

# ***Exide Technologies***

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***Fiscal 2010 Third Quarter Results  
February 5, 2010***



# Q3

Fiscal 2010

## ***Forward-Looking Statements***

Except for historical information, this presentation may be deemed to contain “forward-looking” statements. The Company desires to avail itself of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (the “Act”) and is including this cautionary statement for the express purpose of availing itself of the protection afforded by the Act.

Examples of forward-looking statements include, but are not limited to (a) projections of revenues, cost of raw materials, income or loss, earnings or loss per share, capital expenditures, growth prospects, dividends, the effect of currency translations, capital structure, and other financial items, (b) statements of plans and objectives of the Company or its management or Board of Directors, including the introduction of new products, or estimates or predictions of actions by customers, suppliers, competitors or regulating authorities, (c) statements of future economic performance, and (d) statements of assumptions, such as the prevailing weather conditions in the Company’s market areas, underlying other statements and statements about the Company or its business.

Factors that could cause actual results to differ materially from these forward looking statements include, but are not limited to, the following general factors such as: (i) the Company’s ability to implement and fund based on current liquidity business strategies and restructuring plans, (ii) unseasonable weather (warm winters and cool summers) which adversely affects demand for automotive and some industrial batteries, (iii) the Company’s substantial debt and debt service requirements which may restrict the Company’s operational and financial flexibility, as well as imposing significant interest and financing costs, (iv) the litigation proceedings to which the Company is subject, the results of which could have a material adverse effect on the Company and its business, (v) the realization of the tax benefits of the Company’s net operating loss carry forwards, which is dependent upon future taxable income, (vi) the fact that lead, a major constituent in most of the Company’s products, experiences significant fluctuations in market price and is a hazardous material that may give rise to costly environmental and safety claims, (vii) competitiveness of the battery markets in the Americas and Europe, (viii) risks involved in foreign operations such as disruption of markets, changes in import and export laws, currency restrictions, currency exchange rate fluctuations and possible terrorist attacks against U.S. interests, (ix) general economic conditions, (x) the ability to acquire goods and services and/or fulfill labor needs at budgeted costs, (xi) the Company’s reliance on a single supplier for certain of its polyethylene battery separators, (xii) the Company’s ability to successfully pass along increased material costs to its customers, (xiii) the loss of one or more of the Company’s major customers for its industrial or transportation products, (xiv) recently adopted U.S. lead emissions standards and the implementation of such standards by applicable states, and (xv) the ability of the Company’s customers to pay for products and services in light of liquidity constraints resulting from global economic conditions and restrictive credit markets, and (xvi) those risk factors described in the Company’s fiscal 2009 Form 10-K filed on June 4, 2009 and the Company’s Quarterly Report on Form 10-Q for the period ended December 31, 2009.

The Company cautions each reader of this report to carefully consider those factors set forth above. Such factors have, in some instances, affected and in the future could affect the ability of the Company to achieve its projected results and may cause actual results to differ materially from those expressed herein. The Company undertakes no obligation to update or revise any forward looking statement, whether as a result of new information, future events or otherwise.

# ***Fiscal 2010 Q3 Overview***

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***Gordon A. Ulsh***

***Chief Executive Officer***



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## ***Fiscal 2010 Third Quarter Highlights***

- Net sales of \$746.5 million versus \$782.6 million in prior year period
- Gross margin of 21.2% compared to 20.7% in fiscal 2009 Q3
- Fiscal 2010 third quarter adjusted net income of \$18.2 million or \$0.23 per share compared to adjusted net income of \$18.8 million or \$0.24 per share in the prior year period
- Adjusted EBITDA of \$73.8 million versus Adjusted EBITDA of \$73.0 million in the prior year period

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## Engineering update

- New Global Technology Center opened in Milton, GA on January 27, 2010
  - Hired 50 technical staff since March 2009
- Testing an advanced spiral lead acid battery with a mild-hybrid vehicle
- “Exide Energy Cube” to be completed and ready for testing in March 2010
- Testing continues on Axion Power product
- ARRA contract for \$34.3 million grant - DOE negotiations completed



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## *ReStore Energy Systems*



- Installation for off-grid electricity
- Onyx Lithium-ion product for government safe city project
- Awarded top five supplier for 2009
- Onyx product awareness increases with launch of division
- Visit ReStore Energy Systems on the World Wide Web at [restoreenergysystems.com](http://restoreenergysystems.com)

# *Operations Discussion*

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*E.J. O'Leary*

*President and Chief Operating Officer*



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## Transportation Segments

- Positive trend in unit volumes in fiscal 2010 versus the prior year
  - Market share growth in Europe
- Gross margin increased significantly due to improved plant and operational efficiencies

(in millions)				Year To Date		
	<u>FY 2010</u> <u>Q3</u>	<u>FY 2009</u> <u>Q3</u>	<u>Total %</u> <u>Change</u>	<u>FY 2010</u> <u>Q3</u>	<u>FY 2009</u> <u>Q3</u>	<u>Total %</u> <u>Change</u>
<b>Net Sales</b>	\$ 487.4	\$ 483.4	1%	\$1,271.8	\$1,626.6	-22%
<b>Gross Profit</b>	\$ 105.3	\$ 86.7	21%	\$ 244.1	\$ 259.2	-6%
<b>Gross Margin</b>	21.6%	17.9%		19.2%	15.9%	
<b>Adjusted EBITDA</b>	\$ 61.2	\$ 43.3	41%	\$ 117.6	\$ 120.7	-3%

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## *Industrial Energy Segments*

- Net sales decreased 13% in the fiscal 2010 third quarter compared to the prior year period; up 15% sequentially from fiscal 2010 second quarter
- Gross profit and margin decreased due to lower unit sales in both channels

(in millions)				Year To Date		
	<u>FY 2010</u> <u>Q3</u>	<u>FY 2009</u> <u>Q3</u>	<u>Total %</u> <u>Change</u>	<u>FY 2010</u> <u>Q3</u>	<u>FY 2009</u> <u>Q3</u>	<u>Total %</u> <u>Change</u>
<b>Net Sales</b>	\$ 259.1	\$ 299.2	-13%	\$ 699.3	\$ 1,041.4	-33%
<b>Gross Profit</b>	\$ 52.9	\$ 75.4	-30%	\$ 150.7	\$ 234.1	-36%
<b>Gross Margin</b>	20.4%	25.2%		21.6%	22.5%	
<b>Adjusted EBITDA</b>	\$ 16.1	\$ 37.6	-57%	\$ 41.7	\$ 113.6	-63%

# ***Financial Discussion***

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***Phillip A. Damaska***

***Executive Vice President & Chief Financial Officer***



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## ***Use of Non-GAAP Financial Measures***

Exide uses Adjusted EBITDA as the key measure of its operational and financial performance. We continue to believe it provides a more useful measure for Exide at the present time than does net income.

We define Adjusted EBITDA as earnings before interest, taxes, depreciation, amortization and restructuring charges. Our Adjusted EBITDA definition also adjusts reported earnings for the effect of non-cash currency remeasurement gains or losses, the non-cash gain or loss from revaluation of the Company's warrants liability, as well as impairment charges, and gains or losses on asset sales.

The Company calculates Adjusted Earnings Per Share by excluding from net income (loss) per share certain items, such as non-cash tax valuation allowances, reorganization items related to the Company's bankruptcy proceedings, unrealized loss resulting from the revaluation of the Company's warrants, restructuring and impairment charges, and currency remeasurement gains and losses.

Please refer to the press release and the tables at the end of the presentation for our reconciliation of Adjusted EBITDA, EBIT and Adjusted Net Income to the income or loss; Adjusted Earnings Per Share to the income or loss reported under Generally Accepted Accounting Principles, and for a breakdown of net sales and Adjusted EBITDA by segment.

The Company also defines Free Cash Flow as cash from operating activities and cash from investing activities, both as measured in accordance with Generally Accepted Accounting Principles.

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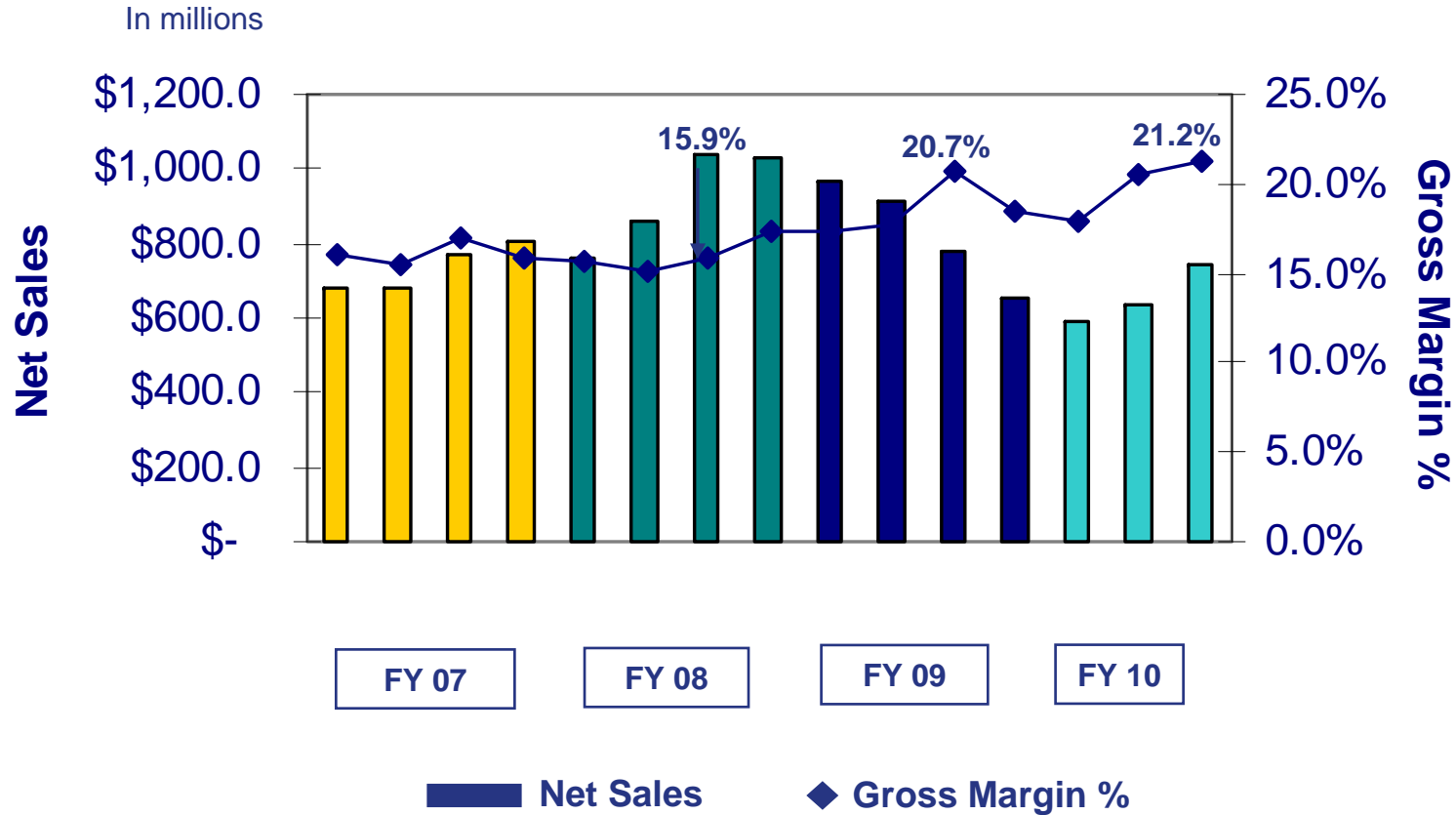
## *Financial Highlights*

(in millions)	Three Months Ended December 31,			Nine Months Ended December 31,		
	2009	2008	% Change	2009	2008	% Change
<b>Net Sales</b>	\$746.5	\$782.6	-5%	\$1,971.1	\$2,668.1	-26%
<b>Gross Profit</b>	\$158.2	\$162.0	-2%	\$394.8	\$493.4	-20%
<b>% Margin</b>	21.2%	20.7%		20.0%	18.5%	
<b>Adjusted EBITDA</b>	\$73.8	\$73.0	1%	\$142.6	\$212.3	-33%
<b>Free Cash Flow</b>	(\$4.5)	(\$16.0)	72%	\$23.7	\$74.7	-68%
<b>Capital Expenditures</b>	\$22.6	\$22.5	0%	\$58.6	\$58.7	0%

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## Financial Performance Trend Net Sales and Gross Margin %



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**Non-GAAP Adjusted Income & Per Share Reconciliation**

(in millions, except per share data)	FOR THE THREE MONTHS ENDED			
	December 31, 2009		December 31, 2008	
	<u>Dollars</u>	<u>Per Share</u>	<u>Dollars</u>	<u>Per Share</u>
<b>Net earnings</b>	\$ 9.8	\$ 0.12	\$ 15.4	\$ 0.20
Decreases in tax valuation allowance	(1.0)	(0.01)	(2.4)	(0.03)
Reorganization items, net of tax	0.3	0.01	0.2	-
Restructuring and impairment, net of tax	10.7	0.13	8.0	0.10
Currency remeasurement (gain) loss, net of tax	(0.9)	(0.01)	4.7	0.06
Unrealized gain on revaluation of warrants	(0.7)	(0.01)	(7.1)	(0.09)
<b>Non-GAAP Adjusted Net Income / EPS</b>	<b><u>\$ 18.2</u></b>	<b><u>\$ 0.23</u></b>	<b><u>\$ 18.8</u></b>	<b><u>\$ 0.24</u></b>

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## *Liquidity and Debt Update*

(in millions)	<u>12/31/2009</u>	<u>3/31/2009</u>
Cash and Cash Equivalents	\$ 103.5	\$ 69.5
Availability under Senior Bank Credit Facility	\$ 112.7	\$ 130.6
Total Debt	\$ 669.0	\$ 658.2
Net Debt	\$ 565.5	\$ 588.7

- No significant debt maturities until 2012
- No financial maintenance covenants

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## *Wrap-up and Q&A*

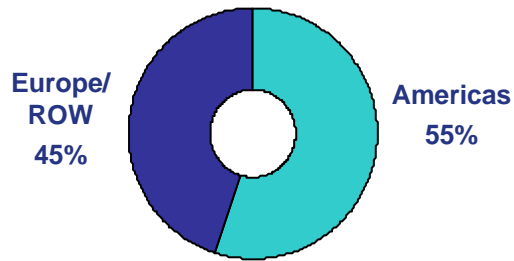
- Continued gross margin improvement
- Higher fiscal 2010 third quarter Adjusted EBITDA
- Market share gains in Transportation Europe
- New products
- DOE project proceeding

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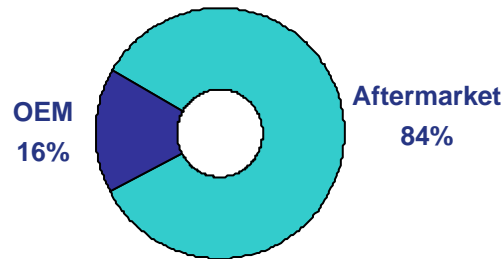
# Revenue Mix

All values for Nine Months Ended December 31, 2009

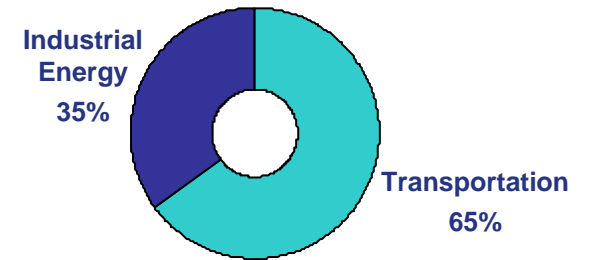
**Transportation Revenues**



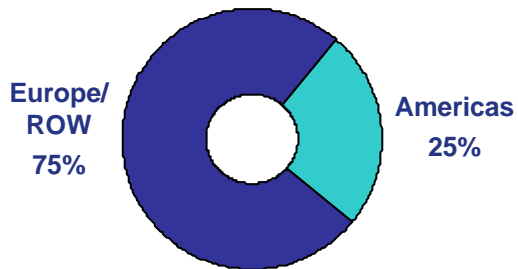
**Transportation Revenues**



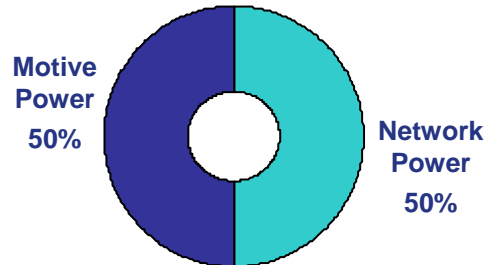
**Consolidated Revenues**



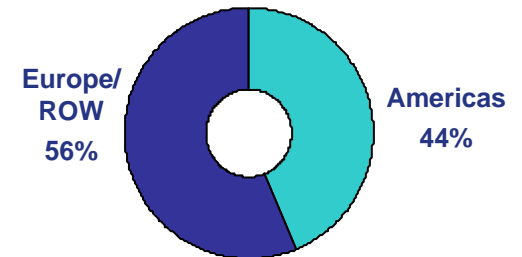
**Industrial Energy Revenues**



**Industrial Energy Revenues**



**Consolidated Revenues**



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## Adjusted EBITDA Reconciliation By Segment

THREE MONTHS ENDED DECEMBER 31, 2009

(in millions)	<u>Transportation</u>		<u>Industrial Energy</u>		<u>Other</u>	<u>TOTAL</u>
	<u>Americas</u>	<u>Europe and ROW</u>	<u>Americas</u>	<u>Europe and ROW</u>		
<b>Net income (loss)</b>	\$26.7	\$19.9	\$4.9	(\$5.0)	(\$36.7)	\$9.8
Interest expense, net	-	-	-	-	15.3	15.3
Income tax provision	-	-	-	-	12.5	12.5
<b>EBIT</b>	26.7	19.9	4.9	(5.0)	(8.9)	37.6
Depreciation and amortization	7.3	4.7	2.8	5.4	1.7	21.9
Reorganization items, net	-	-	-	-	0.4	0.4
Restructuring	1.3	2.2	-	5.5	0.3	9.3
Currency remeasurement (gain) loss	(0.8)	(0.1)	0.1	-	0.5	(0.3)
Noncontrolling interest	-	-	-	-	0.3	0.3
Unrealized gain on revaluation of warrants	-	-	-	-	(0.7)	(0.7)
(Gain) loss on sale/impairment of assets	-	(0.1)	0.1	2.5	(0.2)	2.3
Other, principally non cash stock compensation expense	-	0.1	(0.1)	(0.1)	3.1	3.0
<b>Adjusted EBITDA</b>	<b>\$ 34.5</b>	<b>\$ 26.7</b>	<b>\$ 7.8</b>	<b>\$ 8.3</b>	<b>\$ (3.5)</b>	<b>\$ 73.8</b>

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**Adjusted EBITDA Reconciliation By Segment**

THREE MONTHS ENDED DECEMBER 31, 2008

(in millions)	<u>Transportation</u>		<u>Industrial Energy</u>		<u>Other</u>	<u>TOTAL</u>
	<u>Americas</u>	<u>Europe and ROW</u>	<u>Americas</u>	<u>Europe and ROW</u>		
<b>Net income (loss)</b>	\$20.7	\$2.9	\$9.1	\$16.2	(\$33.5)	\$15.4
Interest expense, net	-	-	-	-	17.6	17.6
Income tax provision	-	-	-	-	6.3	6.3
<b>EBIT</b>	20.7	2.9	9.1	16.2	(9.6)	39.3
Depreciation and amortization	7.7	5.3	2.4	5.8	1.3	22.5
Take Charge!	-	0.3	-	-	-	0.3
Reorganization items, net	-	-	-	-	0.3	0.3
Restructuring	0.2	2.9	-	4.4	0.3	7.8
Currency remeasurement loss (gain)	3.1	0.3	(0.9)	-	5.2	7.7
Noncontrolling interest	-	-	-	-	0.1	0.1
Unrealized gain on revaluation of warrants	-	-	-	-	(7.1)	(7.1)
Loss on sale/impairment of assets	0.1	0.1	0.1	0.4	-	0.7
Other, principally non cash stock compensation expense	-	(0.3)	0.2	(0.1)	1.6	1.4
<b>Adjusted EBITDA</b>	<b>\$ 31.8</b>	<b>\$ 11.5</b>	<b>\$ 10.9</b>	<b>\$ 26.7</b>	<b>\$ (7.9)</b>	<b>\$ 73.0</b>

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## Adjusted EBITDA Reconciliation By Segment

NINE MONTHS ENDED DECEMBER 31, 2009

(in millions)	<u>Transportation</u>		<u>Industrial Energy</u>		<u>Other</u>	<u>TOTAL</u>
	<u>Americas</u>	<u>Europe and ROW</u>	<u>Americas</u>	<u>Europe and ROW</u>		
<b>Net income (loss)</b>	\$54.2	\$0.7	\$10.6	(\$29.7)	(\$88.0)	(\$52.2)
Interest expense, net	-	-	-	-	44.8	44.8
Income tax provision	-	-	-	-	26.5	26.5
<b>EBIT</b>	54.2	0.7	10.6	(29.7)	(16.7)	19.1
Depreciation and amortization	21.3	15.7	7.9	17.5	5.0	67.4
Reorganization items, net	-	-	-	-	1.3	1.3
Restructuring	5.4	22.1	0.2	26.4	1.3	55.4
Currency remeasurement (gain) loss	(1.3)	(0.7)	1.0	(0.5)	(15.7)	(17.2)
Noncontrolling interest	-	-	-	-	0.3	0.3
Unrealized gain on revaluation of warrants	-	-	-	-	(0.5)	(0.5)
Loss (gain) on sale/impairment of assets	0.3	(0.1)	0.1	8.3	(0.1)	8.5
Other, principally non cash stock compensation expense	-	-	-	(0.1)	8.4	8.3
<b>Adjusted EBITDA</b>	<b>\$ 79.9</b>	<b>\$ 37.7</b>	<b>\$ 19.8</b>	<b>\$ 21.9</b>	<b>\$ (16.7)</b>	<b>\$ 142.6</b>

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**Adjusted EBITDA Reconciliation By Segment**

NINE MONTHS ENDED DECEMBER 31, 2008

(in millions)	<u>Transportation</u>		<u>Industrial Energy</u>		<u>Other</u>	<u>TOTAL</u>
	<u>Americas</u>	<u>Europe and ROW</u>	<u>Americas</u>	<u>Europe and ROW</u>		
<b>Net income (loss)</b>	\$71.2	(\$4.3)	\$35.8	\$38.6	(\$146.4)	(\$5.1)
Interest expense, net	-	-	-	-	55.2	55.2
Income tax provision	-	-	-	-	33.2	33.2
<b>EBIT</b>	71.2	(4.3)	35.8	38.6	(58.0)	83.3
Depreciation and amortization	23.0	19.6	6.8	19.3	5.1	73.8
Take Charge	-	0.6	-	-	-	0.6
Reorganization items, net	-	-	-	-	1.3	1.3
Restructuring	0.9	5.9	-	12.4	0.5	19.7
Currency remeasurement loss (gain)	3.4	0.3	(1.1)	-	31.0	33.6
Noncontrolling interest	-	-	-	-	1.0	1.0
Unrealized gain on revaluation of warrants	-	-	-	-	(6.6)	(6.6)
Loss on sale/impairment of assets	0.1	-	0.8	0.9	-	1.8
Other, principally non cash stock compensation expense	-	-	0.1	-	3.7	3.8
<b>Adjusted EBITDA</b>	<b>\$ 98.6</b>	<b>\$ 22.1</b>	<b>\$ 42.4</b>	<b>\$ 71.2</b>	<b>\$ (22.0)</b>	<b>\$ 212.3</b>

**Q3****Fiscal 2010****Comparative Net Sales and Adjusted EBITDA By Segment**

(in millions)

	<u>Transportation</u>		<u>Industrial Energy</u>		<u>Other</u>	<u>Consolidated</u>
	<u>Americas</u>	<u>Europe and ROW</u>	<u>Americas</u>	<u>Europe and ROW</u>		
<u>Q3 FY 10</u>						
Net sales	\$ 238.8	\$ 248.5	\$ 56.8	\$ 202.4	\$ -	\$ 746.5
Adjusted EBITDA	34.5	26.7	7.8	8.3	(3.5)	73.8
<u>Q3 FY09</u>						
Net sales	\$ 273.1	\$ 210.3	\$ 64.7	\$ 234.5	\$ -	\$ 782.6
Adjusted EBITDA	31.8	11.5	10.9	26.7	(7.9)	73.0
<u>Q3 YTD FY10</u>						
Net sales	\$ 694.3	\$ 577.4	\$ 173.3	\$ 526.1	\$ -	\$ 1,971.1
Adjusted EBITDA	79.9	37.7	19.8	21.9	(16.7)	142.6
<u>Q3 YTD FY09</u>						
Net sales	\$ 895.1	\$ 731.5	\$ 230.7	\$ 810.7	\$ -	\$ 2,668.0
Adjusted EBITDA	98.6	22.1	42.4	71.2	(22.0)	212.3

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## Computation of Free Cash Flow

(in millions)	FOR THE NINE MONTHS ENDED	
	December 31, 2009	December 31, 2008
Net cash provided by operating activities	\$ 81.5	\$ 120.5
Net cash used in investing activities	(57.8)	(45.8)
Free Cash Flow	<u>\$ 23.7</u>	<u>\$ 74.7</u>

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**NON-GAAP Adjusted Earnings (Loss) Per Share  
Reconciliation**

(in millions, except per share data)

	FOR THE THREE MONTHS ENDED			
	December 31, 2009		December 31, 2008	
	<u>Dollars</u>	<u>Per Share</u>	<u>Dollars</u>	<u>Per Share</u>
<b>Net earnings</b>	\$ 9.8	\$ 0.12	\$ 15.4	\$ 0.20
Decreases in tax valuation allowance	(1.0)	(0.01)	(2.4)	(0.03)
Reorganization items, net of tax	0.3	0.01	0.2	-
Restructuring and impairment, net of tax	10.7	0.13	8.0	0.10
Currency remeasurement (gain) loss, net of tax	(0.9)	(0.01)	4.7	0.06
Unrealized gain on revaluation of warrants	(0.7)	(0.01)	(7.1)	(0.09)
<b>Non-GAAP Adjusted Net Income / EPS</b>	<u>\$ 18.2</u>	<u>\$ 0.23</u>	<u>\$ 18.8</u>	<u>\$ 0.24</u>
	FOR THE NINE MONTHS ENDED			
	December 31, 2009		December 31, 2008	
	<u>Dollars</u>	<u>Per Share</u>	<u>Dollars</u>	<u>Per Share</u>
<b>Net loss</b>	\$ (52.2)	\$ (0.69)	\$ (5.1)	\$ (0.07)
Increases in tax valuation allowance	12.0	0.16	21.4	0.28
Reorganization items, net of tax	0.8	0.01	0.8	0.01
Restructuring and impairment, net of tax	60.6	0.81	20.2	0.27
Currency remeasurement (gain) loss, net of tax	(9.7)	(0.13)	20.8	0.28
Unrealized loss on revaluation of warrants	(0.5)	(0.01)	(6.6)	(0.09)
<b>Non-GAAP Adjusted Net Income / EPS</b>	<u>\$ 11.0</u>	<u>\$ 0.15</u>	<u>\$ 51.5</u>	<u>\$ 0.68</u>