



Deutsche Bank Global Auto Industry Conference

Detroit, Michigan January 11, 2012

This presentation contains statements which constitute forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, Forward-looking statements are made as of the date of this presentation and are based upon management's current expectations and beliefs concerning future developments and their potential effects on us. Such forward-looking statements are not guarantees of future performance. Risk factors described in our reports filed with the SEC, could affect (and in some cases have affected) our actual results and could cause such results to differ materially from estimates or expectations reflected in such forward-looking statements.

We do not assume any obligation to update or revise the forward-looking statements contained in this presentation.

Brief Chronology

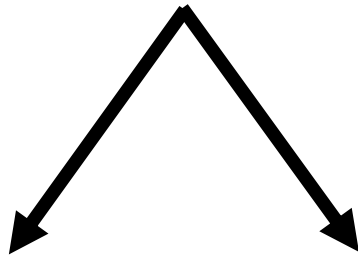
- **1990's - 2005** Numerous premium-multiple acquisitions, not well integrated, focused heavily on trucks and SUVs
- **February 2005** U.S. Operations enter Chapter 11
- Note: International Ops consistently profitable
- **Feb. 2005 - Aug. 2007** North American Operations closed 11 plants (48% reduction); U.S. hourly all-in cost reduced 15%; pension frozen; retiree health care capped; \$500M loss/low-return contracts returned to customers
- **August 2007** Exit Chapter 11; acquired by Cerberus; new senior management
- **Since August 2007** Global best-practice standardization; major further improvements (e.g., \$195M ongoing annual savings achieved in 2008-09)
- **Second Half 2008-2009** Competitiveness demonstrated as Tower survived "Auto Depression"
- **October 15, 2010** IPO (100% primary)
- Ownership: Cerberus ≈60%, management 5+%, public ≈1/3

Tower's 2010 IPO was the first by an auto supplier in the U.S. since 2005.

The Sector and Our Competitors

Our Industry Sector

Auto Stamping



OEMs
(est. 60%)

Suppliers
(est. 40%)

Potential above-market growth from increased outsourcing.

Our Supplier Competitors

Magna

Gestamp (Private, Spanish)

Tower

Benteler (Private, German)

Magnetto (Private, Italian)

Martinrea

Hundreds of medium and smaller regional competitors

Potential above-market growth from increased global vehicle programs and supplier rationalization.

Product Portfolio

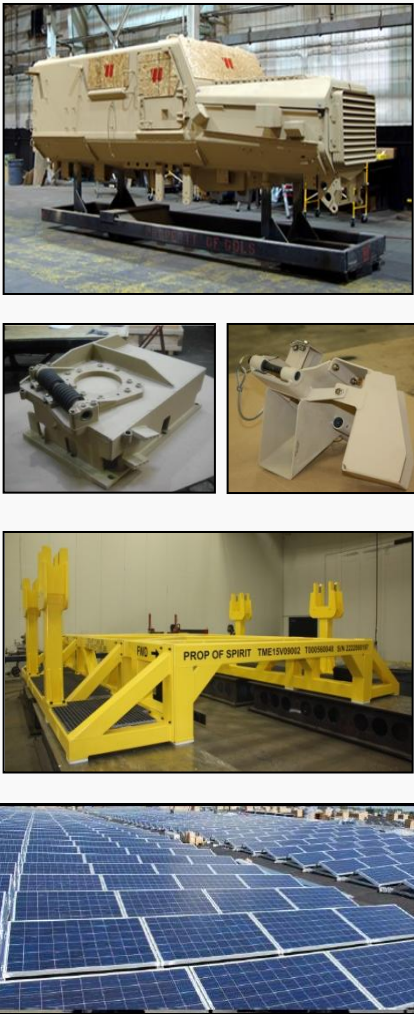
Body Structures



Chassis Structures



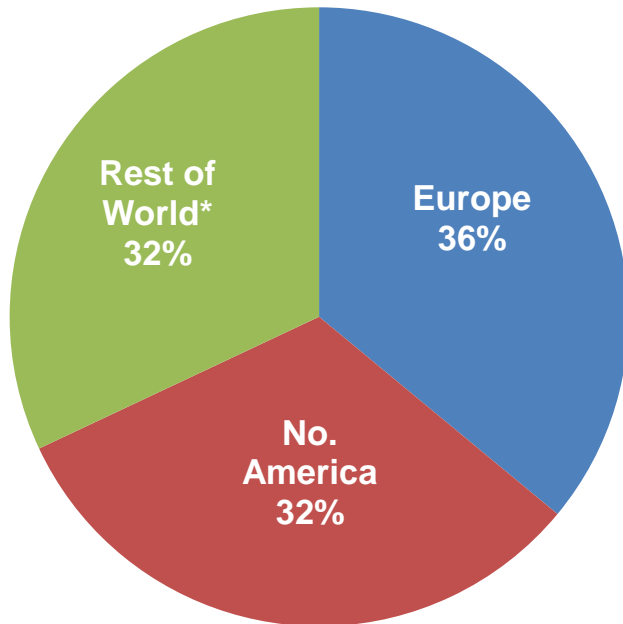
Defense, Aerospace, Industrial & Energy



Excellent Geographic Diversification

Regional Sales Mix

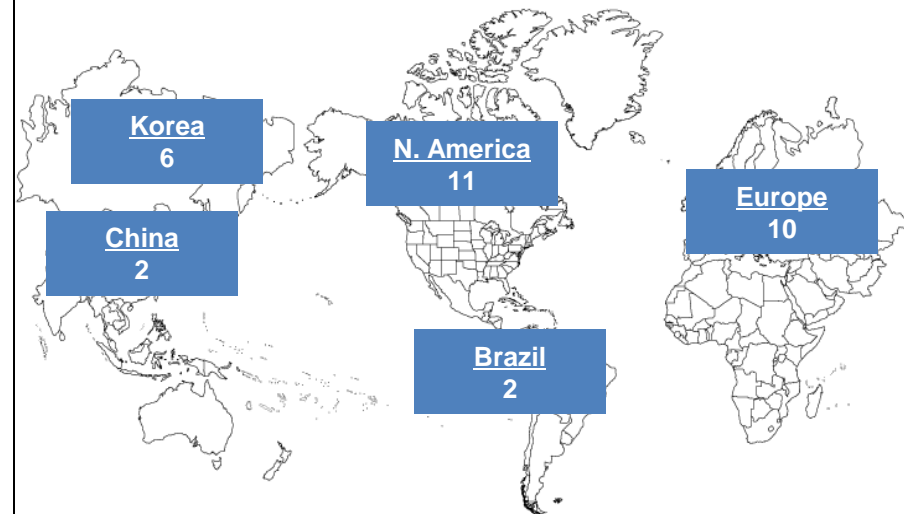
(2010 Percent of Vehicle Revenue)



*Korea 14%, **Brazil 10%, China 8%**

Tower's Footprint

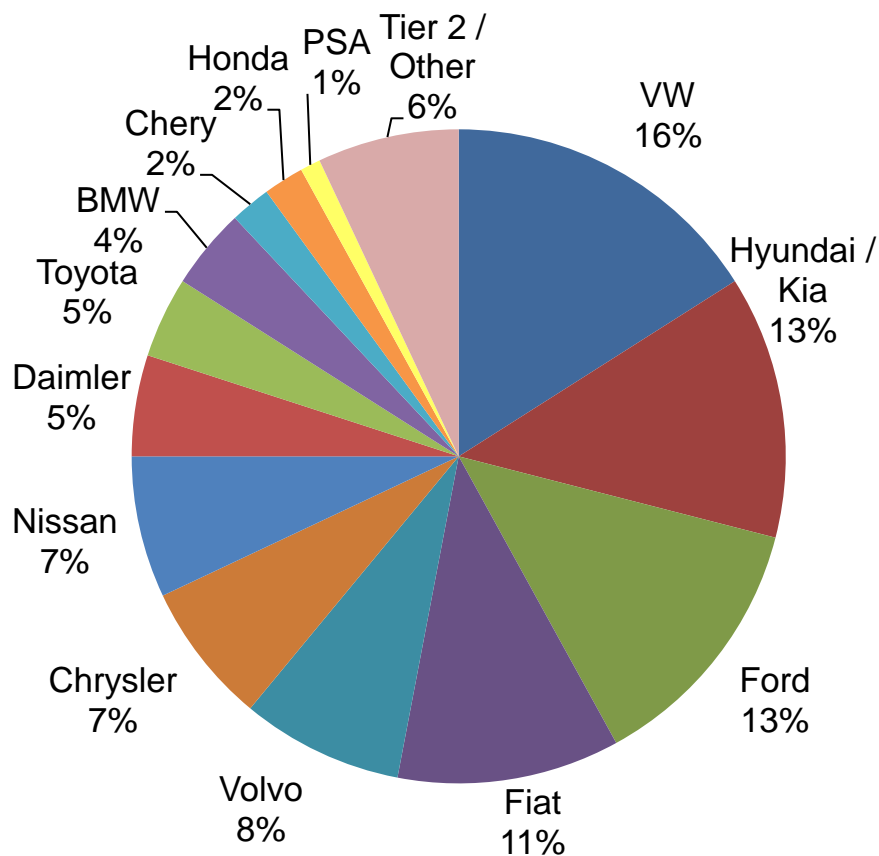
(Manufacturing Locations – Year End 2010)



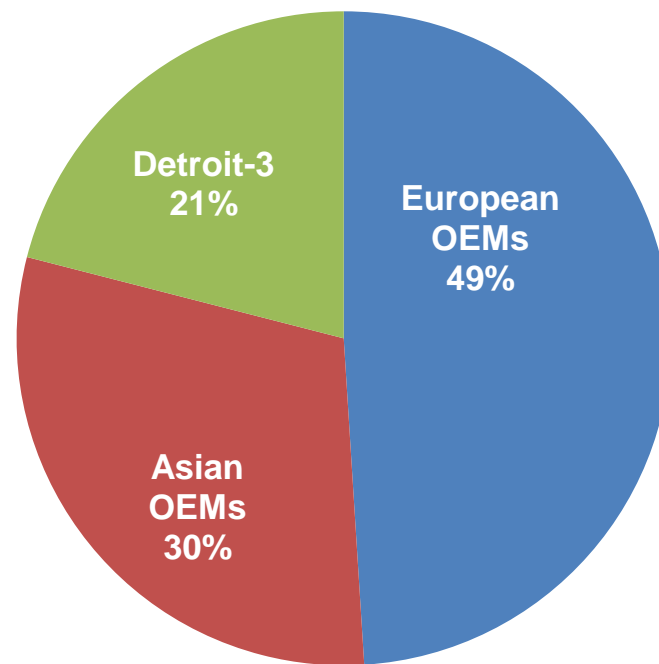
Excellent Customer Diversification

(2010 percent of revenue)

By Company



By Customer Group



1. Consistently deliver solid and predictable results.

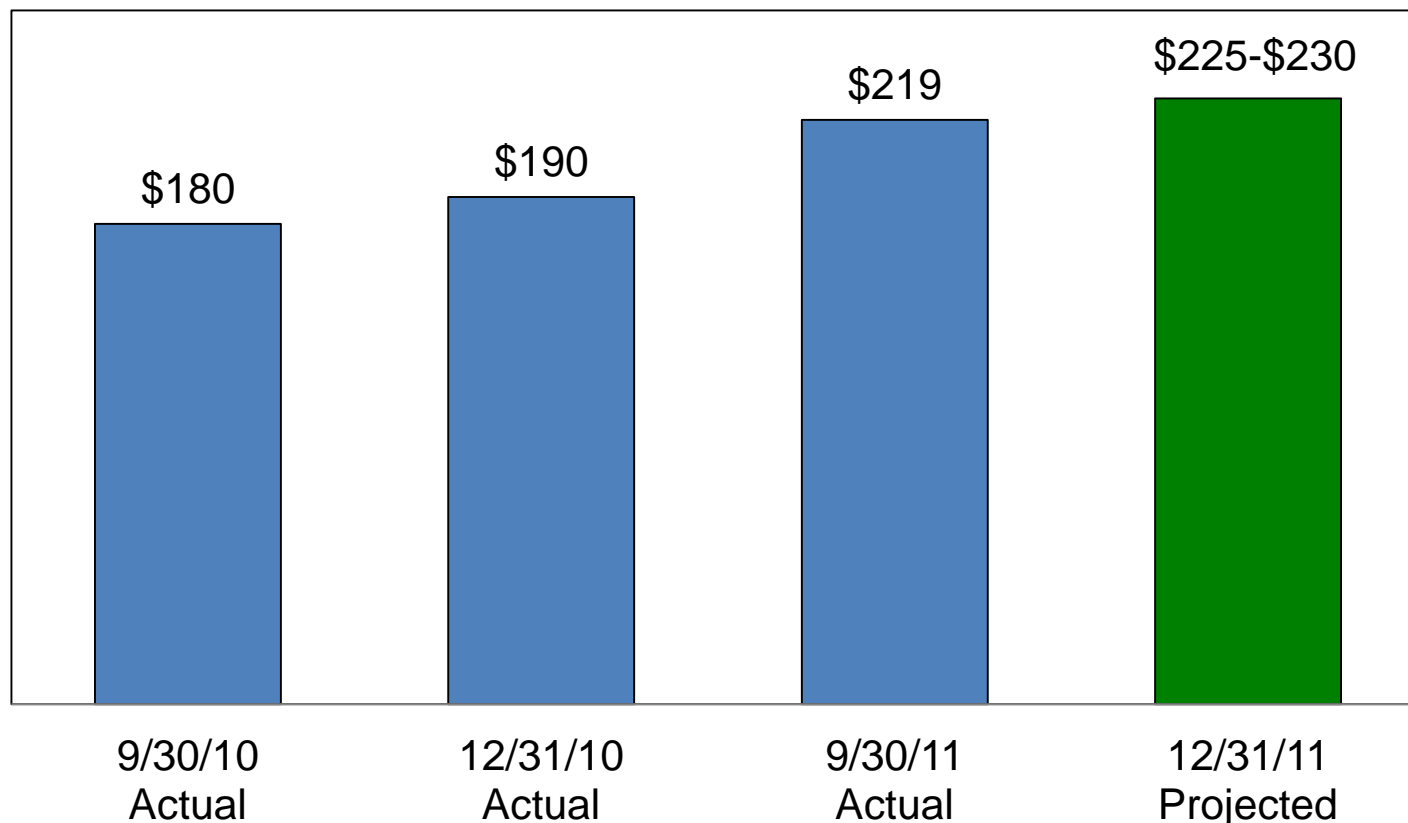
- Adjusted EBITDA and free cash flow that are appropriate for whatever volume scenario unfolds.
 - - Growing Adjusted EBITDA as volume recovers.

2. Capitalize over time on opportunities beyond “industry recovery”.

- A. Further reductions in leverage;
- B. Above-average secular growth in China and Brazil;
- C. Opportunistic, accretive acquisitions (“cheap and patient”);
- D. Opportunities in adjacent markets (e.g., defense and aero, solar).

Continuing Momentum in Adjusted EBITDA

(Last 12 months in \$ millions)



Our increased guidance for full year 2011 Adjusted EBITDA includes projected further year-over-year improvement in the fourth quarter, continuing the meaningful positive trend since Tower's IPO last fall.

Game Plan

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Improved and Manageable Net Debt and Leverage

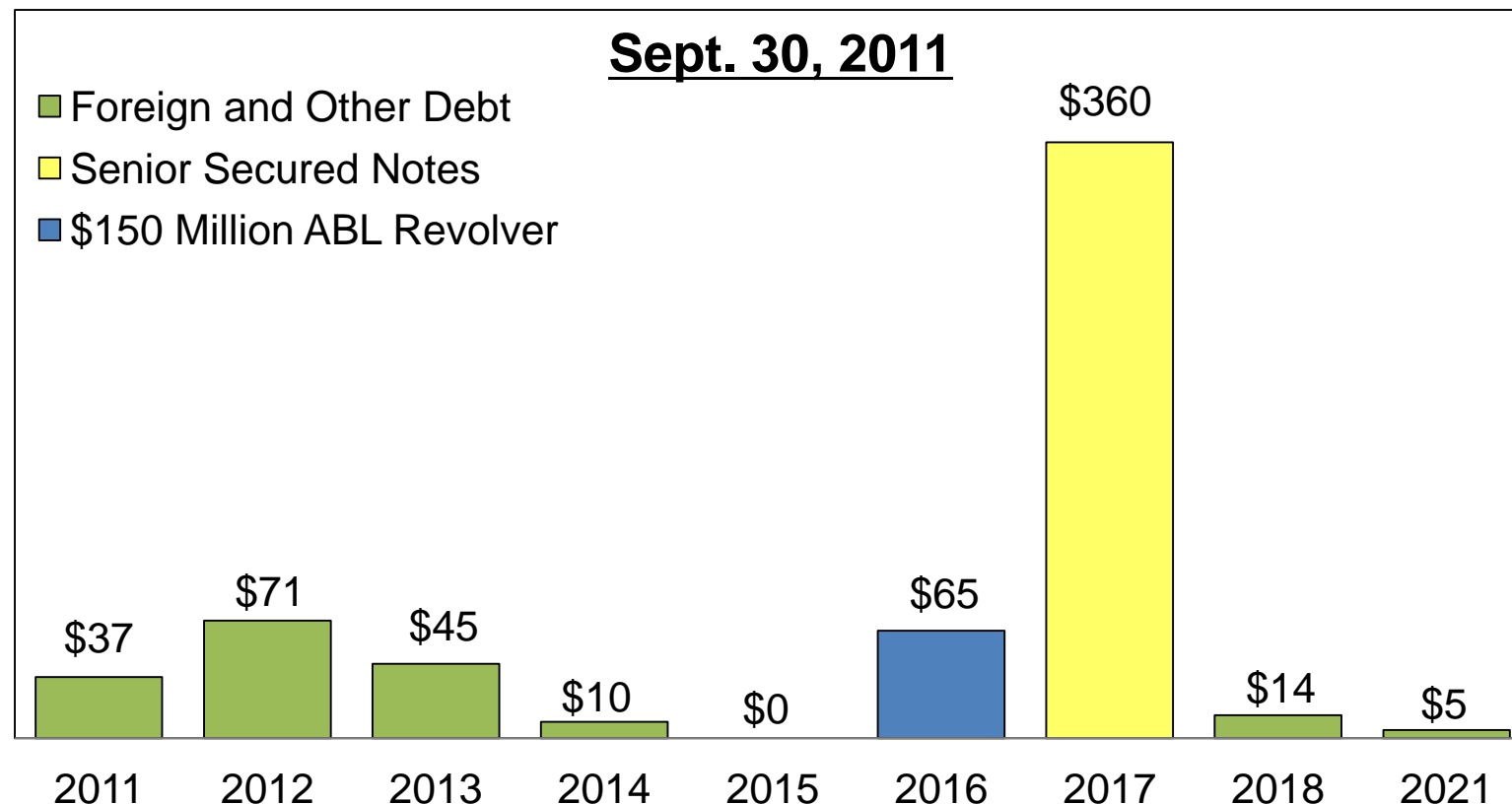
(in \$ millions)

	<u>Sept. 30,</u> <u>2010</u>	<u>Sept. 30,</u> <u>2011</u>	<u>Memo:</u> <u>Target</u> <u>Leverage</u>
<u>Net Debt</u>			
Cash	\$ 115	\$ 97	
Gross Debt	<u>(643)</u>	<u>(607)</u>	
Net Debt	<u><u>\$ (528)</u></u>	<u><u>\$ (510)</u></u>	
<u>Debt-to-LTM Adj. EBITDA</u>			
Gross	3.6X	2.8X	1.5X
Net	2.9	2.3	1.0

Net debt and leverage have improved significantly since last fall's IPO.

No Pressing Debt Maturities

(in \$ millions)

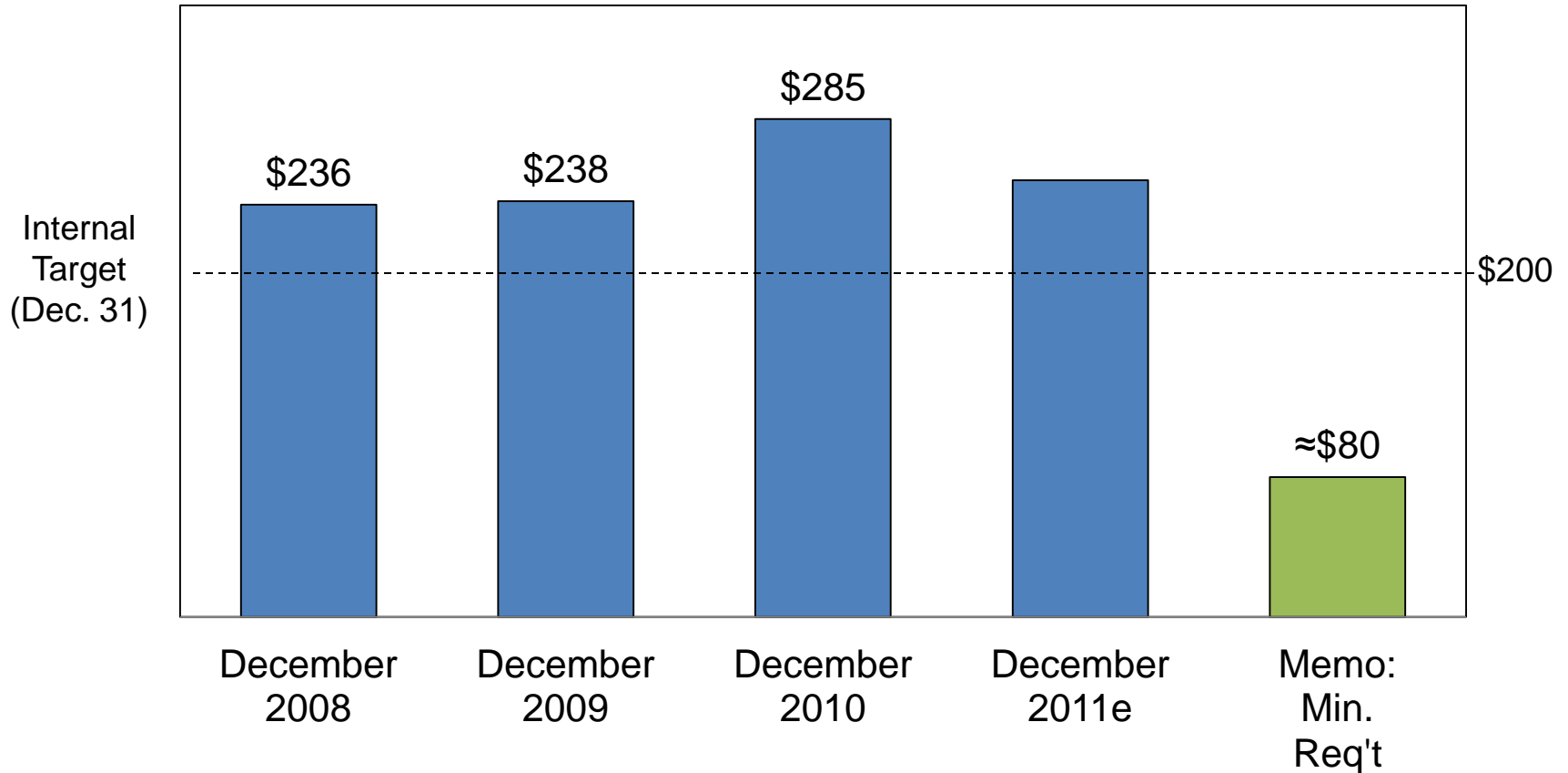


We have no significant debt maturities for the next several years.

- Foreign debt is generally one-year, asset-backed, and has consistently been renewed.
- A new asset-backed revolver (thru 2016) was agreed in Q2 2011, following the senior secured notes issued last September.

Good Liquidity

(in \$ millions)



Liquidity remains strong, well in excess of our minimum operating requirements and our internal target.
– Liquidity held up well during the 2008-2009 major auto recession.

Aggressively Building Our Positions In China and Brazil

As of 2010:

Announced Additions:

China:

Factories:	Changchun Wuhu	Dalian Chengdu Changchun (Expansion) Xiangtan DIT JV
Customers:	FAW/VW Chery	Fiat / Chrysler Geely

Brazil:

Factories:	Arujá Betim	Contagem
Customers:	Fiat VW, Honda	

Tower Defense & Aerospace – Assets Acquired

April 2011

- Bolt-on acquisition of assets of financially-distressed but operationally proven supplier of heavy-gauge complex components, structures, and tooling fixtures for the defense, aerospace, and industrial markets.
 - Complementary skills create uniquely capable supplier.
- **Select existing customers:**
 - Defense: AM General, General Dynamics
 - Aerospace: Spirit Aerosystems, Pacifica Engineering
 - Industrial: Tenneco

- **Preliminary financial outlook (in \$ millions):**

	2011		Potential
	Q2-Q4	2012	2014
Revenue	\$25-\$40	\$50-\$100	\$150-\$250
Adj. EBITDA	≈ 0	5-10	15-35
Free Cash Flow	≈ 0	Positive	10-30

- **Acquisition cost:** Est. \$29M (includes \$7M working capital)
 - Q1 2011 \$11M, Q2 \$12M, Q3+ \$6M
- **Assets acquired:** Working capital \$5-\$10M, PP&E \$30M (NBV - - prior to purchase accounting)
 - Existing assets can support est. annual revenue of \$200-\$250M.

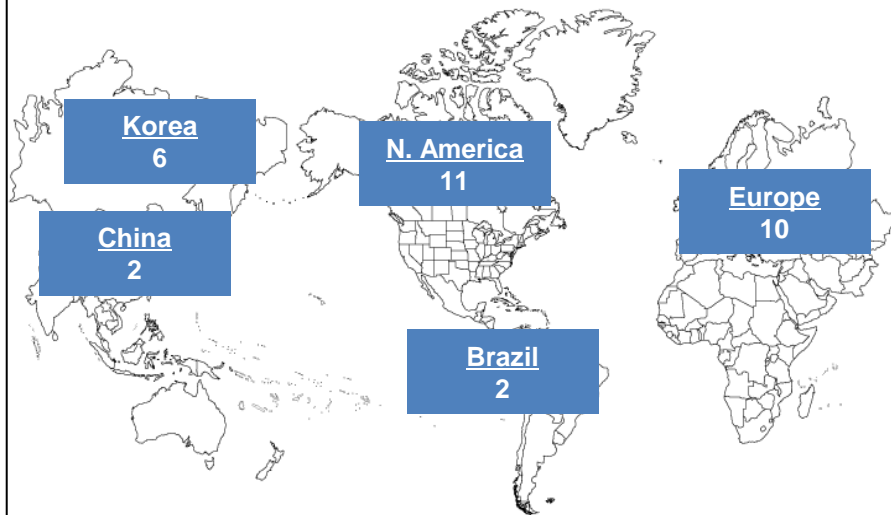
The bolt-on acquisition fits Tower's game plan.

- **Modest acquisition cost and decent value - - exclusive of synergies.**
- **With big potential upside: revenue growth with good margins and good free cash flow conversion in a market adjacent to auto.**

Expansion of Global Footprint

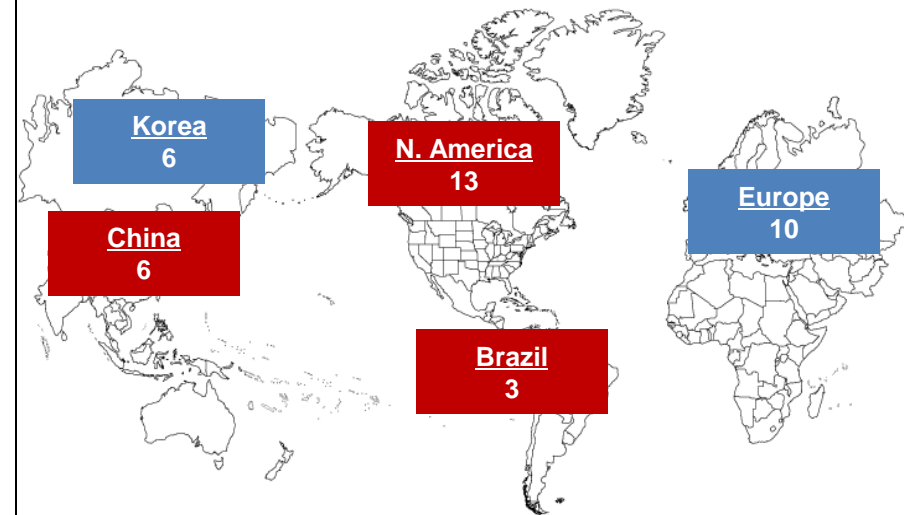
Tower's Footprint

(Manufacturing Locations – Year End 2010)



Tower's Footprint

(Including Announced Actions)



Game Plan

1. **Consistently deliver solid and predictable results.**

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2. **Capitalize over time on opportunities beyond “industry recovery”.**

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Appendix



Non-GAAP Financial Measures

This presentation includes the following non-GAAP financial measures: “Adjusted EBITDA”, “Adjusted EBITDA margin”, “free cash flow” and “net debt.” We define Adjusted EBITDA as net income / (loss) before interest, taxes, depreciation, amortization, restructuring items and other adjustments described in the reconciliations provided in this presentation. Adjusted EBITDA margin represents Adjusted EBITDA divided by revenues. Free cash flow is defined as net cash provided by or used in operating activities less cash disbursed for purchases of property, plant and equipment. Net debt represents total debt less cash and cash equivalents. We use Adjusted EBITDA, Adjusted EBITDA margin, free cash flow and net debt as supplements to information provided in accordance with generally accepted accounting principles (“GAAP”) in evaluating our business and they are included in this presentation because they are four of the principal factors upon which our management assesses performance. Reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated in accordance with GAAP are set forth below. The non-GAAP measures presented above are not measures of performance under GAAP. These measures should not be considered as alternatives for the most directly comparable financial measures calculated in accordance with GAAP. Other companies in our industry may define these non-GAAP measures differently than we do and, as a result, these non-GAAP measures may not be comparable to similarly titled measures used by other companies in our industry. In addition, certain of our non-GAAP financial measures exclude financial information that some may consider important in evaluating our performance.

Income Statement

(in \$ millions)

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2011	2010	2011	2010
Revenues	\$ 589.0	\$ 474.6	\$ 1,791.3	\$ 1,455.5
Cost of sales	529.3	429.8	1,603.4	1,301.8
Gross profit	59.7	44.9	187.9	153.6
Selling, general and administrative expenses	42.1	38.1	119.2	103.1
Amortization expense	1.2	0.8	3.4	2.4
Restructuring and asset impairment charges, net	0.5	0.3	2.1	5.0
Operating income	15.8	5.6	63.2	43.2
Interest expense	17.0	20.6	45.6	48.4
Interest income	0.3	0.3	0.8	0.9
Other expense	0.4	-	1.2	-
Income / (loss) before provision for income taxes	(1.2)	(14.7)	17.2	(4.4)
Provision / (benefit) for income taxes	2.5	(3.7)	11.7	4.6
Net income / (loss)	(3.8)	(11.0)	5.4	(9.0)
Less: Net income attributable to the noncontrolling interests	1.1	2.0	4.0	6.5
Net income / (loss) attributable to Tower International, Inc.	<u>\$ (4.8)</u>	<u>\$ (13.0)</u>	<u>\$ 1.4</u>	<u>\$ (15.6)</u>
Less: Preferred unit dividends	\$ -	\$ (2.1)	\$ -	\$ (10.7)
Income / (loss) available to common shareholders	<u>\$ (4.8)</u>	<u>\$ (15.1)</u>	<u>\$ 1.4</u>	<u>\$ (26.3)</u>

Balance Sheet

(in \$ millions)

	Sept. 30, 2011	Dec. 31, 2010
ASSETS		
Cash and cash equivalents	\$ 96.7	\$ 150.3
Accounts receivable, net of allowance of \$4.6 and \$1.7	362.3	297.1
Inventories	91.3	73.2
Deferred tax asset - current	11.4	12.4
Assets held for sale	8.0	8.2
Prepaid tooling and other	71.8	57.8
Total current assets	<u>641.5</u>	<u>599.0</u>
Property, plant and equipment, net	632.9	627.5
Goodwill	66.1	66.3
Deferred tax asset - non-current	15.3	17.4
Other assets, net	29.3	30.0
Total assets	<u>\$1,385.1</u>	<u>\$1,340.2</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Short-term debt and current maturities of capital lease obligations	\$ 113.7	\$ 109.8
Accounts payable	372.9	366.8
Accrued liabilities	124.5	132.6
Total current liabilities	<u>611.0</u>	<u>609.2</u>
Long-term debt, net of current maturities	479.9	432.7
Obligations under capital leases, net of current maturities	13.4	15.6
Deferred tax liability - non-current	9.7	12.7
Pension liability	64.2	76.4
Other non-current liabilities	83.8	81.9
Total non-current liabilities	<u>651.0</u>	<u>619.3</u>
Total liabilities	<u>1,262.1</u>	<u>1,228.6</u>
Stockholders' equity:		
Tower International, Inc.'s stockholders' equity		
Common stock, \$0.01 par value, 350,000,000 authorized, 19,983,403 issued and 19,683,032 outstanding at September 30, 2011 and 19,101,588 issued and outstanding at December 31, 2010	0.2	0.2
Additional paid in capital	307.6	296.3
Treasury stock	(5.1)	-
Accumulated deficit	(191.2)	(192.6)
Accumulated other comprehensive loss	(38.2)	(36.5)
Total Tower International, Inc.'s stockholders' equity	<u>73.3</u>	<u>67.4</u>
Noncontrolling interests in subsidiaries	49.7	44.3
Total stockholders' equity	<u>123.0</u>	<u>111.6</u>
Total liabilities and stockholders' equity	<u>\$1,385.1</u>	<u>\$1,340.2</u>

Adjusted EBITDA Reconciliation to GAAP

(in \$ millions)

	2010				2011			LTM		
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Sept. 30, 2010	Dec. 31, 2010	Sept. 30, 2011
Adjusted EBITDA	\$ 50.7	\$ 51.7	\$ 39.1	\$ 48.7	\$ 65.7	\$ 55.6	\$ 48.9	\$ 179.6	\$ 190.2	\$ 218.9
Restructuring and asset impairments	(4.1)	(0.6)	(0.3)	(9.3)	(0.5)	(1.2)	(0.5)	(17.5)	(14.3)	(11.5)
Depreciation & amortization	(30.3)	(28.4)	(27.5)	(28.5)	(30.1)	(31.6)	(27.8)	(118.2)	(114.7)	(118.0)
Receivable factoring charges and other	-	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	-	(0.5)	(0.4)	(0.3)
Acquisition costs	(0.7)	-	-	-	-	(1.1)	-	(0.7)	(0.7)	(1.1)
Incentive compensation related to funding events	(0.2)	(0.3)	(5.6)	(5.0)	(4.5)	(4.7)	(4.7)	(6.1)	(11.1)	(18.9)
Premium on retirement of senior secured notes	-	-	-	(1.3)	(0.9)	-	(0.4)	-	(1.3)	(2.6)
Interest expense, net	(13.6)	(13.7)	(20.3)	(18.3)	(12.3)	(15.9)	(16.7)	(64.0)	(65.9)	(63.2)
(Provision) / benefit for income taxes	(4.1)	(4.3)	3.7	(5.6)	(6.6)	(2.6)	(2.5)	1.8	(10.3)	(17.3)
Noncontrolling interest, net of tax	(2.2)	(2.3)	(2.0)	(1.9)	(1.7)	(1.2)	(1.1)	(8.9)	(8.4)	(5.9)
Net income / (loss) attributable to Tower International, Inc.	\$ (4.5)	\$ 1.9	\$ (13.0)	\$ (21.3)	\$ 9.0	\$ (2.8)	\$ (4.8)	\$ (34.5)	\$ (36.9)	\$ (19.9)