Divestiture of Precision Bearing Components: Strategic Step to Building a Diversified Industrial Business

Forward Looking Statements

Except for specific historical information, many of the matters discussed in this presentation may express or imply projections of revenues or expenditures, statements of plans and objectives or future operations or statements of future economic performance. These, and similar statements, including all statements regarding the expected date of closing and potential benefits of the transaction discussed in this presentation, are forward-looking statements concerning matters that involve risks, uncertainties and other factors which may cause the actual performance of NN, Inc. and its subsidiaries to differ materially from those expressed or implied by this discussion. All forward-looking information is provided by the Company pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995 and should be evaluated in the context of these factors. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "assumptions", "target", "guidance", "outlook", "plans", "projection", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "potential" or "continue" (or the negative or other derivatives of each of these terms) or similar terminology. Factors which could materially affect actual results include, but are not limited to: the occurrence of any event, change or other circumstance that could delay the closing of the transaction, the possibility that the transaction may not be completed and the termination of the definitive agreement, the failure to satisfy any of the conditions to the transaction as set forth in the definitive agreement, any adverse effect on the Company's stock due to the failure to complete the proposed transaction, potential business disruptions due to transaction-related uncertainty or otherwise related to the effects of the transaction and the separation of the PBC business from our other businesses, including our relationships with affected employees, vendors and customers, costs related to the transaction, and the possibility that we will be unable to execute on our intended redeployment of net proceeds from the transaction, whether due to a lack of favorable investment opportunities or otherwise, as well as general economic conditions and economic conditions in the industrial sector, inventory levels, regulatory compliance costs and the Company's ability to manage these costs, start-up costs for new operations, debt reduction, competitive influences, risks that current customers will commence or increase captive production, risks of capacity underutilization, quality issues, availability and price of raw materials, currency and other risks associated with international trade, the Company's dependence on certain major customers, and the successful implementation of the global growth plan including development of new products. Similarly, statements made herein and elsewhere regarding completed acquisitions are also forward-looking statements, including statements relating to the future performance and prospects of an acquired business, the expected benefits of an acquisition on the Company's future business and operations and the ability of the Company to successfully integrate recently acquired businesses.

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

For additional information concerning such risk factors and cautionary statements, please see the section titled "Risk Factors" in the Company's periodic reports filed with the Securities and Exchange Commission, including, but not limited to, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016. Except as required by law, we undertake no obligation to update or revise any forward-looking statements we make in our press releases, whether as a result of new information, future events or otherwise.

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.

Transaction Overview

Transaction Value

- Gross Proceeds of $375 million; 9.6x EBITDA
- Estimated net proceeds of ~$270 million after taxes and other transaction fees

Timing

- Expected to close in the second half of 2017
- Beginning Q3 2017, PBC results classified as discontinued operations

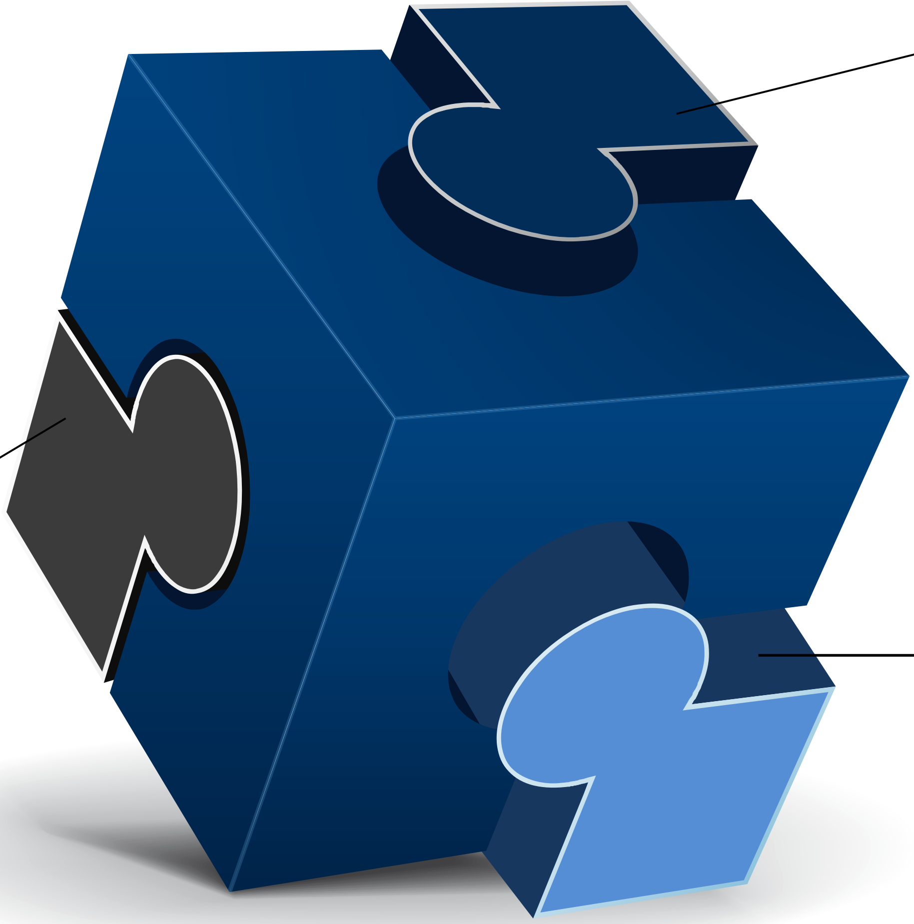
Conditions

- Subject to certain regulatory approvals and customary closing conditions

Use of Proceeds

- Strategically redeploy capital into higher growth, enhanced margin profile end markets
- Acquisitions focus: medical and aerospace end markets
  - Heightened focus on engineered solutions portfolio
- Accelerated de-leveraging of the balance sheet

Strategic Plan at a Glance



Build a Diversified Business

- Market Segments
- Counter Cyclical Mix
- Comprehensive Geographic Footprint

$1 Billion Revenue

- Organic Growth
- Adjacent Market Expansion
- Disciplined Acquisition Strategy

Operating Performance

- Margin Expansion
- Improved ROIC
- Earnings Growth

Strategic Rationale

Shareholder Value

- **Accelerates strategic plan**
- Deepened investment opportunities
- Enhanced organic and acquisition growth
- **Improved profitability and margins**

Disciplined Strategy

- **Improved counter cyclical mix**
- Earnings growth
- Blue chip customer portfolio
- Creates a high technology focused organization

Enhanced Financial Flexibility

- **Exit 2017 closer to 4x leveraged**
- **Heightened acquisition pipeline execution**
- Supportive end market outlooks

Balanced Portfolio

- High growth / high margin focused end markets
- **Diverse portfolio is now 53% of revenues**
  - Auto exposure predominantly in higher growth CAFE technologies

Post Transaction Company Overview

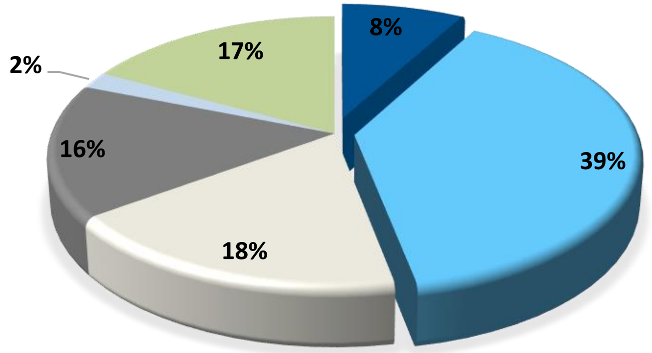
Attractive End Markets

Aerospace & Defense	Automotive	Electrical	Industrial Technology	Medical
Percent of Revenue: 2%	Percent of Revenue: Auto 8% / CAFE 39%	Percent of Revenue: 16%	Percent of Revenue: 18%	Percent of Revenue: 17%
Growth Rate: 6% - 8%	Growth Rate: 4% - 6%	Growth Rate: 4% - 6%	Growth Rate: 4% - 6%	Growth Rate: 6% - 8%
Growth Drivers: 1. Commercial Build 2. Weight Reduction	Growth Drivers: 1. Fuel Economy 2. Critical Components	Growth Drivers: 1. Resi/Non-Resi Const 2. Micro Grids	Growth Drivers: 1. Efficiency 2. Automation	Growth Drivers: 1. Aging Population 2. Less Invasive Surgery
Late Cycle	Early Cycle Mid Cycle	Mid Cycle	Early Cycle Late Cycle	Late Cycle

A Diversified Industrial Business

End Markets as a % of Revenue*

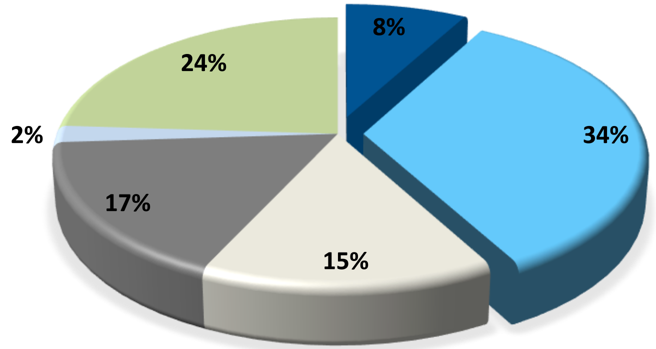
2017



53% Diverse Portfolio

End Markets as a % of EBITDA*

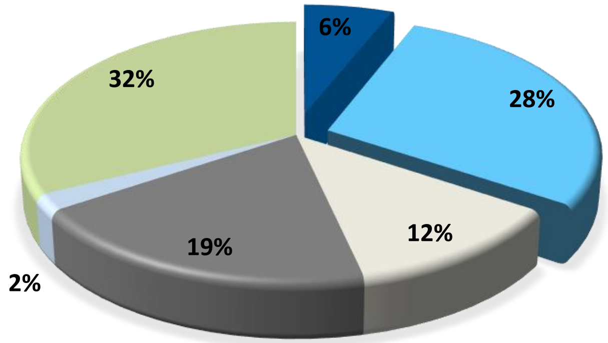
2017



57% Diverse Portfolio

End Markets as a % of Free Cash Flow*

2017

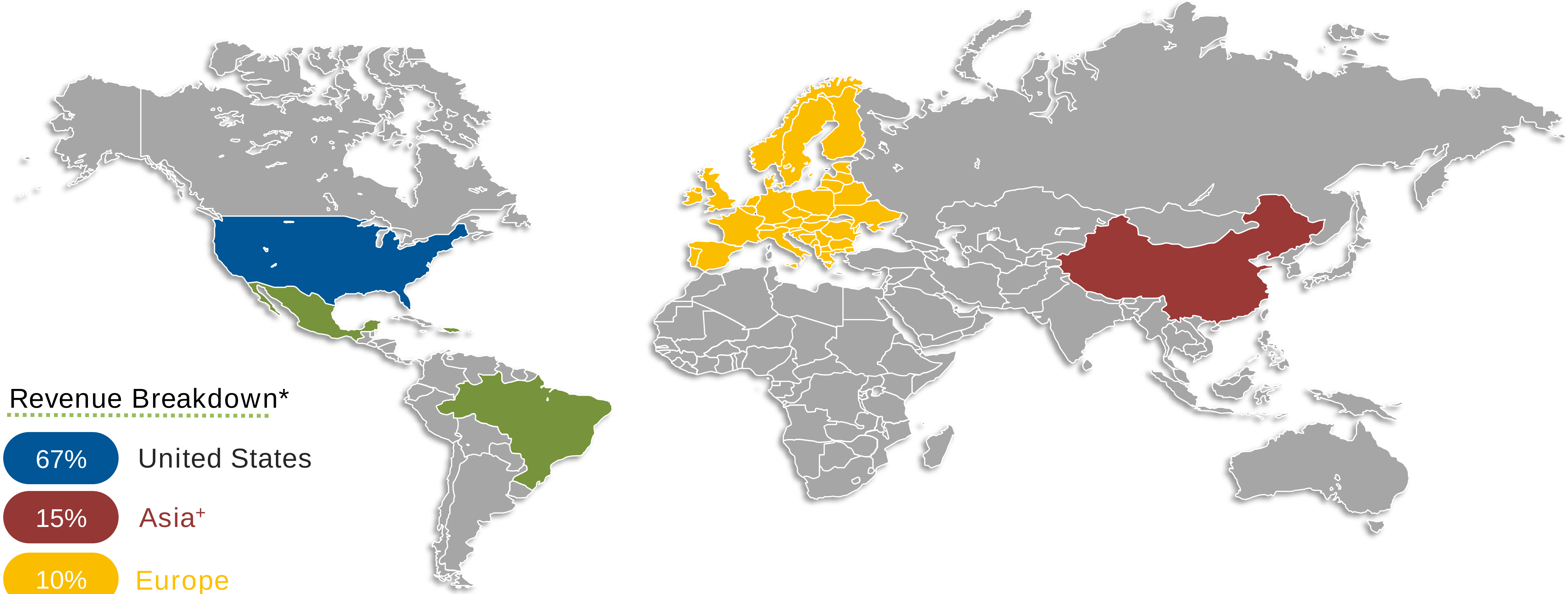


64% Diverse Portfolio

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

*Based on mid-point of guidance

Strategic Global Footprint



Revenue Breakdown*

67%	United States
15%	Asia+
10%	Europe
8%	Latin America

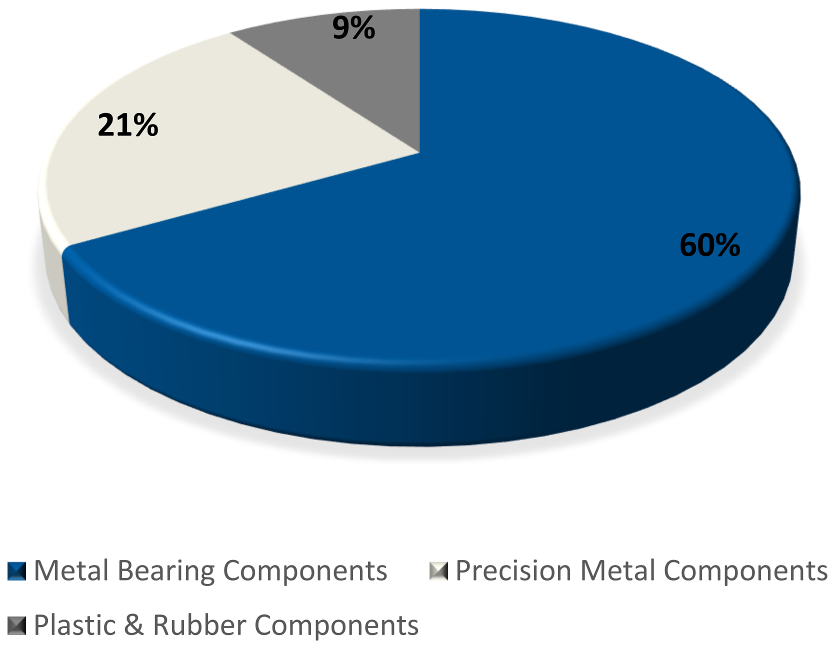
33 Manufacturing Facilities on Four Continents

* Midpoint of 2017 Updated Guidance
+ Includes 49% of JV Sales

Balanced Business Groups

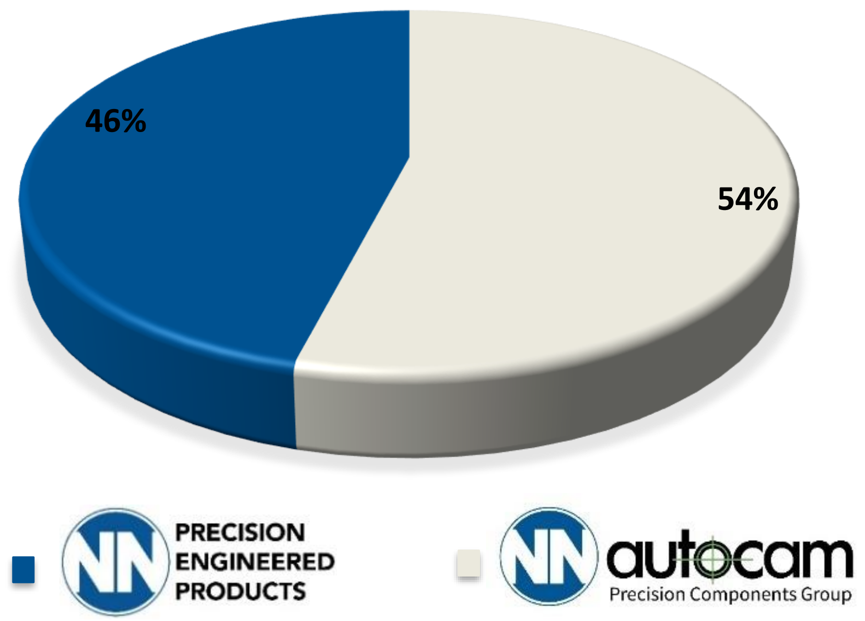
2013

Segments as a % of revenue



2017

Segments as a % of revenue*



*Based on 2017 Full Year Guidance

2017 Guidance

	2017 Guidance Q1 Conference Call	2017 Post PBC Guidance	Commentary
Net Sales	$850M - $880M	$740M - $755M	Excludes PBC sales for the 3rd & 4th quarter
Adj. Operating Margin(a)	12.4% - 13.0%	12.5% - 13.0%	Holding on to infrastructure to support future growth and acquisitions
Adj. EBITDA	$157M - $164M	$141M - $144M	Holding on to infrastructure to support future growth and acquisitions
Adj. Diluted EPS(b)	$1.70 - $1.90	$1.57 - $1.70	Improving profitability
CAPEX	$40M - $50M	$40M - $50M	We continue to invest in growth
Free Cash Flow[1]	$62M - $67M	$47M - $53M	Excludes free cashflow post the close of the PBC divestiture

Second Quarter Guidance Unchanged

1: Free Cash Flow available for debt repayment

Summary

- **Strategic motivation behind the deal more compelling than ever**
  - Deeper technology focus on vertical penetration
  - Leverage Engineered Solutions platform
  - Deal gives us a clear opportunity to become a leader in our verticals

- **Opportunity to create great value to our:**
  - Shareholders
  - Customers
  - Employees

- **Operationally Sound**
  - Improves return on sales
  - Reduces leverage ~4x exiting 2017
  - Balancing our end markets is a key tenant moving forward

Ability to redeploy capital into higher growth / higher margin end markets

Engineered Solutions…





Automotive | Industrial Technology | Medical | Aerospace | Electrical

Inspired by iNNovation

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2017 Guidance – Adjusted Income from Operations & Adjusted Operating Margin

NN, Inc. Operating Income to Adjusted Operating Income:	Twelve Months Ending December 31, 2017 Low $'000	% of Sales	High $'000	% of Sales
GAAP Income from Operations	$ 67,926	9.2%	$ 74,032	9.8%
Restructuring & impairment charges	240	0.0%	240	0.0%
Acquisition & integration expenses	573	0.1%	573	0.1%
Amortization of intangibles	23,455	3.2%	23,455	3.1%
Non-GAAP Adjusted Income from Operations[a]	$ 92,194	12.5%	$ 98,300	13.0%
GAAP Sales Revenue		740,000		755,000

2017 Guidance – Adjusted EBITDA & Adjusted EBITDA Margin

NN, Inc. Net Income to Adjusted EBITDA:	Twelve Months Ending December 31, 2017 Low $'000	% of Sales	High $'000	% of Sales
GAAP Net Income	(2,663)	-0.36%	810	0.11%
Provsion for income taxes	(3,308)	-0.45%	(3,229)	-0.43%
Interest expense	47,473	6.42%	47,473	6.29%
Write-off of unamortized debt issuance cost	36,500	4.93%	36,500	4.83%
Write-off of interest rate swap		0.00%		0.00%
Depreciation & amortization	58,643	7.92%	58,643	7.77%
Acquisition & integration expenses	573	0.08%	573	0.08%
Non-cash stock compensation	3,608	0.49%	3,608	0.48%
Non-cash foreign exchange loss on inter-company loans	(447)	-0.06%	(447)	-0.06%
Restructuring & impairment charges	240	0.03%	240	0.03%
Non-GAAP Adjusted EBITDA & Adjusted EBITDA Margin[d]	140,619	19.00%	144,171	19.10%

2017 Guidance – Adjusted Net Income & Adjusted EPS

NN, Inc. GAAP Net Income to Adjusted Net Income:	Twelve Months Ending December 31, 2017 Low $'000		Low EPS		High $'000		High EPS
GAAP Net Income	$	(2,663)	$ (0.10)	$	810	$	0.03
Pre-tax acquisition and integration costs		573	$ 0.02		573	$	0.02
Pre-tax foreign exchange loss on inter-company loans		(447)	$ (0.02)		(447)	$	(0.02)
Pre-tax reorganiztion and impairment charges		240	$ 0.01		240	$	0.01
Pre-tax write-off unamortized debt issuance costs		36,500	$ 1.32		36,500	$	1.32
Pre-tax write-off interest rate swap		-	$ -		-	$	-
Pre-tax amortization of intangibles & deferred financing costs		27,533	$ 1.00		27,533	$	1.00
Tax effect of all adjustment reflected above[c]		(18,341)	$ (0.66)		(18,341)	$	(0.66)
Non-GAAP Adjusted Net Income & Adjusted Diluted Earnings Per Share[b]	$	43,395	$ 1.57	$	46,868	$	1.70
Weighted Average Diluted Shares			27,650				27,650

Full Year 2017 Guidance – Free Cash Flow

	Full Year	
NN, Inc.	**Low**	**High**
Free Cash Flow:	**$'000**	**$'000**
EBITDA	$ 140,619	$ 144,171
CAPEX	(40,000)	(50,000)
Interest Expense	(43,425)	(42,425)
Dividends	(7,600)	(7,600)
Income Tax Expense	(1,900)	(1,990)
Working Capital	-	10,594
	-	-
Non-GAAP Free Cash Flow	$ 47,694	$ 52,750

Non-GAAP Financial Measures Footnotes

The Company discloses in this presentation the non-GAAP financial measures of adjusted income from operations, adjusted net income and adjusted diluted earnings per share. Each of these non-GAAP financial measures provide supplementary information about the impacts of acquisition and integration related expenses, foreign-exchange impacts on inter-company loans reorganizational and impairment charges. Over the past three years, we have completed six acquisitions, two of which were transformative for the Company. The costs we incurred in completing such acquisitions, including the amortization of intangibles and deferred financing costs, have been excluded from these measures because their size and inconsistent frequency are unrelated to our commercial performance during the period, and which we believe are not indicative of our ongoing operating costs. We exclude the impact of currency translation from these measures because foreign exchange rates are not under management's control and are subject to volatility. Other non-operating charges such as, the write-off of our interest rate swap, are excluded as the charges on not indicative of our ongoing operating cost. We believe the presentation of adjusted income from operations, adjusted net income and adjusted diluted earnings per share provide useful information in assessing our underlying business trends and facilitates comparison of our long-term performance over given periods

The non-GAAP financial measures provided herein may not provide information that is directly comparable to that provided by other companies in the Company's industry, as other companies may calculate such financial results differently. The Company's non-GAAP financial measures are not measurements of financial performance under GAAP, and should not be considered as alternatives to actual net income growth derived from income amounts presented in accordance with GAAP. The Company does not consider these non-GAAP financial measures to be a substitute for, or superior to, the information provided by GAAP financial results.

(a) Non-GAAP Adjusted income from operations, represents GAAP income from operations, adjusted to exclude the effects of restructuring and non-cash impairment charges (related to plant closures and other charges incurred to implement our strategic goals, that do not necessarily represent a major strategic shift in operations), one-time charges related to acquisition and integration costs, intangible amortization costs for fair value step-up in values related to acquisitions, and when applicable, our share of income from joint venture operations. We believe this presentation is commonly used by investors and professional research analysts in the valuation, comparison, rating and investment recommendations of companies in the industrial industry. We use this information for comparative purposes within the industry. Non-GAAP adjusted income from operations, is not a measure of financial performance under GAAP and should not be considered as a measure of liquidity or as an alternative to GAAP income from operations.

(b) Non-GAAP adjusted net income and adjusted diluted earnings per share, represents GAAP net income, adjusted to exclude the tax-affected effects of restructuring and impairment charges (related to plant closures and other charges incurred to implement our strategic goals, that do not necessarily represent a major strategic shift in operations), one-time charges related to acquisition and integration costs, amortization of intangibles costs for fair value step-up in values related to acquisitions and amortization of deferred financing costs, and foreign exchange gain (loss) on inter-company loans. We believe this presentation is commonly used by investors and professional research analysts in the valuation, comparison, rating and investment recommendations of companies in the industrial industry. We use this information for comparative purposes within the industry. Non-GAAP adjusted net income and Non-GAAP adjusted diluted earnings per share, is not a measure of financial performance under GAAP and should not be considered as a measure of liquidity or as an alternative to GAAP net income.

(c) This line item reflects the aggregate tax effect of all nontax adjustments reflected in the table above. In addition, the footnotes above indicate the after-tax amount of each individual adjustment item. NN, Inc. estimates the tax effect of the adjustment items identified in the reconciliation schedule above by applying NN, Inc's. overall estimated effective tax rate to the pretax amount, unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate or tax treatment.

(d) Non-GAAP adjusted EBITDA represents GAAP net income, adjusted to include income taxes, interest expense, depreciation and amortization, one-time charges related to acquisition and integration costs, non-cash stock compensation expense, and foreign exchange gain (loss) on inter-company loans. We believe this presentation is commonly used by investors and professional research analysts in the valuation, comparison, rating and investment recommendations of companies in the industrial industry. We use this information for comparative purposes within the industry. Non-GAAP adjusted EBITDA is not a measure of financial performance under GAAP and should not be considered as a measure of liquidity or as an alternative to GAAP net income.