



Investor Presentation

July 14, 2015



Forward-Looking Statement & Disclaimer

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, 2014.

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.



History

- Founded in 1980
- Began as ball and roller manufacturer
- First strategic acquisition completed in 1999
- Five new Board appointments since 2012
- New President & CEO in 2013, key management retained
- Continuous investment in technology leadership



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
											

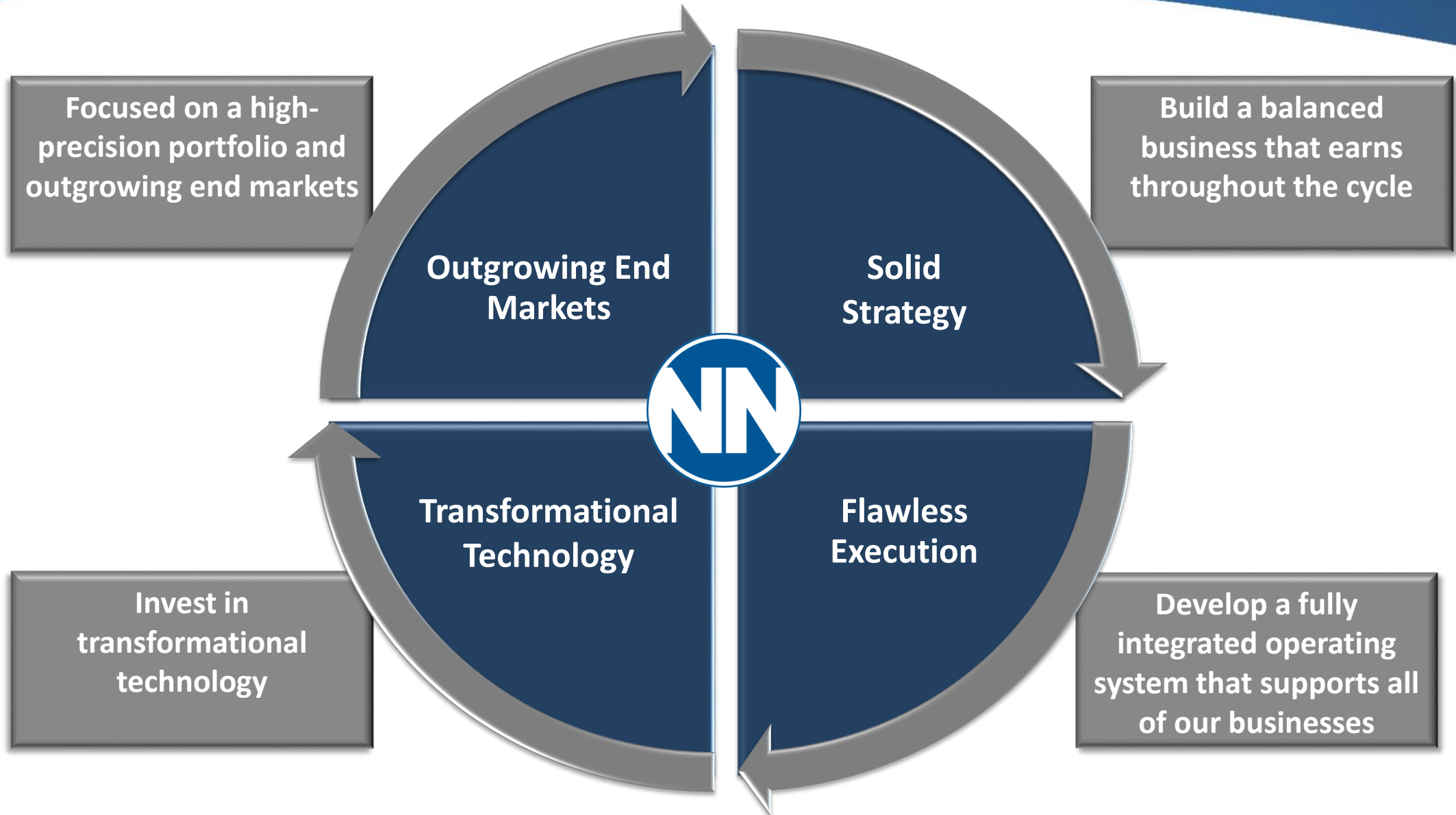


Strategic Plan at a Glance

- In January of 2014, NN unveiled it's new strategic plan focused on achieving the following by 2018:
 - Growing Revenues to \$800M and tripling EPS.
 - Building a Diversified Industrial:
 - Balanced end market and cyclical
 - Consistent earner through the economic cycle
- Focused on High Precision
- Invest in Transformational Technology
- Strives for Flawless Execution
- In February of 2015 with the progress made the Strategic Plan was updated to grow Revenues to \$1 Billion and quadruple EPS



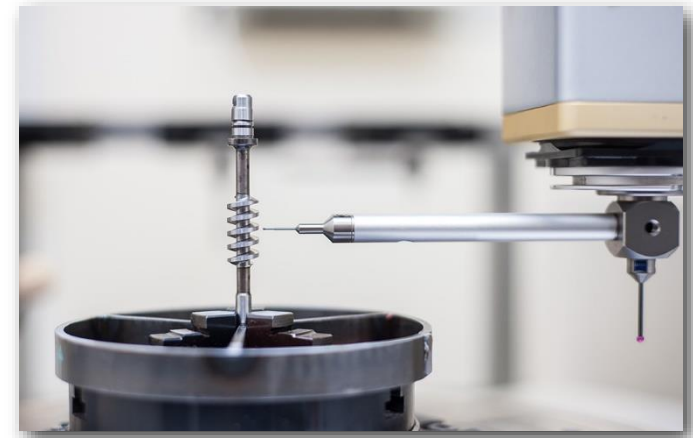
Building a Diversified Industrial





Today

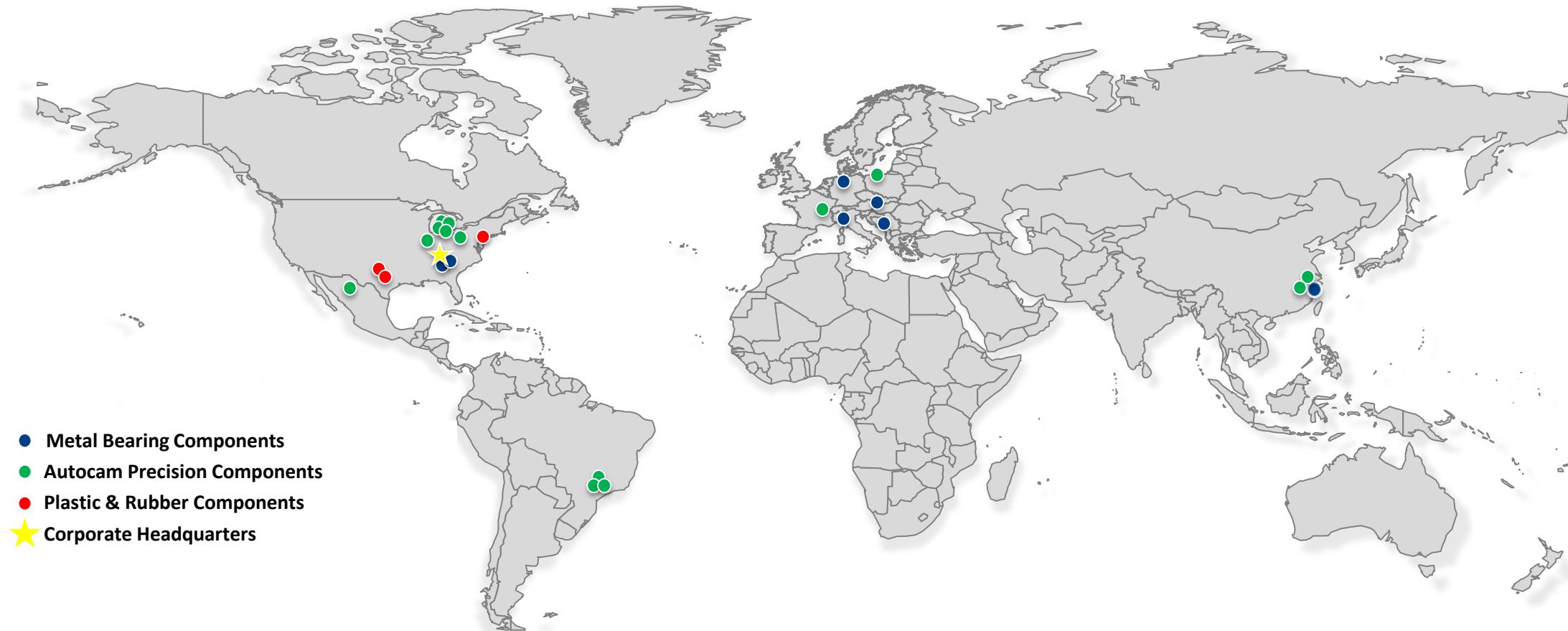
- 2015 Revenue Guidance of \$660M - \$670M
- Global reach, local depth
- Top three globally in both bearing components and precision metal components
- 26 manufacturing facilities with operations in ten countries
- 4,300 employees
- Implementing the NN Operating System
- Enhanced management bandwidth & functional leadership
- Three R&D centers around the globe
- Supplying to diversified end markets in over 30 countries



Delivering high-precision components to a variety of end markets around the globe



Strategic Global Footprint



- Metal Bearing Components
- Autocam Precision Components
- Plastic & Rubber Components
- ★ Corporate Headquarters

26 High-Precision Manufacturing Facilities on Four Continents



Blue-Chip Customer Base

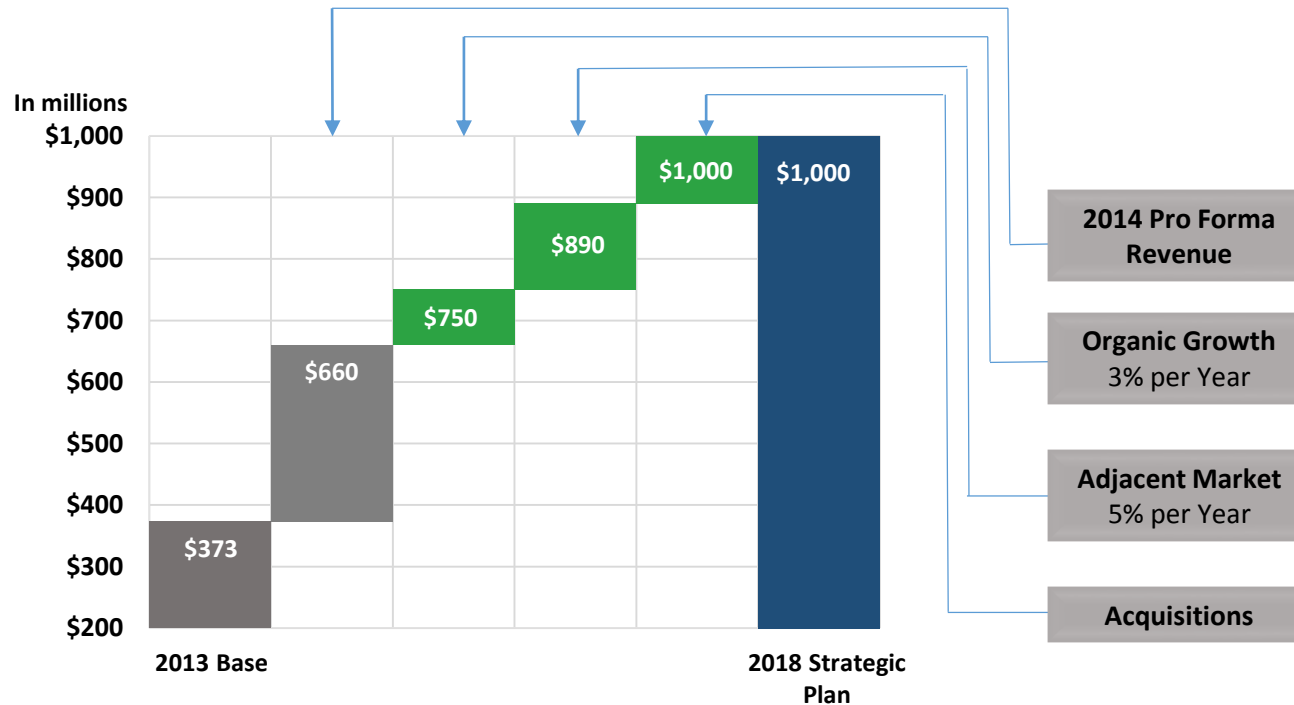
- More than 500 customers around the world
- Industry leading names in diversified end markets
- Products are primarily sold under either sales contracts of agreed upon commercial terms

Customer Overview





2015 Update: Road to \$1 Billion



Organic Growth Focus

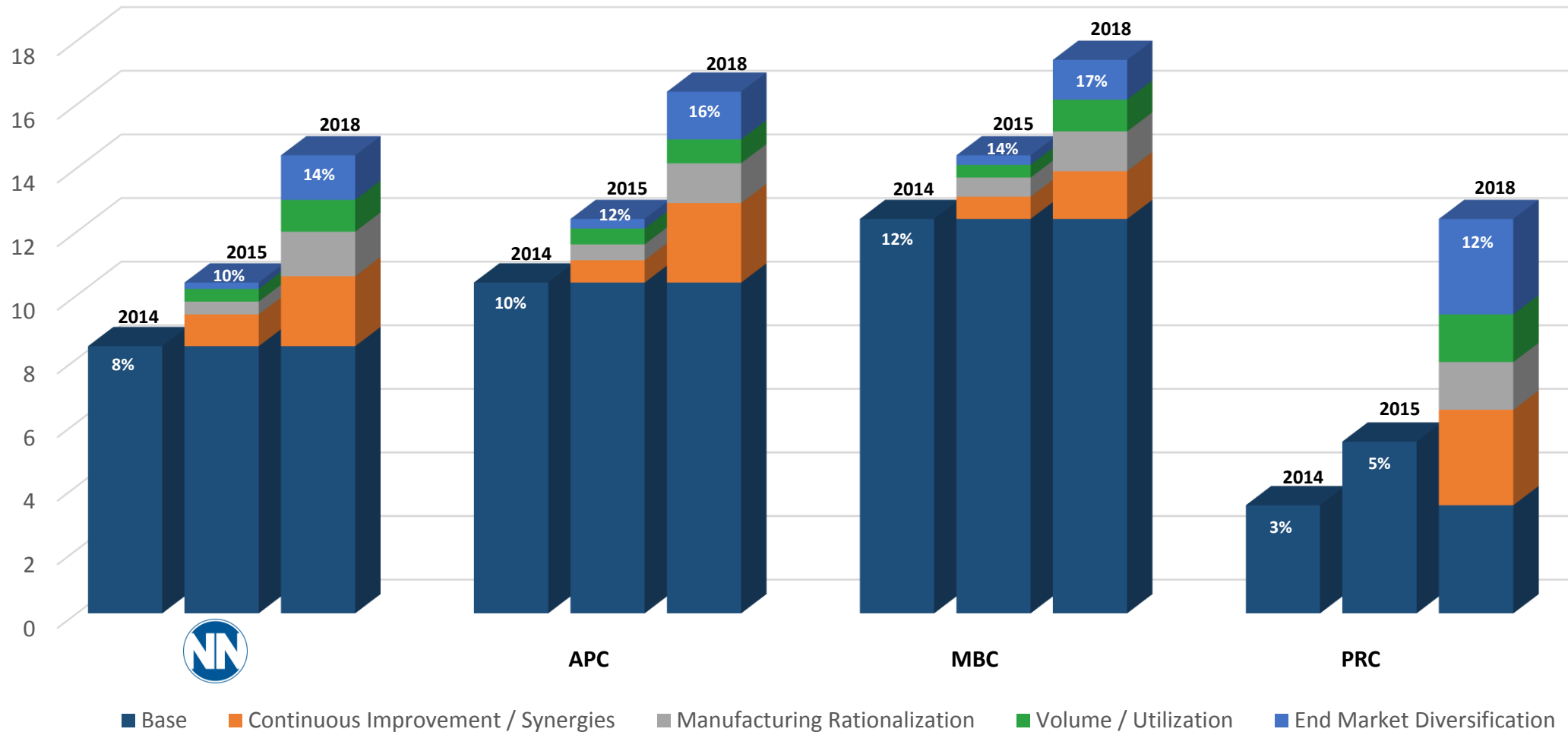
- High growth, niche markets that require high-precision, difficult to manufacture parts
- Enhanced R&D investment and expanded focus
- ~\$230 million from organic and adjacent market growth

Acquisition Focus

- Diversify end market exposure within precision manufacturing
- Expand capabilities and proprietary knowledge base
- Additional acquisition revenues anticipated by 2018



Expanding Operating Margins



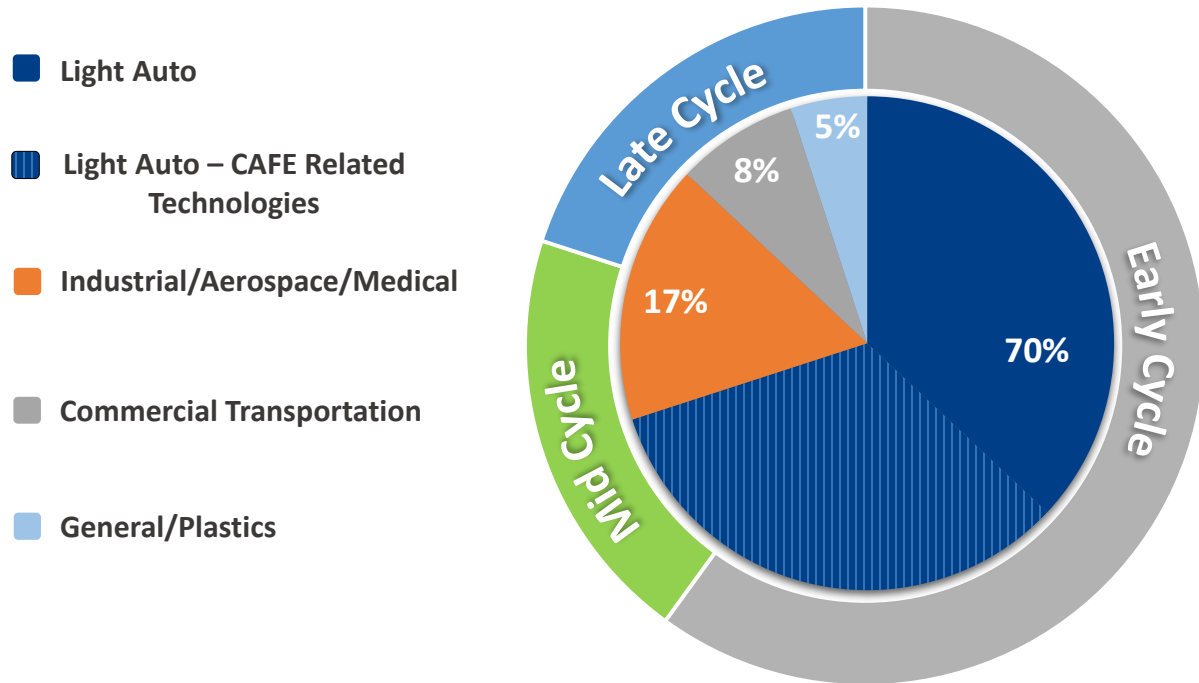
All percentages rounded to the nearest whole number
2014 Adjusted Operating Margin, 2015 Forecasted Adjusted Operating Margin



Today and Future Vision – End Markets

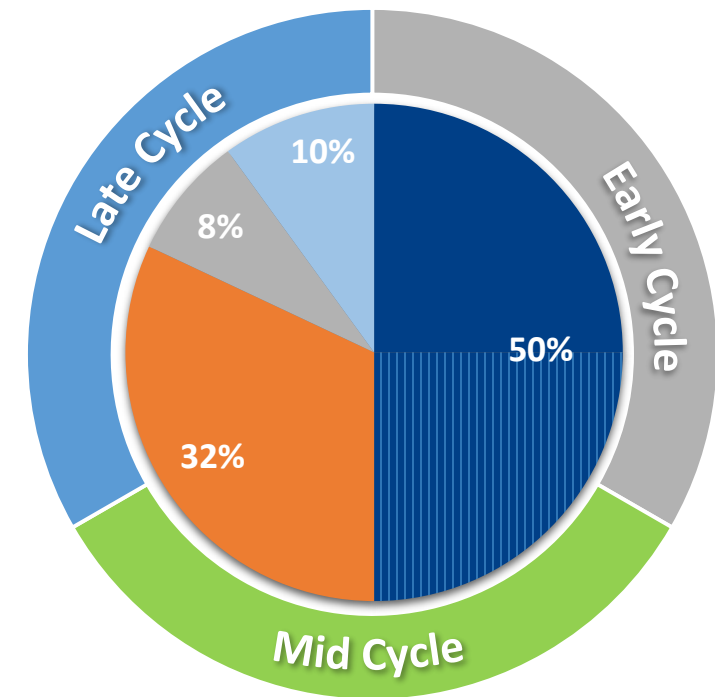
2014

Revenue = \$660M⁽¹⁾



2018

Revenue = \$1B



Building a balanced business that earns throughout the cycle

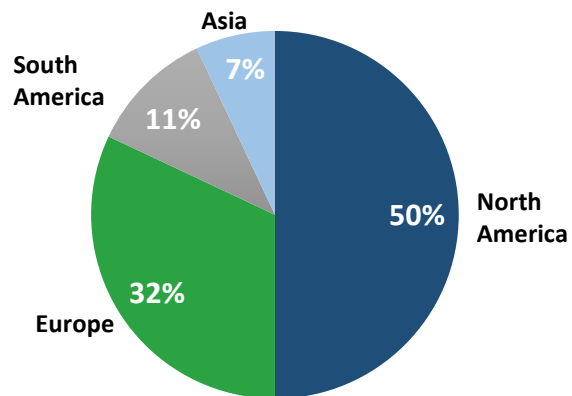
(1) 2014 Full Year Pro Forma Revenue including acquisitions



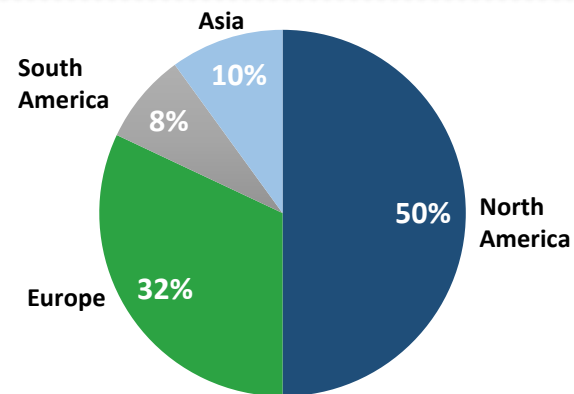
Today and Future Vision

Geography

2014
Revenue = \$660M⁽¹⁾

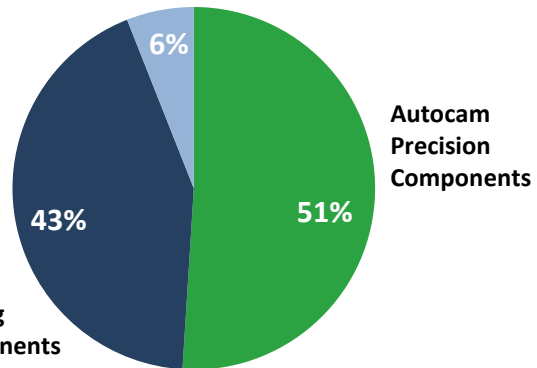


2018
Revenue = \$1B

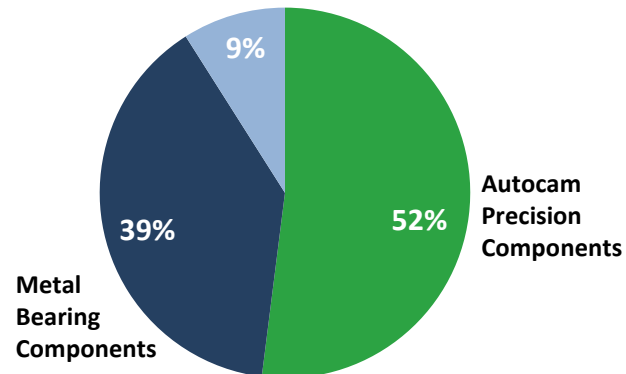


Segment Mix

Plastic & Rubber
Components





























Plastic & Rubber
Components



(1) 2014 Full Year Pro Forma Revenue including acquisitions



Attractive End Market Dynamics

	Addressable Market	Business Segments	Market Outlook	Growth Drivers	Customers
Aerospace	>\$10 billion	Autocam MBC Plastics	↑	<ul style="list-style-type: none"> Commercial build rate Weight reduction 	   
Fluid Power	\$5 billion	Autocam MBC	↑	<ul style="list-style-type: none"> Manufacturing investment Higher pressure / control 	   
HVAC	\$3 billion	Autocam	↑	<ul style="list-style-type: none"> Compressor modulation 	 
Industrial Motors	\$3 billion	Autocam Plastics	↑	<ul style="list-style-type: none"> High efficiency motors 	  
Consumer Tools	\$2 billion	Autocam	↑	<ul style="list-style-type: none"> Longer battery life Lighter weight 	 
Automotive	\$3 billion	Autocam MBC Plastics	↑	<ul style="list-style-type: none"> Fuel efficiency standards Developing markets 	   
Recreation / ATV	\$200 million	Autocam	↑	<ul style="list-style-type: none"> EPS (steering) ABS 	
Railway	\$125 million	MBC	↑	<ul style="list-style-type: none"> Increasing use of rail 	  
Linear Systems	\$100 million	MBC Plastics	↑	<ul style="list-style-type: none"> Expanding industrial automation 	  



Mega Trends

- New Capital Cycle: the manufacturing world is coming off of a low period in capital investment. As customers consider make vs. buy decisions, NN is positioned to become the feeder company of choice in our markets.
- Rigorous global fuel economy requirements.
- Tier 1 and Tier 2 OEM's are rationalizing with fewer, scalable global suppliers.
- Offshore sourcing is changing as logistics are becoming a growing factor. Supply Chain localization is gaining momentum with all manufacturers. Healthy U.S. market is providing opportunities for growth.



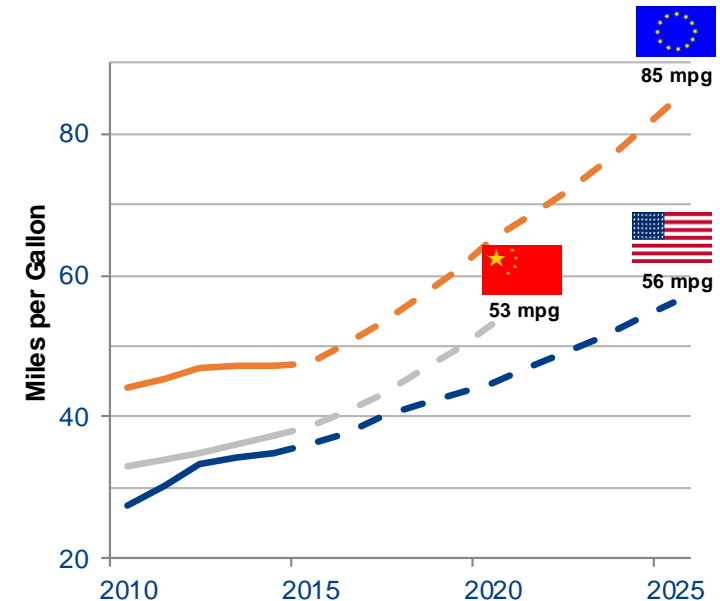
Macro Trend – CAFE Standards

- **Global fuel efficiency standards are increasing at unprecedented rates**
 - U.S. fuel efficiency requirements increase from 35 MPG in 2014 to 56 MPG in 2025⁽¹⁾ → 60% higher
 - The EU's 2020 requirement of 65 MPG is ~44% higher than the U.S. same-year requirement
 - China and Japan will both require that fuel efficiency reach 50 MPG or above by 2020
- **Rapidly increasing standards are driving OEMs to accelerate new technology development**
 - Regulatory standards will require adoption of all fuel saving technologies
 - Direct fuel injection offers the most significant increase in efficiency at the lowest cost
 - Fuel efficient technologies require a significant amount of precision metal components

(1) NHTSA for M.Y. 2008 for light passenger vehicles excluding light trucks (vans, sport utility vehicles, and pickup trucks)

(2) Sources: NHTSA, EU Commission on Climate Action, and the ICCT; conversion equations to mpg provided by the UN

Fuel Efficiency Standards⁽²⁾



Technology	Efficiency Increase
Direct Fuel Injection / High Pressure Diesel	15-30%
Multi-Speed Transmissions (6-9 gears)	5-10%
Variable Valve / Cam Timing	4-6%
Electric Power Steering	1 mpg



Autocam Precision Components Growth Focus

Fuel efficiency standards are leading to elevated rates of adoption / implementation of fuel saving technologies, boosting demand for high-precision metal components



GDI



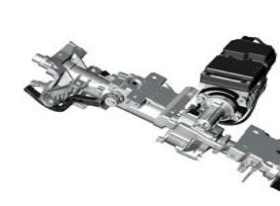
HP Diesel


















VCT/VVT



Multi-Speed Trans



EPS

	GDI	HP Diesel	VCT/VVT	Multi-Speed Trans	EPS
MPG Increase	+ 15 - 20%	+ 20 - 30%	+ 4 - 6%	+ 5 - 10%	+ 3 - 5%
CPV Impact	+ \$54	+ \$89	+ \$10	+ \$20	+ \$4
Market Growth	> 17% CAGR	> 10% CAGR	> 10% CAGR	> 15% CAGR	> 10% CAGR
Global Adoption Rate 2014/2018	27% / 46%	20% / 30%	72% / 95%	30% / 45%	50% / 75%
Key Regions / Markets	  	  	   	  	   

- *Technologies needed on a global scale to meet fuel economy regulations*
- *Conversion/implementation rates will outpace market growth*
- *All of these technologies require numerous high-precision metal components*



Target Segments: Fuel Saving Technologies

MPFI V6

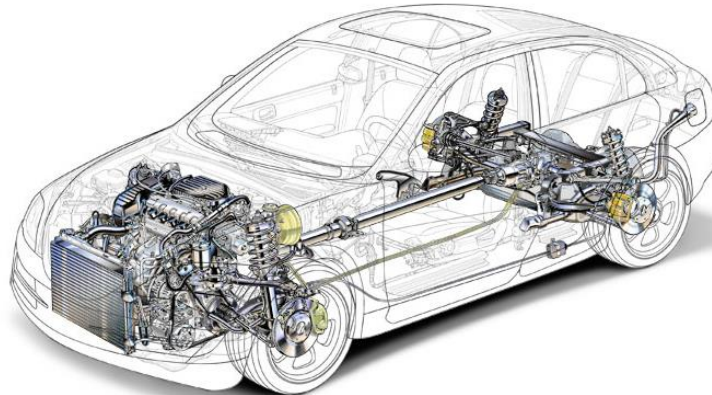


Precision Turned Part content:

- 6 injectors

\$6.00 per vehicle

GDI V6



Precision Turned Part content:

- 6 Injectors
- 1 High pressure fuel pump
- 2 High pressure fittings

\$60.00 per vehicle

- *Technology requires more precision, tighter tolerances*
- *GDI will have a VERY long life: 10-15+ years (MPFI lived for 30+ years)*

GDI Fuel System





MBC High Growth Product Segments



Balls



Tapered Rollers


















Other Rollers



Bearing Cages



Sheet Metal Parts

Competitive Profile	Primarily outsourced	Primarily insourced	Primarily insourced	Mixed and fragmented	Mixed and fragmented
Primary Markets	Automotive, electrical aero and industrial	Industrial, automotive, off-highway, rail and industrial	Industrial and some automotive	General industrial	Diversified end market
Market Growth	Automotive growth in developing markets	Developing trend towards outsourcing	Industrial investment, aftermarket demand	Follows the roller markets	Niche market within automotive
Key Regions/Markets	  	  	  	  	  

- *Growth in developing markets will drive end market expansion*
 - *Expansion of content into broader industrial markets*
 - *Outsourcing will create significant opportunities*



Macro Trend - Component Outsourcing

- Timken Outsourcing Project of \$300M annual value across all components
 - \$250 Million for Rings
 - \$50 Million for Rollers, Balls, and Cages
- NSK Outsourcing Project of \$20M annual value for rolling elements (Rollers and Balls) as part of North America capacity expansion in USA and Mexico
- Component outsourcing will occur in phases over the next 3-4 years.
- NN and our Customers are engaged in multiple Phase 1 projects valued at \$32 Million annually for the outsourcing of Taper Rollers, Cylindrical Rollers, Bearing Cages, and Precision Balls.



Summary

- **Unique High-Volume / High-Precision Manufacturing Capabilities**
- **Differentiated, System-Critical Products**
- **Complete Product Lifecycle Support**
- **Strategic Global Footprint**
- **Long-Term, Blue-Chip Customer Base**
- **Proven & Experienced Management Team**
- **Strong Prospects for Continued Growth**
- **Attractive End Market Dynamics**