



# 1Q 2008 Conference Call

*May 14, 2008*

# Introduction & Agenda

- I. **Introduction – Tim Griffith**  
*Vice President & Treasurer*
  
- II. **Company Update – Jim McElya**  
*Chairman & Chief Executive Officer*
  
- II. **Operational Overview – Ed Hasler**  
*President & Chief Operating Officer*
  
- II. **Financial Overview – Allen Campbell**  
*Chief Financial Officer*
  
- III. **Questions & Answers**

# Safe Harbor

Some of the statements included herein may include forward-looking statements which reflect our current views with respect to future events and financial performance. Statements which include the words “expect,” “intend,” “plan,” “believe,” “project,” “anticipate” and similar statements of a future or forward-looking nature identify forward-looking statements for the purposes of the federal securities laws or otherwise.

All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important risk factors that could cause actual results to differ materially from those indicated in these statements. For complete disclosure please reference our 10K important risk factors that are available on our website under the Investor Relations link. We do not intend to have an obligation to update any of these forward-looking statements.



## *Company Overview & Highlights*

*Jim McElya*

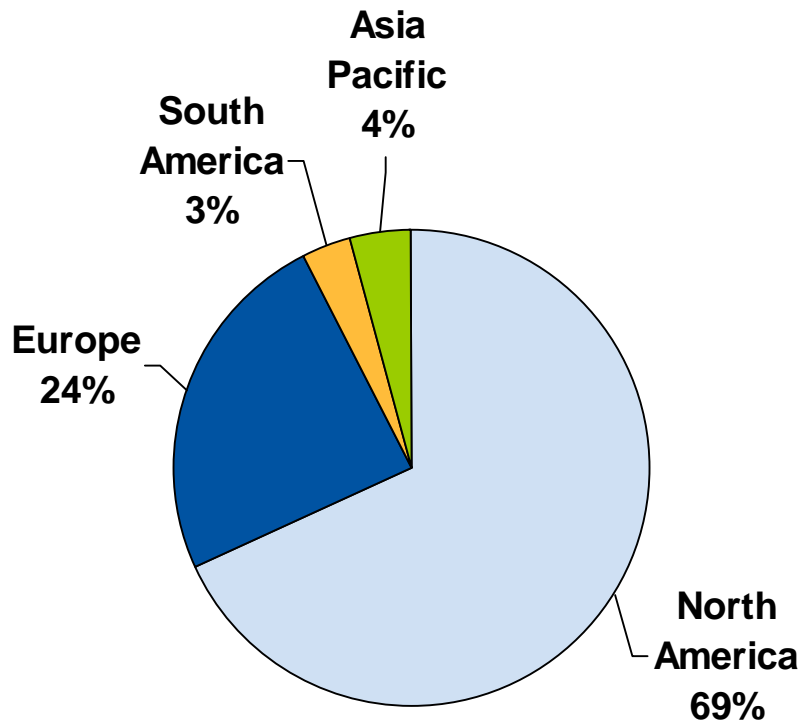
*Chairman and Chief Executive Officer*

# 1Q 2008 Highlights

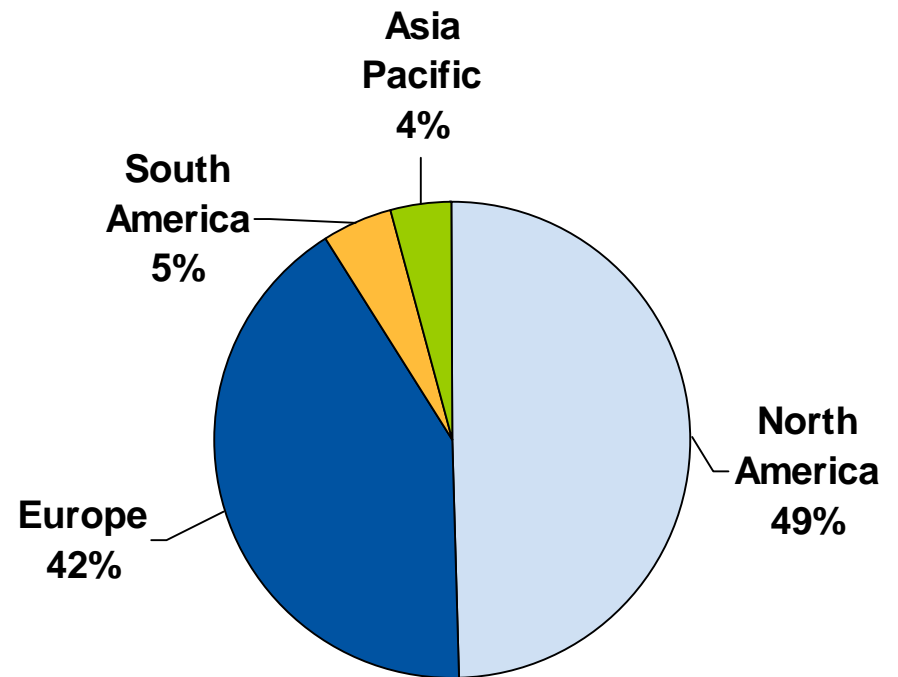
- ✓ Key strategies producing results
- ✓ Continued operating performance
- ✓ Diversifying customer mix
- ✓ Diversifying geographic sales
- ✓ Significant new business

# Geographic Sales Development

1Q-2005 CSA Sales



1Q-2008 CSA Sales



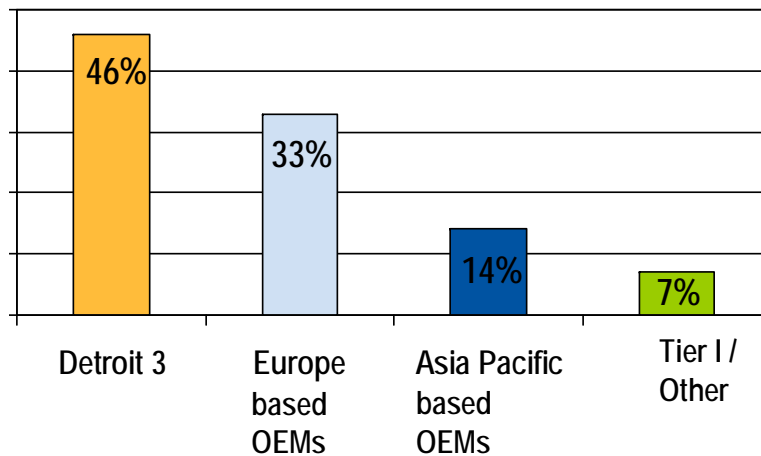
# CSA New Business Awards

1Q 2008

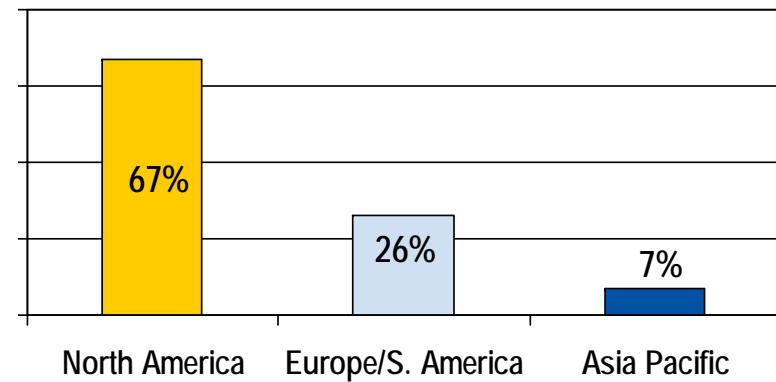
**Total Net New Business**

**\$66.0**

## Net New Business By Customer



## Net New Business By Region



# CSA: Strategy Overview

- ✓ Leadership in products and technology with breadth and depth of product lines, systems solutions
- ✓ Meet customer needs through expanded geographic footprint and global engineering resources
- ✓ Dedication to Operational Excellence with focus on lean initiatives, low cost country strategy, restructuring and supply chain management
- ✓ Disciplined approach to key strategic business processes including program management, mergers and acquisitions, cash flow management, joint ventures and partnerships

# Leadership in Products & Technology

- ✓ Reducing Emissions
- ✓ Recyclable Products & Processes
- ✓ Hybrids & Alternative Powertrains
- ✓ Improved Fuel Economy



## *Operations Update*

*Ed Hasler*

*President & Chief Operating Officer*

# Focus on Operational Excellence

## Operational Excellence

### Lean Initiatives

- ✓ Pervasive lean culture tracked throughout the enterprise
- ✓ Six Sigma quality

### Low Cost Country Strategy

- ✓ Strengthens our competitive position
- ✓ Consistent with customers' global growth strategies

### Restructuring Activities

- ✓ Optimize global footprint
- ✓ Significant productivity impact

### Supply Chain

- ✓ Global optimization
- ✓ Material Innovation
- ✓ Risk management

# Operational Excellence – Supply Chain

## ✓ **Global Optimization**

- Aggregation of buy / integration of acquired companies
- Global benchmarks & strategic LCC sourcing
- Localization to support global footprint
- Key global partners

## ✓ **Materials Innovation**

- Material usage efficiency
- Spec / Grade / Formula standardization

## ✓ **Risk Management**

- Commodity hedging & risk monitoring
- Customer buy programs
- Distressed supplier evaluation & monitoring

# American Axle Strike Impact/Response

- ✓ Six down weeks in 1Q on primarily GMT900 trucks/SUVs
- ✓ 1Q revenue impact of approximately \$10 million
- ✓ Reacted quickly to reduce impact

# Quarterly Business Highlights

## Key launches:

- Chrysler (300/Charger, Caravan/Town & Country and Dodge Journey)
- Ford (Kuga)
- GM (Impala and LaCrosse)
- Nissan (Altima, Armada/Titan, QX56)
- Toyota (Corolla)
- VW (Passat Coupe and Polo)

# Summary

- ✓ Diligent focus on Operational Excellence
- ✓ Flexibility in responding to North America production environment
- ✓ Continue disciplined project management of launches
- ✓ Proactively managing material cost increases



## *Financial Update*

*Allen Campbell*  
*Chief Financial Officer*

# 1Q 2008 Performance

<b>\$ Millions</b>	<b>Q-1 2007</b>	<b>Q-1 2008</b>
<b>Net Sales</b>	<b>\$576.3</b>	<b>\$756.0</b>
<b>Operating Profit</b>	<b>\$32.2</b>	<b>\$41.5</b>
<b>Net Income</b>	<b>\$4.7</b>	<b>\$15.7</b>

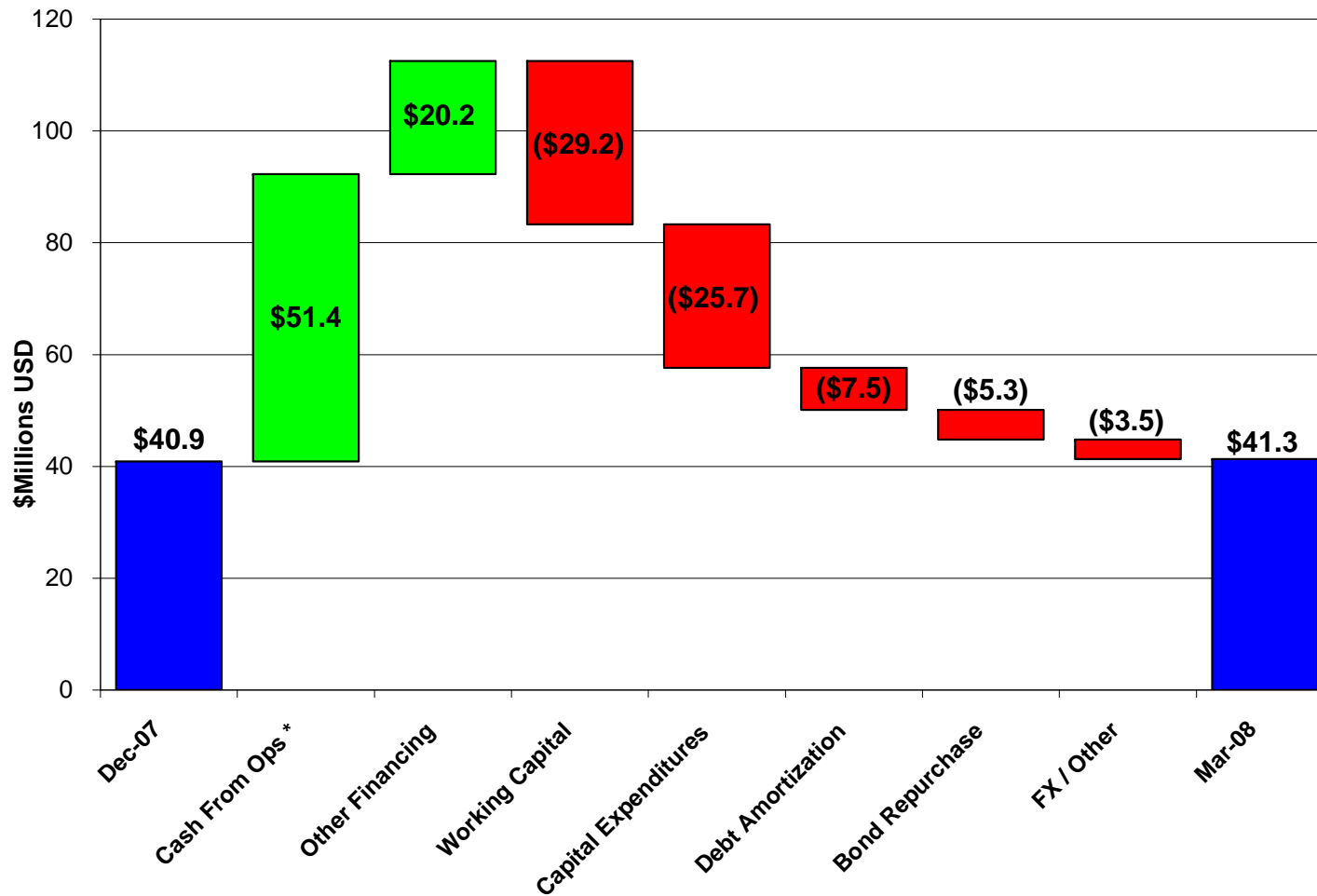
# Adjusted EBITDA Reconciliation

Three Months Ended March 31<sup>st</sup>

\$ USD Millions	2007	2008
<b>Net Income</b>	\$4.7	\$15.7
<b>Provision for income tax expense</b>	4.8	7.2
<b>Depreciation and amortization</b>	29.9	35.8
<b>Net Interest expense</b>	21.8	24.2
<b>EBITDA</b>	<b>\$61.2</b>	<b>\$82.9</b>
<b>Restructuring</b>	4.7	2.4
<b>Gain on bond repurchase</b>	0	(1.7)
<b>Foreign exchange <sup>(1)</sup></b>	(0.3)	(0.5)
<b>Adjusted EBITDA</b>	<b>\$65.6</b>	<b>\$83.1</b>
<i>Adjusted EBITDA margin</i>	11.4%	11.0%
<b>Capital Expenditures</b>	<b>\$17.6</b>	<b>\$25.7</b>

(1) Unrealized foreign exchange gain on Acquisition-related indebtedness.

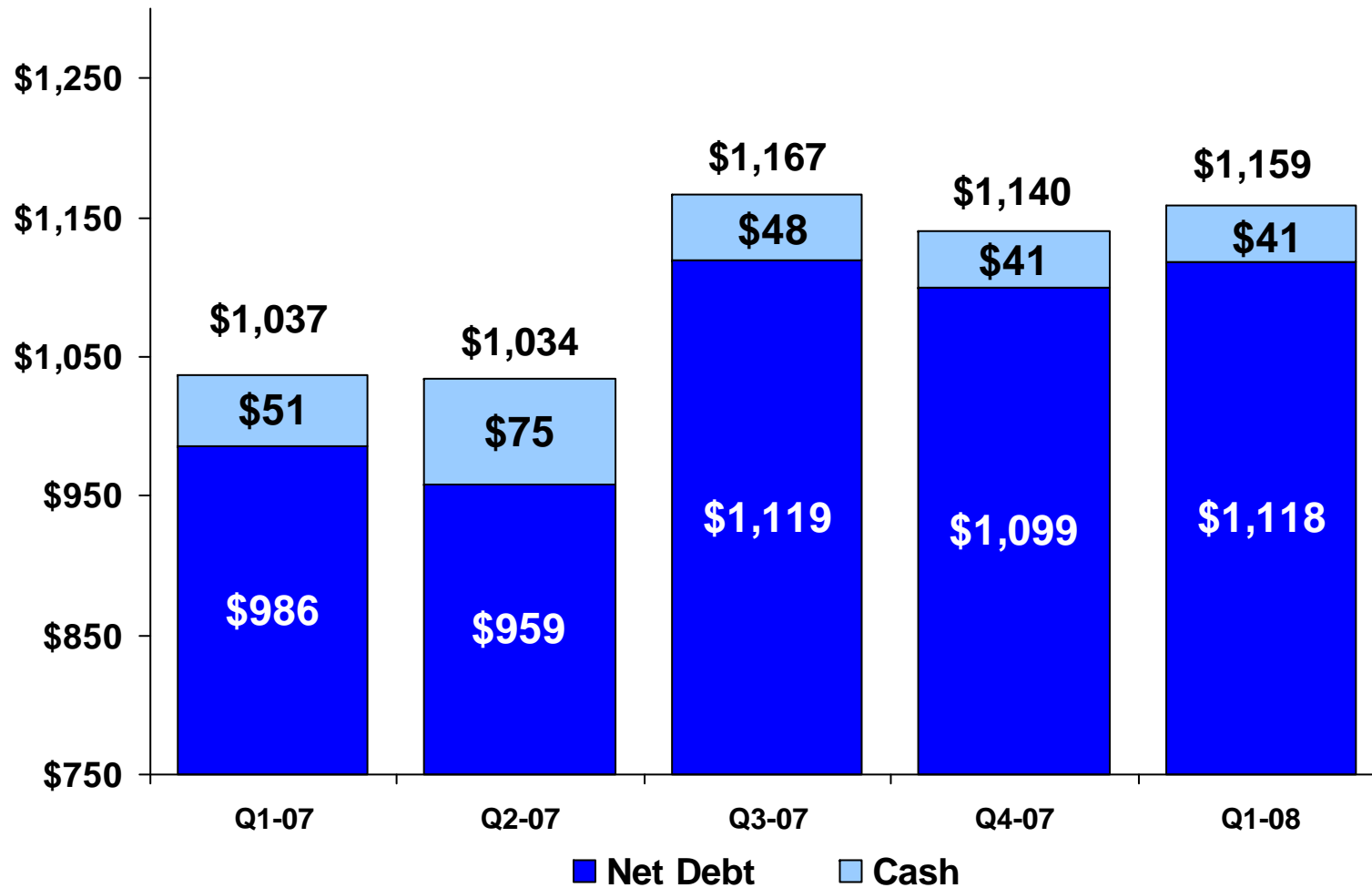
# 1Q 2008 Cash Flow



\*Cash From Operations excluding Working Capital

# CSA Debt Summary

(\$ in millions)



# Financial Summary

- ✓ Net income of \$15.7 million was significantly improved from 1Q-07
- ✓ Adjusted EBITDA improved by \$17.5 million vs. 1Q-07; operating performance continues to produce strong margins (11.0% for 1Q-08)
- ✓ Incremental revolver usage to fund anticipated 1Q working capital needs
- ✓ Acquired and retired \$7.2 million face value of subordinated notes
- ✓ Debt and liquidity position remains stable; \$125 million of committed capacity
- ✓ Disciplined CapEx spending, results of restructuring and lean initiatives, coupled with flexible cost structure, continues to impact strong cash flow profile



## *Questions and Answers*

# Closing Remarks Summary

- ✓ Consistent strategic focus
- ✓ Leverage strong global position for business expansion
- ✓ Commitment to Operational Excellence and disciplined business processes
- ✓ Continued strong operating performance