

Investor Presentation

September 2016



Forward Looking Statements

Forward Looking Statement: With the exception of the historical information contained in this presentation, the matters described herein contain forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve a number of risks and uncertainties that may cause actual results to be materially different from such forward-looking statements. Such factors include, among others, general economic conditions and economic conditions in the industrial sector, competitive influences, risks that current customers will commence or increase captive production, risks of capacity underutilization, quality issues, availability of raw materials, currency and other risks associated with international trade, the Company's dependence on certain major customers, and other risk factors and cautionary statements listed from time to time in the Company's periodic reports filed with the Securities and Exchange Commission, including, but not limited to, the Company's Annual Report on 10-K for the fiscal year ended December 31, 2015.

With respect to any non-GAAP financial measures included in the following presentation, the accompanying information required by SEC Regulation G can be found in the “Investor Relations” section of the Company’s web site, www.nninc.com, under the heading “News & Events” and subheading “Presentations.”

Disclaimer: NN disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements included herein or therein to reflect future events or developments.



The Journey Continues



Automotive



Industrial Technology



Medical



Aerospace & Defense



Electrical

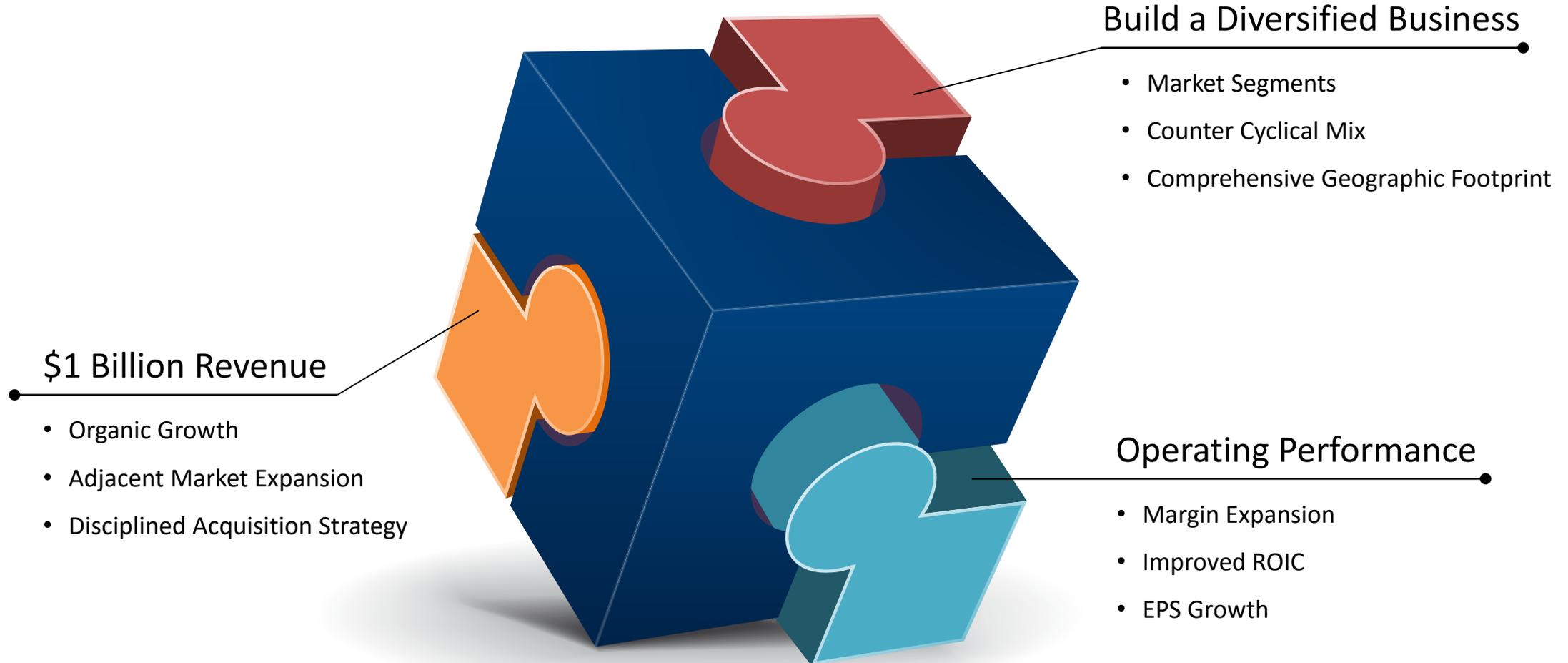


A Diversified Industrial

1980	1999	2000	2001	2003		2006	2014				2015	
NN founded in Erwin, TN	Industrial Molding Corporation	Euroball	Delta Rubber Company	Veenendaal	Slovakia	Whirlaway Corporation	VS Industries	RFK	Chelsea Grinding	Autocam	Caprock	Precision Engineered Products



2018 Strategic Plan at a Glance





Value Proposition

Global Reach

- 42 Facilities on 4 Continents
- Full service in every region
- Global Supply Chain Management

High Precision Manufacturing

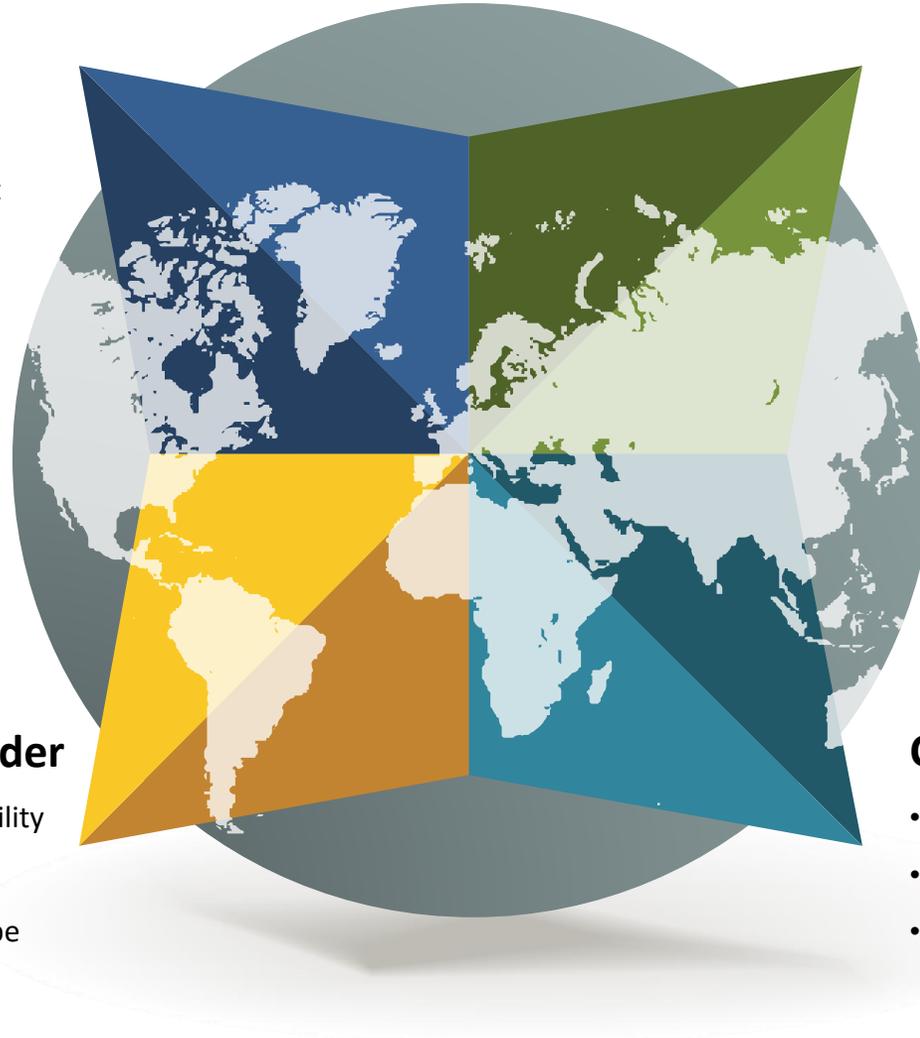
- Precision capabilities to less than one micron
- 7 Billion+ components produced annually
- In-house machine & tool building

Engineered Solution Provider

- Application specific, co-design capability
- Total life cycle support
- 4 Innovation Centers around the globe

Comprehensive Portfolio

- World-class process technologies
- Applications and Design expertise across multiple industries
- Wide reaching product offering: mission critical components to finished assemblies





Attractive End Markets



Current Revenue*: \$10M

Growth Rate: 4% - 6%

EBITDA+: 1%

Free Cash Flow+: 1%

Growth Drivers:

1. Commercial Build
2. Weight Reduction

Late Cycle



Current Revenue*:
Auto \$230M / CAFE= \$230M

Growth Rate: 4% - 6%

EBITDA+:
Auto 21% / CAFE= 27%

Free Cash Flow+:
Auto 18% / CAFE= 22%

Growth Drivers:

1. Fuel Economy
2. Critical Components

Early Cycle

Mid Cycle



Current Revenue*: \$110M

Growth Rate: 6% - 8%

EBITDA+: 12%

Free Cash Flow+: 14%

Growth Drivers:

1. Resi/Non-Resi Const
2. Micro Grids

Mid Cycle



Current Revenue*: \$170M

Growth Rate: 6% - 7%

EBITDA+: 22%

Free Cash Flow+: 24%

Growth Drivers:

1. Efficiency
2. Automation

Early Cycle

Late Cycle



Current Revenue*: \$110M

Growth Rate: 6% - 8%

EBITDA+: 17%

Free Cash Flow+: 21%

Growth Drivers:

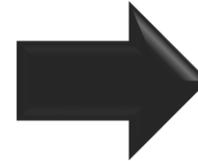
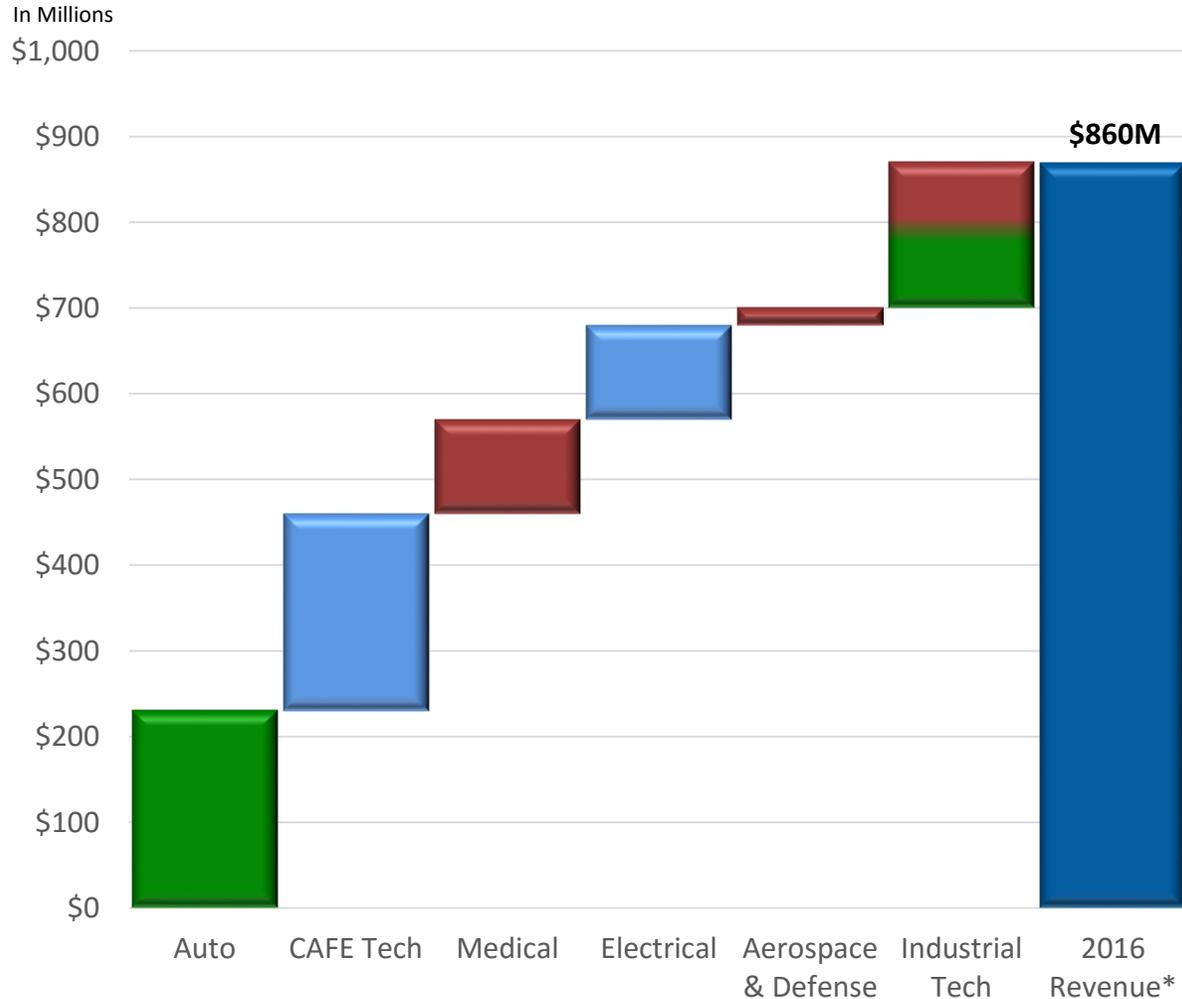
1. Aging Population
2. Less Invasive Surgery

Late Cycle

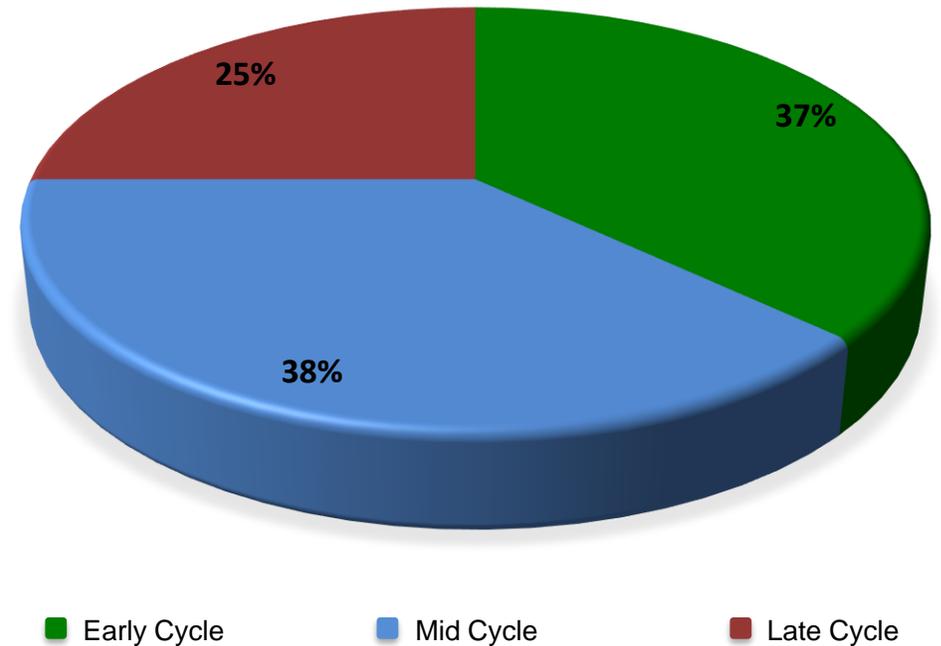


A Balanced Business – Cyclical Mix

2016 End Market Revenue



Cyclical Mix

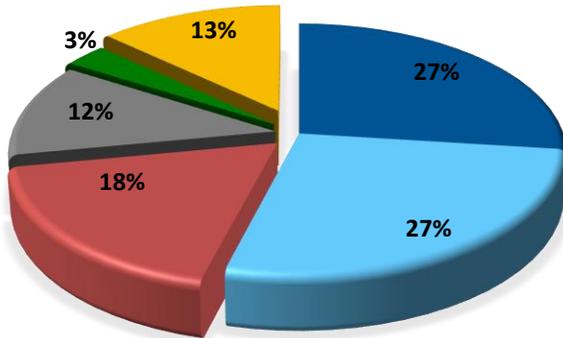




A Diversified Industrial Business

End Markets as a % of Revenue

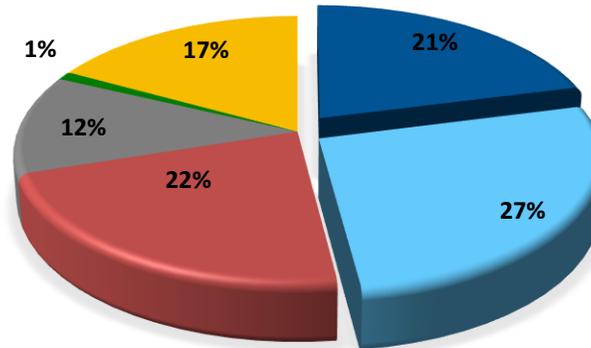
2016*



54% Automotive

End Markets as a % of EBITDA

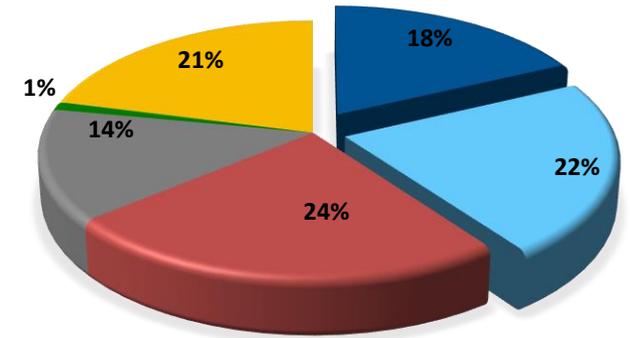
2016*



52% Diverse Portfolio

End Markets as a % of Free Cash Flow

2016*

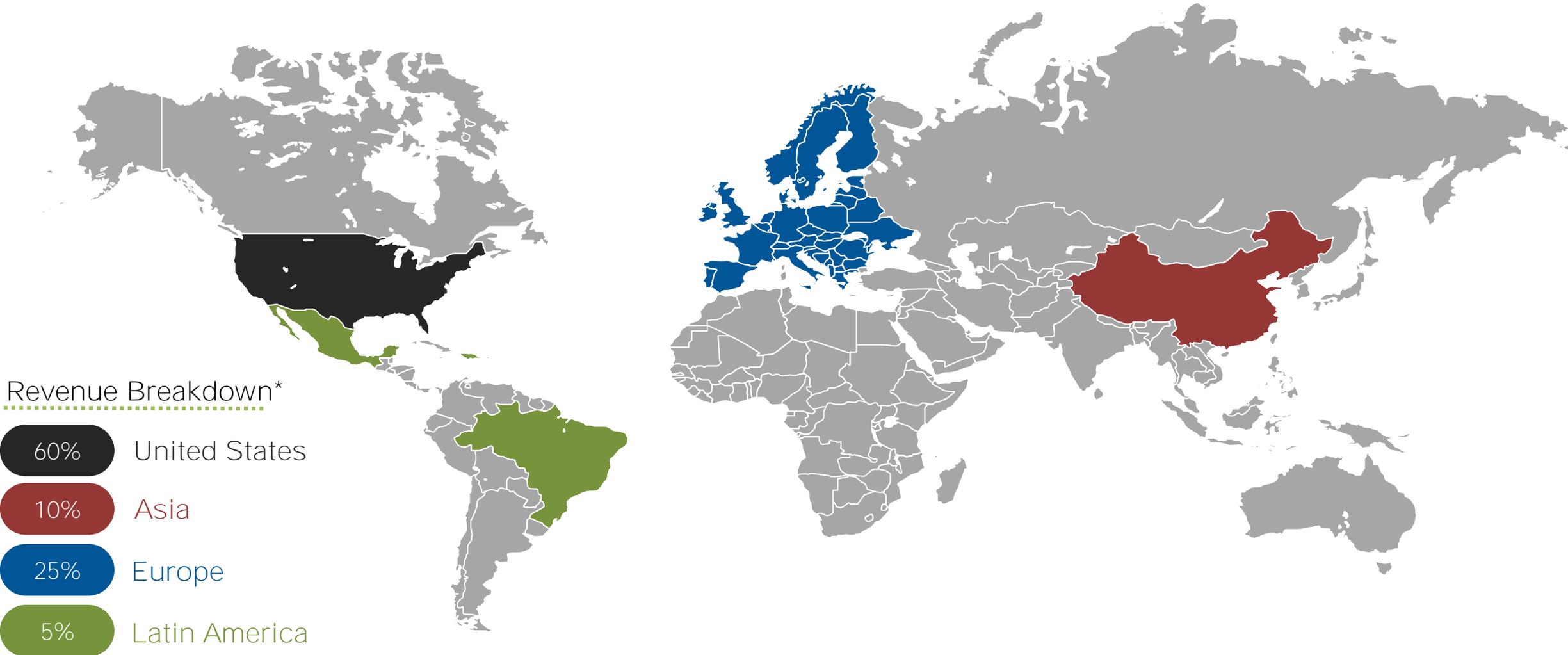


60% Diverse Portfolio

- Aerospace & Defense
- Automotive
- CAFE Technology
- Electrical
- Industrial Technology
- Medical



Balanced Strategic Global Footprint



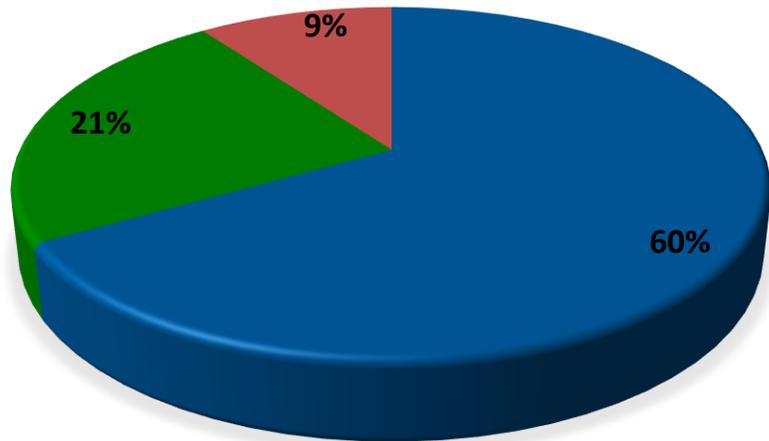
41 Manufacturing Facilities on Four Continents



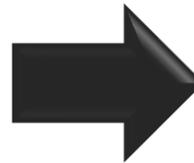
Balanced Business Groups

2013

Segments as a % of revenue

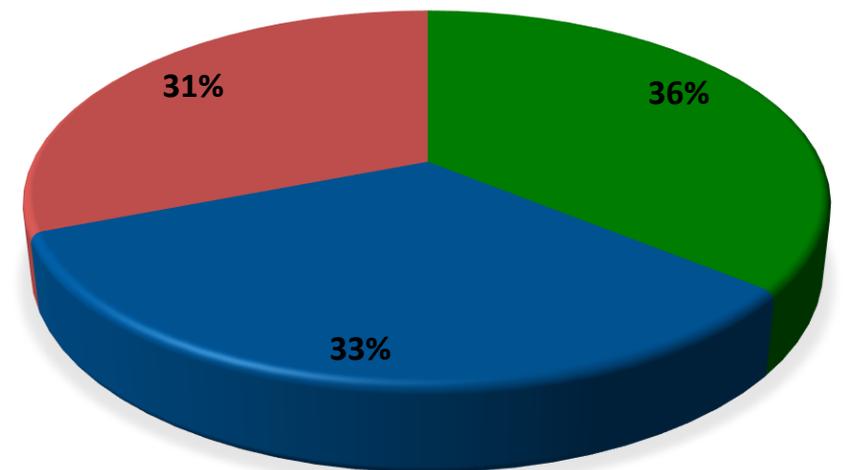


- Metal Bearing Components
- Precision Metal Components
- Plastic & Rubber Components



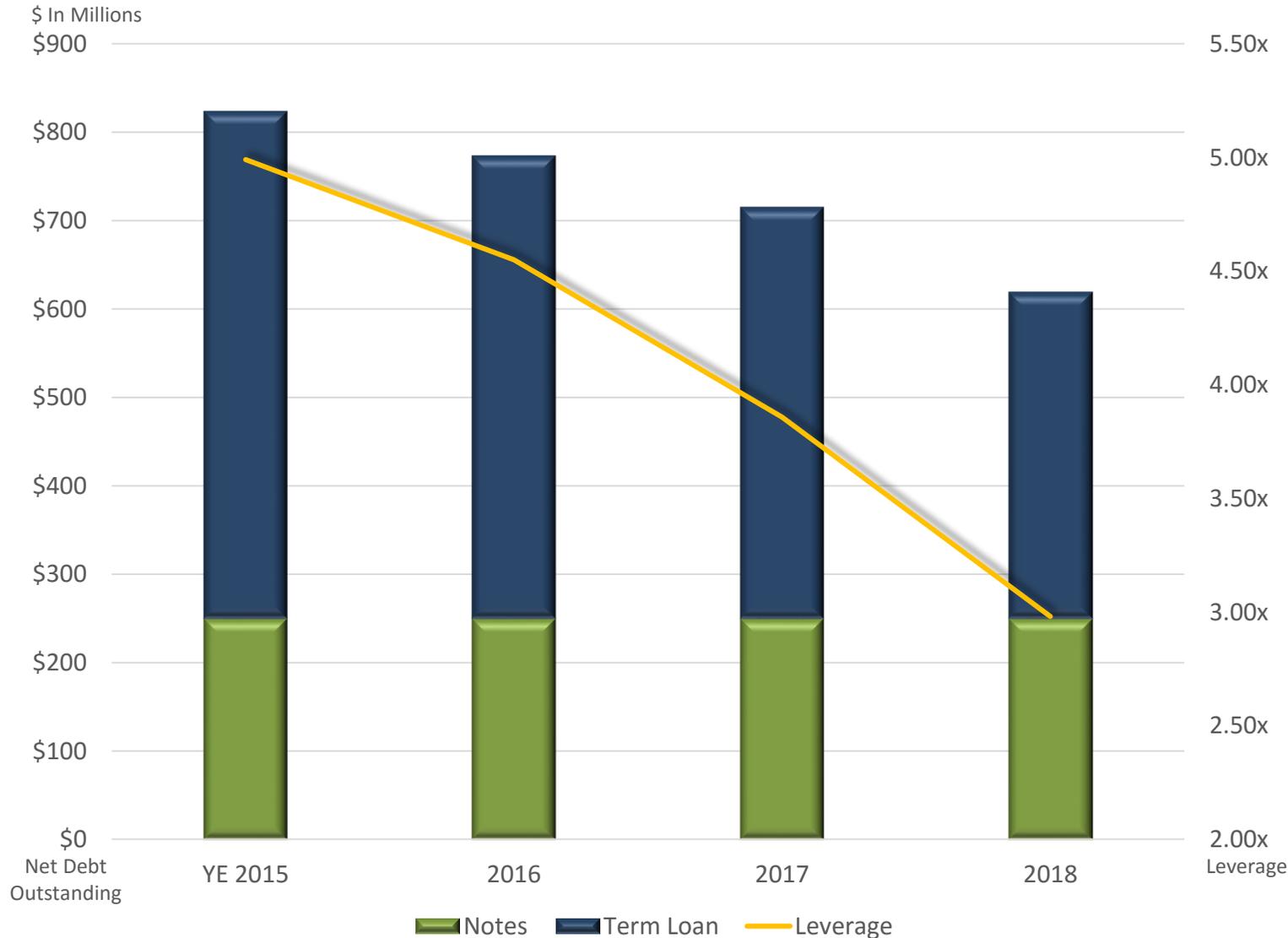
2016

Segments as a % of revenue*





De-Leveraging Profile



- Institutional focus on deleveraging
- Flexible call provisions & ratings increases can speed up deleveraging
- Free cash flow will be directed to debt repayment
- With no EBITDA growth we are still less than 3.5x levered at that end of 2018.



Premise of the NN Operating System

Integrated Operating Company

- Common methodologies delivering near & long term value

Flex Productivity

- Maximizing performance no matter the market conditions

Leverage Technology

- One Platform, one company

Prescriptive Processes

- Disciplined execution of the operating plan

A Disciplined & Flexible Operation



NN Operating System





Flex Productivity

Bottom Line

- Hitting the bottom line isn't good enough. Our operations must earn the right operating profit for each dollar of increased sales

Foundation of the NN Operating System

- Prescriptive mechanics
- Integrated system
- Close loop system



Declining Sales

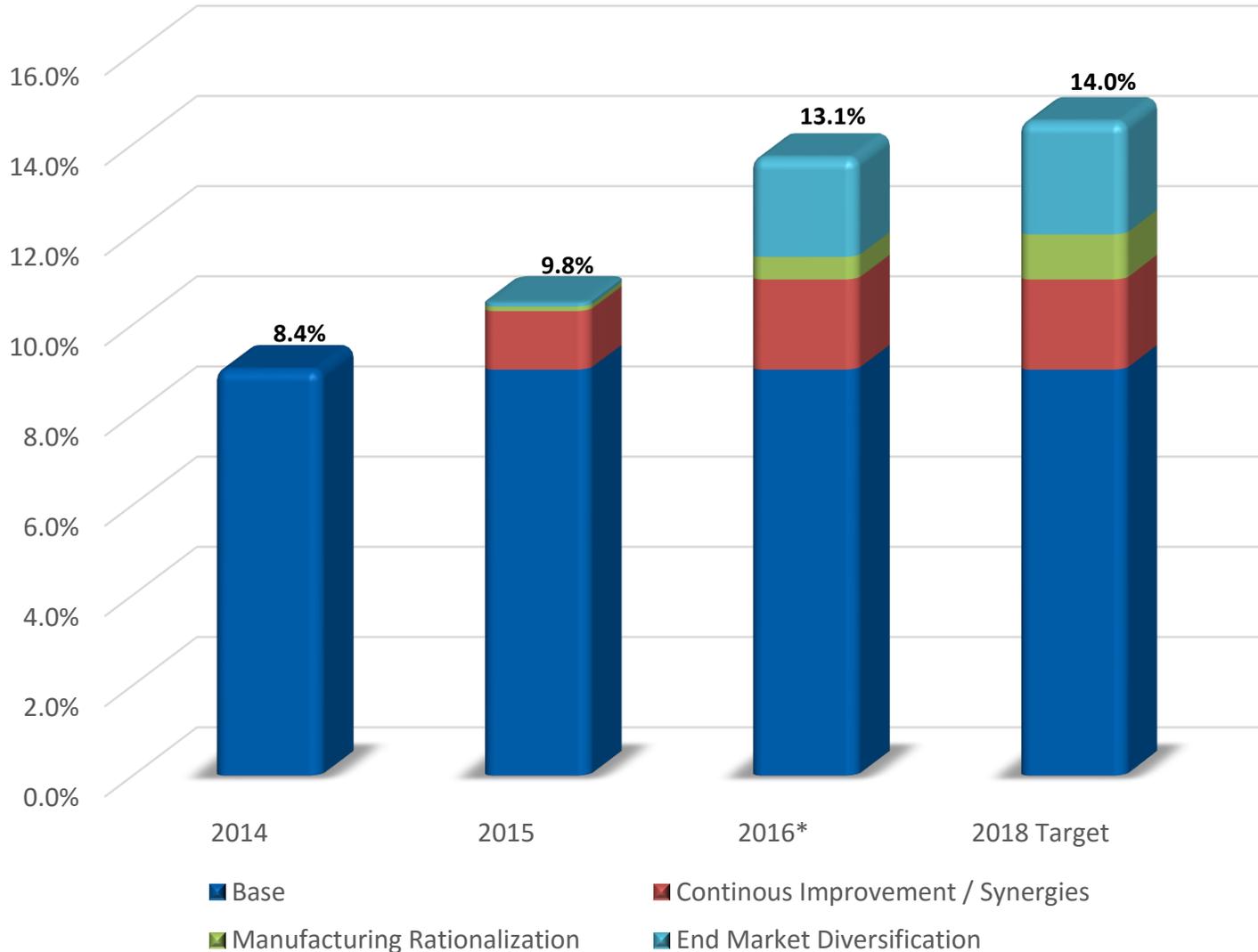
- Synchronized variable cost adjustment
- Immediate labor adjustment
- Expense Management

Defined Targets

- 35% incremental average
- 25% decremental average



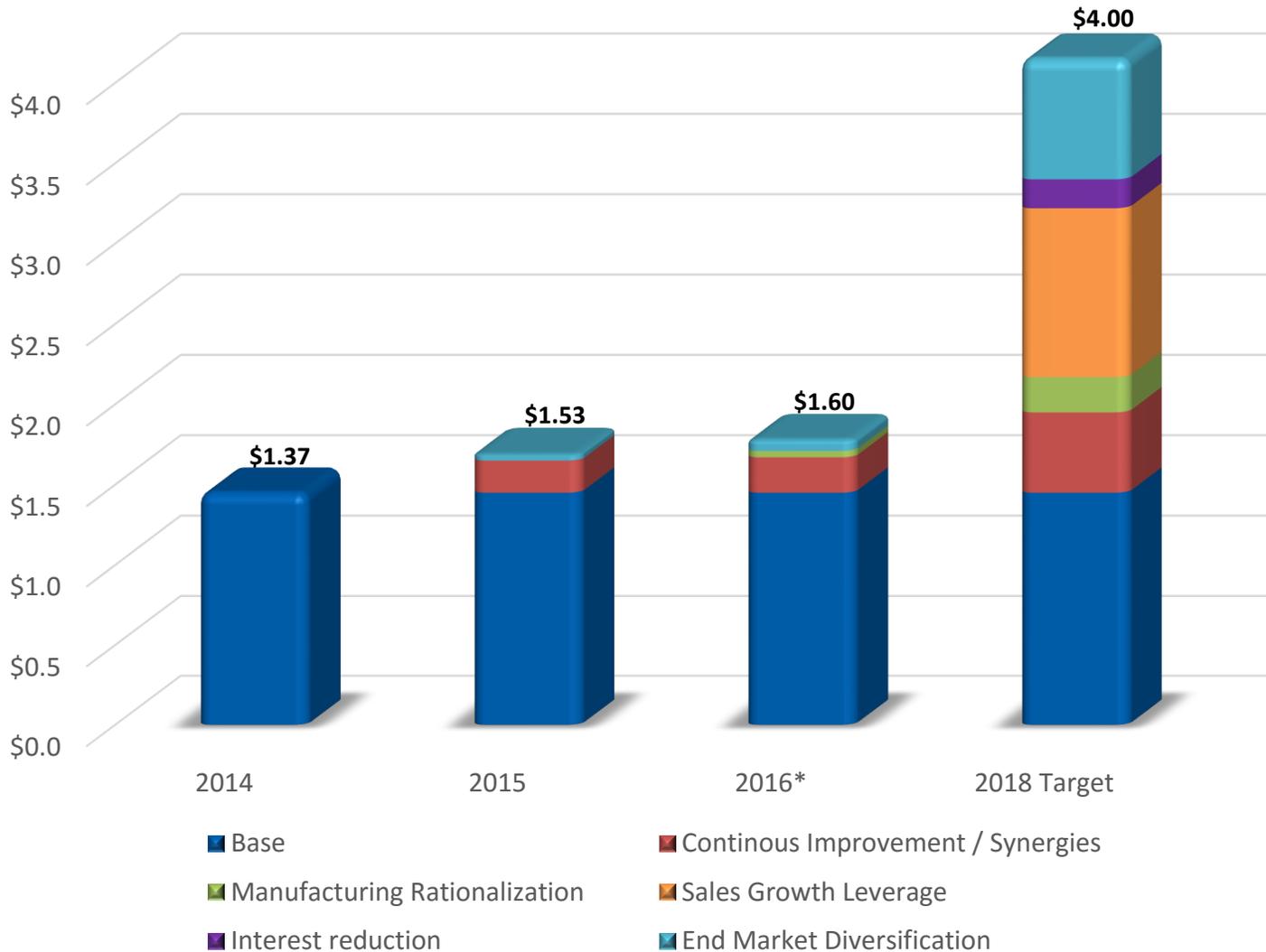
Adjusted Operating Margin



- End market diversification
- Operational efficiency driven by the NN Operating System
- Synergies



Adjusted EPS Expansion



- Margin Improvement driven by the NN Operating System
- Reduction in interest expense
- Flex Productivity leverages increased Sales



2016 – A Year of Transformation

Leverage the NN Operating System across the entire platform

- Integrate PEP on the platform

Remain focused on our Strategic Plan objectives

- Continued progress on our operating & financial targets

De-Leveraging a priority

- Our strong free cash flow will lead the charge

Transform our Sales Platform

- Deliver engineered solutions across the entire portfolio

Focused on becoming a well-oiled machine



Guidance

	Q3 2016	Full Year 2016	Commentary
Net Sales	\$213M - \$228M	\$850M - \$875M	Growth in other end markets offset by industrial uncertainty
Adj. Operating Margin	13.3% - 14.5%	12.9% - 13.3%	Driven by improvements in the NN Operating System & PEP acquisition
Adj. EBITDA	\$40.1M - \$45.1M	\$158M - \$166M	
Adj. EPS¹	\$0.40 - \$0.50	\$1.55 - \$1.65	Benefits of our portfolio balance and operating improvements will continue to offset industrial weakness
CAPEX		\$35M - \$40M	We continue to invest in growth
Adj. Tax Rate²		14% - 22%*	
Free Cash Flow³		\$50M - \$60M	Significant increase in free cash flow allows us to de-lever faster

1: Excludes the amortization of intangibles and the amortization of financing charges

2: Excludes the effects of M&A activity

3: Free Cash Flow available for debt repayment

*: Excluding the effects of amortization of intangibles & deferred financing charges the adj. tax rate would be 25% - 30%



Engineered Solutions...



Automotive

Industrial Technology

Medical

Aerospace

Electrical

Inspired by i*NN*ovation