

# 31<sup>st</sup> Annual ROTH Conference

Phil Eyler, President & CEO  
March 19, 2019

# Forward-Looking Statement



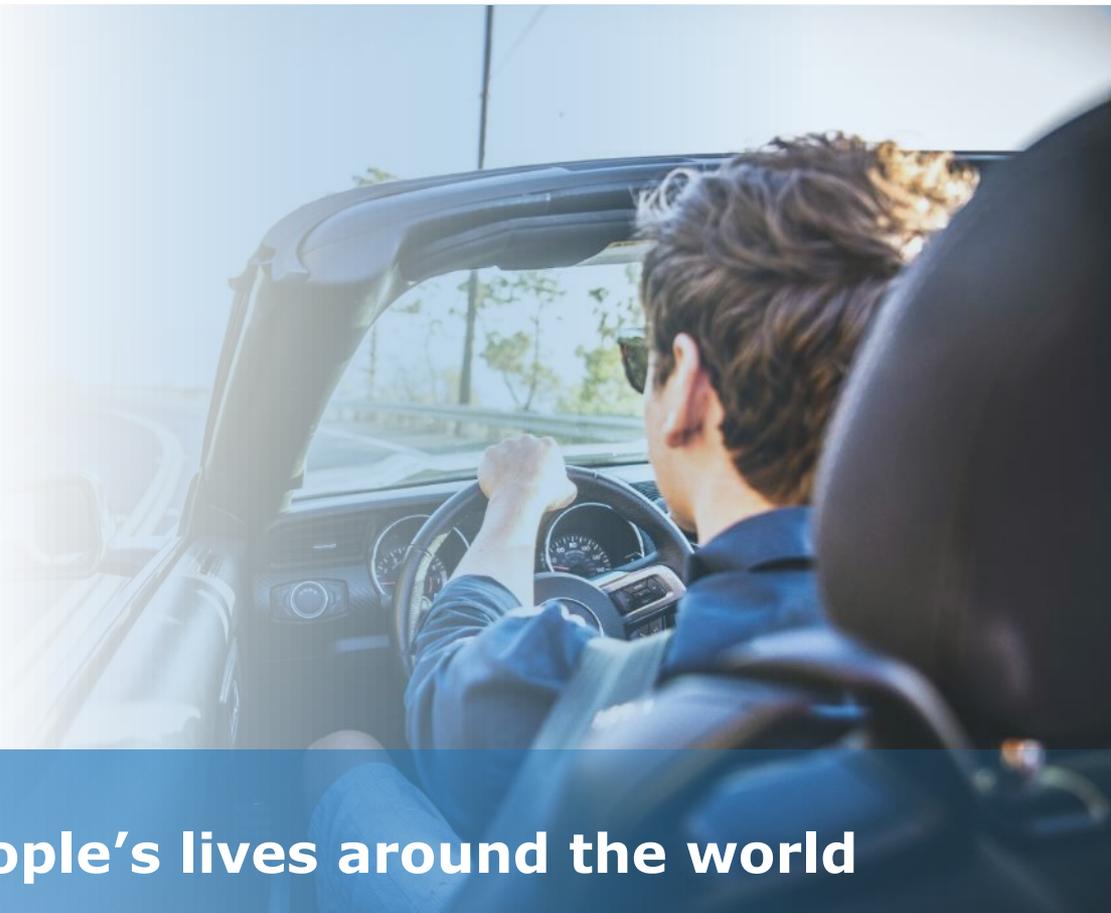
Except for historical information contained herein, statements in this presentation are forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent Gentherm Incorporated's goals, beliefs, plans and expectations about its prospects for the future and other future events. The forward-looking statements included in this presentation are made as of the date hereof or as of the date specified and are based on management's current expectations and beliefs. Such statements are subject to a number of important assumptions, risks, uncertainties and other factors that may cause the Company's actual performance to differ materially from that described in or indicated by the forward-looking statements. Those risks include, but are not limited to, risks that new products may not be feasible, sales may not increase, additional financing requirements may not be available, new competitors may arise or customers may develop their own products to replace the Company's products, customer preferences for end products may shift, the Company may lose suppliers or customers, market acceptance of the Company's existing or new products may decrease, currency exchange rates may change unfavorably, pricing pressures from customers may increase, the Company's workforce and operations could be disrupted by civil or political unrest in the countries in which the Company operates, free trade agreements may be altered in a manner adverse to the Company, our customers may not accept pass-through of new tariff costs, additional tariffs may be implemented, cost-savings measures may not be achievable or may need to be reversed, assets held for sale may not be sold quickly or at all, the Company may be unable to repurchase its shares of common stock at favorable prices or at all, due to market conditions, applicable legal requirements, debt covenants or other restrictions, compliance with covenants and other restrictions under the Company's credit facility, medical device regulations could change in an unfavorable manner, oil and gas prices could fluctuate causing adverse consequences, and other adverse conditions in the industries in which the Company operates may negatively affect its results. You should review the Company's filings with the Securities and Exchange Commission (the "SEC"), including "Risk Factors", in its most recent Annual Report on Form 10-K and subsequent quarterly reports, for a discussion of these and other risks and uncertainties. The business outlook discussed in this presentation does not include the potential impact of any business combinations, acquisitions, divestitures, strategic investments and other significant transactions that may be completed after the date hereof. Except as required by law, the Company expressly disclaims any obligation or undertaking to update any forward-looking statements to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

In addition to the results reported in accordance with GAAP throughout this presentation, the Company has provided information regarding “earnings before interest, taxes, depreciation and amortization, deferred financing cost amortization, transaction expenses, debt retirement expenses, impairment loss, restructuring expenses, unrealized currency gain or loss and unrealized revaluation of derivatives” (Adjusted EBITDA) and “Return on Invested Capital (ROIC)” (each, a non-GAAP financial measure). We define ROIC as tax-affected operating income, prior to the effect of extraordinary or unusual items, divided by Invested Capital. Invested Capital is defined as shareholders’ equity and total debt, less cash and cash equivalents.

In evaluating its business, the Company considers and uses Adjusted EBITDA as a supplemental measure of its operating performance. Management provides an Adjusted EBITDA measure so that investors will have the same financial information that management uses with the belief that it will assist investors in properly assessing the Company's performance on a period-over-period basis. Additionally, management believes that ROIC provides a useful measure of how effectively the Company uses capital to generate profits. Other companies in our industry may calculate these non-GAAP financial measures differently than we do and those calculations may not be comparable to our metrics. These non-GAAP measures have limitations as analytical tools, and when assessing the Company's operating performance, investors should not consider Adjusted EBITDA or ROIC in isolation, or as a substitute for net income or other consolidated income statement data prepared in accordance with GAAP.

Non-GAAP measures referenced in this presentation may include estimates of future Adjusted EBITDA and ROIC. Such forward-looking non-GAAP measures may differ significantly from the corresponding GAAP measures, due to depreciation and amortization, tax expense, and/or interest expense, some or all of which management has not quantified for the future periods.

Creating and delivering extraordinary thermal solutions that make meaningful differences in everyday life, by improving health, wellness, comfort and energy efficiency.

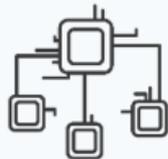


**Positively impacting people's lives around the world**

# Our Strategy



Focused  
Growth



Extend  
Technology  
Leadership



Expand Margins  
and ROIC



Optimize Capital  
Allocation



**1**

Accelerate Core  
Automotive Climate  
and Comfort Growth

**2**

Introduce Innovative  
Microclimate Solution

**3**

Drive Battery  
Thermal  
Management

**4**

Expand Patient  
Thermal Solutions

## Accomplishments

- Restructured the organization around “One Gentherm”
- Built world class team poised to win in 2019 and beyond
- Completed full assessment and strategy in 6 months
- Achieved strong initial progress through record automotive awards of \$1.6 billion
- Launched the Fit-for-Growth program to expand margins with initial focus on operating expenses
- Strengthened culture around customer focus, global mindset, employee engagement and inclusion, as well as performance and accountability

## Opportunities

- Manufacturing efficiencies
- Footprint rationalization
- Expanded Purchasing excellence
- Value engineering



## Focused execution to drive shareholder value

# 2019 Guidance & 2021 Outlook

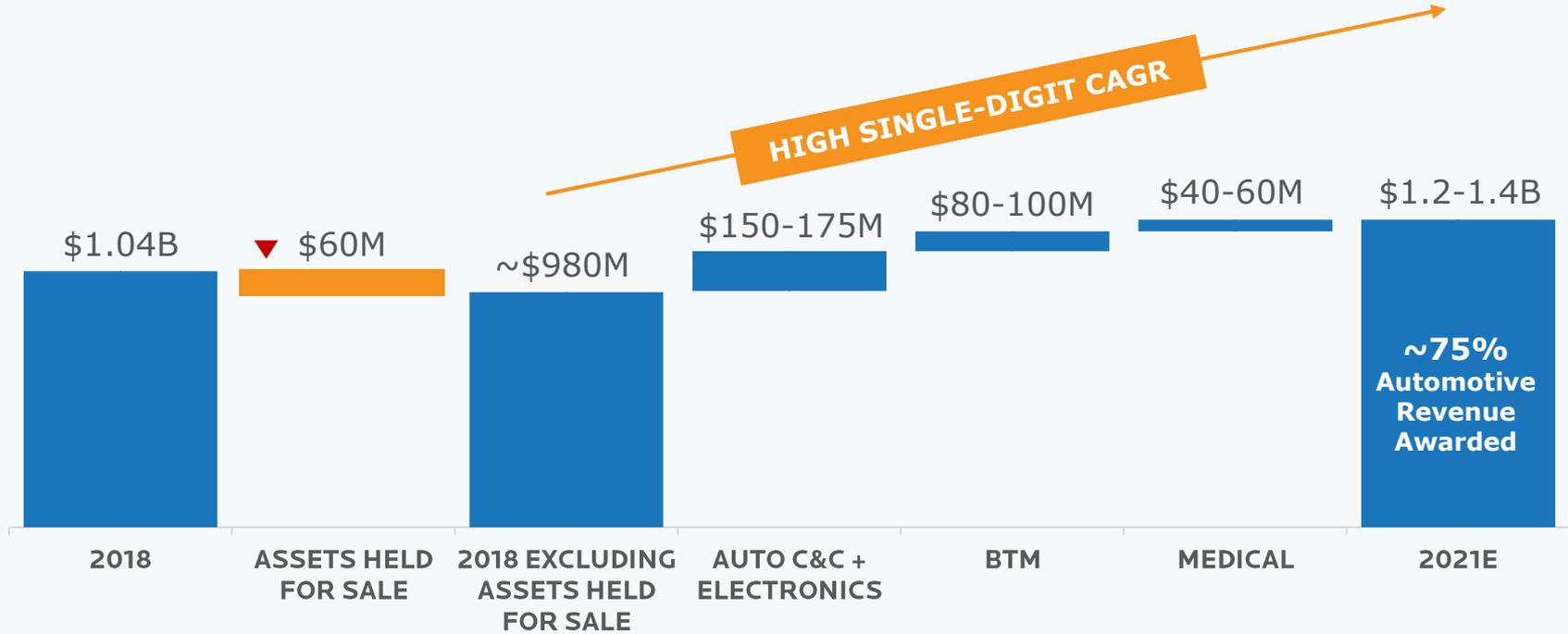


	2019E	2021E
Revenue Growth	4% - 6%	High single-digit Organic CAGR
Gross Margin	28% - 30%	30% - 32%
Operating Expenses % of Revenue	19% - 20%	15% - 17%
Adjusted EBITDA Margin <sup>(1)</sup>	14% - 15%	High teens
ROIC		> 20%

(1) Due to the inherent difficulty of forecasting the timing and amount of certain items that would impact net income, such as foreign currency gains and losses, we are unable to reasonably estimate net income, the GAAP financial measure most directly comparable to Adjusted EBITDA. Accordingly, we are unable to provide a reconciliation of Adjusted EBITDA to net income with respect to the guidance provided.

## Driving strong results over mid-term

# Focused Growth Strategy – Revenue Outlook



## Aspiration to grow revenue to over \$2.5B by 2025

# Why Gentherm?



- Pure play leader in thermal management
- Global automotive market is large and massively under-penetrated with climate and comfort solutions
- Unique, innovative solutions key to vehicles of the future
- Global reach and industry-leading manufacturing capabilities
- Strong cash generation to drive shareholder returns



**Poised for high-return growth, outpacing the market**



**GENTHERM**

Technology to the next degree™