

J.P. Morgan Auto Conference

Gentherm Incorporated

**Phil Eyler, President &
CEO**

August 8, 2018

Forward-Looking Statement

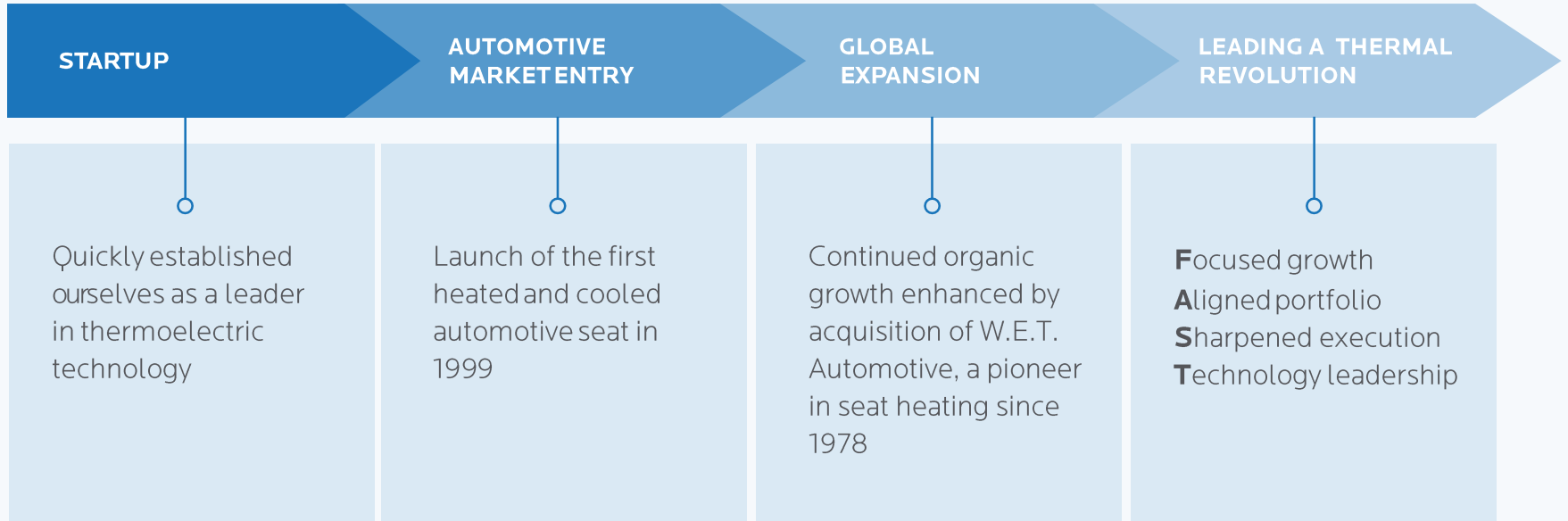


Except for historical information contained herein, statements in this presentation are forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent Gentherm Incorporated's goals, beliefs, 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, cost reduction initiatives may not produce expected savings, synergies or efficiencies in its Fit-for-Growth or other initiatives, trends in electrified powertrains may decrease, the Company may not be able to protect its intellectual property rights, implementation of strategic partnerships and collaborations may be unsuccessful, 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, medical device regulations could change in an unfavorable manner, commodity prices may fluctuate, legislative or regulatory changes may impact or limit the Company's business, market conditions or regional growth may decline, general industry conditions may decline, 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, 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.



We invented the category and are the clear global market leader

Competitive Footprint Advantage



- 🏠 26 Locations
- 👤 13,000+ People
- 📈 \$1.0B Revenue *

** 2017 Pro forma includes full year of Etratech revenue*

Well positioned to serve our customers and grow in key markets

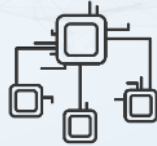
Our Strategy



GENTHERM



Focused
Growth



Extend Technology
Leadership



Expand Margins
and ROIC



Optimize Capital
Allocation

Step 1

Accelerate Core Automotive Climate and Comfort Growth



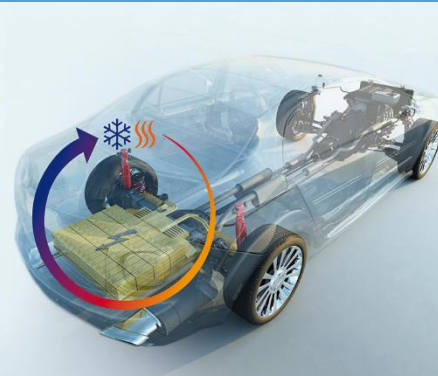
Step 2

Introduce Innovative Microclimate Solution



Step 3

Drive Battery Thermal Management



Step 4

Expand Patient Thermal Solutions



Enabled by Electronics and Software Systems

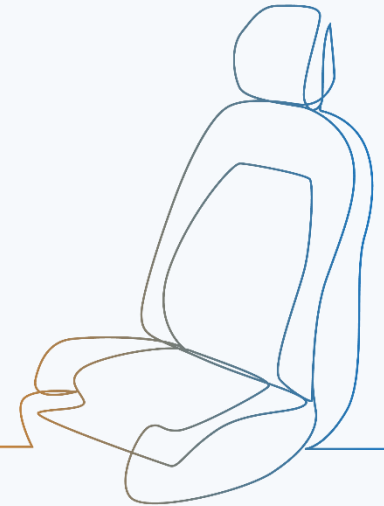
	2018E	2021E
Revenue Growth	8 – 10% (3-5% Organic)	High single-digit Organic CAGR
Operating Expenses % of Revenue	20 - 22%	15% - 17%
Gross Margin	29 – 31%	30 – 32%
Adjusted EBITDA Margin	14 – 15%	High teens
ROIC	12 – 13%	> 20%

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™