



Third Quarter 2025 Earnings Call

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Forward-Looking Statements



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In this presentation, American Axle & Manufacturing Holdings, Inc. (“AAM”) makes statements concerning its and Dowlais’ expectations, beliefs, plans, objectives, goals, strategies, and future events or performance, including, but not limited to, certain statements related to the ability of AAM and Dowlais to consummate AAM’s business combination with Dowlais (the “Business Combination”) in a timely manner or at all; future capital expenditures, expenses, revenues, economic performance, synergies, financial conditions, market growth, dividend policy, losses and future prospects and business; and management strategies and the expansion and growth of AAM’s and the combined company’s operations. Such statements are “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995 and relate to trends and events that may affect AAM’s or the combined company’s future financial position and operating results. The terms such as “will,” “may,” “could,” “would,” “plan,” “believe,” “expect,” “anticipate,” “intend,” “project,” “target,” and similar words or expressions, as well as statements in future tense, are intended to identify forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. 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 related to AAM include factors detailed in the reports AAM files with the United States Securities and Exchange Commission (the “SEC”), including those described under “Risk Factors” in its most recent Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q. These forward-looking statements speak only as of the date of this communication. AAM expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in its or Dowlais’ expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

3Q 2025 AAM Financial Highlights



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\$1.51B

Quarterly
Net Sales

\$194.7M

Quarterly
Adjusted EBITDA
(12.9% of Sales)

\$98.1M

Adjusted Free
Cash Flow

AAM Delivered Year-Over-Year Adjusted EBITDA Margin Growth



DOWLAIS



Transaction Update

- Both AAM and DWL Stockholders approved the combination in July
- AAM completed permanent financing for the transaction in October
- Combination has now been cleared under antitrust laws in eight out of ten jurisdictions
- Anticipated to close in the first quarter of 2026

Business Wins

Awarded multiple new, replacement and extension programs. These awards are for both driveline and metal forming products that support heavy duty trucks, other ICE and electric vehicle programs.

2025 Financial Outlook (as of November 7, 2025)



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Updated 2025 Financial Targets

Full Year Sales	\$5.8 - \$5.9 billion
Adjusted EBITDA	\$710 - \$745 million
Adjusted Free Cash Flow	\$180 - \$210 million

These targets are based on the following assumptions for 2025:

- North American light vehicle production of approximately 15.1 million units
- AAM's production estimates of key programs that we support
- Excludes costs and expenses associated with the announced combination with Dowlais. Reflects AAM on a stand-alone pre-combination basis only
- No changes to USMCA
- Mitigation of a majority of incremental tariff costs
- AAM expects restructuring cash payments to be approximately \$20 million
- Adjusted Free Cash Flow target assumes capital spending of approximately 5% of sales

Note: For definitions of Adjusted EBITDA and Adjusted Free Cash Flow and Non-GAAP reconciliations, please see the attached appendix.

In accordance with Rule 28.1(c)(i) of the Takeover Code, the AAM directors confirm that, as at the date of this presentation, the AAM FY25 Updated Profit Forecast is valid and has been properly compiled on the basis of the assumptions stated in the attached appendix and that the basis of accounting used is consistent with AAM's accounting policies.

3Q Financial Results



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	Three Months Ended September 30,		Difference
	2025	2024	
	(dollars in millions, except per share data)		
Net sales	\$ 1,505.3	\$ 1,504.9	\$ 0.4
Gross profit	\$ 189.0	\$ 171.3	\$ 17.7
Gross margin	12.6%	11.4%	1.2%
Selling, general and administrative expenses	\$ 98.8	\$ 94.6	\$ 4.2
SG&A as a % of sales	6.6%	6.3%	0.3%
Amortization of intangible assets	\$ 20.4	\$ 20.8	\$ (0.4)
Impairment charge	\$ -	\$ 12.0	\$ (12.0)
Restructuring and acquisition-related costs	\$ 21.4	\$ 2.2	\$ 19.2
Debt refinancing and redemption costs	\$ -	\$ (0.2)	\$ 0.2
Loss on Business Combination Derivative	\$ (16.0)	\$ -	\$ (16.0)
Other income (expense), net	\$ 1.6	\$ (5.5)	\$ 7.1
Adjusted EBITDA	\$ 194.7	\$ 174.4	\$ 20.3
Adjusted EBITDA margin	12.9%	11.6%	1.3%
Net interest expense	\$ (35.7)	\$ (38.1)	\$ 2.4
Income tax benefit	\$ (10.9)	\$ (12.1)	\$ 1.2
Effective income tax rate	641%	576%	65%
Net income	\$ 9.2	\$ 10.0	\$ (0.8)
Diluted EPS	\$ 0.07	\$ 0.08	\$ (0.01)
Adjusted EPS	\$ 0.16	\$ 0.20	\$ (0.04)

Note: Adjusted earnings per share are based on weighted average diluted shares outstanding of 124.3 million and 122.2 million for the three months ended September 30, 2025 and 2024 respectively. For definitions of Adjusted EBITDA, Adjusted EBITDA margin and Adjusted earnings per share and Non-GAAP reconciliations, please see the attached appendix.

3Q 2025 Revenue Walk (Yr/Yr)



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\$ in millions



Note: Chart not to scale.

3Q 2025 Adjusted EBITDA Walk (Yr/Yr)



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\$ in millions



Note: For definition of Adjusted EBITDA and Non-GAAP reconciliation, please see the attached appendix. Chart not to scale.

Adjusted Free Cash Flow and Credit Profile

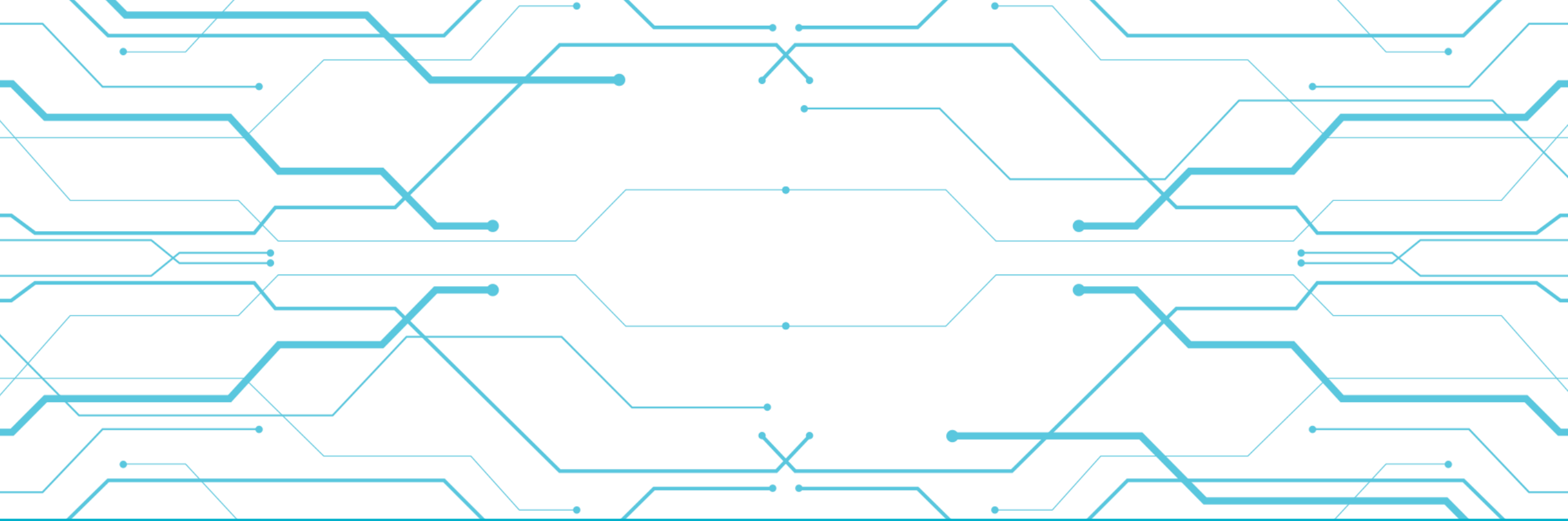


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Cash Flow and Debt Metrics	3Q 2025
Adjusted Free Cash Flow	\$98.1 million
Net Debt	\$1.9 billion
Net Leverage Ratio	2.6x
Liquidity	~\$1.7 billion

AAM Maintains Strong Liquidity

Note: For definitions of Adjusted Free Cash Flow, Net Debt, Net Leverage Ratio, and Liquidity and reconciliations of non-GAAP financial measures, please see the attached appendix.



Appendix / Supplemental Data



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Additional Disclosures



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Non-GAAP Financial Information

This presentation refers to certain financial measures, including Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Earnings per Share, Adjusted Free Cash Flow, Net Debt, 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 to provide additional useful measurements to review AAM's operations, provide transparency to investors and enable period-to-period comparability of financial performance. These non-GAAP measures should not be considered a substitute for any GAAP measure. Additionally non-GAAP financial measures as presented by AAM may not be comparable to similarly titled measures reported by other companies.

Additional Disclosures



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Profit forecasts and estimates

The statements in this presentation setting out targets for Adjusted EBITDA and Adjusted free cash flow of AAM for FY25 (together, the “AAM FY25 Updated Profit Forecast”) constitute profit forecasts of AAM for the purposes of Rule 28.1(a) of the UK Takeover Code (Takeover Code). The UK Takeover Panel has granted AAM a dispensation from the requirement to include reports from reporting accountants and AAM’s financial advisers in relation to the FY25 Updated Profit Forecast because it is an ordinary course profit forecast and Dowlais has agreed to the dispensation.

Other than the AAM FY25 Updated Profit Forecast, nothing in this presentation is intended, or is to be construed, as a profit forecast or profit estimate for any period or is to be interpreted to mean that earnings or earnings per share of AAM or Dowlais for the current or future financial years will necessarily match or exceed the published earnings or earnings per share of AAM or Dowlais, as appropriate.

AAM directors’ confirmations

In accordance with Rule 28.1(c)(i) of the Takeover Code, the AAM directors confirm that, as at the date of this presentation, the AAM FY25 Updated Profit Forecast is valid and has been properly compiled on the basis of the assumptions stated below and that the basis of accounting used is consistent with AAM’s accounting policies.

Basis of preparation

The AAM FY25 Updated Profit Forecast is based on AAM’s current internal forecast for the period up to 31 December 2025, using economic assumptions as at 7 November 2025. The basis of accounting used for the AAM FY25 Updated Profit Forecast is consistent with AAM’s existing accounting policies, which: (i) are in accordance with U.S. GAAP; (ii) were applied in the preparation of the AAM’s financial statements for the year ending 31 December 2024; and (iii) are expected to be applied in the preparation of the AAM’s financial statements for the period up to 31 December 2025.

The AAM FY25 Updated Profit Forecast has been prepared on the basis referred to above and subject to the principal assumptions set out below. The AAM FY25 Updated Profit Forecast is inherently uncertain and there can be no guarantee that any of the factors referred to under “Principal assumptions” below will not occur and/or, if they do, their effect on AAM’s results of operations, financial condition, or financial performance, may be material. The AAM FY25 Updated Profit Forecast should therefore be read in this context and construed accordingly.

Additional Disclosures



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Principal assumptions

- a) Factors outside the influence or control of the AAM Directors:
 - i. there will be no material change to macroeconomic, political, inflationary, regulatory or legal conditions in the markets or regions in which AAM operates;
 - ii. there will be no material change in current US interest rates, economic growth (GDP), inflation expectations or foreign exchange rates compared with AAM's estimates;
 - iii. there will be no material change in accounting standards;
 - iv. there will be no material change in market conditions in relation to customer demand or the competitive environment;
 - v. there will be no material litigation or regulatory investigations, or material unexpected developments in any existing litigation or regulatory investigation, in relation to any of AAM's operations, products or services; and
 - vi. there will be no business disruptions that materially affect AAM, its customers, operations, supply chain or labour supply, including natural disasters, acts of terrorism, cyber-attack and/or technological issues.
- b) Factors within the influence or control of the AAM Directors:
 - i. there will be no material acquisitions, disposals, distribution partnerships, joint ventures or other commercial agreements, other than those already assumed within the forecast;
 - ii. there will be no material change in the existing operational strategy of AAM;
 - iii. there will be no material changes in AAM's accounting policies and/or the application thereof;
 - iv. there are no material strategic investments or capital expenditure in addition to those already planned; and
 - v. there will be no material change in the management or control of AAM.

Publication on website

A copy of this presentation will be made available (subject to certain disclaimers) on AAM's website (at <https://www.aam.com/investors>) by no later than 12 noon London time on the business day following the date of this presentation. Neither the contents of this website nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this presentation.

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.

Supplemental Data*



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EBITDA and Adjusted EBITDA Reconciliation (\$ in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income	\$ 9.2	\$ 10.0	\$ 55.6	\$ 48.7
Interest expense	42.7	45.2	128.7	142.1
Income tax expense (benefit)	(10.9)	(12.1)	31.2	21.0
Depreciation and amortization	116.3	116.9	342.0	354.3
EBITDA	157.3	160.0	557.5	566.1
Restructuring and acquisition-related costs	21.4	2.2	57.6	9.7
Debt refinancing and redemption costs	-	0.2	3.3	0.5
Loss (gain) on Business Combination Derivative	16.0	-	(52.2)	-
Impairment charges	-	12.0	8.0	12.0
Loss on equity securities	-	-	-	0.1
Adjusted EBITDA	\$ 194.7	\$ 174.4	\$ 574.2	\$ 588.4
Sales	1,505.3	1,504.9	4,452.8	4,744.1
as a % of net sales	12.9%	11.6%	12.9%	12.4%

*Please refer to definition of Non-GAAP measures.

Supplemental Data*



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EBITDA and Adjusted EBITDA for the Last Twelve Months Ended September 30, 2025 (\$ in millions)

	Quarter Ended				Last Twelve Months Ended
	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025	September 30, 2025
Net income (loss)	\$ (13.7)	\$ 7.1	\$ 39.3	\$ 9.2	\$ 41.9
Interest expense	43.9	42.9	43.1	42.7	172.6
Income tax expense (benefit)	6.8	14.0	28.1	(10.9)	38.0
Depreciation and amortization	115.4	112.2	113.5	116.3	457.4
EBITDA	152.4	176.2	224.0	157.3	709.9
Restructuring and acquisition-related costs	8.3	19.7	16.5	21.4	65.9
Debt refinancing and redemption costs	0.1	3.3	-	-	3.4
Loss (gain) on Business Combination Derivative	-	(21.9)	(46.3)	16.0	(52.2)
Impairment charges	-	-	8.0	-	8.0
Adjusted EBITDA	\$ 160.8	\$ 177.3	\$ 202.2	\$ 194.7	\$ 735.0
Sales	1,380.8	1,411.3	1,536.2	1,505.3	5,833.6
as a % of net sales	11.6%	12.6%	13.2%	12.9%	12.6%

*Please refer to definition of Non-GAAP measures.

Supplemental Data*



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Adjusted Earnings Per Share Reconciliation

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Diluted earnings per share	\$ 0.07	\$ 0.08	\$ 0.45	\$ 0.40
Restructuring and acquisition-related costs	0.18	0.02	0.47	0.08
Debt refinancing and redemption costs	-	-	0.03	-
Impairment charges	-	0.10	0.06	0.10
Loss (gain) on Business Combination Derivative	0.13	-	(0.42)	-
Non-recurring items:				
Discrete tax impact from enactment of tax law	(0.18)	-	(0.18)	-
Tax effect of adjustments	(0.04)	-	0.05	(0.01)
Adjusted earnings per share	\$ 0.16	\$ 0.20	\$ 0.46	\$ 0.57

*Please refer to definition of Non-GAAP measures.

Supplemental Data*



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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net cash provided by operating activities	\$ 143.3	\$ 143.6	\$ 291.1	\$ 304.2
Less: Capital expenditures net of proceeds from the sale of property, plant and equipment and from government grants	(63.8)	(72.9)	(185.4)	(164.4)
Free cash flow	79.5	70.7	105.7	139.8
Cash payments for restructuring and acquisition-related costs	18.6	3.9	37.2	11.3
Adjusted free cash flow	\$ 98.1	\$ 74.6	\$ 142.9	\$ 151.1

*Please refer to definition of Non-GAAP measures.

Supplemental Data*



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

	September 30, 2025
Current portion of long term debt	\$ 22.3
Long-term debt, net	2,594.0
Total debt, net	2,616.3
Less: Cash and cash equivalents	714.1
Net debt at end of period	1,902.2
Adjusted LTM EBITDA	\$ 735.0
Net Leverage Ratio	2.6x

*Please refer to definition of Non-GAAP measures.

Supplemental Data*



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Segment Financial Information (\$ in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Segment Sales				
Driveline	\$ 1,051.1	\$ 1,042.8	\$ 3,091.0	\$ 3,273.7
Metal Forming	595.0	596.5	1,769.2	1,893.7
Total Sales	1,646.1	1,639.3	4,860.2	5,167.4
Intersegment Sales	(140.8)	(134.4)	(407.4)	(423.3)
Net External Sales	<u>\$ 1,505.3</u>	<u>\$ 1,504.9</u>	<u>\$ 4,452.8</u>	<u>\$ 4,744.1</u>
Segment Adjusted EBITDA				
Driveline	\$ 156.8	\$ 135.7	\$ 431.0	\$ 444.9
Metal Forming	37.9	38.7	143.2	143.5
Total Segment Adjusted EBITDA	<u>\$ 194.7</u>	<u>\$ 174.4</u>	<u>\$ 574.2</u>	<u>\$ 588.4</u>

*Please refer to definition of Non-GAAP measures.

Supplemental Data*



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Full Year 2025 Financial Outlook (\$ in millions)

	Adjusted EBITDA	
	Low End	High End
Net income	\$ -	\$ 10
Interest expense	205	205
Income tax expense	-	25
Depreciation and amortization	460	460
Full year 2025 targeted EBITDA	665	700
Restructuring-related costs	45	45
Dowlais acquisition-related costs	55	55
Other, principally Business Combination Derivative	(55)	(55)
Full year 2025 targeted Adjusted EBITDA	\$ 710	\$ 745

	Adjusted Free Cash Flow	
	Low End	High End
Net cash provided by operating activities	\$ 395	\$ 425
Capital expenditures net of proceeds from the sale of property, plant and equipment	(280)	(280)
Full year 2025 targeted Free Cash Flow	115	145
Cash payments for restructuring-related costs	20	20
Cash payments for Dowlais acquisition-related costs	45	45
Full year 2025 targeted Adjusted Free Cash Flow	\$ 180	\$ 210

*Please refer to definition of Non-GAAP measures.

In accordance with Rule 28.1(c)(i) of the Takeover Code, the AAM directors confirm that, as at the date of this presentation, the AAM FY25 Updated Profit Forecast is valid and has been properly compiled on the basis of the assumptions stated in the attached appendix and that the basis of accounting used is consistent with AAM's accounting policies.

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, gains or losses on the derivative associated with our business combination with Dowlais, gains or losses on equity securities, pension curtailment and settlement charges, impairment charges 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 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, gains or losses on the derivative associated with our business combination with Dowlais, gains or losses on equity securities, pension curtailment and settlement charges, impairment charges 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 and from government grants. Adjusted free cash flow is defined as free cash flow excluding 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 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 non-U.S. credit facilities.

