



Growing into the Future

NN Inc. 2018 Investor Day Conference — Charlotte HQ

Forward looking statements

Forward Looking Statements: 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. The forward-looking statements contained herein include, but are not limited to, information regarding the ability of NN, Inc. (“NN”) and Paragon Medical, Inc. (“Paragon”) to complete the transactions contemplated by the Stock Purchase Agreement, dated April 2, 2018, including the satisfaction of conditions to the transactions set forth in the Stock Purchase Agreement, and NN’s and the combined entity’s estimated or anticipated future results of operations. These forward-looking statements involve risks and uncertainties that could cause NN’s and the combined entity’s results to differ materially from management’s current expectations. Such risks and uncertainties include, but are not limited to, general economic conditions and economic conditions in the industrial sector, competitive influences, risks that current customers of NN or Paragon will commence or increase captive production, delayed customer product launches, risks of capacity underutilization, quality issues, availability of raw materials, currency, pending and complete transactions and other risks associated with international trade, the Company's dependence on certain major customers, unforeseen changes in future revenues, earnings and profitability of NN or Paragon, the risk that NN is not able to realize the savings or benefits expected from integration and restructuring activities related to the proposed acquisition of Paragon, the risk that the required regulatory approvals for the proposed acquisition of NN are not obtained, are delayed or are subject to conditions that are not anticipated, and those risks and uncertainties discussed in NN’s Annual Report on Form 10-K filed with the Securities and Exchange Commission on April 2, 2018.

This presentation contains certain forward looking non-GAAP financial measures, estimated 2018 adjusted earnings before interest, taxes and depreciation and estimated 2018 adjusted operating margin, which cannot be reconciled without unreasonable effort. The following forward looking financial measures regarding Paragon is unavailable to NN: (i) depreciation and amortization; (ii) income taxes; and (iii) net income, and this information could have a material impact on these certain forward looking non-GAAP financial measures.

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Presenters



**Richard
Holder**

*President &
CEO*



**Tom
Burwell**

*SVP &
CFO*



**Robbie
Atkinson**

EVP, Life Sciences



**Chris
Qualters**

EVP, Power Solutions



**Warren
Veltman**

EVP, Mobile Solutions



**Paul
Taylor**

*VP Marketing &
Investor Relations*

2018 Investor Day Conference

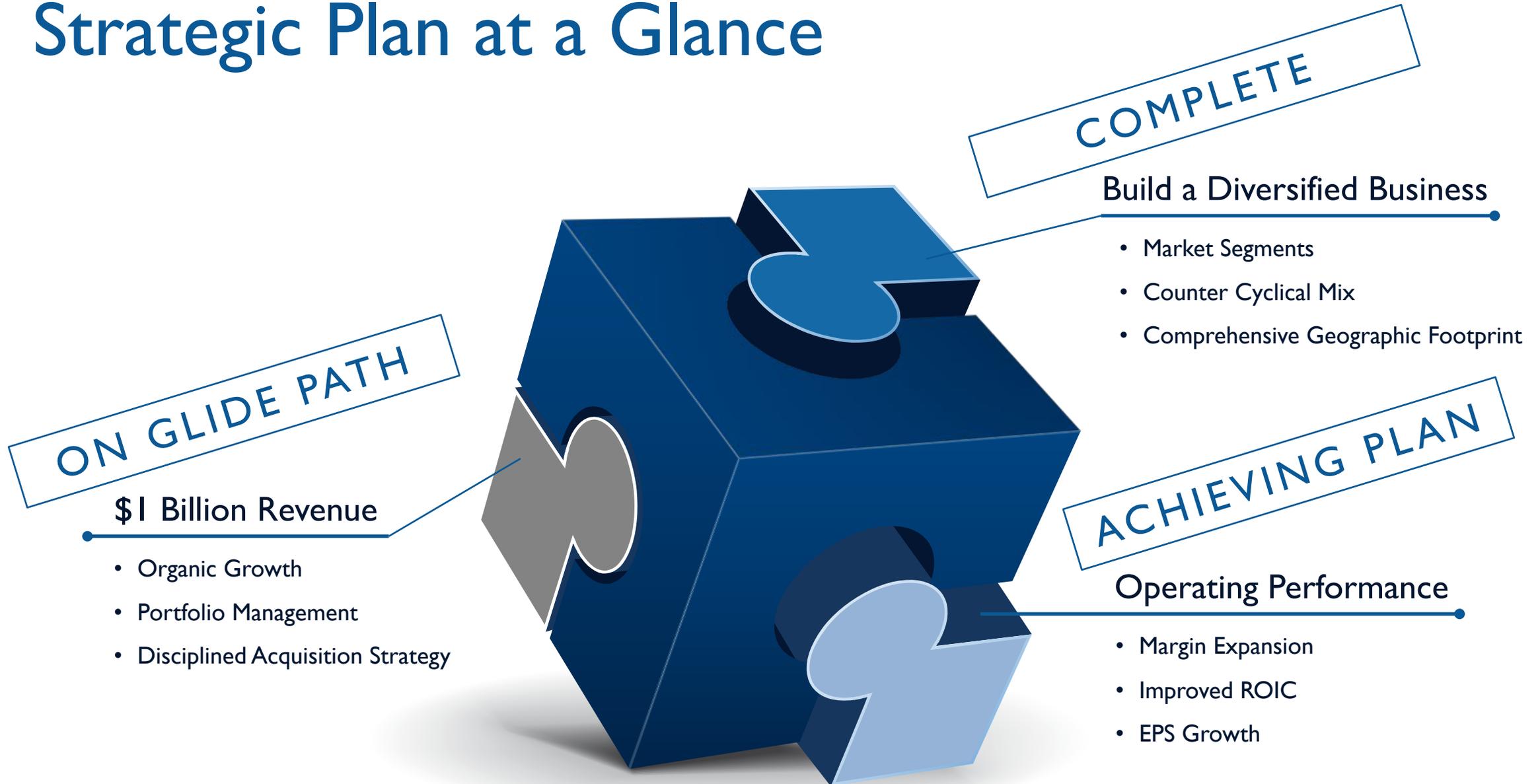
Agenda

1. NN's Strategic Repositioning: An Update
2. NN 2.0 Unveiled
3. Business Group Overviews
4. Financial Performance
5. Branding Preview
6. Summary & Closing Remarks
7. Question & Answer

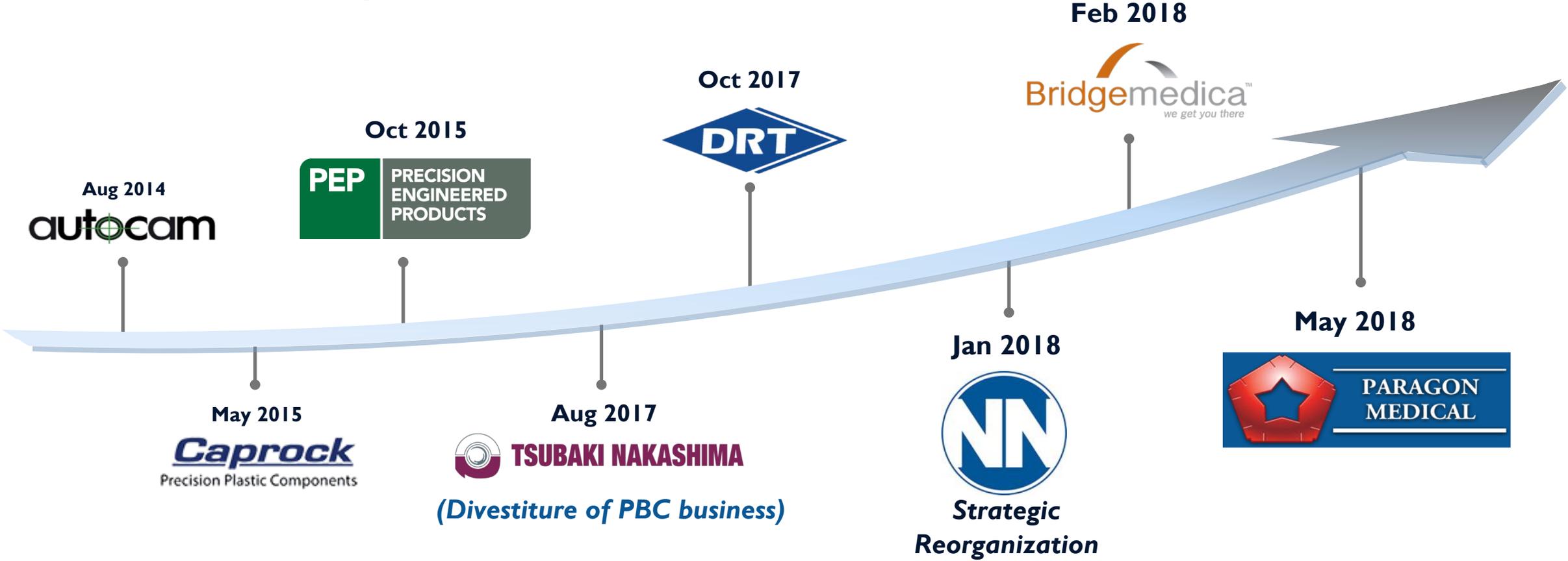
Our Journey



Strategic Plan at a Glance



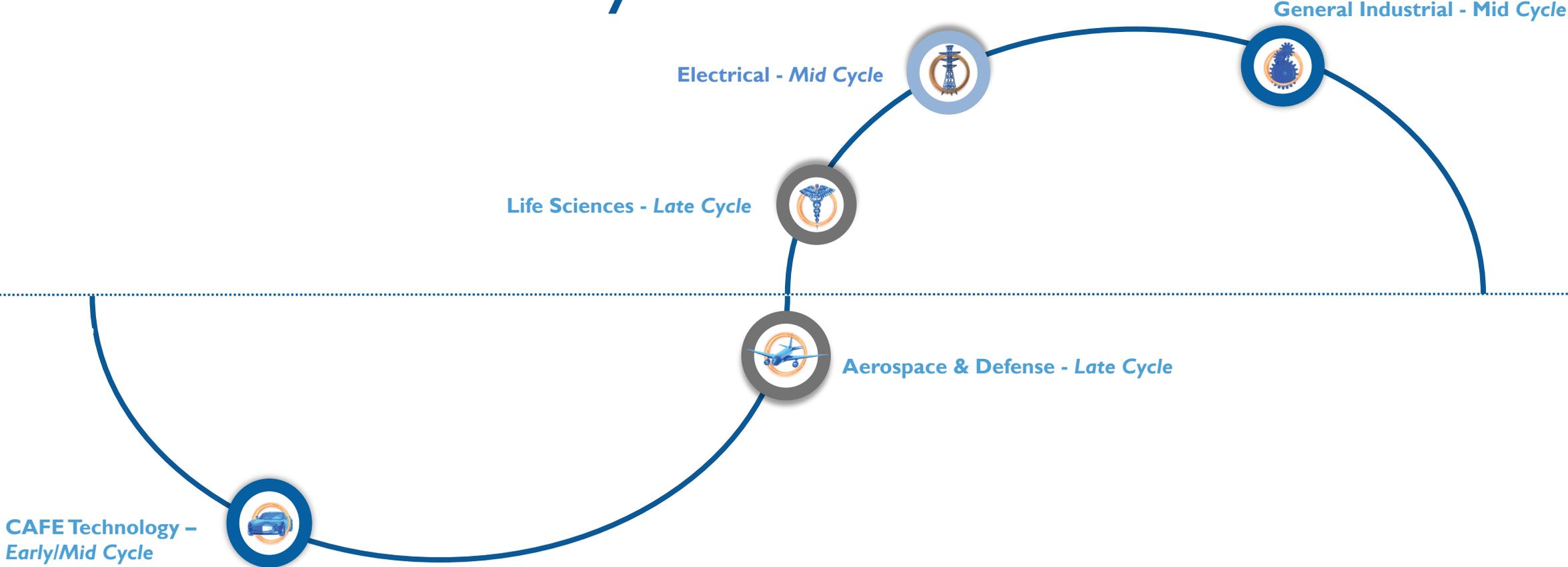
Transforming the Business



7% organic growth through the transformation

■ Denotes significant event Source: Company press releases

Where We are Today – End Markets



CAFE Technology

End Market Growth Rate: 2% - 4%
 NN Growth Rate: 3% - 5%

Aerospace & Defense

End Market Growth Rate: 3% - 5%
 NN Growth Rate: 7% - 9%

Life Sciences

End Market Growth Rate: 5% - 8%
 NN Growth Rate: 7% - 9%

Electrical

End Market Growth Rate: 3% - 5%
 NN Growth Rate: 6% - 8%

General Industrial

End Market Growth Rate: 2% - 4%
 NN Growth Rate: 4% - 6%

Achieving balance through the cycle

Our Businesses Share Attractive Characteristics

NN, Inc.

- **Shared Precision Technologies**
 - Metal removal
 - Metal forming
 - Plastics machining
 - Micro plastics
 - Engineering
 - Machine build & automation
- **Customer Attractiveness**
 - Multiple manufacturing platforms
 - Facilitate supply base rationalization
 - Program & project management
- **Differentiation**
 - Engineering solution capabilities
 - Regulatory expertise
 - Global footprint

Enablers

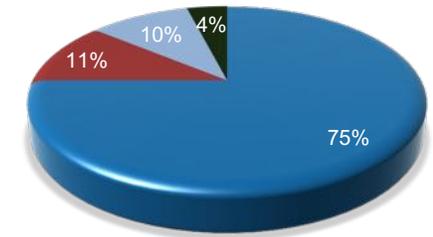
- **NN Operating System**
- **Supply chain culture**
- **Technology development**
- **Shared cross-enterprise technology**
- **High-growth markets and penetration**

Leveraging our capabilities to deliver the value of being a diversified industrial

Diverse Customer Base & Geographic Mix



Combined Business 2018 ^E
Geographic Revenue Mix*

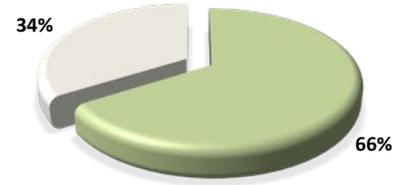


Blue Chip customer base in every market

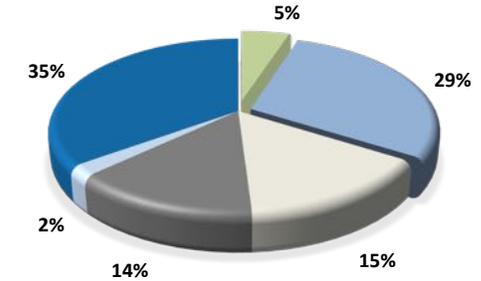
A Diversified Industrial

2013

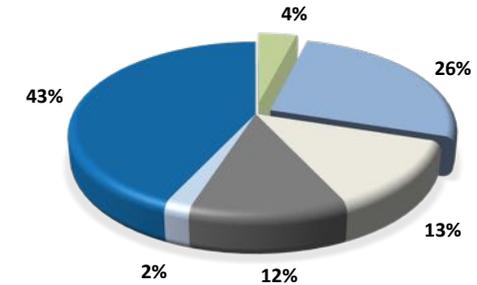
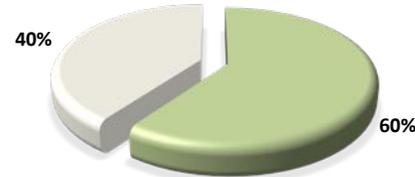
End Markets as a % of Revenue



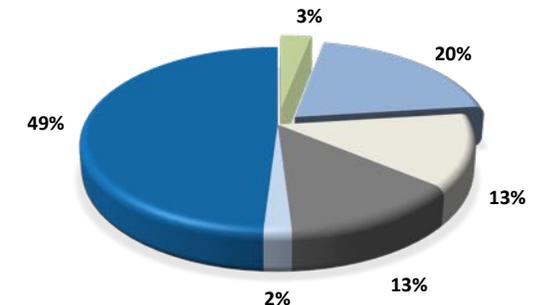
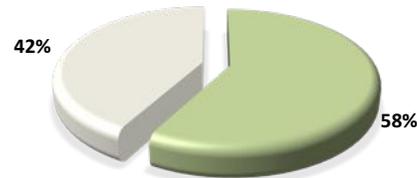
2018^E



End Markets as a % of EBITDA



End Markets as a % of Free Cash Flow



● Automotive
 ● Electrical
 ● General Industrial
 ● Aerospace & Defense
 ● CAFE Technology
 ● Life Sciences

^E Estimated; ¹ Based on 2018 full year guidance, assumes Bridgemedica & Paragon acquisitions occurred 1-1-18

Value of the NN Operating System



Integrated Operating Company

- One Platform, one company
- Prescriptive & common processes & methodologies delivering near & long term value



Leverage Technology

- Discipline through training and execution
- Leverage two ERP's for end market requirements



Flex Productivity

- Single lean platform that allows us to manage operations within the incremental and decremental band to optimize contribution margins, no matter the market conditions.



Prescriptive Processes

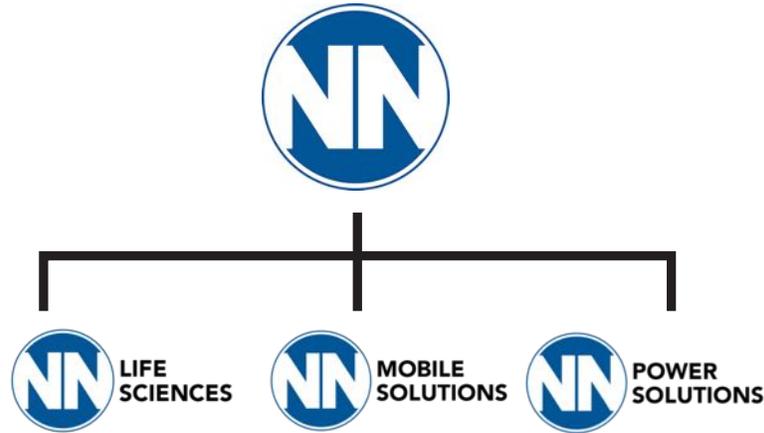
- Disciplined execution of the operating plan for the benefit of our customers and shareholders

Disciplined Operating System

Summary - A Repositioned Business



Portfolio
we want



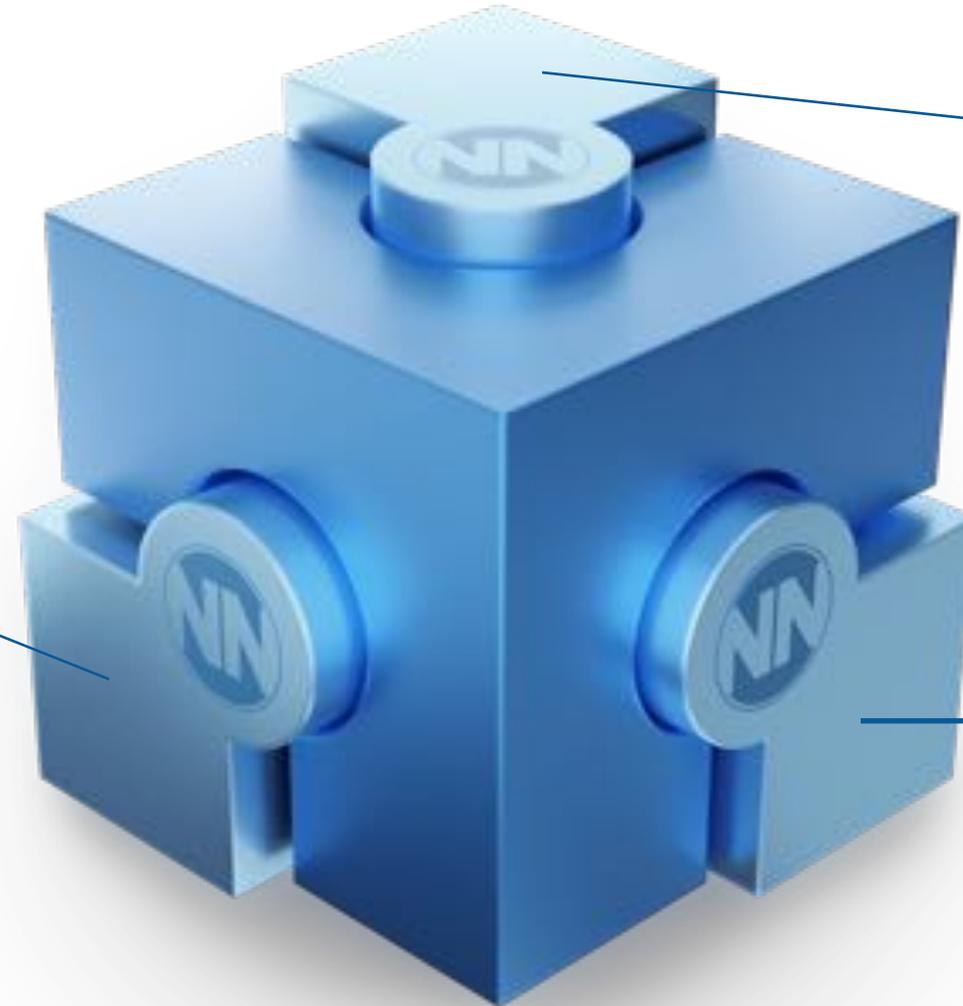
Reconstituted
business segments
with growth focused
leadership



Right foundation
for a \$1B+
enterprise

Positioned for sustainable, long-term and profitable growth

The Next Five Years: NN 2.0



Drive 6-8% Organic Growth

- Focused Customer Penetration
- Enhanced IP and Technology Products
- End Market Outgrowth

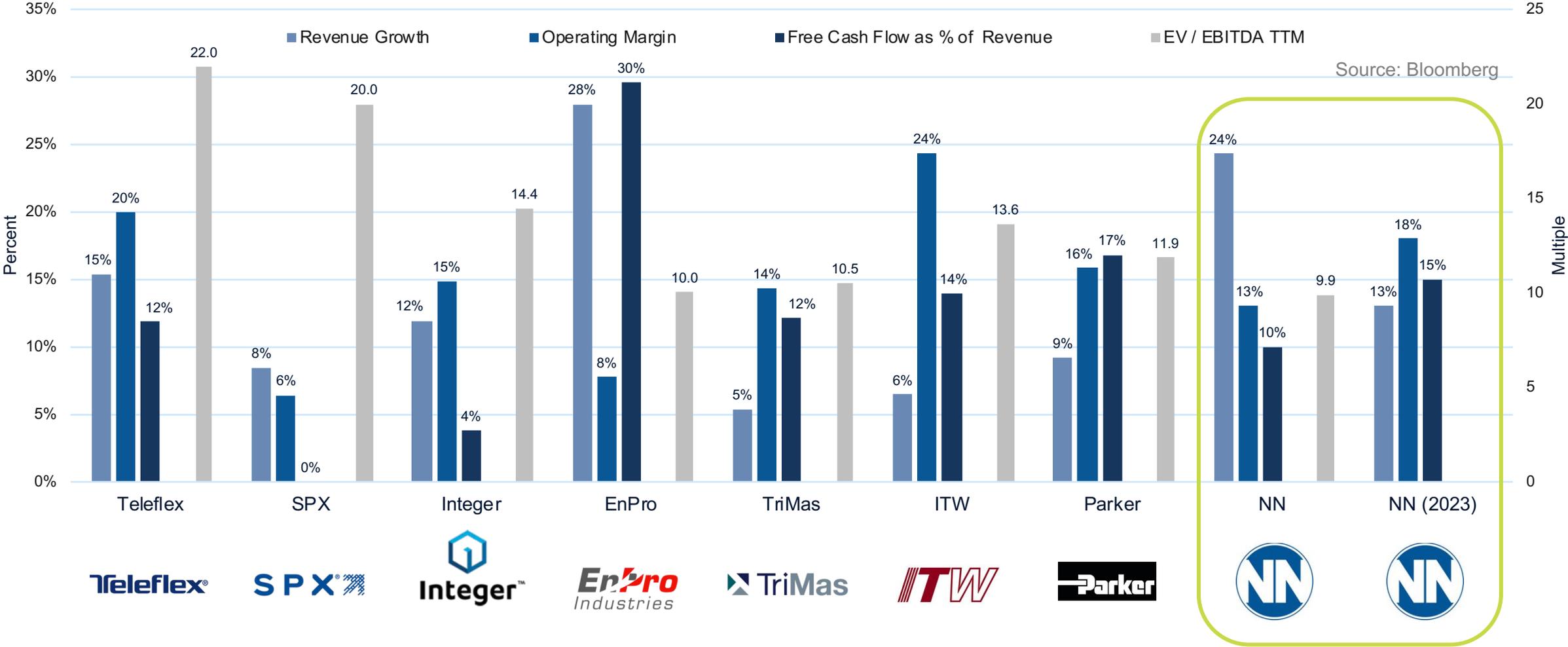
20% EBITDA Growth

- Capital Allocation
- Portfolio Management
- Leverage at 2x – 3x

15% Free Cash Flow

- Margin Expansion
- Improved ROIC
- Operational Excellence

New Peer Landscape



Significant valuation upside



Life Sciences

Robbie Atkinson — EVP, Life Sciences



LIFE
SCIENCES

End Market Overview

Mega Trends

- **Aging Population**
 - U.S. 65+ population to increase 30% by 2030
 - Global life expectancy expansion
- **OEM Consolidation**
 - Sub-Tier consolidation has not yet occurred
 - OEM's continue to push out non-core components and sub-assemblies
- **Technology & Patient Care Driven Innovation**
 - IOT impact on patient / Dr. interaction
 - Disposable instrumentation

End Market Growth Dynamics

- **Orthopedic Instruments – Global Market \$30B**
 - Extremity – CAGR 10%
 - Trauma – CAGR 4%
 - Spine – CAGR 3%
- **Cardiology & General Surgery – Global Market \$60B**
 - Robotic Assisted Surgery – CAGR 12%
 - Laparoscopic Surgery – 7%
- **Drug & Surgical Delivery Systems – Global Market \$3B**
 - Wearables – CAGR 127% thru 2027
 - Handhelds – CAGR 6%
 - Surgical Delivery Systems – CAGR 6%

Growing & dynamic end market

Life Sciences – A Global Medical Leader

Global Centers of Excellence

15 manufacturing facilities around the world



Integrated, Engineered Solutions

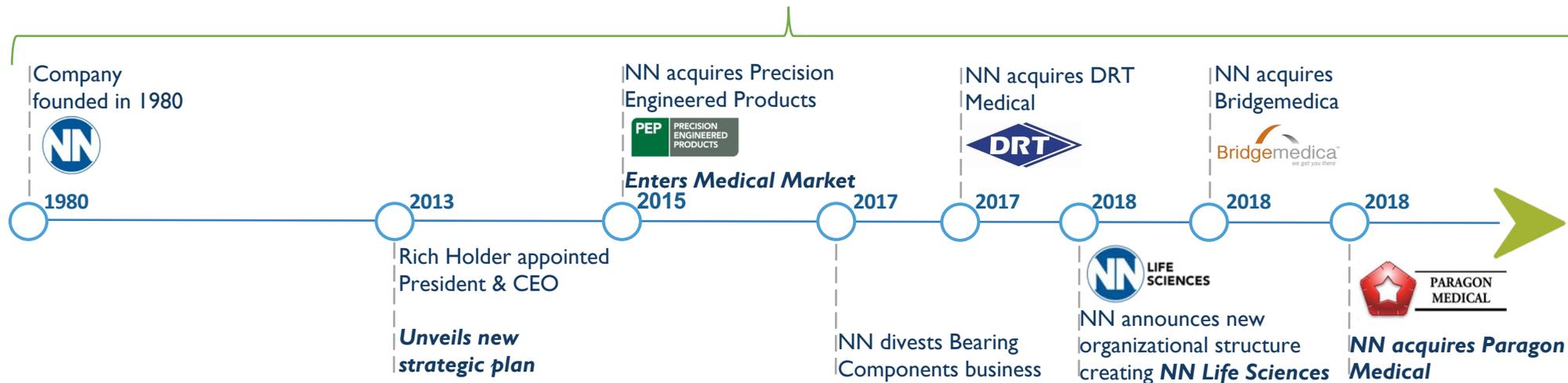


Full Suite of Product Applications

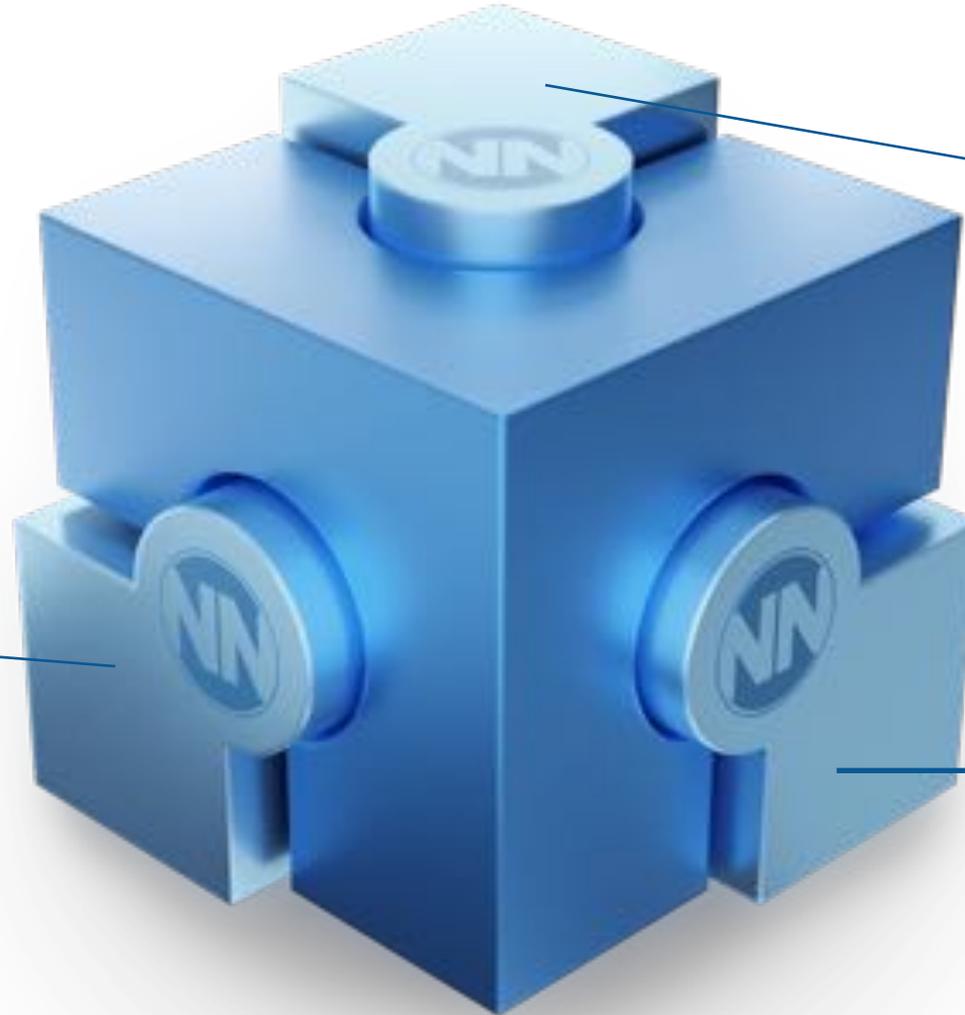
Product applications across multiple medical segments (e.g. orthopedics, endoscopy, drug delivery & delivery systems)



NN Life Sciences Timeline



Strategic Plan at a Glance – Life Sciences



Disciplined Growth Focus

- Organic Growth
- Finished Device Offerings
- Portfolio Expansion

Balanced Business

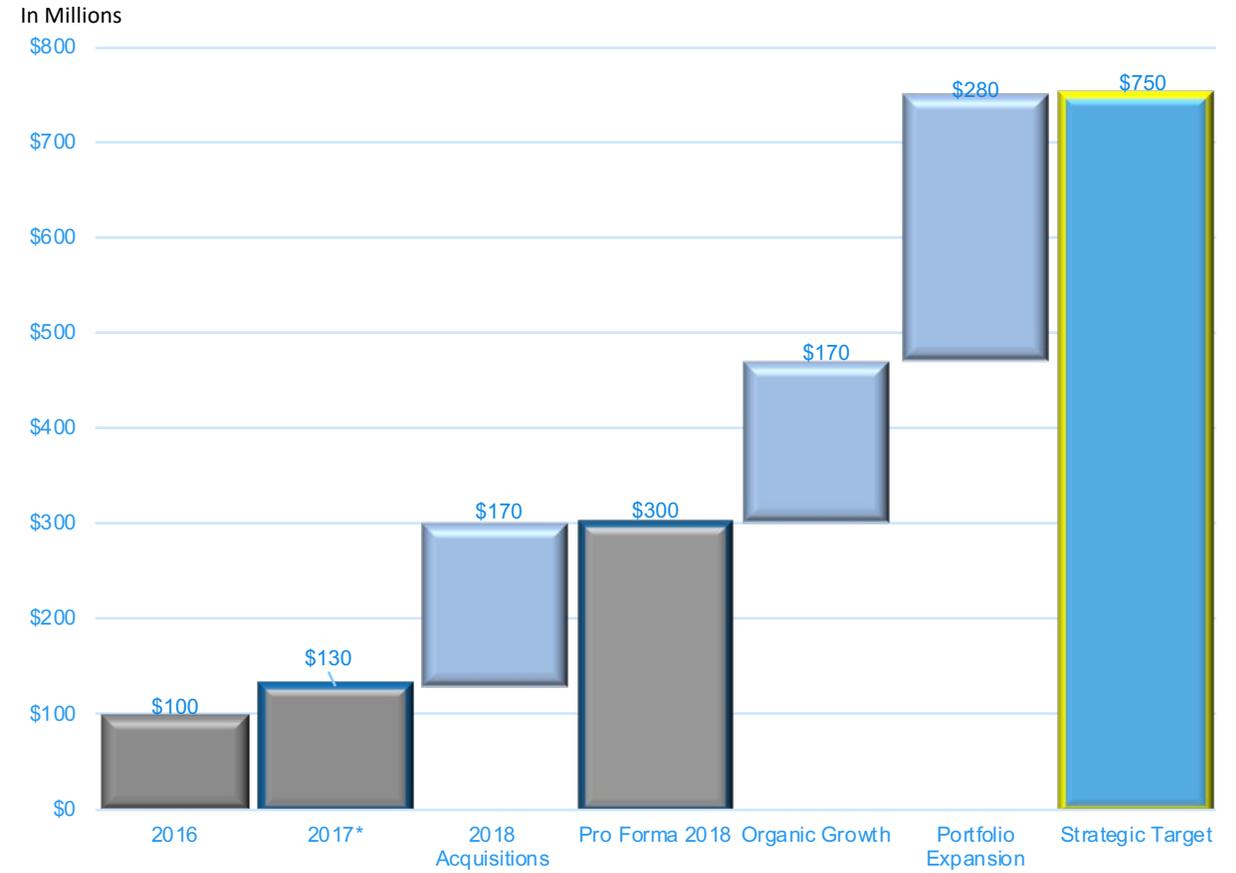
- Geographic Diversity
- Broad End Market Participation
- Dynamic Customer Base

Engineered Solutions

- Design for Manufacturability
- Supply Chain Integration
- Quality and Regulatory Services

Disciplined Growth Focus

- Grow Existing Product Sets
 - Leverage innovation centers
 - Develop complementary skillsets & components
 - Expand tool, kit, & implant offerings
- Expand Collaborative Finished Device Offerings
 - Self funded R&D yielding NN intellectual property
 - Pull from existing product set knowledge
 - Focus on new platforms & specialty surgical devices
- Portfolio Expansion
 - Adjacent & complementary technologies
 - Engineering & design capabilities
 - Expand finished device & cleanroom offerings



Balanced & Comprehensive Portfolio



PARAGON
MEDICAL

Combined Life
Sciences
Portfolio

	NN LIFE SCIENCES	PARAGON MEDICAL	Combined Life Sciences Portfolio
Finished Devices	Market Participant	Market Participant	Strategic Market Foothold
Orthopedics	Strategic Market Foothold	Full Market Participant	Full Market Participant
Surgical Tools	Full Market Participant	Market Participant	Full Market Participant
Spine	Strategic Market Foothold	Market Participant	Market Participant
Extremity	Strategic Market Foothold	Market Participant	Market Participant
Endoscopic	Market Participant	Not a Market Participant	Market Participant
Drug Delivery	Strategic Market Foothold	Not a Market Participant	Strategic Market Foothold
Delivery Systems	Not a Market Participant	Full Market Participant	Full Market Participant
Cardio & Vascular	Strategic Market Foothold	Market Participant	Strategic Market Foothold



Full Market Participant
 Broad Market Participant
 Market Participant
 Strategic Market Foothold
 Not a Market Participant

Engineered Solutions

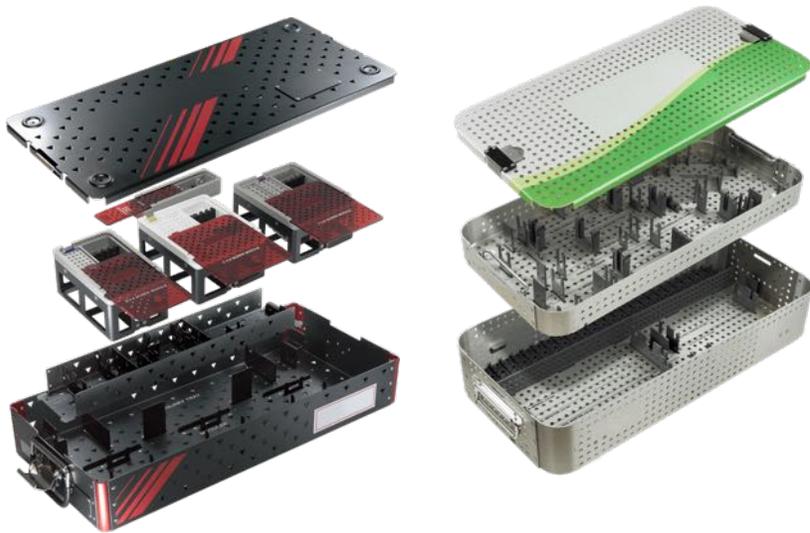
- **Research & Product Development**
 - **Design for manufacture services**
 - Project planning
 - Process development & sustaining engineering
- **Pilot Services**
 - New product introduction expertise
 - Advanced technology capabilities
 - **Certified clean room operations**
- **Design Transfer**
 - **Regulatory assessments**
 - World class quality protocols
 - Capability studies
- **Commercialization**
 - Global launch
 - **Supply chain integration**
 - Kitting, assembly and packaging



Delivery Systems

Current Delivery System Business

Addressable Market - \$400M



Future Expansion

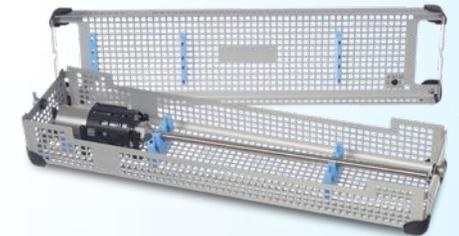
Closed Containers



Blister Packs



Scope & Dental Trays



Untapped Addressable Market - \$1.1B



Medtronic

stryker

← Same client base →



Medtronic

stryker

Life Sciences Summary

Strategic Highlights

- Robust end market dynamics support growth
- \$750M topline target
- Portfolio expansion and new product development to drive organic growth
- Concept to commercialization solution capabilities
- Continued focus on expanding our market participation

Engineered Solutions

- **Research & Product Development**
 - Design for Manufacture Services
 - **Project Planning**
 - Process development & sustaining engineering
- **Pilot Services**
 - New Product Introduction Expertise
 - Advanced Technology Capabilities
 - **Certified clean room operations**
- **Design Transfer**
 - **Regulatory Assessments**
 - World class quality protocols
 - Capability Studies
- **Commercialization**
 - Global Launch
 - **Supply Chain Integration**
 - Kitting, assembly and packaging



Disciplined Growth Focus

- **Grow Existing Product Sets**
 - Leverage innovation centers
 - Develop complimentary skillsets & components
 - Expand tool, kit, & implant offerings
- **Expand Collaborative OEM Offerings**
 - Self funded R&D yielding NN intellectual property
 - Pull from existing product set knowledge
 - Focus on new platforms & specialty surgical devices
- **Acquisition Strategy**
 - Adjacent & complimentary technologies
 - Engineering & design capabilities
 - Expand finished device & cleanroom offerings



Comprehensive Product Portfolio

	NN LIFE SCIENCES	PARAGON MEDICAL	Combined Life Sciences Portfolio
Finished Devices	🟡	🟡	🟡
Orthopedics	🟡	🔴	🔴
Surgical Tools	🟡	🟡	🔴
Spine	🟡	🟡	🔴
Extremity	🟡	🟡	🔴
Endoscopic	🟡	🟡	🔴
Drug Delivery	🟡	🟡	🔴
Delivery Systems	🟡	🟡	🔴
Cardio & Vascular	🟡	🟡	🔴

🔴 Full Market Participate
 🟡 Broad Market Participate
 🟡 Market Participate
 🟡 Strategic Market Foothold
 🟡 Not a Market Participant



1:Based on 2018 full year guidance, assumes Bridgemedica & Paragon acquisitions occurred 1-1-18



Power Solutions

Chris Qualters — EVP, Power Solutions

Power Solutions – Group Introduction



- Manufactures highly engineered components, specialty metals and assemblies

Power Management

Contacts: solid and composite, powder metal
Blades for devices and switch gears
Connectors: pins, metallic & molded housings
Engineered metals: clad, bi-metal, contact tape
Performance coatings: conductive, corrosion resistant

Aerospace & Defense

Fuel and air manifolds
Landing gear structures
Flight control components
Night vision housings
Environmentally secure avionics housings



- Engineered solutions utilizing advanced process technologies, design services & industry application knowledge
- Diversified applications across 2 strategic end markets: Power Management and Aerospace/Defense.
- Established January 2018 utilizing facilities from 2015 PEP acquisition

Strategic Plan at a Glance – Power Solutions



Disciplined Growth

- Organic
- Engineered Solutions
- Intellectual Property

Build a Balanced Business

- End Market Expansion
- Geographic Reach
- Customer Diversification

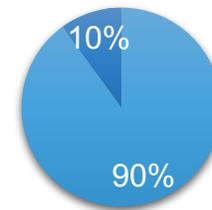
Engineered Solutions

- Design for Manufacturability
- Supply Chain Integration
- Application and Regulatory expertise

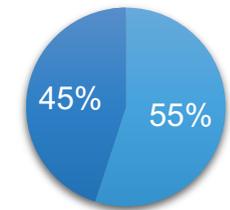
Disciplined Growth

- **Technology**
 - Innovation centers
 - Higher precision, size capabilities, innovative IP
 - Complex assembly
 - Enhanced, differentiated
- **Focused markets, expanded applications**
 - Power Management & Aerospace
 - Evolving & emerging applications
 - Geographic expansion
 - Higher value added products

In Millions



■ Power ■ Aero/Def



■ Power ■ Aero/Def



ELECTRICAL

End Market Overview

Mega Trends

Transmission and Distribution

- Expanding Distributed Energy Resources (DER's):
 - Inverters, storage, sensors, metering/controls
- Aging infrastructure requires updating



SMART: Cities, Homes, Factories

- Demand for usage efficiency driving smart meters and smart sensors across residential and industrial



Automation/Robotics/Sensors

- Need for Increased manufacturing efficiency and flexibility driving automation
- Proliferation of vision systems, robotics and co-bots

End Market Growth Dynamics

Transmission and Distribution

- Smart meters: 5-6% growth rate
- Switchgear: 5-7% growth rate
- Transformers: 4-5% growth rate

Residential Devices and Equipment

- Switches, breakers, sensors, appliances: 3-5% growth rate

- **Non-Residential Automation and Controls**

- Relays, sensors and controls: 6-7% growth rate

Advantageous growth environment

Engineered Solutions: Power Management

- End Markets:
- Power management: Industrial & Residential
 - Sensors and Automation
 - Smart devices
 - EV's: vehicle to infrastructure

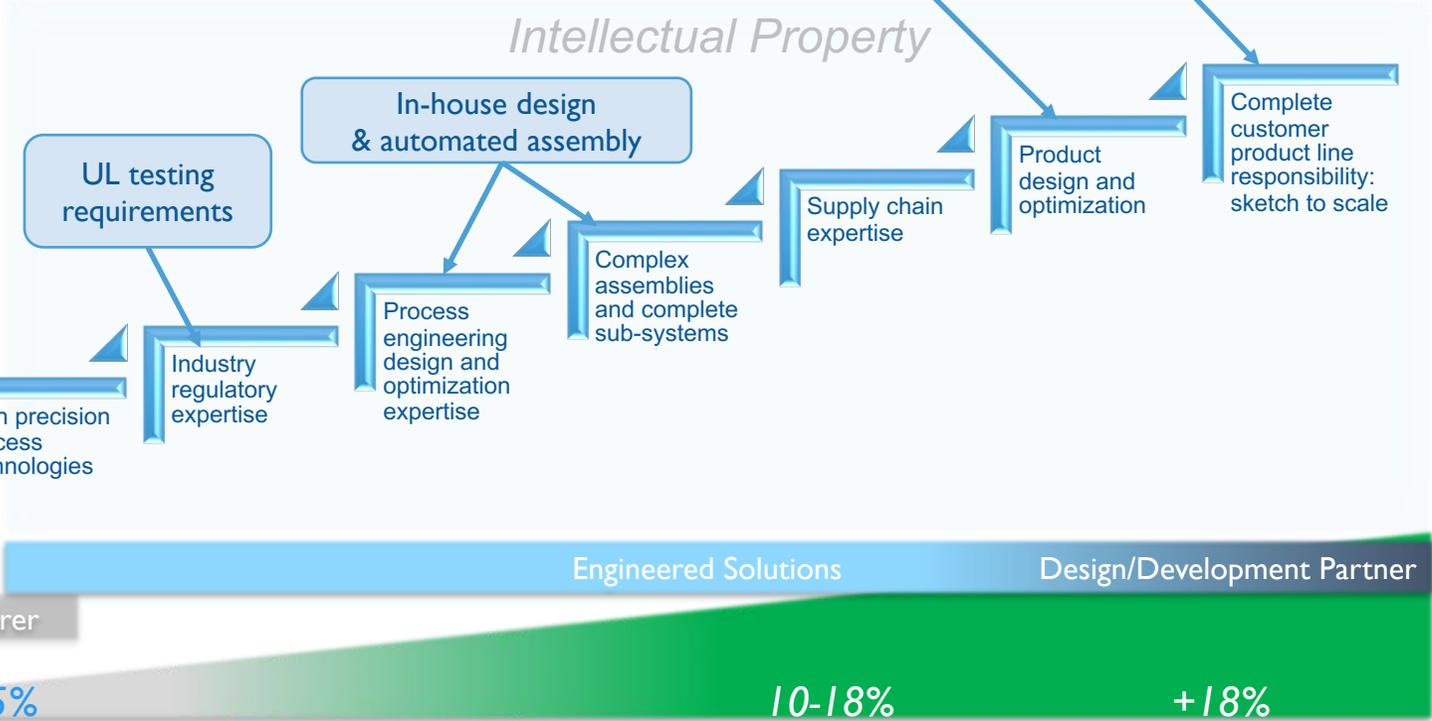
In initial discussions to take over entire circuit breaker product with key customer



Engineering expertise to optimize designs and manufacturing



Progressive tight clearance forming
 Single digit micron complex alloy components
 Injection molded engineered polymers
 Conductive & corrosion resistant coatings
 Engineered multi-layer metals





AEROSPACE & DEFENSE

End Market Overview

Mega Trends

Commercial Aerospace

- Fuel efficient engines
- Light weight: composites
- Passenger demand: resilient & continues to increase

STRONG GROWTH IN THE DEMAND FOR AIR TRAVEL

Year-over-year traffic growth averaged 6.5 percent during the past five years, setting a pace that exceeded the long-term average of around 5 percent. Low air fares, higher living standards with a growing middle class in large emerging markets, the growth of tourism and travel relative to total consumer spending in major economies, and new airline business models are all driving this boom in air travel.

Space: vehicles and satellites

- Increased need for earth observation (EO), communication technologies and cyber security
- Privatization of transportation services

Defense

- Global defense spending is forecast to reach \$1.67 trillion annually, highest level since end of Cold War
- National Defense Strategy focuses on layered defenses and disruptive capabilities

End Market Growth Dynamics

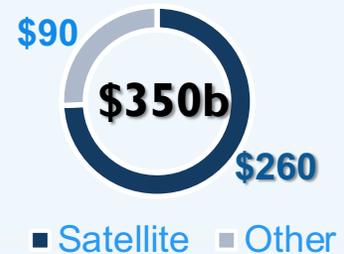
Commercial Aerospace

- Boeing & Airbus have over 12,000 jetliners on backlog



Space: vehicles and satellites

- Smallsat CAGR 31.9% 2018- 2021
- 95% of satellites: non-military use
- 160 constellations planned: 58% US
- 50 new launch vehicles being designed



Defense

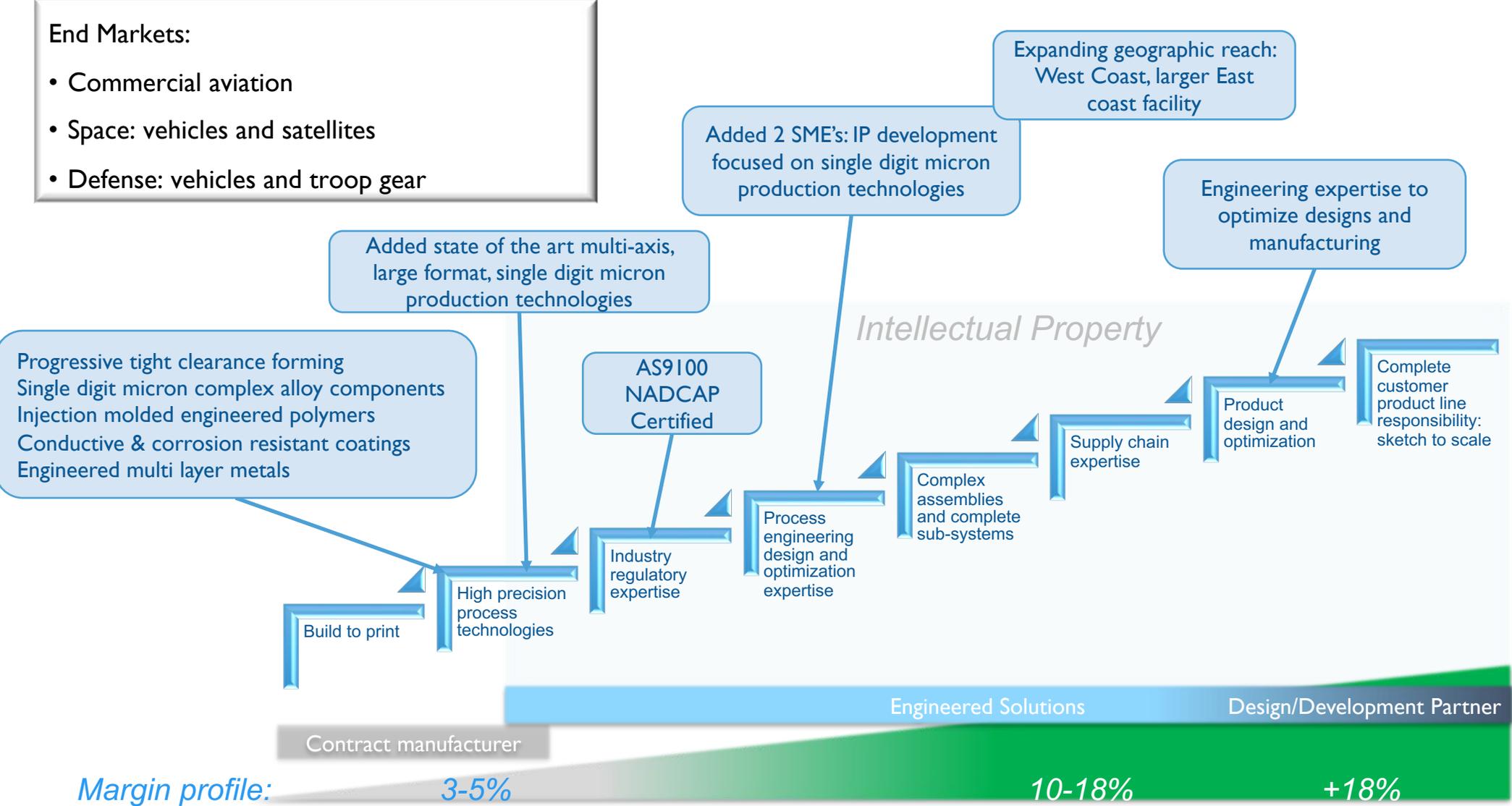
- US Defense budget up 19.4%
- Guided Munitions growth rate: 24% from 2018-2019
- Unmanned Aerial Systems (UAS): CAGR 15.5%

Attractive market dynamics

Engineered Solutions: Aerospace & Defense

End Markets:

- Commercial aviation
- Space: vehicles and satellites
- Defense: vehicles and troop gear



Expanding geographic reach:
West Coast, larger East coast facility

Added 2 SME's: IP development focused on single digit micron production technologies

Added state of the art multi-axis, large format, single digit micron production technologies

Engineering expertise to optimize designs and manufacturing

Progressive tight clearance forming
Single digit micron complex alloy components
Injection molded engineered polymers
Conductive & corrosion resistant coatings
Engineered multi layer metals

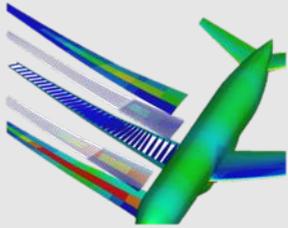
Engineered Solutions: Aerospace

NBT's in Aviation:

"Lighter, stronger, more efficient"

Answer:

*Composite wings
& fuselages*



The Challenge: Lightning



Each US aircraft is hit with lightning more than once a year. Aluminum allows the energy to travel along the skin and release back to the atmosphere. Composite structures cannot do this nearly as well and the potential exists for arcing close to fuel lines.

Our Customer's product:

Isolating & dissipating tubes installed on the fuel lines and vents that will slowly dispel static charge

Need for an NN engineered solution:

- 3 critical components & 1 specialty coating.
- Design an assembly process
- 3 suppliers
- Product success criteria:
 - Quality
 - Performance
 - Commercially viable

NN Engineered Solution

Technology

Design

Supply Chain

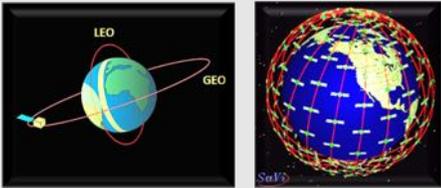
Quality Regulatory



Aerospace Growth: Small Satellites

Why Go Small?

1. Cost: production & transport
2. LEO is less costly than GEO
3. Coverage/Redundancy



Group	Mass (kg)
Large	> 1,000
Medium	500 – 1,000
Mini	100 – 500
Micro	10 – 100
Nano	1 – 10
Pico	0.1 – 1
Femto	< 0.1

SmallSat

Market dynamics and size

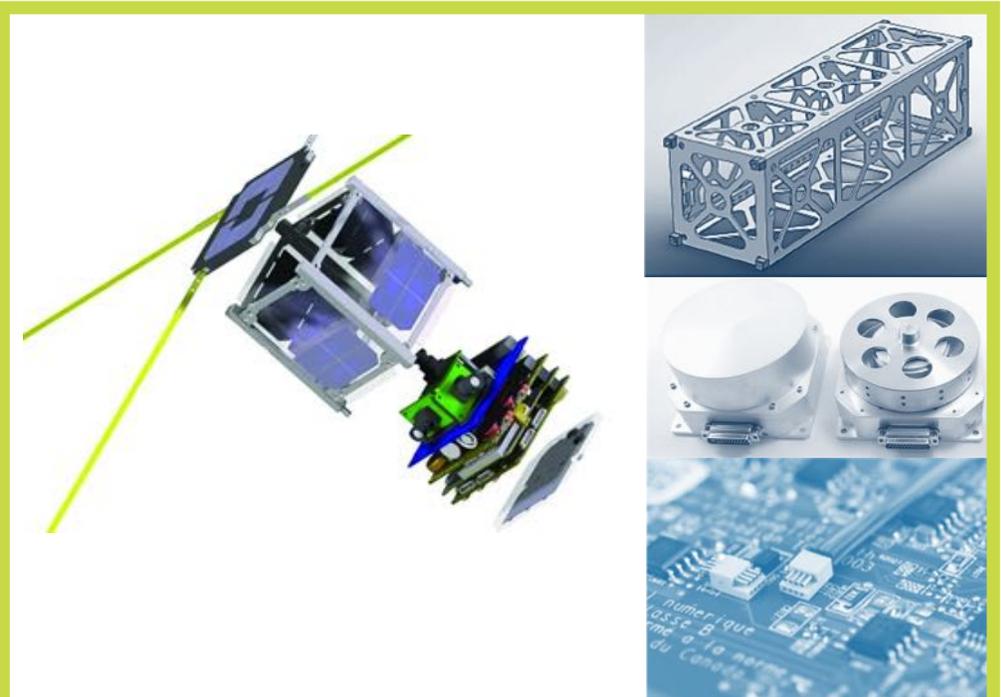
- Global space industry: \$350b/yr., 74% related to satellites
- \$38b of smallsats launching over the next 10 years, a 6x increase over last 10
- Life span: 1-7 years, constant replenishment of smallsats, launch vehicles, and services
- Launch rates:

2018	2022	2027
190/yr	580/yr	850/yr
- Majors are investing heavy in smallsat: Boeing, Lockheed



NN Solutions opportunities

- Structures: formed metal, thermal plastics
- Flight control: reaction wheels, thruster valves
- Power control: sensors, connectors, specialty metals



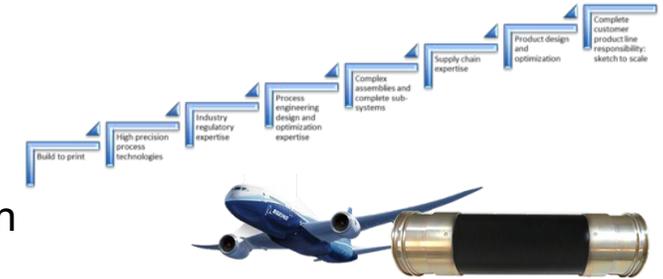
Power Solutions

Strategic Highlights

- Advantageous end market dynamics support growth
- \$450M top line target
- Extending market participation with additional application segments
- Ability to provide complex assembly solutions
- Differentiated growth strategy

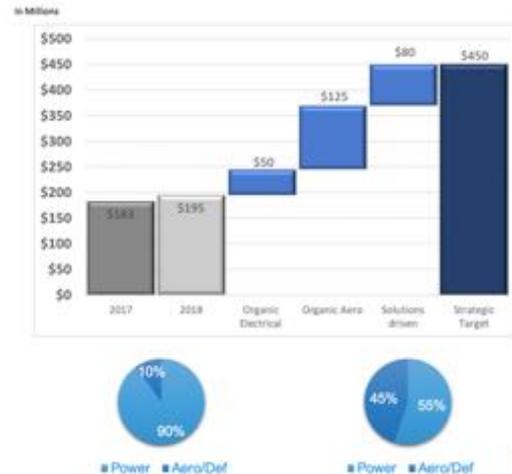
Engineered Solutions

- Comprehensive technologies
- Geographic expansion
- Higher order assemblies
- Supply chain optimization



Disciplined Growth Focus

- **Technology**
 - Innovation centers
 - Higher precision, size capabilities, innovative IP
 - Complex assembly
 - Enhanced, differentiated
- **Focused markets, expanded applications**
 - Power Management & Aerospace
 - Evolving & emerging applications
 - Geographic expansion
 - Higher value added products



Comprehensive Application Coverage

Power Management

- Transmission and distribution
- Smart meters
- Sensors
- Switch gears
- Circuit protection



Aerospace/Defense

- Commercial aircraft
- Space vehicles
- Satellites
- UAS's
- Defense vehicles
- Troop gear

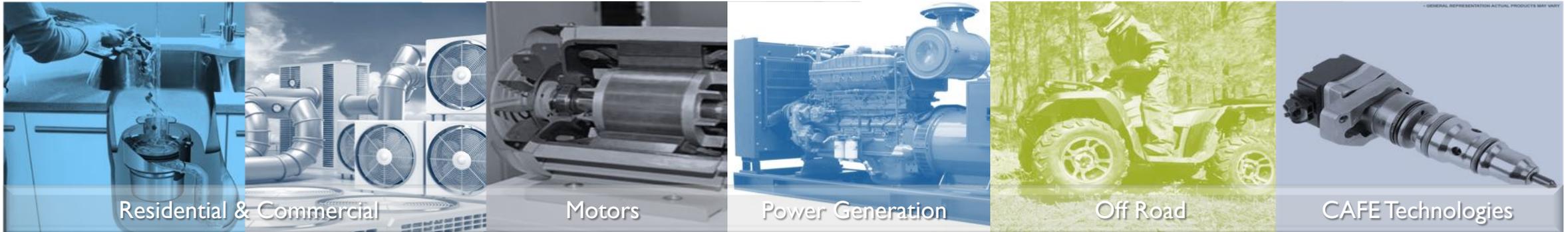




Mobile Solutions

Warren Veltman — EVP, Mobile Solutions

Mobile Solutions – Group Introduction



Products - Manufacturer of close tolerance precision metal components and assemblies

- Specializes in single-digit micron tolerances
- More than 2 million parts produced daily

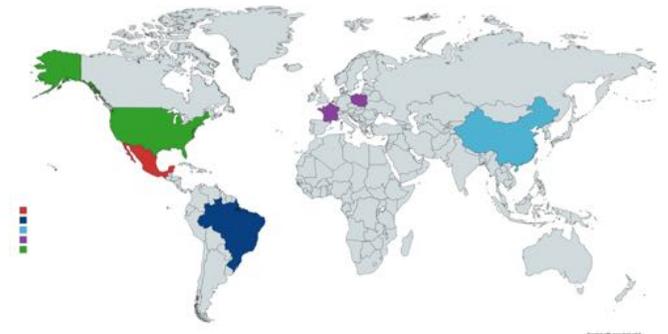
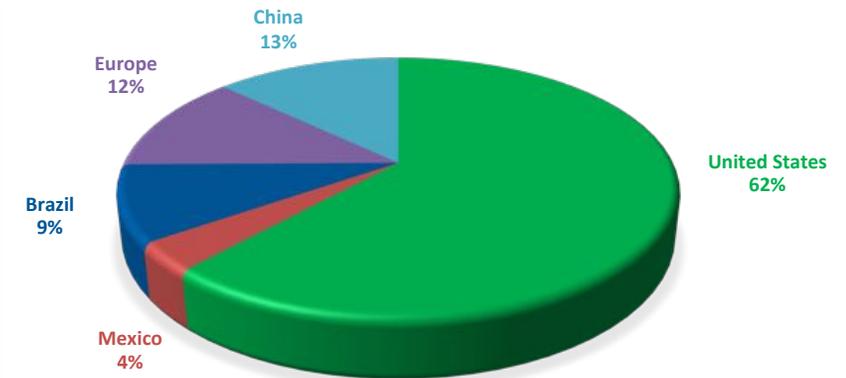
Global capability

- Business development teams in all geographies
- 16 manufacturing facilities on 4 continents
- 2,400 employees

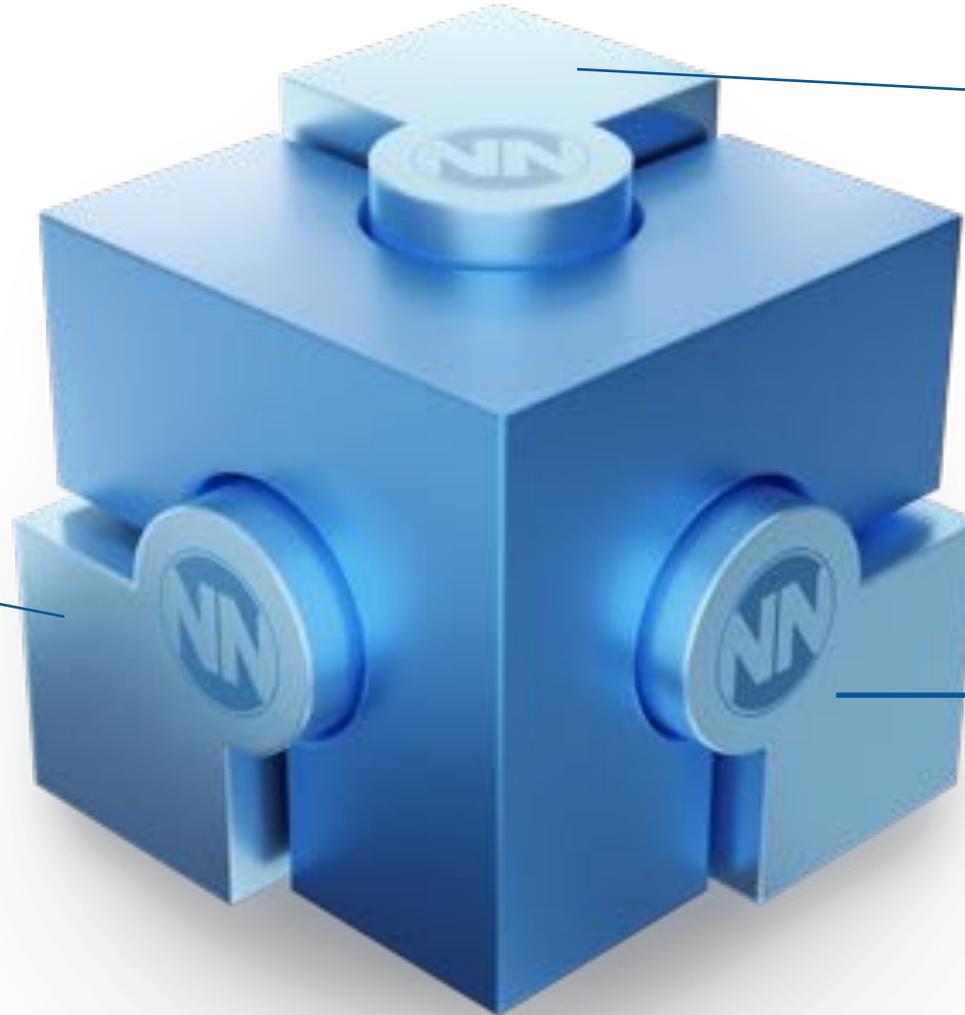
Sales Strategy - Targeting transportation and general industrial segments through advancing technologies

Customers - Partnering with global technology leaders: Bosch, Denso, Delphi, ZF, Magneti Marelli, Cummins, Emerson Copeland

Business Size - ~\$350M, exclusive of China JV



Mobile Solutions – Strategic Plan at a Glance



\$500 Million Revenue

- Engineered solutions provider – co-design capability
- Disciplined Growth Strategy - Focus on general industrial higher order assemblies and precision components

Build a Balanced Business

- HVAC, Off Road vehicles, power generation & high-precision solutions for consumer products
- CAFE Technologies – GDI, EPS, multi-speed transmissions, electric motor, start/stop
- Global diversification

Operating Performance

- NN Operating System – world-class process technologies and manufacturing systems
- Superior Quality – single digit PPM, with focus on low customer disturbances
- Margin Expansion - improvement through product life cycle

Mobile Solutions at a Glance: Focus Segments

CAFE



3-5%

- E-Mobility / Autonomous Driving
- Increased power density

HVAC



Market Growth Rate

5%

- Rising construction activities
- Connected Home Devices

General Industrial

Off Road



3-5%

- Continued increase of disposable income
- Rise of the Asian market for ATVs

Power Generation



3-5%

- Growth in China / India
- Urea Dosing Systems

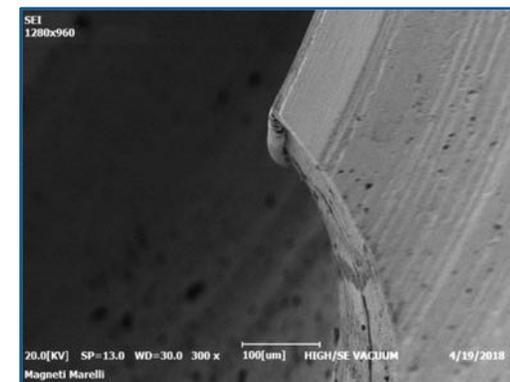
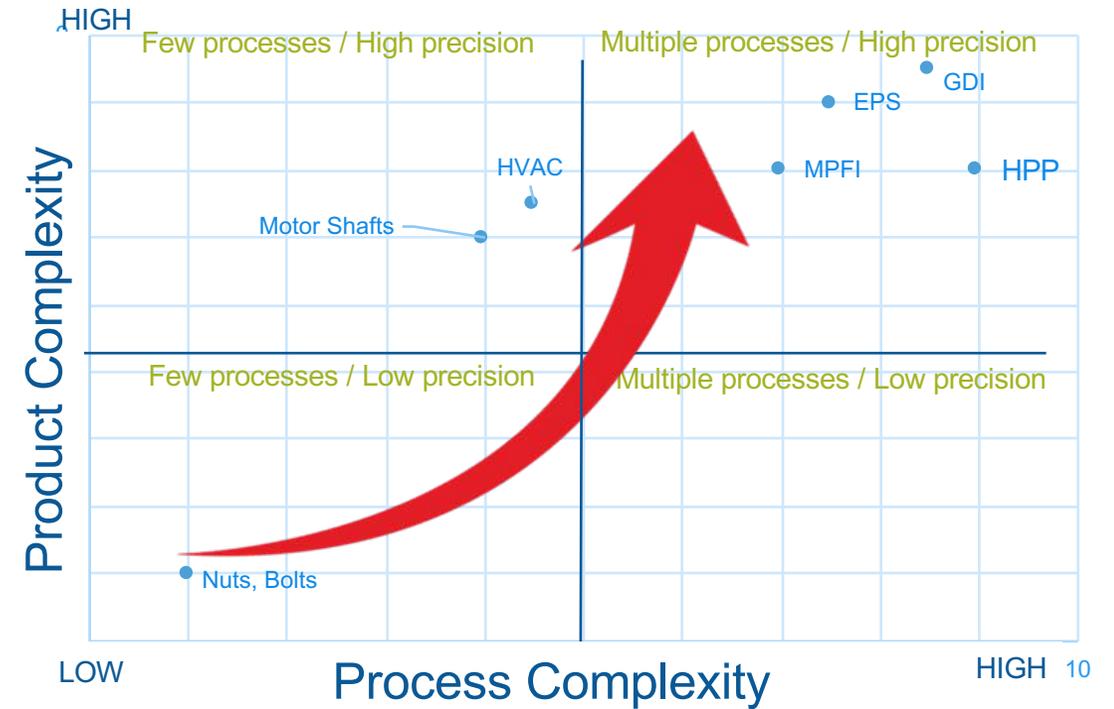
Value Proposition

Full Service Scalable Partner

- Global facilities and products
- World-class process technologies and manufacturing systems
 - In-house tool manufacturing and machine build
- Components to finished subassemblies
- Simplify supply chain and leverage global purchasing power
 - Local for local

Engineered Solution Provider

- Application specific co-design capability
- Support total product life cycle
- Cross technology partner
- Next generation process and product development





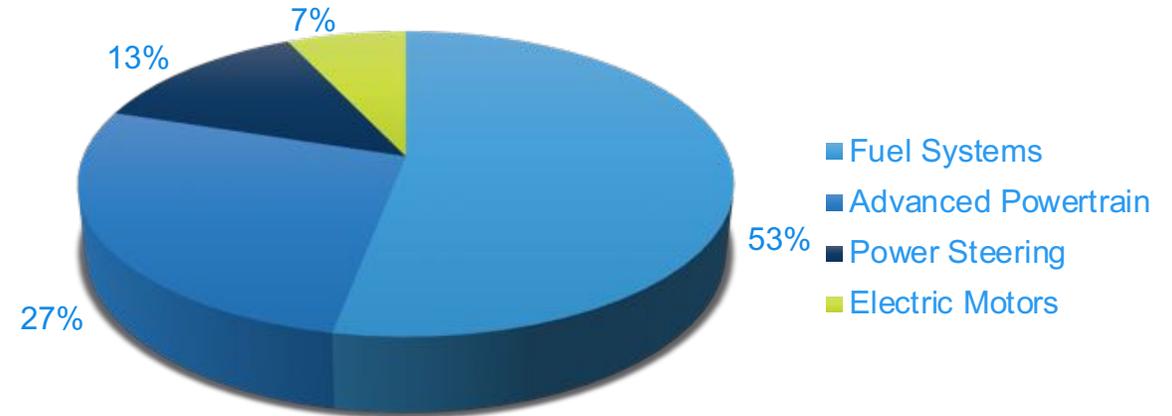
CAFE TECHNOLOGIES

End Market Growth – CAFE

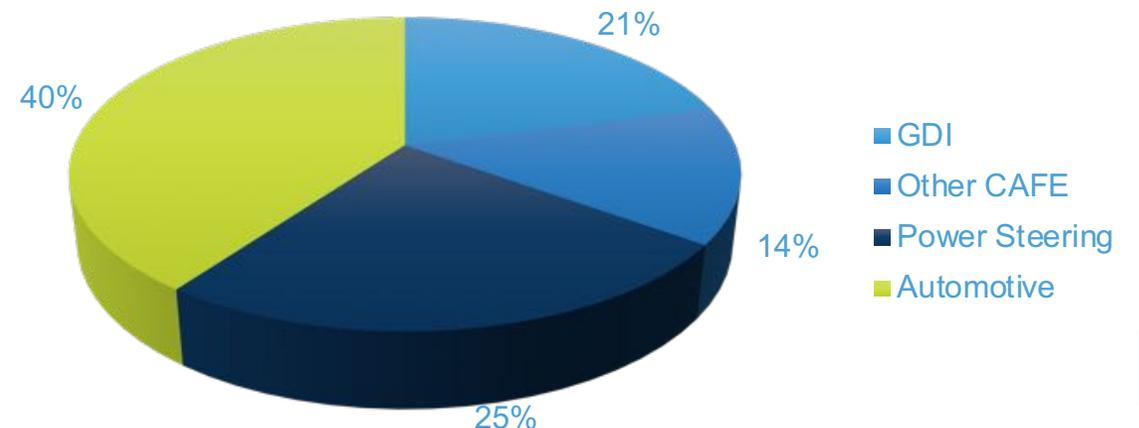
Macro Economic Trends

- **Demand for increased power density in the engineered platform driving growth**
- **Increased Pumping Pressure drives the need for increased precision**
 - Carburetor to Multiport Fuel injector to GDI to future 1000 BAR System?
 - Our IP in process becomes more valuable
- **E-Mobility**
 - Internal Combustion Engine (ICE) will remain primary propulsion option over next decade.
 - China market is leader for Electric Vehicles
- **Autonomous Driving** and increased connectivity
- **Oil & gas prices** – forecast for relative stability thru 2020

CAFE / Auto Addressable Market (\$3.8B)



CAFE / Auto (\$255M)

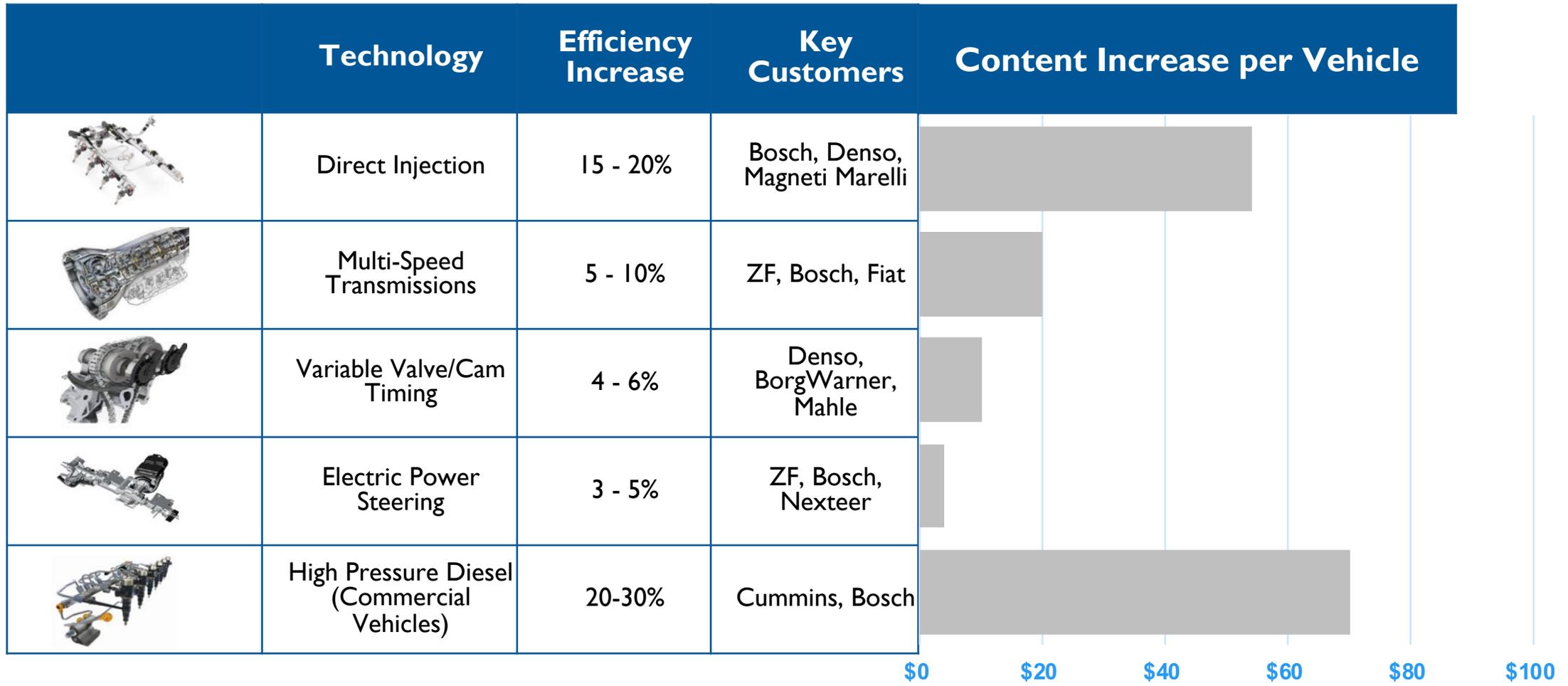


Growth Above Market – CAFE Execution Strategy

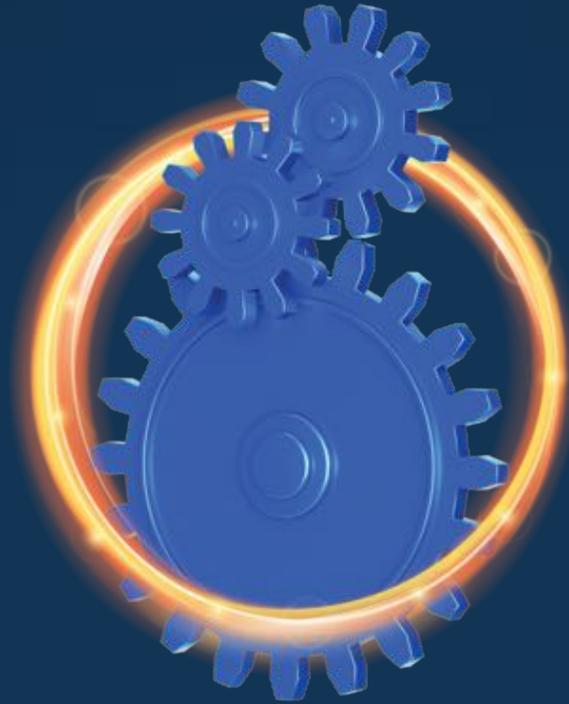
Execution Priority:

- 1. Engineering:** Leverage engineering capability
 - Co-design capabilities / Value Analysis Value Engineering (VAVE)
 - High volume manufacturing expertise to < 1 micron.
 - World class cleaning, measurement, and metallurgy
- 2. Commercial Excellence:** Leverage relationships with market leading customers
 - Fuel Systems – Bosch, Delphi, Denso, and Magneti Marelli
 - Power Steering – ZF, BHSS, Nexteer, and JTEKT
- 3. Operational Excellence:**
 - Global centers of expertise
 - YOY price reductions while improving operating margins
- 4. Portfolio:** Strong CAFE product portfolio positions Mobile Solutions as an industry leader
 - Fuel Systems – Supplier on most current high pressure systems. Products include: Injector components, pump components, and assemblies
 - Power Steering – Worms, Pinions, Input Shafts, Output Shafts,

CAFE – Content per Vehicle



Regulatory standards require adoption of all fuel saving technologies



GENERAL
INDUSTRIAL

End Market Growth – General Industrial

Macro Economic Trends

Strong Economic Indicators

- Industrial Production Index – 2.6% average growth (2019-21)

Housing Starts

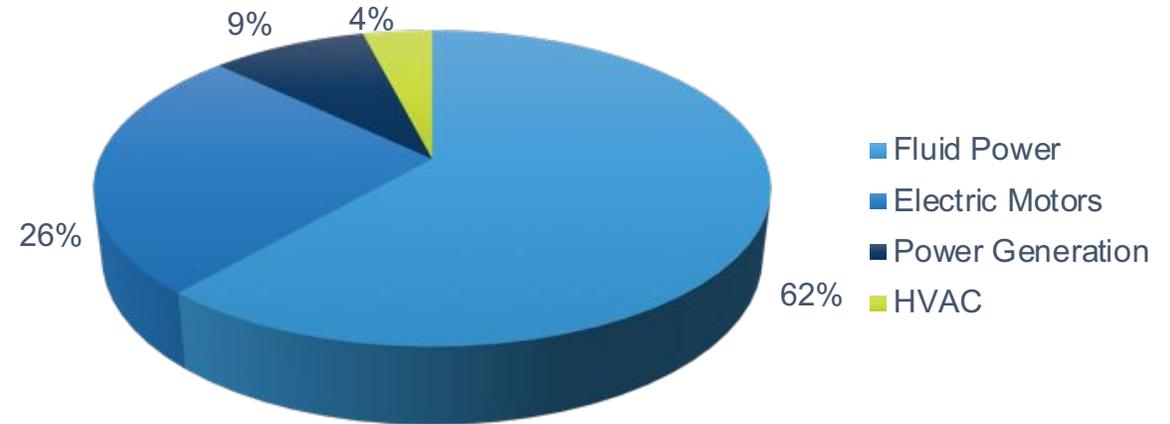
- Predicted growth of 2.0% and 2.7% for 2019 and 2020, respectively.
- Mortgage rates – increasing
- Low housing inventory

Power Generation upgrades and expansion

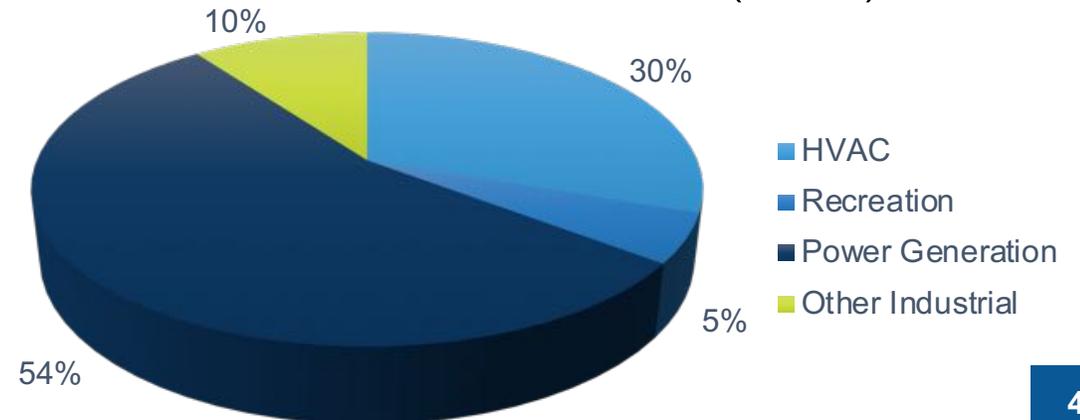
- 5-7% for equipment spend

Outsourcing and Reshoring Trends

Targeted Addressable Markets (\$6.2B)



General Industrial Business* (\$92M)



Growth Above Market – Industrial Execution Strategy

Execution Priority:

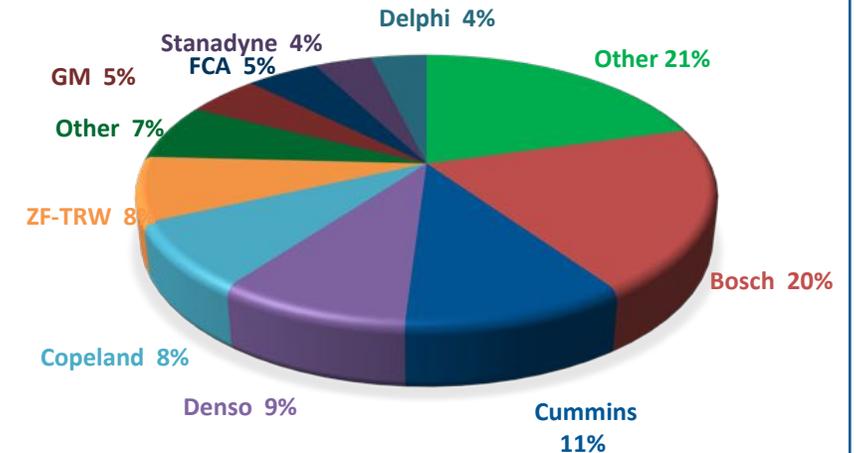
1. **Commercial Excellence:**
 - Dedicated sales & business development resources focused on General Industrial
 - Leverage global partnerships with diversified customers – Nidec, Cummins, Emerson
 - Partner on reshoring opportunities and commercial vehicle expansion opportunities in China / India
2. **Engineering:**
 - Demonstrate technical advantage over fragmented supply base which tends to be smaller in size, and less technologically sophisticated (older equipment)
3. **Operational Excellence:**
 - Protected processes to manufacture component “families” more cost efficiently
 - Expand current product offerings in focus markets where we have current capacity and capability
4. **Portfolio:** Leverage current product portfolio and machining technology to supply to diversified end markets
 - HVAC – shafts, assemblies
 - Power Generation - High pressure pumps, urea dosing
 - Fluid Power – Poppets, Sleeves, Spools
 - Steering systems

Mobile Solutions Positioned for Growth

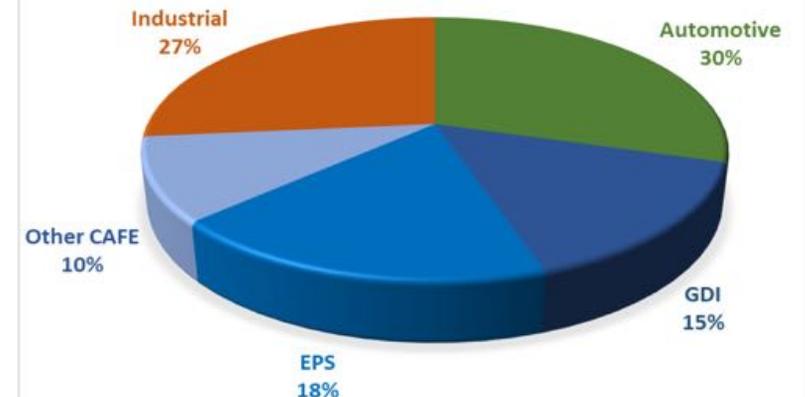
- Technology leader
- Best in class manufacturing systems
- Global platform
- Valued supplier to global customer base
- Recent capital investments provide “refresh” for EOP programs
- Diversification of sales by geography, customer and end product application

Revenue Breakdown

Customer Mix



Product Mix

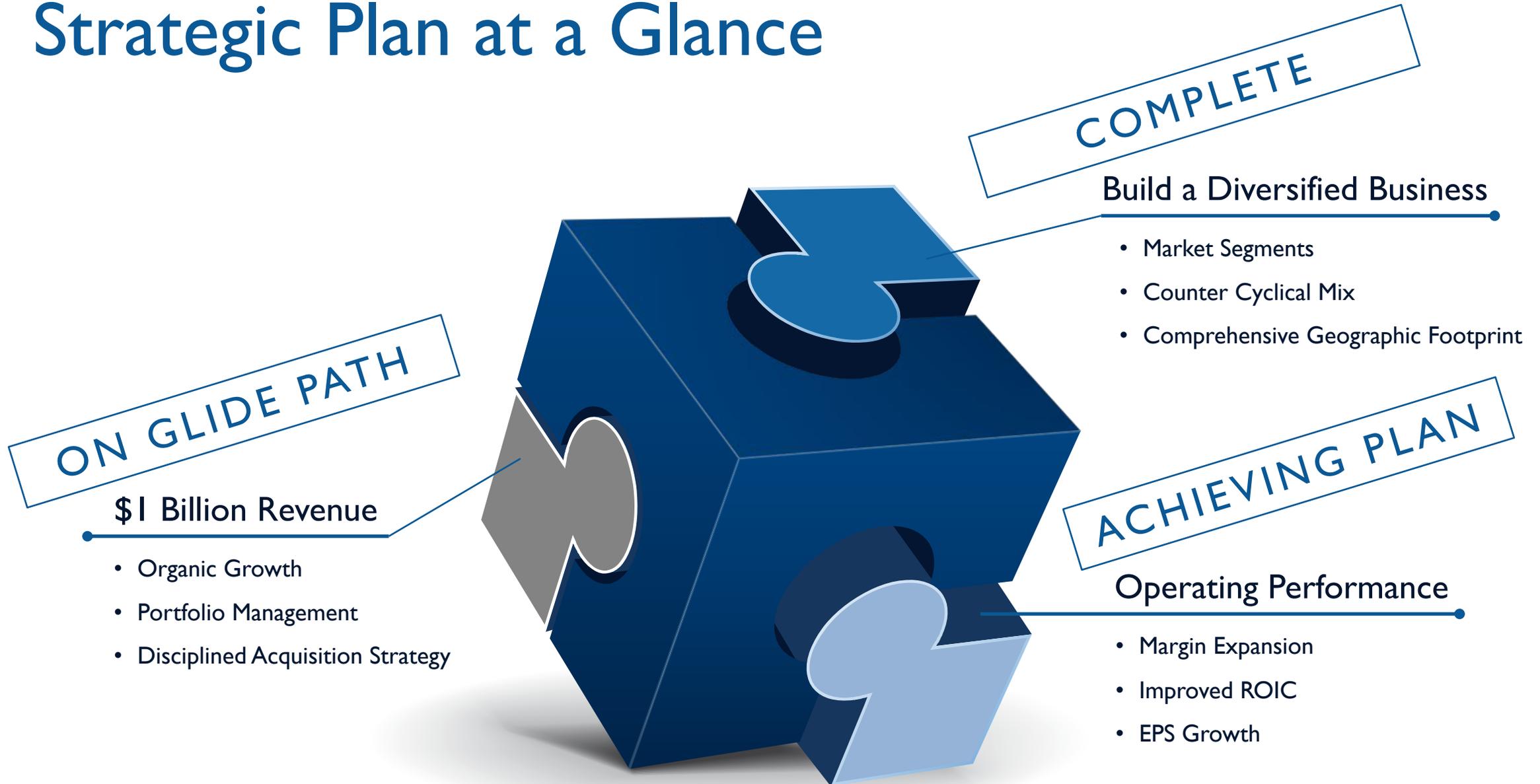




Finance

Tom Burwell — SVP & Chief Financial Officer

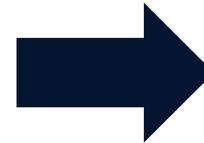
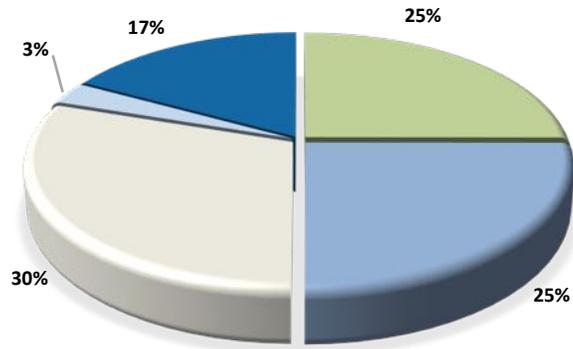
Strategic Plan at a Glance



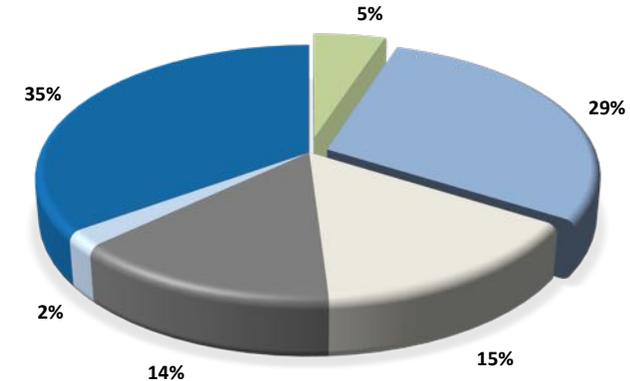
Evolution of Strategic Plan

End Markets as a % of Revenue

Original Strategic Plan



Current Run Rate¹

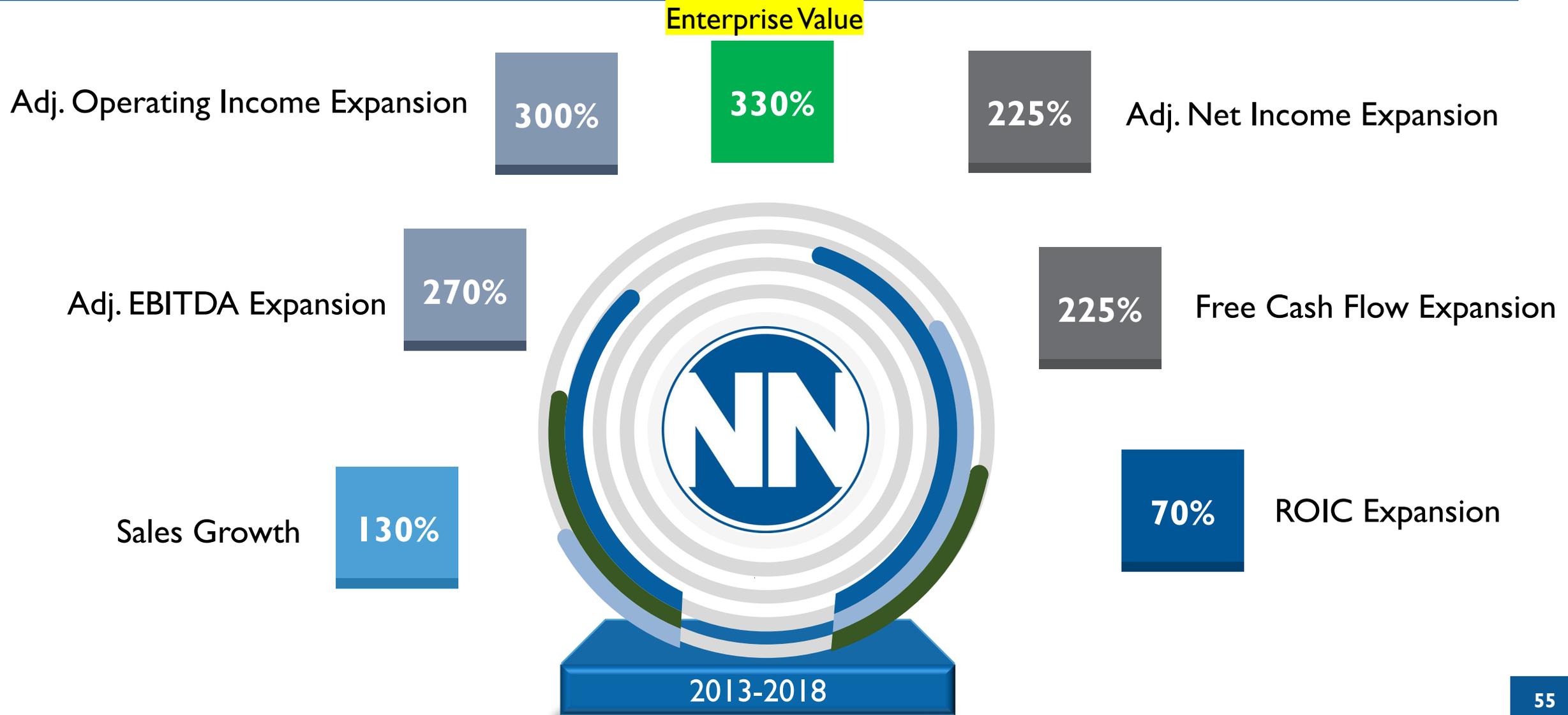


● Automotive ● Electrical ● General Industrial ● Aerospace & Defense ● CAFE Technology ● Life Sciences

- Achieved transformative end market mix in accordance with Original Plan
- Achieved counter cyclical balance
- New end market mix and performance positions us in the center of our new peer set
- Enhanced de-levering
 - Equity raise
 - Enhanced cash generation
 - Improved capital intensity
 - Future growth

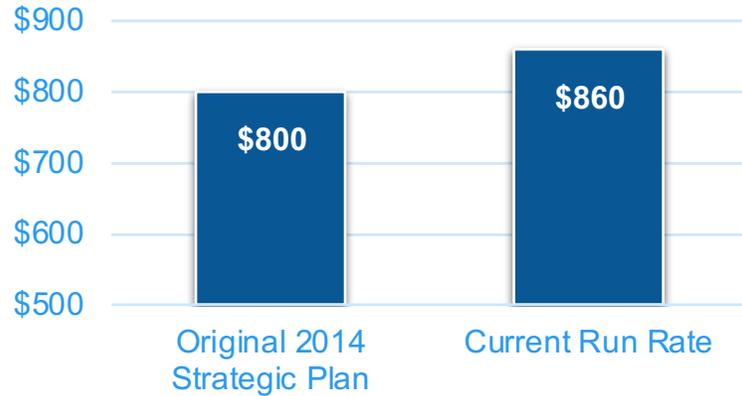
¹ Based on 2018 full year guidance, assumes Bridgemedica & Paragon acquisitions occurred 1-1-18

Strategic Growth and Operating Performance



Status of the Original Strategic Plan

Sales in millions



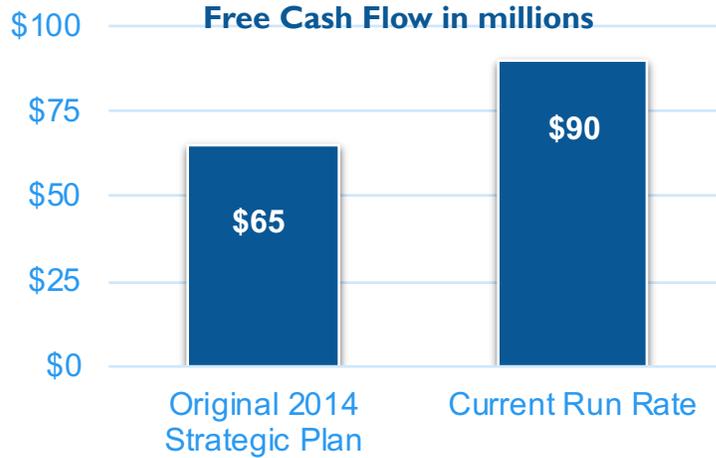
EBITDA in millions



Adjusted Op. Income in millions



Free Cash Flow in millions

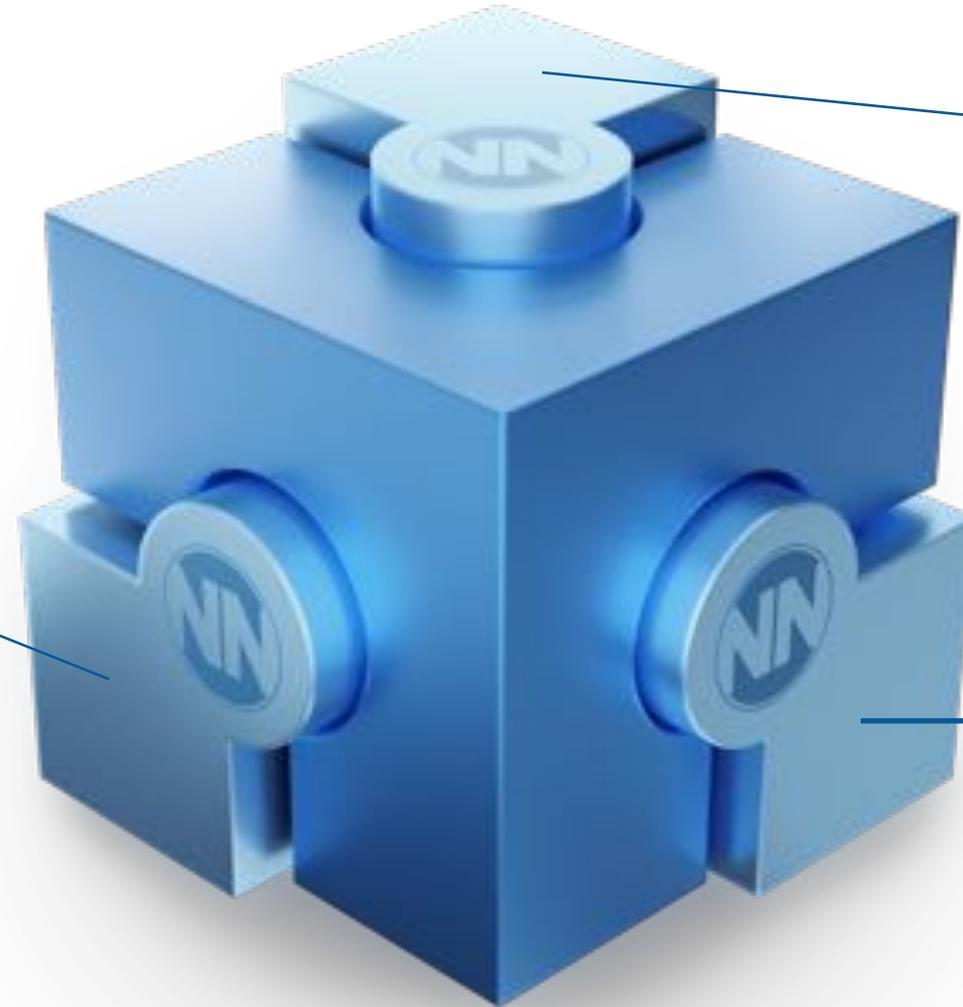


- All numbers proforma full year run rates¹
- Exceed the original strategic Plan by
 - ~8% in sales
 - ~30% in EBITDA
 - ~35% in Adjusted Op Income
- Current business mix provides foundation for strong organic growth
- Achieve \$1 billion in sales 12-18 months

On a glide path to \$1 billion in revenue

¹ Based on 2018 full year guidance, assumes Bridgemedica & Paragon acquisitions occurred 1-1-18

The Next Five Years: NN 2.0



Drive 6-8% Organic Growth

- Focused Customer Penetration
- Enhanced IP and Technology products
- End Market Outgrowth

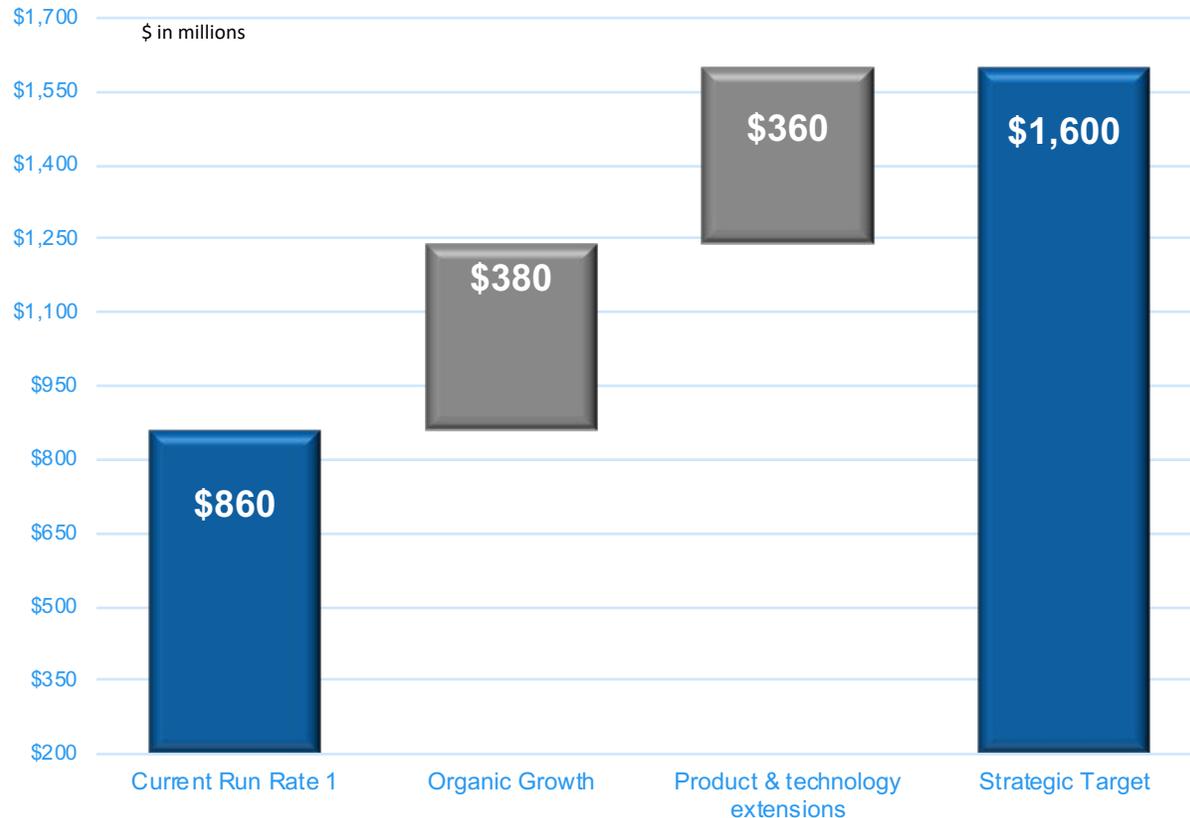
20% EBITDA Growth

- Capital Allocation
- Portfolio Management
- Leverage at 2x – 3x

15% Free Cash flow

- Margin Expansion
- Improved ROIC
- Operational Excellence

Sales Growth

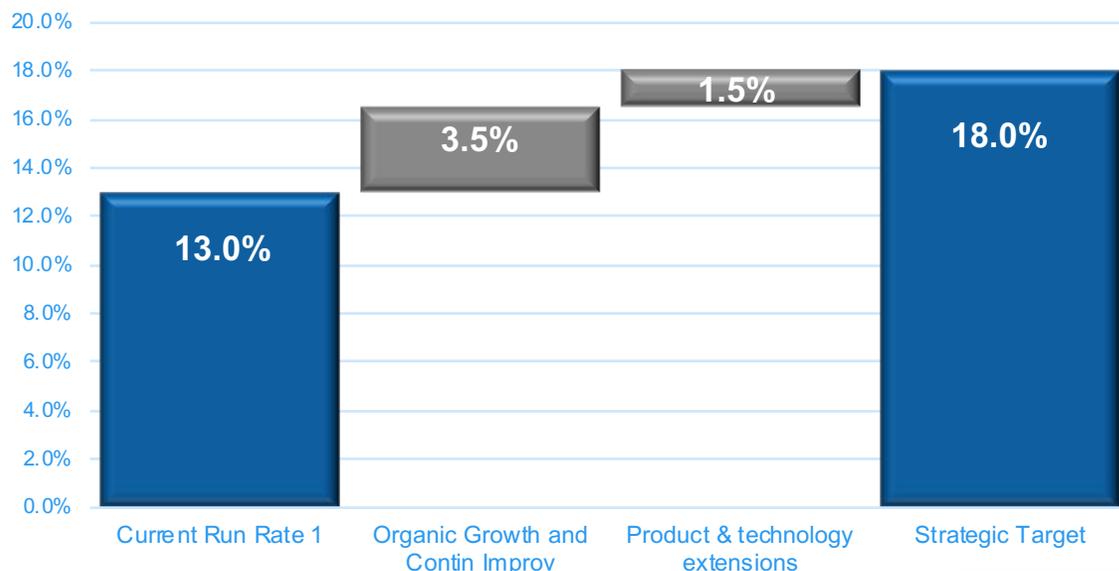


- All numbers proforma full year run rates
- Product and technology extensions funded from free cash flow
- Total sales grow at 13% CAGR
- Organic growth rate high-mid single digits

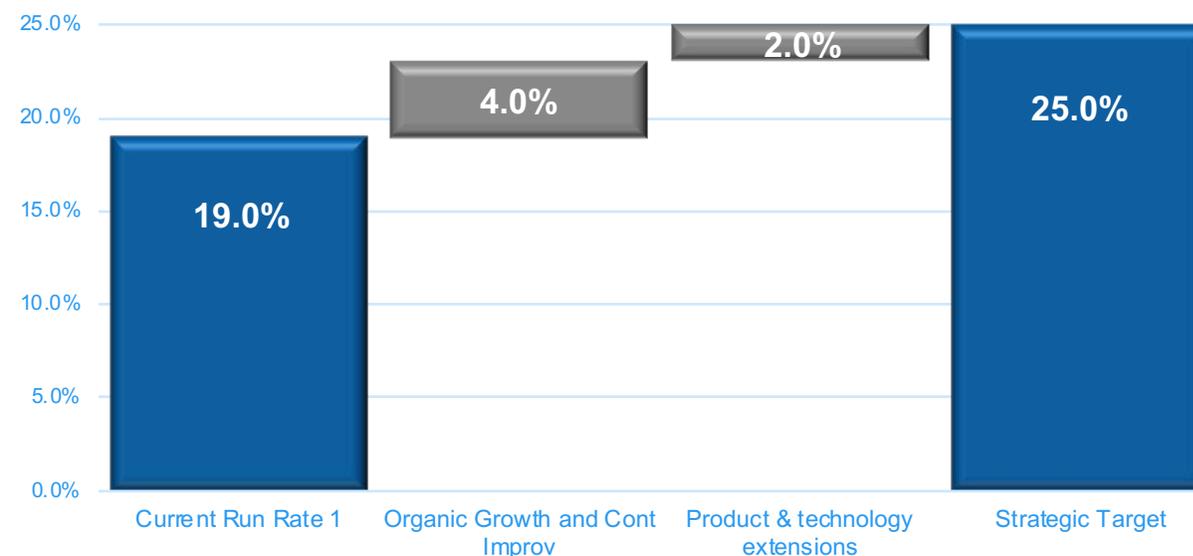
Leverage will remain in targeted 2x to 3x range

Adjusted Operating and Adjusted EBITDA Margins

Adjusted Operating Margin



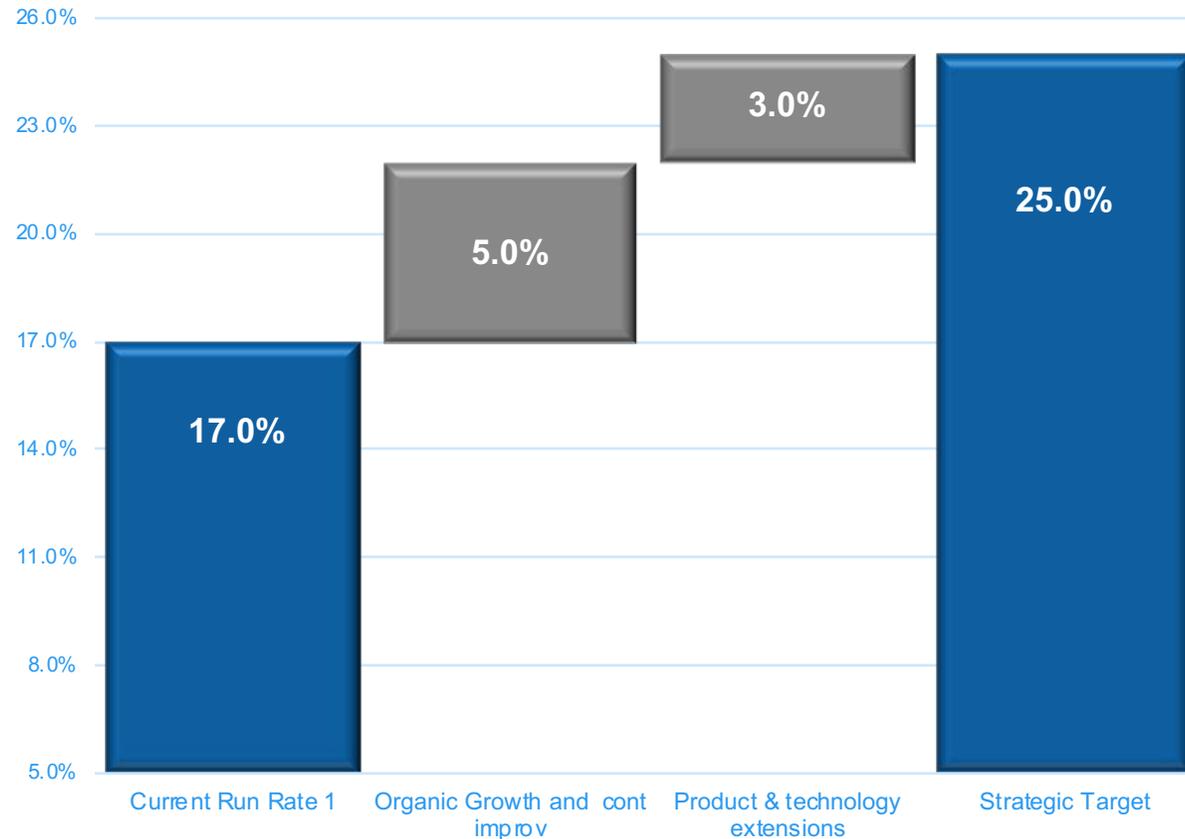
Adjusted EBITDA Margin



- Appropriate flex productivity on organic growth
- Product and technology extensions provide additional expansion opportunities
- NN Operating System continues to lift the enterprise
- Expanding EBITDA provides the cash flow to
 - **De-lever early in the strategic period**
 - Invest in new products and technologies while maintaining targeted leverage

500 to 600 bps expansion from first strategic plan

Return on Invested Capital (ROIC)



- Fastest growing end markets are less capital intensive and more profitable
- Improved operating and capital efficiency achieved through NN Operating System
- Better return on capital employed leads to higher margins and increased cash flow

Increased target by 800 bps from first strategic plan

Capital Structure Going Forward

Strategic goal ~2x-~3x levered

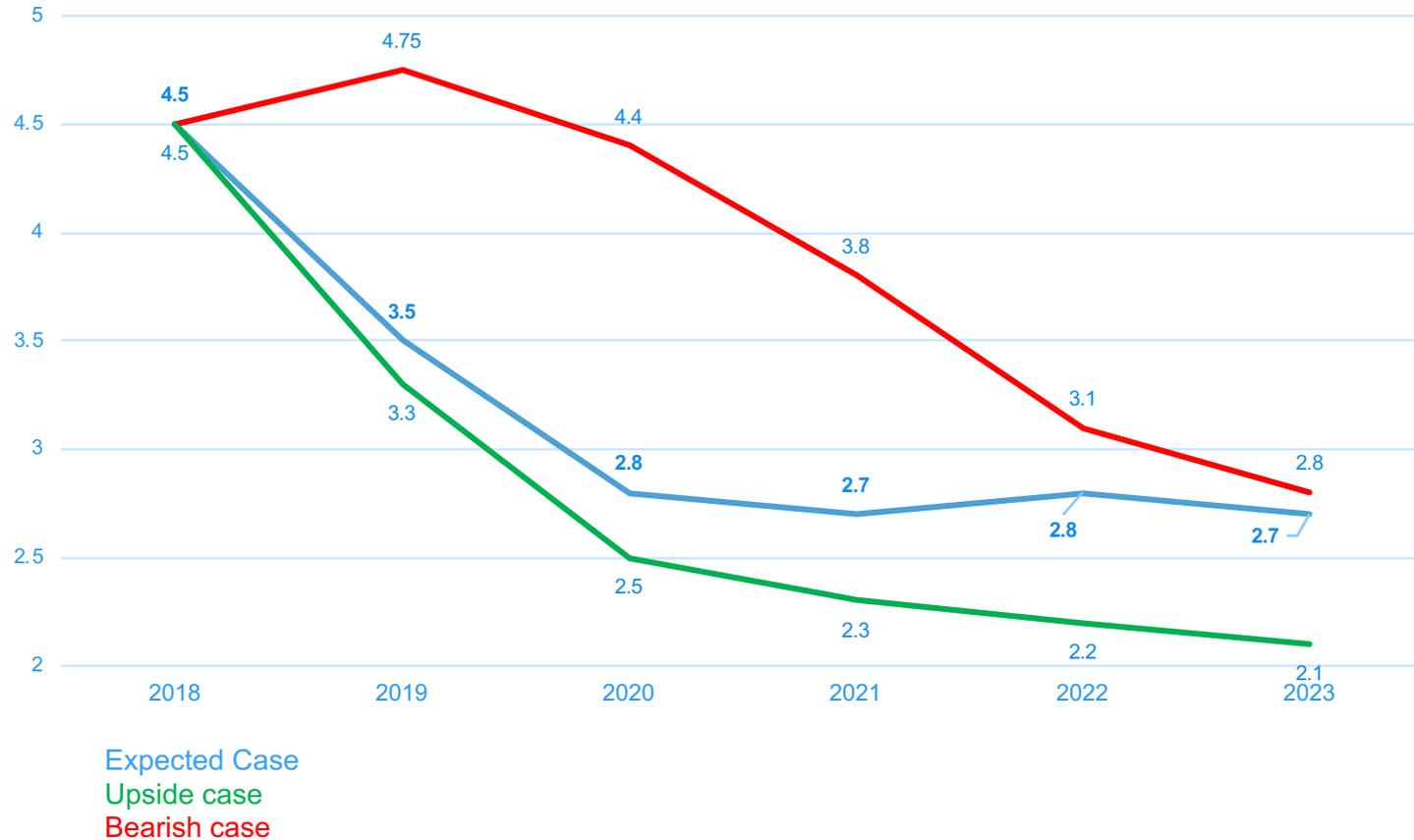
- 2x to 3x forward looking EBITDA in long term patient capital
- Growth initiatives funded through free cash flow
- Strategically managing terming of debt

Power of Free Cash Flow

- Significant free cash flow allows us to de-lever quickly while investing in growth
- Target 2-3x leveraged achieved and held during strategic period
- Free cash flow ~15% of sales in strategic period

Continuous proactive management of our capital structure

Leverage



- Leverage exiting each year
- Strategic target between 2x and 3x levered
- Bearish case assumes 15% sales reduction in 2019 followed by multi-year recovery

Reach target leverage exiting 2020

Guidance

- Now have stable portfolio that will drive appropriate comparables
 - Annual Enterprise Guidance Metrics
 - Sales
 - EBITDA
 - Adjusted Operating Margin
 - Adjusted Free Cash Flow performance
 - Earnings Per Share
 - Quarterly Enterprise Guidance Metrics
 - Sales
 - EBITDA
 - Adjusted Free Cash Flow performance
- Definition of Adjusted Free Cash Flow performance
 - Cash flow from operations less maintenance capex as a % of sales



A New Brand Identity

Paul Taylor – VP, Marketing & Investor Relations

Case for Change...

- We have been defined by our past –
 - Roller Elements Manufacturer
 - Cyclical Market Segment - Auto
 - GDP growth
- We have completed our business transformation
- We have entered a new chapter in our story...

A New Name & Brand for NN will...

Reflect our evolution into a diversified industrial

- Focus on new end market segments
- Deliver precision engineered solutions to our customers
- Unify our new organizational segments
- Demonstrate our continuous drive to being an innovation leader

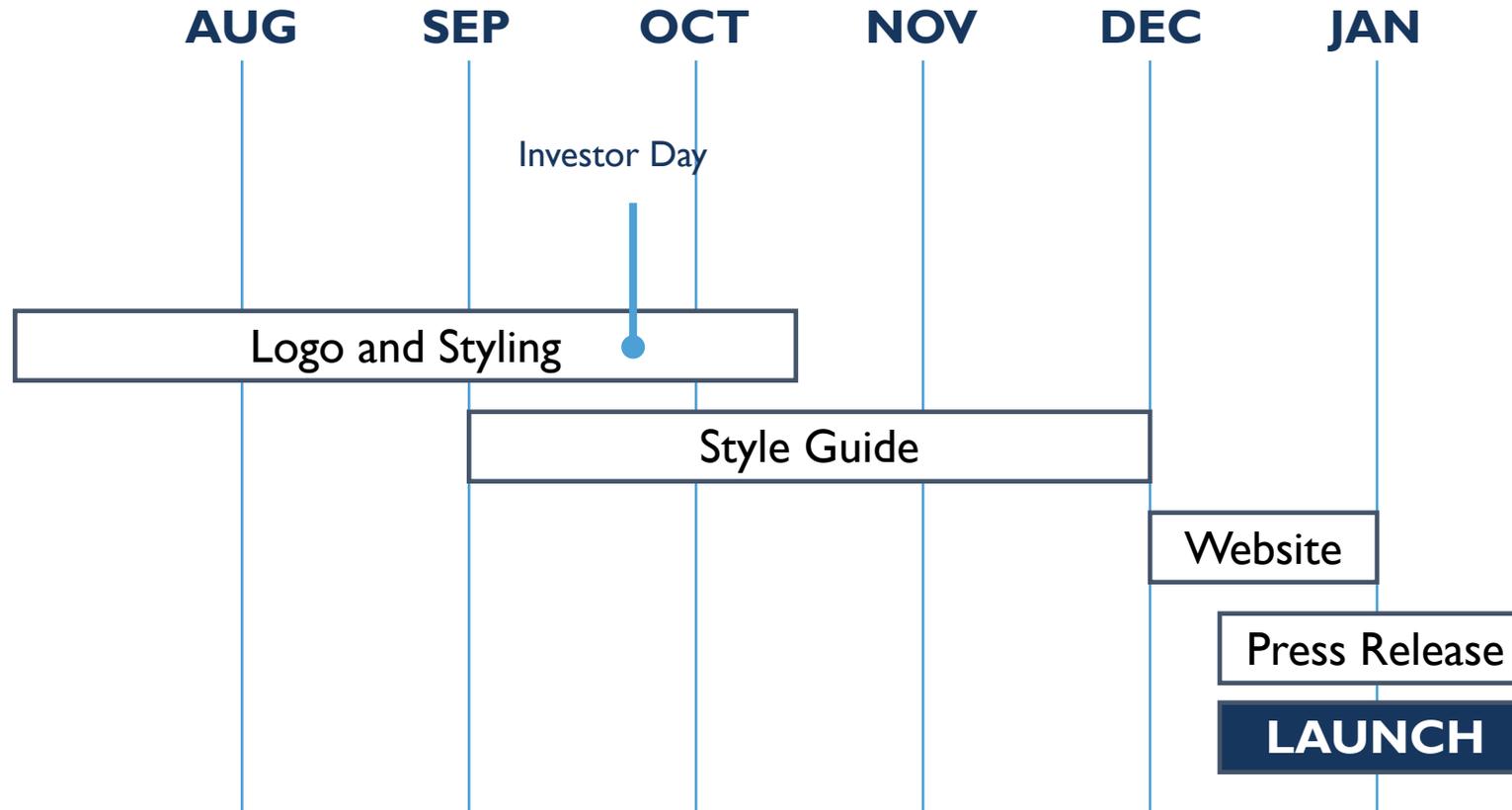


A sneak peek...

PARAGON
GLOBAL SOLUTIONS



Paragon Global Solutions, Inc



Ticker:
PGS (Reserved)

Website:
www.paragonglobalsolution.com

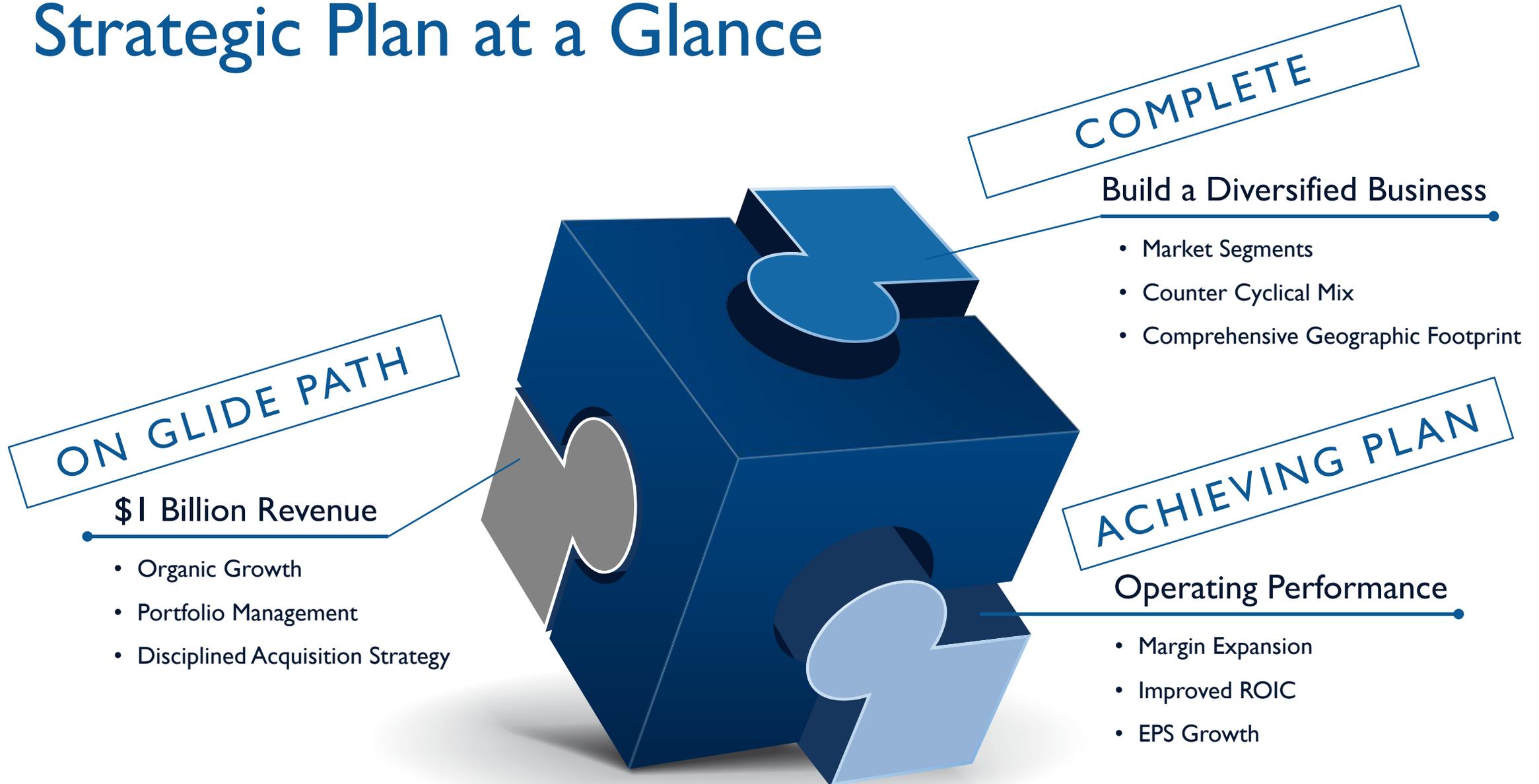
Go Live:
Early Q1 2019



Summary & Closing Remarks

Rich Holder — President & Chief Executive Officer

Strategic Plan at a Glance



Our Future as a Diversified Industrial



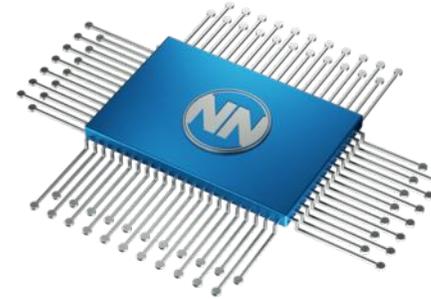
Culture

- Continuous improvement
- Customer focused
- Engineered solutions
- Disciplined execution



Portfolio

- Balanced across economic cycles
- Strategically repositioned portfolio
- Building end markets & geographic balance



Technology

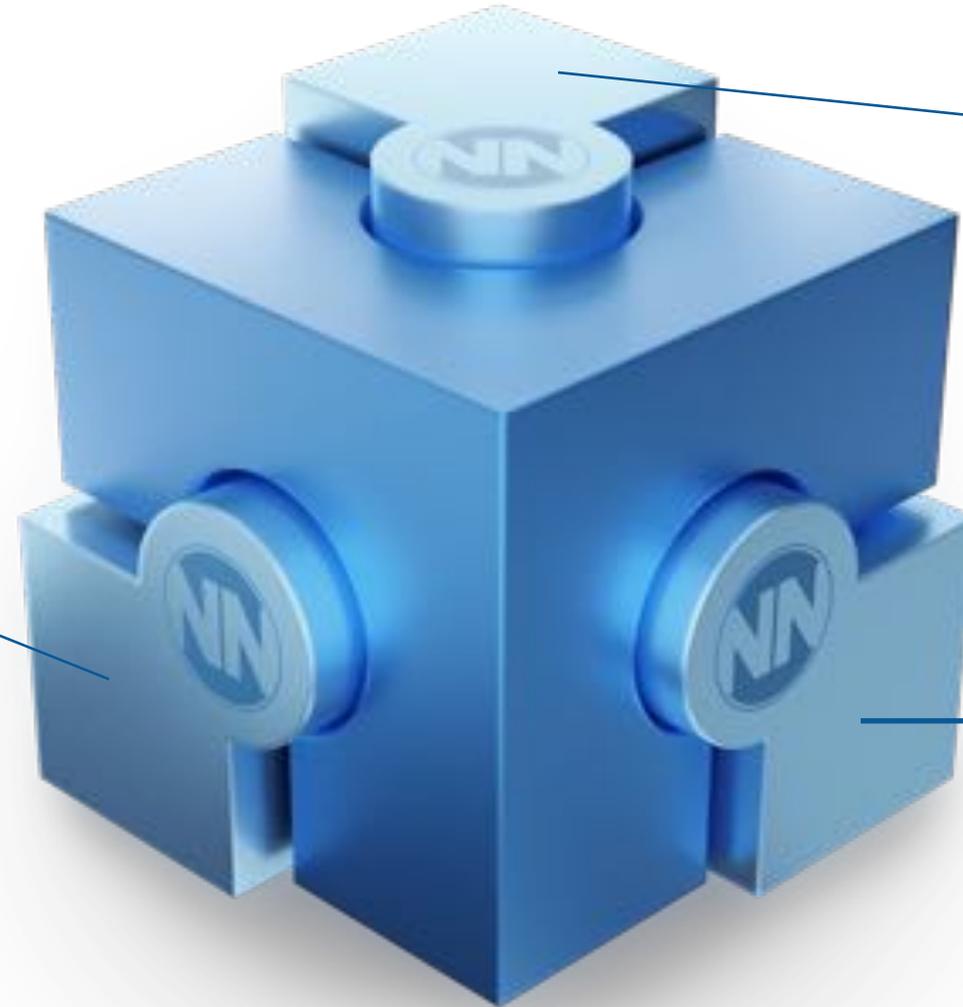
- Grow intellectual property
- Trade secrets
- Enhanced R&D



Agility

- Common methodology & processes
- Multiple manufacturing model
- Life cycle support

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Q&A
