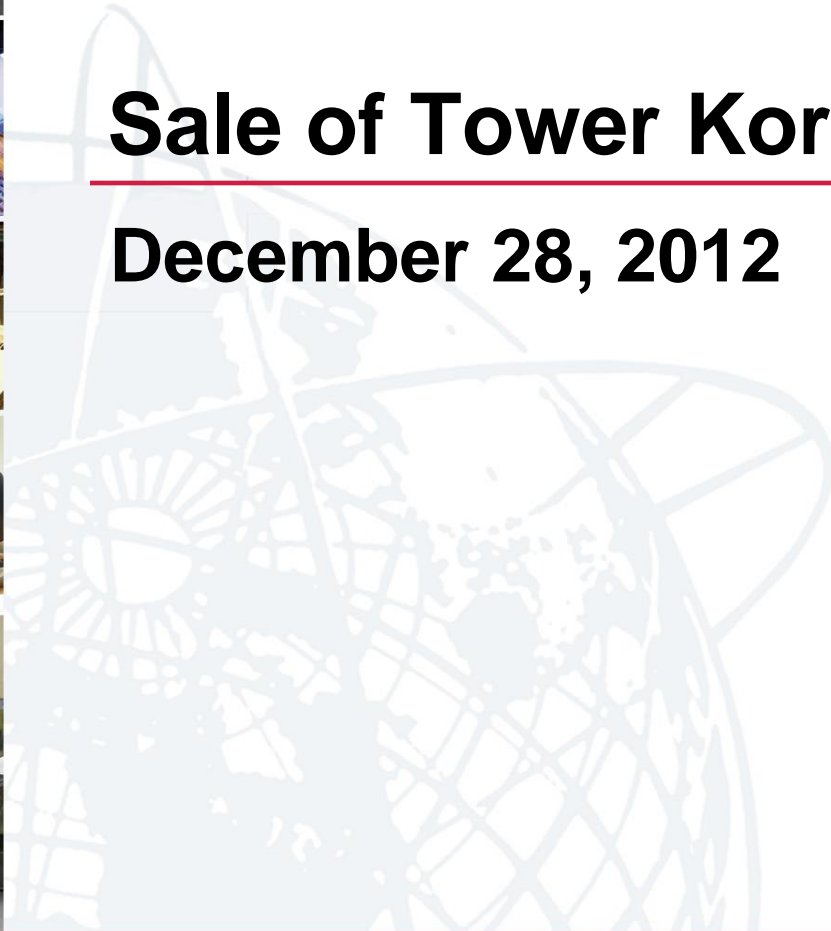




Sale of Tower Korea

December 28, 2012



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 near-term and longer-term prospects, outlook for revenue, Adjusted EBITDA, cash flow, net debt, and value accretion. The forward-looking statements can be identified by words such as “anticipate,” “believe,” “potential,” “plan,” “estimate,” “expect,” “intend,” “project,” “target,” and other similar expressions. 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. The following important factors, as well as risk factors described in our reports filed with the SEC, could cause our actual results to differ materially from estimates or expectations reflected in such forward-looking statements:

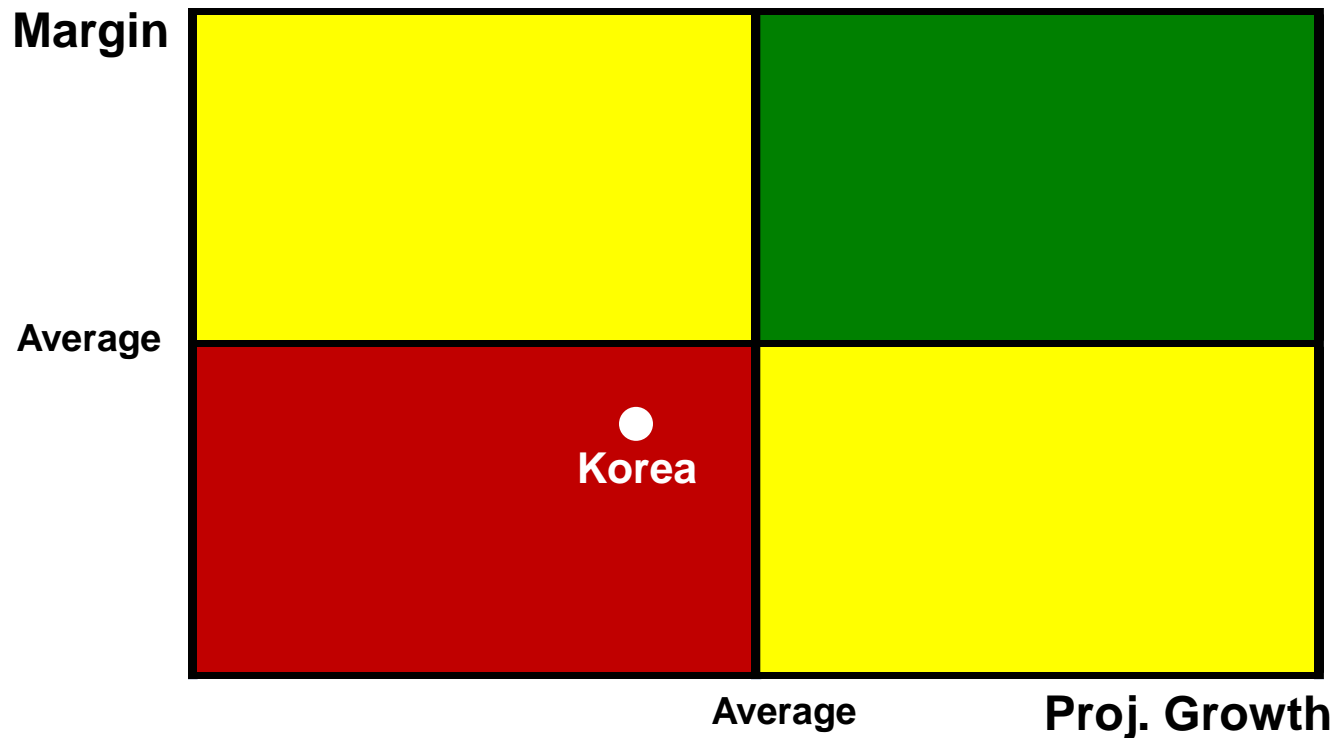
- automobile production volumes;
- the financial condition of our customers and suppliers;
- our ability to make scheduled payments on our indebtedness and comply with the covenants and restrictions contained in the instruments governing our indebtedness;
- our ability to refinance our indebtedness;
- our ability to generate non-automotive revenues;
- risks associated with our non-U.S. operations, including foreign exchange risks and economic uncertainty in some regions;
- any increase in the expense and funding requirements of our pension and other postretirement benefits;
- our customers’ ability to obtain equity and debt financing for their businesses;
- our dependence on our largest customers;
- pricing pressure from our customers;
- work stoppages or other labor issues affecting us or our customers or suppliers; and
- costs or liabilities relating to environmental and safety regulations

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

Transaction Description

- On December 28 in Seoul, Tower sold 100% of the stock in our wholly-owned Korean subsidiary to SECO, a privately owned Korean auto parts supplier.
- Tower Korea included 5 manufacturing plants, a tooling plant, and a headquarters/technical center - - all located in Korea. 100% of its parts sales were to Hyundai-Kia.
- The business rationale for this transaction and select key financial details are provided on the following slides.

Tower Korea Margin / Growth Profile



Tower Korea's Adjusted EBITDA margin and projected growth rate were below the average projections for our overall business.

Transaction Multiple of 5.8X

(\$ millions at KRW 1075/\$)

Cash To Be Received From Buyer	\$ 47*
Average Tower Korea LTM Month-End Net Debt**	<u>98</u>
Enterprise Value (EV)	\$ 145
Tower Korea Projected 2012 EBITDA	\$ 25
Transaction Multiple	5.8X
Memo: Present Est. TOWR 2012 EV Multiple	≈ 3.4X

 * To be paid in following installments: 50% at closing, 40% Jan. 2013, 10% Dec. 2013

** For last 12 months through November 2012

The transaction multiple of 5.8 times Tower Korea's 2012 Adjusted EBITDA is well above the present multiple for Tower's stock, providing immediate value accretion.
 – It also demonstrates significant underlying value potential in Tower's stock. As a reminder, each 0.1X EV multiple represents about \$1 per share for TOWR stock.

Average Net Debt Reduced by \$128M or 0.3X

(\$ in millions)

	<u>With Korea</u>	<u>Pro Forma Ex-Korea</u>	<u>Pro Forma Increase/ (Decrease)</u>
<u>Average Last 4 Quarter Ends*</u>			
Gross Debt	\$ 619	\$ 506	\$ (113)
Cash	<u>128</u>	<u>143</u>	<u>15</u>
Net Debt	\$ 491	\$ 363	\$ (128)
<u>Average Debt-to-LTM Adj. EBITDA*</u>			
Gross Debt	2.8X	2.6X	(0.2)X
Net Debt	2.2X	1.9X	(0.3)X
Memo: LTM Adjusted EBITDA*	\$ 220	\$ 193	\$ (27)

* Through Sept. 30, 2012

This transaction also provides significant balance sheet de-risking for Tower, reducing average net debt by 26%.

Liquidity Unchanged Despite Smaller Company Size

(in \$ millions)

Est. U.S. Cash Received

From Buyer	\$ 47
Transaction Expenses	<u>(6)</u>
Net U.S. Cash Received	\$ 41

Korea Average Last 4 Quarter-Ends

Cash	\$ 26
Available Credit Line	<u>17</u>
Korea Average Liquidity	\$ 43

Pro Forma Change in Liquidity

Cash	\$ 15
Foreign Credit Line	<u>(17)</u>
Est. Net Change in Liquidity	<u><u>\$ (2)</u></u>

U.S. cash increases by about \$41 million, offset by elimination of Korean cash and credit line, further strengthening Tower's financial condition.

Pro Forma Revenue, Earnings, Free Cash Flow & 2012 Guidance

(in \$ millions, except per-share amounts)

	2010	2011	2012 Guidance	Q4	
				2011	2012
<u>Tower Including Korea</u>					
Revenue	\$ 1,997	\$ 2,406	\$ 2,425		
Adjusted EBITDA	190.2	227.6	215		
Adjusted EBITDA Margin	9.5%	9.5%	8.9%		
Adjusted Earnings Per Share	\$ (1.67)	\$ 1.23	\$ 0.95		
Free Cash Flow	20	(20)	(25)-(35)		
Capex	101	120	150		
<u>Tower Korea</u>					
Revenue	\$ 276	\$ 352	\$ 345		
Adjusted EBITDA	28.0	28.3	25		
Adjusted EBITDA Margin	10.1%	8.0%	7.3%		
Adjusted Earnings Per Share	\$ 0.58	\$ 0.35	\$ 0.13		
Free Cash Flow	18	(6)	(5)		
Capex	16	19	25		
<u>Est. Pro Forma Tower Ex-Korea</u>					
Revenue	\$ 1,721	\$ 2,054	\$ 2,080	\$ 517	\$ 503
Adjusted EBITDA	162.2	199.3	190	46	42
Adjusted EBITDA Margin	9.4%	9.7%	9.1%	8.9%	8.3%
Adjusted Earnings Per Share	\$ (2.25)	\$ 0.88	\$ 0.82	\$ 0.29	\$ (0.12)
Free Cash Flow	2	(14)	(20)-(30)	34	11-21
Capex	85	101	125		

Ex-Korea, Tower's Adjusted EBITDA margin and free cash flow are improved for 2011 actual and 2012 guidance.

- Tower Korea's capex % of revenue was typically higher than the rest of Tower, as H/K required suppliers to fund tooling.

Potential Value of \$2+ Per Share

[This is Tower's view, not a prediction or guarantee.]

<u>Transaction Premium</u>	
EV/EBITDA Multiple for Korea Sale	5.8X
EV/EBITDA Multiple for TOWR Stock	3.4X
Multiple Premium Realized	2.4X
Times: Korea Adjusted EBITDA Sold	\$ 25M
Equals: Multiple Premium Value	\$ 60M
Less: Transaction Expenses	\$ (6)M
Equals: Transaction Premium Value	
- In Millions	\$ 54M
- Per TOWR Share	≈ \$ 2.60

<u>Change in Net Debt vs. FCF</u>	
Reduction in Net Debt	
- In Millions	\$ 128
- Per TOWR Share	≈ \$ 6.25
Change in Company's	
2012-13 Free Cash Flow	≈ \$0

In addition to the direct premium realized in the sale of Tower Korea, we believe the higher transaction multiple and the resulting reduced leverage warrant an upward multiple revision for the remainder of TOWR.

- Net debt is reduced by about \$6 a share, with no change in the Company's free cash flow outlook for 2012-13.**

Summary of Transaction Benefits

- ✓ Immediate potentially significant value
- ✓ Plus a stronger company going forward:
 - Reduced leverage/de-risked balance sheet
 - Improved liquidity relative to global revenue
 - Ongoing margin and growth rate prospects slightly improved
- ✓ Good for colleagues and customers

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 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 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; and (ii) certain of our non-GAAP financial measures exclude financial information that some may consider important in evaluating our performance. Given the inherent uncertainty regarding special items and other expense in any future period, a reconciliation of forward-looking financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP is not feasible. The magnitude of these items, however, may be significant.

Estimated After-Tax Gain of About \$31 Million

(\$ millions at KRW 1075/\$)

Cash To Be Received From Buyer	\$ 47
Transaction Expenses	<u>(6)</u>
Net Cash Received	\$ 41
Tower Korea Stockholder's Equity	<u>(10)</u>
Pre-Tax Gain	\$ 31
Est. Tax on Gain	0
Est. After-Tax Gain	\$ 31
Memo: Est. Earnings Per Share	≈\$ 1.50

This is a tax-efficient transaction, with an estimated after-tax gain of approximately \$1.50 per share.

Non-GAAP Reconciliation as Reported

(In \$ millions)

Adjusted EBITDA reconciliation	Three Months Ended		
	December 31,	Year Ended December 31,	
	2011	2011	2010
Adjusted EBITDA	\$ 57.4	\$ 227.6	\$ 190.2
Restructuring	(0.5)	(2.6)	(14.3)
Depreciation and amortization	(25.0)	(114.6)	(114.7)
Acquisition costs and other	(0.1)	(1.5)	(1.1)
Expense related to the compensation programs	(4.5)	(18.4)	(11.1)
Interest expense, net	(16.3)	(61.2)	(65.9)
Other expense	(0.1)	(1.3)	(1.3)
Provision for income taxes	(3.1)	(14.8)	(10.3)
Net income attributable to noncontrolling interests	(1.1)	(5.1)	(8.4)
Net income / (loss) attributable to Tower International, Inc.	<u>\$ 6.7</u>	<u>\$ 8.1</u>	<u>\$ (36.9)</u>

Free cash flow reconciliation	Three Months Ended		
	December 31,	Year Ended December 31,	
	2011	2011	2010
Net cash provided by operating activities	\$ 99.5	\$ 100.5	\$ 120.4
Cash disbursed for purchases of PP&E, net	(37.5)	(120.4)	(100.5)
Free cash flow	<u>\$ 62.0</u>	<u>\$ (19.9)</u>	<u>\$ 19.9</u>

Non-GAAP Reconciliation as Reported

(in \$ millions, except per-share amounts)

	Three Months Ended		
	December 31, 2011	Year Ended December 31, 2011	Year Ended December 31, 2010
Income / (expense) items included in net income / (loss), net of tax:			
<i>Selling, general and administrative expenses</i>			
Incentive compensation related to funding events	\$ (4.4)	\$ (17.5)	\$ (10.9)
Acquisition costs	-	(1.1)	(0.7)
<i>Interest expense</i>			
Acceleration of the amortization of debt issue costs and OID	(0.3)	(1.8)	(6.6)
Settlement of value added tax audit in Brazil	-	2.8	-
<i>Restructuring expense</i>			
Asset impairments	-	-	(9.1)
Adjustment of lease liability	-	0.8	-
Sale of closed facilities	-	-	(1.7)
<i>Other items</i>			
Partial retirement of senior secured notes	(0.1)	(1.3)	(1.3)
<i>Provision for income taxes</i>			
Reversal of South Korean valuation allowance	-	-	7.8
Tax effect for termination of interest rate swaps	-	-	(2.0)
Tax law and tax election changes	-	1.4	-
Total items included in net income / (loss)	<u>\$ (4.8)</u>	<u>\$ (16.7)</u>	<u>\$ (24.5)</u>
Net income / (loss) attributable to Tower International, Inc.	\$ 6.7	\$ 8.1	\$ (36.9)
Less: Preferred unit dividends	-	-	(10.7)
Income / (loss) available to common shareholders	<u>\$ 6.7</u>	<u>\$ 8.1</u>	<u>\$ (47.6)</u>
Memo: Average shares outstanding (in thousands)			
Basic	19.7	19.4	13.9
Diluted	20.2	20.1	13.9
Income / (loss) per common share (GAAP)			
Basic	\$ 0.34	\$ 0.42	\$ (3.43)
Diluted	0.33	0.40	(3.43)
Diluted adjusted income / (loss) per share (non-GAAP)*	0.57	1.23	(1.67)

* Excludes the certain items shown above

Non-GAAP Reconciliation Tower Korea

(In \$ millions)

Adjusted EBITDA reconciliation	Three Months Ended December 31, 2011	Year Ended December 31,	
		2011	2010
Adjusted EBITDA	\$ 11.5	\$ 28.3	\$ 28.0
Restructuring	-	-	-
Depreciation and amortization	(2.9)	(12.0)	(9.0)
Acquisition costs and other	-	-	-
Expense related to the compensation programs	(0.1)	(0.2)	(0.1)
Interest expense, net	(1.8)	(7.6)	(7.3)
Other expense	-	-	-
Provision for income taxes	(1.0)	(1.5)	4.1
Net income attributable to noncontrolling interests	-	-	-
Net income / (loss) attributable to Tower International, Inc.	<u>\$ 5.7</u>	<u>\$ 7.0</u>	<u>\$ 15.7</u>

Free cash flow reconciliation	Three Months Ended December 31, 2011	Year Ended December 31,	
		2011	2010
Net cash provided by operating activities	\$ 33.5	\$ 13.6	\$ 33.8
Cash disbursed for purchases of PP&E, net	(6.0)	(19.6)	(15.5)
Free cash flow	<u>\$ 27.5</u>	<u>\$ (6.0)</u>	<u>\$ 18.3</u>

Non-GAAP Reconciliation Tower Korea

(in \$ millions, except per-share amounts)

	Three Months Ended December 31, 2011	Year Ended December 31, 2011	
		2011	2010
Income / (expense) items included in net income / (loss), net of tax:			
<i>Selling, general and administrative expenses</i>			
Incentive compensation related to funding events	\$ (0.1)	\$ (0.2)	\$ (0.1)
Acquisition costs	-	-	-
<i>Interest expense</i>			
Acceleration of the amortization of debt issue costs and OID	-	-	-
Settlement of value added tax audit in Brazil	-	-	-
<i>Restructuring expense</i>			
Asset impairments	-	-	-
Adjustment of lease liability	-	-	-
Sale of closed facilities	-	-	-
<i>Other items</i>			
Partial retirement of senior secured notes	-	-	-
<i>Provision for income taxes</i>			
Reversal of South Korean valuation allowance	-	-	7.8
Tax effect for termination of interest rate swaps	-	-	-
Tax law and tax election changes	-	-	-
Total items included in net income / (loss)	<u>\$ (0.1)</u>	<u>\$ (0.2)</u>	<u>\$ 7.7</u>
Net income / (loss) attributable to Tower International, Inc.	\$ 5.8	\$ 6.9	\$ 15.7
Less: Preferred unit dividends	-	-	-
Income / (loss) available to common shareholders	<u>\$ 5.8</u>	<u>\$ 6.9</u>	<u>\$ 15.7</u>
Memo: Average shares outstanding (in thousands)			
Basic	19.7	19.4	13.9
Diluted	20.2	20.1	13.9
Income / (loss) per common share (GAAP)			
Basic	\$ 0.29	\$ 0.36	\$ 1.13
Diluted	0.28	0.35	1.13
Diluted adjusted income / (loss) per share (non-GAAP)*	0.29	0.35	0.58

* Excludes the certain items shown above

Non-GAAP Reconciliation Excluding Tower Korea

(In \$ millions)

Adjusted EBITDA reconciliation	Three Months Ended	Year Ended December 31,	
	December 31, 2011	2011	2010
Adjusted EBITDA	\$ 45.9	\$ 199.3	\$ 162.2
Restructuring	(0.5)	(2.6)	(14.3)
Depreciation and amortization	(22.1)	(102.6)	(105.7)
Receivable factoring charges and other	(0.1)	(1.5)	(1.1)
Expense related to the compensation programs	(4.4)	(18.2)	(11.0)
Interest expense, net	(14.5)	(53.6)	(58.6)
Other expense	(0.1)	(1.3)	(1.3)
Provision for income taxes	(2.1)	(13.3)	(14.4)
Net income attributable to noncontrolling interests	(1.1)	(5.1)	(8.4)
Net income / (loss) attributable to Tower International, Inc.	<u>\$ 1.0</u>	<u>\$ 1.1</u>	<u>\$ (52.6)</u>

Free cash flow reconciliation	Three Months Ended	Year Ended December 31,	
	December 31, 2011	2011	2010
Net cash provided by operating activities	\$ 66.0	\$ 86.9	\$ 86.6
Cash disbursed for purchases of PP&E, net	(31.5)	(100.8)	(85.0)
Free cash flow	<u>\$ 34.5</u>	<u>\$ (13.9)</u>	<u>\$ 1.6</u>

Non-GAAP Reconciliation Excluding Tower Korea

(in \$ millions, except per-share amounts)

	Three Months Ended		
	December 31, 2011	Year Ended December 31, 2011	December 31, 2010
Income / (expense) items included in net income / (loss), net of tax:			
<i>Selling, general and administrative expenses</i>			
Incentive compensation related to funding events	\$ (4.3)	\$ (17.3)	\$ (10.8)
Acquisition costs	-	(1.1)	(0.7)
<i>Interest expense</i>			
Acceleration of the amortization of debt issue costs and OID	(0.3)	(1.8)	(6.6)
Settlement of value added tax audit in Brazil	-	2.8	-
<i>Restructuring expense</i>			
Asset impairments	-	-	(9.1)
Adjustment of lease liability	-	0.8	-
Sale of closed facilities	-	-	(1.7)
<i>Other items</i>			
Partial retirement of senior secured notes	(0.1)	(1.3)	(1.3)
<i>Provision for income taxes</i>			
Reversal of South Korean valuation allowance	-	-	-
Tax effect for termination of interest rate swaps	-	-	(2.0)
Tax law and tax election changes	-	1.4	-
Total items included in net income / (loss)	<u>\$ (4.7)</u>	<u>\$ (16.5)</u>	<u>\$ (32.2)</u>
Net income / (loss) attributable to Tower International, Inc.	\$ 0.9	\$ 1.2	\$ (52.6)
Less: Preferred unit dividends	-	-	(10.7)
Income / (loss) available to common shareholders	<u>\$ 0.9</u>	<u>\$ 1.2</u>	<u>\$ (63.3)</u>
Memo: Average shares outstanding (in thousands)			
Basic	19.7	19.4	13.9
Diluted	20.2	20.1	13.9
Income / (loss) per common share (GAAP)			
Basic	\$ 0.05	\$ 0.06	\$ (4.57)
Diluted	0.05	0.06	(4.57)
Diluted adjusted income / (loss) per share (non-GAAP)*	0.28	0.88	(2.25)

* Excludes the certain items shown above