



Fourth Quarter 2015 Results & Preliminary Outlook for 2016

February 11, 2016



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 and the outlook for revenue, Adjusted EBITDA, Adjusted EPS, and Adjusted Free Cash Flow. 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 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:

- global automobile production volumes;
- the financial condition of our customers and suppliers;
- our ability to make scheduled payments of principal or interest on our indebtedness and comply with the covenants and restrictions contained in the instruments governing our indebtedness;
- our ability to refinance our indebtedness;
- 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;
- our ability to integrate acquired businesses;
- risks associated with business divestitures including volatility in the capital markets, the capacity of potential bidders to finance transactions and the difficulty of predicting the outcome of negotiations; 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.

2015 in Review: Select Highlights

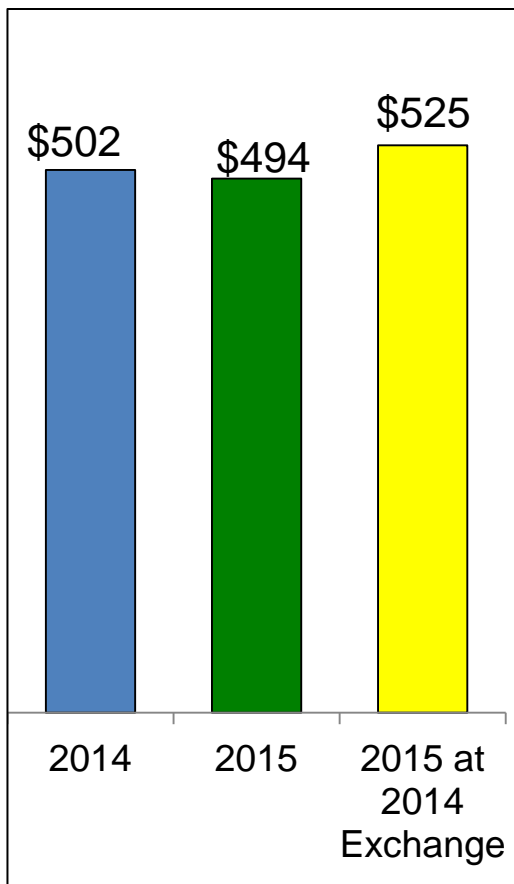
- Sold facility in Italy to rationalize capacity and increase Europe margin
- Re-priced Euro debt swaps – lowered interest rate AND collected \$32M
- Awarded major new business in North America (\$240M ongoing annual revenue with ongoing EBITDA margin of 15%)
- Completed accretive acquisition of Mexican supplier
- Initiated quarterly dividend
- Announced plans to investigate the sale of Tower Europe
- Sold two China JVs
- Sold one of our two operations in Brazil
- Ranked #1 on Forbes' 2015 list of "Most Trusted Companies"
- Extended streak to all 22 quarters since Tower's IPO that we met or beat the earnings consensus

Total Company

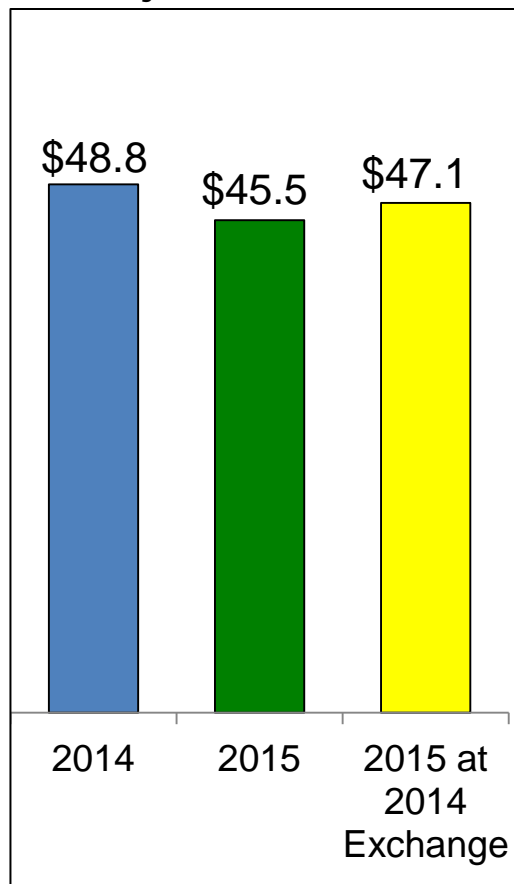
Fourth Quarter Financials - - 2015 vs. 2014

(in \$ millions, except EPS)

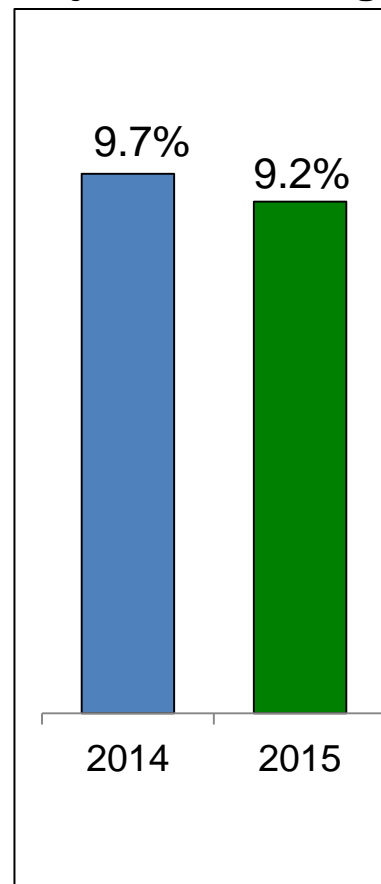
Revenue



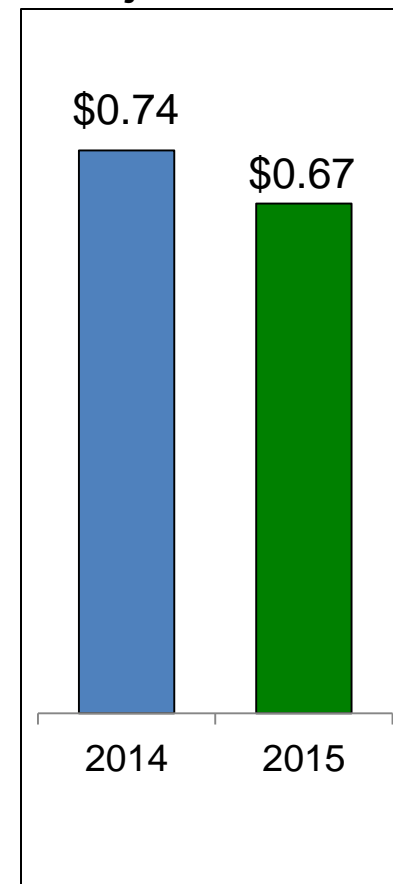
Adjusted EBITDA



Adj. EBITDA Margin



Adjusted EPS



Q4 Results Slightly Better Than Guidance

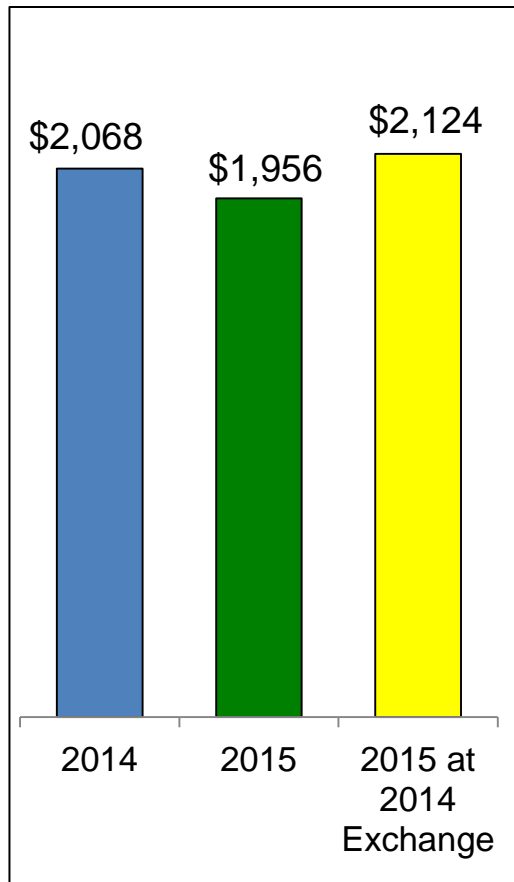
(in \$ millions, except EPS)

	<u>Actual</u>	<u>Better Than Guidance</u>
Revenue	\$ 494	\$ 6
Adjusted EBITDA	\$ 45.5	\$ 0.7
Adjusted EPS	\$ 0.67	\$ 0.07

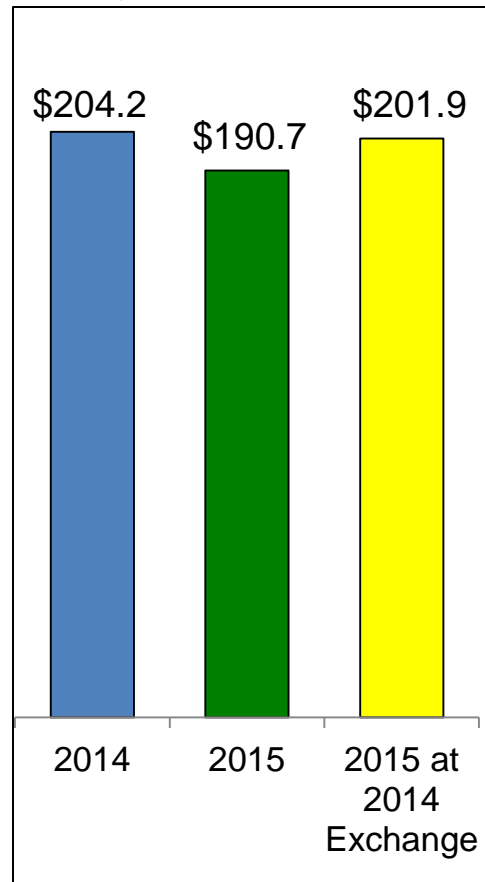
Total Company Full Year Financials - - 2015 vs. 2014

(in \$ millions, except EPS)

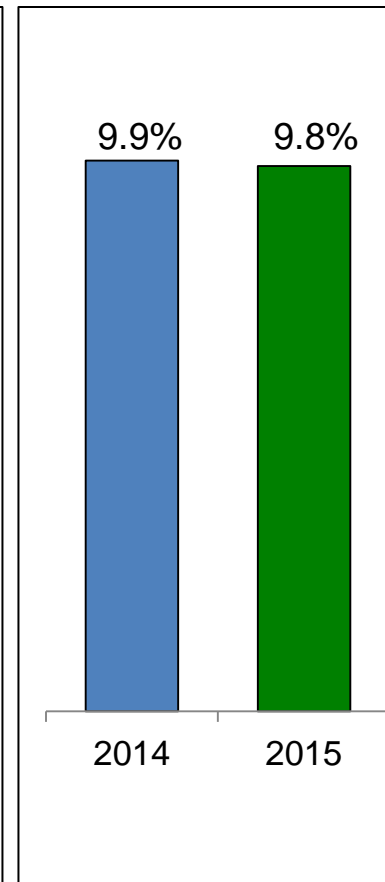
Revenue



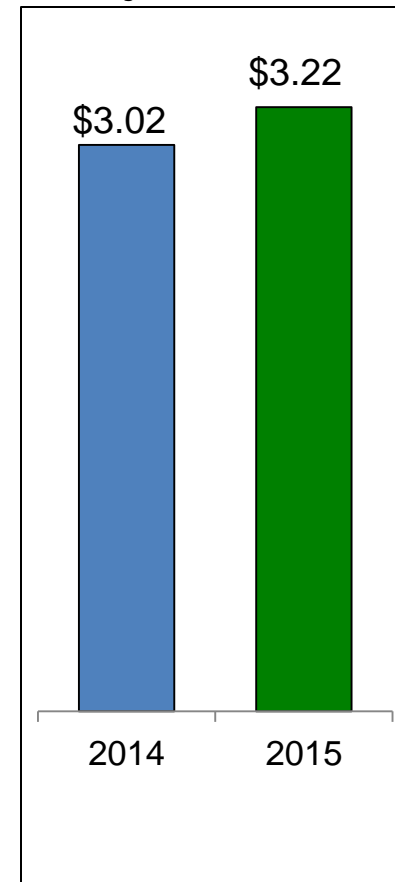
Adjusted EBITDA



Adj. EBITDA Margin

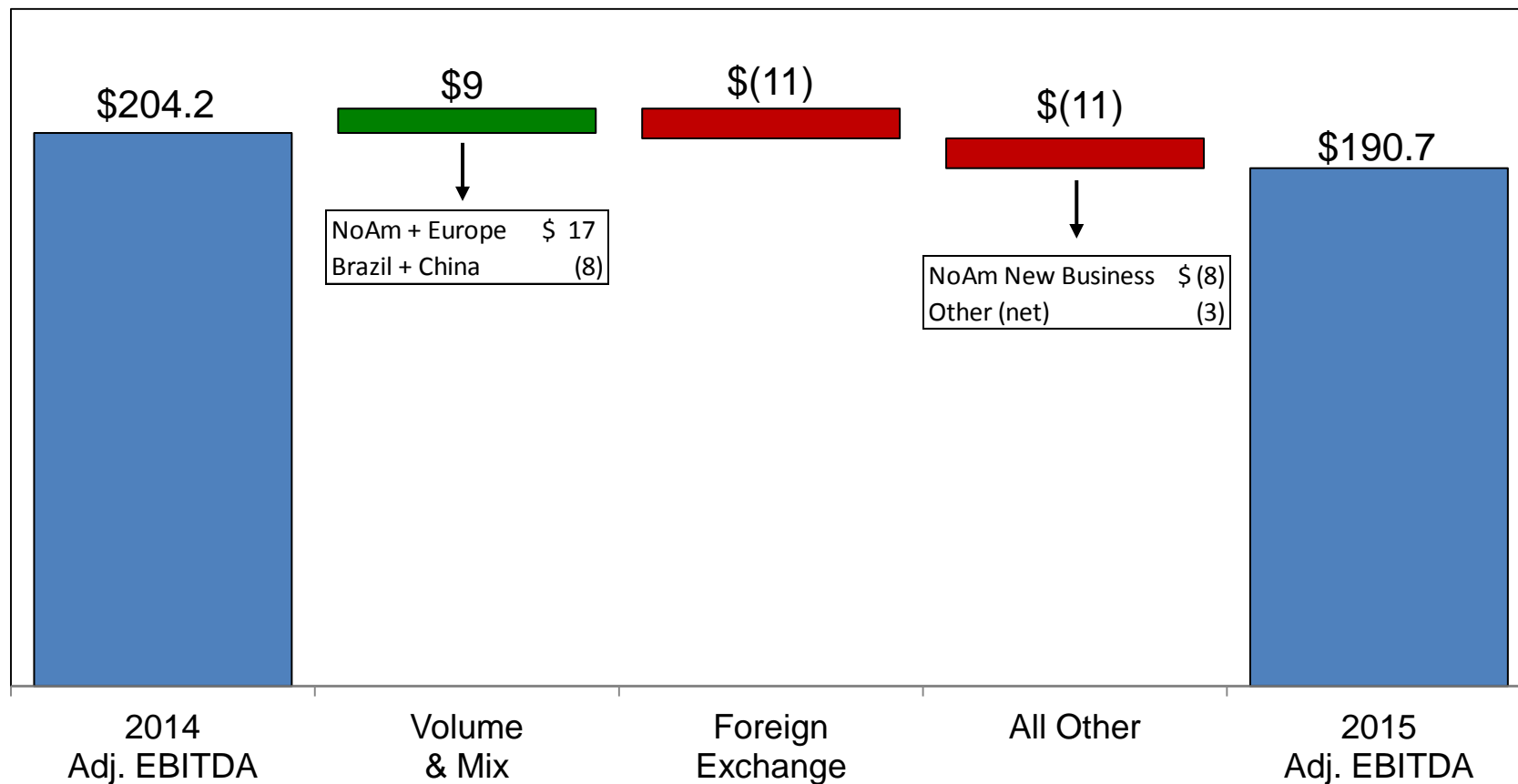


Adjusted EPS



Total Company 2015 Adjusted EBITDA Compared With 2014

(in \$ millions)



Full Year 2015 Adjusted Free Cash Flow

(in \$ millions)

	Full Year 2015	Better Than Guidance
Adjusted EBITDA	\$ 191	
Capital Expenditures		
Major New-Business Awards in No. America	\$ (44)	
Other	<u>(81)</u>	
Total Capital Expenditures	\$ (125)	
Cash Interest	(18)	
Pension Contributions	(10)	
Cash Taxes	(8)	
Working Capital & Other (ex-tooling)	<u>(19)</u>	
Adjusted Free Cash Flow	\$ 11	\$ 11
Customer Tooling	<u>(33)</u>	
Total Free Cash Flow	<u><u>\$ (22)</u></u>	

Year-End Net Debt, Leverage, & Interest Coverage

(in \$ millions)

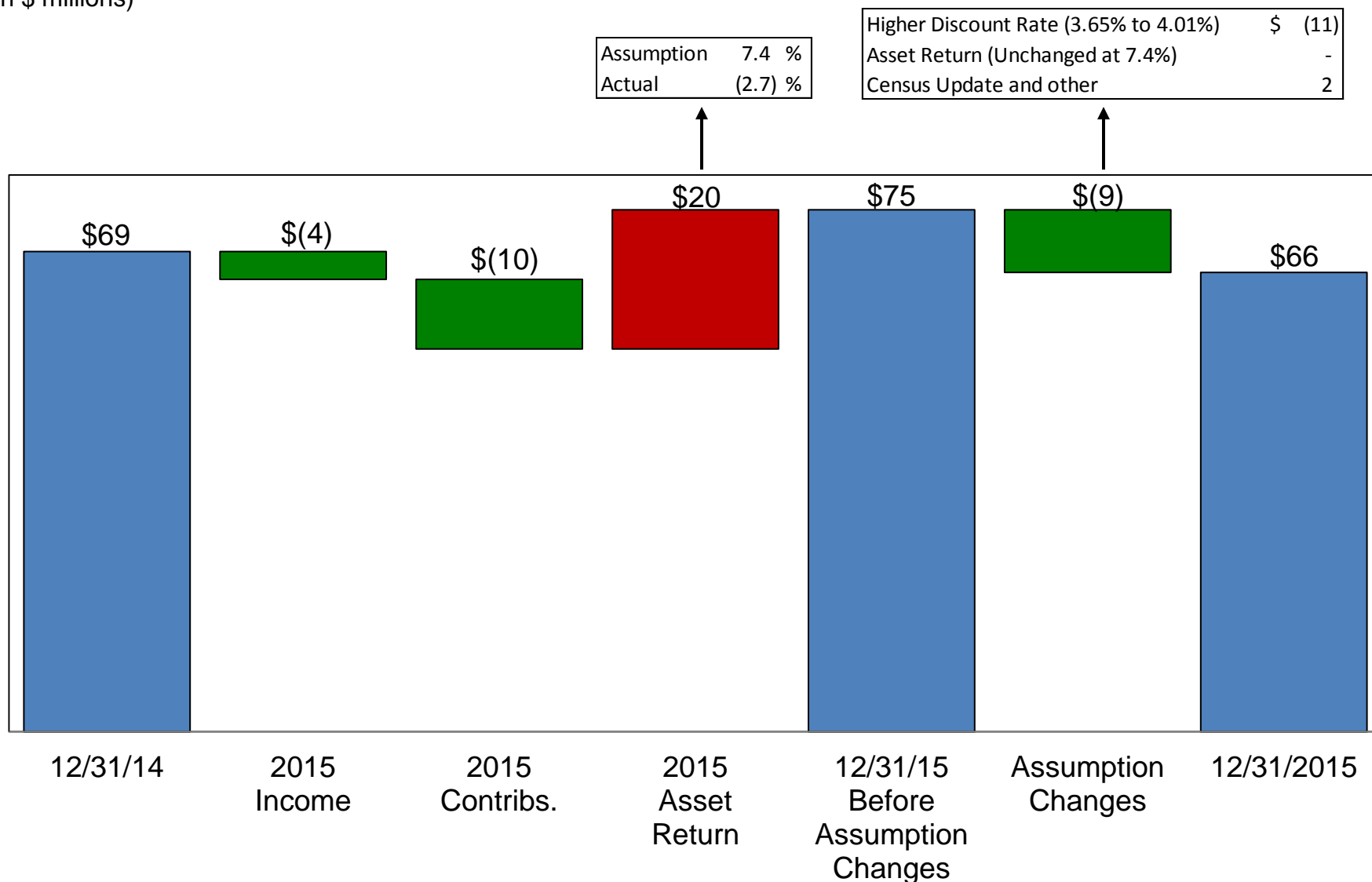
	B/(W) Than		
	<u>Dec. 31, 2015</u>	<u>Sept. 30, 2015</u>	<u>Dec. 31, 2014</u>
<u>Net Debt</u>			
Cash	\$ 143	\$ 45*	\$ 11*
Gross Debt	<u>(449)</u>	<u>7</u>	<u>35</u>
Net Debt	<u>\$ (306)</u>	\$ 52	<u>\$ 46</u>
<u>Debt-to-LTM Adj. EBITDA</u>			
Gross	2.4X	0X	0X
Net	1.6X	0.2X	0.1X
<u>Liquidity</u>	\$ 372	\$ 49	\$ 8

* Excludes cash attributable to discontinued operations

The Company reduced term debt by \$50 million in January

Year-End 2015 GAAP Pension Net Liability

(in \$ millions)



Major Improvements in Balance-Sheet Equity in Fourth Quarter

(in \$ millions)

	Tower Int'l Stockholders' <u>Equity</u>	Noncontrolling <u>Interests</u>
Dec. 31, 2015	\$ 198	\$ 9
Sept. 30, 2015	<u>67</u>	<u>56</u>
Improvement in Q4	<u>\$ 131</u>	<u>\$ 47</u>

Explanation of Improvement

Release U.S. tax reserve	\$ 124	\$ -
Sale of China JVs	15	47
All Other (net)	<u>(8)</u>	<u>-</u>
Total Improvement	<u>\$ 131</u>	<u>\$ 47</u>

2015 Capital Deployment

(in \$ millions)

2015 Net Capital In-Flows

Operating Cash Flow	\$ 144 *
Capital Expenditures	<u>(81)*</u>
Subtotal	\$ 63
Debt Swap Cash Gains	32
China JV Sales (after-tax)	58
Brazil Sale	9
Customer Tooling	<u>(33)**</u>
Capital In-Flows	<u>\$ 129</u>

* Excluding customer tooling and capex and up-front expenses related to major 2015 new-business awards.

** Nets to \$0 over time

2015 Capital Deployment

• Accretive Organic Growth (Major 2015 new-business awards)	\$ 52
• Accretive Acquisition (Mexico)	21
• Cash Dividends	2
• Reduce Net Debt	46
• Other (incl. Treasury Stock)	<u>8</u>
Capital Deployment	<u>\$ 129</u>

In 2015, we delivered operating cash flow and deployed capital consistent with our priorities to add shareholder value:

- **Accretive growth (both organic major new business and the acquisition in Mexico), plus**
- **Return to shareholders (initiating regular dividend), with the**
- **Remainder used to continue de-leveraging.**

2016 Planning Assumptions

Revenue

- Industry production approximates Jan. IHS forecast (see Appendix).
- **Euro at \$1.05**; Brazil real at 4.00/\$; China RMB at \$6.60/\$.
 - **Unfavorable currency translation reduces revenue by ≈\$55M vs. 2015.**
- Sale of Brazil operation (previously disclosed) reduces revenue by ≈\$30M vs. 2015.
- **Net new business wins of about \$125 million in North America.**
- Normal customer pricing.

Margin/EBITDA Calendarization

- **Margin will be negatively impacted by costs associated with new-business ramp-up**; this is expected to mainly impact the first two Quarters of 2016.
 - Factoring in all calendarization effects, **we anticipate Adjusted EBITDA will be lower than a year ago in the First Half and significantly better than a year ago in the Second Half.**

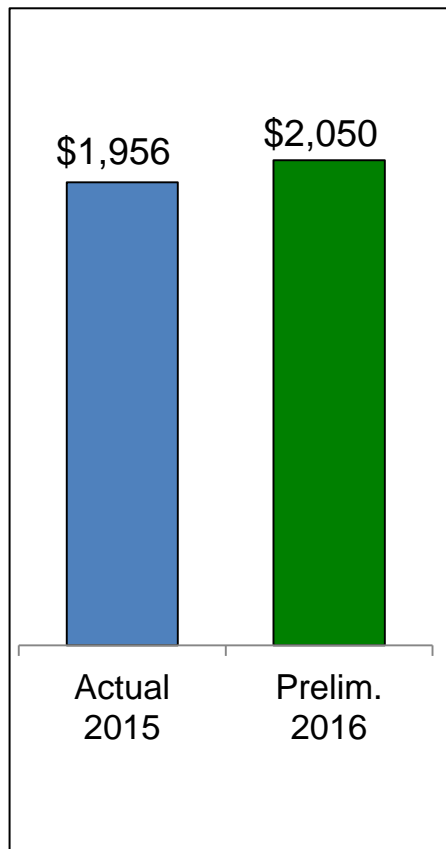
U.S. Income Tax Accrual

- As previously projected, we will begin accruing U.S. corporate tax in Q1 2016; **U.S. effective bookkeeping tax rate projected at 35%.**
 - We presently **do not expect to pay cash taxes in the U.S. until 2019.**

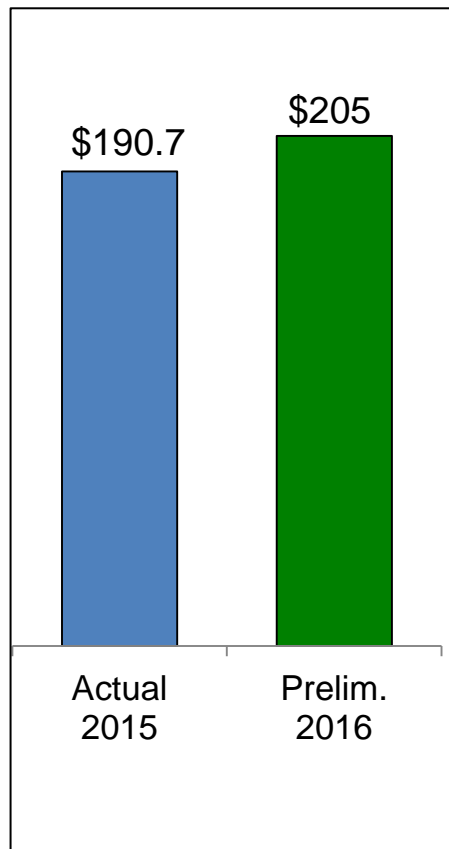
Preliminary 2016 Revenue and Earnings Outlook vs. 2015

(in \$ millions, except EPS)

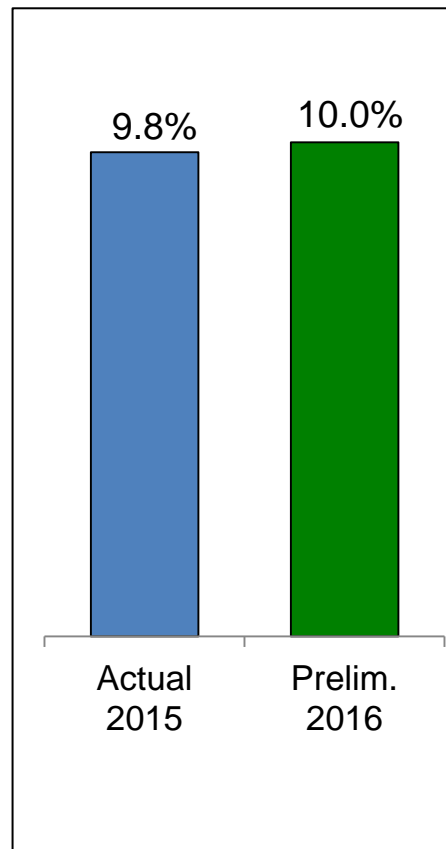
**Revenue
(Up 5%)**



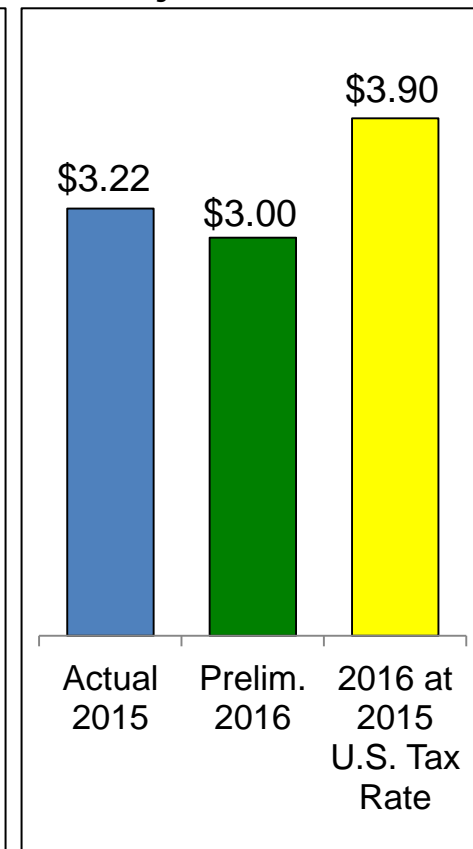
**Adj. EBITDA
(Up 7%)**



**Adj. EBITDA Margin
(Up 20 bps)**



Adjusted EPS*



*** At comparable U.S. income tax accrual rates, the outlook for 2016 Adjusted EPS would be up 21% from 2015.**

Preliminary 2016 Adjusted Free Cash Flow

(in \$ millions)

	Prelim. 2016	Actual 2015	2016 B/(W) Than 2015
Adjusted EBITDA	\$ 205	\$ 191	\$ 14
Capital Expenditures			
Major New-Business Awards in No. America	\$ (35)	\$ (44)	\$ 9
Other	<u>(90)</u>	<u>(81)</u>	<u>(9)</u>
Total Capital Expenditures	\$ (125)	\$ (125)	\$ -
Cash Interest	(18)	(18)	0
Pension Contributions	(8)	(10)	2
Cash Taxes	(5)	(8)	3
Working Capital & Other (ex-tooling)	<u>(14)</u>	<u>(19)</u>	<u>5</u>
Adjusted Free Cash Flow	\$ 35	\$ 11	\$ 24
Customer Tooling	<u>(25)</u>	<u>(33)</u>	<u>8</u>
Total Free Cash Flow	<u><u>\$ 10</u></u>	<u><u>\$ (22)</u></u>	<u><u>\$ 32</u></u>

Outlook for First Quarter 2016

(in \$ millions, except EPS)

	Q1 2016 Outlook
Revenue	\$ 505
Adjusted EBITDA	\$ 45
Adjusted EPS	\$ 0.55
Adjusted Free Cash Flow	\$ (30)

Final Thoughts

- **We believe Tower's competitive position is stronger than ever - - and still progressing.**
 - Engineering / technical capability
 - Program management
 - Operational execution
 - Financial discipline
- **Whether the U.S. auto industry is at or approaching a cyclical peak is anyone's guess, but one thing for sure is that not all companies will fare the same.**

The above-industry profitable growth already booked in North America, plus significant opportunities we continue to be presented by customers, make us confident that Tower's future is brighter than ever. Our peak results are out in front of us.

APPENDIX

Non-GAAP Financial Measures

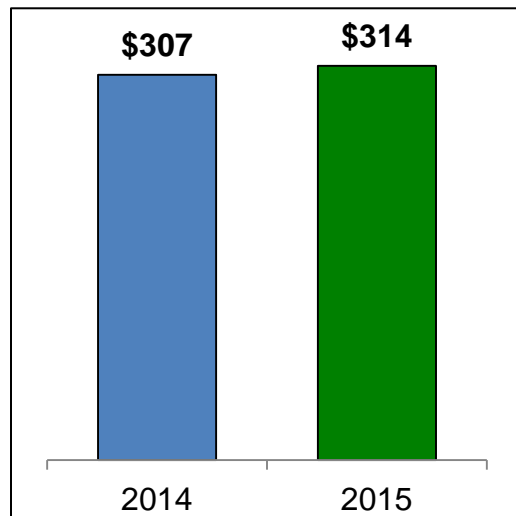
This presentation includes the following non-GAAP financial measures: “adjusted EBITDA”, “adjusted EBITDA margin”, “adjusted earnings per share (EPS)”, “free cash flow”, “adjusted free cash flow” and “net debt.” We define Adjusted EBITDA as net income / (loss) before interest, taxes, depreciation, amortization, restructuring items and other adjustments described in the reconciliations provided in this presentation. Adjusted EBITDA margin represents Adjusted EBITDA divided by revenues. Adjusted Earnings Per Share exclude certain income and expense items described in the reconciliation provided in this presentation. Free cash flow is defined as cash provided by operating activities less cash disbursed for purchases of property, plant and equipment. Adjusted free cash flow is free cash flow excluding cash received or disbursed for customer tooling. Net debt represents total debt less cash and cash equivalents. We use Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Earnings Per Share, free cash flow, adjusted 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 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 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.

Americas Segment - - 2015 vs. 2014

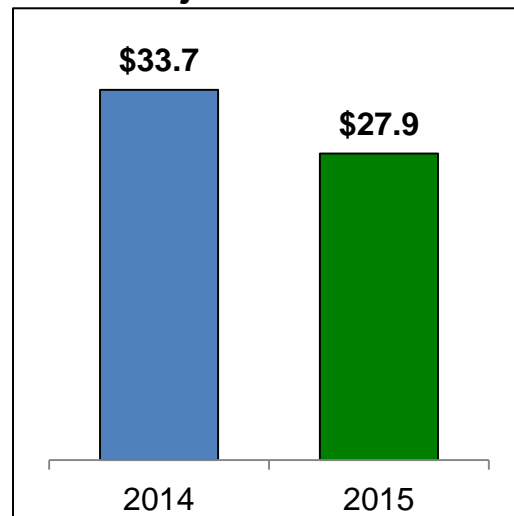
(in \$ millions)

Revenue

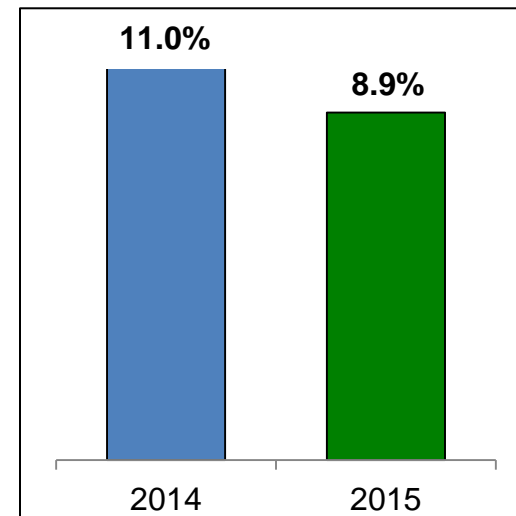
Fourth Quarter



Adjusted EBITDA

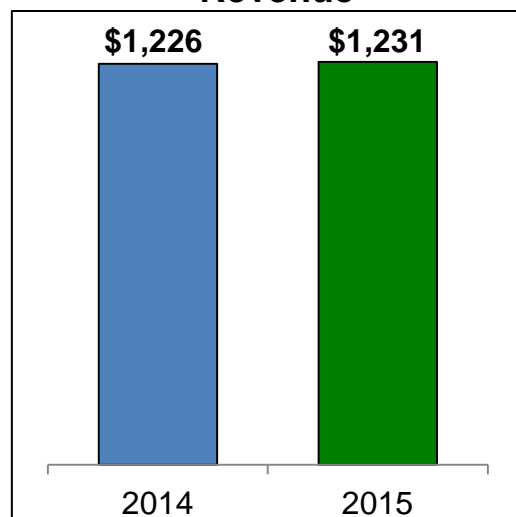


Adjusted EBITDA Margin

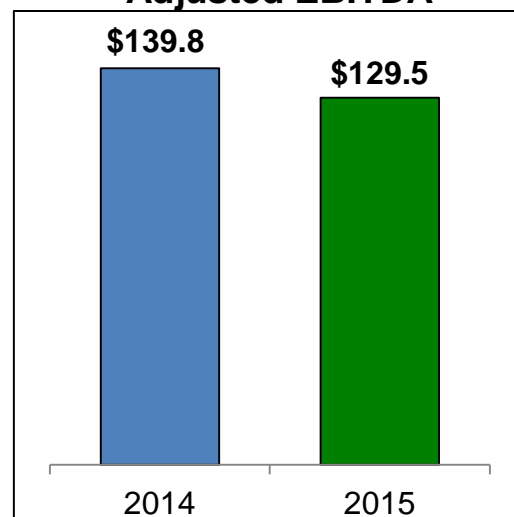


Revenue

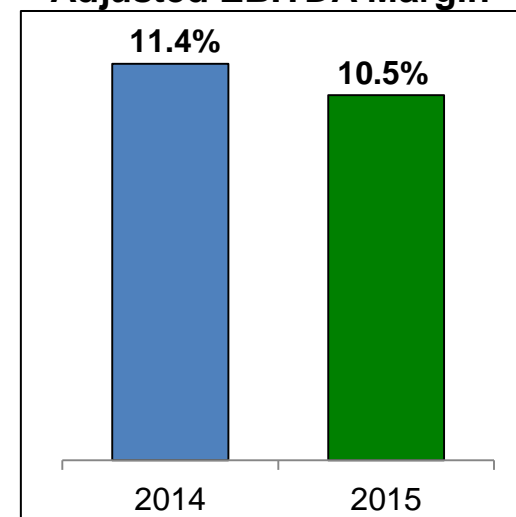
Full Year



Adjusted EBITDA



Adjusted EBITDA Margin

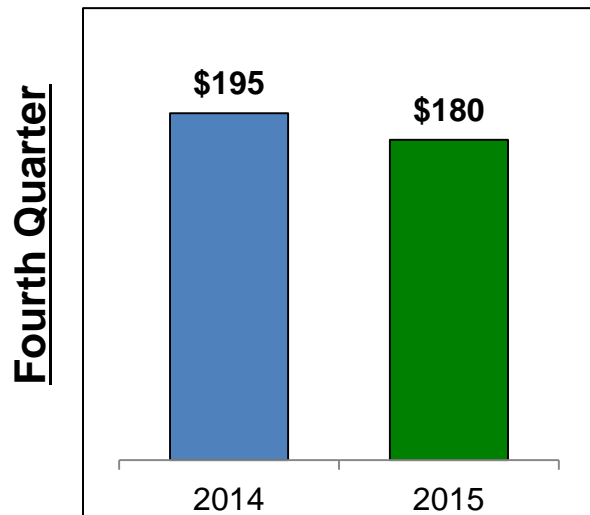


See slide 19 for comments regarding non-GAAP financial measures.

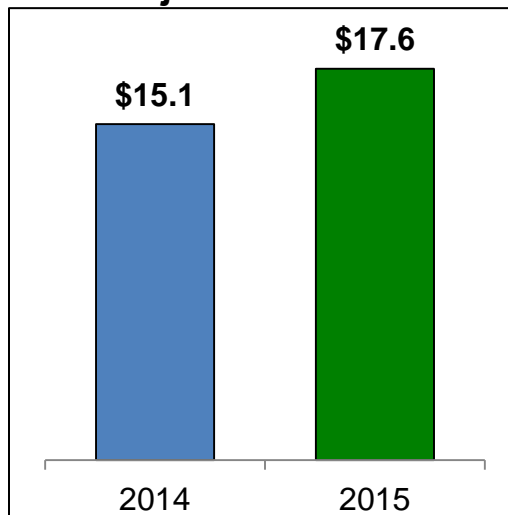
International Segment - - 2015 vs. 2014

(in \$ millions)

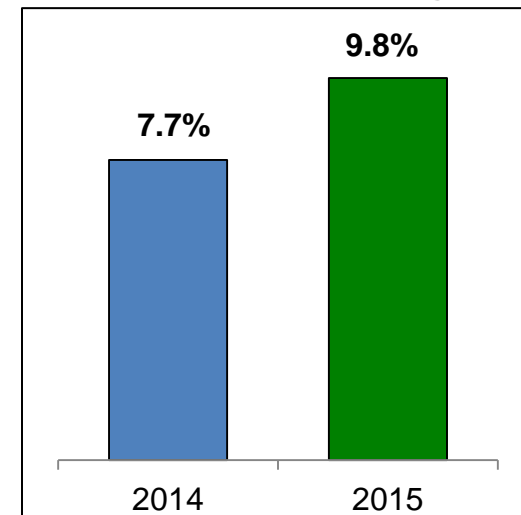
Revenue



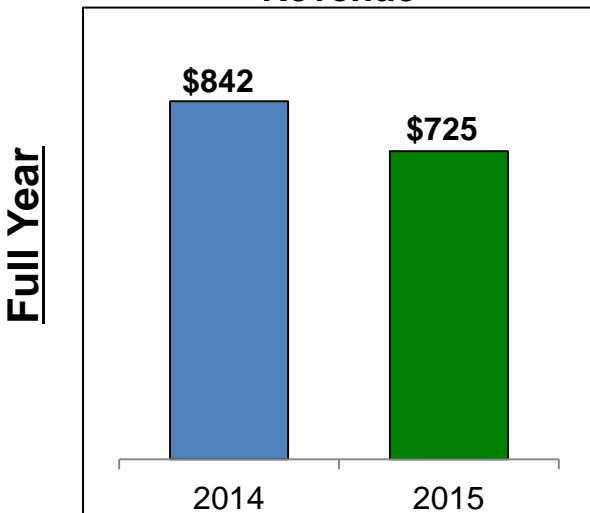
Adjusted EBITDA



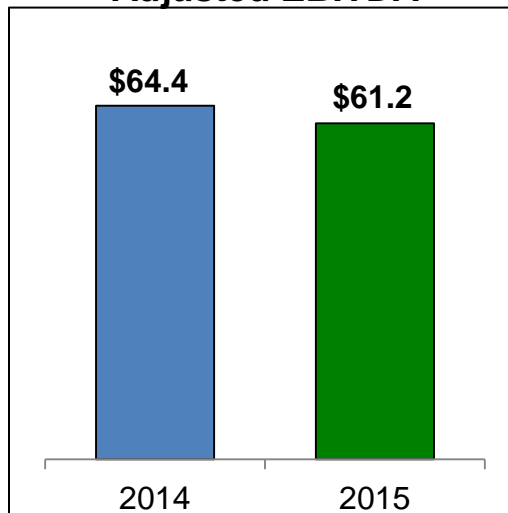
Adjusted EBITDA Margin



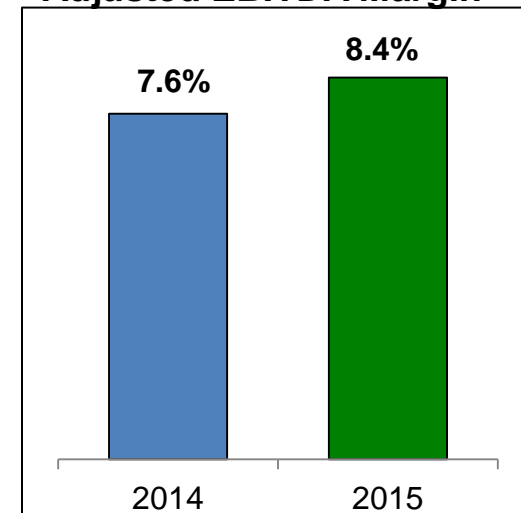
Revenue



Adjusted EBITDA



Adjusted EBITDA Margin



See slide 19 for comments regarding non-GAAP financial measures.

China

- **Two JVs sold on terms consistent with prior projections.**
 - Cash proceeds received: Q4 \$48 million, Full Year \$58 million.
 - Total enterprise value received (mainly also including elimination of noncontrolling interests in Tower's net assets): \$88 million.
 - As a reminder, no revenue or income from these JVs have been included in Tower's reported results from continuing operations in 2015, as they were accounted for as discontinued operations.

Brazil

- **Tower sold one of its two operations in Brazil in the Fourth Quarter;** this divestiture had not previously been discussed by the Company.
 - Net cash proceeds and enterprise value received: \$9 million.
 - 2015 financial results for sold business: Revenue ~\$30 million, minor Adjusted EBITDA loss.

Remaining China and Brazil Business

- Following these divestitures, Tower projects 2016 revenue in China and Brazil combined of about \$100 million.

Status of Potential Sale of European Operations

- Multiple strategic bidders invited into next phase based on indicative, non-binding offers received before year-end.
- On track to reach go / no-go decision by about late First Quarter 2016.
- No assurance that a sale will be completed.
 - Tower Europe will be sold only if we receive a satisfactory binding offer.

Balance Sheet

(in \$ millions)

	<u>December 31,</u> <u>2015</u>	<u>December 31,</u> <u>2014</u>
ASSETS		
Cash and cash equivalents	\$ 142.6	\$ 148.6
Accounts receivable, net of allowance of \$1.3 and \$1.2	250.9	230.4
Inventories	70.6	69.8
Assets held for sale	-	141.3
Prepaid tooling, notes receivable, and other	71.6	42.0
Total current assets	<u>535.7</u>	<u>632.1</u>
Property, plant, and equipment, net	473.2	451.0
Goodwill	59.3	56.7
Investment in joint venture	7.7	7.8
Deferred tax asset	127.6	4.6
Other assets, net	12.0	13.0
Total assets	<u>\$ 1,215.5</u>	<u>\$ 1,165.2</u>
LIABILITIES AND EQUITY		
Short-term debt and current maturities of capital lease obligations	\$ 30.4	\$ 31.1
Accounts payable	297.7	257.0
Accrued liabilities	107.9	104.8
Liabilities held for sale	-	67.7
Total current liabilities	<u>436.0</u>	<u>460.6</u>
Long-term debt, net of current maturities	412.2	445.3
Obligations under capital leases, net of current maturities	6.0	7.7
Deferred tax liability	6.2	8.0
Pension liability	65.6	68.6
Other non-current liabilities	82.8	75.0
Total non-current liabilities	<u>572.8</u>	<u>604.6</u>
Total liabilities	<u>1,008.8</u>	<u>1,065.2</u>
Stockholders' equity:		
Tower International, Inc.'s stockholders' equity		
Common stock	\$ 0.2	\$ 0.2
Additional paid in capital	337.9	335.3
Treasury stock	(16.1)	(9.5)
Accumulated deficit	(44.0)	(236.0)
Accumulated other comprehensive loss	(80.5)	(46.9)
Total Tower International, Inc.'s stockholders' equity	<u>197.5</u>	<u>43.1</u>
Noncontrolling interests in subsidiaries	9.2	56.9
Total stockholders' equity	<u>206.7</u>	<u>100.0</u>
Total liabilities and stockholders' equity	<u>\$ 1,215.5</u>	<u>\$ 1,165.2</u>

Income Statement

(in \$ millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
Revenues	\$ 493.6	\$ 502.3	\$ 1,955.7	\$ 2,067.8
Cost of sales	446.7	449.2	1,737.2	1,838.6
Gross profit	46.9	53.1	218.5	229.2
Selling, general, and administrative expenses	35.1	32.7	130.7	132.6
Amortization expense	-	-	0.2	1.5
Restructuring and asset impairment charges, net	1.2	6.8	8.6	14.2
Operating income	10.6	13.6	79.0	80.8
Interest expense	6.1	12.9	24.3	34.8
Interest income	0.2	0.1	0.6	0.5
Other expense	-	-	-	0.1
Income before provision for income taxes and equity in loss of joint venture	4.7	0.8	55.3	46.5
Provision for income taxes	(129.0)	2.1	(123.0)	9.3
Equity in loss of joint venture, net of tax	-	-	-	(0.7)
Income / (loss) from continuing operations	133.7	(1.3)	178.3	36.5
Income / (loss) from discontinued operations, net of tax	11.9	(16.7)	17.5	(9.4)
Net income / (loss)	145.6	(18.0)	195.8	27.1
Less: Net income attributable to the noncontrolling interests	0.5	2.6	1.7	5.6
Net income / (loss) attributable to Tower International, Inc.	\$ 145.1	\$ (20.6)	\$ 194.1	\$ 21.5

Certain Items Included in Net Income/(Loss)

(in \$ millions)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2015	2014	2015	2014
Income / (expense) items included in net income, net of tax:				
<i>Cost of sales</i>				
Commercial settlement related to 2010-13 scrap	\$ -	\$ -	\$ -	\$ (6.0)
Pension actuarial loss	(9.1)	(4.2)	(9.1)	(4.2)
<i>Selling, general, and administrative expenses</i>				
One-time CEO compensation awards	(0.3)	(0.7)	(3.1)	(1.6)
Acquisition costs	-	-	(0.4)	-
<i>Restructuring and asset impairment charges, net</i>				
Restructuring actions*	(0.5)	(1.1)	(1.1)	(2.1)
Severance costs in Europe*	-	(0.1)	-	(0.4)
Change in estimated future rent	-	-	(4.8)	-
Lease buyout of previously closed facility	-	-	-	(3.4)
Loss on sale of None, Italy facility	-	(2.3)	-	(2.3)
Goodwill impairment charge in Brazil	-	(2.3)	-	(2.3)
Loss on sale of Brazil facility	(0.7)	-	(0.7)	-
<i>Interest expense</i>				
Mark-to-market gain / (loss) on derivative financial instruments	(1.3)	(5.8)	(2.6)	(5.8)
Acceleration of the amortization of debt issue costs and OID	-	(1.0)	(0.4)	(1.0)
<i>Other expense</i>				
Term Loan re-pricing fees	-	-	-	(0.1)
<i>Tax expense</i>				
Release of valuation allowances, net	131.1	-	131.1	-
<i>Discontinued operations</i>				
Income / (loss) from discontinued operations	11.9	(16.7)	17.5	(9.4)
<i>Noncontrolling interests</i>				
Net income attributable to noncontrolling interests**	(0.4)	(2.3)	(1.2)	(4.6)
Total items included in net income, net of tax	\$ 130.7	\$ (36.5)	\$ 125.2	\$ (43.2)
Net income / (loss) attributable to Tower International, Inc.	\$ 145.1	\$ (20.6)	\$ 194.1	\$ 21.5
Memo: Average shares outstanding (in thousands)				
Basic	21.1	20.8	21.1	20.7
Diluted	21.4	20.8	21.4	21.4
Income / (loss) per common share (GAAP)				
Basic	\$ 6.87	\$ (0.99)	\$ 9.20	\$ 1.04
Diluted	6.76	(0.99)	9.06	1.01
Diluted adjusted earnings per share (non-GAAP) ***	\$ 0.67	\$ 0.74	\$ 3.22	\$ 3.02

* Amount is net of tax of \$0k, \$44k, \$0k, and \$127k, respectively

** Amounts attributable to noncontrolling interests of discontinued operations

*** Excludes the certain items shown above. For the three months ended December 31, 2014, diluted share count of 21.5 million was used to calculate diluted adjusted earnings per share.

Consolidated Statement of Cash Flows

(in \$ millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
OPERATING ACTIVITIES:				
Net income / (loss)	\$ 145.7	\$ (18.0)	\$ 195.8	\$ 27.1
Less: Income from discontinued operations, net of tax	11.9	(16.7)	17.5	(9.4)
Income / (loss) from continuing operations	133.8	(1.3)	178.3	36.5
Adjustments required to reconcile income from continuing operations to net cash provided by continuing operating activities:				
Asset impairment charges	\$ -	\$ 4.6	\$ -	\$ 4.6
Term Loan re-pricing fees	-	-	-	0.1
Deferred income tax provision	(130.2)	(0.4)	(130.4)	(0.2)
Depreciation and amortization	20.1	20.7	79.7	87.2
Non-cash share-based compensation	0.5	1.1	2.3	4.7
Pension income, net of contributions	(3.8)	1.6	(14.1)	(11.3)
Change in working capital and other operating items	44.1	52.0	(13.2)	(9.1)
Net cash provided by continuing operating activities	\$ 64.3	\$ 78.3	\$ 102.6	\$ 112.5
INVESTING ACTIVITIES:				
Cash disbursed for purchases of property, plant, and equipment, net	\$ (64.8)	\$ (36.1)	\$ (124.6)	\$ (98.4)
Proceeds from disposition of China JVs, net	32.9	-	42.8	-
Proceeds from disposition of Brazilian facility	9.5	-	9.5	-
Investment in joint venture	-	-	-	(0.8)
Acquisition, net of cash	-	-	(21.7)	-
Net cash used in continuing investing activities	\$ (22.5)	\$ (36.1)	\$ (94.0)	\$ (99.2)
FINANCING ACTIVITIES:				
Proceeds from borrowings	\$ 31.3	\$ 34.2	\$ 128.8	\$ 131.3
Repayments of borrowings	(38.7)	(39.2)	(135.1)	(154.9)
(Repayments)/borrowings on Term Loan Credit Facility	-	-	(25.0)	33.1
Debt financing costs	-	(1.0)	-	(3.6)
Proceeds from termination of cross currency swaps	-	-	32.4	-
Dividend payment to Tower shareholders	(2.1)	-	(2.1)	-
Secondary stock offering transaction costs	-	-	-	(0.1)
Proceeds from stock options exercised	-	-	0.2	2.6
Purchase of treasury stock	-	-	(6.6)	(0.9)
Noncontrolling interest dividends	(3.0)	(7.7)	(3.0)	(10.2)
Net cash used in continuing financing activities	\$ (12.4)	\$ (13.7)	\$ (10.4)	\$ (2.7)
Discontinued operations:				
Net cash from discontinued operating activities	\$ -	\$ 1.1	\$ 19.5	\$ 8.6
Net cash from discontinued investing activities	-	(5.4)	(5.6)	0.6
Net cash from discontinued financing activities	-	0.1	(12.5)	(0.7)
Net cash from discontinued operations	\$ -	\$ (4.2)	\$ 1.4	\$ 8.5
Effect of exchange rate changes on continuing cash and cash equivalents	\$ (1.8)	\$ (2.1)	\$ (5.5)	\$ (5.5)
NET CHANGE IN CASH AND CASH EQUIVALENTS	\$ 27.7	\$ 22.2	\$ (5.9)	\$ 13.6
CASH AND CASH EQUIVALENTS:				
Beginning of period	\$ 115.0	\$ 126.4	\$ 148.6	\$ 134.9
End of period	\$ 142.6	\$ 148.6	\$ 142.6	\$ 148.6

Adjusted EBITDA Reconciliation to Net Income

(in \$ millions)

	2014					2015				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Adjusted EBITDA	\$ 51.6	\$ 55.2	\$ 48.6	\$ 48.8	\$ 204.2	\$ 48.1	\$ 53.3	\$ 43.8	\$ 45.5	\$ 190.7
Restructuring and asset impairments charges, net	(1.4)	(4.7)	(1.4)	(6.7)	(14.2)	(1.0)	(5.5)	(0.9)	(1.2)	(8.6)
Depreciation and amortization	(22.9)	(22.7)	(20.9)	(20.7)	(87.2)	(19.9)	(19.7)	(20.0)	(20.1)	(79.7)
Acquisition costs and other	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.2)	(0.5)	-	(0.8)
Long-term compensation expense	(2.6)	(2.2)	(3.1)	(3.4)	(11.3)	(3.1)	(2.9)	(2.9)	(3.8)	(12.7)
Commercial settlement related to 2010-13 scrap	-	-	(6.0)	-	(6.0)	-	-	-	-	-
Loss from sale of Brazil facility	-	-	-	-	-	-	-	-	(0.7)	(0.7)
Interest expense, net	(7.0)	(7.2)	(7.2)	(12.8)	(34.2)	(7.7)	(3.9)	(6.1)	(5.9)	(23.7)
Other expense	(0.1)	-	-	-	(0.1)	-	-	-	-	-
Provision for income taxes	(2.8)	(2.7)	(1.6)	(2.1)	(9.2)	(2.1)	(2.4)	(1.6)	129.0	123.0
Equity in loss of joint venture	(0.1)	(0.2)	(0.2)	(0.2)	(0.7)	-	(0.3)	0.1	-	-
Pension actuarial loss	-	-	-	(4.2)	(4.2)	-	-	-	(9.1)	(9.1)
Income / (loss) from discontinued operation	0.7	1.6	4.8	(16.7)	(9.6)	(0.1)	0.7	5.0	11.9	17.5
Net income attributable to noncontrolling interest	(0.4)	(0.9)	(1.7)	(2.6)	(5.6)	(0.1)	(0.5)	(0.6)	(0.5)	(1.7)
Net income / (loss) attributable to Tower International, Inc.	\$ 14.9	\$ 16.1	\$ 11.2	\$ (20.6)	\$ 21.5	\$ 14.0	\$ 18.6	\$ 16.3	\$ 145.1	\$ 194.1

Adjusted Free Cash Flow Reconciliation to GAAP

(in \$ millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
Net cash provided by continuing operating activities*	\$ 64.3	\$ 78.3	\$ 102.6	\$ 112.6
Cash disbursed for purchases of PP&E, net*	(64.8)	(36.1)	(124.6)	(98.4)
Free cash flow	(0.5)	42.2	(22.0)	14.2
Less: Cash received / (disbursed) for customer-owned tooling	12.0	20.8	(32.7)	(5.3)
Adjusted free cash flow	\$ (12.5)	\$ 21.4	\$ 10.7	\$ 19.5

*From GAAP Consolidated Statement of Cash Flows

2016 Industry Outlook

(Vehicles in millions)

	2016 Forecast (January)				
	Q1	Q2	Q3	Q4	Full Year
<u>2016 Outlook (IHS 1/16)</u>					
North America	4.5	4.7	4.6	4.4	18.2
Europe	5.5	5.7	4.7	5.3	21.2
China	6.3	6.1	5.6	6.9	24.9
Brazil	0.5	0.5	0.6	0.5	2.0
<u>2016 Over / (Under) 2015</u>					
North America	6 %	4 %	4 %	2 %	4 %
Europe	2	4	(1)	2	2
China	5	7	16	(2)	6
Brazil	(26)	(14)	(5)	(1)	(12)