



Investor Technology Day CES 2023

January 4, 2023

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Today's Agenda



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Session One (1:00 pm – 2:20 pm)

Overview and Strategic Vision

David Dauch, Chairman and Chief Executive Officer

Electrification Technology Overview

Mark Barrett, Vice President Engineering and Quality

Financial Updates

Chris May, Executive Vice President and Chief Financial Officer

Closing Remarks

David Dauch, Chairman and Chief Executive Officer

Question and Answer Session

Break / Transition (2:20 pm – 2:30 pm)

Session Two (2:30 pm – 4:30 pm)

Product Display and Ride & Drive

Product display tour hosted by Craig Renneker, VP Innovation

Cocktail Reception (4:30 pm)

Forward-Looking Statements



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This presentation information contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. These risks and uncertainties include factors detailed in the reports we file with the SEC, including those described under “Risk Factors” in our most recent Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. These forward-looking statements speak only as of the date of this communication. We expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

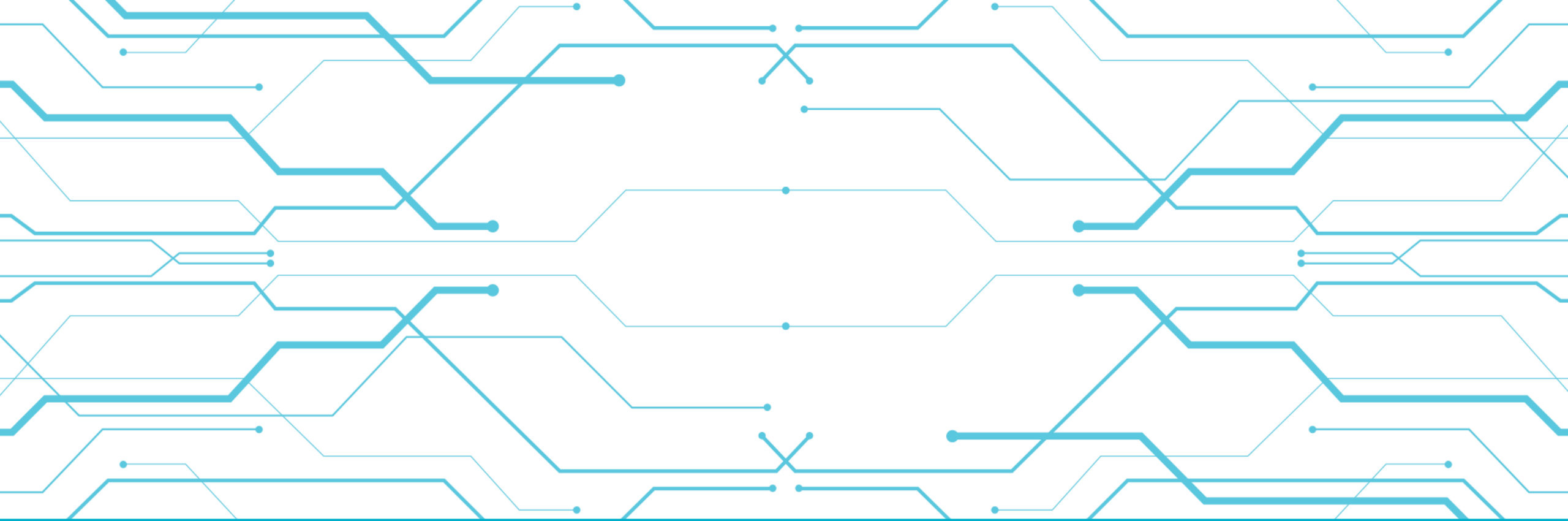
It should also be noted that this information contains certain financial measures, including Adjusted EBITDA, Adjusted Earnings per Share, Adjusted Free Cash Flow, Net Leverage Ratio and Liquidity that are not required by, or presented in accordance with, accounting principles generally accepted in the United States, or GAAP. These measures are presented here to provide additional useful measurements to review our operations, provide transparency to investors and enable period-to-period comparability of financial performance. A description of non-GAAP financial measures that we use to evaluate our operations and financial performance, and reconciliation of these non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP, can be found in the appendix under “Reconciliation of Non-GAAP Measures.”

We Are AAM



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David C. Dauch
Chairman & Chief Executive Officer



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History Timeline



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Nearly 30 Years Of Delivering **POWER**



**March
1994**

**AAM founded
with GM's Final
Drive and Forge
Assets**

**1994 -
1998**

**AAM's distinct
culture drives
operational
improvements**

**1999 -
2005**

**Selective
globalization push
and capacity
expansion**

**2006 -
2010**

**Restructured,
resized, and
recovered
through the
global recession**

**2011 -
2015**

**Profitable global
growth and
continued
diversification**

**2016 -
2020**

**Strategic actions
and successful
navigation
through a global
pandemic**

Present

**Growth in
electrification
business and
awarded numerous
PACE Awards**

Global-leader in design, engineering and manufacturing of automotive propulsion systems and technologies to support electric, hybrid and ICE vehicles



\$5.8B 2022 Revenue*



~20,000 Employees



18 Countries



Nearly 85 Locations



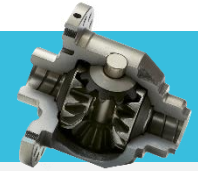
14 Global Engineering and Tech Centers

DRIVELINE



- One of the leaders in hybrid and electric driveline solutions
- A Global Leader in
 - Full-size Pickup Truck and SUV Driveline Systems
 - AWD Systems for Crossover Vehicles
 - Damped Gears, Viscous Dampers and Rubber Isolation Pulleys
- Pioneer of Disconnecting AWD Systems

METAL FORMING



- Strong position in electrified propulsion components
- Leading automotive forger in the world
- A Global Leader in
 - Forged Gears & Shafts
 - CVT Pulleys
 - Powdered Metal Connecting Rods
 - Aluminum Valve Bodies
 - Machined Helical Gears
 - Differential Assemblies



Leverage our **HERITAGE** to power our pivot to electrification.

Strong culture of **INNOVATION**.

TECHNOLOGY Driving Value

Become the **PREMIER** electric propulsion supplier of choice.

AGNOSTIC to changes in the market.

Serving the World's Leading Brands



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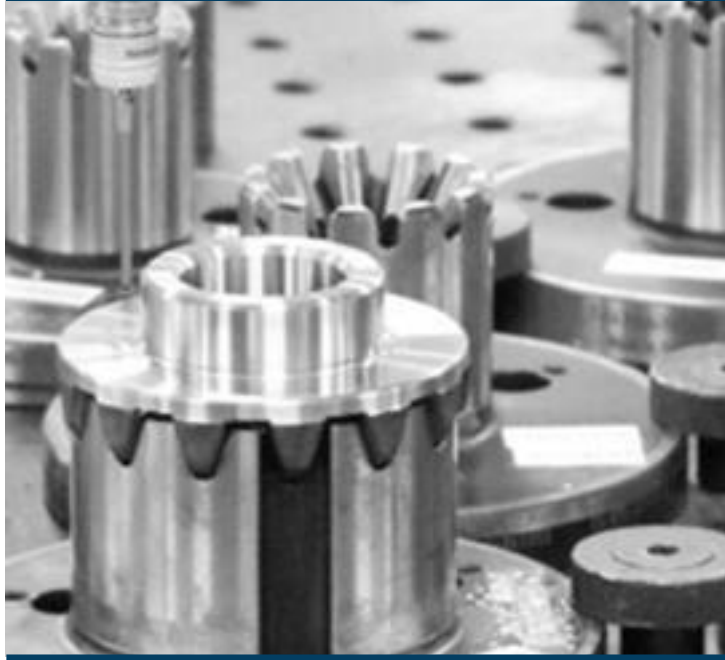


How We Deliver **POWER**



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QUALITY



World-class quality means operating with a commitment to achieving **perfection**.

TECHNOLOGY LEADERSHIP

Innovative solutions that achieve requirements for **safety, efficiency, performance, fuel economy** and **environmental friendliness**.



OPERATIONAL EXCELLENCE



Global footprint that brings **streamlining, standardization** and **synergies** to **exceed** customer expectations.

Quality Certifications & Awards



STRIVING TO BE THE BEST IN OUR INDUSTRY

Over the last several years, AAM has been the proud recipient of many customer and industry awards and recognition. We are proud to serve our customers on a global basis, exceeding expectations and continually raising the bar.

RECENT HIGHLIGHTS INCLUDE:



JLR “Q” Certification
(2016 SWMF)



GM Supplier of the Year Award
(2016-2019)



ALTAIR Enlighten Award
(2018, 2021)



HINO Excellence in Quality
(2019 BNMF)



Outstanding Quality Award
(2019 CHMF)



Automotive News PACE Awards
(2020, 2022)



FORD Q1 Award
(2020 SMF, 2021 DMA)



FORD Silver World Excellence Award
(2020 SMF)



GM Overdrive Award
(2020, 2021)



Nissan Supplier Diversity Award
(2021)

ATDC: AAM's Global Center for the Development of Advanced Product, Process and Systems Technology

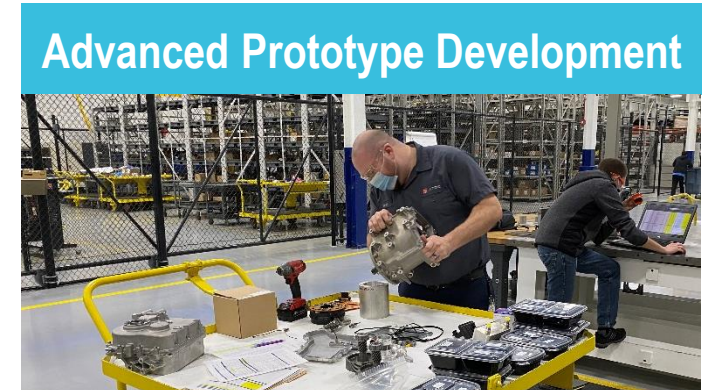
CAPABILITIES

- **Advanced Product, Process & Systems Development**
 - Assembly
 - Machining
 - Gear
 - Electronics
 - Fastener
 - Prototype
 - Welding
 - Product
- **Competitive Assessment**
- **Quality & Warranty Analysis**
- **Development Hardware Analysis**
- **Low Volume Production**

Competitive Assessment



Advanced Prototype Development



Quality & Warranty Analysis



Advanced Product Development



AAM Global Footprint



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Sales, Engineering, and Manufacturing Support in All Major Regions



Americas

- World Headquarters
- Advanced Technology Development Center in Detroit, Michigan
- Global Innovation Hub
- Electrification Development
- Production of Driveline Products
- Production of Metal Forming Products



Europe

- Technology Center in Langen, Germany
- Electrification Development
- Production of Driveline Products
- Production of Metal Forming Products



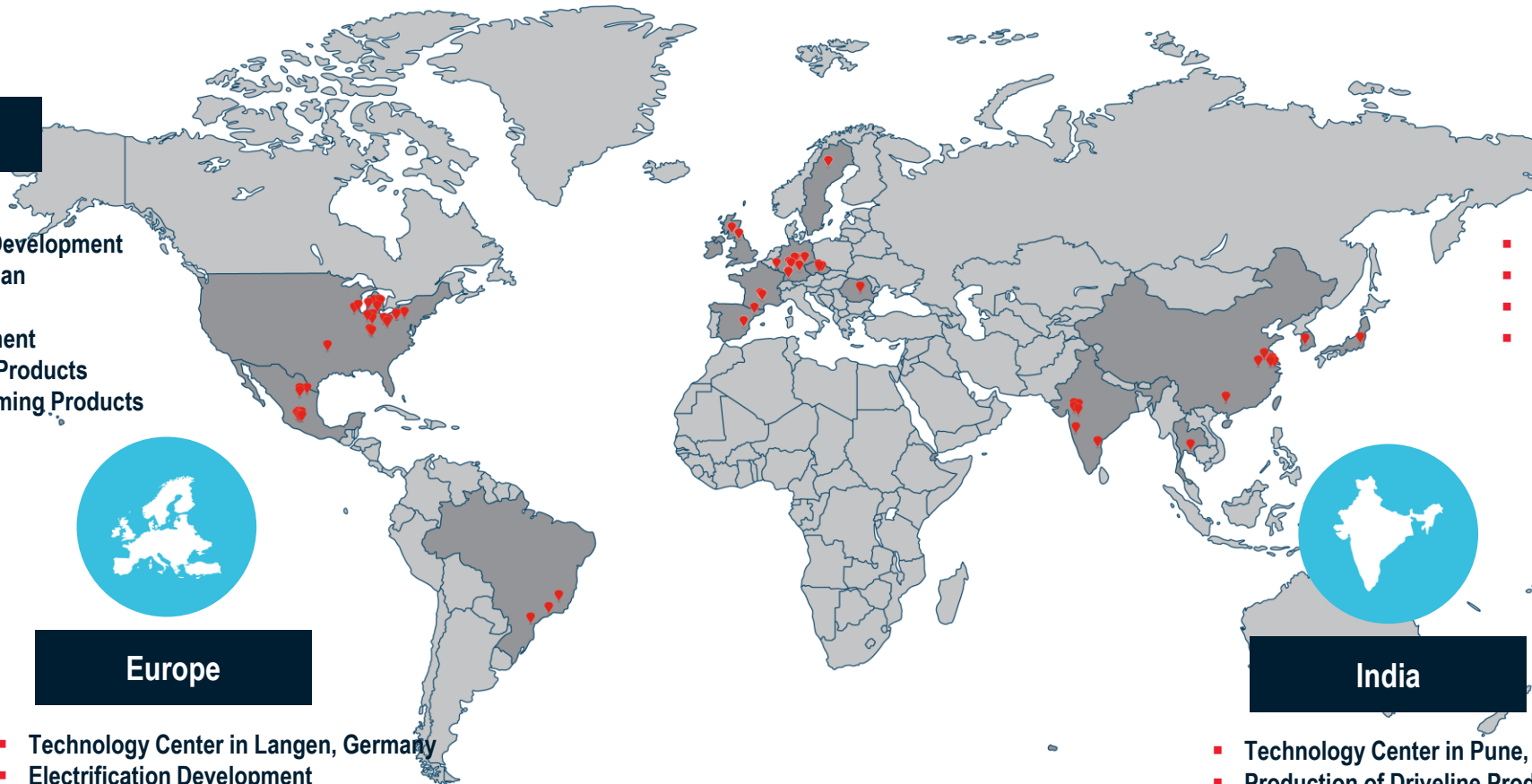
Asia

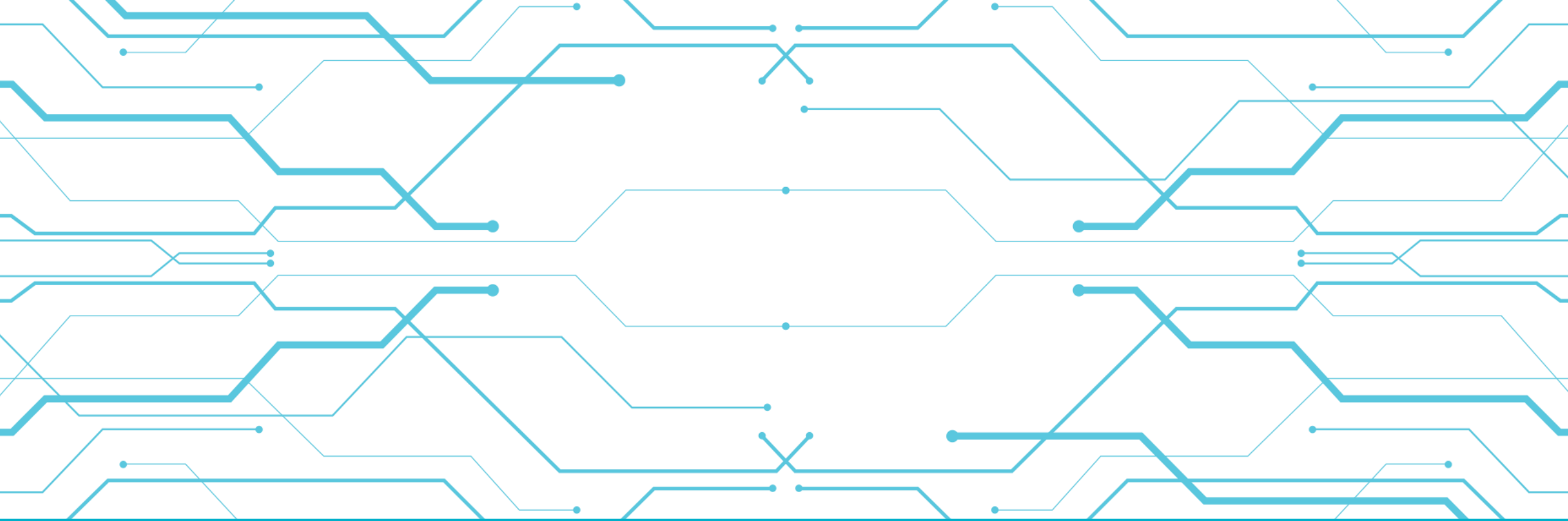
- Technology Center in Shanghai, China
- Electrification Development
- Production of Driveline Products
- Production of Metal Forming Products



India

- Technology Center in Pune, India
- Production of Driveline Product





AAM's Electrification



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AAM Electrification History



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2010

AAM & Saab establish
e-AAM Driveline Systems
Joint Venture



2017

AAM starts production
to support
Jaguar I-PACE



2019

AAM awarded third
electric drive unit
contract (AMG)



2020

AAM receives two
PACE Awards
(I-PACE program)

2012

AAM acquires full
ownership of e-AAM
Driveline Systems



2018

AAM signs joint
venture agreement
with SGMW



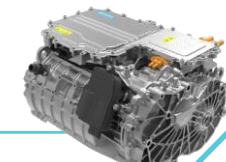
2020

AAM launches
Baojun program in
Liuzhou



2020

AAM secures
multiple 3-in-1
EDUs with Inovance



INOVANCE
Automotive

AAM Electrification History (2021-Present)



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January 2021

AAM partners with hofer powertrain to advance Inverter Technology



May

Signed development agreement with REE & awarded DOE grant



August

AAM wins Altair Enlighten Award for high-speed Electric Drive Technology



December

AAM launches GMC Hummer EV differentials



June

AAM completes Tekfor acquisition



November

AAM awarded electric-beam axles from EKA Mobility

March

AAM launches 3-in-1 EDUs with Inovance to support multiple customers



June

Awarded NIO differentials for next generation Electric Drive Units



November

AAM announces first production contract for next-gen Electric Drive Units



February 2022

AAM launches high performance P3 Hybrid Electric Rear Drive Units



September

AAM wins multiple PACE Awards for EDUs and partnership collaboration (AMG program)



Market Driving Investments



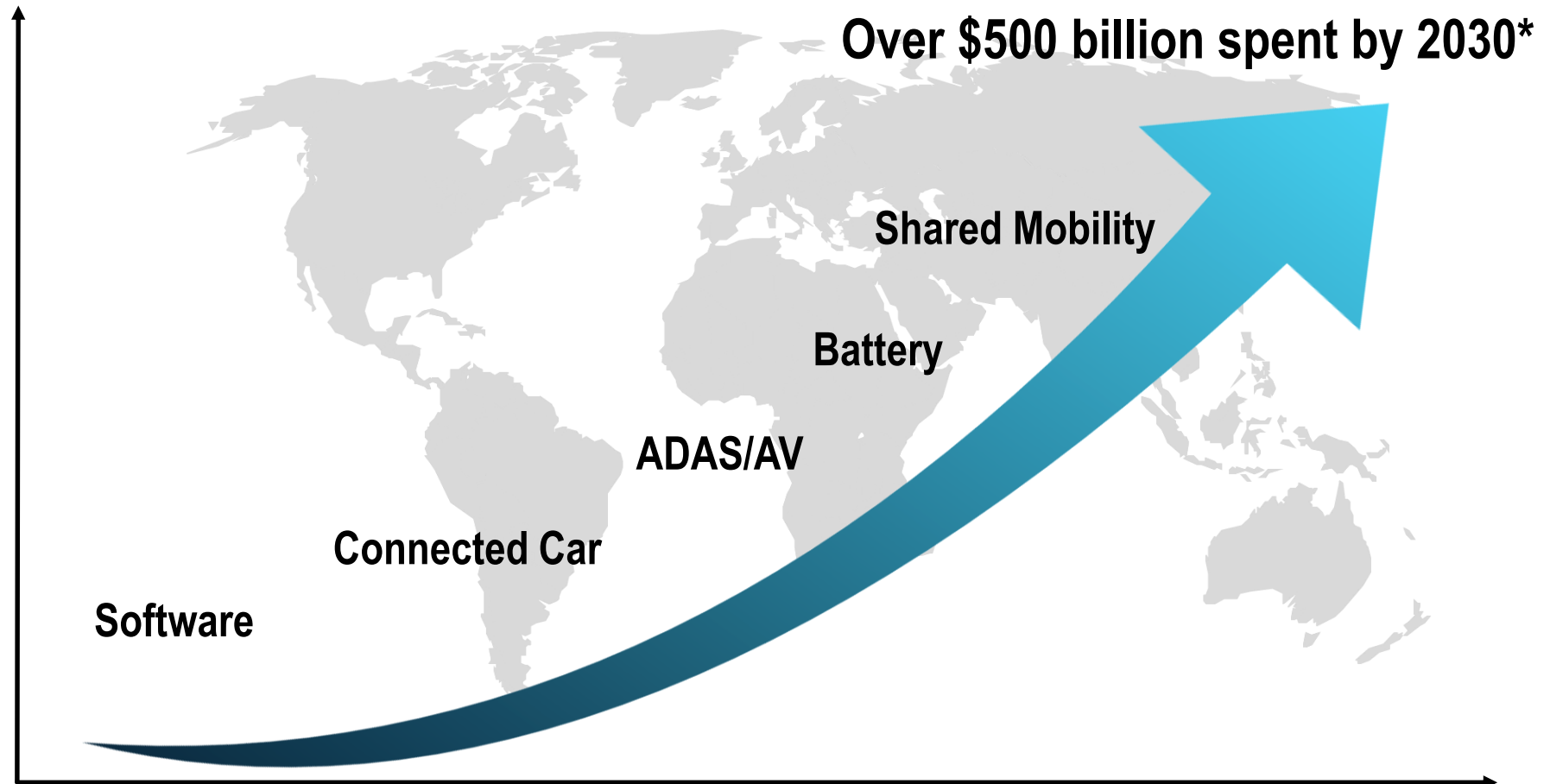
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Significant OEM Capital Allocation Needs Opens Outsourcing Opportunities

↑ Stricter Global Emissions Regulations

↑ Recovering Global Production

↑ Growing Mix Of Electrification



*Company estimates based on publicly disclosed OEM data.

AAM's Addressable Electric Vehicle Market

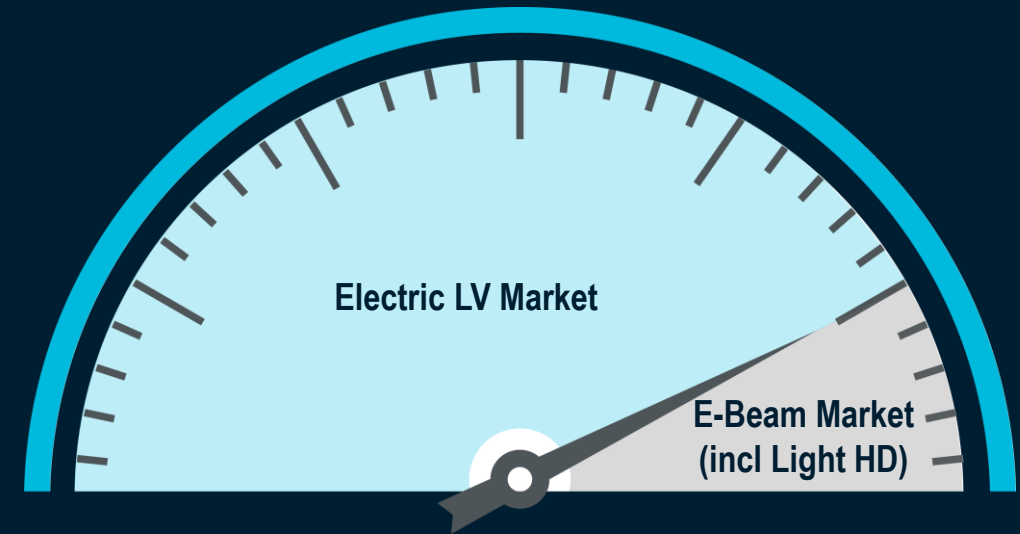


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AAM anticipates the addressable sourcing market at
\$20-\$30 billion by 2030*

- This includes full systems, subsystems and components
- We offer solutions for various OEM go-to-market strategies for electric vehicles
- Our technology is a key differentiator
- AAM expects to achieve a strong position in the global electric-beam axle segment
- We expect the market to grow past 2030

Addressable Market Opportunity



Lifetime Electrification Bookings



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~\$1.8 Billion In Lifetime Revenues Booked

Lifetime Revenue By Geography



Asia – 10%



Americas – 40%



Europe – 50%

2030 Electrification Market Share Goal



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Target >10% Share Of Our Estimated Addressable Market By 2030

Combined with a strong foundational ICE business, AAM revenues have opportunity to grow through 2030

Heritage of quality, technology leadership and operational excellence.

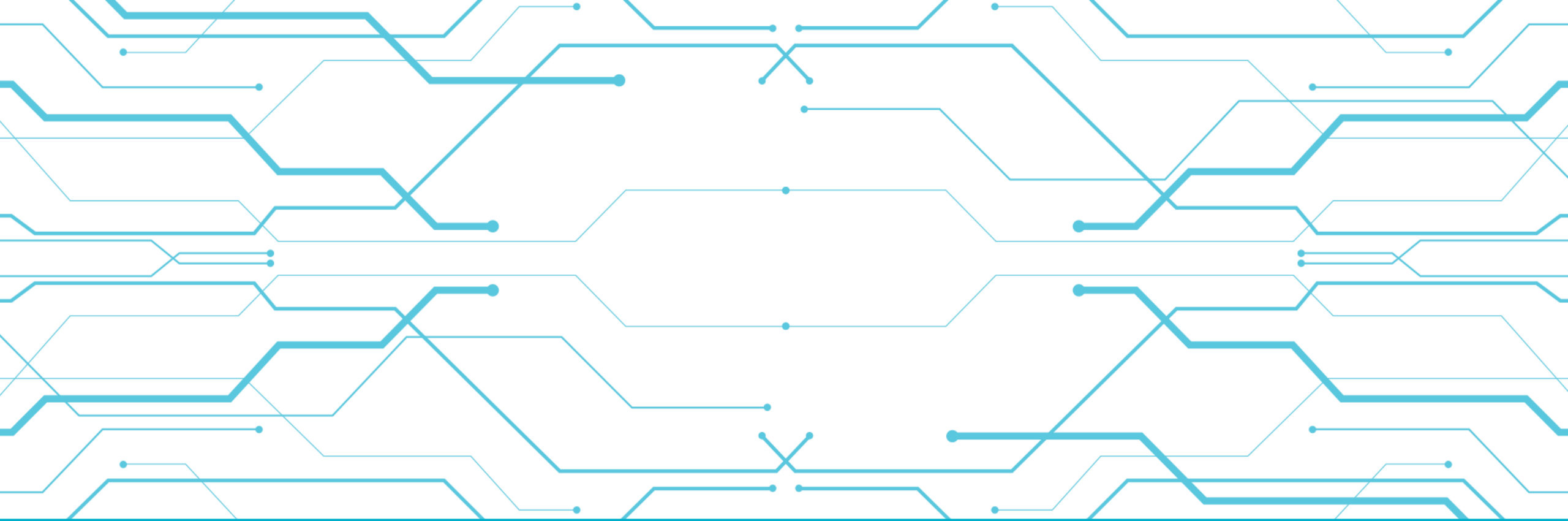
Broad geographical footprint supports market share growth in Asia and Europe while maintaining strong NA position.

Similar outsourcing dynamics between our legacy and electrification business. Legacy market share > 10%.

Robust innovative product platform serving multiple vehicle segments.

Broad portfolio in electric drives (including e-beam axles) and components allow for full participation in OEM sourcing strategies.

Higher outsourcing probability and share opportunity for e-beam axles.



Business Update



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Growing Electric Business and Customer Base



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Jaguar Land Rover

AAM supplies front and rear 2-in-1 EDUs on Jaguar I-PACE.

Mercedes-AMG

AAM's electric driveline technology powers AMG's first PHEV model, the GT 63 S E PERFORMANCE.

Volvo Cars

AAM awarded contracts to supply Volvo Cars with gears for its next generation front and rear electric drive units.

REE

AAM to supply high-performance electric drive units that can support multiple programs.



EKA Mobility

AAM to deliver electric-beam axles to EKA Mobility for its 2.5T battery electric light commercial vehicle program.

Global OEM 1

AAM awarded multiple contracts to supply a major OEM with electric components.

Global OEM 2

AAM to supply differential assemblies for electric vehicle applications.

Global OEM 3

AAM awarded contracts to supply electric vehicle components to multiple brands within the same OEM.

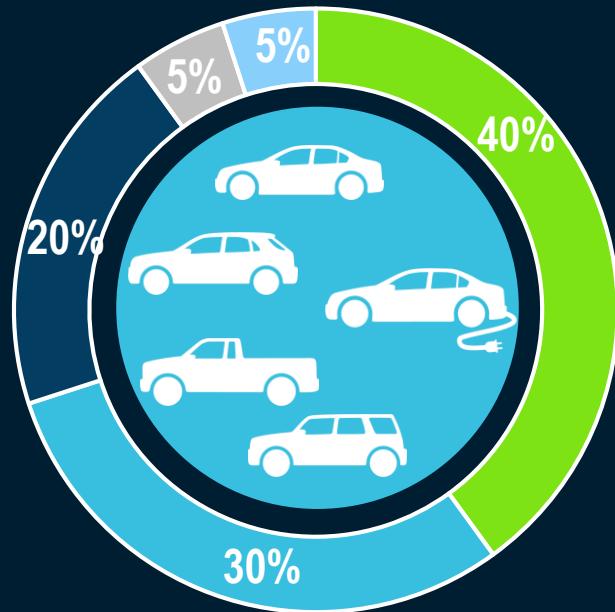
Gross New Business Backlog (disclosed on January 4, 2023)



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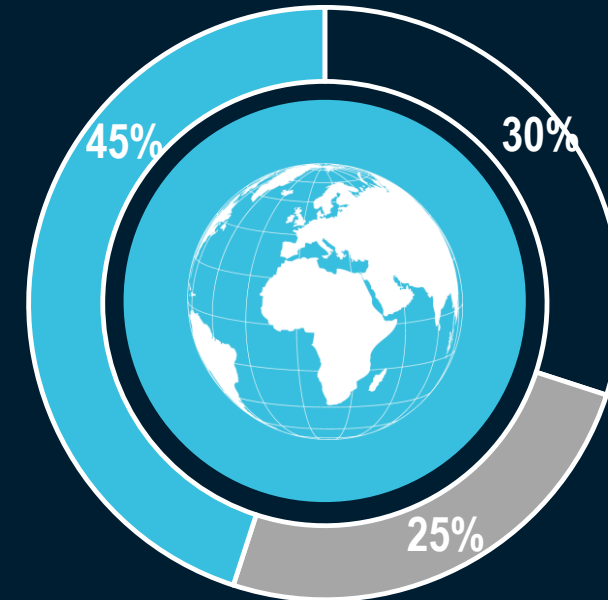
\$725 Million Backlog (2023-2025)

Backlog By Segment



■ Electric ■ Trucks/SUV ■ Crossover ■ Pass Car ■ Other

Backlog By Geography



■ Asia ■ Europe ■ Americas

Electrification continues to be a growing portion of AAM's new business backlog

AAM Long-Term Value Creation



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Diversification

- Balanced mix of customers and geography.
- Expand our product portfolio, driving opportunities with new OEMs and regions.
- Agnostic to propulsion market changes.



Sales

- Grow above market by leveraging scale and technology.
- Electrification will further drive expansion into new segments.
- Protect and extend the core business.
- Offer a compelling value proposition to customers.



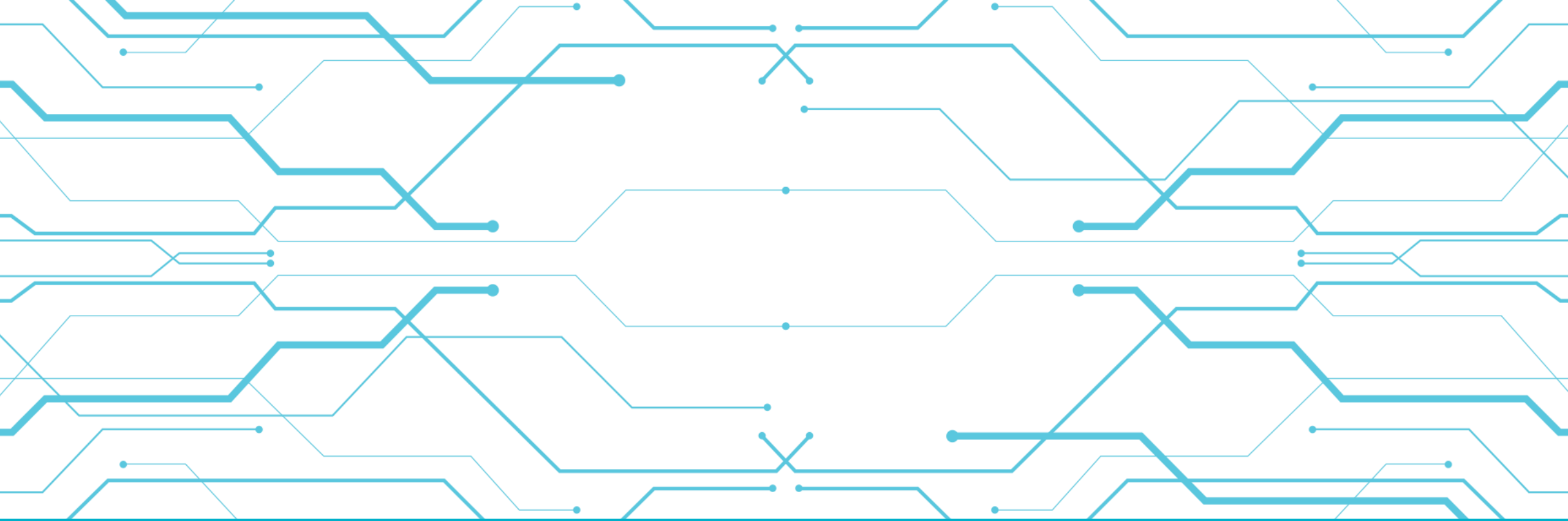
Financials

- Leverage AAM's Operating Systems to drive top tier EBITDA margin and cash flow generation.
- Enhance balance sheet strength.



Long-Term Focus

- Leader in electric propulsion technology.
- Increase size and scale through organic and inorganic growth.
- Effective deployment of capital.



Mark Barrett

Vice President Product Engineering & Quality



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AAM Electrification Experience



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- ✓ Awarded Multiple EDU and e-Beam Programs as Integration Lead
- ✓ Supporting Numerous Global OEMs from Various Global Facilities
- ✓ Automotive News Pace Award Recipient for EDU Design & OEM Collaboration
- ✓ Experience with Concentric, Offset, and High-Speed Motors
- ✓ Proven Concentric Planetary, Offset Layshaft, and Dual Layshaft Gearboxes
- ✓ Long Heritage of Driveline & Chassis Expertise



MOTORTREND



3 Cool New Electric Motor Technologies From CES 2022
An electric hub motor that also powers an active suspension, an ultra-compact high-speed motor, and an EV Hummer H1 with 3,170 LB-FT.



AAM pairs 12+ years of Electrification Experience with 28+ Years of Driveline Knowledge

AAM Key Electrification Awards



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2-in-1 Electric Drive Units

Jaguar I-PACE (Europe)

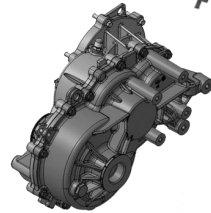
- Two P4 Electric Drive Units
- 147 kW Power Level
- Power Dense Concentric Design
- Integrated Park Lock (Front EDU only)



Launched

Baojun E300 City Car (China)

- P4 Gearbox
- 40 kW Peak Power
- Offset Gearbox Design
- Integrated Park Lock



Launched

AMG High-Performance Luxury (Europe)

- P3 Hybrid Electric Drive Unit
- 160kW Peak Power
- 2-speed Concentric Gearbox Design
- Integrated TracRite® eLSD



Launched

3-in-1 Electric Beam Axle

Pinnacle Mobility EKA (India)

- eBeam Rear Axle T2400
- 70kW Peak Power
- Banjo Housing

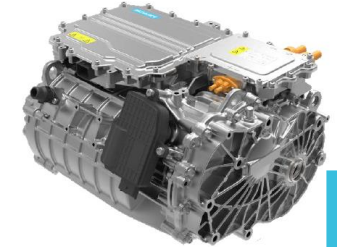


2023 Launch

3-in-1 Electric Drive Units (Platform)

AAM / Inovance 3-in-1 eDrive (China)

- P4 Platform Electric Drive Units
- Scalable Power Levels (100-145kW)
- Offset Gearbox Design
- Optional Park Lock



Multiple Programs Awarded & Launched

AAM Next Generation 3-in-1 eDrive

- P4 Platform Wheel End Electric Drive Units
- 4x 100kW Units per Vehicle
- Compact Offset Gearbox Design
- Integrated SiC MOSFET Inverter



2024 Launch

Electric Drive Components

Planetary Geartrain

- Supply Volvo Cars with electric drive gears



Multiple Programs Awarded and Launched

Electric Drive Unit Differentials

- Multiple Chinese BEV Car & SUV Awards
- Multiple North American Light Vehicle Awards
- North American BEV Semi-Truck Application

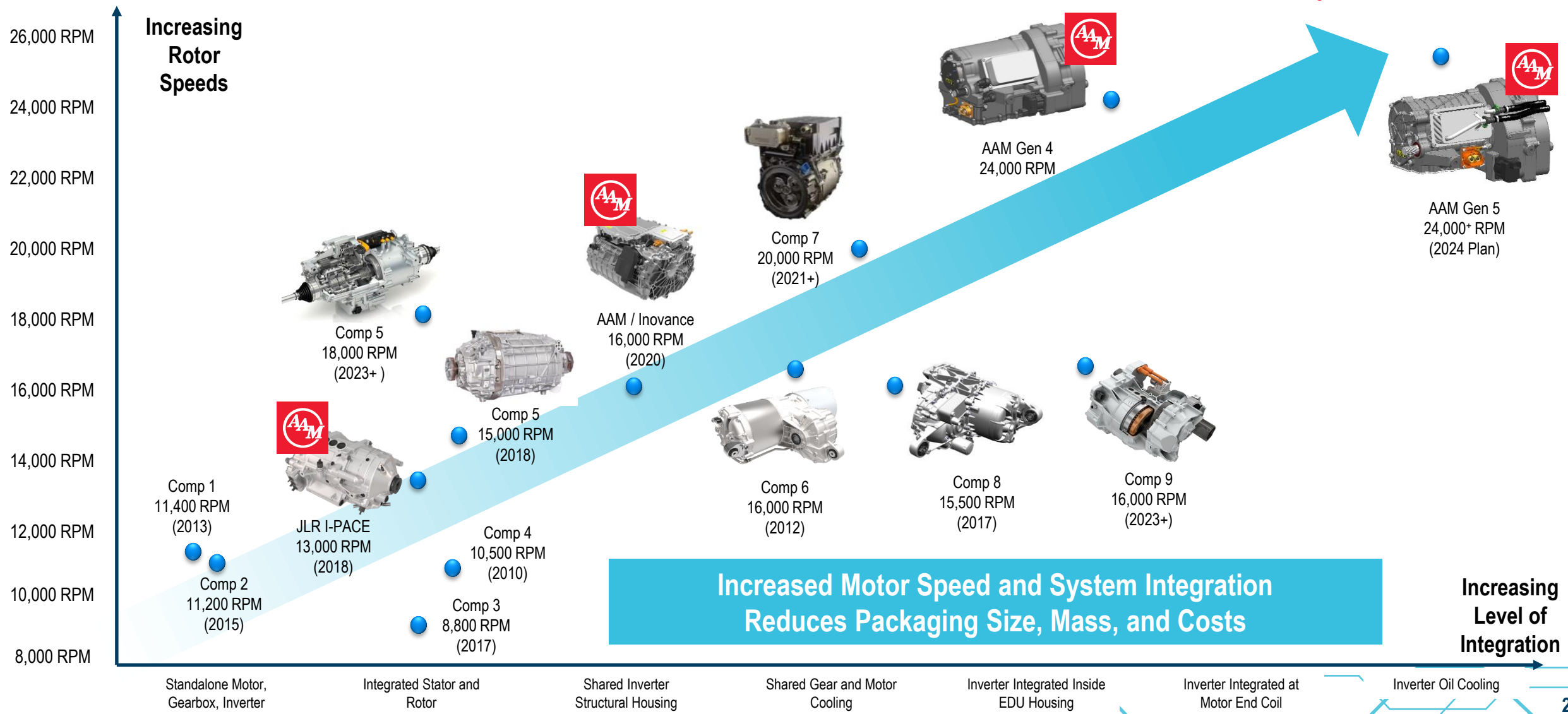


Awarded 20+ Different Electrification Vehicle Programs

Trends in Electric Propulsion



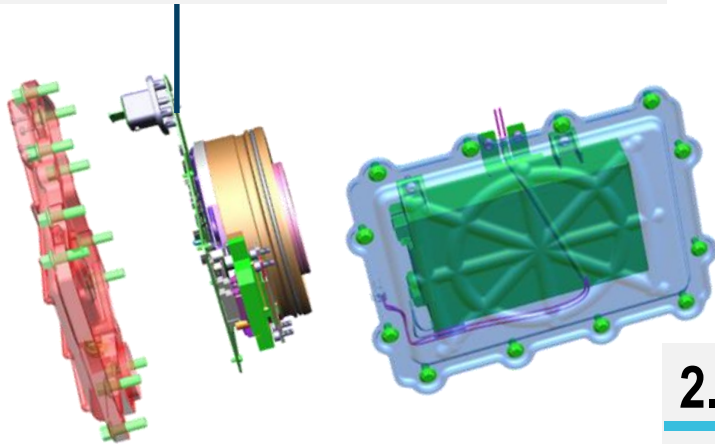
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AAM Gen 5 Technology

1. Power Electronics, Software & Controls

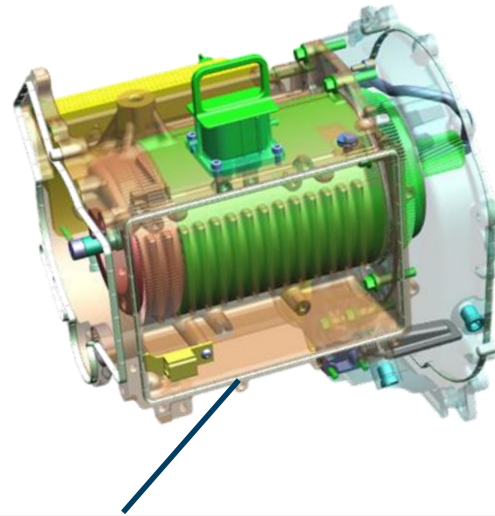
- Optimized for efficiency, performance and functional safety
- Oil Cooled



First production launch 2024

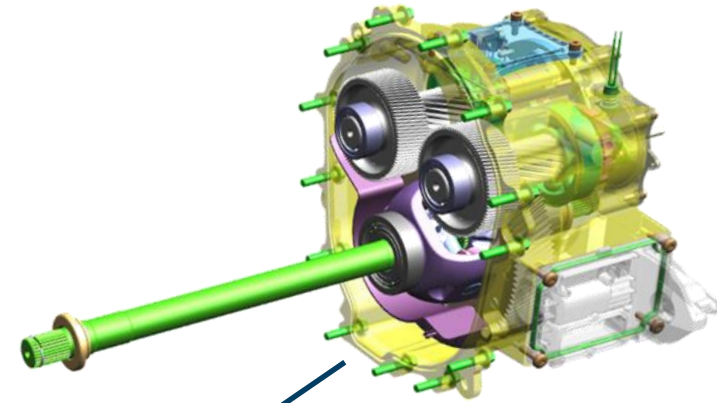
2. Electric Motor

- Optimized for power output, efficiency, power density and NVH
- Induction motor (no rare earth magnets)
- Greater than 24,000 rpm



3. Gearbox

- Optimized for efficiency, power density and NVH
- Dual layshaft load balancing



Automotive News
PACE **pilot**
2022 INNOVATION TO WATCH

PRODUCT TECHNOLOGY

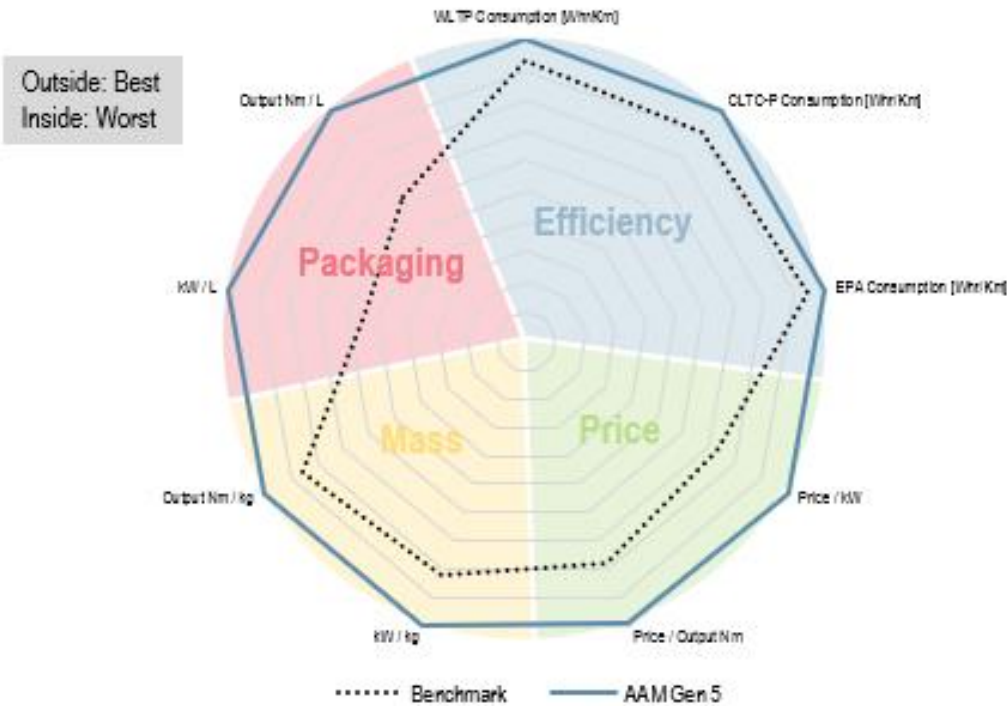
AAM Gen 5 technology provides a full system solution with one of the industry's most integrated and power dense design

AAM Next Generation Electric Drive



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Market Critical Attributes



The Competition

AAM Next Generation Electric Drive Units Deliver Compelling Performance

>10%

Improvement
in Mass
Efficiency

>40%

Improvement
in Volumetric
Efficiency

>40%

Improvement
in Power
Density

>10%

Reduced
Power Loss,
More Range

Strong Value
Proposition

AAM's Gen 5 technology outperforms widely recognized industry benchmarks in terms of critical EDU attributes



Gen 5 integrated solution provides industry leading **POWER DENSE** design.

Motor, gearbox and power electronics provide industry leading **EFFICIENCY**.

Propulsion System
Mass, Efficiency, Power,
Range and Cost

Vehicle system combined with the Gen 5 architecture provides the best **VALUE** proposition.

Reduced mass and packaging offers **RANGE** benefits to our customers.

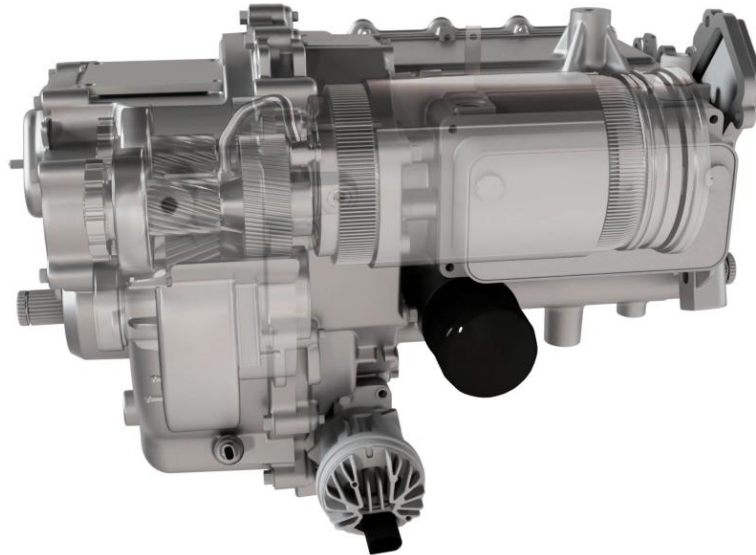
AAM Global Engineering Capabilities



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SUBSYSTEMS

- *High Voltage Power Electronics*
- *Low Voltage Electronics*
- *Software and Controls*
- *Motor*
- *Functional Safety*
- *Thermal Management*
- *Gears*
- *Structural Housings*
- *Sealing System*
- *Bearing System*
- *Oil Flow Management*



ANALYTICAL & SIMULATION TOOLS

- *Durability*
- *Efficiency*
- *Lube Flow*
- *NVH*
- *Thermal*
- *Gears*
- *Bearings*
- *Motor Performance*
- *Electronic*
- *Vibration*
- *HV Inductance*
- *Software Simulation*
- *Powertrain System Performance*

AAM has complete in-house engineering capability to provide full electric propulsion system design

Electrification Engineering Capabilities



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AAM's expertise is in mechanical technology:
gearbox design, gear profile, NVH, etc.

AAM has a **proven track record**
as an **actuation supplier** as the
leader in disconnecting AWD.

Through partnerships and
in-house development,
AAM has enhanced
Inverter, Motor, and
ECS development.

AAM Capabilities – Mechanical Architecture
Technical Capabilities related to Electric Propulsions

- Gear Box Architecture Design Automation and Optimization**
Design Automation and optimization tools
• Ensure best selection of gearbox parameters (ge distances, etc.) candidates to NVH within design constraints
- Motor, Gearbox and Power Electronics Analysis Tools**
Full Set of CAE Tools for eDrive Design and Analysis
- Helical Gear Design and Analysis**
Helical Gear Design and Analysis Tools
• 100% correlated design tools, analysis tools

AAM Capabilities – Helical Gear and NVH
Technical Capabilities related to Electric Propulsions

- Helical Gear Process Design and Development**
ATDC Gear Development Center (Detroit, MI)
• Correlated process design and analysis tools
• Dedicated equipment: bevel, cylindrical and engineering and production development
- Bearing Design and Analysis**
In-House Analysis Tools, Labs and Support
• Highly trained in-house bearing analysis
- NVH Analysis, Validation and Correlation**
BHTC NVH Development
• Correlated NVH system analysis tools at the

AAM Capabilities - ECS
Technical Capabilities related to Electric Propulsions

- Software**
Software Development Tools
• IBM Doors NG (Requirements Management)
• ETAS AutosAR Tools
• Simulink
• CarSIM
• IBM Rational Team Center (Project Management)
• Vector Tools (CANape, CANoe)
• PC/LINT
• Vector Cast
• Launching ASIL B(D) product 21
• ASPICE assessment to Level 3 by
- Technology Partnerships**
Industry Partnerships and Consortia
• Innoance (Inverter Industrialization Partner)
- Inverter and Motor Control**
AAM in-house Control Development
• Gate drive control function block

AAM Capabilities – ECS
Technical Capabilities related to Electric Propulsions

- Inverter and Motor Calibration**
Inverter Checkout & Calibration
• PWM calibration (deadtime, duty, delay...)
• Fault response (desat, HVDC fault, UV, OV...)
• Switching (vdi-sec integrity, Vds overshoot...)
• Resolver 7Mh life-time performance
• Current sensor (crosstalk, noise...)
Motor Checkout & Calibration
• Motor Characterization (dc/ac res., spin loss...)
• Static flux map
• Peak/zero torque search
• Control table generation
• Torque linearity
- Control Board and Hardware IO**
Control Board
• In-house control board development with Texas Instrument TMS320F28379D micro-controller. (Tesla Model 3's processor)
• Open to other micro-controller options.
Hardware IO
• All in-house solution capable.
• Standard TI solution capable.
Software Development Platform
• Model-based code generation with Altair Embed capable.
• Standard C programming capable.
- Drive Unit End-of-line Validation**
US-Detroit Dyno System
• Output 2 dyno system • Battery simulator
US-Rochester Hills Dyno System
• T-rig 3 dyno system • Battery simulator
• 395KW, 2,400 Nm peak, up to 9,000 RPM.
AAM European Technical Center eDrive Test System
• Output 2 dyno system • Battery simulator
• T-rig 3 dyno system • Battery simulator

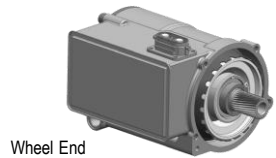
AAM has a complete portfolio of analytical tools for speed to market development

Scalable & Modular Platform

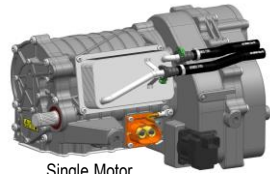


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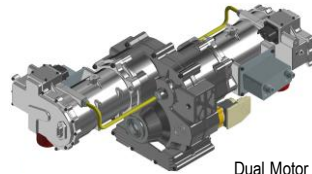
AAM's Next Generation Scalable & Modular Electric Drive Units support numerous vehicle applications while optimizing capital and development costs



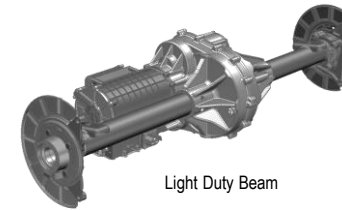
Wheel End



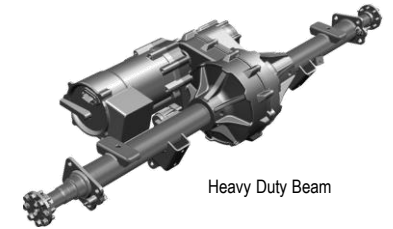
Single Motor



Dual Motor



Light Duty Beam



Heavy Duty Beam

Scalable Power Levels

Modular Motor Construction

Various EDU Architectures

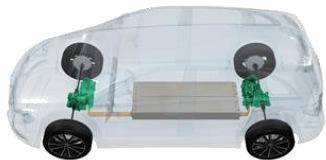
Multiple Gear Ratios

Optional Torque
Vectoring & Disconnect

AAM Traditional Segments



P4 4WD ARCHITECTURE



P4 AWD ARCHITECTURE



P4 FWD ARCHITECTURE

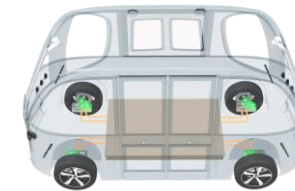
New Segment Opportunities



P4 SPLIT AXLE HYBRID ARCHITECTURE



P3 HYBRID ARCHITECTURE



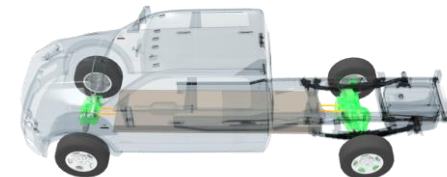
P4 AWD MPV ARCHITECTURE



P4 RWD ARCHITECTURE



P4 WHEEL END ARCHITECTURE



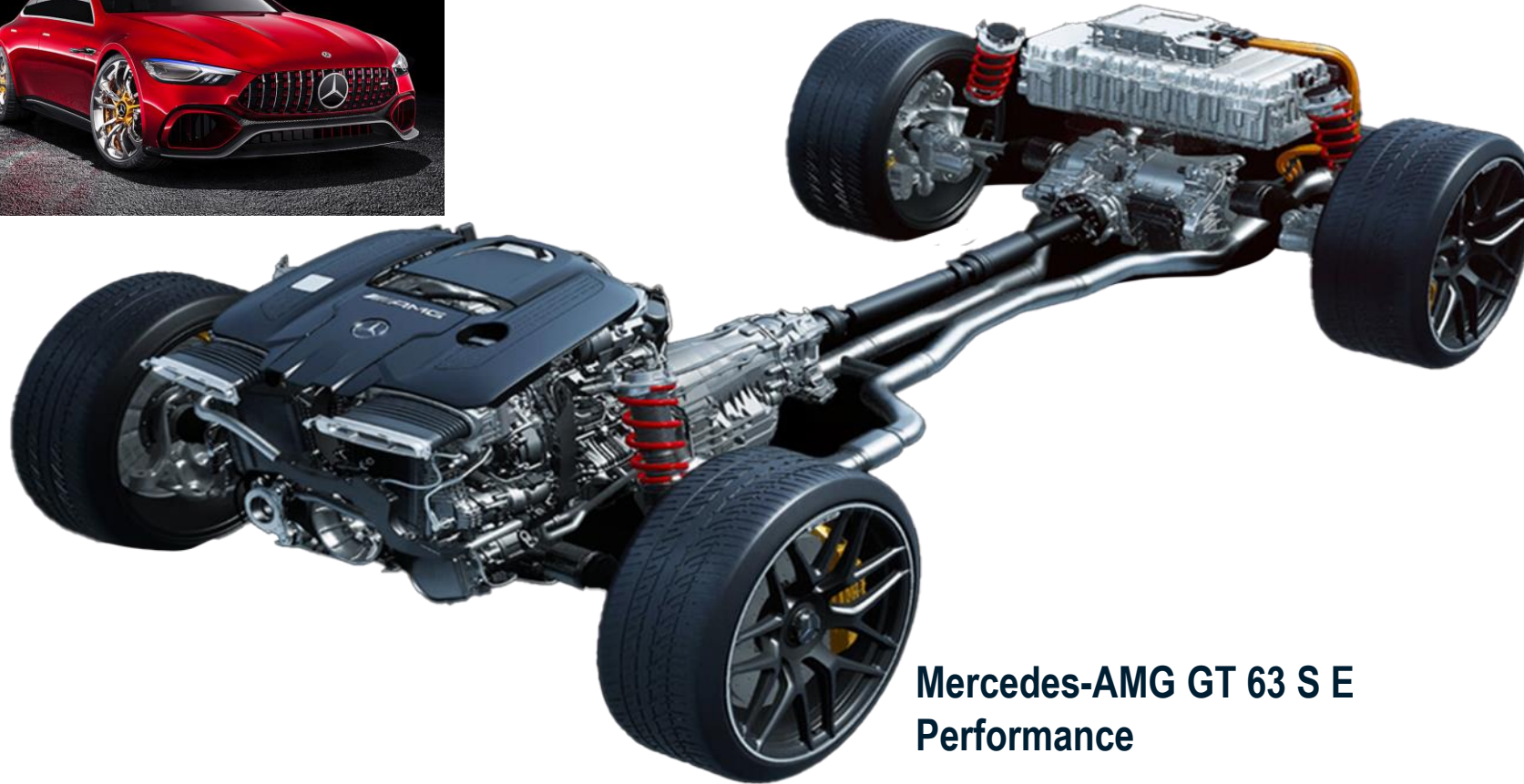
P4 4WD HD ARCHITECTURE

Denotes AAM EDU application.

AAM's Most Recent Market Introduction



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**Mercedes-AMG GT 63 S E
Performance**



AAM P3 Electric Drive Unit

- 160 kw Peak Power
- 2 Speed Concentric Gearbox
- Electronic Limited Slip Differential
- AAM Software and Controls



Product Technology



AMG/AAM Collaboration

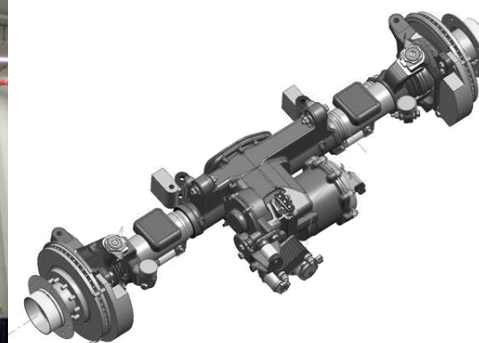
AAM partnered with AMG to deliver a highly technologically advanced hybrid electric propulsion system

AAM e-Beam Product Portfolio



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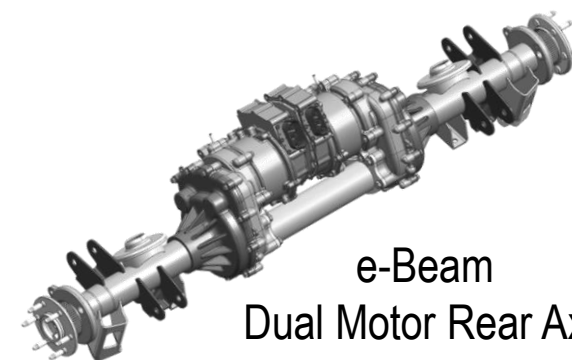
®



e-Beam
Single Motor Front Axle



e-Beam
Single Motor Rear Axle



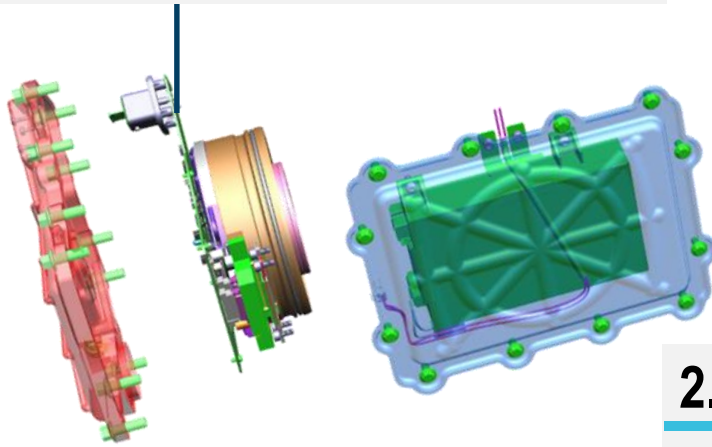
e-Beam
Dual Motor Rear Axle

AAM is well positioned to leverage our legacy knowledge and vertical integration to support this growing electrification market

AAM Gen 6 Technology...what's next

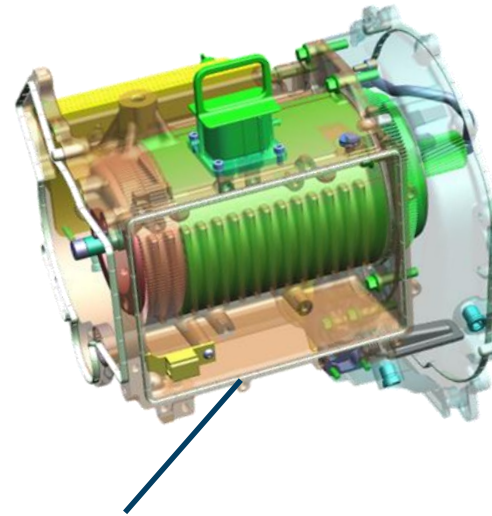
1. Power Electronics, Software & Controls

- Further efficiency gains through software, controls and switching innovations



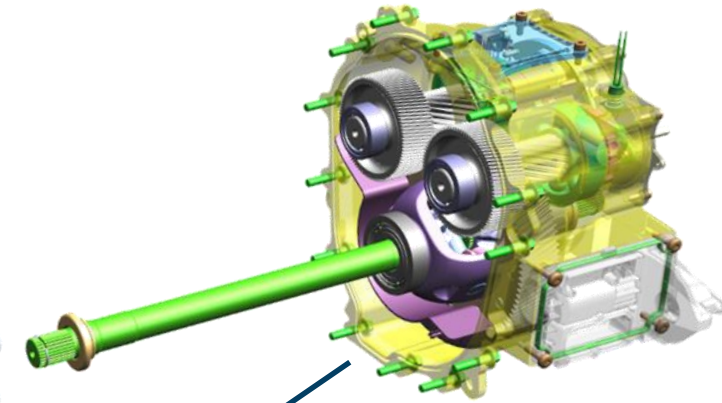
2. Electric Motor

- Further efficiency and power density gains through motor architecture, speed, cooling and continuous power innovations



3. Gearbox

- Further gains in power density through gear innovations



Continued focus on technology leadership and value creation



Recognized as the global industry **LEADER** in driveline propulsion

COMPREHENSIVE engineering capabilities and tools

TECHNOLOGY AAM Advantage

GLOBAL footprint for regional design and customer support

PROVEN customer collaboration and support

Vehicles to be Driven Today



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CITY COURSE



LI AUTO

BAOJUN

LI ONE
(PHEV)

E300 Plus
(BEV)

AAM
Rear 145kW
3-in-1 EDU

AAM
Rear 40kW
2-in-1 EDU

HANDLING COURSE



AMG

JAGUAR

GT63 SE
PERFORMANCE
(PHEV)

I-PACE
(BEV)

AAM
160 kW
2-in-1 P3 EDU

AAM
Front and Rear
147kW EDUs

TRUCK COURSE



GMC

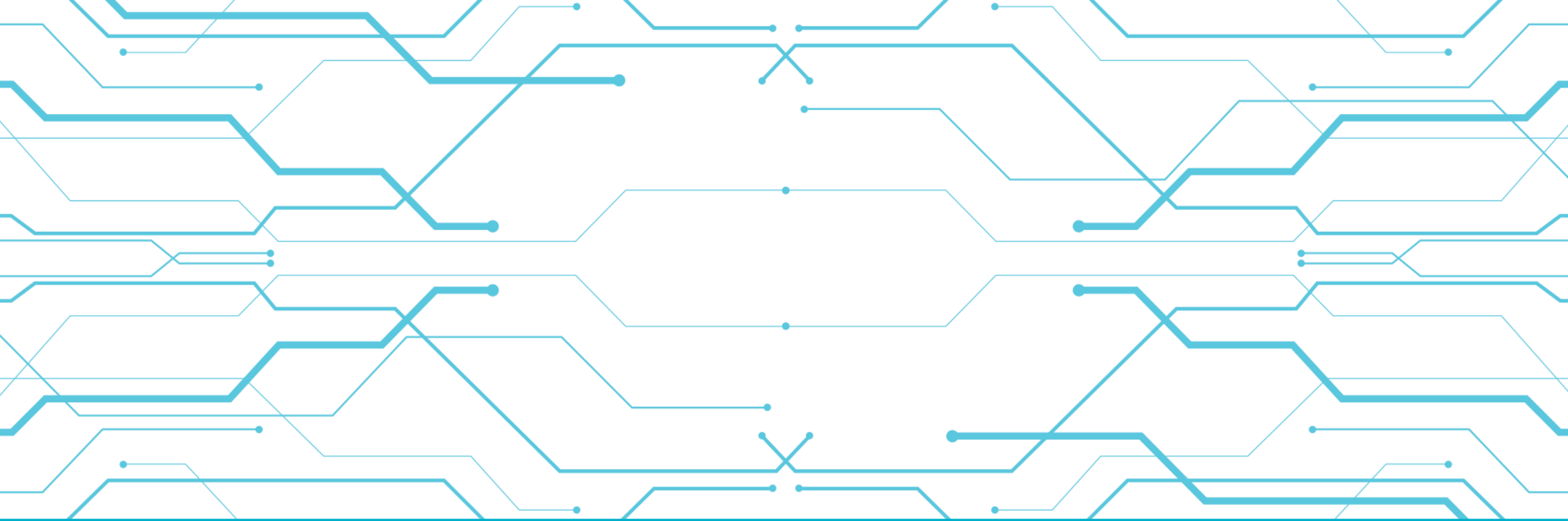
**AAM BATTERY
ELECTRIC TRUCK**

HUMMER EV
(BEV)

AAM BET1
(BEV)

AAM
TracRite EL
Locking Differential

Front – 153mm
Independent EDU
Rear – 153mm Dual
motor EDU
Showcases AAM's high
speed 153mm Gen 5
motor with integrated
inverter



Christopher May

Executive Vice President and Chief Financial Officer



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Financial Goals for AAM's Vision

Pathway to Achievement

2022 Financial Outlook Update

Capital Allocation Priorities

No Honey for the Bears Here

Financial Goals for AAM's Vision



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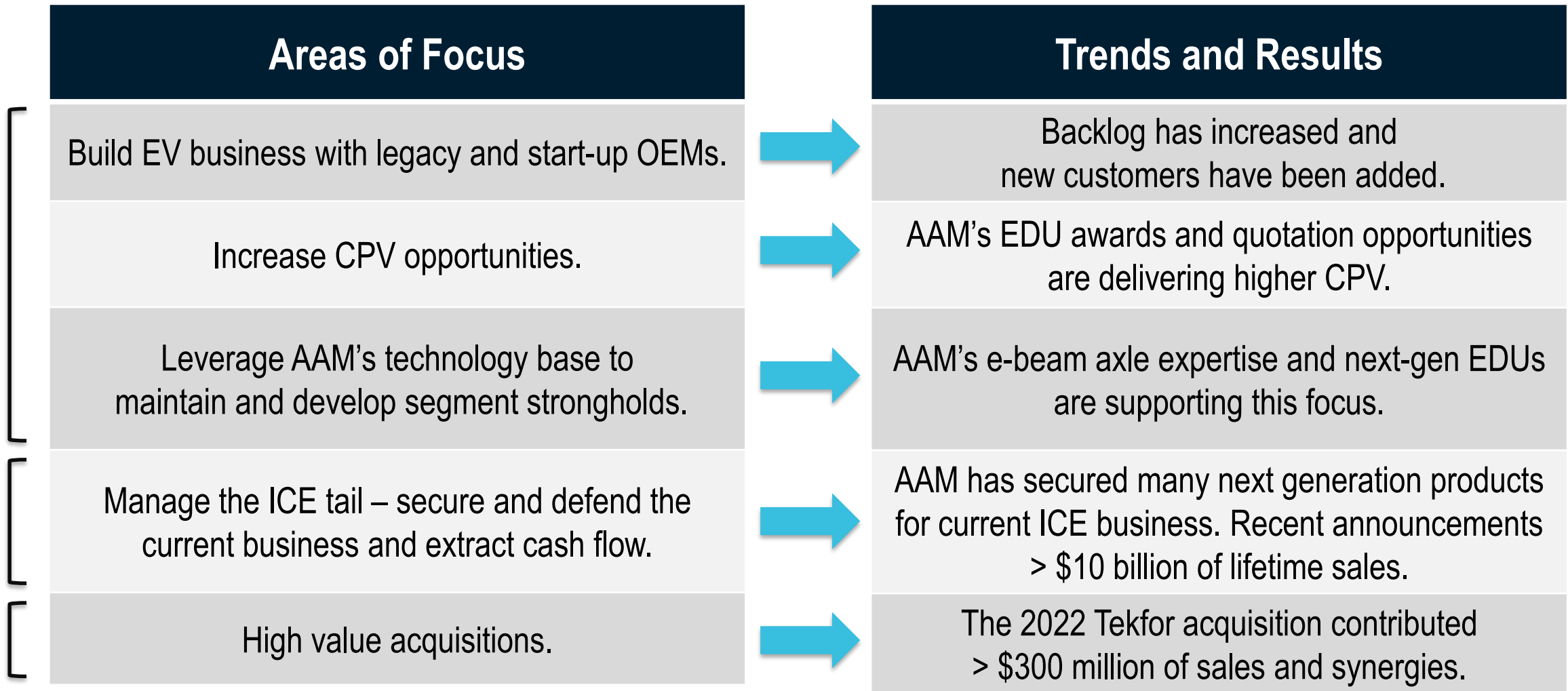
Top Tier
EBITDA Margins

Top Tier
CASH FLOW Conversion

TECHNOLOGY
**Driving Financial
Results**

Strong
BALANCE SHEET

Balanced
CAPITAL Allocation



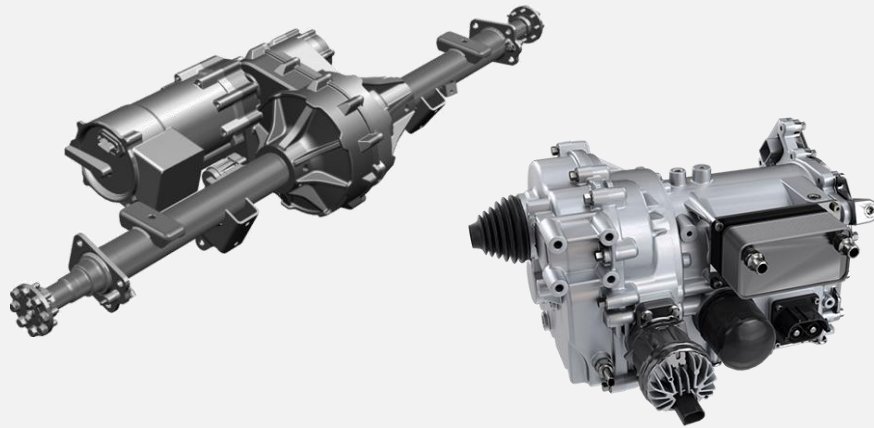
Growth and Significant CPV Opportunity in EV



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Outsourced Support

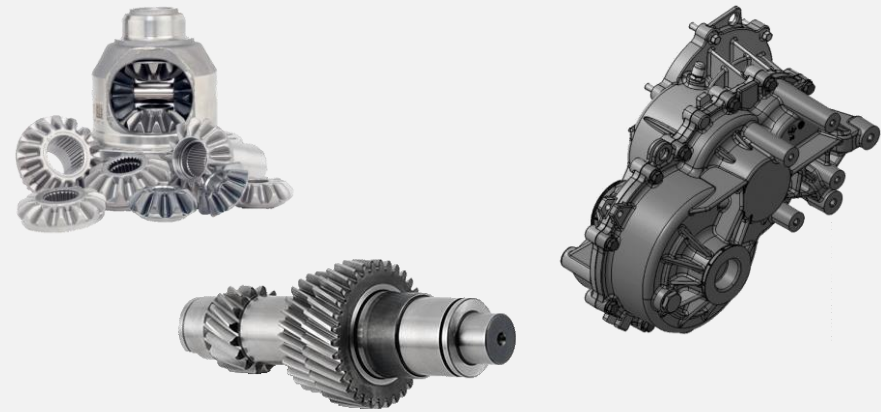
E-Beam Axles and E-Drives



AAM CPV: Up to \$2,500+

In-House Support

Components



AAM CPV: Up to \$500

AAM is Positioned to Support All OEM Sourcing Strategies



Cost Advantages Today

- Scale and product mix
- Vertical integration
- Variable cost structure
- Regional sourcing
- Lean SG&A
- AAM Operating System

Additional Cost Advantages in the Future

- Fully integrated product designs
- Expanded sourcing strategies
- Additional fixed cost reductions
- Further automation to drive productivity
- Synergies from recent acquisitions
- ESG benefits

Goal: Continue to Generate Top Tier Margins



Capital Intensity Needs: Legacy To Electric

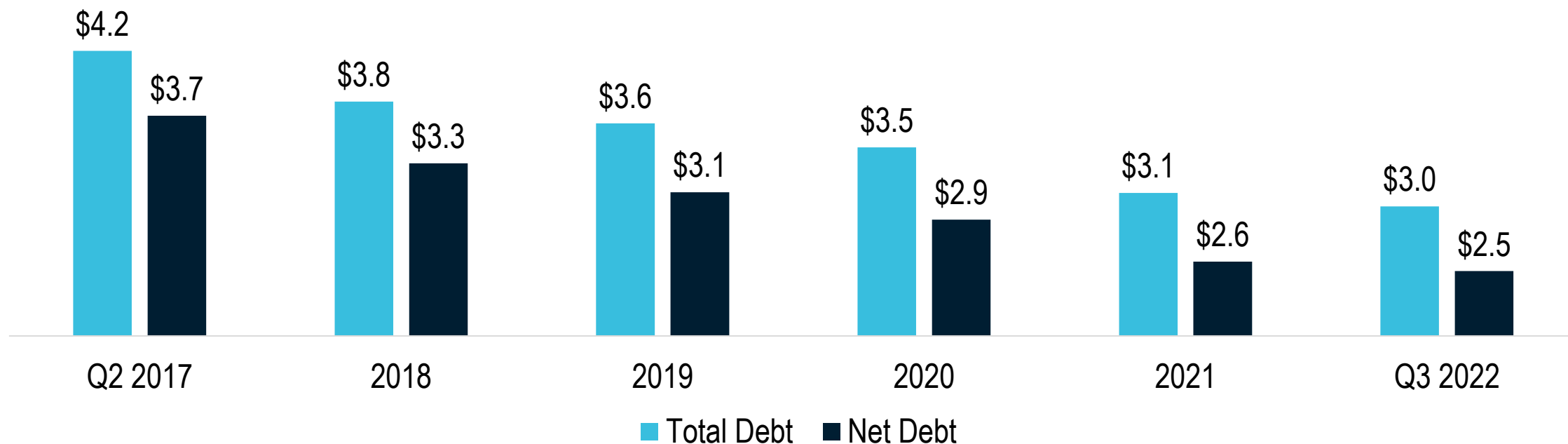
Components	Similar to ICE. Can also leverage installed base. Select new investments.	Maintenance	Similar to ICE.
Driveline Assembly	Similar to ICE.	Productivity	Similar to ICE.
Facilities	Leverage installed base. Select new investments based on program size.	Information Technology	Can leverage installed base.
Inflation Reduction Act Benefits	Opportunity exists to reduce costs for EV.	Research & Development	Initial up-front spending.

Focused On Debt Reduction



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\$ in billions

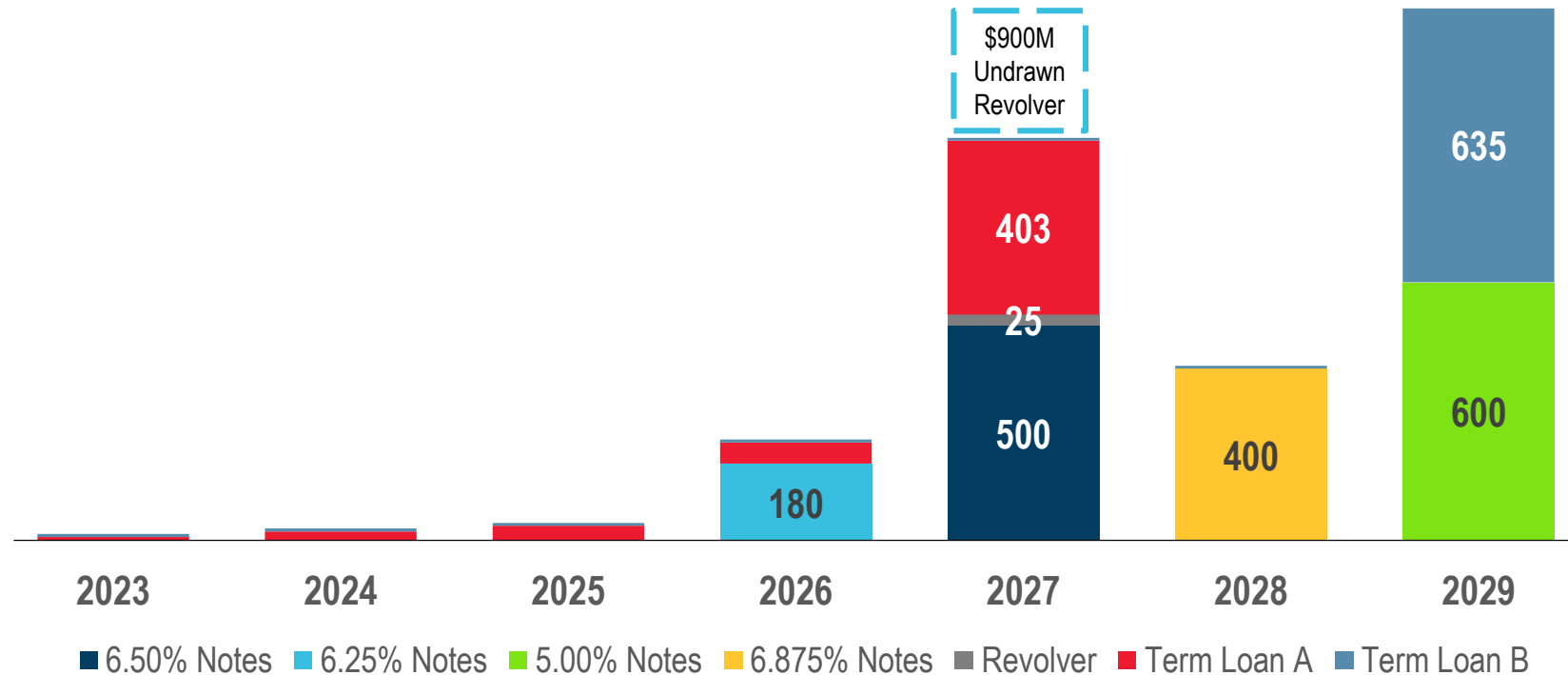


AAM has reduced gross debt by ~\$1.3 billion* since 2017

* Includes additional \$50 million paid down on Term Loan B in December 2022.

Senior Debt Maturities at 12/31/2022

(in \$ millions)



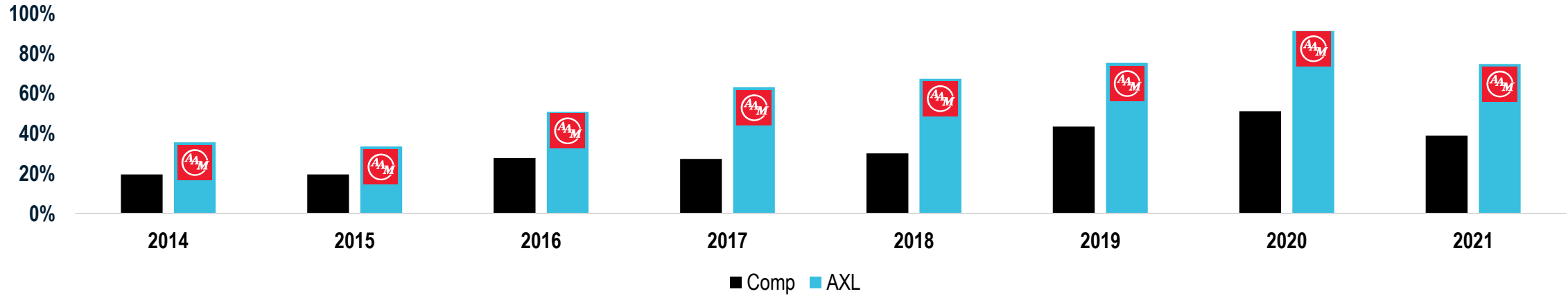
Weighted Average Maturity of Senior Debt: 5.5 years

History of Building Value

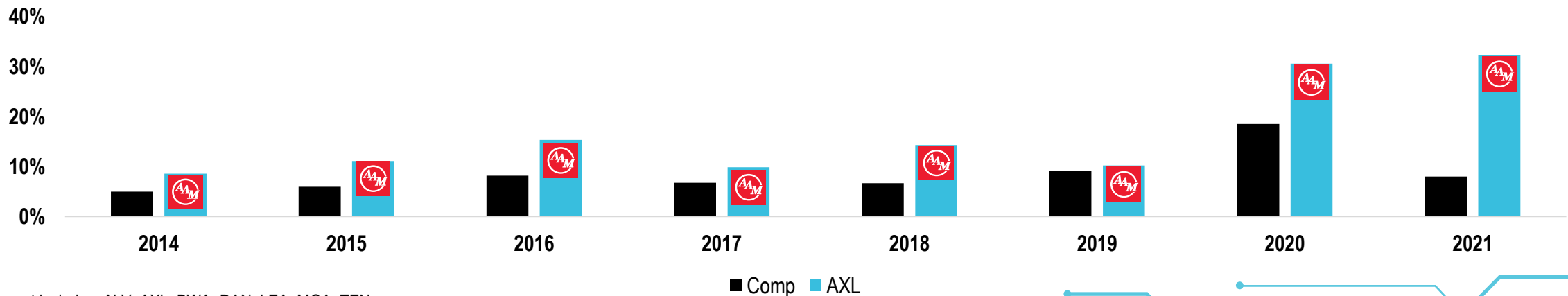


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Adjusted EBITDA / Market Capitalization



FCF / Market Capitalization



Note: Comp set includes: ALV, AXL, BWA, DAN, LEA, MGA, TEN.

Source: Bloomberg, filings, and company estimates.

Sustainability Initiatives



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New Targets

- We are focused on achieving profitable growth and doing so sustainably.
 - We initially set goals to reduce GHG emissions, energy usage, and water consumption by 5% by the end of 2024.
 - AAM achieved those goals ahead of schedule.
 - We established new targets to guide AAM's global environmental sustainability initiatives.
- Our net-zero emissions targets have been validated by the Science Based Targets initiative (SBTi).



Scope 1, 2 & 3 Emissions

ACHIEVE NET ZERO CARBON BY 2040



Energy

100% RENEWABLE ENERGY SOURCING
IN THE U.S. BY 2025



Water

ZERO INCIDENTS OF WATER CONTAMINATION
AND WATER SCARCITY IN WATERSHEDS
WHERE WE OPERATE



Waste

ZERO-WASTE-TO-LANDFILL STATUS
FOR ALL FACILITIES BY 2035

ENVIRONMENTAL

SOCIAL

PRODUCT

SUPPLY CHAIN

GOVERNANCE

2022 Financial Outlook Update



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	Targets (as of November 4, 2022)	4Q 2022 Trends (as of January 4, 2023)
Full Year Sales	\$5.75 to \$5.85 billion	Production volatility remained elevated in the quarter
Adjusted EBITDA	\$745 to \$765 million	Will be impacted by sales noted above and production volatility inefficiencies.
Adjusted Free Cash Flow	~\$300 million	Trending to target.

We expect to provide 2023 guidance when AAM releases fourth quarter 2022 earnings.

Capital Allocation



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Organic Growth

Invest in R&D and continue organic growth with the appropriate returns

Strategic

Focus on technology, portfolio positioning, diversification and growth objectives

Leverage Reduction

Continued focus to reduce leverage and improve balance sheet strength

Shareholder Activity

At the appropriate time, consider other options that may further benefit our shareholders

Capital Allocation Aligned with AAM's Strategic Objectives

No Honey For The Bears Here



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Bear Thesis: AAM will lose CPV with electrification

Reality: This is not what we are experiencing

- AAM's content per vehicle opportunity in electrification can be over \$2,500.
- This is similar or better than our legacy platforms.
- AAM's served segments are expanding.

Bear Thesis: Capital intensity higher for EV

Reality: In many cases, it is similar to ICE

- Can leverage existing manufacturing footprint.
- Flexible equipment used for both ICE and EV.
- Select investments for EV.

Bear Thesis: All EDUs will be insourced by OEMs

Reality: This is not what we are experiencing

- We believe there will be a mix of insourced and outsourced e-beams / EDUs, like ICE today.
- This is our current quotation experience.
- We also believe once platforms expand, OEMs will seek the supply base to support this growth.

Bear Thesis: AAM terminal value is "0"

Reality: Our view is quite different

- AAM's comprehensive product portfolio allows for agnostic approach to the market.
- The positive exposure to ICE and electric propulsion positions AAM for long-term returns and FCF generation.

Bringing It All Together



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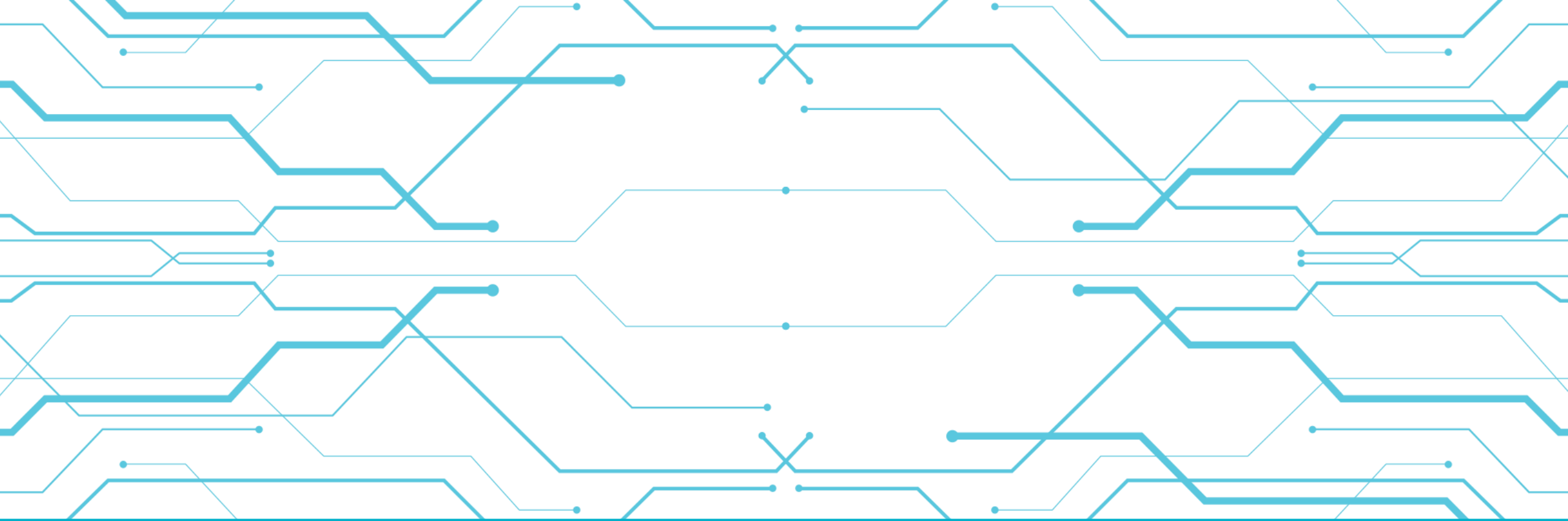
A Clear
Vision

A Heritage of
Operational
Excellence

Proprietary
Technology
and Highly
Engineered
Products

Financial
Attributes
that can
Provide
Basis for
Strong
Performance

An
Opportunity
to Create
Significant
Value



Closing Remarks



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Takeaways



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**Award Winning Next
Generation Electric
Technology**



**Scalable and Modular
Electric Drive Technology**



**Heritage in Quality and
Operational Excellence**



**Growing in Size
and Scale**

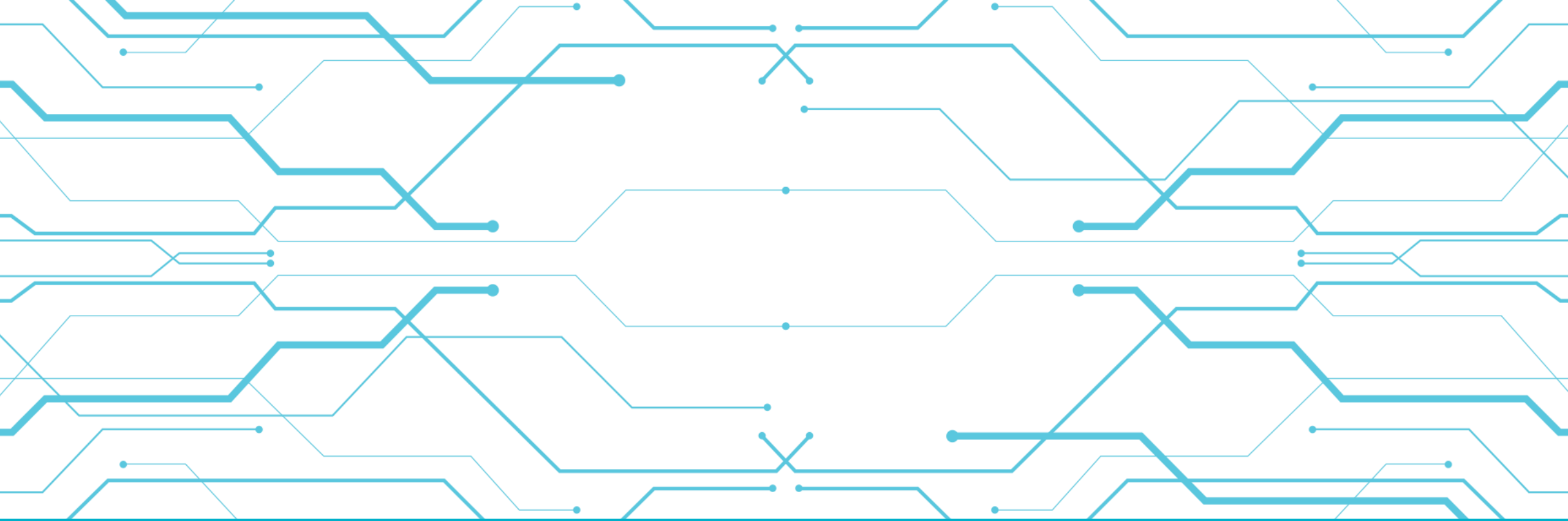


**Compelling Value
Proposition
to our Customers**



**Reduce Debt, Generate
Solid Cash Flow and
EBITDA Margin**

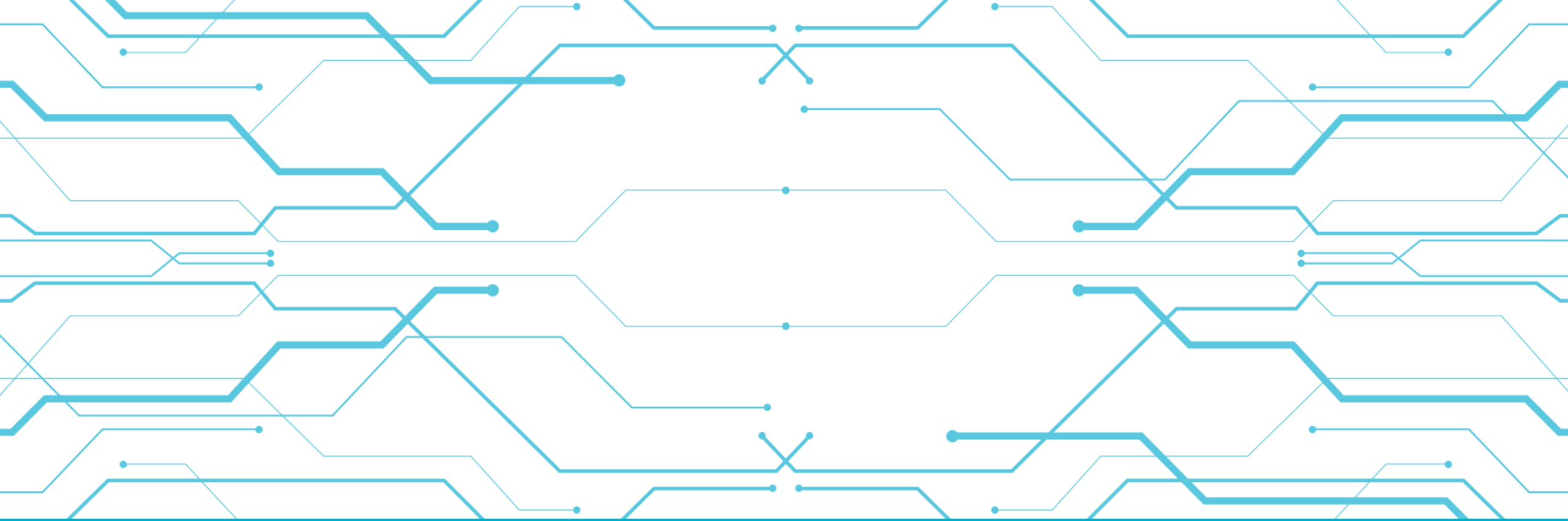




Question and Answer



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Product Display and Ride & Drive



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Product Display and Ride & Drive



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- The back of your name badge indicates your group – **RED** or **BLUE**
- **RED** Group will remain in this room for the Product Display Tour
- **BLUE** Group will head to the Track (via shuttle) to begin the Ride & Drive
- Then we will rotate each group to experience the other activity
 - **BLUE** Group to the Product Display
 - **RED** Group to the Ride & Drive
- **When in doubt, ask an AAM Representative!**

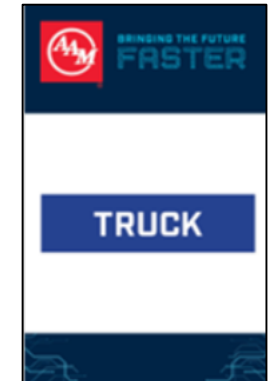
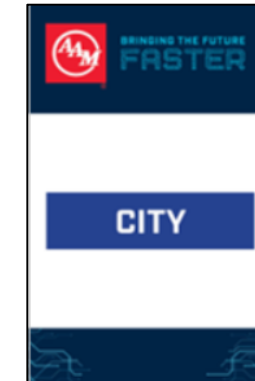
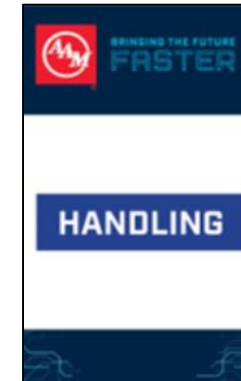


Ride & Drive Demonstration



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- **BLUE** Group will head to the Track (via shuttle) to begin the Ride & Drive
 - The name of the first course you will go to at the Ride & Drive is also on the back of your name badge
 - Your event hosts will ensure groups rotate among the **THREE** track courses in 15 minute intervals



CITY COURSE



LI AUTO

BAOJUN

HANDLING COURSE



AMG

JAGUAR

TRUCK COURSE



GMC

AAM BATTERY
ELECTRIC TRUCK

Safety is Our #1 Responsibility



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- At AAM, **Safety** is at the heart of everything we do—for our teams, our guests and our communities
- Safety while in a track/driving environment is **paramount**
- Please be aware and alert at all times and follow all instructions and safety requirements
- Have fun! Be safe!

IMPORTANT!

TRACK SAFETY & RULES

- Safety is everyone's #1 responsibility.
- Be alert and aware of your surroundings at all times.
- Follow all instructions from AAM vehicle mentors.
- Always drive within your limits.
- Seatbelts are required when vehicles are in motion.
- Helmets are required on the Handling Course.

Agenda



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Session One (1:00 pm – 2:20 pm)

Overview and Strategic Vision

David Dauch, Chairman and Chief Executive Officer

Electrification Technology Overview

Mark Barrett, Vice President Engineering and Quality

Financial Updates

Chris May, Executive Vice President and Chief Financial Officer

Closing Remarks

David Dauch, Chairman and Chief Executive Officer

Question and Answer Session

Break / Transition (2:20 pm – 2:30 pm)

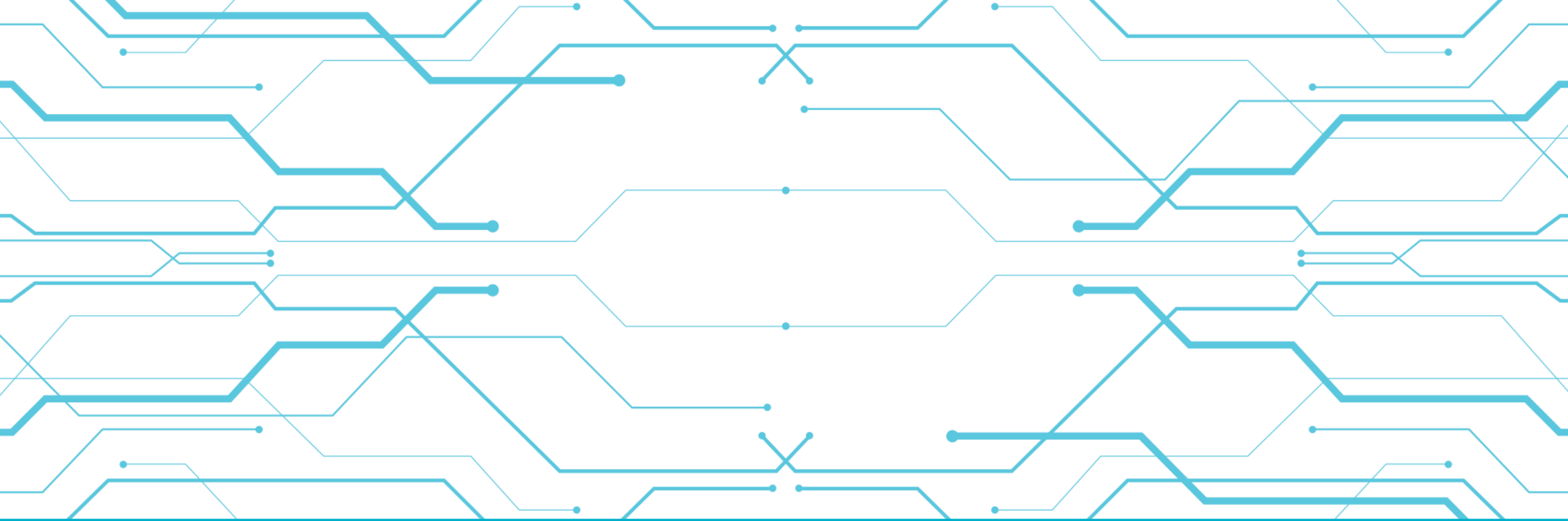
Session Two (2:30 pm – 4:30 pm)

Product Display and Ride & Drive

Product display tour hosted by Craig Renneker, VP Innovation

Cocktail Reception (4:30 pm)





Supplemental Data



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Reconciliation of Non-GAAP Measures



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In addition to the results reported in accordance with accounting principles generally accepted in the United States of America (GAAP) included within this presentation, we have provided certain information, which includes non-GAAP financial measures. Such information is reconciled to its closest GAAP measure in accordance with Securities and Exchange Commission rules and is included in the following slides.

Certain of the forward-looking financial measures included in this earnings release are provided on a non-GAAP basis. A reconciliation of non-GAAP forward-looking financial measures to the most directly comparable forward-looking financial measures calculated and presented in accordance with GAAP has been provided. The amounts in these reconciliations are based on our current estimates and actual results may differ materially from these forward-looking estimates for many reasons, including potential event driven transactional and other non-core operating items and their related effects in any future period, the magnitude of which may be significant.



EBITDA and Adjusted EBITDA Reconciliation
(\$ in millions)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Net income (loss)	\$ 26.5	\$ (2.4)	\$ 50.4	\$ 52.2
Interest expense	44.8	49.7	132.2	150.7
Income tax benefit	(5.7)	(13.6)	(2.1)	(2.4)
Depreciation and amortization	124.8	135.6	367.1	421.2
EBITDA	190.4	169.3	547.6	621.7
Restructuring and acquisition-related costs	7.9	7.4	26.4	40.8
Debt refinancing and redemption costs	0.2	31.6	6.0	34.0
Loss on sale of business	-	-	-	2.7
Unrealized loss (gain) on equity securities	2.3	(19.4)	24.0	(19.4)
Non-recurring items:				
Malvern fire charges, net of recoveries	(1.0)	(5.7)	(6.4)	(11.1)
Acquisition-related fair value inventory adjustment	-	-	5.0	-
Gain on bargain purchase of business	(1.4)	-	(13.0)	-
Adjusted EBITDA	\$ 198.4	\$ 183.2	\$ 589.6	\$ 668.7
Sales	1,535.2	1,213.1	4,409.7	3,921.5
as a % of net sales	12.9%	15.1%	13.4%	17.1%

Supplemental Data



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EBITDA and Adjusted EBITDA for the Trailing Twelve Months Ended September 30, 2022 (\$ in millions)

	Quarter Ended				Trailing Twelve
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	Months Ended September 30, 2022
Net income (loss)	\$ (46.3)	\$ 1.0	\$ 22.9	\$ 26.5	\$ 4.1
Interest expense	44.5	44.7	42.7	44.8	176.7
Income tax expense (benefit)	(2.3)	3.0	0.6	(5.7)	(4.4)
Depreciation and amortization	123.1	120.4	121.9	124.8	490.2
EBITDA	119.0	169.1	188.1	190.4	666.6
Restructuring and acquisition-related costs	8.6	8.9	9.6	7.9	35.0
Debt refinancing and redemption costs	-	5.6	0.2	0.2	6.0
Pension settlement	42.3	-	-	-	42.3
Unrealized loss (gain) on equity securities	(5.0)	18.0	3.7	2.3	19.0
Non-recurring items:	-	-	-	-	-
Malvern fire charges, net of recoveries	(0.3)	(5.5)	0.1	(1.0)	(6.7)
Acquisition-related fair value inventory adjustment	-	-	5.0	-	5.0
Gain on bargain purchase of business	-	-	(11.6)	(1.4)	(13.0)
Adjusted EBITDA	\$ 164.6	\$ 196.1	\$ 195.1	\$ 198.4	\$ 754.2
Sales	1,235.1	1,436.2	1,438.3	1,535.2	5,644.8
as a % of net sales	13.3%	13.7%	13.6%	12.9%	13.4%



Adjusted Earnings Per Share Reconciliation

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Diluted earnings (loss) per share	\$ 0.22	\$ (0.02)	\$ 0.42	\$ 0.44
Restructuring and acquisition-related costs	0.07	0.06	0.22	0.33
Debt refinancing and redemption costs	-	0.27	0.05	0.29
Loss on sale of business	-	-	-	0.02
Unrealized loss (gain) on equity securities	0.02	(0.16)	0.20	(0.16)
Accelerated depreciation*	-	0.08	-	0.27
Non-recurring items:				
Malvern fire charges, net of recoveries	(0.01)	(0.05)	(0.05)	(0.09)
Acquisition-related fair value inventory adjustment	-	-	0.04	-
Gain on bargain purchase of business	(0.01)	-	(0.11)	-
Tax effect of adjustments	(0.02)	(0.03)	(0.10)	(0.09)
Adjusted earnings per share	<u>\$ 0.27</u>	<u>\$ 0.15</u>	<u>\$ 0.67</u>	<u>\$ 1.01</u>

*Please refer to definition of Non-GAAP measures.



Free Cash Flow and Adjusted Free Cash Flow Reconciliation (\$ in millions)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Net cash provided by operating activities	\$ 85.2	\$ 89.8	\$ 300.4	\$ 436.0
Capital expenditures net of proceeds from the sale of property, plant and equipment	(46.6)	(33.2)	(113.6)	(114.0)
Free cash flow	38.6	56.6	186.8	322.0
Cash payments for restructuring and acquisition-related costs	4.7	9.0	21.2	47.9
Cash payments related to the Malvern fire, net of recoveries	2.5	3.5	6.0	9.4
Adjusted free cash flow	<u>\$ 45.8</u>	<u>\$ 69.1</u>	<u>\$ 214.0</u>	<u>\$ 379.3</u>



Net Debt and Net Leverage Ratio (\$ in millions)

	September 2022
Current portion of long term debt	\$ 19.2
Long-term debt, net	2,974.1
Total debt, net	2,993.3
Less: Cash and cash equivalents	472.3
Net debt at end of period	2,521.0
Adjusted LTM EBITDA	\$ 754.2
Net Leverage Ratio	3.3x



Segment Financial Information
(\$ in millions)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Segment Sales				
Driveline	\$ 1,061.1	\$ 870.4	\$ 3,163.6	\$ 2,831.9
Metal Forming	591.2	422.7	1,585.9	1,352.1
Total Sales	1,652.3	1,293.1	4,749.5	4,184.0
Intersegment Sales	(117.1)	(80.0)	(339.8)	(262.5)
Net External Sales	<u>\$ 1,535.2</u>	<u>\$ 1,213.1</u>	<u>\$ 4,409.7</u>	<u>\$ 3,921.5</u>
Segment Adjusted EBITDA				
Driveline	\$ 146.4	\$ 128.4	\$ 420.3	\$ 450.2
Metal Forming	52.0	54.8	169.3	218.5
Total Segment Adjusted EBITDA	<u>\$ 198.4</u>	<u>\$ 183.2</u>	<u>\$ 589.6</u>	<u>\$ 668.7</u>

Supplemental Data



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	Adjusted EBITDA	
	Low End	High End
	<i>(in millions)</i>	
Net income	\$ 20	\$ 30
Interest expense	180	180
Income tax expense (benefit)	(5)	5
Depreciation and amortization	500	500
Full year 2022 targeted EBITDA	695	715
Restructuring and acquisition-related costs	35	35
Other	15	15
Full year 2022 targeted Adjusted EBITDA	<u>\$ 745</u>	<u>\$ 765</u>

	Adjusted Free Cash Flow	
	<i>(in millions)</i>	
Net cash provided by operating activities	\$	455
Capital expenditures net of proceeds from the sale of property, plant and equipment		(190)
Full year 2022 targeted Free Cash Flow		265
Cash payments for restructuring and acquisition-related costs		35
Full year 2022 targeted Adjusted Free Cash Flow (approximate)	<u>\$</u>	<u>300</u>

Supplemental Data



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EBITDA and Adjusted EBITDA Reconciliation (\$ in millions)

	Twelve Months Ended							
	December 31,							
	2014	2015	2016	2017	2018	2019	2020	2021
Net income (loss)	\$ 143.0	\$ 235.6	\$ 240.7	\$ 337.5	\$ (56.8)	\$ (484.1)	\$ (561.1)	\$ 5.9
Interest expense	99.9	99.2	93.4	195.6	216.3	217.3	212.3	195.2
Income tax expense (benefit)	33.7	37.1	58.3	2.5	(57.1)	(48.9)	(49.2)	(4.7)
Depreciation and amortization	199.9	198.4	201.8	428.5	528.8	536.9	521.9	544.3
EBITDA	476.5	570.3	594.2	964.1	631.2	221.2	123.9	740.7
Restructuring and acquisition-related costs	-	-	26.2	110.7	78.9	57.8	67.2	49.4
Debt refinancing and redemption costs	-	0.8	-	3.5	19.4	8.4	7.9	34.0
Loss (Gain) on sale of business	-	-	-	-	(15.5)	21.3	1.0	2.7
Impairment charges	-	-	-	-	485.5	665.0	510.0	-
Pension settlements	-	-	-	-	-	9.8	0.5	42.3
Unrealized gain on equity securities	-	-	-	-	-	-	-	(24.4)
Non-recurring items:								
Pension related charges	35.5	-	-	-	-	-	-	-
Malvern fire charges, net of recoveries	-	-	-	-	-	-	9.3	(11.4)
Gain on settlement of capital lease	-	-	-	-	(15.6)	-	-	-
Acquisition-related fair value inventory adjustment	-	-	-	24.9	-	-	-	-
Gain on bargain purchase of business	-	-	-	-	-	(10.8)	-	-
Other	-	-	(1.0)	(0.5)	-	(2.4)	-	-
Adjusted EBITDA	\$ 512.0	\$ 571.1	\$ 619.4	\$ 1,102.7	\$ 1,183.9	\$ 970.3	\$ 719.8	\$ 833.3

*Please refer to definition of Non-GAAP measures.

Supplemental Data



BRINGING THE FUTURE
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Free Cash Flow (\$ in millions)

	Twelve Months Ended December 31,							
	2014	2015	2016	2017	2018	2019	2020	2021
Net cash provided by operating activities	\$ 318.4	\$ 377.6	\$ 407.6	\$ 647.0	\$ 771.5	\$ 559.6	\$ 454.7	\$ 538.4
Capital expenditures net of proceeds from the sale of property, plant and equipment and government grants	(195.3)	(188.1)	(218.5)	(475.2)	(519.8)	(428.3)	(213.9)	(179.2)
Free cash flow	\$ 123.1	\$ 189.5	\$ 189.1	\$ 171.8	\$ 251.7	\$ 131.3	\$ 240.8	\$ 359.2

Definition of Non-GAAP Measures



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EBITDA and Adjusted EBITDA

We define EBITDA to be earnings before interest expense, income taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA excluding the impact of restructuring and acquisition-related costs, debt refinancing and redemption costs, loss on sale of a business, impairment charges, pension settlements, unrealized gains or losses on equity securities and non-recurring items. We believe that EBITDA and Adjusted EBITDA are meaningful measures of performance as they are commonly utilized by management and investors to analyze operating performance and entity valuation. Our management, the investment community and the banking institutions routinely use EBITDA and Adjusted EBITDA, together with other measures, to measure our operating performance relative to other Tier 1 automotive suppliers. We also use Segment Adjusted EBITDA as the measure of earnings to assess the performance of each segment and determine the resources to be allocated to the segments. EBITDA and Adjusted EBITDA are also key metrics used in our calculation of incentive compensation. EBITDA and Adjusted EBITDA should not be construed as income from operations, net income or cash flow from operating activities as determined under GAAP. Other companies may calculate EBITDA and Adjusted EBITDA differently.

Adjusted Earnings Per Share

We define Adjusted earnings per share to be diluted earnings per share excluding the impact of restructuring and acquisition-related costs, debt refinancing and redemption costs, loss on sale of a business, impairment charges, pension settlements, certain accelerated depreciation, unrealized gains or losses on equity securities and non-recurring items, including the tax effect thereon. We believe Adjusted earnings per share is a meaningful measure as it is commonly utilized by management and investors in assessing ongoing financial performance that provides improved comparability between periods through the exclusion of certain items that management believes are not indicative of core operating performance and which may obscure underlying business results and trends. Other companies may calculate Adjusted earnings per share differently.

Free Cash Flow and Adjusted Free Cash Flow

We define free cash flow to be net cash provided by operating activities less capital expenditures net of proceeds from the sale of property, plant and equipment. Adjusted free cash flow is defined as free cash flow excluding the impact of cash payments for restructuring and acquisition-related costs and cash payments related to the Malvern fire, including payments for capital expenditures, net of recoveries. We believe free cash flow and Adjusted free cash flow are meaningful measures as they are commonly utilized by management and investors to assess our ability to generate cash flow from business operations to repay debt and return capital to our stockholders. Free cash flow and Adjusted free cash flow are also key metrics used in our calculation of incentive compensation. Other companies may calculate free cash flow and Adjusted free cash flow differently.

Net Debt and Net Leverage Ratio

We define net debt to be total debt, net less cash and cash equivalents. We define Net Leverage Ratio to be net debt divided by the trailing 12 months of Adjusted EBITDA. We believe that Net Leverage Ratio is a meaningful measure of financial condition as it is commonly used by management, investors and creditors to assess capital structure risk. Other companies may calculate Net Leverage Ratio differently.

Liquidity

We define Liquidity as cash on hand plus amounts available on our revolving credit facility and foreign credit facilities.

US SAAR

We define US SAAR as the seasonally adjusted annual rate of light vehicle sales in the United States.

Accelerated Depreciation

In the first quarter of 2021, one of our largest customers announced their intention to cease production operations in Brazil in 2021 as part of their restructuring actions. As such, we accelerated depreciation on certain property, plant and equipment beginning in the first quarter of 2021.

