES	\$796.6	\$660.9	\$683.0
GROSS PROFIT \$	\$208.4	\$168.7	\$170.5
OP EARNINGS \$	\$83.2	\$69.3	\$73.6
OP EARNINGS %	10.4%	10.5%	10.8%
EPS	\$1.43	\$1.28	\$1.24

Alpha amortization is excluded.

Presented on an as adjusted basis. See appendix at end of presentation for more detailed information.

Global Business Review

GLOBAL

- Strong demand for Motive Power products in all regions
- Record Motive Power backlog due to strong markets and growth of NexSys Pure TPPL

AMERICAS

- U.S. Reserve Power up slightly in Q4, however U.S. telecoms deferring spending on legacy networks
- Motive Power demand strong, but Q4 organic sales down YoY due to ERP implementation

EMEA

- Double-digit Motive Power organic growth
- Reserve Power growth strong due to Middle East and Africa and UPS for datacenters

ASIA

- Reserve Power Q4 sales volume down due to China Tower YoY tough comparable
- Double-digit Motive Power organic growth

AEROSPACE & DEFENSE

- Aerospace and Defense sales lower in Q4 YoY due to timing; orders already picking up

EnerSys at ProMat 2019

- Historic level of customer attendance
- Maintenance-free was main topic

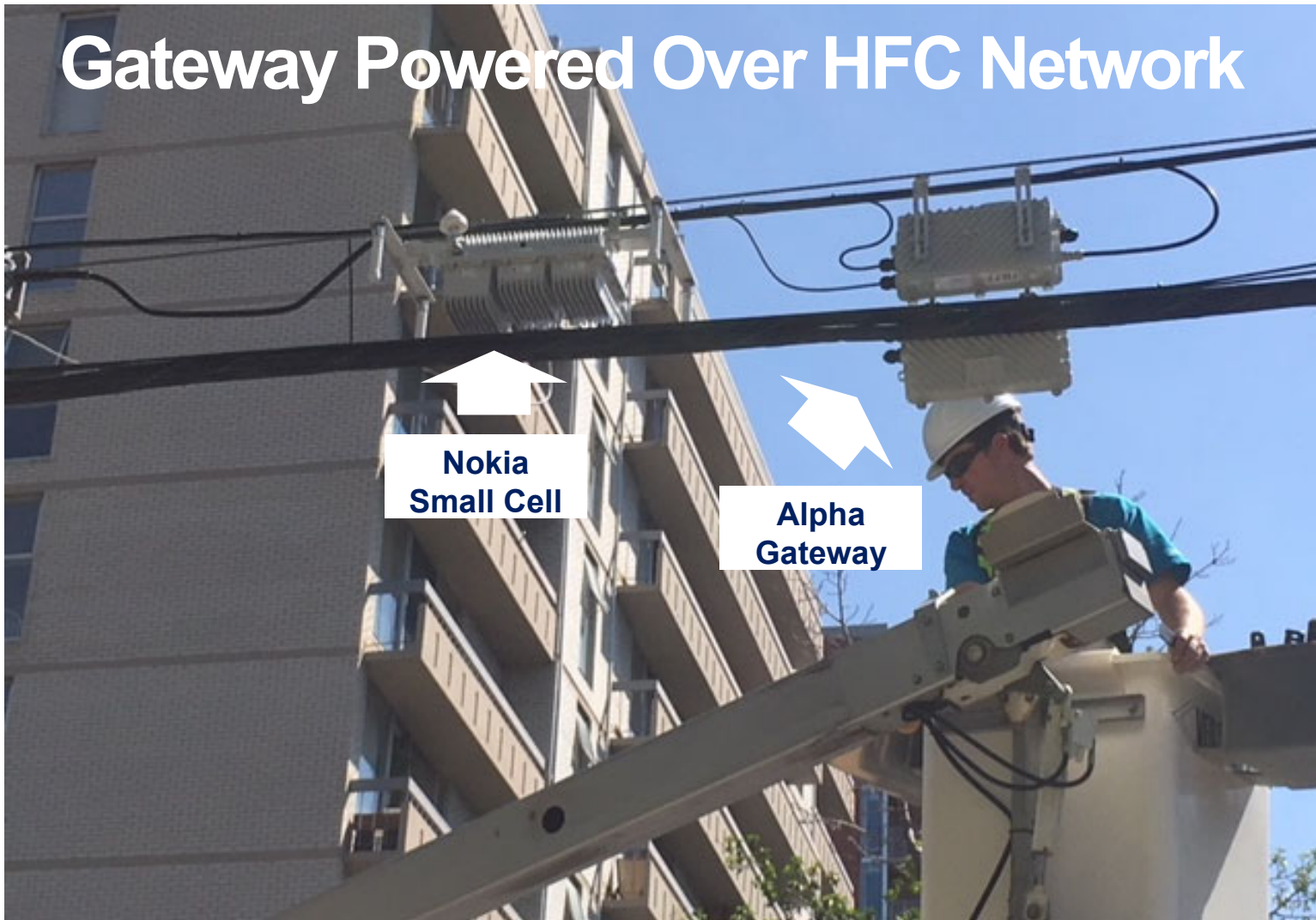


Strategic Initiatives

- **Alpha acquisition update**
 - **Cultures of EnerSys and Alpha are aligned**
 - **Cross-selling has already begun**
 - **Combined companies = one-stop shop**
 - **Gateway and line powering products broaden participation in 5G**
 - **Annual synergies of \$25 million on track**
- **TPPL capacity expansion over three years via Lean and capex spend of over \$100 million, increases TPPL capacity by over \$500 million**
- **Fall Investor Day planned to review and update strategic initiatives**

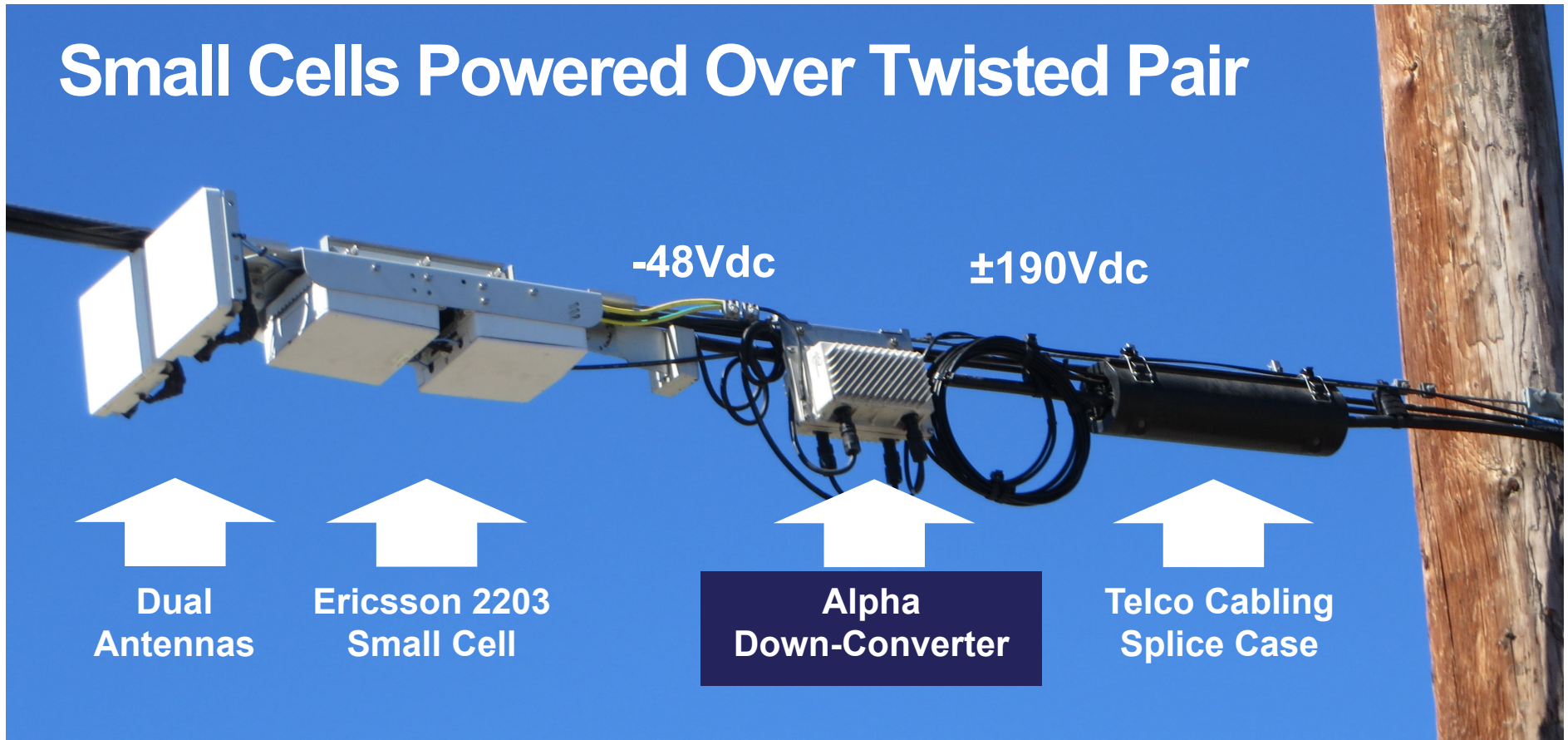
Alpha Products

Gateway Powered Over HFC Network



Alpha Products

Small Cells Powered Over Twisted Pair



Broad Industry Trends

- **Maintenance-free is the future for industrial batteries**
 - NexSys Pure / NexSys Ion modular solutions
 - EnerSys uniquely positioned
- **Competition**
 - Many competitors struggling financially
 - Their products are outdated and commoditized
 - Should lead to improved EnerSys market share in U.S. and EMEA
- **EnerSys well positioned to capitalize on 5G and broadband**
 - 5G buildout in U.S. and Canada could be 5.5 million small cell sites
 - If EnerSys captures 25% of this market, additional sales would exceed \$1 billion
 - Expanding DOCSIS 3.1 infrastructure will fuel additional sales

F'19 4th Qtr. YOY Sales By Region & Line Of Business

(\$ Millions)

	F'19 Q4	F'18 Q4	Fav/(Unfav)		Volume	Price	M&A	Fx
			\$	%				
Americas	\$508	\$381	\$127	33%	-2%	1%	36%	-2%
EMEA	\$228	\$228	\$1	-	11%	-1%	-	-10%
Asia	\$61	\$75	(\$14)	-19%	-14%	-	-	-5%
Total Net Sales	<u>\$797</u>	<u>\$683</u>	<u>\$114</u>	<u>17%</u>	<u>1%</u>	<u>1%</u>	<u>20%</u>	<u>-5%</u>
Motive Power	\$347	\$360	(\$12)	-3%	2%	-1%	-	-5%
Reserve Power	\$449	\$323	\$126	39%	-	2%	42%	-5%
Total Net Sales	<u>\$797</u>	<u>\$683</u>	<u>\$114</u>	<u>17%</u>	<u>1%</u>	<u>1%</u>	<u>20%</u>	<u>-5%</u>

Rounding may cause minor differences.

F'19 4th Qtr. Sequential Sales By Region & Line Of Business

(\$ Millions)

	F'19 Q4	F'19 Q3	Fav/(Unfav)	
			\$	%
Americas	\$508	\$402	\$106	26%
EMEA	\$228	\$218	\$10	5%
Asia	\$61	\$60	\$1	1%
Total Net Sales	<u>\$797</u>	<u>\$680</u>	<u>\$117</u>	<u>17%</u>
			<div> <div>2% Organic, 16% Acquisitions</div> <div>-1% Price, 0% Fx</div> </div>	
Motive Power	\$347	\$351	(\$3)	-1%
Reserve Power	\$449	\$329	\$120	36%
Total Net Sales	<u>\$797</u>	<u>\$680</u>	<u>\$117</u>	<u>17%</u>

Rounding may cause minor differences.

F'19 4th Qtr. Operating Earnings by Region

(\$ Millions)

Year Over Year	F'19 Q4	F'18 Q4	Fav/(Unfav)	
			\$	%
Operating Earnings				
Americas	\$47.3	\$49.6	(\$2.3)	-5%
	12.7%	13.0%		
EMEA	23.3	22.1	1.2	6%
	10.2%	9.7%		
Asia	(1.3)	1.9	(3.2)	-166%
	-2.1%	2.5%		
Total Operating Earnings (Legacy ENS)	\$69.3	\$73.6	(\$4.3)	-6%
As % Net Sales	10.5%	10.8%		
Total Operating Earnings (with Alpha)	\$83.2			
As % Net Sales	10.4%			

Sequential	F'19 Q4	F'19 Q3	Fav/(Unfav)	
			\$	%
Operating Earnings				
Americas	\$47.3	\$50.9	(\$3.6)	-7%
	12.7%	13.5%		
EMEA	23.3	17.1	6.2	36%
	10.2%	7.9%		
Asia	(1.3)	0.6	(1.9)	-317%
	-2.1%	1.0%		
Total Operating Earnings (Legacy ENS)	\$69.3	\$68.6	\$0.7	1%
As % Net Sales	10.5%	10.5%		
Total Operating Earnings (with Alpha)	\$83.2	\$67.5	\$15.7	23%
As % Net Sales	10.4%	9.9%		

Alpha amortization is excluded. Rounding may cause minor differences. Presented on an as adjusted basis.

F'19 4th Qtr. Net Earnings and EPS

(\$ Millions, Except Per Share Amounts)

	F'19 Q4	F'18 Q4	Fav/(Unfav)	
			\$	%
Operating Earnings (Legacy ENS)	\$69.3	\$73.6	(\$4.3)	-6%
As % Net Sales	10.5%	10.8%		(0.3)Pts.
Book Tax Rate	13%	20%		
Operating Earnings (with Alpha)	\$83.2			
As % Net Sales	10.4%			
Net Earnings (Legacy ENS)	\$54.5	\$52.5	\$2.0	4%
As % Net Sales	8.2%	7.7%		0.0 Pts.
Net Earnings (w/Alpha)	\$62.1			
As % Net Sales	7.8%			
EPS diluted (Legacy ENS)	\$1.28	\$1.24	\$0.04	3%
EPS diluted (w/Alpha)	\$1.43			
Avg. Diluted Shares Outstanding (Legacy ENS)	42.400	42.442	—	—
(Millions)				
Avg. Diluted Shares Outstanding (w/Alpha)	43.586			
(Millions)				

Alpha amortization is excluded. Rounding may cause minor differences. Presented on an as adjusted basis.

F'19 Sales By Region & Line Of Business

(Legacy ENS, \$ Millions)

	F'19	F'18	Fav/(Unfav)		Volume	Price	M&A	Fx
			\$	%				
Americas	\$1,691	\$1,430	\$261	18%	6%	3%	11%	-2%
EMEA	\$861	\$849	\$11	1%	5%	-	-	-4%
Asia	\$257	\$303	(\$46)	-15%	-14%	2%	-	-3%
Total Net Sales	<u>\$2,808</u>	<u>\$2,582</u>	<u>\$226</u>	<u>9%</u>	<u>3%</u>	<u>2%</u>	<u>6%</u>	<u>-2%</u>
Motive Power	\$1,392	\$1,334	\$58	4%	5%	1%	-	-2%
Reserve Power	\$1,416	\$1,248	\$168	13%	1%	2%	13%	-2%
Total Net Sales	<u>\$2,808</u>	<u>\$2,582</u>	<u>\$226</u>	<u>9%</u>	<u>3%</u>	<u>2%</u>	<u>6%</u>	<u>-2%</u>

Rounding may cause minor differences. Presented on an as adjusted basis.

F'19 Net Earnings and EPS

(Legacy ENS, \$ Millions, Except Per Share Amounts)

	F'19	F'18	Fav/(Unfav)	
			\$	%
Operating Earnings	\$285.6	\$284.1	\$1.5	-1%
As % Net Sales	10.2%	11.0%		(0.8)Pts.
Book Tax Rate	17%	20%	—	—
Net Earnings	\$212.1	\$200.5	\$11.6	6%
As % Net Sales	7.6%	7.8%		(0.2)Pts.
EPS diluted	\$4.93	\$4.65	\$0.28	6%
Avg. Diluted Shares Outstanding	43.009	43.120	.111	—
(Millions)				

Alpha amortization is excluded. Rounding may cause minor differences. Presented on an as adjusted basis.

Financial Position Highlights

(\$ Millions)

	Full Fiscal Year 2019	Full Fiscal Year 2018
Cash & Cash Equivalents	\$299.2	\$522.1
Net Debt (Gross Debt – Investments)	\$841.2	\$187.8
Net Cash from Operations YTD	\$197.9	\$211.0
Capital Expenditures	\$70.4	\$69.8
Leverage Ratio (per US Credit Agreement)	2.0X	0.7X
Primary Working Capital as a % of Sales	26.2%	25.7%

Fourth Quarter Fiscal 2019 Results

(\$ Millions, Except Per Share Information)

	Total Company	Alpha	Legacy ENS
NET SALES	\$796.6	\$135.7	\$660.9
COST OF SALES	588.2	95.9	492.3
GROSS PROFIT	208.4	39.7	168.7
OP EXPENSES	125.2	25.8	99.4
OP EARNINGS	83.2	13.9	69.3
INTEREST & OTHER	11.3	4.3	7.0
EARNINGS BEFORE TAX	71.9	9.2	62.7
TAX	9.8	2.0	7.8
NON-CONTROLLING INTEREST	0.0	—	0.0
ADJUSTED NET EARNINGS	62.1	7.6	54.5
EPS	\$1.43	\$0.15	\$1.28

Alpha amortization is excluded. Presented on an as adjusted basis.

Information Metrics

(Legacy ENS Only)

	Q4 FY19	FY 2019	FY 2018
Premium Products % of Net Sales	43%	42%	40%
LME Lead Average	\$0.90	\$1.03	\$1.04
Net Cost Reduction Savings *	\$2M	\$11M	\$25M
System Costs in P&L (SAP, Salesforce, HRIS)	\$3M	\$11M	\$8M
Engineering Costs YoY	\$1M	\$7M	\$8M

- Premium product percentage of sales continues to rise
- YoY net lead cost minus pricing P&L tailwind for Q4 headwind for FY19

* FY'19 gross cost reduction savings of \$28M minus variances, freight, etc. of \$17M