AMERICAN AXLE & MANUFACTURING HOLDINGS, INC.

INVESTOR PRESENTATION

MARCH 2017

Forward Looking Statements

Some of the information presented in this document and discussions that follow, including, without limitation, statements with respect to the proposed acquisition of Metaldyne Performance Group, Inc ("MPG") and the anticipated consequences and benefits of the acquisition, the targeted close date for the acquisition, product development, market trends, price, expected growth and earnings, cash flow generation, costs and cost synergies, portfolio diversification, economic trends, outlook and all other information relating to matters that are not historical facts may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. There can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially include, without limitation: the receipt and timing of necessary regulatory approvals; the ability to finance the acquisition; the ability to successfully operate and integrate MPG's operations and realize estimated synergies; reduced purchases of our products by General Motors Company (GM), FCA US LLC (FCA), or other customers; reduced demand for our customers' products (particularly light trucks and sport utility vehicles (SUVs) produced by GM and FCA); our ability to develop and produce new products that reflect market demand; lower-than-anticipated market acceptance of new or existing products; our ability to respond to changes in technology, increased competition or pricing pressures; our ability to attract new customers and programs for new products; our ability to achieve the level of cost reductions required to sustain global cost competitiveness; supply shortages or price increases in raw materials, utilities or other operating supplies for us or our customers as a result of natural disasters or otherwise; liabilities arising from warranty claims, product recall or field actions, product liability and legal proceedings to which we are or may become a party, or the impact of product recall or field actions on our customers; our ability or our customers' and suppliers' ability to successfully launch new product programs on a timely basis; our ability to realize the expected revenues from our new and incremental business backlog; risks inherent in our international operations (including adverse changes in trade agreements, tariffs, immigration policies, political stability, taxes and other law changes, potential disruptions of production and supply, tariff and trade restrictions and currency rate fluctuations, including those resulting from the United Kingdom's vote to exit the European Union); negative or unexpected tax consequences; our ability to consummate and integrate acquisitions and joint ventures; global economic conditions; our ability to maintain satisfactory labor relations and avoid work stoppages; our suppliers', our customers' and their suppliers' ability to maintain satisfactory labor relations and avoid work stoppages; price volatility in, or reduced availability of, fuel; our ability to protect our intellectual property and successfully defend against assertions made against us; our ability to successfully maintain the security of, and integrate MPG's, information technology networks and systems; our ability to attract and retain key associates; availability of financing for working capital, capital expenditures, research and development (R&D) or other general corporate purposes including acquisitions, as well as our ability to comply with financial covenants; our customers' and suppliers' availability of financing for working capital, capital expenditures, R&D or other general corporate purposes; changes in liabilities arising from pension and other postretirement benefit obligations; risks of noncompliance with environmental laws and regulations or risks of environmental issues that could result in unforeseen costs at our facilities; adverse changes in laws, government regulations or market conditions affecting our products or our customers' products (such as the Corporate Average Fuel Economy (CAFE) regulations); our ability or our customers' and suppliers' ability to comply with the Dodd-Frank Act and other regulatory requirements and the potential costs of such compliance; and the other factors detailed from time to time in the reports we file with the Securities and Exchange Commission ("SEC"), including those described under "Risk Factors" in our 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.

Information with respect to MPG, including non-GAAP information is taken or derived from MPG's public filings and management estimates and we take no responsibility for the accuracy or completeness of such information. It should be noted that this presentation contains certain financial measures, including Adjusted EBITDA and Adjusted free cash flow, 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 starting on slide 42 under "Reconciliation of Non-GAAP Measures".

Other Information

Important Information for Stockholders and Investors

This presentation is provided for informational purposes only and is neither an offer to purchase nor a solicitation of an offer to sell shares of AAM or MPG. In connection with the proposed acquisition of MPG, AAM has filed a Registration Statement on Form S-4 (the "Registration Statement") with the SEC and AAM and MPG have each filed a definitive joint proxy statement/prospectus and will file other relevant documents concerning the proposed acquisition with the SEC. **Stockholders of each company and other investors are urged to read the Registration Statement, definitive joint proxy statement/prospectus and any other relevant documents filed with the SEC (including any amendments or supplements thereto) regarding the proposed acquisition when they become available as these documents contain (or will contain) important information**. Those documents, as well as AAM's and MPG's other public filings with the SEC, may be obtained without charge at the SEC's website at http://www.sec.gov. Investors may also obtain a free copy of the Registration Statement and joint proxy statement/prospectus and the filings with the SEC that are incorporated by reference in the Registration Statement and joint proxy statement/prospectus by directing a request to AAM at www.aam.com.

Participants in Solicitation

AAM, MPG and their respective directors, executive officers and other members of their management and employees may be deemed to be participants in a solicitation of proxies from their respective stockholders in connection with the proposed transaction. Information regarding AAM's directors and executive officers is available in AAM's proxy statement for its 2016 annual meeting of stockholders, which was filed with the SEC on March 24, 2016. Information regarding MPG's directors and executive officers is available in MPG's proxy statement for its 2016 annual meeting of stockholders, which was filed with the SEC on April 11, 2016. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, is contained in the Registration Statement and joint proxy statement/prospectus (or will be contained in any amendments or supplements thereto) and other relevant materials filed with the SEC. These documents can be obtained free of charge from the sources indicated above.

Agenda

- 2016 AAM Highlights
- 2017 AAM Targets
- AAM's 2017 – 2019 New Business Backlog
- Technology Leadership
- Acquisition of MPG

AAM HIGHLIGHTS AND TARGETS

2016 AAM Highlights

AAM Financial Records

Net Sales

≈ $3.95B

Adjusted EBITDA*

Over $600M

Improved Net Leverage

Strong Cash Flow Generation

Net Debt* / Adj. EBITDA

≈ 1.5x

NEW BUSINESS AWARDS for 2016

SUCCESSFUL LAUNCHES IN 2016

* For definitions of terms, please see the attached appendix.

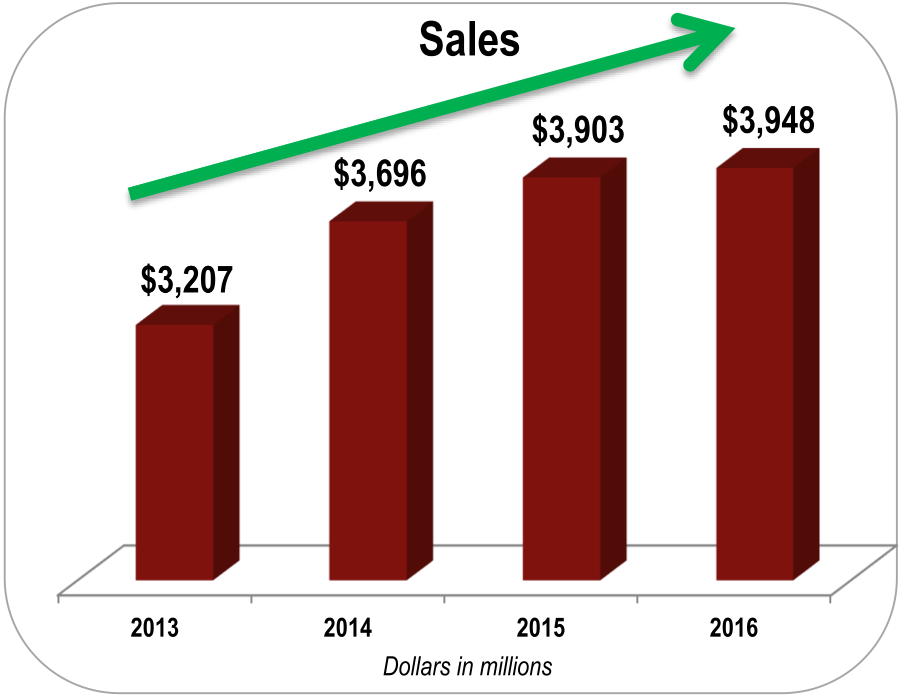
2016 AAM Financial Performance

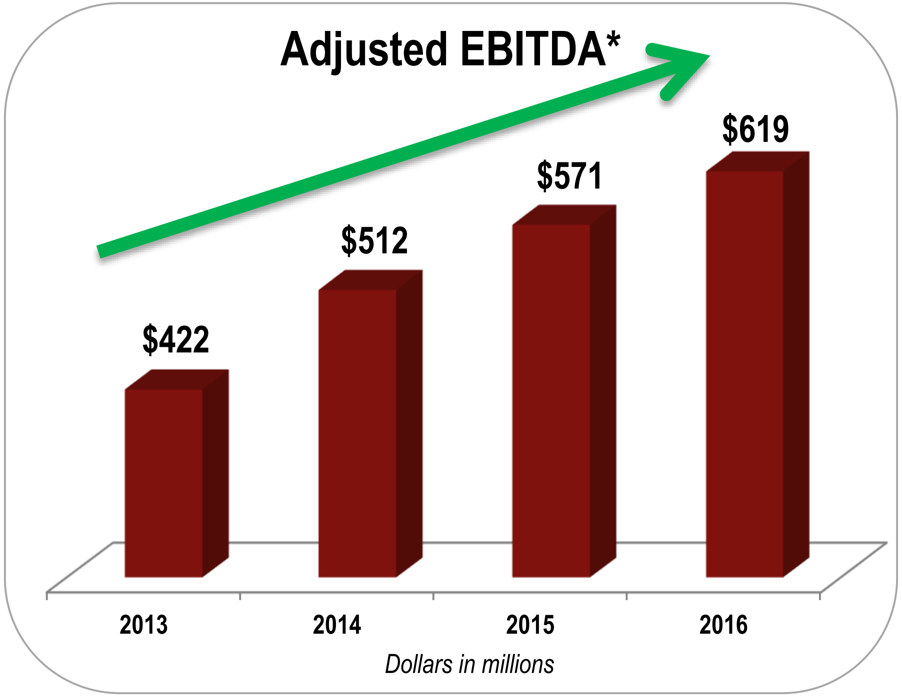
	2016 Actuals
Net Sales	$3.95B
Adjusted EBITDA*	$619.4M or 15.7% of sales
Adjusted Free Cash Flow*	$198.6M

- Record sales and profit in 2016
- Adjusted free cash flow includes the impact of ≈ $30 million of payments related to Mexican transfer pricing matters and a $20 million customer collection related to an upcoming capacity increase requirement.

* For definitions of terms, please see the attached appendix. Adjusted EBITDA and Adjusted Free Cash Flow exclude the impact of restructuring and acquisition-related costs and non-recurring items.

Sales Growth and Operational Performance

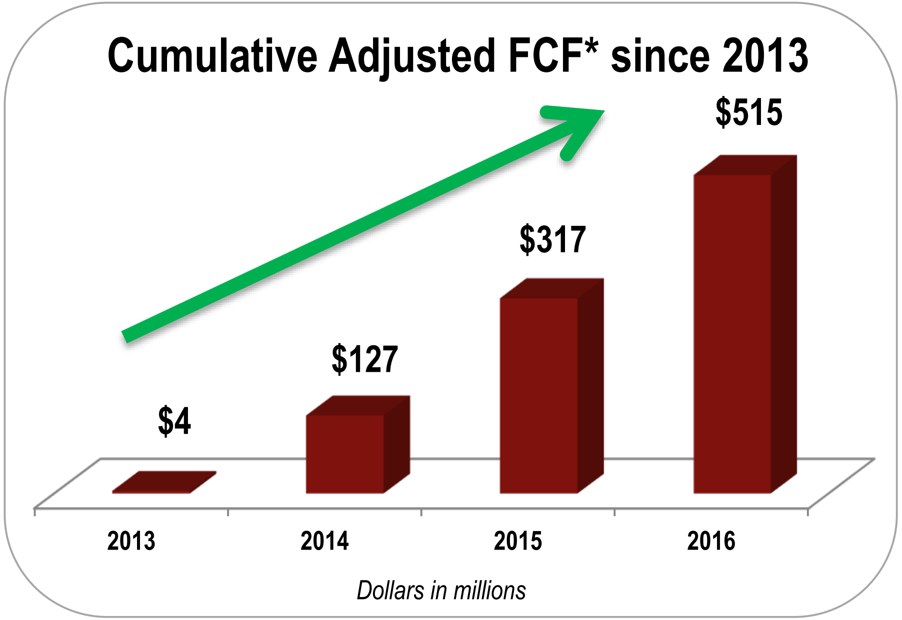


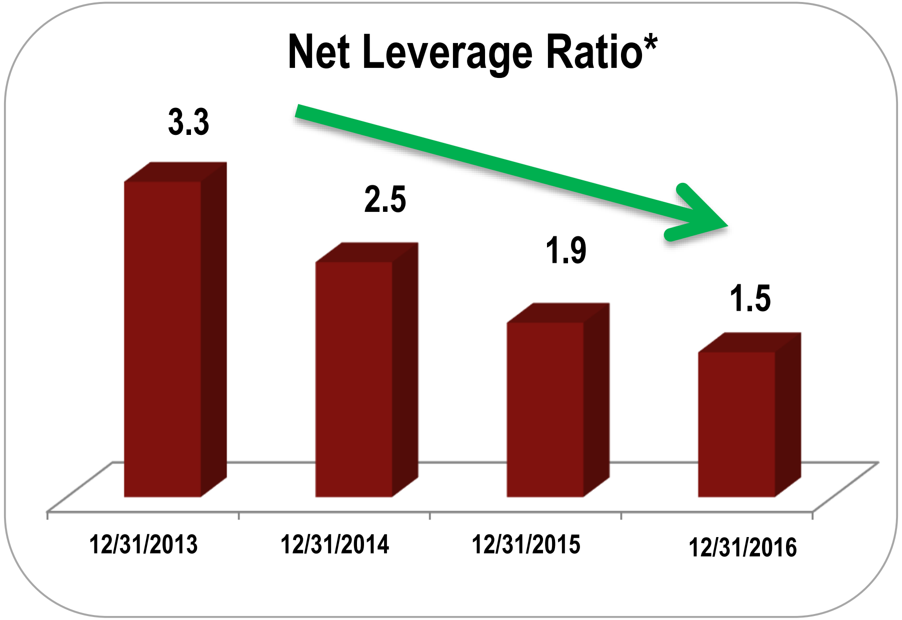


Three straight years of record sales and operating profits

* For definitions of terms, please see the attached appendix.

Free Cash Flow (FCF) & Leverage





- ➢ **Generating robust free cash flow**
- ➢ **Rapid deleveraging of the balance sheet**

* For definitions of terms, please see the attached appendix.

2017 AAM Financial Targets

	2017 Targets
US SAAR	≈ 17.5M units
Net Sales	≈ \$4.1B - \$4.2B
Adjusted EBITDA* Margin	≈ 15.5% - 16.0%
Adjusted Free Cash Flow*	≈ \$175M - \$200M
Capital Expenditures	≈ 6.5% - 7% of sales

- Adjusted EBITDA margin and Adjusted free cash flow targets include the expected benefits from restructuring actions and exclude the estimated impact of restructuring and acquisition-related costs.
- Increased capital expenditures in 2017 will support our new and incremental business backlog as well as future replacement program launches.

* For definitions of terms, please see the attached appendix. Adjusted EBITDA and Adjusted Free Cash Flow exclude the estimated impact of restructuring and acquisition-related costs.

Delivering POWER®

AAM’S NEW BUSINESS BACKLOG

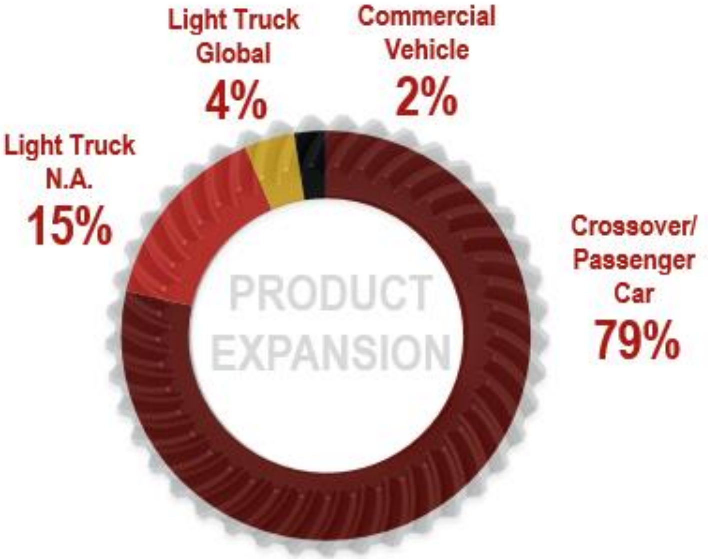
AAM's New and Incremental Business Backlog

Delivering POWER

$875 MILLION: 2017-2019

Presented on a gross basis as of January 11, 2017

Backlog by Vehicle Segment

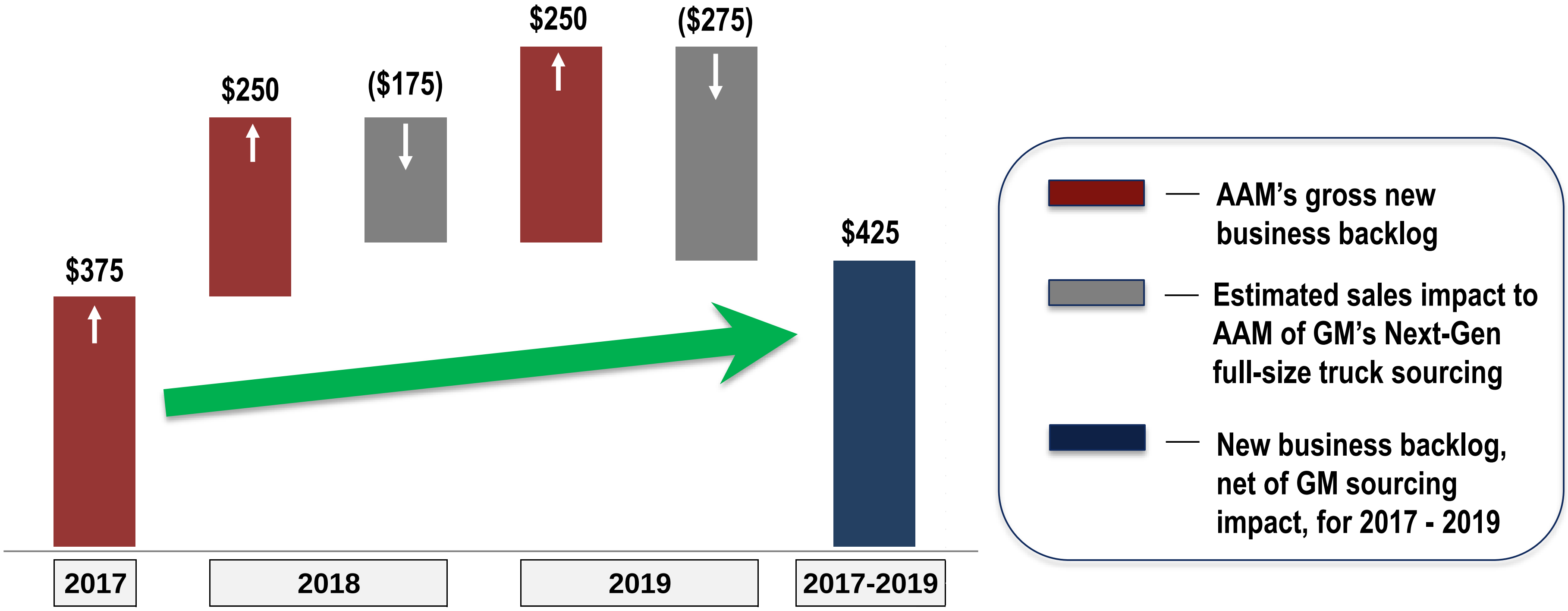


Backlog by Global Market

Approximately 60% relates to Non-GM business

Backlog and Impact of GM's Sourcing Decision

Delivering POWER

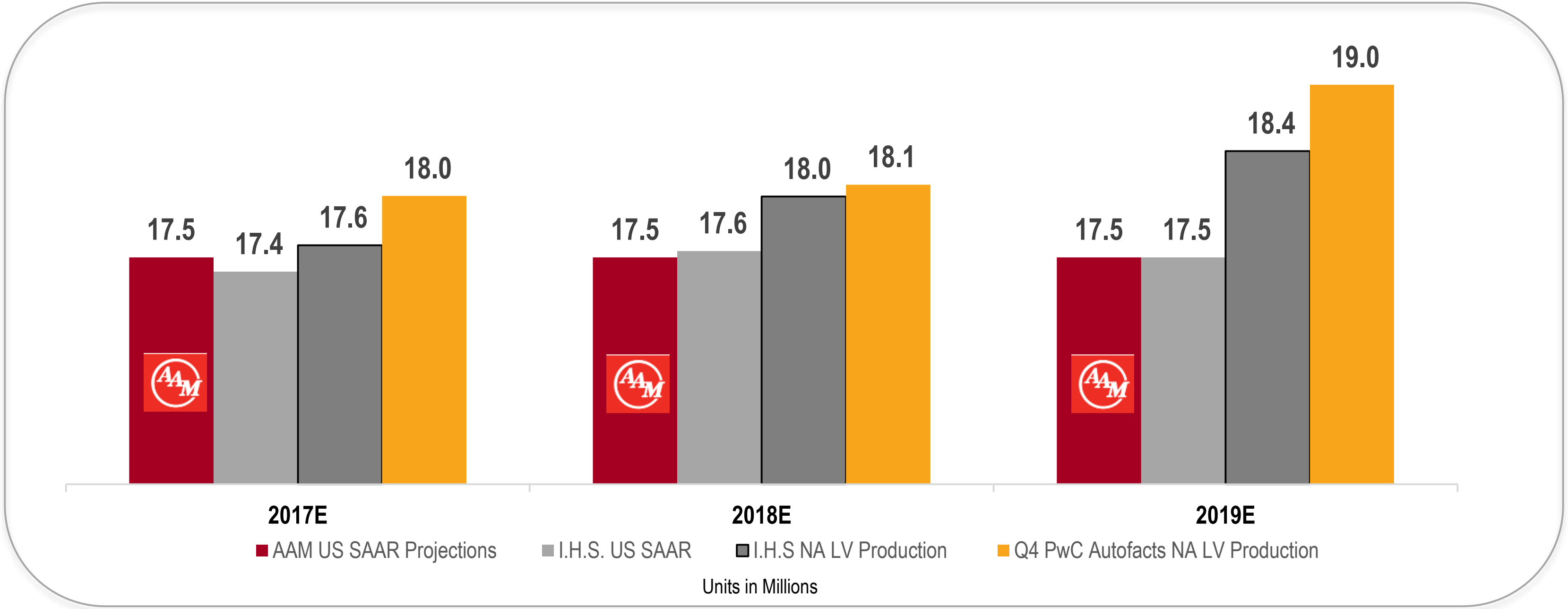


Dollars in Millions

New business awards exceed the impact of GM's sourcing decision through the backlog period

Note: The estimated timing impact of GM's sourcing decision does not contemplate any potential future capacity increases or program extensions; the chart above does not include an additional estimated sales impact in 2020.

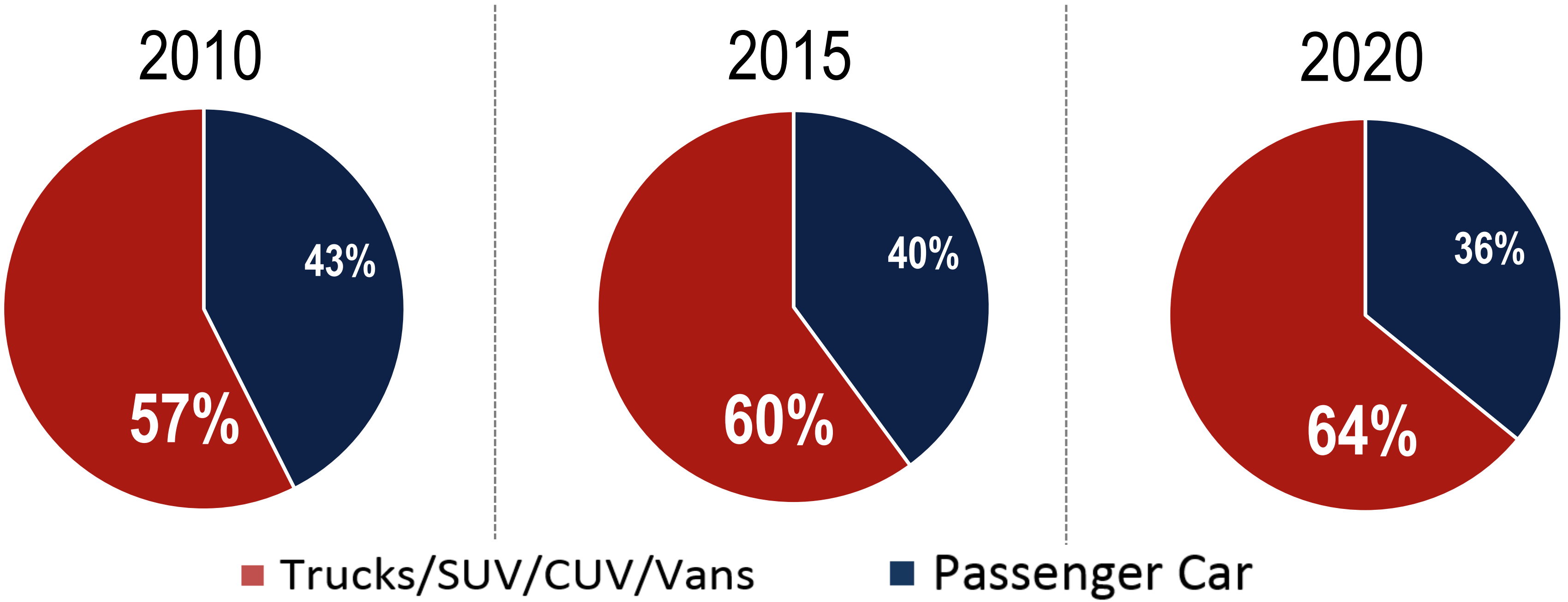
US SAAR and NA Production Assumptions



- AAM assumes US SAAR to be approximately 17.5 million units over the next three years
- I.H.S / PwC Autofacts estimate an increase in North American production due to growing exports
- AAM also assumes a moderate recovery in the commercial vehicle and industrial markets during this time period.

IHS forecast as of January 6, 2017

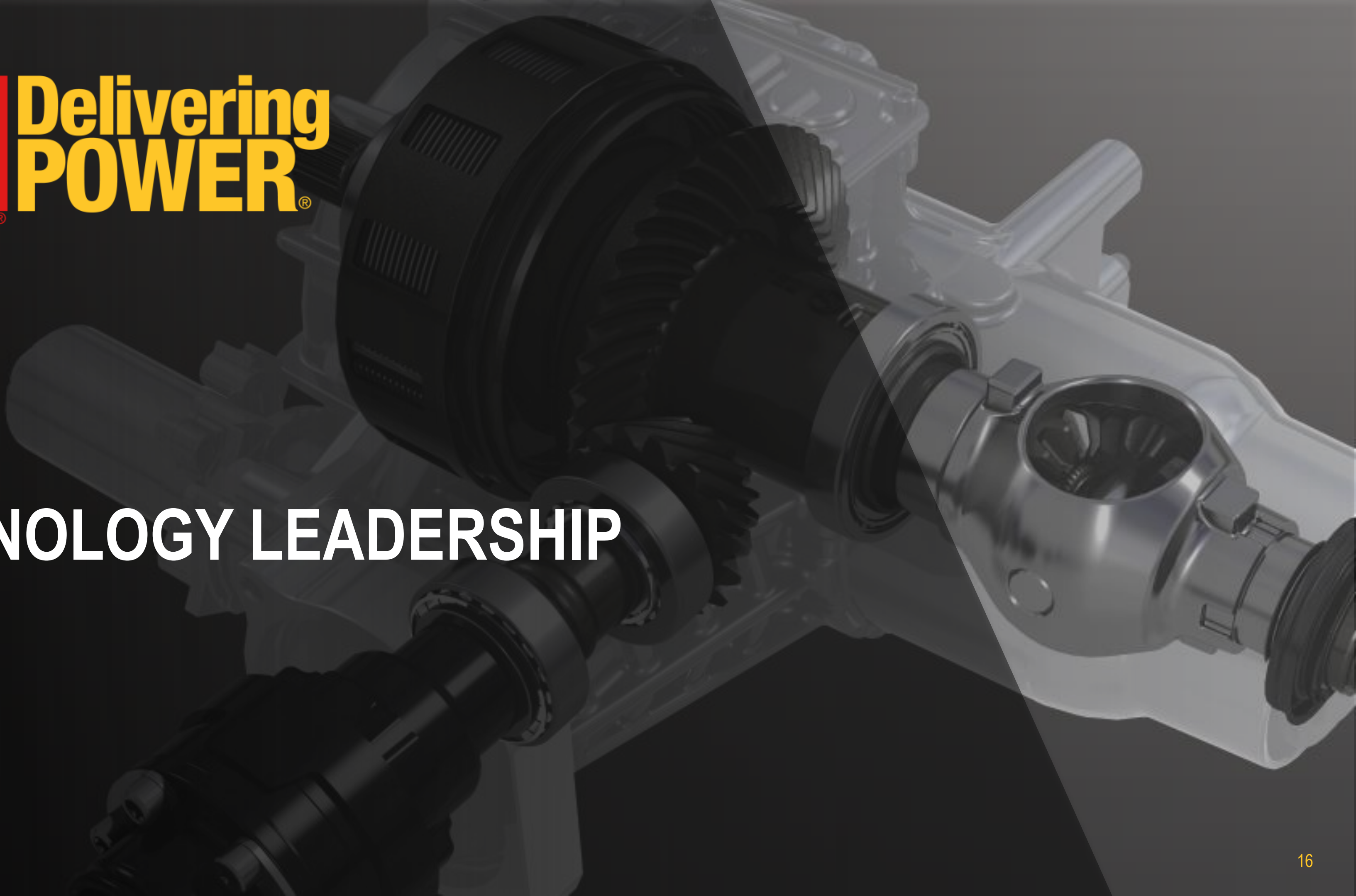
North America Light Vehicle Production Mix



Continued strength in pickup trucks/SUVs and increasing demand for crossover vehicles is favorable for AAM

IHS Forecasts as of January 6, 2017

Delivering POWER®



TECHNOLOGY LEADERSHIP

Technology Leadership

Delivering POWER

GREEN & EFFICIENT

LIGHTWEIGHT AND EFFICIENT

- QUANTUM™ lightweight axles and drive units
- New component manufacturing processes
- Advanced materials
- Lube flow improvements
- Power density

SAFETY & PERFORMANCE

AWD TECHNOLOGIES

- EcoTrac® disconnecting AWD system
- e-AAM™ electric driveline solutions

DRIVESHAFTS

- Sylent™ driveshaft technologies and NVH system integration
- Tunable crash features

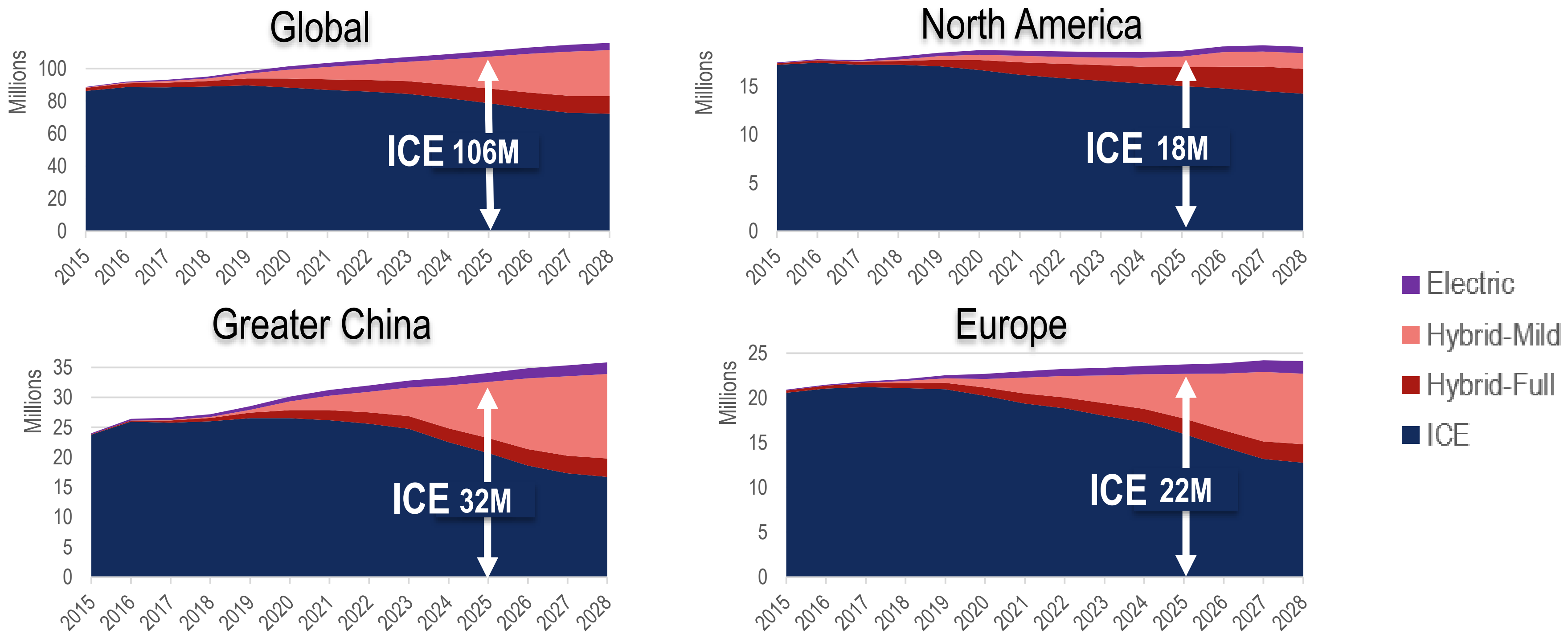
CONNECTIVITY & ELECTRIFICATION

MECHATRONICS & VEHICLE CONTROLS

- Hybrid and full electric drivelines
- Actuators and sensors
- Electronic LSD front- drive axles
- Integrated wheel torque distribution controls
- Fully integrated vehicle controls

Aligned with global automotive trends

Powertrain Projections



For at least the next decade, the internal combustion engine (ICE) is expected to be the main source of power for vehicles

IHS Production Forecasts as of January 6, 2017

EcoTrac® Disconnecting AWD Systems

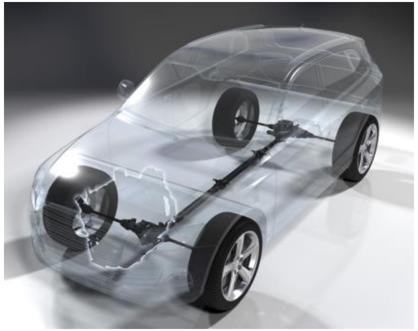
EcoTrac® - utilizes electronics and connectivity to improve Fuel Economy, Safety, and Performance

KEY ATTRIBUTES

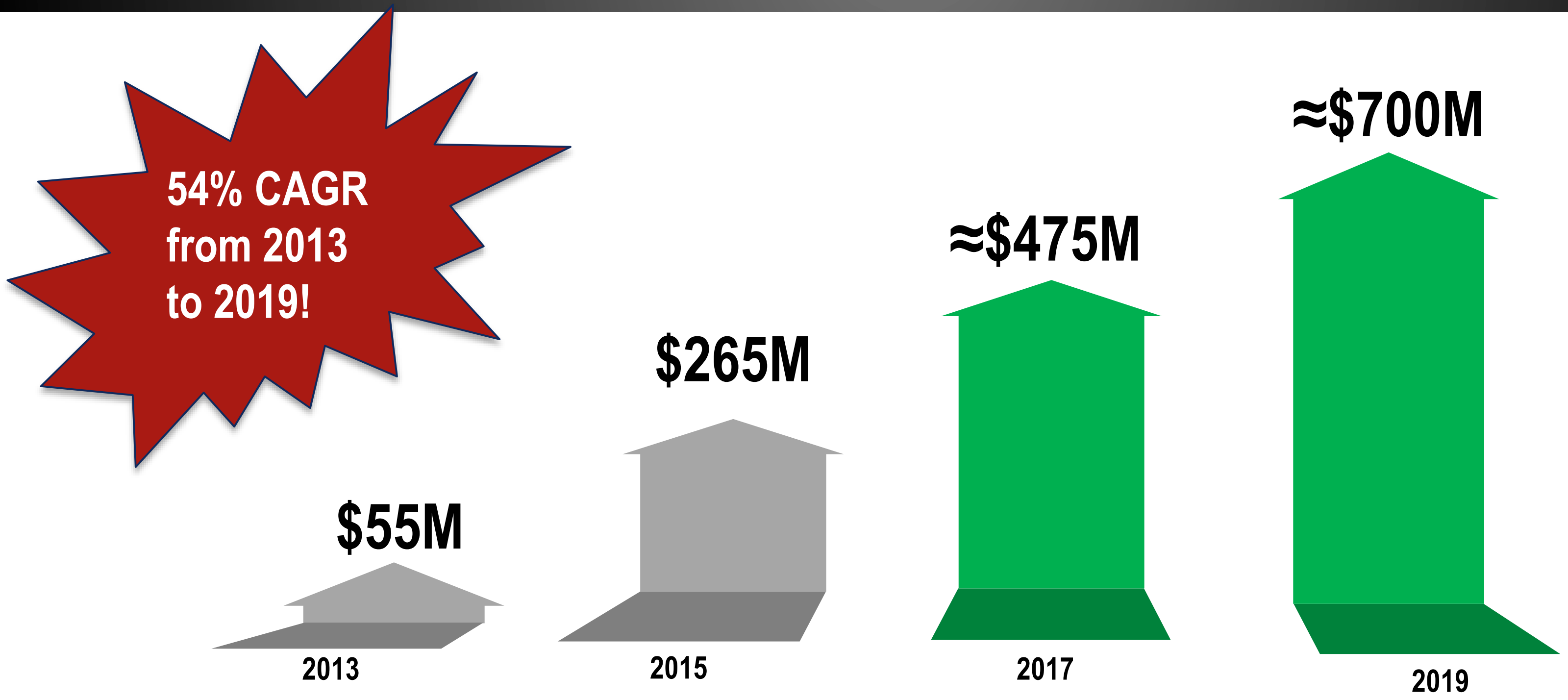
- Advanced mechatronics (motors, actuators and sensors) integrated within mechanical technology
- Disconnects at the power transfer unit (PTU), causing the driveshaft to stop spinning
- Automatically engages when it senses AWD traction requirement
- Benefits:
  - Improved vehicle fuel economy without sacrifice in AWD functionality
  - Improved vehicle handling and safety
- Our Gen II design, which begins production in 2018, will reduce the parasitic loss associated with traditional AWD system by up to 90%

ECOTRAC DISCONNETING AWD SYSTEM BY AAM

EcoTrac® Disconnecting PTU



EcoTrac® Sales Growth



Featured on three global programs by 2018

e-AAM™ Hybrid & Electric Drivelines

Delivering POWER

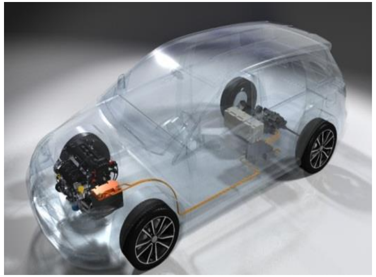
e-AAM™ - AAM is well positioned to benefit from the global trend of electrification

eAAM
HYBRID AND ELECTRIC
DRIVELINE SYSTEMS BY AAM

KEY ATTRIBUTES

- Power dense design allows for easy integration for multiple vehicle platforms
- Modular solutions for passenger cars / CUVs
- Torque vectoring provides maximum traction and ride control
- Benefits:
  - Improves fuel efficiency up to 30% and reduces CO_2 emissions
  - Improved vehicle performance and drive quality
  - Improved handling and stability

Electric Rear Drive Unit



An e-AAM program included in our new business backlog will launch in 2018

QUANTUM™ Technology

Delivering POWER

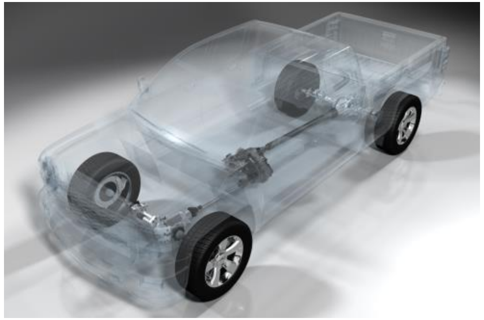
QUANTUM™- All-new, completely redesigned family of lightweight axles and drive units

QUANTUM™
LIGHTWEIGHT AXLE TECHNOLOGY BY

KEY ATTRIBUTES

- Industry first technology along with a revolutionary design
- Significant mass reduction (up to 35%)
- In combination, additional efficiency and weight reduction can deliver 1% to 1.5% improved vehicle fuel economy
- Scalable across multiple applications— without loss of performance or power
- Streamlined manufacturing process for key driveline components.

QUANTUM™ Rear Axle



Delivering POWER®

AAM'S ACQUISITION OF MPG

(METALDYNE PERFORMANCE GROUP)

Increased Global Scale | Expanded Product Portfolio | Accelerated Diversification | Enhanced Cash Flow Generation

Compelling Strategic Acquisition

Creates a **Global leader** in **powertrain, drivetrain** and **driveline**

Diversified global customer base and end markets

Complementary technologies focused on light-weighting, fuel efficiency, vehicle safety and performance solutions

Stronger financial profile through greater size, scale and enhanced **cash flow generation**

Powerful **Industrial logic** and significant **synergies**

Driving growth and long-term value for all key stakeholders

Transaction Details

Delivering POWER

Consideration

- For each share of MPG common stock, shareholders will receive $13.50 in cash and 0.5 of a share of AAM common stock

Financial Impact

- Accretive to EPS and free cash flow* in the first full year of ownership
- Targeted annual run-rate cost reduction synergies of between $100 to $120 million in the second full year

Financing

- Fully committed debt financing in place to fund the cash portion of the transaction
- Expected liquidity of the combined company to be in excess of $1 billion

Closing Conditions and Timing

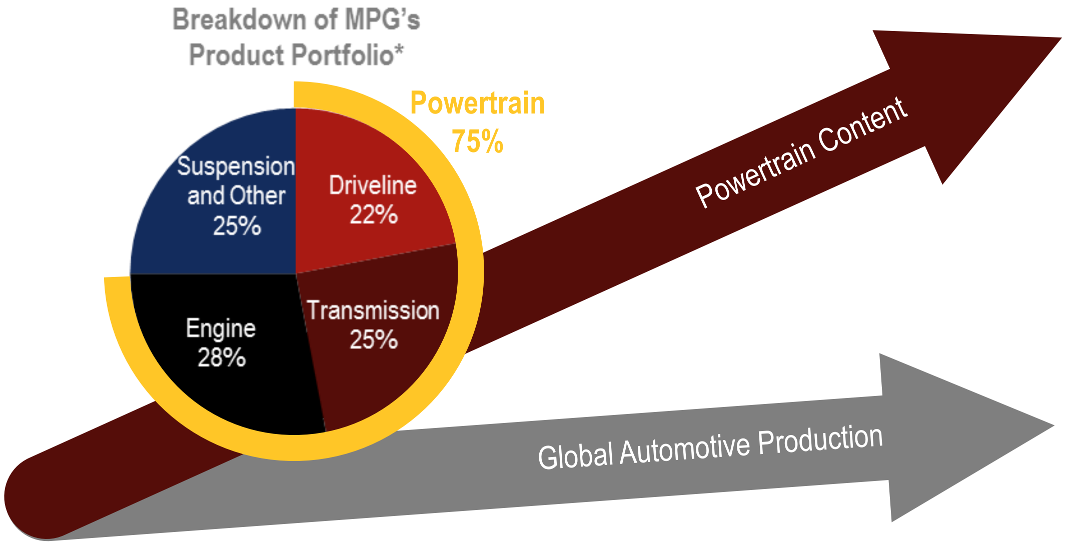
- Obtained antitrust clearance in Austria, Germany and South Korea
- HSR waiting period expired on January 20, 2017, satisfying antitrust review requirements in the United States
- Updated and refiled antitrust application with the Federal Economic Competition Committee of Mexico on February 16, 2017
- Closing subject to AAM and MPG shareholder vote – Both shareholder meetings scheduled for April 5, 2017
- Expected to close in the first half of 2017

*For definitions of terms, please see the attached appendix

MPG's Value Proposition

- Expertise in metal forming processes and complex components
- Light-weighting and performance solutions
- Unique products for higher growth powertrain applications
- Seamless vertical integration capabilities

Powertrain Conversion Driving Higher Fuel Economy



Customer demand for fuel efficiency gains is driving powertrain conversion, which leads to higher content-per-vehicle opportunities

*Based on 2016 net sales excluding wheel bearings

Significantly Enhanced Scale and Profitability

Delivering POWER

Scale
(Net Sales $mm*)

$3,948 + $2,791 MPG - ($95) Elims = $6,644 PRO FORMA

Profit
(Adj. EBITDA Margin*)

15.7% + 17.4% MPG = 16.6% PRO FORMA

Cash Generation
(Free Cash Flow $mm*)

$189 + $125 MPG = $314 PRO FORMA

- Significant increase in total served market
- Content on 90% of light vehicles produced in North America and on all of the top 10 North American platforms
- Assuming successful execution of our cost reduction synergy plan - potential to generate **over $400 million** in annual free cash flow

Greater capital resources creates long-term value for stakeholders

*Based on 2016 Actuals – Pro forma sales are reduced by $95 million for the elimination of 2016 MPG sales to AAM; for definitions of terms, please see the attached appendix

Combined Company Business Units

DRIVELINE

- Rear and front axles
- Rear drive modules
- Power transfer units
- Driveshafts
- Transfer cases
- Electric drive units

≈ $3.7 billion

METAL FORMING

- Ring / pinion gears
- Axle / transmission shafts
- Differential gears
- Transmission gears
- Suspension components

≈ $1.5 billion

POWERTRAIN

- Transmission module and differential assemblies
- Aluminum valve bodies
- Vibration control systems
- Connecting rods
- VVT products

≈ $1.1 billion

CASTINGS

- Axle carriers
- Differential cases
- Steering knuckles
- Control arms
- Turbo charger housings
- Brackets

≈ $800 million

*Based on 2016 actual amounts before eliminations of intercompany sales of approximately $0.5 billion

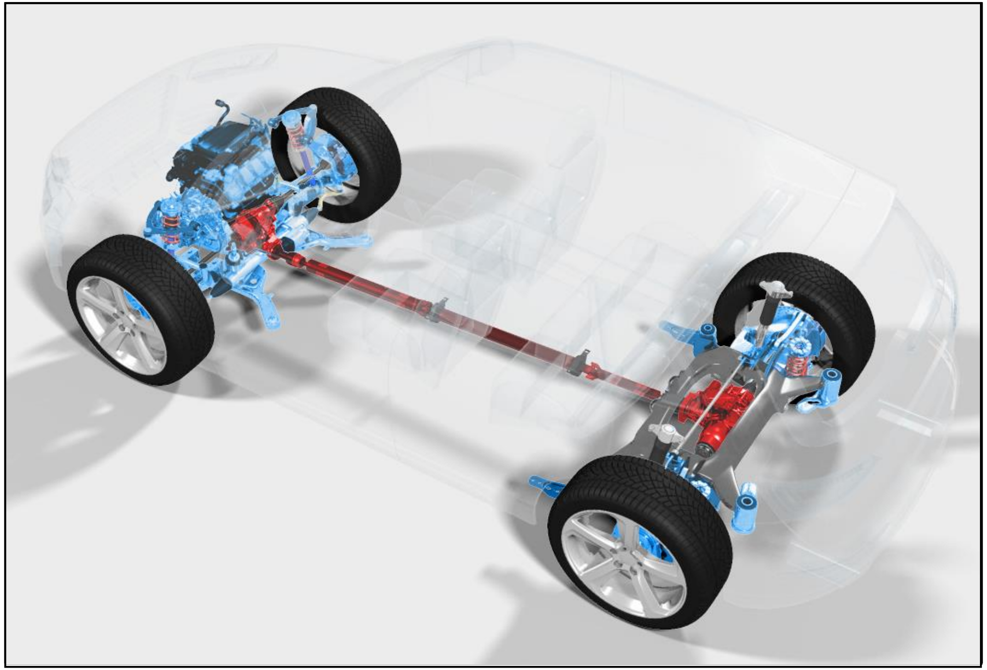
Comprehensive Solutions from Engine to Driveline

AAM

- Rear and front axles
- Rear drive modules
- Power transfer units
- Driveshafts
- Transfer cases
- Electric drive units
- Ring / pinion gears
- Axle / transmission shafts
- Differential gears
- Transmission gears

MPG

- Axle carriers
- Differential cases
- Control arms
- Turbo charger housings
- Brackets
- Suspension components
- Transmission modules
- Differential assemblies
- Aluminum valve bodies
- Vibration control systems
- Connecting rods
- VVT products

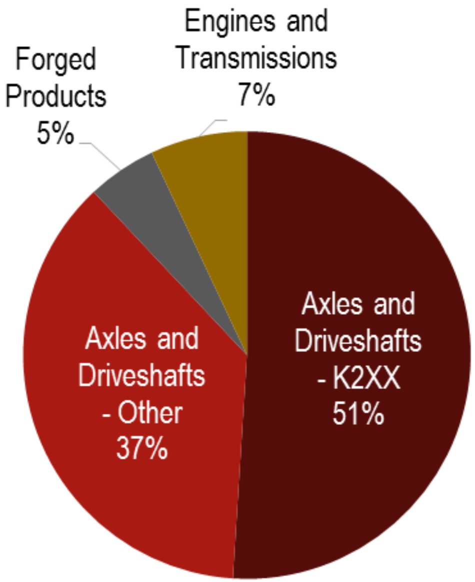


The integration of our product portfolios and technologies provides exciting opportunities to increase content-per-vehicle

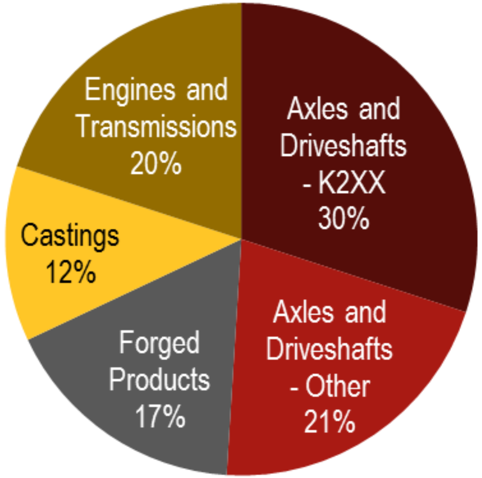
Expanded Product Portfolio

- Additional powertrain, forging and casting products build on AAM's legacy driveline strength
- Expands AAM's reach into commercial vehicle and industrial equipment markets
- AAM's reliance on GM's full-size truck and SUV segment is significantly reduced

AAM 2016 External Sales by Product

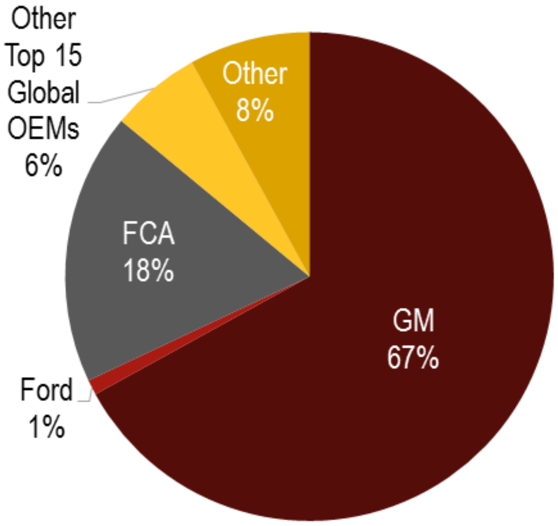


Pro forma 2016 External Sales by Product

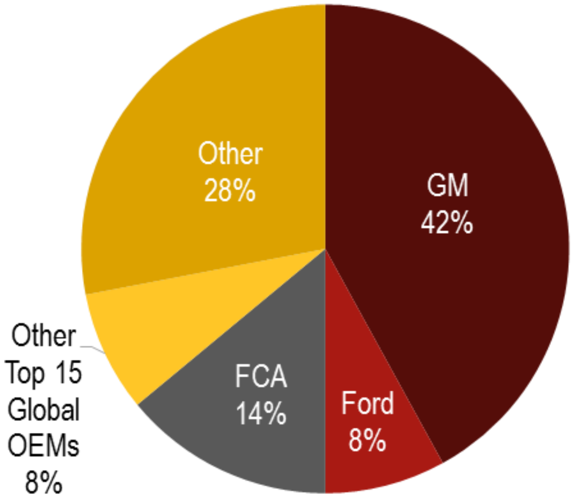


Accelerated Customer Diversification

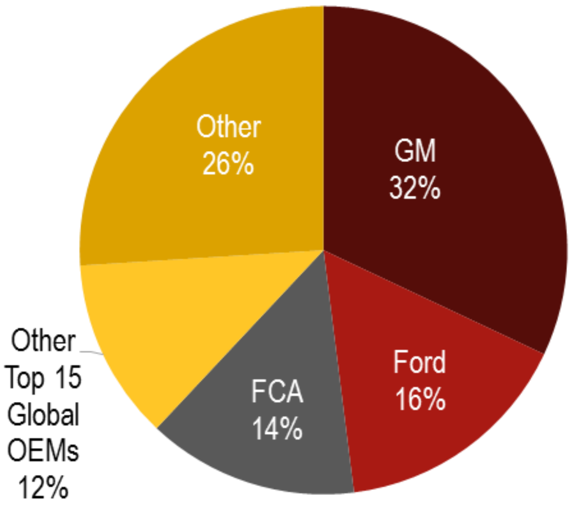
AAM 2016 Sales by Customer



Pro forma 2016 Sales by Customer



Pro forma 2020E Sales by Customer

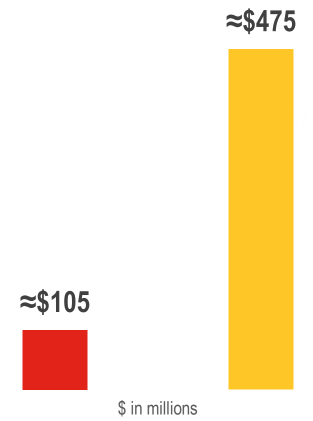


* Top 15 Global OEMs determined based on total 2015 sales

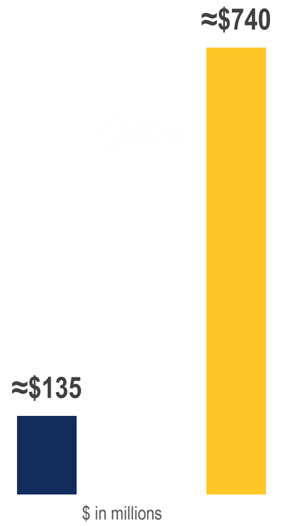
Enhanced Geographic Footprint

- Combined company grows to over 90 locations in 17 countries
- Diversifies global customer base and end markets
- AAM’s sales in Europe increase > 4x
- MPG’s focus on growth in Mexico and China complementary to AAM’s global growth strategy
- Global forging business presents external growth and vertical integration opportunity

AAM and Pro forma 2016 Sales in Europe



MPG and Pro forma 2016 Sales in Asia



Expanded global reach will further enhance AAM’s ability to support customers’ global platform needs

* Based on customer location – pro forma Asia amount includes AAM’s Hefei China JV

Strong Organic Sales Growth Expected

Integration Management Office (IMO)

Steering Committee

David C. Dauch – AAM Chairman & CEO
George Thanopoulos – MPG CEO
Mike Simonte – AAM President
Doug Grimm – MPG President & COO

IMO Leadership

Tim Bowes – AAM Senior Vice President, Strategy & Business Development

Paul Suber – MPG Vice President, Business Development & Manufacturing Excellence

- Master Planning
- Baseline & Value Capture
- Organization, Culture & Talent
- Communica-tions

Anticipated Synergies

Delivering POWER

Sources of Cost Savings	Targeted Annual Profit Impact
Overhead ▪ Optimize operating structure ▪ Elimination of redundant public company costs	≈ $45 - $50 million
Purchasing ▪ Combine global purchasing to leverage larger scale ▪ Direct and indirect material opportunities ▪ Insourcing initiatives	≈ $45 - $50 million
Other Cost Savings ▪ Manufacturing initiatives ▪ Plant loading optimization / facility rationalization	≈ $10 - $20 million
Total Targeted Annual Improvement	**≈ $100 - $120 million**

Timing and Cost to Achieve

Targeting 70% of expected annual run rate savings by the end of the first full year and 100% in the second full year

We estimate the costs required to achieve our synergy plan are approximately equal to one year of savings

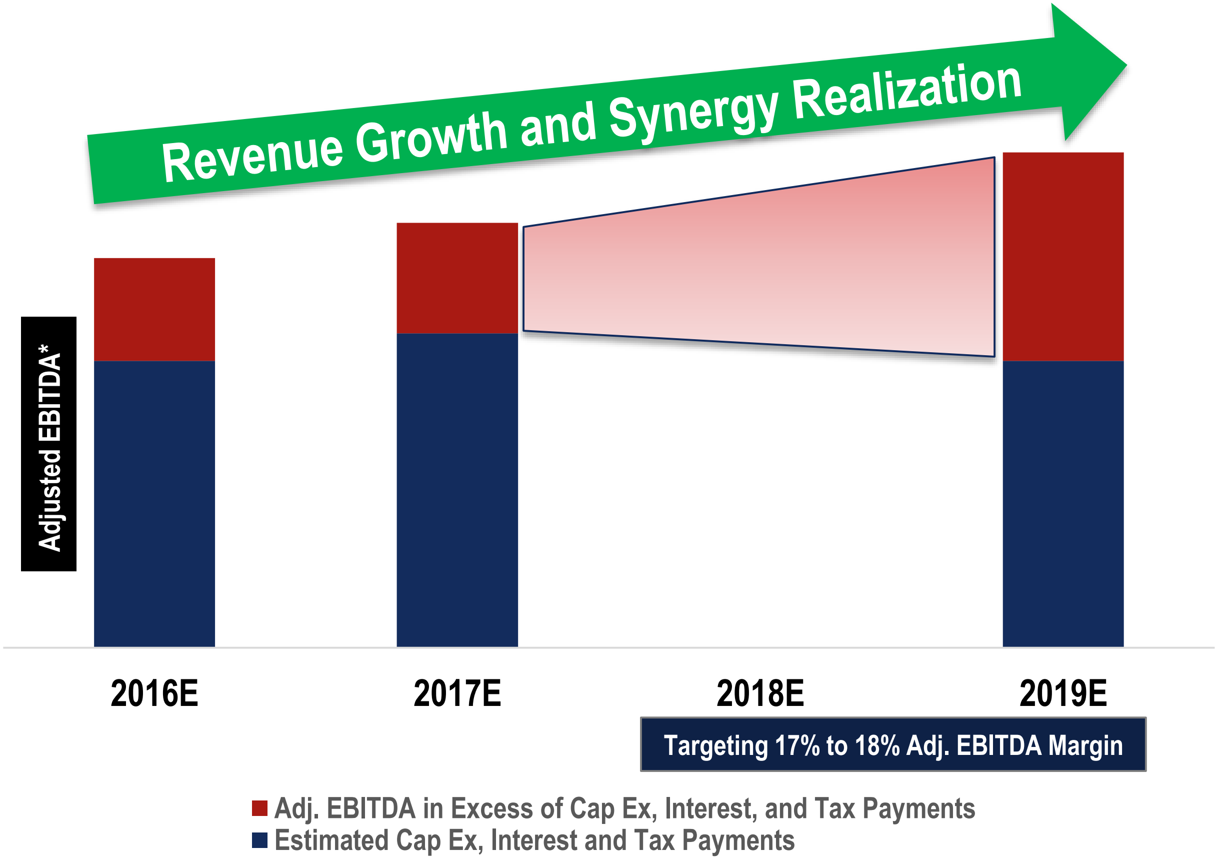
Combined Pro Forma Financial Targets

	Pro Forma Targets 2017 – 2019
Sales CAGR*	Targeting a range of 3% to 5% during the period 2017 – 2019 *including the impact of launching over $1 billion of gross new and incremental business backlog*
Adj. EBITDA* margin	Targeting a range of 17% to 18% of sales by 2018 *including the achievement of $100 to $120 million in cost reduction synergies*
Adj. Free Cash Flow*	Targeting a range of 5% to 7% of sales through 2019
Capital Expenditures (Cap Ex)	Targeting ≈ 8% of sales in 2017, reducing to < 6% of sales by 2019

*For definitions of terms, please see the attached appendix

Expected Pro Forma EBITDA vs. Cash Payments

- Targeting Adjusted EBITDA well above projected cash requirements
- Variable cost structure allows for flexibility during periods of lower volumes
- Positioned to be cash breakeven in a 25% - 30% downturn scenario



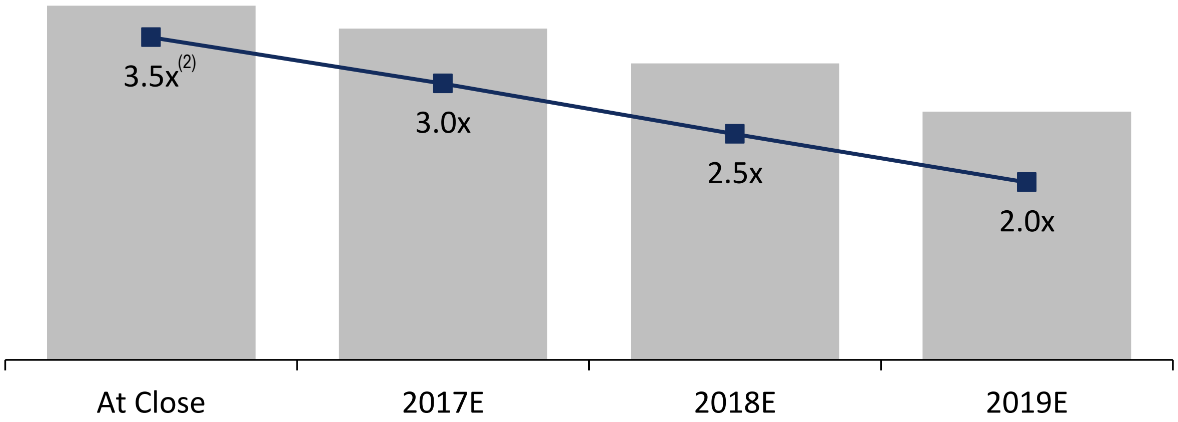
*For definitions of terms, please see the attached appendix

Pro Forma Debt Paydown

Delivering POWER

Pro Forma Net Debt* and Net Leverage Ratio*(1)

Net Debt and Leverage Ratio



	At Close	2017E	2018E	2019E	
Liquidity(3)	≈ $1B	> $1B	> $1B	> $1B	
Debt Maturities(4)	Minimal	Minimal	Minimal	5.125% $200mm Note Due 2/15/19 7.750% $200mm Note Due 11/15/19	Minimal in 2020

Note: Future performance reflects company estimates; (1) We expect to close in the first half of 2017 – this chart assumes a 3/31/17 close for illustrative purposes; (2) Reflects 2016E Adjusted EBITDA, excluding synergies, pro forma for the acquisition of Brillion by MPG; (3) Reflects combined revolver availability and cash balance; (4) AAM expects minimal amortization and foreign debt payments *For definitions of terms, please see the attached appendix

Enhanced Credit Profile

- Increased size and scale
- Customer and product diversification
- Enhanced geographic footprint
- Served market and content per vehicle expansion
- Strong profit and free cash flow margins
- Identifiable cost synergies of ≈$100 – 120 million
- Extended debt maturity profile
- Strong liquidity position

Stronger Financial Profile and Enhanced Cash Flow Generation

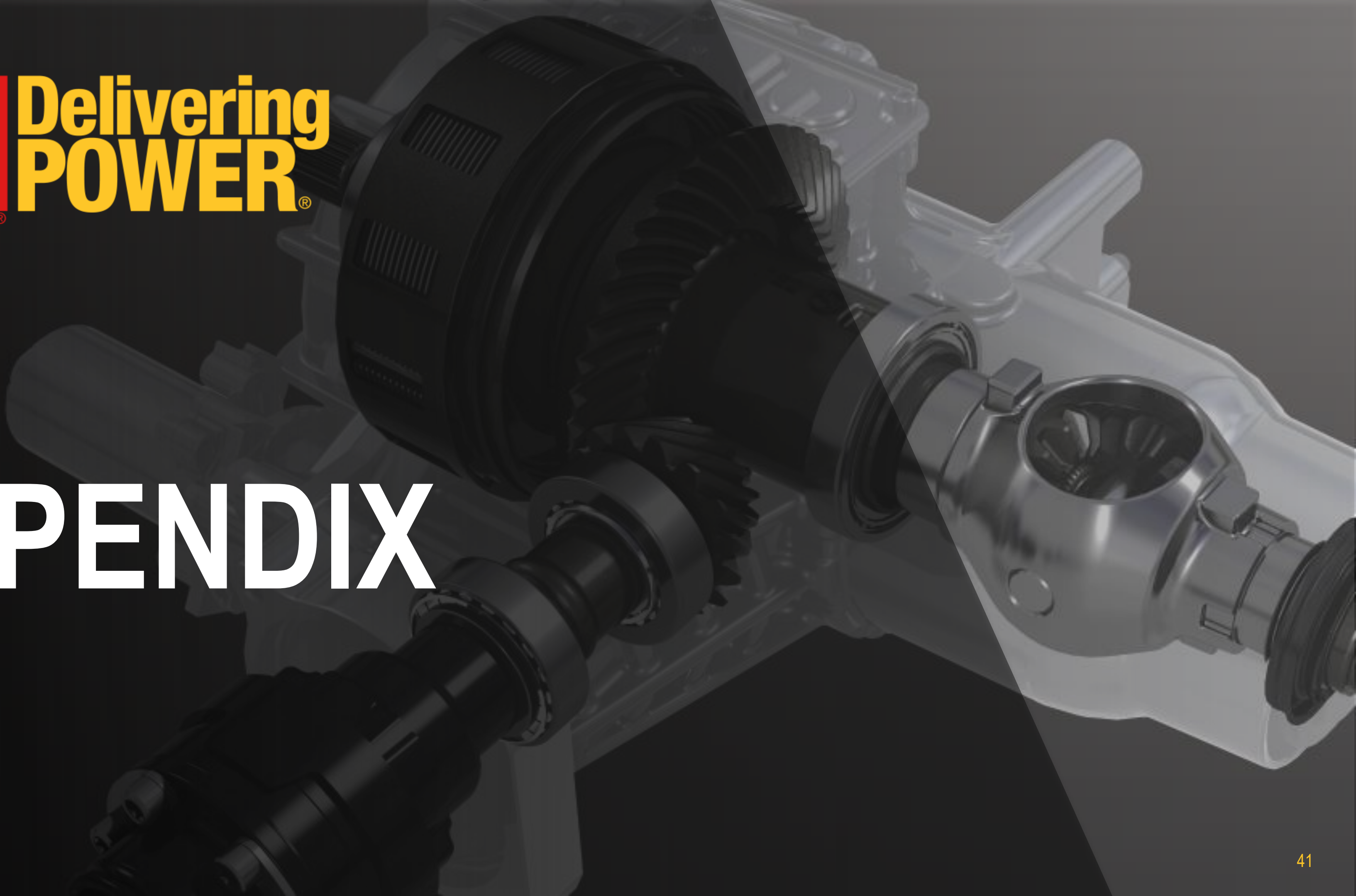
Powerful Industrial Logic

AAM Delivering POWER

- Cap-ex Avoidance / Capacity Optimization
- Working Capital Improvements
- Logistical and Value Stream Efficiencies
- Balanced Tax Strategies
- Cross-selling Opportunities
- Productivity and Cost Reductions
- Engineering and Manufacturing Collaborations
- Margin Capture through Vertical Integration

AAM | MPG PERFORMANCE DRIVEN

Numerous value creation opportunities beyond synergies



APPENDIX

Reconciliation of Non-GAAP Measures

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 presentation are provided on a non-GAAP basis. A reconciliation of 2017 non-GAAP targets and pro forma forward-looking financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP is not practical given the difficulty of projecting event driven transactional and other non-core operating items in any future period. The magnitude of these items, however, may be significant.

Reconciliation of Non-GAAP Measures

American Axle & Manufacturing Holdings, Inc.

Earnings before Interest, Income Taxes, Depreciation and Amortization (EBITDA) and Adjusted EBITDA

($ in millions)

	2016	2015	2014	2013
Net income attributable to shareholders	$ 240.7	$ 235.6	$ 143.0	$ 94.5
Interest expense	93.4	99.2	99.9	115.9
Income tax expense	58.3	37.1	33.7	(8.2)
Depreciation and amortization	201.8	198.4	199.9	177.0
EBITDA	$ 594.2	$ 570.3	$ 476.5	$ 379.2
Restructuring and acquisition-related costs, debt refinancing and redemption costs and non-recurring items	25.2	0.8	35.5	42.6
Adjusted EBITDA	$ 619.4	$ 571.1	$ 512.0	$ 421.8
as % of net sales	15.7 %	14.6 %	13.9 %	13.2 %

Reconciliation of Non-GAAP Measures

American Axle & Manufacturing Holdings, Inc.

Free cash flow and Adjusted free cash flow

($ in millions)

	2016	2015	2014	2013
Net cash provided by operating activities	$ 407.6	$ 377.6	$ 318.4	$ 223.0
Less: Purchases of property, plant & equipment, net of proceeds from sale of property, plant & equipment and from government grants	(218.5)	(188.1)	(195.3)	(218.7)
Free cash flow	$ 189.1	$ 189.5	$ 123.1	$ 4.3
Add: Cash payments for restructuring and acquisition-related costs	9.5	—	—	—
Adjusted free cash flow	$ 198.6	$ 189.5	$ 123.1	$ 4.3

Reconciliation of Non-GAAP Measures

American Axle & Manufacturing Holdings, Inc.

Net Debt and Net Leverage Ratio

($ in millions)

	at December 31,			
	2016	**2015**	**2014**	**2013**
Current portion of long-term debt	$ 3.3	$ 3.3	$ 13.0	$ —
Long-term debt, net	1,400.9	1,375.7	1,504.6	1,537.0
Total debt, net	1,404.2	1,379.0	1,517.6	1,537.0
Less: Cash and cash equivalents	481.2	282.5	249.2	154.0
Net debt at end of period	$ 923.0	$ 1,096.5	$ 1,268.4	$ 1,383.0
Net leverage ratio	1.5	1.9	2.5	3.3

Reconciliation of Non-GAAP Measures

2016 Full Year Earnings before Interest, Income Taxes, Depreciation and Amortization (EBITDA) and Adjusted EBITDA Reconciliation Schedule

($ in millions)

	AAM	MPG	COMBINED
Net income attributable to shareholders	$ 240.7	$ 96.3	$ 337.0
Interest expense	93.4	103.5	196.9
Income tax expense	58.3	38.4	96.7
Depreciation and amortization	201.8	221.3	423.1
EBITDA	$ 594.2	$ 459.5	$ 1,053.7
Restructuring and acquisition-related costs, debt refinancing and redemption costs and non-recurring items	25.2	24.7	49.9
Adjusted EBITDA	$ 619.4	$ 484.2	$ 1,103.6
as % of net sales	15.7 %	17.4 %	16.6 %

Reconciliation of Non-GAAP Measures

2016 Full Year Free Cash Flow

($ in millions)

	AAM	MPG	COMBINED
Net cash provided by operating activities	$ 407.6	$ 318.6	$ 726.2
Less: Purchases of property, plant & equipment, net of proceeds from sale of property, plant & equipment and from government grants	(218.5)	(194.0)	(412.5)
Free cash flow	$ 189.1	$ 124.6	$ 313.7

Reconciliation of Non-GAAP Measures

We define EBITDA to be earnings before interest expense, income taxes, depreciation and amortization. Adjusted EBITDA excludes the impact of restructuring and acquisition related-costs, debt refinancing and redemption costs and non-recurring items. We believe 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 banking institutions routinely use EBITDA and Adjusted EBITDA, together with other measures, to measure our operating performance relative to other Tier 1 automotive suppliers. 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.

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 and government grants. Adjusted free cash flow excludes the impact of cash payments for restructuring and acquisition-related costs. We believe free cash flow and Adjusted free cash flow are meaningful measures as it is 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 is also a key metric used in our calculation of incentive compensation. Other companies may calculate free cash flow and adjusted free cash flow differently.

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 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.

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

We define CAGR to be the compound annual growth rate of sales.