First Quarter 2011 Results

May 5, 2011

Forward-Looking Statements and Risk Factors

This presentation contains statements which constitute forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, including but not limited to statements regarding expected 2011 full year revenues, Adjusted EBITDA and Adjusted EBITDA margin, the potential for future growth through the acquisition of the assets of W-Industries and the expansion of a Chinese joint venture, the existence of a recovery cycle in the automotive sector and future goals relating to the satisfaction of customers, the delivery of solid and predictable results, profitable growth and the strength of our balance sheet. The forward-looking statements can be identified by words such as “anticipate,” “believe,” “plan,” “estimate,” “expect,” “intend,” “project,” “target,” and other similar expressions. Forward-looking statements are made as of the date of this press release 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. The following important factors, as well as 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:

- automobile production volumes;
- the financial condition of our customers and suppliers;
- our ability to make scheduled payments on our indebtedness and comply with the covenants and restrictions contained in the instruments governing our indebtedness;
- our ability to refinance our indebtedness;
- our ability to generate non-automotive revenues;
- our ability to operate non-automotive businesses;
- our customers’ ability to obtain equity and debt financing for their businesses;
- our dependence on our largest customers;
- significant recalls experienced by our customers;
- pricing pressure from our customers;
- strengthening of the U.S. dollar and other foreign currency exchange rate fluctuations impacting our results;
- potential operating inefficiencies resulting from OEM production volatility, the preliminary financial outlook for W-Industries;
- work stoppages or other labor issues affecting us or our customers or suppliers;
- risks associated with our non-U.S. operations, including foreign exchange risks and economic uncertainty;
- our ability to integrate acquired businesses;
- costs or liabilities relating to environmental and safety regulations; and
- any increase in the expense and funding requirements of our pension and other postretirement benefits.

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

Key Take-Aways on First Quarter

- Q1 2011 revenue and Adjusted EBITDA were stronger than anticipated in our 2011 Plan.
  – After a 30% year-over-year increase in Q1, Adjusted EBITDA is now up to $205M for the last 12 months (which is the mid-point of the guidance provided in February for the full year 2011).

- The continued revenue recovery in North America helped the Americas segment return to double-digit Adjusted EBITDA margin in Q1.

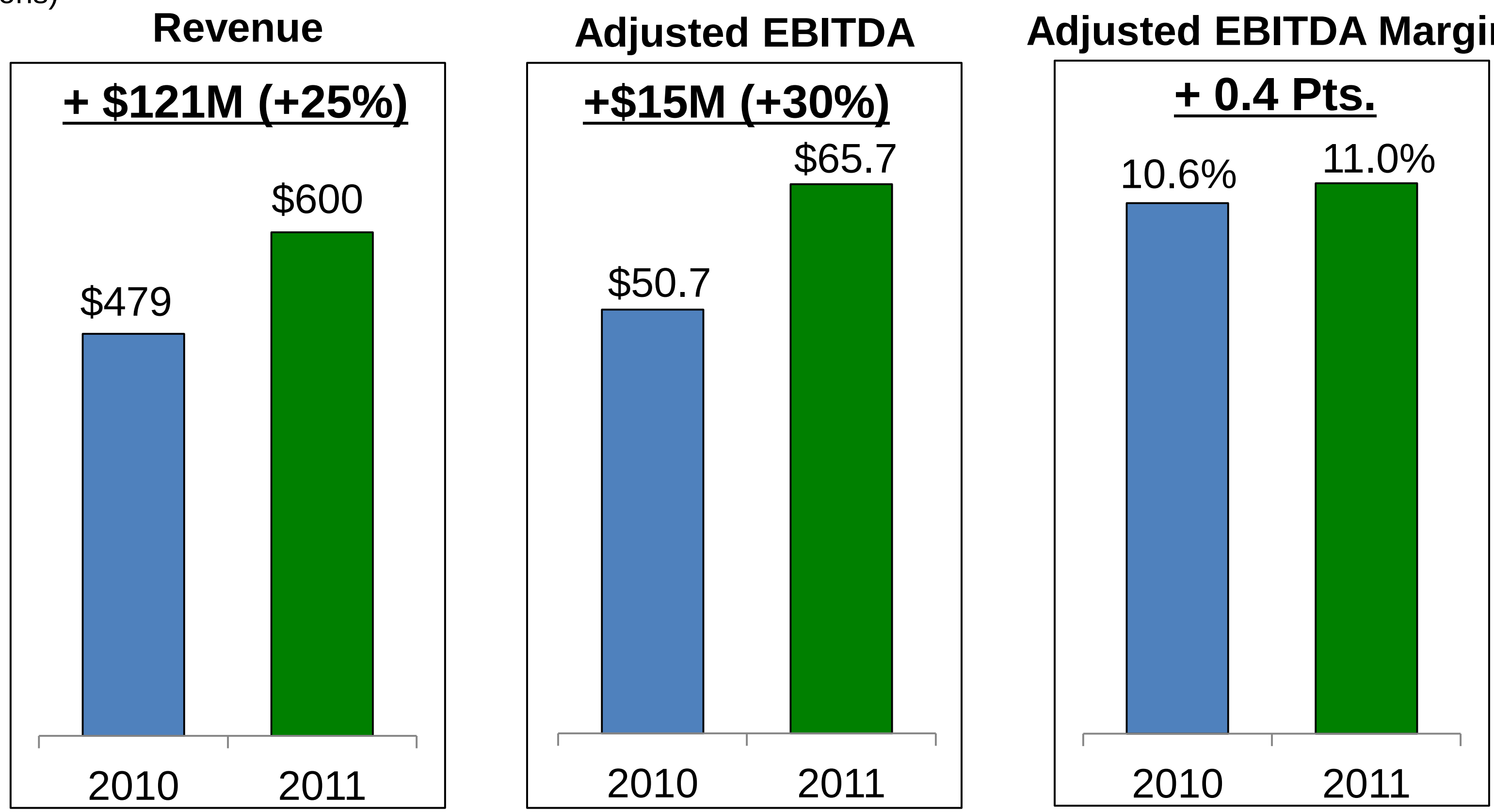
- Two additional building blocks for future growth have been achieved so far this year (discussed later in more detail):
  1. Acquisition of assets of W Industries, and
  2. Capacity increase for existing China JV.

It was an excellent start to 2011 for Tower.
– Continued to deliver our ongoing priority of converting recovering auto volumes into improved earnings and good margins, and
– Made meaningful further progress on our longer-term priority of sustainable future growth.

See Appendix for comments regarding non-GAAP financial measures.

Total Company
First Quarter Financials - - 2011 vs. 2010

(in $ millions)

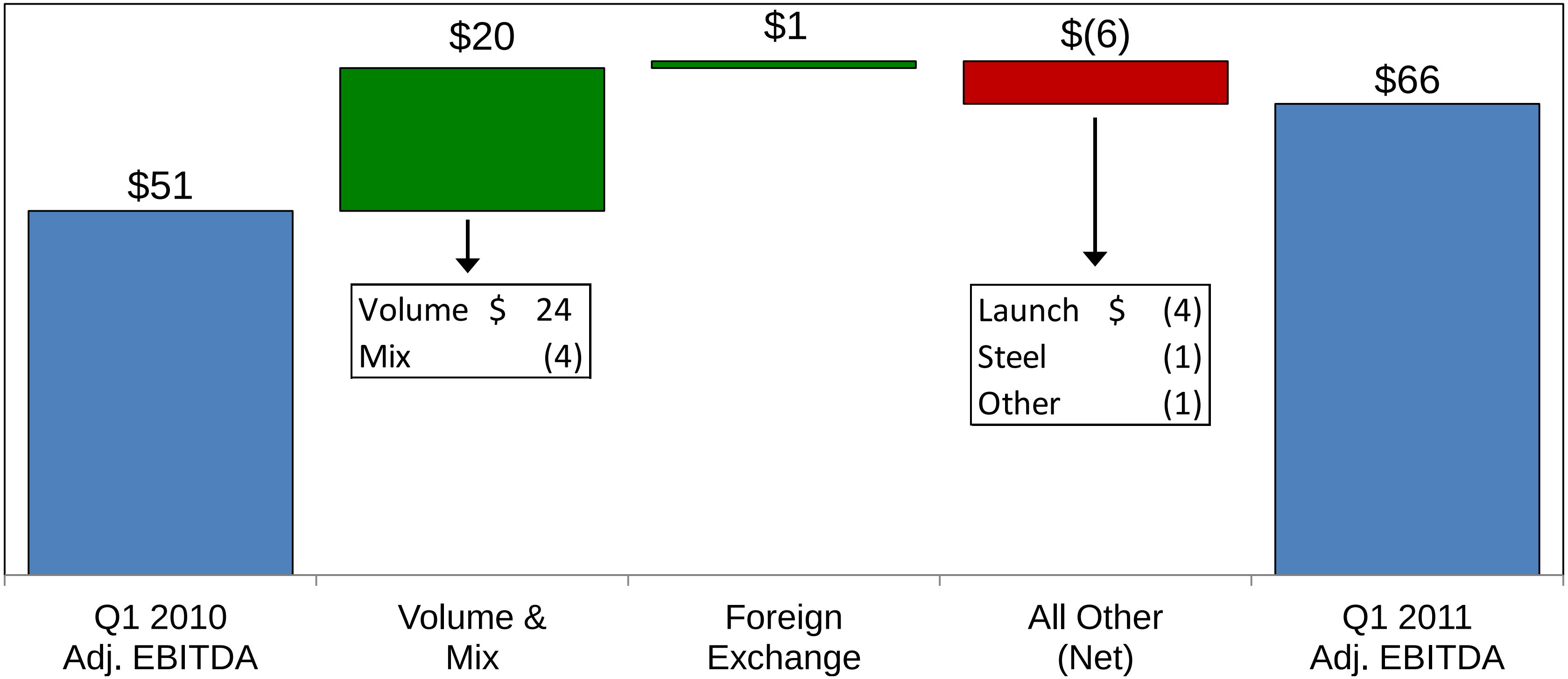


- **Q1 2011 revenue was $600M, up 25% from Q1 2010.**
  - **Excluding changes in steel pricing and exchange rates, revenue was up $100M or 21%.**
- **Adjusted EBITDA was $65.7M, up 30%, for an Adjusted EBITDA margin of 11%.**
  - **Margins have been seasonally above-average in Q1 2010 and 2011, in part reflecting the timing of customer recoveries.**

See Appendix for comments regarding non-GAAP financial measures and for results by segment.

Total Company
Q1 2011 Adjusted EBITDA Compared With 2010

(in $ millions)



- **Compared with Q1 2010, volume and mix improved Q1 2011 Adjusted EBITDA by net $20M.**
  - **Overall profit mix remains good; the decline from 2010 was anticipated in our Feb. guidance.**
- **Foreign exchange improved Adjusted EBITDA by $1M.**
- **The change in all other factors was net unfavorable by $6M, also consistent with our guidance.**
  - **This mainly reflected launch-related costs and net steel impact; all other factors were largely unchanged, representing continued good productivity and cost management as volumes are increasing.**

See Appendix for comments regarding non-GAAP financial measures and for results by segment.

Total Company
Q1 2011 Adjusted EBITDA Compared With Q4 2010

(in $ millions)

- **The sequential quarterly increase in Adjusted EBITDA also demonstrates the continued flow-through of recovering volumes to Tower's bottom line.**

See Appendix for comments regarding non-GAAP financial measures.

First Quarter 2011 Free Cash Flow

(in $ millions)

	Q1 2011
EBITDA	$ 66
Capital Expenditures	(27)
Cash Interest	(27)
Cash Taxes	(4)
Working Capital & Other	(49)
Free Cash Flow	**$ (41)**

- **Free cash flow was negative $41M in Q1, in line with our guidance.**
  - **Cash interest included semi-annual payment of $22M on senior notes.**
  - **The adverse change in working capital & other primarily reflected customer-owned tooling timing ($20M) and other working capital changes, mainly seasonality ($23M).**

See Appendix for comments regarding non-GAAP financial measures.

March 31 Net Debt and Leverage

(in $ millions)

	Mar. 31	Memo: 2010 Dec. 31	Memo: 2010 Mar. 31
Net Debt			
Cash	$ 135	$ 150	$ 136
Gross Debt	(597)	(558)	(674)
Net Debt	$(462)	$ (408)	$ (538)
Debt-to-LTM Adj. EBITDA			
Gross	2.9X	2.9X	4.1X
Net	2.3	2.1	3.3
Memo: LTM Adj. EBITDA	$ 205	$ 190	$ 165

- **Leverage metrics at March 31 were largely unchanged from year-end 2010.**
  - **The increase in net debt (mainly reflecting quarterly cash flow and seasonality) was largely offset by the increase in Last Twelve Months Adjusted EBITDA.**

See Appendix for comments regarding non-GAAP financial measures.

Industry Production Outlook (April IHS)

(unit millions)

	Q1		Q2		Q3		Q4		Full Year	
2011										
Europe	5.1		4.6		4.5		5.3		19.4	
Korea	1.1		1.1		1.1		1.1		4.4	
China	4.1		3.9		3.9		4.8		16.6	
North America	3.3		3.0		3.2		3.6		13.1	
Brazil	0.8		0.8		0.9		0.9		3.3	
Total Tower Markets	14.3		13.4		13.5		15.6		56.8	
2011 B/(W) Than 2010										
Europe	8	%	(7)	%	4	%	12	%	4	%
Korea	8		0		7		(6)		2	
China	11		14		13		19		15	
North America	16		(3)		9		20		10	
Brazil	9		1		11		10		8	
Total Tower Markets	11	%	0	%	8	%	14	%	8	%

- **Industry production in Q1 was up 8-16% from a year ago in Tower's markets.**
- **IHS presently projects industry production to be lower than a year ago in Europe and North America in Q2, with "catch-up" increases projected in Q4; we believe Q4 assumptions may be optimistic.**
- **In addition to the volume effects, OEM production volatility creates near-term operating inefficiencies for Tower (prelim. estimate of about $5M for the year).**

Acquisition of Assets of W Industries

TOWER INTERNATIONAL

- 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 between W [www.w-industries.net] and Tower 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 Q2-Q4	2012	Potential 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 $8M working capital)
  - Q1 2011 $11M, Q2 $16M, Q3+ $2M

- **Assets acquired:** Working capital $5-$10M, PP&E $30M (NBV - - prior to purchase accounting)
  - Existing assets can support est. annual revenue of $200-$250M.

- **Leadership:** Mike Rajkovic, Tower COO, adds duties as President, W.
  - Support includes Nick Chabraja, Tower Chairman and former Chmn. & CEO, General Dynamics.

The bolt-on acquisition of W fits Tower's game plan to build shareholder value over time.
- **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.**

Capacity Expansion for China JV

- Existing JV plant in Changchun is at capacity.
  - Main customer is FAW-VW, also Toyota.
  - Have had to increase our outsourcing to keep up with customer growth.
  - Strongly encouraged by FAW to add permanent capacity.

- Initial plan includes capital expenditures of $15M (about half in 2011) for a small second factory (plus land for further potential expansion).
  - This investment is additive to our 2011 Plan; it will be funded by existing JV cash.

- Start of production: Q1 2013

- Initial added revenue: Anticipated $20-$30M per year by 2014-15, and will be positioned for potential further growth in Changchun.

The Changchun expansion continues Tower's allocation of capital to secular high-growth markets, further improving future growth prospects.

See Appendix for comments regarding non-GAAP financial measures.

Game Plan to Build Shareholder Value Over Time

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”.**
   – Above-average secular growth in China and Brazil;
   – Further reductions in leverage;
   – Opportunistic, accretive acquisitions; and
   – Opportunities in adjacent markets (e.g., defense and aero, solar).

Tower’s playbook (for the near term and longer term) remains unchanged, with concrete actions and demonstrated progress on all fronts.

See Appendix for comments regarding non-GAAP financial measures.

APPENDIX

Income Statement

(in $ millions)

	Three Months Ended Mar. 31, 2011	Three Months Ended Mar. 31, 2010
Revenues	$ 599.6	$ 479.1
Cost of sales	530.1	425.9
Gross profit	69.6	53.2
Selling, general and administrative expenses	37.7	33.0
Amortization expense	0.9	0.7
Restructuring and asset impairment charges, net	0.5	4.1
Operating income	30.5	15.4
Interest expense	12.5	13.8
Interest income	0.3	0.2
Other expense	0.9	-
Income before provision for income taxes	17.4	1.8
Provision for income taxes	6.6	4.1
Net income / (loss)	10.8	(2.3)
Less: Net income attributable to the noncontrolling interests	1.7	2.1
Net income / (loss) attributable to Tower International, Inc.	$ 9.0	$ (4.5)
Less: Preferred unit dividends	$ -	$ (4.3)
Income / (loss) available to common shareholders	$ 9.0	$ (8.8)

Balance Sheet

(in $ millions)

	Mar. 31, 2011	Dec. 31, 2010
ASSETS		
Cash and cash equivalents	$ 134.5	$ 150.3
Accounts receivable, net of allowance of $2.9 and $1.7	377.2	297.1
Inventories	80.9	73.2
Deferred tax asset - current	11.4	12.4
Assets held for sale	8.5	8.2
Prepaid tooling and other	82.2	57.8
Total current assets	694.7	599.0
Property, plant and equipment, net	633.3	627.5
Goodwill	70.1	66.3
Deferred tax asset - non-current	18.8	17.4
Other assets, net	28.9	30.0
Total assets	$1,445.9	$1,340.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current maturities of long-term debt and capital lease obligations	$ 131.1	$ 109.8
Accounts payable	405.7	366.8
Accrued liabilities	126.4	132.6
Total current liabilities	663.3	609.2
Long-term debt, net of current maturities	450.5	432.7
Obligations under capital leases, net of current maturities	15.8	15.6
Deferred tax liability - non-current	14.9	12.7
Pension liability	74.6	76.4
Other non-current liabilities	82.2	81.9
Total non-current liabilities	637.9	619.3
Total liabilities	1,301.2	1,228.6
Stockholders' equity:		
Tower International, Inc.'s stockholders' equity		
Common stock, $0.01 par value, 350,000,000 authorized, 19,101,588 issued and outstanding	0.2	0.2
Additional paid in capital	300.0	296.3
Accumulated deficit	(183.5)	(192.6)
Accumulated other comprehensive loss	(18.2)	(36.5)
Total Tower International, Inc.'s stockholders' equity	98.4	67.4
Noncontrolling interests in subsidiaries	46.3	44.3
Total stockholders' equity	144.7	111.6
Total liabilities and stockholders' equity	$1,445.9	$1,340.2

Consolidated Statement of Cash Flows

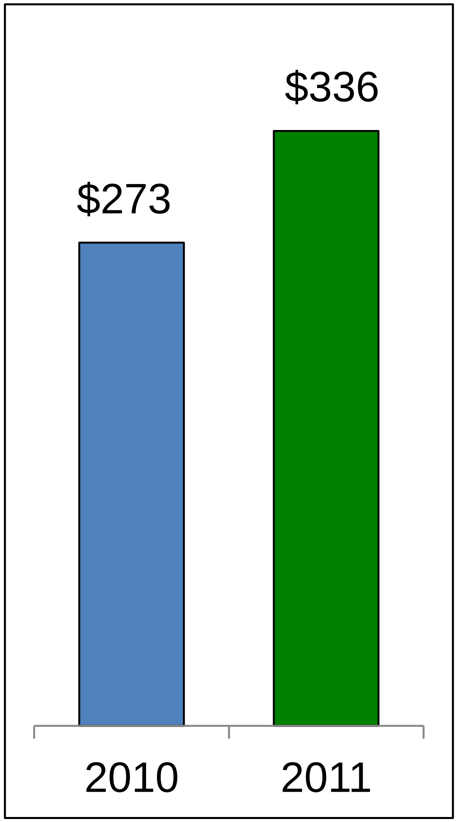
(in $ millions)

	Three Months Ended Mar. 31, 2011	2010
Cash flows - operating activities		
Net income / (loss)	$ 10.8	$ (2.3)
Non-cash restructuring and asset impairment charges	-	2.7
Deferred income tax provision	1.3	-
Depreciation and amortization	30.1	30.3
Non-cash share-based compensation	3.7	-
Pension expense, net of contributions	(1.4)	(0.8)
Change in working capital and other operating items	(58.5)	(24.1)
Net cash provided by / (used in) operating activities	$ (14.0)	$ 5.7
Cash flows - investing activities		
Cash disbursed for purchases of property, plant and equipment, net	$ (26.7)	$ (18.7)
Acquisition of a third-party debt instrument	(11.3)	-
Net assets acquired, net of cash acquired	-	(16.7)
Net cash used in investing activities	$ (38.0)	$ (35.4)
Cash flows - financing activities		
Repayments of term debt	$ -	$ (1.2)
Partial redemption of senior secured notes	(17.0)	-
Preferred unit dividends	-	(0.1)
Proceeds from borrowings	139.3	133.6
Repayments of borrowings	(88.8)	(114.1)
Net cash provided by financing activities	$ 33.5	$ 18.2
Net change in cash and cash equivalents	$ (18.4)	$ (11.5)
Cash and cash equivalents - beginning of period	150.3	149.8
Effect of exchange rate changes on cash and cash equivalents	2.5	(2.5)
Cash and cash equivalents - end of period	$ 134.5	$ 135.8

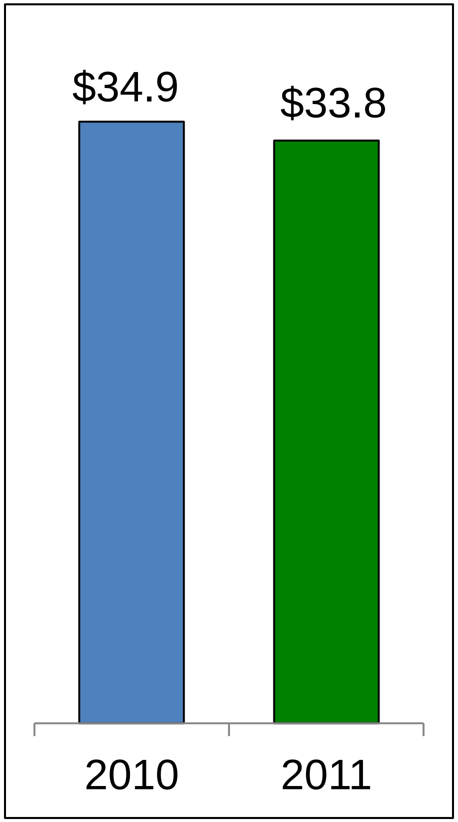
International Segment - - Q1 2011 vs. Q1 2010

(in $ millions)

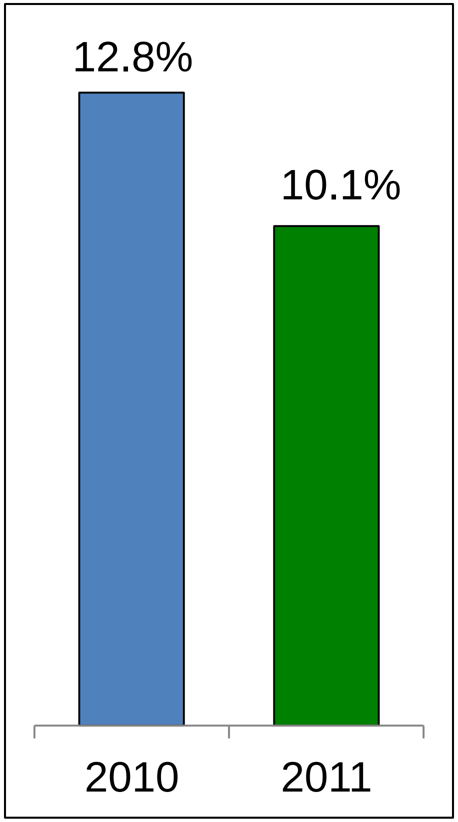
Revenue



Adjusted EBITDA



Adjusted EBITDA Margin



See slide 21 for comments regarding non-GAAP financial measures.

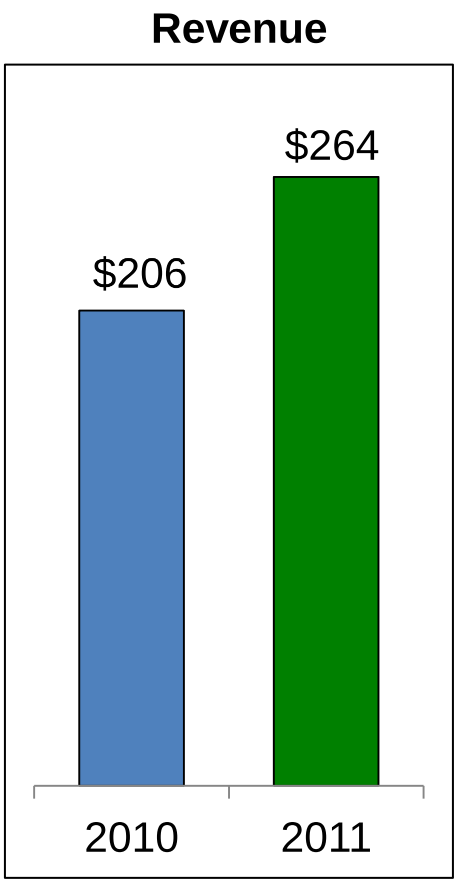
International
Q1 2011 Adjusted EBITDA Compared With Q1 2010

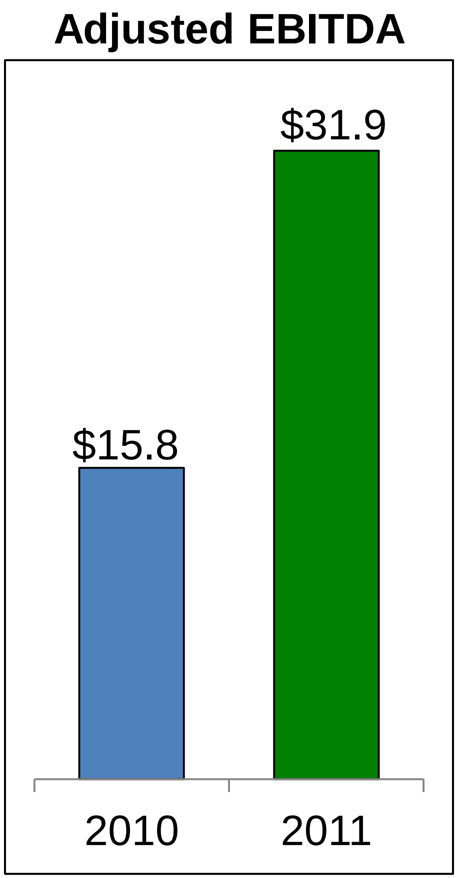
(in $ millions)

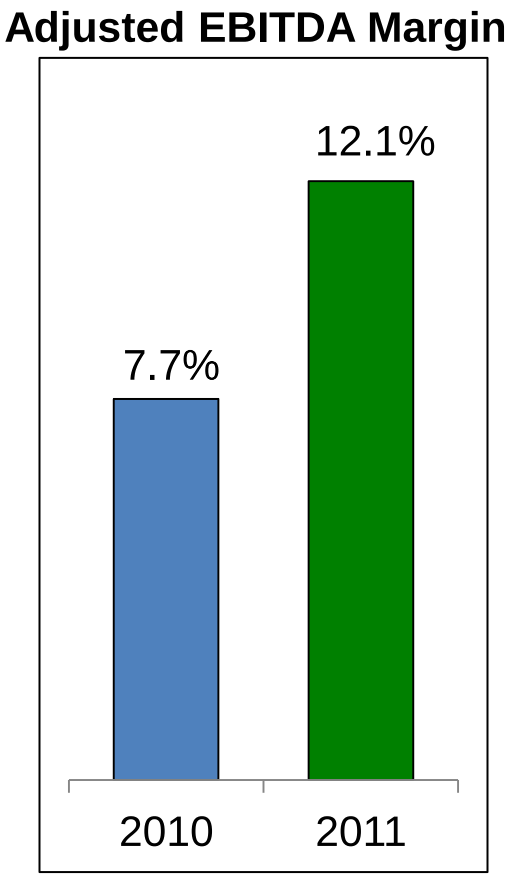
See slide 21 for comments regarding non-GAAP financial measures.

Americas Segment - - Q1 2011 vs. Q1 2010

(in $ millions)



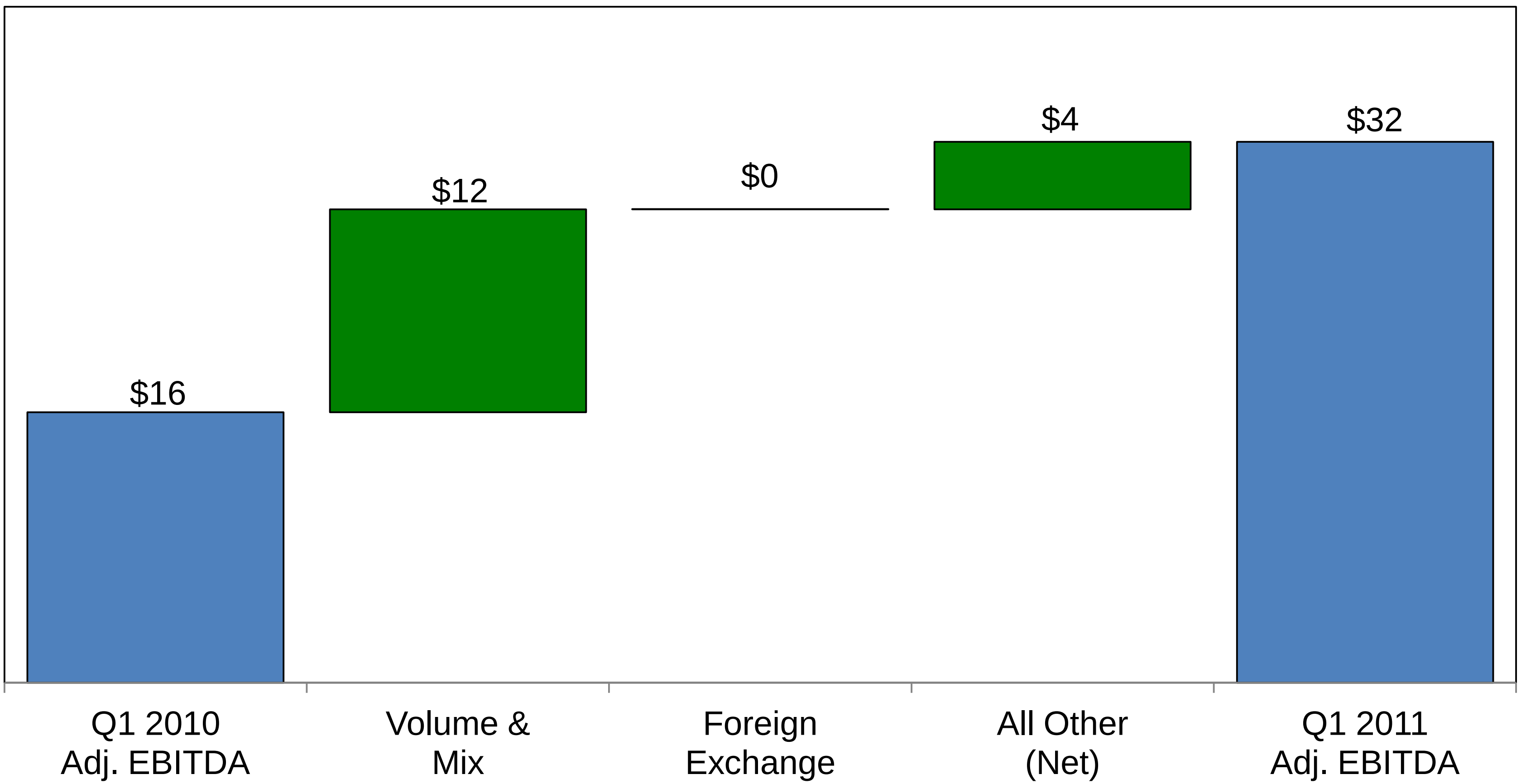




See slide 21 for comments regarding non-GAAP financial measures.

Americas
Q1 2011 Adjusted EBITDA Compared With Q1 2010

(in $ millions)



See slide 21 for comments regarding non-GAAP financial measures.

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 press release 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.

Adjusted EBITDA Reconciliation to GAAP

(in $ millions)

	2010				2011	LTM	
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	March 31, 2011	March 31, 2010
Adjusted EBITDA	**$ 50.7**	**$ 51.7**	**$ 39.1**	**$ 48.7**	**$ 65.7**	**$ 205.2**	**$ 165.4**
Restructuring and asset impairments	(4.1)	(0.6)	(0.3)	(9.3)	(0.5)	(10.7)	(17.6)
Depreciation & amortization	(30.3)	(28.4)	(27.5)	(28.5)	(30.1)	(114.5)	(137.9)
Receivable factoring charges and other	-	(0.2)	(0.1)	(0.1)	(0.1)	(0.5)	(0.9)
Acquisition costs	(0.7)	-	-	-	-	-	(0.7)
Incentive compensation related to funding events	(0.2)	(0.3)	(5.6)	(5.0)	(4.5)	(15.4)	(0.2)
Premium on redemption of senior secured notes	-	-	-	(1.3)	(0.9)	(2.2)	33.7
Interest expense, net	(13.6)	(13.7)	(20.3)	(18.3)	(12.3)	(64.6)	(57.0)
(Provision) / benefit for income taxes	(4.1)	(4.3)	3.7	(5.6)	(6.6)	(12.8)	(4.5)
Noncontrolling interest, net of tax	(2.2)	(2.3)	(2.0)	(1.9)	(1.7)	(7.9)	(9.7)
Net income / (loss) attributable to Tower International, Inc.	**$ (4.5)**	**$ 1.9**	**$ (13.0)**	**$ (21.3)**	**$ 9.0**	**$ (23.4)**	**$ (29.4)**

Free Cash Flow Reconciliation to GAAP

(in $ millions)

	Three Months Ended Mar. 31, 2011	Three Months Ended Mar. 31, 2010
Net cash provided by operating activities*	$ (14.0)	$ 5.7
Cash disbursed for purchases of PP&E, net*	(26.7)	(18.7)
Free cash flow	$ (40.7)	$ (13.0)

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*From GAAP Consolidated Statement of Cash Flows

Certain Items Included in Net Income / (Loss)

(in $ millions)

	Three Months Ended Mar. 31, 2011	Three Months Ended Mar. 31, 2010
Income / (expense) items included in net income / (loss), net of tax:		
Selling, general and administrative expenses		
Incentive compensation related to funding events	$ (4.3)	$ -
Acquisition costs	-	(0.7)
Interest expense		
Acceleration of the amortization of debt issue costs and OID	(0.8)	-
Settlement of value added tax audit in Brazil	2.8	-
Restructuring expense		
Asset impairments	-	(1.8)
Adjustment of lease liability	0.8	-
Other income		
Debt repurchase / letter of credit reduction	(0.9)	-
Total items included in net income / (loss)	$ (2.4)	$ (2.5)
Net income / (loss) attributable to Tower International, Inc.	$ 9.0	$ (4.5)
Less: Preferred unit dividends	-	(4.2)
Income / (loss) available to common shareholders	$ 9.0	$ (8.7)
Memo: Average shares outstanding (Mils.)		
Basic	19.1	12.5
Diluted	19.9	12.5
Income / (loss) per share (GAAP)		
Basic	$ 0.47	$ (0.70)
Diluted	0.45	(0.70)
Diluted adjusted income / (loss) per share (non-GAAP)*	0.57	(0.50)

* Excludes the certain items shown above