Fourth Quarter 2010 Results & Preliminary 2011 Outlook

February 18, 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 existence of a multi-year 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 the 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 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 dependence on our largest customers;
- significant recalls experienced by our customers;
- pricing pressure from our customers;
- 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;
- 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

- Q4 customer volume was stronger than anticipated.

- Consistent with our ongoing game plan and demonstrated past performance, the Company continued to do a good job converting increased volume into higher Adjusted EBITDA and higher margin.

- Free cash flow also was stronger than anticipated in Q4, reflecting the higher EBITDA, plus realization of customer tooling net receipts that had been expected in Q1 2011.

Tower's financial results in Q4 and full year 2010 were right on track for this important first year of an anticipated multi-year auto recovery cycle.

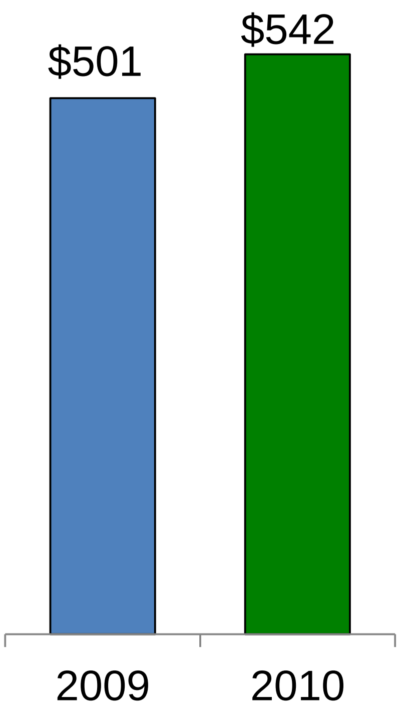
See Appendix for comments regarding non-GAAP financial measures.

Total Company
Fourth Quarter Financials - - 2010 vs. 2009

(in $ millions)

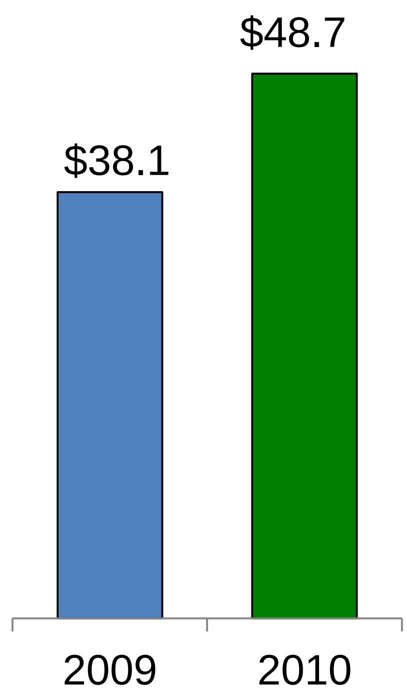
Revenue

<u>+ $41M (+8%)</u>



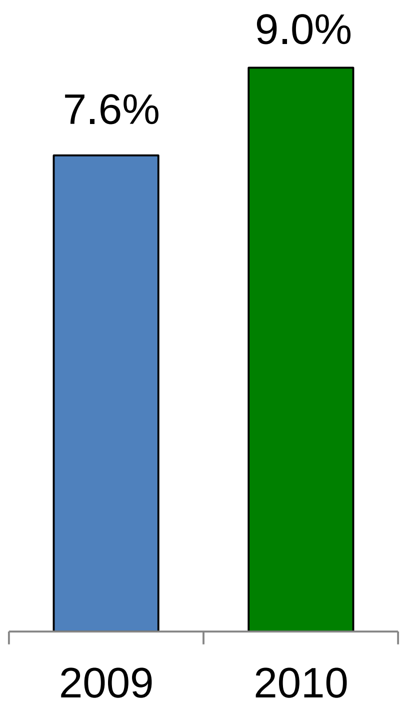
Adjusted EBITDA

<u>+$10.6M (+28%)</u>



Adjusted EBITDA Margin

<u>+ 1.4 Pts.</u>

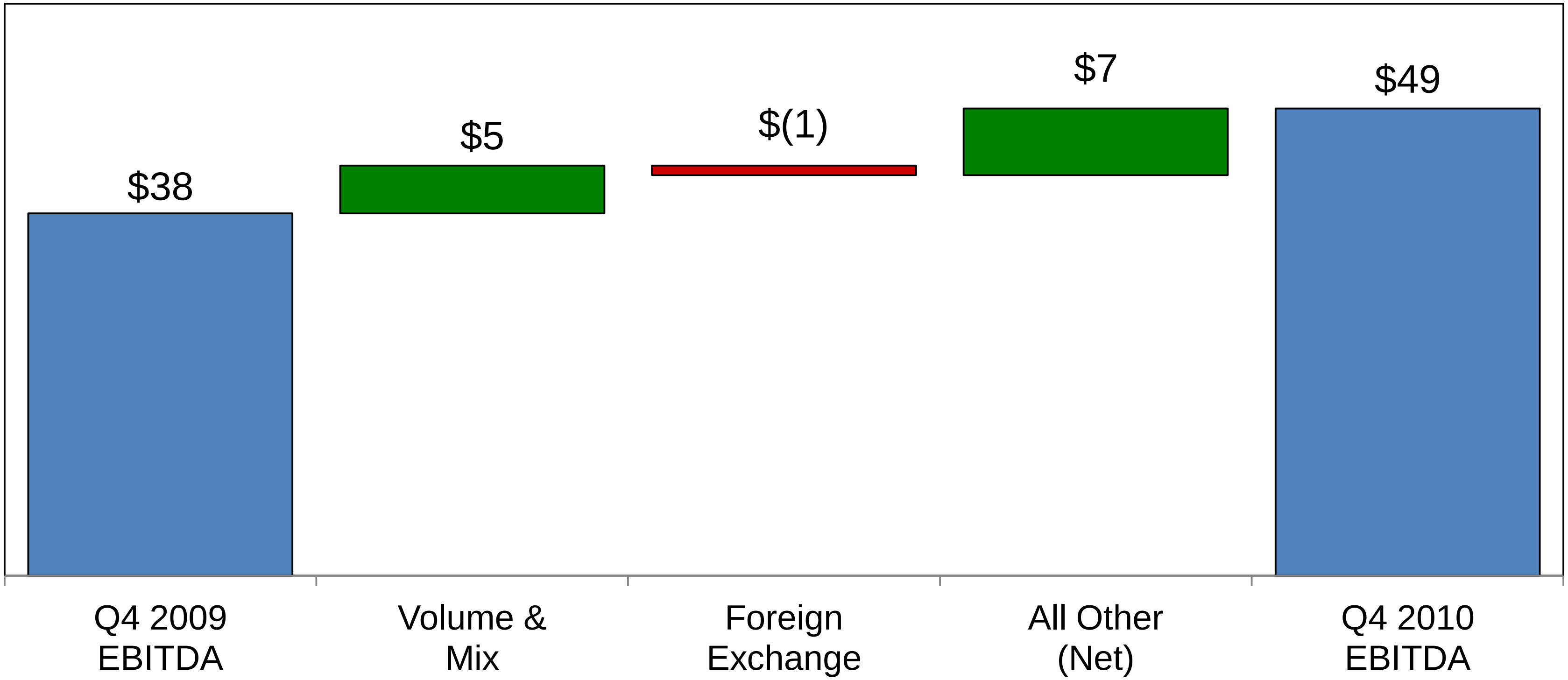


- **Q4 2010 revenue was up about $41M (8%) from Q4 2009.**
  - **This was converted in a $10.6M (28%) increase in Adjusted EBITDA, resulting in a 9.0% Adjusted EBITDA Margin (up 1.4 points).**

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

Total Company
Q4 2010 Adjusted EBITDA Compared With 2009

(in $ millions)

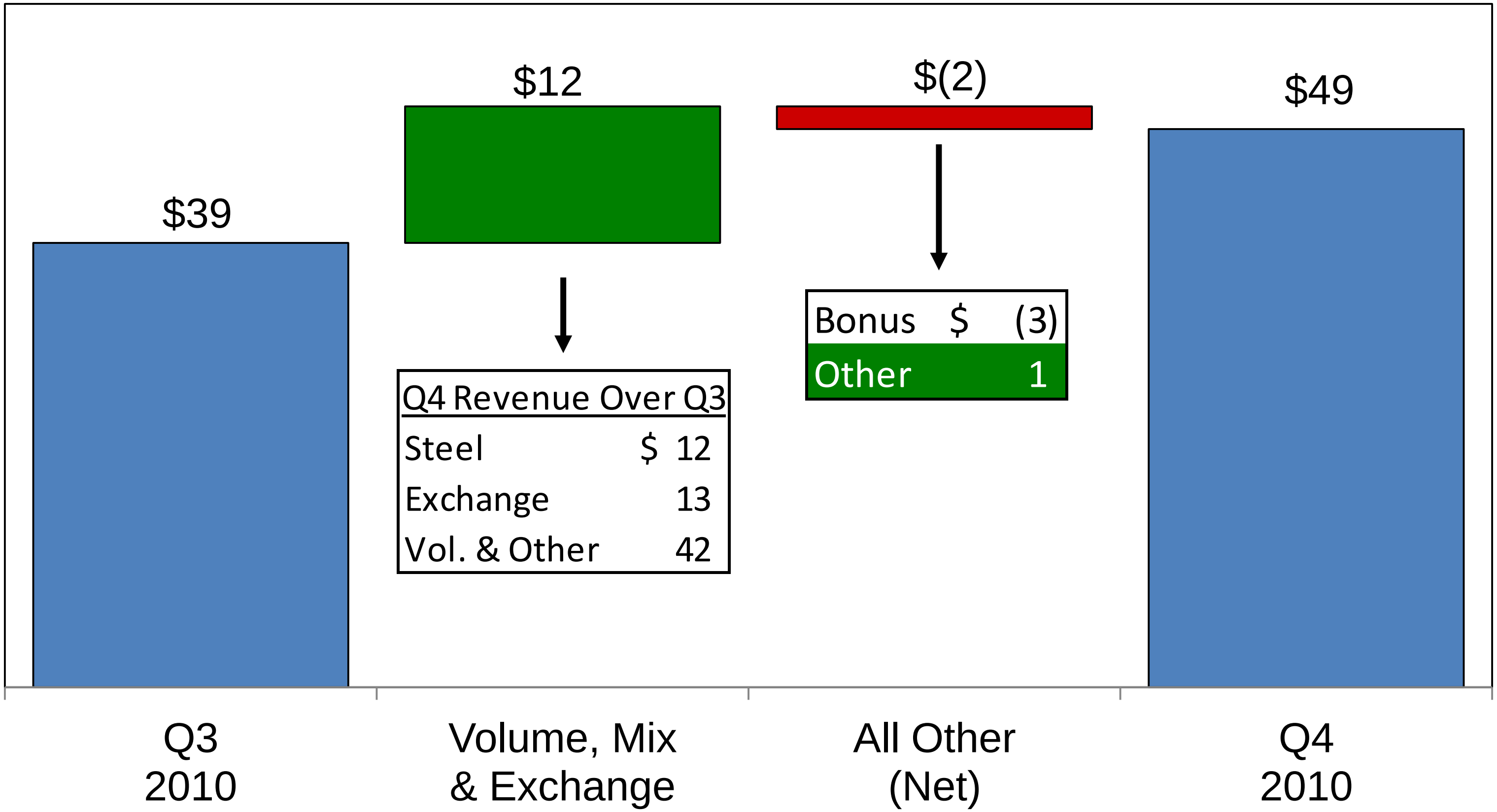


- Higher volume and adverse mix and foreign exchange netted to a $4M year-over-year improvement in Q4 2010 Adjusted EBITDA.
- **All other factors (e.g., pricing and cost, net of efficiencies) improved EBITDA by $7M.**
  - **This favorable performance included non-recurring items a year ago and was consistent with our expectations.**

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

Total Company
Q4 Adjusted EBITDA Compared With Q3

(in $ millions)



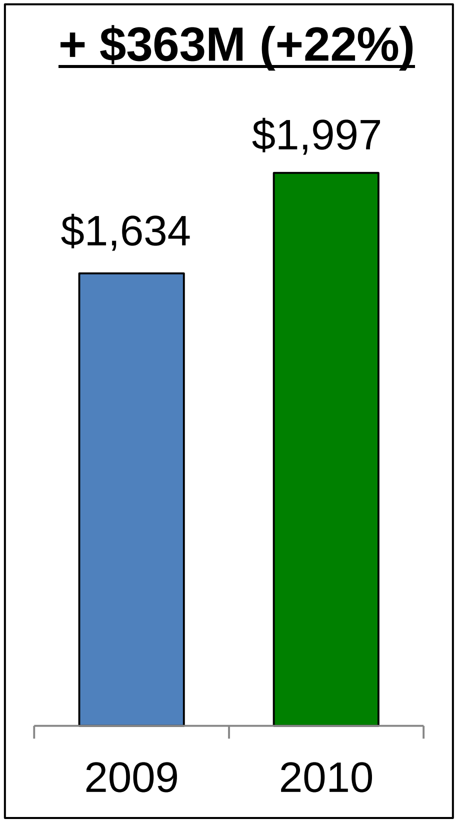
- Compared with Q3, Adjusted EBITDA in Q4 was up $12M for volume, mix, and exchange.
- **Excluding higher bonus accrual, all other factors were net favorable by $1M, which further demonstrates the effectiveness to date of Tower's process-driven cost efficiencies and overall cost management.**

See Appendix for comments regarding non-GAAP financial measures.

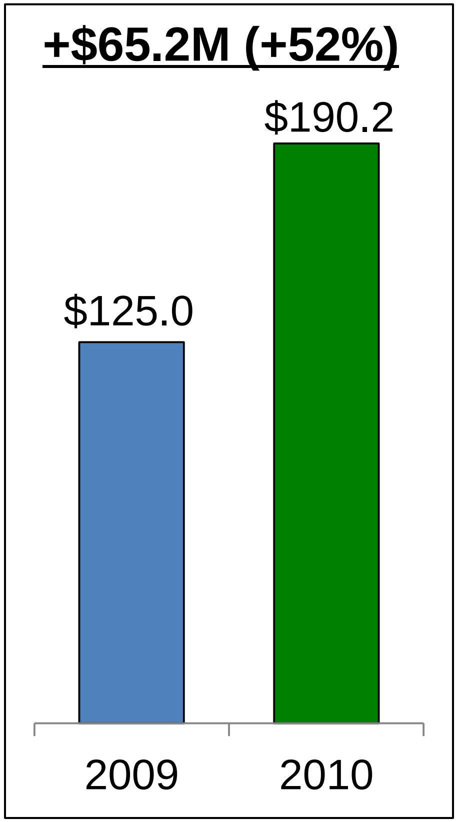
Total Company
Full Year Financials - - 2010 vs. 2009

(in $ millions)

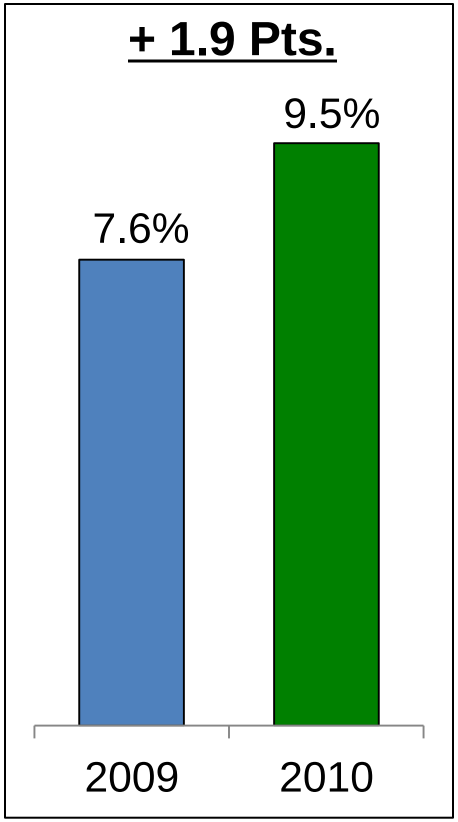
Revenue



Adjusted EBITDA



Adjusted EBITDA Margin

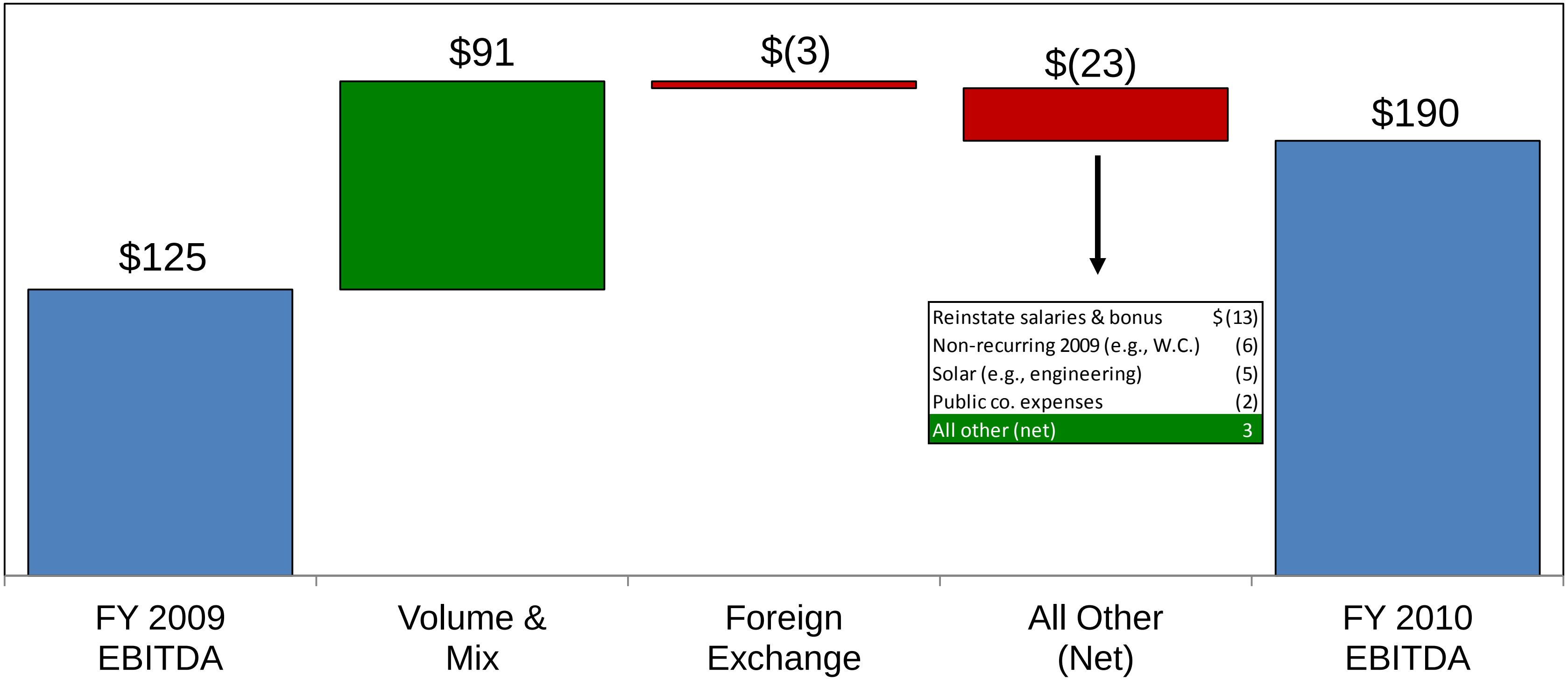


For full year 2010, a 22% increase in revenue from 2009 translated into a 52% increase in Adjusted EBITDA (to $190M) and a 1.9 point increase in Adjusted EBITDA Margin (to 9.5%).

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

Total Company
Full Year Adjusted EBITDA Compared With 2009

(in $ millions)



- **The $65M full-year improvement in Adjusted EBITDA demonstrated Tower's positive operating leverage with increasing volume.**
  - **Factors other than volume, mix, and exchange included non-recurring 2009 savings (e.g., salary and bonus costs and one-time workers' compensation savings), plus expenses related to solar and operating as a public company.**
  - **All other factors were slightly net favorable, including efficiencies more than offsetting the impact of lower pricing and economic inflation on wages and overheads.**

See Appendix for comments regarding non-GAAP financial measures.

Fourth Quarter and Full Year 2010 Free Cash Flow

(in $ millions)

	Q4 2010	Full Year 2010
EBITDA	$ 49	$ 190
Capital Expenditures	(45)	(101)
Cash Interest	(6)	(43)
Cash Taxes	(5)	(14)
Working Capital & Other	51	(12)
Free Cash Flow	**$ 44**	**$ 20**

- **Positive free cash flow of $44M in Q4 included normal working capital seasonality, plus favorable net cash receipts related to customer tooling.**
- **Full year free cash flow was positive $20M.**

See Appendix for comments regarding non-GAAP financial measures.

December 31 Net Debt, Leverage, & Liquidity

(in $ millions)

	Dec. 31 Actual	Memo: Sept. 30 Pro Forma*
Net Debt		
Cash	$ 150	$ 112
Debt	(558)	(563)
Net Debt	$ (408)	$(451)
Debt-to-LTM Adj. EBITDA		
Gross	2.9X	3.1X
Net	2.1	2.5
Liquidity	$ 285	

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* Adjusted for IPO net proceeds of $77M.

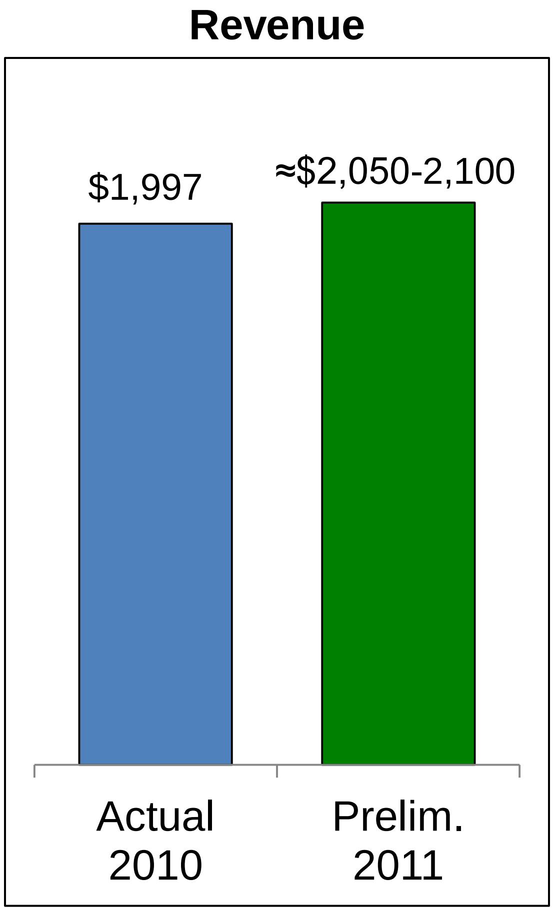
Positive Q4 cash flow (including seasonal benefits) reduced net debt to $408M at December 31. Year-end net debt leverage was 2.1X, and liquidity was $285M.

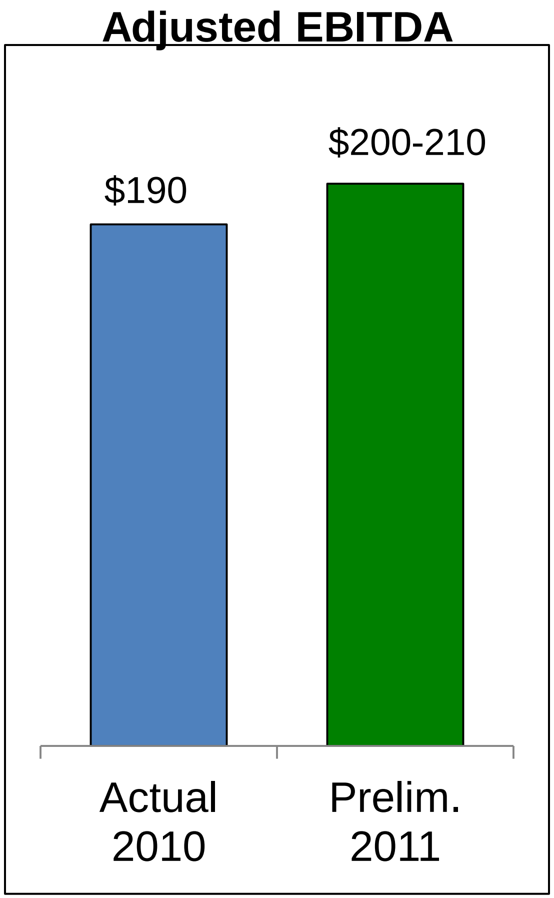
See Appendix for comments regarding non-GAAP financial measures.

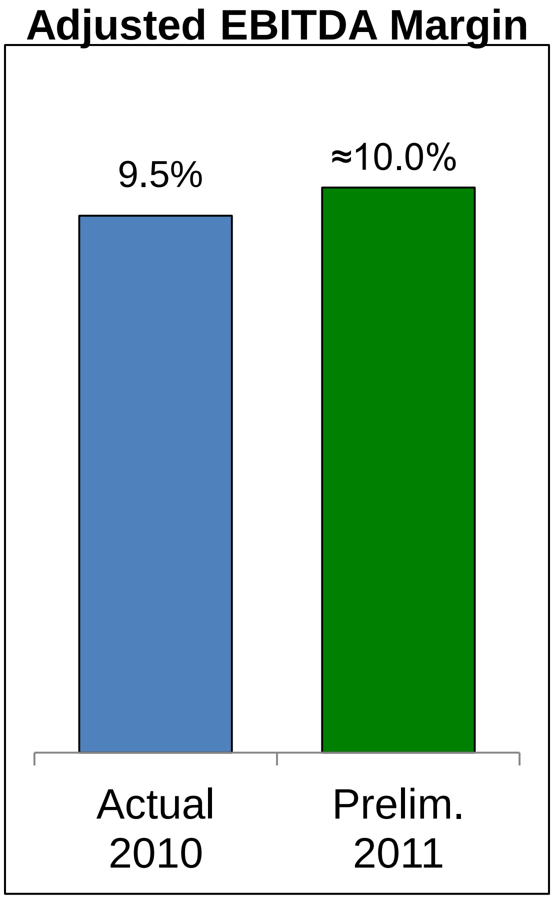
Preliminary 2011 Outlook

Total Company
Preliminary 2011 Financial Outlook

(in $ millions)





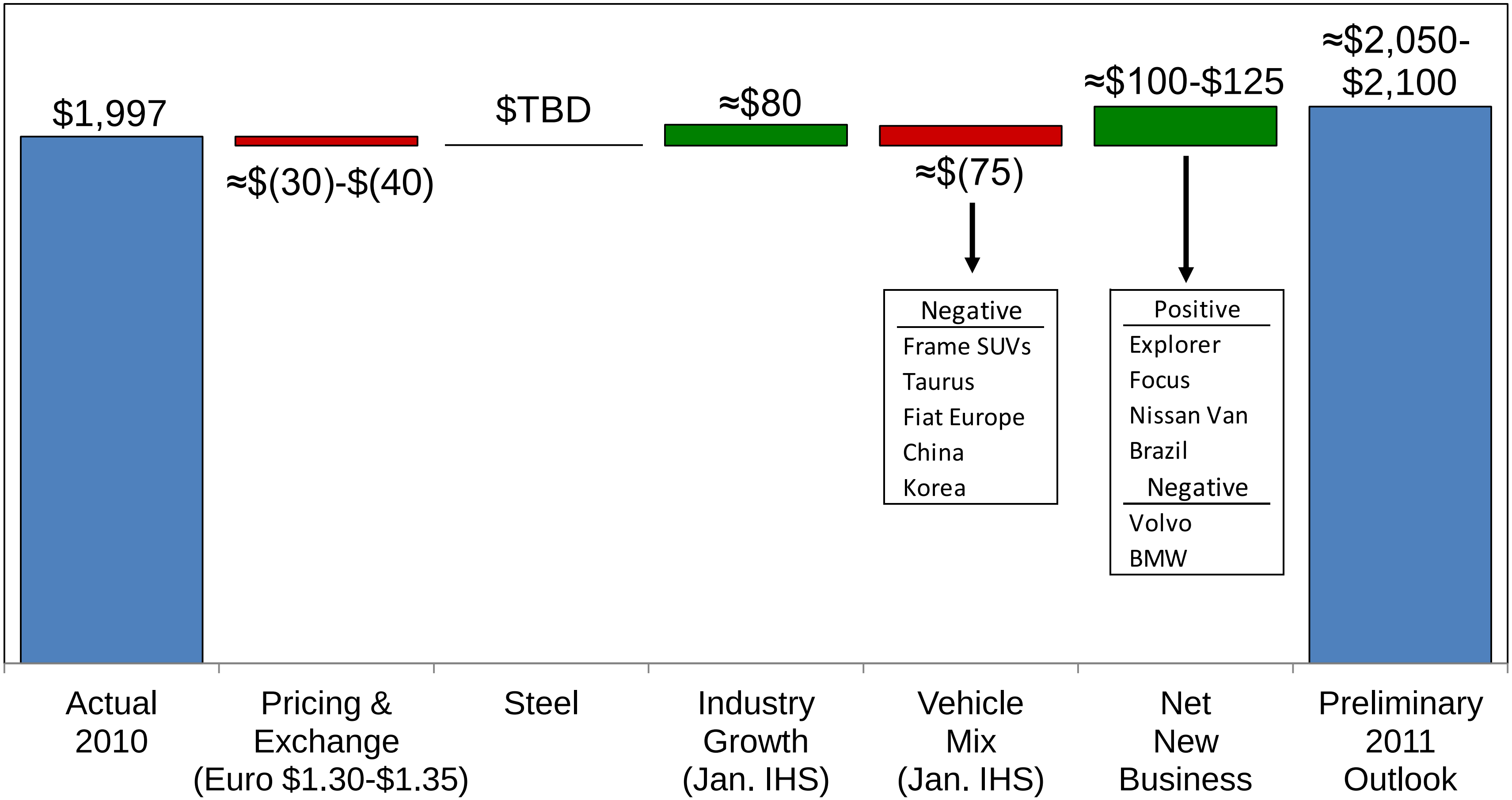


Based on key assumptions (discussed on following slides), the preliminary 2011 financial outlook for Tower is higher revenue (to \$2.05-\$2.1B), higher Adjusted EBITDA (to \$200-\$210M), and higher Adjusted EBITDA Margin (to about 10%).

See Appendix for comments regarding non-GAAP financial measures.

Preliminary 2011 Revenue Outlook

(in $ millions)



The preliminary revenue outlook for 2011 reflects assumptions by IHS for industry production and vehicle mix, and net new business that is projected to add about $100-$125M of revenue.

Preliminary 2011 Adjusted EBITDA Outlook Directional Drivers vs. 2010

TOWER INTERNATIONAL

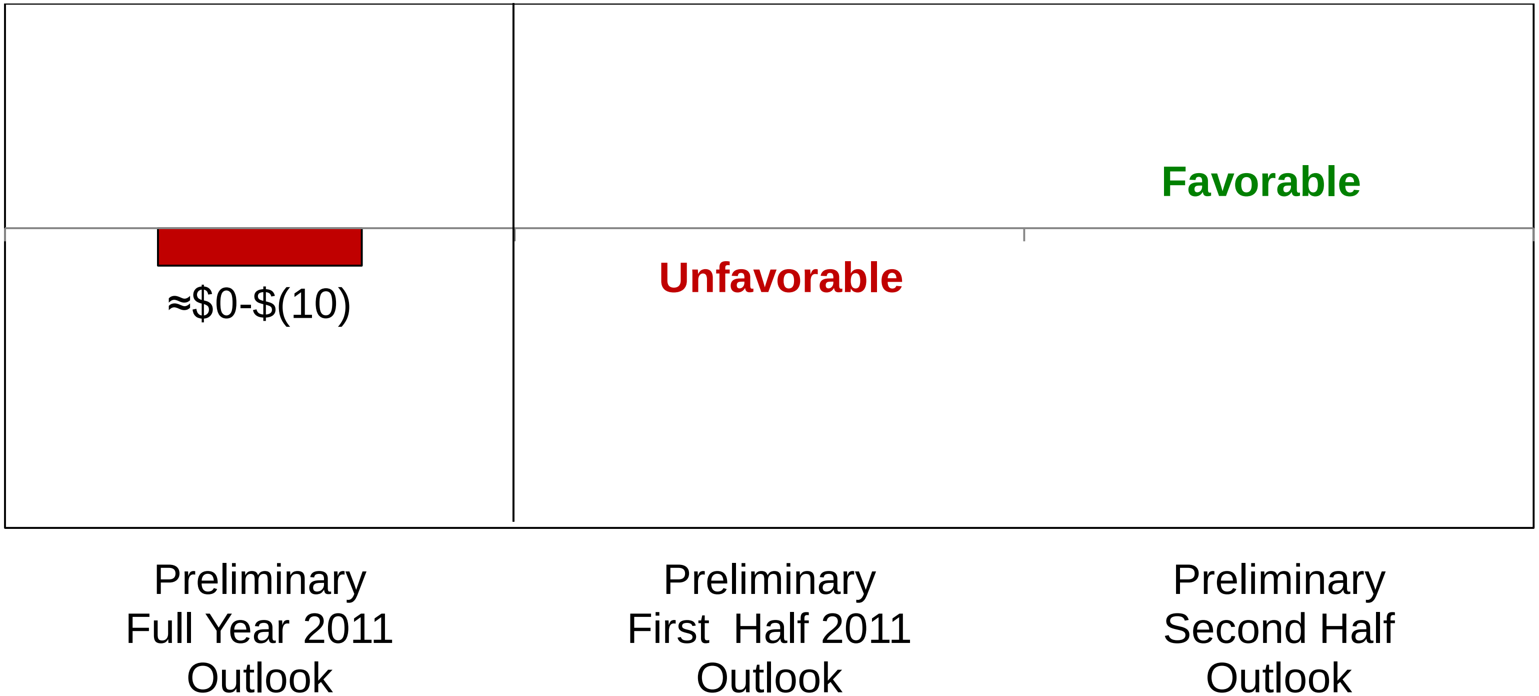
Potential Favorable	Potential Unfavorable	Approximately Neutral
• Revenue growth (mainly new business)	• Vehicle profit mix (per IHS) • Select volume-related fixed costs (added shifts, O/T) • Net steel (timing of recoveries)	• All other (pricing and cost, net of efficiencies)

Anticipated Net Favorable $10-$20M Adjusted EBITDA

See Appendix for comments regarding non-GAAP financial measures.

Preliminary 2011 Adjusted EBITDA Outlook Target for Non- Volume, Mix, and Exchange

(Adjusted EBITDA vs. 2010 in $ millions)



- **Our target for full year 2011 for non-volume, mix and exchange factors affecting Adjusted EBITDA is $0-$(10)M (depending on net steel, etc.).**
- **As predicted and experienced in 2010, quarterly calendarization is likely to be "lumpy". Our present best estimate is that these factors will be net unfavorable vs. 2010 in the First Half and favorable in the Second Half.**

See Appendix for comments regarding non-GAAP financial measures.

Preliminary 2011 Outlook for Select Free Cash Flow Drivers

(in $ millions)

	Actual 2010	Prelim. 2011 Outlook
Capital Expenditures	$ 101	≈ $100*
Cash Interest	43	≈60 - 65
Pension Cash Contribution	10	15 - 20

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*Excluding potential new China or solar business

- **Capital expenditures are presently anticipated to be about the same in 2011 as in 2010.**
- **Cash interest and required pension contributions will be higher than 2010.**

Preliminary 2011 Outlook for Free Cash Flow Calendarization / Seasonality

2011 Period	Prelim. 2011 Outlook Free Cash Flow	Memo: 2010 Actual (Mils.)
Q1	Significant Negative	$ (11)
Q2 - Q3	Modest Negative	(13)
Q4	Significant Positive	44

In addition to the normal cash-flow seasonality, 2011 will be further affected by the semi-annual interest payment schedule (Q1 and Q3) for last year's re-financed debt and by capital expenditure and net tooling timing (anticipated to be heavily front-loaded, consistent with the related customer programs).

See Appendix for comments regarding non-GAAP financial measures.

Game Plan

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, as done in 2010.

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
   – Potential opportunities in adjacent businesses (e.g., solar, defense).

See Appendix for comments regarding non-GAAP financial measures.

APPENDIX

Income Statement

(in $ millions)

	Three Months Ended Dec. 31, 2010	Three Months Ended Dec. 31, 2009	Year Ended Dec. 31, 2010	Year Ended Dec. 31, 2009
Revenues	$ 541.6	$ 501.0	$ 1,997.1	$ 1,634.4
Cost of sales	484.7	459.3	1,786.5	1,536.8
Gross profit	56.9	41.7	210.6	97.7
Selling, general and administrative expenses	40.9	35.0	144.0	118.3
Amortization expense	0.9	0.8	3.3	2.8
Restructuring and asset impairment charges, net	9.3	12.5	14.3	13.4
Operating income / (loss)	5.9	(6.6)	49.1	(36.9)
Interest expense	18.4	16.7	66.9	57.9
Interest income	0.1	0.3	1.0	1.0
Other (income) / loss, net	1.3	-	1.3	(33.7)
Loss before provision for income taxes	(13.8)	(23.0)	(18.2)	(60.1)
Provision / (benefit) for income taxes	5.7	(6.4)	10.3	(1.1)
Net loss	(19.4)	(16.6)	(28.5)	(59.0)
Less: Net income attributable to the noncontrolling interests	1.9	2.4	8.4	8.9
Net loss attributable to Tower International, Inc.	$ (21.3)	$ (19.0)	$ (36.9)	$ (67.9)
Less: Preferred unit dividends	$ -	$ (4.2)	$ (10.7)	$ (16.1)
Loss available to common shareholders	$ (21.3)	$ (23.2)	$ (47.6)	$ (84.0)

Balance Sheet

(in $ millions)

	Dec. 31 2010	Dec. 31 2009
ASSETS		
Cash and cash equivalents	$ 150.3	$ 149.8
Accounts receivable, net of allowance of $1.7 and $2.4	297.1	290.1
Inventories	73.2	62.6
Deferred tax asset - current	12.4	4.8
Assets held for sale	8.2	6.0
Prepaid tooling and other	57.8	60.1
Total current assets	599.0	573.4
Property, plant and equipment, net	627.5	640.1
Goodwill	66.3	70.6
Deferred tax asset - non-current	17.4	15.0
Other assets, net	30.0	35.3
Total assets	$1,340.2	$1,334.4
LIABILITIES AND EQUITY / (DEFICIT)		
Current maturities of long-term debt and capital lease obligations	$ 109.8	$ 137.5
Current maturities of long-term debt with affiliate	-	4.1
Accounts payable	366.8	333.8
Accrued liabilities	132.6	127.8
Total current liabilities	609.2	603.2
Long-term debt, net of current maturities	432.7	112.6
Long-term debt with affiliate, net of current maturities	-	399.8
Obligations under capital leases, net of current maturities	15.6	15.5
Deferred tax liability - non-current	12.7	13.9
Pension liability	76.4	78.7
Other non-current liabilities	81.9	86.9
Total non-current liabilities	619.3	707.4
Total liabilities	1,228.6	1,310.7
Redeemable preferred units	-	170.9
Equity / (deficit):		
Tower International, Inc.'s equity / (deficit)		
Common units	-	12.6
Common stock, $0.01 par value, 350,000,000 authorized, 19,101,588 issued and outstanding	0.2	-
Additional paid in capital	296.3	-
Accumulated deficit	(192.6)	(145.0)
Accumulated other comprehensive loss	(36.5)	(54.4)
Total Tower International, Inc.'s equity / (deficit)	67.4	(186.7)
Noncontrolling interests in subsidiaries	44.3	39.6
Total equity / (deficit)	111.6	(147.2)
Total liabilities and equity / (deficit)	$1,340.2	$1,334.4

Consolidated Statement of Cash Flows

(in $ millions)

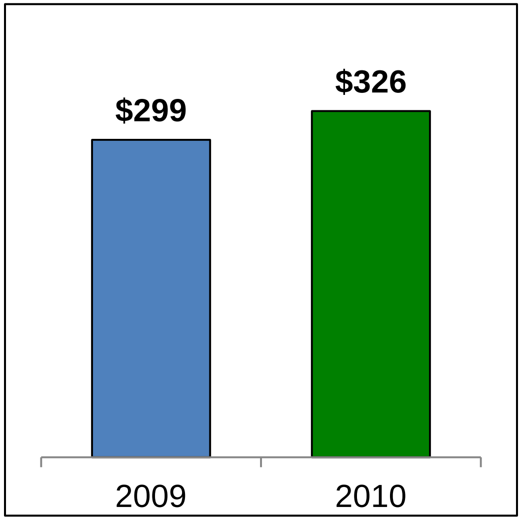
	Three Months Ended Dec. 31,		Year Ended Dec. 31,	
	2010	2009	2010	2009
Cash flows - operating activities				
Net loss	$ (19.4)	$ (16.6)	$ (28.5)	$ (59.0)
Non-cash restructuring and asset impairment charges	10.0	1.8	10.0	1.8
Deferred income tax provision	(4.8)	(13.1)	(13.9)	(13.1)
Depreciation and amortization	28.4	31.9	114.7	147.7
Gain from debt repurchase/letter of credit reduction	-	-	-	(33.7)
Non-cash share-based compensation	3.0	-	3.0	-
Pension expense, net of contributions	(1.2)	(0.5)	(5.6)	(2.1)
Change in working capital and other operating items	72.9	48.1	40.6	7.2
Net cash provided by operating activities	89.0	51.6	120.4	48.9
Cash flows - investing activities				
Cash disbursed for purchases of property, plant and equipment, net	(44.6)	(25.4)	(100.5)	(86.0)
Net assets acquired, net of cash acquired	-	-	(16.7)	-
Net cash used in investing activities	(44.6)	(25.4)	(117.2)	(86.0)
Cash flows - financing activities				
Proceeds from letter of credit reduction	-	-	-	13.3
Repayments of term debt	-	(1.2)	(3.5)	(16.4)
Retirement of first lien term loan	-	-	(414.2)	-
Preferred unit dividends	-	-	(0.1)	(0.4)
Noncontrolling interest dividends	-	-	(5.3)	(4.9)
Issuance of senior secured notes	-	-	417.2	-
Partial redemption of senior secured notes	(26.0)	-	(26.0)	-
Proceeds from borrowings	30.0	99.4	418.2	436.2
Repayments of borrowings	(89.9)	(89.1)	(452.3)	(375.5)
Financing costs	(0.5)	-	(8.4)	(1.5)
Net proceeds from initial public offering	76.6	-	74.0	-
Net cash provided by (used in) financing activities	(9.9)	9.1	(0.2)	50.8
Net change in cash and cash equivalents	34.5	35.3	3.0	13.7
Cash and cash equivalents - beginning of period	115.0	112.0	149.8	126.8
Effect of exchange rate changes on cash and cash equivalents	0.9	2.5	(2.4)	9.3
Cash and cash equivalents - end of period	$ 150.3	$ 149.8	$ 150.3	$ 149.8

International Segment - - 2010 vs. 2009

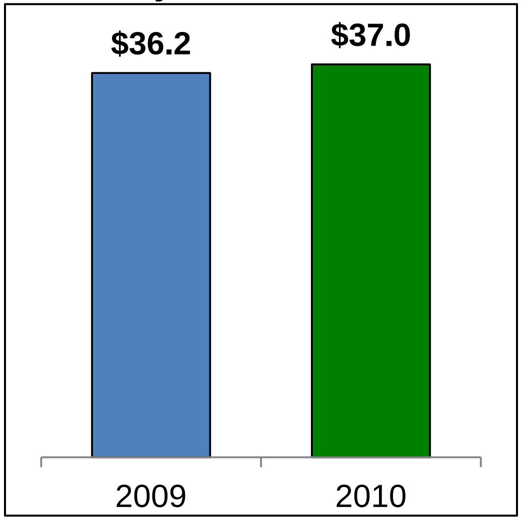
(in $ millions)

Fourth Quarter

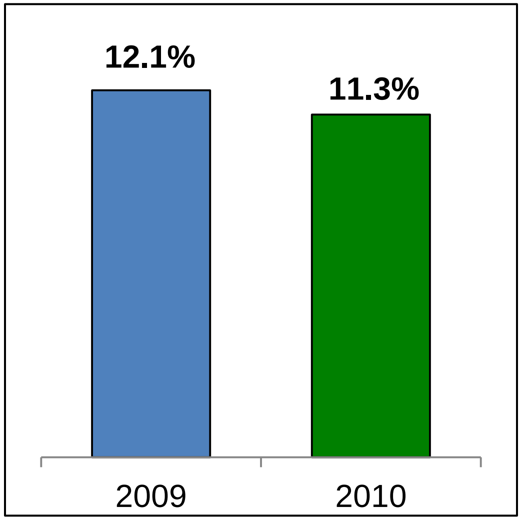
Revenue



Adjusted EBITDA

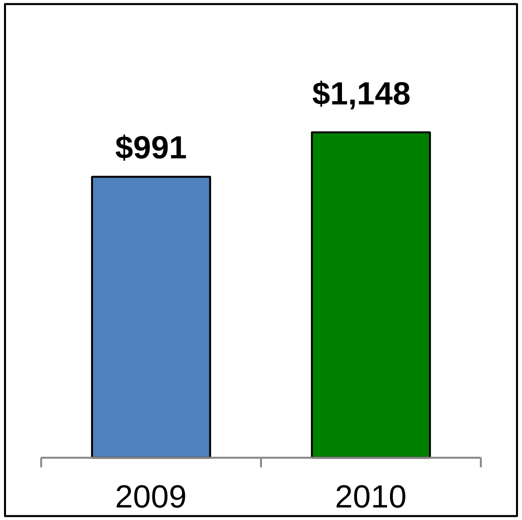


Adjusted EBITDA Margin

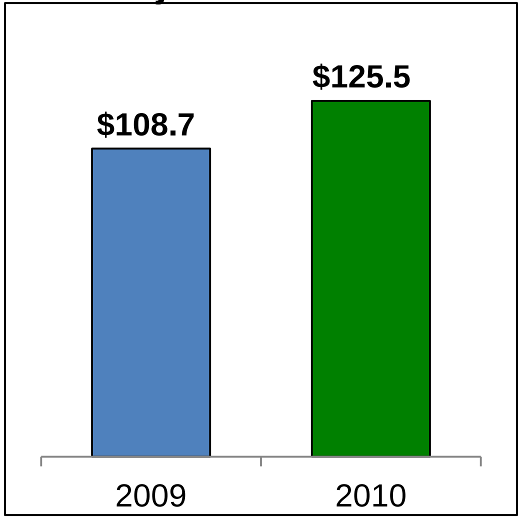


Full Year

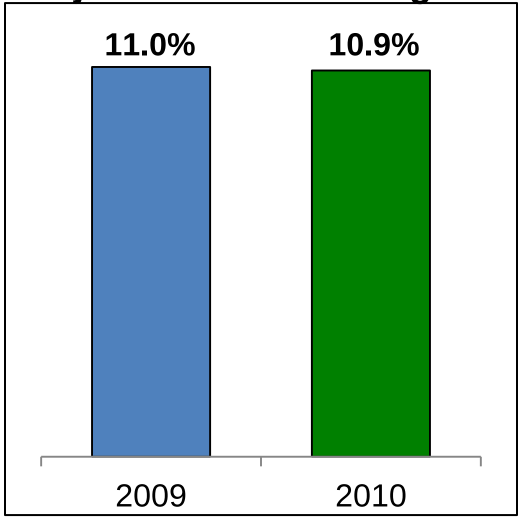
Revenue



Adjusted EBITDA



Adjusted EBITDA Margin



See slide 28 for comments regarding non-GAAP financial measures.

International
Q4 2010 Adjusted EBITDA Compared With 2009

(in $ millions)

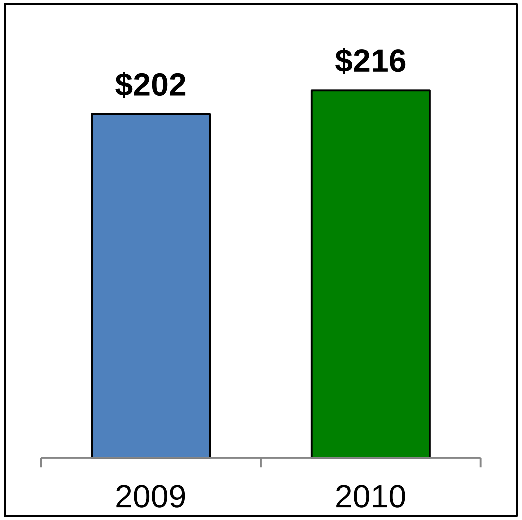
See Slide 28 for comments regarding non-GAAP financial measures.

Americas Segment - - 2010 vs. 2009

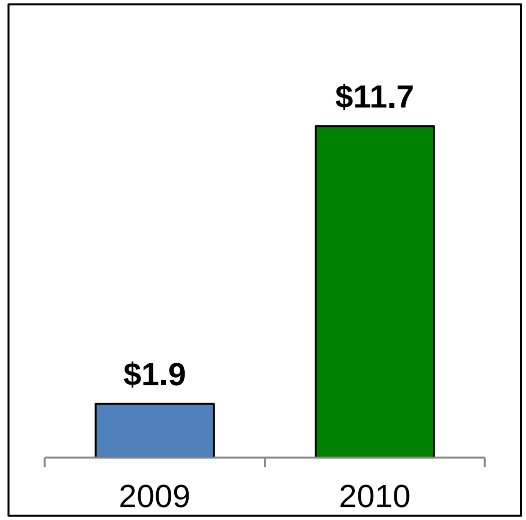
(in $ millions)

Fourth Quarter

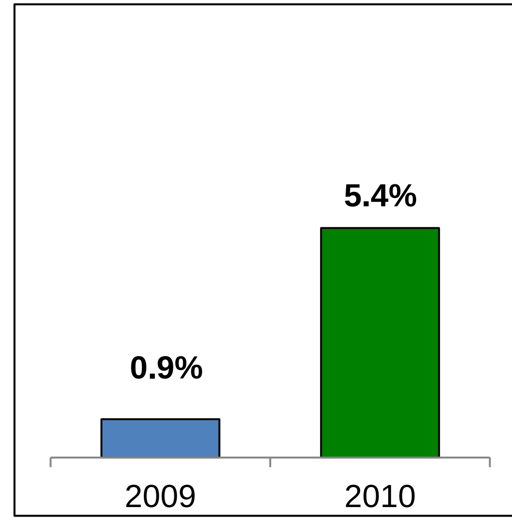
Revenue



Adjusted EBITDA

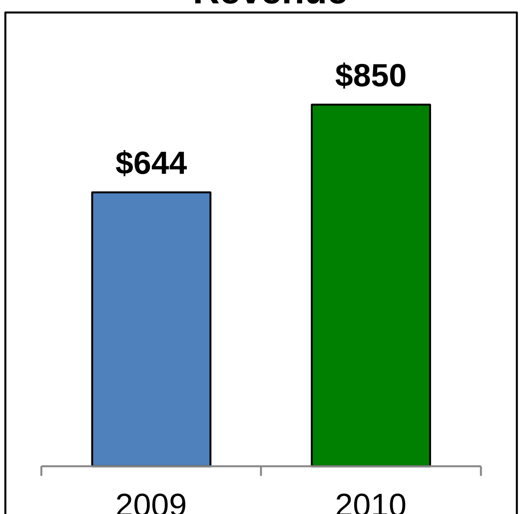


Adjusted EBITDA Margin

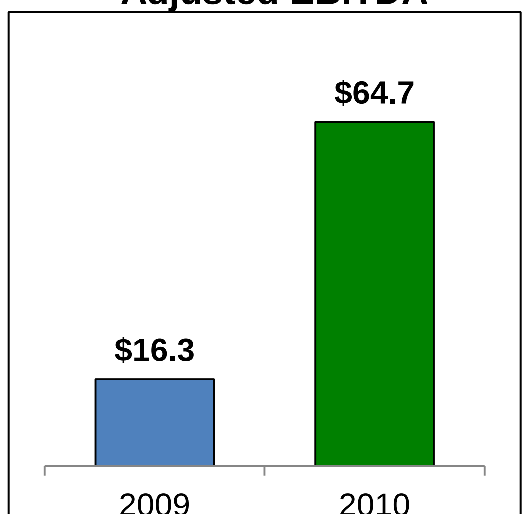


Full Year

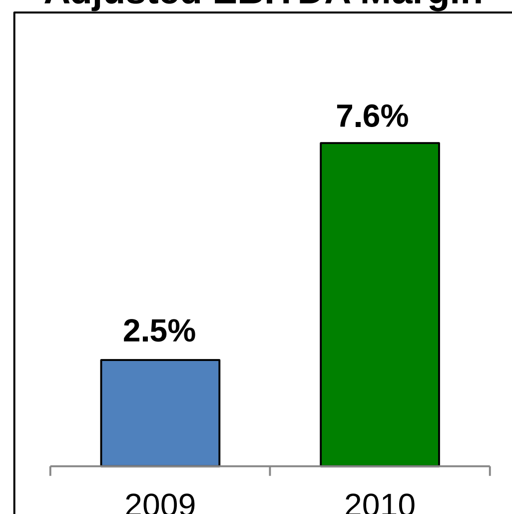
Revenue



Adjusted EBITDA



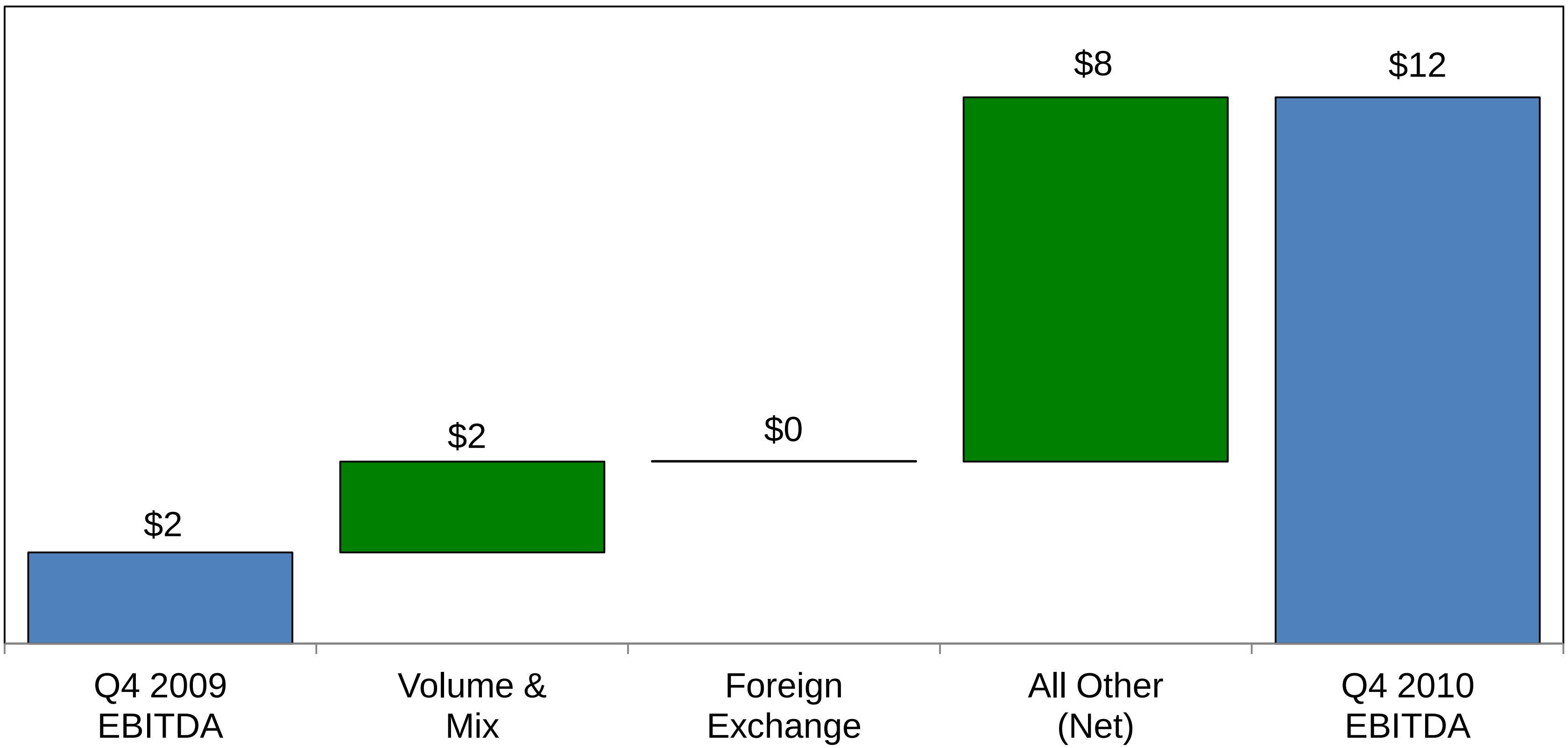
Adjusted EBITDA Margin



See slide 28 for comments regarding non-GAAP financial measures.

Americas
Q4 2010 Adjusted EBITDA Compared With 2009

(in $ millions)



See Slide 28 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 cash provided by 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; and (ii) 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)

	2009				2010			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Adjusted EBITDA	**$ 10.4**	**$ 30.6**	**$ 45.9**	**$ 38.1**	**$ 50.7**	**$ 51.7**	**$ 39.1**	**$ 48.7**
Restructuring	-	1.1	(2.1)	(12.4)	(4.1)	(0.6)	(0.3)	(9.3)
Depreciation & Amortization	(40.1)	(39.4)	(36.4)	(31.8)	(30.3)	(28.4)	(27.5)	(28.5)
Receivable Factoring Charges	-	(0.2)	(0.2)	(0.4)	-	(0.2)	(0.1)	(0.1)
Acquisition costs	-	-	-	-	(0.7)	-	-	-
Incentive compensation related to funding events	-	-	-	-	(0.2)	(0.3)	(5.6)	(5.0)
Other adjustments	-	32.5	1.2	-	-	-	-	(1.3)
Interest expense, net	(13.5)	(13.7)	(13.3)	(16.4)	(13.6)	(13.7)	(20.3)	(18.3)
(Provision)/benefit for income taxes	1.5	(4.3)	(2.5)	6.4	(4.1)	(4.3)	3.7	(5.6)
Noncontrolling interest, net of tax	(1.3)	(2.6)	(2.5)	(2.5)	(2.2)	(2.3)	(2.0)	(1.9)
Net income/(loss) attributable to Tower International, Inc.	**$ (43.0)**	**$ 4.0**	**$ (9.9)**	**$ (19.0)**	**$ (4.5)**	**$ 1.9**	**$ (13.0)**	**$ (21.3)**

Free Cash Flow Reconciliation to GAAP

(in $ millions)

	Full Year 2009	Fourth Quarter 2010	Full Year 2010
Net cash provided by operating activities*	$ 48.9	$ 89.0	$ 120.4
Cash disbursed for purchases of PP&E, net*	(86.0)	(44.6)	(100.5)
Free cash flow	$ (37.1)	$ 44.4	$ 19.9

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*From GAAP Consolidated Statement of Cash Flows

Certain Items Included in Net Income / (Loss)

(in $ millions)

	Three Months Ended Dec. 31, 2010	Three Months Ended Dec. 31, 2009	Year Ended Dec. 31, 2010	Year Ended Dec. 31, 2009
Income / (expense) items included in net loss, net of tax:				
Selling, general and administrative expenses				
Incentive compensation related to funding events	$ (4.8)	$ -	$ (10.9)	$ -
Acquisition costs	-	-	(0.7)	-
Interest expense				
Acceleration of the amortization of debt issue costs and OID	(1.2)	-	(6.5)	(0.5)
Restructuring expense				
Closure of press shop in Bergisch Gladbach, Germany	-	(6.9)	-	(6.9)
Restructuring income pursuant to recoveries for the cancellation of an old customer program	-	-	-	6.9
Asset impairments - primarily SES	(7.3)	(1.8)	(9.1)	(1.8)
Sale of closed facilities	(2.3)	-	(1.7)	-
Other income				
Debt repurchase / letter of credit reduction	(1.3)	-	(1.3)	33.7
Provision for income taxes				
Reversal of South Korean valuation allowance	-	-	7.8	-
Tax effect of gains/losses on pension and interest rate swaps	-	4.9	(2.0)	4.9
Total items included in net loss	$ (16.9)	$ (3.8)	$ (24.4)	$ 36.3
Net loss attributable to Tower International, Inc.	$ (21.3)	$ (19.0)	$ (36.9)	$ (67.9)
Less: Preferred unit dividends	-	(4.2)	(10.7)	(16.1)
Loss available to common shareholders	$ (21.3)	$ (23.2)	$ (47.6)	$ (84.0)
Memo: Average shares outstanding (Mils.)	18.0	12.5	13.9	12.5
Loss per share*	$ (1.18)	$ (1.86)	$ (3.43)	$ (6.74)

* Calculated using "Loss available to common shareholders" and includes the certain items included above.