HORIZON GLOBAL

First Quarter 2018 Earnings

Thursday, May 3, 2018

Forward-Looking Statements

This presentation may contain "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements contained herein speak only as of the date they are made and give our current expectations or forecasts of future events. These forward looking statements can be identified by the use of forward-looking words, such as "may," "could," "should," "estimate," "project," "forecast," "intend," "expect," "anticipate," "believe," "target," "plan" or other comparable words, or by discussions of strategy that may involve risks and uncertainties. These forward-looking statements are subject to numerous assumptions, risks and uncertainties which could materially affect our business, financial condition or future results including, but not limited to, risks and uncertainties with respect to: the Company's leverage; liabilities imposed by the Company's debt instruments; market demand; competitive factors; supply constraints; material and energy costs; technology factors; litigation; government and regulatory actions; the Company's accounting policies; future trends; general economic and currency conditions; various conditions specific to the Company's business and industry; the spin-off from TriMas Corporation; the success of our targeted action plan, including the actual amount of savings and timing thereof; risks inherent in the achievement of cost synergies and the timing thereof in connection with the Westfalia acquisition, including whether the acquisition will be accretive; the Company's ability to promptly and effectively integrate Westfalia; the performance and costs of integration of Westfalia; the Company's ability to successfully complete the acquisition of the Brink Group; the timing and amount of repurchases of the Company’s common stock, if any; and other risks that are discussed in the Company's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. The risks described herein are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deemed to be immaterial also may materially adversely affect our business, financial position and results of operations or cash flows. We caution readers not to place undue reliance on such statements, which speak only as of the date hereof. We do not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Non-GAAP Financial Measures

In this presentation, certain non-GAAP financial measures may be used. Except as otherwise disclosed herein, reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measure may be found at the end of this presentation. Additional information is available at www.horizonglobal.com.

(1) Refer to Appendix, "Company and Business Segment Financial Information" which details certain costs, expenses, other charges, and gains or income, collectively described as "Special Items", that are included in the determination of operating profit (loss) under GAAP, but that management would not consider important in evaluating the quality of the Company's operating results as they are not indicative of the Company's core operating results or may obscure trends useful in evaluating the Company's continuing activities. Accordingly, the Company presents adjusted operating profit (loss) and adjusted corporate expenses excluding these Special Items to help investors evaluate our operating performance and trends in our business consistent with how management evaluates such performance and trends. Further, the Company presents adjusted operating profit (loss) excluding these Special Items, to provide investors with a better understanding of the Company's view of the first quarter and full year results as compared to the Company's 2018 guidance and prior periods.

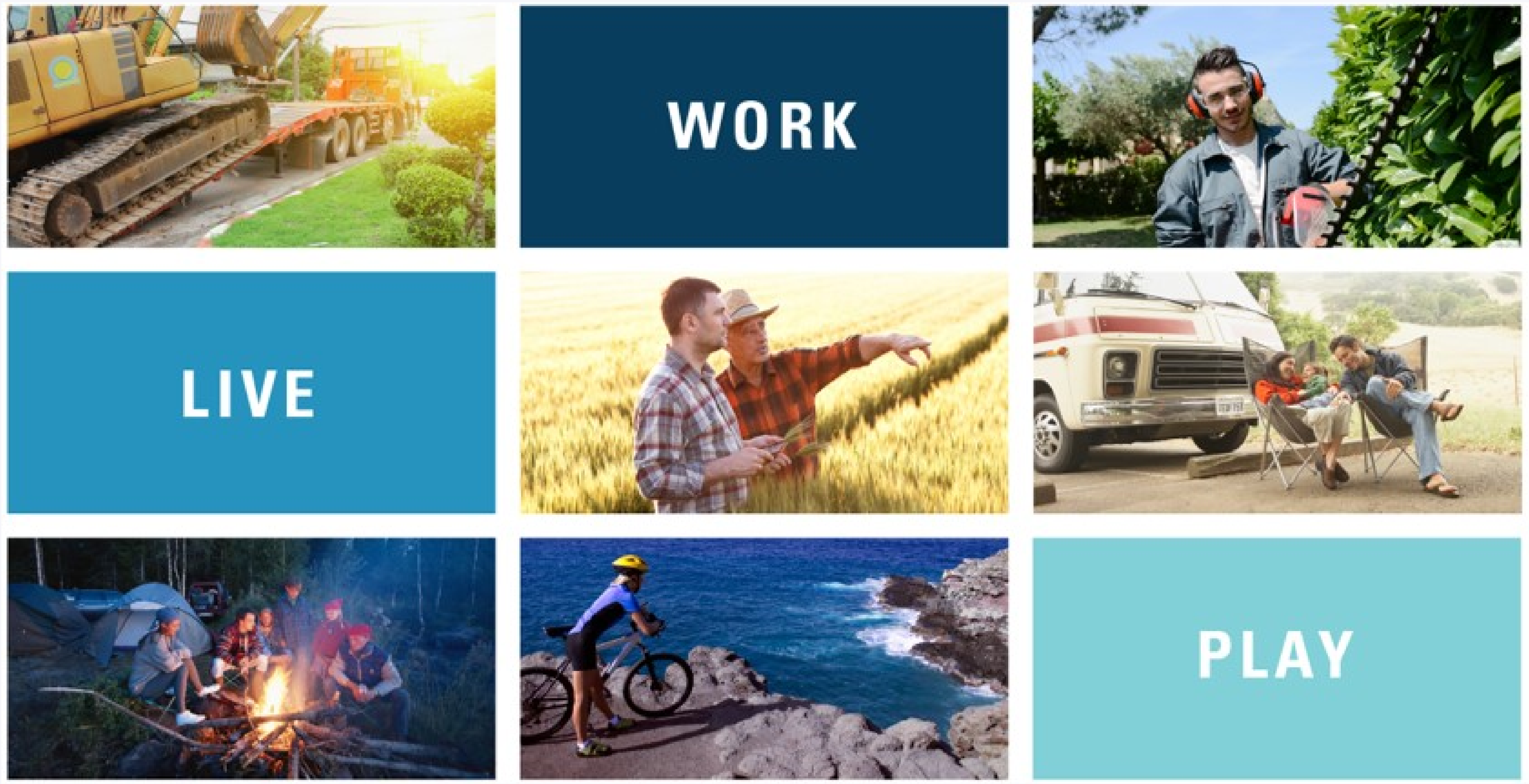
(2) We evaluate growth in our operations on both an as reported basis and a constant currency basis. The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates. We believe providing constant currency information provides valuable supplemental information regarding our growth, consistent with how we evaluate our performance. Constant currency revenue results are calculated by translating current period revenue in local currency using the prior period's currency conversion rate. This non-GAAP measure has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of our results as reported under GAAP. Our use of this term may vary from the use of similarly-titled measures by other issuers due to the potential inconsistencies in the method of calculation and differences due to items subject to interpretation. See Appendix, "Constant Currency Reconciliation".

(3) Refer to Appendix, "Additional Information Regarding Special Items Impacting Reported GAAP Financial Measures", which details certain costs, expenses, other charges, and gains or income, collectively described as "Special Items" that are included in the determination of net income (loss) and earnings (loss) per share under GAAP, but that management would not consider important in evaluating the quality of the Company's operating results as they are not indicative of the Company's core operating results or may obscure trends useful in evaluating the Company's continuing activities. Accordingly, the Company presents adjusted net income (loss) and adjusted diluted earnings (loss) per share excluding these Special Items to help investors evaluate our operating performance and trends in our business consistent with how management evaluates such performance and trends.

(4) Refer to Appendix, "LTM Bank EBITDA as Defined in Credit Agreement", which reconciles net income (loss) to "Consolidated Bank EBITDA" as defined in our Credit Agreement dated June 30, 2015, as amended, for all periods presented. We believe this reconciliation provides valuable supplemental information regarding our capital structure, consistent with how we evaluate our performance. Net leverage ratio is calculated by dividing "Total Consolidated Indebtedness" by "Consolidated Bank EBITDA". For the twelve month periods ended March 31, 2018, December 31, 2017, and March 31, 2017, "Total Consolidated Indebtedness" refers to the sum of "long-term debt" and "current maturities, long-term debt", with our Convertible Notes at their face value of $125 million and excluding certain credit facilities as defined in our Credit Agreement, less unrestricted domestic cash and 65% of unrestricted foreign cash. Domestic and foreign unrestricted cash included in the calculation were $1.1 million and $16.3 million, respectively, as of March 31, 2018, $5.9 million and $15.4 million, respectively, as of December 31, 2017, and $5.2 million and $16.3 million, respectively, as of March 31, 2017.

(5) "Working Capital" defined as "total current assets" excluding "cash and cash equivalents" and "deferred income taxes", less "total current liabilities" excluding "current maturities, long-term debt".

OUR VISION: Empowering People to Live, Work, and Play



Our global business is focused on top-quality towing and trailering products and solutions for commercial and recreational use:

WORK

Agricultural, automotive, construction, fleet, industrial marine, military, mining, and municipalities

PLAY

Power sports, equestrian, recreational vehicle, specialty automotive, and truck accessory

HORIZON GLOBAL

Trends and Results

MARKET TRENDS

- Growth in OE continues across all markets served
- E-commerce continues to put pressure on distributors and retailers
- Uncertainty around U.S. trade policy; increasing protectionism
- Commodities, especially steel, continue to see upward pressure
- Domestic freight supply tightening; costs trending up significantly

HORIZON RESULTS

- Net sales increased 6.6%, flat in constant currency[(2)]
- Non-cash goodwill impairment of $43.4 million recorded in Europe-Africa segment
- First quarter diluted loss per share of $2.30, driven by non-cash impairment
  - First quarter adjusted diluted loss per share[(1)] of $0.32
- OE-facing business continues to lead growth; sales up 5.2% excluding impact of currency
- Progress made on action plans in Americas and Europe-Africa segments
- Westfalia synergies realized in quarter; on track to meet full-year expectations
- Reaffirmed full-year 2018 guidance on an adjusted basis

Targeted Action Plan (2018 impact $3 - $5M, FRR $10 - $12M)

	Initiative	Objective	Current Action	On Plan	Implementation Progress
AMERICAS	KANSAS CITY DISTRIBUTION CENTER	▪ Improve facility throughput performance ▪ Implement warehouse automation through summer	▪ Leadership change complete ▪ Dallas DC transfer underway ▪ Automation on track for completion in Sept.		
	FACILITY CLOSURES & WORKFORCE REDUCTION	▪ Close Mosinee and Solon Locations by end of Q3	▪ Talent retention communication complete ▪ Post-closure structure announced ▪ Support structure for relocation in place	✓	
	DE-LAYER ORGANIZATION & COMPLETE INTEGRATION	▪ Functionalize organization ▪ Reduction of U.S.-based salaried workforce ▪ Increase accountability measures	▪ Functional organization design complete ▪ Structure announced and transition underway ▪ 30% reduction of U.S.-based salaried workforce communicated to individuals affected	✓	
EUROPE-AFRICA	STREAMLINE EUROPEAN LOGISITICS	▪ Reduce transportation and distribution costs across Europe	▪ Leader hired and projects developed ▪ Negotiating freight and warehousing contracts	✓	
	CONTINUE PRODUCTION SHIFT TO LOW COST COUNTRIES	▪ Increase LCC production from 20% to 25% for region	▪ First Witter UK items produced in South Africa ▪ Place paint system order for Brașov ▪ On track to meet earned hours objective	✓	
	EXECUTE 2018 WESTFALIA SYNERGY PLAN	▪ Deliver synergies of €8.5M	▪ PMO structure effectively managing work streams ▪ Projects identified and underway	✓	

Goodwill Impairment

- Impairment charge is non-cash and excluded from adjusted numbers
- Impairment test triggered principally by two 2018 events:
    - Decline in HZN share price from year end
    - Reduction in internal forecasts prior to issuance of 2018 guidance
- Impairment charge has:
    - No operational implications
    - No cash impact
    - No impact on full-year 2018 guidance on an adjusted basis

Financial Results

(Unaudited - dollars in millions, except per share amounts)

	Q1 2018	Q1 2017	Variance
Net Sales	**$216.8**	**$203.3**	**6.6%**
Operating Loss	**($53.3)**	**($0.7)**	**unfav.**
Operating Profit Margin	*(24.6%)*	*(0.3%)*	*unfav.*
Adjusted Operating Profit (Loss)[(1)]	*($2.9)*	*$3.6*	*(180.6%)*
Adjusted Operating Profit[(1)] Margin	*(1.4%)*	*1.8%*	*(320 bps)*
Net Loss attributable to Horizon Global	**($57.5)**	**($9.9)**	**(480.8%)**
Adjusted Net Loss attributable to Horizon Global[(3)]	*($8.1)*	*($4.1)*	*(97.6%)*
Diluted Loss per Share attributable to Horizon Global	**($2.30)**	**($0.41)**	**(461.0%)**
Adjusted Diluted Loss per Share attributable to Horizon Global[(3)]	*($0.32)*	*($0.17)*	*(88.2%)*
Operating Cash Flow	($30.2)	($40.1)	24.7%
Total Debt	$308.1	$280.9	9.7%
Leverage Ratio[(4)] (covenant 5.0x)	4.1x	4.4x	

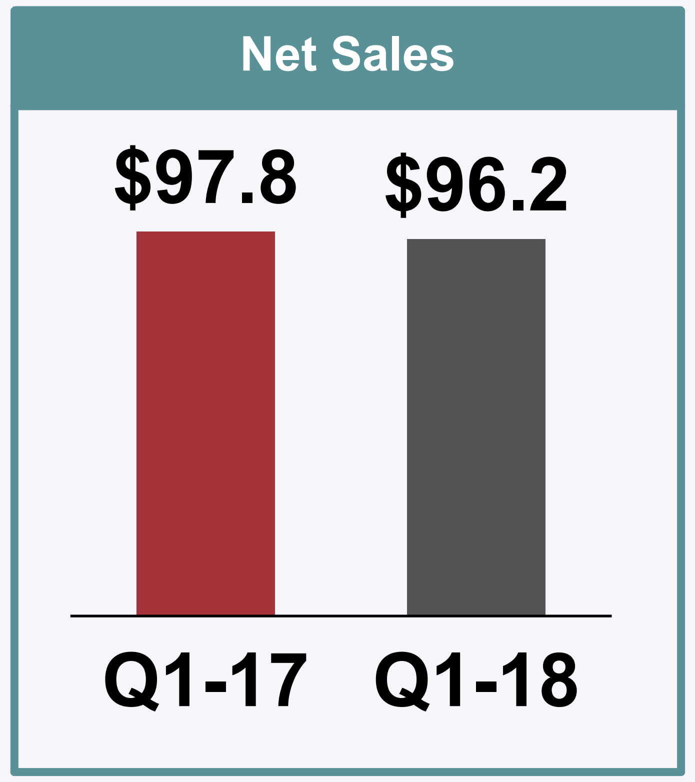
Highlights

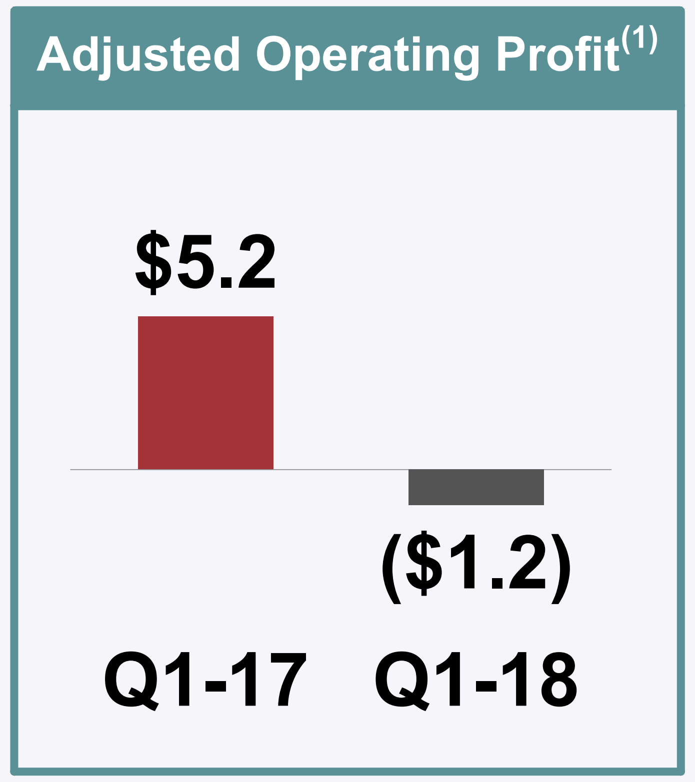
- Net sales flat on constant currency basis[(2)]
- Results impacted by non-cash goodwill impairment of $43.4 million in Europe-Africa
- Decline in adjusted operating profit[(1)] margin due to operational headwinds in Americas and Europe-Africa
- Operating cash flow reflects less cash invested in working capital during first quarter as compared to 2017

Segment Performance

(Unaudited - dollars in millions)

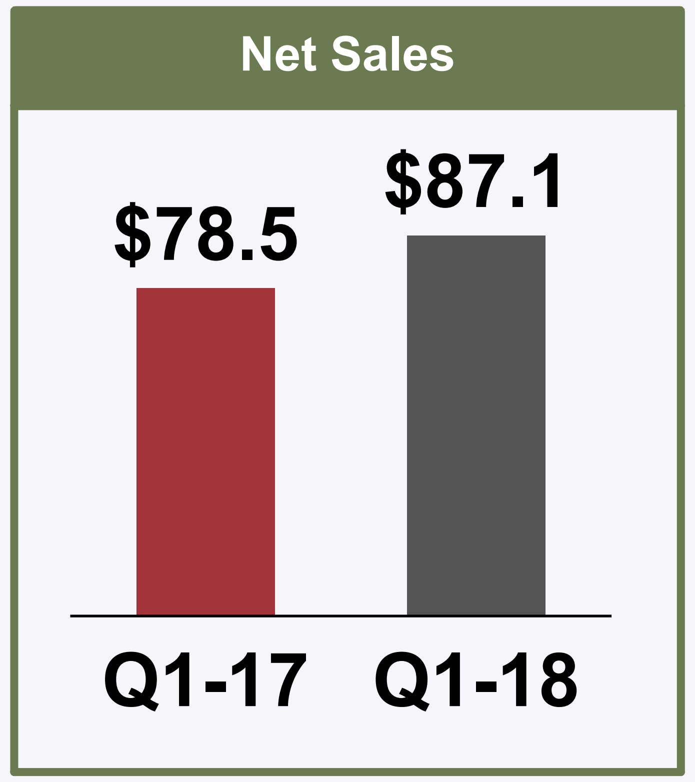
Americas

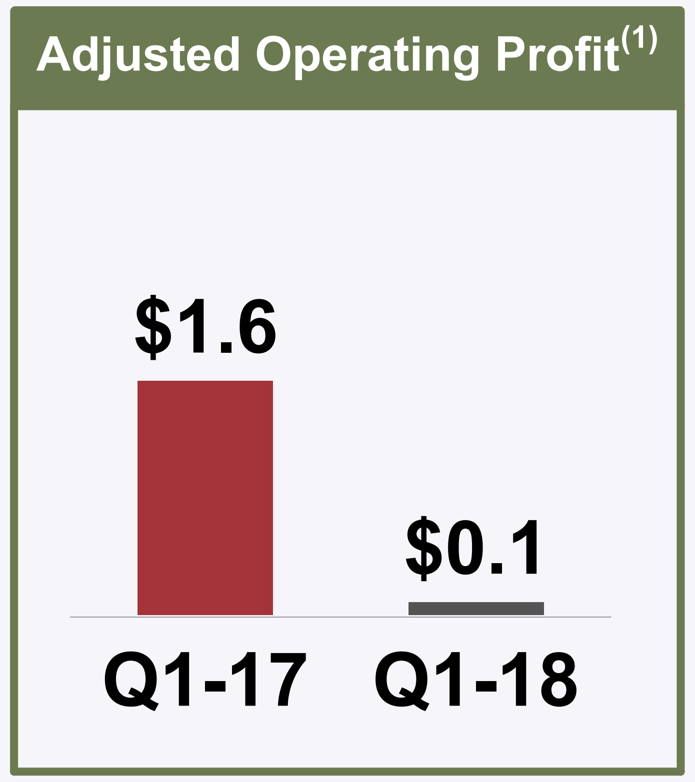




- Retail and aftermarket channels drove decrease in net sales
  - Q4 sale of Broom & Brush product line - $3.9M sales
  - Distribution footprint project impacting fulfillment rates
- Input costs, including steel and freight, impacted operating profit

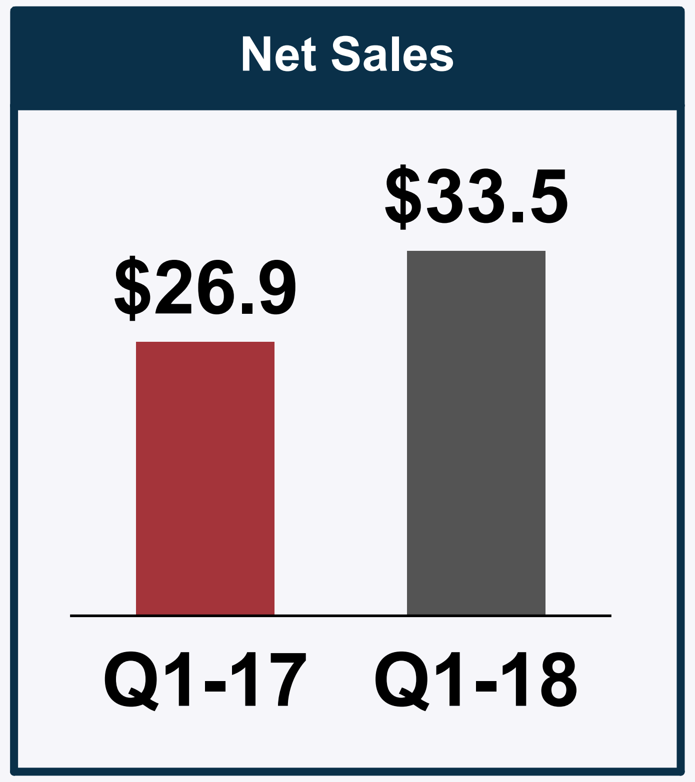
Europe-Africa

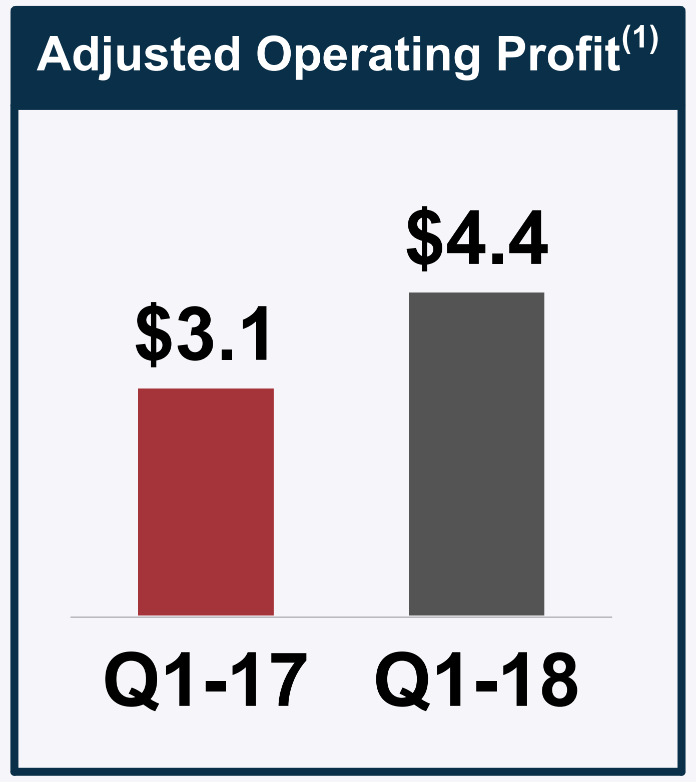




- Net sales down 3.6% on constant currency basis[2]
- Aftermarket channel down $3.5M
  - Low-cost country production shift impacting fulfillment rates
- Commodity cost increases in advance of pricing recovery impacting margins

Asia-Pacific

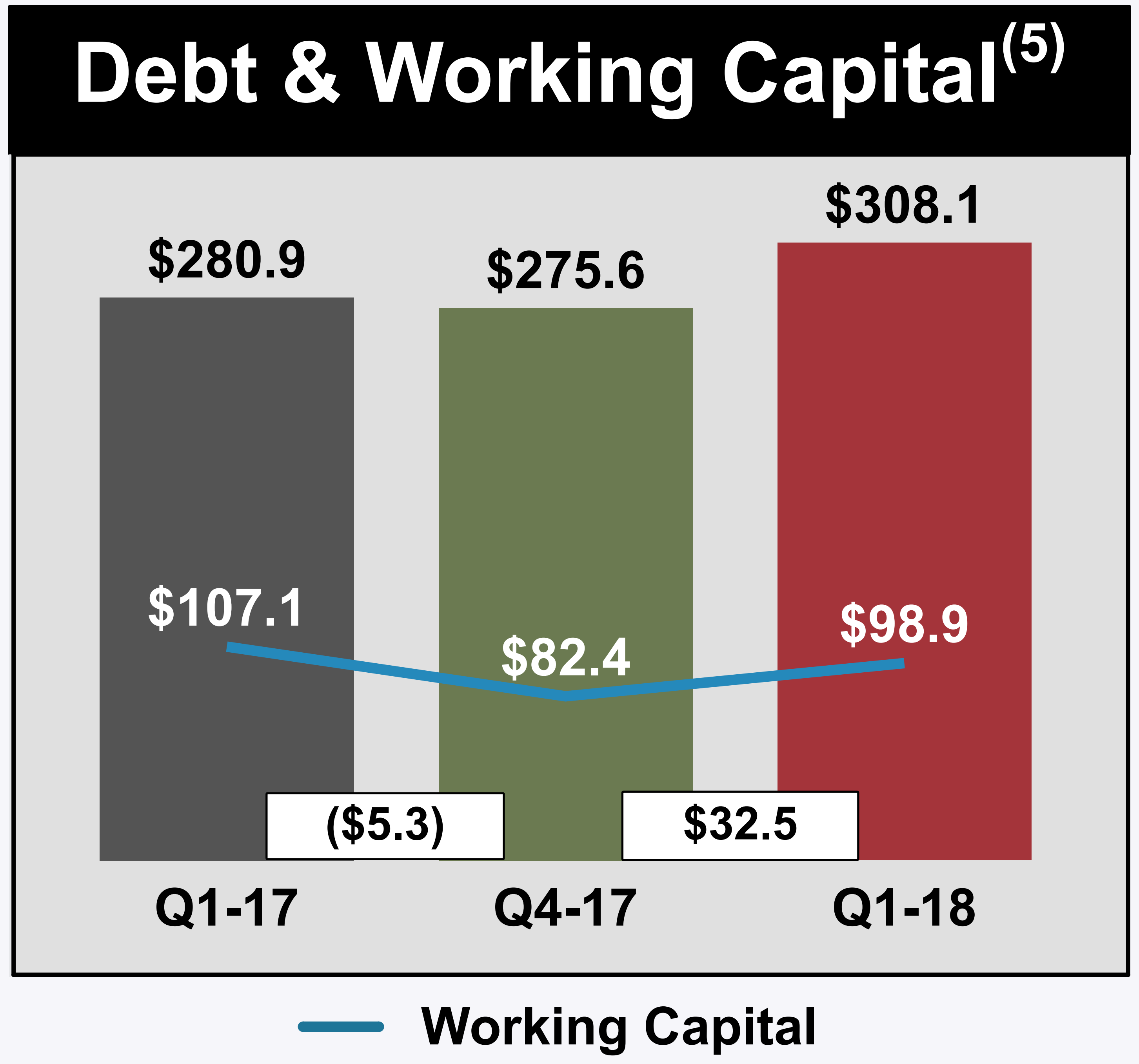


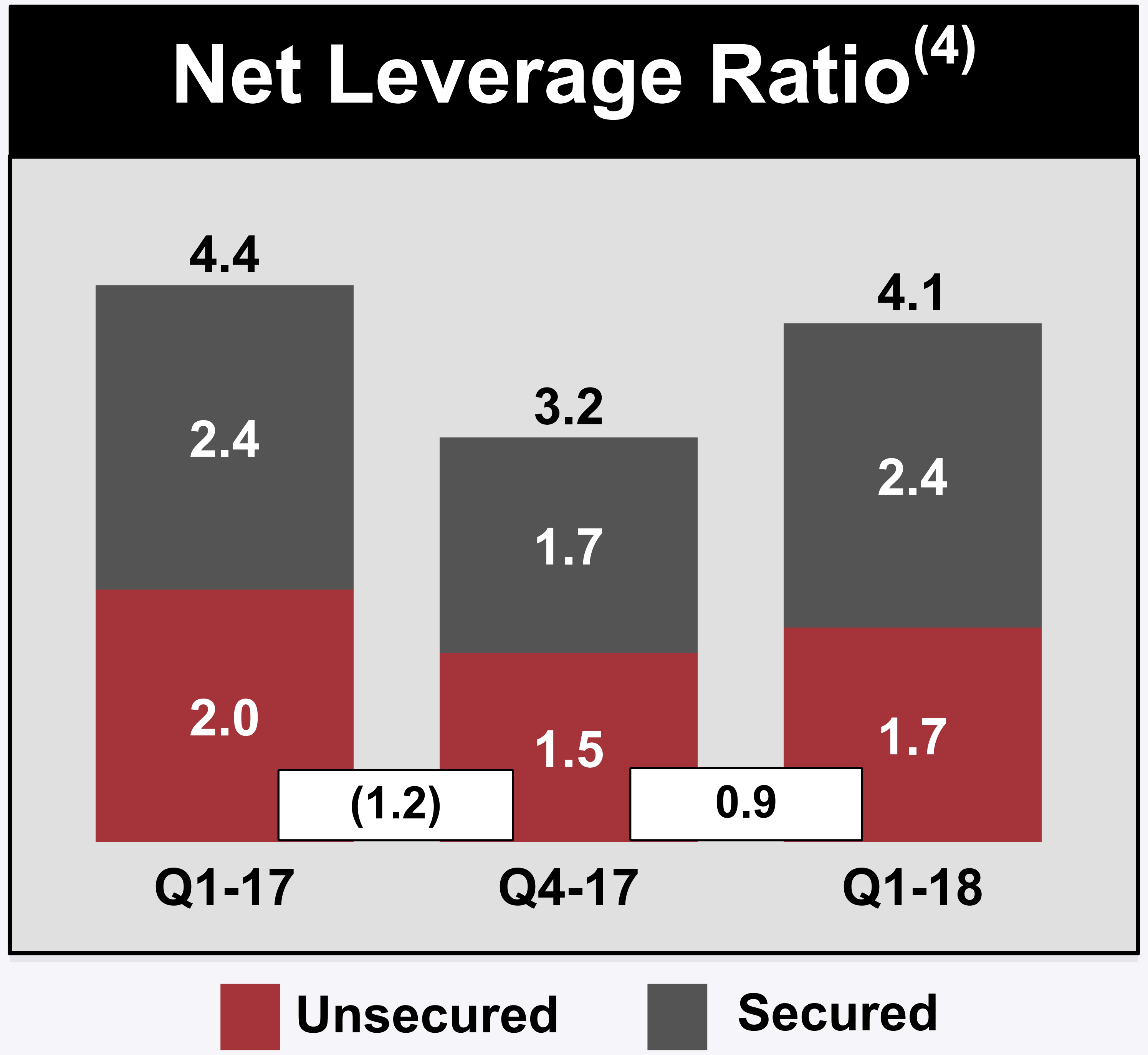


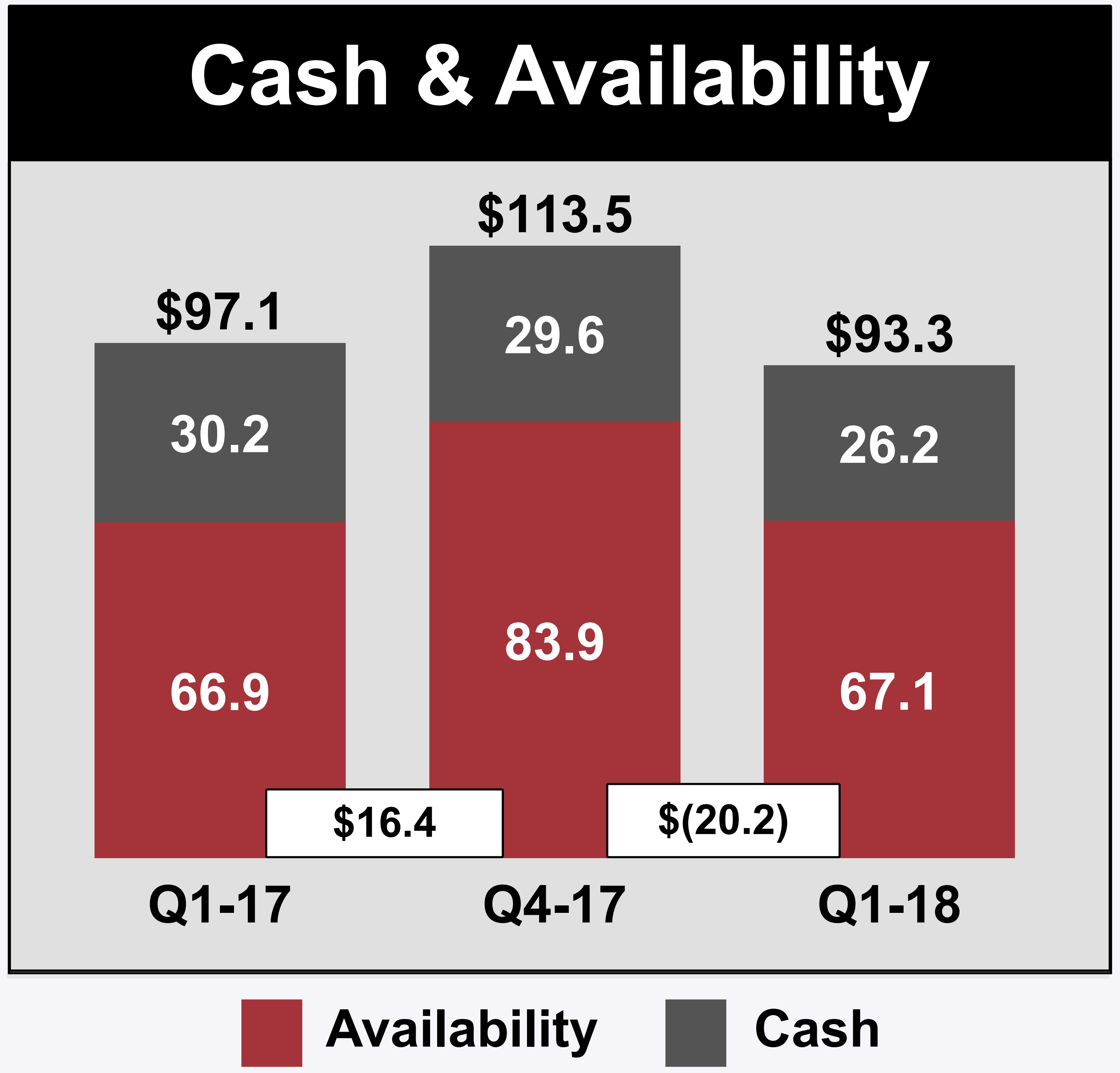
- Net sales increased 19.1% on constant currency basis[2]
- Best Bars contributed $4.6M to net sales
- Operating profit margin improved 170 bps to 13.1%, primarily on operational efficiency and operating leverage

Capitalization

(Unaudited - dollars in millions)







- $30M incremental borrowings on ABL and $9M on Australian facility to support seasonal working capital build
- Reduced cash investment in working capital; used $22M less cash than same period last year
- Leverage ratio[4] improved to 4.1X as LTM Consolidated Bank EBITDA[4] improved $11.4M from first quarter 2017
- Current leverage covenant of 5.0X increases to 6.0X upon Brink completion and funding of new Term B Loan

Summary

Fundamentally strong business with market leading positions	*Demonstrating progress on targeted action plan; repositioning the business profitability*	*Acquisition strategy and synergy capture driving improved profitability and enhancing performance*	*Global team focused on achieving 2018 financial targets and communicating long-term Company strategy*

FOCUSED ON CREATING LONG-TERM SHAREHOLDER VALUE

FIRST QUARTER 2018 EARNINGS

Q&A

FIRST QUARTER 2018 EARNINGS

Appendix

Condensed Consolidated Balance Sheets

(Unaudited - dollars in thousands)	March 31, 2018	December 31, 2017
Assets		
Current assets:		
Cash and cash equivalents	$ 26,240	$ 29,570
Receivables, net of reserves of approximately $3.7 million and $3.1 million at March 31, 2018 and December 31, 2017, respectively	112,780	91,770
Inventories	178,220	171,500
Prepaid expenses and other current assets	12,770	10,950
Total current assets	330,010	303,790
Property and equipment, net	114,540	113,020
Goodwill	98,030	138,190
Other intangibles, net	89,840	90,230
Deferred income taxes	5,410	4,290
Other assets	10,670	11,510
Total assets	$ 648,500	$ 661,030
Liabilities and Shareholders' Equity		
Current liabilities:		
Current maturities, long-term debt	$ 10,300	$ 16,710
Accounts payable	136,750	138,730
Accrued liabilities	68,090	53,070
Total current liabilities	215,140	208,510
Long-term debt	297,840	258,880
Deferred income taxes	15,570	14,870
Other long-term liabilities	32,100	38,370
Total liabilities	560,650	520,630
Commitments and contingent liabilities	—	—
Total shareholders' equity	87,850	140,400
Total liabilities and shareholders' equity	$ 648,500	$ 661,030

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Condensed Consolidated Statement of Income

(Unaudited - dollars in thousands, except per share amounts)

	Three months ended March 31,	
	2018	2017
Net sales	$ 216,810	$ 203,280
Cost of sales	(178,360)	(157,890)
Gross profit	38,450	45,390
Selling, general and administrative expenses	(48,290)	(46,050)
Impairment of goodwill	(43,430)	—
Operating loss	(53,270)	(660)
Other expense, net:		
Interest expense	(5,950)	(5,890)
Loss on extinguishment of debt	—	(4,640)
Other expense, net	(1,120)	(550)
Other expense, net	(7,070)	(11,080)
Loss before income tax benefit	(60,340)	(11,740)
Income tax benefit	2,580	1,580
Net loss	(57,760)	(10,160)
Less: Net loss attributable to noncontrolling interest	(250)	(300)
Net loss attributable to Horizon Global	$ (57,510)	$ (9,860)
Net loss per share attributable to Horizon Global:		
Basic	$ (2.30)	$ (0.41)
Diluted	$ (2.30)	$ (0.41)
Weighted average common shares outstanding:		
Basic	24,963,120	23,839,944
Diluted	24,963,120	23,839,944

Condensed Consolidated Statements of Cash Flow

(Unaudited - dollars in thousands)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Cash Flows from Operating Activities:		
Net loss	$ (57,760)	$ (10,160)
Adjustments to reconcile net loss to net cash used for operating activities:		
Net loss (gain) on dispositions of property and equipment	110	(70)
Depreciation	4,130	3,230
Amortization of intangible assets	2,230	2,570
Impairment of goodwill	43,430	—
Amortization of original issuance discount and debt issuance costs	1,940	1,390
Deferred income taxes	(800)	2,650
Loss on extinguishment of debt	—	4,640
Non-cash compensation expense	720	930
Increase in receivables	(20,220)	(23,720)
Increase in inventories	(5,400)	(8,200)
(Increase) decrease in prepaid expenses and other assets	250	(670)
Increase (decrease) in accounts payable and accrued liabilities	2,040	(12,920)
Other, net	(890)	210
Net cash used for operating activities	(30,220)	(40,120)
Cash Flows from Investing Activities:		
Capital expenditures	(4,190)	(7,510)
Net proceeds from disposition of property and equipment	90	110
Net cash used for investing activities	(4,100)	(7,400)
Cash Flows from Financing Activities:		
Net cash provided by financing activities	30,290	26,760
Effect of exchange rate changes on cash	700	680
Cash and Cash Equivalents:		
Decrease for the period	(3,330)	(20,080)
At beginning of period	29,570	50,240
At end of period	$ 26,240	$ 30,160
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 4,420	$ 4,340
Cash paid for taxes	$ 1,350	$ 670

Condensed Consolidated Statement of Shareholders' Equity

(Unaudited - dollars in thousands)

	Common Stock	Paid-in Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Horizon Global Shareholders' Equity	Noncontrolling Interest	Total Shareholders' Equity
Balance at December 31, 2017	$ 250	$ 159,490	$ (10,000)	$ (17,860)	$ 10,010	$ 141,890	$ (1,490)	$ 140,400
Net loss	—	—	—	(57,510)	—	(57,510)	(250)	(57,760)
Other comprehensive income, net of tax	—	—	—	—	4,680	4,680	10	4,690
Shares surrendered upon vesting of employees' share based payment awards to cover tax obligations	—	(200)	—	—	—	(200)	—	(200)
Non-cash compensation expense	—	720	—	—	—	720	—	720
Balance at March 31, 2018	$ 250	$ 160,010	$ (10,000)	$ (75,370)	$ 14,690	$ 89,580	$ (1,730)	$ 87,850

Company and Business Segment Financial Information

(Unaudited - dollars in thousands)

	Three months ended March 31,			
	2018		2017	
Horizon Americas				
Net sales	$	96,220	$	97,830
Operating profit (loss)	$	(5,110)	$	5,160
Special Items to consider in evaluating operating profit (loss):				
Severance and business restructuring costs	$	3,890	$	—
Adjusted operating profit (loss)	$	(1,220)	$	5,160
Horizon Europe-Africa				
Net sales	$	87,060	$	78,540
Operating loss	$	(45,090)	$	(350)
Special Items to consider in evaluating operating loss:				
Severance and business restructuring costs	$	1,250	$	2,130
Acquisition and integration costs	$	480	$	(190)
Impairment of goodwill	$	43,430	$	—
Adjusted operating profit	$	70	$	1,590
Horizon Asia-Pacific				
Net sales	$	33,530	$	26,910
Operating profit	$	4,390	$	3,070
Corporate Expenses				
Operating loss	$	(7,460)	$	(8,540)
Special Items to consider in evaluating operating loss:				
Acquisition and integration costs	$	1,280	$	2,330
Adjusted operating loss	$	(6,180)	$	(6,210)
Total Company				
Net sales	$	216,810	$	203,280
Operating loss	$	(53,270)	$	(660)
Total Special Items to consider in evaluating operating loss	$	50,330	$	4,270
Adjusted operating profit (loss)	$	(2,940)	$	3,610

Additional Information Regarding Special Items Impacting Reported GAAP Financial Measures

(Unaudited - dollars in thousands, except per share amounts)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Net loss attributable to Horizon Global, as reported	$ (57,510)	$ (9,860)
Impact of Special Items to consider in evaluating quality of income (loss):		
Severance and business restructuring costs	5,140	2,130
Acquisition and integration costs	2,390	2,140
Impairment of goodwill	43,430	—
Loss on extinguishment of debt	—	4,640
Tax impact of Special Items	(1,510)	(3,110)
Adjusted net loss attributable to Horizon Global	$ (8,060)	$ (4,060)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Diluted loss per share attributable to Horizon Global, as reported	$ (2.30)	$ (0.41)
Impact of Special Items to consider in evaluating quality of EPS:		
Severance and business restructuring costs	0.20	0.09
Acquisition and integration costs	0.10	0.09
Impairment of goodwill	1.74	—
Loss on extinguishment of debt	—	0.19
Tax impact of Special Items	(0.06)	(0.13)
Adjusted loss per share attributable to Horizon Global	$ (0.32)	$ (0.17)
Weighted-average shares outstanding, diluted, as reported	24,963,120	23,839,944

Constant Currency Reconciliation

(Unaudited)

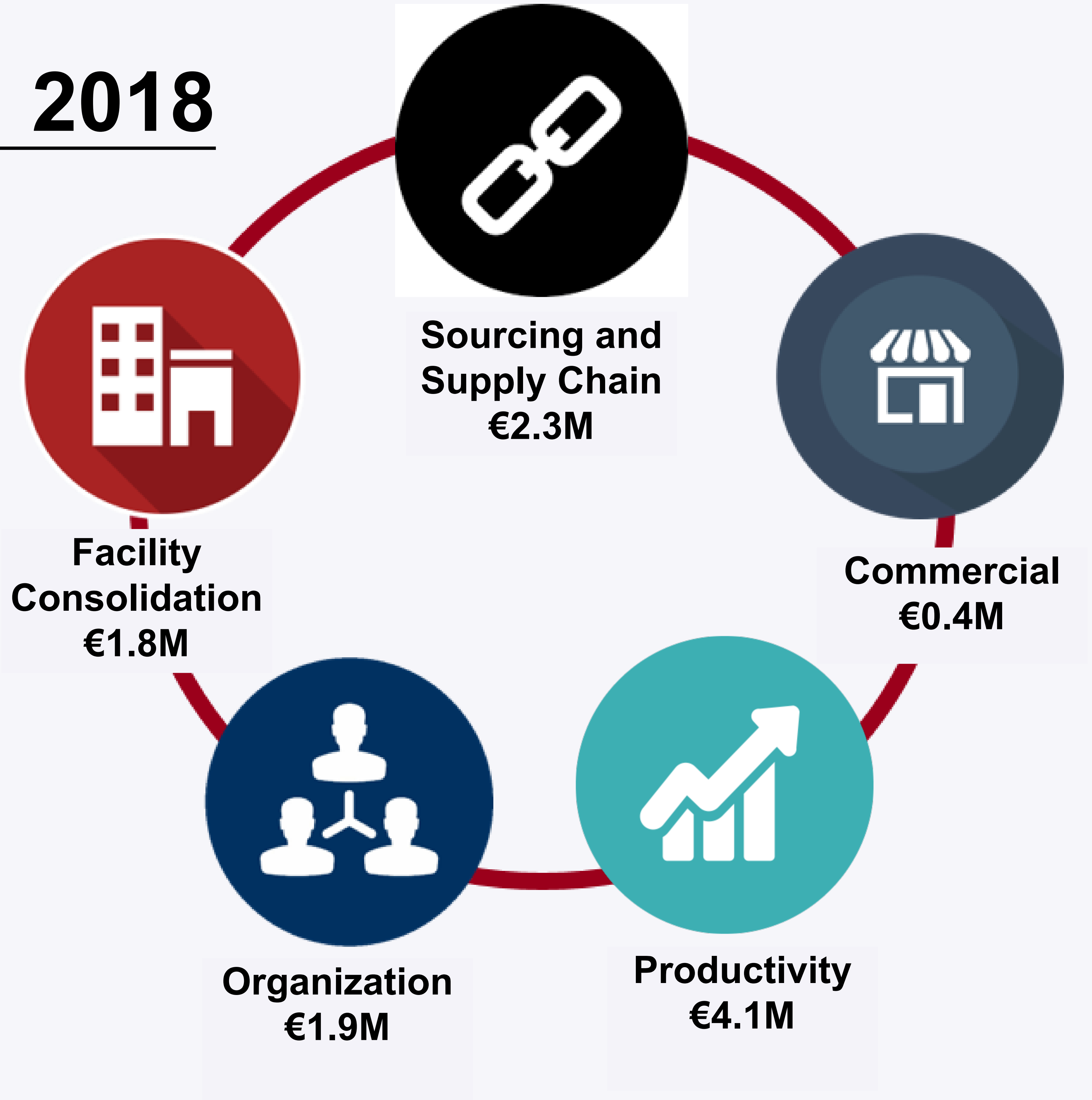
The following table reconciles revenue growth to constant currency revenue for the same measure:

	Three months ended March 31, 2018			
	Horizon Americas	Horizon Europe-Africa	Horizon Asia-Pacific	Consolidated
Revenue growth as reported	(1.6)%	10.8 %	24.6%	6.6%
Less: currency impact	(0.1)%	14.4 %	5.5%	6.3%
Revenue growth at constant currency	(1.5)%	(3.6)%	19.1%	0.3%

We evaluate growth in our operations on both an as reported and a constant currency basis. The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates. We believe providing constant currency information provides valuable supplemental information regarding our growth , consistent with how we evaluate our performance. Constant currency revenue results are calculated by translating current year revenue in local currency using the prior year's currency conversion rate. This non-GAAP measure has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of our results as reported under GAAP. Our use of this term may vary from the use of similarly-titled measures by other issuers due to the potential inconsistencies in the method of calculation and differences due to items subject to interpretation.

Westfalia Synergies

Q1 2018



2017 synergies achieved	*€9.5M*
Q1 2018 synergies achieved	*1.0M*
Total synergies achieved	*10.5M*
2018 target remaining	**7.5M**
Cumulative target - YE 2018	***€18.0M***

ON TRACK FOR €25M - €27M TOTAL SYNERGIES BY YEAR-END 2019

HORIZON GLOBAL

LTM Bank EBITDA as Defined in Credit Agreement - First Quarter 2018

(Unaudited - dollars in thousands)

This appendix reconciles net loss to "Consolidated Bank EBITDA" as defined in our credit agreement. We believe this reconciliation provides valuable supplemental information regarding our capital structure, consistent with how we evaluate our performance.

	Year Ended December 31, 2017	Less: Three Months Ended March 31, 2017	Add: Three Months Ended March 31, 2018	Twelve Months Ended March 31, 2018
Net loss attributable to Horizon Global	$ (3,550)	$ (9,860)	$ (57,510)	$ (51,200)
Bank stipulated adjustments:				
Interest expense, net (as defined)	22,410	5,890	6,580	23,100
Income tax expense (benefit)	9,750	(1,580)	(2,580)	8,750
Depreciation and amortization	25,340	5,800	6,360	25,900
Extraordinary charges	2,520	—	1,350	3,870
Non-cash compensation expense (a)	3,630	930	720	3,420
Other non-cash expenses or losses	2,180	180	44,010	46,010
Pro forma EBITDA of permitted acquisition	840	290	—	550
Interest-equivalent costs associated with any Specified Vendor Receivables Financing	1,490	180	350	1,660
Debt extinguishment costs	4,640	4,640	—	—
Items limited to 25% of consolidated EBITDA:				
Non-recurring expense or costs (b)	2,440	—	1,610	4,050
Acquisition integration costs (c)	11,210	4,270	1,600	8,540
Synergies related to permitted acquisition (d)	1,480	1,480	—	—
Consolidated Bank EBITDA, as defined	$ 84,380	$ 12,220	$ 2,490	$ 74,650
Total Secured Indebtedness (f)				$ 177,960
Total Unsecured Indebtedness (g)				125,000
Total Consolidated Indebtedness (h), as of March 31, 2018				$ 302,960
Secured net leverage ratio				2.38 x
Unsecured net leverage ratio				1.68 x
Net leverage ratio				4.06 x
Covenant requirement				5.00 x

(a) Non-cash compensation expenses resulting from the grant of restricted shares of common stock and common stock options.
(b) Under our credit agreement, costs and expenses related to cost savings projects, including restructuring and severance expenses, are not to exceed $5 million in any fiscal year and $20 million in aggregate, commencing on or after January 1, 2015.
(c) Under our credit agreement, costs and expenses related to the integration of the Westfalia Group acquisition, are not to exceed $10 million in any fiscal year and $30 million in aggregate, or other permitted acquisitions are not to exceed $7.5 million in any fiscal year and $20 million in aggregate.
(d) Under our credit agreement, the add back for the amount of reasonably identifiable and factually supportable "run rate" cost savings, operating expense reductions, and other synergies cannot exceed $12.5 million for the Westfalia Group acquisition.
(e) The amounts added to Consolidated Net Income pursuant to items in notes b-d shall not exceed 25% of Consolidated EBITDA, excluding these items, for such period.
(f) "Total Secured Indebtedness" refers to Total Consolidated Indebtedness less Total Unsecured Indebtedness.
(g) "Total Unsecured Indebtedness" refers to borrowings outstanding on our 2.75% Convertible Senior Notes.
(h) "Total Consolidated Indebtedness" refers to the sum of "long-term debt" and "current maturities, long-term debt" less domestic cash of $1.1 million and 65% of foreign cash, or $16.3 million, as of March 31, 2018.

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LTM Bank EBITDA as Defined in Credit Agreement - Full Year 2017

(Dollars in thousands)

This appendix reconciles net loss to "Consolidated Bank EBITDA" as defined in our credit agreement. We believe this reconciliation provides valuable supplemental information regarding our capital structure, consistent with how we evaluate our performance.

	Year Ended December 31, 2017
Net loss attributable to Horizon Global	$ (3,550)
Bank stipulated adjustments:	
Interest expense, net (as defined)	22,410
Income tax expense	9,750
Depreciation and amortization	25,340
Extraordinary charges	2,520
Non-cash compensation expense [a]	3,630
Other non-cash expenses or losses	2,180
Pro forma EBITDA of permitted acquisition	840
Interest-equivalent costs associated with any Specified Vendor Receivables Financing	1,490
Debt extinguishment costs	4,640
Items limited to 25% of consolidated EBITDA:	
Non-recurring expense or costs [b]	2,440
Acquisition integration costs [c]	11,210
Synergies related to permitted acquisition [d]	1,480
Consolidated Bank EBITDA, as defined	$ 84,380
Total Secured Indebtedness [f]	$ 143,170
Total Unsecured Indebtedness [g]	125,000
Total Consolidated Indebtedness [h], as of December 31, 2017	$ 268,170
Secured net leverage ratio	1.70 x
Unsecured net leverage ratio	1.48 x
Net leverage ratio	3.18 x
Covenant requirement	5.00 x

(a) Non-cash compensation expenses resulting from the grant of restricted shares of common stock and common stock options.
(b) Under our credit agreement, costs and expenses related to cost savings projects, including restructuring and severance expenses, are not to exceed $5 million in any fiscal year and $20 million in aggregate, commencing on or after January 1, 2015.
(c) Under our credit agreement, costs and expenses related to the integration of the Westfalia Group acquisition, are not to exceed $10 million in any fiscal year and $30 million in aggregate, or other permitted acquisitions are not to exceed $7.5 million in any fiscal year and $20 million in aggregate.
(d) Under our credit agreement, the add back for the amount of reasonably identifiable and factually supportable "run rate" cost savings, operating expense reductions, and other synergies cannot exceed $12.5 million for the Westfalia Group acquisition.
(e) The amounts added to Consolidated Net Income pursuant to items in notes b-d shall not exceed 25% of Consolidated EBITDA, excluding these items, for such period.
(f) "Total Secured Indebtedness" refers to Total Consolidated Indebtedness less Total Unsecured Indebtedness.
(g) "Total Unsecured Indebtedness" refers to borrowings outstanding on our 2.75% Convertible Senior Notes.
(h) "Total Consolidated Indebtedness" refers to the sum of "long-term debt" and "current maturities, long-term debt" less domestic cash of $5.9 million and 65% of foreign cash, or $15.4 million, as of December 31, 2017.

LTM Bank EBITDA as Defined in Credit Agreement - First Quarter 2017

(Unaudited - dollars in thousands)

This appendix reconciles net income to "Consolidated Bank EBITDA" as defined in our credit agreement. We believe this reconciliation provides valuable supplemental information regarding our capital structure, consistent with how we evaluate our performance. Previously our March 31, 2017 net leverage ratio was calculated based upon the U.S. GAAP definition of debt with respect to our Convertible Notes. Based on discussion with our loan administrator, the leverage ratio is presented on the basis of a U.S. GAAP exception outlined in the credit agreement.

	Year Ended December 31, 2016	Less: Three Months Ended March 31, 2016	Add: Three Months Ended March 31, 2017	Twelve Months Ended March 31, 2017
Net income (loss) attributable to Horizon Global	$ (12,360)	$ 2,190	$ (9,860)	$ (24,410)
Bank stipulated adjustments:				
Interest expense, net (as defined)	20,080	4,270	5,890	21,700
Income tax expense	(3,730)	740	(1,580)	(6,050)
Depreciation and amortization	18,220	4,370	5,800	19,650
Extraordinary charges	6,830	—	—	6,830
Non-cash compensation expense [(a)]	3,860	860	930	3,930
Other non-cash expenses or losses	16,460	310	180	16,330
Pro forma EBITDA of permitted acquisition	13,910	7,030	—	6,880
Interest-equivalent costs associated with any Specified Vendor Receivables Financing	1,200	220	180	1,160
Debt extinguishment costs	—	—	4,640	4,640
Items limited to 25% of consolidated EBITDA:				
Non-recurring expense or costs [(b)]	4,190	370	—	3,820
Acquisition integration costs [(c)]	4,290	—	4,270	8,560
Synergies related to permitted acquisition [(d)]	12,500	—	(1,640)	10,860
EBITDA limitation for non-recurring expenses or costs [(e)]	(4,860)	—	(5,710)	(10,570)
Consolidated Bank EBITDA, as defined	$ 80,590	$ 20,360	$ 3,100	$ 63,330
Total Secured Indebtedness [(f)]				$ 151,890
Total Unsecured Indebtedness [(g)]				125,000
Total Consolidated Indebtedness [(h)], as of March 31, 2017				$ 276,890
Secured net leverage ratio				2.40 x
Unsecured net leverage ratio				1.97 x
Net leverage ratio				4.37 x
Covenant requirement				5.25 x

(a) Non-cash compensation expenses resulting from the grant of restricted shares of common stock and common stock options.
(b) Under our credit agreement, costs and expenses related to cost savings projects, including restructuring and severance expenses, are not to exceed $5 million in any fiscal year and $20 million in aggregate, commencing on or after January 1, 2015.
(c) Under our credit agreement, costs and expenses related to the integration of the Westfalia Group acquisition, are not to exceed $10 million in any fiscal year and $30 million in aggregate.
(d) Under our credit agreement, the add back for the amount of reasonably identifiable and factually supportable "run rate" cost savings, operating expense reductions, and other synergies cannot exceed $12.5 million for the Westfalia Group acquisition.
(e) The amounts added to Consolidated Net Income pursuant to items in notes b-d shall not exceed 25% of Consolidated EBITDA, excluding these items, for such period.
(f) "Total Secured Indebtedness" refers to Total Consolidated Indebtedness less Total Unsecured Indebtedness.
(g) "Total Unsecured Indebtedness" refers to borrowings outstanding on our 2.75% Convertible Senior Notes.
(h) "Total Consolidated Indebtedness" refers to the sum of "long-term debt" and "current maturities, long-term debt", with our Convertible Notes at their face value of $125 million and excluding certain facilities as defined in our Credit Agreement, less domestic cash of $5.2 million and 65% of foreign cash, or $16.3 million, as of March 31, 2017.

HORIZON GLOBAL

2600 W. Big Beaver Rd
Suite 555
Troy, MI 48084

OUR EMAIL

IR@horizonglobal.com

OUR PHONE

+1 (248) 593-8820

OUR WEBSITE

http://horizonglobal.com/